UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended **June 30, 2025**

☐ Transition Report pursuant to 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from __________ to__________

Commission File Number: **000-56239**

Quality Industrial Corp.
(Exact name of registrant as specified in its charter)

Nevada	**35-2675388**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

505 Montgomery Street
San Francisco, CA 94104
(Address of principal executive offices)

800-706-0806
(Registrant's telephone number)

(Former name, former address, and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company.

☐ Large accelerated filer	☐ Accelerated filer
☒ Non-accelerated filer	☒ Smaller reporting company
	☒ Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

Securities registered pursuant to Section 12(b) of the Act: None

State the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date: 169,110,820 common shares as of August 13, 2025.

TABLE OF CONTENTS

		Page
	PART I – FINANCIAL INFORMATION	
Item 1:	Financial Statements	1
Item 2:	Management's Discussion and Analysis of Financial Condition and Results of Operations	2
Item 3:	Quantitative and Qualitative Disclosures About Market Risk	6
Item 4:	Controls and Procedures	6
	PART II – OTHER INFORMATION	
Item 1:	Legal Proceedings	7
Item 1A:	Risk Factors	7
Item 2:	Unregistered Sales of Equity Securities and Use of Proceeds	7
Item 3:	Defaults Upon Senior Securities	7
Item 4:	Mine Safety Disclosures	7
Item 5:	Other Information	7
Item 6:	Exhibits	7

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Our financial statements included in this Form 10-Q are as follows:

F-1	Consolidated Balance Sheets as of June 30, 2025 (Unaudited) and December 31, 2024 (Audited);
F-2	Consolidated Statements of Operations for the Three and Six months ended June 30, 2025, and 2024 (Unaudited);
F-3	Consolidated Statement of Stockholders' Equity (Deficit) for the three months ended June 30, 2025, and 2024 (Unaudited);
F-4	Consolidated Statements of Cash Flows for the Six months ended June 30, 2025, and 2024 (Unaudited); and
F-5	Notes to Consolidated Financial Statements (Unaudited).

QUALITY INDUSTRIAL CORP.
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	June 30, 2025 Unaudited	December 31, 2024 Audited
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 296,738	$ 225,582
Inventory	941,425	1,224,309
Accounts Receivable	3,829,823	3,205,961
Deposits, Prepayments & Advances	845,454	810,765
Other Current Assets	2,000,000	2,000,000
Total Current Assets	**7,913,440**	**7,466,617**
Non-Current Assets		
Property, Plant and Equipment	34,750	49,115
Right-of-Use assets	279,375	202,680
Related Party Receivables	2,129,841	1,979,772
Goodwill	8,411,100	8,411,100
Total Non-current Assets	**10,855,066**	**10,642,667**
Total Assets	**$ 18,768,506**	**$ 18,109,284**
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts Payable	$ 1,424,754	$ 2,116,876
Related Party Payables	1,060,684	-
Lease Operating Liabilities	118,652	80,950
Convertible Notes, net of discount	2,512,377	2,584,054
Other payables - current	6,589,854	5,777,920
Other Current Liabilities	2,150,360	803,812
Total Current Liabilities	**13,856,681**	**11,363,612**
Non-Current Liabilities		
Lease Operating Non-Current Portion	172,651	132,741
Other payables – long-term	3,464,625	4,616,039
Total Long-Term Liabilities	**3,637,276**	**4,748,780**
Total Liabilities	**17,493,957**	**16,112,392**
Stockholders' Equity		
Preferred stock; $0.001 par value; 1,000,000 shares authorized; 20,000 and 20,000 Series B shares issued and outstanding as of as of June 30, 2025, and December 31, 2024, respectively	20	20
Common stock; $0.001 par value; 200,000,000 shares authorized; 163,880,483 and 126,642,689 shares issued and outstanding as of June 30, 2025, and December 31, 2024, respectively	163,883	126,645
Additional paid-in capital	18,447,745	18,046,911
Retained Earnings/ accumulated Deficit	(18,828,640)	(17,226,549)
Noncontrolling interest	1,491,541	1,049,865
Total stockholders' Equity	**1,274,549**	**1,996,892**
Total liabilities and stockholders' Equity	**$ 18,768,506**	**$ 18,109,284**

The accompanying notes are an integral part of these unaudited consolidated financial statements.

QUALITY INDUSTRIAL CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	For the Three Months Ended		For the Six Months Ended	
	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
Revenue	**$ 4,009,461**	**$ 3,317,206**	**$ 7,630,934**	**$ 3,317,206**
Cost of revenues	2,689,355	2,068,708	5,355,442	2,068,708
Gross profit	**1,320,106**	**1,248,498**	**2,275,492**	**1,248,498**
Operating expenses				
Professional fees	20,264	34,178	72,104	82,571
General and administrative	824,867	750,696	2,635,307	783,552
Depreciation and Amortization	34,516	37,555	74,744	37,555
Total operating expenses	**879,647**	**822,429**	**2,782,155**	**903,678**
Income (loss) from operations	**440,459**	**426,069**	**(506,663)**	**344,820**
Other (income) expenses				
Interest expense	27,355	20,253	59,596	20,253
Interest on Convertible Notes	206,390	74,929	394,929	141,128
Commitment and Conversion Fees	12,000	3,000	24,000	7,500
Discount on Convertible Notes	38,203	3,807	90,841	24,723
Other Income	-	(48,000)	-	(427,554)
Total other (income) expense, net	**283,948**	**53,989**	**569,366**	**(233,950)**
Net Income (Loss) Before Provision for Income Taxes	**156,511**	**372,080**	**(1,076,029)**	**578,770**
Corporate Income Tax	57,320	43,889	**84,386**	**43,889**
Net Income (Loss)	**99,191**	**328,191**	**(1,160,415)**	**534,881**
Less: net income attributable to noncontrolling interest	295,072	230,624	441,676	230,624
Net income (loss) attributable to QIND stockholders	**$ (195,881)**	**$ 97,567**	**$ (1,602,091)**	**$ 304,257**
Weighted average common shares outstanding	153,442,500	130,219,433	144,560,007	128,996,326
Net income (loss) per common share - basic and diluted	(0.00)	0.00	(0.01)	0.00

The accompanying notes are an integral part of these unaudited consolidated financial statements.

QUALITY INDUSTRIAL CORP.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
(UNAUDITED)

For the Six Months Ended June 30, 2025

	Preferred Stock B		Common Stock		Minority Interest		Additional Paid-in Capital	Retain Loss	Total Equity
	Shares	**Amount**	**Shares**	**Amount**	**Shares**	**Amount**	**Amount**	**Amount**	**Amount**
Balance, December 31, 2024	**20,000**	**20**	**126,642,689**	**126,645**	**-**	**1,049,865**	**18,046,911**	**(17,226,549)**	**1,996,892**
									-
Common stock issued for conversion of notes	-	-	13,786,992	13,787	-	-	215,139	-	228,926
Minority Interest	-	-	-	-	-	-	-	-	-
Net Income	-	-	-	-	-	146,604	-	(1,406,210)	(1,259,606)
Total Shareholders' Equity as of March 31, 2025	**20,000**	**20**	**140,429,681**	**140,432**	**-**	**1,196,469**	**18,262,050**	**(18,632,759)**	**966,212**
Issuance of shares of common stock for services	-	-	-	-	-	-	-	-	-
Common stock issued as staff compensation	-	-	-	-	-	-	-	-	-
Issuance of shares as a commitment fee	-	-	-	-	-	-	-	-	-
Issued shares from conversion of convertible note	-	-	23,450,802	23,451	-	-	185,695	-	209,146
Share buyback	-	-	-	-	-	-	-	-	-
Minority Interest	-	-	-	-	-	-	-	-	-
Income for the year	-	-	-	-	-	295,072	-	(195,881)	99,191
									-
Total	**20,000**	**20**	**163,880,483**	**163,883**	**-**	**1,491,541**	**18,447,745**	**(18,828,64)**	**1,274,549**

Shareholders' Equity as of June 30, 2025							**0**	

For the Six Months Ended June 30, 2024

	Preferred Stock		Common Stock		Additional Paid-in	Minority	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Interest	Deficit	Equity
Balance, December 31, 2023	-	-	**127,129,694**	**127,132**	**17,319,899**	-	**(16,703,532)**	**743,499**
Common stock issued for conversion of notes	-	-	896,809	897	48,603	-	-	49,500
Minority Interest						1,534,085		1,534,085
Income for the period	-	-	-	-	-	-	206,690	206,690
Balance, March 31, 2024	-	-	**128,026,505**	**128,029**	**17,368,502**	**1,534,085**	**(16,496,842)**	**2,533,774**
Issuance of shares of common stock for services	-	-	150,000	150	12,875	-	-	13,125
Issuance of shares as Staff Compensation	-	-	500,000	500	36,000	-	-	36,500
Issuance of shares as commitment fee	-	-	500,000	500	23,676	-	-	24,176
Issued shares from conversion of convertible note	-	-	4,310,186	4,310	151,533	-	-	155,863
Cancellation of Shares	-	-	(480,000)	(480)	(47,520)	-	-	(48,000)
Minority Interest	-	-	-	-	-	(1,170,232)	-	(1,170,232)
Income for the period	-	-	-	-	-	230,624	97,567	328,191
Total Shareholders' Equity as of June 30, 2024	-	-	**133,006,691**	**133,009**	**17,545,186**	**594,477**	**(16,399,275)**	**1,873,397**

The accompanying notes are an integral part of these unaudited consolidated financial statements.

