Jahez International Company for Information Systems Technology
(A Saudi Joint Stock Company)
Consolidated Financial Statements
For the year ended
31 December 2022
together with the
Independent Auditor's Report

KPMG Professional Services
Riyadh Front, Airport Road
P. O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters in Riyadh

كي بي إم جي للاستشارات المهنية
واجهة الرياض، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent Auditor's Report

To the Shareholders of Jahez International Company for Information Systems Technology (A Saudi Joint Stock Company)

Opinion

We have audited the consolidated financial statements of Jahez International Company for Information Systems Technology ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statements of profit or loss and other comprehensive income, changes in shareholders equity and cash flows for the year then ended, and notes to the consolidated financial statements, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing as endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the auditors' Responsibilities for the Audit of the "Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the professional code of conduct and ethics for Chartered and Professional Accountants (including International Independence Standards) that are 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.

Key audit matter

Key audit matter is this matter that, in our professional judgment, was of the most significance in our audit of the consolidated financial statements of the current year. This matter was 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 this matter.

Independent Auditor's Report

To the Shareholders of Jahez International Company for Information Systems Technology (A Saudi Joint Stock Company) (continued)

key audit matter (continued)	
Revenue recognition	
With reference to Note (3\l) of the accounting policy related to revenue from contracts from customers, as well as Note (20) related to disclosure of revenue.	
Key audit matter	**How the matter was addressed in our audit**
During the year ended 31 December 2022, revenue amounting to SR 1.602 billion was recognized (2021: SR 1.159 billion). Revenue is a key indicator for measuring performance, and this implies the presence of inherent risks by overstatement of revenue recognition to increase profitability. Therefore, revenue recognition was considered a key audit matter.	Our audit procedures performed with relation to revenue included, among others, the following: • Assessing the appropriateness of the revenue recognition policy that is applied to different products and combination of products to assess whether it is in accordance with the applicable accounting framework; • Assessing the design and implementation and tested the operating effectiveness of controls relating to processes over revenue recognition, including anti-fraud control procedures. • Conducting a review for the settlements of the amounts collected against the services provided to costumers and the related commissions. • Performing various analytical reviews of significant revenue streams; • Conducting a sample-based review of revenue transactions with the supporting documents, to verify that the revenues are recorded in their correct periods. • Inquired from the management representatives regarding fraud awareness and the existence of any actual fraud cases. • Assessing the appropriateness of the disclosures made in the financial statements.

Independent Auditor's Report

To the Shareholders of Jahez International Company for Information Systems Technology (A Saudi Joint Stock Company) (continued)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report 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 the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report once it is made available to us, 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 Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, the applicable requirements of the Regulations for Companies, 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, i.e. the Group's Board of Directors, are responsible for overseeing the Group's 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 International Standards on Auditing (ISAs) that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional skepticism throughout the audit. We 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.

Independent Auditor's Report

To the Shareholders of Jahez International Company for Information Systems Technology (A Saudi Joint Stock Company) (continued)

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

- 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.
- 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, then 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 auditors' 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
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our 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 of Jahez International Company for Information Systems Technology ("the Company") and its subsidiaries ("the Group").

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 auditors' 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.

KPMG Professional Services

Fahad Mubark Al Dossari
License No. 469

Riyadh, 30 Sha'aban 1444H
Corresponding to: 22 March 2023

Jahez International Company for Information Systems Technology
(A Saudi Joint Stock Company)
Consolidated statement of financial position
As at 31 December 2022
(Saudi Riyal)

	Note	**31 December 2022**	31 December 2021
Assets			
Non-current assets			
Property and equipment	4	**40,355,671**	7,783,014
Intangible assets	5	**5,724,786**	3,860,065
Right-of-use assets	6	**133,504,502**	27,101,347
Investments at FVTPL	7	**22,728,737**	19,837,032
Total non-current assets		**202,313,696**	58,581,458
Current assets			
Inventory		**924,771**	197,881
Trade receivables	8	**22,759,260**	6,674,849
Prepaid expenses and other receivables	9	**82,184,561**	36,636,636
Due from related parties	18.a	**17,130**	237,484
Cash and cash equivalents	10	**902,685,742**	391,688,002
Deposits with financial institutions	11	**200,000,000**	--
Total current assets		**1,208,571,464**	435,434,852
Total assets		**1,410,885,160**	494,016,310
Equity and liabilities			
Shareholders Equity			
Share capital	12	**104,918,030**	96,000,000
Statutory reserve	13	**18,420,724**	12,523,023
Share premium	12	**740,175,504**	--
Treasury shares	12	**(1,920,000)**	--
Employees' shares reserve	14	**11,896,912**	--
Retained earnings		**131,634,562**	78,744,619
Equity attributable to equity holders of the Parent Company		**1,005,125,732**	187,267,642
Non-controlling interests		**(1,160,057)**	1,048,659
Total shareholders equity		**1,003,965,675**	188,316,301
Liabilities			
Non-current liabilities			
Non-current portion of lease liabilities	6	**96,833,791**	21,199,200
Employees' benefits obligations	15	**10,889,389**	5,838,118
Total non-current liabilities		**107,723,180**	27,037,318
Current liabilities			
Proceeds due to customers	16	**118,800,899**	164,717,111
Current portion of lease liabilities	6	**32,168,120**	4,965,955
Trade payables		**51,111,077**	28,534,849
Accrued expenses and other current liabilities	17	**68,257,264**	75,265,700
Due to related parties	18.b	**1,050,208**	687,458
Zakat provision	19	**27,808,737**	4,491,618
Total current liabilities		**299,196,305**	278,662,692
Total liabilities		**406,919,485**	305,700,009
Total equity and liabilities		**1,410,885,160**	494,016,310

The accompanying notes from 1 to 33 form an integral part of these Consolidated Financial statements.

HRH Mishaal Bin Sultan Bin Abdulaziz Al Saud **Chairman**	**Ghassab Bin Salman Bin Mandeel** **CEO**	**Heni A. Jallouli** **CFO**

Jahez International Company for Information Systems Technology
(A Saudi Joint Stock Company)
Consolidated statement of profit or loss and other comprehensive income
For the year ended 31 December 2022
(Saudi Riyal)

	Note	**31 December 2022**	31 December 2021 (Adjusted – note 32)
Revenue, net	20	**1,602,476,839**	1,159,567,962
Cost of revenue	21	**(1,243,297,002)**	(914,043,363)
Gross profit		**359,179,837**	245,524,599
Reversal/ impairment (loss) of trade receivables	8	**3,755,826**	(2,501,412)
Marketing & advertising expenses	22	**(131,377,566)**	(86,568,244)
General and administrative expenses	23	**(136,449,562)**	(26,176,559)
Research and development expenses		**(33,784,069)**	(10,985,616)
Other income		**2,695,556**	483,740
Operating profit		**64,020,022**	119,776,508
Unrealized gains on investments at FVTPL	7	**1,766,705**	8,212,032
Finance costs		**(3,155,960)**	(547,273)
Finance income		**22,196,965**	--
Public offering expenses		**--**	(6,243,469)
Net profit for the year before zakat		**84,827,732**	121,197,798
Zakat	19	**(28,304,442)**	(4,487,725)
Net profit for the year		**56,523,290**	116,710,073
Net profit for the year attributable to:			
Shareholders of the Parent Company		**58,977,006**	117,068,284
Non-Controlling interests		**(2,453,716)**	(358,211)
		56,523,290	116,710,073
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Actuarial (losses)/ gains from re-measurement of employees' end of service benefits	15	**(189,362)**	149,719
Total other comprehensive income		**(189,362)**	149,719
Total comprehensive income		**56,333,928**	116,859,792
Total other comprehensive income attributable to			
Shareholders of the parent company		**58,787,644**	117,218,003
Non-Controlling interests		**(2,453,716)**	(358,211)
		56,333,928	116,859,792
Earnings per share attributable to shareholders of the Company:			
Basic and diluted earnings per share	26	**5.7**	19.6

The attached notes from 1 to 33 are an integral part of these consolidated financial

HRH Mishaal Bin Sultan Bin Abdulaziz Al Saud
Chairman

Ghassab Bin Salman Bin Mandeel
CEO

Heni A. Jallouli
CFO

Jahez International Company for Information Systems Technology
(A Saudi Joint Stock Company)
Consolidated statement of changes in Shareholders Equity
For the year ended 31 December 2022
(Saudi Riyal)

