Al Hammadi Holding

Al Hammadi Holding Releases Results for the Year Ended 31 December 2025

15 March 2026, Riyadh (Saudi Arabia). Al Hammadi Holding announces its financial results for the quarter and year ended 31 December 2025 (Q4 2025 and FY 2025). The Company reported revenues of SAR 1,235 million for the full year, marking a 7% year-on-year (y-o-y) increase. Meanwhile, net profit reached SAR 242 million, lower by 29% compared to last year, with an associated net profit margin (NPM) of 19.6% versus 29.4% in FY 2024, reflecting the absence of one-off gains from land sale proceeds recognized in Q2 2024, coupled with higher credit loss provisions due to delays in receivable settlements, increased SG&A expenses, and a goodwill impairment related to one of the subsidiaries recorded during the year. On a quarterly basis, revenues increased 5% y-o-y to SAR 340 million in Q4 2025, the highest quarterly revenue recorded during the year. Net profit, however, declined 30% y-o-y to SAR 54 million, with a net margin of 15.9%, driven by higher cost of revenue associated with higher staff salaries and personnel costs, alongside higher operating expenses and increased Zakat expenses, weighing on bottom-line profitability.

Key Financial and Operational Highlights

Financial Highlights (SAR mn)	Q4 2024	Q4 2025	*Y-o-Y Change*	FY 2024	FY 2025	*Y-o-Y Change*
Total Revenues	322.8	339.5	*5.2%*	1,153.9	1,234.5	*7.0%*
Cost of Sales	(213.2)	(249.0)	*16.8%*	(771.4)	(871.5)	*13.0%*
Gross Profit	**109.6**	**90.5**	***(17.4%)***	**382.5**	**363.0**	***(5.1%)***
GPM	*34.0%*	*26.7%*	*(7.3pts)*	*33.1%*	*29.4%*	*(3.7pts)*
Operating Profit	**78.6**	**59.2**	***(24.7%)***	**365.6**	**254.1**	***(30.5%)***
Operating Profit Margin	*24.4%*	*17.4%*	*(6.9pts)*	*31.7%*	*20.6%*	*(11.1pts)*
Net Profit	**77.8**	**54.1**	***(30.5%)***	**338.8**	**241.9**	***(28.6%)***
NPM	*24.1%*	*15.9%*	*(8.2pts)*	*29.4%*	*19.6%*	*(9.8pts)*
Operational Highlights (‘000)						
Inpatient Volumes	11.7	11.1	*(5.3%)*	*41.5*	43.4	*4.8%*
Outpatient Volumes	274.2	266.3	*(2.9%)*	1,002.9	989.8	*(1.3%)*

- Al Hammadi reported **total revenues** of SAR 1,235 million during FY 2025, marking a robust 7% y-o-y increase, driven by revenue growth across both medical services and pharmaceuticals, which grew 2% y-o-y and 31% y-o-y, respectively. The growth in medical services revenue was primarily driven by a 9% y-o-y increase at the Group’s Al Nuzha Hospital, supported by a 6% y-o-y rise in inpatient volumes and a 1% y-o-y uptick in outpatient volumes. In the pharmaceutical segment, top-line performance was fueled by increasing sales from Pharma Serve, which expanded more than fivefold year-on-year to SAR 84 million from SAR 15 million in FY 2024, reflecting continued expansion of its business operations following the company’s decision earlier in 2025 to broaden its customer base to include private sector clients.

