

الكويت في: 2025/8/13

KUWAIT : 13/8/2025

To: Bursa Kuwait Company

السادة / شركة بورصة الكويت المحترمين،،،

**Subject: Analyst / investors**  
**Conference Transcript for Q2-2025**

**الموضوع : محضر مؤتمر المحللين / المستثمرين**  
**للربع الثاني من عام 2025**

With reference to the above subject, and pursuant to the requirements of Bursa Kuwait Rules , as per Resolution No.(1) /2018 kindly note that the quarterly Analyst / Investors Conference (Q2/2025) was held through a Live Webcast on Monday: 11/8/2025 at 1:30 pm local time.

بالإشارة الى الموضوع أعلاه ، وعملاً بقواعد البورصة الصادرة بموجب القرار رقم (1) لسنة 2018 نحيطكم علماً بأن مؤتمر المحللين / المستثمرين للربع الثاني من عام 2025 قد انعقد في يوم الاثنين الموافق 2025/8/11 في تمام الساعة 1:30 ظهراً وفق التوقيت المحلي عن طريق البث المباشر علي الانترنت (webcast).

Please refer to the attachment for the minutes of the Conference (Q2/2025).

مرفق طيه محضر المحللين / المستثمرين للربع الثاني لعام 2025 .

Yours sincerely,

وتفضلوا بقبول وافر الاحترام ،،،



الشركة المتكاملة القابضة ش.م.ك.ع.  
Integrated Holding Co. K.S.C.P



**Mahmoud Ahmed Abdelhamid**  
**Group Legal Dept.manager**

**محمود احمد عبد الحميد**  
**مدير الإدارة القانونية للمجموعة**

## Analyst / Investors Conference Transcript Q2 2025

**Zeina:** Good afternoon, ladies and gentlemen. This is Zaina Fares from EFG Hermes Research, and I'd like to welcome you all to Integrated Holdings Second Quarter 2025 Results Conference call. With us on the line today is Mr. Joseph Fernandes, Group CFO and Mr. Muath Alrayes, Deputy CEO.

Without further delay, I'd like to hand over the call to management.

**Joseph:** Thank you, Zeina. Good afternoon and greetings to all the participants and analysts for the first half of year 2025.

The first half of 2025 showed modest revenue growth of 4% and net profit growth of 21% as compared to the corresponding figures of the first half of year 2024. Q2 2025 revenues were lower by 1% and the operating profit also was lower by 2% as compared to Q1 2025 revenues and operating profit. Festive holidays in April 2025 and June 2025 and summer season are the main factors affecting the revenue and operating profit.

KSA region is showing steady increase in the rental revenue, consolidating its share in the total revenue to 20% while revenue from Kuwait region is still at low level.

During Q2 2025, a cash dividend of 25 fils per share has been distributed to the shareholders.

Let me move forward by giving highlights of the financial performance. Slide number 6 is on revenue. Due to the factors explained earlier, H1 2025 revenue KD 17.8 million, growth is only 4% when compared to H1 2024. Q2 2025 revenue of KD 8.8 million increased by 14% as compared to Q2 2024 revenue.

Moving on to slide number 7 on net profit. Net profit of KD 3.4 million for the first half of 2025 showed an increase of 21% compared to the net profit from H1 2024. Net profit of KD 1.6 million in Q2 2025 increased by 14% compared to Q224. Gains from sale of depreciated equipment and gain on lease modification contributed to the growth in net profit.

Moving on to slide number 8 on revenue contribution by geography. The KSA region contributed 20% of the total revenue in H1 2025, an increase from 14% of share in H1 2024. This increase helped to compensate part of the shortfall in the revenue contribution from Kuwait and Bahrain region, which is lower by 10% of the total revenue. Revenue share from Qatar region also increased by 4% to 44% during H1 2025.

Moving to slide number 9. Revenue contribution of each operational segment is shown here. The total revenue of equipment leasing and heavy lift is higher by 7% of corresponding period of the previous year, and its contribution to the total revenue is increased to 78%. It was 76% in H1 2024.

Port Stevedoring revenue declined by 8% as compared to H1 2024 due to lower volume of cargo handled during Q2 2025. And its contribution to the total revenue also decreased to 17% in H1 2025 compared to 19% in H1 2024. Transportation revenue, though insignificant, is doubled in H1 2025 as compared to H1 2024. Revenue from oil field operation declined by 37% due to the completion of subcontracts.

Slide number 10 on the statement of financial position. In the financial position, notable changes are in the borrowing. Total debt increased by KD 8 million as compared to 30th June 2024 debt. This additional borrowing was to repay the capex creditors, which was KD 8 million as of 31st December 2024 and to support capex of KD 2.3 million during H1 2025. Debt to equity ratio has increased to 0.66 while it was 0.59 as of 30th June 2024. Right of use assets and lease liability decline is due to the closure of one of the lease contracts. During Q2 2025 a cash dividend of 25% has been distributed.

