

**Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia**

**Unaudited Interim
Condensed Financial Statements and
Independent Auditor's Review Report
For the Six Months Period Ended June 30, 2023**

Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

INDEX

	<u>PAGE</u>
Independent Auditor's Review Report of Interim Condensed financial statements	1-2
Interim Condensed Statement of Financial Position (unaudited) as of June 30, 2023	2
Interim Condensed Statement of Comprehensive Income (unaudited) for the six months period ended June 30, 2023	3
Interim Condensed Statement of Changes in Shareholders' Equity (unaudited) for the six months ended June 30, 2023	4
Interim Condensed Statement of Cash Flows (unaudited) for the six months ended June 30, 2023	5
Notes to The Interim Condensed financial statements (unaudited) for the six months ended June 30, 2023	6- 18



Independent Auditor's Review Report on the Interim Condensed Financial Statements

To the Shareholders of
Al- Mujtama Leading Medical Company
A Saudi joint stock company
Jeddah- Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Al- Mujtama Leading Medical Company - A Saudi joint stock company as of June 30, 2023, and the related interim condensed statements of comprehensive income, changes in shareholders' equity and cash flows for the six-month period then ended and explanatory notes for interim condensed financial statements. Management is responsible for the preparation and presentation of these re-issued interim condensed financial statements for the six-month period in accordance with International Accounting Standard No. (34) "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

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

Other matter:

As stated in note (2), the accompanying condensed interim financial statements for the six-month period ended June 30, 2023 have been reissued, as the company provided additional information about transactions with related parties for the six-month period ended June 30, 2023 which is disclosed in note 7 (d) in the accompanying interim condensed financial statements.

We had previously issued our review report on the interim condensed financial statements on Muharram 26, 1445 (H), corresponding to August 13, 2023 (G), and as a result of the above mentioned matter, we have re-issued this report on the condensed financial statements. There were no other amendments to these financial statements and its disclosures or any subsequent events that had a material impact on these financial statements until the date of reissuance these financial statements.

Independent Auditor's Review Report on the Interim Condensed Financial Statements to the Shareholders of Al- Mujtama Leading Medical Company (Continued)

Conclusion:

Based on our review, nothing has come to our attention that causes us to believe that the accompanying reissued interim condensed financial statements as of June 30, 2023 for Al- Mujtama Leading Medical Company - a closed joint stock company - are not prepared, in all material respects, in accordance with International Accounting Standard No. (34) "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia

Talal Abu-Ghazaleh & Co.



Waleed Ahmed Bamarouf

Certified Public Accountant - License No. 408

Rabi' al-Awwal 7, 1445(H) corresponding to September 22, 2023(G)

Jeddah - Kingdom of Saudi Arabia




Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Interim condensed statement of Financial Position as of June 30, 2023 EXHIBIT "A"

	Note	June 30, 2023 (Unaudited) (SR)	December 31, 2022 (Audited) (SR)
ASSETS			
Current Assets			
Cash and cash equivalents		7,397,469	4,054,705
Accounts receivable		20,770,633	10,334,672
Inventory		141,669,649	135,661,991
Other debit balances		8,531,332	9,266,657
Due from related parties	7	-	646,963
Total current assets		178,369,083	159,964,988
Non-Current Assets			
Property and equipment -net	4	38,935,548	34,581,060
Intangible assets -net		1,426,370	1,511,370
Right of use assets -net	5	151,868,007	123,283,687
Projects under construction	6	34,473,897	15,084,803
Total non-current assets		226,703,822	174,460,920
Total Assets		405,072,905	334,425,908
LIABILITIES AND SHAREHOLDERS' EQUITY			
Liabilities			
Current Liabilities			
Accounts payable		100,556,774	72,928,926
Lease liability - current	5	22,826,556	20,243,512
Other credit balances		7,913,047	4,332,274
Due to related parties	7	7,000,000	8,000,000
Zakat provision		3,298,047	2,263,416
Total current liabilities		141,594,424	107,768,128
Non-Current Liabilities			
Lease liability - non current	5	127,668,262	102,827,823
Employees defined benefit obligations		6,173,841	5,235,444
Total non-current liabilities		133,842,103	108,063,267
Total Liabilities		275,436,527	215,831,395
Shareholders' Equity			
Capital	9	95,000,000	95,000,000
Statutory reserve		2,362,289	2,362,289
Retained earnings		32,274,089	21,232,224
Total Shareholder's Equity		129,636,378	118,594,513
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		405,072,905	334,425,908

