



**SPECIALIZED MEDICAL COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
FOR THE SIX MONTHS PERIODS ENDED JUNE 30, 2025  
WITH THE INDEPENDENT AUDITOR'S REVIEW REPORT**

**SPECIALIZED MEDICAL COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS PERIODS ENDED JUNE 30, 2025**

---

<b><u>INDEX</u></b>	<b><u>PAGE</u></b>
Independent auditor's review report	1
Interim consolidated statement of financial position	2
Interim consolidated statement of profit or loss and other comprehensive income	3
Interim consolidated statement of changes in equity	4
Interim consolidated statement of cash flows	5
Notes to the interim condensed consolidated financial information	6 - 18

## *Independent Auditors' Report on Review of the Interim Condensed Consolidated Financial information*

### *To the shareholders of Specialized Medical Company (Saudi Joint Stock Company)*

We have reviewed the accompanying interim consolidated statement of financial position of **Specialized Medical Company** ("the Company") and its subsidiaries (collectively referred to as "the Group") as at June 30, 2025, and interim consolidated statement of profit or loss and other comprehensive income for the three-months and six-months period ended June 30, 2025 and June 30, 2024, and the interim consolidated statements of changes in equity and cash flows for the six-months period then ended and material accounting policy information and explanatory notes. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information 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 this interim condensed consolidated financial information based on our review.


### *Scope of Review*

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

**Deloitte and Touche & Co.**  
**Chartered Accountants**

  
Mazen A. Al Omari  
License No. 480  
6 Safar 1447 H  
July 31, 2025



**SPECIALIZED MEDICAL COMPANY**  
(A SAUDI JOINT STOCK COMPANY)


**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2025**

		June 30, 2025 SR (Unaudited)	December 31, 2024 SR (Audited)
	Notes		
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	252,330,964	92,487,981
Trade and other receivables	5	493,740,937	406,603,950
Due from related parties	6	40,998,248	6,545,669
Inventories		29,909,690	22,762,339
Prepayments and other assets		45,751,505	54,460,047
<b>Total current assets</b>		<b>862,731,344</b>	<b>582,859,986</b>
<b>Non-current assets</b>			
Property and equipment	7	1,276,635,857	1,259,153,397
Right-of-use assets	8	210,507,045	201,878,285
<b>Total non-current assets</b>		<b>1,487,142,902</b>	<b>1,461,031,682</b>
<b>Total assets</b>		<b>2,349,874,246</b>	<b>2,043,891,668</b>
<b>Liabilities and equity</b>			
<b>Current liabilities</b>			
Trade payables		110,337,555	104,158,709
Due to related parties	6	279,753	384,626
Short-term loans	9	389,294,001	490,537,492
Long-term loans - current portion	10	57,551,020	57,551,020
Lease liabilities	8	28,111,564	23,536,645
Government loan	11	-	2,747,992
Deferred government grant	11	-	96,177
Accrued expenses and other liabilities		132,093,625	81,231,888
Zakat payable	12	6,821,016	8,351,552
<b>Total current liabilities</b>		<b>724,488,534</b>	<b>768,596,101</b>
<b>Non-current liabilities</b>			
Long-term loans – non-current portion	10	257,551,021	86,326,531
Lease liabilities	8	208,352,428	201,991,562
Trade payables		329,686	329,686
Employees defined benefits liabilities		166,799,033	159,552,201
<b>Total non-current liabilities</b>		<b>633,032,168</b>	<b>448,199,980</b>
<b>Total liabilities</b>		<b>1,357,520,702</b>	<b>1,216,796,081</b>
<b>Equity</b>			
Share capital	13	250,000,000	250,000,000
Statutory reserve		49,653,238	49,653,238
Retained earnings		692,700,306	527,442,349
<b>Total equity</b>		<b>992,353,544</b>	<b>827,095,587</b>
<b>Total Liabilities and equity</b>		<b>2,349,874,246</b>	<b>2,043,891,668</b>

The accompanying notes form an integral part of these interim condensed consolidated financial information, which have been authorized for issue by the Board of Directors on behalf of the Shareholders, and signed on its behalf by:

  
HANI CHARANI  
CFO

  
BASSAM CHAHINE  
CEO

  
SULAIMAN AL-RASHID  
CHAIRMAN

**SPECIALIZED MEDICAL COMPANY**  
(A SAUDI JOINT STOCK COMPANY)


**INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE-MONTHS AND SIX-MONTHS PERIODS ENDED JUNE 30, 2025**

		For the three months period ended June 30,		For the six months period ended June 30,	
		2025	2024	2025	2024
		SR	SR	SR	SR
	Notes	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	14	379,962,985	356,327,062	748,863,038	719,398,133
Cost of revenue		(278,051,817)	(250,286,981)	(552,627,634)	(513,395,117)
<b>Gross profit</b>		<b>101,911,168</b>	<b>106,040,081</b>	<b>196,235,404</b>	<b>206,003,016</b>
General and administrative expenses		(50,834,313)	(40,425,624)	(98,501,933)	(77,047,385)
Selling and marketing expenses		(2,499,100)	(1,269,438)	(8,480,822)	(3,242,156)
<b>Operating profit</b>		<b>48,577,755</b>	<b>64,345,019</b>	<b>89,252,649</b>	<b>125,713,475</b>
Finance costs		(13,015,257)	(13,453,523)	(25,163,300)	(25,670,075)
Other revenue		2,557,980	1,993,726	5,172,292	4,135,887
<b>Profit before zakat</b>		<b>38,120,478</b>	<b>52,885,222</b>	<b>69,261,641</b>	<b>104,179,287</b>
Zakat		(1,758,772)	(1,942,501)	(3,259,599)	(4,030,380)
<b>Profit for the period</b>		<b>36,361,706</b>	<b>50,942,721</b>	<b>66,002,042</b>	<b>100,148,907</b>
<b>Other comprehensive income:</b>					
<b>Items which will not be reclassified subsequently to profit or loss:</b>					
Re-measurement of employees defined benefits liabilities		(372,042)	3,142,987	(744,085)	2,349,704
<b>Total other comprehensive (loss) / income for the period</b>		<b>(372,042)</b>	<b>3,142,987</b>	<b>(744,085)</b>	<b>2,349,704</b>
<b>Total comprehensive income for the period</b>		<b>35,989,664</b>	<b>54,085,708</b>	<b>65,257,957</b>	<b>102,498,611</b>
<b>Earnings per share (EPS)</b>					
Basic and diluted EPS	15	0.15	0.20	0.26	0.40

The accompanying notes form an integral part of these interim condensed consolidated financial information, which have been authorized for issue by the Board of Directors on behalf of the Shareholders, and signed on its behalf by:

  
HANI CHARANI  
CFO

  
BASSAM CHAHINE  
CEO

  
SULAIMAN AL-RASHID  
CHAIRMAN

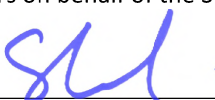
**SPECIALIZED MEDICAL COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

	Notes	Share capital SR	Statutory reserves SR	Retained earnings SR	Total Equity SR
Balance as of December 31, 2023 (Audited)		85,000,000	49,653,238	710,395,987	845,049,225
Profit for the period		-	-	100,148,907	100,148,907
Total other comprehensive income		-	-	2,349,704	2,349,704
Total comprehensive income for the period		-	-	102,498,611	102,498,611
Dividends	16	-	-	(75,000,000)	(75,000,000)
Balance as of June 30, 2024 (Unaudited)		85,000,000	49,653,238	737,894,598	872,547,836
Balance as of December 31, 2024 (Audited)		250,000,000	49,653,238	527,442,349	827,095,587
Profit for the period		-	-	66,002,042	66,002,042
Total other comprehensive loss		-	-	(744,085)	(744,085)
Total comprehensive income for the period		-	-	65,257,957	65,257,957
Refund dividends	6	-	-	100,000,000	100,000,000
<b>Balance as of June 30, 2025 (Unaudited)</b>		<b>250,000,000</b>	<b>49,653,238</b>	<b>692,700,306</b>	<b>992,353,544</b>

The accompanying notes form an integral part of these interim condensed consolidated financial information, which have been authorized for issue by the Board of Directors on behalf of the Shareholders, and signed on its behalf by:

  
\_\_\_\_\_  
HANI CHARANI  
CFO

  
\_\_\_\_\_  
BASSAM CHAHINE  
CEO

  
\_\_\_\_\_  
SULAIMAN AL-RASHID  
CHAIRMAN

**SPECIALIZED MEDICAL COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONCOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

