

**DR. SOLIMAN ABDEL KADER**  
**FAKEEH HOSPITAL COMPANY**  
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM  
FINANCIAL STATEMENTS (UNAUDITED)**

For the three-month and nine-month periods ended  
30 September 2024  
together with the

**INDEPENDENT AUDITORS' REVIEW REPORT**

**DR. SOLIMAN ABDEL KADER FAKEEH HOSPITAL COMPANY**  
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**

For the three-month and nine-month periods ended 30 September 2024

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## KPMG Professional Services

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Kingdom of Saudi Arabia  
Commercial Registration No 403029792

Headquarters in Riyadh

## كي بي إم جي للاستشارات المهنية

مركز زهران للأعمال  
شارع الأمير سلطان  
ص. ب. 55078  
جدة 21534  
المملكة العربية السعودية  
سجل تجاري رقم ٤٠٣٠٢٩٠٧٩٢

المركز الرئيسي في الرياض

# Independent auditor's report on review of condensed consolidated interim financial statements

To the Shareholders of Dr. Soliman Abdel Kader Fakeeh Hospital Company

## Introduction

We have reviewed the accompanying 30 September 2024 condensed consolidated interim financial statements of Dr. Soliman Abdel Kader Fakeeh Hospital Company ("the Company") and its subsidiaries ("the Group"), which comprises:

- the condensed consolidated statement of financial position as at 30 September 2024;
- the condensed consolidated statement of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2024;
- the condensed consolidated statement of changes in equity for the nine-month period ended 30 September 2024;
- the condensed consolidated statement of cash flows for the nine-month period ended 30 September 2024; and
- the notes to the condensed consolidated interim financial statements.

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

## Scope of review

We conducted our review in accordance with 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 condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG Professional Services, a professional closed joint stock company registered in the Kingdom of Saudi Arabia with a paid-up capital of SAR70,000,000 and a non-partner member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. Commercial Registration of the headquarters in Riyadh is 1010425494.

كي بي إم جي للاستشارات المهنية شركة مهنية مساهمة مقفلة، مسجلة في المملكة العربية السعودية، رأس مالها (7٠.٠٠٠.٠٠٠) ريال سعودي مدفوع بالكامل، وهي عضو غير شريك في الشبكة العالمية لشركات كي بي إم جي المستقلة والتابعة لـ كي بي إم جي العالمية المحدودة، شركة انجليزية محدودة بضمان. رقم السجل التجاري للمركز الرئيسي في الرياض هو ١٠١٠٤٢٥٤٩٤.



# Independent auditor's report on review of condensed consolidated interim financial statements

To the Shareholders of Dr. Soliman Abdel Kader Fakeeh Hospital Company (continued)

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2024 condensed consolidated interim financial statements of **Dr. Soliman Abdel Kader Fakeeh Hospital Company** and its subsidiaries are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

## KPMG Professional Services

Abdullah Oudah Althagafi  
License No. 455



Jeddah, 11 November 2024  
Corresponding to 9 Jumada Al-Awwal, 1446H

**DR. SOLIMAN ABDEL KADER FAKEEH HOSPITAL COMPANY**  
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 30 September 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

	Notes	30 September 2024 (Unaudited)	31 December 2023 (Audited)
<b><u>ASSETS</u></b>			
Property and equipment	6	1,810,142,107	1,635,208,564
Right-of-use assets	7	500,667,050	521,234,589
Intangible assets and goodwill	8	543,704,500	544,243,738
Investment properties		427,776	458,719
Prepayments and other non-current assets		66,111,610	49,211,158
Other long-term receivables	9	115,360,478	93,327,252
<b>Non-current assets</b>		<b>3,036,413,521</b>	<b>2,843,684,020</b>
Inventories		180,881,334	163,120,518
Accounts and other receivables	10	831,964,718	745,696,546
Contract assets	10.2	184,203,167	102,314,728
Prepayments and other current assets		194,870,528	162,989,742
Cash and cash equivalents	11	755,084,239	214,295,756
<b>Current assets</b>		<b>2,147,003,986</b>	<b>1,388,417,290</b>
<b>Total assets</b>		<b>5,183,417,507</b>	<b>4,232,101,310</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>EQUITY</u></b>			
Share capital	12	232,000,000	200,000,000
Treasury shares	12	(2,000,000)	--
Share premium	12	1,653,473,036	--
Retained earnings		1,006,047,296	820,255,030
<b>Equity attributable to owners of the Company</b>		<b>2,889,520,332</b>	<b>1,020,255,030</b>
Non-controlling interests ("NCI")		378,406,311	235,219,964
<b>Total equity</b>		<b>3,267,926,643</b>	<b>1,255,474,994</b>
<b><u>LIABILITIES</u></b>			
Long-term loans	13	520,000,000	1,196,445,000
Lease liabilities	7	483,432,084	495,866,960
Employees' end of service benefits		249,968,145	219,013,090
<b>Non-current liabilities</b>		<b>1,253,400,229</b>	<b>1,911,325,050</b>
Short-term loans	13	--	493,995,693
Current portion of long-term loans	13	--	30,485,000
Current portion of lease liabilities	7	48,266,730	47,096,049
Accounts payables		306,022,979	275,300,060
Accrued and other current liabilities		283,293,856	193,966,796
Accrued Zakat	14	24,507,070	24,457,668
<b>Current liabilities</b>		<b>662,090,635</b>	<b>1,065,301,266</b>
<b>Total liabilities</b>		<b>1,915,490,864</b>	<b>2,976,626,316</b>
<b>Total equity and liabilities</b>		<b>5,183,417,507</b>	<b>4,232,101,310</b>

The accompanying notes 1 to 23 form an integral part of these condensed consolidated interim financial statements.

Mr. Ammar Fakeeh  
Chairman Board of Directors

Dr. Mazen Fakeeh  
President

Mr. Panagiotis Chatziantoniou  
Group Chief Financial Officer

**DR. SOLIMAN ABDEL KADER FAKEEH HOSPITAL COMPANY**  
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)**

For the three-month and nine-month periods ended 30 September 2024  
(Expressed in Saudi Arabian Riyals, unless otherwise stated)

