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%

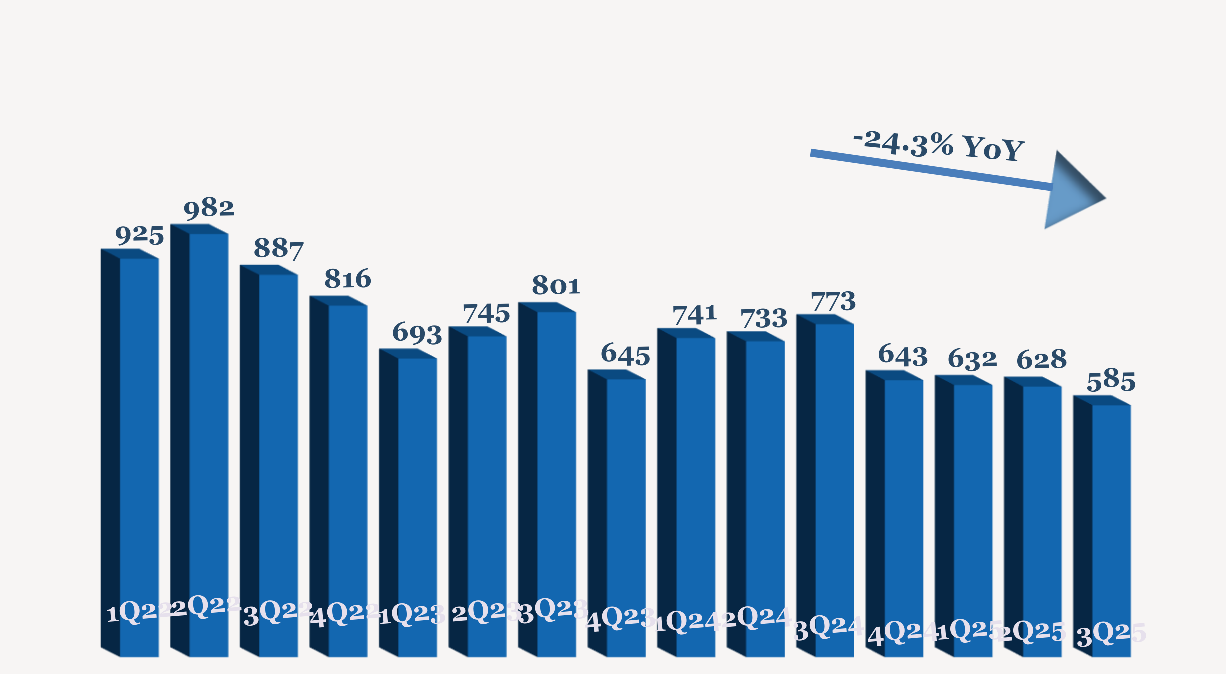
Note: Values are expressed in QR'mn unless explicitly state

