



Earnings Flash Note
Zad Holding Co.
3Q2023 / 9M2023

Zad Holding Co. (ZHCD)

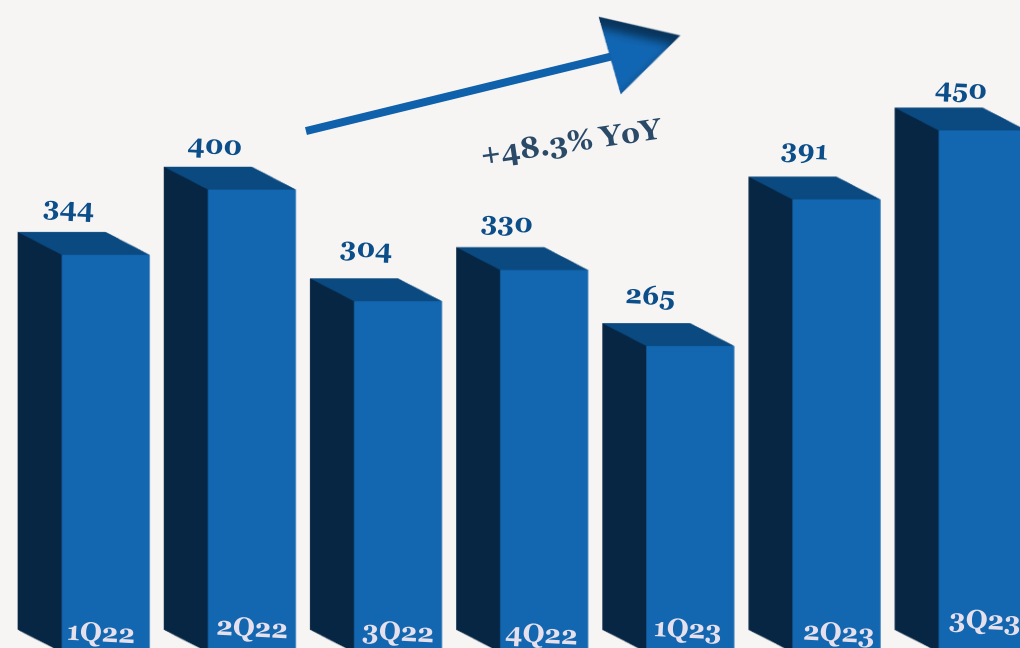
- > **Net profit increased by 19.7% YoY to QR42.2mn (-12.7% QoQ) in 3Q2023** primarily due to higher operating revenue. For 9M2023, net profit was QR132.2mn vs QR131.3mn in 9M2022.
- > **Operating revenue grew by 48.3% YoY (+15.2% QoQ) to QR450.5mn in 3Q2023** while for 9M2023, it increased by 5.7% YoY to QR1,106.7mn.
- > **Gross profit was up by 22.7% YoY (+15.6% QoQ) to QR91.0mn. On the other hand, gross margin** dropped to 20.2% (-4.2ppts YoY, +0.1ppts QoQ) in 3Q2023. For 9M2023, gross profit increased by 18.4% YoY to QR247.6mn.
- > **Operating profit of QR54.3mn came higher by 35.9% YoY (-9.8% QoQ) while** corresponding margin came at 12.1% (-1.1ppts YoY; -3.3ppts QoQ) in 3Q2023. For 9M2023, operating profit grew by 15.0% to QR166.2mn.
- > **For 3Q2023, EPS came at QR0.15 vs. QR0.12 in 3Q2022.** while for 9M2023, EPS was broadly flat at QR0.46.
- > **As of 31st Oct 2023, the stock has decreased 2.1% YTD, outperforming the** QSE index, which was down by 10.8% YTD.

3Q/9M 2023 Earnings Performance

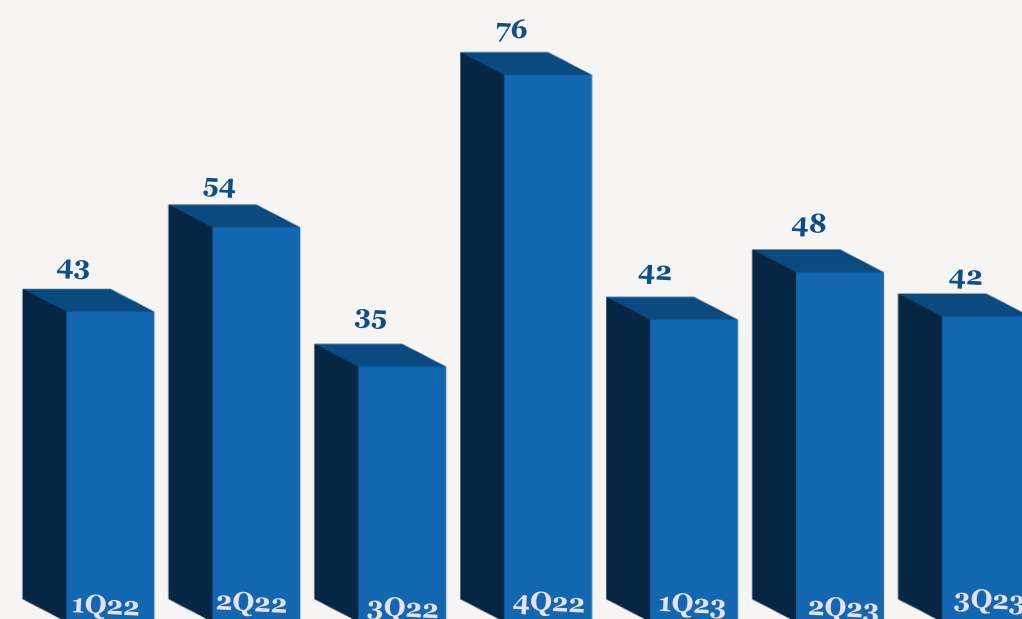
	3Q2023	3Q2022	YoY	2Q2023	QoQ	9M2023	9M2022	YoY
Operating Revenue	450.5	303.7	48.3%	391.1	15.2%	1,106.7	1,046.8	5.7%
Gross Profit	91.0	74.1	22.7%	78.7	15.6%	247.6	209.1	18.4%
Gross Margin %	20.2%	24.4%		20.1%		22.4%	20.0%	
Operating Profit	54.3	40.0	35.9%	60.2	-9.8%	166.2	144.6	15.0%
Operating Margin %	12.1%	13.2%		15.4%		15.0%	13.8%	
Net Profit	42.2	35.2	19.7%	48.3	-12.7%	132.2	131.3	0.7%
Net Margin %	9.4%	11.6%		12.3%		11.9%	12.5%	
EPS (QR)	0.15	0.12	19.7%	0.17	-12.7%	0.46	0.46	0.7%

