



Earnings Flash Note
Qatar Industrial Manufacturing
Co.
3Q 2023 / 9M 2023



Qatar Industrial Manufacturing Co. (QIMD)

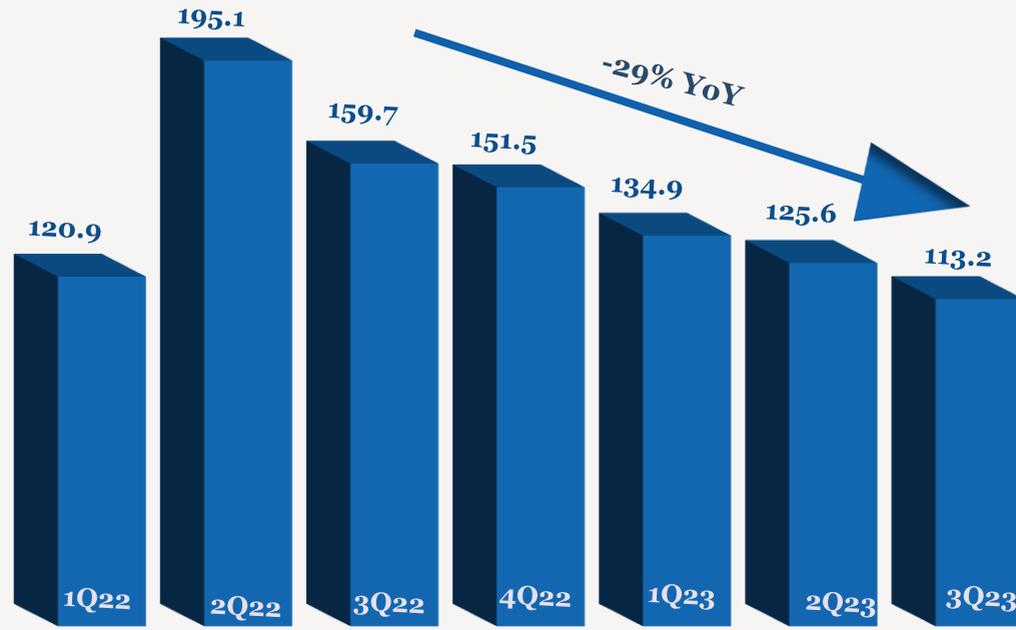
- > **Net profit decreased by 20.9% YoY to QR36.0mn in 3Q2023 (-39.0% QoQ)** due to a sharp decline in revenues. For 9M2023, net profit was up 5.3% YoY to QR143.2mn.
- > **Revenue fell by -29.1% YoY to QR113.2mn (-9.9% QoQ) in 3Q2023** while for 9M2023, it declined by 21.4% YoY to QR373.7mn.
- > **Gross profit decreased by 35.9% YoY to QR23.6mn (-18.2% QoQ) in 3Q2023** and margin dropped to 20.9% (-2.2ppts YoY, -2.1ppts QoQ). For 9M2023, gross profit fell by 23.3% YoY to QR85.7mn.
- > **Operating profit declined to QR26.3mn (-16.4% YoY, -42.6% QoQ)** while the corresponding margin improved to 23.3% (+3.5ppts YoY, -13.2ppts QoQ) in 3Q2023. For 9M2023, operating profit was up by 14.8% YoY to QR102.2mn.
- > **For 3Q2023, EPS came at QR0.08 vs. QR0.10 in 3Q2022 while for 9M2023, EPS was 0.30 vs 0.29 in 9M2022.**
- > **As of 29th Oct 2023, the stock has decreased 10.9% YTD**, outperforming the QSE index, which was down by 12.4% YTD.
- > **The stock is currently trading at a TTM P/E multiple of 7.80x**, lower than its 3Y historical average of 11.38x.

