



# Earnings Flash Note

## Doha Bank

### 4Q 2023 / FY 2023





## Doha Bank (DHBK)

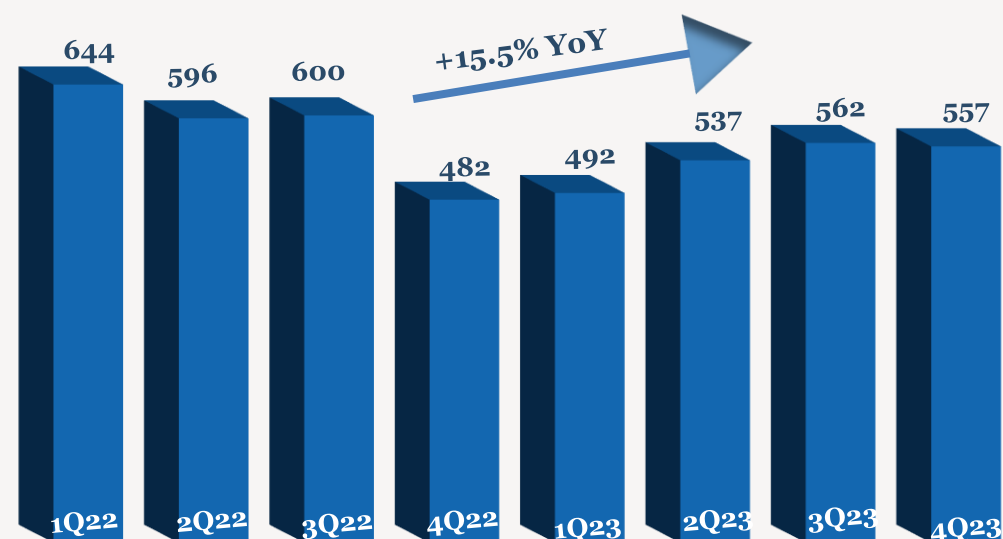
- > Net profit rose to QR142.6mn in 4Q2023 vs a loss of QR167.5mn in 4Q2022 driven by lower provisions & impairments of QR114.0mn (-79.0% YoY). However, loss on litigation of QR161.5mn limited the gains at bottom-income level during the quarter. For FY2023, net profit was up by 0.5% YoY to QR 769.5mn.
- > Net interest income rose by 15.5% YoY to QR556.9mn (-0.9% QoQ) in 4Q2023 owing to higher interest income (+35.4% YoY, +6.3% QoQ). Net interest margin (NIM) improved by 0.25ppts YoY (-0.11ppts sequentially) to 2.41% in 4Q2023 while NIM declined by 0.2ppts YoY to 2.31% in FY2023.
- > Net operating income was up by 8.1% YoY (-14.0% QoQ) to QR682.7mn in 4Q2023. For FY2023, net operating income fell 2.7% YoY to QR2,828.8mn.
- > Cost to income ratio increased by 1.9ppts YoY (+4.6ppts QoQ) to 35.4% in 4Q2023. For FY2023, cost of income ratio came at 33.4% compared to 30.7% in FY2022.
- > For 4Q2023, EPS came at QR0.05 vs. loss per share of QR0.05 in 4Q2022 while for FY2023, EPS was 0.19 vs 0.19 in FY2022.
- > As of 4Q2023-end, Loans & advances were QR58.0bn (-0.1% YoY, +2.3% QoQ) while Customer deposits increased by 2.9% YoY to QR51.6bn (+13.8% QoQ).
- > As of 4Q2023-end, the book value per share stood at QR3.37 (FY2022:QR3.25).
- > As of 29th Jan 2024, the stock has decreased 9.0% YTD, underperforming the QSE index, which was down by 6.3% YTD.
- > The stock is currently trading at a TTM P/B multiple of 0.5x, lower than its 3Y historical average of 0.70x. For now, we maintain our PT of QR1.88/share and our market perform rating.
- > The Board announced a DPS of QR0.075 for 2023, which translates into a yield of 4.5%.

