Earnings Flash Note
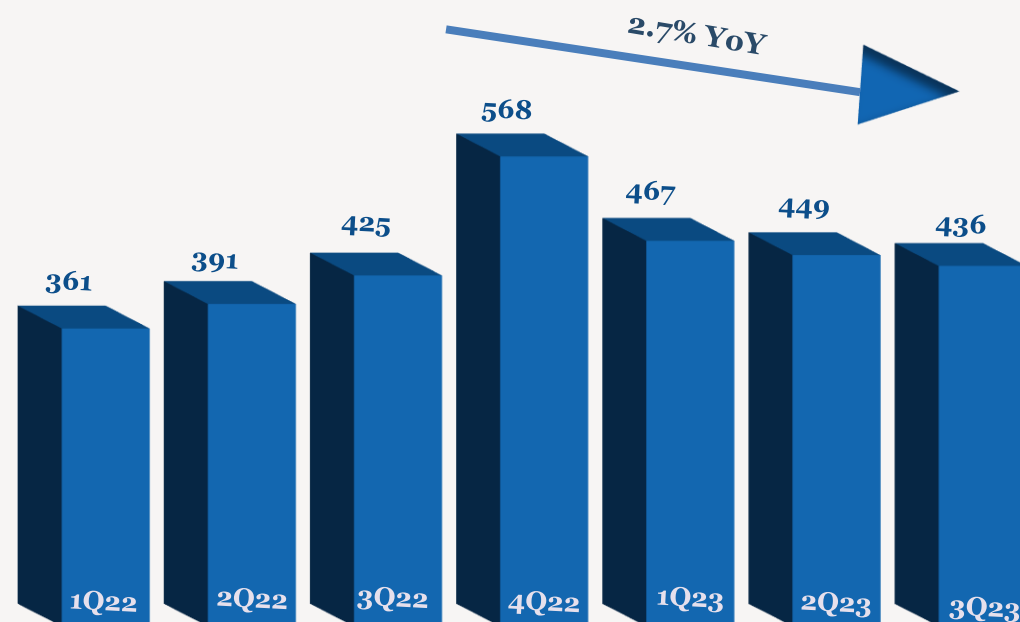Ezdan Holding Group
3Q 2023 / 9M 2023

# Ezdan Holding Group (ERES)

> **Net Income came broadly flat at QR58.3mn (-0.5% YoY, -17.0% QoQ) in** 3Q2023 while for 9M2023, it fell by 31.6% YoY to QR219.7mn.

> **Total revenue grew by 1.8% YoY (-3.3% QoQ) to QR458.0mn in 3Q2023 due** to higher rental income (+2.7% YoY, -2.9% QoQ). For 9M2023, total revenue was up by 13.4% YoY to QR1,420.6mn.

> **Net operating profit declined by 61.1% YoY to QR363.9mn (-3.8% QoQ) in** 3Q2023 as there was one-off gain on sale of equity accounted investees & joint ventures of QR576.5mn in 3Q2022. Excluding one-off item, net operating profit was up by 1.2% YoY in 3Q2023.

> **For 3Q2023, EPS was flat at QR0.0022 YoY while for 9M2023, EPS was QR0.0083** vs QR0.0121 in 9M2022.

> **As of 29th Oct 2023, the stock has decreased 21.1% YTD, underperforming the** QSE index, which was down by 12.4% YTD.

