



Earnings Flash Note
Mekdam Holding
2Q 2025/6M 2025



Mekdam Holding (MKDM)

- > **Net profit increased 7.5% YoY (-34.4% QoQ) to QR7mn in 2Q2025**, driven by higher revenue. For 6M2025, net profit rose 7.8% to QR19mn.
- > **Revenue grew 10.4% YoY to QR158mn (+12.6% QoQ) in 2Q2025**. For 6M2025, revenue increased 3.4% to QR297mn.
- > **Gross profit fell 4.3% YoY to QR23mn (-12.0% QoQ)** while the corresponding margin fell to 14.8% (-2.3ppts YoY, -4.1ppts QoQ) in 2Q2025. For 6M2025, gross profit rose 5.2% to QR50mn.
- > **Operating profit of QR10mn was up by 23.9% YoY (-25.2% QoQ)** and the margin came at 6.4% (+0.7ppts YoY, -3.3ppts QoQ) in 2Q2025. For 6M2025, operating profit was up 20.4% to QR24mn.
- > **For 2Q2025, EPS came at QR0.047 vs. QR0.043 in 2Q2024**. For 6M2025, EPS

came at QR0.118 vs. QR0.109 in 6M2024.

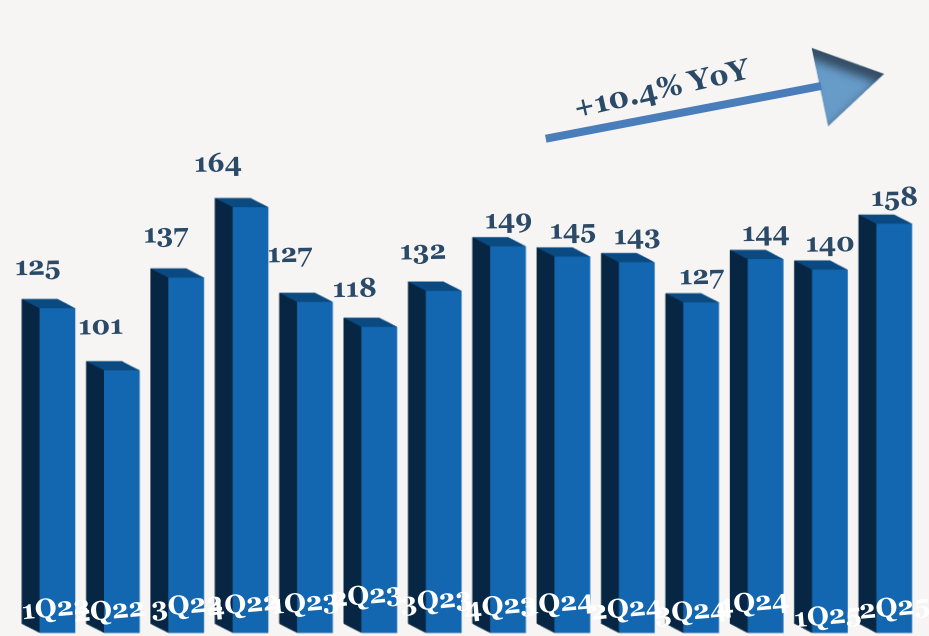
- > **As of 28th July 2025, the stock has decreased 20.0% YTD**, underperforming the QSE Index which was up 6.0% YTD.
- > **The stock is currently trading at a TTM P/E multiple of 11.4x**, lower than its 2Y historical average of 12.3x. We maintain our PT of QR 3.40/share and Accumulate rating.

