

## GCC Corporate Earnings Report : Q3-2024

November-2024

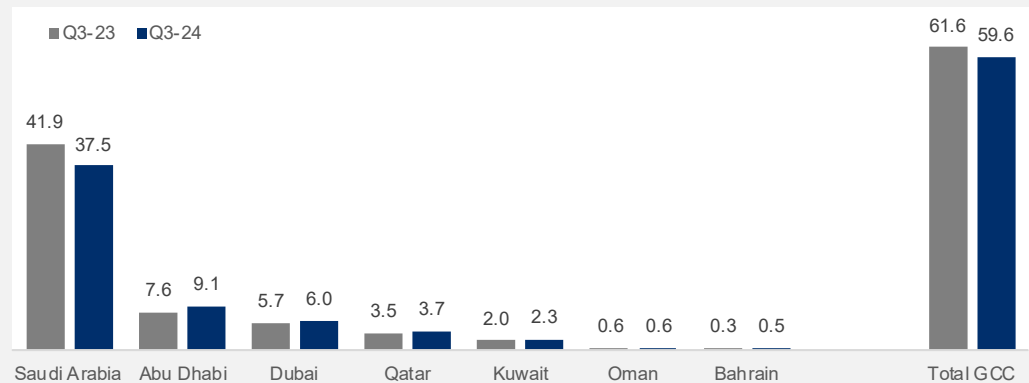
### Net profits decline in Q3 dragged by fall in profits for Energy sector...

Aggregate net profits reported by companies listed on GCC exchanges declined by 3.3% y-o-y during Q3-2024 to reach USD 59.6 Bn as compared to USD 61.6 Bn during Q3-2023. Net profits also declined when compared with Q2-2024 by 2.0%. The y-o-y decline was mainly due to a fall in profits for the Energy sector that registered a y-o-y fall of 18.5% to reach USD 28.5 Bn. Lower profits for the Real Estate and the F&B sectors further lowered the aggregate profits for GCC-listed corporates. On the other hand, healthy growth in profits for Banks and the Materials sector partially offset the overall decline. Banks in the region registered a y-o-y profit growth of 10.2% to reach USD 14.9 Bn while the Materials sector recorded multifold growth in profits.

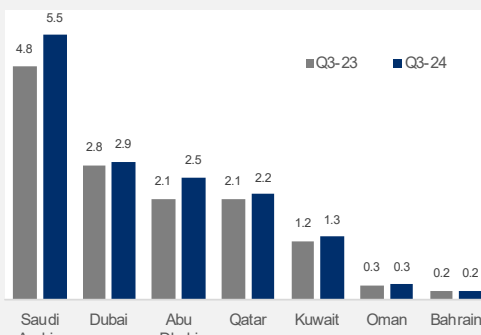
At the country level, the aggregates for six out of the seven exchanges showed growth in profits that were more than offset by a fall in profits for Saudi-listed corporates. In terms of absolute profit growth, firms listed on Abu Dhabi exchange recorded a y-o-y profit growth of USD 1.5 Bn or 9.3% to reach USD 9.1 Bn followed by Dubai-listed corporates that recorded a growth of USD 0.3 Bn or 5.4% to reach USD 6.0 Bn. Qatar and Kuwaiti companies also recorded healthy profit growth of USD 0.3 Bn and USD 0.2 Bn, respectively. On the other hand, aggregate profits for Saudi-listed companies decline by USD 4.4 Bn or 10.5% to reach USD 37.5 Bn. The decline was mainly led by a fall in profits for Saudi Aramco that recorded a profit fall of 21.0%. Excluding the profits for Saudi Aramco, the aggregate net profits for Saudi-listed companies increased by 27.9% while the GCC aggregate net profit increased by 17.1%.

Meanwhile, net profits for 9M-2024 declined marginally by 0.5% y-o-y to reach USD 176.6 Bn. The decline once again reflected a fall in profits for Saudi-listed companies (-5.5%) that was partially offset by higher profits reported by the rest of the GCC aggregates. Dubai reported the biggest absolute profit growth in 9M-2024 that increased by USD 2.3 Bn or 14.8% to reach USD 18.0 Bn followed by Abu Dhabi with a growth of USD 2.1 Bn to reach USD 25.2 Bn.

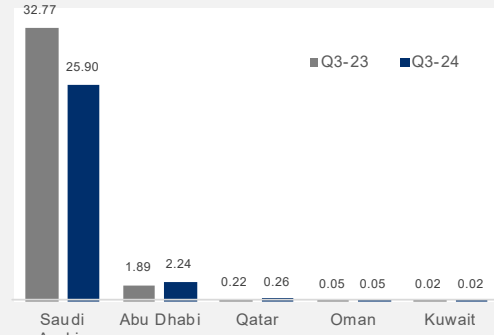
GCC Corporate Earnings : Q3-24 vs. Q3-23 (USD Bn)



GCC Banks: Q3-24 vs. Q3-23 (USD Bn)



GCC Energy Sector: Q3-24 vs. Q3-23 (USD Bn)



