

**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE  
THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2023 (UNAUDITED)  
AND INDEPENDENT AUDITOR REVIEW REPORT ON THE INTERIM CONDENSED  
CONSOLIDATED FINANCIAL STATEMENTS**

**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2023 (UNAUDITED)**

---

<b><u>INDEX</u></b>	<b><u>PAGE</u></b>
Independent auditor's review report on the interim condensed consolidated financial statements	2
Interim condensed consolidated statement of financial position	3
Interim condensed consolidated statement of profit or loss	4
Interim condensed consolidated statement of comprehensive income	5
Interim condensed consolidated statement of changes in equity	6
Interim condensed consolidated statement of cash flows	7
Selected notes to the interim condensed consolidated financial statements	8 - 21

**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED  
CONSOLIDATED FINANCIAL STATEMENTS****TO THE SHAREHOLDERS OF  
MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A Saudi Joint Stock Company)  
**Riyadh – Kingdom of Saudi Arabia****Introduction:**

We have reviewed the accompanying interim condensed consolidated statement of financial position of Maharah For Human Resources Company ("the company") and its subsidiaries ("the group") as of June 30, 2023, and the related interim condensed consolidated statements of profit or loss and interim condensed consolidated statements of comprehensive income for the three-month and six-month periods ended June 30, 2023 and interim condensed consolidated statement of changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this interim condensed consolidated financial statements in accordance with International Accounting Standard ("IAS 34") "Interim Financial Reporting" that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim condensed consolidated 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 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.

**Conclusion:**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements is not prepared, in all material respects, in accordance with IAS (34) that is endorsed in the Kingdom of Saudi Arabia.

**Other matter:**

The interim condensed consolidated financial statement for the three-month and six-month periods ended June 30, 2022 were reviewed by another auditor who expressed an unmodified conclusion on this interim condensed consolidated financial statements on Muharram 15, 1444H (corresponding to August 13, 2022), and the consolidated financial statements of the group for the year ended December 31, 2022, were audited by same auditor who expressed an unmodified opinion on this consolidated financial statements on Shaban 14, 1444H, (corresponding to March 6, 2023).

**For Dr. Mohamed Al-Amri & Co.**

Gihad Al-Amri  
Certified Public Accountant  
License No. 362

Date: 04 Safar 1445 (H)  
Corresponding to: 20 August 2023 (G)



**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2023**  
(Saudi Riyal)

		<b>June 30, 2023</b>	<b>December 31, 2022</b>
	<b>Notes</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		134,063,242	83,573,675
Murabaha time deposits		22,000,000	-
Accounts receivable	4	236,277,565	243,976,861
Contract assets	4	109,570,881	104,501,426
Prepayments and other current assets		163,596,176	219,240,988
Available visas		29,988,000	24,856,000
<b>Total current assets</b>		<b>695,495,864</b>	<b>676,148,950</b>
<b>Non-current assets</b>			
Property and equipment		120,658,946	125,535,761
Right-of-use assets		46,342,005	43,024,421
Intangible assets	6	7,600,714	7,872,996
Investment property		37,549,764	37,799,578
Financial assets at fair value through profit or loss	7	10,070,833	25,099,306
Financial assets at fair value through other comprehensive income	8	13,985,656	13,985,656
Investment in an associate	9	814,972,799	793,332,675
Other non-current assets		13,897,999	26,070,772
<b>Total non-current assets</b>		<b>1,065,078,716</b>	<b>1,072,721,165</b>
<b>Total assets</b>		<b>1,760,574,580</b>	<b>1,748,870,115</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable, accruals, and other current liabilities		234,155,098	223,901,524
Contract liabilities		104,153,472	134,013,235
Retained deposits		93,134,639	99,141,138
Zakat provision	10	8,406,563	15,745,030
<b>Total current liabilities</b>		<b>439,849,772</b>	<b>472,800,927</b>
<b>Non-current liabilities</b>			
Long Term Loans	11	562,607,710	562,607,710
Employees' defined benefits liabilities		89,424,412	83,877,102
Contracts lease liabilities		31,939,532	31,219,113
<b>Total non-current liabilities</b>		<b>683,971,654</b>	<b>677,703,925</b>
<b>Total liabilities</b>		<b>1,123,821,426</b>	<b>1,150,504,852</b>
<b>EQUITY</b>			
Share capital	12	475,000,000	375,000,000
Statutory reserve		97,416,675	97,416,675
Other reserves		(16,204,184)	(16,924,184)
Treasury Shares		(25,000,000)	-
Retained earnings		106,892,015	143,618,633
<b>Equity attributable to the Shareholders of the Parent Company</b>		<b>638,104,506</b>	<b>599,111,124</b>
Non-controlling interests	1	(1,351,352)	(745,861)
<b>Total equity</b>		<b>636,753,154</b>	<b>598,365,263</b>
<b>Total liabilities and equity</b>		<b>1,760,574,580</b>	<b>1,748,870,115</b>

Chairman of  
Board of Directors

Chief executive  
officer

Vice President for  
Finance and Investment

General Manager of  
Financial Control

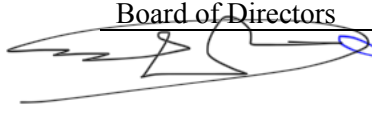
The accompanying notes from 1 to 19 form an integral part of these interim condensed consolidated financial statements.

**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

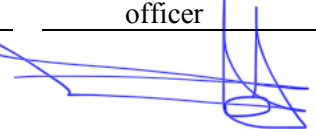
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2023  
(Saudi Riyal)**

