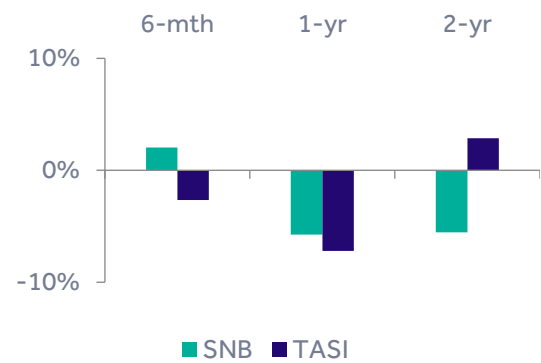


Market Data	
52-week high/low	SAR 38.45/31.55
Market Cap	SAR 211,500 mln
Shares Outstanding	6,000 mln
Free-float	62.71%
12-month ADTV	5,332,634
Bloomberg Code	SNB AB



■ Advances and Deposits Surge Q/Q

Upside to Target Price 24.8%
Expected Dividend Yield 6.0%
Expected Total Return 30.8%

Rating Buy
Last Price SAR 35.25
12-mth target SAR 44.00

April 23, 2025

SNB	1Q2025	1Q2024	Y/Y	4Q2024	Q/Q	RC Estimate
Net Commission Income	7,254	6,911	5%	6,904	5%	7,135
Total Operating Income	9,615	8,939	8%	8,988	7%	9,288
Net Income	6,022	5,040	19%	5,557	8%	5,484
Net Financing	706,430	625,202	13%	654,252	8%	674,292
Deposits	626,394	656,261	(5%)	579,762	8%	591,357

(All figures are in SAR mln)

- Customer deposits grew by +8% Q/Q, (following a -9% decline in prior quarter), reaching SAR 626 bln, primarily driven by an increase in CASA balance. Net financing also expanded by +8% Q/Q (+13% Y/Y) to SAR 706, adding SAR 52 bln to loan portfolio. Growth was broad-based across wholesale financing and including SMEs and Retail mortgages. Simple LDR remained stable at 113% in 1Q2025. NSCI rose by +5% Q/Q and Y/Y, while NIMs for the quarter stood at 3.05%, improving +12bps Q/Q, due to effective funding costs management.
- Operating expenses increased +2% Y/Y, mainly due to higher domestic staffing cost and elevated G&A expenses. However, group Cost-to Income ratio improved to 26.2% from 28.3% in 4Q2024, reflecting disciplined cost control. Impairment charges for the quarter dropped significantly by -95% Y/Y, though they rose by +58% Q/Q to SAR 35 mln. NPLs improved to 0.91% down from 1.16% in the previous quarter, underscoring enhanced credit quality and effective risk management.
- SNB has reported a 1Q bottom-line of SAR 6.0 bln (+8% Q/Q and +19% Y/Y), outperforming both our estimates and market consensus (SAR 5.4 bln). The outperformance was driven by higher core business revenue, and lower impairment charges.
- Despite these strong fundamentals, stock performance has been lackluster, reflecting cautious market sentiment. Nevertheless, SNB's robust balance sheet and sustainable growth outlook reinforce our confidence in its long-term prospects. We maintain our Buy rating with a target price of SAR 44.00. The bank remains well-positioned to leverage anticipated interest rate cuts, which should ease funding costs, support loan growth, and sustain margin stability.

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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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