

**BAIT ALSHATEERA FAST FOOD RESTAURANTS**  
(A Listed Saudi Joint Stock Company)  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
(UNAUDITED)  
**FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2023 AND**  
**INDEPENDENT AUDITOR'S REVIEW REPORT**

**BAIT ALSHATEERA FAST FOOD RESTAURANTS**  
(A Listed Saudi Joint Stock Company)  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2023**  
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## INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

To the Shareholders of  
Bait Alshateera Fast Food Restaurants  
(A Listed Saudi Joint Stock Company)  
Riyadh, Kingdom of Saudi Arabia

### Introduction

We have reviewed the accompanying condensed statement of financial position of Bait Alshateera Fast Food Restaurants (the "Company"), a Listed Saudi Joint Stock Company, as at 30 June 2023, the condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six month period then ended, and notes to the condensed interim financial statements. Management is responsible for the preparation and fair presentation of these condensed interim financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed 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 statements Performed by the Independent Auditor of the Entity", that is endorsed in the Kingdom of Saudi Arabia. A review of condensed interim financial statements consist 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 condensed interim financial statements as at and for the six month period ended 30 June 2023 are not prepared in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

For Dr. Mohamed Al-Amri & Co.



Maher Al-Khatieb  
Certified Public Accountant  
Registration No. 514




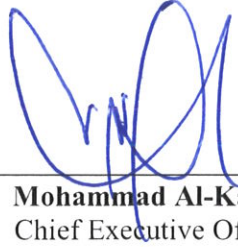
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**BAIT ALSHATEERA FAST FOOD RESTAURANTS**  
**(A LISTED SAUDI JOINT STOCK COMPANY)**  
**CONDENSED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2023**

*(All amounts are in Saudi Riyals unless otherwise stated)*

	<u>Note</u>	<b>30 June 2023</b> (Unaudited)	31 December 2022 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	4	77,085,919	77,846,436
Right-of-use assets		31,522,152	36,602,676
Assets under construction and development	5	2,542,942	4,414,625
Intangible assets		1,595,441	1,537,407
		<u>112,746,454</u>	<u>120,401,144</u>
<b>Current assets</b>			
Inventories	6	6,519,471	6,338,840
Prepayments and other receivables		15,736,013	17,655,853
Cash and cash equivalents	7	11,098,813	6,843,214
		<u>33,354,297</u>	<u>30,837,907</u>
<b>TOTAL ASSETS</b>		<u><b>146,100,751</b></u>	<u>151,239,051</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		35,000,000	35,000,000
Statutory reserve		5,827,285	5,827,285
Retained earnings		19,447,302	16,108,720
<b>TOTAL EQUITY</b>		<u><b>60,274,587</b></u>	<u>56,936,005</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Loans and borrowings – non current portion	8	8,442,582	13,308,555
Provision for employee end of service benefits		5,053,870	4,774,448
Lease liabilities – non current portion		19,950,265	23,261,577
		<u>33,446,717</u>	<u>41,344,580</u>
<b>Current liabilities</b>			
Provision for zakat		103,009	513,499
Loans and borrowings – current portion	8	10,200,517	10,129,791
Trade and other payables		30,136,049	28,442,656
Lease liabilities – current portion		11,631,185	13,398,589
Due to related parties	9	308,687	473,931
		<u>52,379,447</u>	<u>52,958,466</u>
<b>TOTAL LIABILITIES</b>		<u><b>85,826,164</b></u>	<u>94,303,046</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>146,100,751</b></u>	<u>151,239,051</u>

  
**Mohammad Al-Ruwaigh**  
Chairman of the board

  
**Mohammad Al-Kaoud**  
Chief Executive Officer

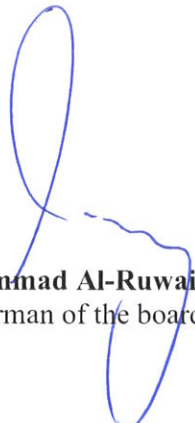
  
**Malik Hassan**  
Chief Financial Officer

The accompanying notes from 1 to 15 form an integral part of these condensed interim financial statements.

