



Earnings Flash Note

Masraf Al Rayan

3Q 2024/9M 2024



Masraf Al Rayan (MARK)

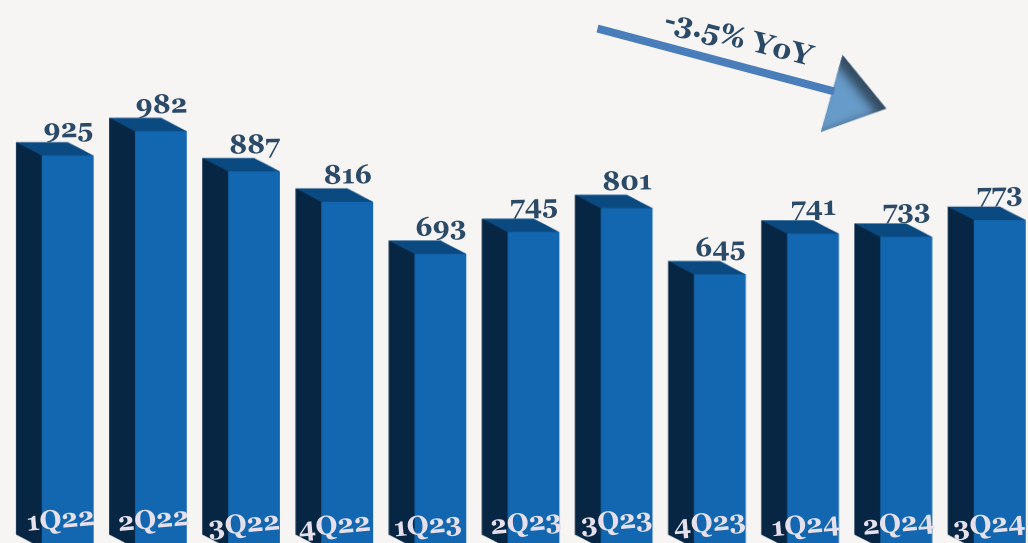
- > **Net profit rose 5.5% YoY to QR499mn (+30.3% QoQ) in 3Q2024** primarily on account of lower finance expense and lower net impairment losses on financing assets. For 9M2024, net profit rose 4.1% to QR1,288mn.
- > **Net interest & investment income fell by 3.5% YoY to QR773mn (+5.4% QoQ) in 3Q2024.** For 9M2024, net interest and investment income was up 0.4% to QR2,247mn.
- > **Cost to income ratio decreased by 0.8ppts YoY (+0.4ppts QoQ) to 25.6% in 3Q2024.** For 9M2024, cost to income ratio was 25.3% vs 25.3% in 9M2023.
- > **As of 3Q2024-end, Loans & advances were QR110.0bn (+0.1% YoY, +1.5% QoQ) while Customer deposits increased by 17.4% YoY to QR108.6bn (-0.3% QoQ).**
- > **For 3Q2024, EPS was QR0.054 vs QR0.051 in 3Q2023,** for 9M2024, EPS was QR0.139 vs QR0.133 in 9M2023.
- > **As of 3Q2024-end, the book value per share stood at QR2.71 (3Q2023: QR2.65).**
- > **As of 14th Oct 2024, the stock has decreased 10.7% YTD, underperforming the QSE index, which was down by 3.3% YTD.**
- > **The stock is currently trading at a TTM P/B multiple of 0.9x, lower than its 3Y historical average of 1.3x.** For now, we maintain our PT of QR 2.62/share and market perform rating.