		For the six months period ended June 30,	
		2025	2024
		SR	SR
		(Unaudited)	(Unaudited)
<b>Cash flows from operating activities</b>	<b>Notes</b>		
Profit before zakat		69,261,641	104,179,287
<b>Adjustments for non-cash items:</b>			
Depreciation of property and equipment	7	30,644,850	28,218,665
Depreciation of right-of-use assets	8	14,837,497	14,294,957
Expected credit loss charged		9,149,068	2,500,000
Amortization of government grant	11	(96,177)	(189,110)
Employees defined benefits liabilities charged		10,204,631	11,962,005
Finance costs		25,163,300	25,670,075
Gain from disposal property and equipment		-	(21,306)
<b>Cash flows from operating activities before changes in working capital</b>		<b>159,164,810</b>	<b>186,614,573</b>
Trade and other receivables		(96,286,055)	(95,264,046)
Due from related parties		(34,452,579)	871,623
Inventories		(7,147,351)	1,763,516
Prepayments and other assets		8,708,542	1,237,958
Trade payables		6,178,846	(9,221,882)
Due to related parties		(104,873)	723,803
Accrued expenses and other liabilities		50,861,737	6,756,898
<b>Cash generated from operating activities</b>		<b>86,923,077</b>	<b>93,482,443</b>
Zakat payable paid		(4,790,135)	(5,798,636)
Employees defined benefits liabilities paid		(7,272,969)	(7,839,321)
<b>Net cash generated from operating activities</b>		<b>74,859,973</b>	<b>79,844,486</b>
<b>Cash flows from investing activities</b>			
Purchase of property and equipment		(33,537,596)	(32,620,316)
Proceeds from disposal property and equipment		-	22,305
Additions on projects under progress		(14,589,714)	(19,492,381)
<b>Net cash used in investing activities</b>		<b>(48,127,310)</b>	<b>(52,090,392)</b>
<b>Cash flows from financing activities</b>			
Dividends paid	16	-	(75,000,000)
Due from shareholders	6	100,000,000	-
(Repayment) / proceeds of short term loans - net		(101,243,491)	150,000,000
Proceeds / (Repayment) of long term loans - net		171,224,490	(28,775,510)
Repayment of government loan		(2,747,992)	(2,655,063)
Lease liabilities paid		(17,223,012)	(13,531,261)
Finance cost paid		(16,899,675)	(17,815,060)
<b>Net cash generated from financing activities</b>		<b>133,110,320</b>	<b>12,223,106</b>
<b>Net increase in cash and cash equivalents during the period</b>		<b>159,842,983</b>	<b>39,977,200</b>
Cash and cash equivalents as of January 1,		92,487,981	47,822,985
<b>Cash and cash equivalents as of June 30,</b>		<b>252,330,964</b>	<b>87,800,185</b>
<b>Non-cash transactions</b>			
Re-measurement of employees defined benefits liabilities		(744,085)	2,349,704
Additions of right of use assets and lease liabilities		23,466,257	-

The accompanying notes form an integral part of these interim condensed consolidated financial information, which have been authorized for issue by the Board of Directors on behalf of the Shareholders, and signed on its behalf by:

HANI CHARANI  
CFO

BASSAM CHAHINE  
CEO

SULAIMAN AL-RASHID  
CHAIRMAN

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

**1. CORPORATE INFORMATION AND ACTIVITIES**

Specialized Medical Company is a Saudi Closed Joint Stock Company (hereinafter referred to as the "Company") operating in the Kingdom of Saudi Arabia under Commercial Registration number. 1010123832 dated 13 Dhul Qa'dah 1414H (corresponding 24 April 1994). On 26 Ramadan 1446H (corresponding 26 March 2025) the Company obtained regulatory approval to proceed with its Initial Public Offering (IPO). on 29 Dhul Hijjah 1446H (corresponding 25 June 2025) The Company completed its Initial Public Offering (IPO) and its shares were listed on main Saudi stock exchange – Saudi Tadawul Group – and started trading with the symbol 4019 and ISIN code SA16BOCHUPH2 accordingly the Company was converted from (Saudi Closed Joint Stock Company) to (Saudi Joint Stock Company).

The Company operates its activities under the following Ministry of Health License No:

Branch name	License number	License date
Specialized Medical Center – SMC – King Fahad Road	014-101-010-012-00015	May 12, 1999
Specialized Medical Center – SMC – King Abdullah Road	014-101-010-097-00085	March 8, 2020

The principal activities of the Company are the management and operation of hospitals, clinics, medical centers and healthy food services, as well as hospital and medical facilities maintenance and non-medical operations. Additional activities include the production of cooked and non-cooked food and the management and operations of restaurants and food related services.

The address of the Company's registered office is as follows:

Building 6678 King Fahad Road, Alulaya district, unit No. 1, Riyadh 12311 -4405.

The Company has the following subsidiaries:

Name	Country of Incorporation	Activities	Ownership percentage	
			2025	2024
International Specialized Food Company	Saudi Arabia	Food and catering services	100%	100%
Al-Mukhattis Al-Sahi Medical Company	Saudi Arabia	Hospitals for the treatment, rehabilitation and medical operation of addicts	51%	-

As of the reporting date, Al-Mukhattis Al-Sahi Medical Company has not commenced operations. Additionally, the capital contribution required for the subsidiary has not yet been paid.

