

**AL MOAMMAR INFORMATION SYSTEMS
COMPANY
(A Saudi Joint Stock Company)**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REVIEW REPORT (UNAUDITED)**

FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED 30 JUNE 2023

AL MOAMMAR INFORMATION SYSTEMS COMPANY
(A Saudi Joint Stock Company)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT
AUDITOR'S REVIEW REPORT
For the three-month and six-month period ended 30 June 2023

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**Independent auditor's review report on the interim condensed consolidated financial statements
to the shareholders of Al Moammar Information Systems Company
(A Saudi Joint Stock Company)**

Introduction

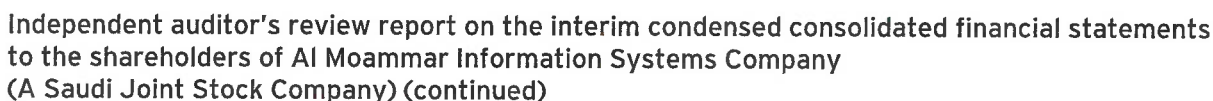
We have reviewed the accompanying interim consolidated statement of financial position of Al Moammar Information Systems Company (a Saudi Joint Stock Company) (the "Company") and its subsidiaries (collectively referred to as the "Group") as at 30 June 2023, and the related interim consolidated statement of profit or loss and other comprehensive income for the three-month and six-month periods ended 30 June 2023, and the related interim consolidated statements of changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated 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 interim condensed consolidated 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" that is endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists of making inquiries, primarily of the 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.

Basis for Qualified Conclusion

1. As of 30 June 2023, the Group has gross trade receivables and contract assets amounting to SR 617 million and SR 945 million (31 December 2022: SR 523 million and SR 663 million), respectively and has estimated expected credit losses ("ECL") amounting to SR 25 million on trade receivables (31 December 2022: SR 28 million) and SR 12 million on contract assets (31 December 2022: SR 13 million). Management has however not provided us a detailed assessment of ECL in accordance with International Financial Reporting Standards, as endorsed in the Kingdom of Saudi Arabia and other pronouncements, and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants ("IFRS as endorsed in KSA"). Further, we were not provided sufficient appropriate evidence to conclude on the appropriateness of the classification and presentation of trade receivables and contract assets between current and non-current in these interim condensed consolidated financial statements. Accordingly, we are unable to obtain sufficient appropriate evidence to assess the adequacy of the ECL estimates and the carrying value and presentation of trade receivables and contract assets.
2. During the three-month and six-month periods ended 30 June 2023, the Group has recognized margin on supply of equipment and material related amounting to SR 14.7 million and SR 21.1 million, respectively on a project. In accordance with IFRS as endorsed in KSA; as the installation has not yet been completed, revenue should only be recorded to the extent of cost incurred, with no related margin. The recognition of such margin represents a departure from IFRS as endorsed in KSA and accordingly the net income would have decreased by SR 14.7 million and SR 21.1 million for the three-month and six-month periods ended 30 June 2023, respectively.
3. During the three-month and six-month periods ended 30 June 2023, the Group has recognized revenue from operations and maintenance ("O&M") contracts amounting to SR 101 million and SR 153 million, respectively. We were not able to satisfy ourselves as to the appropriateness of management's assessment of O&M contracts in accordance with IFRS as endorsed in KSA. Accordingly, we were unable to obtain sufficient appropriate evidence to satisfy ourselves on the appropriateness of O&M revenue and cost of revenue.



Based on our review, with the exception of the matters described in the preceding paragraphs, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements have not been prepared, in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

- The consolidated financial statements of the Group for the year ended 31 December 2022 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 8 Sha'ban 1444H (corresponding to 28 February 2023). Further, the interim condensed consolidated financial statements of the Group for the three-month and six-month period ended 30 June 2022 were reviewed by another auditor who expressed an unmodified review conclusion on those interim condensed consolidated financial statements on 5 Safar 1444H (corresponding to 1 September 2022).
- On 10 July 2023, the Group declared dividends amounting to SR 45 million from retained earnings of SR 112 million as of 30 June 2023, as reported in these interim condensed consolidated financial statements. This was paid to the shareholders on 9 August 2023. The matters described in the Basis for Qualification Conclusion paragraph of our report may result in adjustments to the reported retained earnings as of 30 June 2023.

Fahad M. Al-Toaimi
Certified Public Accountant
License No. 354

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شركة ايموت و يانج للخدمات المهنية
(مستشارين مهنيين في إدارة مدونة)

Emut & Young Professional Services
(Professional LLC)

AL MOAMMAR INFORMATION SYSTEMS COMPANY
(A Saudi Joint Stock Company)
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2023

		30 June 2023 SR (Unaudited)	31 December 2022 SR (Audited)
	Notes		
ASSETS			
Non-current assets			
Property and equipment, net	7A	39,018,348	40,622,269
Intangible assets, net	7B	5,143,520	5,494,771
Equity-accounted investees	8A	12,118,752	8,807,719
Advance for investment	8B	25,000,000	25,000,000
Contract assets	9A	20,168,241	22,259,987
Contract costs, net	9B	13,714,873	9,867,633
Total non-current assets		115,163,734	112,052,379
Current assets			
Contract assets, net	9A	912,958,373	628,031,875
Contract costs, net	9B	15,826,002	15,873,454
Trade and other receivables, net	10	605,515,795	506,985,897
Prepayments and other assets	11	211,709,384	191,957,831
Inventories	12	2,966,538	1,508,743
Cash and cash equivalents		112,073,109	152,283,200
Total current assets		1,861,049,201	1,496,641,000
TOTAL ASSETS		1,976,212,935	1,608,693,379
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	13	300,000,000	300,000,000
Statutory reserve	14	9,586,376	9,586,376
Other reserves		9,976,830	9,744,876
Retained earnings		111,836,230	51,767,686
Total shareholders' equity		431,399,436	371,098,938
Liabilities			
Non-current liabilities			
Employee benefits		23,967,042	22,891,760
Contract liabilities	18	16,432,167	9,986,647
Lease liabilities		90,875	90,844
Total non-current liabilities		40,490,084	32,969,251
Current liabilities			
Loans and borrowings	16	546,037,160	370,942,909
Trade and other payables	17	820,042,986	501,737,708
Other liabilities		8,832,529	682,753
Contract liabilities	18	124,144,374	322,614,569
Zakat payable	6	5,266,366	8,647,251
Total current liabilities		1,504,323,415	1,204,625,190
Total liabilities		1,544,813,499	1,237,594,441
Total shareholders' equity and liabilities		1,976,212,935	1,608,693,379