"The accompanying notes from (1) to (13) constitute an integral part of these interim condensed financial statements"


Ramy Mamdouh
Finance Manager


Adulaziz Khojah
Chief Executive officer


Omar Khojah
Chairman

Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Interim condensed Statement of Comprehensive Income
for the six months period Ended June 30, 2023 (Unaudited)

EXHIBIT "B"

	Note	For the six months ended at June 30, (Unaudited)	
		2023	2022
		(SR)	(SR)
Sales-net		204,133,493	171,801,800
Cost of Sales		(137,446,963)	(118,296,492)
Gross profit		66,686,530	53,505,308
Selling and distribution expenses		(48,721,039)	(39,150,008)
General and administrative expenses		(4,803,815)	(4,847,360)
Finance expenses		(2,580,465)	(2,900,235)
Operating profit for the period		10,581,211	6,607,705
Other revenues		2,149,229	1,038,387
Net profit before Zakat		12,730,440	7,646,092
Zakat differences		(363,329)	-
Zakat		(1,034,631)	(805,730)
Net income after zakat		11,332,480	6,840,362
Other Comprehensive Income			
Items that will not be classified to income statement in subsequent periods			
Re-measurement of employees defined benefit obligation	8	(290,615)	2,187,353
Other Comprehensive(loss) Income for period		(290,615)	2,187,353
Other Comprehensive Income for period		11,041,865	9,027,715
Earning per share			
Basic earning per share for the period from main operations	10	1.11	1.30
Basic earning per share from net income for the period	10	1.19	1.35
Weighted average number of shares	10	9,500,000	5,078,268

"The accompanying notes from (1) to (13) constitute an integral part of these interim condensed financial statements"

Ramy Mamdouh
Finance Manager

Adulaziz Khojah
Chief Executive officer

Omar Khojah
Chairman





Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Interim Condensed Statement of Changes in Shareholders' Equity (Unaudited) for the six-month period ended June 30, 2023 **EXHIBIT "C"**

	Note	Capital (SR)	Statutory reserve (SR)	Retained Earnings (SR)	Total Shareholders' Equity (SR)
For the period ended June 30, 2023					
Balance at the beginning of the year (audited)		95,000,000	2,362,289	21,232,224	118,594,513
Net income for the period after Zakat- EXHIBIT "B "		-	-	11,332,480	11,332,480
Re-measurement of defined benefit obligations		-	-	(290,615)	(290,615)
Total comprehensive income		-	-	11,041,865	11,041,865
Balance at the end of the period (unaudited)		-	-	32,274,089	129,636,378
For the period ended June 30, 2022					
Balance at the beginning of the period (audited)		560,000	168,000	7,974,885	8,702,885
Net income for the period after Zakat- EXHIBIT "B "		-	-	6,840,362	6,840,362
Re-measurement of defined benefit obligations		-	-	2,187,353	2,187,353
Total comprehensive income		-	-	9,027,715	9,027,715
Transferred to capital (*)		6,491,268	-	(6,491,268)	-
Additional paid in capital (*)		87,948,732	-	-	87,948,732
Balance at the end of the period (unaudited)		95,000,000	168,000	10,511,332	105,679,332

(*) On April 2, 2022, the shareholders decided to increase the capital from SR 560,000 to SR 95,000,000, as all parties fulfilled their rights from each other, and the regulatory procedures were completed at the Ministry of Commerce and Investment - Note (9).

