

## GCC Corporate Earnings Report : Q4-2024

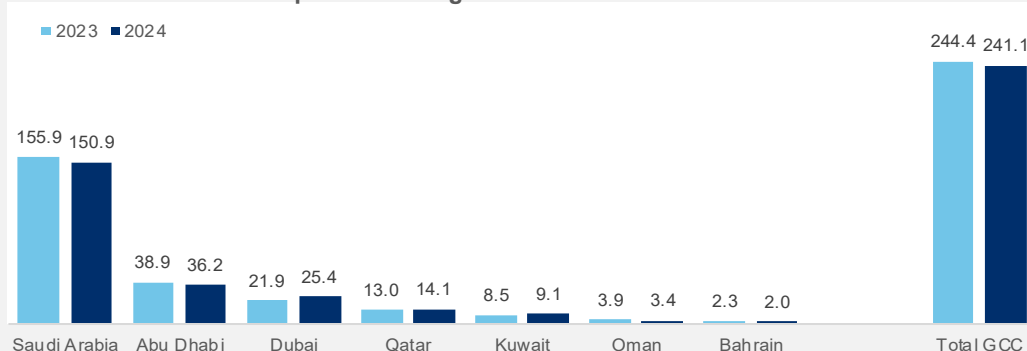
*Slide in earnings for Energy and Utilities companies dent GCC profit growth...*

Quarterly net profits reported by companies listed on GCC exchanges continued to report a sequential decline and reached a three-quarter low level during Q4-2024. Aggregate profits during the quarter declined by 5.0% q-o-q to reach USD 57.3 Bn after a broad-based decline in profits across most exchanges more than offset a growth in profits reported by companies listed on Dubai and Abu Dhabi. In terms of y-o-y trend, however, aggregate profits during the quarter witnessed a marginal growth of 2.0% after healthy growth in profits for most exchanges was partially offset by a decline in aggregate profits for companies listed on the Abu Dhabi exchange.

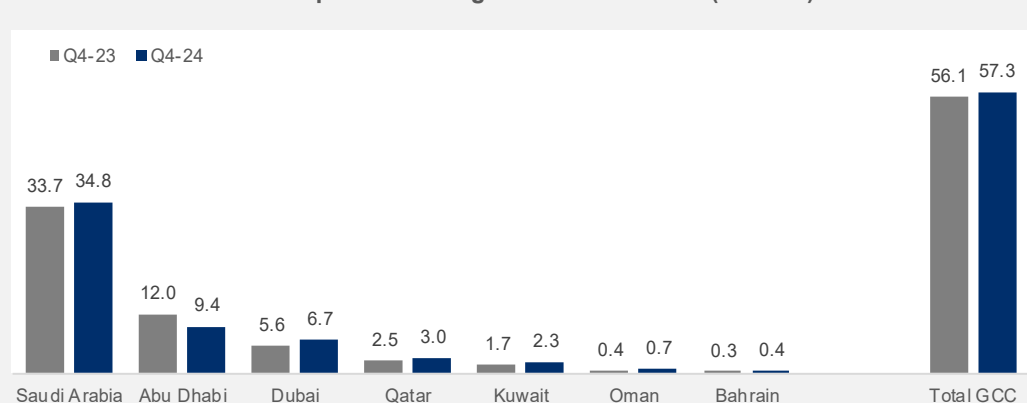
At the country level, profits growth was highest for companies listed on the Oman exchange, registering a y-o-y increase of 83.4% during Q4-2024 followed by Bahrain and Kuwait with profit growth of 43.2% and 37.1%, respectively. Saudi-listed companies posted a marginal y-o-y profit growth of 3.1%, while the growth registered by corporates in Dubai and Qatari were around 20%.

In terms of sector performance, the biggest y-o-y decline was reported by companies in the Energy sector with aggregate profits down by 16.6% or USD 5.1 Bn to reach USD 25.7 Bn in Q4-2024. The Utilities sector also affected aggregate profit at the GCC level with an aggregate net loss of USD 1.3 Bn for the sector during Q4-2024 as compared to a profit of USD 338.9 Mn during Q4-2023. The loss mainly reflected a bigger net loss reported by Saudi Electricity Co. during Q4-2024 at USD 2.0 Bn vs. a net loss of USD 539.3 Mn during Q4-2023. The GCC F&B sector recorded the third-biggest y-o-y drop in net profits by 12.0% or USD 0.6 Bn during Q4-2024 reaching USD 4.2 Bn as compared to USD 4.7 Bn during Q4-2023. On the other hand, the GCC Telecom sector recorded the biggest absolute y-o-y profit growth during Q4-2024 with an increase of 171.0% or USD 3.4 Bn to reach USD 5.3 Bn mainly reflecting the extraordinary profits recorded by Saudi Telecom Co. Banks also showed higher y-o-y profits during Q4-2024 registering an increase of 16.2% or USD 2.0 Bn to reach USD 14.4 Bn.

GCC Corporate Earnings - FY-2024 vs. FY-2023 - USD Bn



GCC Corporate Earnings : Q4-24 vs. Q4-23 (USD Bn)



