



SPECIALIZED MEDICAL COMPANY
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025
WITH THE INDEPENDENT AUDITOR'S REVIEW REPORT**

SPECIALIZED MEDICAL COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIODS ENDED SEPTEMBER 30, 2025

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

To the shareholders of Specialized Medical Company (A 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 September 30, 2025, and interim consolidated statement of profit or loss and other comprehensive income for the three-months and nine-months period ended September 30, 2025, and the interim consolidated statements of changes in equity and cash flows for the nine-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.

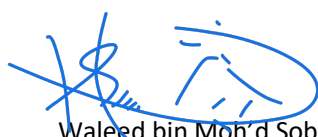
Scope of Review

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



Waleed bin Moh'd Sobahi
Certified Public Accountant - License No. 378
Jumada al - Ula 18, 1447 H
November 9, 2025



SPECIALIZED MEDICAL COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2025

		September 30, 2025 ﷲ (Unaudited)	December 31, 2024 ﷲ (Audited)
	Notes		
Assets			
Current assets			
Cash and cash equivalents	4	276,072,331	92,487,981
Trade and other receivables	5	474,520,908	406,603,950
Due from related parties	6	5,286,943	6,545,669
Inventories		28,596,764	22,762,339
Prepayments and other assets		55,228,116	54,460,047
Total current assets		839,705,062	582,859,986
Non-current assets			
Property and equipment	7	1,283,244,787	1,259,153,397
Right-of-use assets	8	203,000,379	201,878,285
Total non-current assets		1,486,245,166	1,461,031,682
Total assets		2,325,950,228	2,043,891,668
Liabilities and equity			
Current liabilities			
Trade payables		99,523,246	104,158,709
Due to related parties	6	958,581	384,626
Short-term loans	9	356,000,000	490,537,492
Long-term loans - current portion	10	57,551,020	57,551,020
Lease liabilities	8	27,916,794	23,536,645
Government loan	11	-	2,747,992
Deferred government grant	11	-	96,177
Accrued expenses and other liabilities		96,677,057	81,231,888
Zakat payable	12	9,068,526	8,351,552
Total current liabilities		647,695,224	768,596,101
Non-current liabilities			
Long-term loans – non-current portion	10	243,163,265	86,326,531
Lease liabilities	8	205,741,706	201,991,562
Trade payables		490,693	329,686
Employees defined benefits liabilities		170,632,821	159,552,201
Total non-current liabilities		620,028,485	448,199,980
Total liabilities		1,267,723,709	1,216,796,081
Equity			
Share capital	13	250,000,000	250,000,000
Statutory reserve	14	49,653,238	49,653,238
Retained earnings		758,573,281	527,442,349
Total equity		1,058,226,519	827,095,587
Total Liabilities and equity		2,325,950,228	2,043,891,668

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


SOUHAIL 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 NINE-MONTHS PERIODS ENDED SEPTEMBER 30, 2025**

	Notes	For the three months period ended September 30,		For the nine months period ended September 30,	
		2025 ٢٠٢٥ (Unaudited)	2024 ٢٠٢٤ (Unaudited)	2025 ٢٠٢٥ (Unaudited)	2024 ٢٠٢٤ (Unaudited)
Revenue	15	382,688,638	391,361,370	1,131,551,676	1,110,759,503
Cost of revenue		(280,939,458)	(257,453,385)	(833,567,092)	(770,848,502)
Gross profit		101,749,180	133,907,985	297,984,584	339,911,001
General and administrative expenses		(26,283,894)	(57,089,282)	(124,785,827)	(134,136,667)
Selling and marketing expenses		(1,565,803)	(3,490,274)	(10,046,625)	(6,732,430)
Operating profit		73,899,483	73,328,429	163,152,132	199,041,904
Finance costs		(12,391,323)	(13,816,847)	(37,554,623)	(39,486,922)
Other income		6,984,367	1,576,708	12,156,659	5,712,595
Profit before zakat		68,492,527	61,088,290	137,754,168	165,267,577
Zakat		(2,247,510)	(2,173,731)	(5,507,109)	(6,204,111)
Profit for the period		66,245,017	58,914,559	132,247,059	159,063,466
Other comprehensive income:					
Items which will not be reclassified subsequently to profit or loss:					
Re-measurement of employees defined benefits liabilities		(372,042)	1,174,852	(1,116,127)	3,524,557
Total other comprehensive (loss) / income for the period		(372,042)	1,174,852	(1,116,127)	3,524,557
Total comprehensive income for the period		65,872,975	60,089,411	131,130,932	162,588,023
Earnings per share (EPS)					
Basic and diluted EPS	16	0.26	0.24	0.53	0.64

