



Earnings Flash Note  
The Commercial Bank  
3Q 2024 / 9M 2024



## The Commercial Bank (CBQK)

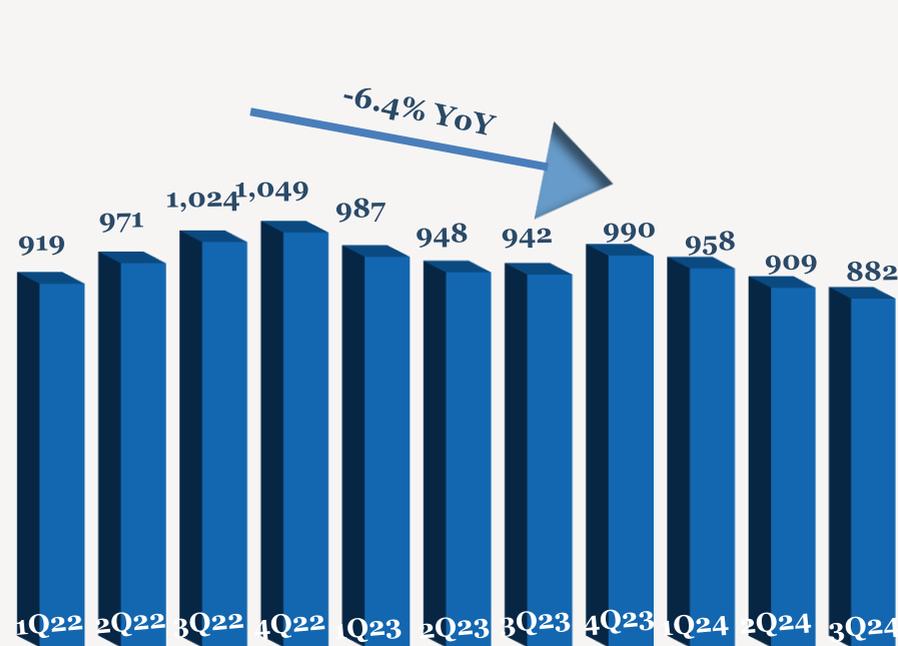
- > Net profit decreased by 16.7% YoY to QR770mn (+0.1% QoQ) in 3Q2024 due to margin pressure and weak non-funded income. For 9M2024, net profit was up by 2.8% YoY to QR2,341mn.
- > Net interest income came lower by 6.4% YoY to QR882mn (-3.0% QoQ) while for 9M2024, it decreased by 4.5% YoY to QR2,748mn.
- > Cost to income ratio increased by 9.7ppts YoY (+3.3ppts QoQ) to 30.1% in 3Q2024. For 9M2024, cost of income ratio came at 25.2% compared to 26.1% in 9M2023.
- > For 3Q2024, EPS came at QR0.19 vs QR0.23 in 3Q2023, while for 9M2024, EPS was QR0.59 vs QR0.57 in 9M2023.
- > As of 3Q2024-end, the book value per share stood at QR6.84 (3Q2023: QR6.15).
- > As of 3Q2024-end, loans & advances were QR90.7bn (-0.5% YoY, -1.5% QoQ) while customer deposits increased by 3.8% YoY to QR77.6bn (+0.5% QoQ).
- > As of 16<sup>th</sup> Oct 2024, the stock has decreased 29.8% YTD, underperforming the QSE index, which was down by 0.9% 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.

