

NAHDI MEDICAL COMPANY
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**

with

INDEPENDENT AUDITOR'S REVIEW REPORT

For the three-month period ended 31 March 2026

NAHDI MEDICAL COMPANY
(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
For the three-month period ended 31 March 2026

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KPMG Professional Services Company

Zahran Business Center
Prince Sultan Street
P. O. Box 55078
Jeddah 21534
Kingdom of Saudi Arabia
Commercial Registration No 4030290792

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية

مركز زهران للأعمال
شارع الأمير سلطان
ص. ب. 55078
جده 21534
المملكة العربية السعودية
سجل تجاري رقم 4030290792

المركز الرئيسي في الرياض

Independent Auditor's Report on review of condensed consolidated interim financial statements

To the Shareholders of Nahdi Medical Company (a Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying 31 March 2026 condensed consolidated interim financial statements of Nahdi Medical Company (the "Company") and its subsidiaries ("the Group"), which comprises:

- the condensed consolidated statement of financial position as at 31 March 2026;
- the condensed consolidated statement of profit or loss and other comprehensive income for the three-month period ended 31 March 2026;
- the condensed consolidated statement of changes in equity for the three-month period ended 31 March 2026;
- the condensed consolidated statement of cash flows for the three-month period ended 31 March 2026; and
- the notes to the condensed consolidated interim financial statements.

Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' that is endorsed in the Kingdom of Saudi Arabia. A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Independent Auditor's Report on review of condensed consolidated interim financial statements (CONTINUED)

To the Shareholders of Nahdi Medical Company (a Saudi Joint Stock Company)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2026 condensed consolidated interim financial statements of Nahdi Medical Company and its subsidiaries are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

KPMG Professional Services Company

Dr. Abdullah Hamad Al Fozan
License No. 348



Jeddah, 6 May 2026
Corresponding to 19 Dhul Qadah 1447H

NAHDI MEDICAL COMPANY
(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 31 March 2026

(Expressed in Saudi Riyals unless otherwise stated)

	Notes	31 March 2026 (Unaudited) ﷲ	31 December 2025 (Audited) ﷲ
ASSETS			
Property and equipment	4	1,203,253,525	1,202,956,432
Intangible assets		67,297,853	67,615,618
Investment properties	5	255,900,823	255,900,823
Right-of-use assets	6	1,812,832,210	1,825,289,731
Net investment from finance lease	7	10,702,174	10,627,015
Prepayments and other non-current assets		27,939,740	29,465,214
Non-current assets		3,377,926,325	3,391,854,833
Inventories	8	2,322,975,209	2,277,875,619
Trade receivables	9	278,659,176	261,431,783
Prepayments and other current assets		217,128,376	203,816,766
Finance lease - current portion	7	1,437,093	1,460,016
Financial assets measured at FVTPL	10	100,219,478	--
Cash and cash equivalents	11	1,116,099,123	554,443,212
Current assets		4,036,518,455	3,299,027,396
Total assets		7,414,444,780	6,690,882,229
EQUITY AND LIABILITIES			
Equity			
Share capital	12-A	1,300,000,000	1,300,000,000
Foreign currency translation reserve		(95,430)	111,799
Retained earnings		1,315,776,293	1,443,426,566
Total shareholders' equity		2,615,680,863	2,743,538,365
Liabilities			
Lease liabilities	6	1,381,624,154	1,363,088,843
Accruals and other non-current liabilities		8,179,832	15,237,863
Employee benefit liabilities	13	403,393,329	421,460,663
Non-current liabilities		1,793,197,315	1,799,787,369
Trade payables		1,911,746,308	1,418,612,325
Lease liabilities – current portion	6	387,861,267	420,242,217
Accruals and other current liabilities		651,704,733	257,987,135
Zakat and tax provision	14	54,254,294	50,714,818
Current liabilities		3,005,566,602	2,147,556,495
Total liabilities		4,798,763,917	3,947,343,864
Total equity and liabilities		7,414,444,780	6,690,882,229

Approved by:

Abdullah Al Nahdi
Deputy Chairman

Yasser Joharji
CEO

Mohammad Al-Khubani
CEO

The attached notes from 1 to 23 form an integral part of these condensed consolidated interim financial statements.

