

10 June 2026

Banque Saudi Fransi

We initiate coverage on Banque Saudi Fransi (BSF) with a 2026e target price of SAR 23.5/share and an 'Overweight' rating. The bank's balance sheet is supported by a shift towards retail lending, reinforced by a diversified funding strategy. While near-term earnings are expected to face margin pressure from elevated funding costs and a sticky rate environment, BSF's strategic repositioning, particularly its pivot toward retail banking, capital market funding, and high-quality fixed-rate investments, provides earnings resilience and supports sustainable long-term returns.

Pivot towards retail lending and fixed investment portfolio to protect margins. BSF's shift toward fixed rate retail assets (share of retail loans: 20.4% in 1Q26 vs 14.2% in 2020), is expected to provide earnings resilience once interest rate cuts resume in 2027f. While BSF's predominantly floating-rate corporate book remains exposed to asset yield compression once rates begin to decline in 2027f, the growing retail mix helps preserve asset yields for longer due to the relatively slower repricing nature of retail loans. This provides a hedge and is expected to strengthen further as retail loans move toward management's targeted ~25% share of the loan book by 2030f. Additionally, with 90.1% of BSF's investment portfolio in fixed rate securities, the investment portfolio plays a stabilizing role. The fixed-nature of investments is positioned to maintain relatively steady yields.

Near-term NIM compression is cushioned by elevated SAIBOR-SOFR spreads. The average 6M SAIBOR-SOFR spread of 137 bps in 2025, is above the 2-year average of 127 bps, which has meaningfully dampened the impact of US rate cuts on corporate loan yields in a way that has little precedence in prior easing cycles. Due to elevated SAIBOR-SOFR spreads, BSF's asset yields fell only 22 bps in 2025 despite a 75 bps US Fed rate reduction. We expect this buffer to persist through 2026e, and forecast NIM of 3.09% for 2026e, supported by elevated SAIBOR-SOFR spreads, management's expectations of higher repricing of corporate loans, and a shift towards fixed rate retail loans.

Proactive funding diversification amid tight liquidity. The bank's deposit growth has been in line with the sector, with a 2020-2025 CAGR of 9.0% versus the industry average of 8.5%, with structurally high LDR levels (110.1% in 2025). In response, BSF has accelerated capital-market funding, emerging as one of the most active issuers among Saudi banks. Debt securities and term loans now constitute 11.8% of total capital (1Q26), up from 5.3% in 2024. This funding diversification broadens BSF's investor base, extends liability tenor, and enhances flexibility to support medium-term asset growth.

Strong capital strength to support dividend sustainability. BSF's total CAR of 21.0% in 1Q26 is one of the highest among Saudi banks. With CAR at sufficient levels, the bank is expected to support dividend sustainability and absorb SAMA's 100 bps countercyclical buffer without constraining loan growth.

Valuation: We initiate coverage with an 'Overweight' rating on BSF. Our valuation is based on a sustainable RoAE assumption of 13.5%, a 55.0% payout ratio, and an implied long-term growth rate of 6.1%. Applying a cost of equity of 11.6% results in a justified P/B of 1.3x and a 2031f BVPS of SAR 23.8, translating into a 2026e target price of SAR 23.5/share. This implies a 21.1% upside relative to the current market price of SAR 19.4/share.

Risks: While BSF's asset quality indicators have improved in recent years, we remain mindful of the bank's sensitivity to shifts in the operating environment, particularly given its increasing retail exposure. Additionally, BSF's elevated LDR increases reliance on wholesale funding and may amplify margin pressure if deposit competition further intensifies. Moreover, if lending growth moderates beyond our estimates, it could pose downside risk to our earnings forecasts.

RATING SUMMARY

Target Price (SAR)	23.5
Upside/Downside (%)	21.1
Div. Yield (%)	5.7
Total Exp. Return (%)	26.9

Source: Company financials, anbc research

ISSUER INFORMATION

Bloomberg Code	BSF AB
Last Price (SAR)	19.4
No of Shares (mn)	2,500
Market Cap bn (SAR/USD)	48.6/13.0
52-week High / Low (SAR)	21.0/15.5
12-month ADTV (mn) (SAR/USD)	40.9/10.9
Free Float (%)	73.7
Foreign Holdings (%)	15.7

Close of 2nd Jun, 2026

VALUATIONS

	2025	2026e	2027f	2028f
EPS (SAR)	2.0	2.0	2.2	2.4
PER (x)	9.9	9.6	8.9	8.1
PBV (x)	1.1	1.1	1.0	1.0
DPS (SAR)	1.1	1.1	1.2	1.3
Div. Yield (%)	5.5	5.7	6.2	6.8
RoAE (%)	11.9	11.6	11.9	12.5
RoAA (%)	1.6	1.6	1.6	1.6

Source: Company financials, anbc research

FINANCIALS (SAR bn)

	2025	2026e	2027f	2028f
Oper. Income	10.5	11.0	11.8	12.8
Provisions	1.0	1.2	1.4	1.4
Net Income*	4.9	5.1	5.5	6.0
Investments	68.7	71.1	69.5	71.3
Loans	214.9	228.9	253.9	279.0
Deposits	195.2	206.4	225.0	244.4
NIM (%)	3.1	3.1	3.1	3.1