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 NINE-MONTHS PERIODS ENDED SEPTEMBER 30, 2025**

	Notes	Share capital ﷲ	Additional contribution to share capital ﷲ	Statutory reserves ﷲ	Retained earnings ﷲ	Total Equity ﷲ
Balance as of December 31, 2023 (Audited)		85,000,000	-	49,653,238	710,395,987	845,049,225
Profit for the period		-	-	-	159,063,466	159,063,466
Total other comprehensive income		-	-	-	3,524,557	3,524,557
Total comprehensive income for the period		-	-	-	162,588,023	162,588,023
Transfer to additional contribution to share capital	17	-	165,000,000	-	(165,000,000)	-
Dividends	18	-	-	-	(100,000,000)	(100,000,000)
Balance as of September 30, 2024 (Unaudited)		85,000,000	165,000,000	49,653,238	607,984,010	907,637,248
Balance as of December 31, 2024 (Audited)		250,000,000	-	49,653,238	527,442,349	827,095,587
Profit for the period		-	-	-	132,247,059	132,247,059
Total other comprehensive loss		-	-	-	(1,116,127)	(1,116,127)
Total comprehensive income for the period		-	-	-	131,130,932	131,130,932
Refund dividends	6	-	-	-	100,000,000	100,000,000
Balance as of September 30, 2025 (unaudited)		250,000,000	-	49,653,238	758,573,281	1,058,226,519

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

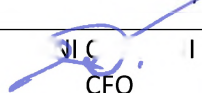

SULAIMAN AL-RASHID
CHAIRMAN

SPECIALIZED MEDICAL COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONCOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

		For the nine months period ended September 30,	
		2025 ﷲ	2024 ﷲ
	Notes	(Unaudited)	(Unaudited)
Cash flows from operating activities			
Profit before zakat		137,754,168	165,267,577
Adjustments for non-cash items:			
Depreciation of property and equipment	7	46,817,685	42,620,357
Depreciation of right-of-use assets	8	22,344,163	21,442,437
Expected credit loss charged		10,098,868	20,000,000
Amortization of government grant	11	(96,177)	(189,110)
Employees defined benefits liabilities charged		14,762,848	18,837,799
Finance costs		37,554,623	39,486,922
Loss / (gain) from disposal property and equipment		170,938	(23,306)
Cash flows from operating activities before changes in working capital		269,407,116	307,442,676
Trade and other receivables		(78,015,826)	(126,942,044)
Due from related parties		1,258,726	(7,409)
Inventories		(5,834,425)	1,994,128
Prepayments and other assets		(768,069)	(4,868,418)
Trade payables		(4,474,456)	(16,244,596)
Due to related parties		573,955	77,058
Accrued expenses and other liabilities		15,445,169	6,537,551
Cash generated from operating activities		197,592,190	167,988,946
Zakat payable paid		(4,790,135)	(5,798,636)
Employees defined benefits liabilities paid		(10,018,933)	(14,369,638)
Net cash generated from operating activities		182,783,122	147,820,672
Cash flows from investing activities			
Purchase of property and equipment		(51,560,913)	(51,169,643)
Proceeds from disposal property and equipment		3,025	24,300
Additions on projects under progress		(19,522,125)	(24,887,854)
Net cash used in investing activities		(71,080,013)	(76,033,197)
Cash flows from financing activities			
Dividends paid	18	-	(100,000,000)
Refund dividends	6	100,000,000	-
(Repayment) / proceeds of short term loans - net		(134,537,492)	125,000,000
Proceeds / (Repayment) of long term loans - net		156,836,734	(43,163,265)
Repayment of government loan		(2,747,992)	(2,655,063)
Lease liabilities paid		(22,725,579)	(19,259,143)
Finance cost paid		(24,944,430)	(27,583,408)
Net cash generated from / (used in) financing activities		71,881,241	(67,660,879)
Net increase in cash and cash equivalents during the period		183,584,350	4,126,596
Cash and cash equivalents as of January 1,		92,487,981	47,822,985
Cash and cash equivalents as of September 30,		276,072,331	51,949,581
Non-cash transactions			
Additions of right of use assets and lease liabilities		23,466,257	-
Re-measurement of employees defined benefits liabilities		1,116,127	(3,524,557)

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:


CFO

 BASSAM CHAHINE
CEO


SULAIMAN AL-RASHID
CHAIRMAN

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 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 24 April 1994 (corresponding 13 Dhul Qa'dah 1414H). On 26 March 2025 (corresponding 26 Ramadan 1446H) the Company obtained regulatory approval to proceed with its Initial Public Offering (IPO). On 25 June 2025 (corresponding 29 Dhul Hijjah 1446H) 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 SA16B0CHUPH2 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 financial 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.

