

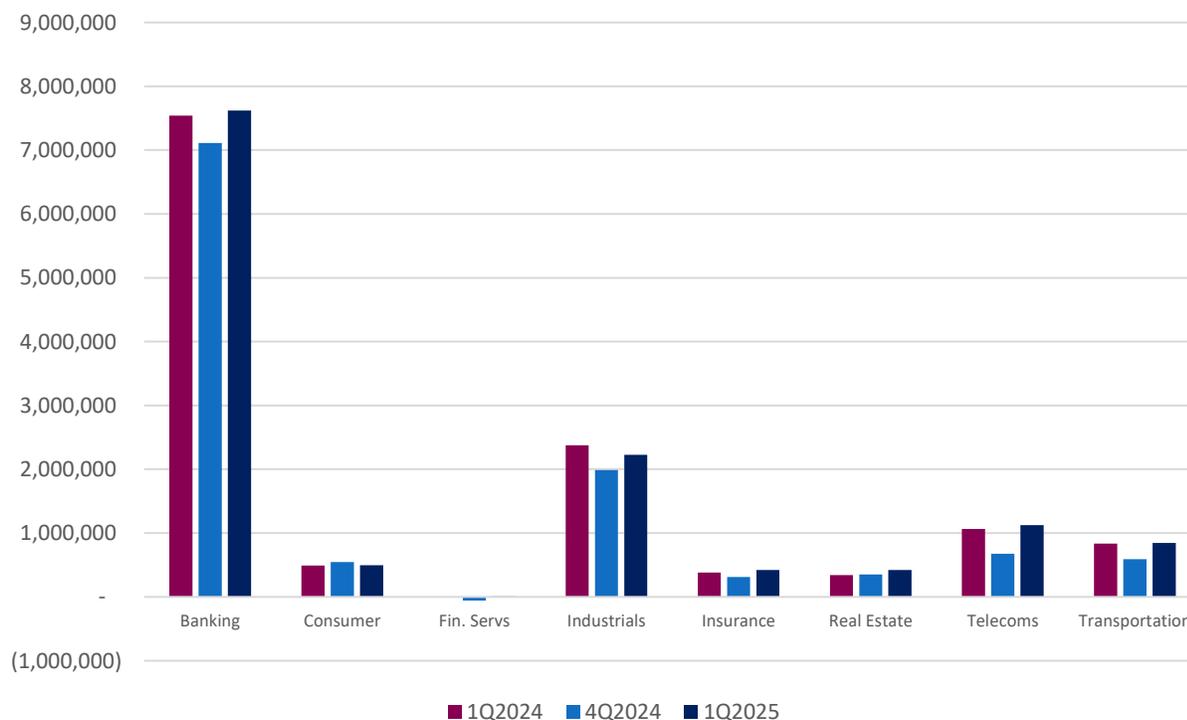
Aggregate 1Q2025 QSE Earnings Maintain Positive Growth Momentum

Listed companies on the Qatar Stock Exchange reported a 1.0%/13.0% YoY/QoQ growth in aggregate earnings to QR13.2bn during 1Q2025. That follows growth of 16.2% YoY in 4Q2024. Sectoral performances were largely positive with growth in earnings registered by all sectors YoY, except for Industrials. Whereas on a QoQ basis, QSE earnings jumped 13.0% supported by six of the eight sectors and further pushed up by the financial services sector that flipped a loss to profit – only consumer goods & services and real estate recorded profit declines. Aggregate top-line expanded 2.4% YoY but shrunk 0.8% sequentially to QR47.8bn. Aggregate NP margin was 27.7% compared with 28.1% in 1Q2024 and 24.3% in 4Q2024. During 1Q2025, the QSE Index declined 3.2% (1Q2024: -9.1%), with QR23.7bn (1Q2024: QR31.6bn) worth of equities traded.

Snapshot of the 1Q2025 Earnings Season

- Seven (1Q2024: five) of the eight sectors exhibited positive earnings growth YoY.
- Financial services exhibited the strongest growth YoY carried by QOIS and NLCS.
- Industrials was the only sector to experience a dip in earnings YoY pulled by six of its ten constituents.
- Three (1Q2024: one) of the 53 listed companies endured losses.
- 15 (1Q2024: 15) companies registered double-digit or more of earnings growth YoY.
- Only one bank reported a YoY drop in earnings.

QSE Sector Earnings Trend: 1Q2025 vs. 1Q2024 vs. 4Q2024



Source: QSE, QNBFS Research

1Q2025 Net Profit for QSE-listed Companies (QR'000)