QNB FINANCIAL SERVICES

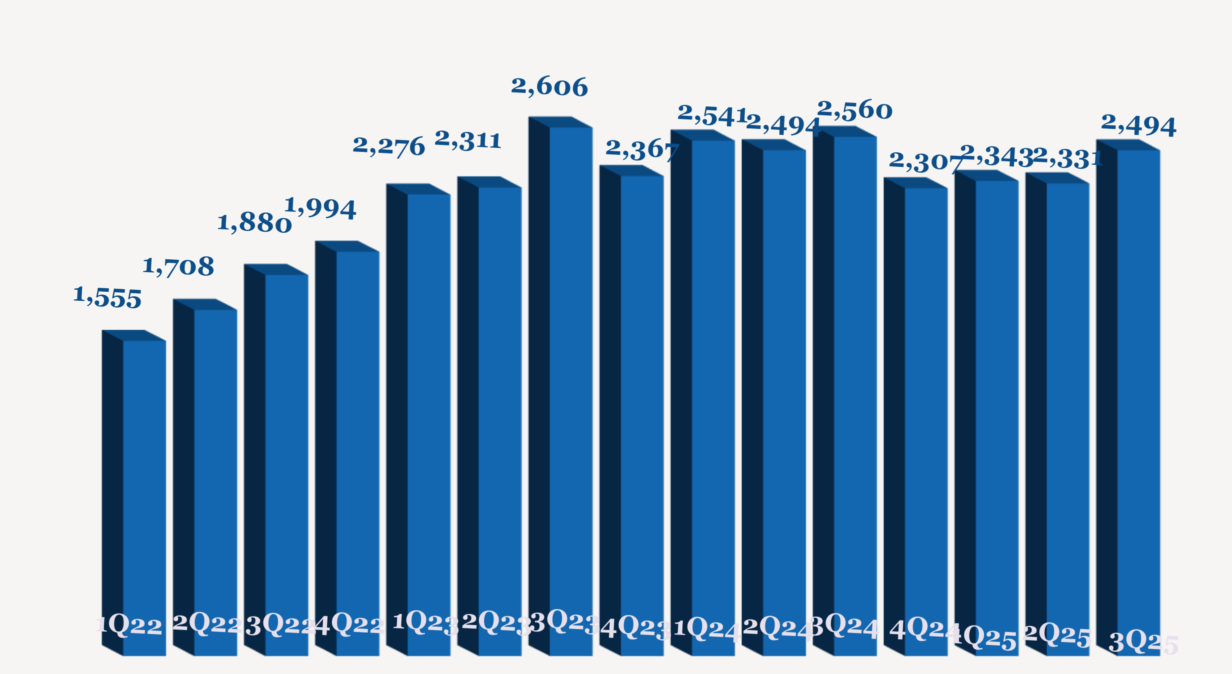
Earnings Flash Note

3Q2025/9M2025

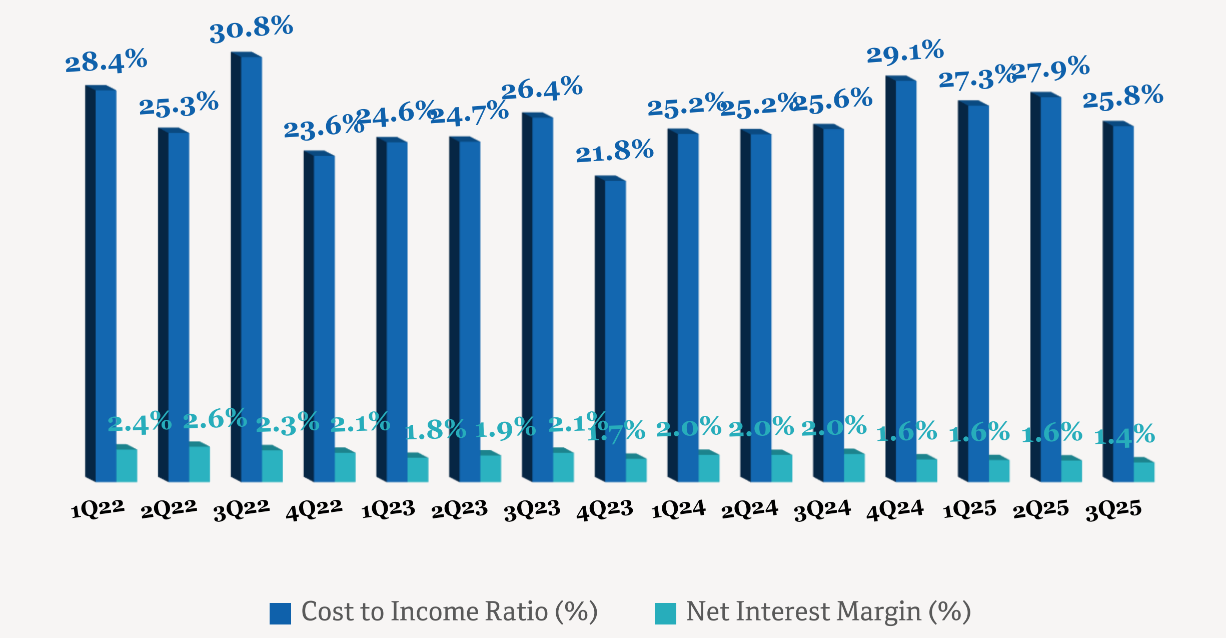
Quarterly Net Interest & Investment Income Trend (QRmn)



