

**GHIDA ALSULTAN FOR FAST FOOD COMPANY  
(SAUDI JOINT STOCK COMPANY)  
INTERIM CONDENSED FINANCIAL STATEMENTS  
(UNAUDITED)  
FOR THE SIX-MONTH  
PERIOD ENDED 30 JUNE 2023  
AND  
INDEPENDENT AUDITOR'S REVIEW REPORT**

GHIDA ALSULTAN FOR FAST FOOD COMPANY  
(SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

---

<u>INDEX</u>	<u>Pages</u>
Independent auditor's review report	1
Interim condensed statement of financial position	2
Interim condensed statement of profit or loss and other comprehensive income	3
Interim condensed statement of changes in equity	4
Interim condensed statement of cash flows	5
Notes to interim condensed financial statements	6-13

## INDEPENDENT AUDITOR'S REVIEW REPORT

### TO THE SHAREHOLDERS OF GHIDA ALSULTAN FOR FAST FOOD COMPANY (SAUDI JOINT STOCK COMPANY)

#### Introduction

We have reviewed the accompanying interim condensed statement of financial position of Ghida Alsultan For Fast Food Company, Saudi Joint Stock Company ("the Company") as at 30 June 2023, and the related interim condensed statement of profit or loss and other comprehensive income for the six-month period then ended, and the interim condensed statement of changes in equity and cash flows for the six-month period then ended and a summary of significant accounting policies and other explanatory notes from 1 to 21. Management is responsible for the preparation and presentation of these interim condensed 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 financial statements based on our review.

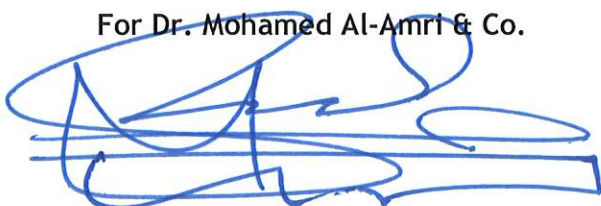
#### Scope of review

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 statements consists of making inquiries, primarily to 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, 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 financial statements are not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

For Dr. Mohamed Al-Amri & Co.



Maher Al-Khatieb  
Certified Public Accountant  
License Number 514



Jeddah on 11 September 2023 (G)  
Corresponding to: 26/2/1445 (H)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2023  
(Expressed in Saudi Riyals unless otherwise stated)

	<u>Note</u>	<u>30 June 2023</u>	<u>31 December 2022</u>
		<u>Unaudited</u>	<u>Audited</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment		40,452,746	38,373,548
Intangible asset		17,014	92,930
Right-of-use assets		19,214,988	22,725,060
<b>Total non-current assets</b>		<b>59,684,748</b>	<b>61,191,538</b>
<b>Current assets</b>			
Inventories	5	22,042,447	18,229,578
Accounts receivable	6	5,401,339	3,064,249
Prepayments and other receivables	7	4,470,087	5,237,143
Due from related parties	8	-	1,366,713
Cash and cash equivalents		2,475,225	7,550,586
<b>Total current assets</b>		<b>34,389,098</b>	<b>35,448,269</b>
<b>TOTAL ASSETS</b>		<b>94,073,846</b>	<b>96,639,807</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		32,000,000	32,000,000
Statutory reserve		3,503,692	3,503,692
Other reserves		647,463	647,463
Retained earnings		21,848,026	15,606,498
<b>Total equity</b>		<b>57,999,181</b>	<b>51,757,653</b>
<b>Non-current liabilities</b>			
Lease liabilities	12	9,296,562	12,640,060
Employees' benefits		3,295,593	2,948,455
<b>Total non-current liabilities</b>		<b>12,592,155</b>	<b>15,588,515</b>
<b>Current liabilities</b>			
Accounts payable		7,930,621	11,692,450
Accruals and other payables	11	4,025,560	3,217,896
Lease liabilities - current portion	12	8,238,580	8,704,947
Due to related parties	8	2,800,000	4,900,000
Zakat provision	13	487,749	778,346
<b>Total current liabilities</b>		<b>23,482,510</b>	<b>29,293,639</b>
<b>Total liabilities</b>		<b>36,074,665</b>	<b>44,882,154</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>94,073,846</b>	<b>96,639,807</b>

The accompanying notes from 1 to 21 form integral part of these interim condensed financial statements.

**INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023**  
(Expressed in Saudi Riyals unless otherwise stated)

		<b>For the six-month period ended 30 June 2023</b>	<b>For the six-month period ended 30 June 2022</b>
		<b>Unaudited</b>	<b>Unaudited</b>
Sales		<b>80,492,143</b>	67,105,765
Cost of sales		<b>(46,188,546)</b>	(38,926,432)
<b>Gross profit</b>		<b>34,303,597</b>	28,179,333
General and administrative expenses		<b>(9,081,691)</b>	(10,758,101)
Selling and distribution expense		<b>(18,744,472)</b>	(9,928,459)
<b>Operating profit</b>		<b>6,477,434</b>	7,492,773
Finance charges		<b>(354,157)</b>	(434,132)
Other income		<b>448,251</b>	361,545
<b>Profit before zakat</b>		<b>6,571,528</b>	7,420,186
Zakat expense	13	<b>(330,000)</b>	(273,900)
<b>Net profit for the period</b>		<b>6,241,528</b>	7,146,286
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or gain / (loss) in subsequent periods:</i>			
Re-measurement on employees' benefits obligation		-	-
<b>Total comprehensive income for the period</b>		<b>6,241,528</b>	7,146,286
<b>Earnings per share:</b>			
Basic and diluted earnings per share	16	<b>1.95</b>	2.23

The accompanying notes from 1 to 21 form integral part of these interim condensed financial statements.

GHIDA ALSULTAN FOR FAST FOOD COMPANY  
(SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023  
(Expressed in Saudi Riyals unless otherwise stated)

	Note	Share capital	Statutory reserve	Other reserve	Retained earnings	Total
<b>Balance as on 1 January 2022 (audited)</b>		32,000,000	1,556,844	647,463	12,466,304	46,670,611
Profit for the period		-	-	-	7,146,286	7,146,286
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	-	-	7,146,286	7,146,286
Dividends	15	-	-	-	(8,386,011)	(8,386,011)
<b>Balance at 30 June 2022 (Unaudited)</b>		<b>32,000,000</b>	<b>1,556,844</b>	<b>647,463</b>	<b>11,226,579</b>	<b>45,430,886</b>
 <b>As at 1 January 2023 (audited)</b>		<b>32,000,000</b>	<b>3,503,692</b>	<b>647,463</b>	<b>15,606,498</b>	<b>51,757,653</b>
Profit for the period		-	-	-	6,241,528	6,241,528
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	-	-	6,241,528	6,241,528
<b>Balance at 30 June 2023 (Unaudited)</b>		<b>32,000,000</b>	<b>3,503,692</b>	<b>647,463</b>	<b>21,848,026</b>	<b>57,999,181</b>

The accompanying notes from 1 to ٢١ form integral part of these interim condensed financial statements.

GHIDA ALSULTAN FOR FAST FOOD COMPANY  
(SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF CASH FLOWS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023  
(Expressed in Saudi Riyals unless otherwise stated)

