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

Condensed Consolidated Interim Financial Statements
For the three month and six month periods ended 30 June 2026

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Report on review of condensed consolidated interim financial statements

To the shareholders of Dr. Sulaiman Al Habib Medical Services Group Company
(A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Dr. Sulaiman Al Habib Medical Services Group Company ("the Company") and its subsidiaries (collectively with the Company referred to as "the Group") as at 30 June 2026, and the related condensed consolidated interim statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2026, and the related condensed consolidated interim statements of changes in equity and cash flows for the six-month period then ended, and other explanatory notes. The Board of Directors is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"), as 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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", as endorsed in the Kingdom of Saudi Arabia. A review of interim financial information 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, as 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 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

PricewaterhouseCoopers

Khalid A. Mahdhar
License Number 368

برايس وترهاوس كوبرز
محاسبون قانونيون
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PRICEWATERHOUSECOOPERS
CERTIFIED PUBLIC ACCOUNTS
C.R.: 1010371622

26 July 2026
12 Safar 1448 H

PricewaterhouseCoopers Public Accountants
(Professional Limited Liability Company)
Laysen Valley Tower 12 & 13, King Khaled Road
T: +966 (11) 211 0400, F: +966 (11) 211 0401

www.pwc.com

CR no.1010371622, UN No.7000928734, Capital of 500,000 SAR National address: 2537 Mohammad Ibn Fuhayd St secondary no. 7912, West Umm Al Hamam Dist, postal code 12329 Riyadh, Kingdom of Saudi Arabia

DR. SULAIMAN AL HABIB MEDICAL SERVICES GROUP COMPANY AND ITS SUBSIDIARIES
(Saudi Joint Stock Company)
Condensed consolidated interim statement of financial position
As at 30 June 2026

	Note	30 June 2026 ⃁ (Unaudited)	31 December 2025 ⃁ (Audited)
Assets			
Current assets			
Cash and cash equivalents		2,322,207,373	2,281,635,206
Accounts receivable		1,937,474,614	1,622,406,728
Prepayments and other assets		705,127,398	494,936,466
Inventories		1,234,637,164	1,028,292,270
Total current assets		**6,199,446,549**	**5,427,270,670**
Non-current assets			
Investments in associates		185,905,634	175,256,312
Investments in Islamic Sukuk & other financial assets		369,220,200	300,000,000
Property and equipment	7	17,933,656,891	17,302,419,382
Total non-current assets		**18,488,782,725**	**17,777,675,694**
Total assets		**24,688,229,274**	**23,204,946,364**
Liabilities and equity			
Liabilities			
Current liabilities			
Current portion of long-term loans	11	280,238,346	96,039,119
Accounts payable		2,460,762,983	2,015,293,259
Accruals and other liabilities		2,629,787,817	2,411,307,826
Zakat and income tax payable		63,116,424	95,673,216
Current portion of lease liabilities		97,800,085	100,341,908
Total current liabilities		**5,531,705,655**	**4,718,655,328**
Non-current liabilities			
Long-term loans	11	8,942,925,128	8,734,566,320
Government grant		42,410,612	43,659,819
Lease liabilities		350,862,769	373,686,238
Employees' end-of-service benefits		978,706,142	905,699,043
Total non-current liabilities		**10,314,904,651**	**10,057,611,420**
Total liabilities		**15,846,610,306**	**14,776,266,748**
Equity			
Issued and paid-up share capital		3,500,000,000	3,500,000,000
Retained earnings		4,761,488,119	4,401,716,037
Equity attributable to equity holders of the Parent Company		**8,261,488,119**	**7,901,716,037**
Non-controlling interests		580,130,849	526,963,579
Total equity		**8,841,618,968**	**8,428,679,616**
Total liabilities and equity		**24,688,229,274**	**23,204,946,364**

