

**ALMUNEEF COMPANY FOR TRADE, INDUSTRY,  
AGRICULTURE AND CONTRACTING**  
(A SAUDI JOINT STOCK COMPANY)  
**INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**  
**AND INDEPENDENT AUDITOR'S REVIEW REPORT**  
**FOR THE SIX MONTHS PERIOD ENDED**  
**JUNE 30, 2023**

**ALMUNEEF COMPANY FOR TRADE, INDUSTRY, AGRICULTURE AND CONTRACTING**  
(A Saudi Joint Stock Company)

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**INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2023**

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**TRANSLATED FROM ARABIC****INDEPENDENT AUDITOR'S REPORT ON REVIEW  
OF THE INTERIM CONDENSED FINANCIAL STATEMENTS****TO THE SHAREHOLDERS:**

**ALMUNEEF COMPANY FOR TRADE, INDUSTRY, AGRICULTURE AND CONTRACTING  
SAUDI JOINT STOCK COMPANY  
Riyadh – SAUDI ARABIA**

**Introduction:**

We have reviewed the interim condensed statement of financial position of Almuneef Company for Trade, Industry, Agriculture and Contracting – Saudi Joint Stock Company- ("the Company") as at June 30, 2023, the condensed interim statements of profit or loss and other comprehensive income for the six months period ended at June 30, 2023, the interim condensed changes in shareholders' equity and the interim condensed cash flows for six months then ended, and summary of significant accounting policies and other explanatory notes from (1) to (19) which form an integral part of these interim condensed financial statements.

Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

**Scope of review:**

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

**Conclusion:**

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

**Other matter:**

The company's interim condensed financial statements for the six-month period ending June 30, 2022, were reviewed by another auditor who expressed an unmodified conclusion in those interim condensed financial statements on November 06, 2022 (corresponding to Rabi' al-Thani 12, 1444 H). He also reviewed the company's financial statements for the financial year ending December 31, 2022, and expressed an unmodified opinion on those financial statements in his report dated April 17, 2023 (corresponding to Ramadan 26, 1444 H).

**FOR EL SAYED EL AYOUTY & CO.**

Riyadh: August 20, 2023  
Safar 04, 1445H



**Abdullah Ahmad Balamash**  
Certified Public Accountant  
License No. (345)

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**ALMUNEEF COMPANY FOR TRADE, INDUSTRY, AGRICULTURE AND CONTRACTING**

(A Saudi Joint Stock Company)

**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**

(All amounts in Saudi Riyals)

	<u>Notes</u>	<u>June 30</u> <u>2023</u> <u>Unaudited</u>	<u>December 31</u> <u>2022</u> <u>Audited</u> <u>Restated-note 15</u>	<u>January 01</u> <u>2022</u> <u>Audited</u> <u>Restated-note 15</u>
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment, net	5	15,286,221	14,975,830	16,189,631
Intangible assets - net		47,501	45,834	-
Right to use assets - net	6	5,407,076	5,603,197	6,533,236
<b>Total non-current assets</b>		<b>20,740,798</b>	<b>20,624,861</b>	<b>22,722,867</b>
<b>Current assets</b>				
Inventories – Net	7	25,300,392	26,580,906	8,699,149
Due from related parties	8	1,596,128	1,273,049	-
Trade receivables – net	9	21,718,839	16,335,683	10,207,183
Prepaid expenses and other receivable balances– net		14,225,742	11,835,878	8,674,787
Investments at FV through profit or loss		117,859	77,526	-
Cash and cash equivalents	10	15,812,774	16,642,683	17,090,410
<b>Total current assets</b>		<b>78,771,734</b>	<b>72,745,725</b>	<b>44,671,529</b>
<b>Total assets</b>		<b>99,512,532</b>	<b>93,370,586</b>	<b>67,394,396</b>
<b>Shareholders' equity and Liabilities</b>				
<b>Shareholders' equity</b>				
Share capital	11	38,000,000	38,000,000	38,000,000
Statutory reserve		4,109,753	4,109,753	2,047,222
Retained earnings		44,874,433	34,333,248	15,666,468
<b>Total shareholders' equity</b>		<b>86,984,186</b>	<b>76,443,001</b>	<b>55,713,690</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Lease obligations – non-current portion	6	3,934,640	4,501,711	5,291,562
Employee defined benefits obligations		1,214,000	1,114,000	990,000
<b>Total non-current liabilities</b>		<b>5,148,640</b>	<b>5,615,711</b>	<b>6,281,562</b>
<b>Current liabilities</b>				
Lease obligations – current portion	6	1,062,473	936,752	970,136
Due to related parties		-	82	1,202,731
Trade payable		4,139,737	4,544,563	1,232,654
Accrued expenses and other payable		1,677,496	4,056,976	1,258,745
Zakat provision	12	500,000	1,773,501	734,878
<b>Total current liabilities</b>		<b>7,379,706</b>	<b>11,311,874</b>	<b>5,399,144</b>
<b>Total liabilities</b>		<b>12,528,346</b>	<b>16,927,585</b>	<b>11,680,706</b>
<b>Total liabilities and shareholders' equity</b>		<b>99,512,532</b>	<b>93,370,586</b>	<b>67,394,396</b>

