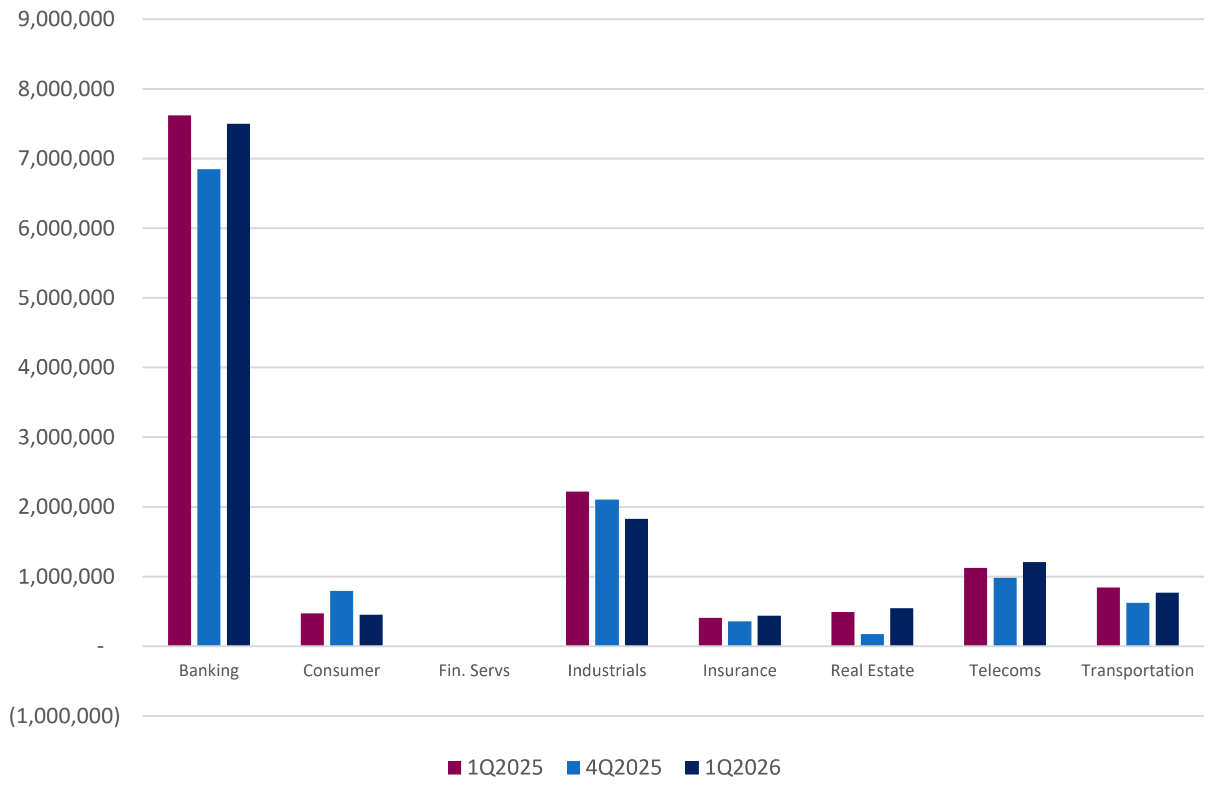
QSE 1Q2026 Aggregate Earnings Slip YoY But Sequential Recovery Signals Resilience

Listed companies on the Qatar Stock Exchange reported a 3.3% dip YoY but 7.4% growth QoQ in aggregate earnings to QR12.8bn during 1Q2026 vs. QR13.2bn and QR11.9bn, respectively. *Insurance, real estate and telecoms sectors registered earnings expansion on a YoY basis with the remaining five sectors recording a drop. Aggregate topline rose 2.1% YoY/ fell 2.5% QoQ to QR49.4bn in 1Q2026 vs. QR48.4bn in 1Q2025/ QR50.7bn in 4Q2025. Aggregate NP margin came in at 25.8% compared with 27.2% in 1Q2025 and 23.4% in 4Q2025. The industrials sector was the main contributor to the YoY dip with its earnings down 17.5% followed by the banking sector (-1.6%), transportation (-9.0%), Consumer Goods & Services (-3.4%) and the financial services sector (-18.6%).*

Snapshot of the 1Q2026 Earnings Season

- Five (1Q2025: one) of the eight sectors experienced a fall in earnings YoY
- Sequentially, the financial services sector recovered from an aggregate loss to profit
- 13 (1Q2025: 15) companies registered double-digit or more of earnings growth YoY
- Three (1Q2025: two) companies out of the 52 that reported recorded losses
- All companies in the insurance and telecoms sectors registered a rise in earnings YoY
- Consumer Goods & services and Industrials sectors exhibited QoQ and YoY dip in earnings
- Banking sector generated the bulk of the QoQ expansion
- 18 (1Q2025: 16) companies recorded YoY earnings decline

QSE Sector Earnings Trend: 1Q2026 vs. 1Q2025 vs. 4Q2025



Source: QSE, QNBFS Research

1Q2026 Net Profit for QSE-listed Companies (QR'000)