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

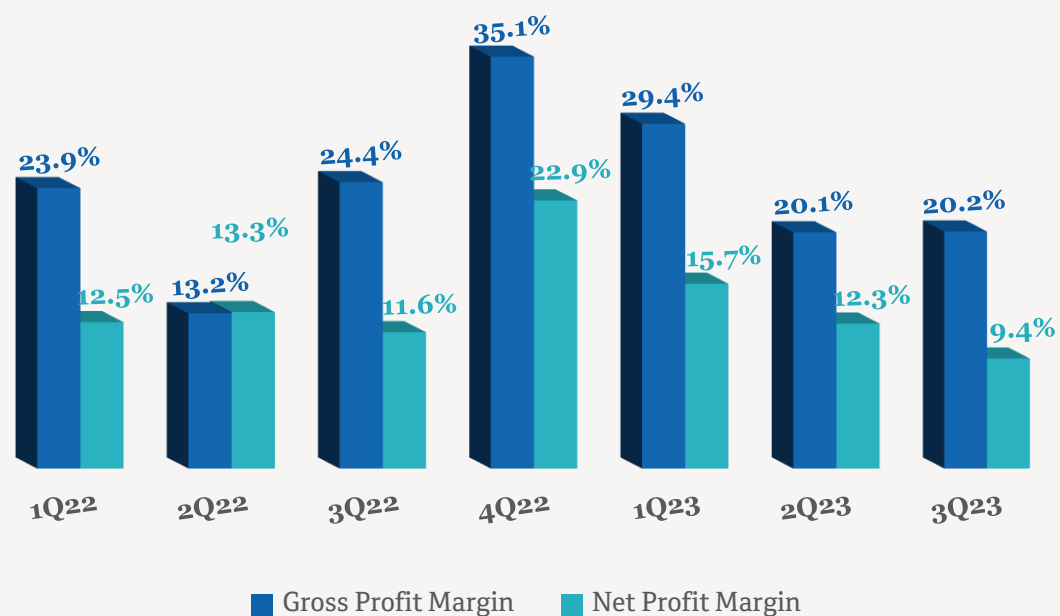
Quarterly Revenue Trend (QRmn)



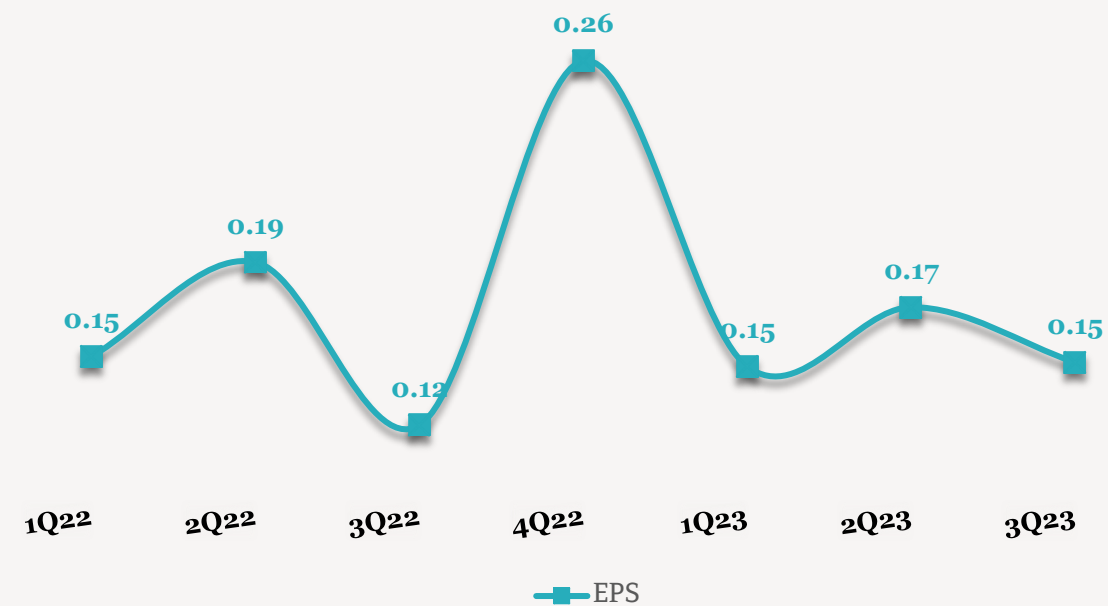
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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