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

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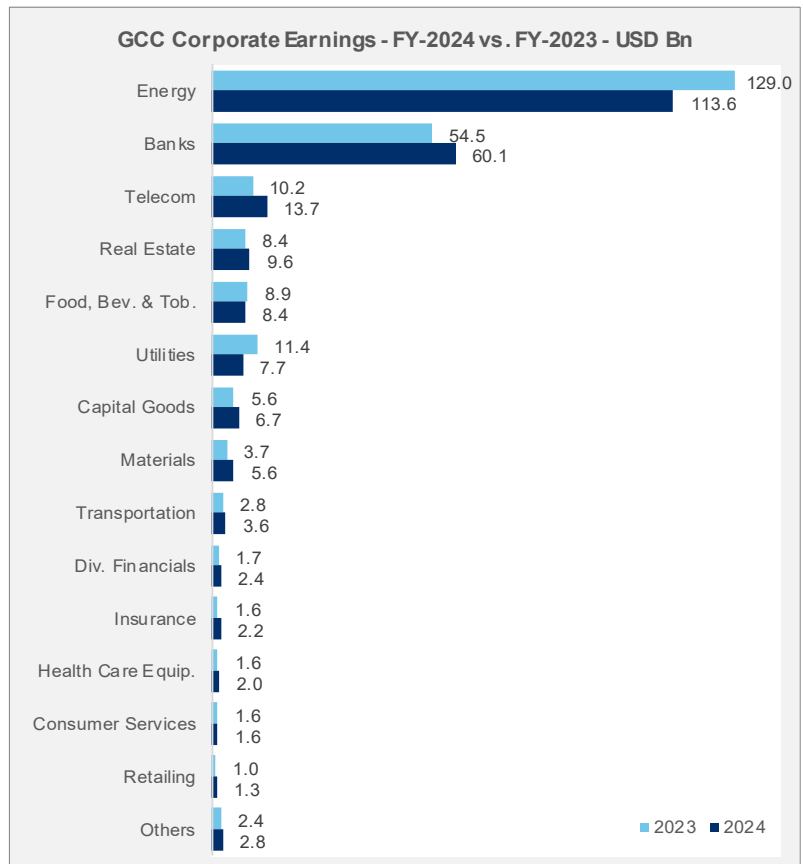
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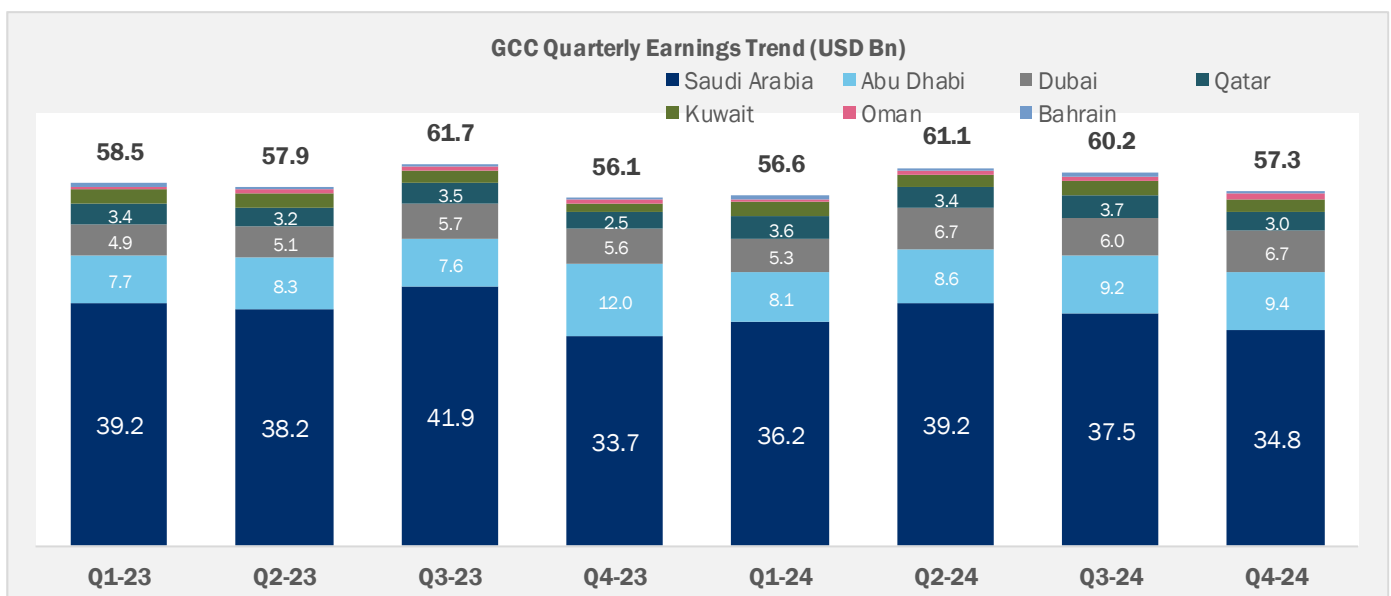
In terms of full year performance, aggregate net profits reported by GCC-listed companies declined for the second straight year to reach USD 241.1 Bn in 2024, registering a decline of USD 3.4 Bn or 1.4% as compared to USD 244.4 Bn in 2023. The decline reflected mixed trend at the country level with aggregates for Saudi Arabia, Abu Dhabi, Oman and Bahrain showing a decline, partially offset by a growth in profits recorded for Dubai, Qatar and Kuwaiti-listed companies.

In terms of sector performance, a decline in profits mainly for the Energy, Utilities and F&B sectors more than offset an increase in profits for most sectors on the exchange. Net profits for the Energy sector was affected by a steep decline in profits for the regional exploration and production companies, reflecting a decline in volume as well as prices of crude oil, in addition to lower refining margins. This included companies like Saudi Aramco with a profit decline of USD 15.7 Bn or 13.0% to reach USD 105.0 Bn as well as Oman's OQ Exploration & Production (OQEP) that recorded a profit decline of 48.2% during 2024.

On the other hand, net profits for the GCC Banking sector showed the biggest absolute increase of USD 5.6 Bn or 10.3% to reach a record high net profit of USD 60.1 Bn during 2024 followed by Telecom and Materials sectors with profit growth of USD 3.5 Bn and USD 1.9 Bn, respectively. Within the Banking sector, the growth in profits was broad-based with all country aggregates showing growth during 2024, barring Bahraini banks that registered a decline in profits. Net profits for banks listed in Oman showed the biggest growth of 15.2% during the year to reach USD 1.4 Bn closely followed by banks in Abu Dhabi with a profit growth of 15.1% to reach USD 10.2 Bn. Banks in Saudi Arabia and Dubai also reported double-digit net profit growth of 13.8% and 11.1%, respectively. In the Telecom sector, net profit growth was led by companies listed in Saudi Arabia, specifically STC, which registered a profit growth of 85.7% to reach USD 6.6 Bn reflecting gain from sale of asset during the year. Net profits for Mobily also surged 39.2% during the year while profits for Dubai-based telco, du, grew by 49.1% to reach USD 677.3 Mn during 2024.



