

## GCC Corporate Earnings Report : Q2-2025

August-2025

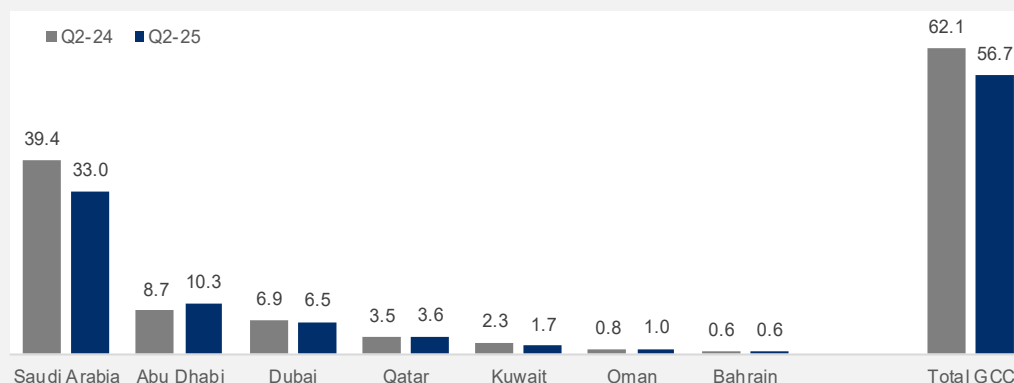
### Net profits see a sharp decline due to crude oil and petchems...

Aggregate net profits reported by companies listed on GCC exchanges witnessed a steep y-o-y decline of 8.7% during Q2-2025 to reach USD 56.7 Bn as compared to USD 62.1 Bn in Q2-2024. Net profits also declined sequentially as compared to Q1-2025 by 3.4%. The decline during Q2-2025 was mainly led by a sharp fall in crude oil prices that affected the bottom-line for energy companies in the region. Softer y-o-y global petrochemical prices also affected profitability of basic materials companies in the region. On the other hand, strong economic fundamentals and a resilient non-oil manufacturing sector helped to offset the impact of this decline.

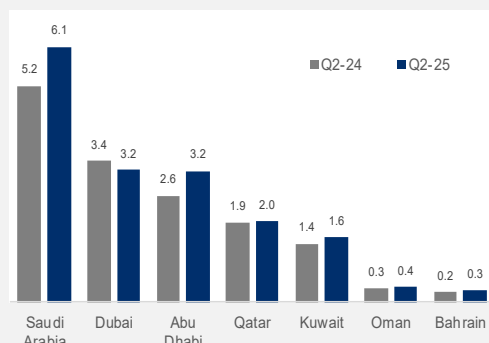
At the country level, the y-o-y change in profitability was mixed with three exchanges reporting decline in net profits while aggregates for the remaining four countries showed growth. Saudi Arabia registered the biggest absolute fall of USD 6.3 Bn in net profits during the quarter that reached USD 33.04 Bn as compared to USD 39.4 Bn in Q2-2024. Kuwait was next with a profit decline of more than a quarter or USD 0.6 Bn to reach USD 1.65 Bn, mainly led by profit decline reported by Agility related to discontinued operations. Net profits for Dubai-listed companies also declined by 5.7% y-o-y or USD 0.4 Bn to reach USD 6.5 Bn during Q2-2025. On the other hand, companies listed in Abu Dhabi registered the biggest profit growth of USD 1.6 Bn reaching USD 10.3 Bn in Q2-2025 followed by Oman and Qatar with net profit growth of USD 1.0 Bn and USD 3.6 Bn.

In terms of sectors, a majority of the sectors saw higher y-o-y profits during Q2-2025. This included heavyweight sectors like F&B, Real Estate, Utilities, Telecom that reported healthy double-digit growth in profits during the quarter. Net profits reported by listed banks in the region also showed a strong double-digit growth of 10.3% to reach USD 16.6 Bn during Q2-2025. On the other hand, these gains were more than offset by a fall in profits for the Energy and Basic Materials sectors, in addition to Transportation (Agility), Capital Goods and Media & Entertainment sectors.

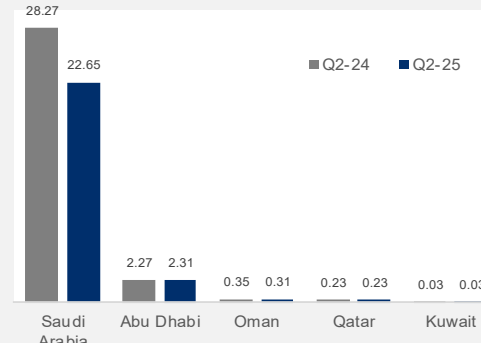
GCC Corporate Earnings : Q2-25 vs. Q2-24 (USD Bn)



GCC Banks: Q2-25 vs. Q2-24 (USD Bn)



GCC Energy Sector: Q2-25 vs. Q2-24 (USD Bn)