		For the three-month period ended 30 September		For the nine-month period ended 30 September	
	Notes	2024 (Unaudited)	2023 (Unaudited)	2024 (Unaudited)	2023 (Unaudited)
Revenue	15	713,822,158	589,290,519	2,048,197,450	1,664,368,093
Costs of revenue		(530,002,514)	(415,919,311)	(1,513,919,826)	(1,220,422,083)
<b>Gross profit</b>		<b>183,819,644</b>	<b>173,371,208</b>	<b>534,277,624</b>	<b>443,946,010</b>
Other income		2,847,611	1,795,856	10,616,727	7,117,014
General and administrative expenses		(67,160,426)	(66,713,349)	(211,574,431)	(168,326,881)
Selling and marketing expenses		(11,469,324)	(7,677,354)	(37,374,513)	(32,402,313)
Impairment loss on accounts receivables	10.1	(3,495,140)	(2,905,000)	(9,116,009)	(10,105,000)
<b>Operating profit</b>		<b>104,542,365</b>	<b>97,871,361</b>	<b>286,829,398</b>	<b>240,228,830</b>
Finance costs		(12,572,971)	(31,383,226)	(86,541,151)	(91,204,830)
Finance income	16	8,785,474	13,806,666	15,814,839	40,725,102
<b>Profit before zakat</b>		<b>100,754,868</b>	<b>80,294,801</b>	<b>216,103,086</b>	<b>189,749,102</b>
Zakat	14	(9,033,764)	(10,503,607)	(20,821,579)	(20,835,572)
<b>Profit for the period</b>		<b>91,721,104</b>	<b>69,791,194</b>	<b>195,281,507</b>	<b>168,913,530</b>
<b>Other comprehensive income:</b>					
<i>Items that will not be reclassified to profit or loss:</i>					
Re-measurement loss on defined benefit obligations		--	--	--	--
<b>Total comprehensive income for the period</b>		<b>91,721,104</b>	<b>69,791,194</b>	<b>195,281,507</b>	<b>168,913,530</b>
<b>Profit / (loss) for the period attributable to:</b>					
- Owners of the Parent Company		93,593,124	79,651,123	213,782,029	205,606,379
- Non-controlling interests		(1,872,020)	(9,859,929)	(18,500,522)	(36,692,849)
		<b>91,721,104</b>	<b>69,791,194</b>	<b>195,281,507</b>	<b>168,913,530</b>
<b>Total comprehensive income / (loss) for the period attributable to:</b>					
- Owners of the Parent Company		93,593,124	79,651,123	213,782,029	205,606,379
- Non-controlling interests		(1,872,020)	(9,859,929)	(18,500,522)	(36,692,849)
		<b>91,721,104</b>	<b>69,791,194</b>	<b>195,281,507</b>	<b>168,913,530</b>
<b>Earnings per share</b>					
Basic and diluted earnings per share	17	<b>0.44</b>	0.40	<b>1.00</b>	1.03

The accompanying notes 1 to 23 form an integral part of these condensed consolidated interim financial statements.

Mr. Ammar Fakeeh  
Chairman Board of Directors

Dr. Mazen Fakeeh  
President

Mr. Panagiotis Chatziantoniou  
Group Chief Financial Officer

**DR. SOLIMAN ABDEL KADER FAKEEH HOSPITAL COMPANY**

(A Saudi Joint Stock Company)


**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the nine-month period ended 30 September 2024


(Expressed in Saudi Arabian Riyals, unless otherwise stated)

	Attributed to owners of the parent						Non-controlling interests	Total equity
	Share capital	Treasury shares	Statutory reserves	Share premium	Retained earnings	Total		
<b>Balance at 1 January 2023 (Audited)</b>	<b>100,000,000</b>	--	<b>50,000,000</b>	--	<b>1,747,638,538</b>	<b>1,897,638,538</b>	<b>259,605,650</b>	<b>2,157,244,188</b>
<b><u>Total comprehensive income for the period</u></b>								
Profit for the period	--	--	--	--	205,606,379	205,606,379	(36,692,849)	168,913,530
<b><u>Transactions with owners</u></b>								
Dividends declared	--	--	--	--	(1,150,000,000)	(1,150,000,000)	(5,600,000)	(1,155,600,000)
Share capital increase through capitalization of reserves (note 12)	100,000,000	--	(50,000,000)	--	(50,000,000)	--	--	--
Additional capital contribution by NCI	--	--	--	--	--	--	19,091,745	19,091,745
Balance at 30 September 2023 (Unaudited)	<u>200,000,000</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>753,244,917</u>	<u>953,244,917</u>	<u>236,404,546</u>	<u>1,189,649,463</u>
<b>Balance at 1 January 2024 (Audited)</b>	<b>200,000,000</b>	--	--	--	<b>820,255,030</b>	<b>1,020,255,030</b>	<b>235,219,964</b>	<b>1,255,474,994</b>
<b><u>Total comprehensive income for the period</u></b>								
Profit for the period	--	--	--	--	213,782,029	213,782,029	(18,500,522)	195,281,507
<b><u>Transactions with owners</u></b>								
Share capital increase (note 12)	30,000,000	--	--	1,653,473,036	--	1,683,473,036	--	1,683,473,036
Share capital increase - Employee share ownership program (note 12.2)	2,000,000	--	--	--	(2,000,000)	--	--	--
Treasury shares for Employee share ownership program (note 12.2)	--	(2,000,000)	--	--	2,000,000	--	--	--
Additional capital contribution by NCI	--	--	--	--	--	--	133,697,106	133,697,106
Effect of capital increase in subsidiary and dilution of NCI (note 5.2)	--	--	--	--	(27,989,763)	(27,989,763)	27,989,763	--
<b>Balance at 30 September 2024 (Unaudited)</b>	<b><u>232,000,000</u></b>	<b><u>(2,000,000)</u></b>	<b><u>--</u></b>	<b><u>1,653,473,036</u></b>	<b><u>1,006,047,296</u></b>	<b><u>2,889,520,332</u></b>	<b><u>378,406,311</u></b>	<b><u>3,267,926,643</u></b>


The accompanying notes 1 to 23 form an integral part of these condensed consolidated interim financial statements.



Mr. Ammar Fakeeh  
Chairman Board of Directors



Dr. Mazen Fakeeh  
President



Mr. Panagiotis Chatziantoniou  
Group Chief Financial Officer

**DR. SOLIMAN ABDEL KADER FAKEEH HOSPITAL COMPANY**  
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**

For nine-month period ended 30 September 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

	Notes	For the nine-month period ended 30 September 2024	For the nine-month period ended 30 September 2023
<b>Cash flows from operating activities</b>			
Profit before zakat		216,103,086	189,749,102
Adjustments for:			
- Depreciation on property and equipment	6	71,582,430	65,625,132
- Depreciation on right-of-use assets	7.1	40,719,554	36,822,337
- Amortization		4,886,108	7,126,343
- Depreciation on investment properties		30,943	30,942
- Provision for employee's end of service benefits		44,382,715	28,391,943
- Impairment loss on accounts receivables	10.1	9,116,009	13,671,607
- (Gain) / loss on disposal of property and equipment and termination of right-of-use asset		(280,008)	202,088
- Discounting impact of DAAM scholarship program		1,532,840	1,197,449
- Finance costs		86,541,151	91,204,830
		<b>474,614,828</b>	<b>434,021,773</b>
<b>Changes in operating assets and liabilities:</b>			
- Inventories		(17,760,816)	(44,558,079)
- Accounts and other receivables		(95,384,181)	(6,879,725)
- Contract asset		(81,888,439)	(49,460,824)
- Other long-term receivables		(23,566,066)	(17,796,401)
- Prepayments and other current assets		(31,880,786)	6,446,789
- Accounts payables		30,722,919	3,719,950
- Accrued and other current liabilities		107,877,251	84,029,766
<b>Cash generated from operating activities</b>		<b>362,734,710</b>	<b>409,523,249</b>
Interest paid		(80,768,969)	(67,377,684)
Employees' end of service benefits paid		(13,427,660)	(16,304,875)
Zakat paid	14	(20,772,177)	(15,246,967)
<b>Net cash generated from operating activities</b>		<b>247,765,904</b>	<b>310,593,723</b>
<b>Cash flows from investing activities:</b>			
Additions to property and equipment	6	(247,203,307)	(307,189,656)
Additions to intangible assets		(4,346,870)	(3,282,449)
Long-term advances to suppliers		(16,900,452)	(42,828,004)
Receipt from other long-term receivables		--	1,487,321,387
Additions to other long-term receivables		--	(147,849,279)
Receipt on settlement of consideration transferred	5.1.1	--	18,331,884
Proceeds from disposal of property and equipment		856,354	1,335,070
<b>Net cash (used in) / generated from investing activities</b>		<b>(267,594,275)</b>	<b>1,005,838,953</b>
<b>Cash flows from financing activities:</b>			
Additional capital contribution by NCI		133,697,106	19,091,745
Net proceeds from the issue of ordinary shares		1,683,473,036	--
Repayment of lease liabilities	7.2	(55,627,595)	(68,156,284)
Dividend paid		--	(939,763,000)
Proceeds from long-term loans		80,000,000	772,000,000
Repayment of long-term loans		(786,930,000)	(839,052,498)
Net movement in short term loans		(493,995,693)	(378,719,508)
<b>Net cash generated from / (used in) financing activities</b>		<b>560,616,854</b>	<b>(1,434,599,545)</b>
Net increase / (decrease) in cash and cash equivalents		<b>540,788,483</b>	<b>(118,166,869)</b>
Cash and cash equivalents at beginning of the period		<b>214,295,756</b>	<b>316,762,023</b>
<b>Cash and cash equivalents at the end of the period</b>	11	<b>755,084,239</b>	<b>198,595,154</b>



