



Earnings Flash Note
Estithmar Holding
4Q 2023 / FY 2023

Estithmar Holding (IGRD)

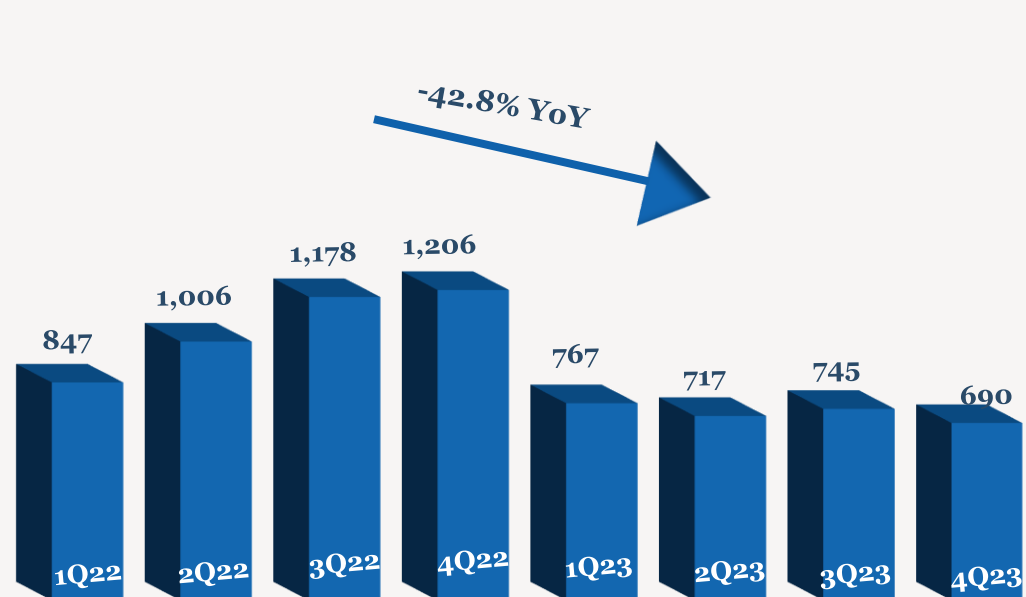
- > Net profit in 4Q2023 increased by 18.8% YoY to QR45mn (-56.2% QoQ) primarily due to higher other income and lower direct cost expenses. For FY2023, it increased by 2.8% YoY to QR348mn.
- > Revenue fell by 42.8% YoY to QR690mn (-7.4% QoQ) in 4Q2023 while for FY2023, it decreased by 31.1% YoY to QR2,919mn.
- > Gross profit increased by 16.4% YoY to QR233mn (+35.5% QoQ) and margin improved to 33.8% (+17.2ppts YoY; +10.7ppts QoQ) in 4Q2023. For FY2023, gross profit was up by 29.2% YoY to QR801mn.
- > Operating profit increased by 39.2% to QR85mn (-35.0% QoQ) while the corresponding margin improved by 7.2ppts YoY to 12.3% (-5.3ppts QoQ). For FY2023, operating profit increased by 22.8% YoY to QR486mn.
- > For 4Q2023, EPS came at QR0.013 vs. QR0.012 in 4Q2022 while for FY2023, EPS was 0.102 vs 0.107 in FY2022.
- > As of 21st Feb 2024, the stock has decreased 7.6% YTD, underperforming the QSE index, which was down by 4.3% YTD.
- > The stock is currently trading at a TTM P/E multiple of 18.9x, higher than its 2Y historical average of 18.0x. For now, we maintain our PT of QR2.31/share and accumulate rating.
- > The Board of Directors recommended to the General Assembly not to distribute dividends for the financial year 2023.

