



Earnings Flash Note  
United Development Company  
1Q 2024



## United Development Company (UDCD)

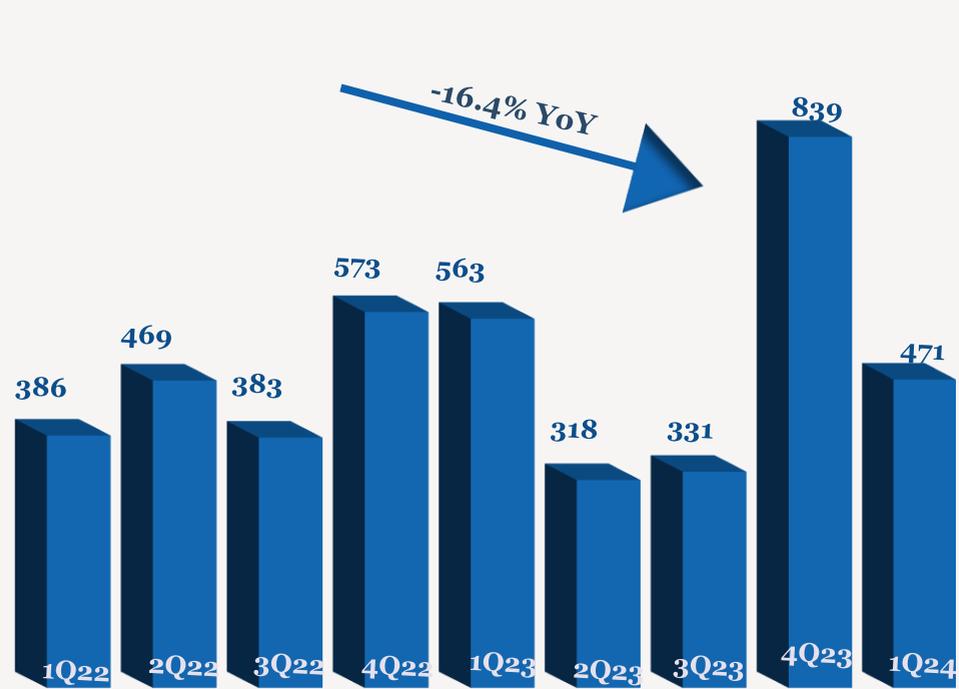
- > Net profit decreased by 17.6% YoY (-57.8% QoQ) to QR72mn in 1Q2024 due to higher sales and marketing expenses and higher fair value losses on investment securities (net loss of QR1.4mn in 1Q2023 and net profit QR5.2mn in 4Q2023) in 1Q2024.
- > Revenue decreased by 16.4% YoY (-43.9% QoQ) to QR 471mn in 1Q2024.
- > Gross profit decreased 13.0% YoY to QR170mn (-43.1% QoQ) while the corresponding margin came at 36.2% in 1Q2024 (vs. 34.8% in 1Q2023).
- > Operating profit of QR115mn was down by 9.5% YoY (-58.5% QoQ) and margin came to 24.5% in 1Q2024 (vs. 22.7% in 1Q2023).
- > For 1Q2024, EPS came to QR0.020 vs. QR0.025 in 1Q2023.
- > As of 25th April 2024, the stock has increased 4.5% YTD, outperforming the QSE index, which was down by 11.0% YTD.
- > The stock is currently trading at a TTM P/E multiple of 10.2x.

