QNB FINANCIAL SERVICES

Earnings Flash Note

Industries Qatar

4Q 2025/FY 2025

Industries Qatar (IQCD)

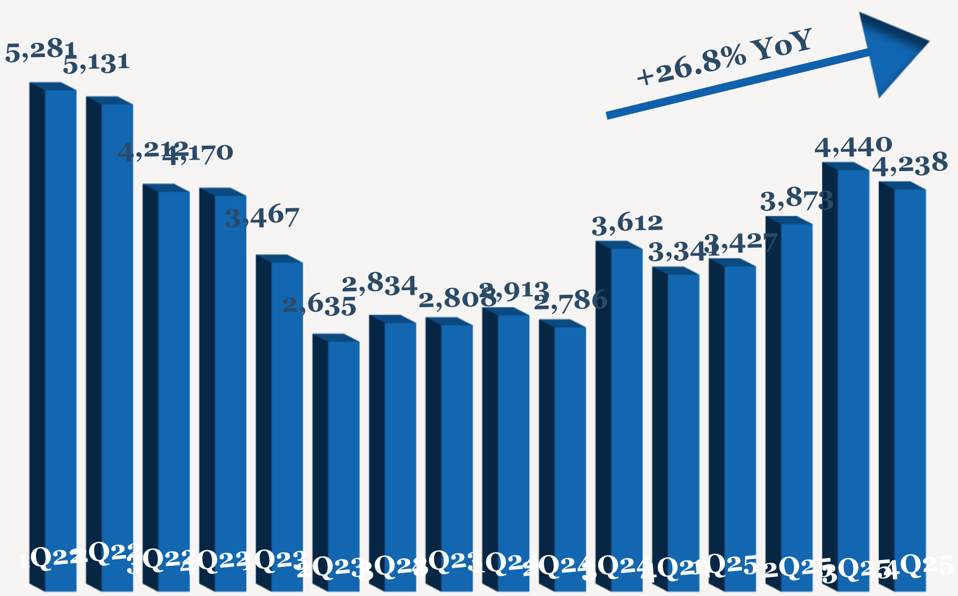
- **Net profit rose by 13.1% YoY to QR929mn (-34.3% QoQ) in 4Q2025** primarily due to higher revenue. For FY2025, net profit fell 7.8% to QR4,300mn.
- **Revenue was up by 26.8% YoY to QR4,238mn (-4.6% QoQ) in 4Q2025**. Please note that income statement items other than net income, such as revenue, are not comparable with prior periods as QAFAC (50%-owned) is being accounted for as a subsidiary (and not as a joint venture) from 3Q2024 onward. For FY2025, revenue rose 26.3% to QR15,978mn.
- **Gross profit increased by 45.7% YoY to QR904mn (-31.5% QoQ) in 4Q2025** while gross margin came in at 21.3% in 4Q2025 (vs 18.6% in 4Q2024 and 29.7% in 3Q2025). For FY2025, gross profit rose 36.8% to QR3,801mn.
- **Operating profit was up 76.9% YoY (-44.2% QoQ) to QR617mn in 4Q2025** while the corresponding margin came in at 14.6% in 4Q2025 (vs 10.4% in 4Q2024 and 24.9% in 3Q2025). For FY2025, operating profit grew 48.5% to QR2,861mn.
- **For 4Q2025, EPS came at QR0.15 vs. QR0.14 in 4Q2024.** For FY2025, EPS came at QR0.71 vs. QR0.77 in FY2024.
- **As of 11th February 2026, the stock has increased 7.1% YTD,** Outperforming the QSE Index, which was up by 6.9% YTD.
- **The stock is currently trading at a TTM P/E multiple of 18.1x,** higher than its 3Y historical average of 15.4x. For now, we maintain our PT of QR 15.20/share and our Accumulate rating.
- **The Board of Directors recommends a dividend for the second half of 2025 of QR 0.45 per share, bringing the total dividend for the year to QR 0.71 per share.** This equates to a payout ratio of 100% of net earnings for 2025 and represents 71% of the nominal share value.