Ibrahim Abdullah Al Moammar
Vice Chairman, Board of Directors

Abdullah Ghazi Al Ghamdi
Chief Executive Officer

Karthik Ramaswamy Nagar
Subramanian
Chief Financial Officer



The accompanying notes from 1 to 22 form an integral part of these interim condensed consolidated financial statements.

AL MOAMMAR INFORMATION SYSTEMS COMPANY

(A Saudi Joint Stock Company)

INTERIM CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three-month and six-month period ended 30 June 2023

	Notes	For the three-month period ended 30 June (Unaudited)		For the six-month period ended 30 June (Unaudited)	
		2023	2022	2023	2022
		SR	SR	SR	SR
Revenue	4	372,728,138	171,032,867	810,205,280	277,631,570
Cost of revenue		(293,810,152)	(122,821,823)	(654,837,603)	(200,628,291)
Gross profit		78,917,986	48,211,044	155,367,677	77,003,279
General and administration expenses		(19,996,995)	(23,018,243)	(39,246,768)	(39,382,500)
Selling and marketing expenses		(3,660,534)	(2,701,493)	(6,818,173)	(5,524,408)
Impairment loss on trade receivables and contract assets	9A,10	3,669,149	(700,000)	3,669,149	(1,700,000)
Income from operations		58,929,606	21,791,308	112,971,885	30,396,371
Other income		508,326	860,328	1,930,305	1,233,357
Share of profit of equity-accounted investees	8A	1,994,033	1,701,412	3,311,033	3,313,725
Finance cost		(9,060,423)	(4,757,691)	(18,465,824)	(9,996,491)
Finance income		731,199	-	2,321,145	-
Income before zakat		53,102,741	19,595,357	102,068,544	24,946,962
Zakat	6	(3,600,000)	(2,750,000)	(6,000,000)	(3,500,000)
Net income for the period		49,502,741	16,845,357	96,068,544	21,446,962
Other comprehensive income					
Item that will not be reclassified to profit or loss:					
Remeasurements gain on employees' defined benefit obligations		423,201	2,281,485	231,954	933,862
Other comprehensive income		423,201	2,281,485	231,954	933,862
Total comprehensive income for the period		49,925,942	19,126,842	96,300,498	22,380,824
Earnings per share:					
Basic and diluted earnings per share of net income for the period	5	1.65	0.56	3.20	0.71


Ibrahim Abdullah Al Moammar
Vice Chairman, Board of Directors


Abdullah Ghazi Al Ghamdi
Chief Executive Officer



Karthik Ramaswamy Nagar
Subramanian
Chief Financial Officer



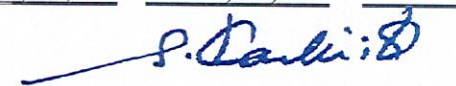
The accompanying notes from 1 to 22 form an integral part of these interim condensed consolidated financial statements.

AL MOAMMAR INFORMATION SYSTEMS COMPANY
(A Saudi Joint Stock Company)
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six-month period ended 30 June 2023

	Share capital SR	Statutory reserve SR	Other reserves SR	Retained earnings SR	Total shareholders' equity SR
As at 1 January 2022 (Audited)	250,000,000	5,647,975	7,168,919	70,842,327	333,659,221
Net income for the period	-	-	-	21,446,962	21,446,962
Other comprehensive income for the period	-	-	933,862	-	933,862
Total comprehensive income for the period	-	-	933,862	21,446,962	22,380,824
Dividends (note 15)	-	-	-	(25,000,000)	(25,000,000)
Transfer to share capital (note 13)	50,000,000	(5,647,975)	-	(44,352,025)	-
Balance as at 30 June 2022 (Unaudited)	300,000,000	-	8,102,781	22,937,264	331,040,045
As at 1 January 2023 (Audited)	300,000,000	9,586,376	9,744,876	51,767,686	371,098,938
Net income for the period	-	-	-	96,068,544	96,068,544
Other comprehensive income for the period	-	-	231,954	-	231,954
Total comprehensive income for the period	-	-	231,954	96,068,544	96,300,498
Dividends (note 15)	-	-	-	(36,000,000)	(36,000,000)
Balance as at 30 June 2023 (Unaudited)	300,000,000	9,586,376	9,976,830	111,836,230	431,399,436


Ibrahim Abdullah Al Moammar
Vice Chairman, Board of Directors


Abdullah Ghazi Al Ghamdi
Chief Executive Officer


Karthik Ramaswamy Nagar Subramanian
Chief Financial Officer



The accompanying notes from 1 to 22 form an integral part of these interim condensed consolidated financial statements.

