

**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE-  
MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023 (UNAUDITED)  
AND INDEPENDENT AUDITOR REVIEW REPORT ON THE INTERIM CONDENSED  
CONSOLIDATED FINANCIAL STATEMENTS**

**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023 (UNAUDITED)**

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED  
CONSOLIDATED FINANCIAL STATEMENTS**

**TO THE SHAREHOLDERS OF  
MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A Saudi Joint Stock Company)  
**Riyadh – Kingdom of Saudi Arabia**

**Introduction**

We have reviewed the accompanying interim condensed consolidated statement of financial position of Maharah For Human Resources Company ("the Company") and its subsidiaries (together "the group") as of September 30, 2023, and the related interim condensed consolidated statement of profit or loss, statement of comprehensive income, for the three-month and nine-month periods then ended, and the interim condensed consolidated statements of changes in equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 – "Interim Financial Reporting" (IAS 34) that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

**Scope of review**

Except as explained in the following paragraph, we conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" that is endorsed in the Kingdom of Saudi Arabia. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Basis for Qualified Conclusion**

The group recognize investment in associate companies that were acquired during the third quarter of 2022 and are accounted for using the equity method that amounted to SAR 829 million in the interim condensed consolidated statement of financial position as of September 30, 2023. The company has booked these investments on the acquisition date at cost until the reporting date of the interim condensed consolidated financial statements for the period ended September 30, 2023, the study of the purchase price allocation by the consultant appointed by the company's management has not been completed yet to determine the expected financial impact on the interim condensed consolidated financial statements. Had we been able to obtain the final purchase price allocation and complete our review, matters might have come to our attention indicating that adjustments might be necessary to the interim condensed consolidated financial statements.



الدكتور محمد العمري وشركاه

Dr. Mohamed Al-Amri & Co.

Head office: Moon Tower - 8 Floor

P.O. Box 8736, Riyadh 11492

Unified Number : 92 002 4254

Fax : +966 11 278 2883

**INDEPENDENT AUDITOR REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023 (UNAUDITED) - (continued)**

**Qualified Conclusion**

Except for the adjustments to the interim condensed consolidated financial statements that we might have become aware of had it not been for the situation described above, based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements is not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

**Other matter**

The interim condensed consolidated financial statement for the three-month and nine-month periods ended September 30, 2022 were reviewed by another auditor who expressed an unmodified conclusion on these interim condensed consolidated financial statements on Rabi AL Thani 9, 1444H (corresponding to November 3, 2022), and the consolidated financial statements of the group for the year ended December 31, 2022, were audited by same auditor who expressed an unmodified opinion on these consolidated financial statements on Shaban 14, 1444H, (corresponding to March 6, 2023).

**For Dr. Mohamed Al-Amri & Co.**



Gihad Al-Amri  
Certified Public Accountant  
License No. 362

Date: 2 Jumada al Ula 1445 H  
Corresponding to: 16 November 2023 G

**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT SEP 30, 2023**  
**(Saudi Riyal)**

	Notes	Sep 30, 2023 (Unaudited)	December 31, 2022 (Audited)
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		78,525,130	83,573,675
Murabaha time deposits		32,000,000	-
Accounts receivable	4	253,323,778	243,976,861
Contract assets	4	107,279,982	104,501,426
Prepayments and other current assets		174,128,067	219,240,988
Available visas		31,710,000	24,856,000
<b>Total current assets</b>		<b>676,966,957</b>	<b>676,148,950</b>
<b>Non-current assets</b>			
Property and equipment		119,295,851	125,535,761
Right-of-use assets		48,051,711	43,024,421
Intangible assets	6	6,370,893	7,872,996
Investment properties		37,422,787	37,799,578
Financial assets at fair value through profit or loss	7	10,068,056	25,099,306
Financial assets at fair value through other comprehensive income	8	16,868,879	13,985,656
Investment in associates	9	829,215,079	793,332,675
Other non-current assets		12,744,669	26,070,772
<b>Total non-current assets</b>		<b>1,080,037,925</b>	<b>1,072,721,165</b>
<b>Total assets</b>		<b>1,757,004,882</b>	<b>1,748,870,115</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable, accruals, and other current liabilities		246,011,415	223,901,524
Contract liabilities		92,801,645	134,013,235
Retained deposits		101,410,416	99,141,138
Zakat provision	10	10,434,805	15,745,030
<b>Total current liabilities</b>		<b>450,658,281</b>	<b>472,800,927</b>
<b>Non-current liabilities</b>			
Long Term loans	11	562,607,710	562,607,710
Employees' defined benefits liabilities		91,541,035	83,877,102
lease liabilities		33,406,750	31,219,113
<b>Total non-current liabilities</b>		<b>687,555,495</b>	<b>677,703,925</b>
<b>Total liabilities</b>		<b>1,138,213,776</b>	<b>1,150,504,852</b>
<b>EQUITY</b>			
Share capital	12	475,000,000	375,000,000
Statutory reserve		97,416,675	97,416,675
Other reserves		(13,320,961)	(16,924,184)
Treasury Shares		(25,000,000)	-
Retained earnings		86,487,975	143,618,633
<b>Equity attributable to the Shareholders of the Parent Company</b>		<b>620,583,689</b>	<b>599,111,124</b>
Non-controlling interests	1	(1,792,583)	(745,861)
<b>Total equity</b>		<b>618,791,106</b>	<b>598,365,263</b>
<b>Total liabilities and equity</b>		<b>1,757,004,882</b>	<b>1,748,870,115</b>

Chairman of Board  
of Directors

Chief  
executive  
officer

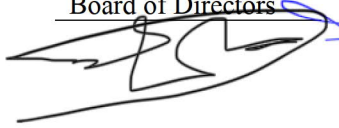
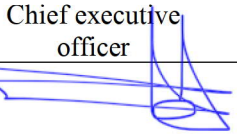
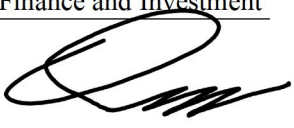
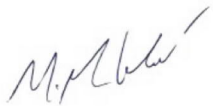
Vice President for  
Finance and Investment

General Manager of  
Financial Control

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


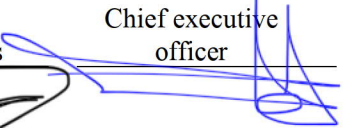

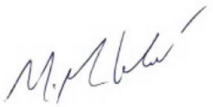
**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEP 30, 2023**  
**(Saudi Riyal)**

