



Earnings Flash Note

Ahli Bank
4Q 2023 / FY 2023



Ahli Bank (ABQK)

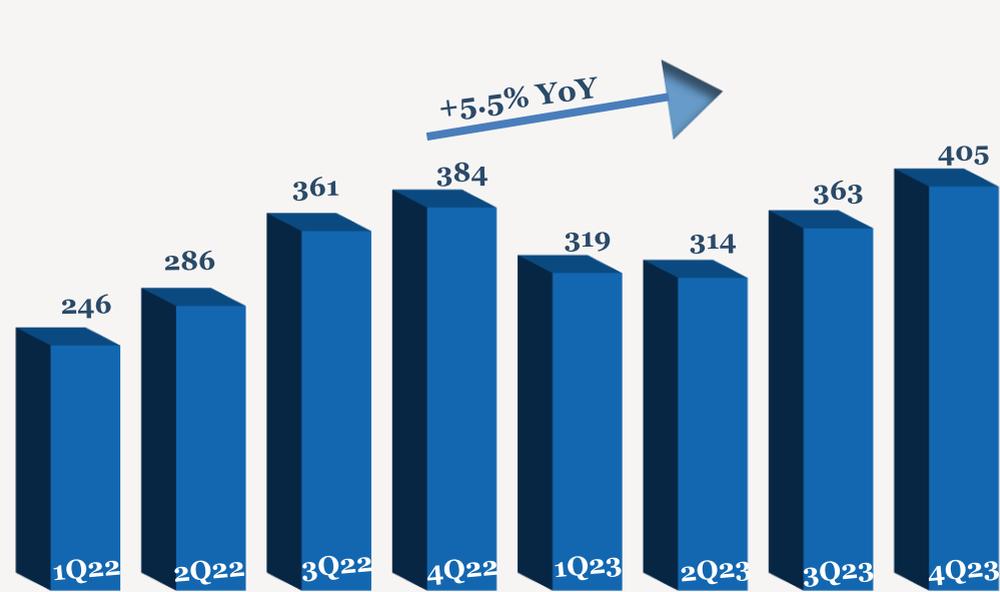
- > Net profit increased 8.0% YoY to QR221.2mn (-13.5% QoQ) in 4Q2023 driven by higher net interest income and net income from investment securities of QR6.4mn (vs. net loss of QR26.3mn in 4Q2022). However, a rise in net provisions & impairments by 18.3% YoY (+172.9% QoQ) to QR145.1mn in 4Q2023 limited the gains at the bottom-line level. The net profit was up by 8.4% YoY to QR837mn in FY2023.
- > Net interest income was up by 5.5% YoY to QR405.2mn (+11.5% QoQ) in 4Q2023. Net interest margin (NIM) decreased by 45bps YoY (+5bps sequentially) to 2.93% in 4Q2023 while NIM declined by 10bps YoY to 2.69% in FY2023.
- > Revenue rose 11.3% YoY (+11.7% QoQ) to QR456.3mn. Revenue grew by 6.1% YoY to QR1,589m.0n in FY2023.
- > As of 4Q2023-end, Loans & advances were QR34.8bn (+2.1% YoY, +0.4% QoQ) while Customer deposits grew by 2.4% YoY to QR29.6bn (+0.9% QoQ).
- > As of 4Q2023-end, the book value per share stood at QR2.8 (4Q2022: QR2.7).
- > The stock is currently trading at a TTM P/B multiple of 1.4x, lower than its 3Y historical average of 1.5x. For now, we maintain our PT of QR3.57/share and our market perform rating.
- > As of 17th Jan 2024, the stock has increased 6.3% YTD, outperforming the QSE index, which was down by 4.0% YTD.
- > The Board announced a DPS of QR0.250 which translates into a yield of 6.4% and a payout of 83%.