**DR. SOLIMAN ABDEL KADER FAKEEH HOSPITAL COMPANY**  
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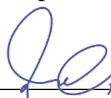
**CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS (UNAUDITED) (continued)**

For nine-month period ended 30 September 2024

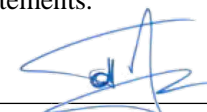
(Expressed in Saudi Arabian Riyals, unless otherwise stated)

		<b>For the nine- month period ended 30 September 2024</b>	<b>For the nine- month period ended 30 September 2023</b>
	<u>Notes</u>		
<b>Major non-cash transactions:</b>			
Addition to right-of-use assets and lease liabilities	7	<b>20,546,105</b>	120,227,477
Terminations of right-of-use assets		<b>394,090</b>	6,427,198
Terminations of lease liabilities		<b>505,078</b>	5,883,408
Zakat charge		<b>20,821,579</b>	20,835,572
Borrowing cost capitalized		<b>10,585,017</b>	3,749,211
Transfers from Capital Work In Progress		<b>48,566,231</b>	7,448,673

The accompanying notes 1 to 23 form an integral  
part of these condensed consolidated interim financial statements.

  
\_\_\_\_\_  
Mr. Ammar Fakeeh  
Chairman Board of Directors

  
\_\_\_\_\_  
Dr. Mazen Fakeeh  
President

  
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Mr. Panagiotis Chatziantoniou  
Group Chief Financial Officer

**DR. SOLIMAN ABDELKADER FAKEEH HOSPITAL COMPANY**

(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
(UNAUDITED)**

For the nine-month period ended 30 September 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

**1. GENERAL**

Dr. Soliman Abdel Kader Fakeeh Hospital Company (the “Parent Company”) is a Saudi Joint Stock Company formed under the laws of the Kingdom of Saudi Arabia and is registered in the Commercial Registry in Jeddah under No. 4030014511 on 11 Rabi II 1398H (20 March 1978). The Parent Company was converted from a Sole Proprietorship to a Saudi closed Joint Stock Company under the Ministerial Decision No. 28 dated 1 Safar 1433H (corresponding to 26 December 2011) approving the announcement of the establishment of Dr. Soliman Abdel Kader Fakeeh Hospital Company (A Saudi “closed Joint Stock Company”). On 27 Duhl Qadah 1445H (corresponding to 4 June 2024), the Parent Company successfully converted from a “Saudi Closed Joint Stock Company” to a “Saudi Joint Stock Company.” Following this, on 28 Duhl Qadah 1445H (corresponding to 5 June 2024), the Parent Company completed its Initial Public Offering (IPO), and its shares were listed on the Tadawul Primary Market, commencing trading under the symbol 4017 and ISIN code SA562GSHUOH7.

The principal activity of the Group is managing, establishing and operating hospitals, clinics, medical, educational and training centers. In addition to the above, the Group is also managing and operating medical services, analysis and radiology laboratory and managing and establishing pharmacies, wholesale and retail of medical equipment, maintenance of IT equipment and software related services.

The Group’s registered office and principal place of business is Jeddah.

These condensed consolidated interim financial statements include assets, liabilities and the results of the operations of the Parent Company and its following subsidiaries collectively referred to as “the Group”. The condensed interim financial statements of the subsidiaries are prepared for the same reporting period and accounting policies as that of the Parent Company.

The Group has three reportable segments including medical services, education and trading & retail business (note 20).

As at 30 September 2024, the Group has investments in the following subsidiaries:

<b><u>Name of subsidiaries</u></b>	<b><u>Effective holding</u></b>		<b><u>Principal activities</u></b>
	<b><u>2024</u></b>	<b><u>2023</u></b>	
Al-Farabi Special Health Care Company Limited (“Farabi”)	<b>70%</b>	70%	Healthcare service provider
Dr. Soliman Abdel Kader Fakeeh Information Technology Company (Formerly, Kameda Arabia Company Limited)	<b>70%</b>	70%	IT equipment and software services
Dr. Soliman Abdel Kader Fakeeh Family Medicine Centers (“FMH”)	<b>90%</b>	90%	Healthcare service provider
Dr. Soliman Abdel Kader Fakeeh Medical Education Company Limited (“FMCS”)	<b>80%</b>	80%	Medical education service provider
Dr. Mazen Fakeeh Complementary Health Care Company Limited (“FCHC”)	<b>100%</b>	100%	Wholesale and retail of medical equipment

**DR. SOLIMAN ABDELKADER FAKEEH HOSPITAL COMPANY**

(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
(UNAUDITED)**

For the nine-month period ended 30 September 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

**1. GENERAL (continued)**

<b><u>Name of subsidiaries</u></b>	<b><u>Effective holding</u></b>		<b><u>Principal activities</u></b>
	<b><u>2024</u></b>	<b><u>2023</u></b>	
Al Toor Medical Services Company (“Al Toor”)	<b>51%</b>	51%	Healthcare service provider
Saudi Airlines Company for Medical Services (“SMS”)	<b>75%</b>	75%	Healthcare service provider
Al-Faraj Pharmaceutical Medical Company (“Al-Faraj”)	<b>89.82%</b>	89.82%	Trading in pharmaceutical products
Advanced Horizon Contracting Company (“AHC”)	<b>100%</b>	100%	Construction and contracting
Golden Union Medical Company (“GUMC”)	<b>100%</b>	100%	Emergency medical services
Dr. Soliman Fakeeh Hospital Medical Company (“DSFH Riyadh”)	<b>68.36%</b>	60.56%	Healthcare service provider
White Lines Medical Company (“WLMC”)	<b>74.25%</b>	74.25%	Trading in pharmaceutical products
Fakeeh Vision Company Limited (“FVCL”)	<b>100%</b>	100%	Trading of spectacles and cosmetics
Dr. Soliman Abdel Kader Fakeeh Home Health Care Company (“FHHC”)	<b>100%</b>	100%	Home health care

All the companies stated above were incorporated in the Kingdom of Saudi Arabia.

**2. BASIS OF PREPARATION****2.1 Basis of preparation**

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards as issued by International Accounting Standards Board (“IFRS Accounting Standards”), (IAS) 34 “Interim Financial Reporting” that is endorsed in Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”) and should be read in conjunction with the Group’s annual consolidated financial statements as at and for the year ended 31 December 2023 (“last annual Financial Statements”).

