QNB FINANCIAL SERVICES

Earnings Flash Note
The Commercial Bank
3Q 2025/9M 2025

The Commercial Bank (CBQK)

> **Net profit decreased by 32.0% YoY to QR524mn (-14.1% QoQ) in 3Q2025** due to a surge in credit provisions & impairments and GMT taxes. For 9M2025, net profit fell 23.7% to QR1,786mn.

> **Net interest income came lower by 1% YoY to QR873mn (+5.4 QoQ) in 3Q2025**. For 9M2025, net interest income was down 9.6% to QR2,483mn.

> **Cost to income ratio decreased by 0.8ppts YoY (-1ppts QoQ) to 29.3% in 3Q2025.** For 9M2025, cost to income ratio rose 5ppts to 30.2%.

> **For 3Q2025, EPS came at QR0.13 vs QR0.19 in 3Q2024. For 9M2025, EPS came at QR0.44 vs QR0.59 in 9M2024.**

> **As of 3Q2025-end, the book value per share stood at QR6.96 (3Q2024: QR6.84).**

> **As of 3Q2025-end, loans & advances were QR104bn (+14.7% YoY, +0.2% QoQ)** while customer deposits increased by 10.4% YoY to QR85.6bn (+2.5% QoQ).

> **As of 14th Oct 2025, the stock has increased 3.9% YTD,** Outperforming the QSE Index, which was up by 1.7% YTD.

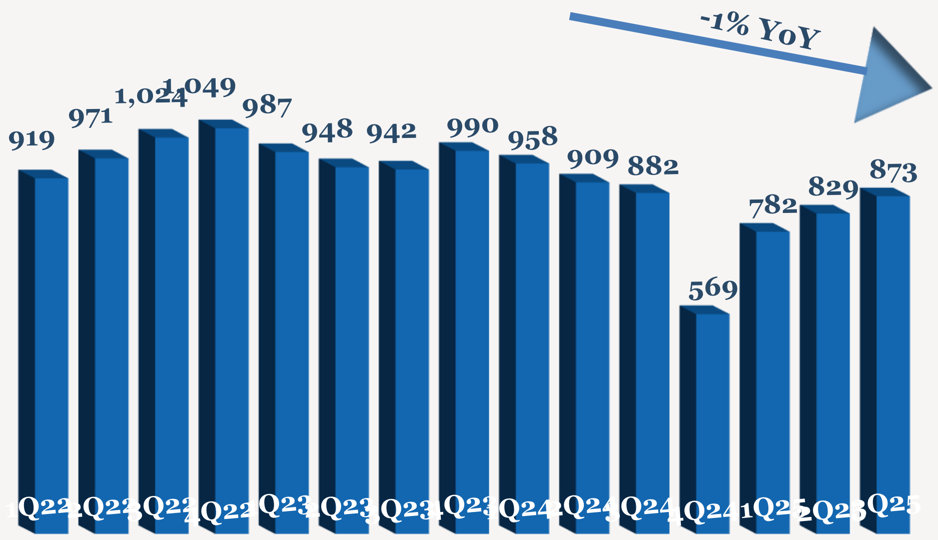
> **The stock is currently trading at a TTM P/B multiple of 0.9x.** For now, we maintain our PT of QR 5.88/share and Outperform rating.

