Earnings Flash Note
United Development Co.
1Q 2026

QNB FINANCIAL SERVICES

United Development Co. (UDCD)

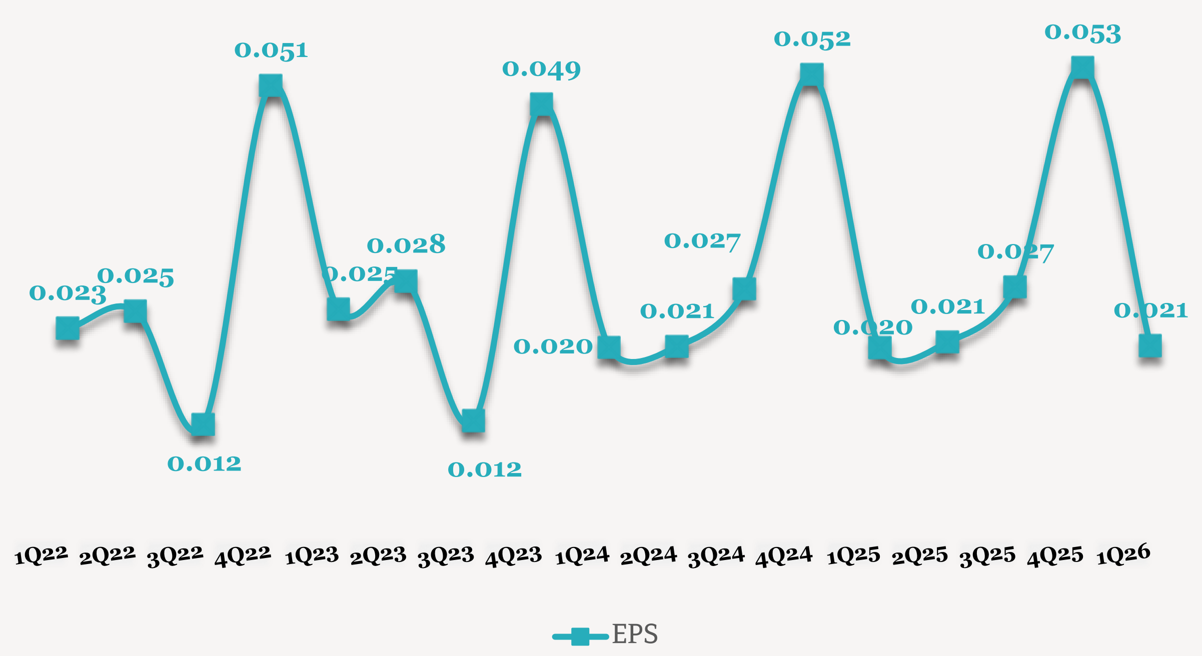
- **Net profit increased by 1.1% YoY (-60.9% QoQ) to QR73mn in 1Q2026,** due to lower costs.
- **Revenue fell by 32.3% QoQ to QR459mn in 1Q2026.**
- **Gross profit declined 31.4% QoQ to QR120mn,** while the corresponding margin came at 26.1% in 1Q2026 vs 25.8% in 1Q2025.
- **Operating profit came at QR84mn in 1Q2026 compared to QR95mn in 1Q2025 and -QR272mn in 4Q2025.**
- **For 1Q2026 EPS came at QR0.021 vs QR0.020 in 1Q2025.**
- **As of 21st April 2026, the stock decreased 3.6% YTD,** underperforming the QSE Index, which was down by 0.7% YTD.
- **The stock is currently trading at a TTM P/E multiple of 7.2x.**

1Q 2026 Earnings Performance

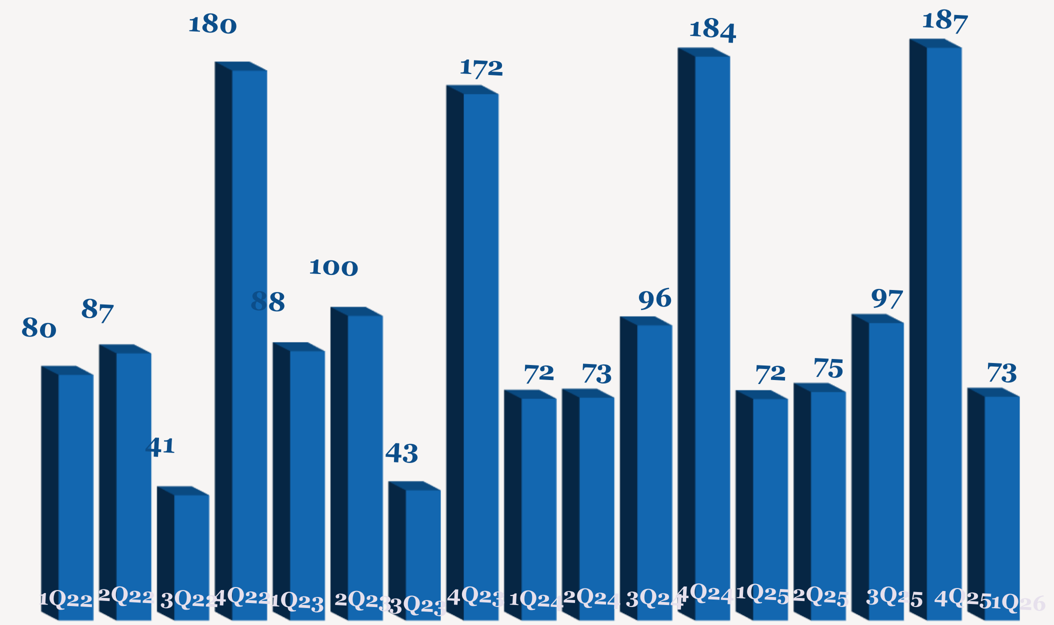
	1Q2026	1Q2025	YoY	4Q2025	QoQ
Revenue	459	679	-32.3%	552	-16.9%
Gross Profit	120	175	-31.4%	237	-49.4%
Gross Margin %	26.1%	25.8%		43.0%	
Operating Profit	84	95	-11.6%	-272	N/M
Operating Margin %	18.3%	14.0%		-49.3%	
Net Profit to Equity	73	72	1.1%	187	-60.9%
Net Margin %	15.9%	10.7%		33.9%	
EPS (QR)	0.021	0.020	1.1%	0.053	-60.9%

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

EPS (QR) Trend



Quarterly Earnings Trend (QRmn)



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