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

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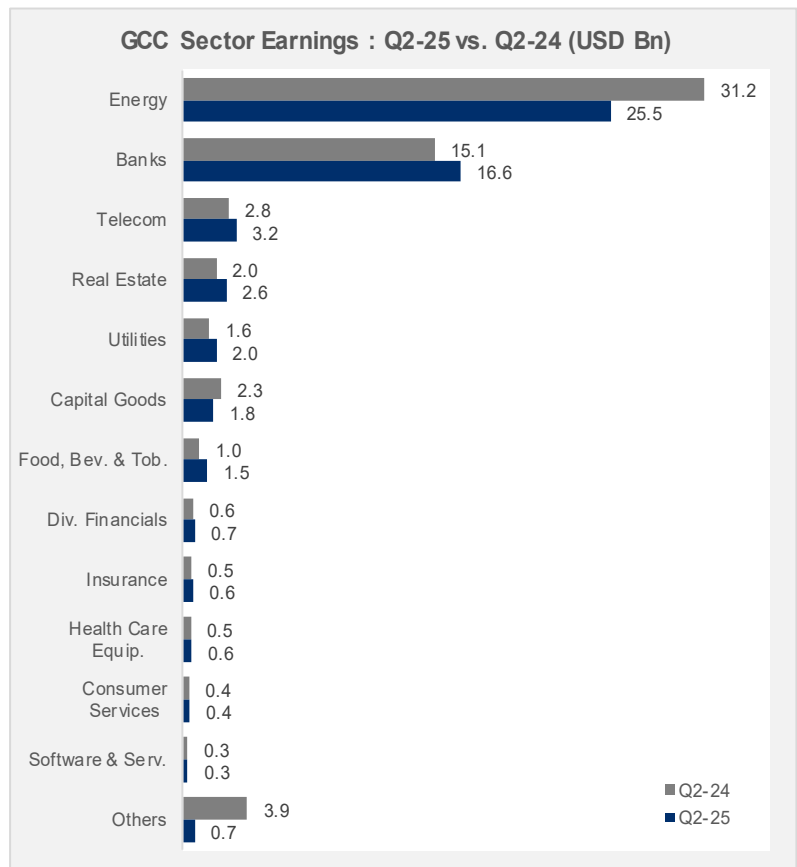
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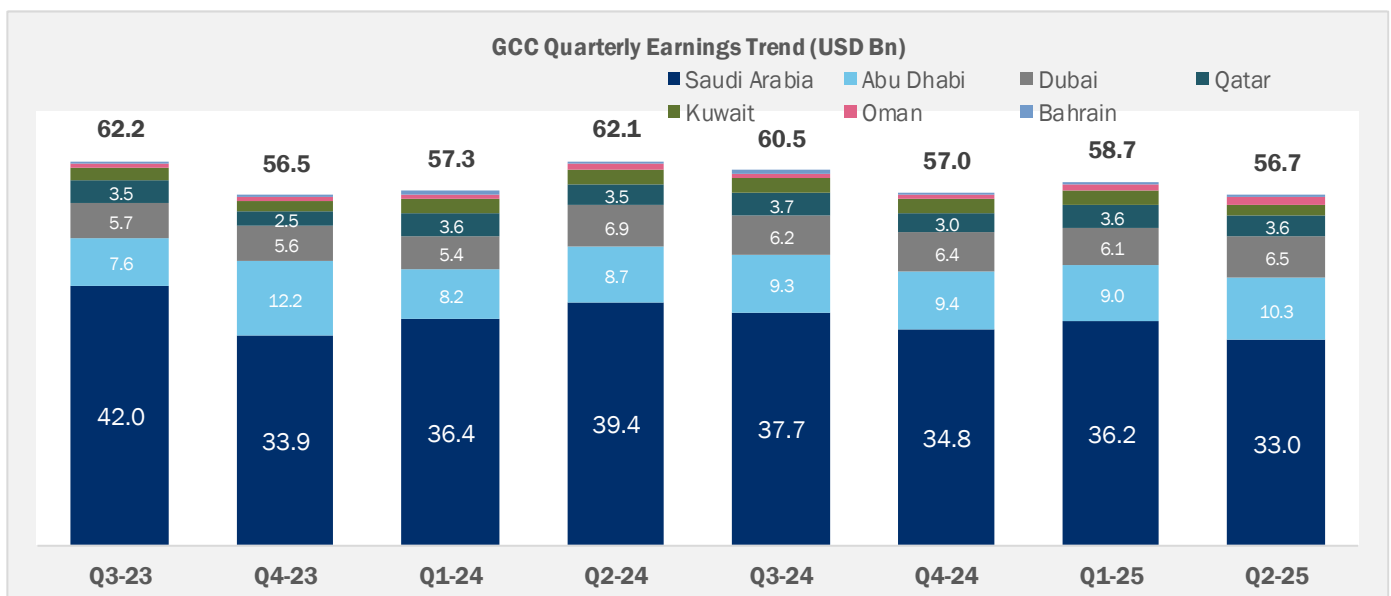
In terms of 1H-2025, aggregate net profits for GCC listed companies witnessed a much smaller y-o-y decline of 3.4% or USD 4.0 Bn to reach USD 115.4 Bn. The decline was led by fall in profits reported by Saudi Arabia and Kuwaiti companies while the rest of the country aggregates showed growth in profits. The aggregates for Oman and Abu Dhabi increased in double-digits whereas Qatar and Dubai registered profit growth of 2.3% and 2.4%, respectively.

Profits reported by listed banks in the GCC reached a new record high during Q2-2025 at USD 16.6 Bn backed by higher y-o-y profits registered in six out of the seven country aggregates in the region. Dubai was the only exchange with registered a 6.4% y-o-y fall in profits for the sector mainly led by fall in profits for Emirates NBD and Mashreq Bank due to higher non-interest expense and impairments charges booked during the quarter vs. reversals booked during Q2-2024. On the other hand, most of the other country aggregates showed double-digit growth in profits during the quarter. The increase in profits for the sector in Q2-2025 was driven by a 6.9% growth in net interest income while non-interest income increase by over a quarter as compared to Q2-2024. This more than offset a 41.6% increase in impairments that reached USD 2.7 Bn in Q2-2025.

In the Energy sector, 16 out of 30 listed companies showed a y-o-y fall in profits during Q2-2025. The aggregate profit for the sector witnessed a y-o-y decline of 18.0% during Q2-2025 to reach USD 25.5 Bn as compared to USD 31.2 Bn during Q2-2024. This was also reflected in the 19.6% fall in average price for Brent crude oil during Q2-2025 reaching USD 68.1/b led by announcements made by OPEC to raise output as well as talks between US, Russia and Iran on sanctions. The decline was mainly led by fall in profits for Saudi Aramco by 19.4% that was further exacerbated by lower profits reported by Abu Dhabi National Energy (Taqa) that fell by almost a third due to higher pass through revenue for transmission and distribution. Net profits for Saudi Aramco declined due to fall in crude oil prices as well as lower refined and chemical product prices.



