Company

Al Hammadi Holding

1Q26 Result Review

Rating

Buy

Bloomberg Ticker

ALHAMMAD AB

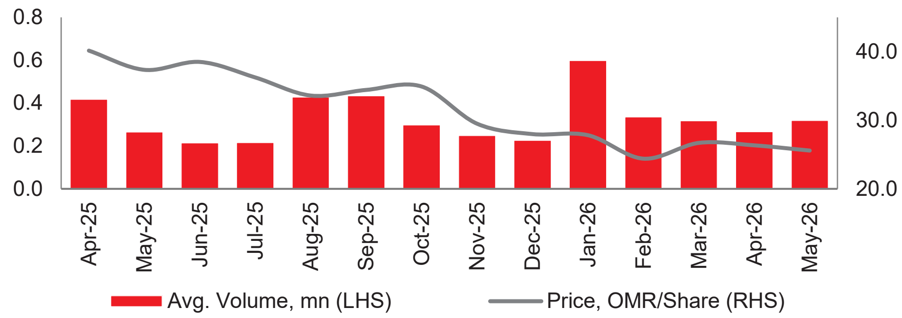
Date

17 May 2026

Results

Target Price (SAR)	27.5
Total Return	11.6%

Current Market Price (SAR)	25.6
52wk High / Low (SAR)	39.8/23.42
12m Average Vol. (m)	307.7
Mkt. Cap. (USD/SAR bn)	1,091/4,093
Shares Outstanding (mn)	160.0
Free Float (%)	69.8%
3M ADTV (SAR mn)	7.5
6M ADTV (SAR mn)	8.2
P/E'26e (x)	15.9
P/B'26e (x)	2.0
Dividend Yield '26e (%)	4.1%
Price Perf. (1m/3m) (%)	-5.5/-2.5



Research Department

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Pharma segment supports revenue growth in 1Q26

The company reported revenue of SAR 319mn in 1Q26, up 6% YoY, broadly in line with our expectations, driven primarily by strong growth in the pharmaceutical products segment, which increased 18% YoY, supported by higher retail sales through its subsidiary. The Medical Services segment also contributed positively, with revenue up 3% YoY.

Net profit impacted by higher OPEX and credit loss provisions

Net profit declined 24% YoY to SAR 56mn in 1Q26, mainly due to a sharp increase in G&A, selling, and marketing expenses related to the group's rebranding campaign, along with higher expected credit loss provisions resulting from delayed payments from certain major clients.

U-Capital View

We have a Buy rating with a Dec-2026 target price of SAR 27.5/share, implying a total return of 12.8%, supported by attractive dividend yield, low-leverage balance sheet, ongoing expansion initiatives, and strong asset turnover, which together backing earnings visibility. The company has also announced a cash dividend of SAR 0.2/share for 1Q26.

Financial Summary

SAR mn	1Q25	2Q25	3Q25	4Q25	1Q26	1Q26e	YoY	QoQ	Var.
P&L									
Revenue	302	298	295	340	319	316	6%	-6%	1%
Gross profit	97	93	83	91	101	99	5%	12%	2%
Operating profit	77	64	54	59	53	76	-32%	-11%	-31%
Net profit	74	62	52	54	56	73	-24%	4%	-23%
BS									
Shareholders' Equity	1,980	1,987	1,984	2,005	2,026		2%	1%	
Ratios									
Gross profit margin	32.0%	31.2%	28.2%	26.7%	31.7%	31.5%			
Operating profit margin	25.4%	21.4%	18.4%	17.4%	16.5%	24.0%			
Net profit margin	32.0%	31.2%	28.2%	26.7%	31.7%	31.5%			
RoE (TTM)					11.2%				
P/E (TTM)					18.1				
Current P/B					2.0				

Source: Financials, TASI, Bloomberg, U Capital Research

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Disclaimer

Recommendation

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

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