

**National Gas and Industrialization Company**  
**(A Saudi Joint Stock Company)**

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

**National Gas and Industrialization Company**  
**(A Saudi Joint Stock Company)**

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the six months period ended 30 June 2023

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## **Report on review of interim condensed consolidated financial statements**

To the Shareholders of National Gas and Industrialization Company  
(A Saudi Joint Stock Company)

### **Introduction**

We have reviewed the accompanying interim condensed consolidated statement of financial position of National Gas and Industrialization Company (the "Company") and its subsidiaries (collectively referred to as the "Group") as of 30 June 2023 and the related interim condensed consolidated statement of comprehensive income for the three and six month periods then ended and the related interim condensed consolidated changes in equity and cash flows for the six months period then ended and other 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), as 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", as endorsed in the Kingdom of Saudi Arabia. A review of interim financial information 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, as endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

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

### **PricewaterhouseCoopers**

Ali A. Alotaibi  
License Number 379  
15 August 2023

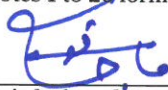


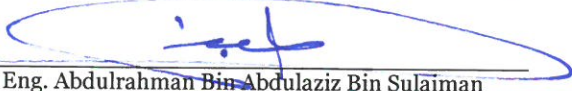
**National Gas and Industrialization Company**  
**(A Saudi Joint Stock Company)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**As of 30 June 2023**

		<b>30 June 2023 (Unaudited) SR</b>	<b>31 December 2022 (Audited) SR</b>
	<b>Note</b>		
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant, and equipment	4	779,288,721	787,307,203
Intangible assets		37,708,910	36,478,800
Investments properties		33,442,174	33,442,174
Right-of-use assets	5.1	17,412,299	19,723,178
Investments in associates	6	88,239,727	89,759,775
Financial assets held at fair value through other comprehensive income (FVTOCI)	7	686,400,222	654,995,718
Financial assets held at amortised cost		253,537,312	184,016,184
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,896,029,365</b>	<b>1,805,723,032</b>
<b>CURRENT ASSETS</b>			
Financial assets held at fair value through profit or loss (FVTPL)	8	117,643,795	132,356,596
Financial assets held at amortised cost		50,000,000	30,000,000
Inventories		183,034,475	163,392,965
Accounts receivable	9	34,436,537	30,774,861
Prepayments and other current assets	10	98,705,804	60,405,421
Cash and cash equivalents	11	144,669,024	175,851,736
<b>TOTAL CURRENT ASSETS</b>		<b>628,489,635</b>	<b>592,781,579</b>
<b>TOTAL ASSETS</b>		<b>2,524,519,000</b>	<b>2,398,504,611</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	1	750,000,000	750,000,000
Statutory reserve		225,000,000	225,000,000
Retained earnings		341,698,821	295,832,196
Share of other comprehensive loss of associates	6	(52,365)	-
Unrealised gains from investments at fair value through other comprehensive income (FVTOCI)		499,378,498	464,131,324
<b>TOTAL EQUITY</b>		<b>1,816,024,954</b>	<b>1,734,963,520</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Term loan	12	50,633,611	72,725,235
Lease liabilities	5.2	14,953,802	14,956,815
Employees' defined benefits liabilities	13	121,461,024	110,957,000
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>187,048,437</b>	<b>198,639,050</b>
<b>CURRENT LIABILITIES</b>			
Trade payable		165,688,601	215,972,941
Lease liabilities	5.2	5,103,910	5,250,910
Accrued expenses and other current liabilities	14	240,358,233	153,370,586
Term loan – current portion	12	23,000,000	-
Zakat payable	15	87,294,865	90,307,604
<b>TOTAL CURRENT LIABILITIES</b>		<b>521,445,609</b>	<b>464,902,041</b>
<b>TOTAL LIABILITIES</b>		<b>708,494,046</b>	<b>663,541,091</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,524,519,000</b>	<b>2,398,504,611</b>

The accompanying notes 1 to 26 form an integral part of these interim condensed consolidated financial statements.

  
Mr. Majed Ahmed Qwaider  
Chief Financial Officer

  
Eng. Abdulrahman Bin Abdulaziz Bin Sulaiman  
Chief Executive Officer and Board Member

**National Gas and Industrialization Company**  
**(A Saudi Joint Stock Company)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
For the three and six month periods ended 30 June 2023

	Note	For the three months period ended 30 June		For the six months period ended 30 June	
		2023	2022	2023	2022
		(Unaudited) SR	(Unaudited - Restated note 25) SR	(Unaudited) SR	(Unaudited - Restated note 25) SR
Revenues	16	567,443,483	479,112,273	1,182,371,117	996,289,335
Cost of revenues		(494,761,988)	(406,995,490)	(1,019,368,951)	(847,304,497)
<b>Gross profit</b>		<b>72,681,495</b>	<b>72,116,783</b>	<b>163,002,166</b>	<b>148,984,838</b>
Selling and distribution expenses		(17,389,201)	(22,584,250)	(34,477,003)	(40,979,703)
General and administrative expenses		(27,793,670)	(26,927,181)	(50,405,839)	(49,433,439)
Reversal of/(Provision for) expected credit losses		-	2,715,439	(205,964)	2,715,439
<b>Operating income</b>		<b>27,498,624</b>	<b>25,320,791</b>	<b>77,913,360</b>	<b>61,287,135</b>
Investments income	17	25,689,631	9,403,942	48,092,273	46,120,849
Finance income		3,711,012	2,579,959	6,396,001	6,401,926
Finance costs		(841,390)	(1,639,177)	(1,951,778)	(3,564,289)
Share of results of associates	6	1,612,867	21,451	3,556,471	290,389
Other income/(expenses), net	18	449,021	(305,856)	693,078	1,417,916
<b>Income before zakat</b>		<b>58,119,765</b>	<b>35,381,110</b>	<b>134,699,405</b>	<b>111,953,926</b>
Zakat for the period		(3,600,000)	(3,614,299)	(7,200,000)	(7,214,299)
<b>Net income for the period</b>		<b>54,519,765</b>	<b>31,766,811</b>	<b>127,499,405</b>	<b>104,739,627</b>
<b>Other comprehensive income</b>					
<i>Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent period:</i>					
Re-measurement (loss)/gain on employees defined benefits liabilities	13	(1,069,920)	12,292,822	(5,893,920)	21,113,512
Share of other comprehensive gain/(loss) of associates	6	130,912	-	(52,365)	-
Change in fair value of investments in equity instruments through other comprehensive (loss)/income		(34,462,286)	(185,981,149)	34,508,314	(145,432,085)
<b>Other comprehensive (loss)/income for the period</b>		<b>(35,401,294)</b>	<b>(173,688,327)</b>	<b>28,562,029</b>	<b>(124,318,573)</b>
<b>Total comprehensive income/(loss) for the period</b>		<b>19,118,471</b>	<b>(141,921,516)</b>	<b>156,061,434</b>	<b>(19,578,946)</b>
Weighted average number of outstanding shares		75,000,000	75,000,000	75,000,000	75,000,000
Basic and diluted earnings per share	19	0.73	0.42	1.70	1.40

The accompanying notes 1 to 26 form an integral part of these interim condensed consolidated financial statements.

Mr. Majed Ahmed Qwaider  
Chief Financial Officer

Eng. Abdulrahman Bin Abdulaziz Bin Sulaiman  
Chief Executive Officer and Board Member

**National Gas and Industrialization Company**  
**(A Saudi Joint Stock Company)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

For the six months period ended 30 June 2023

	Share capital SR	Statutory reserve SR	Retained earnings SR	Share of other comprehensive loss of associates SR	Unrealised gains from investments at fair value through other comprehensive income (FVTOCI) SR	Total equity SR
Balance at 1 January 2023 (Audited)	750,000,000	225,000,000	295,832,196	-	464,131,324	1,734,963,520
Net income for the period	-	-	127,499,405	-	-	127,499,405
Other comprehensive (loss)/income	-	-	(5,893,920)	(52,365)	34,508,314	28,562,029
Total comprehensive income/(loss) for the period	-	-	121,605,485	(52,365)	34,508,314	156,061,434
Realised loss transferred to retained earnings	-	-	(738,860)	-	738,860	-
Declared dividends (note 20)	-	-	(75,000,000)	-	-	(75,000,000)
<b>Balance as of 30 June 2023 (Unaudited)</b>	<b>750,000,000</b>	<b>225,000,000</b>	<b>341,698,821</b>	<b>(52,365)</b>	<b>499,378,498</b>	<b>1,816,024,954</b>
Balance at 1 January 2022 (Audited)	750,000,000	225,000,000	250,182,653	-	510,971,023	1,736,153,676
Net income for the period	-	-	104,739,627	-	-	104,739,627
Other comprehensive income/(loss) (Restated note 25)	-	-	21,113,512	-	(145,432,085)	(124,318,573)
Total comprehensive income/(loss) for the period (Restated note 25)	-	-	125,853,139	-	(145,432,085)	(19,578,946)
Declared dividends (note 20)	-	-	(56,250,000)	-	-	(56,250,000)
Balance as at 30 June 2022 (Unaudited - Restated note 25)	750,000,000	225,000,000	319,785,792	-	365,538,938	1,660,324,730

The accompanying notes 1 to 26 form an integral part of these interim condensed consolidated financial statements.