- On a quarterly basis, revenues increased by 5% y-o-y to reach SAR 340 million in Q4 2025, marking the highest quarterly revenue recorded in 2025, primarily driven by strong performance in the pharmaceuticals segment, which recorded 53% y-o-y growth. This growth fully captures higher sales at Pharma Serve, which generated a record SAR 38 million in Q4 2025, compared to SAR 4 million in Q4 2024.
- **Net profit** stood at SAR 242 million for FY 2025, reflecting a 29% y-o-y decline, with an associated net profit margin (NPM) of 19.6%, compared to 29.4% in FY 2024. The decline in profitability was mainly due to the high base effect from one-off gains amounting to SAR 55 million recognized in Q2 2024, following the sale of a vacant plot of land in the Al Rayyan district, which had boosted prior full year results. Net profit was further weighed by higher expected credit loss provisions, increased SG&A expenses, and a goodwill impairment related to one of the subsidiaries recorded during the year.
- On a quarterly basis, net profit reached SAR 54 million, down 30% y-o-y, with an NPM of 15.9%. The decrease primarily reflects increased Zakat expenses, lower finance income, and reduced operating profitability, owing to higher SG&A expenses of SAR 35 million, compared to SAR 25 million in Q4 2024, as well as the recognition of a goodwill impairment related to one of the subsidiaries. This more than offset the improvement in credit loss provisions to SAR 2 million from SAR 13 million in the prior-year quarter.
- **Net debt to equity** recorded 2.3% as of 31 December 2025, compared to a net cash to equity ratio of 3.1% recorded as of 31 December 2024.
- **Inpatient admissions** reached 43.4 thousand in FY 2025, a 5% y-o-y increase versus FY 2024, driven by a 6% y-o-y rise in inpatient volumes at Al Nuzha hospital, as well as a 3% y-o-y increase in volumes at Al Suwaidi. In Q4 2025, inpatient volumes recorded 11.1 thousand, a 5% y-o-y decline from Q4 2024, with volumes decreasing across both Al Nuzha and Al Suwaidi, reflecting the temporary impact of price adjustments implemented as part of the first phase of the Group's premiumization strategy, with volumes expected to normalize by Q2 2026. On a quarter-on-quarter basis, however, inpatient admissions increased 12% compared to Q3 2025, reflecting a normalization in volumes following the seasonal slowdown in the previous quarter due to summer holidays.
- **Outpatient visits** recorded 989.8 thousand in FY 2025, a marginal year-on-year decline, driven by a 5% y-o-y decline in outpatient volumes at the Group's Al Suwaidi, which offset the uptick in volumes at Al Nuzha. During the year, average revenue per outpatient visit increased 8%, supporting overall outpatient revenue growth. In Q4 2025, outpatient visits reached 266.3 thousand, down 3% y-o-y from the same period in 2024. Despite the decline in visits, average revenue per outpatient increased by 12% y-o-y, highlighting the effectiveness of the Group's pricing strategy and service mix optimization initiatives.

Management Comment

2025 marked a defining year for Al Hammadi Holding, underpinned by strategic progress and solid operational execution, preparing us well to advance to the next phase of our long-term growth agenda. Operating in an increasingly competitive and rapidly evolving healthcare market, we remained focused on disciplined execution while strengthening the foundations of our platform. Our end year results highlight both the durability of our operating model and the steady evolution of the Group's vision towards establishing a diversified, scalable and fully integrated healthcare ecosystem positioned for impactful and sustainable growth.

During 2025, the Group delivered a solid top-line performance, with revenues increasing 7% year-on-year to SAR 1,235 million, supported by continued growth across both medical services and pharmaceuticals. Activity across our hospital network remained resilient, with inpatient volumes recording healthy growth while outpatient activity held broadly stable, underscoring the sustained demand for premium healthcare services. Within our pharmaceuticals segment, performance was particularly strong, driven by the rapid expansion of Pharma Serve sales, which expanded nearly sixfold versus the previous year as the business continued to broaden its customer base and deepen its presence within the private sector.

With Phase 2 of our growth strategy now firmly underway, we focused on strengthening the platform required for our next phase of expansion, continuing to invest ahead of demand as part of our strategy to support our long-term objectives. Marketing expenditures increased in line with these ambitions, supporting stronger utilization across our expanding platform, while cost of revenue also trended higher as we accelerated recruitment throughout the year, particularly among specialized physicians and surgeons. These investments reflect our continued focus on enhancing clinical capabilities and supporting the premiumization strategy that underpins the Group's long-term growth trajectory.

As we enter 2026, we view the coming year as a pivotal step forward in our multi-year growth roadmap. Building on the structural improvements achieved over the past two years — particularly the strategic pricing adjustments and service mix optimization implemented under Phase 1 — the Group is now positioned to progressively translate these foundations into stronger volume momentum. With a higher and more resilient revenue base per patient now established, our focus in 2026 will increasingly center on accelerating volumes, improving utilization across our facilities, and enhancing operating leverage. We believe this marks the beginning of a new phase in which the benefits of our earlier repositioning become more visible in our growth trajectory.

Beyond our core hospital business, a key strategic milestone during the year was the commencement of construction in February 2025 on the second phase of the insulin production line at Sudair Pharmaceuticals. This development supports our broader strategy to diversify revenue streams while contributing to the Kingdom's ambition to establish itself as a regional hub for pharmaceutical manufacturing.

Another defining milestone during the year was our acquisition of a 40% stake in Wareed Medical Company, marking our entry into diagnostics, homecare, and mobile healthcare services. This step broadens the Group's reach beyond traditional hospital-based care, enabling us to offer more flexible and accessible solutions that meet evolving healthcare needs. We view home healthcare in particular as a promising long-term growth avenue in Saudi Arabia, supported by rising demand for convenient, patient-centric care models and ongoing sector transformation. Beyond diversifying our revenue base, this expansion strengthens our alignment with the Kingdom's Vision 2030 healthcare agenda, which emphasizes accessibility, digital integration, and enhanced quality of care across the healthcare ecosystem.

