Industries Qatar (IQCD)

Recommendation	ACCUMULATE	Risk Rating	R-3
Share Price	QR13.27	Target Price	QR15.20
Implied Upside	14.3%	Old Target Price	QR15.00

Accumulate On Medium-Term Growth Prospects; Raising Price Target

We reiterate our Accumulate rating and increase our price target from QR15.00 to QR15.20. *While IQCD shares have had a sluggish start this year, the stock is still up 3.2% YTD on a total return basis vs. the QE Total Return Index's gain of 1.8%. We expect IQCD to post a 19.4% growth in 2025 earnings on a normalized basis (11.8% reported earnings growth), followed by a 5.5% growth in 2026. Over 2024-2030, we expect a normalized earnings CAGR of 2.8%.* ***In the near/medium-term, we see several catalysts that should aid the stock: (1) Recent buyback announcement of QR1bn*** *(4.1% of FF market cap) could help provide a boost.* ***(2) Middle East urea prices have strengthened YTD, up 13% to $410/MT.*** *Urea gained up to the $445/MT levels in February due to seasonality but has since come off due to lower-than-expected Indian demand and increasing EU production. However, average realizations are still pegged to be strong and should benefit IQCD's 1H2025 earnings.* ***(3) If IQCD is able to acquire the remaining 50% of QAFAC, it could add ~9% to our EPS.*** *However, we do not have color if a deal will actually be completed.* ***(4) Startup of a new 350 KTPA PVC plant*** *(QR455mn net cost) by 2H2025, along with* ***an increase in effective stake in its QVC JV*** *(to 44.8% from its current indirect stake [via QAPCO] of 25.52%) from May 2026, could also lead to a* ***~3% growth in earnings. (5) IQCD should also benefit from the Blue Ammonia (Ammonia-7) project starting mid-2026. This could lead to ~10% earnings acceleration -- in our model to an extent – but difficult to quantify completely given the expected premium of blue vs gray ammonia, the fee paid to QatarEnergy RS for carbon capture and storage, etc. The A-7 project should also boost IQCD's ESG credentials. (6)*** *Moreover, similar to the QAFCO deal,* ***IQCD could look to acquire Total's 20% stake in QAPCO when its JV agreement expires in 2029, which could add ~5% to EPS. IQCD is trading at 16.0x its 2025 EPS, which is below its historical median of 16.3x, implying limited downside. Investors should accumulate IQCD given its favorable risk-reward characteristics and attractive dividend yield (6.3%/6.6% for 2024/2025).***

Highlights

- **We project 11.8% 2025 earnings/EPS growth (up 19.4% YoY normalized) to QR5.0bn/QR0.83, followed by a 5.5% uptick in 2026 to QR5.3bn/QR0.88.** Over 2024-2030, we expect a normalized earnings CAGR of 2.8%. **Group EBITDA could grow 12.5% from QR6.4bn to QR7.2bn in 2025, before gaining 8.1% to QR7.8bn (2026).** Over 2024-2030, we expect EBITDA's CAGR at 3.9%.
- **Strength in urea prices and uptick in DRI/HBI volumes to drive 2025 momentum.** We expect IQCD's average realized urea price to grow 6.9% to $336/MT in 2025. Given the uncertain macro outlook, along with overcapacity concerns, 2025 PE and steel prices could remain subdued. As far as sales volumes are concerned, steel should stand out. In 4Q2024, IQCD restarted its 800 KTPA DR-1 plant (mothballed in 1Q2022) to benefit from the potential demand of low-carbon steel. This should aid steel volumes. PE/fertilizer volumes could stay flattish-to-moderately down in 2025.
- **DPS should track EPS; we model 12.2% growth at QR0.83 (DY: 6.3%) in 2025, before gaining 6.0% to QR0.88 (6.6%) in 2026.** This translates to an average payout of ~100% (flat with 2024), which we believe could be the norm until EPS recovers beyond the QR1 mark. **While payouts are high, IQCD retains a strong balance sheet with ~1Q2025 cash/share of ~QR1.8 supporting dividends.**
- **Bulletproof balance sheet with ~QR8.8bn in cash/equivalents (after QR2.6bn in 2H2024 dividend payments) & zero long-term debt. We note that IQCD has ample internal resources to fund its capex outlay of QR12.6bn over 2025-2029.** IQCD, on a proportionate basis, generated OCF of QR4.6bn and FCF of QR1.3bn in 2024. Net-net, given IQCD's strong balance sheet, we expect the company to withstand difficult market conditions, while retaining dry powder to take advantage of opportunities. IQCD's strong FCF-generating ability (QR0.66/share on average over 2024-30, with an average yield of 5.0%), along with its large cash balances, also helps lower DPS volatility.

Catalysts

- **In the near term, oil/urea trajectory to determine earnings, sentiment and stock price.** The stock buyback could boost momentum. Longer term, projects such as A7 remain key catalysts.

Recommendation, Valuation and Risks

- **Recommendation and valuation:** ***We rate IQCD an Accumulate with a SOTP-derived PT of QR15.20.***
- **Risks: (1) The dreaded "R" word rears its head and that is not a good thing!** Recent US policy actions and the market reaction to it presumes an American recession is imminent. While we have heard this story before (as recently as 2023), it remains to be seen if this time it will indeed come to pass, especially considering the Fed's hands may be tied if the world's largest economy tips into stagflation. We do not assume significant recession-related demand destruction in our model, which could be a potential source of risk. **(2) Tariffs imposed by the US could substantially affect prices/demand. (3) 15% GMT (not currently in our model) will hurt earnings but exact details are yet unknown. (4) Buyback could reduce FF affecting IQCD's weight in key indices, such as MSCI & FTSE. (5) IQCD may not be able to secure the remaining stakes in QAFAC/QAPCO. (6) Oil/urea prices** influence IQCD's operations & investor sentiment. **(7) Geopolitical risks** remain and cannot be modeled.

Key Financial Data and Estimates

	2024	2025e	2026e	2027e	2028e
Revenue (QR mn)	12,652	14,971	16,132	16,646	16,630
Reported EPS (QR)	0.74	0.83	0.88	0.92	0.88
P/E	17.9	16.0	15.2	14.5	15.0
EV/EBITDA	19.6	14.0	12.8	12.8	13.3
Dividend Yield	5.6%	6.3%	6.6%	6.9%	6.6%

Source: Company data, QNB FS Research; Note: All data based on current number of shares

Key Data

Current Market Price (QR)	13.27
Dividend Yield (%)	5.6
Bloomberg Ticker	IQCD QD
ADR/GDR Ticker	N/A
Reuters Ticker	IQCD.QA
ISIN	QA000A0KD6K3
Sector*	Industrials
52wk High/52wk Low (QR)	13.90/11.26
3-m Average Volume ('mn)	2.3
Mkt. Cap. ($ bn/QR bn)	22.0/80.3
EV ($ bn/QR bn)	19.3/70.4
Shares Outstanding (mn)	6,050.0
FO Limit* (%)	100.0
Institutional FO* (%)	7.4
1-Year Total Return (%)	17.5
Fiscal Year End	December 31

Source: Bloomberg (as of March 10, 2025), *Qatar Exchange (as of March 10, 2025); Note: FO is foreign ownership

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Valuation – Our Price Target Implies a 14.3% Appreciation Potential