Sector	Ticker	1Q2025	4Q2025	1Q2026	YoY	QoQ
Banks	QNBK	4,260,431	4,170,539	4,332,460	1.7%	3.9%
	QIBK	985,089	1,380,036	985,640	0.1%	-28.6%
	CBQK	651,411	419,397	501,429	-23.0%	19.6%
	DUBK	437,076	219,873	429,527	-1.7%	95.4%
	MARK	407,525	8,268	361,148	-11.4%	4268.0%
	QIIK	356,355	252,995	367,760	3.2%	45.4%
	DHBK	251,629	80,307	234,412	-6.8%	191.9%
	ABQK	229,255	256,263	235,713	2.8%	-8.0%
	QFBQ	40,458	59,975	48,603	20.1%	-19.0%
Banks Total		**7,619,229**	**6,847,653**	**7,496,692**	**-1.6%**	**9.5%**
Consumer Goods & Services	QFLS	230,486	288,421	162,637	-29.4%	-43.6%
	MERS	33,429	37,133	39,630	18.5%	6.7%
	BLDN	58,231	158,391	61,496	5.6%	-61.2%
	ZHCD	46,312	63,079	81,907	76.9%	29.8%
	MCCS	33,658	165,846	40,970	21.7%	-75.3%
	MCGS	21,616	12,423	10,003	-53.7%	-19.5%
	MEZA	13,115	24,132	13,788	5.1%	-42.9%
	SIIS	20,235	23,866	26,153	29.2%	9.6%
	WDAM	(10,268)	(7,945)	(5,150)	-49.8%	-35.2%
	MKDM	11,353	13,990	8,533	-24.8%	-39.0%
	QCFS	2,034	995	1,849	-9.1%	86.0%
	QGMD	N/A	N/A	N/A	N/A	N/A
	FALH	N/A	N/A	N/A	N/A	N/A
	MFMS	N/A	N/A	N/A	N/A	N/A
	MHAR	11,943	11,479	14,449	21.0%	25.9%
Consumer Goods & Services Total		**472,144**	**791,810**	**456,265**	**-3.4%**	**-42.4%**
Financial Services	NLCS	5,150	5,062	5,200	1.0%	2.7%
	IHGS	1,371	(1,868)	584	-57.4%	-131.3%
	QOIS	3,677	(5,243)	4,836	31.5%	-192.2%
	DBIS	(1,746)	(4,566)	(3,738)	114.1%	-18.1%
Fin. Serv. Total		**8,452**	**(6,615)**	**6,883**	**-18.6%**	**-204.0%**
Industrials	IQCD	987,876	929,324	734,351	-25.7%	-21.0%
	QEWS	287,650	333,575	295,316	2.7%	-11.5%
	MPHC	186,168	13,059	(1,220)	-100.7%	-109.3%
	GISS	222,001	104,347	75,614	-65.9%	-27.5%
	IGRD	174,791	262,099	331,756	89.8%	26.6%
	AHCS	101,810	116,068	90,659	-11.0%	-21.9%
	QAMC	156,410	233,480	208,939	33.6%	-10.5%
	QNCD	30,664	21,624	30,684	0.1%	41.9%
	QIGD	41,955	42,323	39,884	-4.9%	-5.8%
	QIMD	31,295	48,483	25,294	-19.2%	-47.8%
Industrials Total		**2,220,619**	**2,104,383**	**1,831,277**	**-17.5%**	**-13.0%**
Insurance	QATI	201,039	217,215	204,553	1.7%	-5.8%
	DOHI	72,022	43,203	75,826	5.3%	75.5%
	QISI	30,590	13,501	37,729	23.3%	179.4%
	AKHI	17,877	18,599	18,354	2.7%	-1.3%
	QGRI	49,638	31,303	63,850	28.6%	104.0%
	QLMI	15,195	18,506	15,319	0.8%	-17.2%
	BEMA	23,914	16,692	25,491	6.6%	52.7%
Insurance Total		**410,276**	**359,019**	**441,122**	**7.5%**	**22.9%**
Real Estate	BRES	239,471	455,225	239,735	0.1%	-47.3%
	ERES	153,041	(473,854)	225,026	47.0%	-147.5%
	UDCD	72,372	187,014	73,135	1.1%	-60.9%
	MRDS	26,797	5,661	8,185	-69.5%	44.6%
Real Estate Total		**491,681**	**174,046**	**546,081**	**11.1%**	**213.8%**
Telecoms	ORDS	960,046	775,899	1,005,385	4.7%	29.6%
	VFQS	162,302	207,620	201,307	24.0%	-3.0%
Telecoms Total		**1,122,348**	**983,519**	**1,206,692**	**7.5%**	**22.7%**
Transportation	QGTS	433,203	375,147	438,872	1.3%	17.0%
	QNNS	374,452	212,865	296,526	-20.8%	39.3%
	GWCS	37,696	37,944	33,784	-10.4%	-11.0%
Transportation Total		**845,351**	**625,956**	**769,182**	**-9.0%**	**22.9%**
Grand Total		**13,190,100**	**11,879,770**	**12,754,194**	**-3.3%**	**7.4%**

Source: QSE, QNBFS Research.

Contents

Banking Sector

Challenging Quarter: Earnings Were A Mixed Bag

Highlights:

- **The banking sector posted a YoY decrease in aggregate earnings but increased sequentially in 1Q2026.** For 1Q2026, the banking sector posted a decline of 1.6% (+9.5% QoQ) in aggregate headline net income.
- **The Banks & Financial Services Index** performed in-line with the QE All Share Index. The banks' index declined by 2.1% in 1Q2026 vs. -2.5% for the QE All Share Index.

Revenue:

- **Aggregate revenue increased by 6.8% YoY in 1Q2026 to QR17.9bn, driven by a combination of net interest income and non-funded income at some banks**. Aggregate increase was attributable to QNB Group (QNBK), followed by Commercial Bank of Qatar (CBQK). QNBK 's revenue increased by 9.6% YoY to QR11.9bn, mainly driven by an 8.0% increase in net interest income and a 9.5% increase in non-funded income. Moreover, CBQK's revenue grew by 7.6%, driven by 12.6% increase in net interest income. On the other hand, AlRayan Bank's (MARK) revenue receded by 7.5% mainly on margin pressure and a large drop in non-funded income.
- **Aggregate revenue increased sequentially in 1Q2026.** The increase in revenue was attributed to all banks with CBQK and QIIK being the exception.
- **NIMs, on a YoY basis and sequentially on average were flat**. In aggregate, net interest margin came in at 2.02%.

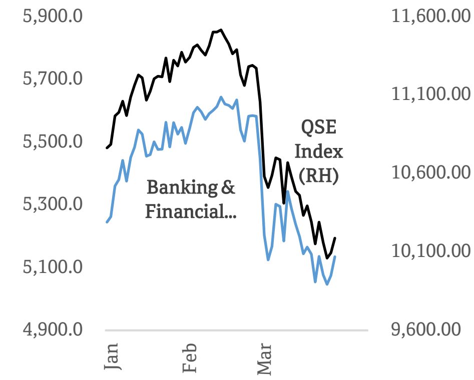
Earnings:

- **Aggregate 1Q2026 net income decreased by 1.6% YoY to QR7.5bn; excluding CBQK, aggregate earnings would have been flat; earnings were a mixed bag.** QNBK, QIBK, ABQK and QIIK all witnessed their bottom-lines increase. **MARK's** net profit dropped by 11.4% mainly from GMT which they had not booked 1Q2025 (excluding the tax effect, the bottom-line would have been up 0.9% mitigated by lower provisions). Moreover, **DHBK's** net profit decreased by 6.8% as a result of GMT charges dwarfing strong investment income, while **CBQK's** net income declined by 23.0% due to a spike in CoR and hyperinflation outweighing strong net interest income. On the other hand, **QNBK's** net profit increased by 1.7%.
- **Aggregate net income of banks grew by 9.5% sequentially in 1Q2026**. This was due to lower CoR at some banks and net interest income at others (some banks benefited from non-funded income). All banks witnessed their profitability increase with the exception of **QIBK and ABQK**; QIBK's net income dropped by 28.6% on provisions vs. reversal of provisions & impairments and weak non-funded income.

