

**FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS (Unaudited)  
FOR THE THREE-MONTH  
PERIOD ENDED 31 MARCH 2024 AND  
INDEPENDENT AUDITOR'S REVIEW REPORT**

**FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024  
AND INDEPENDENT AUDITOR'S REVIEW REPORT (Unaudited)**

---

**INDEX**

|   | <b><u>Page</u></b> |
|---|--------------------|
| - Independent auditor's review report   | 2                  |
| - Interim condensed consolidated statement of financial position (Unaudited)                            | 3                  |
| - Interim condensed consolidated statement of profit or loss and other comprehensive income (Unaudited) | 4                  |
| - Interim condensed consolidated statement of changes in equity (Unaudited)                             | 5                  |
| - Interim condensed consolidated statement of cash flows (Unaudited)                                    | 6                  |
| - Notes to Interim condensed consolidated financial statements (Unaudited)                              | 7-18               |

## INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE SHAREHOLDERS OF  
FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
Jeddah - Kingdom of Saudi Arabia

### Introduction

We have reviewed the accompanying interim condensed consolidated statement of the financial position of Fitaihi Holding Group Company - A Saudi Joint Stock Company ("the Company") and its subsidiaries ("collectively referred to as the "Group"), as of 31 March 2024, and the related interim condensed consolidated statement of profit or loss and other comprehensive income for the three month period then ended, interim condensed consolidated statements of changes in equity and cash flows for the three-month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"), as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated 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 Information Performed by the Independent Auditor of the Entity", as endorsed in the Kingdom of Saudi Arabia. A review of interim financial statements consists of making inquiries, primarily to the 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, as endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

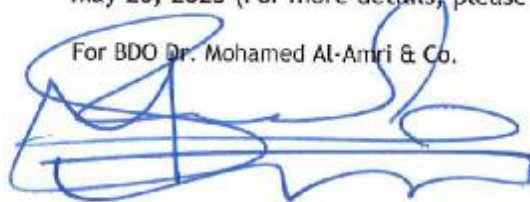
### Conclusion

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

### Other matters - comparative figures

The Group comparative figures for the period ending on March 31, 2023 have been restated considering the impact of the results of the associate company's for that period, which was not finalized when issuing the group's financial statements for the period ending on March 31, 2023 on May 28, 2023 (For more details, please see Note 17).

For BDO Dr. Mohamed Al-Amri & Co.



Maher Al-Khatieb  
Certified Public Accountant  
Registration No. 514



18/11/1445 (H)  
26/05/2024 (G)

**FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)  
(EXPRESSED IN SAUDI RIYALS)**

|  | Note | 31 March<br>2024<br>(Unaudited) | 31 December<br>2023<br>(Audited) |
|--|------|---------------------------------|----------------------------------|
| <b>ASSETS</b>  |      |                                 |                                  |
| <b>Non-CURRENT ASSETS</b>  |      |                                 |                                  |
| Property and equipment (net)   |      | 40,870,051                      | 39,722,562                       |
| Right of use assets (net)  |      | 3,008,907                       | 3,334,446                        |
| Investment in associates   | (5)  | 186,480,727                     | 177,152,860                      |
| Investments in equity instruments at fair value through other comprehensive income                                     | (6)  | 118,500,372                     | 170,016,947                      |
| <b>Total non-current assets</b>  |      | <b>348,860,057</b>              | <b>390,226,815</b>               |
| <b>Current assets</b>  |      |                                 |                                  |
| Inventory  | (7)  | 105,879,167                     | 94,161,660                       |
| Trade and other receivables (net)  | (8)  | 3,475,379                       | 2,489,788                        |
| Cash and cash equivalents  |      | 2,588,788                       | 7,248,120                        |
| <b>Total current assets</b>  |      | <b>111,943,334</b>              | <b>103,899,568</b>               |
| <b>Total assets</b>  |      | <b>460,803,391</b>              | <b>494,126,383</b>               |
| <b>EQUITY AND LIABILITIES</b>  |      |                                 |                                  |
| <b>Equity</b>  |      |                                 |                                  |
| Share capital  | (13) | 275,000,000                     | 275,000,000                      |
| Statutory reserve  |      | 68,676,942                      | 68,676,942                       |
| Retained earnings  |      | 98,092,452                      | 95,775,635                       |
| Revaluation reserve of investments in equity instruments at fair value through other comprehensive income              |      | (18,214,323)                    | 33,302,252                       |
| Revaluation reserve of investments in equity instruments at fair value through other comprehensive income in associate |      | 16,936                          | 6,347                            |
| Fair value change reserve of associate company's cash flow risks hedging   |      | 7,930,692                       | 3,888,738                        |
| <b>Total equity</b>  |      | <b>431,502,699</b>              | <b>476,649,914</b>               |
| <b>Non-current liabilities</b>   |      |                                 |                                  |
| Lease liabilities  |      | 1,980,031                       | 1,980,031                        |
| Employee defined benefit liabilities   |      | 1,808,766                       | 1,671,740                        |
| <b>Total non-current liabilities</b>   |      | <b>3,788,797</b>                | <b>3,651,771</b>                 |
| <b>Current liabilities</b>   |      |                                 |                                  |
| Lease liabilities - current portion  |      | 1,246,907                       | 1,572,023                        |
| Trade and other payables   | (9)  | 20,584,770                      | 9,472,457                        |
| Zakat payable  | (10) | 3,680,218                       | 2,780,218                        |
| <b>Total current liabilities</b>   |      | <b>25,511,895</b>               | <b>13,824,698</b>                |
| <b>Total liabilities</b>   |      | <b>29,300,692</b>               | <b>17,476,469</b>                |
| <b>Total equity and liabilities</b>  |      | <b>460,803,391</b>              | <b>494,126,383</b>               |

