![QNB FINANCIAL SERVICES]

Earnings Flash Note
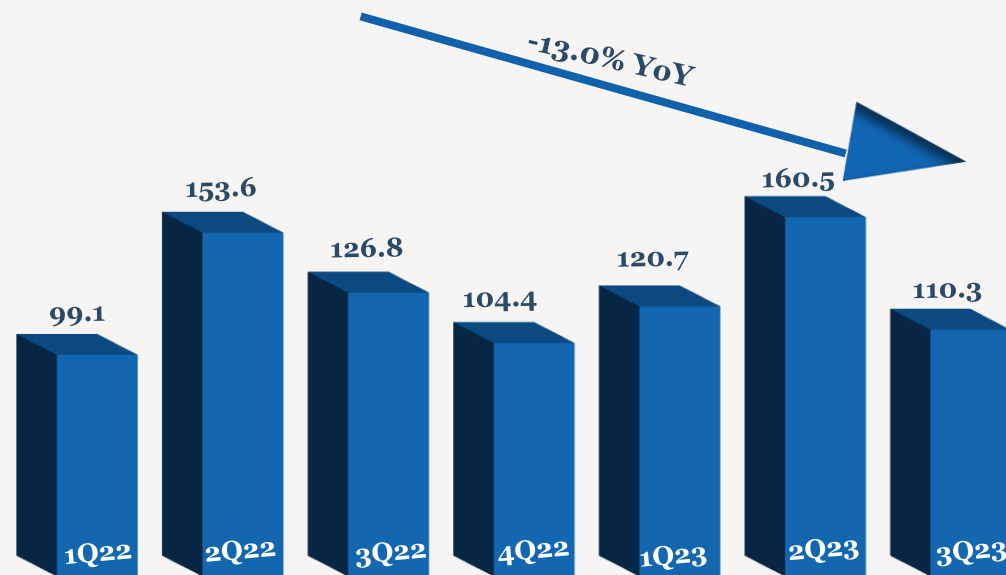Widam Food Company

3Q 2023 / 9M 2023

Widam Food Company (WDAM)

> **Net loss came at QR23.6mn in 3Q2023 as compared to net loss of QR9.9mn in 3Q2022** due to a decline in revenues and higher general & administrative expenses. For 9M2023, net loss was QR59.3mn vs net loss of QR21.8mn in 9M2022.

> **Revenue fell by -13.0% YoY (-31.3% QoQ) to QR110.3mn in 3Q2023** while for 9M2023, it increased by 3.2% YoY to QR391.5mn.

> **Gross loss increased to QR9.3mn in 3Q2023 as compared to gross loss of QR2.3mn in 3Q2022**. For 9M2023, gross loss was QR20.8mn vs gross profit of QR3.5mn in 9M2022.

> **Operating loss came at QR23.9mn in 3Q2023 as compared to QR8.7mn in 3Q2022**. For 9M2023, operating loss increased to QR53.4mn vs QR18.6mn in 9M2022.

> **For 3Q2023, loss per share came at QR0.13 vs. QR0.06 in 3Q2022** while for 9M2023, loss per share was 0.33 vs 0.12 in 9M2022.

