INITIATION OF COVERAGE

Saudi Investment Bank

10 June 2026

We initiate coverage on Saudi Investment Bank (SAIB) with an 'Overweight' rating, with a 2026e target price of SAR 15.7/share, providing an upside of 15.5% from current levels. Our investment thesis is supported by the bank's strong loan growth momentum (5-year CAGR of 15.3% during 2020-2025), improving asset quality, and a gradually improving non-interest income base. SAIB has consistently outperformed the sector on credit growth in recent years, driven by its corporate-focused franchise. While elevated funding costs (4.4% vs sector's 3.7% during 2025) and CASA erosion are expected to weigh on margins in the current interest rate environment, the bank's largely fixed rate investment portfolio, improving credit metrics, and expanding fee-based income provide partial offsets.

Loan growth momentum to support earnings. SAIB has delivered one of the strongest lending performances in the Saudi banking sector in recent years, with a 5-year loan CAGR of 15.3% vs sector CAGR of 13.1%, driven primarily by its corporate-focused loan book (gross corporate loans have grown at a 5-year CAGR of 17.5%). The bank's participation in financing infrastructure and development projects continues to support robust credit expansion, positioning SAIB as a key beneficiary of sustained corporate credit demand. While this wholesale-heavy loan mix structurally exposes the bank to faster asset repricing once the easing cycle resumes in 2027f, elevated SAIBOR-SOFR spreads are expected to partially cushion the impact by slowing transmission of lower rates into asset yields.

Above average asset yields. The bank's asset yields have consistently remained above the sector average. During 2025, asset yields were recorded at 6.41%, above the sector average of 6.08%. Additionally, the fixed rate investment portfolio provides a secondary layer of yield support. With 96.1% of the investment book allocated to fixed rate securities as of 2025, the bank has effectively locked in yields ahead of any future easing cycle (now expected in 2027f). As corporate loan book gradually reprices downward once rates begin to decline, the fixed investment portfolio is expected to act as a partial hedge, helping moderate the pace of asset yield compression and supporting overall margin resilience.

Improved asset quality to support growth. The bank's asset quality remains a key strength. SAIB has demonstrated sustained improvement in credit metrics, with NPL ratios declining to 0.9% in 2025, in line with sector averages, and cost of risk remaining healthy at 33 bps broadly in line with sector's 30 bps during 2025. Strong provisioning coverage of 184.1% as of Dec-25, and increasing to 194.1% in 1Q26, further enhanced balance sheet resilience, supporting earnings stability even as loan growth remains elevated.

Margins are expected to remain under pressure. On the margin front, SAIB faces structural pressure from its funding profile. Significant CASA migration, with CASA ratio of 28.6% in 2025, vs sector's 57.7%, has resulted in elevated reliance on time deposits, leading to cost of funds significantly high at 4.42%, exceeding sector average of 3.67%. Sticky funding costs are expected to weigh on NIM over the near to medium term. We forecast NIM to compress further to 2.27% in 2026e, though meaningful upside exists if SAIB can accelerate CASA recovery leading to lower funding pressures.

Valuation: We have an 'Overweight' stance on SAIB, with a 2026e target price of SAR 15.7/share, implying an upside of 15.5% from current levels. Based on our assumptions of sustainable RoAE of 10.8%, a payout ratio of 55.0%, and long-term growth of 4.9%, we derive a justified P/B of 1.1x. At current valuations, SAIB trades at a discount to its intrinsic value despite its balanced growth profile and improving fundamentals.

Risk: If time deposit rates remain elevated, CASA recovery will lag, leading to further pressure on cost of funds. Furthermore, constraints on lending growth could temper balance sheet expansion, potentially weighing on earnings momentum.

RATING SUMMARY — OVERWEIGHT

Target Price (SAR)	15.7
Upside/Downside (%)	15.5
Div. Yield (%)	5.1
Total Exp. Return (%)	20.6

Source: Company financials, anbc research

ISSUER INFORMATION

Bloomberg Code	SIBC AB
Last Price (SAR)	13.6
No of Shares (mn)	1,250
Market Cap bn (SAR/USD)	17.0/4.5
52-week High / Low (SAR)	14.8/12.3
12-month ADTV (mn) (SAR/USD)	7.2/1.9
Free Float (%)	69.8
Foreign Holdings (%)	10.7

Close of 2nd Jun, 2026

VALUATIONS

	2025	2026e	2027f	2028f
EPS (SAR)	1.7	1.4	1.4	1.5
PER (x)	8.1	9.8	9.6	9.2
PBV (x)	1.0	0.9	0.9	0.8
DPS (SAR)	0.7	0.7	0.8	0.8
Div. Yield (%)	5.1	5.1	5.7	6.0
RoAE (%)	12.7	9.8	9.5	9.4
RoAA (%)	1.3	1.0	0.9	0.9

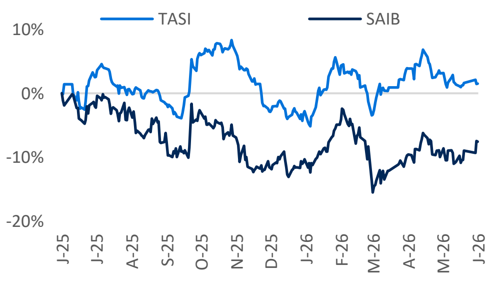
Source: Company financials, anbc research

FINANCIALS (SAR bn)

	2025	2026e	2027f	2028f
Oper. Income	4.8	4.5	4.7	5.0
Provisions	0.4	0.4	0.4	0.5
Net Income*	2.1	1.7	1.8	1.9
Investments	47.2	50.9	53.2	55.5
Loans	112.1	120.5	134.5	148.7
Deposits	109.6	117.3	129.4	141.1
NIM (%)	2.3	2.3	2.2	2.1