the interim condensed financial statements appearing on pages (1) to (12) have been approved by the Board of Directors and signed on their behalf by:



Finance Manager



VP Financial &amp; Admin. Affairs



Chief Executive Officer



BOD Chairman

The accompanying notes from 1 to 19 form an integral part of these condensed interim financial statements



**ALMUNEEF COMPANY FOR TRADE, INDUSTRY, AGRICULTURE AND CONTRACTING**  
(A Saudi Joint Stock Company)

**INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED AT 30 JUNE 2023**  
(All amounts in Saudi Riyals)

	Notes	<u>30/06/2023</u> <u>Unaudited</u>	<u>30/06/2022</u> <u>Unaudited</u>
Revenue - net	14	124,338,054	149,028,815
Cost of revenue	14	(110,153,562)	(131,595,185)
<b>Gross profit</b>		<b>14,184,492</b>	<b>17,433,630</b>
General and administrative expenses		(3,310,804)	(5,377,101)
<b>Profit from operations</b>		<b>10,873,688</b>	<b>12,056,529</b>
Finance costs		(91,566)	(100,220)
Other income - net		259,063	64,157
<b>Net profit before zakat</b>		<b>11,041,185</b>	<b>12,020,466</b>
Zakat	12	(500,000)	(246,526)
<b>Net profit for the period</b>		<b>10,541,185</b>	<b>11,773,940</b>
<b>Other Comprehensive income</b>			
<b>Items that will not be re-classified subsequently within profits or losses:</b>			
Total other comprehensive income for the period		-	-
<b>Total comprehensive income for the period</b>		<b>10,541,185</b>	<b>11,773,940</b>
<b>Basic and diluted earnings per share from net profit for the period:</b>			
	13		
Per share from net profit for the period		2.77	3.1
Weighted average number of shares		3,800,000	3,800,000

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VP Financial & Admin. Affairs

  
Chief Executive Officer

  
BOD Chairman

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**ALMUNEEF COMPANY FOR TRADE, INDUSTRY, AGRICULTURE AND CONTRACTING**  
(A Saudi Joint Stock Company)


**INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED AT 30 JUNE 2023**  
(All amounts in Saudi Riyals)

	<u>Share capital</u> SR	<u>Statutory Reserve</u> SR	<u>Retained Earnings</u> SR	<u>Total equity</u> SR
Balance as at 1 January 2022	38,000,000	2,017,222	15,396,468	55,413,690
Adjustments of previous years (note 15)		30,000	270,000	300,000
<b>Balance as at 1 January 2022 (Restated)</b>	<b>38,000,000</b>	<b>2,047,222</b>	<b>15,666,468</b>	<b>55,713,690</b>
Adjusted net profit for the period	-	-	11,773,940	11,773,940
<b>Total comprehensive income for the period:</b>				
Balance as at 30 June 2022 (Unaudited)	38,000,000	2,047,222	27,440,408	67,487,630
<b>Balance as at 1 January 2023 (Audited)</b>	<b>38,000,000</b>	<b>4,149,753</b>	<b>34,693,248</b>	<b>76,843,001</b>
Adjustments of previous years (note 25)		(40,000)	(360,000)	(400,000)
<b>Balance as at 1 January 2023 (Restated)</b>	<b>38,000,000</b>	<b>4,109,753</b>	<b>34,333,248</b>	<b>76,443,001</b>
Net profit for the period			10,541,185	10,541,185
<b>Total comprehensive income for the period:</b>			<b>10,541,185</b>	<b>10,541,185</b>
Balance as at 30 June 2022 (Unaudited)	38,000,000	4,109,753	44,874,433	86,984,186

the interim condensed financial statements appearing on pages (1) to (12) have been approved by the Board of Directors and signed on their behalf by:

  
Finance Manager

  
VP Financial & Admin. Affairs

  
Chief Executive Officer

  
BOD Chairman

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**ALMUNEEF COMPANY FOR TRADE, INDUSTRY, AGRICULTURE AND CONTRACTING**

(A Saudi Joint Stock Company)

**INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)****FOR THE THREE MONTHS PERIOD ENDED AT 30 JUNE 2023**

(All amounts in Saudi Riyals)

	<b>For the six months period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b>Unaudited</b>	<b>Unaudited</b>
<b>Operating activities</b>		
Net profit for the period before Zakat	11,041,185	12,020,466
<b>Adjustment</b>		
Depreciation of property, plant and equipment	2,961,084	3,136,295
Depreciation of right to use assets	490,773	461,197
Provision for expected credit losses - trade receivables	-	906,489
Provision for expected credit losses - advance payments to suppliers	-	581,234
Provision for employee benefit obligations	100,000	228,750
(Gains) losses from sale of property, plant and equipment	(189,941)	240,854
(Profit) of investments evaluation at fair value through the profits and losses	(40,333)	
Financing costs	91,566	100,220
<b>Changes in operating assets and liabilities</b>		
Inventories	1,280,514	(6,848,542)
Trade receivables	(5,383,156)	(9,370,415)
Prepaid expenses and other receivables	(2,389,864)	291,234
Related parties	(323,079)	
Trade payables	(404,826)	
Accrued expenses and other payables	(2,379,480)	1,008,507
<b>Cash provided by operating</b>	<b>4,854,443</b>	<b>2,756,289</b>
Zakat paid	(1,773,501)	(734,878)
<b>Net cash provided by operating activities</b>	<b>3,080,942</b>	<b>2,021,411</b>
<b>Investing activities</b>		
Payments to purchase properties, plant and equipment	(3,527,726)	(1,637,897)
Payments to purchase intangible assets	(10,000)	-
Proceeds from sale of properties, plant and equipment	454,525	-
<b>Net cash (used in) investing activities</b>	<b>(3,083,201)</b>	<b>(1,637,897)</b>
<b>Finance activities</b>		
Lease obligations - paid	( 827,568)	(154,434)
Due to related parties	(82)	(48,589)
<b>Net cash (used in) financial activities</b>	<b>(827,650)</b>	<b>(203,023)</b>
Net (decrease) / increase in cash and cash equivalents	<b>(829,909)</b>	<b>180,491</b>
Cash and cash equivalents, beginning of the period	16,642,683	17,090,410
<b>Cash and cash equivalents, end of the period</b>	<b>15,187,307</b>	<b>17,270,901</b>
<b>Non-monetary Items:</b>		
Right of use assets and related liabilities	294,652	-

the interim condensed financial statements appearing on pages (1) to (12) have been approved by the Board of Directors and signed on their behalf by:

  
Finance Manager

  
VR Financial & Admin. Affairs

  
Chief Executive Officer

  
BOD Chairman

The accompanying notes from 1 to 19 form an integral part of these condensed interim financial statements.