NAHDI MEDICAL COMPANY
(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the three-month period ended 31 March 2026

(Expressed in Saudi Riyals unless otherwise stated)

	Notes	Three-month period ended 31 March	
		2026 ﷲ	2025 ﷲ
Revenue	15	2,794,442,262	2,634,953,061
Cost of revenue		(1,806,709,885)	(1,691,129,145)
Gross profit		987,732,377	943,823,916
Other operating income		6,178,937	6,828,371
Selling and distribution expenses		(637,378,303)	(591,429,131)
General and administrative expenses		(96,788,168)	(89,233,868)
Operating profit for the period		259,744,843	269,989,288
Finance costs		(35,319,923)	(35,827,408)
Finance income		14,367,735	18,522,703
Unrealized gain on financial assets measured at FVTPL	10	219,478	--
Other income		210,146	9,598
Profit for the period before zakat and tax		239,222,279	252,694,181
Zakat and tax (charge) / reversal	14	(3,539,476)	2,469,511
Net profit for the period		235,682,803	255,163,692
Other comprehensive income / (loss)			
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>			
Re-measurement gain / (loss) on defined benefit plans	13	26,666,924	(2,317,382)
<i>Items that may be reclassified to profit or loss in subsequent periods</i>			
Exchange differences on translation of foreign operations		(207,229)	166,752
Other comprehensive income / (loss) for the period		26,459,695	(2,150,630)
Total comprehensive income for the period		262,142,498	253,013,062
Earnings per share			
Basic and diluted, earnings per share attributable to ordinary equity holders of the Parent Company	16	1.81	1.96

Approved by:

Abdullah Al Nahdi
Deputy Chairman

Yasser Joharji
CEO

Mohammed Al-Khubani
CFO

The attached notes from 1 to 23 form an integral part of these condensed consolidated interim financial statements.

NAHDI MEDICAL COMPANY
(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the nine-month period ended 31 March 2025

(Expressed in Saudi Riyals unless otherwise stated)

	<u>Share capital</u> ﷲ	<u>Statutory reserve</u> ﷲ	<u>Retained earnings</u> ﷲ	<u>Foreign currency translation reserve</u> ﷲ	<u>Total</u> ﷲ
Balance as at 1 January 2025 (audited)	1,300,000,000	369,207,440	916,969,664	(74,256)	2,586,102,848
Net profit for the period	--	--	255,163,692	--	255,163,692
Other comprehensive loss for the period	--	--	(2,317,382)	166,752	(2,150,630)
Total comprehensive income for the period	--	--	252,846,310	166,752	253,013,062
Dividends (note 12-B)	--	--	(390,000,000)	--	(390,000,000)
Balance as at 31 March 2025 (unaudited)	<u>1,300,000,000</u>	<u>369,207,440</u>	<u>779,815,974</u>	<u>92,496</u>	<u>2,449,115,910</u>
Balance as at 1 January 2026 (audited)	1,300,000,000	--	1,443,426,566	111,799	2,743,538,365
Net profit for the period	--	--	235,682,803	--	235,682,803
Other comprehensive income for the period	--	--	26,666,924	(207,229)	26,459,695
Total comprehensive income for the period	--	--	262,349,727	(207,229)	262,142,498
Dividends (note 12-B)	--	--	(390,000,000)	--	(390,000,000)
Balance as at 31 March 2026 (unaudited)	<u>1,300,000,000</u>	<u>--</u>	<u>1,315,776,293</u>	<u>(95,430)</u>	<u>2,615,680,863</u>

Approved by:


Abdullah Al Nahdi
Deputy Chairman


Yasser Joharji
CEO


Mohammed Al-Khubani
CFO

The attached notes from 1 to 23 form an integral
part of these condensed consolidated interim financial statements.

NAHDI MEDICAL COMPANY
(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the nine-month period ended 31 March 2025

(Expressed in Saudi Riyals unless otherwise stated)

	Notes	Three-month period ended 31 March	
		2026 ريال	2025 ريال
Operating activities			
Profit for the period before zakat		239,222,279	252,694,181
<i>Adjustment to reconcile profit for the period before zakat to net cash flows from operating activities:</i>			
Depreciation of property and equipment	4	74,603,145	69,575,688
Depreciation of right-of-use assets	6	118,379,209	112,997,254
Amortisation of intangible assets		8,021,717	7,948,897
Gain on disposal of property and equipment		(60,716)	--
Gain on termination of leases		(182,155)	(76,406)
Unrealized gain on financial assets measured at FVTPL	10	(219,478)	--
Creation for Impairment losses on trade receivables	9	1,276,272	968,312
Creation of impairment for inventories	8	18,683,251	5,270,657
Provision for employee benefits	13	17,758,675	19,091,714
Finance costs		35,319,923	35,827,408
Finance income		(14,367,735)	(18,522,703)
		<u>498,434,387</u>	<u>485,775,002</u>
<i>Working capital adjustments:</i>			
Inventories		(63,782,841)	(238,612,831)
Trade receivables		(18,503,665)	(2,437,106)
Prepayments and other current assets		(4,905,853)	19,645,350
Trade and other payables		493,133,983	557,236,256
Accruals and other current liabilities		(2,144,826)	(147,271,586)
Cash from operations		<u>902,231,185</u>	<u>674,335,085</u>
Finance costs paid		(35,319,923)	(35,827,408)
Zakat paid	14	--	--
Employee benefits paid	13	(9,159,085)	(6,757,192)
Net cash flows from operating activities		<u>857,752,177</u>	<u>631,750,485</u>
Investing activities			
Purchase of property and equipment	4	(76,096,106)	(95,796,778)
Proceeds from disposal of property and equipment		60,977	--
Purchase of intangible assets		(7,703,952)	(7,865,403)
Investment in financial assets measured at FVTPL	10	(100,000,000)	--
Proceeds from finance income		7,310,216	11,839,410
Principal received from finance lease	7	125,000	--
Net cash flows used in investing activities		<u>(176,303,865)</u>	<u>(91,822,771)</u>
Financing activities			
Payment of principal portion of lease liabilities		(119,585,172)	(120,480,743)
Dividend paid	12-B	--	(388,590,187)
Cash flows used in financing activities		<u>(119,585,172)</u>	<u>(509,070,930)</u>
Decrease in cash and cash equivalents		<u>561,863,140</u>	<u>30,856,784</u>
Cash and cash equivalents at the beginning of the period		554,443,212	956,809,579
Net foreign exchange difference		(207,229)	166,752
Cash and cash equivalents at the end of the period	11	<u>1,116,099,123</u>	<u>987,833,115</u>
Supplementary non-cash information:			
Dividends Payable		390,000,000	1,409,813
Finance income receivable		6,880,283	3,648,978
Additions to right-of-use assets	6	122,818,238	202,845,245