3Q/9M 2024 Earnings Performance

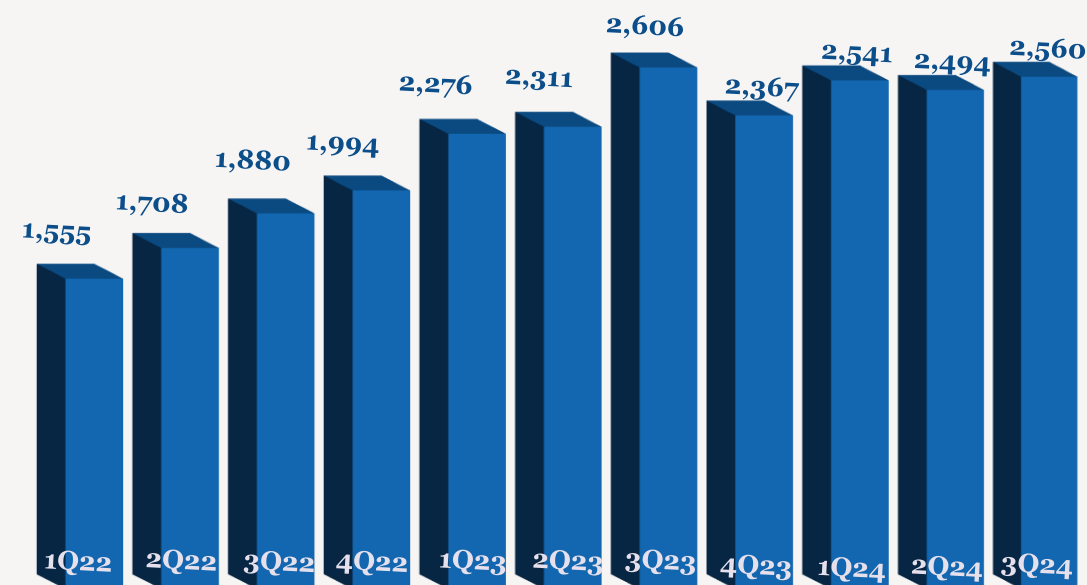
	3Q2024	3Q2023	YoY	2Q2024	QoQ	9M2024	9M2023	YoY
Net Interest & Investment Income	773	801	-3.5%	733	5.4%	2,247	2,239	0.4%
Net Interest Margin %	2.0%	2.1%		2.0%		1.5%	1.5%	
Net Fee and Commission Income	84	146	-42.8%	70	19.2%	223	328	-32.0%
Total Income	2,560	2,606	-1.8%	2,494	2.6%	7,595	7,192	5.6%
Cost/Income Ratio %	25.6%	26.4%		25.2%		25.3%	25.3%	
Net Profit to Equity	499	473	5.5%	383	30.3%	1,288	1,238	4.1%
Book Value Per Ordinary Share (QR)	2.71	2.65	2.6%	2.52	7.8%	2.71	2.65	2.6%
EPS (QR)	0.054	0.051	5.5%	0.041	30.3%	0.139	0.133	4.1%
Loans & Advances	110,037	109,947	0.1%	108,409	1.5%	110,037	109,947	0.1%
Customer Deposits	108,635	92,509	17.4%	108,935	-0.3%	108,635	92,509	17.4%

Note: Values are expressed in QR'mn unless explicitly stated

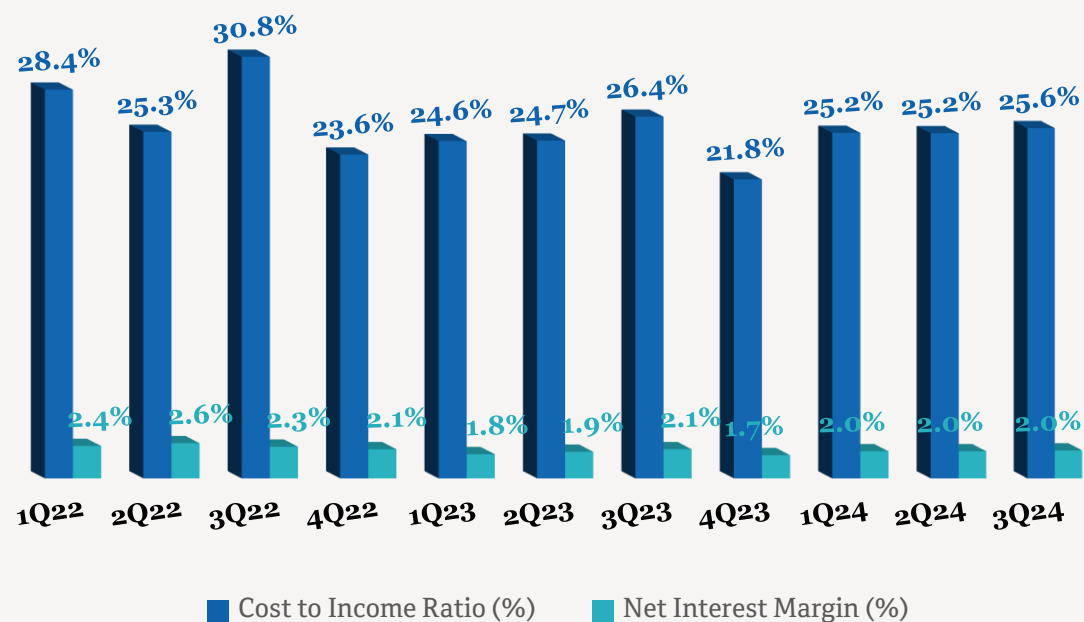
Quarterly Net Interest & Investment Income Trend (QRmn)



