QNB FINANCIAL SERVICES

Earnings Flash Note
Gulf Warehousing Company
1Q 2025

Gulf Warehousing Company (GWCS)

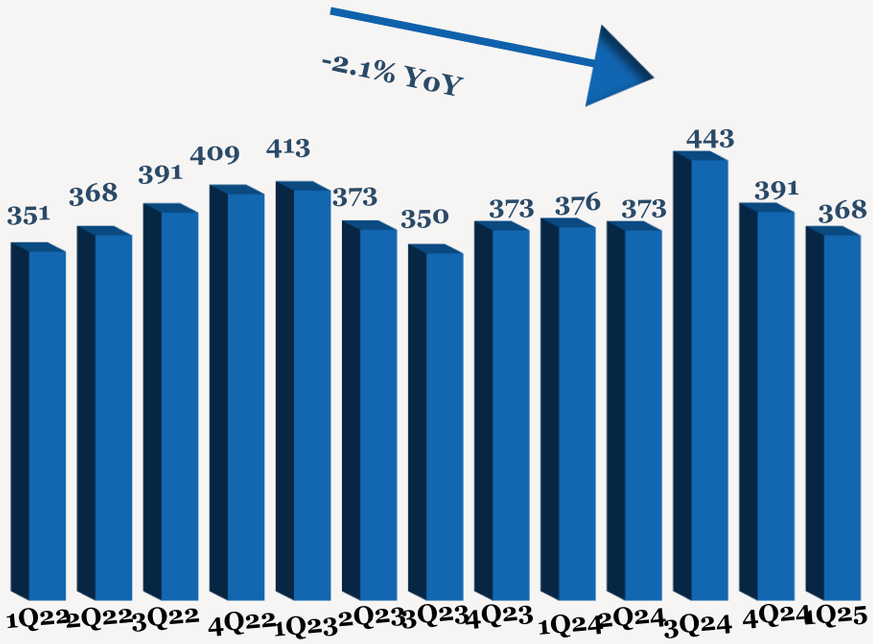
- **Net profit decreased by 25.9% YoY to QR38mn (+51.6% QoQ) in 1Q2025** primarily due to lower revenue, along with higher direct costs and general and administrative expenses.
- **Revenue decreased by 2.1% YoY (-6.0% QoQ) to QR368mn in 1Q2025**.
- **Gross profit decreased by 10.7% YoY to QR104mn (+9.3% QoQ)** while the corresponding margin decreased by 2.7ppts YoY to 28.4% in 1Q2025.
- **Operating profit was down 22.4% YoY (+26.8% QoQ) to QR68mn in 1Q2025** while the corresponding margin decreased by 4.8ppts YoY to 18.5% in 1Q2025.
- **For 1Q2025, EPS came at QR0.064 vs. QR0.087 in 1Q2024**.
- **As of 22nd April 2025, the stock has decreased 10.4% YTD, Underperforming** the QSE Index, which was down by 4.1% YTD.
- **The stock is currently trading at a TTM P/E multiple of 11.2x.** For now, we maintain our PT of QR 3.80/share and Accumulate rating.

1Q2025 Earnings Performance

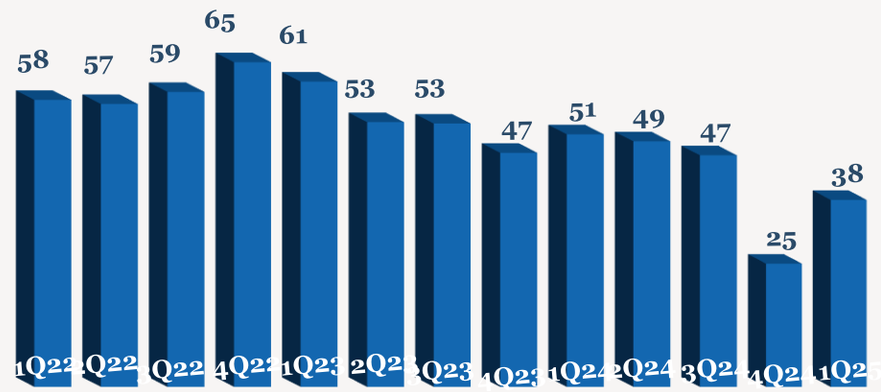
	1Q2025	1Q2024	YoY	4Q2024	QoQ
Revenue	368	376	-2.1%	391	-6.0%
Gross Profit	104	117	-10.7%	96	9.3%
Gross Margin %	28.4%	31.1%		24.4%	
Operating Profit	68	87	-22.4%	54	26.8%
Operating Margin %	18.5%	23.3%		13.7%	
Net Profit to Equity	38	51	-25.9%	25	51.6%
Net Margin %	10.3%	13.5%		6.4%	
EPS (QR)	0.064	0.087	-25.9%	0.042	51.6%

