



Earnings Flash Note
Estithmar Holding
4Q 2023 / FY 2023



Estithmar Holding (IGRD)

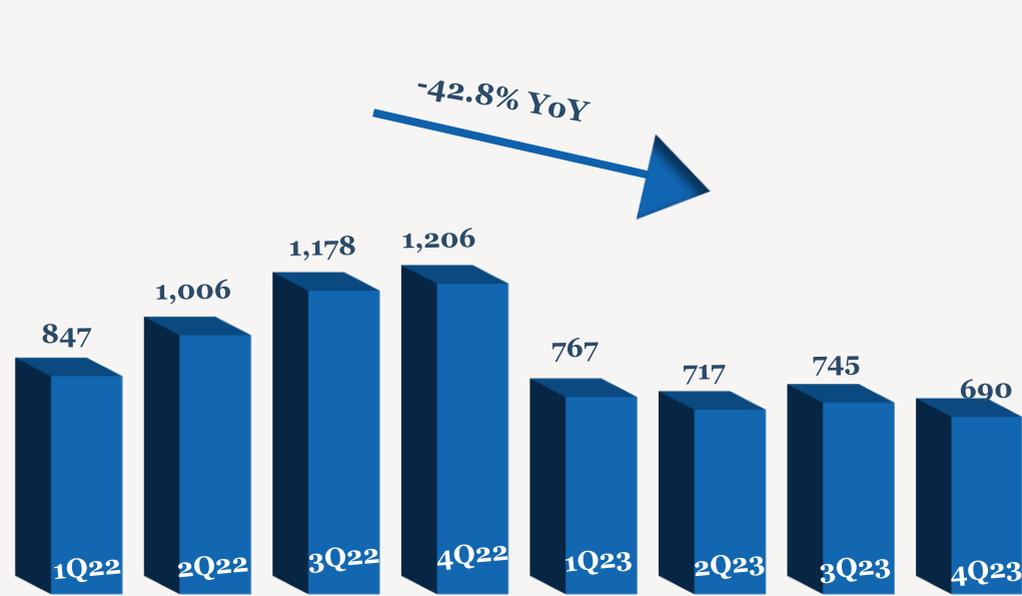
- > Net profit in 4Q2023 increased by 18.8% YoY to QR45mn (-56.2% QoQ) primarily due to higher other income and lower direct cost expenses. For FY2023, it increased by 2.8% YoY to QR348mn.
- > Revenue fell by 42.8% YoY to QR690mn (-7.4% QoQ) in 4Q2023 while for FY2023, it decreased by 31.1% YoY to QR2,919mn.
- > Gross profit increased by 16.4% YoY to QR233mn (+35.5% QoQ) and margin improved to 33.8% (+17.2ppts YoY; +10.7ppts QoQ) in 4Q2023. For FY2023, gross profit was up by 29.2% YoY to QR801mn.
- > Operating profit increased by 39.2% to QR85mn (-35.0% QoQ) while the corresponding margin improved by 7.2ppts YoY to 12.3% (-5.3ppts QoQ). For FY2023, operating profit increased by 22.8% YoY to QR486mn.
- > For 4Q2023, EPS came at QR0.013 vs. QR0.012 in 4Q2022 while for FY2023, EPS was 0.102 vs 0.107 in FY2022.
- > As of 21st Feb 2024, the stock has decreased 7.6% YTD, underperforming the QSE index, which was down by 4.3% YTD.
- > The stock is currently trading at a TTM P/E multiple of 18.9x, higher than its 2Y historical average of 18.0x. For now, we maintain our PT of QR2.31/share and accumulate rating.
- > The Board of Directors recommended to the General Assembly not to distribute dividends for the financial year 2023.

4Q/FY 2023 Earnings Performance

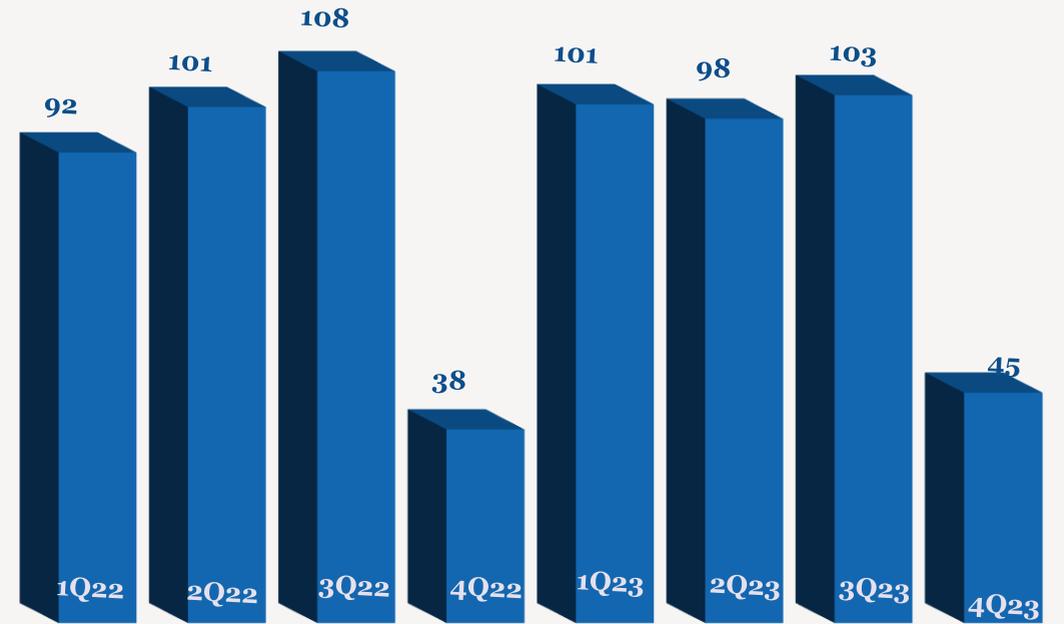
	4Q2023	4Q2022	YoY	3Q2023	QoQ	FY2023	FY2022	YoY
Revenue	690	1,206	-42.8%	745	-7.4%	2,919	4,237	-31.1%
Gross Profit	233	200	16.4%	172	35.5%	801	620	29.2%
Gross Margin %	33.8%	16.6%		23.1%		27.4%	14.6%	
Operating Profit	85	61	39.2%	131	-35.0%	486	396	22.8%
Operating Margin %	12.3%	5.1%		17.6%		16.7%	9.3%	
Net Profit to Equity	45	38	18.8%	103	-56.2%	348	338	2.8%
Net Margin %	6.5%	3.2%		13.8%		11.9%	8.0%	
EPS (QR)	0.013	0.012	10.8%	0.030	-56.2%	0.102	0.107	-4.1%

