



Earnings Flash Note  
Qatar Fuel  
4Q 2023 / FY 2023



## Qatar Fuel (QFLS)

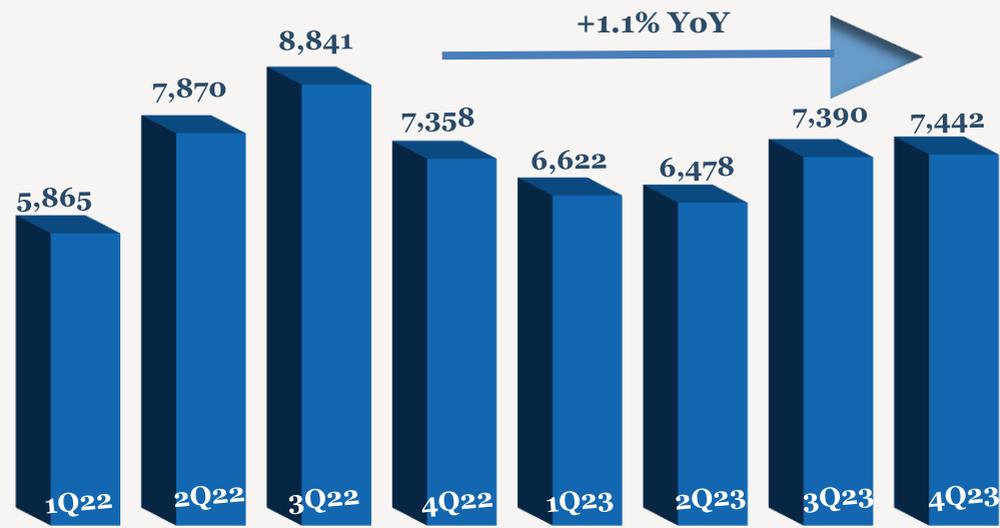
- > Net profit decreased by 11.4% YoY (+0.3 QoQ) to QR272mn in 4Q2023 due to a higher cost of sales and the margin fell by 52bps YoY (-1bps QoQ) to 3.7%. For FY2023, net profit fell by 8.0% YoY to QR984mn.
- > Sales rose 1.1% YoY to QR7,442mn (+0.7% QoQ) in 4Q2023 while for FY2023, it declined by 6.7% YoY to QR27,933mn.
- > Gross profit came lower by 25.1% YoY to QR136mn (-50.2% QoQ) while the corresponding margin declined by 64bps YoY (-187bps QoQ) to 1.8% in 4Q2023. For FY2023, gross profit fell 20.5% YoY to QR739mn.
- > Operating profit decreased by 35.4% YoY to QR102mn (-48.2% QoQ) and margins fell by 78bps YoY to 1.4% (-130bps QoQ) in 4Q2023.
- > For 4Q2023, EPS came at QR0.27 vs. QR0.31 in 4Q2022 while for FY2023, EPS was 0.99 vs 1.08 in FY2022.
- > FY2023 cash dividend of 90% was declared, which translates to a yield of 5.7% based on 17<sup>th</sup> Jan 2024 closing share price.
- > As of 17th Jan 2024, the stock has declined 5.3% YTD, underperforming the QSE index, which was down by 4.0% YTD.
- > The stock is currently trading at a TTM P/E multiple of 16.0x, lower than its 3Y historical average of 18.8x.

### 4Q/FY 2023 Earnings Performance

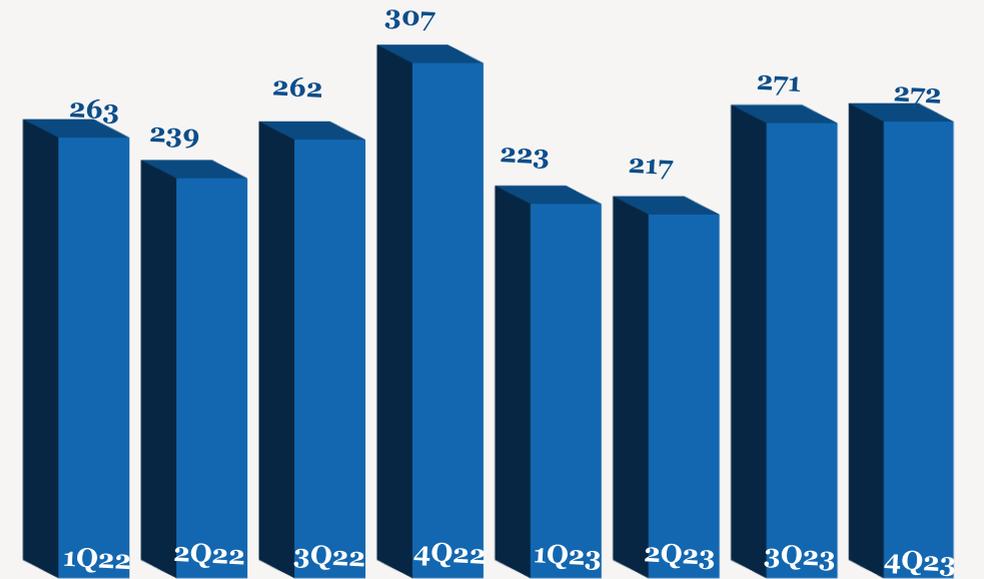
	4Q2023	4Q2022	YoY	3Q2023	QoQ	FY2023	FY2022	YoY
Sales	7,442	7,358	1.1%	7,390	0.7%	27,933	29,935	-6.7%
Gross Profit	136	182	-25.1%	274	-50.2%	739	930	-20.5%
Gross Margin %	1.8%	2.5%		3.7%		2.6%	3.1%	
Operating Profit	102	158	-35.4%	197	-48.2%	524	691	-24.1%
Operating Margin %	1.4%	2.2%		2.7%		1.9%	2.3%	
Other Income	179	157	14.3%	84	113.8%	496	410	20.8%
Net Profit To Equity	272	307	-11.4%	271	0.3%	984	1,070	-8.0%
Net Margin %	3.7%	4.2%		3.7%		3.5%	3.6%	
EPS (QR)	0.27	0.31	-11.4%	0.27	0.3%	0.99	1.08	