Chief Financial Officer

Name: Yasser Yehia Abdelhamid

Signature:

Authorized Board Member

Name: Ibrahim Hassan Almadhon

Signature:

Chairman of Board of directors

Name: Ahmed Hassan Fitaihi

Signature:

The accompanying notes (1) to (18) form an integral part of these interim condensed consolidated financial statements

**FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME (UNAUDITED)  
(EXPRESSED IN SAUDI RIYALS)**

|   | Note | for the three-month period ended<br>31 March |  |
|---|------|--|--|
|   |      | 2024<br>(Unaudited)                          | 2023<br>(Unaudited)<br>Restated<br>(Note 17) |
| Net sales   |      | 8,859,716                                    | 18,258,857                                   |
| Cost of sales   |      | (4,624,655)                                  | (9,873,060)                                  |
| <b>Gross profit of sales</b>  |      | <b>4,235,061</b>                             | <b>8,385,797</b>                             |
| Dividends from equity instruments at fair value   |      | -  | 1,094,004                                    |
| Gain from investment valuation at fair value through profit or loss   |      | -  | 106,035                                      |
| Share of the results of associate company   | (5)  | 4,995,914                                    | (62,436)                                     |
| Gain from investment  |      | 4,995,914                                    | 1,137,603                                    |
| <b>Gross profit</b>   |      | <b>9,230,975</b>                             | <b>9,523,400</b>                             |
| Selling and distribution expenses   |      | (2,993,684)                                  | (3,682,178)                                  |
| General and administrative expenses   |      | (3,306,342)                                  | (3,248,569)                                  |
| Total Expenses  |      | (6,300,026)                                  | (6,930,747)                                  |
| <b>Profit from operation</b>  |      | <b>2,930,949</b>                             | <b>2,592,653</b>                             |
| Gain from the sales of property and equipment   |      | 60,000                                       | -  |
| Other expenses, net   | (11) | (53,542)                                     | (72,587)                                     |
| <b>Profit before Zakat</b>  |      | <b>2,937,407</b>                             | <b>2,520,066</b>                             |
| Zakat   | (10) | (900,000)                                    | (900,000)                                    |
| <b>Net profit for the period</b>  |      | <b>2,037,407</b>                             | <b>1,620,066</b>                             |
| <b>ITEMS OF OTHER COMPREHENSIVE INCOME:</b>   |      |  |  |
| <b>Items that will not to be reclassified subsequently to profit or loss condensed consolidated</b>                                   |      |  |  |
| Net (losses)/gain from equity instruments at fair value through other comprehensive income  |      | (51,516,575)                                 | 7,206,129                                    |
| The Group's share of the profit on remeasurement of employee defined benefit obligations of the associate                             | (5)  | 279,410                                      | -  |
| The Group's share of profits from investments in equity instruments at fair value through other comprehensive income of the associate | (5)  | 10,589                                       | 18,408                                       |
| <b>Items that will be reclassified subsequently to profit or loss condensed consolidated</b>  |      |  |  |
| The Group's share of change in fair value of the cash flow risks hedging of the associate   | (5)  | 4,041,954                                    | (2,671,984)                                  |
| <b>Total consolidated items of other comprehensive income - (loss) / profit</b>   |      | <b>(47,184,622)</b>                          | <b>4,552,553</b>                             |
| <b>Total comprehensive (loss) / income for the period</b>   |      | <b>(45,147,215)</b>                          | <b>6,172,619</b>                             |
| Basic and diluted earnings per share attributable to shareholders of the Parent Company from income for the period                    | (12) | 0.007  | 0.006  |

Chief Executive Officer / Chief Financial Officer

Name: Yasser Yehia Abdelhamid

Signature:

Authorized Board Member

Name: Ibrahim Hassan Almadhon

Signature:

Chairman of Board of directors

Name: Ahmed Hassan Fitaihi

Signature:

The accompanying notes (1) to (18) form an integral part of these interim condensed consolidated financial statements

**FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

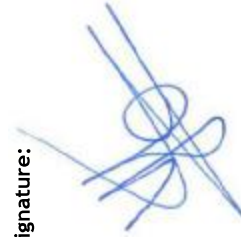
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
(EXPRESSED IN SAUDI RIYALS)**