These condensed consolidated interim financial statements do not include all of the information required for a complete set of annual consolidated financial statements prepared in accordance with International Financial Reporting Standards (‘IFRS’) as endorsed in the Kingdom of Saudi Arabia. However, selected accounting policies and explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements. In addition, results for the interim period ended 30 September 2024, are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

Certain comparative figures have been reclassified, wherever considered necessary, for the purpose of comparison and better presentation.

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**2. BASIS OF PREPARATION (continued)****2.2 Basis of measurement**

These condensed consolidated interim financial statements have been prepared under the historical cost basis, except for employee benefits, which are measured at the present value of defined benefit obligation using projected unit credit method. Further, the condensed consolidated interim financial statements are prepared using the accrual basis of accounting and the going concern assumption.

**2.3 Significant judgments, estimates and assumptions**

The preparation of these condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses, accompanying disclosures, including disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future periods. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation of uncertainty were the same as those described in the last annual financial statements.

**2.4 Functional and presentation currency**

The Group's condensed consolidated interim financial statements are presented in Saudi Arabian Riyals, which is also the Parent Company's functional currency. For each entity, the Group determines the functional currency, and items included in the financial statements of each entity are measured using that functional currency.

**3. NEW STANDARDS, AMENDMENTS TO STANDARDS AND STANDARDS ISSUED BUT NOT YET EFFECTIVE****a) Standards, interpretations, and amendments issued**

The following amendments to existing standards and framework have been applied by the Group in preparation of these condensed consolidated interim financial statements. The adoption of the following did not result in changes to the previously reported profit or equity of the Group.

<b><u>Standard / Interpretation</u></b>	<b><u>Description</u></b>	<b><u>Effective from periods beginning after the following date</u></b>
Amendments to IFRS 16	Lease Liability in a Sales and Leaseback	1 January 2024
IAS 1	Classification of liabilities as current or non-current (amendments to IAS 1)	1 January 2024
IAS 1	Non- current liabilities with covenants (amendments to IAS 1)	1 January 2024
IAS 7 and IFRS 7	Supplier Finance Arrangements	1 January 2024

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**3. NEW STANDARDS, AMENDMENTS TO STANDARDS AND STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)**

Following are the new IFRS sustainability disclosure standards effective for annual periods beginning on or after 1 January 2024 subject to endorsement of the standards by SOCPA.

<b><u>Standard / Interpretation</u></b>	<b><u>Description</u></b>	<b><u>Effective from periods beginning after the following date</u></b>
IFRS S1	General Requirements for Disclosure of Sustainability-related Financial Information	1 January 2024
IFRS S2	Climate-related Disclosures	1 January 2024

**b) Standards issued but not yet effective**

The standards, interpretations, and amendments issued, but not yet effective up to the date of issuance of the condensed consolidated interim financial statements are disclosed below. The Group is currently assessing the implications on the Group's condensed consolidated interim financial statements on adoption. The Group intends to adopt these standards, where applicable, when they become effective.

<b><u>Standard / Interpretation</u></b>	<b><u>Description</u></b>	<b><u>Effective from periods beginning after the following date</u></b>
IAS 21	Lack of Exchangeability	1 January 2025
IFRS 7 & IFRS 9	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	1 January 2026
IFRS 1	Annual Improvements: Amendments First-time Adoption of International Financial Reporting Standards;	1 January 2026
IFRS 10 & IFRS 7	Annual Improvements: Consolidated Financial Statements; and Statement of Cash flows	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS 10 and IAS 28	Sale or contribution of assets between investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)	Available for optional adoption / effective date deferred indefinitely

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**4. MATERIAL ACCOUNTING POLICIES**

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Group's annual consolidated financial statements as at and for the year ended 31 December 2023.

**5. ACQUISITION OF A SUBSIDIARY****Dr. Soliman Fakeeh Hospital Medical Company ("DSFH Riyadh")**

On 8 August 2022, the Parent Company entered into a Share Purchase and Subscription Agreement ("SPSA") with the shareholders of the Rana Medical Services Company (subsequently renamed as Dr. Soliman Abdel Kader Fakeeh Hospital Company – Riyadh), to acquire 60.56% shareholding.

The Parent Company had made payments aggregating to SR 151.5 million to the shareholders of Rana Medical Services Company of which an amount of SR 34 million was placed in escrow against subsequent payments to be made on the finalization of the transaction value. The Parent Company further subscribed to new shares of Rana Medical Services Company, at par, for an amount of SR 200 million. The acquisition was formalized on 29 October 2022, after requisite regulatory approvals.

The acquisition has been accounted for using the acquisition method under IFRS 3 - Business Combinations, and accordingly, the assets acquired and liabilities assumed are recorded at estimated fair values at the acquisition date. The determination of estimated fair values required management to make certain estimates about discount rates, future expected cash flows, market conditions and other future events that are highly subjective in nature and may require adjustments, which can be revisited for up to a year following the acquisition.

The fair value of the net assets acquired from Rana Medical Services Company and the consideration transferred were initially measured on a provisional basis as permitted by IFRS 3, "Business Combination". Pursuant to the completion of the purchase price allocation exercise within the measurement period, the purchase consideration of the acquisition has been allocated to the assets acquired and liabilities assumed using their fair values at the acquisition date and the resulting goodwill is presented below:

	<b><u>29 October 2022</u></b>
<b>Provisional net assets acquired</b>	<b>316,174,228</b>
<b><u>Adjustment on finalization of PPA:</u></b>	
<b>Intangible assets</b>	<b>26,697,000</b>
<b>Final net assets acquired</b>	<b><u>342,871,228</u></b>

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**5. ACQUISITION OF A SUBSIDIARY (continued)****Dr. Soliman Fakeeh Hospital Medical Company (“DSFH Riyadh”) (continued)****5.1 Finalization of purchase price allocation:**

The completion of the Purchase Price Allocation (PPA) and valuation exercise were completed within twelve months from the acquisition date, which has resulted in the following adjustments to previously reported amounts. These have been adjusted in the prior year annual financial statements as follows:

	<b>Provisional purchase price allocation</b>	<b><u>Adjustment</u></b>	<b>Final purchase price allocation</b>
Consideration transferred (Note 5.1.1)	351,471,874	(18,331,884)	333,139,990
Add: NCI Proportion	124,699,116	--	124,699,116
Less: Fair value of identifiable net assets acquired	<u>(316,174,228)</u>	<u>(26,697,000)</u>	<u>(342,871,228)</u>
<b>Goodwill</b>	<u><b>159,996,762</b></u>	<u><b>(45,028,884)</b></u>	<u><b>114,967,878</b></u>

**5.1.1 Adjustment to consideration transferred:**

As part of the consideration transferred SR 34 million had been placed in escrow account, which was subject to the finalization of transaction value. During year ended in December 2023 and within twelve months from the acquisition date, the said consideration was finalized between the shareholders of the Parent Company and selling shareholders, which resulted in receipt of SR 18.3 million to Group from that escrow account, thereby reducing the overall purchase consideration.