AL MOAMMAR INFORMATION SYSTEMS COMPANY
(A Saudi Joint Stock Company)
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For the six-month period ended 30 June 2023

		For the six-month period ended 30 June (Unaudited)	
		2023	2022
	Notes	SR	SR
Operating activities			
Net income for the period		96,068,544	21,446,962
<i>Adjustments for:</i>			
Depreciation of property and equipment	7A	1,816,008	1,848,360
Amortization of intangible assets	7B	1,057,793	534,734
Share of profit on equity-accounted investees	8A	(3,311,033)	(3,313,725)
Impairment loss on trade receivables and contract assets	9,10	(3,669,149)	1,700,000
Employee benefits charge		3,801,002	3,574,328
Finance costs		18,465,824	9,996,491
Finance income		(2,321,145)	-
Zakat expense	6	6,000,000	3,500,000
		117,907,844	39,287,150
<i>Changes in working capital:</i>			
Contract assets		(281,969,565)	84,419,082
Contract costs		(3,799,788)	38,900,342
Trade and other receivables		(95,640,420)	(95,267,794)
Prepayments and other assets		(19,751,553)	(11,391,399)
Trade and other payables		318,197,458	(37,433,671)
Inventories	12	(1,457,795)	(1,382,294)
Other liabilities		8,149,776	29,373,409
Contract liabilities		(192,024,675)	124,661,898
Net cash (used in)/generated from operations		(150,388,718)	171,166,723
Zakat paid	6	(9,380,885)	(8,403,775)
Employee benefits paid		(2,493,766)	(2,537,997)
Net cash (used in)/generated from operating activities		(162,263,369)	160,224,951
Investing activities			
Purchase of property and equipment	7A	(212,087)	(1,767,059)
Purchase of intangible assets	7B	(706,542)	1,354,815
Dividend received from equity-accounted investees	8A	-	1,732,500
Net cash (used in)/generated from investing activities		(918,629)	1,320,256
Financing activities			
Proceeds from loans and borrowings	16	566,912,866	392,726,594
Repayment of loans and borrowings	16	(391,818,615)	(348,393,634)
Finance costs paid		(16,034,595)	(9,914,746)
Payment of lease liabilities			
- Principal		(79,691)	(175,500)
- Interest		(8,058)	(19,397)
Dividend paid	15	(36,000,000)	(25,000,000)
Net cash generated from financing activities		122,971,907	9,223,317
Net (decrease)/increase in cash and cash equivalents		(40,210,091)	170,768,524
Cash and cash equivalents at the beginning of the period		152,283,200	21,563,199
Cash and cash equivalents at the end of the period		112,073,109	192,331,723

Ibrahim Abdullah Al Moammar
Vice Chairman, Board of
Directors

Abdullah Ghazi Al Ghamdi
Chief Executive Officer

Karthik Ramaswamy Nagar Subramanian
Chief Financial Officer

The accompanying notes from 1 to 22 form an integral part of these interim condensed consolidated financial statements.



AL MOAMMAR INFORMATION SYSTEMS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-month and six-month period ended 30 June 2023

1. CORPORATE INFORMATION

Al Moammar Information Systems Company (the “Company”) is a Saudi Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia (“KSA”) under Commercial registration number 1010063470 dated 10 Muharram 1407H (corresponding to 15 September 1986).

The registered office of the Company is located at following address:

Head Office and Central Region:

6330 Al Thumamah Road - Al Sahafa District

Unit No 1, 3296

Riyadh 13315, Kingdom of Saudi Arabia

The Company is registered in KSA with the following branches as at 30 June 2022:

<u>Commercial registration number</u>	<u>Commercial registration date</u>	<u>Location</u>
4030097824	8 Rabi Awal 1414H	Jeddah
1010432047	12 Jumad Thani 1436H	Riyadh
2051011413	17 Rabi Awal 1407H	Al Khobar
4030288661	4 Rajab 1437H	Jeddah

The Company is engaged in providing information technology solutions services which includes operating systems, system analysis, software design and programming, software maintenance, web design, setting up primary structure for web hosting, data processing services and related activities.

In 2021, the Group incorporated a wholly owned subsidiary “Excellence Medical Systems Company” (A one person company) under commercial registration number 1010707294 with a paid-up capital of SR 1,000,000. The primary business of this wholly owned subsidiary is to engage in providing supplies and maintenance of medical devices, laboratory products, operate tele-care and telemedicine centers and canteens or cafeterias in hospitals and storage of hazardous medical waste.

During December 2021, the Group incorporated a wholly owned subsidiary “Excellence Application Solutions Company” (A one person company) under commercial registration number 1010764928 with a paid-up capital of SR 1,000,000. The primary business of this wholly owned subsidiary is to engage with clients to nurture bold ideas and build innovative technology solutions by offering its expertise derived from its employees with long experience in managing such businesses, technical strength in the development of technologies and digital integration. The Company engages in developing leading-edge platforms and products such as buy now pay later, marketplace and open banking solution.

During 2023, the subsidiary received permit approval from the Saudi Central Bank (“SAMA”) to carry out the Buy Now Pay Later (“BNPL”) activities in KSA under the name of MIS pay. However, the subsidiary has not commenced its operations yet.

These interim condensed consolidated financial statements include the financial information of the branches of the Company and the above-mentioned subsidiaries (together referred to as the “Group”).

These interim condensed consolidated financial statements were approved by the Board of Directors on 14 August 2023 (corresponding to 27 Muharram 1445H).

2. BASIS OF PREPARATION

2.1 Statement of compliance

These interim condensed consolidated financial statements comprise the financial information of the Group and have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’ that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Chartered and Professional Accountants.

The interim condensed consolidated financial statements do not include all of the information and disclosures required for full annual consolidated financial statements and should be read in conjunction with Group’s annual consolidated financial statements for the year ended 31 December 2022. Certain comparative figures (refer to note 9B) in these interim condensed consolidated financial statements have been reclassified wherever necessary for better presentation and disclosure.

AL MOAMMAR INFORMATION SYSTEMS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-month and six-month period ended 30 June 2023

2. BASIS OF PREPARATION (CONTINUED)

2.1 Statement of compliance (continued)

These interim condensed consolidated financial statements have been prepared on a historical cost using accrual basis, except for equity-accounted investees which are measured using equity method. The carrying amount of financial assets and liabilities are a reasonable approximation of their fair values. These interim condensed consolidated financial statements are prepared on a going concern basis. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The new Companies Law issued through Royal Decree M/132 on 01/12/1443H (corresponding to 30 June 2022) (hereinafter referred as the "Law") came into force on 26/06/1444H (corresponding to 19 January 2023). For certain provisions of the Law, full compliance is expected not later than two years from 26/06/1444H (corresponding to 19 January 2023). The management is in the process of assessing the impact of the Law and will amend its By-Laws for any changes to align the Articles to the provisions of the Law. Consequently, the Company shall present the amended By-Laws to the shareholders in their Extraordinary/Annual General Assembly meeting for their ratification.

