

Al Hammadi Holding Releases Results for the Year Ended 31 December 2024

2 March 2025, Riyadh (Saudi Arabia). Al Hammadi Holding (“Al Hammadi”, the “Company”, or the “Group”), an owner and operator of premier medical facilities in Saudi Arabia, announces its financial results for the quarter and year ended 31 December 2024 (Q4 2024 and FY 2024). The Company reported revenues of SAR 1,154 million in FY 2024, down 2% year-on-year (y-o-y). Meanwhile, net profit reached SAR 339 million, increasing by 12% versus FY 2023, and yielding a net profit margin (NPM) of 29%, up four percentage points from the previous year. On a quarterly basis, revenues increased 6% y-o-y to record SAR 323 million in Q4 2024, while net profit for the quarter climbed 19% y-o-y to reach SAR 78 million, with NPM up by three percentage points to 24% during the quarter.

Key Financial and Operational Highlights

Financial Highlights (SAR mn)	Q4 2023	Q4 2024	Y-o-Y Change	FY 2023	FY 2024	Y-o-Y Change
Total Revenues	303.7	322.8	6.3%	1,176.8	1,153.9	-1.9%
Cost of Sales	(197.2)	(213.2)	8.1%	(743.6)	(771.4)	3.7%
Gross Profit	106.5	109.6	3.0%	433.2	382.5	-11.7%
GPM	35.1%	34.0%	-1.1pts	36.8%	33.1%	-3.7pts
Operating Profit	71.0	78.6	10.7%	342.5	365.7	6.7%
Operating Profit Margin	23.4%	24.4%	1.0pts	29.1%	31.7%	2.6pts
Net Profit	65.2	77.7	19.3%	303.3	338.8	11.7%
NPM	21.5%	24.1%	2.6pts	25.8%	29.4%	3.6pts
Operational Highlights ('000)						
Inpatient Volumes	10.5	11.7	11.2%	40.6	41.5	2.3%
Outpatient Volumes	275.0	274.2	-0.3%	1,030.7	1,002.9	-2.7%

- Al Hammadi reported **total revenues** of SAR 1,154 million in FY 2024, down 2% y-o-y. This decrease was primarily driven by a 10% y-o-y drop in revenue from the pharmaceutical segment, attributed to lower sales from both its in-house pharmacies and its vaccine distribution subsidiary, Pharma Serve. Meanwhile, revenues from medical services came in at SAR 951 million, largely unchanged from FY 2023, with Al Suweidi hospital posting a solid 5% y-o-y growth. It is worth noting that Al Hammadi’s top-line would have increased by 1% y-o-y when excluding revenues from Ministry of Health (MoH) referrals, which temporarily weighed on the Group’s top-line due to changes in the regulations for isolation patients implemented in November 2023. The Group’s top-line performance was supported by growing inpatient volumes which returned to year-on-year growth on a full-year basis supported by strong third and fourth quarter performances.
- On a **quarterly** basis, revenues increased by 6% y-o-y to reach SAR 323 million in Q4 2024, driven by growth at both medical services and pharmaceuticals, which rose by 6% y-o-y and 7% y-o-y, respectively. On a q-o-q basis, revenues grew by 11%, fueled by recovering patient traffic across the Group’s facilities, in line with the Group’s expectations.

- **Net profit** for FY 2024 reached SAR 339 million, a 12% y-o-y increase, with NPM expanding by four percentage points to 29%. Improved net profitability was driven by a 5% y-o-y reduction in SG&A expenses, reflecting Group-wide cost optimization efforts, coupled with a 52% y-o-y decrease in expected credit loss provisions, which recorded just SAR 9 million in FY 2024 versus SAR 19 million in FY 2023. On a quarterly basis, net profit rose 19% y-o-y to SAR 78 million, with NPM increasing by three percentage points to 24%, supported by optimized marketing spending, coupled with a 49% y-o-y drop in expected credit loss provisions.
- **Net cash to equity** recorded 3.1% as at 31 December 2024 compared to a net debt to equity ratio of 3.6% recorded as of 31 December 2023.
- **Inpatient admissions** reached 41.5 thousand in FY 2024, up 2% y-o-y increase versus FY 2023, driven by a 4% y-o-y rise in inpatient volumes at Al Nuzha hospital. In Q4 2024, inpatient volumes grew by 11% y-o-y and 16% q-o-q, reflecting solid expansions across both of the Group's facilities in line with the anticipated normalization in volumes as patients adapt to the price adjustments implemented at the beginning of the year.
- **Outpatient visits** declined by 3% in FY 2024 to reach 1,003 thousand. During the fourth quarter of the year, outpatient visits recorded 274.2 thousand, largely in line with Q4 2023. Furthermore, outpatient volumes grew 12% q-o-q in Q4 2024, reflecting the anticipated normalization post-price adjustments.