**5.2 In April 2024, the Parent Company completed the subscription of 10 million additional shares, par value of SR 10 each, of DSFH Riyadh totaling SR 100 million. Consequently, the Parent Company’s shareholding percentage increased from 60.56% to 68.4% and the non-controlling interest increased by SR 28 million, due to the related net asset value being lower than the par value.**

On 16 September 2024, DSFH Riyadh increased its share capital by SR 250 million, through the issuance of 25 million new shares with nominal value SR 10 per share. All existing shareholders participated on a pro-rata basis in the SR 250 million share capital increase. As a result, the Parent Company’s ownership of 68.36% of the share capital of DSFH Riyadh remained unchanged.

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**6. PROPERTY AND EQUIPMENT**

## 6.1 Reconciliation of carrying amounts:

	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
Carrying amount at beginning of the period / year	1,635,208,564	1,303,085,288
Additions during the period / year	247,203,307	372,394,211
Transfer from right-of-use asset (note 7)	--	51,559,232
Disposals during the period / year	(687,334)	(2,655,171)
Depreciation charge for the period / year	(71,582,430)	(89,174,996)
<b>Carrying amount at the end of the period / year</b>	<b><u>1,810,142,107</u></b>	<b><u>1,635,208,564</u></b>

## 6.2 Category-wise carrying amounts are as follows:

	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
Land	290,842,046	290,842,046
Buildings and leasehold improvements	786,439,775	754,088,647
Medical and support equipment	264,676,970	248,389,678
Furniture and fixtures	32,870,148	30,359,162
Motor vehicles	19,801,952	10,007,590
Office equipment	2,784,722	7,114,926
Computers	37,252,276	35,675,403
Capital work-in-progress (note 6.3)	375,474,218	258,731,112
	<b><u>1,810,142,107</u></b>	<b><u>1,635,208,564</u></b>

6.3 Capital work-in-progress mainly represents the construction work being carried out for the Group's expansion projects and upgrading the existing infrastructure and facilities.

6.4 During the period / year ended 30 September 2024, an amount of SR 10.5 million (2023: SR 5.3 million) was capitalized as borrowing cost.

**7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**7.1 Right-of-use assets

## a) Reconciliation of carrying amounts

	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
<b><u>Cost:</u></b>		
Balance at the beginning of the period / year	679,477,313	516,749,092
Additions during the period / year	20,546,105	124,835,186
Modifications during the period / year	--	112,668,929
Transfer to property and equipment	--	(56,648,282)
Terminations for the period / year	(985,565)	(18,127,612)
<b>Balance at the end of the period / year</b>	<b><u>699,037,853</u></b>	<b><u>679,477,313</u></b>



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**7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)****7.1 Right-of-use assets (continued)****a) Reconciliation of carrying amounts (continued)**

	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
<b><u>Accumulated depreciation:</u></b>		
Balance at the beginning of the period / year	158,242,724	124,775,556
Depreciation charge for the period / year	40,719,554	51,244,273
Transfer to property and equipment	--	(5,089,050)
Terminations for the period / year	(591,475)	(12,688,055)
<b>Balance at the end of the period / year</b>	<b>198,370,803</b>	158,242,724
<b>Carrying Amounts at the end of the period / year</b>	<b>500,667,050</b>	521,234,589

**7.2 Lease liabilities**

	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
Balance at the beginning of the period / year	542,963,009	401,484,950
Additions during the period / year	20,546,105	124,835,186
Interest expenses for the period / year	24,322,373	32,835,521
Modifications	--	111,039,914
Terminations for the period / year	(505,078)	(4,214,329)
Payments during the period / year	(55,627,595)	(123,018,233)
<b>Balance at the end of the period / year</b>	<b>531,698,814</b>	542,963,009

Lease liabilities are presented in statement of financial positions as follows:

	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
Non-current portion of lease liabilities	483,432,084	495,866,960
Current portion of lease liabilities	48,266,730	47,096,049
	<b>531,698,814</b>	542,963,009

**8. INTANGIBLE ASSETS AND GOODWILL**

	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
Goodwill	488,816,378	488,816,378
Medical licenses	21,580,075	23,582,350
Customer relationships	19,022,927	20,156,743
Computer software	7,166,124	8,728,618
Software under development	7,118,996	2,959,649
	<b>543,704,500</b>	544,243,738

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**9. OTHER LONG-TERM RECEIVABLES**

	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
Non-current portion of receivables under DAAM scholarship Program	<b><u>115,360,478</u></b>	<u>93,327,252</u>

**10. ACCOUNTS AND OTHER RECEIVABLES**

	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
Trade receivables	<b>944,481,473</b>	851,003,721
Trade receivables - related parties (note 18)	<b><u>18,289,190</u></b>	<u>28,861,862</u>
	<b>962,770,663</b>	879,865,583
Less: allowance for impairment losses	<b><u>(130,805,945)</u></b>	<u>(134,169,037)</u>
	<b><u>831,964,718</u></b>	<u>745,696,546</u>

10.1 The movement of allowance for impairment losses is as follows:

	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
Balance at beginning of the period / year	<b>134,169,037</b>	133,378,174
Provision for impairment losses during the period / year	<b>9,116,009</b>	11,345,180
Written-off during the period / year	<b><u>(12,479,101)</u></b>	<u>(10,554,317)</u>
<b>Balance at end of the period / year</b>	<b><u>130,805,945</u></b>	<u>134,169,037</u>

10.2 The contract asset primarily relates to operating project contract with customers.

**11. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash and bank balances.

	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
Cash in hand	<b>2,765,938</b>	1,501,738
Cash at banks - current accounts	<b>109,818,301</b>	96,294,018
Short-term deposits	<b><u>642,500,000</u></b>	<u>116,500,000</u>
	<b><u>755,084,239</u></b>	<u>214,295,756</u>

At each reporting date, all bank balances are assessed to have low credit risk as they are held with reputable and high credit rating domestic banking institutions and there has been no history of default with any of the Group's bank balances. Therefore, the probability of default based on forward-looking factors and any loss given defaults are considered to be negligible.

11.1 Short-term deposits are made at the available short-term deposit rates for varying periods of between one day to three months, depending on the immediate cash requirements of the Group.

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**12. SHARE CAPITAL**

On 27 September 2023, (corresponding to 12 Rabi Al-Awwal 1445H), the Parent Company's shareholders in Extraordinary General Assembly Meeting, approved amendments to its by-laws including an increase in share capital of SR 100 million through a transfer from the retained earnings (SR 50 million) and statutory reserve (SR 50 million). Accordingly, the share capital of the Parent Company was increased from SR 100 million to SR 200 million and the nominal value per share was reduced from SR 10 per share to SR 1 per share, while maintaining the same ownership percentages of each shareholder of the Parent Company. The legal formalities for such change were completed during the nine-month period ended 30 September 2023.

In June 2024, the Parent Company increased its Share Capital from 200 million shares to 232 million shares through (a) issuance of 30 million New Shares offered in Initial Public Offering at the subscription price of SR 57.5 and (b) issuance of 2 million New Shares for Employee Share Ownership Plan funded through the capitalization of SR 2 million from the retained earnings. The legal formalities for such increase were completed and the shares of the Parent Company were listed on 28 Duhl Qadah 1445H (corresponding to 5 June 2024) in the Tadawul Primary Market (note 1).

The issuance of 30 million New Shares has resulted in an amount of SR 1,653.4 million of share premium after the deduction of SR 41.5 million of offering expenses.

As at 30 September 2024, the share capital of the Parent Company comprised of 232 million shares at a nominal value of SR 1 per share (31 December 2023: 200 million shares).