**ALMUNEEF COMPANY FOR TRADE, INDUSTRY, AGRICULTURE AND CONTRACTING**  
(A Saudi Joint Stock Company)

**Notes to the interim condensed financial statements for six months period ended June 30, 2023**

**1. The Company and activity**

**The Company**

A- Al Muneef Company For Trade, Industry, Agriculture And Contracting (the "Company") was established as a limited liability company registered in the Kingdom of Saudi Arabia, and obtained commercial registration No. 1010267623 on Jumada Al-Awwal 17, 1430 H (corresponding to May 12, 2009).

On Rabi' al-Thani 25, 1443 H (corresponding to November 30, 2021), the company's capital was increased from SR.100,000 to SR. 38,000,000, by transferring an amount of SR. 7,900,000 from the retained earnings balance and transferring an amount of SR. 30,000,000 from the partners current account, while keeping the number, name and date the commercial register of the company's head office and its branches, with a number of shares of 3,800,000 shares, the value of each share being SR.10.

- The partners resolved to convert the legal entity of the company from ("A limited liability company") to ("A Saudi joint stock company"), with all its rights and obligations. The company was converted from a limited liability company into a Saudi joint stock company pursuant to Ministerial Resolution No. (746) dated 03 Jumada al-Awwal 1443H (corresponding to 07 December 2021) and Ministerial Resolution No. (756) dated 08 Jumada al-Awwal 1443H (corresponding to 12 December 2021). Finalizing the legal procedures, issuing the company's Articles of Association, and amending the commercial registration.
- On 04 Jumada al-Thani 1444H (corresponding to December 28, 2022), the Board of Directors of the Saudi Capital Market Authority issued its approval of the company's request to register its shares and offer 760 thousand shares, which represent 20% of the company's shares in the parallel market in the Kingdom of Saudi Arabia (Nomu). The company's shares have been listed and started trading in the parallel market in the Kingdom of Saudi Arabia (Nomu) under the symbol 9569.
- On 04 Dhu al-Hijjah 1444H (corresponding to 06/22/2023), the company was transformed into ("A Saudi joint stock company"). The legal procedures have been completed, the company's Articles of Association have been issued, and the commercial registration has been amended.

**The Company's activities**

The main activity of the company is operation of quarries, cutting and sawing of marble, renovations of residential and non-residential buildings, wholesale of chemical fertilizers and soil conditioners, insecticides, pesticides, retail of fuel for cars and motorcycles (gas stations), retail sale of plants, seeds and fertilizers (nurseries ), retail sale of agricultural pesticides, road transport of goods.

The company operates through the following branches:

<u>City</u>	<u>CR.</u>	<u>CR. date</u>
Buraydah	1131303986	16/12/2019
Buraidah	3350146786	16/12/2019
Tabarjal	3402102648	03/02/2021
Riyadh	1010446559	24/04/2018
Wadi Al-Dawasir	1185001883	15/05/2002
Dilam	1012000253	29/04/1984
Haradh	2256100182	03/02/2021
Najran	5950131604	01/02/2023

**The Financial period**

The financial period presented of the company begins on January 1, 2023 and ends on June 30, 2023 and the company's financial year starts from the beginning of January of each Gregorian year and ends at the end of December of the same year.



**ALMUNEEF COMPANY FOR TRADE, INDUSTRY, AGRICULTURE AND CONTRACTING**  
(A Saudi Joint Stock Company)

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**Notes to the interim condensed financial statements for six months period ended June 30, 2023**

**2. Basics of preparing interim condensed financial statements**

**2.1. Basis of preparation**

These interim condensed financial statements (the "financial statements") have been prepared in accordance with IAS 34 "Interim Financial Reporting" adopted in Saudi Arabia (the International Financial Reporting Standard that specifies the minimum contents of an interim financial report) and other standards and pronouncements issued by SOCPA.

