

Project Oxygen – Q1 2025 Update

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Hospital مستشفى

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Specialized Medical Company الشركة الطبية المتخصصة

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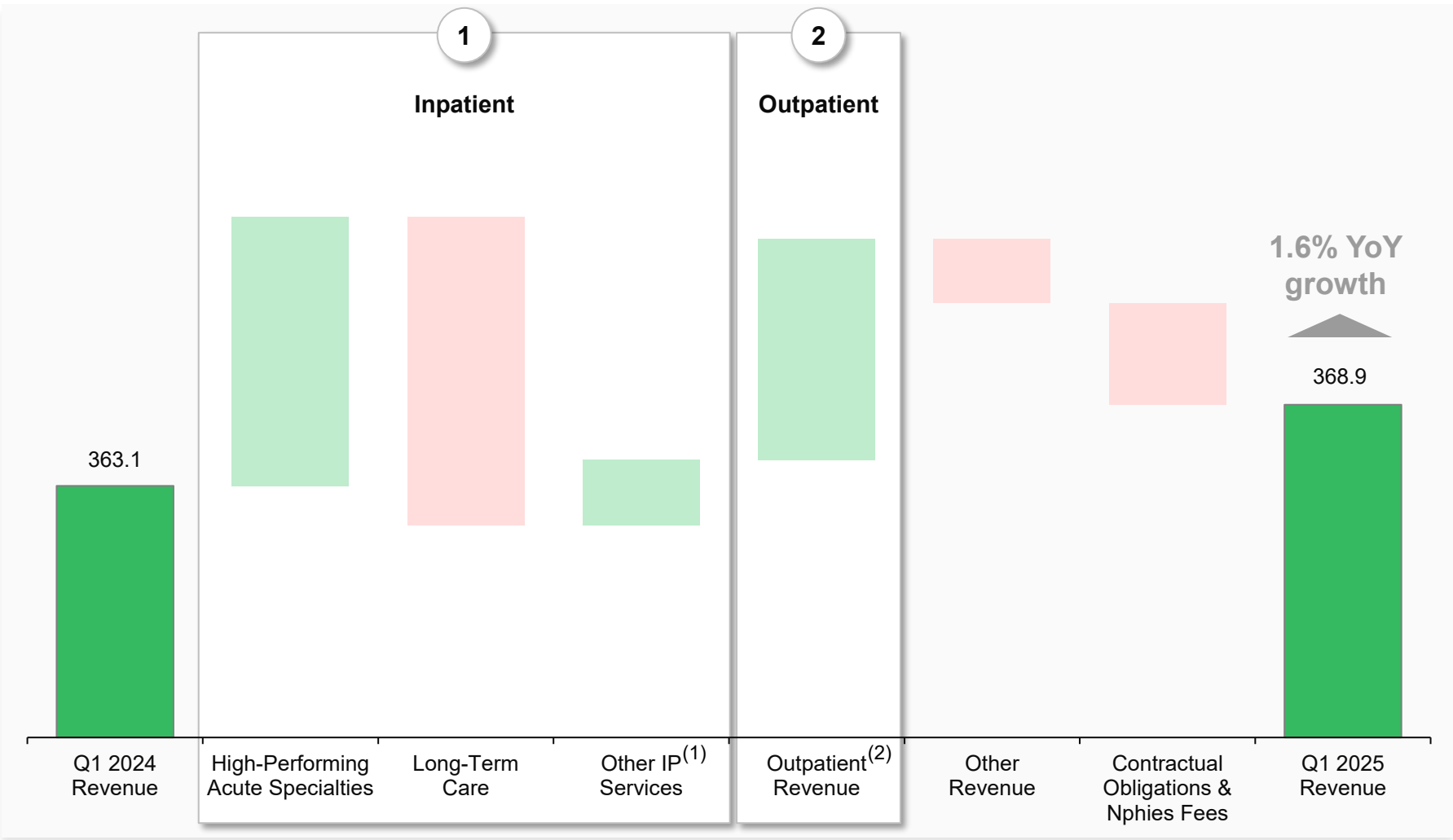
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Clear Ability to Grow Revenues Despite the Phase Out of 150 LTC Beds and Impact of Eid and Ramadan in Q1-2025