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

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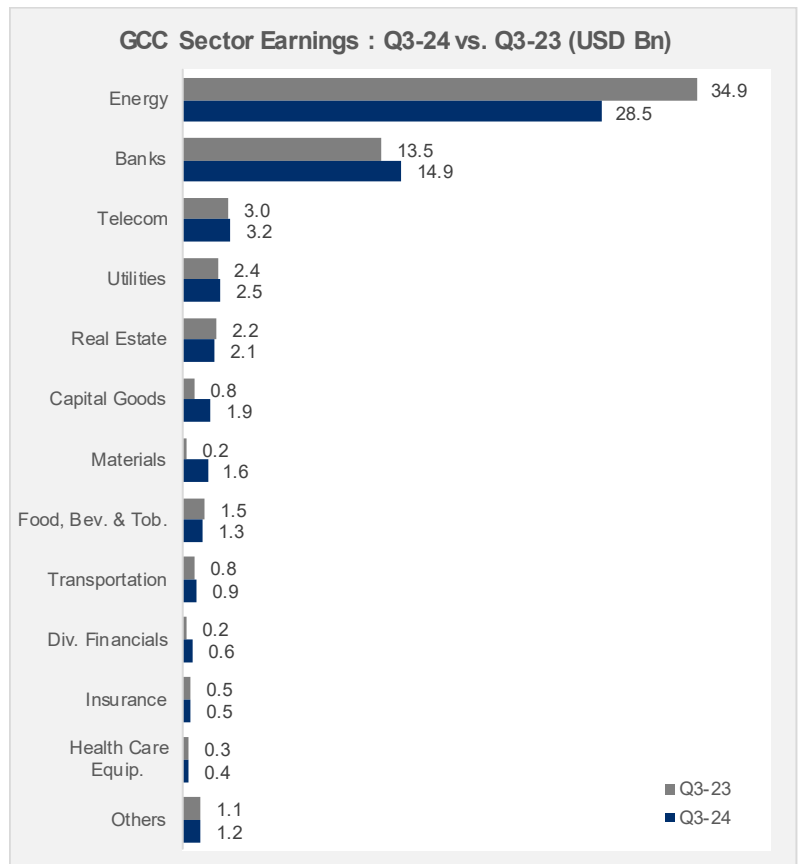
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In terms of sector performance during 9M-2024, bulk of the sectors registered higher y-o-y profits. However, a decline in profits for the Energy sector by 9.8% to reach USD 89.1 Bn during 9M-2024 more than offset the overall profit growth. Net profits for the Banking sector increased by a healthy 10.7% to reach USD 44.0 Bn during 9M-2024 while the Materials sector registered a profit growth of 79.5% or USD 2.3 Bn to reach USD 5.1 Bn. Sectors like Diversified Financials and Transportation also recorded higher profits during 9M-2024 reaching USD 1.8 Bn and USD 2.7 Bn, respectively.

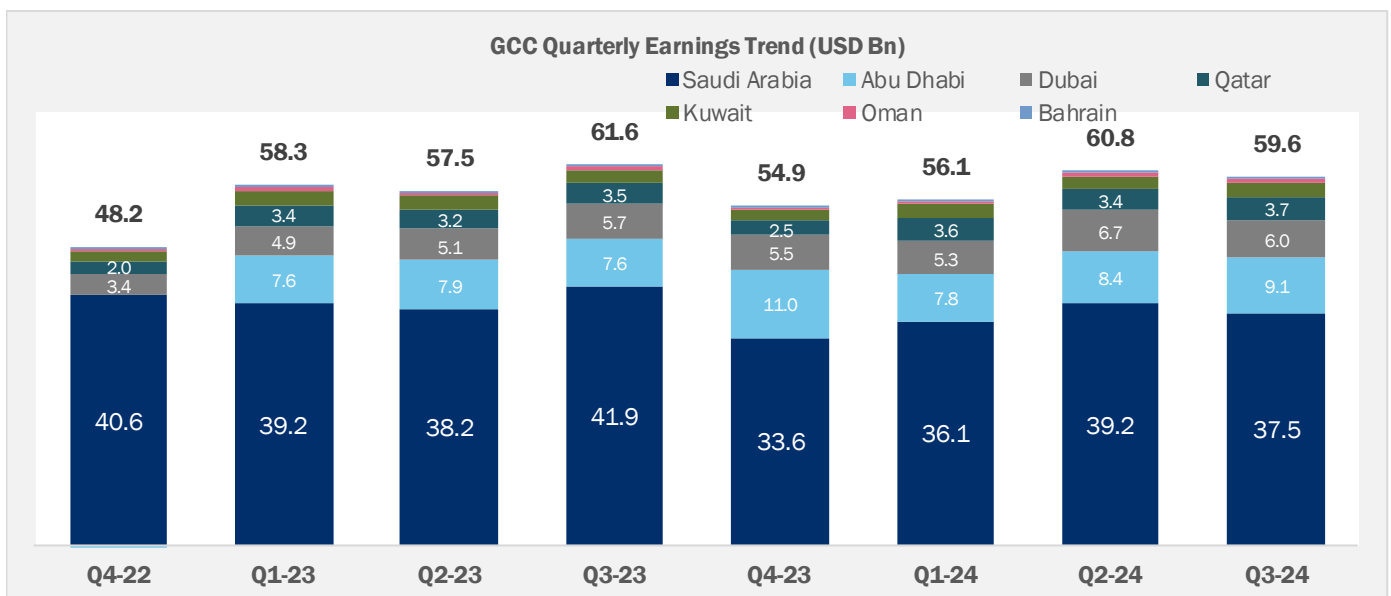
Within the Energy sector, net profits for Saudi Aramco declined by 21.0 % to reach USD 26.0 Bn during Q3-2024 as compared to USD 32.9 Bn in Q3 -2023. The decline was mainly led by lower crude oil prices and weakening refining margins. However, in the broader GCC Energy sector, 16 out of the 26 listed companies reported higher y-o-y profits while 10 report a decline.

Meanwhile, profits for the GCC Real Estate sector was almost equally split between gainers and decliners with 34 companies reporting higher profits while 28 companies reported declines. However, a steep decline in profits for large-cap names like Emaar Economic City and Jabal Omar Development more than offset the overall positive trend in the sector.

Net profits for the GCC Banking sector increased by 10.2% y-o-y to reach USD 14.9 Bn in Q3-2024 as compared to USD 13.5 Bn in Q3-2023. The increase in profits was mainly led by higher interest rates as the interest rate cuts announced by the GCC central banks came towards the end of the quarter and had minimal impact on net interest income. As a result, net interest income increased by 5.7% y-o-y to reach USD 22.1 Bn as compared to USD 20.9 Bn during Q3-2023. In addition, non interest income also witnessed healthy growth during the quarter reaching USD 10.8 Bn as compared to USD 9.5 Bn in Q3-2023, registering a growth of 13.7%. The increase in net profits was partially offset by an increase in loan impairments that reached USD 2.5 Bn during the quarter as compared to USD 2.3 Bn in Q3-2023. Higher absolute operating expenses also partially offset the overall profit growth during the quarter.