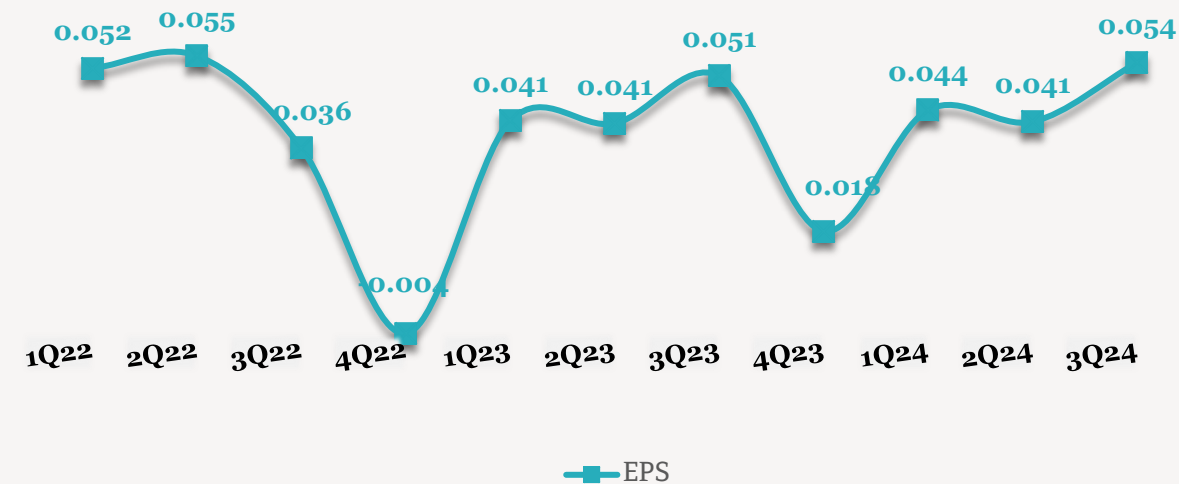
Quarterly Total Income Trend (QRmn)



