



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



Qatari Navigation (QNNS)

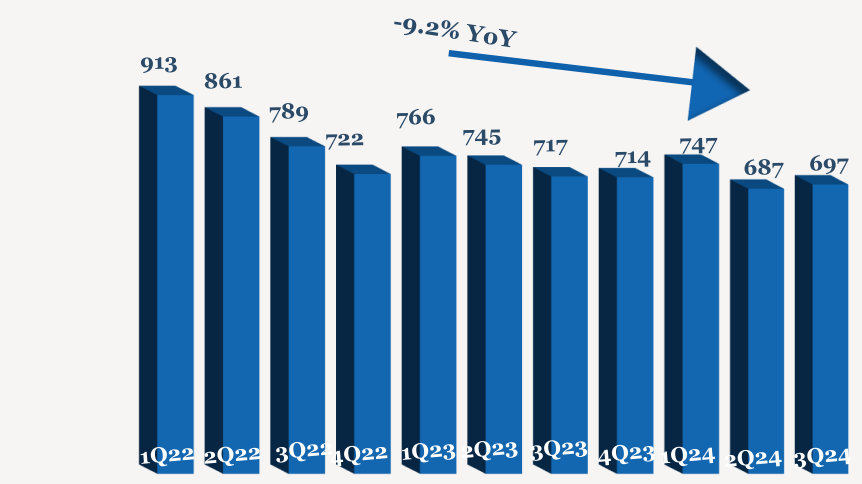
- > **Net profit increased by 30.2% to QR289mn (+9.8% QoQ) in 3Q2024** due to lower expenses. For 9M2024, net profit rose 5.5% to QR917mn.
- > **Operating revenue declined by 2.7% YoY (+1.5% QoQ) to QR697mn in 3Q2024.** For 9M2024, operating revenue was down 4.3% to QR2,131mn.
- > **Gross profit grew 25.5% YoY to QR409mn (+5.2% QoQ)** while the corresponding margin came at 58.7% in 3Q2024 (vs. 45.5% in 3Q2023). For 9M2024, gross profit was up 9.3% to QR1,279mn.
- > **Operating profit of QR129mn was up by 114.8% YoY (+19.1% QoQ)** and the corresponding margin came at 18.5% in 3Q2024 (vs. 8.4% in 3Q2023). For 9M2024, operating profit rose 10.3% to QR445mn.
- > **For 3Q2024, EPS came at QR0.25 vs. QR0.20 in 3Q2023.** For 9M2024, EPS came to QR0.81 vs. QR0.77 in 9M2023.
- > **As of 23rd Oct 2024, the stock has increased 13.4% YTD**, outperforming the QSE Index, which was down by 3.8% YTD.
- > **The stock is currently trading at TTM P/E multiple of 11.6x**, higher than its 2Y historical average of 11.2x. For now, we maintain our PT of QR13.30/share and our Outperform rating.

3Q/9M 2024 Earnings Performance

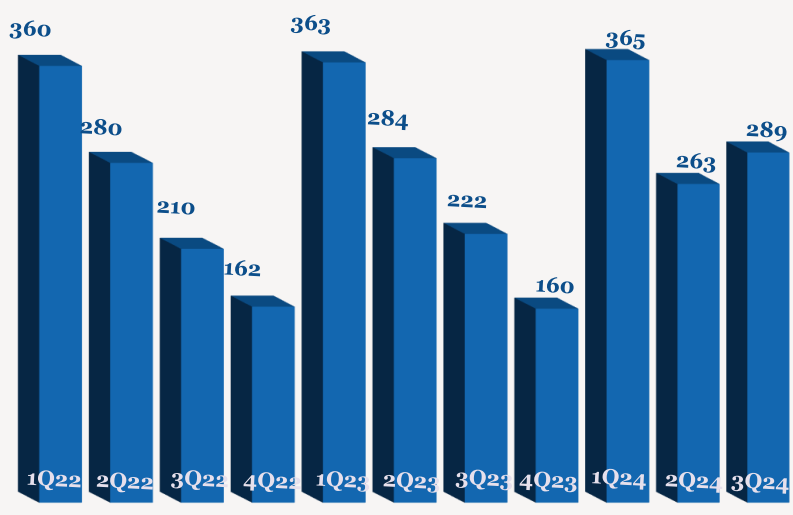
	3Q2024	3Q2023	YoY	2Q2024	QoQ	9M2024	9M2023	YoY
Operating Revenue	697	717	-2.7%	687	1.5%	2,131	2,227	-4.3%
Gross Profit	409	326	25.5%	389	5.2%	1,279	1,170	9.3%
Gross Margin %	58.7%	45.5%		56.6%		60.0%	52.5%	
Operating Profit	129	60	114.8%	108	19.1%	445	404	10.3%
Operating Margin %	18.5%	8.4%		15.8%		20.9%	18.1%	
Net Profit to Equity	289	222	30.2%	263	9.8%	917	870	5.5%
Net Margin %	41.5%	31.0%		38.3%		43.05%	39.05%	
EPS (QR)	0.25	0.20	30.2%	0.23	9.8%	0.81	0.77	5.5%

