



دلالة الصحية

Dallah Health

DALLAH HEALTHCARE COMPANY

(A Saudi Joint Stock Company)

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

For the three-month and six-month periods ended 30 June 2025

together with the

INDEPENDENT AUDITOR'S REVIEW REPORT

DALLAH HEALTHCARE COMPANY “A Saudi Joint Stock Company”
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
For the three-month and six-month periods ended 30 June 2025

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KPMG Professional Services Company

Roshn Front, Airport Road
P. O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No. 10104245494

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية

واجهة روشن، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
١٠١٠٤٢٤٥٤٩٤ سجل تجاري رقم

المركز الرئيسي في الرياض

Independent auditor's report on review of condensed consolidated interim financial statements

To the Shareholders of Dallah Healthcare Company (Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying 30 June 2025 condensed consolidated interim financial statements of **Dallah Healthcare Company ("the Company") and its subsidiaries ("the Group")** which comprises:

- the condensed consolidated statement of financial position as at 30 June 2025;
- the condensed consolidated statement of profit or loss for the three-month and six-month periods ended 30 June 2025;
- the condensed consolidated statement of comprehensive income for the three-month and six-month periods ended 30 June 2025;
- the condensed consolidated statement of changes in equity for the six-month period ended 30 June 2025;
- the condensed consolidated statement of cash flows for the six-month period ended 30 June 2025; 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 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2025 condensed consolidated interim financial statements of **Dallah Healthcare 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



Fahad Mubark Al Dossari

License No: 469

Riyadh on: 12 Safar 1447H

Corresponding to: 6 August 2025



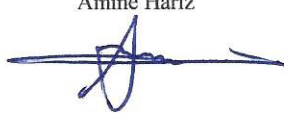


KPMG Professional Services Company, a professional closed joint stock company registered in the Kingdom of Saudi Arabia with a paid-up capital of SAR110,000,000 and a non-partner member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية، شركة مساهمة مهنية مقفلة مسجلة في المملكة العربية السعودية، رأس مالها (١١٠,٠٠٠,٠٠٠) ريال سعودي مدفوع بالكامل، وهي عضو غير شريك في الشبكة العالمية لشركات كي بي إم جي المستقلة والتابعة لـ كي بي إم جي العالمية المحدودة، شركة انجليزية خاصة محدودة بالضمان.

DALLAH HEALTHCARE COMPANY “A Saudi Joint Stock Company”
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(All amounts in Saudi Riyals Unless otherwise stated)

	Notes	As of 30 June 2025 (Unaudited)	As of 31 December 2024 (Audited)
ASSETS			
Non-current assets			
Property and equipment	6	4,289,134,203	3,172,930,247
Right-of-use assets		171,505,878	131,299,997
Intangible assets and goodwill		787,028,363	199,142,166
Equity-accounted investees	7	1,804,654,302	1,605,635,532
Financial assets at fair value through other comprehensive income		966,454	997,504
Total non-current assets		7,053,289,200	5,110,005,446
Current assets			
Inventories		370,865,895	257,680,697
Prepayments and other current assets		199,175,047	165,564,633
Due from related parties		5,998,095	9,411,089
Unbilled revenue		19,862,140	11,763,873
Trade receivables	9	996,097,859	775,300,018
Cash and cash equivalents		118,766,575	166,324,649
Assets held for sale	7.5	--	118,500,000
Total current assets		1,710,765,611	1,504,544,959
TOTAL ASSETS		8,764,054,811	6,614,550,405
EQUITY AND LIABILITIES			
Equity			
Share capital	1,5a	1,015,747,690	976,811,660
Share premium	1,5b	1,475,976,054	1,027,432,988
Statutory reserve		93,614,972	93,614,972
Treasury Shares	1	(60,455,136)	(60,455,136)
Retained earnings		1,612,905,838	1,434,282,423
Fair value reserve		(3,161,687)	(3,130,637)
Equity attributable to owners of the Company		4,134,627,731	3,468,556,270
Non-controlling interests		280,427,421	278,463,658
Total equity		4,415,055,152	3,747,019,928
LIABILITIES			
Non-current liabilities			
Long-term Murabaha financing	10	2,424,488,568	1,188,059,098
Long-term lease liabilities		131,974,979	91,973,456
Employee benefits		355,007,000	278,177,982
Long-term payables		1,754,864	2,016,666
Total Non-current liabilities		2,913,225,411	1,560,227,202
Current liabilities			
Short-term Murabaha financing	10	468,726,873	527,710,016
Current portion of long-term Murabaha financing	10	221,098,453	181,086,034
Short-term lease liabilities		40,522,931	34,143,051
Trade payables and others		445,459,123	318,352,924
Due to related parties		2,241,556	1,876,081
Accrued expenses and other current liabilities		240,053,677	209,318,573
Provision for zakat	11	14,569,635	34,816,596
Dividends payable	16	3,102,000	--
Total current liabilities		1,435,774,248	1,307,303,275
Total liabilities		4,348,999,659	2,867,530,477
Total equity and liabilities		8,764,054,811	6,614,550,405

The accompanying notes from 1 to 19 form an integral part of these condensed consolidated interim financial statements

CFO Amine Hariz	CEO Ahmad Saleh Babaeer	CHAIRMAN Tarek Othman Alkasabi
		

DALLAH HEALTHCARE COMPANY "A Saudi Joint Stock Company"
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
(All amounts in Saudi Riyals Unless otherwise stated)

	Notes	For the three-month period ended 30 June		For the six-month period ended 30 June	
		2025 Unaudited	2024 Unaudited	2025 Unaudited	2024 Unaudited
Revenue	12	1,062,433,381	765,183,564	1,895,186,195	1,549,239,652
Cost of revenue		(686,552,217)	(467,456,685)	(1,221,695,202)	(958,150,277)
Gross profit		375,881,164	297,726,879	673,490,993	591,089,375
Selling and marketing expenses		(25,100,539)	(12,884,345)	(48,814,742)	(30,475,346)
General and administrative expenses		(187,648,637)	(143,720,419)	(329,465,574)	(272,013,326)
Impairment loss on trade receivables and other current assets		(15,417,838)	(5,418,089)	(27,559,946)	(9,679,040)
Other income	7.5	7,278,985	5,360,499	65,233,848	11,377,744
Operating profit		154,993,135	141,064,525	332,884,579	290,299,407
Finance cost		(46,340,068)	(25,373,706)	(72,535,328)	(54,330,975)
Share of results from equity accounted investees	7	12,308,379	10,371,707	21,408,523	20,629,412
Profit for the period before zakat		120,961,446	126,062,526	281,757,774	256,597,844
Zakat	11	6,696,481	(5,321,088)	2,670,789	(8,513,198)
Profit for the period		127,657,927	120,741,438	284,428,563	248,084,646
Profit for the period attributable to:					
Owners of the Company		124,260,224	111,844,362	279,820,634	231,142,890
Non-controlling interests		3,397,703	8,897,076	4,607,929	16,941,756
		127,657,927	120,741,438	284,428,563	248,084,646
Basic and diluted earnings per share	13	1.23	1.15	2.81	2.37