4Q/FY 2025 Earnings Performance

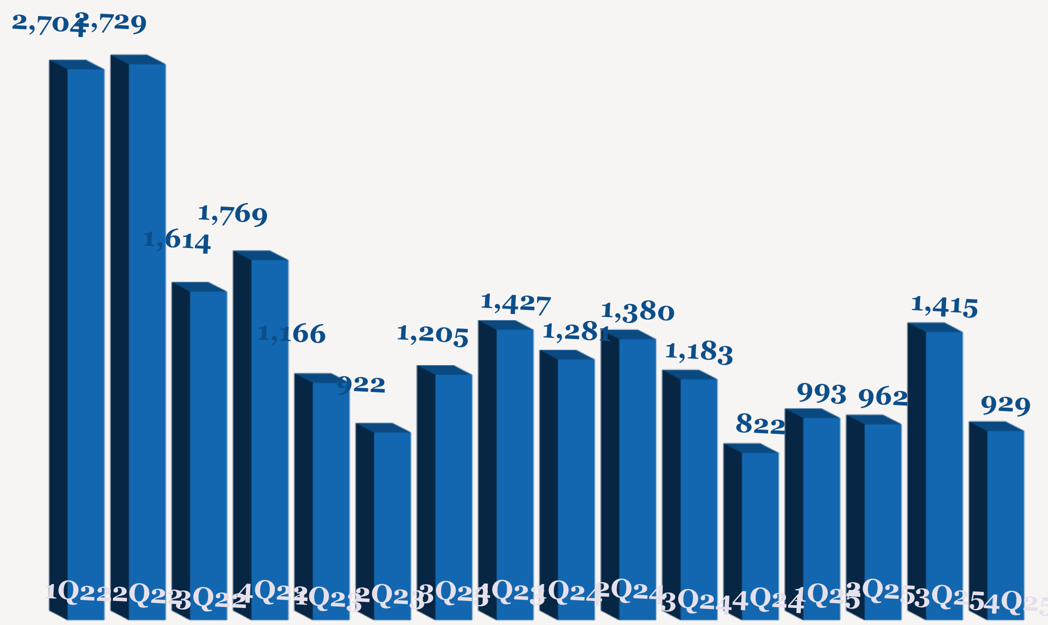
	4Q2025	4Q2024	YoY	3Q2025	QoQ	FY2025	FY2024	YoY
Revenue	4,238	3,341	26.8%	4,440	-4.6%	15,978	12,652	26.3%
Gross Profit	904	620	45.7%	1,319	-31.5%	3,801	2,778	36.8%
Gross Margin %	21.3%	18.6%		29.7%		23.8%	22.0%	
Operating Profit	617	349	76.9%	1,106	-44.2%	2,861	1,927	48.5%
Operating Margin %	14.6%	10.4%		24.9%		17.9%	15.2%	
Share of results of investments in associate & joint venture	33	325	-89.7%	223	-85.0%	815	1,605	-49.3%
Net Profit to Equity	929	822	13.1%	1,415	-34.3%	4,300	4,666	-7.8%
Net Margin %	21.9%	24.6%		31.9%		26.9%	36.9%	
EPS (QR)	0.15	0.14	13.1%	0.23	-34.3%	0.71	0.77	-7.8%