		For the six-month period ended 30 June 2023	For the six-month period ended 30 June 2022
	Note	Unaudited	Unaudited
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before zakat		6,571,528	7,420,186
<i>Adjustment for non-cash items:</i>			
Depreciation of right-of-use assets	10	4,461,345	3,209,978
Depreciation of property and equipment	9	1,478,920	1,172,033
Amortization of intangible asset		75,916	-
Loss from disposal of property and equipment		-	53,391
Provision for employees' benefits		438,465	362,575
Finance charges		354,157	434,132
		<b>13,380,331</b>	<b>12,652,295</b>
<b>Changes in operating assets and liabilities:</b>			
Accounts receivable		(2,337,090)	959,215
Inventories		(3,812,869)	(3,025,345)
Prepayments and other receivables		767,056	(1,572,160)
Accounts payable		(3,761,829)	1,637,388
Accruals and other payable		807,664	1,691,780
Due from related parties		1,366,713	(946,950)
Due to related parties		(2,100,000)	(875,000)
<b>Cash from operations</b>		<b>4,309,976</b>	<b>10,521,223</b>
Zakat paid	13	(620,597)	(447,502)
Employees' benefits paid		(91,327)	(103,161)
<b>Net cash from operating activities</b>		<b>3,598,052</b>	<b>9,970,560</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to property and equipment	9	-	(190,539)
Additions to capital work in progress	9	(3,558,118)	(5,778,719)
<b>Net cash used in investing activities</b>		<b>(3,558,118)</b>	<b>(5,969,258)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of short-term loan		-	(1,156,472)
Lease liabilities paid		(5,115,295)	(2,478,149)
Dividends paid		-	(8,386,011)
<b>Net cash used in financing activities</b>		<b>(5,115,295)</b>	<b>(12,020,632)</b>
Net changes in cash and cash equivalents		(5,075,361)	(8,019,330)
Cash and cash equivalents at the beginning of the period		7,550,586	13,738,430
<b>Cash and cash equivalents at the end of the period</b>		<b>2,475,225</b>	<b>5,719,100</b>

The accompanying notes from 1 to 21 form integral part of these interim condensed financial statements.

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023  
(Expressed in Saudi Riyals unless otherwise stated)

## 1 CORPORATE INFORMATION

Ghida AlSultan for Fast Food Company, (the “Company”) is a Saudi Joint Stock Company, and was initially registered in the Kingdom of Saudi Arabia as “Establishment” under Commercial Registration (CR) No. 4030205501 issued at Jeddah, dated 16 Dhul Qadah 1431(H) corresponding to 24 October 2010(G). The legal status of the Company was changed from “Limited Liability Company” to “Closed Joint Stock Company” with effect from 17 November 2022.

The Company obtained Tadawul Saudi Arabia’s approval issued on 29 Shawwal 1443(H) corresponding to 30 May 2022(G) to list the Company’s shares in the parallel market, and the approval of the Capital Market Authority on 5 Dhul Qadah 1444(H) corresponding to 5 December 2022(G) to register and offer Company’s shares for subscription in the parallel market.

On 12 March 2023, qualified investors subscribed to 640,000 shares of the Company listed on the parallel market, representing 20% of its total shares of the Company, and the offering price was set at SR 84 per share. Subscription closed on 19 March 2023.

As at 30 June 2023, the share capital of the Company is SR 32 million, divided into 3.2 million shares of SR 10 each. (31 December 2022: SR 32 million share capital divided into 3.2 million shares of SR 10 each).

The Company is engaged in the business of selling fast food including pizza. The Company’s registered office is located at Prince Sultan Street, Al Basateen District, P.O Box 21320, Jeddah 11860, Kingdom of Saudi Arabia. The accompanying financial statements include the financial statements of the head office which is in Jeddah and its following branches:

Branch location	Place	CR No.	License Number
Al-Basateen	Jeddah	4030205501	39111341975
Tahlia	Jeddah	4030205501	39111424855
Hail	Jeddah	4030205501	39111451250
Obhur	Jeddah	4030205501	39111342328
Hira	Jeddah	4030205501	39111456686
Rabigh	Rabigh	4030205501	3909369030
Al-Hamdaniya	Jeddah	4030205501	39111454431
Al-Rehab	Jeddah	4030205501	39111414936
Al-Sanabel	Jeddah	4030205501	39111288988
Sari	Jeddah	4030205501	39111414685
Al-Marwah	Jeddah	4030205501	39111432058
Shawqiyah	Makkah	4030205501	3909520107
Corniche, Al Shati neighborhood	Jazan	5900110380	390995398
Prince Fawaz Southern	Jeddah	4030205501	39111294382
Al-Faisaliah	Jeddah	4030205501	39111425843
Al Hada	Taif	4030205501	3909566635
Al-Zaidi - Sasco	Makkah	4030205501	390842984
Rawda	Jeddah	4030205501	40072074925
Ice Land	Jeddah	4030205501	40011665389
Al-Awali	Makkah	4030205501	39121529105
Sharia	Makkah	4030205501	40052021301
Al-Azizia - Defense District	Medina	4650210045	40072070094
Al Hadiqa neighborhood - Immigration	Medina	4650210045	40082146354
Batha Quraysh	Makkah	4030205501	41022592524
Khulais	Makkah	4030205501	41012559060
Khaled bin Al-Waleed	Riyadh	1010600527	41052642798

