

Earnings Flash Note  
Salam International Investment Limited  
4Q 2023 / FY 2023





## Salam International Investment Limited (SIIS)

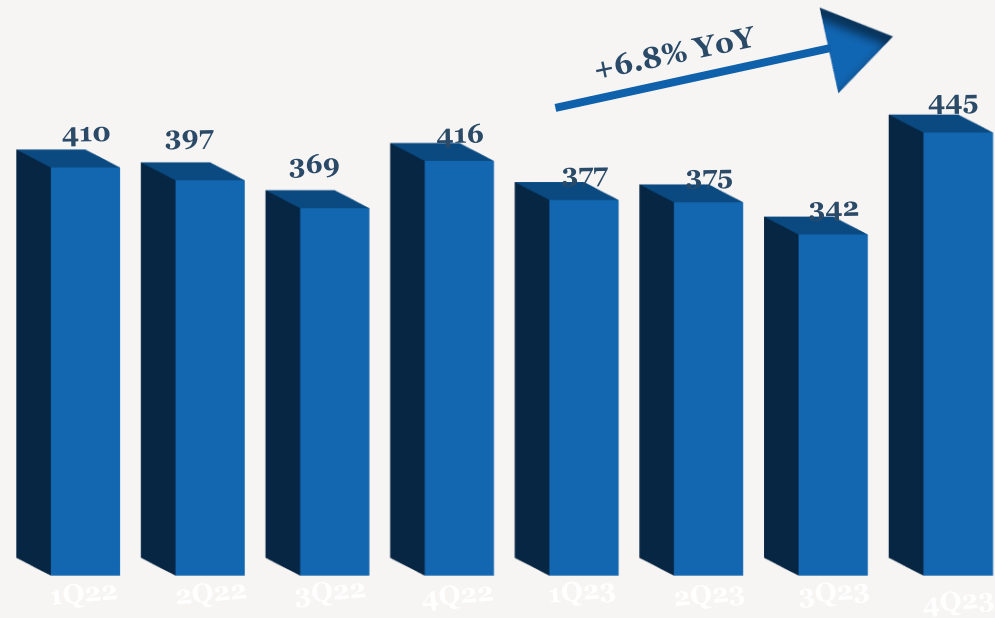
- > Net profit decreased by 6.0% YoY to QR29mn (+238.4% QoQ) in 4Q2023 primarily due to a loss on investment properties. For FY2023, net profit declined by 31.1% YoY to QR42mn.
- > Total revenue rose by 6.8% YoY to QR445mn (+29.8% QoQ) in 4Q2023 while for FY2023, it was down 3.3% YoY to QR1,539mn.
- > Gross profit increased by 6.7% YoY to QR127mn (+23.9% QoQ) and the corresponding margin improved to 28.6% (Flat YoY, -1.4ppts QoQ) in 4Q2023. For FY2023, gross profit rose 4.3% to QR460mn.
- > Operating profit fell 27.0% YoY (+18.7% QoQ) to QR57mn in 4Q2023 while the operating margin fell to 12.8% (-5.6ppts YoY, -1.2ppts QoQ). For FY2023, operating profit was QR174mn (Flat YoY).
- > For 4Q2023, EPS came at QR0.025 vs. QR0.027 in 4Q2022 while for FY2023, EPS was 0.036 vs 0.053 in FY2022.
- > As of 15th Feb 2024, the stock has decreased 0.7% YTD, outperforming the QSE index, which was down by 6.2% YTD.
- > The stock is currently trading at a TTM P/E multiple of 18.7x, higher than its 2Y historical average of 17.1x.
- > The Board announced a DPS of QR0.03 for 2023 which translates into a yield of 4.4%.

### 4Q/FY 2023 Earnings Performance

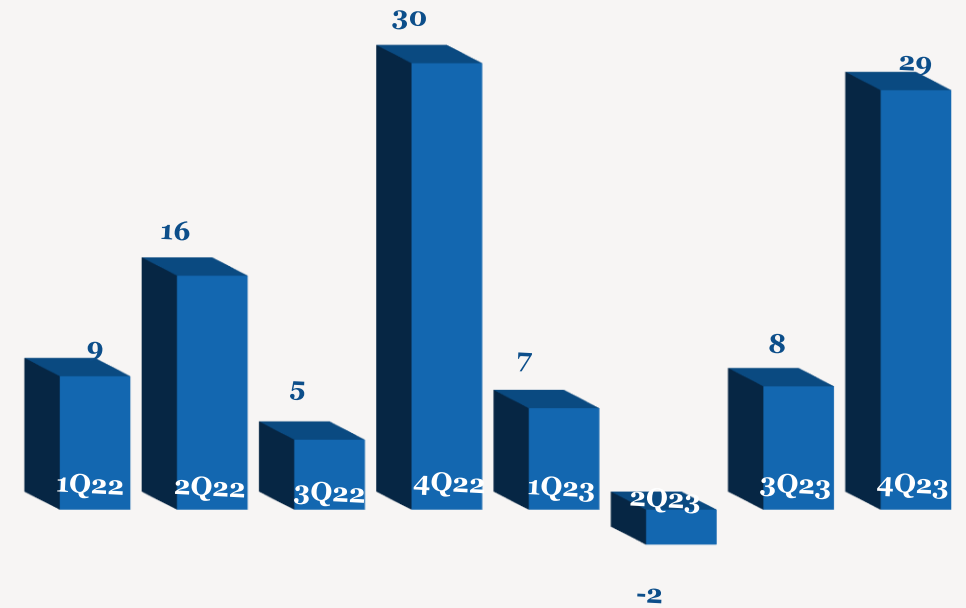
	4Q2023	4Q2022	YoY	3Q2023	QoQ	FY2023	FY2022	YoY
Total Revenue	445	416	6.8%	342	29.8%	1,539	1,591	-3.3%
Gross Profit	127	119	6.7%	103	23.9%	460	441	4.3%
Gross Margin %	28.6%	28.6%		29.9%		29.9%	27.7%	
Operating Profit	57	78	-27.0%	48	18.7%	174	174	0.0%
Operating Margin %	12.8%	18.7%		14.0%		11.3%	10.9%	
Net Profit to Equity	29	30	-6.0%	8	238.4%	42	60	-31.1%
Net Margin %	6.4%	7.3%		2.5%		2.7%	3.8%	
EPS (QR)	0.025	0.027	-6.0%	0.007	238.4%	0.036	0.053	-31.1%