Mr. Majed Ahmed Qwaider  
Chief Financial Officer



Eng. Abdulrahman Bin Abdulaziz Bin Sulaiman  
Chief Executive Officer and Board Member

**National Gas and Industrialization Company**  
**(A Saudi Joint Stock Company)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the six months period ended 30 June 2023

		30 June 2023 (Unaudited) SR	30 June 2022 (Unaudited - Restated note 25) SR
	Note		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income before zakat		134,699,405	111,953,926
<i>Adjustments to reconcile profit before zakat to net cash flows:</i>			
Depreciation of property, plant and equipment	22	46,272,111	48,188,363
Amortisation of intangible assets	22	6,026,595	5,612,171
Depreciation of right-of-use assets	5.2, 22	2,310,879	3,620,103
Finance costs of lease liabilities	5.2	288,785	480,968
Share of results of associates	6	(3,607,317)	(290,389)
Gain on disposal of property, plant and equipment	18	(149,919)	(84,588)
Loss on disposal of investment held at FVOCI		83,467	-
Provision for/(reversal of) expected credit losses	22	205,964	(2,715,439)
Provision for employees' defined benefits liabilities	13	7,064,437	7,356,212
Amortisation of prepaid upfront fees on term loan		908,376	2,054,775
Follow up fees of term loan		754,617	1,028,546
Provision for slow moving inventories		1,145,586	3,094,735
Provision for replacing cylinders and others		1,243,290	235,979
Change in fair value of investments at FVTPL	17	(18,146,764)	1,491,304
Dividends income from investments at FVTOCI		(23,724,576)	(40,812,079)
Finance income		(6,396,001)	(6,401,926)
		148,978,935	134,812,661
<b>Changes in working capital:</b>			
Inventories		(22,030,386)	6,900,777
Accounts receivable		(3,867,640)	3,927,198
Prepayments and other current assets		(37,425,383)	(41,458,439)
Financial assets at FVTPL		32,859,565	-
Trade payable		(50,431,340)	45,678,032
Accrued expenses and other current liabilities		11,987,647	3,330,135
		80,071,398	153,190,364
Employees' defined benefits liabilities paid	13	(2,527,920)	(7,976,929)
Zakat paid	15	(10,212,739)	(12,437,744)
<b>Net cash generated from operating activities</b>		<b>67,330,739</b>	<b>132,775,691</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of financial assets held at amortised cost		(89,521,128)	-
Finance income received		6,396,001	6,401,926
Additions to property, plant and equipment		(38,455,697)	(80,244,744)
Additions to intangible assets		(7,256,705)	(2,268,591)
Proceeds from disposal of property, plant, and equipment		425,574	1,065,414
Disposal of/(additions to) investments at FVTOCI		3,020,343	(752,836)
Dividends income received from investments at FVTOCI		23,724,576	40,812,079
Dividends income received from associates		4,200,000	-
<b>Net cash used in investing activities</b>		<b>(97,467,936)</b>	<b>(34,986,752)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid		-	(56,000,611)
Principal elements of lease liabilities		(259,700)	(3,296,472)
Finance costs element of lease payments		(32,098)	(383,042)
Follow up fees on term loan paid		(754,617)	(1,028,546)
<b>Net cash used in financing activities</b>		<b>(1,046,415)</b>	<b>(60,708,671)</b>
<b>Net change in cash and cash equivalents</b>		<b>(31,182,712)</b>	<b>37,080,268</b>
Cash and cash equivalents at the beginning of the period		175,851,736	63,368,449
<b>Cash and cash equivalents at the end of the period</b>		<b>144,669,024</b>	<b>100,448,717</b>
<b>NON-CASH TRANSACTIONS:</b>			
Current service cost charge to capital work in progress		73,587	-
Change in fair value of investments in equity instruments through other comprehensive income		34,508,314	(145,432,085)
Employees' defined benefits liabilities transferred to accrued expenses		-	(1,291,797)
Lease liabilities transferred to trade payable		(147,000)	-
Additions to right-of-use assets and the corresponding lease liabilities		-	24,157,538

The accompanying notes 1 to 26 form an integral part of these interim condensed consolidated financial statements.

Mr. Majed Ahmed Qwaider  
Chief Financial Officer

Eng. Abdulrahman Bin Abdulaziz Bin Sulaiman  
Chief Executive Officer and Board Member

**National Gas and Industrialization Company**  
**(A Saudi Joint Stock Company)**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
For the six months period ended 30 June 2023

**1 CORPORATE INFORMATION**

**A) ESTABLISHMENT OF THE COMPANY**

National Gas and Industrialization Company (the "Company") is a Saudi joint stock company. The Company is registered in Riyadh, Kingdom of Saudi Arabia under commercial registration number 1010002664 dated 22 Rajab 1383H (corresponding to 9 December 1963). The share capital of the Company amounts to SR 750 million and is divided into 75 million shares of SR 10 each. As of 30 June 2023, the Public Investment Fund owns 10.91% (31 December 2022 and 30 June 2022: 10.91%), Mr. Abdulaziz Abdulrahman Al-Mohsen owns 6.66% (31 December 2022 and 30 June 2022: 6.66%) of the total Company's shares, and the remaining shares are publicly traded.

The Company was established in accordance with the Royal Decree No. 713 dated 03/12/1380H (corresponding to 19 May 1961), to merge the Saudi Gas and Manufacturing Company and National Gas Company with the approval of the General Assembly of both companies, under the letter of H.H. the Minister of Commerce No. 2843/H dated 01/01/1381H (corresponding to 15 June 1961), and the actual merge commenced in 1383H. Later to this date on 13/06/1384H (corresponding to 20 October 1964), the Council of Ministers Decree No. 820 was issued to merge all the entities involved in gas activities in the Kingdom of Saudi Arabia into the National Gas and Industrialization Company. The Council of Ministers resolution No. 1615 dated 14/11/1395H (corresponding to 18 November 1975), determined the Company's share capital and the commencement of its activities on 01/01/1396H (corresponding to 3 January 1975), under the industrial license issued by the Ministry of Industry and Mineral Resources No. 659/S dated 09/07/1417H (corresponding to 20 November 1996).

**B) GROUP ACTIVITIES**

The activities of the Company and its subsidiaries (the "Group") include carrying out all work related to the exploitation, manufacturing and marketing of all kinds of gas and its derivatives and industrial gases inside and outside the Kingdom of Saudi Arabia, selling, manufacturing and maintaining cages, cylinders, tanks and accessories, maintenance of gas networks and accessories, carrying out all work related to the manufacturing, transporting and marketing of petroleum, chemical, petrochemical and glass products, establishment or participation in the production of energy, water treatment and environmental services, in addition to the acquisition of real estate and purchase of land for the construction of buildings thereon and investing it through sale or lease in favor of the Group. Also, the Group is incorporated to provide technical and engineering consulting services and training related to all gas and energy works. In addition, The Group is specialised in establishing, building and maintenance of liquefied petroleum gas (LPG) networks and tanks, developing LPG products and solution. Currently the Group is engaged in selling gas and its derivatives and industrial gases inside the Kingdom of Saudi Arabia and maintaining cages, cylinders, tanks and accessories, maintenance of gas networks and accessories.

The registered address of the Company is P.O. Box 564, Riyadh 11421, Kingdom of Saudi Arabia.

The Company has the following branches existed as at 30 June 2023 and 31 December 2022:

<b>Sr.</b>	<b>Branch</b>	<b>Commercial registration number</b>	<b>Issuing date</b>
1	Riyadh	1010429687	23/03/1436 H
2	Riyadh	1010672639	23/04/1442 H
3	Riyadh	1010672640	23/04/1442 H
4	Riyadh	1010672641	23/04/1442 H
5	Riyadh	1010681388	04/06/1442 H
6	Dammam	2050001551	07/08/1383 H
7	Buraidah	1131004089	06/04/1402 H
8	Al-Madinah Al-Munawwarah	4650006707	18/03/1402 H
9	Jeddah	4030032503	19/02/1402 H
10	Yanbu	4700003177	07/08/1409 H
11	Khamis Mushait	5855004366	25/12/1402 H
12	Taif	4032007367	20/09/1402 H
13	Riyadh	1010828231	25/02/1444 H
14	Riyadh	1126106951	25/02/1444 H

The assets, liabilities and results of operations of these branches are included in these interim condensed consolidated financial statements.

