



Earnings Update: IKEJA HOTEL PLC. (Ticker: IKEJAHOTEL)

Exceptional Result Amidst Revenue Downturn

THINGS WE LIKE ABOUT THE RESULT

1. Profit for the year grew by 256.66% year-on-year (y/y) to ₦2.07 billion in full year 2023.
2. Finance income appreciated by 301.39% y/y.
3. The 24.58%y/y decline in cost of sales from ₦9.26 billion in 2022 to ₦6.98 billion in 2023.
4. The growth in Profit Before Tax by 312.98% y/y.
5. Total Assets grew by 100.11%y/y in full year 2023 compared to its position at full year 2022.

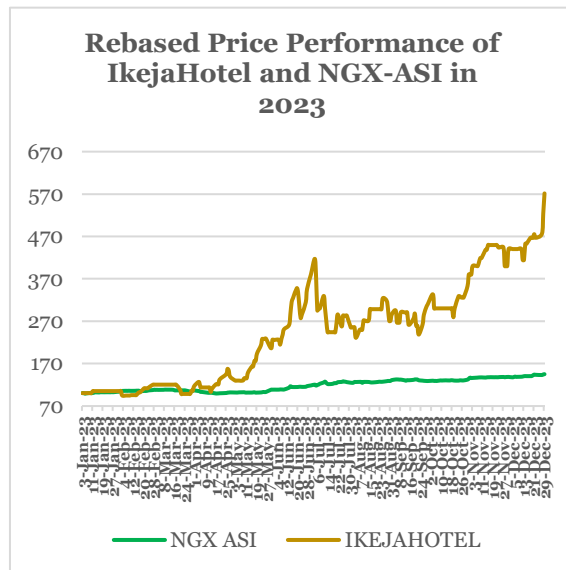
THINGS WE DID NOT LIKE ABOUT THE RESULT

1. Revenue declined by 13.83% year-on-year (y/y) to ₦11.11 billion in full year 2023 compared to the ₦12.89 billion recorded in full year 2022.
2. Finance cost increased by 12.13%y/y in 2023.

Kindly click [here](#) for the full financial statement.

Fiscal Year End: December

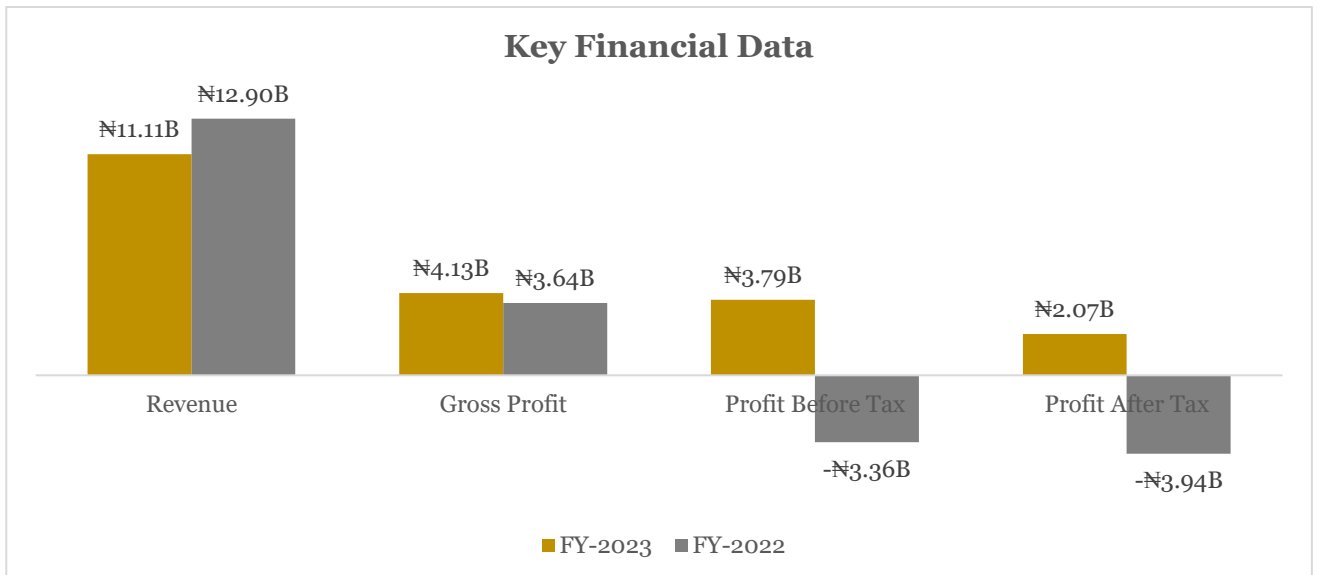
TICKER	IKEJAHOTEL
Price (₦) at 27 Mar 2024	5.85
Shares Outstanding	2,771,721,600.00
52 Weeks High (₦)	10.20
52 Weeks Low (₦)	0.77
Market Cap	16,214.57m
Price-to-Book	1.81
RSI 14	27.03
MACD	-0.16
Proposed Dividend	7.5k
Proposed Bonus	1 share for every 3 shares held



Source: Investing.com, Parthian Securities Research



INCOME STATEMENT	FY-2023 (₹'000)	FY-2022 (₹'000)	Change (%)
Revenue	11,113,217	12,896,968	-13.83%
Cost of sales	(6,983,557)	(9,259,364)	-24.58%
Gross profit	4,129,660	3,637,604	13.53%
Other income	2,232,258	158,922	1304.62%
Sales and marketing expenses	(402,612)	(318,194)	26.53%
Administrative expenses	(1,499,107)	(5,906,130)	-74.62%
Operating profit/(loss)	4,460,199	(2,427,798)	383.71%
Finance income	521,152	129,836	301.39%
Finance costs	(1,188,050)	(1,059,487)	12.13%
Profit/(loss) before tax	3,793,301	(3,357,449)	312.98%
Income tax expense	(1,719,254)	(581,346)	195.74%
Profit for the period	2,074,046	(3,938,795)	252.66%
STATEMENT OF FINANCIAL POSITION	FY-2023 (₹'000)	FY-2022 (₹'000)	Change (%)
Property, plant and equipment	22,370,571	6,927,608	222.92%
Capital work in progress	291,521	67,842	329.71%
Intangible assets	17,458	18,329	-4.75%
Non-current assets	22,679,550	7,013,779	223.36%
Inventories	251,446	223,605	12.45%
Trade Receivables	1,026,781	863,604	18.89%
Other Receivables and Prepayment	1,033,211	872,080	18.48%
Loan to related party	20,126,474	9,952,308	102.23%
Cash and cash equivalents	14,642,893	8,605,724	70.15%
Current assets	37,080,805	22,849,976	62.28%
Total assets	59,760,355	29,863,755	100.11%
Current liabilities	21,890,841	11,499,159	90.37%
Non-current liabilities	14,282,794	10,581,683	34.98%
Total liabilities	36,173,635	22,080,842	63.82%
Total equity	23,586,720	7,782,913	203.06%
Total equity and liabilities	59,760,355	29,863,755	100.11%
STATEMENT OF CASHFLOW	FY-2023 (₹'000)	FY-2022 (₹'000)	Change (%)
Net cash used in operating activities	4,226,482	681,547	520.13%
Net cash used in investing activities	1,984,679	3,084,405	-35.65%
Net cash used in financing activities	(173,992)	(4,247)	3996.82%





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