

**MOBI Industry Company**  
**(A Saudi Joint Stock Company)**

**UNAUDITED INTERIM CONDENSED FINANCIAL  
STATEMENTS**

**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023**

**AND INDEPENDENT AUDITOR'S REVIEW REPORT**

**MOBI Industry Company**  
**(A Saudi Joint Stock Company)**

**UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS**

For the six-month period ended 30 June 2023

<b>INDEX</b>	<b>PAGE</b>
Independent auditor's review report on the interim condensed financial statements	1
Interim condensed statement of profit or loss and other comprehensive income	2
Interim condensed statement of financial position	3
Interim condensed statement of changes in equity	4
Interim condensed statement of cash flows	5
Notes to the interim condensed financial statements	6-18

**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS  
TO THE SHAREHOLDERS OF MOBI INDUSTRY COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**Introduction**

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

**Scope of review**

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

**Conclusion**

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

For Alluhaid & Alyahya Chartered Accountants



Turki A. Alluhaid  
Certified Public Accountant  
License No. (438)



Riyadh: 12 Safar 1445H  
(28 August 2023)

MOBI Industry Company  
(A Saudi Joint Stock Company)

Interim condensed statement of profit or loss and other comprehensive income

	Note	For the six-month period ended	
		30 June 2023 (Unaudited) SR	30 June 2022 (Unaudited) SR
Revenue, net	7	100,746,211	97,755,725
Cost of revenue		(64,910,354)	(73,182,088)
<b>GROSS PROFIT</b>		<b>35,835,857</b>	<b>24,573,637</b>
General and administrative expenses		(2,115,466)	(2,438,645)
Selling and distribution expenses		(14,705,384)	(12,557,709)
Amortization of right-of-use assets	15	(538,930)	(392,160)
<b>OPERATING PROFIT</b>		<b>18,476,077</b>	<b>9,185,123</b>
Share of profit of investment in a joint venture		-	2,084,961
Share of profit of investment in an associate	14	1,228,081	-
Other income		11,500	85,391
Finance charges		(804,530)	(970,575)
<b>PROFIT BEFORE ZAKAT</b>		<b>18,911,128</b>	<b>10,384,900</b>
Zakat	8	(1,291,872)	(909,405)
<b>NET INCOME FOR THE PERIOD</b>		<b>17,619,256</b>	<b>9,475,495</b>
<b>Other comprehensive income that will not be reclassified subsequently to the statement of profit or loss</b>			
Remeasurement of employee benefit obligations		(785,611)	(95,993)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>16,833,645</b>	<b>9,379,502</b>
<b>EARNINGS PER SHARE:</b>			
Basic and diluted earnings per share	5	0.34	0.19

Chief Financial Officer



Chief Executive Officer



Chairman of the Board of Directors



The attached notes 1 to 24 form an integral part of these interim condensed financial statements.

MOBI Industry Company  
(A Saudi Joint Stock Company)

Interim condensed statement of financial position

		<i>As at 30 June</i> 2023 SR <i>(Unaudited)</i>	<i>As at 31</i> <i>December 2022</i> SR <i>(Audited)</i>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		7,902,739	6,332,443
Trade receivables	9	38,284,919	29,430,921
Prepayments and other receivables	10	12,934,793	11,104,532
Inventories	11	43,371,408	44,471,069
Amounts due from related parties	12	694,378	2,743,562
<b>TOTAL CURRENT ASSETS</b>		<b>103,188,237</b>	<b>94,082,527</b>
<b>NON-CURRENT ASSETS</b>			
Property and equipment	13	7,080,882	8,023,040
Investment in an associate	14	15,879,759	14,651,678
Right-of-use assets	15	5,741,898	4,869,131
<b>TOTAL NON-CURRENT ASSETS</b>		<b>28,702,539</b>	<b>27,543,849</b>
<b>TOTAL ASSETS</b>		<b>131,890,776</b>	<b>121,626,376</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Borrowings	17	12,317,239	18,450,837
Trade payables		16,455,478	13,606,552
Current portion of lease liabilities	15	728,731	772,007
Accrued expenses and other payables	16	6,968,054	6,282,521
Amounts due to related parties	12	83,215	24,310
Zakat payable	8	1,530,170	2,098,033
<b>TOTAL CURRENT LIABILITIES</b>		<b>38,082,887</b>	<b>41,234,260</b>
<b>NON-CURRENT LIABILITIES</b>			
Non-current portion of lease liabilities	15	4,251,181	3,588,679
Employee benefit obligations	18	11,603,482	10,683,856
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>15,854,663</b>	<b>14,272,535</b>
<b>TOTAL LIABILITIES</b>		<b>53,937,550</b>	<b>55,506,795</b>
<b>EQUITY</b>			
Capital	19	50,000,000	50,000,000
Statutory reserve	20	-	12,965,107
Retained earnings		30,627,480	5,043,117
Actuarial loss reserve		(2,674,254)	(1,888,643)
<b>TOTAL EQUITY</b>		<b>77,953,226</b>	<b>66,119,581</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>131,890,776</b>	<b>121,626,376</b>

