QNB FINANCIAL SERVICES

Earnings Flash Note
Industries Qatar
2Q 2026/6M 2026

Industries Qatar (IQCD)

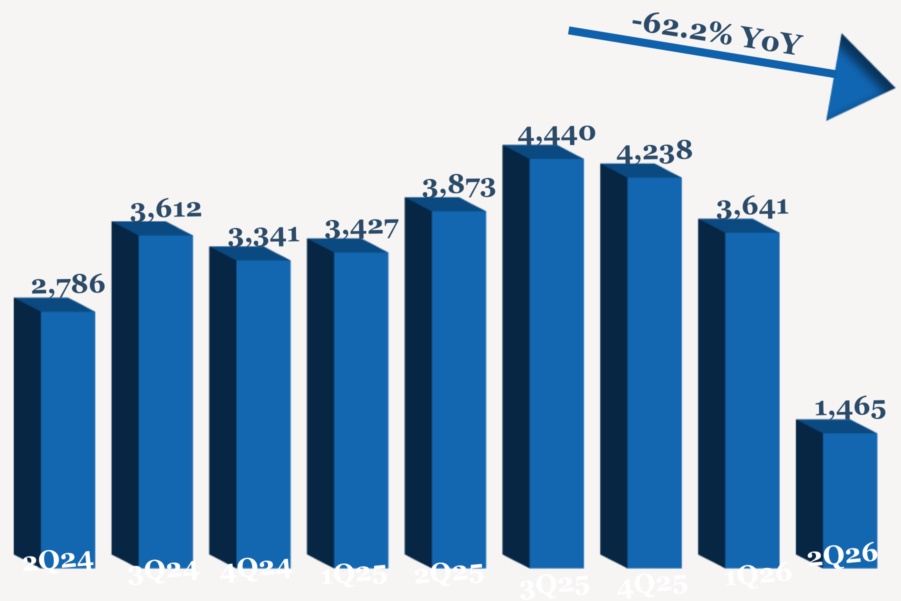
- **Net loss came to QR519mn in 2Q2026 compared to net profit of QR968mn in 2Q2025 and QR734mn in 1Q2026.** The loss was primarily driven by lower revenue, due to challenging operating conditions arising from the regional conflict. For 6M2026, net profit fell 89.0% to QR216mn.
- **Revenue was down 62.2% YoY to QR1,465mn (-59.8% QoQ) in 2Q2026**. For 6M2026, revenue fell 30.1% to QR5,106mn.
- **Gross loss came in at QR265mn in 2Q2026 compared to gross profit of QR758mn in 2Q2025 and QR848mn in 1Q2026.** Gross margin came in at -18.1% in 2Q2026 (vs 19.6% in 2Q2025 and 23.3% in 1Q2026). For 6M2026, gross profit declined 63.0% to QR583mn.
- **Operating loss was QR487mn in 2Q2026** compared to operating profit of QR533mn in 2Q2025 and QR606mn in 1Q2026. The corresponding margin came in at -33.3% in 2Q2026 (vs 13.8% in 2Q2025 and 16.6% in 1Q2026). For 6M2026, operating profit fell 89.6% to QR118mn.
- **For 2Q2026, Loss per share came at QR0.09 vs. EPS of QR0.16 in 2Q2025.** For 6M2026, EPS came at QR0.04 vs QR0.32 in 6M2025.
- **As of 12th August 2026, the stock has decreased 16.3% YTD,** underperforming the QSE Index, which was down by 6.6% YTD.
- **The stock is currently trading at a TTM P/E multiple of 23.7x,** higher than its 3Y historical average of 16.9x..