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

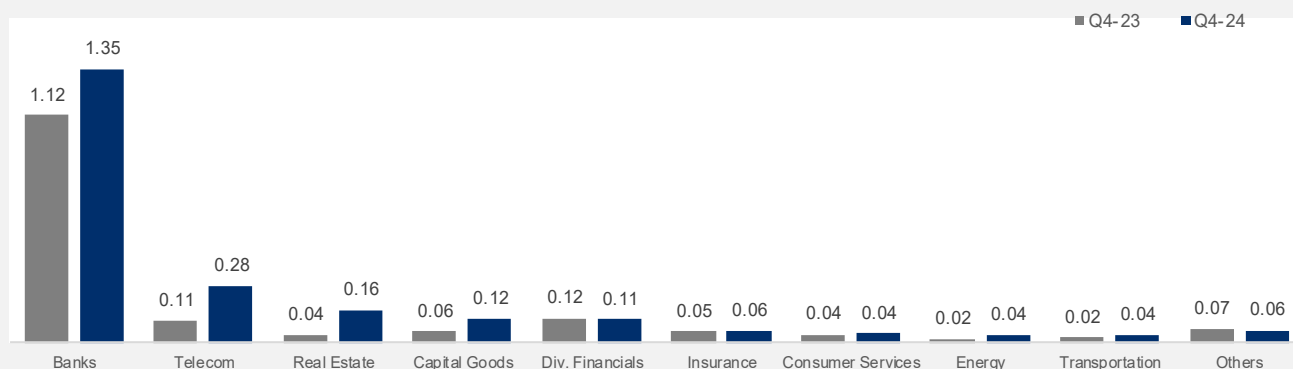


Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

## Kuwait

Boursa Kuwait-listed companies reported a y-o-y net profit growth of 37.1% during Q4-2024 that reached USD 2.3 Bn compared to USD 1.7 Bn during Q4-2023. In terms of FY-2024 profits, Boursa Kuwait listed companies reported a gain of 7.1% during the year with profits reaching USD 9.1 as compared to USD 8.5 Bn during FY-2023. The biggest impact on aggregate earnings during the year came from the Banking sector which showed a 5.4% growth in profits that reached USD 5.4 Bn in FY-2024 from USD 5.1 Bn in FY-2023. Diversified Financials, Capital Goods and Real Estate sectors also contributed to earnings growth during the year.

**Kuwait Corporate Earnings : Q4-24 vs. Q4-23 (USD Bn)**



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

Within the Banking sector, NBK reported a net profit of USD 2.0 Bn for FY-2024 up by 7.0% vs. USD 1.8 Bn in FY-2023 mainly led by higher net operating income and lower provision for impairment losses, partly offset by higher operating expenses. CBK reported a net profit of USD 512.2 Bn for FY-2024 up by 41.4% vs. USD 361.6 Mn in FY-2023 mainly due to higher net interest income and higher loan loss recoveries during the year resulting from a legal verdict partially offset by higher operating expenses. Meanwhile, Gulf Bank reported a net profit of USD 196.1 Mn during FY-2024 as compared to a profit of USD 231.7 Mn during FY-2023, down by 15.5%. The decrease was primarily caused by higher provisions and impairment losses. However, net profit for the bank increased by 14.8% during Q4-2024 to USD 64.9 Mn compared to USD 56.6 Mn in Q4-2023.

Aggregate profits for the Telecom sector declined by 10.0% y-o-y in FY-2024 to reach USD 940.0 Mn down from USD 1.0 Bn in FY-2023. Within the sector, net profits reported by Ooredoo reached USD 161.0 Mn during FY-2024 against a profit of USD 236.9 Mn in FY-2023. The decrease in the net income is mainly due to a one-off gain related to a regulatory tariff court case that the telco won against Kuwait's ministry of communication resulting in a gain of KWD 43.8 Mn in Q1-2023. Excluding the impact of the above adjustment, the net profit would be higher by 70% led by the improved operating revenues. Similarly, Zain posted a decline of 4.0% in its yearly net profit that reached USD 676.8 Mn in FY-2024 compared to USD 701.0 Mn during FY-2023. Zain Group reported a 3% year-over-year increase in revenue for FY-2024, driven by positive performance across its key markets, including Iraq, Bahrain, Jordan, Saudi Arabia, and Kuwait. The decline in net income was primarily attributed to a one-time gain from the sale and leaseback of a tower transaction in Saudi Arabia during FY-2023. STC Kuwait also posted a profit decline of 3.8% that reached USD 102.3 Mn for FY-2024 compared to USD 106.3 in FY-2023.

In the Real estate sector, Kuwait Real Estate Co. posted a net profit of USD 43.7 Mn for FY-2024 against a profit of USD 36.7 Mn. The Increase in net profit is mainly due to an increase in real estate rental income during the period in addition to the increase in change in fair value of investment properties. Dar Al Thuraya Real Estate Co. reported an increase in y-o-y net profits that reached USD 7.6 Mn against a net profit of USD 1.0 Mn mainly led by an increase in change in fair value of investment properties and decrease in finance costs. Similarly, National Real Estate Co. returned to profitability in FY-2024 to reach USD 30.3 Mn as compared to a net loss of USD 114.5 Mn in FY-2023 led by an increase in the share of the results from joint venture.

Total net profits for the Diversified Financials sector rose by 47.5% y-o-y in FY-2024 to reach USD 669.3 Mn up from USD 453.8 Bn in FY-2023. However, profits for Q4-2024 for the sector declined by 6.0% to reach USD 113.5 Mn down from USD 120.8 Mn in Q4-2023. The sector's rise in total earnings was primarily driven by National Investment Co. which delivered a record profit of USD 39.5 Mn for the FY-2024 compared to USD 13.5 Mn in FY-2023 up by 192.9% primarily driven by realized and unrealized gain on financial assets. Similarly, Arzan Financial Group For Fin. & Invest. posted a net profit of USD 45.9 Mn in FY-2024 vs USD 22.9 Mn in FY-2023 led by the increase in the revenue from contracts in addition to increase in realized profit from installment sales. On the other hand, KMEFIC turned to net profit of USD 11.0 during FY-2024 against a loss of USD 17.5 Mn in FY-2023 mainly led by the increase in the unrealized gain from the revaluation of real estate.

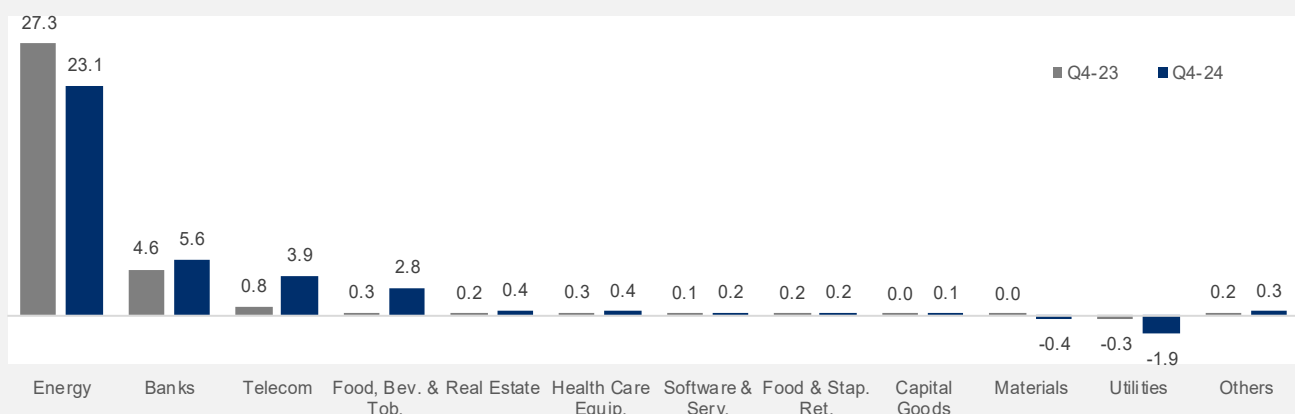
## Saudi Arabia

Aggregate net profits for Saudi-listed companies declined by 3.2% to reach USD 150.9 Bn in FY-2024 against USD 155.9 Bn in FY-2023. Out of the top three sectors by net profits, the Bank and Telecom sectors reported an increase in profitability during the year while the Energy sector reported a steep decline that more than offset higher profits for most of the other sectors on the exchange. For Q4-2024, aggregate net profits for listed company increased by 3.1% y-o-y despite the Energy Sector posting a y-o-y decline of 15.4% and a q-o-q decline of 10.8% to reach USD 23.1 Bn during Q4-2024. Profits for other key sectors like Utilities, Materials and Diversified Financials also declined during the quarter. On the other hand, Food & Beverages and the Retailing Sector reported a growth in profits during the quarter that partially offset the overall decline.

