U Capital
Ubhar Capital

Research

Company
Dallah Healthcare
3Q25 Result Review

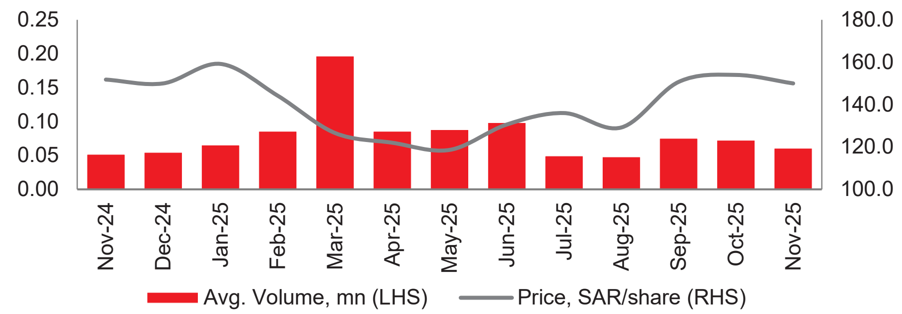
Rating
Hold

Bloomberg Ticker
DALLAH AB

Date
5 November 2025

Results

Target Price SAR	142.0
Upside/ Downside	-5.3%



Current Market Price (SAR)	150.0
52wk High / Low (SAR)	164.0/109.0
12m Average Vol. (mn)	0.1
Mkt. Cap. (USD/SAR mn)	4,063/15,236
Shares Outstanding (mn)	101.6
Free Float (%)	48.0%
3m ADTV (SAR mn)	9.2
6m ADTV (SAR mn)	9.3
P/E'26e (x)	29.5
EV/EBITDA'26e (x)	19.4
Dividend Yield '26e (%)	1.5%
Price Perf. (1m/3m) (%)	3.1/10.3

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Revenue posts strong growth in 3Q25, in line with our estimate

Dallah Healthcare's revenue jumped 25% YoY in 3Q25 on the back of increased operational capacity and strategic inorganic expansions, meeting our expectations. About 87% of the total revenue growth in 3Q25 came from Al-Khobar hospital and Al-Ahsa hospital, which were acquired in March 2025.

Net profit rises at a relatively slower pace than revenue in 3Q25

Net profit grew 12% YoY in 3Q25, primarily driven by strong revenue growth. The company booked a SAR 29.5mn remeasurement profit in 3Q25, as it successfully negotiated a reduction in the Murabaha rate, which also contributed to the result. However, net loss at Dallah Al-Khobar Hospital likely constrained the overall net profit growth during the quarter, although the loss reduced by 95% YoY.

U Capital View

Following the 3Q25 outturn, we await the release of detailed financials and maintain our SAR 142.0/share target price on Dallah as of now. The BoD has proposed a dividend of SAR 0.5/share for 3Q25, maintaining its quarterly trend, indicating a payout ratio of 36%.

For our last report click HERE

Financial Summary

SAR mn	3Q24	4Q24	1Q25	2Q25	3Q25	3Q25e	YoY	QoQ	Var.	9M24	9M25	YoY
P&L												
Revenue	848	809	833	1,062	1,061	1,094	25%	0%	-3%	2,397	2,956	23%
Gross profit	323	293	298	376	381	387	18%	1%	-2%	914	1,054	15%
Operating profit	161	115	178	155	158	176	-2%	2%	-10%	452	490	9%
Net profit	126	114	156	124	142	130	12%	14%	9%	357	422	18%
BS												
Sh. Equity	3,415	3,469	4,061	4,135	4,226		24%	2%		3,415	4,226	24%
Ratios												
GPM	38.1%	36.2%	35.7%	35.4%	35.9%	35.4%				38.1%	35.7%	
OPM	19.0%	14.3%	21.4%	14.6%	14.8%	16.1%				18.8%	16.6%	
NPM	14.9%	14.1%	18.7%	11.7%	13.4%	11.9%				14.9%	14.3%	
EPS, SAR	1.29	1.17	1.59	1.23	1.40	1.29				3.66	4.22	
RoE (TTM)					13.5%							
TTM P/E (x)					28.4							
Current P/B (x)					3.6							

Source: Financials, Tadawul, Bloomberg, U Capital Research

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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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