PROFESSIONAL MEDICAL EXPERTISE COMPANY
(PUBLIC JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026
AND INDEPENDENT AUDITOR'S REVIEW REPORT

PROFESSIONAL MEDICAL EXPERTISE COMPANY
(PUBLIC JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) AND INDEPENDENT AUDTIOR'S REVIEW REPORT
FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026

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INDEPENDENT AUDITOR'S REVIEW REPORT
ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

To the shareholders of
Professional Medical Expertise Company
(Public joint stock company)
Dhahran, Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of **Professional Medical Expertise Company** ("the Company") and its subsidiaries (together "the Group") as of 30 June 2026, and the related interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-months period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standards 34 - "Interim Financial Reporting" ("IAS 34"), that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim condensed consolidated financial information 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" that is 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 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 information is not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

RSM Allied Accountants Professional Services

شركة ار اس ام المحاسبون المتحدون للإستشارات المهنية
س.ت: ٤٠٣٠٢٢٨٧٧٣
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Mohammad Abdulmajeed Mohandes
License No. 564
Jeddah, Kingdom of Saudi Arabia
12 Rabi' al-Awwal 1448H (corresponding to 25 August 2026)

PROFESSIONAL MEDICAL EXPERTISE COMPANY
(PUBLIC JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF 30 JUNE 2026
(All amounts in ⃁ unless otherwise stated)

	Note	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
ASSETS			
Non-current assets			
Property and equipment	4	**24,265,866**	24,623,313
Intangible assets		**2,616,542**	1,024,425
Right-of-use assets		**2,653,247**	3,604,584
Total non-current assets		**29,535,655**	29,252,322
Current assets			
Inventory	5	**149,328,356**	151,872,534
Trade receivables	6	**252,608,298**	225,219,455
Prepaid expenses and other debit balances		**24,475,459**	12,435,628
Cash at banks		**9,474,169**	3,849,639
Total current assets		**435,886,282**	393,377,256
TOTAL ASSETS		**465,421,937**	422,629,578
EQUITY AND LIABILITIES			
Equity			
Share capital	7	**35,000,000**	35,000,000
Additional funding by shareholders		**1,080,225**	1,080,225
Statutory reserve		**2,051,582**	2,051,582
Retained earnings		**136,393,031**	112,075,643
Equity attributable to the shareholders		**174,524,838**	150,207,450
Non-controlling interests		**(24,617)**	(18,399)
Total equity		**174,500,221**	150,189,051
Liabilities			
Non-current liabilities			
Non-current portion of lease liabilities		**790,965**	1,526,650
Employees' benefits obligations		**17,270,468**	16,274,092
Total non-current liabilities		**18,061,433**	17,800,742
Current liabilities			
Trade payables		**131,919,105**	106,662,398
Accrued expenses and other credit balances		**32,987,464**	20,297,152
Short-term borrowings	9	**103,108,859**	122,133,405
Current portion of lease liabilities		**1,663,494**	2,076,785
Zakat provision	10-2	**3,181,361**	3,470,045
Total current liabilities		**272,860,283**	254,639,785
Total liabilities		**290,921,716**	272,440,527
TOTAL EQUITY AND LIABILITIES		**465,421,937**	422,629,578

Chairman of Board of Directors	Chief Executive Officer	Chief Financial Officer
Dr. Samir Sulaiman Alumran	Dr. Amr Mahmoud Abouelamayem	Tamer Mahmoud Alakkad

PROFESSIONAL MEDICAL EXPERTISE COMPANY
(PUBLIC JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026
(All amounts in ⃁ unless otherwise stated)