QUALITY INDUSTRIAL CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	For the Six Months Ended	
	June 30, 2025	**June 30, 2024**
Cash flows from operating activities		
Income (Loss) for the period	(1,160,415)	534,881
Adjustment to reconcile net gain (loss) to net cash		
Finance cost	454,525	161,381
Non-Cash Stock Compensation Expense	-	36,500
Stock issued for Services	-	13,125
Commitment fees	-	24,176
Conversion fees	24,000	7,500
Corporate Income Tax Expense	84,386	43,889
Depreciation and Amortization	74,744	37,555
Other income	-	(427,554)
Discount on convertible Notes	90,841	24,723
Changes in Assets and Liabilities, net		
Inventory	282,884	302,011
Accounts receivable	(623,862)	587,661
Deposits, Prepayments & Advances	(34,689)	(456)
Related Party Receivables	(150,069)	(3,263)
Right of use asset, net	(117,282)	-
Accounts Payable	(692,122)	38,337
Other Payables – current	(12,489)	-
Other Current Liabilities	1,187,336	(133,839)
Lease Liabilities	77,612	(9,159)
Net Cash (used in)/ provided by Operating Activities	**(514,600)**	**1,237,468**
Cash flows from investing activities		
Addition of Fixed Assets	(19,792)	(2,054)
Payments to ASG Shareholders	(200,000)	-
Cash acquired in business acquisition	-	-
Net Cash used in Investing Activities	**(219,792)**	**(2,054)**
Cash flows from financing activities		
Proceeds from issuance of common stock	-	-
Repayment of Convertible Notes	(59,898)	194,950
Payment of Interest	(8,650)	(161,381)
Related Party Loan	1,060,684	-
Payments for ASG Debt	(186,588)	-
Changes in Minority interest	-	(1,170,232)
Net Cash provided by/ (used in) Financing Activities	**805,548**	**(1,136,663)**
Net increase in cash and cash equivalents	71,156	98,751

Cash and cash equivalents at the beginning of the year	225,582	2,492
Cash and cash equivalents at end of the year	**296,738**	**101,243**

The accompanying notes are an integral part of these unaudited consolidated financial statements.

NOTE 1: OUR HISTORY

The Company was incorporated in the state of Nevada under the name Sensor Technologies, Inc. on May 4, 1998. In March 2006, the Company changed its name to Bixby Energy Systems Inc. In September 2006, the Company changed its name to Power Play Development Corporation. In April 2007, the Company changed its name to National League of Poker, Inc. In October 2007, the Company changed its name back to Power Play Development Corporation. In October 2011, the Company changed its name to Bluestar Technologies, Inc. In March 2018, the Company changed its name to Wikisoft Corp.

In May 2016, the Company's Board of Directors terminated the services of all prior officers and directors, and the board appointed Robert Stevens as the Board Appointed Receiver for the Company. This was a private receivership where the board appointed the receiver to act on behalf of the Company, and no court filings were ever made in connection with the receivership. On April 16, 2019, in connection with the Merger described below, Robert Stevens resigned from all of his positions with the Company, and the board-appointed receivership was concluded. At that time, Rasmus Refer was appointed as the Company's CEO and Director, and he resigned from such positions in August and November 2020, respectively. On August 31, 2020, Carsten Kjems Falk was appointed as CEO, and on December 1, 2021, Paul C Quintal was appointed as the sole director of the Company.

On April 11, 2019, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with WikiSoft Acquisition Corp., a Delaware corporation which was then the Company's wholly owned subsidiary ("Merger Sub") and WikiSoft Corp., a privately held Delaware corporation ("WikiSoft DE"). In connection with the closing of this merger transaction, Merger Sub merged with and into WikiSoft DE (the "Merger") on April 24, 2019. Pursuant to the Merger, the Company acquired WikiSoft DE, which then became its wholly owned subsidiary.

On March 19, 2020, the Company entered into an Agreement and Plan of Merger (the "Short Form Merger Agreement") with WikiSoft DE, pursuant to which it was agreed that the Company would merge with and into WikiSoft DE, with the Company surviving. Thereafter, on March 25, 2020, WikiSoft DE merged with and into the Company, with the Company (i.e., WikiSoft Corp. - the NV corporation) surviving pursuant to a Certificate of Ownership and Merger filed in with Delaware Secretary of State, whereby the then wholly owned subsidiary (WikiSoft DE) merged with and into the Company, with the Company surviving. On March 25, 2020, the Company filed Articles of Conversion in Nevada, whereby the then subsidiary (WikiSoft DE) merged with and into the Company, with the Company surviving. Prior to the Merger, the Company did not have any business operations, and at the closing of the Merger, the Company's business was as described in detail below.

Wikisoft Corp. had a vision to become one of the largest portals of information for businesses and business professionals. Built on open-source software, the portal wikiprofile.com was initially launched in January 2018, and the portal was relaunched in June 2021.

We changed ownership on May 28, 2022, when ILUS, at the time, acquired 77.4% of the outstanding shares in our Company. Consequently, ILUS was able to control the election of our board of directors unilaterally, all matters upon which shareholder approval was required, and, ultimately, the direction of our Company. Also, during the year, Mr. Nicolas Link, beneficial owner of ILUS, was appointed as our Executive Chairman of the Board, Mr. John-Paul Backwell was appointed as our Chief Executive Officer, and Mr. Carsten Falk resigned as our Chief Executive Officer and was appointed as our Chief Commercial Officer.

In line with the change in control and business direction, our Company changed its name to Quality Industrial Corp. with the ticker QIND, with a market effective date of August 4, 2022. As a result of these transactions, Quality Industrial Corp. became a public company focused on the industrial, oil & gas and utility sectors. The Company filed articles of merger with the Secretary of State of Nevada in order to effectuate a merger with our wholly owned subsidiary, Quality Industrial Corp. Shareholder approval was not required under Section 92A.180 of the Nevada Revised Statutes. As part of the merger, our board of directors authorized a change in our name to "Quality Industrial Corp." and our Articles of Incorporation have been amended to reflect this name change. Our common stock trades under the symbol "QIND."

After ILUS acquired control of QIND on May 28, 2022, ILUS signed a binding letter of intent on June 28, 2022, to acquire 51% of Quality International, an international process manufacturing company that manufactures custom solutions for the oil and gas, petrochemical and refinery, chemical and fertilizer, power and desalination, water and wastewater, and offshore industries.

On March 9, 2023, we changed the SIC code of the Company to SIC 3590 - Misc. Industrial & Commercial Machinery and Equipment to reflect the new business direction.

On March 27, 2024, the Company signed a definitive Share Purchase Agreement with Al Shola Al Modea Gas LLC ("ASG"). Established in 1980, ASG is an Engineering and Distribution Company in the U.A.E. LPG industry. It is one of the leading suppliers and contractors of LPG centralized pipeline systems. ASG has been consolidated since being acquired on March 27, 2024.

On April 1, 2024, after several failed effort negotiations to restructure the deal and obtain information from the selling shareholders of Quality International, the QI Purchase Agreement with Quality International was terminated by Quality International and subsequently the Board of Directors of the Company approved the cancellation of the agreement with Quality International Co Ltd FZC signed on January 18, 2023, and amended on July 27, 2023. Quality International Co Ltd FZC is no longer consolidated with our financial statements.

On May 23, 2024, Quality Industrial Corp. entered into a binding term sheet with Actelis Networks, Inc., a Delaware corporation traded on the NASDAQ under the symbol ASNS, pursuant to which Actelis would acquire between 61% to 75% of the issued and outstanding shares of the Company's share capital. We originally intended to close the transaction, pending regulatory requirements and due diligence, within 60 days. On August 30, 2024, we agreed to further extend the non-solicitation and no-shop periods provided in the Term Sheet until October 1, 2024, unless mutually terminated earlier by the parties. On October 10, 2024, ASNS provided the Company with written notice of ASNS' intent to terminate the Term Sheet in accordance with the termination provisions thereof, which require a 30-day written notice of termination. The 30-day period ended, and the Term Sheet was definitively canceled on November 11, 2024.

On November 18, 2024, Quality Industrial Corp., a Nevada corporation, Fusion Fuel Green PLC ("Fusion Fuel" or "HTOO"), an Irish public limited company, Ilustrato Pictures International Inc., a Nevada corporation, a stockholder of the Company, and certain other stockholders of the Company, entered into a Stock Purchase Agreement, dated as of November 18, 2024. Under the Purchase Agreement, the Sellers transferred an aggregate of 78,312,334 shares of common stock and 20,000 shares of Series B Preferred Stock of the Company, constituting approximately 67.36% of the voting stock of the Company at the time, to Fusion Fuel Green PLC. Fusion Fuel issued 3,818,969 Class A ordinary shares and 4,171,327 preferred shares to the Sellers. As a result of these transactions, Quality Industrial Corp. is a majority-owned subsidiary of Fusion Fuel.

NOTE 2. SUMMARY OF SIGNIFICANT POLICIES

Basis of Presentation and Principles of Consolidation

The accompanying consolidated financial statements represent the results of operations, financial position, and cash flows of QIND and its majority-owned and controlled subsidiary are prepared in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP). The accounts of ASG have been included since its acquisition on March 27, 2024. All significant inter-company accounts and transactions have been eliminated.

The accompanying audited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules and regulations of the United States Securities and Exchange Commission (the "SEC") for interim financial information. It is management's opinion that the accompanying audited condensed consolidated financial statements are prepared in accordance with instructions for Form 10-Q and include all adjustments (consisting only of normal recurring accruals) which are necessary for a fair presentation of the results for the periods presented. Certain information and footnote disclosures normally included in the consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") have been condensed or omitted. It is suggested that these condensed consolidated financial statements be read in conjunction with the Annual Report on Form 10-K of Quality Industrial Corp. as of and for the year ended December 31, 2024, filed with the SEC on April 28, 2025.

Use of estimates

A critical accounting estimate is an estimate that: (i) is made in accordance with generally accepted accounting principles, (ii) involves a significant level of estimation uncertainty and (iii) has had or is reasonably likely to have a material impact on the Company's financial condition or results of operations.

The Company's Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP). The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and judgments that affect reported amounts and related disclosures. On an ongoing basis, management evaluates and updates its estimates. Management employs judgment in making its estimates, but they are based on historical experience, currently available information, and various other assumptions that the Company believes reasonable under the circumstances. The results of these estimates form the basis for making judgments about the carrying values of assets and liabilities that are not readily available from other sources. Actual results could differ from those estimates. Management believes that its judgment is applied consistently and produces financial information that fairly depicts the results of operations for all periods presented.