> **As of 29th Oct 2023, the stock has decreased 11.4% YTD,** outperforming the QSE index, which was down by 12.4% YTD.
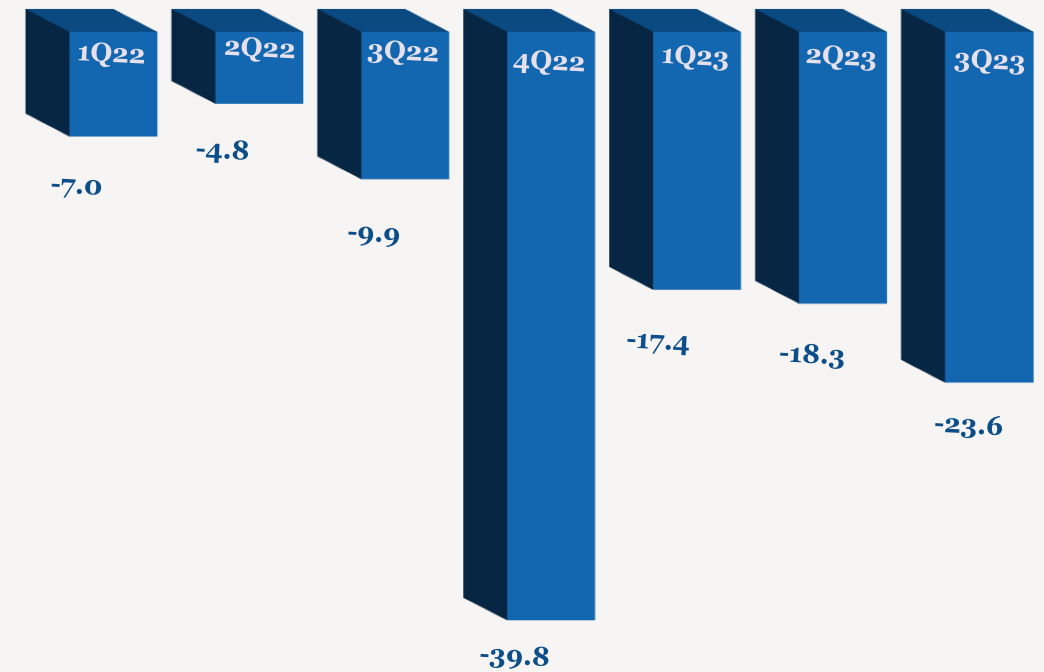
3Q/9M 2023 Earnings Performance

	3Q2023	3Q2022	YoY	2Q2023	QoQ	9M2023	9M2022	YoY
Revenue	110.3	126.8	-13.0%	160.5	-31.3%	391.5	379.5	3.2%
Gross Profit/(loss)	-9.3	-2.3	N.M.	-3.4	N.M.	-20.8	3.5	N.M.
Gross Margin %	-8.4%	-1.8%		-2.1%		-5.3%	0.9%	
Operating Profit/(loss)	-23.9	-8.7	N.M.	-12.1	N.M.	-53.4	-18.6	N.M.
Operating Margin %	-21.6%	-6.8%		-7.5%		-13.6%	-4.9%	
Profit/(loss) for the period	-23.6	-9.9	N.M.	-18.3	N.M.	-59.3	-21.8	N.M.
Net Margin %	-21.4%	-7.8%		-11.4%		-15.1%	-5.8%	
EPS (QR)	-0.13	-0.06	N.M.	-0.10	N.M.	-0.33	-0.12	N.M.

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

QNB
FINANCIAL SERVICES

Quarterly Revenue Trend (QRmn)

-13.0% YoY

Quarter	Value
1Q22	99.1
2Q22	153.6
3Q22	126.8
4Q22	104.4
1Q23	120.7
2Q23	160.5
3Q23	110.3

Quarterly Earnings Trend (QRmn)

Quarter	Value
1Q22	-7.0
2Q22	-4.8
3Q22	-9.9
4Q22	-39.8
1Q23	-17.4
2Q23	-18.3
3Q23	-23.6

Quarterly Margin Trend

Quarter	Gross Margin (%)	Net Margin (%)
1Q22	0.8%	-7.1%
2Q22	3.3%	-3.2%
3Q22	-1.8%	-7.8%
4Q22	-25.1%	-38.1%
1Q23	-6.7%	-14.4%
2Q23	-2.1%	-11.4%
3Q23	-8.4%	-21.4%

■ Gross Margin (%)   ■ Net Margin (%)

EPS (QR) Trend

Quarter	EPS
1Q22	-0.04
2Q22	-0.03
3Q22	-0.06
4Q22	-0.22
1Q23	-0.10
2Q23	-0.10
3Q23	-0.13