The accompanying notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

APPROVED BY: FAISAL AL NASSAR CFO	APPROVED BY: FAISAL AL NASSAR CEO	APPROVED BY: DR. SULAIMAN AL HABIB CHAIRMAN

DR. SULAIMAN AL HABIB MEDICAL SERVICES GROUP COMPANY AND ITS SUBSIDIARIES
(Saudi Joint Stock Company)
Condensed consolidated interim statement of income
For the three month and six month periods ended 30 June 2026

		For the three months period ended		For the six months period ended	
		30 June 2026	30 June 2025	30 June 2026	30 June 2025
		⃁	⃁	⃁	⃁
	Note	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue		4,006,446,109	3,384,328,957	7,442,208,598	6,542,108,726
Cost of revenue		(2,784,434,140)	(2,318,345,181)	(5,264,226,657)	(4,447,814,554)
Gross profit		**1,222,011,969**	**1,065,983,776**	**2,177,981,941**	**2,094,294,172**
Sales and marketing expenses		(96,890,179)	(122,434,389)	(192,319,089)	(254,810,749)
General and administrative expenses		(354,711,623)	(298,683,099)	(627,507,624)	(568,688,980)
Operating profit		**770,410,167**	**644,866,288**	**1,358,155,228**	**1,270,794,443**
Share of income of associates and others		9,596,059	4,006,220	12,653,252	7,863,583
Finance costs		(104,492,983)	(83,381,057)	(208,602,907)	(162,029,759)
Other income		50,438,893	50,042,676	103,294,440	88,615,947
Profit before zakat and income tax		**725,952,136**	**615,534,127**	**1,265,500,013**	**1,205,244,214**
Zakat and income tax		(20,631,950)	(13,182,434)	(46,785,747)	(23,109,679)
Profit for the period		**705,320,186**	**602,351,693**	**1,218,714,266**	**1,182,134,535**
Profit for the period attributable to:					
Equity holders of the parent company		662,661,232	591,020,007	1,165,953,973	1,148,029,082
Non-controlling interests		42,658,954	11,331,686	52,760,293	34,105,453
		705,320,186	**602,351,693**	**1,218,714,266**	**1,182,134,535**
Earnings per share:					
Basic and diluted earnings per share from profit for the period attributable to equity holders of the parent Company	12	1.89	1.69	3.33	3.28

The accompanying notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

APPROVED BY:	APPROVED BY:	APPROVED BY:
FAISAL AL NASSAR	FAISAL AL NASSAR	DR. SULAIMAN AL HABIB
CFO	CEO	CHAIRMAN

DR. SULAIMAN AL HABIB MEDICAL SERVICES GROUP COMPANY AND ITS SUBSIDIARIES
(Saudi Joint Stock Company)
Condensed consolidated interim statement of comprehensive income
For the three month and six month periods ended 30 June 2026

	For the three months period ended		For the six months period ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	⃁	⃁	⃁	⃁
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit for the period	**705,320,186**	**602,351,693**	**1,218,714,266**	**1,182,134,535**
Other comprehensive income				
Items that will not be reclassified to profit or loss in subsequent periods:				
Remeasurement gain (loss) on defined benefit obligations	2,767,909	4,990,822	6,225,086	(5,186,213)
Other comprehensive income (loss) for the period	**2,767,909**	**4,990,822**	**6,225,086**	**(5,186,213)**
Total comprehensive income for the period	**708,088,095**	**607,342,515**	**1,224,939,352**	**1,176,948,322**
Total comprehensive income for the period attributable to:				
Equity holders of the parent company	665,296,925	595,779,620	1,171,772,082	1,142,276,294
Non-controlling interests	42,791,170	11,562,895	53,167,270	34,672,028
	708,088,095	**607,342,515**	**1,224,939,352**	**1,176,948,322**

