

Company

Dr. Sulaiman Al Habib
Medical Services
Group
1Q26 Result Review

Rating

Hold

Bloomberg Ticker

SULAIMAN AB

Date

4 May 2026

Results

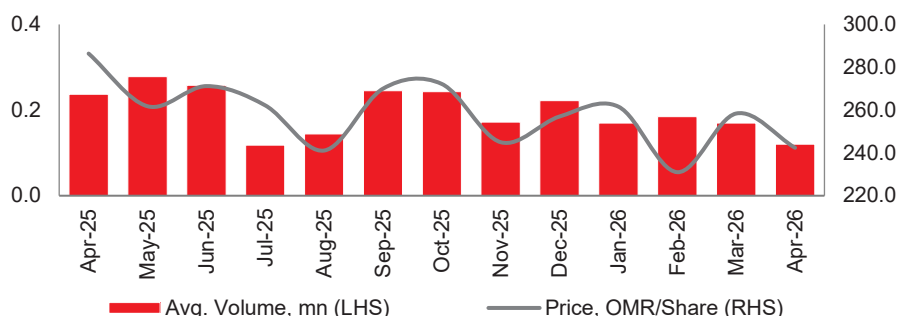
Target Price (SAR)	247.1
Total Return	8.9%

Current Market Price (SAR)	232.0
52wk High / Low (SAR)	289/215
12m Average Vol. (mn)	182.0
Mkt. Cap. (USD/SAR bn)	21.6/81.2
Shares Outstanding (mn)	350.0
Free Float (%)	29.1%
3M ADTV (SAR mn)	39.2
6M ADTV (SAR mn)	44.3
P/E'26e (x)	29.4
P/B'26e (x)	9.3
Dividend Yield '26e (%)	2.4%
Price Perf. (1m/3m) (%)	-8.9/-10.4

Research Department

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Revenue growth supported by expansion and patient volumes

The company reported a revenue of SAR 3,436mn in 1Q26, up 9% YoY, driven by higher patient volumes and contributions from newly commissioned hospitals across key regions. These facilities remain in the ramp-up phase and are expected to support revenue growth going forward.

Profitability weighed by expansion-related costs

EBITDA increased 5% YoY to SAR 854mn, with a margin at 25%. Net profit declined 10% YoY to SAR 503mn, impacted by higher depreciation and financing costs associated with ongoing expansions, as new facilities are yet to reach optimal utilization.

U-Capital View

Dr. Sulaiman Habib Medical Services Group reported YoY and QoQ declines in net profit, driven by higher depreciation and financing costs from ongoing expansions, with new facilities yet to reach optimal utilization. We expect near-term margin pressure to persist until utilization improves. The stock trades at an FY26e P/E of 32.5x; we revise our target price to SAR 247.1/share with a Hold rating on the stock.

Financial Summary

SAR mn	1Q25	2Q25	3Q25	4Q25	1Q26	1Q26e	YoY	QoQ	Var.
P&L									
Revenue	3,158	3,384	3,463	3,701	3,436	3,726	9%	-7%	-8%
Gross profit	1,028	1,066	1,050	1,063	956	1,196	-7%	-10%	-20%
Operating profit	626	645	666	682	588	732	-6%	-14%	-20%
Net profit	557	591	602	651	503	656	-10%	-23%	-23%
BS									
Shareholders' Equity	7,291	7,495	7,684	7,902	7,950		9%	1%	
Ratios									
Gross profit margin	32.6%	31.5%	30.3%	28.7%	27.8%	32.1%			
Operating profit margin	19.8%	19.1%	19.2%	18.4%	17.1%	19.7%			
Net profit margin	17.6%	17.5%	17.4%	17.6%	14.6%	17.6%			
RoE (TTM)					30.3%				
P/E (TTM)					36.1				
Current P/B					10.7				

Source: Financials, TASI, Bloomberg, U Capital Research



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Recommendation

BUY

Greater than 10%

HOLD

Between
0% and +10%

SELL

Lower than 0%

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