		<b>For the three-month period ended June 30</b>		<b>For the six-month period ended June 30</b>	
		<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Notes</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenues		<b>463,454,744</b>	409,286,132	<b>926,535,243</b>	790,561,387
Cost of revenues		<b>(398,515,080)</b>	(353,238,977)	<b>(804,849,424)</b>	(685,488,366)
<b>Gross Profit</b>		<b>64,939,664</b>	56,047,155	<b>121,685,819</b>	105,073,021
General and administrative expenses		<b>(26,334,154)</b>	(22,118,167)	<b>(47,878,864)</b>	(44,728,905)
Marketing expenses		<b>(3,582,151)</b>	(3,150,568)	<b>(7,663,436)</b>	(6,508,257)
Expected credit Losses	4	<b>(2,873,462)</b>	(592,798)	<b>(3,834,897)</b>	(708,791)
<b>Operating profit</b>		<b>32,149,897</b>	30,185,622	<b>62,308,622</b>	53,127,068
Other income		<b>4,313,608</b>	1,347,347	<b>6,983,381</b>	2,865,702
Finance cost		<b>(10,203,793)</b>	(567,528)	<b>(20,655,147)</b>	(722,428)
Share in results of an associate company	9	<b>14,297,356</b>	-	<b>29,395,679</b>	(80,185)
Net gain on financial assets at FVTPL	7	<b>4,166</b>	(1,567,725)	<b>635,356</b>	2,799,879
<b>Profit for the period before zakat</b>		<b>40,561,234</b>	29,397,716	<b>78,667,891</b>	57,990,036
Zakat	10	<b>(1,500,000)</b>	(3,322,395)	<b>(3,500,000)</b>	(7,468,394)
<b>Profit for the period</b>		<b>39,061,234</b>	26,075,321	<b>75,167,891</b>	50,521,642
<b>Net income for the period attributable to:</b>					
Shareholders of the Parent Company		<b>39,298,479</b>	27,187,235	<b>75,773,382</b>	52,006,134
Non-controlling interests	1	<b>(237,245)</b>	(1,111,914)	<b>(605,491)</b>	(1,484,492)
		<b>39,061,234</b>	26,075,321	<b>75,167,891</b>	50,521,642
<b>Basic and diluted earnings per share:</b>					
Net income per share attributable to Shareholders of the Parent Company	14	<b>0.87</b>	<b>0.60</b>	<b>1.68</b>	<b>1.16</b>

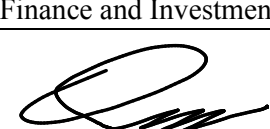
Chairman of  
Board of Directors



Chief executive  
officer



Vice President for  
Finance and Investment



General Manager of  
Financial Control




The accompanying notes from 1 to 19 form an integral part of these interim condensed consolidated financial statements


**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2023  
(Saudi Riyal)**

	<b>For the three-month period ended June 30</b>		<b>For the six-month period ended June 30</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Profit for the period	<b>39,061,234</b>	26,075,321	<b>75,167,891</b>	50,521,642
<b>Other comprehensive income (losses):</b>				
Item that will not be reclassified to consolidated statement of profit or loss:				
Re-measurements employees' defined benefits liabilities	<b>720,000</b>	(3,265,000)	<b>720,000</b>	(3,265,000)
<b>Other comprehensive income</b>	<b>720,000</b>	(3,265,000)	<b>720,000</b>	(3,265,000)
<b>Total comprehensive income for the period</b>	<b>39,781,234</b>	22,810,321	<b>75,887,891</b>	47,256,642
<b>Total comprehensive income for the period attributable to:</b>				
Shareholders of the Parent Company	<b>40,018,479</b>	23,922,235	<b>76,493,382</b>	48,741,134
Non-controlling interests	<b>(237,245)</b>	(1,111,914)	<b>(605,491)</b>	(1,484,492)
	<b>39,781,234</b>	22,810,321	<b>75,887,891</b>	47,256,642


Chairman of  
Board of Directors



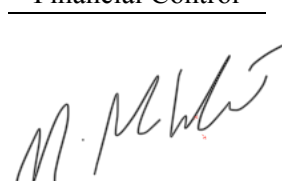
Chief executive  
officer



Vice President for  
Finance and Investment



General Manager of  
Financial Control

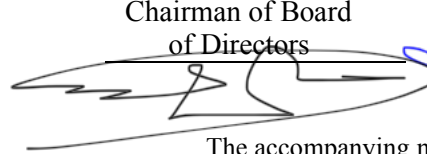



**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

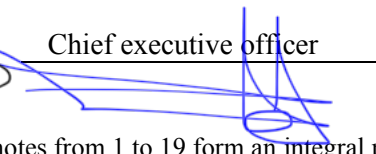
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023**  
**(Saudi Riyal)**

		Equity attributable to the Shareholders of the Parent Company							
	Note	Share capital	Statutory reserve	Other Reserves	Retained earnings	Treasury Shares	Total	Non-controlling interests	Total equity
<b><u>For the six-month period ended June 30, 2022</u></b>									
Balance as at January 1, 2022 (Audited)		375,000,000	82,005,235	(11,357,161)	126,790,673	-	572,438,747	(1,486,891)	570,951,856
Profit for the period		-	-	-	52,006,134	-	52,006,134	(1,484,492)	50,521,642
Other comprehensive income		-	-	(3,265,000)	-	-	(3,265,000)	-	(3,265,000)
Total Comprehensive income for the period		-	-	(3,265,000)	52,006,134	-	48,741,134	(1,484,492)	47,256,642
Movement in non-controlling interest		-	-	-	-	-	-	3,251,515	3,251,515
Dividends	13	-	-	-	(75,000,000)	-	(75,000,000)	-	(75,000,000)
Balance as at June 30, 2022 (Unaudited)		<u>375,000,000</u>	<u>82,005,235</u>	<u>(14,622,161)</u>	<u>103,796,807</u>	<u>-</u>	<u>546,179,881</u>	<u>280,132</u>	<u>546,460,013</u>
<b><u>For the six-month period ended June 30, 2023</u></b>									
Balance as at January 1, 2023 (Audited)		375,000,000	97,416,675	(16,924,184)	143,618,633	-	599,111,124	(745,861)	598,365,263
Profit for the period		-	-	-	75,773,382	-	75,773,382	(605,491)	75,167,891
Other comprehensive income		-	-	720,000	-	-	720,000	-	720,000
Total Comprehensive income for the period		-	-	720,000	75,773,382	-	76,493,382	(605,491)	75,887,891
Capital Increase	12	100,000,000	-	-	(75,000,000)	(25,000,000)	-	-	-
Dividends	13	-	-	-	(37,500,000)	-	(37,500,000)	-	(37,500,000)
<b>Balance as at June 30, 2023 (Unaudited)</b>		<b><u>475,000,000</u></b>	<b><u>97,416,675</u></b>	<b><u>(16,204,184)</u></b>	<b><u>106,892,015</u></b>	<b><u>(25,000,000)</u></b>	<b><u>638,104,506</u></b>	<b><u>(1,351,352)</u></b>	<b><u>636,753,154</u></b>