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023  
(Expressed in Saudi Riyals unless otherwise stated)

1 CORPORATE INFORMATION (CONTINUED)

Branch location	Place	CR No.	License Number
Al Thumama	Riyadh	1010600527	41032618533
Shahr	Taif	4030205501	41103580827
Prince Sultan	Jazan	5900110380	41052642066
Ahd Masarah	Jazan	5900110380	41052642943
Sebia	Jazan	5900110380	42024010829
Khamis Mushait	Khamis Mishat	5855346699	41063422104
Yanbu - 1	Yanbu	4650210045	42013811245
Dhahrat Laban	Riyadh	1010600527	42034229647
Al Yasmeen	Riyadh	1010600527	42044866585
Azizia	Riyadh	1010600527	42075268161
Al-Laith Road	Makkah	4030205501	42065217155
Al Raez	Medina	4650210045	42115923529
Umluj	Umluj	4701102385	43026182509
Al Rawabi	Riyadh	1010600527	43047943626
Qurtuba	Riyadh	1010600527	43048004764
Badia	Riyadh	1010600527	43058072094
Hawiyah	Taif	4030205501	43058109279
Al Nakheel	Riyadh	1010600527	43079308900
Al Nuzha	Riyadh	1010600527	43079370018
King Salman	Riyadh	1010600527	43079424389
Gulf	Riyadh	1010600527	43089437763
Abha	Abha	5855346699	43099639027
Al Raqi	Khamis Mushait	5855346699	43099649483
Mohammedia	Jeddah	4030205501	43109792246
Samir	Jeddah	4030205501	431110019655
Yanbu - Royal Commission	Yanbu	4650210045	8824
Al-Naseem	Jeddah	4030205501	440210501126
Al Sharqia	Khobar	4030205501	440711440711
Hassan Bin Sabit	Riyadh	1010600527	440711575409
Al Sharqia	Damam	4030205501	440811847996
Al Kharj	Al Kharj	1010600527	440911888528

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023  
(Expressed in Saudi Riyals unless otherwise stated)

---

## 2 BASIS OF PREPARATION

The interim condensed financial statements have been prepared in accordance with International Financial Reporting Standards including the requirements of International Accounting Standard 34, "Interim Financial Reporting" "IAS 34" which is endorsed in the Kingdom of Saudi Arabia.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements. These interim condensed financial statements should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2022. In addition, results for the interim period ended 30 June 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

The interim condensed financial statements have been prepared on a historical cost basis except for employee benefit liabilities for which the projected unit credit method is used.

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

## 3 SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS

The preparation of the Company's interim condensed financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates.

The significant judgments made by management in applying the Company's key sources of estimation uncertainty were the same as those described in the financial statements for the year ended 31 December 2022. However, the Company has also reviewed the key sources of estimation uncertainties disclosed in its 2022 annual financial statements. Management believes that all sources of estimation uncertainty remain similar to those disclosed in 2022 annual financial statements. The Company will continue to monitor the situation, and any changes required will be reflected in future reporting periods.

## 4 NEW STANDARDS, INTERPRETATIONS, AND AMENDMENTS TO EXISTING STANDARDS

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

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

- Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors); and
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes).
- Insurance Contracts (IFRS 17)

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

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

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective for periods beginning on or after 1 January 2024 that the Company has decided not to adopt early. The Company does not believe these standards and interpretations will have a material impact on the interim condensed financial statements once adopted.

