



# Earnings Flash Note

## Masraf Al Rayan

### 4Q 2024/FY2024





## Masraf Al Rayan (MARK)

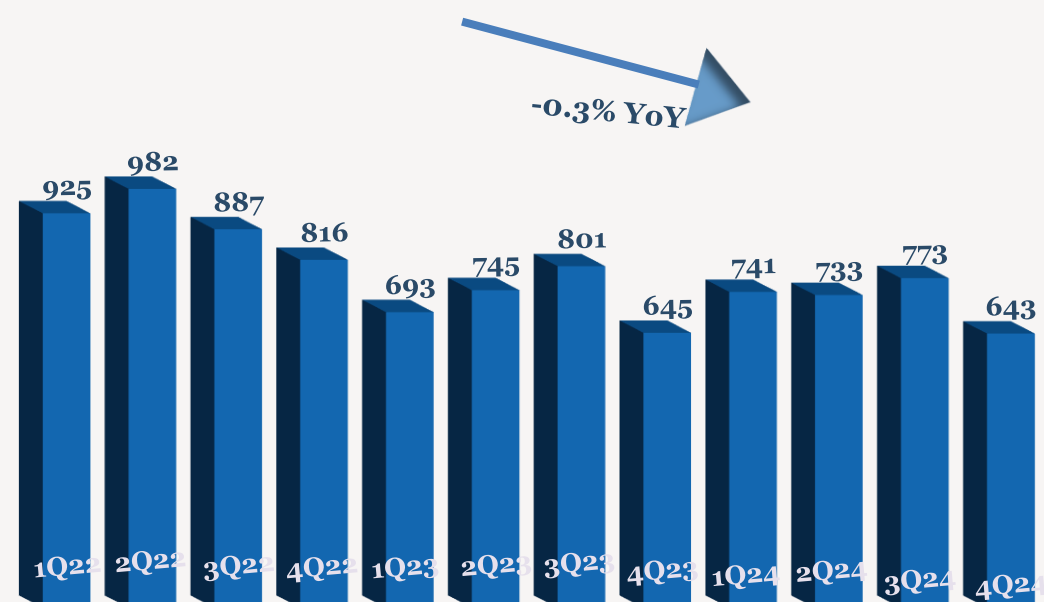
- > Net profit rose 2.2% YoY to QR219mn (-56.2% QoQ) in 4Q2024 primarily due to a 7.9% drop in provisions & impairments.
- > Net interest & investment income fell by 0.3% YoY to QR643mn (-16.8% QoQ) in 4Q2024. For FY2024, net interest and investment income was up 0.2% to QR2,890mn.
- > Cost to income ratio increased by 7.2ppts YoY (+3.5ppts QoQ) to 29.1% in 4Q2024. For FY2024, cost to income ratio was 26.1% vs 24.6% in FY2023.
- > As of 4Q2024-end, the book value per share stood at QR2.59 (4Q2023: QR2.53).
- > As of 4Q2024-end, Loans & advances were QR110.0bn (+1.7% YoY, flat QoQ) while Customer deposits increased by 16.1% YoY to QR107.6bn (-0.9% QoQ).
- > For 4Q2024, EPS was QR0.019 vs QR0.018 in 4Q2023, for FY2024, EPS was QR0.157 vs QR0.151 in FY2023.
- > As of 23<sup>rd</sup> Jan 2025, the stock has increased 1.3% YTD, Outperforming the QSE Index, which was up by 0.8% YTD.
- > The stock is currently trading at a TTM P/B multiple of 1.0x, lower than its 3Y historical average of 1.1x. For now, we maintain our PT of QR 2.62/share and market perform rating.
- > The Board of Directors recommended a dividend distribution of QAR 0.10 per share, which yields 4.0%.