These interim condensed financial statements do not include all the information and disclosures required for the complete set of financial statements prepared in accordance with International Financial Reporting Standards and must be read in conjunction with the annual financial statements of the Company as of December 31, 2022 (the "latest annual financial statements"). In addition, the results of The initial period ending on June 30, 2023 may not be considered an accurate indication of the expected results for the fiscal year ending on December 31, 2023.

**2.2. Basis of measurement**

These interim condensed financial statements have been prepared according to the accrual basis of accounting using the concept of going concern and on the basis of historical cost, except for:

- Investments that are measured at fair value through profit or loss.
- Employee defined benefit obligations that are measured at the present value of future liabilities according to the projected credit unit method.

**2.3. Functional and presentation currency**

These financial statements' items are presented in Saudi Arabian Riyals "SR" which is the functional and presentation currency of the Company.

**2.4. Significant accounting estimates, assumptions and judgments**

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies on the reported amounts of assets, liabilities, revenue and expenses and the accompanying disclosures and disclosure of contingent liabilities, actual results may differ from these estimates.

The significant judgments and estimates used by the management when applying the company's accounting policies, calculation methods and important sources of uncertainty about the estimates were similar to those shown in the latest annual financial statements for the year ending on December 31, 2022.

**3. Significant accounting policies**

The accounting policies applied to these interim condensed financial statements are the same as those applied to the financial statements for the year ended 31 December 2022.

**4. Changes in significant accounting policies**

The accounting policies and calculation methods applied in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the annual financial statements of the company for the year ending December 31, 2022. There are no new standards that have been issued, but there are a number of amendments to the standards effective from January 1, 2023, these amendments have no material effect to the interim condensed financial statements.

**5. Property, plant and equipment – net**

For the purpose of preparing the interim condensed cash flow statement, the movement in property, plant and equipment during the six-month period ended June 30 is as follows:

**ALMUNEEF COMPANY FOR TRADE, INDUSTRY, AGRICULTURE AND CONTRACTING**  
(A Saudi Joint Stock Company)

**Notes to the interim condensed financial statements for six months period ended June 30, 2023**

**5. Property, plant and equipment – net (Continued)**

	<u>for the three months ended at June 30</u>	
	<u>2023</u>	<u>2022</u>
	<u>Unaudited</u>	<u>Unaudited</u>
Depreciation of property, plant and equipment	2,952,751	3,136,295
Purchase of property, plant and equipment	3,537,726	1,637,897

**5.1. The depreciation for the period has been distributed as follows:**

	<u>for the three months ended at June 30</u>	
	<u>2023</u>	<u>2022</u>
	<u>Unaudited</u>	<u>Unaudited</u>
Cost of sales	2,909,995	3,113,855
General and administrative expenses	42,756	22,440
	<u>2,952,751</u>	<u>3,136,295</u>

- During the period, the company purchased plots of land with a total amount of SR. 3 million for the purpose of establishing a factory of the agricultural inputs in accordance with its five-year plan.

**6. Lease**

The following table shows the movement during the period/year on each of the right to use assets and lease obligations:

**A- Movement on the right to use assets (buildings)**

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
	<u>Unaudited</u>	<u>audited</u>
<b>Cost</b>		
Balance at the beginning of period / year	8,151,499	8,151,499
Additions during period / year	294,652	-
<b>Balance at the end of period / year</b>	<u>8,446,151</u>	<u>8,151,499</u>
<b>Accumulated depreciation</b>		
Balance at the beginning of period / year	2,548,302	1,618,263
Charged to period / year	490,773	930,039
<b>Balance at the end of period / year</b>	<u>3,039,075</u>	<u>2,548,302</u>
<b>Net book value</b>		
<b>As at the end of period / year</b>	<u>5,407,076</u>	<u>5,603,197</u>