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

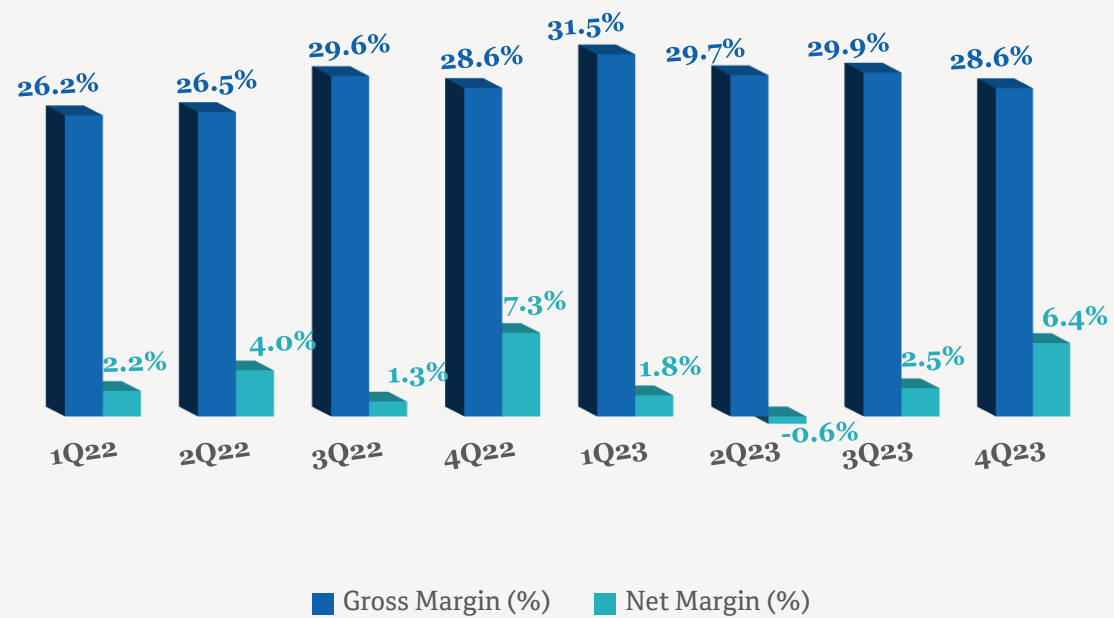
### Quarterly Sales Trend (QRmn)



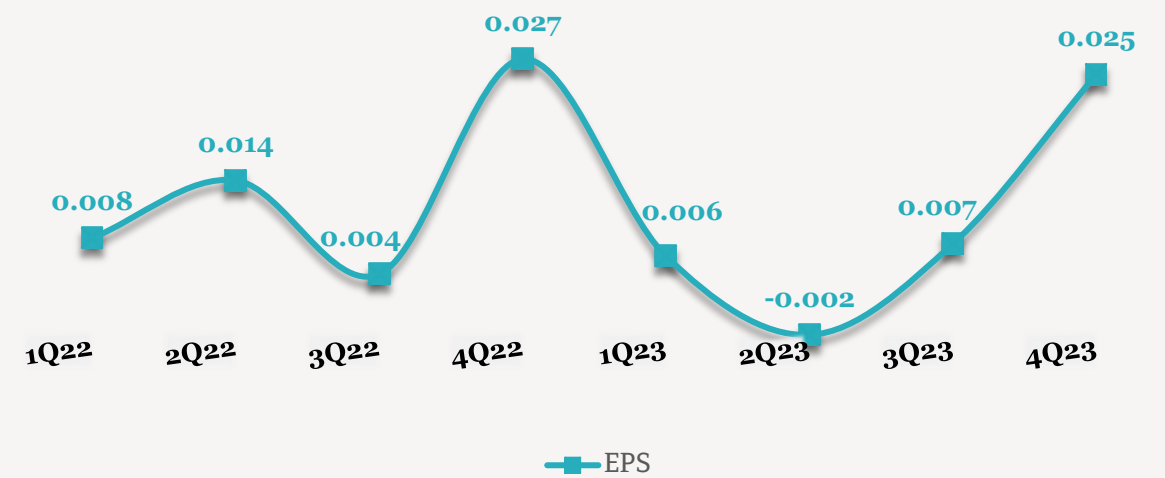
### Quarterly Earnings Trend (QRmn)



### Quarterly Margin Trend



### EPS (QR) Trend



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