SPECIALIZED MEDICAL COMPANY
(A SAUDI CLOSED JOINT STOCK COMPANY)

REISSUED CONSOLIDATED
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2023

SPECIALIZED MEDICAL COMPANY
(A SAUDI CLOSED JOINT STOCK COMPANY)

REISSUED CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the shareholders
Specialized Medical Company
Riyadh, Kingdom of Saudi Arabia

Opinion
We have audited the reissued consolidated financial statements of **Specialized Medical Company** (the "Company") **and its subsidiary** (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the reissued consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying reissued consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing ("ISAs") that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Reissued Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) ("the Code") as endorsed in the Kingdom of Saudi Arabia, that are relevant to our audit of the reissued consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with the requirements of the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter
We draw attention to note 27 of the reissued consolidated financial statements, which describes the reasons for the reissuance of the consolidated financial statements. Our audit report on the reissued consolidated financial statements supersedes the report issued by the predecessor auditor on June 5, 2024. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SPECIALIZED MEDICAL COMPANY (CONTINUED)

Responsibilities of Management and Those Charged with Governance for the Reissued Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the reissued consolidated financial statements in accordance with IFRSs that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA and applicable requirements of the Regulations for Companies and the Company's By-laws and for such internal control as management determines is necessary to enable the preparation of reissued consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the reissued consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, i.e., Board of Directors, are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Reissued Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the reissued consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the reissued financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the reissued financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the reissued financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT OF SPECIALIZED MEDICAL COMPANY (CONTINUED)

Responsibilities of Management and Those Charged with Governance for the Reissued Consolidated Financial Statements (continued)

We communicate with those charged with governance i.e. Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORTS ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Companies' Regulations requires that the auditor includes in his report what might come to his attention with respect to non-compliance of the terms of the Company Law or in terms of the Bylaws of the Company. During the course of our current audit of the financial statements, we have noted the following non-compliances of the Company Law, having no material impact on the financial statements:

The General Assembly did not approve the board of directors' decision to distribute dividends to shareholders during the years ended December 31, 2021, 2022 and 2023 which is considered a non-compliance with the Companies' Law.

Deloitte and Touche & Co.
Chartered Accountants

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Mazen A. Al Omari
License No. 480
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December 22, 2024

SPECIALIZED MEDICAL COMPANY
(A SAUDI CLOSED JOINT STOCK COMPANY)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

	Notes	**December 31, 2023 SR**	December 31, 2022 (Restated Note 26) SR	January 01, 2022 (Restated Note 26) SR
Assets				
Current assets				
Cash and cash equivalents	5	**47,822,985**	21,783,087	12,816,106
Trade and other receivables	6	**508,445,998**	425,611,639	340,637,480
Due from related parties	21	**1,014,532**	1,440,489	2,361,914
Inventories	7	**25,948,321**	20,055,572	19,261,251
Prepayments and other assets	8	**35,173,826**	26,439,370	230,005,897
Total current assets		**618,405,662**	495,330,157	605,082,648
Non-current assets				
Property and equipment	9	**1,226,577,673**	1,213,086,126	1,021,529,684
Right-of-use assets	12	**229,246,911**	178,426,063	209,805,591
Total non-current assets		**1,455,824,584**	1,391,512,189	1,231,335,275
Total assets		**2,074,230,246**	1,886,842,346	1,836,417,923
Liabilities and equity				
Current liabilities				
Trade payables		**114,708,998**	109,695,464	90,409,288
Due to related parties	21	**895,524**	925,274	450,250
Short-term loans	10	**415,000,000**	395,000,000	335,000,000
Long-term loans	11	**57,551,020**	36,296,296	20,000,000
Lease liabilities	12	**25,086,962**	24,634,353	21,558,371
Government loan	13	**2,565,278**	2,565,278	2,478,532
Deferred government grant	13	**189,107**	278,892	365,640
Accrued expenses and other liabilities	14	**89,203,759**	76,372,530	67,986,989
Zakat Payable	15	**5,714,642**	3,957,230	3,321,202
Total current liabilities		**710,915,290**	649,725,317	541,570,272
Non-current liabilities				
Long-term loans	11	**143,877,551**	198,703,704	282,750,000
Government loan	13	**2,837,777**	5,403,057	7,968,338
Lease liabilities	12	**214,746,259**	152,416,192	179,510,598
Deferred government grant	13	**96,180**	285,284	564,176
Trade payables		**769,267**	1,106,909	5,524,097
Employees defined benefits liabilities	16	**155,938,697**	147,367,361	134,284,750
Total non-current liabilities		**518,265,731**	505,282,507	610,601,959
Total liabilities		**1,229,181,021**	1,155,007,824	1,152,172,231
Equity				
Share capital	17	**85,000,000**	85,000,000	85,000,000
Statutory reserve	18	**49,653,238**	49,653,238	49,653,238
Retained earnings		**710,395,987**	597,181,284	549,592,454
Total equity		**845,049,225**	731,834,522	684,245,692
Total Liabilities and equity		**2,074,230,246**	1,886,842,346	1,836,417,923