**National Gas and Industrialization Company  
(A Saudi Joint Stock Company)**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
For the six months period ended 30 June 2023

**1 CORPORATE INFORMATION (continued)**

**B) GROUP's ACTIVITIES (continued)**

The Group has the following subsidiaries:

<b>Subsidiary</b>	<b>Commercial registration number</b>	<b>Country of incorporation</b>	<b>Effective shareholding percentage 2023</b>	<b>2022</b>
Gas Solutions Company	1010693275	Saudi Arabia	100%	100%
Best Gas Distributor Company (a)	1010851646	Saudi Arabia	100%	-
National Carrier Transportation Company (a)	1010851708	Saudi Arabia	100%	-
National Gas Supply Company (b)	1010882359	Saudi Arabia	100%	-

- a) In January 2023, the Group has completed the formal procedures of the newly established subsidiaries which have been established based on the Board of Directors' approval in its meeting held on 10 November 2022.
- b) In June 2023, the Group has completed the formal procedures of the newly established subsidiary which has been established based on the Board of Directors' approval in its meeting held on 20 June 2023.

As at the approval date of these interim condensed consolidated financial statements, the newly established subsidiaries during the period ended 30 June 2023 have not started their operations yet.

**2 BASIC OF PREPARATION**

**2.1 Statement of compliance**

These interim condensed consolidated financial statements for the three and six month periods ended 30 June 2023 were prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organisation for Chartered and Professional Accountants.

The interim condensed consolidated financial statements are presented in Saudi Riyals ("SR"), which represents the Group's functional and presentation currency.

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and they must be read in conjunction with the Group's last annual audited financial statements for the year ended 31 December 2022. In addition, the results for the three and six month periods ended 30 June 2023, are not an accurate indication of the results that can be expected for the fiscal year ending 31 December 2023.

**Judgments, estimates and assumptions**

Preparing the interim condensed consolidated financial statements requires management to use certain judgments, estimates and assumptions that affect the application of accounting policies and the amounts presented for assets and liabilities, revenues, and expenses. Actual results may differ from these estimates. The significant judgments taken by management in applying the Group's accounting policies and the main sources of uncertainty estimates are the same as those applied to the annual financial statements for the year ended 31 December 2022.

**2.2 Historical cost convention**

These interim condensed consolidated financial statements were prepared under the historical cost convention, except for financial instruments, which are measured at fair value at the end of each reporting period and employees defined benefit liability, which has been actuarially valued. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of the transaction.

**National Gas and Industrialization Company  
(A Saudi Joint Stock Company)**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
For the six months period ended 30 June 2023

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**2 BASIC OF PREPARATION (continued)**

**2.3 Basis of consolidation**

These interim condensed consolidated financial statements include the assets, liabilities, and the results of operations of the Company and its subsidiaries (the "Group") stated in note 1.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired (or disposed) of during the period/year are included (or derecognised) in the interim condensed consolidated financial statements from the date the Group gains control until the date when the Group ceases to control the subsidiary.

The Company and its subsidiaries have the same reporting period. Where necessary, accounting policies of the subsidiary have been changed to ensure consistency with the accounting policies adopted by the Group.

All inter-group accounts and transactions have been eliminated on consolidation.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies applied during the preparation of these interim condensed consolidated financial statements are the same accounting policies applied during the preparation of the annual financial statements of the Group for the year ended 31 December 2022 unless otherwise stated.

New standards and interpretations:

Certain new standards and interpretations have been issued which are effective from 1 January 2023 or later, and have been explained in Group's annual consolidated financial statements, but they do not have a material impact on the Group's interim condensed consolidated financial statements.

**4 PROPERTY, PLANT AND EQUIPMENT**

Property, plant, and equipment includes the following:

- a) Two plots of land with an aggregate value of SR 2.7 million (31 December 2022: SR 2.7 million) that have been mortgaged to the Saudi Industrial Development Fund (SIDF) and the process of pledging the remaining five plots of land is under process (note 12).
- b) Capital work in progress amounted to SR 262 million (31 December 2022: SR 215 million) mainly represents projects to develop the Group's stations and to develop production lines in accordance with the Group's needs and the public safety requirements.
- c) The Group has disposed property, plant and equipment during the period ended 30 June 2023 with a cost of SR 38.5 million and accumulated depreciation of SR 38.2 million. As a result, a gain of SR 150 thousand has been included within other income (note 18).

**5 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**

*Group as a lessee*

The Group has lease contracts for various plots of land and machineries. Leases of land generally have lease terms between 3 and 75 years. The Group's obligations under its leases are secured by the lessor's title to the leased plots of land. Generally, the Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

**National Gas and Industrialization Company**  
**(A Saudi Joint Stock Company)**

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
For the six months period ended 30 June 2023

**5 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)**

**5.1 Right-of-use assets**

The Group also has certain leases of equipment with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period/year:

	<b>30 June 2023 (Unaudited) SR</b>	31 December 2022 (Audited) SR
At the beginning of the period/year	<b>19,723,178</b>	1,494,980
Additions during the period/year	-	24,157,538
Depreciation charge for the period/year	<b>(2,310,879)</b>	(5,929,340)
At the end of the period/year	<b>17,412,299</b>	19,723,178

**5.2 Lease liabilities**

Set out below are the carrying amounts of lease liabilities recognised and the movements during the period/year:

	<b>30 June 2023 (Unaudited) SR</b>	31 December 2022 (Audited) SR
At the beginning of the period/year	<b>20,207,725</b>	2,440,820
Additions during the period/year	-	24,157,538
Paid during the period/year	<b>(291,798)</b>	(3,832,396)
Finance costs for the period/year	<b>288,785</b>	802,958
Transfer to trade payable during the period/year*	<b>(147,000)</b>	(3,361,195)
At the end of the period/year	<b>20,057,712</b>	20,207,725
Current portion	<b>(5,103,910)</b>	(5,250,910)
Non-current portion	<b>14,953,802</b>	14,956,815

\* The amount represents outstanding payments to lessors, which are overdue but not yet paid, and therefore, were reclassified to trade payable.

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**5 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)**

**5.2 Lease liabilities (continued)**

The following are the amounts recognised in profit or loss:

	For the three months period ended 30 June		For the six months period ended 30 June	
	2023 (Unaudited) SR	2022 (Unaudited) SR	2023 (Unaudited) SR	2022 (Unaudited) SR
Depreciation expense of right-of-use assets	1,155,439	2,823,740	2,310,879	3,620,103
Finance costs on lease liabilities	140,135	419,504	288,785	480,968
Expense relating to short-term and low- value assets	267,644	(2,792,901)	374,702	468,079
Total amount recognised in profit or loss	1,563,218	450,343	2,974,366	4,569,150

The Group has lease contracts that include extension options. This option is negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs.

*Group as a lessor*

The Group has entered into leases contracts on plots of land, which are long term in nature. Rental income recognised by the Group during the period amounting to SR 6,220,933 (30 June 2022: SR 6,800,074).

**6 INVESTMENTS IN ASSOCIATES**

Investments in associates comprise the following:

	Ownership percentage		30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
	2023	2022		
Saudi Gas Cylinder Factory Company	37.57%	37.57%	37,264,740	35,979,005
Natural Gas Distribution Company	35%	35%	19,692,780	19,966,262
East Gas Company	35%	35%	31,282,207	33,814,508
			88,239,727	89,759,775

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**6 INVESTMENTS IN ASSOCIATES (continued)**

The movement of investments in associates is as follows:

	<b>30 June 2023 (Unaudited) SR</b>	31 December 2022 (Audited) SR
At the beginning of the period/year	<b>89,759,775</b>	87,898,531
<b>Amount recognised in profit or loss</b>		
Share of results of associates	<b>3,556,471</b>	2,875,224
Prior year adjustment	<b>50,846</b>	(138,980)
	<b>3,607,317</b>	2,736,244
<b>Amount recognised in other comprehensive income</b>		
Share of other comprehensive loss of associates	<b>(52,365)</b>	-
Dividends	<b>(5,075,000)</b>	(875,000)
At the end of the period/year	<b>88,239,727</b>	89,759,775

The share of results of associates comprises the following:

	<b>For the three months period ended 30 June 2023 (Unaudited) SR</b>	2022 (Unaudited) SR	<b>For the six months period ended 30 June 2023 (Unaudited) SR</b>	2022 (Unaudited) SR
Saudi Gas Cylinders Factory Company	<b>889,316</b>	(1,002,717)	<b>1,266,283</b>	(2,101,686)
Natural Gas Distribution Company	<b>239,379</b>	-	<b>623,434</b>	76,615
East Gas Company	<b>484,172</b>	1,024,168	<b>1,666,754</b>	2,315,460
	<b>1,612,867</b>	21,451	<b>3,556,471</b>	290,389

The figures related to the investments in associates and share of results are based on accounts prepared by the respective entities' managements.