4Q/FY 2023 Earnings Performance

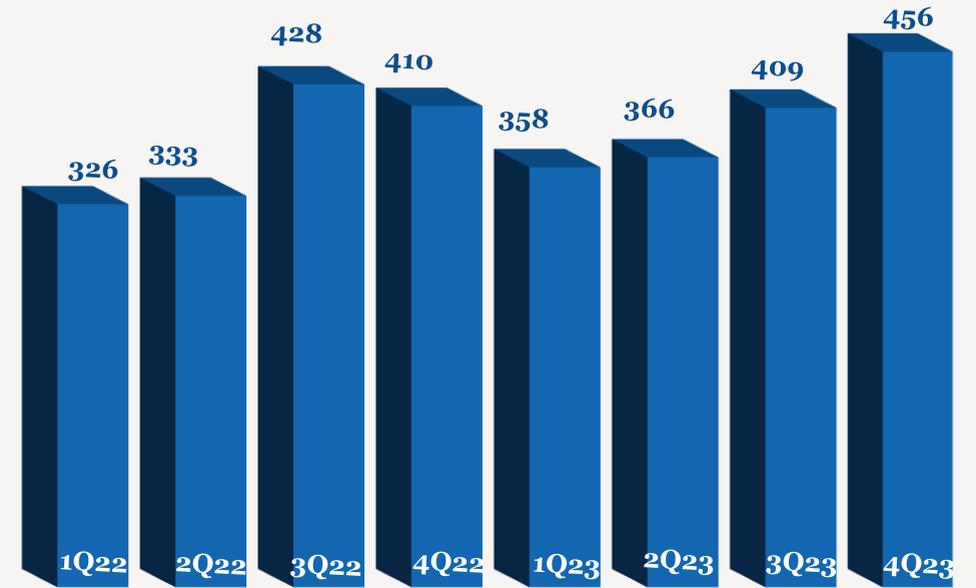
	4Q2023	4Q2022	YoY	3Q2023	QoQ	FY2023	FY2022	YoY
Net Interest Income	405	384	5.5%	363	11.5%	1,401	1,277	9.7%
Net Interest Margin %	2.92%	3.37%		2.87%		2.69%	2.80%	
Non-Interest Income	51	26	98.0%	45	13.4%	188	222	-15.1%
Revenue	456	410	11.3%	409	11.7%	1,589	1,498	6.1%
Cost/Income Ratio %	19.7%	20.1%		24.4%		22.8%	22.4%	
Net profit To Equity	221	205	8.0%	256	-13.5%	837	772	8.4%
Book Value Per Ordinary Share (QR)	2.8	2.7	3.9%	2.7	3.0%	2.8	2.7	3.9%
Loans & Advances	34,754	34,032	2.1%	34,600	0.4%	34,754	34,032	2.1%
Customer Deposits	29,645	28,954	2.4%	29,390	0.9%	29,645	28,954	2.4%

