



Earnings Flash Note
INMA Holding
3Q 2023 / 9M 2023



INMA Holding (IHGS)

- > **Net profit increased by 25.9% YoY to QR2.7mn (+30.7% QoQ) in 3Q2023** primarily driven by higher other income. However, lower brokerage & commission income, loss from revaluation of investments and higher financial costs limited the gains. For 9M2023, net profit declined by 35.7% YoY to QR6.1mn.
- > **Brokerage and commission income decreased by 8.9% YoY to QR4.3mn (+53.2% QoQ) in 3Q2023.**
- > **Gross profit declined by 7.8% YoY to QR3.0mn (+70.8% QoQ) while the corresponding margins improved 0.8ppts YoY (+7.0ppts QoQ) to 68.4% in 3Q2023.**
- > **Other income jumped by 128.6% to QR4.9mn (+9.4% QoQ) driven by refunded commissions and increased income from deposits with Islamic banks.**
- > **Operating profit of QR3.3mn was up by 39.4% YoY (+23.0% QoQ) and the margins came at 75.8% (+26.3ppts YoY, -18.6ppts QoQ) in 3Q2023.**
- > **For 3Q2023, EPS came at QR0.048 vs. QR0.038 in 3Q2022 while for 9M2023, EPS was 0.107 vs 0.166 in 9M2022.**

- > **As of 23rd Oct 2023, the stock has decreased 5.1% YTD, outperforming the QSE index, which was down by 9.0% YTD.**
- > **The stock is currently trading at TTM P/E multiple of 37.3x, lower than its 3Y historical average of 39.5x.**

3Q2023 Earnings Performance

	3Q2023	3Q2022	YoY	2Q2023	QoQ
Brokerage and Commission Income	4.34	4.76	-8.9%	2.83	53.2%
Gross Profit	2.97	3.22	-7.8%	1.74	70.8%
Gross Margin %	68.4%	67.6%		61.3%	
Other income	4.87	2.13	128.6%	4.46	9.4%
Operating Profit	3.29	2.36	39.4%	2.67	23.0%
Operating Margin %	75.8%	49.5%		94.5%	
Net Profit to Equity	2.70	2.15	25.9%	2.07	30.7%
Net Margin %	62.3%	45.0%		73.0%	
EPS (QR)	0.048	0.038	25.9%	0.037	30.7%

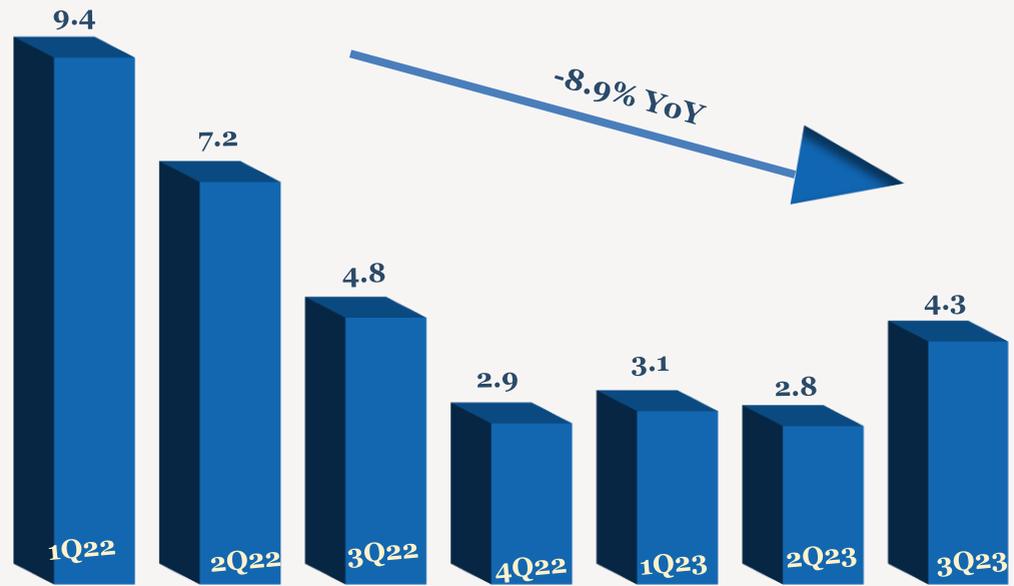
Note: Values are expressed in QR'mn unless explicitly stated

