



Earnings Flash Note

Dukhan Bank

4Q 2023 / FY 2023



Dukhan Bank (DUBK)

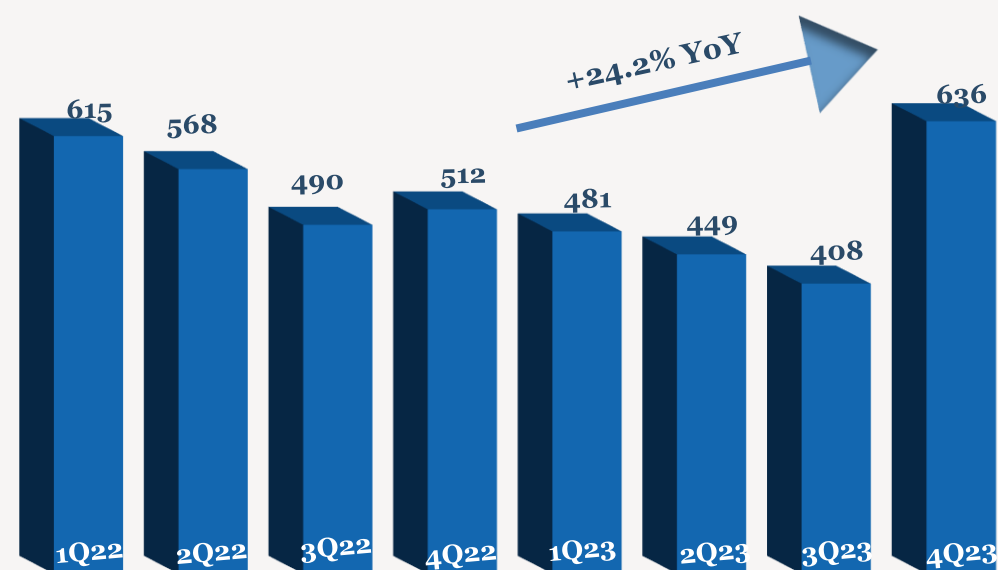
- > Net profit increased by 13.1% YoY to QR195mn (-43.8% QoQ) in 4Q2023 driven by higher total net income from financing and investing activities. However, a surge in total expenses limited the gains. For FY2023, net profit was up by 3.9% YoY to QR1,302mn.
- > Net interest & investment income rose by 24.2% YoY to QR636mn (+55.9% QoQ) while for FY2023, it fell by 9.7% YoY to QR1,973mn.
- > Cost to income ratio increased by 5.9ppts YoY (-1.2ppts QoQ) to 35.0% in 4Q2023. For FY2023, cost of income ratio came at 33.0% compared to 28.2% in FY2022.
- > For 4Q2023, EPS came at QR0.034 vs. QR0.030 in 4Q2022 while for FY2023, EPS was QR0.237 vs QR0.227 in FY2022.
- > As of 4Q2023-end, the book value per share stood at QR2.48 (FY2022: QR2.41).
- > As of 4Q2023-end, loans & advances were QR77.6bn (+2.5% YoY, +2.3% QoQ) while customer deposits increased by 4.6% YoY to QR78.0bn (+1.3% QoQ).
- > As of 4th Feb 2024, the stock has decreased 4.8% YTD, outperforming the QSE index, which was down by 7.3% YTD.
- > The stock is currently trading at a TTM P/B multiple of 1.5x. For now, we maintain our PT of QR 3.81/share and market perform rating.
- > The Board announced a DPS of QR0.16 for FY2023 which translates into a yield of 4.1%.