"The accompanying notes from (1) to (13) constitute an integral part of these interim condensed financial statements"

Ramy Mamdouh
Finance Manager

Adulaziz Khojah
Chief Executive officer

Omar Khojah
Chairman

Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Interim Condensed Statement of Cash Flows for the six-month period
Ended June 30, 2023 (Unaudited)

EXHIBIT "D"

	For the six months ended at June 30 (Unaudited)	
	2023	2022
	(SR)	(SR)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before Zakat- EXHIBIT "B"	12,730,440	7,646,092
Adjustments to reconcile net income for the period before Zakat to net cash from operating activities		
Depreciation of property and equipment	3,778,668	2,948,726
Depreciation of right of use asset	9,776,636	6,970,219
Amortization of intangible assets	85,000	85,001
Gain from sale of right of use assets	(52,097)	-
Interest of lease obligations	2,439,998	2,809,293
Employees defined benefit obligation -charged	669,685	832,897
Interest of defined employees benefit obligations	140,467	90,942
Changes in Operating Assets and Liabilities		
Accounts receivable	(10,435,961)	5,905,589
Inventory	(6,007,657)	(15,156,032)
Other debit balances	735,325	(670,297)
Due from related parties	646,963	(7,056)
Accounts payable	27,627,848	14,743,889
Other credit balances	3,580,773	(1,787,027)
Net Cash from operation	<u>45,716,088</u>	<u>24,412,236</u>
Zakat paid	(363,329)	(416,413)
Employees defined benefit obligations - paid	(162,371)	(300,059)
Net Cash from Operating Activities	<u>45,190,388</u>	<u>23,695,764</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions of projects under constructions	(21,513,710)	-
Additions of property and equipment	(3,293,779)	(8,318,978)
Net Cash used in Investing Activities	<u>(24,807,489)</u>	<u>(8,318,978)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease liabilities - paid	(16,040,135)	(11,383,352)
Due to related parties	(1,000,000)	19,553,470
Net Cash (used in) from Financing Activities	<u>(17,040,135)</u>	<u>8,170,118</u>
Net change in cash and cash equivalents	<u>3,342,764</u>	<u>23,546,904</u>
Cash and cash equivalents at the beginning of the period	4,054,705	4,217,396
Cash and cash equivalents at the end of the period	<u><u>7,397,469</u></u>	<u><u>27,764,300</u></u>
Additional non-cash information		
Transfer to capital from related parties	-	87,948,732
Transfer to capital from retained earnings	-	6,491,268
Transfer from projects under construction to property, and equipment	4,839,377	-
Transfer from depreciation of right-of-use assets to property and equipment	2,600,013	743,413
Transfer interest of lease liabilities to property and equipment	114,748	116,480

The Accompanying Notes from (1) to (13) constitute an Integral Part of These Interim Condensed Financial Statements"

Ramy Mamdouh
Finance Manager



Adulaziz Khojah
Chief Executive officer



Omar Khojah
Chairman



Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Notes to the Interim Condensed Financial Statements (Unaudited) for the six-month period
Ended June 30, 2023

1. Company Information

- Al- Mujtama Leading Medical Company is a Saudi joint stock company in Kingdom of Saudi Arabia under the commercial registration no. 4030241534 on Rabi' al-Thani 14, 1434(H) corresponding to February 25, 2013(G) . The company's activity is pharmacies.
- On April 2, 2022, the shareholders decided to change the company's name from Al- Mujtama Jeddah Pharmaceutical Company to Al- Mujtama Leading Medical Company.
- On Muharram 4, 1444 (H), corresponding to August 2, 2022(G) , the company was converted from a limited liability company to a closed Saudi joint stock company, and the Ministry of Commerce approved the conversion of the legal entity, furthermore the company's capital shares were changed - note no. (9).
- The company's address is located in Jeddah - Al-Hamdaniya District, P.O. Box: 23761.
- The financial statements are a translation of the statutory financial statements in the Arabic language to which reference should be made.

