

**Dr. Sulaiman Al Habib Medical Services Group Company and its Subsidiaries  
(Saudi Joint Stock Company)**

Interim Condensed Consolidated Financial Statements  
For the three and six months period ended 30 June 2021

**Dr. Sulaiman Al Habib Medical Services Group Company and its Subsidiaries  
(Saudi Joint Stock Company)  
Interim condensed consolidated financial statements  
For the three and six months period ended 30 June 2021**

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF  
DR. SULAIMAN AL HABIB MEDICAL SERVICES GROUP COMPANY  
(SAUDI JOINT STOCK COMPANY)**

**Introduction:**

We have reviewed the accompanying interim condensed consolidated statement of financial position of Dr. Sulaiman Al Habib Medical Services Group Company ("the Company") and its subsidiaries (collectively referred to as "the Group") as at 30 June 2021, and the related interim condensed consolidated statements of income and comprehensive income for the three and six months periods ended 30 June 2021, and the related interim condensed consolidated changes in equity and cash flows for the six months period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

**Scope of Review:**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" 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 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

for Ernst & Young

Rashid S. AlRashoud  
Certified Public Accountant  
License No. (366)



Riyadh: 29 Dhul-Hijjah 1442H  
(8 August 2021)

**Dr. Sulaiman Al Habib Medical Services Group Company and its Subsidiaries**  
**(Saudi Joint Stock Company)**  
**Interim condensed consolidated statement of financial position**  
**As at 30 June 2021**

	Notes	30 June 2021 SR (Unaudited)	31 December 2020 SR (Audited)
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		2,487,157,875	2,339,263,767
Accounts receivable		741,701,734	844,329,440
Advances to suppliers and contractors		28,968,205	8,325,335
Prepaid expenses and other assets		217,130,462	221,531,447
Inventories		402,415,473	379,910,293
<b>Total current assets</b>		<b>3,877,373,749</b>	<b>3,793,360,282</b>
<b>Non-current assets</b>			
Investments in associates		42,436,315	39,869,789
Property and equipment	6	6,107,289,363	5,647,943,122
<b>Total non-current assets</b>		<b>6,149,725,678</b>	<b>5,687,812,911</b>
<b>Total assets</b>		<b>10,027,099,427</b>	<b>9,481,173,193</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Current portion of long-term loans	8	283,707,494	330,020,751
Accounts payable		762,201,893	628,162,484
Advances from customers		41,927,484	37,334,621
Accrued expenses and other liabilities		551,784,582	555,075,323
Zakat payable		98,659,839	101,144,451
Current portion of government grant		5,220,221	3,670,596
Current portion of lease liabilities		34,786,131	38,320,170
<b>Total current liabilities</b>		<b>1,778,287,644</b>	<b>1,693,728,396</b>
<b>Non-current liabilities</b>			
Long-term loans	8	2,210,483,672	2,029,640,764
Government grant		68,556,186	74,458,835
Lease liabilities		237,998,493	232,519,658
Employees' end-of-service benefits		453,830,587	362,296,404
<b>Total non-current liabilities</b>		<b>2,970,868,938</b>	<b>2,698,915,661</b>
<b>Total liabilities</b>		<b>4,749,156,582</b>	<b>4,392,644,057</b>
<b>Equity</b>			
Issued and paid-up share capital		3,500,000,000	3,500,000,000
Statutory reserve		573,420,806	573,420,806
Retained earnings		1,023,402,343	838,322,887
<b>Equity attributable to equity holders of the parent</b>		<b>5,096,823,149</b>	<b>4,911,743,693</b>
Non-controlling interests		181,119,696	176,785,443
<b>Total equity</b>		<b>5,277,942,845</b>	<b>5,088,529,136</b>
<b>Total liabilities and equity</b>		<b>10,027,099,427</b>	<b>9,481,173,193</b>



