

“Nahdi Medical Company - Listed Company”

“Invitation to attend the First Extraordinary General Assembly Meeting”

The Board of Directors of (Nahdi Medical Company) is pleased to invite the shareholders to participate in the First Extraordinary General Assembly meeting, which is scheduled to be held, at 18:30pm on Tuesday 02/12/1447H corresponding to 19/05/2026G, by means of modern technology, to discuss the agenda of the assembly and vote on its items as below:

1. Voting on the report of the Board of Directors for the fiscal year ending on 31/12/2025G.
2. Voting on the company's auditor's report for the fiscal year ending on 31/12/2025G.
3. Voting on the financial statements for the fiscal year ending on 31/12/2025G.
4. Voting on the appointment of the auditor of the company from among the candidates based on the recommendation of the audit committee; This is to examine, review, and audit the consolidated and summarize preliminary financial statements for the second and third quarters and the consolidated annual financial statements of the fiscal year 2026G, and the first quarter of the fiscal year 2027G, and determining its fees.
5. Voting to absolve the members of the Board of Directors from legal liability for the fiscal year ending on 31/12/2025G.
6. Voting on authorizing the Board of Directors to distribute interim profits on a semi-annual or quarterly basis for the fiscal year 2026G.
7. Voting on disbursing an amount of (3,500,000) SAR as a reward for the Board of Directors for the fiscal year ending on 31/12/2025G.
8. Voting on the amendment of Article (4) of the Company's Bylaws relating to the Company's objectives (attached).
9. Voting on the business and contract with Al Nahdi Company for Commercial Investments, which it represents an indirect interest for a member of the Board of Directors Mr. Abdullah Amer Al Nahdi; the contract is a lease agreement, knowing that the total value of the contract is (700,000) Saudi Riyals in the previous year 2025G, for a one-year period, under the prevailing commercial terms and without preferential benefits (attached).
10. Voting on the business and contract concluded between the company and Mr. Abdulrahman Abdullah Amer Al Nahdi, which represents an indirect interest for a member of the Board of Directors Mr. Abdullah Amer Al Nahdi; the contract is for real estate consultation services, knowing that the total value of the contract is (500,000) Saudi Riyals in the

previous year 2025G, for a one-year period, under the prevailing commercial terms without preferential benefits (attached).

11. Voting on the business and contract with Al-Nahdi for Transportation Company, which it represents an indirect interest for a member of the Board of Directors Mr. Abdullah Amer Al-Nahdi; in order to provide goods transportation services, knowing that the total value of the contract is (8,849,863) Saudi Riyals in the previous year 2025G, for a one-year period under the prevailing commercial terms and without preferential benefits (attached).
12. Voting on the business and contract with Red Sea Limited Company, the contract is a lease agreement, which it represents an indirect interest for the Chairman of the Board of Directors Mr. Saleh Salem Ahmed Bin Mahfouz and Mr. Abdulelah Salem Ahmed Bin Mahfouz; knowing that the total value of the contract is (1,102,500) Saudi Riyals in the previous year 2025G, for a one-year period, under the prevailing commercial terms and without preferential benefits (attached).
13. Voting on the business and contract with Al Mahmal Facilities Services Company, which it represents an indirect interest for the Chairman of the Board of Directors Mr. Saleh Salem Ahmed Bin Mahfouz and Mr. Abdulelah Salem Ahmed Bin Mahfouz; in order to provide maintenance services for the headquarter building, knowing that the total value of the contract is (695,868) Saudi Riyals in the previous year 2025G, for a one-year period under the prevailing commercial terms and without preferential benefits (attached).
14. Voting on the business and contract with Scientific Endowment Foundation at King Abdulaziz University, which it represents an indirect interest for a member of the Board of Directors Mr. Abdullah Amer Al-Nahdi; the contract is a lease agreement, knowing that the total value of the contract is (250,000) Saudi Riyals in the previous year 2025G, for a one-year period under the prevailing commercial terms and without preferential benefits (attached).

Each shareholder has the right to attend the general assembly meeting, and this assembly will be held through modern technology. In the event that the quorum is not met to convene this assembly, the invitation will be redirected within an hour of its designated meeting time.