	Note	For the six-months period ended 30 June	
		2026 (Unaudited)	2025 (Unaudited)
Profit or Loss			
Revenue from contracts with customers	13	**212,707,352**	190,037,403
Cost of sales		**(118,759,512)**	(104,965,153)
Gross profit		**93,947,840**	85,072,250
Selling and marketing expenses		**(40,197,038)**	(35,790,747)
General and administrative expenses		**(22,774,045)**	(19,945,554)
Expected credit losses		**-**	(1,558,501)
Operating profit		**30,976,757**	27,777,448
Finance costs		**(6,265,478)**	(6,599,135)
Other income, net		**1,199,891**	2,464,340
Net profit before zakat		**25,911,170**	23,642,653
Zakat	10-2	**(1,600,000)**	(1,542,238)
Net profit for the period		**24,311,170**	22,100,415
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss:			
Total other comprehensive income for the period		-	-
Total comprehensive income for the period		**24,311,170**	22,100,415
Total comprehensive income for the period attributable to:			
Shareholders of the Parent Company		**24,317,388**	22,106,235
Non-controlling interests		**(6,218)**	(5,820)
		24,311,170	22,100,415
Earnings per share:			
Basic and diluted earnings per share	12	**6.95**	6.32

Chairman of Board of Directors	Chief Executive Officer	Chief Financial Officer
Dr. Samir Sulaiman Alumran	Dr. Amr Mahmoud Abouelamayem	Tamer Mahmoud Alakkad

The accompanying notes from 1 to 20 form an integral part of this interim condensed consolidated financial information.

PROFESSIONAL MEDICAL EXPERTISE COMPANY
(PUBLIC JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026
(All amounts in ⃁ unless otherwise stated)

	Equity attributable to the shareholders of the Parent Company						
	Capital	**Additional funding by shareholders**	**Statutory reserve**	**Retained earnings**	**Equity attributable to the shareholders**	**Non-controlling interests**	**Total**
For the Six-months period ended 30 June 2026:							
As at 31 December 2025 (Audited)	**35,000,000**	**1,080,225**	**2,051,582**	**112,075,643**	**150,207,450**	**(18,399)**	**150,189,051**
Net profit for the period	-	-	-	**24,317,388**	**24,317,388**	**(6,218)**	**24,311,170**
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	**24,317,388**	**24,317,388**	**(6,218)**	**24,311,170**
As at 30 June 2026 (Unaudited)	**35,000,000**	**1,080,225**	**2,051,582**	**136,393,031**	**174,524,838**	**(24,617)**	**174,500,221**
For the Six-months period ended 30 June 2025:							
As at 31 December 2024 (Audited)	35,000,000	1,080,225	2,051,582	75,063,323	113,195,130	(8,605)	113,186,525
Net profit for the period	-	-	-	22,106,235	22,106,235	(5,820)	22,100,415
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	22,106,235	22,106,235	(5,820)	22,100,415
Dividends declared (Note 8)	-	-		(3,500,000)	(3,500,000)	-	(3,500,000)
As at 30 June 2025 (Unaudited)	35,000,000	1,080,225	2,051,582	93,669,558	131,801,365	(14,425)	131,786,940

Chairman of Board of Directors — Chief Executive Officer — Chief Financial Officer

Dr. Samir Sulaiman Alumran — Dr. Amr Mahmoud Abouelamayem — Tamer Mahmoud Alakkad

The accompanying notes from 1 to 20 form an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026
(All amounts in ⃁ unless otherwise stated)