	Equity attributable to the Parent Company's shareholders								
	Share capital	Statutory reserve	Share premium	Treasury shares	Employees' shares reserve	Retained earnings	Total	Non-controlling interests	Total
Balance as at 1 January 2021	5,000,000	1,500,000	--	--	--	37,549,639	44,049,639	1,406,870	45,456,509
Transactions with shareholders of the Company									
Transferred from shareholders' credit balances for share capital increase (note 12)	26,000,000	--	--	--	--	--	26,000,000	--	26,000,000
Transferred from statutory reserve and retained earnings for share capital increase (note 12)	65,000,000	(1,500,000)	--	--	--	(63,500,000)	--	--	--
Total transactions with shareholders of the Company	91,000,000	(1,500,000)	--	--	--	(63,500,000)	26,000,000	--	26,000,000
Net profit for the year	--	--				117,068,284	117,068,284	(358,211)	116,710,073
Other comprehensive income for the year		--	--	--	--	149,719	149,719	--	149,719
Total comprehensive income for the year	--	--	--	--	--	117,218,003	117,218,003	(358,211)	116,859,792
Transferred to statutory reserve	--	12,523,023	--	--	--	(12,523,023)	--	--	--
Balance as at 31 December 2021	96,000,000	12,523,023	--	--	--	78,744,619	187,267,642	1,048,659	188,316,301
Balance as at 1 January 2022	96,000,000	12,523,023	--	--	--	78,744,619	187,267,642	1,048,659	188,316,301
Capital increase	8,918,030	--	--	--	--	--	8,918,030	--	8,918,030
Net profit for the year	--	--	--	--	--	58,977,006	58,977,006	(2,453,716)	56,523,290
Other comprehensive income for the year	--	--	--	--	--	(189,362)	(189,362)	--	(189,362)
Total comprehensive income for the year	--	--	--	--	--	58,787,644	58,787,644	(2,453,716)	56,333,928
Share premium (Note 12)	--	--	740,175,504	--	--	--	740,175,504	--	740,175,504
Treasury shares (note 12)	--	--	--	(1,920,000)	--	--	(1,920,000)	--	(1,920,000)
Share-based payments transactions (note 14)	--	--	--	--	11,896,912	--	11,896,912	--	11,896,912
Transferred to statutory reserve	--	5,897,701	--	--	--	(5,897,701)	--	--	--
Non-Controlling interests	--	--	--	--	--	--	--	245,000	245,000
Balance as at 31 December 2022	104,918,030	18,420,724	740,175,504	(1,920,000)	11,896,912	131,634,562	1,005,125,732	(1,160,057)	1,003,965,675

The accompanying notes (1) through (33) form an integral part of these consolidated financial statements.

HRH Mishaal Bin Sultan Bin Abdulaziz Al Saud
Chairman

Ghassab Bin Salman Bin Mandeel
CEO

Heni A. Jallouli
CFO

Jahez International Company for Information Systems Technology
(A Saudi Joint Stock Company)
Consolidated statement of cash flows
For the year ended 31 December 2022
(Saudi Riyal)

	31 December 2022	31 December 2021
Cash flows generated from operating activities:		
Net profit for the year before zakat	**84,827,732**	121,197,798
Adjustments to reconcile net income for the year to cash flows generated from operating activities:		
(Reversal)/ impairment loss of trade receivables	**(3,757,826)**	2,501,412
Depreciation and amortization	**23,530,731**	6,043,719
Employees' benefits	**5,574,726**	2,885,590
Finance costs	**3,155,960**	456,352
Unrealized gains on investments at FVTPL	**(1,766,705)**	(8,212,032)
Share-based payments expenses	**11,896,912**	--
Returns form financial institutions	**(22,196,965)**	--
Changes in operating assets and liabilities:		
Inventory	**(726,890)**	(103,710)
Trade receivables	**(12,328,585)**	(6,995,458)
Prepaid expenses and other receivables	**(45,547,925)**	(32,626,419)
Due from related parties	**220,354**	252,352
Proceeds due to customers	**(45,916,212)**	58,823,237
Trade payables	**22,576,228**	23,444,671
Accrued expenses and other current liabilities	**(7,008,436)**	40,572,096
Due to related parties	**362,750**	(890,053)
Employees' benefits paid	**(712,817)**	(34,709)
Zakat paid	**(4,987,323)**	(1,136,479)
Net cash flows generated from operating activities	**7,197,709**	206,178,367
Cash flows from investing activities		
Payments for purchase of property and equipment	**(37,165,475)**	(3,878,688)
Payments to purchase and develop intangible assets	**(2,962,556)**	(1,416,462)
Payments to purchase investments at FVTPL	**(1,125,000)**	(11,625,000)
Addition of deposits with financial institutions	**(200,000,000)**	--
Proceeds from interests on short-term deposits	**22,196,965**	--
Net cash flows used in investing activities	**(219,056,066)**	(16,920,150)
Cash flows from financing activities		
Proceeds from initial public offering	**749,093,534**	--
Treasury shares	**(1,920,000)**	--
Repayments of lease liabilities on right-of-use assets	**(24,562,437)**	(3,294,171)
Changes in non-controlling interests	**245,000**	--
Net cash flows generated from / (used in) financing activities	**722,856,097**	(3,294,171)
Net change in cash and cash equivalents	**510,997,740**	185,964,046
Cash and cash equivalents as at the beginning of the year	**391,688,002**	205,723,956
Cash and cash equivalents as at the end of the year	**902,685,742**	391,688,002

Non-cash transactions		
Transferred from retained earnings to share capital	--	63,500,000
Transferred from projects under construction to intangible assets	--	2,813,039
Transferred from projects under construction to property and equipment	--	801,992
Transferred from retained earnings to statutory reserve	--	12,523,023
Transferred from due to related parties to share capital	--	26,000,000
Right-of-use assets against lease liabilities	**124,243,233**	22,317,810

The attached notes from 1 to 33 are an integral part of these consolidated financial statements.

HRH Mishaal Bin Sultan Bin Abdulaziz Al Saud **Chairman**	**Ghassab Bin Salman Bin Mandeel** **CEO**	**Heni A. Jallouli** **CFO**

1- ORGANIZATION AND ACTIVITIES

Jahez International Company for Information Systems Technology ('the Company") was established as a limited liability company and registered in the Kingdom of Saudi Arabia under Commercial Registration No. 1010895874 dated 1 Muharram 1439H corresponding to 21 September 2017.

The Company's principal activities as per the commercial registration, include providing wireless data services, systems analysis, designing and programming software, and providing delivery services via e-platforms.

The Group's head office is located at Riyadh.
B.O Box 2065, Riyadh 12444 – 18594
Kingdom of Saudi Arabia.

The Company engages in activities through its branches and subsidiaries set out below:

Branch name and location	Commercial registration number	Date
Jahez International Company for Information Systems Technology - Al-Kharj Branch	1011146000	21 Ramadan 1442H
Jahez International Company for Information Systems Technology - Al-Dawadmi Branch	1116625257	21 Ramadan 1442H
Jahez International Company for Information Systems Technology - Majmaah Branch	1122103468	21 Ramadan 1442H
Jahez International Company for Information Systems Technology - Buraidah Branch	1131297057	19 Jumada' II 1440H
Jahez International Company for Information Systems Technology - Wadi Al-Dawasir Branch	1185103225	21 Ramadan 1442H
Jahez International Company for Information Systems Technology - Dammam Branch	2050122490	14 Jumada' II 1440H
Jahez International Company for Information Systems Technology - Al-Hofuf Branch	2251497695	10 Rabi' I 1442H
Jahez International Company for Information Systems Technology - Hafr Al Batin Branch	2511120829	30 Sha'ban 1442H
Jahez International Company for Information Systems Technology - Hail Branch	3350142538	6 Jumada' II 1440H
Jahez International Company for Information Systems Technology - Skaka Branch	3400120435	9 Rabi' II 1442H
Jahez International Company for Information Systems Technology - Tabouk Branch	3550135159	29 Rabi' I 1442H
Jahez International Company for Information Systems Technology - Jeddah Branch	4030323208	6 Jumada' II 1440H
Jahez International Company for Information Systems Technology - Makkah Al Mukaramah Branch	4031249230	30 Sha'ban 1442H
Jahez International Company for Information Systems Technology - Al Taif Branch	4032245135	10 Rabi' I 1442H
Jahez International Company for Information Systems Technology - Al Madinah Al Monawarah Branch	4650207633	19 Jumada' II 1440H
Jahez International Company for Information Systems Technology - Yanbou Branch	4700112396	11 Rabi' I 1442H

1- ORGANIZATION AND ACTIVITIES (CONTINUED)

Branch name and location	Commercial registration number	Date
Jahez International Company for Information Systems Technology - Al Baha Branch	5800106200	9 Jumada' I 1442H
Jahez International Company for Information Systems Technology - Abha Branch	5850122780	13 Jumada' II 1440H
Jahez International Company for Information Systems Technology - Bisha Branch	5851876969	30 Sha'ban 1442H
Jahez International Company for Information Systems Technology - Jezan Branch	5900127812	30 Sha'ban 1442H
Jahez International Company for Information Systems Technology - Najran Branch	5950123043	21 Ramadan 1442H
Jahez International Company for Information Systems Technology - Al Qunfodah Branch	5900127812	22 Safar 1444H

On 27 October 2020, the shareholders decided to transfer the legal entity of the Company and its branches from a limited liability company to a Saudi closed joint stock company including its rights and obligations, as well as increasing its capital to SR 5 million by transferring SR 4 million from shareholders' accounts payable of the Company to the capital account, and the Company shall keep the same name, number and date of the commercial registration of the head office and all its branches. The shareholders have subscribed to the entire share capital amounting to 500,000 shares with a nominal value of SR 10 each.

On 15 Shawwal 1442H (corresponding to 27 May 2021), the extraordinary general assembly of shareholders approved the decision of the board of directors to increase the share capital to become SR 96,000,000 by issuing new shares against transferring an amount of SR 63,500,000 from the retained earnings, an amount of SR 26,000,000 from due to related parties accounts (shareholders), and an amount of SR 1,500,000 from the statutory reserve account.

