



Unsolicited Rating Summary Report

Middle East Healthcare Company (MEHC)

A Saudi Listed Joint Stock Company

December 2025

Rating Summary

1.1 TASSNIEF's Opinion

Middle East Healthcare Company (MEHC)	
Domicile	<i>Saudi Arabia</i>
Long-Term Rating	<i>BBB- (pi)</i>
Outlook	<i>NA</i>
Short-Term Rating	<i>T-4</i>
Rating Watch	<i>N/A</i>
Action Type	<i>Initial</i>
Date	<i>December 2025</i>
Rating Type	<i>Unsolicited</i>

SIMAH Rating Agency (Tassnief) has assigned initial long-term entity rating of “(BBB-(pi))” (Triple B minus unsolicited rating) to Middle East Healthcare Company (MEHC). The BBB- (pi) ratings reflect moderate credit profile. TASSNIEF considers the rated issuer to hold adequate creditworthiness, indicating a low overall credit risk. However, the rated entity’s risk profile may experience moderate fluctuations in response to changes in economic and sector-specific 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: MEHC has been operating since 2004, with a track record of over two decades. The Company currently operates 8 hospitals in KSA, with at-least 1400 beds. Majority shareholding in MEHC is held by Bait Al-Batterjee Medical Company Limited.

1.2 Rating Rationale

The assigned ratings are supported by Middle East Healthcare Company's ('MEHC' or 'the Company') strong clinical reputation as a leading private healthcare provider in Saudi Arabia, along with the extensive experience of its sponsors. Key rating factors include the company's good geographic diversification relative to peers and its expanding market position. Additionally, the governance framework is deemed robust, supported by an experienced management team.

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.

The assessment of the financial risk profile reflects low net profitability compared to peers, despite ongoing revenue growth. Trade receivables are substantial relative to sales, leading to an extended working capital cycle. The company's utilization of both long-term and short-term debt has resulted in a moderately leveraged capital structure. Nonetheless, the company's capacity to service its debt obligations through internal cash flows is deemed sufficient.

1.3 Rating Triggers

Ratings will remain contingent upon continued revenue growth driven by ongoing expansion initiatives, along with improvements in net profitability. A reduction in receivables and enhancements in the working capital cycle would further support the ratings. Additionally, debt metrics and debt service coverage ratios will be closely monitored for any signs of deterioration in financial flexibility

Classification: **Restricted**

RELATED CRITERIA AND METHODOLOGY

Rating Methodology for Corporate (v.2. 2024) can be found on our website: www.tassnief.com

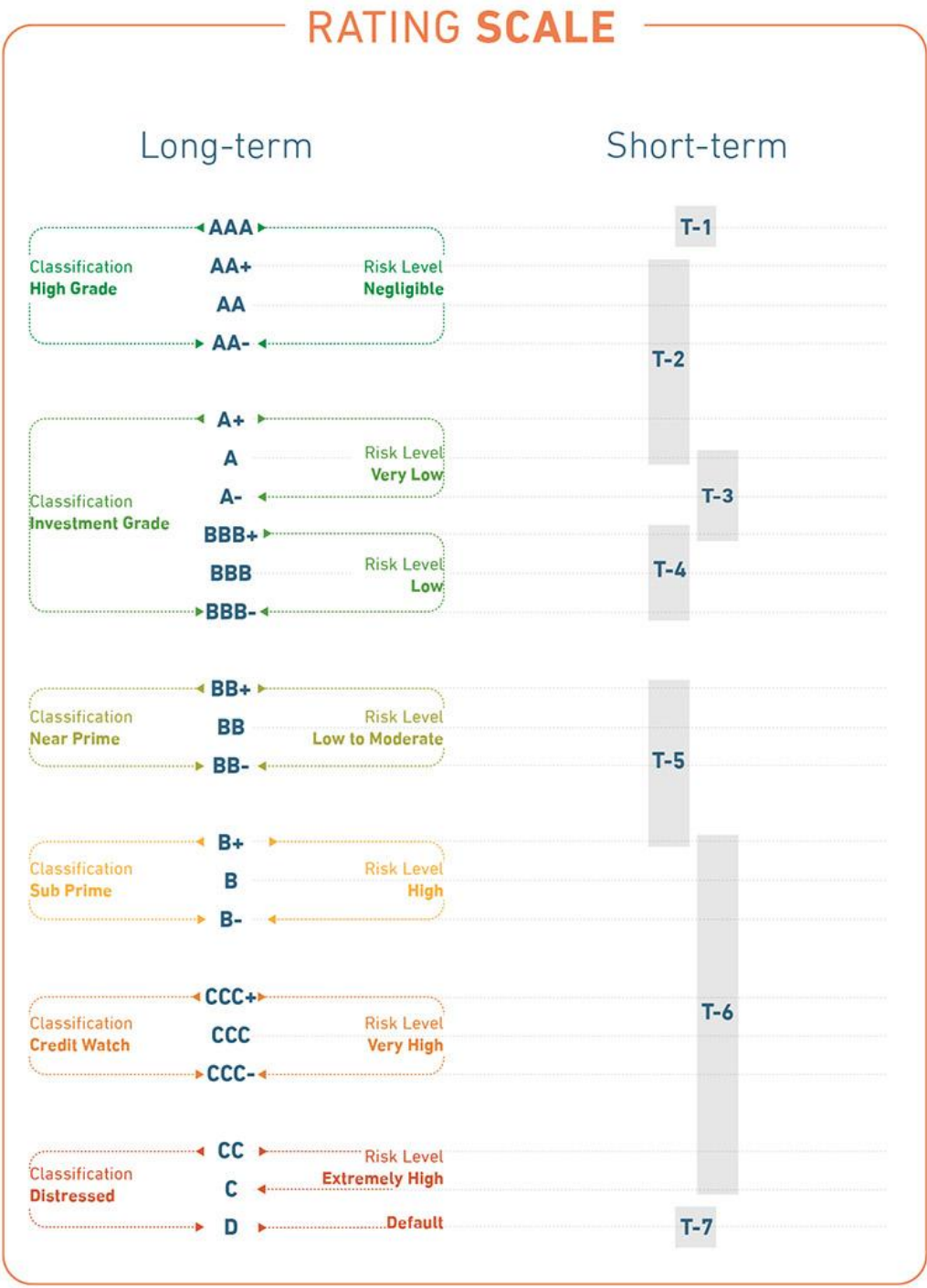
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- Our assessment is based on publicly available information, third-party data, and other sources deemed reliable, but we do not verify or validate the accuracy and completeness of such information. As a result, the rating may be subject to greater 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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- The analyses and forecasts contained in this rating are inherently forward-looking and subject to change based on new information or unforeseen future events. Despite efforts to ensure accuracy, no guarantee or warranty is provided regarding the future performance or stability of the rated entity or security.
- 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



Classification: [Restricted](#)

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****