Sector	Ticker	1Q2024	4Q2024	1Q2025	YoY	QoQ
Banks	QNBK	4,143,260	4,005,938	4,260,431	2.8%	6.4%
	QIBK	955,144	1,340,284	985,089	3.1%	(26.5%)
	CBQK	801,623	690,823	651,411	(18.7%)	(5.7%)
	DUBK	423,002	201,172	437,076	3.3%	117.3%
	MARK	406,072	218,851	407,525	0.4%	86.2%
	QIHK	335,188	219,876	356,355	6.3%	62.1%
	DHBK	231,319	161,046	251,629	8.8%	56.2%
	ABQK	218,064	244,473	229,255	5.1%	(6.2%)
	QFBQ	28,770	31,529	40,458	40.6%	28.3%
Banks Total		7,542,442	7,113,992	7,619,229	1.0%	7.1%
Consumer Goods & Services	QFLS	243,469	281,132	230,486	(5.3%)	(18.0%)
	MERS	50,785	64,265	53,412	5.2%	(16.9%)
	BLDN	48,251	43,998	58,231	20.7%	32.4%
	ZHCD	44,165	71,045	46,312	4.9%	(34.8%)
	MCCS	28,033	108,551	33,658	20.1%	(69.0%)
	MCGS	19,770	24,027	21,616	9.3%	(10.0%)
	MEZA	11,662	18,432	13,115	12.5%	(28.8%)
	SIIS	11,332	19,064	20,236	78.6%	6.1%
	WDAM	10,529	(48,876)	(10,268)	N/M	(79.0%)
	MKDM	10,513	15,295	11,353	8.0%	(25.8%)
	FALH*	1,897	6,567	5,519	190.9%	(16.0%)
QCFS	2,349	15	2,034	(13.4%)	13,087.7%	
QGMD	284	(67,661)	(1,595)	N/M	(97.6%)	
MHAR	6,503	9,826	11,943	83.7%	21.5%	
Consumer Goods & Services Total		489,542	545,680	496,051	1.3%	(9.1%)
Financial Services	NLCS	4,768	3,431	5,150	8.0%	50.1%
	IHGS	3,636	(294)	1,371	(62.3%)	N/M
	QOIS	562	(57,901)	3,677	553.8%	N/M
	DBIS	(4,987)	(2,666)	(1,746)	(65.0%)	(34.5%)
Fin. Serv. Total		3,979	(57,431)	8,452	112.4%	N/M
Industrials	IQCD	1,280,504	970,263	992,879	(22.5%)	2.3%
	QEWS	318,492	227,122	287,650	(9.7%)	26.6%
	MPHC	194,016	152,057	186,168	(4.0%)	22.4%
	GISS	161,173	138,421	222,001	37.7%	60.4%
	IGRD	111,697	68,584	174,791	56.5%	154.9%
	AHCS	94,019	130,136	101,810	8.3%	(21.8%)
	QAMC	85,587	186,764	156,410	82.7%	(16.3%)
	QNCD	51,372	29,803	30,664	(40.3%)	2.9%
	QIGD	43,456	47,569	41,955	(3.5%)	(11.8%)
QIMD	36,469	34,899	31,295	(14.2%)	(10.3%)	
Industrials Total		2,376,785	1,985,619	2,225,622	(6.4%)	12.1%
Insurance	QATI	194,563	207,593	201,039	3.3%	(3.2%)
	DOHI	71,401	44,997	72,022	0.9%	60.1%
	QISI	43,009	30,116	44,118	2.6%	46.5%
	AKHI	21,566	14,924	17,877	(17.1%)	19.8%
	QGRI	17,985	(17,013)	49,638	176.0%	N/M
	QLMI	17,435	10,178	15,195	(12.8%)	49.3%
	BEMA	16,156	22,714	23,914	48.0%	5.3%
Insurance Total		382,116	313,509	423,804	10.9%	35.2%
Real Estate	BRES	238,227	452,301	239,471	0.5%	(47.1%)
	ERES	95,453	(99,163)	153,041	60.3%	N/M
	UDCD	72,493	184,139	72,372	(0.2%)	(60.7%)
	MRDS	7,075	1,084	26,797	278.7%	2,371.1%
Real Estate Total		413,248	538,361	491,681	19.0%	(8.7%)
Telecoms	ORDS	912,931	512,967	960,046	5.2%	87.2%
	VFQS	150,107	163,569	162,302	8.1%	(0.8%)
Telecoms Total		1,063,038	676,536	1,122,348	5.6%	65.9%
Transportation	QGTS	419,757	361,948	433,203	3.2%	19.7%
	QNNS	365,182	204,582	374,452	2.5%	83.0%
	GWCS	50,879	24,871	37,696	(25.9%)	51.6%
Transportation Total		835,816	591,401	845,351	1.1%	42.9%
Grand Total		13,108,966	11,707,668	13,232,539	1.0%	13.0%

Source: QSE, QNBFS Research; FALH* is based on its latest 2Q2025 results

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Banking Sector

Lower CoR Helped the Bottom-Line

Highlights:

- **The banking sector posted an increase in aggregate earnings YoY/sequentially in 1Q2025.** For 1Q2025, the banking sector posted a +1.0/+7.1% YoY/QoQ growth in aggregate headline net income.
- **The Banks & Financial Services Index performed in-line with the QSE Index, declining by 3.0% and 3.2%, respectively in 1Q2025.**
- **The banking sector is currently trading at a P/B multiple of 1.3x with an average RoE of 11.8% vs. 1.7x KSA (RoE: 14.6%), 1.4x UAE (RoE: 16.6%) and 1.6x Kuwait (RoE: 8.9%);** Qatar banks appear to be attractive based on a P/B-to-RoE of 11.1x vs. KW, but in-line with KSA (expensive vs. UAE). The sector offers a 2025e dividend yield of 4.5% vs. the QSE's DY of 5.0%.

Revenue:

- **Aggregate revenue increased by 2.5% YoY in 1Q2024 to QR16.7bn, driven by non-funded income at some banks, while a combination of non-funded income and improvement in margins.** Aggregate increase was attributable to QNB Group (QNBK), followed by Qatar Islamic Bank (QIBK). QIBK's revenue increased by 3.1% on net interest income and non-funded income. Moreover, Doha Bank's (DHBK) revenue moved up by 3.4% on strong non-funded income. On the other hand, Commercial Bank of Qatar's (CBQK) revenue dropped by 9.5% due to a 56bps compression in NIMs. Masraf Al Rayan's (MARK) revenue dropped by 5.5% because of a 37bps compression in NIMs.
- **Aggregate revenue was flattish sequentially in 1Q2025.** Flattish bottom-line was mainly attributable to a combination of margin pressure and weak non-funded income.
- **NIMs, on a YoY/QoQ basis on average compressed.** In aggregate, net interest margin compressed by 18/16bps to 2.17% YoY/QoQ.

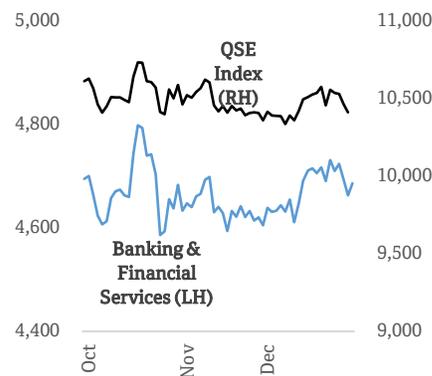
Earnings:

- **Aggregate 1Q2025 net income increased by 1.0% YoY to QR7.6bn, mainly due to lower CoR; excluding CBQK, aggregate earnings would have been up 3.4%.** All banks witnessed their bottom-line increase with CBQK being the exception. **DHBK's** net profit grew by 8.8% due to a drop in provisions and impairments, while **Qatar International Islamic Bank's (QIIBK)** net income grew by 6.3% on the back of margin expansion. **QIBK's** net income gained by 3.1% due to booking lower CoR. Finally, **QNBK's** bottom-line moved up by 2.8%.
- **Aggregate net income of banks increased by 7.1% sequentially in 1Q2025.** This was due to lower CoR at some banks and a combination of a rise in revenue coupled with lower CoR at other banks. Most banks witnessed their profitability surge on low CoR with the exception of **QIBK** and **CBQK**; QIBK's net income dropped by 26.5% on weak net operating income and a large expansion in CoR.