**BAIT ALSHATEERA FAST FOOD RESTAURANTS**  
(A LISTED SAUDI JOINT STOCK COMPANY)  
**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2023**

*(All amounts are in Saudi Riyals unless otherwise stated)*

	<u>Note</u>	<u>30 June</u> <u>2023</u> (Unaudited)	30 June <u>2022</u> (Unaudited)
Revenue		131,978,263	120,843,668
Cost of revenue		(95,356,095)	(86,499,523)
<b>Gross profit</b>		<b>36,622,168</b>	<b>34,344,145</b>
Selling expenses		(19,668,402)	(17,031,664)
Administrative expenses		(11,408,950)	(12,657,772)
<b>Operating profit</b>		<b>5,544,816</b>	<b>4,654,709</b>
Finance cost		(1,191,156)	(1,130,782)
Loss on disposal of property and equipment		(1,324,785)	(715,495)
Other income		338,389	260,774
<b>Profit before zakat</b>		<b>3,367,264</b>	<b>3,069,206</b>
Zakat expense		(103,009)	(91,044)
<b>Profit for the period</b>		<b>3,264,255</b>	<b>2,978,162</b>
<b>Other comprehensive income:</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement of employees' end of service benefits		74,327	288,616
<b>Total other comprehensive income for the period</b>		<b>74,327</b>	<b>288,616</b>
<b>Total comprehensive income for the period</b>		<b>3,338,582</b>	<b>3,266,778</b>
(Restated)			
<b>Earnings per share</b>			
Basic and diluted earnings per share	10	<b>0.093</b>	0.085
Weighted average number of shares	10	<b>35,000,000</b>	35,000,000

  
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**BAIT ALSHATEERA FAST FOOD RESTAURANTS**  
**(A LISTED SAUDI JOINT STOCK COMPANY)**  
**CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2023**

*(All amounts are in Saudi Riyals unless otherwise stated)*

	Share capital	Statutory reserve	Retained earnings	Total equity
Balance at 1 January 2022 (Audited)	25,000,000	5,557,588	24,184,390	54,741,978
Profit for the period	-	-	2,978,162	2,978,162
Other comprehensive income	-	-	288,616	288,616
Total comprehensive income for the period	-	-	3,266,778	3,266,778
Transfer to statutory reserve	-	297,816	(297,816)	-
Issuance of bonus shares	10,000,000	-	(10,000,000)	-
Balance at 30 June 2022 (Unaudited)	35,000,000	5,855,404	17,153,352	58,008,756
Balance at 1 January 2023 (Audited)	35,000,000	5,827,285	16,108,720	56,936,005
Profit for the period	-	-	3,264,255	3,264,255
Other comprehensive income	-	-	74,327	74,327
<b>Total comprehensive income for the period</b>	-	-	<b>3,338,582</b>	<b>3,338,582</b>
<b>Balance at 30 June 2023 (Unaudited)</b>	<b>35,000,000</b>	<b>5,827,285</b>	<b>19,447,302</b>	<b>60,274,587</b>

  
**Mohammad Al-Ruwaigh**  
 Chairman of the board



**Mohammad Al-Kaoud**  
 Chief Executive Officer

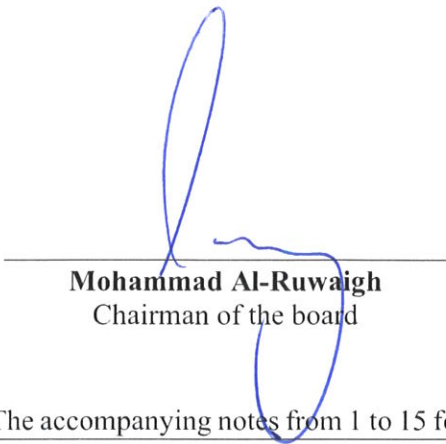


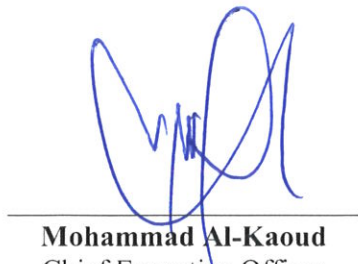
**Malik Hassan**  
 Chief Financial Officer

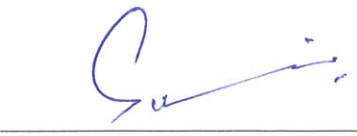
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**BAIT ALSHATEERA FAST FOOD RESTAURANTS**  
(A LISTED SAUDI JOINT STOCK COMPANY)  
**CONDENSED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2022**  
*(All amounts are in Saudi Riyals unless otherwise stated)*

