QNB FINANCIAL SERVICES

Earnings Flash Note
Zad Holding Company
1Q 2025

Zad Holding Company (ZHCD)

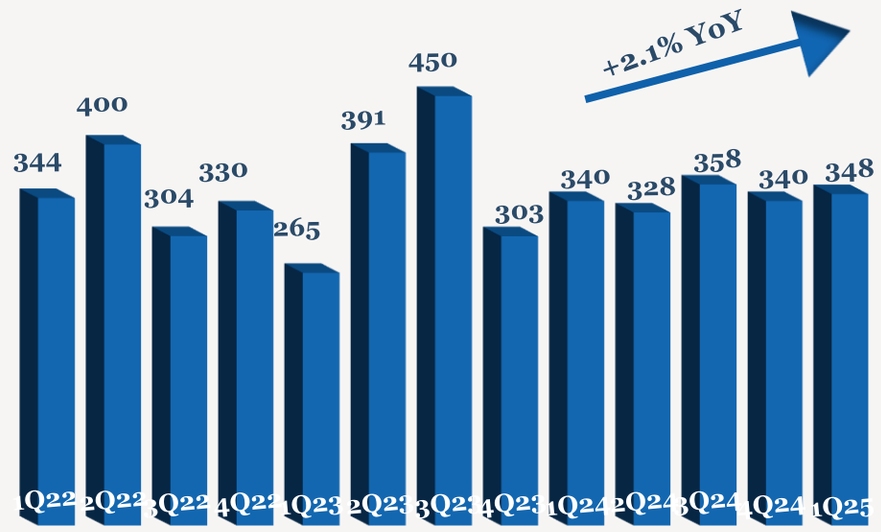
- **Net profit increased by 4.9% YoY (-34.8% QoQ) to QR46mn in 1Q2025** due to lower finance cost.
- **Operating revenue rose by 2.1% YoY (+2.1% QoQ) to QR348mn in 1Q2025**.
- **Gross profit grew by 1.7% YoY to QR91mn (-27.7% QoQ) while the** corresponding margin came to 26.3% in 1Q2025 (vs. 26.4% in 1Q2024).
- **Operating profit of QR52mn was down by 4.2% YoY (-47.0% QoQ) and margin** came to 15.0% in 1Q2025 (vs. 15.9% in 1Q2024).
- **For 1Q2025, EPS was QR0.16 vs QR0.15 in 1Q2024.**
- **As of 30th April 2025, the stock increased 1.3% YTD, Outperforming** the QSE Index, which was down by 1.1% YTD.
- **The stock is currently trading at a TTM P/E multiple of 19.8x.**

1Q 2025 Earnings Performance

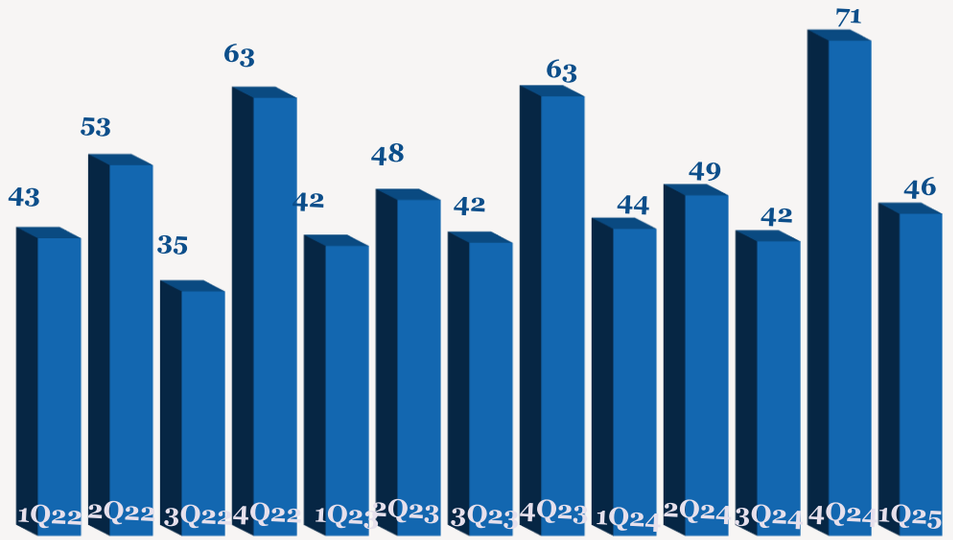
	1Q2025	1Q2024	YoY	4Q2024	QoQ
Operating Revenue	348	340	2.1%	340	2.1%
Gross Profit	91	90	1.7%	126	-27.7%
Gross Margin %	26.3%	26.4%		37.1%	
Operating Profit	52	54	-4.2%	98	-47.0%
Operating Margin %	15.0%	15.9%		28.8%	
Net Profit to Equity	46	44	4.9%	71	-34.8%
Net Margin %	13.3%	13.0%		20.9%	
EPS (QR)	0.16	0.15	4.9%	0.25	-34.8%