The accompanying notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

APPROVED BY:	APPROVED BY:	APPROVED BY:
FAISAL AL NASSAR	FAISAL AL NASSAR	DR. SULAIMAN AL HABIB
CFO	CEO	CHAIRMAN

DR. SULAIMAN AL HABIB MEDICAL SERVICES GROUP COMPANY AND ITS SUBSIDIARIES
(Saudi Joint Stock Company)
Condensed consolidated interim statement of changes in equity
For the six months period ended 30 June 2026

	Attributable to equity holders of the Parent Company				
	Issued and paid-up share capital ⃁	Retained earnings ⃁	Total ⃁	Non-controlling interests ⃁	Total equity ⃁
As at 1 January 2026 (Audited)	**3,500,000,000**	**4,401,716,037**	**7,901,716,037**	**526,963,579**	**8,428,679,616**
Profit for the period	-	1,165,953,973	1,165,953,973	52,760,293	1,218,714,266
Other comprehensive income	-	5,818,109	5,818,109	406,977	6,225,086
Total comprehensive income	-	1,171,772,082	1,171,772,082	53,167,270	1,224,939,352
Dividends (note 10)	-	(812,000,000)	(812,000,000)	-	(812,000,000)
As at 30 June 2026 (Unaudited)	**3,500,000,000**	**4,761,488,119**	**8,261,488,119**	**580,130,849**	**8,841,618,968**
As at 1 January 2025 (Audited)	**3,500,000,000**	**3,675,142,519**	**7,175,142,519**	**437,505,578**	**7,612,648,097**
Profit for the period	-	1,148,029,082	1,148,029,082	34,105,453	1,182,134,535
Other comprehensive (loss) income	-	(5,752,788)	(5,752,788)	566,575	(5,186,213)
Total comprehensive income	-	1,142,276,294	1,142,276,294	34,672,028	1,176,948,322
Dividends (note 10)	-	(822,500,000)	(822,500,000)	-	(822,500,000)
Changes in non-controlling interests	-	-	-	(2,764)	(2,764)
As at 30 June 2025 (Unaudited)	**3,500,000,000**	**3,994,918,813**	**7,494,918,813**	**472,174,842**	**7,967,093,655**

The accompanying notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

APPROVED BY:
FAISAL AL NASSAR
CFO

APPROVED BY:
FAISAL AL NASSAR
CEO

APPROVED BY:
DR. SULAIMAN AL HABIB
CHAIRMAN

DR. SULAIMAN AL HABIB MEDICAL SERVICES GROUP COMPANY AND ITS SUBSIDIARIES
(Saudi Joint Stock Company)
Condensed consolidated interim statement of cash flows
For the six months period ended 30 June 2026

	2026 ⃁ (Unaudited)	2025 ⃁ (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before zakat and income tax	**1,265,500,013**	**1,205,244,214**
Adjustments for non-cash items:		
Depreciation	434,210,763	314,885,669
Share of income of associates and others	(12,653,252)	(7,863,583)
Provisions	44,420,520	118,112,978
Finance costs	208,602,907	162,029,759
Employees' end-of-service benefits	107,331,229	88,041,619
	2,047,412,180	**1,880,450,656**
Working capital changes:		
Accounts receivable	(356,513,219)	(834,973,995)
Inventories	(209,320,081)	(279,395,327)
Prepayments and other assets	(209,166,628)	(157,501,183)
Accounts payable	445,469,724	469,495,555
Accruals and other liabilities	222,049,474	213,892,869
Cash generated from operating activities	**1,939,931,450**	**1,291,968,575**
Zakat and income tax paid	(79,342,539)	(76,208,352)
Employees' end-of-service benefits paid	(28,099,044)	(19,403,441)
Net cash from operating activities	**1,832,489,867**	**1,196,356,782**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(1,035,778,530)	(1,683,937,897)
Investment in associates	(15,132,652)	-
Investments in Islamic Sukuk & other financial assets	(57,416,743)	-
Dividends from associates	5,333,125	-
Net cash used in investing activities	**(1,102,994,800)**	**(1,683,937,897)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term loans	600,000,000	850,000,000
Repayment of long-term loans	(209,934,075)	(24,426,937)
Finance costs paid	(210,929,487)	(160,330,860)
Lease liabilities paid	(56,059,338)	(61,111,107)
Dividends paid	(812,000,000)	(822,500,000)
Non-controlling interest	-	(2,764)
Net cash used in financing activities	**(688,922,900)**	**(218,371,668)**
Net increase (decrease) in cash and cash equivalents	40,572,167	(705,952,783)
Cash and cash equivalents at the beginning of the period	2,281,635,206	2,890,702,697
Cash and cash equivalents at the end of the period	**2,322,207,373**	**2,184,749,914**
Non-cash transactions:		
Recognition of right-of-use assets and lease liabilities	31,398,842	101,808,537
Transfer from prepayments and other assets to property and equipment	-	39,978,296

