



Earnings Flash Note  
Al Meera Consumer Goods Co.  
3Q2023 / 9M2023



## Al Meera Consumer Goods Co. (MERS)

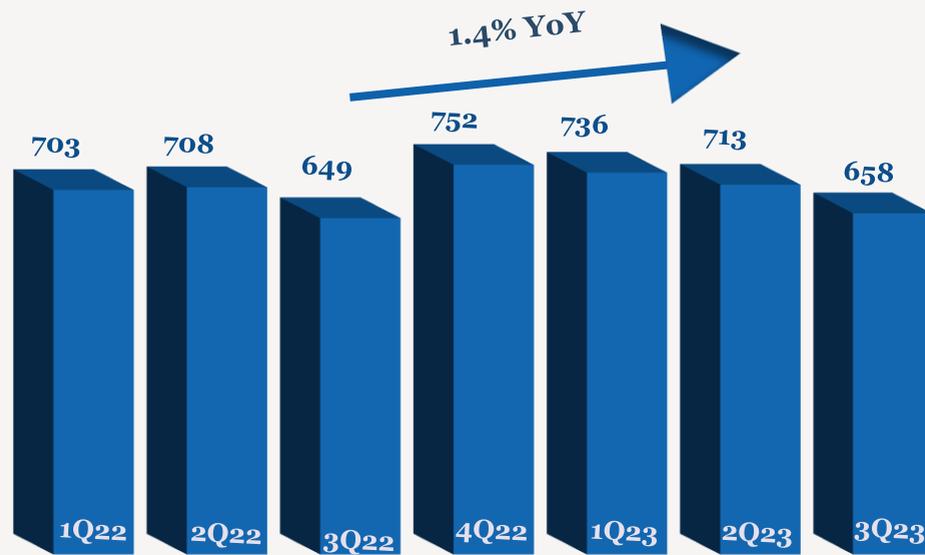
- > **Net profit decreased 14.1% YoY to QR27mn (-39.3% QoQ) primarily due to higher general and administrative costs in 3Q2023.** For 9M2023, net profit was down by 4.5% YoY to QR116mn.
- > **Revenue grew by 1.4% YoY to QR658mn (-7.7% QoQ), while higher other income supported the bottom-line in 3Q2023** (MERS reported other income of QR5.4mn in 3Q2023 vs. a loss in 3Q2022). For 9M2023, revenues were up by 2.3% YoY to QR2,107mn.
- > **Gross profit came lower by 0.8% YoY to QR120mn (-8.3% QoQ) while the corresponding margin declined to 18.3% (-0.4ppts YoY, -0.1ppts QoQ) in 3Q2023.** For 9M2023, gross profit increased by 0.5% YoY to QR386mn.
- > **For 3Q2023, EPS came at QR0.13 vs QR0.16 in 3Q2022 while for 9M2023, EPS was 0.56 vs 0.59 in 9M2022.**
- > **As of 31st Oct 2023, the stock has decreased 15.9% YTD, underperforming the QSE index, which was down by 10.8% YTD.**
- > **The stock is currently trading at a TTM P/E multiple of 13.9x, lower than its 3Y historical average of 18.8x.**

### 3Q/9M 2023 Earnings Performance

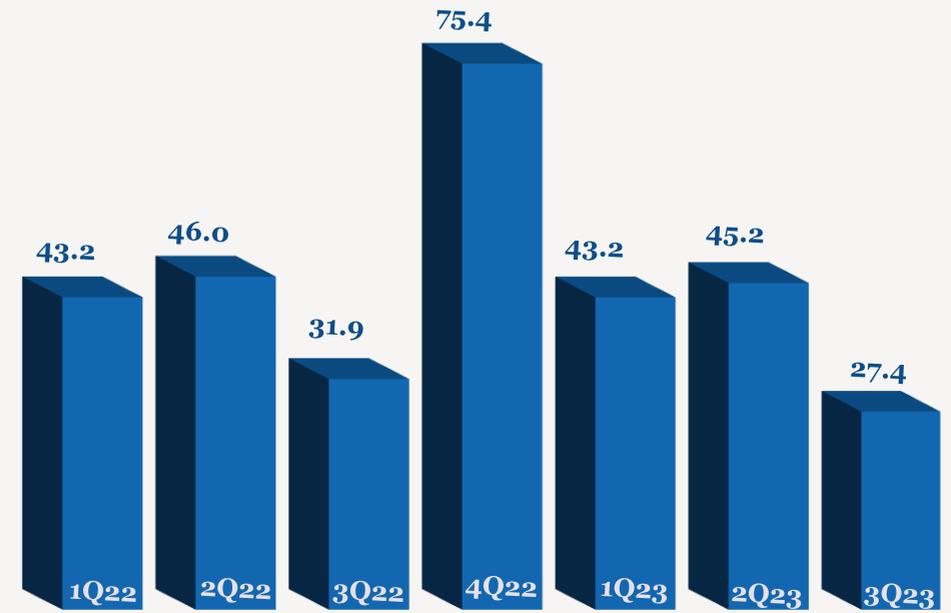
	3Q2023	3Q2022	YoY	2Q2023	QoQ	9M2023	9M2022	YoY
Revenue	658	649	1.4%	713	-7.7%	2,107	2,060	2.3%
Gross Profit	120	121	-0.8%	131	-8.3%	386	384	0.5%
Gross Margin %	18.3%	18.7%		18.4%		18.3%	18.7%	
Net Profit to Equity	27	32	-14.1%	45	-39.3%	116	121	-4.5%
Net Margin %	4.2%	4.9%		6.3%		5.5%	5.8%	
EPS (QR)	0.13	0.16	-14.1%	0.22	-39.3%	0.56	0.59	-4.5%