### 4Q/FY2024 Earnings Performance

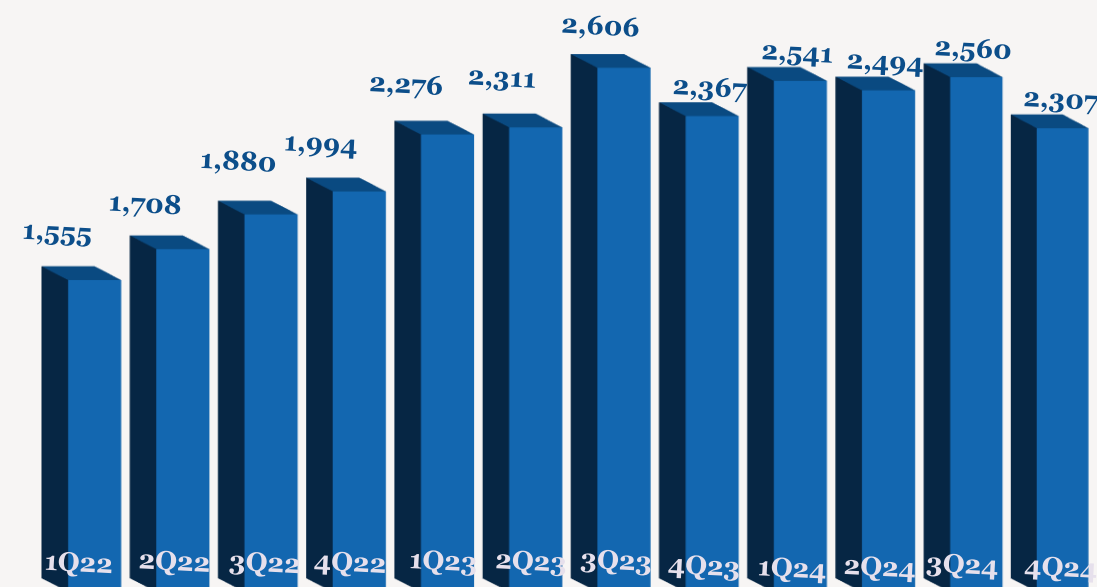
	4Q2024	4Q2023	YoY	3Q2024	QoQ	FY2024	FY2023	YoY
Net Interest & Investment Income	643	645	-0.3%	773	-16.8%	2,890	2,884	0.2%
Net Interest Margin %	1.6%	1.7%		2.0%		1.9%	1.9%	
Net Fee and Commission Income	76	-10	NM	84	-9.5%	299	319	-6.2%
Total Income	2,307	2,367	-2.5%	2,560	-9.9%	9,902	9,560	3.6%
Cost/Income Ratio %	29.1%	21.8%		25.6%		26.1%	24.6%	
Net Profit to Equity	219	214	2.2%	499	-56.2%	1,507	1,452	3.8%
Book Value Per Ordinary Share (QR)	2.59	2.53	2.2%	2.71	-4.6%	2.59	2.53	2.2%
EPS (QR)	0.019	0.018	2.8%	0.054	-65.4%	0.157	0.151	3.9%
Loans & Advances	110,040	108,228	1.7%	110,037	0.0%	110,040	108,228	1.7%
Customer Deposits	107,610	92,724	16.1%	108,635	-0.9%	107,610	92,724	16.1%

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

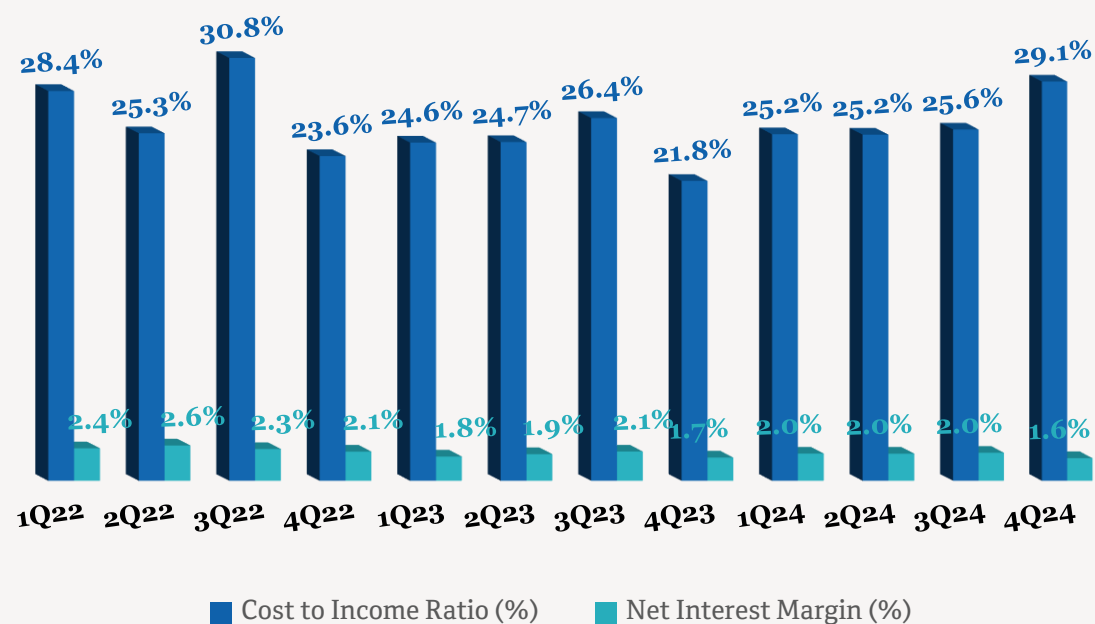
### Quarterly Net Interest & Investment Income Trend (QRmn)



