



Earnings Flash Note
The Commercial Bank
1Q 2024



The Commercial Bank (CBQK)

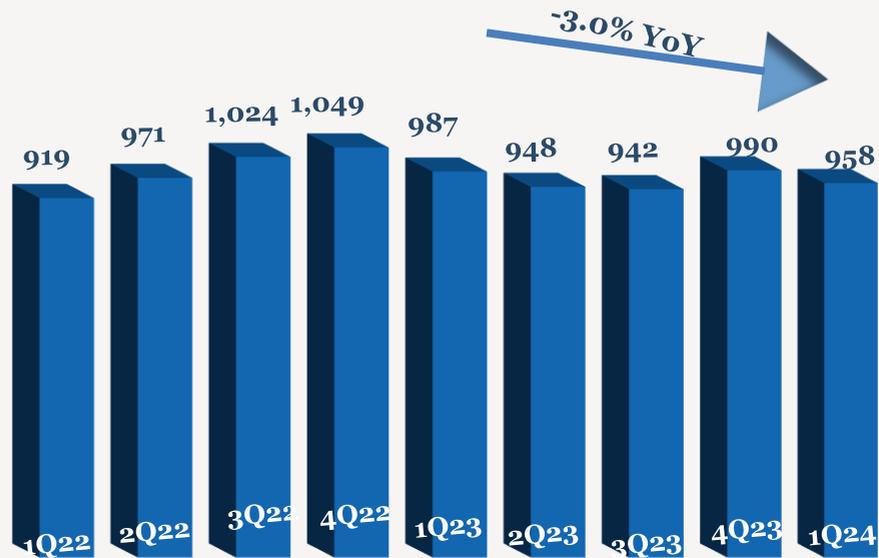
- > Net profit increased 38.9% YoY to QR802mn in 1Q2024 driven by lower operating expenses (-46.1% YoY).
- > Non-interest income declined 3.0% YoY (-3.3% QoQ) to QR958mn in 1Q2024.
- > The cost to income ratio fell by 15.1ppts YoY to 19.0% in 1Q2024.
- > As of 1Q2023-end, Loans & advances were QR89.7bn (-5.0% YoY, -2.0% QoQ) while Customer deposits rose 4.3% YoY to QR79.4bn (+3.7% QoQ).
- > As of 1Q2024-end, the book value per share stood at QR6.57 (1Q2023: QR4.69).
- > For 1Q2024, EPS came at QR0.20 vs. QR0.14 in 1Q2023.
- > As of 23rd April 2024, the stock has decreased 31.8% YTD, underperforming the QSE index, which was down by 10.3% YTD.
- > The stock is currently trading at a TTM P/B multiple of 0.9x, lower than its 3Y historical average of 1.2x. For now, we maintain our PT of QR6.68/share and our Outperform rating.