### 3Q/9M 2024 Earnings Performance

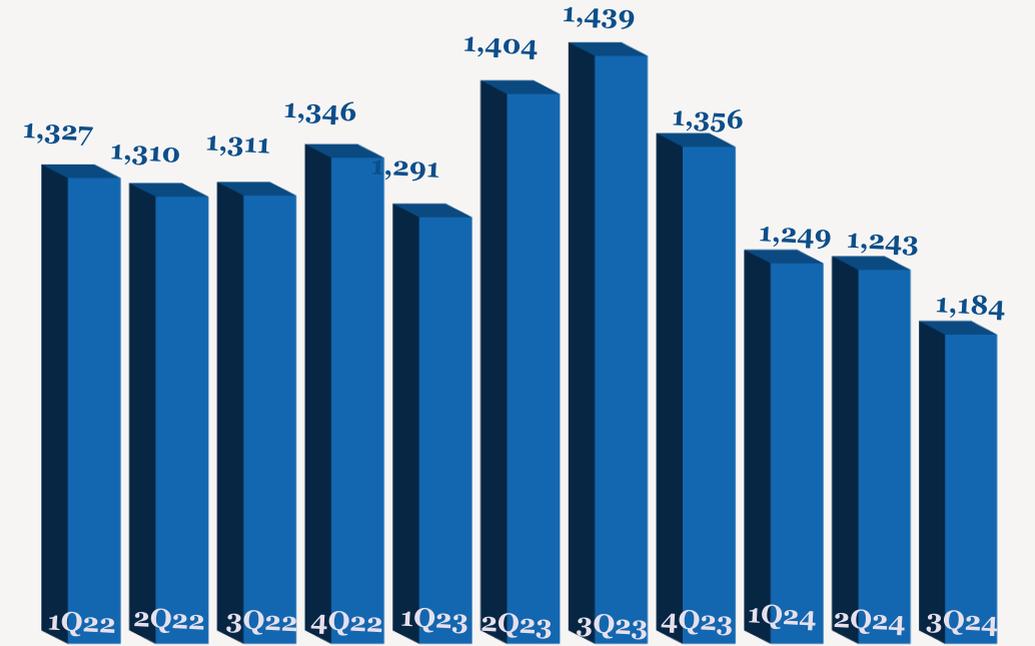
	3Q24	3Q23	YoY	2Q24	QoQ	9M24	9M23	YoY
Net Interest Income	882	942	-6.4%	909	-3.0%	2,748	2,877	-4.5%
Net Interest Margin %	2.51%	2.71%		2.55%		2.61%	2.67%	
Non-Interest Income	303	496	-39.0%	334	-9.5%	929	1257	-26.1%
Operating Income	1,184	1,439	-17.7%	1,243	-4.7%	3,677	4,134	-11.1%
Cost/Income Ratio %	30.1%	20.4%		26.8%		25.2%	26.1%	
Net Profit	770	925	-16.7%	769	0.1%	2,341	2,277	2.8%
Book Value Per Ordinary Share (QR)	6.84	6.15	11.2%	6.54	4.6%	6.84	6.15	11.2%
Loans & Advances	90,739	91,166	-0.5%	92,105	-1.5%	90,739	91,166	-0.5%
Customer Deposits	77,561	74,742	3.8%	77,199	0.5%	77,561	74,742	3.8%

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

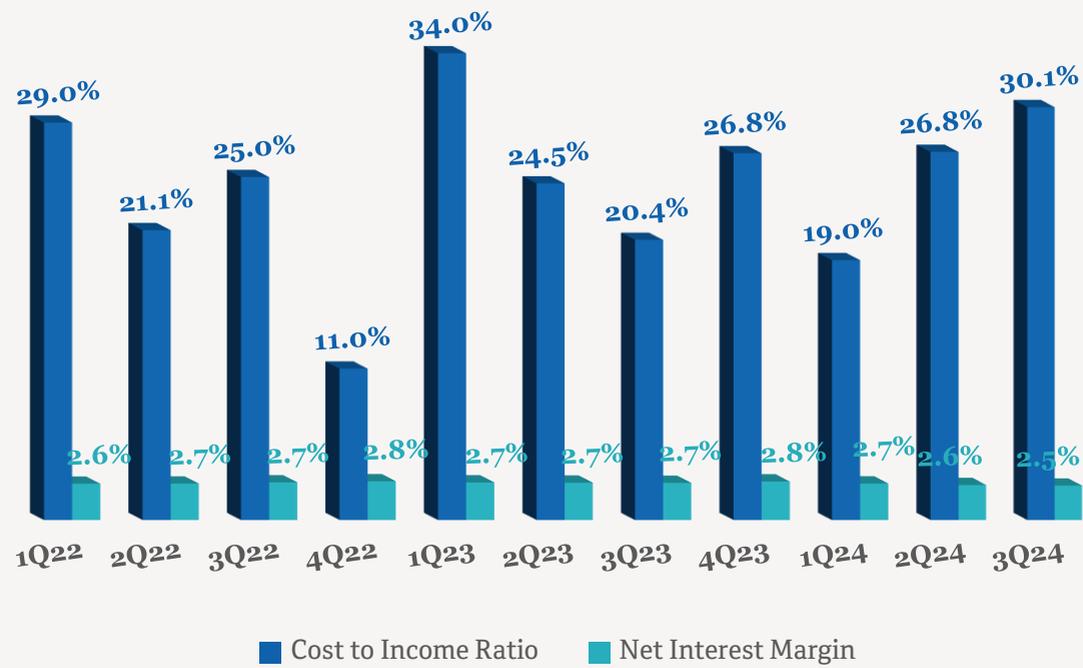
Quarterly Net Interest Income Trend (QRmn)



