



Earnings Flash Note  
Qatari German For Medical Devices  
4Q 2023 / FY 2023



## Qatari German For Medical Devices Company (QGMD)

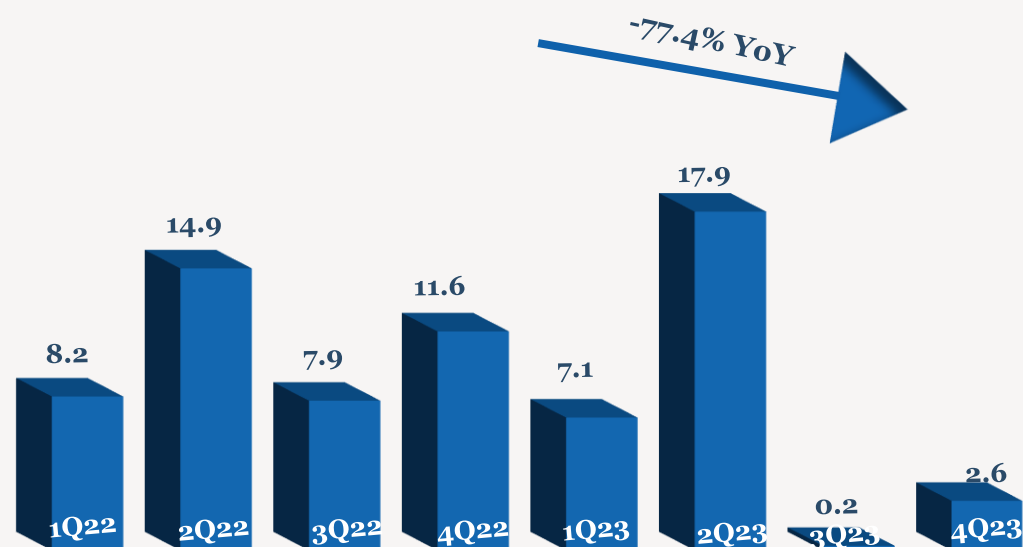
- > The company reported a net profit of QR1.2mn in 4Q2023 as compared to a net loss of QR0.4mn in 4Q2022 due to a reversal of impairment of property, plant and equipment in 4Q2023 of QR2.2mn, despite a sharp decline in revenue. For FY2023, net profit was up 7.4% YoY to QR1.3mn.
- > Revenue fell by -77.4% YoY to QR2.6mn (+1,011.8% QoQ) in 4Q2023 while for FY2023, it declined by 34.7% YoY to QR27.9mn.
- > Gross profit decreased 84.1% YoY to QR0.6mn (-14.7% QoQ) while the corresponding margin came at 22.4% in 4Q2023 (vs. 31.9% in 4Q2022). For FY2023, gross profit was down 34.6% YoY to QR9.2mn.
- > Operating profit grew 66.5% YoY to QR1.4mn in 4Q2023 (vs. net operating loss of QR1.2mn 3Q2023) while related margin came at 53.8% in 4Q2023 (vs. 7.3% in 4Q2022). For FY2023, operating profit decreased by 19.3% YoY to QR4.1mn.
- > For 4Q2023, EPS came at QR0.010 vs. QR-0.003 in 4Q2022 while for FY2023, EPS was QR0.012 vs. QR0.011 in FY2022.
- > As of 10th February 2024, the stock has decreased 17.6% YTD, underperforming the QSE index, which was down by 8.3% YTD.
- > The stock is currently trading at TTM P/E multiple of 156.9x, lower than its 2Y historical average of 181.1x.

### 4Q/FY 2023 Earnings Performance

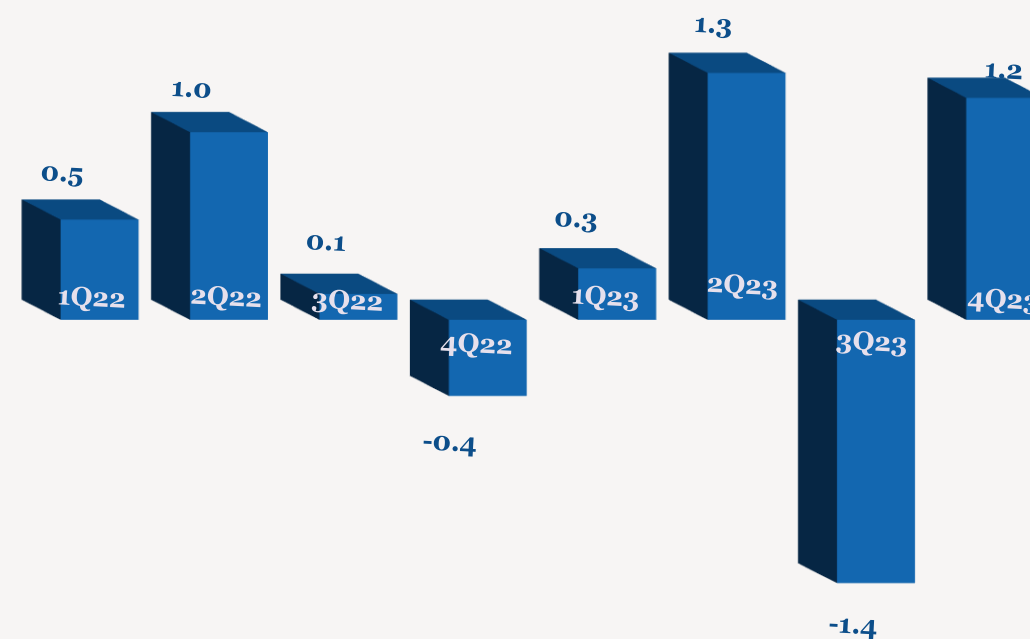
	4Q2023	4Q2022	YoY	3Q2023	QoQ	FY2023	FY2022	YoY
Total Revenue	2.6	11.6	-77.4%	0.2	1,011.8%	27.9	42.7	-34.7%
Gross Profit	0.6	3.7	-84.1%	0.7	-14.7%	9.2	14.0	-34.6%
Gross Margin %	22.4%	31.9%		291.8%		33.0%	32.9%	
Operating Profit	1.4	0.8	66.5%	-1.2	NM	4.1	5.1	-19.3%
Operating Margin %	53.8%	7.3%		NM		14.7%	11.9%	
Net Profit to Equity	1.2	-0.4	NM	-1.4	NM	1.3	1.2	7.4%
Net Margin %	44.2%	-3.4%		-587.6%		4.8%	2.9%	
EPS (QR)	0.010	-0.003	NM	-0.012	NM	0.012	0.011	7.4%