**Chief Financial Officer**



**Chief Executive Officer**



**Chairman of the Board of Directors**



The attached notes 1 to 24 form an integral part of these interim condensed financial statements.

MOBI Industry Company  
(A Saudi Joint Stock Company)

Interim condensed statement of changes in equity  
For the six-month period ended 30 June 2023

	Capital SR	Statutory reserve SR	Actuarial loss reserve SR	Retained earnings SR	Total equity SR
<b>Balance as at 1 January 2023 (Audited)</b>	50,000,000	12,965,107	(1,888,643)	5,043,117	66,119,581
<b>Comprehensive income:</b>					
Net income for the period	-	-	-	17,619,256	17,619,256
Other comprehensive loss for the period	-	-	(785,611)	-	(785,611)
Total comprehensive income for the period	-	-	(785,611)	17,619,256	16,833,645
Dividends (note 22)	-	-	-	(5,000,000)	(5,000,000)
Transfer of statutory reserve to retained earnings (note 20)	-	(12,965,107)	-	12,965,107	-
<b>Balance as at 30 June 2023 (Unaudited)</b>	<u>50,000,000</u>	<u>-</u>	<u>(2,674,254)</u>	<u>30,627,480</u>	<u>77,953,226</u>
<b>Balance as at 1 January 2022 (Audited)</b>	50,000,000	11,572,769	(1,824,766)	4,512,072	64,260,075
<b>Comprehensive income:</b>					
Net income for the period	-	-	-	9,475,495	9,475,495
Other comprehensive income for the period	-	-	(95,993)	-	(95,993)
Total comprehensive income for the period	-	-	(95,993)	9,475,495	9,379,502
Dividends (note 22)	-	-	-	(4,500,000)	(4,500,000)
<b>Balance as at 30 June 2022 (Unaudited)</b>	<u>50,000,000</u>	<u>11,572,769</u>	<u>(1,920,759)</u>	<u>9,487,567</u>	<u>69,139,577</u>

Chief Financial Officer

Chief Executive Officer

Chairman of the Board of Directors

The attached notes 1 to 24 form an integral part of these interim condensed financial statements.