Chairman of The Board of Directors
Saleh Salem Bin Mahfouz

Annual Report of the Audit Committee

Submitted to the Board of Directors for the Fiscal Year 2025

The existence of effective internal control systems is one of the key responsibilities entrusted to the Board of Directors. The primary role of the Audit Committee is to verify the adequacy and effectiveness of the internal control systems and their proper implementation, and to provide recommendations to the Board that would enhance and further develop these systems in order to achieve the Company's objectives.

The Audit Committee operates under a charter that complies with the Companies Law and the Corporate Governance Regulations issued by the Capital Market Authority. The charter has been approved by the Ordinary General Assembly.

Audit Committee Members

The Audit Committee consists of the following members:

Name	Membership Capacity	Nature of Membership
Mr. Abdulatif bin Ali Al Seif	Independent Board Member	Chairman of the Committee
Dr. Wael Kamal Eid	Non-Board Member	Committee Member
Mr. Waleed bin Abdullah Tamarik	Non-Board Member	Committee Member

Summary of the Key Duties and Responsibilities of the Audit Committee During 2025

1. Financial Statements

- Reviewed the interim quarterly financial statements and the annual financial statements for the fiscal year ended December 31, 2025, prior to their submission to the Board of Directors, and provided recommendations thereon.

- Reviewed the principal accounting policies and procedures adopted in preparing the financial statements, as well as the accounting estimates relating to material matters, in accordance with the relevant standards and regulations.
- Examined significant matters raised by the external auditor, internal auditor, or management in relation to the financial statements.

2. Independent External Auditor

- Discussed with the independent external auditor and the Finance Department the key matters related to the financial statements, including the provision for Zakat, changes in Expected Credit Losses (ECL), inventory policy, changes in finance costs and gross profit margin, as well as the classification and valuation of certain financial statement items.
- Reviewed the activities and audit plan of the independent external auditor and ensured the effectiveness of the audit process in accordance with relevant rules and standards.
- Verified the independence, objectivity, and fairness of the external auditor.
- Discussed and followed up on observations and recommendations contained in the Management Letter issued by the external auditor.
- Ensured the cooperation of executive management with the external auditor and confirmed that no restrictions or difficulties affected the audit process.
- Reviewed proposals submitted by several external audit firms for auditing the financial statements for the year ended December 31, 2025, and submitted the Committee's recommendation to the Board regarding the appointment of the external auditor.

3. Internal Audit

- Reviewed and approved the risk-based internal audit plan.

- Ensured the independence of the Internal Audit Department and verified the availability of sufficient resources to perform its duties.
- Oversaw and supervised internal audit activities in accordance with the approved plan.
- Reviewed and assessed the Company's internal and financial control systems and risk management framework.
- Reviewed internal audit reports and followed up on the implementation of corrective actions for reported observations.
- Ensured the cooperation of executive management with the internal auditor and confirmed that no restrictions or difficulties impeded internal audit activities.

During 2025, the Internal Audit Department successfully completed fourteen audit assignments. These assignments resulted in two critical-risk observations and twenty-six high-risk observations. During 2025, the two critical-risk observations and eleven high-risk observations were addressed, while the remaining observations are still under remediation.

4. Compliance

- Monitored the Company's compliance with applicable laws, regulations, policies, and instructions.
- Reported to the Board of Directors on developments and key matters discussed during Committee meetings.
- Reviewed proposed related-party transactions, as well as a summary of related-party transactions executed during 2025 as disclosed in the Company's financial statements, and submitted its views and comments, if any, to the Board of Directors.

5. Three Lines of Defense

The Company follows the Three Lines of Defense model adopted by the Institute of Internal Auditors (IIA):

- First Line of Defense: Executive management departments, which establish and implement self-monitoring control mechanisms to oversee daily operational activities.
- Second Line of Defense: Supporting functions such as Risk Management and Compliance, which develop control mechanisms for the first line, assess performance, and report findings to executive management.
- Third Line of Defense: The Internal Audit function, which operates with full independence from executive management.

