



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



## Qatari Navigation (QNNS)

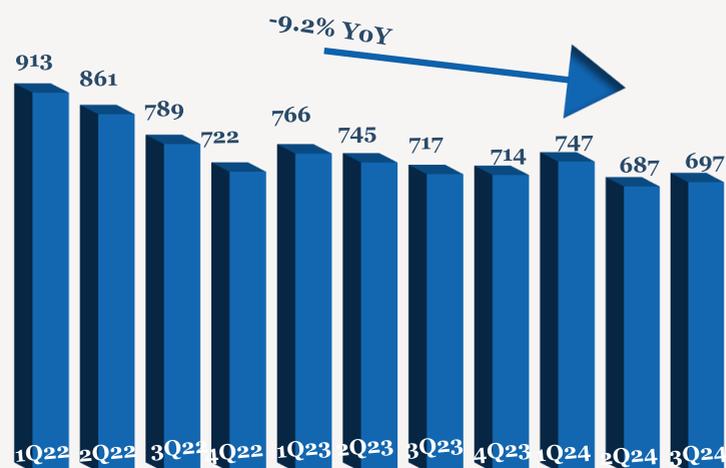
- > **Net profit increased by 30.2% to QR289mn (+9.8% QoQ) in 3Q2024** due to lower expenses. For 9M2024, net profit rose 5.5% to QR917mn.
- > **Operating revenue declined by 2.7% YoY (+1.5% QoQ) to QR697mn in 3Q2024.** For 9M2024, operating revenue was down 4.3% to QR2,131mn.
- > **Gross profit grew 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 23<sup>rd</sup> 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

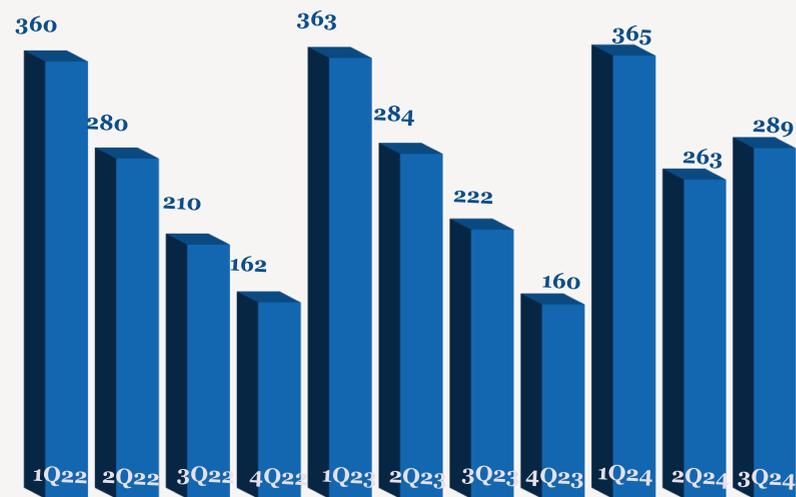
	3Q2024	3Q2023	YoY	2Q2024	QoQ	9M2024	9M2023	YoY
Operating Revenue	697	717	-2.7%	687	1.5%	2,131	2,227	-4.3%
Gross Profit	409	326	25.5%	389	5.2%	1,279	1,170	9.3%
Gross Margin %	58.7%	45.5%		56.6%		60.0%	52.5%	
Operating Profit	129	60	114.8%	108	19.1%	445	404	10.3%
Operating Margin %	18.5%	8.4%		15.8%		20.9%	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)



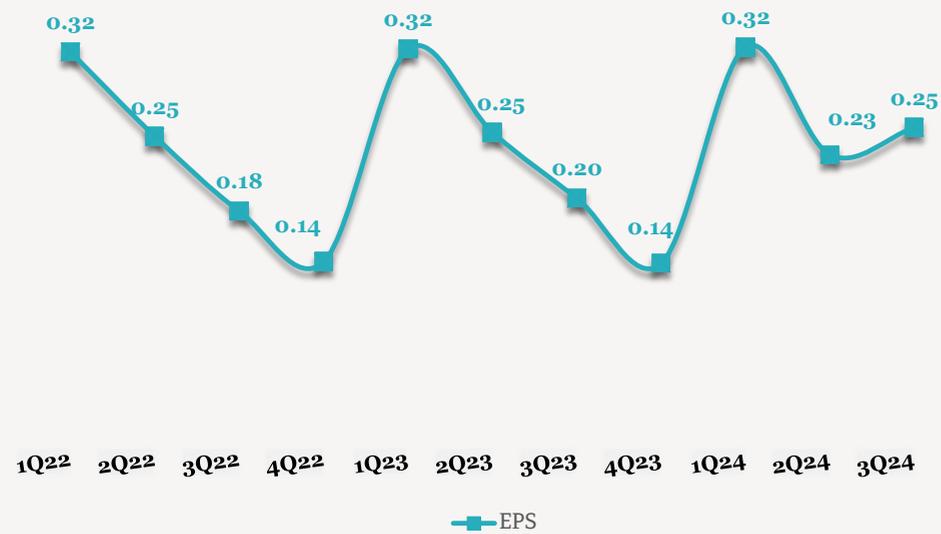
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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