



Earnings Flash Note
Industries Qatar
2Q 2025/6M 2025

Industries Qatar (IQCD)

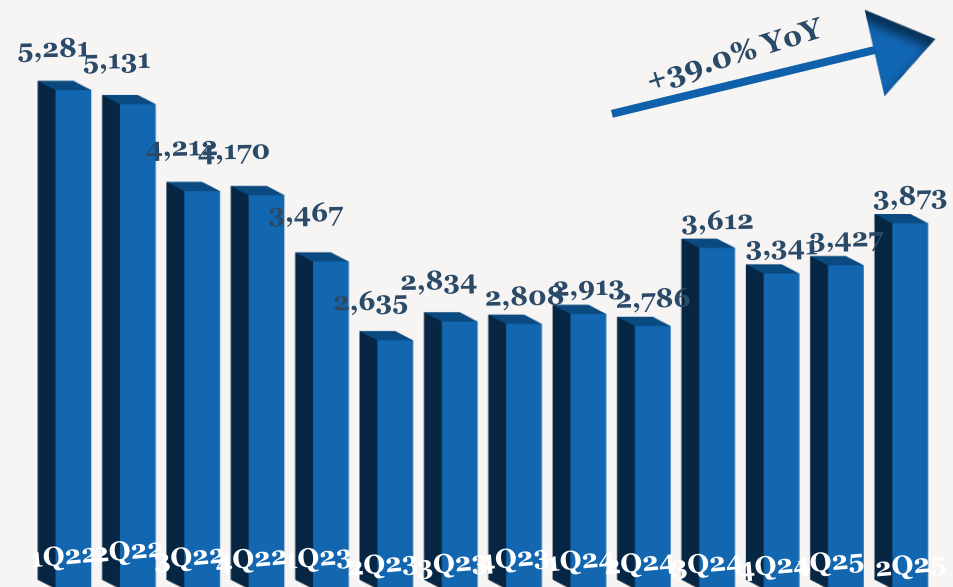
- > **Net profit fell by 30.3% YoY to QR962mn (-3.1% QoQ) in 2Q2025** primarily due to lower share of results of investments in joint venture and lower other income (2Q2024 other income had several one-off income items). For 6M2025, net profit fell 26.5% to QR1,955mn.
- > **Revenue was up by 39.0% YoY to QR3,873mn (+13.0% QoQ) in 2Q2025.** 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 June 10, 2024. For 6M2025, revenue rose 28.1% to QR7,300mn.
- > **Gross profit decreased by 46.9% YoY to QR748mn (-9.7% QoQ) in 2Q2025** while gross margin came in at 19.3% in 2Q2025 (vs 18.3% in 2Q2024 and 24.2% in 1Q2025). For 6M2025, gross profit rose 16.8% to QR1,577mn.
- > **Operating profit was up 69.8% YoY (-15.2% QoQ) to QR523mn in 2Q2025** while the corresponding margin came in at 13.5% in 2Q2025 (vs 11.0% in 2Q2024 and 18.0% in 1Q2025). For 6M2025, operating profit grew 16.2% to QR1,139mn.
- > For 2Q2025, EPS came at QR0.16 vs. QR0.23 in 2Q2024. For 6M2025, EPS came at QR0.32 vs. QR0.44 in 6M2024.
- > **As of 7th August 2025, the stock has increased 0.4% YTD**, Underperforming the QSE Index, which was up by 7.5% YTD.
- > **The stock is currently trading at a TTM P/E multiple of 13.4x**, higher than its 3Y historical average of 13.3x. For now, we maintain our PT of QR 15.20/share and our Accumulate rating.
- > **The Board of Directors approved the distribution of interim cash dividends equating to QR0.26 per share, representing 26% of the nominal value of the share.** The dividend entitlement will be to shareholders at the close of trading session on Sunday 17/08/2025, and Edaa will distribute interim cash dividends in line with applicable rules and regulations. 1H2024 DPS was QR0.31.

