

**TIHAMA FOR ADVERTISING, PUBLIC
RELATIONS AND MARKETING COMPANY
(Saudi Joint Stock Company)
INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE THREE MONTH AND SIX-
MONTH PERIODS ENDED SEPTEMBER 30, 2022
(UNAUDITED) TOGETHER WITH INDEPENDENT
AUDITOR'S REVIEW REPORT**

Tihama For Advertising, Public Relations and Marketing Company
(Saudi Joint Stock Company)
Interim Condensed Consolidated Financial Statements
For the three month and six-month periods ended September 30, 2022 (unaudited)

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

To the: Shareholders of Tihama for Advertising, Public Relations and Marketing Company
(Saudi Joint Stock Company)

Introduction:

We have reviewed the accompanying condensed consolidated interim financial position of Tihama Advertising, Public Relations and Marketing Company (Saudi Joint Stock Company) ("the company"), and its subsidiaries collectively referred to as ("the Group") as of September 30, 2022, and the related condensed consolidated interim statements of profit or loss and comprehensive loss for the three month and six-month periods then ended, and the related condensed consolidated interim statements of changes in equity, and cash flows for the six-month period then ended at September 30, 2022, and a summary of significant accounting policies and other explanatory notes.

The management is responsible for preparing and presenting these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 (interim Financial Reporting) as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review:

We conducted our review in accordance with the International Standard on Review Engagements No. (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 the interim condensed financial statements consists of making inquiries, primarily, to those 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 the International Standards of Auditing as endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would be become aware of all significant matters that might be identified in an audit. Accordingly, we do not express such an audit opinion.

Basis for Qualified conclusion:

As indicated in note (6/1), investments in associates are included in the attached condensed consolidated interim financial statements, which indicates that the Group's investment in the United Advertising Company Limited and J. Walter Thompson MENA, which are associate companies acquired in prior years, and it is accounted for using the equity method, amounted to 8,934,657 SR and 28,056,374 SR, respectively, in the interim condensed consolidated financial position as at September 30, 2022, and the Group's share of the comprehensive income of the above companies was included based on financial statements prepared by the management was a profit amounted to 1,822,410 SR and loss amounted to 1,410,750 SR, respectively, in the interim condensed consolidated statement of profit or loss and comprehensive loss for the period then ended. We were unable to obtain sufficient evidence directly or through alternative audit procedures regarding the investment balances of the Group in the above two companies as at September 30, 2022, as well as the Group's share in the net comprehensive income of the above companies for the same period, and accordingly we were not able to determine whether it was necessary to make any adjustments to these amounts.

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Material uncertainty relating to going concern

We draw attention to note (2/4) to the interim condensed consolidated financial statements, which indicates that the Group's accumulated losses amounted to 34.2 SR million, which is 68.4% of the Company's share capital as at September 30, 2022. Further, the Group's current liabilities exceeded its current assets by 55.2 SR million as at the same date. These circumstances indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. As disclosed in note (2/4), management has made an assessment of the Group's ability to continue as a going concern, and accordingly, these interim condensed consolidated financial statements have been prepared on the going concern basis. Our conclusion on this matter has not been modified.

Qualified Conclusion:

Based on our review, except of the potential impacts referred to in the (Basis for Qualified Conclusion) section above, 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 the International Accounting Standard No. 34 (Interim Financial Report) as endorsed in the Kingdom of Saudi Arabia.

Al-Kharashi & Co.



Abdullah S. Al Misned
License No. (456)



Riyadh:
14 Rabi' al-Thani 1444 H
8 November 2022

Tihama For Advertising, Public Relations and Marketing Company
(Saudi Joint Stock Company)
Interim Condensed Consolidated Statement of Financial Position (unaudited)
As at September 30, 2022
(All amounts are in Saudi Riyal unless otherwise stated)

	Note	30 September 2022 (Unaudited)	31 March 2022 (Audited)
Assets			
Non-Current Assets			
Property and equipment, net	4	10,942,983	12,657,283
Right-of-use assets, net	5/1	33,933,252	40,579,838
Investment in associate companies using equity method	6/1	36,991,031	36,791,996
Financial assets designated at fair value through other comprehensive income		428,363	428,363
Intangible assets, net		135,002	135,002
Investment properties at cost, net	7	2,730,271	2,809,227
Total Non-Current Assets		85,160,902	93,401,709
Current Assets			
Inventories, net	8	54,678,926	45,485,087
Trade receivables and other debit balances, net	9	55,569,718	36,296,463
Due from Related parties	14/3	1,246,295	1,016,976
Cash and cash equivalents	10	29,253,291	34,570,382
Total Current Assets		140,748,230	117,368,908
Total Assets		225,909,132	210,770,617
Equity and Liabilities			
Equity			
Share capital	11	50,000,000	50,000,000
Accumulated losses		(34,186,868)	(24,666,628)
Employees defined benefit obligation re-measurement reserve		(1,911,687)	(1,911,687)
Foreign Currency Translation reserve		(3,177,731)	(2,965,106)
Change in fair value of financial assets designated at fair value through other comprehensive income reserve		(1,512,244)	(1,512,244)
Effect of acquisition of non-controlling interest in subsidiaries		(10,690,767)	(10,690,767)
Total Equity attribute to Shareholder of the Parent Company		(1,479,297)	8,253,568
Non-controlling interest		(2,121,070)	(1,890,013)
Total Equity		(3,600,367)	6,363,555
Non-Current Liabilities			
Long-term lease liabilities	5/2	26,858,842	30,603,321
Long-term loans	12	38,458	38,458
Employees' defined benefits obligations		6,633,761	6,140,345
Total Non-Current Liabilities		33,531,061	36,782,124
Current Liabilities			
Trade payables and other credit balances	13	123,533,612	93,084,730
Due to a related party	14/4	4,381,729	4,385,179
Current portion of long-term lease liabilities	5/2	17,059,570	19,870,896
Short term loan	12	20,599,101	20,222,331
Current portion of long-term loans	12	27,508	155,980
Accrued Zakat	17	30,376,918	29,905,822
Total Current Liabilities		195,978,438	167,624,938
Total Liabilities		229,509,499	204,407,062
Total Equity and Liabilities		225,909,132	210,770,617

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

*Ahmed
Saud*

[Signature]

Tihama for Advertising, Public Relations and Marketing Company
(Saudi Joint Stock Company)
Interim Condensed Consolidated Statement of Profit or Loss (unaudited)
For the three month and Six-month periods ended September 30, 2022
(All amounts are in Saudi Riyal unless otherwise stated)

	Note	For the Three-Month Period ended		For the Six-Month Period ended	
		30 September 2022 (unaudited)	30 September 2021 (unaudited)	30 September 2022 (unaudited)	30 September 2021 (unaudited)
Revenues from continued operations	15	30,483,545	32,224,428	47,623,802	46,116,986
Cost of revenues		(18,121,247)	(22,570,594)	(28,927,741)	(33,907,489)
Gross profit		12,362,298	9,653,834	18,696,061	12,209,497
Operating Expenses					
Selling and marketing expenses		(9,465,749)	(7,567,178)	(18,536,558)	(14,681,431)
General and administrative expenses		(3,908,718)	(7,950,520)	(8,653,321)	(14,284,198)
Other income, net	16	1,206,619	72,501	2,209,333	1,378,551
Profit / (loss) from continued operations for the period		194,450	(5,791,363)	(6,284,485)	(15,377,581)
Non-operating revenues /(expenses)					
Finance cost		(540,252)	(662,472)	(1,117,755)	(1,244,498)
Share of results from associate companies	6/1/1	(933,103)	1,237,520	277,002	2,680,138
Loss from continued operations for the period before zakat		(1,278,905)	(5,216,316)	(7,125,238)	(13,941,941)
Zakat	17/1	(488,485)	(981,346)	(1,178,064)	(1,785,681)
Net loss from continued operations for the period		(1,767,390)	(6,197,662)	(8,303,302)	(15,727,622)
Discontinued operations					
Loss from discontinued operations for the period	23	(597,529)	(2,014,166)	(1,447,995)	(3,989,436)
Net loss for the period		(2,364,919)	(8,211,828)	(9,751,297)	(19,717,058)
Net loss for the period attribute to:					
Shareholders of parent company		(2,386,406)	(8,100,687)	(9,520,240)	(19,629,596)
Non-Controlling interest		21,487	(111,141)	(231,057)	(87,462)
		(2,364,919)	(8,211,828)	(9,751,297)	(19,717,058)
Earnings / (loss) per share:					
Basic and diluted earnings / (loss) per share from profit / (loss) from discontinued operations for the period	19	0.04	(1.16)	(1.26)	(3.08)
Basic and diluted loss per share from continued operations for the period		(0.35)	(1.24)	(1.66)	(3.15)
Basic and diluted loss per share from net loss for the period attributable to shareholders of parent company		(0.48)	(1.62)	(1.9)	(3.93)

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Tihama for Advertising, Public Relations and Marketing Company
(Saudi Joint Stock Company)
Interim Condensed Consolidated Statement of Comprehensive Loss (unaudited)
For the three month and six -month periods ended September 30, 2022
(All amounts are in Saudi Riyal unless otherwise stated)

	<u>For the Three-Month Period ended</u>		<u>For the Six-Month Period ended</u>	
	<u>30 September 2022 (unaudited)</u>	<u>30 September 2021 (unaudited)</u>	<u>30 September 2022 (unaudited)</u>	<u>30 September 2021 (unaudited)</u>
Net Loss for the period	(2,364,919)	(8,211,828)	(9,751,297)	(19,717,058)
Items of other comprehensive income that are not subsequently reclassified to Profit or Loss:				
Re-measurement of employees' defined benefits obligations	-	-	-	-
Items of other comprehensive income that may be subsequently reclassified to Profit or Loss:				
Share of foreign currency translation reserve in an associate company	(212,625)	-	(212,625)	(84,361)
Other comprehensive loss for the period	(212,625)	-	(212,625)	(84,361)
Total comprehensive loss for the period	(2,577,544)	(8,211,828)	(9,963,922)	(19,801,419)
Total comprehensive loss for the period attribute to:				
Shareholder of the parent company	(2,599,031)	(8,100,687)	(9,732,865)	(19,713,957)
Non-controlling interest	21,487	(111,141)	(231,057)	(87,462)
Total comprehensive loss for the period	(2,577,544)	(8,211,828)	(9,963,922)	(19,801,419)

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The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Tihama for Advertising, Public Relations and Marketing Company
(A Saudi Joint Stock Company)

Interim Condensed Consolidated Statement of Equity (unaudited)

For the six-month period ended September 30, 2022

(All amounts are in Saudi Riyal unless otherwise stated)

	Share Capital	Accumulated losses	Employees defined benefit obligation re-measurement reserve	Foreign Currency translation reserve	Change in fair value of financial assets designated at fair value through other comprehensive income reserve	Effect of acquisition of non-controlling interest in subsidiaries	Total Equity Attributable to Shareholder of the Parent Company	Non-Controlling Interest	Total equity
Balance as of April 1, 2021 (restated) (audited)	175,000,000	(114,166,642)	(1,292,328)	(3,042,032)	(1,512,244)	(10,690,767)	44,295,987	312,893	44,608,880
Net loss for the period	-	(19,629,596)	-	-	-	-	(19,629,596)	(87,462)	(19,717,058)
Share of foreign currency translation reserve	-	-	-	(84,361)	-	-	(84,361)	-	(84,361)
Total comprehensive loss for the period	-	(19,629,596)	-	(84,361)	-	-	(19,713,957)	(87,462)	(19,801,419)
Balance as of September 30, 2021 (unaudited)	175,000,000	(133,796,238)	(1,292,328)	(3,126,393)	(1,512,244)	(10,690,767)	24,582,030	225,431	24,807,461
Balance as of April 1, 2022 (audited)	50,000,000	(24,666,628)	(1,911,687)	(2,965,106)	(1,512,244)	(10,690,767)	8,253,568	(1,890,013)	6,363,555
Net loss for the period	-	(9,520,240)	-	-	-	-	(9,520,240)	(231,057)	(9,751,297)
Share of foreign currency translation reserve	-	-	-	(212,625)	-	-	(212,625)	-	(212,625)
Total comprehensive loss for the period	-	(9,520,240)	-	(212,625)	-	-	(9,732,865)	(231,057)	(9,963,922)
Balance as of September 30, 2022 (unaudited)	50,000,000	(34,186,868)	(1,911,687)	(3,177,731)	(1,512,244)	(10,690,767)	(1,479,297)	(2,121,070)	(3,600,367)

