

GAS ARABIAN SERVICES COMPANY
(A Saudi Joint Stock Company)

**CONDENSED INTERIM FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REVIEW REPORT FOR
THE SIX MONTHS PERIOD ENDED JUNE 30, 2022**

GAS ARABIAN SERVICES COMPANY

(A Saudi Joint Stock Company)

**CONDENSED INTERIM FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022**

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Shareholders of
Gas Arabian Services Company
(A Saudi Joint Stock Company)
Dammam, Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying condensed interim financial statements of Gas Arabian Services Company ("the Company") which comprises of condensed interim statement of financial position as of June 30, 2022 and the related condensed interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six months period and summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" (IAS 34) 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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", endorsed in the Kingdom of Saudi Arabia. A review of condensed 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 condensed interim financial statements are not prepared in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

For Dr. Mohamed Al-Amri & Co.

Gihad M. Al-Amri
Certified Public Accountant
Registration No. 362



August 21 2022 G
Muharram 23 1444 H

GAS ARABIAN SERVICES COMPANY
(A Saudi Joint Stock Company)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022
(Expressed in Saudi Riyals)

	Notes	June 30, 2022 (Unaudited)	December 31, 2021 (Audited)
ASSETS			
Non-current assets			
Property and equipment	4	63,955,263	58,761,215
Right-of-use assets		1,268,179	1,534,061
Intangible assets		215,507	250,141
Investment in associates and joint ventures	5	96,077,838	80,752,027
Total non-current assets		161,516,787	141,297,444
Current assets			
Inventories		22,660,135	23,422,678
Projects work in progress		3,795,269	-
Trade receivables and unbilled revenue		161,093,363	212,407,845
Prepayments and other receivables		82,524,487	40,491,570
Investment at fair value through profit or loss ("FVTPL")		13,159,120	12,771,710
Cash in hand and at banks		24,643,130	24,205,159
Total current assets		307,875,504	313,298,962
TOTAL ASSETS		469,392,291	454,596,406
EQUITY AND LIABILITIES			
Equity			
Share capital		158,000,000	158,000,000
Statutory reserve		21,982,543	21,982,543
Retained earnings		84,431,946	98,183,255
Total equity		264,414,489	278,165,798
Non-current liabilities			
Employees' end of service benefits		29,834,001	27,490,261
Lease liabilities		953,962	942,877
Obligation against investment in associates and joint ventures	5	6,132,117	5,559,684
Total non-current liabilities		36,920,080	33,992,822
Current liabilities			
Accounts payable		81,165,527	95,371,701
Accruals and other liabilities		62,957,086	32,755,080
Short term loans	6	21,472,955	9,164,276
Current portion of lease liabilities		564,780	526,087
Provision for zakat		1,897,374	4,620,642
Total current liabilities		168,057,722	142,437,786
Total liabilities		204,977,802	176,430,608
TOTAL EQUITY AND LIABILITIES		469,392,291	454,596,406

The accompanying notes from 1 to 14 form an integral part of these condensed interim financial statements.



Chairman



Chief Executive Officer



Finance Manager

GAS ARABIAN SERVICES COMPANY

(A Saudi Joint Stock Company)

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022**

(Expressed in Saudi Riyals)

	Note	For the six months period ended June 30	
		2022 (Unaudited)	2021 (Unaudited)
Revenue		188,986,106	139,888,691
Cost of revenue		(153,258,888)	(109,040,548)
Gross profit		35,727,218	30,848,143
General and administrative expenses		(31,455,967)	(31,153,102)
Depreciation and amortization expenses		(2,286,186)	(1,894,053)
Share in results of associates and joint ventures		18,972,128	14,995,408
Profit from operations		20,957,193	12,796,396
Finance cost		(1,030,292)	(1,257,730)
Other income	8	296,203	5,419,682
Profit before zakat		20,223,104	16,958,348
Zakat		(2,374,413)	(1,518,147)
NET PROFIT FOR THE PERIOD		17,848,691	15,440,201
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		17,848,691	15,440,201
BASIC AND DILUTED EARNING PER SHARE			
Basic and diluted earnings per share from net profit attributable to shareholders of the Company	11	1.13	1.02

The accompanying notes from 1 to 14 form an integral part of these condensed interim financial statements.

