TIHAMA FOR ADVERTISING, PUBLIC RELATIONS AND MARKETING COMPANY
(UNDER FINANCIAL REORGANIZATION PROCEDURES)
(SAUDI JOINT STOCK COMPANY)
CONSOLIDATED FINANCIAL STATEMENTS TOGETHER WITH INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED MARCH 31, 2023

Tihama for Advertising, Public Relations and Marketing Company
(Under financial reorganization procedures)
(Saudi Joint Stock Company)
Consolidated Financial Statements
Together with Independent Auditor's Report
For the Year Ended March 31, 2023

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Al Kharashi & Co.
Certified Accountants and Auditors
Sahab Tower-Alttakhassusi Street
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P.O Box 8306, Riyadh 11482

Independent Auditor's Report

To the **Shareholders of Tihama for Advertising, Public relations and Marketing Company**
(A Saudi Joint Stock Company)

Independent Auditor's Report

Qualified Opinion

We have audited the consolidated financial statements of **Tihama for Advertising, Public relations and Marketing Company** ("the Company") and its subsidiaries referred to together as the "Group", which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, which include the notes to the consolidated financial statements, a summary of significant accounting policies and other explanatory information.

In our opinion, and with the exception of the potential impacts which could be necessary if we received the data referred to in the (Basis for Qualified Opinion) paragraph in our report below, the accompanying consolidated financial statements presents fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2023, its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Auditors and Accountants ("SOCPA").

Basis for qualified opinion

As shown in note (6/1) about the attached consolidated financial statements for investments in associate company using the equity method in the attached consolidated financial statements, which indicates that the group's investment in J Walter Thompson MENA, an associate company that was acquired in previous years, which was accounted for using the equity method based on financial statements prepared by the company's management in the amount of SAR 20,043,000 in the group's consolidated statement of financial position as at March 31, 2023, and the group's share of the company's comprehensive income was included above based on financial statements prepared by the company's management, amounting to a profit of SAR 3,841,875 in the group's consolidated statement of profit or loss for the year then ended, and amounting to other comprehensive loss SAR 242,933 in the group's consolidated statement of other comprehensive income for the year then ended. We were unable to obtain sufficient audit evidence directly or through alternative audit procedures regarding the Group's investment balance in the above company as at 31 March 2023, as well as the Group's share of the net comprehensive loss of the above company for the same period, and accordingly we were not able to determine whether It is necessary to make any adjustments to these amounts.

We conducted our audit in accordance with International Standards on Auditing endorsed in the Kingdom of Saudi Arabia (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the code of professional conduct and ethics, endorsed in the Kingdom of Saudi Arabia, that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report (continued)

Material uncertainty relating to going concern

We draw attention to note (2/4) to the consolidated financial statements, which indicates that the group's accumulated losses amounted to approximately SAR 82.8 million with a percentage of 166% of the Company's share capital as at March 31, 2023 (March 31,2022: SAR 26.5 million with a percentage of 53% of the Company's share capital). Further, the Group's current liabilities exceeded its current assets by SAR 86.7 million as at March 31, 2023 (March 31,2022: SAR 50.3 million). Also, the Company has a negative operating cash flows amounting to SAR 11.9 million as at March 31, 2023 (March 31,2022: SAR 18.4 million). 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 consolidated financial statements have been prepared on the going concern basis. Our opinion on this matter has not been modified.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each key audit matter, a description of how our audit addressed the matter is set out below:

Key Audit Matters	Procedures taken towards the Key Audit Matters
Inventory: As at March 31, 2023, the Group's inventory balance amounted to SAR 30.3 million (March 31, 2022: SAR 45.5 million), which exceeded 34% of the total current assets and 20% of the total assets of the Group, (March 31, 2022: 39% of the total current assets and 22% of the total assets), and given the significance of the inventory balance, valuations and assumptions related to its obsolescence and decline in its value, this matter was considered a key audit matter. Please refer to note (3/15) on the accompanying consolidated financial statements for the accounting policy related to inventory and note (10) for disclosing matters related to inventory.	We have carried out the following procedures in connection with testing the presence and valuation of inventory: • Attending physical inventory count carried out by the group's management. • Evaluating the design and effectiveness of the internal control procedures for the inventory accounting cycle. • Testing the valuation of inventory measurement at cost price or net realizable value, whichever is lower. • Evaluating the appropriateness and adequacy of disclosures related to inventory in the consolidated financial statements.

Independent Auditor's Report (continued)

Key Audit Matters (continued)

Key Audit Matters	Procedures taken towards the Key Audit Matters
Revenue recognition: During the year ended 31 March 2023, the group's revenue amounted to SAR 81.9 million (31 March 2022: SAR 76.4 million). The Group continues to be under pressure to meet goals and expectations which may lead to misstatements in revenue. Revenue recognition is a key audit matter because there is a risk that management may override controls to misrepresent revenue transactions. Please refer to note (3/27) on the accompanying consolidated financial statements for the accounting policy related to revenue from contracts with customers and note (20) for disclosing matters related to revenues from continuing operations.	We have performed the following procedures regarding revenue recognition: • Evaluating the appropriateness of the accounting policies related to the revenue recognition of the Group by taking into consideration the requirements of IFRS 15 as endorsed in the Kingdom of Saudi Arabia "Revenue from Contracts with Customers". • Evaluating the design, implementation and testing of the operational effectiveness of the Group's control procedures, including the control procedures to prevent fraud when recognizing revenue in accordance with the Group's policy. • Testing sales transactions, on a sample basis, and perform cut-off tests of revenue made at the beginning and end of the year to assess whether the revenue has been recognized in the correct period. • Testing revenue transactions, on a sample basis, and verifying supporting documents, which included receipts signed by customers, to ensure the accuracy and validity of revenue recognition.
Trade receivables: As at 31 March 2023, the Group recognized an allowance of impairment on trade receivables of SAR 17.9 million (31 March 2022: SAR 12.6 million). The Group's allowance of impairment on trade receivables are based on management's estimate of the lifetime expected credit losses to be incurred, which is estimated by taking into account the credit loss experience, ageing of trade receivables, customers' repayment history and customers' financial position and an assessment of both the current and forecast general economic conditions. All of which involve a significant degree of management judgement. We have identified allowance of impairment on trade receivables as a key audit matter because recognition of loss allowance is inherently subjective and requires significant management judgement, which increases the risk of error or potential management bias. Please refer to note (3/16) on the attached accompanying consolidated financial statements for the accounting policy related to trade receivables and other debit balances, and note (11) on disclosing matters related to trade receivables and other receivable balances.	Our audit procedures to assess allowance of impairment on trade receivables included the following: • Assessing the design and implementation of management's key controls relating to credit control, debt collection and estimation of expected credit losses; • Assessing, on a sample basis, whether items in the trade debtors' ageing report were classified within the appropriate ageing bracket by comparing individual items in the report with underlying documentation, which included sales invoices and goods delivery notes; • Obtaining an understanding of the key parameters and assumptions of the expected credit loss model adopted by the management, including historical default data and management's estimated loss rates; • Assessing the reasonableness of management's loss allowance estimates by examining the information used by management to form such judgements, including testing the accuracy of the historical default data and evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information; and • Inspecting, on a sample basis, cash receipts from customers subsequent to the financial year end relating to trade receivables balances as at 31 March 2023 with bank statements and relevant remittance documentation.

Independent Auditor's Report (continued)

Other information included in the Group's annual report for the year ended 31 March 2023

Management is responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 March 2023, other than the consolidated financial statements and the auditor's report thereon, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover other information, and we do not and will not express any form of assurance conclusion thereon. In our audit of the consolidated financial statements, it is our responsibility to read the information described above. In doing so, we consider whether the other information is not materially consistent with the financial statements or knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information of the Group for the year ended on March 31, 2023, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation for the consolidated financial statements in accordance with IFRSs and the applicable requirements of the regulations for Companies and Company's By-laws, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's consolidated financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtaining sufficient appropriate audit evidence regarding the financial information of the entities or commercial activities within the group, to express an opinion on the consolidated financial statements. We are responsible for directing, supervising, and implementing the group review process. We remain solely responsible for the audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For Al-Kharashi Co.

Abdullah S. Al Misned
License No. (456)

Riyadh:
Dhu al-Hijjah 4, 1444 AH
June 22, 2023 G

Tihama For Advertising, Public Relations and Marketing Company
(Under financial reorganization procedures)
(Saudi Joint Stock Company)
Statement of consolidated Financial Position
As of March 31, 2023
(All amounts are in Saudi Riyal unless otherwise stated)

	Note	31 March 2023	31 March 2022 (Restated)
Assets			
Non-Current Assets			
Property and equipment, net	4	5,388,150	12,657,283
Right-of-use assets, net	5 1	30,814,983	40,579,838
Investment in associate companies using equity method	6	22,970,062	34,912,054
Financial assets designated at fair value through other comprehensive income	7	-	428,363
Trade receivables and other debit balances, net	11	990,210	-
Intangible assets, net	8	135,002	135,002
Investment properties at cost, net	9	-	2,809,227
Total Non-Current Assets		**60,298,407**	**91,521,767**
Current Assets			
Inventory, net	10	30,255,601	45,485,087
Trade receivables and other debit balances, net	11	27,814,049	36,296,463
Due from Related parties	19 3	141,473	1,016,976
Cash and cash equivalents	12	29,997,918	34,570,382
Total Current Assets		**88,209,041**	**117,368,908**
Total Assets		**148,507,448**	**208,890,675**
Equity and Liabilities			
Equity			
Share capital	13	50,000,000	50,000,000
Accumulated losses		(82,798,638)	(26,546,570)
Employees defined benefit obligations re-measurement reserve		(2,065,629)	(1,911,687)
Other reserves	14	(22,695,163)	(15,168,117)
Total Equity attribute to Shareholder of the Parent Company		**(57,559,430)**	**6,373,626**
Non-controlling interest	15	(3,043,024)	(1,890,013)
Total Equity		**(60,602,454)**	**4,483,613**
Non-Current Liabilities			
Long-term lease liabilities	5 2	29,162,506	30,603,321
Non-current portion Long-term loans	16	-	38,458
Employees' defined benefits obligations	17	5,056,817	6,140,345
Total Non-Current Liabilities		**34,219,323**	**36,782,124**
Current Liabilities			
Trade payables and other credit balances	18	104,362,923	93,084,730
Due to a related party	19 4	-	4,385,179
Current portion of long-term lease liabilities	5 2	13,165,564	19,870,896
Short term loan	16	20,751,481	20,222,331
Current portion of long-term loans	16	-	155,980
Accrued Zakat	26	36,610,611	29,905,822
Total Current Liabilities		**174,890,579**	**167,624,938**
Total Liabilities		**209,109,902**	**204,407,062**
Total Equity and Liabilities		**148,507,448**	**208,890,675**

The accompanying notes from (1) to (37) form an integral part of these consolidated financial statements.

Tihama for Advertising, Public Relations and Marketing Company
(Under financial reorganization procedures)
(Saudi Joint Stock Company)
Statement of consolidated Profit or Loss
For the year ended 31 March 2023
(All amounts are in Saudi Riyal unless otherwise stated)

	Note	31 March 2023	31 March 2022
Revenues from continued operations	20	81,850,682	76,384,706
Cost of revenues	21	(50,213,845)	(61,151,863)
Gross profit		**31,636,837**	**15,232,843**
Operating Expenses			
Selling and marketing expenses	22	(36,213,662)	(30,714,464)
General and administrative expenses	23	(52,080,183)	(27,994,161)
Impairment loss in trade receivables and other debit balances, net	11/6	(5,288,322)	(999,333)
Other income, net	24	6,837,828	8,211,839
Loss from continued operations for the year		**(55,107,502)**	**(36,263,276)**
Non-operating (expenses)/revenues			
Finance cost	25	(2,105,420)	(3,313,896)
Share of results from associate companies	6/1/1	6,162,374	8,109,695
Loss from continued operations for the year before zakat		**(51,050,548)**	**(31,467,477)**
Zakat	26/1	(7,873,500)	(347,952)
Net loss from continued operations for the year		**(58,924,048)**	**(31,815,429)**
Discontinued operations			
Gain / (Loss) from discontinued operations for the year	30/2	**1,412,484**	**(5,903,930)**
Net loss for the year		**(57,511,564)**	**(37,719,359)**
Net loss for the year attribute to:			
Shareholders of the parent company		(56,354,216)	(35,499,986)
Non-Controlling interest		(1,157,348)	(2,219,373)
		(57,511,564)	**(37,719,359)**
Basic and diluted loss per share:	29		
Basic and diluted loss per share from loss from continued operations for the year		**(11.02)**	**(7.25)**
Basic and diluted loss per share from net loss from continued operation for the year		**(11.78)**	**(6.36)**
Basic and diluted loss per share from net loss for the year attributable to shareholders of the parent company		**(11.27)**	**(7.1)**

The accompanying notes from (1) to (37) form an integral part of these consolidated financial statements.

Tihama for Advertising, Public Relations and Marketing Company
(Under financial reorganization procedures)
(Saudi Joint Stock Company)
Statement of Consolidated Other Comprehensive Income
For the year ended 31 March 2023
(All amounts are in Saudi Riyal unless otherwise stated)

	Note	31 March 2023	31 March 2022
Net Loss for the year		(57,511,564)	(37,719,359)
Items of other comprehensive income that are not subsequently reclassified to Profit or Loss:			
Re-measurement for employees' defined benefit obligations	17	(47,457)	(602,892)
Items of other comprehensive income that may be subsequently reclassified to Profit or Loss:			
Share of foreign currency translation reserve in an associate	6/1/1	(242,933)	76,926
Loss of change in fair value of financial assets designated at fair value through other comprehensive income	7/3	(428,363)	-
Total other comprehensive loss for the year		**(718,753)**	**(525,966)**
Total comprehensive loss for the year		**(58,230,317)**	**(38,245,325)**
Total comprehensive loss for the year attribute to:			
Shareholder in parent company		(57,077,306)	(36,042,419)
Non-controlling interest	15	(1,153,011)	(2,202,906)
Total comprehensive loss for the year		**(58,230,317)**	**(38,245,325)**

The accompanying notes from (1) to (37) form an integral part of these consolidated financial statements.

Tihama for Advertising, Public Relations and Marketing Company
(Under financial reorganization procedures)
(Saudi Joint Stock Company)
Statement of Consolidated Changes in Equity
For the year ended 31 March 2023
(All amounts are in Saudi Riyal unless otherwise stated)

	Note	Share capital	Accumulated losses	Employees defined benefit obligations re-measurement reserve	Other reserves	Total Equity Attribute to Shareholder of the parent Company	Non-Controlling interest	Total equity
Balance as of April 1, 2021 as previously stated		175,000,000	(114,166,642)	(1,292,328)	(15,245,043)	44,295,987	312,893	44,608,880
Prior years restatement from an associate company	34	-	(1,879,942)	-	-	(1,879,942)	-	(1,879,942)
Balance as of April 1, 2021 (restated)		175,000,000	(116,046,584)	(1,292,328)	(15,245,043)	42,416,045	312,893	42,728,938
Net loss for the year		-	(35,499,986)	-	-	(35,499,986)	(2,219,373)	(37,719,359)
Other comprehensive loss for the year		-	-	(619,359)	76,926	(542,433)	16,467	(525,966)
Total comprehensive loss for the year		-	(35,499,986)	(619,359)	76,926	(36,042,419)	(2,202,906)	(38,245,325)
Capital reduction	13	(125,000,000)	125,000,000	-	-	-	-	-
Balance as of March 31, 2022 (restated)		50,000,000	(26,546,570)	(1,911,687)	(15,168,117)	6,373,626	(1,890,013)	4,483,613
Balance as of April 1,2022 as previously stated		50,000,000	(24,666,628)	(1,911,687)	(15,168,117)	8,253,568	(1,890,013)	6,363,555
Prior years restatement from an associate company	34	-	(1,879,942)	-	-	(1,879,942)	-	(1,879,942)
Balance as of April 1, 2022 (restated)		50,000,000	(26,546,570)	(1,911,687)	(15,168,117)	6,373,626	(1,890,013)	4,483,613
Net loss for the year		-	(56,354,216)	-	-	(56,354,216)	(1,157,348)	(57,511,564)
Other comprehensive loss for the year		-	-	(51,794)	(671,296)	(723,090)	4,337	(718,753)
Total comprehensive loss for the year		-	(56,354,216)	(51,794)	(671,296)	(57,077,306)	(1,153,011)	(58,230,317)
Employees defined benefit obligations re-measurement reserve for discontinued operations recycled to accumulated losses		-	102,148	(102,148)	-	-	-	-
Share of the effect of associate acquisition of non-controlling interests in an associate company	14-2	-	-	-	(6,855,750)	(6,855,750)	-	(6,855,750)
Balance as of March 31,2023		50,000,000	(82,798,638)	(2,065,629)	(22,695,163)	(57,559,430)	(3,043,024)	(60,602,454)

The accompanying notes from (1) to (37) form an integral part of these consolidated financial statements.

Tihama for Advertising, Public Relations and Marketing Company
(Under financial reorganization procedures)
(Saudi Joint Stock Company)
Statement of consolidated Cash Flows
For the year ended 31 March 2023
(All amounts are in Saudi Riyal unless otherwise stated)

	Note	31 March 2023	31 March 2022
Cash flows from operating activities			
Loss from continued operations for the period before zakat		(51,050,548)	(31,467,477)
Net gain / (loss) from discontinued operations for the year before zakat	30.2	1,412,484	(5,903,930)
Adjustment for non-cash item			
Depreciation of property and equipment	4	2,805,487	6,466,902
(Gain)/ loss on disposal of property and equipment		(307,612)	301,611
Depreciation of right of use assets	5.1	10,964,625	17,797,656
Lease concessions	5.2	(3,863,266)	(7,959,949)
Gain from Lease contracts termination and novation	5.2	(834,435)	-
Amortization of intangible assets	8	-	53,085
Depreciation of Investment Properties	9	78,957	157,483
Gain on disposal of investment properties	9	(1,508,977)	-
Share of results from associate companies using equity method	6.1.1	(6,162,374)	(8,109,695)
Impairment in inventory	10.2	22,580,110	4,026,057
Impairment loss in trade receivables and other debit balances	11.6	5,298,097	1,155,088
Reversal of impairment in trade receivables and other debit balances	11.6	(9,775)	(155,755)
Write-off receivables and other debit balances	23	278,788	-
Net gain on disposal of discontinued operations	30	(1,484,557)	-
Provision for employees' defined benefits obligations	17	1,288,998	1,423,702
Finance cost		2,637,025	4,100,353
		(17,876,973)	**(18,114,869)**
Changes in working capital			
Inventory, net		(7,350,623)	(3,718,735)
Trade receivables and other debit balances, net		3,895,739	2,487,636
Due from related parties		1,106,781	(929,240)
Trade payables and other credit balances		11,278,193	1,592,269
Due to a related party		-	3,315,164
Employees' defined benefits obligations paid	17	(1,747,908)	(2,364,328)
Zakat paid	26.1	(1,168,711)	(701,831)
Net cash flows used in operating activities		**(11,863,502)**	**(18,433,934)**
Cash flows from investing activities			
Additions to property and equipment	4	(517,469)	(3,040,462)
Net proceeds from disposal of property and equipment		1,216,781	173,756
Net proceeds from disposal of discontinued operations assets and liabilities	30	2,451,226	-
Net proceeds from disposal of investment properties	9	4,239,247	-
Dividends received from associate companies		6,851,782	3,143,296
Additions to Investment in associate companies using equity method	6.1.1	-	(5,000)
Additions to intangible assets	8	-	(100,000)
Net cash flows generated from investing activities		**14,241,567**	**171,590**
Cash flows from financing activities			
Loans paid	16.4	(194,438)	(3,150,785)
Proceeds from Loans	16.4	-	3,000,000
Repayment of lease liabilities	5.2	(6,245,681)	(6,116,362)
Finance cost paid		(510,410)	(1,743,481)
Net cash flows used in financing activities		**(6,950,529)**	**(8,010,628)**
Net change in cash and cash equivalents		(4,572,464)	(26,272,972)
Cash and cash equivalents at the beginning of the year		34,570,382	60,843,354
Cash and cash equivalents at the end of the year	12	**29,997,918**	**34,570,382**

The accompanying notes from (1) to (37) form an integral part of these consolidated financial statements.