**After Sukuk cost*
Source: Company financials, anbc research

RELATIVE PRICE PERFORMANCE



Source: Bloomberg, anbc research

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Investment Thesis

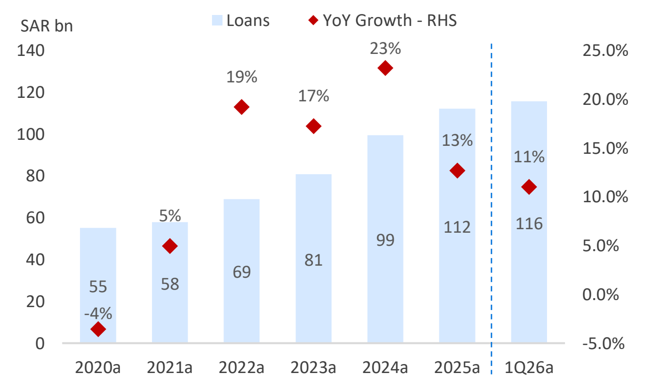
Loan growth outpacing sector average in recent periods

SAIB's loan book reached SAR 112.1 bn in 2025, expanding at a 5-year CAGR of 15.3% versus the sector CAGR of 13.1% over the same period. Over the longer horizon (2015-2025), the bank's loan CAGR of 6.4% trailed the sector's 9.1%, reflecting a period of balance sheet consolidation that has since given way to accelerating growth. The 3-year loan CAGR of 19.8% (2022-2025), against the sector's 12.8%, confirms that loan growth has picked up pace in recent years.

The corporate portfolio is the key driver of this growth. Gross commercial loans expanded at a 5-year CAGR of 17.5% to SAR 101.9 bn in 2025, representing 89.4% of total gross loans, the highest commercial loans concentration among listed Saudi banks. The retail portfolio, by contrast, grew modestly at a 5-year CAGR of 1.3% to SAR 12.1 bn in 2025, reflecting SAIB's deliberate strategic positioning as a wholesale-focused franchise.

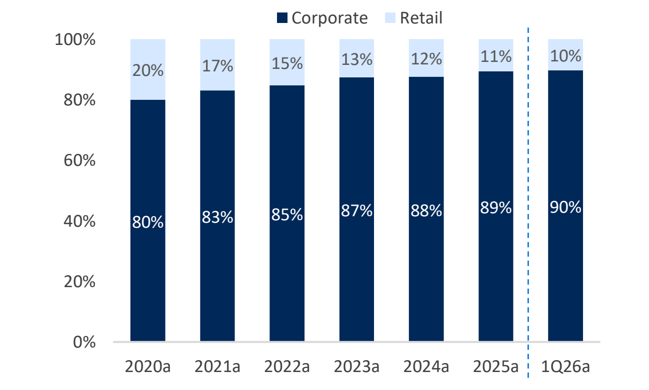
During 1Q26, the bank's loan book expanded to SAR 115.6 bn, up 11.0% YoY, against a sector average growth of 8.2% YoY during the quarter. SAIB's lending growth has been supported by its active involvement in financing large-scale infrastructure and development projects, complemented by robust demand from the building & construction, utilities, and services sectors. As of 1Q26, 89.7% of SAIB's gross loan portfolio comprised of corporate loans (SAR 105.6 bn). Continued momentum in Vision 2030-related investments is expected to provide sustained support to SAIB's loan growth trajectory.

Chart 53: Loan book - trend



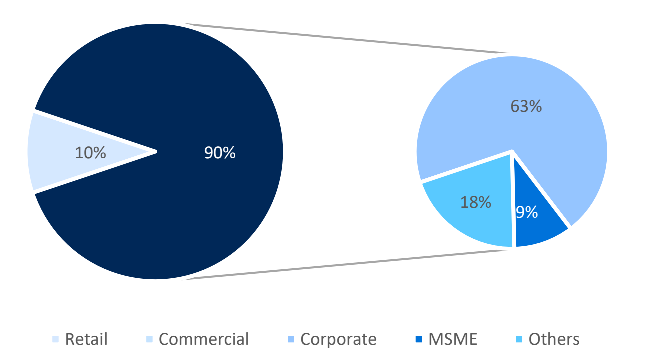
Source: Company financials, anbc research

Chart 54: Gross loan book mix



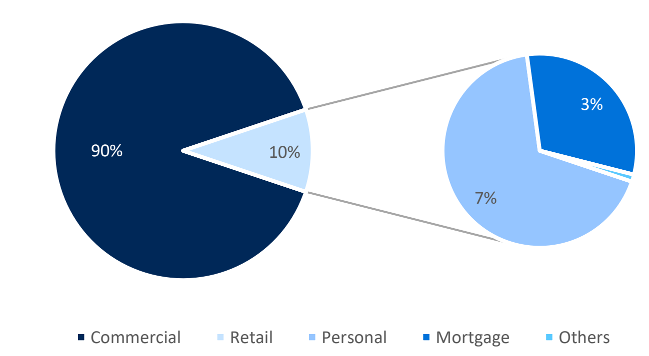
Source: Company financials, anbc research

Chart 55: Commercial loan portfolio - 1Q26a



Source: Company financials, anbc research

Chart 56: Retail loan portfolio - 1Q26a



Source: Company financials, anbc research

Looking ahead, we expect SAIB's loan growth to continue being supported by corporate lending, though momentum is expected to moderate over the medium-term, amid tightening system wide liquidity conditions and evolving regulatory constraints. The 100-bps countercyclical buffer by SAMA has increased capital requirements, prompting banks to adopt a more measured approach to balance sheet growth.