2. Basis of preparation

a) Applied accounting standards

- These interim condensed financial statements for the six month ended as of June 30, 2023 have been prepared in accordance with International Accounting Standard No. (34) "Interim Financial Reporting" that is endorsed in the Kingdom of Saudi Arabia and other pronouncements and other standards endorsed by Saudi Organization for Chartered and Professional Accountants (SOCPA).
- These re-issued condensed financial statements for the six-month period ended on June 30, 2023 replace the interim condensed financial statements previously issued on Muharram 26, 1445 AH, corresponding to August 13, 2023. The company's management has decided to re-issue these financial statements to provide additional information about transactions with the Chairman of the Board of Directors as disclosed in note (7) to the financial statements. There were no amendments to the financial statements previously issued on August 13, 2023 or its notes, and there were no additional subsequent events.
- The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements prepared in accordance with the International Financial Reporting Standards endorsed in the Kingdom of Saudi Arabia and international standards and other pronouncement approved by the Saudi Organization for Chartered and Professional Accountants, and should be read in conjunction with the company's annual financial statements as of December 31, 2022 , Results for the six-month period ended June 30, 2023 are not necessarily indicative of the results expected on December 31, 2023.

b) Basis of measurement

These interim condensed financial statements have been prepared on a historical cost basis, using the accrual principle of accounting and the going concern assumption , except for employee benefit obligations, which are recognized at the present value of future obligations using the projected unit credit method.

c) Functional and presentation currency

These the interim condensed financial statements have been presented in Saudi Riyals, which represents the functional and presentation currency for the Company.

Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Notes to the Interim Condensed Financial Statements (Unaudited) for the six-month period Ended June 30, 2023 (Continued)

d) Estimates

- The preparation of unaudited condensed interim financial statements requires management to make certain judgments, estimates and assumptions that affect the application of the Company's accounting policies and the amounts presented for assets, liabilities, revenues and expenses and the cumulative change in actuarial losses for employee benefits. Actual results may differ from these estimates.
- Estimates and related assumptions are reviewed on an ongoing basis. Adjustments resulting from accounting estimates are reflected in the period under review and in future periods affected by these adjustments
- The significant judgments made by management in applying the Company's accounting policies and the principal sources of uncertainty in estimates were similar to those judgments applied in the Company's annual financial statements.

3. Summary of significant accounting policies

- The accounting policies used in the interim condensed financial statements are consistent with those followed in the preparation of the financial statements ended December 31, 2022, except for the application of new standards and amendments to standards and interpretations described in Note (12).

4. Property and equipment - net

	June 30, 2023	December 31, 2022
<u>Cost</u>	(SR)	(SR)
Balance at the beginning of the period/ year	75,182,960	67,351,905
Addition during the period/year	3,293,779	5,913,061
Transferred from projects under construction to property and equipment	4,839,377	1,917,994
Balance at the end of the period / year	83,316,116	75,182,960
 <u>Accumulated depreciation</u>		
Balance at the beginning of the period /year	40,601,900	36,261,309
Addition during the period/year	3,778,668	4,340,591
Balance at the beginning of the period/year	44,380,568	40,601,900
Net book value	38,935,548	34,581,060

Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Notes to the Interim Condensed Financial Statements (Unaudited) for the six-month period Ended June 30, 2023 (Continued)

5. Right of use asset-net

The company has lease contracts for pharmacy branches and warehouses as follows:

- The lease term is more than 1 year to 20 years.
- The lease payments are semiannually and annually.
- The lessee is obligated to pay the amount of the remaining contract if the lessee terminated the contracts.

a) This item consist of the following:

	June 30, 2023	December 31, 2022
<u>Cost</u>	(SR)	(SR)
Balance at the beginning of the period/ year	196,104,810	176,013,747
Addition during the period/ year	46,170,661	50,301,861
Disposal during the period/ year (*)	(16,391,877)	(30,210,798)
Balance at the end of the year	225,883,594	196,104,810
<u>Accumulated amortization</u>		
Balance at the beginning of the period / year	72,821,123	57,736,135
Addition during the period/ year	12,376,649	20,554,419
Disposal during the period/ year (*)	(11,182,185)	(5,469,431)
Balance at the end of the period / year	74,015,587	72,821,123
Net book value	151,868,007	123,283,687

b) Movement of lease liabilities during the year is as follows:

	June 30, 2023	December 31, 2022
	(SR)	(SR)
Balance at the beginning of the period/ year	123,071,335	117,938,823
Addition during period/ year	46,170,661	50,301,861
Interest of lease liabilities	2,554,746	4,471,192
Paid during the period/ year	(16,040,135)	(26,675,500)
disposal during the period	(5,261,789)	(22,965,041)
Balance at the end of the period / year	150,494,818	123,071,335

(*) Disposals represent changing old paper contracts to electronical contracts in addition to close branches.