(All amounts are in Saudi Riyal unless otherwise stated)

Supplementary information for the statement of cash flows for the year ended March 31, 2023:

	Note	31 March 2023	31 March 2022
Significant non-cash transactions:			
Net additions to right of use asset and lease liability	5.2	(1,199,770)	(20,972,311)
Change in foreign currency translation reserve	6.1.1	242,933	(76,926)
Transfer from property and equipment to other debit balances		-	(4,310,433)
Capital reduction	13	-	(125,000,000)
Transfer from due from related parties to investments in associate company	6.1.1	(231,279)	(87,735)
Finance cost of lease liability during the year	5.3	1,597,465	2,134,542
Effect of associate companies' acquisition of non-controlling interests in an associate company	6.1.1	6,855,750	-
Change in employees defined benefits re-measurement reserve		153,942	602,892
Employees defined benefits re-measurement reserve for discontinued operations recycled to accumulated losses		102,148	-
Change in the fair value of financial assets at fair value through other comprehensive income	7.3	428,363	-
Lease modifications	5.2	-	5,089,254
Settlement of due to related party with dividends from associate company	19.4	(4,385,179)	-
Accrued loans finance cost		529,150	222,331

The accompanying notes from (1) to (37) form an integral part of these consolidated financial statements.

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 12/02/1412H (corresponding to 3/6/1992) and according to the company's incorporation system. The parent company also invests in companies which carry out similar businesses in accordance with the Company By-Laws.
- The Company's head office is in Riyadh as of March 31, 2023, 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 consolidated financial statements include the financial statements of the parent company and its subsidiaries (collectively referred to as the Group) as of March 31, 2023. Refer to note 3/2/5 for a statement of the subsidiaries and the Group's contribution in its capital.

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENT

2/1- Statement of compliance:

- These consolidated financial statements have been prepared in accordance with International Financial Reporting Standard "IFRS" issued by the International Accounting Standards Board ("IASB"), that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by Saudi Organization for Certified Public Accountants ("SOCPA")
- 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 March 31, 2023, accordingly, there is no change in the accounting policy for the measurement of these assets.

2/2- Basis of measurement:

The financial statements have been prepared on the historical cost basis except for (financial instruments 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 consolidated financial statements are presented in Saudi Riyal, which is the Group's functional currency.

2/4- Going concern:

The 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 SR 82.8 million as of March 31, 2023, which is 166% of the company's capital as of March 31, 2023 (March 31, 2022: SR 26.5 million which is 53% of the company's share capital).
- The Group's current liabilities exceeded its current assets by approximately SR 86.7 million as of March 31, 2023 (March 31,2022: SR 50.3 million).

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

2/4- Going concern (Continued):

- The Group also has negative cash flows from operating activities in the amounted to of SR 11.9 million as of March 31, 2023 (March 31, 2022: SR 18.4 million).

Thus, the accumulated losses exceeded half of the company's capital, and according to the text of Article 132 of the Companies Law, if the joint-stock company's losses amounted to half of the issued capital, the Board of Directors must disclose that and its recommendations regarding those losses within Sixty days from the date of his knowledge that it has reached this amount, to invite the Extraordinary General Assembly to a meeting within one hundred and eighty days from the date of knowledge of this to consider the continuation of the company while taking any of the necessary measures to treat or resolve these losses.

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.

On December 7, 2022, the Commercial Court in Riyadh issued a ruling accepting the parent company's request to open a financial reorganization procedure and appointing Mr. Osamah Al-Sudais as trustee for the procedure and granting the company a period of one hundred and fifty days from the date of opening the procedure to prepare a proposal to pay creditors.

According to the financial reorganization procedures, all claims against the company are suspended for a period of one hundred and eighty days from the date of recording the application for the opening or opening of the procedure. All execution requests and orders issued against the company by its creditors.

Subsequent to the date of the financial position on April 2, 2023, the extraordinary general assembly of shareholders approved the recommendation of the parent company's Board of Directors to increase the company's capital by an amount of SR 350 million by way of rights issue, and on May 4, 2023, the subscription process was completed and the unsubscribed shares were sold for the entire increase that was approved by the general assembly (Note 36).

- Subsequent to the date of the financial position, and on June 14, 2023, a decision was issued by the competent department of the Commercial Court approving the extension of the deadline for preparing a proposal to pay creditors according to the financial reorganization procedures of the parent company, for a period of 150 days (Note 36).

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.

The Group finalized preparation of the strategy and investment and business plans for the upcoming years, which will be based on expanding in the current main activity sectors and exiting from companies that realize losses. Part of this plan has been implemented by disposing the assets and liabilities of commercial operations to Aventus Global Trading - a subsidiary (Note 30), and subsequent to the financial position date, the Group's investment in Qutrob for Audio and Visual Media Production Company - an associate company (Note 36) was disposed of.

The plan includes using part of the proceeds of the proposed capital increase in settling the obligations owed by the group companies, especially those for which final judgments have been issued that are binding on the group companies.

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

2/4- Going concern (continued):

The Board has also reviewed the base case plans for future years along with a comparison of the budget with actual results for the current year. In the ordinary course of business, considering that:

A- The group's cash banking facilities are secured by cash coverage or assets in excess of the value of the facilities (Note 16).

B- The current liabilities include a provision for zakat of approximately 36.6 million SR, part of which is still not definitively owed by the group, as until the date of approval of these consolidated financial statements, no final decisions have been issued in this regard by the General Secretariat of the Zakat, Tax and Customs Committees. The company has objected to the amendments of the Zakat, Income and Customs Authority before it (Note 26).

C- The plan to use the proceeds of the company's capital increase by 350 million SR includes using part of the proceeds to pay current obligations of the group, including the obligations issued by final binding court rulings on the group's companies.

D- Completion of the capital increase process by an amount of 350 million SR, subsequent to the date of the financial position.

E - The company's submission to financial reorganization procedures, which includes suspending claims against the company.

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

2/5- Significant accounting estimates and judgments

The preparation of the consolidated financial statements requires management to use judgments, estimates and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, income and expenditures recorded. Such estimates and judgments are evaluated on an ongoing basis based on past experience and some other factors, including expectations of future events that are believed to be reasonable according to the circumstances and data, and as a result, they form the basis for making judgments about the carrying amounts of assets and liabilities that are not visible from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are examined on the basis of the going concern concept. A review of accounting estimates is included in the period in which the estimates are examined, if the examination affects only that period or in the review period and future periods if the examination affects both current and future periods.

2/5/1 When applying the Group’s accounting policies, the management made assumptions and estimations for uncertainties, which are important to the consolidated financial statements:

A- Impairment of accounts receivable and other debit balances

Accounts receivable and other receivables are stated at amortized cost which is reduced by provisions related to the estimated non-recoverable amounts. The estimated non-recoverable amounts are based on the ages of the receivables and historical experience adjusted appropriately for future projections. Individual trade receivables are written off when management believes that they cannot be collected.

B- Provision of slow-moving inventory

Inventories are valued at cost or net realizable value whichever is lower. Adjustments are made to reduce the cost of goods to their realizable value based on an estimate made at each financial period, if necessary. The Group management determines the estimation of the slow-moving inventory amount. Factors that influence these adjustments include changes in demand and physical deterioration.

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

2/5- Significant accounting estimates and judgments (Continued)

C- Measurement of defined benefit liabilities

The Group's net obligation in respect of defined benefit programs is calculated by estimating the value of future benefits that employees received in exchange for their service in the current and prior periods. These obligations are discounted to determine their present value and the fair value of any assets is discounted.

The present value of the obligation is determined based on the actuarial valuation at the consolidated statement of financial position date by an independent expert using the unit projected credit method which recognizes each service period as leading to an additional unit of employee benefits and measures. The liability is measured at the present value of the estimated future cash flows. The discount rates used to determine the present value of the obligation under the defined benefit plan are determined by reference to the yield on US bonds (since the Riyal is pegged to the US dollar), adjusted for any additional risks.

2/5/2 When applying the Group's accounting policies, the management made the following judgments and estimates, which are important to the consolidated financial statements:

A- Determination of whether the Group or a part thereof is acting as a principal or agent

The principles of IFRS 15 revenue from customer contracts are applied by identifying each specific good or service pledged to the customer in the contract and assessing whether the company retains control over the specified good or service before transferring it to the customer. This evaluation requires significant judgment based on specific facts and circumstances.

B- Significant judgements in determining the lease term for contracts that include renewal options:

The Group defines the lease term as the irrevocable term of the lease, together with any periods covered by the option to extend the lease if that right can reasonably be exercised, or any periods covered by the option to terminate the lease, if it is reasonably certain that it will not exercise this right.

C- Significant Judgements in the application IFRS 15:

Determining the transaction price

The Group is required to determine the transaction price in respect of each of its contracts with customers. In making such judgement the Group assesses the impact of any variable consideration within the contract. In determining the variable consideration, the Group uses the “most-likely amount” method whereby the transaction price is determined by reference to the single most likely amount in a range of possible consideration amounts.

Determining the timing of satisfaction of performance obligations

The Group has concluded that revenues for advertising and other services are to be recognised over time because the customer simultaneously receives and consumes the benefits provided by the Group.

The Group has determined that the output method is the best method in measuring delivery progress of advertising and other services, using the basis of direct measurements of the value to the customer of the services transferred to date relative to the remaining services promised under the contract, as this meets the criteria set for transfer of performance obligation when we deliver the service to customer. We recognize revenues only when we deliver the service to the customer and he accepts the service provided, which satisfies the conditions set for possibility of the inflow of economic benefits as reliable measurement of revenues as per the services rendered and accepted by the customer.

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

2/5- Significant accounting estimates and judgments (Continued)

2/5/2 When applying the Group's accounting policies, the management made the following judgments and estimates, which are important to the consolidated financial statements (Continued):

Determining the timing of satisfaction of performance obligations (continued)

Revenue from Production and the sale of goods are recognized at a point in time because the customer does not simultaneously receive and consume the benefits provided by the Group. In practice the Group records revenues when we deliver the goods. The change of control over goods is satisfied when we deliver goods to customers accordingly the risk of defect and loss is transferred to customer at that point in time.

Determination of whether the Group or a part of it is acting as a principal or agent

The principles of IFRS 15 revenue from customer contracts are applied by identifying each specific good or service pledged to the customer in the contract and assessing whether the company retains control over the specified good or service before transferring it to the customer. This evaluation requires significant judgment based on specific facts and circumstances.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these consolidated financial statements are in accordance with the International Financial Reporting Standards as adopted in Saudi Arabia and other standards and others issued by the Saudi Organization of Chartered Accountants

3/1 NEW STANDARDS OR AMENDMENTS TO STANDARDS AND INTERPRETATIONS

The Group applied for the first-time certain standards and amendments, which are relevant to the Group and are effective for annual periods beginning on or after April,1,2023 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3/1/1 Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Group cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. These amendments had no impact on the consolidated financial statements of the Group as there were no onerous contracts identified.

3/1/2 Reference to the Conceptual Framework – Amendments to IFRS 3

The amendments replace a reference to a previous version of the IASB’s Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential ‘day 2’ gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3/1NEW STANDARDS OR AMENDMENTS TO STANDARDS AND INTERPRETATIONS (Continued)

3/1/2 Reference to the Conceptual Framework – Amendments to IFRS 3 (continued)

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the consolidated financial statements of the Group as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.

3/1/3 Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

In accordance with the transitional provisions, the Group applies the amendments retrospectively only to items of PPE made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment (the date of initial application).

These amendments had no impact on the consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

3/1/4 Standards issued but not yet effective

The new standards and interpretations that are issued and relevant for the Group, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are elaborated below. These standards will be adopted by the Group when they become effective.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

The amendment to IAS 1 'Financial Statements' elaborates the requirements for classifying liabilities as current or non- current. The amendments clarify:

what is meant by a right to defer settlement;
that a right to defer must exist at the end of the reporting period;
what classification is unaffected by the likelihood that an entity will exercise its deferral right; and
what only if an embedded derivative in a convertible liability is itself an equity instrument
would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The amendment will not affect the Group's classification of current and non-current liabilities.

Definition of Accounting Estimates - Amendments to IAS 8

The IASB has issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed. The amendments are not expected to have a material impact on the Group.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3/1NEW STANDARDS OR AMENDMENTS TO STANDARDS AND INTERPRETATIONS (Continued)

3/1/4 Standards issued but not yet effective (Continued)

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

The amendments aim to help entities provide accounting policy disclosures that are more useful by:
Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies; and
Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and the nature of them.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

These amendments to IAS 12 narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively.
The amendment is not expected to affect deferred tax position of the Group.

3-2 BASIS OF CONSOLIDATION

The 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 March 31, 2023. 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 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 takes into account 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3-2 BASIS OF CONSOLIDATION (continued)

The Group performs a reassessment to ascertain whether or not 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 which relates 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. In the event that 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.

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 balance 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.

3/2/1- 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 in the associate. The investment in associates is accounted for according to the equity method after initial recognition of cost of investment.

3/2/2- 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3-2 BASIS OF CONSOLIDATION (continued)

3/2/2- EQUITY METHOD (continued)

The 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 as 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.

3/2/3- 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.

3/2/4- Business combinations and goodwill

Accounting for business combinations is done using the acquisition method. The cost of an acquisition is measured by the total consideration value transferred, which is measured at the fair value at the acquisition date and the amount of non-controlling interest in the acquiree. For each business combination, the Group measures the non-controlling interest in the acquiree at fair value or at the proportionate share of the identifiable net assets of the acquiree. Acquisition costs incurred are expensed and included in administrative expenses. In the event that the combination is achieved in stages, the retained part of the acquired company is calculated at fair value, the difference is recorded in the profit and loss account.

When the Group acquires a business, the financial assets and liabilities that have been undertaken are estimated for the appropriate classification and allocation according to the contractual terms, economic conditions and conditions prevailing at the date of the acquisition. This includes the separation of derivatives included in other financial instruments in the main contracts by the acquiring company.

Any future contingent liability by the buyer will be added to the fair value at the date of acquisition. All contingent liabilities (except for those classified as equity) are measured at fair value and changes in fair value are accounted for in profit and loss. Contingent liabilities classified as equity are not reassessed or settled, and any subsequent payments are accounted for on an equity basis.

(All amounts are in Saudi Riyal unless otherwise stated)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3-2 BASIS OF CONSOLIDATION (continued)

3/2/4- Business combinations and goodwill (continued)

Originally, goodwill is measured at cost (being the difference between the total consideration transferred and the amount of non-controlling interests recognized, and any interests held, less the net identifiable assets acquired and liabilities assumed). In the event that the fair value of the net assets acquired exceeds the total consideration transferred, the Group reassesses to ensure that it has correctly identified all the assets acquired and all liabilities that have been transferred, and reviews the procedures used to measure the amounts to be recognized on the date of acquisition. If this reassessment still results in an increase in the fair value of net assets acquired over the total consideration transferred, then the profits are recognized in the statement of consolidated profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of testing for impairment, goodwill acquired in the combination from the date of the acquisition is allocated on the basis of the Group's cash-generating unit that is expected to benefit from the business combination regardless of other assets or liabilities. The acquiring company of these units considers, the "cash generating unit" is the smallest Group of assets that generate cash inflows from continuous use and are largely independent of the cash flows from other assets or Groups. The cash-generating unit is consistently identified from period to period for the same assets or types of assets unless a change is justified.

3/2/5- Subsidiaries and the Group's contribution to their capital

				Company share% Direct and indirect	
Name of subsidiary company	**Country**	**Activity**	**Capital**	**31 March 2023**	**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	Road 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 ended 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 ended 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3-2 BASIS OF CONSOLIDATION (continued)

3/2/5- Subsidiaries and the Group's contribution to their capital (continued)

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 SR 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 SR, noting that the company did not commence activities until the date of preparing the consolidated financial statements.

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 SR, initially owned 35%. During the financial year ended 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 SR. 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 SR 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 represented 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 trading Co. included 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 transferred to Nextbite Trading Co. together with their employment.

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

On October 4, 2022, the necessary approvals were obtained from stakeholders and relevant bodies to complete the process of transferring franchise rights and lease contracts, and accordingly, the subsidiary transferred the trademark franchise agreement, in addition to the assets and liabilities subject of the transaction, including private property and equipment. Branches, projects under implementation, inventory, automated systems, future obligations related to branch rental contracts from the date of completion of the deal, dues of contractors of projects under implementation related to branches, and company employee entitlements. (Note 30).

G) During the year ended March 31, 2020, the parent company contributed to the establishment of Nassaj Al Khayial Company for Audio-visual Media Production - a limited liability company with a capital of 100,000 SR, 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 consolidated financial statements as a subsidiary.

H) During the year ended 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 SR was recognized directly in the consolidated statement of profit or loss for the financial year ended March 31, 2021.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3-2 BASIS OF CONSOLIDATION (continued)

3/2/6 Consolidated financial statements report date.

The consolidated 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 subsidiary companies starts on the first of January of each calendar year and ends on the 31st of December of the same year, with the exception of Aventus Global Trading Company, where the fiscal year for it begins on the first April of each calendar year and ends on March 31 of the following year. The financial statements of the subsidiaries were consolidated on the basis of the financial statements for the period ending March 31 as a result of the existence of material events and transactions between January 1 to March 31.

