



ANNUAL

REPORT 2024

Enhancing Riyadh's Healthcare Space One Patient at a Time

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Al Hammadi is an integrated healthcare company and premier hospital operator providing worldclass healthcare services to hundreds of thousands of local and foreign residents.

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Al Hammadi at a Glance

Al Hammadi Holding is a leading healthcare provider Across its facilities, Al Hammadi caters to a broad and to the diverse needs of Riyadh's local and expatriate populations. Both hospitals are strategically located in some of the city's most prominent and underserved neighborhoods, ideally positioning the Group to effectively deliver on the city's healthcare needs and capture the substantial future upside offered by the Kingdom's capital.

and a premium hospital operator in Riyadh, Saudi diverse patient base, with a strategic focus on class A/ Arabia, renowned for delivering world-class health- A+/VIP patients as part of its ongoing premiumization care solutions across a wide range of medical special- efforts. This strategic approach aligns with Riyadh's ties. Operating through its two hospitals, Al Nuzha shifting demographics, positioning the Group to meet and Al Suwaidi, which together house 600 inpatient the increasing demand for premium healthcare services beds and 220 outpatient clinics, Al Hammadi strives to and cater to the fast-growing high-income population. deliver high-quality, premium healthcare that caters At the same time, Al Hammadi continues to strengthen its longstanding partnership with the Ministry of Health (MoH), accommodating the growing MoH patient base and aligning with the Kingdom's vision of establishing an integrated healthcare network.

> Building on this solid foundation, the Group has outlined an ambitious growth strategy to further expand its

network and offerings in Riyadh. Al Hammadi is currently hard work to launch three new hospitals by 2030, which will collectively add 600 inpatient beds and 360 outpatient clinics, more than doubling the Group's existing capacity. These strategic expansions enable the Group to actively support the Kingdom's healthcare transformation efforts, focused on expanding capacity and enhancing accessibility to meet the evolving healthcare needs of Saudi Arabia's growing population. Additionally, Al Hammadi will establish four new Centers of Excellence across its new hospitals, further enhancing its healthcare offerings and solidifying its market leadership in Riyadh's specialist care space.





Leading private hospital operator in Riyadh, catering primarily to the fast-growing Class A/A+/VIP patient base.





Operator of two world-class hospitals in Riyadh with ongoing plans to inaugurate three additional facilities by 2030.



Strong collection framework.



Geographically focused business model with an expanding presence in adjacent segments of the healthcare industry.



Efficient procurement system, supported by long-lasting relationships with medical equipment providers.



Access to a large network of leading medical professionals and inhouse training and development capabilities.



Proven track record of operational and financial excellence with attractive margin profile supported by strategic pricing trends, expanding operational capacity, favorable patient-mix, and efficient resource management.



Experienced management team encompassing medical and non-medical expertise to ensure sustained growth.

ahead, the Group plans to complement its in-house commitment to the Saudi Arabian community. branches with a network of retail pharmacy outlets and online stores, further cementing its presence in the King- Al Hammadi holds several international accredidom's pharmacy sector. In parallel, the Group is actively tations and certificates, including the Association involved in pharmaceutical manufacturing through for the Advancement of Blood & Biotherapies, Joint its 35% stake in Sudair Pharmaceutical Company (SPC). Commission on Accreditation of Healthcare Organiza-The company, which was first launched in 2014, has tions (JCI), Healthcare Information and Management been producing oncology-focused medicine since 2021 Systems Society (HIMSS), College of American Patholand is planning to inaugurate its insulin production ogists (CAP), Saudi Central Board for Accreditation of line and launch a new respiratory-focused medicine in Healthcare Institutions (CBAHI), the American College 2025. Finally, the Group has also built a strong foothold of Cardiology (ACC) accreditation.

Beyond its core hospital operations, Al Hammadi is in vaccine procurement and distribution through its expanding its pharmaceutical business as part of its wholly owned subsidiary, Pharma Serve, concluding broader vision to become a one-stop-shop provider for sales worth SAR 540 million since its acquisition in 2018. medical services. Thus far, the Group has invested to These strategic investments align with the government's develop two world-class in-house pharmacies located efforts to enhance self-sufficiency and health security, inside Al Nuzha and Al Suwaidi hospitals. Looking once again demonstrating Al Hammadi's steadfast

Operational Bed Capacity

Operational Outpatient Clinics

Inpatient cases served in 2024

Outpatient cases served in 2024

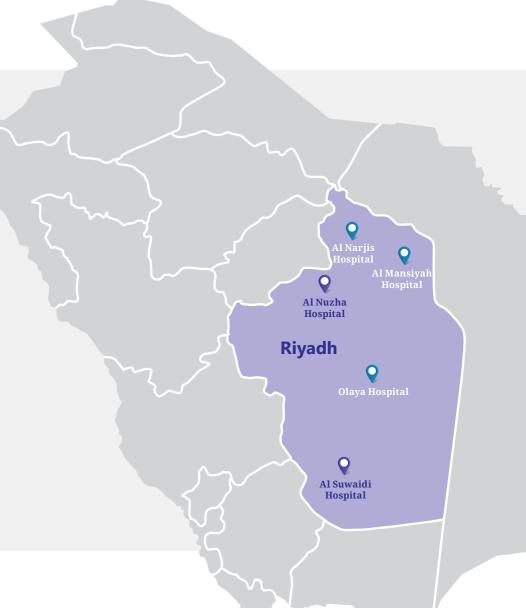
Group Revenues in 2024 (down 2% y-o-y)

Net Profit Margin in 2024 (vs 25.8% last year)



Operational Facilities in Riyadh

New Hospitals Planned





American College of Cardiology (ACC) –Cath Lab Accreditation



Association for the Advancement of Blood & Biotherapies



Joint Commission on Accreditation of Healthcare Organizations (JCI)



Healthcare Information and Management Systems Society (HIMSS)



College of American Pathologists (CAP)



Saudi Central Board for Accreditation of Healthcare Institutions



rehabilitation services and plastic surgery.

family medicine.

Story

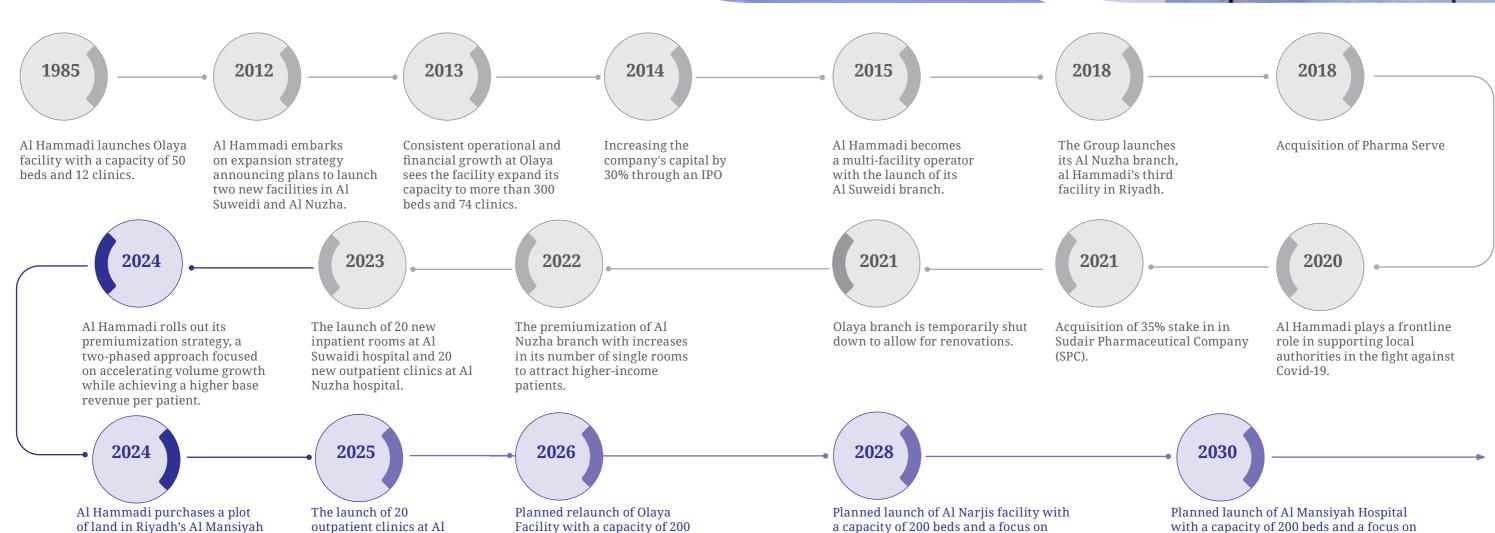
Al Hammadi boasts over 35 years of medical and operational excellence, and today stands as the go-to provider for premium healthcare services in Riyadh. The Group remains focused on growing its core hospital business, delivering on its planned capacity expansions over the coming years, while also capitalizing on growth opportunities in adjacent segments of the healthcare industry.

Suwaidi Hospital.

district, intended for the

construction of its fifth hospital.





beds and a focus on sports

injuries and oncology.

Al Hammadi ● Annual Report 2024

A Message from Our Chairman



Dr. Abdulaziz Bin Mohammed Bin Hamad Al Hammadi Chairman of the Board

Dear Shareholders,

segments and operations.

It is with great pride that I present to you Al Hamma- additional facilities underway, our pipeline of di's Annual Report for 2024, a year that has seen the cutting-edge treatments and services is stronger than Group make remarkable progress as we continued ever, positioning us to address some of the Kingdom's to drive growth and strategic expansion across our most pressing healthcare challenges and enhance the well-being of the communities we serve. We are also actively expanding into high-growth segments, Throughout the past twelve months, we have particularly the manufacturing and distribution of remained steadfast in our commitment to advancing pharmaceuticals, in alignment with the Kingdom's the Kingdom's healthcare agenda through strategic vision to become a global pharmaceutical hub. To capacity expansion and innovation. With three support this, we are investing in the development

With three additional facilities underway, our pipeline of cuttingedge treatments and services is stronger than ever, positioning us to address some of the Kingdom's most pressing healthcare challenges and enhance the well-being of the communities we serve.

of local manufacturing capabilities to facilitate the aligns with our ambitious goals of expanding our supply of vaccines and vital medicines within the capacities and exploring advanced medical specialties Saudi market. These initiatives reinforce our role in high-demand premium care segments. in supporting the Kingdom's strategy for self-sufficiency and healthcare security, while contributing In 2025 we will be celebrating Al Hammadi's 40th to building a resilient and self-reliant healthcare anniversary. Since the launch of our first hospital back system for future generations.

While working tirelessly to maximize our impact on operations and longer-term strategic decisions. the wider community, we have stayed true to our shortterm strategy and targets, launching the first phase of a new multi-step growth strategy which will see us effectively balance our short-term ambitions or with our long-term vision. This has translated in robust financial and operational results for the year that just ended, with particularly encouraging signs of a sustained pickup in activity in the second half of the year.

Looking ahead, we are excited to build on the strong momentum achieved in 2024. We are particularly optimistic about Riyadh's transformation journey to become a global commercial and cultural hub, which will in turn continue to draw a growing number of locals and expatriates to the city. This dynamic advancing the Kingdom's healthcare space to build a evolution presents vast opportunities for growth and innovation for players like Al Hammadi and perfectly

in 1985, we have adhered to the same set of guiding principles, which continue to guide our day-to-day These guiding principles include a never-ending commitment to operational excellence, a consistent prioritization of patient-centric healthcare, an unwavering focus on service quality and superior medical outcomes, as well as a relentless drive to improve and innovate throughout everything that we do. This anniversary not only represents a significant achievement but also inspires us to continue our journey of excellence, driven by the same passion and commitment that have defined our success.

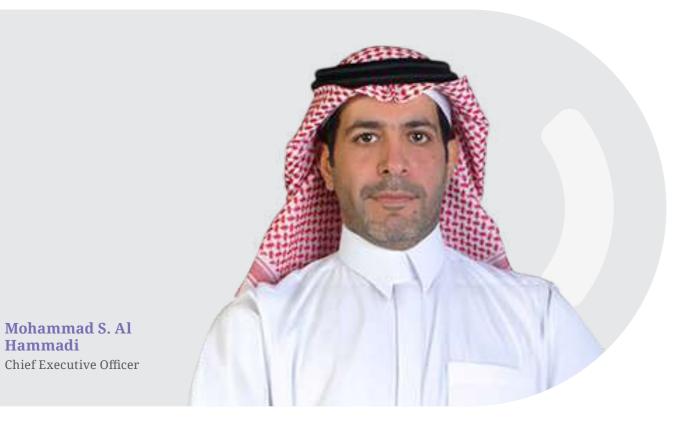
In closing, I would like to extend my heartfelt gratitude to our team and shareholders for their unwavering support and trust. Together, we remain committed to healthier future for the people of Saudi Arabia.





Mohammad S. Al

Hammadi



we continued to deliver robust financial results while driving strategic expansions across our operations. Our 2024 performance underscores the resilience of our business model, the effectiveness of our growth strategies, and our strategic foresight, as we advance towards our long-term vision of becoming the leading premium healthcare provider in Riyadh.

Proactive Approach to Sustainable Growth

At the start of the year, we inaugurated a new, two-phased growth strategy aiming to balance short-term targets per patient under the new DRG system.

As we step into the new year, I am pleased to reflect on with long-term sustainability. During phase one of the progress achieved by the Group throughout 2024, as our strategy, which will run from 2024 to 2026, we are focusing on strategically adjusting prices while progressively optimizing our case mix. This is not only geared towards realizing our premiumization ambitions but will also better position us to benefit from the Kingdom's broader healthcare transformation efforts, including the transition to the Diagnostic Related Groups (DRGs) classification system in 2027. While these adjustments have temporarily impacted revenue growth, which was weighed down by slower patient traffic at the start of the year, they will enable us to secure a higher base revenue



2024 has been a year of strategic progress for the Group which sees us enter 2025 as a leaner organization ready to drive accelerated growth in the years to come. As we move forward, we remain committed to delivering exceptional healthcare services, expanding our footprint and impact across Riyadh, and contributing to the Kingdom's healthcare transformation.

On this note, I am pleased to share that we are encouraged by the early signs of success observed during the last months of 2024, which underscore the effectiveness of our strategy. In the coming twelve months, we are eager to build on the progress achieved thus far to ensure we are well-placed to transition into phase two of our strategy, which will focus on accelerating volume growth and advancing our planned capacity expansions to meet the growing demand for specialized, high-quality care across the Kingdom's capital.

Our 2024 Performance in Review

Our year-end results reflected sustained recovery, aligning with our expectations, and leaving us optimistic for the year ahead. In 2024, the Group reported revenues of SAR 1,154 million supported by a strong second half of the year. We also saw our bottom-line expand by a solid 12% versus 2023, with a bottom line margin of 29% versus 26% in the previous year.

It is important to note, however, that our fullyear revenues were partially weighed down by the slowdown recorded in the first quarter of the year following our aforementioned strategic prices adjustments. In line with our expectations, the temporary impact of this decision began fading in

the second quarter of the past year, with our performance showing strong signs of recovery in the final months. More specifically, in the final quarter of the year, we saw revenues rise a solid 6% y-o-y, as both our medical services and pharmaceuticals segments expanded versus the previous year. We were also pleased with our inpatient volumes, which continued their sustained growth, rising by an impressive 11% y-o-y in Q4 2024. This marked the third consecutive quarter of year-on-year growth in inpatient volumes, continuing to highlight the strong demand for our value proposition. Meanwhile, at the outpatient segment, we expect to return to year-on-year growth in 2025 supported by new capacity expansions at Al Suweidi hospital and a wider push to promote outpatient services from the Saudi Arabian government.

A Future-looking Strategy

While advancing on our short-term goals, we remained firmly focused on our long-term growth strategy, which includes launching three new facilities by 2030, while making tactical capacity expansions across existing hospitals. In 2024, we expanded the capacity of our operational facilities by extending opening hours of our outpatient clinics from eight to 12 hours while also opening them during Fridays. In parallel, construction work at Olaya, which kicked off in June 2024, progressed well throughout the second

half of the year, and we remain on track to reopen the

facility in 2026.

Our growth ambitions do not stop here as we proactively prepare to absorb the projected rise in demand for high-quality healthcare services in Riyadh over the coming years. In fact, in November 2024, we successfully acquired a new plot of land in Riyadh's Al Mansiyah district, where we intend to build the Group's fifth hospital. Across all our facilities, we are also working to launch new centers of excellence focused on advanced medical specialties, further strengthening our market position and solidifying our reputation as the go-to provider of specialized care in Riyadh. It is important to note that our expansion plans will be funded through a strategic mix of cash and loans. As interest rates in the Kingdom decline, in line

with the expected global monetary loosening, we will look at diversifying our funding sources to build a stronger, more resilient financial foundation that supports growth, innovation, and long-term impact.

Building a Diversified Healthcare Business

Beyond our core hospital business, we continue to explore opportunities to expand our presence in the broader healthcare ecosystem, leveraging our 35% stake in Sudair Pharmaceuticals (SPC). In 2024, SPC successfully launched production at the first phase of its insulin production line and made substantial progress on the roll out of new respiratory-focused medicines, significantly enhancing its contribution to the Kingdom's healthcare sector. Construction of phase two of the insulin production line kicked off in February 2025. These advancements align with

our shared mission of improving access to vital treatments, while supporting the Kingdom's aspirations to become a regional pharmaceutical hub.

An Exciting Year Ahead

2025 will not be an ordinary year for Al Hammadi as it marks the 40th anniversary of our business. To celebrate this historic achievement, we will be inaugurating a revamped brand identity which better captures our rich history of excellence and our current leading position in Riyadh's healthcare sector. The launch will be accompanied by the roll out of a new marketing strategy to better engage with existing and new patients across a wide range of channels, helping us grow our brand's visibility and reputation across our target segments.

2024 has been a year of strategic progress for the Group which sees us enter 2025 as a leaner organization ready to drive accelerated growth in the years to come. As we move forward, we remain committed to delivering exceptional healthcare services, expanding our footprint and impact across Riyadh, and contributing to the Kingdom's healthcare transformation. With a clear vision and a talented team, we are well-positioned to execute our growth strategies, drive long-term value for our stakeholders, while supporting the broader Saudi Arabian community.