> **The stock is currently trading at a TTM P/B multiple of 0.62x, lower than its 3Y** historical average of 1.09x.
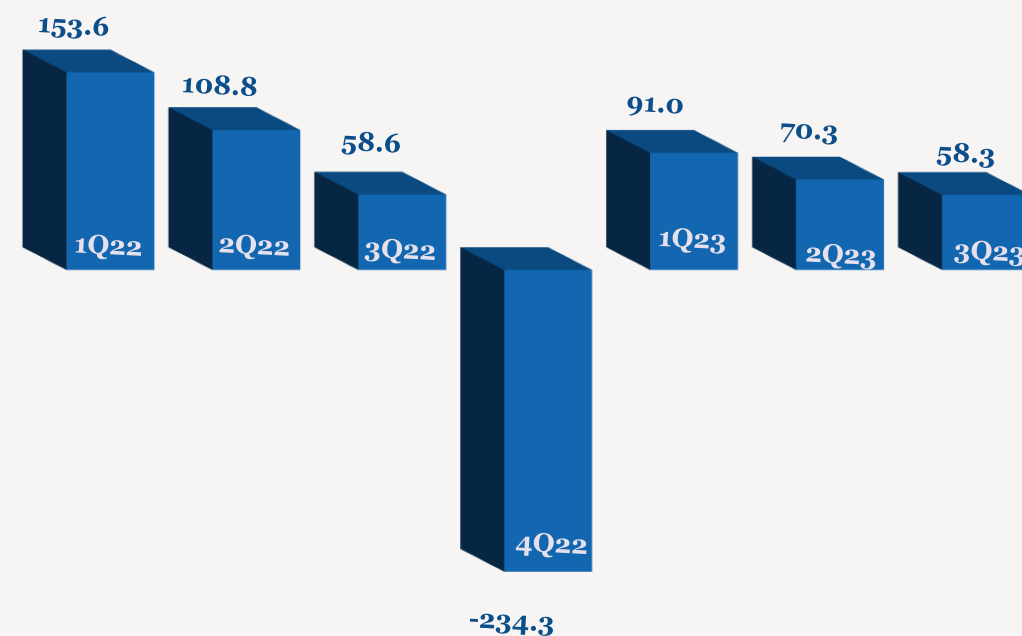
## 3Q/9M 2023 Earnings Performance

|  | 3Q2023 | 3Q2022 | YoY | 2Q2023 | QoQ | 9M2023 | 9M2022 | YoY |
|---|---|---|---|---|---|---|---|---|
| Rental Income | 436.4 | 424.8 | 2.7% | 449.3 | -2.9% | 1,352.2 | 1,176.3 | 15.0% |
| Total Revenue | 458.0 | 450.1 | 1.8% | 473.5 | -3.3% | 1,420.6 | 1,253.2 | 13.4% |
| Operating Profit from Main Operations | 363.9 | 354.7 | 2.6% | 378.4 | -3.8% | 1,142.6 | 999.0 | 14.4% |
| Net Operating Profit | 363.9 | 936.1 | -61.1% | 378.4 | -3.8% | 1,142.6 | 1,643.9 | -30.5% |
| Net Profit to Equity | 58.3 | 58.6 | -0.5% | 70.3 | -17.0% | 219.7 | 321.0 | -31.6% |
| EPS (QR) | 0.0022 | 0.0022 | -0.5% | 0.0027 | -17.0% | 0.008 | 0.012 | -31.6% |
| Investment Properties (QRbn) | 45.8 | 46.1 | -0.6% | 45.8 | 0.1% | 45.8 | 46.1 | 1.6% |