Balance Sheet:

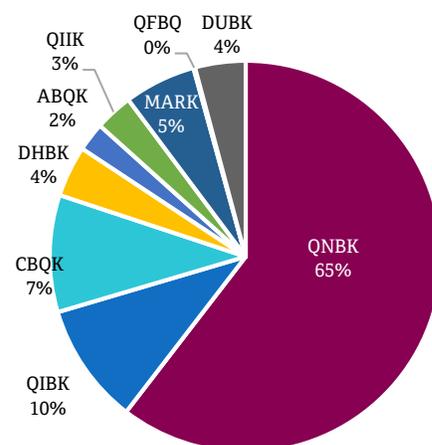
- **Loans experienced an increase both QoQ and YoY.** The loan book grew by 3.5% sequentially and 7.9% YoY to QR1.51trn in 1Q2025. QIBK's loan book expanded by 5.2% QoQ (+5.7% YoY) followed QNBK's +4.0% (+9.2% YoY), contributing 72% to total incremental loan book growth QoQ/YoY. Moreover, CBQK's loan portfolio grew by 3.7% sequentially (+5.8% YoY). The growth in aggregate loans was not concentrated in any particular sector.
- **Deposits also increased both sequentially and YoY.** Aggregate deposits increased by 3.9% QoQ (+5.1% YoY) reaching QR1.46trn; QIBK's deposits expanded the most, growing by 6.8%/8.4% QoQ/YoY. QNBK's deposits expanded by 4.9% QoQ (+5.8% YoY) followed by MARK +3.6/+5.8%, sequentially/YoY.

Sector Index Performance for 1Q2025



Source: Bloomberg

1Q2025 Sector Revenue Contribution



- **Capitalization levels of Qatar banks remained robust.** Average CAR came in at a robust 20.1% with all banks generating strong CARs.

Net Income

Ticker	Company	1Q2024	4Q2024	1Q2025	YoY	QoQ
QNBK	Qatar National Bank	4,143,260	4,005,938	4,260,431	2.8%	6.4%
QIBK	Qatar Islamic Bank	955,144	1,340,284	985,089	3.1%	-26.5%
CBQK	Commercial Bank of Qatar	801,623	690,823	651,411	-18.7%	-5.7%
DHBK	Doha Bank	231,319	161,046	251,629	8.8%	56.2%
ABQK	Al Ahli Bank	218,064	244,473	229,255	5.1%	-6.2%
QIIK	Qatar International Islamic Bank	335,188	219,876	356,355	6.3%	62.1%
MARK	Masraf Al Rayan	406,072	218,851	407,525	0.4%	86.2%
QFBQ	Lesha Bank	28,770	31,529	40,458	40.6%	28.3%
DUBK	Dukhan Bank	423,002	201,172	437,076	3.3%	117.3%
	Total	7,542,442	7,113,992	7,619,229	1.0%	7.1%

Source: Company data; Note: Net Income is in QRmn and are headline net income figures

Industrials Sector

Mixed Bag of Results Reported by Industrial Companies

Highlights:

- With regards to IQCD: note that the income statement items (other than net income), such as revenue are not comparable with prior periods as QAFAC (50% owned) is accounted for as a subsidiary and not as a joint venture from 3Q2024 onwards.
- The Industrials Index slightly grew by 0.7% (QE Index: -3.2%) in 1Q2025.
- Total traded value rose by 3.6% to QR6.1bn in 1Q2025 from QR5.9bn in 4Q2024.
- The industrials sector is currently trading at a P/E multiple of 15.1x (vs. the QSE Index's P/E of 12.0x) with a dividend yield of 5.7% (vs. the QSE's 4.6%).

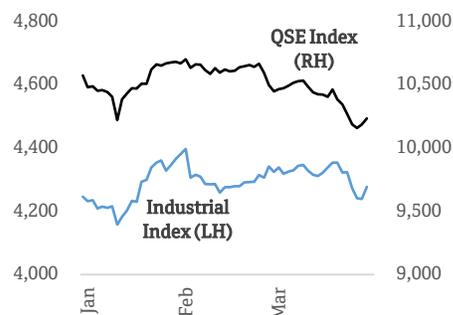
Revenue:

- The industrials top-line hiked 20.6% to QR7.8bn in 1Q2025 from QR6.5bn reported in 1Q2024. IQCDs revenue came in at QR3.4bn (+17.6%), followed by IGRD (+64.3%) and GISS (+21.3%).
- Sequentially, sectoral revenue was up 2.6% pushed by six of the ten listed companies. IQCD's revenue grew 2.6% to QR3.4bn from QR3.3bn, AHCS up 15.5% to QR580.3mn from QR502.6mn and IGRD up 3.8% to QR1.3bn from QR1.3bn.

Earnings:

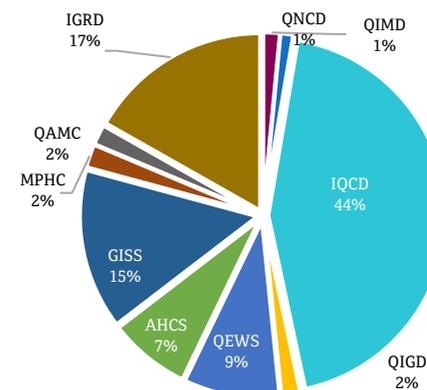
- The industrial sectors bottom-line shrunk 6.4% to QR2.2bn in 1Q2025 from QR2.4bn 1Q2024. IQCDs earnings contracted 22.5% to QR992.9mn from QR1.3bn on account of lower share of results of investment in the company's petrochemicals joint venture to QR238.3mn from QR354.0mn. There was a 9.7% fall in QEWS earnings due to more hefty G&A expenses of QR70.7mn from QR65.7mn (+7.6%). QNCD recorded a 40.3% drop in its bottom-line to QR30.7mn from QR51.4mn, because of a 14.6% decrease in sales to QR90.6mn from QR106.1mn (-14.6%) and a 56.3% drop in income from associates to QR152.2mn vs. QR75.4mn.
- On a QoQ basis, sectoral earnings expanded 12.1% mainly steered by IGRD, GISS and QEWS. IGRD's bottom-line more than doubled to QR174.8mn from QR68.6mn (+154.9%) driven mainly by an increase in revenue to QR1.3mn (+3.8%), a drop in direct costs to QR893.1mn (-7.4%) and a 145.7% growth in other income to QR51.9mn. GISS got its bottom-line up to QR222.0mn from QR138.4mn (+60.4%) as its revenue grew (+3.8%), its direct costs fell (-7.2%), and its net expenses from reinsurance contracts held dropped to QR113mn from QR337mn (-66.6%). QEWS recorded a 26.6% growth in earnings stemming from a drop in: G&A expense to QR70.7mn from QR83.3mn (-15.1%) and in finance costs to QR92.2mn from QR144.3mn (-36.1%). Furthermore, a rise in share of results of equity-accounted investees supported the bottom-line, coming in at QR152.2mn vs. QR75.4mn (+101.9%).