Saudi Arabia: The Macro Picture¹

emerged as a regional economic powerhouse, largely thanks to a comprehensive package of reforms and policies rolled out as part of the Kingdom's Vision 2030 framework. Economic diversification stands as a central pillar of the country's long-term strategy, as it works to diversify away from its historical dependence on oil and develop a future-proof economy.

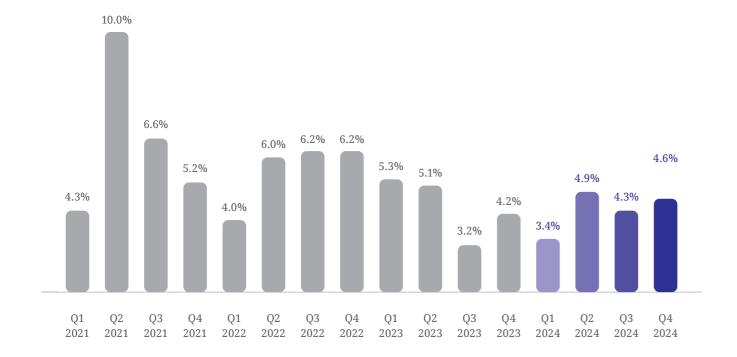
Events in the past twelve months have demonstrated not just the importance but also the effectiveness of the Kingdom's strategic vision, with its economy showcasing impressive resilience in the midst of a challenging operating environment both regionally and globally. Most notably, 2024 was the first year In the coming year, Saudi Arabia is expected to see where non-oil activity accounted for more than half of the Kingdom's GDP, helping to drive overall economic growth while voluntary oil production cuts as part of Saudi Arabia's OPEC+ agreement continue to weigh

Over the last several years, Saudi Arabia has rapidly on economic activity. It is worth noting that in early December 2024, the Kingdom agreed to postpone the phasing out of voluntary cuts until April 2025.

> Turning to the data, Saudi Arabia's economic growth is estimated to have come in at 1.3% for 2024, ahead of the government's 0.8% forecast. Meanwhile, non-oil activity posted an impressive 4.3% year-on-year expansion for 2024, highlighting the success of the government's long-term plan. This is also evident in the latest Purchasing Manager Index (PMI) data which has seen non-oil activity sit well into expansionary territory since September 2020.

> accelerated growth with both the Finance Ministry and the International Monetary Fund (IMF) penciling in GDP growth of 4.6% for 2025.

Saudi Arabia non-oil GDP Growth



¹ General Authority for Statistics, Saudi Arabia; International Monetary Fund (IMF); and S&P Global - Riyad Bank Saudi Arabia PMI.



Vision 2030: Transforming Healthcare²

heart of Vision 2030 to ensure the country is ready still lags greatly behind with the latest figures showing to accommodate changing demand patterns and a the country's hospital beds per 1,000 people sitting at shifting demographic profile. Today, the Kingdom is 2.24 beds versus the 5.91 beds of France and the 8.00 home to nearly 37 million people and is expected to beds of the UK. On a similar note, per capita healthcare break the 40 million mark by 2050. While only 3.5% of the population was aged 65 years and over in 2020, 2020 figure standing at SAR 4,234 versus the UAE's SAR this is expected to climb to 17.2% at the century's halfway point. The population is also characterized by a strong prevalence of non-communicable diseases Guided by the Health Sector Transformation Plan, with 73% of total deaths in Saudi Arabia attributable Saudi Arabia is developing a healthcare system that is to noncommunicable diseases of which 47% linked to more comprehensive, effective, and integrated. Some heart attacks. The Kingdom's diabetes prevalence in of Vision 2030 key healthcare targets include boosting the population aged 20 to 79 currently stands at 18.7%, access to healthcare and insurance, increasing life above the regional average and well above rates in expectancy, localizing medical and pharmaceutical leading global economies.

Transforming the country's healthcare sector is at the On the other hand, the Kingdom's healthcare sector expenditure is also lagging behind with the Kingdom's 8,220 figure and the USA's SAR 43,883 figure.

supply chains, and digitizing healthcare.

Sources: Saudi Vision 2030; Saudi Arabia's Ministry of Health; Saudi Arabia Council for Health Insurance; National Industrial Development and Logistics Program (NIDLP); Jadwa Investment; and EFG Hermes.



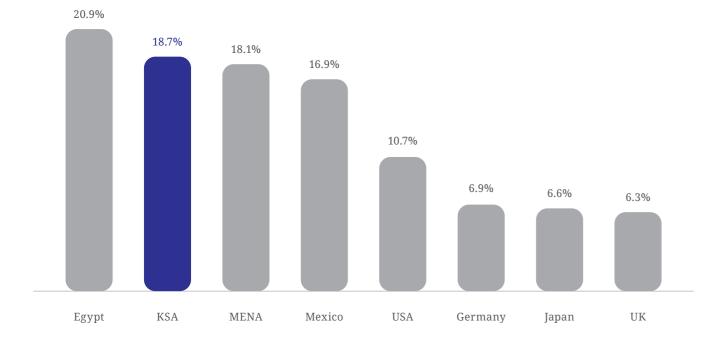
The government is looking to shift provision of healthto take on more of a regulatory role in the sector. As part of Vision 2030, the private sector is being called to help bridge the existing supply gap, drive innovation, and support care quality enhancements. In line becoming an increasingly popular operating model across the healthcare sector. More specifically, the decade stands at a more modest 15%.

private sector's contribution in the healthcare sector is expected to reach SAR 145 billion by 2030, up from the SAR 72 billion figure recorded at the start of the decade. Meanwhile, private sector participation in healthcare is targeted to reach 50% by 2030, versus the 20% figure currently recorded.

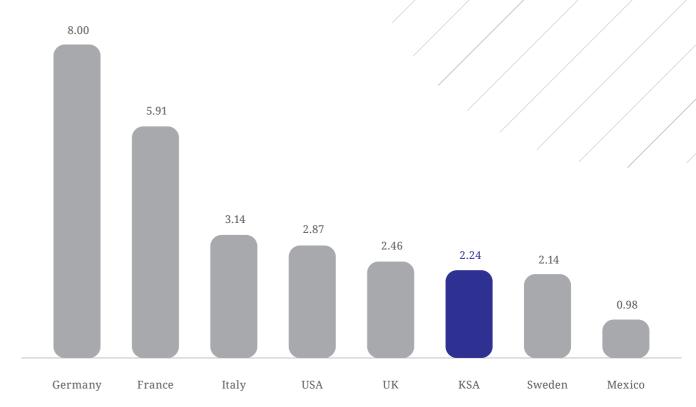
The Kingdom is also placing a big focus on accelerating growth in insured lives. In line with this target, private health insurance is set to achieve a fivefold increase in the coming years, driven by population growth, better employment trends namely Saudization and overall job creation, and other supporting factors including holders of premium residency and higher tourist counts.

care increasingly to the private sector as it looks Finally, as part of its manufacturing localization strategy, the government has identified pharmaceuticals and medical supplies as two of its nine key sectors of focus and high potential. As such, the Kingdom is looking to achieve a 40% localization rate in pharmawith the government's privatization strategy, PPPs are ceutical manufacturing by 2030. Meanwhile, its target for the localization of medical supplies by the end of the

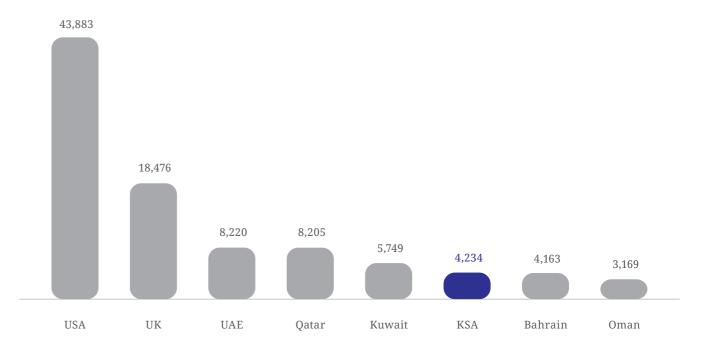
Diabetes Prevalence | % of population aged 20 - 79



Number of beds per 1,000 population



Per Capita Spending on Healthcare in 2020 | SAR

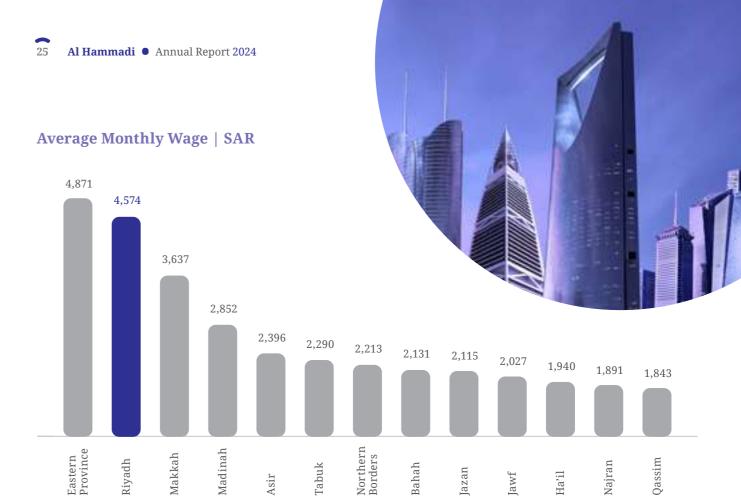




Vision 2030: Riyadh³

the Kingdom, and many are choosing Riyadh as their triates to Saudi Arabia and particularly Riyadh.

Riyadh stands at the center of Vision 2030 as the city new home. In parallel, as part of the 10 megaprojects works to become a regional hub of business, culture announced in Riyadh over the coming decade, the city and entertainment. As part of its development and is expected to receive a significant boost to its economy, transformation, the city's population is expected to rise employment, and ultimately tourism. Other major rapidly throughout the decade, reaching 11.6 million events including Expo 2030 and the FIFA World Cup people by 2030 compared to the current 7.7 million 2034 are also set to increase not only employment but people. Population growth will be supported by a wide also tourism over the coming 10 years. Finally, popularange of public and private sector initiatives. Under tion growth in the city and across the wider Kingdom the new HQ relocation strategy, international compa- is set to be further accelerated by the newly launched nies are having to relocate regional headquarters to residency schemes which are designed to attract expa-



Healthcare Under Pressure⁴

the supply gap for hospital beds widening as we head towards 2030. More specifically, demand for hospital in the city over the coming years.

The rapid movement of people and capital to Riyadh is beds in Riyadh is expected to grow by 33% between driving up demand for high-quality healthcare, opening 2021 and 2030. Meanwhile, the estimated supply gap for up the door to vast growth opportunities for the private hospital beds in 2030 stands at 2,074 beds. This supply sector. Rising population, income, insurance penetration gap persists despite large investment commitments levels are putting pressure on healthcare providers with from major private players in the city, with nearly 1,500 new beds set to come online across major private players

Riyadh Hospital Beds Demand-Supply Dynamics | '000



⁴ Sources: Saudi Arabia's Ministry of Health (MoH); MEED; Company Annual Reports; and JLL Healthcare Analysis.

³ Sources: Saudi Vision 2030; and the General Authority for Small and Medium Enterprises: Business Atlas 2024

Our Facilities Al Suwaidi Hospital

team of highly skilled professionals, Al Suwaidi hospital segment and 90% in the outpatient segment. remains committed to providing world-class care to its

Launched in 2015, Al Suwaidi Hospital is strategically patients. The hospital plans to expand its outpatient located in a southwest neighborhood of Riyadh. The capacity with the addition of 20 new outpatient clinics, facility currently operates a total capacity of 300 inpa- enabling it to better accommodate the growing demand tient rooms, 100 outpatient clinics, and 13 operating for premium healthcare services. At the inpatient rooms. The hospital also features specialized units, segment, 200 rooms of the hospital's total capacity were including a cardiac catheterization room, two upper and operational throughout the year, with the remaining lower endoscopy rooms, a kidney stone treatment room, unutilized rooms offering easy-to-ramp-up capacity to a lithotripsy room and a Group-operated pharmacy. match growing demand. In terms of utilization rates, Renowned for its cutting-edge medical devices and a the Al Suwaidi hospital registered 72% in the inpatient



300 beds Operational Inpatient Capacity



Operational Outpatient Clinics



Unutilized Capacity



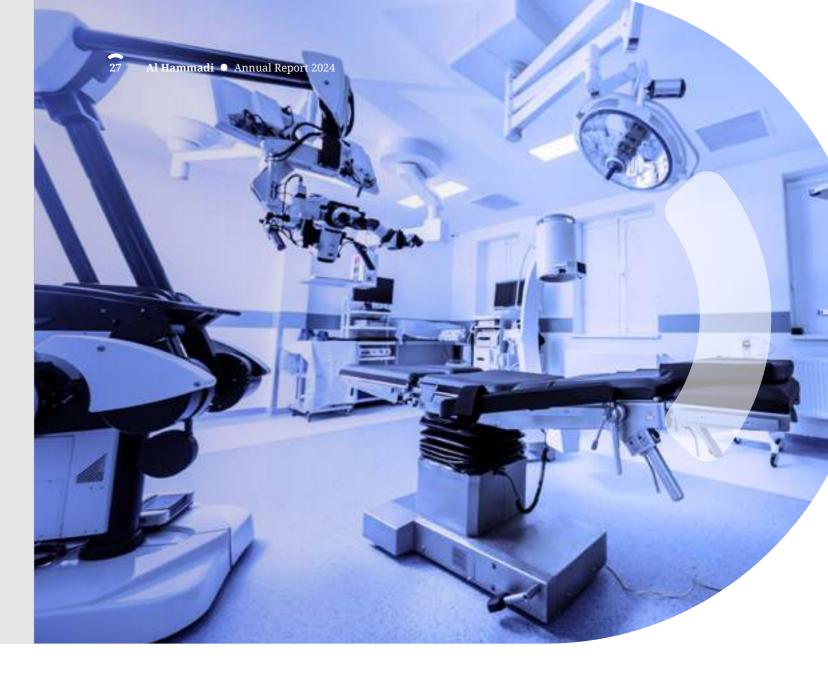
Inpatient Cases Served in 2024



383.6k **Outpatient Cases Served** in 2024



Revenues in 2024 (5% versus 2023)



Strategically Located

tude of benefits for Al Hammadi arising from the area's high population density and wide-ranging patient base. This strategic positioning enables the facility to capitalize on the growing demand for premium healthcare within its catchment area, ensuring it remains competitive in the years ahead.

2024 Performance

Al Suwaidi hospital's strategic location offers a multi- In 2024, Al Suwaidi Hospital delivered revenue of SAR 423 million driven by strategic price adjustments implemented at the start of the year as well as management's decision in the fourth quarter to transfer some MOH patients from Al Nuzha hospital to Al Suwaidi. This represents a 5% yearon-year expansion versus the SAR 403 million booked last



Outlook



In the coming years, Al Suwaidi Hospital is looking to elevate its healthcare services to attract higher-margin patients, while further solidifying its position as the go-to provider for class A/A+/VIP patients. This strategic focus aligns with Al Hammadi's premiumization strategy, which aims to implement strategic pricing adjustments and optimize the facility's service mix with an increasing focus on more complex procedures. Additionally, Al Suwaidi Hospital plans to leverage its unutilized capacity to meet the growing demand for premium healthcare services within its catchment area.





tion strategy, enabling the facility to capitalize on the new outpatient clinics.

Al Nuzha Hospital was inaugurated in 2018 and is situ- important growth opportunities and expand its reach ated in a strategic neighborhood northeast of Riyadh. within this attractive segment. Al Nuzha Hospital is Today, the facility primarily caters to class A/A+/VIP renowned for its operational excellence and comprepatients, leveraging its 300-bed capacity, 120 outpa- hensive medical services, all provided by the facility's tient clinics and 13 operating rooms. This strategic highly skilled medical staff. Since 2022, the facilities positioning aligns with Al Hammadi's premiumiza- capacity has been expanded with the addition of 20



300 beds **Operational Inpatient** Capacity



Operational Outpatient Clinics



Inpatient Cases Served in 2024



619.3k Outpatient Cases Served in 2024



Revenues in 2024 (down 4% versus 2023)



Strategically Located

a unique position among local healthcare providers, million, a 4% year-on-year decline, in part reflecting benefiting from the growing demand and relatively low competition within its catchment area. This has enabled Al Nuzha hospital to successfully expand its utilization rates, Al Nuzha registered 85% and 95% in market share across a broad patient base, leveraging the inpatient and outpatient segments, respectively. both its strong brand equity and high-end services, while distinguishing itself from similar offerings in the market. Furthermore, Al Nuzha's strategic location has enabled it to benefit from the influx of patients coming in from the Group's Olaya Hospital, following its temporary shutdown in 2021 to undergo renovations.

2024 Performance

Located in the vibrant Al Nuzha district, the facility holds In 2024, Al Nuzha Hospital recorded revenues of SAR 529 management's decision to transfer some patients to Al Suwaidi in the fourth quarter of the year. In terms of



Outlook



Al Nuzha Hospital remains focused on positioning itself as the facility of choice for premium patients in its catchment area, delivering on the Group's vision. In the coming years, the facility aims to expand its capacity and further enhance its offerings, particularly targeting higher-income patients. The hospital also intends to capitalize on its recently relaunched plastic surgery services, along with other in-demand specialties for its premium-class patients, ensuring sustained growth and profitability in the years to come.

tals to its networks by 2030. The new facilities will be high-income patients.

As a key player in Riyadh's rapidly expanding health- strategically located in the northern part of Riyadh, care market, Al Hammadi is ideally positioned to capienabling the Group to effectively serve the city's talize on the significant growth opportunities arising high-demand areas. Building on Al Hammadi's reputafrom the city's growing population and the govern- tion for service excellence, the new facilities will also ment's ongoing healthcare transformation initiatives. feature comprehensive medical services and special-To this end, the Group has outlined an ambitious ized centers of excellence in advanced fields such as growth plan, which will see it add three new hospicardiology, oncology, and orthopedics, with a focus on

Olaya Hospital

Expected Launch in 2026

Olaya Hospital stands as Al Hammadi's first facility and was launched back in 1985. At its peak, the facility was operating at a capacity of 300 inpatient beds and 74 outpatient clinics, before its temporary closure in late 2021 to undergo renovations. Construction work at the Olaya facility officially began in June 2024 following the receipt of the General Assembly's approval.