|  | Share capital      | Statutory reserve | Retained earnings  | Fair value change reserve of associate company's cash flow risks hedging | Revaluation reserve of investments in equity instruments at fair value through other comprehensive income in associate | Revaluation reserve of investments in equity instruments at fair value through other comprehensive income | Total equity       |
|--|--------------------|-------------------|--------------------|--|--|---|--------------------|
| <b>For the three-month period ended 31 March 2024 (Unaudited)</b>                      |                    |                   |                    |  |  |   |                    |
| Balance at 1 January 2024 (audited)  | 275,000,000        | 68,676,942        | 95,775,635         | 3,888,738  | 6,347  | 33,302,252  | 476,649,914        |
| Net profit for the period  | -                  | -                 | 2,037,407          | -  | -  | -   | 2,037,407          |
| Changes in other comprehensive income during the period                                | -                  | -                 | 279,410            | 4,041,954  | 10,589   | (51,516,575)  | (47,184,622)       |
| <b>Total comprehensive income</b>  | -                  | -                 | 2,316,817          | 4,041,954  | 10,589   | (51,516,575)  | (45,147,215)       |
| <b>Balance at 31 March 2024 (Unaudited)</b>  | <b>275,000,000</b> | <b>68,676,942</b> | <b>98,092,452</b>  | <b>7,930,692</b>   | <b>16,936</b>  | <b>(18,214,323)</b>   | <b>431,502,699</b> |
| <b>For the three-month period ended 31 March 2023 (Unaudited) - restated (Note 17)</b> |                    |                   |                    |  |  |   |                    |
| Balance at 1 January 2023 (audited)  | 275,000,000        | 68,156,170        | 101,146,416        | 5,337,778  | 38,297   | (4,019,386)   | 445,659,275        |
| Net profit for the period  | -                  | -                 | 1,620,066          | -  | -  | -   | 1,620,066          |
| Changes in other comprehensive income during the period                                | -                  | -                 | -                  | (2,671,984)  | 18,408   | 7,206,129   | 4,552,553          |
| <b>Total comprehensive income</b>  | -                  | -                 | 1,620,066          | (2,671,984)  | 18,408   | 7,206,129   | 6,172,619          |
| <b>Balance at 31 March 2023 (Unaudited)</b>  | <b>275,000,000</b> | <b>68,156,170</b> | <b>102,766,482</b> | <b>2,665,794</b>   | <b>56,705</b>  | <b>3,186,743</b>  | <b>451,831,894</b> |

**Chief Executive Officer / Chief Financial Officer** Authorized Board Member

Name: Yasser Yehia Abdelhamid

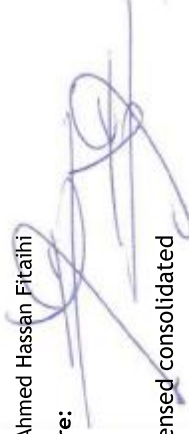
Signature:



**Chairman of Board of directors**

Name: Ahmed Hassan Fitaihi

Signature:



The accompanying notes (1) to (18) form an integral part of these interim condensed consolidated financial statements

**FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)  
(EXPRESSED IN SAUDI RIYALS)**

|   | For the three-month period<br>ended 31 March |  |
|---|--|--|
|   | 2024<br>(Unaudited)                          | 2023<br>(Unaudited)<br>Restated<br>(Note 17) |
| <b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>  |  |  |
| Profit before zakat   | 2,937,407                                    | 2,520,066                                    |
| <b>Adjustments to reconcile Profit to net cash flows from operating activities:</b>   |  |  |
| Depreciation of property and equipment  | 323,854                                      | 310,550                                      |
| Amortization of right of use assets   | 325,539                                      | 330,375                                      |
| Employees defined benefit liabilities   | 149,224                                      | 125,229                                      |
| Finance charge of right of use assets   | 33,945                                       | 47,790                                       |
| Dividends from equity instruments at fair value   | -  | (1,094,004)                                  |
| Gain from investment valuation at fair value through profit or loss share of results of associate company                             | (4,995,914)                                  | 62,436                                       |
| Gain form disposal of property and equipment  | (60,000)                                     | -  |
| <b>Changing in operational assets and liabilities:</b>  |  |  |
| Trade and other receivables   | (985,591)                                    | (1,882,049)                                  |
| Inventory   | (11,717,507)                                 | 3,670,729                                    |
| Trade and other payables  | 11,112,313                                   | (500,502)                                    |
| Employees defined benefit liabilities paid  | (12,198)                                     | (65,614)                                     |
| <b>Net cash (used in) / generated from operating activities</b>   | <b>(2,888,928)</b>                           | <b>3,418,971</b>                             |
| <b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>  |  |  |
| Purchase of property, equipment and project under construction  | (1,471,343)                                  | (76,976)                                     |
| Purchase of investments in equity instruments at fair value through other comprehensive income  | -  | (168,573)                                    |
| Purchase of investments at fair value through profit or loss  | -  | (15,000,000)                                 |
| Dividends received from investments at fair value   | -  | 1,094,004                                    |
| Dividends received from investment in associate   | -  | 3,609,920                                    |
| Proceeds from disposal of property and equipment  | 60,000                                       | -  |
| <b>Net cash used in investing activities</b>  | <b>(1,411,343)</b>                           | <b>(10,541,625)</b>                          |
| <b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>   |  |  |
| Paid from lease liabilities   | (359,061)                                    | (348,459)                                    |
| <b>Net cash used in financing activities</b>  | <b>(359,061)</b>                             | <b>(348,459)</b>                             |
| The net change in cash and cash equivalents   | (4,659,332)                                  | (7,471,113)                                  |
| Cash and cash equivalents at the beginning of the period  | 7,248,120                                    | 19,598,658                                   |
| <b>Cash and cash equivalents at the end of the period</b>   | <b>2,588,788</b>                             | <b>12,127,545</b>                            |
| <b><u>Significant non-cash transactions</u></b>   |  |  |
| Unrealized (Loss) / Gain on investments in equity instruments at fair value through other comprehensive income                        | (51,516,575)                                 | 7,206,129                                    |
| The Group's share of the profit on remeasurement of employee-defined benefit obligations of the associate                             | 279,410                                      | -  |
| The Group's share of profits from investments in equity instruments at fair value through other comprehensive income of the associate | 10,589                                       | 18,408                                       |
| The Group's share of change in fair value of cash flow risks hedging of the associate   | 4,041,954                                    | (2,671,984)                                  |