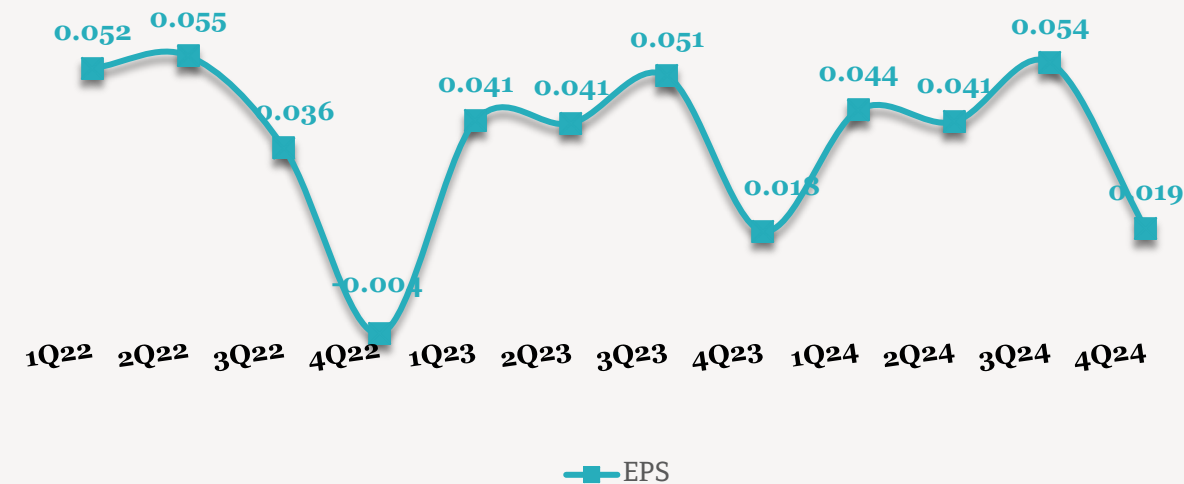
### Quarterly Total Income Trend (QRmn)