As part of Al Hammadi's ambitious growth strategy, the facility is currently undergoing extensive renovations to revamp its infrastructure and upgrade its service offerings, ensuring they meet the highest standards of quality and care, in line with Al Hammadi's commitment to service excellence. The new facility is scheduled to reopen in 2026, with a total capacity of 200 beds and 120 clinics, and will house two centers of excellence focused on sports medicine and oncology. The facility's strategic location in the Olaya neighborhood, poised to become Riyadh's central business district, ideally positions it to attract a large influx of both local and expatriate patients.



Al Narjis Hospital

Expected Launch in 2028

Al Hammadi plans to launch its fourth hospital in 2028 in Riyadh's Al Narjis neighborhood, situated in the northern part of the city and known for its rapidly expanding real estate market, and the subsequent fastrising demand for healthcare services in the area. The facility will also feature 200 beds and 120 clinics, along with two centers of excellence focused on rehabilitation and plastic surgery. At the same time, Al Hammadi is actively assessing evolving demand trends in the hospital's catchment area and may move forward the launch date of the hospital if demand increases more rapidly than anticipated. Construction work at Al Hammadi's fourth hospital is scheduled to begin in 2025 and be completed in around 30 months.



Al Mansiyah Hospital

Expected Launch in 2030

Al Hammadi's fifth hospital is scheduled to come online in 2030 and is located in Al Mansiyah district in the northeastern part of Riyadh. The facility will have a capacity of 200 rooms and 120 clinics. While offering a full suite of services to patients in its catchment area. Al Mansiyah Hospital will be especially focused on family medicine.



Operational Outpatient Capacity



Planned Inpatient Capacity



provides, which are continually optimized to integrate overarching trends across its markets.

Since launching its first hospital in 1985, Al Hammadi the latest trends and technologies, ensuring they meet has been a trendsetter in Riyadh's healthcare space, the evolving healthcare needs of its growing patient embedding innovation, transformation, and excel- base. Guided by these principles, Al Hammadi strives lence at the core of its business. This unwavering to refine its strategy and business model, ensuring commitment is reflected in the high-quality services it optimal efficiency and continuous alignments to the



Operator of two world-class facilities in Riyadh.



Strong exposure to premiumclass segments.



Robust margins outlook.



Strong collection framework.



Access to a large network of leading medical professionals and in-house training and development capabilities.



Integrated business model with an expanding presence in adjacent segments of the healthcare industry.



Efficient procurement system, supported by long-lasting relationships with medical equipment providers.



Geographically focused footprint, enabling efficient resource management and scalability.





Operator of two world-class facilities in Riyadh

Al Hammadi operates two premium hospitals in Riyadh, which collectively house 600 inpatient rooms and 220 outpatient clinics. Across its facilities, the Group provides a comprehensive range of medical services that comply with international quality and safety standards, ensuring world-class care for its patients. Despite rising competition in Riyadh's healthcare industry, Al Hammadi has consistently maintained its leading position by leveraging its broad portfolio and distinctive services, which continue to deliver exceptional value to patients, surpassing similar offerings in the market. This positioning has enabled Al Hammadi to effectively serve a wide patient base and cater to the growing demand for premium healthcare among the city's high-income Class A/A+/VIP segments. This approach aligns with the Group's premiumization strategy, positioning it to capitalize on growth opportunities within this attractive market segment.



Strong exposure to premium-class segments

Leveraging its strong brand equity and innovative offerings, Al Hammadi continues to solidify its position as the go-to provider for class A/A+/VIP segments in Riyadh. As part of its premiumization strategy, the Group is looking to further optimize its service mix by focusing on more complex procedures and specialized services, both in high demand among premium-class patients, a segment expected to experience significant growth over the coming years. This approach aligns with Riyadh's shifting demographics, enabling Al Hammadi to capitalize on the city's fast-growing high-income population, as more locals and expats settle in to join its private workforce, thus driving up demand for high-quality healthcare. Moreover, as part of its Vision 2030, the Kingdom has undertaken several initiatives to establish Riyadh as a regional hub for business, culture, and entertainment. These include numerous mega and giga projects, new residency schemes, and the hosting of globally renowned events, all expected to attract more expatriates and further boost demand for premium healthcare services in the coming years.

Additionally, Al Hammadi remains focused on serving a broad insurance patient base, positioning itself to capitalize on the anticipated rise in demand for private health insurance, driven by the city's population growth and favorable employment trends. The Group also aims to leverage its planned capacity expansions and centers of excellence, to meet the growing demand and evolving healthcare needs of its targeted patient groups.





Robust margins outlook

Over the years, Al Hammadi has maintained an attractive margin profile, supported by strategic pricing dynamics, coupled with an optimized case mix, and steadily high utilization rates. Across its facilities, the Group continues to attract higher-margin patients, with an increasing focus on serving Class A/A+/ VIP patients, as part of Al Hammadi's ongoing premiumization efforts. This strategic approach will enable the Group to boost profitability, benefiting from the higher prices typically associated with the complex procedures and specialized services in high demand among the group's targeted patient segments. Additionally, Al Hammadi benefits from high utilization rates and easy-to-ramp-up capacity across its facilities, positioning it to capture the growing demand for premium healthcare services, while maintaining optimal cost efficiency.



Strong collection framework

Across its operations, the Group remains committed to maintaining robust collection rates, continuously optimizing its revenue management cycle framework which was revamped in 2021 to boost efficiency of its claims processing and collection procedures. This new framework standardizes the revenue collection process across both Al Hammadi hospitals, operating as a multi-stage, one-stop-shop system that covers all aspects of the revenue cycle, from classifying the Group's service offerings and obtaining pre-approvals for credit and insurance patients to managing the claim submission, review, and approval process. The new system has been consistently delivering results with the Group booking an expected credit loss provision of SAR 9 million in 2024, down 52% y-o-y from the credit loss provision of SAR 19 million booked in 2023. Looking ahead, Al Hammadi will continue to leverage its investment in improving collection frameworks, further enhancing its claims processing and collection times. This is particularly important as the Group expands its operations and maintains significant exposure to MoH patients. Furthermore, the Group's ongoing efforts to diversify its revenue mix by focusing on premium-class patients are expected to support further improvements in collection periods in the years to come, ultimately driving greater efficiency and ensuring better financial outcomes.



Access to a large network of leading medical professionals and in-house training and development capabilities

Leveraging its strong brand reputation in the market and status as an employer of choice, Al Hammadi continues to successfully attract top-tier medical and non-medical talent across its hospitals. As part of its premiumization strategy, Al Hammadi has doubled down on its recruitment efforts, hiring several leading medical experts across its two hospitals. This move supports management's strategic price adjustment efforts as the city's VIP patients are increasingly willing to pay premium prices to access the world-class talent at the Group's facilities.

In addition to its effective recruitment process, the Group provides world-class in-house training and development program, designed to equip staff with the tools and knowledge needed to advance their skills and deliver exceptional care to Al Hammadi's patients. The Group's commitment to talent development is reflected in the high-quality services it provides, enabling it to perform increasingly complex medical procedures in line with international best practices.



Integrated business model with an expanding presence in adjacent segments of the healthcare industry

In line with Al Hammadi's growth strategy and diversification efforts, the Group has been actively expanding its presence in adjacent segments of the healthcare industry. Currently, Al Hammadi is actively involved in the supply, distribution, and manufacturing of pharmaceuticals, facilitating access to essential pharma products in the Saudi market. These efforts are fully aligned with the Kingdom's healthcare vision of becoming a leading regional pharmaceutical hub.

On the pharmaceutical retail distribution front, the Group has invested to develop two world-class in-house pharmacies located inside Al Nuzha and Al Suwaidi hospitals. Looking ahead, the Group plans to complement its in-house branches with a network of retail pharmacy outlets and online stores, further cementing its presence in the Kingdom's pharmacy sector. This comprehensive pharmacy offering takes the Group one step closer to achieving its overarching goal of becoming a one-stop-shop provider of medical services in Riyadh, enabling it to capture and retain a wide patient base while delivering an integrated, patient-centric experience. This model also strengthens the Group's capabilities in tracking medical records and accessing detailed medical history of its patients, ensuring superior service delivery and more effective treatment outcomes.

In parallel, the Group is actively involved in pharmaceutical manufacturing through its 35% stake in Sudair Pharmaceutical Company (SPC). The company, which was first launched in 2014, has been producing oncology-focused medicine since 2021 and is planning to inaugurate its insulin production line and launch a new respiratory-focused medicine in 2025. These efforts are also in complete alignment with Saudi Arabia's multi-phase pharmaceutical and health security strategy. In the first phase, the Kingdom's government is looking to localize the manufacturing of basic children's vaccines and building the necessary self-capacities and manufacturing platforms to address future pandemics. During this first phase, the government is also aiming to develop insulin production to treat diabetes patients and support plasma collection centers. The second phase will focus on localizing immunological and cancer treatment technologies, a sector projected to grow significantly, with an estimated size exceeding USD 2.0 billion annually.

Finally, the Group has also built a strong foothold in vaccine procurement and distribution through its wholly owned subsidiary, Pharma Serve. In 2024, Pharma Serve has supplied over 1.8 million vaccines, generating sales worth SAR 15 million. These strategic investments underscore Al Hammadi's commitment to the Saudi population, which relies heavily on imported vaccines, while supporting national efforts to enhance self-sufficiency and health security.





Efficient procurement system, supported by long-lasting relationships with medical equipment providers

Al Hammadi boasts an extensive network of long-term partnerships with key medical equipment providers, enabling it to streamline the procurement process and ensure a seamless, cost-effective supply of resources and equipment. Additionally, the Group benefits from a centralized procurement framework, which facilitates large-scale negotiations with vendors and suppliers, providing the group with a comprehensive overview of bids, offers, and supplies, and thus resulting in more favorable negotiation outcomes. These strategic relationships have not only helped Al Hammadi maintain its competitive edge over smaller players in the market but have also enabled it to continue growing its operations cost-effectively amidst inflationary pressures and global supply chain disruptions. Going forward, these relationships continue to serve as a hedge against future macroeconomic challenges.



Geographically focused footprint, enabling efficient resource management and scalability

Al Hammadi's geographical focus remains firmly centered in Rivadh, where the Group has established a strong brand reputation and enjoys widespread recognition as a trusted healthcare provider for the city's diverse patient base. To date, the Group operates two hospitals strategically located in the northeastern and southwestern regions of the city, enabling it to effectively cater to the city's high-demand areas. Building on this solid foundation, Al Hammadi plans to expand further by adding three new state-of-the-art facilities over the coming six years, all strategically situated in vibrant neighborhoods across the Saudi Arabian capital. These expansions plans align with Riyadh's shifting demographics, enabling the Group to capitalize on the increasing demand for premium healthcare, arising from the city's growing high-income population. More specifically, Riyadh is expected to face a supply gap of more than 2,000 hospital beds by 2030 despite all major players in the market committing to significant capacity expansions throughout the decade.

The Group's geographically focused business model has been pivotal in facilitating seamless and efficient resource management, due to the proximity of its facilities, allowing for the effective reallocation of medical staff between hospitals during periods of peak demand or staffing shortages. This geographical proximity also facilitates the transfer of patients between facilities, ensuring optimal service delivery, while further enhancing their access to specialized centers of excellence and medical professionals tailored to their specific medical needs. This integrated approach enhances the overall patient experience, while optimizing operational efficiency and resource utilization across the Group's hospitals. Furthermore, the existing back-office infrastructure supporting the two currently operational hospitals allows for cost-effective scalability, ensuring that the three hospitals currently in the Group's pipeline leverage the easy-to-ramp-up capacity to generate additional value for both the Group and the wider community.



Our Strategy

Al Hammadi strives to create long-term value for its patients and stakeholders, supported by its dynamic business strategy, prudent financial practices, and unwavering commitment to delivering high-quality services.

creating sustainable value for both patients and stake- broad-based growth, while maintaining service quality, holders, serving as a guiding principle for the Group's and adhering to responsible financial practices.

Al Hammadi's multi-faceted strategy is centered around strategic decisions. This approach involves driving



Capacity expansion with continued focus on Riyadh's fast-growing market.

Launch of lucrative in-demand specialties to drive growth and gain market share.

Multi-phase growth strategy aligned with changing regulatory environment.

Adhere to financial prudence to safeguard against market volatility.

Growing pharmacy business.

Maintain world-class service quality and international accreditations.

Optimize case mix.



Capacity expansion with continued focus on Riyadh's fast-growing market

Al Hammadi remains focused on expanding its footprint in Riyadh, while strengthening its position as the go-to provider for Class A/A+/VIP patient segments. To this end, the Group has outlined an ambitious expansion strategy, which will see it add three new facilities by 2030, more than doubling its inpatient and outpatient capacity. The new facilities healthcare services. At the same time, Al Hammadi is to capitalize on the city's expanding population and top-tier medical services to its high-end patients. the subsequent increasing demand for premium



will be strategically situated in some of Riyadh's carrying out strategic expansions across its existing most vibrant neighborhoods, positioning the Group hospitals, leveraging its unutilized capacity to deliver



Launch of lucrative in-demand specialties to drive growth and gain market share

In line with its ambitious expansion strategy, Al Hammadi is also focused on optimizing its portfolio mix by broadening its range of specialized services, capitalizing on shifting consumer preferences and popular trends in the healthcare industry. Across tion, plastic surgery, sports medicine, cardiology, of its targeted high-end patient base.



its new facilities, Al Hammadi plans to introduce oncology, and orthopedics. These initiatives will new specialized Centers of Excellence, focused on complement its growing geographic footprint in Riyadh, high-growth medical segments, such as rehabilita- positioning it to effectively cater to the evolving needs



Multi-phase growth strategy aligned with changing regulatory environment

Starting in 2024, the Group introduced a new multiphase growth strategy aimed at leveraging a changing regulatory environment and demand profile to drive long-term, sustainable growth. Phase one, which will run from 2024 to 2026, will see the Group primarily focus on adjusting prices to deliver on its premiumization strategy and ensure that it is well positioned to benefit from the introduction of Diagnostic Related Groups (DRGs) come 2027. On the premiumization front, the Group's efforts to attract high caliber doctors and VIP patients to its facilities is increasingly boosting its leverage in the market and allowing Al Hammadi to secure favorable contracts with insurance companies in line with its targets. Meanwhile, on the DRG system front, in order to obtain a higher multiplier under the new framework, the Group is also working



to progressively shift its case mix in favor of more complex cases as well as day-surgeries and procedures. The Group's strategy to adjust prices and case mix will translate in higher base revenue per patient come 2027 and hence guarantee faster growth in the longer-term. Following the roll out of DRGs, the Group will transition to phase two of its long-term growth strategy which will see it pivot towards driving sustained growth in patient volumes by capitalizing on its three new facilities scheduled for launch over the coming six years.





Adhere to financial prudence to safeguard against market volatility

Ensuring long-term financial stability is a cornerstone of Al Hammadi's business strategy, underpinned by a strong focus on financial prudence and strategic planning. In line with this, Management is unwavering in its commitment to optimizing cash flow management, implementing rigorous measures This disciplined approach has previously enabled Al Hammadi to successfully navigate macroeconomic and drive business expansion.



to monitor and manage the Group's debt profile uncertainties whilst successfully capturing growth effectively. This strategy involves maintaining key opportunities across its market. Looking ahead, the financial ratios within targeted thresholds to secure Group plans to continue leveraging a balanced mix of adequate liquidity and foster sustainable growth. short- and long-term financing options alongside cash flow from operations, to meet future cash requirements



Growing pharmacy business

In line with its integrated healthcare approach, Al Hammadi is actively seeking opportunities to expand its footprint in adjacent segments of the healthcare industry. In recent years, the Group has undertaken several strategic investments to develop the pharmaceutical industry all the way from manufacturing and distribution to the import of vital medicines and vaccines, aligning with the Kingdom's healthcare vision of becoming a leading regional pharmaceutical hub.

As part of its expansionary efforts, the Group plans to launch a network of retail pharmacy outlets and the counter (OTC) products, such as cosmetics, skin scape and supporting the wider community.



care, and impulse buys. In parallel, the Company is heavily invested in developing its manufacturing capabilities, in line with Saudi Arabia's pharmaceutical and health security strategy, which focuses on localizing the manufacturing of high-quality medications across a wide range of therapeutic areas. This proaconline stores, complementing its existing in-house tive approach underscores Al Hammadi's commitment branches. The new pharmacies will enhance the to seizing attractive opportunities in high-growth Group's sales-mix, by increasing the share of over segments, advancing the Kingdom's healthcare land-



Maintain world-class service quality and international accreditations

Al Hammadi holds several prestigious international accreditations, recognizing its proven track record in delivering high-quality services and achieving superior medical outcomes. Building on its longestablished reputation for excellence, the Group continues to deliver top-tier healthcare services that tently exceeding patient expectations. This includes regular reviews of real-time patient feedback and satisfaction data, allowing the Group to identify and address areas for improvement. Moreover, benchmarks in the healthcare industry.





Optimize case mix

In line with Al Hammadi's premiumization strategy, the Group is actively targeting higher-margin patients, with an increasing focus on the high-income segment. In recent years, Al Hammadi has undertaken significant upgrades across both its Al Nuzha and Al Suwaidi hospitals, resulting in their elevation to higher-tier Class A+/VIP status. This reclassification cases and other lucrative offerings that are in high of premium services, increasing its focus on complex competitive healthcare market in the years to come.

ideally positions the Group to capture a larger share demand among its target patient groups. This strategic of Riyadh's expanding high-end patient segment. focus also enables Al Hammadi to maximize its revenue Additionally, the Group has broadened its portfolio streams, while solidifying its position in Riyadh's



2024 Operational & Financial Review

Over the last year, Al Hammadi delivered robust financial and operational results in line with its longer-term targets and strategy. At the start of the year, the Group kicked off phase one of its multi-year growth strategy focused on strategic price adjustments to realize it premiumization ambitions and better position itself ahead of regulatory changes in 2027. In parallel, the Group successfully made progress on its longer-term growth strategy which will see it add three new facilities to its portfolio by 2030.