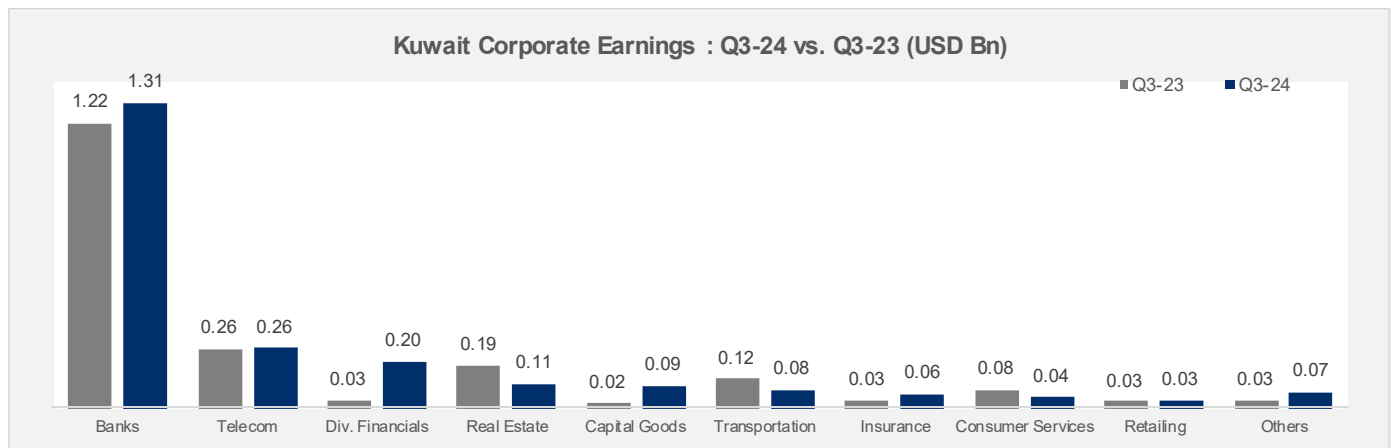
Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

## Kuwait

Net profits reported by companies listed on Boursa Kuwait increased by 12.1% y-o-y during Q3-2024 to reach USD 2.3 Bn as compared to USD 2.0 Bn in Q3-2023. The biggest impact on aggregate earnings came from the Diversified Financials sector which showed a multifold increase in profits that reached USD 198.1 Mn in Q3-2024 from USD 31.9 Mn in Q3-2023. Banks, Capital Goods and Insurance sectors also contributed to earnings growth during the quarter. It is noteworthy that out of the eighteen sectors on Boursa Kuwait, thirteen have witnessed a y-o-y increase in profits during Q3-2024 while the remaining five sectors witnessed declines. Among the decliners, Q3-2024 profits for the Real Estate sector declined by 43.3%.



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

Quarterly net profits for listed banks in Kuwait increased by 5.9% y-o-y to reach USD 1.3 Bn as compared to USD 1.2 Bn in Q3-2023. NBK reported a net profit of USD 538.9 Mn, up by 5.7% vs. a profit of USD 504.2 Mn in Q3-2023 mainly led by higher net operating income which increased by 7.0% to USD 103.5 Mn. Lower impairment losses also supported profits that were partially offset by higher operating expenses as compared to Q3-2023. Net profits for KFH reached USD 464.1 Mn during Q3-2024, up by 10.6% compared to USD 414.8 Mn from Q3-2023 mainly due to the increase in the net financing income in addition to the increase in net fees and commission income. Meanwhile, net profits reported by CBK declined to reach USD 84.7 Mn in Q3-2024 from USD 96.9 Mn Q3-2023 on account of higher loan loss recoveries occurred last year resulting from legal verdict.

Profits for the Real Estate sector reached USD 105.3 Mn in Q3-2024 compared to a net profit of USD 185.7 Mn in Q3-2023 down by 43.3%. Mabanee Co. also reported an increase in quarterly net profits that reached USD 54.3 Mn in Q3-2024 against a net profit of USD 51.4 Mn in Q3-2023 mainly led by an increase in real estate rental income during the period. The Commercial Real Estate Co. posted a net profit of USD 12.1 Mn for Q3-2024 against a profit of USD 9.8 Mn led by an increase in share of profits from investments in associates and net gain on investments. United Real Estate Co. also recorded higher net profits that reached USD 4.2 Mn in Q3-2024 compared to a net profit of USD 2.3 Mn in Q3-2023 led by the increase in net operating profit from hospitality sector, contracting and services sector.

The Diversified Financials sector outperformed other sectors as the biggest contributor to net profits during the period by recording a net profit of USD 198.1 Mn in Q3-2024 vs. USD 31.9 Mn in Q3-2023. Arzan Financial Group for Fin. & Invest. witnessed strong y-o-y jump in Q3-2024 net profit that reached USD 25.8 Mn from a net profit of USD 4.5 Mn during Q3-2023 which was mainly due to the increase in the revenue from contracts with customers and increase in realized profit from instalment sales.

## Saudi Arabia

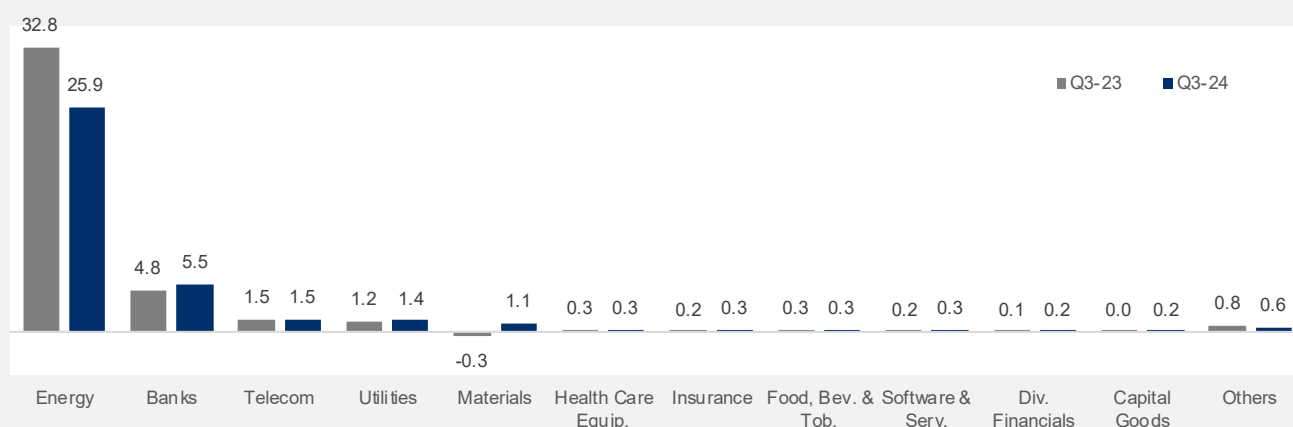
Aggregate net profits for listed companies in Saudi Arabia witnessed a decline of 10.5% y-o-y to reach USD 37.5 Bn in Q3-2024 against USD 41.9 Bn in Q3-2023. Out of the top three sectors by net profits, the Banking and Telecom sectors reported an increase in profitability during the quarter while the Energy sector reported declines to more than offset higher profits for most of the other sectors on the exchange. Profits for sectors like Real Estate and Media & Entertainment also declined during the quarter. On the other hand, the Materials and the Utilities sectors reported a growth in profits during the quarter that partially offset the overall decline. Oil giant Aramco reported a net profit decline of 21.0% during Q3-2024 primarily led by lower prices of crude oil, refined products and chemicals despite improved sales volumes.