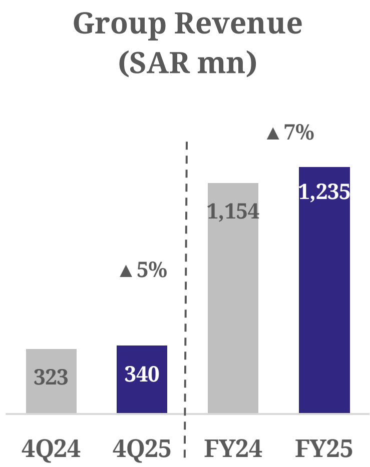
Building on the strategic momentum achieved over the past year, the Group also entered into a strategic cooperation agreement with A.C. Milan in early 2026. Under this multi-year agreement, Al Hammadi Hospitals Group was appointed the Official Medical & Rehabilitation Partner of AC Milan in the Kingdom of Saudi Arabia, securing exclusive rights under the collaboration. The partnership focuses on advancing sports medicine, rehabilitation, and performance-related medical capabilities through cooperation between AC Milan's medical experts and Al Hammadi's clinical teams in Riyadh. We believe this collaboration will strengthen our clinical capabilities in sports medicine while further enhancing the Group's international profile and supporting future growth in specialized rehabilitation services.

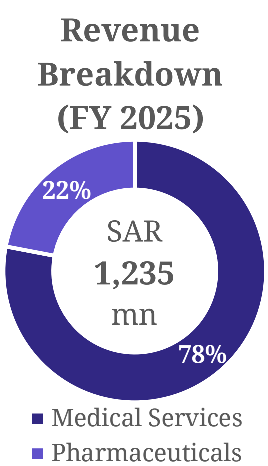
As we enter 2026, our priority is to translate the strategic and operational milestones achieved during the past year into sustainable growth across the network. With ambitious capacity expansion plans underway, new healthcare verticals coming online, and our integrated platform continuing to evolve, we believe Al Hammadi is well positioned to capture the next phase of demand growth in Saudi Arabia's healthcare sector.

We remain focused on disciplined execution, operational efficiency, and creating long-term value as we continue to strengthen our position as a leading provider of premium and integrated healthcare services in the Kingdom.

Mohammad S. Al Hammadi
Chief Executive Officer

Consolidated Analysis





Financial Review

Revenue Analysis

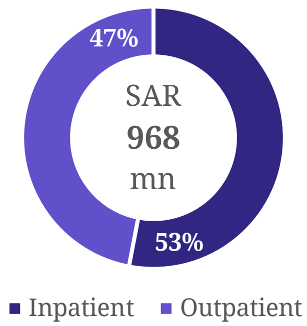
Al Hammadi posted total revenues of SAR 1,235 million in FY 2025, up 7% y-o-y, reflecting broad-based growth across both medical services and pharmaceuticals, which posted 2% y-o-y and 31% y-o-y increases, respectively. Higher inpatient activity during the year further supported top-line performance, reflecting sustained demand for the Group's medical offerings. On a quarterly basis, the Group's top-line increased 5% y-o-y to reach SAR 340 million, driven mainly by higher revenues from the pharmaceuticals segment, which rose 53% y-o-y on the back of increased sales from Pharma Serve.

Medical Services (78% of total revenue in FY 2025)

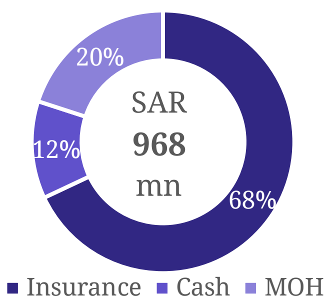
Medical services, which include inpatient and outpatient operations at both Al Nuzha and Al Suwaidi hospitals, reported revenue of SAR 968 million in FY 2025, up 2% y-o-y from last year. Medical services accounted for 78% of the Company's consolidated top-line during the year versus 82% in FY 2024.