*After Sukuk cost

Source: Company financials, anbc research

RELATIVE PRICE PERFORMANCE



Source: Bloomberg, anbc research

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Investment Thesis

Steady balance sheet expansion

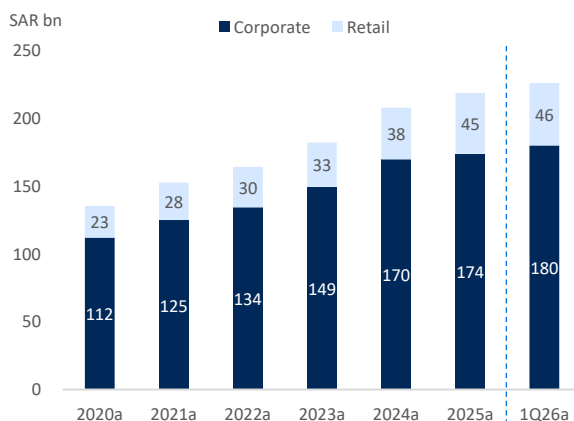
BSF presents a balanced growth profile, supported by disciplined loan expansion, a diversified funding strategy, and a strengthening asset-quality trajectory, with the bank’s NPL ratio declining to 1.0% in 2025 from 2.8% in 2020. The bank has demonstrated steady loan growth over recent years, with a 2020-2025 CAGR of 10.5%, to SAR 214.9 bn by 2025, though growth has remained below the sector CAGR of 13.1%. Loan growth has primarily been underpinned by its growing corporate portfolio, with gross corporate loans increasing at a 5-year CAGR of 9.2% to SAR 173.7 bn, as well as improving focus on the retail segment (5-year CAGR of 14.1% to SAR 45.0 bn). Corporate loans remain a major portion of BSF’s loan book, accounting for an average of 81.4% of the gross loan portfolio over the past 5 years, higher than the sector average share of corporate to total gross loans of 64.7%.

BSF has also proactively diversified its funding base by increasing reliance on capital-market issuances, with the bank having the highest issuance volume of Sukuks (Tier 1 + Tier 2) among Saudi banks in 2025. Additionally, the bank’s investment portfolio is dominated by fixed rate securities (90.5% of the investment portfolio as of 2025), which positions it favorably in the current interest rate environment, once rate cut materializes in 2027f.

Shifting focus towards retail lending

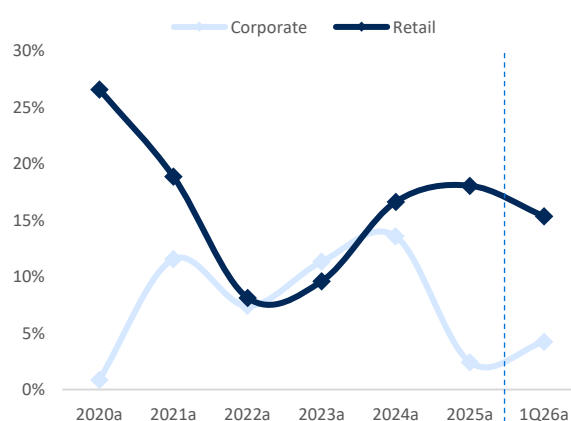
In recent periods, BSF has intensified its focus on retail banking as part of its long-term strategic diversification. Gross retail loans grew by 18.0% YoY during 2025, supported by strong momentum in mortgages (+23.9% YoY) to SAR 22.3 bn and personal loans (+12.3% YoY) to SAR 14.0 bn. Credit card lending also increased by 33.0% YoY to SAR 995.8 mn, aided by targeted marketing initiatives and customer acquisition campaigns. This reflects BSF’s deliberate repricing strategy. The momentum carried over into 1Q26, with the bank recording 15.3% YoY growth in retail lending to SAR 46.0 bn, while the corporate book grew 4.2% YoY to SAR 179.9 bn. With expectations of decline in interest rates during 2027f, fixed rate retail assets offer higher yield durability than floating-rate corporate loans. Hence, this diversification of the loan mix is expected to enhance revenue stability over time. Under its Strategy 2030, BSF’s management expects to expand retail lending to reach approximately 25% of the book by 2030f (compared to 20.4% in 1Q26).

Chart 29: Total gross loan portfolio



Source: Company financials, anbc research

Chart 30: Loan growth (YoY)

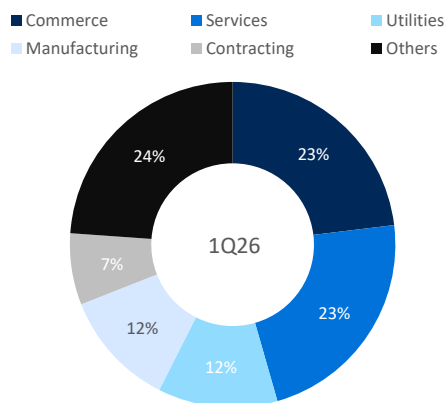


Source: Company financials, anbc research

Looking forward, we expect BSF to sustain balanced loan growth, underpinned by continued demand across both corporate and retail segments. For the full year 2026e, we project loan growth of 6.5% YoY. Our relatively cautious stance reflects (i) the impact of SAMA’s 100bps countercyclical capital buffer leading to focus on selective

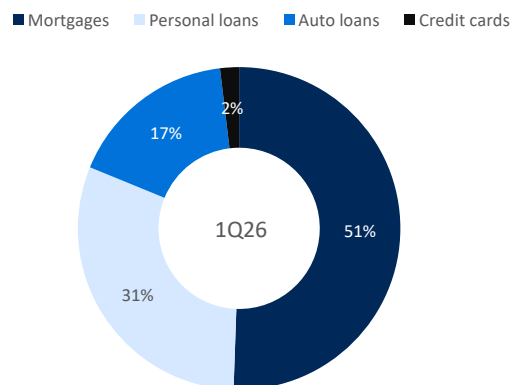
origination, (ii) an intentional tilt toward retail origination, which typically has smaller average ticket sizes, and (iii) the likelihood that elevated LDR constrains the pace of incremental asset expansion. In line with the bank's Strategy 2030, we expect BSF's loan portfolio to grow at a 9.3% CAGR between 2025-2030f. BSF's management expects its loan growth to outpace the industry loan growth, with the incremental loan book expansion tilted towards the retail portfolio.