4Q/FY 2023 Earnings Performance

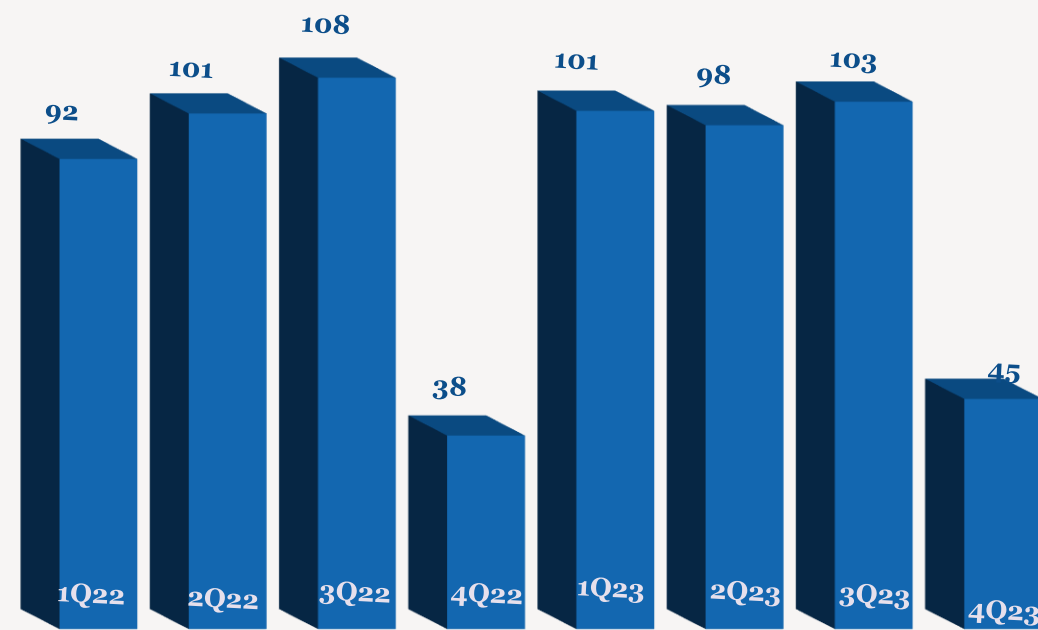
	4Q2023	4Q2022	YoY	3Q2023	QoQ	FY2023	FY2022	YoY
Revenue	690	1,206	-42.8%	745	-7.4%	2,919	4,237	-31.1%
Gross Profit	233	200	16.4%	172	35.5%	801	620	29.2%
Gross Margin %	33.8%	16.6%		23.1%		27.4%	14.6%	
Operating Profit	85	61	39.2%	131	-35.0%	486	396	22.8%
Operating Margin %	12.3%	5.1%		17.6%		16.7%	9.3%	
Net Profit to Equity	45	38	18.8%	103	-56.2%	348	338	2.8%
Net Margin %	6.5%	3.2%		13.8%		11.9%	8.0%	
EPS (QR)	0.013	0.012	10.8%	0.030	-56.2%	0.102	0.107	-4.1%

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

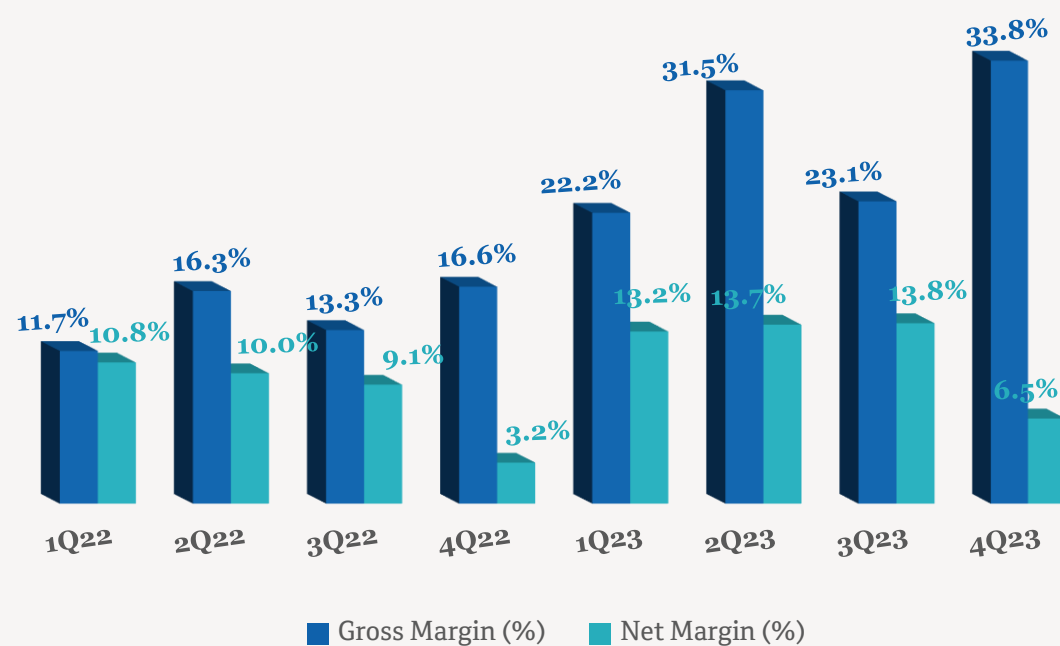
Quarterly Sales Trend (QRmn)