- On a **hospital** basis, Al Nuzha hospital posted a solid 9% y-o-y increase for the year, as both inpatient and outpatient volumes rose 6% y-o-y and 1% y-o-y, respectively. Meanwhile, Al Suwaidi posted a 7% y-o-y decline in revenue during FY 2025, mainly attributable to a 5% decrease in outpatient visits at the hospital.
- On a **patient-type** basis, the Group recorded an 11% y-o-y increase in revenues from its cash-paying segment, reflecting continued traction from the recruitment of high-profile doctors for complex procedures. Meanwhile, insurance revenue increased by 9% y-o-y on the back of higher average revenue per insurance patient following the reclassification of the Group's facilities and the implementation of strategic price adjustments. Revenue from Ministry of Health (MoH) patients declined 23% y-o-y, reflecting lower government referrals, as the ministry continues to prioritize utilizing capacity within its affiliated long-term care facilities. Compared to the previous quarter, MoH revenue increased 31% q-o-q in Q4 2025, in line with MoH's plans to gradually transfer a higher share of complex cases to private operators.

Medical Services Revenue Breakdown (FY 2025)



Medical Services Revenue by Patient Type (FY 2025)



- Finally, on a **segmental** basis, outpatient revenues recorded a 7% y-o-y rise, fueled by an 8% y-o-y rise in average revenue per outpatient visit, which offset the 1% y-o-y decline in outpatient visits. In the inpatient segment, revenues decreased 2% y-o-y to reach SAR 513 million, despite a 5% increase in inpatient volume, primarily attributable to lower revenues from MoH patients during the year.

Meanwhile, Al Hammadi posted revenue growth of 5% y-o-y in Q4 2025, to reach SAR 340 million. Top-line performance was mainly supported by revenue growth in the Group's pharmaceutical segment, with Pharma Serve recording higher sales during the quarter. Medical services revenue declined by 5% y-o-y in Q4 2025, on the back of the slowdown in both inpatient and outpatient volumes during the quarter.

Pharmaceutical Services (22% of total revenue in FY 2025)

Al Hammadi's pharmaceutical sales contributed 22% of consolidated revenue, recording SAR 266 million for FY 2025, up 31% y-o-y. During FY 2025, Al Hammadi's in-house pharmacies (located in Al Nuzha and Al Suwaidi) generated sales of SAR 182 million, down 3% y-o-y, attributable mainly to the decline in outpatient volumes at Al Suwaidi. Meanwhile, Pharma Serve saw its sales surge following the Group's decision earlier this year to diversify its customer base and expand into the private sector. More specifically, Pharma Serve booked sales of SAR 84 million in FY 2025, up from the SAR 15 million recorded in FY 2024.

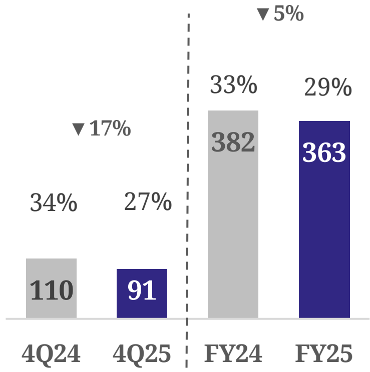
During the fourth quarter of the year, Al Hammadi's pharmaceutical sales recorded SAR 86 million, reflecting a 53% y-o-y increase, primarily driven by Pharma Serve, which generated its highest quarterly revenue at SAR 38 million, compared to SAR 4 million in Q4 2024.

Cost of Revenue

Al Hammadi's cost of revenue stood at SAR 872 million for FY 2025, up 13% y-o-y from the SAR 771 million recorded in FY 2024. Similarly, as a share of total revenue, cost of revenue increased to reach 71% in FY 2025 versus 67% in FY 2024. The year-on-year rise mainly reflects higher personnel costs, driven by planned salary adjustments and increased recruitment activity, particularly the hiring of specialized physicians across key disciplines. These new hires are part of the Group's ongoing investment to expand its clinical capabilities and enhance capacity for complex surgical procedures. Additionally, rising personnel costs were driven by the launch of new residency and training programs in preparation for the transition to the DRG classification system expected to commence in 2027.

On a quarterly basis, cost of revenue increased by 17% y-o-y to reach SAR 249 million compared to the SAR 213 million recorded in Q4 2024, reflecting an 11% y-o-y increase in staff salaries during the quarter. As a result, the Group's cost of revenue to total revenue ratio increased to 73% in Q4 2025 compared to 66% in Q4 2024.

Gross Profit, GPM
(SAR mn, %)



Gross Profit

Gross profit recorded SAR 363 million during FY 2025, down 5% y-o-y, with the gross margin at 29% for the year, down by 4 percentage points from the 33% booked last year. Gross profitability was pressured by higher cost of revenue driven by increased personnel costs following the previously mentioned recruitment of additional medical staff and the launch of residency programs.