Significant estimates include estimates used to review the Company's impairments and estimations of long-lived assets, revenue recognition of contract-based revenue, allowances for uncollectible accounts, and the valuations of non-cash capital stock issuances. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable in the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Accounts receivable

Accounts receivable are recorded at the invoice amount less an allowance for credit losses. The allowance is an estimate based on historical collection experience, current and future economic and market conditions, and a review of the current status of each customer's trade accounts receivable. Management evaluates the aging of the accounts receivable balances and the financial condition of its customers, and all other forward-looking information that is reasonably available to estimate the amount of accounts receivable that may not be collected in the future, and before recording the appropriate provision.

The duration of such receivables extends from 30 days to beyond 90 days. Payments are received only when a project is completed and approvals are obtained. Provisions are created based on the estimated irrecoverable amounts determined by referring to past default experience and future economic and market conditions.

Inventories

In accordance with ASC 330, the Company states inventories at the lower of cost or net realizable value. Cost, which includes material, labor, and overheads, is determined on a first-in, first-out basis. The Company makes adjustments to reduce the cost of inventory to its net realizable value, if required, for estimated excess, obsolete, zero usage, or impaired balances. Factors influencing these adjustments include changes in market demand, product life cycle and engineering changes.

Property, Plant & Equipment

Property, Plant and Equipment are recorded at cost, except when acquired in a business combination, where property, plant, and equipment are recorded at fair value. Depreciation of property, plant and equipment is recognized over the estimated useful lives of the respective assets using the straight-line method. The estimated useful lives are as follows:

Property, Plant and Equipment	**Years**
Machinery	5 – 15
Vehicles	5 – 10
Furniture, Fixtures & Office Equipment	3 – 5

Expenditures that extend the useful life of existing property, plant and equipment are capitalized and depreciated over the remaining useful life of the related asset. Expenditures for repairs and maintenance are expensed as incurred. When property, plant, and equipment are retired or sold, the cost and related accumulated depreciation are removed from the Company's balance sheet, with any gain or loss reflected in operations.

Depreciation & Amortization expenses, including depreciation on Right of Use Assets for the three months ended June 30, 2025, and June 30, 2024, were $34,516 and $37,555, respectively.

Deposits, Advances and Prepayments

Advances have been paid to the suppliers and subcontractors in the ordinary course of business for the procurement of specialized material and equipment required in the process of designing, engineering and installing Central Gas distribution and monitoring systems. The Company is engaged in the design, engineering, supply, and monitoring of Central Gas systems, supplying and installing equipment such as pressure regulators, pipelines, safety equipment, tapping points, metering units, valves, and storage tanks. To undertake these projects, the Company is required to make upfront investments in materials and machinery. These projects involve many processes and take substantial time to complete. We estimate that the deposit will be utilized in the next 12 months. However, some will only be returned upon cancellation, such as the office lease deposit, internet, and utilities.

Deposits, Prepayments &Advances	**June 30, 2025**	**December 31, 2024**
QIND - Advances		
Advance for Purchases- Georgia Fire & Rescue	151,000	-
Prepaid Bonus - Nicolas Link	53,516	-
Prepaid Bonus - Louise	13,300	-
Total - QIND	**217,816**	**-**
Al Shola Gas		
Deposits & Advances		
Project Job Refundable Security Deposit Against Project Performances	309,591	462,180
DEWA Office	545	545
Emarat General Petroleum Corporation LLC	13,624	13,624
WASL Land	5,450	5,450
Dubai Properties	34,060	34,060
Dubai Real Estate Corporation	6,812	6,812
DIRE Land	6,812	6,812
Emirates Gas LLC	13,624	13,624
Energy Tech	8,937	8,937
AL NABBAH REAL ESTATE	360	-
Total	**399,815**	**552,044**
Prepaid Expenses		
Hamsah Office Rent	12,238	5,714
Store Rent	11,111	3,145
Insurance	-	8,500
Accommodation Rent	50,547	6,669
DCD License	1,698	277
Trade License	10,201	1,038
Visa Cost	39,610	45,128
Total	**125,405**	**70,471**
Other Pre-Payments		
Aiwa Energy	81,744	81,744
Aiko Mall	20,436	81,744

Aswaaq Shopping Mall	238	24,762
Total	**102,418**	**188,250**
Total Deposits, Prepayments &Advances	**845,454**	**810,765**

End-of-service benefits

Employee end-of-service benefits in our subsidiary Al Shola Gas, amounting to $132,090 as of June 30, 2025, are provided to employees in the UAE when their employment ends. Eligibility begins after one year of continuous service and varies based on contract type and length of service. These liabilities are included in other current liabilities on the accompanying consolidated balance sheet.

	June 30, 2025	December 31, 2024
Employee end of service benefits Al Shola Gas		
Balance from previous period	139,985	154,261
Add: Charge for the period	9,299	93,337
Less: Settle for the period	(17,194)	(107,613)
Total	**$ 132,090**	**$ 139,985**

Goodwill

Goodwill represents the cost of acquired companies in excess of the fair value of the net assets at the acquisition date and is subject to annual impairment. Goodwill is the excess of the purchase price paid for an acquired entity and the amount of the price not assigned to acquired assets and liabilities. It arises when an acquirer pays a high price to acquire a business. This asset only arises from an acquisition and cannot be generated internally. Goodwill is an intangible asset, and so it is listed within the long-term assets section of the acquirer's balance sheet.

The Company accounts for business combinations by estimating the fair value of consideration paid for acquired businesses and assigning that amount to the fair values of assets acquired and liabilities assumed, with the remainder assigned to goodwill. If the fair value of assets acquired and liabilities assumed exceeds the fair value of consideration paid, a gain on bargain purchase is recognized. The estimates of fair values are determined utilizing customary valuation procedures and techniques, which require us, among other things, to estimate future cash flows and discount rates. Such analyses involve significant judgments and estimations.

The Company follows the guidance prescribed in Accounting Standards Codification ("ASC") 350, *Goodwill and Other Intangible Assets*, to test goodwill and intangible assets for impairment annually if an event occurs or circumstances change that indicate that its carrying amount may not exceed its fair value.

Fair value of financial instruments

The carrying value of cash, accounts payable, warrants, accrued expenses, and debt, short-term as well as long-term, is recorded at fair value. Management believes the Company is not exposed to significant interest or credit risks arising from these financial instruments.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value maximize the use of observable inputs and minimize the use of unobservable inputs. The Company utilizes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable.

- Level 1. Quoted prices in active markets for identical assets or liabilities. These are typically obtained from real-time quotes for transactions in active exchange markets involving identical assets.
- Level 2. Quoted prices for similar assets and liabilities in active markets; quoted prices included for identical or similar assets and liabilities that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets. These are typically obtained from readily available pricing sources for comparable instruments.
- Level 3. Unobservable inputs, where there is little or no market activity for the asset or liability. These inputs reflect the reporting entity's own beliefs about the assumptions that market participants would use in pricing the asset or liability, based on the best information available in the circumstances.

Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standards Codification (ASC) Topic 606, Revenue from Contracts with Customers (ASC 606).

The principal activity of the Company is through our operating subsidiary, Al Shola Al Modea Gas Distribution LLC ("ASG" or "Al Shola Gas"), where we provide comprehensive solutions for the liquefied petroleum gas ("LPG") industry. Our services include consulting, designing, supplying, installing, and maintaining LPG systems, as well as the transportation and supply of LPG in both bulk and cylinder formats. We cater to a diverse range of clients, including commercial buildings, mixed-use apartment complexes, shopping centers, food courts, heavy industries, labor accommodations, catering units, commercial kitchens, and dining establishments. Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The company has applied the five-step approach below. It has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

1. Identify the contract with a customer.
2. Identify the performance obligations in the contract.
3. Determine the transaction price.
4. Allocate the transaction price.
5. Recognize revenue when the entity satisfies the performance obligation.

Stock-based compensation

The Company recognizes all stock-based compensation using the fair value provisions prescribed by ASC Topic 718, Compensation - Stock Compensation. Accordingly, compensation costs for awards of stock-based compensation settled in shares are determined based on the fair value of the share-based instrument at the time of grant and are recognized as expense over the vesting period of the share-based instrument, net of estimated forfeitures.

In accordance with ASC 718, the Company will generally apply the same guidance to both employee and non-employee share-based awards. However, the Company will also follow specific guidance for share-based awards to non-employees related to the attribution of compensation cost and the inputs to the option-pricing model for expected term. Non-employee share-based payment equity awards are measured at the grant-date fair value of the equity instruments, similar to employee share-based payment equity awards.

The Company calculates the fair value of option grants and warrant issuances utilizing the Binomial pricing model. The amount of stock-based compensation recognized during a period is based on the value of the portion of the awards that are ultimately expected to vest. ASC 718 requires forfeitures to be estimated at the time stock options are granted and warrants are issued to employees and non-employees, and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The term “forfeiture” is distinct from “cancellations” or “expirations” and represents only the unvested portion of the surrendered stock option or warrant. The Company estimates forfeiture rates for all unvested awards when calculating the expenses for the period. In estimating the forfeiture rate, the Company monitors both stock option and warrant exercises as well as employee termination patterns. The resulting stock-based compensation expense for both employee and non-employee awards is generally recognized on a straight-line basis over the period in which the Company expects to receive the benefit, which is usually the vesting period.

Rounding

For purposes of clarity and ease of presentation, all dollar amounts in these financial statements have been rounded to the nearest whole number. However, the underlying data used in the calculations is not rounded, and the totals presented may differ by a small amount due to rounding. These differences are considered immaterial and do not affect the overall financial position or results of operations.

Earnings (loss) per share

The Company reports earnings (loss) per share in accordance with the Financial Accounting Standards Board’s (“FASB”) Accounting Standards Codification (“ASC”) 260-10 “*Earnings Per Share,*” which provides for the calculation of “basic” and “diluted” earnings per share. Basic earnings per share include no dilution and are computed by dividing net income or loss available to common stockholders by the weighted average common shares outstanding for the period. Diluted earnings per share reflect the potential dilution of securities that could share in the earnings of an entity. The calculation of diluted net loss per share gives effect to common stock equivalents; however, potential common shares are excluded if their effect is anti-dilutive.

