Company

Al Hammadi Holding

2Q26 Result Review

Rating

Buy

Bloomberg Ticker

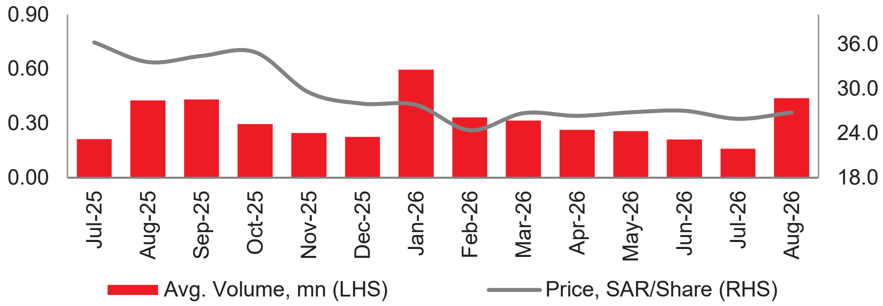
ALHAMMAD AB

Date

6 August 2026

Results

Target Price SAR	30.8
Total Return	18.8%



Current Market Price (SAR)	26.8
52-week High | Low	36.5 | 23.4
Price Perf. (1m | 3m)	-1.2% | 6.1%
Mkt. Cap. (USD/SAR mn)	1,158 | 4,288
Free Float	76.4%
3m ADTO (000 shares)	209.3
6m ADTO (000 shares)	242.1
3m ADTV (SAR 000)	5,694.4
6m ADTV (SAR 000)	6,454.2
P/E 27e	16.0x
P/B 27e	2.0x
DY 27e	4.1%

U Capital Research
Email: ubharresearch@ucapital.net
Tel: +968 2494 9036

Revenue increased 8% YoY in 2Q26, in line with our estimates

Revenue for 2Q26 stood at SAR 321.8mn, up 8% YoY, in line with our estimates. The growth was mainly driven by strong performance in both the pharmaceutical products and medical services segments.

Profitability increased 16% YoY, ahead of our estimates

Profitability increased by 16% YoY to SAR 71.9mn in 2Q26, primarily driven by higher revenue, the reversal of expected credit loss (ECL) provisions, gains on the disposal of property and equipment, and increased contributions from the company's share of profits from associates.

U-Capital view

We reiterate our Buy rating on the stock with a target price of SAR 30.8/share. Our investment thesis is supported by a visible medium-term hospital expansion pipeline in Riyadh, expected margin recovery, increasing earnings contribution from its growing portfolio of associate investments, a conservative balance sheet that supports internally funded growth, and an attractive dividend profile backed by improving long-term earnings visibility.

Financial Statements

SAR mn	2Q25	3Q25	4Q25	1Q26	2Q26	2Q26e	YoY	QoQ	Var.	1H25	1H26	YoY
P&L												
Revenue	298.2	294.9	339.5	319.1	321.8	327.6	8%	1%	-2%	600.1	640.8	7%
Gross profit	93.0	83.0	90.5	101.1	79.9	95.0	-14%	-21%	-16%	189.5	181.0	-4%
Operating profit	63.9	54.3	59.2	52.6	69.5	61.6	9%	32%	13%	140.6	122.1	-13%
Net Profit	62.0	51.9	54.1	56.2	71.9	61.8	16%	28%	16%	135.9	128.1	-6%
BS												
Shareholders' Equity	1,987.4	1,984.3	2,005.2	2,025.9	2,066.6		4%	2%		1,987.4	2,066.6	4%
Ratios												
Gross margin	31.2%	28.2%	26.7%	31.7%	24.8%	29.0%				31.6%	28.2%	
Operating margin	21.4%	18.4%	17.4%	16.5%	21.6%	18.8%				23.4%	19.1%	
Net profit margin	20.8%	17.6%	15.9%	17.6%	22.3%	18.9%				22.6%	20.0%	
TTM RoE (%)					11.4%							
TTM P/E (x)					19.0							
Current P/Bv					2.2							

Source: Financials, Tadawul, Bloomberg, U Capital Research

Investment Research

Ubhar-Research@u-capital.net

Head of Research

Tahir Abbas
+968 2494 9036 | tahir@u-capital.net

Research Team

Rao Aamir Ali
+968 2494 9066 | rao@u-capital.net

Sandesh Shetty
+968 2494 9059 | sandesh@u-capital.net

Amira Al Alawi
+968 2494 9012 | amira.alalawi@u-capital.net

Head of Brokerage

Talal Al Balushi
+968 2494 9051 | talal@u-capital.net

Visit us at **www.u-capital.net**

Important Disclosure & Disclaimer:

This research report ("Report") has been prepared and issued by Ubhar Capital SAOC ("U Capital"), through its Research Department, solely for informational purposes only and does not constitute investment advice, recommendation, or personal financial advice of any kind.