On a quarterly basis, gross profit declined 17% y-o-y to reach SAR 91 million during Q4 2025. Gross profitability for the three-month period came in at 27%, declining by 7 percentage points from the 34% booked in Q4 2024, reflecting higher cost of revenue during the quarter. Compared to the previous quarter, gross profit expanded 9% q-o-q on strong revenue performance, sustaining a healthy gross margin at 27%.

Sales, general & administrative (SG&A)

SG&A expenses reached SAR 113 million, up 21% y-o-y from the SAR 93 million recorded during FY 2024. As a share of revenues, SG&A outlays stood at 9% in FY 2025, slightly above the 8% recorded in the prior year. The year-on-year increase reflects higher marketing expenses aimed at supporting greater market awareness and promotion of the Group's services.

On a quarterly basis, SG&A expenses recorded SAR 35 million in Q4 2025, up 41% y-o-y from the SAR 25 million booked in Q4 2024, mainly driven by higher marketing and administrative spending during the quarter.

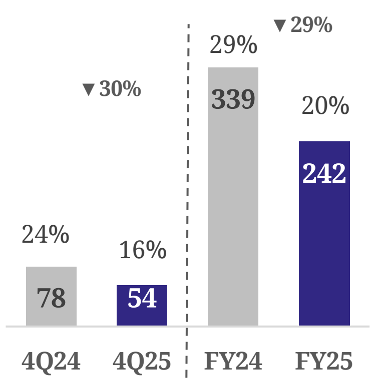
Operating Profit

Operating profit declined year-on-year to SAR 254 million in FY 2025, compared to SAR 366 million in the same period last year. Operating profit margin stood at 21%, versus 32% in FY 2024. The decline in operating profitability primarily reflects the high base effect resulting from the one-off gains from the sale of a vacant plot of land in Q2 2024 which boosted operating profitability for 2024.

Operating profitability for FY 2025 was also weighed down by a 21% y-o-y increase in SG&A expenses as well as increased expected credit loss provisions, which reached SAR 21 million in FY 2025, compared to SAR 9 million in the prior year, reflecting slower collections due to delays in receivable settlements. In addition, the Company recognized a goodwill impairment of SAR 4 million related to one of its subsidiaries, which was recorded in the fourth quarter of 2025.

During the fourth quarter, Al Hammadi recorded operating profit of SAR 59 million, down 25% y-o-y from SAR 79 million in Q4 2024, primarily attributable to higher cost of revenue, alongside higher SG&A expenses, and the goodwill impairment recognized during the period as discussed above, which offset the decline in credit loss provisions at SAR 2 million in Q4 2025 versus SAR 13 million in the comparable quarter. Compared to the previous quarter, operating profit improved 9% q-o-q, with the operating margin at 17% versus 18% in Q3 2025.

Net Profit, Margin (SAR mn, %)



Net Profit

Net profit stood at SAR 242 million for FY 2025, down 29% y-o-y from the SAR 339 million booked last year, with an NPM of 20% versus 29% in FY 2024. The decline mirrors trends observed for the Group's operating profitability described above. It is worth noting that during FY 2025, the Group reported higher profits from its subsidiaries generating SAR 25 million versus SAR 7 million in FY 2024, supported by the ramp up of SPC's production throughout the year, with the first phase of its insulin production line beginning to contribute to results in the first half of 2025.

On a quarterly basis, net profit came in at SAR 54 million, a 30% y-o-y decrease, with the NPM contracting to 16% versus 24% in Q4 2024. Net profitability for the three-month period was tempered by increased Zakat expenses, lower finance income, and reduced operating profitability. On a q-o-q basis, net profit rose 4% q-o-q, with the net margin at 16% versus 18% in Q3 2025, reflecting the trends observed across gross and operating profitability.

Dividend Payments

Al Hammadi adheres to a clear **dividend** policy of distributing no less than 60% of annual net profits on a quarterly basis to shareholders. Reflecting its strong performance and positive business outlook, the Company has distributed a total of SAR 176 million in cash dividends for FY 2025.

Balance Sheet Highlights

Al Hammadi's **total assets** stood at SAR 2,735 million as of 31 December 2025, compared to SAR 2,651 million as of year-end 2024. **Inventories** as of 31 December 2025 booked SAR 84 million, up from SAR 61 million as of year-end 2024.

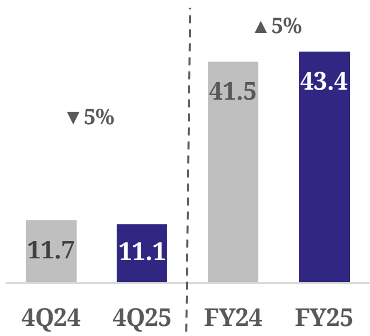
Cash and cash equivalents booked SAR 128 million as of 31 December 2025, down from SAR 245 million as of 31 December 2024, reflecting the timing of receivable collections and dividend distributions during the year, noting that the prior-year balance benefited significantly from one-off land sale proceeds recognized in Q2 2024. The Company's current and quick ratios stood at 3.0 and 2.7 as of 31 December 2025, respectively, versus 3.5 and 3.2 as of year-end 2024.