Audit Committee Meetings

The Audit Committee held seven meetings during 2025. The attendance record is set out below:

2025 Meeting Calendar								
Name	Nature of Membership	1ST	2nd	3rd	4th	5th	6th	7th
		25-02-2025	6/5/2025	17-06-2025	29-07-2025	2/9/2025	28-10-2025	25-11-2025
Mr. Abdulatif bin Ali Al Seif	Chairman of the Committee	✓	✓	✓	✓	✓	✓	✓
Dr. Wael Kamal Eid	Committee Member	✓	✓	✓	✓	✓	✓	✓
Mr. Waleed bin Abdullah Tamarik	Committee Member	✓	✓	✓	✓	✓	✓	✓

Mechanism and Results of Evaluating Internal and Financial Control Systems and Risk Management

The Internal Audit Department implements the annual audit plan approved by the Audit Committee to evaluate the effectiveness of internal control systems by conducting sample-based testing of selected activities, with the objective of obtaining reasonable assurance regarding the efficiency and effectiveness of internal controls.

The independent external auditor plans and performs audit procedures to obtain reasonable assurance that the financial statements are free from material misstatement in accordance with accounting standards adopted in the Kingdom of Saudi Arabia. For the year 2025, the external auditor issued an unqualified opinion on the financial statements.

The Committee confirms that it has reviewed the observations presented by the external auditor and the Internal Audit Department regarding the enhancement of internal control systems. These matters were discussed with executive management, which continues to implement the necessary corrective actions to improve and strengthen policies, procedures, and IT systems.

Based on the above, and on the reports submitted by management, the Internal Audit Department, and the independent external auditor, the Committee did not identify any material weaknesses in the Company's internal and financial control systems or risk management framework. The results of the review provided reasonable assurance regarding the effectiveness and adequacy of the Company's internal controls, the integrity of operations, the proper preparation and fair presentation of financial reports, and compliance with applicable laws and regulations.

It should be noted that no internal control system, regardless of the soundness of its design and effectiveness of its implementation, can provide absolute assurance regarding the achievement of its objectives.

Sincerely,

Abdulatif bin Ali Al Seif

Audit Committee Chairman



Mr. Chairman and members of the Board of Directors,

Title: Appointment of Independent Registered Public Accounting Firm

With reference to Article (52), the terms of reference of the audit committee, its duties and responsibilities, paragraph (c), the Audit Committee requested Professional Audit and review services proposals from registered accounting firms in the Kingdom of Saudi Arabia to perform the following:

1. Review of the consolidated financial statements of NMC Company prepared in accordance with International Standard for the annual quarters ending on the following dates:
 - The three and six months ended on June 30, 2026.
 - The three and nine months ended on September 30, 2026.
 - The three months ended on March 31, 2027.
2. Review the consolidated and unconsolidated financial statements of NMC for the fiscal year ending on December 31, 2026, along with the review of the consolidated financial statements of the following subsidiaries:
 - Al Nahdi Care
 - Al Sakhaa Golden Company
 - Nahdi Investment Company (UAE)
 - Nahdi Drug Store (UAE)
 - Al Nahdi Pharmacy (UAE)
 - Al Sakhaa Integrated Solutions (Egypt)

The committee has reviewed the proposals received from the auditors regarding the expertise and qualifications of the team assigned by each company, as well as the fees charged by each of the following:

- KPMG, with a total fee of (1,815,000) Saudi Riyals.
- PwC with a total fee of (2,480,000) Saudi Riyals.
- Deloitte, Opted not to bid this year.

The following candidates have been nominated by the audit committee to examine, review, and audit the consolidated financial statements ending on December 31, 2026:

- KPMG.
- PwC.

The Audit Committee recommends to the Esteemed Board the appointment of KPMG to examine, review, and audit the financial statements ended on December 31, 2026, in addition to the first quarter of the financial year ended on December 31, 2027, as KPMG has undertaken the audit since 2024, which has given it familiarity with the nature of the company's business. KPMG also has the necessary professional competencies to review the requirements of International Financial Reporting Standards (IFRS) and ensure their application, based on its experience and cooperation with many publicly listed companies.

Your sincerely,

Chairman of the Audit Committee:

Abdulatif Ali AlSaif