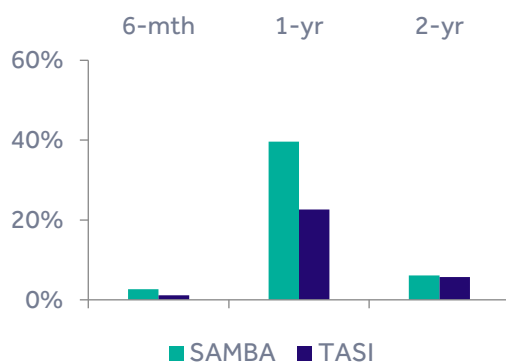


Market Data	
52-week high/low	SAR 34.95/18.30
Market Cap	SAR 57,100 mln
Shares Outstanding	2,000 mln
Free-float	81.4%
12-month ADTV	1,569,095
Bloomberg Code	SAMBA AB



■ Non-core Income Leads Earnings

November 04, 2020

Upside to Target Price	(5.4%)	Rating	Neutral
Expected Dividend Yield	2.8%	Last Price	SAR 28.55
Expected Total Return	(2.6%)	12-mth target	SAR 27.00

SAMBA	3Q2020	3Q2019	Y/Y	2Q2020	Q/Q	RC Estimate
Net Commission Income	1,377	1,564	(12%)	1,391	(1%)	1,364
Total Operating Income	2,457	2,195	12%	2,359	4%	2,499
Net Income	1,231	1,226	0%	955	29%	1,006
Loans & Advances	154,207	125,495	23%	148,088	4%	152,897
Deposits	201,167	165,490	22%	187,259	7%	184,190

(All figures are in SAR mln)

- Loans continued its uptrend since 1Q2019, adding SAR 6.1 bln while deposits also increased for the second quarter in a row by SAR 13.9 bln. Therefore, LDR fell from 79% last quarter to 77%.
- NSCI was lower by -1% Q/Q and -12% Y/Y to SAR 1.4 bln. Non-core income came in at SAR 1.1 bln (+12% Q/Q, +71% Y/Y) due to an increase in income from FVIS investments and trading income, partially offset by a drop in gains on FVOCI debt, exchange income and fee and commission income.
- Operating expense dropped -14% Q/Q to reach SAR 1.0 bln on the back of a decrease in rent and premises related expense and provisions.
- Net income was flat Y/Y but came in higher by +29% Q/Q to reach SAR 1.2 bln, beating both our estimate of SAR 1.0 bln and market consensus of SAR 1.1 bln. We raise our target price to SAR 27.00 but maintain a Neutral stance.

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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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