### 4Q/FY 2023 Earnings Performance

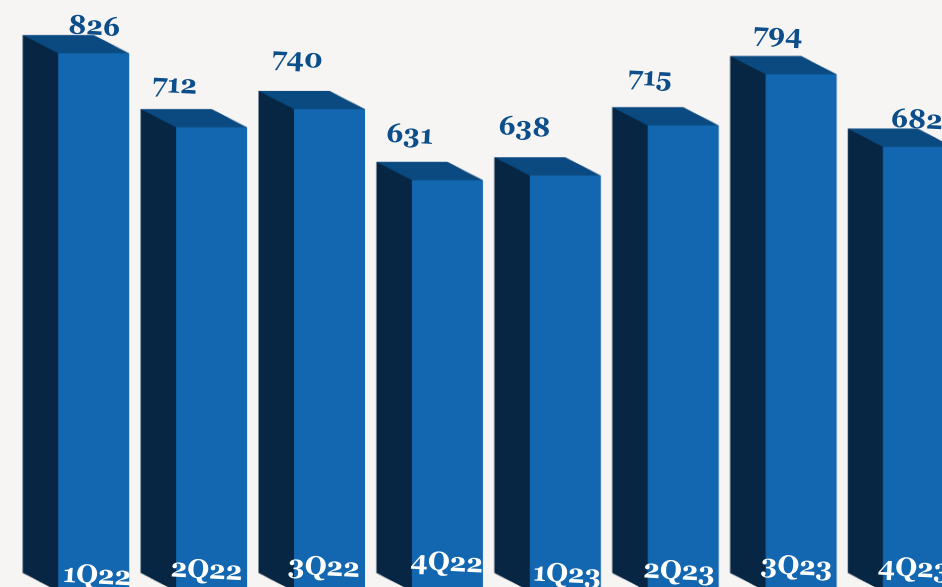
	4Q2023	4Q2022	YoY	3Q2023	QoQ	FY2023	FY2022	YoY
Net Interest Income	556.9	482.1	15.5%	561.8	-0.9%	2,147.5	2,322.4	-7.5%
Net Interest Margin %	2.41%	2.17%		2.52%		2.31%	2.51%	
Non-Interest Income	125.2	148.9	-15.9%	231.8	-46.0%	681.3	586.3	16.2%
Net Operating Income	682.2	631.0	8.1%	793.5	-14.0%	2,828.8	2,908.6	-2.7%
Cost/Income Ratio %	35.4%	33.5%		30.8%		33.4%	30.7%	
Net Profit to Equity	142.6	-167.5	NM	234.8	-39.3%	769.5	765.4	0.5%
EPS (QR)	0.05	-0.05	NM	0.08	-39.3%	0.19	0.19	0.7%
Book Value Per Ordinary Share (QR)	3.37	3.25	3.6%	3.35	0.7%	3.37	3.25	3.6%
Loans & Advances	58,009.7	58,079.0	-0.1%	56,678.6	2.3%	58,009.7	58,079.0	-0.1%
Customer Deposits	51,572.8	50,129.7	2.9%	45,310.5	13.8%	51,572.8	50,129.7	2.9%

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

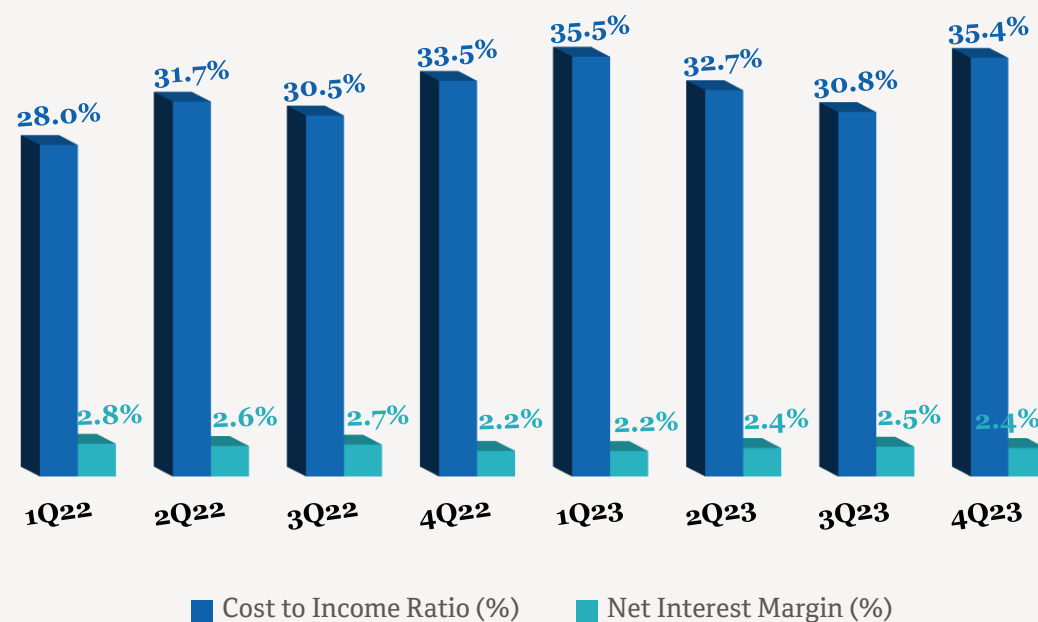
Quarterly Net Interest Income Trend (QR mn)



