MIDDLE EAST HEALTHCARE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS
ENDED 30 JUNE 2026
AND INDEPENDENT AUDITOR'S REVIEW REPORT

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE SHAREHOLDERS OF
MIDDLE EAST HEALTHCARE COMPANY
(A SAUDI JOINT STOCK COMPANY)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Middle East Healthcare Company - A Saudi Joint Stock Company - ("the Company") and its subsidiaries (collectively referred to as "the Group") as at 30 June 2026, and the related interim condensed consolidated statements of financial performance and other comprehensive income for the three-month and six-month periods ended on 30 June 2026, and the interim condensed consolidated statements of changes in equity and cash flows for the six-month periods then ended, and other explanatory notes.

The Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

we conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" that is endorsed in the Kingdom of Saudi Arabia. A review of interim financial statement consists of making inquiries, primarily to the 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 ('ISAs') 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.

basis for Qualified Conclusion

As disclosed in Note (24) to the interim condensed consolidated financial statements, the Group has restated certain comparative financial information as at and for the years ended 31 December 2024 and 31 December 2025 to correct identified prior-period errors. The restatement includes adjustments relating to property and equipment, depreciation expense, trade receivables, the related expected credit loss allowance, and retained earnings. Given the nature of the adjustments and the information available during the course of our review, we were unable to obtain sufficient appropriate review evidence to evaluate certain elements of the restatement and the related effects on the comparative financial information. Consequently, we were unable to determine whether any adjustments might have been necessary in respect of the comparative financial information and the related effects on the accompanying interim condensed consolidated financial statements as at and for the six-month period ended 30 June 2026.

Emphasis of Matter

we draw attention to Note (16) to the consolidated financial statements, which describes transactions and balances with related parties provided by entities under common control.

Other Matter

The consolidated financial statement of the Group for the year ended 31 December 2025 were audi ted by another auditor who expressed unmodified opinion on those consolidated financial statements on 15 Ramadan 1447H (corresponding 4 March 2026G). Further, the interim condensed consolidated financial statement of the group for the three-month and six-month periods ended 30 June 2025 were reviewed by the same auditor who expressed unmodified conclusion on those interim condensed consolidated financial statement on 13 Safar 1447H (corresponding to 7 August 2025G).

Qualified Conclusion

Except for the adjustments to the interim condensed consolidated financial statement that we might have become aware of had it not been for the situation described above, based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34, that is endorsed in the Kingdom of Saudi Arabia.

For Dr. Mohamed Al-Amri & Co.

د. محمد العمري وشركاه - محاسبون قانونيون
شركة مهنية رقم ٣٢٣/١١/٦٦
س.ت ٤٠٣٠٢٧٥٣٣٠
Jeddah
Certified Public Accountants
Dr. Mohamed Al-Amri & Co.

Maher Al-Khatieb
Certified Public Accountant
Registration No. 514

6 Rabi Al Awwal 1448(H)
19 August 2026 (G)

Middle East Healthcare Company
(A Saudi Joint Stock Company)
Interim condensed consolidated statement of financial performance and other comprehensive income (unaudited)
For the three-month and six-month periods ended 30 June 2026

	Note	***For the three-month period ended***		*For the six-month period ended*	
		30 June 2026 (Unaudited)	*30 June 2025 (Notes 3.1) (Restated- Note 24) (Unaudited)*	***30 June 2026 (Unaudited)***	*30 June 2025 (Notes 3.1) (Restated- Note 24) (Unaudited)*
		⃁	⃁	⃁	⃁
Revenue from contracts with customers	21	**845,520,134**	790,990,829	**1,610,753,826**	1,524,558,145
Cost of revenue	21	**(579,010,458)**	(485,368,485)	**(1,082,197,450)**	(932,793,932)
GROSS PROFIT		**266,509,676**	305,622,344	**528,556,376**	591,764,213
Selling and marketing expenses		**(20,976,917)**	(16,132,467)	**(42,662,567)**	(30,743,493)
General and administrative expenses		**(157,180,419)**	(171,310,383)	**(315,269,037)**	(334,454,129)
Impairment of reinstated trade receivables and other assets	6&16	**(3,361,912)**	(50,011,218)	**(3,361,912)**	(50,011,218)
Other income, net	22	**5,866,809**	7,320,540	**11,411,344**	126,748,830
OPERATING PROFIT		**90,857,237**	75,488,816	**178,674,204**	303,304,203
Share of loss from investment in an associate		**(6,848,601)**	(300,000)	**(13,825,753)**	(500,000)
PROFIT BEFORE FINANCING AND ZAKAT		**84,008,636**	75,188,816	**164,848,451**	302,804,203
Finance costs		**(42,224,267)**	(47,392,458)	**(85,300,772)**	(100,868,895)
PROFIT BEFORE ZAKAT		**41,784,369**	27,796,358	**79,547,679**	201,935,308
Zakat	4	**(5,386,605)**	(5,328,085)	**(10,306,135)**	(10,593,118)
PROFIT FROM CONTINUING OPERATIONS		**36,397,764**	22,468,273	**69,241,544**	191,342,190
Other comprehensive income for the period:					
Item that will be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations		**153,021**	(258,092)	**259,133**	(296,876)
Total comprehensive income for the period		**36,550,785**	22,210,181	**69,500,677**	191,045,314
Profit for the period attributable to:					
Shareholders of the Parent Company		**34,348,485**	19,818,880	**67,817,074**	186,117,983
Non-controlling interests		**2,049,279**	2,649,393	**1,424,470**	5,224,207
		36,397,764	22,468,273	**69,241,544**	191,342,190
Total comprehensive income attributable to:					
Shareholders of the Parent Company		**34,501,506**	19,560,788	**68,076,207**	185,821,107
Non-controlling interests		**2,049,279**	2,649,393	**1,424,470**	5,224,207
		36,550,785	22,210,181	**69,500,677**	191,045,314
EARNING PER SHARE					
Basic and diluted earnings per share from net profit for the period attributable to the shareholders of the parent Company	19	**0.37**	0.22	**0.74**	2.02

Abdulaziz Hasheem Al-Anazi	Dr. Nezar Mohammed Sultan Bahabri	Sultan Adel Kamil Sindi
Chairman	Chief Executive Officer	Chief Financial Officer

The attached notes from 1 to 27 form an integral part of these interim condensed consolidated financial statements.

Middle East Healthcare Company
(A Saudi Joint Stock Company)
Interim Condensed Consolidated Statement of Financial Position
As at 30 June 2026

