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Earnings Flash Note The Commercial Bank 2Q 2025/6M 2025



The Commercial Bank (CBQK)

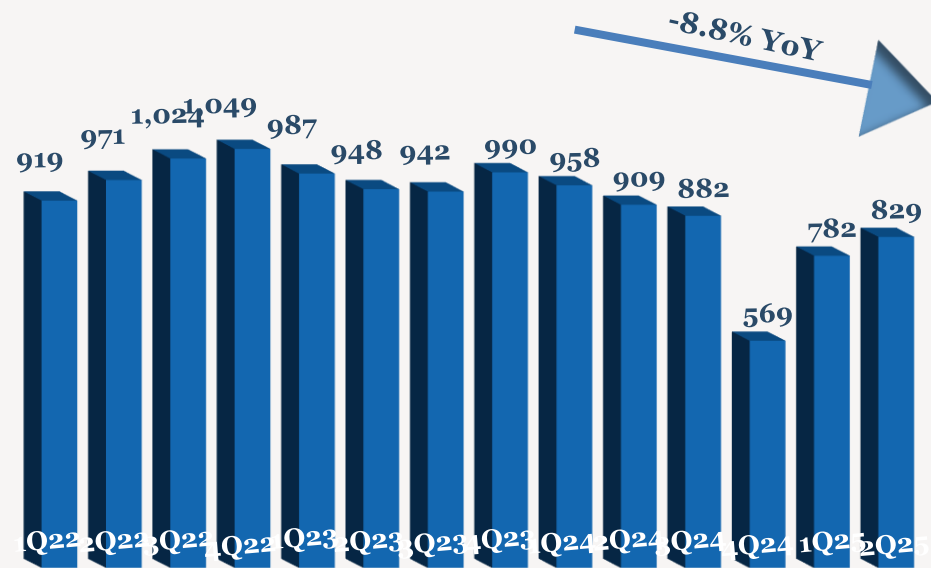
- > Net profit decreased by 20.7% YoY to QR610mn (-6.4% QoQ) in 2Q2025 due to lower net interest income and non-funded income. For 6M2025, net profit fell 19.7% to QR1,261mn.
- > Net interest income came lower by 8.8% YoY to QR829.0mn (+6.0% QoQ) in 2Q2025. For 6M2025, net interest income was down 13.7% to QR1,610mn.
- > Cost to income ratio increased by 3.4ppts YoY (-0.7ppts QoQ) to 30.3% in 2Q2025. For 6M2025, cost to income ratio rose 7.7ppts to 30.6%.
- > For 2Q2025, EPS came at QR0.16 vs QR0.20 in 2Q2024. For 6M2025, EPS came at QR0.32 vs QR0.40 in 6M2024.
- > As of 2Q2025-end, the book value per share stood at QR6.83 (2Q2024: QR6.54).
- > As of 2Q2025-end, loans & advances were QR103.8bn (+12.7% YoY, +9.4% QoQ) while customer deposits increased by 9.4%/8.5% QoQ/YTD to QR83.5bn.
- > As of 16th July 2025, the stock has increased 4.1% YTD, Outperforming the QSE Index, which was up by 2.3% YTD.
- > The stock is currently trading at a TTM P/B multiple of 0.9x. For now, we maintain our PT of QR 5.24/share and Outperform rating.
- > The Board of Directors approved at its meeting held on 22 May 2025 a Share Buyback plan to purchase up to 10% of the bank's fully paid-up issued shares, subject to regulatory approvals. In light of this and the pipeline of loan growth it was decided not to distribute an interim dividend for the period ended 30 June 2025.

