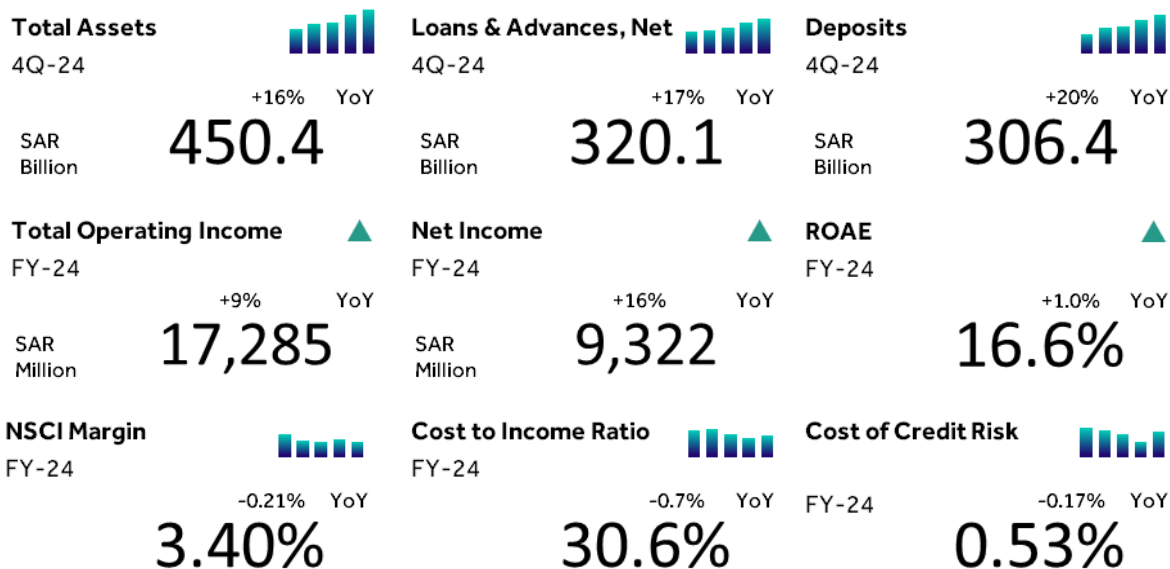


## Riyad Bank reports 16% net income growth reaching to SAR 9.3 billion in 2024

Riyad Bank reports 16% net income growth driven by a robust loan growth, expansion in operating income and improved efficiencies



- Total assets of SAR 450.4bn, up 16% YoY, mainly driven by 17% growth in loans & advances, and 20% in investments.
- Funding growth was driven by an increase of 20% YoY in customer deposits to reach SAR 306.4bn.
- Total operating income of SAR 17,285mn in 2024, up 9% YoY driven by a growth of 27% in fee and other income and 4% YoY in net special commission income.
- Total impairment charges, net for FY 2024 amounted to SAR 1,632mn, lower by 17% YoY.
- Net income for FY 2024 reached to SAR 9,322mn, up 16% YoY on higher operating income, improved efficiencies and lower impairments.
- NSCI margin stands at 3.40% for 2024, 21bps lower YoY mainly driven by an increase of cost of funding.
- Positive jaws resulted in cost to income ratio trending lower to reach 30.6% down by 70bps YoY.
- Cost of credit risk at 0.53% for FY 2024, lower by 17bps YoY, driven by lower credit impairments of 13% YoY.
- Non-performing loans ratio of 0.98% in FY 2024 has improved by 26bps YoY, and non-performing loan coverage ratio is standing at 167.1% up by 25%.
- Healthy capitalization with Tier 1 ratio at 16.4% and Capital Adequacy Ratio (CAR) at 18.9%
- Solid liquidity position with Liquidity Coverage Ratio (LCR) of 145.0%, Net Stable Funding Ratio (NSFR) of 107.0%, and SAMA loans to deposit ratio at 84.3%
- Return on average equity for the period reached to 16.6% up by 100bps YoY.
- Return on average assets for the period reached to 2.23% up by 7bps YoY.