	Note	*30 June 2026 (Unaudited)* ⃁	*31 December 2025 (Restated- Note 24)* ⃁	*1 January 2025 (Restated- Note 24)* ⃁
ASSETS				
NON-CURRENT ASSETS				
Property and equipment	5	**2,596,446,372**	2,575,709,058	2,528,239,090
Right-of-use assets	9	**127,897,959**	123,760,247	80,185,708
Intangible assets		**62,824,686**	57,059,067	44,305,999
Investment in associate		**41,793,390**	55,619,143	60,476,472
TOTAL NON-CURRENT ASSETS		**2,828,962,407**	2,812,147,515	2,713,207,269
CURRENT ASSETS				
Inventories	7	**102,897,034**	65,211,519	66,263,132
Trade receivables	6	**2,000,869,766**	2,016,403,660	1,946,412,775
Prepayments and other current assets	8	**148,748,025**	148,583,246	108,429,461
Cash and bank balances	10	**82,541,567**	26,301,483	52,282,004
TOTAL CURRENT ASSETS		**2,335,056,392**	2,256,499,908	2,173,387,372
TOTAL ASSETS		**5,164,018,799**	5,068,647,423	4,886,594,641
EQUITY AND LIABILITIES				
EQUITY				
Share capital	11	**920,400,000**	920,400,000	920,400,000
Reserve	11(a)	**219,163,736**	219,163,736	219,163,736
Retained earnings		**395,831,347**	328,014,273	239,469,099
Foreign currency translation reserves		**7,453,097**	7,193,964	8,357,333
Equity attributable to the shareholders of the parent		**1,542,848,180**	1,474,771,973	1,387,390,168
Non-controlling interests		**56,761,856**	55,337,386	47,951,271
TOTAL EQUITY		**1,599,610,036**	1,530,109,359	1,435,341,439
LIABILITIES				
NON-CURRENT LIABILITIES				
Long-term loans and borrowings	12(a)	**592,365,669**	603,476,232	753,361,822
Sukuk	12(b)	**984,534,689**	983,399,694	989,184,643
Other financial liabilities- non current portion	13	**87,803,347**	91,218,650	97,727,648
Lease liability- non current portion	9	**115,112,792**	113,473,993	70,902,624
Deferred income		**5,862,422**	5,862,420	8,137,438
Derivative financial instruments	14	**12,141,689**	14,635,084	26,207,840
Employees' end of service benefits		**259,816,288**	269,542,592	243,830,554
TOTAL NON-CURRENT LIABILITIES		**2,057,636,896**	2,081,608,665	2,189,352,569
CURRENT LIABILITIES				
Short-term loans and current portion of long term borrowings	12	**781,881,041**	835,540,571	640,182,789
Trade payables	15	**332,455,742**	285,327,426	321,610,671
Other financial liabilities	13	**6,722,258**	6,508,997	6,102,557
Lease liability	9	**7,874,804**	7,682,199	12,219,053
Accrued expenses and other current liabilities	17	**361,898,970**	300,798,042	255,538,176
Zakat payable	4	**15,939,052**	21,072,164	26,247,387
TOTAL CURRENT LIABILITIES		**1,506,771,867**	1,456,929,399	1,261,900,633
TOTAL LIABILITIES		**3,564,408,763**	3,538,538,064	3,451,253,202
TOTAL EQUITY AND LIABILITIES		**5,164,018,799**	5,068,647,423	4,886,594,641

Abdulaziz Hasheem Al-Anazi Chairman	Dr. Nezar Mohammed Sultan Bahabri Chief Executive Officer	Sultan Adel Kamil Sindi Chief Financial Officer

The attached notes from 1 to 27 form an integral part of these interim condensed consolidated financial statements.

Middle East Healthcare Company
(A Saudi Joint Stock Company)
Interim Condensed Consolidated Statement of Changes in Equity (unaudited)
For The Six-Month Period Ended 30 June 2026

	Attributable to equity shareholders of the parent Company						
	Share capital	***Reserve***	*Foreign currency translation reserves*	***Retained Earnings***	***Total***	***Non-controlling interests***	***Total***
	⃁	⃁	⃁	⃁	⃁	⃁	⃁
Balance as at 1 January 2025 (as previously reported)	920,400,000	219,163,736	8,357,333	478,188,261	1,626,109,330	47,951,271	1,674,060,601
Restatement of prior period error (note 24)	-	-	-	(238,719,162)	(238,719,162)	-	(238,719,162)
Balance as at 1 January 2025 (restated)	920,400,000	219,163,736	8,357,333	239,469,099	1,387,390,168	47,951,271	1,435,341,439
Profit for the period	-	-	-	186,117,983	186,117,983	5,224,207	191,342,190
Other comprehensive loss for the period	-	-	(296,876)	-	(296,876)	-	(296,876)
Total comprehensive income for the period	-	-	(296,876)	186,117,983	185,821,107	5,224,207	191,045,314
Dividends declared (note 11 (b))	-	-		(46,020,000)	(46,020,000)		(46,020,000)
Balance as at 30 June 2025 (unaudited, restated)	920,400,000	219,163,736	8,060,457	379,567,082	1,527,191,275	53,175,478	1,580,366,753
Balance as at 1 January 2026 (as previously reported)	920,400,000	219,163,736	7,193,964	725,605,702	1,872,363,402	55,337,386	1,927,700,788
Restatement of prior period error (note 24)	-	-	-	(397,591,429)	(397,591,429)	-	(397,591,429)
Balance as at 1 January 2026 (restated)	920,400,000	219,163,736	7,193,964	328,014,273	1,474,771,973	55,337,386	1,530,109,359
Profit for the period	-	-	-	67,817,074	67,817,074	1,424,470	69,241,544
Other comprehensive income for the period	-	-	259,133	-	259,133	-	259,133
Total comprehensive income for the period	-	-	259,133	67,817,074	68,076,207	1,424,470	69,500,677
Balance as at 30 June 2026 (unaudited)	**920,400,000**	**219,163,736**	**7,453,097**	**395,831,347**	**1,542,848,180**	**56,761,856**	**1,599,610,036**

Abdulaziz Hasheem Al-Anazi
Chairman

Dr. Nezar Mohammed Sultan Bahabri
Chief Executive Officer

Sultan Adel Kamil Sindi
Chief Financial Officer

The attached notes from 1 to 27 form an integral part of these interim condensed consolidated financial statements.

	Note	*For the six-month period ended 30 June 2026 (Unaudited)* ⃁	*For the six-month period ended 30 June 2025 (Note3.1) (Restated note 24) (Unaudited)* ⃁
OPERATING ACTIVITIES			
Operating Profit		**178,674,204**	303,304,203
Non-cash adjustments to reconcile profit before zakat to net cash flow:			
Depreciation of property and equipment	5	**96,393,448**	89,834,713
Charge for expected credit losses	6&16	**3,361,912**	50,011,218
Depreciation of right-of-use assets	9	**10,736,814**	10,676,296
Amortization of intangible assets		**12,363,739**	6,020,502
reversal for expected credit losses		**-**	(1,500,000)
Provision for slow moving and obsolete inventories	7	**133,716**	(1,028,739)
Loss / (Gain) on disposal of property and equipment		**219,743**	(114,623,158)
Provision for employee benefits		**27,654,244**	24,790,159
		329,537,820	367,485,194
Changes in operating assets and liabilities			
Inventories		**(37,819,231)**	(9,320,247)
Trade receivables		**15,533,894**	(157,364,606)
Prepayments and other current assets		**(3,526,691)**	(30,077,500)
Trade payables		**47,128,316**	(35,325,498)
Accrued expenses and other current liabilities		**61,100,928**	44,231,172
Other financial liabilities		**(3,202,042)**	(6,352,384)
Cash generated from operations		**408,752,994**	173,276,131
Employees' benefits paid		**(37,380,548)**	(16,183,435)
Zakat paid		**(15,439,247)**	(21,202,952)
Net cash generated from operating activities		**355,933,199**	135,889,744
INVESTING ACTIVITIES			
Purchase of property and equipment and intangible assets		**(136,037,803)**	(111,309,796)
Proceeds from disposal of property and equipment		**296,636**	127,254,282
Investment in an associate		**-**	(9,000,000)
Net cash (used) in / generated from investing activities		**(135,741,167)**	6,944,486
FINANCING ACTIVITIES			
Lease liabilities paid	9	**(16,089,306)**	(20,938,147)
Financial charges paid		**(83,613,118)**	(85,898,046)
Proceeds of loans and borrowings		**912,925,491**	863,118,622
Repayment of loans and borrowings		**(977,695,583)**	(918,555,146)
Net cash used in financing activities		**(164,472,516)**	(162,272,717)
INCREASE / (DECREASE) IN BANK BALANCES AND CASH		**55,719,516**	(19,438,487)
Foreign Currency Translation Difference		**520,568**	(921,212)
Bank balances and cash at the beginning of the period		**26,301,483**	52,282,004
BANK BALANCES AND CASH AT THE END OF THE PERIOD		**82,541,567**	31,922,305
MAJOR NON-CASH TRANSACTIONS			
Additions to right-of-use assets and lease liabilities	9	14,874,657	33,804,658
Borrowing costs capitalized during the period		5,558,342	5,764,968
Transfer of assets from Property and equipment to intangible assets	5	1,024,420	9,574,318
Transfer of assets from CWIP to Property and equipment		9,031,386	65,881,848

Abdulaziz Hasheem Al-Anazi Chairman	Dr. Nezar Mohammed Sultan Bahabri Chief Executive Officer	Sultan Adel Kamil Sindi Chief Financial Officer

The attached notes from 1 to 27 form an integral part of these interim condensed consolidated financial statements

1. CORPORATE INFORMATION

Middle East Healthcare Company (the "Company" or "the Parent Company") and its subsidiary (collectively referred to as "the Group") consist of the Company and its various branches and a subsidiary in the Kingdom of Saudi Arabia.