This interim condensed consolidated financial information includes 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 NINE MONTHS PERIOD ENDED SEPTEMBER 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.

Standard, interpretation, amendments	Description	Effective date
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

Standard, interpretation, amendments	Description	Effective date
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 NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

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

New standards issued but not yet effective (CONTINUED)

Standard, interpretation, amendments	Description	Effective date
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 has 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 NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Basis of Consolidation

The interim condensed consolidated financial information has 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 includes the assets, liabilities and results of operations of the Company and its subsidiaries (the "Group") listed in note (1). 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's are presented in Saudi Riyals (ﷲ), which is the functional and presentation currency of the Group.

4. CASH AND CASH EQUIVALENTS

	September 30, 2025 ﷲ (Unaudited)	December 31, 2024 ﷲ (Audited)
Cash at banks - short-term deposits *	200,000,000	-
Cash at banks - current accounts	75,457,678	92,001,325
Cash in hand	614,653	486,656
	<u>276,072,331</u>	<u>92,487,981</u>

*Maturities of short-term deposits range from one day to one month, depending on the group's cash requirements. Deposits are placed with financial institutions with investment-grade ratings which are considered to have low credit risk. Interest income from deposits is accrued on a timely basis by reference to the principal outstanding and at the applicable effective interest rate.

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

5. TRADE AND OTHER RECEIVABLES

	September 30, 2025 ﷲ (Unaudited)	December 31, 2024 ﷲ (Audited)
Trade and other receivables	502,884,981	424,869,155
Less: Provision of expected credit losses	(28,364,073)	(18,265,205)
	474,520,908	406,603,950

	September 30, 2025 ﷲ (Unaudited)	December 31, 2024 ﷲ (Audited)
Movement in the provision of expected credit losses is as follows:		
Balance as of beginning of the period / year	18,265,205	86,653,689
Charged during the period / year	10,098,868	9,678,156
Written-off during the period / year	-	(78,066,640)
	28,364,073	18,265,205

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.

Name of Related Party	Relationship
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
Bonyan Reit Fund	Owned by one of the shareholders
Food Aroma Company	Owned by one of the shareholders
Khalid Medical Clinic Company	Owned by a close family member of a shareholder
Resaleh Mubashera Trading Est	Owned by a close family member of a shareholder
Wakillk for law and legal advice Company	Owned by a close family member of a shareholder
Invention Code 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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

6. TRANSACTIONS AND BALANCES WITH RELATED PARTY (CONTINUED)

Significant transactions and the related approximate amounts are as follows:	For the nine months period ended	
	September 30,	
	2025 ﷲ (Unaudited)	2024 ﷲ (Unaudited)
Amounts due and collected from shareholders related to dividends reversal *	200,000,000	-
Expenses incurred on behalf of shareholders **	34,280,699	-
Rent and lease liabilities payments	12,450,669	12,177,669
Purchases and services	8,160,198	7,096,381
Construction works for projects under progress	2,380,000	10,480,000
Expenses incurred on behalf	1,548,944	158,000
Revenue	1,658,196	2,296,185
Other revenue	1,271,900	140,000

* 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 ﷲ 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 ﷲ 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 ﷲ 200,000,000 was collected from shareholders through a bank transfer to the Group's account.

