



Earnings Flash Note

Masraf Al Rayan

3Q 2025/9M 2025



Masraf Al Rayan (MARK)

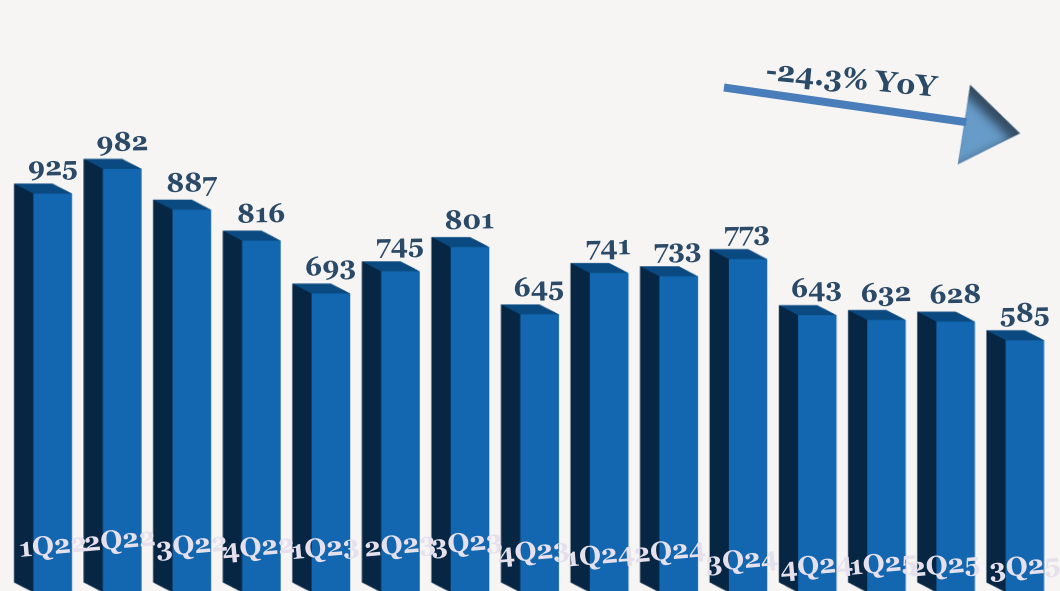
- > **Net profit was flat QR499mn (+20.6% QoQ) in 3Q2025;** the YoY flat earnings was helped by strong fee income (+89.3%) and a 1,503.5% surge in other income (the bulk of which are recoveries from loans written off), which countered significant margin pressure
- > **Net interest & investment income fell by 24.3% YoY to QR585mn (-6.9% QoQ) in 3Q2025.** For 9M2025, net interest and investment income declined 17.9% to QR1,845mn.
- > **Cost to income ratio increased by 0.2ppts YoY (-2.1ppts QoQ) to 25.8% in 3Q2025.** For 9M2025, cost to income ratio rose 1.6ppts to 26.9%.
- > **As of 3Q2025-end, Loans & advances were QR113.4bn (+3.1% YoY, +1.2QoQ)** while Customer deposits increased by 4.6% YoY to QR113.6bn (+2.7% QoQ).
- > **For 3Q2025, EPS was QR0.054 vs QR0.054 in 3Q2024.** For 9M2025, EPS was QR0.142 vs QR0.139 in 9M2024.
- > **As of 3Q2025-end, the book value per share stood at QR2.78 (3Q2024: QR2.71).**
- > **As of 29th October 2025, the stock has decreased 4.1% YTD, Underperforming the QSE Index which was up 3.4% YTD.**
- > **The stock is currently trading at a TTM P/B multiple of 0.9x, lower than its 3Y historical average of 1.0x.** For now, we maintain our PT of QR 2.62/share and Market perform rating.