2Q/6M 2025 Earnings Performance

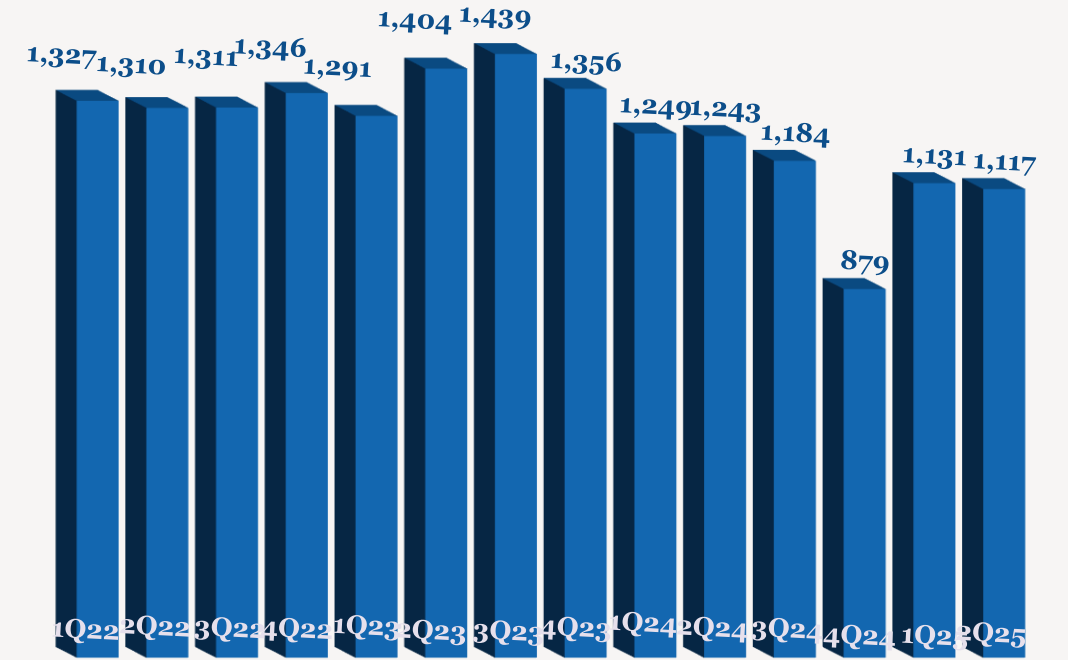
	2Q2025	2Q2024	YoY	1Q2025	QoQ	6M2025	6M2024	YoY
Net Interest Income	829	909	-8.8%	782	6.0%	1,610	1,867	-13.7%
Net Interest Margin %	2.15%	2.55%		2.14%		2.14%	2.68%	
Non-Interest Income	288	334	-13.8%	349	-17.5%	638	626	1.9%
Operating Income	1,117	1,243	-10.2%	1,131	-1.2%	2,248	2,493	-9.8%
Cost/Income Ratio %	30.3%	26.8%		31.0%		30.6%	22.9%	
Net Profit	610	769	-20.7%	651	-6.4%	1,261	1,571	-19.7%
Book Value Per Ordinary Share (QR)	6.83	6.54	4.4%	6.67	2.4%	6.83	6.54	4.4%
Loans & Advances	103,788	92,105	12.7%	94,864	9.4%	103,788	92,105	12.7%
Customer Deposits	83,539	77,199	8.2%	76,383	9.4%	83,539	77,199	8.2%