The accompanying notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

APPROVED BY:
FAISAL AL NASSAR
CFO

APPROVED BY:
FAISAL AL NASSAR
CEO

APPROVED BY:
DR. SULAIMAN AL HABIB
CHAIRMAN

1 Corporate information and activities

Dr. Sulaiman Al Habib Medical Services Group Company (the "Company") (a Saudi Joint Stock Company) is registered in Riyadh, under commercial registration number 1010118330 dated 11 Jumada al-thani 1414H (corresponding to 25 November 1993). The registered office is located at Olaya District, P.O. Box 301578, Riyadh 11372, Kingdom of Saudi Arabia (the" Kingdom" and/or "KSA"), and the Company was listed on the Saudi Stock Exchange (Tadawul) on 22 Rajab 1441H (corresponding to 17 March 2020).

The activities of the Company and its 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 of Home health care, specialized medical laboratories, technology services and information systems, providing facility maintenance services, Tele-medicine services, revenue cycle management services, medical equipment maintenance services, and real estate activity.

The Company has a branch located 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 Branch is engaged in the activities of retail sales of medical devices, equipment, and supplies, as well as operating pharmaceutical warehouses and general warehouses that store a range of goods.

The number of shares is (350,000,000) and the share value is ⃁ 10.

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

2 Basis of preparation

2.1 Statement of compliance

These condensed consolidated interim financial statements as at and for the three-months and six-months period ended 30 June 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") and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") (collectively referred to as "IAS-34 as endorsed in KSA").

The condensed consolidated interim 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 2025.

The condensed consolidated interim financial statements are considered an integral part of the whole fiscal year, however, the results of operations for the interim period may not be a fair indication of the results of the full year operations.

2.2 Basis of measurement

These condensed consolidated interim financial statements are prepared on a historical cost basis except for employees' end of service benefits are recognized at the present value of future obligations using the Projected Unit Credit Method.

2.3 Functional and presentation currency

The condensed consolidated interim financial statements are presented in Saudi Riyals, which is the functional, and presentation currency of the Group and all values are rounded to the nearest one Saudi Riyal, except when otherwise indicated.

2 Basis of preparation (continued)

2.4 Use of judgement and estimates

In preparing these condensed consolidated interim financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual Consolidated Financial Statements.

3 Basis of consolidation

These condensed consolidated interim financial statements comprise the financial statements of the Company and its following subsidiaries (collectively referred to as "the Group"), mainly domiciled in the Kingdom of Saudi Arabia ("KSA") and United Arab Emirates ("UAE") as at 30 June 2026 and 31 December 2025:

