QNB FINANCIAL SERVICES

# Earnings Flash Note
# Medicare Group
# 4Q 2025/FY2025

# Medicare Group (MCGS)

> **For 4Q2025 net profit declined 42.0% YoY to QR14mn from QR24mn in 4Q2024** (-33.1% QoQ), due to lower revenue and GPM. For FY2025 the net profit was up 26.6% to QR76mn.

> **Revenue decreased by 10.3% YoY to QR126mn (+7.3% QoQ) in 4Q2025**. For FY2025 the revenue was down 4% to QR503mn.

> **Gross profit decreased by 20.8% YoY to QR40mn (-10.6% QoQ) in 4Q2025** while the corresponding margin came at 31.4% (-4.1ppts YoY; -6.3 QoQ) in 4Q2025. For FY2025 the gross profit was down 10.4% to QR176mn.

> **Operating profit decreased by 48.5% YoY to QR11mn (-34.5% QoQ) in 4Q2025**. For FY2025 the operating profit was down 24.1% to QR63mn.

> **For 4Q2025, EPS came at QR0.05 vs QR0.085 in 4Q2024**. For FY2025 EPS came at QR0.27 vs QR0.21 in FY2024.

> **As of 17Th Feb 2026, the stock decreased 6.5% YTD,** underperforming the QSE Index, which was up by 5.6% YTD.

> **The stock is currently trading at a TTM P/E multiple of 22.9x,** higher than its 3Y historical average of 17.8x. For now, we maintain our PT of QR7.30/share and our Accumulate rating.

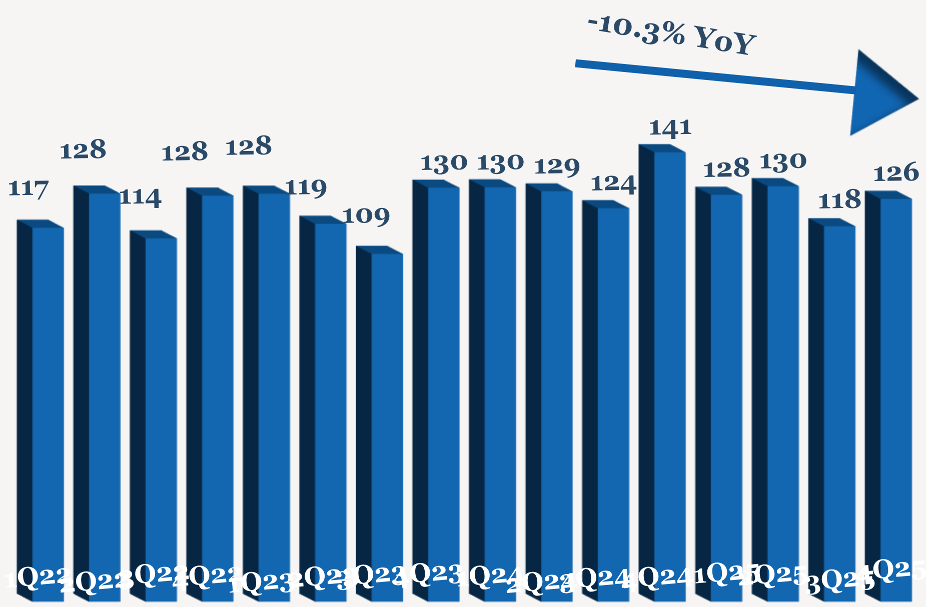
> **The BoD proposed a dividend of QR0.22 per share for 2025, which represents a 11.1% YoY growth from DPS of QR0.198 for 2024.** That translates to a DY of 3.5%.