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

## Kuwait

Aggregate net profits for Boursa Kuwait listed companies witnessed a steep decline of 26.9% to reach USD 1.7 Bn in Q2 - 2025 against USD 2.3 Bn in Q2-2024. Among the top sectors of the exchange, the Banking and the Telecom sectors reported an increase in profitability during the quarter. On the other hand, the decline came primarily from the steep drop in profits for the Transportation sector after Agility PWC reported a net loss of USD 922.3 Mn during Q2-2025 due to loss from discontinued operations against a profit of USD 19.6 Mn in Q2-2024. In terms of 1H-2025 earnings performance, net profits declined by 13.5% to reach USD 4.0 Bn as compared to USD 4.7 Bn during 1H-2024. Earnings growth during the 1H-2025 was broad-based and was mainly driven by Banks, Telecommunication Services, and Diversified Financials companies. It is noteworthy that out of the eighteen sectors on Boursa Kuwait, thirteen have witnessed a y-o-y increase in profits during 1H-2025 while the remaining five sectors witnessed declines. Transportation and Real estate sectors are the prominent decliners during 1H-2025. In the Banking sector, Kuwaiti listed banks reported net profits of USD 2.9 Bn for 1H-2025, as compared to USD 2.8 Bn in 1H-2024, up by 4.8%.

**Kuwait Corporate Earnings : Q2-25 vs. Q2-24 (USD Bn)**



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

Quarterly net profits for listed banks in Kuwait increased by 10.0% y-o-y to reach USD 1.56 Bn as compared to USD 1.42 Bn in Q2-2024. The profit growth was led by higher total banking revenue that increased by 5.7% backed by 2.3% increase in net interest income and 15.3% increase in non-interest income. Moreover, instead of an impairment charge, there was a reversal of impairment during the quarter aggregating to USD 44.0 Mn in Q2-2025 as compared to an impairments charge of USD 176.3 Mn in Q2-2024 after three out of the nine listed banks reported impairment reversals during the quarter. NBK reported a net profit of USD 592.5 Mn, up by 24.6% vs. a profit of USD 475.5 Mn in Q2-2024 mainly led by higher net operating income which increased by 5.7% to USD 303.4 Mn. Net profits for Warba Bank reached USD 49.7 Mn during Q2-2025, up by 229.3% compared to USD 15.1 Mn from Q2-2024 mainly due to the increase in the investment income and net fees and commission income. Meanwhile, net profits reported by KFH declined to reach USD 569.2 Mn in Q2-2025 from USD 581.4 Mn Q2-2024 down by 2.1%.

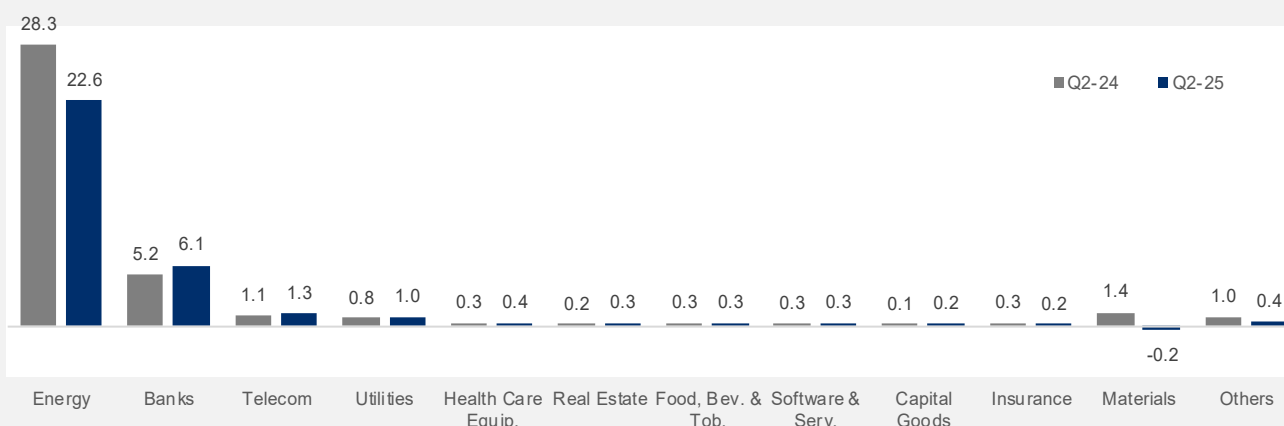
The Diversified Financials sector recorded a net profit of USD 304.6 Mn for Q2-2025 against USD 129.7 Mn for Q2-2024. Net profits for Asiya Capital Investment Co. came in at USD 29.7 Mn for Q2-2025 compared to a loss of USD 3.5 Mn for Q2-2024 supported by net gain on financial assets at fair value through profit or loss. Egypt Kuwait Holding Co. posted a net profit of USD 50.0 Mn in Q2-2025 vs USD 20.0 Mn in Q2-2024 led by the increase of the net operating profit in addition to the increase in operating revenue.

Net Profits for the Telecom sector increased by 42.3% y-o-y to reach USD 341.4 Mn for Q2-2025 compared to USD 239.9 Mn for Q2-2024. All the constituent stocks reported net profit gains with Zain Group leading with a gain of 39.7%. Zain Group reported a net profit of USD 237.8 Mn during Q2-2025 as compared to a profit of USD 170.2 Mn during Q2-2024 led by higher revenue which grew by 15% y-o-y, driven by strong performance across main operations including Sudan (+112%), Iraq (+13%), Bahrain (+8%), Jordan (+7%), and KSA (+6%). Revenue growth was driven by increasing customer base which soared 7% to reach KWD 50.9 Mn, mainly due to continual network restoration in Sudan, improved market access in Iraq as well as strong growth in other markets. Additionally, new business verticals contributed to the revenue growth. Ooredoo also registered strong net profit growth during Q2-2025 that reached USD 76.6 Mn compared to USD 43.5 Mn in Q2-2024, up by 76.1%. The telecom operator recorded revenues of USD 618.4 Mn up by 7%, driven by an increase in strong operational performance in Algeria, Tunisia and Kuwait. EBITDA expanded significantly by 20% y-o-y to USD 258.5 Mn. The customer base increased by 1.3% y-o-y to end Q2-2025 with 2.9 Mn customers. Similarly, STC Kuwait posted a net profit of USD 27.0 Mn for Q2-2025 against a profit of USD 26.2 Mn, up by 3.0%, driven by a 4.9% increase in revenues amounting to USD 285.5 Mn.

