QNB FINANCIAL SERVICES

Earnings Flash Note

Zad Holding Co.

4Q 2025/FY 2025

Zad Holding Co. (ZHCD)

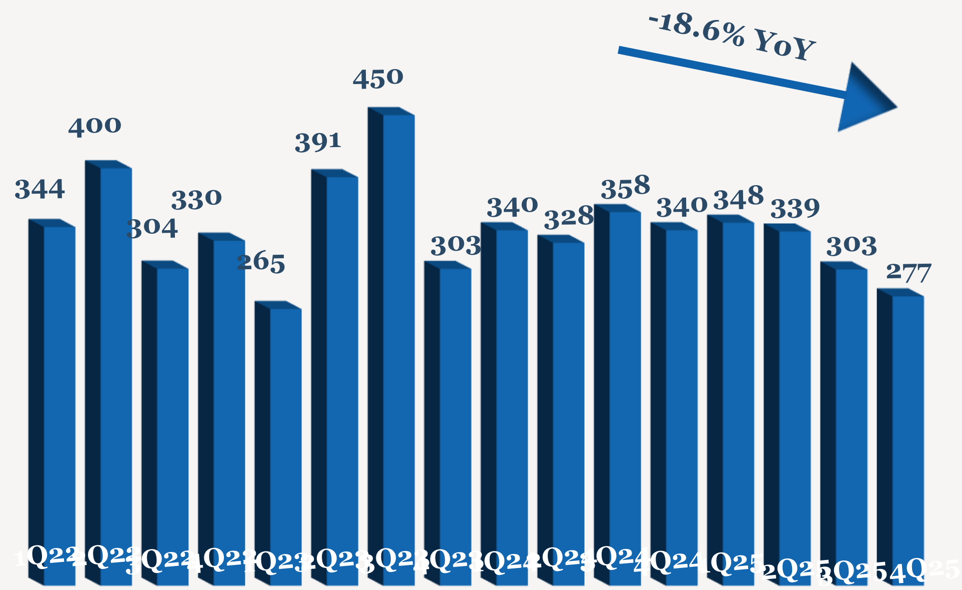
- **Net profit decreased by 11.2% YoY (+50.2% QoQ) to QR63mn in 4Q2025** due to lower revenue. For FY2025 the net profit was down 3.5% to QR199mn.
- **Operating revenue decreased by 18.6% YoY (-8.5% QoQ) to QR277mn in 4Q2025**. For FY2025 the revenue was down 7.3% to QR1,267mn.
- **Gross profit decreased by 32.7% YoY to QR85mn (+2.3% QoQ) while the** corresponding margin came to 30.7% in 4Q2025 (vs. 37.1% in 4Q2024). For FY2025 the gross profit was down 12.2% to QR348mn.
- **Operating profit of QR92mn was down by 6.5% YoY (+80.3% QoQ) and margin** came to 33.1% in 4Q2025 (vs. 28.8% in 4Q2024). For FY2025 the operating profit was down 5.7% to QR250mn.
- **For 4Q2025, EPS was QR0.22 vs QR0.25 in 4Q2024. For FY2025 EPS came at QR0.69 vs QR0.72 in FY2024.**
- **As of 17th March 2026, the stock increased 5.7% YTD, Outperforming** the QSE Index, which was down by 3.4% YTD.
- **The stock is currently trading at a TTM P/E multiple of 21.2x.**
- **The BoD proposed a dividend of QAR0.68 per share for 2025 vs QAR0.70 per share in 2024. This translated into a DY of 4.63%.**