### 4Q/FY2025 Earnings Performance

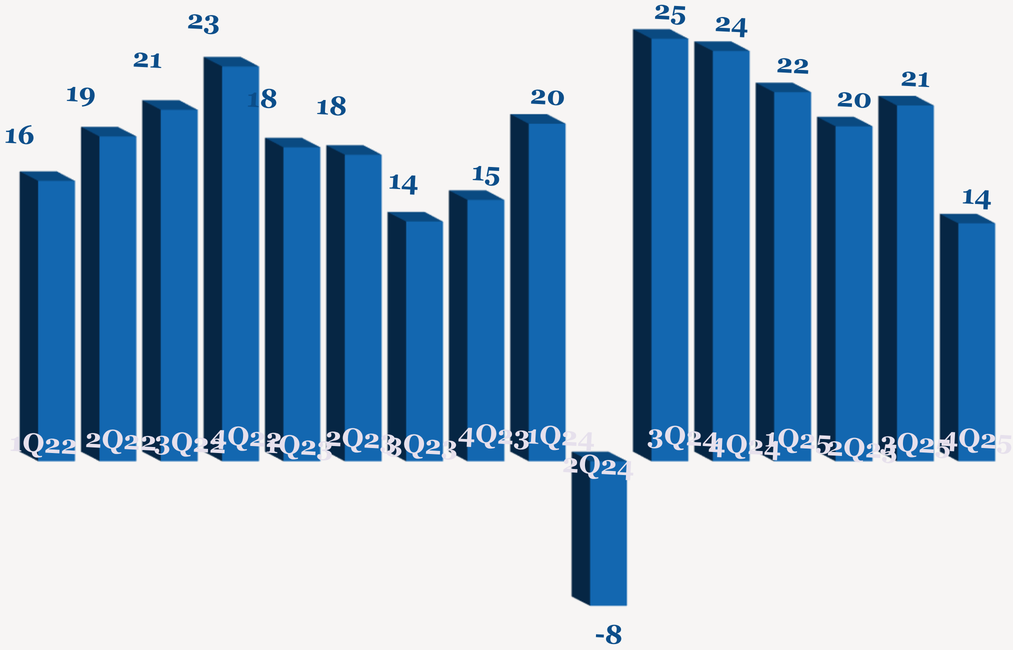
| | 4Q2025 | 4Q2024 | YoY | 3Q2025 | QoQ | FY2025 | FY2024 | YoY |
|---|---|---|---|---|---|---|---|---|
| Revenue | 126 | 141 | -10.3% | 118 | 7.3% | 503 | 523 | -4.0% |
| Gross Profit | 40 | 50 | -20.8% | 44 | -10.6% | 176 | 197 | -10.4% |
| Gross Margin % | 31.4% | 35.5% | | 37.7% | | 35.1% | 37.6% | |
| Operating Profit | 11 | 22 | -48.5% | 17 | -34.5% | 63 | 83 | -24.1% |
| Operating Margin % | 9.0% | 15.7% | | 14.7% | | 12.5% | 15.8% | |
| Net Profit to Equity | 14 | 24 | -42.0% | 21 | -33.1% | 76 | 60 | 26.6% |
| Net Margin % | 11.0% | 17.0% | | 17.7% | | 15.1% | 11.5% | |
| EPS (QR) | 0.050 | 0.085 | -42.0% | 0.074 | -33.1% | 0.27 | 0.21 | 26.6% |