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

A. Al-Omran
Saudi

Tihama for Advertising, Public Relations and Marketing Company
(Saudi Joint Stock Company)
Interim Condensed Consolidated Statement of Cash Flows (unaudited)
For the six-month period ended September 30, 2022
(All amounts are in Saudi Riyal unless otherwise stated)

	Note	30 September 2022 (unaudited)	30 September 2021 (unaudited) (Restated)
Cash flows from operating activities			
Loss from continued operations for the period before zakat		(7,125,238)	(13,941,941)
Loss from discontinued operations for the period before zakat		(1,447,995)	(3,989,436)
Adjustment for non-cash item			
Depreciation of property and equipment	4	1,740,345	3,166,199
Gain on disposal of property and equipment		(140,788)	(15,651)
Depreciation of right of use assets	5/1	6,216,510	7,934,697
Lease concessions	16	(1,963,174)	(431,456)
Loss from Lease contracts termination		272,392	-
Amortization of intangible assets		-	53,085
Depreciation of Investment Properties	7	78,956	78,956
Share of results from associate companies	6/1/1	(277,002)	(2,680,138)
Provision for expected credit losses		-	1,137,620
Provision for employees' defined benefits obligations		872,407	1,171,670
Finance cost		1,392,585	1,708,731
		(381,001)	(5,807,664)
Changes in working capital			
Inventory		(9,193,838)	(5,003,377)
Trade receivables and other debit balances, net		(19,112,496)	(12,813,950)
Due from related parties		(94,661)	(387,057)
Trade payables and other credit balances		30,448,882	17,755,881
Due to a related party		(3,450)	(447,738)
Employees' defined benefits obligations paid		(378,991)	(426,956)
Zakat paid	17	(706,698)	(101,344)
Net cash flows generated from / (used in) operating activities		577,477	(7,232,204)
Cash flows from investing activities			
Additions to property and equipment	4	(292,027)	(2,043,213)
Net proceeds from disposal of property and equipment		406,769	25,961
Additions to Investment in associate companies using equity method	6/1/1	-	(5,000)
Additions to intangible assets		-	(100,000)
Net cash flows generated from / (used in) investing activities		114,742	(2,122,252)
Cash flows from financing activities			
Long-term loans paid	12	(128,472)	(85,745)
Repayment of lease liabilities	5/2	(5,792,079)	(3,331,820)
Finance cost paid		(88,759)	(518,757)
Net cash flows used in financing activities		(6,009,310)	(3,936,322)
Net change in cash and cash equivalents		(5,317,091)	(13,290,778)
Cash and cash equivalents at the beginning of the period		34,570,382	60,843,354
Cash and cash equivalents at the end of the period		29,253,291	47,552,576

Supplementary information for the statement of cash flows:

	Note	30 September 2022 (unaudited)	30 September 2021 (unaudited) (Restated)
Significant non-cash transactions:			
Transfer from Cash and cash equivalents to other debit balances	10	3,625,624	-
Additions to right of use asset and lease liability		-	(17,799,043)
Change in foreign currency translation reserve		(212,625)	(84,361)
Transfer from due from related parties to investments in associate companies	6/1	(134,658)	(56,225)
Interest charges for lease liabilities	5/2	927,056	1,189,971
Lease contracts termination		430,076	-
Finance cost of accrued loans		376,770	-

The accompanying notes are an integral part of these interim condensed consolidated financial statements

Aim

[Signature]

1. ORGANISATION AND ACTIVITIES

Tihama for Advertising, Public Relations and Marketing Company was established as the "company" or "parent company" in accordance with the Saudi Companies Law as a Saudi joint stock company under Ministerial Resolution No. 1397 dated 29/6/1403H (corresponding to 3/6/1992) and it is registered in the Commercial Register under No. 1010016722 on 8/7/1398H (corresponding to 14/06/1978).

- The main activity of the company is to carry out commercial advertising, public relations, marketing, publishing and distribution, according to the license No. 23232 issued by the Ministry of Culture and Advertisement dated 2/12/1412H (corresponding to 3/6/1992) and according to the company's incorporation system. The parent company also invests in companies It carries out similar businesses in accordance with Company By-Law.
- The Company's head office is in Riyadh, as of September 30,2022 the company has a branch in Jeddah registered under the Commercial Registration No. 4030008889 on 3/4/1395H (corresponding to 15/4/1975).
- The accompanying interim condensed consolidated financial statements include the financial statements of the parent company and its subsidiaries (collectively referred to as the Group) as of September 30,2022. Refer to note 3/1/4 for a statement of the subsidiaries and the Group's contribution in its capital.

2. BASIS OF PREPARATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT

2/1- Statement of compliance:

- These interim condensed consolidated financial statements were prepared in accordance with IAS 34 "Interim Financial Reports" endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by Saudi Organization for Certified Public Accountants ("SOCPA") and these preliminary condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year as of March 31, 2022, the preliminary condensed consolidated financial statements do not include all the information required to prepare a full set of consolidated financial statements prepared in accordance with international standards for financial reading, but it has been included accounting policies and details specific explanations for the interpretation of events and transactions to explain the changes in the consolidated financial position and financial performance of the company since the financial statements of the previous year.
- The Capital Market Authority issued the decision of the Board of Commissioners on 15 Muharram 1438H (Corresponding to 16 October 2016) to require listed companies to apply the cost model when measuring the assets of property and equipment, investment properties and intangible assets when adopting the IFRS for a period of 3 years beginning from the date of adoption of the International Financial Reporting Standards. on December 31, 2019, period was extended to the financial periods beginning on January 1,2022 and continue to comply with the requirements for disclosure of IFRS adopted in the Kingdom of Saudi Arabia, which require disclosure of fair value. The group continued to apply the cost model in the measurement of property, equipment, investment properties and intangible assets as on June 30, 2022, accordingly, there is no change in the accounting policy for the measurement of these assets.
- The accounting policies, estimates and assumptions used in the preparation of the interim condensed consolidated financial statements are consistent with the principles used in the preparation of the annual consolidated financial statements for the year ended March 31, 2022.

2/2- Basis of measurement:

The interim condensed financial statements have been prepared on the historical cost basis except for (financial investments which is measured at fair value and the defined benefit plan which is measured at present value of future obligations using Projected Unit Credit Method) and using the accrual accounting principle and the going concern concept.

2/3- Functional and presentation currency:

The interim condensed consolidated financial statements are presented in Saudi Riyal, which is the Group's functional currency.

**2. BASIS OF PREPARATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT
(CONTINUED)**

2/4- Going concern:

- The Interim condensed consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to manage liquidity to ensure, as far as possible, that it will have sufficient liquidity to meet its obligations as they fall due under both normal and abnormal conditions. Where the Group:

- The Group's accumulated losses amounted to approximately 34.2 million SAR as of September 30, 2022, representing 68.4% of the company's capital (March 31, 2022: 24.7 million SAR representing 49.3%) of the company's share capital as on the same date.

The Group's current liabilities exceeded its current assets by approximately 55.2 million SAR as of September 30, 2022 (March 31, 2022: 50.3 million SAR).

According to Article 150 of the Companies Law, if a joint stock company incurs losses amounting to half of the paid-in capital at any time during the fiscal year, any of the company executives or the auditor shall promptly, upon knowledge thereof, inform the chairman of the Board, who shall promptly inform Board members. The Board of Directors shall, within 15 days from the date of notification, call for an extraordinary general assembly meeting within 45 days from the date of its knowledge of the losses, to decide whether to increase or decrease the company's capital, in accordance with the provisions of the Law, to the extent where losses are decreased below half of the paid-in capital, or to dissolve the company prior to the date set forth in its By-laws of the company.

The Company shall be deemed terminated by the operation of law if the extraordinary general assembly fails to meet during the period set forth in paragraph 1 of this Article; if the assembly convenes but fails to issue a decision on the matter; or if it decides to increase the capital in accordance with this Article but the shares issued are not fully subscribed to within 90 days from the assembly's decision to increase the capital.

Subsequent to the date of the financial position and on October 6, 2022, the Parent company submitted a request to open the financial reorganization procedure to the competent court, in accordance with the decision of the parent company's board of directors on the same date.

It is worth noting that the registration of the application for the opening of the financial reorganization procedure - as previously mentioned - exempts the company from applying the provisions of the Companies Law with regard to the cumulative losses reaching more than 50% of the capital, as the application for the opening of the financial reorganization procedure for the company was registered before the expiry of the period Specified in Article 150 of the Companies Law to hold the Extraordinary General Assembly to decide either to increase or reduce the company's capital in accordance with the provisions of the Law - to the extent that the percentage of losses drops below half of the paid-up capital, or to dissolve the company before the term specified in its articles of association, which was On October 8, 2022.

Accordingly, on October 9, 2022, the Capital Market Authority suspended the trading of the company's shares on the Saudi Stock Exchange "Tadawul" until the court issued a decision to open the financial reorganization procedure.

Until the date of approval of these condensed consolidated interim financial statements, no date has been set for a hearing on the company's request to open the financial reorganization procedure by the competent court.

**2. BASIS OF PREPARATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT
(CONTINUED)**

2/4- Going concern (continued):

The management of the parent company is working to complete the statutory requirements to increase the company's capital in accordance with the recommendation of the company's board of directors to the company's extraordinary general assembly to increase the company's capital by offering priority rights shares worth 350 million Saudi riyals, which was approved by the Capital Market Authority on the company's request Capital increase on October 5, 2022. Until the date of approval of these interim condensed consolidated financial statements the extraordinary general assembly meeting has not been held to approve the increasing of company's capital referred above.

The financial performance of the Group has improved during the six-month period ended September 30, 2022, as revenues from continued operations increased by approximately 1.5 million SAR compared to the comparative period of prior year, and, accordingly the gross profit increased by approximately 6.5 million SAR. The loss from operations decreased by approximately 9.1 million SAR, a decrease of 59%. In general, the net loss attributable to the shareholders of the parent company decreased by approximately 10.1 million SAR, or by approximately 51.5%.

The group also achieved an operating profit during the three-month period ending on September 30, 2022, amounting to approximately 0.2 million SAR, compared to an operating loss in the same period of the previous year, which amounted to approximately 5.8 million SAR.

The Group continues to manage its commercial and supply chain activities and collect receivables. It is also working on restructuring some of its subsidiaries and expanding the operations of the retail sector and production sector to increase revenues sufficient to cover its expenses and achieve operating profits during subsequent years. The Group expects an improvement in its commercial activities and revenue growth over the next year, driven by the full operation of new branches in the retail sector, the development of operations in the distribution sector, and the austerity plans that have been initiated to reduce expenses and raise the profit margin, especially in the production sector. In addition, the Group's ability to meet its obligations when they fall due depends on its ability to manage the current downturn in expenditures, enhance its results and cash flows, continuous improvements in its working capital, and to renew or refinance the cash facilities in subsequent periods.

When assessing continuity, the Board of Directors have reviewed the plans to increase the company's capital. The Board of Directors, in its meeting held on February 7, 2022, issued a recommendation to increase the company's capital by an amount of 350 million Saudi Riyals, in order to finance the company's expansion plans and future investments, in addition to supporting the company's working capital requirements and payment of financial obligations (Note 11). On October 5, 2022 the Capital Markets Authority approved the Company's request to increase its capital by 350 million SAR via issuance of rights issue. Until the date of approval of The interim condensed consolidated financial statements the Extraordinary General Assembly has not been held to discuss the Board of Directors' decision mentioned above.

The preparation of the strategy, investment and business plans for the Group during the future years, which will be based on the expansion of the current main sectors of activity and the exit from the companies that make losses has been completed. Part of this plan has been implemented by signing a contract to sell assets and liabilities of the business operations of Aventus Global Trading Company - a subsidiary (note 3/1/4). The plan is also based on the use of part of the proceeds of the proposed capital increase in order to settle the obligations owed by the Group companies, especially those that have been issued with final judgments that are obligatory to pay.

