

Earnings Flash Note  
MEEZA QSTP  
4Q 2023 / FY 2023





## MEEZA QSTP (MEZA)

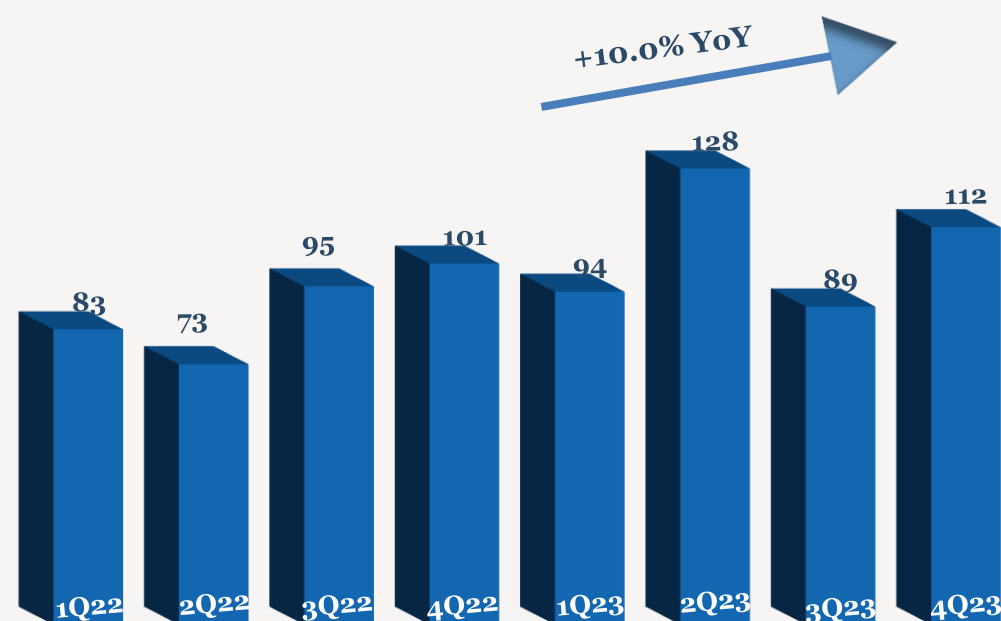
- > Net profit decreased by 13.8% YoY to QR14mn (-12.9% QoQ) in 4Q2023 owing to an increase in general and administrative expenses. For FY2023, net profit was up 15.5% YoY to QR60mn.
- > Revenue rose by 10.0% YoY to QR112mn (+24.9% QoQ) in 4Q2023 while for FY2023, it increased by 19.8% YoY to QR423mn.
- > Gross profit was up by 8.1% YoY to QR31mn (+17.8% QoQ) and margin fell to 27.6% (-0.5ppts YoY; -1.6ppts QoQ) in 4Q2023. For FY2023, gross profit was up by 7.6% to QR115mn.
- > Operating profit was down 16.9% YoY (+11.9% QoQ) to QR16mn in 4Q2023 while the corresponding margin fell to 14.4% (-4.7ppts YoY, -1.7ppts QoQ). For FY2023, operating profit increased by 2.0% to QR65mn.
- > For 4Q2023, EPS came at QR0.02 vs. QR0.03 in 4Q2022 while for FY2023, EPS was QR0.09 vs QR0.08 in FY2022.
- > As of 7th Feb 2024, the stock has decreased 5.1% YTD, outperforming the QSE index, which was down by 7.8% YTD.
- > For now, we maintain our PT of QR 3.12/share and our Accumulate rating.
- > The Board announced a DPS of QR0.08 for 2023 which translates into a yield of 3.0%.