2Q/6M 2025 Earnings Performance

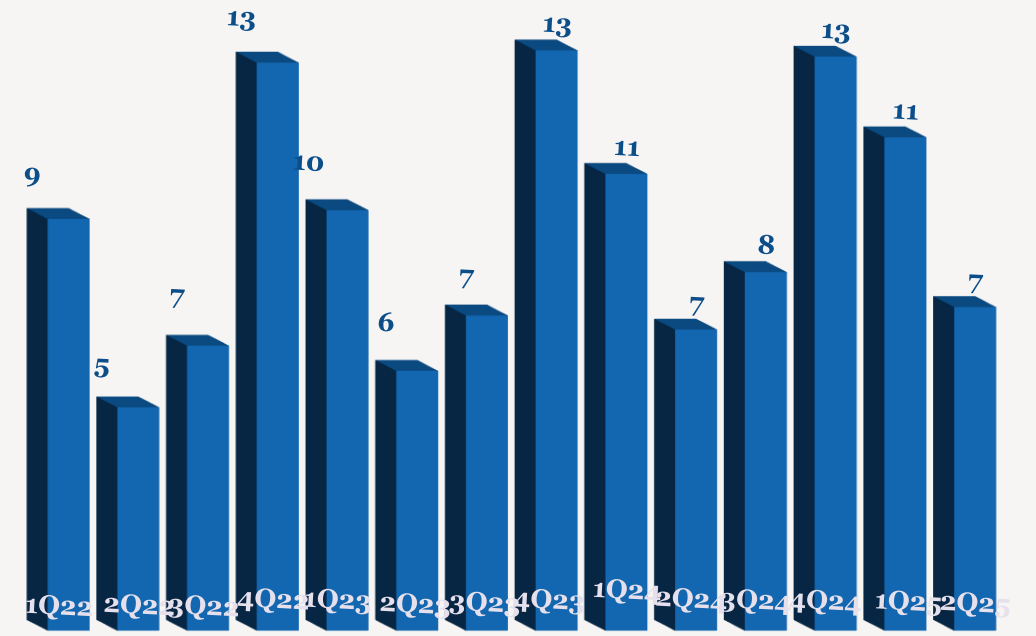
	2Q2025	2Q2024	YoY	1Q2025	QoQ	6M2025	6M2024	YoY
Revenue	158	143	10.4%	140	12.6%	297	288	3.4%
Gross Profit	23	24	-4.3%	26	-12.0%	50	47	5.2%
Gross Margin %	14.8%	17.0%		18.9%		16.7%	16.4%	
Operating Profit	10	8	23.9%	14	-25.2%	24	20	20.4%
Operating Margin %	6.4%	5.7%		9.7%		8.0%	6.8%	
Net Profit to Equity	7	7	7.5%	11	-34.4%	19	17	7.8%
Net Margin %	4.7%	4.9%		8.1%		6.32%	6.07%	
EPS (QR)	0.047	0.043	7.5%	0.071	-34.4%	0.118	0.109	7.8%

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

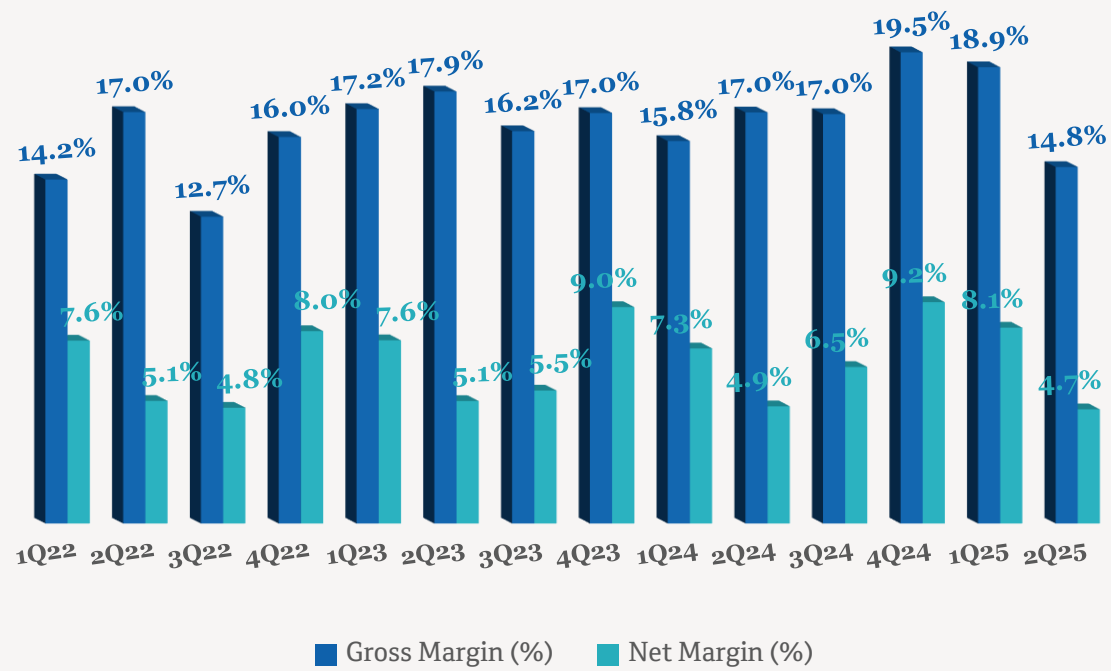
Quarterly Sales Trend (QRmn)