	<b>Notes</b>	<b>For the three-month period ended Sep 30</b>		<b>For the nine-month period ended Sep 30</b>	
		<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenues		471,489,432	416,277,513	1,396,111,218	1,200,813,469
Cost of revenues		(414,676,302)	(357,907,260)	(1,217,612,269)	(1,037,370,195)
<b>Gross Profit</b>		<b>56,813,130</b>	<b>58,370,253</b>	<b>178,498,949</b>	<b>163,443,274</b>
General and administrative expenses		(23,840,677)	(24,978,844)	(71,719,541)	(69,707,749)
Marketing expenses		(4,874,420)	(3,997,517)	(12,537,856)	(10,505,774)
Expected credit (losses)/ reversal	4	(8,435,358)	627,580	(12,270,255)	(81,211)
<b>Operating profit</b>		<b>19,662,675</b>	<b>30,021,472</b>	<b>81,971,297</b>	<b>83,148,540</b>
Other income		3,738,170	2,553,112	10,721,551	5,418,814
Finance cost		(10,317,779)	(2,354,558)	(30,972,926)	(3,076,986)
Goodwill Impairment Loss		(1,139,598)	-	(1,139,598)	-
Share in results of an associate company	9	14,242,280	35,195,753	43,637,959	35,115,568
Net (loss) / gain on financial assets at FVTPL	7	(2,777)	908,283	632,579	3,708,162
<b>Profit for the period before zakat</b>		<b>26,182,971</b>	<b>66,324,062</b>	<b>104,850,862</b>	<b>124,314,098</b>
Zakat	10	(2,028,242)	(4,855,975)	(5,528,242)	(12,324,369)
<b>Profit for the period</b>		<b>24,154,729</b>	<b>61,468,087</b>	<b>99,322,620</b>	<b>111,989,729</b>
<b>Net income for the period attributable to:</b>					
Shareholders of the Parent Company		24,595,960	61,931,146	100,369,342	113,937,280
Non-controlling interests	1	(441,231)	(463,059)	(1,046,722)	(1,947,551)
		<b>24,154,729</b>	<b>61,468,087</b>	<b>99,322,620</b>	<b>111,989,729</b>
<b>Basic and diluted earnings per share:</b>					
Net income per share attributable to Shareholders of the Parent Company	14	0.55	1.38	2.23	2.53

Chairman of Board of Directors	Chief executive officer	Vice President for Finance and Investment	General Manager of Financial Control
			

**MAHARAH FOR HUMAN RESOURCES COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023**  
**(Saudi Riyal)**

	<b>Notes</b>	<b>For the three-month period ended Sep 30</b>		<b>For the nine-month period ended Sep 30</b>	
		<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Profit for the period		<b>24,154,729</b>	61,468,087	<b>99,322,620</b>	111,989,729
<b>Other comprehensive income:</b>					
Item that will not be reclassified to consolidated statement of profit or loss:					
Unrealized gains on investments in financial assets at fair value through other comprehensive income	8	<b>2,883,223</b>	-	<b>2,883,223</b>	-
Re-measurements employees' defined benefits liabilities		-	-	<b>720,000</b>	(3,265,000)
<b>Other comprehensive income</b>		<b>2,883,223</b>	-	<b>3,603,223</b>	(3,265,000)
<b>Total comprehensive income for the period</b>		<b>27,037,952</b>	61,468,087	<b>102,925,843</b>	108,724,729
<b>Total comprehensive income for the period attributable to:</b>					
Shareholders of the Parent Company		<b>27,479,183</b>	61,931,146	<b>103,972,565</b>	110,672,280
Non-controlling interests		<b>(441,231)</b>	(463,059)	<b>(1,046,722)</b>	(1,947,551)
		<b>27,037,952</b>	61,468,087	<b>102,925,843</b>	108,724,729

Chairman of Board of Directors	Chief executive officer	Vice President for Finance and Investment	General Manager of Financial Control
			

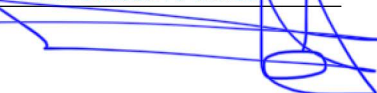
**MAHARAH FOR HUMAN RESOURCES COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023**  
**(Saudi Riyal)**

Equity attributable to the Shareholders of the Parent Company									
	Note	Share capital	Statutory reserve	Other Reserves	Retained earnings	Treasury Shares	Total	Non-controlling interests	Total equity
<b>For the nine-month period ended Sep 30, 2022</b>									
Balance as at January 1, 2022 (Audited)		375,000,000	82,005,235	(11,357,161)	126,790,673	-	572,438,747	(1,486,891)	570,951,856
Profit for the period		-	-	-	113,937,280	-	113,937,280	(1,947,551)	111,989,729
Other comprehensive income		-	-	(3,265,000)	-	-	(3,265,000)	-	(3,265,000)
Total Comprehensive income for the period		-	-	(3,265,000)	113,937,280	-	110,672,280	(1,947,551)	108,724,729
Movement in non-controlling interest		-	-	-	-	-	-	3,251,515	3,251,515
Dividends	13	-	-	-	(121,875,000)	-	(121,875,000)	-	(121,875,000)
Balance as at Sep 30, 2022 (Unaudited)		<u>375,000,000</u>	<u>82,005,235</u>	<u>(14,622,161)</u>	<u>118,852,953</u>	<u>-</u>	<u>561,236,027</u>	<u>(182,927)</u>	<u>561,053,100</u>
<b>For the nine-month period ended Sep 30, 2023</b>									
Balance as at January 1, 2023 (Audited)		375,000,000	97,416,675	(16,924,184)	143,618,633	-	599,111,124	(745,861)	598,365,263
Profit for the period		-	-	-	100,369,342	-	100,369,342	(1,046,722)	99,322,620
Other comprehensive income		-	-	3,603,223	-	-	3,603,223	-	3,603,223
Total Comprehensive income for the period		-	-	3,603,223	100,369,342	-	103,972,565	(1,046,722)	102,925,843
Capital Increase	12	100,000,000	-	-	(75,000,000)	(25,000,000)	-	-	-
Dividends	13	-	-	-	(82,500,000)	-	(82,500,000)	-	(82,500,000)
Balance as at Sep 30, 2023 (Unaudited)		<u>475,000,000</u>	<u>97,416,675</u>	<u>(13,320,961)</u>	<u>86,487,975</u>	<u>(25,000,000)</u>	<u>620,583,689</u>	<u>(1,792,583)</u>	<u>618,791,106</u>

Chairman of Board of  
Directors



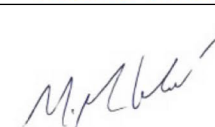
Chief executive officer



Vice President for Finance and  
Investment



General Manager of  
Financial Control




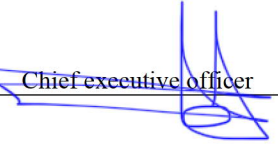
The accompanying notes from 1 to 21 form an integral part of these interim condensed consolidated financial statements