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

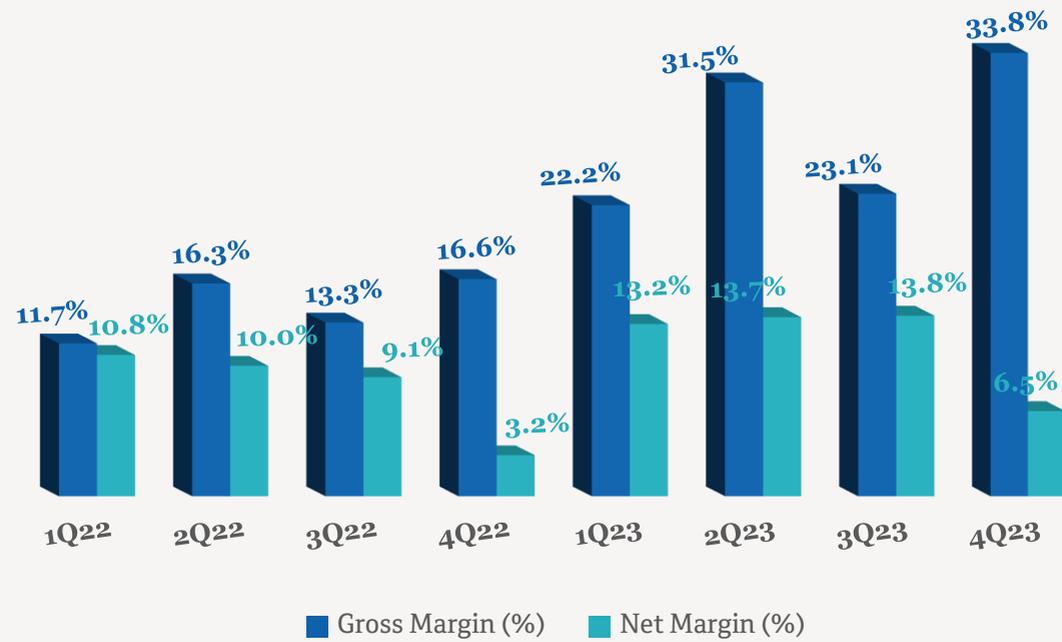
Quarterly Sales Trend (QRmn)



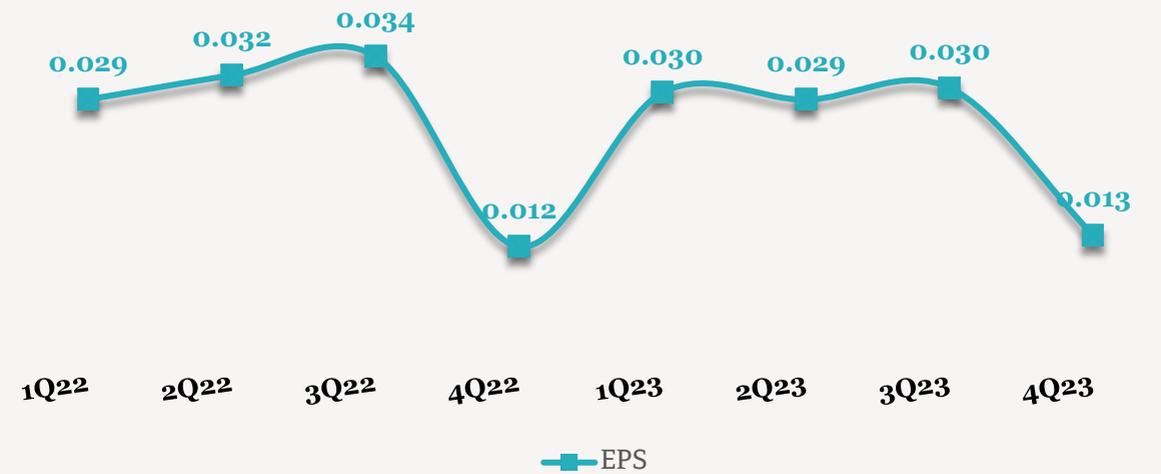
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



Contacts

QNB Financial Services Co. W.L.L.

Contact Center: (+974)4476 6666

info@qnbfs.com.qa

Doha, Qatar

Saugata Sarkar, CFA, CAIA

Head of Research

saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian

Senior Research Analyst

shahan.keushgerian@qnbfs.com.qa

Phibion Makuwerere, CFA

Senior Research Analyst

phibion.makuwerere@qnbfs.com.qa

Roy Thomas

Senior Research Analyst

roy.thomas@qnbfs.com.qa

Dana Saif Al Sowaidi

Research Analyst

dana.alsowaidi@qnbfs.com.qa

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