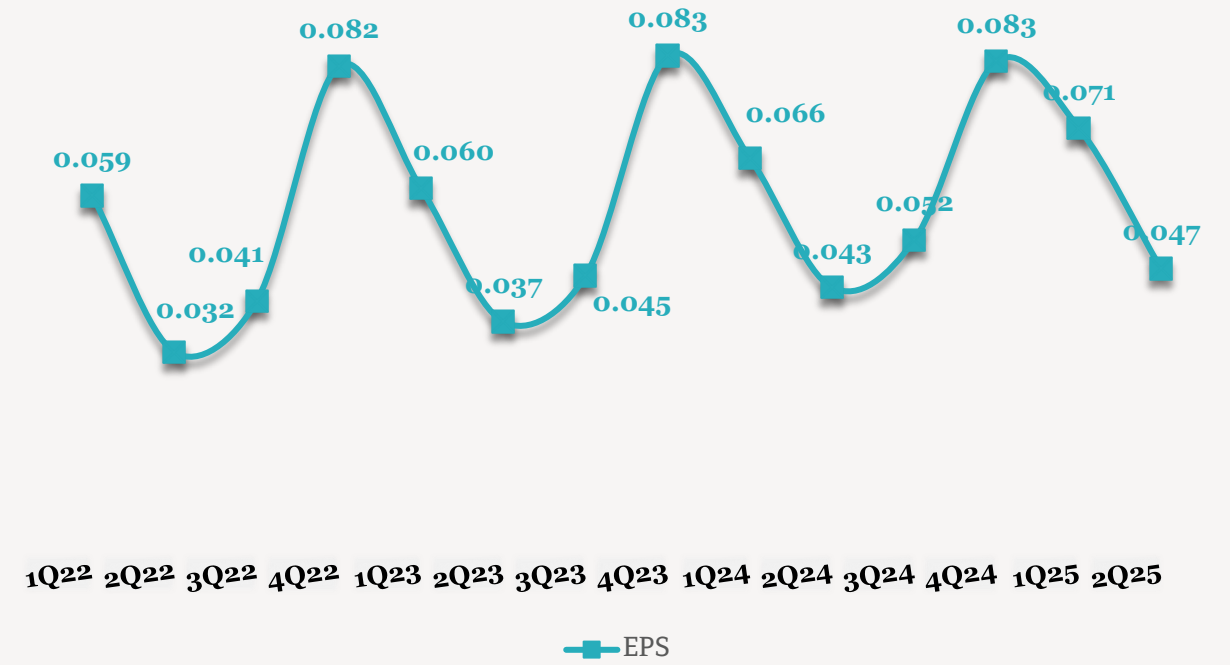
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend (%)



EPS (QR) Trend



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