



Earnings Flash Note
Mazaya Real Estate Development
3Q 2023 / 9M 2023



Mazaya Real Estate Development (MRDS)

- > **MRDS 3Q23 net profit fell by 43.3% YoY to reach QR6.7mn** due to an increase in finance cost by 35.7% YoY. For 9M23, net profit declined by 33.1% YoY to QR21.5mn.
- > **Finance income declined 3.0% YoY to QR16.6mn in 3Q23** whereas Rental income grew 16.7% YoY to QR9.5mn.
- > **Gross profit declined 12.4% YoY to QR21.7mn** and corresponding margin dropped to 83.1% (-4.7pps QoQ; -15.0pps YoY).
- > **Operating profit decreased 7.4% YoY to QR19.6mn in 3Q23** while margin dropped to 75.2% (-8.7pps YoY).
- > **For 3Q23, EPS came at QR0.006 vs. QR0.010 in 3Q22** while for 9M23, EPS was 0.019 vs 0.028 in 9M22.
- > **Net debt/Equity of 0.9x remained largely flat at quarter end.**

- > **As of 16th Oct 2023, the stock has dropped 8.1% YTD,** underperforming the QSE index, which is down by 6.0% YTD.
- > **The stock is currently trading at a TTM P/E multiple of 23.3x.**

3Q 2023 Earnings Performance

	3Q2023	3Q2022	YoY	2Q2023	QoQ
Finance Income	17	17	-3.0%	17	-0.8%
Rental Income	9	8	16.7%	14	-30.7%
Gross Profit	22	25	-12.4%	27	-18.9%
Operating Profit	20	21	-7.4%	NA	NA
Finance Cost	13	9	35.7%	14	-8.7%
Net Profit	7	12	-43.3%	5	42.1%
EPS	0.006	0.010	-43.3%	0.003	42.1%
Net Debt/Equity	0.91	0.85		0.85	

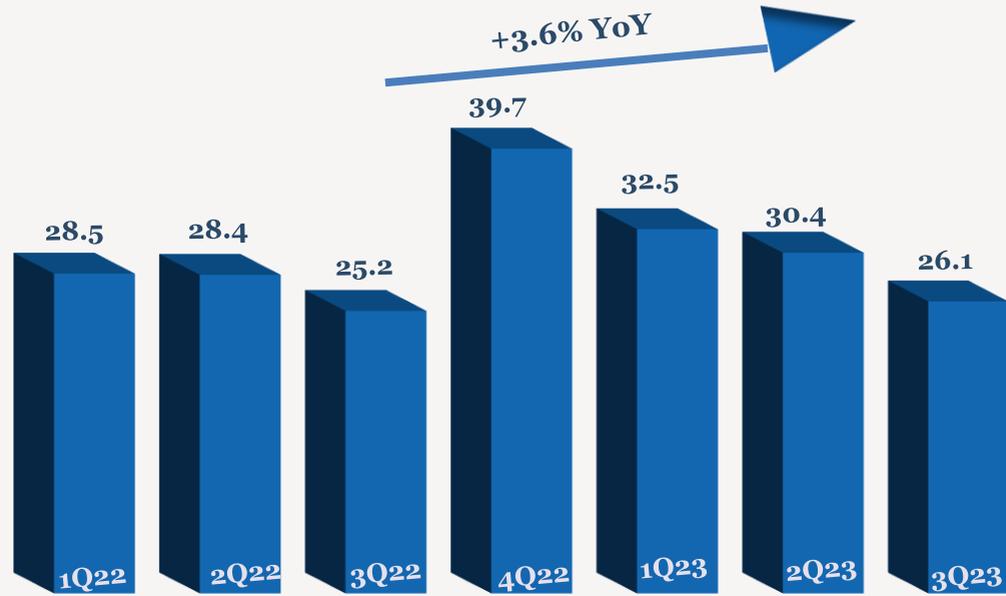
Note: Values are expressed in QR'mn unless explicitly stated

