



Earnings Flash Note
National Leasing
4Q 2023 / FY 2023



National Leasing (NLCS)

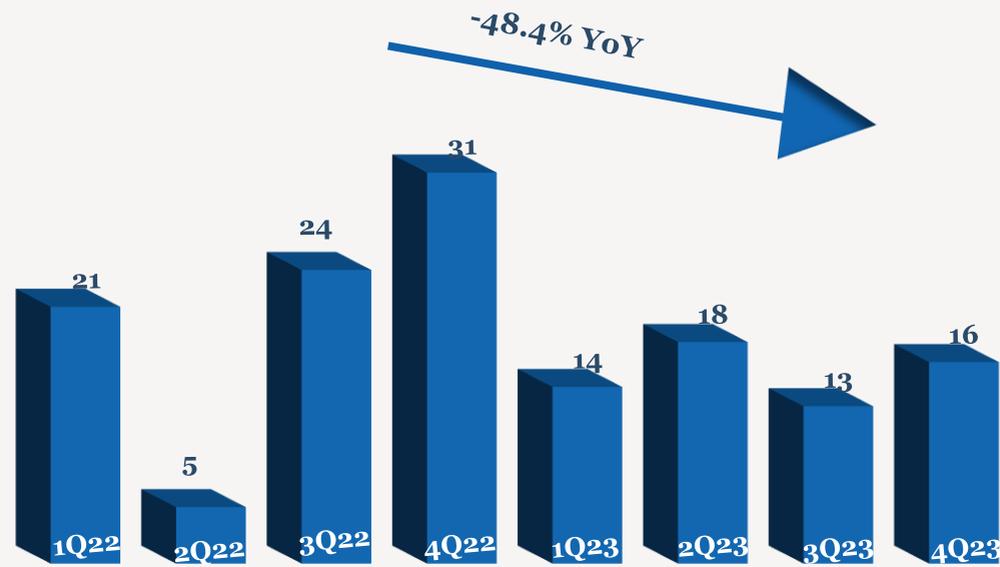
- > NLCS 4Q2023 net profit rose 28.4% YoY to reach QR3.6mn (+10.8% QoQ) as the revenue from core business rose 23.4% YoY. For FY2023, net profit decreased by 19.4% YoY to QR15.4mn.
- > Gross profit was down by 56.5% YoY (+46.8% QoQ) to QR11.9mn while the corresponding margin contracted by 13.7ppts YoY to 73.4% in 4Q2023.
- > Operating profit jumped by 135.7% YoY to QR15.2mn in 4Q2023 and the margin improved to 93.9% compared to 20.6% in 4Q2022. For FY2023, operating profit was down 18.5% YoY to QR16.1mn.
- > For 4Q2023, EPS came at QR0.007 vs. QR0.006 in 4Q2022 while for FY2023, EPS was QR0.031 vs QR0.039 in FY2022.
- > As of 24th Jan 2024, the stock has gained 8.9% YTD, outperforming the QSE index, which is down by 4.2% YTD.
- > The stock is currently trading at a TTM P/E multiple of 25.7x.
- > The Board announced a DPS of QR0.03 for 2023 which translates into a yield of 3.8%.

4Q/FY 2023 Earnings Performance

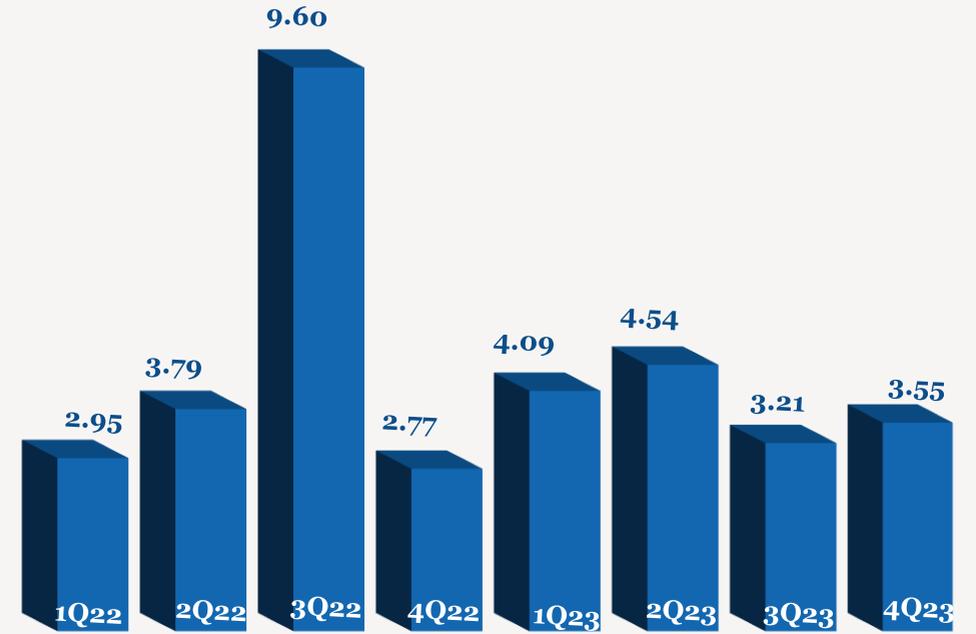
| | 4Q2023 | 4Q2022 | YoY | 3Q2023 | QoQ | FY2023 | FY2022 | YoY |
|----------------------|--------|--------|--------|--------|-------|--------|--------|--------|
| Revenue | 16.18 | 31.37 | -48.4% | 12.65 | 28.0% | 60.81 | 80.10 | -24.1% |
| Gross Profit | 11.88 | 27.31 | -56.5% | 8.09 | 46.8% | 41.39 | 63.32 | -34.6% |
| Gross Margin % | 73.4% | 87.1% | | 64.0% | | 68.1% | 79.1% | |
| Operating Profit | 15.20 | 6.45 | 135.7% | -0.36 | NM | 16.06 | 19.71 | -18.5% |
| Operating Margin % | 93.9% | 20.6% | | -2.9% | | 26.4% | 24.6% | |
| Net Profit to Equity | 3.55 | 2.77 | 28.4% | 3.21 | 10.8% | 15.40 | 19.11 | -19.4% |
| Net Margin % | 22.0% | 8.8% | | 25.4% | | 25.3% | 23.9% | |
| EPS (QR) | 0.007 | 0.006 | 28.4% | 0.006 | 10.8% | 0.031 | 0.039 | -19.4% |

