

Market Data	
52-week high/low	SAR 36.00/27.35
Market Cap	SAR 74,625 mln
Shares Outstanding	2,500 mln
Free-float	89.83%
12-month ADTV	5,466,917
Bloomberg Code	ALINMA AB



### ■ Robust Earnings & Financing Growth

February 03, 2025

Upside to Target Price	20.6%	Rating	Buy
Expected Dividend Yield	3.7%	Last Price	SAR 29.85
Expected Total Return	24.3%	12-mth target	SAR 36.00

Alinma Bank	4Q2024	4Q2023	Y/Y	3Q2024	Q/Q	RC Estimate
Net Fin. & Invest. Income	2,266	2,054	10%	2,220	2%	2,305
Total Operating Income	2,816	2,569	10%	2,815	0%	2,868
Net Income	1,530	1,320	16%	1,572	(3%)	1,581
Net Financing	202,308	173,624	17%	195,895	3%	201,226
Deposits	210,545	187,901	12%	209,140	1%	217,965

(All figures are in SAR mln)

- Net financing grew by +3% Q/Q and +17% Y/Y to reach SAR 202 bln, while deposits increased by +1% Q/Q and +12% Y/Y to SAR 210.5 bln. Consequently, the SAR 1.4 bln increase in deposits was outpaced by the SAR 6.4 bln increase in net financing Q/Q, resulting in a higher loan-to-deposit ratio (LDR) at 96% from 94% in 3Q2024.
- Net Financing and Investment Income rose by +10% Y/Y and +2% Q/Q to SAR 2.3 bln, aligning with our estimates. Growth is mainly attributed to an increase in financing volume and higher investment yields. Total Operating Income rose +10% Y/Y (but flat Q/Q), primarily due to higher increase in Net Fin.& Investment income supported by increase in non-funded income, which showed a healthy growth by +7% Y/Y. Impairment charge decreased by -19% Y/Y to SAR 250 bln (in-line with our estimate). This decrease is attributed to lower non-performing financing arising from the settlement of impaired accounts and onboarding of better-quality new assets.
- The bank reported a bottom-line of SAR 1.5 bln, reflecting a +16% Y/Y growth, but -3% Q/Q decline. This growth was mainly driven by a higher net income from financing and investment, fee income, exchange income and FVSI income. The bank announced a DPS of SAR 0.30 for 4Q.
- Over the past two year 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 increase the target price to SAR 36.00.

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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](mailto:research@riyadcapital.com)

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