The Group's management believes that the shareholders' confidence, which was reflected in the approval of the Board of Directors' recommendation to reduce the company's capital to offset part of the accumulated losses, will continue in order to re-transform the company to profitability and adjust the structure of financial obligations and working capital.

2. BASIS OF PREPARATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

2/4- Going concern (continued):

The Board of Directors also reviewed the base case plans for future years along with a comparison of the budget with the actual results for the current year. In the normal course of business, the Group negotiates, upon maturity, with banks to renew and/or refinance its facilities (taking into account that the Group's cash facilities are secured by cash coverage or assets exceeding the value of the facilities), and the Group's success in renewing the cash facilities during the financial year Ended on March 31, 2022 (Note 12).

The current obligations include a zakat provision of approximately 30 million Saudi Riyals, the majority of which are still undetermined amounts owed by the company, as until the date of approval of these financial statements, no final decisions have been issued on them by the General Secretariat of the Zakat, Tax and Customs Committees, which the company objected to the amendments of the Zakat, Income and Customs Authority before it (note 17).

Also, a significant part of the Group's current obligations are owed to government agencies, as the company's management continues negotiations with those government agencies to schedule payments. The company believes that the chances of its success are great in this matter, based on the success in reaching scheduling of payments with municipalities and government agencies during the previous years.

In view of the foregoing, cash flow projections and certain business initiatives such as higher sales forecasts, profit margin improvement, continuous effective working capital improvements and along with cost reduction initiatives, the Group expects to meet its obligations as they fall due in the normal course of operations. Based on the factors described above, the Group has a reasonable expectation that it will be able to continue as a going concern for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on the going concern basis.

2/5- Use of estimates and judgments

The preparation of the interim condensed consolidated financial statements in accordance with IFRS (International Financial Reporting Standards) requires management to use judgements, estimates and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, income and expenditures recorded. Actual results may differ from these estimates.

The important estimates made by management when applying the Group's accounting policies and important sources of uncertainty were similar to those outlined in the annual consolidated financial statements as of March 31, 2022.

As at September 30, 2022, management believes that all sources of estimation uncertainty remain similar to those disclosed in the Group's annual consolidated financial statements for the year ended March 31, 2022. Management will continue to monitor the situation and any changes required will be reflected in future reporting periods.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The main accounting policies applied in the preparation of these preliminary condensed financial statements have been consistently applied to all the periods presented and are the same policies applied in the Group's annual financial statements for the year ended March 31, 2022.

New standards and amendments to standards and interpretations applied by the Group

Amendments to the IFRS, effective from January 1, 2022 or later - on, do not have any effect on the group's financial statements. Further, the Group has not early adopted any new standard, interpretation or amendment that have been issued but that are not yet effective.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3-1 CONSOLIDATION BASIS

The interim condensed consolidated financial statements include the financial statements of the parent company, Tihama for Advertising, Public Relations and Marketing Company and its subsidiaries (collectively referred to as the Group) as of September 30, 2022. Control over the invested business is achieved when it has the right to obtain different returns as a result of its participation in the investee company, and it has the ability to influence these returns by exercising its influence over the investee company. In particular, the Group controls the investee if, and only if, the Group has:

Leverage over the investee company

For example: it has the right that gives it the current power to control the activities of the investee company.

- Exposure to risks and the right to obtain variable returns as a result of its participation in the investee company.
- The ability to use its influence over the investee company to affect its returns.

In general, there is an assumption that the majority of voting rights will lead to control. To support this assumption and when the Group has a lower level than the majority of voting rights or similar rights in the investee company, the Group considers all relevant facts and circumstances when assessing whether the Group has control over the investee company, and these facts and circumstances include the following:

- Contractual agreements with voting rights holders of the investee company.
- Rights resulting from other contractual agreements.
- The Group's right to vote and potential voting rights.
- Any additional facts or circumstances that indicate that the Group has or does not have the current ability to control activities related to decision-making, including voting on cases in previous shareholder meetings.

The Group performs a reassessment to ascertain whether it exercises control over the investee company, when facts and circumstances indicate that there is a change in one or more elements of control. Consolidation of a subsidiary begins when the Group has control of the subsidiary and ceases when the Group relinquishes exercising such control.

The assets, liabilities, income, and expenses of the subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date control is transferred to the Group and until the Group relinquishes exercising such control.

Income and each component of comprehensive income relate to the equity holders of the parent company and the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When it is necessary, the financial statements of subsidiaries are amended so that their accounting policies are prepared in line with the Group's accounting policies.

All intercompany balances in the Group such as assets, liabilities, equity, income, expenses and cash flows resulting from operations between the Group companies are completely eliminated upon consolidation of the financial statements.

Any change in ownership interests in the subsidiary, without loss of control, is treated as an equity transaction. If the Group loses control over the subsidiary, it will cease to recognize the related assets and liabilities, non-controlling equity and other elements of equity, and the resulting gains or losses are recognized in the consolidated statement of profit or loss. The investment retained is recognized at fair value.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3-1 CONSOLIDATION BASIS (CONTINUED)

In the event that the Group loses control over the subsidiaries:

- The assets (including goodwill) and liabilities associated with the subsidiary are excluded.
- Exclusion of the present value of any rights not controlled.
- Exclusion of cumulative inventory differences recorded in equity.
- Recognition of the fair value of the assets received.
- Recognition of the fair value of any remaining investments.
- Recognition of any surplus or deficit in profits or losses.

Reclassification of the parent company's share in subsidiaries previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate, as it becomes a requirement if the Group directly disposes of assets and liabilities.

3/1/1- Associates

Associates are companies over which the Group exercises significant influence and not joint control or control. In general, this occurs when the Group owns a share of 20% to 50% of the voting rights. The investment in associates is accounted for according to the equity method after initial recognition of cost of investment.

3/1/2- Equity Method

Based on the equity method, investments are recognized primarily at cost and subsequently adjusted to reflect the Group's share of profits or losses after the acquisition as profits and losses resulting from the investment in the investee company. The Group's contribution to comprehensive income after the acquisition is also recognized in the statement of comprehensive income. If after reducing the contribution to the investee company to zero, liabilities are recognized only if there is an obligation to support the investee's operating operations or any payments made on behalf of the investee company. Distributions received or receivables from associates and joint ventures are booked to reduce the net value of the investments.

The goodwill related to an associate or joint venture is included in the carrying amount of the investment and is not independently tested for impairment.

The interim condensed consolidated statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in the comprehensive income of the investee companies is shown as part of the Group's comprehensive income. In addition, in the event that any change is recognized directly within the equity of the associate or the joint venture, the Group shall recognize its share in any changes, when applicable, in the consolidated statement of changes in owners' equity including unrealized profits and losses resulting from the transactions between the Group and the associate and joint venture to the extent of the Group's interest in the associate or joint venture. The financial statements of subsidiaries and joint ventures are prepared for the same financial year as the Group.

When necessary, the accounting policies of subsidiaries and joint ventures are presented to be consistent with the Group's policies. After applying the equity method, the Group checks whether it is necessary to prove any impairment loss in the value of its investment in its associate or joint venture. On the date of preparing each financial statement, the Group ensures that there is objective evidence of a decrease in the value of the investment in any associate or joint venture. When such evidence exists, the Group calculates the amount of the decrease as the difference between the recoverable amount of the associate or joint venture and its carrying value, and the loss is recognized as "share in the loss of an associate and a joint venture" in the statement of consolidated profit or loss.

Upon loss of significant influence over the associate or joint control of a joint venture, the Group measures and recognizes the investment to be held at fair value. The difference between the carrying value of the associate or joint venture upon loss of significant influence or joint control and the fair value of the investment retained (and any proceeds of disposal) will be recognized in the statement of consolidated profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
3-1 CONSOLIDATION BASIS (CONTINUED)

3/1/3- Non-controlling interests

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position and separately from shareholders' equity. Losses applicable to the minority in excess of the minority interest are allocated against the interest of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses. A change in the Group's interest in a subsidiary that does not result in a loss of control is accounted for as an equity transaction.

3/1/4- Subsidiaries and the Group's contribution in its capital

Name of subsidiary company	Country	Activity	Capital	Company share% Direct and indirect	
				30 September 2022	31 March 2022
Tihama Holding for Commercial Investment Company (B)	KSA	Holding company	500,000	100%	100%
Tihama Distribution Company (A)	KSA	Publishing and distribution	3,500,000	100%	100%
Tihama Modern Bookstores Company (B)	KSA	Stationery and books	81,671,977	100%	100%
Estidama International Real estate Company (B)	KSA	Investment in properties	500,000	100%	100%
Tihama International Advertising Company (B)	KSA	Roadside Advertising	500,000	100%	100%
Tihama Education Company (C)	KSA	Retail	200,000	100%	100%
Fast Advertisement Company (D)	KSA	Advertising	25,000	100%	100%
Integrated Production for Audio-visual Media Production Company (E)	KSA	Production	10,000	70%	70%
Aventus Global Trading Company (F)	UAE	Trading	616,409	100%	100%
Nassaj AlKhayal for Audio-visual Media Production Company (H)	KSA	Production	100,000	50%	50%
Tihama New Media Company (I)	KSA	Media and Research	100,000	100%	100%

- A) During the year ending on March 31, 2020, the Group increased its share in the Tihama Distribution Company to 100% through the acquisition of an additional 1% of its share capital.
- B) During the year ended March 31, 2003, the parent company established the Tihama Holding for Commercial Investment (Ltd), and its commercial records were issued, but it has not commenced any business activities since its establishment. During the year ending March 31, 2011, the parent company established Estidama International Real Estate Company and Tihama International Advertising Company (LTD). Commercial records for these two companies have been issued, but they have not commenced any business activities since their establishment. During the same year, the company established the Tihama Modern Bookstore Company and transferred the assets and liabilities of its Bookstores department to that company as on November 3, 2010.
- C) During the year ended March 31, 2021, the parent company acquired additional shares in Tihama Education Company (a subsidiary company), representing 51% of the company's capital, accordingly the parent company's ownership percentage became 100% of the subsidiary's capital as on March 31, 2021. As this transaction relates to the acquisition of an additional stake in a subsidiary without a change in control over it, it was recorded as an equity transaction, and the increase in consideration over the book value of the non-controlling interest amounting to 3,459,628 SAR is recognized in the equity of the parent company
- D) During the year ended March 31, 2019, the parent company established the Fast-Advertising Company - a limited liability company 100% owned and with a capital of 25,000 SAR, noting that the company did not commence activities until the date of preparing the consolidated financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3-1 Consolidation Basis (Continued)

3/1/4- Subsidiaries and the Group's contribution in its capital (continued)

E) During the year ended March 31, 2019, the parent company participated in establishing the Integrated Production Company for Audio-visual Media Production - a limited liability company with a capital of 10,000 SAR, initially owned 35%. During the financial year ending on March 31, 2021, the parent company acquired additional shares representing a further 35% of the capital of the Integrated Production Company, with a value of 7,250,000 SAR. As this transaction relates to the acquisition of an additional stake in a subsidiary without a change in control over it, it was recorded as an equity transaction, and the increase in the consideration paid over the carrying value of the non-controlling interest amounting to 7,231,139 SAR is recognized in the equity of the Parent company.

F) On 9 May 2022 An agreement was signed between Aventus Global Trading a 100% owned subsidiary, operating in the United Arab Emirates and Nextbite Trading (a Company registered in the UAE) to sell various assets and transfer various obligations related to the transfer of the business operations on an ongoing basis of Aventus.

-The transaction represents the transfer of assets and liabilities related to the business operations of Aventus Global Trading, which operates in the retail sector in the United Arab Emirates and operates branches in Dubai, Abu Dhabi and Sharjah for the sale of books, stationery, magazines, newspapers, entertainment products, confectionery and accessories.

-The transfer to Nextbite will include franchise agreements, property and equipment for branches, projects under construction and inventory, as well as the transfer of future obligations for branch leases and the dues to contractors for assets under construction. The employees of Aventus will transfer to Nextbite together with their employment.

- The transfer is limited to assets and obligations associated with the business operations of Aventus. No shares in Aventus as owned by Tihama will be sold. The Tihama Group's ownership in Aventus will remain at 100% post completion and it will operate in non-commercial activities.

