

ABQK Alert – Adjusting Price Target to Reflect 10-for-1 Stock Split; No Impact on Balance Sheet

- **ABQK's 10-for-1 stock split goes into effect today.** Ahli Bank's (ABQK) 10-for-1 stock split has resulted in 2,313,964,780 shares vs. 231,396,478 previously.
- **Price will change.** Following the stock split, the price has changed to QR3.10 vs. previous close of QR31.00.
- **Our Price Target will be adjusted following the stock split.** Our Price Target on ABQK will be adjusted to QR3.00 from QR30.00.
- **No Impact on capital.** The bank's capital will remain the same at QR5.5bn as of 1Q2019.
- **No impact on market cap.** Market cap remains the same at QR7.2bn/\$2.0bn.
- **No Impact on ownership structure.** Ownership structure will remain unchanged.
- **Recommendation & valuation:** ABQK trades at a P/E and P/TB of 10.6x and 1.2x based on our 2019 estimates, respectively. We maintain our Market Perform rating.

Recommendations

Based on the range for the upside / downside offered by the 12-month target price of a stock versus the current market price

OUTPERFORM Greater than +20%

ACCUMULATE Between +10% to +20%

MARKET PERFORM Between -10% to +10%

REDUCE Between -10% to -20%

UNDERPERFORM Lower than -20%

Risk Ratings

Reflecting historic and expected price volatility versus the local market average and qualitative risk analysis of fundamentals

R-1 Significantly lower than average

R-2 Lower than average

R-3 Medium / In-line with the average

R-4 Above average

R-5 Significantly above average

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