**MOBI Industry Company**  
**(A Saudi Joint Stock Company)**

**Interim condensed statement of cash flows**

	Note	For the six-month period ended 30 June 2023 (Unaudited) SR	30 June 2022 (Unaudited) SR
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before zakat		18,911,128	10,384,900
Adjustments for:			
Depreciation of property, plant and equipment	13	1,099,195	926,000
Share in profit of investment in a joint venture		-	(2,084,961)
Share in profit of investment in an associate	14	(1,228,081)	-
Finance cost on lease liabilities	15	106,725	77,622
Impairment losses on trade receivables	9	434,128	212,301
Amortization of right-of-use assets	15	538,930	392,160
Employee benefit obligations provision	18	710,723	566,988
Gain on disposal of property, plant and equipment		-	(85,391)
		<u>20,572,748</u>	<u>10,389,619</u>
Changes in operating assets and liabilities:			
Trade receivables		(9,288,127)	(9,927,653)
Prepayments and other receivables		(1,830,261)	(1,310,792)
Inventories		1,099,661	(11,667,315)
Amounts due from/to related parties, net		2,108,089	216,815
Trade payables		2,848,926	2,045,510
Accrued expenses and other payables		685,534	1,047,236
Cash from (used in) operating activities		<u>16,196,570</u>	<u>(9,206,580)</u>
Zakat paid	8	(1,859,735)	(2,283,740)
Employee benefit obligations paid		(576,708)	(121,670)
Net cash flow from (used in) operating activities		<u>13,760,127</u>	<u>(11,611,990)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	13	(157,037)	(246,673)
Proceeds from disposal of property, plant and equipment		-	649,252
Net cash flow (used in) from investing activities		<u>(157,037)</u>	<u>402,579</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		16,272,669	28,285,390
Repayments of borrowings		(22,406,267)	(14,859,402)
Dividends paid	22	(5,000,000)	(4,500,000)
Payment of lease liabilities	15	(899,196)	(650,700)
Net cash flow (used in) from financing activities		<u>(12,032,794)</u>	<u>8,275,288</u>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>1,570,296</b>	<b>(2,934,123)</b>
Cash and cash equivalents at beginning of the period		<u>6,332,443</u>	<u>7,747,190</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>		<b>7,902,739</b>	<b>4,813,067</b>
<b>NON-CASH TRANSACTIONS</b>			
Additions in right-of-use assets and lease liabilities	15	840,983	-
Remeasurement of right-of-use assets and lease liabilities	15	570,714	-
Remeasurement of employee benefit obligations	18	(785,611)	(95,993)

**Chief Financial Officer**



**Chief Executive Officer**



**Chairman of the Board of Directors**



The attached notes 1 to 24 form an integral part of these interim condensed financial statements.



**MOBI Industry Company**  
**(A Saudi Joint Stock Company)**

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**

30 June 2023

**1 CORPORATE INFORMATION**

MOBI Industry Company (the "Company") is a Saudi Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia under commercial registration number 1010063903 dated 24 Safar 1407H (corresponding to 27 October 1986).

The Company's activity represents manufacture of soap in all its forms, including (paste, liquid, and dry), manufacture of industrial detergents, manufacture of fertilizers and nitrogenous compounds, manufacture of plastics (plastics) in their primary forms, manufacture of washing and cleaning materials and preparations.

The registered address of the Company is P.O. Box 1239, Riyadh 11431, Kingdom of Saudi Arabia.

The accompanying interim condensed financial statements include the financial information of the Company and its following branches, operating under separate commercial registrations:

<u>Location</u>	<u>Commercial registration number</u>	<u>Register date</u>
Buraydah	1131007549	16/03/1409
Wadi Aldawasir	1185000617	07/02/1409
Dammam	2050032592	22/03/1418
Hail	3350007289	15/07/1411
Tabarjal	3402004797	26/04/1428
Jeddah	4030221203	20/02/1433
Khamees Mushait	5855016815	28/08/1417
Jazan	5900027472	12/04/1435

On 26 Dhul-Qi'dah 1444H (corresponding to 16 June 2023) the Company's Board of Directors have approved the transition of the Company from the parallel equity market "Nomu" to the main market; however, this transition is subject to the approval of the Capital Market Authority of Saudi Arabia and conditional on fulfilling all requirements stipulated in the listing rules.

**2 BASIS OF PREPARATION**

These interim condensed financial statements for the six-months period ended 30 June 2023 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for chartered and Professional Accountants ("SOCPA").

These interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2022, which have been prepared in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the SOCPA.

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

MOBI Industry Company  
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
30 June 2023

**3 SIGNIFICANT ACCOUNTING POLICIES, JUDGMENTS, ESTIMATED AND ASSUMPTIONS**  
The significant accounting policies, judgments, estimates and assumptions adopted by management in the preparation of the interim condensed financial statements were the same as those described in the Company's annual financial statements as at 31 December 2022, except for the accounting of treatment of statutory reserve, refer to note 20.

**4 NEW AND AMENDED STANDARDS AND INTERPRETATIONS**  
The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2023 (unless otherwise stated), but do not have an impact on the interim condensed financial statements.

***IFRS 17 Insurance Contracts***

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 Insurance Contracts that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and reinsurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The amendments had no impact on the Company's interim condensed financial statements.

***Definition of Accounting Estimates - Amendments to IAS 8***

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, and changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's interim condensed financial statements.

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

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. 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. The amendments had no impact on the Company's interim condensed financial statements, but are expected to affect the accounting policy disclosures in the Company's annual financial statements.