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

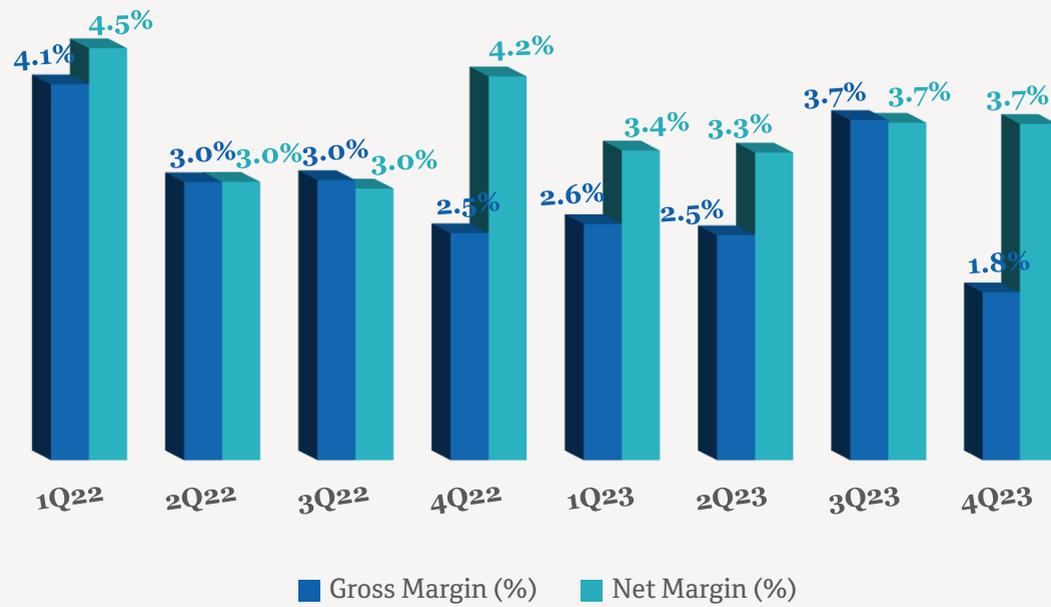
Quarterly Revenue (QRmn)



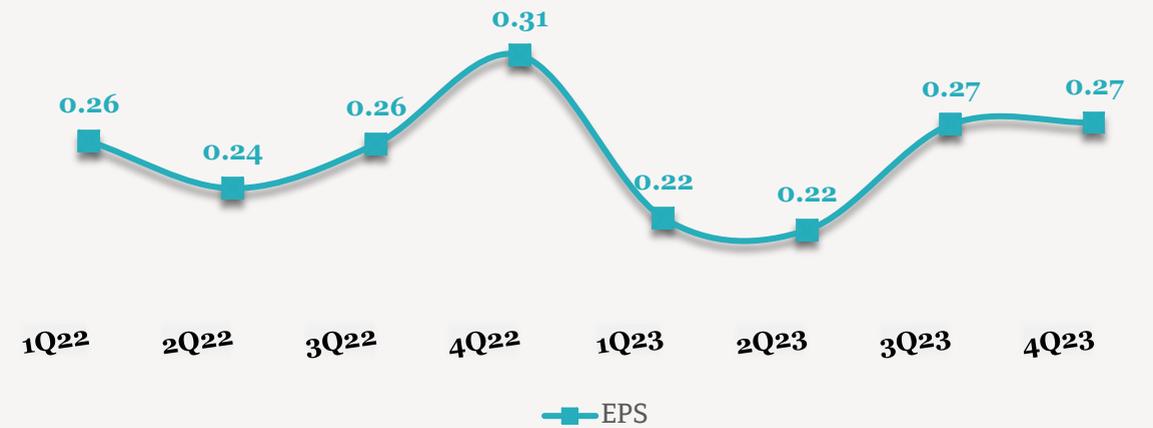
Quarterly Net Profit (QRmn)



Quarterly Margin trend



EPS (QR) trend



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