9M 2023 Earnings Performance

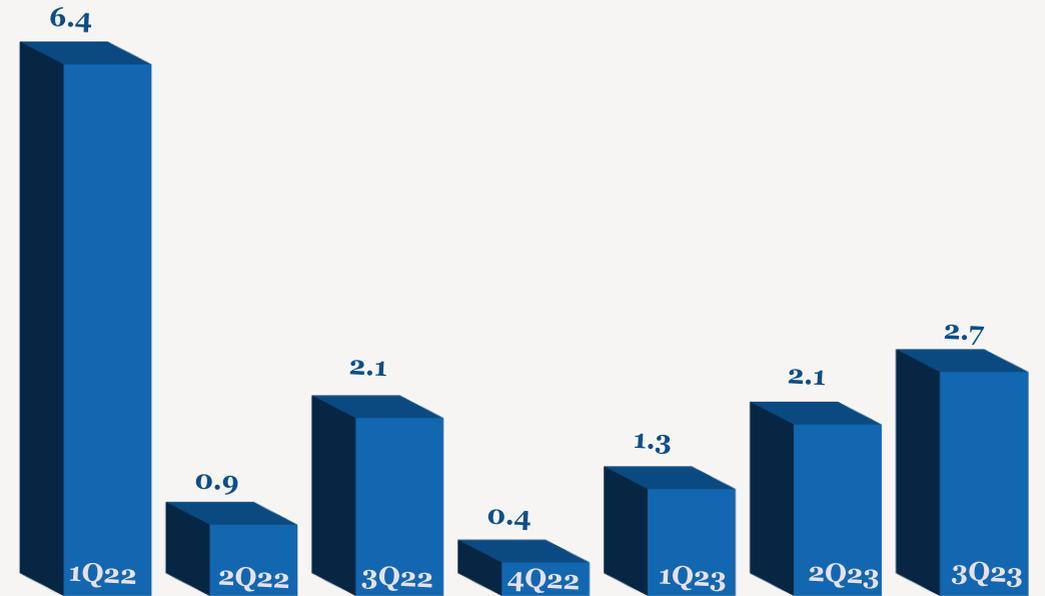
	9M2023	9M2022	YoY
Brokerage and Commission Income	10.27	21.34	-51.9%
Gross Profit	6.88	13.27	-48.2%
Gross Margin %	67.0%	62.2%	
Other income	12.70	6.55	94.0%
Operating Profit	7.73	10.08	-23.3%
Operating Margin %	75.3%	47.2%	
Net Profit to Equity	6.06	9.42	-35.7%
Net Margin %	59.0%	44.1%	
EPS (QR)	0.107	0.166	-35.7%