	<u>Note</u>	<u>30 June</u> <u>2023</u> (Unaudited)	30 June <u>2022</u> (Unaudited)
<b>Cash flows from operating activities</b>			
Profit before zakat		3,367,264	3,069,206
<i>Adjustments for:</i>			
- Depreciation - Property and equipment	4	5,892,021	5,046,513
- Depreciation - Right of use assets		6,263,136	6,941,417
- Amortization of intangible assets		118,265	108,951
- Finance cost		1,191,156	1,130,782
- Loss on disposal of property and equipment		1,324,785	715,495
- Gain on disposal of right of use assets		(2,113)	(74,297)
- Provision for employees end of service ' benefits		753,041	572,548
		<u>18,907,555</u>	<u>17,510,615</u>
Changes in:			
- Prepayments and other receivables		1,739,840	(178,165)
- Inventories	6	(180,631)	(1,561,047)
- Related parties, net	9	(165,244)	39,951
- Trade and other payables		2,063,379	2,029,060
<b>Cash generated from operations</b>		<u>22,364,899</u>	<u>17,840,414</u>
Employee benefits paid		(399,292)	(206,124)
Zakat paid		(513,499)	(464,900)
<b>Net cash generated from operating activities</b>		<u>21,452,108</u>	<u>17,169,390</u>
<b>Cash flows from investing activities</b>			
Proceeds from sale of property and equipment		-	4,481
Purchase of property and equipment	4	(3,589,767)	(2,944,257)
Additions to assets under construction and development	5	(1,205,607)	(8,278,634)
Purchase of intangible assets		(30,049)	(48,320)
<b>Net cash used in investing activities</b>		<u>(4,825,423)</u>	<u>(11,266,730)</u>
<b>Cash flows from financing activities</b>			
Proceeds from loans and borrowings		1,584,873	8,158,631
Repayment of loans and borrowings		(7,182,892)	(4,045,194)
Lease liabilities paid		(6,773,067)	(6,562,995)
<b>Net cash used in financing activities</b>		<u>(12,371,086)</u>	<u>(2,449,558)</u>
<b>Net changes in cash and cash equivalents</b>		<u>4,255,599</u>	<u>3,453,102</u>
Cash and cash equivalents at the beginning of the period	7	6,843,214	7,886,360
<b>Cash and cash equivalents at the end of the period</b>		<u>11,098,813</u>	<u>11,339,462</u>

  
**Mohammad Al-Ruwaigh**  
Chairman of the board

  
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**BAIT ALSHATEERA FAST FOOD RESTAURANTS**  
**(A LISTED SAUDI JOINT STOCK COMPANY)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2023**  
*(All amounts are in Saudi Riyals unless otherwise stated)*

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## **1. LEGAL STATUS AND NATURE OF OPERATIONS**

Bait Alshateera Fast Food Restaurants ('the Company') is a Listed Saudi Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia under Commercial Registration No. 1010268241 dated 28/05/1430H corresponding to 22/05/2009.

The Company's principal activity is chain of fast-food restaurants.

The Company's registered office address is

P.O. Box 7277, Riyadh 12562, Kingdom of Saudi Arabia.

## **2 BASIS OF PREPARATION**

### **2.1 Statement of compliance**

These condensed interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia, issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA). These condensed interim financial statements should be read in conjunction with the Company's last audited financial statements as at and for the year ended 31 December 2022 ('last annual financial statements').

The accompanying condensed interim financial statements do not include all the information that is required to prepare a complete set of financial statements in accordance with International Financial Reporting Standards ("IFRSs") as endorsed by SOCPA. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

### **2.2 Preparation of the condensed interim financial statements**

These condensed interim financial statements have been prepared on a historical cost basis, except for the defined benefits plan measured at the present value of future obligations using projected unit credit method.

Although the Company's current liabilities exceeded its current assets by SR 19 million as at 30 June 2023 (31 December 2022: SR 22 million), these condensed interim financial statements have been prepared on a going concern basis. This is because of the fact that Company is in operating profits during the six month period ended 30 June 2023 together with positive operating cash flows for the six month period ended 30 June 2023. These conditions indicate the Company's ability to pay its future liabilities. Additionally, the Company is expanding its business, which is evident from the increase in revenue and operating profits and hence expected to increase its cash inflows further.

These condensed interim financial statements are presented in Saudi Riyals ("SR"), which is the Company's functional and presentation currency.