Saudi Aramco reported a net profit decline of 13.0% during FY-2024 mainly led by lower crude oil prices and volumes sold along with a decline in refined and chemical product prices. This was partially offset by higher sales volumes of refined and chemical products. In Q4-2024, net profit for the company declined by 15.7% to USD 24.1 Bn from USD 27.4 Bn in Q4-2023.

Profits for the Banking sector increased by 13.9% to USD 21.2 Bn in FY-2024 vs. USD 18.7 in FY-2023. In terms of Q4-2024 performance, the banking sector recorded a net profit of USD 5.6 Bn v. USD 4.6 Bn Q4-2023, up by 20.4%. Al-Rajhi Bank reported an increase in profits that reached USD 5.2 Bn in FY-2024 vs USD 4.4 Bn a year earlier led by higher net financing and investment income. Profits for Saudi National Bank increased by 5.9% to reach USD 5.6 Bn for FY-2024 against a profit of USD 5.3 Bn for FY-2023 driven by an increase in special commission income led by the increase of 8.8% increase in financing portfolio. SNB's Q4-2024 net earnings reached USD 1.5 Bn, up 11.7% y-o-y from USD 1.3 Bn. Riyadh Bank reported a 15.8% increase in net profit that reached USD 2.5 Bn in FY-2024 compared to USD 2.1 Bn in FY-2023 led by higher growth in fee and commission income and net special commission income.

**Saudi Arabia Corporate Earnings : Q4-24 vs. Q4-23 (USD Mn)**



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

The Telecom sector outperformed other sectors as the biggest contributor to net profits during the period by recording a net profit of USD 7.6 Bn in FY-2024 vs. USD 4.5 Bn in FY-2023, registering a growth of 69.8%. The y-o-y growth in net profits during Q4-2024 showed a five-fold increase to reach USD 3.9 Bn vs. USD 798.9 Mn in Q4-2023. Profits for STC surged 85.7% y-o-y to reach USD 6.6 Bn in FY-2024 compared to USD 3.5 Bn in FY-2023 led by higher revenues which grew 6% y-o-y to USD 20.2 Bn as well as a one-off gain related to the sale of asset during the year. However, the topline growth was partially offset by an increase in cost of sales during the year. Mobily also registered a strong net profit growth during FY-2024 that reached USD 828.0 Mn compared to USD 594.9 Mn in FY-2023, up by 39.2%. The increase was driven by an 8.6% y-o-y increase in revenue led by higher earnings across all segments and an expansion in the customer base. Meanwhile, Zain KSA recorded a net profit of USD 158.9 Mn in FY-2024 vs USD 337.7 Mn in FY-2023 down by 52.9%. The decline in profits was attributed to the increase in operating expenses and credit loss expenses.

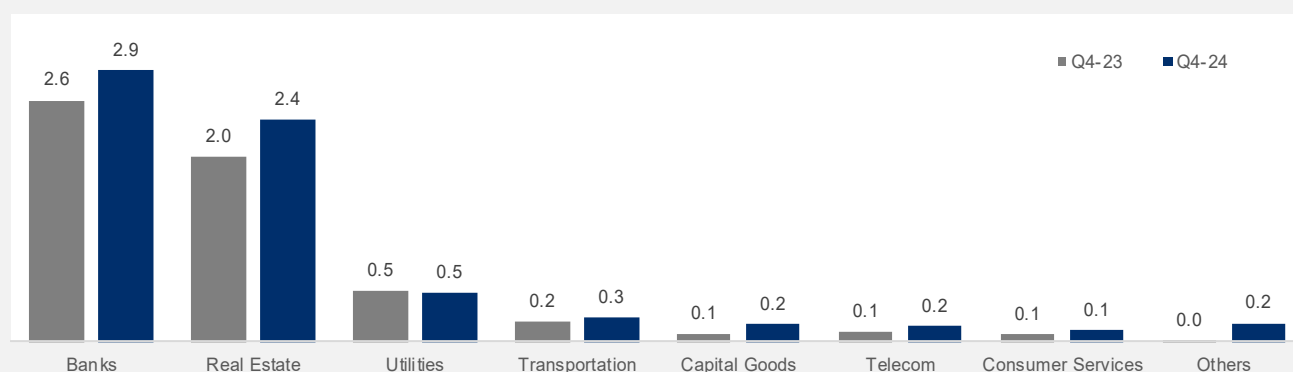
The Food, Beverage & Tobacco sector reported the second largest FY-2024 net earnings during the year that reached 3.8 Bn as compared to USD 1.2 Bn in FY-2023. Most of the constituents in the sector recorded net earnings growth. Savola Group soared more than 11 times to USD 2.7 Bn for FY-2024 compared to USD 239.7 Mn for the previous year. The profit growth was driven by an increase in the retail and frozen food segments, which recorded topline growth of 3% and 6%, respectively. This positive trend helped to offset the decline in revenue from the food processing segment, which was affected by lower commodity prices and the divestment of Savola Morocco Co. National Agriculture Development Co. announced a profit of USD 206.4 Mn for FY-2024, a significant increase from USD 80.5 Mn in FY-2023. This growth was primarily fueled by a 0.73% rise in revenues, which included earnings of SAR 180.29 Mn from the newly launched protein segment. However, this growth was partially offset by lower sales in the dairy, beverages, and agriculture sectors.

## Dubai

Net profits for Dubai-listed companies increased by 16.0% y-o-y to USD 25.4 Bn in FY-2024 against USD 21.9 Bn in FY-2023. Earnings growth during the year was heavily concentrated on three sectors, namely the Banking, Real Estate and Utilities sectors. These sectors alone represented 82.8% of the total net profits reported by the exchange during FY-2024 as compared to 88.1% of the total net profits during FY-2023. In context, ten out of the thirteen sectors of the exchange reported y-o-y net profit growth during FY-2024 while the remaining three sectors reported y-o-y declines during the year.

