



Earnings Flash Note
Industries Qatar
4Q 2024/FY 2024

Industries Qatar (IQCD)

- > **Net profit fell by 32.0% YoY to QR970mn (-18.3% QoQ) in 4Q2024** primarily due to higher expenses and lower operating profit. For FY2024, net profit fell 4.9% to QR4,490mn.
- > **Revenue was up by 19.0% YoY to QR3,341mn (-7.5% QoQ) in 4Q2024.** For FY2024, revenue rose 7.7% to QR12,652mn. 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 decreased by 3.1% YoY to QR630mn (-22.9% QoQ)** while gross margin came in at 18.9% in 4Q2024 (vs 23.2% in 4Q2023). For FY2024, gross profit was up 12.4% to QR2,842mn.
- > **Operating profit was down 11.7% YoY (-41.0% QoQ) to QR359mn in 4Q2024** while the corresponding margin decreased to 10.7% in 4Q2024 (vs 14.5% in 4Q2023). For FY2024, operating profit was up 16.6% to QR1,991mn.
- > **For 4Q2024, EPS came at QR0.16 vs. QR0.24 in 4Q2023.** For FY2024, EPS came

at QR0.74 vs. QR0.78 in FY2023.

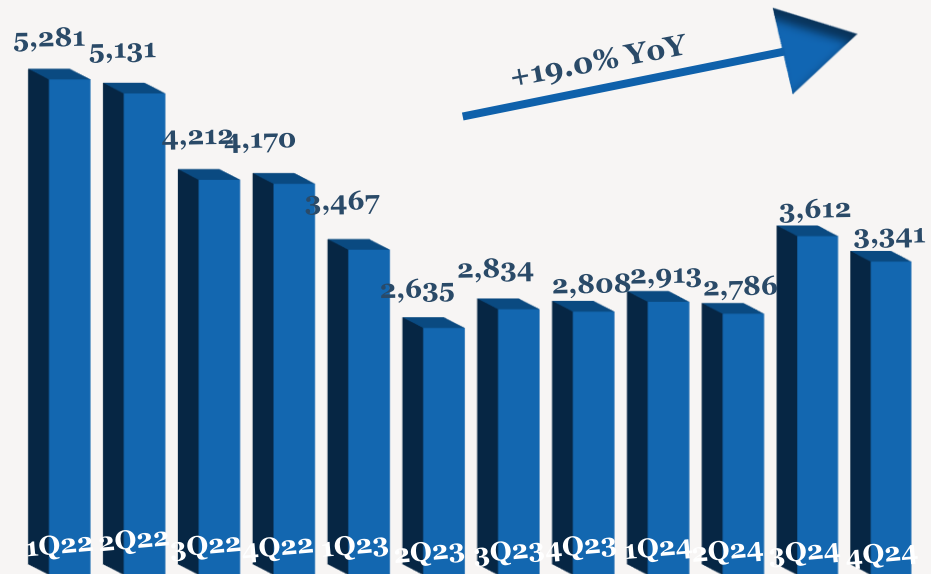
- > **As of 2nd Feb 2025, the stock has increased 4.7% YTD**, Outperforming the QSE Index, which was up by 1.2% YTD.
- > **The stock is currently trading at a TTM P/E multiple of 18.7x**, higher than its 3Y historical average of 12.1x. For now, we maintain our PT of QR 15.0/share and our Accumulate rating.
- > **The Board of Directors recommends a dividend for the second half of 2024 of QR0.43 per share**, bringing the total dividend for the year to QR0.74 per share. This equates to a payout ratio of 100% of net earnings for 2024 and represent 74% of the nominal share value.