Revenue Bridge (SAR mn)



Key Highlights

1
Inpatient revenues grew by ~1% YoY, reflecting the Company's **successful shift toward high-performing acute specialties**, which **fully offset the impact of the strategic phase-out of ~150 LTC beds** that took place towards the end of September 2024

2
Outpatient revenue grew ~7% YoY across all categories - including clinics, ER, and others - **driven by the ramp-up of SMC 2 and the opening of 20 new clinics in February 2025 (also at SMC 2)**

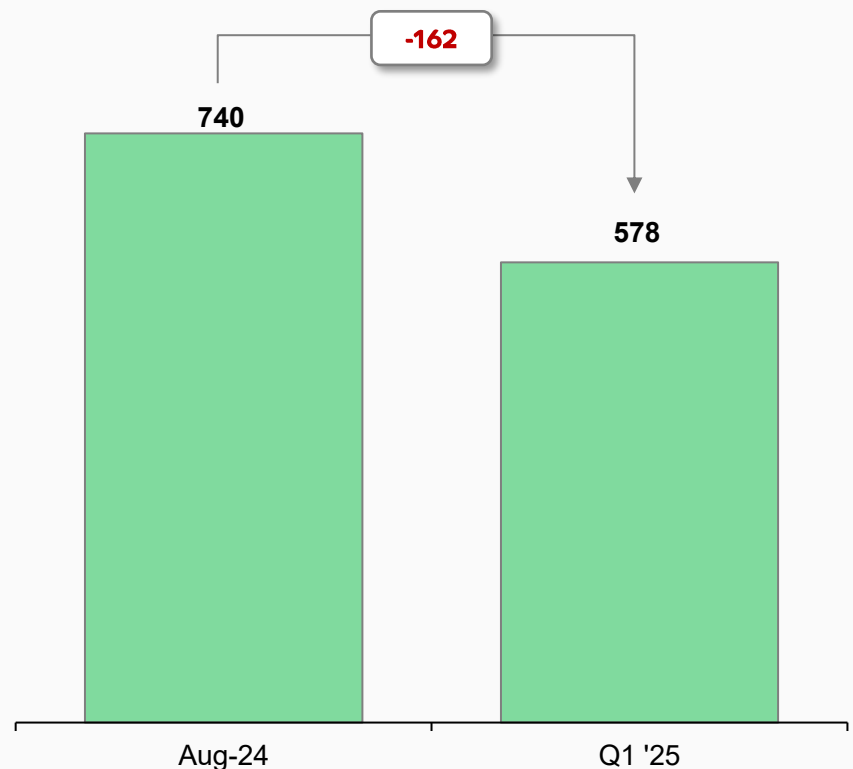
Source: Management Information. | Notes: (1) Includes cardiology, endocrinology, gastroenterology, and more. (2) Includes outpatient clinics, pharmacy and emergency room revenues.

+150 LTC Beds Have Been Phased Out; Half of New Clinic Capacity is Already Online

Strategic Transition is Progressing as Planned and In-line with Guidance Provided During the IPO

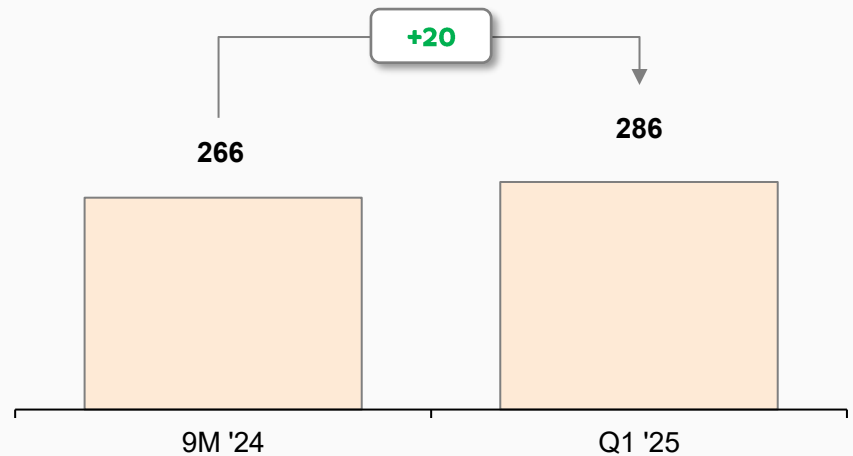
+150 LTC Beds Have Been Phased Out as of September 2024