Chief Executive Officer / Chief Financial Officer

Name: Yasser Yehia Abdelhamid

Signature:

Authorized Board Member

Name: Ibrahim Hassan Almadhon

Signature:

Chairman of Board of directors

Name: Ahmed Hassan Fitaihi

Signature:

The accompanying notes (1) to (18) form an integral part of these interim condensed consolidated financial statements

**FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024  
(EXPRESSED IN SAUDI RIYALS)**

---

**1. ORGANIZATION AND ACTIVITIES:**

Fitaihi Holding Group Company (“the Company” or “the Parent Company”) is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under Ministerial Resolution No. 1058 dated Ramadan 9, 1418 H and commercial registration number 4030085128 issued in Jeddah on Shaaban 2, 1412 H (corresponding to February 5, 1992).

The main activities of the Group and its subsidiaries are as follows:

- a) The activities of the holding company (Management of subsidiaries of holding companies, investment of the funds of subsidiaries of holding companies, ownership of real estate and transfers necessary for holding companies, provision of loans, guarantees, and financing to subsidiaries of holding companies, ownership of industrial property rights of holding companies, lease of industrial property rights to holding companies).
- b) Wholesale of gold and precious metals, retail of precious metals and gemstones.
- c) Buying and selling precious metals and gemstones.
- d) Import, sale and purchase of precious metals and gemstones.
- e) Welding and polishing workshops for jewelers.
- f) Electronic trade.
- g) Wholesale of carpets and rugs.
- h) Retail sale of chocolate and cocoa.
- i) Retail sale of blankets, sheets, linens and bedspreads.
- j) Retail sale of assorted household items and handicrafts, cutting tools, ceramics, and household utensils.
- k) Retail business of handicrafts, antiques and gifts.
- l) Wholesale of bags.
- m) Wholesale of household utensils and table accessories.
- n) Wholesale of gifts and luxuries.
- o) Auctions are not in stores.
- p) Cleaning new buildings after construction, cleaning buildings with steam and sand heating, activities for general cleaning services for buildings, building maintenance services activities, cleaning and maintenance of swimming pools, care and maintenance of parks and gardens for public housing purposes, care and maintenance of building scenery, home gardens, roof gardens and private building facades and others, care and maintenance of highway parks.

The registered address of the Company is the building of the Fitaihi Holding Group Company, Madinah Road, north of the Emirate of Makkah Al-Mukarramah Region, PO Box 2606, Jeddah 21461, Kingdom of Saudi Arabia, the main center of the Company is located in Jeddah.



**FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024  
(EXPRESSED IN SAUDI RIYALS)**

---

**2. BASIS OF PREPARATION**

**2.1. Statement of compliance**

The interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard, “Interim Financial Reporting” “IAS 34” that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements. They should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2023 (“The annual consolidated financial statements”) In addition, results for the interim period ended 31 March 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

**2.2. Functional and presentation currency**

The Interim condensed consolidated financial statements are presented in Saudi Riyal (SAR), which is also the functional and presentational currency of the Group.

**2.3. Basis of Measurement**

The interim condensed consolidated financial statements have been prepared on a historical cost basis except for equity instruments, which are measured through other comprehensive income, other investments, which are measured through profit or loss, and employees’ end of service benefits, which are measured using the projected unit credit method and discounted to their current value.

**2.4. Basis of consolidation**

The Group’s Interim condensed consolidated financial statements include the financial statements of the Company and its Subsidiaries “the Group” as of March 31, 2024.

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 influence those returns by exercising its influence over the entity. In particular, the Group controls the entity if - and only if - the Group has:

- Control over the entity (example: existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its control over the investee to affect its returns

In general, there is an assumption that the majority of voting rights will lead to control. In order to reinforce this assumption and when the Group has a level below the majority of voting rights or similar rights in the investee company, the Group takes into account all relevant facts and circumstances when assessing whether the Group has influence over the investee, and these facts and conditions include the following:

- Contractual arrangements with others who are entitled to vote in the investee company.
- Rights arising from other contractual arrangements.
- Group voting rights and potential voting rights.

**FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024  
(EXPRESSED IN SAUDI RIYALS)**

---

**2. BASIS OF PREPARATION (Continued)**

**2.4. Basis of consolidation (Continued)**

The Group reassesses whether it is still exercising control over the investee, or not, when facts and circumstances indicate that there is a change in one or more of the three elements of control. The consolidation of the subsidiary begins from the date on which the Group controls the subsidiary and continues until the removal of the controls. The assets, liabilities, income and expenses of the subsidiary acquired or sold during the period are included in the Interim condensed consolidated financial statements from the date the Group acquires control until the date the Group loses control of the subsidiary.