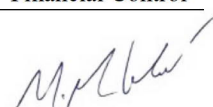
**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023**  
(Saudi Riyal)

	<b>For the nine-month period ended Sep 30</b>	
	<b>2023</b>	<b>2022</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b><u>OPERATING ACTIVITIES:</u></b>		
Profit for the period before zakat	104,850,862	124,314,098
<b>Adjustments for non-cash items:</b>		
Employees' defined benefits liabilities charged	20,152,442	15,924,497
Expected credit losses	12,270,255	81,211
Depreciation of property and equipment	9,419,250	10,003,826
Depreciation of investment properties	376,791	372,636
Depreciation of right-of-use assets	12,481,880	9,484,945
Amortization of intangible assets	391,927	453,418
Share in results of an associate company	(43,637,959)	(35,115,568)
Net gain on financial assets at FVTPL	(632,579)	(3,708,162)
Finance costs	30,972,926	3,076,986
Goodwill impairment Loss	1,139,598	-
Profit from Murabaha time deposits	(1,290,650)	(618,589)
Reversal of accrued salaries no longer required	-	(393,473)
Gain on disposal of property and equipment	(419,726)	146,120
	<b>146,075,017</b>	<b>124,021,945</b>
<b>Changes in working capital:</b>		
Accounts receivable	(17,073,163)	(38,057,912)
Contract assets	(7,322,565)	(29,447,511)
Prepayments and other current assets	56,334,627	46,359,740
Available visas	(6,854,000)	3,324,000
Accounts payable, accruals and other current liabilities	19,792,240	24,843,628
Contract liabilities	(41,211,589)	43,151,936
Retained deposits	2,269,278	5,858,771
<b>Cash generated from operations</b>	<b>152,009,845</b>	<b>180,054,597</b>
Dividends Received	7,755,555	-
Zakat paid	(10,838,467)	(15,600,111)
Employees' defined benefits obligations paid	(13,807,510)	(13,980,668)
<b>Net cash flows generated from operating activities</b>	<b>135,119,423</b>	<b>150,473,818</b>
<b><u>INVESTING ACTIVITIES:</u></b>		
Purchase Shares in associates	-	(733,718,509)
Movements in Murabaha time deposits, net	(30,709,350)	50,618,589
Purchase of property and equipment	(3,329,223)	(7,957,476)
Additions to investment property	-	(346,317)
Additions to intangible assets	(29,422)	(2,300)
Proceeds from disposal of financial assets at FVTPL	15,663,829	65,297,851
Proceeds from disposal of property and equipment	569,607	273,828
<b>Net cash flows used in investing activities</b>	<b>(17,834,559)</b>	<b>(625,834,334)</b>
<b><u>FINANCING ACTIVITIES:</u></b>		
Long term loans	-	562,607,710
Dividends paid	(82,500,000)	(121,875,000)
Payment of lease liabilities	(14,295,041)	(10,474,749)
Payment for finance costs	(25,538,368)	-
Non-Controlling interest	-	3,381,141
<b>Net cash flows (used in) generated from financing activities</b>	<b>(122,333,409)</b>	<b>433,639,102</b>
<b>Net changes in cash and cash equivalents</b>	<b>(5,048,545)</b>	<b>(41,721,414)</b>
Cash and cash equivalents at January 1,	83,573,675	89,418,996
<b>Cash and cash equivalents at September 30,</b>	<b>78,525,130</b>	<b>47,697,582</b>
<b><u>Non – Cash transactions</u></b>		
Additions right-of-use assets and Contract lease liabilities	30,659,164	26,356,361
Transfer investment in associate company to financial assets at FVTOCI	-	13,985,656
Goodwill arising on acquisition	-	819,550

Chairman of Board of Directors  
  
Chief executive officer  


Vice President for Finance & Investment  


General Manager of Financial Control  


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

**MAHARAH FOR HUMAN RESOURCES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023 (UNAUDITED)**  
(All amounts in Saudi Riyal unless otherwise stated)

**1- GROUP ACTIVITIES AND INFORMATION**

Maharah for Human Resources Company (the “Company” or “Parent Company”) is a Saudi Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia (“KSA”) under commercial registration numbered 1010364538 and dated Rabi Thani 7, 1434H (corresponding to February 17, 2013). The registered office is located at Al Olaya Road, Al Yasmeen District, Riyadh, KSA

The Company and its subsidiaries (collectively, with the Company referred to as the “Group”) are engaged in providing recruitment services, financial services, logistics services and support for public and private sectors.

The company's financial year starts on the first of January and ends on December 31 of each calendar year

The following are the subsidiaries of the Company included in these interim condensed consolidated financial statements:

Name of subsidiary	Commercial Registration	Country of incorporation	Direct ownership (%)	
			Sep 30, 2023	December 31,2022
Established Growth Avenue Company (“GAC”)	1010722193	KSA	100%	100%
TPH Center for Domestic Workers (“TPH”)	729497	UAE	96%	96%

**GAC**

On Dhu Al-Qidah 14, 1442H (corresponding to June 24, 2021), the Group established GAC with 100% ownership. GAC is a limited liability Company registered in Riyadh, KSA under commercial registration numbered 1010722193 and dated Dhu al-Qadah 14, 1442H (corresponding to June 24, 2021). GAC is licensed in providing financial services.

**Subsidiaries owned by GAC**

Name of subsidiary	Commercial Registration	Country of incorporation	Direct and indirect ownership (%)	
			Sep 30, 2023	December 31,2022
Spectra Support Services Company (“Spectra”)	1010393045	KSA	90%	90%
Arabian Shifa Medical company	1010928711	KSA	85%	85%
NABD for Logistics Services (“NABD”)	1010733797	KSA	100%	100%
Professional Development Training Company	1010753744	KSA	100%	100%
Operations Sustainability Company Limited	1010849985	KSA	100%	100%

***TPH Center for Domestic Workers***

On Ramadan 25, 1443H (corresponding to April 26, 2022), the partners in the TPH Center for Domestic Workers reached an agreement to restructure the shares by acquiring Maharah Company for a direct share of 96% instead of an indirect share of 59.5% in TPH Company. TPH is a limited liability Company registered in the United Arab Emirates under commercial registration numbered 729497 and dated Jumad Alawal 25, 1436H (corresponding to March 16, 2015). TPH is licensed in providing building cleaning services and residential property core services.