3Q/9M 2025 Earnings Performance

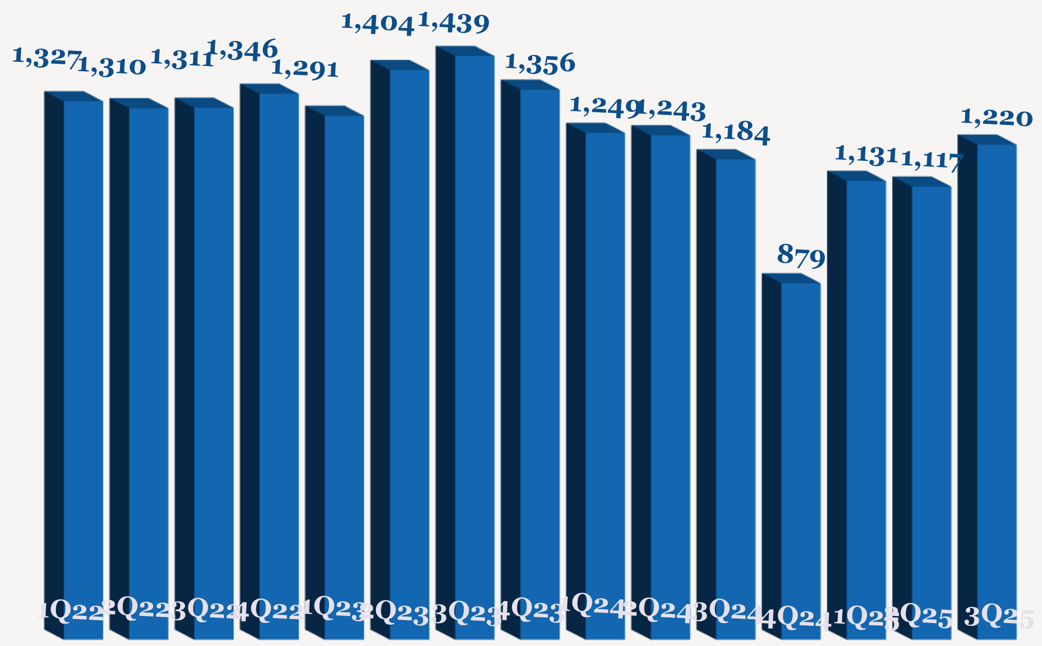
	3Q2025	3Q2024	YoY	2Q2025	QoQ	9M2025	9M2024	YoY
Net Interest Income	873	882	-1.0%	829	5.4%	2,483	2,748	-9.6%
Net Interest Margin %	2.11%	2.51%		2.15%		2.12%	2.61%	
Non-Interest Income	347	303	14.7%	288	20.4%	985	929	6.1%
Operating Income	1,220	1,184	3.0%	1,117	9.2%	3,468	3,677	-5.7%
Cost/Income Ratio %	29.3%	30.1%		30.3%		30.2%	25.2%	
Net Profit	524	770	-32.0%	610	-14.1%	1,786	2,341	-23.7%
Book Value Per Ordinary Share (QR)	6.96	6.84	1.7%	6.83	2.0%	6.96	6.84	1.7%
Loans & Advances	104,035	90,739	14.7%	103,788	0.2%	104,035	90,739	14.7%
Customer Deposits	85,654	77,561	10.4%	83,539	2.5%	85,654	77,561	10.4%

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

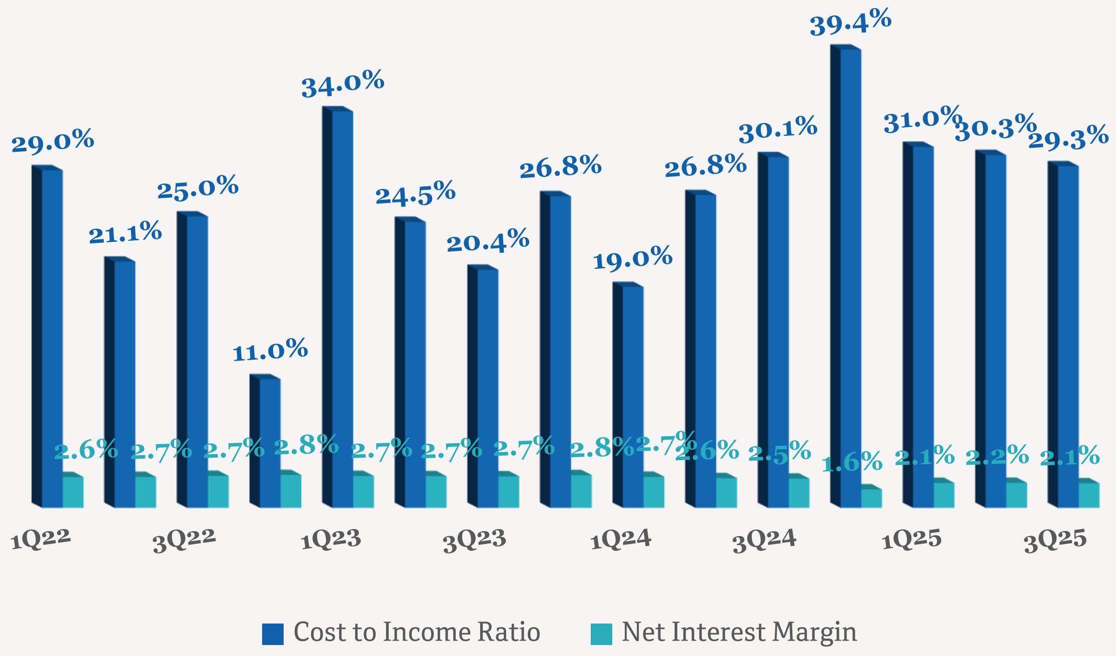
Quarterly Net Interest Income Trend (QRmn)