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CEO
Ahmad Saleh Babaeer



CHAIRMAN
Tarek Othman Alkasabi



DALLAH HEALTHCARE COMPANY "A Saudi Joint Stock Company"
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(All amounts in Saudi Riyals unless otherwise stated)

	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2025 (unaudited)	2024 (unaudited)	2025 (unaudited)	2024 (unaudited)
Profit for the period	<u>127,657,927</u>	<u>120,741,438</u>	<u>284,428,563</u>	<u>248,084,646</u>
Other comprehensive income:				
Items that will not be reclassified to profit or loss				
Gain / (loss) of evaluation of financial assets at fair value through other comprehensive income	<u>40,669</u>	<u>7,496</u>	<u>(31,050)</u>	<u>140,416</u>
Other comprehensive income/ (loss) for the period	<u>40,669</u>	<u>7,496</u>	<u>(31,050)</u>	<u>140,416</u>
Total comprehensive income for the period	<u>127,698,596</u>	<u>120,748,934</u>	<u>284,397,513</u>	<u>248,225,062</u>
Total comprehensive income for the period attributable to:				
Owners of the Company	<u>124,300,893</u>	<u>111,851,858</u>	<u>279,789,584</u>	<u>231,283,306</u>
Non-controlling interests	<u>3,397,703</u>	<u>8,897,076</u>	<u>4,607,929</u>	<u>16,941,756</u>
	<u>127,698,596</u>	<u>120,748,934</u>	<u>284,397,513</u>	<u>248,225,062</u>

The accompanying notes from 1 to 19 form an integral part of these condensed consolidated interim financial statements

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DALLAH HEALTHCARE COMPANY "A Saudi Joint Stock Company"
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(All amounts in Saudi Riyals unless otherwise stated)

	Share capital	Share premium	Statutory reserve	Treasury Shares	Retained earnings	Fair value reserve	Total shareholders' equity	Non-controlling interests	Total equity
For the period ended 30 June 2025									
(Unaudited)									
As at 1 January 2025	976,811,660	1,027,432,988	93,614,972	(60,455,136)	1,434,282,423	(3,130,637)	3,468,556,270	278,463,658	3,747,019,928
Profit for the period	--	--	--	--	279,820,634	--	279,820,634	4,607,929	284,428,563
Other comprehensive income for the period	--	--	--	--	--	(31,050)	(31,050)	--	(31,050)
Total comprehensive income for the period	--	--	--	--	279,820,634	(31,050)	279,789,584	4,607,929	284,397,513
Transactions with owners of the Company:									
Capital increase (note 1,5a)	38,936,030	--	--	--	--	--	38,936,030	--	38,936,030
Share premium increase (note 1,5b)	--	448,543,066	--	--	--	--	448,543,066	--	448,543,066
Dividends (note 16)	--	--	--	--	(101,197,219)	--	(101,197,219)	(6,204,000)	(107,401,219)
Changes in ownership interest:									
Movement in non-controlling interest	--	--	--	--	--	--	--	(1,024,000)	(1,024,000)
Non-controlling interest on the date of acquisition of subsidiaries (note 5d)	--	--	--	--	--	--	--	4,583,834	4,583,834
As at 30 June 2025	1,015,747,690	1,475,976,054	93,614,972	(60,455,136)	1,612,905,838	(3,161,687)	4,134,627,731	280,427,421	4,415,055,152
For the period ended 30 June 2024									
(Unaudited)									
As at 1 January 2024	976,811,660	1,027,432,988	93,614,972	--	1,107,957,999	(2,424,652)	3,203,392,967	269,259,023	3,472,651,990
Profit for the period	--	--	--	--	231,142,890	--	231,142,890	16,941,756	248,084,646
Other comprehensive income for the period	--	--	--	--	--	140,416	140,416	--	140,416
Total comprehensive income for the period	--	--	--	--	231,142,890	140,416	231,283,306	16,941,756	248,225,062
Transactions with owners of the Company:									
Dividends (note 16)	--	--	--	--	(48,794,783)	--	(48,794,783)	(6,204,000)	(54,998,783)
Purchase of Treasury Shares (Note 1)	--	--	--	(14,984,733)	--	--	(14,984,733)	--	(14,984,733)
As at 30 June 2024	976,811,660	1,027,432,988	93,614,972	(14,984,733)	1,290,306,106	(2,284,236)	3,370,896,757	279,996,779	3,650,893,536

The accompanying notes from 1 to 19 form an integral part of these condensed consolidated interim financial statements

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CEO
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CHAIRMAN
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DALLAH HEALTHCARE COMPANY "A Saudi Joint Stock Company"

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(All amounts in Saudi Riyals unless otherwise stated)

