



Earnings Flash Note

Lesha Bank

4Q 2023 / FY 2023



Lesha Bank (QFBQ)

- > Net profit rose 131.7% YoY to QR28mn (+25.3% QoQ) in 4Q2023 driven by rise in profit on sukuk investments (+96.0% YoY, +16.3% QoQ). For FY2023, net profit was up by 25.1% YoY to QR94mn.
- > Net income from financing assets grew by 7.3% YoY (-17.6% QoQ) to QR21mn in 4Q2023 on the back of higher income from placements with financial institutions (+117.3 YoY, +3.7% QoQ), however the rise in loss on financial liabilities to QR24mn in 4Q2023 vs QR3mn in 4Q2022, limited the gains. For FY2023, net income from financing increased 172.2% YoY to QR89mn.
- > Total income increased by 37.8 YoY (+71.3% QoQ) to QR66mn in 4Q2023. For FY2023, total income increased by 68.7% to QR195mn.
- > For 4Q2023, EPS came at QR0.025 vs. QR0.012 in 4Q2022 while for FY2023, EPS was QR0.084 vs QR0.078 in FY2022.

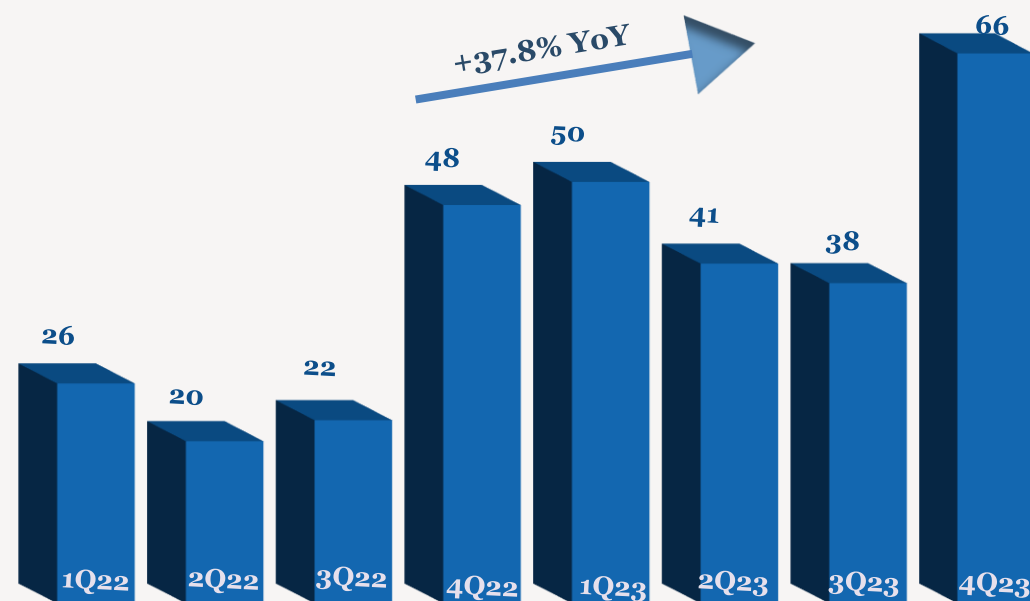
- > As of 4Q2023-end, the book value per share stood at QR1.10 (FY2022:QR1.17).
- > As of 25th Jan 2024, the stock has decreased 0.2% YTD, outperforming the QSE index, which was down by 4.5% YTD.
- > The stock is currently trading at a TTM P/B multiple of 1.2x, lower than its 3Y historical average of 1.7x.

4Q/FY 2023 Earnings Performance

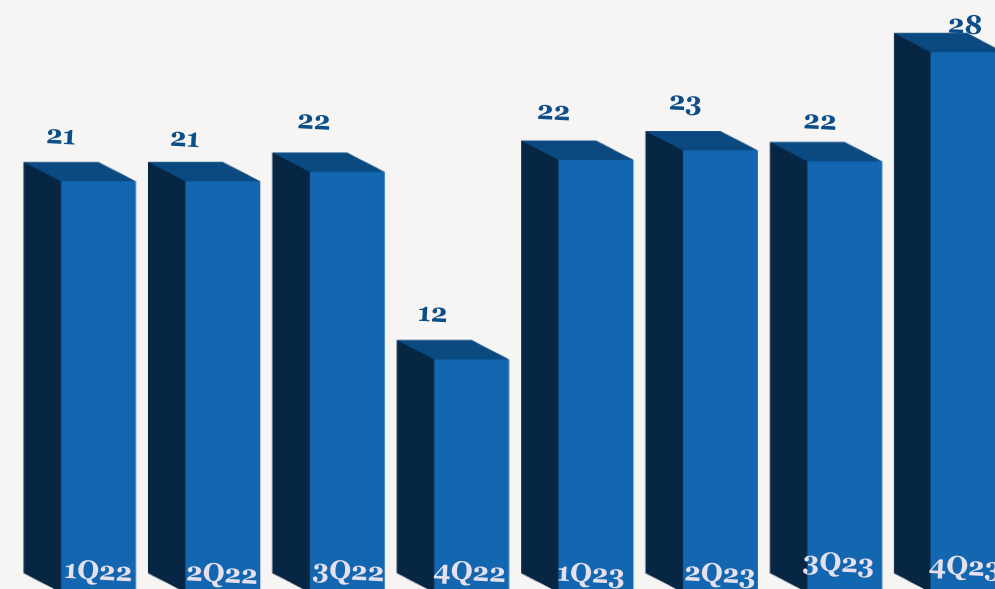
	4Q2023	4Q2022	YoY	3Q2023	QoQ	FY2023	FY2022	YoY
Net Income from financing assets	20.6	19.2	7.3%	25.0	-17.6%	88.7	32.6	172.2%
Fee & Dividend Income	28.8	20.8	38.1%	15.7	83.7%	81.8	80.1	2.1%
Profit on Sukuk Investments	22.3	11.4	96.0%	19.2	16.3%	72.6	30.3	139.6%
Total income	65.7	47.6	37.8%	38.3	71.3%	195.1	115.6	68.7%
Net Profit to Equity	27.6	11.9	131.7%	22.0	25.3%	94.4	75.5	25.1%
EPS (QR)	0.025	0.012	100.7%	0.020	25.3%	0.084	0.078	8.3%
Book value per ordinary share (QR)	1.10	1.17	-5.5%	1.06	3.9%	1.10	1.17	-6.0%

