

Al Rajhi Bank's net income increased by 18.7% to SAR 19.7 Billion in 2024, recording the all-time high annual net income

FY 2024 Financial Results Highlights:

- SAR 19.7 billion net income after Zakat, higher by 18.7 % YoY
- Market leading return on equity at 21.1%
- Operating income increased by 16.4% YoY due to improved net yield and fee income
- Operating efficiency improved to 24.9%
- Credit Quality remains strong with NPL ratio of 0.76% and NPL coverage ratio of 159%
- Cost of risk has maintained at 0.32%, an increase of 7 basis points YoY
- Net financing increased by SAR 99 billion, or 16.7% YoY, reaching SAR 693 billion
- Strong funding profile with 73.4% of customer deposits being CASA
- Capitalization remains strong with Tier 1 of 19.3% and a total CAR of 20.2%
- Healthy liquidity position with an LCR of 120.1% and a loan to deposit ratio of 85.5%

Riyadh, 29th Jan 2025 – By year-end 2024, Al Rajhi Bank recorded its highest-ever annual net income of SAR 19,722 million, which grew by 18.7% year-on-year. This growth was driven by a 16.4% higher operating income year-on-year due to improved net financing and investment income, which rose by 16.8%, combined with a 15.2% increase in non-yield income. On a quarterly basis, net income for the fourth quarter rose to SAR 5,516 million; a 32.3% increase compared to the same quarter last year 2023. Total assets grew by 20.6% reaching SAR 974 billion compared to 2023. Assets growth is a result of 31.1% year-on-year growth in investments and 16.7% growth in the net financing book. Retail financing increased by 11.2% year-on-year driven by 15.9% growth in the total mortgage book and 7.6% in total consumer financing. Additionally, corporate financing grew by 31.8%, while SME financing elevated by 29.6% year-on-year. This balance sheet growth is supported by healthy operating efficiency and leading return metrics, with ROE and ROA at 21.1% and 2.3%, respectively. The Bank further maintained a strong capital position with a tier 1 ratio of 19.3% and healthy liquidity with an LCR of 120.1%.

Commenting on Al Rajhi Bank's 2024 performance, [Mr. Abdullah bin Sulaiman Al Rajhi, Chairman of the Board of Directors](#), stated "As the group continues to expand across various business lines, we continue to achieve **"harmonize the group"** strategy goals by increasing product penetration, enhancing cross-sell activity, acquiring new customer segments, and intensely investing in our digital infrastructure. Our financial ecosystem and customer-driven offerings help us to provide a unique experience for our individual and business clients".

4Q 2024 Earnings Release



Al-Rajhi also added: "We are proud that the growth we achieved aligns with Saudi Vision 2030, with corporate financing up by 32%, SME financing rising by 30%, and mortgage financing increasing by 16% alongside the massive digital transformation in our banking transactions and services".

Al-Rajhi concluded his statement: "The progress in our strategy execution coupled with improved economy resulted in a 21% year-on-year growth in total assets reaching SAR 974 billion. Additionally, ROE and ROA stand at 21.1% and 2.3%, respectively, while earnings per share has reached SAR 4.67 for the year 2024."

Performance Highlights

Income Statement Summary

SAR (mn)	FY 24	FY 23	YoY %	4Q 24	3Q 24	QoQ %	4Q 23	YoY %
Net financing & investment income	24,843	21,269	+16.8%	6,941	6,397	+8.5%	5,550	+25.1%
Fees & other income	7,212	6,262	+15.2%	1,809	2,042	-11.4%	1,501	+20.5%
Total operating income	32,055	27,531	+16.4%	8,750	8,439	+3.7%	7,051	+24.1%
Operating expenses	(7,971)	(7,498)	+6.3%	(2,050)	(2,070)	-1.0%	(1,998)	+2.6%
Pre-Provision Profit	24,085	20,033	+20.2%	6,700	6,369	+5.2%	5,053	+32.6%
Total impairment charge	(2,117)	(1,504)	+40.7%	(553)	(688)	-19.7%	(406)	+36.2%
Net income for the period	21,968	18,529	+18.6%	6,147	5,681	+8.2%	4,647	+32.3%
Zakat	(2,237)	(1,908)	+17.2%	(626)	(574)	+9.1%	(477)	+31.3%
Non-controlling interests	9	0	0	5	4	+50.2%	0	0
Net income for the period after Zakat	19,722	16,621	+18.7%	5,516	5,103	+8.1%	4,171	+32.3%
Earnings per share (SAR)	4.67	3.95	+18.26%	1.29	1.22	+6.0%	0.99	+29.9%
Return on equity	21.06%	19.35%	+1.71%	22.72%	21.58%	+1.1%	18.98%	+3.7%
Return on assets	2.26%	2.12%	+0.14%	2.37%	2.31%	+0.1%	2.06%	+0.3%
Net financing and investment margin	3.13%	2.99%	+0.14%	3.27%	3.17%	+0.10%	3.01%	+0.26%
Cost to income ratio	24.9%	27.2%	-2.37%	23.4%	24.5%	-1.1%	28.3%	-4.9%
Cost of risk	0.32%	0.25%	+0.07%	0.33%	0.43%	-0.10%	0.27%	+0.06%