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**7 FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)**

Financial assets at fair value through other comprehensive income comprises the following:

	<b>30 June 2023 (Unaudited) SR</b>	<b>31 December 2022 (Audited) SR</b>
Investments in equity instruments – unquoted (notes a, b, and c)	<b>626,514,000</b>	591,682,552
Closed REITs	<b>42,579,130</b>	44,295,900
Investments in equity instruments – quoted	<b>17,307,092</b>	15,660,563
Public traded REITs	<b>-</b>	3,356,703
	<b>686,400,222</b>	654,995,718

- a) The above unquoted investments in equity instruments have been evaluated by management through an independent expert valuer from the Saudi Authority for Valuers “TAQEEM” Value Hub for Business Valuation & Partner Co for the economic entities’ evaluation, who issued a report on the valuation of investments in the National Industrial Gases Company and Arabian United Floating Glass Company as of 30 June 2023, using the similar companies’ method (Market Method) and the discounted cash flow method (Income Method), respectively.
- b) During the six months period ended 30 June 2023, the General Assembly of National Industrial Gases Company, approved distribution of dividends to the shareholders amounting to SR 260 million (30 June 2022: SR 450 million). The Group’s share is 9%, equivalent to SR 23.4 million (30 June 2022: SR 40.5 million) (note 17).
- c) The significant unobservable inputs used in the fair value measurement of equity instruments categorised within Level 3 of the fair value hierarchy as of 30 June 2023 and 31 December 2022 as follows:

<b>Unquoted equity investment</b>	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Description of valuation technique</b>
National Industrial Gases Company	Market Method	Comparable entities	This approach establishes value by comparison to recent sales of comparable assets or other multiple such as expected value over earnings before interest, tax, depreciation, and amortisation (EV/EBITDA). The market approach is a general way of determining the value of a business, business ownership interest, security, or intangible asset by using one or more methods that compare the subject to similar businesses, business ownership interests, securities, or intangible assets that have been sold.
		Discount factor	
Arabian United Floating Glass Company	Income Method	Weighted average cost of capital (WACC)	This approach is based on discounting future amounts of cash flow to present value, where under the discounted cash flow (DCF) method, the forecasted cash flow is discounted back to the valuation date, resulting in a present value of the asset.
		Growth rate	

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**7 FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI) (continued)**

***Sensitivity analysis***

Description	Fair value at		Unobservable inputs	Range of inputs		Sensitivity
	30 June 2023	31 December 2022		2023	2022	
National Industrial Gases Company	<b>553,495,000</b>	523,724,000	EV/EBITDA	10.9%	10.55%	Change by +/-1% will change FV increase/decrease by SR 6.2 million (2022: increase/decrease SR 6 million).
			Discount factor	10%	10%	Change by +/-1% will change FV decrease/increase by SR 687 thousand (2022: decrease/increase SR 662 thousand).
			WACC	11.8%	11.8%	Change by +/-1% will change FV by SR decrease SR 645 thousand / increase SR 661 thousand (2022: decrease SR 725 thousand / increase SR 743 thousand).
Arabian United Floating Glass Company	<b>73,019,000</b>	67,958,552	Growth rate	2%	2%	Change by +/-1% will change FV by SR increase SR 122 thousand / decrease SR 122 thousand (2022: SR increase SR 137 thousand / decrease SR 136 thousand).
	<b>626,514,000</b>	<b>591,682,552</b>				

There were no significant inter-relationships between unobservable inputs that materially affect fair values.

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**8 FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)**

*Financial assets at fair value through profit or loss comprises the following:*

	<b>30 June 2023 (Unaudited) SR</b>	<b>31 December 2022 (Audited) SR</b>
Portfolio of traded securities	<b>111,349,495</b>	93,328,074
Fixed income debt instruments	<b>6,294,300</b>	12,542,317
Jadwa Saudi Riyal Murabaha Fund	-	26,486,205
	<b>117,643,795</b>	<b>132,356,596</b>

**9 ACCOUNTS RECEIVABLE**

	<b>30 June 2023 (Unaudited) SR</b>	<b>31 December 2022 (Audited) SR</b>
Trade receivables	<b>38,934,534</b>	34,089,837
Other receivables	<b>2,478,782</b>	3,455,839
	<b>41,413,316</b>	37,545,676
Provision for expected credit losses	<b>(6,976,779)</b>	(6,770,815)
	<b>34,436,537</b>	<b>30,774,861</b>

The movement in provision for expected credit loss on trade receivables is as follows:

	<b>30 June 2023 (Unaudited) SR</b>	<b>31 December 2022 (Audited) SR</b>
At the beginning of the period/year	<b>6,770,815</b>	14,783,749
Charge for the period/year	<b>205,964</b>	-
Write off during the period/year	-	(3,752,528)
Reversal during the period/year	-	(4,260,406)
At the end of the period/year	<b>6,976,779</b>	<b>6,770,815</b>

**10 PREPAYMENTS AND OTHER CURRENT ASSETS**

	<b>30 June 2023 (Unaudited) SR</b>	<b>31 December 2022 (Audited) SR</b>
Advances to suppliers and contractors	<b>29,306,083</b>	10,711,081
Accrued rent	<b>29,270,420</b>	27,941,704
Prepaid expenses	<b>25,020,539</b>	5,884,917
Value added tax receivable	<b>9,076,688</b>	7,518,337
Employees' receivable	<b>4,564,243</b>	4,035,716
Dividends receivable	<b>875,000</b>	-
Insurance claims	<b>168,394</b>	154,984
Others	<b>1,216,617</b>	4,950,862
	<b>99,497,984</b>	61,197,601
Provision for other current assets	<b>(792,180)</b>	(792,180)
	<b>98,705,804</b>	<b>60,405,421</b>

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**11 CASH AND CASH EQUIVALENTS**

	<b>30 June 2023 (Unaudited) SR</b>	31 December 2022 (Audited) SR
Cash at banks *	<b>144,669,024</b>	175,851,736
	<b>144,669,024</b>	175,851,736

\* Certain accounts held with local banks carried finance income.

**12 TERM LOAN**

	<b>30 June 2023 (Unaudited) SR</b>	31 December 2022 (Audited) SR
Principal amount due	<b>76,000,000</b>	119,000,000
Less: repayment	-	(43,000,000)
Less: un-amortised portion of transaction cost	<b>(2,366,389)</b>	(3,274,765)
	<b>73,633,611</b>	72,725,235
Less: current portion	<b>(23,000,000)</b>	-
non-current portion	<b>50,633,611</b>	72,725,235

On 17 Muharram 1440 H (corresponding to 27 September 2018), the Company signed an agreement to obtain a loan from the Saudi Industrial Development Fund (SIDF) amounting to SR 203 million. The loan is for the purpose of developing the filling plants and distribution of gas in all regions with a production capacity of 1,648 thousand tons in all branches of the Group. The terms of the loan span over a tenure of 5 years. The loan carries only an upfront fee amount of SR 16.2 million that was paid at the start of the loan and incur to follow-up charges which are paid on semi-annual basis over the term of the loan. Further, this loan carries certain conditions / covenants, such as maintaining required current asset ratios during the term of the loan and a specific ratio of liabilities to net tangible value. During the period ended 30 June 2023, there has been no non-compliance with any of the covenants. The agreement also contains undertaking pledges of seven plots of land with a total cost of SR 17.6 million; of which the Group has pledged two plots as at the reporting period with a total cost of SR 2.7 million (note 4), and the process of pledging the remaining five plots of land is under process.

**13 EMPLOYEES' DEFINED BENEFITS LIABILITIES**

	<b>30 June 2023 (Unaudited) SR</b>	31 December 2022 (Audited) SR
At the beginning of the period/year	<b>110,957,000</b>	140,600,642
<b>Amount recognised in profit or loss</b>		
Current service cost	<b>4,373,437</b>	9,736,623
Finance costs	<b>2,691,000</b>	4,457,000
	<b>7,064,437</b>	14,193,623
<b>Amount recognised in other comprehensive income</b>		
Re-measurements (loss)/gain on employees defined benefit liabilities	<b>5,893,920</b>	(26,586,020)
Current service cost charge to capital work in progress	<b>73,587</b>	113,377
Paid during the period/year	<b>(2,527,920)</b>	(17,364,622)
<b>At the end of the period/year</b>	<b>121,461,024</b>	110,957,000

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**13 EMPLOYEES' DEFINED BENEFITS LIABILITIES (continued)**

The most recent actuarial valuation was performed by an independent, qualified actuary using the Projected Unit Credit Method.