Moving on to slide number 11 on statement of income. Revenue and net profit were discussed earlier. Q2 revenue growth phase has slowed down as the rental activities were at lower level due to holidays in April and June and summer timings. For the first half of year 2025, EBITDA is at KD 10.5 million versus KD 9.4 million in H1 2024, an increase of 11.5%. H1 2025 EBITDA margin is at 59% versus 55% in H1 2024.

Slide number 13 on company highlights. Revenue from cranes contributes 73% of the total revenue and utilization moved up to 62% and it was at similar level to Q1 2025.

Slide number 14. On other highlights, capital expenditure. The company is focusing more on existing equipment utilization and very cautious on additional capital expenditure. Total capital expenditure during H1 2025 was KD 2.3 million, of which 50% was for the KSA region, 34% to the Kuwait region, and 16% towards Qatar projects. Approximately 71% of the capital expenditure was towards the procurement of cranes. Expected capital expenditure for second half of 2025 is approximately KD 5.2 million, with total capex for the full year projected at KD 7.5 million. 73% of the projected capital expenditure will be through the borrowed funds.

That is all from my side, and we welcome any questions and clarification required in this presentation. Thank you all for joining. Over to Zeina.

**Zeina:** Thank you everyone for the presentation. We will now open the floor for questions. So as a reminder, to ask a question, please use the raise hand function or write your question in the Q&A box or the chat box.

We have our first question from Nowith [ph]. I've lowered your hand. Please unmute locally and say your question.

**Joseph:** Well, I now have the question. He is relating to IPO for Qatar. "We have submitted the application to QFMA and they are processing the application. Hopefully, within a month, we may get a positive response from them, and there on we will decide.

**Zeina:** We have a question coming from Bijoy. Please unmute locally and ask your question.

**Joseph:** Could you please show the question?

**Zeina:** Bijoy, please ask your question.

**Bijoy:** I was not able to unmute, now I can. Thank you, gentlemen, for the call. Thank you, EFG.

So my question is on your last year, you specifically mentioned that you see Qatar gaining momentum, as well as Saudi, and you will be increasing the debt to do more capex. Now this

year, you're saying that you are more cautious. So, can you throw some light as to what has changed, and how do you see the local Kuwaiti market, and how should we think about the capex going forward?

**Joseph:** Well, regarding capex and borrowing, required capex we have already done in the previous year. And in this connection, for short term, we have availed credit from the suppliers of equipment which was lying in the balance sheet of 31st December 2024, which was KD 8 million, and which we converted into debt during first quarter '25. As a result, there is a slight increase in the borrowing, and the total borrowing touched KD 40 million. And in the current year capex, we are cautious, as we mentioned, because we are focusing more on the utilization, to make best use of the existing resources before we commit any other. Other complexes will be based on the new projects if separate requirements come.

Secondly, the growth in Saudi, as well as Qatar, is in the expected line, though a little slower in Qatar. Both sectors have showed growth, while the KSA region contributed approximately 20% of the total revenue, and Qatar region has contributed 44%. Coming to Kuwait, the Kuwait region is still at a lower level. And the Bahrain project, we are almost in the closure stage and that also the revenues are going down. As a result, its contribution in total declined by 10%.

**Bijoy:** Understood. So, can you throw some light on how much Bahrain is contributing to the total revenue?

**Joseph:** Well, this time Bahrain is approximately 2% of the total revenue only.

**Bijoy:** Okay. So the majority decrease that I see in the Kuwait and Bahrain is mainly because of the Bahrain revenue coming down?

**Joseph:** Well, partially. If you compared to the recent quarters, you are right. But comparing to the previous year, also, we haven't made significant growth in Kuwait market and port stewarding revenue was declined. That is one of the reason Kuwait shares has declined.

**Bijoy:** Understood. So, what is the plan in Kuwait? With Kuwait, I know you are focused more on the oil and gas side, but with this mortgage law, do you plan to capture that segment on the housing or infrastructure side, which could boost your revenue in Kuwait?

**Joseph:** Well, our focus is on where heavy equipment or more sophisticated equipment, and projects are required where we get better margin. Housing projects generally require smaller equipment, and the margins are low, and the local players are giving very competitive prices, so we don't focus more on those projects. We try to concentrate on oil, gas, petrochemical and other infrastructure projects where our margins are higher.

**Bijoy:** And do you see any traction on those sectors?

**Joseph:** Well, we were expecting good projects to come up. As for our information, unlikely during this year, but we should get some good news in the coming quarters.

**Bijoy:** Understood. Just one last final question on Saudi, is the Saudi as a country profitable? Or is it still loss making?

**Joseph:** No, the Saudi region we are making profit. Now, we are improving the margin, and that has helped us to maintain and show the growth. Unlike the initial period where we have a lot of mobilization and other setup cost, now we are almost stabilized. Now we are trying to increase the share.

**Bijoy:** So this money that will be raising through the listing of your Qatar business will be used to expand in Saudi?

