



Earnings Flash Note
Salam International Investment
Limited
3Q 2023 / 9M 2023



Salam International Investment Limited (SIIS)

- > **Net profit increased by 75.4% YoY to QR8.4mn primarily driven by net gain on investment properties in 3Q2023.** However, higher finance costs and increased share of non-controlling interest limited the gains. For 9M2023, net profit was down by 56.5% YoY to QR13.0mn.
- > **Total revenue declined by 7.2% YoY to QR342.4mn (-8.6% QoQ) in 3Q2023** while for 9M2023, it decreased by 6.9% YoY to QR1,094.0mn
- > **Gross profit of QR102.5mn was lower by 6.2% YoY (-7.9% QoQ)** while the corresponding margin improved by 0.3ppts YoY (+0.2ppts QoQ) to 29.9% in 3Q2023.
- > **Operating profit was up by 45.4% YoY to QR47.9mn (+71.3% QoQ) and margin improved by 5.1ppts YoY to 14.0% (+6.5ppts QoQ) in 3Q2023.**
- > **For 3Q2023, EPS was QR0.007 vs QR0.004 in 3Q2022 while for 9M2023, EPS was QR0.011 vs QR0.026 in 9M2022.**

- > **As of 25th Oct 2023, the stock has decreased 1.8% YTD, outperforming the QSE index, which was down by 11.2% YTD.**
- > **The stock is currently trading at a TTM P/E multiple of 17.0x.**

3Q 2023 Earnings Performance

	3Q2023	3Q2022	YoY	2Q2023	QoQ
Total Revenue	342.4	368.8	-7.2%	374.7	-8.6%
Gross Profit	102.5	109.3	-6.2%	111.3	-7.9%
Gross Margin %	29.9%	29.6%		29.7%	
Operating Profit	47.9	33.0	45.4%	28.0	71.3%
Operating Margin %	14.0%	8.9%		7.5%	
Net Profit to Equity	8.4	4.8	75.4%	-2.4	NM
Net Margin %	2.5%	1.3%		-0.6%	
EPS (QR)	0.007	0.004	75.4%	-0.002	NM

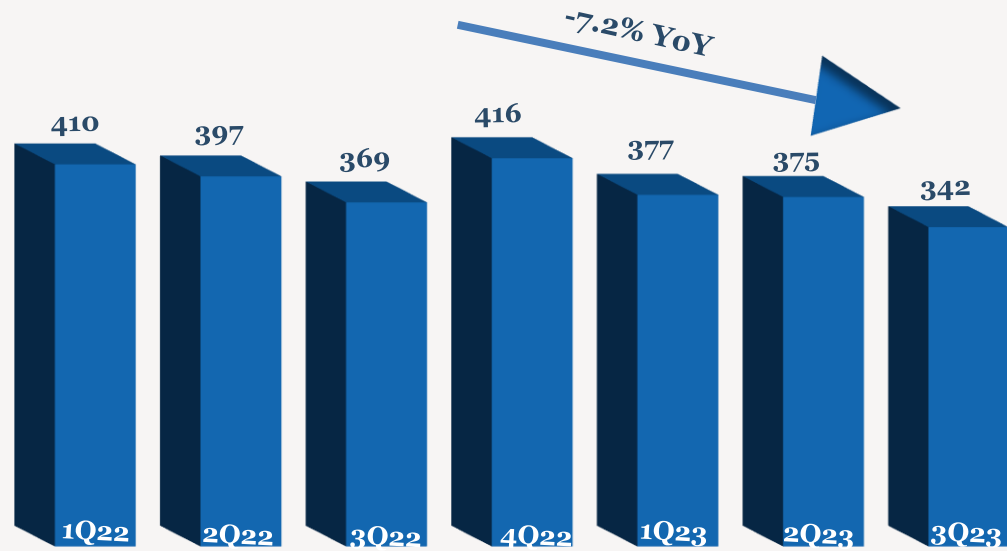
Note: Values are expressed in QR'mn unless explicitly stated

9M 2023 Earnings Performance

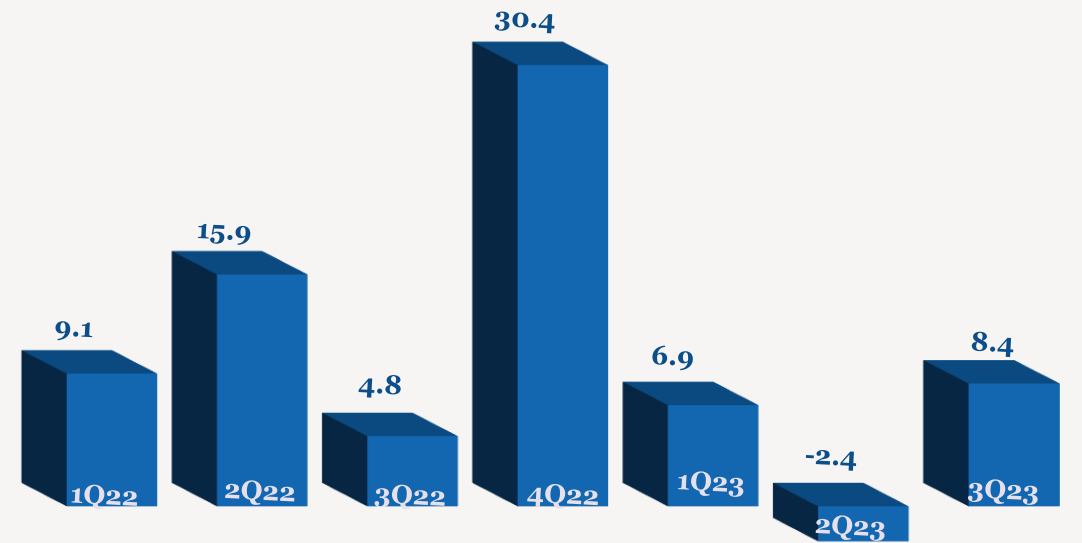
	9M2023	9M2022	YoY
Total Revenue	1,094.0	1,175.1	-6.9%
Gross Profit	332.6	321.8	3.3%
Gross Margin %	30.4%	27.4%	
Operating Profit	117.3	96.2	21.9%
Operating Margin %	10.7%	8.2%	
Net Profit to Equity	13.0	29.9	-56.5%
Net Margin %	1.2%	2.5%	
EPS (QR)	0.011	0.026	-56.5%