	Country of incorporation and business	Activities / Services	Ownership % 30 June 2026	Ownership % 31 December 2025
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	**100%**	100%
Al Gharb Al Takhassusi Hospital for Healthcare Company	KSA	Hospital	**100%**	100%
Al Mokhtabarat Diagnostic Medical Company	KSA	Laboratory	**100%**	100%
Sehat Al Suwaidi Medical Company	KSA	Hospital	**100%**	100%
Hulool Al Sahaba for IT & Communication Company	KSA	IT Support	**100%**	100%
Rawabet Medical Company	KSA	Medical and Telemedicine	**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 Administrative Company	KSA	Revenue cycle management	**100%**	100%
Al Marakez Al Awwalyah for Healthcare Company	KSA	Primary Healthcare centers	**100%**	100%
Wrass Real Estate Company	KSA	Real Estate	**100%**	100%
Flow Medical Company	KSA	Medical equipment services	**100%**	100%
Sehat Al Kharj for Healthcare Company	KSA	Hospital	**100%**	100%
Bawabat Al Gharb for Healthcare Company	KSA	Hospital	**100%**	100%
Bawabat Al Shamal for Healthcare Company	KSA	Hospital	**100%**	100%
Sehat Al Hamra for Healthcare Company	KSA	Hospital	**100%**	100%
Wrass for Operation and Maintenance Company	KSA	Ancillary	**100%**	100%
Dr. Sulaiman Al Habib for Education Company	KSA	Higher Education	**100%**	100%
Bawabat Al Sharq for Healthcare Company	KSA	Hospital	**100%**	100%
Sehat Al Sahel Company	KSA	Hospital	**100%**	100%

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 period are included in the condensed consolidated interim 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 Consistent application of accounting policies

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in preparing the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

5 New and amended standards and interpretations

5.1 Amendments applied by the Group on 1 January 2026 and have no material effect on the condensed consolidated interim financial statements are as follows:

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024 and effective for annual periods beginning on or after 1 January 2026).

5.2 The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's condensed consolidated interim financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

5.2.1 IFRS 18 — Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements was issued on 9 April 2024 and is effective for annual reporting periods beginning on or after 1 January 2027. IFRS 18 will replace IAS 1 Presentation of Financial Statements. The Group has not early adopted IFRS 18 in preparing these condensed consolidated interim financial statements.

IFRS 18 will not change the recognition or measurement of assets, liabilities, income or expenses. However, it is expected to affect the presentation of the Group's financial performance and certain related disclosures, including the structure of the statement of income, management-defined performance measures, aggregation and disaggregation of information, and certain consequential amendments to IAS 7 Statement of Cash Flows.

a) Structure of the statement of income

IFRS 18 requires income and expenses to be classified into defined categories in the statement of income, being operating, investing, financing, income taxes and discontinued operations. Based on the information currently available, management does not expect the Group to have a specified main business activity of investing in particular assets or providing financing to customers.

The Group will be required to present the newly defined subtotals "operating profit or loss" and "profit or loss before financing and income taxes". Although the Group currently presents an operating profit subtotal, the composition of operating profit under IFRS 18 may differ from the current presentation.

Management is assessing the classification of income and expenses currently presented outside operating profit, including share of income of associates and others, finance costs, other income, income from Islamic Sukuk and other financial assets, and income from time deposits. Based on the information currently available, income from associates, Islamic Sukuk, time deposits and other financial assets that generate returns largely independently from the Group's healthcare operations is expected to be classified in the investing category. Finance costs and income or expenses arising from financing liabilities are expected to be classified in the financing category.

The Group currently allocates employees' end-of-service benefit costs between cost of revenue, sales and marketing expenses and general and administrative expenses based on the related function. Management expects that the interest cost on the employees' end-of-service defined benefit obligation, currently included within functional expense categories, will be classified in the financing category under IFRS 18. Remeasurement gains or losses on defined benefit obligations are presented in other comprehensive income and are not expected to affect the classification of income and expenses in the statement of income as they will not be reclassified to the statement of income.

Based on management's initial assessment, most components of other income, including government grants and HRDF receipts, rent and ancillary facility income, supplier-related foreign currency translation differences and supplier rebates are expected to be classified in the operating category.