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

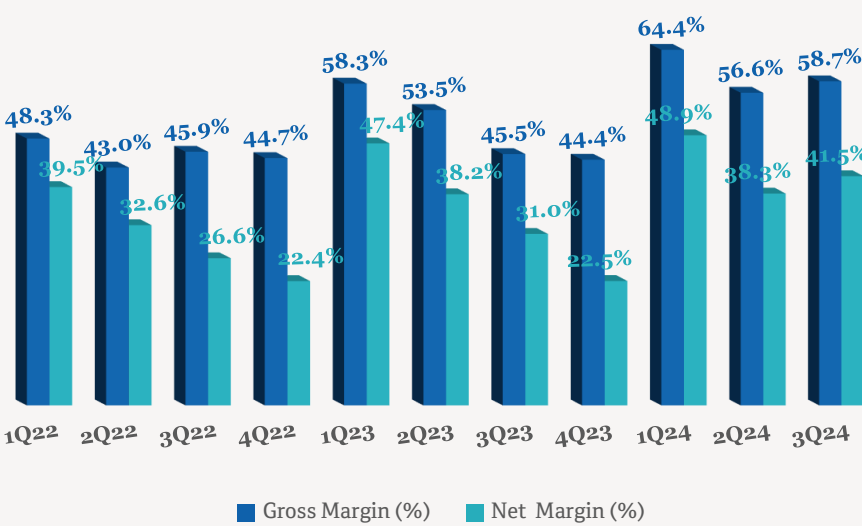
Quarterly Sales Trend (QRmn)



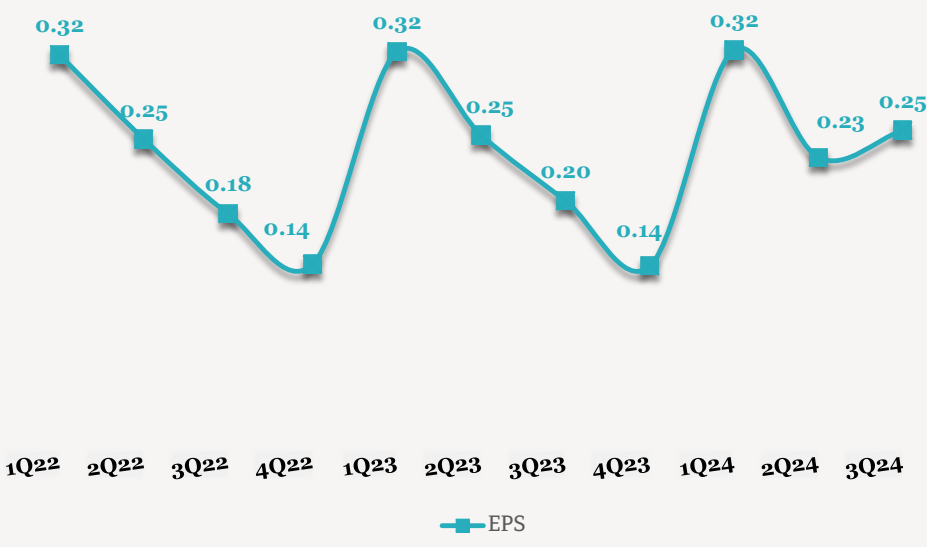
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



Commented [SR1]: Remove white background from the axis



Earnings Flash Note

3Q2024/9M2024

Contacts

QNB Financial Services Co. W.L.L.
Contact Center: (+974)4476 6666
info@qnbfs.com.qa
Doha, Qatar

Saugata Sarkar, CFA, CAIA
Head of Research
saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian
Senior Research Analyst
shahan.keushgerian@qnbfs.com.qa

Phibion Makuwerere, CFA
Senior Research Analyst
phibion.makuwerere@qnbfs.com.qa

Roy Thomas
Senior Research Analyst
roy.thomas@qnbfs.com.qa

Dana Saif Al Sowaidi
Research Analyst
dana.alsowaidi@qnbfs.com.qa

Disclaimer and Copyright Notice: This publication has been prepared by QNB Financial Services Co. W.L.L. (“QNBFS”) a wholly-owned subsidiary of Qatar National Bank (Q.P.S.C.). QNBFS is regulated by the Qatar Financial Markets Authority and the Qatar Exchange. Qatar National Bank (Q.P.S.C.) is regulated by the Qatar Central Bank. This publication expresses the views and opinions of QNBFS at a given time only. It is not an offer, promotion or recommendation to buy or sell securities or other investments, nor is it intended to constitute legal, tax, accounting, or financial advice. QNBFS accepts no liability whatsoever for any direct or indirect losses arising from use of this report. Any investment decision should depend on the individual circumstances of the investor and be based on specifically engaged investment advice. We therefore strongly advise potential investors to seek independent professional advice before making any investment decision. Although the information in this report has been obtained from sources that QNBFS believes to be reliable, we have not independently verified such information and it may not be accurate or complete. QNBFS does not make any representations or warranties as to the accuracy and completeness of the information it may contain, and declines any liability in that respect. For reports dealing with Technical Analysis, expressed opinions and/or recommendations may be different or contrary to the opinions/recommendations of QNBFS Fundamental Research as a result of depending solely on the historical technical data (price and volume). QNBFS reserves the right to amend the views and opinions expressed in this publication at any time. It may also express viewpoints or make investment decisions that differ significantly from, or even contradict, the views and opinions included in this report. This report may not be reproduced in whole or in part without permission from QNBFS.

COPYRIGHT: No part of this document may be reproduced without the explicit written permission of QNBFS.