



Earnings Flash Note
United Development Company
4Q 2023 / FY 2023



United Development Company (UDCD)

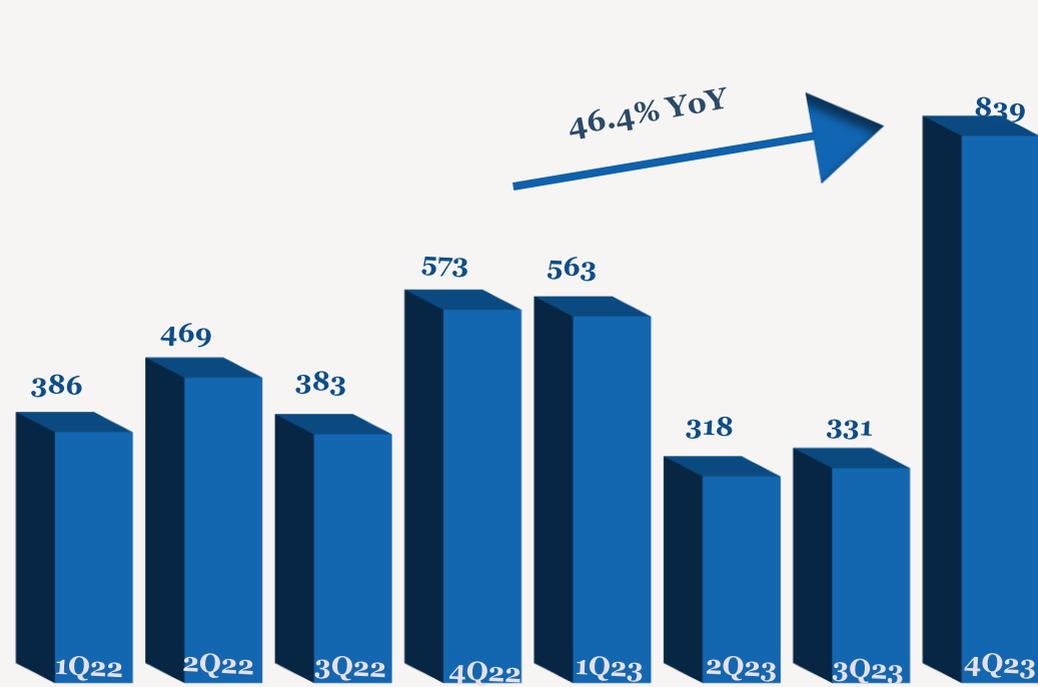
- > Net profit decreased by 4.3% YoY (+303.9% QoQ) to QR172mn in 4Q2023 due to lower other operating income (-65.3% YoY, -5,7% QoQ). For FY2023, net profit was up by 3.6% YoY to QR402mn.
- > Revenue increased by 46.4% YoY (+153.3% QoQ) to QR 839mn in 4Q2023. For FY2023, revenue grew by 13.3% YoY to QR2,051mn.
- > Gross profit increased 32.5% YoY to QR299mn (+236.8% QoQ) while the corresponding margin came at 35.7% in 4Q2023 (vs. 39.4% in 4Q2022). For FY2023, gross profit was down 1.3% YoY to QR686mn.
- > Operating profit of QR278mn was down by 1.3% YoY (+226.7% QoQ) and margin came at 33.1% in 4Q2023 (vs. 49.1% in 4Q2022). For FY2023, operating profit increased by 25.3% YoY to QR704mn.
- > For 4Q2023, EPS came at QR0.049 vs. QR0.051 in 4Q2022 while for FY2023, EPS was QR0.114 vs. QR0.110 in FY2022.
- > As of 07th February 2024, the stock has decreased 3.3% YTD, outperforming the QSE index, which was down by 7.8% YTD.
- > The stock is currently trading at TTM P/E multiple of 9.1x. lower than its 2Y historical average of 15.1x.
- > The Board announced a DPS of QR0.005 for FY2023 which translates into a yield of 5.3%.