Financial Performance

Income Statement Analysis

Al Hammadi reported total revenues of SAR 1,154 On a by hospital basis, Al Suwaidi hospital posted lower sales from both its in-house pharmacies and its vaccine distribution subsidiary, Pharma Serve. Meanwhile, revenues from medical services came in at SAR 951 million, largely unchanged from FY 2023, with Al Suweidi hospital posting a solid 5% y-o-y growth. It is worth noting that Al Hammadi's referrals, which temporarily weighed on the Group's to Al Suwaidi. top-line due to changes in the regulations for isolation patients implemented in November 2023. The Group's top-line performance was supported by growing inpatient volumes which returned to yearon-year growth on a full-year basis supported by strong third and fourth quarter performances.

Looking at the Group's medical services in more detail, during the year, the Group recorded revenue of SAR 951 million in FY 2024, largely in line with FY 2023. Medical services accounted for 82% of the Company's consolidated top-line during the year versus 81% in FY 2023.

million in FY 2024, down 2% y-o-y. This decrease a solid 5% y-o-y increase in revenue in FY 2024. was primarily driven by a 10% y-o-y drop in revenue Top-line growth at the facility was supported by from the pharmaceutical segment, attributed to strategic price adjustments implemented at the start of the year as well as management's decision in the fourth quarter to transfer some MOH patients from Al Nuzha hospital to Al Suwaidi due to the high demand from insurance patients recorded at the former (SAR 12 million of revenues were transferred between the two facilities). Meanwhile, Al Nuzha hospital posted top-line would have increased by 1% y-o-y when a 4% y-o-y decline for the year in part reflecting the excluding revenues from Ministry of Health (MoH) above-mentioned decision to transfer some patients

> On a patient-type basis, the Group's full-year top-line was supported by a year-on-year increase in insurance revenue, on the back of higher average revenue per insurance patient. On the other hand, revenues generated from cash and MoH patients declined year-on-year. More specifically, the decline in revenues from cash patients reflected the high base in the previous year related to the Group's contract with Riyadh's Security Forces Hospital, which generated SAR 16 million in FY 2023. Meanwhile, the decline in MOH revenue (down 6% y-o-y) reflected the change

in isolation regulations implemented in November Pharma Serve booked sales of SAR 15 million, down 2023. It is also worth noting that following the implementation of new government regulations related to the treatment of non-eligible foreign patients, Moving further down the income statement, Al the Group billed the MOH a total of SAR 8 million in Hammadi's cost of revenue stood at SAR 771 million December 2024 for the treatment of these patients. Going forward, the Group will continue to bill the MOH once a year in December for the treatment of this patient subsegment.

Finally, on a segmental basis, outpatient revenues recorded a 5% y-o-y rise as an 8% y-o-y rise in average revenue per outpatient more than outweighed the 3% y-o-y drop in outpatient volumes during FY 2024. At the inpatient segment, revenues declined 3% y-o-y to reach SAR 525 million owing for the most part to lower outpatient clinics in 2024. More specifically, during MoH compensation for patients requiring isolation.

Meanwhile, Al Hammadi's pharmaceutical sales contributed 18% of consolidated revenue, recording SAR 203 million for FY 2024, a 10% y-o-y decline. During Gross profit recorded SAR 382 million for the year the year, Al Hammadi's in-house pharmacies generated sales of SAR 187 million, down 6% from the previous profit margin recorded 33% in FY 2024 versus 37% year's figure, capturing the short-term impact of lower in the previous year. Gross profitability was prestraffic across both hospitals. During the past year, sured by lower revenue coupled with higher cost

from the SAR 27 million recorded in FY 2023.

for FY 2024, up 4% y-o-y from the SAR 744 million recorded in FY 2023. Similarly, as a share of total revenue, cost of revenue increased to reach 67% in FY 2024 versus 63% in FY 2023. The year-onyear increase reflects higher salaries for medical personnel prompted by planned compensation adjustments at the beginning of the year as part of Al Hammadi's staff retention strategy as well as the hiring of new talent to accommodate for the extended working hours implemented across the Group's the past year, Al Hammadi's management opted to extend working hours from eight to 12 hours, with clinics also open on Fridays.

just ended, a 12% y-o-y decline from FY 2023. Gross



of revenue associated with higher staff salaries as previously mentioned.

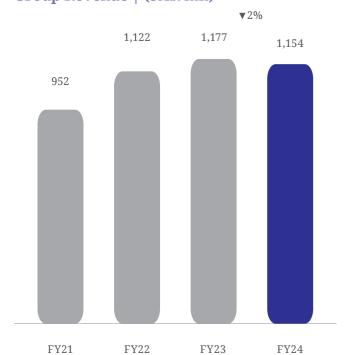
Al Hammadi reported a net profit of SAR 339 million during FY 2024, up 12% from FY 2023. Net profit margin

SG&A expenses recorded SAR 93 million, down 5% from the SAR 98 million recorded in FY 2023. As a share of revenues, SG&A outlays stood at 8% in FY 2024, marginally below last year's figure. Lower SG&A costs came on the back of lower marketing spending for the year.

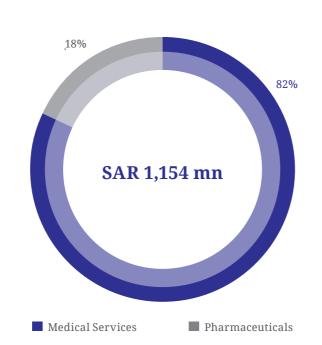
Operating profit recoded SAR 366 million in FY 2024, up 7% versus the SAR 343 million booked in FY 2023. Operating profit margin expanded by three percentage points to reach 32% for FY 2024. Higher operating profitability is attributable to the Groupwide cost optimization efforts which saw SG&A outlays decline significantly from the previous year, coupled with a 52% y-o-y decline in expected credit loss provision to reach SAR 9 million versus SAR 19 million in FY 2023. Moreover, improved operating profitability also reflects one-off gains from the sale of a vacant plot completed during Q2 2024, with the proceeds utilized to purchase a new land plot to host Al Hammadi's fifth hospital.

Al Hammadi reported a net profit of SAR 339 million during FY 2024, up 12% from FY 2023. Net profit margin expanded by four percentage points to 29% versus 26% in FY 2023, reflecting the above-mentioned improvements in operating profitability. Net profitability for the period was further boosted by lower finance costs and higher finance income, reflecting the Company's increased cash balances versus FY 2023.

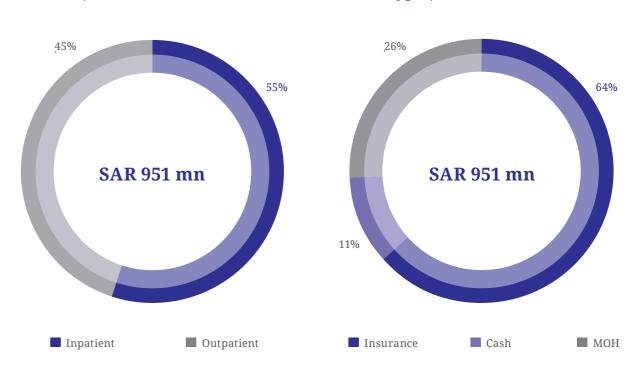
Group Revenue | (SAR mn)



Revenue Breakdown | (FY 2024)



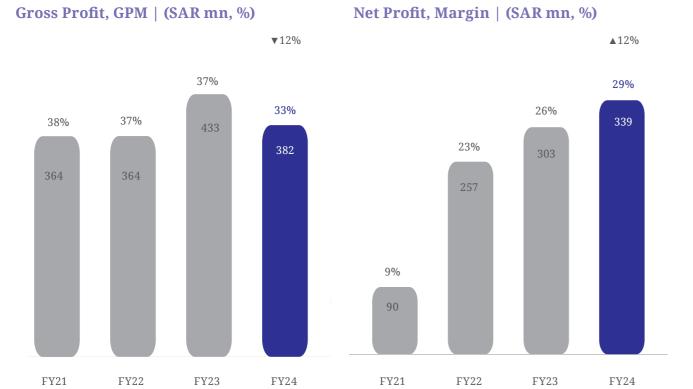
Medical Services Revenue Breakdown | (FY 2024)



Medical Services Revenue by

Patient Type | (FY 2024)





Balance Sheet Analysis

Al Hammadi's total assets stood at SAR 2,651 million current and quick ratios stood at 3.5 and 3.2 as of 31 as at 31 December 2024, up from SAR 2,594 million as December 2024, respectively, versus 2.9 and 2.7 as at of year-end 2023. Inventories as at 31 December 2024 year-end 2023. booked SAR 61 million, up from SAR 57 million as at vear-end 2023.

is important to highlight that the proceeds from this at 31 December 2023. sale, combined with a portion of the Group's cash reserves, were utilized to acquire a land plot in the Al Shareholders' equity posted SAR 1,961 million as of for expansion and long-term growth. The Company's the close of FY 2023.

The Company recorded total debt of SAR 184 million as of 31 December 2024, down from SAR 193 million as of Cash and cash equivalents booked SAR 245 million as year-end 2023. Total debt is wholly made up of zero-inof 31 December 2024, up significantly from SAR 125 terest government grants. Meanwhile, the company million as of 31 December 2023, reflecting proceeds recorded a net cash balance of SAR 61 million as at 31 from the sale of a vacant plot completed in Q2 2024. It December 2024, versus a net debt of SAR 67 million as

Mansiyah district for a total value of SAR 171 million. 31 December 2024, increasing from the SAR 1,845 This strategic investment reduced the cash balance million recorded as of 31 December 2023. The Company from SAR 429 million as of 30 September 2024 to the recorded debt/equity of approximately 9.4% as of 31 SAR 245 million reported at year-end 2024. The newly December 2024 compared to 10.4% as at year-end 2023. acquired land is intended for the construction of the Additionally, net cash to equity came in at 3.1% as at 31 Group's fifth hospital, in line with its strategic plans December 2024, versus a net debt to equity of 3.6% at





Operational Review

Patient Volumes

On a Group level, Al Hammadi recorded inpatient accounted for 62% of all outpatient examinations in FY admissions of 41,476 during 2024, representing a 2% y-o-y increase. The Group's return to full-year growth comes on the back of a sustained recovery in inpatient volumes during the second half of 2024 following a temporary decline in response to the price adjustments implemented at the beginning of the year and the higher number of school holidays in the first months of the year that just ended. Improved inpatient traffic an average utilization rate of 85% in FY 2024, while during FY 2024 was supported by an 11% y-o-y and a Al Suwaidi's utilization rate across its currently oper-16% q-o-q increase in inpatient volumes during Q4 2024, further highlighting the expected normalization as well as strong demand on the Group's newly introduced services. Al Nuzha hospital contributed 61% of total inpatient admissions in FY 2024, up from 60% in tient and outpatient segments, utilization rates are the previous year. Al Suwaidi hospital accounted for expected to continue improving as demand recovers the remaining 39% of inpatient admissions during the further in 2025 and beyond.

Al Hammadi recorded 1,003 thousand outpatient visits during FY 2024, down 3% compared to last year. This decline is mainly attributable to lower patient traffic at Al Nuzha hospital, as patients continued to adjust to the new price list. During the fourth quarter, outpatient volumes stabilized, aligning with Q4 2023 levels, while posting a solid 12% g-o-g increase compared to Q3 2024. additions ramp up. The Company's Al Nuzha hospital to launch new, respiratory-focused medicine.

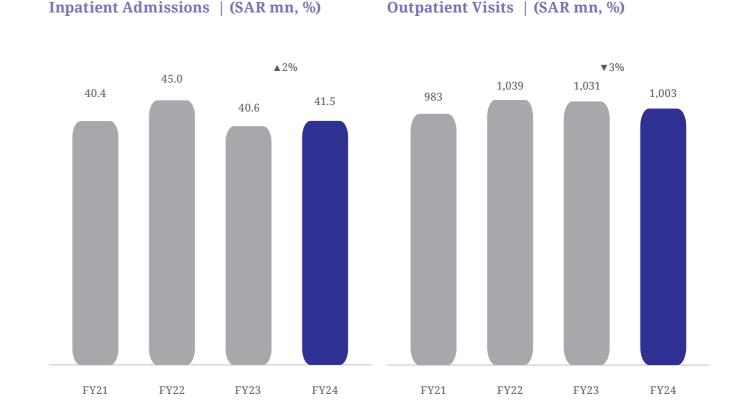
2024, with contribution from Al Suwaidi hospital also stabilized at 38% during the period.

Utilization Rates

Throughout 2024, Al Hammadi reported improving utilization rates across both its hospitals and patient segments. At the inpatient segment, Al Nuzha recorded ational beds registered 72%. Similarly, across the Group's outpatient clinics, utilization at Al Nuzha hospital reached 95%, while Al Suwaidi's utilization rate registered 90% during FY 2024. Across both inpa-

Sudair Pharma Company

[text] At Sudair Pharma Company (SPC), a leading pharmaceutical manufacturing company in which Al Hammadi holds a 35% stake purchased back in 2021, operations and new product launches are continuing as scheduled. The company, which was established in 2014, has been producing oncology-focused medicine since 2021 and has recently started production at the This reflects a notable recovery in patient traffic which first phase of its new insulin production line. Construccontinues to normalize following the price adjustments tion of phase two of the production line kicked off in and is expected to accelerate further as new capacity February 2025. In parallel, the company is also working



Strategic Review

Over the last twelve months, the Group remained focused on its capacity expansion strategy which focuses on expanding its shorter and longer-term capacity to accommodate for rising demand across its target segments.

In the short term, Al Hammadi has focused on expanding inpatient and outpatient capacity across its two existing facilities. Over the past two years, the Company has launched 20 new inpatient rooms at Al Suwaidi Hospital and 20 new outpatient clinics at Al Nuzha Hospital. Additionally, in 2024 it introduced expanded working hours across its outpatient clinics going from eight to 12 hours while also opening them up to patients on Fridays. These expansions have increased the Group's total capacity to 600 inpatient rooms and 220 outpatient clinics, enabling it to effectively meet the growing demand for high-quality healthcare in Riyadh.

In parallel, Al Hammadi is advancing its long-term growth strategy, aiming to launch three new facilities by 2030. More specifically, construction work at the Olaya facility officially began in June 2024 following the receipt of the General Assembly's approval. The facility, which is scheduled for inauguration in 2026, will house 200 inpatient rooms and 120 outpatient clinics, as well as two centers of excellence specialized in sports medicine and oncology. The second facility, Al Narjis, is slated for inauguration in the first quarter of 2028 and will also house 200 inpatient rooms, 120 outpatient clinics, as well as two centers of excellence specializing in rehabilitation and plastic surgery. Construction work at Al Hammadi's fourth hospital (Al Narjis) is scheduled to begin in 2025 and be completed in around 30 months.

Finally, the Group successfully acquired a new plot of land in Riyadh's Al Mansiyah district in November 2024. The Group will build its fifth hospital in this strategic location which will enable it to tap into North Riyadh's rapidly-growing demand. The Group's fifth facility will have the same capacity as its two new facilities, adding 200 new inpatient rooms and 120 new clinics to the Group's portfolio. These expansions will see the Group more double its bed capacity within the coming years, with the new additions playing a crucial role in strengthening the Company's position in Riyadh's competitive healthcare market.



New facilities by 2030



New inpatient rooms by 2030



360 New outpatient clinics by 2030



Our HR Strategy

Al Hammadi's HR strategy is integral to ensuring the Group's long-term growth, embedding the principles of diversity, inclusion, and transparency into all facets of its operations. At Al Hammadi, we recognize that our people are the cornerstone of our success. In line with our vision to be a leader in the healthcare sector, we have crafted a people-centric strategy focused on three key pillars: cultivating a transparent and cooperative work environment, investing in the growth of our workforce, and promoting diversity and inclusion at every level.

These initiatives are essential to fostering a dynamic work environment, enabling employees to unlock their full potential, while staying at the forefront of industry trends and technological advancements. As a result, these efforts contribute to expanding the Group's operational capabilities and strengthening its leadership position in Riyadh's healthcare landscape.

Fostering Transparency and Collaboration

One of the HR department's core functions is prioritizing employee engagement through cultivating a healthy and transparent work environment. Al Hammadi focuses on building long-term relationships with its employees by promoting open dialogue to effectively communicate their feedback, needs and challenges. To achieve this goal, Al Hammadi conducts surveys on a regular basis to review and address employees' progress, satisfaction and engagement. Moreover, the HR department sets staff interaction protocols, upholding Al Hammadi's standard of professionalism and comfort in the workplace. The HR department has also established a well-defined corporate structure, supported by a clear code of conduct that is regularly disseminated amongst employees and management to ensure continuous compliance.



Talent Development Programs

Al Hammadi recognizes the value of nurturing talent and its direct correlation to service quality. As such, professional development is a cornerstone of the Group's strategy, offering comprehensive training programs designed to enhance staff knowledge, adaptability, and innovation. From lectures on the latest medical research to mentorship programs that support smooth integration for new employees, we ensure that employees stay in the loop with all new healthcare advancements, fostering a culture of continuous improvement and innovation within the organization. This commitment extends to leadership development, where prospective leaders receive tailored training to prepare them for future roles, supporting their individual growth in alignment with the Group's broader goals and ambitions.

Our training programs, both in-house and external, are designed within a framework that ensures full alignment and engagement between employees and management. By setting clear company-wide, departmental, and individual KPIs, we define specific goals, targets, and responsibilities. This approach fosters trust and accountability, empowering employees to grow while driving the organization's success.

Diversity and Inclusion

In line with the Kingdom's efforts to promote inclusive workplaces, Al Hammadi is dedicated to fostering a healthy environment that values mutual respect, equality, and diversity. As part of its recruitment strategy, the Group actively promotes equal employment opportunities, achieving over 60% female participation in its management team. Al Hammadi's commitment extends beyond the hiring process, integrating effective systems to monitor employee conduct and compliance, ensuring a workplace that prioritizes safety, comfort, and professionalism.