Chairman
Chief Executive Officer
Finance Manager

GAS ARABIAN SERVICES COMPANY

(A Saudi Joint Stock Company)

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022**

(Expressed in Saudi Riyals)

	Share capital	Statutory reserve	Retained earnings	Total equity
At January 01, 2021 (audited)	150,000,000	15,976,528	74,382,284	240,358,812
Increase in share capital	8,000,000	-	-	8,000,000
Net profit for the period	-	-	15,440,201	15,440,201
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	15,440,201	15,440,201
Dividend paid (Note 12)	-	-	(30,000,000)	(30,000,000)
At June 30, 2021 (unaudited)	<u>158,000,000</u>	<u>15,976,528</u>	<u>59,822,485</u>	<u>233,799,013</u>
At January 01, 2022 (audited)	158,000,000	21,982,543	98,183,255	278,165,798
Net profit for the period	-	-	17,848,691	17,848,691
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	17,848,691	17,848,691
Dividend paid (Note 12)	-	-	(31,600,000)	(31,600,000)
At June 30, 2022 (unaudited)	<u>158,000,000</u>	<u>21,982,543</u>	<u>84,431,946</u>	<u>264,414,489</u>

The accompanying notes from 1 to 14 form an integral part of these condensed interim financial statements.

Chairman
Chief Executive Officer
Finance Manager

GAS ARABIAN SERVICES COMPANY

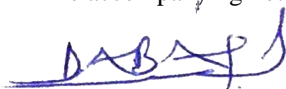
(A Saudi Joint Stock Company)


**CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022**

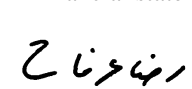
(Expressed in Saudi Riyals)

	June 30, 2022 (Unaudited)	June 30, 2021 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before zakat	20,223,104	16,958,348
<i>Adjustments for non –cash items to reconcile profit before zakat to net cash flows</i>		
Depreciation of property and equipment	1,955,670	1,555,977
Depreciation of right of use assets	265,882	265,888
Amortization of intangible assets	64,634	72,185
Provision for expected credit loss	(2,209,937)	988,990
Share in results of associates	(18,972,128)	(14,995,408)
Unrealized loss on investments at FVTPL	2,326,918	-
Provision for employees' end of service benefits	2,986,025	2,643,388
Finance cost	1,030,292	1,257,730
	7,670,460	8,747,098
<i>Working capital adjustments</i>		
Inventories	762,543	(665,442)
Projects work in progress	(3,795,269)	3,242,880
Trade receivables and unbilled revenue	53,524,419	1,269,741
Prepayments and other receivables	(42,032,917)	(8,058,692)
Accounts payable	(14,206,174)	(11,102,119)
Accruals and other liabilities	30,202,003	13,442,516
Cash generated from operations	32,125,065	6,875,982
Payment of employees' end of service benefits	(642,285)	(580,176)
Zakat paid	(5,097,681)	(3,930,077)
Finance cost paid	(746,343)	(1,207,030)
Net cash generated from operating activities	25,638,756	1,158,699
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(7,149,718)	(4,578,358)
Purchase of intangibles	(30,000)	-
Dividend received from associates	4,218,750	2,553,460
Purchase of investments at ("FVTPL")	(18,823,552)	-
Sale of investments at ("FVTPL")	16,109,224	-
Net cash used in investing activities	(5,675,296)	(2,024,898)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to the shareholders	(31,600,000)	(30,000,000)
Proceeds from short term loans	21,271,088	12,000,000
Repayment of short term loans	(9,196,577)	(13,751,796)
Increase in share capital	-	8,000,000
Lease payments	-	(571,764)
Net cash used in financing activities	(19,525,489)	(24,323,560)
Net change in cash and cash equivalents	437,971	(25,189,759)
Cash and cash equivalents at January 01,	24,205,159	78,664,929
Cash and cash equivalents at June 30,	24,643,130	53,475,170

The accompanying notes from 1 to 14 form an integral part of these condensed interim financial statements.


Chairman


Chief Executive Officer


Finance Manager

GAS ARABIAN SERVICES COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

(Expressed in Saudi Riyals)

1. CORPORATE INFORMATION AND COMPANY STRUCTURE

Gas Arabian Services Company ("the Company") is a Saudi Joint Stock Company registered in Saudi Arabia under Commercial Registration No. 2050022617 dated 7 Sha'ban 1412H (corresponding to February 11, 1992) issued in Dammam. The Company's registered office is at King Saud Street, P.O. Box 3422, Dammam 31471, Kingdom of Saudi Arabia.