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

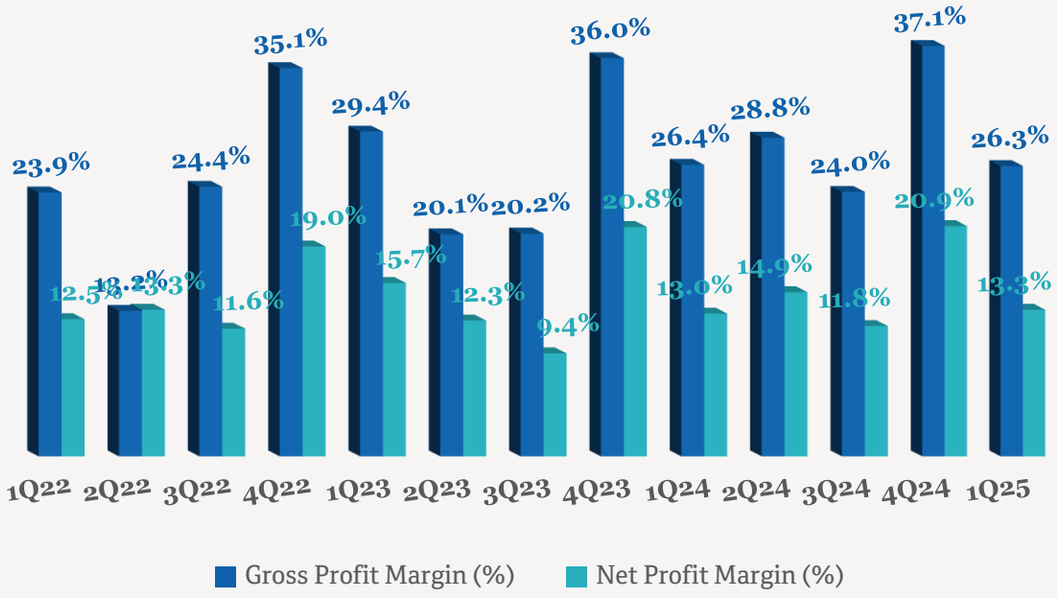
Quarterly Sales Trend (QRmn)



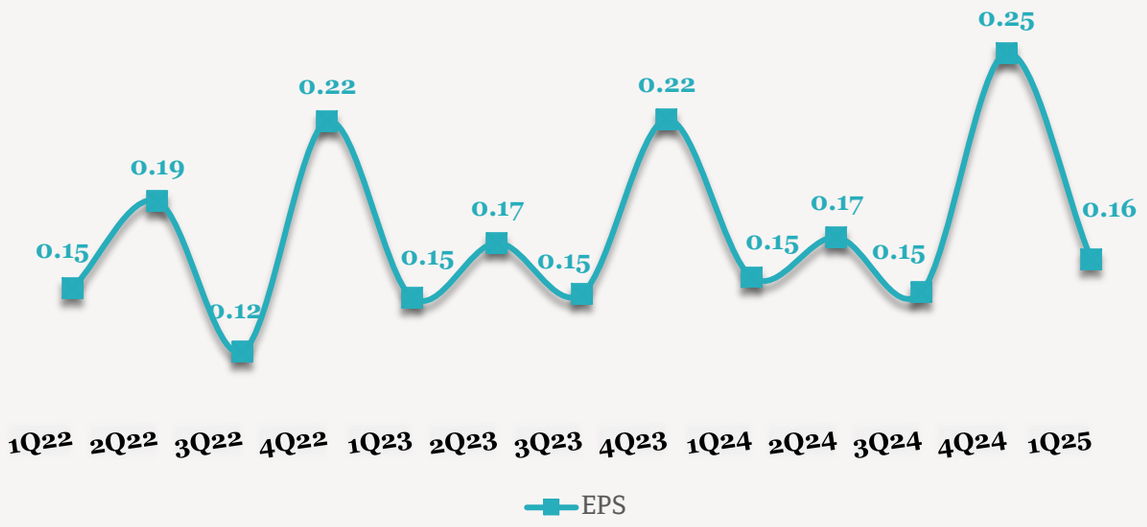
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



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