Management Comment

As we step into the new year, I am pleased to reflect on the progress achieved by the Group throughout 2024, as we continued to deliver robust financial results while driving strategic expansions across our operations. Our 2024 performance underscores the resilience of our business model, the effectiveness of our growth strategies, and our strategic foresight, as we advance towards our long-term vision of becoming the leading premium healthcare provider in Riyadh.

Our two-phased growth strategy launched at the beginning of 2024 continues to guide our efforts as we pursue a new strategic approach which aims to balance short-term targets with long-term sustainability. During phase one of our strategy, which will run from 2024 to 2026, we are focusing on strategically adjusting prices while progressively optimizing our case mix. This is not only geared towards realizing our premiumization ambitions but will also better position us to benefit from the Kingdom's broader healthcare transformation efforts, including the transition to the Diagnostic Related Groups (DRGs) classification system in 2027. While these adjustments have temporarily impacted revenue growth, which was weighed down by slower patient traffic at the start of the year, they will enable us to secure a higher base revenue per patient under the new DRG system. On this note, I am pleased to share that we are encouraged by the early signs of success observed during the last months of 2024, which underscore the effectiveness of our strategy. In the coming twelve months, we are eager to build on the progress achieved thus far to ensure we are well-placed to transition into phase two of our strategy, which will focus on accelerating volume growth and advancing our planned capacity expansions to meet the growing demand for specialized, high-quality care across the Kingdom's capital.

Our year-end results reflect sustained recovery, aligning with our expectations, and leaving us optimistic for the year ahead. While on a full-year basis our revenues continue to reflect the slowdown recorded in the first quarter of the year following our strategic prices adjustments, on a quarterly basis our results showcased widespread growth across our segments and facilities. More specifically, in the final quarter of the year, we saw revenues rise a solid 6% y-o-y, as both our medical services and pharmaceuticals segments expanded versus the previous year. We were also pleased with our inpatient volumes, which continued their sustained growth, rising by an impressive

11% y-o-y in Q4 2024. This marks the third consecutive quarter of year-on-year growth in inpatient volumes, continuing to highlight the strong demand for our value proposition. Meanwhile, at the outpatient segment, we expect to return to year-on-year growth in 2025 supported by new capacity expansions at Al Suweidi hospital and a wider push to promote outpatient services from the Saudi Arabian government. Looking at our bottom-line, we reported robust growth on both a full-year and quarterly basis supported by effective cost optimization and improving collection rates.

While advancing on our short-term goals, we remained firmly focused on our long-term growth strategy, which includes launching three new facilities by 2030, while making tactical capacity expansions across existing hospitals. In 2024, we expanded the capacity of our operational facilities by extending opening hours of our outpatient clinics from eight to 12 hours while also opening them during Fridays. In parallel, construction work at Olaya, which kicked off in June 2024, is progressing well, and we remain on track to reopen the facility in 2026.

Our growth ambitions do not stop here as we proactively prepare to absorb the projected rise in demand for high-quality healthcare services in Riyadh over the coming years. In fact, in November 2024, we successfully acquired a new plot of land in Riyadh's Al Mansiyah district, where we intend to build the Group's fifth hospital. Across all our facilities, we are also working to launch new centers of excellence focused on advanced medical specialties, further strengthening our market position and solidifying our reputation as the go-to provider of specialized care in Riyadh. It is important to note that our expansion plans will be funded through a strategic mix of cash and loans. As interest rates in the Kingdom decline, in line with the expected global monetary loosening, we will look at diversifying our funding sources to build a stronger, more resilient financial foundation that supports growth, innovation, and long-term impact.