9M 2023 Earnings Performance

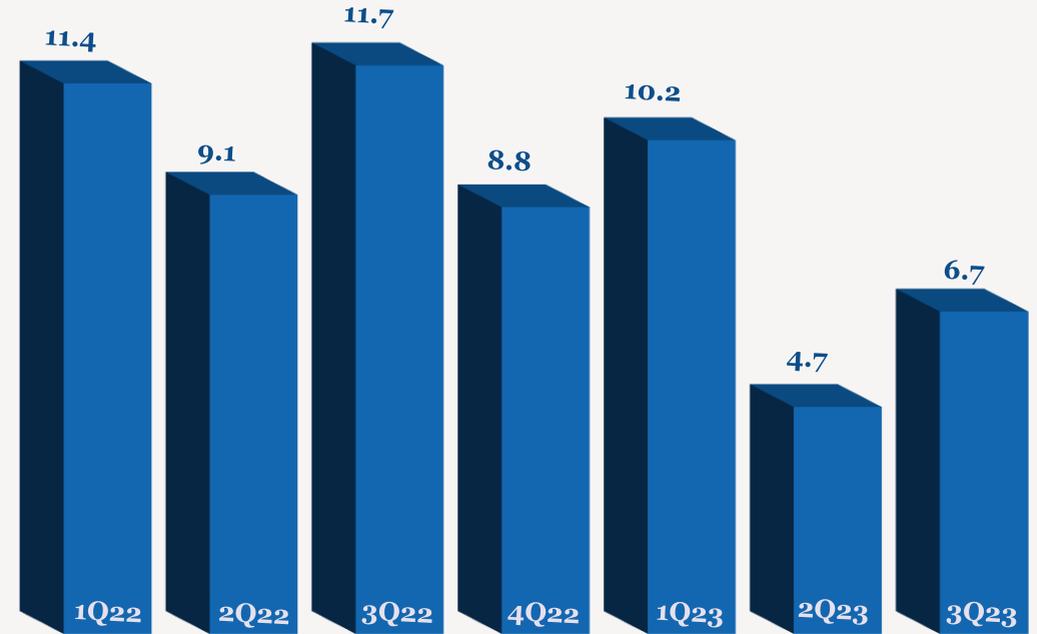
	9M2023	9M2022	YoY
Finance Income	50	52	-3.0%
Rental Income	39	31	27.2%
Gross Profit	77	77	0.8%
Operating Profit	65	60	8.7%
Finance Cost	44	28	57.8%
Net Profit	22	32	-33.1%
EPS	0.019	0.028	-33.1%
Net Debt/Equity	0.91	0.85	