The Banking sector reported the second biggest increase in profits during Q3-2024 with a y-o-y increase of 13.5% to reach USD 5.5 Bn as compared to USD 4.8 Mn during Q3-2023. Al-Rajhi Bank reported higher profits that reached USD 1.4 Bn in Q3-2024 vs USD 1.1 Bn in Q3-2023 mainly led by 18.5% y-o-y rise in net financing and investment income.

The bank's total operating income also grew by 22.8%. Riyadh Bank reported a 27.0% increase in the net profit that reached USD 707.3 Mn in Q3-2024 compared to USD 557.0 Mn in Q3-2023 led by an increase in special commission income from loans and advances and investments which increased 7.1% to reach USD 877.2 Mn. Profits for Saudi National Bank surged 7.1% to reach USD 1.4 Bn for Q3-2024 against a profit of USD 1.3 Bn for Q3-2023 primarily driven by an increase in the gross operating income supported by increased net special commission income. Meanwhile, net profits for Banque Saudi Fransi declined by 7.8% to reach USD 306.0 Mn in Q3-2024 Vs. USD 332.0 Mn in Q3-2023.

Net Profits for the Materials sector reached USD 1.1 Bn in Q3-2024 compared to a net loss of USD 347.5 Mn in Q3-2023. Within the sector, SABIC posted a net profit of USD 267.5 Mn against a net loss of USD 766.8 Bn in Q3 2023 due to the better average selling prices despite a marginal decline in sales volumes. Similarly, net profits of Saudi Arabian Mining Co. reached USD 258.9 Mn as against a loss of USD 22.2 Mn in Q3-2023 driven by higher selling prices and sales volume. On the other hand, net profit for Qassim Cement Co. surged more than 8X to reach USD 19.3 Mn in Q3-2024 compared to USD 2.1 Mn mainly driven by higher sales volumes and average selling prices, along with the consolidation of the subsidiary's results. The company's board decided to distribute 6.5% cash dividend or SAR 0.65 per share for Q3-2024.

**Saudi Arabia Corporate Earnings : Q3-24 vs. Q3-23 (USD Mn)**



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

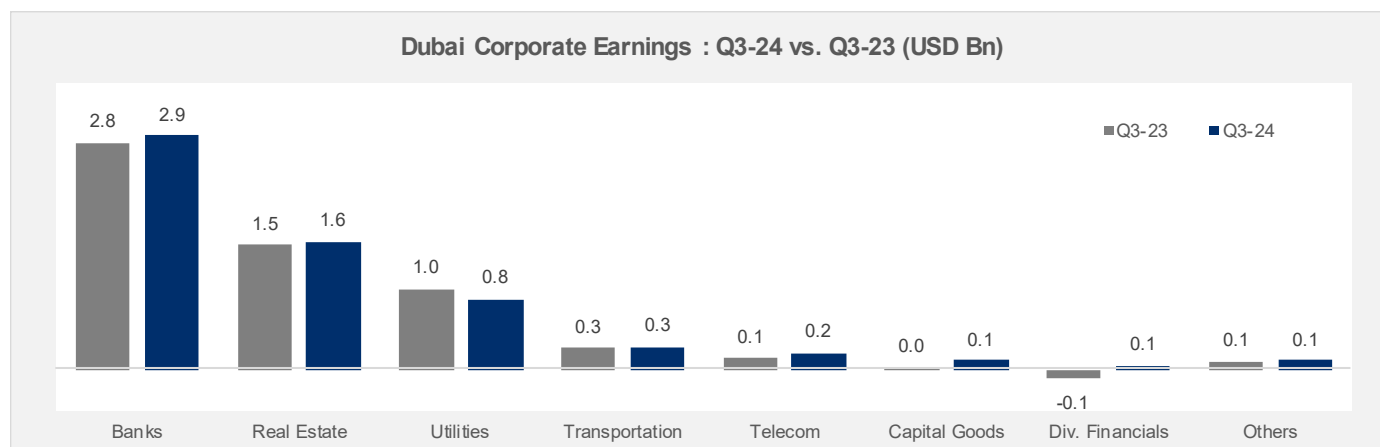
Profits for the Utilities sector increased by 15.0% y-o-y in Q3-2024 to reach USD 1.4 Bn up from USD 1.2 Bn in Q3-2023. Saudi Electricity Co. posted a net profit of USD 1.2 Bn in Q3-2024 compared to USD 1.0 Bn in Q3-2023 boosted by higher revenues and lower financing charges. ACWA Power Co. profits declined by 17.6% to reach USD 87.4 Mn for Q3-2024 vs a profit of USD 106.1 Mn in Q3-2023 led by higher development costs and provisions in addition to increased general and administrative expenses.

