QNB FINANCIAL SERVICES

Earnings Flash Note
United Development Co.
2Q 2026/6M 2026

United Development Co. (UDCD)

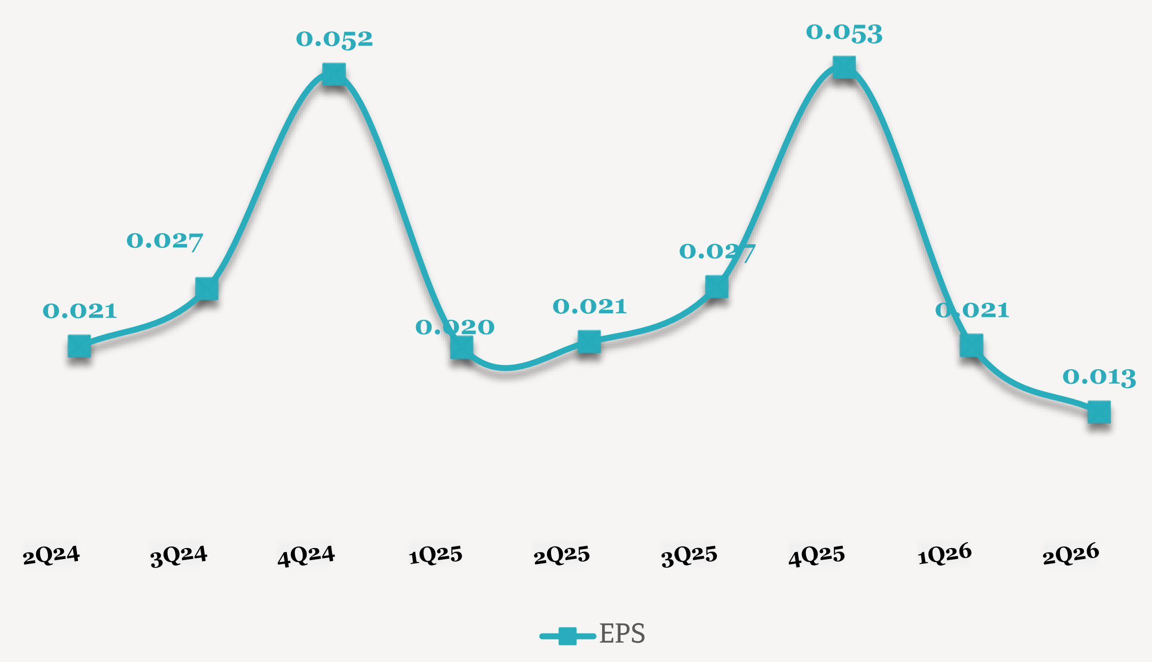
- **Net profit decreased by 38.5% YoY (-37.2% QoQ) to QR46mn in 2Q2026,** due to other operating losses. For 6M2026, net profit fell 19.0% to QR119mn.
- **Revenue fell by 0.3% YoY (-7.1% QoQ) to QR426mn in 2Q2026**. For 6M2026, revenue was down 20.0% to QR885mn.
- **Gross profit grew 2.7% YoY (+4.2% QoQ) to QR125mn in 2Q2026,** while the corresponding margin came at 29.3% in 2Q2026 vs 28.5% in 2Q2025. For 6M2026, gross profit fell 17.4% to QR245mn.
- **For 2Q2026 EPS came at QR0.013 vs QR0.021 in 2Q2025.** For 6M2026, EPS came at QR0.034 vs. QR0.042 in 6M2025.
- **As of 21st July 2026, the stock decreased 5.8% YTD, outperforming** the QSE Index, which was down by 6.1% YTD.
- **The stock is currently trading at a TTM P/E multiple of 7.7x.**

2Q/6M 2026 Earnings Performance

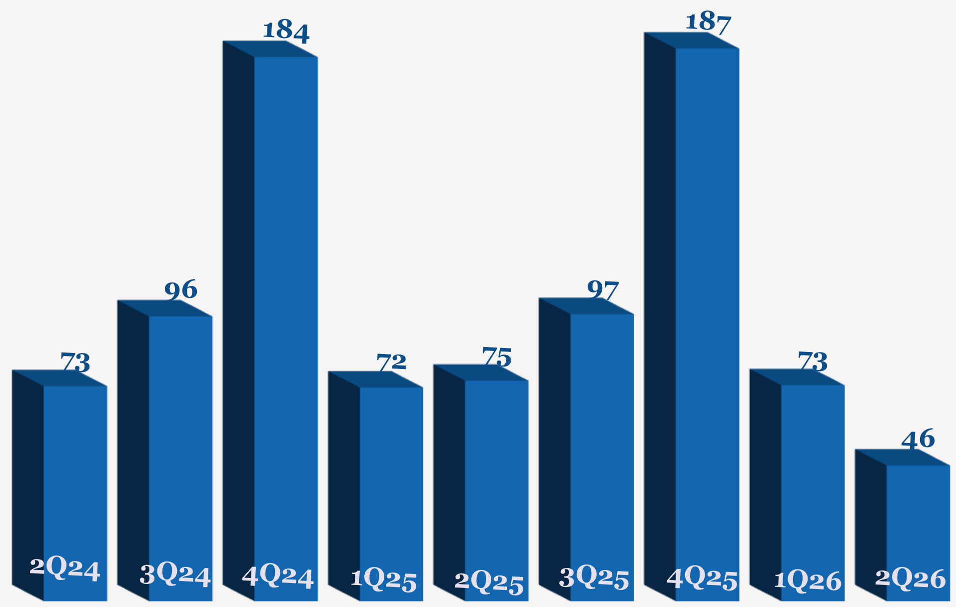
	2Q2026	2Q2025	YoY	1Q2026	QoQ	6M2026	6M2025	YoY
Revenue	426	428	-0.3%	459	-7.1%	885	1,106	-20.0%
Gross Profit	125	122	2.7%	120	4.2%	245	297	-17.4%
Gross Margin %	29.3%	28.5%		26.1%		27.7%	26.8%	
Operating Profit Before Fair Value (loss)/gain on Investment Properties	0.2	95	-99.8%	84	-99.8%	84	190	-55.7%
Operating Margin %	0.04%	22.2%		18.3%		9.5%	17.1%	
Net Profit to Equity	46	75	-38.5%	73	-37.2%	119	147	-19.0%
Net Margin %	10.8%	17.5%		15.9%		13.5%	13.3%	
EPS (QR)	0.013	0.021	-38.5%	0.021	-37.2%	0.034	0.042	-19.0%

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

EPS (QR) Trend



Quarterly Earnings Trend (QRmn)



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