

| Banking | Quarterly Results | Czech Republic |

MONETA Money Bank

Results beat, higher full-year guidance

Under revision

Price 24.10.24 **CZK 115.8**

12m target

Upside to TP

Dividend

Total return

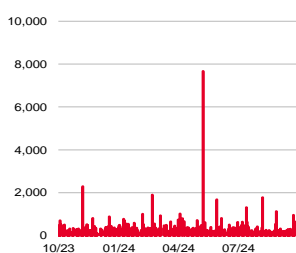
Sector stance
OverweightInvestment type
High dividend yield
Sensitivity to economic cycle

1 year performance



Source: Bloomberg

Trading volume (in ths of shares)



Source: Bloomberg

Share data

RIC	MONET.PR	Bloom	MONET CP
52-week range			84.2 - 116
Market cap. (CZKbn)			59.2
Market cap. (EURm)			2342
Free float (%)			57.49
Performance (%)	1m	3m	12m
Share	5.3	3.9	36.7
Rel. to PX Index	1.6	2.3	11.8

Source: Bloomberg

The latest analysis and report:

https://bit.ly/Moneta_2310_analysis EN
https://bit.ly/Moneta_exDVD24 EN
https://bit.ly/Moneta_2Q24 EN
https://bit.ly/Moneta_extraDVD24 EN

Moneta Money Bank: 3Q24 results

CZKm	3Q23	3Q24	y/y	KB est.	vs KB	Cons.	vs Cons.
Net Interest Income	2,198	2,305	4.9%	2,298	0.3%	2,231	3.3%
Net Fee and Commission Income	682	754	10.6%	787	-4.2%	767	-1.7%
Others	300	186	-38.0%	199	-6.5%	230	-19.1%
Total Operating Income	3,180	3,245	2.0%	3,284	-1.2%	3,228	0.5%
Total Operating Expenses	-1,276	-1,330	4.4%	-1,292	2.9%	-1,350	-1.5%
Operating Profit	1,904	1,915	0.6%	1,991	-3.8%	1,878	2.0%
Net Impairment of Loans and Receivables	-142	-114	-19.7%	-103	10.6%	-131	-13.0%
Pre-tax	1,762	1,801	2.2%	1,888	-4.6%	1,747	3.1%
Net Income	1,494	1,532	2.5%	1,623	-5.6%	1,499	2.2%

Source: MONETA Money Bank, Economic & Strategy Research, Komerční banka

Moneta reported higher yoy results for 3Q24, beating the consensus. Net profit is above consensus by +2.2% and net interest income by +3.3%. Net interest income increased despite falling rates. The net interest margin also increased. Provisioning is lower. Based on the improved results and outlook, Moneta raised its full-year guidance. We would expect market consensus to move higher.

Net interest income reached CZK2.3bn in 3Q24 (+4.9% yoy) and is +3.3% above the market consensus. This is mainly due to a decrease in funding costs related to the CNB's interest rate cuts. This was reflected in a rise in the net interest margin (NIM) to +1.9% from 1.8%. Thanks to the very successful sales of third-party products, NF&C rose by +10.6% yoy to CZK754m. Total operating income is CZK3.3bn (+2.0% yoy). Mainly due to an increase in personnel costs and a slight increase in administrative expenses, total operating expenses increased by 4.4% yoy to CZK1.3bn. Operating profit reached CZK1.9bn (+0.6% y/y). Due to the payment discipline and quality of the loan portfolio, the cost of risk fell by almost 20% yoy to CZK114m. The NPL ratio remains low at 1.4%. The effective tax rate is at 14.9% for 3Q24. This is slightly higher compared to our projection (14.1%). Net profit is up +2.5% yoy to CZK1.5bn and is +2.2% above consensus. This corresponds to a return on tangible equity of 21.5%.

Moneta reported a traditionally strong capital position. The total capital adequacy ratio is 19.2%, +4.2% above management's target. Moneta is building a provision for future dividend payout of 90% of net profit (CZK3.8bn or CZK7.4 per share in 9M24). In addition, Moneta has proposed an extraordinary dividend of CZK3 per share (subject to approval).

Guidance: Moneta's management has raised its full-year targets. This is due to improved earnings, stable costs and lower expected costs of risk. Net profit should now be at least CZK5.6bn (+7.7% vs. the previous CZK5.2bn) with revenues above CZK12.8bn (previous CZK12.4bn). Operating costs should also be slightly lower (CZK5.7bn vs. the previous CZK5.8bn). Operating profit should be CZK7.1bn (previously CZK6.6bn). Cost of risk should now be in the range of 15-20bps (previously 10-30bps) and RoTE at least 19.5%.

The reported YTD (9M24) numbers are 74% of income, 73% of expenses, 75% of operating profit and 76% of net profit compared to the updated projection.