3Q/9M 2025 Earnings Performance

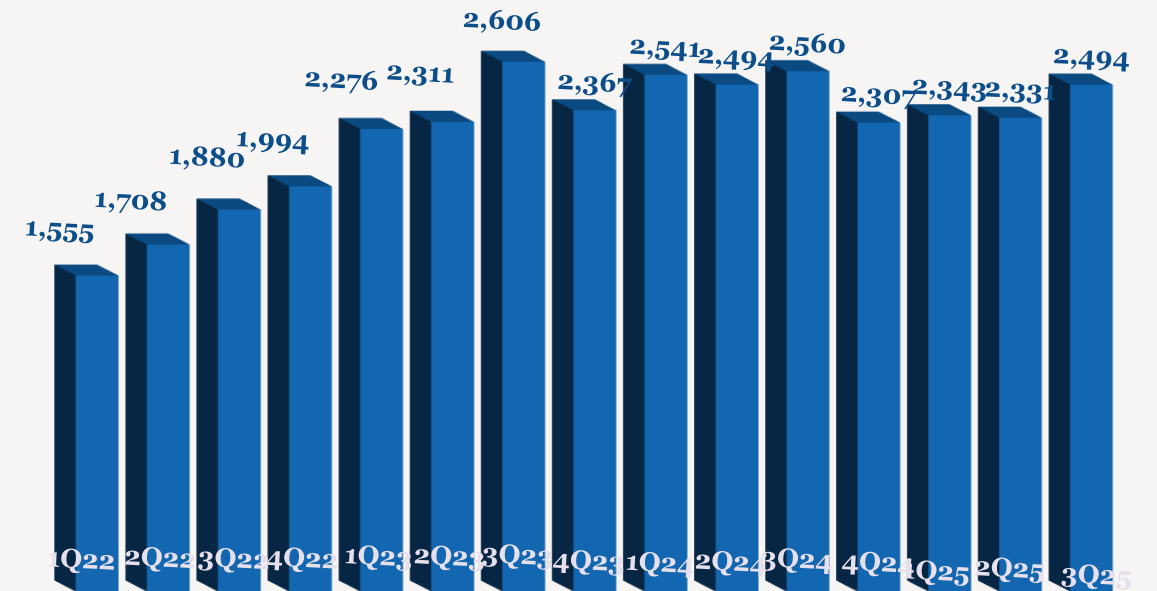
	3Q2025	3Q2024	YoY	2Q2025	QoQ	9M2025	9M2024	YoY
Net Interest & Investment Income	585	773	-24.3%	628	-6.9%	1,845	2,247	-17.9%
Net Interest Margin %	1.4%	2.0%		1.6%		1.2%	1.5%	
Net Fee and Commission Income	158	84	89.3%	84	87.4%	343	223	53.6%
Total Income	2,494	2,560	-2.6%	2,331	7.0%	7,168	7,595	-5.6%
Cost/Income Ratio %	25.8%	25.6%		27.9%		26.9%	25.3%	
Net Profit to Equity	499	499	0.04%	414	20.6%	1,320	1,288	2.5%
Book Value Per Ordinary Share (QR)	2.78	2.71	2.4%	2.59	7.3%	2.78	2.71	2.4%
EPS (QR)	0.054	0.054	0.0%	0.045	20.6%	0.142	0.139	2.5%
Loans & Advances	113,406	110,037	3.1%	112,096	1.2%	113,406	110,037	3.1%
Customer Deposits	113,606	108,635	4.6%	110,667	2.7%	113,606	108,635	4.6%

