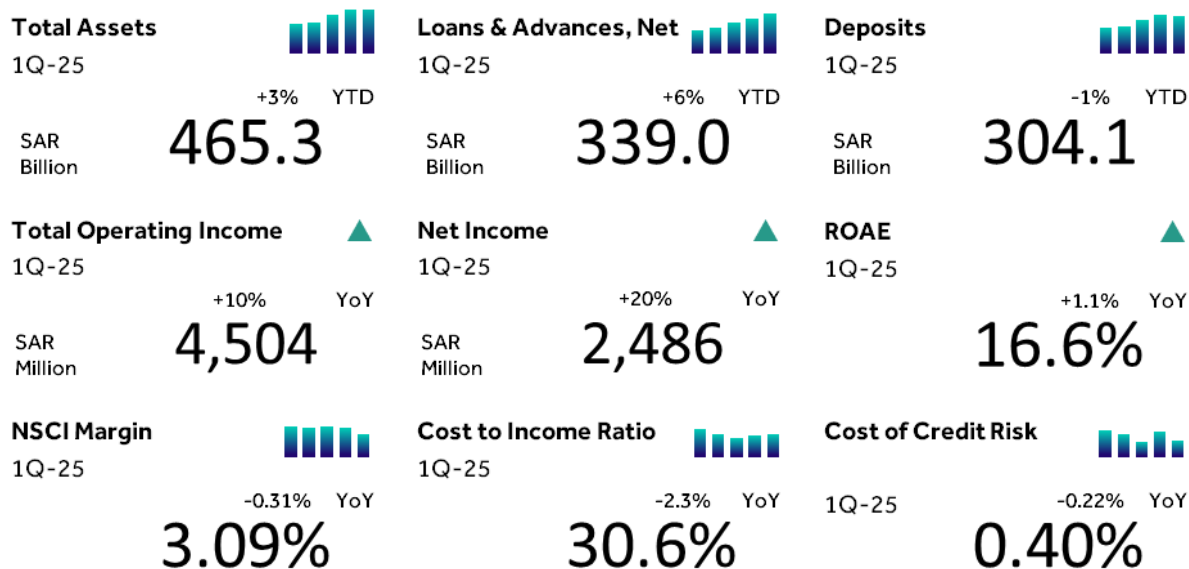


Riyad Bank reports 20% net income growth reaching to SAR 2.5 billion in 1Q 2025

Riyad Bank reports 20% net income growth driven by a robust top line growth and improved efficiencies



- Total assets of SAR 465.3bn, up 3% YTD, mainly driven by 6% growth in loans & advances.
- Customers' deposits amounted to SAR 304.1 billion, a reduction of 1% YTD, while total liabilities increased by 3% YTD.
- Total operating income of SAR 4,504mn in 1Q 2025, up 10% YoY driven by a growth of 8% YoY in net special commission income and 18% in fee and other income.
- Total impairment charges, net for 1Q 2025 amounted to SAR 361.7mn, lower by 17% YoY resulted in cost of credit risk to reach 40bps, lower by 22bps YoY.
- Net income for 1Q 2025 reached to SAR 2,486mn, up 20% YoY on higher operating income, improved efficiencies and lower impairments.
- Although NSCI margin stands at 3.09% for 1Q 2025, 31bps lower YoY, the Bank delivered an 8% YoY growth in NSCI driven by volume growth and cost of fund management.
- Positive jaws resulted in cost to income ratio trending lower to reach 30.6% down by 230bps YoY
- Non-performing loans ratio of 1.14% in 1Q 2025 has improved by 5bps YoY, and non-performing loan coverage ratio is standing at 133.0% lower by 7.7% YoY.
- Healthy capitalization with Tier 1 ratio at 16.4% and Capital Adequacy Ratio (CAR) at 17.5%
- Solid liquidity position with Liquidity Coverage Ratio (LCR) of 146.2%, Net Stable Funding Ratio (NSFR) of 108.8%, and SAMA loans to deposit ratio at 85.7%.
- Return on average equity for the period reached to 16.6% up by 115bps YoY.
- Return on average assets for the period reached to 2.17% up by 8bps YoY.

Riyadh, 1 May 2025 – Riyad Bank reported 19.9% year-on-year growth in net income reaching to SAR 2,486 million for 1Q 2025, driven by 10.2% expansion total operating income and lower impairment charges of 17.1%. Total operating income growth resulted from an increase of 7.6% year-on-year in net special commission income coupled with a growth of 17.8% year-on-year in fees and other income.

Total assets amounted to SAR 465.3 billion as of 31st March 2025, an increase of 3.3% from the year end of 2024, largely due to robust loan growth of 5.9%. On the other side, total liabilities have increased by 3% year-to-date from a growth in due to banks, other FIs and debt securities while partially offset by a decrease in customers' deposits.