	Note	For the six-months period ended 30 June 2026 (Unaudited)	2025 (Unaudited)
OPERATING ACTIVITIES			
Net profit for the period before Zakat		**25,911,170**	23,642,653
Adjustments to reconcile net profit for the period before zakat to net cash flows generated from operating activities:			
Depreciation of property and equipment	4	**3,753,089**	2,788,420
Amortization of right of use assets		**1,206,765**	1,067,198
Gain on disposal of property and equipment		**(1,570,707)**	(2,186,906)
Amortization of intangible assets		**387,883**	16,650
Gain on termination of lease contract		**(48,999)**	-
Expected credit losses		-	1,558,501
Inventory impairment	5	**1,040,855**	810,897
Employee's benefits obligations		**1,609,585**	1,036,486
Finance cost		**6,265,478**	6,599,135
		38,555,119	35,333,034
Changes in working capital:			
Inventory		**1,503,323**	(6,636,435)
Trade receivables		**(27,388,843)**	(44,646,879)
Prepaid expenses and debit balances		**(12,039,831)**	616,903
Trade payables		**25,256,707**	23,244,762
Accrued expenses and other credit balances		**12,753,740**	(1,436,242)
Cash flows generated from operating activities		**38,640,215**	6,475,143
Employees' benefits obligations paid		**(860,442)**	(194,716)
Zakat paid	10-2	**(1,888,684)**	(2,147,238)
Net cash flows generated from operating activities		**35,891,089**	4,133,189
INVESTING ACTIVITIES			
Purchase of property and equipment	4	**(4,643,265)**	(12,082,224)
Purchase of intangible assets		**(1,980,000)**	-
Proceeds from disposal of property and equipment		**2,818,330**	1,279,051
Net cash flows used in investing activities		**(3,804,935)**	(10,803,173)
FINANCING ACTIVITIES			
Proceeds from short-term borrowings		**111,175,758**	90,771,295
Repayment of short-term borrowings		**(130,200,302)**	(75,274,148)
Finance costs paid		**(5,988,268)**	(4,894,445)
Repayment of lease liabilities		**(1,448,812)**	(1,581,580)
Net cash flows (used in) / generated from financing activities		**(26,461,624)**	9,021,122
Net change in cash at banks during the period		**5,624,530**	2,351,138
Cash at banks at the beginning of the period		**3,849,639**	4,893,118
CASH AT BANKS AT THE END OF THE PERIOD		**9,474,169**	7,244,256
Non-cash transactions	15		

Chairman of Board of Directors	Chief Executive Officer	Chief Financial Officer
Dr. Samir Sulaiman Alumran	Dr. Amr Mahmoud Abouelamayem	Tamer Mahmoud Alakkad

The accompanying notes from 1 to 20 form an integral part of this interim condensed consolidated financial information.

1. ORGANIZATION AND ACTIVITY

Professional Medical Expertise Company (the “Company”) is a Public Joint Stock Company incorporated in the Kingdom of Saudi Arabia under Commercial Registration No. 2052001627 dated 14 Sha’ban 1431H (corresponding to 26 July 2010) with a unified number 7001629836.

The main activities of the company comprise the maintenance of medical equipment and supplies; acting as sales agents for pharmaceutical products; retail sale of orthopedic devices, medical devices, equipment, supplies, and herbal medicinal products; operation of warehouses for medical devices and products, cosmetics, and pharmaceutical products; legal representation of manufacturers of medical devices and products; and the provision of integrated administrative support services for offices.

The company’s registered office is located in Dhahran, Saudi Arabia.

The financial year of the company consists of twelve Gregorian months starting from 01 January and ending on 31 December.

During 2025, the Board of Directors, in its meeting held on 1 October 2025, recommended an increase in the paid-up share capital through a rights issue amounting to ⃁ 70 million. The purpose of the capital increase is to support the Company’s growth plans aimed at diversifying its product portfolio. The date for submitting the capital increase application to the Capital Market Authority (“CMA”), as well as any future related developments, will be announced at a later stage. The Board of Directors’ recommendation is subject to the approval of the relevant regulatory authorities and the Group’s shareholders at the Extraordinary General Assembly meeting. Investment Company for Securities and Brokerage (“Alistithmar Capital”) has been appointed as the financial advisor for the capital increase process. On 30 June 2026 (corresponding to 15 Muharram 1448H), the Parent Company submitted the application for approval of the increase in its share capital through a rights issue to Capital Market Authority.