These interim condensed consolidated financial information include the financial information of the Company, its subsidiaries and the following branches, which operate under separate commercial registrations:

Branch Name	Commercial Registration No.	Branch Activities	Addresses	Commercial Registration Date
Specialized Medical Center – SMC 1 – King Fahad Road	1010150227	Hospitals	Riyadh	23 June 1998
Diet World	1010156585	Nutrition Centers	Riyadh	12 March 1999
Specialized Medical Center – SMC 2 – King Abdullah Road	1010413585	Hospitals	Riyadh	5 July 2014
Specialized Medical Company – SMC	1010431691	Management and maintenance of hospitals, dispensaries, health facilities and non-medical	Riyadh	22 March 2015
Specialized Medical Company – SMC 3 – Northern Ring Road	1010851377	Public hospitals	Riyadh	22 December 2022



**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)**  
**FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

**2. NEW STANDARDS EFFECTIVE AS OF JANUARY 1, 2025**

The accounting policies adopted in the preparation of the 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 December 31, 2024, except for the adoption of new standards effective as of January 1, 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2025, but do not have a significant impact on the interim condensed consolidated financial information of the Group.

<b>Standard, interpretation, amendments</b>	<b>Description</b>	<b>Effective date</b>
Amendment to IAS 21 – Lack of exchangeability	IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. Amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique.	January 1, 2025

**New standards issued but not yet effective**

<b>Standard, interpretation, amendments</b>	<b>Description</b>	<b>Effective date</b>
Amendments to IFRS 10 and IAS 28-Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Under the amendments, certain financial assets including those with ESG- linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.  The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	January 1, 2026

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)**  
**FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

**2. NEW STANDARDS EFFECTIVE AS OF JANUARY 1, 2025 (CONTINUED)**

**New standards issued but not yet effective (CONTINUED)**

<b>Standard, interpretation, amendments</b>	<b>Description</b>	<b>Effective date</b>
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations. It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences.	January 1, 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability and its parent produces consolidated financial statements under IFRS Accounting Standards.	January 1, 2027
IFRS S1, 'General requirements for disclosure of sustainability-related financial information'	This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.	Not yet endorsed by SOCPA

**3. MATERIAL ACCOUNTING POLICY INFORMATION**

**Statement of compliance**

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

The interim condensed consolidated financial information should be read in conjunction with the Company's annual audited financial statements as at and for the year ended December 31, 2024 and do not include all of the information required for a complete set of consolidated financial statements under IFRS. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's interim consolidated financial position and performance since the last annual audited financial statements.

Material accounting policy information, estimates and assumptions used in the preparation of these interim condensed consolidated financial information are consistent with those followed in the preparation of the annual consolidated financial statements for the year ended December 31, 2024.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)**  
**FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**Basis of Consolidation**

The interim condensed consolidated financial information have been prepared on the historical cost basis except for employees' defined benefit liabilities which are recognised at the present value of future liabilities using the projected unit credit method.

The interim condensed consolidated financial information include the assets, liabilities and results of operations of the Company and its subsidiaries (the "Group") listed in note (1) above. The Company and its subsidiaries are collectively referred to as the "Group". Subsidiaries is the entity controlled by the Company.

The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries is consolidated from the date on which control commences until the date on which control ceases.

The Company accounts for the business combinations using the acquisition method when control is transferred to the Company. The consideration transferred in the acquisition is generally measured at fair value, as are the identified net assets acquired. The excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recorded as goodwill in interim consolidated statement of financial position. Intra-company balances and transactions, and any unrealized income and expenses arising from intra-company transactions, are eliminated. Accounting policies of subsidiaries is aligned, where necessary, to ensure consistency with the policies adopted by the Group. The Company and its subsidiaries have the same reporting periods.

**Functional and presentation currency**

The interim condensed consolidated financial information are presented in Saudi Riyals, which is the functional and presentation currency of the Group.

**4. CASH AND CASH EQUIVALENTS**

	<b>June 30, 2025</b>	December 31, 2024
	<b>SR</b>	SR
	<b>(Unaudited)</b>	(Audited)
Cash at banks	<b>251,989,404</b>	92,001,325
Cash in hand	<b>341,560</b>	486,656
	<b>252,330,964</b>	92,487,981

Cash and cash equivalents are subject to the impairment requirements of IFRS 9 and the identified impairment loss was immaterial.

**5. TRADE AND OTHER RECEIVABLES**

	<b>June 30, 2025</b>	December 31, 2024
	<b>SR</b>	SR
	<b>(Unaudited)</b>	(Audited)
Trade and other receivables	<b>521,155,210</b>	424,869,155
Less: Provision of expected credit losses	<b>(27,414,273)</b>	(18,265,205)
	<b>493,740,937</b>	406,603,950

	<b>June 30, 2025</b>	December 31, 2024
	<b>SR</b>	SR
	<b>(Unaudited)</b>	(Audited)
<b>Movement in the provision of expected credit losses is as follows:</b>		
Balance as of beginning of the period / year	<b>18,265,205</b>	86,653,689
Charged during the period / year	<b>9,149,068</b>	9,678,156
Written-off during the period / year	<b>-</b>	(78,066,640)
	<b>27,414,273</b>	18,265,205

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)**  
**FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

**6. TRANSACTIONS AND BALANCES WITH RELATED PARTY**

Related parties include the shareholders, Companies owned by them, directors, and relatives thereof. The terms and conditions of such transactions are approved by the management.

