



Earnings Flash Note
Qatar Gas Transport Co
3Q 2023 / 9M 2023



Qatar Gas Transport Co. (QGTS)

- > **Net profit increased 2.4% YoY (+9.6% QoQ) to reach QR415mn in 3Q23** as a higher share of results from joint ventures and interest, dividend & other income offset the impact of increased finance charges and operating costs.
- > **Wholly-owned ship revenue was broadly flat at QR896mn (+0.5% YoY, +1.1% QoQ)** in 3Q23 and QR2,662mn (+0.3% YoY) in 9M23.
- > **Gross profit declined 1.1% YoY to QR693mn (+1.3% QoQ)** while the corresponding margins fell ~123bps YoY (+16bps QoQ) to 77.4% in 3Q23.
- > **Operating profit of QR455mn was down by 3.5% YoY (+7.8% QoQ)** and margins came at 50.8% (-210bps YoY, +318bps QoQ) in 3Q23.
- > **For 3Q23, EPS came at QR0.07 vs. QR0.07 in 3Q22** while for 9M23, EPS was 0.21 vs 0.20 in 9M22.
- > **The company's ROE and ROA stood at 13.0% and 4.6%, respectively as of Sep 30,2023.**

- > **As of 15th Oct 2023, the stock has declined 0.9% YTD**, outperforming the QSE index, which was down by 5.2% YTD.
- > **The stock is currently trading at a TTM P/E multiple of 13.6x, lower than its 3Y historical average of 14.5x.** For now, we maintain our PT of QR4.10/share and our Accumulate rating.

3Q 2023 Earnings Performance

	3Q2023	3Q2022	YoY	2Q2023	QoQ
Revenue from wholly owned vessels	896	892	0.5%	887	1.1%
Gross Profit	693	701	-1.1%	685	1.3%
Gross Margin %	77.4%	78.6%		77.2%	
Operating Profit	455	472	-3.5%	422	7.8%
Operating Margin %	50.8%	52.9%		47.6%	
Share of Results from Joint Ventures	210	185	14.0%	211	-0.4%
Net Profit	415	405	2.4%	379	9.6%
Net Margin %	46.3%	45.5%		42.7%	
EPS	0.07	0.07	2.4%	0.07	9.6%

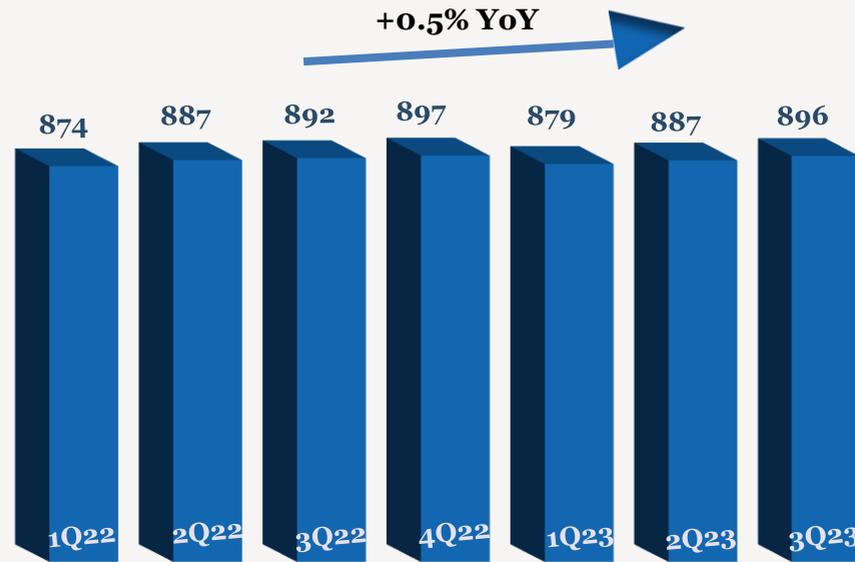
Note: Values are expressed in QR'mn unless explicitly stated