Approved by:

Abdullah Al Nahdi
Deputy Chairman

Yasser Joharji
CEO

Mohammed Al-Khubani
CFO

The attached notes from 1 to 23 form an integral part of these condensed consolidated interim financial statements.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UNAUDITED)**

For the three-month period ended 31 March 2026
(Expressed in Saudi Riyals unless otherwise stated)

1. CORPORATE INFORMATION

Nahdi Medical Company (the “Parent Company” or the “Company”) is a Saudi Joint Stock Company formed under Companies Law in the Kingdom of Saudi Arabia under Commercial Registration No. 4030053868 dated 1 October 2003 (corresponding to 5 Sha’ban 1424H) and Unified No. 7018056114. The Group is operating in accordance with the Ministry of Health License No. 26-101-31-67-3 dated 28 December 2003 (corresponding to 22 Dhul-Hijjah 1424H).

The principal activity of the Group is the wholesale and retail trading of cosmetics, pharmaceutical products, special and healthy foods and medical equipment.

The Group operates mainly in the Kingdom of Saudi Arabia (“KSA”) and the United Arab Emirates (“UAE”) and its Head Office is located at the following address:

Nahdi Medical Company,
PO. Box 17129,
King Abdulaziz Road, Murjan District, Jeddah 23715
Kingdom of Saudi Arabia.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed consolidated interim financial statements for the three-month period ended 31 March 2026 have been prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”) as endorsed in the Kingdom of Saudi Arabia (“KSA”). The Group has prepared the condensed consolidated interim financial statements on the basis that it will continue to operate as a going concern. The management considers that there are no material uncertainties that may cast significant doubt over this assumption. The management have formed a judgment that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

These condensed consolidated interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2025. In addition, results for the condensed consolidated interim financial statements for the period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

2.2 Basis of measurement

These condensed consolidated interim financial statements have been prepared under the historical cost basis except the employee retirement benefit is recognised at the present value of future obligations using the Projected Unit Credit Method.

The Group has prepared the condensed consolidated financial statements on the basis that it will continue to operate as a going concern.

NAHDI MEDICAL COMPANY
(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UNAUDITED)**

For the three-month period ended 31 March 2026
(Expressed in Saudi Riyals unless otherwise stated)

2. BASIS OF PREPARATION (continued)

2.3 Functional and presentation currency

These condensed consolidated interim financial statements are presented in Saudi Riyals (“ﷲ”) which is also the functional currency of the Group.

2.4 Basis of consolidation

These condensed consolidated interim financial statements include the financial information of the Parent Company and the following direct and indirect subsidiaries (collectively referred to “the Group”), in which the Group exercises control as at 31 March 2026.

<u>Subsidiary name</u>	<u>Legal structure</u>	<u>Country of incorporation</u>	<u>Principal business activity</u>	<u>Effective ownership interest</u>	
				<u>31 March 2026</u>	<u>31 December 2025</u>
Al Nahdi Care	Limited liability company	KSA	Clinics	100%	100%
Sakhaa Golden Company*	Limited liability company	KSA	Labor Services	100%	100%
Nahdi Investment Company**	Limited liability company	UAE	Holding Company	100%	100%

* As at 31 March 2026, Al Sakhaa Golden Trading and Contracting Company has an investment in the following subsidiary:

<u>Subsidiary name</u>	<u>Legal structure</u>	<u>Country of incorporation</u>	<u>Principal business activity</u>	<u>Effective ownership interest</u>	
				<u>31 March 2026</u>	<u>31 December 2025</u>
Al Sakhaa integrated solutions	Limited liability company	Egypt	IT consulting	99%	99%