**Riyadh, 12 February 2025** – Riyad Bank reported 16.0% year-on-year growth in net income reaching to SAR 9,322 million for FY 2024, driven by 8.7% expansion total operating income and lower impairment charges of 17.2%. Total operating income growth resulted from an increase of 26.6% year-on-year in fees and other income coupled with a growth of 3.7% YoY in net special commission income.

Total assets amounted to SAR 450.4 billion as of 31<sup>st</sup> December 2024, an increase of 16.4% from the year end of 2023, largely due to robust loan growth of 16.7% and 19.9% growth in investment. The asset growth was mainly funded by an increase of 20.2% year-on-year in customer deposits, coupled with a growth of 9.1% year-on-year in total shareholders' equity.

**Mr. Nadir Al-Koraya, Chief Executive Officer of Riyad Bank, said:**

"Riyad Bank delivered another year of historical performance in 2024 which is a testament of the hard work and dedication of our people, inspired by our ambitious strategy to become the best bank in KSA and building on the achievements of various business segments. We remain well-positioned to capitalize on the strong and healthy credit demand from corporate and SMEs, as non-oil GDP growth continues to drive economic activities and new opportunities arise from the positive domestic economic environment as well as our capacity to support Vision 2030 projects."

**Mr. Abdullah Al Oraini, Chief Financial Officer of Riyad Bank, said:**

"Riyad Bank recorded a strong performance during 2024, with fee and other income up 26.6% year-on-year coupled with a growth of 3.7% YoY in net special commission income, resulting in total operating income rising by 8.7% year-on-year. Efficiencies has improved during the period driven by the positive jaws resulting in cost to income ratio to reach 30.6% down by 70bps year-on-year. The strong profitability delivered during the period resulted in healthy return metrics with ROAE and ROAA reaching to 16.6% and 2.23%, respectively. Loans and investments year-on-year growth of 16.7% and 19.9%, respectively propelled total asset growth of 16.4%. Our credit quality markedly improved, with the NPL ratio at 0.98% and NPL coverage ratio at 167.1%."

**Performance Highlights**
**Income Statement Highlights**

SAR (mn)	4Q-2024	4Q-2023	YoY % Change	FY-2024	FY-2023	YoY % Change
Net special commission income	3,432	3,142	+9%	12,873	12,414	+4%
Fee and other income	1,222	790	+55%	4,411	3,485	+27%
<b>Total operating income, net</b>	<b>4,655</b>	<b>3,932</b>	<b>+18%</b>	<b>17,285</b>	<b>15,899</b>	<b>+9%</b>
Total operating expenses before impairment charge	(1,408)	(1,274)	+11%	(5,286)	(4,969)	+6%
<b>Net operating income before impairment charge</b>	<b>3,247</b>	<b>2,658</b>	<b>+22%</b>	<b>11,999</b>	<b>10,930</b>	<b>+10%</b>
Total impairment charge	(735)	(483)	+52%	(1,632)	(1,972)	-17%
<b>Net operating income</b>	<b>2,512</b>	<b>2,175</b>	<b>+15%</b>	<b>10,367</b>	<b>8,959</b>	<b>+16%</b>
Share in earnings of associates	8	4	+116%	30	12	+147%
<b>Net Income for the period before zakat</b>	<b>2,520</b>	<b>2,179</b>	<b>+16%</b>	<b>10,397</b>	<b>8,971</b>	<b>+16%</b>
Zakat for the period	(263)	(225)	+17%	(1,075)	(925)	+16%
<b>Net Income for the period after zakat</b>	<b>2,257</b>	<b>1,955</b>	<b>+15%</b>	<b>9,322</b>	<b>8,046</b>	<b>+16%</b>
Earnings per share	0.73	0.64	+15%	3.01	2.58	+17%
ROAE	15.7%	15.0%	+0.7%	16.6%	15.6%	+1.0%
ROAA	2.04%	2.05%	-0.00%	2.23%	2.16%	+0.07%
NSCI margin	3.36%	3.55%	-0.19%	3.40%	3.61%	-0.21%
Cost to income ratio	30.2%	32.4%	-2.2%	30.6%	31.3%	-0.7%
Cost of credit risk	0.61%	0.67%	-0.07%	0.53%	0.70%	-0.17%

Net income for FY 2024 recorded a solid growth of 16% year-on-year to SAR 9,322 million from 27% growth in fee and other income, and lower impairments charges on the back of improved asset quality and better recoveries.

