

Earnings Flash Note
Medicare Group
2Q/6M2025

Medicare Group (MCGS)

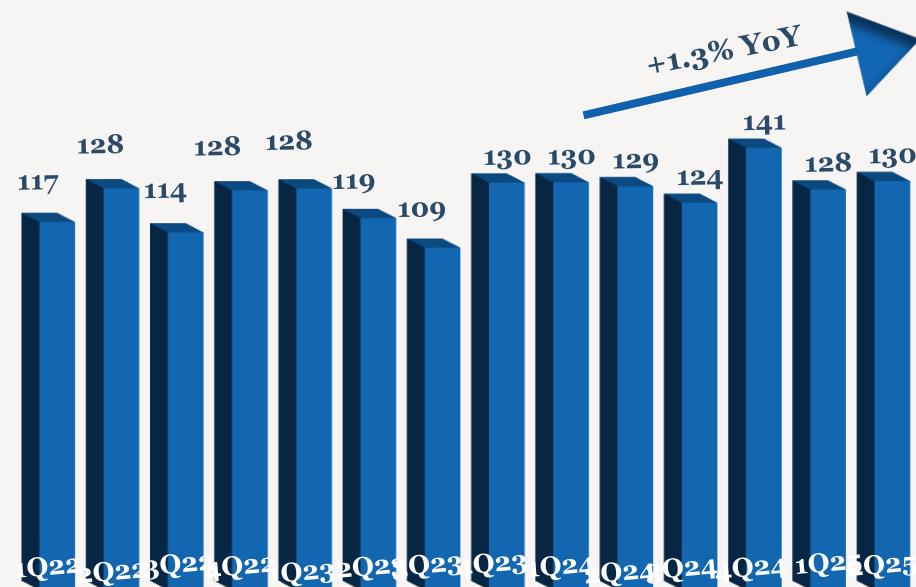
- > For 2Q2025 net profit came to QR20mn as against the loss of QR8mn in 2Q2024 (-9.2% QoQ). The improvement was largely due to the absence of losses from discontinued operations in 2Q2025, which had negatively impacted the results in 2Q2024. For 6M2025 the net profit was up 265.4% to QR41mn.
- > Revenue increased by 1.3% YoY to QR130mn (+2.1% QoQ) in 2Q2025. For 6M2025 the revenue was down 0.3% to QR258mn.
- > Gross profit decreased by 4.6% YoY to QR47mn (+2.9% QoQ) in 2Q2025 while the corresponding margin came at 35.8% (-2.2ppts YoY; +0.2 QoQ) in 2Q2025. For 6M2025 the gross profit was down 4.3% to QR92mn
- > Operating profit decreased by 15.0% YoY to QR17mn (+5.1% QoQ) in 2Q2025. For 6M2025 the operating profit was down 13.4% to QR34mn.
- > For 2Q2025, EPS came at QR0.070 vs Loss Per Share of QR0.030 in 2Q2024. For 6M2025 EPS came at QR0.15 vs QR0.04 in 6M2024.
- > As of 22nd Jul 2025, the stock increased 25.9% YTD, outperforming the QSE Index, which was up by 5.4% YTD.
- > The stock is currently trading at a TTM P/E multiple of 17.9x, lower than its 3Y historical average of 18.2x. For now, we maintain our PT of QR5.52/share and our Accumulate rating.

2Q/6M2025 Earnings Performance

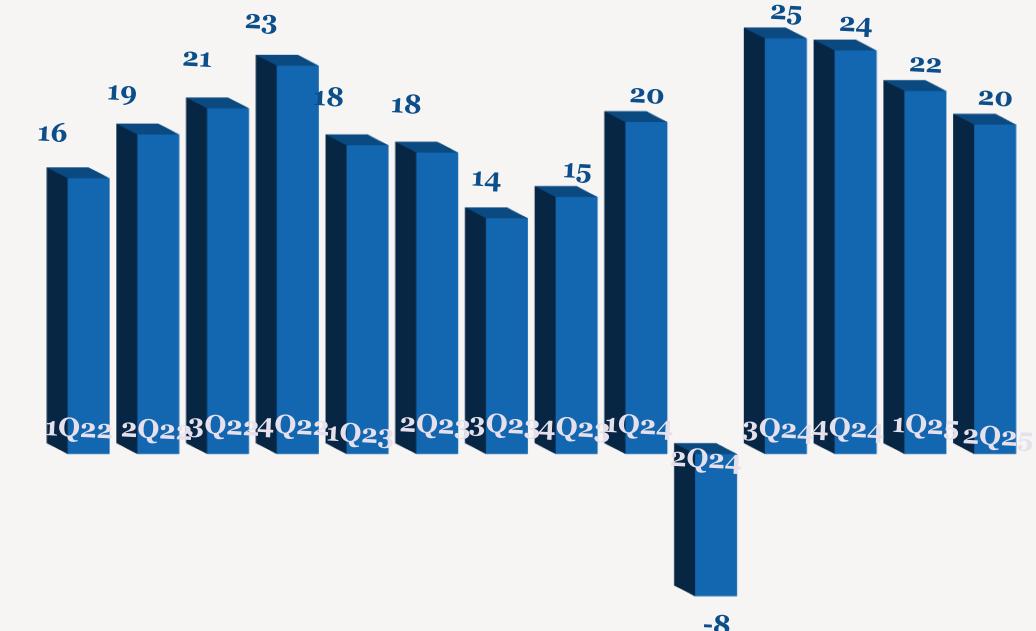
	2Q2025	2Q2024	YoY	1Q2025	QoQ	6M2025	6M2024	YoY
Revenue	130	129	1.3%	128	2.1%	258	259	-0.3%
Gross Profit	47	49	-4.6%	45	2.9%	92	96	-4.3%
Gross Margin %	35.8%	38.0%		35.6%		35.7%	37.2%	
Operating Profit	17	21	-15.0%	17	5.1%	34	39	-13.4%
Operating Margin %	13.4%	15.9%		13.0%		13.2%	15.2%	
Net Profit to Equity	20	-8	-331.2%	22	-9.2%	41	11	265.4%
Net Margin %	15.0%	-6.6%		16.9%		16.0%	4.4%	
EPS (QR)	0.070	-0.030	-331.2%	0.077	-9.2%	0.15	0.04	265.4%