9M 2023 Earnings Performance

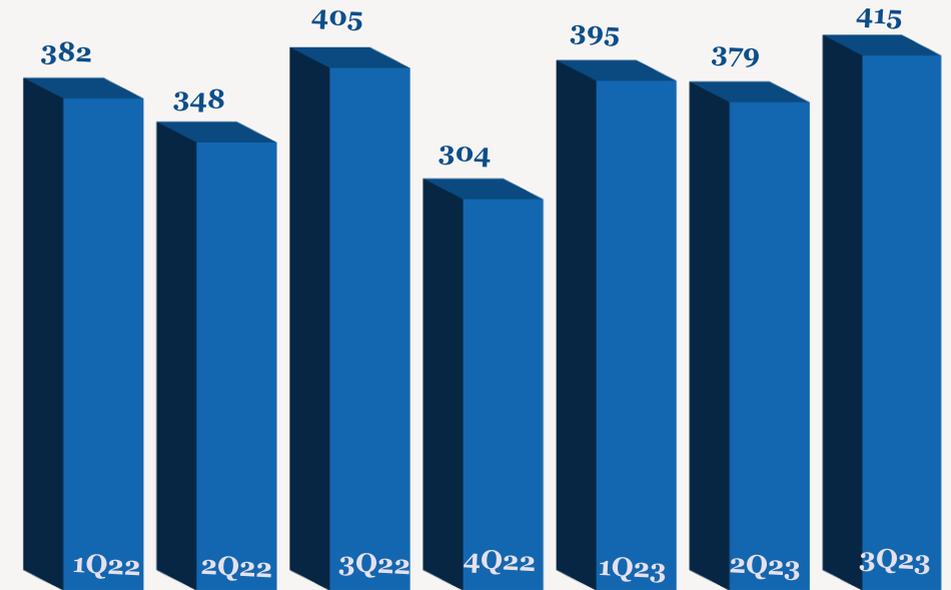
	9M2023	9M2022	YoY
Revenue from wholly owned vessels	2,662	2,653	0.3%
Gross Profit	2,063	2,099	-1.7%
Gross Margin %	77.5%	79.1%	
Operating Profit	1,354	1,411	-4.1%
Operating Margin %	50.9%	53.2%	
Share of Results from Joint Ventures	593	508	16.9%
Net Profit	1,189	1,135	4.8%
Net Margin %	44.7%	42.8%	
EPS	0.21	0.20	4.8%

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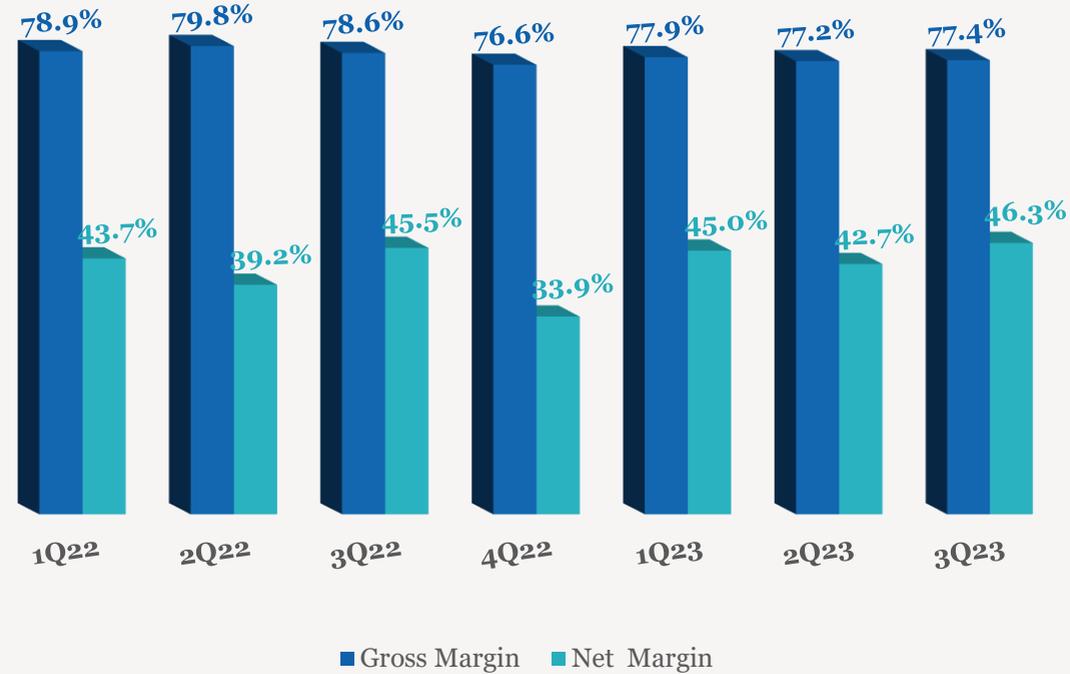
Quarterly Sales Trend (QR mn)