The Company was initially incorporated as a closed joint stock company under Commercial Registration No. 4030149460 dated 6 Rabi' Al-Thani 1425H (corresponding to 25 May 2004), with Unified Number 7001829105. On 19 Rabi' Al-Awwal 1437H (corresponding to 30 December 2015), the Company obtained approval from the Capital Market Authority (CMA) to offer 27,612,000 shares through an Initial Public Offering (IPO). Subsequently, the Company's shares were listed on the Saudi Exchange (Tadawul) on 20 Jumada Al-Thani 1437H (corresponding to 29 March 2016). As a result of the IPO and listing, the Company was converted into a public joint stock company.

The main activities of the Company are managing, operating and maintaining hospitals, medical centers, educational centers, rehabilitation centers, physiotherapy, laboratories and radiology centers, pharmacies, to buy land for the purpose of constructing medical projects and to establish, manage, construction and organize exhibitions for the Company.

The Company's fiscal year start on 1 January and ends on 31 December of every calendar year.

The accompanying condensed consolidated interim financial statements include assets, liabilities, the results of the operations and the cash flows of the following branches:

Branch name	*Commercial registration*	*Issued on*	*Corresponding to*
Saudi German Hospital – Jeddah	4030124187	5 Safar 1419H	30 May 1998
Saudi German Hospital – Riyadh	1010162269	24 Rajab 1421H	22 October 2000
Saudi German Hospital – Aseer	5855019364	28 Dhul Hijah 1420H	3 April 2000
Saudi German Hospital – Madinah	4650032396	18 Safar 1423H	5August 2002
Abdul Jaleel Ibrahim Batterjee Sons	4030181710	4 Shaban 1429H	6 August 2008
Saudi German Hospital – Dammam	2050105713	18 Rajab 1436H	7 May 2015
Beverly Clinics – Jeddah	4030297688	26 Safar 1439H	15 November 2017
Saudi German Hospital – Makkah	4031215509	19 Shawwal 1439H	3 July 2018
MEAHCO – Dubai	Foreign branch	18 Muharram 1442H	6 September 2020
MEAHCO – Cairo	Foreign branch	15 Muharram 1442H	3 September 2020
Saudi German Hospital – Hai Jamaa	4030393745	17 Safar 1442H	4 October 2020
Saudi German Hospital – Hail	3350043739	23 Safar 1436H	15 December 2014
Saudi German Hospital - Bisha	5903509753	24 Rabi Al-Awwal 1445H	9 October 2023
Abha Clinics - Aseer	5850124337	24 Ramadan 1442H	6 May 2021

The Company also has investment in the following subsidiaries:

Subsidiary name	**Principal activities**	**Effective holding**	**Effective holding**
		30 June 2026	31 December 2025
National Hail Company for Healthcare (NHC)	Healthcare	53.89%	53.89%
Viva Radix Company	Healthcare	100%	-

The Company also has investment in the following associate:

Associate name	**Principal activities**	**Effective holding**	**Effective holding**
		30 June 2026	31 December 2025
Al Sobh Investment Holding Limited	Healthcare	22.41%	22.41%

2. BASIS OF PREPARATION

2.1 Basis of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34"), that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants (SOCPA). These interim condensed consolidated financial statements do not include all of the information required for full consolidated annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025. In addition, results for the six-months period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

2.2 Basis of measurement

These interim condensed consolidated financial statements have been prepared under the historical cost basis using the accrual basis of accounting and the going concern assumption.

2.3 Functional and presentation currency

These interim condensed consolidated financial statements are presented in Saudi Riyals (⃁) which is the functional and presentation currency of the Group.

2.4 Basis of consolidation

These interim condensed consolidated financial statements Comprise the financial statements of the Company and its subsidiary as set out in note 1. The financial statements of the subsidiary are prepared for the same reporting period as that of the Parent Company.

2.4.1 Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 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. To meet the definition of control, all of the following three criteria must be met:

i) the Group has power over an entity; (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).
ii) the Group has exposure, or rights, to variable returns from its involvement with the entity; and
iii) the Group has the ability to use its power over the entity to affect the amount of the entity's returns.

The Group re-assesses whether or not it controls an investee in case facts and circumstances indicate that there are changes to one or more of the criteria of control.

Subsidiaries are consolidated from the date on which control commences until the date on which control ceases. The results of subsidiaries acquired or disposed of during the period, if any, are included in the interim condensed consolidated statement of income from the date of the acquisition or up to the date of disposal, as appropriate.

2.4.2 Non-controlling interests

Non-controlling interests represent the portion of net income and net assets of subsidiaries not owned, directly or indirectly, by the Group in its subsidiaries and are presented separately in the interim condensed consolidated statement of income and within equity in the interim condensed consolidated statement of financial position, separately from the Group's equity. Any losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

2.4.3 Transactions eliminated on consolidation

Balances between the Group entities, and any unrealized income and expenses arising from intragroup transactions, are eliminated in preparing the interim condensed consolidated financial statements. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

2. BASIS OF PREPARATION (CONTINUED)

2.5 Significant accounting judgements, estimates and assumptions

The preparation of the Group's interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The significant judgments made by management in applying the Group's accounting policies and the methods of computation and the key sources of estimation are the same as those that applied to the financial statements for the year ended 31 December 2025.

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

The accounting policies used and method of computation applied in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of certain amendments effective as of 1 January 2026.

3.1 IFRS 18 Presentation and Disclosure in Financial Statements

The Group early adopted IFRS 18, which supersedes IAS 1 and made consequential amendments to other standards. IFRS 18 introduces new requirements for presentation within the condensed consolidated statement of financial performance, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of financial performance into one of five categories: operating, investing, financing, income taxes and Zakat and discontinued operations.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 has been applied retrospectively.

Although the adoption of IFRS 18 have no impact on the Group's Profit for the period or Total Revenue, the Group expects that grouping items of income and expense in the Condensed Consolidated Statement of financial performance into the new categories impacted how Operating profit is reported.

The Group's main business activity is healthcare services; however, this does not affect the IFRS 18 category classification applied.

Management-defined performance measures (MPMs)
The Group has not identified any management-defined performance measures (MPMs) for the purposes of IFRS 18. Accordingly, no such measures are presented or disclosed in these interim condensed financial statements. As a result, there are no alternative performance measures used in public communications that require reconciliation to IFRS-defined amounts.

Aggregation and Disaggregation
Under IFRS 18, the Group consistently applies aggregation and disaggregation principles across all primary financial statements. Items with similar characteristics are aggregated, while items with dissimilar characteristics are disaggregated when disaggregated information is material.

