U Capital
Ubhar Capital أوبار كابيتال

Research

Company
Dr. Sulaiman Al Habib Medical Services Group
2Q26 Result Review

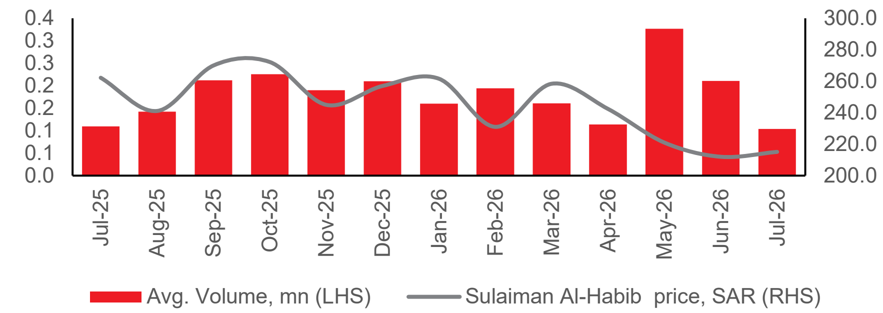
Rating
Buy

Bloomberg Ticker
SULAIMAN AB

Date
26 July 2026

Results

Target Price SAR	249.3
Total Return	18.5%



Current Market Price (SAR)	215.1
52-week High | Low	281.2 | 211.0
Price Perf. (1m | 3m)	1.0% | -11.8%
Mkt. Cap. (USD/SAR mn)	20,076 | 75,285
Free Float	29.1%
3m ADTO (000 shares)	199
6m ADTO (000 shares)	181
3m ADTV (SAR 000)	43,543
6m ADTV (SAR 000)	42,179
P/E 27e	27.0x
P/B 27e	8.0x
DY 27e	2.6%

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Topline surged 18% YoY, ahead of our estimates
The company posted 2Q26 revenue of SAR 4,006.5mn increasing 18% YoY, ahead of our estimates. For 1H26, revenue increased 14% YoY to SAR 7,442.2mn, mainly attributable to higher contribution from hospitals and pharmacies segment, supported by increased patient volume and occupancy rates derived the topline growth.

Bottom line grew 12% YoY, ahead of our estimates
Net profit for 2Q26 clocked at SAR 662.7mn increased 12%YoY. For 1H26, net profit stood at SAR 1,166.0mn. The increase is primarily driven by revenue growth, higher patient traffic, improved activity levels supporting better operating leverage and cost absorption.

U-Capital view
We expect the company to maintain its growth trajectory supported by its ongoing bed and clinic expansion strategy. It continues to demonstrate superior efficiency, reflected in higher ROE and asset turnover. The stock is currently trading at a FY27e P/E of 27.0 with dividend yield of 2.6%. We maintained our Buy rating on the stock with a target price of SAR 249.3/share.

Financial Statements

SAR mn	2Q25	3Q25	4Q25	1Q26	2Q26	2Q26e	YoY	QoQ	Var.	1H25	1H26	YoY
P&L												
Revenue	3,384.3	3,463.3	3,701.4	3,435.8	4,006.5	3,785.0	18%	17%	6%	6,542.1	7,442.2	14%
Gross profit	1,066.0	1,049.9	1,062.8	956.0	1,222.0	1,118.0	15%	28%	9%	2,094.3	2,178.0	4%
Operating profit	644.9	665.7	682.5	587.8	770.4	672.1	19%	31%	15%	1,270.8	1,358.2	7%
Net Profit	591.0	602.3	651.2	503.3	662.7	585.2	12%	32%	13%	1,148.0	1,166.0	2%
BS												
Shareholders' Equity	7,494.9	7,684.4	7,901.7	7,949.7	8,261.5		10%	4%		7,494.9	8,261.5	10%
Ratios												
Gross margin	31.5%	30.3%	28.7%	27.8%	30.5%	29.5%				32.0%	29.3%	
Operating margin	19.1%	19.2%	18.4%	17.1%	19.2%	17.8%				19.4%	18.2%	
Net profit margin	17.5%	17.4%	17.6%	14.6%	16.5%	15.5%				17.5%	15.7%	
TTM RoE (%)					29.8%							
TTM P/E (x)					31.1							
Current P/Bv					9.3							

Source: Financials, Tadawul, Bloomberg, U Capital Research

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BUY	HOLD	SELL
Greater than 10%	Between 0% and +10%	Lower than 0%

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