Beyond our core hospital business, we continue to explore opportunities to expand our presence in the broader healthcare ecosystem, leveraging our 35% stake in Sudair Pharmaceuticals (SPC). In 2024, SPC successfully launched production at the first phase of its insulin production line, and made substantial progress on the roll out of new respiratory-focused medicines, significantly enhancing its contribution to the Kingdom's healthcare sector. Construction of phase two of the insulin production line kicked off in February 2025. These advancements align with our shared mission of improving access to vital treatments, while supporting the Kingdom's aspirations to become a regional pharmaceutical hub.

2025 will not be an ordinary year for Al Hammadi as it marks the 40th anniversary of our business. To celebrate this historic achievement, we will be inaugurating a revamped brand identity which better captures our rich history of excellence and our current leading position in Riyadh's healthcare sector. The launch will be accompanied by the roll out of a new marketing strategy to better engage with existing and new patients across a wide range of channels, helping us grow our brand's visibility and reputation across our target segments.

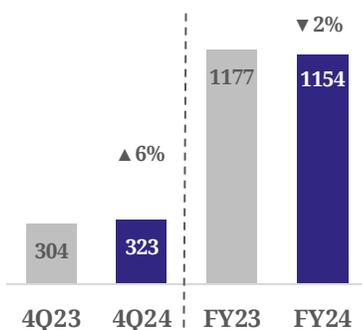
2024 has been a year of strategic progress for the Group which sees us enter 2025 as a leaner organization ready to drive accelerated growth in the years to come. As we move forward, we remain committed to delivering exceptional healthcare services, expanding our footprint and impact across Riyadh, and contributing to the Kingdom's healthcare transformation. With a clear vision and a talented team, we are well-positioned to execute our growth strategies, drive long-term value for our stakeholders, while supporting the broader Saudi Arabian community.

Mohammad S. Al Hammadi
Chief Executive Officer

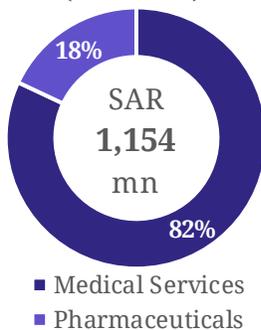
Consolidated Analysis

Financial Review

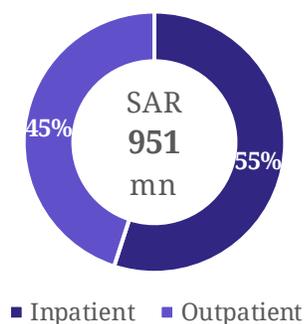
**Group Revenue
(SAR mn)**



**Revenue
Breakdown
(FY 2024)**



**Medical Services
Revenue Breakdown
(FY 2024)**



Revenue Analysis

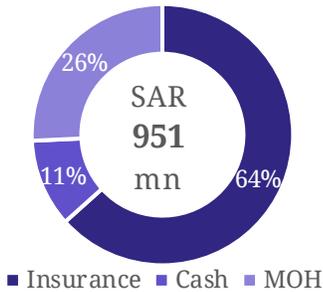
Al Hammadi posted total revenues of SAR 1,154 million in FY 2024, down 2% versus last year, primarily due to lower revenue from its pharmaceuticals segment. The year-on-year decline in revenues also reflects lower contribution from MoH patients, as the impact of the tightened isolation regulations implemented in November 2023 weighed on the Group's revenue throughout the year. When excluding revenues from MoH referrals, the Group would have posted top-line growth in FY 2024, supported by recovering volumes and strategic price adjustments.

Medical Services (82% of total revenue in FY 2024)

Medical services, which include inpatient and outpatient operations at both Al Nuzha and Al Suwaidi hospitals, reported revenue of SAR 951 million in FY 2024, largely in line with FY 2023. Medical services accounted for 82% of the Company's consolidated top-line during the year versus 81% in FY 2023.

