**Company**

# Dr. Sulaiman Al Habib Medical Services Group

## 3Q26 Result Review

**Rating**

Buy

**Bloomberg Ticker**

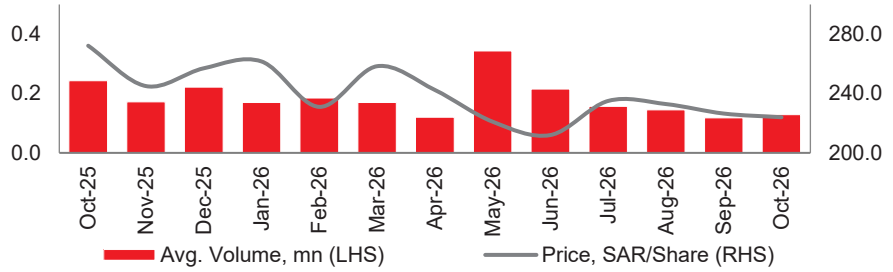
SULAIMAN AB

**Date**

27 October 2026

**Results**

| | |
|---|---|
| **Target Price SAR** | 256.8 |
| **Total Return** | 17.1% |




| | |
|---|---|
| Current Market Price (SAR) | 224.0 |
| 52-week High \| Low | 276.6 \| 207.3 |
| Price Perf. (1m \| 3m) | 0.4% \| -3.3% |
| Mkt. Cap. (USD/SAR mn) | 21,168 \| 78,400 |
| Free Float | 29.1% |
| 3m ADTO (000 shares) | 127.0 |
| 6m ADTO (000 shares) | 129.5 |
| 3m ADTV (SAR 000) | 32,687.6 |
| 6m ADTV (SAR 000) | 37,856.9 |
| P/E 27e | 28.7x |
| P/B 27e | 8.5x |
| DY 27e | 2.4% |


**U Capital Research**

**Email:** ubhar-research@u-capital.net

Tel: +968 2494 9036


### Revenue increased 18% YoY, in line with our estimates

The company reported 3Q26 revenue of SAR 4,102mn (+18% YoY), in line with estimates, driven by higher patient volumes and occupancy rates, increased pharmacy sales, and HMG Solutions growth. For 9M26, revenue rose 15% YoY to SAR 11,544mn.

### Net profit rose 13% YoY on better cost absorption

The company reported 3Q26 net profit of SAR 682mn (+13% YoY and +3% QoQ), ahead of our estimates, driven by revenue growth and higher activity levels, which improved fixed-cost absorption. However, margins continue to reflect the gradual maturity profile of the added capacity.

### U-Capital view

Sulaiman Al Habib's growth should be supported by the ramp-up of hospitals opened under its strategic expansion program as they progress toward optimal capacity utilization. Improving occupancy and operating leverage should improve profitability margins in the near term. We maintain a Buy rating on the stock with updated target price of SAR 256.8/share.

## Financial Statements

| SAR mn | 3Q25 | 4Q25 | 1Q26 | 2Q26 | 3Q26 | 3Q26e | YoY | QoQ | Var. | 9M25 | 9M26 | YoY |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **P&L** | | | | | | | | | | | | |
| Revenue | 3,463 | 3,701 | 3,436 | 4,006 | 4,102 | 3,955 | 18% | 2% | 4% | 10,005 | 11,544 | 15% |
| Gross profit | 1,050 | 1,063 | 956 | 1,222 | 1,255 | 1,165 | 20% | 3% | 8% | 3,144 | 3,433 | 9% |
| Operating profit | 666 | 682 | 588 | 770 | 799 | 707 | 20% | 4% | 13% | 1,937 | 2,157 | 11% |
| Net profit | 602 | 651 | 503 | 663 | 682 | 606 | 13% | 3% | 12% | 1,750 | 1,848 | 6% |
| | | | | | | | | | | | | |
| **BS** | | | | | | | | | | | | |
| Shareholders' Equity | 7,684 | 7,902 | 7,950 | 8,261 | 8,478 | | 10% | 3% | | 7,684 | 8,478 | 10% |
| | | | | | | | | | | | | |
| **Ratios** | | | | | | | | | | | | |
| Gross Margin | 30.3% | 28.7% | 27.8% | 30.5% | 30.6% | 29.5% | | | | 31.4% | 29.7% | |
| Operating Margin | 19.2% | 18.4% | 17.1% | 19.2% | 19.5% | 17.9% | | | | 19.4% | 18.7% | |
| Net Profit Margin | 17.4% | 17.6% | 14.6% | 16.5% | 16.6% | 15.3% | | | | 17.5% | 16.0% | |
| TTM RoE (%) | | | | | 30.9% | | | | | | | |
| TTM P/E (x) | | | | | 29.4 | | | | | | | |
| Current P/Bv | | | | | 8.7 | | | | | | | |

Source: Financials, Tadawul, Bloomberg, U Capital Research



# Investment Research

Ubhar-Research@u-capital.net


**Head of Research**

**Tahir Abbas**
+968 2494 9036 | tahir@u-capital.net

**Research Team**

**Rao Aamir Ali**
+968 2494 9066 | rao@u-capital.net

**Sandesh Shetty**
+968 2494 9059 | sandesh@u-capital.net

**Amira Al Alawi**
+968 2494 9012 | amira@u-capital.net

**Faris Al Hooti**
+968 2494 9012 | faris.nadir@u-capital.net

**Head of Brokerage**

**Talal Al Balushi**
+968 2494 9051 | talal@u-capital.net

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

**Ubhar Capital SAOC (U Capital)**
**Website:** www.u-capital.net
PO Box 1137, PC 111, Sultanate of Oman
**Tel:** +968 2494 9036 | **Fax:** +968 2494 9099 | **Email:** research@u-capital.net