3/3- LEASE CONTRACTS

Group as lessee

Upon initiation of a contract, the company assesses whether the contract contains lease arrangements. With regard to such lease arrangements, the company recognizes the right to use assets and lease liabilities, with the exception of short-term leases and low-value asset contracts as follows:

A) Right of use assets:

The Group recognizes the right to use the assets on the date of commencement of the lease contract (the date the underlying asset becomes available for use). Right-to-use assets are measured at cost, less any accumulated impairment losses and aggregate depreciation, and adjusted for any re-evaluation of the lease liability. Right-to-use cost of assets includes the amount of the lease liability recognized, initial direct costs incurred, and lease payments made on or before the commencement date minus any lease incentives received. Unless the Group is reasonably certain that ownership of the leased asset will be acquired at the end of the lease term. The right to use the assets recognized on a straight-line basis is amortized over the estimated useful life or the lease term, whichever is shorter. The right to use asset is subject to impairment reviews.

B) Lease liabilities:

On the date of the commencement of the lease contract, the Group recognizes the lease liability measured at the present value of the lease payments to be made over the term of the lease. Rent payments comprise fixed payments (including embedded fixed payments) minus rental incentives receivable, variable rental payments that are index or rate based and amounts expected to be paid under residual value guarantees. The lease payments may also include the purchase option exercise price that is reasonably certain to be exercised by the Group and the termination penalty payment, if the lease agreement reflects that the Group exercises the termination option. Variable lease payments that do not depend on an index or rates are recognized as an expense in the period in which the event or condition that fulfils the payment requirement occurs.

In computing the present value of lease payments, the Group uses the borrowing rate at the lease commencement date if the rate of return implicit in the lease is not easily determined. After the lease commencement date, the amount of the lease liability is increased to reflect the accumulation of financial expenses and the reduction of the lease payments made.

The book value of the lease liability is re-measured if there is an amendment or change in the lease term, a change in the fixed rental payments, or a change in the valuation of the contracted asset purchase.

The main assumptions used for the purposes of computing the present value of lease payments are as follows:

Discount rate for cash flows:	4-8%

C) Short-term leases:

The Group applies the exemption granted on short-term leases to such leases (that is, those leases whose lease term is 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as an expense on a straight-line basis over the term of the lease.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3/3- LEASE CONTRACTS (CONTINUED)

D) Significant judgements in determining the lease term for contracts that include renewal options:

The Group defines the lease term as the irrevocable term of the lease, together with any periods covered by the option to extend the lease if that right can reasonably be exercised, or any periods covered by the option to terminate the lease, if it is reasonably certain that the Group will not exercise this right.

Group as a lessor

When the Group is a lessor, it determines, at the commencement of the lease, whether the lease is a finance lease or operating lease.

To classify each lease, the Group performs an overall assessment of whether the lease substantially transfers all risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease, otherwise it is an operating lease. As part of this assessment, the Group considers specific indicators such as whether or not the lease term is for the majority of the economic life of the underlying asset.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term in the consolidated statement of profit or loss.

3/4- INVESTMENT PROPERTIES

Investment properties are measured at cost. The fair value is determined based on an annual evaluation by an accredited and independent external value, by applying the valuation method recommended by the Standards Committee of the International Valuation Standards Board.

Construction work in progress is stated at cost less impairment losses, if any. Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any. This cost includes the cost of replacing parts of the property, plant and equipment and borrowing costs related to long-term construction projects, if the recognition criteria are met. If significant parts of property and equipment are to be replaced in stages, the Company depreciates those parts independently over its useful lives. Conversely, when a major inspection is performed, its cost is recognized in the carrying amount of property and equipment as a replacement if the recognition criteria are met. All other repair and maintenance costs are recognized in the statement of profit or loss when incurred. The present value of the expected cost of removing an asset after its use is included in the cost of the relevant asset if the recognition criteria are met.

Investments in real estate held for leasing incomes or for increase in their capital value, or both, as opposed to either being sold in the ordinary course of business or for use in production or for administrative purpose are not used to generate sales revenue through normal business operations. Investments in real estate are initially recognized at cost and the cost model is used for measurement after recognition (post-measurement).

Real estate investments are derecognised in case of sale or disposal or transferred to development real estate. Any gain or loss resulting from de-recognition of the property is immediately recognized in the statement of consolidated profit or loss.

Profits or losses from the sale or transfer of investment properties that represent the difference between the net sale proceeds and the book value are included in the statement of profit or loss in the period in which the sale / disposal takes place, except for those related to sale and lease back arrangements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3/5- PROPERTY AND EQUIPMENT

3/5/1- Recognition and measurement

Property and equipment is measured at cost after deducting the accumulated depreciation and accumulated depreciation loss, if any, with the exception of land and construction work in progress.

Cost includes expenditures that are directly attributable to the acquisition of the assets and the cost of self-built assets includes the cost of materials and direct labor and any other costs directly attributable to getting the assets to the condition in which they are operated, the costs of dismantling and removing the materials and returning the site in which they are located and any capitalized borrowing costs.

The profit or loss from the sale of an item of property and equipment is determined by comparing the proceeds from the sale with the carrying value of property and equipment and is stated net in the statement of consolidated profit or loss.

3/5/2- Derecognition

An item of property and equipment is derecognised when it is sold or when future economic benefits are not expected to flow from its use or sale. Gains or losses arising from derecognition of an item of property and equipment are included in the statement of consolidated profit or loss.

3/5/3- Post-acquisition costs

The cost of replacing a component of an item of property and equipment is recognized at the carrying amount of the item when it is probable that future economic benefits will flow to the Group and that their cost can be measured reliably and the carrying value of the replaced component is derecognised. The cost of providing day-to-day service for property and equipment is taken to the statement of consolidated profit or loss as incurred.

3/5/4- Depreciation

Depreciation is based on the cost of assets minus their residual value. The significant components of individual assets are estimated, and if there is a component that has a useful life that differs from the rest of that asset, then that component is depreciated independently.

Depreciation is recorded in the consolidated statement of profit or loss using a straight-line method over the estimated useful life of each component of an item of property and equipment. Depreciation methods, useful lives and residual value are examined at the date of each consolidated financial position and adjusted whenever appropriate.

Depreciation of the asset begins when it is available for use, and its depreciation stops on the date on which the asset is classified as held for sale or its cease to be utilised whichever is earlier.

Improvements to buildings to leased land and buildings established on leased land are depreciated over their useful economic lives or the unexpired lease period, whichever is shorter.

The following are the estimated useful lives of the current and comparative periods:

Buildings 5-33 year	Computers 4-8 year
Equipment 5-20 year	Vehicles 4-5 year
Advertising boards and equipment 3 - 10 years	Furniture 4-10 year
Building on rental land - based on lease term	

Regular maintenance and repair expenses that do not materially prolong the estimated useful life of an asset are included in the consolidated statement of profit or loss when incurred. Major renovations and improvements, if any, are capitalized, and any assets that have been replaced are excluded from the books.

3/6- BORROWING COST

Borrowing costs that are directly attributable to the acquisition, creation or production of qualifying assets and which necessarily take a substantial period of time to prepare for their intended use or sale, are capitalized as part of the cost of the relevant asset. All other borrowing costs are charged to the consolidated statement of profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3/7- INTANGIBLE ASSETS

- Intangible assets with finite lives are amortized over their economic useful lives and are reviewed whenever there is an indication that a decrease in their value may occur. The period and method of amortization of intangible assets that have a specific useful life are reviewed at least once at the end of each financial period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embedded in the asset, are accounted for by changing the amortization period or method, as appropriate and are treated as changes in accounting estimates. The amortization expense of intangible assets with finite lives is included in the consolidated statement of income in an expense category consistent with the use of the intangible assets.
- Intangible assets that do not have specific useful lives are not amortized, but they are tested annually to ensure that there is no impairment in their value, either individually or at the level of the cash-generating unit. The indefinite useful life is reviewed annually to ensure that the estimate made for it is still correct, and if it is otherwise, the change in the useful life from indefinite to finite is made on a probability of occurrence.
- Profits and losses arising from de-recognition of an intangible asset are measured by the difference between the net sale proceeds and the book value of the asset and are included in the consolidated statement of profits and losses when the asset is derecognised.

3/8- FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

3/9- NON-DERIVATIVE FINANCIAL ASSETS

- Accounts and other receivables and deposits are initially recognized on the date in which they are originated. All other financial assets are initially recognized on the trade date on which the Group becomes a party to the contractual provisions of the financial instrument.
- Non-derivative financial assets include investments in quoted securities, other accounts and receivables, and cash at banks.

3/10 - FINANCIAL ASSETS

3/10/1- Initial recognition and measurement

- The Group determines the classification of its financial assets upon initial recognition. The classification depends on the nature of the Group's business to manage the financial assets and the contractual terms of the cash flows.

Classification

Financial assets are classified into the following measurement categories:

A- Those that are subsequently measured at fair value (either through consolidated comprehensive income, or through consolidated profit or loss).

B- Those measured at amortization cost.

For assets measured at fair value, gains and losses are recorded in the consolidated statement of profit or loss or consolidated statement of comprehensive income. In relation to equity investments, this depends on whether the Group has chosen the method for the initial recognition of the equity investments at fair value through consolidated total comprehensive income.

3/10/2- Measurement

On initial recognition, the Group measures the financial assets at fair value, including if the financial asset is not recognised at fair value through profit or loss, costs incurred directly attributable to the acquisition. The costs of purchasing financial assets are recorded in the consolidated statement of profit or loss at fair value and are recognized as an expense if incurred.

Debt instrument

The subsequent measurement of debt instruments depends on the nature of the Group's use of the assets and the cash flows resulting from the use of that asset. The Group classifies debt instruments at amortized value based on the following:

A- The asset is kept within the business activity in order to obtain contractual cash flows,

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3/10 - FINANCIAL ASSETS (continued)

Debt instrument (continued)

B - The contractual terms clarify specific dates for cash flows, which are principal and interest payments calculated on the amount outstanding.

Amortized cost is calculated after taking into account any discount or premium on purchase and fees or costs that are an integral part of the effective interest rate. Employee and shareholder loans to joint venture companies are stated at amortized cost.

Equity instrument

If the Group chooses to present the fair value method for gains and losses from equity investments in the consolidated statement of comprehensive income, then the fair value gains or losses will not be reclassified subsequently in the consolidated statement of profit or loss. Dividends from these investments are recognized in the consolidated statement of profit or loss as other income when the Group's right to receive payment is established. There is no requirement to account for impairment of equity investments measured at FVOCI. Changes in the fair value of financial assets are recognized as profit or loss in the statement of consolidated profit or loss.

3/10/3- DERECOGNITION OF FINANCIAL ASSETS

The Group derecognises a financial asset when the contractual rights to cash flows expire or upon transfer of the financial asset and the risks and benefits associated with its ownership to another party. If the Group does not transfer or retain all of the risks and rewards of owning the asset and continues to control the transferred asset, the Group recognizes its retained interest in the related assets and liabilities for the amounts that it may have to pay. If the Group retains all risks and rewards of the excluded asset, then the Group continues to recognize the financial asset and also recognizes the guaranteed borrowing of the returns received.

3/10/4- Impairment in value of financial assets

- The Group applies the expected credit loss model (ECL) to measure and prove the loss of impairment in the value of financial assets and exposure to credit risk for debt instruments and it is measured at amortized cost such as loans, deposits and receivables.
- Expected credit losses are a weighted estimate of the probability of credit losses (that is, the present value of all cash deficits) divided by the expected life of the financial asset. Cash shortages are the difference between the cash flows due according to the contract and the cash flows that the Group expects to receive. Expected credit losses take into account the amount and timing of payments and consequently credit losses arise even if the Group expects to receive the payment in full but later than the due date specified in the contract. The ECL method requires an assessment of the credit risk, default and timing of collection since the initial recognition. This requires that an expected credit loss allowance is recognized in the consolidated statement of profit or loss as well as for newly created or acquired receivables.
- The decline in the value of financial assets is measured by either 12-month expected credit losses or expected credit losses over the life of the asset, depending on whether there has been a significant increase in credit risk since the creation of the asset. 12-month ECL represents expected credit losses arising from default events that may be possible within 12 months after the end of the financial year. Life expectancy of credit losses represent any expected credit losses that would arise from all possible events of delinquency over the expected life of the financial asset.
- Accounts receivables are short-term and usually due in less than 12 months. Therefore, the credit loss allowance is calculated in a manner that does not differ from the 12-month period, which is the expected life of the receivables. The Group uses the practical method in IFRS 9 (“Financial Instruments”) to measure expected credit losses for receivables using a provision matrix based on the ages of receivables.
- The Group uses past and historical experiences and loss rates based on the basis of the past 36 months, where historical loss rates are adjusted to reflect information on current conditions and future expectations of future economic conditions. The loss rates differ based on the age of the receivables and are usually higher the older the receivables.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3/10 - FINANCIAL ASSETS (continued)

3/10/5- Income recognition

Interest income

For all financial instruments that are measured at amortized cost and interest-bearing financial assets, interest income is recognized using the effective interest rate, which is the rate that discounts estimated future cash receipts over the expected life of the financial instrument or a shorter period, to the net book value of the financial asset.

When the value of loans and receivables decreases, the Group reduces the carrying amount to the recoverable value, which is the estimated future cash flows discounted at the original interest rate of the instrument and books the discount as interest income. Interest income is recognized on financial assets that are impaired in value using the original interest rate.

Dividends distribution

Dividends received from financial instruments are recognized in the consolidated statement of profit or loss only when the right to receive the payments is established, and also when it is probable that future economic benefits associated with the dividend will flow, and can be measured accurately.

3/11- FINANCIAL LIABILITIES

3/11/1- Non-derivative financial liabilities

- All financial liabilities are recognized initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are offset and the net amount is included in the consolidated balance sheet when and only when there is a legal right for the Group to set off the amounts realized and when the Group has the intention to settle the assets with liabilities on a net basis or sell the assets and pay the liabilities simultaneously.
- Non-derivative financial liabilities include term loans, payables and other payables. These financial liabilities are initially recognized at fair value plus any transaction costs directly attributable to them. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the prevailing (effective) interest rate method. The Group derecognises a financial liability when the obligation specified in the contract is performed, cancelled or expires.

3/11/2- Derecognition of financial liabilities

The derecognition of a financial liability when the obligation specified in the contract is fulfilled, cancelled or expired, and when an existing financial liability is replaced by another liability from the same lender under substantially different terms, or the terms of the existing financial liability have been modified substantially. This replacement or amendment is treated as a cancellation of the original liability and recognition of the new liability. The differences in the relevant book value are included in the statement of consolidated profit or loss.

3/11/3- Offsetting the financial assets and liabilities

Financial assets and liabilities are offset and the net amount is included in the consolidated balance sheet when and only when there is a legal right for the Group to set off the amounts realized and when the Group has the intention to settle the assets with liabilities on a net basis or sell the assets and pay the liabilities simultaneously.

3/12- DECREASE IN THE VALUE OF NON-FINANCIAL ASSETS

- The Group evaluates the carrying value of the non-financial assets, excluding inventories, at each consolidated financial position date, to assess if there is any indication of impairment in their value. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and intangible assets with no specified useful lives are tested annually to see if there is impairment in their value. An impairment loss is recognized if the carrying amount of the asset or cash-generating unit exceeds its recoverable amount.
- A non-current asset is considered to be impaired if its book value is higher than its recoverable value. In determining an impairment loss, the Group compares the carrying amount of the non-current asset with the estimated undiscounted cash flow of the asset in use. In the event that the carrying value exceeds the undiscounted estimated cash flow of the asset in use, the Group estimates the present value of the estimated future cash flows of the asset. An excess of the carrying amount over the present value of the estimated future cash flows is considered an impairment loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3/12- DECREASE IN THE VALUE OF NON-FINANCIAL ASSETS (continued)

- An impairment loss is recognized immediately in the consolidated statement of profit or loss. If the impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable value, so that it does not exceed the carrying amount that would have been determined had no impairment loss been recognized in the asset's value in previous years. The reversal of an impairment loss is recognized immediately in the consolidated income statement.

3/13- INVESTMENTS

3/13/1- Investments in associates

- Associates are entities over which the Group exercises significant influence and are not subject to the control of the company. They are generally accompanied by an ownership interest of between 20% and 50% of the voting rights. The Group's investments in associates are accounted for using the equity method and are initially recognized at cost. The book value is increased or decreased to account for the share in the profit or loss of the investee company since the date of acquisition. The Group's investment in associates includes goodwill, which is identified on acquisition.
  If the ownership interest in an associate is reduced but significant influence is still retained, then only the proportional share of the amount previously recognized in the consolidated comprehensive income is reclassified to the income statement as appropriate.
- The Group's share in the post-purchase profit or loss is included in the consolidated statement of profit or loss, and its share in the post-purchase movement is included in the comprehensive income with a corresponding adjustment to the book value of the investment.
- If the Group's share of losses in an associate is equal or greater than in that associate, including any unsecured receivables, the Group will stop recognizing the additional losses unless it incurs a statutory or proven obligation for payments to be made on behalf of the associate.
- The Group determines, at the date of each consolidated financial position, whether there is any objective evidence of a decline in the value of the investment in the associate. In the event of such a decline, the Group calculates the amount of the decrease as a difference between the recoverable amount of the associate and its carrying value and recognizes the amount on the consolidated statement of profit or loss. Gains and losses arising from upstreaming and down streaming transactions between the Group and its associates are included in the Group's consolidated financial statements only to the extent of the investor's non owed interest in the associate. The accounting policies of the associates have been changed, as necessary, to ensure consistency with the policies applied by the Group.

3/13/2 INVESTMENT IN EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OCI

Upon initial recognition, the company can make an irrevocable decision (on an instrument-by-instrument basis) whereby the decision classifies investments in equity instruments at fair value through other comprehensive income. It is not permitted to classify these investments at fair value through other comprehensive income if they are held for trading.

A financial asset or a financial liability for trading is maintained in the following cases:

- is acquired or incurred primarily for the purpose of selling or repurchasing it in the near term;
- On initial recognition, this is part of a portfolio of specific financial instruments managed together and for which there is evidence of a true pattern of profit taking in the short term. or
- A derivative excluding a derivative of a financial guarantee or specific contract and an effective hedging instrument.

Investments in equity instruments are initially measured at FVOCI plus transaction costs.

Subsequently, it is measured at fair value with gains or losses arising from changes in fair value recognized in other comprehensive income and accumulated in other reserves. Gains or losses on equity instruments are never reclassified to the consolidated statement of profit or loss and no impairment is recognized in the consolidated statement of profit or loss. Investments in unlisted equities that were previously recorded at cost are now measured in accordance with IAS 39 at fair value. The accumulated profit or loss will not be reclassified to the statement of profit or loss on sale of investments.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3/13- INVESTMENTS (continued)

Dividends on these investments are recognized in the consolidated statement of profit or loss when the company's right to receive the dividend is established in accordance with IAS 18 endorsed in the Kingdom of Saudi Arabia, unless the dividends clearly represent a recovery of part of the cost of the investment.

Investment revaluation reserve includes the net cumulative change in the fair value of equity investments measured at FVOCI. When these financial instruments are eliminated, the amount accumulated in the fair value reserve is transferred to retained earnings.