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

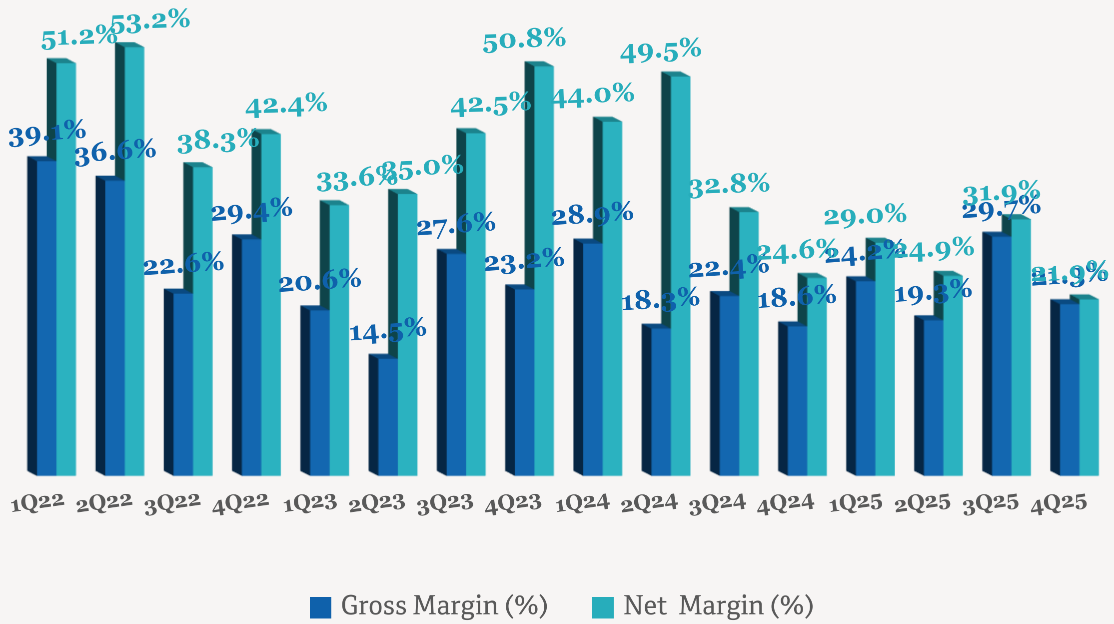
Quarterly Sales Trend (QRmn)



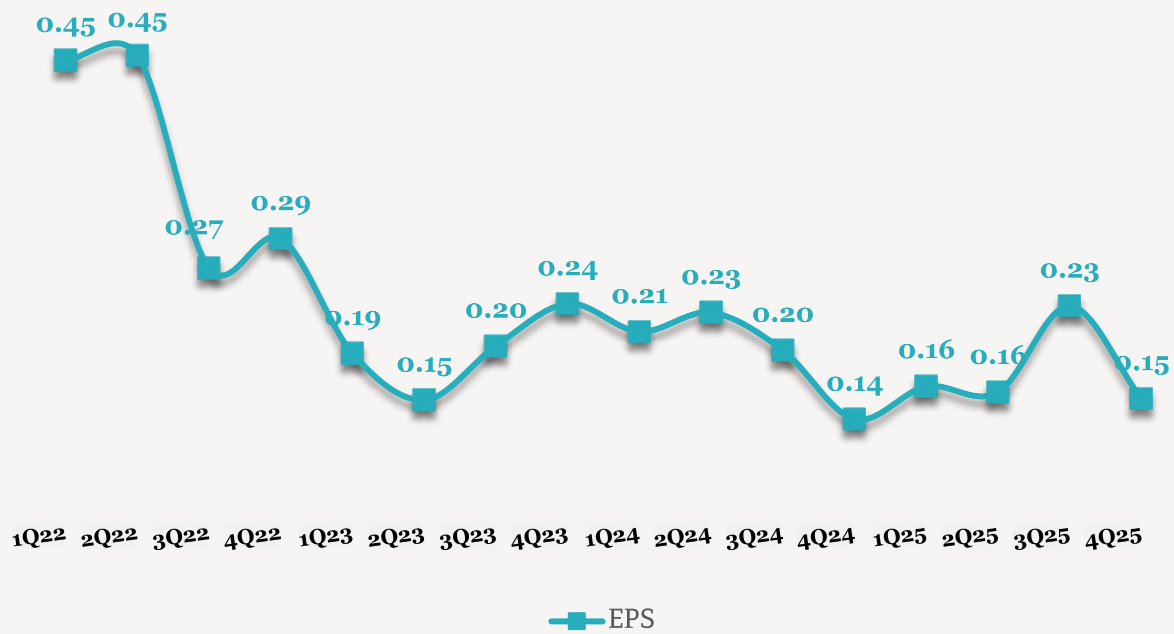
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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