### **2.3 Use of judgment and estimates**

In preparing these condensed interim financial statements, management has made the judgement, estimates, and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

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



**BAIT ALSHATEERA FAST FOOD RESTAURANTS**  
**(A LISTED SAUDI JOINT STOCK COMPANY)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2023**  
*(All amounts are in Saudi Riyals unless otherwise stated)*

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### **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **New standards, interpretations, and amendments**

The accounting policies used in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's financial statements for the year ended 31 December 2022, except for the following amendments which apply for the first time in 2023. However, not all are expected to impact the Company as they are either not relevant to the Company's activities or require accounting which is consistent with the Company's current accounting policies.

The following new standards and amendments are effective for the period beginning 1 January 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors); and
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes).

These amendments had no impact on the condensed interim financial statements of the Company as there are no such transactions under the above amendments during the current period.

#### **Impact of accounting standards to be applied in future periods**

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective for periods beginning subsequent to 31 December 2023 (the date of the Company's next annual financial statements) that the Company has decided not to adopt early. The Company does not believe these standards and interpretations will have a material impact on the financial statements once adopted.

**BAIT ALSHATEERA FAST FOOD RESTAURANTS**  
**(A LISTED SAUDI JOINT STOCK COMPANY)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2023**  
*(All amounts are in Saudi Riyals unless otherwise stated)*

**4. PROPERTY AND EQUIPMENT**

	Land	Building	Installation and fixtures	Furniture	Tools and equipment	Air conditioners	Electrical equipment's	Computers	Vehicles	Total
<b>Cost:</b>										
<b>Balance at 1 January 2022 (Audited)</b>	3,772,812	9,309,464	46,463,189	3,608,949	3,107,751	5,255,379	20,992,463	6,983,797	431,765	99,925,569
Additions	-	-	1,226,376	74,493	782,211	92,342	3,690,053	309,874	-	6,175,349
Transfer from assets under construction	-	-	9,341,771	1,128,204	823,233	659,250	779,181	478,681	-	13,210,320
Disposals / write offs during the year	-	-	(2,094,290)	-	-	-	(336,000)	-	-	(2,430,290)
<b>Balance at 31 December 2022 (Audited)</b>	3,772,812	9,309,464	54,937,046	4,811,646	4,713,195	6,006,971	25,125,697	7,772,352	431,765	116,880,948
Additions	-	-	<b>1,924,728</b>	<b>2,609</b>	<b>192,793</b>	<b>14,431</b>	<b>864,022</b>	<b>581,184</b>	<b>10,000</b>	<b>3,589,767</b>
Transfer from assets under construction	-	-	<b>1,531,214</b>	<b>225,562</b>	<b>209,074</b>	<b>162,000</b>	<b>723,950</b>	<b>79,240</b>	-	<b>2,931,040</b>
Disposal during the period	-	-	<b>(1,685,928)</b>	-	-	-	<b>(85,575)</b>	-	-	<b>(1,771,503)</b>
<b>Balance at 30 June 2023 (Unaudited)</b>	<b>3,772,812</b>	<b>9,309,464</b>	<b>56,707,060</b>	<b>5,039,817</b>	<b>5,115,062</b>	<b>6,183,402</b>	<b>26,628,094</b>	<b>8,432,776</b>	<b>441,765</b>	<b>121,630,252</b>
<b>Accumulated depreciation:</b>										
<b>Balance at 1 January 2022 (Audited)</b>	-	446,174	14,069,124	1,237,979	668,452	2,395,551	8,147,885	2,484,244	339,883	29,789,292
Charge for the year	-	266,277	5,049,139	380,894	371,645	965,884	2,647,536	865,021	22,484	10,568,880
Elimination on disposals during the year	-	-	(1,111,665)	-	-	-	(211,995)	-	-	(1,323,660)
<b>Balance at 31 December 2022 (Audited)</b>	-	712,451	18,006,598	1,618,873	1,040,097	3,361,435	10,583,426	3,349,265	362,367	39,034,512
Charge for the period	-	<b>132,044</b>	<b>2,803,005</b>	<b>229,843</b>	<b>242,917</b>	<b>505,648</b>	<b>1,493,350</b>	<b>473,430</b>	<b>11,784</b>	<b>5,892,021</b>
Elimination on disposals during the period	-	-	<b>(361,143)</b>	-	-	-	<b>(21,057)</b>	-	-	<b>(382,200)</b>
<b>Balance at 30 June 2023 (Unaudited)</b>	-	<b>844,495</b>	<b>20,448,460</b>	<b>1,848,716</b>	<b>1,283,014</b>	<b>3,867,083</b>	<b>12,055,719</b>	<b>3,822,695</b>	<b>374,151</b>	<b>44,544,333</b>
<b>Net book value:</b>										
<b>30 June 2023 (Unaudited)</b>	<b>3,772,812</b>	<b>8,464,969</b>	<b>36,258,600</b>	<b>3,191,101</b>	<b>3,832,048</b>	<b>2,316,319</b>	<b>14,572,375</b>	<b>4,610,081</b>	<b>67,614</b>	<b>77,085,919</b>
<b>31 December 2022 (Audited)</b>	3,772,812	8,597,013	36,930,448	3,192,773	3,673,098	2,645,536	14,542,271	4,423,087	69,398	77,846,436