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP (CONTINUED)
3.1 IFRS 18 Presentation and Disclosure in Financial Statements (continued)

Reconciliation on the interim condensed consolidated statement of financial performance for the six-month period ended 30 June 2025:

	Note	*Amounts previously presented under IAS 1* ⃁	*Adjustments* ⃁	*Adjusted amounts under IFRS 18* ⃁	*Restatement (Note 24)* ⃁	*Restated amounts (Note 24)* ⃁
Revenue from contracts with customers	C	1,524,869,684	(311,539)	1,524,558,145	-	1,524,558,145
Cost of revenue	C	(933,176,373)	(11,947,576)	(945,123,949)	12,330,017	(932,793,932)
GROSS PROFIT		591,693,311	(12,259,115)	579,434,196	12,330,017	591,764,213
Selling and Marketing	C	(42,724,613)	11,981,120	(30,743,493)	-	(30,743,493)
General and administrative expenses	C	(336,082,125)	1,627,996	(334,454,129)	-	(334,454,129)
Impairment of reinstated trade receivables		-	-	-	(50,011,218)	(50,011,218)
Other income, net	A	-	126,748,830	126,748,830	-	126,748,830
OPERATING PROFIT		212,886,573	128,098,831	340,985,404	(37,681,201)	303,304,203
Other income, net	A	129,939,688	(129,939,688)	-	-	-
Finance costs	B	(102,709,752)	102,709,752	-	-	-
Share of loss in an associate		(500,000)	-	(500,000)	-	(500,000)
PROFIT BEFORE FINANCING AND ZAKAT		239,616,509	100,868,895	340,485,404	(37,681,201)	302,804,203
Finance costs	B	-	(100,868,895)	(100,868,895)	-	(100,868,895)
PROFIT BEFORE ZAKAT		239,616,509	-	239,616,509	(37,681,201)	201,935,308
Zakat		(10,593,118)	-	(10,593,118)	-	(10,593,118)
PROFIT FROM CONTINUING OPERATIONS		229,023,391	-	229,023,391	(37,681,201)	191,342,190

Explanation of the adjustments due to IFRS 18

a) Other income, net has been re-classified as other operating income, net within the operating category, in accordance with the presentation requirements of IFRS 18.
b) Finance costs have been re-classified and presented within the financing category under the revised statement of financial performance structure introduced by IFRS 18.
c) Certain comparative information for the prior period has been re-classified in the statement of financial performance to align with the current-period presentation following the adoption of IFRS 18. These changes relate solely to presentation and classification and do not affect total profit, comprehensive income, or equity.

Reconciliation on the interim condensed consolidated statement of cash flows for the six-month period ended 30 June 2025:

	Amounts previously presented under IAS 1 ⃁	*Adjustments* ⃁	*Adjusted amounts under IFRS 18* ⃁	*Restatement (Note 24)* ⃁	*Restated Amount (Note 24)* ⃁
Profit before Zakat	239,616,509	(239,616,509)	-	-	-
Operating profit	-	340,985,404	340,985,404	(37,681,201)	303,304,203
Net cash generated from operating activities	185,806,738	94,224	185,900,962	(50,011,218)	135,889,744
Net cash used in investing activities	(43,066,732)	-	(43,066,732)	50,011,218	6,944,486
Net cash used in financing activities	(163,099,705)	826,988	(162,272,717)	-	(162,272,717)
Foreign Currency Translation Difference	-	(921,212)	(921,212)	-	(921,212)

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP (CONTINUED)
3.1 IFRS 18 Presentation and Disclosure in Financial Statements (continued)

Reconciliation on the interim condensed consolidated statement of financial performance for the three-month period ended June 2025:

	Note	*Amounts previously presented under IAS 1* ⃁	*Adjustments* ⃁	*Adjusted amounts under IFRS 18* ⃁	*Restatements (Note 24)* ⃁	*Restated amounts (Note 24)* ⃁
Revenue from contracts with customers	C	791,129,595	(138,766)	790,990,829	-	790,990,829
Cost of revenue	C	(483,089,977)	(8,443,517)	(491,533,494)	6,165,009	(485,368,485)
GROSS PROFIT		308,039,618	(8,582,283)	299,457,335	6,165,009	305,622,344
Selling and Marketing	C	(24,514,737)	8,382,270	(16,132,467)	-	(16,132,467)
General and administrative expenses	C	(172,185,764)	875,381	(171,310,383)	-	(171,310,383)
Impairment of reinstated trade receivables		-	-	-	(50,011,218)	(50,011,218)
Other income, net	A	-	7,320,540	7,320,540	-	7,320,540
OPERATING PROFIT		111,339,117	7,995,908	119,335,025	(43,846,209)	75,488,816
Other income, net	A	10,053,908	(10,053,908)	-	-	-
Finance costs	B	(49,450,458)	49,450,458	-	-	-
Share of loss in an associate		(300,000)	-	(300,000)	-	(300,000)
PROFIT BEFORE FINANCING AND ZAKAT		71,642,567	47,392,458	119,035,025	-43,846,209	75,188,816
Finance costs	B	-	(47,392,458)	(47,392,458)	-	(47,392,458)
PROFIT BEFORE ZAKAT		71,642,567	-	71,642,567	(43,846,209)	27,796,358
Zakat		(5,328,085)	-	(5,328,085)	-	(5,328,085)
PROFIT FROM CONTINUING OPERATIONS		66,314,482	-	66,314,482	(43,846,209)	22,468,273

Explanation of the adjustments due to IFRS 18

a) Other income, net has been re-classified as other operating income, net within the operating category, in accordance with the presentation requirements of IFRS 18.
b) Finance costs have been re-classified and presented within the financing category under the revised statement of financial performance structure introduced by IFRS 18.
c) Certain comparative information for the prior period has been re-classified in the statement of financial performance to align with the current-period presentation following the adoption of IFRS 18. These changes relate solely to presentation and classification and do not affect total profit, comprehensive income, or equity.

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP (CONTINUED)

3.2 New standards, interpretations and amendments effective in the current year with no effect on the accounting policies and the interim condensed consolidated financial statements.

IFRS	Summary	Effective date
Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	These amendments: - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; - Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	These amendments: narrow-scope clarifications, simplifications and corrections intended to improve consistency in IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. The amendments are not expected to have a material impact on the Group's financial statements.	1 January 2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	- clarify the application of the 'own-use' requirements for contracts referencing nature-dependent electricity; - amend the requirements for designating a hedged item in a cash flow hedging relationship for such contracts; and - introduce additional disclosure requirements to enable users of financial statements to understand the effects of these contracts on an entity's financial performance and cash flows.	

3.3 New standards, interpretations and amendments not yet effective

IFRS	Summary	Effective date
IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'	- IFRS 19 allows eligible subsidiaries to apply reduced disclosure requirements while continuing to apply the recognition, measurement and presentation requirements of other IFRS Accounting Standards. An eligible entity must be a subsidiary, must not have public accountability and must have an ultimate or intermediate parent that prepares consolidated financial statements available for public use that comply with IFRS Accounting Standards. As the Group's equity instruments are publicly traded, the Group is not eligible to elect to apply IFRS 19.	1 January 2027

4. ZAKAT

The movement in the Zakat provision during the period/year is as follows:

	For the six-month period ended 30 June 2026 (Unaudited)	*For the year ended 31 December 2025 (Audited)*
	⃁	⃁
At the beginning of the period/year	**21,072,164**	26,247,387
Provided during the period/year	**10,306,135**	16,027,730
Paid during the period/year	**(15,439,247)**	(21,202,953)
At the end of the period/year	**15,939,052**	21,072,164

The Group's latest zakat assessment status is as follows:

Zakat status of Middle East Health Care Company

The Company finalized its Zakat status up to the year 2014.