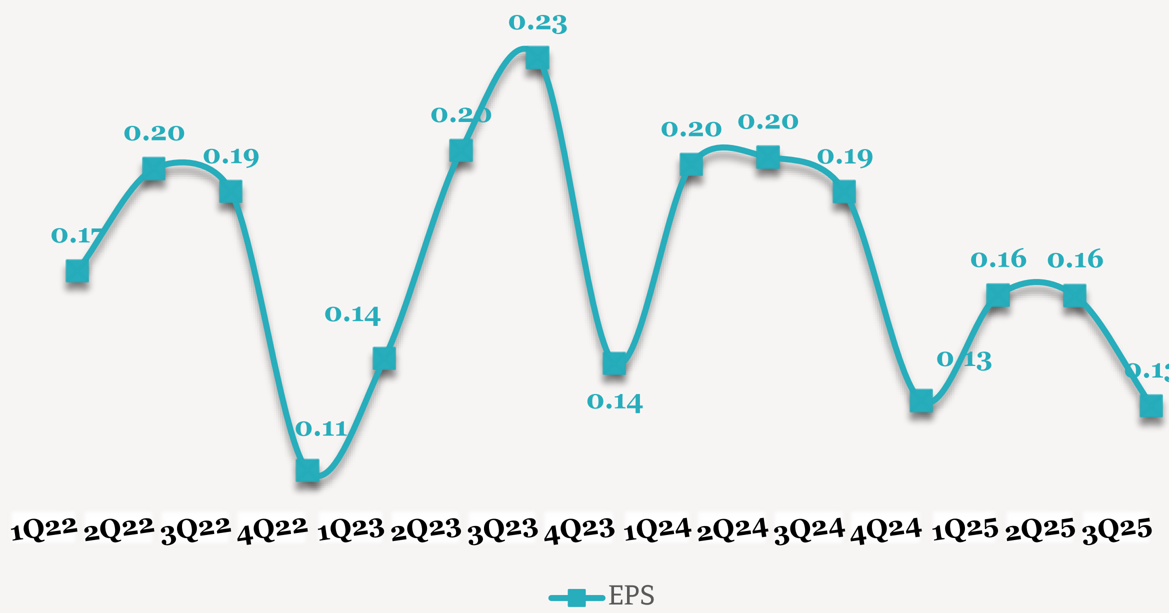
Quarterly Operating Income Trend (QRmn)