The remaining 1% is held by Nahdi Investment Company, who holds the share for the beneficial interest of the company and accordingly there is no non-controlling interest.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UNAUDITED)**

For the three-month period ended 31 March 2026
(Expressed in Saudi Riyals unless otherwise stated)

2. BASIS OF PREPARATION (continued)

2.4 Basis of consolidation (continued)

**As at 31 March 2026, Nahdi Investment Company also has investments in the following subsidiaries:

<u>Subsidiary name</u>	<u>Legal structure</u>	<u>Country of incorporation</u>	<u>Principal business activity</u>	<u>Effective ownership interest</u>	
				<u>31 March 2026</u>	<u>31 December 2025</u>
Nahdi Drug Store	Limited liability company	UAE	Drug store	99%	99%
Al Nahdi Pharmacy	Limited liability company	UAE	Pharmacy	99%	99%

The remaining 1% is held by Mr. Saleh Mohamed Amer Salmeen Al Hajeri of Al Nahdi Investment Co. who holds the share for the beneficial interest of the company.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Group, using consistent accounting policies of the Group.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated.

Unrealized losses (if any) are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has control over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UNAUDITED)**

For the three-month period ended 31 March 2026
(Expressed in Saudi Riyals unless otherwise stated)

2. BASIS OF PREPARATION (continued)

2.4 Basis of consolidation (continued)

Control is achieved when the Group is exposed, or has rights, to variable returns from its transactions with the investee and has the ability to affect those returns through exercising its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its transactions with the investee.
- The ability to use its power over the investee to affect its returns.

2.5 Significant accounting judgments, estimates and assumptions

The preparation of the Group's condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The significant judgments made by management in applying the Group's accounting policies and the methods of computation and the key sources of estimation are the same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

3. NEW STANDARDS AND AMENDMENTS TO STANDARDS

3.1 New standards and amendments to standards

The following amendments to existing standards and framework have been applied by the Group in preparation of these condensed interim financial statements. The adoption of the following did not result in changes to the previously reported profit or equity of the Group.

<u>Standard / Interpretation</u>	<u>Description</u>	<u>Effective date</u>
IAS 21	Lack of exchangeability (amendments to IAS 21)	1 January 2025
IFRS 9 and IFRS 7	Classification and measurement of financial instruments	1 January 2026

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UNAUDITED)**

For the three-month period ended 31 March 2026
(Expressed in Saudi Riyals unless otherwise stated)

3. NEW STANDARDS AND AMENDMENTS TO STANDARDS (continued)

3.2 Standards issued but not yet effective

The standards, interpretations, and amendments issued, but not yet effective up to the date of issuance of the condensed interim financial statements are disclosed below. The Group is currently assessing the implications on the Group's condensed interim financial statements on adoption. The Group intends to adopt these standards, where applicable, when they become effective.

<u>Standard / Interpretation</u>	<u>Description</u>	<u>Effective from periods beginning on or after the following date</u>
IFRS 18	Presentation and disclosure in financial statements	January 01, 2027
IFRS 10 and IAS 28	Sale or contribution of assets between investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)	Available for optional adoption / effective date deferred indefinitely

The Group is currently assessing the implications on the financial statements of the Group on adoption of above-mentioned standards.

4. PROPERTY AND EQUIPMENT

	31 March 2026 (Unaudited) ﷲ	31 March 2025 (Unaudited) ﷲ	31 December 2025 (Audited) ﷲ
Cost:			
At the beginning of the period / year	2,819,495,194	2,474,844,516	2,474,844,516
Additions during the period / year	76,096,106	95,796,778	387,085,742
Disposals during the period / year	(4,723,142)	-	(517,456)
Write-offs during the period / year	(8,183,015)	(13,971,589)	(41,917,608)
At the end of the period / year	2,882,685,143	2,556,669,705	2,819,495,194
Depreciation:			
At the beginning of the period / year	1,616,538,762	1,362,256,729	1,362,256,729
Depreciation charge for the period / year	74,603,145	69,575,688	289,246,261
Disposals during the period / year	(4,722,881)	-	(516,769)
Write-offs during the period / year	(6,987,408)	(11,262,835)	(34,447,459)
At the end of the period / year	1,679,431,618	1,420,569,582	1,616,538,762
<u>Net book value:</u>			
At the end of the period / year	1,203,253,525	1,136,100,123	1,202,956,432

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UNAUDITED)**

For the three-month period ended 31 March 2026
(Expressed in Saudi Riyals unless otherwise stated)

5. INVESTMENT PROPERTIES

	31 March <u>2026</u> (Unaudited)	31 March <u>2025</u> (Unaudited)	31 December <u>2025</u> (Audited)
	ﷲ	ﷲ	ﷲ
Cost:			
At the beginning and end of the period / year	262,963,234	262,963,234	262,963,234
Accumulated Impairment loss:			
At beginning of the period / year	7,062,411	7,062,411	7,062,411
Reversal of impairment loss for the period/ year	--	--	--
At the end of the period / year	7,062,411	7,062,411	7,062,411
<u>Net book value:</u>			
At the end of the period / year	255,900,823	255,900,823	255,900,823

The Group's investment properties mainly represent the parcels of land in KSA which are currently held for undetermined future use. The fair value of the Group's investment properties as at 30 November 2025 was valued at ﷲ348.4 million (30 November 2024: ﷲ346.9 million).

