

Market Data	
52-week high/low	SAR 33.30/27.35
Market Cap	SAR 71,750 mln
Shares Outstanding	2,500 mln
Free-float	89.83%
12-month ADTV	5,809,739
Bloomberg Code	ALINMA AB



Continued Loan Momentum

May 04, 2025

Upside to Target Price	25.4%	Rating	Buy
Expected Dividend Yield	4.1%	Last Price	SAR 28.70
Expected Total Return	29.6%	12-mth target	SAR 36.00

Alinma Bank	1Q2025	1Q2024	Y/Y	4Q2024	Q/Q	RC Estimate
Net Fin. & Invest. Income	2,283	2,012	13%	2,266	1%	2,481
Total Operating Income	2,814	2,565	10%	2,815	0%	3,106
Net Income	1,508	1,315	15%	1,529	(1%)	1,455
Net Financing	209,435	180,702	16%	202,308	4%	208,313
Deposits	218,839	188,988	16%	210,545	4%	212,650

(All figures are in SAR mln)

- Loans continued their strong growth, rising by +16% Y/Y and +4% Q/Q, reaching SAR 209 bln, in line with our forecast of SAR 208 bln. Deposits also rose by +16% Y/Y and +4% Q/Q to SAR 219 bln. Alinma recorded SAR 8.3 bln in sequential net financing growth, while deposits increased by SAR 7.1 bln, maintaining a stable loan-to-deposit ratio (LDR) at 96% in 1Q2025.
- Net Financing and Investment Income increased by +13% Y/Y, and posted modest sequential growth of +1% Q/Q to SAR 2.3 bln, driven mainly by higher investment volume and a slight increase in financing volume coupled with lower return paid on time deposits.
- Total Operating Income rose +10% Y/Y (but remained flat Q/Q), primarily due to modest increase in Net Fin.& Investment income coupled with decline in non-funded income. Impairment charges fell by -14% Y/Y and -9% Q/Q to SAR 226 bln, as the bank continues to onboard better-quality new assets.
- The bank reported a bottom-line of SAR 1.5 bln, reflecting a +15% Y/Y growth, and a slight -1% Q/Q decline. The sequential drop reflects higher operating expenses, which rose +5% Q/Q (excluding Impairment charges). Alinma declared a cash dividend of SAR 0.30 per share for 1Q25.
- Over the past two years the bank has consistently delivered an exceptional performance, capitalizing on the higher interest rate environment. We believe the bank is well-positioned to sustain its strong performance in the medium and long term, particularly due to its active participation in project finance, with ongoing growth in mega and large-scale project loans. Considering the positive outlook, we maintain our Buy stance and target price.

Reem M. Alkhulayfi
 reem.alkhulayfi@riyadcapital.com
 +966-11-203-6880

■ Stock Rating

Buy	Neutral	Sell	Not Rated
Expected Total Return Greater than +15%	Expected Total Return between -15% and +15%	Expected Total Return less than -15%	Under Review/ Restricted

The expected percentage returns are indicative, stock recommendations also incorporate relevant qualitative factors
For any feedback on our reports, please contact research@riyadcapital.com

Riyad Capital is a Saudi Closed Joint Stock Company with Paid up capital of SR 500 million, licensed by the Saudi Arabian Capital Market Authority NO.07070-37. Commercial Registration No: 1010239234. Head Office: Granada Business Park 2414 Al-Shohda Dist. – Unit No 69, Riyadh 13241 - 7279 Saudi Arabia. Ph: 920012299.

The information in this report was compiled in good faith from various public sources believed to be reliable. Whilst all reasonable care has been taken to ensure that the facts stated in this report are accurate and that the forecasts, opinions and expectations contained herein are fair and reasonable. Riyad Capital makes no representations or warranties whatsoever as to the accuracy of the data and information provided and, in particular, Riyad Capital does not represent that the information in this report is complete or free from any error. This report is not, and is not to be construed as, an offer to sell or solicitation of an offer to buy any financial securities. Accordingly, no reliance should be placed on the accuracy, fairness or completeness of the information contained in this report. Riyad Capital accepts no liability whatsoever for any loss arising from any use of this report or its contents, and neither Riyad Capital nor any of its respective directors, officers or employees, shall be in any way responsible for the contents hereof. Riyad Capital or its employees or any of its affiliates or clients may have a financial interest in securities or other assets referred to in this report. Opinions, forecasts or projections contained in this report represent Riyad Capital's current opinions or judgment as at the date of this report only and are therefore subject to change without notice. There can be no assurance that future results or events will be consistent with any such opinions, forecasts or projections which represent only one possible outcome. Further, such opinions, forecasts or projections are subject to certain risks, uncertainties and assumptions that have not been verified and future actual results or events could differ materially. The value of, or income from, any investments referred to in this report may fluctuate and/or be affected by changes. Past performance is not necessarily an indicative of future performance. Accordingly, investors may receive back less than originally invested amount. This report provides information of a general nature and does not address the circumstances, objectives, and risk tolerance of any particular investor. Therefore, it is not intended to provide personal investment advice and does not take into account the reader's financial situation or any specific investment objectives or particular needs which the reader may have. Before making an investment decision the reader should seek advice from an independent financial, legal, tax and/or other required advisers due to the investment in such kind of securities may not be suitable for all recipients. This research report might not be reproduced, nor distributed in whole or in part, and all information, opinions, forecasts and projections contained in it are protected by the copyright rules and regulations.