3/14 - PROJECTS IN PROGRESS

The cost of project in progress consists of the contract value, the costs directly attributable to the development and equipping of the project assets to the site and condition to enable them to be operated for the purpose for which they were acquired. The costs of capital work in progress are transferred to categories of tangible assets and non-current intangible assets when they reach operating condition and are available for use. The carrying value of capital work in progress is reviewed to see if there is a decline in its value when events or changes in circumstances indicate that the carrying value may not be recoverable. In the event that such indication exists and when the book value exceeds the estimated recoverable value, the asset value is reduced to the recoverable value.

3/15 – INVENTORY

Inventories are valued at cost or net realizable value, whichever is lower. Cost is determined on a weighted average basis. Net realizable value is the price at which it can be sold in the normal business cycle after cost is allowed to be realized and, as appropriate, the cost of transferring from its current state to its terminal state. A provision is made for aging, slow moving, and defective inventory, when necessary.

Goods in transit are recorded based on the cost of the goods received.

3/15/1 – PROVISION FOR SLOW MOVING AND OBSOLETE INVENTORIES

Inventories are valued at cost or net realizable value whichever is lower. Adjustments are made to reduce the cost of goods to their realizable value based on an estimate made at each financial period, if necessary, at the product level in relation to the estimated surplus, obsolescence and low-value balances. Factors that influence these adjustments include changes in demand and physical deterioration. Accordingly, the necessary provisions are made and reviewed periodically and on an ongoing basis by the management in each financial period.

3/16- TRADE RECEIVABLES AND OTHER DEBIT BALANCES

Accounts receivable are initially recorded at the market value and are subsequently measured at amortized cost using the effective interest method minus the provision for impairment in the value of financial assets for decline in financial instruments. Refer to note 3/9.

3/17- SHORT-TERM DEPOSITS

Short-term deposits include deposits with banks and short-term investments that are more liquid, but not more than one year from the date of deposit.

3/18- CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the consolidated balance sheet comprise cash with local and foreign banks and financial institutions and cash on hand.

3/19- EMPLOYEES DEFINED BENEFITS LIABILITIES

Provision for employee benefit liabilities is provided for the period of their service as at the date of the consolidated statement of financial position The provision for employee benefit liabilities is monitored according to the expected unit method in accordance with International Accounting Standard No. (19) Employee benefits, taking into account the Saudi Labor Law. The provision is recognized based on the present value of the defined benefit obligation.

The present value of defined benefit obligations is calculated using assumptions of average annual rate of salary increase, average years of employment of employees and an appropriate discount rate. The probabilities used are calculated on a consistent basis for each year and reflect management's best estimates. The discount rate is based on the best available estimates of market returns currently available at the reporting date.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3/19- EMPLOYEE DEFINED BENEFIT OBLIGATION (CONTINUED)

Changes in accounting policies due to the revision of IAS 19

The amendments require the recognition of changes in the liabilities for defined benefits and fair value and the recognition of all accounting profits and losses directly through the consolidated statement of comprehensive income in order to reflect the net asset or liability of the company as recognized in the statement of consolidated financial position.

3/20- INTEREST ON LOANS

All term borrowings are initially recognized at the fair value of the consideration received plus transaction costs directly attributable to them. Commission-bearing term loans are subsequently measured at amortized cost using the prevailing commission rate method. Loan facility arrangement expense is recognized as the transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down.

3/21- TRADE PAYABLES AND OTHER CREDIT BALANCES

Liabilities are recognized for amounts to be paid in the future for supplies or services received, whether or not billed to the Group.

3/22- PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting expected future cash flows using a current pre-tax rate that reflects, when appropriate, current market assessments of time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Asset restoration	Restoration costs are provided at the present value of expected costs to settle the obligation using the estimated cashflow which are recognized as part of the cost of the particular asset. The cashflows are discounted at a current pre-tax rate that reflects the risks specific to the restoration liability. The unwinding of the discount is expensed as incurred and recognised in the consolidated statement of income as a finance cost. The estimated future cost of restoration is reviewed annually and adjusted as appropriate
Onerous contracts	A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on incremental costs necessary to fulfil the obligation under the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.
Restructuring	A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3/23- CONTINGENT LIABILITIES

Contingent liabilities are not recognized in the consolidated financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is unlikely to occur. Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

3/24- ZAKAT AND INCOME TAX

Zakat

The Company and its subsidiaries in the Kingdom of Saudi Arabia are subject to Zakat in accordance with the regulation issued by the General Authority of Zakat and Income Tax (ZATCA). Zakat provision is calculated according to the consolidated Zakat base of the Company and its directly or indirectly wholly owned subsidiaries. Zakat is levied at a fixed rate of 2.5% on the higher of adjusted zakat profit or zakat base. The management establishes provisions where appropriate on the basis of amounts expected to be paid to the ZATCA and periodically evaluates positions taken in zakat returns in case of any differences. Additional Zakat liability, if any, related to prior years' assessments arising from ZATCA are accounted for in the period in which the assessments are finalized. Subsidiaries outside the Kingdom of Saudi Arabia calculate income tax in accordance with the relevant income tax regulations in those countries. The provision for income tax is charged to the consolidated statement of profit or loss.

Value Added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, except:

- where VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- Receivables and payables are stated with the amount of VAT included.
- The net amount of value added tax (VAT) recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Withholding Tax

The Group makes a provision for withholding tax on payments to non-resident parties in the Kingdom of Saudi Arabia in accordance with the Income Tax Law applicable in the Kingdom of Saudi Arabia.

3/25- SEGMENT REPORTING

(A) The business segments

A business segment is a Group of assets, operations, or entities that:

(1) It engages in revenue generating activities,

(2) The management analyses the results of its operations in order to make decisions regarding resource allocation and performance assessment.

(3) Financial information is independently available on it.

(B) The geographical sector

A geographic segment is a Group of assets, operations, or establishments that carry out revenue-generating activities in a specific economic environment that are subject to risks and returns that are different from those operating in other economic environments.

3/26- CONVERTING TRANSACTIONS IN FOREIGN CURRENCIES

Transactions in foreign currencies during the year are converted into Saudi Riyals according to the exchange rates prevailing at the time of the transactions. At the date of each consolidated financial position, the balances of assets and liabilities of a monetary nature recorded in foreign currencies are converted into Saudi Riyals according to the exchange rates prevailing on that date. Gains and losses arising from transfers and settlements are included in the consolidated statement of profit or loss. On the date of preparing the consolidated balance sheet, the assets and liabilities of the foreign subsidiaries are translated into Saudi Riyals, according to the exchange rates prevailing on that date. The equity components are translated into the transfer prices prevailing at the date of origin of each component.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3/26- CONVERTING TRANSACTIONS IN FOREIGN CURRENCIES (continued)

The income and expenses of foreign companies are translated into Saudi Riyals on the basis of the weighted average transfer prices during the year. As for the accumulated translation adjustments of foreign currencies resulting from that, if any, they are included as a separate item in equity in the consolidated statement of financial position. When a portion of an investment in these associates is disposed of, these cumulative adjustments are included in the consolidated statement of profit or loss as part of the profit or loss on disposal.

3/27- REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group's revenues consist mainly of renting road billboards, media advertising, stationary artboards, distribution of educational materials, stationery and books, sale of convenience products to travelers, food and beverage, film and video series production, commercial and awareness advertisements.

The Group recognizes revenue from contracts with customers according to IFRS 15, using the following five-steps model:

Step 1: Identify the contract with the customer	A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met
Step 2: Identify the performance obligations	A performance obligation is a contract with a customer to transfer a good or service to the customer
Step 3: Determine the transaction price	The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties
Step 4: Allocate the transaction price	For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation
Step 5: Revenue recognition	The Group recognizes revenue (or as) it satisfies a performance obligation by transferring a promised good or service to the customer under a contract

Identify the contract with the customer

The Group carefully evaluates the terms and conditions of the contracts with its customers because revenue is recognized only when performance obligations in contracts with customers are satisfied. A change in the scope or price of a contract (or both) is considered as a contract modification and the Group determines whether this creates a new contract or whether it will be accounted for as part of the existing contract.

Identifying the performance obligations

Once the Group has identified the contract with a customer, it evaluates the contractual terms and its customary business practices to identify all the agreed services within the contract and determine which of those agreed services (or bundles of agreed services) will be treated as separate performance obligations.

Determine the transaction price

The Group determines transaction price as the amount by which it expects to be entitled. It includes an estimate of any variable consideration, the effect of a significant financing component (i.e. the time value of money), the fair value of any non-cash consideration and the effect of any consideration paid or payable to a customer, if any. Variable considerations are limited to the amount for which it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3/27- REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

Determine the transaction price (continued)

The amount of consideration is fixed based on the transaction price agreed with the customers and there are no other promised obligations in the contract with the customers that are determined as separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the services, the Group considered the effects of variable considerations, the existence of significant financing components, noncash consideration and considerations payable to the customer (if any) and has concluded that there are no such considerations included in the transaction price.

Contract modifications, e.g. variation orders, are accounted for as part of the existing contract, with a cumulative catch up adjustment to revenue. For material contract modifications a separate contract may be recognised, based on management's assessment of the following factors:

• the scope of the contract increases because of the addition of agreed goods or services that are distinct; and

• the price of the contract increases by an amount of consideration that reflects the Group's stand-alone selling prices of the additional agreed goods or services and any appropriate adjustments to that price to reflect the circumstances of the particular contract

There were no material amendments to the contracts during the fiscal year ending on March 31, 2023.

Allocation of transaction price

Once the performance obligations have been identified and the transaction price has been determined, the transaction price is allocated to the performance obligations, generally in proportion to their stand-alone selling prices (i.e., on a relative stand-alone selling price basis). When determining stand-alone selling prices, the Group is required to use observable information, if any. If stand-alone selling prices are not directly observable, the Group makes estimates based on information that is reasonably available.

Revenue recognition

The Group recognizes revenue in accordance with the terms and conditions contained in the contracts concluded with customers to the extent that performance obligations related to customer contracts are fulfilled by the Group as follows:

Retail and Distribution Sectors:

performance obligation is satisfied at point of sale. Distribution of Educational materials performance obligation is satisfied upon delivery of goods to customer. Revenue is recognized in the event that control of the products is transferred to the customer, or when the products are delivered to the customer, or the customer has complete freedom of action in the subsequent price of selling the products, and that there is no obligation that may affect the customer's receipt of the products. Delivery takes place based on contractual terms when the risk of commodity defects and loss is transferred to the customer or the customer has accepted the products in accordance with the sales contract, the right to deliver the goods has become enforceable, or the Group has objective evidence that all the criteria for receipt have been met. Revenue recognized at the selling price is measured as agreed in the sales contract. The selling price is adjusted according to any possible variable such as price concessions, discounts, refunds, credit facilities, etc. The Group estimates the expected value of any variable consideration to adjust the potential selling price. The Group includes in the transaction price some or all of the variable considerations only to the extent that it is probable that no material reversal will occur in the value of the cumulative revenue recognized and when there is an uncertainty associated with the variable consideration and the related future solution. It is probable that economic benefits will flow to the entity and that the amount of revenue can be measured reliably.

Production sector:

The Group is involved in the production of films and commercials for clients. With respect to the production of films, commercials and content for clients, performance obligations are satisfied at a point in time upon delivery of the agreed content to clients as per contractual terms to clients.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3/27- REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

Advertising Sector:

Revenues from Rental of advertising billboard and services provided are recorded as revenue on a straight-line basis over the period in which the service is provided. The performance obligation with respect to rents of billboards and service is recognised over a period of time of display of customer advertising material on the road billboards rented to clients for the agreed contracts term Revenue is recognized over time and on a "stand-ready" basis. The performance obligations are stand-ready obligations and generally agreed that the nature of the promise in a stand-ready obligation is the promise that the customer will have access to a good or service. The standard describes a stand-ready obligation as a promised service that consists of standing ready to provide goods or services or making goods or services available for a customer to use as and when it decides to do so.

Other income

Other income is stated on the accrual basis of accounting. Gains and losses on sale of property, plant and equipment are included in the statement of consolidated profit or loss.

Explanation of how payment terms correspond to timing of satisfaction of performance obligations

Retail and Distribution Sectors:

In practice the Group records revenues from sale of goods upon delivery of the goods. The exchange in control over goods is satisfied when we deliver goods to customers accordingly the risk of defect and loss is transferred to customer once he accepts the goods. Our performance obligation in terms of sale of goods ends when we deliver the goods to the customer. Retail sales are collected immediately accordingly we do not have timing differences between satisfaction of our performance obligation and receiving payment. For sale of educational materials in which Trade Receivables represent the Group's right to consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due as per agreed payment terms). Payments terms for sale of educational materials are generally up to 90 days terms from billing date which is done after the satisfaction of the performance obligations. If a customer pays consideration before the Group transfers goods to the customer and satisfy the performance obligation, a contract liability is recognised.

Production Sector:

Performance obligations with respect to production of materials for customers is satisfied when we deliver the agreed materials to the customers, and the customer accepts the materials (Documentary films, short films, series, and advertising commercials). Some contracts with customers include payment terms related to satisfaction to the performance obligation, which is delivery of agreed materials and client acceptance of them. If the Group performs the performance obligation 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.

Advertising & Other services:

Advertising revenue is billed as per contract terms, and payments are due generally on 30 -90 days terms and only passage of time is required before payment is due, such services are recognised as performance obligation satisfied over period in time.

Significant judgements in the application IFRS 15

Determining the transaction price

The Group is required to determine the transaction price in respect of each of its contracts with customers. In making such judgement the Group assesses the impact of any variable consideration in the contract. In determining the variable consideration, the Group uses the "most-likely amount" method whereby the transaction price is determined by reference to the single most likely amount in a range of possible consideration amounts.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3/27- REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

Determining the timing of satisfaction of performance obligations

The Group concluded that revenue for the advertising and other services are to be recognised over time because the customer simultaneously receives and consumes the benefits provided by the Group.

The Group determined that the output method is the best method in measuring progress of the advertising and other services, based on the basis of direct measurements of the value to the customer of the services transferred to date relative to the remaining services promised under the contract because this meets the criteria set for transfer of performance obligation when we deliver the service to customer. The Group recognizes revenue only when the service to the customer is delivered and the customer accepts the service provided, which satisfies the conditions set for possibility of inflow of economic benefits and reliable measurement of revenues as per service rendered and accepted by customer.

Revenue from production and sale of goods are to be recognised at a point in time because the customer does not simultaneously receive and consume the benefits provided by the Group. In practice the Group record revenues when we deliver the goods, The control over goods is satisfied when we deliver goods to customers accordingly the risk of defect and loss is transferred to customer once he accepts the goods.

Determination of whether the Group or a part thereof is acting as a principal or agent

The principles of IFRS 15 revenue from customer contracts are applied by identifying each specific good or service pledged to the customer in the contract and assessing whether the company retains control over the specified good or service before transferring it to the customer. This evaluation requires significant judgment based on specific facts and circumstances.

Use of practical expedients

The Group uses the practical expedients to recognise the incremental costs of obtaining a contract as an expense when incurred as the amortisation period of the asset that the entity otherwise would have recognised is one year or less. As a practical expedient, the Group does not adjust the promised amount of consideration for the effects of a significant financing component as the period between when the Group's transfer of promised good or service to a customer and when the customer pays for that good or service will be one year or less.

Contract assets

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 is exposed to impairment in value as in according with IFRS 9.

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 as per the terms of the contract.

There were no material adjustments arising from a change in the measure of progress, a change in an estimate of the transaction price (including any changes in the assessment of whether an estimate of variable consideration is constrained) or a contract modification.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3/28- RECOGNITION OF EXPENSES

All expenses incurred in running the business and maintaining property and equipment in a state of operational efficiency have been charged to the consolidated statement of profit or loss. The allocation between cost of revenue, general and administrative expenses, selling and marketing expenses, is made on a consistent basis. Expenses incurred for the purpose of acquiring, extending or improving assets of a permanent nature through which to continue in business or for the purpose of increasing the ability to earn business are treated as capital expenditures.

3/29- DIVIDENDS DISTRIBUTION FROM INVESTMENTS

Dividends are recorded in the consolidated financial statements when announced and approved in the general assembly by the shareholders of the investee company.

3/30- LEASE CONTRACTS

Rental income under operating leases is recognized in the consolidated statement of profit or loss on a straight-line basis over the term of the lease.

3/31- RELATED PARTY TRANSACTIONS

The disclosure is made in relation to the commercial transactions between the parties who were identified as related parties according to the International Accounting Standard No. (24) - disclosure of the related party as approved by the Saudi Organization for Certified Public Accountants.

3/32- SUBSEQUANT EVENT AFTER THE STATEMENT OF FINANCIAL REPORTING DATE

All significant events that occur after the date of the consolidated statement of financial position, and where appropriate, amendments or disclosures made in the relevant notes to the consolidated financial statements are considered.

(All amounts are in Saudi Riyal unless otherwise stated)

4. PROPERTY AND EQUIPMENT, NET

	Buildings	Buildings on leased property	Equipment	Signs & Unipoles	Furniture and fixtures	Computers	Vehicles	Work in progress & Unused assets	Total
Cost:									
Balance as of March 31, 2021	**606,135**	**6,798,092**	**12,891,544**	**83,213,544**	**28,839,364**	**9,771,090**	**3,097,136**	**9,787,737**	**155,004,642**
Additions for the year	-	498,038	183,938	-	8,398	163,280	-	2,186,808	**3,040,462**
Disposals for the year	-	(4,380,229)	(1,962,674)	(60,832,961)	(9,180,327)	(17,274)	(885,605)	-	**(77,259,070)**
Transfers	-	-	442,559	-	3,761,412	10,436	114,700	(4,329,107)	**-**
Balance as of March 31, 2022	**606,135**	**2,915,901**	**11,555,367**	**22,380,583**	**23,428,847**	**9,927,532**	**2,326,231**	**7,645,438**	**80,786,034**
Additions for the year	-	-	19,064	-	102,648	330,241	25,000	40,516	**517,469**
Disposals for the year	(606,135)	(2,915,901)	(9,637,677)	(19,483,382)	(14,849,156)	(6,560,018)	(1,638,164)	(7,685,954)	**(63,376,387)**
Balance as of March 31, 2023	**-**	**-**	**1,936,754**	**2,897,201**	**8,682,339**	**3,697,755**	**713,067**	**-**	**17,927,116**
Accumulated depreciation:									
Balance as of April 1, 2021	**35,648**	**5,690,112**	**12,251,858**	**70,671,633**	**25,840,216**	**9,030,891**	**2,646,757**	**-**	**126,167,115**
Depreciation for the year	30,307	391,220	388,937	3,436,001	1,725,972	297,608	196,857	-	**6,466,902**
Disposals for the year	-	(3,936,788)	(1,954,415)	(53,015,949)	(9,156,755)	(17,272)	(885,514)	-	**(68,966,693)**
Balance as of March 31, 2022	**65,955**	**2,144,544**	**10,686,380**	**21,091,685**	**18,409,433**	**9,311,227**	**1,958,100**	**-**	**63,667,324**
Depreciation for the year	15,148	31,326	357,323	412,122	1,495,836	387,330	106,402	-	**2,805,487**
Disposals for the year	(81,103)	(2,175,870)	(9,636,063)	(19,391,598)	(14,832,298)	(6,358,684)	(1,458,229)	-	**(53,933,845)**
Balance as of March 31, 2023	**-**	**-**	**1,407,640**	**2,112,209**	**5,072,971**	**3,339,873**	**606,273**	**-**	**12,538,966**
Impairment provision:									
As of March 31, 2023	-	-	-	-	-	-	-	-	-
As of March 31, 2022	-	-	-	-	-	-	-	(4,461,427)	(4,461,427)
Net book value									
As of March 31, 2023	**-**	**-**	**529,114**	**784,992**	**3,609,368**	**357,882**	**106,794**	**-**	**5,388,150**
As of March 31, 2022	**540,180**	**771,357**	**868,987**	**1,288,898**	**5,019,414**	**616,305**	**368,131**	**3,184,011**	**12,657,283**

(All amounts are in Saudi Riyal unless otherwise stated)

4. PROPERTY AND EQUIPMENT, NET (CONTINUED)

4/1 work in progress and unused assets

Work in progress and unused assets includes metal structures related to billboards that have not been installed and are not suitable for use. During the financial year ending on March 31, 2021, the Group recorded an impairment in the permanent decrease in the value of metal structures and unused assets in the amount of 653,865 SR based on the study conducted by the management The company, as those metal structures and unused assets can no longer provide future economic benefits to the Group. The recoverable amount of these assets amounted to nil as on March 31, 2021 and they were scrapped.
During the year ending on March 31, 2023, the work on progress and the related provision for impairment in its value amounted to 4,461,427 SR were disposed (Note 4/3).