4Q/FY 2023 Earnings Performance

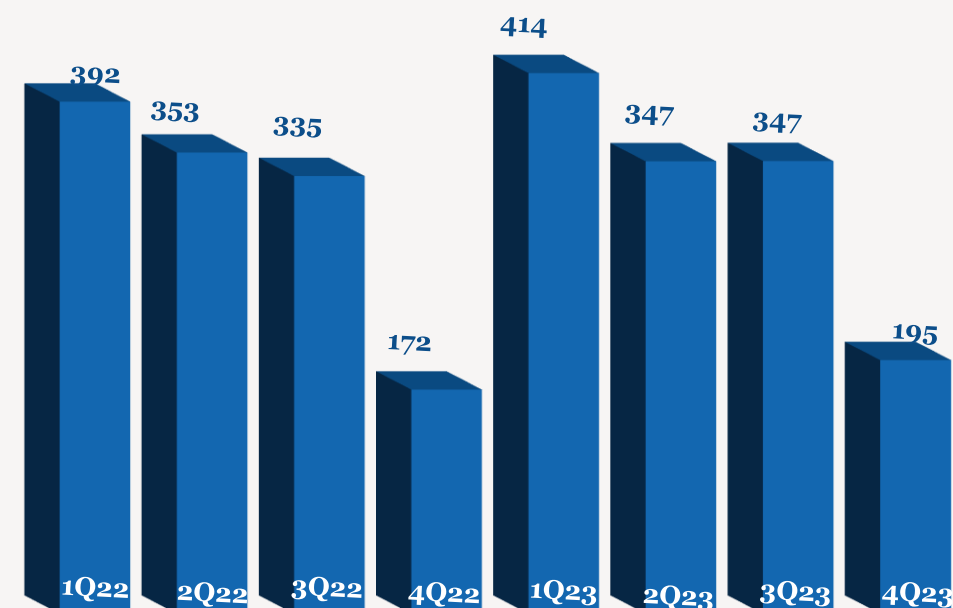
	4Q2023	4Q2022	YoY	3Q2023	QoQ	FY2023	FY2022	YoY
Net Interest & Investment Income	636	512	24.2%	408	55.9%	1,973	2,185	-9.7%
Net Interest Margin %	2.36%	2.09%		1.61%		1.91%	2.19%	
Net Fee and Commission Income	31	52	-39.4%	89	-64.5%	256	211	21.8%
Total Income	1,729	1,299	33.0%	1,497	15.5%	6,095	4,452	36.9%
Cost/Income Ratio %	35.0%	29.2%		36.2%		33.0%	28.2%	
Net Profit to Equity	195	172	13.1%	347	-43.8%	1,302	1,253	3.9%
Book Value Per Ordinary Share (QR)	2.48	2.41	3.0%	2.45	1.1%	2.48	2.41	3.0%
EPS (QR)	0.034	0.030	14.6%	0.063	-46.2%	0.237	0.227	4.2%
Loans & Advances	77,585	75,677	2.5%	75,820	2.3%	77,585	75,677	2.5%
Customer Deposits	78,002	74,545	4.6%	76,996	1.3%	78,002	74,545	4.6%

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

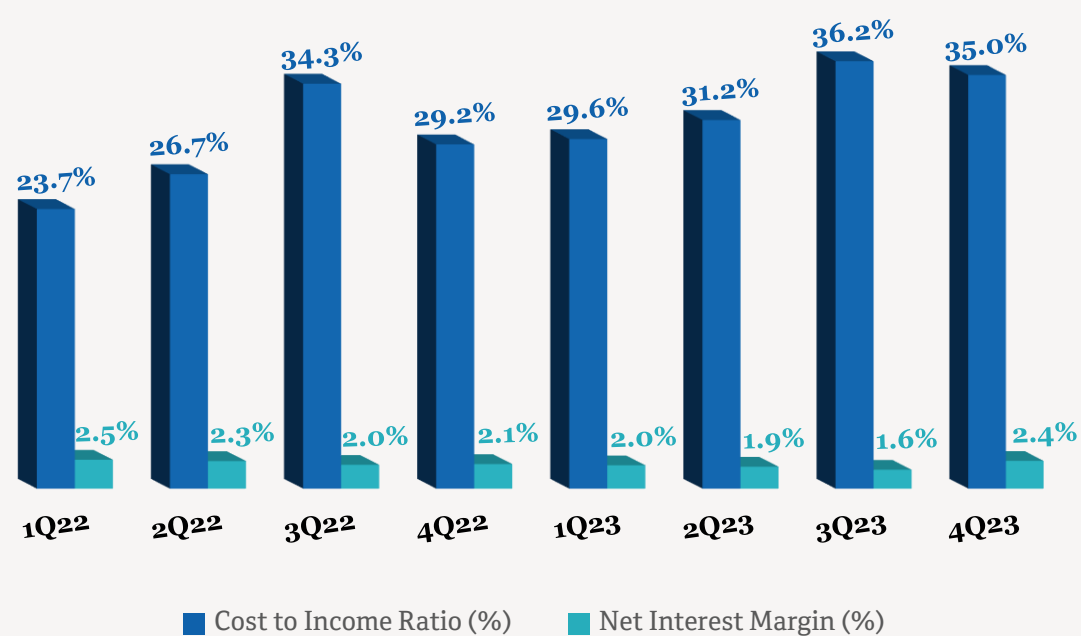
Quarterly Net Interest & Investment Income Trend (QRmn)



