QNB FINANCIAL SERVICES

Earnings Flash Note

Masraf Al Rayan

4Q2025/FY2025

Masraf Al Rayan (MARK)

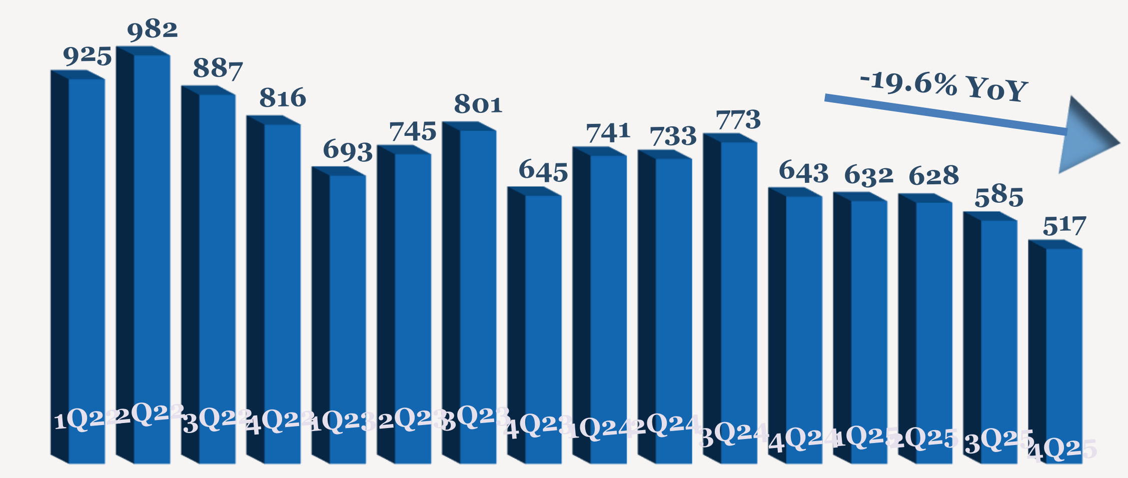
- **Net profit fell 4% YoY to QR210mn (-57.9% QoQ) in 4Q2025** primarily due to lower net interest & investment income. For FY2025, net profit rose 1.5% to QR1,530mn.
- **Net interest & investment income fell by 19.6% YoY to QR517mn (-11.6% QoQ)** in 4Q2025. For FY2025, net interest and investment income declined 18.3% to QR2,362mn.
- **Cost to income ratio increased by 5.2ppts YoY (+8.5ppts QoQ) to 34.3% in 4Q2025.** For FY2025, cost to income ratio rose 2.2ppts to 28.4%.
- **As of 4Q2025-end, Loans & advances were QR118.2bn (+7.4% YoY, +4.2 QoQ)** while Customer deposits increased by 3.3% YoY to QR111.1bn (-2.2% QoQ).
- **For 4Q2025, EPS was QR0.023 vs QR0.024 in 4Q2024.** For FY2025, EPS was QR0.16 vs QR0.157 in FY2024.
- **As of 4Q2025-end, the book value per share stood at QR2.66 (4Q2024:** QR2.59).
- **As of 21st Jan 2026, the stock has increased 4.7% YTD, Outperforming** the QSE Index which was up 4.2% YTD.
- **The stock is currently trading at a TTM P/B multiple of 0.8x, lower than its** 3Y historical average of 1.0x. For now, we maintain our PT of QR 2.62/share and Market perform rating.
- **AlRayan Bank Board of Directors proposed a cash dividend distribution to shareholders of 11% of the nominal share value (QAR 0.11 per share) for the year 2025, subject to approval of Qatar Central Bank and General Assembly.**