## Saudi Arabia

Aggregate net profits for Saudi Arabian listed companies witnessed a decline of 16.1% y-o-y to reach USD 33.0 Bn in Q2-2025 against USD 39.4 Bn in Q2-2024. The key sectors on the exchange including Banks, Real Estate, Telecom reported a strong y-o-y growth in profitability during the quarter, whereas a fall in profits for the Energy, Materials, and Transportation sectors more than offset the growth in profits. In terms of 1H-2025 earnings performance, aggregate net profits declined by 8.6% to reach USD 69.3 Bn as compared to USD 75.8 Bn during 1H-2024. The Energy sector reported the biggest drop in net profits with aggregate sector profit of USD 48.2 Bn as compared to USD 55.7 Bn during 1H-2024, resulting in a y-o-y decline of USD 7.5 Bn or 13.5%. The Materials sector was next to report a net profit decline that reached USD 0.5 Mn in 1H-2025 against a profit of USD 2.2 Bn during 1H-2024, down by 77.6%. Transportation, Insurance, Diversified Financials were some of the other sectors that reported y-o-y profit declines during 1H-2025. On the other hand, Banks, Real Estate and Telecom sectors reported healthy growth in profits during the 1H-2025, partially offsetting the overall decline.

**Saudi Arabia Corporate Earnings : Q2-25 vs. Q2-24 (USD Mn)**



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

The Banking sector outperformed other sectors as the biggest contributor to net profits during the period by registering a net profit of USD 6.1 Bn in Q2-2025 vs. USD 5.2 Bn in Q2-2024, up by 17.8%. All the listed banks reported a gain in net profits during Q2-2025. Al-Rajhi Bank reported higher profits that reached USD 1.6 Bn in Q2-2025 vs USD 1.3 Bn a year earlier, mainly led by 24.7% y-o-y rise in net financing and investment income. Profits for Saudi National Bank surged 17.4% to reach USD 1.6 Bn for Q2-2025 against a profit of USD 1.4 Bn for Q2-2024 primarily driven by an increase in the fee income which increased 20.6%. Banque Saudi Fransi reported a 24.3% increase in the net profit that reached USD 374.1 Mn in Q2-2025 compared to USD 300.9 Mn in Q2-2024 driven by a 3.7% rise in gross special commission income and a 14.3% growth in gross operating income. Meanwhile, Riyadh Bank reported 11.1% increase in profits that reached USD 692.3 Mn in Q2-2025 from USD 623.0 Mn in Q2-2024.

Net profits for the Telecom sector grew 17.5% y-o-y to USD 1.3 Bn in Q2-2025 as compared to USD 1.1 Bn during Q2-2024. Profits for STC increased by 15.8% y-o-y to reach USD 1.0 Bn in Q2-2025 compared to USD 880.6 Mn in Q2-2024 led by higher revenues along with lower operating expenses. STC announced a distribution of SAR 0.55 per share for the 2Q-2025. Mobily registered a net profit of USD 221.3 Mn for Q2-2025 compared to USD 176.2 Mn in Q2-2024. The increase was driven by an 8.1% y-o-y increase in all revenue streams led by growth in the subscriber base.

Quarterly net profits in the Energy sector declined by 19.9% y-o-y to USD 22.6 Bn down from USD 28.3 Mn during Q2-2024. Within the sector, Saudi Aramco reported a 19.3% y-o-y decline in profits during Q2-2025 primarily led by lower revenues primarily due to lower crude oil selling prices and weaker prices for refined and chemical products. The decline was partially offset by higher volume for refined and chemical products. On the other hand, net profits for Bahri improved by 21.0% during the quarter to reach USD 26.6 Mn vs. 22.0 Mn in Q2-2024 led by the higher sales supported by the growth in the number of service stations and improved transportation rates.

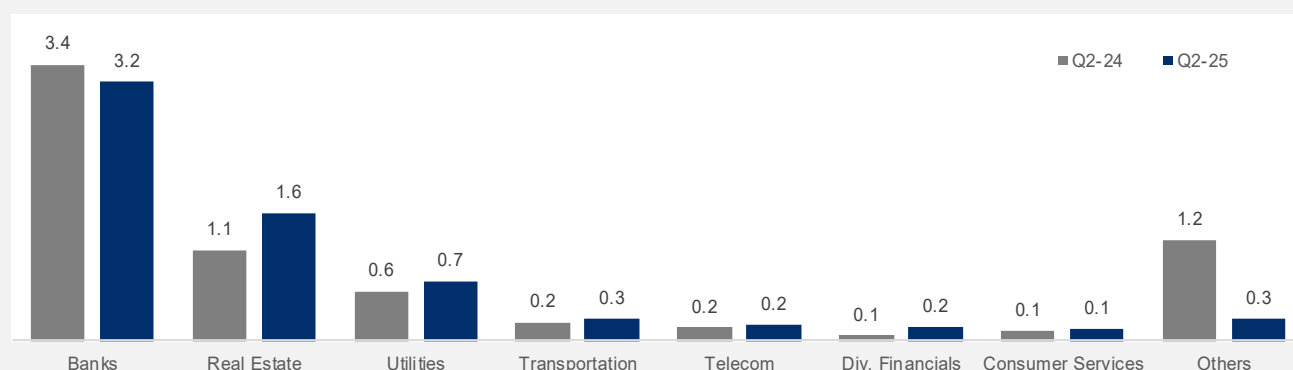
In the Utilities sector, Saudi Electricity Co. reported net profits of USD 815.3 Mn in Q2-2025 as compared to USD 575.3 Mn in Q2-2024, up by 41.7%. In Q2-2025, the company's revenue rose 23.9% y-o-y to USD 1.62 Bn, supported by growth in the regulated asset base of its electricity network and higher electricity production revenues driven by rising energy demand. Operating profit also rose by 21% to USD 1.8 Bn. Meanwhile, ACWA Power Co. reported a net profit of USD 128.5 Mn for Q2-2025, down by 23.6% from USD 168.1 Mn in Q2-2024. The decline in the net profit is primarily due to an impairment charge at one of its affiliated companies.

