



# Earnings Flash Note

## Medicare Group

### 4Q 2024/FY 2024

## Medicare Group (MCGS)

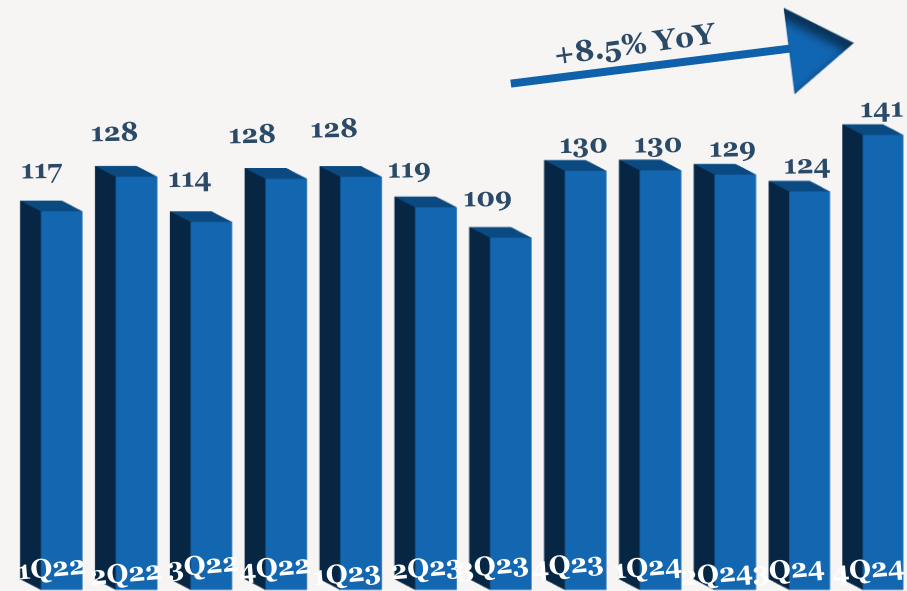
- > For 4Q2024 net profit rose 56.9% YoY to QR24mn (-2.9% QoQ), primarily due to higher operating income. For FY2024 the net profit was down 8.6% to QR60mn.
- > Revenue rose by 8.5% YoY to QR141mn (+14.2% QoQ) in 4Q2024. For FY2024, operating income was QR523mn (+7.7% YoY).
- > Gross profit grew by 14.7% YoY to QR50mn (-0.2% QoQ) while the corresponding margin rose to 35.5% (+1.9ppts YoY; -5.1ppts QoQ) in 4Q2024. For FY2024, gross profit was up 11.7% YoY to QR197mn.
- > Operating profit was up 49.2% YoY (+3.9% QoQ) to QR22mn in 4Q2024 while the corresponding margin increased to 15.7% (+4.3ppts YoY, -1.6ppts QoQ). For FY2024, operating profit came in at QR83mn (+21.9% YoY).
- > For 4Q2024, EPS came at QR0.085 vs QR0.054 in 4Q2023. For FY2024, EPS was 0.21 vs 0.23 in FY2023.
- > As of 24<sup>th</sup> Feb 2025, the stock has decreased 4.2% YTD, Underperforming the QSE Index, which was up by 0.9% YTD.
- > The stock is currently trading at a TTM P/E multiple of 20.2x, higher than its 3Y historical average of 19.3x. For now, we maintain our PT of QR5.52/share and our Accumulate rating.
- > The Board has decided to put forward to the Ordinary General Assembly its recommendation for the distribution of 19.8% cash dividends of the nominal share value (i.e. QR0.198 per share). For FY2023, MCGS paid QR0.22 DPS.

### 4Q/FY 2024 Earnings Performance

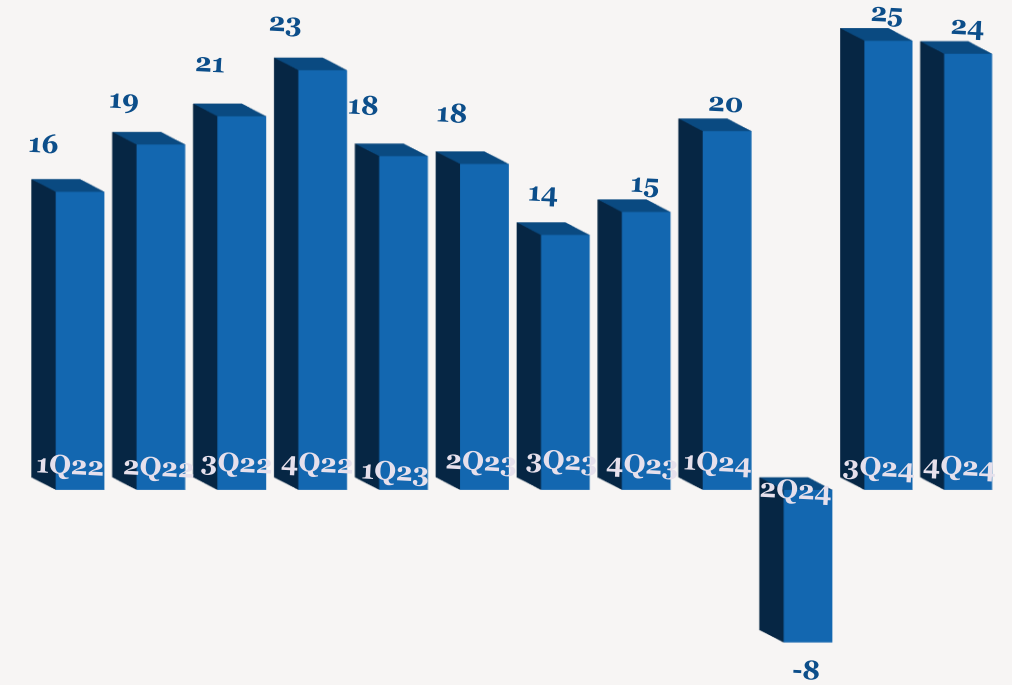
	4Q2024	4Q2023	YoY	3Q2024	QoQ	FY2024	FY2023	YoY
Operating Income	141	130	8.5%	124	14.2%	523	486	7.7%
Gross Profit	50	44	14.7%	50	-0.2%	197	176	11.7%
Gross Margin %	35.5%	33.6%		40.7%		37.6%	36.2%	
Operating Profit	22	15	49.2%	21	3.9%	83	68	21.9%
Operating Margin %	15.7%	11.4%		17.2%		15.8%	13.9%	
Net Profit to Equity	24	15	56.9%	25	-2.9%	60	66	-8.6%
Net Margin %	17.0%	11.8%		20.0%		11.5%	13.5%	
EPS (QR)	0.085	0.054	56.9%	0.088	-2.9%	0.21	0.23	-8.6%