Particulars	**Three Months Ended June 30, 2025 (unaudited)**	**Three Months Ended June 30, 2024 (unaudited)**	**Six Months Ended June 30, 2025 (unaudited)**	**Six Months Ended June 30, 2024 (unaudited)**
Basic and diluted EPS*				
Numerator				
Net income/(loss)	99,191	328,191	(1,160,415)	534,881
Net Income attributable to common stockholders	(195,881)	97,567	(1,602,091)	304,257
Denominator				
Weighted average shares outstanding	153,442,500	130,219,433	144,560,007	128,996,326
Number of shares used for basic EPS computation	153,442,500	130,219,433	144,560,007	128,996,326
Basic EPS	**(0.00)**	**0.00**	**(0.01)**	**0.00**
Number of shares used for diluted EPS computation*	173,692,500	130,469,433	164,810,007	129,246,326
Diluted EPS	**(0.00)**	**0.00**	**(0.01)**	**0.00**

* Includes 250,000 issued warrants as of June 30, 2024, and further as of June 30, 2025, also including 20,000 series B stock converting at 1:1000.

Income taxes

The Company accounts for income tax positions in accordance with Accounting Standards Codification Topic 740-10-50, “Income Taxes” (“ASC Topic 740”). This standard prescribes the recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more likely than not to be sustained upon examination by taxing authorities. There was no material impact on the Company’s financial position or results of operations as a result of the application of this standard. Deferred tax assets have not been created the majority of the company’s income belongs to the subsidiary, which is registered in an income tax-free jurisdiction since any losses incurred cannot be utilized in the future, rendering deferred tax assets irrelevant, The profits of a foreign subsidiary corporation are ordinarily not subject to tax in the United States as in accordance with the general Internal Revenue Service rule, foreign subsidiaries are not considered U.S. corporations even if they are wholly owned.

Corporate Tax Provision

On January 1, 2024, the UAE introduced a Corporate Tax applicable to Companies on taxable income of above AED 375,000 (i.e., equivalent to USD 102,000 approx.) with a rate of 9% subject to certain conditions/requirements, and due filing of return within nine (9) months to the FTA, post the financial year ending 2024. This relevant tax provision has been accounted for with our UAE-based subsidiary Al Shola Gas.

Recently issued accounting pronouncements

The Company has evaluated all other recent accounting pronouncements and believes that none of them are expected to have a material effect on the Company’s financial position, results of operations, or cash flows.

Off-Balance Sheet Arrangements

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources that are material to stockholders.

Lease liabilities

The Company accounts for leases under ASC Topic 842, *Leases* (Topic 842). Under Topic 842, at the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include, if any, the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate.

The variable lease payments that do not depend on an index or a rate are recognized as expenses in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments, or a change in the assessment to purchase the underlying asset.

The Company’s subsidiary, Al Shola Gas, has entered into commercial vehicles. These leases generally have a lease term of 4 years. The Company’s obligations under its leases are secured by the lessor’s title to the leased assets. There are no restrictions placed upon the Company by entering into these leases. The Company also has leases with terms of 12 months or less, for which the Company has elected not to apply Topic 842.

The Company has a Lease arrangement for which the liability has been recorded separately. The Company determines whether an arrangement contains a lease at inception. A lease liability and corresponding right-of-use (ROU) asset are recognized for qualifying leased assets based on the present value of fixed and certain index-based lease payments at lease commencement.

The Company's obligations under its leases are secured by the lessor's title to the leased assets. There are no restrictions placed upon the Company by entering into these leases. The Company determines if an arrangement is or contains a lease at contract inception and recognizes an ROU asset and a lease liability based on the present value of fixed and certain index-based lease payments at the lease commencement date. Variable payments are excluded from the present value of lease payments and are recognized in the period in which the payment is made.

The Company generally uses its incremental borrowing rate as the discount rate for measuring its lease liabilities, as the Company cannot determine the interest rate implicit in the lease because it does not have access to certain lessor-specific information. Lease expense is recognized on a straight-line basis over the lease term. The Company does not have significant finance leases. The Company has elected not to separate payments for lease components from payments for non-lease components for all classes of leases.

When accounting for finance leases in accordance with ASC 842, an entity recognizes interest on the lease liability and amortization of the ROU asset in the income statement and classifies payments of the principal portion of the lease liability as financing activities and payments of interest on the lease liability as operating activities.

NOTE 3. GOING CONCERN

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business.

Management evaluated all relevant conditions and events that are reasonably known or reasonably knowable, in the aggregate, as of the date the consolidated financial statements are issued and determined. The Company's ability to continue as a going concern is dependent on the Company's ability to continue to generate sufficient revenues and raise capital within one year from the date of filing.

QIND has planned future acquisitions, and we intend to disclose these acquisitions, as they happen, in our ongoing reports with the Securities and Exchange Commission. Over the next twelve months, management plans to use borrowings and security sales to mitigate the effects of cash flow deficits; however, no assurance can be given that debt or equity financing, if and when required, will be available.

NOTE 4. CURRENT ASSETS

Cash and Cash Equivalents

For purposes of the statements of cash flows, in accordance with ASC 230-10-20, the Company considers all highly liquid investments and short-term debt instruments with original maturities of three months or less to be cash equivalents. The Company held no cash equivalents as of June 30, 2025, and December 31, 2024. There were $296,738 and $225,582 in cash and cash equivalents as of June 30, 2025, and December 31, 2024, respectively.

	June 30, 2025	December 31, 2024
Cash and Cash Equivalents		
Cash in hand	128,679	122,432
Cash at bank	168,059	103,150
Total	**$ 296,738**	**$ 225,582**

Accounts Receivables

Accounts receivable arise from our subsidiary, Al Shola Gas. The duration of such receivables extends from 30 days to beyond 90 days. Payments are received only when a project milestone is completed, and approvals are obtained, or after the goods or services are transferred, and according to the payment terms with the customer. Provisions are created based on the estimated irrecoverable amounts determined by referring to past default experience.

Accounts Receivables Ageing Al Shola Gas	June 30, 2025	December 31, 2024
1-30 days	1,083,002	992,416
31-60 days	933,989	595,763
61-90 days	513,160	609,407
+90 days	1,299,672	1,008,375
Total	**3,829,823**	**3,205,961**

Other Current Assets

On August 25, 2023, the Company issued to Artelliq Software Trading 6,410,971 shares of our common stock for $2,000,000 pursuant to a share purchase and buyback agreement signed on August 21, 2023. The $2,000,000 was paid to Quality International as a tranche payment of the amended purchase agreement.

NOTE 5. NON-CURRENT ASSETS

Related Party Receivables

As of June 30, 2025, and December 31, 2024, the Company had amounts due from Ilustrato Pictures International, Inc. (“ILUS”), a former majority shareholder of the Company, of $1,993,525 and $1,979,772, respectively. As of June 30, 2025, $493,525 is related to an intercompany loan agreement executed by and between the Company and ILUS on June 15, 2022. The maximum principal amount to be borrowed by either party from the other under the agreement was $1,000,000. The purpose of the agreement was to provide for working capital to either the Company or ILUS through cash advances on an unsecured basis requested by either party at any time and from time to time in amounts of up to $100,000, and the agreement shall automatically be renewed for successive one-year terms after that unless terminated. The intercompany loan agreement has a term of one year from the date of execution, and all cash advances mature and become payable on the termination date. Any unpaid principal accrues simple interest from the date of each cash advance until payment in full at a rate equal to 1% per annum. The remaining $1,500,000 relates to an asset purchase agreement the Company signed on June 21, 2024, with Ilustrato Pictures International Inc. to acquire the long-term investment of $1,500,000 in Quality International. ILUS agreed to reimburse the Company for the $1,500,000 invested in Quality International that was subsequently canceled and not returned.

The Company’s majority-owned subsidiary, Al Shola Gas, has a sister company, Al Shola Al Modea Safety and Security LLC (“Al Shola Safety”), an established fire safety company registered in the United Arab Emirates. While both entities operate independently, there is a limited overlap in their customer base. In certain instances, customers may remit payment for goods or services provided by both companies to only one of the entities. These transactions are recorded as related party transactions on the transaction date and are reconciled monthly between the respective related party accounts. As of June 30, 2025, there were $136,316 outstanding balances between Al Shola Gas and Al Shola Safety.

As of June 30, 2025, and December 31, 2024, the Company had amounts due from Nicolas Link due to prepayment of bonus amounting to $53,516 and $0, respectively.

As of June 30, 2025, and December 31, 2024, the Company had amounts due from Louise Bennet due to prepayment of bonus amounting to $13,300 and $0, respectively.

Goodwill

The Company acquired a 51% interest in Al Shola Gas on March 27, 2024, following the issuance of a $9,000,000 note payable and $1,000,000 in cash. The note payable is due as follows: $9 million in National Exchange-listed stock or cash to be paid to the Seller. Payment is made in eight quarterly tranches over 24 months, beginning from the first quarter following the uplist to a national exchange. Stock value is to be protected by a make-whole agreement/s and each tranche is subject to a mutually agreed 12-month leak-out agreement. Within 12 months of closing, and at the soonest possible, a $1 million cash payment is to be made to the Seller.

The Company acquired 51% of Al Shola Gas LLC for $10,000,000 and now owns 51% of the Net Assets of Al Shola Gas. The net assets of Al Shola Gas were $3,115,491 on June 30, 2024, of which $1,588,900 (51%) is owned by QIND. The remaining $1,526,591 (49%) of net assets are held by a minority interest or noncontrolling interest. The purchase price of $10,000,000 minus the net assets held by the Company in Al Shola Gas, equating to $8,411,100, is part of the Company's Goodwill. The noncontrolling interest has been presented separately on the accompanying consolidated balance sheet and statement of operations.

NOTE 6. CURRENT LIABILITIES

Accounts Payable

Accounts payable totaled $1,424,754 as of June 30, 2025, including Trade and Other Payables of $733,143 for QIND and $691,611 for our subsidiary, Al Shola Gas. This compares to $801,721 for QIND and $1,315,155 for Al Shola Gas as of December 31, 2024.