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

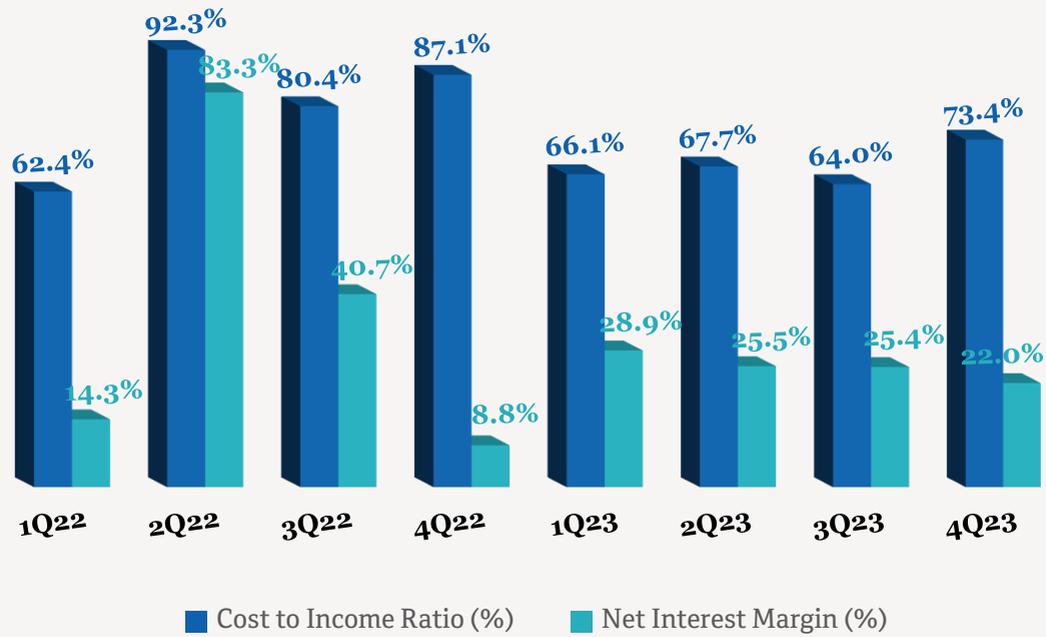
Quarterly Sales Trend (QRmn)



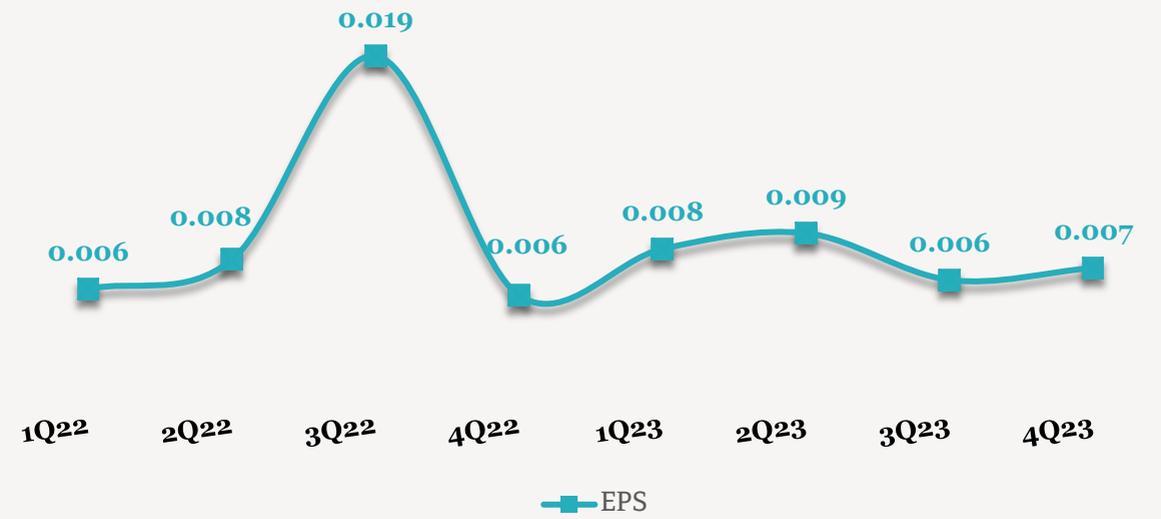
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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