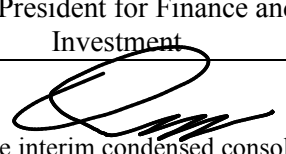
Chairman of Board  
of Directors



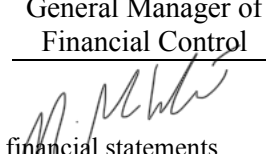
Chief executive officer



Vice President for Finance and  
Investment



General Manager of  
Financial Control



The accompanying notes from 1 to 19 form an integral part of these interim condensed consolidated financial statements





**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023**  
**(Saudi Riyal)**

	<b>For the six-month period ended June 30</b>	
	<b>2023</b>	<b>2022</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b><u>OPERATING ACTIVITIES:</u></b>		
Profit for the period before zakat	78,667,891	57,990,036
<b>Adjustments for non-cash items:</b>		
Employees' defined benefits liabilities charged	13,781,168	10,697,483
Expected credit Losses	3,834,897	708,791
Depreciation of property and equipment	7,006,315	6,625,918
Depreciation of investment properties	249,814	245,520
Depreciation of right-of-use assets	7,965,629	6,767,097
Amortization of intangible assets	301,704	312,911
Share in results of an associate company	(29,395,679)	80,185
Net gain on financial assets at FVTPL	(635,356)	(2,799,879)
Finance costs	20,655,147	722,428
Profit from Murabaha time deposits	(573,100)	(476,169)
Reversal of accrued salaries no longer required	-	(353,629)
Gain on disposal of property and equipment	(48,539)	(54,188)
	<b>101,809,891</b>	<b>80,466,504</b>
<b>Changes in working capital:</b>		
Accounts receivable	3,869,605	(10,249,136)
Contract assets	(5,074,661)	(22,630,575)
Prepayments and other current assets	65,434,662	17,078,840
Available visas	(5,132,000)	5,068,000
Accounts payable, accruals and other current liabilities	7,434,305	8,369,706
Contract liabilities	(29,859,763)	3,498,197
Retained deposits	(6,006,504)	6,805,101
<b>Cash generated from operations</b>	<b>132,475,535</b>	<b>88,406,637</b>
Dividends Received	7,755,555	-
Zakat paid	(10,838,467)	(15,513,934)
Employees' defined benefits obligations paid	(8,872,859)	(8,269,211)
<b>Net cash flows generated from operating activities</b>	<b>120,519,764</b>	<b>64,623,492</b>
<b><u>INVESTING ACTIVITIES:</u></b>		
Movements in Murabaha time deposits, net	(21,426,900)	25,476,169
Purchase of property and equipment	(2,279,382)	(5,949,605)
Additions to investment property	-	(35,836)
Additions to intangible assets	(29,422)	(23,583)
Proceeds from disposal of financial assets at FVTPL	15,663,829	5,395,023
Proceeds from disposal of property and equipment	198,420	234,086
Non-Controlling interest	-	3,381,141
<b>Net cash flows (used in) generated from investing activities</b>	<b>(7,873,455)</b>	<b>28,477,395</b>
<b><u>FINANCING ACTIVITIES:</u></b>		
Dividends paid	(37,500,000)	(75,000,000)
Payment of lease liabilities	(8,858,180)	(5,975,690)
Payment for finance costs	(15,798,562)	-
<b>Net cash flows used in financing activities</b>	<b>(62,156,742)</b>	<b>(80,975,690)</b>
<b>Net changes in cash and cash equivalents</b>	<b>50,489,567</b>	<b>12,125,197</b>
Cash and cash equivalents at January 1,	83,573,675	89,418,996
<b>Cash and cash equivalents at June 30,</b>	<b>134,063,242</b>	<b>101,544,193</b>

**Non – Cash transactions**

Additions right-of-use assets and Contract lease liabilities	14,906,470	10,572,313
Transfer investment in associate company to financial assets at FVTOCI	-	13,985,656
Goodwill arising on acquisition	-	819,550

Chairman of Board of

Directors

Chief executive officer

Vice President for Finance  
& Investment

General Manager of  
Financial Control

The accompanying notes from 1 to 19 form an integral part of these interim condensed consolidated financial statements



**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED)**  
(All amounts in Saudi Riyal unless otherwise stated)

**1- GROUP ACTIVITIES AND INFORMATION**

Maharah for Human Resources Company (the “Company” or “Parent Company”) is a Saudi Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia (“KSA”) under commercial registration numbered 1010364538 and dated Rabi Thani 7, 1434H (corresponding to February 17, 2013). The registered office is located at Al Olaya Road, Al Yasmeen District, Riyadh, KSA

The Company and its subsidiaries (collectively, with the Company referred to as the “Group”) are engaged in providing recruitment services, financial services, logistics services and support for public and private sectors.

The company's financial year starts on the first of January and ends on the 31st of December of each calendar year

The following are the subsidiaries of the Company included in these interim condensed consolidated financial statements:

<b>Name of subsidiary</b>	<b>Commercial Registration</b>	<b>Country of incorporation</b>	<b>Direct ownership (%)</b>	
			<b>June 30, 2023</b>	<b>December 31, 2022</b>
Established Growth Avenue Company (“GAC”)	1010722193	KSA	<b>100%</b>	<b>100%</b>
TPH Center for Domestic Workers (“TPH”)	729497	UAE	<b>96%</b>	<b>96%</b>

***GAC***

On Dhu Al-Qidah 14, 1442H (corresponding to June 24, 2021), the Group established GAC with 100% ownership. GAC is a limited liability Company registered in Riyadh, KSA under commercial registration numbered 1010722193 and dated Dhu al-Qadah 14, 1442H (corresponding to June 24, 2021). GAC is licensed in providing financial services.

**Subsidiaries owned by GAC**

<b>Name of subsidiary</b>	<b>Commercial Registration</b>	<b>Country of incorporation</b>	<b>Direct and indirect ownership (%)</b>	
			<b>June 30, 2023</b>	<b>December 31, 2022</b>
Spectra Support Services Company (“Spectra”)	1010393045	KSA	90%	90%
Arabian Shifa Medical company	1010928711	KSA	85%	85%
NABD for Logistics Services (“NABD”)	1010733797	KSA	100%	100%
Professional Development Training Company	1010753744	KSA	100%	100%
Operations Sustainability Company Limited	1010849985	KSA	100%	100%

***TPH Center for Domestic Workers***

On Ramadan 25, 1443H (corresponding to April 26, 2022), the partners in the TPH Center for Domestic Workers reached an agreement to restructure the shares by acquiring Maharah Company for a direct share of 96% instead of an indirect share of 59.5% in TPH Company. TPH is a limited liability Company registered in the United Arab Emirates under commercial registration numbered 729497 and dated Jumad Alawal 25, 1436H (corresponding to March 16, 2015). TPH is licensed in providing building cleaning services and residential property core services.