Profit or loss and each component of other comprehensive income is distributed between the shareholders of the Group's parent company and the non-controlling interests, even if this distribution may lead to a deficit balance in the non-controlling interests. If necessary, adjustments are made to the financial statements of subsidiaries in the event that there are significant differences between the parent company and the subsidiary in order to reconcile its accounting policies with the financial policies of the Group. All assets, liabilities, equity, income, expenses and cash flows relating to transactions between Group companies are eliminated in full when the financial statements are consolidated.

Proper accounting treatment has been done for any change in ownership interest in a subsidiary that does not result in a loss of control equity.

If the Group loses control of a subsidiary, it excludes the assets (including goodwill if any), liabilities and any other components of the subsidiary's equity, and any gain or loss resulting from loss of control is recorded in the Interim condensed consolidated statement of profit or loss. Any share of the investment is recognized at fair value.

**FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024  
(EXPRESSED IN SAUDI RIYALS)**

**2. BASIS OF PREPARATION(Continued):**

**2.4. Basis of consolidation (Continued)**

Details of subsidiaries companies as follows:

| <u>Company name</u>                            | <u>Country of incorporation</u> | <u>Ownership percentage as of March 31, 2024</u> | <u>December 31, 2023</u> | <u>Activity</u>  |
|--|---------------------------------|--|--------------------------|--|
| Fitaihi Retail Company<br>(One person company) | Jeddah- KSA                     | 100% Direct                                      | 100% Direct              | Buying and selling precious metals and gemstones, Welding and polishing workshops (jewelers) and electronic trade. Wholesale and retail trade in perfumes, cosmetics, gifts (lighters, button, pens, watches), wholesale trade in Chinese crystal, antiques, household utensils required, leather products, towels, linens, and clothes also wholesale trade in all kinds of foodstuffs and establishment and management of business centers.                        |
| Saudi Tawteen for<br>Maintenance & Operation   | Jeddah- KSA                     | 100% Direct                                      | 100% Direct              | Cleaning new buildings after construction, cleaning buildings with steam and sand heating, activities for general cleaning services for buildings, building maintenance services activities, cleaning and maintenance of swimming pools, care and maintenance of parks and gardens for public housing purposes, care and maintenance of building scenery, home gardens, roof gardens and private building facades and others, care and maintenance of highway parks. |

**FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024  
(EXPRESSED IN SAUDI RIYALS)**

**3. USE OF JUDGMENT, ESTIMATES AND SIGNIFICANT ASSUMPTIONS**

In preparing these Interim condensed consolidated financial statements, it requires from management to make judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group accounting policies and methods of calculation, and key sources of estimation uncertainty were the same as those described in the last annual consolidated financial statements for the year ending on December 31, 2023.

**4. STANDARDS, INTERPRETATIONS, AND AMENDMENTS TO EXISTING STANDARDS**

There are no new standards issued by the International Accounting Standards Board (IASB), however, a number of amendments to the standards are effective as of January 1, 2024, which were explained in the annual consolidated financial statements of the group, and there is no material impact on the interim condensed consolidated financial statements of the group.

**5. INVESTMENTS IN ASSOCIATES**

Investments in associates consist of the following:

|                                      | Country of incorporation | Main activity                     | Ownership percentage |                  | 31 March            | 31 December        |
|--------------------------------------|--------------------------|-----------------------------------|----------------------|------------------|---------------------|--------------------|
|                                      |                          |                                   | 31 March 2024        | 31 December 2023 | 2024<br>(Unaudited) | 2023<br>(Audited)  |
| International Medical Center Company | Kingdom of Saudi Arabia  | Hospital management and operation | 19.25%               | 19.25%           | 186,480,727         | 177,152,860        |
|                                      |                          |                                   |                      |                  | <b>186,480,727</b>  | <b>177,152,860</b> |

Share of results for the period consist of the following:

|   | For the three months period ended 31 March |  |
|---|--|--|
|   | 2024<br>(Unaudited)                        | 2023<br>(Unaudited)<br>Restated<br>(Note 17) |
| Group's share of the business results of the International Medical Center Company   | 4,995,914                                  | (62,436)                                     |
| Group's share of profits from investments in equity instruments at fair value through other comprehensive income of the associate | 10,589                                     | 18,408                                       |
| Group's share of the profit on remeasurement of employee defined benefit obligations of the associate                             | 279,410                                    | -  |
| Group's share of the change in fair value of cash flow risks hedging of the associate   | 4,041,954                                  | (2,671,984)                                  |
|   | <b>9,327,867</b>                           | <b>(2,716,012)</b>                           |

FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024  
(EXPRESSED IN SAUDI RIYALS)

**6. INVESTMENTS IN EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

|   | 31 March<br>2024<br><u>(Unaudited)</u> | 31 December<br>2023<br><u>(Audited)</u> |
|---|--|---|
| <b><u>COST</u></b>  |  |   |
| Balance at the beginning of the period / year   | 136,714,695                            | 135,683,961                             |
| Additions during the period / year  | -                                      | 1,030,734                               |
| Balance at the end of the period/year   | <u>136,714,695</u>                     | <u>136,714,695</u>                      |
| <b><u>Unrealized gains / (losses) on investments in equity instruments at fair value through other comprehensive income</u></b> |  |   |
| Balance at the beginning of the period / year   | 33,302,252                             | (4,019,386)                             |
| net movement during the period / year   | (51,516,575)                           | 37,321,638                              |
| Balance at the end of the period / year   | <u>(18,214,323)</u>                    | <u>33,302,252</u>                       |
| <b>Net book value at the end of the period/year</b>   | <u>118,500,372</u>                     | <u>170,016,947</u>                      |

- All ownership shares are listed on the financial markets.