**Joseph:** Well, we are targeting the projects, depending upon what type of projects are going to come. Based on that, we will decide.

**Bijoy:** Understood. Thank you. Thank you. That's it from my side.

**Zeina:** We have a question coming through the Q&A box from Shah Rukh. "What are your expectations regarding the expected passage of mortgage law, and do you expect higher demand in any of your businesses in Kuwait, given the expected increase in construction?"

**Joseph:** Well, we are not that optimistic in the increase in demand in Kuwait for the coming two quarters at least. And we are just waiting for good news to come for the year 2026 prospects, while we have good projects coming up in Saudi as well as in Qatar.

**Zeina:** We have another question coming from, [indiscernible 17:24]. "Why did the EBITDA margin decline in the second quarter compared to the first?"

**Joseph:** Well, in the first quarter we have made good revenues and income also, but comparing to the first quarter, our revenue, as well as profit margins, were slightly declined. That is one of the reasons.

**Zeina:** We have a follow up question from Nowith. "Any orders awarded to IHC in Qatar from the noise project?"

**Joseph:** Yes, we have been executing several projects in NFE, the Qatar gas, new expansion. We are subcontractor to the main EPC contractors, and this is going on full swing.

**Zeina:** Thank you. If you'd like to ask any more questions, please use the raise hand function or enter your question through the chat or Q&A box. We have a question from Wei Chow, "You previously guided revenue growth of 20%, a net profit of 30% increase for 2025. Are you still sticking to your guidance, or are you going to revise it?"

**Joseph:** Well, at current level of operations, we are lower than our expected target. Mainly, the market in Kuwait has not grown as well as some of the projects in Qatar where we wanted to focus more utilization was little slower. However, in the coming quarters, we can get increased margin, but it is doubtful that 30% margin we will end up with the year 2025 a margin between 20% to 25%.

**Zeina:** Thank you, Mr. Joseph. We'll wait a few minutes for any more questions to come in. We have a follow up question from Wei Chow. "2Q25 G&A was down year on year. Is this going to be the normalized level going forward?"

**Joseph:** Well, G&A expenses are generally at normalized level only, except when sometimes provision for doubtful debts appears which is classified under sales and distribution expenses, unless it is more and we haven't provided more doubtful provision, that has been controlled, so it is nearing to the normalized level.

**Zeina:** Bijoy has a follow up question. Please unmute locally and ask your question.

**Bijoy:** Thank you. My follow-up question is on your reversals. So last year we saw some good amount of reversals coming through, this year as well there is a continuation. Where are these reversals coming from this year?

**Joseph:** Last year, we made good collection on the old bad debts, after legal case we made good collection. And this year, only during the first quarter, we had one collection, at smaller amount. And such type of reversal, big amount, unlikely will be there in the current year. Of course, we may recover smaller, smaller debts, which are in the follow up cases and legal cases also there.

**Bijoy:** Understood. And when looking at your equipment, do you see any old equipment needs to be scrapped off? And do you expect more new equipment to come through in the coming years? Or will the new equipment be more like an addition to the current fleet?

**Joseph:** Well, we have planned replacement of equipment, and older equipment. And you may see generally in our other income, profits from sale of equipment. Generally, in those cases, we sell older equipment. And in our CapEx, 5% to 10% capex goes towards replacement capex, and this is the regular trend, but the replacement goes depending upon the market demand. Sometimes we will sell the equipment and wait for demand to replace the equipment, and it may not be directly linked to capex to the replacement. It has a time gap.

**Bijoy:** So any plans to replace? Within your planned replacement, how much percentage of your equipment—

**Joseph:** Current year, we don't have much replacement capex.

**Bijoy:** Okay, understood. And just one question on your taxation. Can you help us understand this increase in taxation? How should we think about it so the current quarter would be more like a run rate?

**Joseph:** Well, the taxation wise, two regions are affecting the taxation. In Qatar, we have to pay 10% income tax on the profit. That is the main reason for increase in the one. And in Saudi, earlier, we were operating through a Kuwaiti company. There, 20% taxation was applicable. Now we have reduced the Kuwaiti operation and directly linking through our subsidiary in Saudi, so that the tax may go down. And in the future, only the profit of Qatar entity will be applicable.

Well, here I want to add, once we list Qatar company as a public shareholding company, income tax applicability will not be there, as per the current rule. It will be exempt from the income tax once it has become listed public limited company.

**Bijoy:** Understood. So is that one of the reasons for listing it? What is exactly the larger goal of listing?

**Joseph:** One among the several reasons.

**Bijoy:** Okay. And the 30% list, the cash, as you mentioned, you'll be using it and deciding it in future, but is it majorly to fund the groups capex, or is there any other plans?

**Joseph:** No. We are targeting new projects and expansion. Our aim is to use the cash for the future expansion. Current debt payment other obligations we can service through the cash generated from the current level of business.

