



Earnings Flash Note
Industries Qatar
3Q 2024/9M 2024



Industries Qatar (IQCD)

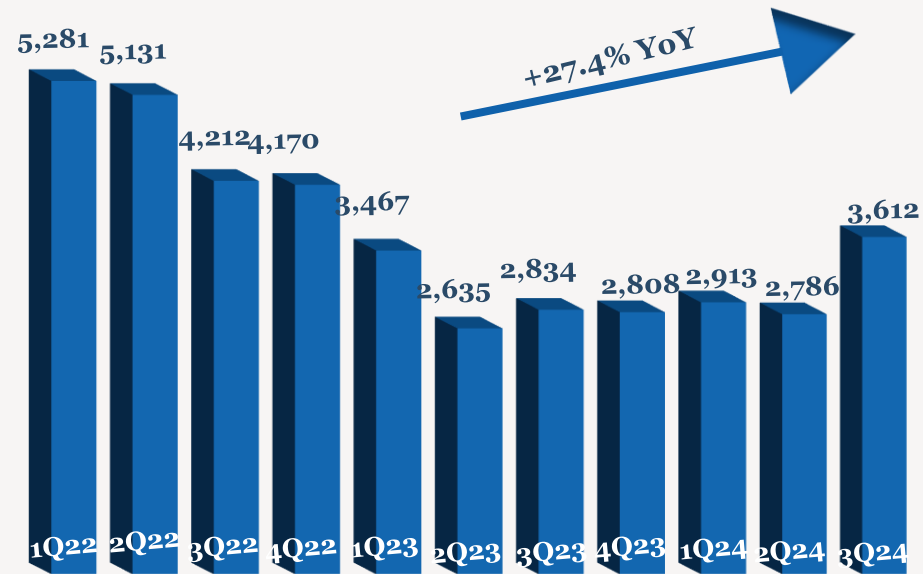
- > **Net profit fell by 1.4% YoY to QR1,188mn (+13.0% QoQ) in 3Q2024** primarily due to higher expenses. For 9M2024, net profit rose 6.9% to QR3,520mn.
- > **Revenue was up by 27.4% YoY to QR3,612mn (+29.6% QoQ) in 3Q2024.** For 9M2024, revenue rose 4.2% to QR9,311mn. Please note that income statement items other than net income, such as revenue, are not comparable with prior periods as QAFAC (50%-owned) is being accounted for as a subsidiary (and not as a joint venture) from 3Q2024 onward.
- > **Gross profit increased by 4.6% YoY to QR817mn (+47.7% QoQ) while gross margin came in at 22.6% in 3Q2024 (vs 27.6% in 3Q2023).** For 9M2024, gross profit was up 17.8% to QR2,212mn.
- > **Operating profit rose 3.9% YoY (+72.9% QoQ) to QR608mn in 3Q2024** while the corresponding margin decreased to 16.8% in 3Q2024 (vs 20.7% in 3Q023). For 9M2024, operating profit was up 25.4% to QR1,633mn.
- > For 3Q2024, EPS came at QR0.20 vs. QR0.20 in 3Q2023. For 9M2024, EPS came at QR0.58 vs. QR0.54 in 9M2023.
- > As of 29th Oct 2024, the stock has increased 3.5% YTD, outperforming the QSE Index, which was down by 2.2% YTD.
- > **The stock is currently trading at a TTM P/E multiple of 15.3x, higher than its 3Y historical average of 11.7x.** For now, we maintain our PT of QR 14.0/share and our Accumulate rating.

3Q/9M 2024 Earnings Performance

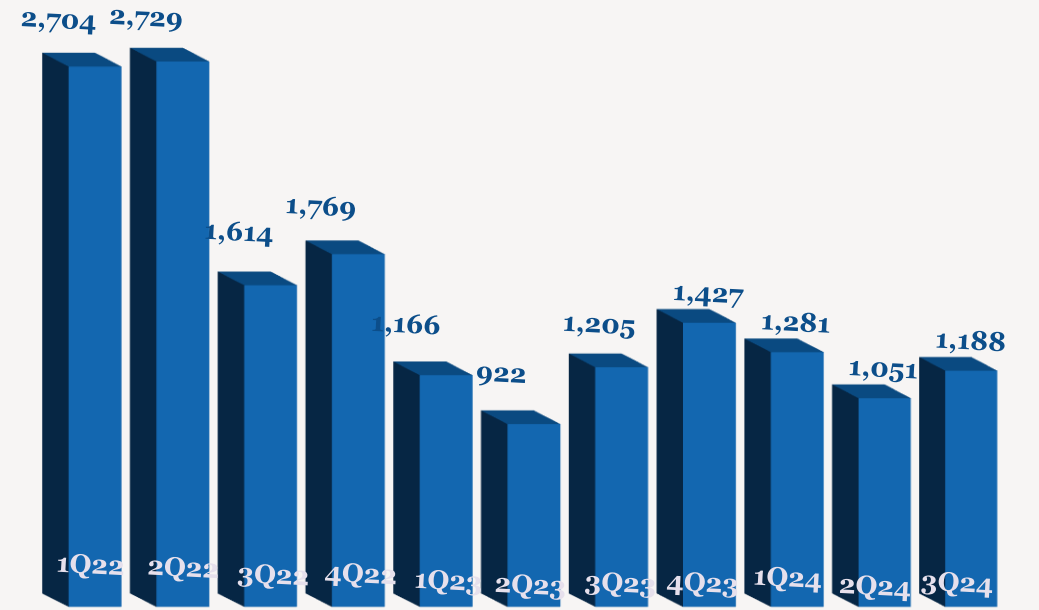
	3Q2024	3Q2023	YoY	2Q2024	QoQ	9M2024	9M2023	YoY
Revenue	3,612	2,834	27.4%	2,786	29.6%	9,311	8,936	4.2%
Gross Profit	817	782	4.6%	554	47.7%	2,212	1,877	17.8%
Gross Margin %	22.6%	27.6%		19.9%		23.8%	21.0%	
Operating Profit	608	586	3.9%	352	72.9%	1,633	1,302	25.4%
Operating Margin %	16.8%	20.7%		12.6%		17.5%	14.6%	
Share of results of investments in associate & joint venture	455	398	14.4%	396	14.9%	1,281	1,378	-7.1%
Net Profit to Equity	1,188	1,205	-1.4%	1,051	13.0%	3,520	3,293	6.9%
Net Margin %	32.9%	42.5%		37.7%		37.8%	36.9%	
EPS (QR)	0.20	0.20	-1.4%	0.17	13.0%	0.58	0.54	6.9%