The accompanying interim condensed consolidated financial information includes the accounts of the Parent Company, its branches, and its subsidiaries, as detailed below:

(a) The Parent Company’s branches:

NO	Branch name	Location	Activity	CR number
1	Professional Medical Expertise Company	Jeddah	Retail sales of orthopedic devices, medical devices, equipment and supplies, and herbal medical preparations.	4030251913
2	Professional Medical Expertise Company	Khobar	Retail sales of medical devices, equipment, and supplies, and warehousing of pharmaceutical preparations.	2051225780

(b) The Group’s subsidiaries, which it owns directly or indirectly (“the Group”):

Subsidiary name	Country of incorporation	Main activities	Effective ownership 30 June 2026	Effective ownership 31 December 2025
Promedex Medical Equipment Trading L.L.C	United Arab Emirates	Medical, surgical, equipment and instruments trading	**100%**	100%
Promedex Drug Store L.L.C *	United Arab Emirates	Drug Store	**49%**	49%

* The subsidiary is controlled through PROMEDEX Medical Equipment Trading LLC. Although the Company holds less than 50% of the voting rights in PROMEDEX Drug Store Company, it exercises control due to its effective authority, as the other shareholder has relinquished decision-making powers related to management and daily operations. Furthermore, on December 26, 2023 according to the Addendum to the company's articles of association, the Company is entitled to 99% of PROMEDEX Drug Store Company's profit or loss.

2. BASIS OF PREPARATION AND MEASUREMENT

2.1 Statement of compliance

This interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” as endorsed in Kingdom of Saudi Arabia. It should be read in conjunction with the Group’s financial statements as of and for the year ended 31 December 2025 as it does not include all the information required to prepare a full set of consolidated financial statements. However, it indicates the accounting policies and explanatory notes to explain significant events and transactions for understanding changes in the Group’s financial position and performance since the Group’s last annual consolidated financial statements.

The results for the six-months period ended 30 June 2026 are not necessarily indicative of the results that can be expected for the financial year ended 31 December 2026.

2.2 Basis of consolidation

The interim condensed consolidated financial information includes the financial information of Professional Medical Expertise Company, its branches (“the Parent Company”) and its subsidiaries (“the Group”) as described in note (1).

Subsidiaries are entities which are controlled by the Group. 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 control 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, and
- The ability to use control over the investee to affect those returns.

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 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 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 information 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 are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests 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.

2. BASIS OF PREPARATION AND MEASUREMENT (CONTINUED)

2.2 Basis of consolidation (continued)

If the Group loses control over a subsidiary, it:
- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interests.
- Derecognizes the cumulative translation differences recorded in equity.
- Recognizes the fair value of the consideration received.
- Recognizes the fair value of any investment retained.
- Recognizes any surplus or deficit in consolidated statement of profit or loss.
- Reclassifies the Parent Company's share of components previously recognized in the comprehensive income to consolidated statement of profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.3 Basis of measurement

The interim condensed consolidated financial information has been prepared on the accrual basis of accounting, going concern basis and historical cost convention, except for items the following included in the interim condensed consolidated statement of financial position:

- Employees' end of service benefits are measured at the present value of future liabilities using the projected unit credit method.
- Lease liabilities are measured at the net present value of lease payments.

2.4 Functional and presentation currency

This interim condensed consolidated financial information is presented in Saudi Riyals ("⃁"), which is the Group's functional and presentation currency. Figures are rounded to the nearest Riyal unless otherwise stated.

2.5 Significant accounting judgements, estimates and assumptions

The preparation of this interim condensed consolidated financial information requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the period in which the estimates are reviewed if the revision affects only that period, or in the period of the revision and future periods affected.

The significant estimates made by management in applying the Company's accounting policies and key sources of estimation uncertainties were similar to those described in the last annual consolidated financial statements.

The Group's management has assessed the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the interim condensed consolidated financial information has been prepared on a going concern basis.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025. In addition, there are amendments to IFRS standards applicable to the Group that became effective on 1 January 2026, which the Group believes do not have a material impact on the interim condensed consolidated financial information.

- Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7
- Annual Improvements to IFRS Standards – Volume 11
- Power Purchase Agreements (Nature-dependent electricity contracts) – Amendments to IFRS 9 and IFRS 7

3.1 New standards, amendments to standards and interpretations issued but not yet effective

The following is a list of new and amended standards and interpretations issued but not yet effective up to the date of authorization of the Group's interim condensed consolidated financial information. The Group intends to adopt these new and amended standards and interpretations, where applicable, when they become effective. The Group is currently assessing the potential impact of these new standards, interpretations, and amendments on the interim condensed consolidated financial information.

