

Earnings Flash Note
Qatar Industrial Manufacturing Company
4Q 2023 / FY 2023



Qatar Industrial Manufacturing Company (QIMD)

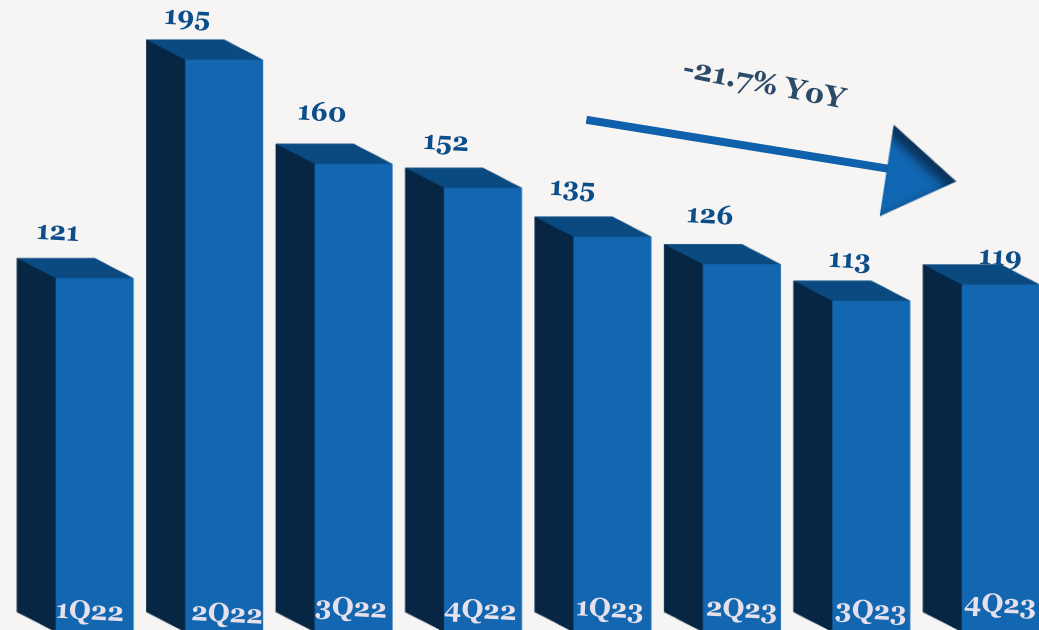
- > Net profit increased by 23.1% to QR20mn (-45.0% QoQ) in 4Q2023 driven by higher income from equity accounted investees (+92.8% YoY, +21.8% QoQ) and positive contribution from non-controlling interest of QR 7mn (vs, -QR 0.5mn in 4Q2022). For FY2023, net profit was up by 7.2% YoY to QR163mn
- > Revenue declined by 21.7% YoY (+4.9% QoQ) to QR 119mn in 4Q2023 likely due to drag in sales volume. For FY2023, revenue came lower by 21.5% YoY to QR492mn.
- > Gross profit decreased 16.4% YoY to QR29mn (+23.0% QoQ) while the corresponding margin came at 24.5% in 4Q2023 (vs. 22.9% in 4Q2022). For FY2023, gross profit was down 21.7% YoY to QR115mn.
- > Operating profit of QR8mn was down by 65.7% YoY (-70.9% QoQ) and margin came at 6.5% in 4Q2023 (vs. 14.8% in 4Q2022). For FY2023, operating profit fell by 1.4% YoY to QR110mn.
- > For 4Q2023, EPS came at QR0.04 vs. QR0.03 in 4Q2022 while for FY2023, EPS was QR0.34 vs. QR0.32 in FY2022.
- > As of 05th February 2024, the stock has decreased 8.2% YTD, outperforming the QSE index, which was down by 8.7% YTD.
- > The stock is currently trading at TTM P/E multiple of 7.9x. lower than its 2Y historical average of 10.6x.
- > The Board announced a DPS of QR0.13 for FY2023 which translates into a yield of 2.0%.

4Q/FY 2023 Earnings Performance

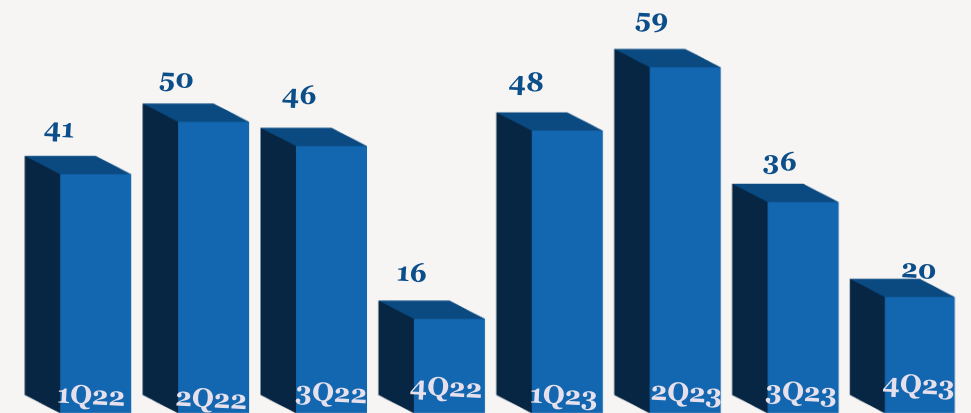
	4Q2023	4Q2022	YoY	3Q2023	QoQ	FY2023	FY2022	YoY
Sales	119	152	-21.7%	113	4.9%	492	627	-21.5%
Gross Profit	29	35	-16.4%	24	23.0%	115	146	-21.7%
Gross Margin %	24.5%	22.9%		20.9%		23.3%	23.4%	
Operating Profit	8	22	-65.7%	26	-70.9%	110	111	-1.4%
Operating Margin %	6.5%	14.8%		23.3%		22.3%	17.8%	
Net Profit to Equity	20	16	23.1%	36	-45.0%	163	152	7.2%
Net Margin %	16.7%	10.6%		31.8%		33.1%	24.3%	
EPS (QR)	0.04	0.03	23.1%	0.08	-45.0%	0.34	0.32	7.2%