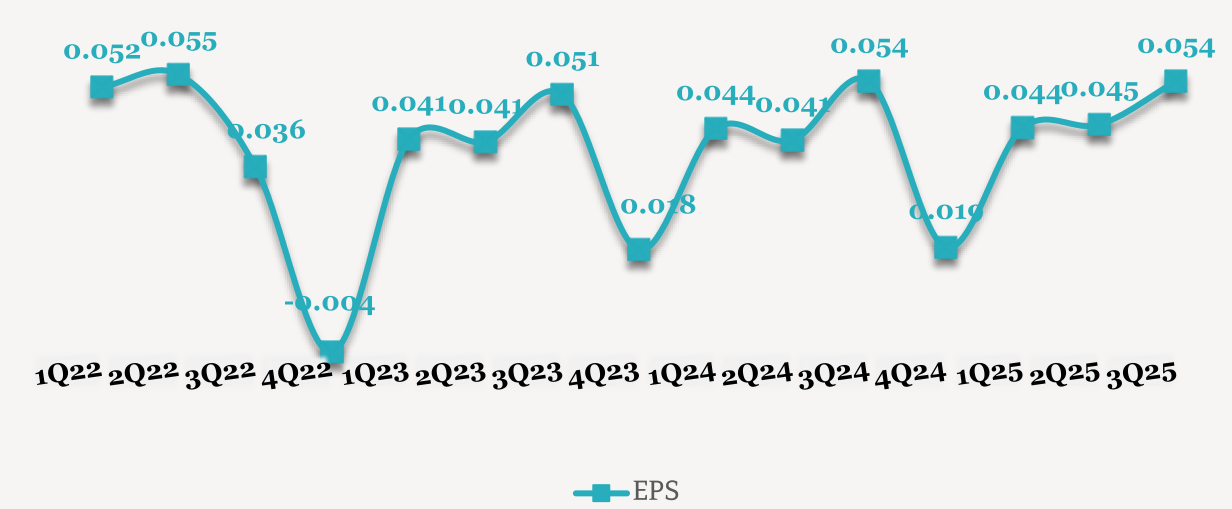
Quarterly Total Income Trend (QRmn)