## 5 INVENTORIES

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023  
(Expressed in Saudi Riyals unless otherwise stated)

	30 June 2023	31 December 2022
	Unaudited	Audited
Food, beverages and other related items	17,244,648	17,184,417
Non-food inventory	4,797,799	1,045,161
	<b>22,042,447</b>	<b>18,229,578</b>

**6 ACCOUNTS RECEIVABLE**

	30 June 2023	31 December 2022
	Unaudited	Audited
Accounts receivable	6,339,869	4,002,779
Less: Allowance for expected credit losses	(938,530)	(938,530)
	<b>5,401,339</b>	<b>3,064,249</b>

**7 PREPAYMENTS AND OTHER RECEIVABLES**

	30 June 2023	31 December 2022
	Unaudited	Audited
Prepaid expenses	1,334,136	2,315,065
Advances to suppliers	1,053,251	1,410,565
Advances to staff	-	133,327
Other receivables	2,082,700	1,378,186
	<b>4,470,087</b>	<b>5,237,143</b>

**8 RELATED PARTY TRANSACTIONS AND BALANCES**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include the shareholders and their affiliates, key management personnel and their close family members.

Terms and conditions of these transactions are approved by the Company's Board of Directors. Related party transactions mainly represent expenses and other transactions which are undertaken at mutually agreed terms. Significant related party balances arising from transactions are described as below:

Related party	Relationship	Nature of transaction	Amount of transactions during the period		Closing balances	
			30 June 2023	31 December 2022	30 June 2023	31 December 2022
			Unaudited	Audited	Unaudited	Audited
8.1 Due from related parties						
Private Food Opportunities 2 Trading LLC	Shareholder	Expenses on behalf of Company	(410,014)	410,014	-	410,014
Randa Hamed A Nujaimi	Shareholder	Expenses on behalf of Company	(956,699)	956,699	-	956,699
						1,366,713

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023  
(Expressed in Saudi Riyals unless otherwise stated)

**8 RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

Related party	Relationship	Nature of transaction	Amount of transactions during the period		Closing balances	
			30 June 2023	31 December 2022	30 June 2023	31 December 2022
			Unaudited	Audited	Unaudited	Audited
8.2 Due to related parties						
Randa Hamed A Nujaimi	Shareholder	Dividends	(2,100,000)	2,100,000	-	2,100,000
Aref Al Musbahi	Shareholder	Dividends	-	2,800,000	2,800,000	2,800,000
					2,800,000	4,900,000

**Compensation of key management personnel**

Key managerial personnel are those individuals having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including senior management and board of directors (executive or otherwise). The total remuneration of the key management personnel during the period ended 30 June 2023 (including salaries and benefits) is SR 0.5 million (30 June 2022: SR 0.4 million).

**9 PROPERTY AND EQUIPMENT**

For purpose of preparing the interim condensed statement of cash flows, movement in property and equipment during the six-month period ended 30 June as follows:

	For the six-month period ended 30 June	
	2023	2022
	Unaudited	Unaudited
Depreciation	1,478,920	1,172,033
Addition to property and equipment*	-	3,019,961
Addition to capital work-in-progress**	3,558,118	5,778,719

\*It includes transfers from capital-work-in progress to property and equipment amounted to SR Nil during the period ended 30 June 2023 (30 June 2022: SR 2.9 million).

\*\* This represents the total cost incurred for establishing new branches to date.