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

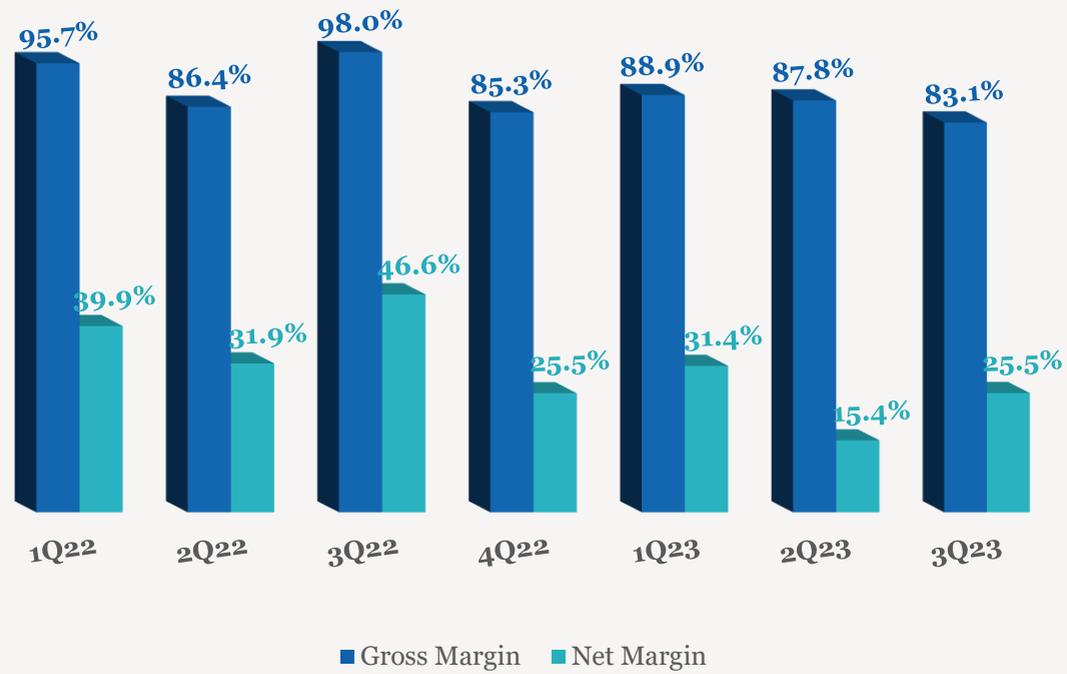
Quarterly Sales Trend (QR mn)



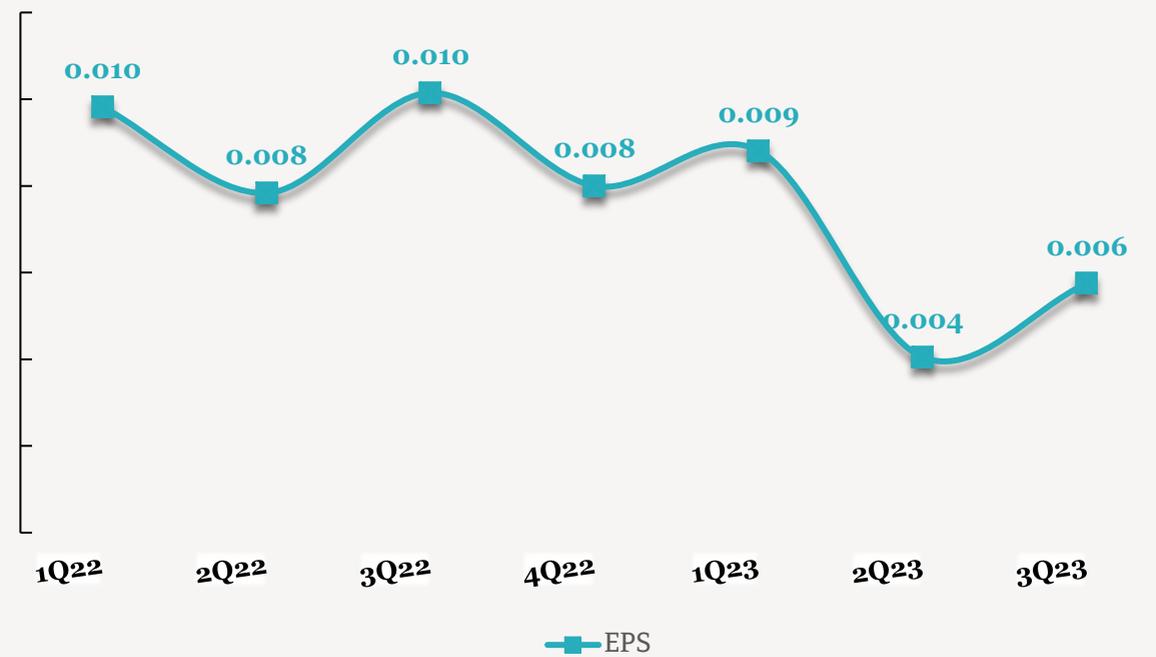
Quarterly Earnings Trend (QR mn)



Quarterly Margins Trend



EPS Trend (QR)



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