**7. INVENTORY**

|                           | 31 March<br>2024<br><u>(Unaudited)</u> | 31 December<br>2023<br><u>(Audited)</u> |
|---------------------------|--|---|
| Jewelry and goldsmiths    | 98,386,954                             | 85,870,874                              |
| Gold ores and jewelry     | 5,064,579                              | 6,053,753                               |
| Miscellaneous merchandise | 2,288,257                              | 2,183,995                               |
| Boxes and packaging tools | 139,377                                | 53,038                                  |
|                           | <u>105,879,167</u>                     | <u>94,161,660</u>                       |

**8. TRADE AND OTHER RECEIVABLES (NET)**

|  | 31 March<br>2024<br><u>(Unaudited)</u> | 31 December<br>2023<br><u>(Audited)</u> |
|--|--|---|
| Trades receivables                       | 15,089                                 | 15,089                                  |
| Prepaid expenses                         | 993,099                                | 805,235                                 |
| Advance payments to suppliers            | 1,079,665                              | 264,344                                 |
| Receivable from the sale of a subsidiary | 935,477                                | 935,477                                 |
| Other debtors                            | 468,496                                | 486,090                                 |
|  | <u>3,491,826</u>                       | <u>2,506,235</u>                        |
| Less: provision for impairment           | (16,447)                               | (16,447)                                |
|  | <u>3,475,379</u>                       | <u>2,489,788</u>                        |

**FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024  
(EXPRESSED IN SAUDI RIYALS)**

**9. TRADE AND OTHER PAYABLES**

|                               | <b>31 March<br/>2024<br/>(Unaudited)</b> | <b>31 December<br/>2023<br/>(Audited)</b> |
|-------------------------------|--|---|
| Trade payables                | 15,655,188                               | 5,187,328                                 |
| Accrual expenses              | 1,095,719                                | 635,527                                   |
| Advance payments from clients | 1,760,154                                | 1,786,444                                 |
| VAT                           | 221,889                                  | 397,715                                   |
| Other payables                | 1,851,820                                | 1,465,443                                 |
|                               | <b><u>20,584,770</u></b>                 | <b><u>9,472,457</u></b>                   |

**10. ZAKAT PAYABLE**

|  | <b>31 March<br/>2024<br/>(Unaudited)</b> | <b>31 December<br/>2023<br/>(Audited)</b> |
|--|--|---|
| Balance at the beginning of the period/year    | 2,780,218                                | 5,444,944                                 |
| Charged during the period/year                 | 900,000                                  | 2,777,450                                 |
| Paid during the period/year                    | -  | (5,442,176)                               |
| <b>Balance at the end of the period / year</b> | <b><u>3,680,218</u></b>                  | <b><u>2,780,218</u></b>                   |

**Zakat status**

There has been no material changed in the zakat or tax compared to the year ending on December 31, 2023

**11. OTHER EXPENSES, NET**

|  | <b>For the three months period<br/>ended 31 March</b> |                             |
|--|---|-----------------------------|
|  | <b>2024<br/>(Unaudited)</b>                           | <b>2023<br/>(Unaudited)</b> |
| Debit financing interest - lease contracts | (33,945)  | (47,790)                    |
| Other income                               | 2,323   | 30,591                      |
| Other expenses                             | (21,920)  | (55,388)                    |
|  | <b><u>(53,542)</u></b>                                | <b><u>(72,587)</u></b>      |

**12. EARNINGS PER SHARE**

The basic and diluted earnings per share are calculated from net income for the period by dividing net income for the period attributable to the shareholders of the parent company by the weighted average number of ordinary shares. The diluted earnings per share is equal to the basic earnings per share.

**FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024  
(EXPRESSED IN SAUDI RIYALS)**

**12. EARNINGS PER SHARE (Continued)**

The following table reflects the net income data for the period and the number of shares used to calculate the basic and diluted earnings per share:

|  | <b>For the three months period<br/>ended 31 March</b> |                             |
|--|---|-----------------------------|
|  | <b>2024<br/>(Unaudited)</b>                           | <b>2023<br/>(Unaudited)</b> |
| Profit for the period attributable to the shareholders of the parent company                                       | 2,037,407   | 1,620,066                   |
| Weighted average number of ordinary shares outstanding (share)   | 275,000,000   | 275,000,000                 |
| Basic and diluted earnings per share attributable to shareholders of the Parent Company from income for the period | <b>0.007</b>  | <b>0.006</b>                |

**13. SHARE CAPITAL**

As of 31 March 2024 and 31 December 2023, the capital consists of 275 million shares, the value of each share is 1 Saudi Riyal, paid in full.

**14. RELATED PARTY TRANSACTIONS**

The related parties represent major shareholders, board of directors' members, and key management of the Group, and entities controlled, or significantly influenced by such parties.