	<b><u>Pre-Offering</u></b>		<b><u>Post-Offering</u></b>	
	<b><u>No. of Shares</u></b>	<b><u>Amount SR</u></b>	<b><u>No. of Shares</u></b>	<b><u>Amount SR</u></b>
Dr. Mazen Soliman Abdel Kader Fakeeh	79,984,000	79,984,000	71,648,800	71,648,800
Mr. Ammar Soliman Abdel Kader Fakeeh	79,984,000	79,984,000	71,648,800	71,648,800
Dr. Manal Soliman Abdel Kader Fakeeh	39,992,000	39,992,000	35,824,400	35,824,400
Fakeeh Real Estate Company Limited (A Saudi Limited Liability Company)	20,000	20,000	20,000	20,000
Al Solimania United Company Limited (A Saudi Limited Liability Company)	20,000	20,000	20,000	20,000
Employee Share Ownership Plan (note 12.2)	--	--	2,000,000	2,000,000
Free Float	--	--	50,838,000	50,838,000
	<b><u>200,000,000</u></b>	<b><u>200,000,000</u></b>	<b><u>232,000,000</u></b>	<b><u>232,000,000</u></b>

12.1 The Parent Company has paid total dividends of nil during the period ended 30 September 2024 (31 December 2023: SR 1,150 million).

**12.2 Employee Share Ownership Plan**

On 23 November 2023 (corresponding to 9 Jumada Al Awwal 1445H), the Parent Company's Extraordinary General Assembly approved the issuance of 2 million New Shares through the capitalization of SR 2 million of retained earnings and retain them as treasury shares. These treasury shares will be allocated to the Employee Share Program for the Group in accordance with the applicable terms and conditions. The Employee Share Program will be set-up after the required approvals, to attract and retain outstanding employees. The Extraordinary General Assembly authorized the Board of Directors to implement the Employee Share Program, subject to the related laws.

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**13. LOANS AND BORROWINGS****Non-current portion**

	<b>30 September <u>2024</u> (Unaudited)</b>	<b>31 December <u>2023</u> (Audited)</b>
Balance at end of the period / year	<b><u>520,000,000</u></b>	<b><u>1,196,445,000</u></b>

**Current portion**

	<b>30 September <u>2024</u> (Unaudited)</b>	<b>31 December <u>2023</u> (Audited)</b>
Short term loans	--	493,995,693
Current portion of long-term loans	--	30,485,000
Balance at end of the period / year	--	524,480,693
Total loan	<b><u>520,000,000</u></b>	<b><u>1,720,925,693</u></b>

**13.1 Loans from local banks**

The group is financed through facilities from local banks which include both long-term and short-term loans. These facilities are Sharia compliant and are subject to Saudi Arabia interbank Offered Rate "SIBOR" plus a margin. The group is subject to certain bank covenants which are fully compliant at the reporting date. The loans carry interest at prevailing market rates and a long-term loan of SR 370 million is secured against the mortgage of hospital land.

Movement summary of the loans and borrowings during the period / year is as follows:

	<b>30 September <u>2024</u> (Unaudited)</b>	<b>31 December <u>2023</u> (Audited)</b>
Balance at beginning of the period / year	<b>1,720,925,693</b>	1,848,002,440
Proceeds during the period / year	<b>1,249,500,000</b>	2,195,195,259
Payments made during the period / year	<b><u>(2,450,425,693)</u></b>	<b><u>(2,322,272,006)</u></b>
<b>Balance at end of the period / year</b>	<b><u>520,000,000</u></b>	<b><u>1,720,925,693</u></b>

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**14. ZAKAT****a) Charge for the period:**

Zakat included in the statement of condensed interim statement of profit or loss and other comprehensive income are comprised of the following:

	<b>30 September <u>2024</u> (Unaudited)</b>	<b>30 September <u>2023</u> (Unaudited)</b>
Charge for the period	<b><u>20,821,579</u></b>	<b><u>20,835,572</u></b>

**b) The movement in the accrual for Zakat is as follows:**

	<b>30 September <u>2024</u> (Unaudited)</b>	<b>31 December <u>2023</u> (Audited)</b>
Balance at beginning of the period / year	<b>24,457,668</b>	17,176,450
Charge for current period / year	<b>20,821,579</b>	22,689,988
Payments during the period / year	<b>(20,772,177)</b>	(15,408,770)
<b>Balance at end of the period / year</b>	<b><u>24,507,070</u></b>	<b><u>24,457,668</u></b>

**c) Status of assessments**

All the below companies have filed their Zakat return for the years up to 31 December 2023 and received unrestricted Zakat certificates up to the same periods.

<b><u>Company name</u></b>	<b><u>Financial years open for Zakat assessment</u></b>
Dr. Soliman Abdel Kader Fakeeh Hospital Company	2019 - 2023
Al-Farabi Special Health Care Company Limited	2020 - 2023
Dr. Soliman Qader Fakeeh Information Technology Company (Formerly, Kameda Arabia Company Limited)	2019 - 2023
Dr. Soliman Abdel Kader Fakeeh Family Medicine Centers	2019 - 2023
Dr. Soliman Abdel Kader Fakeeh Medical Education Company Limited	2019, 2021 - 2023
Dr. Mazen Fakeeh Complementary Health Care Company Limited	2019 - 2023
Al Toor Medical Services Company	2019, 2020, 2022 & 2023
Saudi Airlines Company for Medical Services	2018 - 2023
Al-Faraj Pharmaceutical Medical Company	2018 - 2023
Advanced Horizon Contracting Company	2021 - 2023
Golden Union Medical Company	2021 - 2023
Dr. Soliman Fakeeh Hospital Medical Company	2018 - 2023
Dr. Soliman Abdel Kader Fakeeh Home Health Care Company	2023

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**14. ZAKAT (continued)**

Dr. Soliman Abdel Kader Fakeeh Hospital Company

The ZATCA issued the assessment for 2018, which has shown Zakat differences of SR 1.5 million due from the Company. The Company has raised objection against the said assessment which was rejected by ZATCA. The Company escalated the objection to the Committee for Resolution of Zakat, Tax, and Customs Violations and Disputes (CRTVD) which has been rejected by CRTVD. The Company filed an appeal against the above mentioned CRTVD decision at the Appellate Committee for Zakat, Tax, and Customs Violations and Disputes Resolution (ACTVDR), which is still under study by the ACTVDR as of 30 September 2024.

**15. REVENUE*****Disaggregation of revenue from contracts with customers***

In the following table, revenue from contracts with customers is disaggregated by major service lines and timing of revenue recognition, all revenue is primarily generated in the Kingdom of Saudi Arabia:

	<b>For the nine-month period ended 30 September 2024 (Unaudited)</b>	<b>For the nine-month period ended 30 September 2023 (Unaudited)</b>
Revenue from Health care operations	<b>1,874,415,363</b>	1,512,685,882
Revenue from Medical related services	<b>79,556,461</b>	71,766,406
Revenue from Education services	<b>81,948,249</b>	71,342,187
Revenue from IT and other services	<b>12,277,377</b>	8,573,618
	<b><u>2,048,197,450</u></b>	<b><u>1,664,368,093</u></b>
	<b>For the nine-month period ended 30 September 2024 (Unaudited)</b>	<b>For the nine-month period ended 30 September 2023 (Unaudited)</b>
<b>Timing of revenue recognition</b>		
Point in time	<b>1,273,472,118</b>	922,899,827
Over time	<b>774,725,332</b>	741,468,266
<b>Revenue from contracts with customers</b>	<b><u>2,048,197,450</u></b>	<b><u>1,664,368,093</u></b>

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**16. FINANCE INCOME**

Finance income is recognized using effective interest method. Time deposits are placed with financial institutions in the Kingdom of Saudi Arabia, these deposits are sharia compliant. The income from long term receivable from related-party is non-recurring as the receivable was settled in full in September 2023.