Chart 31: Composition of corporate loans - 1Q26a



Source: Earnings call, anbc research

Chart 32: Composition of retail loans - 1Q26a



Source: Earnings call, anbc research

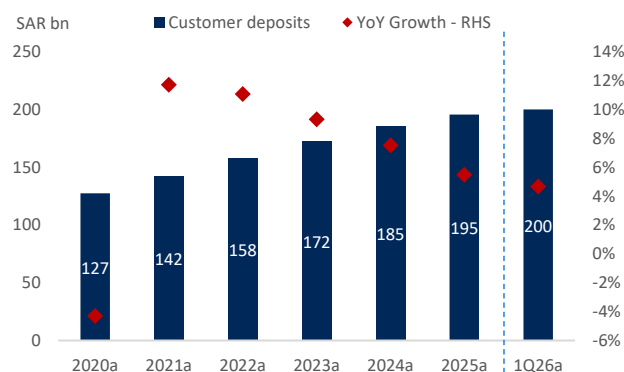
Funding: Proactive diversification, but liquidity remains key

BSF's deposit base grew at a 5-year CAGR of 9.0% to SAR 195.2 bn in 2025, slightly ahead of the sector's 8.5% CAGR. However, with loans expanding faster than deposits, the LDR has climbed to 110.1% at the end of 2025, down from a peak of 116.0% in Sep-25 but still among the highest in the Saudi banking sector. We flag this as a material structural risk as an elevated LDR constrains incremental loan growth opportunities and necessitates greater reliance on wholesale funding.

During 1Q26, deposits recorded a 4.6% YoY growth to SAR 199.6 bn, falling behind the loan book expansion of 6.2% YoY. This resulted in a headline LDR of 111.2%, up 163 bps YoY (+112 bps YTD) in 1Q26.

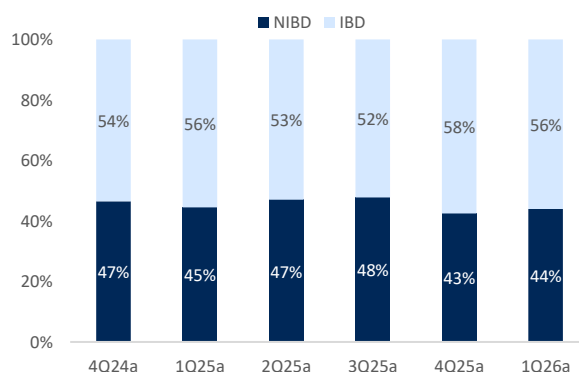
With increasing liquidity pressures in the system, BSF has witnessed meaningful CASA migration in recent periods, in line with broader sector trends. The share of non-interest-bearing deposits (NIBD) in the bank's customer deposits has declined to 43.9% by the end of 1Q26, compared to 67.6% in 2020.

Chart 33: Customer deposits - trend



Source: Company financials, anbc research

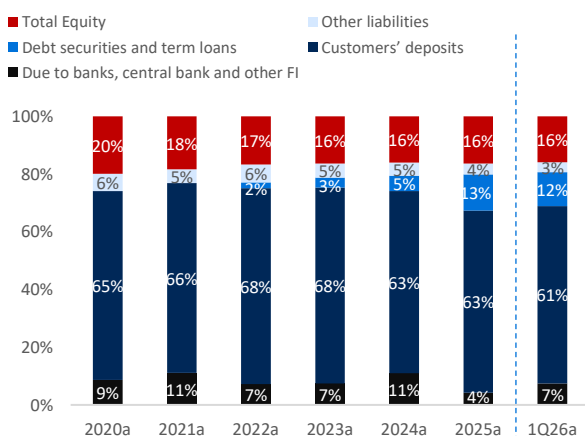
Chart 34: Customer deposits composition



Source: Earnings call, anbc research

BSF has responded to the incremental funding needs by increasing its focus on alternate funding sources. Through these alternative funding channels, the bank is making concerted efforts to extend and diversify its maturity profile and enhance its ability to support medium-to-long-term asset growth. This shift toward capital market funding also improves liquidity management flexibility, broadens the investor base, and positions the bank more competitively amid tightening domestic liquidity conditions. Overall, the bank’s proactive approach to funding diversification is expected to support sustainable credit expansion.

Chart 35: Funding mix



Source: Company financials, anbc research

Chart 36: 2025a issuances

Type	Issuance Amount (mn)	Maturity/Call	Pricing
Sukuk	USD 750	Jan-30	5.38%
Bonds	USD 190	Feb'27-Jun'32	Various
Bilateral Loan	SAR 1,500	Mar-28	SAIBOR3m+45bps
Tier 1	USD 650	PerpNC 2030	6.38%
Bilateral Loan	USD 1000	Jul-30	SOFR+0.95%
Tier 2 notes	USD 1000	Sep-30	5.76%
Term loan	USD 750	Oct-28	SOFR+65bps
CoD*	GBP 24	Feb to Jul-26	4.40%-4.41%
CoD*	USD 2,237	Jan to Dec-26	4.30%-4.71%
Sukuk	SAR 1000	Dec-26	5.18%
SAR Tier 1	SAR 2,500	PerpNC 2030	6.38%

