

Al Rajhi Bank's net income increased by 34.1% YoY to SAR 5.9 Billion in 1Q 2025, while total assets reached a new milestone by exceeding " SAR 1 Trillion"

1Q 2025 Financial Results Highlights:

- SAR 5.9 billion **net income after Zakat**, higher by 34.1% YoY
- **Total assets** increased by 22.4% YoY, surpassing SAR 1 Trillion level
- **Market leading return on equity** at 23.1%
- **Operating income** increased by 27.3% YoY due to improved yield and fee income
- **Operating efficiency** improved to 22.7%
- **Credit Quality** remains healthy with NPL ratio of 0.74% and NPL coverage ratio of 153%
- **Cost of risk** has been maintained at 0.29%, an increase of 1 basis point YoY
- **Net financing** increased to SAR 723 billion, up 4.2% YTD and 18.7% YoY
- **Strong funding profile** with 69.0% CASA
- **Capitalization** remains robust with Tier 1 of 19.8% and a total CAR of 20.6%
- **Healthy liquidity position** with an LCR of 148.6% and a loan to deposit ratio of 84.9%

Riyadh, 22nd April 2025 – During the first quarter of 2025, Al Rajhi Bank recorded its highest-ever quarterly net income of SAR 5,906 million, growing by 34.1% year-on-year. This growth was driven by a 27.3% higher operating income due to improved net yield income, which rose by 25.7%, combined with a 32.9% increase in non-yield income. Total assets grew significantly, exceeding SAR 1 Trillion, an achievement that reflects the outstanding performance and efforts made during the last five years supported by our "**bank of future**" and "**harmonize the group**" strategies execution, alongside the exceptional management delivery; the bank has expanded in many sectors and business lines and been active in capturing opportunities within the Saudi economic transformation. Total assets currently stands at SAR 1,023 billion; a 22.4% increase YoY and 5.0% compared to the fourth quarter 2024. Assets growth results from a 25.1% growth in investments and a 18.7% raise in the net financing book year-on-year. Retail financing increased by 12.1% year-on-year, driven by a 15.2% growth in the total mortgage book and a 7.7% increase in total consumer financing. Additionally, corporate financing grew by 35.8%, while SME financing rose by 34.5% YoY. This balance sheet growth is supported by healthy operating efficiency and leading return metrics, with ROE and ROA at 23.1% and 2.4%, respectively. The Bank further maintained a strong capital position with a Tier 1 ratio of 19.8% and healthy liquidity, with an LCR of 148.6%.

Commenting on Al Rajhi Bank's first quarter 2025 performance, [Mr. Abdullah bin Sulaiman Al Rajhi, Chairman of the Board of Directors](#), stated "As the group continues expanding and capturing market opportunities, we are confident in the progress made in our **"harmonize the group"** strategy, we have achieved many milestones, such as increasing cross-selling activities within the group, acquiring new customer segments, improving corporate and investment banking business, and adapting to an innovative digital environment. In addition, our universal financial offerings and customer-driven services are key elements of our unique customer experience, reflected in our NPS score of 85".

Mr. Al Rajhi also added: "We are proud that our growth aligns with Saudi Vision 2030. We continue to make substantial contributions in various areas, as mortgages grew 15.2%, corporate financing increased by 36%, and SME financing raised by 34%, coupled with a significant digital transformation of our infrastructure and services".

Al Rajhi concluded his statement: "The progress in our strategy execution, coupled with an improved economic environment, resulted in a 22% year-on-year growth in total assets exceeding " ﷲ 1 Trillion" which is an extraordinary achievement for the bank. Additionally, ROE and ROA stand at 23.1% and 2.4%, respectively, while earnings per share has reached ﷲ 1.41 in the first quarter 2025".

Performance Highlights

Income Statement Summary

﷼ (mn)	1Q 25	1Q 24	YoY %	1Q 25	4Q 24	QoQ %
Net financing & investment income	7,097	5,647	+25.7%	7,097	6,941	+2.2%
Fees & other income	2,103	1,582	+32.9%	2,103	1,809	+16.3%
Total operating income	9,200	7,229	+27.3%	9,200	8,750	+5.1%
Operating expenses	(2,088)	(1,894)	+10.3%	(2,088)	(2,050)	+1.9%
Pre-Provision Profit	7,112	5,335	+33.3%	7,112	6,700	+6.1%
Total impairment charge	(525)	(421)	+24.6%	(525)	(553)	-5.0%
Net income for the period	6,587	4,914	+34.0%	6,587	6,147	+7.2%
Zakat	(677)	(509)	+33.0%	(677)	(626)	+8.2%
Non-controlling interests	4	0	-	4	5	-31.7%
Net income for the period after Zakat	5,906	4,405	+34.1%	5,906	5,516	+7.1%
Earnings per share (﷼)	1.41	1.05	+34.67%	1.41	1.29	+9.32%
Return on equity	23.10%	19.28%	+3.82%	23.10%	22.72%	+0.38%
Return on assets	2.36%	2.13%	+0.23%	2.36%	2.37%	-0.01%
Net financing and investment margin	3.16%	3.03%	+0.13%	3.16%	3.27%	-0.11%
Cost to income ratio	22.7%	26.2%	-3.50%	22.7%	23.4%	-0.73%
Cost of risk	0.29%	0.28%	+0.01%	0.29%	0.33%	-0.04%