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

"Riyad Bank's robust financial performance in the first quarter of 2025 is a direct outcome of the hard work and dedication of our people, guided by our strategic ambition to become the best bank in KSA. Leveraging the successes of diverse business segments, we are favourably positioned to benefit from the strong and sustained demand for credit from corporate clients and SMEs, underpinned by non-oil GDP expansion and the emerging opportunities within the positive domestic economic landscape, enabling us to contribute to the Kingdom's Vision 2030 and deliver sustainable value to our shareholders."

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

"Riyad Bank recorded a strong performance during 1Q 2025, with 7.6% year-on-year growth in net special commission income coupled with a 17.8% year-on-year growth in fee and other income, resulting in total operating income rising by 10.2% 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 230bps year-on-year. The strong profitability delivered during the period resulted in healthy return metrics with ROAE and ROAA reaching to 16.6% and 2.17%, respectively. Loans year-to-date growth of 5.9% propelled total asset growth of 3.3%. Our credit quality remains resilience, with the NPL ratio at 1.14% and NPL coverage ratio at 133.0%."

Performance Highlights
Income Statement Highlights

SAR (mn)	1Q-2025	1Q-2024	YoY % Change
Net special commission income	3,282	3,051	+8%
Fee and other income	1,221	1,037	+18%
Total operating income, net	4,504	4,088	+10%
Total operating expenses before impairment charge	(1,379)	(1,346)	+2%
Net operating income before impairment charge	3,125	2,742	+14%
Total impairment charge	(362)	(437)	-17%
Net operating income	2,763	2,305	+20%
Share in earnings of associates	9	6	+56%
Net Income for the period before zakat	2,772	2,311	+20%
Zakat for the period	(286)	(238)	+20%
Net Income for the period after zakat	2,486	2,073	+20%
Earnings per share	0.79	0.66	+21%
ROAE	16.6%	15.5%	+1.1%
ROAA	2.17%	2.09%	+0.08%
NSCI margin	3.09%	3.40%	-0.31%
Cost to income ratio	30.6%	32.9%	-2.3%
Cost of credit risk	0.40%	0.62%	-0.22%

Net income for 1Q 2025 recorded a solid growth of 20% year-on-year to SAR 2,486 million from 8% growth in net special commission income coupled with 18% growth in fee and other income, and lower impairments charges on the back of improved asset quality and better recoveries.

Total operating income grew 10% year-on-year to reach SAR 4,504 million in 1Q 2025. Net special commission income recorded an increase of 8% to SAR 3,282 million driven by volume growth and cost of fund management. Fee and other income jumped 18% year-on-year reaching SAR 1,221 million driven by fee from banking services, exchange income and investment related income.

Operating expenses before impairment charges increased 2% year-on-year to SAR 1,379 million in 1Q 2025 due to 6% increase in employee-related expenses, a 22% increase in premises-related expenses and a 29% increase in other operating expenses. The cost to income ratio trends lower reaching 30.6% in 1Q 2025 in comparison with the corresponding period last year.

The impairment charges amounted to SAR 362 million for 1Q 2025, lower by 17% compared with the corresponding period last year driven by strong recoveries, resulting in cost of credit risk standing at 0.40%.

Earnings per share in 1Q 2025 improved 21% reaching SAR 0.79 compared to SAR 0.66 in 1Q 2024. Return on average equity for the period stands at 16.6% up by 115bps YoY, and return on average assets stands at 2.17% up by 8bps YoY.

Balance Sheet Highlights

SAR (mn)	1Q-2025	4Q-2024	QoQ % Change	1Q-2024	YoY % Change
Cash and balances with SAMA, net	26,910	22,600	+19%	28,642	-6%
Due from banks and financial Institutions, net	15,227	22,574	-33%	17,577	-13%
Investments, net	69,271	69,669	-1%	60,663	+14%
Loans and advances, net	338,991	320,089	+6%	282,854	+20%
Other assets, net	14,945	15,446	-3%	15,122	-1%
Total assets	465,345	450,379	+3%	404,859	+15%
Due to banks and other financial institutions	47,820	43,949	+9%	40,121	+19%
Customers' deposits	304,092	306,423	-1%	270,948	+12%
Debt securities in issue	22,752	13,324	+71%	13,199	+72%
Other liabilities, net	18,164	18,740	-3%	20,515	-11%
Total liabilities	392,829	382,437	+3%	344,782	+14%
Share capital	30,000	30,000	0%	30,000	0%
Reserves	15,399	15,196	+1%	12,516	+23%
Retained earnings	13,045	13,360	-2%	10,998	+19%
Proposed dividends	2,696	0	NM	0	NM
Total shareholders' equity	61,140	58,556	+4%	53,514	+14%
Tier 1 sukuk	11,377	9,386	+21%	6,563	+73%
Total equity	72,516	67,942	+7%	60,077	+21%
NPL Ratio	1.14%	0.98%	+16bps	1.19%	-5bps
NPL Coverage Ratio	133.0%	167.1%	-34.0%	140.8%	-7.7%
NIB % of total	53.2%	54.5%	-1.3%	55.9%	-2.7%
Tier 1 ratio	16.4%	16.4%	+0.0%	16.5%	-0.0%
Capital adequacy ratio	17.5%	18.9%	-1.5%	19.3%	-1.8%
Liquidity coverage ratio	146.2%	145.0%	+1.2%	147.6%	-1.5%
Net stable funding ratio	108.8%	107.0%	+1.8%	109.6%	-0.8%
Loans to customers' deposit ratio (headline)	111.5%	104.5%	+7.0%	104.4%	+7.1%
Loans to customers' deposit ratio (SAMA weighted)	85.7%	84.3%	+1.4%	82.7%	+3.0%