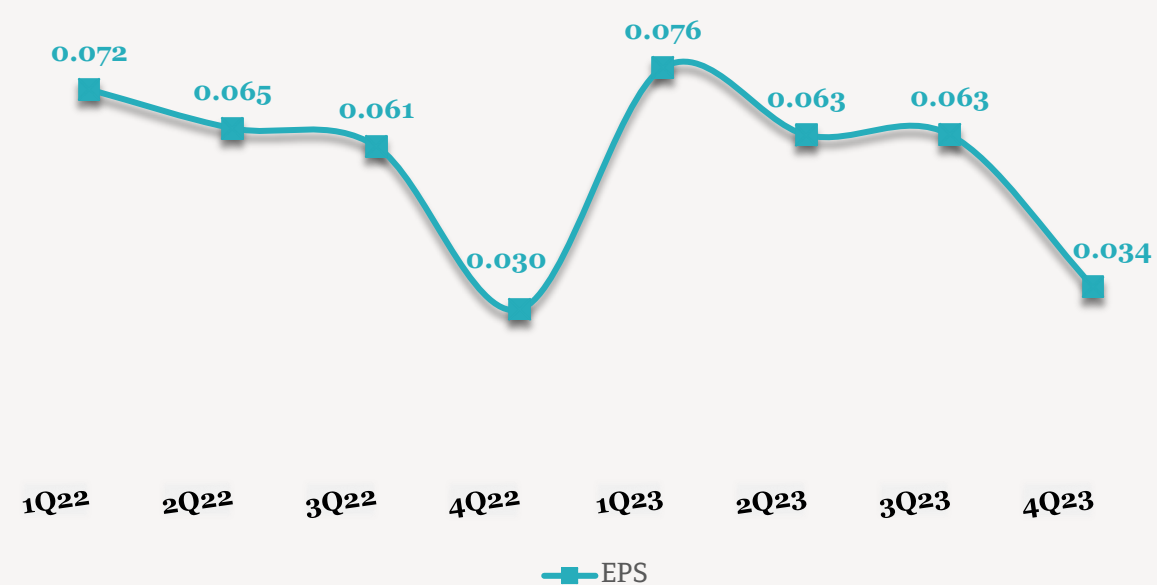
Quarterly Earnings Trend (QRmn)