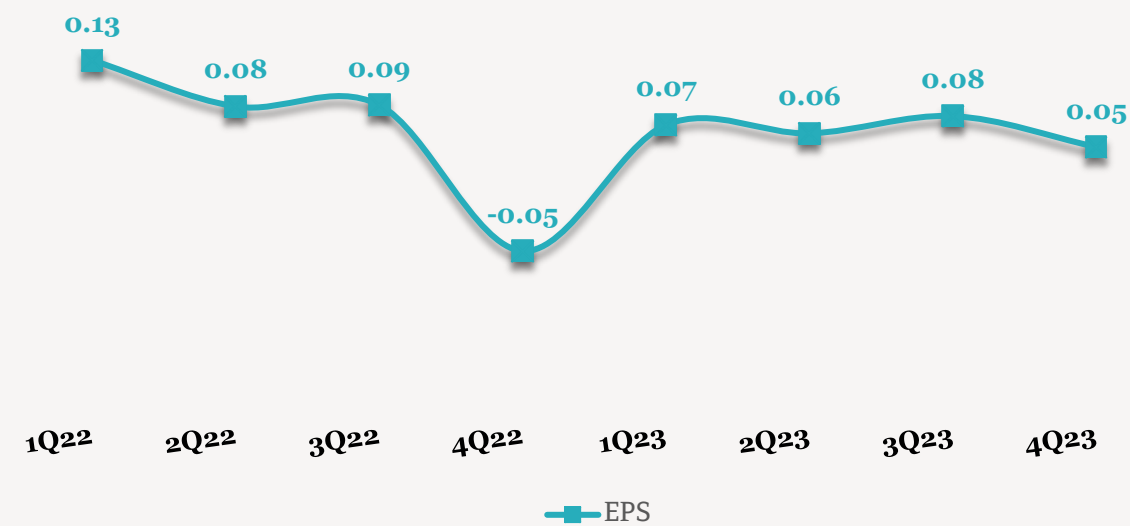
Quarterly Operating Income Trend (QR mn)