Total operating income grew 9% year-on-year to reach SAR 17,285 million in 2024. Net special commission income recorded an increase of 4% to SAR 12,873 million driven by volume growth, improved asset yield and cost of fund management. Fee and other income jumped 27% year-on-year reaching SAR 4,411 million driven by fee from banking services, exchange income and investment related income.

Operating expenses before impairment charges increased 6% year-on-year to SAR 5,286 million in 2024 due to 8% increase in employee-related expenses and a 9% increase in other G&A expenses. The cost to income ratio continues to trend lower reaching 30.6% in 2024.

The impairment charges amounted to SAR 1,632 million for FY 2024, lower by 17% compared with the corresponding period last year driven by lower charges and strong recoveries resulting in cost of credit risk standing at 0.53%.

Earnings per share in 2024 improved 17% reaching SAR 3.01 compared to SAR 2.58 in 2023. Return on average equity for the period stands at 16.6% up by 100bps YoY, return on average assets stands at 2.23% up by 7bps YoY.

**Balance Sheet Highlights**

SAR (mn)	4Q-2024	3Q-2024	QoQ % Change	4Q-2023	YoY % Change
Cash and balances with SAMA, net	22,600	20,159	+12%	26,175	-14%
Due from banks and financial Institutions, net	22,574	26,561	-15%	15,434	+46%
Investments, net	69,669	66,137	+5%	58,109	+20%
Loans and advances, net	320,089	305,408	+5%	274,398	+17%
Other assets, net	15,446	15,101	+2%	12,733	+21%
<b>Total assets</b>	<b>450,379</b>	<b>433,366</b>	<b>+4%</b>	<b>386,849</b>	<b>+16%</b>
Due to banks and other financial institutions	43,949	45,227	-3%	42,464	+3%
Customers' deposits	306,423	293,575	+4%	254,908	+20%
Debt securities in issue	13,324	13,210	+1%	13,373	-0%
Other liabilities, net	18,740	18,214	+3%	15,847	+18%
<b>Total liabilities</b>	<b>382,437</b>	<b>370,225</b>	<b>+3%</b>	<b>326,591</b>	<b>+17%</b>
Share capital	30,000	30,000	+0%	30,000	+0%
Reserves	15,196	13,085	+16%	12,418	+22%
Retained earnings	13,360	13,491	-1%	11,277	+18%
Proposed dividends	0	0		0	
<b>Total shareholders' equity</b>	<b>58,556</b>	<b>56,577</b>	<b>+3%</b>	<b>53,696</b>	<b>+9%</b>
Tier 1 sukuk	9,386	6,564	+43%	6,563	+43%
<b>Total equity</b>	<b>67,942</b>	<b>63,140</b>	<b>+8%</b>	<b>60,258</b>	<b>+13%</b>
NPL Ratio	0.98%	1.20%	-22bps	1.24%	-26bps
NPL Coverage Ratio	167.1%	144.9%	+22.1%	142.1%	+24.9%
NIB % of total	54.5%	51.8%	+2.6%	54.7%	-0.2%
Tier 1 ratio	16.4%	15.6%	+0.8%	17.6%	-1.2%
Capital adequacy ratio	18.9%	18.2%	+0.8%	20.7%	-1.8%
Liquidity coverage ratio	145.0%	142.0%	+2.9%	159.9%	-15.0%
Net stable funding ratio	107.0%	109.3%	-2.3%	113.4%	-6.4%
Loans to customers' deposit ratio (headline)	104.5%	104.0%	+0.4%	107.6%	-3.2%
Loans to customers' deposit ratio (SAMA weighted)	84.3%	84.6%	-0.3%	81.9%	+2.4%

Total assets as of 31<sup>st</sup> December 2024 amounted to SAR 450,379 million, an increase of 16% YoY. Loans and advances, net rose 17% in 2024 reaching SAR 320,089 million. Investments, net amounted to SAR 69,669 million, an increase of 20% YoY.