- On a by **hospital** basis, Al Suwaidi posted a solid 5% y-o-y increase in revenue in FY 2024. Top-line growth at the facility was supported by strategic price adjustments implemented at the start of the year as well as management's decision in the fourth quarter to transfer some MOH patients from Al Nuzha hospital to Al Suwaidi due to the high demand from insurance patients recorded at the former (SAR 12 million of revenues were transferred between the two facilities). Meanwhile, Al Nuzha hospital posted a 4% y-o-y decline for the year in part reflecting the above-mentioned decision to transfer some patients to Al Suwaidi.
- On a **patient**-type basis, the Group's full-year top-line was supported by a year-on-year increase in insurance revenue, on the back of higher average revenue per insurance patient. On the other hand, revenues generated from cash and MoH patients declined year-on-year. More specifically, the decline in revenues from cash patients reflected the high base in the previous year related to the Group's contract with Riyadh's Security Forces Hospital, which generated SAR 16 million in FY 2023. Meanwhile, the decline in MOH revenue (down 6% y-o-y) reflected the change in isolation regulations implemented in November 2023. It is also worth noting that following the implementation of new government regulations related to the treatment of non-eligible foreign patients, the Group billed the MOH a total of SAR 8 million in December 2024 for the treatment of these patients. Going

**Medical Services
Revenue by Patient
Type
(FY 2024)**



forward, the Group will continue to bill the MOH once a year in December for the treatment of this patient subsegment.

- Finally, on a **segmental** basis, outpatient revenues recorded a 5% y-o-y rise as an 8% y-o-y rise in average revenue per outpatient more than outweighed the 3% y-o-y drop in outpatient volumes during FY 2024. At the inpatient segment, revenues declined 3% y-o-y to reach SAR 525 million owing for the most part to lower MoH compensation for patients requiring isolation.

Meanwhile, Al Hammadi posted solid top-line growth in Q4 2024, with total revenues up 6% y-o-y to reach SAR 323 million. Additionally, the Group's revenues increased 11% q-o-q, as both inpatient and outpatient volumes grew by 16% q-o-q and 12% q-o-q, respectively, reflecting the anticipated normalization in volumes following the price adjustments implemented at the beginning of 2024.

- In Q4 2024, Al Suwaidi's revenues increased by 27% y-o-y and 15% q-o-q partially due to the Group's decision to redirect some MOH patients from Al Nuzha to Al Suwaidi during the fourth quarter of this past year. Meanwhile, in light of this decision, the Group's Al Nuzha facility saw revenues decline 8% y-o-y in Q4 2024. Nonetheless, revenues at Al Nuzha grew 8% q-o-q versus Q3 2024 reflecting the sustained pickup in patient traffic witnessed throughout the year.
- It is worth noting that the quarter-on-quarter increase partially captures the decision by the Group to bill the MOH in December for all noneligible foreign patients treated following the issuance of new regulations. This contributed an additional SAR 8 million to MOH revenues in Q4 2024.

Pharmaceutical Services (18% of total revenue in FY 2024)

Meanwhile, Al Hammadi's pharmaceutical sales contributed 18% of consolidated revenue, recording SAR 203 million for FY 2024, a 10% y-o-y decline. During the year, Al Hammadi's in-house pharmacies (located in Al Nuzha and Al Suwaidi) generated sales of SAR 187 million, down 6% from the previous year's figure, capturing the short-term impact of lower traffic across both hospitals. Meanwhile, Pharma Serve booked sales of SAR 15 million in FY 2024, down from the SAR 27 million recorded this time last year.

During the fourth quarter of the year, Al Hammadi's pharmaceutical sales recorded SAR 56 million, reflecting a 7% y-o-y increase, primarily driven by improvement in Pharma Serve's performance versus Q4 2023. Additionally, the segment's top-line increased 10% q-o-q versus Q3 2024,

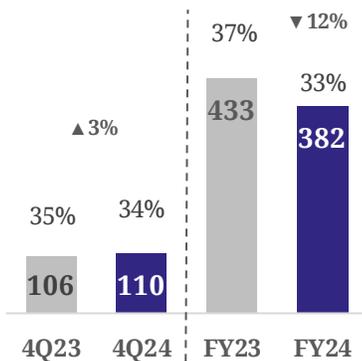
driven by a 17% q-o-q increase in revenue from the Group's in-house pharmacies as patient volumes across the two facilities continued to rise.

Cost of Revenue

Al Hammadi's cost of revenue stood at SAR 771 million for FY 2024, up 4% y-o-y from the SAR 744 million recorded in FY 2023. Similarly, as a share of total revenue, cost of revenue increased to reach 67% in FY 2024 versus 63% in FY 2023. The year-on-year increase reflects higher salaries for medical personnel prompted by planned compensation adjustments at the beginning of the year as part of Al Hammadi's staff retention strategy as well as the hiring of new talent to accommodate for the extended working hours implemented across the Group's outpatient clinics in 2024 (working hours extended from eight to 12 hours, with clinics also open on Fridays).