Our HR strategy underscores our unwavering commitment to our employees and the communities we serve. By embracing diversity, encouraging growth, and nurturing an inclusive culture, we are establishing a solid foundation for Al Hammadi's continued success and growth.





60% female participation in Management in 2024



27,088

Total number of training hours in 2024

Management Biographies



Mr. Mohammed Al Hammadi

Vice Chairman of the Board, Chief Executive Officer/Managing Director

A seasoned executive with almost three decades of management experience, Mr. Mohammed Al Hammadi has been serving as the Group Chief Executive Officer and Managing Director since 1996. Mr. Al Hammadi also serves as the General Manager of several other companies, including Al Hammadi Information Technology Co., Al Hammadi Contracting Company, Construction and Maintenance Company, among others. He holds a bachelor's degree in Business Administration and Marketing from Weber University, USA.



Dr. Abdulaziz Al Hammadi

Board Member and Chief Operating Officer

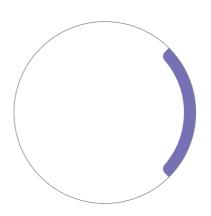
Dr. Abdulaziz Al Hammadi is a member of the Board of Directors and the Chief Operating Officer of Al Hammadi Holding. He worked at the King Saud University Hospital for Chest Diseases until 2008 and the King Khalid University Hospital until 2005. Dr. Al Hammadi holds a bachelor's degree in medicine and general surgery from Al-Azhar University in Egypt.



Mr. Mohammed Al Saafeen

Chief Financial Officer

Mr. Mohammed Al Saafeen is the Group Chief Financial Officer boasting over 20 years of audit, finance, and accounting experience. His experience includes previous stints at Abdullatif Alissa Group Holding Co., Zahran Operations and Maintenance Co., and Deloitte, Jordan. He is a Certified Fraud Examiner (CFE) and holds an MBA in Finance from the University of Jordan.



Dr. Reema Al Hammadi

Chief Medical Officer

A consultant OB-GYN at Al Hammadi hospitals since 2004, Dr. Reema Al Hammadi has assumed the position of Group Chief Medical Officer since 2014. She also sits on the Board of the Royal Commission for Riyadh City and King Abdullah bin Abdulaziz University Hospital. She obtained her MBBS degree at King Saud University, Riyadh, in 1993 and was certified as a consultant OB-GYN from the Saudi Council Commission in 2001.



Mr. Wahid Raafat

Chief Internal Audit Executive

Mr. Wahid Raafat boasts extensive experience in internal and external auditing, with around 20 years of practical experience. He previously worked as the Senior Manager of Assurance Services at PwC, Saudi Arabia. He holds a bachelor's degree in commerce, with a major in Accounting, Alexandria University. He is also a Certified Public Accountant (CPA) from the American Institute of Certified Public Accountants in the United States of America.



Dr. Safug Al Koraisi

Head of Intensive Care Units

The Head of Al Hammadi Holding's Intensive Care Units since 2016, Dr. Safug Al Koraisi has been accumulating healthcare experience for over a decade. He previously assumed the roles of Consultant and Chief of the Department of Critical Care Medicine at the Security Forces Hospital Program, Director of Critical Care Fellowship at the Saudi Council of Health Specialty, among others. He received his MBBS from King Saud University, Riyadh, in 1994.





Mr. Majid Al Nahdi

Human Resources Manager

Serving as HR manager since 1999, Mr. Majid Al Nahdi has over 25 years of extensive experience in the Human Resources field. He is an expert at directing staff and developing strategies for professional development, as well as providing advice to senior managers related to HR management. Mr. Al Nahdi holds a bachelor's degree from King Saud University and a Health Leadership and Quality Certificate accredited by the Saudi Commission for Health Specialties.



Dr. Mohammed Al Hajjy

Director of Quality Management

Dr. Mohammed Al Hajjy serves as Group Quality Manager. boasting over 20 years of experience in healthcare management, having worked at King Faisal Specialist Hospital and Research Centre (KFSH&RC) and King Saud University Medical City (KSUMC). Dr. Al Hajjy specializes in critical care, quality, patient safety, strategic planning, and healthcare digital transformation. He holds a Master's degree in Health Administration from York University in 2012, in addition to several professional certifications, including CPHQ, CP-KPI, and a certificate in telemedicine from Stanford University



Dr. Abdullah Al Sueibi

Interim Medical Director of Al Nuzha Hospital

Dr. Abdullah Al Suebi currently serves as the Acting Director of Medical Affairs at Al-Nuzha Hospital. Previously, he has held various roles at Prince Sultan Military Medical City Hospital, the Ministry of Health, and the Crescent Authority, including Director of Medical Affairs and Director of Occupational Health. He is actively involved in committees for the Saudi Health Council and is a member of the Saudi Center for Accreditation of Health Facilities. He earned a bachelor's degree in medicine and surgery from King Saud University in 2009, followed by a Saudi and Arab fellowship in family medicine in 2016. Additionally, he obtained an executive master's degree in health administration from King Saud University in 2022.



Dr. Daifallah Al Nakhli

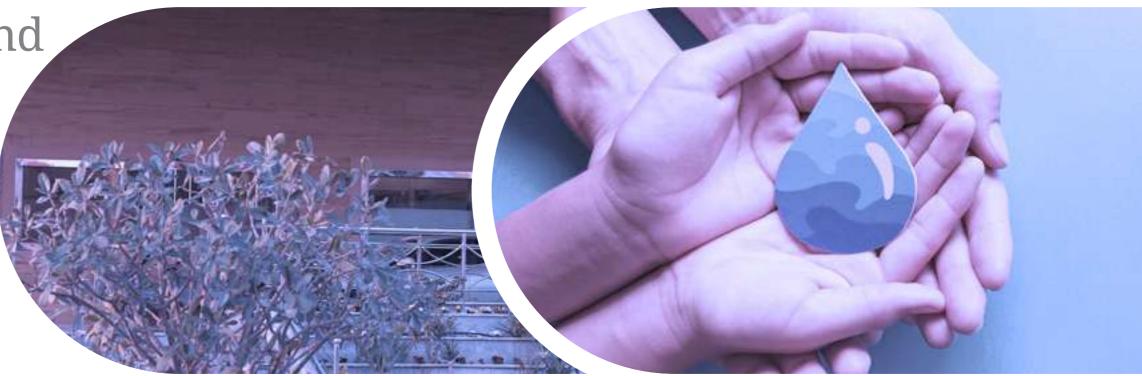
Medical Director of Al Suwaidi Hospital

Head of Infection Control

With years of experience in the medical field, Dr. Daifallah Al Nakhli is the Head of Infection Control for Al Hammadi Hospitals and the Medical Director of Al Suwaidi Hospital. Previously, he served as Internal Medicine and Infectious Disease Consultant and Director of the Infection Control Department at Prince Sultan Military Medical City (PSMMC). He obtained his MBBS from King Khalid University, KSA, in 1995 and was accredited by the Jordanian Board for Internal Medicine in 2002.



Al Hammadi is dedicated to advancing environmental, social, and corporate governance (ESG) initiatives, with a strong emphasis on minimizing its carbon footprint and increasing awareness about the value of healthcare services. The Group is also focused on fostering diversity and implementing training programs designed to cultivate the skills of young talent within the community.



Environmental Conservation Initiatives

Across its facilities, Al Hammadi has introduced several sustainability initiatives aimed at safeguarding and preserving natural resources. One notable initiative is the installation of a smart cooling and temperature stabilization system in its hospitals, which has significantly reduced electricity consumption from air conditioning units over the past year.

Additionally, in 2024, Al Hammadi planted approximately 400 trees as part of its efforts to minimize pollution in the rapidly growing Saudi capital. This initiative underscores the Group's steadfast commitment to promoting community well-being through responsible practices and embedding sustainability as a central pillar of its strategy.

Furthermore, the company continues to implement its paper waste management initiative, reducing the use of

materials for printing and replacing traditional paper forms and signatures with electronic alternatives. Al Hammadi aims to increase its reliance on electronic documents, targeting a 99% adoption rate.

These initiatives form the foundation of the Group's environmental conservation efforts, underscoring its commitment to reducing its carbon footprint and minimizing environmental emissions. In light of the remarkable progress achieved to date, management reaffirms its unwavering commitment to advancing conservation efforts and further reducing its carbon footprint. Looking ahead, the Group is confident in maintaining its exceptional performance, leveraging the accomplishments of 2024 to achieve even greater milestones in this field.

Social Initiatives

initiatives: promoting awareness about the importance of healthcare, training the next generation of healthcare professionals, and sponsoring major sporting events. In addition, it is dedicated to enhancing the

The Group prioritizes three core social responsibility quality of healthcare through research and the development of specialized training programs.



Leading Environmental Stewardship for a Better Future

We strive to implement innovative environmental solutions that promote sustainability and preserve natural resources for future generations

Health Awareness

In 2024, Al Hammadi played a pivotal role in advancing To further extend their reach and influence, the hospihealthcare awareness in Riyadh by launching a series of innovative and diverse initiatives. As a leading institution in the healthcare sector, Al Hammadi provides specialized educational content that addresses pressing health challenges in the Kingdom. These initiatives focus on preventing non-communicable diseases, such as obesity, diabetes, and hypertension, while promoting healthy lifestyles to reduce the prevalence of these conditions.

The Group's hospitals actively participated in both local and global health awareness campaigns, using these platforms to share knowledge about prevention and best health practices. Throughout 2024, Al Hammadi hospitals took part in several major events centered on critical health issues, including breast cancer, cervical cancer, diabetes, breastfeeding, and personal hygiene, offering practical guidance and solutions to and more informed community. the community.

tals set up health awareness booths in shopping malls and public spaces, distributing vital health information and raising awareness, once again demonstrating their commitment to ensuring healthcare accessibility.

Additionally, Al Hammadi continues to leverage Platform X as an effective tool for health education, providing comprehensive content on critical topics such as non-communicable disease prevention, diabetes management, and proper nutrition. By sharing videos, articles, and infographics, the hospitals aim to reach a broad audience across the Kingdom. Furthermore, the Group fosters digital dialogues with experts and specialists to exchange knowledge and stay updated on the latest global and local health trends. Through these interactive mediums, Al Hammadi aims to maximize its societal impact, contributing to building a healthier



Health Awareness: The Foundation for a Better Life

We strive to promote health awareness and educate the community on the importance of prevention, aiming to achieve sustainable, long-term health for all.

Training the Next Generation of Healthcare Professionals

As part of its commitment to delivering high-quality medical services to all patients, Al Hammadi hospitals provide a comprehensive training program for new employees, including orientation lectures and specialized courses. The Group continuously updates the content of these training programs based on in-depth research to keep pace with the latest advancements in medical technology and research. This ensures that employees remain up-to-date with the most recent developments in healthcare.

The Group also focuses on attracting talented and ambitious individuals from the community by highlighting the benefits of pursuing a career in the medical sector. To support this goal, Al Hammadi has developed tailored training programs, courses, and seminars for those aspiring to begin their careers in the field. Additionally, the Group actively participates in job fairs, organizes workshops, and runs awareness campaigns to engage and inspire future healthcare professionals.





Sponsoring Global Sporting Events

Al Hammadi has reinforced its commitment to supporting sports and physical fitness by partnering with LIV Golf to sponsor the upcoming 2025 golf tournament. This initiative reflects the Group's broader vision of fostering a culture of sports within the community and promoting healthy lifestyles. By encouraging the younger generation to participate in sports, the Group seeks to inspire them to embrace active habits, ultimately enhancing physical fitness and overall wellbeing.





Governance Report

Al Hammadi

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Introduction

a. Corporate Governance

Al Hammadi Holding implements its own internal corporate governance framework, including all of the framework's articles that were approved by the Company's General Assembly of Shareholders on 26/12/2017. Al Hammadi regards the compliance with its corporate governance framework as a core contributor to the Company's success, as the framework seeks to enhance and regulate the Company's financial and operational performance, as well as safeguard the rights of all its shareholders. The framework also facilitates the presentation and disclosure of the Company's financial results accurately and transparently through the implementation of the below:

- Managing the Company with the purpose of increasing its value and setting in place a system of accountability
- Implementing an effective supervisory role in cooperation with executives in order to achieve the interests of the Company and its shareholders, including minor investors, and working toward increasing shareholders' rights in an appropriate manner
- Disclosing information with complete transparency and setting in place effective internal controls and risk management systems
- The Company confirms that every shareholder has all the rights related to the Company's shares, which include:
- The right to receive a share of the profits that are to be distributed
- The right to receive a share of the Company's assets in the event of liquidation
- The right to attend shareholder meetings, participate in their deliberations, and vote on their outcomes
- The right to manage their shares
- The right to oversee the Board of Directors' operations and hold Board Members accountable
- The right to inquire about and ask for information as long as this does not harm the Company's interests and does not conflict with the Capital Markets Authority's laws and regulations

b. Corporate Governance Policies

The Company's corporate governance framework consists of the following policies:

- Corporate Governance Policy
- General Assembly of Shareholders Policy
- Board of Directors Policy
- Audit Committee Policy
- Nomination and Remuneration Committee Policy
- Transparency and Disclosure Policy
- Internal Audit Policy
- Risk Management Policy
- Dividend Distribution Policy
- Stakeholder Engagement Policy
- Conflict of Interest Policy



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1. Implementation of Provisions of CGR

The Company fully complies with all of the laws listed in the Capital Markets Authority's corporate governance laws and regulations, except for the below:

Article/ Paragraph Number	Article/ Paragraph Stipulation	Reason for Non-Implementation
21/1/A	Risk Management Policies and Procedures.	The company is currently researching the necessary competencies at the appropriate cost to establish a risk management unit and prepare its own policies and procedures.
21/2/C	The Board of Directors shall ensure that appropriate control systems are in place to measure and manage risks.	The company is currently researching the necessary competencies at the appropriate cost to establish a risk management unit and prepare its own policies and procedures.
21/14	Determine the types of bonuses granted to employees.	The company's management is currently conducting a comprehensive review of all types of privileges granted to employees, which will result in the issuance of a policy specifying all privileges, including bonuses that can be granted to employees.
36	Determine the conditions to be met by the secretary.	This article is indicative. The secretary shall be appointed in accordance with the provisions of Article (25) of the Company's Articles of Association.
37	Training of Board Members , Committee Members and Executive Management.	This article is indicative.
39	Evaluation of Board of Directors , Committee Members and Executive Management.	This article is indicative.
44/3	Criteria for competition of members of the Board of Directors and committees of the company in its work or one of its branches of activity.	The company's management is currently preparing the standards document to be presented to the General Assembly for approval.

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Article/ Paragraph Number	Article/ Paragraph Stipulation	Reason for Non-Implementation
63/B	Number of nominees for the Board of Directors.	This article is indicative.
67 68 69	Formation of the Risk Management Committee. Terms of reference of the Risk Management Committee. Risk Management Committee Meetings.	The Company's management continuously reviews the Company's policies related to risk management to ensure the implementation of approved policies and programs in order to reduce the risks that the Company may face. The company's senior management also ensures that the risk management processes and systems are working efficiently at all levels of the company.
71/A	Establish an independent risk assessment and management unit or department.	The company is currently searching for the necessary competencies at the appropriate cost to establish this unit as soon as possible.
80	Procedures for regulating the relationship with stakeholders.	This article is indicative.
82	Employee Development and Motivation Programs.	This article is indicative.
84	Social Responsibility.	This article is indicative.
86/3	The company's website shall include all the information required to be disclosed, and any other data or information published through other means of disclosure.	This paragraph is indicative. The company publishes any information and data required to be disclosed in accordance with the laws and regulations in the manner determined by the Capital Market Authority.
92	Formation of the Corporate Governance Committee.	This article is indicative. The company establishes its corporate governance policies, monitors their effective implementation, and makes amendments when necessary.



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2. Board of Directors, Committees, and Executive Management

a. Board of Directors Responsibilities

The Company's Board of Directors represents all of the Company's shareholders and must exercise the highest levels of care and loyalty when managing the Company, working toward protecting its interests, developing its operations, and maximizing its value.