Accounts Payable Ageing	**June 30, 2025**	**December 31, 2024**
1-30 days	233,865	710,438
31-60 days	40,094	272,627
61-90 days	77,507	169,515
+90 days	1,073,288	964,296
Total	**1,424,754**	**2,116,876**

Related Party Payable

On November 18, 2024, Quality Industrial Corp., Fusion Fuel Green PLC, an Irish public limited company, Ilustrato Pictures International Inc., a Nevada corporation, and certain other stockholders of the Company, entered into a Stock Purchase Agreement. Pursuant to section 6.04 of the agreement, Purchaser shall use commercially reasonable efforts to raise at least $5,000,000 in one or more financing transactions, and the Company and Sellers shall support and assist Purchaser in connection with the Purchaser Financing. The Parties agree that 50% of the proceeds from the Purchaser Financing will be set aside and made available expressly for the Company to use for its working capital and corporate needs and the remaining 50% of such funds will be set aside and made available expressly for the businesses of Purchaser existing immediately prior to Closing to use for their working capital and corporate needs. To split the net proceeds of the Purchaser Financing as described above, Purchaser shall make loans of one-half of the net proceeds to the Company, which loans shall be (i) forgiven upon the Preferred Stock Conversion or (ii) repaid if the Transactions are unwound.

As of June 30, 2025, and December 31, 2024, the Company had amounts owed to Fusion Fuel Green PLC amounting to $1,060,684 and $0, respectively.

Operating Lease Liabilities – Current

As disclosed, we acquired 51% of the outstanding shares of ASG on March 27, 2024. These acquired operating leases were valued on the date of acquisition using the present value of the lease payments remaining from the date acquired and an estimated incremental borrowing rate of 8%. As of June 30, 2025, we had a current portion of lease liabilities of $118,652.

Convertible Notes

On August 3, 2022, the Company issued a two-year convertible promissory note in the principal amount of $1,100,000 to RB Capital Partners Inc. The Note bears interest at 7% per annum. The Company has the right to prepay the Note at any time. All principal on the Note is convertible into shares of our common stock after six months from issuance at the election of the holder at a conversion price equal to $1.00 per share.

On March 17, 2023, the Company issued a two-year convertible promissory note in the principal amount of $200,000 to RB Capital Partners Inc. The Note bears interest at 7% per annum. The Company has the right to repay the Note at any time. All principal on the Note is convertible into shares of our common stock after six months from issuance at the election of the holder at a conversion price equal to $1.00 per share.

On May 23, 2023, the Company issued to Jefferson Street Capital LLC a one-year convertible promissory note in the principal amount of $220,000 (the “Jefferson Note”). The Jefferson Note bears interest at 7% per annum. The Company has the right to prepay the Note at any time. All principal on the Jefferson Note is convertible into shares of our common stock after six months from issuance at the election of the holder at a conversion price equal to $0.35 per share. During the six months ended September 30, 2024, the lender elected to convert an aggregate of $100,000 of principal into 2,697,315 shares of common stock.

On June 16, 2023, the Company issued to Sky Holdings Ltd. A six-month convertible promissory note in the principal amount of $550,000. The Note bears interest at 7% per annum. The Company has the right to prepay the Note at any time. All principal on the Note is convertible into shares of our common stock after six months from issuance at the election of the holder at a conversion price equal to $0.35 per share. On May 16, 2024, the promissory note was amended to have a conversion price equal to $0.0375 per share.

On December 20, 2023, QIND issued a two-year convertible promissory note RB Capital Partners Inc. in the principal amount of $100,000 with a maturity date of December 30, 2025. The note bears interest at 10% per annum. QIND has the right to prepay the note at any time. All principal on the note is convertible into shares of QIND common stock after six months from issuance at the election of the holder at a conversion price equal to $1.00 per share.

On December 20, 2023, the Company issued a one-year convertible promissory note in the principal amount of $100,000 to Sean Levi. This Convertible Promissory Note (the “Note”) shall bear a minimum of twenty percent (20%) interest, which will be payable within five business days from when the company receives the IPO funding, and thereafter, fifteen percent (15%) per annum will be charged. The Note is for 1 year and cannot be converted until 6 months from the date first written above has passed. Fifty Percent (50%) of the value of this note is committed to shares to be issued at a 25% discount to the IPO price. These shares are to be issued upon uplist to the NASDAQ and must be held for six (6) months. If QIND does not uplist, then Holder will be issued 200% of the value of this note in QIND stock listed on the OTC Markets. Upon payment in full of the principal, this Note shall be surrendered to the Company for cancellation.

On February 6, 2024, we issued a six-month convertible promissory note to Exchange Listing LLC in the principal amount of $35,000. The note is convertible into common stock at a discount of thirty-five percent (35%) to the volume-weighted average trading (“VWAP”) of the Company’s common stock for the five (5) days before any conversion and bears 10% interest per annum. The maturity date shall be the earlier of (i) six (6) months from the Issue Date or (ii) upon completion of a listing of the Company on a Senior Exchange.

On May 21, 2024, we issued a one-year convertible promissory note to Jefferson Street Capital LLC in the principal amount of $71,500, with equal consecutive payments due monthly beginning on October 21, 2024, that is five (5) months from the Issue Date, with the final payment due on February 21, 2025. The note is convertible into common stock at the rate of $0.03 and bears 10% interest per annum. The promissory note required 500,000 commitment shares to be issued. The relative fair value of these commitment shares of $24,179 was recorded as a debt discount and increased to additional paid-in capital. The discount will be amortized into interest expense over the term of the promissory note.

On September 20, 2024, we entered into a loan agreement with J.J. Astor & Co. The Note is the senior secured with a Principal Amount of $405,000, which shall be payable in forty weekly instalments of $10,125. The note converts at 80% of the average of the four lowest volume-weighted average closing prices of Company Common Stock over the twenty (20) trading days immediately prior to each permitted conversion of the Note.

On September 25, 2024, we issued a convertible promissory note to 1800 Diagonal Lending LLC in the principal amount of $115,000. A one-time interest charge of thirteen percent with a total of $14,950 was applied on the Issuance Date. The first payment shall be due October 30, 2024, with eight subsequent payments due on the 30th of each month thereafter. Accrued, unpaid Interest and outstanding principal, subject to adjustment, shall be paid in nine (9) payments, each of $14,438.89 (a total payback to the Holder of $129,500). All principal on the Diagonal Lending Note is convertible into shares of our common stock in the event of default, with a conversion price of 65% multiplied by the lowest Trading Price for the Common Stock during the ten (10) Trading Days prior to the Conversion Date. Subsequently, the note has been converted in full.

Certain convertible notes include original issuance discounts or other issuance-type costs, resulting in debt discounts upon execution. These discounts are amortized into interest expense over the term of the convertible note. During the three months ended June 30, 2025, amortization related to these discounts totaled $38,203.

A summary of these outstanding convertible notes and accrued interest as of June 30, 2025, is summarized below:

Debt & Interest Payable

Lender	Date of Issue	Maturity Date	Principal Amount	Default Interest/ Fees	Paid	Converted	Outstanding	Interest
RB Capital Partners Inc.	3 Aug 2022	31 Dec 2024	1,100,000	-	-	-	1,100,000	224,249
RB Capital Partners Inc.	17 Mar 2023	16 Mar 2025	200,000	-	-	-	200,000	32,104
Jefferson	23 May 2023	31 Dec 2024	220,000	123,949	-	241,495	102,454	-
Sky Holdings	16 Jun 2023	31 Dec 2024	550,000	-	-	77,000	473,000	76,015
RB Capital Partners Inc.	21 Dec 2023	20 Dec 2024	100,000	-	-	-	100,000	14,986
Sean Levi	8 Jan 2024	8 Jan 2025	100,000	-	-	-	100,000	29,589
Exchange Listing LLC	6 Feb 2024	31 Dec 2024	35,000	-	-	-	35,000	6,636
Jefferson	21 May 2024	21 Feb 2025	71,500	47,311	-	54,500	64,311	7,150
1800 Diagonal Lending	3 Jul 2024	25 Apr 2025	179,400	93,915	39,456	233,859	-	-
1800 Diagonal Lending	25 Sep 2024	30 Jun 2025	115,000	69,162	12,778	171,384	-	-
J.J. Astor & Co	20 Sep 2024	30 Jun 2025	405,000	-	65,925	-	339,075	-
Less: Interest Paid								(52,352)
Total			**3,075,900**	**334,337**	**118,158**	**778,238**	**2,513,840**	**338,377**

Discount on Convertible Notes

Lender	Date of Issue	Maturity Date	Discount
1800 Diagonal Lending	18 Jan 2024	30 Oct 2024	20,117
1800 Diagonal Lending	12 Mar 2024	15 Dec 2024	13,617
Jefferson	21 May 2024	21 Feb 2025	6,500
J.J. Astor & Co	20 Sep 2024	4 Jul 2025	105,000
1800 Diagonal Lending	25 Sep 2024	30 Jun 2025	15,000
1800 Diagonal Lending	3 Jul 2024	25 Apr 2025	23,400
Jefferson Capital (JC)	21 May 2024	21 Feb 2025	24,179
Less: Amortized			(206,349)
Balance as of June 30, 2025			**1,463**

Options and Warrants

In accordance with ASC 470, warrants have been classified as a liability and recorded at their fair value.

On April 19, 2023, the Company issued a common share purchase warrant to Exchange Listings LLC (the "Exchange Common Share Purchase Warrant"). The holder is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after the date of issuance hereof, to purchase from the Company, 200,000 of the Company's common shares (whereby such number may be adjusted from time to time pursuant to the terms and conditions of the Exchange Common Share Purchase Warrant) at the exercise price of $0.58, per share then in effect.

On May 23, 2023, the Company issued a common share purchase warrant to Jefferson Street Capital LLC (the "Jefferson Common Share Purchase Warrant"). The holder is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after the date of issuance hereof, to purchase from the Company, 50,000 of the Company's common shares (whereby such number may be adjusted from time to time pursuant to the terms and conditions of the Jefferson Common Share Purchase Warrant) at the exercise price of $3.50, per share then in effect.

Other Payables Current

In connection with the ASG Acquisition, we acquired short-term bank debt totaling $550,060. As of June 30, 2025, total current borrowings outstanding were $164,854.