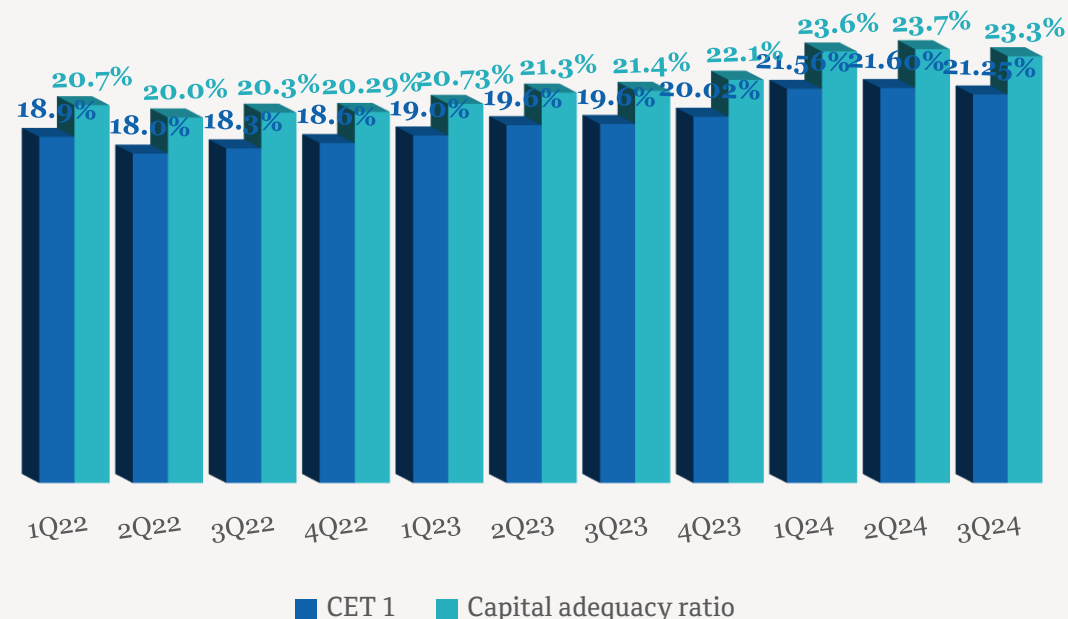
Quarterly Ratio Trend



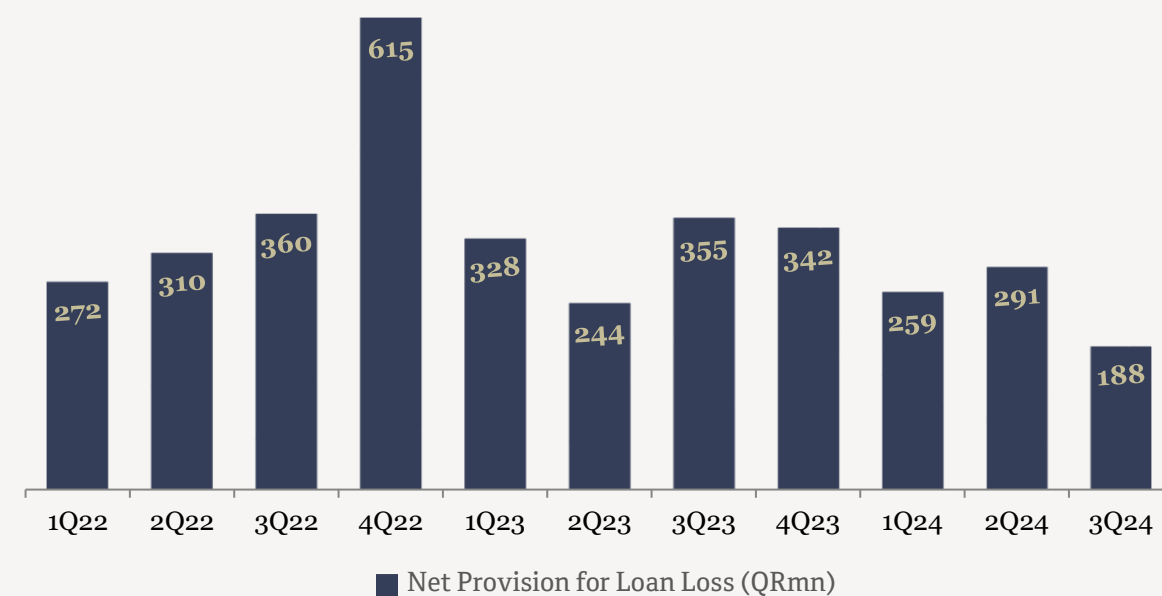
EPS (QR) Trend



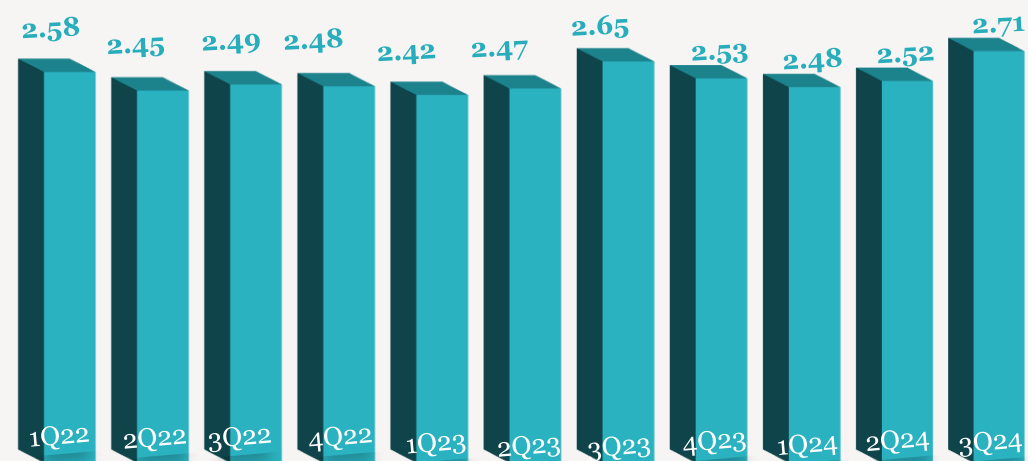
Capital Adequacy Ratios (%)