On a quarterly basis, cost of revenue increased by 8% to reach SAR 213 million compared to the SAR 197 million recorded in Q4 2023, reflecting higher staff salaries, which more than outweighed lower maintenance costs during the quarter. As a result, cost of revenue to total revenue ratio inched up to 66% in Q4 2024 compared to 65% in Q4 2023.

**Gross Profit, GPM
(SAR mn, %)**



Gross Profit

Gross profit recorded SAR 382 million, a 12% y-o-y decline from FY 2023. Gross profit margin recorded 33% in FY 2024 versus 37% in the previous year. Gross profitability was pressured by lower revenue coupled with higher cost of revenue associated with higher staff salaries as previously mentioned.

On a quarterly basis, gross profit increased 3% y-o-y to reach SAR 110 million. Gross profitability for the three-month period came in at 34% versus 35% in Q4 2023.

Sales, general & administrative (SG&A)

SG&A expenses recorded SAR 93 million, down 5% from the SAR 98 million recorded in FY 2023. As a share of revenues, SG&A outlays stood at 8% in FY 2024, marginally below last year's figure. Declining SG&A costs came on the back of lower marketing spending for the year.

On a quarterly basis, SG&A expenses recorded SAR 25 million in Q4 2024, up 33% from last year's figure.

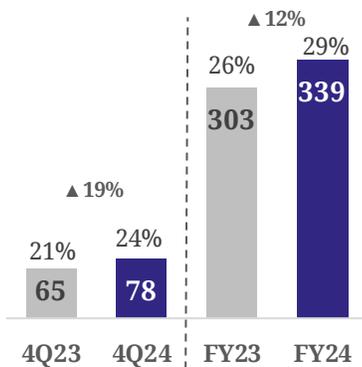
Operating Profit

Operating profit recoded SAR 366 million in FY 2024, up 7% versus the SAR 343 million booked in FY 2023. Operating profit margin expanded by three

percentage points to reach 32% for FY 2024. Higher operating profitability is attributable to the Group-wide cost optimization efforts which saw SG&A outlays decline significantly from the previous year, coupled with a 52% y-o-y decline in expected credit loss provision to reach SAR 9 million versus SAR 19 million in FY 2023. Moreover, improved operating profitability also reflects one-off gains from the sale of a vacant plot completed during Q2 2024, with the proceeds utilized to purchase a new land plot to host Al Hammadi's fifth hospital.

In Q4 2024, Al Hammadi booked operating profits of SAR 79 million, an 11% y-o-y increase, reflecting the Group's efforts to optimize spending and boost efficiencies, coupled with a 49% y-o-y decrease in expected credit loss provision as collection rates continue to improve.

**Net Profit, Margin
(SAR mn, %)**



Net Profit

Al Hammadi reported a net profit of SAR 339 million during FY 2024, up 12% from FY 2023. Net profit margin expanded by four percentage points to 29% versus 26% in FY 2023, reflecting the above-mentioned improvements in operating profitability. Net profitability for the period was further boosted by lower finance costs and higher finance income, reflecting the Company's increased cash balances versus FY 2023.

During the fourth quarter, net profit climbed 19% y-o-y to reach SAR 78 million with NPM up to 24% in Q4 2024 versus 21% in Q4 2023.

Dividend Payments

Al Hammadi adheres to a clear **dividend** policy of distributing no less than 60% of annual profits on a quarterly basis to shareholders. Considering its robust results over the year and the business's positive outlook, the Company has distributed a total of SAR 224 million in cash dividends during FY 2024. This is in line with the total dividends distributed in FY 2023. Additionally,, the Company announced on March 2, a dividend distribution of SAR 0.35 per share (SAR 56 million in total).

Balance Sheet Highlights

Al Hammadi's **total assets** stood at SAR 2,651 million as at 31 December 2024, up from SAR 2,594 million as of year-end 2023. **Inventories** as at 31 December 2024 booked SAR 61 million, up from SAR 57 million as at year-end 2023.