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

The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The amendments had no impact on the Company's interim condensed financial statements.

***Standards issued but not yet effective***

The Company has not early adopted any standards, interpretations or amendments that has been issued but not yet effective. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

**5 EARNINGS PER SHARE**

The extraordinary general assembly in its meeting, held on 4 Dhu al-Hijjah 1444H (corresponding to: 22 June 2023), approved a share split of the Company's shares from 5 million ordinary share to 50 million ordinary shares at a nominal value from SR 10 for each to SR 1 for each share, this has not resulted in a change in the resources of Company. The calculation of basic and diluted earnings per share for all periods presented were adjusted retrospectively due to share split.

Basic and diluted earnings per share are calculated by dividing the total comprehensive income for the six-month period ended 30 June 2023 and 2022 by the weighted average numbers of shares outstanding during the period of 50 million shares.



MOBI Industry Company  
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
30 June 2023

6 SEGMENT INFORMATION (continued)

	As at 30 June 2023		
	Fertilizer segment SR (Unaudited)	Detergent segment SR (Unaudited)	Total SR (Unaudited)
Investment in an associate	-	-	15,879,759
Property, plant and equipment	1,671,404	5,409,478	7,080,882
Other assets	15,686,777	93,243,358	108,930,135
	<u>17,358,181</u>	<u>98,652,836</u>	<u>131,890,776</u>
Total liabilities	<u>2,152,167</u>	<u>51,591,510</u>	<u>53,743,677</u>

  

	As at 31 December 2022		
	Fertilizers segment SR (Audited)	Detergent segment SR (Audited)	Total SR (Audited)
Investment in an associate	-	-	14,651,678
Property, plant and equipment	1,849,200	6,173,840	8,023,040
Other assets	11,443,036	87,508,622	98,951,658
	<u>13,292,236</u>	<u>93,682,462</u>	<u>121,626,376</u>
Total liabilities	<u>2,301,946</u>	<u>53,204,849</u>	<u>55,506,795</u>

7 REVENUE

	For the period ended 30 June 2023 (Unaudited) SR	For the period ended 30 June 2022 (Unaudited) SR
Sales	110,717,423	107,917,893
Sales discount	(9,971,212)	(10,162,168)
	<u>100,746,211</u>	<u>97,755,725</u>
<i>Type of services</i>		
Sale of goods	<u>100,746,211</u>	<u>97,755,725</u>
<i>Timing of revenue recognition</i>		
Recognition at a point in time	<u>100,746,211</u>	<u>97,755,725</u>
<i>Geographic region</i>		
Kingdom of Saudi Arabia	99,110,500	96,140,238
Outside Kingdom of Saudi Arabia	1,635,711	1,615,487
	<u>100,746,211</u>	<u>97,755,725</u>

MOBI Industry Company  
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
30 June 2023

**8 ZAKAT**

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

	<b>Six-month period ended 30 June 2023 (Unaudited) SR</b>	<b>Year ended 31 December 2022 (Audited) SR</b>
At the beginning of the period / year	2,098,033	2,281,986
Provision during the period / year	1,291,872	2,099,787
Adjustment for period / year assessment	-	39,393
Payment during the period / year	<b>(1,859,735)</b>	<b>(2,323,133)</b>
At the end of the period / year	<b><u>1,530,170</u></b>	<b><u>2,098,033</u></b>

**9 TRADE RECEIVABLES**

	<b>30 June 2023 (Unaudited) SR</b>	<b>31 December 2022 (Audited) SR</b>
Trade receivables	39,963,436	30,675,319
Less: allowance for expected credit loss	<b>(1,678,517)</b>	<b>(1,244,398)</b>
	<b><u>38,284,919</u></b>	<b><u>29,430,921</u></b>

Movement in the allowance for expected credit loss

	<b>Six-month period ended 30 June 2023 (Unaudited) SR</b>	<b>Year ended 31 December 2022 (Audited) SR</b>
At beginning of the period / year	1,244,389	338,510
Charge for the period / year	<b>434,128</b>	<b>905,879</b>
	<b><u>1,678,517</u></b>	<b><u>1,244,389</u></b>