## Dubai

Net profits of Dubai-listed companies declined by 5.7% y-o-y to USD 6.5 Bn in Q2-2025 as compared to USD 6.9 Bn in Q2-2024. The earnings contraction during the quarter was primarily driven by lower aggregate net profits from the Banks and Capital Goods sectors, with these two sectors together accounting for 50.7% of the total profits on the exchange during the quarter. It is noteworthy that out of the thirteen sectors on the Dubai Stock Exchange, eleven reported y-o-y profit increases during Q2-2025, while the remaining two sectors posted declines. For 1H-2025, aggregate net profits increased by 2.4% y-o-y to reach USD 12.6 Bn versus USD 12.3 Bn in 1H-2024.

The Banking sector's total net profits dropped 6.4% y-o-y in Q2-2025 to USD 3.2 Bn compared to USD 3.4 Bn in Q2-2024. For 1H-2025, profits for the sector decreased by 2.8% y-o-y to USD 6.4 Bn versus USD 6.6 Bn in 1H-2024. The decline in sector earnings was mainly attributable to Emirates NBD, which reported a 9.0% y-o-y decline in net profit of USD 3.4 Bn for 1H-2025. The y-o-y decline in quarterly net profits for the bank was mainly led by impairment charge during Q2-2025 as compared to a reversal of impairment during Q2-2024. In addition, higher non-interest expenses also affected the bottom-line performance for the bank. On the other hand, Commercial Bank of Dubai delivered a 15.4% y-o-y increase in net profits, reaching USD 236.1 Mn in Q2-2025 versus USD 204.6 Mn in Q2-2024. The bank's performance was underscored by total assets surpassing AED 150 Bn (USD 40.8 Bn) for the first time in its history, reflecting momentum and effective strategic execution.

**Dubai Corporate Earnings : Q2-25 vs. Q2-24 (USD Bn)**



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

In the Real Estate sector, net profits surged 40.8% y-o-y to USD 1.6 Bn in Q2-2025 compared to USD 1.1 Bn in Q2-2024. Similarly, aggregate profits for the sector rose 36.6% y-o-y to USD 3.2 Bn in 1H-2025 versus USD 2.4 Bn in 1H-2024. Emaar Properties posted the largest net profits within the sector, reaching USD 917.8 Mn in Q2-2025 compared to USD 658.7 Mn in Q2-2024. The growth was primarily driven by higher property sales that reached a record at AED 46 Bn (USD 12.5 Bn) in H1-2025, up 46% y-o-y. Additionally, Tecom Group's aggregate net profits increased 21.3% y-o-y to USD 102.5 Mn in Q2-2025 compared with USD 84.5 Mn in Q2-2024.

Total net earnings for the Utilities sector rose by 19.4% y-o-y in Q2-2025 to USD 727.8 Mn against USD 609.4 Mn in Q2-2024. All of the three constituent companies in the sector reported earnings growth. Dewa posted a 21.4% y-o-y increase in profits that reached USD 614.7 Mn, while Emirates Central Cooling Systems Corp. reported a 15.3% y-o-y increase to reach USD 69.4 Mn during the same period. Net profits for Tabreed increased by 2.2% y-o-y to reach USD 43.6 Mn in Q2-2025 mainly led by higher revenues during the quarter.

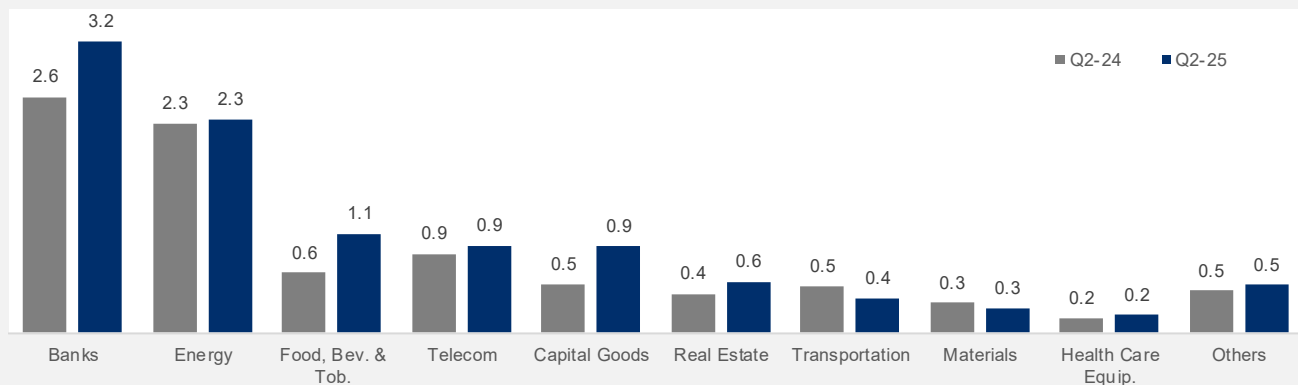
## Abu Dhabi

Listed companies in Abu Dhabi witnessed an 18.3% y-o-y increase in total net profits during Q2-2025, reaching USD 10.3 Bn compared to USD 8.7 Bn in Q2-2024. Aggregate net profits also rose by 3.4% y-o-y during 1H-2025, amounting to USD 19.3 Bn versus USD 16.9 Bn in 1H-2024. The Banking sector in Abu Dhabi reported a strong improvement in net profits with aggregate earnings of USD 3.2 Bn in Q2-2025 against USD 2.6 Bn in Q2-2024, reflecting a y-o-y growth of USD 592.5 Mn or 23.1%. The Energy sector posted the second-largest net earnings on the exchange in Q2-2025, recording a 1.9% y-o-y increase in total profits to USD 2.31 Bn as compared to USD 2.3 Bn during Q2-2024. The Food, Beverage & Tobacco sector along with the Telecommunication sector were among the other significant industries that achieved y-o-y aggregate earnings growth during Q2-2025, thereby contributing positively to the overall expansion in total exchange-wide profits during the period.