Cash and cash equivalents booked SAR 245 million as of 31 December 2024, up significantly from SAR 125 million as of 31 December 2023, reflecting proceeds from the sale of a vacant plot completed in Q2 2024. It is important to highlight that the proceeds from this sale, combined with

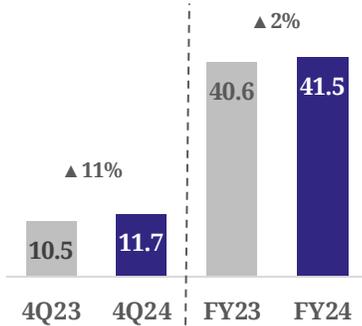
a portion of the Group's cash reserves, were utilized to **acquire a land plot** in the **Al Mansiyah district** for a total value of SAR 171 million. This strategic investment reduced the cash balance from SAR 429 million as of 30 September 2024 to the SAR 245 million reported at year-end 2024. The newly acquired land is intended for the construction of the Group's **fifth hospital**, in line with its strategic plans for expansion and long-term growth. The Company's current and quick ratios stood at 3.5 and 3.2 as of 31 December 2024, respectively, versus 2.9 and 2.7 as at year-end 2023.

The Company recorded **total debt** of SAR 184 million as of 31 December 2024, down from SAR 193 million as of year-end 2023. Total debt is wholly made up of zero-interest government grants. Meanwhile, the company recorded a **net cash balance** of SAR 61 million as at 31 December 2024, versus a net debt of SAR 67 million as at 31 December 2023.

Shareholders' equity posted SAR 1,961 million as of 31 December 2024, increasing from the SAR 1,845 million recorded as of 31 December 2023. The Company recorded debt/equity of approximately 9.4% as of 31 December 2024 compared to 10.4% as at year-end 2023. Additionally, net cash to equity came in at 3.1% as at 31 December 2024, versus a net debt to equity of 3.6% at the close of FY 2023.

Operational Review

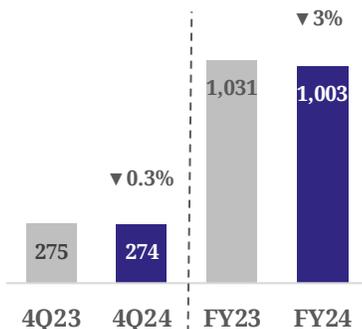
Inpatient Admissions (‘000)



Inpatient Volumes

On a Group level, Al Hammadi recorded **inpatient admissions** of 41,476 during 2024, representing a 2% y-o-y increase. The Group’s return to full-year growth comes on the back of a sustained recovery in inpatient volumes during the second half of 2024 following a temporary decline in response to the price adjustments implemented at the beginning of the year and the higher number of school holidays in the first months of the year that just ended. Improved inpatient traffic during FY 2024 was supported by an 11% y-o-y and a 16% q-o-q increase in inpatient volumes during Q4 2024, further highlighting the expected normalization as well as strong demand on the Group’s newly introduced services. Al Nuzha hospital contributed 61% of total inpatient admissions in FY 2024, up from 60% in the previous year. Al Suwaidi hospital accounted for the remaining 39% of inpatient admissions during the year.

Outpatient Visits (‘000)



Outpatient Volumes

Al Hammadi recorded 1,003 thousand outpatient visits during FY 2024, down 3% compared to last year. This decline is mainly attributable to lower patient traffic at Al Nuzha hospital, as patients continued to adjust to the new price list. During the fourth quarter, outpatient volumes stabilized, aligning with Q4 2023 levels, while posting a solid 12% q-o-q increase compared to Q3 2024. This reflects a notable recovery in patient traffic which continues to normalize following the price adjustments and is expected to accelerate further as new capacity additions ramp up. The Company’s Al Nuzha hospital accounted for 62% of all outpatient examinations in FY 2024, with contribution from Al Suwaidi hospital also stabilized at 38% during the period.

Utilization

Throughout 2024, 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 85% in FY 2024, while Al Suwaidi’s utilization rate across its currently operational beds registered 72%. Similarly, across the Group’s outpatient clinics, utilization at Al Nuzha hospital reached 95%, while Al Suwaidi’s utilization rate registered 90% during FY 2024. Across both inpatient and outpatient segments, utilization rates are expected to continue improving as demand recovers further in 2025 and beyond.