Sector Index Performance for 1Q2025



Source: Bloomberg

1Q2025 Sector Revenue Contribution



Source: QSE

Net Income

Ticker	Company	1Q2024	4Q2024	1Q2025	YoY	QoQ
QIMD	Qatar Industrial Manufacturing Co.	36,469	34,899	31,295	(14.2%)	(10.3%)
QNCD	Qatar National Cement	51,372	29,803	30,664	(40.3%)	2.9%
IQCD	Industries Qatar	1,280,504	970,263	992,879	(22.5%)	2.3%
QIGD	Qatari Investors Holding	43,456	47,569	41,955	(3.5%)	(11.8%)
QEWS	Qatar Electricity & Water	318,492	227,122	287,650	(9.7%)	26.6%
AHCS	Aamal	94,019	130,136	101,810	8.3%	(21.8%)
GISS	Gulf International Services	161,173	138,421	222,001	37.7%	60.4%
MPHC	Mesaieed Petrochemical Holding	194,016	152,057	186,168	(4.0%)	22.4%
QAMC	Qatar Aluminium Manufacturing	85,587	186,764	156,410	82.7%	(16.3%)
IGRD	Estithmar Holding Group	111,697	68,584	174,791	56.5%	154.9%
Total		2,376,785	1,985,619	2,225,622	(6.4%)	12.1%

Source: Company data; Note: Net Income is in QR'000

Consumer Goods & Services Sector

Earnings Flat YoY But Fell QoQ

Highlights:

- CPI in Qatar dropped 3% YTD as of the end of March to 107.0 (110.2 in 31 December 2024), while Brent Crude oil prices inched up to around \$73 per barrel in 1Q2025 vs. \$72 per barrel in 4Q2024.
- FALH's FY2Q2025 results (ending in February 2025) are included in this QSE 1Q2025 analysis.
- The consumer goods & services sector index inched up 1.8% (QSE Index: -3.2%) in 1Q2025.
- Sector traded value grew 3.9% to QR2.9bn in 1Q2025 vs. QR2.8bn in 4Q2024.
- Consumer goods & services sector is currently trading at a P/E multiple of 16.8x (vs. QSE Index's P/E of 12.0x) with a dividend yield of 5.2% (vs. QSE's 4.6%).

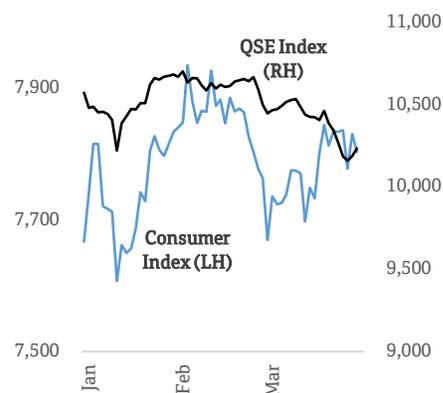
Revenue:

- Sectoral top-line declined by 4.6% to QR10.4bn in 1Q2025 from QR10.9bn in 1Q2024. The majority drove down the sectoral revenue. Leading the sectoral fall was the sector giant; QFLS, which reported a 7.5% fall in revenues to QR6.3bn in 1Q2025 from QR6.8bn in 1Q2024. Followed by WDAM, MCCA and SIIS reporting a drop of 41.6%, 1.0% and 1.6%, respectively.
- Sequentially, sector revenue slipped 4.0% from QR10.8bn. The companies were split equally, as seven companies grew their top-lines while the remaining seven experienced a top-line shrinkage. QFLS steered sectoral top-line down as its revenue slipped 6.1%, followed by MCCA (-8.4%) and SIIS (-12.1%).

Earnings:

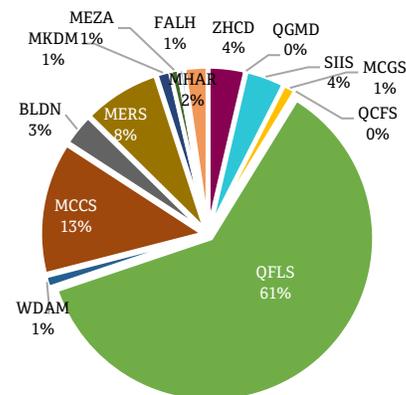
- The sectors 1Q2025 aggregate bottom-line inched up 1.3% to QR496.1mn from QR489.5mn. BLDN noted a 20.7% growth in its bottom-line to QR58.2mn from QR48.3mn, supported by its unrealized gain on investments at FVTPL of QR11.3mn from QR5.5mn (+105.6%). SIIS registered a 78.6% expansion to QR20.2mn from QR11.3mn as its total operating expenses and net interest expense shrunk 4.3% and 10.6%, respectively.
- On a QoQ basis, earnings slipped 9.1% from QR545.7mn, pulled down by ten companies. MCCA was the main mover, registering a shrinkage in earnings of 69.0% to QR33.7mn from QR108.6mn, because of a fall in its revenue (-8.4%) and a fall in its other income (-58.8%). QFLS followed with a dip of 18.0% to QR230.4mn from QR281.1mn, steered by a 6.0% fall in revenues and a 76.1% drop in finance income to QR74.2mn from QR311.2mn (-76.1%).