The Banking sector delivered broad-based earnings growth across all listed banks. First Abu Dhabi Bank led the performance by reporting the largest net profits in Q2-2025 after a 29.4% y-o-y increase, reaching USD 1.5 Bn against USD 1.1 Bn in Q2-2024. In terms of half-year performance, FAB's net earnings advanced by 26.5% to USD 2.9 Bn compared to USD 2.3 Bn in 1H-2024. The bank's results were mainly driven by higher non-interest income and lower impairments during the quarter. FAB's Investment Banking & Markets division recorded a 17% y-o-y revenue increase to AED 6.1 Bn (USD 1.7 Bn) in H1-2025, while both Wholesale Banking and the Personal, Business, Wealth & Privileged Client Banking Group achieved revenue growth of 12% each during the period. Abu Dhabi Commercial Bank reported the second-largest net earnings in the Banking sector during Q2-2025, at USD 699.2 Mn versus USD 631.0 Mn in Q2-2024. ADCB's profit growth was primarily driven by a 12% increase in net interest income and a 44% rise in non-interest income. Similarly, Abu Dhabi Islamic Bank recorded 12.3% y-o-y growth in Q2-2025 net profits, reaching USD 456.5 Mn compared with USD 406.5 Mn in Q2-2024.

**Abu Dhabi Corporate Earnings : Q2-25 vs. Q2-24 (USD Bn)**



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

Within the Energy sector, Q2-2025 net profits grew by USD 43.5 Mn y-o-y to reach USD 2.31 Bn compared with USD 2.27 Bn in Q2-2024, supported by earnings growth in two constituent companies. Total 1H-2025 net profits for the Energy sector improved by 4.5% y-o-y, reaching USD 4.6 Bn compared to USD 4.4 Bn in 1H-2024. The sector's performance was largely underpinned by ADNOC Gas, which reported USD 1.4 Bn in net earnings during Q2-2025 versus USD 1.2 Bn in Q2-2024, mainly supported by higher y-o-y revenues. ADNOC's strong results were attributed to its well-diversified product portfolio, especially within the local gas market. The company also benefitted from higher volumes at favorable prices, both domestically in the gas market and internationally in the LNG export market. ADNOC Drilling also posted a 19.0% y-o-y increase in earnings, reaching USD 351.0 Mn during the same period. Meanwhile, Abu Dhabi National Energy Company reported an 18.2% y-o-y decline in Q2-2025 net profits to USD 443.0 Mn versus USD 658.3 Mn in Q2-2024. The decline was led by higher pass-through revenue for transmission and distribution.

Aggregate Q2-2025 net earnings for the Food, Beverage & Tobacco sector rose 65.8% y-o-y to USD 1.1 Bn versus USD 648.4 Mn in Q2-2024. Net profits for IHC jumped 71.6% in Q2-2025 to USD 1.1 Bn, representing more than 99% of the sector's profits during the quarter. IHC's higher profit was supported by growth in revenues across its core segments including Real Estate & Construction (USD 6.2 Bn) and Marine & Dredging (USD 3.8 Bn).

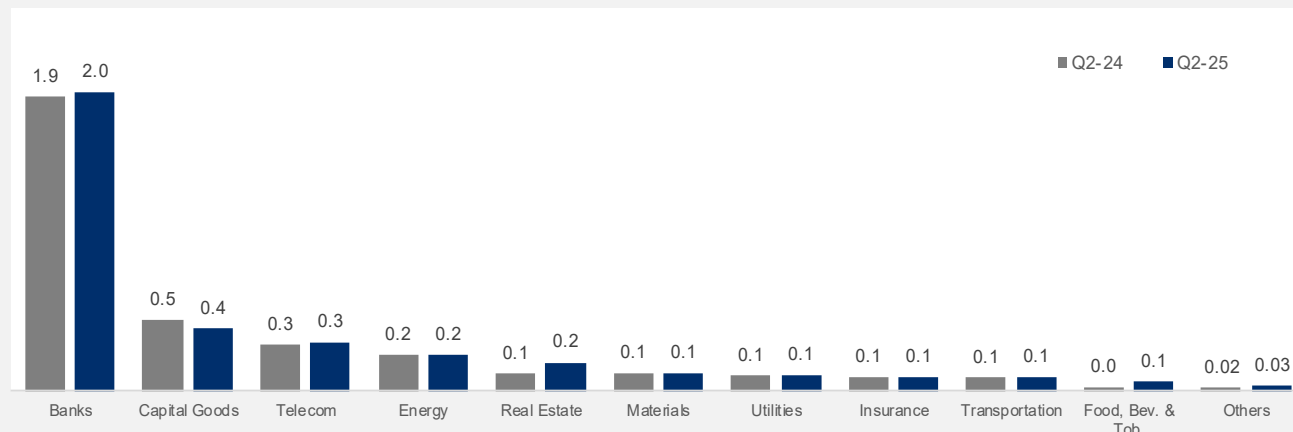
## Qatar

Total earnings for Qatari-listed companies witnessed a gain of 3.8% during Q2-2025 to reach USD 3.6 Bn as compared to USD 3.5 Bn in Q2-2024. The surge in earnings was primarily driven by earnings growth in the Banking, Real Estate and Food, Beverage & Tobacco sectors. However, a decline in profits for Capital Goods, Food & Staples Retailing and Insurance sectors partially offset the overall growth in net profits. In terms of 1H-2025 earnings performance, net profits increased by 2.3% to reach USD 7.2 Bn as compared to USD 7.0 Bn during 1H-2024. Earnings growth during the 1H-2025 was broad-based and was mainly driven by Banks, Capital Goods, and Telecommunication Services.

Qatar's Banking sector reported a profit growth of 2.0% in Q2-2025 that reached USD 2.0 Bn accounting for 54.2% of the overall exchange profits during the quarter. QNB's net profit reached USD 1.1 Bn in Q2-2025, up 3.3% compared to USD 1.0 Bn in Q2-2024, driven by higher operating income which increased 11.2% to reach USD 10.6 Bn. The bank reported a 5.0% increase in customer deposits while loans and advances increased by 9.4% to reach USD 263.6 Bn. Meanwhile, QIB's net profit surged 7.3% in Q2-2025 to reach USD 326.6 Mn vs USD 304.5 Mn in Q2-2024. The bank reported higher net interest income and a decline in quarterly impairments during Q2-2025.