**B- The movement on lease obligations**

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
	<u>Unaudited</u>	<u>audited</u>
<b>Cost</b>		
Balance at the beginning of period / year	5,438,463	6,261,698
Additions during period / year	294,652	-
Amortization of interest during the period/year	91,566	201,050
Paid during the period/year	( 827,568)	(1,024,285)
<b>Balance at the end of period / year</b>	<u>4,997,113</u>	<u>5,438,463</u>
Non-current portion	3,934,640	4,501,711
Current portion	<u>1,062,473</u>	<u>936,752</u>

**ALMUNEEF COMPANY FOR TRADE, INDUSTRY, AGRICULTURE AND CONTRACTING**  
(A Saudi Joint Stock Company)

**Notes to the interim condensed financial statements for six months period ended June 30, 2023**

**7. Inventories - net**

	<u>June 30, 2023</u> <u>Unaudited</u>	<u>December 31, 2022</u> <u>audited</u>
Agricultural materials	26,300,392	27,141,425
Agricultural supplies	-	439,481
Provision for obsolete and slow moving inventory	(1,000,000)	(1,000,000)
	<u>25,300,392</u>	<u>26,580,906</u>

- The cost of the inventories used during the period amounted to SR. 96.6 million (June 30, 2022: 103.1 million).

**8. Transactions with related parties and their balances**

The Company, through its normal activities, deals with related parties, and these transactions include providing financing services and other operational services.

**A- The significant transactions with related parties as of June 30, 2023 are as follows:**

	<u>Nature of</u> <u>relationship</u>	<u>transactions</u>	<u>The period ending</u> <u>June 30, 2023</u>	<u>June 30, 2022</u>
Najd rocks company	Affiliate*	Operational	323,079	1,648,049
Hamad Murshid Al-Hajri	Shareholder	Finance	-	601,325
Nasser Murshid Al-Hajri	Shareholder	Finance	-	601,325
Senior management and senior executives		Salaries & allowances	666,000	636,000

\* An affiliated entity is one in which the shareholders or one of them owns a share in those entities, or the entity in which the company has representation.

**B- The following are due from related party as at June 30:**

	<u>June 30, 2023</u> <u>Unaudited</u>	<u>December 31, 2022</u> <u>audited</u>
<u>Related party</u>		
Najd rocks company	1,596,128	1,273,049
	<u>1,596,128</u>	<u>1,273,049</u>

**9. Trade receivables - net**

	<u>June 30, 2023</u> <u>Unaudited</u>	<u>December 31, 2022</u> <u>audited</u>
Trade receivables	24,887,142	19,503,986
(Less): Provision for expected credit losses	(3,168,303)	(3,168,303)
	<u>21,718,839</u>	<u>16,335,683</u>

**9.1. Provision for expected credit losses**

	<u>June 30, 2023</u> <u>Unaudited</u>	<u>December 31, 2022</u> <u>audited</u>
Balance at the beginning of the year	3,168,303	2,261,814
Provided during the year	-	906,489
<b>Balance at the end of the year</b>	<u>3,168,303</u>	<u>3,168,303</u>



**ALMUNEEF COMPANY FOR TRADE, INDUSTRY, AGRICULTURE AND CONTRACTING**  
(A Saudi Joint Stock Company)

**Notes to the interim condensed financial statements for six months period ended June 30, 2023**

**9. Trade receivables - net (Continued)**

**9.2. As at December 31, the aging of trade receivables is as follows:**

	<u>June 30, 2023</u> <u>Unaudited</u>	<u>December 31, 2022</u> <u>audited</u>
1 to 60 days	12,122,150	8,464,751
61 to 120 days	4,879,469	6,518,068
121 to 360 days	4,429,787	1,065,431
Over 360 days	3,455,736	3,455,736
<b>Total</b>	<b>24,887,142</b>	<b>19,503,986</b>

- The company uses the simplified model to measure expected credit losses over useful life of trade receivables, in accordance with IFRS 9.