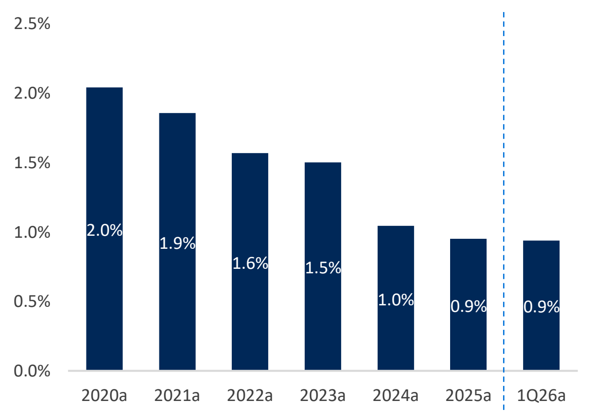
Against this backdrop, we forecast loan growth of 7.5% YoY in 2026e, as preserving asset yields through selected loan growth is expected to take precedence over volume-led expansion. We expect management to prioritize risk-adjusted returns and liquidity preservation, to account for SAMA's regulatory buffer, implying a shift toward selective lending and pricing discipline rather than aggressive balance sheet growth.

Asset quality: sector-average NPLs despite rapid corporate growth

Despite having one of the fastest corporate loan growth rates in the sector in recent periods, SAIB has maintained strong credit discipline. The NPL ratio declined from 2.0% in 2020 to 0.9% in 2025, below the sector's NPL ratio of 1.0%. This trend underscores a sustained improvement in credit performance across the loan book, despite the backdrop of strong loan growth.

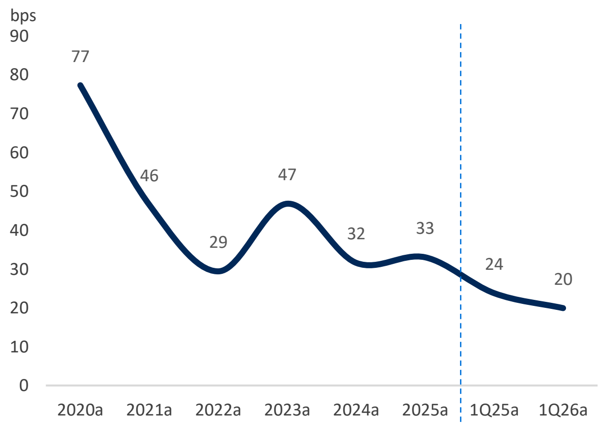
Provisioning levels remain adequate, with NPL coverage standing at 184.1% as of Dec-25, and up further to 194.1% in 1Q26, providing a meaningful buffer against future credit deterioration. Consistent with the improvement in asset quality, cost of risk has declined meaningfully, falling from 47 bps in 2023 to 33 bps in 2025. Overall, the sustained decline in both NPLs and credit costs supports earnings stability and positions the bank favorably as it continues to expand its loan portfolio in a more measured manner. For 1Q26, NPL ratio remained stable at 0.9%, with cost of risk of 20 bps, down from 24 bps in the same period of last year.

Chart 57: NPL ratio



Source: Company financials, anbc research

Chart 58: Cost of risk



Source: Company financials, anbc research

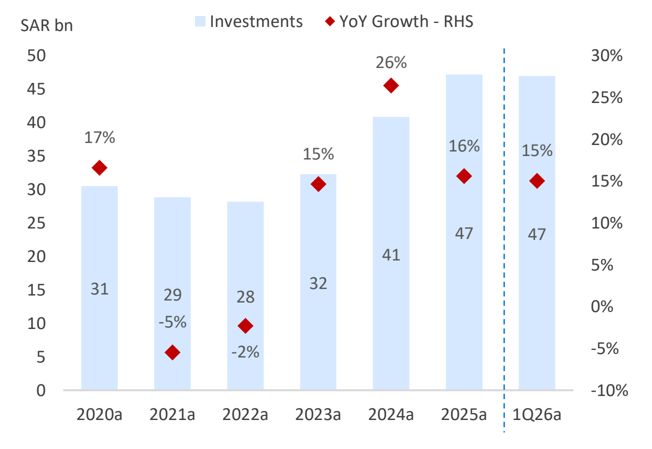
Investment book tilted towards fixed rate portfolio

SAIB's investment book has exhibited steady expansion over recent years, increasing from SAR 30.5 bn in 2020 to SAR 47.2 bn in 2025, representing a 2020-2025 CAGR of 9.1%. While growth has lagged the sector CAGR of 14.0% over the same period, this trajectory reflects the bank's gradual scaling of its investment activities alongside balance sheet growth. In recent periods, investments expansion has picked up pace, with the portfolio expanding at a CAGR of 17.0% between 2022-1Q26 to SAR 46.9 bn, against the sector growth of 11.0% over the same period.

The investment book represents 28.5% of total earning assets as of 1Q26, above the sector average of 23.2%, and SAIB's investment to deposit ratio (IDR) of 38.2% exceeds the sector's IDR of 32.4%, reflecting the portfolio's significance to the earnings profile. This elevated allocation provides a predictable, stable income stream that complements the more volatile repricing profile of the corporate loan portfolio.