CoD = Certificates of Deposit

Source: Investor Presentation, anbc research

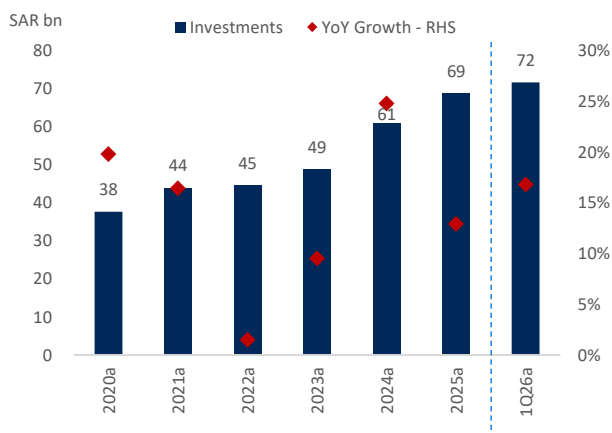
Looking ahead, we expect BSF's funding structure to continue tilting toward interest-bearing deposits, with NIBD migration impacted by elevated SAIBOR-SOFR spreads and intensifying competition for retail deposits. Management targets stabilization of the NIBD ratio at 40.0% of total deposits, maintaining which will likely require meaningful progress in deepening the bank's retail transactions franchise. We project deposits to grow at an 8.2% CAGR between 2025-2030f. Deposit growth is projected to remain slightly below the loan book's projected trajectory, implying the LDR remains structurally elevated and wholesale funding continues to plug the gap.

Investment portfolio acts as an interest rate hedge

BSF's investment book, which stood at SAR 71.6 bn as of 1Q26, has been more recently repositioned toward fixed rate instruments. The share of fixed rate securities has risen from 77.6% in 2022 to 90.1% in 1Q26 as floating-rate allocations were reduced from 20.3% to 5.8% over the same period.

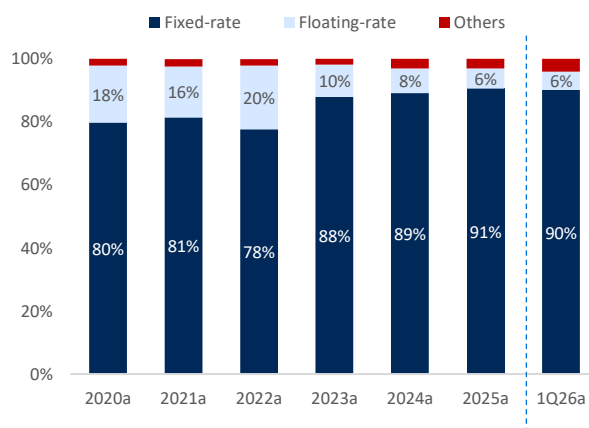
The investment portfolio has grown at a 2020-1Q26 CAGR of 13.0% to SAR 71.6 bn in 1Q26, in line with the sector's CAGR of 13.5% over the same period. The bank's IDR of 35.9% as of 1Q26 stands above the sector IDR of 32.4%. With 67.8% allocated to Saudi government securities (as of 1Q26), the portfolio offers both a yield buffer and strong liquidity underpinning.

Chart 37: Investment book - trend



Source: Company financials, anbc research

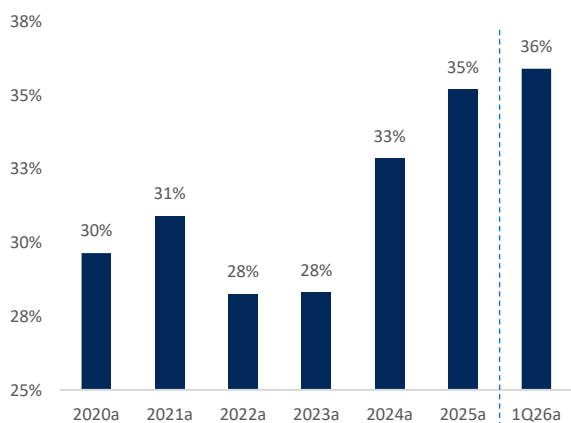
Chart 38: Investments composition - trend



Source: Earnings call, company financials, anbc research

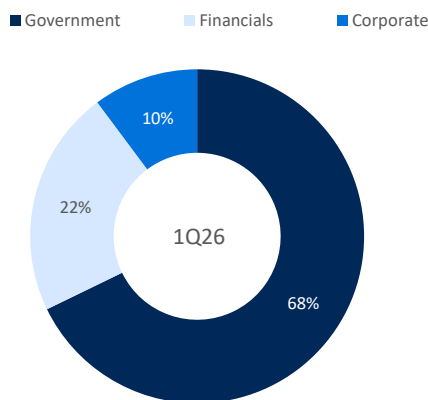
In a potentially gradual and delayed easing cycle, fixed-rate securities are expected to preserve the yields for longer periods, providing a buffer against the faster repricing of floating-rate loan assets once rates begin to decline. This offers support to overall asset yields and helps mitigate medium-term pressure on NIM. Additionally, the predominance of government and investment-grade securities strengthens the bank’s liquidity profile, ensures low credit risk within the investment portfolio. This investment stance is expected to contribute to earnings stability amid shifts in the broader interest rate cycle.

Chart 39: Investment to deposit ratio



Source: Company financials, anbc research

Chart 40: Investment book breakdown - 1Q26a



Source: Investor presentation, anbc research

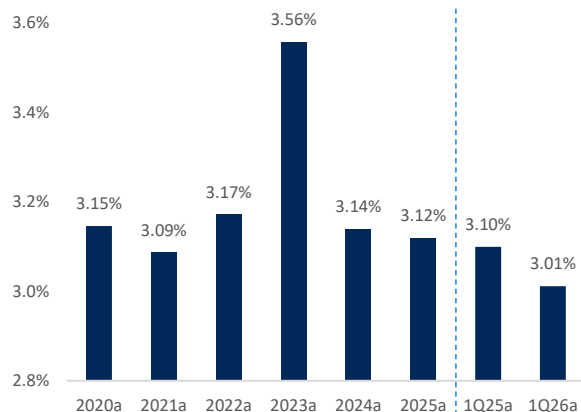
NIM compression from asset repricing and evolving funding mix

With 79.6% of BSF’s gross loan portfolio comprising corporate loans as of 1Q26, the bank’s NIM remains structurally exposed to downward repricing risk once the monetary easing cycle resumes. However, near-term margin compression is expected to remain relatively contained for two key reasons.