Our target price of QR15.20/share implies an upside of 14.3% from the current market price. We value IQCD using a Sum-Of-The-Parts (SOTP) methodology, which comprises of separate DFC-based models for its segments:

Valuation Summary

Segment	Methodology	Equity Value	EV/Share	TP/Share	% Of TP
Fertilizers	DCF	46,355	7.7	8.4	55%
Petrochemicals & Fuel Additives	DCF	23,352	3.9	4.2	28%
Steel	DCF	12,808	2.1	2.3	15%
Corporate/Others	DCF	1,262	0.2	0.2	2%
IQCD		83,776	13.8	15.2	100%

Source: Company data, QNB FS Research

Comparative Multiples

BBG Ticker	Price (LC)	MKT Cap (US $ mn)	P/E (X)		EV/EBITDA (X)		DY (%)	
			2025e	2026e	2025e	2026e	2025e	2026e
SAFCO AB EQUITY	107.20	13,604.6	14.6	15.2	9.3	9.8	5.1	5.7
YAR NO Equity	335.00	7,961.1	11.3	10.5	5.4	5.2	4.1	4.8
MOS US EQUITY	24.88	7,885.4	11.1	11.8	5.4	5.6	3.4	3.5
FERTIGLOBE UH EQUITY	2.22	5,017.8	21.6	18.9	7.8	7.2	6.6	6.3
Peers Average			**14.7**	**14.1**	**7.0**	**6.9**	**4.8**	**5.1**
Peers Median			**13.0**	**13.5**	**6.6**	**6.4**	**4.6**	**5.3**

Petchems

BBG Ticker	Price (LC)	MKT Cap (US $ mn)	P/E (X)		EV/EBITDA (X)		DY (%)	
			2025e	2026e	2025e	2026e	2025e	2026e
YANSAB AB EQUITY	33.95	5,091.1	30.5	21.1	8.9	7.6	6.1	6.7
KAYAN AB EQUITY	5.86	2,343.4	N/M	N/M	8.2	6.3		
SABIC AB EQUITY	62.00	49,586.8	21.1	15.6	8.0	6.9	5.8	6.0
PETROR AB EQUITY	6.77	3,015.9	N/M	N/M	54.9	22.5		
SIPCHEM AB EQUITY	20.98	4,101.7	31.0	18.5	10.4	8.8	4.7	5.6
BOROUGE UH EQUITY	2.29	18,741.6	17.3	13.9	9.4	7.8	6.3	6.6
Peers Average			**25.0**	**17.3**	**16.6**	**10.0**	**5.7**	**6.2**
Peers Median			**25.8**	**17.1**	**9.1**	**7.7**	**5.9**	**6.3**

Steel

BBG Ticker	Price (LC)	MKT Cap (US $ mn)	P/E (X)		EV/EBITDA (X)		DY (%)	
			2025e	2026e	2025e	2026e	2025e	2026e
MT NA EQUITY	29.03	26,950.5	7.7	6.3	4.7	4.2	1.8	1.9
TKA GR EQUITY	8.43	5,710.2	11.2	8.7	1.4	1.3	1.8	1.9
NUE US EQUITY	126.70	29,208.9	15.9	11.6	8.0	6.6	1.7	1.8
X US EQUITY	35.14	7,914.1	16.3	11.0	7.0	5.7	0.6	0.6
5411 JP EQUITY	1,912.00	8,325.0	11.0	7.9	7.5	6.1	5.2	4.7
SAIL IN EQUITY	106.21	5,026.4	19.8	13.2	8.8	7.8	1.6	2.3
5411 JP EQUITY	1,015.65	28,458.5	46.2	19.2	13.7	9.6	0.6	0.8
Peers Average			**18.3**	**11.1**	**7.3**	**5.9**	**1.9**	**2.0**
Peers Median			**15.9**	**11.0**	**7.5**	**6.1**	**1.7**	**1.9**
IQCD QD Equity	13.27	22,047	16.0	15.2	14.0	12.8	6.3	6.6

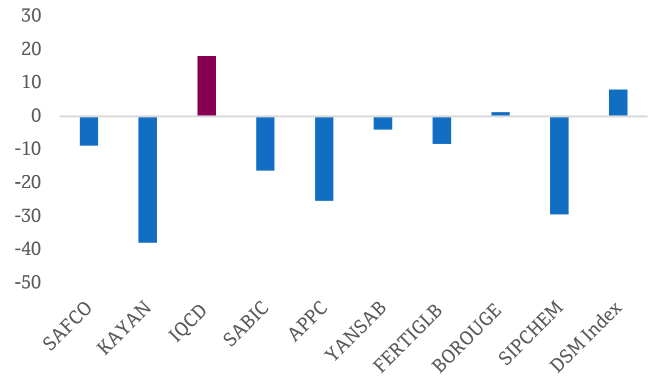
Source: Company data, QNB FS Research

IQCD is Trading Around Historical Mean Suggesting Limited Downside

Source: Bloomberg

IQCD Leads Major Peers on YTD Total Return (%)...

...& on a 1-Year Total Return Basis (%)



Source: Bloomberg

IQCD Announces Share Buyback; Positive Catalyst for the Market

On February 25, IQCD announced its intention to conduct a share buyback of up to QR1bn, which represents 1.2% of its current market cap and 4.1% of its free-float (Bloomberg) market cap. IQCD's Board has approved this buyback. According to the press release, the company intends to finance its share buyback from retained earnings and available liquidity in-line with applicable regulations and guidelines. IQCD will disclose the details of the buyback program and its purchase mechanism according to a buyback strategy to be announced later. We note that Industries Qatar has QR8.8bn in available cash after paying DPS of QR0.43 for 2H2024; the company generated positive operating cash flow of QR4.6bn, with FCF of QR1.3bn during FY2024. Share buybacks typically signal to the market that management considers their company's stock to be attractive.

We note QNB already announced its QR2.9bn share buyback program on September 11, 2024, which (at that time) represented 2% of its current market cap and a similar 4% of its free-float market cap. Since then, QNB has bought back 79.77mn shares by March 10, 2025, at an estimated value of QR1,364mn. QNB's stock price has appreciated 6.4% from QR15.70 (September 11, 2024) to QR16.70.

This move by IQCD, while anticipated by market participants, could serve as a catalyst for the overall market. It is possible that other Qatari companies also announce their respective buyback programs over the upcoming weeks.

4Q/FY2024 Review: Weak Petchem Margins Crimp Results; 100% Dividend Payout As Expected

IQCD reported QR970.3mn/QR0.160 in 4Q2024 earnings/EPS (-32.0% YoY/-18.3% QoQ), missing our estimate of QR1,101.4mn/QR0.182 by 11.9%. However, we note that 4Q2023 included a QR550mn reversal of impairment in the steel segment. Moreover, reported earnings in 4Q2024 included QR143.7mn of bargain purchase/FV gains as QAFAC was reclassified as a 50%-owned subsidiary from a joint venture. **Thus, normalized earnings/EPS, excluding these one-offs, came in at QR826.6mn/QR0.137 (-5.7% YoY/-30.4% QoQ), missing our forecast by 25.0%.**

The miss in 4Q2024 essentially came from lower-than-expected profitability in petrochemicals – EBITDA margin dropped to its lowest mark last year of 26% in 4Q2024 on higher operating costs (IQCD was impacted by higher cost inventory as production declined due to unplanned shutdowns) and lower-than-expected price realizations offsetting solid sales volumes, especially in LDPE. Lower-than-expected fertilizer profitability, albeit to a lesser degree, also contributed to the earnings miss as the segment faced its usual 4th quarter planned shutdown.

