Earnings Update: Okomu Oil Palm Plc . (Ticker: OKOMUOIL)

Impressive Numbers Due to Strong Revenue Growth

THINGS WE LIKE ABOUT THE RESULT

1. Revenue grew by 26.57% year-on-year (y/y) to N79 billion in FY 2023 compared to the N59billion in 2022.

2. The growth in Profit Before Tax by 43.37% y/y.

3. Over 22.09% growth in Profit After Tax in 2023 compared to 2022 numbers.

4. Total Assets grew by 9.43%y/ in (FY) 2023 compared to its position at full year (FY) 2022.

5. Finance income surged by 330.8% y/y.

THINGS WE DID NOT LIKE ABOUT THE RESULT

1. The 4.69% y/y rise in finance cost from N2.3 billion in 2022 to N2.4 billion in 2023.

2. Expenses increased by 19.73% year-on-year (y/y) to N17.2 billion in FY 2023 compared to the N14.4 billion in 2022.
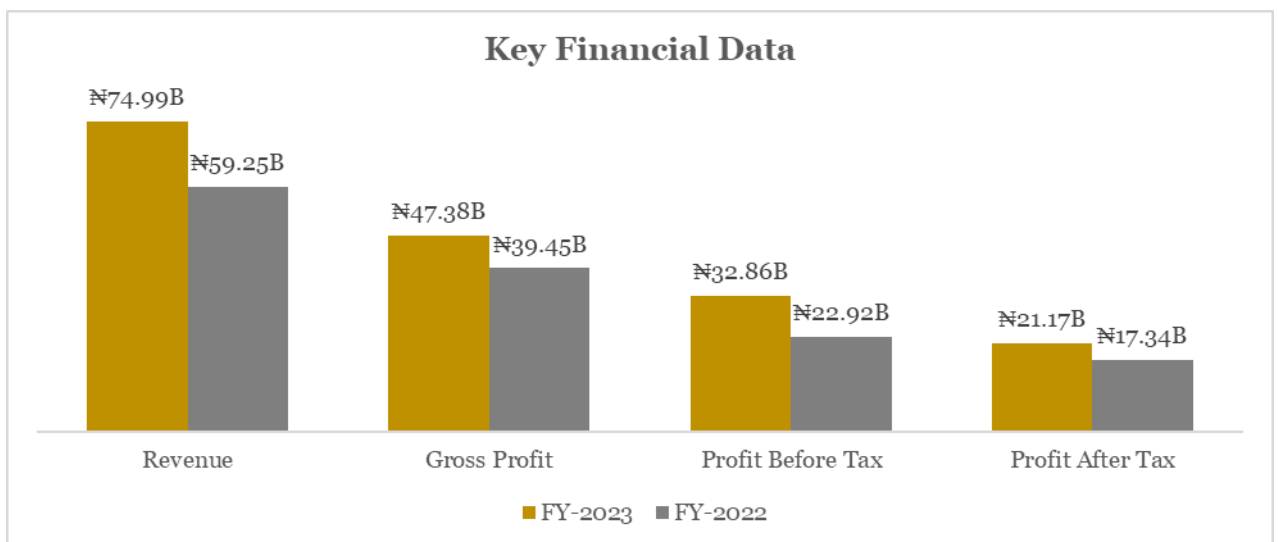
Kindly click here for the full financial statement.

TICKER	OKOMUOIL
Price (₦) at 06 Feb 2024	270.00
Shares Outstanding	953,910,000

Rebased Price Performance of OKOMU and NGX-ASI in 2023

NGX ASI — Okomu
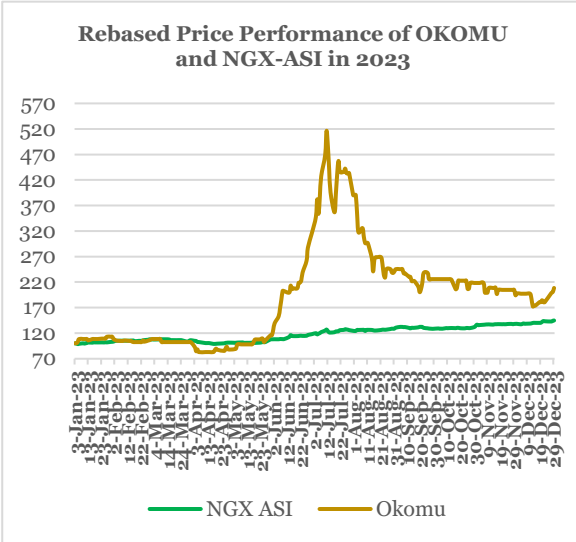
Source: investing.com, Parthian Securities Research

www. parthiansecuritiesng.com

INCOME STATEMENT	FY-2023 (₦'000)	FY-2022 (₦'000)	Change (%)
Revenue	74,987,474	59,245,542	26.57%
Cost of sales	27,606,526	19,796,686	39.45%
Gross profit	47,380,948	39,448,856	20.11%
Net operating expenses	17,295,086	14,444,569	19.73%
Operating profit	30,085,862	25,004,287	20.32%
Finance income	767,983	178,278	330.78%
Finance costs	2,371,309	2,264,989	4.69%
Net finance Income/(costs)	(1,603,326)	(2,086,711)	-23.16%
Exceptional income	4,373,556	0	0
Profit before taxation	32,856,092	22917576	43.37%
Taxation	11,688,952	5,580,558	109.46%
Profit for the period	21,167,140	17,337,018	22.09%
STATEMENT OF FINANCIAL POSITION	Jun 2023 (₦'000)	Dec 2022 (₦'000)	Change (%)
Property, plant and equipment	58,760,462	56,467,084	4.06%
Right of use assets	126,830	63,415	100.00%
Prepayments	1,012	358	182.68%
Total non-current assets	59,423,931	57,067,138	4.13%
Inventories	887,436	630,341	40.79%
Trade and other receivables	5,315,068	3,233,766	64.36%
Cash and cash equivalents	4,503,147	5,837,582	-22.86%
Total current assets	19,907,534	15,431,154	29.01%
Total assets	79,331,465	72,498,292	9.43%
Current liabilities	17,126,445	13,840,945	23.74%
Deferred taxation	11,427,650	11,460,076	-0.28%
Non-current liabilities	11,315,878	13,163,404	-14.04%
Total liabilities	28,442,323	27,004,349	5.32%
Total equity	39,461,492	34,033,867	15.95%
Total equity and liabilities	67,903,815	61,038,216	11.25%
STATEMENT OF CASHFLOW	FY-2023 (₦'000)	FY-2022 (₦'000)	Change (%)
Net cash used in operating activities	23,216,903	25,682,267	-9.60%
Net cash used in investing activities	(7,398,690)	(11,437,836)	35.31%
Net cash used in financing activities	(17,152,648)	(18,360,037)	6.58%

Key Financial Data

	Revenue	Gross Profit	Profit Before Tax	Profit After Tax
FY-2023	₦74.99B	₦47.38B	₦32.86B	₦21.17B
FY-2022	₦59.25B	₦39.45B	₦22.92B	₦17.34B

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