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

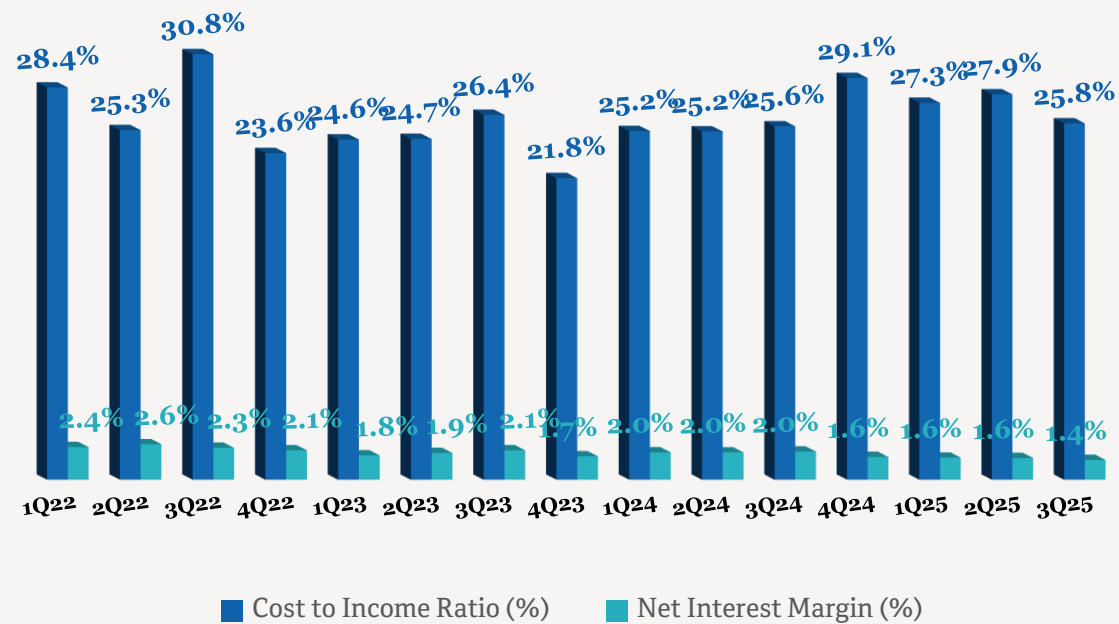
Quarterly Net Interest & Investment Income Trend (QRmn)



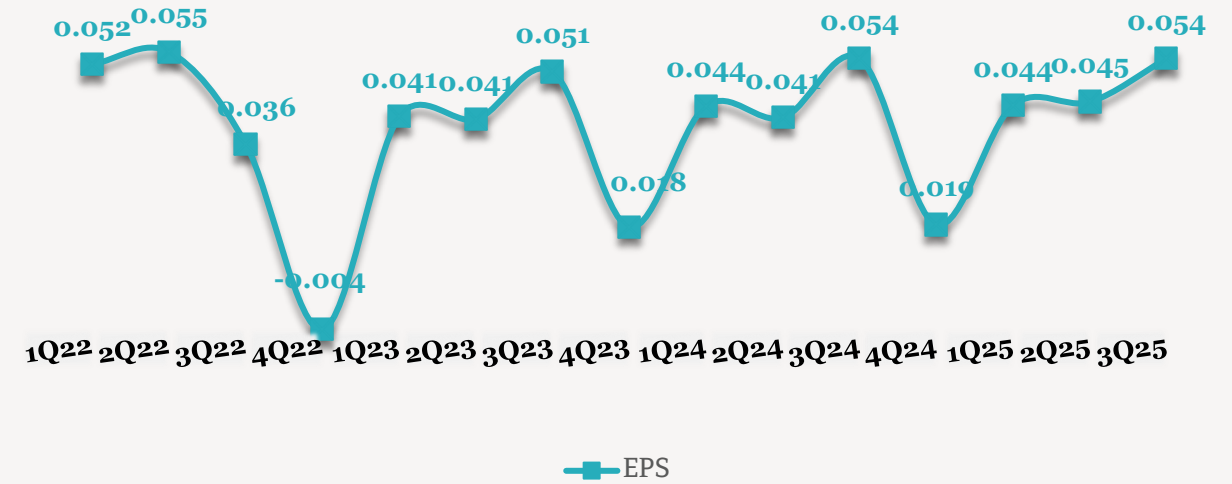
Quarterly Total Income Trend (QRmn)



