



Earnings Flash Note  
Zad Holding Company  
3Q 2024/9M 2024



## Zad Holding Company (ZHCD)

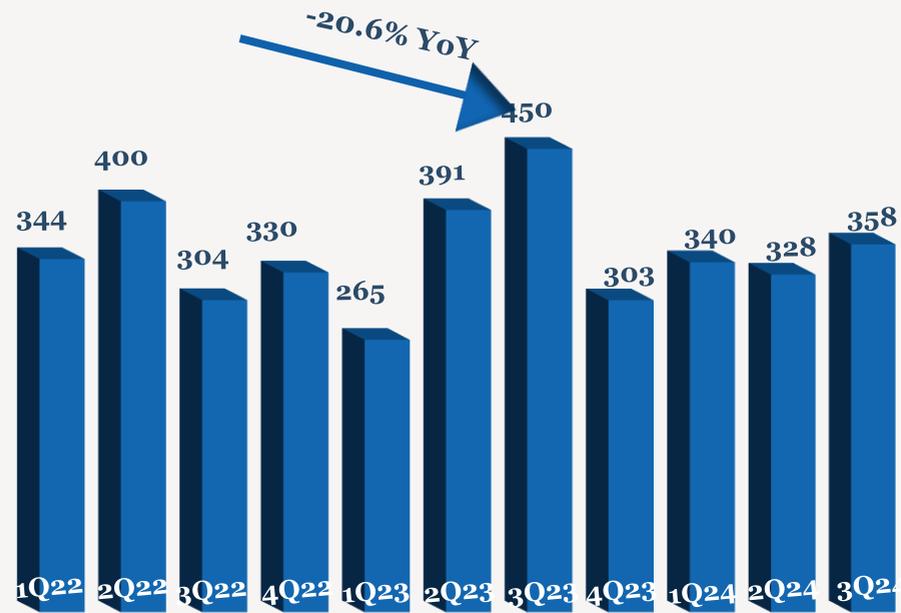
- > Net profit increased by 0.5% YoY (-13.4% QoQ) to QR42mn in 3Q2024 due to higher other income and lower operating costs. For 9M2024, net profit rose 2.5% to QR136mn.
- > Operating revenue fell by 20.6% YoY (+8.9% QoQ) to QR358mn in 3Q2024. For 9M2024, operating revenue was down 7.2% to QR1,027mn.
- > Gross profit fell by 5.8% YoY to QR86mn (-9.5% QoQ) while the corresponding margin came to 24.0% in 3Q2024 (vs. 20.2% in 3Q2023). For 9M2024, gross profit increased 9.2% to QR270mn.
- > Operating profit of QR54mn was down by 1.3% YoY (-9.5% QoQ) and margin came to 15.0% in 3Q2024 (vs. 12.1% in 3Q2023). For 9M2024, operating profit rose 0.6% to QR167mn.
- > For 3Q2024, EPS was broadly flat at QR0.15. For 9M2024, EPS came to QR0.47 vs. QR0.46 in 9M2023.
- > As of 23rd October 2024, the stock increased 0.7% YTD, Outperforming the QSE Index, which was down by 3.8% YTD.
- > The stock is currently trading at a TTM P/E multiple of 19.8x.

### 3Q/9M 2024 Earnings Performance

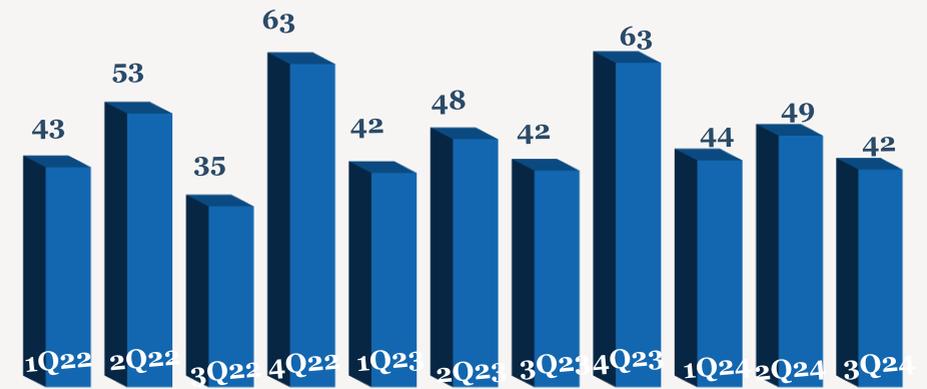
	3Q2024	3Q2023	YoY	2Q2024	QoQ	9M2024	9M2023	YoY
Operating Revenue	358	450	-20.6%	328	8.9%	1,027	1,107	-7.2%
Gross Profit	86	91	-5.8%	95	-9.5%	270	248	9.2%
Gross Margin %	24.0%	20.2%		28.8%		26.3%	22.4%	
Operating Profit	54	54	-1.3%	59	-9.5%	167	166	0.6%
Operating Margin %	15.0%	12.1%		18.1%		16.3%	15.0%	
Net Profit to Equity	42	42	0.5%	49	-13.4%	136	132	2.5%
Net Margin %	11.8%	9.4%		14.9%		13.2%	11.9%	
EPS (QR)	0.15	0.15	0.5%	0.17	-13.4%	0.47	0.46	2.5%