Bohumil Trampota
Equity Analyst
(420) 222 008 560
bohumiil_trampota@kb.cz

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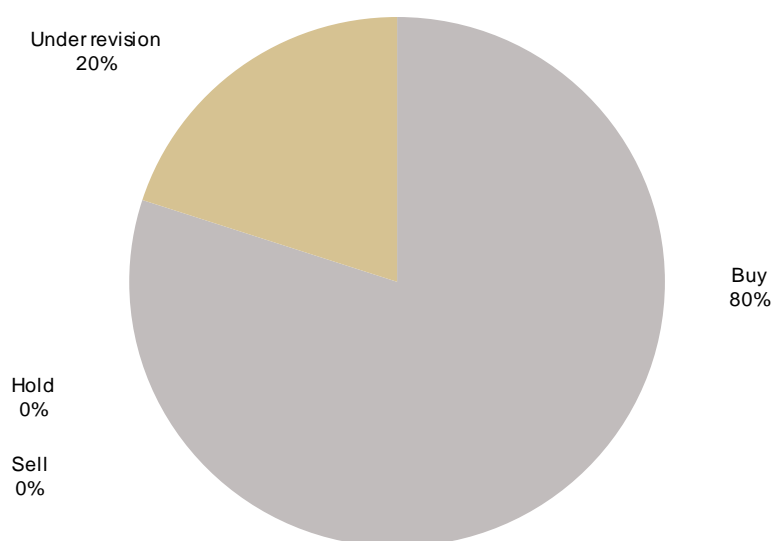
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The chart below shows the structure of grades of valid investment recommendations of equity research of KB Economic & Strategy Research (7 recommendations).

Investment recommendations of KB equity research



Source: Economic & Strategy Research, Komerční banka

KB Equity Research ratings on a 12 month period

BUY: absolute total shareholder return forecast of 15% or more over a 12 month period.

HOLD: absolute total shareholder return forecast between 0% and +15% over a 12 month period.

SELL: absolute total shareholder return forecast below 0% over a 12 month period.

Total shareholder return means forecast share price appreciation plus all forecast cash dividend income, including income from special dividends, paid during the 12 month period. Ratings are determined by the ranges described above at the time of the initiation of coverage or a change in rating (subject to limited management discretion). At other times, ratings may fall outside of these ranges because of market price movements and/or other short term volatility or trading patterns. Such interim deviations from specified ranges will be permitted but will become subject to review by research management.

Overview of recommendations published by KB and relationships with particular issuers

	CEZ	Colt CZ Group SE	Kofola	MONETA Money Bank	Philip Morris CR	Avast	O2 CR
Overview of last investment research and recommendations related to stocks of particular issuers							
Recommendation	Buy	Buy	Buy	In revision	Buy	End	End
Target price	CZK1,034	CZK921	CZK402	In revision	CZK17,041	of coverage	of coverage
Date	07.09.2023	09.02.2024	03.09.2024	25.07.2024	21.03.2024	07.09.2022	25.02.2022
Price on the day of the publication	CZK923	CZK574	CZK299	CZK111.4	CZK15,400	CZK205.1	CZK270
Investment horizon	12 months	12 months	12 months	12 months	12 months		
Author	B. Trampota	B. Trampota	B. Trampota	B. Trampota	B. Trampota		
Overview of investment researches and recommendations for last 12M (quarterly)							
Recommendation	Buy	Buy	Buy	Buy	Hold	Buy	Buy
Target Price	CZK1,393	CZK652	CZK313	CZK104.6	CZK18,349	GBp600	CZK362
Date	07.06.2022	16.12.2022	29.05.2023	05.09.2022	03.03.2023	11.02.2021	26.03.2021
Recommendation	In revision	Buy	Buy	Buy	Buy	Buy	Buy
Target Price	In revision	CZK645	CZK381	CZK104.6	CZK18,183	GBp466	CZK293
Date	10.05.2022	17.01.2022	12.05.2022	05.09.2022	11.02.2022	30.08.2019	08.01.2020
Recommendation	Buy	In revision	In revision	Buy	Buy	In revision	Buy
Target Price	CZK905	In revision	In revision	CZK109.7	CZK16,512	In revision	CZK298
Date	10.12.2021	31.03.2021	15.02.2022	31.08.2021	20.11.2020	14.08.2019	12.12.2018
Recommendation	Buy	Buy	Buy	In revision	Buy	Buy	Hold
Target Price	CZK621	CZK357	CZK367	In revision	CZK18,308	GBp342	CZK270
Date	23.07.2020	27.11.2020	12.01.2021	07.05.2021	03.12.2018	15.06.2018	18.08.2017
Valuation methods	DFCF	DFCF	DFCF	DFCF DDM ERM	DDM	DFCF	DFCF DDM
Frequency of rec. (per year)	once	once	once	once	once	once	once
Direct or indirect share (5% or more) of the issuer of the registered capital of KB	no	no	no	no	no	no	no
Other significant financial interest of KB and/or its linked persons in the issuer	no	no	no	no	no	no	no
KB direct or indirect share (0.5% or more) of the registered capital of the issuer.	no	no	no	no	no	no	no
Author's direct or indirect share (0.5% or more) of the registered capital of the issuer.	no	no	no	no	no	no	no
Signific. fin. interest in the issuer of the persons partic. in elaboration of inv. research and rec.	no	no	no	no	no	no	no
Relationships of Komerční banka with particular issuers							
KB Management or co- management of public offerings in the past 12 month	no	yes	no	no	no	no	no
Agreements or contractual relations for providing investment services with the issuer	KB can have concluded agreements with the issuer for providing investment services. This information is protected by bank secret and could not be disclosed.						
Agreement with the issuer on production and dissemination of the research	no	no	no	no	no	no	no
KB market making for common stocks of the issuer	no	no	no	no	no	no	no

Note: DFCF – Discounted free cash flow model, DDM – Discounted dividend model, ERM – Excess return model

Source: Economic & Strategy Research, Komerční banka