- Lease liabilities at the end of the year comprise the following:

	June 30, 2023	December 31, 2022
	(SR)	(SR)
Current portion	22,826,556	20,243,512
Non-current portion	127,668,262	102,827,823

Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Notes to the Interim Condensed Financial Statements (Unaudited) for the six-month period Ended June 30, 2023 (Continued)

6. Projects under construction

a) This item consists of the following:

	June 30, 2023	December 31, 2022
	SR	SR
Balance at the beginning of the period/ year	15,084,803	67,772
Additions during the period/ year	21,513,710	13,667,200
Transferred to property, and equipment	(4,839,377)	(1,917,994)
Transferred from right of use assets (*)	2,714,761	3,267,825
Balance at the beginning of the period/ year	<u>34,473,897</u>	<u>15,084,803</u>

(*) This item consists of the following:

	June 30, 2023	December 31, 2022
	SR	SR
Depreciation related to right-of-use assets	2,600,013	3,030,143
Lease liability interest	114,748	237,682
Total	<u>2,714,761</u>	<u>3,267,825</u>

b) These projects represent establishment of warehouses and branches for the company and are expected to be completed during the last quarter of 2023.

Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Notes to The Interim Condensed Financial Statements (Unaudited) for the six-month period
Ended June 30, 2023 (Continued)

7. Transaction with Related Parties

a) Due from related Party:

	Nature of Relation	Nature of Transaction	Net-transaction during the period (SR)	Balance at the end of the period (SR)	Balance at the beginning of the period (SR)
Yusuf Omar Yusuf Khoja	Shareholder/ board member	Loans	(646,963)	-	646,963
Total			(646,963)	-	646,963

b) Due to related party:

	Nature of Relation	Nature of Transaction	Net-transaction during the period (SR)	Balance at the end of the period (SR)	Balance at the beginning of the period (SR)
Omar Yusuf Yuldash Khoja	Shareholder/ chairman of board directors	Financing Rents	(1,000,000) (638,255)	7,000,000	8,000,000
Total			(1,638,255)	7,000,000	8,000,000

c) Senior management benefits amounted to SR 282,000 as of June 30, 2023 (an amount of SR 610,829 as of December 31, 2022).

d) The amount of lease contracts signed with the related party - Mr. Omar Yousef Khoja, Chairman of the Board of Directors, is to SR 1,110,000 , and during the first half of 2023, rental payments amounted to SR 638,255.

e) Prices and terms of transactions with related parties are approved by management.

f) Balances due to related parties are interest free, and there is no repayment schedule.

Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Notes to The Interim Condensed Financial Statements (Unaudited) for the six-month period
Ended June 30, 2023 (Continued)

8. Employees defined benefit obligations

– **General description of the defined employee benefit plan:**

The company must pay the end of service (defined benefit plan) in accordance with the Saudi Labor Law Half of the salary of the last month for each year of the first five years of service, including fractions of the year in addition to the salary of the last month in full for each remaining / following years of service, including fractions of the year. Merit factors are applied in cases of resignation. And the end of service benefits is not funded.

– **Valuation methodology and key assumptions of the actuarial valuation:**

In compliance with the requirements of International Accounting Standard No. (19) "Employee benefits", the projected unit credit method was used to determine plan commitments. Under this method, the expected cost of the benefits accrued is calculated for each benefit that the plan members will be entitled to who are on the job. The expected cost of the benefits payable depends on the entitlement formula and the length of service at the valuation date calculating benefits based on the employee's expectation that he will receive upon reaching retirement age. Plan obligations are the value of the current actuarial benefits accrued expected to all employees who are in active employment at the valuation date.