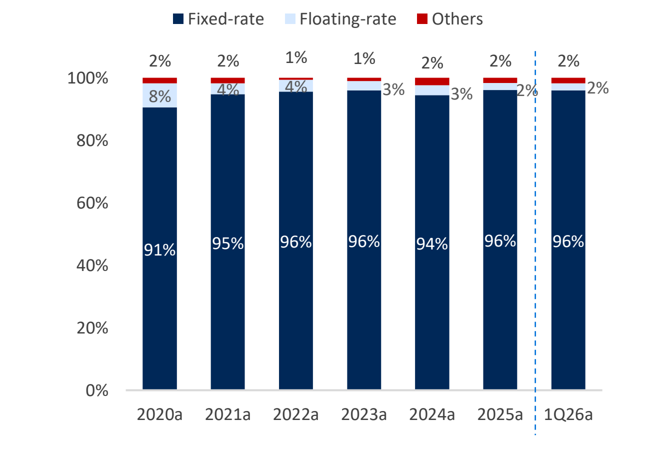
The composition of the investment book has shifted meaningfully in recent years, with a tilt toward fixed rate instruments. The share of fixed rate investments rose from 90.5% of total investments in 2020 to 96.0% in 1Q26. In contrast, the proportion of floating rate securities has steadily declined, falling from 7.7% in 2020 to 2.2% in 1Q26. This evolution highlights a deliberate shift toward yield stability and reduced exposure to short-term rate volatility.

Chart 59: Investment book - trend



Source: Company financials, anbc research

Chart 60: Investments composition



Source: Company financials, anbc research

The elevated allocation to fixed rate securities is expected to provide a degree of insulation once interest rate easing resumes, as yields on these assets are locked in at higher levels for longer durations. This positioning should help moderate the pace of asset yield compression and support earnings stability.

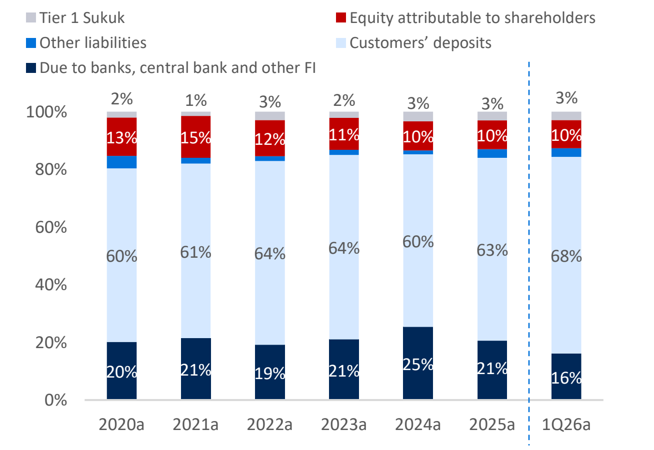
Deposits growth has caught up in recent quarters

On the funding side, deposits constitute the primary source of financing for the bank, accounting for 63.5% of total capital as of Dec-25. After a sharp 12.9% YoY contraction in deposits in 2020 and below sector average growth over the subsequent medium term (5-year CAGR of 6.4% between 2019-2024 versus sector's 8.4%), SAIB's deposit trajectory reversed sharply in 2025. Deposits grew 16.6% YoY to SAR 109.6 bn, nearly double the industry growth rate of 8.7%, reducing the headline LDR from 105.8% in 2024 to 102.2% in 2025. This places the bank comfortably below the sector LDR of 112.7% at end-2025.

The trend continued in 1Q26 with SAIB reporting a 20.9% YoY deposit growth to SAR 122.9 bn, against the sector's deposit growth of 8.8%. The stronger deposit accretion has translated into a meaningful improvement in liquidity metrics, with headline LDR declining by 839 bps YoY to 94.0% in 1Q26, compared to the sector's headline LDR of 110.0%.

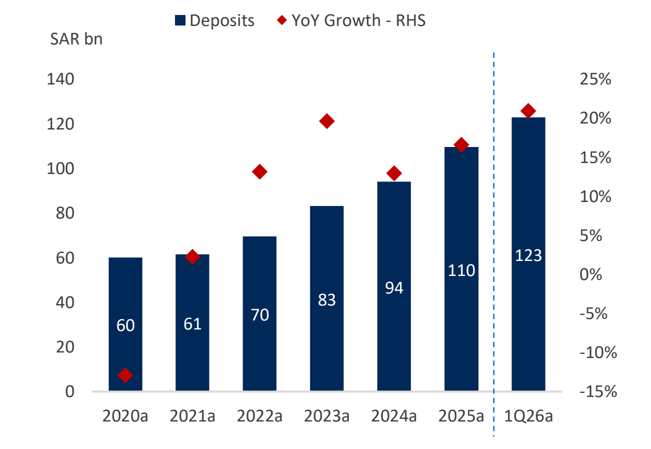
SAIB has also diversified its funding base through access to alternative instruments, including a USD 750 mn AT1 Sukuk issued in Nov-24 and a USD 750 mn Asian Syndicated Loan completed in Sep-25. During 2Q26, the bank also completed SAR 1.85 bn Tier 1 Sukuk issuance under its SAR 5 bn program. These issuances enhance the bank's funding flexibility and support balance sheet growth amid tightening liquidity conditions in the domestic market.

Chart 61: Funding mix - trend



Source: Company financials, anbc research

Chart 62: Deposits - trend

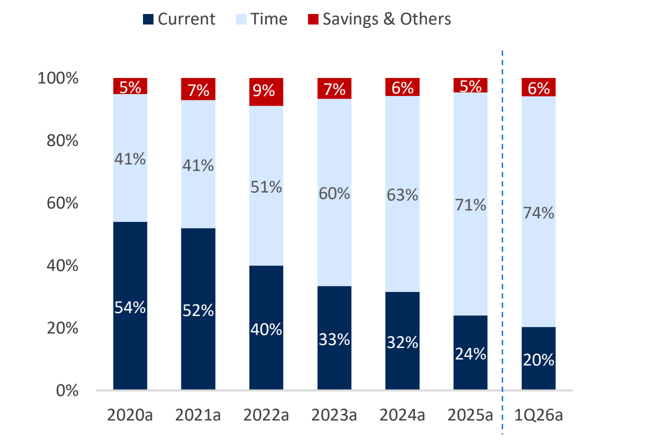


Source: Company financials, anbc research

The structural challenge within the deposit base is the decline of the CASA ratio from 59.2% in 2020 to 26.1% in 1Q26, the lowest level among Saudi banking peers. Time deposits now constitute 73.9% of total deposits. This shift was driven by the elevated interest rate environment of 2022-2024, during which customers migrated from zero or low-cost current and savings accounts to higher-yielding time deposits. The result is a structurally elevated cost of funds that has consistently exceeded sector averages (SAIB CoF: 4.07% in 1Q26 versus sector 3.40%), neutralizing the bank's asset yield advantage.