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

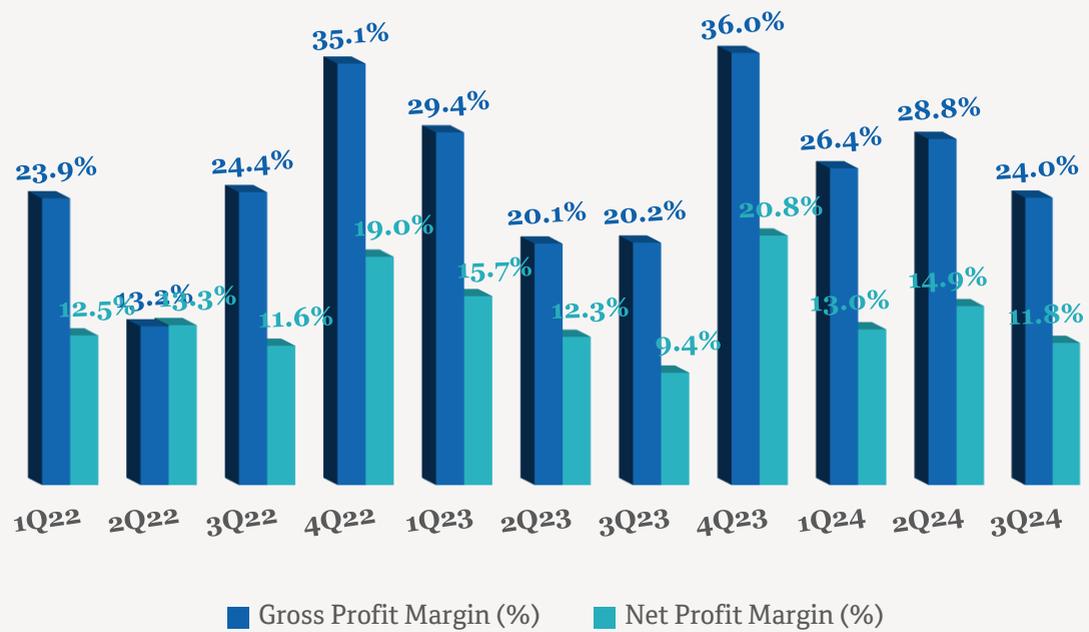
Quarterly Sales Trend (QRmn)



Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



## Contacts

QNB Financial Services Co. W.L.L.

Contact Center: (+974)4476 6666

[info@qnbfs.com.qa](mailto:info@qnbfs.com.qa)

Doha, Qatar

Saugata Sarkar, CFA, CAIA

Head of Research

[saugata.sarkar@qnbfs.com.qa](mailto:saugata.sarkar@qnbfs.com.qa)

Shahan Keushgerian

Senior Research Analyst

[shahan.keushgerian@qnbfs.com.qa](mailto:shahan.keushgerian@qnbfs.com.qa)

Phibion Makuwerere, CFA

Senior Research Analyst

[phibion.makuwerere@qnbfs.com.qa](mailto:phibion.makuwerere@qnbfs.com.qa)

Roy Thomas

Senior Research Analyst

[roy.thomas@qnbfs.com.qa](mailto:roy.thomas@qnbfs.com.qa)

Dana Saif Al Sowaidi

Research Analyst

[dana.alsowaidi@qnbfs.com.qa](mailto: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.*