1Q 2024 Earnings Performance

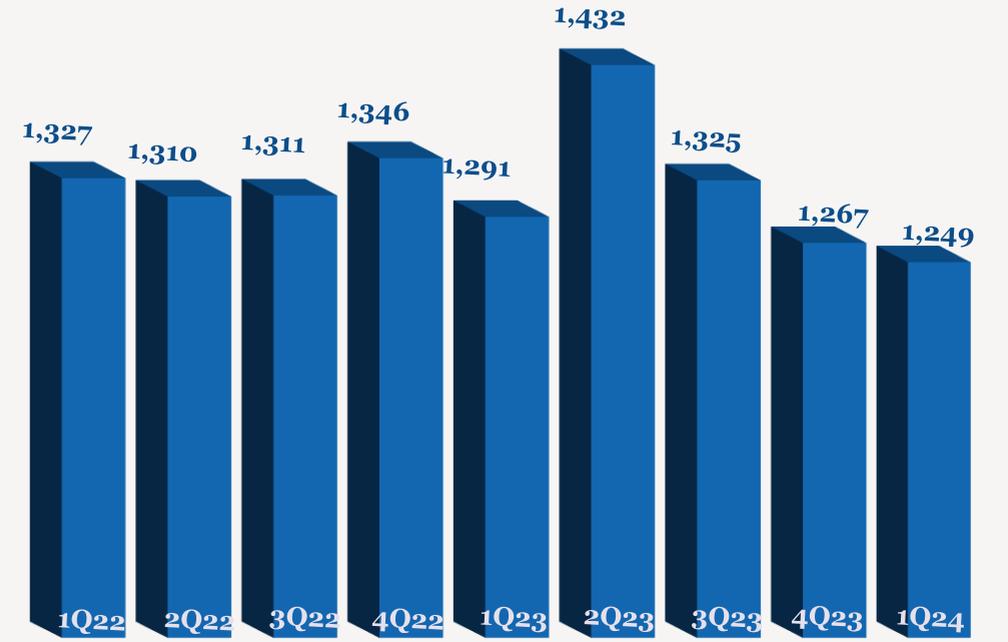
	1Q2024	1Q2023	YoY	4Q2023	QoQ
Net Interest Income	958	987	-3.0%	990	-3.3%
Net Interest Margin %	2.66%	2.74%		2.81%	
Non-Interest Income	292	304	-4.2%	277	5.3%
Operating Income	1,249	1,291	-3.3%	1,267	-1.4%
Cost/Income Ratio %	19.0%	34.0%		28.6%	
Net Profit to Equity	802	577	38.9%	N/M	
Book Value Per Ordinary Share (QR)	6.57	4.69	40.1%	6.34	3.6%
Loans & Advances	89,677	94,440	-5.0%	91,490	-2.0%
Customer Deposits	79,364	76,063	4.3%	76,541	3.7%

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

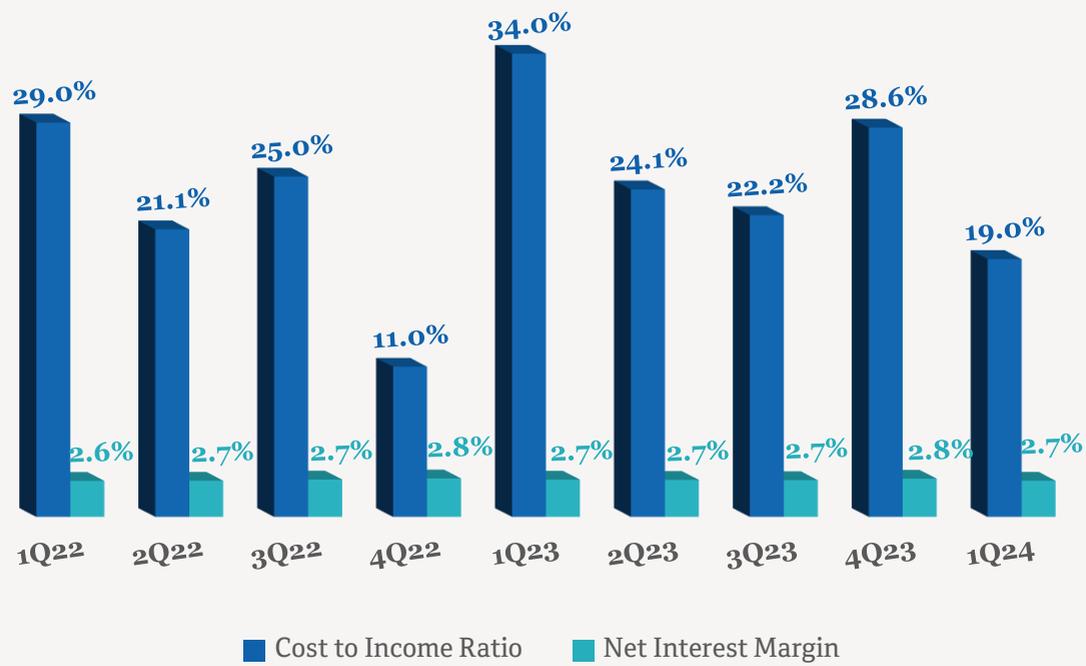
Quarterly Net Interest Income Trend (QR mn)



