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Research
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Company	**Rating**	**Date**
Al Moammar Information Systems Co.	Under Review	13 August 2025
2Q25 Result Review	**Bloomberg Ticker** MIS AB	

Results

Target Price SAR	UR
Upside/ Downside	—

Avg. Volume, mn (LHS) — MIS Avg. price, SAR (RHS)

Current Market Price (SAR)	128.8
52wk High / Low (SAR)	207.0/118.0
12m Average Vol. (mn)	0.1
Mkt. Cap. (USD/SAR mn)	1,030/3,864
Shares Outstanding (mn)	30.0
Free Float (%)	50.9%
3M ADTV (SAR mn)	6.6
6M ADTV (SAR mn)	8.9
P/E'25e (x)	39.0
EV/EBITDA'25e (x)	34.8
Dividend Yield '25e (%)	1.9
Price Perf. (1m/3m) (%)	-7.2/-2.9
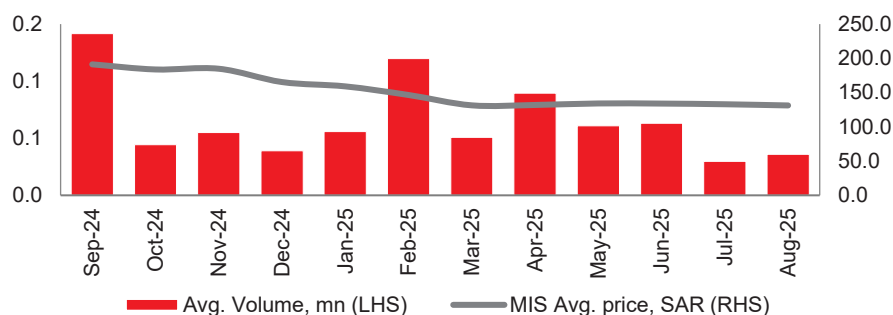
Revenue fell 13% YoY on lower data center revenue

Al Moammar Information Systems' (MIS) revenue declined 13% YoY in 2Q25. This was primarily due to lower revenue from data centers, as the project is nearing completion

Net profit edges higher despite lower operating profit

Gross profit slid at a faster rate than revenue in 2Q25 owing to a decrease in a few channels of ICT solutions. The company posted a similar performance at the operating profit level, which decreased 14% YoY. Net profit, however, rose 2% YoY, amid higher net non-operating income during 2Q25. As a result, the net profit margin improved by 1.5 percentage points to 10.6%.

U-Capital view

While the near-completion data center project weighed on 2Q25 revenue, MIS continues to win new contracts at regular intervals across different verticals. We opine that a strong project backlog amid recent contract wins offers strong future growth potential for the company, subject to timely execution. We keep MIS under review as we await detailed financial information and revisit our investment case and rating.

Research Department
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Financial Summary

SAR mn	2Q24	3Q24	4Q24	1Q25	2Q25	2Q25e	YoY	QoQ	Var.	1H24	1H25	YoY
P&L												
Revenue	351	273	255	406	304	368	-13%	-25%	-17%	684	710	4%
Gross profit	78	69	57	82	67	85	-15%	-19%	-21%	132	149	13%
Operating profit	40	33	19	25	34	43	-14%	38%	-20%	69	59	-15%
Net profit	32	17	3	34	32	40	2%	-5%	-20%	105	66	-37%
BS												
Sh. Equity	402	417	423	458	390		-3%	-15%		402	390	-3%
Ratios												
Gross margin	22.3%	25.3%	22.1%	20.2%	21.9%	23.0%				19.3%	20.9%	
Operating margin	11.3%	12.0%	7.3%	6.1%	11.2%	11.7%				10.2%	8.3%	
Net profit margin	9.1%	6.1%	1.1%	8.3%	10.6%	11.0%				15.3%	9.3%	
EPS, SAR	1.1	0.6	0.1	1.1	1.1	1.3				3.5	2.2	
RoE (TTM)					20.3%							
TTM P/E (x)					45.1							

Source: Financials, Tadawul, Bloomberg, U Capital Research

Investment **R**esearch

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Recommendation

BUY	ACCUMULATE	HOLD	REDUCE	SELL
Greater than 20%	Between +10% and +20%	Between +10% and -10%	Between -10% and -20%	Lower than -20%

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