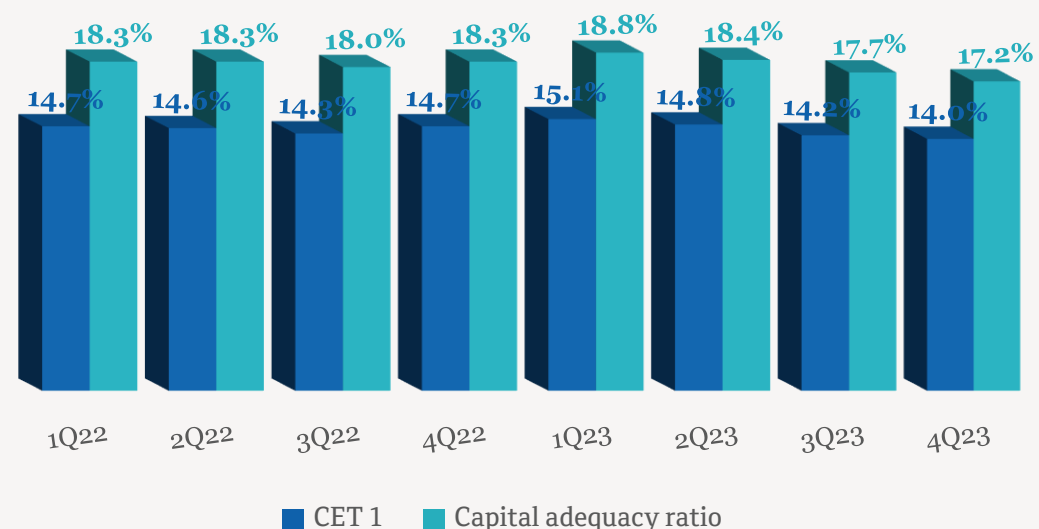
Quarterly Ratio Trend



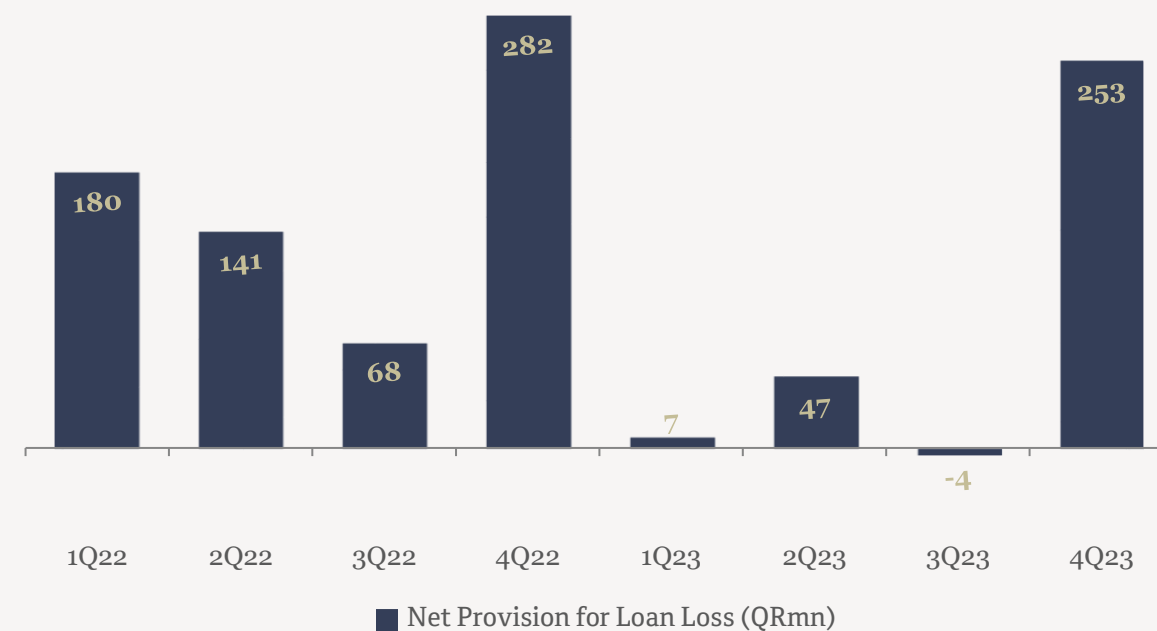
EPS (QR) Trend



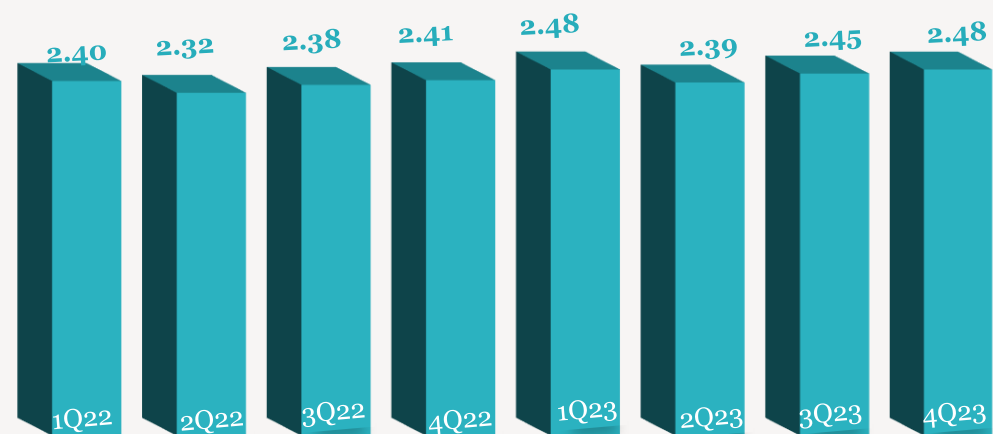
Capital Adequacy Ratios (%)