Sudair Pharma Company (SPC)

At SPC, a leading pharmaceutical manufacturing company in which Al Hammadi holds a 35% stake purchased back in 2021, operations and new product launches are continuing as scheduled. The company, which was

established in 2014, has been producing oncology-focused medicine since 2021 and has recently started production at the first phase of its new insulin production line. Construction of phase two of the production line kicked off in February 2025. In parallel, the company is also working to launch new, respiratory-focused medicine.

Capacity Expansions

On the **capacity expansion** front, the Company made noteworthy progress over the past year as it works toward achieving its ambitious long- and short-term growth targets.

In the **short term**, Al Hammadi has focused on expanding inpatient and outpatient capacity across its two existing facilities. Over the past two years, the Company has launched 20 new inpatient rooms at Al Suwaidi Hospital and 20 new outpatient clinics at Al Nuzha Hospital. Additionally, in 2024 it introduced expanded working hours across its outpatient clinics going from eight to 12 hours while also opening them up to patients on Fridays. These expansions have increased the Group's total capacity to 600 inpatient rooms and 220 outpatient clinics, enabling it to effectively meet the growing demand for high-quality healthcare in Riyadh.

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 following the receipt of the General Assembly's approval. The facility, which is scheduled for inauguration in 2026, will house 200 inpatient rooms and 120 outpatient clinics, as well as two centers of excellence specialized in sports medicine and oncology. The second facility, Al Narjis, is slated for inauguration in the first quarter of 2028 and will also house 200 inpatient rooms, 120 outpatient clinics, as well as two centers of excellence specializing in rehabilitation and plastic surgery. Construction work at Al Hammadi's fourth hospital (Al Narjis) is scheduled to begin in 2025 and be completed in around 30 months. Finally, the Group successfully acquired a new plot of land in Riyadh's Al Mansiyah district in November 2024. The Group will build its fifth hospital in this strategic location which will enable it to tap into North Riyadh's rapidly-growing demand. The Group's fifth facility will have the same capacity as its two new facilities, adding 200 new inpatient rooms and 120 new clinics to the Group's portfolio. These expansions will see the Group more double its bed capacity within the coming years, with the new additions playing a crucial role in strengthening the Company's position in Riyadh's competitive healthcare market.

– End –

Consolidated Income Statement

SAR mn	Q4 2023	Q4 2024	Y-o-Y Change	FY 2023	FY 2024	Y-o-Y Change
Revenue	303.7	322.8	6.3%	1,176.8	1,153.9	(1.9%)
Cost of revenue	(197.2)	(213.2)	8.1%	(743.6)	(771.4)	3.7%
Gross Profit	106.5	109.6	3.0%	433.2	382.5	(11.7%)
<i>GPM</i>	35.1%	34.0%	-1.1pts	36.8%	33.1%	-3.7pts
Selling and marketing expenses	(3.5)	0.3	(109.7%)	(9.3)	(4.2)	(54.8%)
Administrative and general expenses	(15.5)	(25.5)	65.1%	(88.6)	(88.8)	0.2%
Expected credit loss provision	(25.4)	(12.9)	(49.1%)	(19.1)	(9.1)	(52.4%)
Impairment loss in intangible assets	(3.1)	-	-	(3.1)	-	-
Gain (Loss) on disposal of property, plant and equipment	-	-	-	(1.5)	55.3	-
Other operating income	12.0	7.1	(40.4%)	30.9	30.0	(2.9%)
Operating Profit	71.0	78.6	10.7%	342.5	365.7	6.7%
<i>Operating profit margin</i>	23.4%	24.4%	1.0pts	29.1%	31.7%	2.6pts
Share of profit in subsidiaries	2.9	2.8	(2.7%)	4.2	6.7	60.7%
Finance income	-	2.2	-	-	6.1	-
Finance costs	(6.1)	(6.0)	(1.5%)	(25.8)	(23.8)	(7.7%)
Net profit before Zakat	67.8	77.6	14.5%	320.9	354.7	10.5%
Zakat expenses	(2.6)	0.1	(104.6%)	(17.6)	(15.9)	(9.9%)
Net profit for the period	65.2	77.7	19.3%	303.3	338.8	11.7%
<i>NPM</i>	21.5%	24.1%	2.6pts	25.8%	29.4%	3.6pts
Earnings per share:	0.41	0.49	19.3%	1.90	2.12	11.7%