4Q/FY2025 Earnings Performance

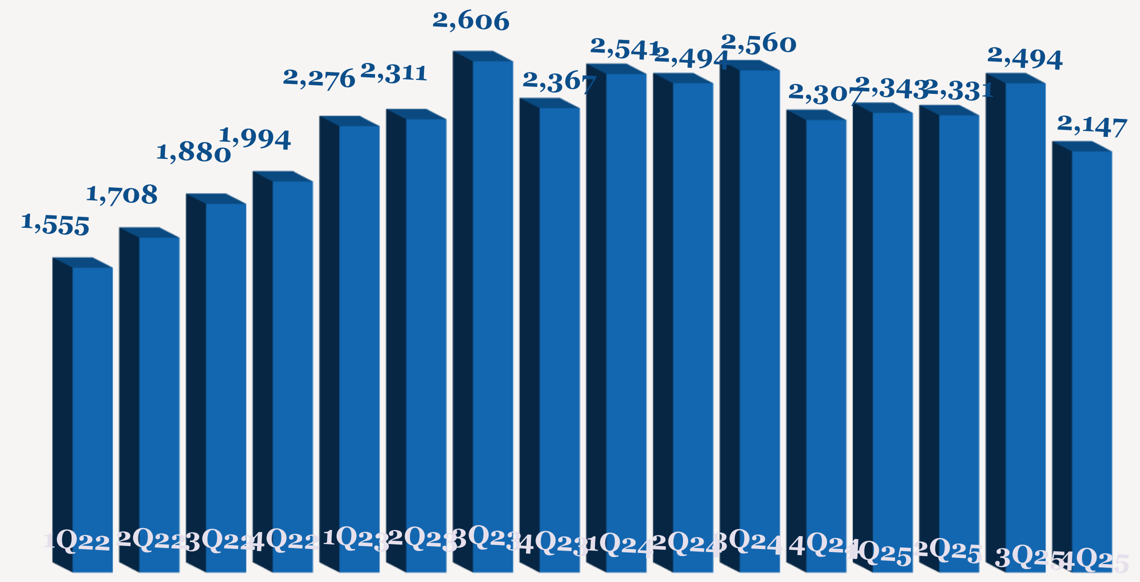
	4Q2025	4Q2024	YoY	3Q2025	QoQ	FY2025	FY2024	YoY
Net Interest & Investment Income	517	643	-19.6%	585	-11.6%	2,362	2,890	-18.3%
Net Interest Margin %	1.2%	1.6%		1.4%		1.4%	1.9%	
Net Fee and Commission Income	85	76	12.7%	158	-46.1%	428	299	43.2%
Total Income	2,147	2,307	-6.9%	2,494	-13.9%	9,314	9,902	-5.9%
Cost/Income Ratio %	34.3%	29.1%		25.8%		28.4%	26.1%	
Net Profit to Equity	210	219	-4.0%	499	-57.9%	1,530	1,507	1.5%
Book Value Per Ordinary Share (QR)	2.66	2.59	2.6%	2.78	-4.4%	2.66	2.59	2.6%
EPS (QR)	0.023	0.024	-4.0%	0.054	-57.9%	0.160	0.157	1.6%
Loans & Advances	118,188	110,040	7.4%	113,406	4.2%	118,188	110,040	7.4%
Customer Deposits	111,138	107,610	3.3%	113,606	-2.2%	111,138	107,610	3.3%