**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED)**  
(All amounts in Saudi Riyal unless otherwise stated)

**Subsidiaries owned by TPH**

<b>Name of subsidiary</b>	<b>Commercial Registration</b>	<b>Country of incorporation</b>	<b>Direct and indirect ownership (%)</b>	
			<b>June 30, 2023</b>	<b>December 31, 2022</b>
The Perfect Help LLC ("TPHL")	729497	UAE	100%	100%
TPH Public Health Pest Control Services ("TBHC")	1338526	UAE	100%	100%
MPL Building maintenance LLC ("MPL")	1344621	UAE	100%	100%
Yalla Fix It One Person Company LLC ("Yalla")	1341927	UAE	100%	100%
Musaned Cleaning Services Company ("Musaned")	1304819	UAE	100%	100%

The following are subsidiaries that have non-controlling interest in relation to the parent company who prepare the consolidated financial statements.

<b>Name of Subsidiary</b>	<b>Country of incorporation</b>	<b>Proportion of ownership interests held by NCI</b>		<b>Proportion of voting rights by NCI</b>	
		<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2023</b>	<b>December 31, 2022</b>
Spectra Support Services Company	<b>KSA</b>	<b>10%</b>	10%	<b>10%</b>	10%
TPH Center for Domestic Workers	<b>UAE</b>	<b>4%</b>	4%	<b>4%</b>	4%
Arabian Shifa Medical company	<b>KSA</b>	<b>15%</b>	15%	<b>15%</b>	15%

<b>Name of Subsidiary</b>	<b>Country of incorporation</b>	<b>Comprehensive income allocated to NCI</b>		<b>Accumulated NCI</b>	
		<b>June 30 2023</b>	<b>June 30 2022</b>	<b>June 30 2023</b>	<b>December 31 2022</b>
Spectra Support Services Company	<b>KSA</b>	<b>(327,382)</b>	(1,069,105)	<b>922,884</b>	1,250,266
TPH Center for Domestic Workers	<b>UAE</b>	<b>4,654</b>	(39,933)	<b>(1,111,987)</b>	(1,116,641)
Arabian Shifa Medical company	<b>KSA</b>	<b>(282,763)</b>	(375,454)	<b>(1,162,249)</b>	(879,486)
		<b>(605,491)</b>	(1,484,492)	<b>(1,351,352)</b>	(745,861)

**2- BASIS OF PREPARATION**

**2-1 Statement of Compliance**

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard number (34) "Interim Financial Reporting" that are endorsed in the Kingdom of Saudi Arabia, and other standards and announcement approved by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

They do not include all the information and disclosures required for a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards, and therefore they should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2022.

The results for the six-month period ended on June 30, 2023 are not necessarily indicative of the results that can be expected for the year ending on December 31, 2023.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED)**  
(All amounts in Saudi Riyal unless otherwise stated)

---

**2-2 Basis of measurement**

These interim condensed consolidated financial statements have been prepared under the historical cost convention except for measurement of financial assets at fair value through profit or loss and through other comprehensive income are measured using fair value and employees' defined benefits liabilities which are measured at present value of the future obligations using the (Actuarial valuation).

**2-3 Functional and presentation currency**

These interim condensed consolidated financial statements are presented in Saudi Riyal which is the Company's functional and Group's presentation currency.

**2-4 Basis of consolidation of interim condensed financial statements**

These interim condensed consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at June 30, 2023. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has the following:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. When a Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in the consolidated statement of comprehensive income. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Inter-Group assets, liabilities, equity components, revenues, expenses and cash flows resulting from transactions between Group companies are fully eliminated upon consolidating the interim condensed consolidated financial statements.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED)**  
(All amounts in Saudi Riyal unless otherwise stated)

**3- SIGNIFICANT ACCOUNTING POLICIES**

**3-1 New Standards, Amendment to Standards and Interpretations:**

There are no new standards issued, however, there are number of amendments to standards which are effective from January 1, 2023 and has been explained in Group annual Consolidated Financial Statements, but they do not have a material effect on the Group's Interim Condensed Consolidated Financial Statements as at June 30, 2023. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

**3-2 Treasury shares**

treasury shares are own equity instruments that are recognized at cost. Treasury shares are presented as a deduction from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized as share premium or discount which is presented in equity. These treasury shares are allocated for purpose of establishing the Company's employee share program (Long-Term Incentive Plan) for which approvals were acquired from extraordinary general assembly.

**4- ACCOUNT RECEIVABLES AND CONTRACT ASSETS**

	<b>June 30, 2023</b>	December 31, 2022
	<b>(Unaudited)</b>	(Audited)
<b><u>Account receivables</u></b>		
Account receivables	<b>270,814,831</b>	276,918,965
Amounts due from related parties (note 5)	<b>2,878,481</b>	2,706,958
<b>Total account receivables</b>	<b>273,693,312</b>	279,625,923
Less: expected credit losses	<b>(37,415,747)</b>	(35,649,062)
<b>Net account receivables</b>	<b>236,277,565</b>	243,976,861

Movement in the expected credit losses for account receivables is shown below:

	<b>For the three-month period ended</b>		<b>For the six-month period ended</b>	
	<b>June 30</b>		<b>June 30</b>	
	<b>2023</b>	2022	<b>2023</b>	2022
	<b>(Unaudited)</b>	(Unaudited)	<b>(Unaudited)</b>	(Unaudited)
At the beginning of the period	<b>34,824,743</b>	75,315,017	<b>35,649,062</b>	75,090,257
Relate to business combination		-		72,564
Charged for the period	<b>2,871,884</b>	607,803	<b>3,829,691</b>	759,999
Write off amounts	<b>(280,880)</b>	(2,816,937)	<b>(2,063,006)</b>	(2,816,937)
<b>As at the end of period</b>	<b>37,415,747</b>	73,105,883	<b>37,415,747</b>	73,105,883

The ageing of unimpaired accounts receivable is shown below:

	<b>Past due but not impaired</b>					
		<b>Neither past</b>	<b>Less than 90</b>	<b>90-180</b>	<b>180-360</b>	<b>More than</b>
	<b>Total</b>	<b>due nor</b>	<b>days</b>	<b>Days</b>	<b>days</b>	<b>360 days</b>
		<b>impaired</b>				
<b>June 30, 2023</b>	<b>236,277,565</b>	<b>95,933,870</b>	<b>69,092,279</b>	<b>32,387,007</b>	<b>12,954,802</b>	<b>25,909,607</b>
<b>(Unaudited)</b>						
December 31,						
2022(Audited)	243,976,861	95,150,976	115,670,942	15,397,587	5,245,399	12,511,957