ZATCA confirmed that the Company has a balance of ⃁11,739,543 that can be used to offset the current Zakat liability. ZATCA should credit this balance against the Zakat installments detailed below.

ZATCA issued a Zakat assessment for the years ended 31 December 2015 to 2018 and claimed additional Zakat differences of ⃁ 104,116,626. Following the objection, ZATCA issued a revised assessment showing a reduction of the Zakat differences to ⃁ 97,391,676. The case was escalated to the General Secretariat of Zakat, Tax and Customs Committee (GSTC). A preliminary decision was issued showing a reduction of the Zakat due to ⃁ 83,369,470. Following the Appeal a decision was issued showing a reduction of the Zakat differences to ⃁ 72,885,846. ZATCA did not implement the Appeal decision correctly and reflected a higher amount of ⃁ 84,867,277 on the Erad system. The Company filed a petition against the Appeal decision. which is still under study to date.

ZATCA issued a withholding tax assessment for the years ended 31 December 2015 to 2018 and claimed withholding tax and penalties differences of ⃁ 52,741,685. The case was escalated to the Appeal Committee at GSTC. A decision was issued supporting ZATCA. The Company filed a petition against the Appeal decision. which is still under study to date. The Company benefited from ZATCA's initiative and waived the delay fines of ⃁14,210,681.

ZATCA issued the assessment for the years ended 31 December 2019 and 2020 and claimed additional Zakat differences of ⃁71,030,487. Following the objection, ZATCA issued a revised assessment showing a reduction of the Zakat differences to ⃁ 67,589,953 The case was escalated to the Appeal Committee at the GSTC. A decision was issued supporting ZATCA. The Company filed a petition against the Appeal decision. which is still under study to date.

The Company obtained the approval to pay in installments the Zakat and Withholding tax differences for the years 2015 to 2020 over 12 years.

The Company filed the Zakat/tax return for the years ended 31 December 2021 and 31 December 2023 and obtained the Zakat/tax certificate for the said years. ZATCA issued the assessment for the said years and claimed additional tax differences of ⃁ 714,963 and Nil for zakat. The Company Settled the tax differences.
ZATCA did not finalize the review of the withholding tax for the said years till date.

The Company filed the Zakat return for the year 2025 and obtained the unrestricted certificates. ZATCA did not finalize the review of the Company's accounts for the said years till date.

Zakat status of Subsidiary Company ("National Hail Company for Health Care" or "NHC")
The subsidiary has finalized its Zakat assessment up to the year ended 31 December 2013, and for the years 2014 to 2020 is considered finalized based on the statute of limitation.

The Subsidiary filed the Zakat/tax returns for the year 2025 and obtained the Zakat/tax certificate for the said years. The ZATCA did not issue the Zakat/tax assessment for the said years till date.

5. PROPERTY AND EQUIPMENT

	30 June 2026 (Unaudited)	*31 December 2025 (Restated note-24)*
	⃁	⃁
Operating assets	**2,205,873,036**	2,255,469,816
Capital work-in-progress (CWIP)	**390,573,336**	320,239,242
	2,596,446,372	2,575,709,058

5.1 CWIP mainly contains the progress payments for renovations of several hospitals' buildings and digitalization projects at different locations.

5.2 During the period finance charges amounting to ⃁ 5.6 million (31 December 2025: ⃁ 11.7 million) have been capitalized in CWIP.

5.3 The land and buildings with a netbook value of ⃁ 641 million (31 December 2025: ⃁ 655 million) are mortgaged to secure loan from Ministry of Finance (note 12).

The movement in property and equipment for the period/year is shown below:

	For the six-months period ended 30 June 2026 (Unaudited)	*For the year ended 31 December 2025 (Restated note-24)*
	⃁	⃁
Cost:		
At the beginning of the period/year	**4,296,613,905**	4,113,422,299
Additions during the period/year	**118,887,162**	271,622,985
Disposals during the period/year	**(6,541,712)**	(67,020,714)
Transfers to intangible assets	**(1,024,420)**	(23,469,999)
Translation differences	**(275,850)**	2,059,334
At the end of the period/year	**4,407,659,085**	4,296,613,905
Depreciation:		
At the beginning of the period/year	**1,720,904,847**	1,585,183,209
Charge for the period/year	**96,393,448**	188,017,271
Disposals during the period/year	**(6,071,035)**	(52,372,657)
Translation differences	**(14,547)**	77,024
At the end of the period/year	**1,811,212,713**	1,720,904,847
Net book value:		
At the end of the period/year	**2,596,446,372**	2,575,709,058

6. TRADE RECEIVABLES

	30 June 2026 (Unaudited)	*31 December 2025 (Restated note-24)*
	⃁	⃁
Third party customers	**2,485,565,244**	2,511,452,207
Related parties (note 16)	**18,814,407**	8,461,338
	2,504,379,651	2,519,913,545
Less: expected credit losses	**(503,509,885)**	(503,509,885)
	2,000,869,766	2,016,403,660

6. TRADE RECEIVABLES (CONTINUED)

Terms and conditions of the above financial assets:
Trade receivables are non-interest bearing and are generally on terms of 90 days. It is not the practice of the Group to obtain collateral over receivables, and the vast majority are, therefore, unsecured.

As at 30 June 2026, approximately 90% of the group's accounts receivable's balance was due from various governmental and insurance entities (31 December 2025: 90%).

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

	At 30 June 2026 (Unaudited)					
	Current	**<90 days**	**90-180 days**	**181-365 days**	**>1 year**	**Total**
	⃁	⃁	⃁	⃁	⃁	⃁
Total exposure at default	**794,496,856**	**481,926,272**	**399,152,886**	**401,160,192**	**427,643,445**	**2,504,379,651**
Expected loss rate	**3.35%**	**3.19%**	**3.24%**	**5.22%**	**100%**	**20.11%**
Expected credit loss	**(26,607,888)**	**(15,376,616)**	**(12,938,063)**	**(20,943,873)**	**(427,643,445)**	**(503,509,885)**
	767,888,968	**466,549,656**	**386,214,823**	**380,216,319**	**-**	**2,000,869,766**

	At 31 December 2025 (Restated note-24)					
	Current	*<90 days*	*90–180 days*	*181–365 days*	*>1 year*	*Total*
	⃁	⃁	⃁	⃁	⃁	⃁
Total exposure at default	740,249,603	529,258,644	515,458,334	302,492,736	432,454,228	2,519,913,545
Expected loss rate	3.07%	3.14%	3.13%	6.39%	99.14%	19.98%
Expected credit loss	(22,694,362)	(16,606,980)	(16,147,533)	(19,339,905)	(428,721,105)	(503,509,885)
	717,555,241	512,651,664	499,310,801	283,152,831	3,733,123	2,016,403,660

The movement in expected credit losses for the period/year is shown below:

	For the six-months period ended 30 June 2026 (Unaudited)	*For the year ended 31 December 2025 (Restated note-24)*
	⃁	⃁
At the beginning of the period/year	**503,509,885**	313,593,251
Charge during the period/year	**-**	189,916,634
At the end of the period/year	**503,509,885**	**503,509,885**

7. INVENTORIES

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
	⃁	⃁
Pharmacy items	**65,905,314**	34,931,166
Consumables and others	**45,902,379**	39,178,797
Kitchen items	**257,415**	135,914
	112,065,108	74,245,877
Less: provision for slow moving and obsolete inventories	**(9,168,074)**	(9,034,358)
	102,897,034	65,211,519

7. INVENTORIES (CONTINUED)

The movement in provision for slow moving and obsolete inventories for the period/year is shown below:

	For the six-months period ended 30 June 2026 (Unaudited)	*For the year ended 31 December 2025 (Audited)*
	⃁	⃁
At the beginning of the period/year	**9,034,358**	9,976,205
Charge / (reversed) during the period/year	**133,716**	(941,847)
At the end of the period/year	**9,168,074**	9,034,358

Cost of inventories recognized in the interim condensed consolidated statement of financial performance for the period ended 30 June 2026 amounted to ⃁ 143,287,023 (30 June 2025: ⃁ 135,146,948).