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

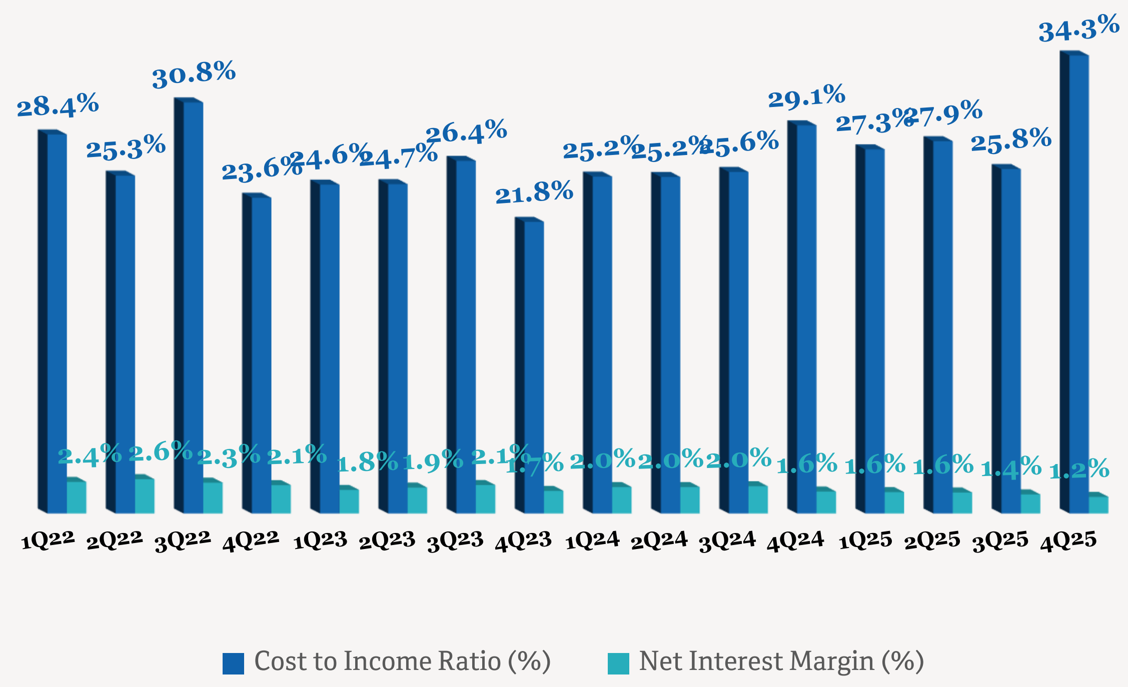
Quarterly Net Interest & Investment Income Trend (QRmn)



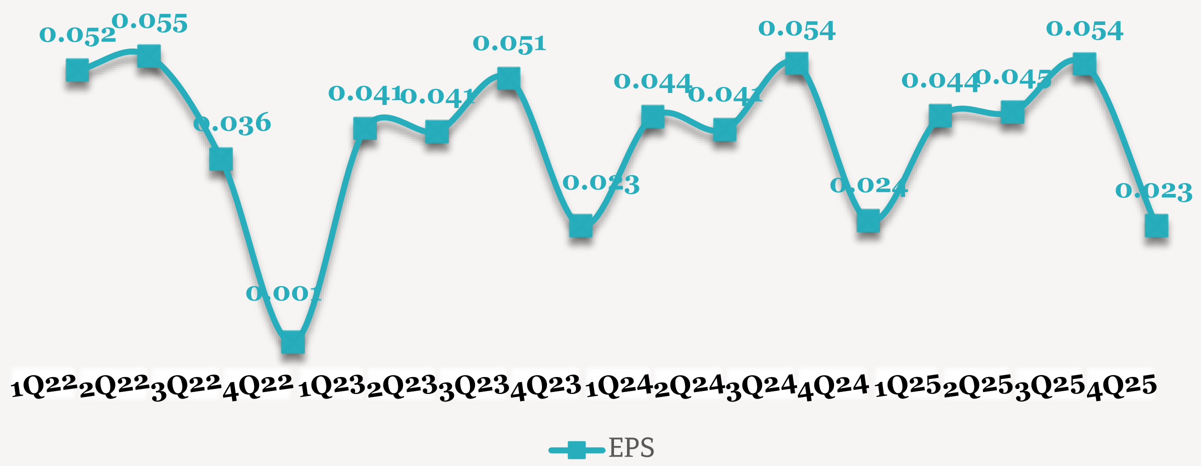
Quarterly Total Income Trend (QRmn)