2.2 Functional and presentation currency

These interim condensed consolidated financial statements are presented in Saudi Riyal ("SR") which is the functional currency of the Group. The Group has used the Saudi Riyal ("SR") as presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in preparing the Group's annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2023, but do not have an impact on the interim condensed consolidated financial statements of the Group.

3.1 Significant accounting estimates and assumptions

The preparation of the Group's interim condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's annual consolidated financial statements for the year ended 31 December 2022. In 2021 the Group entered into a contract with its customer to build data centers. The following significant judgement has been applied to the assessment.

The Group has applied the significant judgement while assessing the performance obligations under revenue from contracts with customers. The Group entered into separate contracts with customer to build data centers. These contracts involve various promises including design, procurement and construction of the data centers. The Group evaluates whether it is a principal or an agent under these contracts.

AL MOAMMAR INFORMATION SYSTEMS COMPANY
(A Saudi Joint Stock Company)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

For the three-month and six-month period ended 30 June 2023

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Significant accounting estimates and assumptions (CONTINUED)

The Group assessed that it is acting as a principal where it is responsible to make the decisions around effective utilization of internal resources and/or vendors/sub-contractor in implementation services and in the eventual delivery of the deliverables fulfilling the customer's requirements. Where the Group is the primary obligor within the context of the contract and has the direct responsibility to provide the services, the revenue is recorded on a gross basis as a principal.

The Group further assesses whether the promises under these contracts involve a significant service of integrating the goods or services with other goods or services promised in the contract into a bundle of goods or services that represent the combined output or outputs for which the customer has contracted. Accordingly, the Group assesses its promises to transfer goods or services to the customer under these contracts are not separately identifiable within the context of the contract and represents a single performance obligation to build the data centers for the customer.

In addition, under the terms of the contracts, the Group assesses that its performance creates an asset that the customer controls as the asset is created and recognizes revenue over the period of the contract as the performance obligation is satisfied over time. The Group applies the input method to recognize revenue based on cost incurred as a percentage of total estimated cost towards satisfying the performance obligation.

The Group evaluates if such contracts include defect and warranty periods following completion of the project. These are not deemed to be separate performance obligations and therefore estimated and included in the total costs of the contracts. Where required, amounts are recognized according to IAS 37 as provisions.

Any non-cash consideration receivable under the contract from the customer is measured at fair value. The fair value of the non-cash consideration is determined at each billing date based on the terms of the contract. Where such non-cash consideration includes financial asset, these are subsequently re-measured at the reporting date in accordance with the Group's policy

3.2 Fair value measurement

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 most advantageous market must be accessible by the Group. 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.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

AL MOAMMAR INFORMATION SYSTEMS COMPANY

(A Saudi Joint Stock Company)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)**

For the three-month and six-month period ended 30 June 2023

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**3.2 Fair value measurement (CONTINUED)**

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

All assets and liabilities for which fair value is measured or disclosed in the interim condensed consolidated financial statements are categorized within the fair value hierarchy. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognized in the interim condensed consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year. The Group determines the policies and procedures for both recurring fair value measurement, and for non-recurring measurement.

At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Group also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

4. REVENUE

The Group's revenue is derived from contracts with customers:

Desegregation of revenue

Set out below is the disaggregation of Group's revenue from contracts with customers by type of goods or services, timing of revenue recognition, type of customers and revenue earned acting as principals or agent:

	<i>For the three-month period ended 30 June (Unaudited)</i>		<i>For the six-month period ended 30 June (Unaudited)</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
<i>Timing of revenue recognition</i>				
Services transferred overtime	314,671,954	111,827,047	677,693,642	196,433,518
Products transferred at a point in time	58,056,184	59,205,820	132,511,638	81,198,052
	372,728,138	171,032,867	810,205,280	277,631,570

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4. REVENUE (CONTINUED)

	<i>For the three-month period ended 30 June (Unaudited)</i>		<i>For the six-month period ended 30 June (Unaudited)</i>	
	2023	2022	2023	2022
	SR	SR	SR	SR
<i>Type of customers</i>				
Private	194,833,764	32,557,659	482,110,755	55,402,867
Government & government-controlled entities	177,894,374	138,475,208	328,094,525	222,228,703
	372,728,138	171,032,867	810,205,280	277,631,570
	<i>For the three-month period ended 30 June (Unaudited)</i>		<i>For the six-month period ended 30 June (Unaudited)</i>	
	2023	2022	2023	2022
	SR	SR	SR	SR
<i>Product or service</i>				
Equipment and hardware	277,793,832	27,907,042	659,540,655	47,013,645
Maintenance, services and solutions	87,879,750	140,525,825	133,544,514	225,132,296
Software licenses	7,054,556	2,600,000	17,120,111	5,485,629
	372,728,138	171,032,867	810,205,280	277,631,570
	<i>For the three-month period ended 30 June (Unaudited)</i>		<i>For the six-month period ended 30 June (Unaudited)</i>	
	2023	2022	2023	2022
	SR	SR	SR	SR
<i>Revenue earned as principal or agent</i>				
Revenue earned as a principal	350,900,160	149,656,115	768,835,683	243,362,074
Revenue earned as an agent	21,827,978	21,376,752	41,369,597	34,269,496
	372,728,138	171,032,867	810,205,280	277,631,570

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5. EARNINGS PER SHARE

Basic earnings per share 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 diluted potential ordinary shares.

There has been no item of dilution affecting the weighted average number of ordinary shares.

	<i>For the three-month period ended 30 June (Unaudited)</i>		<i>For the six-month period ended 30 June (Unaudited)</i>	
	2023	2022	2023	2022
	SR	SR	SR	SR
Net income for the period	49,502,741	16,845,357	96,068,544	21,446,962
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share*	30,000,000	30,000,000	30,000,000	30,000,000
Basic and diluted earnings per share of net income for the period	1.65	0.56	3.20	0.71

*The weighted average number of ordinary shares used as a denominator in calculating basic and diluted EPS for 30 June 2022 has been adjusted on account of the bonus share issue.