Subsequent to the date of the financial position, the necessary approvals from stakeholders and related bodies were obtained to complete the transfer of concession rights and lease contracts (note 20).

G) During the year ended March 31, 2020, the parent company contributed to the establishment of Nassaj Al Khayyal Company for Audio-visual Media Production - a limited liability company with a capital of 100,000 SAR, owned 50%. Due to the parent company's control over the company's operating and bank accounts, the company's financial statements were consolidated into the Group's interim condensed consolidated financial statements as a subsidiary.

H) During the year ending on March 31, 2021, the Parent company acquired all of the other partner's shares in Tihama New Media Company (an associate company), and accordingly the ownership of the company became 100% of the company's capital and it became a subsidiary company as on March 31, 2021, the effect of derecognition of the company as an associate amounting to 139,084 SAR was recognized directly in the consolidated statement of profit or loss for the financial year ended March 31, 2021.

3/1/5 Interim Condensed Consolidated financial statements report date.

The condensed consolidated interim financial statements include the financial statements of the parent company Tihama Advertising, Public Relations and Marketing and its subsidiaries (together referred to as the "Group"). The financial year of the subsidiaries begins on January 1 of each Gregorian year and ends on December 31 of the same year, with the exception of Aventus Global Trading Company, where its financial year begins on the first of April of each Gregorian year and ends on March 31 of the following year. The financial statements of the subsidiaries have been consolidated on the basis of the preliminary financial statements for the period ending on September 30, due to the presence of significant events and transactions that took place in the period from July 1 to September 30.

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4. PROPERTY AND EQUIPMENT, NET

4/1 - Property and equipment net movement during the period / year is as follows:

	30 September 2022 (unaudited)	31 March 2022 (audited)
Net book value as at beginning of the period / year	12,657,283	20,869,522
Additions during the period / year	292,027	3,040,462
Deprecation charged for the period / year	(1,740,345)	(6,466,902)
Disposals net book value during the period / year	(265,984)	(4,785,799)
Net book value as at end of the period / year	10,942,983	12,657,283

- Subsequent to the date of the financial position, a real estate unit owned by a subsidiary company (Tihama Education Company) in the United Arab Emirates was sold for an amount of 860,655 SAR. The unit was used as an administrative headquarters for the subsidiary company Aventus Global Trading, and its net book value as on September 30, 2022 was 525,033 SAR,

4/2 Guarantee

- Vehicles owned by Aventus Global Trading Company (subsidiary) with a net book value of 92,425 SAR as on September 30, 2022 (232,988 SAR as at March 31, 2022) are mortgaged against the financing obtained by that subsidiary for the purchase of the vehicles from an external bank (note 12).

5. LEASES

5/1- RIGHT OF USE ASSETS, NET

Right of use assets movement during the period / year is as follows:

	Note	30 September 2022 (unaudited)	31 March 2022 (audited)
Balance at the beginning of the period / year		40,579,838	32,315,929
Additions during the period / year		-	20,972,311
Lease modifications during the period / year		-	5,089,254
Lease contracts termination during the period / year		(430,076)	-
Deprecation charged for the period / year	5/3	(6,216,510)	(17,797,656)
Balance as at the end of the period / year		33,933,252	40,579,838

The following table summarizes the right-of-use assets carrying amount by class of underlying asset:

	30 September 2022 (unaudited)	31 March 2022 (audited)
Properties	29,450,221	35,020,278
Vehicles	1,408,890	1,685,792
Advertising lease sites	3,074,141	3,873,768
Balance at the end of the period / year	33,933,252	40,579,838

5/2- LONG TERM LEASE LIABILITIES

Lease liability movement during the period / year is as follows:

	Note	30 September 2022 (unaudited)	31 March 2022 (audited)
Balance at the beginning of the period / year		50,474,217	36,354,421
Additions during the period / year		-	20,972,311
Finance cost during the period / year	5/3	927,056	2,134,542
Lease modifications during the period / year		-	5,089,254
Lease contracts termination during the period / year		272,392	-
Lease concessions during the period / year	16	(1,963,174)	(7,959,949)
Repayments of lease liability during the period / year		(5,792,079)	(6,116,362)
Balance at the end of the period / year		43,918,412	50,474,217

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5. LEASES (CONTINUED)

5/2- LONG TERM LEASE LIABILITIES (CONTINUED)

The table below shows the Group's lease liabilities based on the contractual due date:

	30 September 2022 (unaudited)	31 March 2022 (audited)
Non-current portion of lease liabilities	26,858,842	30,603,321
Current portion of lease liabilities	17,059,570	19,870,896
Total lease liabilities	43,918,412	50,474,217

The following table shows the Group's undiscounted lease liabilities based on the contractual due date:

	30 September 2022 (unaudited)	31 March 2022 (audited)
Non-current portion of lease liabilities	29,377,248	32,791,793
Current portion of lease liabilities	18,628,573	20,788,979
Total lease liabilities	48,005,821	53,580,772

5/3- recognised lease cost in interim condensed statement of consolidated profit or loss and other comprehensive loss

- The following table shows the recognised amounts in interim condensed consolidated statement of profit or loss and other comprehensive loss:

	Note	For the six-month period ended	
		30 September 2022 (unaudited)	30 September 2021 (unaudited)
Depreciation expense of right of use assets	5/1	6,216,510	7,934,697
Finance cost for lease liabilities	5/2	927,056	1,189,974
Variable rent lease expense		1,528,084	476,374
Short term rent expense		2,052,305	842,820
		10,723,955	10,443,865

-The following table summarizes the depreciation charge for the right-of-use assets by class of underlying asset:

	For the six-month period ended	
	30 September 2022 (unaudited)	30 September 2021 (unaudited)
Properties	5,279,865	6,170,134
Vehicles	137,018	238,766
Advertising lease sites	799,627	1,525,797
	6,216,510	7,934,697

The Right to use assets depreciation charge for the period has been allocated as follows:

	For the six-month period ended	
	30 September 2022 (unaudited)	30 September 2021 (unaudited)
Cost:		
Cost of revenues	799,627	1,525,797
Selling and distribution expenses	5,262,720	6,170,134
General and administrative expenses	154,163	238,766
	6,216,510	7,934,697

5/4- Short Term Rent

	For the six-month period ended	
	30 September 2022 (unaudited)	30 September 2021 (unaudited)
Short term rent recorded as expense during the period	2,052,305	842,820

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5. LEASES (CONTINUED)

Short-term operating lease expenditures represent the rents payable by the Group for renting cars, advertising sites, warehouses, bookstores and administrative offices. The period of the agreed lease or exploitation contracts is 12 months or less from the start date.

5/5- Variable Rent

	For the six-month period ended	
	30 September 2022	30 September 2021
	(unaudited)	(unaudited)
Variable lease rent recorded as expense during the period	1,528,084	476,374

The Group uses the practical method according to the class of the asset subject of the contract by not separating the non-lease components from the lease components, as it accounts for each lease component and any accompanying non-lease components as a single lease component. Variable lease rental expenses are recognized in the interim condensed consolidated statement of profit or loss when incurred.

6. INVESTMENT IN EQUITY INSTRUMENTS

The Group investment in equity instruments represent as follows:

6/1- INVESTMENT IN ASSOCIATE COMPANIES USING EQUITY METHOD

The Group investment in associate companies using equity method represent as follows:

Name of the associate company	Country	Principal activities	Company ownership		Book value	
			30 September 2022	31 March 2022	30 September 2022	31 March 2022
United Advertising Company(A)	KSA	Advertising and promotion	50%	50%	8,934,657	7,112,247
Saudi Company for sign supplies (B)	KSA	Supply of advertisement materials	42.5%	42.5%	-	-
United Journalists. Company (C)	UK	Publishing and distribution	50%	50%	-	-
J. Walter Thomson MENA Company (D)	Bahrain	Advertising	30%	30%	28,056,374	29,679,749
Gulf Systems Development Company (E)	KSA	Technical and other services	30%	30%	-	-
Renewable Technology Company (E)	KSA	Technical and other services	30%	30%	-	-
Tihama Global Company - Free Zone (F)	UAE	Advertising & marketing services	40%	40%	-	-
Qutrob Production Company (G)	KSA	Production	35%	35%	-	-
					36,991,031	36,791,996

The financial year of the above-mentioned associate companies begins on January 1 and ends on December 31 of each Gregorian year. The parent company's share of the change in the net assets of J. Walter Thomson MENA and United Advertising Company for the two periods ending on September 30, 2022, 2021 has been calculated based on the financial statements prepared by the management of these two companies for the two periods ending on June 30, 2022, and 2021. The financial statements for the year ending on December 31, 2021, for J. Walter Thomson Company are still under review until the date of approval of these interim condensed consolidated financial statements.

6. INVESTMENT IN EQUITY INSTRUMENTS (CONTINUED)

6/1- INVESTMENT IN ASSOCIATES USING EQUITY METHOD (CONTINUED)

6/1 (A) - United Advertising Company (Continued)

The Group has the following investment in associate companies:

6/1 (A) - United Advertising Company

On 30 June 2021 the Parent Company has agreed with WPP (UK) Limited to the creation of a new company in KSA to be called ICG Saudi Arabia, WPP will own 70% of the joint venture holding company and Tihama will own 30%. During the period ended 30 September 2022, the backstop date for the completion of the transfer of legal ownership and all other required regulatory approvals was extended to be before December 31, 2022, as the structure of the agreement was amended so that the United Advertising Company becomes the new holding company.

WPP Group will transfer some of its owned companies to the company United Advertising and Tihama will concede 20% of its ownership in the United Advertising Company to the WPP Group. Tihama's ownership in the United Advertising Company after the completion of all regulatory procedures shall be 30%. Any financial impact arising from the transaction will be booked on completion of the transaction, based on the assets and liabilities at that date, the potential impact cannot be reliably estimated at this time

The shareholders' agreement between WPP (UK) Limited and Tihama includes an unconditional and irrevocable option for WPP to require Tihama to transfer all of its shares (the "Call Option") at any time after the fifth year of completing the legal title transfer and all other regulatory approvals to incorporate the new company.

The agreement also includes an unconditional and irrevocable option for Tihama to require WPP (UK) Limited to purchase all of its shares (the "Put Option") at any time after the fifth year of completing the legal title transfers and all other regulatory approvals to incorporate the new company.

The Call option or the Put option may be exercised at any time between January 1 and March 31 in any year after the fifth year after the completion of the transfers of legal title and all other regulatory approvals for incorporation of the new company (the "Option Execution Period"). Exercise of the Put or Call option is contingent upon WPP (UK) Limited or Tihama (as the case may be) giving written notice to the other party within the option window ("Notice of Exercise").

The Call option may only be exercised if the Put option has not been used and vice versa. Once notice of exercise has been given, it may not be rescinded without the written consent of the receiving party.

The consideration payable to Tihama for the Put or Call ("Option Consideration") is calculated as follows:

(a) In the case of a Call option, at the discretion of the Tihama, either on a multiple of sales revenue or a multiple of average profits (based on annual audited accounts), to be chosen at Tihama's discretion.

(b) in the case of a Put option, on a multiple of average profits based on annual audited accounts.

6/1 (B) - Saudi for Selling Advertising Materials

The partners in Saudi Company for Signs Supply Ltd. decided during the year ended March 31, 2012 to start liquidating the company, due to its operational losses for successive years and its inability to continue its activities. The legal procedures for this decision are still in progress as at June 31, 2022.

The company's share in the net equity of the partners in this associate as at Jun 31, 2022 is nil and March 31, 2022 is nil.

6/1 (C) - United Journalists Company Ltd

The company's investment in United Journalists Company Ltd. was recorded at a value of zero as at September 30, 2022 and March 31, 2022, as the accumulated losses of this associate exceeded its capital, and the company does not intend to provide it with financial support that exceeds its share in its capital, as it is a limited liability company and accordingly it has not recorded the parent company's share of the associate's losses for the two periods ended September 30, 2022 and 2021. The last balance sheet obtained by the company was 31 December 2009.