Total operating income increased by 27.3% reaching ﷼ 9,200 million for the first quarter 2025, compared to ﷼ 7,229 for the same quarter last year. This growth was driven by a 25.7% year-on-year increase in net financing and investment income, attributed to a 13 basis points YoY expansion in NIM which reached 3.16% compared to 3.03% in the first quarter 2024. It's worth highlighting that non-yield income continued its positive momentum with fees from banking services growing by 32.2% YoY, enhanced by the progress of our **"harmonize the group"** strategy; additionally, exchange income and other operating income rose by 11.6% and 61.2%, respectively.

Operating expenses totaled ﷼ 2,088 million in 1Q 2025, a rise of 10.3% YoY. Nevertheless, our cost-to-income ratio improved to 22.7% maintaining its firm position as the leading C/I ratio in the market .

The net impairment charge for the period amounted to ﷼ 525 million, higher by 24.6% compared to the same period last year driven by the growth in the financing portfolio. The cost of risk for the period increased slightly by 1 basis points YoY, reaching 0.29% while it improved by 4 bps QoQ.

1Q 2025 Earnings Release

Balance Sheet Summary

﷼ (mn)	1Q 25	4Q 24	YTD %	1Q 24	YoY %
Cash & balances with SAMA & other central banks	65,077	53,245	+22.2%	43,171	+50.7%
Due from banks & other FIs, net	20,978	19,530	+7.4%	8,913	+135.3%
Investments, net	178,973	176,068	+1.7%	143,040	+25.1%
Financing, net	722,785	693,410	+4.2%	608,990	+18.7%
Other assets, net	35,266	32,135	+9.7%	31,877	+10.6%
Total Assets	1,023,080	974,387	+5.0%	835,992	+22.4%
Due to banks & other FIs	202,231	173,435	+16.6%	82,836	+144.1%
Customers' deposits	629,229	628,239	+0.2%	603,978	+4.2%
Sukuk issued	9,852	8,451	+16.6%	8,091	+21.8%
Other liabilities	47,683	41,124	+16.0%	32,816	+45.3%
Total liabilities	888,995	851,247	+4.4%	727,720	+22.2%
Total equity	134,084	123,139	+8.9%	108,272	+23.8%
Risk weighted assets	651,142	611,439	+6.5%	549,041	+18.6%
Tier 1 Ratio	19.8%	19.3%	+0.5%	19.2%	+0.6%
Total capital adequacy ratio	20.6%	20.2%	+0.4%	20.2%	+0.4%
Liquidity coverage ratio (LCR)	148.6%	120.1%	+28.5%	134.1%	+14.5%
Basel III leverage ratio	11.9%	11.4%	+0.5%	12.0%	-0.1%
Loan to Deposit Ratio	84.9%	85.5%	-0.6%	78.7%	+6.2%
Non-performing loan ratio	0.74%	0.76%	-0.02%	0.77%	-0.03%
Non-performing loan coverage ratio	152.7%	159.4%	-6.8%	175.3%	-22.6%

Total assets reached ﷼ 1,023 billion as of 31st of March 2025, an increase of 22.4% YoY and 5.0% YTD, driven by strong growth in both financing and investments portfolios.

Net financing grew by 18.7% YoY and 4.2% YTD reaching ﷼ 723 billion. Retail financing growth stood at 12.1% YoY driven by a 15.2% increase in the mortgage book. In non-retail, corporate financing grew by 35.8% YoY, while the SME book increased by 34.5%.

The non-performing loans (NPL) ratio remains healthy at 0.74%, indicating stable credit quality with a solid NPL coverage ratio that stands at 152.7%. It is worth to highlight that CASA represents a significant proportion of total deposits at 69.0% as of 31st March 2025.

Al Rajhi Bank maintained a strong capitalization profile during the period with Tier 1 and total capital adequacy ratios of 19.8% and 20.6%, respectively. The Bank's liquidity position remained healthy with a liquidity coverage ratio of 148.6% and a loan to deposit ratio of 84.9%.

Additional Information

Auditors' Opinion

Unmodified opinion

Consolidated Financial Statements

The interim condensed consolidated financial statements for the three-month period ended 31st March 2025 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.

1Q 2025 Earnings Call

Conference call for analysts and investors will be held on 30th of April 2025 at 4:00pm 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>

1Q 2025 Earnings Release

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