In terms of quarters, net profits increased by 20.1% y-o-y to USD 6.7 Bn in Q4-2024 against USD 5.6 Bn in Q4-2023. Earnings growth during the quarter was broad-based and was mainly driven by Banks, Real Estate, and Utilities companies with the three sectors accounting for 86.4% of the aggregate earnings in the exchange during the quarter. Aggregate net earnings for the Banking sector improved 12.2% y-o-y to reach USD 2.9 Bn during Q4-2024 while total net profits for the Real Estate sector improved by 19.7% y-o-y to USD 2.4 Bn during the similar period. It is noteworthy that out of Dubai Stock Exchange's thirteen sectors, eight have witnessed a y-o-y increase in profits during Q4-2024 while the remaining five sectors, including the Utilities Sectors, witnessed declines.

Dubai Corporate Earnings : Q4-24 vs. Q4-23 (USD Bn)



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

Total net profits for the Banking Sector rose by USD 1.3 Bn in FY-2024 to reach USD 12.6 Bn up from USD 11.3 Bn in FY-2023. In terms of q-o-q performance, the sector registered a 1.2% increase in total profits in Q4-2024 which reached USD 2.9 Bn as compared to USD 2.86 Bn in Q3-2024. The sector's growth in total earnings was primarily driven by Emirates NBD's 6.9% y-o-y profits growth that reached USD 6.3 Bn during FY-2024 as compared to USD 5.8 Bn in FY-2023 as well as Dubai Islamic Bank FY-2024 net profits which reached USD 2.2 Bn after increasing by 16.7% during the year. In addition, FY-2024 net earnings of Mashreq Bank improved 3.3% y-o-y to reach USD 2.4 Bn as compared to USD 2.3 Bn in FY-2023. Emirates NBD's robust profits growth was attributed to strategic investment in digital banking and branch network, generating significant new revenue stream. On the other hand, Mashreq Bank's strong net profits growth was mainly due to regional profits growth as well as an increase in operating income and net interest income.

Aggregate net profits for the Real Estate sector witnessed a 12.2% y-o-y growth during FY-2024 to reach USD 6.3 Bn up from USD 5.6 Bn in FY-2023. Emaar Properties posted a net profit of USD 3.7 Bn in FY-2024, resulting in a 16.2% y-o-y growth up from USD 3.2 Bn net profit in FY-2023. Emaar's financial results for 2024 reflected strong operational performance and continued growth across its key business segments. The company recorded property sales of approximately AED 70 Bn (USD 19 Bn), representing a 72 percent increase compared to FY-2023. Moreover, the company approved 100% dividend payout which amounted to AED 8.8 Bn (USD 2.4 Bn). Furthermore, FY-2024 net profits for Tecom Group witnessed a 13.9% y-o-y increase to reach USD 334.5 Mn up from USD 293.6 Mn during FY-2023. The company credited the remarkable growth of FY-2024 due to record revenue and strong performance across all business segments.

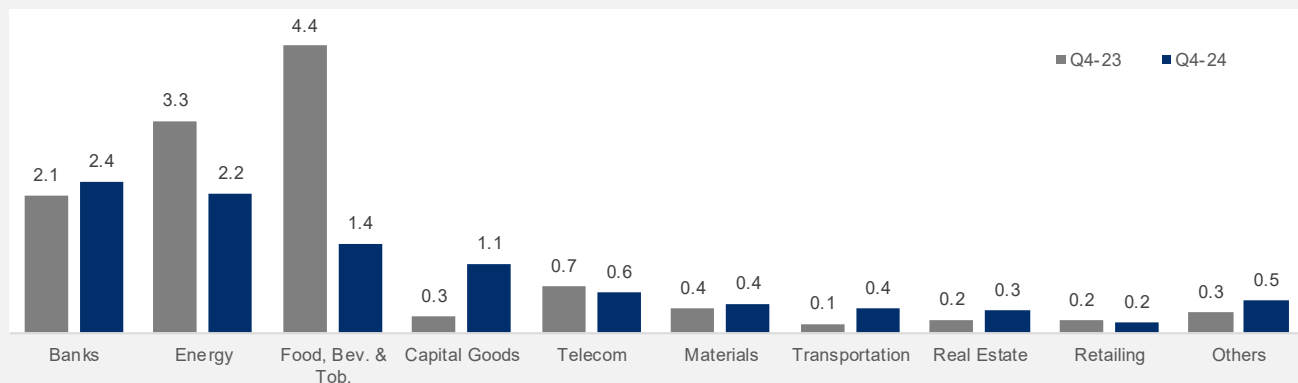
Total net profits for the Utilities Sector declined by 8.6% y-o-y in FY-2024 to reach USD 2.2 Bn down from USD 2.4 Bn in FY-2023. The two companies that comprise the sector reported profit declines during FY-2024. FY-2024 net earnings for Dubai Electricity & Water company reached USD 1.9 Bn as compared to USD 2.1 Bn in FY-2023. Similarly, FY-2024 for Emirates Central Cooling System Corp (Tabreed) declined by 5.9% to reach USD 244.2 Mn down from USD 259.5 Mn during FY-2023. Empower distributed cash dividends amounting to AED850 Mn (USD 231 Mn) in two equal installments of AED 425 Mn (USD 115.7 Mn) each during 2024, disbursed in April-2024 and October-2024, as part of its commitment of annual payout of AED 850 Mn during the first two fiscal years following its listing on the Dubai Financial Market.



## Abu Dhabi

FY-2024 net profits for Abu Dhabi-listed companies declined by 7.1% to reach USD 36.2 Bn as compared to USD 38.9 Bn in FY-2023. The dip in the aggregate net profits was mainly led by a 42.2% drop in total profits for the Food, Beverage & Tobacco sector that reached USD 4.4 Bn during FY-2024 as compared to USD 7.6 Bn in FY-2023. The Capital Goods sector followed as the second largest sector in terms of profit slide during the year with a 19.1% y-o-y decline in total FY-2024 net profits that reached USD 2.5 Bn as compared to USD 3.1 Bn in FY-2023. Comparatively, FY-2024 total net earnings for the Banking Sector improved 15.1% y-o-y to reach USD 10.2 Bn as compared to USD 8.9 Bn in FY-2023.

