



Earnings Flash Note
Qatar Cinema & Film Distribution Co.
3Q 2023 / 9M 2023

Qatar Cinema & Film Distribution Co. (QCFS)

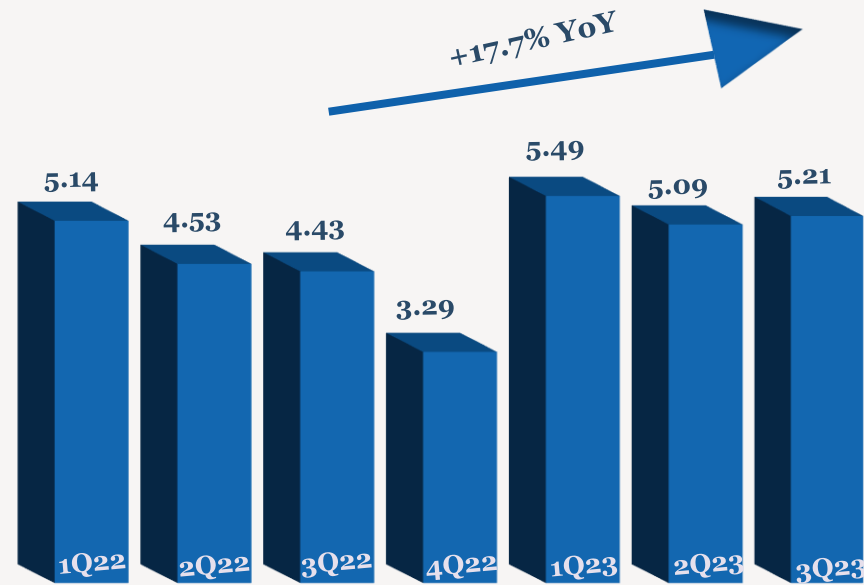
- > **Net profit increased 81.9% YoY to QR0.89mn (-23.3% QoQ)** primarily due to a surge in revenues and lower general & administrative expenses in 3Q2023. For 9M2023, net profit was up by 75.4% YoY to QR4.05mn.
- > **Revenue grew by 17.7% YoY to QR5.21mn (+2.4% QoQ)** driven by higher movies & cafeteria income in 3Q2023. For 9M2023, revenues were up by 12.0% YoY to QR15.79mn.
- > **Gross profit of QR1.82mn came higher by 14.2% YoY (+4.5% QoQ)** and margin declined to 34.9% (-1.1ppts YoY; +0.7ppts QoQ) in 3Q2023. For 9M2023, gross profit increased by 10.9% YoY to QR6.47mn.
- > **Operating profit was up by 60.2% YoY (-24.1% QoQ) to QR0.92mn in 3Q2023** while the corresponding margin improved to 17.6% (+4.7ppts YoY, -6.1ppts QoQ). For 9M2023, operating profit increased by 55.3% to QR4.13mn.
- > **For 3Q2023, EPS came at QR0.014 vs. QR0.008 in 3Q2022 while for 9M2023, EPS was 0.065 vs 0.037 in 9M2022.**
- > **As of 29th Oct 2023, the stock has declined 3.4% YTD**, outperforming the QSE index, which was down by 12.4% YTD.
- > **The stock is currently trading at a TTM P/E multiple of 42.3x**, lower than its 3Y historical average of 71.5x.

3Q/9M 2023 Earnings Performance

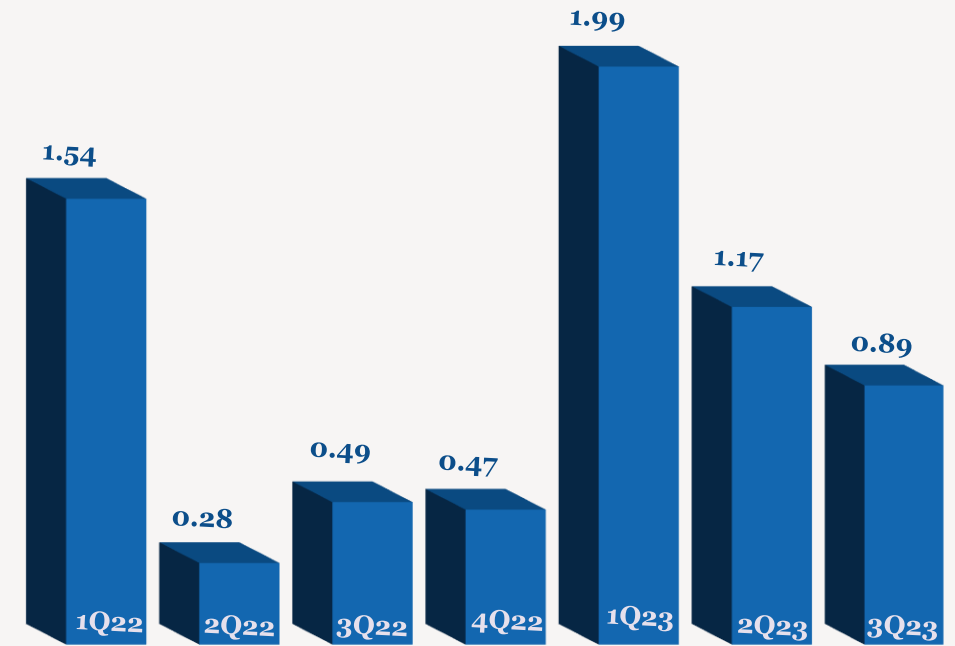
	3Q2023	3Q2022	YoY	2Q2023	QoQ	9M2023	9M2022	YoY
Revenue	5.21	4.43	17.7%	5.09	2.4%	15.79	14.10	12.0%
Gross Profit	1.82	1.59	14.2%	1.74	4.5%	6.47	5.83	10.9%
Gross Margin %	34.9%	36.0%		34.2%		41.0%	41.4%	
Operating Profit	0.92	0.57	60.2%	1.21	-24.1%	4.13	2.66	55.3%
Operating Margin %	17.6%	12.9%		23.8%		26.2%	18.9%	
Net Profit to Equity	0.89	0.49	81.9%	1.17	-23.3%	4.05	2.31	75.4%
Net Margin %	17.2%	11.1%		22.9%		25.7%	16.4%	
EPS (QR)	0.014	0.008	81.9%	0.019	-23.3%	0.065	0.037	75.4%

