

**MIDDLE EAST SPECIALIZED CABLES COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
AND REVIEW REPORT FOR THE YEAR ENDED MARCH 31, 2021



**Crowe**

Al Azem & Al Sudairy & Al Shaikh & Partners  
CPA's & Consultants - Member Crowe Global

**MIDDLE EAST SPECIALIZED CABLES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
AND REVIEW REPORT FOR THE THREE MONTH ENDED MARCH 31, 2021**

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**REPORT ON REVIEW OF CONDENSED CONSOLIDATED  
INTERIM FINANCIAL STATEMENTS**

**The Shareholders  
Middle East Specialized Cables Company  
(A Saudi Joint Stock Company)**

**Introduction**

We have reviewed the accompanying condensed consolidated interim statement of financial position of **Middle East Specialized Cables Company (the "Company")** and its subsidiary (the "Group") as at 31 March 2021, and the related condensed consolidated interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard (34) "Interim Financial Reporting" that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

**Scope of Review**


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

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard (34) "Interim Financial Reporting" that is endorsed in the Kingdom of Saudi Arabia.



**Al Azem, Al Sudairy, Al Shaikh & Partners  
Certified Public Accountants**



**Abdullah M. AlAzem  
License No. 335**

22 Ramadan 1442H (May 4, 2021)  
Riyadh, Kingdom of Saudi Arabia

**MIDDLE EAST SPECIALIZED CABLES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2021**  
Saudi Riyals

	<u>Note</u>	<u>31 March 2021</u> <u>(Unaudited)</u>	<u>31 December 2020</u> <u>(Audited)</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	147,519,079	151,827,312
Intangible assets		4,116,405	3,485,249
Right of use assets		8,622,954	8,795,560
Non-current accounts receivable	6	24,319,868	26,725,829
<b>Total non-current assets</b>		<b>184,578,306</b>	<b>190,833,950</b>
<b>Current assets</b>			
Inventories	7	85,353,048	88,609,183
Assets held for sale		6,987,314	6,987,314
Accounts receivable	6	279,361,636	337,979,236
Cash and cash equivalents		124,830,088	49,356,857
<b>Total current assets</b>		<b>496,532,086</b>	<b>482,932,590</b>
<b>TOTAL ASSETS</b>		<b>681,110,392</b>	<b>673,766,540</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	9	400,000,000	400,000,000
Statutory reserve		28,985,180	28,985,180
Accumulated losses		(67,049,410)	(67,899,895)
<b>Total equity</b>		<b>361,935,770</b>	<b>361,085,285</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long-term loans	10	75,271,039	75,271,039
Lease liability - non current portion		7,816,099	7,716,500
Employees' end of service benefits		21,482,421	21,260,621
<b>Total non-current liabilities</b>		<b>104,569,559</b>	<b>104,248,160</b>
<b>Current liabilities</b>			
Current portion of long-term loans	10	21,817,758	21,817,758
Short-term loans	10	9,579,426	9,579,426
Accounts payable	11	152,257,503	145,195,172
Lease liability – current portion		912,890	873,464
Zakat provision		29,996,299	30,926,088
Dividends payable		41,187	41,187
<b>Total current liabilities</b>		<b>214,605,063</b>	<b>208,433,095</b>
<b>Total liabilities</b>		<b>319,174,622</b>	<b>312,681,255</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>681,110,392</b>	<b>673,766,540</b>

The accompanying notes from (1) to (17) form an integral part of these condensed consolidated interim financial statements

**MIDDLE EAST SPECIALIZED CABLES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME  
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2021**  
Saudi Riyals