Customers' deposits increased by 20% during 2024 to SAR 306,423 million. The bank delivered a strong growth in demand deposits of 28% during 2024 and time deposits have recorded a 21% which resulted in NIBs as percentage of total customer deposits to reach 54.5%.

The non-performing loan ratio improved to 0.98% as of 31<sup>st</sup> December 2024, 26 basis points improvement compared to the same period last year. The coverage of non-performing loans increased to 167.1% as of 31<sup>st</sup> December 2024 relative to 142.1% at the same period last year on efforts to improve overall provision levels.

The total capital adequacy ratio stood at 18.9% and the Tier 1 ratio at 16.4% as of 31<sup>st</sup> December 2024; the former declining by 1.8% relative to the previous year-end due to higher risk-weighted assets by 21% against 11% increase in regulatory capital as dividend payments partially offset internal capital generation. The bank's liquidity remained strong and comfortably within regulatory limits, with the liquidity coverage ratio at 145.0%, the net stable funding ratio at 107.0% and SAMA regulatory loans to deposits ratio at 84.3%.

**Operating Segment Highlights**
**Corporate Segment Highlights**

SAR (mn)	4Q-2024	4Q-2023	YoY % Change	FY-2024	FY-2023	YoY % Change
Net special commission income	1,866	1,684	+11%	6,985	6,671	+5%
Fee and other income	641	412	+56%	2,135	1,754	+22%
<b>Total operating income</b>	<b>2,507</b>	<b>2,095</b>	<b>+20%</b>	<b>9,121</b>	<b>8,425</b>	<b>+8%</b>
Total operating expenses before impairment charge	425	391	+9%	1,610	1,376	+17%
Impairment charge	427	465	-8%	869	1,481	-41%
<b>Net income for the period before zakat</b>	<b>1,655</b>	<b>1,239</b>	<b>+34%</b>	<b>6,641</b>	<b>5,569</b>	<b>+19%</b>

SAR (mn)	4Q-2024	4Q-2023	YoY % Change
Loans and advances, net	222,553	177,894	+25%
<b>Total assets</b>	<b>230,141</b>	<b>181,597</b>	<b>+27%</b>
Deposits	194,729	149,189	+31%
<b>Total liabilities</b>	<b>209,282</b>	<b>172,278</b>	<b>+21%</b>

The corporate segment reported 19% year-on-year growth in net income before zakat to SAR 6,641 million. This resulted from 22% fee and other income growth to SAR 2,135 million coupled with 5% NSCI growth to SAR 6,985. Credit impairment charges was lower by 41% YoY.

Total assets for the corporate segment grew by 27% in 2024 to SAR 230,141 million from an 25% increase in loans and advances, net. Corporate deposits were higher by 31% in 2024 standing at SAR 194,729 million.

**Retail Segment Highlights**

SAR (mn)	4Q-2024	4Q-2023	YoY % Change	FY-2024	FY-2023	YoY % Change
Net special commission income	1,152	994	+16%	4,579	3,982	+15%
Fee and other income	14	(18)	-178%	260	105	+148%
<b>Total operating income</b>	<b>1,166</b>	<b>976</b>	<b>+19%</b>	<b>4,839</b>	<b>4,087</b>	<b>+18%</b>
Total operating expenses before impairment charge	813	751	+8%	3,072	3,078	-0%
Impairment charge	300	(1)	-40580%	752	394	+91%
<b>Net income for the period before zakat</b>	<b>54</b>	<b>226</b>	<b>-76%</b>	<b>1,016</b>	<b>615</b>	<b>+65%</b>

SAR (mn)	4Q-2024	4Q-2023	YoY % Change
Loans and advances, net	95,950	95,424	+1%
<b>Total assets</b>	<b>112,884</b>	<b>111,664</b>	<b>+1%</b>
Deposits	111,695	105,719	+6%
<b>Total liabilities</b>	<b>117,907</b>	<b>111,206</b>	<b>+6%</b>

Retail net income before zakat for 2024 demonstrate a robust growth of 65% reaching to SAR 1,016 million. Total operating income increased by 18% reaching to SAR 4,839 million driven by fee and other income which more than doubled to reach SAR 260 million. Operating expenses decreased by 0.2% compared to the corresponding period last year to reach SAR 3,072 million.