CONSOLIDATED-STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 3 1 DECEMBER 2023

	Notes	2023 SR	2022 (Restated Note 26) SR
Revenue		**1,367,929,567**	1,208,654,039
Cost of revenue		**(1, 011,480,327)**	(922,978,768)
Gross profit		**356,449,240**	285,675,271
General and administrative expenses	19	**(132,651,345)**	(149,479,670)
Selling and marketing expenses		**(9,215,406)**	(8,447,259)
Operating profit		**214,582,489**	127,748,342
Finance costs		**(48,458,796)**	(29,820,994)
Other income		**8,575,895**	9,188,164
Profit before zakat		**174,699,588**	107,115,512
Zakat	15	**(6,003,547)**	(4,154,844)
Profit for the year		**168,696,041**	102,960,668
Other comprehensive income: ***Items which will not be reclassified subsequently to profit or loss:***			
Remeasurement of employees defined benefits liabilities	16	**4,518,662**	(5,371,838)
Total other comprehensive income / (loss) for the year		**4,518,662**	(5,371,838)
Total comprehensive income for the year		**173,214,703**	97,588,830
Earnings per share (EPS)			
Basic and diluted EPS	23	**19.85**	12.11

The accompanying notes form an integral part of these reissued consolidated financial statements.

SPECIALIZED MEDICAL COMPANY
(A Saudi Closed Joint Stock Company)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023

	Notes	Share capital SR	Statutory reserves SR	Retained earnings SR	Total SR
January 1, 2022 (as previously reported)		85,000,000	49,653,238	601,757,356	736,410,594
Restatement	26	-	-	(52,164,902)	(52,164,902)
January 1, 2022 (restated)		85,000,000	49,653,238	549,592,454	684,245,692
Profit for the year (restated)		-	-	102,960,668	102,960,668
Total other comprehensive loss (restated)		-	-	(5,371,838)	(5,371,838)
Total comprehensive income for the year (restated)		-	-	97,588,830	97,588,830
Dividends	20	-	-	(50,000,000)	(50,000,000)
December 31, 2022 (restated)		85,000,000	49,653,238	597,181,284	731,834,522
Profit for the year		**-**	**-**	**168,696,041**	**168,696,041**
Total other comprehensive income		**-**	**-**	**4,518,662**	**4,518,662**
Total comprehensive income for the year		**-**	**-**	**173,214,703**	**173,214,703**
Dividends	20	**-**	**-**	**(60,000,000)**	**(60,000,000)**
December 31, 2023		**85,000,000**	**49,653,238**	**710,395,987**	**845,049,225**