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

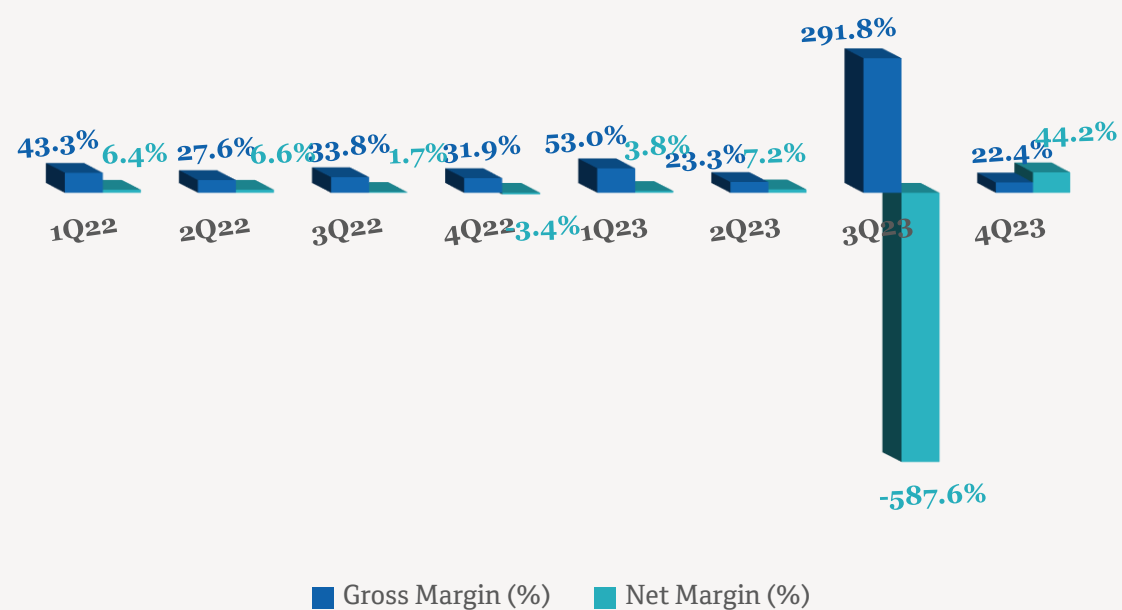
## Quarterly Sales Trend (QRmn)



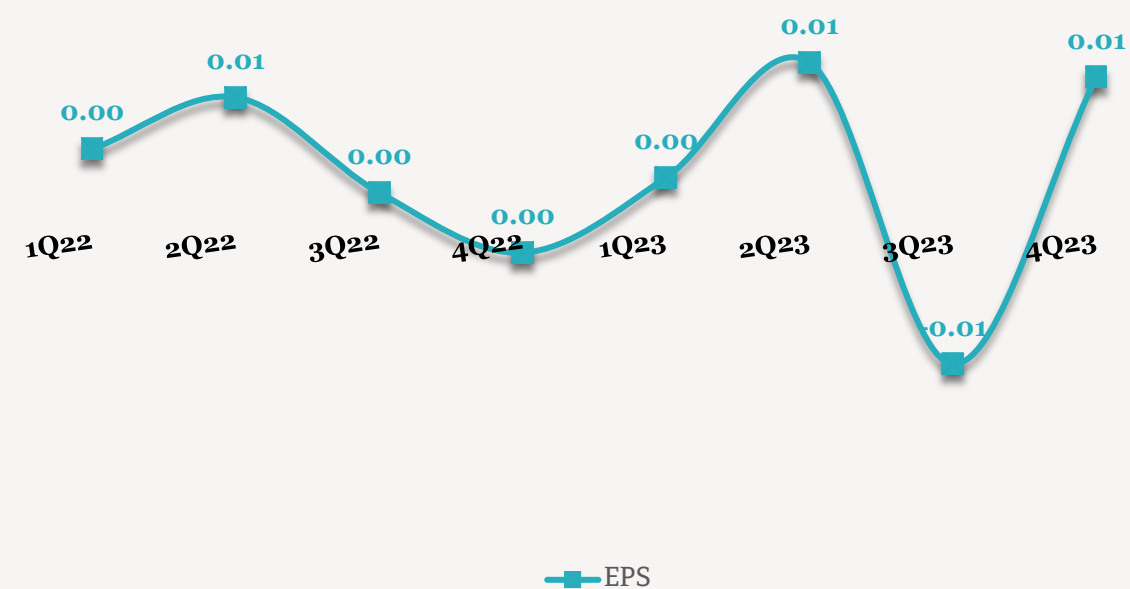
## Quarterly Earnings Trend (QRmn)



## Quarterly Margin Trend



## EPS (QR) Trend



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