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

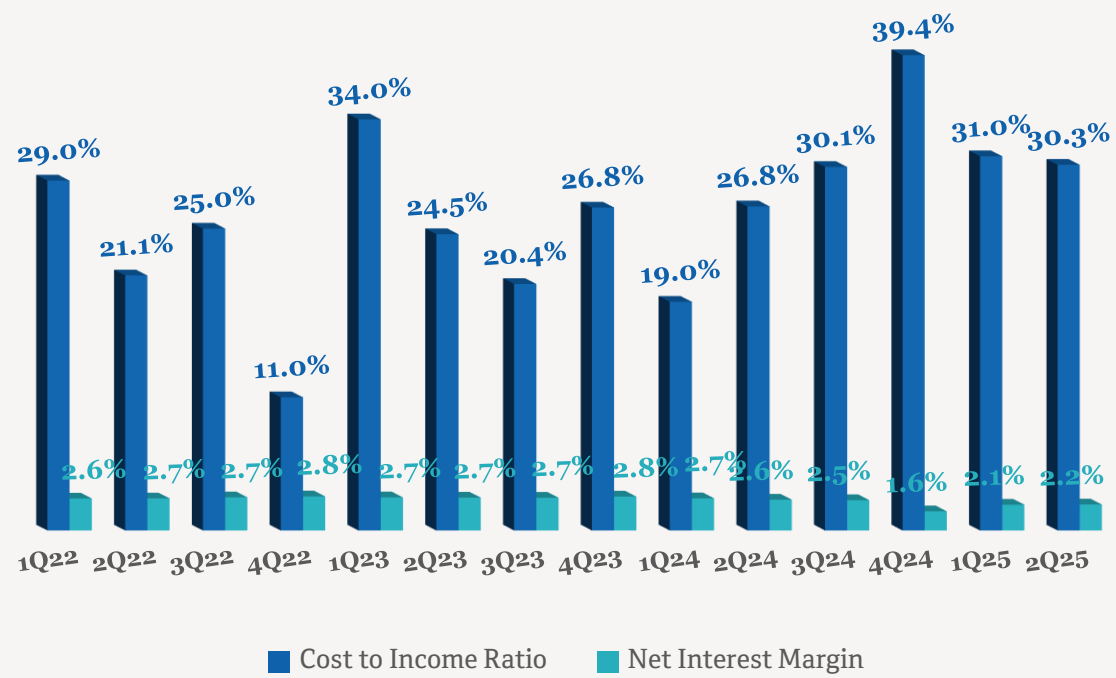
Quarterly Net Interest Income Trend (QRmn)



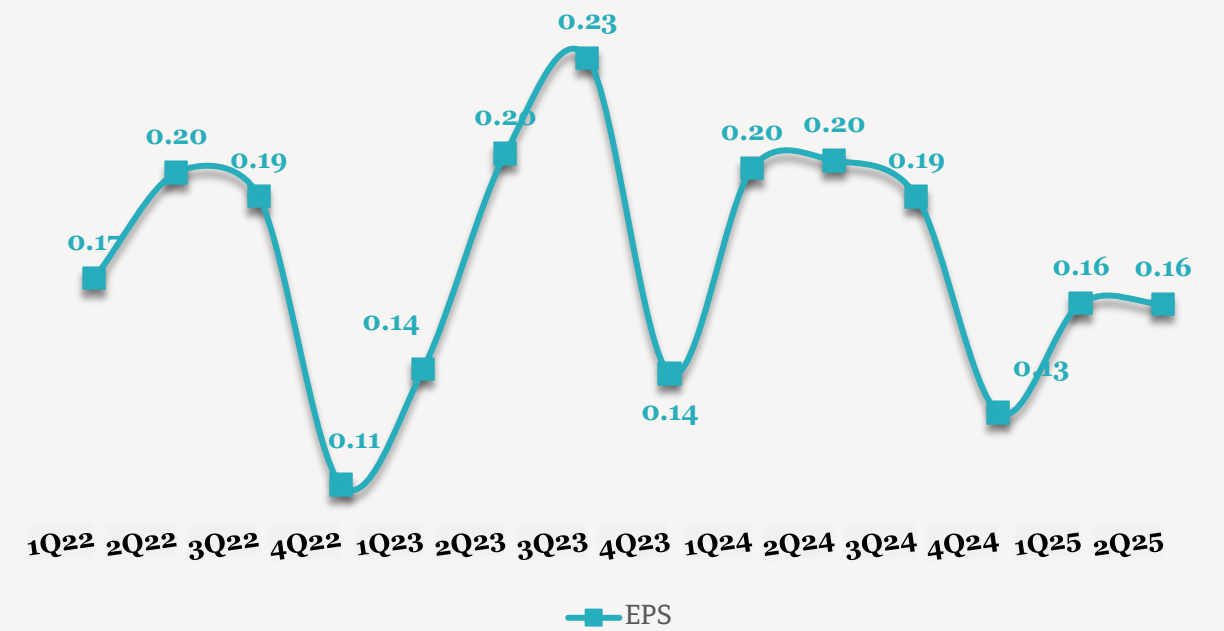
Quarterly Operating Income Trend (QRmn)