**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED)**  
(All amounts in Saudi Riyal unless otherwise stated)

**Contract assets**

Contract assets primarily related to the Group's right to consideration for services delivered but not billed at the reporting date. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

	<b>June 30, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Contract assets	<b>109,581,080</b>	104,506,419
Less: expected credit loss	<b>(10,199)</b>	(4,993)
<b>Total</b>	<b>109,570,881</b>	104,501,426

Movement in the expected credit losses for contract assets is shown below:

	<b>For the three-month period ended June 30</b>		<b>For the six-month period ended June 30</b>	
	<b>2023 (Unaudited)</b>	<b>2022 (Unaudited)</b>	<b>2023 (Unaudited)</b>	<b>2022 (Unaudited)</b>
At the beginning of the period	<b>8,621</b>	21,504	<b>4,993</b>	57,707
Charged (Reversal) for the period	<b>1,578</b>	(15,005)	<b>5,206</b>	(51,208)
<b>As at the end of period</b>	<b>10,199</b>	6,499	<b>10,199</b>	6,499

**5- RELATED PARTIES TRANSACTIONS AND BALANCES**

The remuneration of directors and other key management personnel for the period are as follows:

	<b>For the three-month period ended June 30</b>		<b>For the six-month period ended June 30</b>	
	<b>2023 (Unaudited)</b>	<b>2022 (Unaudited)</b>	<b>2023 (Unaudited)</b>	<b>2022 (Unaudited)</b>
Salaries and other short-term benefits	<b>2,928,674</b>	2,973,310	<b>6,142,232</b>	5,654,434
End of service benefits	<b>265,880</b>	593,810	<b>513,017</b>	930,247
<b>Total key management compensation</b>	<b>3,194,554</b>	3,567,120	<b>6,655,249</b>	6,584,681

During the period, the group transacted with its related parties. The transaction and balances for the period are as follow:

	<b>Nature of the transaction</b>	<b>Type of relationship</b>	<b>Transaction for the six-month period ended June 30</b>	
			<b>2023 (Unaudited)</b>	<b>2022 (Unaudited)</b>
Directors	Board of directors	Remunerations Payments	<b>1,914,658</b> <b>2,870,000</b>	1,465,000 -
KABI Technology company (Previously Bloovo limited company)	Associate	Rents	-	321,221
Care Shield Holding Company Limited	Associate	Manpower services Collections	<b>3,349,069</b> <b>3,260,582</b>	- -
Yellow Mix Foundation	Affiliate	Manpower services Collections	<b>110,814</b> <b>80,052</b>	100,594 71,559
Sajaya Medical Care Company	Affiliate	Manpower services Collections	<b>121,680</b> <b>92,062</b>	38,685 22,796
Other	Affiliate	Manpower services Collections	<b>231,368</b> <b>249,109</b>	769,698 458,161

**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED)**

(All amounts in Saudi Riyal unless otherwise stated)

<b><u>Due from related party (Note 4)</u></b>	<b>June 30, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
KABI Technology company (Previously Bloovo limited company)	1,648,460	1,648,460
Care Shield Holding Company Limited	1,093,030	1,004,543
Yellow Mix Foundation	50,553	20,935
Sajaya Medical Care Company	54,506	23,744
Other (*)	31,932	9,276
<b>Total</b>	<b>2,878,481</b>	<b>2,706,958</b>

<b><u>Due to related party</u></b>	<b>June 30, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Board of directors (**)	1,995,657	2,950,999

(\*) Other parties include Abdulaziz Eida Muftah Alkithari foundation and Arabia Jazal company

(\*\*) Amounts due to related parties are included under "Accounts payable, accruals and other current liabilities" in the interim condensed consolidated statement of financial position.

**6- INTANGIBLE ASSETS**

	<b>June 30, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Intangible assets – Goodwill	5,269,787	5,269,787
Intangible assets – Others	2,330,927	2,603,209
	<b>7,600,714</b>	<b>7,872,996</b>

**Intangible assets – Goodwill**

	<b>June 30, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
TPH Domestic Worker Services Center (*)	3,001,536	3,001,536
MBL Building Maintenance LLC (**)	1,175,521	1,175,521
Arabian Shifa Medical Company ("Shifa") (***)	819,550	819,550
TPH Public Health Pest Control Services- One Person Company (****)	273,180	273,180
	<b>5,269,787</b>	<b>5,269,787</b>

(\*) Effective January 1, 2018, Musanid (a "Subsidiary") acquired 70% ownership of TBH. The total consideration amounted to SAR 10.2 million. The acquisition was accounted for using the purchase method of accounting. Fair value of net assets acquired amounted to SAR 7.2 million which resulted to a goodwill of SAR 3 million. TBH is licensed in providing building clearing services and residential property core services.

(\*\*) On January 1, 2018, TBH acquired 100% shares of MPL for a total consideration of SAR 1.5 million. Fair value of net assets acquired amounted to SAR 305,075 which resulted to a goodwill of SAR 1.2 million. MPL is licensed in providing building maintenance services.

(\*\*\*) On January 13, 2022, Growth Path Company, a subsidiary, completed the acquisition of 85% of the ownership of Arabian Shifa Medical Company ("Shifa") for SAR 85,000. The acquisition was calculated using the accounting procurement method. The fair value of net assets acquired was SAR 734,550 resulting in goodwill of SAR 819,550. Arabian Shifa Medical Company is licensed to perform medical operations in hospitals, provide home medical care services, mobile medical clinics, pain relief centers, telecare centers and telemedicine

(\*\*\*\*) On January 1, 2018, TPH acquired 100% shares of TPHC for a total consideration amounting to SAR 1.2 million. Fair value of net assets acquired amounted to SAR 952,140 which resulted to a goodwill of SAR 273,180. TPHC is licensed in providing building cleaning services and public health pests control services.

**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED)**  
(All amounts in Saudi Riyal unless otherwise stated)

**7- FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)**

Financial assets at FVTPL comprises of the following:

	<b>June 30, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Investment funds – Sukuk (A)	<b>10,070,833</b>	25,099,306
<b>Total</b>	<b>10,070,833</b>	25,099,306

(A) These represent investments in certain Sukuks for long term periods, purchased for SR 25 million and SR 14 million from Rawabi Sukuk Series 4 and 7, and AlInma Bank Tier 1 Sukuk 2021, respectively. The Group considers its investments to be strategic in nature and the contractual cash flows are not limited to principal and interest only.