■ EPS
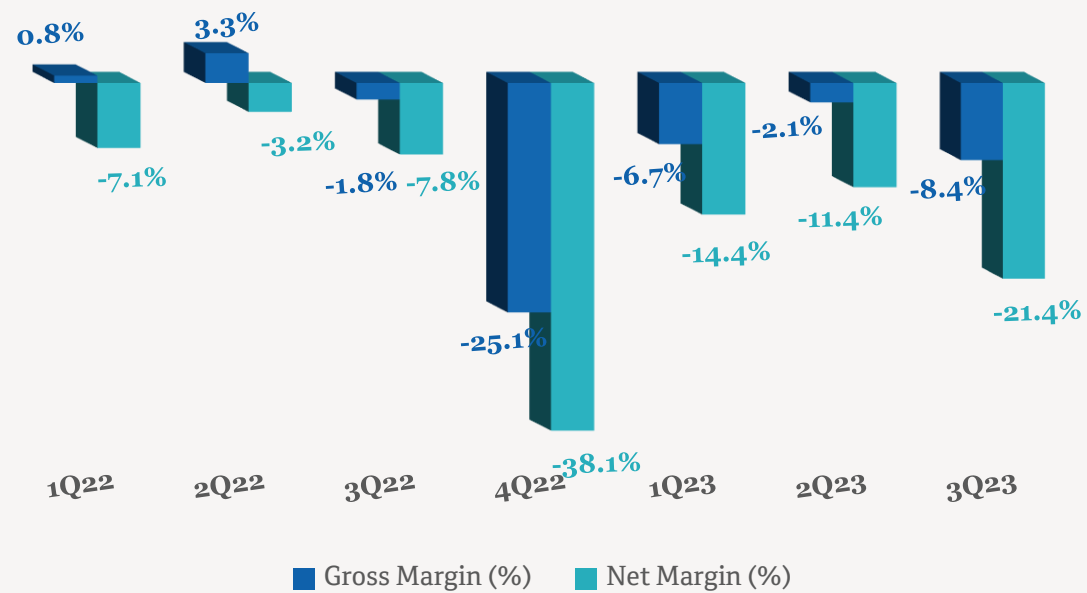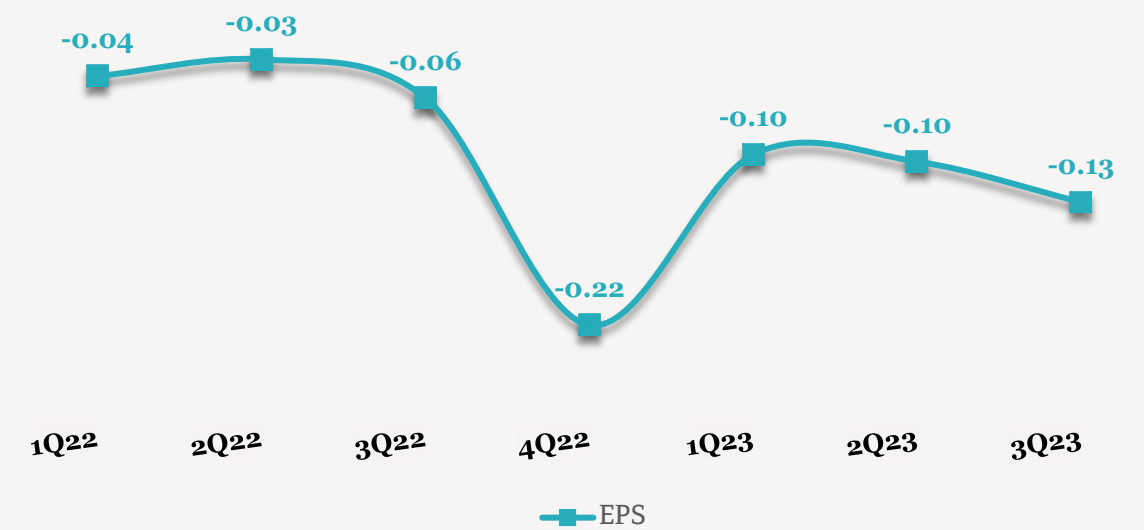
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