**Subsidiaries owned by TPH**

Name of subsidiary	Commercial Registration	Country of incorporation	Direct and indirect ownership (%)	
			Sep 30, 2023	December 31,2022
The Perfect Help LLC (“TPHL”)	729497	UAE	100%	100%
TPH Public Health Pest Control Services (“TBHC”)	1338526	UAE	100%	100%
MPL Building maintenance LLC (“MPL”)	1344621	UAE	100%	100%
Yalla Fix It One Person Company LLC (“Yalla”)	1341927	UAE	100%	100%
Musaned Cleaning Services Company (“Musaned”)	1304819	UAE	100%	100%

**MAHARAH FOR HUMAN RESOURCES COMPANY**  
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**1- GROUP ACTIVITIES AND INFORMATION (continued)**

The following are subsidiaries that have non-controlling interest in relation to the parent company who prepare the consolidated financial statements.

Name of Subsidiary	Country of incorporation	Proportion of ownership interests held by NCI		Proportion of voting rights by NCI	
		Sep 30 2023	December 31 2022	Sep 30 2023	December 31 2022
Spectra Support Services Company	KSA	10%	10%	10%	10%
TPH Center for Domestic Workers	UAE	4%	4%	4%	4%
Arabian Shifa Medical company	KSA	15%	15%	15%	15%

Name of Subsidiary	Country of incorporation	Comprehensive income allocated to NCI		Accumulated NCI	
		Sep 30 2023	Sep 30 2022	Sep 30 2023	December 31 2022
Spectra Support Services Company	KSA	(351,404)	(1,277,861)	898,862	1,250,266
TPH Center for Domestic Workers	UAE	(310,051)	(88,678)	(1,426,692)	(1,116,641)
Arabian Shifa Medical company	KSA	(385,267)	(581,012)	(1,264,753)	(879,486)
		(1,046,722)	(1,947,551)	(1,792,583)	(745,861)

**2- BASIS OF PREPARATION**

**2-1 Statement of Compliance**

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard number (34) "Interim Financial Reporting" that are endorsed in the Kingdom of Saudi Arabia, and other standards and announcement approved by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

They do not include all the information and disclosures required for a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards, and therefore they should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2022.

The results for the nine-month period ended on Sep 30, 2023 are not necessarily indicative of the results that can be expected for the year ending on December 31, 2023.

**2-2 Basis of measurement**

These interim condensed consolidated financial statements have been prepared under the historical cost convention except for measurement of financial assets at fair value through profit or loss and through other comprehensive income are measured using fair value and employees' defined benefits liabilities which are measured at present value of the future obligations using the (Actuarial valuation).

**2-3 Functional and presentation currency**

These interim condensed consolidated financial statements are presented in Saudi Riyal which is the Company's functional and Group's presentation currency.

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**2- BASIS OF PREPARATION (continued)**

**2-4 Basis of consolidation of interim condensed financial statements**

These interim condensed consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at Sep 30, 2023. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has the following:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to one or more of the three elements of control. 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 are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. When a Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in the consolidated statement of comprehensive income. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Inter-Group assets, liabilities, equity components, revenues, expenses and cash flows resulting from transactions between Group companies are fully eliminated upon consolidating the interim condensed consolidated financial statements.

**3- SIGNIFICANT ACCOUNTING POLICIES**

**3-1 New Standards, Amendment to Standards and Interpretations:**

There are no new standards issued, however, there are number of amendments to standards which are effective from January 1, 2023 and has been explained in Group annual Consolidated Financial Statements, but they do not have a material effect on the Group's Interim Condensed Consolidated Financial Statements as at Sep 30, 2023. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

**3-2 Treasury shares**

treasury shares are own equity instruments that are recognized at cost. Treasury shares are presented as a deduction from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized as share premium or discount which is presented in equity. These treasury shares are allocated for purpose of establishing the Company's employee share program (Long-Term Incentive Plan) for which approvals were acquired from extraordinary general assembly.

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**4- ACCOUNT RECEIVABLES AND CONTRACT ASSETS**

<u>Account receivables</u>	Sep 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Account receivables	290,318,181	276,918,965
Amounts due from related parties (note 5)	4,317,899	2,706,958
<b>Total account receivables</b>	<b>294,636,080</b>	<b>279,625,923</b>
Less: expected credit losses	(41,312,302)	(35,649,062)
<b>Net account receivables</b>	<b>253,323,778</b>	<b>243,976,861</b>

Movement in the expected credit losses for account receivables is shown below:

	For the three-month period ended Sep 30		For the nine-month period ended Sep 30	
	2023 (Unaudited)	2022 (Unaudited)	2023 (Unaudited)	2022 (Unaudited)
At the beginning of the period	37,415,747	73,105,883	35,649,062	75,090,257
Relate to business combination	-	-	-	72,564
Charge (reversal) for the period	3,896,555	(624,905)	7,726,246	135,094
Write off amounts	-	-	(2,063,006)	(2,816,937)
<b>As at the end of period</b>	<b>41,312,302</b>	<b>72,480,978</b>	<b>41,312,302</b>	<b>72,480,978</b>

The aging of unimpaired accounts receivable is shown below:

	Past due but not impaired					
	Total	Neither past due nor impaired	Less than 90 days	90-180 Days	180-360 days	More than 360 days
<b>Sep 30, 2023 (Unaudited)</b>	<b>253,323,778</b>	<b>102,375,064</b>	<b>78,919,004</b>	<b>23,180,802</b>	<b>8,391,739</b>	<b>40,457,169</b>
December 31, 2022(Audited)	243,976,861	95,150,976	115,670,942	15,397,587	5,245,399	12,511,957

**Contract assets**

Contract assets primarily related to the Group's right to consideration for services delivered but not billed at the reporting date. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

	Sep 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Contract assets	111,828,984	104,506,419
Less: expected credit loss	(4,549,002)	(4,993)
<b>Total</b>	<b>107,279,982</b>	<b>104,501,426</b>

Movement in the expected credit losses for contract assets is shown below:

	For the three-month period ended Sep 30		For the nine-month period ended Sep 30	
	2023 (Unaudited)	2022 (Unaudited)	2023 (Unaudited)	2022 (Unaudited)
At the beginning of the period	10,199	6,499	4,993	57,707
Charged (Reversal) for the period	4,538,803	(2,675)	4,544,009	(53,883)
<b>As at the end of period</b>	<b>4,549,002</b>	<b>3,824</b>	<b>4,549,002</b>	<b>3,824</b>

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**5- RELATED PARTIES TRANSACTIONS AND BALANCES**

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

	For the three-month period ended Sep 30		For the nine-month period ended Sep 30	
	2023 (Unaudited)	2022 (Unaudited)	2023 (Unaudited)	2022 (Unaudited)
Salaries and other short-term benefits	<b>3,295,529</b>	3,322,028	<b>9,437,761</b>	8,976,462
End of service benefits	<b>271,535</b>	423,145	<b>784,552</b>	1,353,392
<b>Total key management compensation</b>	<b>3,567,064</b>	3,745,173	<b>10,222,313</b>	10,329,854