The bank's board recommended a cash dividend of 40% of nominal share value (QAR 0.40 per share) for H2-2025. Net profits for Masraf Al Rayan increased by 8.1% to USD 113.6 Mn in Q2-2025 from USD 105.1 Mn in Q2-2024 mainly led by an increase in income from investing activities which was up by 10.5% in addition to increase in the net fee and commission income. On the other hand, net profit for the Commercial Bank of Qatar decreased by 20.7% during Q2-2025 to USD 167.4 Mn compared to USD 211.0 Mn in Q2-2024. The group's result was affected by the Alternatif Bank, which reported a loss of QAR 107.1 Mn, due to the impact of hyperinflationary accounting and market volatility.

**Qatar Corporate Earnings : Q2-25 vs. Q2-24 (USD Bn)**



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

In the Telecom sector, Ooredoo reported net profits of USD 271.1 Mn in Q2-2025 as compared to USD 262.9 Mn in Q2-2024, up by 3.1%. The Telco's revenue grew by 6% y-o-y to USD 1.67 Bn for Q2-2025 from USD 1.6 Bn in Q2-2024 driven by sustained growth in Iraq, Algeria, Kuwait. Quarterly EBITDA increased by 2% to USD 705.3 Mn, while EBITDA margin remained 43%. Vodafone Qatar reported a net profit of USD 45.6 Mn for Q2-2025, representing an increase of 16.3% y-o-y. Total revenue for the telco increased by 12.2% y-o-y to reach USD 246.1 Mn. Service revenue also grew by 4.4% supported by growth from all the segments. EBITDA increased 11.8% following higher service revenue and stable costs. The total number of mobile customers stood at 2.1 Mn up by 1.6%.

Net profits for the Energy sector improved marginally by 0.2% y-o-y to reach USD 235.0 Mn supported by higher profits reported by Qatar Gas Transport Co. (Nakilat). The company posted a net profit increase of 4.2% to reach USD 117.0 Mn in Q2-2025 vs USD 112.3 Mn in Q2-2024 mainly led by lower total expenses that were further supported by better topline growth.

In the Real Estate Sector, aggregate net earnings soared by 72.3% in Q2-2025 to reach USD 187.0 Mn against USD 108.5 Mn in Q2-2024. Ezdan Holding Group posted the biggest net profits in the sector that reached USD 74.1 Mn, up by 233.1% as compared to the corresponding period of the previous year. The profit growth was achieved by a 2.5% increase in rental income in addition to the gain on sale of investment property. Meanwhile, Mazaya Qatar Real Estate Development Co. returned to profitability of USD 2.8 Mn in Q2-2025 after reporting losses in the same period last year.

## Bahrain

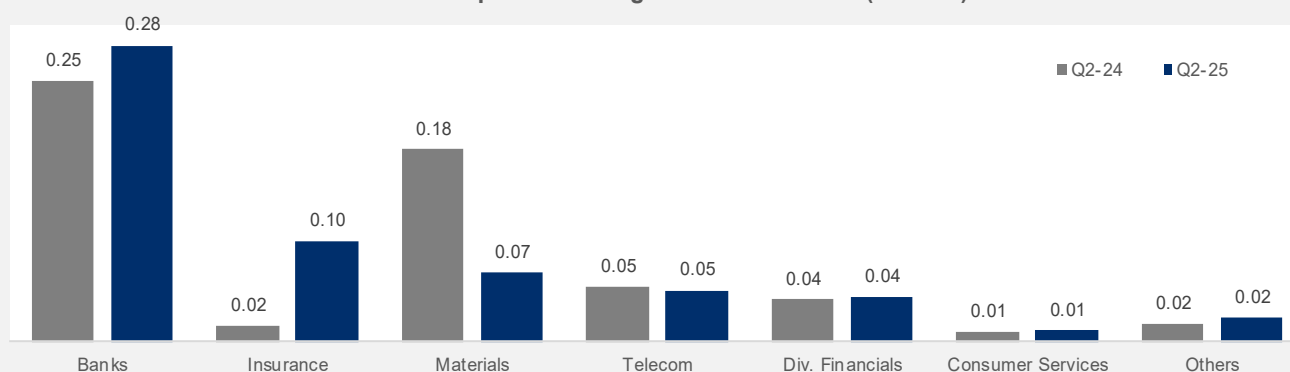
Total Q2-2025 net profits for Bahrain-listed companies increased marginally by 0.5% y-o-y to reach USD 567.1 Mn after ten of its fourteen sectors reported y-o-y growth, including two of its most influential sectors, Banking and Insurance. On a semi-annual basis, net earnings for the broader market rose by 6.9% y-o-y to USD 1.13 Bn in 1H-2025 versus USD 1.06 Bn in 1H-2024, reflecting resilience across several key industries.

The Banking Sector delivered the largest contribution to quarterly growth. Q2-2025 net profits for the sector advanced 13.5% y-o-y, reaching USD 280.4 Mn compared to USD 247.0 Mn in Q2-2024. For 1H-2025, sector earnings jumped 25.3% y-o-y to USD 668.9 Mn against USD 533.8 Mn in 1H-2024. The strong performance was underpinned by notable increase in profits for Al Salam Bank. The bank reported a 31.3% y-o-y surge in Q2-2025 net profits to USD 49.8 Mn versus USD 37.9 Mn in Q2-2024, driven mainly by the robust performance of its core banking activities. Similarly, National Bank of Bahrain posted a 1.5% y-o-y rise in net profits to USD 51.4 Mn in Q2-2025 from USD 50.7 Mn a year earlier, supported by diversified revenue streams including 45% growth in fee-based income, client-driven activity gains, and reduced provisioning requirements. Net profits for ABC increased marginally during Q2-2025 backed by higher net interest income and lower provisions that were offset by higher operating costs.

Net profits for the Insurance sector registered a sharp surge of over 6x to reach USD 95.8 Mn in Q2-2025 compared with USD 15.7 Mn in Q2-2024. On a 1H-2025 basis, sector profits increased by 184.6% y-o-y to USD 107.8 Mn against USD 37.9 Mn. The increase primarily driven by Bahrain National Holding Co., which reported Q2-2025 net earnings of USD 79.0 Mn vs. USD 2.83 Mn in Q2-2024, attributed mainly to the firm's exit from two subsidiaries.