		For the six-month period ended 30 June	
	Notes	2025 (Unaudited)	2024 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period		284,428,563	248,084,646
Adjustments:			
Depreciation on property and equipment	6	85,103,453	53,962,836
Depreciation on right-of-use assets		18,376,902	14,419,781
Amortization on intangible assets and goodwill		3,735,354	1,800,073
Employee benefits charge		36,400,771	29,823,692
Provision on obsolete and slow-moving inventory		(129,464)	88,420
Impairment loss on prepayments and other current assets		43,618	--
Share of results from equity accounted investees	7	(21,408,523)	(20,629,412)
Impairment loss on trade receivables	9	27,516,328	9,679,040
Gains resulting from valuation of in-kind consideration in a real estate fund	7.5	(51,434,877)	--
Loss on sale of property and equipment		357,304	736,999
Zakat charge	11	(2,670,789)	8,513,198
Finance cost		72,535,328	54,330,975
Changes in operating assets and liabilities:			
Inventories		(72,737,947)	(34,112,046)
Unbilled revenue		(8,098,267)	(2,476,948)
Trade receivables		(72,786,389)	(89,807,763)
Prepayments and other current assets		(12,069,910)	(31,980,278)
Related parties, net		(9,829,722)	1,294,962
Trade payables		18,704,858	52,597,526
Accrued expenses and other current liabilities		(24,288,211)	5,439,449
Cash generated from operating activities		271,748,380	301,765,150
Zakat paid	11	(22,518,378)	(27,464,133)
Employees' benefits paid		(11,763,477)	(10,433,671)
Net cash generated from operating activities		237,466,525	263,867,346
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	6	(251,103,683)	(117,585,184)
Acquisition of intangible assets		(2,414,260)	(114,550)
Acquisition of subsidiaries, net of cash acquired	5	(313,820,558)	--
Acquisition of equity-accounted investees - cash consideration	7.5	(8,695,370)	--
Dividends received from equity-accounted investees	7	1,020,000	7,134,923
Net cash (used in) investing activities		(575,013,871)	(110,564,811)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Murabaha financing	10	1,023,813,850	164,167,946
Repayment of Murabaha financing	10	(538,167,160)	(276,219,391)
Payment of lease liabilities		(24,053,489)	(18,469,448)
Acquisition of non-controlling interest	2d	(1,024,000)	--
Dividend paid	16	(104,299,219)	(48,840,583)
Purchase of Treasury shares	1	--	(14,984,733)
Long-term payable		(261,802)	(302,262)
Finance cost paid		(66,018,908)	(50,932,382)
Net cash generated from / (used in) financing activities		289,989,272	(245,580,853)
Net change in cash and cash equivalents		(47,558,074)	(92,278,318)
Cash and cash equivalents at beginning of the period		166,324,649	235,307,725
Cash and cash equivalents at end of the period		118,766,575	143,029,407

The accompanying notes from 1 to 19 form an integral part of these condensed consolidated interim financial statements

 CFO
Amine Hariz

 CEO
Ahmad Saleh Babaeer

 CHAIRMAN
Tarek Othman Alkasabi

1. REPORTING ENTITY

Dallah Healthcare Company (the “Company”) was established as a Limited Liability Company, registered in the Kingdom of Saudi Arabia under unified number 7001473425 dated 13 Rabi Al-Akhar 1415H (corresponding to 18 September 1994).

On 14 Jumada Al-Awwal 1429H (corresponding to 20 May 2008), the Company’s Board of Directors converted Dallah Healthcare Company as a Saudi Closed Joint Stock Company. The Company became a listed Company in the Saudi Capital Market Authority on 04 Safar 1434H (corresponding to 17 December 2012). The name of the Company was changed from "Dallah Healthcare Holding Company" to "Dallah Healthcare Company" based on the approval of Extraordinary General Assembly held on 16 Safar 1438H (corresponding to 16 November 2016) after completion of all legal formalities.

The objectives of the Company include operate, manage and maintain the healthcare entities, wholesale medicines and retail of medical and surgical equipment, prosthetics and devices for the disabled, hospital equipment and manufacturing medicines, pharmaceuticals, herbals, health, cosmetics, detergents, disinfectants and packaging in the Kingdom of Saudi Arabia.

On 15 Jumada al-Thani 1445 H (corresponding to 28 December 2023), the Company’s extraordinary general assembly meeting approved in amending the company’s By-laws to comply with the requirement of new companies' law.

The Company’s registered office is located at King Fahad Road, Riyadh, Kingdom of Saudi Arabia.

Share Capital & Share premium.

The authorized, issued and paid-up share capital of the Company is SR 1,015,747,690 (31 December 2024: SR 976,811,660) consisting of 101,574,769 shares (31 December 2024: 97,681,166) of SR 10 each.

On 23 Ramadan, 1446H (corresponding to 23 March 2025), the Company issued 3,893,603 new ordinary shares in favor of Ayyan Investment Company to acquire 100% of the shares of Al Salam Medical Services Company and to acquire 97.41% of the shares of Al-Ahsa Medical Services Company and, resulted in increasing share capital from SR 976,811,660 to SR 1,015,747,690, and resulted in a recording of additional share premium amounting SR 448,543,066 million. The share premium balance reached SR 1,475,976,054 million. The company is still in the process of amending its article of association and commercial registration accordingly. For further details, please refer to (note 5).

Dallah Al Baraka Holding Company (the ultimate parent company), a closed Saudi joint stock company, owns 47.4% of the Company's share capital, as of the date of these financial statements.

Treasury shares

On 15 Jumada al-Thani 1445 H (corresponding to 28 December 2023), the Company’s extraordinary general assembly meeting approved the Company’s shares buy-back up to 3,826,189 shares to be used for financing acquisition transactions. Subsequently, the Company during 2024 repurchased 377,550 shares at a total cost of SAR 60,455,136.

On 28 Dhul-Qi'dah 1446 H (corresponding to 26 May 2025), the Company’s Board of Directors recommended changing the purpose of the share repurchase to allocate the shares to an employee incentive programs. The Board also recommended repurchasing an additional number of shares, up to a maximum of extra 622,450 shares. As the Company currently holds 377,550 shares, the total number of shares allocated to the employee incentive programs will amount to 1,000,000 shares, if the Company complete the repurchase of the maximum recommended amount. The Board’s recommendation will be presented to the Extraordinary General Assembly for voting at its next meeting, noting that this plan has not been activated yet.

BASIS OF ACCOUNTING

a) Statement of compliance

These condensed consolidated interim financial statements comprise the interim financial statements of the Company and its subsidiaries (together referred to as the ‘Group’).

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’ that are endorsed in the Kingdom of Saudi Arabia (KSA) and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

The condensed consolidated interim financial statements do not include all of the information and disclosures required for full annual consolidated financial statements and should be read in conjunction with Group’s last annual consolidated financial statements as at and for the year ended 31 December 2024. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual consolidated financial statements.

b) Basis of preparation

These condensed consolidated interim financial statements have been prepared on a going concern basis under accrual basis of accounting and the historical cost convention except for:

- the employees’ end of service benefit obligations which are measured using the projected unit credit method and;
- financial assets at fair value through other comprehensive income which are measured at fair value;

DALLAH HEALTHCARE COMPANY “A Saudi Joint Stock Company”
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(For the three-month and six-month periods ended 30 June 2025) (unaudited)
(All amounts in Saudi Riyals unless otherwise stated)

c) Functional and presentation currency

These condensed consolidated interim financial statements are presented in Saudi Arabian Riyals (SR) which is also the Group’s functional currency.

d) Basis of consolidation

The subsidiary companies (referred to as the “Subsidiaries”) incorporated into these condensed consolidated interim financial statements are as follows:

Name of subsidiaries	Share in equity%		Country of operation and Unified Number	Principal activity	Capital (SR)
	30 June 2025	31 December 2024			
Dallah Pharma Company LLC	100%	100%	Kingdom of Saudi Arabia, Commercial registration No. 1010410613	Pharmaceutical, herbal & cosmetic distribution & manufacturing.	4,000,000
Afyaa Al-Nakheel for Supporting Services Company LLC	100%	100%	Kingdom of Saudi Arabia, Commercial registration No.1010404576	Provide manpower & Support services to hospitals and medical centres.	50,000
Dallah Namar Hospital Health Company LLC	100%	100%	Kingdom of Saudi Arabia, Commercial registration No.1010495218	Operating, managing, equipping and developing hospitals and healthcare facilities, medical polyclinics.	5,000,000
Dallah Medical Care Company LLC “Dallah Clinics”	100%	100%	Kingdom of Saudi Arabia, Commercial Registration No. 1010189420	Providing of medical services – Medical Clinic	100,000
Dallah Medical Care Company LLC	99%	99%	Kingdom of Saudi Arabia, Commercial registration No. 1010962080	Sale of pharmaceutical and medical products, cosmetics and toiletries	50,000
Makkah Medical Center * Company (Closed Joint Stock Company)	91.93%	91.45%	Kingdom of Saudi Arabia, Commercial registration No. 4031021286	Practicing the activity of public hospitals	120,080,000
Care Shield Holding Company (Closed Joint Stock Company) **	58.64%	58.64%	Kingdom of Saudi Arabia, Commercial registration No.1010379441	Managing private hospitals, medical and diagnostic centres, and an analytical laboratory, providing medical services, purchasing lands to build buildings on, and investing these buildings by sale or rent for the benefit of the Company.	125,000,000
Al-Salam Medical Service company (Closed Joint Stock Company) (Note 5)	100%	--	Kingdom of Saudi Arabia, Commercial Registration No. 2051059611	Operating and managing hospitals	200,000,000
Al-Ahsaa Medical Service company (Closed Joint Stock Company) (Note 5)	97.41%	--	Kingdom of Saudi Arabia, Commercial Registration No. 2252025213	Operating and managing hospitals	150,000,000

* During the first quarter 2025, the Company purchased an additional 0.48% equity stake in Makkah Medical Center for a total value of SAR 1,024,000.

** Care Shield Holding Company owns the following subsidiaries:

Subsidiaries

	<u>Ownership percentage %</u>
1. Medical Services Projects Company (“MSPC”)	100%
2. Consulting Clinics Center Company Limited (“CC”)	100%
3. Modern Clinics Pharmacy Company Limited (“MCP”)	100%

3. USE OF JUDGEMENTS AND ESTIMATES

The preparation of these condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of Group’s accounting policies and the reported amounts of assets, liabilities, income and expenses, the actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

During the preparation of these condensed consolidated interim financial statements, there have been no changes in the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation and uncertainty from those which were applied to the annual audited consolidated financial statements of the Group for the year ended 31 December 2024.

The Group’s financial risk management objectives and policies and the methods to determine the fair values are consistent with those disclosed in the most recent annual consolidated financial statements for the year ended 31 December 2024.

The Group follows the practice of performing actuarial valuations of the provision for employees' benefits annually at the year end.

Measurement of fair values

A number of the Group’s accounting policies require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Standards, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** Uses quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** Uses inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- **Level 3:** Uses inputs for the asset or liability that are not based on observable market data (unobservable inputs). If the inputs used to measure the fair value of an asset or a liability are categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

4. THE MATERIAL ACCOUNTING POLICIES

The material accounting policies applied and method of computation adopted for preparation of these interim condensed consolidated financial statements are consistent with those that were applied in the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2024.

Accounting standards issued

A number of new accounting standards and amendments are effective starting from 1 January 2025, which have been disclosed in the Group’s last annual consolidated financial statements. These amendments and standards did not have a material impact on these condensed consolidated interim financial statements.

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5. Acquisition of Al-Ahsa Medical Services Company and Al-Salam Medical Services Company (Subsidiaries)

- (i) On 15 Safar 1446H (corresponding to 19 August 2024), the Company signed a binding share purchase and subscription agreement with Ayyan Investment Company in connection with the purchase of its shares in AlSalam Medical Services Company (100%) of the Company capital (the owner of Al Salam hospital in Al-Kobar” Currently named Dallah Al-Kobar”) and the purchase of Ayyan Investment Company shares in Al Ahsa Medical Services Company (97.41%) of the Company capital (the owner of Al Ahsa hospital in Al Ahsa “Currently named Dallah Al Ahsa”) by way of share swap in addition to a cash consideration to be paid in accordance with an agreed mechanism .
- (ii) On 12 Ramadan 1446H (corresponding to 12 March 2025), the Extraordinary General Assembly meeting approved to increase the Company’s capital from SR 976,811,660 to SR 1,015,747,690 thereby increasing the number of its shares from 97,681,166 ordinary shares to 101,574,769 ordinary shares, representing an increase of 3.99% in Dallah’s current capital, to acquire (a) all shares in Al-Salam Medical Services Company, totaling 20,000,000 ordinary shares with a nominal value of 10 SAR per share; and (b) 14,611,600 ordinary shares with a nominal value of 10 SAR per share in Al-Ahsa Medical Services Company, representing 97.41% of the shares in Al-Ahsa Medical Services Company from the seller, Ayyan Investment Company, in exchange for the issuance of 3,893,603 ordinary shares with a nominal value of 10 SAR per share, also it have been approved the amendments to Article (7) of Dallah health care’s bylaws regarding the capital increase. The new shares were issued on 23 March 2025 (being the acquisition date)

The result of the transaction can be summarized as follows:

a) Effect on share capital:

	30 June 2025 (Unaudited)		
	Al-Salam Medical Service Company	Al-Ahsa Medical Service Company	Total
Total outstanding shares of the acquired company	20,000,000	15,000,000	
Number of shares acquired by the Company (a)	20,000,000	14,611,600	
Exchange ratio as agreed under share swap agreement (b)	0.0740	0.1652	
Number of shares issued by the Company (a×b)	1,480,030	2,413,573	3,893,603
Par value of shares issued by the company – SAR 10 per share	14,800,300	24,135,730	38,936,030
Add: the Company’s shares capital prior to acquisition			976,811,660
The Company’s share capital post acquisition			1,015,747,690

b) Effect on share premium:

	30 June 2025 (Unaudited)		
	Al-Salam Medical Service company	Al-Ahsa Medical Service company	Total
Number of shares issued by the Company (refer to note a)	1,480,030	2,413,573	3,893,603
The Company’s share price as on 23 March 2025 (date of acquisition)	125.20	125.20	
Total consideration from shares swap agreement	185,299,756	302,179,340	487,479,096
Less: par value of share issued by the Company – SAR 10 per share (refer to note a)	(14,800,300)	(24,135,730)	(38,936,030)
Share premium resulting from acquisition	170,499,456	278,043,610	448,543,066
Add: the share premium prior to acquisition			1,027,432,988
Share premium post acquisition			1,475,976,054

c) Effect on goodwill:

At acquisition date, the Company performed a preliminary assessment of the assets and liabilities of Al-Ahsa Medical Services Company and Al-Salam Medical Services Company. As a result, goodwill amounting to SR 572 million was recognized according to the provisional amount of assets and liabilities of the Companies acquired on the date of acquisition due to the incomplete study of the allocation of the purchase price.

The Company is currently in the process conducting a detailed assessment of the purchase price allocation.

	As on the acquisition date 23 March 2025 (Unaudited)		
	Al-Salam Medical Service company	Al-Ahsa Medical Service company	Total
Total consideration from shares swap agreement (refer to note b)	185,299,756	302,179,340	487,479,096
Cash consideration	328,861,601	--	328,861,601
Total consideration paid	514,161,357	302,179,340	816,340,697
Less: Provisional amount of net assets acquired at the date acquisition (refer to note d)	(71,727,711)	(172,443,733)	(244,171,444)
Goodwill results from acquisition	442,433,646	129,735,607	572,169,253
Add: Goodwill before acquisition			114,272,835
Goodwill after acquisition			686,442,088

d) The following table summarises the provisional amounts of net acquired assets and liabilities assumed at acquisition date and non-controlling interest:

	As on the acquisition date 23 March 2025 (Unaudited)		
	Al-Salam Medical Service company	Al-Ahsa Medical Service company	Total
Property and equipment	832,712,554	121,520,754	954,233,308
Right-of-use assets	45,031,021	4,683,176	49,714,197
Other non-current assets	10,748,573	2,617,187	13,365,760
Cash and cash equivalents	14,056,750	984,293	15,041,043
Current assets	103,734,465	303,136,933	406,871,398
Total assets	1,006,283,363	432,942,343	1,439,225,706
Short-term Murabaha financing	(91,726,313)	(107,494,539)	(199,220,852)
Current portion of long-term Murabaha financing	(29,802,633)	(10,411,511)	(40,214,144)
Short-term lease liabilities	(15,242,532)	(1,738,152)	(16,980,684)
Other current liabilities	(270,766,000)	(80,650,758)	(351,416,758)
Long-term Murabaha financing	(479,131,319)	(13,245,741)	(492,377,060)
Long-term lease liabilities	(36,451,963)	(1,617,244)	(38,069,207)
Other non-current liabilities	(11,434,892)	(40,756,831)	(52,191,723)
Total liabilities	(934,555,652)	(255,914,776)	(1,190,470,428)
Total provisional net assets acquired at acquisition date	71,727,711	177,027,567	248,755,278
Share of the Group	100%	97.4107%	
Share of the Group on the provisional amount of net assets acquired at the date acquisition	71,727,711	172,443,733	244,171,444
Share of non-controlling interest	--	2.5893%	
Share of the NCI on the provisional amount of net assets acquired at the date acquisition	--	4,583,834	4,583,834

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6. PROPERTY AND EQUIPMENT

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Cost:		
Balance at the beginning of the period/year	4,306,746,429	4,086,081,011
Resulting from the acquisition of subsidiaries (note 5)	1,216,804,655	--
Additions	251,103,683	363,642,204
Disposals	(8,573,864)	(24,476,786)
Reclassification from asset held for sale (note 7.5)	--	(118,500,000)
Balance at the end of the period/year	5,766,080,903	4,306,746,429
Accumulated Depreciation:		
Balance at the beginning of the period/year	1,133,816,182	1,046,472,807
Resulting from the acquisition of subsidiaries (note 5)	262,571,347	--
Charge	85,103,453	111,766,831
Disposals	(4,544,282)	(24,423,456)
Balance at the end of the period/year	1,476,946,700	1,133,816,182
Net book value at the end of the period/year	4,289,134,203	3,172,930,247

The property and equipment resulting from the acquisitions of Al-Ahsa Medical Services Company and Al-Salam Medical Services Company were recorded at book value because the purchase price allocation study was not completed (note 5).

Capital work in progress

The Group commenced a new project for a hospital on a land owned by the Group with an area of 45,000 square meters located in Al-Arid district in Riyadh. The hospital capacity of 250 beds and has the possibility of expansion in the future. In addition, the Group is continuously working on the expansions and improvements of the medical premises in the Group. As at 30 June 2025, total balance of those projects under constructions amounting to SR 331 million (31 December 2024: SR 314 million).

The capitalized financing costs on projects under constructions amounted to SR 9.2 million for the period ended 30 June 2025 (30 June 2024: SR 9.4 million).

7. EQUITY ACCOUNTED INVESTEEES

Equity accounted investees are as follows:

		Ownership interest in equity as at 30 June 2025	Ownership interest in equity as at 31 December 2024	Country of operation and principal place of business	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Classification						
Dr. Mohammed Rashid Al-Faqih Company	Associate	31.21%	31.21%	Kingdom of Saudi Arabia	95,510,932	85,114,623
Meras Arabia Medical Holding Company	Associate	17%	17%	Kingdom of Saudi Arabia	53,267,529	49,780,113
MEFIC Private Equity Opportunities Fund 3	Associate	41.6%	41.6%	Kingdom of Saudi Arabia	80,870,582	77,870,582
International Medical Centre Company	Associate	27.18%	27.18%	Kingdom of Saudi Arabia	1,396,375,012	1,392,870,214
Wahet Al-Nakheel Real Estate Fund	Associate	33.33%	--	Kingdom of Saudi Arabia	178,630,247	--
					1,804,654,302	1,605,635,532

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7.1 Dr. Mohammed Rashid Al-Faqih Company

The principal activity of Dr. Mohammed Rashid Al-Faqih Company is to own, operate and maintain the hospitals and health centres. Dr. Mohammed Rashid Al-Faqih Company owns a hospital in eastern Riyadh City under the name of Dr. Mohammed Al-Faqih Hospital.