6. ZAKAT

Zakat charge for the six-month period ended 30 June 2023 amounts to SR 6,000,000 (unaudited) (for the six-month period ended 30 June 2022 amounts to SR 3,500,000) (unaudited).

Zakat charge for the three-month period ended 30 June 2023 amounts to SR 3,600,000 (unaudited) (for the three-month period ended 30 June 2022 amounts to SR 2,750,000) (unaudited).

Movement in Zakat provision during the period / year

	<i>30 June 2023 (Unaudited) SR</i>	<i>31 December 2022 (Audited) SR</i>
Balance at 1 January	8,647,251	7,451,026
Charged for the period/year	6,000,000	9,600,000
Paid during the period/year	(9,380,885)	(8,403,775)
	<u>5,266,366</u>	<u>8,647,251</u>

The Company has finalized its Zakat and withholding tax assessment with the Zakat, Tax and Customs Authority ("ZATCA") up to year 2016 and obtained the final Zakat and withholding tax certificates. The Group has filed its Zakat and withholding tax returns for the years 2017 to 2022, which are under review by ZATCA.

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7A. PROPERTY AND EQUIPMENT, NET

	<i>Land SR</i>	<i>Building* SR</i>	<i>Equipment SR</i>	<i>Motor vehicles SR</i>	<i>Furniture and fixtures SR</i>	<i>Total SR</i>
<u>2023</u>						
<i><u>Cost:</u></i>						
As at 1 January 2023 (Audited)	8,122,900	30,425,433	16,358,599	1,287,687	3,489,497	59,684,116
Additions	-	33,602	178,485	-	-	212,087
As at 30 June 2023 (Unaudited)	8,122,900	30,459,035	16,537,084	1,287,687	3,489,497	59,896,203
<i><u>Accumulated depreciation:</u></i>						
As at 1 January 2023 (Audited)	-	3,759,068	12,826,044	1,180,328	1,296,407	19,061,847
Charge for the period	-	852,699	602,792	15,710	344,807	1,816,008
As at 30 June 2023 (Unaudited)	-	4,611,767	13,428,836	1,196,038	1,641,214	20,877,855
<i><u>Net book value:</u></i>						
As at 30 June 2023 (Unaudited)	8,122,900	25,847,268	3,108,248	91,649	1,848,283	39,018,348

*Building includes right-of-use assets at net book value of SR 287,465 (unaudited) related to leased office premises.

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7A. PROPERTY AND EQUIPMENT, NET (CONTINUED)

	<i>Land</i> <i>SR</i>	<i>Building*</i> <i>SR</i>	<i>Equipment</i> <i>SR</i>	<i>Motor</i> <i>vehicles</i> <i>SR</i>	<i>Furniture</i> <i>and fixtures</i> <i>SR</i>	<i>Total</i> <i>SR</i>
<u>2022 (Audited)</u>						
<u>Cost:</u>						
As at 1 January 2022	8,122,900	29,270,525	15,681,493	1,287,687	3,422,257	57,784,862
Additions	-	1,154,908	677,106	-	67,240	1,899,254
As at 31 December 2022	8,122,900	30,425,433	16,358,599	1,287,687	3,489,497	59,684,116
<u>Accumulated depreciation:</u>						
As at 1 January 2022	-	2,049,294	11,618,700	1,132,225	597,765	15,397,984
Charge for the year	-	1,709,774	1,207,344	48,103	698,642	3,663,863
As at 31 December 2022	-	3,759,068	12,826,044	1,180,328	1,296,407	19,061,847
<u>Net book value:</u>						
As at 31 December 2022	8,122,900	26,666,365	3,532,555	107,359	2,193,090	40,622,269

*Property and equipment include right-of-use assets at net book value of SR 421,883 (audited) related to leased office premises that do not meet the definition of investment property

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7B. INTANGIBLE ASSETS, NET

	<i>ERP software SR</i>	<i>Application development SR</i>	<i>Other software SR</i>	<i>Total SR</i>
<u>Cost:</u>				
As at 1 January 2023 (Audited)	4,572,834	4,532,387	6,361,069	15,466,290
Additions	-	-	706,542	706,542
As at 30 June 2023 (Unaudited)	4,572,834	4,532,387	7,067,611	16,172,832
<u>Accumulated amortization:</u>				
As at 1 January 2023 (Audited)	2,339,414	4,532,387	3,099,718	9,971,519
Charge for the period	788,881	-	268,912	1,057,793
As at 30 June 2023 (Unaudited)	3,128,295	4,532,387	3,368,630	11,029,312
<u>Net book value:</u>				
As at 30 June 2023 (Unaudited)	1,444,539	-	3,698,981	5,143,520
	<i>ERP software SR</i>	<i>Application development SR</i>	<i>Other software SR</i>	<i>Total SR</i>
<u>Cost:</u>				
As at 1 January 2022 (Audited)	3,297,535	4,532,387	7,244,622	15,074,544
Additions	1,275,299	-	1,854,087	3,129,386
Disposal	-	-	(2,737,640)	(2,737,640)
As at 31 December 2022 (Audited)	4,572,834	4,532,387	6,361,069	15,466,290
<u>Accumulated amortization:</u>				
As at 1 January 2022 (Audited)	1,698,313	4,532,387	2,528,703	8,759,403
Charge for the year	641,101	-	625,248	1,266,349
Disposal	-	-	(54,233)	(54,233)
As at 31 December 2022 (Audited)	2,339,414	4,532,387	3,099,718	9,971,519
<u>Net book value:</u>				
As at 31 December 2022 (Audited)	2,233,420	-	3,261,351	5,494,771

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8A. EQUITY-ACCOUNTED INVESTEEES

<i><u>Name of associates</u></i>	<i><u>Principal activities</u></i>	<i><u>Place of incorporation and principal place of business</u></i>	<i><u>% age holding</u></i>
Edarat Group SAL	Technology based solutions	Lebanon	50%
Edarat Telecommunication and Information Technology Company	Development, installation and maintenance of computer hardware and software	Kingdom of Saudi Arabia	40%
Phoenicia Tech Worldwide Inc. – BVI	Technology based solutions	British Virgin Island	50%

The Group has significant influence, but does not have control or joint control, over the financial and operating policies of these equity accounted investees.