**Bijoy:** Understood. But see, if we remove Qatar from the equation, then your profitability is very low.

**Joseph:** Well, we are not moving 100% public. We are selling certain portion only we are diluting to keep up the profit, at least at the same level or higher level. If anything is lower, it will be contributed by KSA region.

**Bijoy:** Understood. Thank you. That's it. Thank you.

**Zeina:** We have a few questions coming from the chat box. Wei Chow is asking, "How do you see utilization rates for the second half of this year and for 2026? Could you also comment on the pricing per rates going forward?"

**Joseph:** Well, the utilization, it will move up to 65%; it's currently at 62%. And year 2026, we are targeting 67% and 68%. And relating to the pricing, that is the biggest challenge we are facing. And the prices are still at historical levels, and current year we don't foresee increasing the prices. That is one of the reasons our expected growth we are not able to achieve

**Zeina:** Okay, thank you. We'll wait for any more questions to come in.

**Joseph:** There is one question from [indiscernible]. "How much will be the price of stock in IPO?"

We can't say anything. We have submitted our application to QFMA along with the independent valuation report. Once they analyze and give their reply, then only we can indicate.

**Zeina:** It seems that there are no further questions, so I'll hand over the call to management for any closing remarks.

**Joseph:** One more question. "Is there an expected timeline of the IPO and how much you are expecting to list?"

Well, we have submitted our application to QFMA. Once it is cleared on all aspects, we will try to activate it. And as per the listing requirement, minimum 25% to be offered to the public. That is the minimum requirement. The IPO is secondary offering because it is for the purpose of direct listing.

**Zeina:** Okay, we'll wait one more minute to see if there are any other questions. It seems we have another question from Saharti. "I understand there are expansion plans, but will there be a special dividend?"

**Joseph:** Well, it depends on the board of directors' decision whether they will consider expansion plan as well as cash distribution.

**Zeina:** It seems there are no further questions at the moment, so I'd like to hand over the call back to management for any closing remarks.

**Joseph:** Thank you.

**Zeina:** Thank you management for your time, and thank you everyone for joining today's call. This concludes today's call, and you may now disconnect.



المتكاملة  
integrated

---

**Integrated Holding Co. KSCP**

Analyst Conference

Q2 2025 Results

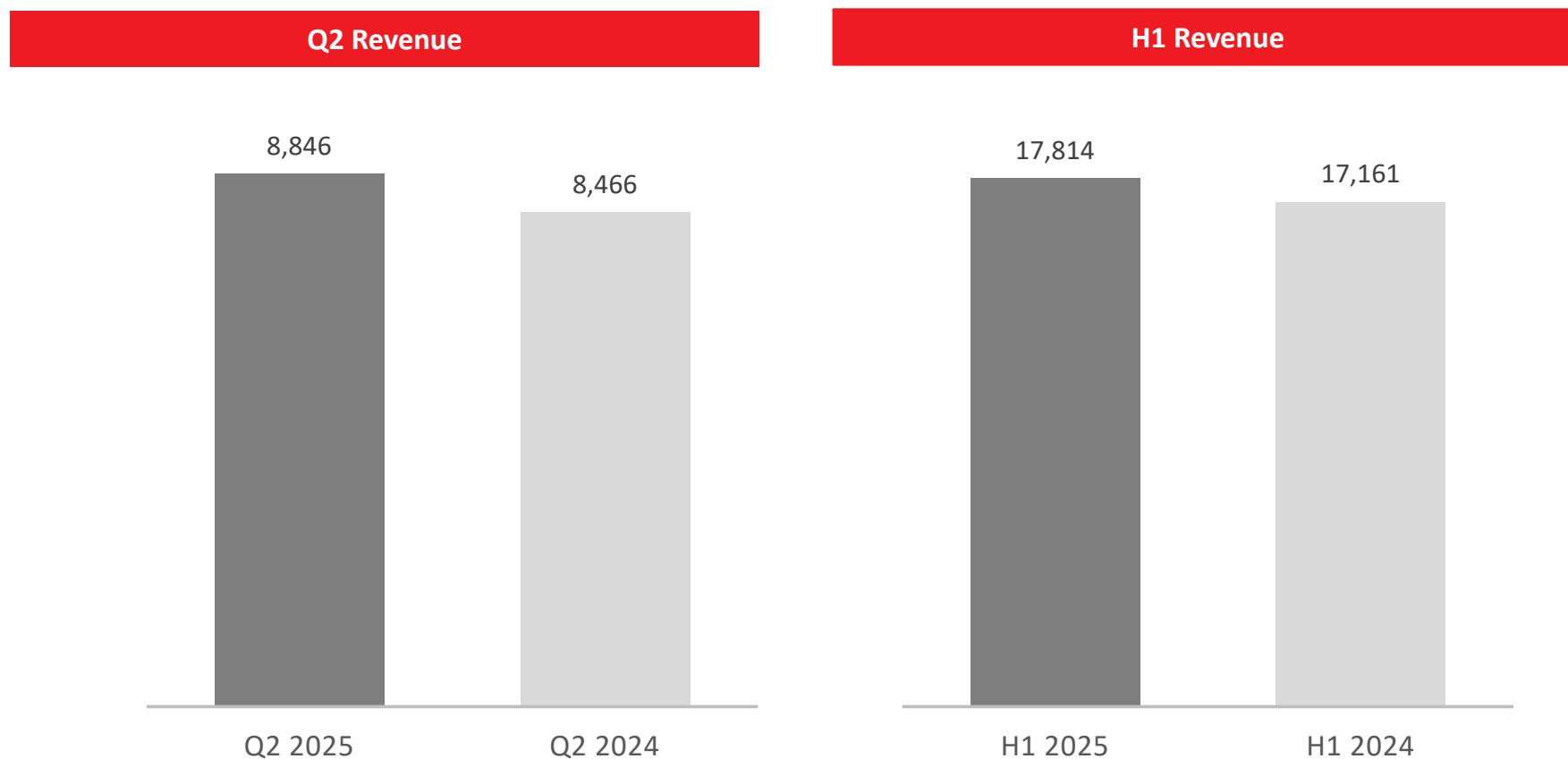
	<b>Page</b>
▪ Overview	4
▪ Financial Highlights	6-10
▪ Company Highlights	12-13
▪ Q&A	