<b>Name of Related Party</b>	<b>Relationship</b>
Saudi Bonyan Company	Owned by one of the shareholders
Snow Bright Laundry Company	Owned by one of the shareholders
Advance food Company	Owned by one of the shareholders
Adeem Al Sahra Trading Company	Owned by one of the shareholders
Cotton Experts Company	Owned by one of the shareholders
Khalid Medical Clinic Company	Owned by one of the shareholders
Bonyan Reit Fund	Owned by one of the shareholders
Code Invention Company	Owned by a close family member of a shareholder
Abdulrahman Saad Al-Rashid & Sons Company	Shareholder
Abdullah Saad Al Rashid & Sons Company	Shareholder
Al-Thomad Travel and Tourism Company	Shareholder
Rashid Saad Al Rashid & Sons Company	Shareholder
Dr. Khalid Al Sebaiay	Shareholder
Dr. Mohammad Saleh Al Konbaz	Shareholder
Family members of shareholders, board members, and those related to them	Family Members

The significant transactions and the related approximate amounts are as follows:

	<b>For the six months period ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
	<b>SR</b>	<b>SR</b>
<b>Transactions with related parties</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Amounts due and collected from shareholders related to dividends reversal *	<b>200,000,000</b>	-
Expenses incurred on behalf of shareholders	<b>34,280,699</b>	106,052
Rent and lease liabilities payments	<b>8,253,447</b>	8,253,447
Purchases and services	<b>6,919,587</b>	4,818,297
Construction works for projects under progress	<b>1,700,000</b>	11,148,974
Advance payments	<b>1,348,364</b>	-
Other income	<b>1,271,900</b>	46,000
Revenue	<b>967,497</b>	1,165,161

\* The Ordinary General Assembly of the Group on their meeting held May 22, 2025 (corresponding 24 Dhu Al-Qi'dah 1446H) decided the following:

- 1) Reverse the Board of Directors' resolution dated January 21, 2025 (corresponding 21 Rajab 1446H) regarding the distribution of interim dividends to shareholders amounting to SR 100,000,000 based on their respective shareholding in the capital. These dividends were distributed and paid on January 26, 2025 (corresponding 26 Rajab 1446H).
- 2) Reverse the Board of Directors' resolution dated November 5, 2024 (corresponding 3 Jumada Al-Awwal 1446H) and ratified by the General Assembly of the Group on December 15, 2024 (corresponding 14 Jumada Al-Thani 1446H) regarding the distribution of interim dividends to shareholders amounting to SR 100,000,000 based on their respective shareholding in the capital. These dividends were distributed and paid on December 19, 2024 (corresponding 18 Jumada Al-Thani 1446H) and December 21, 2024 (corresponding 20 Jumada Al-Thani 1446H).
- 3) Each shareholder required to repay these dividends to the Group's accounts by no later than June 30, 2025 (corresponding 5 Muharram 1447H).

On June 30, 2025 (corresponding 5 Muharram 1447H) an amount of SR 200,000,000 was collected from shareholders through a bank transfer to the Group's account.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)**  
**FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

**6. TRANSACTIONS AND BALANCES WITH RELATED PARTY (CONTINUED)**

	June 30, 2025 SR (Unaudited)	December 31, 2024 SR (Audited)
<b>Due from related parties</b>		
Abdulrahman Saad Al-Rashid & Sons Company	15,175,623	1,449,949
Abdullah Saad Al Rashid & Sons Company	7,754,593	738,166
Al-Thomad Travel and Tourism Company	7,007,296	722,291
Rashid Saad Al Rashid & Sons Company	4,891,773	465,647
Dr. Khalid Al Sebaiay	1,436,450	136,732
Cotton Experts Company	1,348,364	720,266
Advance food Company	1,271,900	1,271,900
Dr. Mohammad Saleh Al Konbaz	722,641	68,785
Family members of shareholders, board members, and those related them	708,574	577,597
Saudi Bunyan Company	662,995	394,336
Khalid Medical Clinic Company	18,039	-
	<b>40,998,248</b>	<b>6,545,669</b>

The amount due from shareholders represent SR 37,588,227 related to IPO expenses incurred on behalf of the shareholders, SR 3,410,021 related to health care and other services provided to the related parties in the course of ordinary business with other customers.

On July 8, 2025 (corresponding 13 Muharram 1447H) an amount of SR 37,588,227 was collected from shareholders through a bank transfer to the Group's account related to IPO expenses incurred on behalf of them.