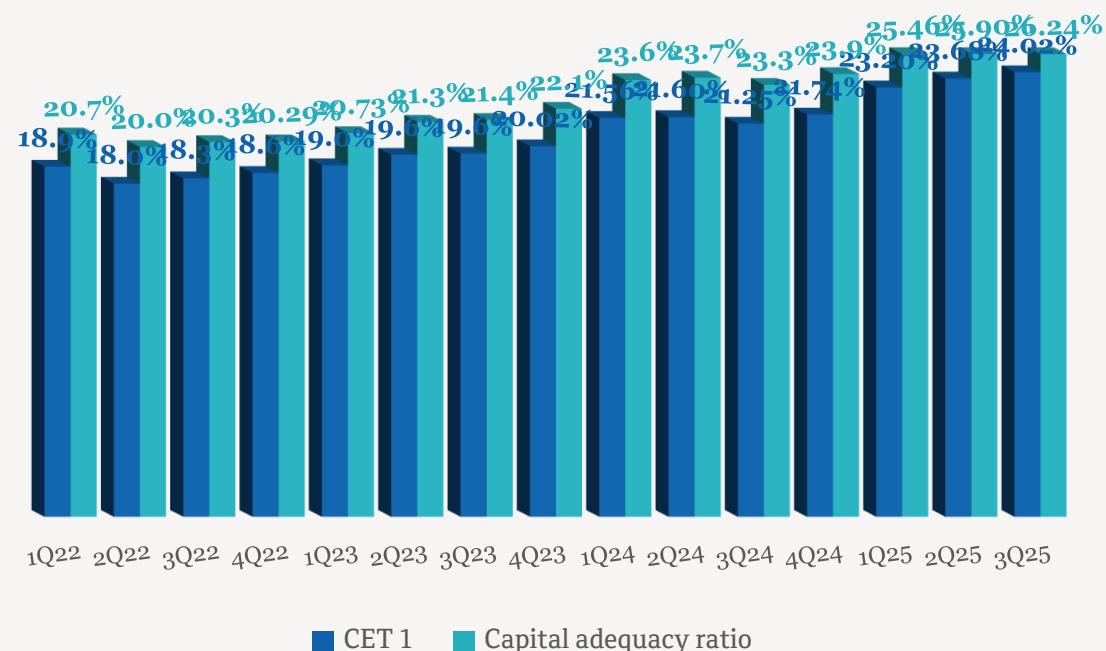
Quarterly Ratio Trend



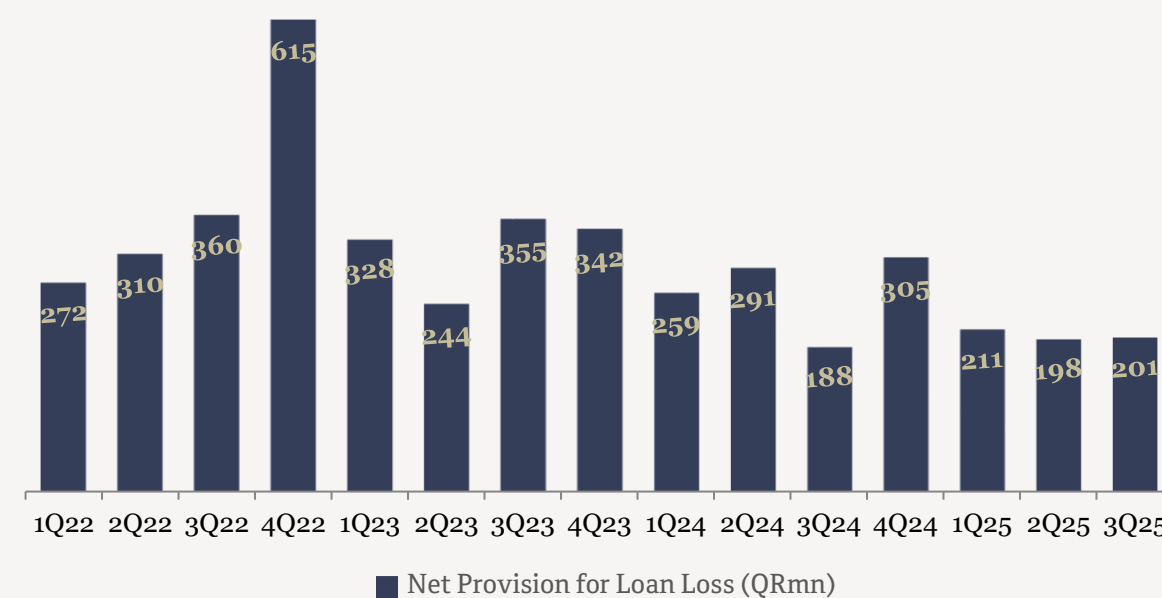
EPS (QR) Trend



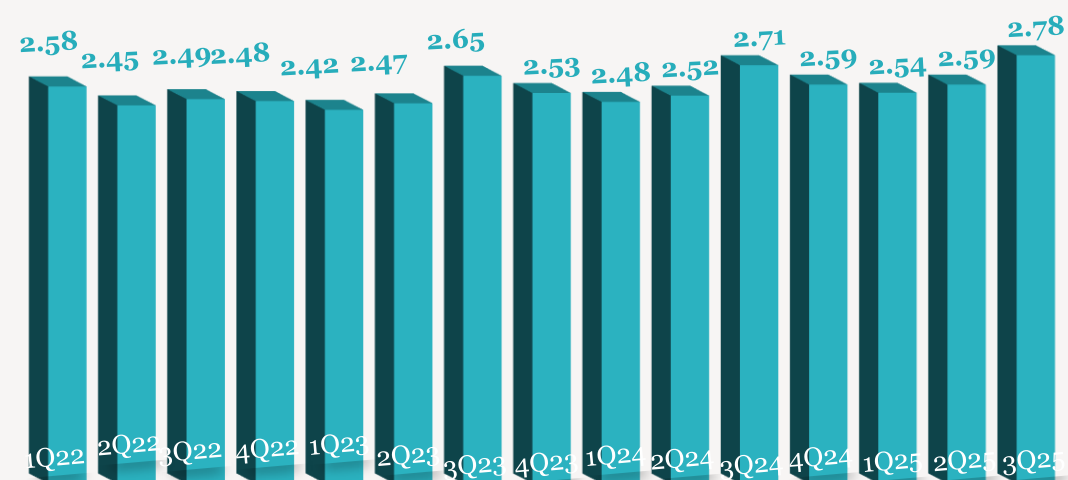
Capital Adequacy Ratios (%)