Sector Index Performance for 1Q2025



Source: Bloomberg

1Q2025 Sector Revenue Contribution



Source: QSE

Net Income

Ticker	Company	1Q2024	4Q2024	1Q2025	YoY	QoQ
ZHCD	Zad Holding	44,165	71,045	46,312	4.9%	(34.8%)
QGMD	Qatari German Co. for Medical Devices	284	(67,661)	(1,595)	N/M	(97.6%)
SIIS	Salam International Investment	11,332	19,064	20,236	78.6%	6.1%
MCGS	Medicare Group	19,770	24,027	21,616	9.3%	(10.0%)
QCFS	Qatar Cinema & Film Distribution	2,349	15	2,034	(13.4%)	N/M
QFLS	Qatar Fuel	243,469	281,132	230,486	(5.3%)	(18.0%)
WDAM	Widam Food Company	10,529	(48,876)	(10,268)	N/M	(79.0%)
MCCS	Mannai Corporation	28,033	108,551	33,658	20.1%	69.0%
BLDN	Baladna	48,251	43,998	58,231	20.7%	32.4%
MERS	Al Meera Consumer Goods & Services	50,785	64,265	53,412	5.2%	(16.9%)
MKDM	Mekdam Holding Group	10,513	15,296	11,353	8.0%	(25.8%)
MEZA	Meeza	11,662	18,432	13,115	12.5%	(28.8%)
FALH	Al Faleh Educational Holding	1,897	6,567	5,519	190.9%	(16.0%)
MHAR	Al Mahhar Holding	6,503	9,826	11,943	83.7%	21.5%
	Total	489,542	545,680	496,051	1.3%	(9.1%)

Source: Company data; Note: Net Income is in QR'000.

Insurance Sector

QGRI Rebound Lifts Overall Profitability

Highlights:

- QGRI had a significant rebound in its bottom line from a loss in 4Q2024 and a 176.0% YoY increase. QGRI's net income growth was driven primarily by higher rental income from the leasing of the General Tower and reduction in operating and administration costs. DOHI also supported the QoQ bottom line increase with a 60.1% QoQ surge in its net income. Conventional Insurance companies continue to significantly outperform Islamic Insurance companies. Overall, conventional insurance companies (QATI, DOHI, QLMI and QGRI) net profit grew by 12.1% YoY, while Islamic insurance companies (AKHI, QISI and BEMA) witnessed a yearly rise in net profit by 6.4% during 1Q2025.
- QATI accounted for 59% of insurance revenue during 1Q2025 and even though its revenues dropped for both QoQ and YoY, it continues to dominate overall sector revenues. DOHI was the second largest contributor to sector revenues with a 14% share in 1Q2025, followed by QLMI with a 9% share for 1Q2025.
- The Insurance Index declined by 5.5% (QSE Index: -3.2%) in 1Q2025 after it went down by 3.3% in 4Q2024.
- Traded value in the sector dropped 32.2% to QR473.2mn in 4Q2024 from QR698.1mn in 4Q2024.

Revenue:

- The insurance sector's revenue in 1Q2025 declined 4.3% YoY to QR3.22bn from QR3.37bn, driven mainly by insurance revenue drops from QATI (-12.8%) and QGRI (-13.9%). Conventional insurance companies accounted for 88.0% of overall insurance revenue during 1Q2025, while Islamic insurance companies accounted for only 12.0%.
- Conventional insurance companies' revenue dropped by 7.1% YoY to QR2.84bn from QR3.06bn, however, Islamic insurance companies' revenue increased by 22.8% (AKHI up 29.1%, BEMA up 30.1% and QISI up 13.0%) during 1Q2025 to reach QR385.7mn from QR314.2mn achieved during 1Q2024.

Earnings:

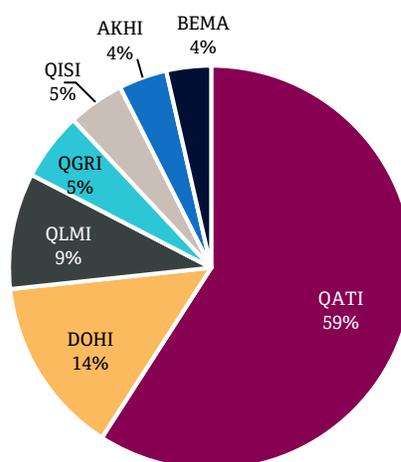
- The sector's 1Q2025 net profit rose by 10.9% YoY to reach QR423.8mn, compared to a net profit of QR382.1mn achieved during 1Q2024.
- QGRI was the main contributor to the overall rise in sector bottom-line. QGRI net profit increased by 176.0% in 1Q2025 to reach QR49.6mn, from QR18.0mn achieved during 1Q2024.

Sector Index Performance for 1Q2025



Source: Bloomberg

1Q2025 Sector Insurance Revenue Contribution



Source: QSE

Net Income

Ticker	Company	1Q2024	4Q2024	1Q2025	YoY	QoQ
QATI	Qatar Insurance	194,563	207,593	201,039	3.3%	(3.2%)
DOHI	Doha Insurance	71,401	44,997	72,022	0.9%	60.1%
QGRI	Qatar General Insurance & Reinsurance	17,985	(17,013)	49,638	176.0%	NM
AKHI	Al Khaleej Takaful Group	21,566	14,924	17,877	(17.1%)	19.8%
QISI	Qatar Islamic Insurance	43,009	30,116	44,118	2.6%	46.5%
QLMI	Qatar Life & Medical Insurance	17,435	10,178	15,195	(12.8%)	49.3%
BEMA	Damaan Islamic Insurance Company	16,156	22,714	23,914	48.0%	5.3%
Total		382,116	313,509	423,804	10.9%	35.2%

Source: Company data; Note: Net Income is in QR'000

Telecoms Sector

Sector Index and Traded Value Outperforms Peers

Highlights:

- Aggregate top-line posted by the telecoms sector was flat but bottom-line surged sequentially. Moreover, traded value also witnessed a substantial hike QoQ as investor sentiment improved.
- Ooredoo and Vodafone Qatar are obligated to cease the use of the 3G network by 31 December 2025, with their investments and efforts now focused on the development of the 4G and 5G networks.
- The Telecoms Index expanded 9.1% in 1Q2025 vs. 4Q2024, outperforming the QSE index which noted a fall of 3.2%.
- Total traded value in the sector multiplied the most among its peers, with a 29.5% increase recorded in 1Q2025 of QR1.7bn from QR1.3bn registered in 4Q2024.
- The telecoms sector is currently trading at a P/E multiple of 12.7x (vs. the QSE Index's P/E of 12.0x) with a dividend yield of 5.1% (vs. the QSE's 4.6%).