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

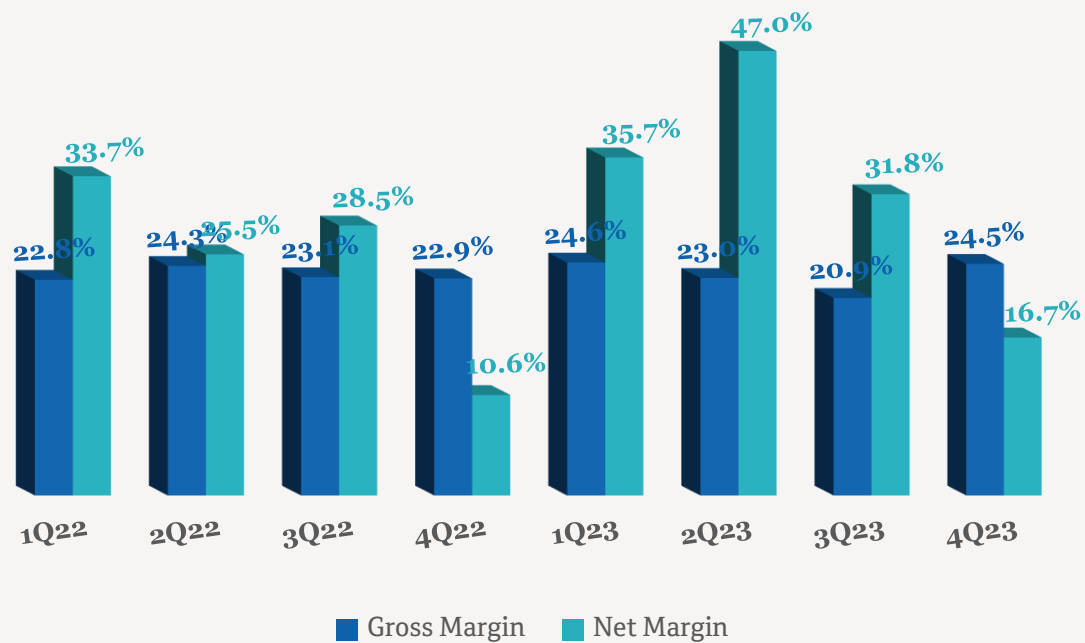
Quarterly Sales Trend (QRmn)



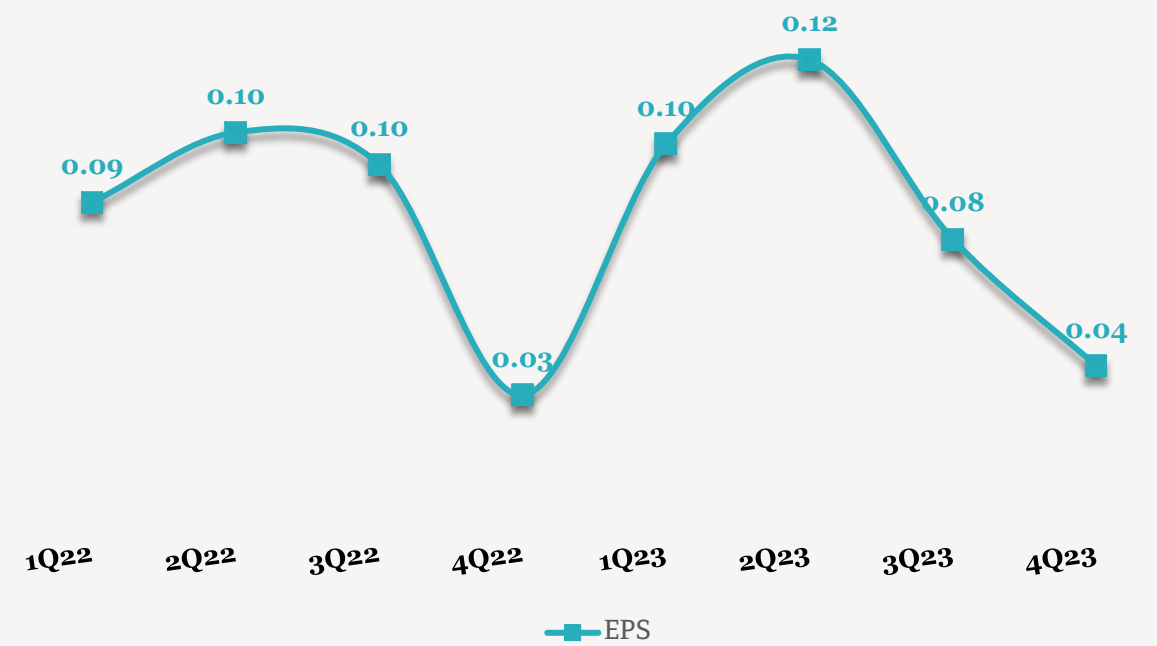
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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