Set out below are the movements in the carrying value of financial assets at FVTPL:

	<b>For the three-month period ended June 30</b>		<b>For the six-month period ended June 30</b>	
	<b>2023 (Unaudited)</b>	<b>2022 (Unaudited)</b>	<b>2023 (Unaudited)</b>	<b>2022 (Unaudited)</b>
<u>Cost</u>				
As at the beginning of the period	<b>10,000,000</b>	98,028,898	<b>25,000,000</b>	98,571,697
Disposals	<b>-</b>	(4,852,224)	<b>(15,000,000)</b>	(5,395,023)
As at the end of the period	<b>10,000,000</b>	93,176,674	<b>10,000,000</b>	93,176,674
<u>Revaluation adjustments</u>				
As at the beginning of the period	<b>66,667</b>	5,370,566	<b>99,306</b>	1,002,962
Net profit (loss) during the period	<b>4,166</b>	(1,567,725)	<b>635,356</b>	2,799,879
Disposal	<b>-</b>	-	<b>(663,829)</b>	-
As at the end of the period	<b>70,833</b>	3,802,841	<b>70,833</b>	3,802,841
<b>Net book value</b>	<b>10,070,833</b>	96,979,515	<b>10,070,833</b>	96,979,515

**8- FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

During the period ended June 30, 2022, the Group acquired a 19.78% in KABI Technology Company, with a capital of SR 200 million through swap shares representing the total shares in Bloovo Company Limited. The Group doesn't have a "significant influence" either through percentage ownership (less than 20%) or through other methods indicating that the Group has a "significant influence" on the financial and operating policies of KABI Technology company. The purpose of this investment is to hold it for medium to long term strategic purposes. As a result, the Group decided to account for at fair value through other comprehensive income method, because short-term fluctuations in the fair value of these investments in net income wouldn't be in line with the Group's strategy of holding the investment for long-term purposes.

**9- INVESTMENTS IN ASSOCIATE**

During 2022, the group invested in associates as the following:

	<b>Percentage</b>	<b>June 30, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Saudi Medical Systems Company	<b>40%</b>	<b>476,277,900</b>	461,324,300
Care Shield Holding Limited Company	<b>41,36%</b>	<b>335,241,004</b>	328,258,375
Silias Trading & Marketing Company	<b>20%</b>	<b>3,453,895</b>	3,750,000
		<b>814,972,799</b>	793,332,675



**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED)**  
(All amounts in Saudi Riyal unless otherwise stated)

The movement in the investments in associate for the period is as follows:

	<b>For the three-month period ended June 30</b>		<b>For the six-month period ended June 30</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
As at the beginning of the period	<b>800,675,443</b>	13,985,656	<b>793,332,675</b>	14,065,841
Share in results of associates	<b>14,297,356</b>	-	<b>29,395,679</b>	(80,185)
Dividends	-	-	<b>(7,755,555)</b>	-
<b>As at the end of the period</b>	<b>814,972,799</b>	13,985,656	<b>814,972,799</b>	13,985,656

## 10- ZAKAT PROVISION

The movement in the provision for zakat for the period is as follows:

	<b>June 30, 2023</b>	<b>December 31, 2022</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
As at the beginning of the period	<b>15,745,030</b>	16,606,102
Provision for the period	<b>3,500,000</b>	14,739,039
Paid during the period	<b>(10,838,467)</b>	(15,600,111)
<b>As at the end of the period</b>	<b>8,406,563</b>	15,745,030

### Zakat assessments

#### The Parent Company

The Company filed its zakat returns up to the year ended December 31, 2022. All zakat assessments for the company have been approved by the Zakat, Tax and Customs Authority ("the Authority"), except for the zakat assessments for the years 2018, 2021 and 2022, where those zakat assessments are still under examination by the Authority.

#### Subsidiaries

Spectra filed its zakat returns up to the year ended December 31, 2022. The company has been assessed by the Zakat, Tax and Customs Authority for the years 2015 and 2016 only, and there are no other zakat assessments as on the date of preparing the financial statements.

GAC filed its zakat returns up to the year ended December 31, 2022. There are no assessments from ZATCA as at reporting date.

## 11- LONG TERM LOANS

During 2022, the Group signed credit facility agreements (Shariah Compliance) with local banks for the purposes of financing capital expenditures, business expansion, acquisitions and financing operating expenses. The used of the facilities limit amounted to 562.6 million Saudi riyals. The facility agreements include a grace period ranging from one to four years, depending on the type of facility used by the group, and a profit margin in addition to SAIBOR, with a repayment period between three to five years after the end of the grace period through equal value installments. The used facilities are as following:

	<b>June 30, 2023</b>	<b>December 31, 2022</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Current portion	-	-
Non-current portion	<b>562,607,710</b>	562,607,710
<b>Total</b>	<b>562,607,710</b>	562,607,710

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED)**  
(All amounts in Saudi Riyal unless otherwise stated)

**12- SHARE CAPITAL**

Authorized and issued share capital is divided into 47.5 million shares (31 December 2022: 37.5 million shares) of SAR 10 each.

On Dhul-Qadah 19, 1444H (corresponding to June 08, 2023) the extraordinary general assembly approved based on BOD recommendation on Shaaban 14, 1444 H (corresponding to March 6, 2023) to increase the company's capital in order to support its financial position, and financed by capitalizing SAR 100 million from the company's retained earnings. The company's capital increased by granting bonus shares, one share for every five shares resulted in 7.5 million shares and Allocating 2.5 million shares of the capital increase representing 5.3% of the total new capital as a treasury share for the purpose of establishing the Company's employee share program (Long-Term Incentive Plan).

**13- DIVIDENDS**

The Group's Board of Directors with the mandate granted, in their meeting held on Sha'aban 14, 1444H (corresponding to March 6, 2023), resolved to declare interim dividends for the second half of 2022 amounting to SAR 37.5 million (SAR 1 per share) which was paid on Sha'aban 20, 1444H (corresponding to March 12, 2023). The Board of Directors presented this to the shareholders and approved it at the annual general assembly meeting held on Dhul-Qadah 19, 1444H (corresponding to June 8, 2023).