Total retail assets marginally increased by 1% in 2024 to reach SAR 112,884 million. Deposits expanded by 6% compared to the corresponding period last year to reach SAR 111,695 million.

**Treasury and Investments Segment Highlights**

SAR (mn)	4Q-2024	4Q-2023	YoY % Change	FY-2024	FY-2023	YoY % Change
Net special commission income	303	373	-19%	949	1,483	-36%
Fee and other income	406	203	+100%	1,388	998	+39%
<b>Total operating income</b>	<b>710</b>	<b>576</b>	<b>+23%</b>	<b>2,338</b>	<b>2,481</b>	<b>-6%</b>
Total operating expenses before impairment charge	87	61	+43%	278	208	+33%
Impairment charge	9	19	-53%	11	97	-88%
<b>Net income for the period before zakat</b>	<b>622</b>	<b>501</b>	<b>+24%</b>	<b>2,079</b>	<b>2,188</b>	<b>-5%</b>

SAR (mn)	4Q-2024	4Q-2023	YoY % Change
Investments, net	69,669	58,109	+20%
<b>Total assets</b>	<b>103,531</b>	<b>90,056</b>	<b>+15%</b>
<b>Total liabilities</b>	<b>54,483</b>	<b>42,663</b>	<b>+28%</b>

Treasury and investments recorded a decrease of 5% in net income before zakat to SAR 2,079 million during 2024. Fee and other income demonstrate a strong growth of 39% compared to the corresponding period last year reaching to SAR 1,388 million. Operating income declined by 6% in 2024 reaching to SAR 2,338 million on a 36% reduction in net special commission income driven by higher funding costs.

Treasury assets increase by 15% year-on-year during 2024 supported by 20% growth in the investment portfolio, while total liabilities rose by 28%.

**Riyad Capital Segment Highlights**

SAR (mn)	4Q-2024	4Q-2023	YoY % Change	FY-2024	FY-2023	YoY % Change
Net special commission income	111	91	+22%	360	278	+29%
Fee and other income	160	193	-17%	627	627	+0%
<b>Total operating income</b>	<b>271</b>	<b>284</b>	<b>-5%</b>	<b>987</b>	<b>906</b>	<b>+9%</b>
Total operating expenses before impairment charge	83	71	+16%	326	306	+6%
<b>Net income for the period before zakat</b>	<b>189</b>	<b>213</b>	<b>-11%</b>	<b>661</b>	<b>600</b>	<b>+10%</b>

SAR (mn)	4Q-2024	4Q-2023	YoY % Change
<b>Total assets</b>	<b>3,822</b>	<b>3,532</b>	<b>+8%</b>
<b>Total liabilities</b>	<b>764</b>	<b>443</b>	<b>+72%</b>

Riyad Capital booked a 10% year-on-year increase in net income before zakat to SAR 661 million during 2024, driven by an increase of 29% in net special commission income.

Riyad capital assets increased by 8% during the year reaching to SAR 3,822 million and liabilities increased by 72% reaching to SAR 764 million.



**Outlook**

Saudi Arabia's economy accelerated in the fourth quarter of 2024, recording a 4.4% GDP growth, the highest quarterly expansion in two years. This growth was supported by a 3.4% increase in oil activities, marking a stronger recovery in the sector, alongside a 4.6% rise in non-oil activities, which continued to drive overall economic momentum. For the full year 2024, real GDP grew by 1.3%. These gains reflect the Kingdom's steady diversification efforts and resilient domestic demand.