3Q/9M 2023 Earnings Performance

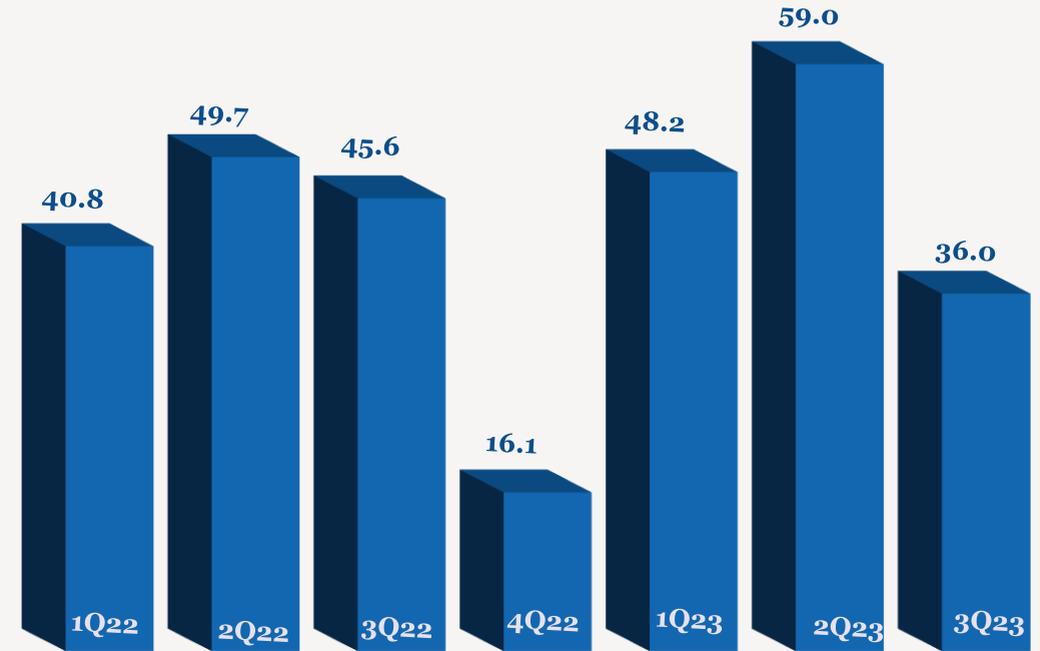
	3Q2023	3Q2022	YoY	2Q2023	QoQ	9M2023	9M2022	YoY
Sales	113.2	159.7	-29.1%	125.6	-9.9%	373.7	475.7	-21.4%
Gross Profit	23.6	36.8	-35.9%	28.9	-18.2%	85.7	111.7	-23.3%
Gross Margin %	20.9%	23.1%		23.0%		22.9%	30.8%	
Operating Profit	26.3	31.5	-16.4%	45.9	-42.6%	102.2	89.1	14.8%
Operating Margin %	23.3%	19.7%		36.5%		27.4%	18.7%	
Net Profit to Equity	36.0	45.6	-20.9%	59.0	-39.0%	143.2	136.0	5.3%
Net Margin %	31.8%	28.5%		47.0%		38.3%	28.6%	
EPS (QR)	0.08	0.10	-20.9%	0.12	-39.0%	0.30	0.29	5.3%

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

Quarterly Revenue (QRmn)



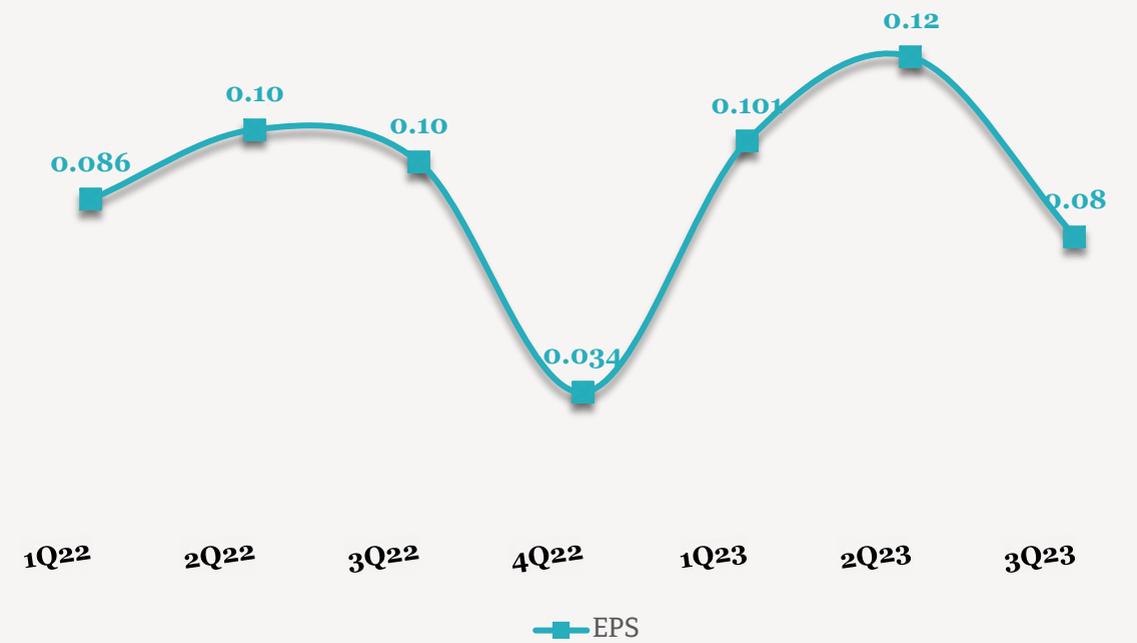
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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