Firstly, elevated SAIBOR-SOFR spreads continue to provide meaningful support to domestic asset yields, limiting the pass-through impact of lower benchmark rates on loan pricing. The 6M SAIBOR-SOFR spread averaged 137 bps in 2025, compared to a two-year average of 127 bps. This dynamic helped cushion the impact of rate cuts, with BSF’s asset yields declining by only 22 bps to 6.30% in 2025 despite a cumulative 75 bps reduction in Fed rates.

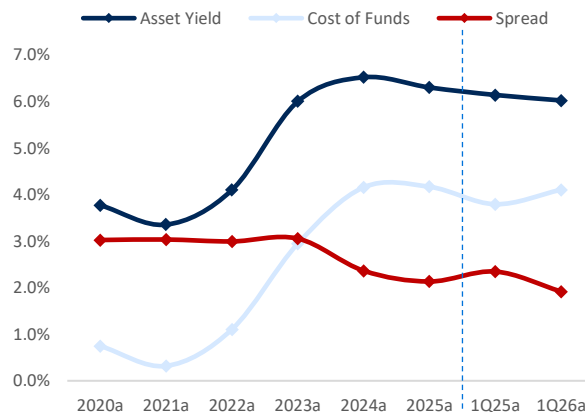
Secondly, the investment portfolio's fixed rate bias and the growing retail loan book together provide a meaningful portion of the asset base that does not reprice with benchmark rates. As retail portfolio grows toward 25% of loans over the medium term, this hedge is expected to strengthen over time.

Chart 41: Net interest margins



Source: Company financials, anbc research

Chart 42: Net spreads decline 23 bps YoY in 2025a

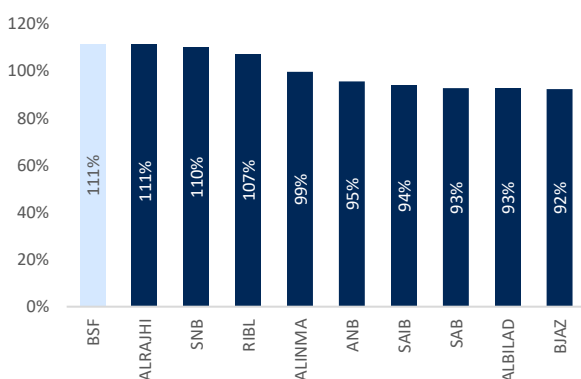


Source: Company financials, anbc research

On the funding side, cost of funds was broadly stable in 2025, rising just 1 bp YoY to 4.2%, a notable outcome given the structural NIBD migration underway. The shift toward time deposits (57.0% of the deposit base in 2025 vs. 31.8% in 2020) has enhanced maturity predictability, though it introduces costing pressures that will persist even as interest rates eventually decline.

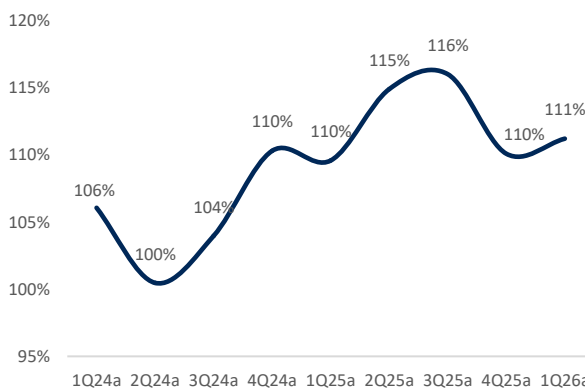
Looking ahead, elevated LDR levels indicate tighter liquidity conditions and suggest that the bank may need to rely more heavily on higher-cost wholesale sources to fund incremental loan growth. Competition for deposits is also expected to intensify, which could further pressure the bank's profitability. Reflecting this, the bank's NIM declined to 3.01% in 1Q26 due to an 11 bps YoY decrease in asset yields to 6.02%, and 31 bps YoY increase in cost of funds to 4.10%. Assuming no rate cuts in 2026e, we project BSF's NIM to reach 3.09% during the year.

Chart 43: BSF has the highest LDR as of 1Q26a



Source: Company financials, anbc research

Chart 44: BSF's loan to deposit ratio



Source: Company financials, anbc research

Non-interest income: the structural weakness that Strategy 2030 aims to solve

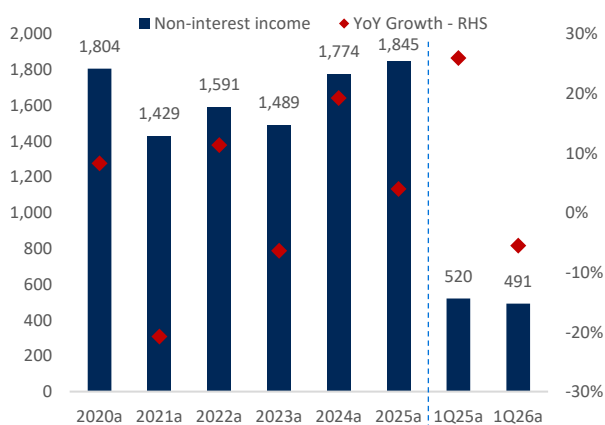
BSF's non-interest income growth has lagged peers, with the bank recording a 5-year CAGR of just 0.4% versus the sector average of 13.7% between 2020-2025. While the non-interest income to total income ratio exceeded the sector average in 2020, it has consistently underperformed since 2021. The ratio declined from 25.6% in 2020 to a low of 16.0% in 2023, before posting a modest recovery to 17.5% in 2025.