Balance Sheet:

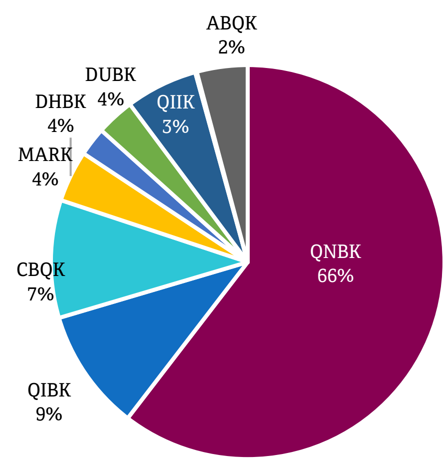
- **Loans experienced an increase QoQ**. The loan book grew by 1.3% sequentially to QR1.64trn in 1Q2026. QIBK's loan book moved up by 5.7% QoQ followed by QIIK's +4.5%. Moreover, QNBK's loan book inched up by 0.9% QoQ contributing 47% to total incremental loan book growth. The growth in aggregate loans was driven by international loans (loans outside Qatar) as public sector loans decreased, while private sector loans were flattish.
- **Deposits also increased sequentially.** Aggregate deposits moved up by 1.3% QoQ reaching QR1.55trn; MARK's deposits expanded the most, growing by 4.2% QoQ, followed by DUBK (+3.5%). QNBK's deposits increased by 1.9%. Growth in deposits was primarily attributable to the private sector.
- **Capitalization levels of Qatar banks remained robust.** Average CAR came in at a robust 20.3% with all banks generating strong CARs.

Sector Index Performance for 1Q2026



Source: Bloomberg

1Q2026 Sector Revenue Contribution



Net Income

Ticker	Company	1Q2025	4Q2025	1Q2026	YoY	QoQ
QNBK	Qatar National Bank	4,260,431	4,170,539	4,332,460	1.7%	3.9%
QIBK	Qatar Islamic Bank	985,089	1,380,036	985,640	0.1%	-28.6%
CBQK	Commercial Bank of Qatar	651,411	419,397	501,429	-23.0%	19.6%
DHBK	Doha Bank	251,629	80,307	234,412	-6.8%	191.9%
ABQK	Al Ahli Bank	229,255	256,263	235,713	2.8%	-8.0%
QIIK	Qatar International Islamic Bank	356,355	252,995	367,760	3.2%	45.4%
MARK	Masraf Al Rayan	407,525	8,268	361,148	-11.4%	4268.0%
QFBQ	Lesha Bank	40,458	59,975	48,603	20.1%	-19.0%
DUBK	Dukhan Bank	437,076	219,873	429,527	-1.7%	95.4%
	Total	**7,619,229**	**6,847,653**	**7,496,692**	**-1.6%**	**9.5%**

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

Industrials Sector

Earnings Pressure Amid Mixed Top-Line Growth

Highlights:

- **The 1Q2026 force majeure declared by QatarEnergy following the Ras Laffan facility disruption posed a near-term headwind for the industrials sector; however, with the production having partially resumed and Qatar remaining firmly committed to its long-term LNG expansion targets, the impact on the sector is expected to remain contained.**
- **The Industrials Index slipped by 6.0% (QE Index: -5.3%) in 1Q2026.**
- **Total traded value expanded by 30.2% to QR6.5bn in 1Q2026 from QR5.0bn in 4Q2025.**
- **The industrials sector is currently trading at a P/E multiple of 16.3x (vs. the QSE Index's P/E of 12.0x)** with a dividend yield of 4.8% (vs. the QSE's 4.5%).

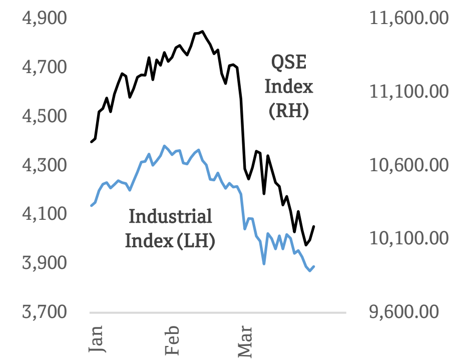
Revenue:

- **The industrials revenue edged up 0.7% YoY to QR7.8bn in 1Q2026 from QR7.8bn in 1Q2025.** IQCD contributed the most to the revenue growth as its top-line hiked to QR3.6bn from QR3.4bn (+6.2%), followed by IGRD at QR1.4bn (+10.4%).
- **Sequentially, sectoral revenue rose 8.1%, even though only three of the ten listed companies posted QoQ growth.** GISS swung back to a positive QR1,042.3mn leading the sectoral increase, while AHCS reported a top-line of QR464.8mn vs. QR580.3mn (+7.8%) and QEWS up to QR725.5mn from QR681.2mn (+4.7%).

Earnings:

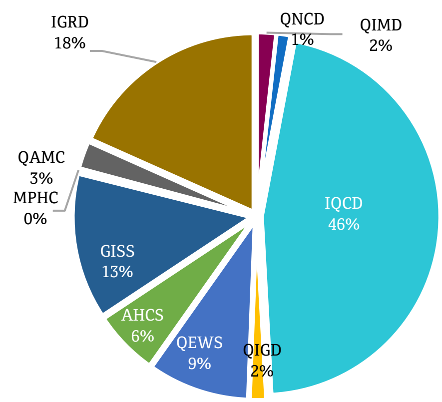
- **The industrial sector's bottom-line shrunk 17.5% to QR1.8bn in 1Q2026 from QR2.2bn in 1Q2025.** IQCD's earnings contracted 25.7% to QR734.4mn from QR987.9mn as a result of the fall in share of results of investments in associates to QR13.2mn vs. QR38.8mn (-91.1%) as well as a substantial fall in share of results of investments in joint ventures to QR18.2mn from QR238.3mn (-88.5%). MPHC swung to a loss of QR1.2mn from a profit of QR186.2mn in 1Q2025 on account of a loss from joint ventures of QR21.5mn as compared to a gain of QR166.4mn. GISS experienced a 65.9% fall in earnings to QR75.6mn from QR222.0mn. While AHCS earnings declined 11.0% to QR90.7mn from QR101.8mn following a drop in revenue of 19.9%. These declines were partly offset by IGRD (+89.8% to QR331.8mn from QR174.8mn) and QAMC (+33.6% to QR208.9mn from QR156.4mn).
- **On a QoQ basis, sectoral earnings contracted 13.0% mainly dragged by IQCD, QEWS and GISS.** IQCD's bottom-line fell 21.0% to QR734.4mn from QR929.3mn in 4Q2025 as its top-line shrunk 14.1%. QEWS noted a fall of 11.5% to QR295.3mn from QR333.6mn steered by higher cost of sales of QR505.6mn vs. QR387.9mn (+30.3%). GISS earnings dropped 27.5% to QR75.6mn from QR104.3mn following a 4.3% fall in revenue. On the positive side, IGRD's earnings rose 26.6% QoQ to QR331.8mn from QR262.1mn, and QNCD's bottom-line jumped 41.9% to QR30.7mn from QR21.6mn.