4/2 Disposals

The Group has performed a complete physical count of property and equipment during the year ended March 31, 2023, and based on this count, some property and equipment were disposed which it's cost amounted to 31,564,718 SAR, and its accumulated depreciation amounted to 31,545,634 SAR, and the net book value amounted to 19,084 SAR, and these disposals are mainly represented in equipment, furniture, fixtures, motor vehicles and computers.
During the year ended March 31, 2023, 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 SR. The unit was used as an administrative headquarters for the subsidiary company Aventus Global Trading, and its net book value as at disposal date amounted to 525,033 SR and the gain on disposal recognized in the other income amounted to 335,622.
During the year ended March 31, 2023 property and equipment owned by Aventus Global Trading Company (a subsidiary) were disposed off, as they were transferred to the buyer (Nextbite Trading Company) according to the agreement to sell a group of assets and transfer liabilities related to the operations of Aventus Global Trading Company, and its net book value as on the date of sale is 3,857,136 SR (note 30)

4/3 The movement in the impairment loss provision for the property and equipment was as follows:

	Note	Signs & Unipoles	Work in progress & Unused assets	Total
Balance as of 1 April 2021		**3,506,578**	**4,461,427**	**7,968,005**
Disposal during the year		**(3,506,578)**	**-**	**(3,506,578)**
Balance as of 31 March 2022		**-**	**4,461,427**	**4,461,427**
Disposal during the year	4/1	**-**	**(4,461,427)**	**(4,461,427)**
Balance as of 31 March 2023		**-**	**-**	**-**

4/4 Estimated useful lives

Note No. 3/5/4 shows the estimated useful lives of property and equipment, which vary according to their nature and ways of using them. The actual useful life may be shorter or longer. Management reviews its estimates for these useful lives and adjusts them if necessary. There was no need to adjust the useful lives of property and equipment during the financial year ended March 31, 2023.

4/5 The Depreciation charge for the year has been allocated as follows:

	Note	31 March 2023	31 March 2022
Cost:			
Cost of revenues	21	442,539	3,480,620
Selling and marketing expenses	22	1,878,156	1,916,022
General and administrative expenses	23	337,257	342,178
Discontinued operations		147,535	728,082
		2,805,487	**6,466,902**

(All amounts are in Saudi Riyal unless otherwise stated)

5. LEASES

5/1- RIGHT OF USE ASSETS, NET

Right of use assets movement during the year represent as follows:

	Note	31 March 2023	31 March 2022
Balance at the beginning of the year		40,579,838	32,315,929
Additions during the year		1,199,770	20,972,311
Lease modifications during the year		-	5,089,254
Deprecation charged during the year	5/3	(10,964,625)	(17,797,656)
Balance as at the end of the year		**30,814,983**	**40,579,838**

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

	31 March 2023	31 March 2022
Properties	27,659,967	35,020,278
Vehicles	868,133	1,685,792
Advertising lease sites	2,286,883	3,873,768
Balance at the end of the year	**30,814,983**	**40,579,838**

5/2- LONG TERM LEASE LIABILITIES

Lease liability movement during the year represent as follows:

	Note	31 March 2023	31 March 2022
Balance at the beginning of the year		50,474,217	36,354,421
Net Additions of lease contracts during the year	16/6	1,199,770	20,972,311
Finance cost of lease liability during the year	5/3	1,597,465	2,134,542
Lease contracts modifications during the year	16/6	-	5,089,254
Gain on lease contracts novation during the year	16/6	(834,435)	-
Lease concessions during the year from continued operations	24	(3,863,266)	(4,467,828)
Lease concessions during the year from discontinued operations		-	(3,492,121)
Repayments of lease liability during the year	16/6	(6,245,681)	(6,116,362)
Balance as at the end of the year		**42,328,070**	**50,474,217**

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

	31 March 2023	31 March 2022
Current portion of lease liabilities	13,165,564	19,870,896
Non-current portion of lease liabilities	29,162,506	30,603,321
Total lease liabilities	**42,328,070**	**50,474,217**

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

	31 March 2023	31 March 2022
Current portion of lease liabilities	14,434,029	20,788,979
Non-current portion of lease liabilities	30,793,579	32,791,793
Total lease liabilities	**45,227,608**	**53,580,772**

(All amounts are in Saudi Riyal unless otherwise stated)

5. LEASES (CONTINUED)

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

The below table shows the recognised amounts in consolidated statement of profit or loss and other comprehensive loss:

	Note	31 March 2023	31 March 2022
Depreciation expense of right of use assets	5/1	10,964,625	17,797,656
Finance cost for lease liabilities	5/2	1,597,465	2,134,542
Variable rent lease expense		1,533,530	1,900,535
Short term rent expense		4,309,291	2,488,061
		18,404,911	**24,320,794**

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

	31 March 2023	31 March 2022
Properties	8,998,649	14,260,795
Vehicles	379,091	521,383
Advertising lease sites	1,586,885	3,015,478
	10,964,625	**17,797,656**

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

	Note	31 March 2023	31 March 2022
Cost:			
Cost of revenues	21	1,586,885	3,015,478
Selling and marketing expenses	22	7,474,238	6,544,443
General and administrative expenses	23	379,091	757,674
		1,524,411	7,480,061
		10,964,625	**17,797,656**

5/4- Short Term Rent

5/4/1- Rent expense

	31 March 2022	31 March 2022
Short term rent recorded as expense during the year	4,309,291	2,488,061

Short-term operating lease expenditures represent the rents payable by the Group for renting cars, advertising sites, warehouses, libraries 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

5/5/1- Variable lease expense

	31 March 2023	31 March 2022
Variable lease rent recorded as expense during the period	1,533,530	1,900,535

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 consolidated statement of profit or loss when incurred.

(All amounts are in Saudi Riyal unless otherwise stated)

6. INVESTMENT IN ASSOCIATE COMPANIES USING EQUITY METHOD

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

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

Name of the associate company	Country	Principal activities	Company ownership 31 March 2023	Company ownership 31 March 2022	Book value 31 March 2023	Book value 31 March 2022 (restated)
United Advertising Company(A)	KSA	Advertising and promotion	50%	50%	2,927,062	7,112,247
Saudi Company for sign supplies (B)	KSA	Supply of advertising materials	42.5%	42.5%	-	-
United Journalists. Company (C)	UK	Publishing and distribution	50%	50%	-	-
J. Walter Thompson MENA Company (D)	Bahrain	Advertising	30%	30%	20,043,000	27,799,807
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 and marketing services	40%	40%	-	-
Qutrob for Audio and Visual Production Company (G)	KSA	Production	35%	35%	-	-
					22,970,062	**34,912,054**

The financial year for above 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 Company for the year ending on March 31, 2023, has been calculated based on the Management accounts prepared by the management of this company for the year ended 31 December 2022 as the financial statements of that associate company for the year ended 31 December 2022 are still under review. The parent company's share of the change in the net assets of the United Advertising Company Limited for the year ended March 31, 2023 has been calculated based on the audited financial statements of this company for the year ended 31 December 2022.

6/1 The group have investment in associates as follows:

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 year ended March 31, 2023, the backstop date for the completion of the transfer of legal ownership and all other required regulatory approvals was extended to be before June 30, 2023, 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 operations to the United Advertising Company 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%.

6. INVESTMENT IN ASSOCIATE COMPANIES USING EQUITY METHOD (CONTINUED)

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

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 sand 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 have not been completed until March 31, 2023. The company's share in the net equity of the partners in this associate as at March 31, 2023 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 March 31 ,2023 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 March 31,2023 and 2022. The last balance sheet obtained by the company was 31 December 2009.

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

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.

6. INVESTMENT IN ASSOCIATE COMPANIES USING EQUITY METHOD (CONTINUED)

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

Subsequent to the financial position date on May 31, 2023, the backstop date for completion of the transfer of legal ownerships and all other required regulatory approvals were extended to be before June 30, 2023. 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.

During the year ended March 31, 2023, J. Walter Thompson MENA (an associate company) acquired a portion of non-controlling equity interests in a subsidiary of the associate company, as this transaction relates to the acquisition of an additional stake in a subsidiary of the associate without a change in control. the associate company recorded it as an equity transaction and the increase in consideration over the book value of the non-controlling interest was recognized in the equity. (Note 14-2)

During the year ended March 31, 2023, the Parent company share in the change in the net assets of J. Walter Thompson MENA (an associate company) was adjusted as a result of the associate company adjusting the opening balance of its accumulated profits as at January 1, 2020. The group's share of the restatement amounting to 1,879,942 SR has been recorded as an adjustment to the opening balance of accumulated losses as at March 31,2021, with the amendment of investment in associates using equity method opening balance (Note 34).

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 and cassation 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 33).

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

During the period ended 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 SR.

Subsequent to the date of the financial position and on May 2, 2023, the Integrated Production Company for Audiovisual Media Production (a subsidiary) sold its stake in Qutrob for Audiovisual Media Production (an associate company) for 1,195,000 SR (note 36).

(All amounts are in Saudi Riyal unless otherwise stated)

6. INVESTMENT IN ASSOCIATE COMPANIES USING EQUITY METHOD (CONTINUED)

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

	Note	31 March 2022	31 March 2022 (Restated)
Balance at the beginning of the year		34,912,054	29,775,994
Additions during the year		-	5,000
Transfer from current account to cover losses		231,279	87,735
Dividends received		(11,236,962)	(3,143,296)
Effect of associate acquisition of non-controlling interests in associate company	14/2	(6,855,750)	-
Share of foreign currency translation	14	(242,933)	76,926
Share of associate results during the year		6,162,374	8,109,695
Balance as at the end of the year		**22,970,062**	**34,912,054**

6/2 Summary of financial information for significant associates

The tables below present a summary of the financial information of the significant associates. The disclosed information reflects the amounts presented in the financial statements of the associate, and not the Group's share in those amounts. They have been adjusted to reflect the adjustments made by the parent company when using the equity method, if any, including adjustments for the differences in accounting policies as needed.

6/2/1 Below is a summary of the financial information of significant associate companies for the year ended March 31, 2023:

	JWT MENA	United Advertising Company
Current assets	152,628,750	30,320,667
Non-current assets	64,357,500	987,010
Current liabilities	(95,073,750)	(20,813,593)
Non-current Liabilities	(41,580,000)	(4,639,960)
Non-controlling interest	(13,522,500)	-
Net assets	**66,810,000**	**5,854,124**
Group's share of the net assets		
Proportion of the Group's ownership	30%	50%
carrying amount of the investments	**20,043,000**	**2,927,062**

	JWT MENA	United Advertising Company
Revenues	160,893,750	39,476,317
Profit before tax and non-controlling interest	16,796,250	5,699,854
Profit for the year attributable to Parent Associate Company Shareholder’s	12,806,250	5,103,554
Proportion of the Group's ownership	30%	50%
Group's share of net profit	**3,841,875**	**2,551,777**
Other comprehensive loss	(242,933)	-
Group's share of other comprehensive income	**3,598,942**	**2,551,777**

(All amounts are in Saudi Riyal unless otherwise stated)

6. INVESTMENT IN EQUITY INSTRUMENTS (CONTINUED)

6/2 Summary of financial information for significant associates (continued)

6/2/2 Below is a summary of the financial information of significant associate companies for the year ended March 31, 2022:

	JWT MENA (Restated)	United Advertising Company
Current assets	258,813,240	44,254,812
Non-current assets	68,287,268	711,601
Current liabilities	(178,265,468)	(26,235,269)
Non-current Liabilities	(37,092,354)	(4,506,650)
Non-controlling interest	(19,076,663)	-
Net assets	**92,666,023**	**14,224,494**
Group's share of the net assets		
Proportion of the Group's ownership	30%	50%
carrying amount of the investments	**27,799,807**	**7,112,247**

	JWT MENA (Restated)	United Advertising Company
Revenues	191,411,250	33,799,921
profit before tax and non-controlling interest	42,186,131	7,779,142
profit for the year attributable to parent	15,981,881	6,813,934
Proportion of the Group's ownership	30%	50%
Groups share of net profit	**4,794,564**	**3,406,967**
other comprehensive income	76,926	-
Group's share of total comprehensive income	**4,871,490**	**3,406,967**

7. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Financial assets at fair value through other comprehensive income represent investments that the Group intends to hold for the long term for strategic purposes.

7/1 The Group has investments in the following companies:

The name of the investee company	Country	Principal activities	Company ownership		Book value	
			31 March 2023	31 March 2022	31 March 2023	31 March 2022
Wataniya Unified Distribution Company	KSA	Distribution	8.3%	8.3%	-	428,363
VUGO inc.	USA	Advertising	4%	4%	-	-
					-	**428,363**

7/2 Fair value:

The Group’s share in an investment through a subsidiary company (Tihama Distribution Company) in the Wataniya National Distribution Company (a Saudi limited liability company). During the fiscal year ended March 31, 2023, the Group recorded losses for the change in the fair value of the investment in the Wataniya National Distribution Company in the consolidated statement of profit or loss and comprehensive loss, amounting to 428,363 SR, based on the valuation prepared by a valuation office licensed by the Saudi Authority for Independent Valuers.

(All amounts are in Saudi Riyal unless otherwise stated)

7. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

7/2 Fair value (Continued):

The Group's investment in VUGO inc. is through a subsidiary company (Tihama New Media Company, which was acquired during the fiscal year ended March 31, 2021) in the capital of a start-up advertising company in the United States of America.

During the fiscal year ended March 31, 2021, the Group recorded losses for the change in the fair value of the investment in the company registered in the United States of America through the consolidated statement of profit or loss and comprehensive loss in the amount of 751,000 SR based on the assessment prepared by the management of the Group.

The fair value of the Group's investment in the capital of VUGO Company, as of March 31, 2023, amounted to nil Saudi riyals, based on the results of the evaluation prepared by an evaluation office licensed by the Saudi Authority for Independent Valuers.

7/3 The movement in financial assets designated at fair value through other comprehensive income is as follows:

	Note	31 March 2023	31 March 2022
Balance at the beginning of the year		428,363	428,363
Loss on Change in fair value	7/2	(428,363)	-
Balance as at the end of the year		**-**	**428,363**

8. INTANGIABLE ASSETS, NET

	31 March 2023	31 March 2022
Definite useful life:		
Computer software	2	2
Indefinite useful life		
Website	35,000	35,000
Trademark	100,000	100,000
	135,002	**135,002**

8-1 Automated computing software with a definite useful life represents in the costs of developing automated software. The Group amortizes these payments using the straight-line method during the usage period granted to the company. The amortization charged to the consolidated statement of profit or loss for the financial year ended March 31, 2023 is nil SR (31 March 2022: 53,085 SR).

8-2 The website represents the costs of creating a website for the integrated production company for audio-visual production (a subsidiary company), and the brand is represented in the costs of purchasing the brand of the same company with an amount of SR 100,000.

The following table summarizes the movement in intangible assets:

	Note	31 March 2023	31 March 2022
Cost:			
Balance at the beginning of the year		452,640	352,640
Additions during the year	8-2	-	100,000
Balance at the end of the year		**452,640**	**452,640**
Accumulated amortisation:			
Balance at the beginning of the year		317,638	264,553
Amortization during the year	8-1	-	53,085
Balance at the end of the year		**317,638**	**317,638**
Net book value		**135,002**	**135,002**

(All amounts are in Saudi Riyal unless otherwise stated)

9. INVESTMENT PROPERTIES AT COST, NET

During the year ended on March 31, 2023, the investment properties represented in administrative units in a building in Dubai, United Arab Emirates, owned by a subsidiary (Tihama Education Company), was sold for an amount of 4,239,247 SR, and the net book value of this investment property at the disposal date the was amounted to 2,730,270 SR, and the disposal resulted in a profit of 1,508,977 SR recognized in other income (Note 24).

	Note	31 March 2022	31 March 2022
Cost:			
Balance at the beginning of the year		3,151,806	3,151,806
Disposals during the year		(3,151,806)	-
Balance at the end of the year		**-**	**3,151,806**
Depreciation:			
Balance at the beginning of the year		342,579	185,096
Additions during the year	23	78,957	157,483
Disposal during the year		(421,536)	-
Balance at the end of the year		**-**	**342,579**
Net book value		**-**	**2,809,227**

The rental income realized during the year ending on March 31, 2023 amounted to 106,099 SR (416,507 SR March 31, 2022) and was included in other income (note 24).

10. INVENTORY, NET

	31 March 2023	31 March 2022
Books, stationery, educational products, entertainment products, accessories, food, beverage and others	83,308,534	75,957,910
Provision for slow moving and old inventory	(53,052,933)	(30,472,823)
Inventory, Net	**30,255,601**	**45,485,087**

10/1 - During the year ended on March 31, 2023, 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 subsidiary inventory, which was subsequently sold as part of the agreement to transfer and sell the assets and liabilities associated with the commercial operations of the subsidiary company (Note 30).