**Abu Dhabi Corporate Earnings : Q4-24 vs. Q4-23 (USD Bn)**



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

The Banking sector's profits growth was driven mainly by Abu Dhabi Commercial Bank which witnessed its FY-2024 profits jump 14.8% y-o-y to reach USD 2.6 Bn as compared to USD 2.2 Bn in FY-2023. Similarly, First Abu Dhabi Bank, the UAE's biggest lender, reported that its FY-2024 improved 4% to reach USD 4.6 Bn as compared to USD 4.46 Bn in FY-2023 due to a rise in operating income which offset higher impairment charges. Moreover, Bank of Sharjah returned to profits reporting USD 104.7 Mn in FY-2024 net earnings as compared to a loss of USD 74.5 Mn in FY-2023.

The Energy sector reported the second largest FY-2024 net earnings during the year that reached 6.8 Bn as compared to USD 6.1 Bn in FY-2023. Three of the four constituents in the Energy Sector recorded net earnings growth during the year. ADNOC Gas recorded the biggest FY-2024 net profit in the sector that reached USD 5.0 Bn as compared to USD 4.7 Bn in FY-2023. Comparatively, net earnings for ADNOC Drilling improved 26.6% y-o-y to reach USD 1.3 Bn during the similar period and announced its highest quarterly income of USD 1.38 Bn since its IPO. The company's strong performance was underpinned by robust demand for domestic gas which supported volume growth and improved pricing.

On the other hand, total net earnings for the Food, Beverage & Tobacco declined by 42.2% y-o-y to reach USD 4.4 Bn as compared to USD 7.6 Bn. three constituent companies of the sector reported y-o-y profit declines during FY-2024 led by the 42.7% drop of net earnings of International Holdings Company that reached USD 4.3 Bn down from USD 7.5 Bn in FY-2023. AGTHIA Group one of the leading food and beverage companies in Abu Dhabi, followed recording 31.5% y-o-y drop in FY-2024 that reached USD 3.2 Mn as compared to USD 4.6 Mn in FY-2023. Comparatively, Emirates Telecommunications Company, the only constituent company of the Telecom sector reported a moderate 4.3% y-o-y growth in its net earnings that reached USD 2.9 Bn in FY-2024 up from USD 2.8 Bn in FY-2023.

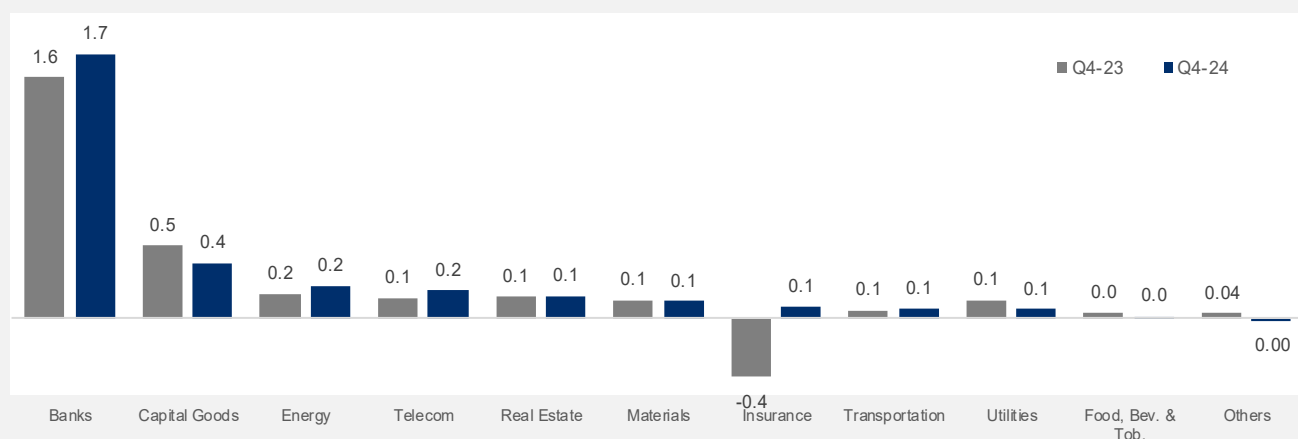
In terms of quarterly performance, listed companies in Abu Dhabi witnessed a 21.6% y-o-y decline in total net profits during Q4-2024 to reach USD 9.4 Bn as compared to USD 12.0 Bn during Q4-2023. The Banking sector in Abu Dhabi witnessed a y-o-y increase of 10.9% in Q4-2024 net profits with aggregate sector profit of USD 2.4 Bn as compared to USD 2.1 Bn during Q4-2023. The Q4-2024 net profits for the Banking Sector recorded a q-o-q decline of 7.5% during the quarter. On the other hand, the Energy sector posted a 34.2% drop in total net earnings during Q4-2024 to reach USD 2.2 Bn. Comparatively, total net earnings in the Capital Goods sector jumped 4.2 times y-o-y to reach USD 1.1 Bn in Q4-2024 as compared to USD 255.1 Mn in Q4-2023.

## Qatar

Total earnings for Qatari-listed companies witnessed a gain of 8.5% y-o-y during FY-2024 to reach USD 14.1 Bn as compared to USD 13.0 Bn in FY-2023. The surge in earnings was primarily driven by earnings growth for the Banking, Insurance and Energy sectors. However, a decline in profits for the Materials, Capital Goods and Utilities sectors partially offset the overall growth in net profits. In terms of Q4-2024 earnings performance, Qatari-listed companies recorded a net profit of USD 3.0 Bn, recording a 20.0% increase from the Q4-2023 net profits of USD 2.5 Bn.

Qatar's Banking sector reported a profit growth of 6.8% in FY-2024 that reached USD 8.3 Bn accounting for 47.6% of the overall profits on the exchange during the quarter. QNB's net profit reached USD 4.6 Bn in FY-2024, up 7.8% compared to FY-2023, driven by growth in loans and advances by 7% to reach QAR 911 Bn (USD 250 Bn). The bank's board recommended a cash dividend of 37% of nominal share value (QAR 0.37 per share) for H2-2024. The total dividend distribution for the year FY-2024 amounted to 70% of the nominal share value (QAR 0.70 per share). The bank's operating income grew by 6% to reach QAR 41.3 Bn (USD 11.4 Bn), reflecting successful growth across a range of revenue sources. Meanwhile, QIB's net profit surged 7.0% in FY-2024 to reach USD 1.3 Bn mainly led by net income from financing and investing activities, which rose 10.0% to USD 2.9 Bn vs USD 2.7 Bn for the year FY-2023. Total Income for FY-2024 registered a strong growth of 9.4% to reach USD 3.21 Bn compared to USD 2.94 Bn for the year FY-2023. QIB's board proposed an additional cash dividend of 55%, taking the total cash dividend during the year to 80% of the paid-up share capital. Net profits for Qatar International Islamic Bank increased by 8.2% to USD 345.7 Mn in FY-2024 from USD 319.1 Mn in FY-2023.

