

Scientific & Medical Equipment House Co. announces its Interim Financial Results for the Period Ending on 30-09-2024 (Nine Months)

ELEMENT LIST	CURRENT QUARTER	SIMILAR QUARTER FOR PREVIOUS YEAR	%CHANGE	PREVIOUS QUARTER (AFTER RECLASSIFICATION)	% CHANGE
Sales/Revenue	218.4	206.6	5.7	215.4	1.4
Gross Profit (Loss)	34.8	35.6	-2.2	34.9	-0.3
Operational Profit (Loss)	17.3	26.7	-35.2	17.6	-1.7
Net Profit (Loss) after Zakat and Tax	12.8	19.8	-35.4	10.8	18.5
Total Comprehensive Income	10.9	17.2	-36.6	10.8	0.9
All figures are in (Millions) Saudi Arabia, Riyals					

ELEMENT LIST	CURRENT PERIOD	SIMILAR PERIOD FOR PREVIOUS YEAR	%CHANGE
Sales/Revenue	650.0	546.7	18.9
Gross Profit (Loss)	107.1	92.5	15.8
Operational Profit (Loss)	52.0	50.3	3.4
Net Profit (Loss) after Zakat and Tax	34.5	31.5	9.5
Total Comprehensive Income	26.5	24.9	6.4
Total Share Holders Equity (after Deducting Minority Equity)	533.3	493.5	8.1
Profit (Loss) per Share from continuing operations	1.18	1.10	7.3
Profit (Loss) per Share including discontinued operations	0.91	0.88	3.4
All figures are in (Millions) Saudi Arabia, Riyals			

ELEMENT LIST	EXPLANATION
The reason of the increase (decrease) in the sales/ revenues during the current quarter compared to the same quarter of the last year is	<p>The company's revenues increased by 5.7% during the current quarter compared to the same quarter of the previous year. This is due mainly to the following:</p> <ul style="list-style-type: none"> Commencing 8 new projects after the third quarter of 2023. Those projects were announced during previous periods, especially in the general maintenance, catering and contracting divisions, which led to an increase in operating revenues. An increase in sales of the medical devices and equipment division by 45% compared to the same quarter of the previous year. <p>Several projects were awarded to the company (which were announced during previous periods), and most of these projects will start operation during the remainder of 2024 and the first half of 2025, which will positively impact the company's results before the end of the current year 2024 and the following years.</p>
The reason of the increase (decrease) in the net profit during the current quarter compared to the same quarter of the last year is	<p>Net profit decreased during the current quarter 35.4% compared to net profit of the same quarter of the previous year due to partial reversal of the provision for expected credit loss ECL amounting to SAR 4.1 million in the current quarter, SAR 7.2 million less than the amount reversed during the same quarter of the previous year.</p>
The reason of the increase (decrease) in the sales/ revenues during the current quarter compared to the previous one is	<p>The company's revenues increased 1.4% during the current quarter compared to the previous quarter. This is due to commencing operation of two new projects during the current quarter 2024 which were announced during previous periods, especially in the contracting division, which led to an increase in operating revenues.</p>
The reason of the increase (decrease) in the net profit (loss) during the current quarter compared to the previous one is	<p>Net profit increased 18.5% during the current quarter compared to the previous quarter. This is mainly due to partial reversal of the provision for expected credit loss ECL amounting to SAR 4.1 million in the current quarter, an increase of SAR 2.2 million over the amount reversed during the previous quarter as a result of improved collections from customers during the current quarter which also led to a reduction in financing costs between both quarters. This is in addition to an increase in other miscellaneous revenues.</p>
The reason of the increase (decrease) in the sales/ revenues during the current period compared to the same period of the last year is	<p>The company's revenues increased SAR 103 million (18.9%) during the current period compared to the same period of the previous year, due to the following:</p> <ul style="list-style-type: none"> Commencing operation on 8 new projects after the third quarter of 2023 An increase in sales of the medical devices and equipment division by 57% over the same period of the previous year.

ELEMENT LIST	EXPLANATION
The reason of the increase (decrease) in the net profit during the current period compared to the same period of the last year is	Net profit increased 9.5% during the current period compared to the similar period of the previous year following the increase in revenues, despite the fact that partial reversal of the provision for expected credit loss ECL in the current period was SAR 5.9 million less than the reversal made in similar period of the previous year.
Statement of the type of external auditor's report	Unmodified conclusion
Comment mentioned in the external auditor's report, mentioned in any of the following paragraphs (other matter, conservation, notice, disclaimer of opinion, or adverse opinion)	N/A
Reclassification of Comparison Items	Some comparative figures from the financial statements for the period ending on September 30, 2023 have been reclassified to be consistent with the presentation of the accounts for the current period.
Additional Information	<ol style="list-style-type: none"> 1. Total shareholders' equity (after minority interests) increased by 8.1% during the current period compared to the same period of the previous year. 2. Earnings per share from continuing operations also increased to 1.18 riyals per share during the current period, an increase of 7.3% over the same period of the previous year. 3. Earnings per share were adjusted for the similar period of the previous year after increasing the company's capital, which was approved by the company's extraordinary general assembly, which was held on September 3, 2023, where the extraordinary general assembly approved an increase in the company's capital by 100 million Saudi riyals, with a corresponding increase in the number of issued ordinary shares. The company issued 10 million shares without nominal value. This increase was achieved through capitalization of the company's retained earnings. Each shareholder was granted one bonus share for every two shares held. The company's capital after the increase amounts to 300 million Saudi riyals, divided into 30 million fully paid ordinary shares with equal voting rights.

ELEMENT LIST		EXPLANATION			
		<p>4. On 25 August 2024, “Girgas Drug Store Trading Co.” (a subsidiary) signed a sale and assignment contract with “Nada Al Hayat Medical Holding Company” to sell all of the shares owned by Girgas in “Naqaa United Pharmaceutical Company”. The sale and transfer of ownership and control took place before 30 September 2024.</p> <p>In compliance with International Financial Reporting Standard IFRS 5, all account related to the sold company “Naqaa” were excluded from all consolidated financial statements for the periods up to the date of disposal compared to similar periods of the previous year.</p> <p>5. For the purpose of comparison with audited financial statements during previous periods, following statement shows the proforma interim condensed consolidated financial statements for the period ending 30 September 2024 (nine months), including discontinued operations:</p>			
ELEMENT LIST	CURRENT QUARTER	SIMILAR QUARTER FOR PREVIOUS YEAR	%CHANGE	PREVIOUS QUARTER	% CHANGE
Sales/Revenue	218.4	211.8	3.1	216.8	0.74
Gross Profit (Loss)	33.6	37.0	-8.94	33.9	2.7
Operational Profit (Loss)	15.3	25.0	-38.6	14.8	16.9
Net Profit (Loss) after Zakat and Tax	10.4	17.2	-39.5	7.4	72.9
Total Comprehensive Income	10.9	17.2	-36.6	7.4	47.3
All figures are in (Millions) Saudi Arabia, Riyals					