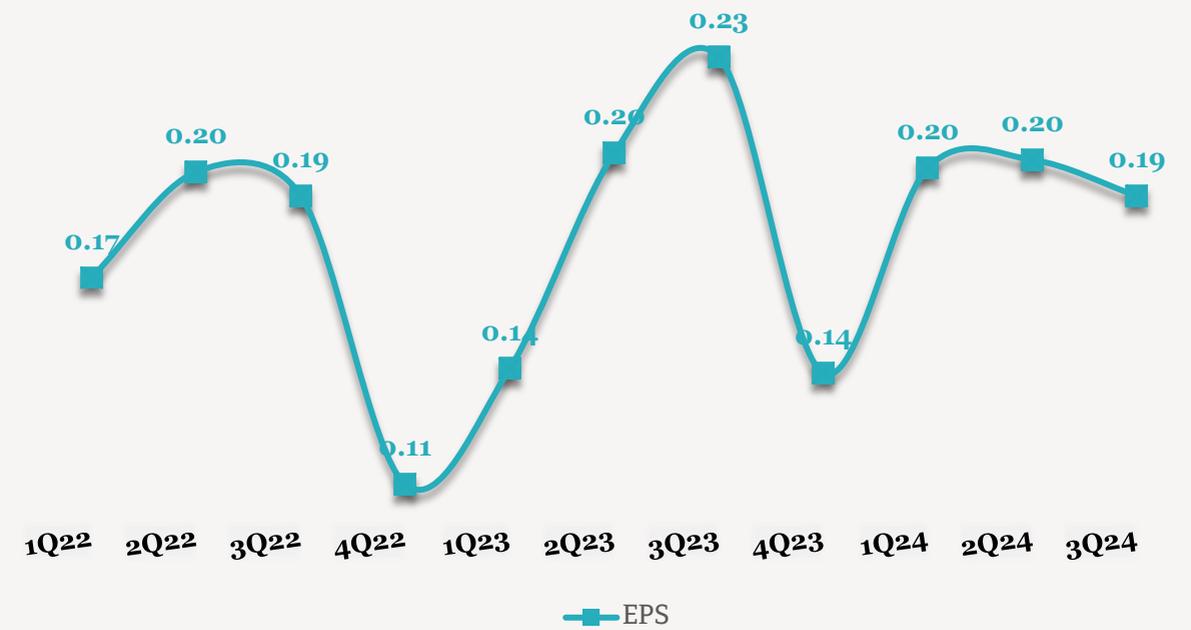
Quarterly Operating Income Trend (QRmn)