The principal assumptions used for the purposes of the actuarial valuation were as follows:

	<b>30 June 2023 (Unaudited) SR</b>	<b>31 December 2022 (Audited) SR</b>
Discount rate	<b>4.4%</b>	4.9%
Future salary increases	<b>4%</b>	4%
Retirement age	<b>60</b>	60
Turnover rate	<b>1% - 25%</b>	1% - 25%

*Sensitivity analysis*

The sensitivity analyses presented below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant:

	<b>30 June 2023 (Unaudited) SR</b>	<b>31 December 2022 (Audited) SR</b>
<b>Discount rate</b>		
Increase 1%	<b>(11,621,000)</b>	(10,469,000)
Decrease 1 %	<b>13,653,000</b>	11,923,000
<b>The future increase in the salaries</b>		
Increase 1%	<b>13,568,000</b>	11,910,000
Decrease 1%	<b>(11,767,000)</b>	(10,645,000)

**14 ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES**

	<b>30 June 2023 (Unaudited) SR</b>	<b>31 December 2022 (Audited) SR</b>
Dividends payable	<b>117,928,545</b>	43,637,296
Advances from customers	<b>48,278,950</b>	41,924,643
Accrued expenses and other liabilities	<b>45,962,625</b>	39,890,563
Accrued employees' benefits	<b>18,908,387</b>	17,111,930
Cash deposits from customers	<b>3,056,445</b>	2,960,775
Board of Directors and committees' remunerations	<b>1,759,846</b>	3,505,057
Others	<b>4,463,435</b>	4,340,322
	<b>240,358,233</b>	153,370,586

**15 ZAKAT PAYABLE**

	<b>30 June 2023 (Unaudited) SR</b>	<b>31 December 2022 (Audited) SR</b>
At the beginning of the period/year	<b>90,307,604</b>	87,695,348
Charge for the period/year	<b>7,200,000</b>	15,050,000
Paid during the period/year	<b>(10,212,739)</b>	(12,437,744)
At the end of the period/year	<b>87,294,865</b>	90,307,604

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**15 ZAKAT PAYABLE (continued)**

***Status of assessments***

The Group obtained final assessment for zakat until the end of the year 2004 and for the years from 2008 to 2010.

**2005 to 2007 status:**

Zakat, Tax and Customs Authority ("ZATCA") issued the final zakat assessments to the Group for the years from 2005 to 2007, which resulted in an additional amount of SR 39 million. The Group has objected against the assessments with the relevant Appeal Committee. The Group submitted a bank guarantee to ZATCA of SR 39 million in this respect. Furthermore, the Group submitted an appeal against the decision of the First Circuit to settle income tax violations and disputes in the city of Riyadh and the First Appeal Circuit issued its decision No. (IR-2022-2370) by accepting the appeal in form and substance and returning it to the First Circuit for adjudication and awaiting the hearing and discussion with the adjudication circuit. Subsequent to the period end, the Group received and accepted a settlement offer from ZATCA for the assessments relating to the years from 2005 to 2007 which resulted in an amount of SR 13.2 million that was paid by the Group in August 2023.

**2011 to 2013 status:**

The Group did not receive the zakat assessments for the years 2011 until 2013.

**2014 to 2018 status:**

During the year 2020, the Group received the zakat assessments for the years 2014 to 2018, which resulted in an additional amount of SR 40.3 million. The Group objected to these assessments with the relevant Appeal Committee. During 2021, this case was divided into two different cases:

- The first case No. 38736-2021-z for the years 2014 and 2016 until 2018 (SR 35.5 million), where some of the objected items that were rejected by the Adjudication Committee have been transferred to the Appeal Committee with No. 135883-2022-z to appeal the rejected items. A final resolution was issued by the Appeal Committee and a petition for reconsideration with No. 185982-2023-z was submitted to appeal the rejected items and waiting for the hearing session at The General Secretariat of the Tax Committee. Subsequently, during August 2023, the Group received the final outcome from the Appeal Committee for the mentioned assessments amounted to SR 34.6 million, stating the rejection of the appeal filed by the Group.
- The second case No. 58673-2021-z of 2015 (SR 4.8 million), where some of the objected items that were rejected by the Adjudication Committee have been transferred to the Appeal Committee with No. 161998-2022-z to appeal the rejected items and it is currently in the appeal stage and subject to adjudication and technical assessment with The General Secretariat of the Tax Committee.

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**15 ZAKAT PAYABLE (continued)**

***Status of assessments (continued)***

***2019 and 2020 status:***

ZATCA issued the zakat assessments to the Group for the years 2019 and 2020, which resulted in an additional amount of SR 11.5 million. The Group has submitted the objection against the assessments with the relevant Appeal Committee and submitted a bank guarantee to ZATCA of 50% of the total amount in this regard. During 2022, this case was divided into two different cases:

- The first case No. 127671-2022-z for the year 2019, where some of the objected items that were rejected by the Adjudication Committee have been transferred to the Appeal Committee with No. 177650-2023-z to appeal the rejected items, which is currently in the appeal stage and subject to legal assessment with The General Secretariat of the Tax Committee.
- The second case No. 127674-2022-z for the year 2020, where some of the objected items that were rejected by the Adjudication Committee have been transferred to the Appeal Committee with No. 180587-2023-z to appeal the rejected items, which is currently in the appeal stage subject to legal assessment with the General Secretariat of the Tax Committee.

***2021 and 2022 status:***

The Group has submitted its consolidated zakat returns for the years 2021 and 2022, and the assessments have not yet been raised by ZATCA up to the date of the approval of these interim condensed consolidated financial statements.

**16 REVENUES**

	<b>For the three months period ended 30 June</b>		<b>For the six months period ended 30 June</b>	
	<b>2023 (Unaudited) SR</b>	<b>2022 (Unaudited – Restated note 25) SR</b>	<b>2023 (Unaudited) SR</b>	<b>2022 (Unaudited – Restated note 25) SR</b>
Gas sales	<b>537,598,590</b>	446,877,871	<b>1,116,451,481</b>	928,640,518
Gas cylinders, tanks and extension parts sales	<b>16,829,444</b>	20,520,033	<b>41,366,478</b>	50,086,162
Service, transportation and installation revenue	<b>5,412,316</b>	3,542,360	<b>10,295,176</b>	7,633,339
Scrap sales	<b>311,384</b>	6,655,332	<b>2,054,907</b>	7,179,553
Other commercial projects	<b>7,291,749</b>	1,516,677	<b>12,203,075</b>	2,749,763
	<b>567,443,483</b>	479,112,273	<b>1,182,371,117</b>	996,289,335

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**17 INVESTMENTS INCOME**

	For the three months period ended 30 June		For the six months period ended 30 June	
	2023 (Unaudited) SR	2022 (Unaudited – Restated note 25) SR	2023 (Unaudited) SR	2022 (Unaudited – Restated note 25) SR
Dividends income from investments at FVTOCI	11,862,311	21,012,079	23,724,576	40,812,079
Rent income from investments properties	3,101,720	3,444,506	6,220,933	6,800,074
Change in fair value of investments at FVTPL	10,725,600	(15,052,643)	18,146,764	(1,491,304)
	<b>25,689,631</b>	<b>9,403,942</b>	<b>48,092,273</b>	<b>46,120,849</b>

**18 OTHER INCOME, NET**

	For the three months period ended 30 June		For the six months period ended 30 June	
	2023 (Unaudited) SR	2022 (Unaudited – Restated note 25) SR	2023 (Unaudited) SR	2022 (Unaudited – Restated note 25) SR
Gain on disposal of property, plant and equipment	149,919	52,019	149,919	84,588
Foreign currency exchange differences	5,566	(452,443)	165,236	105,718
Others	293,536	94,568	377,923	1,227,610
	<b>449,021</b>	<b>(305,856)</b>	<b>693,078</b>	<b>1,417,916</b>

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**19 EARNINGS PER SHARE**

Earnings per share are calculated based on the weighted average number of shares outstanding. The diluted earnings per share are the same as the basic earnings per share, as the Group has not issued any discounted instruments as of 30 June:

	<b>For the three months period ended 30 June</b>		<b>For the six months period ended 30 June</b>	
	<b>2023 (Unaudited) SR</b>	<b>2022 (Unaudited – Restated note 25) SR</b>	<b>2023 (Unaudited) SR</b>	<b>2022 (Unaudited – Restated note 25) SR</b>
Net income for the period	<b>54,519,765</b>	<b>31,766,811</b>	<b>127,499,405</b>	104,739,627
Weighted average number of outstanding shares	<b>75,000,000</b>	75,000,000	<b>75,000,000</b>	75,000,000
Basic and diluted earnings per share	<b>0.73</b>	<b>0.42</b>	<b>1.70</b>	1.40

**20 DIVIDENDS**

The Company's Board of Directors decided on 2 Dhul-Hijjah 1444H (corresponding to 20 June 2023), to distribute interim cash dividends to the shareholders for the first half of 2023 of SR 1 per share, amounting to SR 75 million in accordance with the authorisation granted by the Ordinary General Assembly held on 3 May 2023. These interim cash dividends have been distributed to the shareholders in July 2023 (2022: the Company's Board of Directors decided on 20 Sha'ban 1443H (corresponding to 23 March 2022), to distribute interim cash dividends to shareholders for the second half of 2021 of SR 0.75 per share, amounting to SR 56.3 million in accordance with the authorisation granted by the Ordinary General Assembly held on 23 June 2021. These interim cash dividends have been distributed to the shareholders in April 2022).