The movement in investment in associates is as follows:

	<i><u>Edarat Group SAL</u></i>	<i><u>Edarat Telecommunication & Information Technology Company</u></i>	<i><u>Phoenicia Tech Worldwide Inc.</u></i>	<i><u>Total SR</u></i>
At 1 January 2022 (Audited)	95,034	6,455,092	1,057	6,551,183
Share of profit	69,482	5,987,392	58,316	6,115,190
Dividend received	-	(1,732,500)	-	(1,732,500)
Disposal of investment*	-	(2,126,154)	-	(2,126,154)
At 31 December 2022(Audited)	<u>164,516</u>	<u>8,583,830</u>	<u>59,373</u>	<u>8,807,719</u>
Share of profit	<u>-</u>	<u>3,311,033</u>	<u>-</u>	<u>3,311,033</u>
At 31 June 2023 (Unaudited)	<u>164,516</u>	<u>11,894,863</u>	<u>59,373</u>	<u>12,118,752</u>

*During last quarter of 2022, the Group sold 63,000 shares out of 312,000 having carrying value of SR 2,126,154 for SR 17,365,135 resulting in Gain on disposal of shares amounting to SR 15,238,980.

8B. ADVANCE FOR INVESTMENT

During 2021, the Group has signed a subscription agreement to acquire 1.58% shareholding in a digital bank and has paid an advance for investment amounting to SR 25,000,000. During six-month period ended 30 June 2023, the necessary legal formalities for incorporation of the legal entity and regulatory approvals were completed and equity shares are yet to be allotted to the Group.

9A. CONTRACT ASSETS, NET

	<i><u>30 June 2023 (Unaudited) SR</u></i>	<i><u>31 December 2022 (Audited) SR</u></i>
Unbilled receivables*	945,346,214	663,376,649
Less: Impairment loss on contract assets	<u>(12,219,600)</u>	<u>(13,084,787)</u>
	<u>933,126,614</u>	<u>650,291,862</u>
Classification of contract assets		
Unbilled receivables, non-current	20,168,241	22,259,987
Unbilled receivables, current	<u>912,958,373</u>	<u>628,031,875</u>
	<u>933,126,614</u>	<u>650,291,862</u>

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9A. CONTRACT ASSETS, NET (CONTINUED)

* Unbilled receivables primarily relate to the Group's right to consideration for goods and services delivered but not billed at the reporting date. The same is transferred to trade receivables when the Group issues an invoice to the customer. The contractual terms of invoicing are primarily on a milestone basis.

The movement of contract assets-gross balance is as follows:

	30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
Opening balance	663,376,649	580,968,599
Additions	627,688,781	740,456,696
Invoicing during the year	(345,719,216)	(658,048,646)
Closing balance	<u>945,346,214</u>	<u>663,376,649</u>

Movement of allowance for expected credit losses on contract assets is as follows:

	30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
Opening balance	13,084,787	13,225,252
Reversals during the period/year	(865,187)	(140,465)
Closing balance	<u>12,219,600</u>	<u>13,084,787</u>

9B. CONTRACT COSTS, NET

	30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
Classification of contract costs		
Contract costs, non-current	13,714,873	9,867,633
Contract costs, current	15,826,002	15,873,454
	<u>29,540,875</u>	<u>25,741,087</u>

The movements of contract cost balance are as follows:

	30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
Opening balance	25,741,087	72,075,505
Additions	15,787,651	34,133,094
Amortization	(11,987,863)	(45,378,550)
Agency related recoveries	-	(35,088,962)
Closing balance (refer notes a and b)	<u>29,540,875</u>	<u>25,741,087</u>

- a) It includes incurred costs in respect of long-term IT support contracts, which will generate resources that will be used in satisfying these contracts and are expected to be recovered. They were therefore recognised as an asset from costs to fulfil contracts. The asset is amortised on a straight-line basis over the term where the Group is principal in the performance obligation, and
- b) It includes amounts prepaid by the Group to a third party on behalf of customers and will be adjusted against the recoveries from the customer in the due course. These balances do not gross up expenses as these payments relates to the transaction where Group acts as an agent.

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10. TRADE AND OTHER RECEIVABLES, NET

	30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
Trade receivables - external*	617,190,467	523,493,100
Less: Impairment loss on trade receivables	(25,138,983)	(28,028,461)
	592,051,484	495,464,639
Trade receivables - amounts due from related parties (note 19)	-	1,213,369
Other receivables	13,464,311	10,307,889
	605,515,795	506,985,897

*Trade receivables includes SR 449,594,485 (31 December 2022: SR 406,906,907) due from government or government - controlled entities.

Below is the ageing of gross trade receivables (including due from related parties)

	<i>Total SR</i>	<i>Not yet due SR</i>	<i>0-1 year SR</i>	<i>1-2 year SR</i>	<i>2- 3 years SR</i>	<i>Above 3 years SR</i>
30 June 2023 (Unaudited)	617,190,467	39,060,330	479,225,039	48,736,126	33,059,912	17,109,060
ECL	25,138,983	1,324,617	3,873,615	6,637,988	2,767,969	10,534,794
ECL%	4%	3%	1%	14%	8%	62%
31 December 2022 (Audited)	524,706,469	18,990,977	412,508,898	54,435,810	20,783,458	17,987,326
ECL	28,028,461	270,930	3,896,697	6,363,601	3,498,150	13,999,083
ECL%	5%	1%	1%	12%	17%	78%

Movement of allowance for impairment loss on trade receivables was as follows:

	30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
Opening balance	28,028,461	28,580,375
(Reversal)/charged during the period/year	(2,803,962)	1,840,465
Write off during the period/year	(85,516)	(2,392,379)
Closing balance	25,138,983	28,028,461