- **Urea price realization came in-line with our model, while petchems/fuel additives and steel rebar pricing generally fell below our estimates.** Overall price realizations drifted down modestly by 2% YoY with stability in urea and LDPE, along with moderate growth in rebar, helping to hold the line; sequentially, prices increased 2% aided by urea and rebar.
- **Sales volumes were generally stronger across the board, relative to our model, despite planned/unplanned shutdowns in fertilizer/PE segments in 4Q2024.** According to the company, on a consolidated level, 4Q2024 overall sales volumes grew 6% YoY but declined 9% QoQ; production increased a similar 5% YoY and managed to stay flat sequentially. 4Q2023 faced maintenance-related shutdowns in QAFCO-5 and in fuel additives that helped YoY comparisons in PE (fertilizer sales volumes were still down YoY possibly due to shipment delays). Further, 4Q2024 recorded both unplanned (PE) and planned (fertilizers) shutdowns that impacted PE/fertilizer QoQ sales/production comparisons. Steel was the standout with sales volumes/production up YoY/QoQ given the restart of DR-1 facility to benefit from potential demand for low-carbon steel. Strength in steel production also helped maintain overall 4Q2024 production stable sequentially for the group. For the year, sales volumes increased around 2% from 10.1mn MT in 2023 to 10.3mn MT in 2024. Production volumes grew a similar 2% YoY from 16.7mn MT in 2023 to 17.1 MT in 2024. Utilization rates ticked up to roughly 102% in 2024 from 100% in 2023 and grew from 99% in 3Q2024 to 109% in 4Q2024.

4Q2024 Price & Sales Volumes Comparisons

Wtd Average Selling Prices ($/MT)	4Q2023	3Q2024	4Q2024	4Q2024E	A Vs. E	YoY	QoQ
Petrochemicals & Fuel Additives							
LDPE	1,017	1,144	1,017	1,150	-12%	0%	-11%
LLDPE	950	970	921	969	-5%	-3%	-5%
Methanol	254	243	256	247	4%	1%	5%
MTBE	870	764	707	762	-7%	-19%	-7%
Fertilizer							
Ammonia	508	361	424	437	-3%	-17%	17%
Urea	342	330	339	340	0%	-1%	3%
Steel							
Rebar	610	616	628	644	-2%	3%	2%
DRI/HBI	371	372	323	404	-20%	-13%	-13%
Billets	-	506	501	595	-16%	N/M	-1%

Sales Volume (MT' 000)	4Q2023	3Q2024	4Q2024	4Q2024E	A Vs. E	YoY	QoQ
Petrochemicals & Fuel Additives							
LDPE	144	153	173	152	14%	20%	13%
LLDPE	66	73	82	81	1%	24%	12%
Methanol	46	113	103	107	-4%	124%	-9%
MTBE	62	91	93	91	2%	50%	2%
Fertilizer							
Ammonia	124	112	65	120	-46%	-48%	-42%
Urea	1,254	1,482	1,280	1,238	3%	2%	-14%
Steel							
Steel Bar	348	302	294	331	-11%	-16%	-3%
DRI/HBI	122	94	206	119	73%	69%	119%
Billets	-	81	55	81	-32%	N/M	-32%

Source: Company data, QNB FS Research

- **Petchems, underperformed in 4Q2024, with top-line and especially profitability falling short of our forecasts driven by lower-than-expected prices and increased operating costs.** 4Q2024 revenue of ~QR1,386mn (21% YoY, -6% QoQ) was 7% lower than our model on broadly lower-than-expected price realizations offsetting solid sales volumes, especially in LDPE. Earnings of QR182.6mn fell 14.0% YoY/63.9% QoQ, and was 61.3% below our model; quarterly earnings reached their lowest point since 1Q2020. EBITDA margin dropped to its lowest mark last year of 26% in 4Q2024 on higher operating costs (IQCD was impacted by higher cost inventory as production declined due to unplanned shutdowns). Year-end accruals also negatively affected segment profitability. EBITDA margin for the quarter was the 2nd lowest on record (after 4Q2023's 23%) ever since IQCD started reporting quarterly segment EBITDA margins from 1Q2020. EBITDA margins also declined QoQ from 42% in 3Q2024 and came in significantly below our estimate of 38%. Product prices, other than methanol, were generally down YoY/QoQ. Overall pricing continued to recover/stabilize in 2024 although realized selling prices for major products were still down YoY/QoQ in 4Q2024. Sales volumes gained 26% YoY but declined 9% QoQ and production volumes increased 3% YoY but fell 10% QoQ. YoY comparisons were assisted by planned maintenance shutdowns in fuel additives in 4Q2023, while sequential volumes were hurt by unplanned shutdowns in 4Q2024.
- **Fertilizer EBITDA margin of 44% in 4Q2024, declined modestly vs. 46% in 4Q2023, but remained flattish QoQ.** Segment top-line and income of QR1,669.1mn and QR417.1mn decreased 7.6% and 21.0%, YoY, respectively, as prices came in lower than year-ago levels, especially in ammonia, while sales volumes also declined moderately again due to a significant decline in ammonia. The company noted that nitrogen-based fertilizer prices have stabilized around their long-term averages since peaking during 2H2022. Sequentially, segment revenue was down 13.2% and earnings decreased 23.9% mainly driven by a decline in sales volumes offsetting a moderate uptick in urea prices. Segment top-line was 9.1% below our model and earnings were lower by 18.4% as the segment faced its usual 4th quarter planned shutdown, along with possibly some shipment delays. Overall for the fertilizer segment, IQCD's production volumes were stable YoY but down 4% QoQ; sales volumes declined 3% YoY and 16% QoQ.
- **4Q2024 steel top-line fell short of our forecast but profitability was significantly ahead of our model.** Steel revenue came in at QR1,046.9mn (4.5% YoY, 3.8% QoQ), which was 10.5% below our model. 4Q2024 income of QR127.3mn (-79.4% YoY, 60.1% QoQ) exceed our modeled forecast by 70.0%. We note that 4Q2023 included QR550mn in impairment reversals related to the 1,500 KTPA-DR-2 facility and if we strip out this reversal, 4Q2024 earnings actually grew 84.7% YoY. The jump in QoQ earnings was mostly due to an increase in income from associates to QR149.6mn (191.2% YoY, 113.5% QoQ). In 4Q2024, IQCD restarted its 800 KTPA DR-1 facility (that had been mothballed in 1Q2022) to benefit from the potential demand of low-carbon steel. Steel EBITDA margins expanded both YoY/QoQ to 19% from 12%/14%. Management commentary indicated a subdued

but cautiously optimistic outlook, as construction demand remained a key constraint. However, the company noted that conditions started to improve from 2H2024 driven by the global recovery and a series of policy measures taken by China to boost its domestic construction sector. According to the company, steel rebar realizations rose by roughly 3%/2% YoY/QoQ. Segment sales volumes for 4Q2024 gained 14% YoY/13% QoQ and production volumes were also up roughly 19% YoY and 17% sequentially; the restart of DR-1 helped boost volumes.