6. INVESTMENT IN EQUITY INSTRUMENTS (CONTINUED)
6/1- INVESTMENT IN ASSOCIATES USING EQUITY METHOD (CONTINUED)
6/1 (D) - J. Walter Thomson MENA (Continued)

6/1 (D) - J. Walter Thomson MENA

The parent company's investment in J. Walter Thomson MENA was recorded based on the accounts prepared by the management of the associate, as the Group financial statements of that company as at December 31, 2021 are still under audit. On 30 June 2021 the Parent Company agreed with WPP plc to the merger of the J Walter Thompson MENA (an associate to Tihama) business with the Wunderman MENA business to create Wunderman Thompson MENA EC (a Bahraini based holding Group), the agreement will bring together the existing Wunderman and JWT operations across the MENA region to create Wunderman Thompson MENA.

On completion of the transfer of legal ownerships and all other required regulatory approvals Tihama will hold 25% of WT MENA. Tihama's share of the results of the performance of WT MENA will be reported in its financials as a share of results of associated company. Any financial impact arising from the transaction will be booked on completion, based on the assets and liabilities at that date any potential impact cannot be reliably estimated at this time.

Subsequent to financial position date, the backstop date for completion of the transfer of legal ownerships and all other required regulatory approvals were extended to be before 31 December 2022.

6/1 (E) - Gulf Systems Development Company and Renewable Technology Company

The investments in these two associate companies include the value of the parent company's investment in them. They have not exercised any commercial activities since their establishment and that financial information was available regarding the Renewable Technology Company until the date of preparing these consolidated financial statements. Based on the impairment loss study conducted, the Parent Company recorded a 100% impairment loss on these investments in the financial year ended March 31, 2017.

6/1(F) Tihama Global Company

During the year ended March 31, 2022, the Parent company filed a compensation claim against the former company director and partner in the associate company in the United Arab Emirates. A final judgment was issued in favor of the company by the Dubai Courts of Appeal after an appeal by the former director was rejected. The former director of the company submitted a cassation against the judgment, and subsequent to the financial position date the cassation submitted by the company's former manager was rejected, and accordingly, the judgment issued in favor of the company became final and enforceable (note 22).

6/1(G) Qutrob Audio Visual Media Production Company

During the period ending on March 31, 2022, the Group, through its subsidiary (the Integrated Production Company), contributed to the incorporation of Qutrob Audio-Visual Media Production Company with a capital of 10,000 Saudi riyals.

6/1/1 The following is the summary of financial information for book value of the parent company's shares in these associates:

	30 September 2022 (unaudited)	31 March 2022 (Audited)
Balance at the beginning of the period / year	36,791,996	31,655,936
Additions during the period / year	-	5,000
Transfer from current account to cover losses	134,658	87,735
Dividends received	-	(3,143,296)
Share of foreign currency translation	(212,625)	76,926
Share of associate results during the period / year	277,002	8,109,695
Balance as at the end of the period / year	36,991,031	36,791,996

7. INVESTMENT PROPERTIES AT COST, NET

The investment property is represented by administrative units in a building in Dubai, United Arab Emirates and is owned by a subsidiary company (Tihama Education Company). Subsequent to the financial position date the investment properties were disposed for 4,239,344 SAR.

	30 September 2022 (unaudited)	31 March 2022 (Audited)
Cost:		
Balance at the beginning of the period / year	3,151,806	3,151,806
Balance at the end of the period / year	3,151,806	3,151,806
Depreciation:		
Balance at the beginning of the period / year	342,579	185,096
Depreciation during the period / year	78,956	157,483
Balance at the end of the period / year	421,535	342,579
Net book value at the end of the period / year	2,730,271	2,809,227

The company measured the fair value of the real estate investment by an independent real estate appraiser, and the fair value amounted to 4,222,400 SAR as on March 31, 2022.

8. INVENTORY, NET

8/1 - During the period ending on September 30, 2022, the subsidiary company (Aventus Global Trading) agreed with Ras Al Khaimah Bank to terminate the non-cash facility agreement for issuing letters of guarantee, and accordingly, during the same period, all conditions and guarantees that were included in the agreement were cancelled and the mortgage was lifted on Subsidiary Inventory (Note 12).

9. TRADE RECEIVABLES AND OTHER DEBIT BLANCES, NET

	30 September 2022 (unaudited)	31 March 2022 (Audited)
Trade receivables (Note 9/2)	35,449,269	22,642,026
Advance payment to suppliers	2,807,115	2,812,114
Letter of guarantees cash margin (Note 9/4)	11,506,049	9,757,161
Contract assets (Note 9/1)	3,788,814	2,304,116
Prepaid expenses and other debit balances (Note 9/3)	14,651,121	11,413,696
	68,202,368	48,929,113
Expected credit loss provision	(12,632,650)	(12,632,650)
	55,569,718	36,296,463

9/1- Contract assets represent the right to consideration in exchange for services transferred to the customer. If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Upon achieving billing milestones, if any, in accordance with the contractual terms and acceptance of services received by the customer, the amounts recognised as contract assets are reclassified to accounts receivable. Contract assets are subject to impairment in accordance with IFRS 9.

9/2- Trade receivables do not carry interest and are generally aged from 90 days to 365 days.

9. TRADE RECEIVABLES AND OTHER DEBIT BLANCES, NET (CONTINUED)

9/3-Other debit balances include an amount of 4,310,433 SAR as on September 30, 2022 (4,310,433 SAR as on March 31, 2022) represented in the net book value of the billboard that the parent company filed a lawsuit with the Administrative Court against the Riyadh municipality, to claim compensation for the company for the damages on the owned advertising billboards which were removed by the defendant in a way that led to their damage. A preliminary ruling was issued by the Administrative Court rejecting the company's claim for compensation, and the company has submitted an appeal against the initial ruling before the Administrative Court of Appeal, and no ruling was issued in the matter The company's appeal until the date of approval of these interim condensed consolidated financial statements (note 22). Accordingly, the company moved the net book value of the Boards, which amounted to 4,310,433 SAR as on March 31, 2022, from property and equipment (note 4) and recorded it under trade receivables and other debit balances.

- During the period ending September 30, 2022, the Execution Court drawn the cash in a local Murabaha fund (note 10) in implementation of the final rulings issued against the company in favor of an individual and a client of Tihama Distribution Company. The total value of the drawn amounted to 3,625,624 SAR as at September 30, 2022 (nil as on March 31, 2022). The amount was transferred by the fund managing company to the Execution Court after liquidating the fund units owned by the company. The amount transferred to the Execution Court, amounting to 3,625,624 SAR as on June 30, 2022 (nil as on March 31, 2022), was included in other debit balances without offsetting against the credit balances included in trade payables and other credit balances in favor of the executors pursuant to final ruling issued to them (note 13/4). where, until the financial position date, those amounts have not been distributed to the executors by the execution court.

9/4- The letters of guarantee cash margin represents the cash margin held by the issuing banks for certain letters of guarantee issued on behalf of the company by the banks. The cash security is held with banks in the Kingdom of Saudi Arabia until the date of expiry of the purpose of the guarantee and its release. (Note 21).

The letters of guarantee cash margin includes an amount of 88,704 SAR as at September 30, 2022 (88,704 SAR as on March 31,2022) held with Riyadh Bank as a cash cover for the guarantees issued by the bank on behalf of the company under the non-cash facilities agreement signed with the bank (note 12 and note 21)

10. CASH AND CASH EQUIVALANTES

	30 September 2022 (unaudited)	31 March 2022 (audited)
Cash at local and international banks	8,917,208	10,742,452
Cash at local Murabaha fund in Saudi Riyals	-	3,589,829
Deposits in local banks	20,000,000	20,000,000
Cash on hand	336,083	238,101
Cash and cash equivalents	29,253,291	34,570,382
Restricted cash	(20,040,791)	(25,621,084)
Free cash	9,212,500	8,949,298

10. CASH AND CASH EQUIVALANTES (CONTINUED)

- Deposits represent a deposit of 20 million SR as at September 30, 2022 (March 31, 2022: 20 million SR with the National Bank of Saudi Arabia mortgaged against the bank facility obtained by the company from the bank. (Note 12).
- A request was submitted to execute the court verdict issued against the company to pay an amount of approximately 13.9 million SR in favor of an individual, in addition to the execution of court verdict issued in favor of one of the clients of Tihama Distribution Company was requested for an amount of 5.3 SR (Note 13/4).
- During the period ending September 30, 2022, the Execution Court drawn the cash in a local Murabaha fund in implementation of the final rulings issued against the company in favor of an individual and one of the clients of Tihama Distribution Company. The total value of the drawn amounted to 3,625,624 SR as on September 30, 2022 (nil as on March 31, 2022). The amount was transferred by the fund managing company to the Execution Court after liquidating the fund units owned by the company. The amount transferred to the Execution Court, amounting to 3,625,624 SR as at September 30, 2022 (nil as on March 31, 2022), was included in other debit balances (note 9/3) without offsetting against the credit balances included in trade payables and other credit balances in favor of the executors pursuant to final ruling issued to them (note 13/4). where, until the date of the statement of financial position, those amounts have not been distributed to the executors by the execution court.
- The non-cash facilities agreement with Riyadh Bank includes a condition allowing the bank to deduct any amounts held by the company with the bank in fulfilment of the non-cash facility. The value of the balances maintained by the company with the bank amounted to 40,791 SR as at September 30, 2022 (40,791 SR as at March 31, 2022) (Note 12).

11. SHARE CAPITAL

- On July 15, 2020, the extraordinary general assembly of shareholders approved an increase in the company's capital by 100 million SR through the issuance of rights issue shares. Accordingly, the company's capital, after the increase, became 175 million SR, with a total number of shares of 17.5 million shares, and the statutory procedures related to the increase have been completed with the relevant authorities.
- On February 23, 2022, the Extraordinary General Assembly, based on the recommendation of the Board of Directors at its meeting held on February 7, 2022, approved to reduce the company's capital by 125,000,000 SR by cancelling 12,500,000 shares in order to extinguish part of the company's accumulated losses in the amount of 125,000,00 SR.
- The Board of Directors, in its meeting held on February 7, 2022, issued a recommendation to the extraordinary general assembly of shareholders to increase the company's capital by an amount of 350 million SR, in order to finance the company's expansion plans and future investments, in addition to supporting working capital requirements and paying financial obligations. A financial advisor has been appointed for the capital increase process, and coordination is underway with the other advisors appointed by the company to lead the capital increase file for submission to the Capital Markets Authority.
- Subsequent to the date of the financial position on October 5, 2022, the Capital Market Authority approved the company's request to increase the capital by an amount of 350 million SR through the issuance of rights issue shares. This increase is subject to the approval of the extraordinary general assembly of shareholders.
- Shareholders have the right to receive dividends, dividends, share announcement from time to time, and they have the right to vote for each share in group meetings, all shares being equal to the assets of the group.
- The authorized, issued and fully paid-up capital of the parent company as at June 30, 2022, is 50,000,000 SR divided into 5,000,000 shares, the value of the share is 10 SR (March 31, 2022 is 50,000,000 SR divided into 5,000,000 shares, the value of share is 10 SR).

12. LOANS

The Group has cash and non-cash credit facilities with local and foreign banks in Saudi Riyals and UAE dirhams. These facilities were obtained for the purpose of restructuring the financial obligations of the parent company and providing non-cash facilities to issue guarantees and finance the purchase of cars. These facilities bear financing fees in accordance with the relevant agreements. These agreements are subject to the terms and conditions of bank facilities that apply to all types of facilities offered by banks to their clients. Some of these agreements are secured against promissory notes, pledge of Group assets, and other guarantees.

During the year ended on March 31, 2022, the parent company signed a renewal and amendment of the bank facilities agreement with the National Bank of Saudi Arabia for a period of one year, amounting to 20 million SR as a general limit that can be used for several sub-limits in accordance with the provisions of Islamic Sharia.

The financing charges are paid with the original financing on the due date, and the above facilities bear financial expenses according to the rates prevailing in the Kingdom of Saudi Arabia plus the agreed upon margin.

During the year ended on March 31, 2022, the parent company signed a non-cash bank facility agreement with Riyadh Bank for a period of three years, amounting to 591,000 SR, to issue guarantees and letters of credit.

- The subsidiary company (Aventus Global Trading) has financing from an external bank for the purchase of cars with a book value as at September 30, 2022, amounting to 92,425 SR, (194,438 SR as at March 31, 2022), the financing is paid in monthly instalments for 48 months against the car mortgage in favor of the bank.