4Q/FY2025 Earnings Performance

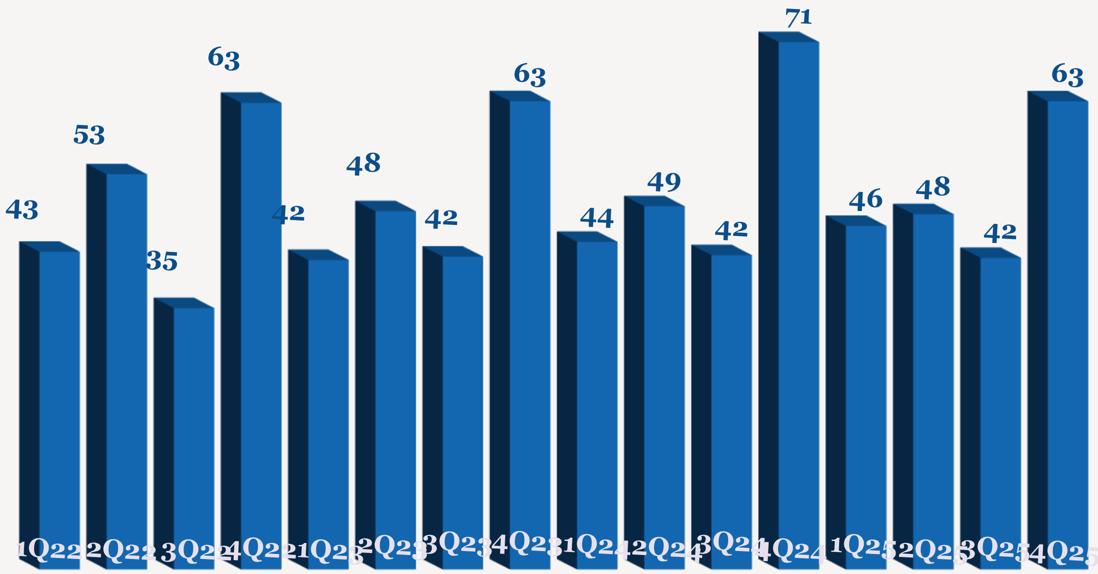
	4Q2025	4Q2024	YoY	3Q2025	QoQ	FY2025	FY2024	YoY
Operating Revenue	277	340	-18.6%	303	-8.5%	1,267	1,367	-7.3%
Gross Profit	85	126	-32.7%	83	2.3%	348	397	-12.2%
Gross Margin %	30.7%	37.1%		27.5%		27.5%	29.0%	
Operating Profit	92	98	-6.5%	51	80.3%	250	265	-5.7%
Operating Margin %	33.1%	28.8%		16.8%		19.7%	19.4%	
Net Profit to Equity	63	71	-11.2%	42	50.2%	199	207	-3.5%
Net Margin %	22.8%	20.9%		13.9%		15.7%	15.1%	
EPS (QR)	0.22	0.25	-11.2%	0.15	50.2%	0.69	0.72	-3.5%

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

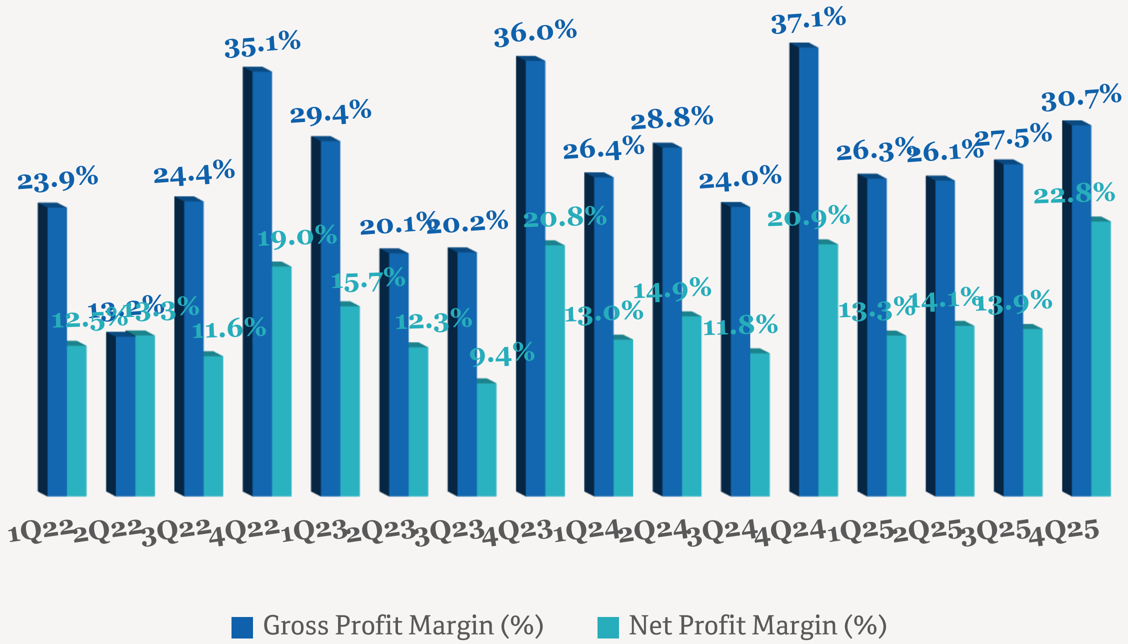
Quarterly Sales Trend (QRmn)