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**21 COMMITMENTS AND CONTINGENCIES**

**Contingencies**

The Group received a claim for the rent of one of the branches for the period from 9 April 1976 to 13 November 2021 amounting to SR 18.3 million. The legal advisor of the Group believes that the expected outcome from this matter will be in favor of the Group and management filed an objection to comply with the basis of the contractual terms.

**Guarantees and letters of credit**

The Group has submitted a bank guarantee to ZATCA amounting to SR 39 million (31 December 2022: SR 39 million) relating to the Group's zakat assessments for the years from 2005 to 2007. During 2021, the Group has further submitted a bank guarantee to ZATCA amounted to SR 6 million for 50% of the total amount relating to the Group's zakat assessments for the years 2019 and 2020 (note 15).

The Group has submitted a bank guarantee to Saudi Arabian Oil Company "Saudi Aramco" amounting to SR 280 million (2022: SR 280 million) relating to the supply of liquefied gas products.

The Group has other outstanding letters of guarantee as of 30 June 2023 amounting to SR 10.4 million (31 December 2022: SR 10.9 million).

The Group has outstanding letters of credit as of 30 June 2023 amounting to SR 17.2 million (31 December 2022: SR 24.8 million).

**Guarantee related to an investee**

The Group also has an outstanding letter of guarantee for a loan granted by the Saudi Industrial Development Fund to Arabian United Float Glass Company (investee FVTOCI) amounting to SR 15.4 million as of 30 June 2023 (31 December 2022: SR 21.4 million).

**Commitments**

As of 30 June 2023, the Group has commitments of SR 114 million (31 December 2022: SR 146.5 million) related to capital work in progress under property, plant and equipment and intangible assets.

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**22 OPERATING SEGMENTS**

For management purposes, the Group is organised into business units based on its geographical regions, as follows:

<i>30 June 2023 (Unaudited)</i>	Central region SR	Western region SR	Eastern region SR	Southern region SR	Gas Solutions Company SR	Eliminations SR	Total SR
Revenues	427,029,326	404,112,010	190,801,185	135,868,847	26,731,003	(2,171,254)	<b>1,182,371,117</b>
Cost of revenues	(360,213,991)	(333,350,170)	(152,219,119)	(114,844,686)	(16,142,025)	2,171,254	<b>(974,598,737)</b>
Depreciation and amortisation of assets	(19,027,871)	(19,660,940)	(6,505,456)	(6,978,705)	(125,734)	-	<b>(52,298,706)</b>
Depreciation of right-of-use assets	(544,951)	(1,001,015)	(457,006)	(307,907)	-	-	<b>(2,310,879)</b>
Selling and distribution expenses	(10,997,191)	(9,123,103)	(4,050,394)	(2,942,355)	(1,130,358)	-	<b>(28,243,401)</b>
General and administrative expenses	(16,306,986)	(15,431,843)	(7,286,133)	(5,188,429)	(2,586,679)	-	<b>(46,800,070)</b>
Provision for expected credit losses	(92,683)	(49,432)	(55,610)	(8,239)	-	-	<b>(205,964)</b>
<b>Operating income</b>	<b>19,845,653</b>	<b>25,495,507</b>	<b>20,227,467</b>	<b>5,598,526</b>	<b>6,746,207</b>	<b>-</b>	<b>77,913,360</b>

*30 June 2023 (Unaudited)*

<b>Total operating assets</b>	<b>824,514,989</b>	<b>272,074,121</b>	<b>64,745,523</b>	<b>88,542,190</b>	<b>51,605,797</b>	<b>(6,226,850)</b>	<b>1,295,255,770</b>
<b>Total operating liabilities</b>	<b>(301,281,719)</b>	<b>(134,943,214)</b>	<b>(52,284,784)</b>	<b>(36,247,014)</b>	<b>(29,035,689)</b>	<b>6,226,850</b>	<b>(547,565,570)</b>

<i>30 June 2022 (Unaudited - Restated note 25)</i>	Central region SR	Western region SR	Eastern region SR	Southern region SR	Gas Solutions Company SR	Eliminations SR	Total SR
Revenues	363,009,427	341,255,534	161,039,588	115,412,602	24,982,778	(9,410,594)	996,289,335
Cost of revenues	(298,902,969)	(273,181,581)	(126,599,116)	(95,163,529)	(15,330,543)	9,410,594	(799,767,144)
Depreciation and amortisation of assets	(18,232,436)	(21,683,475)	(6,937,413)	(6,902,530)	(44,680)	-	(53,800,534)
Depreciation of right-of-use assets	(996,736)	(1,472,643)	(670,580)	(480,144)	-	-	(3,620,103)
Selling and distribution expenses	(13,315,619)	(11,040,624)	(3,820,656)	(4,020,982)	(1,891,337)	-	(34,089,218)
General and administrative expenses	(16,686,161)	(15,686,217)	(7,402,377)	(5,305,078)	(1,360,807)	-	(46,440,640)
Reversal of expected credit losses	1,222,416	659,719	729,008	104,296	-	-	2,715,439
<b>Operating income</b>	<b>16,097,922</b>	<b>18,850,713</b>	<b>16,338,454</b>	<b>3,644,635</b>	<b>6,355,411</b>	<b>-</b>	<b>61,287,135</b>

*31 December 2022 (Audited)*

<b>Total operating assets</b>	<b>836,272,628</b>	<b>246,711,148</b>	<b>89,011,983</b>	<b>73,626,999</b>	<b>32,530,434</b>	<b>(4,219,028)</b>	<b>1,273,934,164</b>
<b>Total operating liabilities</b>	<b>(280,215,236)</b>	<b>(123,399,587)</b>	<b>(37,481,320)</b>	<b>(47,270,710)</b>	<b>(16,360,427)</b>	<b>4,219,028</b>	<b>(500,508,252)</b>

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**22 OPERATING SEGMENTS (continued)**

The top management of the Group monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the interim condensed consolidated financial statements. In addition, the Group's other costs (including finance costs, salaries and benefits of the management, directors, finance and IT departments, legal and HR departments, administrative and support department, other expenses, and other income) and zakat are managed on a Group basis and are not allocated to operating segments.

The revenue information above is based on the regional location of the customers. Segment revenue reported above represents revenue generated from external customers. There was a revenue between the parent company and its subsidiary of SR 2,171,254 for the period ended 30 June 2023 (30 June 2022: SR 9,410,594) which was eliminated at consolidation. No single customer contributed 10% or more to the Group's revenues. Zakat provision, term loan and certain financial assets and liabilities are not allocated to those segments as they are also managed on a Group basis.

Inter-company revenues are eliminated upon consolidation and reflected in the elimination's column. All other adjustments and eliminations are part of detailed reconciliations presented further below:

**Reconciliation of profit**

	<b>For the three months period ended 30 June</b>		<b>For the six months period ended 30 June</b>	
	<b>2023 (Unaudited) SR</b>	<b>2022 (Unaudited - Restated note 25) SR</b>	<b>2023 (Unaudited) SR</b>	<b>2022 (Unaudited - Restated note 25) SR</b>
<b>Segment operating income</b>	<b>27,498,624</b>	25,320,791	<b>77,913,360</b>	61,287,135
Investments income	<b>25,689,631</b>	9,403,942	<b>48,092,273</b>	46,120,849
Finance income	<b>3,711,012</b>	2,579,959	<b>6,396,001</b>	6,401,926
Finance costs	<b>(841,390)</b>	(1,639,177)	<b>(1,951,778)</b>	(3,564,289)
Share of results of associates	<b>1,612,867</b>	21,451	<b>3,556,471</b>	290,389
Other income/ (expenses), net	<b>449,021</b>	(305,856)	<b>693,078</b>	1,417,916
Zakat for the period	<b>(3,600,000)</b>	(3,614,299)	<b>(7,200,000)</b>	(7,214,299)
<b>Net income for the period</b>	<b>54,519,765</b>	31,766,811	<b>127,499,405</b>	104,739,627

**Reconciliation of assets**

	<b>2023 (Unaudited) SR</b>	<b>2022 (Unaudited - Restated note 25) SR</b>
<b>Segment operating assets</b>	<b>1,295,255,770</b>	1,273,934,164
Investments in associates	<b>88,239,727</b>	89,759,775
Financial assets held at fair value through other comprehensive income (FVTOCI)	<b>686,400,222</b>	654,995,718
Financial assets held at amortised cost	<b>303,537,312</b>	214,016,184
Financial assets held at fair value through profit or loss (FVTPL)	<b>117,643,795</b>	132,356,596
Investments properties	<b>33,442,174</b>	33,442,174
<b>Total assets</b>	<b>2,524,519,000</b>	2,398,504,611