On 2 Jumadah II 1443H (corresponding to 5 January 2022), the Company's shares were listed and started trading in the Parallel Market in the Kingdom of Saudi Arabia (Nomu) under code (9526). The Company's share capital has increased after the completion of the public offering from SR 96 million (divided into 9,6 million shares) to SR 104 million (divided into 10,4 million shares) through issuing 891 million shares at a nominal per value of SR 8,9 million. (note 12)

1- Organization and activities (continued)

The accompanying consolidated financial statements include the financial statements of Jahez International Company for Information Systems Technology and its subsidiaries (collectively referred to as the "Group"), as follows:

			% of ownership	
	Legal entity	**Country of Incorporation**	**31 December 2022**	31 December 2021
Joint Preparation Company for Meals	Limited Liability Company	Kingdom of Saudi Arabia	**60%**	60%
PIK Options Trading Company	A Single Shareholder Limited Liability Company	Kingdom of Saudi Arabia	**100%**	100%
Supportive Solutions Company for Logistic Services	A Single Shareholder Limited Liability Company	Kingdom of Saudi Arabia	**100%**	100%
The Red Color Company	A Single Shareholder Limited Liability Company	Kingdom of Saudi Arabia	**100%**	100%
Jahez International Company for Information Systems Technology	(A Limited Liability Company)	Kingdom of Bahrain	**100%**	100%
Jahez International Company for Wholesales and Retail Trading	A Single Shareholder Limited Liability Company	Kuwait	**100%**	--
Blu Store Company	A Single Shareholder Limited Liability Company	Kingdom of Saudi Arabia	**51%**	--

Information about subsidiaries:

Joint Preparation Company for Meals:

on 20 July 2020, the Company signed an acquisition agreement to acquire shares that represent 60% of share capital of Joint Preparation Company for Meals (a limited liability company) amounting to SAR 25,000 million where the cost of the acquisition amounted to SAR 2,4 million. On 7 September 2020 (corresponding to 19 Muharram 1442H), The Company's Articles of Association and shareholding pattern have been amended to reflect the impact of the acquisition. The Company is engaged in the food service activities.

PIK Options Trading Company

On 5 November 2020, the Company incorporated a wholly owned subsidiary which is PIK Options Trading Company (a single shareholder limited liability company). The company's capital is SR 1,000,000. The company is engaged in online retail sales

The Red Color Company

On 8 February 2021, the Company incorporated a wholly owned subsidiary, which is the Red Color Company (a single shareholder limited liability company). The Company's capital is SR 10,000. The Company is engaged in other financial services activities, with the exception of insurance and pension financing.

1- ORGANIZATION AND ACTIVITIES (CONTINUED)

Supportive Solutions Company for Logistic Services

On 8 February 2021, the Company incorporated a wholly owned subsidiary, which is Supportive Solutions Company for Logistic Services (a single shareholder limited liability company). The Company's capital is SR 1,000,000. The Company is engaged in directing vehicles, transporting goods, and providing delivery services via e-platforms.

Jahez International Company for Information Systems Technology

On 25 November 2021, the Company incorporated Jahez International Company for Information Systems Technology (a limited liability company) a wholly owned subsidiary in the Kingdom of Bahrain. The Company's capital is BHD 50,000 equivalent to SR 497,345. The Company is engaged in food delivery, online selling, and call centers' activities.

Jahez International Company for Wholesales and Retail Trading
On 1 August 2022, the Company incorporated Jahez International Company for Wholesales and Retail Trading (a single shareholder limited liability company) a wholly owned subsidiary in the State of Kuwait. The Company's capital is KWD 100,000 equivalent to SR 1,223,440. The Company is engaged in retail and wholesale trading.

Blu Store Company
On 11 August 2022, the Company incorporated Blu Store Company (a limited liability company). The Company holds 51% shareholding, and the Company's capital is SR 500,000. The company is engaged in retail sale of apparel, shoes and leather items in specialized stores.

2- BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated financial statements include the financial information of the Company and its subsidiaries (collectively referred to as "the Group"). These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Chartered and Professional Accountants (SOCPA).

The principal accounting policies applied in preparing these consolidated financial statements have been consistently applied to all the periods presented.

2.2. Basis of measurement

The consolidated financial statements have been prepared on historical cost convention, unless otherwise stated, using the accruals basis of accounting and the going concern concept.

2-3 Functional and presentation currency

The consolidated financial statements of the Company are presented in Saudi Riyals (SR) which is the Group's functional and presentation currency.

2- BASIS OF PREPARATION (CONTINUED)

2.4 New standards and amendments issued

The following new standards are effective for subsequent annual periods, and earlier application is permitted. The Group has not early adopted the new or amended standards in preparing these financial statements. The impact of these standards on the Group is not expected to be material when the below standards and amendments are applied.

The following are a number of standards, amendments and interpretations of standards that were issued by the IASB on 2022.

Effective for annual periods beginning on or after the date of new standards and amendments	
1 January 2022	Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) Annual Improvements to IFRS 2018 –2020 Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) Reference to the Conceptual Framework (Amendments to IFRS 3)

New requirements that will be applied subsequently:

Effective for annual periods beginning on or after	**New Standards and Amendments**
1 January 2023	Classification of liabilities as current/non-current (Amendments to IAS 1). IFRS 17- "Insurance Contracts" and amendments to IFRS 17- "Insurance Contracts". Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) Definition of accounting estimates (amendments to IAS 8) Deferred tax related to assets and liabilities arising from single transaction (amendments to IAS 12)
Available for optional adoption/effective date deferred indefinitely	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

The management estimated that the application of the new standards and amendments has no significant impact on the Group's consolidated financial statements as at 31 December 2022.

2- BASIS OF PREPARATION (CONTINUED)

2.5 Significant accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgment, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from those on which the estimates were based.

The estimates and underlying assumptions have been reviewed on an ongoing basis and adjustments to accounting estimates are recognized in the period in which the estimates are revised if the adjustment affects only that period, or in the period of the adjustment and future periods if the adjustment affects both current and future periods.

The Group bases its assumptions and estimates on information available when preparing the consolidated financial statements. The assumptions and current conditions of future developments, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in assumptions when they occur.

Employees' benefits

Employees' benefits cost and present value of the liability is determined using an actuarial valuations involves making various assumptions which may differ from actual developments in the future. Such assumptions includes determination of discount rate, future salary increases and mortality rates.

Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The discount rate is the factor most subject to changes and when determining the appropriate discount rate, the management considers the interest rates of corporate bonds in currencies consistent with the currencies of the end-of-service benefits obligation with at least an 'AAA' rating or above, as set by an internationally acknowledged rating agency to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables for specific countries. Those mortality tables tend to change only at intervals in response to demographic changes and future salary increases are based on expected future inflation rates for respective countries.

The mortality rate is based on publicly available mortality tables for specific countries. Those mortality tables tend to change only at intervals in response to demographic changes and future salary increases are based on expected future inflation rates for respective countries.

Provision for expected credit loss (ECLs) on accounts receivable

The Group uses a model in estimating lifetime ECLs that have not been credit-impaired or credit-impaired based on a change in the credit risk associated with the financial instrument.

Trade receivables are combined based on the common credit risk characteristics and the days in which they are due to measure the ECLs. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic activity indicators affecting the ability of the customers to settle the receivables.

Lease's discount rate

The management of the Group uses estimates in determining the incremental borrowing rate in computing the present value of minimum lease payments, as well as the expected lease term in the event of extension options.

3- SIGNIFICANT ACCOUNTING POLICES

The accounting policies applied in preparing these consolidated financial statements are listed below, which are prepared in accordance with the IFRS as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA are as follows.

a) Basis of consolidation

a.1 Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred at the acquisition is generally measured at fair value of the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are considered to be expenses when incurred, except if related to the issue of debt instruments or equity.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it will not be remeasured and the settlement is accounted for within equity. Otherwise, the contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

a.2 Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

a.3 Non-controlling interests

NCIs are initially measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in the subsidiary that do not result in a loss of control are accounted for as equity transactions.

a.4 Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity and any gain or loss is recognized in the statement of profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

b) Property and equipment

Property and equipment are measured at cost, less accumulated depreciation and accumulated impairment loss, if any. Cost includes expenditure that is directly attributable to the acquisition of an asset. Finance costs on borrowings to finance the construction of the assets are capitalized during the period of time that is required to complete and prepare the asset for its intended use.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property and equipment. All other expenditures are recognized in the consolidated statement of profit or loss when incurred.

3- SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Property and equipment (continued)

Depreciation is charged to the consolidated statement of profit or loss and is calculated on the straight-line basis over the estimated useful lives of individual item of property and equipment. The estimated useful lives of assets will be depreciated as follows:

	Years
Tools and instruments	4
Computers	4
Furniture and fixtures	4
Electric equipment	4
Central kitchens	10
Decorations and leasehold improvements	4
Motor vehicles	4

Depreciation methods, rates and residual values are reviewed annually and are adjusted if the current method and the estimated useful life or the residual value is different from the estimated in past. The effect of such changes is recognized in the consolidated statement of profit or loss prospectively.

Major renovations and improvements are capitalized if they extend the productivity or the operating useful life of the property and equipment.

Minor repairs and improvements are charged as expenses when incurred. Gains or losses resulting from disposal of property and equipment, which represent the difference between proceeds from sale and the carrying amount of assets, are recognized in the consolidated statement of profit or loss.

c) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the consolidated statement of profit or loss in the period in which the expenditure is incurred.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in the consolidated statement of profit or loss as incurred.

Computers software

Computer software licenses acquired from third parties are initially recognized at cost. Costs directly associated with the production of internally developed software, where it is probable that the software will generate future economic benefits, are recognized as intangible assets.

Capital work under development related to the development of intangible assets is stated at cost less accumulated losses, if any, and is not depreciated until the asset is available for use. Depreciation is charged to the consolidated statement of profit or loss and calculated using the straight-line basis over the estimated useful life of four years.

3- SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Inventory

Inventories are measured at the lower of cost or net realizable value. The cost of inventory is determined on the basis of the first-in-first-out method. Cost includes expenses incurred in acquiring the inventory, shipping, transportation, and insurance costs, custom duties, and any other direct expenses related to the acquisition of the inventory.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of making the sale.

e) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks in current accounts and other short-term liquid investments with original maturities of three month or less, if any, which are available to the Company without any restrictions.

f) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date. Fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most appropriate market for the asset or liability.

The principal or the most appropriate market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits from the asset's highest and best use or by selling it to another market participant that would utilize the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. This is disclosed as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets and liabilities can be obtained at the measurement date.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable (such as prices) or indirectly.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable (unobservable inputs).

For assets and liabilities that are recognized in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Group has determined the policies and procedures for both recurring fair value measurement, and for non-recurring measurement.

3- SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Fair-value measurement (continued)

At each reporting date, the Group analyzes the changes in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Group also compares the change in the fair value for each asset and liability with relevant external sources to determine whether the change is reasonable. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

g) Financial instruments

Classification and measurement of financial assets and financial liabilities

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investments; FVOCI – equity investments; or FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not classified at fair value through profit or loss.

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of investments in equity instruments that are not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment by investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The financial assets (unless they are receivables without a significant financing component that is initially measured at the transaction price) are initially measured at fair value, for an item not at FVTPL, plus transaction costs that are directly attributable to their acquisition.

The following accounting policies apply to the subsequent measurement of financial assets.

3- SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Financial instruments (continued)

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. Amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Investments in debt instruments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Impairment of financial assets

The financial assets recognized at amortized cost consist of trade receivables, cash and cash equivalents, deposits with financial institutions and other receivables.

Loss provisions are measured on the bases of ECLs over lifetime of a financial instrument: these are ECLs that result from all possible default events over the expected life of a financial instrument.

'The Group measures loss allowances at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the group considers reasonable and supportable information that is relevant and available without undue cost or effort.

This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all value shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

For trade receivables, the Group applies the simplified approach to estimate ECLs.

3- SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Financial instruments (continued)

Presentation of impairment

Impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are impaired. A financial asset is impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss provisions for financial assets are deducted from the gross carrying amount of the assets.
Impairment losses related to trade receivables, if any, are presented in the consolidated statement of profit or loss under a separate item.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. Financial liabilities are classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gains or losses on derecognition are also recognized in profit or loss.

Derecognition

Financial assets

A financial asset (or part of a group of similar financial assets) is disposed mainly (i.e. disposed from the statement of financial position) in the following cases:

- When the contractual rights to the cash flows from the financial asset expire;
- The Group has transferred its rights to receive cash flows from the asset, or assumed an obligation to pay cash flows received in full without delay to a third party under a "pass" arrangement; (a) substantially transferred all the risks and rewards of the asset; or (b) transferred control over the asset and the Group has neither transferred nor retained substantially the risks and rewards of the financial asset.

Financial liabilities

The Group derecognizes financial liabilities when its contractual obligations are discharged, cancelled or expired. The Group also derecognizes financial liabilities when the terms and cash flows of the modified obligation are substantially modified, in which case a new financial liability is recognized based on the modified terms at fair value.

On disposal of a financial liability, the difference between the amortized carrying amount and the amount paid (including any non-cash assets transferred or charged liabilities) is recognized in the consolidated statement of profit or loss.

The Group has no debt investments at FVOCI or equity investments at FVOCI.

3- SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) Employees' benefits

Short-term benefits

Short-term employees benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-employment benefits

The Group operates a defined benefit plan for its employees in accordance with Saudi Labor and Workman Law as defined by the conditions set out in the laws of the Kingdom of Saudi Arabia. The cost of providing the benefits under the defined benefit plan is determined using the projected unit credit method. Employees' benefits obligation plans are not funded. Accordingly, valuations of the obligations under those plans are carried out by an independent actuary based on the projected unit credit method and the liability is recorded based on an actuarial valuation.

The liability recognized in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. Past-service costs are recognized immediately in the consolidated statement of profit or loss and other comprehensive income.

The interest cost is calculated by applying the discount rate to the balance of the defined benefits obligations. This cost is included in employee benefit expense in the consolidated statement of income. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise

i) Provisions

Provisions are recognized when the Group has a present obligation 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.

The amount recognized as a provision is the best estimate for the consideration required to settle the present obligation at the end of reporting date taking into account risk and doubts specific to liability.

When the Group expects to pay some or all of the provisions (for example, insurance contracts, compensation terms or supplier guarantees), the payment is recognized as a separate asset. When payment is almost certain, expenses relating to provision are recognized in the consolidated statement of profit or loss, net of any compensation.

In case the effect of the time value of money is of relative importance, the provisions are determined by discounting estimated cash flows by pre-tax rate that reflects current market assessments for time value of money and risks related to the obligation. The unwinding of the discount is recognized as finance cost.

3- SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) Contingent liabilities

These are probable obligations arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or present obligation not recorded because the need for flow of resources to settle the obligation is not probable. In case the amount of the obligation cannot be measured with sufficient reliability, this amount is not recognized as contingent liabilities but disclosed in the consolidated financial statements.

k) Foreign currency transactions

Transactions denominated in foreign currencies are translated to Saudi Riyals at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the financial position date are translated to Saudi Riyals at the foreign exchange rate ruling at that date. Gains or losses arising on exchanges are recognized in the consolidated statement of profit or loss currently.

l) Revenue recognition

Revenue is measured at fair value of the consideration received or receivable. Revenue is reduced by expected returns from customers and other discounts.

The Group recognizes revenue under IFRS 15 using the following five steps model:

Step 1: Identify the contracts with a 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 promise in a contract with a customer to transfer a good or service to the customer.
Step 3: Identify 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 when (or as) it satisfies a performance obligation by transferring a promised good or service to the customer under a contract.

Commissions and revenue from delivery services

Revenue is recognized when the delivery service is performed to the customer and at the point in time at which the customer achieves control over the benefits associated with the service and the performance of service obligations, and is stated net of discounts and compensation offered to the customer.

Advertising and marketing revenue

Revenue associated with advertising and marketing services are recognized over time by measuring the Company's progress towards satisfaction of a performance obligation using output method.

3- SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

l) Revenue recognition (continued)

Revenue from e-payment fees

Revenue is recognized when the collection service is performed on behalf of the customer and at the point in time at which the customer achieves control over the benefits associated with the service and the performance of service obligations, and is stated at net after discounts and compensation offered to the customer, if any.

Other income

Revenue is recognized upon fulfilment of the obligation to the customer and are stated net of discounts and rebates, if any.

Customers' cash back

Cash back to customers are treated as a reduction of revenue. If the transaction price includes a variable amount, the transaction price is estimated and recognized to the extent that it is unlikely that a significant reversal of the cumulative revenue value will occur when the uncertainty associated with the variable consideration is subsequently resolved.

Customers' compensations

Any compensation payable to customers was treated as an reduction of revenue according to the requirements of IFRS 15.

Promotions to customers

Any promotions paid in the form of balances in customers' portfolios were treated as a reduction of revenue according to the requirements of IFRS 15.

m) Leases

Determining whether an arrangement contains a lease or not depends on the core of the arrangement at its inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

At the commencement date, the Group shall assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group shall assess whether, throughout the period of use, the customer has both of the following:

a. The right to obtain substantially all of the economic benefits from use of the identified asset.
b. The right to direct control over the use of the specified asset.

The Group shall recognize a right-of-use asset at the commencement date (i.e. the date on which the underling asset is available for use) and a lease liability at the commencement date. The right-of-use asset is initially measured at cost less accumulated depreciation and impairment and is settled for any remeasurement of a lease liability.

3- SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m) Leases (continued)

The cost of right-of-use asset includes the initial amount of a lease liability adjusted by lease payments made on or before the commencement date, and any initial direct costs incurred and an estimate of costs to be incurred by the lessee in decommissioning and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, less any lease incentives received. The estimated useful life for right-of-use asset based on the lease term.

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The Group shall discount lease payments using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be easily determined, the Group should use the incremental borrowing rate.

After the commencement date, a lessee shall measure the lease liability by:

a. Increase the carrying amount to reflect the interest rate on the lease liabilities;
b. Reduce the carrying amount to reflect the lease payments made; and
c. Remeasure the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments that are remeasured when there is a change in future lease payments arising from a change in index or a rate, or if there was a change in the Group's estimate of the amount expected to be payable by the lessee under residual value guarantees, or if the Group changed its assessment whether if it will choose the purchase, extension or termination.

Group as a lessee
Any remeasurement is settled in the lease liability against the carrying amount of right-of-use asset or charged to the statement of income if the carrying amount of the related asset is Zero.

Short-term leases

The Group elected not to recognize right-of-use assets and lease liabilities for the short-term leases for which their terms are 12 months or less. The Group recognizes lease payments associated with those leases as expenses on a straight line basis over the lease term.

Extension options

In case of leases that provide extension options, the Group assesses whether if it is reasonably certain, at commencement date, that the extension options will be exercised. The Group reassesses whether it is reasonably certain to exercise the options if there was a significant event or major change in the circumstances that fall under its control.

n) Expenses

Advertising and publicity expenses are those arising from the Group's efforts underlying the marketing functions. All other expenses, excluding cost of revenue and financial charges, are classified as general and administrative expenses and research and development expenses. Allocations of common expenses between cost of revenue and general and administrative expenses and research and development expenses, when required, are made on a consistent basis.

o) Zakat

Provision for Zakat is calculated at the date of the consolidated statement of financial position in accordance with regulations of the Zakat, Tax and Customs Authority in the Kingdom of Saudi Arabia ("ZATCA"). The resulting provision is recorded in the consolidated statement of profit or loss. Additional Zakat liability, if any, related to prior years' assessments arising from ZATCA are recognized in the period in which the final assessments are finalized.

3- SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

p) Segments Reporting

An operating segment is a part of the Group's business activities from which revenue can be recognized and expenses are incurred and includes income and expenses relating to transactions with any of the other components. All operational results of the operating segments are reviewed by the operating decision makers to make decisions about the resources to be allocated to the segment and to assess its performance, which have separate financial information.

q) Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Group by the weighted average number of the ordinary shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible debt instruments and share options granted to employees, if any.

r) Statutory reserve

In accordance with the provisions of the Saudi Arabian Regulations for Companies, the Group is required to transfer 10% of its net income each year to a statutory reserve until such reserve equals 30% of share capital. This reserve is not available for distribution to the shareholders.

s) Projects in progress

Capital work-in-progress is stated at cost.Upon implementation, capital work in progress is transferred to the appropriate asset class within property, equipment, and intangible assets, and is depreciated and amortized in accordance with the Group's policies.

(Saudi Riyal)

4- PROPERTY AND EQUIPMENT

	Tools and instruments	Computers	Furniture and fixtures	Electric equipment	Central kitchens	Decorations and leasehold improvements	Motor vehicles	Projects in progress	Total
Cost									
Balance as at 1 January 2021	106,388	1,478,062	1,602,299	598,027	1,144,343	2,178,789	--	801,992	7,909,900
Additions	39,000	1,165,947	563,212	758,461	57,932	383,761	138,352	772,023	3,878,688
Transferred from projects under construction	--	--	--	--	--	801,992	--	(801,992)	--
Balance as at 31 December 2021	**145,388**	**2,644,009**	**2,165,511**	**1,356,488**	**1,202,275**	**3,364,542**	**138,352**	**772,023**	**11,788,588**
Additions	1,300	3,142,096	1,341,343	3,926,916	5,816,802	10,761,008	622,670	11,553,340	37,165,475
Balance as at 31 December 2022	**146,688**	**5,786,105**	**3,506,854**	**5,283,404**	**7,019,077**	**14,125,550**	**761,022**	**12,325,363**	**48,954,063**
Accumulated depreciation:									
Balance as at 1 January 2021	61,712	487,446	517,067	280,204	9,536	420,082	--	--	1,776,047
Depreciation for the year	28,795	526,864	687,096	287,821	117,943	578,451	2,557	--	2,229,527
Balance as at 31 December 2021	90,507	1,014,310	1,204,163	568,025	127,479	998,533	2,557	--	4,005,574
Depreciation for the year	22,598	983,569	497,556	462,779	680,385	1,824,918	121,013	--	4,592,818
Balance as at 31 December 2022	**113,105**	**1,997,879**	**1,701,719**	**1,030,804**	**807,864**	**2,823,451**	**123,570**	--	**8,598,392**
Net book value:									
As at 31 December 2022	**33,583**	**3,788,226**	**1,805,135**	**4,252,600**	**6,211,213**	**11,302,099**	**637,452**	**12,325,363**	**40.355.671**
As at 31 December 2021	**54,881**	**1,629,699**	**961,348**	**788,463**	**1,074,796**	**2,366,009**	**135,795**	**772,023**	**7,783,014**

(Saudi Riyal)

5- INTANGIBLE ASSETS

	Software	Intellectual property rights	Projects in progress	Total
Cost				
Balance as at 1 January 2021	4,189,528	--	2,813,039	7,002,567
Additions	367,200	--	1,049,262	1,416,462
Transferred from projects under construction	2,813,039	--	(2,813,039)	--
Balance as at 31 December 2021	**7,369,767**	--	**1,049,262**	**8,419,029**
Additions	1,183,232	500,000	1,279,324	2,962,556
Balance as at 31 December 2022	**8,552,999**	**500,000**	**2,328,586**	**11,381,585**
Accumulated Amortization				
Balance as at 1 January 2021	2,866,012	--	--	2,866,012
Amortization for the year	1,692,952	--	--	1,692,952
Balance as at 31 December 2021	**4,558,964**	--	--	**4,558,964**
Amortization for the year	993,669	104,166	--	1,097,835
Balance as at 31 December 2022	**5,552,633**	**104,166**	--	**5,656,799**
Net carrying amount				
As at 31 December 2022	**3,000,366**	**395,834**	**2,328,586**	**5,724,786**
As at 31 December 2021	**2,810,803**	--	**1,049,262**	**3,860,065**

6- RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

	Buildings	Motor vehicles	Lands	Total
Cost				
Balance as at 1 January 2022	12,668,711	17,679,324	--	30,348,035
Additions	28,716,419	95,340,098	186,716	124,243,233
Balance as at 31 December 2022	**41,383,583**	**113.019.422**	186,716	**154,591,268**
Depreciation				
Balance as at 1 January 2022	2,896,946	349,742	--	3,246,688
Depreciation for the year	5,038,705	12,752,946	48,427	17,840,078
Balance as at 31 December 2022	**7,935,651**	**13,102,688**	48,427	**21,086,766**
Net carrying amount				
As at 31 December 2022	**33,449,479**	**99,916,734**	**138,289**	**133.504.502**
As at 31 December 2021	**9,771,765**	**17,329,582**	--	**27,101,347**

Amounts recognized in the consolidated statement of profit or loss and other comprehensive income	**For the year ended 31 December** **2022**	2021
Depreciation of right-of-use assets	**17,840,078**	2,121,240
Interest expense on lease liabilities	**3,155,960**	456,352

Lease liabilities recognized in the consolidated statement of financial position	**31 December 2022**	31 December 2021
Current	32.168.120	4.965.955
Non-current	96,833,791	21,199,200
Total lease liabilities under right-of-use assets	**129.001.911**	26,165,155

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7- INVESTMENTS AT FVTPL

The Company's investments represent equity shares in non-listed company "Halalah Company Limited" and convertible debt instruments into equity shares in "Bonat Company" and "Nana Direct Company".

Movement in investments is as follows:

	31 December 2022	31 December 2021
Balance at the beginning of the year	**19,837,032**	--
Additions during the year	**1,125,000**	11,625,000
Fair value differences	**1,766,705**	8,212,032
Balance at the end of the year	**22,728,737**	19,837,032

8- TRADE RECEIVABLES

	31 December 2022	31 December 2021
Trade receivables	**23.788.440**	11,459,855
Less: provision for impairment loss on trade receivables	**(1,029,180)**	(4,785,006)
	22.759.260	6,674,849

The movement in provision for impairment loss on trade receivables is as follows:

	31 December 2022	31 December 2021
Balance at the beginning of the year	**4,785,006**	2,283,594
(Reversal) / provided during the year	**(3,755,826)**	2,501,412
	1,029,180	4,785,006

9- PREPAID EXPENSES AND OTHER RECEIVABLES

	31 December 2022	31 December 2021
Prepaid expenses	**65,231,190**	33,671,956
Staff advances and custodies	**1,477,414**	606,853
Deposit of letters of guarantee	**2,250,000**	2,250,000
Other	**13.225.957**	107,827
	82,184,561	36,636,636

10- CASH AND CASH EQUIVALENTS

	31 December 2022	31 December 2021
Current accounts with banks	**602,173,952**	391,328,588
Short term deposits *	**300,000,00**	--
Cash in hand	**511,790**	359,414
	902,685,742	391,688,002

The short term deposits carry a constant rate of return (from 3% to 6%) and a maturity less than three months.

11- DEPOSITS WITH FINANCIAL INSTITUTIONS

This includes the investment in term deposit certificates (Murabaha) with financial institutions with maturity of more than 3 months and less than 12 months at the rate of (from 3% to 6%) annually (31 December 2021: zero).

12- SHARE CAPITAL

Listing and commencement of trading of the Company's shares in the parallel market
On 2 Jumadah II 1443H (corresponding to 5 January 2022), the Company's shares were listed and started trading in the Parallel Market in Kingdom of Saudi Arabia (Nomu) under code (9526). The Company's share capital has increased after the completion of the public offering from SR 96 million (divided into 9,6 million shares) to SR 104 million (divided into 10,4 million shares) through issuing 891 million shares at a par value of SR 8,9 million. The share value on the issue date was SR 850 and the movement in share capital and share premium is as follows:

	Number of shares	**Share capital (Saudi Riyal)**	**Share premium (Saudi Riyal)**
Balance at 1 January 2022	9,600,000	96,000,000	--
Issuance of new shares at SR 850 per share (SR 10 par value)	891,803	8,918,030	749,114,520
Transaction costs on new share issue	--	--	(10,339,835)
Additional contributions from Company's shareholders	--	--	1,400,819
Balance at 31 December 2022	**10,491,803**	**104,918,030**	**740,175,504**

Treasury shares
On 22 Jumada I 1443H (corresponding to 26 December 2021), the Company entered into an agreement to purchase 192 thousand shares of its shares from the Company's shareholders (115,2 thousand shares of its shares owned by ALAMAT International Company and 76,8 thousand shares of its shares owned by Hefz Osool Ta'atheer Company for Communications and Information Technology) at a cost of SR 10 per share, with a cash consideration of SR 1,9 million. The shares were allocated at the time of completion of the public offering process which is mentioned above, the Company held these shares as treasury shares to support future employees long term incentive scheme (note 14).

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13- STATUTORY RESERVE

In accordance with the Regulations for Companies in Kingdom of Saudi Arabia and the Company's by-laws, the Group establishes a statutory reserve by the appropriation of 10% of net income until such reserve equals to 30% of the share capital. The statutory reserve is not available for distribution to the shareholders.