During 2025, non-interest income amounted to SAR 1.8 bn, up 4.0% YoY, compared to the sector non-interest income growth of 19.4% YoY. This highlights a continued reliance on core interest income and underscores the need for broader diversification within BSF’s revenue streams.

Looking ahead, we expect the bank’s increasing focus on retail lending to support non-interest income growth. Under its Strategy 2030 framework, BSF aims to scale up cross-selling initiatives into its expanding retail base and deepen Global Transaction Services (GTS) penetration to accelerate the expansion of fee-based revenues. This strategy is intended to enhance revenue diversification and strengthen the bank’s non-interest income profile.

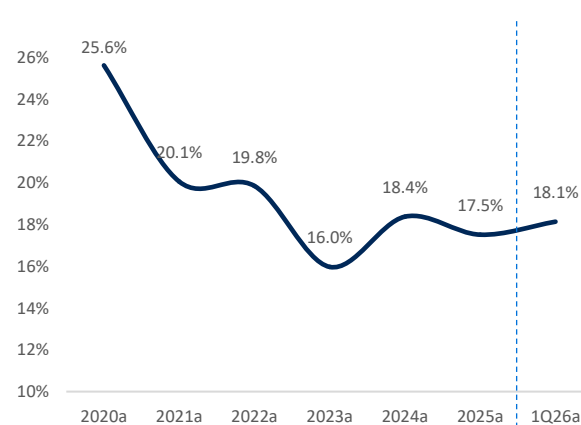
However, fee and commission income may face potential headwinds from the implementation of SAMA’s Guide to Financial Institutions Services Fees, which took effect from 1Q26. The material constraints on service charges are expected to slow the non-interest income growth trajectory. During 1Q26 the bank’s non-interest income declined by 5.5% to SAR 491 mn, most likely impacted by lower fee income as a result of SAMA’s regulation.

Chart 45: Non-interest income - trend



Source: Company financials, anbc research

Chart 46: Non-interest income to total income ratio



Source: Company financials, anbc research

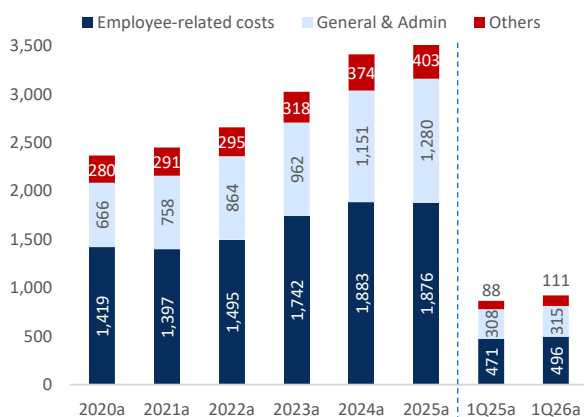
Cost efficiency: investment phase elevated CIR, expected to normalize

BSF’s operating costs increased at a 5-year CAGR of 8.5% to SAR 3.6 bn in 2025, exceeding the sector CAGR of 7.2% over the same period. However, opex growth has remained broadly in line with the expansion in operating income, which recorded a CAGR of 8.4% to SAR 10.5 bn over the same period. The rise in operating expenses has been driven primarily by higher general and administrative costs (5-year CAGR of 14.0%), as well as continued investments in technological infrastructure to support the bank’s broader strategic transformation and digitalization initiatives.

Historically, BSF has maintained a cost-to-income ratio (CIR) in line with the sector average. Between 2020 and 2023, the bank’s average CIR stood at 33.3%, compared with the sector average of 33.7%. However, in recent periods, the bank’s CIR has outpaced the sector, with CIR of 33.8% in 2025, versus the sector’s 29.0%. During 1Q26, the bank’s CIR arrived at 34.0%, recording a 120 bps YoY increase. However, the CIR divergence is not evidence of structural inefficiency. Instead, it reflects the bank’s multi-year investment cycle in digital infrastructure and operational transformation. The bank’s management has highlighted a CIR target of 27.0% by 2030f. However, achieving this target would require: (i) successful implementation of digital capabilities through non-interest income growth, (ii) operating leverage from retail loan book expansion, and (iii) normalization of technology and G&A spending post the investment peak.

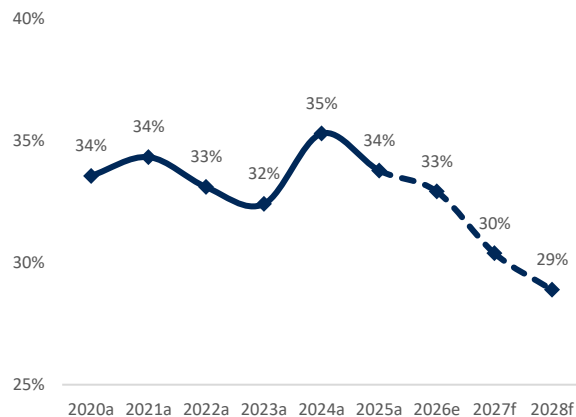
We model a gradual decline in CIR, from 33.8% in 2025 to 30.4% by 2027f and down to the management’s guided 27.0% by 2030f.