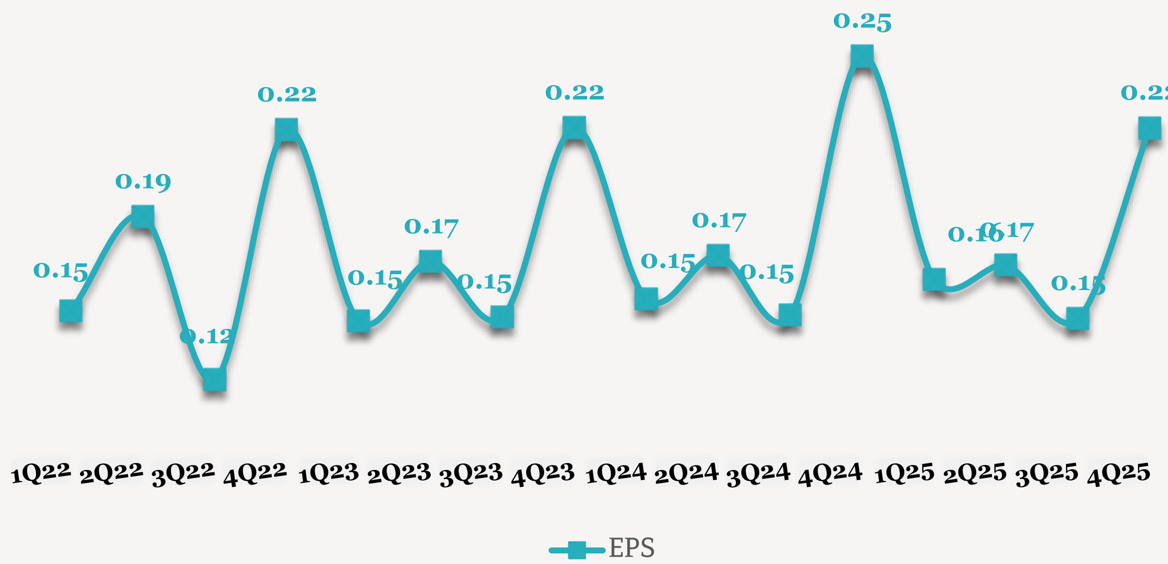
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



Contacts

QNB Financial Services Co. W.L.L.
Contact Center: (+974)4476 6666
info@qnbfs.com.qa
Doha, Qatar

Saugata Sarkar, CFA, CAIA
Head of Research
saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian
Senior Research Analyst
shahan.keushgerian@qnbfs.com.qa

Phibion Makuwerere, CFA
Senior Research Analyst
phibion.makuwerere@qnbfs.com.qa

Dana Saif Al Sowaidi
Research Analyst
dana.alsowaidi@qnbfs.com.qa