The Company recorded **total debt** of SAR 175 million as of 31 December 2025, down from SAR 184 million as of year-end 2024. Total debt is entirely comprised of interest-free government loans. Meanwhile, the company recorded a **net debt** of SAR 47 million as of 31 December 2025, versus a net cash balance of SAR 61 million as of 31 December 2024.

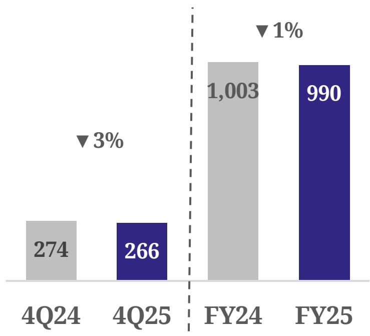
Shareholders' equity posted SAR 2,005 million as of 31 December 2025, increasing from the SAR 1,961 million recorded as of 31 December 2024. The Company recorded debt/equity of approximately 8.7% as of 31 December 2025 compared to 9.4% as of year-end 2024. Additionally, the company recorded net debt to equity of 2.3% as of 31 December 2025 compared to a net cash to equity ratio of 3.1% recorded as of 31 December 2024.

Operational Review

Inpatient Admissions ('000)



Outpatient Visits ('000)



Inpatient Volumes

On a Group level, Al Hammadi recorded **inpatient admissions** of 43.4 thousand in FY 2025, representing a 5% y-o-y increase. The year-on-year rise in admissions reflects a 6% y-o-y increase in inpatient volumes at Al Nuzha and a 3% y-o-y increase in volumes at Al Suwaidi. Improved inpatient traffic during 2025 reflects sustained demand for the Group's specialized services. Al Nuzha hospital's contribution stood at 62% of total inpatient admissions in FY 2025 (versus 61% in FY 2024). Meanwhile, Al Suwaidi hospital accounted for the remaining 38% of inpatient admissions during the year, versus 39% last year. In Q4 2025, inpatient volumes declined 5% y-o-y, impacted by the strategic price adjustments implemented under the first phase of the Group's premiumization strategy, with volumes expected to normalize by Q2 2026. Inpatient volumes rose 12% q-o-q, signaling a strong recovery versus Q3 2025, which was impacted by extended summer holidays.

Outpatient Volumes

Al Hammadi recorded 989.8 thousand **outpatient visits** during FY 2025, representing a marginal 1% y-o-y decline versus FY 2024, mainly attributable to a 5% y-o-y drop in visits at Al Suwaidi hospital, which offset the 1% y-o-y uptick at Al Nuzha hospital. During the fourth quarter, outpatient volumes decreased 3% y-o-y versus Q4 2024, yet average revenue per visit rose 12% y-o-y, supported by the Group's pricing strategy. On a q-o-q basis, outpatient volumes grew 14%, recording the highest outpatient activity level in 2025. The Company's Al Nuzha hospital accounted for 63% of all outpatient examinations in 2025 (up from 62% in FY 2024), with contribution from Al Suwaidi hospital standing at 37% for the same period (down from 38% in FY 2024).

Utilization

Throughout FY 2025, Al Hammadi reported improving utilization rates across both its hospitals and patient segments. At the inpatient segment, Al Nuzha recorded an average utilization rate of 90% in FY 2025 versus 85% in FY 2024, while Al Suwaidi's utilization rate across its currently operational 180 beds registered 74% compared to 72% in FY 2024. Similarly, across the Group's outpatient clinics, utilization at Al Nuzha and Al Suwaidi hospitals reached 96%, and 85%, respectively, compared to 95% and 90% in the prior year.

Sudair Pharma Company (SPC)

SPC, a leading pharmaceutical manufacturer in which Al Hammadi holds a 35% stake, continues to pursue operational upgrades and innovative product launches. The company, which has focused on oncology medications since 2021, officially launched the first phase of its insulin production line earlier in 2025, focused on repackaging, contributing to the Group's results during the first half of 2025. Construction of the second phase, which will include full insulin refilling capabilities, commenced in February 2025 and is expected to be completed within the next four years. In parallel, SPC is expanding its therapeutic offering with new respiratory-focused medicines, further supporting its long-term ambition of becoming a leading player in Saudi Arabia's pharmaceutical manufacturing sector.