APPROVED BY:  
**FAISAL AL NASSAR**  
 CFO



APPROVED BY:  
**NASSER AL HAQBANI**  
 CEO



APPROVED BY:  
**DR. SULAIMAN AL HABIB**  
 CHAIRMAN

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

**Dr. Sulaiman Al Habib Medical Services Group Company and its Subsidiaries**  
**(Saudi Joint Stock Company)**  
**Interim condensed consolidated statement of income**  
**For the three and six months period ended 30 June 2021**

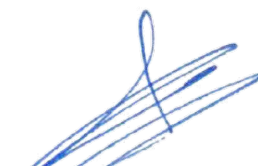
	Notes	For the three months period ended		For the six months period ended	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
		SR	SR	SR	SR
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue		<b>1,751,204,871</b>	1,203,008,346	<b>3,445,994,524</b>	2,546,351,212
Cost of revenue		<b>(1,200,185,850)</b>	(843,146,833)	<b>(2,345,558,890)</b>	(1,786,638,560)
<b>Gross profit</b>		<b>551,019,021</b>	359,861,513	<b>1,100,435,634</b>	759,712,652
Selling and marketing expenses		<b>(53,703,945)</b>	(40,493,548)	<b>(100,614,263)</b>	(75,663,093)
General and administrative expenses		<b>(157,589,571)</b>	(116,056,443)	<b>(310,462,573)</b>	(222,130,587)
<b>Operating income</b>		<b>339,725,505</b>	203,311,522	<b>689,358,798</b>	461,918,972
Share of income (loss) of associates		<b>2,983,665</b>	(4,635,008)	<b>5,566,526</b>	(4,426,816)
Finance costs		<b>(7,443,036)</b>	(11,522,534)	<b>(19,430,937)</b>	(27,072,049)
Other income, net		<b>19,533,938</b>	13,563,059	<b>37,229,563</b>	30,152,695
<b>Income before zakat</b>		<b>354,800,072</b>	200,717,039	<b>712,723,950</b>	460,572,802
Zakat		<b>(26,030,282)</b>	(18,354,676)	<b>(64,262,450)</b>	(41,228,751)
<b>Income for the period</b>		<b>328,769,790</b>	182,362,363	<b>648,461,500</b>	419,344,051
<b>Attributable to:</b>					
Equity holders of the Parent		<b>325,403,903</b>	192,253,823	<b>644,399,811</b>	438,853,141
Non-controlling interests		<b>3,365,887</b>	(9,891,460)	<b>4,061,689</b>	(19,509,090)
		<b>328,769,790</b>	182,362,363	<b>648,461,500</b>	419,344,051
<b>Earnings per share:</b>	9				
<i>Basic and diluted earnings per share from income for the period attributable to equity holders of the parent</i>		<b>0.93</b>	0.55	<b>1.84</b>	1.25



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 CEO



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 CHAIRMAN

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

**Dr. Sulaiman Al Habib Medical Services Group Company and its Subsidiaries**  
**(Saudi Joint Stock Company)**  
**Interim condensed consolidated statement of comprehensive income**  
**For the three and six months period ended 30 June 2021**

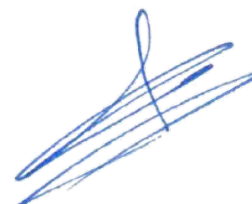
	<b>For the three months period ended</b>		<b>For the six months period ended</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>SR</b>	<b>SR</b>	<b>SR</b>	<b>SR</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Income for the period</b>	<b>328,769,790</b>	182,362,363	<b>648,461,500</b>	419,344,051
<b>Other comprehensive income</b>				
<i>Items that will not to be reclassified to profit or loss in subsequent periods:</i>				
Remeasurement gain (loss) on employees' end-of-service benefits	<b>1,888,755</b>	(3,414,155)	<b>(4,047,791)</b>	(7,288,036)
<b>Other comprehensive Income (loss) for the period</b>	<b>1,888,755</b>	(3,414,155)	<b>(4,047,791)</b>	(7,288,036)
<b>Total comprehensive income for the period</b>	<b>330,658,545</b>	178,948,208	<b>644,413,709</b>	412,056,015
<b>Attributable to:</b>				
Equity holders of the parent company	<b>327,114,141</b>	188,909,687	<b>640,079,456</b>	431,478,637
Non-controlling interests	<b>3,544,404</b>	(9,961,479)	<b>4,334,253</b>	(19,422,622)
	<b>330,658,545</b>	178,948,208	<b>644,413,709</b>	412,056,015