The Company acquired a 51% interest in Al Shola Gas on March 27, 2024, with the issuance of a $9,000,000 note payable and $1,000,000 in cash. The note payable is due as follows: $9 million in National Exchange-listed stock or cash to be paid to the Seller, of which $6,425,000 is the current portion as of June 30, 2025.

Other Payables Current	**June 30, 2025**	**December 31, 2024**
Payable to Shareholders of Al Shola Gas	6,425,000	5,500,000
Carsten expenses payable	-	12,229
Bank Borrowings- Current	164,854	265,692
Total	**6,589,854**	**5,777,920**

Other Current Liabilities

As of June 30, 2025, and December 31, 2024, the Company's Other Current Liabilities were $2,150,360 and $803,812, respectively.

Other Current Liabilities	**June 30, 2025**	**December 31, 2024**
Lease Liabilities	-	-
Accrued Interest on Convertible note	338,377	263,551
Payroll Liabilities (Group)*	1,329,906	148,675
Audit fee provision	62,000	48,000
Retirement benefits	132,090	139,985
Corporate Tax payable	287,987	203,601
Total	**2,150,360**	**803,812**

Payroll Liabilities (Group)*	**June 30, 2025**	**December 31, 2024**
QIND	-	-
Salary and bonus payable – CEO	648,264	35,000
Salary, bonus and expenses payable – CCO	612,101	113,675
ASG		
Salary Payable -Staff	69,541	-
Total	**1,329,906**	**148,675**

NOTE 7. NON-CURRENT LIABILITIES

Operating Lease Liabilities – Non-Current Portion

As disclosed, we acquired 51% of the outstanding shares of ASG on March 27, 2024. These acquired operating leases were valued on the date of acquisition using the present value of the lease payments remaining from the date acquired and an estimated incremental borrowing rate of 8%. As of June 30, 2025, we had a non-current portion of lease liabilities of $172,651.

The following is a summary of future lease payments required under the lease agreements:

	DUSTER	**X TRAIL**	**KICKS**	**URWAN**	**MICROBUS**	**SUNNY**	**ASX**	**YARIS**	**KICKS NEW**	**RENAULT NEW**	**MERCEDES BENZ G580**	**Total**
Year 2025	2,231	3,088	4,558	9,473	7,969	4,790	2,656	2,175	2,141	2,202	17,652	**58,933**
Year 2026	4,738	6,558	9,680	20,118	16,924	10,173	2,295	1,120	4,546	4,676	37,486	**118,313**
Year 2027	2,088	4,074	6,013	8,868	7,460	6,320	0	0	4,923	5,064	40,598	**85,407**
Year 2028	0	0	0	0	0	0	0	0	3,959	3,146	21,545	**28,650**
Total	**9,058**	**13,719**	**20,251**	**38,458**	**32,352**	**21,282**	**4,951**	**3,295**	**15,568**	**15,087**	**117,281**	**291,303**

Supplemental Information as of June 30, 2025:

	DUSTER	X TRAIL	KICKS	URWAN	MICROBUS	SUNNY	ASX	YARIS	KICKS NEW	RENAULT NEW	MERCEDES BENZ G580	Total
RoU Assets	8,363	12,749	18,819	35,509	29,871	19,777	4,396	2,907	15,132	14,571	117,281	**279,375**
Lease Liability	**9,058**	**13,719**	**20,251**	**38,458**	**32,352**	**21,282**	**4,951**	**3,295**	**15,568**	**15,087**	**117,281**	**291,303**
Current	4,553	6,301	9,301	19,331	16,262	9,775	4,951	3,295	4,368	4,493	36,021	**118,652**
Non Current	4,505	7,418	10,950	19,127	16,090	11,507	-	-	11,200	10,594	81,260	**172,651**

Weighted average remaining lease term (in years)	2.26
Weighted average discount rate	8%

Other Payables – Long term

In connection with the ASG Acquisition, we acquired long-term bank debt totaling $357,577. As of June 30, 2025, total long-term borrowings outstanding were $89,625.

The Company acquired a 51% interest in Al Shola Gas on March 27, 2024, with the issuance of a $9,000,000 note payable and $1,000,000 in cash. The payable is due as follows: $9 million in National Exchange-listed stock or cash to be paid to the Seller, of which $3,375,000 is the non-current portion.

Other Payables Non-current	**June 30, 2025**	**December 31, 2024**
Payable to Shareholders of Al Shola Gas	3,375,000	4,500,000
Bank Borrowings – Non – Current	89,625	116,039
Total	**3,464,625**	**4,616,039**

NOTE 8. STOCKHOLDERS' EQUITY

The Company's authorized capital stock consists of 200,000,000 shares of common stock and 1,000,000 shares of preferred stock, par value $0.001 per share.

As of June 30, 2025, and June 30, 2024, there were 163,880,483 and 133,006,691 shares of common stock issued and outstanding, respectively.

As of June 30, 2025, and June 30, 2024, there were 0 and 0 shares of Series A stock of the Company issued and outstanding, respectively.

As of June 30, 2025, and June 30, 2024, there were 20,000 and 0 shares of Series B stock of the Company issued and outstanding, respectively.

For the Six Months ended June 30, 2024

On January 11, 2024, the Company issued 281,426 shares of our common stock to Jefferson Street Capital LLC for the conversion of $15,000 of principal and $1,500 of conversion fees, pursuant to a convertible note signed on May 23, 2023.

On January 19, 2024, the Company issued 307,692 shares of our common stock to Jefferson Street Capital LLC for the conversion of $15,000 of principal and $1,500 of conversion fees, pursuant to a convertible note signed on May 23, 2023.

On February 15, 2024, the Company issued 307,692 shares of our common stock for the conversion of $15,000 of principal and $1,500 of conversion fees to Jefferson Street Capital LLC, pursuant to a convertible note signed on May 23, 2023.

On April 26, 2024, we entered into an asset purchase agreement with Mr. Refer, the previous owner of the legacy business. Mr. Refer bought the intangible legacy assets of Wikisoft for a total consideration of 480,000 common stocks to Quality Industrial Corp. ("QIND") with a fair market value of $0.10 per common stock or $48,000. The shares were returned to the treasury on May 20, 2024. The legacy assets had no book value; therefore, we have recognized a gain of $48,000 related to this asset purchase.

On April 30, 2024, the Company issued 150,000 fully vested shares of our common stock to Paul Keely for services with a fair market value of $13,125 based on the market price of our stock on the date of grant.

On May 7, 2024, the Company issued 416,141 shares of our common stock to Jefferson Street Capital LLC for the conversion of $15,000 of principal and $1,500 of conversion fees, pursuant to a convertible note signed on May 23, 2023.

On May 14, 2024, the Company issued 500,000 fully vested shares of our common stock to John-Paul Backwell, our CEO, pursuant to his employment contract with a fair market value of $36,500 based on the market price of our stock on the date of grant.

On May 21, 2024, the Company issued 3,009,680 shares of our common stock to Jefferson Street Capital LLC for the conversion of $15,000 of principal and $1,500 of conversion fees, pursuant to a convertible note signed on May 23, 2023.

On June 3, 2024, the Company issued 500,000 commitment shares of our common stock to Jefferson Street Capital, pursuant to a convertible note signed on May 21, 2024, with a relative fair value of $24,179

On June 5, 2024, the Company issued 884,365 shares of our common stock to Jefferson Street Capital LLC for the conversion of $25,000 of principal and $1,500 of conversion fees, pursuant to a convertible note signed on May 20, 2024.

For the Six Months ended June 30, 2025

On January 10, 2025, the Company issued 600,962 shares of our common stock to 1800 DIAGONAL LENDING LLC for the conversion of $20,000 of principal, pursuant to a convertible note signed on July 3, 2024.

On January 13, 2025, the Company issued 818,331 shares of our common stock to 1800 DIAGONAL LENDING LLC for the conversion of $25,000 of principal, pursuant to a convertible note signed on July 3, 2024.

On January 17, 2025, the Company issued 1,024,590 shares of our common stock to 1800 DIAGONAL LENDING LLC for the conversion of $25,000 of principal, pursuant to a convertible note signed on July 3, 2024.

On January 27, 2025, the Company issued 1,678,321 shares of our common stock to 1800 DIAGONAL LENDING LLC for the conversion of $30,000 of principal, pursuant to a convertible note signed on July 3, 2024.

On January 29, 2025, the Company issued 2,482,269 shares of our common stock to 1800 DIAGONAL LENDING LLC for the conversion of $35,000 of principal, pursuant to a convertible note signed on July 3, 2024.

On January 30, 2025, the Company issued 2,836,879 shares of our common stock to 1800 DIAGONAL LENDING LLC for $40,000, for part conversion of a convertible note signed on July 03, 2023.

On February 3, 2025, the Company issued 2,994,289 shares of our common stock to 1800 DIAGONAL LENDING LLC for the conversion of $ 38,925.77 of principal, pursuant to a convertible note signed on July 3, 2024. There was no Balance Due remaining under this Note after this Conversion.

On March 27, 2025, the Company issued 1,351,351 shares of our common stock to 1800 DIAGONAL LENDING LLC for the conversion of $15,000 of principal, pursuant to a convertible note signed on September 25, 2024.

On April 27, 2025, the Company issued 1,538,461 shares of our common stock to 1800 DIAGONAL LENDING LLC for the conversion of $20,000 of principal, pursuant to a convertible note signed on September 25, 2024.

On April 30, 2025, the Company issued 1,972,386 shares of our common stock to 1800 DIAGONAL LENDING LLC for the conversion of $25,000 of principal, pursuant to a convertible note signed on September 25, 2024.

On May 1, 2025, the Company issued 2,866,698 shares of our common stock to 1800 DIAGONAL LENDING LLC for the conversion of $30,000 of principal, pursuant to a convertible note signed on September 25, 2024.

On May 6, 2025, the Company issued 3,959,276 shares of our common stock to 1800 DIAGONAL LENDING LLC for the conversion of $35,000 of principal, pursuant to a convertible note signed on September 25, 2024.