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

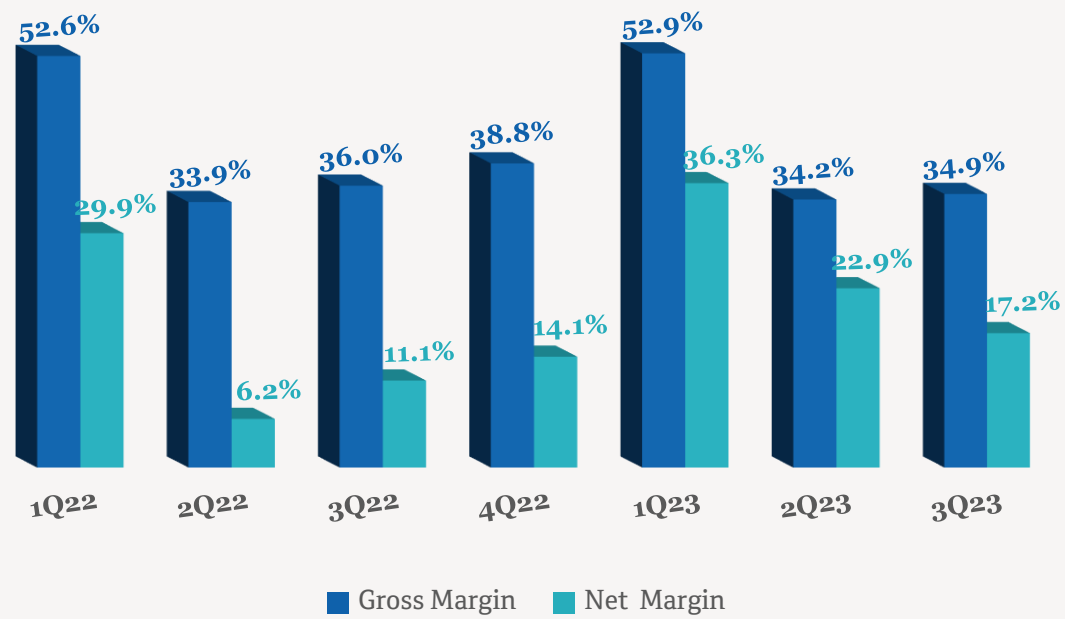
Quarterly Sales Trend (QRmn)



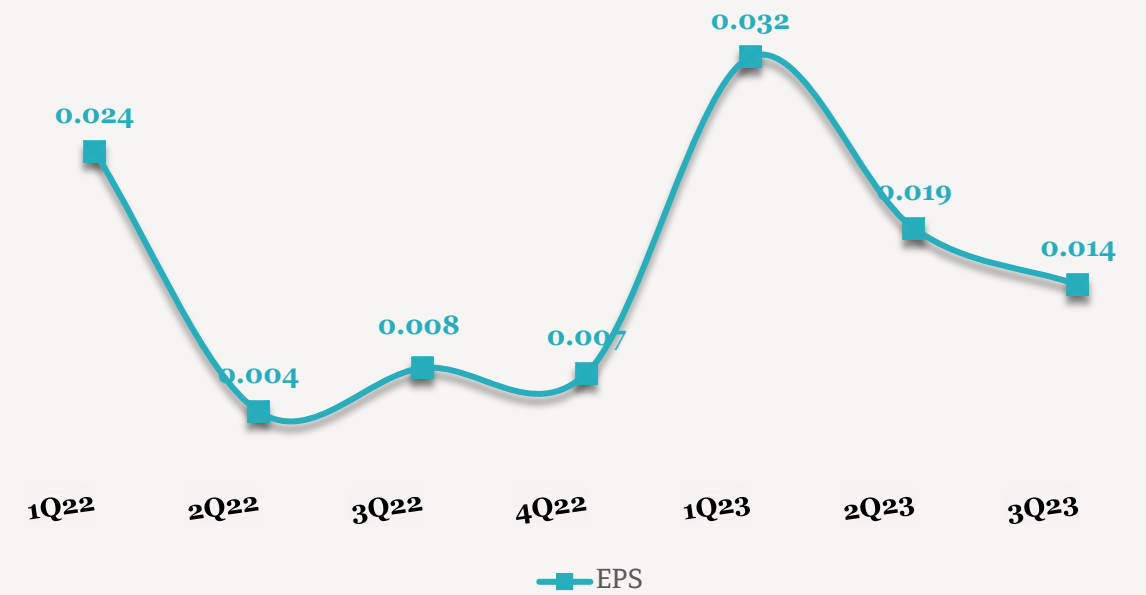
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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