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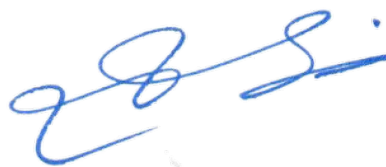
The accompanying notes form an integral part of these interim condensed consolidated financial statements.

**Dr. Sulaiman Al Habib Medical Services Group Company and its Subsidiaries**  
**(Saudi Joint Stock Company)**  
**Interim condensed consolidated statement of changes in equity**  
**For the six months period ended 30 June 2021**

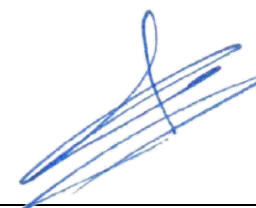
	Attributable to equity holders of the parent				Non-controlling interests	Total equity
	Issued and paid-up share capital	Statutory reserve	Retained earnings	Total	SR	SR
	SR	SR	SR	SR	SR	SR
<b>As at 1 January 2021</b>	<b>3,500,000,000</b>	<b>573,420,806</b>	<b>838,322,887</b>	<b>4,911,743,693</b>	<b>176,785,443</b>	<b>5,088,529,136</b>
Income for the period	-	-	644,399,811	644,399,811	4,061,689	648,461,500
Other comprehensive income (loss)	-	-	(4,320,355)	(4,320,355)	272,564	(4,047,791)
Total comprehensive income	-	-	640,079,456	640,079,456	4,334,253	644,413,709
Dividends (note 7)	-	-	(455,000,000)	(455,000,000)	-	(455,000,000)
<b>As at 30 June 2021 (Unaudited)</b>	<b>3,500,000,000</b>	<b>573,420,806</b>	<b>1,023,402,343</b>	<b>5,096,823,149</b>	<b>181,119,696</b>	<b>5,277,942,845</b>
 As at 1 January 2020	 3,500,000,000	 467,872,574	 426,004,145	 4,393,876,719	 196,917,053	 4,590,793,772
Income (loss) for the period	-	-	438,853,141	438,853,141	(19,509,090)	419,344,051
Other comprehensive income (loss)	-	-	(7,374,504)	(7,374,504)	86,468	(7,288,036)
Total comprehensive income (loss)	-	-	431,478,637	431,478,637	(19,422,622)	412,056,015
Dividends (note 7)	-	-	(175,000,000)	(175,000,000)	-	(175,000,000)
<b>As at 30 June 2020 (Unaudited)</b>	<b>3,500,000,000</b>	<b>467,872,574</b>	<b>682,482,782</b>	<b>4,650,355,356</b>	<b>177,494,431</b>	<b>4,827,849,787</b>



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CHAIRMAN

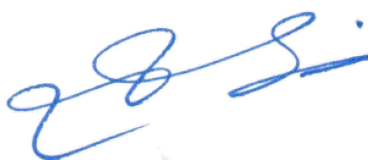
The accompanying notes form an integral part of these interim condensed consolidated financial statements.

**Dr. Sulaiman Al Habib Medical Services Group Company and its Subsidiaries**  
**(Saudi Joint Stock Company)**  
**Interim condensed consolidated statement of cash flows**  
**For six months period ended 30 June 2021**

