



Earnings Flash Note
Qatar Gas Transport Co.
4Q 2023 / FY 2023



Qatar Gas Transport Co. (QGTS)

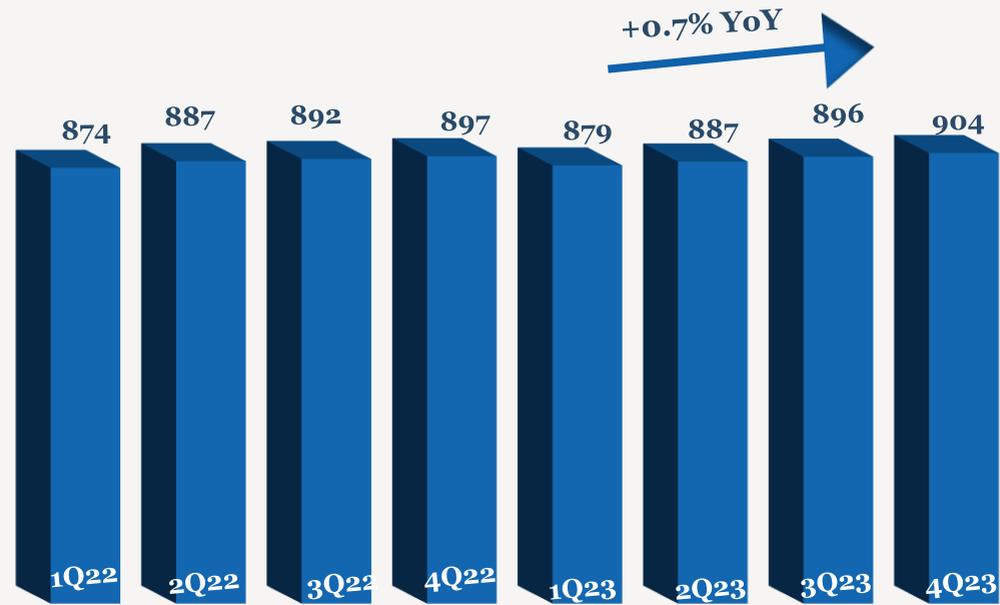
- > Net profit rose 21.2% YoY to QR368mn (-11.3% QoQ) in 4Q2023 primarily due to higher total income (+3.4% YoY, -0.5% QoQ) and lower depreciation charges (QR256mn vs. QR287mn in 4Q2022). For FY2023, net profit was up 8.3% YoY to QR1,558mn.
- > Revenue from wholly owned vessels increased by 0.7% YoY to QR904mn (+0.8% QoQ) in 4Q2023 while for FY2023, it was up 0.4% YoY to QR3,565mn.
- > Gross profit grew by 2.9% YoY to QR707mn (+2.0% QoQ) and margin improved to 78.3% (+1.7ppts YoY; +0.9ppts QoQ) in 4Q2023. For FY2023, gross profit fell 0.6% to QR2,770mn.
- > Operating profit increased by 15.0% YoY (-6.2% QoQ) to QR427mn in 4Q2023 while the corresponding margin rose to 47.3% (+5.9ppts YoY, -3.5ppts QoQ). For FY2023, operating profit decreased 0.1% YoY to QR1,781mn.
- > For 4Q2023, EPS came at QR0.066 vs. QR0.055 in 4Q2022 while for FY2023, EPS was 0.281 vs 0.260 in FY2022.
- > As of 28th Jan 2024, the stock has increased 2.5% YTD, outperforming the QSE index, which was down by 4.4% YTD.
- > The stock is currently trading at a TTM P/E multiple of 12.9x, lower than its 3Y historical average of 14.3x. For now, we maintain our PT of QR 4.10/share and our Accumulate rating.
- > The Board announced a DPS of QR0.14 for FY2023 which translates into a yield of 3.9%.

4Q/FY 2023 Earnings Performance

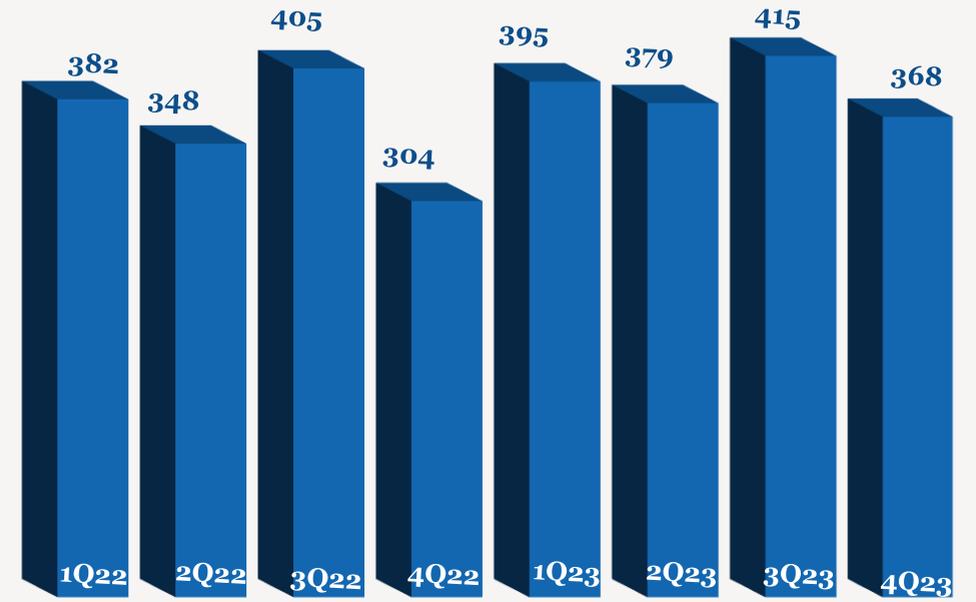
	4Q2023	4Q2022	YoY	3Q2023	QoQ	FY2023	FY2022	YoY
Revenue from Wholly Owned Vessels	904	897	0.7%	896	0.8%	3,565	3,550	0.4%
Gross Profit	707	687	2.9%	693	2.0%	2,770	2,786	-0.6%
Gross Margin %	78.3%	76.6%		77.4%		77.7%	78.5%	
Operating Profit	427	372	15.0%	455	-6.2%	1,781	1,783	-0.1%
Operating Margin %	47.3%	41.4%		50.8%		50.0%	50.2%	
Share of Results from Joint Ventures	191	182	5.3%	210	-9.0%	785	689	13.9%
Net Profit to Equity	368	304	21.2%	415	-11.3%	1,558	1,439	8.3%
Net Margin %	40.8%	33.9%		46.3%		43.7%	40.5%	
EPS (QR)	0.066	0.055	21.2%	0.075	-11.3%	0.281	0.260	8.3%