- During the period ending on September 30, 2022, the subsidiary company (Aventus Global Trading) agreed with Ras Al Khaimah Bank to terminate the non-cash facility agreement for issuing letters of guarantee, and accordingly, during the same period, all conditions and guarantees that were included in the agreement were cancelled and the mortgage was lifted on The group's assets that were mortgaged against the facility (administrative unit within the item of property and equipment, real estate investments and the stock of the subsidiary company).

The value of the issued letter of guarantee was also reduced to be 1,643,757 SR as at September 30, 2022 (4,935,053 SR as at March 31, 2022) issued against a cash coverage margin of 1,900,335 SR as at September 30, (nil as at March 31, 2022), included in trade and other receivables, net without offset (note 9)

Contingent liabilities and pledged assets as collateral and insurance

The guarantees provided by the company under the facility agreement with the Saudi National Bank are as follows:

- Promissory note worth 22,000,000 SR.
- Mortgaging a deposit of 20,000,000 SR with the Saudi National Bank (note 10)

The guarantees provided by the company under the agreement with Riyadh Bank are as follows:

- Promissory note of 591,000 SR.
- A cash margin with the bank of 88,704 SR at Riyadh Bank (note 10)

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12. LOANS (CONTINUED)

The guarantees provided by Aventus Global Trading Company in return for facilitating the purchase of vehicles are:

- Aventus Global Trading company vehicles was mortgaged in favor of the bank. The net book value of the vehicles shown under property and equipment, net (note 4), amounted to 92,425 SR as at September 30, 2022 (232,988 SR as on March 31, 2022).

-The following table summarizes the collateral and assets pledged or restricted as collateral against the above facilities:

	Promissory notes	Cash and cash equivalents	Trade receivables and other debit balances	Property and equipment	Inventory	Investment Property
As at September 30, 2022						
Saudi National Bank Loan	22,000,000	20,000,000	-	-	-	-
Riyadh Bank Loan	591,000	-	88,704	-	-	-
Emirates NBD loan	-	-	-	92,425	-	-
RAK Bank	-	-	-	-	-	-
Total	22,591,000	20,000,000	88,704	92,425	-	-
As at March 31, 2022						
Saudi National Bank Loan	22,000,000	20,000,000	-	-	-	-
Riyadh Bank Loan	591,000	-	88,704	-	-	-
Emirates NBD loan	-	-	-	232,988	-	-
RAK Bank	4,935,053	2,031,255	-	540,180	1,461,042	2,809,227
Total	27,526,053	22,031,255	88,704	773,168	1,461,042	2,809,227

Other terms

- The agreement with Riyadh Bank includes a condition allowing the bank to deduct any amounts held by the company with the bank in fulfilment of the non-cash facility. The value of the balances maintained by the company with the bank amounted to 40,791 SR as at September 30, 2022 (40,791 SR: as at March 31, 2022). These balances are included in cash and its equivalent without offsetting (Note 10). In addition to cash margin against the letter of guarantee of 88,704 Saudi riyals as at September 30, 2022 (88,704 SR: as at March 31, 2022), these balances are included within trade and other receivables, net without offsetting (Note 9).

Below the existing bank loans as of:

Loans and cash facilities	30 September 2022 (unaudited)	31 March 2022 (audited)
Short term loans	20,599,101	20,222,331
Long term loans	65,966	194,438
Total cash loans	20,665,067	20,416,769
Less: Current portion	(20,626,609)	(20,378,311)
Non-current portion of long-term loans	38,458	38,458

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12. LOANS (CONTINUED)

Below the movement in cash loans during the period / year:

	<u>30 September 2022</u> (unaudited)	<u>31 March 2022</u> (audited)
Balance at the beginning of the period / year	20,416,769	20,345,223
Proceeds from loans during the period / year	-	3,000,000
Payments of loans during the period / year	(128,472)	(3,150,785)
Accrued finance cost during the period / year	424,537	1,092,771
Accrued finance cost paid during the period / year	(47,767)	(870,440)
Balances at the end of period / year	<u>20,665,067</u>	<u>20,416,769</u>
-Non-cash facilities to issue letter of guarantee (Note 21)	<u>30 September 2022</u> (unaudited)	<u>31 March 2022</u> (audited)
Non-cash facility from RAK	-	4,935,053
Non-cash facility from Riyadh Bank	591,160	591,160
Total non-cash facilities	<u>591,160</u>	<u>5,526,213</u>

12. TRADE PAYABLES AND OTHER CREDIT BALANCES

	<u>30 September 2022</u> (unaudited)	<u>31 March 2022</u> (audited)
Trade payables (note 13/1)	75,349,494	47,012,386
Dividends payable (note 13/2)	8,808,742	8,808,754
Contract liabilities (note 13/3)	109,062	436,460
Accrued expense and other payables (note 13/4)	39,266,314	36,827,130
	<u>123,533,612</u>	<u>93,084,730</u>

13/1 Trade payables

The trade payable includes dues for renting advertising sites in favor of a Municipality in the amount of 1,820,621 SR. During the year ending on March 31, 2022, a judgment was issued in favor of one of the municipalities to seize the funds of Tihama Advertising, Public Relations and Marketing Company and implement it within the limits of the amount of indebtedness claimed by the municipality amounting to 1,820,621 SR for contracts for leasing advertising sites (Note 21). The company submitted an application to set aside the judgment, and no decision was issued by the Supreme Administrative Court in the request to set aside the judgment until the date of approval of these interim condensed consolidated financial statements.

Trade payables as at September 30, 2022 include an amount of 11.8 million SR (31 March 2022: 11.8 million SR) represented in dues in favor of one of the Municipalities for the lease of advertising sites. During the year ended March 31, 2022 a judgment was issued by the Administrative Court of Appeal in Riyadh rejecting the company's appeal against the judgment issued in favor of the municipality, which stipulates the company's payment of the amount. Accordingly, the judgment became enforceable on the company.

13/2- Dividend payable

The parent company recorded an amount of 8,808,754 SR as unclaimed dividends (8,808,754 SR as on March 31, 2022), and this represents old cash dividends (before year 2009) announced by the parent company but not collected or claimed by the old shareholders when there was no way at the time to transfer dividends to the accounts of these shareholders electronically.

13. TRADE PAYABLES AND OTHER CREDIT BALANCES (CONTINUED)

13/3 Contract Liabilities

Contract liabilities represent obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

13/4 Accrued expenses and other payables

Accrued expenses and other payables include provision for legal cases and claims amounting to 5,319,929 SR as at September 30, 2022 (March 31, 2022: 5,319,929 SR) representing provision against a final judgment against the company in two lawsuits from one of the clients of a subsidiary company (Tihama Distribution Company) obliging the company an amount of 5,319,929 SR in favor of the plaintiff. During the year ending on March 31, 2022, the company filed a petition against the judgment with the Court of Appeal, which rejected the company's petition, and the judgment became enforceable on the company.

Accrued expenses and other payables include around 13.9 million SR as on September 30, 2022 (13.9million SR as on March 31, 2022) payable in favor of an individual. The amount represents assignment of a non-bearing interest loan on the company in favor of a company owned by the former chairman of the Board of Directors granted to the company in previous years before September 30, 2015. During the fiscal year ending on March 31, 2022, the company's appeal against the judgment to pay the amount to the plaintiff was rejected, accordingly the judgment became enforceable on the company.

During the period ending September 30, 2022, the Execution Court drawn the cash in a local Murabaha fund in implementation of the final rulings issued against the company in favor of an individual and a client of Tihama Distribution Company (note 10). The total value of the drawn amounted to 3,625,624 SR as on September 30, 2022 (nil as on March 31, 2022). The amount was transferred by the fund managing company to the Execution Court after liquidating the fund units owned by the company. The amount transferred to the Execution Court, amounting to 3,625,624 SR as on September 30, 2022 (nil as on March 31, 2022), was included in other debit balances (note 9/3) without offsetting against the credit balances included in trade payables and other credit balances in favor of the executors pursuant to final ruling issued to them. where, until the date of approval of these condensed consolidated interim financial statements, those amounts have not been distributed to the executors by the execution court.

14. RELATED PARTY TRANSACTION

Related parties to the Group consist of companies in which the shareholders and key management personnel have control, joint control or significant influence.

14/1 Salaries, compensation and related expenses for the Board of Directors and Senior Executives:

The following are details of salaries, compensation and related expenses for the Board of Directors and Senior executives during the period ended September 30, 2022, and 2021:

	30 September 2022 (unaudited)	30 September 2021 (unaudited)
Salaries	2,254,056	2,287,894
Allowances	460,421	372,697
Compensation and other benefits	616,568	994,213
Board of directors and Committees expenses	81,150	99,176
	<u>3,412,195</u>	<u>3,753,980</u>

14. RELATED PARTY TRANSACTION (CONTINUED)

14/2-Related party transactions

During the period, some transactions were conducted with related parties in accordance with the terms and commercial principles followed with third parties. Pricing policies and terms of these transactions are approved by the Group's management.

The following are details of the significant transactions with related parties during the two periods ending September 30:

	Nature of relation	Nature of transaction	Net amount of transactions	
			30 September 2022 (unaudited)	30 September 2021 (unaudited)
Qutrob Company for Production	Associate	Current account	134,658	-
J Walter Thompson MENA	Associate	Production Contracts	363,977	-
United Advertising Company	Associate	Current account	3,450	-

14/3- Due from related parties

	30 September 2022 (unaudited)	31 March 2022 (audited)
Qutrob Company for Production	164,664	299,322
J Walter Thompson MENA	1,081,631	717,654
	<u>1,246,295</u>	<u>1,016,976</u>

14/4- Due to a related party

	30 September 2022 (unaudited)	31 March 2022 (audited)
United Advertising Company	4,381,729	4,385,179
	<u>4,381,729</u>	<u>4,385,179</u>

15. REVENUES FROM CONTIUED OPERATIONS

Distribution of revenue from customers by type of product/service:

	For the six-month period ended	
	30 September 2022 (unaudited)	30 September 2021 (unaudited)
Revenues from sale of educational Materials	20,031,959	20,766,938
Travel convenience products, food and beverages	15,716,417	8,643,216
Revenue from production of specific media content for clients	9,073,004	13,481,454
Advertising & other services	2,791,949	2,881,276
Bookstores sales	10,473	344,102
Total revenue from contracts with customers from continued operations	<u>47,623,802</u>	<u>46,116,986</u>

Geographical markets

	For the six-month period ended	
	30 September 2022 (unaudited)	30 September 2021 (unaudited)
KSA	47,623,802	46,116,986
Total revenue from contracts with customers from continued operations	<u>47,623,802</u>	<u>46,116,986</u>

15. REVENUES (CONTINUED)

Timing of revenue recognition	For the six-month period ended	
	30 September 2022 (unaudited)	30 September 2021 (unaudited)
Recognised at a point in time	44,831,853	43,235,710
Recognised over a period of time	2,791,949	2,881,276
Total revenue from contracts with customers from continued operations	47,623,802	46,116,986

16. OTHER INCOME, NET:

	Note	For the six-month period ended	
		30 September 2022 (unaudited)	30 September 2021 (unaudited)
Rental concessions*	5	1,963,174	215,713
Settlement of unclaimed credit balances		-	918,074
Profit from investment in Murabaha fund and deposits		35,793	141,073
Gain on disposal of property and equipment		-	15,651
Forex exchange gain/ (losses)		28,306	(7,792)
Other income and expenses, net		182,060	95,832
		2,209,333	1,378,551

* Represents rent concessions earned from lease contracts. The Group used the exception in accordance with the amendment to the lease standard by recording it in the interim condensed consolidated statement of profit or loss

17. ZAKAT PAYABLE

Zakat for the parent company and its subsidiaries was calculated in accordance with the regulations issued by the Zakat, Income and Customs Authority in the Kingdom of Saudi Arabia.