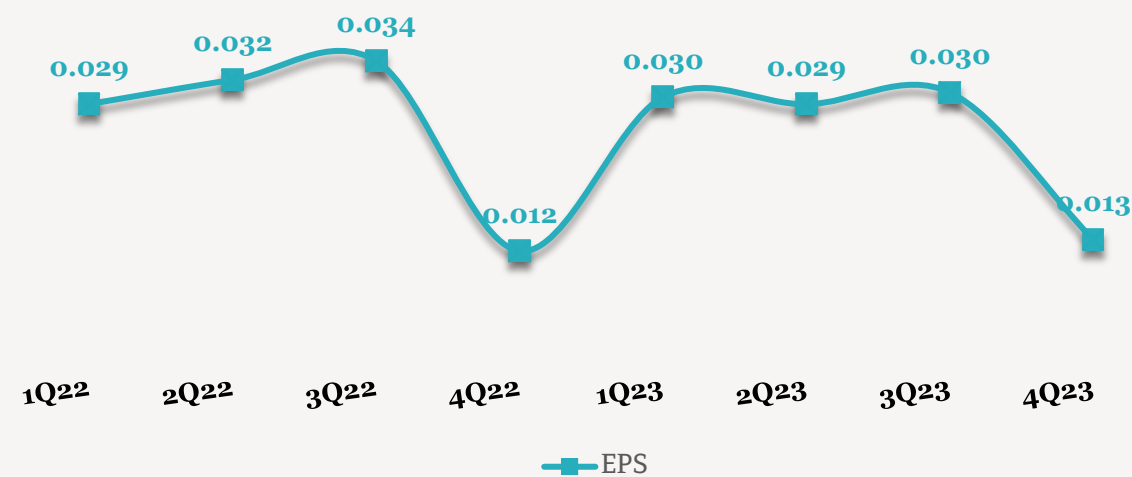
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



Contacts

QNB Financial Services Co. W.L.L.

Contact Center: (+974)4476 6666

info@qnbfs.com.qa

Doha, Qatar

Saugata Sarkar, CFA, CAIA

Head of Research

saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian

Senior Research Analyst

shahan.keushgerian@qnbfs.com.qa

Phibion Makuwerere, CFA

Senior Research Analyst

phibion.makuwerere@qnbfs.com.qa

Roy Thomas

Senior Research Analyst

roy.thomas@qnbfs.com.qa

Dana Saif Al Sowaidi

Research Analyst

dana.alsowaidi@qnbfs.com.qa

Disclaimer and Copyright Notice: This publication has been prepared by QNB Financial Services Co. W.L.L. (“QNBFS”) a wholly-owned subsidiary of Qatar National Bank (Q.P.S.C.). QNBFS is regulated by the Qatar Financial Markets Authority and the Qatar Exchange. Qatar National Bank (Q.P.S.C.) is regulated by the Qatar Central Bank. This publication expresses the views and opinions of QNBFS at a given time only. It is not an offer, promotion or recommendation to buy or sell securities or other investments, nor is it intended to constitute legal, tax, accounting, or financial advice. QNBFS accepts no liability whatsoever for any direct or indirect losses arising from use of this report. Any investment decision should depend on the individual circumstances of the investor and be based on specifically engaged investment advice. We therefore strongly advise potential investors to seek independent professional advice before making any investment decision. Although the information in this report has been obtained from sources that QNBFS believes to be reliable, we have not independently verified such information and it may not be accurate or complete. QNBFS does not make any representations or warranties as to the accuracy and completeness of the information it may contain, and declines any liability in that respect. For reports dealing with Technical Analysis, expressed opinions and/or recommendations may be different or contrary to the opinions/recommendations of QNBFS Fundamental Research as a result of depending solely on the historical technical data (price and volume). QNBFS reserves the right to amend the views and opinions expressed in this publication at any time. It may also express viewpoints or make investment decisions that differ significantly from, or even contradict, the views and opinions included in this report. This report may not be reproduced in whole or in part without permission from QNBFS.

COPYRIGHT: No part of this document may be reproduced without the explicit written permission of QNBFS.