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

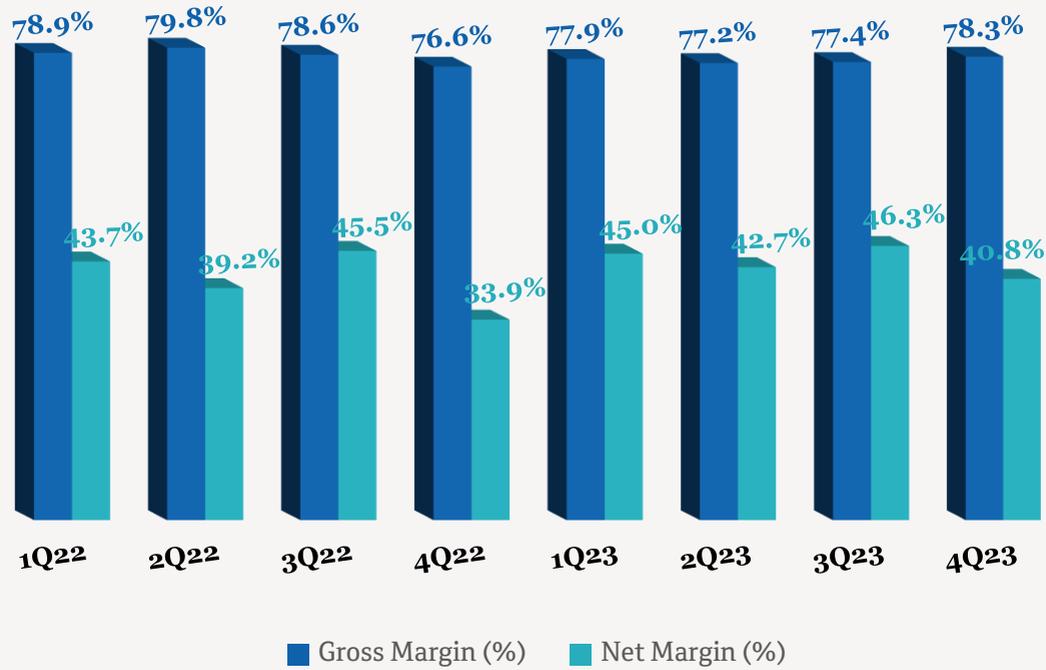
Quarterly Sales Trend (QRmn)



Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



Contacts

QNB Financial Services Co. W.L.L.

Contact Center: (+974)4476 6666

info@qnbfs.com.qa

Doha, Qatar

Saugata Sarkar, CFA, CAIA

Head of Research

saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian

Senior Research Analyst

shahan.keushgerian@qnbfs.com.qa

Phibion Makuwerere, CFA

Senior Research Analyst

phibion.makuwerere@qnbfs.com.qa

Roy Thomas

Senior Research Analyst

roy.thomas@qnbfs.com.qa

Dana Saif Al Sowaidi

Research Analyst

dana.alsowaidi@qnbfs.com.qa

Disclaimer and Copyright Notice: This publication has been prepared by QNB Financial Services Co. W.L.L. (“QNBFS”) a wholly-owned subsidiary of Qatar National Bank (Q.P.S.C.). QNBFS is regulated by the Qatar Financial Markets Authority and the Qatar Exchange. Qatar National Bank (Q.P.S.C.) is regulated by the Qatar Central Bank. This publication expresses the views and opinions of QNBFS at a given time only. It is not an offer, promotion or recommendation to buy or sell securities or other investments, nor is it intended to constitute legal, tax, accounting, or financial advice. QNBFS accepts no liability whatsoever for any direct or indirect losses arising from use of this report. Any investment decision should depend on the individual circumstances of the investor and be based on specifically engaged investment advice. We therefore strongly advise potential investors to seek independent professional advice before making any investment decision. Although the information in this report has been obtained from sources that QNBFS believes to be reliable, we have not independently verified such information and it may not be accurate or complete. QNBFS does not make any representations or warranties as to the accuracy and completeness of the information it may contain, and declines any liability in that respect. For reports dealing with Technical Analysis, expressed opinions and/or recommendations may be different or contrary to the opinions/recommendations of QNBFS Fundamental Research as a result of depending solely on the historical technical data (price and volume). QNBFS reserves the right to amend the views and opinions expressed in this publication at any time. It may also express viewpoints or make investment decisions that differ significantly from, or even contradict, the views and opinions included in this report. This report may not be reproduced in whole or in part without permission from QNBFS.

COPYRIGHT: No part of this document may be reproduced without the explicit written permission of QNBFS.