



Unsolicited Rating Summary Report

Al Hammadi Holding Company (AHC)

A Saudi Listed Joint Stock Company

December 2025

Rating Summary

1.1 TASSNIEF's Opinion:

<i>Al Hammadi Holding Company (AHC)</i>	
<i>Domicile</i>	<i>Saudi Arabia</i>
<i>Long-Term Rating</i>	<i>A- (pi)</i>
<i>Outlook</i>	<i>NA</i>
<i>Short-Term Rating</i>	<i>T-3</i>
<i>Rating Watch</i>	<i>N/A</i>
<i>Action Type</i>	<i>Initial</i>
<i>Date of Initial Rating</i>	<i>December 2025</i>
<i>Rating Type</i>	<i>Unsolicited</i>

SIMAH Rating Agency (Tassnief) has assigned initial long-term entity rating of “(A-(pi))” (Single A Minus unsolicited rating) to Al Hammadi Holding Company (AHC). The A- ratings reflect robust credit profile. Tassnief considers the rated issuer to hold high creditworthiness and thus very low credit risk. The risk profile may vary with changes in economic / sector conditions.

The unsolicited ratings, denoted by a ‘pi’ subscript, make use of analytical procedures that are parallel to traditional credit ratings, but differ in that they are based on public disclosures made available by companies, as well as other secondary sources. The ‘pi’ ratings do not carry an outlook. The ‘pi’ ratings are reviewed annually based on the latest financial statements but may be reviewed earlier if a major event that may affect an entity’s credit quality occurs. The rated entity has not participated in the unsolicited credit rating, and the rating has not been disclosed to the rated entity prior to the announcement.

About the Company: AHC has been operating since 1985, with a track record of over 35 years. The Company currently operates 2 hospitals in Riyadh, namely Al Nuzha hospital, and Al Suwaidi hospital, housing more than 600 inpatient rooms and 220 outpatient clinics. The Company's major shareholders comprise Al Hammadi family and various institutional investors.

1.2 Rating Rationale:

The assigned rating reflects Al Hammadi Holding Company’s ('AHC' or 'Company') current market position relative to other major players, moderate business risk and satisfactory financial risk profile. Ratings also incorporate satisfactory corporate governance framework with room for

Classification: **Restricted**

improvement through implementation of comprehensive internal control and risk management procedures.

Healthcare services are characterized as a low-risk industry in view of limited demand cyclicity and favorable economic and demographic trends in KSA. Given the importance of affordable healthcare, the sector has regulatory risk, while other business risk factors include deficit of human capital and highly competitive intensity, particularly in the private segment. Sizeable geographic concentration, particularly in the Riyadh region, is expected to further contribute to the competitive intensity for private healthcare operators.

Financial profile of the Company has been constrained by limited revenue growth and profitability. Trade receivables have translated to an extended working capital cycle. Capitalization indicators are sound with gearing (interest bearing debt to equity) ratio reported at 0.21x at end-2024 as compared to 0.23x at end-2023 while cash flow coverage of outstanding debt is comfortable.

1.3 Rating Rationale:

Ratings would remain dependent on strengthening market position, successful execution of business strategy while sustaining recent improvement in financial metrics in terms of profitability, liquidity and capitalization.

Classification: **Restricted**

RELATED CRITERIA AND METHODOLOGY: Rating Methodology for Corporate (v.2. 2024) can be found on the website: www.tassnief.com

DISCLAIMER:

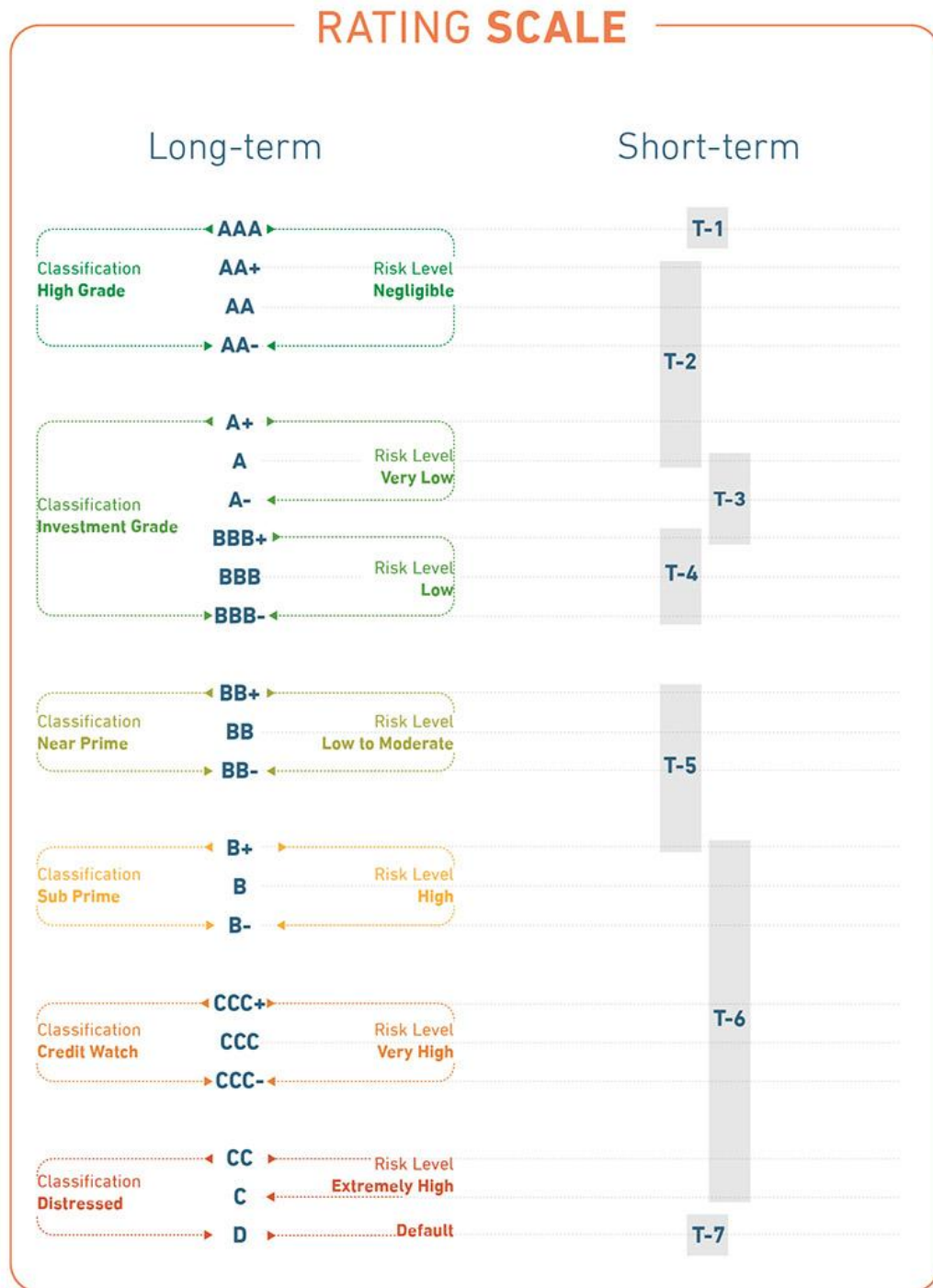
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- Our assessment is based on publicly available information, third-party data, and other sources deemed reliable, but we do not verify or validate the accuracy and completeness of such information. As a result, the rating may be subject to greater uncertainty or limitations compared to solicited ratings, and it may not reflect the current or future position of the rated entity.
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- This rating has not been disclosed or shared with the rated entity prior to publication. All analyses and opinions expressed are solely those of TASSNIEF as of the rating date and do not reflect any ongoing or future engagement with the entity.
- The rated party has not engaged TASSNIEF to conduct this rating. The credit rating and the comments contained herein are solely opinions prepared independently, without any prior consultation or input from the rated party. These ratings do not constitute endorsement, recommendation, or solicitation by the credit rating agency of any securities or investment decisions relating to the rated party.
- This credit rating herein was determined in accordance with the principal methodology outlined in our published methodologies, which are available on our website at www.tassnief.com. This methodology, including any significant adjustments or deviations from standard procedures, was applied to arrive at the rating.
- The rating scale, meaning of each rating category, default or recovery definitions, and relevant risk warnings – including a sensitivity analysis of key assumptions – are also available on our website.
- TASSNIEF confirms that all rating activities related to this credit rating were not outsourced to any third party.

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TASSNIEF's Long-term & Short-term Rating Scale



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Long-Term Rating Scale	Definitions
AAA	Extremely Robust ; Tassnief considers the rated issuer or issuance hold the highest creditworthiness , thus negligible credit risk
AA+ AA AA-	Very Robust ; Tassnief considers the rated issuer or issuance hold very high creditworthiness , thus minimal credit risk . Risk profile may vary slightly with changes in economic / sector conditions
A+ A A-	Robust ; Tassnief considers the rated issuer or issuance hold high creditworthiness , thus very low credit risk . Risk profile may vary with changes in economic / sector conditions
BBB+ BBB BBB-	Moderate ; Tassnief considers the rated issuer or issuance hold adequate creditworthiness , thus low credit risk . Risk profile may exhibit moderately high variation with changes in economic / sector conditions
BB+ BB BB-	Tassnief considers the rated issuer or issuance hold low to moderate credit risk . Risk profile may exhibit wide variation with changes in economic / sector conditions.
B+ B B-	Tassnief considers the rated issuer or issuance hold very low creditworthiness , thus high credit risk
CCC+ CCC CCC-	Tassnief considers the rated issuer or issuance hold extremely low creditworthiness , thus very high credit risk
CC C	Highly speculative credit profile , and the default is imminent
D	Tassnief considers the rated issuer or issuance have defaulted or may default soon .

****End of Report****