8. PREPAYMENTS AND OTHER CURRENT ASSETS

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
	⃁	⃁
Prepayments	**52,905,452**	48,504,984
Margins against letter of guarantee and deposits	**35,437,650**	36,137,364
Advance to supplier	**29,954,194**	20,814,671
Receivable from ZATCA against closed appeal (note a)	**11,498,037**	11,498,037
Advance to related party supplier (note 16)	**3,361,912**	13,304,306
Advances to staff	**3,386,482**	4,712,112
Other miscellaneous receivables	**12,204,298**	13,611,772
	148,748,025	148,583,246

a) This balance represents amounts paid for ZATCA against assessments as below:

- Refundable balance with ZATCA amounting to ⃁ 11.5 million for closed assessment that will be utilized against any further finalized assessments with ZATCA related to income tax paid on behalf of foreign entity who is exempted from tax for the year 2010.

9. RIGHT OF USE ASSETS AND LEASE LIABILITIES

The movement in right-of-use assets and lease liability for the period/year is as follows

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
	⃁	⃁
Right of use assets		
Cost:		
At 1 January	**158,107,668**	125,534,100
Addition during the period/year	**14,874,657**	76,783,798
Lease contract completed / terminated during the period/year	**(3,386,289)**	(44,210,230)
Translation differences	**(154)**	-
	169,595,882	158,107,668
Depreciation:		
At the beginning of the period/year	**34,347,421**	45,348,392
Depreciation for the period/year	**10,736,814**	20,433,204
Relating to completed/terminated contract	**(3,386,289)**	(31,434,175)
Translation differences	**(23)**	-
At the end of the period/year	**41,697,923**	34,347,421
Net value as at the end of the period/year	**127,897,959**	123,760,247

9. RIGHT OF USE ASSETS AND LEASE LIABILITIES (CONTINUED)

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
	⃁	⃁
Lease liabilities		
At the beginning of the period/year	**121,156,192**	83,121,677
Addition for the period/year	**14,874,657**	76,783,798
Interest expense for the period/year	**3,046,053**	6,410,040
Relating to terminated contract	**-**	(14,221,050)
Payments made during the period/year	**(16,089,306)**	(30,938,273)
At the end of the period/year	**122,987,596**	121,156,192
Non-current	**115,112,792**	113,473,993
Current	**7,874,804**	7,682,199

10. CASH AND BANK BALANCES

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
	⃁	⃁
Cash in hand	**2,028,023**	1,426,392
Cash at bank – current accounts	**80,513,544**	24,875,091
	82,541,567	26,301,483

The cash is held in accounts with banks having sound credit ratings. The fair value of bank balances and cash equivalent approximates the carrying value at 30 June 2026 and 31 December 2025.

At 30 June 2026, the Group had available ⃁ 1,215.92 million (31 December 2025: ⃁ 1,458 million) of undrawn committed borrowing facilities.

11. SHARE CAPITAL

As at 30 June 2026, the Parent Company’s authorized, issued and fully paid share capital is ⃁ 920.4 million (31 December 2025: ⃁ 920.4 million) which is divided into 92.04 million share (31 December 2025: 92.04 million) shares of ⃁ 10 par value each (31 December 2025: ⃁ 10 par value each).

11(a) Reserve

In accordance with the previous Companies' Law and Group's By-laws, the Group was required to set aside 10% of its net income in each year as a statutory reserve until such reserve equals to 30% of the share capital. According to the new Companies' Law, the mandatory statutory reserve requirement had been removed. On 7 Dhu al-hijjah 1445H (corresponding to 13 June 2024) the Group‘s extraordinary general assembly (“EGA”) approved the amendment of the Company’s Bylaws to comply with the new Companies' Law, and the Group’s Bylaws has been amended accordingly.

11(b) Dividends

- On 24 February 2026, the Board of Directors recommended the distribution of cash dividends to the Group's shareholders for the fiscal year ended 31 December 2025 amounted to ⃁ 46.02 million at ⃁ 0.50 per share. The distribution date will be announced after obtaining the necessary approval in the Annual General Meeting (AGM).

- The recommendation was approved by the Ordinary General Assembly on 7 July 2026, being after the reporting date. Accordingly, no liability has been recognized in these interim condensed consolidated financial statements as at 30 June 2026 (note 26).

12. LOANS AND BORROWINGS

12(a)Term loans comprise of the following:

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
	⃁	⃁
Loan from Ministry of Finance	**309,497,049**	320,199,663
Less: Unamortised portion of transaction cost	**(6,959,598)**	(6,959,598)
Loan from Ministry of Finance, net	**302,537,451**	313,240,065
Long term loans	**456,016,867**	411,539,925
Short term loans	**615,692,392**	714,236,813
	1,374,246,710	1,439,016,803

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
	⃁	⃁
Current portion:		
Long term loans	**109,299,576**	74,379,685
Short-term borrowings	**615,692,392**	714,236,813
Loan from Ministry of Finance	**56,889,073**	46,924,073
Total of current portion	**781,881,041**	835,540,571
Non-current portion:		
Long term loans	**346,717,291**	337,160,240
Loan from Ministry of Finance	**245,648,378**	266,315,992
Total of non-current portion	**592,365,669**	603,476,232
Total	**1,374,246,710**	1,439,016,803

Loan from Ministry of Finance are secured by the mortgage of land and building of Saudi German Hospital – Madinah, Dammam, Makkah and Hail (Note 5.3). This loan is interest free. Loans from commercial banks are borrowed at SIBOR plus an agreed mark up. These loans are secured through promissory notes issued by the Group.

Other information relating to the loans, including covenants, repayment terms, collaterals etc. are primarily consistent with the information disclosed in the consolidated financial statements for the year ended 31 December 2025.

12(b) Sukuk

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
	⃁	⃁
Sukuk	**991,754,995**	1,000,000,000
Buy back during the period/year	-	(8,380,000)
Less: Unamortized portion of transaction cost	**(7,220,306)**	(8,220,306)
Non-current portion	**984,534,689**	983,399,694

On 14 January 2024, the Group issued its first Sukuk – Series I amounting to ⃁ 1,000 million out of ⃁ 1,500 million Sukuk Program with minimum purchase of 5 Sukuk with par value ⃁ 5,000. The Sukuk Issuance bears a return of 7.2% per annum payable quarterly in arrears. The Sukuk will be redeemed at par on its date of maturity after 5 years. These Sukuk are registered with Saudi stock Exchange (Tadawul). At December 31, 2025, the Group repurchased a portion of its issued Sukuk amounting to SAR 8.38 million, which has been reflected as a reduction in the outstanding Sukuk balance.

13. OTHER FINANCIAL LIABILITIES

It represents financial liabilities which are payable on account of the agreement entered by the Group in the year ended 31 December 2024 for instalment plan to settle the Zakat and withholding tax differences for the years 2015 to 2020 over 12 years on 48 instalments (note 4). The Company measured the liability at fair value, discounted to net present value using 6.5% discounting factor.

The breakup of current portion and non-current portion is as follows:

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
	⃁	⃁
Non-current portion	**87,803,347**	91,218,650
Current portion	**6,722,258**	6,508,997
	94,525,605	97,727,647

14. DERIVATIVE FINANCIAL INSTRUMENTS

The Group entered into different derivative instruments with local banks to manage some of its transaction exposures. The derivative instruments are designated as derivative financial instruments, The tables below show the negative fair values of derivatives, together with the notional amounts and fair value as of reporting date. The notional amounts, which provide an indication of the volumes of the transactions outstanding at the period end, do not necessarily reflect the amounts of future cash flows involved. These notional amounts, therefore, are neither indicative of the Group's exposure to credit risk, which is generally limited to the positive fair value of the derivatives, nor to market risk.