On Rajab 06, 1443H (corresponding to February 07, 2022) the Company got their shares listed on the parallel Saudi Stock Exchange ("NOMU").

The Company operates through the following branches:

<u>Branch</u>	<u>CR No.</u>
Gas Arabian Services Company - Dammam	2055004723
Gas Arabian Services Company – Dammam	2050099200
Gas Arabian Services Company – Dammam	2050113651
Gas Arabian Services Company – Yanbu	4700106468
Gas Arabian Services Company – Jubail	2055011867

The Company is in the business of wholesale of machinery and equipment, electrical, electronic, mechanical, hydro-mechanical, petroleum, industrial equipment, drilling equipment, technical equipment, desalination equipment, generators and spare parts, providing operational, maintenance and technical engineering services, manufacturing of piping spools, structural steel fabrication, pressure reducing stations and other industry essential products.

2. BASIS OF PREPARATION AND BASIS OF MEASUREMENT

2.1 Statement of compliance

These condensed interim financial statements for the six months period ended June 30, 2022 have been prepared in accordance with IAS 34 Interim Financial Reporting ("IAS 34") as endorsed in the KSA and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

These condensed interim financial statements do not include all the information and disclosures required in annual financial statements prepared in accordance with International Financial Reporting Standards that are endorsed in KSA and therefore, should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2021.

The significant judgements made by management in applying the Company's key sources of estimation uncertainty were similar to those described in the Company's annual financial statements for the year ended December 31, 2021.

2.2 Basis of measurement

These condensed interim financial statements have been prepared using the accruals basis of accounting under the historical cost convention except for remeasurement of investments at fair value through profit or loss (FVTPL), and employees' benefits that have been measured at fair value and present value. As of June 30, 2022 and December 31, 2021, the carrying values of the financial assets and financial liabilities approximate to their fair values.

These condensed interim financial statements are presented in Saudi Riyal (SR) which is also the functional currency of the Company.

GAS ARABIAN SERVICES COMPANY

(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022**

(Expressed in Saudi Riyals)

2. BASIS OF PREPARATION AND BASIS OF MEASUREMENT (Continued)**2.3 New accounting standards, interpretations and amendments**

There are no new standards issued, however, there are amendments to the following standards, which are effective in current period and have no material impact on Company's interim condensed financial statements;

Amendments to standard	Description	Effective for annual years beginning on or after
IAS 37	Onerous Contracts – Cost of Fulfilling a Contract	January 1, 2022
IFRS 16, IFRS 9, IAS 41 and IFRS 1	Annual Improvements to IFRS Standards 2018–2020	January 1, 2022
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use	January 1, 2022
IFRS 3	Reference to the Conceptual Framework	January 1, 2022

2.4 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 December 31, 2022 (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.

GAS ARABIAN SERVICES COMPANY

(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022**

(Expressed in Saudi Riyals)

3. SEGMENT INFORMATION**Operating segments**

For management purposes, The Company is organized into business units based on their operations and has the following three reportable segments:

- The Technical services- This segment provides technical manpower services and executes technical engineering projects.
- The Trading segment- The segment is engaged in sales of industrial, electrical, mechanical, hydro-mechanical, petroleum and other technical equipment.
- The manufacturing segment- This segment is engagement in manufacturing of piping spools, structural steel fabrication, pressure reduction stations and other industry essential products.

All of the Company's operations are located in the Kingdom of Saudi Arabia. The selected information for each operating segment for the period ended June 30, 2022 and June 30, 2021 are as follows:

Period ended June 30, 2022 (unaudited)	Technical services	Trading	Manufacturing	Unallocated	Total
Revenue	76,216,473	109,718,066	3,051,567	-	188,986,106
Cost of revenue	(68,632,903)	(83,349,934)	(1,276,051)	-	(153,258,888)
Gross profit	7,583,570	26,368,132	1,775,516	-	35,727,218
General and administrative expenses	-	-	-	(31,455,967)	(31,455,967)
Depreciation and amortization	-	-	-	(2,286,186)	(2,286,186)
Other income	-	-	-	296,203	296,203
Finance costs	-	-	-	(1,030,292)	(1,030,292)
Share in results of associates and join ventures	-	-	-	18,972,128	18,972,128
Profit before zakat					20,223,104
Total assets	80,140,771	64,440,888	4,553,139	320,257,493	469,392,291
Total liabilities	-	-	-	204,977,802	204,977,802
Period ended June 30, 2021 (unaudited)	Technical services	Trading	Manufacturing	Unallocated	Total
Revenue	55,645,423	77,843,918	6,399,350	-	139,888,691
Cost of revenue	(43,356,325)	(59,779,424)	(5,904,799)	-	(109,040,548)
Gross profit	12,289,098	18,064,494	494,551	-	30,848,143
General and administrative expenses	-	-	-	(31,153,102)	(31,153,102)
Depreciation and amortization	-	-	-	(1,894,053)	(1,894,053)
Other income	-	-	-	5,419,682	5,419,682
Finance costs	-	-	-	(1,257,730)	(1,257,730)
Share in results of associates and join ventures	-	-	-	14,995,408	14,995,408
Profit before zakat					16,958,348
Total assets	61,437,864	35,359,657	11,101,649	284,140,114	392,039,284
Total liabilities	-	-	-	158,240,271	158,240,271

GAS ARABIAN SERVICES COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

(Expressed in Saudi Riyals)

4. PROPERTY AND EQUIPMENT

During the six months period ended June 30, 2022, the Company acquired property and equipment with a cost of SR 7,149,718 (June 30, 2021: SR 4,578,358) and disposed-off assets with a cost of SR 2,400 (June 30, 2021: SR. 117,000).

During the six months period ended June 30, 2022, the Company acquired intangible assets with a cost of SR 30,000 (June 30, 2021: Nil)

5. INVESTMENT IN ASSOCIATES AND JOINT VENTURES

The movement in the investment in associates and joint ventures is as follows;

	Period ended June 30, 2022 (unaudited)	As at December 31, 2021 (audited)
At the beginning of the period/ year	80,752,027	75,459,054
Provision created for the losses for the period/ year	572,433	982,561
Share in results of associates and joint ventures	18,972,128	22,073,534
Dividend received	(4,218,750)	(17,763,122)
At the end of the period/ year	96,077,838	80,752,027

Disclosed in the condensed interim statement of financial position as follows:

Investment in associates and joint ventures under non-current assets	96,077,838	80,752,027
Obligations against investment in associates and joint ventures under non-current liabilities	(6,132,117)	(5,559,684)
Total investment in associates and joint ventures	89,945,721	75,192,343

6. SHORT TERM LOANS

The Company had availed short term loans from the commercial bank for working capital purposes. The loan carries financial charges at commercial rates and are secured by personal guarantee of one of the shareholders of the Company. The loan is repayable within one year from the end of the financial year and are accordingly classified under current liabilities.

The movement in the short terms loans is as follows;

	Period ended June 30, 2022 (unaudited)	As at December 31, 2021 (audited)
At the beginning of the period/ year	9,164,276	26,897,248
Additions during the period/ year	21,271,088	21,000,000
Payments during the period/ year	(9,196,577)	(39,827,093)
Interest accrued for the period/ year	234,168	1,094,121
At the end of the period/ year	21,472,955	9,164,276

GAS ARABIAN SERVICES COMPANY

(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022**

(Expressed in Saudi Riyals)

7. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent shareholders, key management personnel and the entities controlled, jointly controlled or significantly influenced by such parties. The Company considers the members of the Board of Directors (and its sub-committees) and Executive Committee to be key management personnel for the purposes of the IAS 24 Related Party Disclosures.