5 New and amended standards and interpretations (continued)

5.2 The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's condensed consolidated interim financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. (continued)

5.2.1 IFRS 18 — Presentation and Disclosure in Financial Statements (continued)

a) Structure of the statement of income (continued)

Sukuk commission income and income from time deposits are expected to be classified in the investing category. No components of other income have been identified as financing in nature based on the information currently available. Management has also not identified any material impact from foreign currency translation differences or hedging instruments. Management continues to assess the classification of other income components and therefore the final classification of such income remains subject to completion of this assessment.

b) Management-defined performance measures

IFRS 18 introduces disclosure requirements for management-defined performance measures, which are subtotals of income and expenses used in public communications outside the financial statements to communicate management's view of an aspect of the financial performance of the Group as a whole.

The Group currently uses EBITDA in certain public communications. Based on its initial assessment, management expects that EBITDA could meet the definition of a management-defined performance measure under IFRS 18. Management is continuing to assess whether any other measures used in public communications meet this definition. If any such measures meet the definition, the Group will disclose the information required by IFRS 18 in a single note to the financial statements, including a reconciliation to the most directly comparable IFRS subtotal or total.

c) Principles of aggregation and disaggregation

IFRS 18 provides enhanced principles for grouping information in the primary financial statements and in the notes. The Group is assessing whether line items currently presented or disclosed using broad descriptions, including "other income", "prepayments and other assets", "accruals and other liabilities" and similar captions, should be further disaggregated or described using more informative labels. The Group is also assessing the additional IFRS 18 disclosure requirements relating to specified expenses by nature, as the Group presents operating expenses by function.

d) Consequential amendments to IAS 7 Statement of Cash Flows

IFRS 18 includes consequential amendments to IAS 7. When cash flows from operating activities are presented using the indirect method, the amended requirements use operating profit or loss as the starting point for reconciliation. The Group currently starts its reconciliation of cash flows from operating activities with profit before zakat and income tax. Accordingly, the presentation of the operating cash flow reconciliation will change on adoption of IFRS 18, although this change is not expected to affect net cash generated from operating activities.

The Group is also assessing the consequential amendments relating to the classification of interest and dividend cash flows. Based on the Group's current presentation, finance costs paid and dividends paid are presented within financing activities and dividends received from associates are presented within investing activities. Cash receipts from Sukuk commission income, income from time deposits and similar financial returns are expected to be presented within investing activities under the amended IAS 7 requirements, subject to completion of management's assessment.

5 New and amended standards and interpretations (continued)

5.2 The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's condensed consolidated interim financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. (continued)

5.2.1 IFRS 18 — Presentation and Disclosure in Financial Statements (continued)

d) Consequential amendments to IAS 7 Statement of Cash Flows (continued)

Management is continuing to assess the detailed impact of IFRS 18 on the Group's consolidated financial statements. Based on management's assessment to date, the adoption of IFRS 18 is expected to affect only the presentation of the Group's financial performance and cash flows, with no impact on profit for the period, earnings per share, total equity or net cash flows. The principal effects are expected to be a change in the composition of operating profit and the re-presentation of the operating cash flow reconciliation. The Group is completing its quantification of the reclassification of comparative information that will be presented on initial application.

5.2.2 IFRS 19 Subsidiaries without Public Accountability: Disclosures (Issued on 9 May 2024 and effective for annual periods beginning on or after 1 January 2027)

6 Segment Information

Operating segments are 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 are consistent measure within the Group.

The identified key segments are Hospitals / Healthcare Facilities, Pharmacies and HMG Solutions / Others (which includes IT support services, laboratory services, home healthcare services, medical equipment services, revenue cycle management and real estate). The segment results (revenue and gross profit) for the six months period ended 30 June 2026 and the reconciliation of the segment measures to the respective statutory items included in the condensed consolidated interim financial statements are as follows:

⃁ Million	Hospitals / Healthcare Facilities	Pharmacies	Solutions / Others	Total
For the six months period ended 30 June 2026 (Unaudited)				
Revenue	5,720	1,580	142	7,442
Gross profit	1,649	484	45	2,178
As at 30 June 2026 (Unaudited)				
Total assets	20,309	963	3,416	24,688
Total liabilities	10,083	1,138	4,626	15,847
For the six months period ended 30 June 2025 (Unaudited)				
Revenue	5,078	1,351	113	6,542
Gross profit	1,647	399	48	2,094
As at 31 December 2025 (Audited)				
Total assets	18,920	697	3,588	23,205
Total liabilities	10,219	836	3,721	14,776

7 Property and equipment

	30 June 2026 ⃁ (Unaudited)	31 December 2025 ⃁ (Audited)
Property and equipment	17,427,542,822	16,768,187,836
Right-of-use assets *	506,114,069	534,231,546
	17,933,656,891	**17,302,419,382**

* Right-of-use assets mainly pertain to lease of lands and accommodation for the Group employees.

8 Related party disclosures

Related parties represent shareholders, Directors and key management personnel of the 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.

Related party transactions

Significant transactions and balances with related parties are in the ordinary course of business which are included in the condensed consolidated interim financial statements are summarized as follows:

		For the six months period ended	
		30 June 2026	30 June 2025
Related party	**Nature of transaction**	⃁	⃁
Board of Directors	Purchases and services	1,720,989	920,989
Affiliates Parties	Purchases and services	61,534,511	67,928,389
Affiliates Parties	Capital work-in-progress	602,841	5,409,398
Associates Parties	Revenue	54,724,101	39,386,054
Associates Parties	Purchases and services	4,807,696	7,329,155

Affiliates Parties refer to entities under common ownership with the Group.

Associates Parties refer to entities over which the Group has significant influence, typically defined as owning 20% to 50% of the voting shares.

Compensation of key management personnel of the Group

Key management personnel of the Group comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group.

	For the six months period ended	
	30 June 2026	30 June 2025
	⃁	⃁
Short-term employee benefits	7,020,000	7,610,000
Board of Directors and its committees remuneration	1,510,000	1,490,000
Post-employment and medical benefits	527,500	634,167
Total compensation paid to key management personnel	**9,057,500**	**9,734,167**

9 Zakat and income tax

9.1 Zakat

The following table summarizes the zakat status for the Group and it's subsidiaries on reporting date:

Zakat Status	Company ownership %	Zakat return filed up to	Zakat certificate received up to	Final Zakat assessment received up to
Consolidated zakat returns for the Co. and its subsidiaries	100	2025	2025	2024
Sehat Al Sharq Medical Limited Co.	50	2025	2025	2024
Gharb Jeddah Hospital Co.	50	2025	2025	2024
Al Wosta Medical Limited Co.	50	2025	2025	2024
Asharq Alawsat Pharmacies Co. [1]	100	2025	2025	2023

[1] During the year 2024, the other party assigned their less than 1% share to the Company, which directly and indirectly owns 100% of the entity, leading to its segregation into a separate Zakat pool.

9 Zakat and income tax (continued)

9.2 Income tax

UAE Corporate Income Tax Law On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime is effective for accounting periods beginning on or after 1 June 2023. The Group subsidiary in Dubai is subject to the provisions of the UAE CT Law with effect from 1 January 2024.

10 Dividend

During the period ended 30 June 2026, the Board of Directors resolved to distribute interim dividends of ⃁ 2.32 per share totaling to ⃁ 812,000,000 (30 June 2025: interim dividends of ⃁ 2.35 per share totaling to ⃁ 822,500,000) as follows:

- On 14 February 2026 the Board of Directors resolved to distribute interim dividends of ⃁ 458,500,000 at ⃁ 1.31 per share representing 13.1% of the nominal value of the share for the 4th quarter of 2025 (during Q1 of the year 2025: Interim dividends of ⃁ 430,500,000 at ⃁ 1.23 per share representing 12.3% of the nominal value of the share, for the 4th quarter of 2024), based on the authorization to distribute interim dividends to the shareholders, quarterly or semi-annually, for the fiscal year 2025 which was granted to the Board of Directors by the Ordinary General Assembly which was held on Sunday 6 Dhu al-Qi'dah 1446H (corresponding to 4 May 2025).