- Developing the Company's strategies, plans, and main objectives while supervising their implementation and reviewing them on a regular basis, as well as ensuring the availability of all the necessary human and financial resources.
- ii. Setting in place and supervising the Company's internal control systems and regulations.
- iii. Preparing clear and specific policies, standards, and procedures for membership in the Board of Directors, in a manner that does not conflict with the mandatory provisions of the Governance Regulations issued by the Capital Market Authority, and putting them into effect after being approved by the General Assembly.
- iv. Developing a written policy that regulates relationships with stakeholders.
- v. Developing policies and procedures that ensure the Company's compliance with laws and regulations, as well as its commitment to disclosing material information to shareholders and stakeholders, while verifying that the Company's executive management adheres to these policies.
- vi. Overseeing the Company's financial management, its cash flows, and its financial and credit relationships with third parties.
- vii. Ensuring the accuracy and integrity of the data being disclosed in accordance with the policies of disclosure and transparency being enforced.
- viii. Establishing effective communication channels that allow shareholders to have continuous and periodic access to the various aspects of the Company's activities and material events.

b. Executive Management Responsibilities

- Implementing the internal policies and procedures set forth by the Board of Directors.
- ii. Suggesting a company-wide, comprehensive strategy that includes general and specific action plans, policies, and mechanisms for investment, financing, risk management, and management of administrative emergencies, while ensuring their implementation.
- iii. Suggesting the ideal capital structure for the Company and its financial goals.
- iv. Implementing and supervising internal controls systems.
- v. Suggesting the Company's organizational and employment structure and presenting it to the Board for approval.
- vi. Effectively implementing the Company's governance policies and suggesting amendments when necessary.
- vii. Implementing the policies and procedures that ensure the Company's compliance with laws and regulations, as well as its commitment to the disclosure of material information to shareholders and stakeholders.
- viii. Managing the Company's daily operations and activities, as well as managing resources in an efficient manner in line with the Company's goals and strategies.

c. Board of Directors Biographies

Name	Dr. Abdulaziz Bin Mohammed Bin Hamad Al Hammadi
Current Position	Chairman of the Board of Directors
Nationality	Saudi
Appointment Date	Chairman of the Board - 18/12/2023 Board Member and Vice Chairman of the Board- 22/6/2022
Qualifications	Bachelor's Degree in Medicine and General Surgery - Faculty of Medicine Kasr Al Ainy – Cairo
Experience	Riyadh Central Hospital / Ministry of Health 1979–1982 Vice-Chairman of Al Hammadi Holding Company 2016-2023

Name	Mr. Mohammed Bin Saleh Bin Mohammed Al Hammadi
Current Position	Vice-Chairman of the Board of Directors, Managing Director and Chief Executive Officer
Nationality	Saudi
Appointment Date	Vice-Chairman of the Board - 18/12/2023 Board Member, Managing Director and Chief Executive Officer - 22/6/2022
Qualifications	Bachelor's Degree in Management from Weber State University – USA – 1996 Bachelor's Degree in Marketing from Weber State University – USA – 1999
Experience	Chairman of Al Baha Investment and Development Company 2019 - to date Member of the Board of Directors at East Pipes Integrated Company 2020 - to date Chairman of Saudi Automotive Services (SASCO) 2006–2009 Member of the Board of Directors at Saudi Chemical 2007 – 2009

Name	Dr. Abdulaziz Saleh Mohammed Al Hammadi
Current Position	Member of the Board of Directors and Chief Operations Officer
Nationality	Saudi
Appointment Date	22/06/2022
Qualifications	Bachelor's Degree in Medicine and General Surgery – Al Azhar University
Experience	King Khaled University Hospital King Saud University Chest Diseases Hospital

Name	Mr. Saad Abdul-muhssin Alhamidi
Current Position	Member of the Board of Directors
Nationality	Saudi
Appointment Date	22/06/2022
Qualifications	Bachelor's Degree in Accounting from the University of Northern Colorado
Experience	General Manager of Al-Zaman Al-Mutatawur Company 2014–to date Chief Compliance Officer and Board Secretary at Aman Cooperative Insurance 2009– 2014 Assistant Head of Risk Department at Ernst and Young 2007–2009 Credit Officer at Al Rajhi Bank 2006–2007 External Auditor at PWC 2005–2006

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Name	Mr. Aziz Muhammed Algahtani
Current Position	Member of the Board of Directors
Nationality	Saudi
Appointment Date	22/06/2022
Qualifications	Master's Degree in Accounting from King Fahd University of Petroleum and Minerals – 2000 Bachelor's Degree in Accounting from King Fahd University of Petroleum and Minerals – 1994
Experience	Financial Accounting Advisory Financial and Administrative Advisor at Takamol Holding Chief Audit Executive at Saudi Technology Development and Investment Company (TAQNIA) Chief Audit Executive at Petroleum, Chemicals & Mining Company (PCMC) CFO at Business Triangle Company Group Chief Audit Executive at Saudi Research and Marketing Company, Chief Audit Executive at National Agriculture Development Company (Nadec), Internal Audit Manager at Saudi Telecom Company (STC) Internal Auditor at Saudi Arabian Oil Company (Saudi Aramco)

Name	Dr. Nasser Hamd Mohammed Binsaif
Current Position	Member of the Board of Directors
Nationality	Saudi
Appointment Date	22/06/2022
Qualifications	Bachelor's Degree in Accounting from King Saud University, 1999 Master's Degree in Management with an accounting major from Johnson & Wales University – USA – 2009 PHD in Business Information Systems – Cork College – Republic of Ireland, 2018
Experience	Faculty Member at Saudi Electronic University Alsalam Aerospace Industries, 2001–2006 Faculty Member at Prince Sultan University, 1999–2000

Name	Dr. Ahmed Bin Ibraheem Bin Mohammed Alsagheir
Current Position	Member of the Board of Directors
Nationality	Saudi
Appointment Date	22/06/2022
Qualifications	Bachelor's Degree in Medicine and Surgery from King Saud University, 1996 Canadian American Fellowship in Proctology from University of Manitoba – Canada – 2001 Canadian American Fellowship in Hematology from McMaster University – Canada – 2003 Canadian American Fellowship in Oncology from McMaster University – Canada – 2005 Executive Master's Degree in Health Management from University of Alabama – USA – 2013
Experience	CEO of Madinah Health Cluster 2022–2023 Research Team Leader and Manager of Hematopoietic stem cell transplantation at Johns Hopkins Aramco Healthcare, 2016–2022 General Manager of the General Directorate of Health Affairs of Madinah Faculty Member at King Saud University School of Medicine, 1997 – 2001

Name	Mr. Fahad Suliman Alnuhait
Current Position	Member of the Board of Directors
Nationality	Saudi
Appointment Date	22/06/2022
Qualifications	Bachelor's Degree in Business Administration from King Saud University – 2003 Master's Degree in Megaproject Management from Oxford University Master's Degree in Finance from Newcastle University – 2009 Chartered Financial Analyst (CFA) – 2017 Executive Program for Leadership from Harvard Business School – 2018
Experience	CEO of Halal Products Development Company, February 2023 to date Head of Industrial Investments and Funding at NEOM, 2019–2023 Director of Investments for Emerging Sectors at Dussur, 2017–2019 Head of Investments at TAIC, 2014–2017 Investment Manager at TAIC, 2010–2014 Export Credit Guarantee - Saudi Fund for Development, 2009-2010 Senior Credit Manager – Saudi Fund for Development, 2005 - 2010

d. Executive Management Biographies

Name	Mr. Mohammed Saleh Mohammed Al Hammadi
Current Position	Vice-Chairman of the Board of Directors, Managing Director, and CEO
Qualifications	Bachelor's Degree in Management from Weber State University – USA – 1996 Bachelor's Degree in Marketing from Weber State University – USA – 1999
Experience	Chairman of Al Baha Investment and Development Company 2019 - to date Member of the Board of Directors at East Pipes Integrated Company 2020 - to date Chairman of Saudi Automotive Services (SASCO), 2006–2009 Member of the Board of Directors at Saudi Chemical, 2007–2009

Name	Dr. Abdulaziz Saleh Mohammed Al Hammadi
Current Position	Member of the Board of Directors and Chief Operational Officer
Qualifications	Bachelor's degree in Medicine and General Surgery – Al Azhar University
Experience	King Khaled University Hospital King Saud University Chest Diseases Hospital

Name	Mr. Mohammed Saeed Al Saafeen
Current Position	Chief Financial Officer
Qualifications	Master of Business Administration (MBA) in Finance – University of Jordan Bachelor's Degree of Administrative Sciences, major in Accounting and minor in Financial and Banking Services – Yarmouk University Certified Fraud Examiner (CFE)
Experience	Financial Analysis and Reporting Manager – Abdullatif Alissa Group Financial Manager – Zahran Operations & Maintenance Co. Auditor - Deloitte & Touche

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Name	Dr. Reema Bint Salah Al Hammadi
Current Position	Chief Medical Officer
Qualifications	MBBS Degree – King Saud University
Experience	Board Member at the Royal Commission for Riyadh City (Riyadh, Medical Tourism Strategy 2022) Board Member at King Abdullah bin Abdulaziz University Hospital at Princess Nourah bint Abdulrahman University, January 2020 - December 2023

Name	Mr. Wahid Raafat Mohamed
Current Position	Chief Internal Audit Executive
Qualifications	Bachelor's Degree in Commerce, major in Accounting – Alexandria University Certified Public Accountant (CPA) – American Institute of Certified Public Accountants Certified Fraud Examiner (CFE) - American Association of Certified Fraud Examiners
Experience	Senior Manager of Assurance Services – PwC, KSA

Name	Dr. Safug Al Koraisi
Current Position	Head of Intensive Care Units
Qualifications	MBBS Degree – King Saud University
Experience	Security Forces Hospital Program Saudi Council of Health Specialties Saudi Critical Care Society

Name	Mr. Majid Al Nahdi
Current Position	Human Resources Manager
Qualifications	Bachelor's Degree in Business Administration – King Saud University
Experience	General Manager – Real Estate Company

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Name	Dr. Mohammed Al Hajjy					
Current Position	Director of Quality Management - Al Hammadi Holding					
Qualifications	Master's degree in Health Administration from York University (2012), in addition to several professional certifications such as: CPHQ, CP-KPI, and a certificate in telemedicine from Stanford University					
Experience	Over 20 years of experience in healthcare management, having worked at King Faisal Specialist Hospital and Research Centre (KFSH&RC) and King Saud University Medical City (KSUMC). Specialized in critical care, quality, patient safety, strategic planning, and healthcare digital transformation.					
Name	Dr. Abdullah Al Suebi					
Current Position	Interim Medical Director of Al Hammadi's Nuzha Hospital					
Qualifications	MBBC Saudi Fellowship in Family Medicine Arab Fellowship in Family Medicine Executive Master of Health Administration					
Experience	Medical Director – Red Crescent Authority 2020-2021 Director of the General Department of Occupational Health – Red Crescent Authority, 2020 Intern Surveyor at The Saudi Central Board for Accreditation of Healthcare Institutions					
Name	Dr. Daifallah Al Nakhli					
Current Position	Medical Director of Al Hammadi's Suwaidi Hospital Head of Infection Control					
Qualifications	MBBS – King Khalid University Fellowship in Infectious Diseases – McMaster University Fellowship in Infection Control and Clinical Epidemiology – McMaster University					
Experience	Gulf Cooperation Center of Infection Control Advisory Board National Infection Control Committee Infection Control Committee at the General Directorate of Health Services – Ministry of Defense					



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3. Membership of Board Members in the Board of Directors of Other Companies

No	Name	Company Name	Location	Legal Entity	Current/Previous	
1	Dr. Abdulaziz Mohammed Hamad Al Hammadi	Saudi Pharmaceutical Industries and Medical Appliances Corporation (SPIMACO)	KSA	Listed Joint Stock	Previous	
		East Pipes Integrated Company		Listed Joint Stock	Current	
		Al Baha Investment and Development Company		Listed Joint Stock	Current	
	Mr. Mohammed Saleh Mohammed Al Hammadi	Aziz Company for Contracting and Industrial Investment	KSA	Closed Joint Stock	Current	
2		Sudair Pharma Company (SPC)		Closed Joint Stock	Current	
			Al Khebra Investments		Closed Joint Stock	Previous
			SASCO			Listed Joint Stock
		Saudi Chemical		Listed Joint Stock	Previous	
		Al Baha Investment and Development Company		Listed Joint Stock	Current	
	Dr. Abdulaziz Saleh Mohammed Al Hammadi	Al Khebra Investments		Closed Joint Stock	Previous	
3		Sudair Pharma Company (SPC)	KSA	Closed Joint Stock	Current	
		Aziz Company for Contracting and Industrial Investment		Closed Joint Stock	Previous	

No	Name	Company Name	Location	Legal Entity	Current/Previous
		Thimar Development Holding		Listed Joint Stock	Current
		Basic Chemical Industries		Listed Joint Stock	Previous
		Yanbu Cement		Listed Joint Stock	Previous
		Mouwasat Medical Services		Listed Joint Stock	Previous
		Middle East Specialized Cables		Listed Joint Stock	Previous
		Saudi Real Estate		Listed Joint Stock	Previous
4	Mr. Aziz Muhammed	Jazan Development and Investment	KSA	Listed Joint Stock	Previous
4	Algahtani	Al-Lujain Company		Listed Joint Stock	Previous
		PCMC		Limited Liability Company	Previous
		Triangle Group		Limited Liability Company	Previous
		Saudi Group for Research		Listed Joint Stock	Previous
		Nadec		Listed Joint Stock	Previous
		Saudi Telecommunications		Listed Joint Stock	Previous
		Aramco Saudi		Listed Joint Stock	Previous
		Al Baha Investment and Development Company		Listed Joint Stock	Current
		Nayifat		Listed Joint Stock	Current
5	Mr. Saad Abdul- muhssin Al Hamidi	Al-Zaman Al-Mutatawur Company	KSA	Limited Liability Company	Current
		Twenty-One Company		Limited Liability Company	Current
		Al-Nakhla Al-Hamra Company for Production		Limited Liability Company	Current



No	Name	Company Name	Location	Legal Entity	Current/Previous
		Saudi Coffee Company	KSA	Closed Joint Stock	Current
		BRF Arabia	KSA	Closed Joint Stock	Current
		Arabian Mills for Food Products Company SCJSC	KSA	Listed Joint Stock	Current
		GDC Middle East	KSA	Closed Joint Stock	Current
		Saudi Jordanian Investment Fund	Jordan	Public Shareholding Company	Previous
C	Mr. Fahad Suliman	Bidaya Finance	KSA	Closed Joint Stock	Previous
6	Alnuhait	IFC Middle East and North Africa Fund	USA	Closed Joint Stock	Previous
		Powervest Fund	KSA	Investment Fund	Previous
		Egyptian Propylene & Polypropylene(EPP)	Egypt	Closed Joint Stock	Previous
		MEFIC Capital	KSA	Closed Joint Stock	Previous
		Incolease	Egypt	Closed Joint Stock	Previous
		The Arab Investment Company	KSA	Arab Company	Previous
		Sudair Pharma Company (SPC)		Closed Joint Stock	Current
7	Dr. Ahmed Ibraheem M Alsagheir	Blood and Caner Center	KSA	Closed Joint Stock	Current
		Al Wessam Medical		Closed Joint Stock	Current
8	Dr. Nasser Hamd Mohammed Binsaif				

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4. Board of Directors

The Company is governed by a Board of Directors comprising nine (9) members, which includes five independent members, two executive members, and the remainder non-executive members. All members were appointed by the General Assembly of Shareholders on 22/06/2022, for a term not exceeding three (3) years, until 21/06/2025.

In light of the passing of the esteemed Chairman of the Board of Directors, Mr. Saleh bin Mohammad Al-Hammadi, on 13/11/2023, the Board of Directors will nominate a replacement member and present him to the General Assembly of Shareholders meeting in charge of the nomination of Board members for the next term, in compliance with regulatory requirements to fill the vacant position.

Dr. Abdulaziz bin Mohammed Al Hammadi has been appointed Chairman of the Board of Directors, succeeding His Excellency Mr. Saleh bin Mohammed Al Hammadi. Additionally, Mr. Mohammed bin Saleh Al Hammadi has been appointed Vice Chairman of the Board of Directors, as per the company's announcement on the Saudi stock exchage website "Tadawul".

The current members of the Board of Directors and their positions are as follows:

Name	Role	Nature of membership	Appointment date
Dr. Abdulaziz Mohammed Hamad Al Hammadi	Chairman	Non-executive	22/06/2022
Mr. Mohammed Saleh Mohammed Al Hammadi	Vice Chairman, Managing Director and CEO	Executive	22/06/2022
Dr. Abdulaziz Saleh Mohammed Al Hammadi	Member	Executive	22/06/2022
Mr. Aziz Bin Muhammed Bin Mubarak Algahtani	Member	Independent	22/06/2022
Mr. Fahad Bin Suliman bin Abdulrahman Alnuhait	Member	Independent	22/06/2022
Mr. Saad Abdul-Muhssin Bin Abdul Aziz Alhamidi	Member	Independent	22/06/2022
Dr. Nasser Hamd Mohammed Binsaif	Member	Independent	22/06/2022
Dr. Ahmed Ibraheem M Alsagheir	Member	Independent	22/06/2022



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5. Measures Taken by the Board of Directors to Record and Process Shareholders' Suggestions and Comments

The Board has formed a Shareholders Affairs Department that is responsible for recording, processing, and answering any inquiries that shareholders might have about their shareholding in the Company. The Department is accessible through the following numbers: (Phone: 2329999-011, Fax: 2319999-011).



6. Board of Directors' Committees

To ensure the optimal performance of the Company, the Board of Directors has established the Audit Committee and the Nomination and Remuneration Committee. The Board has detailed a set of rules that govern the roles and responsibilities of each committee, which have been approved in accordance with Articles (40) and (41) of the Company's Articles of Association for a period not exceeding four years. The membership of each committee ends in accordance with Article (21), which stipulates that a committee member's membership ends with the expiry of their membership on the Board of Directors, the member's resignation, the member's death, or if the member declares their bankruptcy or insolvency, has applied for a debt settlement with their creditors, or has stopped paying their financial liabilities. Each committee submits its reports and suggestions to the Board of Directors. The Board conducts an annual review of the laws governing the committees based on the recommendations of the committees in accordance with the Audit Committee's charter, the Nomination and Remuneration Committee's charter, and the Company's Corporate Governance framework, which was approved in the Ordinary General Assembly dated 26/12/2017. The aforementioned is available for any shareholder to access at the Company's head-quarters.

I. Audit Committee

On 06/20/2022, The Extraordinary General Assembly approved the formation of the Audit Committee and determined its tasks, work controls, and remuneration for its members for the Board session for a term not exceeding three (3) years, from 22/06/2022 to 21/06/2025, in compliance with internal governance regulations, policies and articles, and in accordance with the requirements of the corporate governance regulations issued by the Capital Market Authority. The Audit Committee comprises three members. In order to ensure neutrality, the Audit Committee comprises one member from outside the Board of Directors and two independent Board Members.