Conversely, weaker performance was observed in the Materials and Telecom sectors. The Materials Sector, represented solely by Aluminum Bahrain, posted a 64.2% y-o-y decline in net profit to USD 65.1 Mn, pressured by elevated raw material costs, particularly alumina. However, Alba maintained stable revenue streams and resilient value-added sales despite the headwinds. Meanwhile, the Telecom sector saw profits decline 6.4% y-o-y to USD 49.1 Mn, reflecting softer sectoral earnings during the quarter.

**Bahrain Corporate Earnings : Q2-25 vs. Q2-24 (USD Bn)**



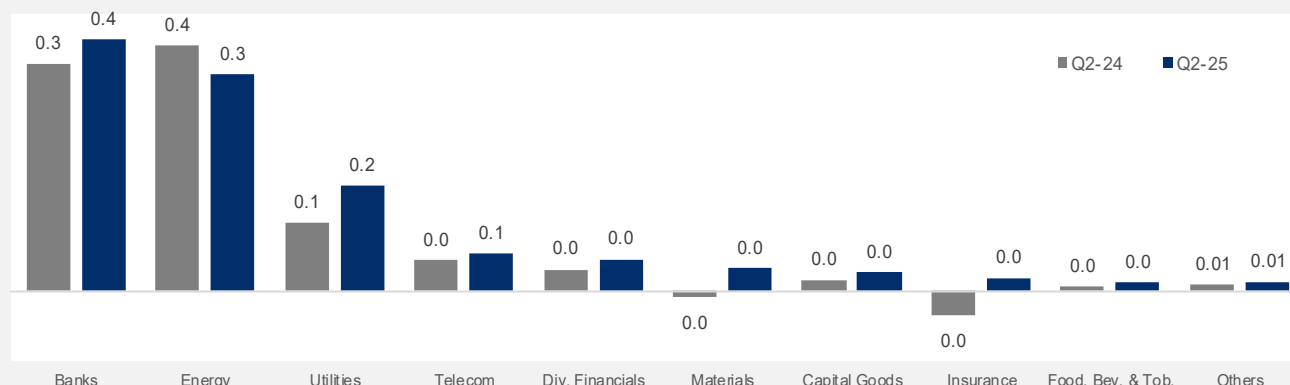
Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

The Diversified Financials sector recorded a 6.5% y-o-y increase in aggregate net profits during Q2-2025, reaching USD 43.1 Mn compared with USD 40.5 Mn in Q2-2024. For 1H-2025, sector-wide net earnings stood at USD 77.6 Mn versus USD 75.5 Mn in 1H-2024. GFH Financial Group was the primary contributor to the sector's overall earnings growth during both periods. GFH's Q2-2025 net profits rose 10.3% y-o-y to USD 37.1 Mn against USD 33.6 Mn in Q2-2024, reflecting stronger performance across its investment and banking activities.

## Oman

Total net profits for listed companies in Oman increased by 21.7% y-o-y to USD 1.0 Bn in Q2-2025 compared with USD 847.6 Mn in the same quarter in 2024. For the first half of the year, total net earnings remained stable at USD 1.8 Bn. The net earnings growth was concentrated in the Banking and Utilities sectors, even as ten out of fourteen sectors on the exchange reported y-o-y profit increases during Q2-2025.

**Oman Corporate Earnings : Q2-25 vs. Q2-24 (USD Bn)**



Source : Company Financials, Reuters, Bloomberg, Kamco Invest Research

Total Q2-2025 earnings of the Banking Sector, the largest sector in the exchange by market cap, grew by 10.5% to USD 362.8 Mn from USD 328.3 Mn in Q2-2024. For 1H-2025, total net profits for the Banking Sector increased by 7.8% y-o-y to USD 702.8 Mn compared with USD 651.8 Mn. Bank Muscat recorded the highest net earnings among banks in Q2-2025 at USD 174.7 Mn, up from USD 150.3 Mn in Q2-2024. Sohar Bank followed with the second-largest net profits at USD 64.1 Mn vs USD 65.3 Mn in Q2-2024. Bank Muscat's strong net earnings were driven by higher net interest income from conventional



banking and net income from Islamic Financing, which stood at OMR 206.44 Mn for the first six months of 2025, compared to OMR 190.63 Mn for the same period in 2024, reflecting an increase of 8.3%.

Aggregate net profits for the Utilities Sector rose by 53.8% y-o-y to USD 151.7 Mn from USD 98.6 Mn in Q2-2024. For 1H-2025, total net profits improved 56.3% y-o-y to USD 149.3 Mn from USD 95.6 Mn in 1H-2024. Sohar Power rebounded from a USD 1.9 Mn loss in Q2-2024 to USD 52.1 Mn in Q2-2025, supporting the sector's overall earnings growth during the two periods. The return to profitability was mainly due to the commencement of new PPA revenue and debt write-offs following the debt restructuring agreement. Conversely, Q2-2025 net earnings of Phoenix Power Co. declined by 15.5% y-o-y to USD 32.2 Mn from USD 38.1 Mn in Q2-2024.

Total net profits for the Telecom Sector increased by 22.4% to USD 54.3 Mn in Q2-2025, compared with USD 44.4 Mn in Q2-2024. Q2-2025 net profit for Omantel reached USD 49.9 Mn versus USD 38.8 Mn in Q2-2024. For 1H-2025, Omantel's net earnings rose 25.4% y-o-y to USD 90.6 Mn from USD 72.3 Mn in the corresponding period of 2024. The earnings growth was mainly supported by a substantial increase in telco revenue of OMR 14.3 Mn, driven by strong performance across multiple segments.

Telco revenue growth was underpinned by increases in Fixed revenue by OMR 2.4 Mn, Device revenue by OMR 6.1 Mn, and Wholesale revenue by OMR 5.8 Mn. On the other hand, Ooredoo Oman posted a 39.9% y-o-y decline in Q2-2025 net profits, falling to USD 4.3 Mn from USD 7.2 Mn in Q2-2024. The decline was mainly attributed to reduced revenue, partly offset by lower operating expenses along with reduced depreciation and amortization costs.

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