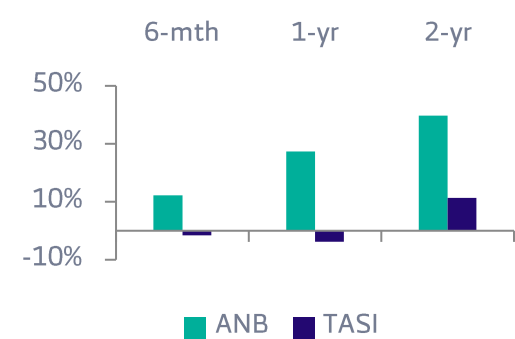


Market Data	
52-week high/low	SAR 26.26/18.84
Market Cap	SAR 48,400 mln
Shares Outstanding	2,000 mln
Free-float	49.98%
12-month ADTV	1,582,844
Bloomberg Code	ARNB AB



■ Soft Quarter, Fundamentals Intact

October 29, 2025

Upside to Target Price	15.7%	Rating			Buy	
Expected Dividend Yield	5.8%	Last Price			SAR 24.20	
Expected Total Return	21.5%	12-mth target			SAR 28.00	
ANB	3Q2025	3Q2024	Y/Y	2Q2025	Q/Q	RC Estimate
Net Commission Income	2,008	2,075	(3%)	2,173	(8%)	2,253
Total Operating Income	2,392	2,409	(1%)	2,594	(8%)	2,729
Net Income	1,329	1,243	7%	1,336	(1%)	1,411
Net Financing	191,356	166,330	15%	186,476	3%	192,070
Deposits	210,697	180,852	17%	201,739	4%	207,791

(All figures are in SAR mln)

- Loans continued their strong momentum, rising by +15% Y/Y and +3% Q/Q, reaching SAR 191 bln, in-line with our forecast of SAR 192 bln. Deposits also grew by +17% Y/Y, and +4% Q/Q to SAR 211 bln. The SAR 4.9 bln increase in net financing was outpaced by the SAR 9.0 bln increase in deposits during this quarter, resulting in lower loan-to-deposit ratio (LDR) at 90.8% versus 92.4% in 2Q2025.
- NSCI declined by -3% Y/Y and -8% Q/Q, reaching SAR 2.0 bln. The sequential decline was primarily attributed to a lower investment portfolio yields and higher related expense, resulting in a 29% drop in net income from investment, partly offset by a marginal increase in income from financing activities.
- Total operating income declined by -1% Y/Y and (-8% Q/Q), mainly reflecting lower NSCI, as well as a decrease in dividends and trading income, alongside weaker fee and commission income. Net provisions for expected credit losses (ECL) and other losses declined sharply by -88% Y/Y and -91% Q/Q to SAR 19 mln in 3Q, as management attributed the improvement to enhanced credit quality and favorable changes in macroeconomic indicators.
- ANB reported a net profit of SAR 1.33 bln, up +7% Y/Y but down -1% Q/Q, marginally below our estimate of SAR 1.41 bln. The quarterly decline was mainly due to lower NSCI and softer non-interest income, though this was partly offset by the significant drop in ECL provisions.
- Although near-term performance was affected by margin pressure and softer investment income, ANB remains fundamentally strong, supported by a solid funding base and high CASA ratio, which continue to underpin its low funding cost and margin resilience. Given these sound fundamentals, we maintain our target price of SAR 28.00 and our Buy recommendation.

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■ 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

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