	June 30, 2025 SR (Unaudited)	December 31, 2024 SR (Audited)
<b>Due to related parties</b>		
Adeem Al Sahra Trading Company	109,068	48,150
Snow Bright Laundry Company	170,685	228,618
Code Invention Company	-	107,858
	<b>279,753</b>	<b>384,626</b>

	For the six months period ended June 30, 2025 SR (Unaudited)	2024 SR (Unaudited)
<b>Compensation of key management personnel of the group</b>		
Short term employment benefits	2,507,839	4,490,887
Board of Directors' remuneration	550,000	750,000
Post-employment benefits	417,974	479,989
	<b>3,475,813</b>	<b>5,720,876</b>

**7. PROPERTY AND EQUIPMENT**

	June 30, 2025 SR (Unaudited)	December 31, 2024 SR (Audited)
<b>7.1 Reconciliation of carrying amounts</b>		
Carrying amount as of beginning of the period / year	1,259,153,397	1,226,577,673
Additions during the period / year	48,127,310	94,266,925
Net of disposals during the period / year	-	(3,224,490)
Depreciation charge during the period / year	(30,644,850)	(58,466,711)
<b>Carrying amount as of the end of the period / year</b>	<b>1,276,635,857</b>	<b>1,259,153,397</b>

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)**  
**FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

**7. PROPERTY AND EQUIPMENT (CONTINUED)**

	June 30, 2025 SR (Unaudited)	December 31, 2024 SR (Audited)
<b>7.2 Category-wise carrying amounts are as follows:</b>		
Buildings and renovation	665,872,606	669,744,060
Lands	337,582,889	337,582,889
Medical equipment	152,244,825	151,949,692
Projects under progress	64,339,871	49,750,157
General equipment's	28,936,719	24,505,862
Computers and software	16,016,470	13,883,256
Furniture and fixtures	11,067,400	11,077,868
Motors vehicles	575,077	659,613
	<b>1,276,635,857</b>	<b>1,259,153,397</b>

**7.3** Projects under progress represents cost incurred to date on different hospital projects of Group.

**7.4** During the period ended June 30, 2025 an amount of SR 5,705,854 (June 30,2024: SR 6,278,701) was capitalized as borrowing cost.

**7.5** The depreciation expense for the period has been allocated as follows:

	For the six months period ended June 30, 2025 SR (Unaudited)	2024 SR (Unaudited)
Cost of revenue	21,338,392	18,688,222
General and administrative expenses	9,306,458	9,530,443
	<b>30,644,850</b>	<b>28,218,665</b>

**8. RIGHT OF USE ASSETS AND LEASE LIABILITIES**

The Group leases plots of land, buildings and medical equipment. The range of the duration of the determined lease terms is from 2 years to 23 years.

	June 30, 2025 SR (Unaudited)	December 31, 2024 SR (Audited)
<b>Right-of-use Assets</b>		
<b>Cost</b>		
Balance as of beginning of the period / year	370,582,402	378,901,195
Additions during the period / year	23,466,257	1,643,718
Adjustment during the period / year	-	(9,962,511)
Balance as of ending of the period / year	<b>394,048,659</b>	<b>370,582,402</b>
<b>Accumulated Depreciation</b>		
Balance as of beginning of the period / year	168,704,117	149,654,284
Additions during the period / year	14,837,497	29,012,344
Adjustment during the period / year	-	(9,962,511)
Balance as of ending of the period / year	<b>183,541,614</b>	<b>168,704,117</b>
<b>Net book value</b>		
As of ending of the period / year	<b>210,507,045</b>	<b>201,878,285</b>

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)**  
**FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

**8. RIGHT OF USE ASSETS AND LEASE LIABILITIES (CONTINUED)**

The depreciation expense for the period has been allocated as follows:

	<b>For the six months period ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
	<b>SR</b>	<b>SR</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Cost of revenue	<b>12,162,938</b>	12,752,254
General and administrative expenses	<b>2,674,559</b>	1,542,703
	<b>14,837,497</b>	14,294,957

	<b>June 30,</b>	<b>December 31,</b>
	<b>2025</b>	<b>2024</b>
	<b>SR</b>	<b>SR</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Movement of lease liabilities as of the period / year-end are as follows:</b>		
Balance as of beginning of the period / year	<b>225,528,207</b>	239,833,221
Additions during the period / year	<b>23,466,257</b>	1,643,718
Finance cost during the period / year	<b>4,692,540</b>	9,359,146
Payments during the period / year	<b>(17,223,012)</b>	(25,307,878)
Balance as of ending of the period / year	<b>236,463,992</b>	225,528,207

	<b>June 30,</b>	<b>December 31,</b>
	<b>2025</b>	<b>2024</b>
	<b>SR</b>	<b>SR</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Lease liabilities as of the period / year-end are as follows:</b>		
Current portion of lease liabilities	<b>28,111,564</b>	23,536,645
Non-current portion of lease liabilities	<b>208,352,428</b>	201,991,562
	<b>236,463,992</b>	225,528,207