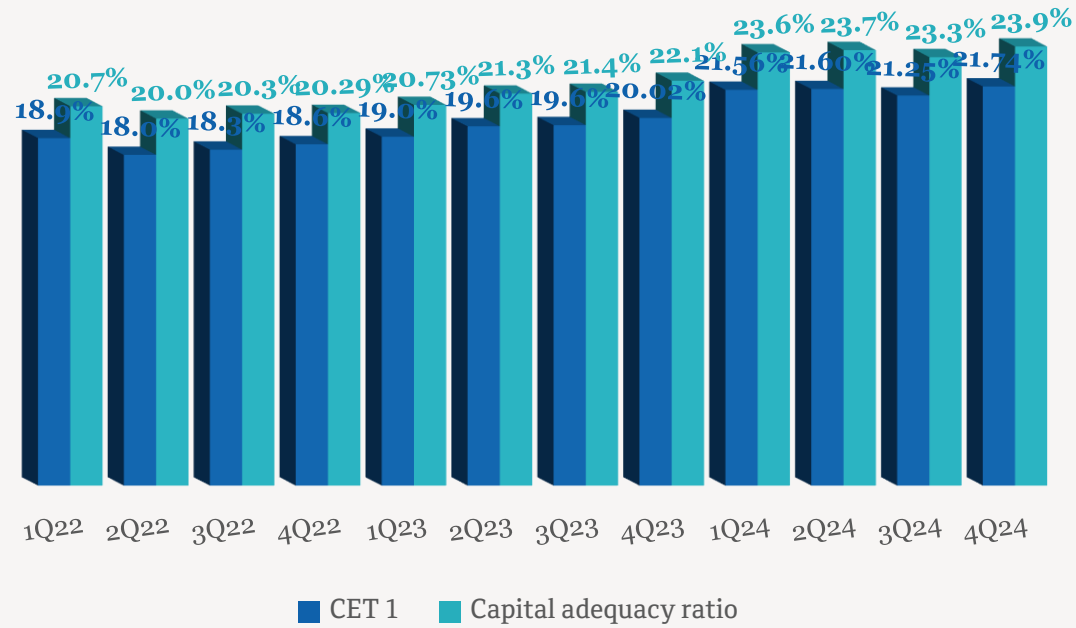
### Quarterly Ratio Trend



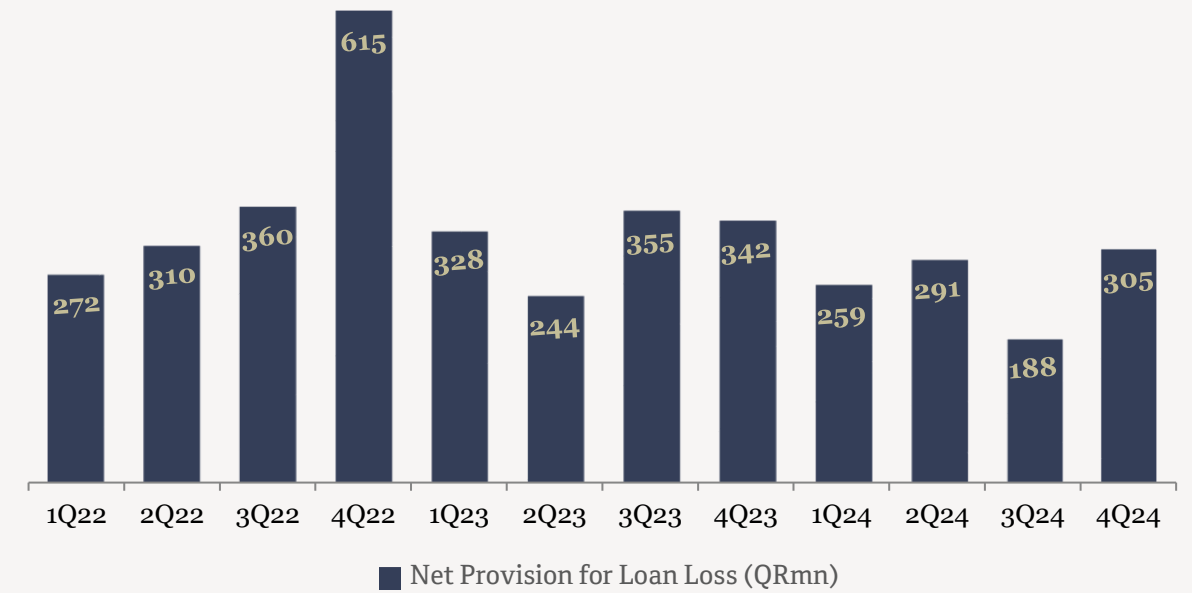
### EPS (QR) Trend



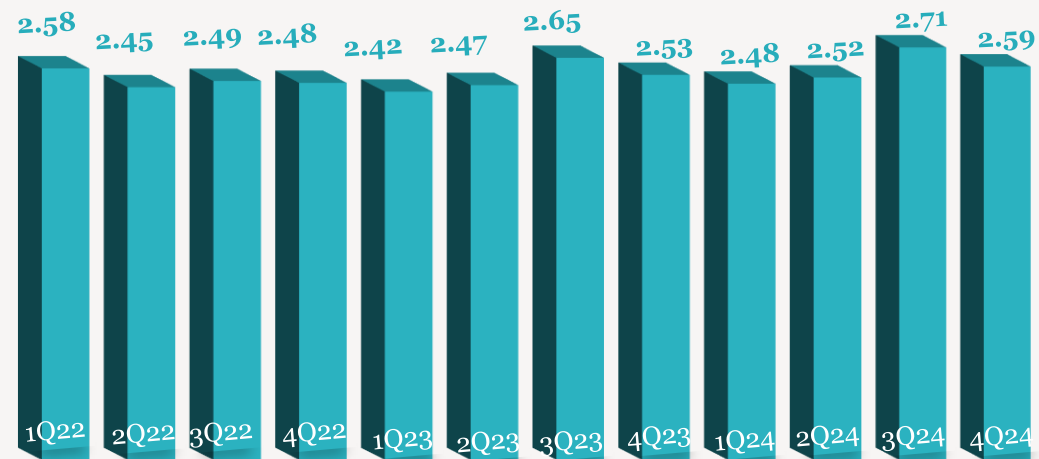