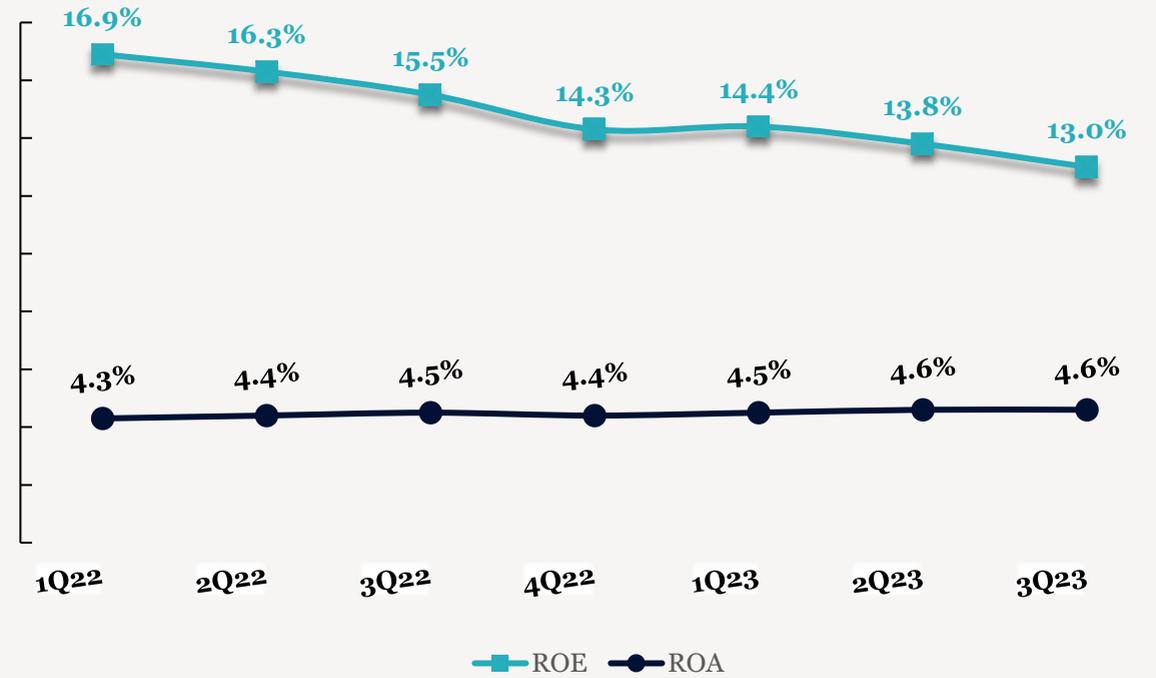
Quarterly Earnings Trend (QR mn)



Quarterly Margins Trend



ROA and ROE Trend



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