



Earnings Flash Note
Industries Qatar
2Q 2024/6M 2024



Industries Qatar (IQCD)

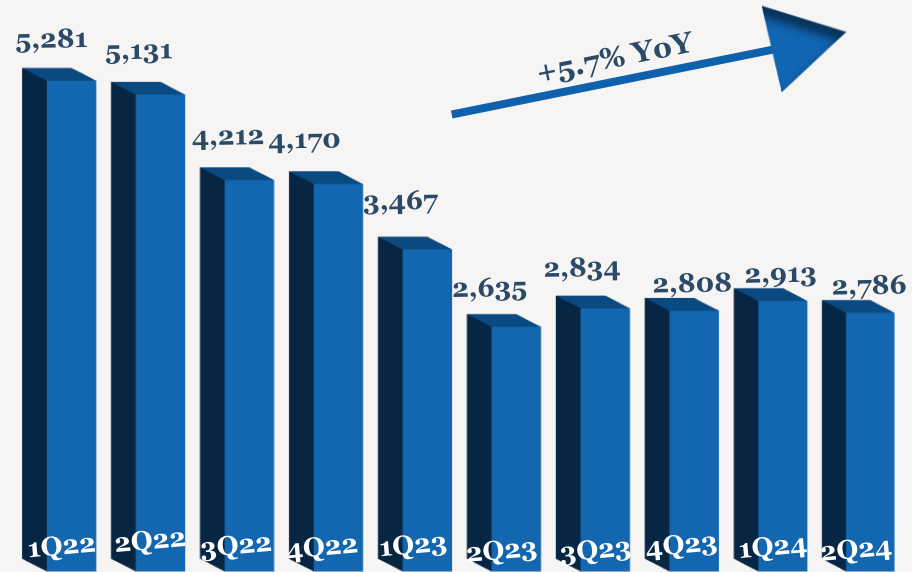
- > Net profit grew by 14.0% YoY to QR1,051mn (-17.9% QoQ) in 2Q2024 primarily due to higher revenue and other income. For 6M2024, net profit rose 11.7% to QR2,332mn.
- > Revenue was up by 5.7% YoY to QR2,786mn (-4.4% QoQ) in 2Q2024. For 6M2024, revenue fell 6.6% to QR5,699mn.
- > Gross profit increased by 44.5% YoY to QR554mn (-34.2% QoQ) while gross margin came in at 19.9% in 2Q2024 (vs 14.5% in 2Q2023). For 6M2024, gross profit increased 27.2% to QR1,394mn.
- > Operating profit rose 91.1% YoY (-47.7% QoQ) to QR353mn in 2Q2024 while the corresponding margin increased to 12.6% in 2Q2024 (vs 7.0% in 2Q2023). For 6M2024, operating profit was up 43.0% to QR1,204mn.
- > The board declared a dividend of QR0.31/share for the interim period, which translates into an annualized yield of 4.7%
- > For 2Q2024, EPS came at QR0.17 vs. QR0.15 in 2Q2023. For 6M2024, EPS came at QR0.39 vs. QR0.35 in 6M2023.
- > As of 12th August 2024, the stock has increased 0.2% YTD, outperforming the QSE index, which was down by 6.8% YTD.
- > The stock is currently trading at a TTM P/E multiple of 15.2x, higher than its 3Y historical average of 12.0x. For now, we maintain our PT of QR 14.0/share and our Accumulate rating.

2Q/6M 2024 Earnings Performance

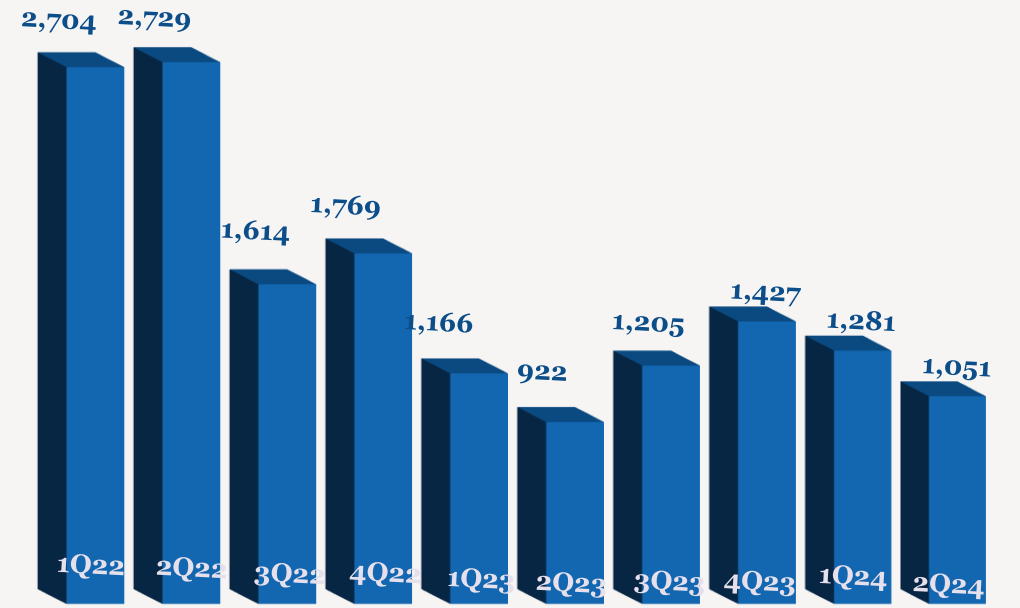
	2Q2024	2Q2023	YoY	1Q2024	QoQ	6M2024	6M2023	YoY
Revenue	2,786	2,635	5.7%	2,913	-4.4%	5,699	6,102	-6.6%
Gross Profit	554	383	44.5%	841	-34.2%	1,394	1,096	27.2%
Gross Margin %	19.9%	14.5%		28.9%		24.5%	18.0%	
Operating Profit	352	184	91.1%	672	-47.7%	1,024	716	43.0%
Operating Margin %	12.6%	7.0%		23.1%		18.0%	11.7%	
Share of results of investments in associate & joint venture	396	534	-25.9%	430	-8.0%	826	980	-15.8%
Net Profit to Equity	1,051	922	14.0%	1,281	-17.9%	2,332	2,088	11.7%
Net Margin %	37.7%	35.0%		44.0%		40.9%	34.2%	
EPS (QR)	0.17	0.15	14.0%	0.21	-17.9%	0.39	0.35	11.7%