Revenue:

- Sector revenue remained flat with only a 0.5% increase to QR6.7bn in 1Q2025 from 1Q2024. VFQS backed the sector with a 6.1% expansion in its top-line to QR854.9mn from QR806.1mn. However, ORDS's top-line inched down to QR5.8bn from QR5.9bn (-0.2%).
- Sequentially, sectoral revenue remained flat with half a percent fall from QR6.7bn in 4Q2024. ORDS swayed the movement as its revenue dipped 1.5% pulled by its primary source of revenue (service revenue), which was down 2.0% to QR5.4bn from QR5.6bn. Vodafone Qatar's revenue grew 6.5% to QR854.9mn from QR802.6mn.

Earnings:

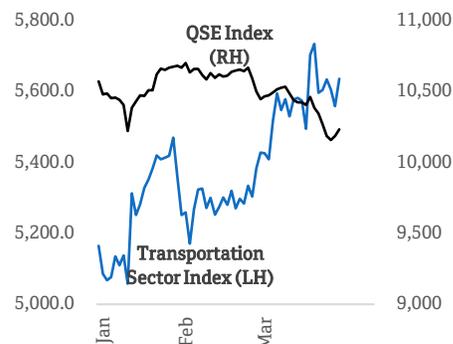
- Aggregate net income in the sector rose 5.6% on a YoY basis to QR1.12bn from QR1.06bn, aided by both companies. ORDS recorded a bottom-line growth of 5.2% to QR960.0mn from QR912.9mn; the company benefited from a shrinkage in impairment losses and net other losses. Ooredoo recorded impairment losses on financial assets of QR44.6mn vs. QR99.0mn (-55.0% YoY) aiding the bottom-line. Furthermore, net other losses shrunk substantially to QR14.9mn from QR87.6mn (-83.0% YoY) because of a significant reduction in FX losses.
- Sequentially, sectoral earnings soared to QR1.1bn from QR0.7bn recording an impressive 65.9% growth. ORDS recorded a sharp uptick in earnings with the assistance of impairment losses on financial assets (-66.2%), no impairment losses on goodwill and other financial assets reported in 1Q2025 vs. QR123.9mn reported in 1Q2024, and finally a shrinkage of net other losses of 95.7%. All of which led the earnings to QR960.0mn from QR513.0mn; growing 87.2%. VFQS noted a slight dip in earnings of 0.8%, following a rise in interconnection and other direct expenses of 15.3%.

Net Income

Ticker	Company	1Q2024	4Q2024	1Q2025	YoY	QoQ
ORDS	Ooredoo	912,931	512,967	960,046	5.2%	87.2%
VFQS	Vodafone Qatar	150,107	163,569	162,302	8.1%	(0.8%)
	Total	1,063,038	676,536	1,122,348	5.6%	65.9%

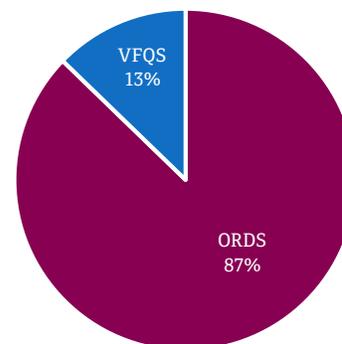
Source: Company data; Note: Net Income is in QR'000.

Sector Index Performance for 1Q2025



Source: Bloomberg

1Q2025 Sector Revenue Contribution



Source: QSE

Real Estate Sector

Commercial & Residential Demand Powers 1Q2025 Gains

Highlights:

- **Attractive rental yields, higher commercial and residential sector demands has pushed the real estate sector profitability up.** The real estate sector experienced notable profitability, driven by a combination of strategic government initiatives, infrastructural advancements and evolving market dynamics.
- **The Real Estate Index fell 2.6% (QSE Index: -3.2%) in 1Q2025 vs. the previous quarter.**
- **Trading activity in the sector dropped as traded value fell 2.6% to QR2.0bn from QR2.1bn.**
- **The real estate sector is currently trading at a P/E multiple of 24.6x (vs. the QSE Index's P/E of 12.0x) with a dividend yield of 2.1% (vs. the QSE's 4.6%).**

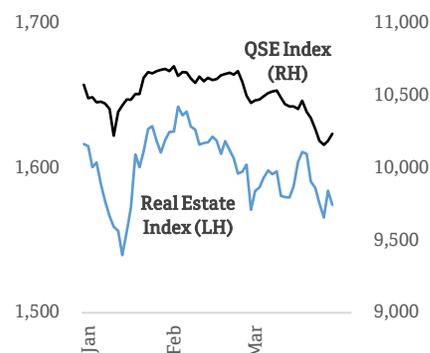
Revenue:

- **The real estate sector's 1Q2025 revenue rose 11.9% YoY to QR1.6bn driven by UDCD, which grew revenue by 44.1% to QR678.5mn.** BRES revenue dropped 8.5% in 1Q2025 to QR440.1mn from QR480.8mn in 1Q2024. However, ERES revenue increased by 0.9% to QR464.7mn from QR460.4mn, while MRDS top-line grew 3.6% to QR35.3mn from QR34.1mn.
- **Sequentially, revenue dropped 2.8% (ex. UDCD) in 1Q2025 from QR967.3mn.** BRES revenue slid 3.6% from QR456.2mn, ERES by 2.2% from QR475.2mn and MRDS by 1.4% from QR35.8mn.