The fair value and notional amount of the derivative is as follows:

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
	⃁	⃁
Notional amount	**1,800,000,000**	1,800,000,000
Balance at the beginning of the period/year	**14,635,084**	26,207,840
Charge to statement of financial performance	**(2,493,395)**	(11,572,756)
	12,141,689	14,635,084

The term to maturity for all derivative instruments entered by the group falls withing years 2027, 2028 and 2037. The derivative financial instruments gain recognized in the financial performance is equal to the change in fair value.

15. TRADE PAYABLES

Trade payables comprise of the following:

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
	⃁	⃁
Third party suppliers	**296,597,104**	241,259,609
Due to related parties (note 16)	**35,858,638**	44,067,817
	332,455,742	285,327,426

16. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent the shareholders, directors and key management personnel of the Group, and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management. Following is the list of related party transactions and balances of the Group:

	Related party	*Nature of relationship*	*Nature of transactions*	*Transactions for the six-months period ended*		*Balance as at*	
				30 June 2026 (Unaudited)	*30 June 2025 (Unaudited)*	***30 June 2026 (Unaudited)***	*31 December 2025 (Audited)*
a)	***Amounts due from related parties "trade Receivables"***			**⃁**	⃁	**⃁**	⃁
	Emirates Healthcare Development Company	Entity under common control	Management fee	**6,622,401**	-	**10,016,201**	3,787,105
	Egypt Healthcare Company	Entity under common control	Management fee	**2,169,786**	679,061	**6,692,863**	4,673,897
	Bait Al Batterjee Fitness Company	Entity under common control	Medical services	**-**	-	**-**	336
	Batterjee Medical College	Entity under common control	Training fee	**1,222,391**	-	**2,105,343**	-
						18,814,407	8,461,338
b)	***Prepayments and other current assets***						
	Megamind IT Solution Company	Entity under common control	Advance against outsourced IT services	**44,515,652**	48,924,677	**-**	12,387,019
	Bait Al Batterjee Medical Company	Entity under common control	Advisory fee	**-**	3,150,447	**6,723,824**	-
	Abdul Jalil Khalid Batterjee Medical Instrumentation Maintenance Company	Entity under common control	Repair of medical instruments	**-**	283,513	**-**	917,287
	Expected credit loss					**(3,361,912)**	-
						3,361,912	13,304,306

The movement in expected credit losses for the period/year is shown below:

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
	⃁	⃁
At the beginning of the period/year	**-**	-
Charge during the period/year	**(3,361,912)**	-
At the end of the period/year	**(3,361,912)**	-

16. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

The above balances are unsecured, interest free and have no fixed repayment. The management estimates the allowance on due from related party balance at the reporting date at an amount equal to lifetime expected credit losses. No receivable balance from related parties at the reporting date is past due, taking into account the historical default experience and the future prospects of the industries in which the related parties operate, the management considers that related party balances are not impaired, other than as disclosed below. There has been no change in estimation techniques or significant assumptions made during the current reporting period in assessing the allowances for balances due from related parties. There have been no guarantees provided or received for any related party receivables or payable. For the period ended 30 June 2026 and year ended 31 December 2025, as at 30 June 2026, the Group recognized an expected credit loss allowance of SAR 3,361,912 in respect of the amount due from Bait Al Batterjee Medical Company.

Related party	*Nature of relationship*	*Nature of transactions*	*Transactions for the six-months period ended*		*Balance as at*	
			30 June 2026 (Unaudited)	*30 June 2025 (Unaudited)*	***30 June 2026 (Unaudited)***	*31 December 2025 (Audited)*
c) ***Amounts due to related parties “Trade payables”***			⃁	⃁	⃁	⃁
International Hospital Construction Company	Entity under common control	Construction and renovation	**45,660,050**	29,379,834	**17,741,026**	26,401,256
Bait Al Batterjee Medical Company	Entity under common control	Advisory fee	**-**	-	**-**	37,591
Bait Al Batterjee Pharmaceutical Company	Entity under common control	Supplies of certain pharmaceutical products	**18,297,398**	23,138,975	**14,040,456**	13,800,888
Sawaid Alhalool Company for Maintenance & Cleaning	Entity under common control	Janitorial services	**21,381,067**	14,179,145	**3,948,034**	3,828,082
Abdul Jalil Khalid Batterjee Medical Instrumentation Maintenance Company	Entity under common control	Repair of medical instruments	**188,165**	-	**129,122**	-
					35,858,638	44,067,817

16. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

d*) Compensation of key management personnel of the Group:*

Key management personnel of the Group comprise of key members of the management having authority and responsibility for planning, directing and controlling the activities of the Group. The compensation for key management is shown below:

	For the six-month period ended 30 June 2026 (Unaudited)	*For the six-month period ended 30 June 2025 (Unaudited)*
	⃁	⃁
Salaries and other benefits	**4,319,335**	4,665,440
Post-employment benefits	**236,468**	298,205
	4,555,803	4,963,645

The amounts disclosed in the table are the amounts recognized as an expense during the period related to key management personnel.

17. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities comprise of the following:

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
	⃁	⃁
Payroll related accrued expenses	**162,456,105**	137,652,028
Cost related accrued expenses	**125,648,500**	96,613,409
Value added tax (VAT) payable	**25,815,188**	23,919,601
Accrued interest expenses	**36,948,332**	36,566,718
Other liabilities	**11,030,845**	6,046,286
	361,898,970	300,798,042

18. Provision for claims

Provision for claims comprise of the following:

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
	⃁	⃁
Provision for claims (note a)	**38,531,203**	38,531,203
Advance payment for provision for claims (note a)	**(38,531,203)**	(38,531,203)
	-	-

a) This balance represents the provision taken and amounts paid for ZATCA against Withholding assessments as below:
An amount of ⃁ 38.5 million to avail the amnesty scheme and waiver of penalties for open ZAKAT and withholding tax assessment for the years 2018 and 2019 amounting. The Group escalated the appeal to the Appellate Committee for Tax Violations and Disputes (ACTVD), and the ACTVD rejected the Company's appeal regarding all of the items in dispute. The Group's filed a plea against the decision mentioned, which is still under study, management taken a full provision against this claim.

19. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share for the period have been computed by dividing the net profit attributable to shareholders of the Parent Company for the period by the weighted average number of shares outstanding during the period.

	For the six-month period ended 30 June 2026 **(Unaudited)**	*For the six-month period ended on 30 June 2025 (Restated - Note 24) (Unaudited)*
	⃁	⃁
Profit for the period attributable to ordinary shareholders of the Parent company	**67,817,074**	186,117,983

	For the six-month period ended 30 June 2026 (Unaudited)	*For the six-month period ended 30 June 2025 (Restated-Note 24) (Unaudited)*
	⃁	⃁
Weighted average number of ordinary shares in issue	**92,040,000**	92,040,000
Basic and diluted earnings per share	**0.74**	2.02

20. COMMITMENTS AND CONTINGENCIES

20.1 Various legal cases have been filed against the Group, comprising labor and financial claims. As at 30 June 2026, the Group was subject to legal cases with total claims amounting to ⃁ 8.8 million, including labor cases amounting to ⃁ 4.7 million and financial claims cases amounting to ⃁ 4.1 million. The management is confident that the outcome will be in the favor of the Group and no provision is required in this regard.