Parent company

- During the fiscal year ending on March 31, 2021, the parent company received the adjusted Zakat assessments from the Zakat, Income and Customs Authority for the years ending on March 31, 2015 until March 31, 2019, and a provision against the adjusted assessment differences was recorded in the consolidated statement of profit or loss for the year in the financial statements ended on March 31, 2021, and the parent company also objected to those assessments before the General Secretariat of the Zakat, Tax and Customs Committees after the company's objection was rejected by the Zakat, Income and Customs Authority.
- During the year ending on March 31, 2022, the General Secretariat of Zakat, Tax and Customs issued a decision to revoke Zakat, Income and Customs Authority revised assessment to amend the company's declaration for the financial year ending on March 31, 2015. Accordingly, the company reversed the provision booked against the adjusted assessment for the year, which amounted to 2,096,038 SR in the consolidated statement of profit or loss for the fiscal year ending on March 31, 2022. The Zakat, Income and Customs Authority has submitted an appeal against the decision, and no decision was issued on the appeal by the General Secretariat of the Zakat, Tax and Customs Committees until the date of approval of these interim condensed consolidated financial statements.
- During the period ended September 30, 2022, the General Secretariat of Zakat, Tax and Customs rejected the company's objection to the adjusted assessments for the years ending on March 31, 2016 until March 31, 2019 and the Company has submitted an appeal against the decision, and no decision was issued on the appeal by the General Secretariat of the Zakat, Tax and Customs Committees until the date of approval of these interim condensed consolidated financial statements.

17. ZAKAT PAYABLE (CONTINUED)

Parent company (continued)

- During the year ending on March 31, 2022, the parent company received the amended Zakat assessment by the Zakat, Income and Customs Authority for the year ending on March 31, 2020, the difference between the revised assessment and the company's declaration is an amount of 429,609 SR was fully provided for in the books. The company has objected before the General Secretariat of the Zakat, Tax and Customs Committees on the items that were not accepted by the Zakat, Income and Customs Authority in the company's objection, and no decision was issued in the company's objection by the General Secretariat of Zakat, Tax and Customs until the date of approving these interim condensed consolidated financial statements.

Material subsidiaries that are subject to the regulations issued by the Zakat, Income and Customs Authority:

Tihama Modern Bookstores Company

- Tihama Modern Bookstores Company has not submitted its zakat returns since its establishment, knowing that the management of the subsidiary company calculated zakat provisions annually, during the period the company received zakat assessments from the Zakat, Income and Customs Authority for the years ending on December 31, 2011, until December 31, 2019. The total value of the differences based on the adjusted assessments for the provision recorded in the books amounted to 3,540,123 Saudi Riyals, and a provision against it has been recorded in the consolidated statement of profit or loss for the fiscal year ended March 31, 2021, and the company has also objected to these assessments before the General Secretariat of the Tax Committees after the company's objection was rejected by the Zakat, Income and Customs Authority. During the year ending on March 31, 2022, a decision was issued by the General Secretariat of the Zakat, Tax and Customs Committees rejecting the company's objection to the amended assessment for the years ending on December 31, 2017, 2018, and the company submitted an appeal against the committee's decision and no decision was issued on the appeal by the Secretariat The general zakat, tax and customs duties up to the date of approval of these interim condensed consolidated financial statements.
- During the period ended September 30, 2022, a decision was issued by the General Secretariat of the Zakat, Tax and Customs Committees rejecting the company's objection to the amended assessments for the years ending on December 31, 2011 until 2017, and the financial year ending on December 31, 2019, and the company submitted an appeal against the decision before the Secretariat General for Zakat, Tax and Customs Committees and no decision was issued on the appeal until the date of approval of these interim condensed consolidated financial statements.
- During the period ending on September 30, 2022, the Zakat, Income and Customs Authority issued an assessment for the fiscal year ending on December 31, 2020, and the company submitted an objection to the Authority's decision before the Zakat, Tax and Customs Authority after the Zakat, Income and Customs Authority rejected the company's objection No decision was issued regarding the company's objection by the General Secretariat of the Zakat, Tax and Customs Committees until the date of the approval of these consolidated interim condensed financial statements.

Tihama Distribution Company:

The company submitted its zakat returns until the fiscal year ended on December 31, 2021, to the Zakat, Tax and Customs Authority and paid the zakat due from the reality of its zakat returns.

- During the fiscal year ending on March 31, 2022, Tihama Distribution Company received the revised Zakat assessment by the Zakat, Tax and Customs Authority for the year ended December 31, 2015. The total value of the differences based on the revised assessment amounted to 357,242 SR, and a provision for it has been recorded in the consolidated statement of profit or loss for the year ended on March 31, 2021. The company also objected to the assessment before the General Secretariat of the Zakat, Tax and Customs Committees after the company's objection was rejected by the Zakat, Tax and Customs Authority. Subsequent to the financial position date, the company's objection was rejected by the General Secretariat of Zakat, Tax and Customs and the Company will file an appeal on the General Secretariat decision.

17. ZAKAT PAYABLE (CONTINUED)

Material subsidiaries that are subject to the regulations issued by the Zakat, Income and Customs Authority (continued):

Tihama Distribution Company (continued)

- During the year ending on March 31, 2022, Tihama Distribution Company received the amended zakat assessment from the Zakat, Tax and Customs Authority for the years ending on December 31, 2016, 2017. The total value of the differences based on the revised assessment amounted to 564,653 SR, and a provision against it has been recorded in the consolidated statement of profit or loss for the year ended March 31, 2022. The company also objected to these assessments before the General Secretariat of the Zakat, Tax and Customs Committees after the company's objection was rejected by the Zakat, Tax and Customs Authority. Subsequent to the financial position date, the company's objection was rejected by the General Secretariat of Zakat, Tax and Customs and the Company will file an appeal on the General Secretariat decision.

Tihama Education Company

The company submitted the zakat declaration for the years since its establishment until December 31, 2021 and paid the zakat due from the reality of the Zakat declaration submitted by the company. The company received the Zakat certificate for the fiscal year ending on December 31, 2021, and the Zakat, Income and Customs Authority did not issue any assessments Amended on the company up to the date of approval of these consolidated financial statements.

Integrated production company for audio-visual media production

The company submitted the Zakat declaration for the years since its establishment until December 31, 2021 and paid the due Zakat from the reality of the Zakat declaration submitted by the company. The company received Zakat certificates for these years. The Zakat, Income and Customs Authority has not issued any modified assessments on the company until the date Approval of these consolidated financial statements.

17/1- The movement in Zakat provision for the period / year is as follows:

	30 September 2022 (unaudited)	31 March 2022 (audited)
Balance at the beginning of the period / year	29,905,822	30,259,701
Formed during the period / year	1,178,064	347,952
Paid during the period / year	(706,968)	(701,831)
Balance at the end of the period / year	30,376,918	29,905,822

18. SEGMENT INFORMATION

- The Group operates in seven main sectors, which include Advertising, Production, Distribution, Bookstores and Retail, Parent Company and Investments. The entire Group's business operations are concentrated in the Kingdom of Saudi Arabia. Operational decision makers evaluate the operating results of business units separately for the purpose of making decisions about resource allocation and performance assessment.

Advertising: comprises of the out of home lease of static and digital billboards to customers and providing other advertising services to customers

Production: comprises of production of specific media content to customers (Documentary films, short films, series, and ad commercials). This segment is also involved in production of movies to be shown in theatres

18. SEGMENT INFORMATION

Distribution: comprises of distribution of educational materials to educational institutions in Kingdom of Saudi Arabia

Retail and Bookstores: Comprises in sale of travel, convenience products, food and beverage and bookstores products. This segment operates in High Street stores, travel stores within airports, hospitals and shopping districts in KSA.

Holding and investments: Comprises of the parent company where most of Group investments lies as well as the Group's management. This segment also includes all other small subsidiaries that are non-operating.

The following segments have been aggregated in these consolidated financial statements, as follows:

Retail and Bookstores: this segment comprises in sale of Travel, convenience products, food and beverages and bookstores products and has been aggregated based on similarity of products and operations and class of customers.

Holding and Investments: This segment has been aggregated as it does not have external customer or products and includes the Group investments and management.

The Senior Management monitor 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 revenues and income and is measured consistently with income in the consolidated financial statements. Transfer prices between operating segments are at cost to avoid inter-segment gains.

Tihama for Advertising, Public Relations and Marketing Company
(Saudi Joint Stock Company)
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18. SEGMENT INFORMATION (CONTINUED)

The following table presents the revenue and profit / (losses) information for the operating segment from continued operations as at September 30, 2022:

	Advertising	Production	Distribution	Retail and Bookstores	Holding and investments	Total	Adjustments and eliminations	Total
Revenue from external customers	2,791,949	9,073,004	20,031,959	15,726,890	-	47,623,802	-	47,623,802
Inter-segment	-	100,213	-	-	-	100,213	(100,213)	-
Total revenues	2,791,949	9,173,217	20,031,959	15,726,890	-	47,724,015	(100,213)	47,623,802
Gross segment profit	1,560,414	858,051	7,645,053	8,632,543	-	18,696,061	-	18,696,061
Segment (loss) /profit	(378,672)	(769,389)	3,636,499	(4,921,189)	(5,870,551)	(8,303,302)	-	(8,303,302)
Discontinued operations loss	-	-	-	-	-	-	-	(1,447,995)
Net loss for the period	-	-	-	-	-	-	-	(9,751,297)

The following table presents the revenue and profit / (losses) information for the operating segment from continued operations as at September 30, 2021:

	Advertising	Production	Distribution	Retail and Bookstores	Holding and investments	Total	Adjustments and eliminations	Total
Revenue from external customers	2,881,276	13,481,454	20,766,938	8,987,318	-	46,116,986	-	46,116,986
Inter-segment	-	-	-	-	-	-	-	-
Total revenues	2,881,276	13,481,454	20,766,938	8,987,318	-	46,116,986	-	46,116,986
Gross segment (loss)/profit	(689,126)	2,223,643	6,591,700	4,083,281	-	12,209,497	-	12,209,497
Segment (loss) / profit	(4,413,684)	(276,866)	1,646,237	(7,903,240)	(4,780,067)	(15,727,620)	-	(15,727,622)
Discontinued operations loss	-	-	-	-	-	-	-	(3,989,436)
Net loss for the period	-	-	-	-	-	-	-	(19,717,058)

Inter-segment revenues

-Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column

-The Group has decided that all inter-company revenues will be at individual segment cost price accordingly inter-segment sales does not have an effect on the Group gross (loss) / profit and net (loss) / profit.

Tihama for Advertising, Public Relations and Marketing Company
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18. SEGMENT INFORMATION (CONTINUED)

The following table presents total assets and total liabilities information for the Group's operating segments as at 30 September 2022:

	<u>Advertising</u>	<u>Production</u>	<u>Distribution</u>	<u>Retail and Bookstores</u>	<u>Holding and investments</u>	<u>Total</u>	<u>Adjustments and eliminations</u>	<u>Total</u>
Assets	17,398,471	13,442,473	59,354,505	85,560,580	134,777,440	310,533,469	(84,624,337)	225,909,132
Liabilities	42,626,116	20,930,398	52,405,010	128,148,662	70,023,650	314,133,836	(84,624,337)	229,509,499

The following table presents total assets and total liabilities information for the Group's operating segments for the year ended 31 March 2022:

	<u>Advertising</u>	<u>Production</u>	<u>Distribution</u>	<u>Retail and Bookstores</u>	<u>Holding and investments</u>	<u>Total</u>	<u>Adjustments and eliminations</u>	<u>Total</u>
Assets	19,143,238	11,384,860	29,065,824	113,970,185	144,721,580	318,285,687	(107,515,070)	210,770,617
Liabilities	45,165,806	18,103,398	26,435,266	154,191,655	68,026,006	311,922,131	(107,515,070)	204,407,062

- Finance cost, investment properties, property, plant and equipment depreciation charges, change in fair value gains and losses on financial assets, zakat, financial assets and liabilities are allocated to individual segments directly.

19. BASIC AND DILUTED EARNING / (LOSS) PER SHARE

To comply with IAS 33 endorsed in the kingdom of Saudi Arabia. The weighted average number of shares for the two periods ended September 30, 2022, and September 30, 2021, was reached by taking the effect of the capital decrease from the beginning of the nearest presented period. The basic / diluted loss per share was calculated by dividing the net loss for the period attributable to ordinary shareholders of the Parent company by the weighted average number of ordinary shares outstanding during the period. Loss per share was calculated for the period ended on September 30, 2022, and the period ended on September 30, 2021, by dividing the net loss for each period by the weighted average number of shares outstanding at the end of each period. Diluted earning / (loss) per share is the same as basic profit / (loss) per share as the Group has neither convertible securities nor dilutive financial instruments to exercise.