11. PREPAYMENTS AND OTHER ASSETS

	30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
Advances to suppliers**	185,003,532	176,462,388
Prepaid expenses	15,303,565	8,498,689
Margin on letters of credit and guarantees	8,340,709	6,699,334
Advances to employees	3,618,666	728,869
Others	237,065	362,704
	212,503,537	192,751,984
Provision for impairment on advances to suppliers	(794,153)	(794,153)
	211,709,384	191,957,831

**Primarily pertains to advances paid to vendors related to data center projects.

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12. INVENTORIES

	<i>30 June 2023 (Unaudited) SR</i>	<i>31 December 2022 (Audited) SR</i>
Goods held for sales	1,924,954	1,508,743
Goods in transit	1,041,584	-
	2,966,538	1,508,743

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. Cost includes expenditure incurred in acquiring the inventories, and other direct cost incurred in bringing them to their existing location and condition. At each reporting date, inventories are assessed for impairment using net realizable value that represents the estimated selling price for inventories less all estimated costs of completion & costs necessary to make the sale.

13. SHARE CAPITAL

Capital of SAR 300,000,000 is divided into 30,000,000 shares of SR 10 each.

The Board of Directors in their meeting held on 28 Jumada-1 1443H (corresponding to 31 January 2022) resolved to increase the Company's share capital to SR 300,000,000 (previously SR 250,000,000) through issuance of one (1) bonus share for every five (5) shares by transferring SR 44,352,025 and SR 5,647,975 from retained earnings and statutory reserve, respectively to share capital. The legal formalities required to enforce the increase of the share capital were completed during the year ended 31 December 2022.

14. STATUTORY RESERVE

In accordance with the Companies Law and the Company's By-Laws, the Company must transfer 10% of its net income to the statutory reserve at year end. As at 30 June 2023, the Group transferred SR nil (unaudited) (31 December 2022: SR 9,586,376 (audited)) of its net income to the statutory reserve. The Company may resolve to discontinue such transfers when the reserve reaches 30% of the share capital. The Group has utilized the statutory reserve of SR Nil (unaudited) (31 December 2022: SR 5,647,975 (audited)) to issue the bonus shares.

15. DIVIDENDS

On 10 January 2023 corresponding to 17 Jumada-II 1444H, the Board of Directors of the Group resolved to distribute cash dividends amounting to SR 1.2 per share aggregating to SR 36,000,000 (unaudited). This dividend was paid on 12 March 2023.

Pursuant to the shareholder's approval in the Annual General meeting dated 26 May 2021, the Board of Directors in their meeting held on 31 January 2022 resolved to distribute cash dividends amounting to SR 1 per share aggregating to SR 25,000,000 (audited) for the second half of the year 2021. This dividend was paid on 14 March 2022.

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16. LOANS AND BORROWINGS

The Group has obtained loans from various local commercial banks and other financial institutions to meet the working capital requirements. These loans are subject to certain financial covenants which are reviewed on annual basis and are secured by promissory notes and assignment of certain contract proceeds and carry commission charges at prevailing market commission rates. The Group did not comply with certain loan covenants during period/year. However, the Group was able to obtain waivers from the respective banks in this regard.

	<i>30 June 2023 (Unaudited) SR</i>	<i>31 December 2022 (Audited) SR</i>
Murabaha facilities	534,435,885	353,451,097
Conventional facilities	11,601,275	17,491,812
	<u>546,037,160</u>	<u>370,942,909</u>

Movement in loans and borrowings are shown below:

	<i>30 June 2023 (Unaudited) SR</i>	<i>31 December 2022 (Audited) SR</i>
Opening balance	370,942,909	370,753,812
Additions during the period/year	566,912,866	905,673,031
Repayment made during the period/year	(391,818,615)	(905,483,934)
Closing balance	<u>546,037,160</u>	<u>370,942,909</u>

17. TRADE AND OTHER PAYABLES

	<i>30 June 2023 (Unaudited) SR</i>	<i>31 December 2022 (Audited) SR</i>
Trade payables	482,054,664	368,843,373
Accrued expenses	320,826,539	114,395,116
Accrual of other employee costs	12,152,332	10,493,870
Amounts due to related parties (note 19)	4,184,237	6,726,989
Other payables	606,850	980,274
Lease liabilities, current	218,364	298,086
	<u>820,042,986</u>	<u>501,737,708</u>

18. CONTRACT LIABILITIES

The contract liabilities relate to advance consideration billed/received, for which revenue is recognised on satisfaction of performance obligations which is generally over one to four years.

	<i>30 June 2023 (Unaudited) SR</i>	<i>31 December 2022 (Audited) SR</i>
Contract liabilities- non-current	16,432,167	9,986,647
Contract liabilities- current	124,144,374	322,614,569
	<u>140,576,541</u>	<u>332,601,216</u>

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18. CONTRACT LIABILITIES (continued)

The amount of SR 293,063,350 included in contract liabilities at 31 December 2022 has been recognised as revenue during the six-month period ended 30 June 2023 (for the year ended 31 December 2022: SR 89,688,733).

The movements during the year are as follows:

	<i>30 June 2023 (Unaudited) SR</i>	<i>31 December 2022 (Audited) SR</i>
Opening balance	332,601,216	147,994,605
Additions	398,474,142	729,933,967
Utilization	(590,498,817)	(545,327,356)
Closing balance	140,576,541	332,601,216

19. RELATED PARTY TRANSACTIONS AND BALANCES

During the period ended 30 June 2023, the Group transacted with its related parties. The terms of those transactions are approved by management/Board of Directors in the ordinary course of business. The transactions during the period are as follows:

	<i>30 June 2023 (Unaudited) SR</i>	<i>30 June 2022 (Audited) SR</i>
Transaction with shareholders		
Dividends paid	36,000,000	25,000,000
Transactions with associate:		
Edarat Telecommunication and Information Technology Company;		
Revenue	10,513	1,416,670
Purchases	9,140,177	17,277,354
Sub-lease rental income	-	304,307
Transactions with entities having common shareholders		
Purchases		
ESRI Saudi Arabia Limited Company	-	1,405,010
Electronic Maps Trading Company	6,171	295,868
Revenue		
Emaar Executives for Information Technology	-	128,139