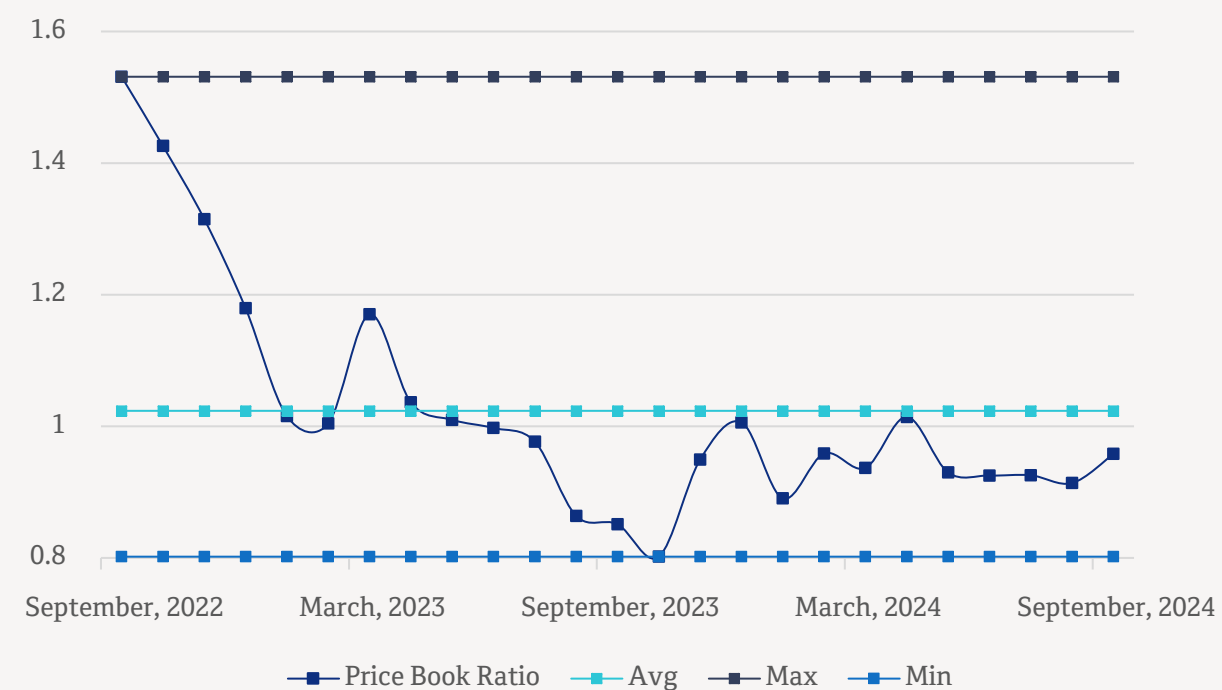
Net Provision for Loan Loss (QR mn)



Book Value Per Share (QR)



P/B Multiple Band (x)



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