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

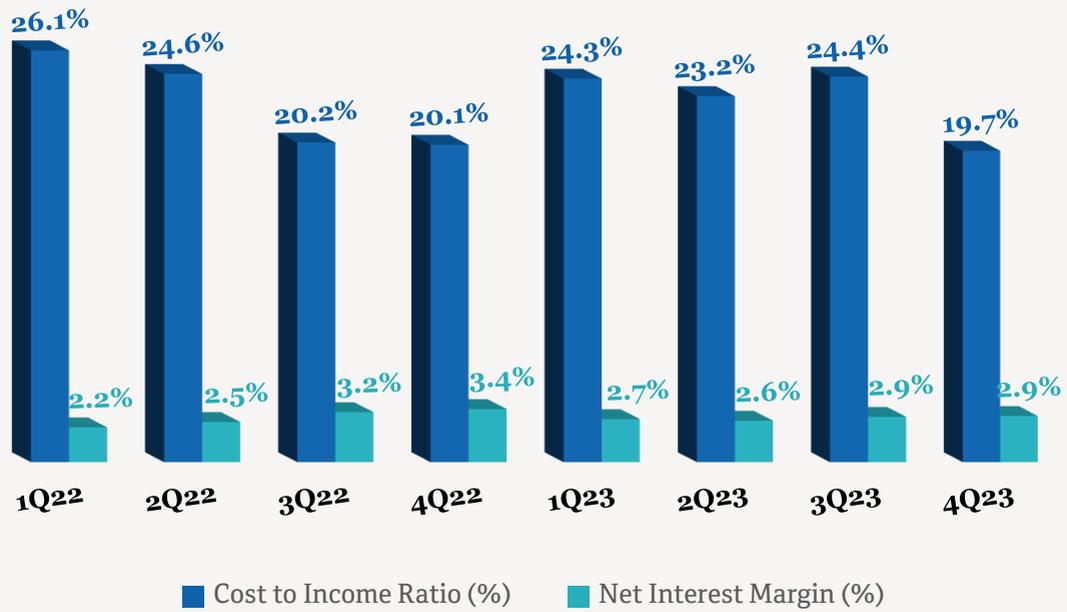
Quarterly Net Interest Income Trend (QRmn)



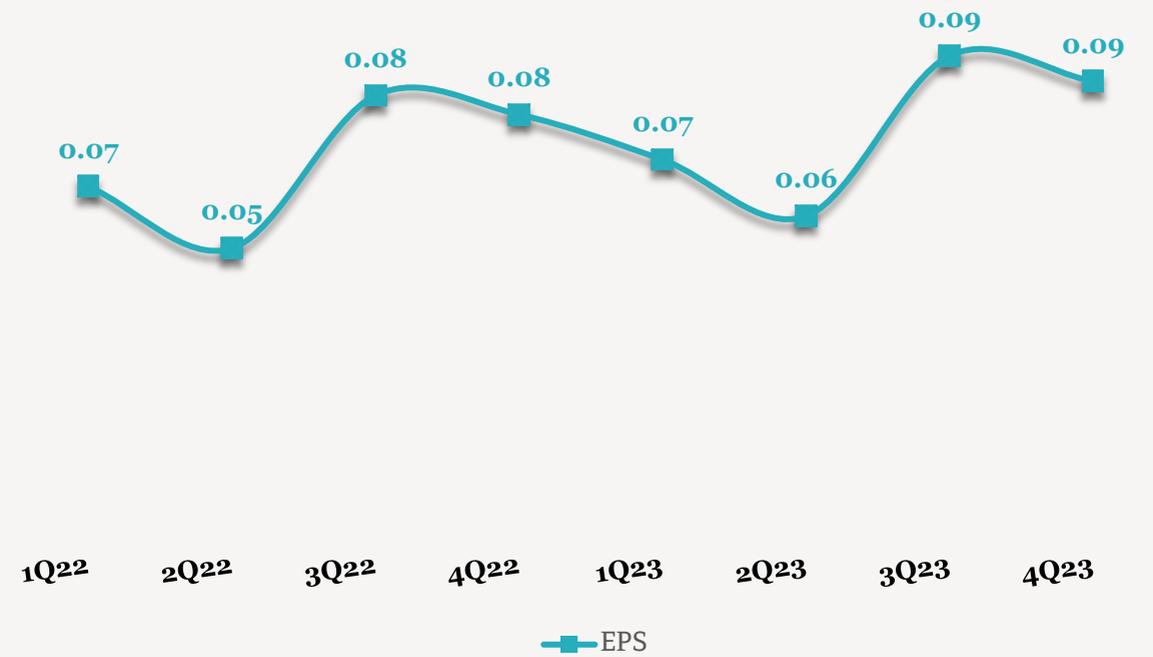
Quarterly Revenue Trend (QRmn)



