

Daily Bulletin

November 11, 2025

Kingdom Holding's profitability up 129% YoY on impairment reversal and lower finance cost

Last Price: SAR 7.6 | YTD Performance: -14.1%

Kingdom Holding Co. (KINGDOM) posted a net profit of SAR 795 mn in 3Q25, up 128.9% YoY, driven by a reversal of impairment on Accor and lower financial charges (-29.1% YoY). The bottom line of the company is further supported by a higher share of results from equity-accounted investees and a lower income tax expense.

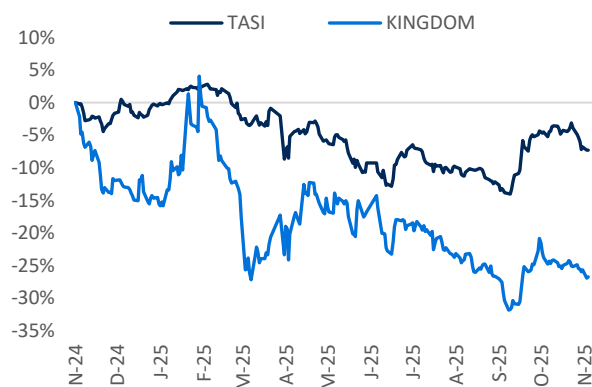
The company reported a revenue of SAR 625 mn, up 2.1% YoY, during the quarter, driven by higher hotel and other operating revenue of SAR 420 mn (+5.5% YoY). However, dividend income for the 3Q25 declined 4.3% YoY to SAR 205 mn. Gross margin for the quarter came at 58.7% compared to the gross margin of 55.3% in the same period last year. For 9M25, total revenue for the company clocked in at SAR 1,990 mn, up 9.1% YoY.

During the quarter, the company reported operating income of SAR 1,034 mn, up 58.9% YoY. The increase was primarily attributable to the reversal of an impairment of SAR 500 mn on Accor and a higher share of results from equity-accounted investees of SAR 287 mn, up 22.3% YoY. General, administrative, and marketing expenses for the quarter rose to SAR 127 mn compared to the expenses of SAR 120 mn in 3Q24. The company's operating income for the 9M25 increased by 15.8% YoY to SAR 2,383 mn.

Finance cost for the quarter declined to SAR 183 mn (-29.0% YoY), taking the cumulative 9M25 finance cost to SAR 648 mn, down 13.7% YoY. Meanwhile, net profit for 3Q25 increased to SAR 795 mn, up 128.9% YoY. The company recorded a lower income tax expense of SAR 25 mn compared to the income tax expense of SAR 40.0 mn in 3Q24.

KINGDOM's share price is currently down 26.7% YoY, underperforming the broader TASI Index, which fell 7.3% during the same period. Currently, the stock is currently trading at a TTM P/E of 16.8x and P/B of 0.7x.

Relative price chart



Source: Tadawul, anbc research

Financials (SAR mn)

	3Q25	3Q24	YoY (%)	2Q25	QoQ (%)
Revenue	625	612	2	623	0
COGS	-258	-273	-6	-271	-5
Gross profit	367	339	8	352	4
Gross margin (%)	59	55		56	
G&A expenses	-127	-120	6	-128	-1
Operating profit	1,034	651	59	654	58
Operating margin (%)	165	106		105	
Net income	795	347	129	405	96
Net margin (%)	127	57		65	
EPS	0.21	0.09		0.11	

Source: Company financials, anbc research

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