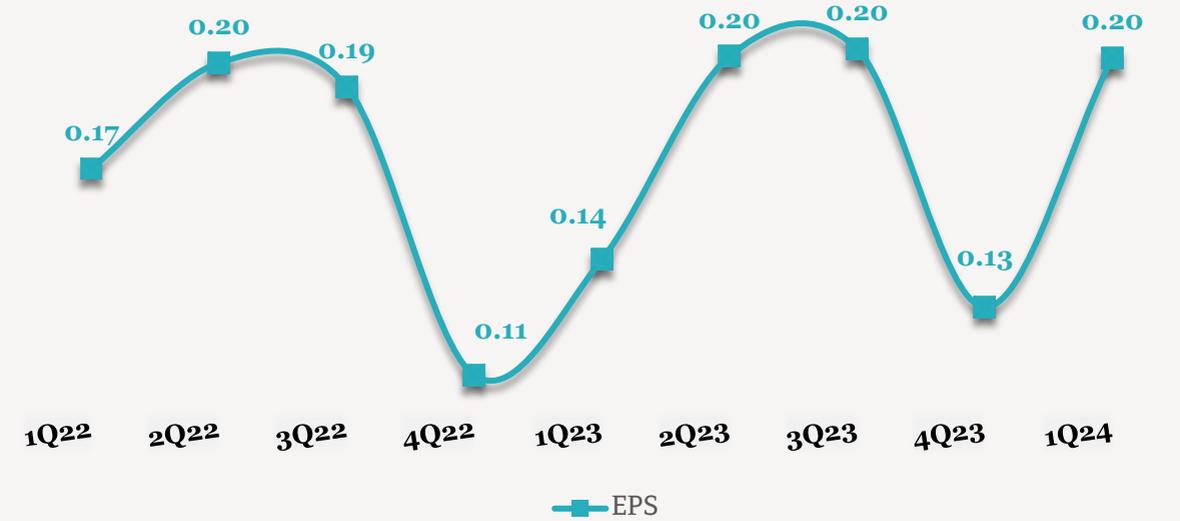
Quarterly Operating Income Trend (QR mn)