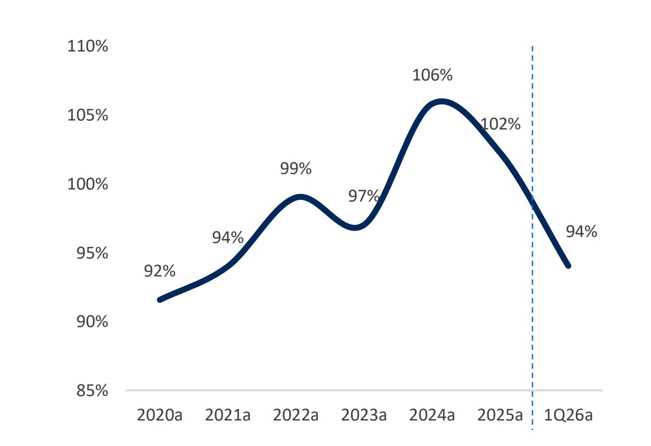
The prevailing sticky rate environment is likely to delay a meaningful recovery in CASA mix. Elevated deposit rates continue to incentivize customers to allocate funds toward higher yielding time deposits rather than demand deposits. However, as rates gradually normalize over the medium to long term, this pressure is expected to ease. Accordingly, we expect the eventual moderation in rates to gradually support CASA recovery over the medium term.

Chart 63: Deposits mix skewed towards time deposits



Source: Company financials, anbc research

Chart 64: Headline LDR- 820 bps YTD decline in 1Q26a



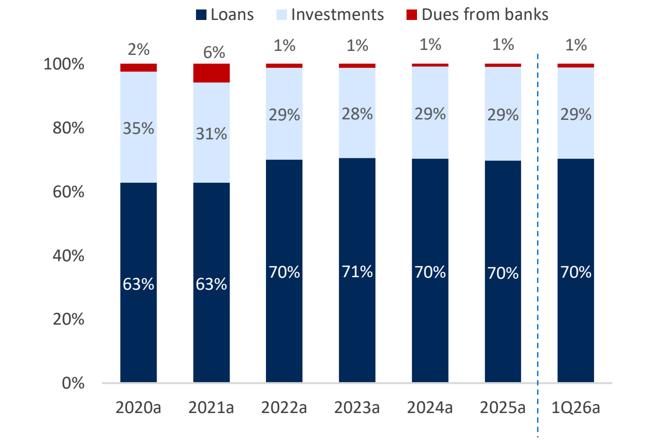
Source: Company financials, anbc research

Highest asset yields in the sector: a key positive

One of SAIB's most competitive characteristics is its asset yield profile. In 2024, the bank recorded asset yields of 6.92% against the sector average of 6.22%, a 70 bps premium. In 2025, the bank retained its sector-leading position at 6.41% despite a 51 bps YoY decline as interest rates eased. Additionally, the fixed rate investment portfolio, comprising 96.1% of a SAR 47.2 bn investment book as of 2025, provides a secondary layer of yield support by locking in returns at current elevated levels for longer durations.

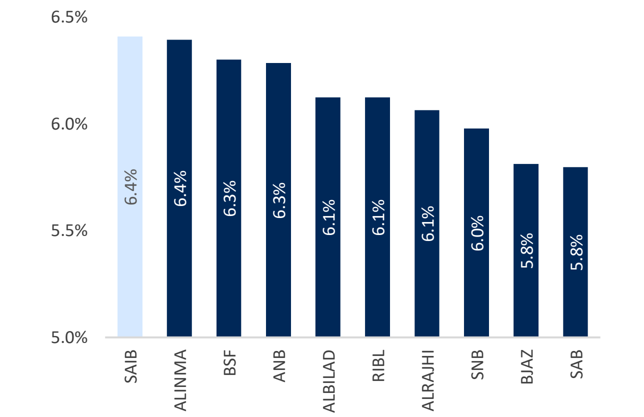
The key risk to asset yields is repricing frequency. With 56.9% of the loan portfolio maturing within one year, as of Dec-25, asset yields are sensitive to SAIBOR movements, and the predominantly floating-rate nature of corporate lending means the book will reprice downward as interest rates decline in 2027f. However, we expect this repricing to be more gradual than in prior low-rate cycles due to elevated SAIBOR-SOFR spreads and recent expectations of the FED stance to be more stable, with no rate cuts expected in 2026e.