The following table shows the members of the Audit Committee:

Name	Nature of Board Membership	Committee Position
Mr. Aziz Muhammed Algahtani	Independent Board Member	Committee Chairman
Dr. Nasser Hamd Mohammed Binsaif	Independent Board Member	Committee Member
Mr. Adel Bin Mohammad Al-Osaimi	Non-Board Member	Committee Member

Committee Roles and Responsibilities:

The roles and responsibilities of the Audit Committee include, but are not limited to, the following:

i. Financial Reports

- Analyzing the Company's interim and annual financial statements before presenting them to the Board and providing opinions and recommendations thereon to ensure their integrity, fairness, and transparency.
- Providing its technical opinion, at the request of the Board, regarding whether the Board's report and Company's financial statements are fair, balanced, understandable, and contain information that allows shareholders and investors to assess the Company's financial position, performance, business model, and strategy.
- Reviewing any critical or unfamiliar issues that arise within the financial reports.
- Accurately investigating any issues raised by the Company's Chief Financial Officer (or any person assuming such duties), compliance officer, or external auditor.
- Reviewing estimates in respect to significant matters that are contained in the financial reports.
- Reviewing accounting policies followed by the Group and providing its opinion and recommendations to the Board thereon.

ii. Internal Audit

- Examining and reviewing the Company's internal and financial control systems and its risk management system.
- Analyzing internal audit reports and following up on the implementation of corrective measures with respect to remarks made in such reports.
- Supervising the Company's Internal Audit Department to ensure its effectiveness in executing the activities and duties specified by the Board.
- Providing a recommendation to the Board on appointing the Head of the Company's Internal Audit Department and giving suggestions regarding their remuneration, benefits, and assessment of performance.

iii. Compliance

- Reviewing the findings of the reports of supervisory authorities and ensuring that the Company has taken the necessary actions in connection therewith.
- Ensuring compliance with relevant laws, regulations, policies, and instructions.
- Reviewing the proposed contracts and related-party transactions and providing recommendations to the Board in connection therewith.
- Raising any issues it deems necessary to the Board of Directors in order to take action, while providing its recommendations.



iv. External Auditor

- Recommending to the Board the appointment, dismissal, and remuneration of external auditors, after confirming their independence and reviewing their scope of work and contractual terms
- Verifying the independence of the external auditors, their objectivity, and fairness and the effectiveness of the audit activity, taking into account the relevant rules and standards
- Supervising and assessing the plan and activities of the external auditors, ensuring that the auditor does not provide any technical or administrative work beyond their scope, and recommending to the Board the approval or denial of any activity beyond the scope of the audit work assigned to the external auditors during the performance of their duties.
- · Responding to queries from the Group's external auditors
- Reviewing the external auditors' reports and their comments on the financial statements and following up the actions taken about them

The following table contains the dates and member attendance information for the ten Audit Committee meetings that were held during 2024:

Name	14/01/2024	18/03/2024	02/05/2024	18/05/2024	25/07/2024	03/08/2024	25/08/2024	28/10/2024	31/10/2024	30/12/2024	Total
Mr. Aziz Muhammed Algahtani	V	V	V	\checkmark	V	V	V	V	V	V	10
Dr. Nasser Bin Hamad Al Seif	V	\checkmark	V	\checkmark	V	V	V	\checkmark	V	V	10
Mr. Adel Bin Mohammed Al-Osaimi	V	V	V	V	V	V	V	V	V	V	10

II. Nomination and Remuneration Committee

The Nomination and Remuneration Committee was formed on 06/20/2022 to determine tasks, work controls, and remuneration for its members in the Board session for the period from 06/22/2022 to 06/21/2025. It is responsible for reviewing the composition of the Board of Directors, submitting recommendations regarding the changes that can be made, and setting the remuneration and incentive policies for the Board of Directors and the Senior Executive Management, which aim to enhance productivity. The Committee also evaluates the efforts of each Board member and Executive Manager in applying the Company's strategy.

The Committee comprises three Board members, one member from outside the board and two independent members, as following:

Name	Nature of board membership	Committee position	
Mr. Saad Abdul-muhssin Alhamidi	Independent Board Member	Committee Chairman	
Mr. Fahad Suliman Alnuhait	Independent Board Member	Committee Member	
Mr. Ibrahim Saleh Al-Dakheel	Non-Board Member	Committee Member	

The committee held two meeting during 2024:

Name	22/04/2024	31/10/2024
Mr. Saad Abdul-muhssin Alhamidi	\checkmark	√
Mr. Fahad Suliman Alnuhait	√	√
Mr. Ibrahim Saleh Al-Dakheel	√	√

Committee Roles and Responsibilities:

The roles and responsibilities of the Nomination and Remuneration Committee include, but are not limited to, the following:

- Establishing clear policies and standards for Board membership, Executive Management, and Board Committees, presenting them to the Board of Directors for review and approval by the General Assembly of Shareholders. These policies should take into consideration performance-related factors and should be disclosed. The Committee is responsible for making sure that these policies are executed
- Clarifying the relation between the paid remunerations and the adopted remuneration policy and highlighting any material deviation from that policy
- · Reviewing the remuneration policy periodically and assessing its effectiveness in achieving its objectives
- Providing recommendations to the Board in respect of the remunerations of its members, the committees' members, and senior executives, in accordance with approved policy
- Recommending clear policies and standards for Board membership and Executive Management
- Providing recommendations to the Board for the nomination and re-nomination of its members in accordance
 with approved policies and standards, taking into account that nominations shall not include any person
 convicted of a crime involving moral turpitude or dishonesty



- Determining the qualifications necessary for Board Membership and Executive Management positions
- · Determining the time a Board member should allocate to the work of the Board
- Producing an annual review of membership requirements for the Board and Executive Management and preparing a description of the required remuneration capabilities and qualifications for such membership
- Reviewing the structure and composition of the Board, Board committees, and the Company's executive management, and providing recommendations regarding changes
- Ensuring, on an annual basis, the independence of independent directors and ensuring the absence of any conflicts of interest if a Board Member also acts as a member of the Board of another company
- Providing job descriptions for executive, non-executive, and independent Board Members and Senior Executive Management
- Setting procedures to be followed if the position of a member of the Board or a senior executive becomes vacant
- Determining the strengths and weaknesses of the Board of Directors and recommending solutions to the weaknesses in line with the interests of the Company

Remuneration and Compensation Policy for the Secretary and the Board Members:

In line with the Company's Articles of Association, the remuneration of the Board of Directors members are set by the General Assembly of Shareholders in accordance with the decisions and instructions set forth by the Ministry of Trade and in line with the stipulations of the Company's laws, as well as any complementary laws. The remuneration policy for the Board of Directors, Committees, and Executive Management has been drawn up in accordance with the Corporate Governance laws within the Kingdom of Saudi Arabia, which have been issued by the Capital Markets Authority pursuant to resolution 8-16-2017 dated 13/02/2017, and based on the Company Law issued by Royal Decree number M/3 dated 28/01/1437 Hijri.

- The remuneration for a Board Member is in line with the Company's Articles of Association and the Companies Law and its policies and in compliance with the official instructions and decisions issued in relation to this topic. The total amount received by a Board Member in return for serving on the Board of Directors shall not exceed SAR 500,000 in financial and material compensation and benefits
- Remuneration is based on the number of Board meetings attended by the member during the year
- The compensation for attending a Board meeting is SAR 5,000, and the compensation for attending a committee meeting is SAR 5,000 for each member and the Secretary
- First class airplane tickets, transportation, and accommodation for Board members who do not reside in the city where the meeting is to be held are to be provided by the Company
- The Board of Directors decides on the Secretary's annual remuneration, and the Company is responsible for handling all of the Secretary' expenses relating to meeting attendance such as airplane tickets, accommodation, transportation, and other expenses
- Remunerations, compensations, and other fees are disbursed at the close of the fiscal year. In the event that a Member's membership expires prior to the close of the fiscal year, then their fees are disbursed as soon as their membership expires



7. Remuneration and Compensation Policy

The Executive Management's compensation comprises the following:

- Primary salary disbursed monthly
- Insurance privileges that include, but are not limited to: (medical insurance for the Executive Manager and family members and life insurance that includes work-related injuries, as well as partial and complete inability to perform, and death during work)
- Performance-related bonuses
- Allowances including, but not limited to, housing allowance, car allowance, and telephone allowance.
- Reward programs for Senior Executives are approved by the Nomination and Remuneration Committee
- Privileges that include Annual leave, Annual travel tickets, Personal Driver, and End-of-Service Bonus
- The CEO executes the Company's remuneration policy for Senior Executives in line with the programs approved by the Nomination and Remuneration Committee





Committee Members Compensation:

i. Audit Committee

Name	Fixed Compensation, Excluding Committee Meeting Attendance Compensation	Committee Attendance Compensation	Total
Aziz Muhammed Algahtani	100,000	50,000	150,000
Nasser Hamd Mohammed Binsaif	100,000	50,000	150,000
Adel Bin Mohammed Al-Osaimi	100,000	50,000	150,000

ii. Nomination and Remuneration Committee

Name	Fixed Compensation, Excluding Committee Meeting Attendance Compensation	Committee Attendance Compensation	Total
Fahad Suliman Alnuhait	50,000	10,000	60,000
Saad Abdulmuhssin Alhamidi	50,000	10,000	60,000
Ibrahim Saleh Al-Dakheel	50,000	10,000	60,000

End	l of Service	ı	ı	ı	ı	ı		1		1	1
Exp	oense Allowance	1	1	,	1	1				,	
Gra	and Total in SAR	350,000	350,000	260,000	260,000	200,000		200,000		200,000	200,000
	Total	350,000	350,000	260,000	260,000	200,000		200,000		200,000	200,000
e	Shares granted are the value entered										
Variable	Long-term incentive plans										
	Short-term incentive plans										
	Periodic remuneration										
	Percentage of profits										
	Fixed, administrative, and investment remunerations	100,000	100,000	50,000	50,000	ı	members		embers		
	Compensation of Chair- man, Managing Director, or Secretary if they are Board Members	ı	1	1	1	1	Non-executive members		Executive members		
Fixed	Non-monetary advantages	ı	1	1	1	ı		200,000		200,000	200,000
	Total allowance for attending committee sessions	50,000	50,000	10,000	10,000	ı					
	Allowance for attending board sessions	1	1	1	1	1					
	The certain amount	200,000	200,000	200,000	200,000	200,000					
	Name	Mr. Aziz Muhammed Algahtani	Dr. Nasser Hamd Mohammed	Mr. Fahad Suliman Alnuhait	Mr. Saad Abdulmuhssin Alha-	Mr. Ahmed Ibraheem M.		Dr. Abdulaziz Mohammed Al Hammadi		Mr. Mohammed Saleh Al-Hammadi	Mr. Abdulaziz Saleh Mohammed Al-Hammadi

Board of directors' compensation:

muneration of Senior Executive

Total	6,778,269
Total executive remuneration for the board if any	400,000
End of service	475,885
Total fixed and variable	5,902,384
Stocks	1
Long-term Incentive	
Short-term Incentive	1
Periodical bonuses	118,845
Salaries Compensation	1,303,051
Salaries	4,480,488
Senior executive	Five of the Company's senior executives including the CEO





8. Fines and Penalties

The following table shows all penalties and fines imposed on the Company during FY 2024.

Penalty	Reason for Penalty	Reason for Penalty	Treatment
N/A	N/A	N/A	N/A



9. Opinion of the Company's External Auditor on the Annual Financial Statements

According to what was stated in the report of the external auditor of the Company, Messrs. / Dr. Mohamed Al-Amri and Co. BDO, which stated the outcome of the audit after auditing the consolidated annual financial statements of the Group for the fiscal year ended on 31 December 2024 AD, as follows:

The consolidated financial statements of the Group present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024 AD, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia, as well as the standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants (SOCPA).



10. Qualifications of the Company's External Auditor on the Annual Financial Statements

The external auditor, Messrs. / Dr. Mohamed Al-Amri and Co. BDO, does not have any qualifications on the annual consolidated financial statements of the Group for the fiscal year ended on 31 December 2024.



11. Internal Audit

a. Internal Audit Department

Internal audit is an objective and independent assurance and advisory activity with the purpose of improving the Company's operations and adding value to them. Internal audit helps the Company achieve its objectives by providing a regular input to evaluate and improve the effectiveness of risk management, internal control, and processes involved in the Company's controls performance. The Company's Internal Audit department has carried out many periodic and special audits, focusing on high-risk activities and functions, to improve the efficiency and effectiveness of the Company's operations, noting that the necessary measures have been taken to follow up most of the observations included in the internal audit reports in order to verify that the necessary corrective measures have been taken.

b. The Company's Internal Control Effectiveness Annual Review Results

The internal control system aims to ensure effective and efficient achievement of the Company's objectives, compliance with laws, regulations, and policies, as well as the management of potential risks. The Company's management is responsible for setting up a comprehensive and effective control system commensurate with the level of risks that the Company may be exposed to. The Audit Committee continuously reviews the periodic reports prepared by the internal and external auditors and the Company's various departments related to internal control.

Based on what was reached by the results of the annual reviews, the Audit Committee would like to point out that it did not find material issues that could be mentioned in this report. We also point out that there is continuous communication between the Audit Committee and the executive management of the Company regarding the periodic follow-up to assess and review the control system to ensure the achievement of internal control objectives by improving the efficiency of operations and their effectiveness while adhering to the relevant laws and regulations.



12. Corporate Social Responsibility

The Company's CSR strategy is outlined on pages 60 to 63 of this report.

- Cervical Cancer Awareness Month January 1-31, 2024
- World Health Day Campaign April 7, 2024
- World Hand Hygiene Day May 5, 2024
- World Hepatitis Day July 28, 2024
- Breastfeeding Awareness Week August 1-7, 2024
- World Heart Day September 29, 2024
- Breast Cancer Awareness Campaign October 1-31, 2024
- World Diabetes Day November 14, 2024
- World Prematurity Day November 23, 2024









13. General Assembly Meetings

General Assembly Attendance Registry for FY 2024

Name	Positions	EGM Dated 30/06/2024
Dr. Abdulaziz Bin Mohammed Bin Hamad Al Hammadi	Chairman	\checkmark
Mr. Mohammed Bin Saleh Bin Mohammed Al Hammadi	Vice Chairman, Managing Director and CEO	\checkmark
Dr. Abdulaziz Bin Saleh Bin Mohammed Al Hammadi	Board Member, Chief Operating Officer	\checkmark
Mr. Aziz Bin Muhammed Bin Mubarak Algahtani	Board Member	\checkmark
Mr. Fahad Bin Suliman Bin Abdul Rahman Alnuhait	Board Member	\checkmark
Mr. Saad Bin Abdul Muhssin Bin Aziz Alhamidi	Board Member	\checkmark
Dr. Nasser Bin Hamed Bin Mohammed Bin Saif	Board Member	\checkmark
Mr. Ahmed Bin Ibrahim Bin Mohammed AlSagheer	Board Member	Х



14. The Group, Its Subsidiaries, and Its Associates

a. The Main Business Activities of the Group (The Company, its Subsidiaries, and its Associates)

The Company provides medical services to patients at its hospitals that are spread out across Riyadh and have a bed capacity of 600 beds. The Company's main business activities consist of managing and operating hospitals and medical facilities, as well as providing healthcare services across all fields of medicine.

b. Subsidiaries

- i. Medical Support Services Company: specializes in providing hospitals and medical centers with logistical medical and non-medical services, such as communication medicine, providing medical and non-medical maintenance services, subsistence, and hygiene, buying and selling medicines and medical supplies, and outsourced marketing.
- ii. Pharmaceutical Services Company "Pharma Serve": Specializes in wholesale and retail trade of medicine and medical supplies and equipment.

c. Associates

i. Sudair Pharmaceuticals Company: Specializes in the manufacturing of cancer medication. The cancer medication manufacturing plant represents the first phase of Sudair's factories complex, which is the largest project specialized in manufacturing cancer medication within the Kingdom.



15. Main Transactions, Investments, and Events

- a. On 01/09/2024, Al Hammadi Holding Company announced an increase in the capital of its associate company, Sudair Pharmaceuticals Company a closed joint stock company, from SAR 57 million to SAR 173 million, an increase of SAR 116 million, as the purpose of the capital increase is to support the financial position of the sister company in addition to developing the company's activity and developing its business.
- b. On 02/04/2024, Al Hammadi Holding Company announced the sale of a plot of land in the Al Rayyan district of Riyadh for SAR 124,600,000 (excluding real estate transaction tax and pursuit fees). The sale is intended to support the company's future expansion plans. The full price of the land was received on 12/06/2024.
- c. On 11/05/2024, Al Hammadi Holding Company announced the acquisition of a plot of land located in the northeast of Riyadh (Al-Mounsiyah District), at the intersection of Sheikh Jaber Al-Sabah Road and Al-Thumama Road (Specialized). The land spans a total area of 24,482.13 square meters and was purchased at a price of 7,000 Saudi Riyals per square meter, amounting to a total value of SAR 171,374,910, excluding real estate transaction tax or associated costs. The land is intended for the construction of the Group's fifth hospital, aligning with the company's strategic expansion plans.



16. Potential Risks Faced by the Company

a. Risk Related to Activities and Operations – Including, but Not Limited to:

i. The rapid development in medical devices and technologies and the need to update them periodically

The health sector is characterized by rapid progress in medical devices and equipment and technical developments, so the Company must constantly update its devices despite their increasing cost in order to be able to provide the best possible service to its customers.

ii. High costs for attracting doctors, nursing staff, and medical personnel

Attracting and employing qualified medical and nursing staff to work in the group is among the difficulties it faces due to the limited number of medical personnel available in the Saudi market. Therefore, the failure of the Company to attract and employ the best medical competencies in terms of reputation, expertise, and experience to work in the Company's hospitals will affect the operational process and its achievement of occupational and financial goals.

iii. Medical errors

The Company is exposed to medical errors that may be committed by its medical staff, and therefore, the Company cannot guarantee that such errors will not occur by its medical staff in the future despite its continuous procedures in monitoring the quality of the medical services provided.

Accordingly, the Company is obligated, according to Article (41) of the Law on the Practice of Health Services, to bear the financial compensation that must be paid to the affected patient as a result of the medical error committed by one of its health practitioners' affiliates, and it is also possible that the Company will not succeed in proving the basis of its claim to the insurance company for any reason. This could negatively affect the Company and its financial position.

iv. Price competition and the maintenance of contractual relationships

Competition has become increasingly important, as there are numerous service providers within the market. The Company strives to acquire the largest segment of customers by providing distinctive medical and treatment services that are not available to others and achieving a degree of competitive advantage and distinction over its competitors in order to achieve the highest levels of return.

v. Cost and location of new projects

It's possible that the actual cost of these projects is more than the cost estimated by the Company according to the studies that have been approved in this regard, and if the actual cost exceeds the estimated cost, the Company may have to resort to obtaining new financing to cover this increase, which leads to the Company incurring additional financing costs and could potentially impact profits.

b. Healthcare Sector Risks - Healthcare Provision

i. Cost and Location of New Projects

- The competitive environment in general with regards to the services provided and how it compares to those of other providers
- The restructuring of the Saudi healthcare market
- Saudization, as the group exerts significant effort in implementing the minimum percentage determined by the Ministry of Labor despite the lack of national health cadres in the healthcare field

c. Risks Related to Common Stock

The distribution of dividends, or lack thereof, which depends on the financial position of the Group, in addition to other factors that enable the Group to distribute dividends, which might not be available.