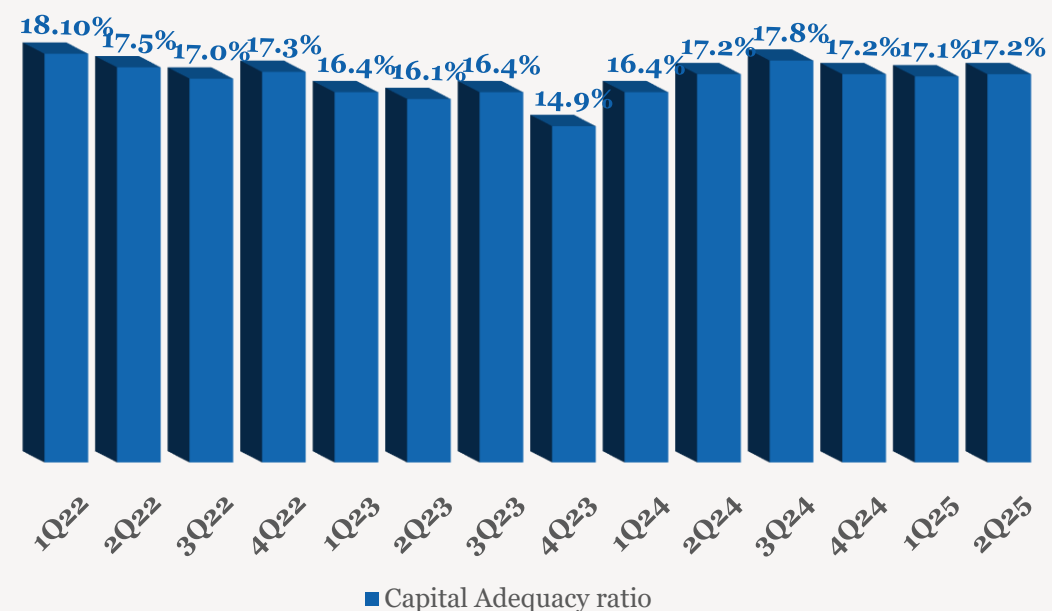
Quarterly Ratio Trend



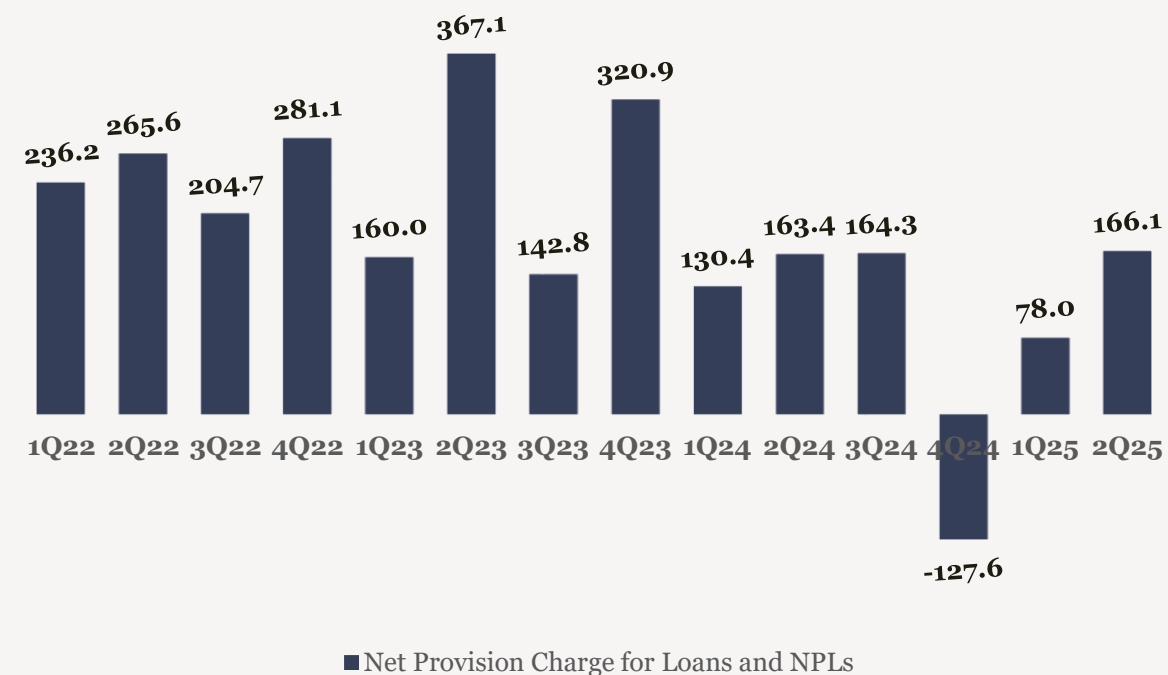
EPS (QR) Trend



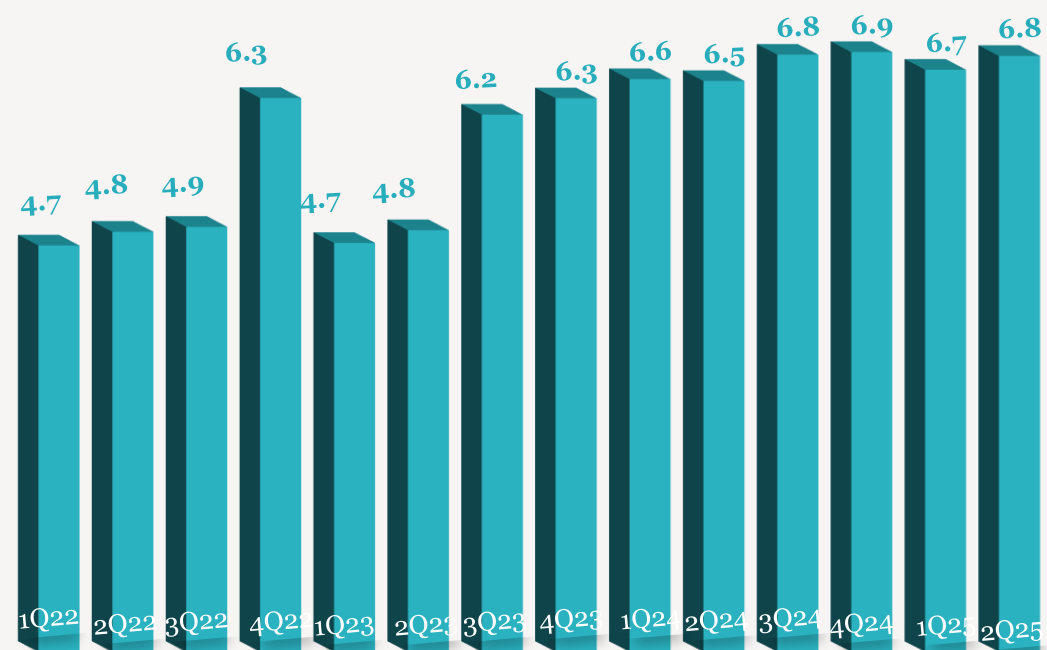
Capital Adequacy Ratios (%)



Net Provision for Loan Loss (QRmn)



Book Value Per Share (QR)



P/B Multiple Band (x)



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