Total operating income increased by 16.4% reaching SAR 32,055 million for 2024, compared to SAR 27,531 last year. This growth was driven by a 16.8% year-on-year higher net financing and investment income attributed to a 14 basis points expansion on NIM which reached 3.13% compared to 2.99% in 2023. It's worth highlighting that non-yield income has contributed positively with fees from banking services growing by 11.1% YoY as a result of executing our **"harmonize the group"** strategy, which focuses on enhancing the fee income generation across various business lines; additionally, exchange income and other operating income raised by 3.7% and 55.2%, respectively.

Operating expenses totaled SAR 7,971 million in 2024, a rise of 6.3% year-on-year. Nevertheless, our cost-to-income ratio improved to 24.9% maintaining its position as the leading C/I ratio in the market .

The net impairment charge for 2024 amounted to SAR 2,117 million, higher by 40.7% compared to the previous year driven by the growth in the financing portfolio. The cost of risk for the period increased by 7 basis points year-on-year reaching 0.32%.

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Balance Sheet Summary

SAR (mn)	4Q 24	3Q 24	QoQ %	4Q 23	YoY %
Cash & balances with SAMA & other central banks	53,245	45,085	+18.1%	41,768	+27.5%
Due from banks & other FIs, net	19,530	15,433	+26.5%	9,507	+105.4%
Investments, net	176,068	161,760	+8.8%	134,299	+31.1%
Financing, net	693,410	649,024	+6.8%	594,205	+16.7%
Other assets, net	32,135	31,269	+2.8%	28,321	+13.5%
Total Assets	974,387	902,571	+8.0%	808,098	+20.6%
Due to banks & other FIs	173,435	121,630	+42.6%	97,247	+78.3%
Customers' deposits	628,239	622,572	+0.9%	573,101	+9.6%
Sukuk issued	8,451	8,448	+0.0%	3,789	+123.0%
Other liabilities	41,124	32,041	+28.3%	27,202	+51.2%
Total liabilities	851,247	784,692	+8.5%	701,339	+21.4%
Total equity	123,139	117,879	+4.5%	106,759	+15.3%
Risk weighted assets	611,439	577,850	+5.8%	520,330	+17.5%
Tier 1 Ratio	19.3%	19.7%	-0.4%	20.4%	-1.1%
Total capital adequacy ratio	20.2%	20.7%	-0.5%	21.5%	-1.3%
Liquidity coverage ratio (LCR)	120.1%	137.2%	-17.1%	116.5%	+3.6%
Basel III leverage ratio	11.4%	11.9%	-0.5%	12.5%	-1.1%
Loan to Deposit Ratio	85.5%	78.3%	+7.2%	82.9%	+2.6%
Non-performing loan ratio	0.76%	0.79%	-0.03%	0.71%	+0.05%
Non-performing loan coverage ratio	159.4%	165.2%	-5.7%	203.0%	-43.6%

Total assets reached SAR 974 billion as of 31st Dec 2024, an increase of 20.6% compared to last year, driven by the strong growth in both financing and investments portfolios.

Net financing grew by 16.7% year-on-year reaching SAR 693 billion. Retail financing growth stood at 11.2% driven by a 15.9% growth in the mortgage book. In non-retail, corporate financing grew by 31.8% year-on-year, while SME book increased by 29.6%.

The non-performing loans ratio remains healthy at 0.76% indicating stable credit quality. The non-performing loans coverage ratio stands solid at 159.4%. Customers' deposits witnessed a growth of 9.6% YoY leading CASA to represent a significant proportion of total deposits at 73.4% as of 31st Dec 2024.

Al Rajhi Bank continued to maintain a strong capitalization profile in 2024 with tier 1 and total capital adequacy ratios of 19.3% and 20.2%, respectively. The Bank's liquidity position remained healthy with a liquidity coverage ratio of 120.1% and a loan to deposit ratio of 85.5%.

Additional Information

Auditors' Opinion

Unmodified opinion

Consolidated Financial Statements

The interim condensed consolidated financial statements for the year ended 31st December 2024 will be available through the following link on Al Rajhi Bank website (<https://www.alrajhibank.com.sa/en/About-alrajhi-bank/Investor-Relations>) and investor relations App.

4Q 2024 Earnings Call

Conference call for analysts and investors will be held on 5th of February 2025 at 3:00pm KSA time. The earnings call presentation will be available on Al Rajhi Bank website (<https://www.alrajhibank.com.sa/en/About-alrajhi-bank/Investor-Relations>) and investor relations App.



Alrajhi IR App

Financial Materials

Al Rajhi Bank's financial statements, earnings release, earnings presentation, earnings call transcript, investor presentation, factsheet and analyst data supplement are available to the public on the investor relations website:

<https://www.alrajhibank.com.sa/en/About-alrajhi-bank/Investor-Relations>

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