Additionally, seasonally adjusted real GDP grew by 0.3% in Q4 compared to the previous quarter, reflecting continued economic resilience despite ongoing adjustments in oil production. This recovery aligns with Saudi Arabia's adherence to the OPEC+ agreement, which includes voluntary production adjustments aimed at stabilizing global oil markets. These production cuts are set to gradually phase out starting in April 2025 and continuing through September 2026, signalling a return to higher output levels as market conditions stabilize. The oil sector's performance remains a focal point; however, the overall economic landscape underscores the increasing significance of non-oil sectors in propelling Saudi Arabia's economic growth.

The annual inflation rate slightly decreased to 1.9% in December from 2.0% in November, maintaining a steady range between 1.5% and 2.0% throughout the year. This stability reflects effective economic management amid global uncertainties. The primary driver was an 8.9% increase in the housing, water, electricity, gas, and other fuels category, influenced by a 10.6% rise in housing rents, particularly a 9.9% increase in villa rental prices. Food and beverage prices also rose by 0.8%, driven by a 2.9% increase in meat and poultry prices. These upward pressures were partially offset by a 2.5% decline in transportation costs, including a 3.9% decrease in vehicle prices. Compared to global trends, Saudi Arabia's inflation remained well-contained, underscoring the government's success in maintaining price stability amid worldwide inflationary challenges.

In December 2024, Saudi Arabia's non-oil private sector sustained robust growth, as indicated by the Riyad Bank Saudi Arabia Purchasing Managers' Index (PMI), which registered at 58.4, slightly down from November's 17-month high of 59.0. This performance was driven by strong domestic demand and a significant boost in export orders, with the new orders subindex rising to 65.5, marking the fastest growth recorded in 2024. Despite concerns over increasing input prices due to material demand, easing wage inflation helped mitigate overall cost burdens. Business expectations improved to a nine-month high, reflecting optimism for continued growth in 2025. These developments underscore the ongoing expansion of the non-oil private sector, highlighting the Kingdom's progress in economic diversification and its resilience to fluctuations in oil revenues.

The Saudi economy is making steady progress toward a diversified and sustainable growth trajectory, underpinned by robust non-oil sector performance and effective macroeconomic management. The non-oil economy continues to expand, supported by strong domestic demand, rising export activity, and the government's strategic investments in infrastructure and key sectors. Inflation remains well-contained, reflecting prudent economic policies, while steady gains in private sector activity, as evidenced by rising PMI levels, highlight the Kingdom's growing resilience to external challenges.

As Saudi Arabia advances its ambitious Vision 2030 agenda, reforms aimed at improving the business climate, fostering innovation, and attracting foreign investment are transforming the economic landscape. These efforts are further reinforced by policies focused on empowering the private sector, developing human capital, and enhancing the competitiveness of key industries. This comprehensive approach is positioning Saudi Arabia as a leading regional hub for economic diversification and sustainable growth, reducing its dependency on oil revenues and ensuring long-term economic stability.

## About Riyad Bank

Riyad Bank is one of the largest financial institutions in the Kingdom of Saudi Arabia and the Middle East. Established in 1957, with a paid-up capital of SAR 30 billion and now with +7.8K employees, we take pride of being among the Saudi organizations with the highest national employment rate of 96%.

We provide a comprehensive range of products and services fully compliant with the Islamic Sharia' to meet the needs of both retail and corporate customers, including small and medium-size enterprises. We take a lead role in many areas of finance and investment across Saudi Arabia and are distinguished as a leading financier and arranger of syndicated loans in the oil and petrochemicals sector as well as the Kingdom's most notable infrastructure projects.

We offer innovative financing solutions through a network of 333 licensed branches, and +254K POS, in addition to +1.7K ATMs distributed across the Kingdom. Our branch in London and offices in Houston (USA) and Singapore support the international banking needs of our increasingly global customers.

## Additional Information

The FY 2024 financial statements, earnings release, earnings presentation, investor presentation and financial data supplement will be available on the website of Riyad Bank at:



### [Riyad Bank - Investor Relations Website](#)

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