During the period, the group transacted with its related parties. The transaction and balances for the period are as follow:

	Nature of the transaction	Type of relationship	Transaction for the nine-month period ended Sep 30	
			2023 (Unaudited)	2022 (Unaudited)
Directors	Board of directors	Remunerations Payments	<b>2,992,480</b> <b>2,870,000</b>	2,197,500 2,909,000
KABI Technology company (Previously Bloovo limited company)	Associate	Rents	-	321,221
Care Shield Holding Company Limited	Associate	Manpower services Collections	<b>5,488,696</b> <b>5,006,950</b>	- -
Saudi Medical Systems	Associate	Manpower services Collections	<b>921,480</b> -	- -
Yellow Mix Foundation	Affiliate	Manpower services Collections	<b>127,478</b> <b>94,743</b>	166,158 154,341
Sajaya Medical Care Company	Affiliate	Manpower services Collections	<b>300,981</b> <b>138,355</b>	114,472 54,423
Other	Affiliate	Manpower services Collections	<b>305,913</b> <b>333,957</b>	910,476 554,398

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**5- RELATED PARTIES TRANSACTIONS AND BALANCES (continued)**

<b><u>Due from related party (Note 4)</u></b>	<b>Sep 30, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
KABI Technology company (Previously Bloovo limited company)	<b>1,648,460</b>	1,648,460
Care Shield Holding Company Limited	<b>1,486,289</b>	1,004,543
Saudi Medical Systems	<b>921,480</b>	-
Yellow Mix Foundation	<b>56,479</b>	23,744
Sajaya Medical Care Company	<b>183,561</b>	20,935
Other (*)	<b>21,630</b>	9,276
<b>Total</b>	<b>4,317,899</b>	2,706,958

<b><u>Due to related party</u></b>	<b>Sep 30, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Board of directors (**)	<b>3,073,479</b>	2,950,999

(\*) Other parties include Abdulaziz Eida Muftah Alkithari foundation and Arabia Jazal company

(\*\*) Amounts due to related parties are included under “Accounts payable, accruals and other current liabilities” in the interim condensed consolidated statement of financial position.

**6- INTANGIBLE ASSETS**

	<b>Sep 30, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Intangible assets – Goodwill	<b>4,130,189</b>	5,269,787
Intangible assets – Others	<b>2,240,704</b>	2,603,209
	<b>6,370,893</b>	7,872,996

**Intangible assets – Goodwill**

	<b>Sep 30, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
TPH Domestic Worker Services Center (*)	<b>3,001,536</b>	3,001,536
MBL Building Maintenance LLC (**)	<b>309,103</b>	1,175,521
Arabian Shifa Medical Company (“Shifa”) (***)	<b>819,550</b>	819,550
TPH Public Health Pest Control Services- One Person Company (****)	<b>-</b>	273,180
	<b>4,130,189</b>	5,269,787

(\*) Effective January 1, 2018, Musanid (a “Subsidiary”) acquired 70% ownership of TBH. The total consideration amounted to SAR 10.2 million. The acquisition was accounted for using the purchase method of accounting. Fair value of net assets acquired amounted to SAR 7.2 million which resulted to a goodwill of SAR 3 million. TBH is licensed in providing building clearing services and residential property core services.

(\*\*) On January 1, 2018, TBH acquired 100% shares of MPL for a total consideration of SAR 1.5 million. Fair value of net assets acquired amounted to SAR 305,075 which resulted to a goodwill of SAR 1.2 million. MPL is licensed in providing building maintenance services.

(\*\*\*) On January 13, 2022, Growth Path Company, a subsidiary, completed the acquisition of 85% of the ownership of Arabian Shifa Medical Company (“Shifa”) for SAR 85,000. The acquisition was calculated using the accounting procurement method. The fair value of net assets acquired was SAR 734,550 resulting in goodwill of SAR 819,550. Arabian Shifa Medical Company is licensed to perform medical operations in hospitals, provide home medical care services, mobile medical clinics, pain relief centers, telecare centers and telemedicine

(\*\*\*\*) On January 1, 2018, TPH acquired 100% shares of TPHC for a total consideration amounting to SAR 1.2 million. Fair value of net assets acquired amounted to SAR 952,140 which resulted to a goodwill of SAR 273,180. TPHC is licensed in providing building cleaning services and public health pests control services.

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**7- FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)**

Financial assets at FVTPL comprises of the following:

	Sep 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Investment funds – Sukuk (A)	10,068,056	25,099,306
<b>Total</b>	<b>10,068,056</b>	<b>25,099,306</b>

(A) These represent investments in certain Sukuks for long term periods, purchased for SAR 25 million and SAR 14 million from Rawabi Sukuk Series 4 and 7, and AlInma Bank Tier 1 Sukuk 2021, respectively. The Group considers its investments to be strategic in nature and the contractual cash flows are not limited to principal and interest only.

Set out below are the movements in the carrying value of financial assets at FVTPL:

	For the three-month period ended Sep 30		For the nine-month period ended Sep 30	
	2023 (Unaudited)	2022 (Unaudited)	2023 (Unaudited)	2022 (Unaudited)
<u>Cost</u>				
As at the beginning of the period	10,000,000	93,176,674	25,000,000	98,571,697
Disposals	-	(55,412,959)	(15,000,000)	(60,807,982)
Transferred	-	(20,995)	-	(20,995)
As at the end of the period	10,000,000	37,742,720	10,000,000	37,742,720
<u>Revaluation adjustments</u>				
As at the beginning of the period	70,833	3,802,841	99,306	1,002,962
Net profit (loss) during the period	(2,777)	908,283	632,579	3,708,162
Disposal	-	(4,468,874)	(663,829)	(4,468,874)
As at the end of the period	68,056	242,250	68,056	242,250
<b>Net book value</b>	<b>10,068,056</b>	<b>37,984,970</b>	<b>10,068,056</b>	<b>37,984,970</b>

**8- FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

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

	Sep 30, 2023 (Unaudited)	December 31, 2022 (Audited)
KABI Technology Company (A)	16,868,879	13,985,656
<b>Total</b>	<b>16,868,879</b>	<b>13,985,656</b>

The movement in investments in financial assets at fair value through other comprehensive income for the period is as follows:

	For the three-month period ended Sep 30		For the nine-month period ended Sep 30	
	2023 (Unaudited)	2022 (Unaudited)	2023 (Unaudited)	2022 (Unaudited)
As at the beginning of the period	13,985,656	13,985,656	13,985,656	-
Additions	-	-	-	13,985,656
Unrealized gains	2,883,223	-	2,883,223	-
<b>As at the end of the period</b>	<b>16,868,879</b>	<b>13,985,656</b>	<b>16,868,879</b>	<b>13,985,656</b>

(A) During 2022, the Group acquired a 19.78% in KABI Technology Company, with a capital of SAR 200 million through swap shares representing the total shares in Bloovo Company Limited. The Group doesn't have a "significant influence" either through percentage ownership (less than 20%) or through other methods indicating that the Group has a "significant influence" on the financial and operating policies of KABI Technology company. The purpose of this investment is to hold it for medium to long term strategic purposes. As a result, the Group decided to account for at fair value through other comprehensive income method, because short-term fluctuations in the fair value of these investments in net income wouldn't be in line with the Group's strategy of holding the investment for long-term purposes.