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

	<i>30 June 2023 (Unaudited) SR</i>	<i>30 June 2022 (Unaudited) SR</i>
Salaries and short-term benefits	5,124,408	3,292,437
Employee benefits	214,428	285,713
	5,338,836	3,578,150

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19. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

The following balances were outstanding with related parties at the reporting date:

	30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
Due from related parties (note 10):		
Electronic Maps Trading Company	-	233,939
Emaar Executive for Information Technology*	-	979,430
	<u>-</u>	<u>1,213,369</u>
Due to related parties (note 17):		
Edarat Telecommunication and Information Technology Company	4,184,237	6,252,182
Emaar Executive for Information Technology*	-	453,244
ESRI Saudi Arabia Limited Company*	-	21,563
	<u>4,184,237</u>	<u>6,726,989</u>

* These parties are no longer related parties from as at 30 June 2023.

AL MOAMMAR INFORMATION SYSTEMS COMPANY

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-month and six-month period ended 30 June 2023

20. SEGMENT INFORMATION

The Group operates solely in KSA and has no geographical segment. For management purposes, the Group is organized into business units based on service provided and has the following reportable segments:

Information about reportable segments:

	Segments								Total SR
	<i>Business service management Unit SR</i>	<i>Solutions Unit SR</i>	<i>Systems Unit SR</i>	<i>Information technology security Unit SR</i>	<i>Networking Unit SR</i>	<i>Operation and maintenance unit SR</i>	<i>Data Center Unit SR</i>	<i>Non- segment remaining items SR</i>	
As at 30 June 2023 (Unaudited)									
Total assets	150,937,410	203,448,039	346,247,336	278,495,635	292,334,145	203,354,866	288,839,429	212,556,075	1,976,212,935
Total liabilities	44,720,954	247,085,288	290,461,345	138,650,094	232,240,608	166,197,649	422,290,273	3,167,288	1,544,813,499
For the six months period ended 30 June 2023 (Unaudited)									
Revenue									
<i>Timings of revenue</i>									
Sale of goods at point in time	3,271,148	8,666,558	42,563,341	12,486,424	53,464,755	12,059,412	-	-	132,511,638
Sale of services over year of time	3,173,379	19,979,099	20,640,020	15,241,811	50,401,106	141,419,515	426,838,712	-	677,693,642
<i>Type of customers</i>									
Government & government - controlled entities	2,812,842	24,377,221	54,514,955	24,738,285	68,378,937	153,272,285	-	-	328,094,525
Private	3,631,685	4,268,436	8,688,406	2,989,950	35,486,924	206,642	426,838,712	-	482,110,755
<i>Principal or agent revenue</i>									
Principal revenue	3,173,379	22,666,283	44,065,551	20,592,386	101,543,612	149,955,760	426,838,712	-	768,835,683
Agent revenue	3,271,148	5,979,374	19,137,810	7,135,849	2,322,249	3,523,167	-	-	41,369,597
Income before Zakat	1,323,435	2,033,651	22,422,281	4,794,757	4,213,493	13,981,575	49,988,319	3,311,033	102,068,544

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20. SEGMENT INFORMATION (Continued)

Information about reportable segments

	Segments								Total SR
	<i>Business service management Unit SR</i>	<i>Solutions Unit SR</i>	<i>Systems Unit SR</i>	<i>Information technology security Unit SR</i>	<i>Networking Unit SR</i>	<i>Operation and maintenance unit SR</i>	<i>Data Center Unit SR</i>	<i>Non- segment remaining items SR</i>	
As at 31 December 2022 (Audited)									
Total assets	146,345,714	224,439,118	193,071,620	143,642,203	334,545,514	165,530,360	169,899,858	231,218,992	1,608,693,379
Total liabilities	76,239,385	253,629,434	105,527,551	122,219,035	108,426,412	166,326,364	398,676,622	6,549,638	1,237,594,441
For the six months period ended 30 June 2022 (Unaudited)									
Revenue									
<i>Timings of revenue</i>									
Sale of goods at point in time	8,703,466	14,568,226	14,998,869	8,737,212	25,323,081	8,867,198	-	-	81,198,052
Sale of services over year of time	6,337,347	6,263,576	7,989,558	8,444,268	49,888,375	94,583,800	22,926,594	-	196,433,518
<i>Type of customers</i>									
Government & government - controlled entities	12,156,832	17,821,987	17,766,355	14,115,937	56,992,972	103,374,620	-	-	222,228,703
Private	2,883,981	3,009,816	5,222,072	3,065,543	18,218,483	76,378	22,926,594	-	55,402,867
<i>Principal or agent revenue</i>									
Principal revenue	6,306,217	7,617,886	20,476,465	13,253,909	72,224,247	100,556,756	22,926,594	-	243,362,074
Agent revenue	8,734,596	13,213,917	2,511,962	3,927,571	2,987,208	2,894,242	-	-	34,269,496
Income before Zakat	2,086,152	4,719,205	792,719	1,389,015	1,563,440	8,509,192	2,573,514	3,313,725	24,946,962

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21. CONTINGENT LIABILITIES AND COMMITMENTS

Guarantees

As at reporting date, the Group has issued the bank guarantees and letter of credits in the normal course of business:

	30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
Letters of guarantees	408,657,104	428,451,181
Letters of credit	585,843,111	390,852,882

22. SUBSEQUENT EVENT

On 10 July 2023 corresponding to 22 Dhu Al-Hijjah 1444 AH, the Board of Directors of the Group resolved to distribute cash dividends amounting to SR 1.5 per share aggregating to SR 45 million. This dividend was paid on 09 August 2023.

Except as mentioned above, no event has occurred subsequent to the reporting date and including the date of the approval of the interim condensed consolidated financial statements which requires the adjustment to, or disclosures, in these interim condensed consolidated financial statements.