**10 PREPAYMENTS AND OTHER RECEIVABLES**

	<b>30 June 2023 (Unaudited) SR</b>	<b>31 December 2022 (Audited) SR</b>
Advance to suppliers	8,025,314	7,023,780
Employees' receivables	3,693,736	3,417,856
Prepayments	1,074,273	521,833
Others	<b>141,470</b>	<b>141,063</b>
	<b><u>12,934,793</u></b>	<b><u>11,104,532</u></b>

MOBI Industry Company  
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
30 June 2023

11 INVENTORIES

	30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
Raw materials and packaging	27,038,521	31,751,788
Finished goods	16,244,832	12,627,040
Spare parts	675,045	679,231
Less: provision for slow moving inventories	(586,990)	(586,990)
	<u>43,371,408</u>	<u>44,471,069</u>

Movement in the provision for slow moving inventories

	Six-month period ended 30 June 2023 (Unaudited) SR	Year ended 31 December 2022 (Audited) SR
At beginning of the year	586,990	-
Charge for the period / year	-	586,990
	<u>586,990</u>	<u>586,990</u>

12 RELATED PARTY TRANSACTIONS AND BALANCES

The significant related party transactions and balances are as follows:

12.1 Related party transactions

The following are the details of the significant transactions with related parties during the period:

Name of related party	Nature of relationship	Nature of transaction	Six-month period ended 30 June 2023 (Unaudited)	Six-month period ended 30 June 2022 (unaudited)
Jal Alsahra for Agriculture Production Company	An associate	Sales	415,150	253,575
Abdullah Mohammed Albarjas Alnasser	Shareholder / Employee	Advances	469,559	1,285,794
Abdulaziz Mohammed Albarjas Alnasser	Shareholder	Expenses paid on behalf	-	66,152
Barjas Mohammed Albarjas Alnasser	Shareholder	Expenses paid on behalf	-	77,359
Fahad Mohammed Albarjas Alnasser	Shareholder	Expenses paid on behalf	-	611,107
Nasser Abdullah Albarjas Alnasser	Shareholder son / Employee	Advances	-	91,591
Mohammed Barjas Albarjas Alnasser	Shareholder son / Employee	Advances	-	27,503
Mohammed Abdullah Albarjas Alnasser	Shareholder son / Employee	Advances	-	1,227

MOBI Industry Company  
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
30 June 2023

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

**12.2 Related party balances**

The following are the details of related party balances at period/year end:

*a) Amounts due from related parties*

	30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
Jal Alsahra for Agriculture Production Company	694,378	679,228
Nasser Barjas Al-Nasser	-	570
Abdullah Mohamed Al-Nasser	-	1,790,173
Nasser Abdullah Al-Nasser	-	86,240
Mohamed Barjas Al-Nasser	-	165,237
Roqaya Barjas Al-Nasser	-	20,783
Sharifah Mohamed Al-Nasser	-	1,331
	<u>694,378</u>	<u>2,743,562</u>

*b) Amounts due to related parties*

	30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
Abdullah Mohammed Albarjas Alnasser	51,537	-
Nasser Abdullah Al-Nasser	18,218	-
Mohamed Fahad Al-Nasser	8,597	820
Waleed Barjas Al-Nasser	2,454	2,609
Barjas Abdullah Al-Nasser	1,100	309
Barjas Abdulaziz Al-Nasser	848	1,057
Mohamed Abdulaziz Al-Nasser	461	1,960
Abdullah Abdulaziz Al-Nasser	-	17,555
	<u>83,215</u>	<u>24,310</u>

**12.3 Key management personnel compensation**

	Six-month period ended 30 June 2023 (Unaudited) SR	Six-month period ended 30 June 2022 (unaudited) SR
Short-term employee benefits	513,200	300,000
Long-term employee benefits	28,675	25,000
	<u>541,875</u>	<u>325,000</u>

MOBI Industry Company  
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
30 June 2023