** On July 8, 2025 (corresponding 13 Muharram 1447H) an amount of ﷲ 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 up to date of transfer.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

6. TRANSACTIONS AND BALANCES WITH RELATED PARTY (CONTINUED)

	September 30, 2025 ﷲ (Unaudited)	December 31, 2024 ﷲ (Audited)
Due from related parties		
Saudi Bunyan Company	2,211,939	394,336
Advance food Company	1,271,900	1,271,900
Cotton Experts Company	974,381	720,266
Family members of shareholders, board members, and those related them	828,723	577,597
Abdulrahman Saad Al-Rashid & Sons Company	-	1,449,949
Abdullah Saad Al Rashid & Sons Company	-	738,166
Al-Thomad Travel and Tourism Company	-	722,291
Rashid Saad Al Rashid & Sons Company	-	465,647
Dr. Khalid Al Sebaiaiy	-	136,732
Dr. Mohammad Saleh Al Konbaz	-	68,785
	5,286,943	6,545,669

	September 30, 2025 ﷲ (Unaudited)	December 31, 2024 ﷲ (Audited)
Due to related parties		
Food Aroma Company	676,049	-
Al-Thomad Travel and Tourism Company	251,776	-
Adeem Al Sahra Trading Company	30,756	48,150
Snow Bright Laundry Company	-	228,618
Code Invention Company	-	107,858
	958,581	384,626

	For the nine months period ended September 30, 2025 ﷲ (Unaudited)	September 30, 2024 ﷲ (Unaudited)
Compensation of key management personnel of the group		
Short term employment benefits	3,801,754	6,807,048
Board of Directors' remuneration	825,000	1,125,000
Post-employment benefits	1,340,524	760,092
	5,967,278	8,692,140

7. PROPERTY AND EQUIPMENT

	September 30, 2025 ﷲ (Unaudited)	December 31, 2024 ﷲ (Audited)
7.1 Reconciliation of carrying amounts		
Carrying amount as of beginning of the period / year	1,259,153,397	1,226,577,673
Additions during the period / year	71,083,038	94,266,925
Net of disposals during the period / year	(173,963)	(3,224,490)
Depreciation charge during the period / year	(46,817,685)	(58,466,711)
Carrying amount as of the end of the period / year	1,283,244,787	1,259,153,397

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

7. PROPERTY AND EQUIPMENT (CONTINUED)

	September 30, 2025 ﷲ (Unaudited)	December 31, 2024 ﷲ (Audited)
7.2 Category-wise carrying amounts are as follows:		
Buildings and renovation	663,485,058	669,744,060
Lands	337,582,889	337,582,889
Medical equipment	160,020,134	151,949,692
Projects under progress	69,037,283	49,750,157
General equipment's	25,561,812	24,505,862
Computers and software	15,975,325	13,883,256
Furniture and fixtures	11,048,444	11,077,868
Motors vehicles	533,842	659,613
	1,283,244,787	1,259,153,397

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

7.4 During the period ended September 30, 2025 an amount of ﷲ 8,265,738 (September 30,2024: ﷲ 9,431,743) was capitalized as borrowing cost.

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

	For the nine months period ended September 30, 2025 ﷲ (Unaudited)	2024 ﷲ (Unaudited)
Cost of revenue	33,087,221	28,355,204
General and administrative expenses	13,730,464	14,265,153
	46,817,685	42,620,357

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.

	September 30, 2025 ﷲ (Unaudited)	December 31, 2024 ﷲ (Audited)
Right-of-use Assets		
Cost		
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	394,048,659	370,582,402
Accumulated Depreciation		
Balance as of beginning of the period / year	168,704,117	149,654,284
Additions during the period / year	22,344,163	29,012,344
Adjustment during the period / year	-	(9,962,511)
Balance as of ending of the period / year	191,048,280	168,704,117
Carrying amount as of the end of the period / year	203,000,379	201,878,285

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

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

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

	For the nine months period ended	
	September 30,	
	2025	2024
	ﷲ	ﷲ
	(Unaudited)	(Unaudited)
Cost of revenue	18,166,584	19,128,381
General and administrative expenses	4,177,579	2,314,056
	22,344,163	21,442,437

	September 30,	December 31,
	2025	2024
	ﷲ	ﷲ
	(Unaudited)	(Audited)
Movement of lease liabilities as of the period / year-end are as follows:		
Balance as of beginning of the period / year	225,528,207	239,833,221
Additions during the period / year	23,466,257	1,643,718
Finance cost during the period / year	7,389,615	9,359,146
Payments during the period / year	(22,725,579)	(25,307,878)
Balance as of ending of the period / year	233,658,500	225,528,207

	September 30,	December 31,
	2025	2024
	ﷲ	ﷲ
	(Unaudited)	(Audited)
Lease liabilities as of the period / year-end are as follows:		
Current portion of lease liabilities	27,916,794	23,536,645
Non-current portion of lease liabilities	205,741,706	201,991,562
	233,658,500	225,528,207