**10. Cash and cash equivalents**

	<u>June 30, 2023</u> <u>Unaudited</u>	<u>December 31, 2022</u> <u>audited</u>
Cash at banks	15,395,539	16,581,764
Cash on hand	417,235	60,919
	<b>15,812,774</b>	<b>16,642,683</b>

**11. Share Capital**

The following table shows the shareholding percentage as follows:

	<u>No. of Shares</u> <u>(thousand shares)</u>	<u>Shareholding</u> <u>%</u>	<u>Nominal</u> <u>share value</u> <u>(SR)</u>	<u>Contribution value</u> <u>in the company's</u> <u>capital (SR)</u>
Hamad Murshid Nasser Al Munif	950	25%	10	9,500,000
Nasser Murshid Nasser Al Munif	950	25%	10	9,500,000
Al Muneef Holding Company	760	20%	10	7,600,000
Al Muneef Ihsan Trading Company	380	10%	10	3,800,000
Other investors	760	20%	10	7,600,000
<b>Total</b>	<b>3,800</b>	<b>100%</b>	<b>10</b>	<b>38,000,000</b>

**12. Zakat**

**12.1. Zakat provision movement**

	<u>June 30, 2023</u> <u>Unaudited</u>	<u>December 31, 2022</u> <u>audited</u>
Balance at the beginning of period / year	1,773,501	734,878
Provided during period / year	500,000	1,773,501
Paid during the period/year	(1,773,501)	(734,878)
<b>Balance at the end of period / year</b>	<b>500,000</b>	<b>1,773,501</b>

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**12. Zakat (Continued)**

**12.2. Zakat status**

- The Zakat, Tax and Customs Authority has issued Zakat assessments for the years 2015, 2016, 2017, 2018 and 2020. The company paid the payable zakat differences.
- The company filed its zakat return until the year ending on 12/31/2022. and paid its zakat due. The company obtained a certificate for the year 2022 with No. 1020221847 dated 10/11/1444H, valid until 10/21/1445H (corresponding to April 30, 2024).

**13. Earnings per share**

The basic earnings per share for six month period ending on June 30, 2023, were calculated as follows:

	<b>For the six month period ended June 30</b>	
	<b>2023</b>	<b>2022</b>
	<u>Unaudited</u>	<u>Unaudited</u>
The total comprehensive income	10,541,185	11,773,940
Weighted average number of outstanding shares	3,800,000	3,800,000
Basic earnings per share for the period:		
Basic earnings per share	<u>2.77</u>	<u>3.1</u>

**14. Segment information**

The company's sectors are represented in the agricultural sector and the transportation sector within the Kingdom of Saudi Arabia. The following is the data related to these sectors. Agricultural materials sale sector: This sector is represented in the trade of seeds and agricultural supplies.

<b>June 30, 2023 (Unaudited)</b>	<b>Agricultural sector</b>	<b>Transportation sector</b>	<b>Total</b>
Revenue	117,373,202	6,964,851	124,338,054
Cost of revenue	(103,983,260)	(6,170,301)	(110,153,562)
Gross profit	13,389,942	794,550	14,184,492
Total assets	82,936,513	16,576,019	99,512,532
Total liabilities	10,272,944	2,255,402	12,528,346

<b>June 30, 2022 (Unaudited)</b>	<b>Agricultural sector</b>	<b>Transportation sector</b>	<b>Total</b>
Revenue	140,507,720	8,521,095	149,028,815
Cost of revenue	(124,698,494)	(6,896,691)	(131,595,185)
Gross profit	15,809,226	1,624,404	17,433,630
Total assets	72,977,018	6,537,420	79,514,438
Total liabilities	10,878,151	1,448,657	12,326,808

<b>June 30, 2022 (Unaudited)</b>	<b>Agricultural sector</b>	<b>Transportation sector</b>	<b>Total</b>
Total assets	69,903,615	23,466,971	93,370,586
Total liabilities	15,327,723	1,599,862	16,927,585

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**15. Adjustments of previous years**

During the year 2023, the company adjusted some of the amounts and balances included in the financial statements for the previous years, as these transactions were not properly accounted for. These modifications are as follows:

**The first adjustment:**

The company did not recognize the remuneration of the Board of Directors due for the year 2022, which amounts to SR. 1.5 million.