**14.1 Related party transactions**

The following are the main transactions to related parties without preferential terms during the three-month ended on 31 March 2024 and 31 March 2023 and related party balances as on 31 March 2024 and 31 December 2023.

| Party                       | Nature of the relationship         | Nature of the transaction | <b>Transactions during the<br/>three months period ended</b> |  | <b>Balance as of</b>                     |   |
|-----------------------------|------------------------------------|---------------------------|--|--|--|---|
|                             |                                    |                           | <b>31 March<br/>2024<br/>(unaudited)</b>                     | <b>31 March<br/>2023<br/>(unaudited)</b> | <b>31 March<br/>2024<br/>(unaudited)</b> | <b>31 December<br/>2023<br/>(audited)</b> |
| Sheikh/ Ahmad Hasan Fitaihi | Chairman of the Board of Directors | Sales of goods            | 2,068,161  | 24,225                                   | -  | -   |
| Oriental Weavers company    | Associate company                  | Purchase of goods         | 155,477  | 254,582                                  | 60,000                                   | 75,000                                    |

**14.2 Allowances and bonuses for members of the Board of Directors and senior executives**

The compensation of the senior management executives and the Board of Directors during the period is as follows:

|  | <b>For the three months period<br/>ended 31 March</b> |                             |
|--|---|-----------------------------|
|  | <b>2024<br/>(Unaudited)</b>                           | <b>2023<br/>(Unaudited)</b> |
| Salary and other benefits                          | 565,337   | 620,032                     |
| End of service benefits                            | 23,188  | 23,188                      |
| Bonuses and allowance for attending board meetings | 300,000   | 300,000                     |
|  | <b>888,525</b>  | <b>943,220</b>              |

## **15. RISK MANAGEMENT OBJECTIVES AND POLICIES**

Risks are part of the Group's activities and are managed through a continuous mechanism which consists of identifying risks, then evaluating and following them up in accordance with other approved restrictions and controls. The process of managing risk is essential to the group's ability to generate profits. The group is exposed to market risk, currency risk, credit risk and liquidity risk

### **Market risk**

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market.

### **Currency risk**

Currency risk is the fluctuation of the value of a financial instrument as a result of fluctuations in foreign exchange rates. The Group is exposed to the risk of currency exchange fluctuations during its normal business cycle. The risks related to currency fluctuations associated with financial instruments are concentrated in currency fluctuations of the Group's foreign investments, as the main Group's investments in the stock market are concentrated on the Egyptian Stock Exchange, and therefore their fair value is affected by the exchange rate of Egyptian pound from one period to another. According to the economic and political conditions in the Egypt, the Group considers that most of its investments are for long-term strategic purposes.

### **Credit risk**

Credit risk is the risk that one party in a financial instrument will fail to fulfill an obligation and cause the other party to incur a financial loss. The Group works to limit credit risk. Management believes that credit risk is limited given that the Group's sales are monetary.

### **Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its commitments associated with financial liabilities, as they fall due. Liquidity needs are monitored on a monthly basis and the management works to ensure that sufficient funds are available to meet any liabilities as they arise.

The Group's current financial liabilities amounting to 25.5 million Saudi riyals as of 31 March 2024 (31 December 2023: 13.8 million Saudi riyals) consist of lease liabilities - current portion - trade payables and other credit balances and Zakat payable. In practice, it is expected that all these financial liabilities will be settled within 12 months from the date of the condensed consolidated statement of financial position and the Group expects to have sufficient funds to do so.

The Group's non-current financial liabilities amounting to SAR 3.8 million as of March 31, 2024 (December 31, 2023: SAR 3.7 million) consist of the net defined benefit obligations to employees. The employee defined benefit obligation is paid according to the actual timing of the end of the employee's service life.

### **Stock price Risk**

The Group is exposed to market price risks on its investments in shares traded and arising from the uncertainty in the future value of shares traded. Reports on investment in shares traded are regularly reported to Top management.



**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024  
(EXPRESSED IN SAUDI RIYALS)**

---

**15. RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

**Capital risk management**

For the purpose of managing the group's capital risk, equity consists of capital, statutory reserve attributable to the shareholders of the parent company, retained earnings and equity instruments valuation reserve at fair value through other comprehensive income. The main objective of capital management is to maximize shareholder equity.

The Group manages and adjusts its capital structure in light of changes in economic conditions and financial commitment requirements. In order to maintain or adjust the capital structure, the group may adjust dividends to shareholders or issue new shares.

The Group does not have a capital structure with specific objectives or rates to be achieved in connection with managing capital risk. The overall strategy of the group remains the same, unchanged from the previous year. The group's capital structure consists of equity (consisting of equity capital and statutory reserve attributable to shareholders of the parent company, retained earnings and equity instruments valuation reserve at fair value through other comprehensive income).

**Fair value**

The fair value is the price that would be received to sell an asset or paid to transfer any of the liabilities in a transaction under normal circumstances between market participants at the measurement date. As such, differences can arise between the carrying values and the fair value estimates. The definition of fair value is based on market-based measurement and assumptions used by market participants.

Fair values are classified into different levels in the fair value hierarchy based on the inputs used in the valuation methods as follows:

- **Level 1** - quoted prices in active markets for identical financial instrument.
- **Level 2** - Valuation methods that rely on inputs that affect the fair value and can be observed directly or indirectly in the market.
- **Level 3** - Valuation methods that rely on inputs that affect the fair value and cannot be observed directly or indirectly in the market.