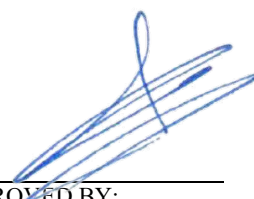
	2021 SR (Unaudited)	2020 SR (Unaudited)
<b>Operating activities</b>		
Income before zakat	712,723,950	460,572,802
Non-cash adjustments to reconcile income before zakat to net cash flow		
Depreciation	157,331,478	158,001,200
Share of income of associates	(5,566,526)	4,426,816
Allowance for expected credit loss	56,862,847	39,670,103
Finance costs	19,430,937	27,072,049
Employees' end-of-service benefits	103,163,797	30,536,245
	<u>1,043,946,483</u>	<u>720,279,215</u>
Working capital adjustments:		
Accounts receivable	45,764,859	614,250,497
Advances to suppliers and contractors	(20,642,870)	(4,401,784)
Inventories	(22,505,180)	(65,263,753)
Prepaid expenses and other assets	4,300,714	37,164,317
Accounts payable	134,039,409	(111,710,729)
Advances from customers	4,592,863	7,681,390
Accrued expenses and other liabilities	(4,107,553)	38,881,270
<b>Cash generated from operations</b>	<u>1,185,388,725</u>	<u>1,236,880,423</u>
Zakat paid	(66,747,062)	(55,675,070)
Employees' end-of-service benefits paid	(15,677,405)	(14,084,000)
<b>Net cash from operating activities</b>	<u>1,102,964,258</u>	<u>1,167,121,353</u>
<b>Investing activities</b>		
Purchase of property and equipment	(590,362,868)	(353,995,872)
Dividends from associates	3,000,000	1,000,000
<b>Net cash used in investing activities</b>	<u>(587,362,868)</u>	<u>(352,995,872)</u>
<b>Financing activities</b>		
Proceeds from long-term loans, net	130,176,627	88,316,666
Lease liabilities paid	(24,269,784)	(24,901,663)
Finance costs paid	(18,614,125)	(27,833,529)
Dividends paid	(455,000,000)	-
<b>Net cash (used in) from financing activities</b>	<u>(367,707,282)</u>	<u>35,581,474</u>
Net increase in cash and cash equivalents	147,894,108	849,706,955
Cash and cash equivalents at the beginning of the period	2,339,263,767	1,196,660,642
<b>Cash and cash equivalents at the end of the period</b>	<u>2,487,157,875</u>	<u>2,046,367,597</u>
<b>Non-cash transactions:</b>		
Recognition of right-of-use assets	39,952,892	3,341,657
Recognition of lease liabilities	39,952,892	3,341,657



APPROVED BY:  
FAISAL AL NASSAR  
CFO



APPROVED BY:  
NASSER AL HAQBANI  
CEO



APPROVED BY:  
DR. SULAIMAN AL HABIB  
CHAIRMAN

The accompanying notes form an integral part of these interim condensed consolidated financial statements.



## **1. Corporate information and activities**

Dr. Sulaiman Al Habib Medical Services Group Company (the "Company") (a Saudi joint stock company) is registered in Riyadh, Kingdom of Saudi Arabia under commercial registration number 1010118330 dated 11 Jumad Thani 1414H (corresponding to 25 November 1993). The Company was listed In the Saudi Stock Exchange (Tadawul) on 22/07/1441H (corresponding to 17 March 2020), and the Company's head-office is located at Olaya District, King Fahad Road, P.O. Box 301578, Riyadh 11372, KSA .

The activities of the company and its following subsidiaries (collectively referred to as "the Group"), are to provide private health services and ancillary services for its operations in the Kingdom and the region through the establishment, management and operation of hospitals, general and specialized medical complexes, day surgery centers, pharmaceutical facilities, and other ancillary areas, which include providing services. Home medical care, specialized medical laboratories, technology services, information systems, and facility maintenance services.

The Company has two branches, the first in Riyadh, Kingdom of Saudi Arabia "Branch of Dr. Sulaiman Al Habib Medical Services Group Company" ("the Branch") under commercial registration number 1010357146 dated 24 Muharram 1434H (corresponding to 8 December 2012). The objectives of the Branch include trading in wholesale and retail of cosmetics and maintenance of medical equipment. The second one in the Kingdom of Bahrain "Dr. Sulaiman Al-Habib Medical Services Group Holding Company - Foreign Branch" ("the Foreign Branch") under commercial registration number 81609-1 dated 22 Rajab 1433H (corresponding to 12 June 2012). ). The objectives of the Foreign Branch include activities of head offices or Management offices.