On 13 Muharram 1442H (corresponding to 1 September 2020), the operation of the first phase of the hospital began. The hospital has a capacity of 350 beds.

The movement in the investment is as follows:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period / year	85,114,623	83,865,856
Group's share of profit	10,396,309	1,072,416
Group's share of other comprehensive income	--	176,351
Balance at the end of the period / year	95,510,932	85,114,623

7.2 Meras Arabia Medical Holding Company

The principal activity of Meras Arabia Medical Holding Company is providing medical services in the field of cosmetology. The Group holds 17% in Meras Arabia Medical Holding Company and has significant influence because of the meaningful presentation on the board of the investee.

The movement in the investment is as follows:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period / year	49,780,113	46,221,629
Group's share of profit	4,507,416	6,083,785
Group share of result from comprehensive income	--	(485,301)
Dividends received	(1,020,000)	(2,040,000)
Balance at the end of the period / year	53,267,529	49,780,113

7.3 MEFIC Private Equity Opportunities Fund 3

The movement in the investment is as follows:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period / year	77,870,582	70,097,184
Group's share of profit	3,000,000	7,773,398
Balance at the end of the period / year	80,870,582	77,870,582

7.4 International Medical Centre Company (IMC)

The principal activity of IMC is to establishment, management and operation of hospitals, medical centers and health rehabilitation centers, the operation of optical centers, the management and operation of scientific research institutes, medical and nursing training institutes, and private hospitals, in addition to the supply of cooked meals.

The movement in the investment is as follows:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period / year	1,392,870,214	1,370,944,251
Group's share of profit	3,504,798	28,038,168
Group share of result from comprehensive income	--	2,718
Dividends received	--	(6,114,923)
Balance at the end of the period / year	1,396,375,012	1,392,870,214

7.5 Wahet Al-Nakheel Real Estate Fund

On 30 Jumada Al-Akhira 1446H (corresponding to December 31, 2024), the Company has entered into a Sale and Purchase Agreement (“SPA”) with Amar Al Nakheel Real Estate Company, a Special Purpose Vehicle (“SPV”) established on behalf of Wahet Al-Nakheel Real Estate Fund “The Fund”, for the transfer of undeveloped lands in the Al-Nakheel District in Riyadh owned by the Company valued at SAR 196 million as an in-kind consideration. The valuation conducted by independent evaluators accredited by the Saudi Authority for Accredited Valuers “Taqeem”.

At 31 December 2024, the control over the lands remains with the Company because the transaction has not reached completion, stemming from the pending legal title transfer and retention of substantive termination rights by the parties to the sale and purchase agreement. Accordingly, the lands have been classified as an Asset Held for Sale in accordance with the requirements of IFRS 5 “Assets Held for Sale and Discontinued Operations”, which require the company measures the lands at the lower of it carrying amount or fair value. Accordingly, the Company maintained the registration of the lands at their carrying value of SAR 118.5 million.

On 19 Ramadan 1446H (corresponding to 19 March 2025), the ownership of the lands was transferred from the Company to the fund, resulting in the recognition of capital gains amounting to SAR 51.4 million. This represents the difference between the book value of the lands and its fair value after deducting the Company's contribution percentage in the fund, which is 33.33%, these gains have been recorded in the profit and loss statement under Other Income during the first quarter of 2025.

Investment in the fund has been classified as an equity accounting investee because the Company has significant influence because of the meaningful presentation on the board of the investee.

The purpose of establishing the Fund is to improve the capital for the investors by the Fund through owning the lands and implementing the construction development program by developing a mixed-use project containing commercial, office, hotel, and healthcare sector spaces. According to the sale and purchase agreement and the terms and conditions of the Fund, the company will contribute the lands owned by it as an in-kind investor, Dallah Real Estate Company (a related party) will contribute the lands owned by it as an in-kind investor, and Tatweer Company contributes as a cash investor in addition to implementing the construction development program. Aljazira Capital manages the Fund. The company also will contribute a cash share in the Fund of approximately SAR 9 million. The total capital of the Fund amounts to SAR 613 million, divided equally between the company, Dallah Real Estate Company, and Tatweer Company.

Cost of the fund

30 June 2025
(Unaudited)

In-kind consideration – reclassified from asset held for sale	118,500,000
Realized capital gain resulting from valuation of in-kind consideration after deducting the Company's contribution percentage in the fund 33.33%	51,434,877
Cash Consideration	8,695,370
Balance at the end of the period	178,630,247

8. RELATED PARTIES - TRANSACTIONS AND BALANCES

Related parties of the Group comprise of key management personnel and associates where shareholders or the Group have control or significant influence. The Group and its related parties transact with each other as per mutually agreed terms.

Name of related parties and others	Relationship	Nature of transactions	Transaction during the period / year ended	
			30 June 2025	31 December 2024
Wahet Al-Nakheel Real Estate Fund	Associate	Mutual contribution in a real estate fund (refer to note 7.5)	204,347,685	--
International Medical Centre Company	Associate	Technical Support and medicines sales	222,034	531,810
		Dividend received	--	6,114,923
Dr Mohammed Rashid Al-Faqih Company	Associate	Technical Support and Medicines sales	3,237,072	1,427,229
Eng. Khalid Al-Faqih	Significant influence-close family member	Engineering Consultation	2,265,280	1,479,707
Meraas Arabia Medical Holding Company	Associate	Medical services	1,516,885	3,204,219
		Dividend received	1,020,000	2,040,000
Adaptive TechSoft	Owner is a key management person of the Company.	Technical Support	2,045,716	6,635,617
Eng. Tarek Alkasabi	Chairman of Board	Management consulting	329,933	1,319,736
Dareen Travel Agency	Owned partially by shareholder	Travel tickets	4,920,433	8,777,731
Dallah Al-Barakah Holding	Ultimate Parent Company	Medical services	134,581	278,231
Joud Al Hala	Common indirect shareholder	Rent	162,108	995,546

9. TRADE RECEIVABLES

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Net trade receivables	1,112,155,948	858,661,206
Impairment loss allowance	(116,058,089)	(83,361,188)
	996,097,859	775,300,018

Movement in the allowance for impairment in respect of trade receivables during the period/year is as follows:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period / year	83,361,188	100,885,926
Resulting from the acquisition of subsidiaries	5,180,573	--
Charge for the period / year	27,516,328	30,396,617
Written-off during the period / year	--	(47,921,355)
Balance at the end of the period / year	116,058,089	83,361,188