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

Quarterly Total Income Trend (QRmn)



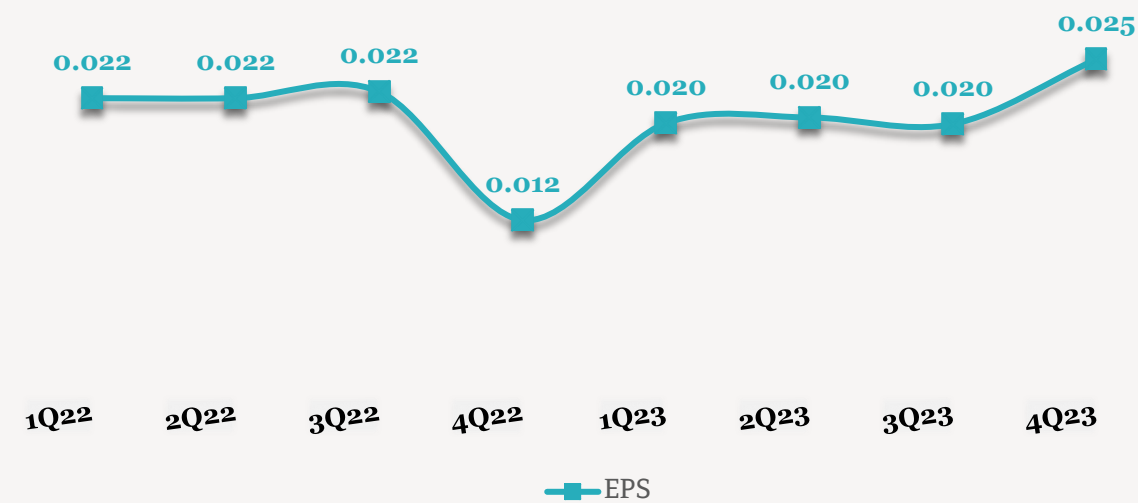
Quarterly Earnings Trend (QRmn)



P/B Multiple Band (x)



EPS (QR) Trend



Contacts

QNB Financial Services Co. W.L.L.

Contact Center: (+974)4476 6666

info@qnbfs.com.qa

Doha, Qatar

Saugata Sarkar, CFA, CAIA

Head of Research

saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian

Senior Research Analyst

shahan.keushgerian@qnbfs.com.qa

Phibion Makuwerere, CFA

Senior Research Analyst

phibion.makuwerere@qnbfs.com.qa

Roy Thomas

Senior Research Analyst

roy.thomas@qnbfs.com.qa

Dana Saif Al Sowaidi

Research Analyst

dana.alsowaidi@qnbfs.com.qa

Disclaimer and Copyright Notice: This publication has been prepared by QNB Financial Services Co. W.L.L. (“QNBFS”) a wholly-owned subsidiary of Qatar National Bank (Q.P.S.C.). QNBFS is regulated by the Qatar Financial Markets Authority and the Qatar Exchange. Qatar National Bank (Q.P.S.C.) is regulated by the Qatar Central Bank. This publication expresses the views and opinions of QNBFS at a given time only. It is not an offer, promotion or recommendation to buy or sell securities or other investments, nor is it intended to constitute legal, tax, accounting, or financial advice. QNBFS accepts no liability whatsoever for any direct or indirect losses arising from use of this report. Any investment decision should depend on the individual circumstances of the investor and be based on specifically engaged investment advice. We therefore strongly advise potential investors to seek independent professional advice before making any investment decision. Although the information in this report has been obtained from sources that QNBFS believes to be reliable, we have not independently verified such information and it may not be accurate or complete. QNBFS does not make any representations or warranties as to the accuracy and completeness of the information it may contain, and declines any liability in that respect. For reports dealing with Technical Analysis, expressed opinions and/or recommendations may be different or contrary to the opinions/recommendations of QNBFS Fundamental Research as a result of depending solely on the historical technical data (price and volume). QNBFS reserves the right to amend the views and opinions expressed in this publication at any time. It may also express viewpoints or make investment decisions that differ significantly from, or even contradict, the views and opinions included in this report. This report may not be reproduced in whole or in part without permission from QNBFS.

COPYRIGHT: No part of this document may be reproduced without the explicit written permission of QNBFS.