

Dukhan Bank Financial Results 2024

Dukhan Bank has disclosed its financial results for 2024, revealing a net profit of QAR 1.34 billion, compared to QAR 1.30 billion for 2023. Earnings per share (EPS) amounted to QAR 0.244, versus QAR 0.237 for 2023, showing a growth of 2.9%.



Ramzi Qasmieh



Quarterly Profit Analysis

201M

Q4 2024 Profits

An increase compared to 195 M in the same period in 2023

357M

Q3 2024 Profits

Recorded in the third quarter of 2024

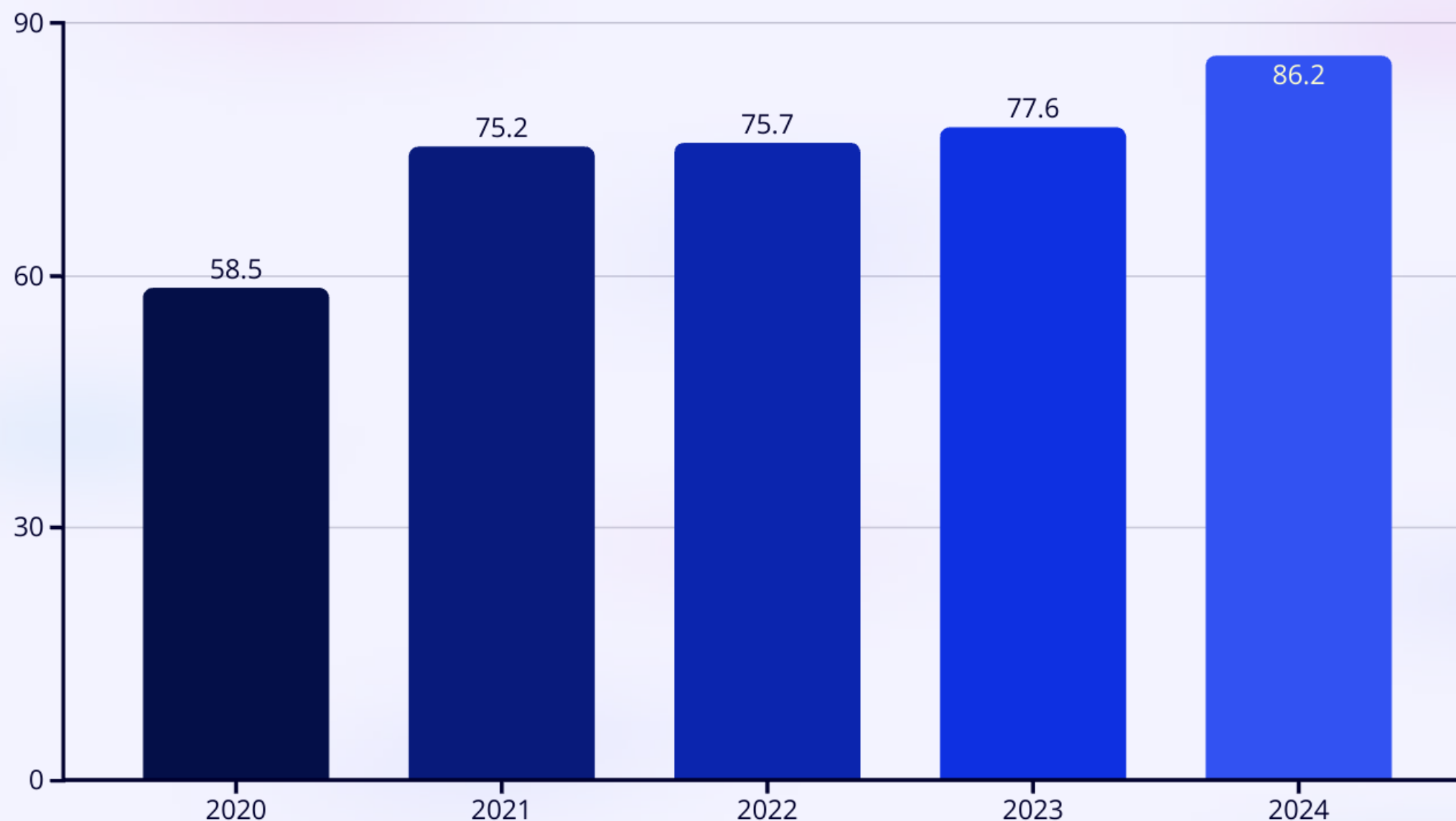
In Q4 of 2024, profits reached QAR 201 M, an increase compared to 195 M in the same period in 2023. In Q3 of 2024, profits were recorded at QAR 357 M. This indicates that banks tend to deduct a significant portion of their provisions in the last quarter of each year.