Net profit for the Telecom sector grew 3.5% y-o-y to USD 1.52 Mn in Q3-2024 as compared to USD 1.47 Mn during Q3-2023. Zain KSA reported a 115.7% y-o-y increase in net profits that reached USD 40.0 Mn. The increase was driven by a 2.3% y-o-y increase in revenue while EBITDA increased by 2% y-o-y in Q3-2024 to reach USD 228 Mn, resulting in an EBITDA margin of 33%. The operator's 5G network, reported a 4% growth in data revenue, accounting for 40% of total revenue in 9M-2024, while customer base expanded by 1% to reach 9 Mn customers. Mobily registered a net profit of USD 220.8 Mn for Q3-2024 compared to USD 139.7 Mn in Q3-2023 up by 58.2% driven by the revenues which increased by 9.25% to USD 1.20 Bn. STC profits declined by 5.3% to reach USD 1.2 Bn for Q3-2024 vs a profit of USD 1.3 Bn in Q3-2023. The telco's revenues increased by 3.4%, which was offset by the decrease in cost of revenues by USD 44.7 Mn, mainly due to the reversal of withholding tax provision amounting to USD 399.5 Mn in Q3-2024 as compared to a reversal of a provision for non-recurring item amounting to USD 170.7 Mn in Q3-2023.

## Dubai

Net profits for Dubai-listed companies increased by 5.4% y-o-y to USD 6.0 Bn in Q3-2024, up from USD 5.7 Bn in Q3-2023. Earnings growth during the quarter was mainly driven by Banks, Telecom, and Real Estate companies, with the three sectors accounting for 87.7% of the aggregate earnings on the exchange during the quarter. It is noteworthy that out of the Dubai Stock Exchange's thirteen sectors, nine witnessed y-o-y growth in profits during Q3-2024, while the remaining four sectors, including the Utilities and Materials sectors, reported declines. In terms of 9M-2024 performance, net profits increased by 14.8% y-o-y to reach USD 18.0 Bn compared to USD 15.7 Bn in 9M-2023.

Total net profits for the Banking Sector increased by 3.2% y-o-y in Q3-2024 to reach USD 2.9 Bn, up from USD 2.8 Bn in Q3-2023. Profits during 9M-2024 for the sector increased by 10.4% y-o-y to reach USD 9.4 Bn, up from USD 8.5 Bn in 9M-2023. Four out of the seven banks that reported their Q3-2024 financials witnessed declines in their net profits during the quarter, while the remaining three banks saw y-o-y net earnings gains during the quarter. Q3-2024 net earnings for Emirates NBD dipped 2.3% y-o-y to reach USD 1.39 Bn, compared to USD 1.42 Bn in Q3-2023, while the bank recorded 8.2% y-o-y 9M-2024 net earnings growth, reaching USD 5.1 Bn compared to USD 4.7 Bn in 9M-2023. The bank's improved earnings were mainly attributed to strong loan growth, improving margins, and higher fees and commission income. Q3-2024 net income for Dubai Islamic Bank jumped 18% y-o-y to reach USD 529.3 Mn, up from USD 448.6 Mn in Q3-2023, while net earnings for Mashreq Bank plunged 21.3% y-o-y during Q3-2024 to reach USD 482.3 Mn, compared to USD 613.1 Mn in Q3-2023.



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

Aggregate profits for the Real Estate sector improved 3.0% during Q3-2024 to reach USD 1.6 Bn, compared to USD 1.5 Bn in Q3-2023. The sector's moderate growth in net earnings was mainly due to profits reported by Emaar Development, which recorded 9.9% y-o-y growth to reach USD 563.3 Mn, compared to USD 512.5 Mn. The company's positive earnings performance was attributed to robust demand in Dubai's real estate market, consistent project execution capabilities, and sustained investor confidence. On the other hand, Emaar Properties reported a 3.3% y-o-y dip in its Q3-2024 net profits, which reached USD 866.5 Mn, down from USD 896.0 Mn in Q3-2023. However, Emaar Properties' 9M-2024 net earnings improved 3.5% y-o-y to reach USD 2.3 Bn, compared to USD 2.2 Bn in 9M-2023.

On the other hand, total net profits for the Utilities Sector witnessed a 13.4% y-o-y decline during Q3-2024 to reach USD 849.4 Mn, compared to USD 980.6 Mn in Q3-2023. Similarly, total 9M-2024 net earnings for the Utilities Sector recorded a 10.1% y-o-y fall to reach USD 1.6 Bn, compared to USD 1.8 Bn in 9M-2023. Both constituent companies of the sector reported y-o-y profit declines during Q3-2024. Dubai Electricity and Water Company (DEWA) reported a 14% y-o-y decline in its Q3-2024 net earnings, which reached USD 778.3 Mn. Moreover, DEWA also reported a 10.5% y-o-y drop in 9M-2024 net earnings, which reached USD 1.5 Bn. The decline in profits for the company came despite 9M-2024 reaching a record high of AED 23.5 Bn (USD 6.4 Bn).

## Abu Dhabi

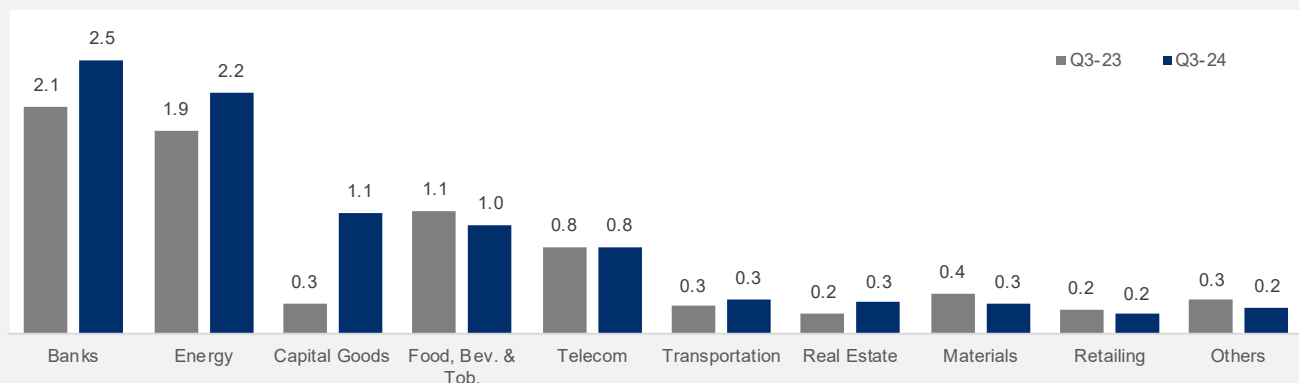
Listed companies in Abu Dhabi witnessed a 19.2% y-o-y uptick in total net profits during Q3-2024, reaching USD 9.1 Bn compared to USD 7.6 Bn in Q3-2023. On the other hand, total net profits increased by 9.3% y-o-y during 9M-2024 to USD 25.2 Bn, down from USD 23.1 Bn in 9M-2023. The Banking sector in Abu Dhabi recorded an increase in net profits, with aggregate sector profit of USD 2.5 Bn in Q3-2024, compared to USD 2.1 Bn in Q3-2023, registering a y-o-y increase of USD 433.3 Mn or 20.6%. The Energy Sector posted the second-largest net profits on the exchange during Q3-2024, witnessing an 18.6% y-o-y total net earnings growth to reach USD 2.2 Bn, compared with USD 1.9 Bn in Q3-2023. The Transportation and Capital Goods sectors were among the other key sectors reporting y-o-y aggregate earnings growth during Q3-2024, contributing to the overall growth in total earnings on the exchange during the period.