The Group's Board of Directors, in their meeting held on Sha'aban 7, 1443H (corresponding to March 10, 2022), resolved to declare interim dividends for the second half of 2021 amounting to SAR 75 million (SAR 2 per share) which was paid on Sha'aban 26, 1443H (corresponding to March 29, 2022). The Board of Directors presented it to the shareholders and approved in their Annual General meeting held on Dhul-Qadah 29, 1443H (corresponding to June 28, 2022).

**14- EARNING PER SHARE**

Basic earnings per share attributable to the shareholders of the Parent Company is calculated based on the weighted average number of outstanding shares during the period. Diluted earnings per share is calculated by adjusting the basic earnings per share for the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares. The weighted average number of shares as of June 30, 2023, amounted to 45 million shares after the company's capital increase through the issuance of bonus shares to shareholders. The weighted average number of shares was retroactively applied to the comparative periods for the purpose of calculating earnings per share, excluding the impact of forming treasury share from these bonus shares.

	<b>For the three-month period ended June 30</b>		<b>For the six-month period ended June 30</b>	
	<b>2023 (Unaudited)</b>	<b>2022 (Unaudited)</b>	<b>2023 (Unaudited)</b>	<b>2022 (Unaudited)</b>
Net income for the period attributable to shareholders of the Parent Company	<b>39,298,479</b>	27,187,235	<b>75,773,382</b>	52,006,134
Weighted average number of shares	<b>45,000,000</b>	45,000,000	<b>45,000,000</b>	45,000,000
	<b>0.87</b>	0.60	<b>1.68</b>	1.16

The diluted earnings per share are the same as the basic earnings per share as the company has no diluted instruments.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED)**  
(All amounts in Saudi Riyal unless otherwise stated)

**15- SEGMENT INFORMATION**

The Group are engaged in providing recruitment services, financial services, logistics services and support for public and private sectors. The financial details for segments are shown below:

The following present revenue and profit information for the Group's operating segments for the three-month and six-month periods ended June 30, 2023, and 2022:

	For the three-month period ended June 30, 2023 (Unaudited)						
	Facility						
	Corporate	Individual	Management	Other	Total	Eliminations	Total
Revenues	327,689,004	112,389,864	32,625,224	6,349,668	479,053,760	(15,599,016)	463,454,744
Cost of revenues	(276,038,553)	(99,699,462)	(30,611,193)	(7,764,888)	(414,114,096)	15,599,016	(398,515,080)
Gross profit	51,650,451	12,690,402	2,014,031	(1,415,220)	64,939,664	-	64,939,664
General and administrative expenses	(12,491,139)	(6,013,088)	(3,027,126)	(4,802,801)	(26,334,154)	-	(26,334,154)
Marketing expenses	(1,696,936)	(1,212,930)	4,668	(676,953)	(3,582,151)	-	(3,582,151)
Expected credit losses	(2,873,462)	-	-	-	(2,873,462)	-	(2,873,462)
Operating profit	34,588,914	5,464,384	(1,008,427)	(6,894,974)	32,149,897	-	32,149,897
	For the three-month period ended June 30, 2022 (Unaudited)						
	Facility						
	Corporate	Individual	Management	Other	Total	Eliminations	Total
Revenues	260,841,810	128,217,419	38,250,610	744,119	428,053,958	(18,767,826)	409,286,132
Cost of revenues	(223,531,815)	(104,263,076)	(41,161,362)	(3,050,550)	(372,006,803)	18,767,826	(353,238,977)
Gross profit	37,309,995	23,954,343	(2,910,752)	(2,306,431)	56,047,155	-	56,047,155
General and administrative expenses	(9,552,782)	(7,415,850)	(2,896,962)	(2,252,573)	(22,118,167)	-	(22,118,167)
Marketing expenses	(1,572,067)	(1,405,480)	(147,487)	(25,534)	(3,150,568)	-	(3,150,568)
Expected credit losses	(117,995)	(226,160)	(248,643)	-	(592,798)	-	(592,798)
Operating profit	26,067,151	14,906,853	(6,203,844)	(4,584,538)	30,185,622	-	30,185,622

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED)**  
(All amounts in Saudi Riyal unless otherwise stated)

	For the six-month period ended June 30, 2023 (Unaudited)						
	Facility						
	Corporate	Individual	Management	Other	Total	Eliminations	Total
Revenues	651,823,175	229,017,415	66,419,068	9,783,043	957,042,701	(30,507,458)	926,535,243
Cost of revenues	(551,545,099)	(204,245,367)	(63,815,827)	(15,750,589)	(835,356,882)	30,507,458	(804,849,424)
Gross profit	100,278,076	24,772,048	2,603,241	(5,967,546)	121,685,819	-	121,685,819
General and administrative expenses	(23,742,595)	(11,616,344)	(5,833,822)	(6,686,103)	(47,878,864)	-	(47,878,864)
Marketing expenses	(4,092,718)	(2,713,856)	-	(856,862)	(7,663,436)	-	(7,663,436)
Expected credit losses	(3,834,897)	-	-	-	(3,834,897)	-	(3,834,897)
Operating profit	68,607,866	10,441,848	(3,230,581)	(13,510,511)	62,308,622	-	62,308,622
	For the six-month period ended June 30, 2022 (Unaudited)						
	Facility						
	Corporate	Individual	Management	Other	Total	Eliminations	Total
Revenues	497,499,572	249,946,398	78,145,706	993,223	826,584,899	(36,023,512)	790,561,387
Cost of revenues	(432,598,916)	(202,952,659)	(82,129,271)	(3,831,032)	(721,511,878)	36,023,512	(685,488,366)
Gross profit	64,900,656	46,993,739	(3,983,565)	(2,837,809)	105,073,021	-	105,073,021
General and administrative expenses	(20,243,946)	(14,541,107)	(5,978,849)	(3,965,003)	(44,728,905)	-	(44,728,905)
Marketing expenses	(3,339,215)	(2,799,604)	(338,879)	(30,559)	(6,508,257)	-	(6,508,257)
Reversal expected credit losses	(460,148)	-	(248,643)	-	(708,791)	-	(708,791)
Operating profit	40,857,347	29,653,028	(10,549,936)	(6,833,371)	53,127,068	-	53,127,068

It is impracticable and also not informative to disclose information pertaining to net book value of property and equipment, total assets and total liabilities pertaining to business segments.