Capacity Expansions

On the **capacity expansion front**, Al Hammadi continues to advance both its short- and long-term growth plans. In the **near term**, the Group has expanded capacity, bringing total capacity to 600 inpatient rooms and 220 outpatient clinics in 2025.

In parallel, Al Hammadi is advancing its **long-term** growth strategy, aiming to launch three new facilities by 2030. More specifically, construction work at the Olaya facility officially began in June 2024, with the relaunch scheduled for the first half of 2027. Olaya will house 200 inpatient rooms and 120 outpatient clinics, as well as two centers of excellence specializing in sports medicine and orthopedics. In addition, the Group's fourth facility (Al Mansiyah) will feature 200 new inpatient rooms and 120 new clinics and will enable the Group to tap into North Riyadh's underserved market, with construction expected to commence in Q2 2026 and completion targeted for Q1 2029. Finally, Al Narjis hospital is slated for inauguration in the first quarter of 2030 and will also house 200 inpatient rooms, 120 outpatient clinics, as well as two centers of excellence specializing in oncology and plastic surgery. Construction work at Al Narjis is scheduled to begin later in 2027 and be completed in around 30 months. These expansions will see the Group more than double its bed capacity within the coming five years, strengthening the Company's market position in Riyadh's competitive healthcare market. CAPEX expenditures to fuel the Group's growth strategy are projected at around SAR 900 million by 2030, subject to regulatory approvals and project timelines, with approximately 50% of the planned CAPEX expected to be financed through debt.

– End –

Consolidated Income Statement

SAR mn	Q4 2024	Q4 2025	*Y-o-Y Change*	FY 2024	FY 2025	*Y-o-Y Change*
Revenue	**322.8**	**339.5**	***5.2%***	**1,153.9**	**1,234.5**	***7.0%***
Cost of revenue	(213.2)	(249.0)	*16.8%*	(771.4)	(871.5)	*13.0%*
Gross Profit	**109.6**	**90.5**	***(17.4%)***	**382.5**	**363.0**	***(5.1%)***
GPM	*34.0%*	*26.7%*	*(7.3pts)*	*33.1%*	*29.4%*	*(3.7pts)*
Selling and marketing expenses	0.3	(4.4)	*N/a*	(4.2)	(11.7)	*179.3%*
Administrative and general expenses	(25.5)	(31.0)	*21.4%*	(88.8)	(101.0)	*13.7%*
Expected credit loss provision	(12.9)	(2.0)	*(84.5%)*	(9.1)	(21.1)	*132.8%*
Impairment loss in goodwill	-	(4.3)	-	-	(4.3)	
Gain (Loss) on disposal of property, plant and equipment	-	-	-	55.3	-	
Other operating income	7.1	10.4	*45.7%*	30.0	29.2	*(2.6%)*
Operating Profit	**78.6**	**59.2**	***(24.7%)***	**365.6**	**254.1**	***(30.5%)***
Operating profit margin	*24.4%*	*17.4%*	*(6.9pts)*	*31.7%*	*20.6%*	*(11.1pts)*
Share of profit in subsidiaries	2.8	5.3	*86.9%*	6.7	24.5	*264.5%*
Finance income	2.2	-	-	6.1	3.8	*(38.5%)*
Finance costs	(6.1)	(5.9)	*(1.9%)*	(23.8)	(24.1)	*1.1%*
Net profit before Zakat	**77.6**	**58.6**	***(24.6%)***	**354.7**	**258.3**	***(27.2%)***
Zakat expenses	0.1	(4.5)	*N/a*	(15.9)	(16.5)	*3.8%*
Net profit for the period	**77.8**	**54.1**	***(30.5%)***	**338.8**	**241.9**	***(28.6%)***
NPM	*24.1%*	*15.9%*	*(8.2pts)*	*29.4%*	*19.6%*	*(9.8pts)*
	-	-		-	-	
Earnings per share:	0.49	0.34	(30.5%)	2.12	1.51	(28.6%)