Qatar Corporate Earnings : Q4-24 vs. Q4-23 (USD Bn)



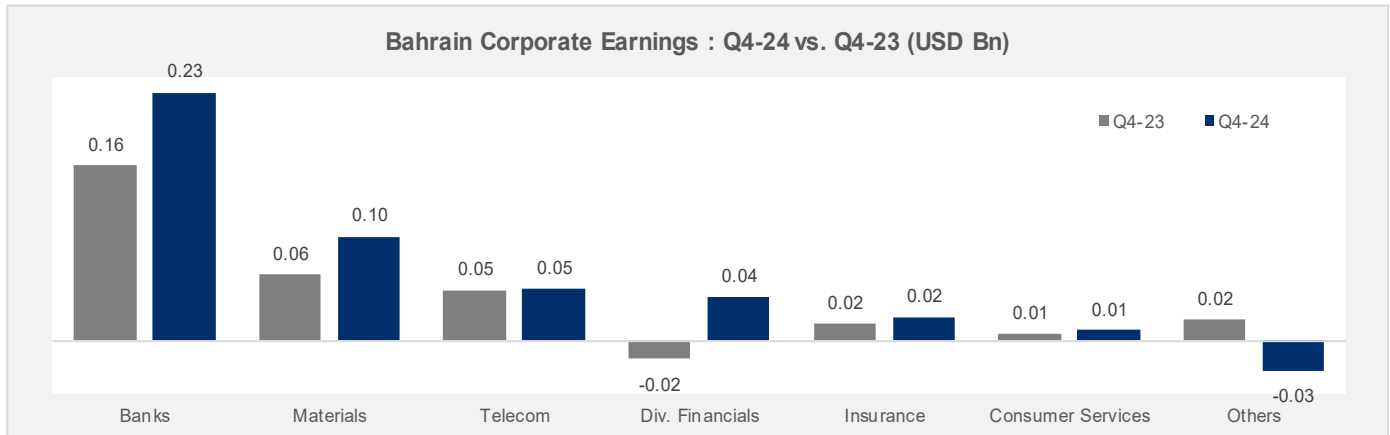
Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

In the Telecom sector, Ooredoo group reported net profits of USD 942.4 Mn in FY-2024 as compared USD 826.2 Mn in FY-2023. The Telco's revenue grew by 2% y-o-y to USD 6.5 Bn for FY-2024 driven by sustained growth in Iraq, Algeria, Kuwait, Tunisia and Maldives. This was partially offset by a decline in revenue from Qatar and Oman. EBITDA increased by 3% to USD 2.8 Bn and the EBITDA margin expanded to 42.5%, supported by topline growth. Vodafone Qatar reported a net profit of USD 164.7 Mn for FY-2024, representing an increase of 11.2% y-o-y. Total revenue increased by 2.5% y-o-y to reach USD 880 Mn driven by 2.5% growth in service revenue, which reached USD 760 Mn. The total number of mobile customers reached 2.1 Mn. The telco's board recommended a cash dividend of 12% of the nominal share value (QAR 0.12 per share) for the year.

Net profits for the Energy sector improved by 17.3% y-o-y to reach USD 943.2 Mn supported by the profits reported by Gulf International Services Co. and Qatar Gas Transport Co. (Nakilat). Net profits for Gulf International Services Co. increased by 94.1% to reach USD 195.0 Mn in FY-2024 vs USD 100.3 Mn for FY-2023. The Group's total revenue for FY-2024 improved by 14% to reach USD 1.3 Bn compared to USD 1.1 Bn for last year primarily driven by the strong results from the aviation, drilling, and insurance segments. Key contributors included higher day rates and improved asset utilization in the drilling segment, increased flying hours in the aviation segment and enhanced premiums in the insurance segment, supported by major contract renewals. Qatar Gas Transport Co. posted a net profit increase of 5.1% to reach USD 449.1 Mn in FY-2024 vs USD 426.8 Mn in FY-2023 mainly driven by revenue from wholly owned vessels, lower depreciation and lower finance costs. The Company's board recommended a cash dividend of QAR 7 for the 2H-2024.

## Bahrain

Total FY-2024 net profits for Bahrain-listed companies declined by 12.5% y-o-y to USD 2.0 Bn mainly driven by profits fall in the Banking Sector that recorded total net profit fall from USD 1.3 Bn in FY-2023 to USD 1.0 Bn in FY-2024. Comparatively, total net profits for the Materials Sector jumped 56.4% y-o-y to reach USD 489.5 Mn during FY-2024. Aluminum Bahrain, the only constituent company in the sector, reported FY-2024 net earnings growth of y-o-y 56.4% due to higher Aluminum spot premiums reached multi-year highs in Q4-2024 mainly driven by tight supply and geopolitical factors.



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

In terms of quarterly performance, total Q4-2024 net profits for Bahrain-listed companies increased by 43.2% y-o-y to USD 426.6 Mn. Aggregate profits were once again buoyed up by the Banking and the Materials sectors, with ALBA reporting a net profit of USD 98.3 Mn, up by 58.4% y-o-y. Similarly, Q4-2024 total net profits for the Banking Sector increased by 42.3% y-o-y to reach 234.4 Mn against USD 164.7 Mn during Q4-2023. Meanwhile, Q4-2024 aggregate earnings for the Telecom sector improved by 2.8% to reach USD 48.9 Mn.

The total FY-2024 net profits for the Diversified Financial Sector witnessed 295.4% y-o-y jump to reach USD 150.0 Mn as compared to USD 37.9 Mn in FY-2023. Within the sector, Bahrain Commercial Facilities returned to profits during the year after recording a profit of USD 13.4 Mn as compared to a net loss of USD 81.7 Mn during FY-2023. Moreover, GFH Financial Group posted FY-2024 net earnings of USD 118.5 Mn as compared to USD 102.9 Mn in FY-2023 mainly driven by the performance of the investment banking, treasury and proprietary investment activities, and commercial banking businesses.