Number of Inpatient Beds



Clinic Rollout Plan is Already Underway and Materializing

Number of Outpatient Clinics



Clinic Rollout Well Underway with Strong Execution Across Both Facilities

A

20 clinics at SMC 2 became operational as of February 2025

B

11 clinics at SMC 1 were operational as of April 2025

C

Remaining +29 clinics (based on the +60 additional clinics to be added) are set to come online in phased rollouts over the coming months

Outpatient Visits Increase as New Clinics Become Operational; Inpatient Volumes Declined in Q1 2025 Due to LTC Phase-Out

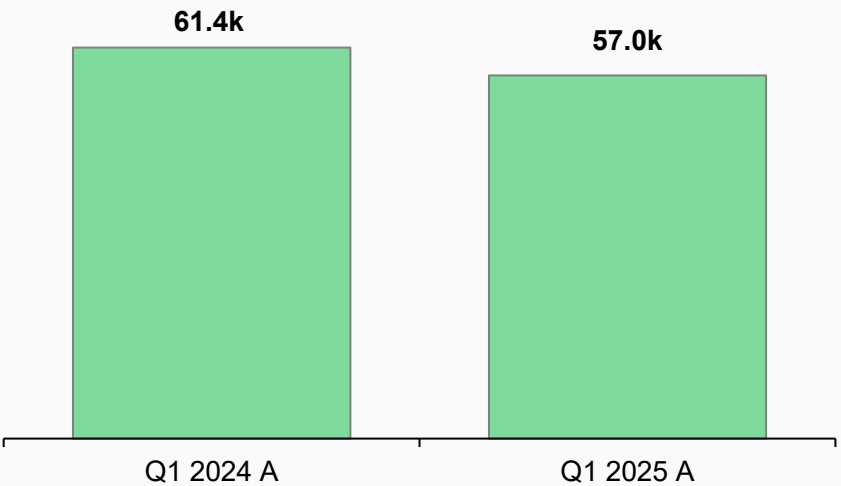
Shift to Focusing on High-Performing Acute Specialties and Outpatient Volume Expansion Well Underway, In-line with Guidance Provided

Progress Update

Inpatient Visits Declining Due to LTC Bed Phase Out

Number of Inpatient Visits

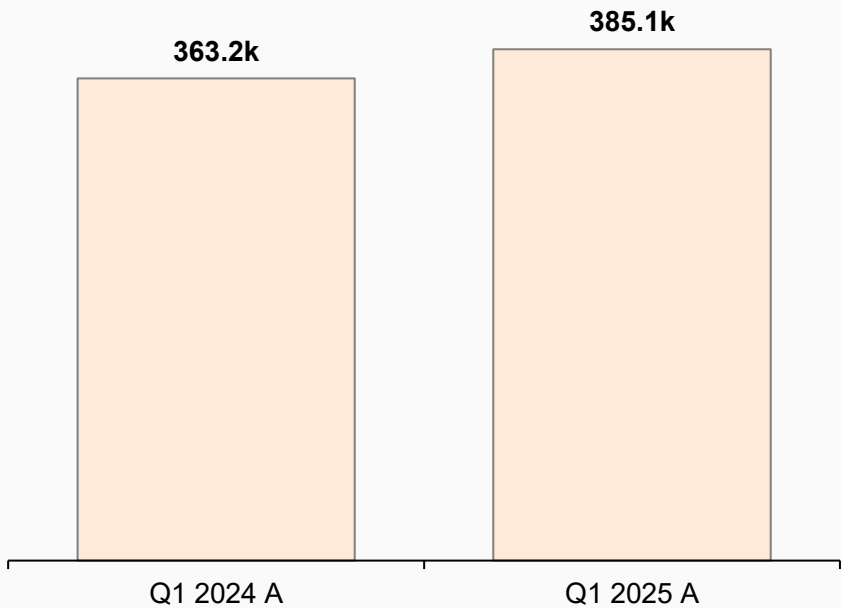
16.0k patients lost in LTC and 11.6k patients gained in other specialties