	<b>June 30,</b>	<b>December 31,</b>
	<b>2025</b>	<b>2024</b>
	<b>SR</b>	<b>SR</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Future minimum lease liabilities	<b>319,549,884</b>	313,306,639
Less: un-amortised finance costs	<b>(83,085,892)</b>	(87,778,432)
Present value of minimum lease liabilities	<b>236,463,992</b>	225,528,207
Less: current portion of lease liabilities	<b>(28,111,564)</b>	(23,536,645)
Non – current portion of lease liabilities	<b>208,352,428</b>	201,991,562

**9. SHORT-TERM LOANS**

The Group has secured Shariah Compliant banking facilities from local commercial banks with a rate of one month SIBOR + agreed rates to finance working capital, the value of the withdrawal until June 30, 2025: 389,294,001 SR (December 31, 2024: SR 490,537,492).

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)**  
**FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

**10. LONG -TERM LOANS**

	June 30, 2025 SR (Unaudited)	December 31, 2024 SR (Audited)
Balance as of beginning of the period / year	143,877,551	201,428,571
Proceeds during the period / year	200,000,000	-
Paid during the period / year	(28,775,510)	(57,551,020)
Balance as of ending of the period / year	315,102,041	143,877,551
Current portion of long-term loans	57,551,020	57,551,020
Non-current portion of long-term loans	257,551,021	86,326,531
	<u>315,102,041</u>	<u>143,877,551</u>

The Group has secured Shariah Compliant banking facilities from local commercial banks with a rate of one month SIBOR + agreed rates to finance the capital work in progress, as the value of the withdrawal until June 30, 2025: SR 315,102,041 (December 31, 2024: SR 143,877,551).

**11. GOVERNMENT LOAN**

The group obtained government interest-free loan to finance the purchase of medical equipment and furniture. This is secured against the mortgage of the land and the building of the Company. The Group paid The last instalment for loan in February 27,2025 and released this mortgage.

	June 30, 2025 SR (Unaudited)	December 31, 2024 SR (Audited)
Balance as of beginning of the period / year	2,747,992	5,403,055
Paid during the period / year	(2,747,992)	(2,655,063)
Balance as of ending of the period / year	-	2,747,992
Current portion of long-term government loans	-	2,747,992
Non-current portion of long-term government loans	-	-
	<u>-</u>	<u>2,747,992</u>

The Government grant represents the difference between the fair value and carrying value of the interest free loan obtained from Ministry of Finance to fund the purchase of medical equipment and furniture.

The movement of the deferred government grant during the period is shown as follows:

	<b>For the six months period ended June 30,</b> 2025 SR (Unaudited)	2024 SR (Unaudited)
Balance as of beginning of the period	96,177	285,287
Amortization during the period	(96,177)	(189,110)
Balance as of ending of the period	<u>-</u>	<u>96,177</u>



**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)**  
**FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

**12. ZAKAT PAYABLE**

The movement in Zakat provision was as follows

	June 30, 2025 SR (Unaudited)	December 31, 2024 SR (Audited)
Balance as of beginning of the period / year	8,351,552	5,714,642
Additions during the period / year	3,259,599	8,435,573
Paid during the period / year	(4,790,135)	(5,798,663)
Balance as of ending of the period / year	<u>6,821,016</u>	<u>8,351,552</u>

**Status of zakat assessments**

Zakat declarations were submitted to the Zakat, Tax and Customs Authority (ZATCA) for all years up to December 31, 2024, and the Group obtained the final assessment up to the year ended 2018, and it is still, awaiting the final assessments for the years from 2019 up to 2024 from ZATCA.

**13. SHARE CAPITAL**

The Company's share capital as of June 30, 2025 & 31 December 2024 amounted to SR 250,000,000 consisting of 250,000,000 shares fully paid and issued shares of SR 1 each. Holders of these shares are entitled to dividends as declared from time to time and entitled to one vote per share at general assembly meeting.

**14. REVENUE**

The Group primarily generates revenue from contract with customers from:

- 1- Medical services relating to inpatient and outpatient; and
- 2- Sale of pharmaceutical goods; and
- 3- Sale of food and catering.

	For the three months period ended June 30,		For the six months period ended June 30,	
	2025 SR (Unaudited)	2024 SR (Unaudited)	2025 SR (Unaudited)	2024 SR (Unaudited)
Medical services	317,460,594	303,510,932	610,934,958	593,643,531
Pharmaceuticals	57,906,587	51,046,346	128,590,446	114,625,685
Food and catering	4,595,804	1,769,784	9,337,634	11,128,917
	<u>379,962,985</u>	<u>356,327,062</u>	<u>748,863,038</u>	<u>719,398,133</u>

**SPECIALIZED MEDICAL COMPANY**

(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)****FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025****15. EARNINGS PER SHARE**

Basic earnings per share (EPS) are calculated by dividing profit for the period attributable to ordinary shareholders of the Parent Company by the weighted average number of ordinary shares in issue outstanding during the period.