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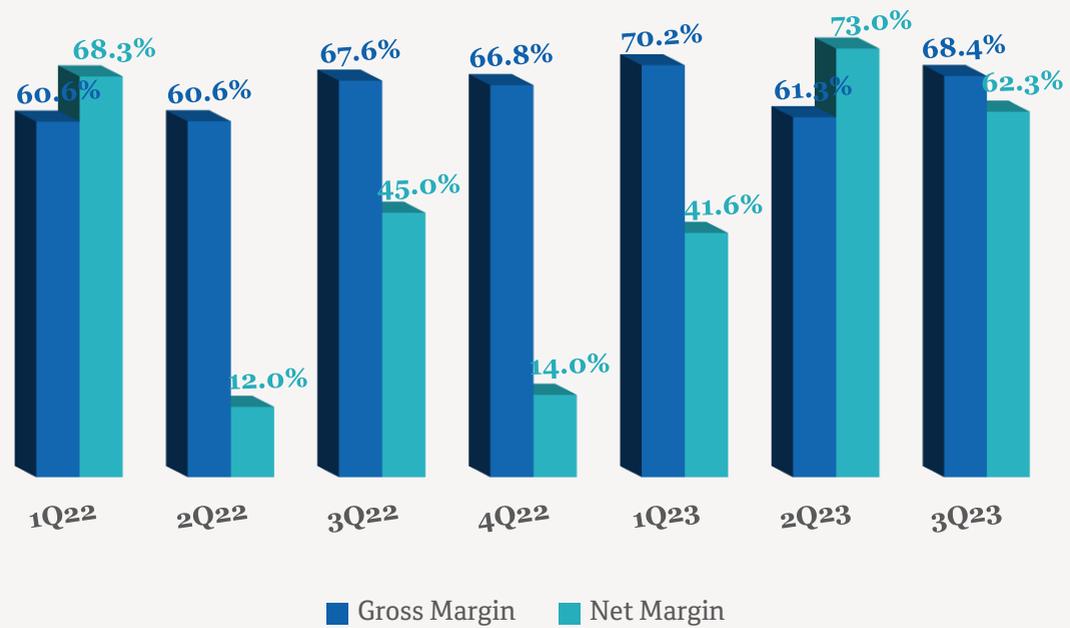
Quarterly Brokerage and Commission Income Trend (QRmn)



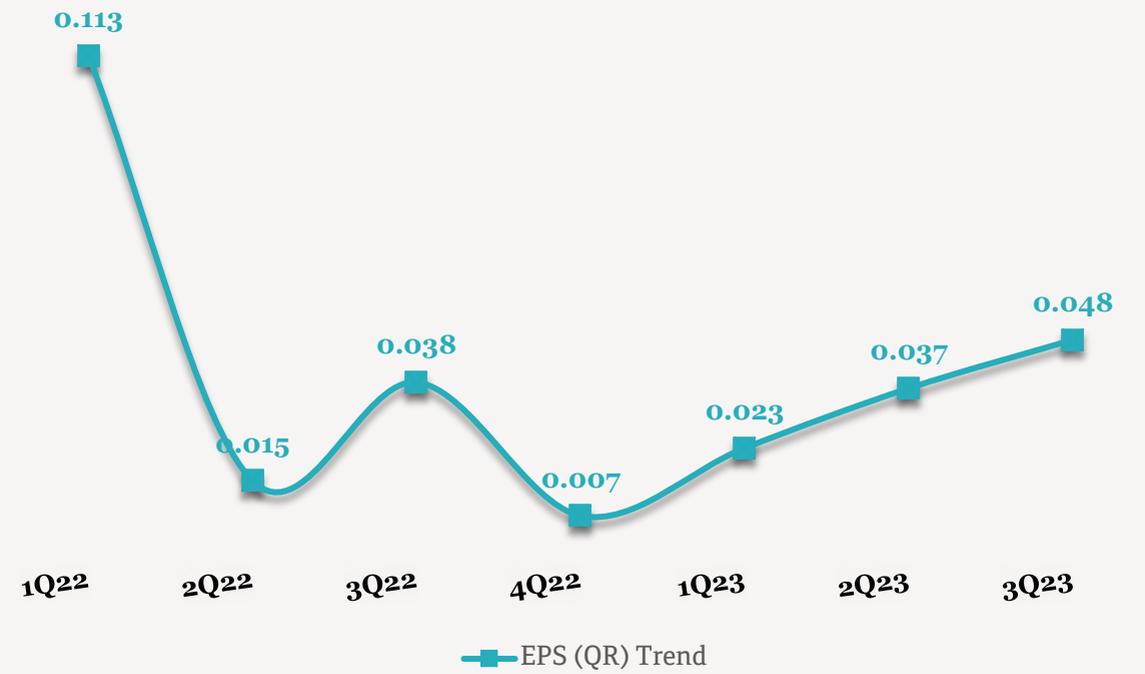
Quarterly Earnings Trend (QRmn)



Quarterly Ratio Trend



EPS (QR) Trend



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