**The second adjustment:**

The company has adjusted the impact resulting from recognizing transactions that do not belong to the company during the years 2021 and 2022, which amounted to a total of SR. 1.1 million retrospectively.

The impact resulting from the aforementioned adjustments and subsequent necessary amendments in the current year have been retroactively amended, and the comparative figures for the year ending on December 31, 2022 resulting from the reclassification of some items as follows:

	<u>December 31, 2022</u> <u>as previously</u> <u>reported</u>	<u>Adjustments</u>	<u>Classifications</u>	<u>December 31,</u> <u>2022 after</u> <u>adjustments</u>
<b>Statement of financial position</b>				
Trade receivables - net	-	-	16,335,683	16,335,683
Prepaid expenses and other receivable balances- net	27,071,561	1,100,000	(16,335,683)	11,835,878
Trade payable	-	-	4,544,563	4,544,563
Accrued expenses and other payable	7,101,539	1,500,000	(4,544,563)	4,056,976
Statutory reserve	4,149,753	(40,000)	-	4,109,753
Retained earnings	34,693,248	(360,000)	-	34,333,248
<b>Statement of profit or loss and other comprehensive income</b>				
General and administrative expenses	(11,344,464)	(700,000)	-	(12,044,464)
Net profit for the year	21,325,311	(700,000)	-	20,625,311
	<u>January 01, 2022</u> <u>as previously</u> <u>reported</u>	<u>Adjustments</u>	<u>Classifications</u>	<u>January 01,</u> <u>2022 after</u> <u>adjustments</u>
<b>Statement of financial position</b>				
Trade receivables - net	-	-	10,207,183	10,207,183
Prepaid expenses and other receivable balances- net	18,581,970	300,000	(10,207,183)	8,674,787
Trade payable	-	-	1,232,654	1,232,654
Accrued expenses and other payable	2,491,399	-	(1,232,654)	1,258,745
Statutory reserve	2,017,222	30,000	-	2,047,222
Retained earnings	15,396,468	270,000	-	15,666,468
<b>Statement of profit or loss and other comprehensive income</b>				
General and administrative expenses	(7,231,411)	300,000	-	(6,931,411)
Net profit for the year	19,672,223	300,000	-	19,972,223
	<u>June 30, 2022 as</u> <u>previously</u> <u>reported</u>		<u>Classifications</u>	<u>June 30, 2022</u> <u>after Re-</u> <u>classifications</u>
<b>Statement of profit or loss and other comprehensive income</b>				
Cost of revenue	(120,618,967)		(10,976,218)	(131,595,185)
General and administrative expenses	(16,353,319)		10,976,218	(5,377,101)



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**Notes to the interim condensed financial statements for six months period ended June 30, 2023**

**16. Contingent liabilities**

The company has contingent liabilities as at June 30, 2023, where the bank with which the company deals is issued letters of credit amounting to SR. 3.4 million (December 31, 2022: SR. 3 million), and letters of guarantee amounting to SR. 4.8 million (December 31, 2022: SR. 4.8 million).

**17. Interim results**

The results of operations in the interim condensed financial statements may not be an accurate indication of the results of the operations included in the company's annual financial statements.

**18. Subsequent events**

The management believes that there are no other significant subsequent events since the date of the company's interim condensed financial statements for the period ending on June 30, 2023 until the date preparing these financial statements that may have a material impact on the company's financial position.

**19. Approval of the interim condensed financial statements financial Statements**

The board of directors has approved these interim condensed financial statements on August 20, 2023 (corresponding to Safar 04, 1445H).