Earnings:

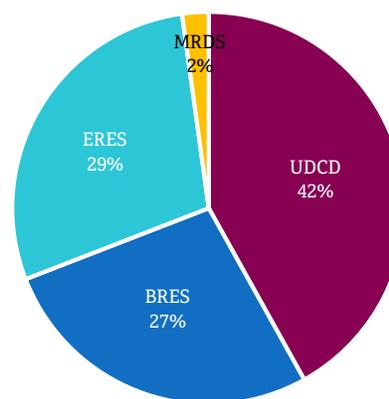
- **The sector's 1Q2025 net profit moved up by 19.0% YoY to QR491.7mn from QR413.2mn as all companies (except UDCD) registered growth in earnings.** ERES experienced the greatest growth in earnings of 60.3% (accounting for QR57.6mn of the sectoral expansion) due to the fall in its G&A expense of 11.8% to QR20.0mn from QR22.7mn and the drop in its finance costs by 13.7% to QR217.9mn from QR252.5mn. MRDS further supported the sectoral bottom-line, more than tripling its bottom-line from 1Q2024 to land at QR26.8mn from QR7.1mn. MRDS was able to grow its bottom-line because of a 3.6% increase in revenue, and a substantial increase in its other income.
- **Sequentially, sectoral bottom-line decreased by 8.7% in 1Q2025 from QR538.4mn pushed down by UDCD and BRES.** UDCD net profit dropped 60.7% in 1Q2025 from QR184.1mn in 4Q2024 to QR72.4mn. BRES bottom-line also declined by 47.1% from QR452.3mn in 4Q2024 to QR239.5mn in 1Q2025. Nevertheless, MRDS earnings multiplied to QR26.8mn in 1Q2025 from only QR1.1mn in 4Q2024, primarily aided by a 340.4% increase in its other income to QR20.8mn from QR4.7mn reported in 4Q2024. ERES bottom-line recovered to a profit of QR153.0mn vs. a net loss of QR99.2mn reported in 4Q2024. The company had a huge write-down of QR213.3mn in 4Q2024 vs. a write-up of QR8.7mn in 1Q2025.

Sector Index Performance for 1Q2025



Source: Bloomberg

1Q2025 Sector Revenue Contribution



Source: QSE

Net Income

Ticker	Company	1Q2024	4Q2024	1Q2025	YoY	QoQ
UDCD	United Development Co.	72,493	184,139	72,372	(0.2%)	(60.7%)
BRES	Barwa Real Estate	238,227	452,301	239,471	0.5%	(47.1%)
ERES	Ezdan Real Estate	95,453	(99,163)	153,041	60.3%	N/M
MRDS	Mazaya Real Estate	7,075	1,084	26,797	278.7%	2,371.1%
	Total	413,248	538,361	491,681	19.0%	(8.7%)

Source: Company data; Note: Net income is in QR'000.

Note: QoQ revenue analysis excludes UDCD as it is not comparable.

Transportation Sector

Positive Start to the Year Showing Upward Momentum

Highlights:

- **The transportation sector remains in focus given the impending increase in Qatar's LNG output by late 2025/early 2026.** Nakilat remains the pure play in the LNG shipping segment, with Milaha also benefitting given its substantial stake in QGTS and exposure to the offshore services business.
- **The Transportation Index grew 9.1% outperforming the QSE Index, which fell 3.2%.** Nakilat drove the sector index's gains.
Traded value in the transportation sector expanded by 19.7% to QR1.6bn in 1Q2025 from QR1.3bn in 4Q2024.
- **The transportation sector is currently trading at a P/E multiple of 13.9x (vs. the QSE Index's P/E of 12.0x)** with a dividend yield of 3.2% (vs. the QSE's 4.6%).

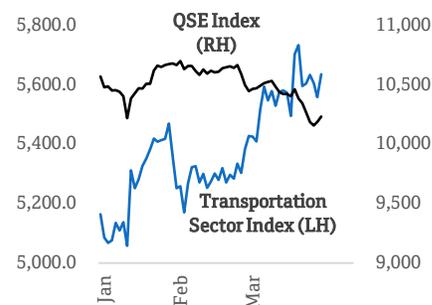
Revenue:

- **The transportation sector's 1Q2025 top-line remained stable at QR2.0bn (+0.9% YoY).** QNNS and QGTS supported the revenue positively, as they grew their top-lines by 1.6% and 1.5%, respectively. On the other hand, GWCS's revenue slid 2.1% due to lower logistics revenue, which declined by 8.7%.
- **Sequentially, sectoral revenue expanded 1.6% supported by QNNS and QGTS.** QNNS hiked its revenue 7.1% to QR0.8mn from QR0.7mn steered by an increase in these segments: Milaha Capital (+70.4%), Milaha Trading (+37.9%) and Milaha Maritime & Logistics (+7.6%). On the other hand, GWCS's dip in revenue was a result of a 15.5% fall in freight forwarding revenue.

Earnings:

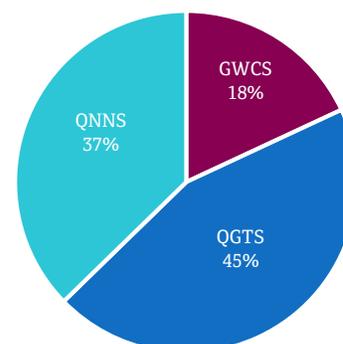
- **The sector's YoY bottom-line rose marginally to QR845.4mn in 1Q2025 vs. QR835.8mn in 1Q2024 (+1.1%).** QNNS benefited from its top-line increase, higher reversal of provisions and lower other opex, pushing earnings up to QR374.5mn in 1Q2025 vs. QR365.2mn in 1Q2024. QGTS recorded a 3.2% rise in its bottom-line pushed by an expansion in its revenue from wholly owned vessels (+1.5%), income from marine and agency services (+21.5%) and a notable 5.7% contraction in its total expenses. GWCS's bottom-line fell by 25.9% on account of weakness in revenue along with higher expenses, especially a hefty increase in G&A expenses to QR36.6mn vs. QR29.1mn.
- **All companies grew their earnings on a QoQ basis, leading to a sectoral earnings surge of 42.9% to QR845.4mn in 1Q2025 as compared to QR591.4mn in 4Q2024.** QNNS contributed QR169.9mn to sectoral bottom-line growth since it reported no impairment on property, vessels, equipment and intangible assets vs. QR117.2mn in 4Q2024 as well as a 54.5% fall in other operating expenses to QR24.8mn from QR54.5mn. QGTS registered a 19.7% rise in earnings following a 2.2% growth in total income and a 61.6% drop in G&A expenses. GWCS offset the fall in its revenue by recording a growth in its bottom-line of 51.6%, backed by its direct costs (-11.0%), G&A expenses (-6.4%), and finance costs (-1.3%).