10/2 The movement in provision for impairment in inventory as of 31 March:

	Note	31 March 2023	31 March 2022
Balance at the beginning of the year		30,472,823	26,446,766
Additions during the year	23	22,580,110	4,026,057
Balance at the end of the year		**53,052,933**	**30,472,823**

10/3 Sensitivity

- The following table shows the sensitivity of the decline in obsolete and slow-moving goods to possible reasonable changes in the obsolescence rate as a result of a change in demand, with all other variables held constant:

	31 March 2023	31 March 2022
Increase by 100 basis point	(364,011)	(163,414)
Decrease by 100 basis point	364,011	163,414

(All amounts are in Saudi Riyal unless otherwise stated)

11. TRADE RECEIVABLES AND OTHER DEBIT BLANCES, NET

	31 March 2023	31 March 2022
Trade receivables (Note 11/2)	23,049,611	22,642,026
Letter of guarantees cash margin (Note 11/5)	11,517,685	9,757,161
Prepaid expenses and other debit balances (Note 11/3)	10,353,373	11,413,696
Advance payment to suppliers	1,626,825	2,812,114
Contract assets (Note 11/1)	177,737	2,304,116
	46,725,231	**48,929,113**
Impairment loss in trade receivables and other debit balances (Note 11/6)	(17,920,972)	(12,632,650)
	28,804,259	**36,296,463**

The trade receivables and other debit balances we classified as follows:

	Note	31 March 2023	31 March 2022
Current		27,814,049	36,296,463
Non-current	11/4	990,210	-
Balance at the end of the year		**28,804,259**	**36,296,463**

11/1- 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.

11/2- Trade receivables do not carry interest and are generally aged from 90 days to 365 days.

11/3- During the year ending on March 31, 2023, a judgment was issued dismissing the company's lawsuit in the appeal submitted by it against the initial judgment issued by the Administrative Court to reject the company's lawsuit, which is asking the Riyadh Municipality for compensation for damages to the advertising poles owned by the company, which were removed by the defendant in such a way as to cause damage to it. Accordingly, the company recorded claims losses in the amount of 4,310,433 SR on the consolidated statement of profits or losses for the year ending on March 31, 2023 (note 23), which were included in prepayments and other debit balances in the amount of 4,310,433 SR as on March 31, 2022.

Prepayments and other debit balances include an amount of 3,021,594 SR as of March 31, 2023 (nil: March 31, 2022) represented in the costs of capital increase through the rights issue that were incurred during the fiscal year ending on March 31, 2023, which will be recorded during the first quarter of the fiscal year ending on March 31, 2024 (the financial period in which the capital increase process was approved and completed directly as a deduction from the equity attributable to the shareholders of the Parent company (Note 36).

11/4 Other debit balances - non-current amounting to 990,210 SR as of March 31, 2023 (nil: as on March 31, 2022) represents in the present value of the non-current portion of the consideration due from the agreement to sell a group of assets and transfer obligations related to the commercial operations of the Aventus Global Trading Company. As per the sale agreement the amount is duet within 18 months from the date of completion of the necessary approvals from stakeholders and relevant authorities to complete the process of transferring franchise rights and lease contracts (Note 30).

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

11/5- 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 31).

The letters of guarantee cash margin includes an amount of 88,704 SR held with Riyad 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 16 and note 31)

11/6 – Impairment loss in trade receivables and other debit balances:

	Note	31 March 2023	31 March 2022
Balance at the beginning of the year		12,632,650	11,633,317
Additions during the year	28	5,298,097	1,155,088
Reversal of impairment		(9,775)	(155,755)
Balance at the end of the year		**17,920,972**	**12,632,650**

The following table shows the distribution of the Impairment loss in trade receivables and other debit balances, net:

	Note	31 March 2023	31 March 2022
Trade receivables	28	16,761,757	11,473,435
Advances to suppliers	28	1,159,215	1,159,215
		17,920,972	**12,632,650**

12. CASH AND CASH EQUIVALANTES

	31 March 2023	31 March 2022
Cash at local and international banks	29,994,676	10,742,452
Cash at local Murabaha fund in Saudi Riyals	-	3,589,829
Deposits in local banks	-	20,000,000
Cash on hand	3,242	238,101
Cash and cash equivalents	29,997,918	34,570,382
Restricted cash	(20,970,407)	(25,840,010)
Free cash	**9,027,511**	**8,730,372**

- Cash at local and international banks includes an amount of 20,751,481 SR as of March 31, 2023 (nil as of March 31, 2022) held with the Saudi National Bank and restricted for use under the facility agreement with the bank (Note 16).

- Cash with local and international banks and institutions also includes an amount of 218,926 SR as on March 31, 2023 (as on March 31, 2022: 218,926 SR) held by a subsidiary with a local bank and restricted for disposal.

12. CASH AND CASH EQUIVALANTES (CONTINUED)

- During the year ending on March 31, 2023, the bank facilities that the company obtained from the Saudi National Bank became due, with a total value of 20,751,481 SR, as on March 31, 2023. The company did not pay the facility amount, as the date of maturity of the facility was after the issuance of the court ruling accepting the company's request to open financial reorganization procedures, which suspended all claims against the company. (Note 2-4).
- During the year ended March 31, 2023, 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 3,602,627 SR as on March 31, 2023 (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 Execution Court (before the date of issuance of the court's ruling opening the company's financial reorganization procedures) distributed the entire amount executed on it from the fund as a partial payment of the amounts due according to the execution orders issued on the company. Accordingly. An offset was made between the actual amount distributed with the credit balances recorded in favor of the executor in their favour included in trade payables and other credit balances (Note 18/4).
- The non-cash facilities agreement with Riyad 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 4,204,225 SR as at March 31, 2023 (40,791 SR as at March 31, 2022) (Note 16).

13. SHARE CAPITAL

- 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, 000 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.
- On October 5, 2022, the Capital Market Authority approved he company's request to increase the capital by an amount of 350 million SR through the issuance of rights issue shares.
- Subsequent to the date of the financial position on April 2, 2023, the extraordinary general assembly of shareholders approved the recommendation of the Parent company's board of directors to increase the company's capital by an amount of 350 million SR by issuing rights issue. On May 4, 2023, the subscription process was completed and the unsubscribed shares were sold in the full. The company completed the legal procedures to amend the articles of association and the commercial register to reflect the new capital after the increase, amounting to 400 million SR divided into 40 million ordinary shares (Note 36), and the full value of the new shares was collected in cash.

- Holders of ordinary shares are entitled to receive dividends when they are announced from time to time, and they are entitled to vote for each share in Group meetings. The rank of all shares is equal to the Group's remaining assets.

- The authorized, issued and fully paid-up capital of the parent company as at March 31, 2023 is 50,000,000 SR divided into 5,000,000 shares, the value of the share is 10 Saudi Riyals (March 31, 2022 is 50,000,000 SR divided into 5,000,000 shares, the share is 10 Saudi Riyals).

(All amounts are in Saudi Riyal unless otherwise stated)

14. OTHER RESERVES

	Note	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 (note 14-1)	Share of the effect of associate company acquisition of non-controlling interests in an associate company (note 14-2)	Total other reserves
Balance as of April 1, 2021		**(3,042,032)**	**(1,512,244)**	**(10,690,767)**	**-**	**(15,245,043)**
Share of change in foreign currency translation reserve	6/1/1	76,926	-	-	-	**76,926**
Balance as of March 31, 2022		**(2,965,106)**	**(1,512,244)**	**(10,690,767)**	**-**	**(15,168,117)**

	Note	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 (note 14-1)	Share of the effect of associate acquisition of non-controlling interests in an associate (note 14-2)	Total other reserves
Balance as of April 1,2022		**(2,965,106)**	**(1,512,244)**	**(10,690,767)**	**-**	**(15,168,117)**
Share of change in foreign currency translation reserve	6/1/1	(242,933)	-	-	-	(242,933)
Change in fair value of financials assets designated at fair value through other comprehensive income	7/3	-	(428,363)	-	-	(428,363)
Share of the effect of associate company acquisition of non-controlling interests	14/2	-	-	-	(6,855,750)	(6,855,750)
Balance as of March 31, 2023		**(3,208,039)**	**(1,940,607)**	**(10,690,767)**	**(6,855,750)**	**(22,695,163)**

14/1 Effect of acquisition of non-controlling interest in subsidiaries

14/1/1 Tihama Education company

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. 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 SR is recognized in the equity of the parent company as effect of acquisition of non-controlling interest in subsidiaries.

14. OTHER RESERVES (CONTINUED)

14/1 Effect of acquisition of non-controlling interest in subsidiaries (continued)

14/1/2 Integrated Production company

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, for a consideration of 7,250,000 SR. 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. The increase in consideration paid over the carrying value of the non-controlling interest amounting to 7,231,139 SR was recognized in the equity of the Parent company as effect of acquisition of non-controlling interest in subsidiaries.

14/2 Share of the effect of associate acquisition of non-controlling interests in an associate

During the year ended March 31, 2023, J. Walter Thompson MENA (an associate company) acquired part of non-controlling equity interests in a subsidiary of the associate company, as this transaction relates to the acquisition of an additional stake in a subsidiary of the associate without a change in control. the associate company recorded it as an equity transaction and the increase in consideration over the book value of the non-controlling interest was recognized in the equity. The group has recorded its share of the change in the net assets of the associate as a result of this acquisition, amounting to 6,855,750 SR in the equity attributable to the shareholders of the parent company as a share of the impact of the acquisition of non-controlling equity in the associate company (note 6/1/D).

15. NON-COTROLLING INTREST

	31 March 2023	31 March 2022
Balance at the beginning of the year	(1,890,013)	312,893
Share in Comprehensive loss	(1,153,011)	(2,202,906)
Balance at the end of the year	**(3,043,024)**	**(1,890,013)**

16. LOANS

The Group has cash and non-cash credit facilities with local banks in Saudi Riyals. 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 Saudi National Bank 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.

16. LOANS (CONTINUED)

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

- During the year ended on March 31, 2023, the subsidiary company (Aventus Global Trading) settled financing obtained from an external bank to purchase vehicles. Accordingly, the mortgage on the subsidiary company's vehicles in favor of the bank was lifted.

- During the year ended on March 31, 2023, the bank facilities obtained from the Saudi National Bank became due, with a total value of 20,751,481 SR, as of March 31, 2023. The company did not pay the facility on a due date, as the maturity date for the facility was after the issuance of the court ruling accepting the company's request to open financial reorganization procedures, which requires the suspension of all claims against the company. (Note 2-4).

- During the year ended on March 31, 2023, 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 inventory of the subsidiary company), as part of the procedures agreed upon in the agreement to transfer assets and liabilities for the commercial operations of the subsidiary company. (Note 30)

16/1 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.
- Cash margin of 20,751,481 SR with the Saudi National Bank (Note 12)

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

- Promissory note of 591,000 SR.
- A cash margin with the bank of 88,704 SR at Riyad Bank (Note 11/5)

(All amounts are in Saudi Riyal unless otherwise stated)

16. LOANS (CONTINUED)

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 of 31 March 2023						
Saudi National Bank Loan	22,000,000	20,751,481	-	-	-	-
Riyadh Bank Loan	591,000	-	88,704	-	-	-
Emirates NBD loan	-	-	-	-	-	-
RAK Bank	-	-	-	-	-	-
Total	**22,591,000**	**20,751,481**	**88,704**	**-**	**-**	**-**
As of 31 March 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 company has an amount of 20,751,481 SR as of March 31, 2023 (nil as of March 31, 2022) included in cash at local and international banks and held with the Saudi National Bank and restricted for use under the facility agreement with the bank (Note 12).

- The agreement with Riyad 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 4,204,225 SR as on March 31, 2023 (40,791 SR: as on March 31, 2022). These balances are included in cash and its equivalent without offsetting (Note 12). In addition to 88,704 Saudi riyals as on March 31, 2023 (88,704 SR: as on March 31, 2022), these balances appear within trade and other receivables, net without offsetting (Note 11/5).

16/3 Below the existing bank loans as of :

-Cash loans	31 March 2022	31 March 2022
Short term loans	20,751,481	20,222,331
Long term loans	-	194,438
Total cash loans	**20,751,481**	**20,416,769**
Less: Current portion	**(20,751,481)**	**(20,378,311)**
Non-current portion of long term loans	**-**	**38,458**

16/4 Below the movement in cash loans during the year as of:

	31 March 2023	31 March 2022
Balance as of 1 April	20,416,769	20,345,223
Proceeds from loans during the year	-	3,000,000
Payments of loans during the year	(194,438)	(3,150,785)
Accrued finance cost during the year	835,711	1,092,771
Finance cost paid during the year	(306,561)	(870,440)
Balances at the end of year	**20,751,481**	**20,416,769**

(All amounts are in Saudi Riyal unless otherwise stated)

16. LOANS (CONTINUED)

16/5 Non-cash facilities to issue letter of guarantee (Note 31)	**31 March 2023**	**31 March 2022**
Non-cash facility from RAK	-	4,935,053
Non-cash facility from Riyadh Bank	591,160	591,160
Total non-cash facilities	**591,160**	**5,526,213**

16/6 Reconciliation of movement of liabilities to cashflows from financing

	Cash and Cash equivalents	**Loans**	**Lease liabilities**	**Total**
Balance as of 1 April 2022	**34,570,382**	**20,416,769**	**50,474,217**	**105,461,368**
Non-cash transactions				
Finance charges	-	835,711	1,597,465	2,433,176
Lease novation	-	-	(834,435)	(834,435)
Lease concessions	-	-	(3,863,266)	(3,863,266)
Net additions to lease liabilities	-	-	1,199,770	1,199,770
Net-non-cash flow transactions	**-**	**835,711**	**(1,900,466)**	**(1,064,755)**
Cash flow transactions				
Payment of loans	-	(194,438)	-	(194,438)
Payment of finance charges	-	(306,561)	-	(306,561)
Lease payments	-	-	(6,245,681)	(6,245,681)
Change in cash and cash equivalents	(4,572,464)	-	-	(4,572,464)
Net deficit cash flow	**(4,572,464)**	**(500,999)**	**(6,245,681)**	**(11,319,144)**
Balance as of 31 March 2023	**29,997,918**	**20,751,481**	**42,328,070**	**93,077,469**

	Cash and Cash equivalents	**Loans**	**Lease liabilities**	**Total**
Balance as of 1 April 2021	**60,843,354**	**20,345,223**	**36,354,421**	**117,542,998**
Non-cash transactions				
Finance charges	-	1,092,771	2,134,542	3,227,313
Lease modification	-	-	5,089,254	5,089,254
Lease concessions	-	-	(7,959,949)	(7,959,949)
Net additions to lease liabilities	-	-	20,972,311	20,972,311
Net-non-cash flow transactions	**-**	**1,092,771**	**20,236,158**	**21,328,929**
Cash flow transactions				
Proceeds from loans	-	3,000,000	-	3,000,000
Payment of loans	-	(3,150,785)	-	(3,150,785)
Payment of finance charges	-	(870,440)	-	(870,440)
Lease payments	-	-	(6,116,362)	(6,116,362)
Change in cash and cash equivalents	(26,272,972)	-	-	(26,272,972)
Net deficit cash flow	**(26,272,972)**	**(1,021,225)**	**(6,116,362)**	**(33,410,559)**
Balance as of 31 March 2022	**34,570,382**	**20,416,769**	**50,474,217**	**105,461,368**

(All amounts are in Saudi Riyal unless otherwise stated)

17. EMPLOYEES' DEFINED BENEFITS LIABILITIES

The Group provides end of service benefits to its employees as required in accordance with the local labor laws in the countries in which it operates. The defined benefit liability is unfunded.

The amounts recognised in the consolidated statement of financial position and the movements in the net defined benefit liability over the year are as follows:

	Note	31 March 2023	31 March 2022
Balance as of 1 April		6,140,345	6,478,079
Current service cost		1,117,013	1,280,202
Finance cost		171,985	143,500
Paid		(1,747,908)	(2,364,328)
Liabilities transferred – discontinued operations	30/1	(672,075)	-
Actuarial losses		47,457	602,892
Net defined benefits obligations		**5,056,817**	**6,140,345**

Significant actuarial assumptions:

	Valuation in	
Kingdom of Saudi Arabia	**31 March 2023**	**31 March 2022**
Discount rate	4.5%	3.1%
Expected rate of salary increase	4.5%	3.1%
Employees turnover rate	High	High
Assumed retirement age	60 years	60 years

	Valuation in	
United Arab Emirates	**31 March 2023**	**31 March 2022**
Discount rate	-	2.85%
Expected rate of salary increase	-	2.85%
Employees turnover rate	-	High
Assumed retirement age	-	60 years

Sensitivity analysis

	31 March 2023		31 March 2022	
Items	**Present value of defined benefit obligations**	**Change %**	**Present value of defined benefit obligations**	**Change %**
Employees defined benefits liability	5,056,817		6,140,346	
+ 0.5% Discount rate	(131,685)	(2.6%)	(192,144)	(3.13%)
-0.5% Discount rate	138,709	2.74%	204,006	3.32%
+0.5% Expected rate of salary increase	152,862	3.02%	218,650	3.56%
-0.5% Expected rate of salary increase	(146,455)	(2.9%)	(208,026)	(3.39%)

(All amounts are in Saudi Riyal unless otherwise stated)

18. TRADE PAYABLES AND OTHER CREDIT BALANCES

	31 March 2023	31 March 2022
Trade payables (note 18/1)	55,393,446	47,012,386
Accrued dividends (note 18/2)	8,808,754	8,808,754
Contract liabilities (note 18/3)	307,458	436,460
Accrued expense and other payables (note 18/4)	39,853,265	36,827,130
	104,362,923	**93,084,730**

18/1 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 ended 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. 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 consolidated financial statements.

Trade payables as at March 31, 2023 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.

18/2- 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.

18/3 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.

The revenues recognized during the year, which were included in the contract liabilities at the beginning of the year, amounted to 436,460 SR (March 31, 2022: 240,845 SR).

18/4 Accrued expenses and other payables

Accrued expenses and other payables include liability for legal cases and claims amounting to 4,339,716 SR as at March 31, 2023 (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 ended 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 11.3 million SR as on March 31, 2023 (13.9 million 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 ended 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.

(All amounts are in Saudi Riyal unless otherwise stated)

18. TRADE PAYABLES AND OTHER CREDIT BALANCES (CONTINUED)

18/4 Accrued expenses and other payables (Continued)

During the year ended March 31, 2023, 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 12). The total value of the drawn amounted to 3,602,627 SR as on March 31, 2023 (nil as of 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 Execution Court (before the date of issuance of the court's ruling opening the company's financial reorganization procedures) distributed the entire amount executed on it from the fund as a partial payment of the amounts due according to the execution orders issued on the company. Accordingly, an offset was made between the actual amount distributed with the credit balances recorded in favor of the executor in their favour included in trade payables and other credit balances.

19. 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.

19/1 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 year ended March 31, 2023 and 2022:

	31 March 2023	31 March 2022
Salaries	5,517,379	4,187,328
Bonus*	3,551,313	-
Allowances	886,505	807,949
Compensation and other benefits	1,279,204	1,806,204
Board of Directors and Committees' expenses	591,343	140,264
	11,825,744	**6,941,745**

* Represent provisions made during the financial year ended March 31, 2023, and not paid they provisions are in accordance with the policy of remuneration and compensation for members of the Board of Directors and senior executives, which will be presented to the General Assembly of shareholders for approval.