Note: Values are expressed in QR'mn unless explicitly stated

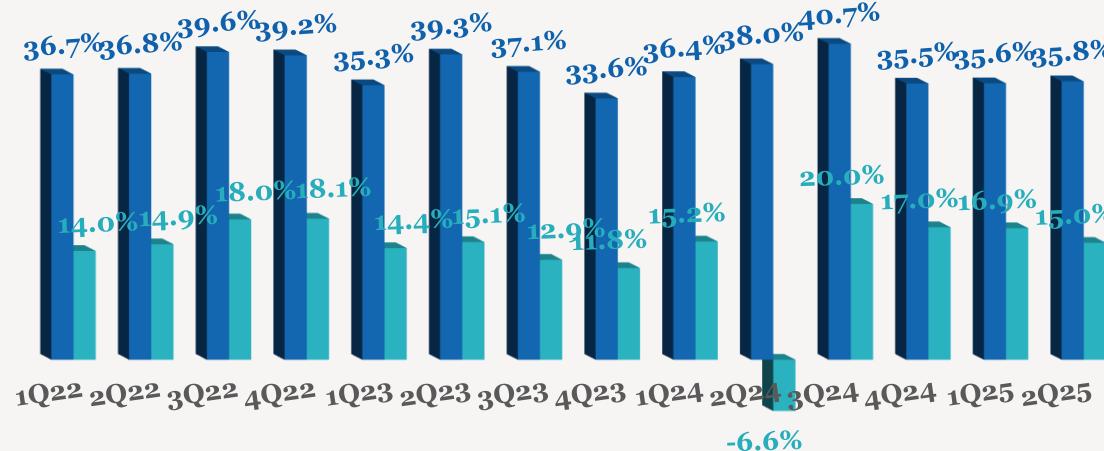
Quarterly Sales Trend (QRmn)



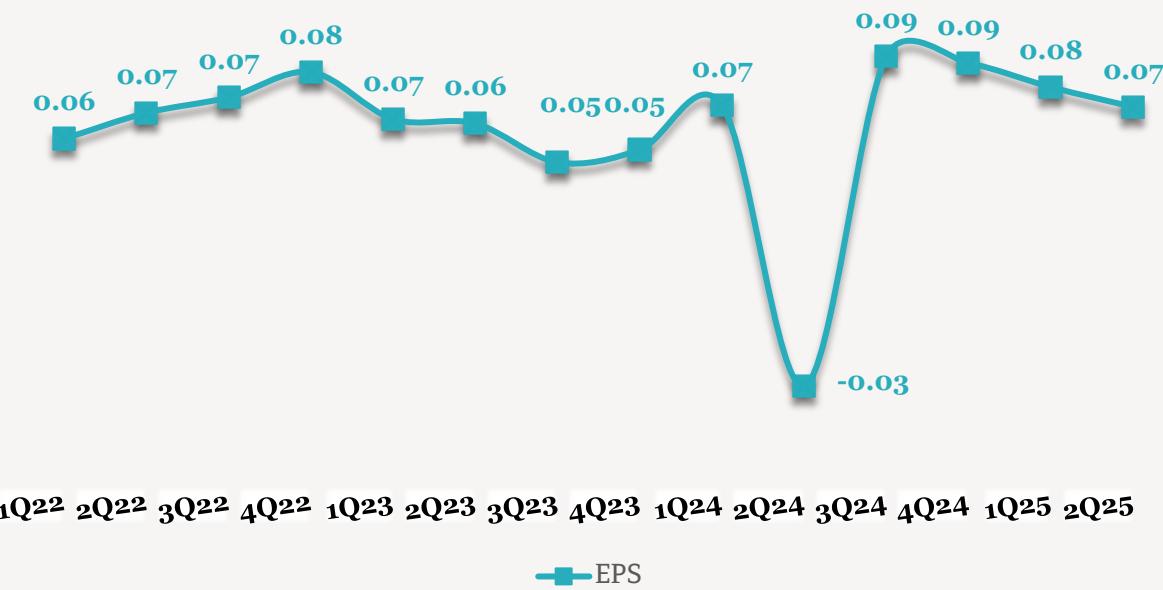
Quarterly Earnings Trend (QRmn)



Quarterly Margin Trend



EPS (QR) Trend



■ Gross Margin (%) ■ Net Profit Margin (%)

■ EPS

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