Standards, Interpretations and Amendments	Effective Date
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	1 January 2027
Translation to Presentation Currency in Hyperinflationary Economies Amendments to – IAS 21	1 January 2027
IFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 20 – Regulatory Assets and Regulatory Liabilities	1 January 2029

IFRS 18 "Presentation and Disclosure in Financial Statements" will replace IAS 1 "Presentation of Financial Statements" and applies to annual reporting periods beginning on or after 1 January 2027. The Group has not early adopted the new accounting standard in preparing these interim condensed consolidated financial statements, although early application of the standard is permitted.

The Group is currently evaluating the expected impact of the initial application of IFRS 18 on its interim condensed consolidated financial information.

(a) Structure of the statement of profit or loss

IFRS 18 requires entities to classify all income and expenses into categories within the statement of profit or loss, namely: operating, investing, financing, income taxes, and discontinued operations. The Group has determined that it does not engage in any of the specified main business activities referred to in the Standard, namely investing in assets or providing financing to customers, as its activities are limited to the distribution of medical devices and supplies. Accordingly, finance costs on short-term borrowings and lease liabilities are classified within the financing category, while interest expense on employee benefit obligations is classified within the operating category.

Net profit or net assets will not change as a result of the Group's application of IFRS 18. However, the Group will be required to present two new subtotals, namely operating profit and profit or loss before financing and income taxes. However, the operating profit subtotal differs from the current operating subtotal presented by the Group. Based on currently available information, the Group expects that changes to the current structure of the statement of profit or loss will result from the following:

Interest income and expenses are generally included within finance income and finance costs in accordance with the Group's current accounting policy, and are presented within the net finance costs subtotal. IFRS 18 provides specific guidance on the classification of revenues and expenses presented within the investing and financing categories.

The interest cost related to employee benefit obligations, which is currently presented within finance costs, will be classified and presented within finance costs.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Structure of the statement of profit or loss (continued)

Foreign exchange differences are currently included within finance costs and presented within net finance costs. In accordance with IFRS 18, foreign exchange differences are required to be presented in the same category in which the revenues and expenses resulting from the items that gave rise to the exchange differences are presented. The Group has determined that it has foreign exchange differences resulting from operating activities; for example, foreign exchange differences related to trade payables and trade receivables will be classified within the operating activities category.

b) Management-defined performance measures

Management-defined performance measures represent subtotals of revenues and expenses used in financial statements, and reflect management's view of an aspect of the financial performance of the entity as a whole. The Group will be required to disclose specific information related to management-defined performance measures within a single note in the financial statements.

The Group is currently working on identifying the public communications that should be considered when determining management-defined performance measures, and these measures relate to the same reporting period covered by the financial statements. Accordingly, the management-defined performance measures that the Group will determine upon the application of IFRS 18 will be determined based on public communications issued by the Group relating to the initial interim reporting period for 2027.

(c) Aggregation and disaggregation principles

IFRS 18 provides enhanced principles on how to aggregate information in the financial statements (i.e., the primary financial statements and the notes). It also provides guidance on the naming and description of items presented in the primary financial statements or disclosed in the notes. The Group is currently evaluating the aggregation of items based on similar and dissimilar characteristics. Based on this assessment, it will present items in the primary financial statements that provide structured and useful summaries and will disclose additional material information in the notes. The Group is also evaluating items currently classified under the label "others" and will use clearer labels.

(d) Consequential amendments

IFRS 18 introduces consequential amendments to IAS 7, which require entities to use the new operating profit subtotal as the starting point for preparing the statement of cash flows when presenting cash flows from operating activities using the indirect method. The Group currently uses profit for the year/period as the starting point for the reconciliation to cash flows from operating activities. As a result of the new starting point, certain reconciliation items included within this reconciliation will change.