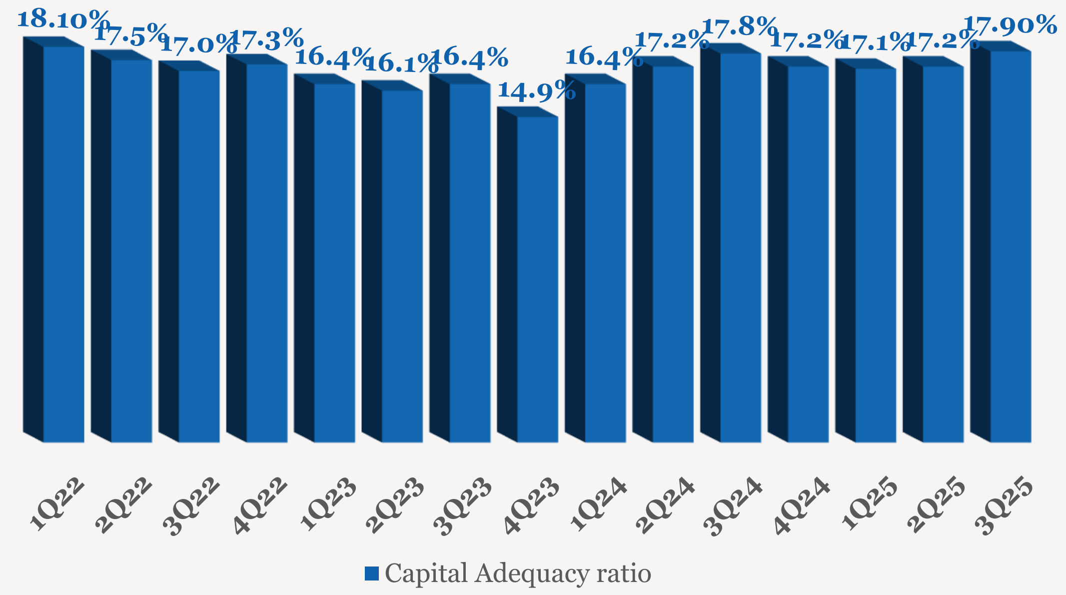
Quarterly Ratio Trend



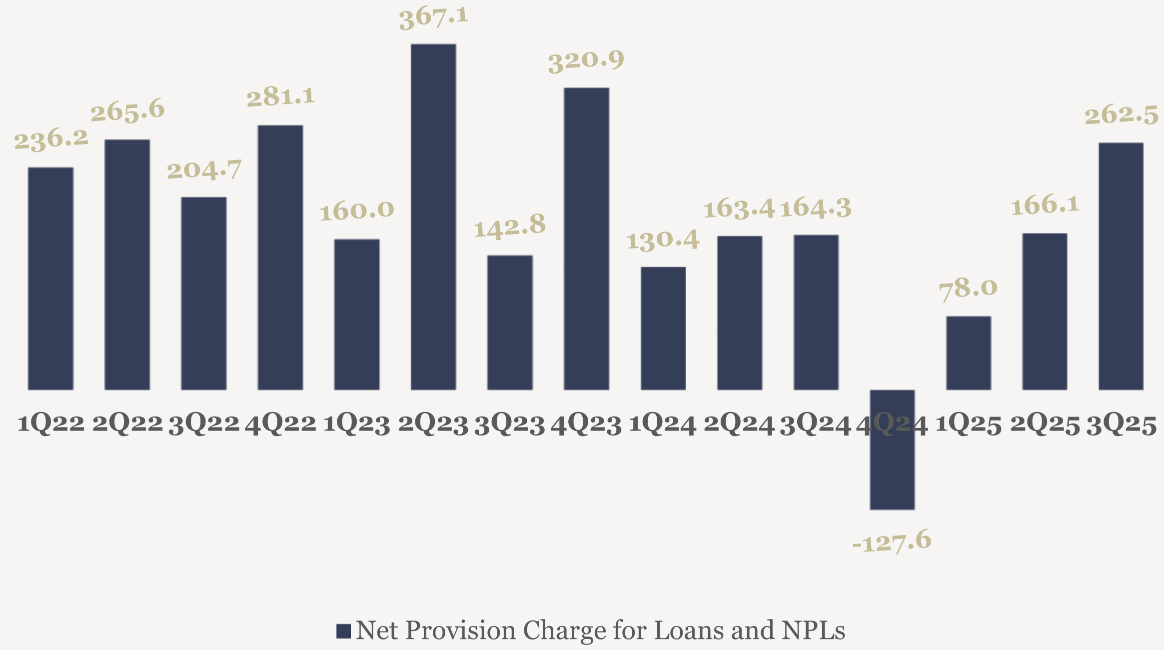
EPS (QR) Trend



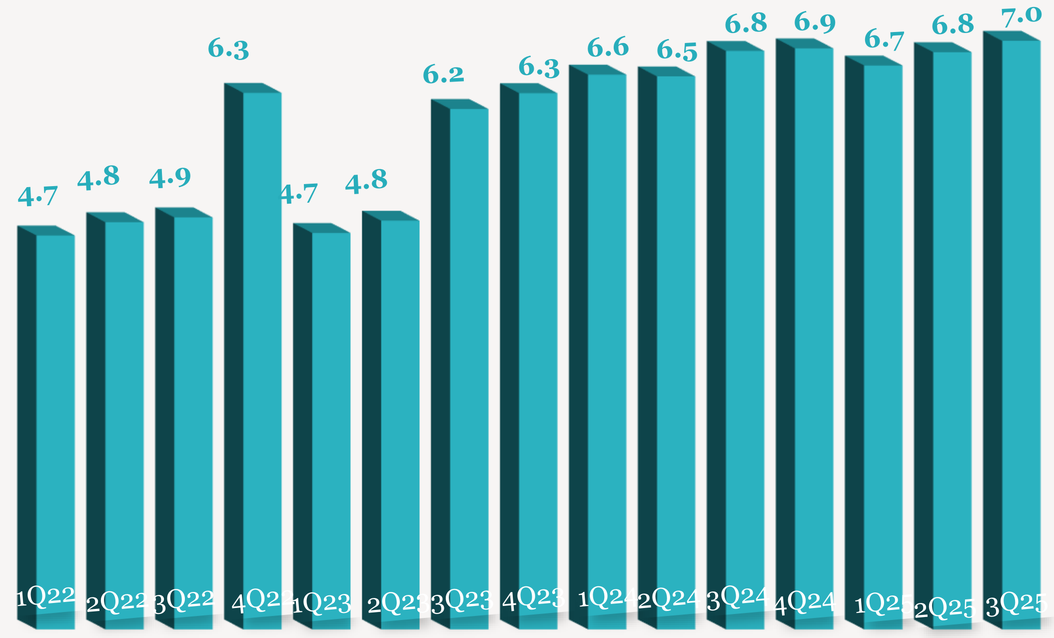
Capital Adequacy Ratios (%)