The information, opinions, estimates, forecasts, and recommendations contained herein are based on sources believed to be reliable and are provided in good faith. However, U Capital, its affiliates, subsidiaries, directors, officers, employees, agents, and representatives make no express or implied representation or warranty regarding the accuracy, completeness, reliability, adequacy, or timeliness of the information contained in this Report or its suitability for any particular purpose or investor objective.

This Report has been prepared solely for informational purposes and should not be construed as an offer, invitation, or solicitation to buy or sell any securities or financial instruments. The views and recommendations expressed herein reflect the independent opinion of the U Capital Research Department and do not constitute personalized investment advice. Investors should undertake their own independent analysis and seek professional advice before making any investment decisions. This Report is intended for investors who are capable of making their own investment decisions and assessing the risks associated with investing in securities and financial instruments or its suitability for any particular purpose or investor objective.

The views, opinions, estimates, forecasts, target prices, and recommendations expressed in this Report represent the judgment of the U Capital Research Department as of the date of publication and are subject to change without prior notice. U Capital undertakes no obligation to update, revise, or amend this Report to reflect subsequent events, changes in market conditions, or new information that may become available after its publication and disclaims any obligation to notify recipients of any such changes.

Investments in securities and financial instruments involve risks, including the possible loss of principal up to and including total loss of invested capital. Past performance is not necessarily indicative of future results, and future returns are not guaranteed. Market values, investment returns, exchange rates, and income from investments may fluctuate significantly and may rise or fall depending on market conditions and other factors. Investors may not recover the full amount originally invested and may receive less than the amount invested.

Although reasonable care has been exercised in the preparation of this Report, U Capital does not warrant that the information contained herein is free from errors, omissions, inaccuracies, or typographical mistakes. Any projections, forecasts, assumptions, or forward-looking statements included in this Report are based on current expectations and assumptions and are inherently subject to significant business, economic, market, regulatory, and geopolitical uncertainties. Actual outcomes may differ materially from those expressed or implied and such deviations may be material and adverse.

U Capital, its affiliates, directors, officers, employees, and representatives shall not be liable for any direct, indirect, incidental, consequential, special, punitive, or other loss or damage, including, without limitation, any loss of profits, revenue, business opportunities, data, or goodwill, arising out of or in connection with the use of, or reliance upon, this Report or the information contained herein, except to the extent that such liability cannot be excluded under applicable law.

U Capital, its affiliates, directors, officers, employees, and clients may, from time to time, have long or short positions in, buy or sell, or otherwise deal in securities or financial instruments referred to in this Report. U Capital may also provide or seek to provide investment banking, advisory, underwriting, brokerage, market making, liquidity providing or other financial services to companies or issuers mentioned herein, subject to applicable laws, regulations, and internal policies governing conflicts of interest which may result in actual or potential conflicts of interest.

Recipients acknowledge that they are solely responsible for evaluating the merits and risks of any investment decision and should conduct their own independent due diligence before investing. U Capital accepts no fiduciary duty or responsibility toward any recipient of this Report and no advisory, agency, or trust relationship is created by receipt or use of this Report.

This Report is intended solely for the recipient to whom it has been made available. It may not be copied, reproduced, modified, transmitted, distributed, published, quoted, disclosed, or redistributed, in whole or in part, by any means or in any form, without the prior written consent of U Capital. Unauthorized use, reproduction, or distribution of this report is strictly prohibited and may constitute a violation of applicable intellectual property, copyright, and securities laws.

This Report has been prepared in accordance with the professional standards and internal policies of U Capital; however, it should not be relied upon as the sole basis for any investment decision. By accepting or accessing this Report, the recipient acknowledges that they have read, understood, and agreed to be bound by the terms and limitations set forth in this Disclaimer.

Ubhar Capital SAOC is licensed and regulated by the Financial Services Authority (FSA) of the Sultanate of Oman.

Stock Ratings

BUY	HOLD	SELL
Greater than 10%	Between 0% and +10%	Lower than 0%

Ubhar Capital SAOC (U Capital)
Website: www.u-capital.net
PO Box 1137, PC 111, Sultanate of Oman
Tel: +968 2494 9036 | **Fax:** +968 2494 9099 | **Email:** research@u-capital.net