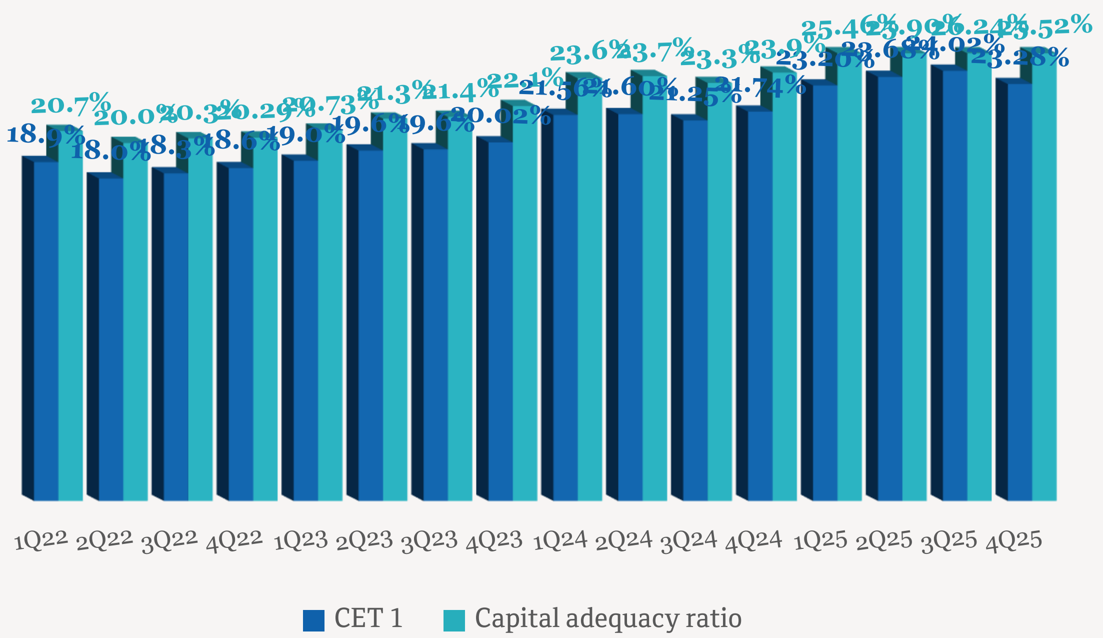
Quarterly Ratio Trend



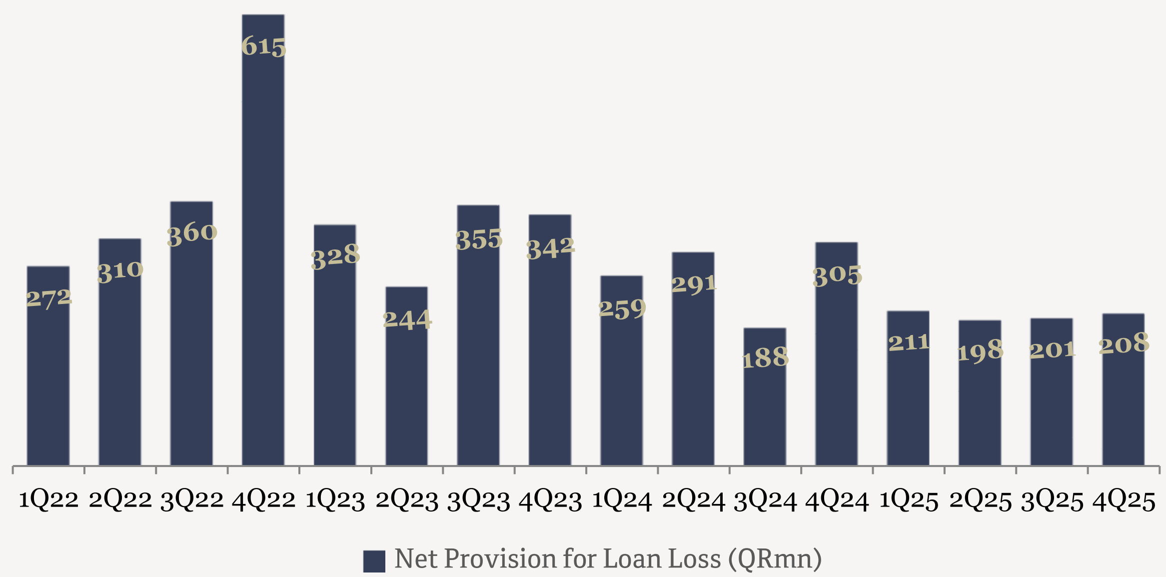
EPS (QR) Trend



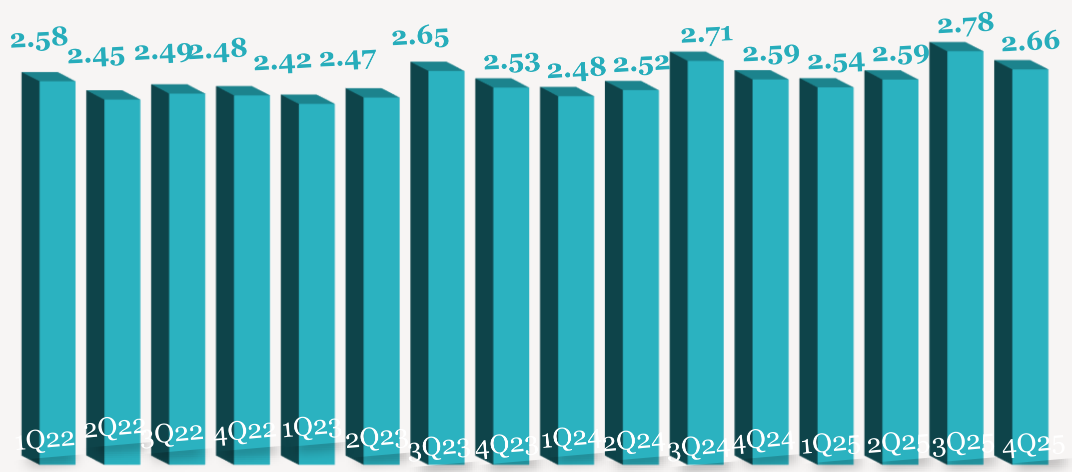
Capital Adequacy Ratios (%)