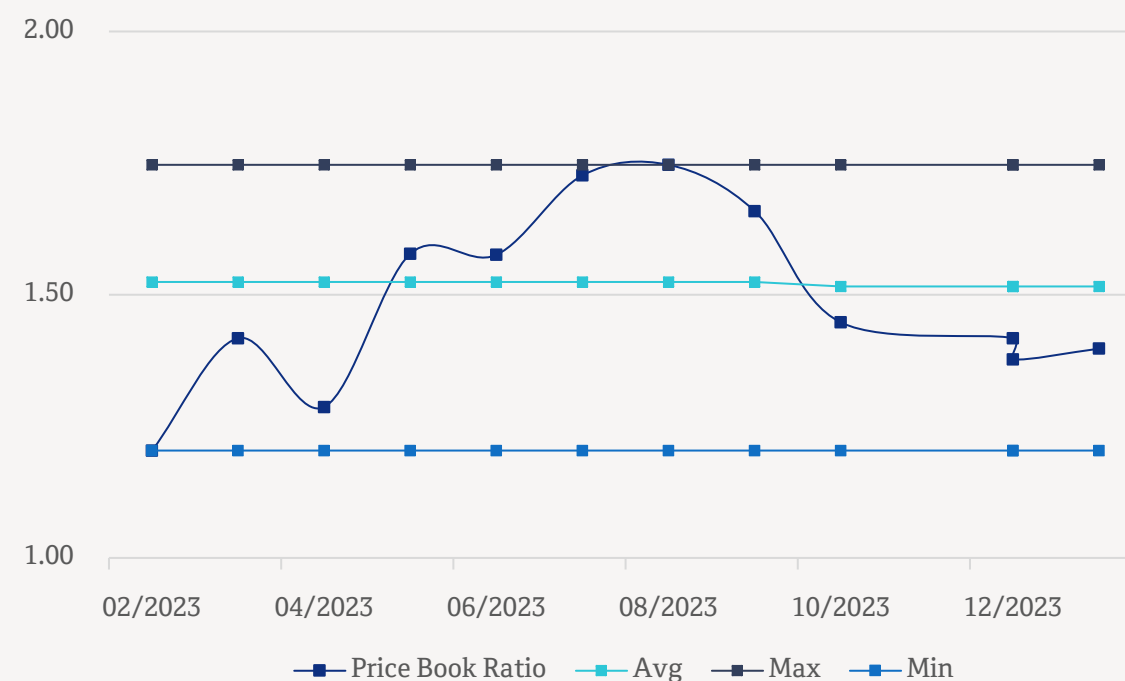
Net Provision for Loan Loss (QR mn)



Book Value Per Share (QR)



P/B Multiple Band (x)



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