4Q/FY 2024 Earnings Performance

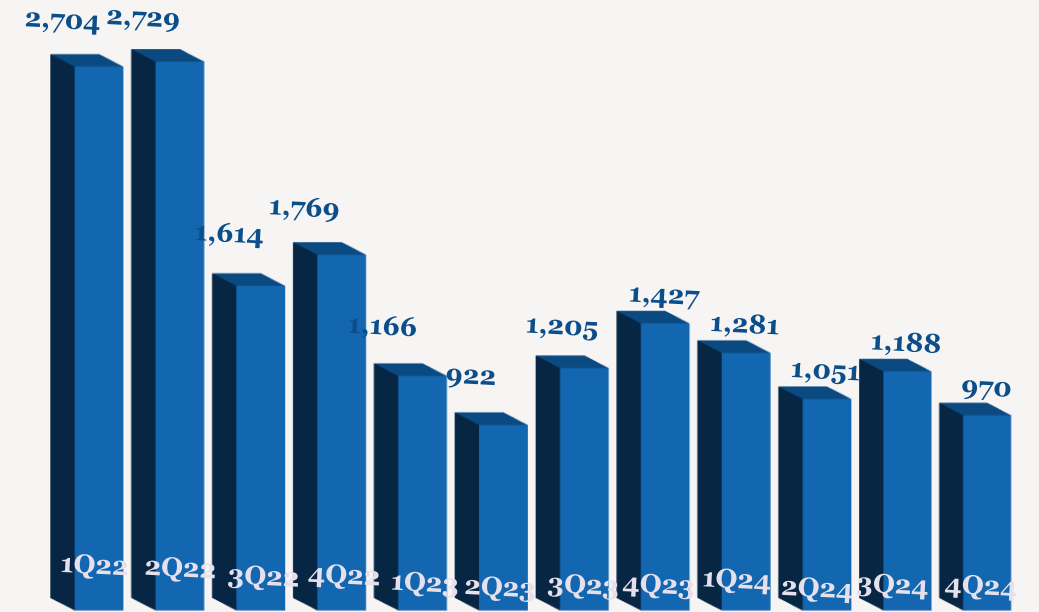
	4Q2024	4Q2023	YoY	3Q2024	QoQ	FY2024	FY2023	YoY
Revenue	3,341	2,808	19.0%	3,612	-7.5%	12,652	11,744	7.7%
Gross Profit	630	650	-3.1%	817	-22.9%	2,842	2,528	12.4%
Gross Margin %	18.9%	23.2%		22.6%		22.5%	21.5%	
Operating Profit	359	406	-11.7%	608	-41.0%	1,991	1,708	16.6%
Operating Margin %	10.7%	14.5%		16.8%		15.7%	14.5%	
Share of results of investments in associate & joint venture	325	264	23.2%	455	-28.7%	1,605	1,642	-2.2%
Net Profit to Equity	970	1,427	-32.0%	1,188	-18.3%	4,490	4,720	-4.9%
Net Margin %	29.0%	50.8%		32.9%		35.5%	40.2%	
EPS (QR)	0.16	0.24	-32.0%	0.20	-18.3%	0.74	0.78	-4.9%