	September 30,	December 31,
	2025	2024
	ﷲ	ﷲ
	(Unaudited)	(Audited)
Future minimum lease liabilities	314,047,317	313,306,639
Less: un-amortized finance costs	(80,388,817)	(87,778,432)
Present value of minimum lease liabilities	233,658,500	225,528,207
Less: current portion of lease liabilities	(27,916,794)	(23,536,645)
Non – current portion of lease liabilities	205,741,706	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 requirements, the value of the withdrawal until September 30, 2025: 356,000,000 ﷲ (December 31, 2024: ﷲ 490,537,492).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

10. LONG -TERM LOANS

	September 30, 2025 ﷲ	December 31, 2024 ﷲ
	(Unaudited)	(Audited)
Movement of long term loans as of the period / year-end are as follows:		
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	(43,163,266)	(57,551,020)
Balance as of ending of the period / year	300,714,285	143,877,551
Current portion of long-term loans	57,551,020	57,551,020
Non-current portion of long-term loans	243,163,265	86,326,531
	<u>300,714,285</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 projects under progress, as the value of the withdrawal until September 30, 2025: ﷲ 300,714,285 (December 31, 2024: ﷲ 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 on February 27, 2025 and released this mortgage.

	September 30, 2025 ﷲ	December 31, 2024 ﷲ
	(Unaudited)	(Audited)
Movement of government loan as of the period / year-end are as follows:		
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:

	For the nine months period ended September 30, 2025 ﷲ	2024 ﷲ
	(Unaudited)	(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 NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

12. ZAKAT PAYABLE

	September 30, 2025 ﷲ (Unaudited)	December 31, 2024 ﷲ (Audited)
Movement of zakat payable as of the period / year-end are as follows:		
Balance as of beginning of the period / year	8,351,552	5,714,642
Additions during the period / year	5,507,109	8,435,573
Paid during the period / year	(4,790,135)	(5,798,663)
Balance as of ending of the period / year	<u>9,068,526</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 September 30, 2025 & 31 December 2024 amounted to ﷲ 250,000,000 consisting of 250,000,000 shares fully paid and issued shares of ﷲ 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. STATUTORY RESERVE

The statutory reserve included in the Interim consolidated statement of financial position as of September 30, 2025 & December 31, 2024, was required under the Company's previous by-laws. However, following amendments to the Company's by-laws during the year ended December 31, 2024, the requirement to set aside a statutory reserve has been removed. The Board of Directors, in its meeting held on July 29, 2025 (Corresponding 4 Safar 1447H), recommended to the General Assembly to transfer the balance of the statutory reserve amounting ﷲ 49,653,238 to retained earnings balance.

15. 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 September 30,		For the nine months period ended September 30,	
	2025 ﷲ (Unaudited)	2024 ﷲ (Unaudited)	2025 ﷲ (Unaudited)	2024 ﷲ (Unaudited)
Medical services	317,145,140	325,889,470	928,080,098	919,533,001
Pharmaceuticals	60,279,802	57,003,007	188,870,248	171,628,692
Food and catering	5,263,696	8,468,893	14,601,330	19,597,810
	<u>382,688,638</u>	<u>391,361,370</u>	<u>1,131,551,676</u>	<u>1,110,759,503</u>

SPECIALIZED MEDICAL COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025****16. 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 September 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 ﷲ 10 to ﷲ 1 and the increase in share capital by ﷲ 165,000,000 by capitalizing the retained earnings with a total value of ﷲ 165,000,000, the share split and increase in share capital were completed during November 2024.

	For the three months period ended September 30,		For the nine months period ended September 30,	
	2025 ﷲ (Unaudited)	2024 ﷲ (Unaudited)	2025 ﷲ (Unaudited)	2024 ﷲ (Unaudited)
Profit for the period attributable to ordinary shareholders of the parent Company	66,245,017	58,914,559	132,247,059	159,063,466
Weighted average number of ordinary shares	250,000,000	250,000,000	250,000,000	250,000,000
Basic and diluted EPS	0.26	0.24	0.53	0.64