### 4Q/FY 2023 Earnings Performance

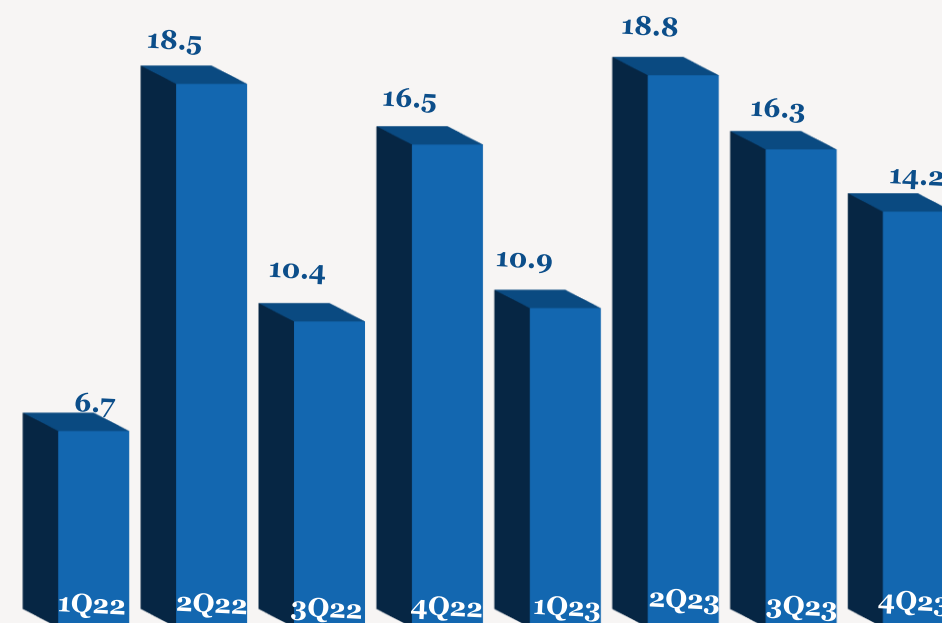
	4Q2023	4Q2022	YoY	3Q2023	QoQ	FY2023	FY2022	YoY
Revenue	112	101	10.0%	89	24.9%	423	353	19.8%
Gross Profit	31	29	8.1%	26	17.8%	115	107	7.6%
Gross Margin %	27.6%	28.1%		29.3%		27.1%	30.2%	
Operating Profit	16	19	-16.9%	14	11.9%	65	64	2.0%
Operating Margin %	14.4%	19.0%		16.0%		15.3%	18.0%	
Net Profit to Equity	14	16	-13.8%	16	-12.9%	60	52	15.5%
Net Margin %	12.7%	16.2%		18.2%		14.2%	14.8%	
EPS (QR)	0.02	0.03	-13.8%	0.03	-12.9%	0.09	0.08	15.5%

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

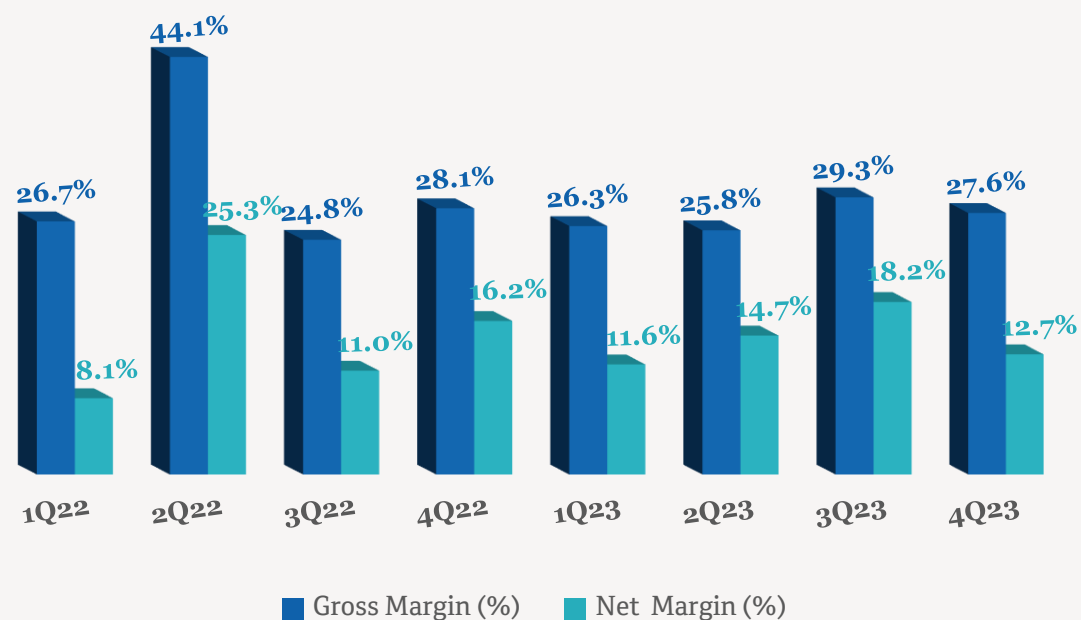
## Quarterly Sales Trend (QRmn)



## Quarterly Earnings Trend (QRmn)



## Quarterly Margin Trend



## EPS (QR) Trend



Note: EPS before August 2023 is for illustrative purposes only

## Contacts

QNB Financial Services Co. W.L.L.

Contact Center: (+974)4476 6666

[info@qnbfs.com.qa](mailto:info@qnbfs.com.qa)

Doha, Qatar

Saugata Sarkar, CFA, CAIA

Head of Research

[saugata.sarkar@qnbfs.com.qa](mailto:saugata.sarkar@qnbfs.com.qa)

Shahan Keushgerian

Senior Research Analyst

[shahan.keushgerian@qnbfs.com.qa](mailto:shahan.keushgerian@qnbfs.com.qa)

Phibion Makuwerere, CFA

Senior Research Analyst

[phibion.makuwerere@qnbfs.com.qa](mailto:phibion.makuwerere@qnbfs.com.qa)

Roy Thomas

Senior Research Analyst

[roy.thomas@qnbfs.com.qa](mailto:roy.thomas@qnbfs.com.qa)

Dana Saif Al Sowaidi

Research Analyst

[dana.alsowaidi@qnbfs.com.qa](mailto: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.*