Sector Index Performance for 1Q2026



Source: Bloomberg

1Q2026 Sector Revenue Contribution



Source: QSE

Net Income

Ticker	Company	1Q2025	4Q2025	1Q2026	YoY	QoQ
QIMD	Qatar Industrial Manufacturing Co.	31,295	48,483	25,294	(19.2%)	(47.8%)
QNCD	Qatar National Cement	30,664	21,624	30,684	0.1%	41.9%
IQCD	Industries Qatar	987,876	929,324	734,351	(25.7%)	(21.0%)
QIGD	Qatari Investors Holding	41,955	42,323	39,884	(4.9%)	(5.8%)
QEWS	Nebras Energy	287,650	333,575	295,316	2.7%	(11.5%)
AHCS	Aamal	101,810	116,068	90,659	(11.0%)	(21.9%)
GISS	Gulf International Services	222,001	104,347	75,614	(65.9%)	(27.5%)
MPHC	Mesaieed Petrochemical Holding	186,168	13,059	(1,220)	N/M	N/M
QAMC	Qatar Aluminium Manufacturing	156,410	233,480	208,939	33.6%	(10.5%)
IGRD	Estithmar Holding Group	174,791	262,099	331,756	89.8%	26.6%
	Total	**2,220,619**	**2,104,383**	**1,831,277**	**(17.5%)**	**(13.0%)**

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

Consumer Goods & Services Sector

Top-Line and Earnings Came Under Pressure in 1Q2026

Highlights:

- **Brent Crude Oil began 2026 at $61/ barrel but surged to $108/ barrel by the end of 1Q2026; the largest quarterly price increase on an inflation adjusted basis since 1988 driven by tensions in the Middle East.**
- **Companies excluded from consumer sector analysis.** FALH's 2Q2026 results (ending in February 2026) are not included in this QSE 1Q2026 analysis. QGMD has been excluded from this quarterly analysis. MFMS is also not included due to missing quarterly financial statements.
- **The consumer goods & services sector index contracted 2.6%** (QSE Index: -5.3%) in 1Q2026.
- **Sector traded value grew 2.8% to QR3.7bn in 1Q2026 vs. QR3.6bn in 4Q2025.**
- **Consumer goods & services sector is currently trading at a P/E multiple of 13.7x** (vs. QSE Index's P/E of 12.0x) with a dividend yield of 4.7% (vs. QSE's 4.5%).

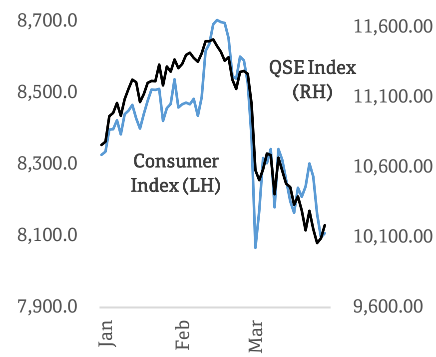
Revenue:

- **Sectoral top-line declined by 11.7% to QR9.1bn in 1Q2026 from QR10.3bn in 1Q2025.** The majority of companies weighed on sectoral revenue. Leading the decline was the sector giant, QFLS, which reported a 21.3% fall in revenues to QR5.0bn in 1Q2026 from QR6.3bn in 1Q2025. It was followed by WDAM, MCGS and MCCS which posted declines of 15.0%, 12.9% and 1.1%, respectively.
- **Sequentially, sector revenue slipped 17.8% from QR11.1bn in 4Q2025.** The majority of companies reported lower top-lines on a QoQ basis. QFLS steered the sectoral decline as its revenue fell 26.0%, followed by MCCS (-20.6%), SIIS (-21.6%) and MKDM (-23.2%).

Earnings:

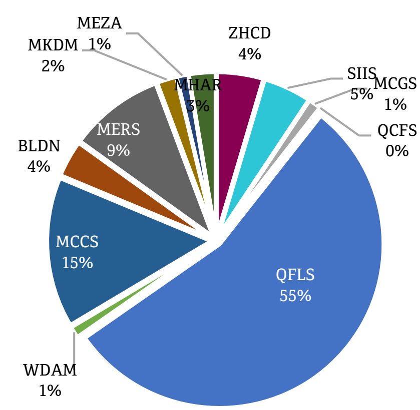
- **The sector's 1Q2026 aggregate bottom-line declined 3.4% to QR456.3mn from QR472.1mn in 1Q2025.** ZHCD delivered the strongest growth, with net income surging 76.9% to QR81.9mn from QR46.3mn, while MCCS posted a 21.7% increase to QR41.0mn from QR33.7mn. These gains were offset by a 29.4% drop in QFLS's earnings to QR162.6mn from QR230.5mn following a 21.3% drop in top-line. MCGS posted a 53.7% shrink in its earnings figure to QR10.0mn from QR21.6mn steered by lower revenues of QR111.2mn vs. QR127.8mn (-12.9%).
- **On a QoQ basis, earnings fell 42.4% from QR791.8mn in 4Q2025, with 7 of the 12 companies reporting lower bottom-lines.** QFLS registered a slip in earnings to QR162.6mn vs. QR288.4mn, held back by its lower revenue of QR5.0mn from QR6.7mn (-26.0%). MCCS followed with a earnings drop of 75.3% to QR41.0mn from QR165.8mn as its revenue and other income slipped by 20.6% and 31.2% respectively. BLDN endured a 61.2% decline to QR61.5mn from QR158.4mn since it did not report a gain on investment in financial assets at FVTPL this quarter vs. QR150.6mn reported in 4Q2025.