The consequential amendments also provide specific guidance on the classification of cash flows related to interest and dividends. In accordance with this guidance, the Group will classify cash flows resulting from interest paid within operating activities. Cash flows arising from interest received, dividends received, and dividends paid will continue to be classified as investing activities and financing activities, as appropriate, respectively.

4. PROPERTY AND EQUIPMENT

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Cost		
Balance as at 1 January	**36,260,314**	31,582,716
Additions during the period \ year	**4,643,265**	24,231,560
Adjustments during the period \ year	-	(227,927)
Disposals during the period \ year	**(1,674,444)**	(19,326,035)
Balance at the end of the period / year	**39,229,135**	36,260,314
Accumulated Depreciation		
Balance as at 1 January	**11,637,001**	18,187,386
Additions during the period \ year	**3,753,089**	6,267,968
Adjustments during the period \ year	-	(227,937)
Disposals during the period \ year	**(426,821)**	(12,590,416)
Balance at the end of the period \ year	**14,963,269**	11,637,001
Net book value for the period \ year	**24,265,866**	24,623,313

5. INVENTORY

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Orthopedic surgery supplies	**43,449,970**	41,855,153
General surgical supplies	**49,109,488**	49,925,372
Other medical supplies	**17,102,369**	14,017,135
Consignment goods	**43,184,768**	38,218,612
Goods in transit	**1,242,184**	12,685,911
	154,088,779	156,702,183
Less: Inventory impairment	**(4,760,423)**	(4,829,649)
	149,328,356	151,872,534

The movement of inventory impairment is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at beginning of the period \ year	**4,829,649**	3,693,599
Charge during the period \ year	**1,040,855**	3,598,834
Used during the period \ year	**(1,110,081)**	(2,462,784)
Balance at end of the period \ year	**4,760,423**	4,829,649

6. TRADE RECEIVABLES

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Trade receivables - public sector	**207,252,949**	188,067,275
Trade receivables - private sector	**58,702,111**	50,498,942
Trade receivables - related parties	**170,827**	170,827
	266,125,887	238,737,044
Less: allowance for expected credit losses (ECL)	**(13,517,589)**	(13,517,589)
	252,608,298	225,219,455

6. TRADE RECEIVABLES(CONTINUED)

The movement in the allowance for expected credit losses is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at beginning of the period / year	**13,517,589**	10,195,918
Additions during the period / year	-	3,321,671
Balance at end of the period / year	**13,517,589**	13,517,589

7. SHARE CAPITAL

As of 30 June 2026, the Group's share capital consisted of 3,500,000 shares with a nominal value of ⃁ 10 per share (31 December 2025: ⃁ 10 per share)

8. DIVIDENDS

No dividends were declared or distributed during the period ended 30 June 2026. On 24 June 2025, the General Assembly Meeting approved the distribution of dividends amounting to ⃁ 3,500,000, which were paid during the year ended 31 December 2025.

9. SHORT TERM BORROWINGS

The short-term borrowings represent Islamic Murabaha facility agreements obtained by the Group from local banks to finance domestic and international purchases and open letter of credits. These facilities carry an average profit rate of SIBOR plus agreed fixed margins, and are repayable within one year. The loans are secured by corporate guarantees. Under the terms of the facility agreements, the Group is required to maintain certain financial covenants, including financial leverage ratios and other specified conditions. The Group was in compliance with all such covenants and conditions as at 30 June 2026. Short-term borrowings include the following:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Riyad Bank	**46,528,500**	45,503,925
Banque Saudi Fransi	**41,245,640**	38,278,584
Saudi Awwal Bank - SAB	**15,334,719**	38,350,896
	103,108,859	122,133,405

10. ZAKAT AND INCOME TAX

10.1 Zakat status

Parent Company

The Parent Company has submitted its Zakat returns to the Zakat, Tax and Customs Authority ("ZATCA") up to the year ended 31 December 2025 and obtained a valid Zakat certificate. Furthermore, final Zakat assessments were received from ZATCA for the years 2021 and 2023, and Zakat assessment differences amounting to ⃁ 145,192 and ⃁ 316,841 were settled, respectively. During the period ended 30 June 2026, the Parent was subject to a Zakat audit for the financial year ended 31 December 2024 and received a Zakat assessment amounting to ⃁ 1,519,525. The Group's management is currently completing the settlement procedures with ZATCA and expects to settle the amount in accordance with regulatory procedures and believes that the provision recognized during the period is adequate. The final assessment for the year 2025 is still under review by ZATCA.