The Banking sector experienced a broad-based growth in profits across the banks on the exchange. First Abu Dhabi Bank led the way, posting the largest net profits in Q3-2024 with a 5.1% y-o-y growth to USD 1.13 Bn, compared to USD 1.078 Bn in Q3-2023. In terms of performance for the first nine months of the year, net earnings for FAB witnessed a 3.2% uptick, reaching USD 3.32 Bn compared to USD 3.2 Bn in 9M-2023. The bank's profit performance was mainly driven by increased client activity, which lifted the bank's revenue by 16% to USD 6.5 Bn for the first nine months of 2024. Abu Dhabi Commercial Bank followed reporting the second-largest net profits among the banks during Q3-2024, with USD 590.0 Mn in net earnings compared to USD 468.9 Mn in Q3-2023. Furthermore, ADCB's 9M-2024 net earnings increased by 17% y-o-y, reaching USD

1.71 Bn compared to USD 1.5 Bn in 9M-2023.

In the Energy Sector, Q3-2024 net profits increased by 18.6% y-o-y to USD 2.2 Bn, compared to USD 1.9 Bn in Q3-2023, as four out of the five constituent companies in the sector reported growth in earnings. Moreover, total 9M-2024 net profits for the Energy sector improved by 30.7% y-o-y, reaching USD 6.6 Bn compared to USD 5.0 Bn. The sector's robust performance was mainly driven by ADNOC Gas, which reported USD 1.24 Bn in net earnings during Q3-2024, up from USD 1.12 Bn in Q3-2023. ADNOC Gas exceeded analyst estimates in its Q3-2024 net earnings result. The company's strong performance was attributed to higher y-o-y revenues. Meanwhile, Q3-2024 net earnings for Abu Dhabi National Energy Company witnessed a 19.9% y-o-y increase, reaching USD 509.4 Mn, up from USD 424.7 Mn in Q3-2023. Net earnings for ADNOC Drilling also jumped 30.1% y-o-y, reaching USD 334.9 Mn during the same period.

**Abu Dhabi Corporate Earnings : Q3-24 vs. Q3-23 (USD Bn)**



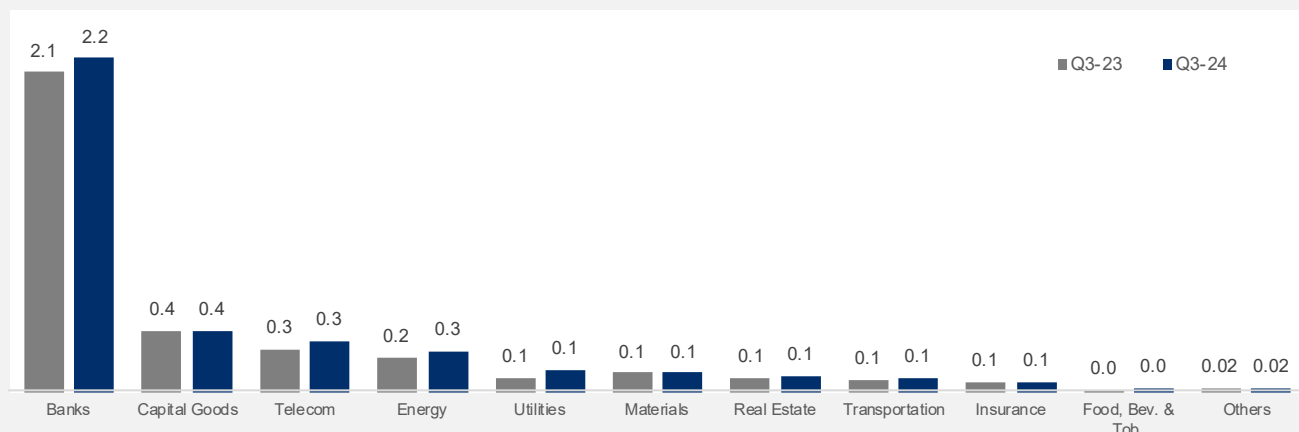
Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

Aggregate net earnings for the Capital Goods Sector increased multifold y-o-y during Q3-2024, reaching USD 1.1 Bn compared to USD 283.6 Mn in Q3-2023. In terms of 9M-2024 performance, the sector's total net profits declined by 49.8% y-o-y, reaching USD 1.4 Bn, mainly due to the USD 1.2 Bn Q1-2024 reported loss of Multiply Group. However, Multiply Group reported USD 187.5 Mn in net earnings during Q3-2024, compared to USD 23.1 Mn in Q3-2023. The company's robust earnings were mainly driven by organic growth across all verticals as well as successful acquisitions, including the consolidation of BlackLite Media, The Grooming Company Holding, and Excellence Premier Investment.

## Qatar

Total earnings for Qatari-listed companies witnessed a y-o-y gain of 7.7% during Q3-2024 to reach USD 3.7 Bn as compared to USD 3.5 Bn in Q3-2023. At the sector level, the surge in earnings was broad-based with fourteen out of the fifteen sectors witnessing a y-o-y increase in net profits during Q3-2024. In terms of key sectors, the profit growth was led by earnings growth in Banking, Telecommunication, Utilities and Energy sectors.