The Company capital number of shares is 350,000,000 and the share value is 10 Saudi riyals.

The interim condensed consolidated financial statements include the financial information of the branches mentioned above and subsidiaries mentioned in note 3.

## **2. Basis of preparation**

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by Saudi Organization for Chartered and Professional Accountants (collectively referred to as "IFRS as endorsed in Kingdom of Saudi Arabia").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should therefore be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2020.

These interim condensed consolidated financial statements are prepared on a historical cost basis. The interim condensed consolidated financial statements are presented in Saudi Riyals, which is the functional, and presentation currency of the Company and all values are rounded to the nearest one Riyal, except when otherwise indicated.

**Dr. Sulaiman Al Habib Medical Services Group Company and its Subsidiaries  
(Saudi Joint Stock Company)  
Notes to the interim condensed consolidated financial statements (continued)  
30 June 2021**

**3. Basis of consolidation**

These interim condensed consolidated financial statements comprise the financial statements of the Company and its following subsidiaries (collectively referred to as "the Group"), domiciled in Kingdom of Saudi Arabia ("KSA") and United Arab Emirates ("UAE") as at 30 June 2021 & 31 December 2020:

	Country of incorporation and business	Activities	Ownership %	
			<u>30 June 2021</u>	<u>31 December 2020</u>
Sehat Al Olaya Medical Complex Company	KSA	Hospital	100%	100%
Asharq Alawsat Pharmacies Company*	KSA	Pharmacy	100%	100%
Dr. Sulaiman Al Habib Hospital FZ – LLC	UAE	Hospital	100%	100%
Buraidah Al Takhassusi Hospital for Healthcare Company	KSA	Hospital	100%	100%
Al Rayan Hospital for Healthcare Company	KSA	Hospital	100%	100%
Home Healthcare Company	KSA	Home Healthcare services	100%	100%
Antab Al Riyadh for Operation and Maintenance Company**	KSA	Anciliary services	-	100%
Al Gharb Al Takhassusi Hospital for Healthcare Company	KSA	Hospital	100%	100%
Al Mokhtabarat Diagnostic Medical Company	KSA	Laboratory Services	100%	100%
Sehat Al Suwaidi Medical Company	KSA	Hospital	100%	100%
Hulool Al Sahaba for IT & Communication Company	KSA	IT Support Services	100%	100%
Al Rayan for Maintenance and Operation Company**	KSA	Anciliary services	-	100%
Al Afia Pharmacies for Medicines Company**	KSA	Pharmacy	-	100%
Intensive Care Company for Healthcare	KSA	Medical Services	100%	100%
Sehat Al Sharq Medical Limited Company	KSA	Hospital	50%	50%
Al Wosta Medical Limited Company	KSA	Hospital	50%	50%
Gharb Jeddah Hospital Company	KSA	Hospital	50%	50%
Shamal Al Riyadh for Healthcare Company	KSA	Hospital	100%	100%
Al Muhammadiyah Hospital for Healthcare Company	KSA	Hospital	100%	100%
Taswyat Management Company	KSA	Revenue cycle management	100%	100%
Al Marakez Al Awwalyah for Health Care Company	KSA	Medical Primary Healthcare centers	100%	100%
Rawabet Medical Company	KSA	Telemedicine services	100%	100%
Flow Medical Company	KSA	Medical equipments maintenance	100%	-
Sehat Al Kharj for Healthcare Company	KSA	Hospital	100%	-

\*During 2020, the other partner (other party) has assigned his share to the benefit of the Company (which is 1%).

\*\*During 2021, Al Afia Pharmacies for Medicines Company, Antab Al Riyadh for Operation and Maintenance Company and Al Rayan for Maintenance and Operation Company were transferred as a branch to Asharq Alawsat Pharmacies Company, Sehat Al Olaya Medical Complex Company and Al Rayan Hospital for Healthcare respectively. All legal requirements related to the transfer were completed. Transfer was done at net book value of the assets and liabilities.