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

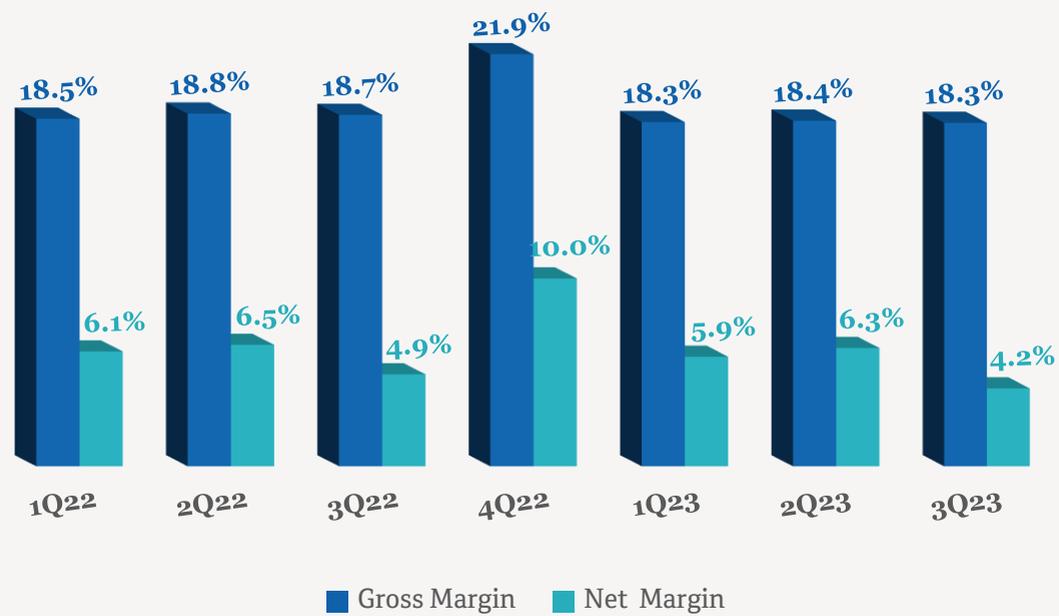
Quarterly Sales Trend (QRmn)



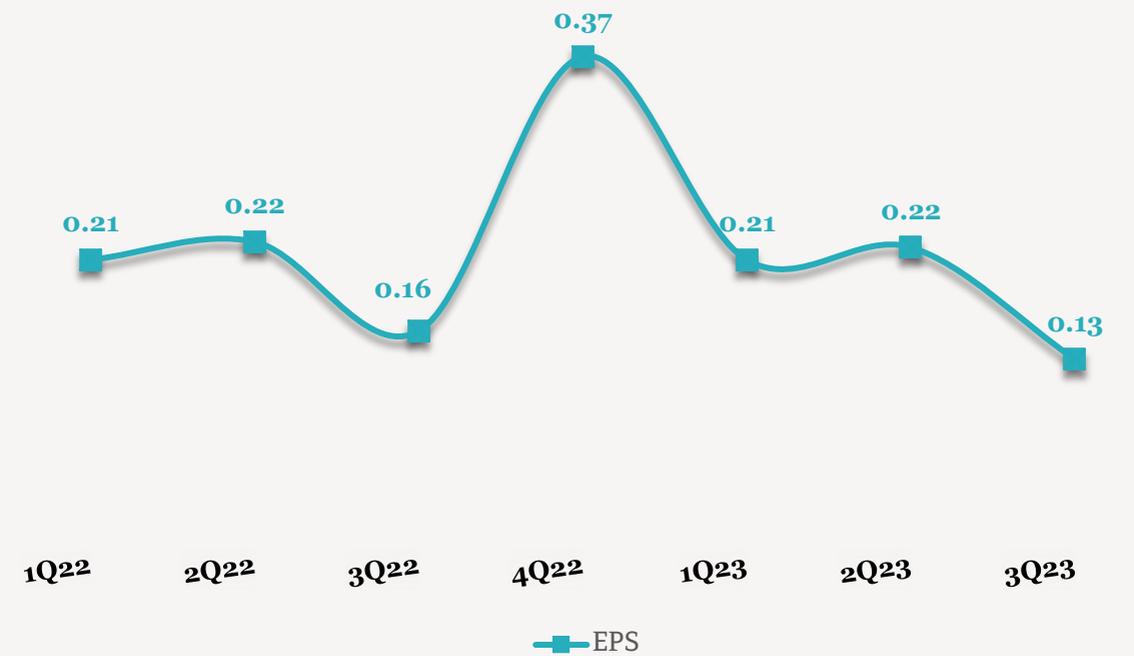
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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