- **For FY2024, IQCD posted net profit of QR4,490.3mn (EPS: QR0.742) down 4.9% YoY as compared to QR4,720.1mn (EPS: QR0.780) in 2023.** We were expecting QR4,621.5mn (EPS: QR0.764). We note 2024 included QR286.3mn in other income one-offs, including reversal of a bank financial guarantee provided to an associate (SOLB Steel) and bargain purchase/FV gains related to QAFAC's reclassification as a JV. FY2023 also included QR610mn in impairment reversals (in the steel segment). **Adjusting for these one-offs, normalized earnings were up 2.3% YoY to QR4,204.0mn (EPS: QR0.695) in 2024.** Moderate decline in pricing (down ~3% YoY) lowered reported earnings by QR635mn in 2024, while sales volumes improved marginally by 2% YoY contributing QR493mn. This was aided by a positive contribution of QR274mn from a decline in opex; the decrease in operating costs was linked to lower variable costs driven by end-product price indexed raw material cost and favorable inventory movements, partially offset by general inflation. The company also reported proportionate revenue of ~QR16.8bn in FY2024, almost flattish vs. QR16.9bn in 2023. Overall group EBITDA increased ~3% from QR6.2bn (EBITDA margin: 37%) to QR6.4bn (38%).
- **2024 DPS of QR0.74 translated into a payout of 100% and implies a dividend yield of 5.6%.** Having paid QR0.31 in DPS for 1H2024, the company further paid out QR0.43 for 2H2024. We were expecting QR0.76 in DPS in 2024 (or QR0.45 for 2H2024); for 2023, IQCD paid a dividend of QR0.78 per share (again a 100% payout).

QNB FS 4Q2024 Estimates and Comparisons

Income Statement (QR Million)	4Q2023	3Q2024	4Q2024	4Q2024e	A Vs. E	YoY	QoQ
Revenue	**2,808.313**	**3,611.691**	**3,340.967**	**3,728.105**	**-10.4%**	**19.0%**	**-7.5%**
Cost of Sales (Ex. D &A)	(1,758.617)	(2,384.969)	(2,335.325)	(2,230.520)	4.7%	32.8%	-2.1%
Gross Profit	**1,049.696**	**1,226.722**	**1,005.642**	**1,497.586**	**-32.8%**	**-4.2%**	**-18.0%**
General & Admin. Expenses	(168.687)	(188.607)	(173.494)	(266.315)	-34.9%	2.8%	-8.0%
Selling & Distribution Costs	(21.447)	(20.434)	(26.943)	(21.862)	23.2%	25.6%	31.9%
EBITDA	**859.562**	**1,017.681**	**805.205**	**1,209.408**	**-33.4%**	**-6.3%**	**-20.9%**
Depreciation & Amortization	(453.252)	(409.432)	(446.600)	(495.532)	-9.9%	-1.5%	9.1%
EBIT	**406.310**	**608.249**	**358.605**	**713.876**	**-49.8%**	**-11.7%**	**-41.0%**
Finance Costs	(6.938)	(8.069)	(7.787)	(4.815)	61.7%	12.2%	-3.5%
Share of Results from Associates	51.387	70.071	149.625	72.104	107.5%	191.2%	113.5%
Share of Results of JVs	212.193	384.897	174.987	393.506	-55.5%	-17.5%	-54.5%
Other Income	215.260	195.011	318.452	84.203	278.2%	47.9%	63.3%
Impairments, Reversals & Others	550.000		-				
Profit Before Tax	**1,428.212**	**1,250.159**	**993.882**	**1,258.874**	**-21.0%**	**-30.4%**	**-20.5%**
Tax	(0.580)	(22.127)	(10.984)	(35.164)	-68.8%	1793.8%	-50.4%
Profit After Tax - Continuing Operations	**1,427.632**	**1,228.032**	**982.898**	**1,223.711**	**-19.7%**	**-31.2%**	**-20.0%**
Profit From Discontinued Operations							
Profit	**1,427.632**	**1,228.032**	**982.898**	**1,223.711**	**-19.7%**	**-31.2%**	**-20.0%**
Minority Interest	(0.785)	(39.765)	(12.635)	(122.288)	-89.7%	1509.6%	-68.2%
Profit for Equity Holders	**1,426.847**	**1,188.267**	**970.263**	**1,101.423**	**-11.9%**	**-32.0%**	**-18.3%**
EPS (in QR)	**0.236**	**0.196**	**0.160**	**0.182**	**-11.9%**	**-32.0%**	**-18.3%**
Cost of Sales	62.6%	66.0%	69.9%	59.8%			
Gross Margin %	37.4%	34.0%	30.1%	40.2%			
G&A % Sales	6.0%	5.2%	5.2%	7.1%			
Selling Expenses % Sales	0.8%	0.6%	0.8%	0.6%			
EBITDA %	30.6%	28.2%	24.1%	32.4%			
D&A % Sales	16.1%	11.3%	13.4%	13.3%			
EBIT %	14.5%	16.8%	10.7%	19.1%			
Net Margin %	50.8%	32.9%	29.0%	29.5%			

Source: Company data, QNB FS Research

QNB FS 2024 Estimates and Comparisons

Income Statement (QR Million)	2023	2024	2024e	A Vs. E	YoY
Revenue	**11,744.032**	**12,652.136**	**13,039.274**	**-3.0%**	**7.7%**
Cost of Sales (Ex. D &A)	(7,766.803)	(8,289.798)	(8,184.993)	1.3%	6.7%
Gross Profit	**3,977.229**	**4,362.338**	**4,854.282**	**-10.1%**	**9.7%**
General & Admin. Expenses	(686.788)	(690.600)	(783.421)	-11.8%	0.6%
Selling & Distribution Costs	(78.607)	(88.774)	(83.693)	6.1%	12.9%
EBITDA	**3,211.834**	**3,582.964**	**3,987.167**	**-10.1%**	**11.6%**
Depreciation & Amortization	(1,503.562)	(1,591.771)	(1,640.703)	-3.0%	5.9%
EBIT	**1,708.272**	**1,991.193**	**2,346.464**	**-15.1%**	**16.6%**
Finance Costs	(28.528)	(29.857)	(26.885)	11.1%	4.7%
Share of Results from Associates	281.636	345.509	267.988	28.9%	22.7%
Share of Results of JVs	1,359.961	1,259.966	1,478.485	-14.8%	-7.4%
Other Income	793.096	1,034.585	800.336	29.3%	30.4%
Impairments, Reversals & Others	610.000	-	-		-100.0%
Profit Before Tax	**4,724.437**	**4,601.396**	**4,866.388**	**-5.4%**	**-2.6%**
Tax	(1.648)	(41.837)	(66.017)	-36.6%	2438.7%
Profit After Tax - Continuing Operations	**4,722.789**	**4,559.559**	**4,800.372**	**-5.0%**	**-3.5%**
Profit From Discontinued Operations	-	-	-		
Profit	**4,722.789**	**4,559.559**	**4,800.372**	**-5.0%**	**-3.5%**
Minority Interest	(2.650)	(69.266)	(178.919)	-61.3%	2513.8%
Profit for Equity Holders	**4,720.139**	**4,490.293**	**4,621.453**	**-2.8%**	**-4.9%**
EPS (in QR)	**0.780**	**0.742**	**0.764**	**-2.8%**	**-4.9%**
DPS (in QR)	**0.780**	**0.740**	**0.760**	**-2.6%**	**-5.1%**
Cost of Sales	66.1%	65.5%	62.8%		
Gross Margin %	33.9%	34.5%	37.2%		
G&A % Sales	5.8%	5.5%	6.0%		
Selling Expenses % Sales	0.7%	0.7%	0.6%		
EBITDA %	27.3%	28.3%	30.6%		
D&A % Sales	12.8%	12.6%	12.6%		
EBIT %	14.5%	15.7%	18.0%		
Net Margin %	40.2%	35.5%	35.4%		