The significant transactions with related parties have been disclosed below:

Related parties	Relationship	Nature of transactions	Amounts of transaction for six months period ended June 30,	
			2022 (Unaudited)	2021 (Unaudited)
Future Prospects Company Limited	Affiliate	Payment made on behalf of affiliate	2,458	4,876
		Sale of vehicle	-	62,503
Prudent Saudi Arabia Limited	Affiliate	Sale of goods and providing technical services	18,494	240,956
		Purchase of goods and services	(52,158)	-
TCR Arabia Company Limited	Affiliate	Rental Income	377,099	359,141
		Payment made on behalf of affiliate	49,421	35,104
Yokogawa Services Saudi Arabia Company Limited	Associate	Sale of goods and providing technical services	454,728	355,713
		Payment made on behalf of associate	-	1,787
		Purchase of goods and services	(1,384,588)	(2,515,684)
		Technical services received	284,335	-
Elliot Gas Services Saudi Arabia Company Limited	Associate	Sale of goods and providing technical services	1,308,618	1,789,218
Elster Instromet Saudi Arabia Company Limited	Associate	Sale of goods and providing technical services	69,000	73,000
		Purchase of goods & services	(272,446)	(133,765)
		Rental income	970,313	807,584
		Payment made on behalf of associate	13,745	39,617

GAS ARABIAN SERVICES COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022**

(Expressed in Saudi Riyals)

7. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

Related parties	Relationship	Nature of transactions	Amounts of transaction for six months period ended June 30,	
			2022 (Unaudited)	2021 (Unaudited)
Eagle Burgmann Saudi Arabia Company Limited	Affiliate	Sale of goods and technical services	-	4,596,907
		Purchase of goods and services	(9,646)	(153,360)
		Payment made on behalf of affiliate	-	225
FS Elliot Services Company Limited	Associate	Sale of goods and technical services	130,636	77,593
		Rental income	137,461	137,452
		Purchase of goods and services	(1,083,270)	-
		Payment made on behalf of associate	40	3,777
Weidmuller Company Limited	Associate	Sale of goods and technical services	70,694	4,690
		Purchase of goods and services	(930,606)	(209,833)
		Financing	-	490,000
		Payment made on behalf of associate	1,013	5,326
Gas Vector Saudi Arabia Company Limited	Associate	Sale of goods and technical services	141,780	57,047
		Purchase of goods & Services	(2,651,117)	(358,883)
		Rental income	37,375	37,375
		Payment made on behalf of associate	7,231	104,521
Magnetrol GAS	Affiliate	Payment made on behalf of affiliate	-	65,925
Gas Gulf for Trading & Contracting Company Limited	Affiliate	Payment made on behalf of affiliate	-	100
FS Elliot Saudi Arabia Company Limited	Associate	Sale of goods and technical Services	51,750	51,750
		Rent Income	274,904	274,904

GAS ARABIAN SERVICES COMPANY

A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022**

(Expressed in Saudi Riyals)

7. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

Related parties	Relationship	Nature of transactions	Amounts of transaction for six months period ended June 30,	
			2022 (Unaudited)	2021 (Unaudited)
Abdulrahman Khalid Aldabal	Key management	Rental expense	(223,750)	(245,527)
Mr. Khalid Abdulrahman Aldabal & Ms. Hind Abdulrahman Aldabal	Key management relative	Rental expense	(175,762)	(175,762)
Ms. Nora Abdulrahman Aldabal & Ms. Kholoud Abdulrahman Aldabal	Key management relative	Rental expense	(22,500)	(22,500)
Aref Khalid Aldabal	Key management	Rental expense	(242,500)	(543,735)

Amounts due from related parties presented under prepayment and other receivables:

Related parties	Balances as at	
	June 30, 2022 (Unaudited)	December 31, 2021 (Audited)
FS Elliot Services Company Limited	411,125	413,499
Gas Vector Saudi Arabia Company Limited	1,757,380	1,755,637
TCR Arabia Company Limited	454,859	490,905
Yokogawa Services Saudi Arabia Company Limited	-	1,786
FS Elliot Saudi Arabia Company Limited	1,286,882	1,289,256
Elster Instromet Saudi Arabia Company Limited	2,240,000	2,245,504
Other affiliates	539,556	539,472
	6,689,802	6,736,059

Amounts due from related parties presented under trade receivables:

Related parties	Balances as at	
	June 30, 2022 (Unaudited)	December 31, 2021 (Audited)
Elliot Gas Services Saudi Arabia Company Limited	111,918	64,932
Gas Vector Saudi Arabia Company Limited	115,316	50,873
Prudent Saudi Arabia Limited	-	63,324
TCR Arabia Company Limited	754,197	-
Other Affiliates	1,357,163	1,264,427
	2,338,594	1,443,556