10. MURABAHA FINANCING

Movement summary of loans and borrowings during the period is as follows:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the period / year	1,896,855,148	1,894,682,891
Resulting from the acquisition of subsidiaries	731,812,056	--
Proceeds during the period / year	1,023,813,850	720,155,431
Payments made during the period / year	(538,167,160)	(717,983,174)
Balance at end of the period / year	3,114,313,894	1,896,855,148

The following is the classification of Murabaha financing:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Non-current:		
Long -term Murabaha finance	2,424,488,568	1,188,059,098
Current:		
Short-term Murabaha finance	468,726,873	527,710,016
Current portion of long-term Murabaha finance	221,098,453	181,086,034
Total current Murabaha finance	689,825,326	708,796,050
Total Murabaha financing	3,114,313,894	1,896,855,148

Murabaha financing agreements with local banks

The Group has Murabaha finance contracts with local banks at a mark-up rate of SAIBOR plus agreed margin on facilities obtained. Murabaha contracts are denominated in Saudi Riyals and bear financial cost based on prevailing market price. Murabaha contracts are obtained to finance the operation and construction of new medical facilities and hospitals under construction and working capital financing.

As at 30 June 2025, the Group has bank Murabaha facilities of SR 6,235 million, (31 December 2024: SR 3,536 million), out of which an amount of SR 2,774 million was utilized as at 30 June 2025 (31 December 2024: SR 1,674 million).

Bank Murabaha Facilities secured by promissory notes as at 30 June 2025, with a total of SR 6,355 million (31 December 2024: SR 3,508 million). In addition, the facilities secured by mortgage deed of lands, property and equipment for Al-Salam medical services company and Al-Ahsa medical services company.

Murabaha financing agreements with the Ministry of Finance

On 25 Muharram 1443H (corresponding to 02 September 2021), the Company signed an agreement with the Ministry of Finance to obtain long term loan amounting to SR 357 million for the period of 10 years (16 semi-annual installments) to support the Group's strategy in completing the construction of Dallah Namar Hospital. The long-term loan has been secured by two promissory notes and mortgage deed of land for Dallah Namar Hospital. Out of these loans, SR 223 million has been received till 30 June 2025 (31 December 2024: SR 223 million).

On 17 Shawal 1439H (corresponding to 01 July 2018), Al-Salam medical services company signed an agreement with the Ministry of Finance to obtain long term loan amounting to SR 194 million for the period of 25 years (20 annual installments) to construct Al-Salam Hospital “Currently named Dallah Alkobar hospital”. The long-term loan has been secured by mortgage deed of land for Al-Salam Hospital. out of which an amount of SR 117 million was utilized as at 30 June 2025 (31 December 2024: SR 115 million not recorded in the consolidated financial position for the Company as it precedes the transaction).

Bank covenants

The Group is subject to certain bank covenants which are fully compliant at reporting date.

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11. ZAKAT

The following table shows the details of zakat provision:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period / year	34,816,596	44,058,685
Resulting from the acquisition of subsidiaries	4,942,206	--
Charge	9,829,211	18,222,044
Provision reversal	(12,500,000)	--
Zakat recognised in profit and loss	(2,670,789)	18,222,044
Paid	(22,518,378)	(27,464,133)
Balance at the end of the period / year	14,569,635	34,816,596

The Group has obtained zakat certificates from Zakat, Tax and Customs Authority “ZATCA” for prior years up to the year ended 31 December 2024.

The Company received revised zakat assessments from ZATCA for the years 2019 and 2020 in the amount of SAR 12.5 million. The years 2021, 2022, and 2023 were also under review. The Company submitted revised zakat returns for all those years in accordance with the new zakat regulations which was issued on 29 February 2024, and provided the supporting documentation to the ZATCA. Following the ZATCA’s review of these years, the Company received official confirmations indicating that there were no additional zakat liabilities for those years. Accordingly, the previously recorded additional provisions related to those years, amounting to SAR 12.5 million, were reversed during the three-month period ended 30 June 2025.

12. REVENUE

Timing of revenue recognition

	For the six-month period ended 30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Over time	638,018,005	537,030,557
At a point in time	1,257,168,190	1,012,209,095
	1,895,186,195	1,549,239,652

The revenues recorded during the period are after deducting medical rejections and other discounts. All revenue earned by the Group are within Kingdom of Saudi Arabia region. For revenue classification please refer to note (15)

Contract balances

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Trade receivables (note 9)	996,097,859	775,300,018
Unbilled revenue*	19,862,140	11,763,873

*Unbilled revenue represents services that had been provided but still not invoiced.

13. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share (“EPS”) is calculated by dividing the profit for the period attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the period.

The diluted earnings per share is same as the basic earnings per share as the Group does not have any dilutive equity instruments and as a result diluted EPS is equal to the basic EPS For the three-month and six-month periods ended 30 June 2025.

	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
Profit for the period, attributable to the ordinary shareholder	124,260,224	111,844,362	279,820,634	231,142,890
Weighted average number of ordinary shares	101,197,219	97,650,208	99,415,762	97,665,687
Basic and diluted earnings per share	1.23	1.15	2.81	2.37

14. CONTINGENCIES AND COMMITMENTS

Capital commitments

The Group had capital commitments relate construction contracts and expansion of healthcare facilities amounting to SR 496 million as at 30 June 2025 (31 December 2024: SR 758 million).

Contingent liabilities

- i) The Group as at 30 June 2025 has potential liabilities in the form of bank guarantees amounting to SR 55 million issued on behalf of the Group in the ordinary course of business (31 December 2024: SR 56 million). The bank guarantees include a bank guarantee issued during the year 2018 to a third party on behalf of Dr. Mohammad Al-Faqih Company "an associate company" amounting to SR 2.7 million expiring on 29 October 2025.
- ii) There are Letter of credits issued by the Group as at 30 June 2025 amounting to SR 47 million (31 December 2024: SR 40 million).

15. OPERATING SEGMENTS

As the operations of the Group are conducted in the Kingdom of Saudi Arabia, accordingly, for management purposes, the Group is organized into business units based on its products and services and has two reportable segments. Operating segments is determined based on the Group's internal reporting to the Chief Operating Decision Maker (“CODM”). The CODM has been determined to be the Chief Executive Officer as he is primarily responsible for the allocation of resources to segments and the assessment of the performance of each of the segments. The CODM uses underlying income as reviewed at monthly Executive Committee and Performance meetings as the key measure of the segments' results as it reflects the segments' performance for the period under evaluation. Revenue and segment profit is a consistent measure within the Group.