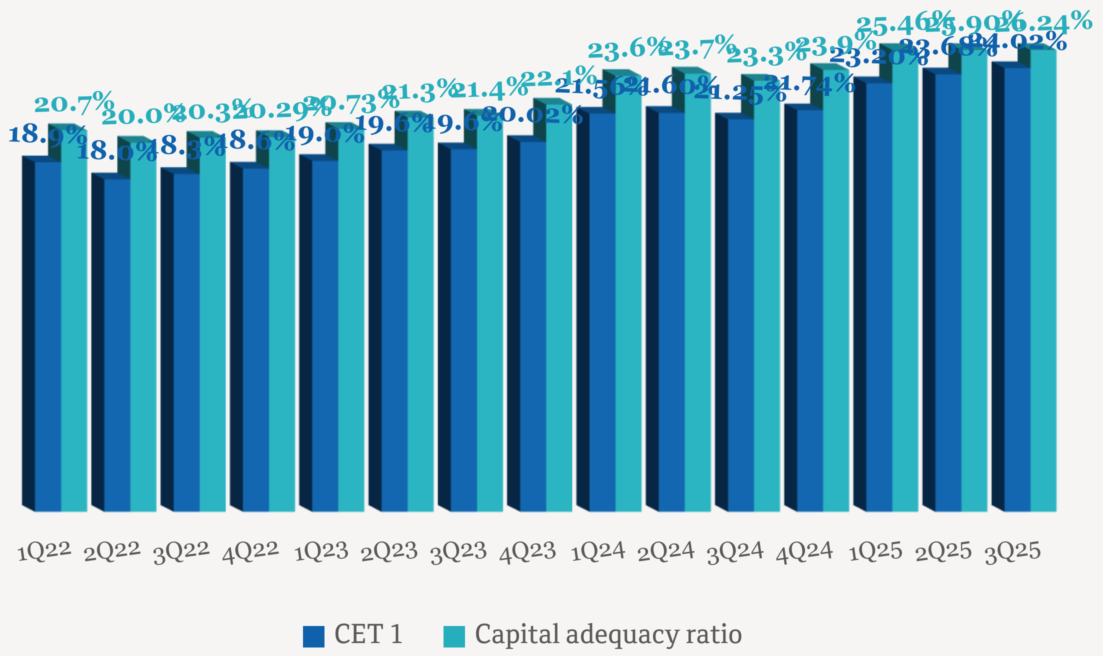
Quarterly Ratio Trend



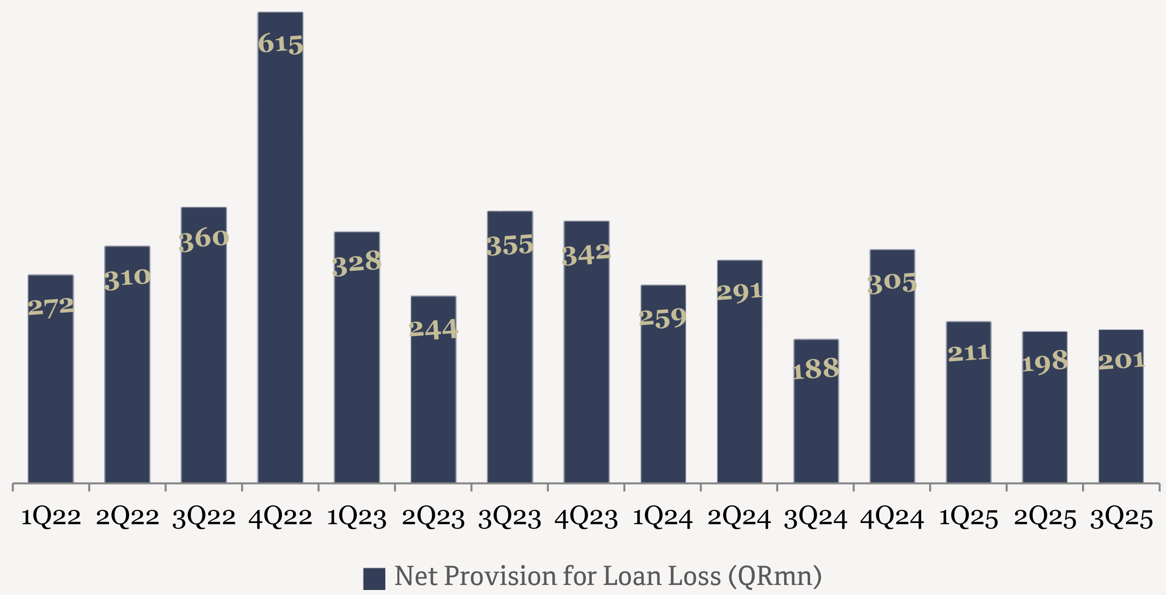
EPS (QR) Trend



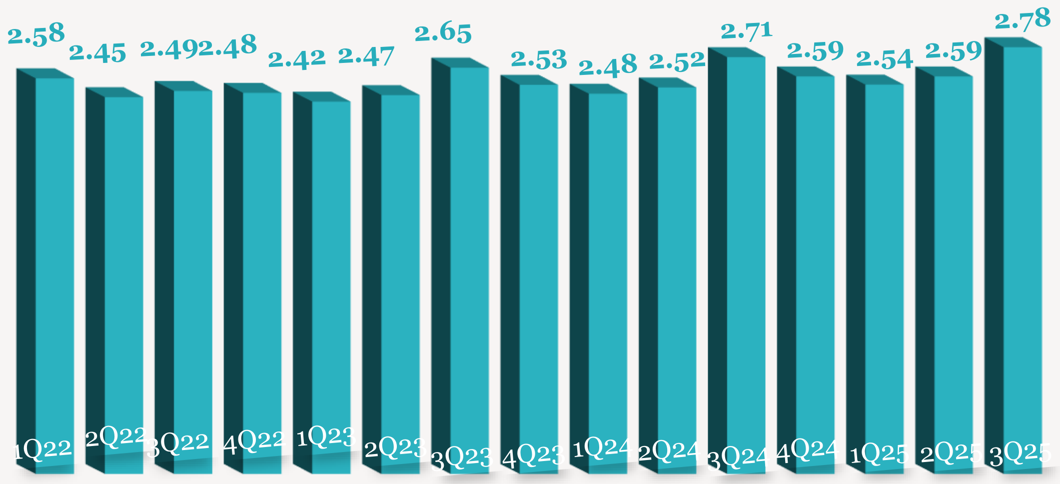
Capital Adequacy Ratios (%)



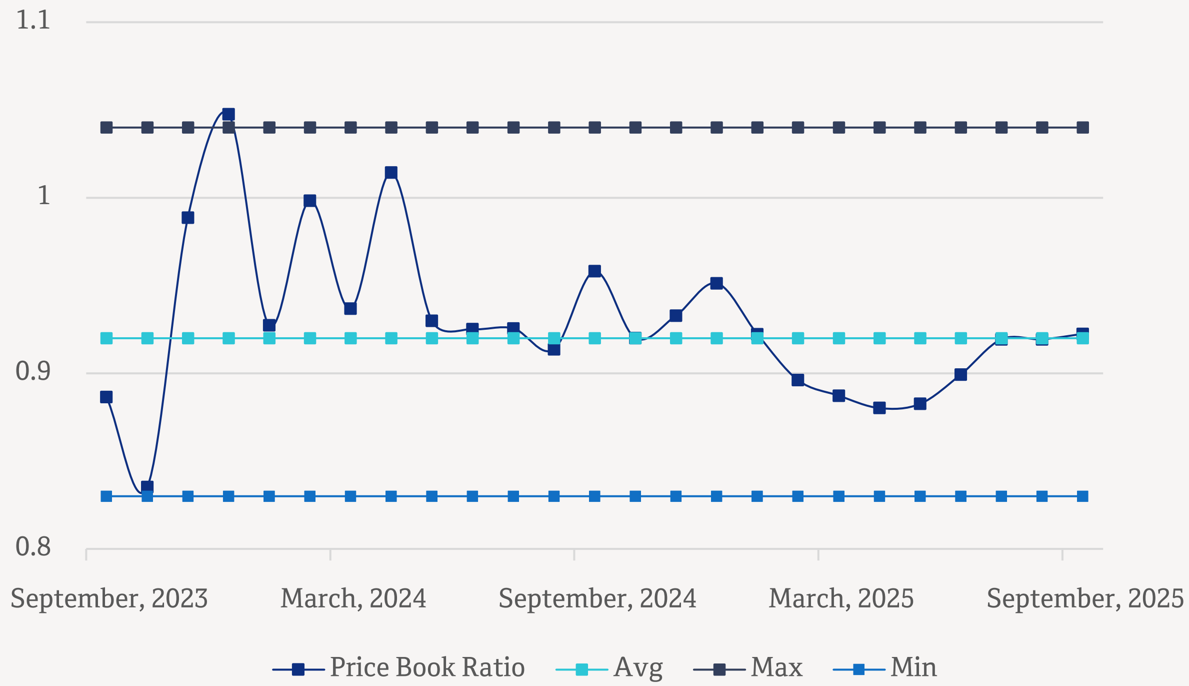
Net Provision for Loan Loss (QR mn)



Book Value Per Share (QR)



P/B Multiple Band (x)



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

Dana Saif Al Sowaidi
Research Analyst
dana.alsowaidi@qnbfs.com.qa