Sector Index Performance for 1Q2026



Source: Bloomberg

1Q2026 Sector Revenue Contribution



Source: QSE

Net Income

Ticker	Company	1Q2025	4Q2025	1Q2026	YoY	QoQ
ZHCD	Zad Holding	46,312	63,079	81,907	76.9%	29.8%
SIIS	Salam International Investment	20,235	23,866	26,153	29.2%	9.6%
MCGS	Medicare Group	21,616	12,423	10,003	(53.7%	(19.5%)
QCFS	Qatar Cinema & Film Distribution	2,034	995	1,849	(9.1%)	86.0%
QFLS	Qatar Fuel	230,486	288,421	162,637	(29.4%)	(43.6%)
WDAM	Widam Food Company	(10,268)	(7,945)	(5,150)	(49.8%)	(35.2%)
MCCS	Mannai Corporation	33,658	165,846	40,970	21.7%	(75.3%)
BLDN	Baladna	58,231	158,391	61,496	5.6%	(61.2%)
MERS	Al Meera Consumer Goods & Services	33,429	37,133	39,630	18.5%	6.7%
MKDM	Mekdam Holding Group	11,353	13,991	8,533	(24.8%)	(39.0%)
MEZA	Meeza	13,115	24,132	13,788	5.1%	(42.9%)
MHAR	Al Mahhar Holding	11,943	11,479	14,449	21.0%	25.9%
	Total	**472,144**	**791,810**	**456,269**	**(3.4%)**	**(42.4%)**

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

Insurance Sector

QGRI-led Recovery Supports Insurance Sector Profitability in 1Q2026

Highlights:

- **The insurance sector stood out in 1Q2026 with a 7.5% YoY growth despite the challenging geopolitical backdrop.** The sector's growth was anchored by QGRI which posted a 28.6% YoY growth accounting for ~46% of the sectoral growth.
- **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.**
- **The Insurance sector is currently trading at a P/E multiple of 9.0x** (vs. QSE Index's P/E of 12.0x) with a dividend yield of 5.0% (vs. QSE's 4.5%).

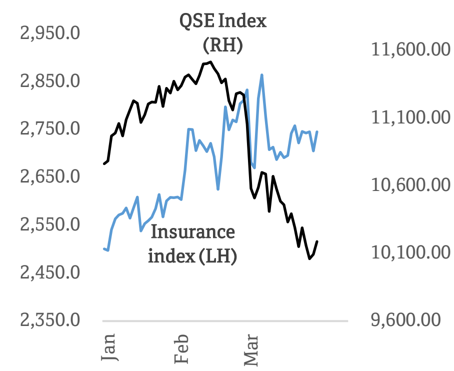
Revenue:

- **The insurance sector's revenue in 1Q2026 expanded 20.8% YoY to QR3.9bn from QR3.2bn.** Sectoral top-line was steered primarily by growth seen from QATI to QR2.2bn from QR1.9bn (+16.6%). Followed by DOHI which reached QR0.7mn vs. QR0.5mn (+63.1%). Top-line was supported by expansion from conventional (+22.3%) and Islamic insurance companies (+9.8%), with QGRI being the only company to record lower revenues of QR0.1mn vs. QR0.2mn (-21.2%).
- **Sequentially, top-line shrunk 6.0% from QR4.1bn as 6 of the 7 companies registered a drop.** QATI noted 4.7% lower revenues in 1Q2026 vs. 4Q2025, QLMI (-21.7%) and BEMA (-26.6%). With QISI being the sole company reporting an increase in its top-line (+37.6%). Conventional and Islamic insurance companies registered a fall in revenues of 6.4% and 2.4%, respectively.

Earnings:

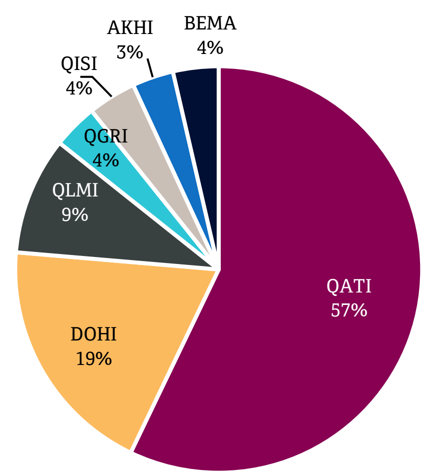
- **The sector's 1Q2026 net profit rose by 7.5% YoY to reach QR441.1mn, compared to a net profit of QR410.3mn achieved during 1Q2025 as all companies expanded.** QGRI reported a 28.6% rise to QR63.9mn vs. QR49.6mn, making it the largest contributor to the sectoral YoY growth. QISI's earnings increased by 23.3% to QR37.7mn from QR13.5mn. Conventional insurance companies rose 15.9% while Islamic insurance companies rose 67.2%.
- **On a QoQ basis, earnings swelled 22.9% despite contractions seen from some companies.** DOHI's bottom-line grew 75.5% to QR75.8mn from QR43.2mn, QGRI by 104.0% to QR63.9mn from QR31.3mn and QISI by 179.4% to QR37.7mn from QR13.5mn. On the other hand, QATI, QLMI and AKHI all endured lower earnings, falling by 5.8%, 17.2% and 1.3%, respectively.

Sector Index Performance for 1Q2026



Source: *Bloomberg*

1Q2026 Sector Insurance Revenue Contribution



Source: *QSE*

Net Income

Ticker	Company	1Q2025	4Q2025	1Q2026	YoY	QoQ
QATI	Qatar Insurance	201,039	217,215	204,553	1.7%	(5.8%)
DOHI	Doha Insurance	72,022	43,203	75,826	5.3%	75.5%
QGRI	Qatar General Insurance & Reinsurance	49,638	31,303	63,850	28.6%	104.0%
AKHI	Al Khaleej Takaful Group	17,877	18,599	18,354	2.7%	(1.3%)
QISI	Qatar Islamic Insurance	30,590	13,501	37,729	23.3%	179.4%
QLMI	Qatar Life & Medical Insurance	15,195	18,506	15,319	0.8%	(17.2%)
BEMA	Damaan Islamic Insurance Company	23,914	16,692	25,491	6.6%	52.7%
	Total	410,276	359,019	441,122	7.5%	22.9%