GAS ARABIAN SERVICES COMPANY

A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022**

(Expressed in Saudi Riyals)

7. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)**Amounts due to related parties presented under accruals and other liabilities:**

	Balances as at	
	June 30, 2022	December 31, 2021
Related parties	(Unaudited)	(Audited)
Mr. Abdulrahman Khalid Aldabal	223,750	-
Mr. Khalid Abdulrahman Aldabal & Ms. Hind Abdulrahman Aldabal	175,762	-
Ms. Nora Abdulrahman Aldabal & Ms. Kholoud Abdulrahman Aldabal	22,500	-
Mr. Aref Khalid Aldabal	242,500	-
	664,512	-

Amounts due to related parties presented under trade payables:

	Balances as at	
	June 30, 2022	December 31, 2021
Related parties	(Unaudited)	(Audited)
FS Elliot Services Company Limited	1,090,722	2,199,321
Gas Vector Saudi Arabia Company Limited	1,163,634	172,200
Weidmuller Company Limited	116,607	96,128
Prudent Saudi Arabia Limited	4,789	51,400
Yokogawa Services Saudi Arabia Company Limited	390,764	2,127,738
Eagle Burgmann Saudi Arabia Company Limited	26,826	17,531
Other Affiliates	139,900	83,468
	2,933,242	4,747,786

The compensation for key executives for the period ended on June 30, 2022 is SR 4.61 million (June 30, 2021: SR 4.42 million).

8. OTHER INCOME

	Six months period ended	
	June 30, 2022	2021
	(Unaudited)	(Unaudited)
Foreign currency exchange (loss)/ gain	(406,117)	148,703
Rental income	1,562,755	1,405,614
Changes in investments at FVTPL – net	(1,687,636)	-
Others	827,201	3,865,365
	296,203	5,419,682

GAS ARABIAN SERVICES COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

(Expressed in Saudi Riyals)

9. ZAKAT

Status of assessments

The Company has finalized and agreed its Zakat assessments up to 2016 except for the year 2015 with the Zakat, Tax and Customs Authority (ZATCA) (formerly GAZT). During 2021, ZATCA issued assessment for the year 2015 with an additional zakat liability of SR 605,186. The company has paid SR 245,314 and filed an appeal for the balance claim of SR 359,873. The management is expecting a favorable outcome in this regard. The declarations / returns for the years from 2017 to 2021 have been submitted to ZATCA. The assessment for the year 2017 through 2021 is currently under review by the ZATCA.

10. CONTINGENCIES AND COMMITMENTS

The Company has outstanding letters of guarantee amounting to SR 148.29 million (December 31, 2021: SR 126.57 million) and letters of credit amounting to SR 1.8 million (December 31, 2021: SR 5.34 million) issued by the local banks on behalf of Company in the ordinary course of business. Further, the Company has capital commitments amounting to SR 19.95 million (December 31, 2021: SR 23 million) on account of construction of Company's new office building.

11. EARNINGS PER SHARE

The calculation of earnings per share is based on the following profit attributable to the shareholders of the Company and weighted average number of ordinary shares outstanding:

	Six months period ended June 30,	
	2022	2021
	(Unaudited)	(Unaudited)
Net profit attributable to the shareholders of the Company	17,848,691	15,440,201
Weighted average number of ordinary shares outstanding during the period	15,800,000	15,159,116
Basic and diluted earnings per share	1.13	1.02

12. DIVIDEND PAID

During the six months ended June 30, 2022, the shareholders approved the dividend amounted to SR 31.6 million and it was also paid to the shareholders (six months ended June 30, 2021: SR 30 million).

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**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022**

(Expressed in Saudi Riyals)

13. COVID-19 UPDATES

In the six months period ended June 30, 2022, the Company's management did not observe any significant impact on the operations of the Company. Further, the management has implemented active prevention programs at its sites and contingency plans in order to minimize the impact of risks related to COVID-19 and to safeguard the continuity of its business operations. As the COVID-19 pandemic remains an evolving situation, management will continue to closely monitor the effects of the pandemic on its financial and operational results during 2022 or beyond.

14. APPROVAL OF CONDENSED INTERIM FINANCIAL STATEMENTS

These condensed interim financial statements were approved by the Board of Directors on 20 Muharram 1444 H (corresponding 18 August 2022 G).