2Q/6M 2025 Earnings Performance

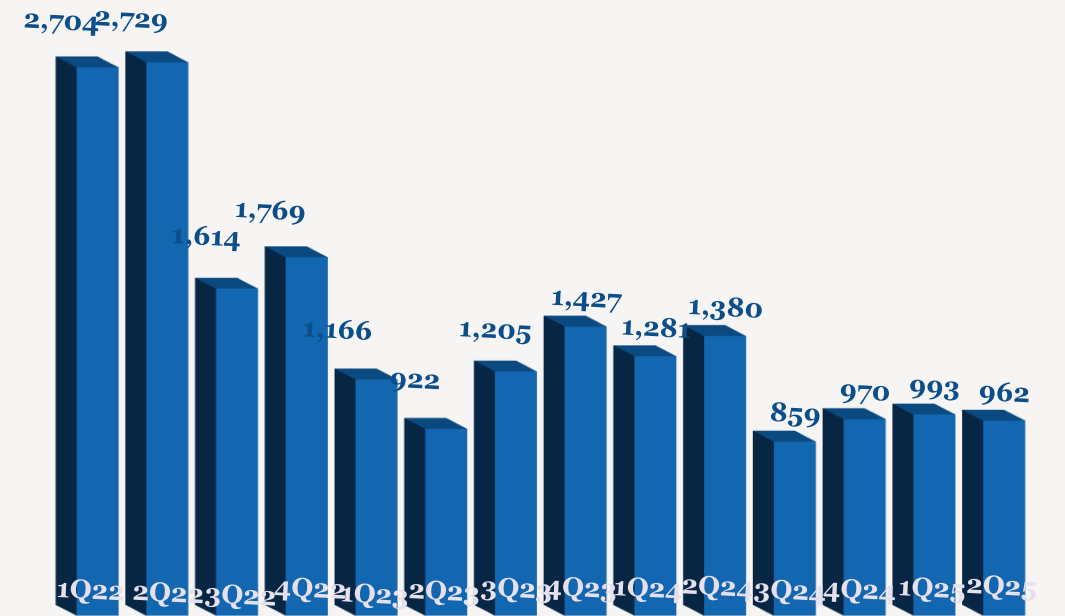
	2Q2025	2Q2024	YoY	1Q2025	QoQ	6M2025	6M2024	YoY
Revenue	3,873	2,786	39.0%	3,427	13.0%	7,300	5,699	28.1%
Gross Profit	748	509	46.9%	829	-9.7%	1,577	1,350	16.8%
Gross Margin %	19.3%	18.3%		24.2%		21.6%	23.7%	
Operating Profit	523	308	69.8%	616	-15.2%	1,139	980	16.2%
Operating Margin %	13.5%	11.0%		18.0%		15.6%	17.2%	
Share of results of investments in associate & joint venture	281	396	-29.0%	277	1.4%	558	826	-32.4%
Net Profit to Equity	962	1,380	-30.3%	993	-3.1%	1,955	2,661	-26.5%
Net Margin %	24.9%	49.5%		29.0%		26.8%	46.7%	
EPS (QR)	0.16	0.23	-30.3%	0.16	-3.1%	0.32	0.44	-26.5%