### **3. Basis of consolidation (continued)**

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through 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 it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.

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 power 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 interim condensed consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and non-controlling interest, even if this results in the non-controlling interest having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets and liabilities of the subsidiary;
- Derecognizes the carrying amount of any non-controlling interest;
- Recognizes the fair value of the consideration received;
- Recognizes the fair value of any investment retained;
- Recognizes any surplus or deficit in profit or loss;
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

### **4. Summary of significant accounting policies**

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in preparing the Group's annual consolidated financial statements for the year ended 31 December 2020.

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**30 June 2021**

**5. Segment Information**

Operating segments is determined based on the Group's internal reporting to the Chief Operating Decision Maker ("CODM"). 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 are Hospitals/Healthcare Facilities, Pharmacies and HMG Solutions / Others. HMG Solutions / Others include operations with respect to laboratories, healthcare services at doorstep projects and operating projects related to critical care units, in addition to, IT solutions, ancillary services and telemedicine services.

The segment results for the period ended 30 June 2021 and the reconciliation of the segment measures to the respective statutory items included in the consolidated financial information are as follows:

<b>For the period ended 30 June 2021 (Unaudited)</b>	<b>Hospitals/ Healthcare Facilities</b>	<b>Pharmacies</b>	<b>HMG Solutions / Others</b>	<b>Total</b>
	<i>SR' millions</i>			
<b>Saudi Arabia:</b>				
Revenue	2,467	602	130	3,199
Gross profit	805	204	47	1,056
<b>Outside Saudi Arabia:</b>				
Revenue	219	26	2	247
Gross profit	37	5	2	44
<b>Total</b>				
Revenue	2,686	628	132	3,446
Gross profit	842	209	49	1,100
<b>Unallocated income (expenses)</b>				
Selling and marketing				(101)
General and administrative				(310)
Operating income				689
Share of income of associates				6
Finance costs				(19)
Other income				37
<b>Income before zakat</b>				713
Zakat				(64)
<b>Income for the period</b>				649
<b>As at 30 June 2021 (Unaudited)</b>				
<b>Saudi Arabia:</b>				
Total assets	6,736	277	2,447	9,460
Total liabilities	3,530	365	724	4,619
<b>Outside Saudi Arabia</b>				
Total assets	510	42	15	567
Total liabilities	113	14	3	130
<b>Total</b>				
Total assets	7,246	319	2,462	10,027
Total liabilities	3,643	379	727	4,749

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**30 June 2021**

**5. Segment Information (continued)**

For the period ended 30 June 2020 (Unaudited)	Hospitals/ Healthcare Facilities	Pharmacies	HMG Solutions / Others	Total
<i>SR' millions</i>				
<b>Saudi Arabia:</b>				
Revenue	1,777	439	114	2,330
Gross profit	528	146	53	727
<b>Outside Saudi Arabia:</b>				
Revenue	207	7	2	216
Gross profit	30	1	2	33
<b>Total</b>				
Revenue	1,984	446	116	2,546
Gross profit	558	147	55	760
<b>Unallocated income (expenses)</b>				
Selling and marketing				(76)
General and administrative				(222)
Operating income				462
Share of income of associates				(4)
Finance costs				(27)
Other income				30
<b>Income before zakat</b>				461
Zakat				(42)
<b>Income for the period</b>				419
<b>As at 31 December 2020 (audited)</b>				
<b>Saudi Arabia:</b>				
Total assets	6,328	304	2,289	8,921
Total liabilities	3,168	326	782	4,276
<b>Outside Saudi Arabia</b>				
Total assets	536	15	9	560
Total liabilities	100	15	2	117
<b>Total</b>				
Total assets	6,864	319	2,298	9,481
Total liabilities	3,268	341	784	4,393

**6. Property and equipment**

	As at 30 June 2021 SR (Unaudited)	As at 31 December 2020 SR (Audited)
Property and equipment	5,825,589,315	5,365,719,651
Right-of-use assets	281,700,048	282,223,471
	<b>6,107,289,363</b>	<b>5,647,943,122</b>

**7. Dividends**

The Board of Directors, in their meetings during the period ended 30 June 2021 resolved to distribute interim dividends of SR 1.3 per share totaling to SR 455,000,000 (2020: SR 0.50 per share totalling to SR 175,000,000). This will be endorsed by the Company's upcoming general assembly.