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

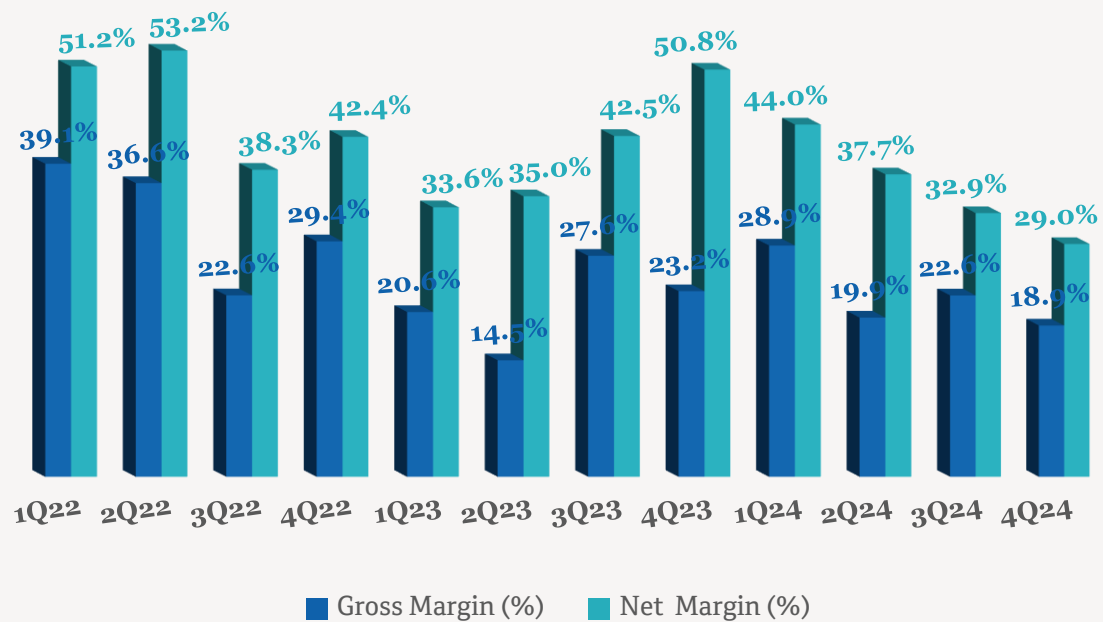
Quarterly Sales Trend (QRmn)



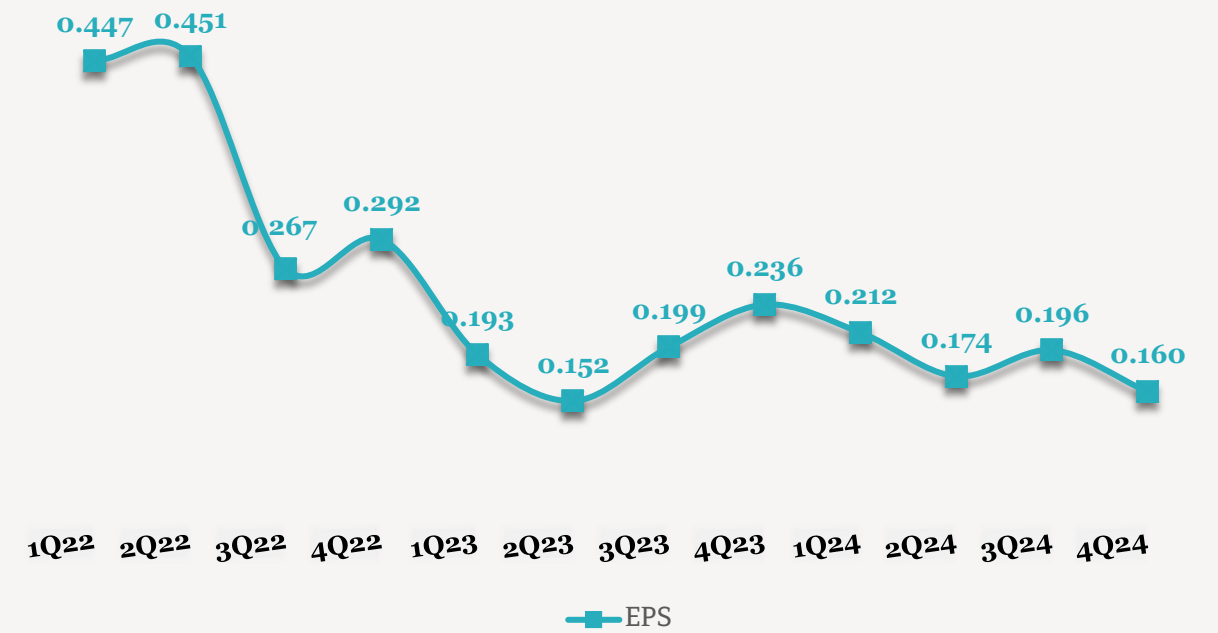
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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