## IHC Overview

- The first half of 2025 has shown modest revenue growth of 4% and net profit growth of 21% as compared to the corresponding figures of the first half of 2024.
- The Q2 2025 revenues were lower by 1% and the operating profit was also lower by 2% as compared to Q1 2025 revenues and operating profit. Festive holidays in April 2025 and June 2025 and summer season are the main factors affecting revenue and operating profit.
- KSA region is showing steady increase in the rental revenue consolidating its share in the total revenue to 20%, while revenue from Kuwait region is still at low level.
- During Q2 2025, a cash dividend of 25 fils per share has been distributed to the shareholders.

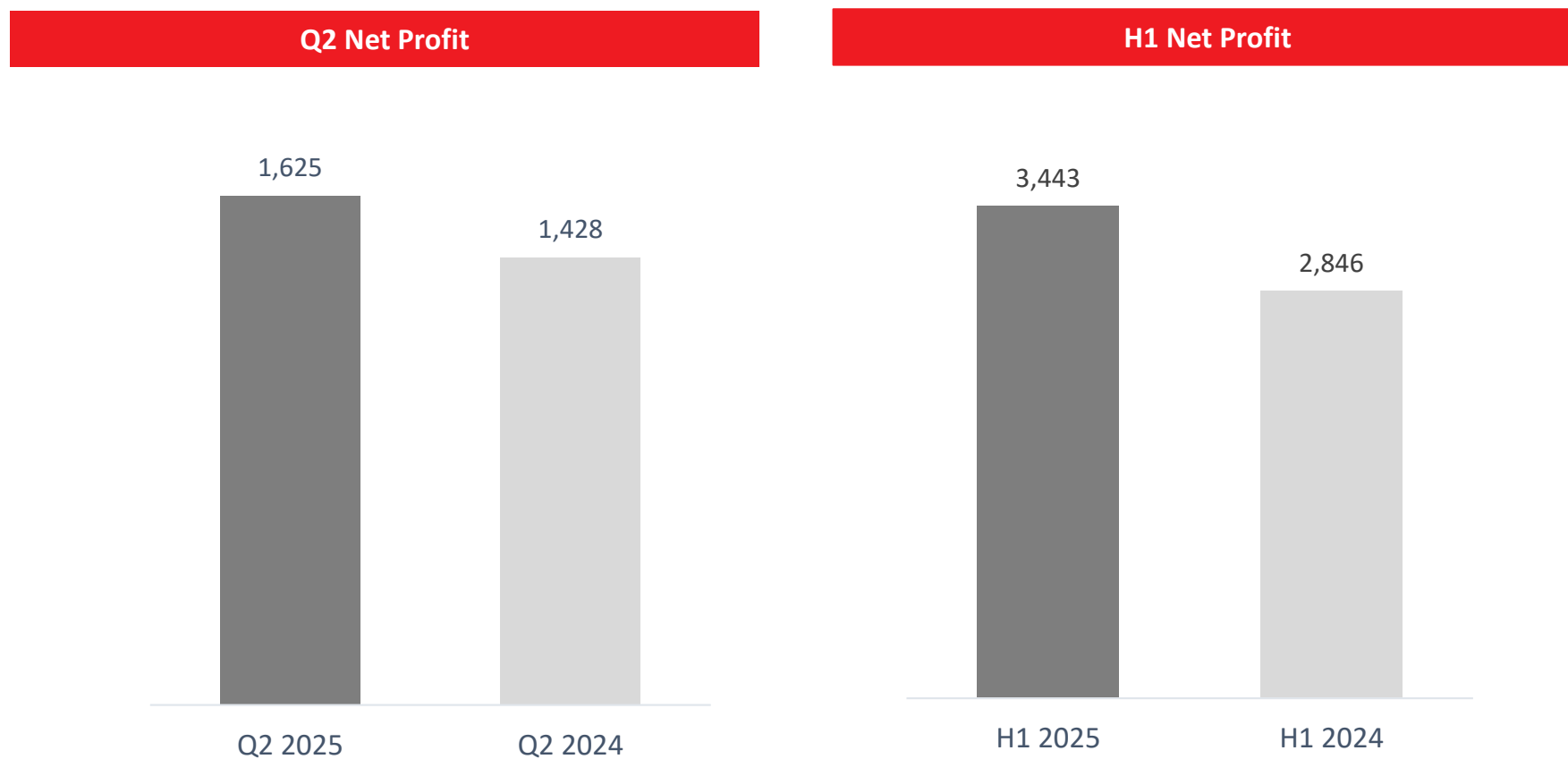
## Financial Highlights

- Due to the factors explained earlier, H1 2025 revenue growth is only 4% when compared with H1 2024. Similarly, Q2 2025 revenue increased by 4% as compared to Q2 2024



Note: Figures in KWD thousands

- Net profit for the first half of 2025 shown an increase by 21% compared to the net profit from H1 2024. Net profit in Q2 2025 increased by 14% compared to Q2 2024.



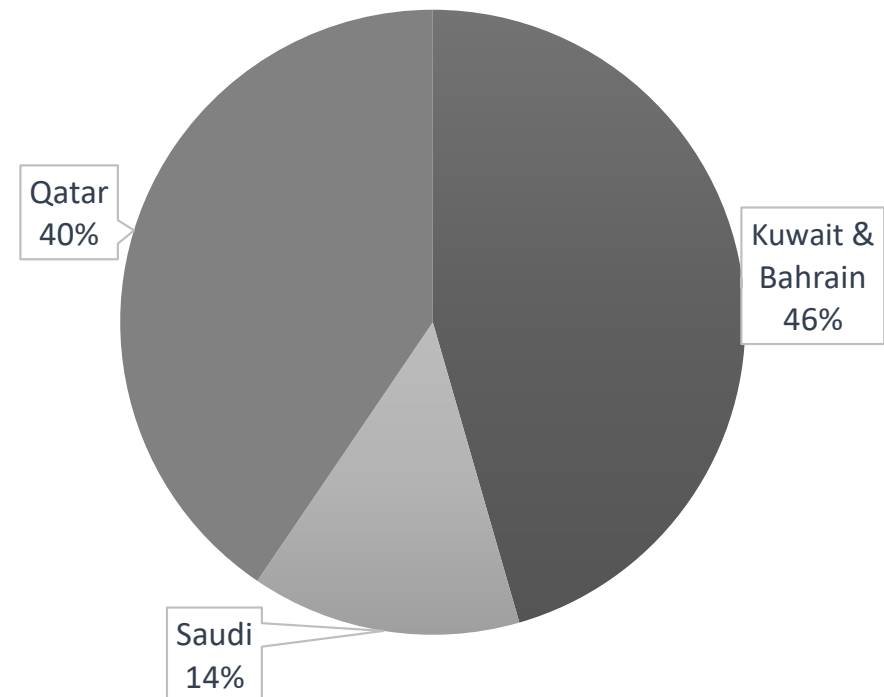
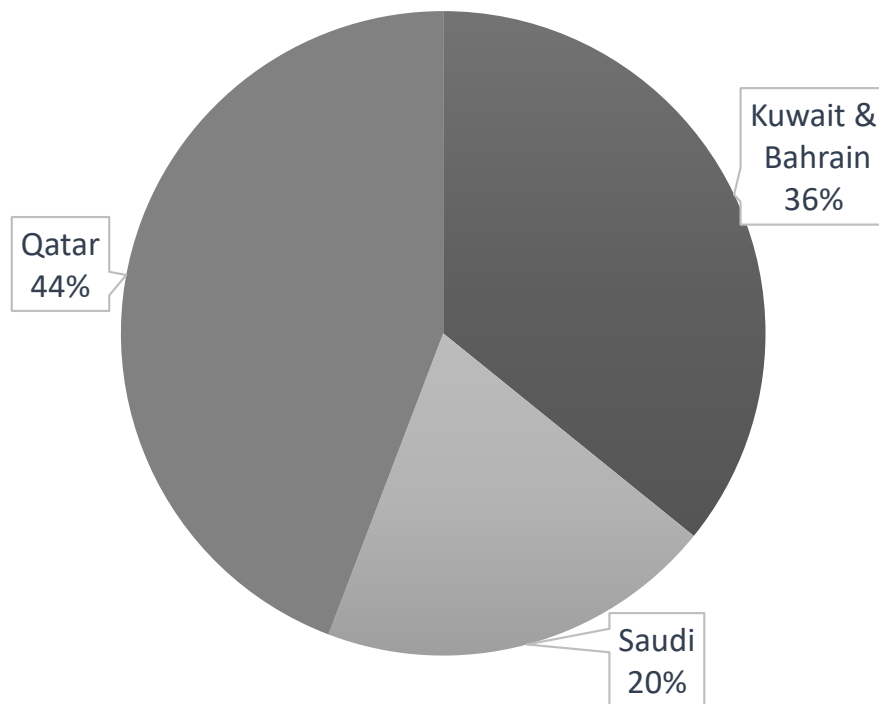
Note: Figures in KWD thousands