Source: Company data, QNB FS Research

QNB FS 4Q2024/FY2024 Segment Estimates and Comparisons

In QR Millions

Steel	4Q2023	1Q2024	3Q2024	4Q2024	4Q2024e	A Vs. E	2023	2024	2024e	A Vs. E
Revenue	1,002.158	1,037.817	1,008.617	1,046.903	1,169.621	*-10.5%*	4,264.178	3,981.481	4,104.199	*-3.0%*
Profit Before Tax	618.910	156.415	79.503	127.292	74.898	*70.0%*	1,027.437	565.327	512.933	*10.2%*
NM %	*61.76%*	*15.07%*	*7.88%*	*12.16%*	*6.40%*		*24.09%*	*14.20%*	*12.50%*	
Revenue QoQ	*11%*	*4%*	*14%*	*4%*	*16%*					
Profit Before Tax QoQ	*376%*	*-75%*	*-61%*	*60%*	*-6%*					
Revenue YoY	*34%*	*-16%*	*12%*	*4%*	*17%*		*0%*	*-7%*	*-4%*	
Profit Before Tax YoY	*438%*	*17%*	*-39%*	*-79%*	*-88%*		*16%*	*-45%*	*-50%*	
Petrochemicals & Fuel Additives	**4Q2023**	**1Q2024**	**3Q2024**	**4Q2024**	**4Q2024e**	**A Vs. E**	**2023**	**2024**	**2024e**	**A Vs. E**
Revenue	1,150.000	1,364.000	1,471.000	1,386.000	1,493.807	*-7.2%*	5,175.000	5,541.000	5,648.807	*-1.9%*
Profit Before Tax	212.193	353.960	505.320	182.558	471.750	*-61.3%*	1,359.961	1,430.301	1,719.493	*-16.8%*
NM %	*18.45%*	*25.95%*	*34.35%*	*13.17%*	*31.58%*		*26.28%*	*25.81%*	*30.44%*	
Revenue QoQ	*-7%*	*19%*	*11%*	*-6%*	*2%*					
Profit Before Tax QoQ	*-34%*	*67%*	*30%*	*-64%*	*-7%*					
Revenue YoY	*-22%*	*0%*	*19%*	*21%*	*30%*		*-26%*	*7%*	*9%*	
Profit Before Tax YoY	*-45%*	*-7%*	*57%*	*-14%*	*122%*		*-45%*	*5%*	*26%*	
Fertilizers	**4Q2023**	**1Q2024**	**3Q2024**	**4Q2024**	**4Q2024e**	**A Vs. E**	**2023**	**2024**	**2024e**	**A Vs. E**
Revenue	1,806.155	1,875.567	1,922.513	1,669.066	1,836.073	*-9.1%*	7,479.854	7,246.209	7,413.216	*-2.3%*
Profit Before Tax	527.774	639.039	548.239	417.135	511.117	*-18.4%*	1,886.520	1,969.912	2,063.894	*-4.6%*
NM %	*29.22%*	*34.07%*	*28.52%*	*24.99%*	*27.84%*		*25.22%*	*27.19%*	*27.84%*	
Revenue QoQ	*-7%*	*4%*	*8%*	*-13%*	*-4%*					
Profit Before Tax QoQ	*-17%*	*21%*	*50%*	*-24%*	*-7%*					
Revenue YoY	*-47%*	*-16%*	*0%*	*-8%*	*2%*		*-49%*	*-3%*	*-1%*	
Profit Before Tax YoY	*-55%*	*25%*	*-14%*	*-21%*	*-3%*		*-65%*	*4%*	*9%*	
Total Revenue	**3,958.313**	**4,277.384**	**4,402.130**	**4,101.969**	**4,499.501**	***A Vs. E***	**16,919.032**	**16,768.690**	**17,166.222**	***-2.3%***
YoY Growth	***-30%***	***-11%***	***8%***	***4%***	***14%***		***-34%***	***-1%***	***1%***	
QoQ Growth	***-3%***	***8%***	***10%***	***-7%***	***2%***					
Steel	*25%*	*24%*	*23%*	*26%*	*26%*		*25%*	*24%*	*24%*	
Petrochemicals & Fuel Additives	*29%*	*32%*	*33%*	*34%*	*33%*		*31%*	*33%*	*33%*	
Fertilizers	*46%*	*44%*	*44%*	*41%*	*41%*		*44%*	*43%*	*43%*	
Total Profit Before Tax (Ex. Unallocated)	**1,358.877**	**1,149.414**	**1,133.062**	**726.985**	**1,057.766**	***A Vs. E***	**4,273.918**	**3,965.540**	**4,296.321**	***-7.7%***
Steel	*46%*	*14%*	*7%*	*18%*	*7%*		*24%*	*14%*	*12%*	
Petrochemicals & Fuel Additives	*16%*	*31%*	*45%*	*25%*	*45%*		*32%*	*36%*	*40%*	
Fertilizers	*39%*	*56%*	*48%*	*57%*	*48%*		*44%*	*50%*	*48%*	
Group Net Income	1,426.847	1,280.504	1,188.267	970.263	1,101.423	*-11.9%*	4,720.139	4,490.293	4,621.453	*-2.8%*
Segment Profit Before Tax/Group NI	*95%*	*90%*	*95%*	*75%*	*96%*		*91%*	*88%*	*93%*	
Unallocated Net Income	67.970	131.090	55.205	243.278	43.657	*457.2%*	446.221	524.753	325.132	*61.4%*

Source: Company data, QNB FS Research

Key Metrics

Segment Revenue, EBITDA, Net Income, Pricing and Sales Volumes

Revenue (QR Million) - Group	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total Group	**20,150**	**25,769**	**16,919**	**16,769**	**17,545**	**18,557**	**19,561**	**19,709**	**19,916**	**20,073**
Petrochemicals & Fuel Additives	5,981	6,975	5,175	5,541	5,230	4,863	5,223	5,107	5,168	5,148
Fertilizer	10,283	14,532	7,480	7,246	7,730	8,858	9,177	9,153	9,094	9,046
Steel	3,886	4,262	4,264	3,981	4,585	4,837	5,162	5,449	5,654	5,879

EBITDA (QR Million) - Group	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total Group	**10,142**	**10,960**	**6,185**	**6,374**	**7,173**	**7,756**	**8,135**	**8,081**	**8,041**	**8,004**
Petrochemicals & Fuel Additives	3,055	3,083	1,898	2,008	1,883	1,668	1,837	1,782	1,793	1,783
Fertilizer	6,122	6,402	3,001	3,174	3,579	4,211	4,278	4,177	4,060	3,949
Steel	882	1,086	627	662	813	968	1,103	1,194	1,250	1,323

