

Company

Al Hammadi Holding

3Q25 Result Review

Rating

Buy

Bloomberg Ticker

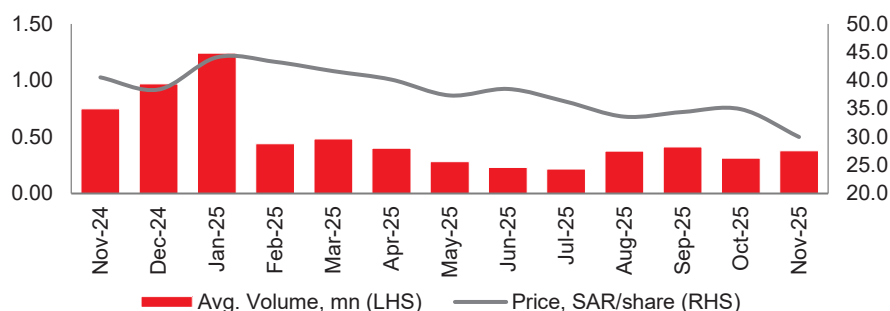
ALHAMMAD AB

Date

12 November 2025

Results

Target Price SAR	40.0
Upside/ Downside	33.3%

**Revenue rises marginally in 3Q25, broadly meeting our estimate**

Al Hammadi Holding's revenue inched up by 1.0% YoY in 3Q25, coming largely in line with our estimate. This was primarily driven by a 20.9% YoY jump in the revenue of the pharma segment, which offset the decline in the medical services segment, caused by a slowdown in patient traffic due to extended summer holidays.

Net profit plunged by 34% YoY in 3Q25

Both the operating and net profit registered an identical decline of 34% YoY in 3Q25. Employee costs, other direct costs, and G&A expenses increased during the quarter, driven by the company's expansion activities. Further, credit loss provision rose sharply to SAR 8.5mn vs. SAR 0.3mn in 3Q24 due to delayed collections from some clients, while finance income slumped by ~82% YoY, which pulled net profit lower.

U Capital View

We expect Al Hammadi's cost burden to ease and profitability to strengthen once Al-Olaya hospital becomes operational, likely in FY26. Thus, we maintain our buy rating on the stock with target price of SAR 40.0.

Current Market Price (SAR)	30.0
52wk High / Low (SAR)	44.6/29.7
12m Average Vol. (mn)	0.5
Mkt. Cap. (USD/SAR mn)	1,280/4,800
Shares Outstanding (mn)	160.0
Free Float (%)	70.2%
3m ADTV (SAR mn)	12.3
6m ADTV (SAR mn)	10.9
P/E'26e (x)	13.6
EV/EBITDA'26e (x)	10.2
Dividend Yield '26e (%)	5.7%
Price Perf. (1m/3m) (%)	-11.9/-11.1

Research DepartmentEmail: ubhar-research@u-capital.netFor our
last report**Financial Summary**

SAR mn	3Q24	4Q24	1Q25	2Q25	3Q25	3Q25e	YoY	QoQ	Var.	9M24	9M25	YoY
P&L												
Revenue	291	323	302	298	295	309	1%	-1%	-4%	831	895	8%
Gross profit	96	110	97	93	83	100	-14%	-11%	-17%	273	273	0%
Operating profit	82	79	77	64	54	82	-34%	-15%	-34%	287	195	-32%
Net profit	79	78	74	62	52	77	-34%	-16%	-33%	261	188	-28%
BS												
Sh. Equity	1,938	1,961	1,980	1,987	1,984		2%	0%		1,938	1,984	2%
Ratios												
GPM	33.1%	34.0%	32.0%	31.2%	28.2%	32.5%				32.8%	30.4%	
OPM	28.2%	24.4%	25.4%	21.4%	18.4%	26.5%				34.5%	21.8%	
NPM	27.2%	24.1%	24.5%	20.8%	17.6%	24.9%				31.4%	21.0%	
EPS, SAR	0.49	0.49	0.46	0.39	0.32	0.48				1.63	1.17	
RoE (TTM)					13.4%							
TTM P/E (x)					18.1							
Current P/B (x)					2.4							

Source: Financials, Tadawul, Bloomberg, U Capital Research



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Disclaimer

Recommendation

BUY	ACCUMULATE	HOLD	REDUCE	SELL
Greater than 20%	Between +10% and +20%	Between +10% and -10%	Between -10% and -20%	Lower than -20%

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