19/2- Related party transactions

During the year, 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 years ending March 31:

			Net amount of transactions	
	Nature of relation	Nature of transaction	31 March 2022	31 March 2022
Qutrob Company for Production	Associate	Current account	-	387,058
Qutrob Company for Production	Associate	Production Contracts	76,300	-
J Walter Thompson MENA	Associate	Production Contracts	1,429,324	717,654
United Advertising Company	Associate	Current account	3,970	3,315,164
United Advertising Company	Associate	Settlement by dividends	4,385,179	-

(All amounts are in Saudi Riyal unless otherwise stated)

19. RELATED PARTY TRANSACTION (CONTINUED)

19/3- Due from related parties

	31 March 2023	31 March 2022
Qutrob Company for Production	137,503	299,322
United Advertising Company	3,970	-
J Walter Thompson MENA	-	717,654
	141,473	**1,016,976**

19/4- Due to a related party

	31 March 2023	31 March 2022
United Advertising Company	-	4,385,179
	-	**4,385,179**

20. REVENUES FROM CONTIUED OPERATIONS

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

	31 March 2023	31 March 2022
Travel convenience products, food and beverages	31,164,170	22,868,456
Revenues from sale of educational materials	27,197,289	23,027,165
Revenue from production of specific media content for clients	18,442,800	23,883,648
Revenue from lease of static and digital billboards to customers and providing other advertising services to customers	5,035,950	6,292,196
Bookstores sales	10,473	313,241
Total revenue from contracts with customers from continued operations	**81,850,682**	**76,384,706**

Geographical information for revenue from continued operation:

	31 March 2023	31 March 2022
KSA	81,850,682	76,384,706
Total revenue from contracts with customers from continued operations	**81,850,682**	**76,384,706**

Timing of revenue recognition

	31 March 2023	31 March 2022
Recognised at a point in time	76,814,732	70,092,510
Recognised over a period of time	5,035,950	6,292,196
Total revenue from contracts with customers from continued operations	**81,850,682**	**76,384,706**

(All amounts are in Saudi Riyal unless otherwise stated)

21. COST OF REVENUES

	Note	31 March 2023	31 March 2022
Cost of goods sold		30,727,108	27,155,615
Costs of producing specific media content for clients		14,655,656	24,448,851
Salaries and benefits		2,355,973	2,446,130
Amortization of the right to use assets	5/3	1,586,885	3,015,478
Depreciation of property and equipment	4	442,539	3,480,620
Printing costs		252,334	270,002
Costs of materials and maintenance of advertising boards and sites		193,350	335,167
		50,213,845	**61,151,863**

22. SELLING AND MARKETING EXPENSE

	Note	31 March 2023	31 March 2022
Salaries and benefits		16,616,803	14,945,908
Depreciation of right of use assets	5/3	7,474,238	6,544,443
Advertisement, commissions for sale and collection		3,495,894	1,590,686
Rent – Short term and variable		2,214,783	1,892,655
Depreciation of property and equipment	4	1,878,156	1,916,022
Communication, transportation, water and electricity expenses		1,773,716	991,516
Professional and advisory fees		1,190,442	989,600
Travel expenses		588,096	440,330
Governmental expenses and subscriptions		567,321	489,804
Maintenance, repairs and insurance		306,182	474,538
Other expenses		108,031	438,962
		36,213,662	**30,714,464**

23. GENERAL AND ADMINSITRATIVE EXPENSE

	Note	31 March 2023	31 March 2022
Provision for slow moving inventory	10/2	22,580,110	4,026,057
Salaries and benefits		16,187,896	14,491,883
Claims losses	11/3	4,310,433	-
Legal and professional expenses		2,618,805	3,962,245
Financial reorganization expenses		1,481,570	-
Governmental expenses and subscriptions		1,011,280	1,097,738
Travel expenses		910,267	737,952
Rent – short term and variable		851,634	972,929
Losses on legal claims		500,000	-
Depreciation of right of use assets	5/3	379,091	757,674
Depreciation of property and equipment	4	337,257	342,178
Write-off trade receivables and other credit balances		278,788	-
Communication, transportation, water and electricity		196,217	253,951
Depreciation of investment property	9	78,957	157,483
Maintenance, repairs and insurance		48,579	149,297
Advertising and marketing		-	44,600
Amortisation on intangible assets	8	-	53,085
Other expenses		309,299	947,089
		52,080,183	**27,994,161**

(All amounts are in Saudi Riyal unless otherwise stated)

24. OTHER INCOME, NET:

	Note	31 March 2023	31 March 2022
Rental concessions from continued operations*	5/2	3,863,266	4,467,828
Gain from disposal of investment properties	9	1,508,977	-
Rebates earned		437,804	-
Gain from disposal of property and equipment		307,612	184,502
Profit from investment in Murabaha fund and deposits		164,465	159,789
Rent, Net	9	106,099	416,507
Gains from Legal cases		80,470	-
Settlement of unclaimed credit balances		76,608	451,212
Forex exchange gains / (losses)		28,374	(135,737)
Advertisement rental short term contracts settlement **		-	2,360,334
Other income and expenses, net		264,153	307,404
		6,837,828	**8,211,839**

* Represents rent concessions on lease contracts.

** Represents an increase in the cost of renting advertising sites during the previous financial years, as the Group calculated the cost of renting its main advertising contracts based on the financial claims received from the leasing agency for the sites. The Group subsequently obtained the settlements on the final claim on the rents due on the actual advertising sites received, rents that were provided for during the previous financial years, the Group reflected this release in other income.

25. FINANCE COST

	31 March 2023	31 March 2022
Finance charges on lease liabilities for continued operations	1,356,326	1,578,679
Finance charges	545,244	1,076,729
Bank charges	203,850	658,488
	2,105,420	**3,313,896**

26. 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

-The parent company received the adjusted Zakat assessments from the Zakat, Income and Customs Authority for the years ended on March 31, 2015 until March 31, 2020. The parent company recorded a liability against zakat differences as per revised assessment. 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.

- 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 ended 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 ended on March 31, 2022. During the year ended 31 March 2023, the General Secretariat of the Zakat, Tax and Customs Committees rejected the appeal submitted by the Zakat, Income and Customs Authority against the decision, accordingly the verdict became enforceable in favor of the company.

26. ZAKAT PAYABLE (CONTINUED)

Parent company (continued)

- During the year ended March 31,2023, the General Secretariat of Zakat, Tax and Customs rejected the company's objection to the adjusted assessments for the years ended on March 31, 2016 until March 31, 2019 and the Company has submitted an appeal against the decision. Subsequent to the financial position date the General Secretariat of the Zakat, Tax and Customs Committees rejected the company appeal on the adjusted assessments for the years ended on March 31, 2017, until March 31, 2019, accordingly the verdict became enforceable against of the company. No resolution has been issued on the Company appeal to the adjusted assessments for the years ended on March 31, 2016, until the date of approval of these consolidated financial statements.

- During the fiscal year ending on March 31, 2023, the company appealed the decision of the General Secretariat of the Zakat, Tax and Customs Committees with partial acceptance of the company's objection to the amended assessment for the fiscal year ending on March 31, 2020 filled with the Appeal Committee for Tax Violations and Disputes. No decision was issued regarding the company's appeal until the date of approval of these 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 ended 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 SR 3,540,123 , 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 ended 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 ended on December 31, 2017, 2018. During the year ended March 31, 2023, the General Secretariat of the Zakat, Tax and Customs Committees rejected the appeal submitted by the company against the committee's decision. Accordingly, the revised assessments became enforceable against the company.

- During the year ended March 31, 2023, 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 2016, 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. No decision was issued regarding the company's appeal until the date of approval of these consolidated financial statements.

During the fiscal year ending on March 31, 2023, the Zakat, Income and Customs Authority issued an assessment for the year ending on December 31, 2020, including an additional Zakat obligation of 991,799 SR. The company submitted an appeal against the decision before the Secretariat General for Zakat, Tax and Customs Committees. No decision was issued regarding the company's appeal until the date of approval of these consolidated financial statements.

26. ZAKAT PAYABLE (CONTINUED)

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

Tihama Modern Bookstores Company (Continued)

- During the fiscal year ending on March 31, 2023, the Zakat, Income and Customs Authority issued an assessment for the fiscal year ending on December 31, 2021, including an additional zakat obligation in the amount of 877,413 SR. The company has made a provision for the full value of the differences based on the revised assessment. The company as well objected on the decision before the Zakat, Income and Customs Authority, and no decision was issued regarding the company's objection until the date of approval of these consolidated 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 based on its zakat returns.

- During the fiscal year ended 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.
- During the year ended March 31, 2023, the company's filled an appeal after the rejection of the objection by the General Secretariat of the Zakat, Tax and Customs Committees, and no decision was issued on the appeal until the date of approval of these consolidated financial statements.

- During the year ended on March 31, 2022, Tihama Distribution Company received the amended Zakat assessment from the Zakat, Tax and Customs Authority for the years ended 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. During the year ended March 2023, the company's filled an appeal after the rejection of the objection by the General Secretariat of the Zakat, Tax and Customs Committees, and no decision was issued on the appeal until the date of approval of these consolidated financial statements.

Tihama Education Company

The company submitted the zakat declaration for the years since its establishment until December 31, 2021 and paid the zakat due based on Zakat returns 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 amended assessments 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, 2022, 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 of approval of these consolidated financial statements.

(All amounts are in Saudi Riyal unless otherwise stated)

26. ZAKAT PAYABLE (CONTINUED)

26/1- The movement in Zakat provision for the year is as follows:

	31 March 2023	31 March 2022
Balance at the beginning of the year	29,905,822	30,259,701
Provided during the year	7,873,500	347,952
Paid during the year	(1,168,711)	(701,831)
Balance at the end of the year	**36,610,611**	**29,905,822**

27. SEGMENGT 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 the lease of out home 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 advertising commercials).

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 lie 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 customers 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.

(All amounts are in Saudi Riyal unless otherwise stated)

27. SEGMENGT INFORMATION (CONTINUED)

The following table presents the revenue and (losses) / profit information for the operating segment from continued operations as at March 31, 2023:

Revenue from continued operation:	**Advertising**	**Production**	**Distribution**	**Retail and Bookstores**	**Holding and investments**	**Total**	**Adjustments and eliminations**	**Total**
Revenue from external customers	5,035,950	18,442,800	27,197,289	31,174,643	-	**81,850,682**	-	**81,850,682**
Inter-segment	-	100,213	-	-	-	**100,213**	(100,213)	**-**
Total revenues	5,035,950	18,543,013	27,197,289	31,174,463	-	**81,950,895**	(100,213)	**81,850,682**
Gross segment profit	2,560,842	1,431,170	10,771,868	16,872,957	-	**31,636,837**	-	**31,636,837**
Segment (loss) /profit from continued operations	(8,563,919)	(3,839,360)	(4,070,366)	(29,012,147)	(13,438,256)	**(58,924,048)**	-	**(58,924,048)**
Discontinued operations profits for the year	-	-	-	-	-	**-**	-	**1,412,484**
Net loss for the year								**(57,511,564)**

The following table presents the revenue and profit / (losses) information for the operating segment from continued operations as at March 31, 2022:

Revenue from continued operation:	**Advertising**	**Production**	**Distribution**	**Retail and Bookstores**	**Holding and investments**	**Total**	**Adjustments and eliminations**	**Total**
Revenue from external customers	6,292,196	23,883,648	23,027,165	23,181,697	-	**76,384,706**	**-**	**76,384,706**
Inter-segment	-	-	-	-	-	**-**	**-**	**-**
Total revenues	6,292,196	23,883,648	23,027,165	23,181,697	-	**76,384,706**	**-**	**76,384,706**
Gross segment (loss)/profit	(809,071)	(3,011,333)	7,416,691	11,636,556	-	**15,232,843**	**-**	**15,232,843**
Segment loss from continued operations	(3,915,703)	(7,366,752)	(4,315,836)	(12,686,572)	(3,530,566)	**(31,815,429)**	**-**	**(31,815,429)**
Discontinued operations loss for the year	-	-	-	-	-	**-**	**-**	**(5,903,930)**
Net loss for the year								**(37,719,359)**

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 effect on the Group gross (loss) / profit and net (loss) / profit.

(All amounts are in Saudi Riyal unless otherwise stated)

27. SEGMENGT INFORMATION (CONTINUED)

The following table presents total assets and total liabilities information for the Group's operating segments for the year ended 31 March 2023:

	Advertising	Production	Distribution	Retail and Bookstores	Holding and investments	Total	Adjustments and eliminations	Total
Assets	5,088,011	10,412,250	32,252,220	79,166,546	126,699,077	**253,618,104**	**(105,110,656)**	**148,507,448**
Liabilities	42,474,389	20,955,688	31,776,521	139,932,423	79,081,537	**314,220,558**	**(105,110,656)**	**209,109,902**

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

	Advertising	Production	Distribution	Retail and Bookstores	Holding and investments	Total	Adjustments and eliminations	Total
Assets	19,143,238	11,384,860	29,065,824	113,970,185	142,841,638	**316,405,745**	**(107,515,070)**	**208,890,675**
Liabilities	45,165,807	18,103,398	26,435,266	154,191,655	68,026,006	**311,922,132**	**(107,515,070)**	**204,407,062**

Adjustments and eliminations

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.

(All amounts are in Saudi Riyal unless otherwise stated)

28. FINANCIAL INSTRUMENTS – FAIR VALUE AND RISK MANAGEMENT

Financial instruments – fair value

This note provides information about the Group's financial instruments, including:
- An overview of all financial instruments held by the Group;
- Specific information about each type of financial instruments.

Financial assets

Financial assets are measured at amortized cost, or fair value through other comprehensive income ("FVOCI"). The decision to classify these financial assets into appropriate categories depends on:

- The business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial asset.

All financial assets owned by the Group are measured at amortized cost, except for the financial assets measured at fair value through other comprehensive income, and the fair values of financial assets measured at amortized cost are not materially different from their carrying amounts due to their short-term nature.

	Note	31 March 2023	31 March 2022
Financial assets			
Financial assets designated at fair value through other comprehensive income	7	-	428,363
Loans and accounts receivable			
Trade receivables and other debit balances, net	11	27,814,049	36,296,463
Due from related parties	19/3	141,473	1,016,976
		27,955,522	**37,741,802**
Cash and cash equivalents	12	29,997,918	34,570,382
Total		**57,953,440**	**72,312,184**

Financial liabilities

The fair values of financial liabilities are not materially different from their carrying amounts, since the interest payable on those liabilities is either close to current market rates or the liabilities are of a short-term nature.

	Note	31 March 2023	31 March 2022
Financial liability			
Loans	16	20,751,481	20,416,769
Due to related parties	19/4	-	4,385,179
Trade payable and other credit balances	18	104,362,923	93,084,730
Zakat accrued	26	36,610,611	29,905,822
Total		**161,725,015**	**147,792,500**

Financial instruments – Risk Management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk.
- Market risk; and
- Liquidity risk.

(All amounts are in Saudi Riyal unless otherwise stated)

28. FINANCIAL INSTRUMENTS – FAIR VALUE AND RISK MANAGEMENT (CONTINUED)

Risk management framework

- The Parent Company's Board of Directors is responsible for developing and monitoring the Group's risk management framework. The Board of Directors is responsible for developing and monitoring the Group's risk management policies.
- The Group's overall risk management program focuses on the unexpected financial market fluctuations and the search for possibilities to minimize potential negative effects on the Group's consolidated financial performance.
- Risk management is carried out by senior management in accordance with policies approved by the Board of Directors. Senior management identifies and assesses financial risks in close cooperation with the company's operating units.

Credit risk

The Group is exposed to credit risk as a result of the counterparty's failure to meet its contractual obligations when due, in respect of:

- Trade receivables and other debit balances
- Cash and cash equivalents

In monitoring customer credit risk, customers are grouped according to their credit characteristic In monitoring customer credit risk, customers are grouped according to their credit characteristic and existence of previous financial difficulties.
The Group is closely monitoring the economic environment in taking actions to limit its exposure to customers in industry experiencing particular economic volatility. Purchase limits are monitored, all Group customers with credit are operating in Kingdom of Saudi Arabia.

Credit risk is the risk that the Group will incur a financial loss as a result of the failure of the customer or counterparty to a financial instrument to fulfil its contractual obligations. The carrying amount of financial assets represents the maximum credit exposure. Impairment losses on financial assets recognized in consolidated statement of profit or loss and other comprehensive income amounted to 5,288,322 SR (March 31, 2022: 999,333 SR).

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. management also considers the factors that may influence the credit risk of its customers base, including the default risk of the industry.

For accounts receivable, the Group has developed a policy according to which customers who wish to deal in credit are analysed before presenting the basic terms and conditions of payment and delivery to the Group.. The Group limits its exposure to credit risk by providing credit terms that do not usually exceed three months on average, except in limited cases.

The carrying amount of financial assets represents the maximum value that financial assets may be exposed to credit risk as on the financial position date on March 31, and it is as follows:

	Note	31 March 2023	31 March 2022
Trade receivable and other debit balances, net	11	27,814,049	36,296,463
Due from related parties	19/3	141,473	1,016,976
Cash and cash equivalents	12	29,997,918	34,570,382
Total		**57,953,440**	**71,883,821**

(All amounts are in Saudi Riyal unless otherwise stated)

28. FINANCIAL INSTRUMENTS – FAIR VALUE AND RISK MANAGEMENT (CONTINUED)

Credit risk (Continued)

- Receivables are short-term and usually less than 12 months, so the provision for credit loss is calculated in a way that does not differ from the 12-month period, which is the expected life of the receivables.
- The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.
- The Group uses past and historical experiences and loss rates based on the basis of the past 36 months, where historical loss rates are adjusted to reflect information on current conditions and expectations of future economic conditions. The loss rates differ based on the age of the receivables and are usually higher the older the receivables.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as of 31 March 2023:

Aging of trade Receivables	Weighted- average loss rate	Gross carrying amount	Impairment loss allowance
1-90 days	6.15%	3,079,007	189,456
91-180 days	11.76%	2,011,145	236,449
181-360 days	31.84%	1,925,409	612,970
Above 360 days	98.06%	16,034,050	15,722,882
Total		**23,049,611**	**16,761,757**

The following table provides information about the exposure to credit risk and ECLs for trade receivables as of 31 March 2022:

Aging of trade receivables	Weighted- average loss rate	Gross carrying amount	Impairment loss allowance
1-90 days	0.004%	193,982	8
91-180 days	0.02%	2,717,722	544
181-360 days	3.29%	5,428,276	178,590
Above 360 days	78.9%	14,302,046	11,294,293
Total		**22,642,026**	**11,473,435**

Factors impacting ECL model

1- Trade receivables collections.

2- Forward looking information of the economic conditions of the customers business industry

Sensitivity

- The following table shows the sensitivity of the impairment of trade receivables to reasonable possible changes in future default rates, with all other variables held constant:

	31 March 2023	31 March 2022
Increase by 100 basis point	(268,249)	(35,249)
Decrease by 100 basis point	268,249	35,249

28. FINANCIAL INSTRUMENTS – FAIR VALUE AND RISK MANAGEMENT (CONTINUED)

Credit risk (Continued)

The Group has assessed other receivables as underperforming receivables and as the expected lifetime of related financial assets for less than 12 months the Group has applied the expected loss measurement over the life of the assets. The expected losses of other receivables as at March 31, 2023 are 1,159,215 SR (March 31,2022: 1,159,215 SR).