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**8. Long-term loans**

	As at 30 June 2021 SR (Unaudited)	As at 31 December 2020 SR (Audited)
<b>Current-portion of loans:</b>		
Loans from local banks (i)	259,504,088	305,817,344
Loans from Ministry of Finance (ii)	24,203,406	24,203,407
	<b>283,707,494</b>	<b>330,020,751</b>
<b>Non-current portion of loans:</b>		
Loans from local banks (i)	1,816,076,421	1,628,013,057
Loans from Ministry of Finance (ii)	394,407,251	401,627,707
	<b>2,210,483,672</b>	<b>2,029,640,764</b>

i) Loans from local banks

The Group is financed through Islamic facilities in the form of long-term and short-term loans (Murabaha / Tawarruq) from local banks. These facilities are subject to commission rates based on Saudi Arabia Interbank Offered Rate "SIBOR" plus an agreed margin. The facilities are secured by corporate promissory notes.

ii) Loans from Ministry of Finance (MoF)

The Group's long-term financing includes MoF non-interest bearing loans to finance the capital expenditures related to the Company and its subsidiaries. The loan repayment instalments are settled on equal yearly instalments. Certain assets are pledged against the loans obtained from the MoF .

**9. Earnings per share**

Basic and diluted earnings per share ("EPS") is calculated by dividing the income for the period attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is the same as the regular or basic earnings per share as the Group does not have any convertible securities or diluted instruments to exercise.

The following table reflects the income for the period attributable to equity holders of the parent and share data used in the basic and diluted EPS computations:

	For the three months period ended		For the six month period ended	
	30 June 2021 SR	30 June 2020 SR	30 June 2021 SR	30 June 2020 SR
<i>Income for the period attributable to equity holders of the parent</i>	<b>325,403,903</b>	192,253,823	<b>644,399,811</b>	438,853,141
Weighted average number of ordinary shares	<b>350,000,000</b>	350,000,000	<b>350,000,000</b>	350,000,000
Basic and diluted earnings per share from income for the period attributable to equity holders of the parent	<b>0.93</b>	0.55	<b>1.84</b>	1.25

#### **10. Fair values**

Financial instruments comprise financial assets and financial liabilities. Financial assets consist of cash and cash equivalents and accounts receivable. Financial liabilities consist of long-term loans, accounts payable, advances from customers, amounts due to related parties, accrued expenses and other liabilities and zakat payable.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of financial instruments are not materially different from their carrying values at reporting date largely.

#### **11. Significant event**

The existence of novel coronavirus (COVID-19) was confirmed in early 2020 and has spread globally, including the Kingdom of Saudi Arabia, causing disruptions to many businesses and economic activities.

The extent and duration of such impacts remain uncertain and dependent on future developments that cannot be reliably predicted at this time, such as the transmission rate of the coronavirus and the extent and effectiveness of containment actions taken. Given the ongoing economic uncertainty, a reliable estimate of the impact cannot be made at the reporting date of these interim condensed consolidated financial statements. These developments are not expected to have a material impact the Group's future financial results, cash flows and financial condition.

#### **12. Subsequent events**

In the opinion of management, no significant events have occurred subsequent to 30 June 2021 that would have a material impact on financial position or financial performance of the Group.

#### **13. Approval of the interim condensed consolidated financial statements**

These interim condensed consolidated financial statements were approved for issuance by the Board of Directors on 28 Dhul-Hijjah 1442H (corresponding to 7 August 2021).

#### **14. Comparative information**

Certain comparative information has been reclassified to align with current period presentation for the period ended 30 June 2021.