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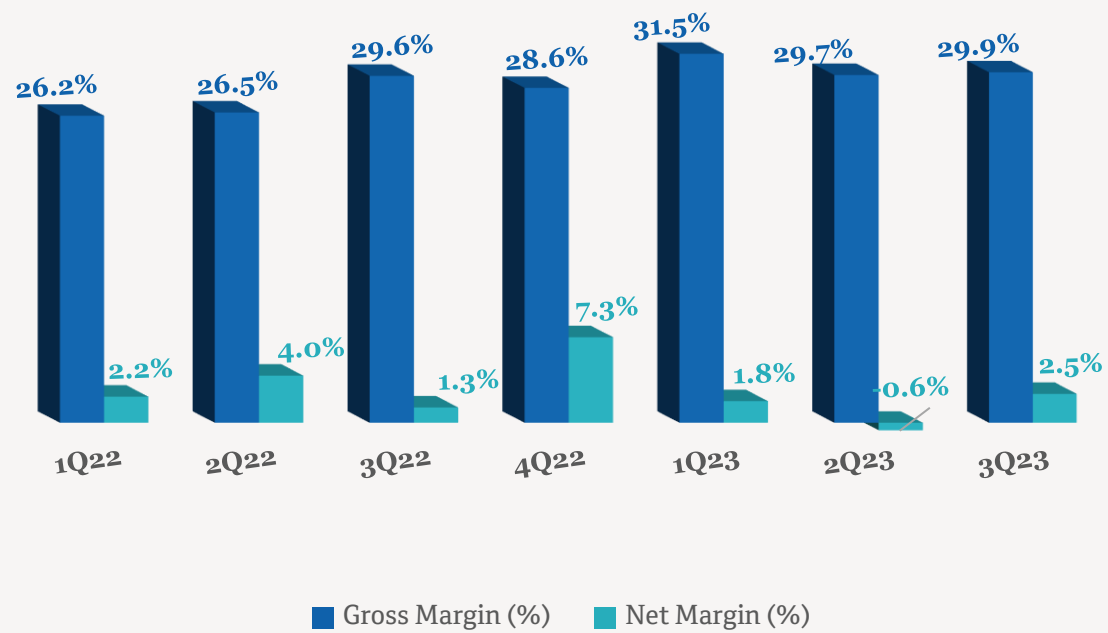
Quarterly Revenue Trend (QRmn)



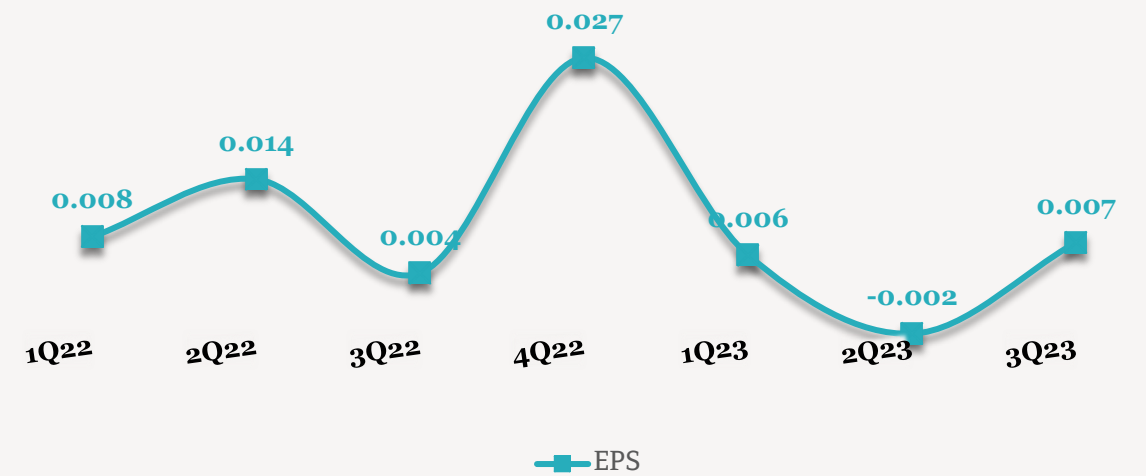
Quarterly Earnings Trend (QRmn)



Quarterly Margins Trend



EPS (QR) Trend



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