



Earnings Flash Note
Qatar Fuel
3Q 2023 / 9M 2023

Qatar Fuel (QFLS)

- > **Net profit increased by 3.8% YoY (+25.1 QoQ)** to QR271mn in 3Q23 supported by higher other income (+21.7% YoY) with the corresponding margins improved by 71bps YoY (+32bps QoQ) to 3.7%. For 9M23, net profit fell by 6.7% YoY to QR739mn.
- > **Sales fell 16.4% YoY to QR7,390mn (+14.1% QoQ)** in 3Q23 while for 9M23, it declined by 9.2% YoY to QR20,490mn.
- > **Gross profit increased by 1.5% YoY to QR274mn (+72.3% QoQ)** while the corresponding margin improved 65bps YoY (+125bps QoQ) to 3.7% in 3Q23. For 9M23, gross profit fell 19.4% YoY to QR603mn.
- > **Operating profit decreased by 1.8% YoY to QR197mn (+51.2% QoQ)** and margins improved by 40bps YoY to 2.7% (+65bps QoQ) in 3Q23.
- > **For 3Q23, EPS came at QR0.27 vs. QR0.26 in 3Q22** while for 9M23, EPS was 0.72 vs 0.77 in 9M22.

- > **As of 18th Oct 2023, the stock has declined 11.1% YTD**, underperforming the QSE index, which was down by 6.8% YTD.
- > **The stock is currently trading at a TTM P/E multiple of 15.9x**, lower than its 3Y historical average of 19.4x.

3Q 2023 Earnings Performance

	3Q2023	3Q2022	YoY	2Q2023	QoQ
Sales	7,390	8,841	-16.4%	6,478	14.1%
Gross Profit	274	270	1.5%	159	72.3%
Gross Margin %	3.7%	3.0%		2.5%	
Operating Profit	197	201	-1.8%	130	51.2%
Operating Margin %	2.7%	2.3%		2.0%	
Other Income	84	69	21.7%	94	-10.6%
Net Profit	271	262	3.8%	217	25.1%
Net Margin %	3.7%	3.0%		3.3%	
EPS	0.27	0.26	3.8%	0.22	25.1%

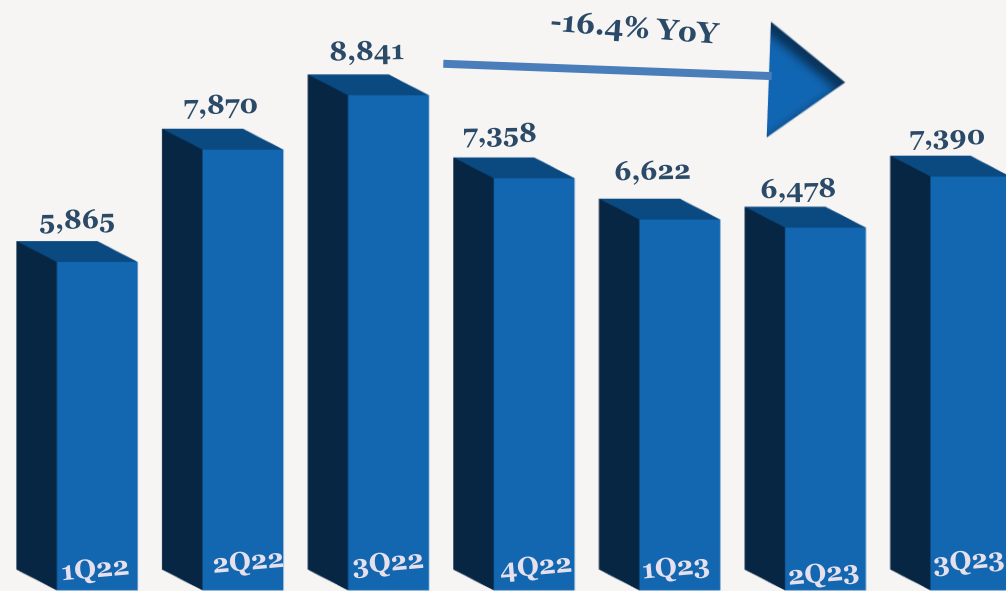
Note: Values are expressed in QR'mn unless explicitly stated

9M 2023 Earnings Performance

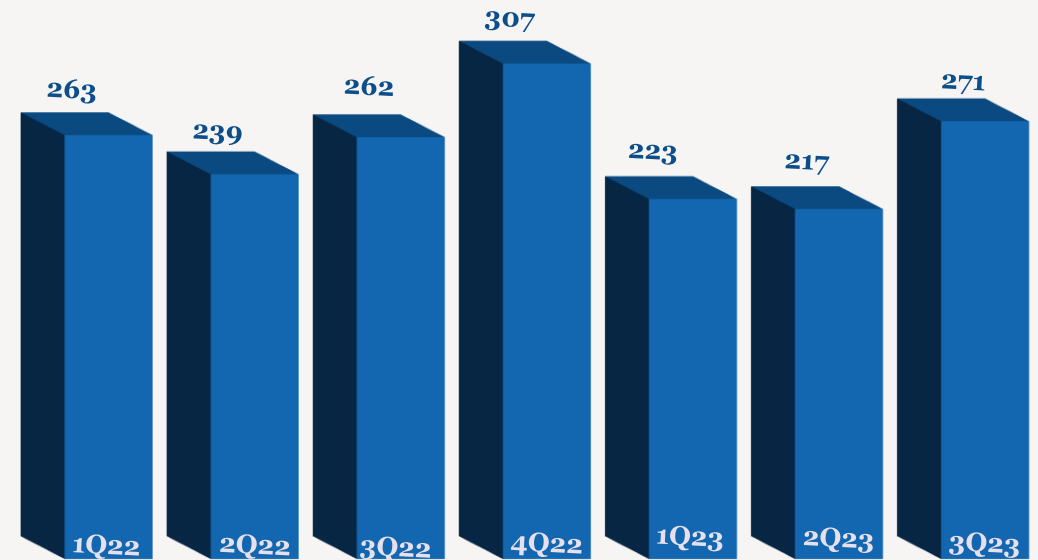
	9M2023	9M2022	YoY
Sales	20,490	22,577	-9.2%
Gross Profit	603	748	-19.4%
Gross Margin %	2.9%	3.3%	
Operating Profit	422	533	-20.8%
Operating Margin %	2.1%	2.4%	
Other Income	317	254	24.9%
Net Profit	712	763	-6.7%
Net Margin %	3.5%	3.4%	
EPS	0.72	0.77	-6.7%