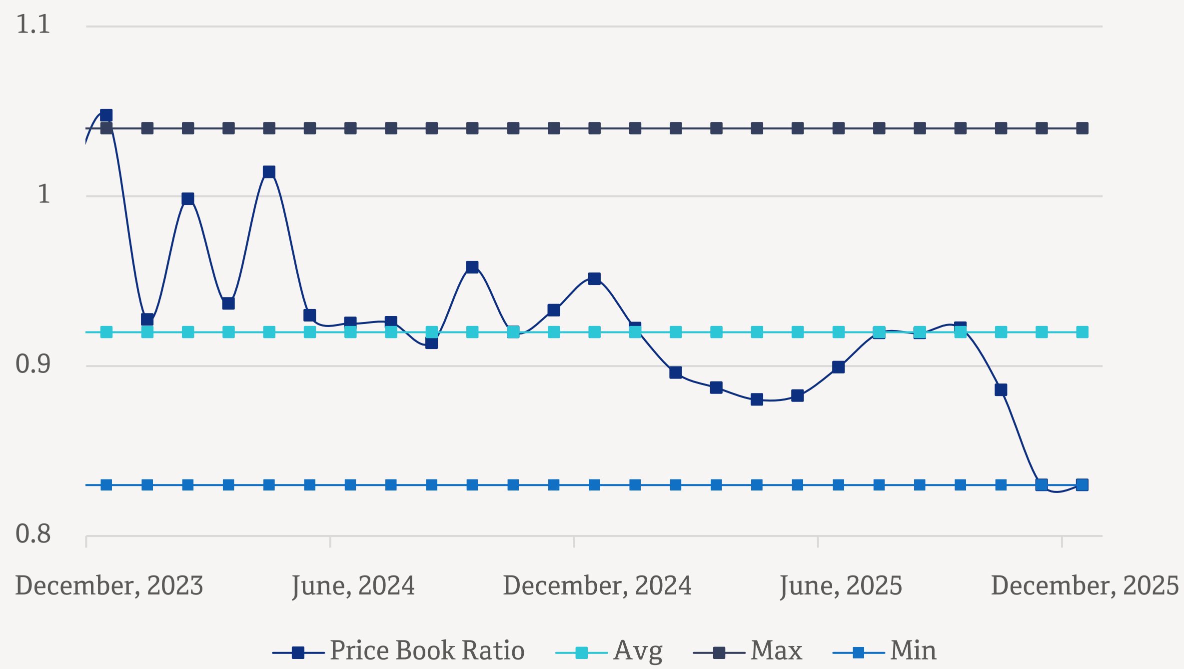
Net Provision for Loan Loss (QR mn)



Book Value Per Share (QR)



P/B Multiple Band (x)



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