14- SHARE-BASED PAYMENTS PROGRAM

The Company granted share-based payments arrangements to employees at the beginning of April 2022. On 8 June 2021, the Board of Directors proposed shares options program which was approved by the shareholders on 9 June 2021. This plan objective is to distribute 192,000 treasury shares purchased by the Company from the Company's shareholders under purchase of shares contract dated on 26 December 2021 concluded on 5 January 2022 (115,2 thousand shares of its shares owned by ALAMAT International Company and 76,8 thousand shares of its shares owned by Hefz Osool Ta'atheer Company for Communications and Information Technology). The shares options will be granted through the plan in five cycles commencing on 1 April 2022, 1 April 2023, 1 April 2024, 1 April 2025 and 1 April 2026.

The Company formulated the vesting agreement for the first cycle and it was signed by the Company and the employees on 1 April 2022, which is the vesting date of the first cycle of shares options. The condition associated with realizing shares options under the first cycle is the employee's two-year service condition, which will be completed on 31 March 2024. At the end of the vesting period, the Company may elect to issue shares or cash equivalent to the fair value through the shares at the end of the vesting period.

During 2022, the Company has vested Tier 1 of the program as the following:

First Cycle	**Tier 1**
Vesting date	1 April 2022
Total number of shares granted	26,440
The average fair value per share on vesting date (*)	SR1,116.5
Maturity date	31 March 2024
Settlement method	Equity

(*) The options are valued at the fair value on the vesting date of first cycle on 1 April 2022, using the Black Scholes method which takes into account the exercise price, option term, effect of reduction (where material), share price on the vesting date and expected fluctuation price of basic earnings per share, and expected dividend yield. Risk-free interest rate for the option term, contingencies and fluctuations for similar Group's companies. The fair value of the option as on 1 April 2022, based on the exercise price of SR 10 is SR 1,116.5.

Total expenses related to the program for the period ended 31 December 2022 amounts SR 11,8 million, which were included in the expenses items in the consolidated statement of profit or loss and other comprehensive income, with the corresponding amount recorded in the share-based payments reserve item in the equity in accordance with the requirements of IFRS 2: share-based payments.

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15- EMPLOYEES' BENEFITS OBLIGATIONS

The Group has a post-employment defined benefit plan. The benefits are applicable under Saudi Labor Law. These benefits are based on employees' final salaries and allowances and their cumulative years of service, as stated in the laws of Kingdom of Saudi Arabia. The following table summarizes the components of the net benefit expense recognized in the consolidated statement of profit or loss and other comprehensive income and amounts recognized in the consolidated statement of financial position.

a) Changes in the present value of defined benefit obligations

Defined benefit obligations at 1 January 2021	**3,136,956**
Interest cost	90,922
Current service cost	2,794,668
Amount recognized in profit and loss	2,885,590
Re-measurements gains recognized in other comprehensive income	(149,719)
Benefits paid during the year	**(34,709)**
Defined benefit obligation at 31 December 2021	**5,838,118**
Interest cost	186,300
Current service cost	5,388,426
Amount recognized in profit and loss	5,574,726
Re-measurement loss recognized in other comprehensive income	189,362
Benefits paid during the year	(712,817)
Defined benefit obligations at 31 December 2022	**10,889,389**

b) Sensitivity analyses

The principal assumptions used in determining the post-employment defined benefit liability includes the following:

	31 December 2022	31 December 2021
Discount rate	**5,20%**	3,35%
Future salary increases	**5,00%**	3%

A quantitative sensitivity analysis for significant assumptions as at 31 December 2022 and 31 December 2021 is shown below:

	Discount rate	
	Increase by 1%	1% Decrease
Defined benefit obligations as at 31 December 2022	**9,681,083**	12,366,576
Defined benefit obligations as at 31 December 2021	**5,125,628**	6,641,382

	Salary increase rate	
	Increase by 1%	1% Decrease
Defined benefit obligations as at 31 December 2022	**12,412,918**	9,622,338
Defined benefit obligations as at 31 December 2021	**6,659,206**	5,098,373

The sensitivity analysis above has been based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the employees' benefit obligations as it is unlikely that changes in assumptions would occur in isolation of one another.

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16- PROCEEDS DUE TO CUSTOMERS

These amounts represent the value of proceeds due to customers less commission income and other income, and they are presented at net.

17- ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	31 December 2022	31 December 2021
Accrued expenses	**42,078,075**	39,957,588
Third party deposits	**15,000,659**	24,164,287
Accrued employees' benefits	**11,178,530**	11,143,825
	68,257,264	75,265,700

18- RELATED PARTY TRANSACTIONS

In the ordinary course of its business, the Group transacts with the shareholders of the Group, affiliates owned by the shareholders, and the key management personnel, as the Group enters into contracts to obtain services and pay the expenses on the affiliates' behalf. These transactions are carried out in accordance with the terms specified with the related parties. The following table shows the value of the transactions made during the period and the resulting balances:

Significant related party transactions

31-Dec-22

Related party	**Nature of relationship**	**Nature of the transaction**	**Amount of transaction**
Al Joudah Al-Mahaliyah Limited Company	A Company owned by a shareholder in a subsidiary	Collection on behalf	232,998
		Revenue from sale of services	46,000
		Revenue from contracting	41,034
The Eight Creations Agency for Advertising	A Company owned by a shareholder in a subsidiary	Advertisement and publicity services	1,595,855
Talal bin Saud Al Arifi	Shareholder of subsidiary	Expenses paid On behalf of a subsidiary	1,887
Tharwa Holding Company	A Company owned by the Chairman	Leases and maintenance services	1,366,205
Dar Al Fikrah Al-Mumaiyazah	Affiliate	Construction services	4,271,203
Halalah International Company	A company owned by Deputy CEO	Logistics services	6,391,146
		Payments on behalf of the Group	3,503,556
Halalah Trading Company	Affiliate	Purchases invoices	106,674

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18- RELATED PARTY TRANSACTIONS (CONTINUED)

Related party transactions
31 December 2021

Related party	Nature of relationship	Nature of the transaction	Amount of transaction
Al Joudah Al-Mahaliyah Limited Company	Affiliate	Collection on behalf	1,479,801
		Revenue from sale of services	139,554
		Revenue from contracting	302,719
The Eight Creations Agency for Advertising	Affiliate	Advertisement and publicity services	5,630,300
Bonat Company	Affiliate	Information technology services	207,000
The Eight Creations Agency for Advertising	Affiliate	Advertisement and publicity services	35,650
Talal bin Saud Al Arifi	An owner in a subsidiary	Expenses paid On behalf of a subsidiary	1,110
Tharwa Holding Company	Affiliate	Leases and maintenance services	2,738,198
		Accruals repayment	2,682,362
		Maintenance	5,625
Dar Al Fikrah Al-Mumaiyazah	Affiliate	Construction services	1,027,951
Halalah International Company	A company owned by Deputy CEO	Logistics services	10,349,664
		Payments on behalf of the Group	7,066,225
Halalah Trading Company	Affiliate	Purchases invoices	157,717

a) Due from related parties

	31 December 2022	31 December 2021
Tharwa Holding Company	**5,625**	5,625
ALAMAT International Company Limited	**2,547**	2,500
Halalah International Company	**8,958**	129,359
Talal bin Saud Al Arifi	**--**	100,000
	17,130	237,484

b) Due to related parties

	31 December 2022	31 December 2021
Bonat Company	**--**	207,000
Dar Al Fikrah Al-Mumaiyazah	**543,919**	--
Halalah International Company	**54,386**	202,932
Halalah Trading Company	**264,390**	157,717
The Eight Creations Agency for Advertising	**151,513**	69,000
Al Joudah Al-Mahaliyah Limited Company	**--**	12,922
Abdulaziz bin Abdul Rahman Al-Omaran	**36,000**	36,000
Talal bin Saud Al Arifi	**--**	1,887
	1,050,208	687,458

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18- RELATED PARTY TRANSACTIONS (CONTINUED)

Compensation and benefits to key management personnel

	31 December 2022	31 December 2021
Salaries and short-term benefits	**7,598,583**	5,406,223
End-of-service benefits	**407,861**	277,500
Share based payment	**5,588,741**	--
Total compensation and benefits to key management personnel	**13,595,185**	5,683,723

19- ZAKAT

a) Zakat status

Until the end of 2021, The Company and its subsidiaries submitted their returns separately based on the financial statements of each company. Therefore, Zakat base is identified and Zakat is calculated for the Company and its subsidiaries separately. The total estimated Zakat is presented the Group's consolidated statement of profit or loss.

During 2022, the Group registered a tax group, and it was approved by Zakat, Tax and Customs Authority ("ZATCA") to provide consolidated accounts for the Company and its subsidiaries inside the Kingdom of Saudi Arabia as at 25 Dhul- Hijjah 1443H (corresponding to 24 July 2022), except for the two companies, Joint Preparation Company for Meals and BLU Store Company.

Jahez International Company for Information Systems Technology

The Company and its subsidiaries submitted its Zakat returns for all the years up to the year ended 31 December 2021 to the Zakat, Tax and Customs Authority ("ZATCA"), and obtained a valid Zakat certificate up to 29 Ramadan 1445H (corresponding to 30 April 2023).