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

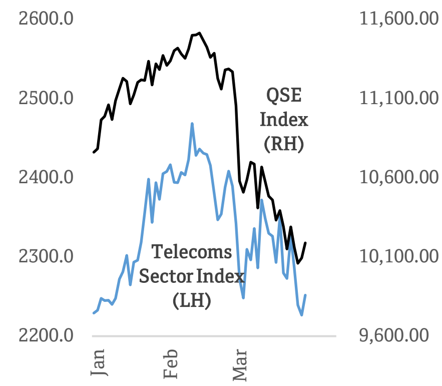
Telecoms Sector

Earnings Momentum and Relative Market Outperformance in 1Q2026

Highlights:

- **Ooredoo launched Ooredoo Fibre Networks (OFN), a dedicated international connectivity and submarine-cable infrastructure platform,** positioning the group to capture rising AI, cloud and hyperscaler-driven demand for resilient data routes; management stated an ambition to grow international infrastructure and subsea cable revenue contribution from 3% to 12% over time.
- **Vodafone Qatar expanded its infrastructure and systems-integration capabilities by signing a strategic partnership with Sirti Digital Solutions and Sirti MENA,** under which its subsidiary Infinity Solutions acquired a 51% stake in Sirti MENA for Projects LLC, a Qatar-based provider of telecom and technology infrastructure/security systems integration solutions.
- **The Telecoms Index inched up 1.0% in 1Q2026 vs. 1Q2025**, outperforming the QSE index which fell of 5.3%.
- **Total traded value in the sector shrunk by 44.2% recorded in 1Q2026 to QR2.4bn from QR4.3bn in 4Q2025.**
- **The telecoms sector is currently trading at a P/E multiple of 11.8x (vs. the QSE Index's P/E of 12.0x)** with a dividend yield of 5.4% (vs. the QSE's 4.5%).

Sector Index Performance for 1Q2026



Source: *Bloomberg*

Revenue:

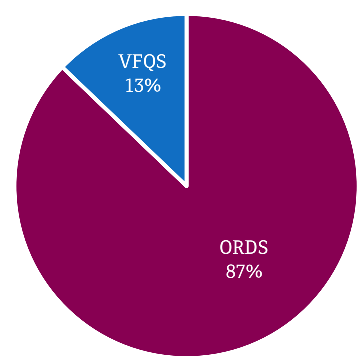
- **Sector revenue grew 6.1% YoY to QR7.1bn in 1Q2026 from QR6.7bn in 1Q2025.** VFQS led the sector with a 7.1% expansion in its top-line to QR914.0mn from QR853.2mn. ORDS's top-line also rose 6.0% to QR6.2bn from QR5.8bn.

- **Sequentially, sectoral revenue eased with a 2.4% fall from QR7.3bn in 4Q2025.** ORDS swayed the movement as its revenue dipped 3.6% to QR6.2bn from QR6.4bn, pulled down by lower revenue from rendering of services (-3.1%) and sale of telecommunication equipment (-11.1%). Vodafone Qatar's revenue grew 6.3% to QR914.0mn from QR860.2mn.

Earnings:

- **Aggregate net income in the telecoms sector rose 7.5% YoY to QR1.2bn in 1Q2026 from QR1.1bn in 1Q2025, aided by both companies.** ORDS recorded a bottom-line growth of 4.7% to QR1.0bn from QR960.0mn; the company benefited from higher revenues (+6.0%) and a sharp reduction in net other losses to QR2.1mn vs. QR14.9mn, (-85.6%) driven primarily by a gain on sale of non-financial assets of QR24.5mn vs. a loss of QR3.0mn. VFQS posted growth of 24.0% recording earnings of QR201.3mn from QR162.3mn, supported by a 7.1% jump in revenue and a drop in network and other operational expenses of 1.5% to QR116.7mn from QR118.4mn.
- **Sequentially, sectoral earnings climbed to QR1.2bn from QR1.0bn, recording 22.7% growth.** ORDS drove the move with earnings up 29.6% QoQ to QR1.0bn from QR775.9mn, helped by no impairment losses on goodwill or other financial assets in 1Q2026 vs. QR119.8mn in 4Q2025 as well as lower finance costs (-5.6%). VFQS noted a slight dip in earnings of 3.0% to QR201.3mn, following a sharp 28.4% rise in interconnection and other direct expenses (QR302.7mn vs. QR235.7mn) and higher amortization of intangibles (+19.7%).

1Q2026 Sector Revenue Contribution



Source: *QSE*

Net Income

Ticker	Company	1Q2025	4Q2025	1Q2026	YoY	QoQ
ORDS	Ooredoo	960,046	775,899	1,005,385	4.7%	29.6%
VFQS	Vodafone Qatar	162,302	207,620	201,307	24.0%	(3.0%)
	Total	**1,122,348**	**983,519**	**1,206,692**	**7.5%**	**22.7%**

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

Real Estate Sector

Profitability Improves Despite Revenue Pressure

Highlights:

- **Qatar recorded total transaction values in 1Q2026 of approximately QR9.2bn up 28.5% from QR7.2bn in 1Q2025-** reflecting sustained investor confidence across Doha, Al Rayyan and Al Dhaayen, the market's most active municipalities. The sector's performance is underpinned by Qatar's economic diversification agenda under the QNV 2030.
- **The Real Estate Index fell 5.9% (QSE Index: -5.3%) in 1Q2026 vs. the previous quarter.**
- **Trading activity in the sector multiplied as traded value rose to QR2.3bn from QR1.5bn.**
- **The real estate sector is currently trading at a P/E multiple of 19.2x (vs. the QSE Index's P/E of 12.0x)** with a dividend yield of 2.5% (vs. the QSE's 4.5%).

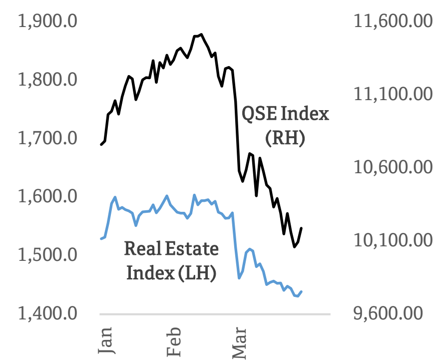
Revenue:

- **The real estate sector's 1Q2026 revenue declined 10.0% YoY to QR1.5bn, dragged down by UDCD, whose revenue fell 32.3% to QR459.0mn from QR678.5mn.** BRES revenue rose 10.3% in 1Q2026 to QR485.6mn from QR440.1mn, ERES revenue grew 2.6% to QR476.9mn from QR464.7mn, and MRDS top-line increased 1.6% to QR35.9mn from QR35.3mn.
- **Sequentially, sector revenue fell 7.2% in 1Q2026 from QR1.57bn in 4Q2025.** UDCD revenue slid 16.9% from QR552.3mn, MRDS dropped 20.4% from QR45.1mn, and ERES declined 2.9% from QR491.4mn, while BRES edged up 1.0% from QR480.9mn.