**BAIT ALSHATEERA FAST FOOD RESTAURANTS**  
(A LISTED SAUDI JOINT STOCK COMPANY)  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2023**  
*(All amounts are in Saudi Riyals unless otherwise stated)*

**5. ASSETS UNDER CONSTRUCTION AND DEVELOPMENT**

<b>Balance at 1 January 2022 (Audited)</b>	3,373,743
Additions during the year	14,433,262
Transfer to property and equipment	(13,210,320)
Transfer to intangible assets	(182,060)
<b>Balance at 31 December 2022 (Audited)</b>	<u>4,414,625</u>
Additions during the period	<b>1,205,607</b>
Transfer to property and equipment	<b>(2,931,040)</b>
Transfer to intangible assets	<b>(146,250)</b>
<b>Balance at 30 June 2023 (Unaudited)</b>	<u><u>2,542,942</u></u>

**6. INVENTORIES**

	<b>30 June</b>	31 December
	<b><u>2023</u></b>	<u>2022</u>
	<b>(Unaudited)</b>	(Audited)
Raw materials	<b>3,584,683</b>	2,581,743
Packing and disposables	<b>2,612,957</b>	3,381,986
Chemicals	<b>321,831</b>	375,111
	<u><b>6,519,471</b></u>	<u>6,338,840</u>

**7. CASH AND CASH EQUIVALENTS**

	<b>30 June</b>	31 December
	<b><u>2023</u></b>	<u>2022</u>
	<b>(Unaudited)</b>	(Audited)
Cash in hand	<b>639,794</b>	618,764
Bank balances – current account	<b>10,459,019</b>	6,224,450
	<u><b>11,098,813</b></u>	<u>6,843,214</u>

Cash at bank is held in a current account with a commercial bank in Saudi Arabia. Balance in current account bears no interest.

**8. LOANS AND BORROWINGS**

	<b>30 June</b>	31 December
	<b><u>2023</u></b>	<u>2022</u>
	<b>(Unaudited)</b>	(Audited)
<b>Non-current portion</b>		
Secured bank loans (8.1)	<b>8,012,380</b>	12,489,127
Loan from Social Development Bank (8.2)	<b>430,202</b>	819,428
	<u><b>8,442,582</b></u>	<u>13,308,555</u>
<b>Current portion</b>		
Secured bank loans (8.1)	<b>9,486,936</b>	9,416,210
Loan from Social Development Bank (8.2)	<b>713,581</b>	713,581
	<u><b>10,200,517</b></u>	<u>10,129,791</u>

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**8. LOANS AND BORROWINGS (continued)**

8.1 Secured bank loans

	<u>Year of Maturity</u>	<u>30 June 2023</u> (Unaudited)	31 December <u>2022</u> (Audited)
Arab National Bank	2024	4,431,814	5,794,565
Al Rajhi Bank	2024	8,952,958	10,414,510
Riyadh Bank	2024	4,114,544	5,696,262
		<u>17,499,316</u>	<u>21,905,337</u>

These above loans are secured against promissory notes amounting SR 33.1 million as at 30 June 2023 (31 December 2022: SR 33.1 million) and are repayable over the agreed loan terms.

The outstanding secured loans as of 30 June 2023 and 31 December 2022 have markup cost which is generally based on prevailing market rates.