	<b>For the three- month period ended 30 September 2024 (Unaudited)</b>	<b>For the three- month period ended 30 September 2023 (Unaudited)</b>	<b>For the nine- month period ended 30 September 2024 (Unaudited)</b>	<b>For the nine- month period ended 30 September 2023 (Unaudited)</b>
Income from deposits with local banks	<u>8,785,474</u>	<u>429,055</u>	<u>15,814,839</u>	<u>2,516,028</u>
Income from long-term receivable from related party	<u>--</u>	<u>13,377,611</u>	<u>--</u>	<u>38,209,074</u>
Finance Income	<u>8,785,474</u>	<u>13,806,666</u>	<u>15,814,839</u>	<u>40,725,102</u>

**17. EARNINGS PER SHARE**

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

	<b>For the three- month period ended 30 September 2024 (Unaudited)</b>	<b>For the three- month period ended 30 September 2023 (Unaudited)</b>	<b>For the nine- month period ended 30 September 2024 (Unaudited)</b>	<b>For the nine- month period ended 30 September 2023 (Unaudited)</b>
Profit for the period attributable to ordinary equity holders of the Parent	<u>93,593,124</u>	<u>79,651,123</u>	<u>213,782,029</u>	<u>205,606,379</u>
Weighted average number of ordinary shares in issue	<u>212,919,708</u>	<u>200,000,000</u>	<u>212,919,708</u>	<u>200,000,000</u>
Basic and diluted earnings per share	<u>0.44</u>	<u>0.40</u>	<u>1.00</u>	<u>1.03</u>

**17.1 Weighted-average number of ordinary shares**

	<b>30 September 2024</b>
Issued shares at 1 January	<b>200,000,000</b>
Effect of shares issued in June (note 12)	<b>13,781,022</b>
Effect of treasury shares (note 12.2)	<b>(861,314)</b>
Weighted average number of shares as at 30 September 2024	<u><b>212,919,708</b></u>

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**18. RELATED PARTY TRANSACTIONS AND BALANCES**

The Group, in the normal course of business, enters into transactions with other entities that fall within the definition of a related party contained in International Accounting Standard 24. Related parties comprise of the shareholders of the Group, being parent Company, its subsidiaries and associates, and other companies with common directorship with significant influence on other companies and key management personnel. Transactions with related parties arise mainly from goods/services received and various business arrangements undertaken at approved contractual terms.

**Transactions with key management personnel*****Key management personnel compensation***

a) Key management personnel remuneration and compensation comprised of the following:

	<b>30 September 2024</b>	30 September 2023
Short-term employee benefits	<b>12,753,357</b>	17,931,817
Board of Directors' and related committee remuneration	<b>1,130,581</b>	1,104,610
Post-employment benefits	<b>2,288,884</b>	675,846
	<b><u>16,172,822</u></b>	<u>19,712,273</u>

b) Related party relationships

Name	Relationship
<u><i>Entities with joint control of, or significant influence over, the entity</i></u>	
Fakeeh Academic Medical Centre – Dubai	Under common ownership of the Group's shareholder
<u><i>The parent and shareholders</i></u>	
Dr. Mazen Soliman Abdel Kader Fakeeh	Shareholder and President
Mr. Ammar Soliman Abdel Kader Fakeeh	Shareholder
Dr. Manal Soliman Abdel Kader Fakeeh	Shareholder
Fakeeh Real Estate Company Limited	Shareholder and under common ownership of the Group's shareholder
Al Solimania United Company Limited	Shareholder and under common ownership of the Group's shareholder
<u><i>Other related parties</i></u>	
Abdul Bary Mohammed Eid Al-Shawy – Trust	Non - controlling Shareholder of subsidiary
Saudi Arabian Airlines Corporation Group*	Non - controlling Shareholder and its subsidiaries

(\*) Saudi Airlines Corporation is considered an affiliate of the Group in accordance with the Corporate Governance Regulations.



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**18. RELATED PARTY TRANSACTIONS AND BALANCES (continued)**

## c) Related party transactions

<u>Name</u>	<u>Nature of transactions</u>	<u>Amount of transactions</u>	
		<b>30</b> <b>September</b> <b>2024</b>	<b>30</b> <b>September</b> <b>2023</b>
	Interest income	--	38,209,074
	Loan disbursement	--	131,250,32
Fakeeh Academic Medical Centre – Dubai	Expenses incurred on behalf of the related party	<b>359,325</b>	--
	Royalty Charges	<b>1,800,000</b>	--
	SLA Charges	<b>900,000</b>	--
	Revenue	<b>1,158,623</b>	486,420
	Revenue	<b>35,657,520</b>	29,741,186
Saudi Arabian Airlines Corporation Group	Expenses incurred on behalf of the related party	<b>1,416,854</b>	4,038,299
	Lease transfers for the period	<b>18,840,170</b>	20,677,195
	Payments made on behalf of the Group	--	762,354
	Lease rentals*	<b>10,832,938</b>	10,832,938
Dr. Mazen Soliman Abdel Kader Fakeeh	Expenses incurred on behalf of the related party	<b>2,333,585</b>	--
	Lease rentals*	<b>10,832,938</b>	10,832,938
Mr. Ammar Soliman Abdel Kader Fakeeh	Expenses incurred on behalf of the related party	<b>1,126,001</b>	--
	Lease rentals*	<b>7,455,104</b>	7,455,104
Dr. Manal Soliman Abdel Kader Fakeeh	Expenses incurred on behalf of the related party	<b>454,563</b>	--
Fakeeh Real Estate Company Limited	Expenses incurred on behalf of the related party	<b>218,256</b>	--
Al Solimania United Company Limited	Expenses incurred on behalf of the related party	<b>65,046</b>	--
Abdul Bary Mohammed Eid Al- Shawy - Trust	Additional contribution from NCI	<b>54,614,056</b>	19,091,745

(\*) In 2023, the lease arrangements of the Group were modified with the shareholders to increase the lease periods of the land and building contracts.

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**18. RELATED PARTY TRANSACTIONS AND BALANCES (continued)**

## d) Related party closing balances

<u>Name</u>	<u>Closing balance</u>	
	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2023 (Audited)</b>
<b><u>Due from related parties – (Trade and other receivables)</u></b>		
Saudi Arabian Airlines Corporation Group	<b>33,677,426</b>	37,938,062
Abdul Bary Mohammed Eid Al-Shawy – Trust	<b>15,234,019</b>	2,288,028
Dr. Mazen Soliman Abdel Kader Fakeeh	<b>3,466,840</b>	1,300,807
Fakeeh Academic Medical Centre – Dubai	<b>4,323,453</b>	1,052,395
Mr. Ammar Soliman Abdel Kader Fakeeh	<b>1,589,477</b>	463,476
Dr. Manal Soliman Abdel Kader Fakeeh	<b>693,092</b>	238,529
Fakeeh Real Estate Company Limited	<b>218,256</b>	--
Al Solimania United Company Limited	<b>65,046</b>	--
	<b>59,267,609</b>	43,281,297
<b><u>Due to related parties – (Accrued and other current liabilities )</u></b>		
Fakeeh Academic Medical Center – Dubai	--	228,240
Saudi Arabian Airlines Corporation Group	<b>7,927,048</b>	2,175,288
	<b>7,927,048</b>	2,403,528

**19. COMMITMENTS AND CONTINGENCIES**

As at 30 September 2024 the Group has:

- Outstanding letters of guarantee amounting to SR 27.8 million (31 December 2023: SR 13.8 million).
- Outstanding letters of credit amounting to SR 68.7 million (31 December 2023: SR 6.2 million) mainly relating to medical equipment.
- Commitments for capital work in progress of SR 385.8 million (31 December 2023: SR 329.6 million) mainly relating to construction, renovation and upgradation of buildings.

