

Market Data	
52-week high/low	SAR 22.60/14.70
Market Cap	SAR 44,920 mln
Shares Outstanding	2,000 mln
Free-float	99.89%
12-month ADTV	12,889,828
Bloomberg Code	ALINMA AB

Net Income Tops SAR 700 million

August 02, 2021

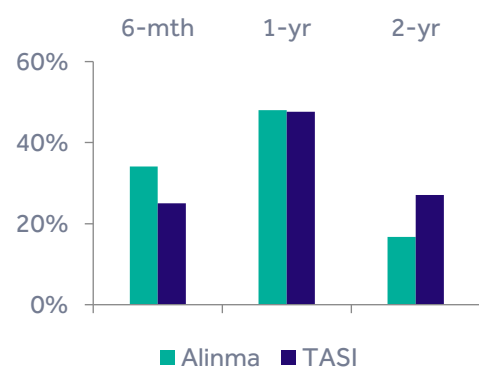
Upside to Target Price	(11.0%)	Rating	Neutral
Expected Dividend Yield	2.2%	Last Price	SAR 22.46
Expected Total Return	(8.8%)	12-mth target	SAR 20.00

Alinma Bank	2Q2021	2Q2020	Y/Y	1Q2021	Q/Q	RC Estimate
Net Financing Income	1,231	1,127	9%	1,205	2%	1,238
Total Operating Income	1,655	1,332	24%	1,606	3%	1,571
Net Income	710	573	24%	642	11%	587
Net Financing	119,623	103,178	16%	117,149	2%	120,718
Deposits	125,878	107,417	17%	120,707	4%	123,530

(All figures are in SAR mln)

- Alinma grew its net financing at a slower pace of +2% compared to the previous quarter, adding SAR 2.5 bln, while deposits rose at higher pace of +4% compared to the previous quarter, growing by SAR 5.2 bln Q/Q. Thus, LDR dropped from 97% to 95% this quarter.
- Financing and investment income was almost flat both Q/Q and Y/Y. However, there was a decrease in return on time investments by -9% Q/Q and -39% Y/Y, resulting in NSCI's growth which increased by +2% Q/Q and +9% Y/Y to reach SAR 1.2 bln, in-line with our estimates.
- Operating income increased by +3% Q/Q and +24% Y/Y, mainly due to the increase in net financing and investment income as well as FVIS investment income. However, Opex decreased by -4% Q/Q due to the increase in G&A expenses and salaries expenses, partly offset by the decrease in the depreciation expense.
- Net income came in at SAR 710 mln (+11% Q/Q, +24% Y/Y), beating our forecast of SAR 587 mln. We increase our target price to SAR 20.00 but maintain a Neutral rating.

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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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