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19- ZAKAT (CONTINUED)

b) Zakat base

Zakat has been calculated based on Zakat base for which its components are as follows:

	For the year ended 31 December	
	2022	2021
Adjusted net income	**86,428,698**	118,372,768
Add:		
Share capital	**96,000,000**	5,000,000
Capital increase	**8,795,865**	--
Share Premium	**730,036,114**	--
Employees' shares reserve	**12,523,023**	--
Transferred from shareholders' credit balances and statuary reserve for share capital increase	--	27,500,000
Retained earnings	**78,744,619**	37,549,639
Non-controlling interests	**1,048,659**	--
Lease liabilities	**129,001,911**	26,165,155
Due to related parties	--	36,777
Provisions	**10,286,494**	5,385,841
Trade payables	--	88,249
Proceeds due to customers	**118,800,899**	81,565
Accrued expenses and other liabilities	--	7,855,954
Less:		
Property and equipment	**40,355,671**	7,783,014
Intangible assets	**5,724,786**	3,860,065
Right-of-use assets	**133,504,503**	27,101,347
Investments in subsidiaries	--	--
Investments at FVTPL	**10,650,000**	11,625,000
Total	**995,002,624**	59,293,754
Zakat base	**995,002,624**	179,508,983
Zakat expense	**27,808,737**	4,487,725
Zakat adjustments for prior years	**495,705**	--
Total Zakat expense	**28,304,442**	4,487,725

c) Zakat provision

Movement in Zakat provision is as follows:

	31 December 2022	31 December 2021
Balance at the beginning of the year	**4,491,618**	1,140,372
Provided for	**28,304,442**	4,487,725
Paid	**(4,897,323)**	(1,136,479)
Balance at the end of the year	**27,808,737**	4,491,618

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20- REVENUE

	For the year ended 31 December	
	2022	2021 (Adjusted – Note 32)
Revenue from delivery fees	**989,576,203**	744,622,437
Revenue from commissions	**534,226.310**	389,096,459
Revenue from e-payment fees	**72,522,725**	56,542,251
Advertising and marketing revenue	**70,026,807**	53,815,852
Other income	**5,319,450**	3,599,002
Gross revenue	**1,671,671,495**	1,247,676,001
Customers' compensations	**(41,775,506)**	(34,819,159)
Promotional compensations	**(25,493,258)**	(26,489,663)
Customers' cashback	**(1,925,892)**	(26,799,216)
Net revenue	**1,602,476,839**	1,159,567,962

21- COST OF REVENUE

	For the year ended 31 December	
	2022	2021 (Adjusted – Note 32)
Cost of delivery - Delivery companies and external delivery partners	**1,004,337,340**	799,181,298
Network servers	**13,928,536**	8,982,349
Salaries, wages and employees' benefits	**102,022,856**	43,498,933
Consumables	**6,076,114**	5,855,143
Tawseel platform	**25,507,957**	3,543,083
Depreciation and amortization	**16,749,797**	2,013,956
Platform services	**41,919,011**	50,764,615
Other	**32,755,391**	203,986
	1,243,297,002	914,043,363

22- MARKETING & ADVERTISING EXPENSES

	For the year ended 31 December	
	2022	2021 (Adjusted – Note 32)
Advertising and publicity	**112,916,978**	73,940,209
Salaries, wages and employees' benefits	**18,460,588**	12,628,035
	131,377,566	86,568,244

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23- GENERAL AND ADMINISTRATIVE EXPENSES

	For the year ended 31 December	
	2022	2021
Salaries, wages and employees' benefits	**21,208,661**	9,053,904
Depreciation and amortization	**6,779,484**	4,029,763
Other drivers related expenses *	**79,528,187**	--
Professional fees	**10,143,563**	2,894,178
Missions, maintenance and operation	**6,962,978**	2,870,637
Other	**11,826,690**	7,328,077
	136,449,563	26,176,559

* Other drivers related expenses item includes an amount of SR 62,687,871 represent the value of salaries, wages and benefits of drivers for a period before the completion of the necessary procedures to join the operating team. This cost is considered as non-recurring and is not expected to be incurred during the subsequent periods, and it includes other governmental charges with a total of SR 16,840,316 represented in losses incurred by the Company in return for terminating the services of certain drivers.

24- SEGMENT INFORMATION

Information related to the Group's operating segments are presented below in accordance with IFRS 8 "operating segments", which the standard requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker ("CODM") and used to allocate resources to the segments and to assess their performance.

The following is a description of the company's activities that are reported under IFRS 8:

a) Delivery platforms segment: This activity is represented in providing food and other goods delivery services through electronic platforms
b) Logistics services segment: includes logistical support operations and overseeing transportation of goods.
c) Other segment
The Group is mainly involved in delivery, logistics and other activities. The majority of the Group's revenue, profits and assets relate to the operations in the Kingdom of Saudi Arabia and both subsidiaries in Kingdom of Bahrain and Kuwait. However, the total assets, liabilities, obligations and results of operations of these subsidiaries are not of relative importance to the consolidated financial statements of the company as a whole.

The CODM used to collectively receive other operational information It is the same as the information that is provided to the Group's Board of Directors for the purposes of resource allocation and assessment of segment performance.

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24- SEGMENTS INFORMATION (CONTINUED)

2022	Delivery Platforms Segment	Logistics services Segment	Others	Eliminations/ Amendments	Total
	SR	SR	SR	SR	SR
Revenue	1,597,310,265	310,371,872	5,166,573	(310,371,872)	1,602,476,838
Direct costs	(1,209,178,389)	(336,602,367)	(5,467,980)	313,608,484	(1,237,640,252)
Impairment loss on trade receivables	3,757,461	--	--		3,757,461
Expenses	(200,124,535)	(3,008,776)	(1,077,266)	--	(204,210,577)
Other costs	--	(79,528,187)	--	--	(79,528,187)
Depreciation and amortization	(6,936,753)	(13,348,221)	(3.244.209)	--	(23,529,183)
Other income/expenses	24,253,198	635,217	1,769,173	--	26,657,588
Finance costs	(376,589)	(2,391,059)	(388,312)	--	(3,155,959)
Zakat	(28,304,442)	--	--	--	(28,304,442)
Segment net income	180,400,216	(123,871,520)	(3,242,021)	3,236,612	56,523,287
Total assets	1,303,795,341	136,544,144	66,842,974	(96,297,299)	1,410,885,160
Total liabilities	329,788,749	264,028,273	59,276,198	(246,173,735)	406,919,485

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24- SEGMENTS INFORMATION (CONTINUED)

2021	Delivery Platforms Segment	Logistics Services Segment	Others	Eliminations/ Amendments	Total
	SR	SR	SR	SR	SR
Revenue	1,158,080,136	110,677,161	1,487,827	(110,677,161)	1,159,567,962
Direct costs	(906,529,606)	(116,407,685)	(1,783,232)	110,677,161	(914.043,363)
Impairment loss of trade receivables	(2,501,412)	--	--	--	(2,501,412)
Expenses	(123,110,963)	(708,409)	(110,796)	--	(123,930,168)
Depreciation and amortization	(5,586,009)	(244)	(457,467)	--	(6,043,720)
Other income/expenses	480,365	--	8,215,407	--	(8,695,773)
Finance costs	(461,950)	--	(85,325)	--	(547,275)
Zakat	(4,487,725)	--	--	--	(4,487,725)
Segment net income	115,882,836	(6,439,177)	7,266,413	--	116,710,072
Total assets	491,950,900	22,178,538	29,039,390	(46,859,795)	496,309,033
Total liabilities	311,363,940	27,502,718	18,245,801	(49,119,727)	307,992,732

25- FINANCIAL INSTRUMENTS

The Group is subjected to various financial risks due to its activities including: Market risk (including currency risk, fair value and cash flows of interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

The Board of Directors is responsible for risk management. Financial instruments recognized in the consolidated statement of financial position include cash and cash equivalents, deposits with financial institutions, trade receivables, due from/to related parties, investments at FVTPL, other current assets, trade payables, accrued expenses, other current liabilities, proceeds due to customers, and leases liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. Financial asset and liability is offset and net amounts reported in the consolidated financial statements, when the Group has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the assets and liabilities simultaneously.

a. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, profit rates and equity 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.

a.1 Currency risk

Currency risk is the risk that the value of a financial instruments will fluctuate due to changes in foreign exchange rates. The Group's transactions are principally in Saudi Riyals and US Dollars. The Saudi Riyal is pegged to the US Dollar. The management closely and continuously monitors the exchange rate fluctuations.

a.2 Interest rate risk

Interest rate risks are the exposures to various risks associated with the effect of fluctuations in the prevailing interest rates on the Group's financial position and cash flows.

The Group has no significant interest rate risk.

b. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from trade receivables, cash and cash equivalents, prepayments and other receivables, and due from related parties.

	31 December 2022	31 December 2021
Trade receivables	**22,759,260**	6,674,849
Prepaid expenses and other receivables	**82,184,561**	36,636,636
Due from related parties	**17,130**	237,484
Cash and cash equivalents	**902,685,742**	391,688,002
Deposits with financial institutions	**200,000,000**	--
Investments at FVTPL	**22,728,737**	19,837,032
	1,230,375,430	455,074,003

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25- FINANCIAL INSTRUMENTS (CONTINUED)

The carrying amount of financial assets represents the maximum credit exposure. The ageing schedule of trade receivables is as follows:

	31 December 2022		31 December 2021	
	Balance	**Impairment**	Balance	Impairment
1 to 90 days	16,146,070	119,620	6,900,910	296,683
91 - 180 days	2.815,984	326,845	32,200	20,457
181 to 270 days	4,205,223	59,298	195,670	140,888
271 to 361 days	58.577	182,111	30,849	24,485
More than 361 days	562,586	341,306	4,300,226	4,300,226
Total	**23,788,440**	**1,029,180**	11,459,855	4,782,739

c. Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available to meet any future commitments.