Net Profit Trends



Dukhan achieved an 11% increase in net income from financing activities and a 14% rise in net income from investing, resulting in an overall total income growth of 10%.

Net Financing Assets (Loans)



Net financing assets show consistent growth, reaching 86.2 QARB in 2024, marking an 11.1% increase from 2023. The bank has demonstrated strong asset growth over the past five years, with particularly notable jumps from 2020 to 2021 (28.5% increase) and 2023 to 2024 (11.1% increase). Total growth from 2020 to 2024 represents a 47.4% increase in net financing assets.

Key Financial Metrics



○ Cost-to-Income Ratio

32.9% one of the highest ratios in the sector, the bank needs to control it.

○ Total Assets

Reached to QAR 117.9 billion, with financing assets at QAR 86.2 billion (73%) and investment securities at QAR 19.9 billion (17%).

○ Liquidity

Supported by customer deposits of QAR 82.4 billion, liquidity remains robust with a net financing asset to deposits ratio of 98.6%.

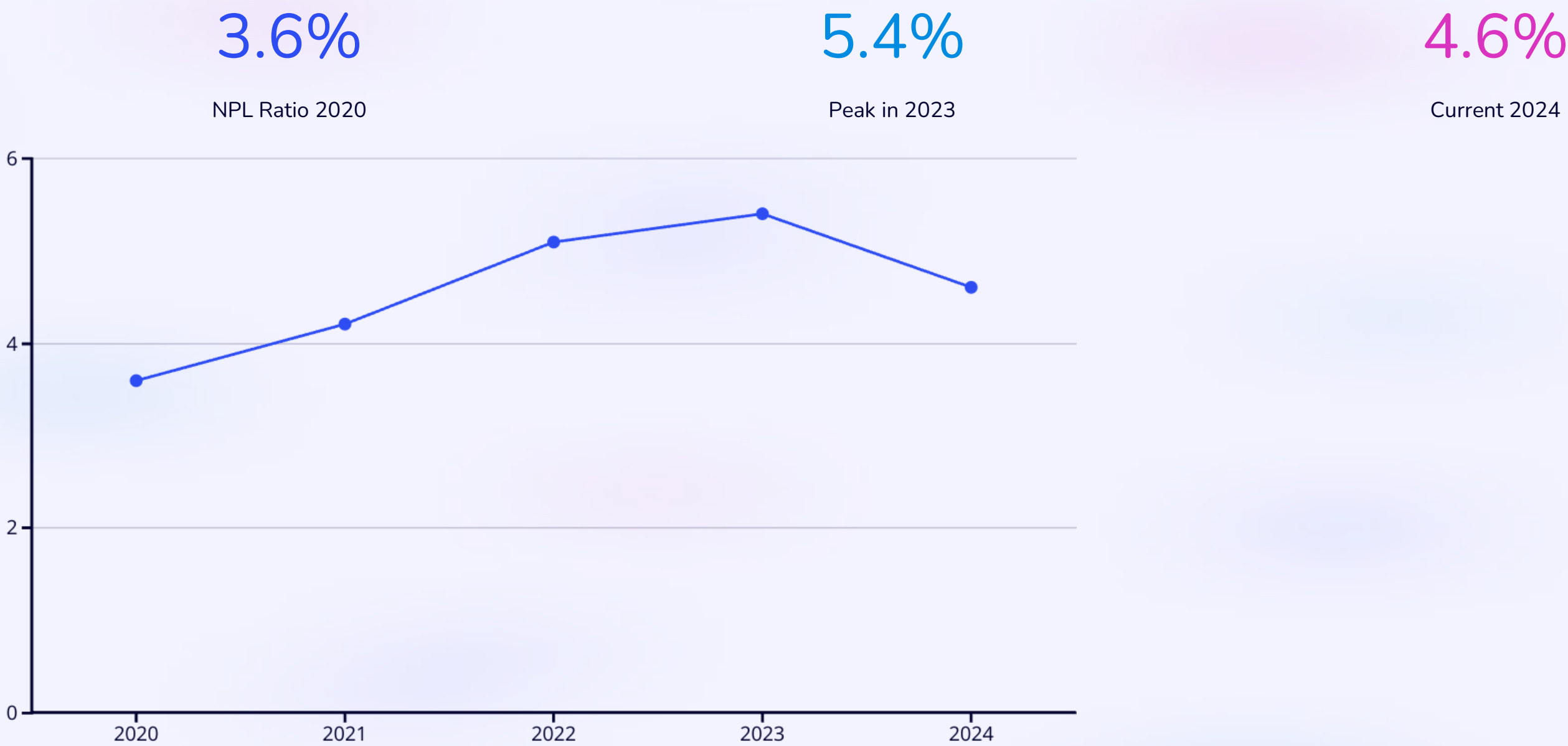
○ Equity

Total shareholders' equity reached QAR 13.0 billion.

○ Capital Adequacy Ratio (CAR)

CAR stands at 17.3%, well above the minimum required by the Qatar Central Bank 12%.

Non-Performing Loans Trend



Dukhan Bank's non-performing loans ratio has shown notable improvement, decreasing from 5.4% in 2023 to 4.6% in 2024, marking an 80 basis point reduction. This positive trend is attributed to three key factors: the robust 11.1% growth in net financing assets reaching QAR 86.2 billion, successful