Sector Index Performance for 1Q2025



Source: Bloomberg

1Q2025 Sector Revenue Contribution



Source: QSE

Net Income

Ticker	Company	1Q2024	4Q2024	1Q2025	YoY	QoQ
GWCS	Gulf Warehousing Co.	50,879	24,871	37,696	(25.9%)	51.6%
QGTS	Nakilat	419,757	361,948	433,203	3.2%	19.7%
QNNS	Qatar Navigation	365,180	204,582	374,452	2.5%	83.0%
	Total	835,816	591,401	845,351	1.1%	42.9%

Source: Company data; Note: Net Income is in QR'000

Financial Services Sector

Top and Bottom-Line Rise YoY

Highlights:

- The financial services sector recorded gains in 1Q2025 mainly due to Qatar Oman Investment Company (QOIS). The shift from losses in 4Q2024 to gains in 1Q2025 powered the financial services sector profitability in 1Q2025.
- Total traded value in the Banks and Financial Services sector inched down 0.4% QoQ in 1Q2025.
- The Banks & Financial Services Index shrunk 3.0% (QSE Index: -3.2%) in 1Q2025.

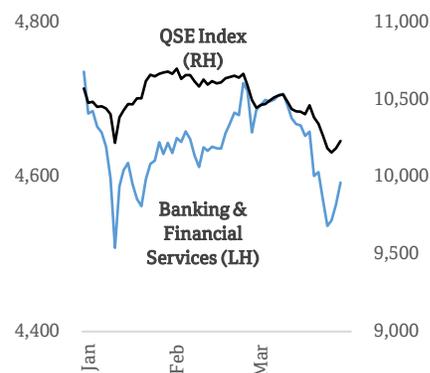
Revenue:

- The financial services sector's 1Q2025 revenue rose by 3.8% YoY to QR21.7mn. QOIS was the main contributing player to the rise in the sector's revenue as it increased by 167.2% in 1Q2025 to QR4.7mn from QR1.8mn. However, NLCS revenue decreased by 1.3% to QR9.9mn from QR10.0mn, while DBIS top-line declined by 14.2% to QR3.3mn from QR3.8mn and IHGS revenue dropped 27.9% to QR3.9mn from QR5.4mn.
- Sequentially, NLCS revenue rose to 4.0% in 1Q2025 from QR9.5mn. However, DBIS revenue declined by 76.6% from QR14.0mn. Meanwhile, QOIS reported a revenue of QR4.7mn in 1Q2025 and IHGS reported QR3.9mn in revenue.

Earnings:

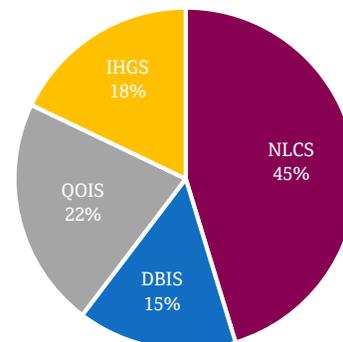
- Sectoral bottom-line moved up by 112.4% YoY to QR8.5mn from QR4.0mn pushed up mainly by QOIS. QOIS net profit grew by 553.8% in 1Q2025 from QR0.6mn. Meanwhile, NLCS increased by 8.0% from QR4.8mn. However, DBIS loss position improved, shrinking by 65.0% to QR1.7mn in 1Q2025 compared to a net loss of QR5.0mn in 1Q2024. At the same time, IHGS dropped 62.3% as it has reported a net profit of QR1.4mn in 1Q2025 compared to a net profit of QR3.6mn in 1Q2024.
- On a QoQ basis, sectoral earnings recovered from a net loss of QR57.4mn. NLCS earnings increased by 50.1% in 1Q2025 from QR3.4mn. However, DBIS loss decreased by 34.5% to a net loss of QR1.7mn in 1Q2025 compared to a net loss of QR2.7mn in 4Q2024. QOIS bottom-line recovered to a profit of QR3.7mn vs. a net loss of QR57.9mn reported in 4Q2024. IHGS also reported a net profit of QR1.4mn vs. a net loss of QR0.3mn in 4Q2024.

Sector Index Performance for 1Q2025



Source: Bloomberg

1Q2025 Sector Revenue Contribution



Source: QSE

Net Income

Ticker	Company	1Q2024	4Q2024	1Q2025	YoY	QoQ
NLCS	National Leasing Holding Co.	4,768	3,431	5,150	8.0%	50.1%
DBIS	Dlala Brokerage & Investment Holding Co.	(4,987)	(2,666)	(1,746)	(65.0%)	(34.5%)
QOIS	Qatar & Oman Investment Co.	562	(57,901)	3,677	553.8%	NM
IHGS	Inma Holding	3,636	(294)	1,371	(62.3%)	NM
Total		3,979	(57,431)	8,452	112.4%	NM

Source: Company data; Note: Net Income is in QR'000

Recommendations		Risk Ratings	
<i>Based on the range for the upside / downside offered by the 12-month target price of a stock versus the current market price</i>		<i>Reflecting historic and expected price volatility versus the local market average and qualitative risk analysis of fundamentals</i>	
OUTPERFORM	Greater than +20%	R-1	Significantly lower than average
ACCUMULATE	Between +10% to +20%	R-2	Lower than average
MARKET PERFORM	Between -10% to +10%	R-3	Medium / In-line with the average
REDUCE	Between -10% to -20%	R-4	Above average
UNDERPERFORM	Lower than -20%	R-5	Significantly above average

Contacts

Saugata Sarkar, CFA, CAIA
 Head of Research
 +974 4476 6534
 saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian
 Senior Research Analyst
 +974 4476 6509
 shahan.keushgerian@qnbfs.com.qa

Phibion Makuwerere, CFA
 Senior Research Analyst
 +974 4476 6589
 phibion.makuwerere@qnbfs.com.qa

Dana Al Sowaidi
 Research Analyst
 +974 4476 6575
 dana.alsowaidi@qnbfs.com.qa

Roy Thomas
 Senior Research Analyst
 +974 4476 6542
 roy.thomas@qnbfs.com.qa

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