The Group has kept cash and cash equivalents in reputable banks and financial institutions, so the expected credit losses of cash and cash equivalents as of March 31, 2023 is insignificant (March 31, 2022: insignificant).

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, such as foreign exchange rates, commission rates and goods prices, will affect the Group 's income or the value of its holdings of financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

Currency risk is the risk that the value of a financial instrument is subject to fluctuations as a result of changes in foreign exchange rates. The Group's business transactions are mainly in the currencies of Saudi Riyal, UAE Dirham and US Dollar.
The Group also has investments in foreign associate companies where its net assets are exposed to currency conversion risk. These risks are currently mainly related to the movement of the conversion rate between the Saudi Riyal against the UAE Dirham. The impact of these exposures is recorded in a separate item in the shareholders' equity in the accompanying consolidated financial statements. The Group's management monitors fluctuations in the foreign exchange rate and believes that these risks are insignificant as the exchange currencies are regularly fixed in Saudi Riyals.

Managing fair value and cash flow commission rate risks

Fair value and cash flow commission rate risks are different exposures related to the effect of fluctuations in commission rates prevailing in the market on the consolidated financial position and consolidated cash flows of the Group. Commission rate risk to the Group arises mainly from short-term deposits and bank borrowings. The Group does not use hedging contracts, but management monitors changes in commission rates and believes that this risk is not significant.

As at the date of the financial position, the Group's loans carried interest rates were as follows:

	Note	31 March 2023	31 March 2022
Loans – instruments with interest	16	20,751,481	20,416,769
		20,751,481	**20,416,769**

Price risk management

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its source, or factors affecting all instruments traded in the market. The Group is exposed to price risk in relation to equity investments held by the Group and classified as financial assets designated at fair value through comprehensive income in the consolidated statement of financial position. The Group diversifies its investment portfolio to manage the price risk arising from its equity investments.

(All amounts are in Saudi Riyal unless otherwise stated)

28. FINANCIAL INSTRUMENTS – FAIR VALUE AND RISK MANAGEMENT (CONTINUED)

Price risk management (Continued)

For the year ended March 31,2023	Value	Level (1)	Level (2)	Level (3)
Financial assets designated at fair value through other comprehensive income	-	-	-	-

For the year ended March 31,2022	Value	Level (1)	Level (2)	Level (3)
Financial assets designated at fair value through other comprehensive income	428,363	-	-	428,363

Liquidity risk

- Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset, The Group's approach to managing liquidity by monitoring on a regular basis that sufficient funds and banking and other credit facilities are available to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group seeks continuously to comply with its legal obligations, including any, relating to its financing agreements.
- Liquidity risk is managed by monitoring on a regular basis that sufficient funds and banking and other credit facilities are available to meet the Group's future commitments.
- The management monitors the rolling forecasts of liquidity and expected cash flows at the Group level. In addition, the liquidity management policy of the Group includes forecasting cash flows and considering the level of liquid assets necessary to meet them, monitoring liquidity rates in the financial position and debt financing plans.

The following are the contractual maturities of the financial liabilities at the end of the reporting period. Amounts are shown in total and not discounted:

As of 31 March 2023	Less than 3 months	More than 3 months – less than year	1-2 years	2-5 years	Total	Carrying amount
Loans	20,751,481	-	-	-	20,751,481	20,751,481
Zakat Accrued	2,557,416	34,053,195	-	-	36,610,611	36,610,611
Trade payables and other credit balances	36,291,012	68,071,911	-	-	104,362,923	104,362,923
	59,599,909	**102,125,106**	**-**	**-**	**161,725,015**	**161,725,015**
As of 31 March 2022						
Loans	37,696	20,894,826	38,458	-	20,970,980	20,416,769
Zakat Accrued	-	29,905,822	-	-	29,905,822	29,905,822
Trade payables and other credit balances	47,012,386	46,072,344	-	-	93,084,730	93,084,730
Due to Related parties	-	4,385,179	-	-	4,385,179	4,385,179
	47,050,082	**101,258,171**	**38,458**	**-**	**148,346,711**	**147,792,500**

(All amounts are in Saudi Riyal unless otherwise stated)

28. FINANCIAL INSTRUMENTS – FAIR VALUE AND RISK MANAGEMENT (CONTINUED)
Liquidity risk (Continued)

Lease liabilities:

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

	31 March 2023	31 March 2022
During a year	30,793,579	32,791,793
More than 1 year and less than 5 years	14,434,029	20,788,979
Total lease liabilities	**45,227,608**	**53,580,772**

-The Group's current liabilities exceeded its current assets by approximately SR 86.7 million as of March 31, 2023 (March 31,2022: SR 50.3 million).

The Group also has negative cash flows from operating activities in the amounted to of SR 11.9 million as of March 31, 2023 (March 31, 2022: SR 18.4 million).

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.

On December 7, 2022, the Commercial Court in Riyadh issued a ruling accepting the parent company's request to open a financial reorganization procedure and appointing Mr. Osamah Al-Sudais as custodian for the procedure and granting the company a period of one hundred and fifty days from the date of opening the procedure to prepare a proposal to pay creditors.

According to the financial reorganization procedures, all claims against the company are suspended for a period of one hundred and eighty days from the date of recording the application for the opening or opening of the procedure. All execution requests and orders issued against the company by its creditors.

Subsequent to the date of the financial position on April 2, 2023, the extraordinary general assembly of shareholders approved the recommendation of the parent company's Board of Directors to increase the company's capital by an amount of SR 350 million by issuing rights issue, and on May 4, 2023, the subscription process was completed and the unsubscribed shares were sold for the entire increase that was approved by the general assembly (Note 36).

The plan includes using part of the proceeds of the proposed capital increase in settling the obligations owed by the group companies, especially those for which final judgments have been issued that are binding on the group companies.

The Board has also reviewed the base case plans for future years along with a comparison of the budget with actual results for the current year. In the ordinary course of business, considering that:

A- The group's cash banking facilities are secured by cash coverage or assets in excess of the value of the facilities (Note 16).

B- The current liabilities include a provision for zakat of approximately 36 million Saudi Riyals, part of which is still not definitively owed by the group, as until the date of approval of these consolidated financial statements, no final decisions have been issued in this regard by the General Secretariat of the Zakat, Tax and Customs Committees by which the company objected to the amendments of the Zakat, Income and Customs Authority before it (Note 26).

(All amounts are in Saudi Riyal unless otherwise stated)

28. FINANCIAL INSTRUMENTS – FAIR VALUE AND RISK MANAGEMENT (CONTINUED)

Liquidity risk (Continued)

C- The plan to use the proceeds of the company's capital increase by 350 million Saudi Riyals includes using part of the proceeds to pay current obligations of the group, including the obligations issued by final binding court rulings on the group's companies.

D- Completion of the capital increase process by an amount of 350 million Saudi Riyals, subsequent to the date of the financial position.

E - The company's submission to financial reorganization procedures, which includes suspending claims against the company.

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

Capital Management

The Group seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position,

The Group monitors capital using a ratio of adjusted net debt' to 'adjusted equity". For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash, and cash equivalents. Adjusted equity comprises all components of equity attributable to shareholders of parent company.

The Group's adjusted net debt to equity ratio was as follows:

	31 March 2023	31 March 2022 (Restated)
Total liabilities	209,109,902	204,407,062
Less: cash and cash equivalents	(29,997,918)	(34,570,382)
Adjusted net debt	**179,111,984**	**169,836,680**
Total Equity attributable to shareholders of parent company	(57,559,430)	6,373,626
Adjusted net debt to equity ratio	**(3.11)**	**26.6**

29. LOSS PER SHARE

The basic / diluted loss per share was calculated by dividing the net loss for the year attributable to ordinary shareholders of the Parent company by the weighted average number of ordinary shares outstanding during the year. Loss per share was calculated for the year ended on March 31, 2023, and the year ended on March 31, 2022, by dividing the net loss for each year by the weighted average number of shares outstanding at the end of each year. Diluted loss per share is the same as basic loss per share as the Group has neither convertible securities nor dilutive financial instruments to exercise.

(All amounts are in Saudi Riyal unless otherwise stated)

29. LOSS PER SHARE (CONTINUED)

	31 March 2023	31 March 2022
Loss from continued operations for the year	(55,107,502)	(36,263,276)
Net loss from continued operations for the year	(58,924,048)	(31,815,429)
Net loss for the year attributable to shareholders of the parent Company	(56,354,216)	(35,499,986)
Weighted average number of shares during the year	5,000,000	5,000,000
Basic and diluted loss per share from loss from continued operations for the year	**(11.02)**	**(7.25)**
Basic and diluted loss per share from net loss from continued operations for the year	**(11.78)**	**(6.36)**
Basic and diluted loss per share from net loss for the year attributable to shareholders of the parent company	**(11.27)**	**(7.1)**

There were no potentially diluting shares outstanding at any time during the year, and accordingly diluted losses per share equal the basic loss per share.

30. 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 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.

On October,4 2022, the necessary approvals from stakeholders and related bodies were obtained to complete the process of transferring concession rights and lease contracts (note 3/1/4), accordingly, the subsidiary company transferred the 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 as well as employees benefits obligations.

The total fair value of the agreed consideration for the transaction amounted to 4,637,726 SR, of which 2,451,226 SR were received, and the net remaining 2,186,500 SR was included in trade receivables and other debit balances, net. According to the sale agreement, the remainder of the agreed consideration amount will be paid in two instalments.
The group recorded net profit of 1,484,557 SR on the transaction as follows:

	As at 4 October 2022,
Fair value of agreed consideration received in cash	4,637,726
Net asset value of transferred assets	(3,153,169)
Net gain on disposal	**1,484,557**

(All amounts are in Saudi Riyal unless otherwise stated)

30. DISCONTINUED OPERATIONS (CONTINUED)

30/1 The following is a list of transferred assets and liabilities as on the date of disposal:

	Note	As at 4 October 2022
Assets		
Trade receivables and other debit balances, net		1,327,977
Inventory		376,696
Property and equipment	4	3,857,136
		5,561,809
Liabilities		
Trade payables and other credit balances		1,736,565
Employees' defined benefits obligations	17	672,075
		2,408,640
Net asset value		**3,153,169**

30/2 Discontinued operations results:

	4 October 2022	31 March 2022
Revenues	11,702,822	13,610,400
Cost of revenue	(5,671,038)	(6,961,945)
Selling and marketing expenses	(6,798,473)	(15,148,973)
Other income, net	1,226,221	3,383,045
Finance charges	(531,605)	(786,457)
Loss for the period / year from discontinued operations	(72,073)	(5,903,930)
Gain on disposal of discontinued operations	1,484,557	-
Net gains / (loss) for the period / year from discontinued operations	**1,412,484**	**(5,903,930)**

31. CONTINGENT COMMITMENTS

Letter of Guarantees

The contingent commitments outstanding on the Group from letter of guarantees as at March 31, 2023, March 31, 2022 comprise the following:

	31 March 2023	31 March 2022
Letters of guarantee *	**11,670,972**	**15,104,020**

* Cash margin for letters of guarantee as at March 31, 2023, amounting to SR 11,517,685 is included in trade receivables and other debit balances - Note 11/5 (March 31, 2022 amounting to SR 9,757,161).

The Cash Margin for letters of guarantee include a cash margin with a local bank of SR 88,704 as on March 31, 2023 (SR 88,704 as at March 31 ,2022), as part of a non-cash facilities agreement to issue guarantees and credits (note 16).

The above letters of guarantee include letters of guarantee issued under non-cash bank facility agreements amounting to SR 591,160 as at March 31, 2023 (SR 5,526,213 as at March 31, 2022) (Note 16/5).

31. CONTINGENT LIABILITIES

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.
There is a lawsuit filed by a service supplier in which the company is required to pay an amount of 893,705 SR for a service provision agreement, and no decision has been issued in the lawsuit until the date of approving these consolidated financial statements.
There is a labor lawsuit filed against the company to claim due salaries, end-of-service benefits, and compensation. The total value of the claim is 1,137,125 SR. A liability of 511,363 SR was recorded against it.
During the year ended on March 31, 2022, a lawsuit was registered by the General Authority for Competition, which included accusing the company of violating the competition law before the Committee for Adjudication of Competition Law Violations against Tihama Company for Advertising, Public Relations and Marketing to demand a fine not exceeding 10% of the total sales, or at least SR 10 million when it is impossible to estimate sales. The General Secretariat of the Committee for Adjudication of Competition Law Violations issued a verdict to dismiss the lawsuit of the Public Prosecutor of the General Authority for Competition filed against the defendant, Tihama Advertising, Public Relations and Marketing Company as a result as it was not proven that the defendant committed this violation.
During the year ending on March 31, 2023, a verdict was issued by the Administrative Court of Appeal in Riyadh to uphold the decision of the Committee for Adjudication of Competition Law Violations and to reject the appeal submitted by the General Authority for Competition. The management of the group did not record any provision against the registered case based on the approval of the Court of Appeal of the decision of the Committee for Adjudication of Competition Law Violations by dismissing the case because it was not proven that the parent company committed this violation.

32. CONTINGENT ASSETS

33/1 Material lawsuits filed by the Parent 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. During the fiscal year ending on March 31, 2023, a decision was issued by the Secretariat to reject all of the company’s requests, and the company submitted an appeal against the decision, and no decision was issued by the Committees for Resolution of Securities Disputes regarding the company’s appeal until the date of approving these consolidated financial statements.

33/1 Material lawsuits filed by the Parent Company (Continued)

During the year ended 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 to the Parent Company an amount of 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 Kenaen General Trading Company to pay to the Parent Company 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. A final judgment was issued in favor of the company by the Dubai Courts after the appeal and cassation submitted against the judgment by the company's former manager was rejected after the appeal was rejected. Accordingly, the judgment issued in favor of the company became final and enforceable.
- No contingent assets have been recorded in these consolidated financial statements against the lawsuits filed by the company, as there is no practical and reliable way to estimate the financial impact that may result from them.

(All amounts are in Saudi Riyal unless otherwise stated)

33. RESTATEMENT OF PRIOR YEARS

Prior years' adjustments relate to the parent company's share in the change in the net assets of J. Walter Thompson MENA (an associate company) as a result of the associate company adjusting the opening balance of its retained earnings as of January 1, 2020, and accordingly, the group's share of this adjustment amounting to 1,879,942 SR was recorded by adjusting the opening balance of investments in associate companies using equity method, and the opening balance of accumulated losses as of March 31, 2021, with the adjustment of the comparative information of the consolidated statement of financial position as of March 31, 2022. There is no effect of this adjustment on the consolidated statement of profit or loss and the consolidated statement of cash flows for the years ended on March 31, 2023 and March 31, 2022.

34. 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 30).

35/1 Adjustments to the comparative consolidated profit and loss statement for the year ended March 31, 2022, as a result of above reclassifications:

	31 March 2022 (before reclassification)	Reclassifications as a result of discontinued operations (note 30)	Reclassifications to conform with the presentation of current period	31 March 2022 (after reclassification)
Revenues from continued operations	89,995,106	(13,610,400)	-	76,384,706
Cost of revenues	(68,113,808)	6,961,945	-	(61,151,863)
Gross profit / (loss)	**21,881,298**	**(6,648,455)**	**-**	**15,232,843**
Operating Expenses				
Selling and marketing expenses	(45,863,437)	15,148,973	-	(30,714,464)
General and administrative expenses	(28,993,494)	-	999,333	(27,994,161)
Impairment loss in trade receivables and other debit balances	-		(999,333)	(999,333)
Other income, net	11,594,884	(3,383,045)	-	8,211,839
Loss from continued operations for the period	**(41,380,749)**	**5,117,473**	**-**	**(36,263,276)**
Non-operating (expenses) / revenues				
Finance cost	(4,100,353)	786,457	-	(3,313,896)
Share of results from associate companies	8,109,695	-	-	8,109,695
Loss from continued operations for the year before zakat	**(37,371,407)**	**5,903,930**	**-**	**(31,467,477)**
Zakat	(347,952)	-	-	(347,952)
Net loss from continued operations for the year	**(37,719,359)**	**5,903,930**	**-**	**(31,815,429)**
Discontinued operations				
loss from discontinued operations for the period	**-**	**(5,903,930)**	**-**	**(5,903,930)**
Net loss for the year	**(37,719,359)**	-	-	**(37,719,359)**

36. SUBSEQUENT EVENTS

Subsequent to the date of the financial position on April 2, 2023, the extraordinary general assembly of shareholders approved the recommendation of the Parent company's Board of Directors to increase the company's capital by an amount of 350 million SR by way of a rights issue. On May 4, 2023, the subscription process was completed, and the unsubscribed shares were sold in full. The company completed the legal procedures to amend the articles of association and the commercial register to reflect the new capital after the increase, amounting to 400 million SR divided into 40 million ordinary shares. Where the total value of the new shares was subscribed in cash.

Subsequent to the date of the financial position and on May 2, 2023, Integrated Production Company for Audiovisual Media Production (a subsidiary) sold its stake in Qutrob for Audiovisual Media Production (an associate company) for 1,195,000 SR, and the total book value of the shares in the company was The associate as at the date of disposal amounted to 116,572 SR, and a profit was achieved from the disposal of the associate in the amount of 1,078,428 SR (Note 6/1/G)

The total costs related to increasing the company's capital by 350,000,000 SR by issuing priority rights shares, which were approved by the extraordinary general assembly of shareholders, and completing the subscription thereto later to the date of the financial position (note 13), amounted to 26,384,139 SR, of which an amount of 3,021,594 SR incurred during the fiscal year ending on March 31, 2023 were in prepayments and other receivables (Note 3/11). As these costs are related to an equity transaction, the full costs amounting to 26,384,139 SR will be recorded during the first quarter of the fiscal year ending on March 31, 2024 directly as a deduction from the equity attributable to the shareholders of the parent company.

Subsequent to the date of the financial position, and on June 14, 2023, a decision was issued by the competent department of the Commercial Court approving the extension of the deadline for preparing a proposal to pay creditors according to the financial reorganization procedures of the parent company for a period of 150 days.

Subsequent to the date of the financial position, the parent company's management received a letter from shareholders who own 10% of the Company's capital requesting a general assembly of shareholders be held, in order to vote on dismissing all members of the parent company's Board of Directors in its current session and opening the door for candidacy for membership of the Board of Directors. The Board of Directors of the parent company is to take regulatory required action in this regard, and the parent company's management does not expect any material impact of demand on the Group's operations.

36. APPROVAL ON CONSOLIDATED FINANCIAL STATMENTS

The consolidated financial statements for the year ended 31 March 2023 were approved by the Board of Directors on 2 Dhul Hijjah 1444 H (corresponding to 20 June 2023).