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

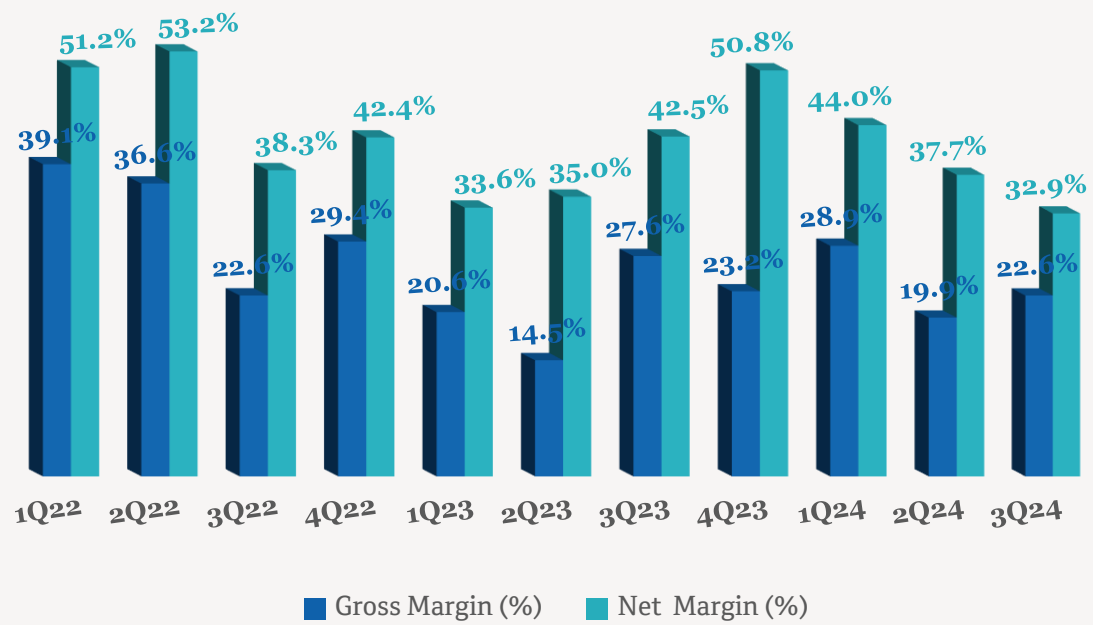
Quarterly Sales Trend (QRmn)



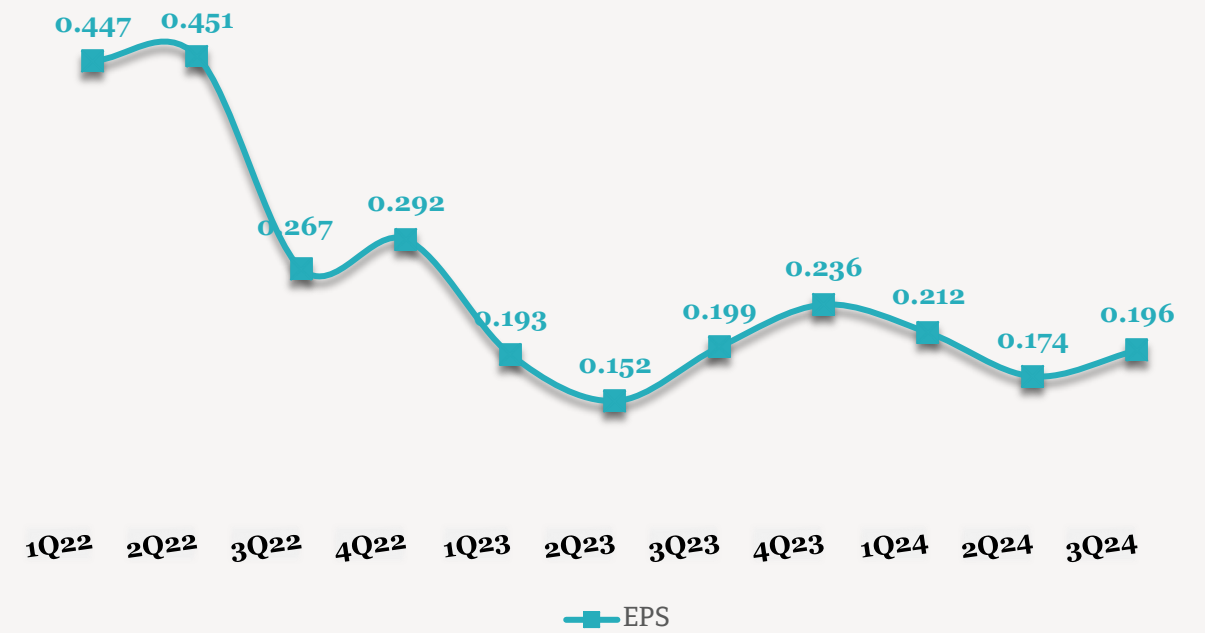
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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