Total assets as of 31st March 2025 amounted to SAR 465,345 million, an increase of 3% YTD. Loans and advances, net rose 6% in 1Q 2025 reaching SAR 338,991 million. Investments, net amounted to SAR 69,271 million, a decrease of 1% YTD.

Customers' deposits decreased by 1% during 1Q 2025 to SAR 304,092 million while total liabilities have increased by 3% YTD from an increase in due to banks, other FIs and debt securities while partially offset by a decrease in customers' deposits.

The non-performing loan ratio stands at 1.14% as of 31st March 2025, 5 basis points improvement compared to the same period last year. The coverage of non-performing loans decreased to 133.0% as of 31st March 2025 relative to 140.8% at the same period last year.

The total capital adequacy ratio stood at 17.5% and the Tier 1 ratio at 16.4% as of 31st March 2025; the former declining by 1.7% relative to the previous year-end due to higher risk-weighted assets by 5.9% against 1.6% decrease in regulatory capital. The bank's liquidity remained strong and comfortably within regulatory limits, with the liquidity coverage ratio at 146.2%, the net stable funding ratio at 108.8% and SAMA regulatory loans to deposits ratio at 85.7%.

Operating Segment Highlights
Corporate Segment Highlights

SAR (mn)	1Q-2025	1Q-2024	YoY % Change
Net special commission income	1,762	1,660	+6%
Fee and other income	601	480	+25%
Total operating income	2,362	2,140	+10%
Total operating expenses before impairment charge	444	397	+12%
Impairment charge	225	302	-25%
Net income for the period before zakat	1,694	1,441	+18%

SAR (mn)	1Q-2025	4Q-2024	YTD % Change	1Q-2024	YoY % Change
Loans and advances, net	239,030	222,553	+7%	185,778	+29%
Total assets	247,502	230,141	+8%	191,360	+29%
Deposits	185,824	194,729	-5%	155,256	+20%
Total liabilities	201,968	209,282	-3%	174,420	+16%

The corporate segment reported 18% year-on-year growth in net income before zakat for 1Q 2025 reaching to SAR 1,694 million. This resulted from 6% year-on-year growth in NSCI to SAR 1,762 coupled with 25% fee and other income growth to SAR 601 million. Credit impairment charges was lower by 25% YoY.

Total assets for the corporate segment grew by 8% year-to-date in 1Q 2025 to SAR 247,502 million from a 7% increase in loans and advances, net. Corporate deposits declined by 5% year-to-date in 1Q 2025 standing at SAR 185,824 million.

Retail Segment Highlights

SAR (mn)	1Q-2025	1Q-2024	YoY % Change
Net special commission income	1,202	1,056	+14%
Fee and other income	72	75	-4%
Total operating income	1,274	1,132	+13%
Total operating expenses before impairment charge	781	810	-4%
Impairment charge	144	135	+7%
Net income for the period before zakat	349	187	+87%

SAR (mn)	1Q-2025	4Q-2024	YTD % Change	1Q-2024	YoY % Change
Loans and advances, net	98,354	95,950	+3%	95,650	+3%
Total assets	116,293	112,884	+3%	112,483	+3%
Deposits	118,269	111,695	+6%	115,692	+2%
Total liabilities	124,335	117,907	+5%	123,417	+1%

Retail net income before zakat for 1Q 2025 demonstrate a robust growth of 87% year-on-year reaching to SAR 349 million. Total operating income increased by 13% reaching to SAR 1,274 million driven by a strong growth of 14% in net special commission income to reach SAR 1,202 which was offset by a lower 4% in fee and other income. Operating expenses decreased by 4% compared to the corresponding period last year to reach SAR 781 million.

Total retail assets increased by 3% year-to-date in 1Q 2025 to reach SAR 116,293 million. Deposits expanded by 6% year-to-date in 1Q 2025 to reach SAR 118,269 million.