10. ZAKAT AND INCOME TAX (CONTINUED)

10.1 Zakat status (Continued)

Subsidiaries

The Group's subsidiaries are subject to the Corporate Tax Law in the United Arab Emirates. Income tax is calculated in accordance with applicable tax legislation in the UAE based on taxable profit. No income tax expense has been recognized during the period as the subsidiaries incurred tax losses.

10.2 Movement in the Zakat provision

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period \ year	**3,470,045**	2,105,000
Charge during the period \ year	**1,600,000**	3,470,045
Zakat assessment differences	-	504,273
Payment during the period \ year	**(1,888,684)**	(2,609,273)
Balance at end of the period \ year	**3,181,361**	3,470,045

11. RELATED PARTIES

Benefits, remunerations and compensation to key management personnels as follows:

	For the six-months period ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Key management personnels' salaries and benefits	**2,598,300**	2,448,000
	2,598,300	2,448,000

12. EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

There were no dilutive elements affecting the weighted average number of ordinary shares.

	For the six-months period ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Net profit for the period attributable to the shareholders of the parent company	**24,317,388**	22,106,235
Weighted average number of shares	**3,500,000**	3,500,000
	6.95	6.32

13. SEGMENT REPORTING:

A) Operating segments:

The Group has one operating segment, which is the sale of medical equipment and supplies. The performance obligation is satisfied at a point in time when the goods are delivered.

13. SEGMENT REPORTING (CONTINUED):

B) Geographical segments:

The Group operates in the Kingdom of Saudi Arabia and the United Arab Emirates. The following is a summary of some financial information by geographical areas:

	KSA	UAE	Total
For six months period ended 30 June 2026 (Unaudited)			
Revenue from contracts with customers	**208,578,509**	**4,128,843**	**212,707,352**
Cost of sales	**(115,527,413)**	**(3,232,099)**	**(118,759,512)**
Selling and marketing expenses	**(38,897,744)**	**(1,299,294)**	**(40,197,038)**
General and administrative expenses	**(21,943,347)**	**(830,698)**	**(22,774,045)**
Others	**(6,550,229)**	**(115,358)**	**(6,665,587)**
Net profit \ (loss) for the period	**25,659,776**	**(1,348,606)**	**24,311,170**
As at 30 June 2026			
Property and equipment	**24,204,037**	**61,829**	**24,265,866**
	24,204,037	**61,829**	**24,265,866**

	KSA	UAE	Total
For six months period ended 30 June 2025 (Unaudited)			
Revenue from contracts with customers	187,377,550	2,659,853	190,037,403
Cost of Sales	(102,914,665)	(2,050,488)	(104,965,153)
Selling and marketing expenses	(34,609,845)	(1,180,902)	(35,790,747)
General and administrative expenses	(18,818,565)	(1,126,989)	(19,945,554)
Expected credit losses	(1,263,093)	(295,408)	(1,558,501)
Others	(5,613,821)	(63,212)	(5,677,033)
Net profit \ (loss) for the period	24,157,561	(2,057,146)	22,100,415
As at 30 June 2025			
Property and equipment	20,105,971	128,171	20,234,142
	20,105,971	128,171	20,234,142

14. CONTINGENCIES AND CAPITAL COMMITMENTS

A) Capital commitments:

The Group had no capital commitments contracted as at 30 June 2026 (31 December 2025: Nil).

B) Contingent liabilities

The Group had contingent liabilities in respect of letters of guarantee and letters of credit issued in the ordinary course of business amounting to ⃁ 82 million as at 30 June 2026 (31 December 2025: ⃁ 55 million).