The fair value of the Group's investment properties, as at 30 November 2025 was determined on the basis of the valuation exercise carried out by two independent external real estate valuers Abdullah Al Kathiri Real Estate Evaluation Office and Abdulaziz Al-Azab Real Estate Evaluation Co. (2024: Abdullah Al Kathiri Real Estate Evaluation Office and Abdulaziz Al-Azab Real Estate Evaluation Co.) accredited by the Saudi Authority for Accredited Valuers ("TAQEEM"). Both valuers have appropriate qualifications and relevant experience in the fair value measurement of properties in the relevant locations. Management adopted the lower of the two valuation results as the basis for measuring the fair value of the investment properties.

The fair value of the lands has been determined based on income method, a valuation model in accordance with that recommended by the Saudi Authority for Accredited Valuers was applied.

This valuation model is in accordance with those recommended by the International Valuation Standards Committee and is consistent with the principles in IFRS 13.

All investment properties of the Group are currently held for undetermined future use.

The Group has no restrictions on the realizability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repair, maintenance, and enhancement.

NAHDI MEDICAL COMPANY
(A Saudi Joint Stock Company)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the three-month period ended 31 March 2026
(Expressed in Saudi Riyals unless otherwise stated)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Set out below, are the carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the period / year:

	<u>31 March 2026</u>		<u>31 March 2025</u>		<u>31 December 2025</u>	
	<u>Right-of-use assets</u> (Unaudited) ﷲ	<u>Lease Liabilities</u> (Unaudited) ﷲ	<u>Right-of-use assets</u> (Unaudited) ﷲ	<u>Lease Liabilities</u> (Unaudited) ﷲ	<u>Right-of-use assets</u> (Audited) ﷲ	<u>Lease liabilities</u> (Audited) ﷲ
At the beginning of the period / year	1,825,289,731	1,783,331,060	1,607,005,320	1,529,755,774	1,607,005,320	1,529,755,774
Addition during the period / year	122,818,238	122,818,238	202,845,245	202,845,245	756,615,702	770,193,330
Modifications during the period / year*	(2,172,631)	(2,172,631)	(3,194,203)	(3,194,203)	(8,758,582)	(8,758,582)
Termination during the period / year**	(14,723,919)	(14,906,074)	(3,260,688)	(3,337,094)	(55,646,679)	(53,903,538)
Depreciation during the period / year	(118,379,209)	--	(112,997,254)	--	(473,926,030)	--
Accretion of interest during the period / year	--	20,977,002	--	22,202,989	--	88,014,420
Payments during the period / year	--	(140,562,174)	--	(142,683,732)	--	(541,970,344)
At the end of the period / year	<u>1,812,832,210</u>	<u>1,769,485,421</u>	<u>1,690,398,420</u>	<u>1,605,588,979</u>	<u>1,825,289,731</u>	<u>1,783,331,060</u>

* The lease modifications during the period relates to a reduction of lease payments for 18 pharmacies (year ended 31 December 2025: 63 pharmacies) lease contracts which resulted in decrease in the carrying value of lease liabilities and right of use asset.

** The lease terminations during the period relates to 36 pharmacies (year ended 31 December 2025: 49 pharmacies) lease contracts terminated before the expiry date which results to lease termination gain amounting to ﷲ 182,155 (year ended 31 December 2025 loss: ﷲ 1,743,141).

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6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The following are the lease liabilities as classified in the condensed consolidated interim statement of financial position:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
	S	S
Current	387,861,267	420,242,217
Non-current	1,381,624,154	1,363,088,843
	<u>1,769,485,421</u>	<u>1,783,331,060</u>

The additions, terminations and modifications during the period/ year happened in normal course of business.

7. NET INVESTMENT FROM FINANCE LEASE

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
	S	S
As at 1 January	12,087,031	--
Addition	--	13,673,738
Sublease Interest income	177,236	1,090,745
Payments during the period / year	(125,000)	(2,677,452)
At the end of the period / year	<u>12,139,267</u>	<u>12,087,031</u>
Current	<u>1,437,093</u>	<u>1,460,016</u>
Non-current	<u>10,702,174</u>	<u>10,627,015</u>

8. INVENTORIES

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
	S	S
Inventories	2,449,583,679	2,393,353,182
Less: provision for inventories	(126,608,470)	(115,477,563)
	<u>2,322,975,209</u>	<u>2,277,875,619</u>

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8. INVENTORIES (continued)

Movement in the provision for inventories was as follows:

	31 March <u>2026</u> (Unaudited) ﷲ	31 March <u>2025</u> (Unaudited) ﷲ	31 December <u>2025</u> (Audited) ﷲ
At the beginning of the period / year	115,477,563	106,562,953	106,562,953
Charge for the period / year	18,683,251	5,270,657	61,292,048
Written off during the period / year	<u>(7,552,344)</u>	<u>(10,324,177)</u>	<u>(52,377,438)</u>
At the end of the period / year	<u>126,608,470</u>	<u>101,509,433</u>	<u>115,477,563</u>

9. TRADE RECEIVABLES

	31 March <u>2026</u> (Unaudited) ﷲ	31 December <u>2025</u> (Audited) ﷲ
Trade receivables	285,901,391	267,407,699
Less: Impairment losses on trade receivables (see note below)	<u>(7,242,215)</u>	<u>(5,975,916)</u>
	<u>278,659,176</u>	<u>261,431,783</u>

Movement in the impairment losses on trade receivables is as follows:

	31 March <u>2026</u> (Unaudited) ﷲ	31 March <u>2025</u> (Unaudited) ﷲ	31 December <u>2025</u> (Audited) ﷲ
At the beginning of the period / year	5,975,916	3,719,548	3,719,548
Charge / (reversal) for the period / year	1,276,272	968,312	2,690,128
Written off during the period / year	<u>(9,973)</u>	<u>--</u>	<u>(433,760)</u>
	<u>7,242,215</u>	<u>4,687,860</u>	<u>5,975,916</u>

Trade receivables are non-interest bearing and are generally settled on terms of 60 days.

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10. FINANCIAL ASSETS MEASURED AT FVTPL

As at 31 March 2026, financial assets at fair value through profit or loss comprise an investment in a money market fund amounting to ₪ 100.2 million (31 December 2025: nil). The investment is held with the intention of trading and disposal within the next 12 months and is measured at fair value based on the net asset value per unit as reported by the fund manager and is classified within Level 2 of the fair value hierarchy.

During the period ended 31 March 2026, the Group recognized fair value gain of ₪ 219,478 (31 March 2025: nil), as presented in the consolidated statement of profit or loss.

11. CASH AND CASH EQUIVALENTS

	31 March 2026 (Unaudited) ₪	31 December 2025 (Audited) ₪
Cash at banks	21,135,267	450,978,946
Cash on hand	105,803,856	103,464,266
Islamic Murabaha deposits*	989,160,000	--
	<u>1,116,099,123</u>	<u>554,443,212</u>

* At 31 March 2026, the Group had short-term Islamic Murabaha deposits with original maturities of less than three months. During the period ended 31 March 2026, the Group earned ₪ 11.3 million (31 March 2025; ₪ 15 million) on the Islamic Murabaha deposits at rate of return ranging between 3.75% to 5.35%.

12. SHAREHOLDERS' EQUITY

(a) Capital

The Group's capital is divided into 130,000,000 shares (31 December 2025: 130,000,000 shares) with a nominal value of ₪ 10 each (31 December 2025: ₪ 10 each).

(b) Dividends

- On 8 March 2026 (corresponding 19 Ramadan 1447H) the Board of Directors announced the distribution of ₪ 390 million as cash dividends (₪ 3 per share) for the second half of the year 2025 which represents 30% of the nominal value of the shares.
- On 10 March 2025 (corresponding 10 Ramadan 1446H) the Board of Directors announced the distribution of ₪ 390 million as cash dividends (₪ 3 per share) for the second half of the year 2024 which represents 30% of the nominal value of the shares.

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12. SHAREHOLDERS' EQUITY (continued)

(b) Dividends (continued)

- On 29 July 2025 (corresponding 4 Safar 1447H) the Board of Directors announced the distribution of ₪338 million as interim cash dividends (₪ 2.60 per share) which represents 26% of the nominal value of the shares.

	31 March <u>2026</u> ₪	31 December <u>2025</u> ₪
Cash dividends for the second half of the year 2025: ₪ 3.00 per share (second half of the year 2024: ₪ 3.00 per share)	390,000,000	390,000,000
Cash dividends for the first half of the year 2025: ₪ 2.60 per share	--	338,000,000
Total dividends for the period / year	<u>390,000,000</u>	<u>728,000,000</u>

(c) Statutory reserve

On 29 April 2025, the General Assembly Meeting of the shareholders approved the transfer of the statutory reserve balance amounting to ₪ 369,207,440, as reported in the financial statements for the year ended 31 December 2024, to retained earnings.