## Revenue by Geography

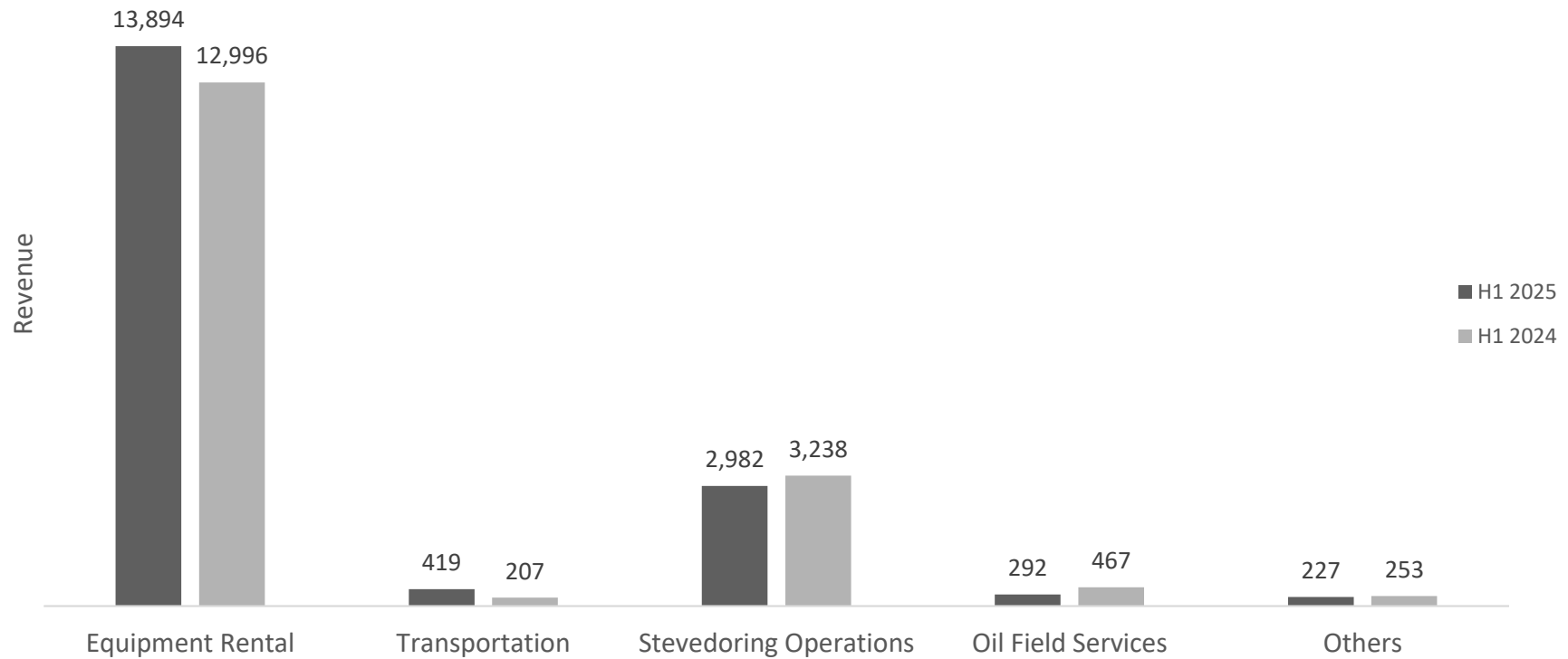
- The KSA region contributed 20% of the total revenue in H1 2025, an increase from 14% of share in H1 2024 . This increase helped to compensate part of the shortfall in the revenue contribution from Kuwait & Bahrain region which is lower by 10 % of the total revenue. Revenue share from Qatar region increased by 4% to 44% during H1 2025.