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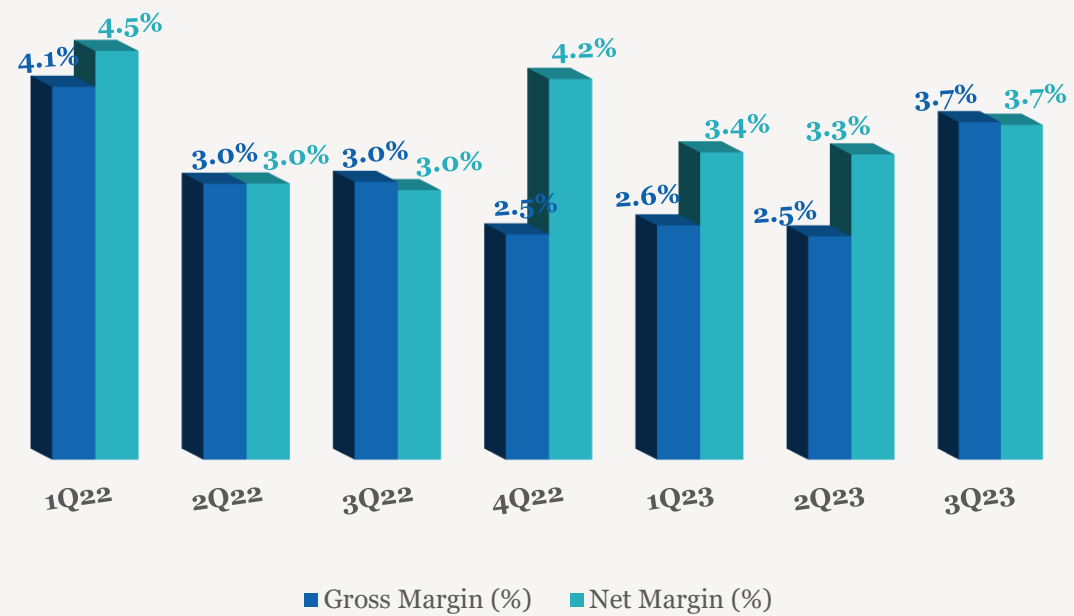
Quarterly Revenue (QRmn)



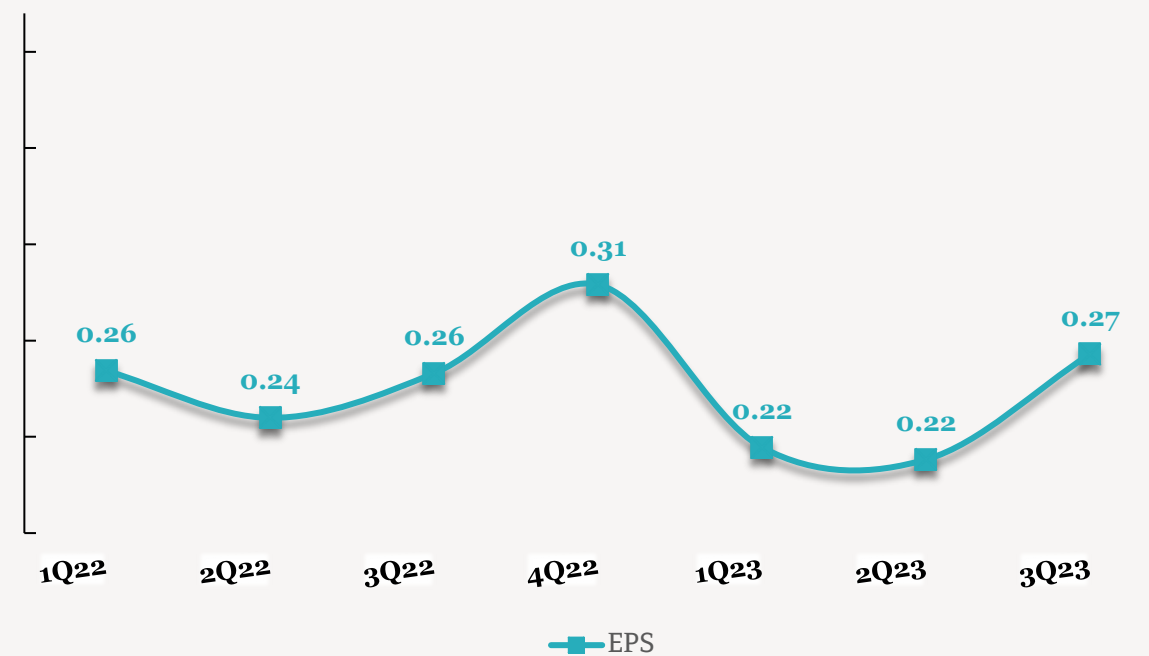
Quarterly Net Profit (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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