On May 6, 2025, the Company issued 2,449,570 shares of our common stock to Jefferson Street Capital LLC for the conversion of $0.00 principal amount of the Note together with $8,794.98 of accrued and unpaid interest thereto, $11,200.00 in default principal and $1,500.00 in fees, totaling $21,494.98, pursuant to a convertible note signed on May 23, 2023.

On May 13, 2025, the Company issued 7,644,749 shares of our common stock to 1800 DIAGONAL LENDING LLC for the conversion of $56,150.68 of principal, pursuant to a convertible note signed on September 25, 2024. The note was fully converted.

On June 5, 2025, the Company issued 3,019,662 shares of our common stock to Jefferson Street Capital LLC for the conversion of $20,000 of principal and $1,500 of conversion fees pursuant to a convertible note signed on September 25, 2024.

NOTE 9. General and Administrative Expenses

	For the Three Months Ended		For the Six Months Ended	
General and Administrative Expenses	**30-Jun-25**	**30-Jun-24**	**30-Jun-25**	**30-Jun-24**
Salary & Compensation – QIND				
Salary	191,227	22,500	371,227	45,000
Bonus	-	39,125	1,020,000	39,125
Salary & Compensation – ASG				
Salary and other allowances	226,531	231,079	472,312	231,079
Management Expense	112,764	98,910	218,757	98,910
Rent	36,650	3,924	68,999	4,346
Office Expenses	11,151	1,547	17,603	1,547
IT support	4,428	66	7,936	132
Other expenses**	242,116	353,545	458,473	363,413
Total	824,867	750,696	2,635,307	783,552

**Other expenses are primarily expenses in Al Shola Gas for items such as Fuel Expenses, Commission Against Business Activities and depreciation.

NOTE 10. NON-OPERATING INCOME

The Company earned other income in 2024 as a result of the sale of intangible legacy assets and the reversal of interest payments on the loan agreements with Mahavir and Artelliq, which were unwound with the cancellation of the agreement with Quality International.

The table below presents the breakdown of non-operating income:

Non-Operating income Six Months Ended	June 30, 2025	June 30, 2024
Reversal of interest payment	-	(427,554)
Total	**$ -**	**$ (427,554)**

NOTE 11. BUSINESS COMBINATION DISCLOSURE

In Accordance with ASC 805-10-50, ASC 805-30-50, and ASC 805-10-25-6

On March 27, 2024, QIND entered into a definitive Stock Purchase Agreement with the shareholders of AL SHOLA AL MODEA GAS DISTRIBUTION L.L.C. to acquire 51% of the shares, a United Arab Emirates headquartered company ("ASG" or "AL SHOLA GAS"). AL SHOLA GAS is a revenue-generating company in the business of gas system installation and gas supply for commercial and domestic consumers.

QIND acquired majority ownership of AL SHOLA GAS, effective as of March 27, 2024, resulting in AL SHOLA GAS becoming a subsidiary, in a transaction accounted for as a business combination. The Company and its auditors considered all pertinent facts pursuant to ASC 805-10-25-6 that the Share Purchase Agreement signing date is the acquisition date of the Company, with the value of $10,000,000 and the payment plan outlined in the agreement. Pursuant to the terms of the Share Purchase Agreement, QIND will occupy two non-paid board seats, including Chairman of the Board of Al Shola Gas, and there shall be one other non-paid board seat for existing Al Shola Gas shareholders. QIND obtained immediate control with the execution of the Agreement. Existing shareholders and management will retain full operational control unless the new Board of Directors determines otherwise due to a breach of the Agreement, ongoing poor performance, or if structural changes are recommended in line with the laws governed by the Agreement, which will be decided and approved by the new Board of Directors of the Company.

The audited pro forma financial statements of AL SHOLA GAS for the periods ended December 31, 2023, have been filed through 8-K on June 7, 2024. The acquired business contributed revenues of $10,839,209 and earnings of $(2,441,164) in total, consisting of $(4,232,732) to parent company QIND and $1,791,568 to the shareholders of AL SHOLA GAS, respectively, for the year ended December 31, 2023.

In accordance with ASC 805-30-50-1 (b) and ASC 805-20-50-1(c), the following table summarizes the consideration transferred to acquire AL SHOLA GAS and the amounts of identified assets acquired, and liabilities assumed at the acquisition date, as well as the fair value of the noncontrolling interest in AL SHOLA GAS at the acquisition date:

The Payment Schedule signed on March 27, 2024, outlines a series of payment requirements as follows:

- Tranche 1: $9 million in National Exchange listed stock or cash to be paid to Seller. Payment in eight quarterly tranches over a period of 24 months, beginning from the first full quarter following uplist to a National Exchange. Stock value is to be protected by a make whole agreement/s and each tranche is subject to a mutually agreed 12-month leak-out agreement.

- Tranche 2: Within 12 months of closing and at the soonest possible time, $1 million cash payment to the Seller.

Consideration paid	**June 30, 2025**	**June 30, 2024**
Total	**200,000**	**-**

As of June 30, 2025, out of the total payable amount of $10,000,000 to the shareholders of AL SHOLA GAS, $9,800,000 remained outstanding.

Fair value of Consideration

Cash or National Exchange listed stock	$	9,000,000
Cash	$	1,000,000
Total	$	10,000,000

Goodwill calculation of the acquisition

Date of Acquisition		**USD**
Cash and cash equivalents	$	111,767
Trade receivables & Other receivables		2,699,826
Inventories		1,315,937
Deposits, prepayments and advances		551,588
Property, plant, and equipment		102,682
Right of use assets		222,130
Trade and other payables		(885,016)
Lease liabilities		(229,359)
Bank borrowings		(774,064)
Total identifiable net assets	**$**	**3,115,491**
Non-Controlling Share (49%)		**1,526,591**
Parent Share (51%)		**1,588,900**
Goodwill	**$**	**8,411,100**

During the quarter ended June 30, 2024, we consolidated this acquired business since January 1, 2024, rather than since the acquisition date of March 27, 2024. The impact on our June 30, 2024, results would have resulted in revenue of $3,086,519, cost of revenues of $1,942,279, net income available of $488,083, and earnings per share of $0.00.

NOTE 12. SUBSEQUENT EVENTS

In accordance with ASC 855-10-50, the company lists events that are deemed to have a determinable significant effect on the balance sheet at the time of occurrence or on future operations, and without disclosure of it, the financial statements would be misleading.

On July 22, 2025, the Company issued 3,230,337 shares of our common stock to Jefferson Street Capital LLC for the conversion of $21,500 of principal and $1,500 of conversion fees pursuant to a convertible note signed on May 21, 2024.

On August 1, 2025, Fusion Fuel Green PLC signed a stock purchase agreement pursuant to which they bought 2,000,000 shares of common stock at a price of $0.02 per share with a total price of $40,000.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations Forward-Looking Statements

Certain statements, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives, and expected operating results, and the assumptions upon which those statements are based, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements generally are identified by the words "believes," "project," "expects," "anticipates," "estimates," "intends," "strategy," "plan," "may," "will," "would," "will be," "will continue," "will likely result," and similar expressions. We intend such forward-looking statements to be covered by the safe-harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and are including this statement for purposes of complying with those safe-harbor provisions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse effect on our operations and future prospects on a consolidated basis include but are not limited to changes in economic conditions, incorporating acquisitions, changes in the supply chain for raw materials, effects of Covid and wars, including the Ukraine war, legislative/regulatory changes, availability of capital, interest rates, competition, and generally accepted accounting principles. These risks and uncertainties should also be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Further information concerning our business, including additional factors that could materially affect our financial results, is included herein and in our other filings with the SEC.

General

The following is a discussion by management of its view of the Company's business, financial condition, and corporate performance for the past year. The purpose of this information is to provide management's recap of the past year and to give an understanding of management's current outlook for the near future. This section is meant to be read in conjunction with the Financial Statements of this Quarterly Report on Form 10-Q.

Overview

QIND is a Nevada Corporation majority-owned by Fusion Fuel Green PLC ("Fusion Fuel" or "HTOO"), an Irish company listed on the Nasdaq with the ticker HTOO. HTOO functions as QIND's parent company, and as such, it concentrates on providing strategic management oversight that includes financial, administrative, marketing, and human resources support to its operating companies. QIND functions as the Industrial Energy subsidiary of HTOO.

Factors Affecting Our Performance

The primary factors affecting our results of operations include, but are not limited to:

General Macro Economic Conditions

Our business is impacted by the global economic environment, employment levels, consumer confidence, government, and municipal spending. Global instability in securities markets and the Russian invasion of Ukraine are among other factors that can impact our financial performance. In particular, changes in the U.S. economic climate can impact the demand for our product range. The Industrial and Manufacturing sectors are impacted by the overall economic environment as addressed in the risk factors. Tenders can be withdrawn, and lead times for the manufacturing can be affected, which can result in cancellation of orders if not delivered on time.

Recent Developments

On April 8, 2025, Quality Industrial Corp. signed an Amendment to the Share Purchase Agreement, dated March 27, 2024, with the shareholders of Al Shola Al Modea Gas Distribution LLC. The amended Share Purchase Agreement removed the termination clause 9.14 and amended other clauses of the Share Purchase Agreement, dated March 27, 2024, such as the payment schedule. The foregoing description of the Amended Share Purchase Agreement is not complete and is qualified in its entirety and filed as an Exhibit to this Form 10-Q.

On May 21, 2025, it was announced that Al Shola Gas has secured over $2.7 million in new project awards since the beginning of March 2025 and has added more than 1,800 apartments to its utility portfolio since the beginning of January 2025. The new contracts encompass engineering, installation, and long-term operations of liquefied petroleum gas (LPG) utilities. Concerning the liquefied petroleum gas ("LPG") utilities, newly awarded contracts for the bulk supply of LPG are projected to yield an estimated annual recurring utility revenue of $905,000.

On July 25, 2025, it was announced that Al Shola Gas confirmed several new projects for installing and maintaining liquefied petroleum gas ("LPG") systems and supplying bulk LPG across multiple large-scale residential and commercial developments in Dubai, United Arab Emirates. The most significant new projects under contract are valued at approximately $517,000. These include utility operations and bulk LPG supply for a 20-floor high-rise residential building with 722 apartments, valued at around $241,000, and utility arrangements for an 8-floor mixed-use development with residential and commercial spaces, valued at about $232,000. Besides these larger projects, Al Shola Gas confirmed several new contracts with total estimated values of roughly $54,000.