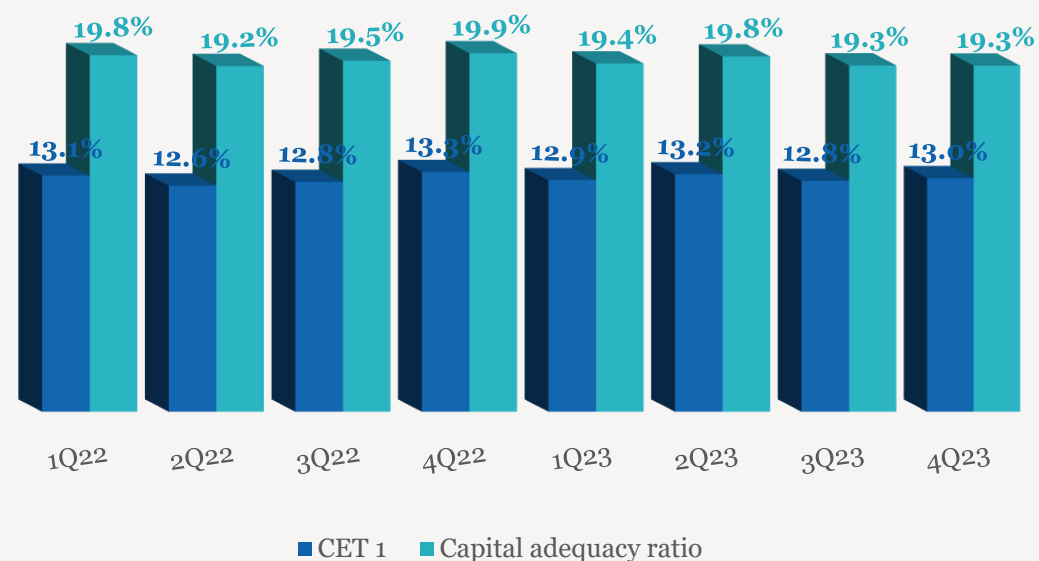
Quarterly Ratio Trend



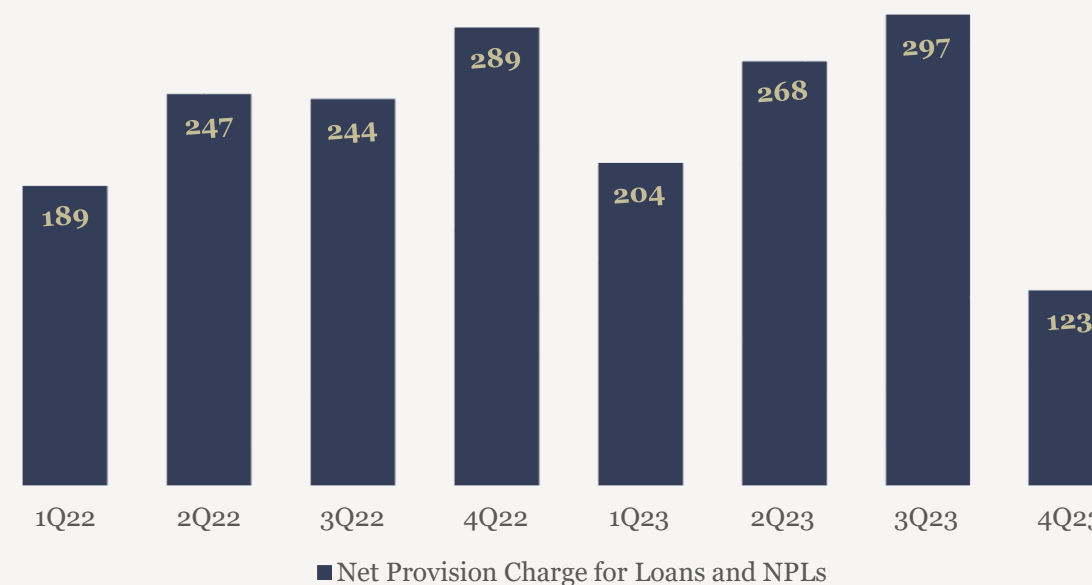
EPS (QR) Trend



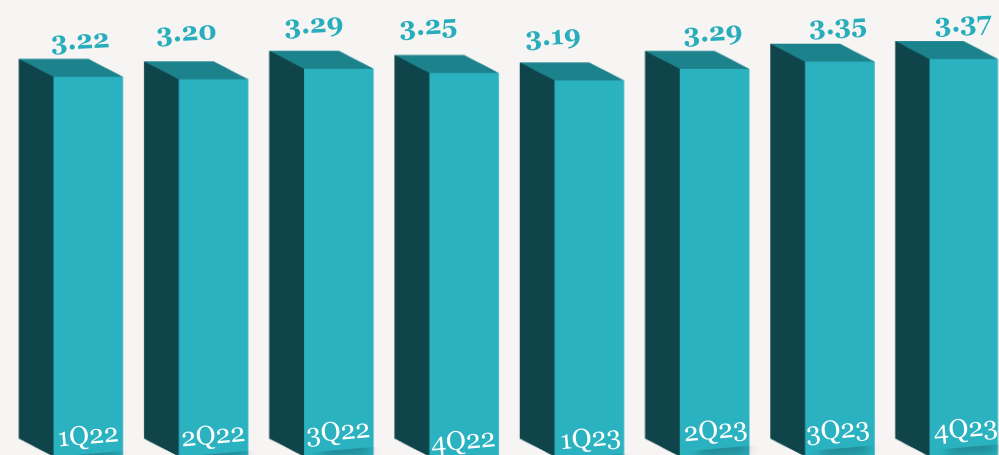
## Capital Adequacy Ratios (%)



## Net Provision for Loan Loss (QR mn)



## Book Value Per Share (QR)



## P/B Multiple Band (x)



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