Chart 47: Operating cost – trend



Source: Company financials, anbc research

Chart 48: Cost-to-income ratio - trend



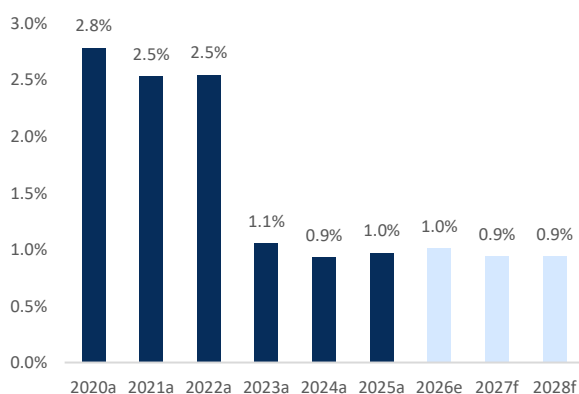
Source: Company financials, anbc research

Improving asset quality measures to support profitability

BSF's asset quality has improved substantially over the past five years. The NPL ratio declined to 1.0% in 1Q26, below the bank's 5-year historical average of 1.7%. Coverage ratio has been maintained at adequate levels, with NPL coverage arriving at 175.8% in 1Q26.

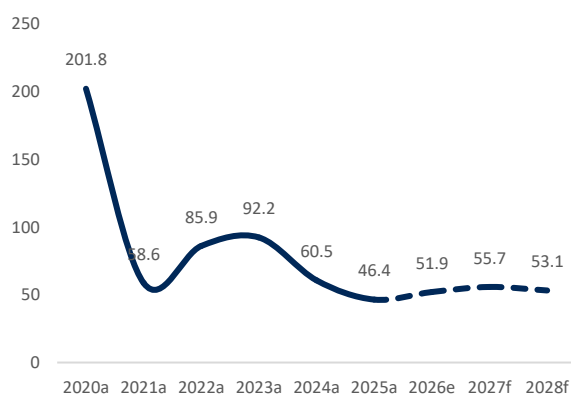
The key concern going forward remains whether the pivot towards retail lending creates asset quality headwinds. Consumer credit, particularly unsecured personal loans and credit cards, carries higher expected loss than BSF's historically dominant corporate book. We model cost of risk rising to 52 bps in 2026e, driven by (i) the increasing share of retail lending, and (ii) expectations of increase in credit stress across corporates driven by the regional conflict.

Chart 49: NPL ratio – trend



Source: Company financials, anbc research

Chart 50: Cost of risk (bps) - trend



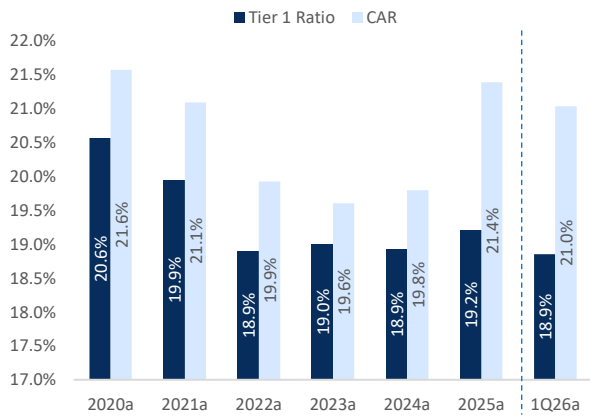
Source: Company financials, anbc research

Strong capital adequacy provides strategic headroom

BSF's capital position stands out as one of the strongest in the Saudi banking sector. The bank's Tier 1 ratio stood at 18.9% in 1Q26, and its total CAR (Tier 1 + 2) arrived at 21.0%, one of the highest in the sector. The strategic implication of BSF's strong capital position is twofold. First, a CAR of 21.0% provides meaningful headroom above SAMA's minimum requirements, giving BSF flexibility to absorb the 100-bps countercyclical capital buffer without

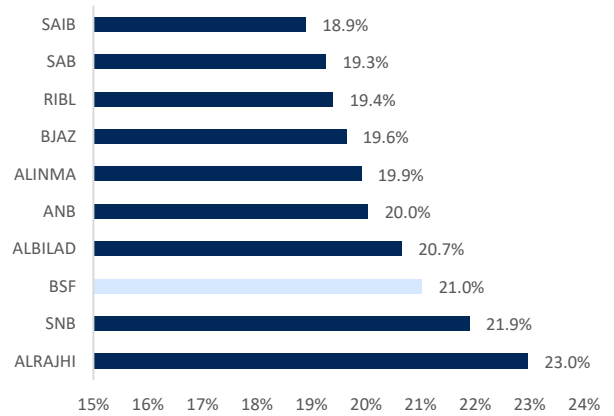
materially constraining loan growth. BSF's capital strength supports dividend sustainability and the bank's ability to execute its Strategy 2030 retail expansion without being capital constrained.

Chart 51: Tier 1 and capital adequacy ratios - trend



Source: Company financials, anbc research

Chart 52: BSF's CAR among the highest - 1Q26a



Source: Company financials, anbc research

Valuation

We have an ‘Overweight’ stance on BSF, with sustainable RoAE of 13.5%, a payout ratio of 55.0%, and an implied long-term growth rate of 6.1%. Using a cost of equity of 11.6%, our valuation yields a justified P/B of 1.3x and a Dec-31f BVPS of SAR 23.8, resulting in a 2026e target price of SAR 23.5/share. This represents an upside potential of 21.1% from the current market price of SAR 19.4/share. At current levels, BSF trades at a 2026e P/E of 9.6x and a 2026e P/B of 1.1x.