Chart 65: Interest-earning assets - trend



Source: Company financials, anbc research

Chart 66: SAIB's asset yield is highest in the sector - 2025a



Source: Company financials, anbc research

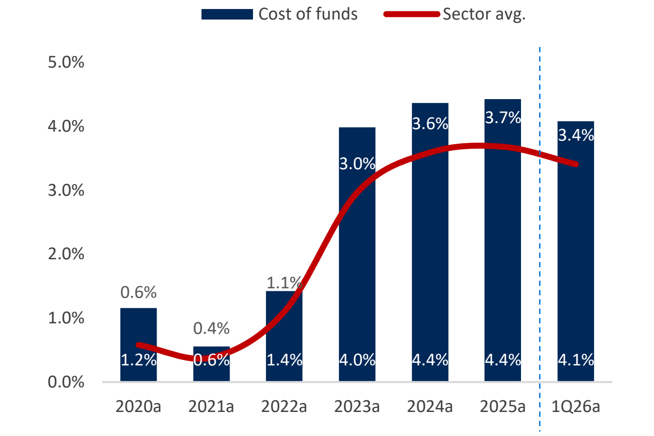
NIM: the gap between asset yield leadership and margin performance

Despite leading the sector on asset yields, SAIB's NIM of 2.33% in 2025 was 69 bps below the sector average of 3.02%. The reason lies in SAIB's elevated cost of funds of 4.42% in 2025, which exceeded the sector average of 3.67% by 74 bps. The high cost of funds comes as a direct consequence of the CASA erosion experienced by the bank, with CASA ratio declining sharply from 59.2% in 2020 to 28.6% in 2025. During 1Q26, asset yields declined to 5.94%, while cost of funds pressure eased to 4.07%, leading to an improvement in spread to 1.87%, from 1.79% in 4Q25.

The bank's relatively strong asset yield profile implies meaningful improvement to NIM can be achieved if the bank is able to lower its funding pressures. If SAIB succeeds in rebalancing its deposit mix toward lower-cost CASA and improving funding efficiency, it could unlock substantial upside to margins.

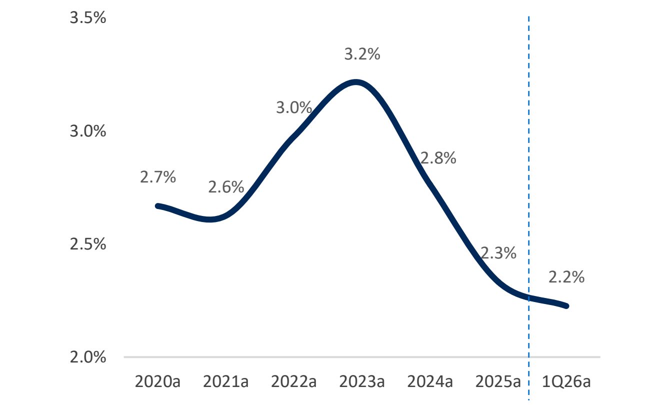
Looking ahead, the bank's ability to sustain improvements in its funding mix will remain a key driver of margin resilience. While an eventual easing cycle is expected to place downward pressure on asset yields, continued strength in low-cost deposit growth could help cushion the impact. Elevated SAIBOR-SOFR spreads are also expected to slow the pace of asset repricing, providing additional near term support to yields. Although funding costs are likely to remain relatively sticky given the bank's liability profile and the protracted rate easing cycle, maintaining the current momentum in deposit mix optimization could help limit downside risks. Accordingly, we expect NIM to moderate to 2.27% in 2026e.

Chart 67: Cost of funds - trend



Source: Company financials, anbc research

Chart 68: Net interest margins - trend



Source: Company financials, anbc research

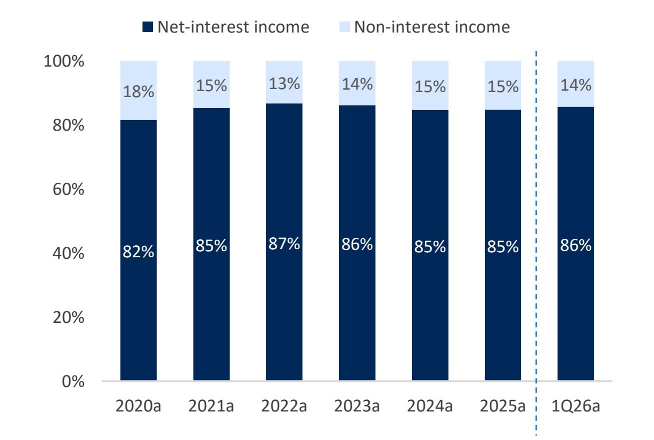
Limited non-interest income contribution constrains revenue diversification

SAIB's non-interest income grew from SAR 524.5 mn in 2020 to SAR 731.4 mn in 2025, excluding one-off gains, representing a CAGR of 6.9%. This is below the sector average CAGR of 13.7% over the same period. Non-interest income as a share of total operating income was 15.3% in 2025 versus the sector average of 23.9%, an 863 bps gap.

However, non-interest income contribution to total income has recovered from a low of 13.2% in 2022 to 15.3% in 2025. The uptick has been driven by growth in fee and commission income at a CAGR 8.2% between 2022-25 and a 9.4% CAGR for exchange income during the period. As interest rate uncertainty increasingly weighs on net interest income, accelerating the growth of fee-based revenues will become more important in supporting overall income stability. In this context, SAIB is likely to benefit from placing greater emphasis on improving cross-selling and overall non-interest income growth.

During 1Q26, SAIB's non-interest income declined 5.1% YoY to SAR 151.5 mn, reflecting the broader trend across the sector, which reported a 3.3% YoY decline during the quarter. We model non-interest income growing at a CAGR of approximately 6.4% over 2025-2030f (excluding one-off gain in 2025). We note the new SAMA regulations reducing certain fee categories act as a headwind, and we reflect a degree of caution in our estimates.