- The following are the components of the net benefit expenses recognized in the income statement and the amounts included in the statement of other comprehensive income and in the statement of financial position:

8-1 Defined benefit obligation:

	June 30, 2023	December 31, 2022
	(SR)	(SR)
Recognized obligation for a defined benefit	6,173,841	5,235,444

8-2 Movement in present value of defined benefit obligations:

	June 30, 2023	December 31, 2022
	(SR)	(SR)
Present value of the liabilities defined obligation at the beginning of the period/ year	5,235,445	6,764,008
Cost of the period/ year	669,685	1,665,795
Net interest cost	140,467	179,025
Payment during the period/year	(162,371)	(507,996)
Actuarial losses (gains) arising from re-measurement	290,615	(2,865,388)
Present value of defined obligations at the end of the period/ year	6,173,841	5,235,444

Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Notes to The Interim Condensed Financial Statements (Unaudited) for the six-month period
Ended June 30, 2023 (Continued)

8-3 Expenses recognized in the income statement:

	June 30, 2023	December 31, 2022
	(SR)	(SR)
Current service cost	669,685	1,665,795
Net interest expense	140,467	179,025
Total	810,152	1,844,820

8-4 Actuarial loss (gains) recognized in the statement of comprehensive income:

	June 30, 2023	December 31, 2022
	(SR)	(SR)
Actuarial losses (gains) during the year	290,615	(2,865,388)
Net actuarial loss (gain) at the end of the year	290,615	(2,865,388)

8-4-1 The main assumptions used for the purposes of actuarial valuations are as follows:

	June 30, 2023	December 31, 2022
Discount rate	4.75%	5.00%
The expected rate of salary increase	1.00%	2.00%

8-5 The principal assumptions used for the purposes of the actuarial valuations were as follows:

		June 30, 2023	December 31, 2022
		(SR)	(SR)
Discount rate	1% decrease	6,767,528	5,731,583
	Base	6,173,841	5,235,445
	1% increase	5,672,113	4,815,721
Inflation rate of salaries	1% decrease	5,663,496	4,777,627
	Base	6,173,841	5,235,445
	1% increase	6,780,391	5,769,412

Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Notes to The Interim Condensed Financial Statements (Unaudited) for the six-month period
Ended June 30, 2023 (Continued)

9. Capital

The company's capital is SR 560,000 , divided into 100 equal shares, of SR 5,600, distributed as follows:

<u>Sharholders</u>	<u>Number of shares</u>	<u>Ownership percentage</u>	<u>Share value</u>	<u>Capital</u>
		%		SR
Abdul Aziz Omar Yusuf Khoja	51	51	5,600	285,600
Ajyad alshamela Company Limited	49	49	5,600	274,400
Total	100	100		560,000

- On February 24, 2022 (G), the partner, Ajyad Al shamela Company Limited, decided to assign all of its shares in capital, amounting to 49 shares, amounting to SR 274,400 each, along with its rights and obligations, to Khabeer Al Thani Investment Company. On February 24, 2022, partner Abdulaziz Omar Yuldash Khoja waived part of his shares in capital of 50 shares, amounting to SR 280,000 each, along with his rights and obligations, to the new partner, Omar yusuf Yuldash Khoja. Accordingly, the distribution of the company's capital became as follows:

<u>Shareholders</u>	<u>Number of shares</u>	<u>Ownership percentage</u>	<u>Share value</u>	<u>Capital</u>
		%		SR
Omar Yusuf Yuldash Khoja	50	50	5,600	280,000
Khabeer althanyia Investment Company	49	49	5,600	274,400
Abdul Aziz Omar Yusuf Khoja	1	1	5,600	5,600
Total	100	100		560,000

- On April 2, 2022, the shareholders decided to increase the capital from SR 560,000 Saudi to SR 95,000,000, as all parties fulfilled their rights from each other, and the legal procedures were completed at the Ministry of Commerce.