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**9- INVESTMENTS IN ASSOCIATE**

The following table summarizes the group's investments in associate companies:

	Percentage	Sep 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Saudi Medical Systems Company	40%	483,777,900	461,324,300
Care Shield Holding Limited Company	41,36%	342,060,927	328,258,375
Silias Trading & Marketing Company	20%	3,376,252	3,750,000
		<b>829,215,079</b>	<b>793,332,675</b>

The movement in the investments in associate for the period is as follows:

	For the three-month period ended Sep 30		For the nine-month period ended Sep 30	
	2023 (Unaudited)	2022 (Unaudited)	2023 (Unaudited)	2022 (Unaudited)
As at the beginning of the period	814,972,799	-	793,332,675	14,065,841
Additions	-	733,718,509	-	733,718,509
Transferred to Financial Asset FVOCI	-	-	-	(13,985,656)
Share in results of associates	14,242,280	35,195,753	43,637,959	35,115,568
Dividends	-	-	(7,755,555)	-
<b>As at the end of the period</b>	<b>829,215,079</b>	<b>768,914,262</b>	<b>829,215,079</b>	<b>768,914,262</b>

During the period ending on September 30, 2022, the company completed the acquisition of Saudi Medical Systems Company and Care Shield Holding Limited Company for amounts of SAR 307.1 million and SAR 426.50 million, respectively. The equity for these companies at the acquisition date amounted to SAR 238.7 million and SAR 123.3 million, respectively. The International Accounting Standard 28, "Investments in Associates and Joint Ventures," requires that, upon acquiring investments in associate companies, the Company should determine the fair value of its share of the associate's identifiable assets and liabilities, as of the financial statements date, fair value reports for those identifiable assets and liabilities of the associate companies have not been completed. Management anticipates the completion of fair value reports by the end of the fiscal year 2023 and the company will reflect the results of the fair value reports on the year-end financial statements (if any).

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**10- ZAKAT PROVISION**

The movement in the provision for zakat for the period is as follows:

	<b>Sep 30, 2023 (Unaudited)</b>	December 31, 2022 (Audited)
As at the beginning of the period	<b>15,745,030</b>	16,606,102
Provision for the period	<b>5,528,242</b>	14,739,039
Paid during the period	<b>(10,838,467)</b>	(15,600,111)
<b>As at the end of the period</b>	<b><u>10,434,805</u></b>	<b><u>15,745,030</u></b>

**Zakat assessments**

The Parent Company

The Company filed its zakat returns up to the year ended December 31, 2022. All zakat assessments for the company have been approved by the Zakat, Tax and Customs Authority (“the Authority”), except for the zakat assessments for the years 2018, 2021 and 2022, where those zakat assessments are still under examination by the Authority.

Subsidiaries

Spectra filed its zakat returns up to the year ended December 31, 2022. The company has been assessed by the Zakat, Tax and Customs Authority for the years 2015 and 2016 only, and there are no other zakat assessments as on the date of preparing the financial statements.

GAC filed its zakat returns up to the year ended December 31, 2022. There are no assessments from ZATCA as at reporting date.

**11- LONG TERM LOANS**

During 2022, the Group signed credit facility agreements (Shariah Compliance) with local banks for the purposes of financing capital expenditures, business expansion, acquisitions and financing operating expenses. The used of the facilities limit amounted to 562.6 million Saudi riyals. The facility agreements include a grace period ranging from one to four years, depending on the type of facility used by the group, and a profit margin in addition to SAIBOR, with a repayment period between three to five years after the end of the grace period through equal value installments. The used facilities are as following:

	<b>Sep 30, 2023 (Unaudited)</b>	December 31, 2022 (Audited)
Current portion	-	-
Non-current portion	<b>562,607,710</b>	562,607,710
<b>Total</b>	<b><u>562,607,710</u></b>	<b><u>562,607,710</u></b>

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**12- SHARE CAPITAL**

Authorized and issued share capital is divided into 47.5 million shares (31 December 2022: 37.5 million shares) of SAR 10 each.

On Dhul-Qadah 19, 1444H (corresponding to June 08, 2023) the extraordinary general assembly approved based on BOD recommendation on Shaaban 14, 1444 H (corresponding to March 6, 2023) to increase the company's capital in order to support its financial position, and financed by capitalizing SAR 100 million from the company's retained earnings. The company's capital increased by granting bonus shares, one share for every five shares resulted in 7.5 million shares and Allocating 2.5 million shares of the capital increase representing 5.3% of the total new capital as a treasury share for the purpose of establishing the Company's employee share program (long-term incentive plan).

**13- DIVIDENDS**

The Group's Board of Directors with the mandate granted, in their meeting held on Sha'aban 14, 1444H (corresponding to March 6, 2023), resolved to declare interim dividends for the second half of 2022 amounting to SAR 37.5 million (SAR 1 per share) which was paid on Sha'aban 20, 1444H (corresponding to March 12, 2023). The Board of Directors presented this to the shareholders and approved it at the annual general assembly meeting held on Dhul-Qadah 19, 1444H (corresponding to June 8, 2023).

The Group's Board of Directors with the mandate granted, in their meeting held on Safar 11, 1445H (corresponding to August 27, 2023), resolved to declare interim dividends for the first half of 2023 amounting to SAR 45 million (SAR 1 per share) which was paid on Safar 15, 1445H (corresponding to August 31, 2023). The Board of Directors will present this to the shareholders and approve it at the next Annual General Meeting.

The Group's Board of Directors, in their meeting held on Sha'aban 7, 1443H (corresponding to March 10, 2022), resolved to declare interim dividends for the second half of 2021 amounting to SAR 75 million (SAR 2 per share) which was paid on Sha'aban 26, 1443H (corresponding to March 29, 2022). The Board of Directors presented it to the shareholders and approved in their Annual General meeting held on Dhul-Qadah 29, 1443H (corresponding to June 28, 2022).