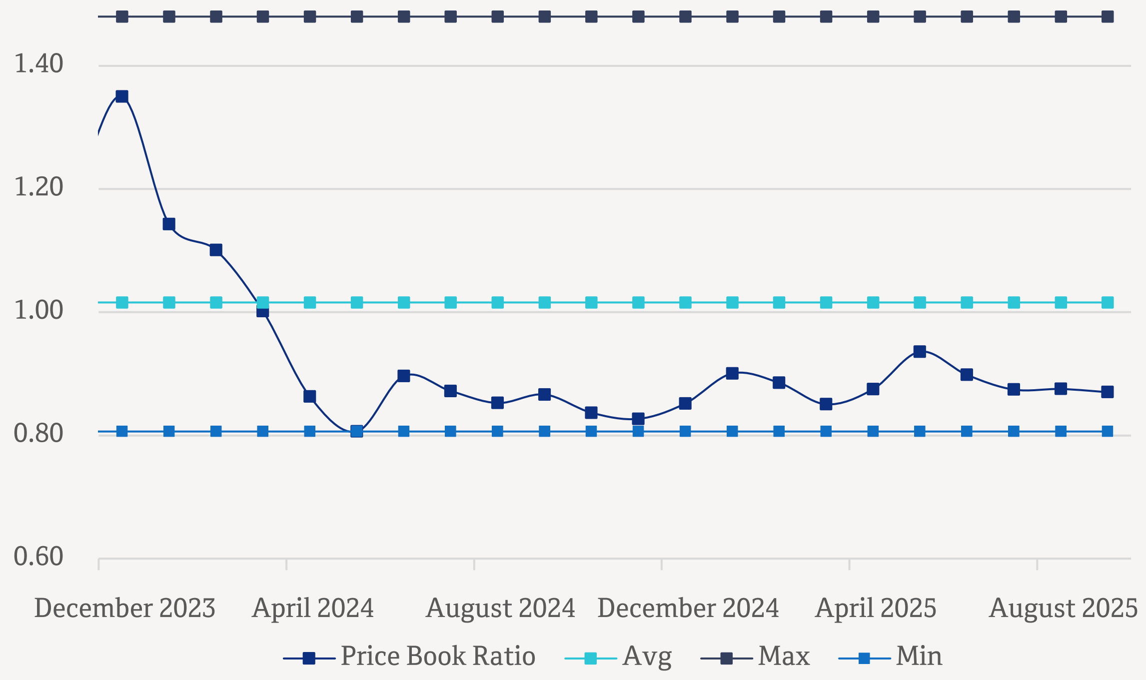
Net Provision for Loan Loss (QRmn)



Book Value Per Share (QR)



P/B Multiple Band (x)



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