### 1Q 2024 Earnings Performance

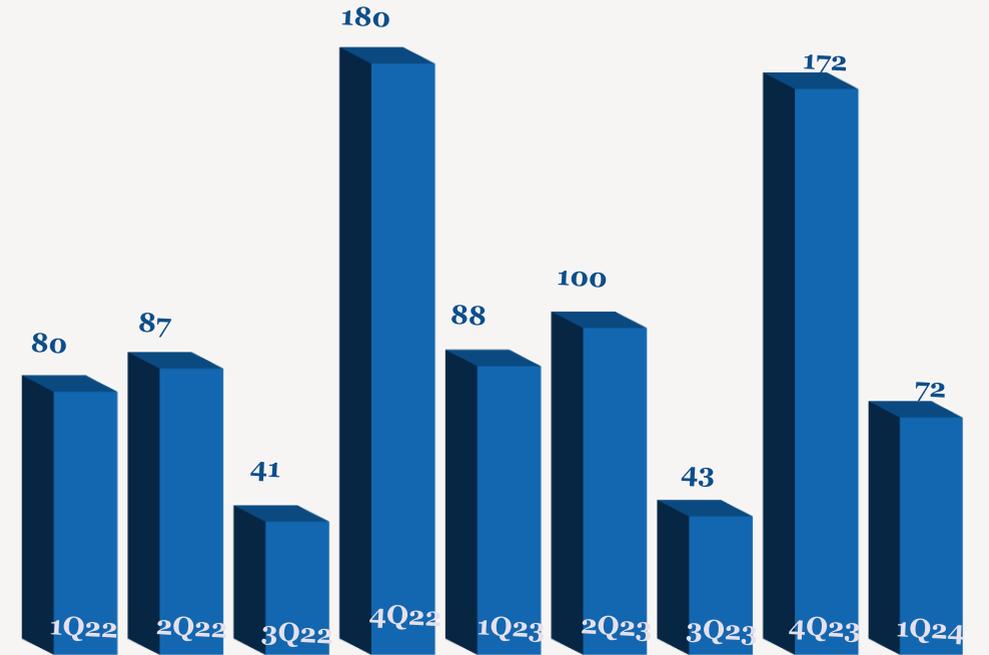
	1Q2024	1Q2023	YoY	4Q2023	QoQ
Sales	471	563	-16.4%	839	-43.9%
Gross Profit	170	196	-13.0%	299	-43.1%
Gross Margin %	36.2%	34.8%		35.7%	
Operating Profit	115	128	-9.5%	278	-58.5%
Operating Margin %	24.5%	22.7%		33.1%	
Net Profit to Equity	72	88	-17.6%	172	-57.8%
Net Margin %	15.4%	15.6%		20.5%	
EPS (QR)	0.020	0.025	-17.6%	0.049	-57.8%

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

Quarterly Sales Trend (QRmn)



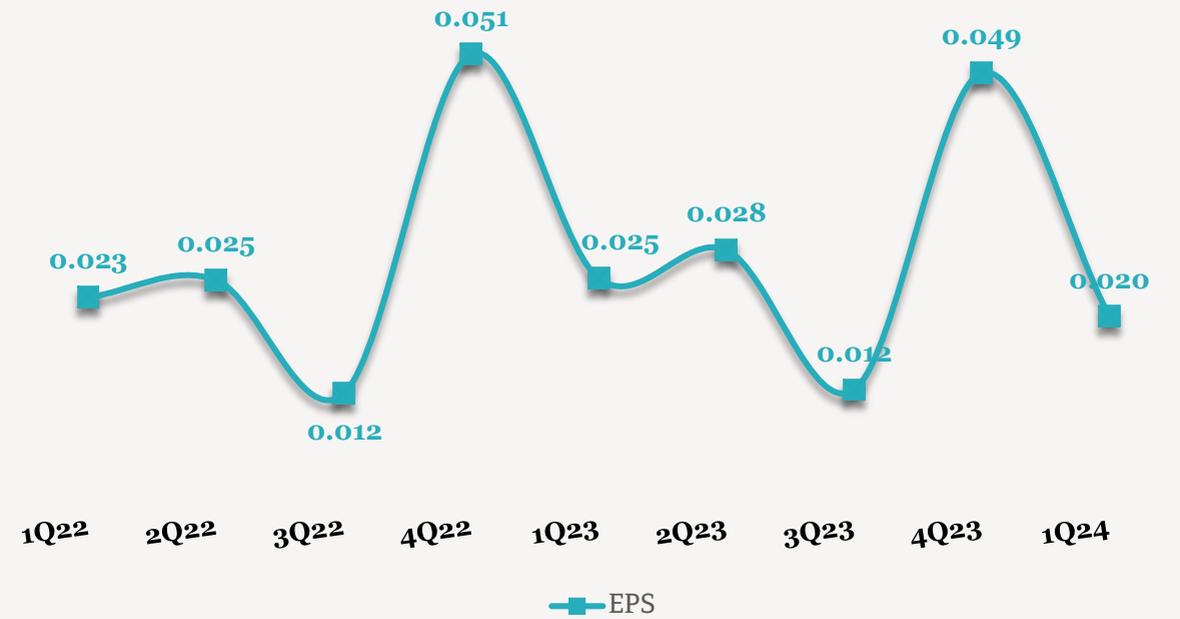
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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