2Q/6M 2026 Earnings Performance

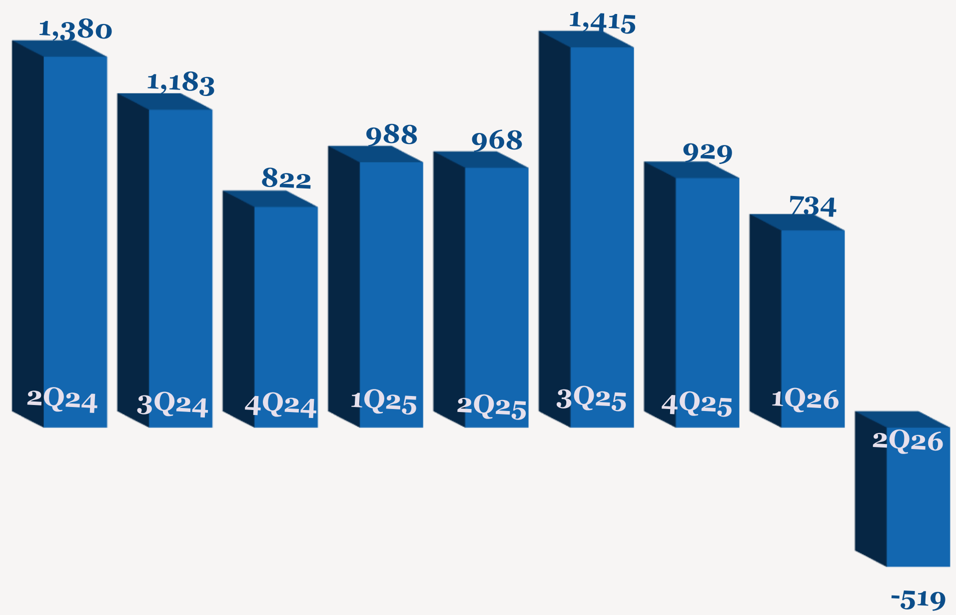
	2Q2026	2Q2025	YoY	1Q2026	QoQ	6M2026	6M2025	YoY
Revenue	1,465	3,873	-62.2%	3,641	-59.8%	5,106	7,300	-30.1%
Gross Profit	-265	758	N/M	848	N/M	583	1,577	-63.0%
Gross Margin %	-18.1%	19.6%		23.3%		11.4%	21.6%	
Operating Profit	-487	533	N/M	606	N/M	118	1,139	-89.6%
Operating Margin %	-33.3%	13.8%		16.6%		2.3%	15.6%	
Share of results of investments in associate & joint venture	-198	281	N/M	31	N/M	-166	558	N/M
Net Profit to Equity	-519	968	N/M	734	N/M	216	1,955	-89.0%
Net Margin %	-35.4%	25.0%		20.2%		4.2%	26.8%	
EPS (QR)	-0.09	0.16	N/M	0.12	N/M	0.04	0.32	-89.0%

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

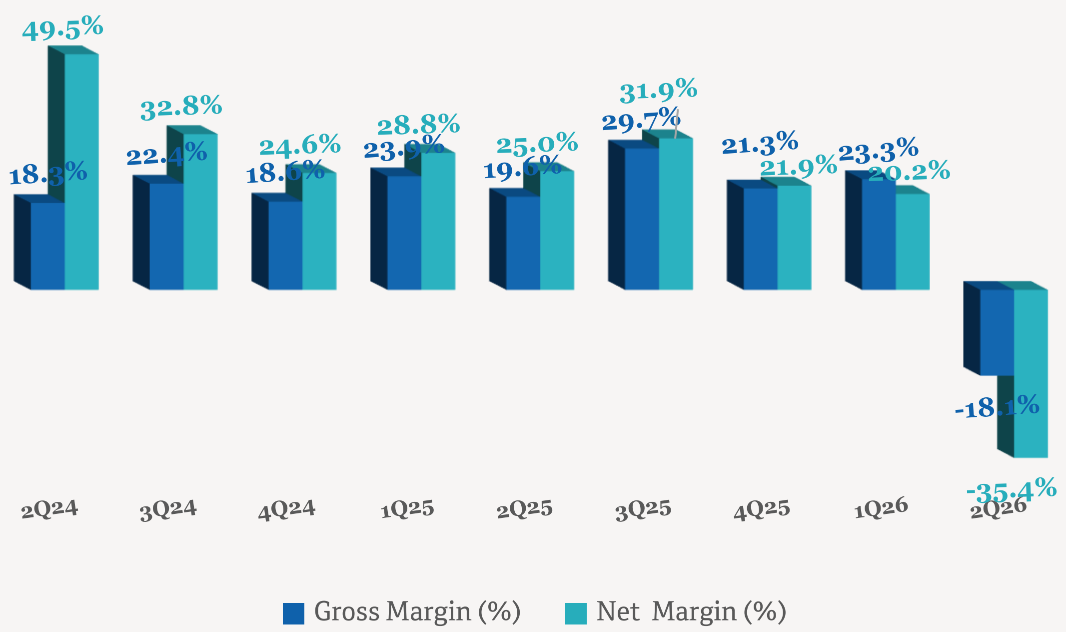
Quarterly Sales Trend (QRmn)



Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend

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