Net Income (QR Million) - Group	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total Group	**8,089**	**8,815**	**4,720**	**4,490**	**5,020**	**5,298**	**5,545**	**5,354**	**5,161**	**4,970**
Petrochemicals & Fuel Additives	2,479	2,460	1,360	1,430	1,284	1,053	1,205	1,138	1,131	1,113
Fertilizer	5,106	5,347	1,882	1,966	2,273	2,623	2,575	2,351	2,100	1,844
Steel	716	889	1,027	565	566	716	849	938	993	1,065
Corporate/Unallocated	(212)	118	451	529	896	906	916	927	937	948

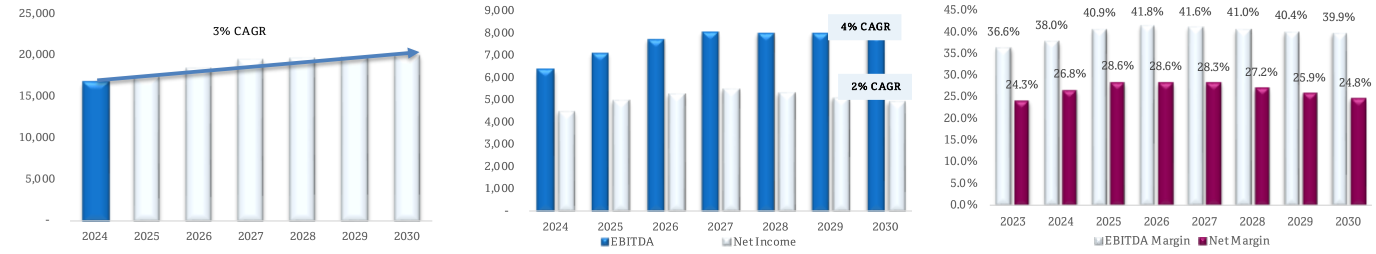
Revenue (QR Million)	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Petrochemicals & Fuel Additives										
LDPE	3,058	3,161	2,364	2,455	2,289	2,125	2,416	2,434	2,449	2,461
LLDPE	1,076	1,256	983	989	939	841	972	976	978	980
Methanol	609	471	315	392	406	422	442	414	488	513
MTBE	629	1,319	1,051	1,023	922	796	712	600	568	507
Petrochemical & Fuel Additives Revenu	**5,980**	**6,974**	**5,176**	**5,541**	**5,230**	**4,863**	**5,223**	**5,107**	**5,168**	**5,148**
Fertilizer										
Ammonia	1,154	1,742	809	551	683	1,755	2,143	2,167	2,151	2,138
Urea	8,994	12,821	6,436	6,495	6,855	6,910	6,841	6,794	6,750	6,716
Melamine	448	420	235	200	193	193	193	193	193	193
Fertilizer Revenue	**10,283**	**14,532**	**7,480**	**7,246**	**7,730**	**8,858**	**9,177**	**9,153**	**9,094**	**9,046**
Steel										
Rebar	2,844	2,966	2,960	2,702	2,835	2,926	3,067	3,274	3,428	3,603
DRI/HBI	147	901	746	825	1,302	1,455	1,632	1,706	1,749	1,792
Billets	543	81	272	233	229	233	237	241	246	251
Coils	359	353	286	222	219	223	226	228	231	233
Steel Revenue	**3,886**	**4,262**	**4,264**	**3,981**	**4,585**	**4,837**	**5,162**	**5,449**	**5,654**	**5,879**

Wtd Average Selling Prices ($/MT)	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Petrochemicals & Fuel Additives										
LDPE	1,508	1,378	1,041	1,069	1,039	1,052	1,062	1,070	1,077	1,082
LLDPE	1,202	1,139	972	950	938	943	947	950	953	955
Methanol	351	307	247	253	262	272	285	299	315	331
MTBE	736	1,007	911	807	708	625	567	516	473	435
Fertilizer										
Ammonia	542	922	390	344	366	379	374	371	368	366
Urea	463	618	324	315	336	338	334	331	329	327
Steel										
Rebar	698	728	630	626	619	630	643	657	670	685
DRI/HBI	416	450	378	359	355	361	368	375	383	391
Billets	491	621	562	471	466	473	482	491	500	510

Sales Volume (MT' 000)	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Petrochemicals & Fuel Additives										
LDPE	557	630	624	631	605	555	625	625	625	625
LLDPE	246	303	278	286	275	245	282	282	282	282
Methanol	477	421	351	426	426	426	426	380	426	426
MTBE	235	360	317	370	358	350	345	319	330	320
Fertilizer										
Ammonia	585	519	569	441	512	1,272	1,572	1,604	1,604	1,604
Urea	5,333	5,698	5,449	5,669	5,599	5,616	5,628	5,634	5,634	5,634
Steel										
Rebar	1,119	1,119	1,290	1,185	1,258	1,275	1,310	1,370	1,405	1,445
DRI/HBI	97	550	542	632	1,008	1,109	1,220	1,250	1,256	1,260
Billets	304	36	133	136	135	135	135	135	135	135

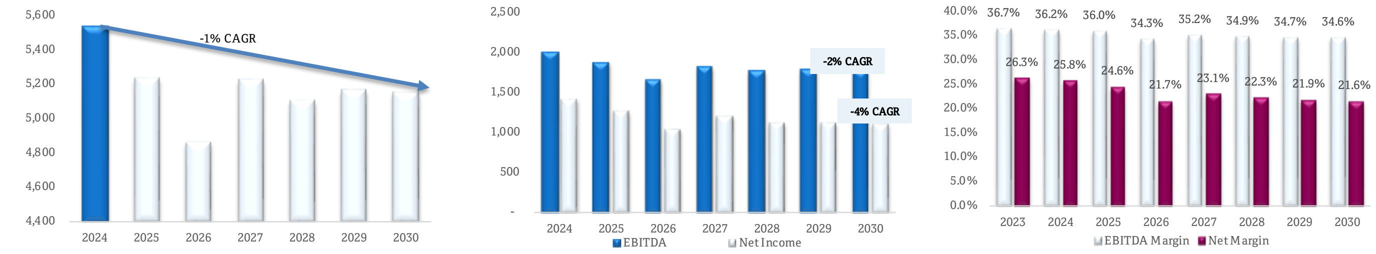
Source: Company data, QNB FS Research

Group – Revenue, Group EBITDA, Normalized Net Income, Margins & Growth (In QR Mn & Percentages)



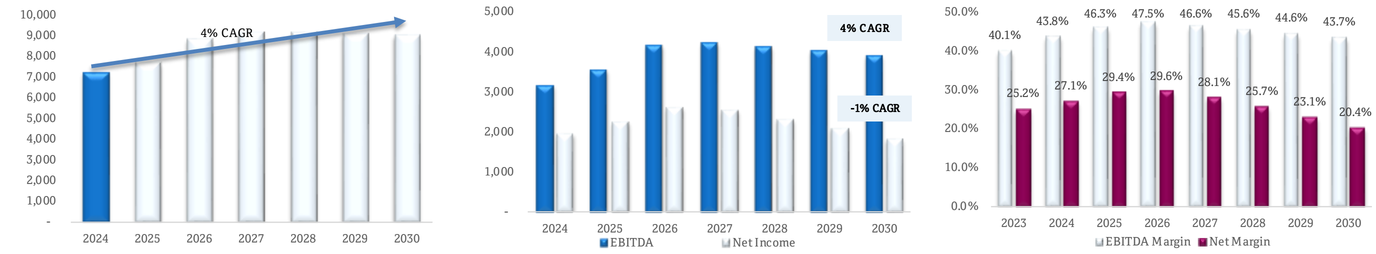
Source: Company data, QNB FS Research

Petrochemicals & Fuel Additives – Revenue, EBITDA, Normalized Net Income, Margins & Growth (In QR Mn & Percentages)