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**22 OPERATING SEGMENTS (continued)**

**Reconciliation of liabilities**

	<b>2023</b> <b>(Unaudited)</b> <b>SR</b>	2022 (Unaudited – Restated – note 25) SR
<b>Segment operating liabilities</b>	<b>547,565,570</b>	500,508,252
Term loan	<b>73,633,611</b>	72,725,235
Zakat payable	<b>87,294,865</b>	90,307,604
<b>Total liabilities</b>	<b>708,494,046</b>	663,541,091

**23 RELATED PARTY TRANSACTIONS AND BALANCES**

Related parties represent associated companies, shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

- a) Transactions with related parties included in the condensed consolidated statement of comprehensive income are as follows:

<b>Name</b>	<b>Relationship</b>
Saudi Gas Cylinder Factory Company	Associate

- b) The significant transactions for the periods are as follows:

	<b>For the six months period ended 30 June</b> <b>2023</b> <b>(Unaudited)</b> <b>SR</b>	2022 <b>(Unaudited)</b> <b>SR</b>
Purchases of gas cylinders and tanks	<b>39,197,570</b>	6,942,550

- c) Amounts due to related parties

	<b>30 June</b> <b>2023</b> <b>(Unaudited)</b> <b>SR</b>	31 December 2022 (Audited) SR
Saudi Gas Cylinder Factory Company	<b>15,428,188</b>	<b>22,055,112</b>

The above balances are unsecured, interest free and have no fixed repayment.

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**23 RELATED PARTY TRANSACTIONS AND BALANCES (continued)**

d) Key management personnel compensation

Key management personnel of the Group comprise of key members of the management having authority and responsibility for planning, directing and controlling the activities of the Group. The compensation to key management is shown below:

	<b>For the six months period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>SR</b>	<b>SR</b>
Key management personnel salaries and benefits- short term	<b>8,256,747</b>	7,237,014
Board of directors' members remunerations	<b>795,600</b>	770,100
Post-retirement benefits	<b>350,136</b>	49,047
<b>Total</b>	<b>9,402,483</b>	8,056,161

The amounts disclosed in the above table are the amounts recognized as an expense during the reporting period related to key management personnel.

**24 EVENTS SUBSEQUENT TO THE REPORTING DATE**

In the opinion of management, there have been no further significant subsequent events that may require adjustments or disclosures in the interim condensed consolidated financial statements other than those disclosed in note 15.

**25 RESTATEMENTS**

In accordance with the requirements of IAS 8 "Accounting policies, changes in accounting estimates and errors", management has restated the comparative figures to adjust prior periods interim condensed consolidated financial statements. The notes below set out the details of adjustments and the line items in the interim condensed consolidated statements of comprehensive income, Changes in equity and cash flows:

**Restatement 1:**

As per IAS 1 paragraph 82, finance income calculated using the effective interest method should be presented on the face of the interim condensed consolidated statement of comprehensive income. However, finance income for the three and six month periods ended 30 June 2022 was presented as part of investments income. Accordingly, the management corrected prior periods error amounted to SR 2,579,959 and SR 6,401,926 for the three and six month periods respectively, in the interim condensed consolidated statements of comprehensive income for the three and six month periods ended 30 June 2023 and in the interim condensed consolidated statements of cash flows for the six months period ended 30 June 2023 by restating the comparatives. The details of finance income for the three and six month periods ended 30 June 2022 are as follows:

	<b>For the three months period</b>	<b>For the six months period</b>
	<b>SR</b>	<b>SR</b>
Income from Sukuk and short-term Murabaha time deposits	1,140,555	3,391,695
Income from investment at amortised cost	1,101,812	2,191,500
Dividends income from investment at FVTOCI	337,592	818,731
	<b>2,579,959</b>	<b>6,401,926</b>

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**25 RESTATEMENTS (continued)**

**Restatement 2:**

Revenue incurred with respect to sales of scrap amounted to SR 6,655,332 and SR 7,179,553 for the three and six month periods ended 30 June 2022 respectively, have been erroneously recorded under other income instead of revenue. Management has reclassified this amount in the interim condensed consolidated statement of comprehensive income for the three and six month periods ended 30 June 2023 by restating the comparatives.

**Restatement 3:**

In 2008, Management invested in Arabian United Floating Glass Company ("AUG"). As at 30 June 2022, this unquoted investment at fair value through other comprehensive income has not been subject to revaluation and was fully provided for by the management. In the current period, the management has revalued this investment which resulted in an increase in its fair value by SR 3,835,503 and SR 6,029,862 for the three and six month periods ended 30 June 2022, respectively. As a result, the management corrected prior periods error in the interim condensed consolidated statement of comprehensive income for the three and six month periods ended 30 June 2023, and in the interim condensed consolidated statement of changes in equity and cash flows (as non-cash transaction) for the six months period ended 30 June 2023 by restating the comparatives.

**Restatement 4:**

The management has invested in National Industrial Gases Company ("GAS"), an unquoted investment at fair value through other comprehensive income. Management applied valuation techniques in determining the fair value. However, management did not carry out a fair value exercise as of 30 June 2022 and consequently, change in fair value through other comprehensive income for that particular unquoted investment was nil for the three and six month periods ended 30 June 2022. Based on valuation techniques applied by management in the current period, the change in fair value of that unquoted investment amounted to SR 191,000,338 and SR 155,841,930 for the three and six month periods ended 30 June 2022 respectively. As a result, the management corrected prior period errors in the interim condensed consolidated statement of comprehensive income for the three and six month periods ended 30 June 2023, and in the interim condensed consolidated statement of changes in equity and cash flows (as non-cash transaction) for the period ended 30 June 2023 by restating the comparatives.

**Restatement 5:**

The Group had a cash balance amounting to SR 1,462,529 and SR 709,693 as at 1 January 2022 and 30 June 2022 respectively, previously classified within financial assets held at FVTOCI. However, this amount meets the definition of cash and cash equivalents and is readily available to the Group, accordingly, the management corrected prior period error and reclassified it from financial assets held at FVTOCI to cash and cash equivalents in the interim condensed consolidated statement of cash flows for the six months period ended 30 June 2023 by restating the comparatives.

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**25 RESTATEMENTS (continued)**

**Impact of adjustments on the interim condensed consolidated statement of comprehensive income for the six months period ended 30 June 2022**

	<b>30 June 2022 As issued</b>	<b>Restatement 1</b>	<b>Restatement 2</b>	<b>Restatement 3</b>	<b>Restatement 4</b>	<b>30 June 2022 Restated</b>
Revenues	989,109,782	-	7,179,553	-	-	996,289,335
Cost of revenues	(847,304,497)	-	-	-	-	(847,304,497)
<b>Gross profit</b>	<b>141,805,285</b>	-	<b>7,179,553</b>	-	-	<b>148,984,838</b>
Selling and distribution expenses	(40,979,703)	-	-	-	-	(40,979,703)
General and administrative expenses	(49,433,439)	-	-	-	-	(49,433,439)
Reversal of expected credit losses	2,715,439	-	-	-	-	2,715,439
<b>Operating income</b>	<b>54,107,582</b>	-	<b>7,179,553</b>	-	-	<b>61,287,135</b>
Investments income	52,522,775	(6,401,926)	-	-	-	46,120,849
Finance income	-	6,401,926	-	-	-	6,401,926
Finance costs	(3,564,289)	-	-	-	-	(3,564,289)
Share of results of associates	290,389	-	-	-	-	290,389
Other income/(expenses), net	8,597,469	-	(7,179,553)	-	-	1,417,916
<b>Income before zakat</b>	<b>111,953,926</b>	-	-	-	-	<b>111,953,926</b>
Zakat for the period	(7,214,299)	-	-	-	-	(7,214,299)
<b>Net income for the period</b>	<b>104,739,627</b>	-	-	-	-	<b>104,739,627</b>
<b>Other comprehensive income</b>						
<u>Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent period:</u>						
Re-measurement of employees' defined benefits liabilities	21,113,512	-	-	-	-	21,113,512
Change in fair value of investments in equity instruments through other comprehensive income	4,379,983	-	-	6,029,862	(155,841,930)	(145,432,085)
<b>Other comprehensive income/(loss) for the period</b>	<b>25,493,495</b>	-	-	<b>6,029,862</b>	<b>(155,841,930)</b>	<b>(124,318,573)</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>130,233,122</b>	-	-	<b>6,029,862</b>	<b>(155,841,930)</b>	<b>(19,578,946)</b>
Weighted average number of outstanding shares	<b>75,000,000</b>	-	-	-	-	<b>75,000,000</b>
Basic and diluted earnings per share	<b>1.40</b>	-	-	-	-	<b>1.40</b>

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**25 RESTATEMENTS (continued)**

