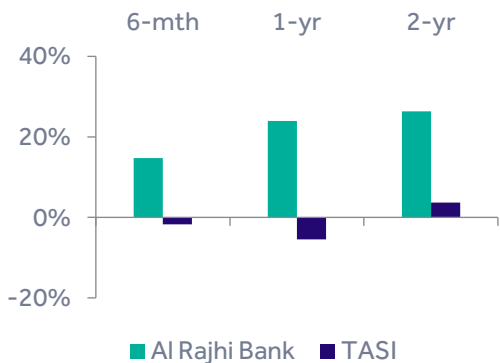


Market Data	
52-week high/low	SAR 104.00/75.50
Market Cap	SAR 389,600 mln
Shares Outstanding	4,000 mln
Free-float	97.81%
12-month ADTV	4,452,215
Bloomberg Code	RJHI AB



■ Achieves Trillion in Total Assets, Reinforcing Growth Trajectory

April 24, 2025

Upside to Target Price	18.1%	Rating	Buy
Expected Dividend Yield	3.3%	Last Price	SAR 97.40
Expected Total Return	21.4%	12-mth target	SAR 115.00

Al Rajhi Bank	1Q2025	1Q2024	Y/Y	4Q2024	Q/Q	RC Estimate
Net Fin. & Invest. Income	7,097	5,647	26%	6,941	2%	7,392
Total Operating Income	9,200	7,229	27%	8,750	5%	9,298
Net Income	5,906	4,405	34%	5,516	7%	5,897
Net Financing	722,785	608,990	19%	693,410	4%	728,167
Deposits	629,229	603,978	4%	628,239	0%	647,086

(All figures are in SAR mln)

- Net financing grew by +4% Q/Q and +19% Y/Y to reach SAR 723 bln, while deposits remained flat on sequential basis, however, rose by +4% Y/Y to SAR 629 bln. Al Rajhi remarkably added SAR 29 bln in net financing on a sequential basis, while deposits increased by only SAR 1.0 bln, resulting in a higher loan-to-deposit ratio (LDR) at 115% from 110% in 4Q2024. Management highlighted a +12% Y/Y growth in retail financing driven by 15% rise in mortgage financing and 8% in total consumer financing, while corporate financing grew by 36%, and SME elevated by 35%, demonstrating robust performance. The positive impact of interest rate cuts has been clearly reflected in the banks' balance sheet. Net Financing and Investment Income recorded a substantial increase of +26% Y/Y and +2% Q/Q, reaching SAR 7.1 bln, in line with our estimates of SAR 7.4 bln. NIMs were at 3.16% representing a 13bps increase Y/Y. Cost of risk was recorded at 29 bps for 1Q lower by 4bps Q/Q, mainly due to decrease on impairment charges by -5% Q/Q. Operating income has increased by +5% Q/Q and +27% Y/Y to SAR 9.2 bln, matching our estimates. Cost-to Income ratio has improved to 22.7% (from 23.4% in 4Q2024).
- Al Rajhi has reported a 1Q bottom-line of SAR 5.9 bln, reflecting an +7% Q/Q, and +34% Y/Y growth, matching our estimates. This growth was led by solid net financing and investment income, while non-yield income also contributed positively, achieving +16% Q/Q growth.
- The bank continues to deliver outstanding performance, with total assets reaching SAR 1.0 trln for the first time marking a +22% Y/Y and +5% Q/Q increase. This growth is underpinned by robust expansion across both financing and investment portfolios. Given this momentum, we reaffirm our positive outlook and maintain our recommendation and target price.

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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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