As at 30 September 2024, there are no significant litigations and claims against the Group.

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**20. BUSINESS SEGMENTS**

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 three 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 President as he is primarily responsible for the allocation of resources to segments and the assessment of the performance of each of the segments. The CODM uses underlying income as reviewed at monthly Executive Committee and Performance meetings as the key measure of the segments' results as it reflects the segments' performance for the period under evaluation. Revenue and segment profit is a consistent measure within the Group. The identified key segments are medical services, education, trading and retail.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment revenues, as included in the internal management reports that are reviewed by the top management. The following table presents segment information (assets, liabilities, revenue and net income) for each of the business segments as at and for the nine-month period ended 30 September:

30 September 2024 (Unaudited)	<u>Reportable Segments</u>				<u>Total</u>
	<u>Medical services</u>	<u>Education</u>	<u>Trading, Retail &amp; Others</u>	<u>Un-Allocated</u>	
Revenues	1,907,992,722	83,992,036	171,616,823	--	2,163,601,581
Inter-segment revenue eliminations	(1,344,177)	(2,043,787)	(112,016,167)	--	(115,404,131)
<b>Segment revenue</b>	<b>1,906,648,545</b>	<b>81,948,249</b>	<b>59,600,656</b>	<b>--</b>	<b>2,048,197,450</b>
Direct costs	(1,437,237,433)	(43,421,530)	(117,284,200)	--	(1,597,943,163)
Inter-segment direct costs	1,344,177	--	82,679,160	--	84,023,337
<b>Segment cost</b>	<b>(1,435,893,256)</b>	<b>(43,421,530)</b>	<b>(34,605,040)</b>	<b>--</b>	<b>(1,513,919,826)</b>
<b>Segment gross profit</b>	<b>470,755,289</b>	<b>38,526,719</b>	<b>24,995,616</b>	<b>--</b>	<b>534,277,624</b>
Operating expenses	--	--	--	(248,948,944)	(248,948,944)
Impairment loss on accounts receivables	(6,731,009)	(1,260,000)	(1,125,000)	--	(9,116,009)
Other income	--	--	--	10,616,727	10,616,727
<b>Operating profit</b>	<b>464,024,280</b>	<b>37,266,719</b>	<b>23,870,616</b>	<b>(238,332,217)</b>	<b>286,829,398</b>
Finance cost	--	--	--	(86,541,151)	(86,541,151)
Finance income	--	--	--	15,814,839	15,814,839
Zakat	--	--	--	(20,821,579)	(20,821,579)
<b>Profit for the period</b>	<b>464,024,280</b>	<b>37,266,719</b>	<b>23,870,616</b>	<b>(329,880,108)</b>	<b>195,281,507</b>
Segment assets	4,529,680,268	173,713,430	480,023,809	--	5,183,417,507
Segment liabilities	1,645,485,511	129,880,458	103,257,889	36,867,006	1,915,490,864

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**20. BUSINESS SEGMENTS (continued)**

30 September 2023 (Unaudited)	<u>Reportable Segments</u>				<u>Total</u>
	<u>Medical services</u>	<u>Education</u>	<u>Trading, Retail &amp; Others</u>	<u>Un-Allocated</u>	
Revenues	1,538,288,833	71,342,187	120,081,724	--	1,729,712,744
Inter-segment revenue eliminations	--	--	(65,344,651)	--	(65,344,651)
<b>Segment revenue</b>	<u>1,538,288,833</u>	<u>71,342,187</u>	<u>54,737,073</u>	<u>--</u>	<u>1,664,368,093</u>
Direct costs	(1,151,067,047)	(40,777,775)	(83,317,097)	--	(1,275,161,919)
Inter-segment direct costs	--	--	54,739,836	--	54,739,836
<b>Segment cost</b>	<u>(1,151,067,047)</u>	<u>(40,777,775)</u>	<u>(28,577,261)</u>	<u>--</u>	<u>(1,220,422,083)</u>
Segment gross profit	<u>387,221,786</u>	<u>30,564,412</u>	<u>26,159,812</u>	<u>--</u>	<u>443,946,010</u>
Operating expenses	--	--	--	(200,729,194)	(200,729,194)
Impairment loss on accounts receivables	(7,900,000)	(1,080,000)	(1,125,000)	--	(10,105,000)
Other income	--	--	--	7,117,014	7,117,014
<b>Operating profit</b>	<u>379,321,786</u>	<u>29,484,412</u>	<u>25,034,812</u>	<u>(193,612,180)</u>	<u>240,228,830</u>
Finance Income	--	--	--	40,725,102	40,725,102
Finance cost	--	--	--	(91,204,830)	(91,204,830)
Zakat	--	--	--	(20,835,572)	(20,835,572)
<b>Profit for the period</b>	<u>379,321,786</u>	<u>29,484,412</u>	<u>25,034,812</u>	<u>(264,927,480)</u>	<u>168,913,530</u>
Segment assets	3,663,909,216	174,792,974	323,327,296	--	4,162,029,486
Segment liabilities	2,683,787,185	121,021,517	121,275,231	46,296,090	2,972,380,023

The Group's top management reviews internal management reports of each strategic business unit at least quarterly. Segment results that are reported to the top management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

**21. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL 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 takes place either:

- In the accessible principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous accessible market for the asset or liability
- Fair value information of the Group's financial instruments is analysed below:

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: quoted prices in active markets for the same or identical instrument that an entity can access at the measurement date;

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**21. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)**

Level 2: quoted prices inactive markets for similar assets and liabilities or valuation techniques for which all significant inputs are based on observable market data; and

Level 3: valuation techniques for which any significant input is not based on observable market data.

There were no transfers between level 1 and level 3 during the nine-month period 30 September 2024 (31 December 2022: nil). There were no financial assets or financial liabilities classified under level 2.

There were no changes in valuation techniques during the period.

**22. SUBSEQUENT EVENTS**

On 1st October 2024, corresponding to 28 Rabi-al-Awwal 1446H, Fakeeh Care Group signed a Framework Agreement with a KSA based Investment Company, which built to suit and lease out a purposed building to Fakeeh Care Group for the purpose of a Medical Center. The lease agreement will start upon the completion of the building and will be have a duration of 25 years extendable by the Lessee for additional 10 years.

**23. DATE OF AUTHORIZATION FOR ISSUE**

The condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors of Parent Company on 6 November 2024, corresponding to 4 Jumada Al-Awwal 1446H.



Mr. Ammar Fakeeh  
Chairman Board of Directors



Dr. Mazen Fakeeh  
President



Mr. Panagiotis Chatziantoniou  
Group Chief Financial Officer