

Earnings Flash Note  
Qatar National Cement  
2Q 2025/6M 2025



## Qatar National Cement Company (QNCD)

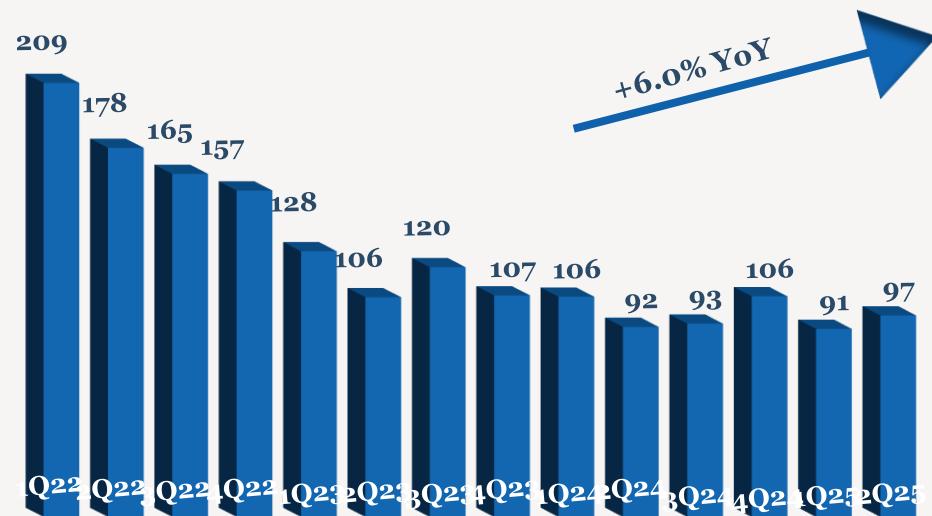
- > Net profit decreased by 20.8% to QR25mn (-19.6% QoQ) in 2Q2025 mainly due to higher cost of sales. For 6M2025, net profit fell 32.9% to QR55mn.
- > Revenue was up 6.0% YoY to QR97mn (+7.1% QoQ) in 2Q2025. For 6M2025, revenue fell 5.0% to QR188mn.
- > Gross profit came lower by 14.9% YoY to QR21mn (-0.2% QoQ) while the corresponding margin came at 21.2% in 2Q2025 (vs. 26.5% in 2Q2024). For 6M2025, gross profit decreased 35.8% to QR41mn.
- > Operating profit of QR17mn was down by 14.9% YoY (+48.6% QoQ) and margin came to 17.2% in 2Q2025 (vs. 21.4% in 2Q2024). For 6M2025, operating profit fell 45.4% to QR28mn.
- > For 2Q2025, EPS came to QR0.04 vs. QR0.05 in 2Q2024. For 6M2025, EPS came to QR0.08 vs. QR0.13 in 6M2024.
- > As of 21<sup>st</sup> July 2025, the stock has decreased 13.0% YTD, underperforming the QSE Index, which was up by 4.3% YTD.
- > The stock is currently trading at TTM P/E multiple of 17.0x. For now, we maintain our PT of QR 4.37/share and Accumulate rating.

### 2Q/6M 2025 Earnings Performance

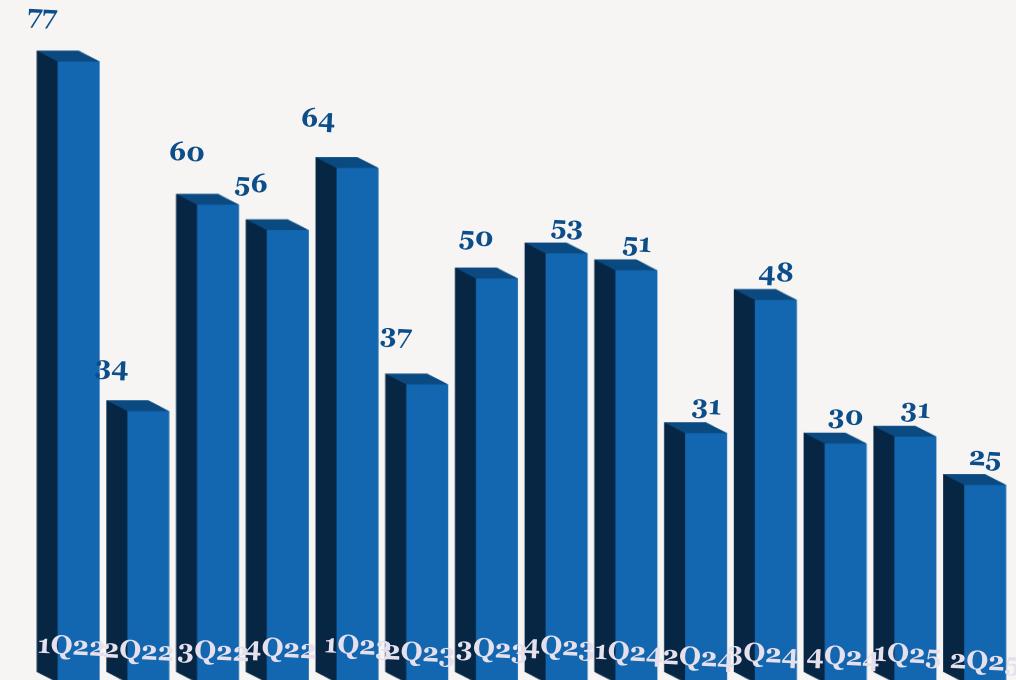
	2Q2025	2Q2024	YoY	1Q2025	QoQ	6M2025	6M2024	YoY
Revenue	97	92	6.0%	91	7.1%	188	198	-5.0%
Gross Profit	21	24	-14.9%	21	-0.2%	41	64	-35.8%
Gross Margin %	21.2%	26.5%		22.8%		22.0%	32.5%	
Operating Profit	17	20	-14.9%	11	48.6%	28	51	-45.4%
Operating Margin %	17.2%	21.4%		12.4%		14.8%	25.8%	
Other Income	8	12	-30.7%	19	-58.1%	27	31	-11.4%
Net Profit to Equity	25	31	-20.8%	31	-19.6%	55	82	-32.9%
Net Margin %	25.4%	34.0%		33.9%		29.5%	41.7%	
EPS (QR)	0.04	0.05	-20.8%	0.05	-19.6%	0.08	0.13	-32.9%