The Board of Directors closely and continuously monitors the liquidity risk by performing regular review of available funds, present and future commitments, operating and capital expenditure. Moreover, the Group monitors the actual cash flows and seeks to match the maturity dates with its financial assets and liabilities.

The Group seeks continuously to comply with its legal obligations, including any obligations relating to its financing agreements.

The following represents the maturities of financial liabilities at the reporting date based on undiscounted contractual cash flows:

31 December 2022	**Less than 1 year**	**1-5 years**	**Over 5 years**	**Total contractual cash flows**	**Carrying amount**
Proceeds due to customers	118,800,899	--	--	118,800,899	118,800,899
Lease liabilities	32,168,120	95,105,639	1,728,152	129,001,911	129,001,911
Trade payables	51,111,081	--	--	51,111,081	51,111,081
Accrued expenses and other current liabilities	68,257,264	--	--	68,257,264	68,257,264
Due to related parties	1,050,208	--	--	1,050,208	1,050,208
	271,387,572	95,105,639	1,728,152	368,221,363	368,221,363

31 December 2021	Less than 1 year	1-5 years	Over 5 years	Total contractual cash flows	Carrying amount
Proceeds due to customers	164,717,111	--	--	164,717,111	164,717,111
Lease liabilities	6,079,700	19,861,662	742,500	26,683,862	26,165,155
Trade payables	28,534,849	--	--	28,534,849	28,534,849
Accrued expenses and other current liabilities	75,265,700	--	--	75,265,700	75,265,700
Due to related parties	687,458	--	--	687,458	687,458
	275,284,818	19,861,662	742,500	295,888,980	295,370,273

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26- BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing net income for the year attributable to the Group's ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

	For the year ended 31 December	
	2022	2021
Net profit	**58,977,006**	117,068,284
Weighted average number of shares	**10,290,190**	5,960,000
Basic earnings per share	**5.7**	19.6
Diluted earnings per share	**5.7**	19.6

The breakdown of weighted-average numbers of shares are as follows:

a) Ordinary shares

	31 December 2022	31 December 2021
Outstanding shares at the beginning of the period	**9,600,000**	500,000
Weighted average of shares issued during the period	**879,553**	6,599,448
Weighted average of shares repurchased during the period	**(189,363)**	--
Weighted average of shares numbers at the end of the period	**10,290,190**	7,099,448

b) Diluted shares

	31 December 2022	31 December 2021
Weighted average number of ordinary shares for the purposes of calculating basic earnings per share at the end of the period.	**10,290,190**	--
Affect of share options	**10,504**	--
Weighted average number of ordinary shares for the purposes of calculating diluted earnings per share.	**10,300,694**	--

27- CAPITAL MANAGEMENT

The policy of the Board of Directors is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the Group. The Group manages its capital structure and makes adjustments to it, in light of change in economic conditions.

The Board of Directors monitors the return on capital, which is determined by the Group as a result from operating activities divided by total equity. The Board of Directors also monitors the level of dividends. There were no changes in the Group's approach to capital management during the year. The Group does not subject to externally imposed capital requirements. The Group's debt to equity ratio at the end of the reporting period was as follows:

	31 December 2022	31 December 2021
Total liabilities	**406,919,485**	305,700,009
Less: cash and cash equivalents	**(902,685,742)**	(391,688,002)
Net debt	**(495,766,257)**	(85,987,993)
Total equity	**1,003,965,674**	188,316,301
Net debt to equity ratio	**(49%)**	(46%)

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28- FAIR VALUE MEASUREMENT

The following table shows the carrying amount and fair value of the financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximate of fair value.

	31 December 2022						
	Carrying amount			Fair value			
	Amortized cost	Other financial assets and liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets				--	--	--	--
Trade receivables	22,759,260	--	22,759,260	--	--	--	--
Other receivables	82,184,561	--	82,184,561	--	--	--	--
Cash and cash equivalents	902,685,742	--	902,685,742	--	--	--	--
Deposits with financial institutions	200,000,000	--	200,000,000	--	--	--	--
Investments at FVTPL	--	12,750,000	--	--	--	22,728,737	22,728,737
	1,207,629,563	**12,750,000**	**1,207,629,563**	--	--	**22,728,737**	**22,728,737**
Financial liabilities							
Proceeds due to customers	118,800,899	--	118,800,899	--	--	--	--
Accrued expenses and other current liabilities	68,257,264	--	68,257,264	--	--	--	--
Trade payables	51,111,078	--	51,111,078	--	--	--	--
Lease liabilities	129,001,911	--	129,001,911	--	--	--	--
	367,171,152	--	367,171,152	--	--	--	--

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28- FAIR-VALUE MEASUREMENT (CONTINUED)

	31 December 2021						
	Carrying amount			Fair value			
	Amortized cost	Other financial assets and liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Trade receivables	6,674,849	--	6,674,849	--	--	--	--
Other receivables	36,636,636	--	36,636,636	--	--	--	--
Cash and cash equivalents	391,688,002	--	391,688,002	--	--	--	--
Investments at FVTPL	--	11,625,000	11,625,000	--	--	19,837,032	19,837,032
	434,999,487	**11,625,000**	**446,624,487**	**--**	**--**	**19,837,032**	**19,837,032**
Financial liabilities							
Proceeds due to customers	164,717,111	--	164,717,111	--	--	--	--
Accrued expenses and other current liabilities	75,265,700	--	75,265,700	--	--	--	--
Trade payables	28,534,849	--	28,534,849	--	--	--	--
Lease liabilities	26,165,155	--	26,165,155	--	--	--	--
	294,682,815	--	294,682,815	--	--	--	--

29- CAPITAL COMMITMENT AND CONTINGENT LIABILITIES

The Group does not have any capital commitments as at 31 December 2022. As at 31 December 2021, the Group had capital commitments in amount of SR 1 million, represent capital construction works for the Group's headquarter.

The Group has contingent contractual commitments represent commitments to provide advertising services, mainly with Al Hilal Saudi Club for a period of five sports seasons ending in 2024, with a value of SR 37,8 million as at 31 December 2022 (31 December 2021: SR 58 million). In addition, the contract included the payment of additional amounts in the event that the first team of Al Hilal Club wins in a season or certain tournaments, with a maximum amount of SR 3.5 million per year.

The Group has contingent contractual commitments represent commitments to provide advertising services to third parties ending in 2023 amounting to SR 4,5 million as at 31 December 2022 (31 December 2021: SR 12.4 million).

The Group has also contingent contractual commitments represent commitments to provide employment and other services ending in 2023 amounting to SR 1.3 million as at 31 December 2022, (31 December 2021: SR 14.3 million).

30- SIGNIFICANT EVENTS

On 5 Jumada I 1444H (corresponding to 29 November 2022), A purchase agreement was signed to acquire all shares of the owners of The Chefz SPV LTD by purchasing shares to acquire 100% of the Company's capital by repayment of a cash consideration of SR 325 million and increase the Company's capital by issuing shares to selling shareholders in The Chefz SPV LTD, with an amount of SR 325 million. In addition, the founding members of The Chefz are to receive an earn-out amount equal to SAR 100 million in cash, subject to various performance-related targets being attained over an earn-out period commencing from 1 January 2022 and ending on 31 December 2022. The acquisition procedures has not been completed up to the date of issuance of the financial statements.

31- SUBSEQUENT EVENTS

The new Regulations for Companies issued by Royal Decree M/132 on 1/12/1443H (corresponding to 30 June 2022) entered into force on 26/6/1444H (corresponding to 19 January 2023). For certain provisions of the Regulations for Companies, full compliance is expected no later than two years from 26/6/1444H (corresponding to 19 January 2023). The management is currently evaluating the impact of the new Regulations for Companies and amending the Company's by-laws to align the Articles with the provisions of the Regulations for Companies (if any). Thereafter, the Company shall present its By-laws to the shareholders in the Extraordinary/Annual General Assembly meeting for their ratification.

Subsequent to the financial year ended 31 December 2022, on 11 Jumadah II 1444H (corresponding to 4 January 2023), the procedures for acquiring the full shares of the owners of Marn Business Information Technology have been completed, after fulfilling the preconditions mentioned in the purchase agreement, including obtaining approvals from the relevant government authorities. The total value of the transaction amounted to SR 60 million.

Subsequent to the financial year ended 31 December 2022, on 9 Rajab 1444H (corresponding to 31 January 2023), the procedures for acquiring the full shares of the owner of Joint Preparation Company for Meals have been completed. Jahez holds 60% of shareholding as at 31 December 2022- after fulfilling the preconditions mentioned in the purchase agreement, including obtaining approvals from the relevant government authorities. The total value of the transaction amounted to SR 4.8 million.

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32- CHANGE IN PRIOR YEAR

During the year, the management assessed its contracts with customers and concluded that certain amounts in nature of variable consideration/consideration payable to customer were presented as an expense instead of being presented as reduction from the revenue. Accordingly, revenue, cost of revenue, and marketing & advertising expenses in the Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2021 have been impacted as presented in below table. The adjustment did not have any impact on the statement of financial position and the statement of cash flows for the year then ended.

Items	Amounts as reported earlier	Adjustments	Adjusted amounts
Revenue	1,220,876,785	(61,308,823)	1,159,567,962
Cost of revenue	(948,862,522)	34,819,159	(914,043,363)
Marketing & advertising expenses	(113,057,906)	26,489,662	(86,568,244)

33- APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Board of Directors for issuance on 24 Sha'aban 1444H (Corresponding to 16 March 2023)