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

17. ADDITIONAL CONTRIBUTION TO SHARE CAPITAL

The Company's share capital as of September 30, 2024 is ﷲ 85,000,000 (December 2023: ﷲ 85,000,000) consisting of 8,500,000 ordinary shares (December 2023: 8,500,000 ordinary shares), fully paid up with a nominal value of ﷲ 10. During the period, the Company resolved to increase the share capital by ﷲ 165,000,000 by capitalizing the retained earnings with a total value ﷲ 165,000,000 as per approval of the Board of Director dated August 27, 2024 and approval of Extraordinary General Assembly of the Company in its meeting held on September 15, 2024. The increase has been recorded as an additional contribution to share capital until the Company obtained the Ministry of Commerce approval. The Company obtained the Ministry of Commerce approval and updated the Commercial Registration on November 19, 2024. The Company's share capital after this date is ﷲ 250,000,000 consisting of 250,000,000 ordinary shares fully paid up with a nominal value of ﷲ 1.

18. DIVIDEND DISTRIBUTION

During the period ended September 30, 2025, no dividends have been paid or payable (September 30, 2024: ﷲ 100,000,000).

19. COMMITMENTS AND CONTINGENCIES

Capital commitments

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

	September 30, 2025 ﷲ (Unaudited)	December 31, 2024 ﷲ (Audited)
Project SMC - 4	82,326,918	206,918
Project SMC - 3	11,190,357	11,551,359
	<u>93,517,275</u>	<u>11,758,277</u>

Letter of guarantees

The Group has guarantees related to, as follows:

	September 30, 2025 ﷲ (Unaudited)	December 31, 2024 ﷲ (Audited)
Letters of guarantees	<u>80,444,104</u>	<u>81,153,071</u>

20. 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 NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

20. SEGMENT INFORMATION (CONTINUED)

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

	Medical services ﷲ	Pharmacies & others ﷲ	Total ﷲ
For the nine months' period ended September 30, 2025 (Unaudited)			
Revenue	928,080,098	203,471,578	1,131,551,676
Gross profit	250,476,754	47,507,830	297,984,584
For the nine months period ended September 30, 2024 (Unaudited)			
Revenue	919,533,001	191,226,502	1,110,759,503
Gross profit	286,323,156	53,587,845	339,911,001
As of September 30, 2025 (Unaudited)			
Total assets	2,251,807,971	74,142,257	2,325,950,228
Total liabilities	1,214,333,473	53,390,236	1,267,723,709
As of December 31, 2024 (Audited)			
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

21. RECLASSIFICATION OF COMPARATIVE FINANCIAL INFORMATION

Certain of the prior period amounts have been reclassified to conform to the presentation in the current period.

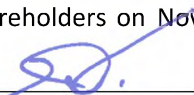
22. SUBSEQUENT EVENTS

- On October 15, 2025 (corresponding to 23 Rabi' al-Thani 1447H), the Company entered into a credit facility agreement with Saudi Awwal Bank ("SAB") under competitive terms and conditions and in compliant with Islamic Sharia principles. The agreement comprises long-term financing facilities amounting to ﷲ 800,000,000 to finance the construction of a new hospital project (SMC 4) located in Riyadh, Prince Faisal Bin Bandar Road – Khuzam Suburb. Additionally, the agreement includes the renewal of short-term facilities of ﷲ 300,000,000 to support the Company's working capital requirements.
- On October 20, 2025 (corresponding to 28 Rabi' al-Thani 1447H), the Company entered into a lease agreement for its first outpatient clinic center on Prince Mohammad Bin Saad Bin Abdulaziz Road in Al Malqa District, located in the northwestern region of Riyadh. The contract amount is ﷲ 98,995,770 excluding VAT over a 15-year period.
- The Board of Directors, in its meeting held on November 3, 2025 (Corresponding 12 Jumada al- Awwal 1447H), recommended to the General Assembly to distribute special cash dividend to the shareholders of ﷲ 200,000,000.

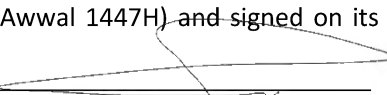
There were no events, except for aforementioned, subsequent to 30 September 2025 and occurred before the date of approval of these interim condensed consolidated financial statements that are expected to have a significant impact on these interim condensed consolidated financial statements.

23. BOARD OF DIRECTORS APPROVAL

These interim condensed consolidated financial information was approved by the Board of Directors on behalf of the Shareholders on November 3, 2025 (corresponding 12 Jumada – Al-Awwal 1447H) and signed on its behalf by:


HANI CHARANI
CFO


BASSAM CHAHINE
CEO


SULAIMAN AL-RASHID
CHAIRMAN