Earnings:

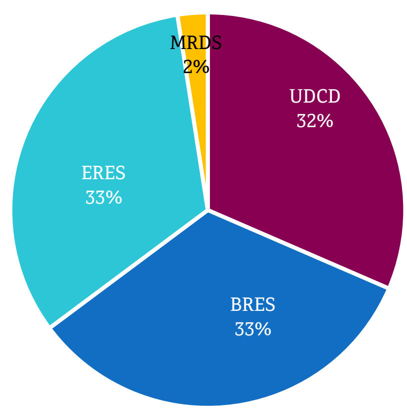
- **The sector's 1Q2026 net profit moved up by 11.1% YoY to QR546.1mn from QR491.7mn, supported by ERES and UDCD, while BRES was nearly flat and MRDS declined.** ERES experienced the greatest growth in earnings of 47.0% (accounting for QR72.0mn of the sectoral expansion) to QR225.0mn from QR153.0mn, primarily due to a 29.9% drop in finance costs to QR152.8mn from QR217.9mn in 1Q2025, despite a 12.5% increase in G&A expenses to QR22.5mn from QR20.0mn. UDCD's bottom-line edged up 1.1% YoY to QR73.1mn from QR72.4mn, while BRES net profit was broadly flat at QR239.7mn (+0.1% YoY). MRDS, however, dragged on the sector with earnings dropping 69.5% to QR8.2mn from QR26.8mn, primarily owing to a sharp decline in other income to QR0.8mn in 1Q2026 from QR20.8mn in 1Q2025 (-96.3%).
- **Sequentially, sectoral bottom-line surged 213.8% in 1Q2026 from QR174.0mn in 4Q2025, primarily driven by ERES, which recovered to a profit of QR225.0mn vs. a net loss of QR473.9mn in 4Q2025.** The swing was largely attributable to a huge unrealized fair-value loss on investment property of ~QR659.3mn booked by ERES in 4Q2025, which did not recur in 1Q2026. MRDS' earnings also rose 44.6% to QR8.2mn from QR5.7mn. On the other hand, UDCD net profit dropped 60.9% QoQ from QR187.0mn to QR73.1mn, and BRES bottom-line declined 47.3% from QR455.2mn to QR239.7mn, reflecting normalization after stronger seasonal 4Q2025 fair-value gains on investment properties.

Sector Index Performance for 1Q2026



Source: Bloomberg

1Q2026 Sector Revenue Contribution



Source: QSE

Net Income

Ticker	Company	1Q2025	4Q2025	1Q2026	YoY	QoQ
UDCD	United Development Co.	72,372	187,014	73,135	1.1%	(60.9%)
BRES	Barwa Real Estate	239,471	455,225	239,735	0.1%	(47.3%)
ERES	Ezdan Real Estate	153,041	(473,854)	225,026	47.0%	N/M
MRDS	Mazaya Real Estate	26,797	5,661	8,185	(69.5%)	44.6%
	Total	491,681	174,046	546,081	11.1%	213.8%

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

Transportation Sector

Strong 1Q2026 Performance Despite Operational Risks

Highlights:

- **In 1Q2026 QatarEnergy declared a force majeure.** Consequently, production was halted, however, Qatar remains firmly on track to double LNG production from 77 MTPA to 142 MTPA with the North Field West project alone expected to contribute an additional 16mn tonnes per year.
- **The Transportation Index slipped 3.7% vs. the QSE Index, which dropped 5.3%.**
- **Traded value in the transportation sector hiked by 59.2% to QR2.1bn in 1Q2026 from QR1.3bn in 4Q2025.**
- **The transportation sector is currently trading at a P/E multiple of 12.5x (vs. the QSE Index's P/E of 12.0x)** with a dividend yield of 3.4% (vs. the QSE's 4.5%).

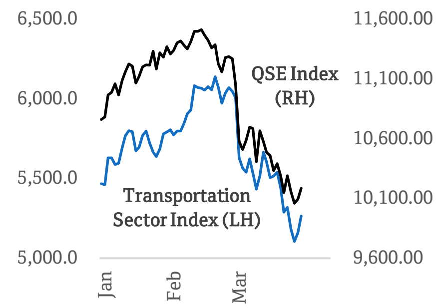
Revenue:

- **The transportation sector's 1Q2026 top-line rose to QR2.1bn vs. QR2.0bn in 1Q2025 (+4.7% YoY).** QNNS to QR874.4mn (+15.2% YoY) and QGTS to QR938.5mn (+3.3% YoY), while GWCS's revenue declined to QR317.9mn (-13.5% YoY) amid softer activity.
- **Sequentially, sectoral revenue eased 0.8% to QR2.1bn in 1Q2026 from QR2.2bn in 4Q2025.** GWCS recorded the sharpest decline (-5.3% QoQ), while QGTS was marginally lower (-0.5% QoQ); these were partly offset by a modest uptick from QNNS (+0.6% QoQ).

Earnings:

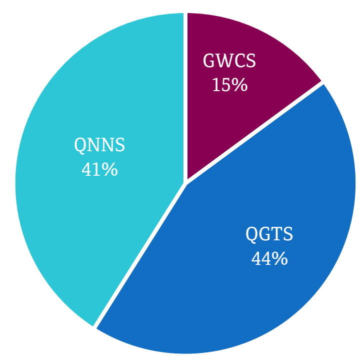
- **The sector's YoY bottom-line declined to QR769.2mn in 1Q2026 vs. QR845.4mn in 1Q2025 (-9.0%).** QNNS (-20.8%) and GWCS (-10.4%) weighed on the sector, partially offset by QGTS (+1.3%). QNNS's weaker earnings of QR296.5mn vs. QR374.5mn reflected the higher expenses, while GWCS's bottom-line slipped to QR33.8mn vs. QR37.7mn from a combination of a drop in revenue (-13.5%) and an increase of G&A expenses (+9.2%). QGTS posted modest growth supported by higher revenue (+3.3%) as a result of a surge in income from marine and agency services (+610.5%) and tight expense control leading to a fall in total expenses by 13.8%.
- **On a QoQ basis, sectoral earnings rose 22.9% to QR769.2mn in 1Q2026 from QR626.0mn in 4Q2025.** QNNS drove the sequential improvement (+39.3% QoQ) aided by higher share of result of associates of QR157.0mn from QR105.6mn (+48.6%). QGTS also improved (+17.0% QoQ) primarily from lower operating costs of QR280mn vs. QR358mn (-21.9%). GWCS's earnings declined sequentially to QR33.8mn vs. QR37.9mn (-11.0% QoQ), mainly due to a 98.8% slip in other income to QR111.8mn vs. QR9.4mn.