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

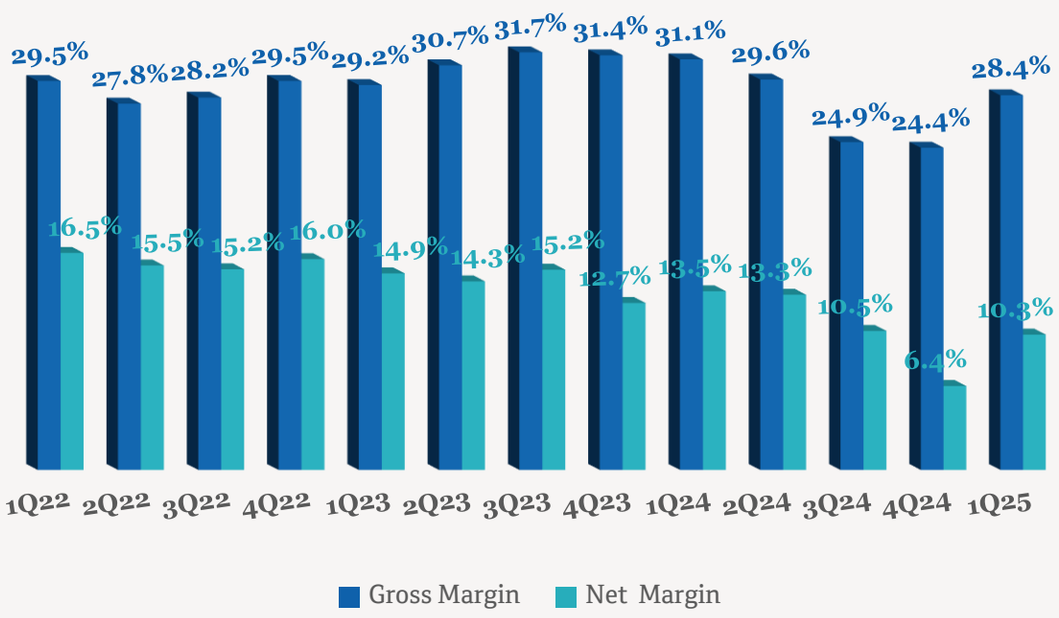
Quarterly Sales Trend (QRmn)



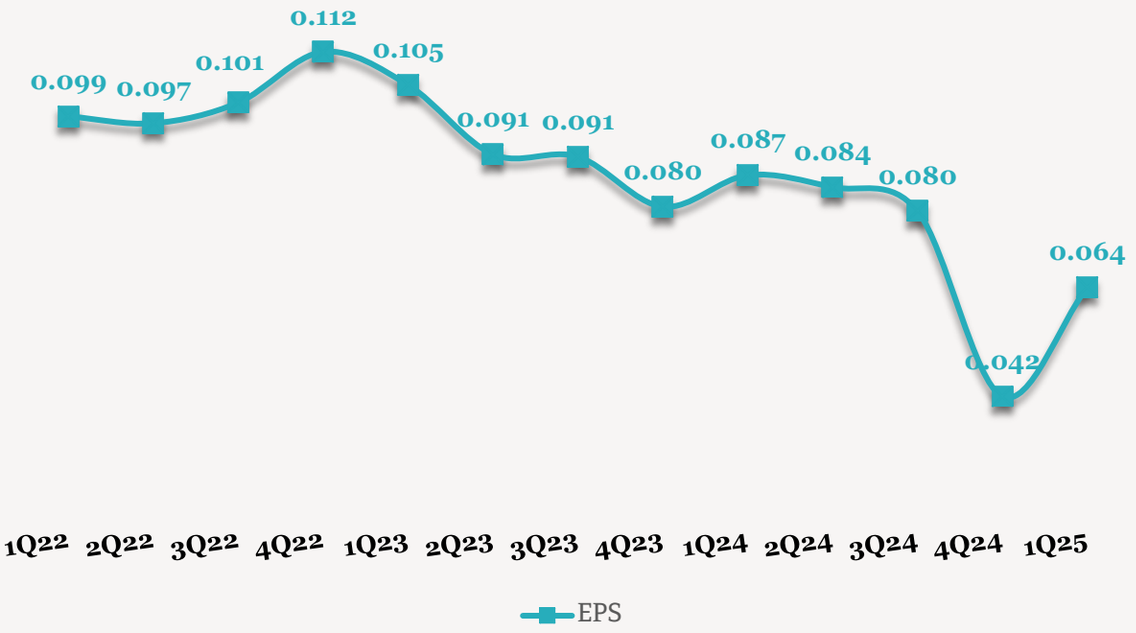
Quarterly Earnings Trend (QRmn)



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

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