Earnings per share for the period ended June 30, 2024 is calculated by dividing profit for the period attributable to the shareholders by 250,000,000 shares to give a retroactive effect of change in the number of shares as a result of share split from SR 10 to SR 1 and the increase in share capital by SR 165,000,000 by capitalizing the retained earnings with a total value of SR 165,000,000, the share split and increase in share capital were completed during November 2024.

	<b>For the three months period ended June 30,</b>		<b>For the six months period ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</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>
Profit for the period attributable to ordinary shareholders	<b>36,361,706</b>	50,942,721	<b>66,002,042</b>	100,148,907
Weighted average number of ordinary shares	<b>250,000,000</b>	250,000,000	<b>250,000,000</b>	250,000,000
Basic and diluted EPS	<b>0.15</b>	0.20	<b>0.26</b>	0.40

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)**  
**FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

**16. DIVIDEND DISTRIBUTION**

During the period ended June 30, 2025, no dividends have been paid or payable (June 30, 2024: SR 75,000,000).

**17. COMMITMENTS AND CONTINGENCIES**

**Capital commitments**

The Group has capital commitment mainly for both expansions and projects under construction, as follows:

	<b>June 30, 2025</b>	December 31, 2024
	<b>SR</b>	SR
	<b>(Unaudited)</b>	(Audited)
Project SMC - 4	<b>83,006,918</b>	206,918
Project SMC - 3	<b>11,190,357</b>	11,551,359
	<b><u>94,197,275</u></b>	<u>11,758,277</u>

**Letter of guarantees**

The Group has guarantees related to, as follows:

	<b>June 30, 2025</b>	December 31, 2024
	<b>SR</b>	SR
	<b>(Unaudited)</b>	(Audited)
Letters of guarantees	<b><u>78,404,051</u></b>	<u>81,153,071</u>

**18. SEGMENT INFORMATION**

As the operations of the Group are conducted in the Kingdom of Saudi Arabia, accordingly, for management purposes, the Group is organized into business units based on its products and services and has two reportable segments. Operating segments is determined based on the Group's internal reporting to the Chief Operating Decision Maker ("CODM"). The CODM has been determined to be the Chief executive officer (CEO) as he is primarily responsible for the allocation of resources to segments and the assessment of the performance of each of the segments. Revenue and segment gross profit is a consistent measure within the Group. The identified key segments are medical services, Pharmacies and others.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)**  
**FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

**18. SEGMENT INFORMATION (CONTINUED)**

The following table presents segment information (assets, liabilities, revenue and Gross profit) for each of the business segments:

	Medical services SR	Pharmacies & others SR	Total SR
<b>For the six months period ended June 30, 2025 (Unaudited)</b>			
Revenue	610,934,958	137,928,080	748,863,038
Gross profit	160,731,294	35,504,110	196,235,404
<b>For the six months period ended June 30, 2024 (Unaudited)</b>			
Revenue	593,643,531	125,754,602	719,398,133
Gross profit	171,702,226	34,300,790	206,003,016
<b>As of June 30, 2025 (Unaudited)</b>			
Total assets	2,281,037,991	68,836,255	2,349,874,246
Total liabilities	1,308,501,528	49,019,174	1,357,520,702
<b>As of December 31, 2024 (Audited)</b>			
Total assets	1,977,685,481	66,206,187	2,043,891,668
Total liabilities	1,169,300,803	47,495,278	1,216,796,081

**19. SUBSEQUENT EVENTS**

The Company's Board of Directors, in its meeting held on 4 Safar 1447H (Corresponding July 29, 2025), recommended to the Company's General Assembly to transfer the balance of the statutory reserve amounting SR 49,653,238 as of December 31, 2024 and June 30, 2025, to retained earnings balance.

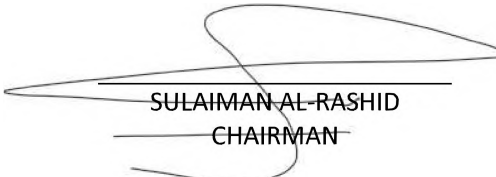
Except what is mentioned above, there were no events, subsequent to June 30, 2025, and occurring before the date of the approval of the interim condensed consolidated financial information that are expected to have a significant impact on these interim condensed consolidated financial information.

**20. BOARD OF DIRECTORS APPROVAL**

Theses interim condensed consolidated financial information was approved by the Board of Directors on behalf of the Shareholders on 4 Safar 1447H (corresponding July 29, 2025) and signed on its behalf by:

  
\_\_\_\_\_  
HANI CHARANI  
CFO

  
\_\_\_\_\_  
BASSAM CHAHINE  
CEO

  
\_\_\_\_\_  
SULAIMAN AL-RASHID  
CHAIRMAN