**Qatar Corporate Earnings : Q3-24 vs. Q3-23 (USD Bn)**



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research



Qatar's Banking sector reported a profit growth of 4.5% in Q3-2024 that reached USD 2.2 Bn accounting for 58.5% of the overall exchange profits during the quarter. QNB's net profit reached USD 1.2 Bn in Q3-2024, up 7.1% compared to Q3-2023, driven by higher net interest income that grew by 2.7% to USD 2.3 Bn. The bank also reported an increase in fees and commission incomes whereas provisioning costs declined. Meanwhile, QIB's net profit surged 9.1% in Q3-2024 to reach USD 329.1 Mn mainly led by net income from financing and investing activities which rose 8.7% to USD 753.5 Mn. On the other hand, net profits for Commercial Bank of Qatar declined by 17.5% to USD 200.1 Mn in Q3-2024 from USD 242.3 Mn in Q3-2023 mainly led by a fall in net interest income and non-interest income during the quarter that was partially offset by lower quarterly impairments.

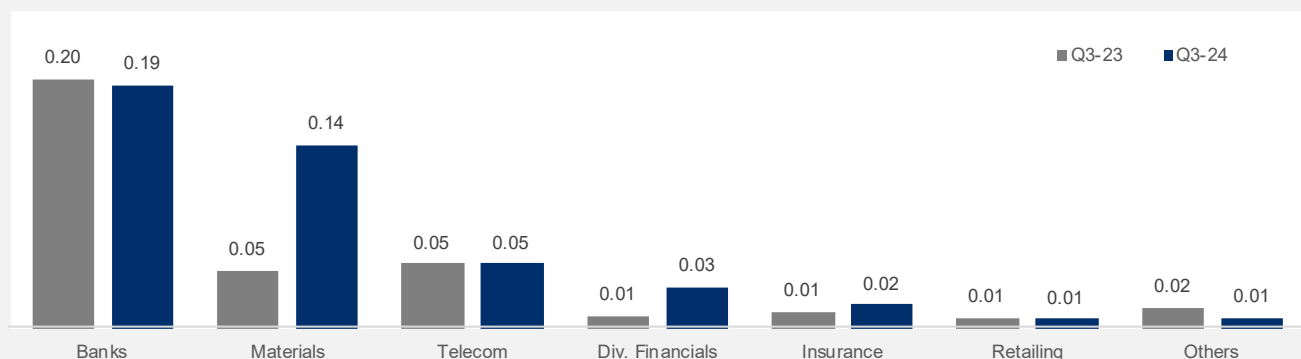
In the Telecom sector, Ooredoo reported net profits of USD 288.4 Mn in Q3-2024 as compared to USD 238.4 Mn in Q3-2023, up by 20.9%. The Telco's revenue grew by 1% y-o-y to USD 1.60 Bn for Q3-2024 driven by sustained growth in Iraq, Algeria, Qatar, Tunisia and Maldives. Ooredoo Qatar increased its customer base by 1% y-o-y, to reach 3 Mn. Vodafone Qatar reported a net profit of USD 39.5 Mn for Q3-2024, representing an increase of 8.8% y-o-y. Total revenue for the telco increased by 7.3% y-o-y to reach USD 219.9 Mn driven by continued growth in the company's fixed broadband services, managed services, IoT and others. The total number of mobile customers stood at 2.1 Mn.

Net profits for the Energy sector improved by 16.1% y-o-y to reach USD 261.1 Mn supported by higher profits reported by Gulf International Services Co. The company generated a net profit of USD 59.3 Mn in Q3-2024 from USD 36.7 Mn in Q3-2023 up by 61.7% mainly on account of better revenue reported from the drilling and insurance segments. Qatar Gas Transport Co. (Nakilat) posted a net profit increase of 7.5% to reach USD 122.4 Mn in Q3-2024 vs USD 113.8 Mn in Q3-2023 mainly led by lower operating expenses that was further supported by better topline growth. The company's board approved an interim cash dividend of QAR 0.07 per share for 1H-24. In the Utilities sector, the sole stock Qatar Electricity & Water reported a net profit of USD 139.7 Mn up by 49.6% from its Q3-2023 earnings which stood at USD 93.3 Mn.

## Bahrain

Total Q3-2024 net profits for Bahrain-listed companies increased by 33.1% y-o-y to USD 453.5 Mn after nine out of its fourteen sectors reported y-o-y growth, including three of its top five biggest sectors during the quarter, such as the Telecom and Materials sectors. In terms of 9M-2024 performance, net earnings increased by 22.2% y-o-y to reach USD 1.4 Bn, up from USD 1.2 Bn in 9M-2023.

**Bahrain Corporate Earnings : Q3-24 vs. Q3-23 (USD Bn)**



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

The Banking sector witnessed a 2.7% y-o-y decline during Q3-2024, with profits falling to USD 191.1 Mn from USD 196.3 Mn in Q3-2023. In terms of the first nine months of the year, aggregate net earnings for the Banking Sector improved by 12.7% y-o-y to USD 639.4 Mn. Two of the eight banks, United Gulf Holding Company and Ithmaar Bank, reported Q3-2024 losses of USD 11.8 Mn and USD 3 Mn, respectively, contributing to the overall decline in aggregate net profits for the sector during the period. On the other hand, the Banking Sector's 9M-2024 aggregate y-o-y net earnings improvement was driven mainly by the 17.5% y-o-y growth in Arab Banking Corporation's 9M-2024 net profits, which reached USD 215.0 Mn compared to USD 183.0 Mn in 9M-2023. ABC's robust 9M-2024 performance was attributed to core business growth and higher average asset volumes, even after absorbing the impact of EGP depreciation, and was underpinned by well-controlled operating expenses and cost of credit. Moreover, the Group's balance sheet strength was maintained during the period, with capital and liquidity ratios at healthy levels, while total assets reached USD 46 Bn.