17. Summary of Assets, Liabilities, and Business Results (SAR millions)

a. Business Results for the Past Five Years

The following table shows a summary of the Company's profit and loss statement for the fiscal year ending 31 December 2024.

Item/Year	2020	2021	2022	2023	2024
Net Revenues	764	952	1,122	1,177	1,154
Gross Profit	253	364	420	433	382
Operating Profit	109	131	292	343	366
Profit Before Zakat	84	118	274	321	355
Profit from Continuing Operations	64	99	257	303	339
Net Profit	131	90	257	303	339

As per the above table, the Group's revenues have grown steadily throughout the past years in line with the Group's expansion strategy of establishing new hospitals and acquiring companies that complement the Group's operations. The decline in revenue for 2024 comes on the back of lower contribution from MoH referrals following a change in regulations and the price list related to patients requiring isolation.

The Company recorded net profit of SAR 339 million in 2024, up 12% from 2023, reflecting the following:

- 1) One-off gains of SAR 55 million from the sale of a land plot in Al-Rayyan District, during the second quarter of 2024.
- 2) Selling and marketing expenses decreased from SAR 9 million in 2023 to SAR 4 million in 2024, attributed to lower sales by the subsidiary "Pharma Serve".
- 3) Financing income increased to approximately SAR 6 million during 2024, reflecting the company's higher cash balance and improved collection efficiency.
- 4) Increase in the share of profits from the associate company to SAR 6 million vs. SAR 4 million in 2023.
- 5) Zakat expenses for 2024 decreased to SAR 16 million, compared to SAR 18 million in 2023, due to a reduction in the estimated Zakat base for the current year.

b. Performance Summary for the Group's Main Business Activity (The Company and its Subsidiaries)

Company Revenues SAR million	2023	Percentage of total revenue	2024	Percentage of total revenue
Medical	951	81%	951	82%
Pharmacies and Medicine	226	19%	203	18%
Total	1,177	100%	1,154	100%



Company Revenues SAR million	2023	Percentage of total revenue	2024	Percentage of total revenue
Medical and Pharmaceutical Equipment	27	2%	15	1%

The Group's net revenues for 2024 stood at SAR 1,154 million versus SAR 1,177 million in 2023, a 2% y-o-y decrease amounting to SAR 23 million. This comes on the back of lower revenue from pharmaceuticals, as well as lower contribution from MoH patients, as the impact of the tightened isolation regulations implemented in November 2023 weighed on the Group's revenue throughout the year.

c. Geographical Analysis of the Group's Revenues

The Group's operations are centralized within Riyadh and there are no branches located elsewhere within or outside the Kingdom.

d. Assets, Liabilities, and Shareholders' Equity Results for the Past five Years

Item/Year	2020	2021	2022	2023	2024
Total Assets	2,435	2,262	2,482	2,594	2,651
Total Liabilities	736	603	771	749	690
Total Shareholders' Equity	1,699	1,659	1,711	1,845	1,961
Total Liabilities and Shareholders' Equity	2,435	2,262	2,482	2,594	2,651

As shown by the previous table, total assets have grown in line with the Group's expansion strategy. In 2018, Al Hammadi Al Nuzha Hospital was inaugurated, and the Group acquired Medical Support Services Company and Pharma Serve Company. In 2021, the Board of Directors approved to discontinue the operations of Al Hammadi Olaya Hospital in order to set up a new hospital in its place. The Group also purchased a 35% stake in Sudair Pharmaceutical Industries, as well as the developer of Sudair's factories complex, as part of the Group's expansion strategy.

Total shareholders' equity grew from 1,699 in 2020 to 1,961 in 2024, a 15% y-o-y growth. Worth noting that the Company distributed dividends worth SAR 780 million between 2020 and 2024.

e. Cash Flow Statement

Item/Year	2020	2021	2022	2023	2024
Net Cash Flows from Operating Activities	328	435	253	351	464
Net Cash Flows from Investing Activities	(27)	(133)	(112)	(55)	(83)
Net Cash Flows from Financing Activities	(363)	(195)	(201)	(232)	(261)
Net Change in Cash	(62)	107	(60)	64	120
Cash Balance at the Start of the Year	76	14	121	61	125
Cash Balance at the End of the Year	14	121	61	125	245





18. Substantial Differences in Operational Results **Compared to the Previous Year**

There have been no substantial changes in the Company's operational results compared to the previous year, nor have there been any announcements by the Company outlining expectations for upcoming changes.



19. Differences in Accounting Standards from Those Approved by the Saudi Organization for Certified Public Accountants (SOCPA)

The Company's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in line with interpretations issued by the International Accounting Standards Board (IASB), and approved by the Saudi Organization for Certified Public Accountants (SOCPA).

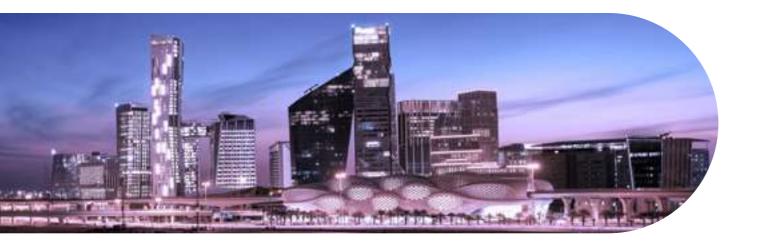


20. Subsidiaries and Associates

Company Name	Capital	Ownership%	Main scope of Business	Location
Medical Support Services Company	SAR 2,000,000 million	100%	Buying and selling medicines and medical supplies	Riyadh, KSA
Pharma Serve Company	SAR 500,000	100%	Wholesale and retail trade of medicine and medical supplies and equipment	Riyadh, KSA
United Medical Industries Limited	SAR 50,000	100%	Manufacturing of pharmaceutical and medical supplies	Riyadh, KSA

Associates

Company Name	Capital	Ownership%	Main scope of Business	Location
Sudair Pharmaceuticals Company	SAR 173,000,000	35%	Manufacturing of cancer medication	Riyadh, KSA







21. Dividend Policy

In accordance with the Company's articles of association and the regulations for the distribution of profits in the internal corporate governance system, the distribution of cash dividends is subject to the approval of the General Assembly based on the recommendations of the Board of Directors, taking into account various factors such as the Company's financial position and its financial pledges that restrict the distribution of cash dividends according to the credit facilities agreements concluded by the Company With its financing banks, as well as its current and expected business results, cash requirements, and expansion plans.

Article	Definition
Article (46) Distribution of Profits	The company may distribute dividends to its shareholders at any time, whether quarterly, semi-annually, or annually, from distributable profits based on audited or reviewed financial statements and in compliance with the regulations issued by the relevant authorities.
Article (47) Dividend Eligibility	Shareholders are entitled to a share in the Company's profits in accordance with the decisions of the general assembly issued in this regard. The decision shall indicate the date of maturity and the date of distribution. The eligibility of profits shall be for the owners of shares registered in the shareholders' records as of the end of the due date. The Board of Directors is responsible for implementing the General Assembly's decision regarding the distribution of dividends to shareholders.

In addition, the General Assembly of Shareholders, in its meeting held on 30/06/2024, approved that the Board of Directors should distribute interim dividends to shareholders on a semi-annual or quarterly basis, taking into account relevant regulations.



The following table shows the percentages of dividends distributed to shareholders during the various periods of the 2024 fiscal year:

Item	05/06/2024 Q1	21/08/2024 Q2	01/12/2024 Q3	16/03/2025 Q4	Total Dividends Disbursed in FY 2024
Dividend to Face Value of Share Ratio	3.5%	3.5%	3.5%	3.5%	14.0%
Total	56,000,000	56,000,000	56,000,000	56,000,000	224,000,000

The Company is committed to distributing no less than 60% of its net profit for each quarter for three years starting from the third quarter of the year 2022. The dividend policy is subject to change according to the following:

- Any material changes in the Company's strategy and operations (including the commercial environment in which the Company operates)
- Laws, regulations, legislations, and controls governing the sector in which the Company operates
- Any obligations or undertakings to banking or financing entities, or to meet the requirements of credit rating agencies, which may be binding on the Company from time to time

The following table shows the Company's historical profit figures.

Item	2020	2021	2022	2023	2024
Net Profit	131	90	257	303	339
Average Number of Shares	120	120	160	160	160
Total Value Distributed	60	72	200	224	224
% of Net Profit	46%	80%	78%	74%	66%



22. Statement of Shareholders Owning 5% or More of the Company's Capital as at 31 December 2024

a. Investors by Size

Ownership Size – Share	No. of Investors	No. of Shares	Ownership Percentage
More than a million	17	97,028,111	60.6%
From (501 thousand) – less than a million	10	6,969,596	4.4%
From (100 thousand) – less than (500 thousand)	92	19,361,087	12%
Less than (100 thousand)	50,797	36,641,206	23%
Total	50.916	160.000.000	100%

b. Investors by Type

Ownership Size – Share	No. of Investors	No. of Shares	Ownership Percentage
Companies and Institutions	273	44,469,456	28.8%
Individuals	50,644	115,530,544	72.2%
Total	50.916	160.000.000	100%







23. Share Direct Ownership of Board Members, Senior Executives, and Their Wives or Minor Children

The following tables show the share ownership of Board Members and Senior Executives, including their wives and minor children, as well as any changes that occurred during FY 2024.

i. Share Direct Ownership of Board of Directors Members

Name	Nature of Membership	31/12/2023	31/12/2024	% Change
Mr. Saleh Mohammed Hamad Al Hammadi*	N/A	21.050.400	21.050.400	0%
Dr. Abdulaziz Bin Mohammed Bin Hamad Al Hammadi and his spouse	Non-executive	17.413.466	17.413.466	0%
Mr. Mohammed Bin Saleh Bin Mohammed Al Hammadi	Executive	7.840.000	7.840.000	0%
Dr. Abdulaziz Bin Saleh Bin Mohammed Al Hammadi	Executive	7.840.000	7.840.000	0%
Mr. Aziz Bin Muhammed Bin Algahtani	Independent	133	133	0%
Mr. Fahad Suliman Bin Alnuhait	Independent	20	20	0%
Mr. Saad Bin Abdulmuhssin Alhamidi	Independent	4,011	4,011	0%
Dr. Nasser Bin Hamd Mohammed Binsaif	Independent	5,335	5,335	0%
Dr. Ahmed Bin Ibraheem M Alsagheir	Independent	0	0	0%

ii. Share Direct Ownership of Senior Executives

Name	Nature of Membership	31/12/2023	31/12/2024	% Change
Mr. Mohammed Saleh Mohammed Al Hammadi	Executive	7,840,000	7,840,000	0%
Dr. Abdulaziz Saleh Mohammed Al Hammadi	Executive	7,840,000	7,840,000	0%
Mr. Mohamed Saeed Suliman Al-Saafeen	CFO	-	-	0%

^{*} Membership ended 13/11/2023



24. Loans and Indebtedness

Information related to loans (whether they are payable on demand or otherwise), the Group's total debt, and any amounts paid by the Company in loan repayments during the year, as well as the principal amount of the loan, the name of the loaning party, the loan duration, and the remaining amount:

i. Loans Provided by Commercial Banks

None

ii. Loans Provided by the Ministry of Finance

Lending Entity	Total Loans Value	Loan Length	Balance at the Start of the Year	Additions Made During the Year	Repayments Made During the Year	Remaining Balance
Ministry of Finance	374,284,800	20 Years	283,147,300	-	18,712,240	264,433,060

iii. Statement of Indebtedness

Item	Value (SAR)
Long-term Loans and Government Grants	183,860,529
Short-term Loans and Government Grants	105,835,007
Accrued Expenses and Other Liabilities	100,260,643
Employees' End of Service Benefits	97,394,254
Trade Payables	66,437,751
Accrued Zakat	15,475,483
Lease Liabilities	120,248,750
Total	689,512,417





25. Board of Directors Meetings

The Company's Board of Directors held four meetings during 2024. Member attendance for said meetings is listed in the following table:

Name	18/03/2024	18/05/2024	03/08/2024	02/11/2024	Total
Dr. Abdulaziz Mohammed Hamad Al Hammadi	\checkmark	\checkmark	√	\checkmark	4
Mr. Mohammed Saleh Mohammed Al Hammadi	√	√	√	\checkmark	4
Dr. Abdulaziz Saleh Mohammed Al Hammadi	√	√	√	\checkmark	4
Mr. Aziz Muhammed Al-gahtani	√	\checkmark	\checkmark	\checkmark	4
Mr. Fahad Suliman Alnuhait	V	√	√	√	4
Mr. Saad Abdul-muhssin Alhamidi	$\sqrt{}$	$\sqrt{}$	√	$\sqrt{}$	4
Dr. Nasser Hamd Mohammed BinSaif	√	√	√	√	4
Dr. Ahmed Ibraheem M Alsagheir	√	√	√	√	4



26. Requests for Shareholders' Register

Request Date	Reasons for Request
04/02/2024	Corporate Procedure
30/06/2024	General Assembly
17/11/2024	Earnings Report
19/11/2024	Earnings Report



27. Related Party Transactions

The Members of the Board of Directors confirm that all agreements concluded with related parties do not include any preferential terms, and that these contracts are renewed annually by the General Assembly of Share-holders for approval.

During 2024 there were no contracts where the Company was a party and in which there were substantial benefits for either the Chairman of the Board, any of the Board Members, any of the Company's Executive Managers, the CFO, the Managing Director, or any other individual apart from those mentioned in the report.

The members of the Board of Directors confirm that it is not permissible for any Board Member without permission from the General Assembly of Shareholders to renew each year or participate in any business that would compete with the Company or to trade in one of the branches of the activity that it practices.

The following table shows all related party transactions for the year 2024:

Related party	Contracting Party	Value in SAR	Contract Type
Mr. Saleh Mohammed Al Hammadi	Personal Seven Sanabel Company	8,600,000	Residential Lease for Company Employees
Dr. Nasser Hamd Mohammed Binsaif*	Artal Food Trading	7,713.821	Several Supply and Support services
Dr. Abdulaziz Mohammed Al Hammadi	Personal	4,300,000	Residential Lease
Mr. Mohammed bin Saleh Al Hammadi **	Aziz Company for Contracting and Industrial Investment	259,100	Lease for the company's offices
Relatives of Shareholders	Personal	700,000	Residential Lease
Mr. Mohammed bin Saleh Al Hammadi***	Al Hammadi Information Technology	4,868,010	SMS and Technical Support
Total		26,440,931	

The following table shows the payment balances with related parties:

	Receivables (SAR)	Payables (SAR)
Key Shareholders	818,912	48,845

^{*} Transactions with Artal Food Trading were conducted through a delegation from the General Assembly of Shareholders dated 13/04/2023 to the Board of Directors with the permissions set out in article (56) of the Regulatory Rules and Procedures issued pursuant to the Company's Law. Artal Food Trading is owned by a relative to Dr. Nasser Hamd Mohammed Binsaif (Board Member).



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28. Statutory Payments

The Company falls under the jurisdiction of the Zakat, Tax, and Customs Authority, and the Company pays Zakat in line with the instructions set out by the authority.

The following table shows the zakat provision due and paid during FY 2024 in SAR millions:

Item	Value in SAR million	
Balance as at 01/01/2024	17,8	
Zakat Provision for the Year	15,9	
Paid Amounts	(18,2)	
Balance as at 31/12/2024	15,5	

The following table shows the statutory payments due and paid during FY 2024 in SAR millions:

Item	Value in SAR million	
Zakat	18,2	
VAT	90,2	
Social Insurance	17,9	
Government Fees	22,7	
Total	149,0	



^{**} Mr. Mohammed bin Saleh Al Hammadi is a member of the Board of Aziz Company for contracting and Industrial Investment.

 $[\]hbox{\it ````} Al\, Hammadi\, Information\, Technology\, is\, owned\, by\, Mr.\, Mohammed\, Saleh\, Al\, Hammadi,\, an\, executive\, Board\, Member.$

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29. Board of Directors Statement

a. The Board of Directors Confirms the Following

- The Company's internal controls system was prepared on sound basis and implemented effectively.
- The Company's financial records were correctly prepared.
- There are no doubts about the Company's ability to maintain its various activities.
- There are no penalties of substantial effect or other precautionary restrictions imposed on the Company by any supervisory or regulatory body.
- The Audit Committee has no concerns about the external auditor and has not raised any recommendations to the Board of Directors to replace them prior to the expiry of their contractually agreed term.
- The external auditor's report has not contained any reservations and has affirmed the presentation of the Group's consolidated financial statements in a fair manner.
- The Company has not issued shares or debt instruments to any of its subsidiaries.
- The Company, as well as its subsidiaries, did not purchase, refund, or cancel any refundable debt instruments.
- During the year, the Company did not issue or grant any debt instruments convertible into shares or any contractual securities, subscription right notes, or similar rights, and no compensation was obtained by the Company in exchange.
- During the year, the Company did not issue or grant any transfer of subscription rights under debt instruments convertible into shares, any contractual securities, subscription right note s, or similar rights.
- The Company has not made any arrangements or assignment agreement whereby any of the shareholders of the Company waives their rights to the profits.
- The Company has not made any arrangements or assignment agreement whereby a member of the Board of Directors or a senior executive waives a salary or compensation.
- During the year, the Company did not make any investments or create other reserves for the benefit of the Company's employees.
- During the year, no interest belonging to persons other than board members, senior executives, their spouses, and minor children in the category of shares eligible to vote.



30. Board of Directors Decisions and Recommendations

The Board of Directors does not have any recommendations up until the date of preparing the annual report for FY 2024.

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Scan here to access Al Hammadi Holding's financial statements for the year ended 31 December 2024





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