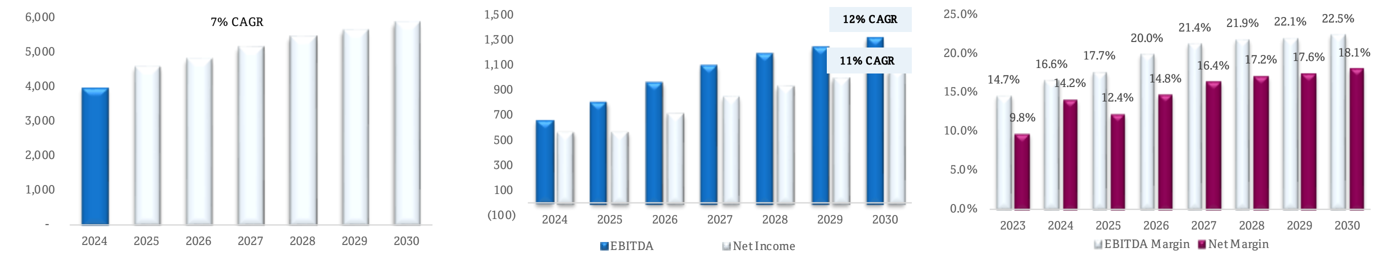
Source: Company data, QNB FS Research

Fertilizers – Revenue, EBITDA, Normalized Net Income, Margins & Growth (In QR Mn & Percentages)



Source: Company data, QNB FS Research

Steel – Revenue, EBITDA, Normalized Net Income, Margins & Growth (In QR Mn & Percentages)



Source: Company data, QNB FS Research

Ratio Analysis

Key Ratios & Valuation Metrics

Particulars	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Growth Ratios (In %)														
Revenue - Proportionate Group	3.6%	14.7%	(15.9%)	(17.4%)	77.4%	27.9%	(34.3%)	(0.9%)	4.6%	5.8%	5.4%	0.8%	1.0%	0.8%
Revenue - Reported	(1.0%)	25.1%	(12.0%)	45.2%	91.5%	32.6%	(37.5%)	7.7%	18.3%	7.8%	3.2%	(0.1%)	1.4%	0.6%
Gross Profit	(31.9%)	24.2%	(76.0%)	805.6%	195.6%	2.2%	(47.6%)	9.7%	35.3%	11.6%	2.2%	(2.0%)	(0.3%)	(1.0%)
EBITDA - Proportionate Group	(4.1%)	31.5%	(41.4%)	(10.2%)	212.0%	8.1%	(43.6%)	3.1%	12.5%	8.1%	4.9%	(0.7%)	(0.5%)	(0.5%)
EBITDA - Reported	(38.4%)	35.9%	(93.6%)	3326.4%	229.6%	2.8%	(53.3%)	11.6%	43.6%	12.9%	2.0%	(2.8%)	(0.8%)	(1.7%)
EBIT	(48.3%)	51.1%	N/M	N/M	1152.9%	2.7%	(68.2%)	16.6%	71.5%	11.5%	0.3%	(7.0%)	(5.4%)	(7.2%)
JV Income	51.9%	48.8%	(43.8%)	(51.1%)	132.7%	(0.8%)	(44.7%)	(7.4%)	(25.7%)	(19.4%)	24.3%	(0.6%)	(1.6%)	0.4%
PBT	12.2%	51.7%	(48.8%)	(28.3%)	338.4%	9.0%	(46.4%)	(2.6%)	16.7%	4.3%	3.8%	(4.4%)	(3.3%)	(4.0%)
PAT	12.2%	51.7%	(48.8%)	(28.4%)	338.8%	9.0%	(46.4%)	(3.5%)	15.7%	4.6%	4.0%	(4.1%)	(3.4%)	(3.9%)
Net Income - Reported	12.2%	51.7%	(48.8%)	(29.7%)	346.8%	9.0%	(46.5%)	(4.9%)	11.8%	5.5%	4.7%	(3.4%)	(3.6%)	(3.7%)
Net Income - Normalized	15.6%	48.7%	(51.3%)	28.8%	153.7%	9.0%	(53.4%)	2.3%	19.4%	5.5%	4.7%	(3.4%)	(3.6%)	(3.7%)
EPS - Reported	12.2%	51.7%	(48.8%)	(29.7%)	346.8%	9.0%	(46.5%)	(4.9%)	11.8%	5.5%	4.7%	(3.4%)	(3.6%)	(3.7%)
EPS - Normalized	15.6%	48.7%	(51.3%)	28.8%	153.7%	9.0%	(53.4%)	2.3%	19.4%	5.5%	4.7%	(3.4%)	(3.6%)	(3.7%)
DPS	25.0%	20.0%	(33.3%)	(17.5%)	203.0%	10.0%	(29.1%)	(5.1%)	12.2%	6.0%	4.5%	(4.3%)	(3.4%)	(3.5%)
Operating Ratios (In %)														
Gross Margin	20.1%	20.0%	5.4%	33.9%	52.4%	40.4%	33.9%	34.5%	39.4%	40.8%	40.4%	39.6%	39.0%	38.3%
EBITDA Margin - Proportionate Gr	33.0%	37.8%	26.3%	28.6%	50.3%	42.5%	36.6%	38.0%	40.9%	41.8%	41.6%	41.0%	40.4%	39.9%
EBITDA Margin - Reported	14.6%	15.9%	1.2%	27.4%	47.2%	36.6%	27.3%	28.3%	34.4%	36.0%	35.6%	34.6%	33.9%	33.1%
EBIT Margin	9.8%	11.8%	(4.3%)	5.6%	36.9%	28.6%	14.5%	15.7%	22.8%	23.6%	22.9%	21.3%	19.9%	18.4%
Net Margin	71.6%	86.9%	50.5%	24.5%	57.1%	46.9%	40.2%	35.5%	33.5%	32.8%	33.3%	32.2%	30.6%	29.3%
Working Capital Ratios (Days)														
Inventory days	142.6	135.2	140.3	145.6	108.5	101.1	133.1	148.1	148.1	148.1	148.1	148.1	148.1	148.1
Average collection period	98.8	63.3	64.3	78.5	79.6	37.7	34.1	41.5	41.5	41.5	41.5	41.5	41.5	41.5
Payable days	115.0	104.5	93.9	105.1	107.8	69.4	104.3	115.3	115.3	115.3	115.3	115.3	115.3	115.3
Finance Ratios														
Net Debt-Equity Ratio	(0.2)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.3)	(0.2)	(0.2)	(0.2)	(0.1)	(0.1)	(0.2)
Interest Coverage	45.1	351.1	-19.0	11.2	206.4	227.2	59.9	66.7	120.1	140.9	148.6	145.4	144.7	141.4
Return Ratios (In %)														
ROE	9.9%	14.2%	7.5%	5.4%	20.5%	21.0%	11.8%	11.9%	13.2%	13.8%	14.4%	14.1%	13.7%	13.3%
ROA	9.4%	13.6%	7.2%	5.0%	19.1%	19.6%	11.0%	10.6%	11.6%	12.1%	12.5%	12.1%	11.7%	11.3%
Liquidity Ratios														
Current Ratio	7.8	10.4	11.2	8.9	10.1	10.7	9.0	6.3	5.5	4.7	4.4	4.2	4.1	4.2
Quick Ratio	6.8	9.2	9.7	7.6	9.2	9.3	7.7	5.1	4.3	3.5	3.2	3.0	2.8	2.9
Valuation														
EV/Reported EBITDA	107.3	75.6	1,175.6	35.3	9.9	9.2	20.5	19.6	14.0	12.8	12.8	13.3	13.5	13.6
EV/EBIT	160.7	101.9	N/M	171.3	12.7	11.8	38.6	35.3	21.2	19.6	19.9	21.5	22.9	24.6
P/E	24.2	16.0	31.2	44.3	9.9	9.1	17.0	17.9	16.0	15.2	14.5	15.0	15.6	16.2
P/Normalized Earnings	23.5	15.8	32.4	25.2	9.9	9.1	19.5	19.1	16.0	15.2	14.5	15.0	15.6	16.2
P/BV	2.4	2.3	2.3	2.4	2.0	1.9	2.0	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Dividend Yield	3.8%	4.5%	3.0%	2.5%	7.5%	8.3%	5.9%	5.6%	6.3%	6.6%	6.9%	6.6%	6.4%	6.2%
FCF Yield	3.4%	7.3%	4.6%	3.8%	9.2%	11.1%	5.6%	3.8%	3.3%	3.3%	5.3%	6.2%	6.1%	6.9%