13 PROPERTY, PLANT AND EQUIPMENT

	Lands SR	Buildings SR	Machines and equipment SR	Motor vehicles and transportation SR	Furniture and fixtures SR	Tools SR	30 June 2023 (Unaudited) SR
<b>Cost:</b>							
At 1 January	537,000	18,962,111	26,568,723	6,459,386	3,854,264	6,514,884	62,896,368
Additions	-	-	-	111,000	46,037	-	157,037
At the end of period	537,000	18,962,111	26,568,723	6,570,386	3,900,301	6,514,884	63,053,405
<b>Accumulated depreciation:</b>							
At 1 January	-	16,215,399	24,862,267	4,987,402	2,397,550	6,410,710	54,873,328
Charge for the period	-	265,906	296,930	316,824	201,057	18,478	1,099,195
At the end of period	-	16,481,305	25,159,197	5,304,226	2,598,607	6,429,188	55,972,523
<b>Net book amount</b>	537,000	2,480,806	1,409,526	1,266,160	1,301,694	85,696	7,080,882

	Fertilizers Segment SR	Detergent Segment SR	Total SR
Charged to cost of revenue	250,645	848,550	1,099,195

MOBI Industry Company  
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
30 June 2023

13 PROPERTY, PLANT AND EQUIPMENT (continued)

	Lands SR	Buildings SR	Machines and equipment SR	Motor vehicles and transportation SR	Furniture and fixtures SR	Tools SR	31 December 2022 (Audited) SR
<b>Cost:</b>							
At 1 January	537,000	19,788,582	29,337,803	7,674,846	3,748,357	7,738,414	68,825,002
Additions	-	-	187,203	713,107	1,103,053	24,000	2,027,363
Write-off / disposal	-	(826,471)	(2,956,283)	(1,928,567)	(997,146)	(1,247,530)	(7,955,997)
At the end of year	537,000	18,962,111	26,568,723	6,459,386	3,854,264	6,514,884	62,896,368
<b>Accumulated depreciation:</b>							
At 1 January	-	16,457,622	27,225,660	5,655,593	3,186,306	7,621,729	60,146,910
Charge for the year	-	584,248	592,890	696,517	195,270	36,513	2,105,438
Write-off / disposal	-	(826,471)	(2,956,283)	(1,364,708)	(984,026)	(1,247,532)	(7,379,020)
At the end of year	-	16,215,399	24,862,267	4,987,402	2,397,550	6,410,710	54,873,328
<b>Net book amount</b>	537,000	2,746,712	1,706,456	1,471,984	1,456,714	104,174	8,023,040
	Fertilizers Segment SR	Detergent Segment SR	<b>Total</b>				
Charged to cost of revenue	599,195	1,506,243	2,105,438				

MOBI Industry Company  
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
30 June 2023

14 INVESTMENTS IN AN ASSOCIATE

The Company owns 25% shares of Jal Alsahra for Agriculture Production Company (“investment in an associate”) limited liability company registered in Riyadh, Kingdom of Saudi Arabia under commercial registration number 1010148818 dated 21 Shawal 1418H (corresponding 18 February 1998).

The following is the movement in the carrying value of the investment in an associate company:

	30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
Balance at beginning of the period / year	14,651,678	-
Balance transferred from investments in a joint venture (i)	-	4,626,750
Additions to additional capital	-	8,989,151
Share of profit during the period / year	1,228,081	1,035,777
Balance at end of the period / year	<u>15,879,759</u>	<u>14,651,678</u>

- (i) On 9 November 2022, the Company signed shares sale agreement (“sale agreement”) to dispose 25% of its 50% equity interest in Jal Alsahra for Agriculture Production Company, bringing the Company investment to 25% equity holding. Effective 1 July 2022 the Company's management has classified its investment as an associate based on contractual assessment.

15 RIGHT-OF-USE ASSET AND LEASE LIABILITIES

15.1 *Right-of-use asset*

	30 June 2023 (Unaudited) SR	31 December 2022 (Audited) SR
<b>Cost</b>		
Balance at beginning of the period / year	7,428,831	7,063,060
Additions	840,983	1,145,971
Remeasurement	570,714	-
Disposal	-	(780,200)
Balance at end of the period / year	<u>8,840,528</u>	<u>7,428,831</u>
<b>Accumulated depreciation</b>		
Balance at beginning of the period / year	2,559,700	1,992,820
Depreciation charge for the period / year	538,930	816,997
Disposal	-	(250,117)
Balance at end of the period / year	<u>3,098,630</u>	<u>2,559,700</u>
<b>Net book amount</b>	<u>5,741,898</u>	<u>4,869,131</u>

MOBI Industry Company  
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
30 June 2023