	<u>Note</u>	<u>31 March 2021</u> <u>(Unaudited)</u>	<u>31 March 2020</u> <u>(Unaudited)</u>
Sales		111,759,955	140,241,740
Cost of sales		<u>(97,032,439)</u>	<u>(119,844,072)</u>
<b>Gross profit</b>		<b>14,727,516</b>	<b>20,397,668</b>
Selling and marketing expenses		<u>(1,542,408)</u>	<u>(7,717,549)</u>
Administrative and general expenses		<u>(7,868,475)</u>	<u>(8,542,796)</u>
Other income (expenses)		<u>7,207</u>	<u>(183,714)</u>
<b>Operating profit</b>		<b>5,323,840</b>	<b>3,953,609</b>
Finance cost		<u>(1,057,593)</u>	<u>(1,359,391)</u>
<b>Net profit before zakat</b>		<b>4,266,247</b>	<b>2,594,218</b>
Zakat		<u>(3,415,762)</u>	<u>(2,312,500)</u>
<b>Net profit for the period</b>		<b>850,485</b>	<b>281,718</b>
<b>Other comprehensive income</b>			
<b>Item that will not be reclassified subsequently to profit or loss:</b>			
Remeasurement loss of employees' end of service benefits		-	-
<b>Other comprehensive income for the period</b>		-	-
<b>Total comprehensive income for the period</b>		<b>850,485</b>	<b>281,718</b>
<b>Earnings per share</b>			
Basic and diluted earnings for the period attributable to ordinary equity holders	13	<u>0.02</u>	<u>0.01</u>

The accompanying notes from (1) to (17) form an integral part of these condensed consolidated interim financial statements

**MIDDLE EAST SPECIALIZED CABLES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2021**  
Saudi Riyals

	Share capital	Statutory reserve	Accumulated losses	Total equity
<b>Balance at January 1, 2020 (Audited)</b>	400,000,000	28,985,180	(69,443,933)	359,541,247
Net profit for the period	-	-	281,718	281,718
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	281,718	281,718
<b>Balance at March 31, 2020 (Unaudited)</b>	400,000,000	28,985,180	(69,162,215)	359,822,965
<b>Balance at January 1, 2021 (Audited)</b>	400,000,000	28,985,180	(67,899,895)	361,085,285
Net profit for the period	-	-	850,485	850,485
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	850,485	850,485
<b>Balance at March 31, 2021 (Unaudited)</b>	400,000,000	28,985,180	(67,049,410)	361,935,770

The accompanying notes from (1) to (17) form an integral part of these condensed consolidated interim financial statements

**MIDDLE EAST SPECIALIZED CABLES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
**FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2021**  
Saudi Riyals

	31 March 2021 (Unaudited)	31 March 2020 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit for the period	850,485	281,718
<b>Adjustments:</b>		-
Depreciation and amortization	4,576,069	4,939,546
Depreciation of right of use assets	172,606	203,770
Slow moving inventories	418,892	1,212,845
Impairment of accounts receivable	(1,945,000)	3,452,673
Finance cost	1,057,593	1,359,391
Employees end-of-service benefits	678,992	878,281
Impairment of property, plant and equipment	271,633	260,703
Zakat expenses	3,415,762	2,312,500
Operating cash flows before changes in working capital	9,497,032	14,901,427
<i>Changes in working capital</i>		
Accounts receivable	62,968,561	(36,293,692)
Inventories	2,837,243	17,769,855
Accounts payable	6,143,763	5,008,736
<b>Cash generated from operations</b>	<b>81,446,599</b>	<b>1,386,326</b>
Finance cost paid	-	(2,507,019)
Employee end-of-service benefits paid	(457,192)	(418,060)
Zakat paid	(4,345,551)	-
<b>Net cash generated from (used in) operating activities</b>	<b>76,643,856</b>	<b>(1,538,753)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(402,251)	(450,681)
Purchase of intangible assets	(768,374)	-
<b>Net cash used in investing activities</b>	<b>(1,170,625)</b>	<b>(450,681)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net change on short-term loans	-	(82,325)
Lease liability paid	-	-
Repayment of long-term loans	-	-
<b>Net cash used in financing activities</b>	<b>-</b>	<b>(82,325)</b>
Net increase (decrease) in cash and cash equivalents	75,473,231	(2,071,759)
Cash and cash equivalents at the beginning of the period	49,356,857	14,318,473
<b>Cash and cash equivalents at the end of the period</b>	<b>124,830,088</b>	<b>12,246,714</b>

The accompanying notes from (1) to (17) form an integral part of these condensed consolidated interim financial statements



**MIDDLE EAST SPECIALIZED CABLES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2021**  
Saudi Riyals

**1. ACTIVITIES**

Middle East Specialized Cables Company ("MESC") ("the Company") is a Saudi Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia under commercial registration number 1010102402 dated 10 Jumada Awal 1413H (corresponding to 4 November 1992). The Company and its subsidiary (collectively "the Group") are engaged in the production and sale of flexible electric, coaxial, rubber and nylon coated wires and cables, telephone cables for internal extensions, computer cables, safety and anti-fire wires and cables and control and transmission of information cables.