8.2 Loan from social development bank

The Company has obtained a loan from Social Development Bank with carrying amount of SR 1.14 million (31 December 2022: 1.53 million). This loan is secured against the land owned by the Company amounting SR 2.7 million (31 December 2022: land SR 2.7 million).

**9. RELATED PARTIES TRANSACTIONS AND BALANCES**

**Related parties' transactions**

**Senior management remuneration**

The aggregate amount charged in the condensed interim financial statements for remuneration, including all benefits to Chief Executive Officer, Directors and Executives of the Company for six month period ended 30 June 2023 was SR 1.50 million (30 June 2022: SR 1.72 million).

Related party transactions mainly represent services rendered, undertaken at mutually agreed terms and approved by the board.

**Transactions:**

Related party	Relationship	Type of transaction	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
Yeswa Logistic Services Est.	Common Ownership	Services	3,026,005	1,911,156
Saldwich Company	Affiliate	Services	-	9,518

**Balances:**

	<u>30 June 2023</u> (Unaudited)	31 December <u>2022</u> (Audited)
<b>Due to related parties</b>		
Saldwich Company	-	13,841
Yeswa Logistic Services Est.	308,687	460,090
	<u>308,687</u>	<u>473,931</u>

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**10. EARNINGS PER SHARE (EPS)**

**Basic and diluted EPS**

The calculation of basic and diluted EPS has been based on the following profit attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding.

	<b>30 June 2023</b>	30 June 2022
	<b>(Unaudited)</b>	(Restated) (Unaudited)
Profit attributable to ordinary shareholders	<b>3,264,255</b>	2,978,162
Weighted-average number of ordinary shares at the end of the period	<b>35,000,000</b>	35,000,000
Basic and diluted earnings per share	<b>0.093</b>	0.085

On 31 May 2023, the Extraordinary General Assembly (“EGA”) approved the splitting of shares. Earnings per share for the six-month period ended have been calculated retrospectively by adjusting the weighted average number of outstanding shares to reflect the effect of share split from 3.5 million to 35 million shares. The legal formalities in this regard have not been completed yet.

**11. FAIR VALUE MEASUREMENT**

The Company measures financial instruments at fair value at each statement of financial position date.

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 to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits from the asset's highest and best use or by selling it to another market participant that would utilize the asset in its highest and best use.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability.

**Financial instruments not measured at fair value**

Financial instruments not measured at fair value includes cash and cash equivalents, other receivables, trade and other payables, due to related parties and loans and borrowings. Due to their short-term nature, the carrying value of these financial instruments approximates their fair value

**Categories of financial instruments**

	<b>30 June 2023</b>	31 December 2022
	<b>(Unaudited)</b>	(Audited)
<b>Financial assets:</b>		
<b>Amortized cost</b>		
Other receivables	<b>7,252,800</b>	7,045,798
Cash and cash equivalents	<b>11,098,813</b>	6,843,214
<b>Total financial assets</b>	<b>18,351,613</b>	13,889,012

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**11. FAIR VALUE MEASUREMENT (continued)**

	<b>30 June</b>	31 December
	<u><b>2023</b></u>	<u><b>2022</b></u>
<b>Financial liabilities:</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Amortized cost</b>		
<b>Non-current</b>		
Loans and borrowings	<u><b>8,442,582</b></u>	13,308,555
<b>Current</b>		
Loans and borrowings	<b>10,200,517</b>	10,129,791
Trade and other payables	<b>20,110,539</b>	22,285,664
Due to related parties	<b>308,687</b>	473,931
	<u><b>30,619,743</b></u>	<u>32,889,386</u>
<b>Total financial liabilities</b>	<u><b>39,062,325</b></u>	<u>46,197,941</u>

**12. COMMITMENTS AND CONTINGENCIES**

**Capital commitments**

At 30 June 2023, the Company has capital commitments of SR 0.98 million (31 December 2022: SR 0.957 million) with respect to leasehold improvements and construction of new branches.

**13. RECLASSIFICATION**

Certain comparative figures have been reclassified to conform with classification used for the period ended 30 June 2023 for better presentation purposes.

**14. SUBSEQUENT EVENTS**

There are no subsequent events that require disclosure or amendments to the accompanying condensed interim financial statements.

**15. APPROVAL OF THE FINANCIAL STATEMENTS**

These condensed interim financial statements have been approved by the board of directors on 19 Moharram 1445 (H) corresponding to 6 August 2023 (G).