**15 RIGHT-OF-USE ASSET AND LEASE LIABILITIES (continued)**

**15.2 Lease liabilities**

	<b>30 June 2023 (Unaudited) SR</b>	<b>31 December 2022 (Audited) SR</b>
Balance at beginning of the period / year	4,360,686	4,676,281
Additions	840,983	1,145,971
Finance charges	106,725	155,244
Payment of lease liabilities	(899,196)	(1,086,727)
Remeasurement	570,714	-
Disposal	-	(530,083)
Balance at end of the period / year	<u>4,979,912</u>	<u>4,360,686</u>
Current portion of lease liabilities	728,731	772,007
Non-current portion of lease liabilities	4,251,181	3,588,679
	<u>4,979,912</u>	<u>4,360,686</u>

**16 ACCRUED EXPENSES AND OTHER PAYABLES**

	<b>30 June 2023 (Unaudited) SR</b>	<b>31 December 2022 (Audited) SR</b>
Accrued expenses	4,201,985	3,034,162
Value added tax payable	1,508,591	684,096
Employees' payables	812,914	677,356
Advance from customers	261,632	1,493,842
Other	182,932	393,065
	<u>6,968,054</u>	<u>6,282,521</u>

**17 BORROWINGS**

The movement in the borrowings is as follows:

	<b>30 June 2023 (Unaudited) SR</b>	<b>31 December 2022 (Audited) SR</b>
At the beginning of the period / year	18,450,837	14,859,402
Proceeds from borrowings	16,272,669	46,736,486
Repayment of borrowings	(22,406,267)	(43,145,051)
At the end of the period / year	<u>12,317,239</u>	<u>18,450,837</u>

**MOBI Industry Company**  
**(A Saudi Joint Stock Company)**

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)**  
**30 June 2023**

**18 EMPLOYEE BENEFIT OBLIGATIONS**

	<i>30 June 2023 (Unaudited) SR</i>	<i>31 December 2022 (Audited) SR</i>
At the beginning of the period / year	<b>10,683,856</b>	9,876,335
Charged to expenses during the period / year	<b>710,723</b>	1,156,334
Re-measurement loss	<b>785,611</b>	63,877
Paid during the period / year	<b>(576,708)</b>	(412,690)
At the end of the period / year	<b><u>11,603,482</u></b>	<u>10,683,856</u>

**19 SHARE CAPITAL**

The Company's share capital of SR 50 million, as at 30 June 2023, consists of 50 million ordinary share of SR 1 each (31 December 2022: amounting to SR 50 million consists of 5 million ordinary share of SR 10 each).

The extraordinary general assembly in its meeting, held on 4 Dhu al-Hijjah 1444H (corresponding to 22 June 2023), approved spilt the Company's shares from 5 million ordinary share to 50 million ordinary shares at a nominal value of SR 10 for each to SR 1 for each share, this has not resulted in a change in the value of Company's capital.

**20 STATUTORY RESERVE**

On the meeting held on 4 Dhu al-Hijjah 1444H (corresponding to 22 June 2023), the Company's extraordinary general assembly approved certain amendments to the Company's by-laws to comply with the new applicable companies' law, including elimination of the requirement of transfer to a statutory reserve. Moreover, the same extraordinary general assembly approved the transfer of the statutory reserve balance amounting to SR 12,965,107 to retained earnings.

**21 SUBSEQUENT EVENTS**

In the opinion of management, there have been no other significant subsequent events since the period ended 30 June 2023, which would have a material impact on the interim condensed financial position of the Company as reflected in these interim condensed financial statements.

**22 DIVIDENDS**

On 12 Ramadan 1444H (corresponding to 3 April 2023), the Company approved interim cash dividends for the second half of the year 2022 amounting to SR 5,000,000 (at SR 0.1 per share) (30 June 2022: SR 4,500,000 at SR 0.09 per share), which has been recognised in these interim condensed financial statements for the period ended 30 June 2023.

**23 RECLASSIFICATIONS OF COMPARATIVE FIGURES**

During the period, the Company has made certain reclassifications in the comparative 2022 financial statements to conform to 2023 presentation.

**24 APPROVAL OF INTERIM CONDENSED FINANCIAL STATEMENTS**

These interim condensed financial statements were approved by the Board of Directors on 12 Safar 1445H (corresponding to 28 August 2023).