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

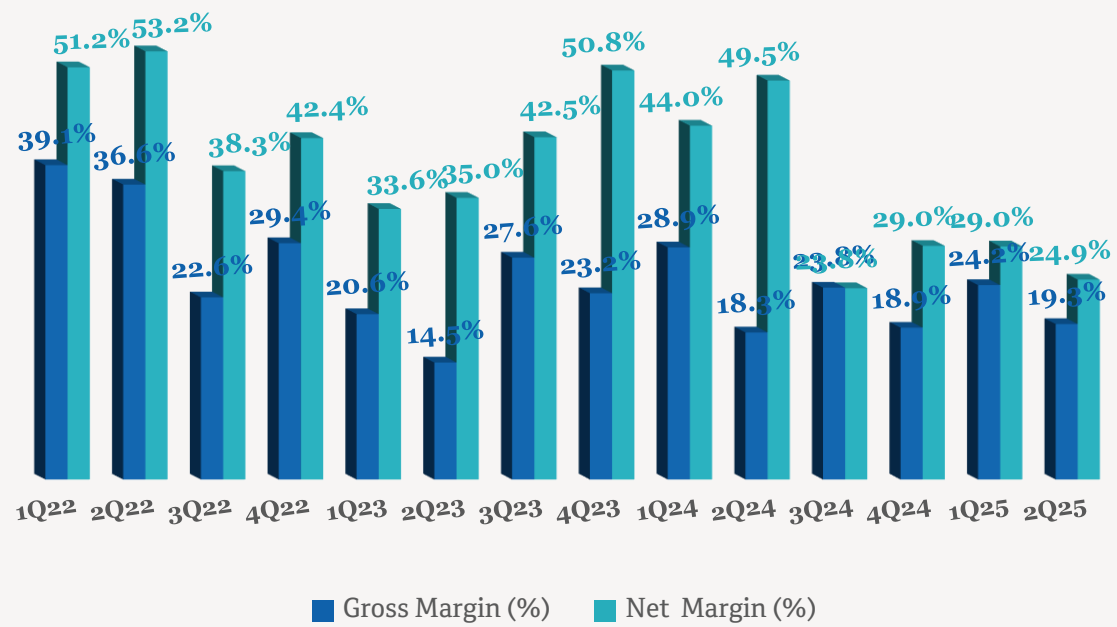
Quarterly Sales Trend (QRmn)



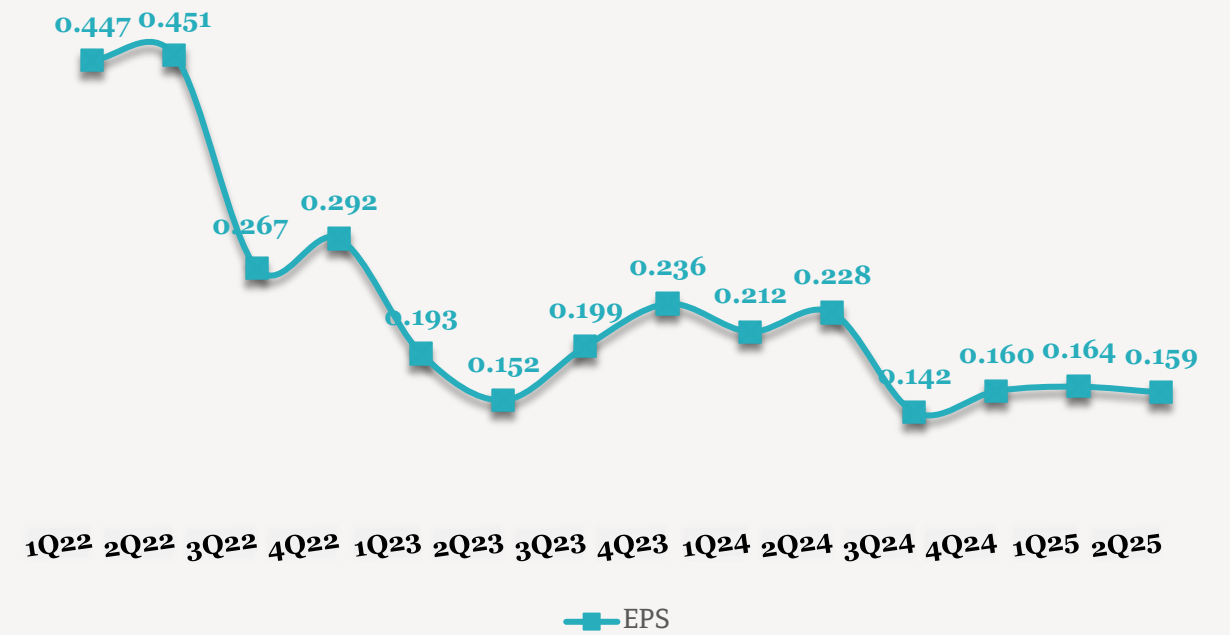
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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