<u>Shareholders</u>	<u>Number of shares</u>	<u>Ownership percentage</u>	<u>Share value</u>	<u>Capital</u>
		%		SR
Omar Yusuf Yuldash Khoja	4,750,000	50	10	47,500,000
Khabeer althanyia Investment Company	4,655,000	49	10	46,550,000
Abdul Aziz Omar Yusuf Khoja	95,000	1	10	950,000
Total	9,500,000	100		95,000,000

Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Notes to The Interim Condensed Financial Statements (Unaudited) for the six-month period
Ended June 30, 2023 (Continued)

- On Muharram 4, 1444 (H), corresponding to August 2, 2022 (G), the Ministry of Commerce approved the transformation of the legal entity of the company from a limited liability company to a closed joint stock company, and the capital shares were changed, and accordingly the shareholders' shares became as follows:

<u>Shareholders</u>	<u>Number of shares</u>	<u>ownership percentage</u>	<u>share value</u>	<u>Capital</u>
		%		SR
Omar Yusuf Yuldash Khoja	3,637,784	38.29	10	36,377,840
Khabeer althanyia Investment Company	630,673	6.64	10	6,306,730
Ajyad alshamela Company Limited	205,697	2.17	10	2,056,970
Other shareholders(100 shareholder)	5,025,846	52.90	10	50,258,460
Total	9,500,000	100		95,000,000

10. Earning per share

Basic earnings per share from net income of the period is calculated by dividing the net profit for the period by the weighted average number of shares outstanding at the end of the period, which amounted to 9,500,000 shares. Basic earnings per share from main operations for the period is calculated by dividing the net profit for the period from the main operation by the weighted average number of shares outstanding as of the end of the period, which amounted to 9,500,000 shares. Diluted earnings per share are equal to basic earnings per share as the company does not have any convertible shares.

11. Financial assets and liabilities

This item consists of the following:

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
	(SR)	(SR)
Financial Assets		
Financial assets measured at amortized cost - less impairment		
Cash and cash equivalents	7,397,469	4,054,705
Accounts receivable - net	20,770,633	10,334,672
Other debit balances	8,531,332	9,266,657
Due from related parties	-	646,963
Total	36,699,434	24,302,997
 Financial Liabilities		
Financial liabilities measured at amortized cost		
Accounts payable	100,556,774	72,928,926
Zakat Provision	3,298,047	2,263,416
Other credit balances	7,913,047	4,332,274
Lease Liability	150,494,818	123,071,335
Total	262,262,686	202,595,951

Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Notes to The Interim Condensed Financial Statements (Unaudited) for the six-month period
Ended June 30, 2023 (Continued)

12. New and Revised International Financial Reporting Standards and Interpretations

a) IFRSs and the new amended effective interpretations:

The following amended IFRSs, that became effective, were adopted for the financial starting on or after 1 January 2023 in the preparation of the Company's financial statements. The adoption of the mentioned amendments did not materially affect the amounts and disclosures included in the financial statements of the current period. The following table summarizes the details of the amendments:

IFRS or Interpretation	Description	Effective Date
IFRS 17, insurance contracts	<p>IFRS 17 was issued in May 2017 to supersede IFRS 4, <i>insurance contracts</i>.</p> <p>The existent measuring model requires the remeasurement of estimates, where they exist, in each reporting period. Contracts should be measured using the following bases:</p> <ul style="list-style-type: none"> • Weighted average discounted cashflows; • Explicit adjustment to risks; and • The contractual service margin that represents the unrealized profit from the contract that will be recognized as revenues during the coverage period. <p>IFRS 17 requires the entity to measure the insurance assets at the present value of fulfillment, and provides a specific unified measuring and presentation approach for all insurance contracts. These requirements were designed to achieve the objective of consistent principle- based accounting for insurance contracts.</p>	1 January 2023 Deferred from 1 January 2021
Classification of liabilities as current or noncurrent, amendments to IAS 1	<p>The amendments to the presentation of financial statements show that the liabilities are classified as current or noncurrent based on the rights at the end of the reporting period. This classification is not affected by the entity's expectations or subsequent events.</p> <p>The amendments to the classification of liabilities as current or non-current (amendments to IAS 1) only affect the presentation of liabilities in the statement of financial position - not the amount or timing of recognition of an asset, liability, revenue, expense, or information disclosed by an entity about such items.</p>	1 January 2023 (Deferred from 1 January 2022)
Disclosure of accounting policies Amendments to IAS 1, and practice statement 2	<p>The amendments to IAS 1 require entities to disclose material instead of significant accounting policies and provide additional amendments that explain how an entity determines the material accounting policies. Examples are added to explain the cases where potential material accounting policies exist. To support the amendment, the IASB has developed guidance and examples to explain and demonstrate the application of "the four-step materiality process" included in IFRS practice statement 2. Once the entity applies the amendments to IAS 1, it is permitted to apply the amendments to IFRS practice statement 2. Entities should apply the amendments prospectively.</p>	1 January 2023

Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Notes to The Interim Condensed Financial Statements (Unaudited) for the six-month period
Ended June 30, 2023 (Continued)

IFRS or Interpretation	Description	Effective Date
Definition of accounting estimates Amendments to IAS 8,	Amendments to IAS 8, <i>accounting policies, changes in accounting estimates and errors</i> . The amendments replace the definition of changes in accounting estimates with the definition of accounting estimates. According to the new definition, the accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty." Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not a correction of an error.	1 January 2023
Amendments to IAS 12, income taxes The deferred tax related to assets and liabilities arising from a single transaction.	The amendments require the entity to recognize the deferred taxes on the transactions that give rise, at the initial measurement, to equal amounts of taxable and deductible temporary differences. The amendments typically apply to transactions such as leases of lessees and end of service obligations, and will require the affected entities to recognize additional deferred taxes, assets and liabilities. This means that the initial recognition exemption will not apply to the transactions that give rise to to equal amounts of taxable and deductible temporary differences at initial recognition.	1 January 2023
Initial Application of IFRS 17 and IFRS 9 – Comparative Information (amendment to IFRS 17)	The amendment permits entities that apply IFRS 17 and IFRS 9 simultaneously for the first time to present comparative information about the financial assets as if the classification requirements in IFRS 9 have been applied previously on these financial assets.	1 January 2023
IFRS 17, <i>insurance contracts</i>	IFRS 17 was issued in May 2017 to supersede IFRS 4, insurance contracts. IFRS 17 requires the entity to measure the insurance liabilities at the present value of fulfillment, and provides a specific unified measuring and presentation approach for all insurance contracts.	1 January 2023

Al- Mujtama Leading Medical Company
A Saudi Joint Stock Company
Jeddah- Kingdom of Saudi Arabia

Notes to The Interim Condensed Financial Statements (Unaudited) for the six-month period
 Ended June 30, 2023 (Continued)

b) IFRSs and the new amended interpretations that are not effective yet

The Company did not adopt any of the following new amended standards that were issued but not yet effective:

IFRS or Interpretation	Statement	Effective Date
Amendments to IFRS 10 and IAS 28 - Sales or contributions of assets between an investor and its associate or joint venture	The amendments address the inconsistencies between IFRS 10 and IAS 28 in dealing with loss of control over a subsidiary that was sold, or contributions in an associate or joint venture.	Postponing the effective date indefinitely; early application is permitted
Amendments to IAS (1) Presentation of the financial statements, when classifying liabilities as current and non-current, and non-current liabilities with commitments	The amendments to the presentation of financial statements show that the liabilities are classified as current or noncurrent based on the rights at the end of the reporting period and non-current liabilities with commitments.	1 January 2024
Amendments to IFRS 16, leases Lease liability in a sale and leaseback	The amendments require the seller-lessee to subsequently measure the lease liabilities arising from the leaseback in a manner that does not recognize any amount of profit or loss related to the right-of-use retained.	1 January 2024
Amendments to IAS 7 and IFRS 7	Enhancing disclosures of supplier financing procedures regarding the company's obligations.	1 January 2024

The management of the does not expect that these standards will have a material impact on the Financial statements when applied in future financial .

13. Approval of The interim condensed Financial Statements

The interim condensed financial statements were approved for issuance by the Board of Directors on Rabi' al-Awwal. 7, 1445(H) corresponding to September 22, 2023(G).