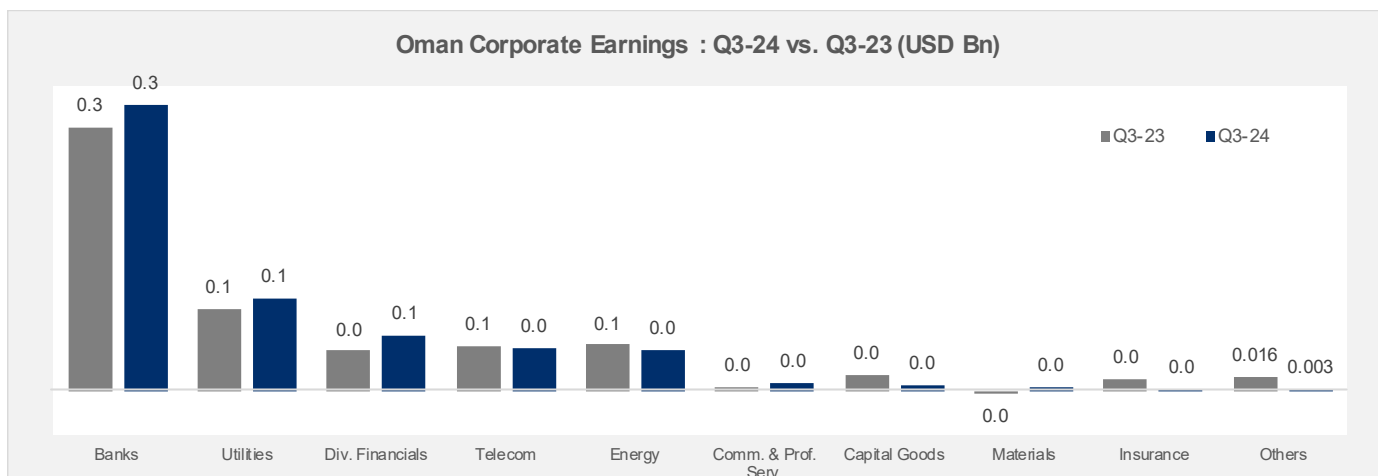
In the Materials sector, Aluminum Bahrain, the sole company in the sector, reported Q3-2024 net profits of USD 144.7 Mn, registering a 215.4% y-o-y increase from its Q3-2023 net earnings of USD 45.9 Mn. For the first nine months of 2024, ALBA announced a 55.9% y-o-y net earnings growth that reached USD 391.3 Mn, compared to USD 251.0 Mn in the first nine

months of 2023. The company's strong performance was mainly driven by higher LME prices, which saw an 11% y-o-y increase during Q3-2024 and a 4% increase during the first nine months of 2024.

Aggregate net profits for the Diversified Financial sector witnessed a 231.8% y-o-y growth to reach USD 32.8 Mn, compared to USD 9.9 Mn in Q3-2023. In terms of 9M-2024 performance, net earnings for the sector rose by 100.8% y-o-y to reach USD 105.9 Mn, compared to USD 52.7 Mn in 9M-2023. Within the sector, net earnings for Bahrain Commercial Facilities reached USD 11.7 Mn during 9M-2024, reversing a loss of USD 31.4 Mn in 9M-2023. GHF Financial Group also supported the sector's growth, reporting higher profits of USD 88.0 Mn in 9M-2024, up from USD 78.9 Mn in 9M-2023. Similarly, net profits for Esterad Investments improved by 19.3% y-o-y in 9M-2024, reaching USD 6.2 Mn, up from USD 5.2 Mn in 9M-2023, contributing to the overall earnings growth of the sector during the period.

## Oman

Total net profits for listed companies in Oman increased moderately by 4.0% y-o-y to USD 626.0 Mn in Q3-2024, compared with USD 601.9 Mn in the corresponding quarter in 2023. For the first nine months of the year, total net earnings improved by 4.3% y-o-y to reach USD 1.64 Bn compared to USD 1.57 Bn in 9M-2023. The growth in net earnings was mainly driven by the Banking, Utilities, and Diversified Financials sectors, as six out of the fourteen sectors on the exchange reported y-o-y profits growth during Q3-2024.



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

Total Q3-2024 earnings for the Banking Sector, the largest sector on the exchange by market cap, increased by 8.8% to reach USD 330.2 Mn, up from USD 303.5 Mn in Q3-2023. For the first nine months of the year, total net profits for the Banking Sector during 9M-2024 increased by 16.8% y-o-y to reach USD 911.2 Mn, compared to USD 780.1 Mn. Bank Muscat reported the highest net earnings among the banks during Q3-2024 at USD 152.4 Mn, up from USD 141.7 Mn in Q3-2023. Bank Muscat's net profits for the first nine months of 2024 also improved, recording an 8.0% y-o-y increase to reach USD 413.6 Mn versus USD 382.9 Mn in 9M-2023. The profit growth was attributed to improvements across all business areas during Q3-2024. Additionally, Sohar Bank posted the second-largest net profits during Q3-2024, reaching USD 67.4 Mn, up from USD 47.4 Mn in Q3-2023. Furthermore, Sohar Bank's 9M-2024 net earnings surged by 89.6% y-o-y to USD 188.3 Mn, up from USD 99.3 Mn in 9M-2023. The bank's improved bottom line was driven by increased low-cost customer deposits, which rose 28% to OMR 5.9 Bn, highlighting its funding strength with a net loans-to-customer-deposit ratio of 71% compared to 89% for the same period last year.

Aggregate Q3-2024 net earnings for the Utilities Sector, the second-largest sector on the exchange by market cap, increased by 12.4% y-o-y to USD 107.3 Mn, compared to USD 95.4 Mn in Q3-2023. Growth in the sector's earnings was supported by six out of seven utility companies reporting y-o-y profit growth during Q3-2024, led by Phoenix Power, which reported a 3.7% y-o-y net profit increase to reach USD 40.4 Mn, compared to USD 39.0 Mn in Q3-2023. Al Suwadi Power Company posted the second-largest net profit in the sector at USD 23.4 Mn, recording a marginal y-o-y growth of 0.8%, while ACWA Power Barka rebounded from a USD 1.3 Mn loss in Q3-2023 to a USD 6.6 Mn profit in Q3-2024.

In contrast, total net profits for the Telecom Sector declined by 2.5% to USD 49.9 Mn during Q3-2024, compared to USD 51.2 Mn in Q3-2023. This decline was driven by Oman Telecom's 4.4% y-o-y net profit decrease to USD 43.8 Mn, compared to USD 45.9 Mn in Q3-2023. However, Ooredoo Oman recorded a 13.2% y-o-y net profit increase to USD 6.1 Mn, up from USD 5.4 Mn in Q3-2023.



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