Consolidated Balance Sheet

SAR mn	31 December 2024	31 December 2025
ASSETS		
Non-current assets		
Property and equipment	1709.6	1715.7
Intangible assets and goodwill	27.1	25.6
Investment in associates	135.0	159.2
Total non-current assets	**1871.6**	**1900.5**
Current Assets		
Inventories	61.2	84.0
Other receivables	7.2	7.4
Prepayments	21.9	62.1
Contract assets	9.1	13.6
Trade receivables	434.4	539.5
Cash and cash equivalents	245.3	127.9
Total current assets	**779.1**	**834.6**
TOTAL ASSETS	**2650.8**	**2735.0**
SHAREHOLDER'S EQUITY AND LIABILITIES		
SHAREHOLDER'S EQUITY		
Share capital	1600.0	1600.0
General reserve	101.2	101.2
Retained earnings	260.0	303.9
TOTAL SHAREHOLDER'S EQUITY	**1961.3**	**2005.2**
LIABILITIES		
Non-current liabilities		
Loans	165.1	156.0
Government grants	98.0	91.5
Lease liabilities	104.1	95.8
Employees' terminal benefits	97.4	105.7
Total non-current liabilities	**464.6**	**449.0**
Current liabilities		
Loans	18.7	18.7
Government grants	7.8	6.5
Lease liabilities	16.2	15.9
Accrued zakat	15.5	16.5
Trade payables	66.4	83.8
Accrued expenses	53.7	47.3
Other payables	16.0	22.8
Contract liabilities	30.6	69.4
Total current liabilities	**224.9**	**280.8**
TOTAL LIABILITIES	**689.5**	**729.9**
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES	**2650.8**	**2735.0**

Consolidated Statement of Cash Flow

SAR mn	31 December 2024	31 December 2025
OPERATING ACTIVITIES		
Net profit	**338.8**	**241.9**
Adjustments to reconcile net profit to cash flow		
Depreciation of property and equipment	96.4	88.5
Amortization of intangible assets	0.6	0.6
Losses on disposals of property and equipment	(55.3)	0.0
Impairment of goodwill	-	4.3
Company share of profits from associate	(6.7)	(24.5)
Provision for expected credit losses	9.1	21.1
Government grants released	(9.1)	(7.8)
Current services cost of employees' terminal benefits	14.2	14.3
Patient deposits	(0.3)	(0.3)
Contract liability generated during the period	39.9	54.0
Finance income	(6.1)	(3.8)
Finance cost	23.8	24.1
Zakat charge during the period	15.9	16.5
	461.0	428.8
Working capital adjustments		
Inventories	(4.6)	(22.9)
Other debit balances	0.8	(0.3)
Prepayments	(0.3)	(44.3)
Trade receivables	117.6	(120.8)
Contract assets	0.4	(5.7)
Due from (to) related parties- net	(4.0)	(0.3)
Accounts payable	(4.8)	17.6
Accrued expenses	0.8	(6.8)
Other credit balances	(11.3)	7.0
Contract liability	(67.8)	(15.2)
Employees' terminal benefits paid	(5.7)	(7.9)
Zakat paid	(18.2)	(15.5)
Net cash flows generated from operating activities	**464.1**	**213.9**
Cash flows from investing activities		
Purchase of property and equipment	(210.0)	(94.6)
Cash proceeds from sale of property and equipment	124.6	0.0
Purchase of intangible assets	(3.7)	(3.4)
Finance income received	6.0	3.8
Net cash flows (used in) investing activities	**(83.0)**	**(94.3)**
Cash flows from financing activities		
Repayment of bank & government borrowings	(18.7)	(18.7)
Finance charges paid	(1.4)	(2.1)
Lease liability	(16.1)	(16.3)
Dividends paid	(224.8)	(199.9)
Net cash flows (used in) financing activities	**(261.0)**	**(237.0)**
Net change in cash and cash equivalents	120.0	(117.4)
Cash and cash equivalents at the beginning of the period	125.2	245.3
Cash and cash equivalents, at end of period	**245.3**	**127.9**

About Al Hammadi Holding

Al Hammadi Holding is an integrated healthcare company and a premier hospital operator in Riyadh providing world-class healthcare services to hundreds of thousands of local and foreign residents each year. The company currently operates two hospitals in the Saudi Arabian capital, housing more than 600 inpatient rooms and 220 outpatient clinics. In line with the company's ambitious growth plans and Saudi Arabia's Vision 2030 strategy, Al Hammadi is aiming to inaugurate three more facilities in Riyadh over the coming five years, more than doubling its inpatient and outpatient capacity. Al Hammadi also offers retail pharmacy services through a network of physical stores and a growing online presence and is also active in the vaccine import segment through its subsidiary, Pharma Serve. Al Hammadi boasts several international accreditations and certificates, including the Canadian Accreditation Certificate (ACCREDITATION CANADA), the Joint Commission International (JCI) accreditation, the Australian Council on Healthcare Standards International (ACHSI), the Saudi Central Board for Accreditation of Healthcare Institutions (CBAHI), the American College of Cardiology (ACC) accreditation, as well as the ISO 9001:2008 certification and the Saudi Heart Association Certificate.

Contact

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