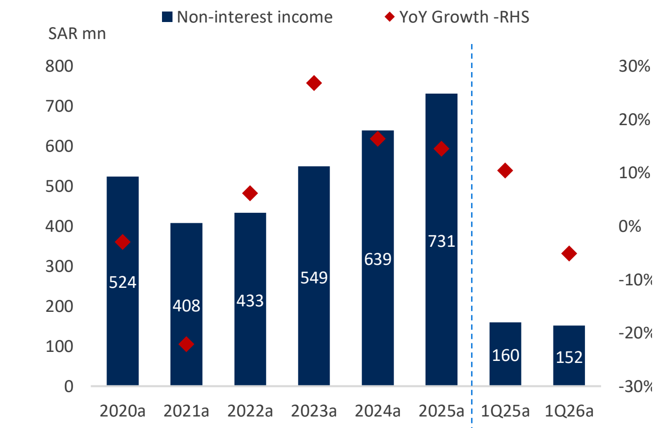
Chart 69: Operating income composition*



Source: Company financials, anbc research

**excludes one-off gain during 2025*

Chart 70: Non-interest income*



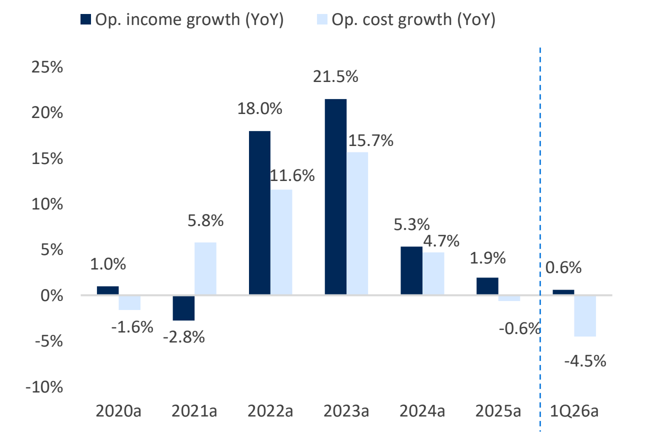
Source: Company financials, anbc research

Positive operating jaws

SAIB's cost-to-income ratio (excluding one-off) of 40.5% in 2025 stood at a significantly higher rate than the sector average of 29.0%, reflecting a 1,145 bps gap. However, the bank's operating costs increased at a CAGR of 7.3% between 2020 and 2025, to SAR 1,723.5 mn. Over the same period, operating income expanded at a faster pace, recording a 2020-2025 CAGR of 11.0%. This divergence indicates improving cost discipline and operating leverage, with revenue growth outpacing the increase in expenses. As a result, the bank has been able to gradually enhance its cost efficiency, reflected in an improving cost to income ratio, down from the peak of 46.1% in 2021.

Looking ahead, the bank will have to continue its focus on cost discipline. With a major portion of SAIB's strategy-related investments now completed, the bank has transitioned into a phase of active cost optimization. This is expected to improve efficiency, resulting in a structurally stronger cost base and positioning the bank to narrow the gap with sector-average efficiency levels. Reflecting this, during 1Q26, operating costs reported a 4.5% YoY decline to SAR 412.9 mn. Resultantly, cost to income ratio for the quarter declined to 39.1%, against the sector's CIR of 30.1%. Going forward, a combination of sustained revenue momentum, ongoing cost rationalization, and further operational efficiency gains should continue to reinforce profitability and support a more competitive cost profile over the medium term. We expect a gradual decline in CIR to 35.9% by 2030f.

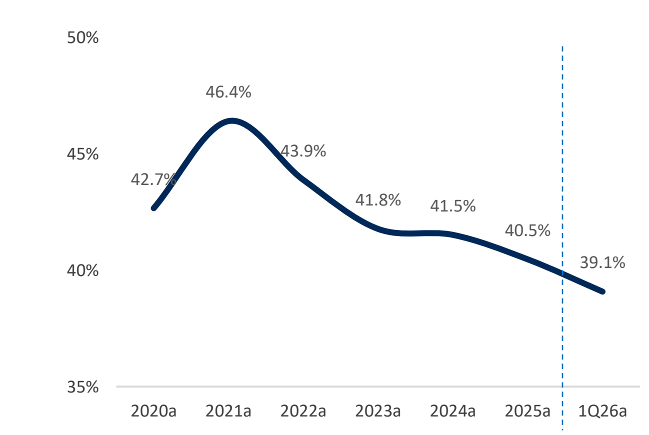
Chart 71: Positive operating jaws*



Source: Company financials, anbc research

**excludes one-off gain during 2025*

Chart 72: Cost to income ratio*



Source: Company financials, anbc research

Valuation

We have an 'Overweight' stance on SAIB, with sustainable RoAE of 10.8%, a payout ratio of 55.0%, and an implied long-term growth rate of 4.9%. Using a cost of equity of 10.3%, our valuation yields a justified P/B of 1.1x and a Dec-31f BVPS of SAR 18.6, resulting in a 2026e target price of SAR 15.7/share. This represents an upside potential of 15.5% from the current market price of SAR 13.6/share. At current levels, SAIB trades at a 2026e P/E of 9.8x and a 2026e P/B of 0.9x.

Valuation table:

SAR mn	2026e	2027f	2028f	2029f	2030f	2031f
Shareholders' Equity	18,339	19,223	20,068	21,001	22,103	23,310
Net Profit	1,744	1,776	1,850	1,988	2,248	2,532
RoAE	10%	9%	9%	10%	10%	11%
Payout Ratio	50%	55%	55%	55%	55%	55%
EPS	1.40	1.42	1.48	1.59	1.80	2.03
DPS	0.70	0.78	0.81	0.87	0.99	1.11
BVPS	14.7	15.4	16.1	16.8	17.7	18.6
Discounted Value						
DPS (discounted)	0.70	0.71	0.67	0.65	0.67	0.68

Sustainable RoAE	10.8%
Payout Ratio	55.0%
Implied Growth	4.9%
Cost of Equity	10.3%
Justified P/B	**1.1**
BVPS Dec-31	**18.6**
Discounted BVPS	12.3
PV of Dividends	3.4
Target Price	**15.7**

TP Sensitivity:

