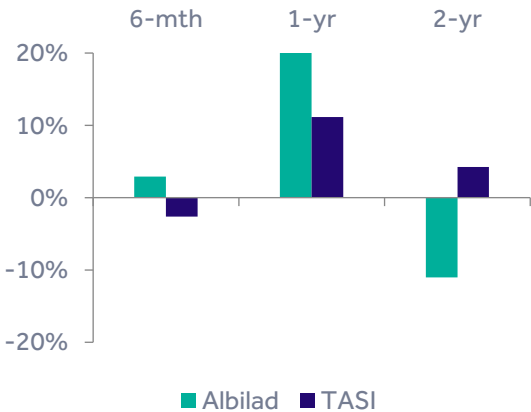


Market Data	
52-week high/low	SAR 41.36 / 28.84
Market Cap	SAR 45,785 mln
Shares Outstanding	1,250 mln
Free-float	58.76%
12-month ADTV	1,472,352
Bloomberg Code	ALBI AB



■ Robust Earnings & Deposit Growth

November 03, 2024

Upside to Target Price	0.5%	Rating	Neutral
Expected Dividend Yield	1.4%	Last Price	SAR 36.80
Expected Total Return	1.9%	12-mth target	SAR 37.00

Albilad Bank	3Q2024	3Q2023	Y/Y	2Q2024	Q/Q	RC Estimate
Net Fin. & Invest Income	1,160	1,052	10%	1,084	7%	1,140
Total Operating Income	1,446	1,336	8%	1,408	3%	1,342
Net Income	703	616	14%	671	5%	681
Net Financing	106,695	101,603	5%	104,310	2%	108,618
Deposits	122,342	108,915	12%	114,530	7%	117,362

(All figures are in SAR mln)

- Net financing saw a moderate +2% increase Q/Q, reaching SAR 106.7 bln while deposits grew by 7% Q/Q and 12% Y/Y, totaling SAR 122.3 bln, in line with our estimates. Consequently, the SAR 2.4 bln increase in net financing was outpaced by the SAR 7.8 bln increase in deposits Q/Q, leading to a decrease in loan-to-deposit ratio (LDR) to 87% from 89% in 2Q2024. This stable LDR reflects balanced liquidity management, supporting both lending growth and prudent risk level.
- Net financing and investment income showed strong performance with annual and sequential rises of +10% and +7%, respectively. The increase was largely driven by +14% Q/Q rise in the Net Income from Financing, supported by -1.5% reduction in funding cost. However, Net Investment Income declined by -15% Q/Q, which impacted overall growth. Impairment charges fell by -35% Q/Q, reflecting better quality and composition of the portfolio. The Cost-to-Income ratio has improved to 42% from 43% in the previous quarter, despite +5% Q/Q higher operating expenses.
- NIMs marginally improved by 14 bps Q/Q settling at 3.41%. Non-core income decreased by -11% Q/Q to SAR 287 mln, mainly due to decline in other operating income, and net gain on FVSI instruments and dividend income.
- Net income reached SAR 703 mln, up +14% Y/Y and +5% Q/Q, aligning with our estimate of SAR 681 mln. Bottomline growth was supported by a +3% Q/Q rise in total operating income, driven by an increase in net income from financing activities, and favorable net exchange movements. The stock trades close to our SAR 37.00 target. Hence, we 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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