

Daily Bulletin

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MIAHONA 2025 net profit surges to SAR 72.4 mn up 77.9% YoY

Last Price: SAR 15.2 | Consensus Target Price: SAR 21.1 | YoY Performance: -31.0%

Miahona Co. reported a net profit of SAR 72.4 mn in 2025, reflecting a 77.9% YoY increase, supported by stronger development activity across its project portfolio. Profit growth was primarily driven by an 81.7% YoY increase in the topline, supported by progress in ongoing project execution and higher development income from newly awarded projects. However, the positive performance was partially offset by higher general and administrative expenses (up 13.8% YoY) and finance costs (up 20.5% YoY) to support project expansion and investment in future growth.

Revenue rose 81.7% YoY to SAR 699.7 mn in 2025, largely driven by a 211.9% YoY increase in construction revenue as ongoing projects progressed in execution, alongside higher development income associated with newly awarded projects. In contrast, the water and wastewater services segment as well as the O&M segment recorded YoY declines of 0.2% and 12.9%. Gross profit increased to SAR 113.7 mn from SAR 86.5 mn in 2025, representing a 31.4% YoY rise. However, gross margins contracted by around 621 bps.

From a cash flow perspective, Operating activities saw a 15.0% YoY increase as the company improved collection efficiency. Investing activities surged by 28.1% YoY due to development of new projects and capital expenditure for capacity expansion to capture organic growth potential. This increase was funded primarily through project finance, reflected in the financing activities, which were up 331.1% YoY.

On the operational front, in December, Miahona was selected as the preferred bidder for the Arana Independent Sewage Treatment Plant (ISTP). The project will serve the Holy City of Makkah by providing advanced sewage treatment capacity to support the growing wastewater management needs associated with Hajj and Umrah pilgrims, ensuring reliable and environmentally responsible wastewater treatment.

The company also continued expanding its strategic presence in Uzbekistan through several development initiatives. Miahona signed new development agreements in the Karakalpakstan region covering irrigation network rehabilitation and potential potable water and wastewater infrastructure projects. Additionally, addenda were signed with the Ministry of Investment, Industry and Trade of the Republic of Uzbekistan and the Ministry of Water Resources of the Republic of Uzbekistan to establish exclusive collaboration for evaluating irrigation pumping station rehabilitation and replacement projects.

Miahona's stock has declined 31.0% YoY, underperforming the TASI, which fell 7.2% over the same period. Notably, the stock currently is trading at a TTM P/E of 33.3x, with a consensus target price of SAR 21.1/sh, implying an upside of 38.8%.

Relative price chart



Source: Tadawul, anbc research

Key financials (SAR mn)

	2025	2024	YoY (%)
Revenue	700	385	82
COGS	(586)	(299)	96
Gross profit	114	87	31
Gross margin (%)	16.2	22.5	
Operating exp.	(30)	(32)	-6
Operating profit	84	55	53
Opt. margin (%)	12.0	14.2	
Net profit	72	41	78
Net margin (%)	10.3	10.6	
EPS	0.45	0.25	

Source: Company financials, anbc research

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