There were no transfers between Level 1, Level 2 and Level 3 during the period ending March 31, 2024.

All financial assets and financial liabilities of the Group are recorded at amortized cost, except for:

- investments in equity instruments at fair value through other comprehensive income, as they are listed in an active market and are evaluated according to level one (share price on the reporting date)

**16. IMPORTANT EVENTS DURING CURRENT PERIOD**

On March 6, 2024, with the aim of achieving stability in the exchange market and eliminating the gap between the official and parallel market exchange rates, the Central Bank of Egypt took the decision to allow the exchange rate of the Egyptian pound to be determined according to market mechanisms. This step comes in response to the economic challenges that the Arab Republic of Egypt has recently faced, which were the lack of resources of foreign currencies, the shortage of foreign currencies has led to the emergence of a parallel market for the exchange rate of the Egyptian pound due to the accumulation of demand for foreign exchange.

**FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024  
(EXPRESSED IN SAUDI RIYALS)**

**17. COMPARITIVE FIGURES**

The associate company has completed the preparation of its financial statements for both the year ending December 31, 2022 and the three-month period ended March 31, 2023.

The Group has amended the balances related to the previously issued consolidated financial statements for the year ending on December 31, 2022, and the effect of these amendments is a decrease in retained earnings - restated as of December 31, 2022, by an amount of 4.4 million Saudi riyals, and the consolidated financial statements for that year have been reissued.

The group also restated the balances related to the Interim condensed consolidated financial statements for the three-month period ending on March 31, 2023, issued previously. The effect of these amendments is a decrease in the net profit for the period by an amount of 4 million Saudi riyals so that the net profit for that period becomes 1.6 million Saudi riyals. The reason for the qualification contained in the independent auditor's report for that period has been removed.

Accordingly, the numbers for the three-month period that ended on March 31, 2023 have been amended, and the tables below show the impact on the interim condensed consolidated financial statements for that period:

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED) FOR THE THREE-MONTH PERIOD THAT ENDED ON MARCH 31, 2023**

|   | <u>Balance before<br/>reclassification</u> | <u>Effect of<br/>reclassification</u> | <u>Balance after<br/>reclassification</u> |
|---|--|---------------------------------------|---|
| The group's share of the results of an associate's business   | 3,945,112                                  | (4,007,548)                           | (62,436)                                  |
| Profit from investments   | 5,145,151                                  | (4,007,548)                           | 1,137,603                                 |
| Gross profit  | 13,530,948                                 | (4,007,548)                           | 9,523,400                                 |
| Profit from operation   | 6,600,201                                  | (4,007,548)                           | 2,592,653                                 |
| Profit for the period before zakat  | 6,527,614                                  | (4,007,548)                           | 2,520,066                                 |
| Net profit for the period   | 5,627,614                                  | (4,007,548)                           | 1,620,066                                 |
| Other comprehensive income items:   |  |                                       |   |
| The Group's share of the change in fair value of cash flow risks hedging of the associate   | -  | (2,671,984)                           | (2,671,984)                               |
| The Group's share of profits from investments in equity instruments at fair value through other comprehensive income of the associate | -  | 18,408                                | 18,408                                    |
| Total other comprehensive income for the period   | 7,206,129                                  | (2,653,576)                           | 4,552,553                                 |
| Total comprehensive income for the period   | 12,833,743                                 | (6,661,124)                           | 6,172,619                                 |
| Basic and diluted earnings per share from net profit  | 0.20                                       | (0.194)                               | 0.006                                     |

**FITAIHI HOLDING GROUP COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024  
(EXPRESSED IN SAUDI RIYALS)**

---

**17. COMPARITIVE FIGURES (Continued)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR  
THE THREE-MONTH PERIOD ENDED 31 MARCH 2023:**

|  | <u>Balance before<br/>reclassification</u> | <u>Effect of<br/>reclassification</u> | <u>Balance after<br/>reclassification</u> |
|--|--|---------------------------------------|---|
| Retained earnings  | 111,205,817                                | (8,439,335)                           | 102,766,482                               |
| Fair value change reserve of associate company's<br>cash flow risks hedging  | 5,337,869                                  | (2,672,075)                           | 2,665,794                                 |
| Revaluation reserve of investments in equity<br>instruments at fair value through other<br>comprehensive income in associate | 38,313                                     | 18,392                                | 56,705                                    |
| Total equity   | 462,924,912                                | (11,093,018)                          | 451,831,894                               |

\* Adjustments to retained earnings include an amount of 4.4 million Saudi riyals related to adjustments for the year ending December 31, 2022.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE THREE-  
MONTH PERIOD ENDED 31 MARCH 2023:**

|   | <u>Balance before<br/>reclassification</u> | <u>Effect of<br/>reclassification</u> | <u>Balance after<br/>reclassification</u> |
|---|--|---------------------------------------|---|
| Net profit for the period before zakat      | 6,527,614                                  | (4,007,548)                           | 2,520,066                                 |
| <b>Cash flows from operating activities</b> |  |                                       |   |
| share of results of associate company       | (3,945,112)                                | 4,007,548                             | 62,436                                    |

**18. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)**

These interim condensed consolidated financial statements (Unaudited) were approved by the Board of Directors on 19/05/2024.