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

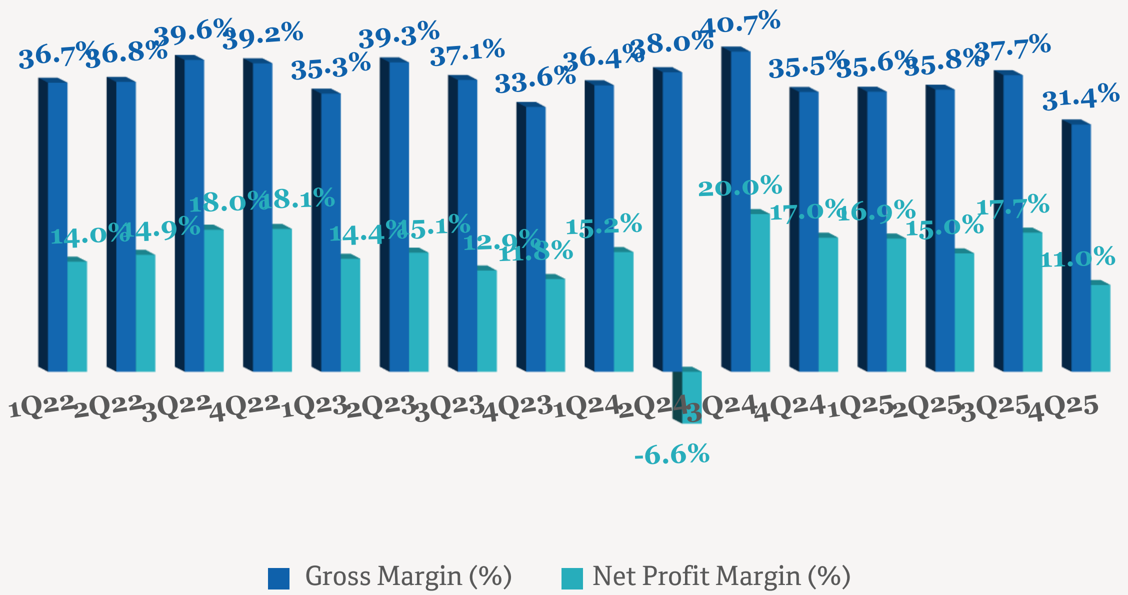
## Quarterly Sales Trend (QRmn)



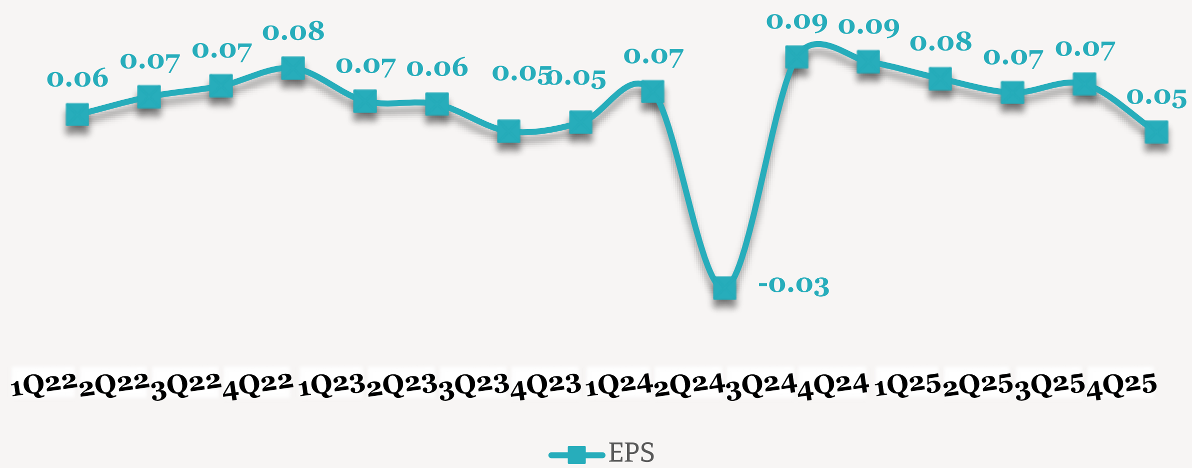

## Quarterly Earnings Trend (QRmn)




## Quarterly Margin Trend




## EPS (QR) Trend



# Contacts

QNB Financial Services Co. W.L.L.
Contact Center: (+974)4476 6666
info@qnbfs.com.qa
Doha, Qatar

Saugata Sarkar, CFA, CAIA
Head of Research
saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian
Senior Research Analyst
shahan.keushgerian@qnbfs.com.qa

Phibion Makuwerere, CFA
Senior Research Analyst
phibion.makuwerere@qnbfs.com.qa

Dana Saif Al Sowaidi
Research Analyst
dana.alsowaidi@qnbfs.com.qa