**Impact of adjustments on the interim condensed consolidated statement of comprehensive income for the three months period ended 30 June 2022**

	<b>30 June 2022 As issued</b>	<b>Restatement 1</b>	<b>Restatement 2</b>	<b>Restatement 3</b>	<b>Restatement 4</b>	<b>30 June 2022 Restated</b>
Revenues	472,456,941	-	6,655,332	-	-	479,112,273
Cost of revenues	(406,995,490)	-	-	-	-	(406,995,490)
<b>Gross profit</b>	<b>65,461,451</b>	-	<b>6,655,332</b>	-	-	<b>72,116,783</b>
Selling and distribution expenses	(22,584,250)	-	-	-	-	(22,584,250)
General and administrative expenses	(26,927,181)	-	-	-	-	(26,927,181)
Reversal of expected credit losses	2,715,439	-	-	-	-	2,715,439
<b>Operating income</b>	<b>18,665,459</b>	-	<b>6,655,332</b>	-	-	<b>25,320,791</b>
Investments income	11,983,901	(2,579,959)	-	-	-	9,403,942
Finance income	-	2,579,959	-	-	-	2,579,959
Finance costs	(1,639,177)	-	-	-	-	(1,639,177)
Share of results of associates	21,451	-	-	-	-	21,451
Other income/(expenses), net	6,349,476	-	(6,655,332)	-	-	(305,856)
<b>Income before zakat</b>	<b>35,381,110</b>	-	-	-	-	<b>35,381,110</b>
Zakat for the period	(3,614,299)	-	-	-	-	(3,614,299)
<b>Net income for the period</b>	<b>31,766,811</b>	-	-	-	-	<b>31,766,811</b>
<b>Other comprehensive income</b>						
<u>Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent period:</u>						
Re-measurement of employees' defined benefits liabilities	12,292,822	-	-	-	-	12,292,822
Change in fair value of investments in equity instruments through other comprehensive income	1,183,686	-	-	3,835,503	(191,000,338)	(185,981,149)
<b>Other comprehensive income/(loss) for the period</b>	<b>13,476,508</b>	-	-	<b>3,835,503</b>	<b>(191,000,338)</b>	<b>(173,688,327)</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>45,243,319</b>	-	-	<b>3,835,503</b>	<b>(191,000,338)</b>	<b>(141,921,516)</b>
Weighted average number of outstanding shares	<b>75,000,000</b>	-	-	-	-	<b>75,000,000</b>
Basic and diluted earnings per share	<b>0.42</b>	-	-	-	-	<b>0.42</b>

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**25 RESTATEMENTS (continued)**

**Impact of adjustments on the interim condensed consolidated statement of changes in equity for the six months period ended 30 June 2022**

	Share capital SR	Statutory reserve SR	Retained earnings SR	Share of other comprehensive loss of associates SR	Unrealised gains from investments at fair value through other comprehensive income (FVTOCI) SR	Total equity SR
Balance as at 1 January 2022 (Audited)	750,000,000	225,000,000	250,182,653	-	510,971,023	1,736,153,676
Net income for the period	-	-	104,739,627	-	-	104,739,627
<b>Other comprehensive income (As issued)</b>	-	-	21,113,512	-	4,379,983	25,493,495
Restatement 3	-	-	-	-	6,029,862	6,029,862
Restatement 4	-	-	-	-	(155,841,930)	(155,841,930)
Other comprehensive income/(loss) (Restated)	-	-	21,113,512	-	(145,432,085)	(124,318,573)
Total comprehensive income/(loss) for the period (Restated)	-	-	125,853,139	-	(145,432,085)	(19,578,946)
Declared dividends (note 20)	-	-	(56,250,000)	-	-	(56,250,000)
Balance as at 30 June 2022 (Restated)	750,000,000	225,000,000	319,785,792	-	365,538,938	1,660,324,730

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**25 RESTATEMENTS (continued)**

**Impact of adjustments on the interim condensed consolidated statement of cash flows for the six months period ended 30 June 2022**

	<b>30 June 2022 As issued</b>	<b>Restatement 1</b>	<b>Restatement 3</b>	<b>Restatement 4</b>	<b>Restatement 5</b>	<b>30 June 2022 Restated</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Income before zakat	111,953,926	-	-	-	-	111,953,926
Adjustments to reconcile profit before zakat to net cash flows:						
Depreciation of property, plant, and equipment	48,188,363	-	-	-	-	48,188,363
Amortisation of intangible assets	5,612,171	-	-	-	-	5,612,171
Depreciation of right-of-use assets	3,620,103	-	-	-	-	3,620,103
Finance costs of lease liabilities	480,968	-	-	-	-	480,968
Share of results of associates	(290,389)	-	-	-	-	(290,389)
Gain on disposal of property, plant, and equipment	(84,588)	-	-	-	-	(84,588)
Reversal of expected credit losses	(2,715,439)	-	-	-	-	(2,715,439)
Provision for employees defined benefits liabilities	7,356,212	-	-	-	-	7,356,212
Amortisation of prepaid upfront fees on term loan	2,054,775	-	-	-	-	2,054,775
Follow up fees of term loan	1,028,546	-	-	-	-	1,028,546
Provision for slow moving inventories	3,094,735	-	-	-	-	3,094,735
Provision for replacing cylinders and others	235,979	-	-	-	-	235,979
Change in fair value of investments at FVTPL	1,491,304	-	-	-	-	1,491,304
Dividends income from investments at FVTOCI	(41,630,810)	818,731	-	-	-	(40,812,079)
Finance income	-	(6,401,926)	-	-	-	(6,401,926)
	140,395,856	(5,583,195)	-	-	-	134,812,661
<b>Changes in working capital:</b>						
Inventories	6,900,777	-	-	-	-	6,900,777
Accounts receivable	3,927,198	-	-	-	-	3,927,198
Prepayments and other current assets	(41,458,439)	-	-	-	-	(41,458,439)
Trade payable	45,678,032	-	-	-	-	45,678,032
Accrued expenses and other current liabilities	3,330,135	-	-	-	-	3,330,135
Employees' defined benefits liabilities paid	(7,976,929)	-	-	-	-	(7,976,929)
Zakat paid	(12,437,744)	-	-	-	-	(12,437,744)
<b>Net cash generated from operating activities</b>	<b>138,358,886</b>	<b>(5,583,195)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>132,775,691</b>

**National Gas and Industrialization Company  
(A Saudi Joint Stock Company)**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six months period ended 30 June 2023

**25 RESTATEMENTS (continued)**

**Impact of adjustments on the interim condensed consolidated statement of cash flows for the six months period ended 30 June 2022 (continued)**

	<b>30 June 2022 As issued</b>	<b>Restatement 1</b>	<b>Restatement 3</b>	<b>Restatement 4</b>	<b>Restatement 5</b>	<b>30 June 2022 Restated</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Finance income received	-	6,401,926	-	-	-	6,401,926
Additions to property, plant, and equipment	(80,244,744)	-	-	-	-	(80,244,744)
Additions to intangible assets	(2,268,591)	-	-	-	-	(2,268,591)
Proceeds from disposal of property, plant, and equipment	1,065,414	-	-	-	-	1,065,414
Disposal of investments at FVTOCI	-	-	-	-	(752,836)	(752,836)
Dividends income received from investments at FVTOCI	41,630,810	(818,731)	-	-	-	40,812,079
<b>Net cash used in investing activities</b>	<b>(39,817,111)</b>	<b>5,583,195</b>	<b>-</b>	<b>-</b>	<b>(752,836)</b>	<b>(34,986,752)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Dividends paid	(56,000,611)	-	-	-	-	(56,000,611)
Principal element of lease payments	(3,296,472)	-	-	-	-	(3,296,472)
Finance costs element of lease payments	(383,042)	-	-	-	-	(383,042)
Follow up fees on term loan paid	(1,028,546)	-	-	-	-	(1,028,546)
<b>Net cash used in financing activities</b>	<b>(60,708,671)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(60,708,671)</b>
Net change in cash and cash equivalents	37,833,104	-	-	-	(752,836)	37,080,268
Cash and cash equivalents at the beginning of the period	61,905,920	-	-	-	1,462,529	63,368,449
<b>Cash and cash equivalents at the end of the period</b>	<b>99,739,024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>709,693</b>	<b>100,448,717</b>
<b>NON-CASH TRANSACTIONS:</b>						
Change in fair value of investments in equity instruments through other comprehensive income	4,379,983	-	6,029,862	(155,841,930)	-	(145,432,085)
Employees' defined benefits liabilities transferred to accrued expenses	(1,291,797)	-	-	-	-	(1,291,797)
Additions to right-of-use assets and the corresponding lease liabilities	24,157,538	-	-	-	-	24,157,538

**26 APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

The interim condensed consolidated financial statements were approved by the Audit Committee in accordance with the authorisation of the Board of Directors on 21 Muharram 1445H (Corresponding to 8 August 2023).