- On 2 May 2026 the Board of Directors resolved to distribute interim dividends of ⃁ 353,500,000 at ⃁ 1.01 per share representing 10.1% of the nominal value of the share for the 1st quarter of 2026 (during Q2 of the year 2025: Interim dividends of ⃁ 392,000,000 at ⃁ 1.12 per share representing 11.2% of the nominal value of the share, for the 1st quarter of 2025), based on the authorization to distribute interim dividends to the shareholders, quarterly or semi-annually, for the fiscal year 2026 which was granted to the Board of Directors by the Ordinary General Assembly which was held on Tuesday 11 Dhu al-Qi'dah 1447H (corresponding to 28 April 2026).

11 Long-term loans

	30 June 2026 ⃁ (Unaudited)	31 December 2025 ⃁ (Audited)
Current-portion of loans and borrowings:		
Loans from local banks (i)	246,034,940	61,835,713
Loans from Ministry of Finance (ii)	34,203,406	34,203,406
	280,238,346	**96,039,119**
Non-current portion of loans and borrowings:		
Loans from local banks (i)	8,707,477,186	8,477,183,551
Loans from Ministry of Finance (ii)	235,447,942	257,382,769
	8,942,925,128	**8,734,566,320**

i) Loans from local banks

The Group is financed through Islamic facilities in the form of long-term loans (Murabaha / Tawarruq) from local banks. These facilities are subject to commission rates based on Saudi Arabia Interbank Offered Rate "SAIBOR" 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 installments. Certain assets are pledged against the loans obtained from the MoF.

12 Earnings per share

Basic and diluted earnings per share ("EPS") is calculated by dividing the profit 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 profit for the period attributable to equity holders of the parent Company and share data used in the basic and diluted EPS computations:

	For the three months period ended		For the six months period ended	
	30 June 2026 ⃁ (Unaudited)	30 June 2025 ⃁ (Unaudited)	30 June 2026 ⃁ (Unaudited)	30 June 2025 ⃁ (Unaudited)
Profit for the period attributable to equity holders of the parent Company	662,661,232	591,020,007	1,165,953,973	1,148,029,082
Weighted average number of ordinary shares	350,000,000	350,000,000	350,000,000	350,000,000
Basic and diluted earnings per share from profit for the period attributable to equity holders of the parent Company	1.89	1.69	3.33	3.28

13 Fair values

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash and cash equivalents, accounts receivable, Investments in Islamic Sukuk & other financial assets, contract assets and others. Financial liabilities consist of long-term loans, accounts payable, lease liabilities, accruals and other liabilities.

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.

14 Subsequent events

Management has evaluated events occurring after the reporting period up to the date of approval of the condensed consolidated interim financial statements and concluded that there are no events that require adjustment to or disclosure in the condensed consolidated interim financial statements.

15 Geopolitical developments

The Group continues to monitor the regional geopolitical developments and their potential impact on Saudi Arabia and the broader GCC environment given that the majority of the Group's operations are conducted mainly in the Kingdom of Saudi Arabia ("KSA") and United Arab Emirates ("UAE"). While the situation remains evolving, the Group maintains a robust operational framework to manage associated risks. These developments have not had a material impact on the Group's condensed consolidated interim financial statements for the period ended 30 June 2026; however, given the evolving nature of the conflict, the potential long-term impact on the Group's business will continue to be assessed on future reporting dates.

16 Approval of the condensed consolidated interim financial statements

The condensed consolidated interim financial statements of the Group for the three month and six month periods ended 30 June 2026 were approved for issuance by the Board of Directors on 11 Safar 1448 H (corresponding to 25 July 2026).