Outpatient Visits Growing as SMC 2 Ramps Up and New Clinics Become Operational

Number of Outpatient Visits

6.1% YoY increase in outpatient visits over the period



1

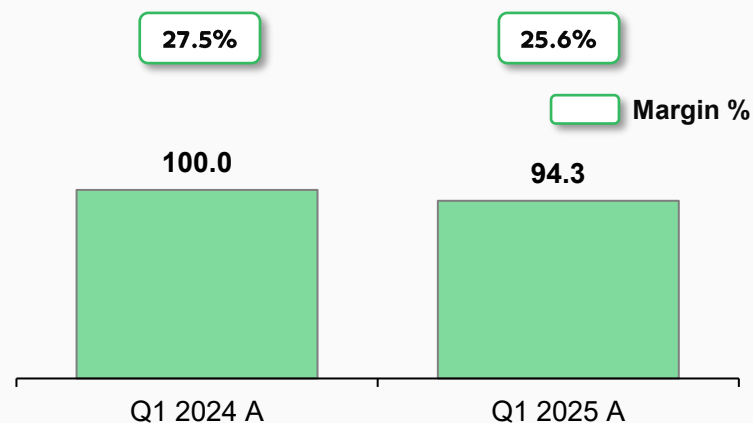
May marked a record month with visits exceeding 150k, driven by ramp-up at new SMC 2 clinics

2

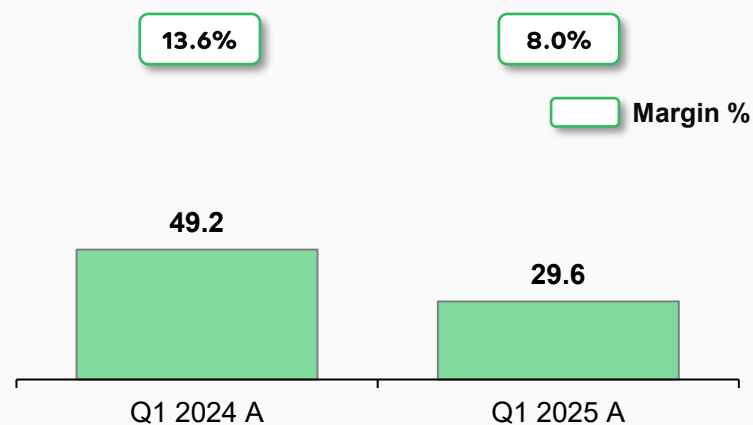
Performance remains on track with full-year guidance

Profitability Temporarily Impacted by Anticipated One-Offs; Management Maintains its Full-Year Guidance

Gross Profit (SAR mn) and Margin



Net Profit (SAR mn) and Margin



Source: Management Information.

Dissecting Additional Costs Incurred During the Period

Fixed Pre-Operating Expenses

SAR 10 – 11 mn

Expansion related pre-operating fixed costs (rent, salaries for non-revenue generating doctors and nurses, etc.)

Non-Recurring IPO-Related Costs

SAR 5 – 7 mn

Full corporate rebranding campaign along with advisory fees incurred in relation to legal and governance protocols as the Company transitions to a listed entity

Recurring IPO-Related Costs

SAR 2 mn

Recurring expenses related to the formation and operation of board committees

All costs were factored into the Company's outlook, with operational leverage expected to drive performance in upcoming quarters. SMC is on track to meet full-year guidance