The address of the Company's registered office is as follows:

Al Bait project, Building No. 1  
Salahuddin Street  
PO Box 585, Riyadh 11383  
Kingdom of Saudi Arabia

The company have the following branches:

Commercial Name – City	Commercial Register Number
Middle East Specialized Cables Company MESC- Khobar Branch	2051023224
Middle East Specialized Cables Company MESC- Jeddah Branch	4030126555

The Company had the following subsidiary and investments as at 31 March 2021. The financial statements of this subsidiary are consolidated and the investments are recorded at fair value in these condensed consolidated interim financial statements.

Subsidiary/ Investments	Legal status	Current ownership %	legal 2020	Country of Incorporation
		2021		
Middle East Specialized Cables Company- Jordan (MESC Jordan) *	Joint Stock Company	19.9	19.9	Jordan
MESC for Medium and High Voltage Cables Company**	Closed Joint Stock Company	57.5	57.5	Jordan
MESC - Ras Al-Khaimah	Limited Liability Company	100	100	United Arab Emirates

\* Fair value for the Company's investments in Jordan is zero.

\*\* The Extra Ordinary General Assembly of the subsidiary in Jordan "MESC for Medium and High Voltage Cables Company" decided in their Meeting dated on October 11, 2017 to liquidate the Company. As a result of that, Middle east specialized Cables Co (MESC KSA) lost control of MESC for Medium and High Voltage Cables Company. Consequently, MESC KSA stopped consolidating MESC for Medium and High Voltage Cables Company from October 11, 2017.

**Going concern**

The management has made an assessment of the Group's ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future for a period of at least 12 months from end of the reporting period. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the condensed consolidated interim financial statements continue to be prepared on the going concern basis.

**The impact of COVID-19**

In response to the spread of the Covid-19 virus and the resulting disruption of economic activities in the markets, the management assessed its impact on its operations to ensure the continuity of supplying its products in its markets and took a set of measures to mitigate its impact on its operations and the supply of products to customers. The management believes that the Covid 19 epidemic had a material impact on the financial results of the group that were reported for the period ended March 31, 2021 due to the decrease in demand for the Group's products during this period, and in any case, the management will continue to monitor the situation closely and will adjust any changes required in the future financial reporting periods.



**MIDDLE EAST SPECIALIZED CABLES COMPANY**  
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**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**(Continued)**  
**FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2021**  
**Saudi Riyals**

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**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" that is endorsed in Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization of Certified Public Accountants (SOCPA) and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2020 ("last annual consolidated financial statements"). They do not include all of the information required for a complete set of consolidated financial statements, however; accounting policies and selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements.

**2.2 Preparation of the Financial Statements**

The condensed consolidated interim financial statements have been prepared on the historical cost basis except the employees' end-of-service benefits, which is recognised at the present value of future obligations using the Projected Unit Credit Method and the assets held for sale that have been valued at fair value less cost to sell.

**2.3 Use of Judgments and Estimates**

In preparing these Condensed Consolidated Interim Financial Statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual Consolidated Financial Statements.

**2.4 Functional and Presentation Currency**

These condensed consolidated interim financial statements are presented in Saudi Riyals ("SR"), which is the Company's functional and Group's presentation currency. All amounts have been rounded to the nearest SR, unless otherwise indicated.

**3. BASIS OF CONSOLIDATION**

These condensed consolidated interim financial statements comprising the condensed consolidated interim statement of financial position, condensed consolidated interim statement of profit or loss and other comprehensive income, condensed consolidated interim statement of changes in equity, condensed consolidated interim statement of cash flows and notes to the condensed consolidated interim financial statements of the Group include assets, liabilities and the results of the operations of the Company and its subsidiary, as set out in note (1). 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. Subsidiaries are consolidated from the date on which control commences until the date on which control ceases. The Group accounts for the business combinations

using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identified net assets acquired. The excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recorded as goodwill in condensed consolidated interim statement of financial position. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Accounting policies of subsidiaries are aligned, where necessary, to ensure consistency with the policies adopted by the Group. The Company and its subsidiary have the same reporting periods.