15. NON-CASH TRANSACTIONS:

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Addition to right-of-use assets through lease liabilities	**787,437**	3,229,161
Accrued interest	**(63,430)**	938,566
Impairment of inventory (expired goods)	**1,110,081**	-
Dividends declared but not paid	-	(3,500,000)
Disposals of property and equipment through trade receivables	-	3,362,847

16. FAIR VALUE

The Group's financial assets consist of cash at banks, trade receivables and other receivables. Its financial liabilities consist of trade payables, short-term borrowings and lease liabilities. The fair values of financial instruments are not materially different from their carrying values. As at 30 June 2026, the Group did not hold any financial instruments measured at fair value.

17. COMPARATIVE FIGURES

The Group has reclassified certain amounts and balances included in the consolidated financial statements for the year ended 31 December 2025 and the interim condensed consolidated financial information for the period ended 30 June 2025 to conform to the current period presentation.

17-1 The effect of the reclassification on the interim condensed consolidated statement of financial position as at 31 December 2025 is as follows:

Item	Balance before reclassification	Reclassification	Balance after reclassification (Audited)
Intangible assets	-	1,024,425	1,024,425
Prepaid expenses and other debt balances	13,460,053	(1,024,425)	12,435,628

17-2 The effect of the reclassification on the interim condensed consolidated statement of profit or loss and other comprehensive income for the six-month period ended 30 June 2025 is as follows:

Item	Balance before reclassification	Reclassification	Balance after reclassification (Unaudited)
Cost of sales	104,981,803	(16,650)	104,965,153
General and administrative expenses	21,904,873	(1,959,319)	19,945,554
Selling and marketing expenses	34,480,509	1,310,238	35,790,747
Finance costs	5,933,404	665,731	6,599,135

17-3 The effect of the reclassification on the interim condensed consolidated statement of cash flows for the six-month period ended 30 June 2025 is as follows:

Item	Balance before reclassification	Reclassification	Balance after reclassification (Unaudited)
Amortization of intangible assets	-	16,650	16,650
Prepaid expenses and other debt balances	633,553	(16,650)	616,903
Accrued expenses and other credit balances	(2,786,454)	1,350,212	(1,436,242)
Finance costs paid	(3,544,233)	(1,350,212)	(4,894,445)
Employees' benefits obligations	1,702,217	(665,731)	1,036,486
Finance costs	5,933,404	665,731	6,599,135

18. SIGNIFICANT EVENTS

The Group continues to closely monitor geopolitical developments and supply chain conditions. During the period, disruptions affecting certain regional transportation providers resulted in inflationary pressures on transportation and logistics costs. The Group implemented appropriate operational measures, including the use of alternative transportation routes where necessary, to maintain the continuity of its supply chain and operations.

These developments did not have a material impact on the Group's operations for the period ended 30 June 2026. The Group will continue to assess the evolving situation and monitor any potential future impacts on its operating environment, supply chain arrangements, and cost structure at subsequent reporting dates.

19. SUBSEQUENT EVENTS

On 13 July 2026 (corresponding to 28 Muharram 1448H), Professional Medical Expertise Company signed an agreement with Beijing Synapse Artificial Intelligence Co., Ltd. to establish a limited liability company in the Kingdom of Saudi Arabia named "PMX SYAI Arabia Company", which was registered in the Commercial Register on 13 July 2026. The registered share capital of PMX SYAI Arabia Company amounts to ⃁ 1 million, with Professional Medical Expertise Company holding an 80% share of the capital, and being entitled to 99% of the profits or losses of PMX SYAI Arabia Company.

Except as mentioned above, management believes that there are no other significant subsequent events from the end of the financial period up to the date of approval of this interim condensed consolidated financial information that would require any disclosure or adjustment.

20. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The interim condensed consolidated financial information for the six-months period ended 30 June 2026 was approved by the Board of Directors, on 12 Rabi' al-Awwal 1448H (corresponding to 25 August 2026).