13. EMPLOYEE BENEFIT LIABILITIES

The Group operates an approved unfunded employees' end of service benefits plan ("EOSB") for its employees as required by the Saudi Arabian Labor Law. The following table represents the movement of the defined benefits obligation:

	31 March <u>2026</u> (Unaudited) ₪	31 March <u>2025</u> (Unaudited) ₪	31 December <u>2025</u> (Audited) ₪
Defined benefits obligation at beginning of the period / year	421,460,663	420,490,334	420,490,334
Current service cost	12,450,543	13,613,643	53,690,377
Interest cost on defined benefits obligation	5,308,132	5,478,071	22,094,987
Total expense charged to statement of profit or loss	<u>17,758,675</u>	<u>19,091,714</u>	<u>75,785,364</u>
Actuarial loss / (gain) on the obligation	(26,666,924)	2,317,382	(54,511,902)
Payments made during the period / year	<u>(9,159,085)</u>	<u>(6,757,192)</u>	<u>(20,303,133)</u>
Defined benefits obligation at the end of the period / year	<u>403,393,329</u>	<u>435,142,238</u>	<u>421,460,663</u>

NAHDI MEDICAL COMPANY
(A Saudi Joint Stock Company)

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14. ZAKAT AND TAX

The movement in the zakat and tax provision during the period / year is as follows:

	31 March <u>2026</u> (Unaudited) ﷲ	31 March <u>2025</u> (Unaudited) ﷲ	31 December <u>2025</u> (Audited) ﷲ
At the beginning of the period / year	50,714,818	76,969,511	76,969,511
Charge for the period / year, net	3,539,476	(2,469,511)	15,168,821
Payment during the period / year	--	--	(41,423,514)
	<hr/>	<hr/>	<hr/>
At the end of the period / year	<u>54,254,294</u>	<u>74,500,000</u>	<u>50,714,818</u>

During the year ended 31 December 2023, the Group subsidiaries that are operated in KSA, (the Parent Company, Nahdi Care Company, and Al Sakhaa Golden Trading and Contracting Company) obtained an approval from ZATCA to submit their Zakat based on a unified return. Starting from the year ended 31 December 2023 and onward Zakat returns will be based on the unified return.

Status of assessments

Nahdi Medical Company

For the year ended 31 December 2015

An objection was filed against the Zakat, Tax, and Customs Authority's ("The authority") assessment of zakat differences amounting to ﷲ 6,017,417 via the website of the General Secretariat of Tax Committees within the statutory period. Subsequently, the company paid ﷲ 1,017,417 representing some of the disputed items, on 29 December 2022. The Authority attached a memorandum explaining its desire to drop its appeal on the remaining disputed amount of ﷲ 5,000,000. The Appeals Committee issued a decision accepting the dismissal of the dispute in the appeal filed by the Authority. The Authority's amended assessment was issued, reflecting the committee's decisions and finalizing the zakat status for the year.

For the years ended 31 December 2016 to 2019

A final assessment was issued by the Authority, and the company paid the zakat differences.

For the years ended 31 December 2020 to 2023

The company has submitted its zakat returns for these years and the final assessment has been issued for zakat differences amounting to ﷲ 6,650,697 and the company paid the zakat differences.

For the year ended 31 December 2024

The Company submitted zakat return for the year and no zakat assessment was received. The Company received a valid zakat certificate until 30 April 2026.

For the period ended 31 March 2026

The zakat status remains as mentioned above.

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14. ZAKAT AND TAX (continued)

Status of assessments (continued)

(Subsidiaries)

Al Sakhaa Golden Trading and Contracting Company

For the years from starting operations till year ended 31 December 2015

The company has filed zakat returns for these years, but no zakat assessments was received.

For the years from the year ended 31 December 2016 till the year ended 31 December 2019

A final assessment has been issued by the ZATCA, and the company has settled the zakat differences. Accordingly, the zakat status for the above years is considered finalized.

For the years ended 31 December 2020 to 2024

The Company submitted zakat return for the year and no zakat assessment was received. The Company received a valid zakat certificate until 30 April 2026.

For the period ended 31 March 2026

The zakat status remains as mentioned above.

Nahdi Care Limited Company

For the years ended 31 December 2019 to 2024

The Company submitted zakat return for the years and no zakat assessment was received. The Company received a valid zakat certificate until 30 April 2026.

For the period ended 31 March 2026

The zakat status remains as mentioned above.

Tax Status

Nahdi Investment CO. L.L.C and the subsidiaries

The Company submitted its first tax return for the year 2024 and recorded a nil tax liability.

Al Sakhaa integrated solutions

The Company filed its 2024 corporate income tax return on 30 April 2025, reporting a tax liability of EGP 2,039,860 (≠ 153,071), which was settled in full by the Company. The next tax return filing is due on 30 April 2026. As of the reporting date, no tax assessment has been received.

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15. REVENUE

	Three-month period ended 31 March	
	<u>2026</u> ﷲ	<u>2025</u> ﷲ
Front Shop (non-pharma)	1,155,441,450	1,121,914,596
Pharma	1,459,087,482	1,385,526,900
Others*	179,913,330	127,511,565
	<u>2,794,442,262</u>	<u>2,634,953,061</u>

There is no individual customer contributed more than 10% of the Group's total sales.

The revenue is recognized at a point of time.