4Q/FY 2023 Earnings Performance

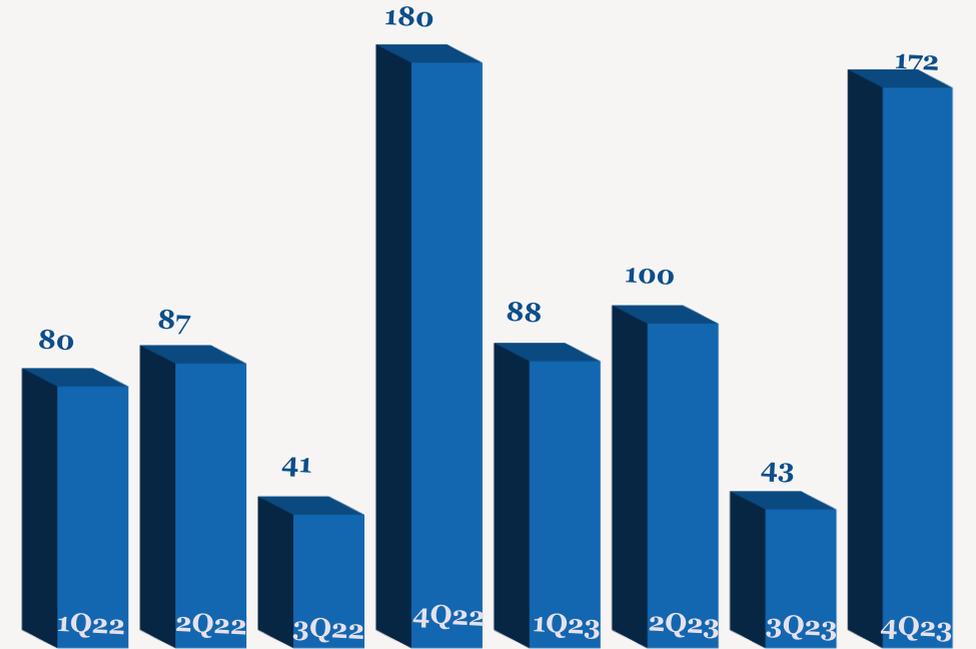
	4Q2023	4Q2022	YoY	3Q2023	QoQ	FY2023	FY2022	YoY
Sales	839	573	46.4%	331	153.3%	2,051	1,811	13.3%
Gross Profit	299	226	32.5%	89	236.8%	686	695	-1.3%
Gross Margin %	35.7%	39.4%		26.8%		33.5%	38.4%	
Operating Profit	278	281	-1.3%	85	226.7%	704	562	25.3%
Operating Margin %	33.1%	49.1%		25.7%		34.3%	31.0%	
Net Profit to Equity	172	180	-4.3%	43	303.9%	402	388	3.6%
Net Margin %	20.5%	31.3%		12.9%		19.6%	21.4%	
EPS (QR)	0.049	0.051	-4.3%	0.012	303.9%	0.114	0.110	3.6%