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

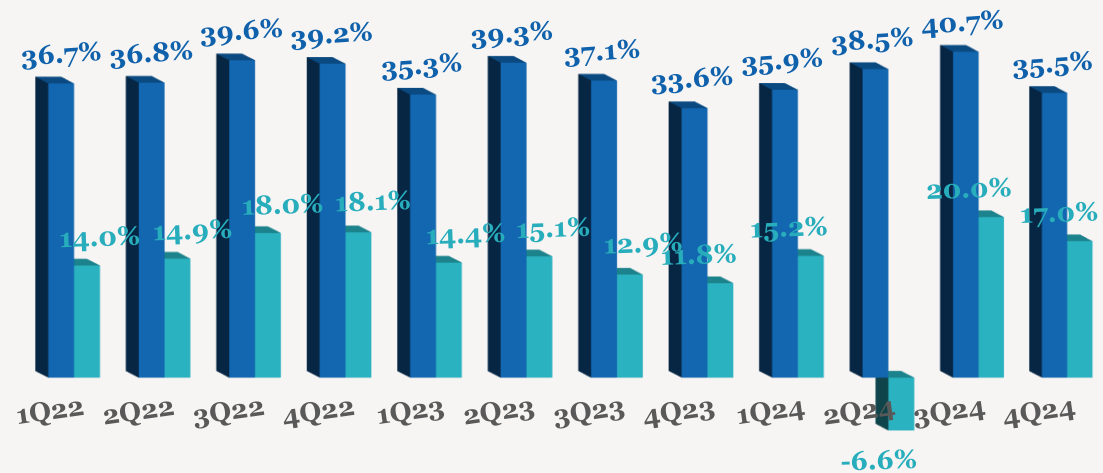
### Quarterly Sales Trend (QRmn)



### Quarterly Earnings Trend (QRmn)

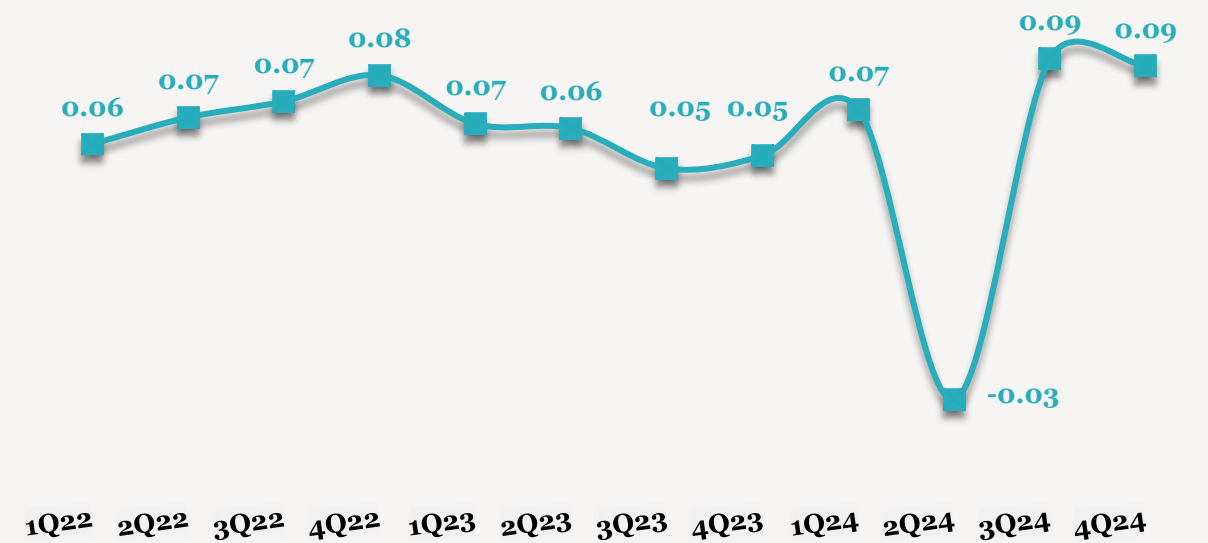


### Quarterly Margin Trend



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

### EPS (QR) Trend



— EPS

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