Sector Index Performance for 1Q2026



Source: Bloomberg

1Q2026 Sector Revenue Contribution



Source: QSE

Net Income

Ticker	Company	1Q2025	4Q2025	1Q2026	YoY	QoQ
GWCS	Gulf Warehousing Co.	37,696	37,944	33,784	(10.4%)	(11.0%)
QGTS	Nakilat	433,203	375,147	438,872	1.3%	17.0%
QNNS	Qatar Navigation	374,452	212,865	296,526	(20.8%)	39.3%
	Total	845,351	625,956	769,182	(9.0%)	22.9%

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

Financial Services Sector

1Q2026 Earnings – YoY Pressure, QoQ Recovery

Highlights:

- **The financial services sector's profitability weakened in 1Q2026, with sectoral net income declining by 18.5% YoY to QR6.9mn due to wider losses from DBIS and lower earnings from IHGS, although earnings recovered QoQ supported by QOIS's return to profitability.**
- **Total traded value in the Banks and Financial Services sector climbed 30.8% QoQ in 1Q2026.**
- **The Banks & Financial Services Index shrunk 2.1% (QSE Index: -5.3%) in 1Q2026.**

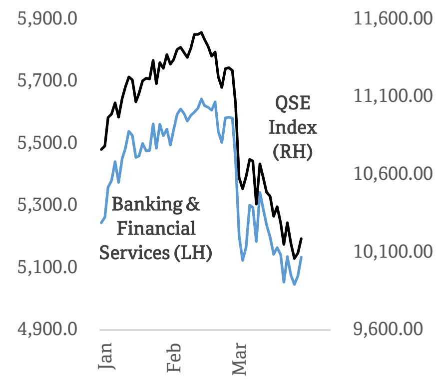
Revenue:

- **The financial services sector's 1Q2026 revenue declined by 2.4% YoY to QR21.2mn from QR21.7mn in 1Q2025.** The decline was mainly driven by lower revenue from NLCS, which fell by 20.2% YoY to QR7.9mn from QR9.9mn, and IHGS, which decreased by 22.6% YoY to QR3.0mn from QR3.9mn. However, the drop was partially offset by stronger revenue from DBIS, which increased by 37.4% YoY to QR4.5mn from QR3.3mn, and QOIS, which rose by 23.7% YoY to QR5.9mn from QR4.7mn.
- **Sequentially, the sector's revenue increased by 46.1% QoQ to QR21.2mn in 1Q2026 from QR14.5mn in 4Q2025.** DBIS revenue rose by 26.3% QoQ to QR4.5mn from QR3.6mn, while QOIS reported revenue of QR5.9mn in 1Q2026 versus -QR3.4mn in 4Q2025. However, NLCS revenue declined by 29.0% QoQ to QR7.9mn from QR11.1mn, and IHGS revenue decreased by 9.2% QoQ to QR3.0mn from QR3.3mn.

Earnings:

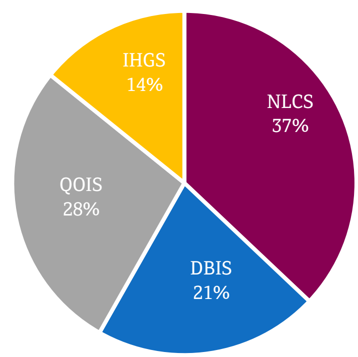
- **Sectoral bottom-line declined by 18.6% YoY to QR6.9mn in 1Q2026 from QR8.5mn in 1Q2025, mainly weighed down by DBIS and IHGS.** DBIS reported a wider net loss of QR3.7mn in 1Q2026 compared to a net loss of QR1.7mn in 1Q2025 as it reported a loss on sale of investment securities at FVTPL of QR435.0mn vs. a gain of QR763.0mn. IHGS net profit dropped 57.4% YoY to QR0.6mn from QR1.4mn following a slip in its top-line of 22.6% to QR3.0mn vs. QR3.9mn (-22.6%) and more hefty cost of sales of QR0.5mn vs. QR0.3mn (+82.3%). However, the decline was partially offset by QOIS, whose net profit grew 31.5% YoY to QR4.8mn from QR3.7mn, while NLCS earnings increased slightly by 1.0% YoY to QR5.2mn from QR5.1mn.
- **On a QoQ basis, sectoral earnings recovered to a net profit of QR6.9mn in 1Q2026 from a net loss of QR6.6mn in 4Q2025.** QOIS bottom-line recovered to a profit of QR4.8mn versus a net loss of QR5.2mn in 4Q2025 following the trend in its top-line. IHGS also recovered from losses, reporting QR0.6mn in net profit versus a net loss of QR1.9mn in 4Q2025. NLCS earnings increased by 2.7% QoQ to QR5.2mn from QR5.1mn, while DBIS net loss narrowed to QR3.7mn in 1Q2026 from a net loss of QR4.6mn in 4Q2025.

Sector Index Performance for 1Q2026



Source: Bloomberg

1Q2026 Sector Revenue/Loss Contribution



Source: QSE

Net Income

Ticker	Company	1Q2025	4Q2025	1Q2026	YoY	QoQ
NLCS	National Leasing Holding Co.	5,150	5,062	5,200	1.0%	2.7%
DBIS	Dlala Brokerage & Investment Holding Co.	(1,746)	(4,566)	(3,738)	114.1%	(18.1%)
QOIS	Qatar & Oman Investment Co.	3,677	(5,243)	4,836	31.5%	N/M
IHGS	Inma Holding	1,371	(1,868)	584	(57.4%)	N/M
	Total	**8,452**	**(6,615)**	**6,887**	**(18.5%)**	**N/M**

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

Recommendations *Based on the range for the upside / downside offered by the 12-month target price of a stock versus the current market price*	
OUTPERFORM	Greater than +20%
ACCUMULATE	Between +10% to +20%
MARKET PERFORM	Between -10% to +10%
REDUCE	Between -10% to -20%
UNDERPERFORM	Lower than -20%

Risk Ratings *Reflecting historic and expected price volatility versus the local market average and qualitative risk analysis of fundamentals*	
R-1	Significantly lower than average
R-2	Lower than average
R-3	Medium / In-line with the average
R-4	Above average
R-5	Significantly above average

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