The Group's Board of Directors, in their meeting held on Safar 2, 1444H (corresponding to August 29, 2022), resolved to declare interim dividends for the first half of 2022 amounting to SAR 46.9 million (SAR 1.25 per share) which was paid on Safar 18, 1444H (corresponding to September 14, 2022). The Board of Directors presented it to the shareholders and approved in their Annual General meeting held on Dhul-Qadah 19, 1444H (corresponding to June 08, 2023).

**14- EARNING PER SHARE**

Basic earnings per share attributable to the shareholders of the Parent Company is calculated based on the weighted average number of outstanding shares during the period. Diluted earnings per share is calculated by adjusting the basic earnings per share for the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares. The weighted average number of shares as of Sep 30, 2023, amounted to 45 million shares after the company's capital increase through the issuance of bonus shares to shareholders. The weighted average number of shares was retroactively applied to the comparative periods for the purpose of calculating earnings per share, excluding the impact of forming treasury share from these bonus shares.

	For the three-month period ended Sep 30		For the nine-month period ended Sep 30	
	2023 (Unaudited)	2022 (Unaudited)	2023 (Unaudited)	2022 (Unaudited)
Net income for the period attributable to shareholders of the Parent Company	<b>24,595,960</b>	61,931,146	<b>100,369,342</b>	113,937,280
Weighted average number of shares	<b>45,000,000</b>	45,000,000	<b>45,000,000</b>	45,000,000
	<b>0.55</b>	1.38	<b>2.23</b>	2.53

The diluted earnings per share are the same as the basic earnings per share as the company has no diluted instruments.

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**15- SEGMENT INFORMATION**

The Group are engaged in providing recruitment services, financial services, logistics services and support for public and private sectors. The financial details for segments are shown below:

The following present revenue and profit information for the Group's operating segments for the three-month and nine-month periods ended Sep 30, 2023, and 2022:

	For the three-month period ended Sep 30, 2023 (Unaudited)						
	Facility						
	Corporate	Individual	Management	Other	Total	Eliminations	Total
Revenues	334,273,183	107,032,135	32,485,634	16,754,091	490,545,043	(19,055,611)	471,489,432
Cost of revenues	(285,951,328)	(100,074,577)	(29,657,605)	(18,048,403)	(433,731,913)	19,055,611	(414,676,302)
Gross profit	48,321,855	6,957,558	2,828,029	(1,294,312)	56,813,130	-	56,813,130
General and administrative expenses	(12,542,833)	(4,885,034)	(2,488,995)	(3,923,815)	(23,840,677)	-	(23,840,677)
Marketing expenses	(3,088,569)	(1,569,130)	(562,276)	345,555	(4,874,420)	-	(4,874,420)
Expected credit losses	(3,863,539)	(4,571,819)	-	-	(8,435,358)	-	(8,435,358)
Operating profit	28,826,914	(4,068,425)	(223,242)	(4,872,572)	19,662,675	-	19,662,675

	For the three-month period ended Sep 30, 2022 (Unaudited)						
	Facility						
	Corporate	Individual	Management	Other	Total	Eliminations	Total
Revenues	274,071,046	121,762,888	40,094,885	1,868,528	437,797,347	(21,519,834)	416,277,513
Cost of revenues	(229,519,425)	(104,187,835)	(38,569,687)	(7,150,147)	(379,427,094)	21,519,834	(357,907,260)
Gross profit	44,551,621	17,575,053	1,525,198	(5,281,619)	58,370,253	-	58,370,253
General and administrative expenses	(11,280,764)	(4,618,677)	(3,369,267)	(5,710,136)	(24,978,844)	-	(24,978,844)
Marketing expenses	(2,208,349)	(1,644,514)	(61,121)	(83,533)	(3,997,517)	-	(3,997,517)
Expected credit losses	627,580	-	-	-	627,580	-	627,580
Operating profit	31,690,088	11,311,862	(1,905,190)	(11,075,288)	30,021,472	-	30,021,472

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**15- SEGMENT INFORMATION (continued)**

	For the nine-month period ended Sep 30, 2023 (Unaudited)						
			Facility				
	Corporate	Individual	Management	Other	Total	Eliminations	Total
Revenues	985,281,077	334,951,374	98,904,702	26,537,134	1,445,674,287	(49,563,069)	1,396,111,218
Cost of revenues	(836,681,146)	(303,221,768)	(93,473,432)	(33,798,992)	(1,267,175,338)	49,563,069	(1,217,612,269)
Gross profit	148,599,931	31,729,606	5,431,270	(7,261,858)	178,498,949	-	178,498,949
General and administrative expenses	(36,285,428)	(16,501,378)	(8,322,817)	(10,609,918)	(71,719,541)	-	(71,719,541)
Marketing expenses	(7,181,287)	(4,282,986)	(562,276)	(511,307)	(12,537,856)	-	(12,537,856)
Expected credit losses	(7,698,436)	(4,571,819)	-	-	(12,270,255)	-	(12,270,255)
Operating profit	97,434,780	6,373,423	(3,453,823)	(18,383,083)	81,971,297	-	81,971,297

	For the nine-month period ended Sep 30, 2022 (Unaudited)						
	Facility						
	Corporate	Individual	Management	Other	Total	Eliminations	Total
Revenues	767,896,533	369,357,940	118,240,591	2,861,751	1,258,356,815	(57,543,346)	1,200,813,469
Cost of revenues	(658,444,256)	(304,789,148)	(120,698,958)	(10,981,179)	(1,094,913,541)	57,543,346	(1,037,370,195)
Gross profit	109,452,277	64,568,792	(2,458,367)	(8,119,428)	163,443,274	-	163,443,274
General and administrative expenses	(31,524,710)	(19,159,784)	(9,348,116)	(9,675,139)	(69,707,749)	-	(69,707,749)
Marketing expenses	(5,547,564)	(4,444,118)	(400,000)	(114,092)	(10,505,774)	-	(10,505,774)
Reversal expected credit losses	167,432	-	(248,643)	-	(81,211)	-	(81,211)
Operating profit	72,547,435	40,964,890	(12,455,126)	(17,908,659)	83,148,540	-	83,148,540

It is impracticable and also not informative to disclose information pertaining to net book value of property and equipment, total assets and total liabilities pertaining to business segments.