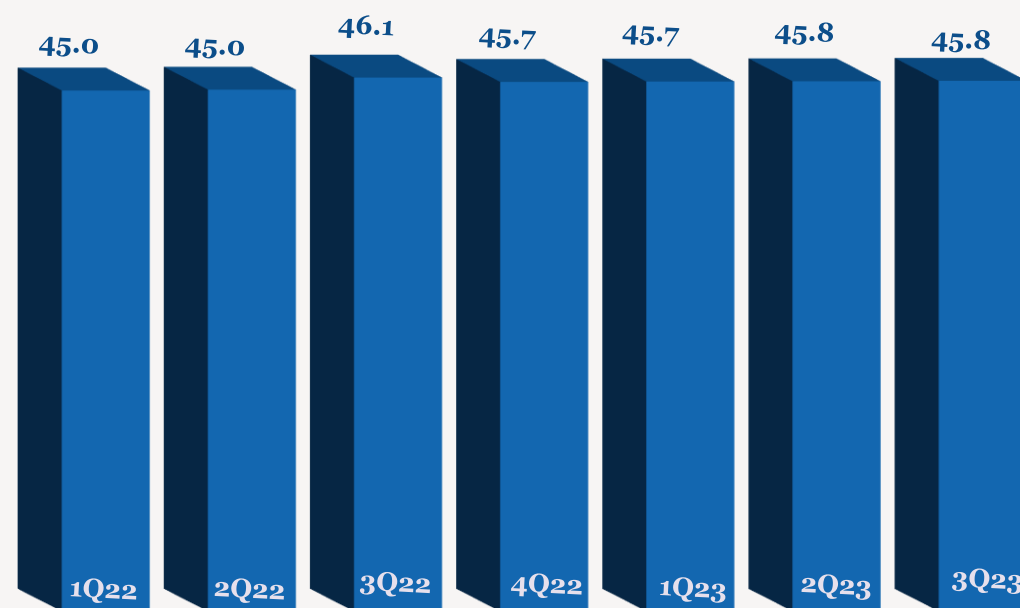*Note: Values are expressed in QR'mn unless explicitly stated*
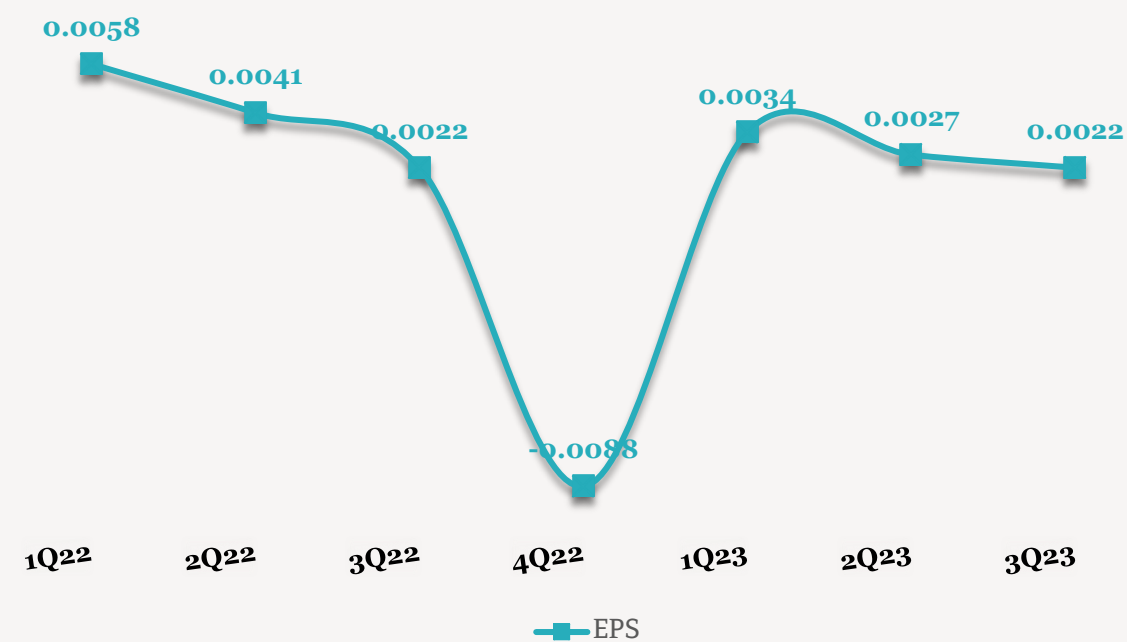
**QNB** FINANCIAL SERVICES

## Rental Income (QRmn)

2.7% YoY



| | | | | | | |
|---|---|---|---|---|---|---|
| 361 | 391 | 425 | 568 | 467 | 449 | 436 |
| 1Q22 | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 | 3Q23 |

## Quarterly Earnings Trend (QRmn)



| 1Q22 | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 | 3Q23 |
|---|---|---|---|---|---|---|
| 153.6 | 108.8 | 58.6 | -234.3 | 91.0 | 70.3 | 58.3 |

## Investment Properties (QRbn)



| 45.0 | 45.0 | 46.1 | 45.7 | 45.7 | 45.8 | 45.8 |
|---|---|---|---|---|---|---|
| 1Q22 | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 | 3Q23 |

## EPS (QR) Trend



| 1Q22 | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 | 3Q23 |
|---|---|---|---|---|---|---|
| 0.0058 | 0.0041 | 0.0022 | -0.0088 | 0.0034 | 0.0027 | 0.0022 |

EPS

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