Planned Developments

In 2025, the Company will allocate resources to our subsidiary, Al Shola Gas, to enhance efficiency, boost sales, and positively impact their financial performance with investment from our parent company, Fusion Fuel Green PLC. We have invested and are continuing to invest in new LPG bobtail trucks for our subsidiary to improve their bulk LPG supply capabilities and increase our revenue. The trucks are expected to be delivered in the third and fourth four quarter of 2025. We anticipate that our revenue and operating expenses will rise as we implement the expansion plan related to our subsidiary. This increase will arise from administrative and operating costs linked to our business activities.

Results of Operation for the Three and Six Months Ended June 30, 2025, and 2024

Revenues

We earned revenue for the three and six months ended June 30, 2025, of $4,009,461 and $7,630,934, respectively, compared with $3,317,206 in revenue for the three and six months ended June 30, 2024. The increase in revenue is a result of revenue from our acquisition of Al Shola Gas, consolidated from the second quarter of 2024. For the three months ended June 30, 2025, Al Shola Gas grew its revenue by 20.9% compared with the same period last year.

Gross Profit

We earned $1,320,106 and $2,275,492 in Gross Profit for the three and six months ended June 30, 2025, respectively, compared with $1,248,498 and $1,248,498 in Gross Profit for the three and six months ended June 30, 2024, respectively.

Operating Expenses

Operating expenses increased to $879,647 for the three months ended June 30, 2025, from $822,429 for the three months ended June 30, 2024. For the six months ended June 30, 2025, operating expenses increased to $2,782,155, compared to $903,678 for the same period in 2024.

Our operating expenses for the three- and six-months ending June 30, 2025, mainly resulted from administrative and operational costs related to our subsidiary Al Shola Gas, which was fully consolidated in 2025. In 2024, only Q2 was consolidated. Additionally, there was a one-time bonus payout to management of $1,020,000 connected to the acquisition by Fusion Fuel and capital raised thereafter.

We anticipate that our operating expenses will increase as we undertake our control plan associated with our operating business, Al Shola Gas. The increase will be attributable to administrative and operating costs associated with our business activities and the professional fees associated with our reporting obligations.

Non-Operating Expenses

We had other non-operating expenses of $283,948 for the three months ended June 30, 2025, compared to $101,989 for the three months ended June 30, 2024. For the six months ended June 30, 2025, non-operating expenses were $569,366, compared to $193,604 for the same period in 2024.

Our non-operating expenses for the three and six months ended June 30, 2025, compared to the same periods in 2024, were higher due to stock issued discount and interest on Convertible notes. The management plan is to pay off some or all of the notes during the remainder of FY 2025.

Non-Operating Income

We had other *non-operating* income of $0 for the three months ended June 30, 2024, as compared $48,000 for the same period ended 2024, due to the purchase of intangible legacy assets from the previous owner. We had other *non-operating* income of $0 for the six months ended June 30, 2025, as compared $427,554 for the same period ended 2024. Our other income for the six months ended June 30, 2024, resulted from the reversal of interest payments on the loan agreements with Mahavir and Artelliq in the first quarter, which was subsequently unwound with the cancellation of the agreement with Quality International.

Net Income/Net Loss

We incurred Net Income of $99,191 and Net Loss $1,160,415 for the three and six months ended June 30, 2025, respectively, compared to Net Income of $328,191 and $534,881 for the three and six months ended June 30, 2024, respectively.

The net loss for the six months ending June 30, 2025, primarily resulted from a one-time bonus payout to management of $1,020,000 related to the acquisition by Fusion Fuel and subsequent capital raising, awarded in the first quarter of 2025.

Liquidity and Capital Resources

As of June 30, 2025, we had total current assets of $7,913,440 and total current liabilities of $13,856,681. As of December 31, 2024, we had total current assets of $7,466,617, respectively, and total current liabilities of $11,363,612. These current liabilities include the payable amount of $6,425,000 as of June 30, 2025, as part of the purchase consideration for the acquisition of our operating company, Al Shola Gas, which will be paid over the next 12 months in cash or stock. We had negative working capital of $5,943,241 as of June 30, 2025. This compares with a working capital deficit of $3,896,995 as of December 31, 2024.

Operating activities used $514,600 in cash for the six months ended June 30, 2025, as compared with $1,237,468 provided in cash for the six months ended June 30, 2024. Our negative operating cash flow for the six months ended June 30, 2025, was mainly due to a one-off bonus payout to management of $1,020,000 related to the acquisition by Fusion Fuel and subsequent capital raising.

Investing activities used $219,792 in cash for the six months ended June 30, 2025, as compared with $2,054 provided in cash for the six months ended June 30, 2024. We expect our investing cash flow to grow as a result of investing in long-term assets for the company's growth.

Financing activities provided $805,548 in cash for the six months ended June 30, 2025, as compared with $1,136,663 in cash used for the same period ended 2024. Our financing cash flow for Q2 2025 was mainly the result of proceeds from our parent company, Fusion Fuel.

Going Concern

The accompanying condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business.

Management evaluated all relevant conditions and events that are reasonably known or reasonably knowable, in the aggregate, as of the date the consolidated financial statements are issued and determined. The Company's ability to continue as a going concern is dependent on the Company's ability to continue to generate sufficient revenues and raise capital within one year from the date of filing.

Over the next twelve months, management plans to use borrowings and security sales to mitigate the effects of cash flow deficits; however, no assurance can be given that debt or equity financing, if and when required, will be available.

Impact of Acquisitions

Historically, a significant component of our growth has been through the acquisition of businesses in our targeted sectors. We typically incur upfront costs as we incorporate and integrate acquired businesses into our operating philosophy and operational excellence. This includes consolidation of supplies and raw materials, optimized logistics and production processes, and other restructuring and improvement initiatives. The benefits of these integration efforts and upcoming planned acquisitions may not positively impact our financial results in the short term but have historically been the case in the medium to long term.

Critical Accounting Policies

In December 2001, the SEC requested that all registrants list their most "critical accounting policies" in the Management Discussion and Analysis. The SEC indicated that a "critical accounting policy" is both important to the portrayal of a company's financial condition and results, and requires management's most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effect of inherently uncertain matters. Our critical accounting policies are disclosed in the Notes of our unaudited financial statements included in this Quarterly Report on Form 10-Q.

Goodwill

The Company continues to review its goodwill for possible impairment or loss of value at least annually or more frequently upon the occurrence of an event or when circumstances indicate that a reporting unit's carrying amount is greater than its fair value. On December 31, 2024, we performed a goodwill impairment evaluation. We performed a qualitative assessment of factors to determine whether it was necessary to perform the goodwill impairment test. Based on the results of the work performed, the Company has concluded that no impairment loss was warranted on December 31, 2024. Factors including non-renewal of a major contract or other substantial changes in business conditions could have a material adverse effect on the valuation of goodwill in future periods and the resulting charge could be material to the future periods' results of operations.

Off-Balance Sheet Arrangements

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to stockholders.

Recently Issued Accounting Pronouncements

In January 2017, the FASB issued ASU 2017-04, Simplifying the Test for Goodwill Impairment, which simplifies the accounting for goodwill impairments by eliminating step two from the goodwill impairment test. Instead, if the carrying amount of a reporting unit exceeds its fair value, an impairment loss shall be recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit. ASU 2017-04 also clarifies that an entity should consider income tax effects from any tax-deductible goodwill on the carrying amount of the reporting unit when measuring the goodwill impairment loss, if applicable. The new standard is effective for fiscal years beginning after December 15, 2019, for both interim and annual reporting periods. The Company is currently assessing the potential impact of the adoption of ASU 2017-04 on its consolidated financial statements.

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

A smaller reporting company is not required to provide the information required by this Item.

Item 4. Controls and Procedures

We maintain disclosure controls and procedures designed to ensure that information required to be disclosed in reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized, and reported within the time periods specified in the SEC rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

In designing and evaluating our disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

As required by SEC Rule 15d-15, our management carried out an evaluation, under the supervision and with the participation of our principal executive officer and principal financial officer, of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q.

Based on that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective at a reasonable assurance level as of the end of the period covered by this report.

Changes in Internal Control over Financial Reporting

There has been no change in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) of the Exchange Act that occurred during the quarter ended June 30, 2025, that has materially affected or is reasonably likely to materially affect our internal control over financial reporting.

Part II: Other Information

Item 1 - Legal Proceedings

We know of no material, existing or pending legal proceedings against our company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, officers, or any affiliates, or any registered or beneficial shareholder, is an adverse party or has a material interest adverse to our interests.

Item 1A. Risk Factors

There have been no material changes to the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults upon Senior Securities

None

Item 4. Mine Safety Disclosures

None

Item 5. Other Information

None

Item 6. Exhibits

Exhibit Number	Description of Exhibit
2.1*	Share Purchase Agreement, dated March 27, 2024, with shareholder of Al Shola Al Modea Distribution LLC.
2.2*	Amendment to Share Purchase Agreement, dated April 8, 2025, with shareholder of Al Shola Al Modea Distribution LLC,
2.3**	Share Purchase Agreement, dated August 1, 2025, with Fusion Fuel Green PLC
4.1*	Convertible Promissory Note, dated February 6, 2024, with Exchange Listing LLC
31.1**	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2**	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS**	Inline XBRL Instance Document
101.SCH**	Inline XBRL Taxonomy Extension Schema Document
101.CAL**	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB**	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE**	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF**	Inline XBRL Taxonomy Extension Definition Linkbase Document
104**	Cover Page Interactive Data File formatted as Inline XBRL and contained in Exhibit 101

*   Filed previously

**   Provided herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Quality Industrial Corp.

Date: August 13, 2025

By: */s/ John-Paul Backwell*

John-Paul Backwell

Title: Chief Executive Officer

(Principal executive)

By: */s/ Krishnan Krishnamoorthy*

Krishnan Krishnamoorthy

Title Chief Financial Officer

(principal accounting, and financial officer)