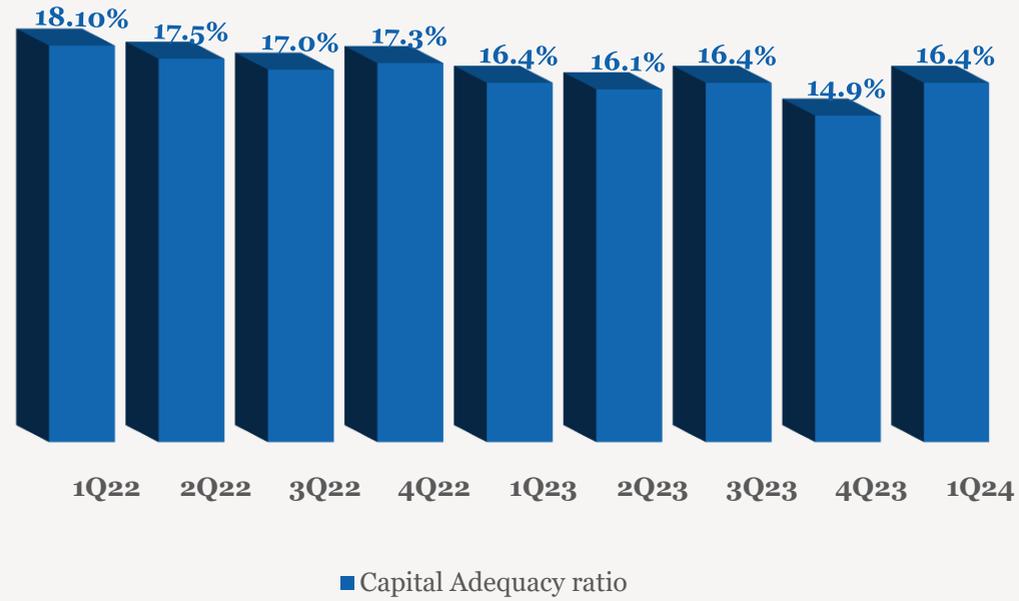
Quarterly Ratio Trend



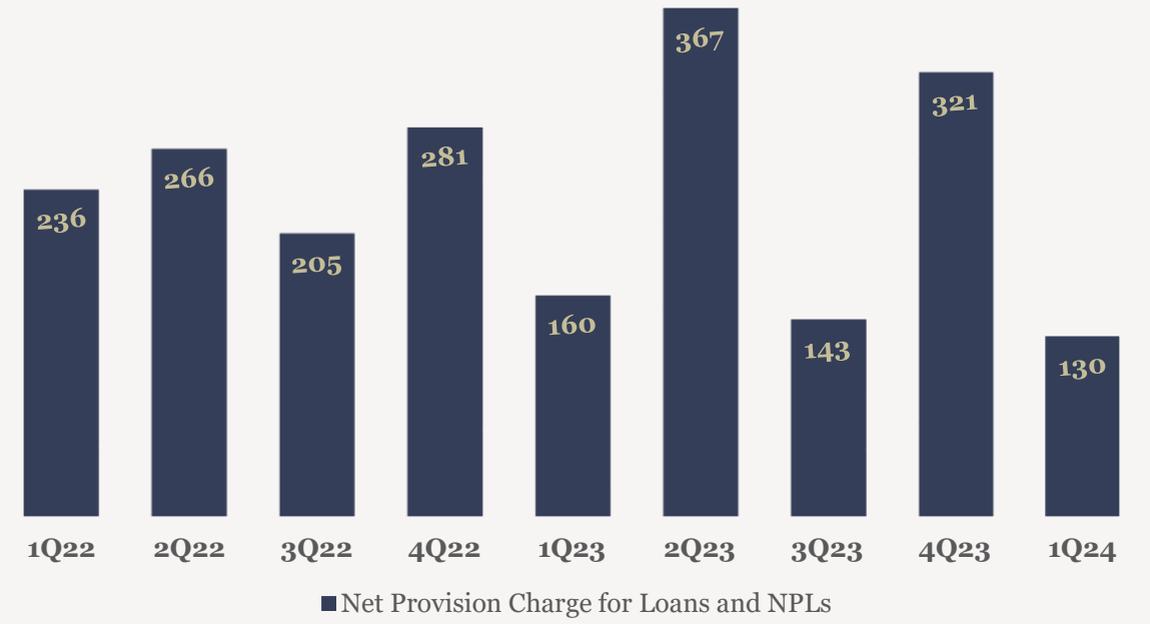
EPS (QR) Trend



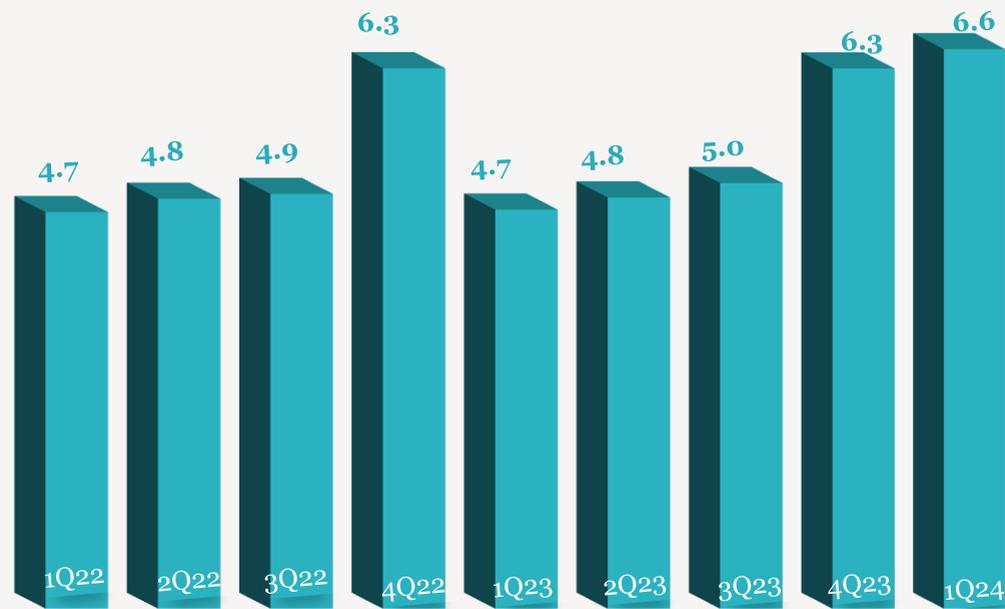
Capital Adequacy Ratios (%)



Net Provision for Loan Loss (QR mn)



Book Value Per Share (QR)



P/B Multiple Band (x)



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