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

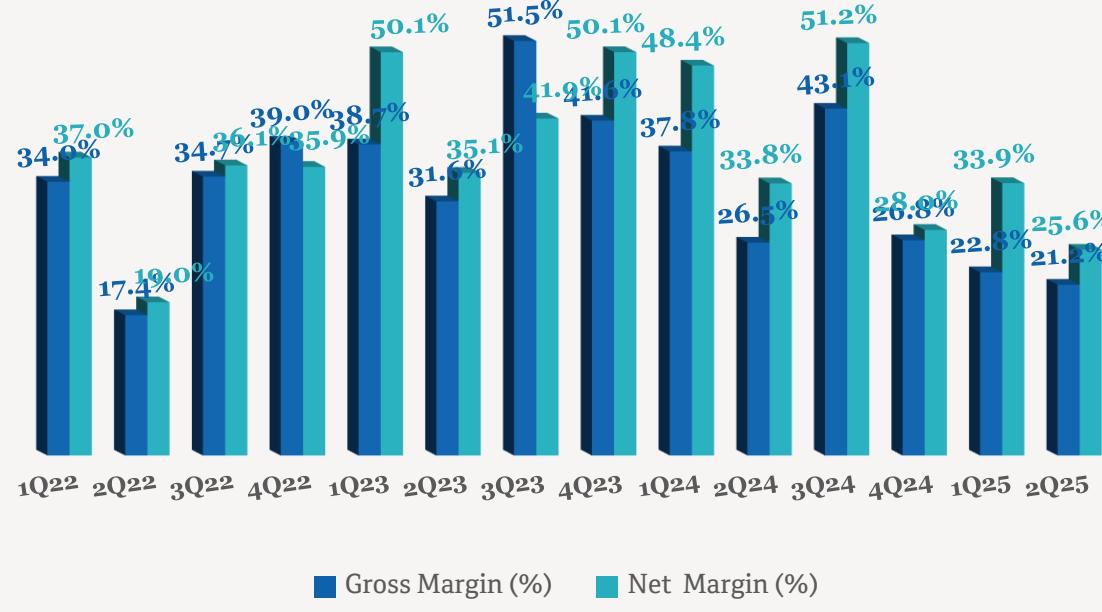
## Quarterly Sales Trend (QRmn)



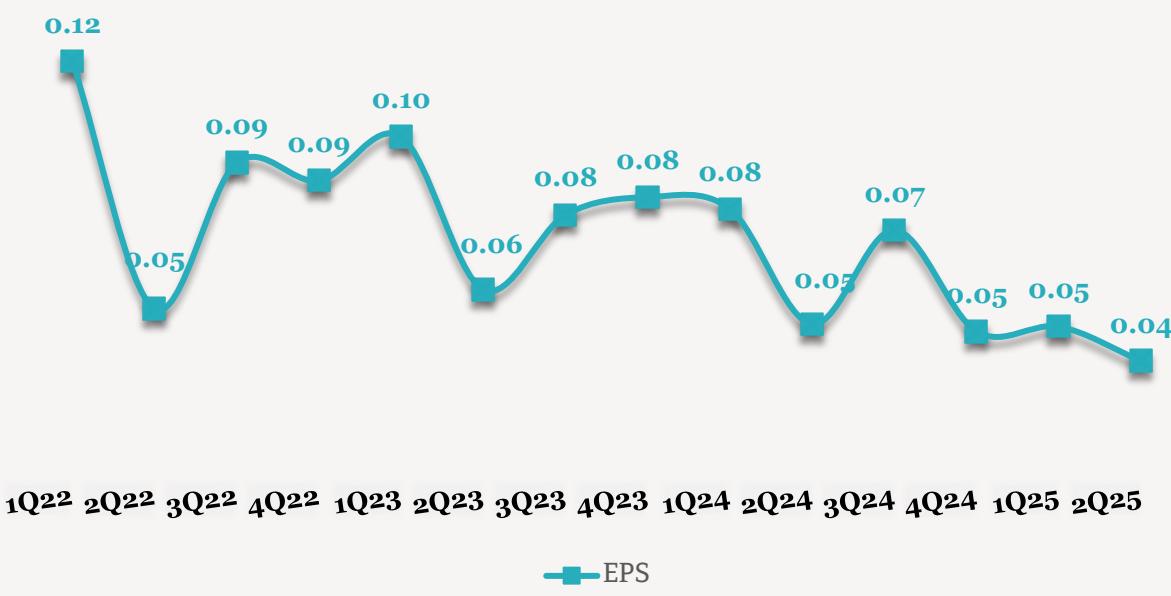
## Quarterly Earnings Trend (QRmn)



## Quarterly Margin Trend



## EPS (QR) Trend



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