MIDDLE EAST SPECIALIZED CABLES COMPANY  
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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
(Continued)  
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2021  
Saudi Riyals

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020, except new standards, amendment to standards and interpretations as described below:

*New Standards, Amendment to Standards and Interpretations*

There are no new standards issued, however, there are number of amendments to standards which are effective from 1 January 2021 and has been explained in Group annual Consolidated Financial Statements, but they do not have a material effect on the Group's Condensed Consolidated Interim Financial Statements.

5. PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately SR 0.4 million (March 31, 2020: SR 0.5 million) on property, plant and equipment in order to upgrade its manufacturing facilities.

6. ACCOUNTS RECEIVABLE

	31 March 2021 (Unaudited)	31 December 2020 (Audited)
Trade receivables	250,731,832	316,428,857
Retention receivables	58,087,930	58,810,316
Less: allowance for expected credit loss	(35,207,700)	(37,152,700)
Net trade receivables	273,612,062	338,086,473
Advances to suppliers	4,911,448	4,234,896
Prepaid expenses	3,280,873	915,173
Margin deposits	1,203,158	1,426,212
Employee loans	1,384,188	1,335,214
Due from former subsidiary	24,830,279	24,830,279
Allowance for due from former subsidiary	(6,319,754)	(6,319,754)
Due from related parties	190,946	27,449
Other receivables	588,304	169,123
	<u>303,681,504</u>	<u>364,705,065</u>
Analyzed between:		
Current assets	279,361,636	337,979,236
Non-current assets	24,319,868	26,725,829
	<u>303,681,504</u>	<u>364,705,065</u>

**MIDDLE EAST SPECIALIZED CABLES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Continued)  
**FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2021**  
Saudi Riyals

**6. ACCOUNTS RECEIVABLE (Continued)**

**Trade receivables:**

The Group's credit period on sales of goods is between 60 to 120 days. No interest is charged on trade receivables. The Group has recognized an allowance for expected credit loss against impaired trade receivables. Allowances for expected credit loss are recognized against trade receivables based on estimated irrecoverable amounts determined by reference to the past default experience of the counterparty and an analysis of the counterparty's current financial position, where available.

The Group performs credit-vetting procedures before granting credit to new customers. These procedures are reviewed and updated on an ongoing basis.

**Movement in the allowance for expected credit loss**

	31 March 2021 (Unaudited)	31 December 2020 (Audited)
Opening balance	37,152,700	54,334,189
(Reversed) charged for the period	(1,945,000)	2,703,707
Write off during the period	-	(19,885,196)
<b>Closing balance</b>	<b>35,207,700</b>	<b>37,152,700</b>

**7. INVENTORIES**

	31 March 2021 (Unaudited)	31 December 2020 (Audited)
Finished goods	50,507,300	51,560,710
Raw and packing materials	33,502,872	39,595,658
Work in process	16,013,893	10,746,667
Spare parts	8,752,484	8,568,972
Goods in transit	106,009	1,247,794
	108,882,558	111,719,801
Less: allowance for slow moving inventories	(23,529,510)	(23,110,618)
	<b>85,353,048</b>	<b>88,609,183</b>

**Movement in the allowance for slow moving inventories:**

	31 March 2021 (Unaudited)	31 December 2020 (Audited)
Opening balance	23,110,618	38,710,537
Charge for the period	418,892	1,394,708
Written off during the period	-	(16,994,627)
<b>Closing balance</b>	<b>23,529,510</b>	<b>23,110,618</b>

**MIDDLE EAST SPECIALIZED CABLES COMPANY**  
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**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Continued)  
**FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2021**  
Saudi Riyals

**8. DIVIDENDS**

No dividends were declared during the period (March 31, 2020: nil).

**9. SHARE CAPITAL**

The Company has 40 million shares of SR 10 each in issue as at the reporting date. There were no movements in share capital during the reporting period.