H1 2025

H1 2024



## Revenue Contribution by Operational Segment



Note: Figures in KWD thousands

## Financial Position

	H1 2025	H1 2024	Change (%)
Current Assets	21,021	20,229	3.9%
Property & Equipment	87,465	81,782	6.9%
Right-of-use Assets	350	487	(28.1%)
Intangible Assets	711	712	
Deferred Tax Asset	159	301	(47.2)%
<b>Total Assets</b>	<b>109,706</b>	<b>103,511</b>	<b>6%</b>
Borrowings	40,774	35,878	13.6%
Capex Creditors			
Trade & Other Liabilities	6,962	6,317	10.2%
Lease Liabilities	318	574	(44.6%)
Shareholders' Equity	61,652	60,742	1.5%
<b>Total Equity &amp; Liabilities</b>	<b>109,706</b>	<b>103,511</b>	<b>6%</b>

Note: Figures in KWD Thousands

## Statement of Income

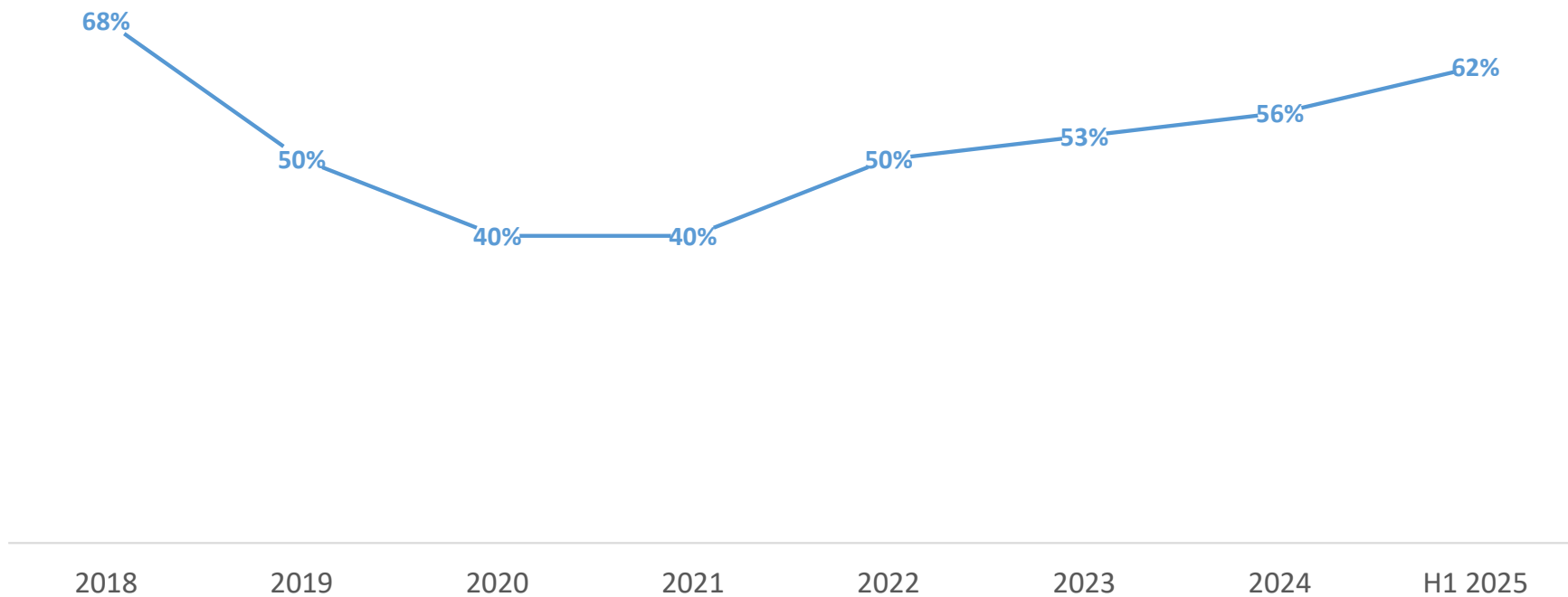
	Quarter 2			Half year		
	2025	2024	Change %	2025	2024	Change %
<b>Revenue</b>	8,846	8,466	4.5%	17,814	17,161	3.8%
<b>EBITDA</b>	5,257	4,753	10.6%	10,516	9,429	11.5%
<b>Depreciation</b>	(2,879)	(2,674)	7.7%	(5,672)	(5,328)	6.5%
<b>Finance Costs</b>	(548)	(506)	8.3%	(1,034)	(955)	8.3%
<b>Net Profit</b>	1,625	1,428	13.7%	3,443	2,846	21%
<b>Earnings Per Share (fils)</b>	6.42	5.65	13.7%	13.61	11.25	21%

Note: Figures in KWD Thousands

## Company Highlights

- The utilization of cranes, which contributes 73% of the total revenue, is moved up to 62% during H1 2025.

## Crane Utilization



- The Company is focusing more on existing equipment utilization and cautious on additional capital expenditure. Total Capital expenditure during H1 2025 was KD 2.3 million, of which 50% was for the KSA region, 34% to the Kuwait region and 16% towards Qatar projects. Approximately 71% of the capital expenditure was towards the procurement of cranes.
- Expected Capital expenditure for second half of 2025 is approximately KD 5.2 million, with total Capex for the full year projected at KD 7.5 million. 73% of the projected capital expenditure will be through the borrowed funds.

**[info@integrated-me.com](mailto:info@integrated-me.com)**