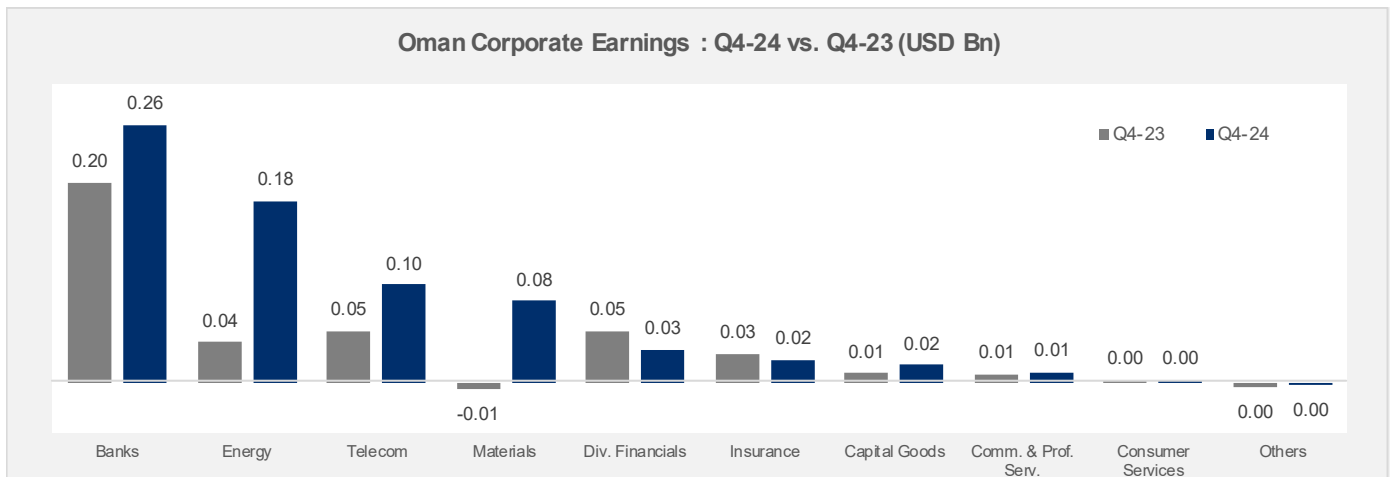
Aggregate FY-2024 net profits for the Telcom Sector increased marginally by 1.1% to reach USD 208.7 Mn as compared to USD 206.5 Mn in FY-2023. Both companies in the sector reported growth in profits during the year with net profits for Batelco (Beyon) reaching USD 193 Mn while Zain Bahrain posted a net profit of USD 15.7 Mn during the year. Beyon's earnings growth was mainly attributed to its strategy in solidifying its position as a growing technology group through a focus on strategic acquisitions and to that end, Beyon Solutions, part of the Beyon group, concluded its acquisitions of Insomea Computer Solutions and Link Development.

Total FY-2024 net profits for the Insurance sector recorded a 25.8% y-o-y growth to reach USD 78.8 Mn as compared to USD 62.6 Mn during FY-2023. Four of the five companies that comprise the Insurance Sector reported y-o-y gains in their FY-2024 net earnings, led by Arab Insurance Group which reported BHD 26.4 Mn in net earnings during FY-2024 as compared to USD 14.0 Mn in FY-2023. The robust net earnings performance was mainly attributed to ARIG's higher insurance service results and net recovery of USD 6 Mn of long outstanding dues and adjudication of favoring the company. Moreover, Solidarity Bahrain reported 47.3% y-o-y jump in FY-2024 net profits that reached USD 21.4 Mn as compared to USD 14.5 Mn in FY-2023. On the other hand, Bahrain National Holding Co reported the third largest net profits in the sector that reached USD 13.7 Mn despite witnessing a 25.4% y-o-y profits decline during the period.



## Oman

Total net profits for listed companies in Oman declined by 13.7% y-o-y to USD 3.4 Bn in FY-2024 as compared with USD 3.9 Bn in FY-2023. The fall in aggregate profits was driven by the Energy Sector which alone represented over 30.6% of the aggregate net profits in the exchange during the year. Moreover, sectors like Insurance, Transportation and Food, Beverage & Tobacco also witnessed significant y-o-y net profit decline during FY-2024. In terms of quarterly performance, total net profits increased by 83.4% y-o-y to USD 702.4 Mn in Q4-2024 as compared with USD 383.0 Mn in the corresponding quarter in 2023. Total Q4-2024 earnings of the Banking Sector, the biggest sector in the exchange by market cap, increased by 29.0% to reach USD 258.9 Mn up from USD 200.7 Mn in Q4-2023. The Energy Sector followed with the second largest total net profits, reaching USD 182.8 Mn during Q4-2024 as compared to USD 40.4 Mn in Q4-2023 recording 350.9% y-o-y growth.



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

Total net profits for the Energy Sector witnessed a 43.8% y-o-y decline to reach USD 1.0 Bn as compared to USD 1.8 Bn in FY-2023. The newly listed OQ Exploration & Production SA which reported a 48.2% y-o-y drop in FY-2024 net earnings that reached USD 834.7 Mn down from USD 1.6 Bn in FY-2023. Despite the decline in yearly net earnings OQEP reported the full year of OMR 841 Mn (USD 2.2 Bn) in FY-2024 and produced 228,000 barrels of oil equivalent per day. Similarly, FY-2024 net earnings for OQ Gas Networks declined by 13.9% y-o-y to reach USD 124.1 Mn down from USD 144.2 Mn in FY-2023 net earnings.

FY-2024 earnings of the Banking Sector recorded a 15.2% gain to reach USD 1.4 Bn up from USD 1.2 Bn in FY-2023. The Utilities Sector followed with the second largest total net profits growth, reaching USD 261.6 Mn during FY-2024, witnessing 51.8% y-o-y gain from FY-2023 (USD 130.9 Mn). In the Banking sector, net profits for Bank Muscat increased by 6.2% to reach USD 585.9 Mn in FY-2024 as compared to USD 551.8 Mn during FY-2023. Bank Muscat attributed its yearly earnings growth to higher net interest income from conventional banking and net income from Islamic financing which increased by 6.1% to OMR 397.7 Mn (USD 1.0 Bn) in FY-2024, compared to OMR 374.82 Mn (USD 973.6 Mn) in FY-2023. Non-interest income amounted to OMR 145 Mn (USD 376 Mn), compared to OMR 138 Mn (USD 358.5) for the same period in 2023, marking an increase of 5.1%.

In the Utilities sector, Phoenix Power Company led the way in terms of total profits that reached USD 59.7 Mn in FY-2024, up 4.9% y-o-y. Similarly, Sembcorp Salalah Company posted FY-2024 net profits that reached USD 58.4 Mn as compared to USD 53.3 Mn in FY-2023. The decrease in net earnings was largely attributed to underpinned by resilient earnings and robust cash flow. This year's dividend increase reflects our confidence in the company's future performance and ability to generate sustainable returns.

Aggregate net profits for the Telecom Sector increased by 5.0% to USD 233.2 Mn during FY-2024 as compared to USD 222.0 Mn during FY-2023. The growth in total net earnings for the sector came after both constituent companies in the sector reported y-o-y growth in their net profits during the year led by Oman Telecommunications Co. (USD 202.7 Mn) and Oman Qatari Telecommunications Co. (USD 30.5 Mn).

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