**10. LOANS**

**10.1 Long-term loans**

	31 March 2021 (Unaudited)	31 December 2020 (Audited)
Total loans	97,088,797	97,088,797
Less: current portion included in current liabilities	(21,817,758)	(21,817,758)
	<u>75,271,039</u>	<u>75,271,039</u>

**10.2 Short-term loans**

	31 March 2021 (Unaudited)	31 December 2020 (Audited)
Bank borrowing	-	-
Murabaha loan	9,579,426	9,579,426
	<u>9,579,426</u>	<u>9,579,426</u>

Analysis of change in loans for the period ended March 31, 2021 was as follow:

	Long-term loans	Short-term loans	Total
Opening balance	97,088,797	9,579,426	106,668,223
Amounts raised	-	-	-
Amounts repaid	-	-	-
Closing balance	<u>97,088,797</u>	<u>9,579,426</u>	<u>106,668,223</u>

**MIDDLE EAST SPECIALIZED CABLES COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**(Continued)**  
**FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2021**  
**Saudi Riyals**

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**11. ACCOUNTS PAYABLE**

	<b>31 March 2021</b>	<b>31 December 2020</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Trade payables	99,960,877	92,675,945
Advances from customers	7,638,714	10,206,249
Accrued expenses	22,661,370	21,596,898
Due to a related party	11,872,237	11,758,066
Directors remuneration payable	1,191,419	434,791
Other payables	8,932,886	8,523,223
	<b>152,257,503</b>	<b>145,195,172</b>

**12. RELATED PARTY TRANSACTIONS**

There were no significant related party transactions in the period under review.

**13. EARNING PER SHARE**

Basic and diluted earnings per share is based on the net income for the period attributable to owners of the Company of SR 850,485 (March 31, 2020: SR 281,718) divided by a weighted average number of shares in issue of 40 million.

**14. COMMITMENTS AND CONTINGENCIES**

The Group had capital commitments of SR 9.2 million (December 31, 2020: SR 8.9 million) and contingencies in the form of letters of credit and guarantees of SR 122 million (December 31, 2020: SR 108 million) at the reporting date.

**MIDDLE EAST SPECIALIZED CABLES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Continued)  
**FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2021**  
Saudi Riyals

**15. SEGMENT INFORMATION**

Information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The directors of the Company have chosen to organize the Group around differences in internal reporting structure.

The Group's operating segments are as follows:

- Saudi Arabia
- United Arab Emirates

**Segment revenues and results**

	31 March 2021		31 March 2020	
	Revenue	(Loss) / profit before zakat	Revenue	(Loss) / profit before zakat
<b>Revenue and profit by segment</b>				
Saudi Arabia	92,374,500	5,655,739	114,052,324	3,651,744
United Arab Emirates	32,125,281	(1,434,178)	60,037,866	(1,616,794)
Intersegment elimination	(12,739,826)	44,686	(33,848,450)	559,268
	<u>111,759,955</u>	<u>4,266,247</u>	<u>140,241,740</u>	<u>2,594,218</u>
	31 March 2021		31 December 2020	
<b>Segment total assets and liabilities</b>	Assets	Liabilities	Assets	Liabilities
Saudi Arabia	642,462,564	280,527,985	632,792,826	271,705,397
United Arab Emirates	177,917,836	119,024,484	181,727,409	121,399,879
Intersegment elimination	(139,270,008)	(80,377,847)	(140,753,695)	(80,424,021)
	<u>681,110,392</u>	<u>319,174,622</u>	<u>673,766,540</u>	<u>312,681,255</u>

Segment revenues reported represent revenue generated from both external customers and related parties. All segments sell similar product ranges.

There is one customer who contributed more than 10% of the Group's total revenue.

**16. SUBSEQUENT EVENTS**

There were no significant subsequent events, adjusting or non-adjusting, since March 31, 2021 that would have a material on the financial position or financial performance of the Group as reflected in these condensed consolidated interim financial statements.

**17. APPROVAL OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

These condensed consolidated interim financial statements were approved on 22 Ramadan 1442H (Corresponding to 4 May 2021).