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

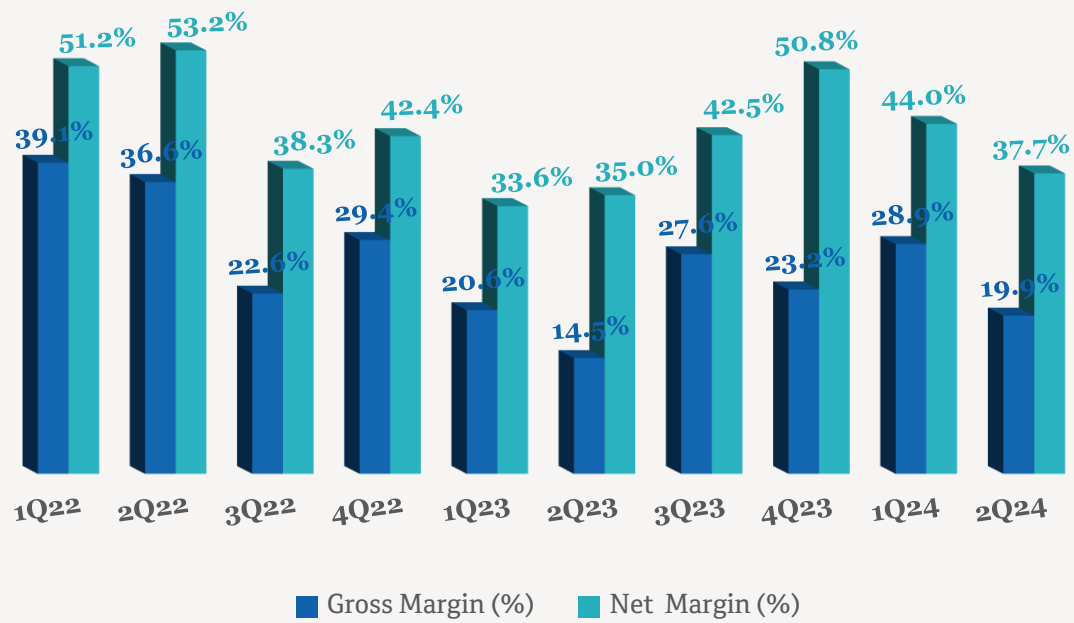
Quarterly Sales Trend (QRmn)



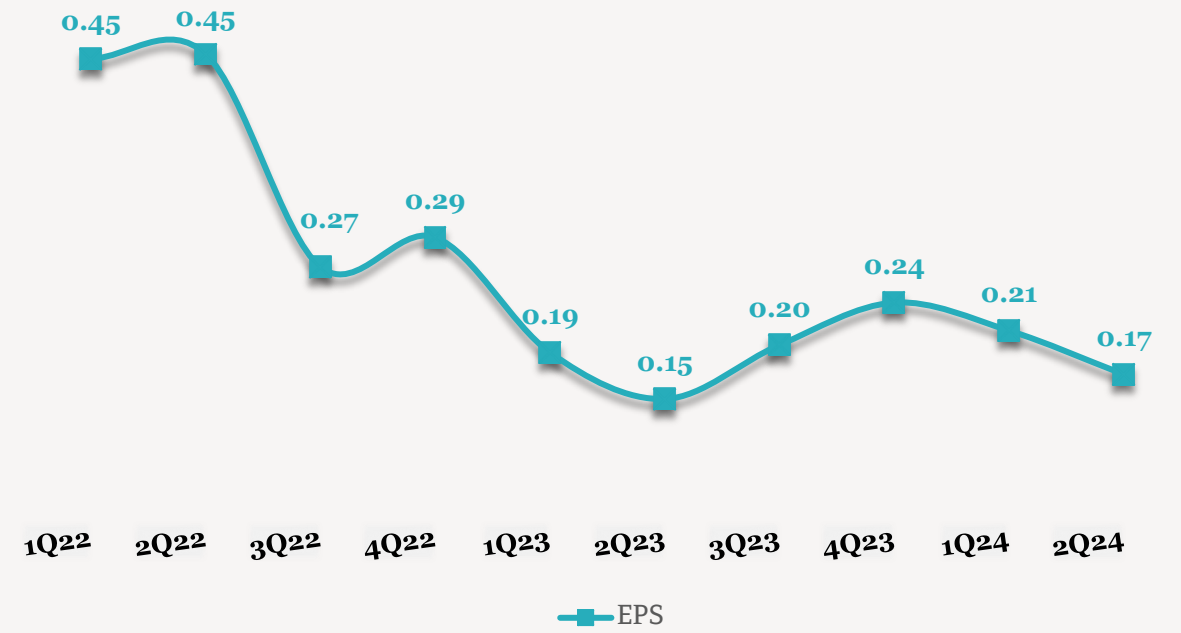
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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