**10 RIGHT-OF-USE ASSETS**

For purpose of preparing the interim condensed statement of cash flows, movement in right to use assets during the six-month period ended 30 June as follows:

	For the six-month period ended 30 June	
	2023	2022
	Unaudited	Unaudited
Depreciation	4,461,345	3,209,978
Additions	951,273	9,026,405

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023  
(Expressed in Saudi Riyals unless otherwise stated)

**11 ACCRUALS AND OTHER PAYABLES**

	30 June 2023	31 December 2022
	Unaudited	Audited
Accrued salaries	1,529,996	2,046,636
Accrued expenses	1,092,450	266,341
VAT payable	1,403,114	875,872
Other payable	-	29,047
	<b>4,025,560</b>	<b>3,217,896</b>

**12 LEASE LIABILITY**

	30 June 2023	31 December 2022
	Unaudited	Audited
Total lease liabilities	21,345,007	14,357,532
Additions during the period / year	951,273	18,819,175
Finance cost	354,157	868,594
Termination during the period / year	-	(3,412,872)
Payments made during the period / year	(5,115,295)	(9,287,422)
	<b>17,535,142</b>	<b>21,345,007</b>
Less: current portion	<b>(8,238,580)</b>	<b>(8,704,947)</b>
	<b>9,296,562</b>	<b>12,640,060</b>

The following table details the Company's remaining contractual maturity for its lease liabilities.

The table has been drawn up based on the undiscounted cash flows of the lease liabilities. It includes both interest and principal cash flows.

	30 June 2023	31 December 2022
	Unaudited	Audited
Within one year	8,238,580	8,748,582
More than one year to five years	7,304,943	13,234,911
Over five years	980,000	415,000
	<b>16,523,523</b>	<b>22,398,493</b>

**13 ZAKAT PROVISION**

The movement in Company's zakat provision is as follows:

	30 June 2023	31 December 2022
	Unaudited	Audited
Balance at beginning of the period / year	778,346	678,048
Provided during the period / year	330,000	547,800
Paid during the period / year	(620,597)	(447,502)
Balance at the end of the period / year	<b>487,749</b>	<b>778,346</b>

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023  
(Expressed in Saudi Riyals unless otherwise stated)

---

### 13 ZAKAT PROVISION (CONTINUED)

Zakat for the period ended 30 June 2023 is calculated based on the management's estimate, which may not represent an accurate indication about Zakat for the year ending 31 December 2023.

The Company filed its zakat return for the year ended 31 December 2022 at Zakat, Tax and Customs Authority (ZATCA), and obtained a certificate.

### 14 STATUTORY RESERVE

In accordance with the Parent Company's By-laws, the Company is required to transfer at least 10% of the net income to the statutory reserve until it reaches 30% of the capital.

### 15 DIVIDENDS

The shareholders have decided to distribute dividends amounting to SR Nil during the period ended 30 June 2023 (30 June 2022: SR 8.4 million, SR 2.62 per share).

### 16 EARNINGS PER SHARE

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

#### Profit attributable to ordinary shareholders

	For the six-month period ended 30 June 2023	For the six-month period ended 30 June 2022
	Unaudited	Unaudited
Profit attributable to ordinary shareholders	6,241,528	7,146,286
Weighted-average number of ordinary shares	3,200,000	3,200,000
Basic and diluted earnings per share	1.95	2.23

### 17 SEGMENT INFORMATION

The Company is engaged in one operating segment engaged in selling fast food restaurant, operates completely within the Kingdom of Saudi Arabia. Accordingly, the financial information was not divided into different geographic or business segments.

### 18 CONTINGENCIES AND COMMITMENTS

#### 18.1 Contingencies

There were no contingencies as at 30 June 2023 (31 December 2022: Nil).

#### 18.2 Capital Commitments

There were no commitments as at 30 June 2023 (31 December 2022: SR Nil).

## **19 FAIR VALUES OF FINANCIAL INSTRUMENTS**

All assets and liabilities for which fair value is measured or disclosed in the interim condensed financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Suppose the inputs used to measure the fair value of an asset or liability falls into different levels of the fair value hierarchy. In that case, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest input level that is significant to the entire measurement.

## **20 EVENTS AFTER THE REPORTING PERIOD**

There have been no subsequent events since the period ended 30 June 2023 which would have a material impact on the interim condensed financial position of the Company reflected in these interim condensed financial statements.

## **21 APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were authorized for issue and approved by the Board of Directors on 03 September 2023.