Quarterly Ratio Trend



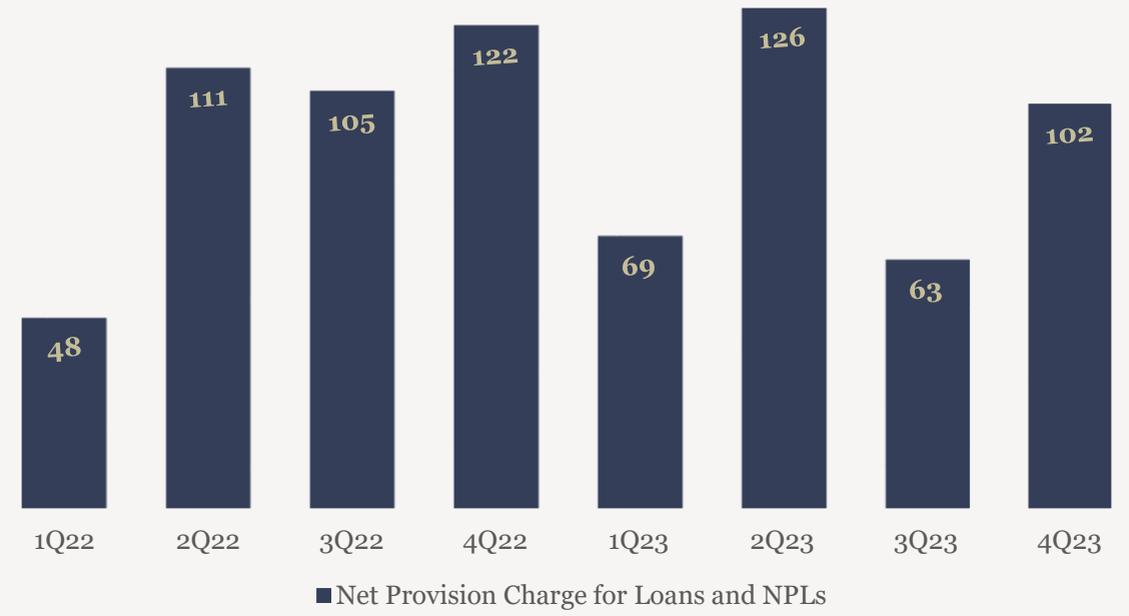
EPS (QR) Trend



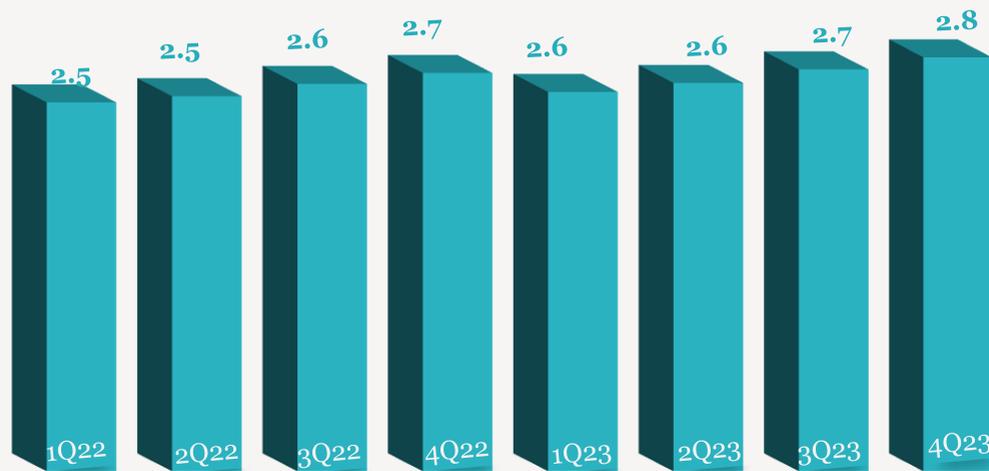
Capital Adequacy Ratio (%)



Net Provision for Loan Loss (QRmn)



Book Value Per Share (QR)



P/B Multiple Band (x)



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

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