Valuation table:

SAR mn	2026e	2027f	2028f	2029f	2030f	2031f
Shareholders' Equity	44,561	47,022	49,735	52,761	56,120	59,576
Net Profit	5,063	5,468	6,030	6,724	7,464	7,680
RoAE	12%	12%	12%	13%	14%	13%
Payout Ratio	55%	55%	55%	55%	55%	55%
EPS	2.03	2.19	2.41	2.69	2.99	3.07
DPS	1.11	1.20	1.33	1.48	1.64	1.69
BVPS	17.8	18.8	19.9	21.1	22.4	23.8
Discounted Value						
DPS (discounted)	1.11	1.08	1.06	1.06	1.06	0.97
Sustainable RoAE	13.5%					
Payout Ratio	55.0%					
Implied Growth	6.1%					
Cost of Equity	11.6%					
Justified P/B	1.3					
BVPS Dec-31	23.8					
Discounted BVPS	18.3					
PV of Dividends	5.2					
Target Price	23.5					

TP sensitivity:

Cost of equity	Growth rate					
	4.1%	5.1%	6.1%	7.1%	8.1%	
9.6%	31.0	33.2	36.8	43.1	57.5	
10.6%	26.0	27.1	28.7	31.2	35.7	
11.6%	22.3	22.8	23.5	24.5	26.1	
12.6%	19.5	19.7	19.9	20.2	20.7	
13.6%	17.3	17.3	17.3	17.3	17.2	

Source: anbc research

Financial Summary

SAR mn								CAGR
Income Statement	2024a	2025a	2026e	2027f	2028f	2029f	2030f	2025-2030f
Interest Income	16,372	17,559	18,146	18,534	19,650	21,314	23,353	6%
Interest Expense	(8,489)	(8,867)	(8,998)	(8,641)	(9,038)	(9,623)	(10,495)	3%
NSCI	7,883	8,692	9,148	9,892	10,613	11,691	12,858	8%
Non-interest income	1,774	1,845	1,851	1,943	2,188	2,467	2,786	9%
Operating Income	9,658	10,537	10,999	11,836	12,801	14,158	15,644	8%
Operating expenses	(3,409)	(3,559)	(3,620)	(3,596)	(3,698)	(3,930)	(4,229)	4%
Provisions	(1,180)	(989)	(1,173)	(1,367)	(1,436)	(1,697)	(1,958)	15%
Total Expenses	(4,588)	(4,548)	(4,793)	(4,963)	(5,133)	(5,627)	(6,187)	6%
NPBT	5,069	5,989	6,205	6,873	7,668	8,531	9,456	10%
Net Income*	4,261	4,886	5,063	5,468	6,030	6,724	7,464	9%
Shares Outstanding (mn)	2,500	2,500	2,500	2,500	2,500	2,500	2,500	
EPS (SAR)	1.7	2.0	2.0	2.2	2.4	2.7	3.0	
DPS (SAR)	1.0	1.1	1.1	1.2	1.3	1.5	1.6	
								CAGR
Balance Sheet	2024a	2025a	2026e	2027f	2028f	2029f	2030f	2025-2030f
Cash and balances	10,921	10,931	11,558	12,600	13,683	12,275	13,343	4%
Due from other FI	5,016	3,817	4,036	4,400	3,556	3,884	4,221	2%
Investments, net	60,820	68,682	71,103	69,501	71,298	74,534	77,779	3%
Financing, net	204,168	214,891	228,867	253,876	279,021	305,758	334,511	9%
Other	12,382	10,685	11,589	12,877	11,841	13,258	14,818	7%
Total Assets	293,307	309,006	327,153	353,254	379,399	409,709	444,672	8%
Due to other FI	32,307	12,885	13,623	14,852	16,129	14,946	16,245	5%
Customers' deposits	185,118	195,219	206,408	225,029	244,369	266,886	290,089	8%
Other liabilities	28,744	50,243	53,122	53,414	53,728	58,679	63,781	5%
Total Liabilities	246,169	258,346	273,154	293,295	314,226	340,511	370,115	7%
Total Equity**	47,138	50,659	53,999	59,959	65,173	69,198	74,557	8%
Total liabilities and equity	293,307	309,006	327,153	353,254	379,399	409,709	444,672	8%

*After Sukuk cost

**Including Tier 1 Sukuk

Source: Company financials, anbc research

Growth (YoY)	2024a	2025a	2026e	2027f	2028f	2029f	2030f
NSCI	0.6%	10.3%	5.2%	8.1%	7.3%	10.2%	10.0%
Non-interest income	19.2%	4.0%	0.3%	5.0%	12.6%	12.8%	12.9%
Total operating income	3.6%	9.1%	4.4%	7.6%	8.2%	10.6%	10.5%
Net income	6.6%	14.7%	3.6%	8.0%	10.3%	11.5%	11.0%
Financing	13.8%	5.3%	6.5%	10.9%	9.9%	9.6%	9.4%
Deposits	7.5%	5.5%	5.7%	9.0%	8.6%	9.2%	8.7%
Ratios	2024a	2025a	2026e	2027f	2028f	2029f	2030f
NIM	3.14%	3.12%	3.09%	3.13%	3.11%	3.17%	3.21%
Operating cost to income	35.3%	33.8%	32.9%	30.4%	28.9%	27.8%	27.0%
Cost of risk (bps)	60.5	46.4	51.9	55.7	53.1	57.2	60.3
NPL coverage	181.7%	178.4%	170.8%	163.7%	144.7%	148.6%	152.4%
NPL ratio	0.9%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%
Simple LDR	110.3%	110.1%	110.9%	112.8%	114.2%	114.6%	115.3%
RoAA	1.6%	1.6%	1.6%	1.6%	1.6%	1.7%	1.7%
RoAE	11.3%	11.9%	11.6%	11.9%	12.5%	13.1%	13.7%
Assets to Equity (x)	7.5	7.2	7.3	7.5	7.6	7.8	7.9
Valuation	2024a	2025a	2026e	2027f	2028f	2029f	2030f
BVPS	15.7	17.1	17.8	18.8	19.9	21.1	22.4
P/B (x)	1.2	1.1	1.1	1.0	1.0	0.9	0.9
P/E (x)	11.4	9.9	9.6	8.9	8.1	7.2	6.5
Dividend yield	5.0%	5.5%	5.7%	6.2%	6.8%	7.6%	8.5%

Source: Company financials, anbc research

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