Source: Company data, QNB FS Research

Detailed Financial Statements

Income Statement (In QR mn)	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Revenue	**14,169**	**18,794**	**11,744**	**12,652**	**14,971**	**16,132**	**16,646**	**16,630**
Cost of Sales, Excluding D&A	(6,744)	(11,206)	(7,767)	(8,290)	(9,071)	(9,548)	(9,918)	(10,038)
Gross Profit	**7,425**	**7,588**	**3,977**	**4,362**	**5,901**	**6,584**	**6,728**	**6,592**
Cash G&A Expenses	(684)	(648)	(687)	(691)	(663)	(681)	(705)	(729)
Cash Selling Expenses	(59)	(68)	(79)	(89)	(92)	(96)	(99)	(102)
EBITDA	**6,683**	**6,872**	**3,212**	**3,583**	**5,146**	**5,808**	**5,925**	**5,760**
Depreciation & Amortization	(1,450)	(1,498)	(1,504)	(1,592)	(1,731)	(2,002)	(2,109)	(2,213)
EBIT	**5,233**	**5,374**	**1,708**	**1,991**	**3,415**	**3,806**	**3,816**	**3,547**
Finance Costs	(25)	(24)	(29)	(30)	(28)	(27)	(26)	(24)
Share of Results of Joint Ventures	**2,479**	**2,460**	**1,360**	**1,260**	**937**	**755**	**939**	**933**
Other Income, Expenses, Taxes & Minorities	402	1,004	1,680	1,269	697	764	816	898
Profit for Shareholders	**8,089**	**8,815**	**4,720**	**4,490**	**5,020**	**5,298**	**5,545**	**5,354**
EPS (QR)	**1.34**	**1.46**	**0.78**	**0.74**	**0.83**	**0.88**	**0.92**	**0.88**
DPS (QR)	**1.00**	**1.10**	**0.78**	**0.74**	**0.83**	**0.88**	**0.92**	**0.88**
Group Revenue	**20,150**	**25,769**	**16,919**	**16,769**	**17,545**	**18,557**	**19,561**	**19,709**
Group EBITDA	**10,142**	**10,960**	**6,185**	**6,374**	**7,173**	**7,756**	**8,135**	**8,081**

Source: Company data, QNB FS Research

Balance Sheet (In QR mn)	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Non-Current Assets								
PP&E & PUD	12,696	11,877	13,404	15,627	16,781	18,522	19,060	18,797
Investment Properties	0	0	0	0	0	0	0	0
Investment in Associates	1,577	1,890	1,811	2,082	2,443	2,820	3,214	3,626
Investment in Joint Ventures	6,823	7,097	6,783	6,223	6,410	6,561	6,749	6,936
Available-for-Sale Investments	0	0	0	0	0	0	0	0
Right-of Use Assets & Others	189	242	721	848	794	731	664	594
Total Non-Current Assets	**21,284**	**21,106**	**22,719**	**24,779**	**26,427**	**28,634**	**29,687**	**29,953**
Current Assets								
Inventories	2,004	3,105	2,833	3,364	3,671	3,864	4,014	4,062
Accounts Rec. & Prepayments	3,090	1,943	1,096	1,437	1,696	1,827	1,885	1,884
Due from Related Parties	1,494	1,535	1,569	1,628	1,926	2,076	2,142	2,140
Financial Assets at FVTPL	349	397	421	401	401	401	401	401
Cash and Bank Balances	14,086	16,919	14,414	10,806	9,207	7,042	6,111	5,646
Total Current Assets	**21,023**	**23,899**	**20,334**	**17,636**	**16,901**	**15,211**	**14,554**	**14,133**
Total Assets	**42,308**	**45,005**	**43,053**	**42,415**	**43,329**	**43,845**	**44,241**	**44,085**
Total Equity	**39,510**	**42,020**	**39,976**	**38,652**	**39,326**	**39,692**	**39,972**	**39,778**
Non-Current Liabilities								
Loans and Borrowings	0	0	0	0	0	0	0	0
EOS Benefits & Lease Liabilities	724	761	806	943	943	943	943	943
Total Non-Current Liabilities	**724**	**761**	**806**	**943**	**943**	**943**	**943**	**943**
Current Liabilities								
Accounts Payables & Accruals	1,991	2,132	2,220	2,619	2,858	3,008	3,125	3,162
Due to Related Parties, Lease Liabilities & Others	83	92	50	201	201	201	201	201
Loans and Borrowings	0	0	0	0	0	0	0	0
Total Current Liabilities	**2,073**	**2,224**	**2,270**	**2,820**	**3,059**	**3,209**	**3,326**	**3,364**
Equity and Liabilities	**42,308**	**45,005**	**43,053**	**42,415**	**43,329**	**43,845**	**44,241**	**44,085**

Source: Company data, QNB FS Research

Recommendations *Based on the range for the upside / downside offered by the 12-month target price of a stock versus the current market price*		Risk Ratings *Reflecting historic and expected price volatility versus the local market average and qualitative risk analysis of fundamentals*	
OUTPERFORM	Greater than +20%	**R-1**	Significantly lower than average
ACCUMULATE	Between +10% to +20%	**R-2**	Lower than average
MARKET PERFORM	Between -10% to +10%	**R-3**	Medium / In-line with the average
REDUCE	Between -10% to -20%	**R-4**	Above average
UNDERPERFORM	Lower than -20%	**R-5**	Significantly above average

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