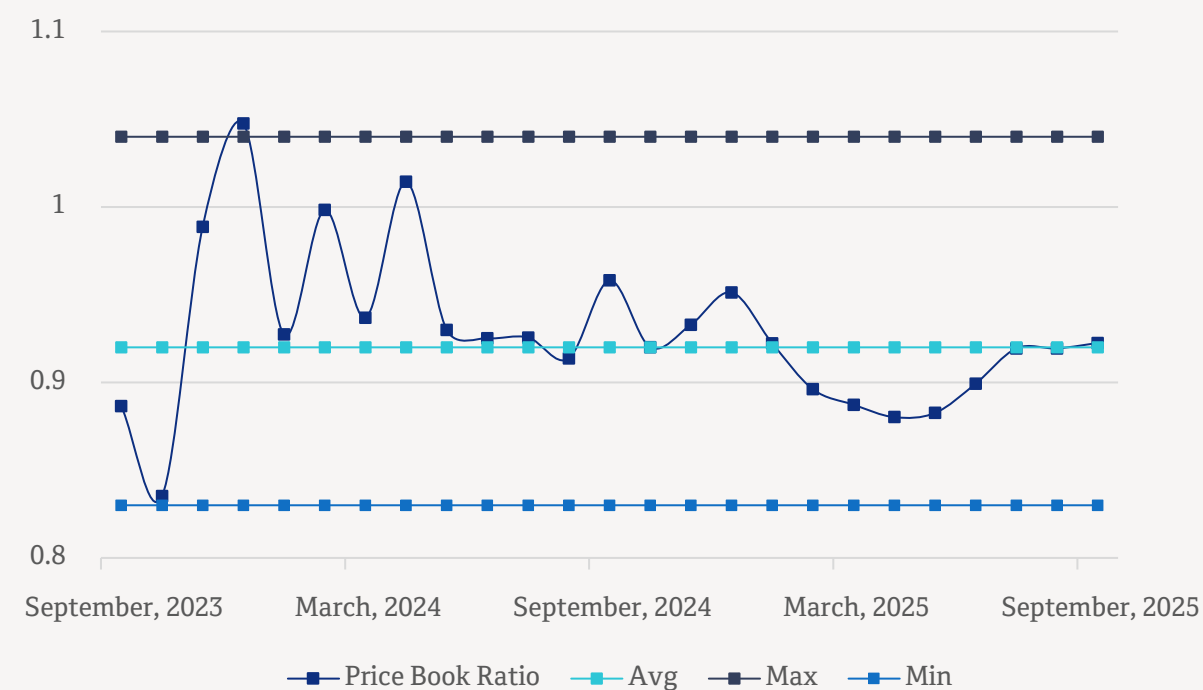
Net Provision for Loan Loss (QR mn)



Book Value Per Share (QR)



P/B Multiple Band (x)



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