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- Saudi Banking Assets Expand 14.1% YoY in July Amid Credit Growth
- > CATRION hits a 52-week low

### Saudi Banking Assets Expand 14.1% YoY in July Amid Credit Growth

Credit growth stays strong (+0.9% MoM/15.2% YoY): In July 2025, Saudi banks recorded total assets of SAR 4.8 tn, reflecting a 0.4% increase MoM (up 14.1% YoY). Total loan and advances reached SAR 3.2 tn, up 0.9% MoM and 15.2% YoY, while total investment book stood at SAR 736.6 bn (up 0.3% MoM and 12.0% YoY). Cumulative profits for July 2025 were recorded at SAR 59.2 bn, with an increase of SAR 8.2 bn MoM. Loans and advances accounted for 66.5% of total assets, while investments comprised 15.2% during the month. New loan originations stood at SAR 29.5 bn in July 2025, compared to SAR 18.7 bn in June 2025.

As measured by bank credit classified by economic activity in the monthly bulletin, individual loans led the loan growth during July 2025, increasing SAR 8.7 bn MoM (+0.6% MoM) to SAR 1.4 tn, followed by financial and insurance activities, which increased SAR 6.3 bn MoM (+3.7% MoM) to SAR 173.7 bn. Individual loans made up 43.8% of the total loan book, followed by real estate activities contributing 11.7% and wholesale and retail trade contributing 6.6%.

Mortgage originations increased 20.7% MoM to SAR 6.4 bn in July 2025 from SAR 5.3 bn in June 2025. Residential new mortgages by banks made up 21.8% of the new loan originations in July 2025. New mortgages by financing companies stood at SAR 185.2 mn, up 9.7% MoM. Total mortgage contracts signed in July 2025 amounted to 8,790, taking the new contracts for 7M25 to 71,946 (up 8.7% YoY).

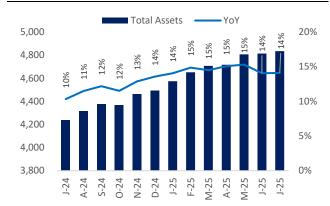
**Total deposits drop 0.3% MoM:** As of July 2025, total customer deposits stood at SAR 2.9 tn, reflecting a 0.3% decline MoM, but an 8.4% increase YoY. The MoM decline was mainly due to 11.8% decline in government entities deposits. Demand deposits amounted to SAR 1,447.4 bn, down 3.2% MoM, yet up 3.4% YoY. In contrast, time and savings deposits reached SAR 1,123.3 bn, showing a 2.1% MoM increase and a robust 20.8% YoY growth. Demand deposits accounted for 50.5% of total deposits, down 224 basis points from 52.9% in July 2024 and 152 bps lower MoM. Meanwhile, time and savings deposits represented 39.2% of total deposits, up 400 bps YoY from 35.2%, and 93 bps higher MoM—highlighting a continued shift toward longer-term deposit instruments.

LDR ratios head higher: Headline LDR stood at 112.1% during July 2025, up 135 bps MoM (+660 bps YoY). Regulatory LDR for the banking sector stood at 81.8%, up from 80.7% in July 2024 and 81.6% in June 2025.

During July 2025, Saudi-listed banks raised an additional USD 3,750 mn through certificate issuances. We reiterate our Overweight stance on the Saudi banking sector, with SAB and ALINMA highlighted as our favored names under coverage.



#### Total assets (SAR bn)



Source: SAMA, anbc research

#### ANBC banking sector coverage

	TP (SAR)	Price (SAR)*	Upside	2025 PER (x)
ALRAJHI	106	94	13%	16.6
ALINMA	33	25	32%	10.6
ALBILAD	32	26	24%	13.1
RIBL	31	26	18%	7.9
SAB	42	31	37%	8.4
SNB	46	35	31%	9.1

Source: Tadawul, anbc research, \*Close of 31st Aug, 2025

July 2025 Bonds & Sukuk Issuance

	Capital Raised (USD mn)		
ALINMA	500		
RIBL	1,250		
SAB	2,000		
Total	3,750		

Source: Tadawul, anbc research

### **CATRION hits 52-week low**

CATRION Catering Holding Co. touched 52-week low of SAR 98.55/sh on 31st Aug-25, closing at SAR 99.20/sh. The decline can be attributed to weaker profitability in 2Q25. Since its result announcement (7th Aug-2025) the stock has declined 13.6%.

In 2Q25, the company reported a decrease of SAR 10.7 mm (-8.8% YoY) in its integrated hospitality revenue, primarily driven by lower contributions from events and functions (down SAR 2.3 mm YoY due to unmaterialized events) and a SAR 7.9 mm YoY drop in remote site revenues following the loss of the SATCO contract. However, this revenue decrease was partially offset by a 3.9% YoY increase in inflight revenue, leading to a total revenue increase of 1.2% YoY to SAR 571.5 mm.

Profitability came under pressure during the 2Q25, with net margins contracting to 11.4% from 13.0% in 2Q24. The margin compression was driven by: 1) a SAR 3.0 mn loss from investments in associates, vs. a profit of SAR 3.8 mn in 2Q24, 2) the termination of the Al Tanfeethi contract, which resulted in negative impact of SAR 0.6 mn 3) renovation works at Terminal 5 arrivals, which disrupted retail segment performance, 4) a reduction of 200k Hajj pilgrims in 2025 versus 2024, and 5) a 91% YoY increase in finance cost.

The stock has declined by 15.6% since 29<sup>th</sup> Aug-24, underperforming TASI, which fell by 11.9% over the same period. Currently, the stock is trading at a 2025e PE of 21.94x, with consensus target price of SAR 118.7/sh, implying a potential upside of 19.7%, from the last close of 31<sup>st</sup> Aug-2025.



# Relative price chart



Source: Bloomberg, anbc research

## CATRION's financials

	2Q25	2Q24	YoY(%)	1Q25	QoQ(%)
Revenue	571	565	1	589	(3)
COGS	(412)	(415)	(1)	(419)	2
Gross profit	159	149	7	170	(6)
Gross margin (%)	28	26		29	
Opt. profit	77	74	5	87	9
Opt. margin (%)	14	13		15	
Net income	65	73	(11)	75	(13)
Net margin (%)	11	13		13	
EPS	0.8	0.9	(11)	0.9	(13)

Source: Company financials, anbc research



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