* Others mainly include revenue generated from services provided by the clinics under Nahdi Care Limited Company.

16. EARNINGS PER SHARE

The earnings per share calculation is given below:

	Three-month period ended 31 March	
	<u>2026</u> ﷲ	<u>2025</u> ﷲ
Net profit for the period	<u>235,682,803</u>	<u>255,163,692</u>
Weighted average number of ordinary shares	<u>130,000,000</u>	<u>130,000,000</u>
Earnings per share – Basic and diluted	<u>1.81</u>	<u>1.96</u>

There has been no item of dilution affecting the weighted average number of ordinary shares.

17. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

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17. FAIR VALUE MEASUREMENT (continued)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

If the inputs used to measure the fair value of an asset or liability falls into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest input level that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers among the levels during the period.

The management assessed that the fair value of financial assets and financial liabilities approximate their carrying amounts primarily due to the short-term maturities of these instrument.

The fair value of investment properties was determined using the Market Approach, which is classified as a Level 2 fair value measurement where observable market data for comparable properties was available. For properties where such data was limited, the Residual Method was used, which is classified as a Level 3 fair value measurement due to the use of unobservable inputs and significant valuation assumptions.

18. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent the shareholders, directors and key management personnel of the Group, affiliates (the Company and the entities are members of the same group), and entities controlled, jointly controlled, or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

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18. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Key management compensation

Compensation for key management is as follows:

	Three-month period ended 31 March	
	<u>2026</u>	<u>2025</u>
	ﷲ	ﷲ
Salaries and other benefits	875,000	875,000
Post-employment benefits	4,138,101	3,633,531
	<u>5,013,101</u>	<u>4,508,531</u>

The amounts disclosed in the above table are the amounts recognised as an expense during the period related to key management personnel.

19. SEGMENT INFORMATION

The Group operates mainly in the KSA and the UAE and is engaged in retail trading as sale of cosmetics, medical materials, as well as medical equipment through pharmacies. It also operates specialized medical clinics through one of its subsidiaries. The Group's operations in the UAE are considered relatively insignificant, and accordingly, the Group does not present business sector information at the geographical level as at present more than 90% of the Group's operations are conducted within the Kingdom of Saudi Arabia. Also, the Group's business of operating specialized medical clinics is considered relatively insignificant. the management has concluded that except for retail trading of consumer goods all other lines of businesses are less than 10% of combined revenue, profit or loss and assets of the Group. The Group has considered the overriding core principles of IFRS 8 'Operating segments' as well as its internal reporting framework, management and operating structure. The Directors' conclusion is that the Group has one operating segment, that of retailing

Key internal reports received by the CODM, primarily the selling and operation plan (SOP), focus on the performance of the Group as a whole. The operations of all elements of the business are driven by the retail sales environment and hence have fundamentally the same economic characteristics. All operational decisions made are focused on the performance and growth of the retail outlet.

20. COMMITMENTS AND CONTINGENCIES

As at 31 March 2026, the Group has commitments of ﷲ94.2 million (31 December 2025: ﷲ111 million) relating to capital expenditures, which also includes an agreement with a consulting Group to implement the decorations of pharmacies, implement the new stores, construction of distribution centre. It also includes commitments pertains to letter of credit, letter of guarantee and commitment towards lessors.

21. COMPARATIVE FIGURES

To align with the current period's presentation, the following reclassification has been made to comparative figures:

Depreciation and amortization expenses of ﷲ7.1 million directly related to medical services have been reclassified from Selling and distribution expenses to Cost of revenue.

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21. COMPARATIVE FIGURES (continued)

These adjustments have no impact on the statement of changes in equity or cash flows.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited)	As reported for the Three-month period ended 31 March 2025	Reclassification	As reported for the Three-month period ended 31 March 2026 (Comparative)
	<u>ﷲ</u>	<u>ﷲ</u>	<u>ﷲ</u>
Cost of revenue	(1,684,027,644)	(7,101,501)	(1,691,129,145)
Selling and distribution expenses	<u>(598,530,632)</u>	<u>7,101,501</u>	<u>(591,429,131)</u>

22. EVENTS DURING AND AFTER REPORTING PERIOD

During the period ended **31 March 2026**, and up to the date of approval of the financial statements for issuance on 5 May 2026, the Middle East region witnessed rapid geopolitical and security developments that led to an increased level of instability in some regional markets. These developments may have potential impacts on the Company's operations in the coming period, including risks related to the continuity of supply chains, delays in some operational activities, or an increase in some operational or logistical costs. Management believes that this has no significant impact on the Company's operations and its ability to continue as going concern entity. The Management is closely monitoring the situation and regularly updating its assessments of risks and potential impacts.

23. APPROVAL OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

These condensed consolidated interim financial statements were approved and authorized to issue by the audit committee with authorization from Board of Directors on 5 May 2026, corresponding to 18 Dhul Qadah 1447H.