20.2 The Company and its Subsidiary is also contesting various cases on account of alleged non-compliance of regulations. The total amount under consideration is Nil (31 December 2025: SR 0.02 million). Most of the cases are under hearing. The management is confident that the outcome will be in favor of the Group and no provision is required in this regard.

20.3 The Group had commitments of ⃁ 170 million (31 December 2025: ⃁ 673 million) relating to capital expenditures.

20.4 The Company had total outstanding letters of guarantee and letter of credit amounting to ⃁ 59.6 million (31 December 2025: ⃁ 59.8 million).

21. SEGMENTAL INFORMATION

As the operations of the Group are conducted in the Kingdom of Saudi Arabia and other countries. Businesses in other countries represent management fees on Dubai and Cairo Hospitals which represent 0.41% of total revenue, accordingly, for chief operating decision maker purposes, the Group is organized into business units based on its products and services and has mainly three reportable segments. Information regarding the Group's reportable segments is presented below:

Based on nature of services

	30 June 2026 (unaudited)				
	In patient services	***Outpatient services***	***Pharmacy sales***	***Others***	***Total***
	⃁	⃁	⃁	⃁	⃁
Revenue	**912,929,968**	**489,497,476**	**198,554,998**	**9,771,384**	**1,610,753,826**
Cost of revenue	**(582,960,594)**	**(337,720,918)**	**(157,974,117)**	**(3,541,821)**	**(1,082,197,450)**
Gross profit	**329,969,374**	**151,776,558**	**40,580,881**	**6,229,563**	**528,556,376**
Operating expenses					**(357,931,604)**
Impairment of reinstated trade receivables					**(3,361,912)**
Other income					**11,411,344**
Operating profit					**178,674,204**
Share of loss in associate					**(13,825,753)**
Finance cost					**(85,300,772)**
Zakat					**(10,306,135)**
Net profit					**69,241,544**

	30 June 2025 (unaudited) - (Note 3.1) (Restated- Note 24)				
	In patient services	*Outpatient services*	*Pharmacy sales*	*Others*	*Total*
	⃁	⃁	⃁	⃁	⃁
Revenue	**850,586,925**	**470,951,168**	**202,093,226**	**926,826**	**1,524,558,145**
Cost of revenue	**(502,015,732)**	**(283,684,070)**	**(146,589,069)**	**(505,061)**	**(932,793,932)**
Gross profit	**348,571,193**	**187,267,098**	**55,504,157**	**421,765**	**591,764,213**
Operating expenses					**(365,197,622)**
Impairment of reinstated trade receivables					**(50,011,218)**
Other income					**126,748,830**
Operating profit					**303,304,203**
Share of loss in associate					**(500,000)**
Finance cost					**(100,868,895)**
Zakat					**(10,593,118)**
Net profit					**191,342,190**

Geographical information

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

22.OTHER INCOME, NET

	30 June 2026 (Unaudited)	*30 June 2025 (Unaudited) (Note 3.1)*
	⃁	⃁
Rental income	**3,637,524**	**3,634,459**
Training and symposium	**6,985,046**	**4,582,805**
(Loss) / gain on disposal of property and equipment	**(219,743)**	**114,623,158**
Others	**1,008,517**	**3,908,408**
	11,411,344	**126,748,830**

23. FAIR VALUE OF ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the interim condensed consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. During the period ended 30 June 2026, there were no movements between the levels.

If the inputs used to measure the fair value of an asset or liability falls into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest input level that is significant to the entire measurement.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

As at 30 June 2026 (Unaudited)	***Level 2&3***	***Total***
	⃁	⃁
Financial assets at fair value through profit or loss:		
Derivative financial instruments	**12,141,689**	**12,141,689**

As at 31 December 2025 (Audited)	*Level 2*	*Total*
	⃁	⃁
Financial assets at fair value through profit or loss:		
Derivative financial instruments	14,635,084	14,635,084

24. RESTATEMENT OF PRIOR PERIOD ERROR

During the period, the Group identified errors affecting the years ended 31 December 2024 and 31 December 2025. The errors resulted in an overstatement of property and equipment, with a corresponding understatement of receivables and of the related expected credit loss allowance, and a consequential overstatement of depreciation expense.

The amounts presented under "As previously reported" have been adjusted to reflect the presentation requirements of IFRS 18, as disclosed in (Note 3.1).

The effects of the restatements are as follows:

Statement of financial position	As previously reported (Note 3.1) ⃁	Restatement ⃁	Restated ⃁
As at 31 December 2025:			
Property and equipment	2,973,300,487	(397,591,429)	2,575,709,058
Retained earnings	725,605,702	(397,591,429)	328,014,273
As at 1 January 2025:			
Property and equipment	2,766,958,252	(238,719,162)	2,528,239,090
Retained earnings	478,188,261	(238,719,162)	239,469,099

Statement of financial performance and other comprehensive income	As previously reported (Note 3.1) ⃁	Restatement ⃁	Restated ⃁
Three-month period ended 30 June 2025:			
Cost of revenue	(491,533,494)	6,165,009	(485,368,485)
Impairment of reinstated trade receivables	-	(50,011,218)	(50,011,218)
Profit for the period	66,314,482	(43,846,209)	22,468,273
Basic and diluted earnings per share	0.69	(0.47)	0.22
Six-month period ended 30 June 2025:			
Cost of revenue	(945,123,949)	12,330,017	(932,793,932)
Impairment of reinstated trade receivables	-	(50,011,218)	(50,011,218)
Profit for the period	229,023,391	(37,681,201)	191,342,190
Basic and diluted earnings per share	2.43	(0.41)	2.02

	As previously reported (Note 3.1) ⃁	Restatement ⃁	Restated ⃁
Statement of cash flow			
Six-month period ended 30 June 2025:			
Operating profit	340,985,404	(37,681,201)	303,304,203
Net cash generated from operating activities	185,900,962	(50,011,218)	135,889,744
Net cash used in investing activities	(43,066,732)	50,011,218	6,944,486

For the years ended 31 December 2024 and 31 December 2025, the Group adjusted property and equipment and the related depreciation expense. The Group also reassessed the related customer receivable balances and adjusted receivables' gross balance. The reassessment of the receivable balances also resulted in an adjustment to the expected credit loss (ECL) provision.

The above adjustments have been reflected retrospectively in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, including the restatement of the opening balances as at 1 January 2025 and 1 January 2026, as applicable, and the related comparative information presented in these interim condensed consolidated financial statements.

The Group's review of these matters is ongoing, and further adjustments may be required in subsequent periods.

25. GEOPOLITICAL DEVELOPMENTS

During the current period, geopolitical tensions in parts of the Middle East have increased. Public communications from government and regulatory authorities have continued to emphasize the resilience of the economy and the continuation of business operations across key sectors, supported by established business continuity and risk management frameworks.

The Group has assessed the potential implications of these events on its operations, financial position and performance. Based on information currently available, including the continuation of core business activities, it is not practicable to reliably estimate the full financial effect of these geopolitical events on future periods.

Management has also considered the impact of these events on the Group's ability to continue as a going concern and has concluded that the going concern basis of preparation remains appropriate.

26. Subsequent events

On 7th of July 2026, The Ordinary General Assembly also approved the Board of Directors' recommendation to distribute cash dividends totaling SAR 46,020,000 to the shareholders for the financial year ended 31 December 2025, representing SAR 0.50 per share, equivalent to 5% of the share's nominal value. The entitlement to the dividends is for shareholders owning shares at the end of the General Assembly meeting date and registered in the Company's shareholders' register maintained by the Securities Depository Center Company at the end of the second trading day following the General Assembly meeting.

27. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements of the Group for the three-month and six-month periods ended 30 June 2026 have been approved by the Board of Directors on 28 Safar 1448H, corresponding to 11 August 2026G.