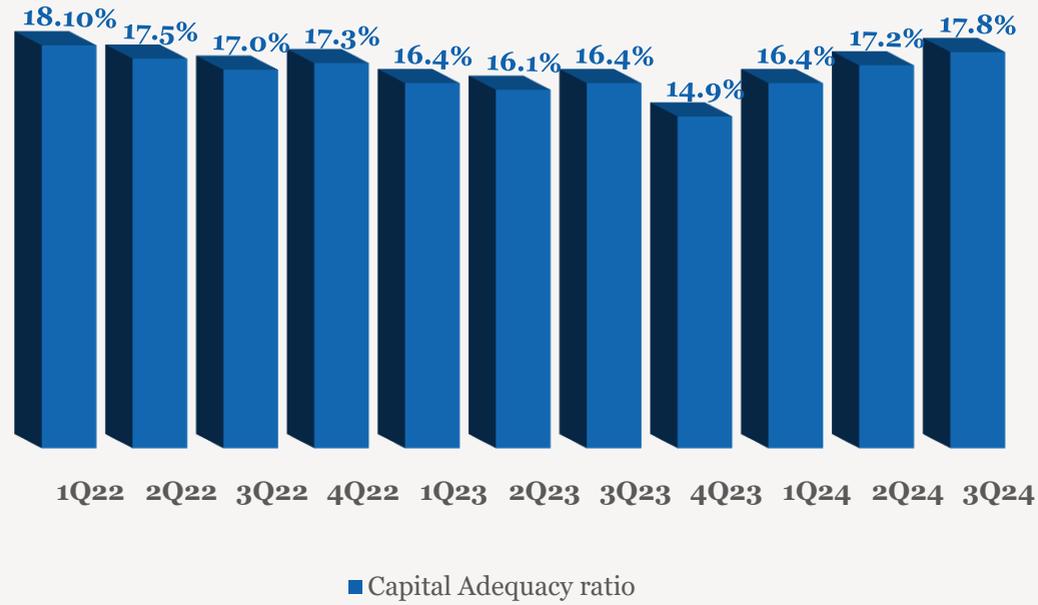
Quarterly Ratio Trend



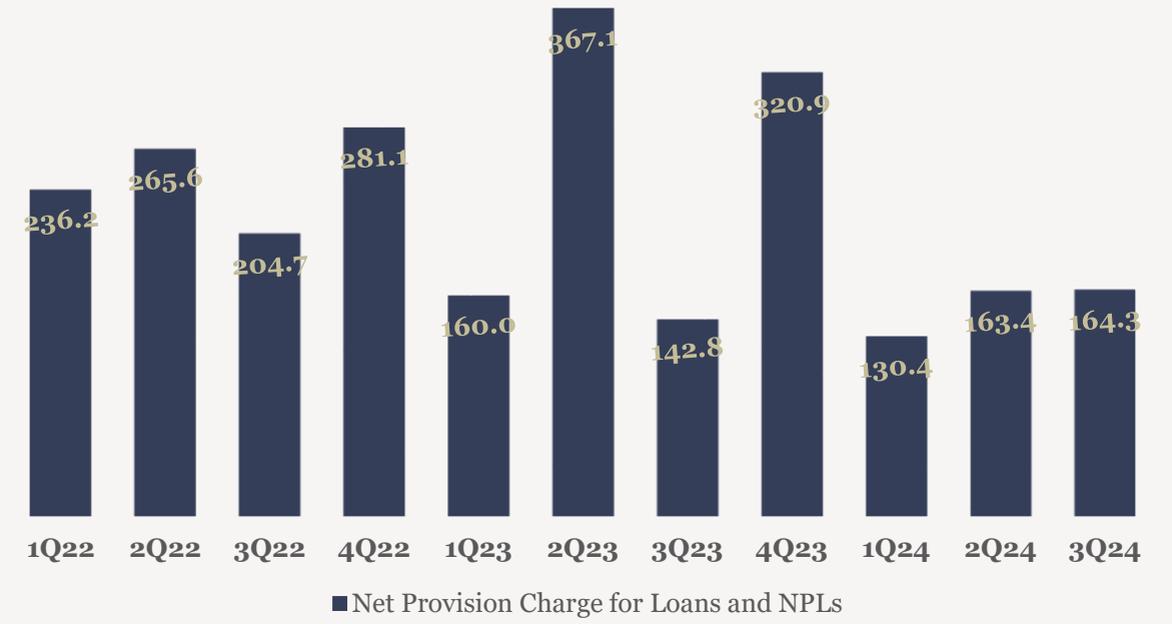
EPS (QR) Trend



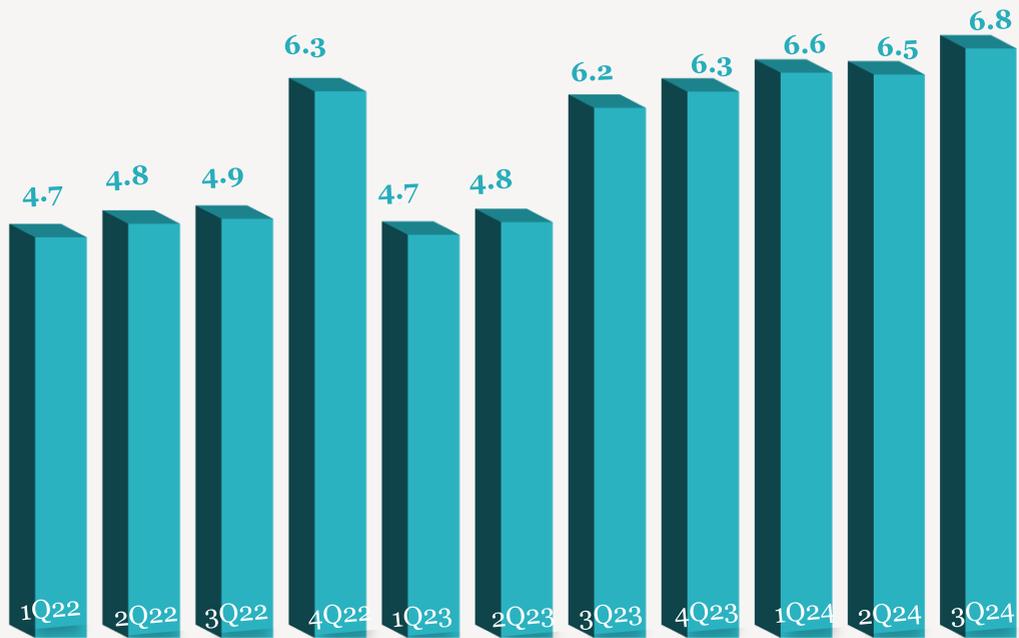
Capital Adequacy Ratios (%)



Net Provision for Loan Loss (QRmn)



Book Value Per Share (QR)



P/B Multiple Band (x)



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