### Capital Adequacy Ratios (%)



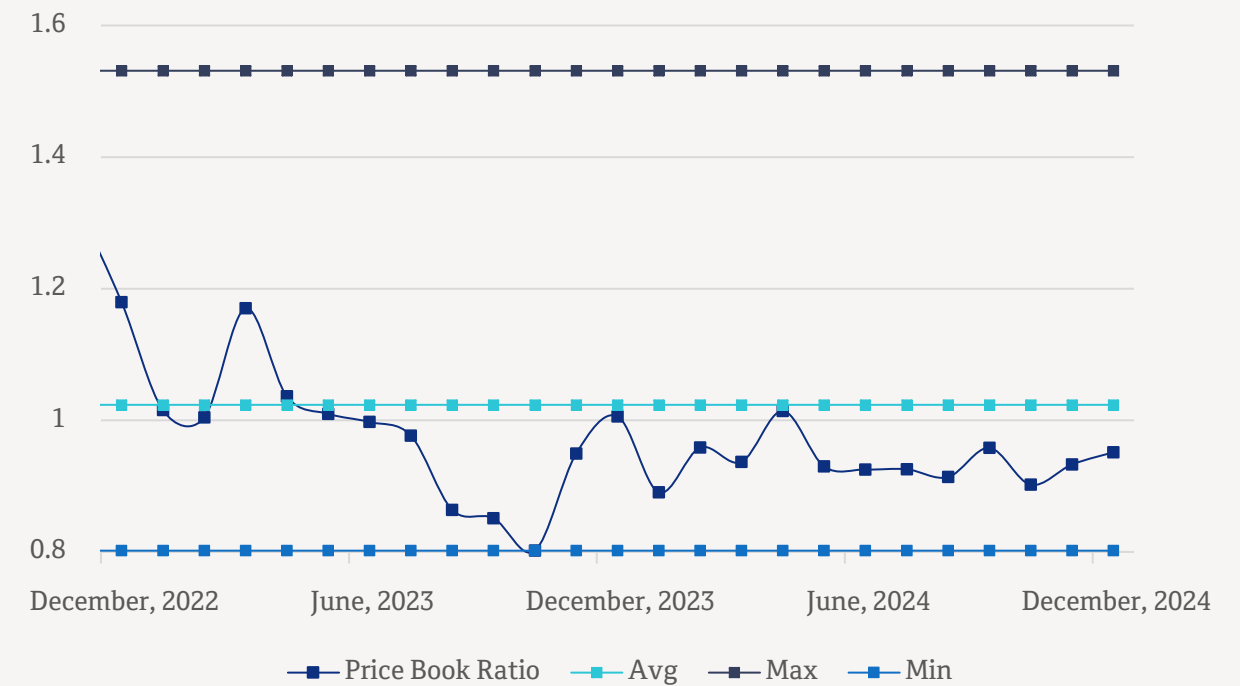
### Net Provision for Loan Loss (QR mn)



### Book Value Per Share (QR)



### P/B Multiple Band (x)



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