		Growth rate				
		2.9%	**3.9%**	**4.9%**	**5.9%**	**6.9%**
Cost of equity	**8.3%**	21.6	22.9	24.9	28.4	36.7
	9.3%	18.1	18.6	19.3	20.4	22.4
	10.3%	15.5	15.6	**15.7**	15.9	16.3
	11.3%	13.5	13.4	13.3	13.1	12.9
	12.3%	11.9	11.7	11.5	11.1	10.7

Source: anbc research

Financial Summary

SAR mn Income Statement	2024a	2025a	2026e	2027f	2028f	2029f	2030f	CAGR 2025-2030f
Interest Income	8,864	9,692	9,905	10,077	10,646	11,392	12,478	5%
Interest Expense	(5,327)	(6,164)	(6,114)	(6,154)	(6,469)	(6,903)	(7,545)	4%
NSCI	**3,537**	**3,528**	**3,791**	**3,923**	**4,177**	**4,489**	**4,933**	**7%**
Non-interest income***	641	1,266	756	810	868	914	961	-5%
Operating Income	**4,178**	**4,794**	**4,547**	**4,733**	**5,045**	**5,403**	**5,894**	**4%**
Operating expenses	(1,735)	(1,723)	(1,796)	(1,840)	(1,911)	(1,980)	(2,115)	4%
Provisions	(290)	(355)	(423)	(447)	(479)	(495)	(511)	8%
Total Expenses	**(2,024)**	**(2,078)**	**(2,220)**	**(2,287)**	**(2,390)**	**(2,474)**	**(2,625)**	**5%**
NPBT	2,270	2,841	2,436	2,562	2,780	3,062	3,415	4%
Net Income*	**1,787**	**2,097**	**1,744**	**1,776**	**1,850**	**1,988**	**2,248**	**1%**
Shares Outstanding (mn)	1,250	1,250	1,250	1,250	1,250	1,250	1,250	
EPS (SAR)	1.4	1.7	1.4	1.4	1.5	1.6	1.8	
DPS (SAR)	0.8	0.7	0.7	0.8	0.8	0.9	1.0	

Balance Sheet	2024a	2025a	2026e	2027f	2028f	2029f	2030f	CAGR 2025-2030f
Cash and balances	9,919	6,131	6,562	7,239	7,889	8,563	9,351	9%
Due from other FI	1,314	1,621	1,735	1,914	2,086	2,264	2,472	9%
Investments, net	40,834	47,197	50,926	53,174	55,527	58,802	62,540	6%
Financing, net	99,466	112,070	120,480	134,534	148,658	163,233	178,571	10%
Other	5,536	5,702	6,126	6,717	7,312	7,938	8,652	9%
Total Assets	**157,069**	**172,720**	**185,830**	**203,577**	**221,473**	**240,801**	**261,585**	**9%**
Due to other FI	39,901	35,559	38,064	40,691	44,350	48,135	52,564	8%
Customers' deposits	94,013	109,619	117,340	129,430	141,068	153,108	167,195	9%
Other liabilities	2,024	5,109	6,274	6,920	6,674	7,244	7,910	9%
Total Liabilities	**135,938**	**150,287**	**161,678**	**177,042**	**192,093**	**208,487**	**227,670**	**9%**
Total Equity**	**21,131**	**22,433**	**24,152**	**26,535**	**29,381**	**32,314**	**33,915**	9%
Total liabilities and equity	**157,069**	**172,720**	**185,830**	**203,577**	**221,473**	**240,801**	**261,585**	**9%**

**After Sukuk cost*

***Including Tier 1 Sukuk*

****Includes one-off gain during 2025*

Source: Company financials, anbc research

Growth (YoY)	2024a	2025a	2026e	2027f	2028f	2029f	2030f
NSCI	3.5%	-0.3%	7.5%	3.5%	6.5%	7.5%	9.9%
Non-interest income	16.7%	97.5%	-40.3%	7.2%	7.2%	5.3%	5.1%
Total operating income	5.3%	14.7%	-5.2%	4.1%	6.6%	7.1%	9.1%
Net income	12.1%	17.3%	-16.8%	1.8%	4.2%	7.5%	13.1%
Financing	23.2%	12.7%	7.5%	11.7%	10.5%	9.8%	9.4%
Deposits	13.0%	16.6%	7.0%	10.3%	9.0%	8.5%	9.2%

Ratios	2024a	2025a	2026e	2027f	2028f	2029f	2030f
NIM	2.76%	2.33%	2.27%	2.16%	2.11%	2.09%	2.11%
Operating cost to income	41.5%	40.5%	39.5%	38.9%	37.9%	36.6%	35.9%
Cost of risk (bps)	31.6	33.0	35.8	34.4	33.3	31.2	29.3
NPL coverage	156.7%	184.1%	184.8%	177.1%	180.7%	194.7%	207.2%
NPL ratio	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
Simple LDR	105.8%	102.2%	102.7%	103.9%	105.4%	106.6%	106.8%
RoAA	1.2%	1.3%	1.0%	0.9%	0.9%	0.9%	0.9%
RoAE	11.8%	12.7%	9.8%	9.5%	9.4%	9.7%	10.4%
Assets to Equity (x)	9.9	10.1	10.1	10.6	11.0	11.5	11.8

Valuation	2024a	2025a	2026e	2027f	2028f	2029f	2030f
BVPS	12.7	13.7	14.7	15.4	16.1	16.8	17.7
P/B (x)	1.1	1.0	0.9	0.9	0.8	0.8	0.8
P/E (x)	9.5	8.1	9.8	9.6	9.2	8.6	7.6
Dividend yield	5.6%	5.1%	5.1%	5.7%	6.0%	6.4%	7.3%

Source: Company financials, anbc research

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