debt restructuring initiatives, and enhanced credit risk management practices. The improvement in NPL ratio, combined with strong capital adequacy of 17.3%, demonstrates the bank's strengthening asset quality and risk management capabilities.



LOANS

Loan Portfolio Composition

Real Estate and Contracting

27.7% of the loan portfolio is dedicated to loans in the real estate and contracting sectors.

Government Entities

Around 20% of the total is allocated to government entities and their institutions.

The coverage ratios for non-performing loans increased to 73.1% by the conclusion of 2024, rising from 69.9% at the end of 2023. Nevertheless, we think the bank must revise its cash distribution strategies and work on further improving the coverage ratios for these loans.

Dividend Distribution

Cash Dividend Recommendation

The Board of Directors has recommended a cash dividend distribution QAR 0.08 per share.

Total Cash Dividend for 2024

This would raise the total cash dividend for the year 2024 to QAR 0.16 per share.

DIVIDEND



Key Financial Metrics

Metric Name	Value
Dividend Yield	6.6%
P/E Ratio	14.9x
Net Income to Company	1.343 B
Price / Book	1.3x
Payout Ratio	65.6%
52 Week High	4.20
52 Week Low	3.28

Stock Performance

- 1
- 2
- 3
- 4
- 5
- 6
- 7

1 day	+1.50%	<div></div>
1 week	-1.43%	<div></div>
Current month	-1.35%	<div></div>
1 month	+2.10%	<div></div>
3 months	-2.88%	<div></div>
6 months	-3.11%	<div></div>
Current year	-1.35%	<div></div>
1 year	-8.26%	<div></div>



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