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**15- SEGMENT INFORMATION (continued)**

The primary markets for the Group's products are KSA and UAE. Following is the geographical segment analysis of the Group:

**For the three-month period ended Sep 30, 2023**

(Unaudited)

	KSA	UAE	Total
Revenues	458,892,079	12,597,353	471,489,432
Cost of revenues	(402,547,354)	(12,128,948)	(414,676,302)
<b>Gross profit</b>	<b>56,344,725</b>	<b>468,405</b>	<b>56,813,130</b>
General and administrative expenses	(22,033,241)	(1,807,436)	(23,840,677)
Marketing expenses	(4,192,304)	(682,116)	(4,874,420)
Expected credit losses	(3,863,539)	(4,571,819)	(8,435,358)
<b>Operating profit</b>	<b>26,255,641</b>	<b>(6,592,966)</b>	<b>19,662,675</b>

**For the three-month period ended Sep 30, 2022**

(Unaudited)

	KSA	UAE	Total
Revenues	405,690,142	10,587,371	416,277,513
Cost of revenues	(348,376,497)	(9,530,763)	(357,907,260)
Gross profit	57,313,645	1,056,608	58,370,253
General and administrative expenses	(23,320,159)	(1,658,685)	(24,978,844)
Marketing expenses	(3,263,786)	(733,731)	(3,997,517)
Expected credit losses	627,580	-	627,580
<b>Operating profit</b>	<b>31,357,280</b>	<b>(1,335,808)</b>	<b>30,021,472</b>

**For the nine-month period ended Sep 30, 2023**

(Unaudited)

	KSA	UAE	Total
Revenues	1,355,612,728	40,498,490	1,396,111,218
Cost of revenues	(1,182,806,997)	(34,805,272)	(1,217,612,269)
<b>Gross profit</b>	<b>172,805,731</b>	<b>5,693,218</b>	<b>178,498,949</b>
General and administrative expenses	(66,441,917)	(5,277,624)	(71,719,541)
Marketing expenses	(10,404,668)	(2,133,188)	(12,537,856)
Expected credit losses	(7,698,436)	(4,571,819)	(12,270,255)
<b>Operating profit</b>	<b>88,260,710</b>	<b>(6,289,413)</b>	<b>81,971,297</b>

**For the nine-month period ended Sep 30, 2022**

(Unaudited)

	KSA	UAE	Total
Revenues	1,165,273,430	35,540,039	1,200,813,469
Cost of revenues	(1,006,433,721)	(30,936,474)	(1,037,370,195)
Gross profit	158,839,709	4,603,565	163,443,274
General and administrative expenses	(64,305,251)	(5,402,498)	(69,707,749)
Marketing expenses	(8,482,596)	(2,023,178)	(10,505,774)
Expected credit losses	(81,211)	-	(81,211)
<b>Operating profit</b>	<b>85,970,651</b>	<b>(2,822,111)</b>	<b>83,148,540</b>

**As at Sep 30 2023 (Unaudited)**

	KSA	UAE	Total
Net book value of property and equipment	117,668,883	1,626,968	119,295,851
Total Assets	1,724,956,289	32,048,593	1,757,004,882
Total Liabilities	1,105,364,935	32,848,841	1,138,213,776

**As at December 31 2022 (Audited)**

	KSA	UAE	Total
Net book value of property and equipment	123,268,285	2,267,476	125,535,761
Total Assets	1,711,984,897	36,885,218	1,748,870,115
Total Liabilities	1,120,201,893	30,302,959	1,150,504,852

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**16- CONTINGENT LIABILITIES**

The Group's banks have issued, on its behalf, guarantees of SAR 42.1 million on Sep 30, 2023, (SAR 58 million on December 31, 2022) on the execution of contracts, during the normal business cycle.

**17- FINANCIAL INSTRUMENTS**

	Sep 30, 2023 (Unaudited)	December 31, 2022 (Audited)
<b>Financial asset</b>		
Cash and cash equivalents	78,525,130	83,573,675
Murabaha time deposits	32,000,000	-
Accounts receivable	253,323,778	243,976,861
Financial assets at fair value through profit or loss	10,068,056	25,099,306
Financial assets at fair value through other comprehensive income	16,868,879	13,985,656
Insurance Letter of Guarantee	510,180	721,487
<b>Total</b>	<b>391,296,023</b>	<b>367,356,985</b>
<b>Financial liabilities</b>		
Retained deposits	101,410,416	99,141,138
Lease liabilities	46,654,374	42,245,641
Accounts payable, accruals, and other current liabilities	232,763,790	212,874,996
Long term loans	562,607,710	562,607,710
<b>Total</b>	<b>943,436,290</b>	<b>916,869,485</b>

**Estimating the fair value of financial instruments**

The following table shows the Group's financial instruments that are measured at fair value.

	Level 1	Level 2	Level 3	Total
<b><u>As of Sep 30, 2023 (Unaudited)</u></b>				
Financial assets at fair value through profit or loss	-	10,068,056	-	10,068,056
Financial assets at fair value through other comprehensive income	-	-	16,868,879	16,868,879
<b><u>As of December 31, 2022 (Audited)</u></b>				
Financial assets at fair value through profit or loss	-	25,099,306	-	25,099,306
Financial assets at fair value through other comprehensive income	-	-	13,985,656	13,985,656

Management believes that the fair value of all financial assets and liabilities classified at amortized cost at the date of the financial statements approximates their book value due to their short-term duration and the possibility of immediate liquidation, excluding financial assets at fair value through profit or loss.

There were no transfers between the different levels of the fair value hierarchy during the current year or the previous year.

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**18- COMPARATIVE FIGURES**

Certain figures for the prior period were re-classified to conform with the presentation for the current period as follow:

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

<b>For the three-month period ended Sep 30, 2022</b>	<b>Before reclassification</b>	<b>Reclassification</b>	<b>After reclassification</b>
Revenues	419,469,944	(3,192,431)	<b>416,277,513</b>
Cost of revenues	(361,099,691)	3,192,431	<b>(357,907,260)</b>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

<b>For the three-nine period ended Sep 30, 2022</b>	<b>Before reclassification</b>	<b>Reclassification</b>	<b>After reclassification</b>
Revenues	1,210,031,331	(9,217,862)	<b>1,200,813,469</b>
Cost of revenues	(1,046,588,057)	9,217,862	<b>(1,037,370,195)</b>

**19- SIGNIFICANT EVENTS**

The Board of Directors decided in its meeting held on Dhu'l-Hijjah 22, 1444H corresponding to July10, 2023 to recommend to the Extraordinary General Assembly to split the nominal value of the share from (10) riyals per share to (1) riyal per share, and thus the number of the company's shares will become (475) million shares instead of (47.5) million shares, while keeping the company's capital unchanged, the regulatory procedures related to this have not been completed yet.

**20- SUBSEQUENT EVENTS**

In the opinion of management, there are no significant subsequent events after the period ended Sep 30, 2023 that could have a material impact on the Group's interim condensed consolidated statement of financial position or the results of its business.

**21- APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

These interim condensed consolidated financial statements approved by the board of directors on Rabi' al-Thani 24, 1445 H (corresponding to November 8, 2023).

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