**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED)**  
(All amounts in Saudi Riyal unless otherwise stated)

The primary markets for the Group's products are KSA and UAE. Following is the geographical segment analysis of the Group:

**For the three-month period ended June 30, 2023 (Unaudited)**

	KSA	UAE	Total
Revenues	449,223,061	14,231,683	463,454,744
Cost of revenues	(387,006,850)	(11,508,230)	(398,515,080)
<b>Gross profit</b>	<b>62,216,211</b>	<b>2,723,453</b>	<b>64,939,664</b>
General and administrative expenses	(24,458,975)	(1,875,179)	(26,334,154)
Marketing expenses	(2,871,008)	(711,143)	(3,582,151)
Expected credit losses	(2,873,462)	-	(2,873,462)
<b>Operating profit</b>	<b>32,012,766</b>	<b>137,131</b>	<b>32,149,897</b>

**For the three-month period ended June 30, 2022 (Unaudited)**

	KSA	UAE	Total
Revenues	397,621,130	11,665,002	409,286,132
Cost of revenues	(342,736,212)	(10,502,765)	(353,238,977)
<b>Gross profit</b>	<b>54,884,918</b>	<b>1,162,237</b>	<b>56,047,155</b>
General and administrative expenses	(20,417,028)	(1,701,139)	(22,118,167)
Marketing expenses	(2,445,504)	(705,064)	(3,150,568)
Expected credit losses	(592,798)	-	(592,798)
<b>Operating profit</b>	<b>31,429,588</b>	<b>(1,243,966)</b>	<b>30,185,622</b>

**For the six-month period ended June 30, 2023 (Unaudited)**

	KSA	UAE	Total
Revenues	898,634,106	27,901,137	926,535,243
Cost of revenues	(782,173,100)	(22,676,324)	(804,849,424)
<b>Gross profit</b>	<b>116,461,006</b>	<b>5,224,813</b>	<b>121,685,819</b>
General and administrative expenses	(44,408,676)	(3,470,188)	(47,878,864)
Marketing expenses	(6,212,364)	(1,451,072)	(7,663,436)
Expected credit losses	(3,834,897)	-	(3,834,897)
<b>Operating profit</b>	<b>62,005,069</b>	<b>303,553</b>	<b>62,308,622</b>

**For the six-month period ended June 30, 2022 (Unaudited)**

	KSA	UAE	Total
Revenues	765,608,719	24,952,668	790,561,387
Cost of revenues	(664,082,655)	(21,405,711)	(685,488,366)
<b>Gross profit</b>	<b>101,526,064</b>	<b>3,546,957</b>	<b>105,073,021</b>
General and administrative expenses	(40,985,092)	(3,743,813)	(44,728,905)
Marketing expenses	(5,218,810)	(1,289,447)	(6,508,257)
Expected credit losses	(708,791)	-	(708,791)
<b>Operating profit</b>	<b>54,613,371</b>	<b>(1,486,303)</b>	<b>53,127,068</b>

**As at June 30 2023 (Unaudited)**

	KSA	UAE	Total
Net book value of property and equipment	119,231,931	1,427,015	120,658,946
Total Assets	1,724,318,966	36,255,614	1,760,574,580
Total Liabilities	1,094,541,371	29,280,055	1,123,821,426

**As at December 31 2022 (Audited)**

	KSA	UAE	Total
Net book value of property and equipment	123,268,285	2,267,476	125,535,761
Total Assets	1,711,984,897	36,885,218	1,748,870,115
Total Liabilities	1,120,201,893	30,302,959	1,150,504,852

**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED)**  
(All amounts in Saudi Riyal unless otherwise stated)

**16- CONTINGENT LIABILITIES**

The Group's banks have issued, on its behalf, guarantees of SAR 32.7 million on June 30, 2023, (SAR 58 million on December 31, 2022) on the execution of contracts, during the normal business cycle.

**17- FINANCIAL INSTRUMENTS**

	<b>June 30, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
<b>Financial asset</b>		
Cash and cash equivalents	<b>134,063,242</b>	83,573,675
Murabaha time deposits	<b>22,000,000</b>	-
Accounts receivable	<b>236,277,565</b>	243,976,861
Financial assets at fair value through profit or loss	<b>10,070,833</b>	25,099,306
Financial assets at fair value through other comprehensive income	<b>13,985,656</b>	13,985,656
Insurance Letter of Guarantee	<b>166,263</b>	721,487
<b>Total</b>	<b>416,563,559</b>	367,356,985
<b>Financial liabilities</b>		
Retained deposits	<b>93,134,639</b>	99,141,138
Lease liabilities	<b>45,486,622</b>	42,245,641
Accounts payable, accruals, and other current liabilities	<b>220,608,008</b>	212,874,996
Long Term Loans	<b>562,607,710</b>	562,607,710
<b>Total</b>	<b>921,836,979</b>	916,869,485

**Estimating the fair value of financial instruments**

The following table shows the Group's financial instruments that are measured at fair value.

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b><u>As of June 30, 2023 (Unaudited)</u></b>				
Financial assets at fair value through profit or loss	-	<b>10,070,833</b>	-	<b>10,070,833</b>
Financial assets at fair value through other comprehensive income	-	-	<b>13,985,656</b>	<b>13,985,656</b>
<b><u>As of December 31, 2022 (Audited)</u></b>				
Financial assets at fair value through profit or loss	-	25,099,306	-	25,099,306
Financial assets at fair value through other comprehensive income	-	-	13,985,656	13,985,656

Management believes that the fair value of all financial assets and liabilities classified at amortized cost at the date of the financial statements approximates their book value due to their short-term duration and the possibility of immediate liquidation, excluding financial assets at fair value through profit or loss.

There were no transfers between the different levels of the fair value hierarchy during the current year or the previous year.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE  
SIX-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED)**  
(All amounts in Saudi Riyal unless otherwise stated)

---

**18- SUBSEQUENT EVENTS**

The Board of Directors decided in its meeting held on Dhu'l-Hijjah 22, 1444H corresponding to July10, 2023 to recommend to the Extraordinary General Assembly to split the nominal value of the share from (10) riyals per share to (1) riyal per share, and thus the number of the company's shares will become (475) million shares instead of (47.5) million shares, while keeping the company's capital unchanged, the company's commitment to complete the necessary related procedures.

In the opinion of management, there are no significant subsequent events after the period ended June 30, 2023 that could have a material impact on the Group's interim condensed consolidated statement of financial position or the results of its business.

**19- APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

These interim condensed consolidated financial statements approved by the board of directors on Muharram 26, 1445 H (corresponding to August 13, 2023).

---