	For the Three-month period ended		For the six-month period ended	
	30 September 2022 (unaudited)	30 September 2021 (unaudited)	30 September 2022 (unaudited)	30 September 2021 (unaudited)
Profit / (loss) from continued operations for the period	194,450	(5,791,363)	(6,284,485)	(15,377,581)
Net loss from continued operations for the period	(1,767,390)	(6,197,662)	(8,303,302)	(15,727,622)
Net loss for the period	(2,386,406)	(8,100,687)	(9,520,240)	(19,629,596)
Weighted average number of shares during the period	5,000,000	5,000,000	5,000,000	5,000,000
Basic and diluted earnings / (loss) per share from profit / (loss) from discontinued operations for the period	0.04	(1.16)	(1.26)	(3.08)
Basic and diluted loss per share from continued operations for the period	(0.35)	(1.24)	(1.66)	(3.15)
Basic and diluted loss per share from net loss for the period attributable to shareholders of parent company	(0.48)	(1.62)	(1.9)	(3.93)

There were no potentially diluting shares outstanding at any time during the period, and accordingly diluted earnings / (losses) per share equal the basic earnings / (loss) per share.

20. DISCONTINUED OPERATIONS

On 9 May 2022 An agreement was signed between Aventus Global Trading a 100% owned subsidiary, operating in the United Arab Emirates and Nextbite Trading (a Company registered in the UAE) to sell various assets and transfer various obligations related to the transfer of the business operations on an ongoing basis of Aventus.

- The value of the transaction is AED 3.7 million in cash, of which AED 0.7 million will be used to pay part of the company's obligations in accordance with the agreement with the buyer. In addition, Aventus' inventory will be sold to Nextbite at cost value at the date of completion of the transaction.

-The transaction represents the transfer of assets and liabilities related to the business operations of Aventus Global Trading, which operates in the retail sector in the United Arab Emirates and operates branches in Dubai, Abu Dhabi and Sharjah for the sale of books, stationery, magazines, newspapers, entertainment products, confectionery and accessories.

-The transfer to Nextbite will include franchise agreements, property and equipment for branches, projects under construction and inventory, as well as the transfer of future obligations for branch leases and the dues to contractors for assets under construction. The employees of Aventus will transfer to Nextbite together with their employment.

20. DISCONTINUED OPERATIONS (CONTINUED)

-Subsequent to the date of the statement of financial position and in October 2022, the necessary approvals from stakeholders and related bodies were completed to complete the process of transferring concession rights and lease contracts (note 3/1/4), and accordingly, after the date of the financial position, the process of transferring assets was started And the obligations related to the business operations of Aventus Global Trading Company and the procedures for selling the company's stock to the buyer (Nextbite Trading Company).

-The carrying amount of transferred assets and liabilities depends on the actual date when the transfer of each asset or liability is executed.

-The financial impact of the transaction cannot be reliably determined at this time, as it depends on the actual date of executing the transfers of assets, liabilities, and inventory of the company.

21. CONTINGENT LIABILITIES AND COMMITMENTS

Contingent legal claims

-There are some cases filed against the parent company and some of the Group's subsidiaries, during the normal course of business and are currently being litigated.

- During the year ended March 31, 2022, a judgment was issued in favor of one of the Municipalities, ordering the company to pay an amount of 1 million Saudi riyals for the rental and exploitation of advertising sites (recorded in the accounting records, a maturity of 0.5 million SR), and the company submitted a request to set aside the judgment, which has not yet been decided up to the date of approval of these interim condensed consolidated financial statements.

-During the year ended on March 31, 2022, a lawsuit was filed by the General Authority for Competition, which included accusing the company of violating the competition law. The company believes, based on the opinion of its legal advisor, that the case should be dismissed due to insufficient evidence of any violation.

Contingent Zakat claims

During the year ending on March 31, 2022, the General Secretariat of Zakat, Tax and Customs issued a decision to cancel the decision of the Zakat, Income and Customs Authority to amend the company's declaration for the financial year ending on March 31, 2015 and accordingly the company reversed the provision formed against the adjusted assessment for the year, which amounted to 2,096,038 SR In the consolidated statement of profit or loss for the fiscal year ending on March 31, 2022. The Zakat, Income and Customs Authority has submitted an appeal against the decision, and no decision has been issued in the appeal by the General Secretariat of the Zakat, Tax and Customs Committees until the date of approval of these interim condensed consolidated financial statements.

Letter of Guarantees

The contingent commitments outstanding on the Group from letter of guarantees as at September 30, 2022, March 31, 2022 comprise the following:

	30 September 2022 (unaudited)	31 March 2022 (audited)
Letters of guarantee *	<u>11,661,277</u>	<u>15,104,020</u>

21. CONTINGENT LIABILITIES AND COMMITMENTS (CONTINUED)

Letter of Guarantees (continued)

* Cash margin for letters of guarantee as at September 30, 2022, amounting to 11,506,049 SR is included in trade receivables and other debit balances - Note 9 (March 31, 2022 amounting to SAR 9,757,161).

-The Cash Margin for letters of guarantee include a cash margin with a local bank of 88,704 SR as on September 30, 2022 (88,704 SR as at March 31, 2022), as part of a non-cash facilities agreement to issue guarantees and credits (note 12).

-The above letters of guarantee include letters of guarantee issued under non-cash bank facility agreements amounting to 591,130 SR as at September 30, 2022 (5,526,213 SR as at March 31, 2022) (Note 12).

22. MATERIAL LAWSUITS -PROVISIONS AND CONTINGENT ASSETS

22/1 Material lawsuits filed against the company that include provisions against them

-During the year ending on March 31, 2022, a judgment was issued in favor of one of the municipalities to seize the funds of Tihama Advertising, Public Relations and Marketing Company, within the limits of the amount of indebtedness claimed by the municipality, amounting to 1,820,621 SR for advertising lease dues (trade and other credit balances include provision for the claim -note 13). The company has submitted a request to revoke the judgment, and no decision has been issued by the Supreme Administrative Court in the request to set aside the judgment until the date of approval of these interim condensed consolidated financial statements.

-The previous cases do not include a contingent liability on the Group, as it has recorded in the book's liabilities against these cases.

-Legal cases involving a contingent liability were disclosed in Contingent liabilities and commitments.

22/2 Material lawsuits filed by the company

-During the year ended March 31, 2022, the company filed a lawsuit with the General Secretariat of Committees for Resolution of Securities Disputes regarding the company's private right against some members of the previous Board of Directors who managed the company during the period from September 26, 2009 to September 25, 2015, and no decision was issued by the General Secretariat of Committees for Resolution of Securities Disputes in the company's lawsuit until the date of approval of these interim condensed consolidated financial statements.

-During the year ending on March 31, 2022, the parent company filed a lawsuit before the Administrative Court against the Riyadh Municipality, to claim compensation in the amount of 15,637,910 SR in addition to the amount of 10% of the value of what is required for attorney fees, the company filled the lawsuit against Riyadh municipality to demand compensation for the damage caused to the advertising billboards owned by it and which were removed by the defendant in a way that led to the occurrence of damage to the assets. A preliminary ruling was issued by the Administrative Court rejecting the company's claim for compensation, and the company has submitted an appeal against the preliminary verdict before the Administrative Court of Appeal, no judgment was issued on the company's appeal until the date of the approval of these interim condensed consolidated financial statements.

-During the year ending March 31, 2022, the parent company filed a compensation claim against the former company manager and partner in the associate company in the United Arab Emirates, and a preliminary ruling was issued in favor of the company by the Dubai Courts of First Instance to obligate Mr. Nasser bin Saleh Al Sarami to pay Tihama Advertising and Relations General and Marketing AED 3,825,733 in addition to the legal interest at the rate of 5% from the date of the judicial claim until full payment, and obligating the Kenaen General Trading Company to pay to Tihama Advertising, Public Relations and Marketing an amount of AED 1,217,925 in addition to the legal interest of 5% from the date of the legal claim until full payment.

22. MATERIAL LAWSUITS -PROVISIONS AND CONTINGENT ASSETS (CONTINUED)
22/2 Material lawsuits filed by the company (continued)

A final judgment was issued in favor of the company by the Dubai Courts of Appeal after the appeal was rejected. Subsequent to the date of the financial position, the cassation submitted against the judgment by the company's former manager was rejected, and accordingly, the judgment issued in favor of the company became final and enforceable.

- No contingent assets have been recorded in these condensed consolidated interim financial statements against the law suits filed by the company, as it is not reliably possible and because there is no practical way to estimate the financial impact that may result from them.

23. COMPARTIVE FIGURES

Certain comparative figures have been reclassified to conform with the presentation of the current period and in accordance with the requirements of International Financial Reporting Standard No. "5", non-current assets held for sale and discontinued operations (note 20).

23/1 Adjustments to the comparative interim condensed consolidated profit and loss statement for the three months period ended September 30, 2021, as a result of above reclassifications:

	Three Month Period ended 30 September 2021 (before reclassification)	Reclassifications as a result of discontinued operations (note 20)	Reclassifications to conform with the presentation of current period	Three Month Period ended 30 September 202 (after reclassification)
Revenues from continued operations	34,986,291	(2,761,863)	-	32,224,42
Cost of revenues	(24,006,674)	1,436,080	-	(22,570,594)
Gross profit	10,979,617	(1,325,783)	-	9,653,83
Operating Expenses				
Selling and marketing expenses	(12,137,921)	3,172,661	1,398,082	(7,567,178)
General and administrative expenses	(6,552,438)	-	(1,398,082)	(7,950,520)
Other income, net	103,049	(30,548)	-	72,50
Profit / (loss) from continued operations for the period	(7,607,693)	1,816,330	-	(5,791,363)
Non-operating revenues /(expenses)				
Finance cost	(860,309)	197,837	-	(662,472)
Share of results from associate companies	1,237,520	-	-	1,237,52
Loss from continued operations for the period before zakat	(7,230,482)	2,014,166	-	(5,216,316)
Zakat	(981,346)	-	-	(981,346)
Net loss from continued operations for the period	(8,211,828)	2,014,166	-	(6,197,662)
Discontinued operations				
Loss for the period from discontinued operations	-	(2,014,166)	-	(2,014,166)
Net loss for the period	(8,211,828)	-	-	(8,211,828)

23. COMPARTIVE FIGURES (CONTINUED)

23/1 Adjustments to the comparative interim condensed consolidated profit and loss statement for the six months period ended September 30, 2021, as a result of above reclassifications:

	Three Month Period ended 30 September 2021 (before reclassification)	Reclassifications as a result of discontinued operations (note 20)	Reclassifications to conform with the presentation of current period	Three Month Period ended 30 September 2021 (after reclassification)
Revenues from continued operations	51,321,024	(5,204,038)	-	46,116,986
Cost of revenues	(36,580,161)	2,672,672	-	(33,907,489)
Gross profit	14,740,863	(2,531,366)	-	12,209,497
Operating Expenses				
Selling and marketing expenses	(20,981,642)	6,300,211	-	(14,681,431)
General and administrative expenses	(14,284,198)	-	-	(14,284,198)
Other income, net	1,622,193	(243,642)	-	1,378,551
Profit / (loss) from continued operations for the period	(18,902,784)	3,525,203	-	(15,377,581)
Non-operating revenues / (expenses)				
Finance cost	(1,708,731)	464,233	-	(1,244,498)
Share of results from associate companies	2,680,138	-	-	2,680,138
Loss from continued operations for the period before zakat	(17,931,377)	3,989,436	-	(13,941,941)
Zakat	(1,785,681)	-	-	(1,785,681)
Net loss from continued operations for the period	(19,717,058)	3,989,436	-	(15,727,622)
Discontinued operations				
Loss for the period from discontinued operations	-	(3,989,436)	-	(3,989,436)
Net loss for the period	(19,717,058)	-	-	(19,717,058)

22. APPROVAL ON CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved by the Board of Directors on 14 Rabi' al-Thani 1444 H (corresponding to 8 November 2022).