The identified key segments identified for the group as follow:

- **Medical Facilities and Pharmacies:** include the operations of hospitals, clinics, and both inpatient and outpatient pharmacies.
- **Distribution of Pharmaceutical Products:** include the activities of distributing medicines and pharmaceutical products.

Also, the revenue disclosed geographically. Information regarding the Group's reportable segments is presented below:

Based on nature of services:

For the period ended 30 June 2025	Medical Facilities and Pharmacies	Distribution of Pharmaceutical Products	Total (Unaudited)
Revenues from service in Medical Facilities	1,399,635,917	-	1,399,635,917
Revenues from sale of pharmaceutical products in medical facilities and pharmacies	411,795,045	-	411,795,045
Revenues from Pharmaceutical Product Distribution	--	83,755,233	83,755,233
Total	1,811,430,962	83,755,233	1,895,186,195
Cost of revenue	(1,174,069,232)	(47,625,970)	(1,221,695,202)
Gross profit	637,361,730	36,129,263	673,490,993
Operating expenses	(373,951,490)	(31,888,772)	(405,840,262)
Other income, net	64,667,181	566,667	65,233,848
Operating profit	328,077,421	4,807,158	332,884,579
Finance cost	(71,625,576)	(909,752)	(72,535,328)
Share of results from equity accounted investees	21,408,523	--	21,408,523
Zakat	2,850,789	(180,000)	2,670,789
Net profit for the period	280,711,157	3,717,406	284,428,563
As at 30 June 2025			
Total assets	8,539,433,091	224,621,720	8,764,054,811
Total liabilities	4,298,187,190	50,812,469	4,348,999,659

DALLAH HEALTHCARE COMPANY “A Saudi Joint Stock Company”
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(For the three-month and six-month periods ended 30 June 2025) (unaudited)

(All amounts in Saudi Riyals unless otherwise stated)

For the period ended 30 June 2024	Medical Facilities and Pharmacies	Distribution of Pharmaceutical Products	Total (Unaudited)
Revenues from service in Medical Facilities	1,125,341,052	--	1,125,341,052
Revenues from sale of pharmaceutical products in medical facilities and pharmacies	347,379,265	--	347,379,265
Revenues from Pharmaceutical Product Distribution	--	76,519,335	76,519,335
Total	1,472,720,317	76,519,335	1,549,239,652
Cost of revenue	(909,734,391)	(48,415,886)	(958,150,277)
Gross profit	562,985,926	28,103,449	591,089,375
Operating expenses	(288,419,469)	(23,748,243)	(312,167,712)
Other income, net	10,752,691	625,053	11,377,744
Operating profit	285,319,148	4,980,259	290,299,407
Finance cost	(52,224,516)	(2,106,459)	(54,330,975)
Share of results from equity accounted investees	20,629,412	--	20,629,412
Zakat	(8,439,406)	(73,792)	(8,513,198)
Net profit for the period	245,284,638	2,800,008	248,084,646
As at 30 June 2024			
Total assets	6,221,194,405	192,272,850	6,413,467,255
Total liabilities	2,684,861,758	71,507,961	2,762,573,719

Revenue by geographic segment	Central Region	West Region	East Region	Total
For the period ended 30 June 2025	1,548,085,487	147,593,412	199,507,296	1,895,186,195
For the period ended 30 June 2024	1,408,537,136	131,738,420	8,964,096	1,549,239,652

All of the Group's operating assets and principal markets of activity are located in the Kingdom of Saudi Arabia.

16. DIVIDENDS

On 02 Dhu al-Hijjah 1446 H (corresponding to 29 May 2025), the Company's Board of Directors decided to distribute interim dividends to shareholders of SR 0.5 per share, amounting to SR 50,598,609.50. These dividends were paid on 04 Muharam 1447 H (corresponding to 29 June 2025).

On 07 Dhu al-Qi'dah 1446 H (corresponding to 05 May 2025), the shareholders of Care Shield Holding Company (a subsidiary) approved dividends of Saudi Riyals 15 million. Only SR 7.5 million of these dividends were paid on 22 Dhu al-Hijjah 1446 H (corresponding to 18 June 2025). The non-controlling interest portion regarding these dividends amounting to SR 6,204,000. The non-controlling interests' share of the undistributed portion amounting to SR 3,102,000 has been recorded as dividend payables as at 30 June 2025.

On 17 Ramadan 1446 H (corresponding to 17 March 2025), the Company's Board of Directors decided to distribute interim dividends to shareholders of SR 0.5 per share, amounting to SR 50,598,609.50. These dividends were paid on 22 Shawal 1446 H (corresponding to 20 April 2025).

On 24 Dhu al-Hijjah 1445 H (corresponding to 30 June 2024), the shareholders of Care Shield Holding Company (a subsidiary) approved dividends of Saudi Riyals 15 million. These dividends were paid on 09 Muharam 1446 H (corresponding to 15 July 2024). The non-controlling interest portion regarding these dividends amounting to SR 6,204,000.

On 05 Dhu al-Hijjah 1445 H (corresponding to 11 June 2024), the Company's Board of Directors decided to distribute interim dividends to shareholders of SR 0.5 per share, amounting to SR 48,794,783. These dividends were paid on 10 Safar 1446 H (corresponding to 14 August 2024).

On 13 Jumada II 1445 H (corresponding to 26 December 2023), the Company's Board of Directors decided to distribute interim dividends to shareholders of SR 0.5 per share, amounting to SR 48,840,583. These dividends were paid on 18 Ragab 1445 H (corresponding to 30 January 2024).

17. NON-CASH TRANSACTIONS

The non-cash transactions for the period ended 30 June are as the following:

		For the period ended 30 June 2025	For the period ended 30 June 2024
	note		
Transfer from construction work in progress to property and equipment		157,700,471	17,371,147
Transfer from asset to held for sale to equity accounted investees	7.5	118,500,000	--
Transfer from property and equipment to intangible assets		3,672,278	--
Additions to right of use assets		8,868,586	53,556,568
Addition to lease liabilities		13,777,147	53,092,052
Increase in share capital due to business combination	1,5a	38,936,030	--
Increase in share premium due to business combination	1,5b	448,543,066	--

18. FINANCIAL RISK MANAGEMENT

The risk management framework and policies of the Group are consistent with those used and disclosed in the annual consolidated financial statements of the Group for the year ended 31 December 2024.

19. APPROVAL OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

These condensed consolidated interim financial statements were authorized for issue by the Group’s Board of Directors on 09 Safar 1447H (Corresponding to 03 August 2025).