

Company

Saudi Awwal Bank 1Q26 Result Review

Rating

Buy

Bloomberg Ticker

SABB AB

Date

28 April 2026

Results

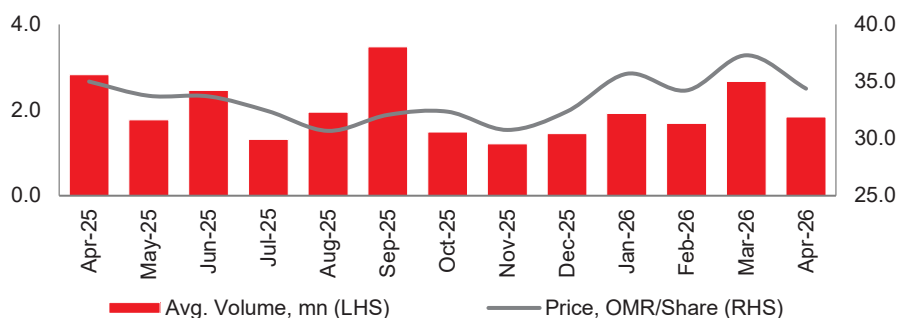
Target Price (SAR)	40.0
Total Return	16.3%

Current Market Price (SAR)	34.4
52wk High / Low (SAR)	37.92/29.9
12m Average Vol. (mn)	1,797.0
Mkt. Cap. (USD/SAR bn)	18.8/70.6
Shares Outstanding (mn)	2,054.8
Free Float (%)	48.4%
3M ADTV (SAR mn)	72.2
6M ADTV (SAR mn)	59.6
P/E'26e (x)	8.1
P/B'26e (x)	1.1
Dividend Yield '26e (%)	6.0%
Price Perf. (1m/3m) (%)	-5/-3.5

Research Department

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For our
last report



Operating income unchanged amid lower NSCI and net fee and commission income

SABB's operating income stayed flat YoY at SAR 3.6bn, largely in line with our estimates. Net special commission income declined by 1% YoY as special commission expense increased due to a higher proportion of IBD. Moreover, a decrease in net fee and commission income resulted in no change in operating income.

Earnings declined due to higher op. expenses and impairments

Net income declined by 2% YoY, driven by a 3% YoY increase in operating expenses and higher net provision charges reflecting increased geopolitical uncertainty.

U-Capital View

SABB's upward trajectory in loan growth remains well-supported by a steady influx of customer deposits, which serves as a resilient funding pillar for continued balance sheet expansion. We maintain our target price at SAR 40.0/share and a Buy rating.

Financial Summary

SAR bn	1Q25	2Q25	3Q25	4Q25	1Q26	1Q26e	YoY	QoQ	Var.
P&L									
Op. Income	3.6	3.7	3.6	3.7	3.6	3.8	0%	-3%	-5%
Op. Expenses	(1.1)	(1.1)	(1.1)	(1.2)	(1.1)	(1.1)	3%	-8%	1%
Provision for ECL, net	(0.1)	(0.2)	(0.1)	(0.3)	(0.2)	(0.2)	17%	-37%	-13%
Net Income	2.1	2.1	2.1	2.0	2.1	2.2	-2%	2%	-4%
BS									
Loans and Advances	278.8	282.6	292.9	298.6	306.9		10%	3%	
Customer Deposits	290.4	297.0	315.1	323.3	331.4		14%	3%	
Shareholders Eq.	72.9	74.5	78.0	79.3	81.0		11%	2%	
Ratios									
Cost to Income	29.6%	28.9%	30.9%	31.9%	30.5%	28.5%			
Loans to Cust. Deposit	96.0%	95.2%	93.0%	92.4%	92.6%				
P/E (TTM)					8.4				
RoE (TTM)					10.5%				
P/B*					0.9				

Source: Financials, TASI, Bloomberg, U Capital Research; * Based on shareholders' equity after minority equity



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Disclaimer

Recommendation

BUY

Greater than 10%

HOLD

Between
0% and +10%

SELL

Lower than 0%

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