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

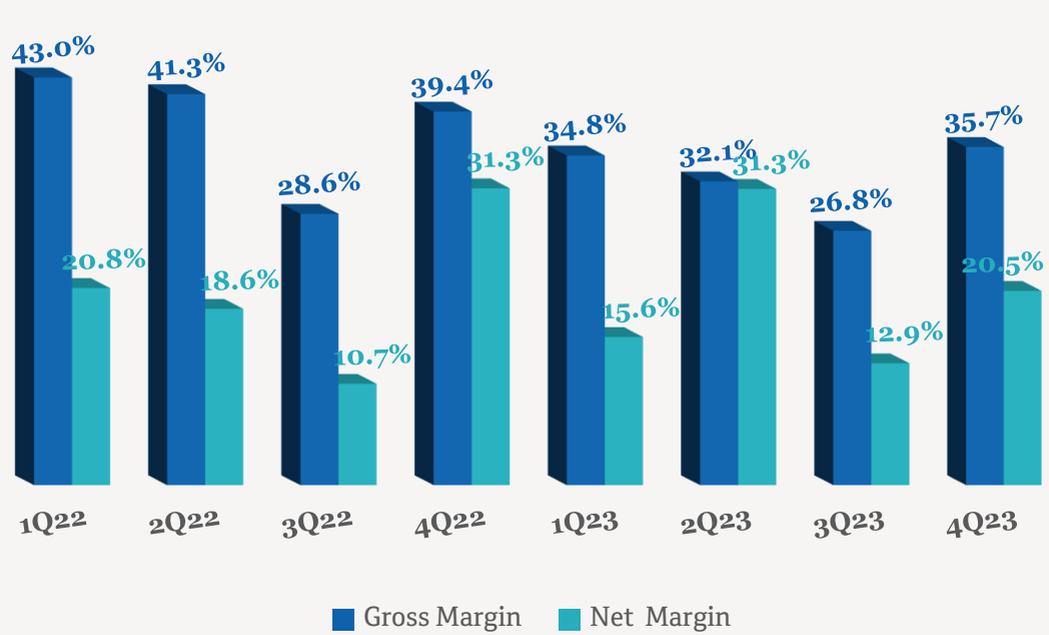
Quarterly Sales Trend (QRmn)



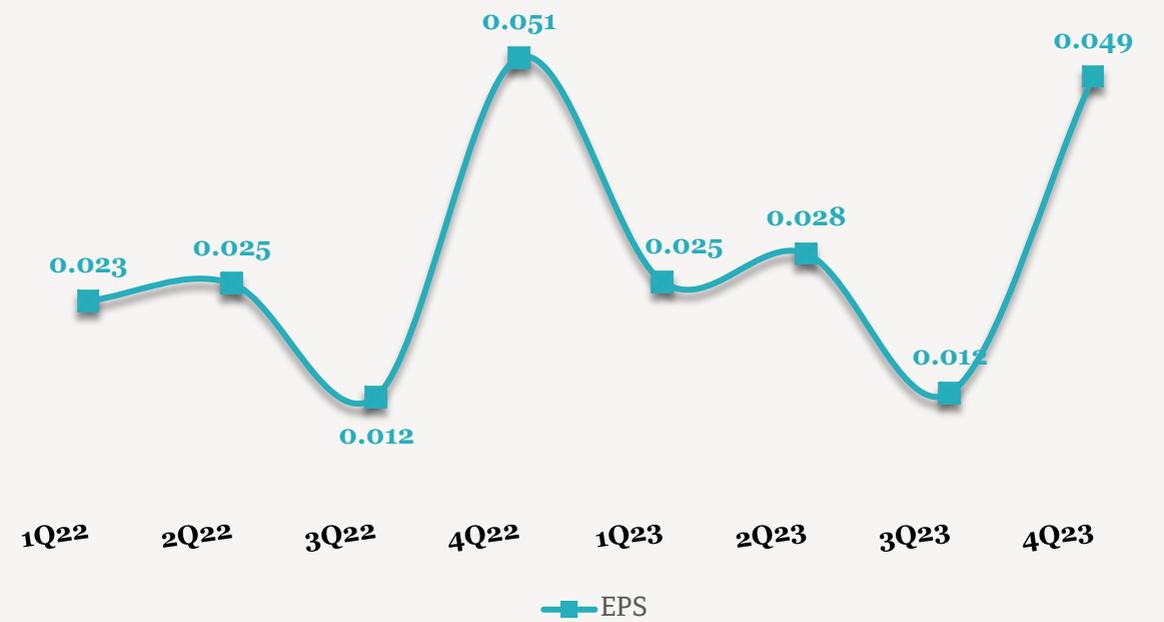
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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