Consolidated Balance Sheet

SAR mn	31 December 2023	31 December 2024
ASSETS		
Non-current assets		
Property and equipment	1,658.6	1,709.6
Intangible assets and goodwill	23.7	27.1
Investment in associates	128.4	135.0
Total non-current assets	1,810.7	1,871.7
Current Assets		
Inventories	56.6	61.2
Other receivables	9.8	7.2
Prepayments	21.8	21.9
Contract assets	9.5	9.1
Trade receivables	560.8	434.4
Cash and cash equivalents	125.2	245.3
Total current assets	783.7	779.1
TOTAL ASSETS	2,594.4	2,650.8
SHAREHOLDER'S EQUITY AND LIABILITIES		
SHAREHOLDER'S EQUITY		
Share capital	1,600.0	1,600.0
General reserve	67.4	67.4
Retained earnings	177.6	293.9
TOTAL SHAREHOLDER'S EQUITY	1,845.0	1,961.3
LIABILITIES		
Non-current liabilities		
Loans	173.9	165.1
Government grants	105.8	98.0
Lease liabilities	107.4	104.1
Employees' terminal benefits	88.2	97.4
Total non-current liabilities	475.3	464.6
Current liabilities		
Loans	18.7	18.7
Government grants	9.1	7.8
Lease liabilities	14.2	16.2
Accrued zakat	17.8	15.5
Trade payables	74.9	66.4
Accrued expenses	52.6	53.7
Other payables	28.3	16.0
Contract liabilities	58.5	30.6
Total current liabilities	274.1	224.9
TOTAL LIABILITIES	749.4	689.5
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES	2,594.4	2,650.8

Consolidated Statement of Cash Flow

SAR mn	31 December 2023	31 December 2024
OPERATING ACTIVITIES		
Net profit	303.3	338.8
Adjustments to reconcile net profit to cash flow	-	-
Depreciation of property and equipment	85.7	85.1
Depreciation of ROU asset's	11.3	11.3
Amortization of intangible assets	3.1	0.6
Losses on disposals of property and equipment	1.5	(55.3)
Gain on disposals of right of use assets	(0.5)	-
Impairment loss in intangible assets	3.1	-
Company share of profits from associate	(4.2)	(6.7)
Provision from slow-moving inventory	0.1	-
Provision for expected credit losses	19.0	9.1
Patient deposits	(6.5)	(0.3)
Government grants released	(9.1)	(9.1)
Current services cost of employees' terminal benefits	11.9	14.2
Contract liability generated during the period	47.4	39.9
Finance income	-	(6.1)
Finance cost	25.8	23.8
Zakat charge during the period	17.6	15.9
	509.5	461.2
Working capital adjustments	-	-
Inventories	(0.5)	(4.6)
Other debit balances	(2.6)	0.8
Prepayments	(8.2)	(0.3)
Trade receivables	(107.3)	117.6
Contract assets	6.4	0.4
Due from (to) related parties- net	(8.6)	(4.0)
Accounts payable	(7.6)	(4.8)
Accrued expenses	17.1	0.8
Other credit balances	8.9	(11.3)
Contract liability	(31.7)	(67.8)
Employees' terminal benefits paid	(7.8)	(5.7)
Zakat paid	(16.7)	(18.2)
NET CASH GENERATED FROM OPERATING ACTIVITIES	350.9	464.1
INVESTING ACTIVITIES		
Purchase of property and equipment	(53.5)	(210.0)
Cash proceeds from sale of property and equipment	-	124.6
Purchase of intangible assets	(1.3)	(3.7)
Finance income received	-	6.1
NET CASH USED IN INVESTING ACTIVITIES	(54.8)	(83.0)
FINANCING ACTIVITIES		
Proceeds from bank borrowings	54.1	-
Repayment of bank & government borrowings	(102.8)	(18.7)
Finance charges paid	(4.0)	(1.4)
Lease liability	(11.7)	(16.1)
Dividends paid	(167.1)	(224.8)
NET CASH USED IN FINANCING ACTIVITIES	(231.5)	(261.0)
Net change in cash and cash equivalents	64.6	120.1
Cash and cash equivalents at the beginning of the period	60.6	125.2
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	125.2	245.3

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 six 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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