Treasury and Investments Segment Highlights

SAR (mn)	1Q-2025	1Q-2024	YoY % Change
Net special commission income	226	266	-15%
Fee and other income	393	324	+21%
Total operating income	619	589	+5%
Total operating expenses before impairment charge	72	64	+12%
Impairment charge	(7)	0	34752%
Net income for the period before zakat	563	531	+6%

SAR (mn)	1Q-2025	4Q-2024	YTD % Change	1Q-2024	YoY % Change
Investments, net	69,271	69,669	-1%	60,663	+14%
Total assets	97,899	103,531	-5%	94,657	+3%
Total liabilities	66,006	54,483	+21%	46,376	+42%

Treasury and investments recorded an increase of 6% in net income before zakat to reach SAR 563 million during 1Q 2025. Operating income increased by 5% in 1Q 2025 reaching to SAR 619 million on a 21% increase in fee and other income and partially offset by a decline of 15% in net special commission income.

Treasury assets decreased by 5% year-to-date during 1Q 2025 resulted from by 1% decline in the investment portfolio, while total liabilities rose by 21% year-to-date.

Investment Banking and Brokerage Segment Highlights

SAR (mn)	1Q-2025	1Q-2024	YoY % Change
Net special commission income	93	69	+35%
Fee and other income	156	158	-1%
Total operating income	249	227	+10%
Total operating expenses before impairment charge	82	75	+10%
Net income for the period before zakat	167	152	+9%

SAR (mn)	1Q-2025	4Q-2024	YTD % Change	1Q-2024	YoY % Change
Total assets	3,650	3,822	-4%	6,360	-43%
Total liabilities	521	764	-32%	569	-8%

Investment banking and brokerage booked a 9% year-on-year increase in net income before zakat reaching to SAR 167 million during 1Q 2025, driven by a robust growth of 35% in net special commission income.

Investment banking and brokerage assets decreased by 4% year-to-date during 1Q 2025 reaching to SAR 3,650 million and liabilities decreased by 32% reaching to SAR 521 million.

Outlook

Saudi Arabia's economy recorded a 1.3% real GDP growth in 2024, supported by a 4.3% expansion in non-oil activities and a 2.6% rise in government services. However, oil activities contracted by 4.5% due to voluntary output reductions under the OPEC+ agreement. The fourth quarter showed a strong recovery, with GDP rising 4.4% year-on-year—the highest quarterly growth in two years—driven by a 4.6% increase in non-oil sectors and a 3.4% pickup in oil activities. Seasonally adjusted GDP grew 0.5% compared to the previous quarter, reflecting steady momentum despite oil constraints. Looking ahead, GDP growth is expected to accelerate in 2025, with forecasts indicating a 3% expansion in overall GDP and 4.5% growth in non-oil sectors to continue the expansion in this sector.

The annual inflation rate rose to 2.3% in March 2025, up from 2.0% in February, marking the highest reading since July 2023. This increase was largely driven by the demand side for the service sector which include housing. While inflation edged higher, it remains relatively contained by global standards, highlighting the effectiveness of domestic price management policies amid ongoing global uncertainties.

Saudi Arabia's non-oil private sector maintained strong momentum throughout the first quarter of 2025, with the Riyad Bank PMI averaging around 59, signalling robust expansion. The steady readings reflect sustained growth in business activity, supported by solid domestic demand and a notable rise in export orders. Across the quarter, new orders strengthened, supplier delivery times improved, and business confidence climbed to a nine-month high. Key sectors such as services, construction, and manufacturing reported particularly strong output. While input costs increased due to higher material prices, easing wage pressures helped businesses contain overall cost burdens. These trends underscore the private sector's growing contribution to economic diversification and the resilience of non-oil activity in the Kingdom.

On the fiscal side, the government forecasts a budget deficit of SAR 101 billion in 2025, equivalent to 2.3% of GDP. Despite the projected shortfall, total expenditures are set at SAR 1.285 trillion, reaffirming Saudi Arabia's commitment to its Vision 2030 agenda. Revenues are expected to reach SAR 1.184 trillion, supported by non-oil income streams as the country continues to reduce its reliance on oil. The expansionary budget prioritizes spending on infrastructure, tourism, manufacturing, and job creation, reflecting a long-term strategy to sustain growth and attract investment across diverse sectors.

Saudi Arabia's economic outlook remains positive, underpinned by resilient non-oil sector performance, controlled inflation, and sustained fiscal support. As Vision 2030 accelerates, ongoing reforms are transforming the business environment through regulatory improvements, private sector empowerment, and investments in human capital. These measures are enhancing the Kingdom's competitiveness and reinforcing its position as a leading economic hub in the region. With structural reforms taking hold and diversification efforts gaining traction, Saudi Arabia is well-positioned for sustainable, long-term growth beyond oil.

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 +251K 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 1Q 2025 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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