Company

Saudi Awwal Bank

3Q26 Result Review

Rating

Under Review

Bloomberg Ticker

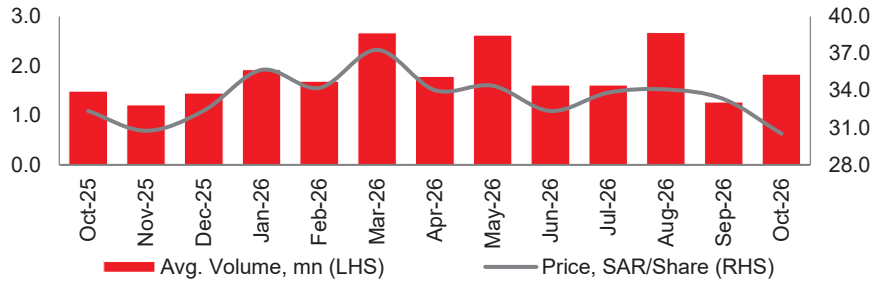
SABB AB

Date

25 October 2026

Results

Target Price SAR	Under Review
Total Return	-



Current Market Price (SAR)	30.54
52-week High | Low	37.92 | 30.20
Price Perf. (1m | 3m)	-8.5% | -8.3%
Mkt. Cap. (USD/SAR mn)	16,975 | 63,658
Free Float	48.4%
3m ADTO (000 shares)	1,674.7
6m ADTO (000 shares)	1,603.1
3m ADTV (SAR 000)	57,132.5
6m ADTV (SAR 000)	56,719.7
P/E 27e	7.5x
P/B 27e	0.8x
DY 27e	6.0%

U Capital Research

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Operating income increased 5% YoY, below our estimates

SABB reported 3Q26 operating income of SAR 3.8bn (+5% YoY and +5% QoQ), below our estimates. This growth was supported by increase in net special commission income, stronger focus on loan-book repricing and higher foreign exchange income. During 9M26, operating income grew by 1% YoY to SAR 11.1bn.

Profitability remained stable YoY, in line with our estimates

SABB reported 3Q26 net income of SAR 2.0bn (flat YoY and -4% QoQ), in line with our estimates. Cost to income ratio improved to 29.6% vs. 30.9% in 3Q25. However, provisions increased +339% YoY, with CoR rising to 0.44% in 3Q26 due to uncertain economic backdrop. For 9M26, net income stood at SAR 6.0bn, flat YoY.

U-Capital view

SABB continues to deliver resilient operating performance, driven by strong loan growth, portfolio repricing, NIM expansion and improving cost efficiency, while higher provisions remain a key monitorable factor. We have currently placed the stock under review and will update our investment case shortly.

Financial Statements

SAR bn	3Q25	4Q25	1Q26	2Q26	3Q26	3Q26e	YoY	QoQ	Var.	9M25	9M26	YoY
P&L												
Op. Income	3.6	3.7	3.6	3.7	3.8	4.1	5%	5%	-6%	11.0	11.1	1%
Op. Expenses	(1.1)	(1.2)	(1.1)	(1.1)	(1.1)	(1.2)	1%	2%	-5%	(3.3)	(3.3)	2%
Provision for ECL, net	(0.1)	(0.3)	(0.2)	(0.0)	(0.4)	(0.3)	339%	6578%	30%	(0.4)	(0.5)	21%
Net Income*	2.0	1.8	1.9	2.1	2.0	2.1	0%	-4%	-3%	6.0	6.0	0%
BS												
Loans and Advances	292.9	298.6	306.9	320.2	325.2		11%	2%		292.9	325.2	11%
Customer Deposits	315.1	323.3	331.4	342.2	325.4		3%	-5%		315.1	325.4	3%
Sh. Equity	65.7	67.0	68.6	68.5	68.0		4%	-1%		65.7	68.0	4%
Ratios												
Cost to Income	30.9%	31.9%	30.5%	30.3%	29.6%					29.8%	30.1%	
LDR	93.0%	92.4%	92.6%	93.6%	99.9%					93.0%	99.9%	
TTM RoE (%)					11.5%							
TTM P/E (x)					8.1							
Current P/Bv					0.9							

Source: Financials, Tadawul, Bloomberg, U Capital Research; *-Owners' net income after Tier 1 Sukuk costs



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Greater than 10%	Between 0% and +10%	Lower than 0%

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