The accompanying notes form an integral part of these reissued consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Notes	2023 SR	2022 (Restated Note 26) SR
Cash flows from operating activities			
Profit before zakat		**174,699,588**	107,115,512
Adjustments for:			
Depreciation of property and equipment	9	**58,492,649**	74,845,087
Depreciation of right-of-use assets	12	**29,270,009**	29,093,080
Expected credit loss charged for the year	6	**6,214,023**	36,125,726
Amortization of government grant	13	**(278,889)**	(365,640)
Employees defined benefits liabilities	16	**17,895,328**	15,928,476
Finance costs		**48,458,796**	29,820,994
Loss / (gain) from disposal property and equipment		**19,025**	(64,272)
		334,770,529	292,498,963
Working capital changes:			
Trade and other receivables		**(89,048,382)**	(121,099,887)
Due from related parties		**425,957**	921,425
Inventories		**(5,892,749)**	(794,321)
Prepayments and other assets		**(8,734,456)**	(1,948,989)
Trade payables		**4,675,892**	14,868,988
Due to related parties		**(29,750)**	475,024
Accrued expenses and other liabilities		**12,635,734**	7,405,576
Cash generated from operating activities		**248,802,775**	192,326,779
Zakat paid	15	**(4,246,135)**	(3,518,816)
Employees defined benefits liabilities paid	16	**(11,185,194)**	(11,326,050)
Net cash generated from operating activities		**233,371,446**	177,481,913
Cash flows from investing activities			
Purchase of property and equipment	9	**(45,296,950)**	(40,606,291)
Proceeds from disposal of property and equipment		**837,936**	64,695
Additions on projects under progress	9	**(27,544,207)**	(20,279,617)
Net cash used in investing activities		**(72,003,221)**	(60,821,213)
Cash flows from financing activities			
Dividends paid	20	**(60,000,000)**	(50,000,000)
Proceeds from short term loans - net	10	**20,000,000**	15,000,000
Repayment of long term loans – net	11	**(33,571,429)**	(22,750,000)
Repayment of government loan	13	**(2,565,280)**	(2,478,535)
Payment of lease liabilities	12	**(17,308,181)**	(21,731,976)
Finance cost paid		**(41,883,437)**	(25,733,208)
Net cash used in financing activities		**(135,328,327)**	(107,693,719)
Net increase in cash and cash equivalents during the year		**26,039,898**	8,966,981
Cash and cash equivalents at January 1		**21,783,087**	12,816,106
Cash and cash equivalents at December 31		**47,822,985**	21,783,087

The accompanying notes form an integral part of these reissued consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2023

	Notes	**2023 SR**	2022 (Restated Note 26) SR
Non-cash items			
Modification of right of use assets and lease liabilities	12	**78,005,617**	-
Transfer of projects under progress to property and equipment	9	**47,191,437**	131,950
Additions of right of use assets and lease liabilities	12	**2,085,240**	-
Re-measurement of employees defined benefits liabilities	16	**4,518,662**	(5,371,838
Addition of land adjusted with advances	9	**-**	205,516,044
Transfer from long term loan to short term loan	11	**-**	45,000,000

The accompanying notes form an integral part of these reissued consolidated financial statements.

1. CORPORATE INFORMATION AND ACTIVITIES

Specialized Medical Company is a Saudi Closed Joint Stock Company operating in the Kingdom of Saudi Arabia under Commercial Registration number. 1010123832 dated 13/11/1414H (corresponding to April 24, 1994).

This is pursuant to following Ministry of Health licenses No.

Branch name	License number	License date
Specialized Medical Center Hospital	014-101-010-012-00015	May 12, 1999
Specialized Medical Center Hospital 2	014-101-010-097-00085	March 8, 2020

The principal activities of the Company are the management and operation of hospitals, clinics, medical centers and healthy food services, as well as hospital and medical facilities maintenance and non-medical operations. Additional activities include the production of cooked and non-cooked food and the management and operations of restaurants and food related services.

The address of the Company's registered office is as follows:
Building 6678 King Fahad Road, Alulaya district, unit No. 1, Riyadh 12311 -4405.

The company has the following wholly owned subsidiary (2022: 100%);

Names	Country of Incorporation	Activities
International Specialized Food Company	Saudi Arabia	Food and catering services

These reissued consolidated financial statements include the financial information of the Company, its subsidiary and the following branches, which operate under separate commercial registrations:

Branch Name	Commercial Registration No.	Branch Activities	Addresses	Commercial Registration Date
Specialized Medical Center – SMC – King Fahad Road	1010150227	Hospitals	Riyadh	23/06/1998
Diet World – SMC	1010156585	Nutrition Centers	Riyadh	12/03/1999
Diet World – SMC	2051030207	Nutrition Centers	Khobar	11/01/2004
Diet World – SMC	4030169166	Activities of caters who provide food services and nutrition	Jeddah	05/05/2007
Specialized Medical Center – SMC – King Abdullah Road	1010413585	Hospitals	Riyadh	05/07/2014
Specialized Medical Company – SMC	1010431691	Management and maintenance of hospitals, dispensaries, health facilities and non-medical operations	Riyadh	22/03/2015
Specialized Medical Company – SMC – Northern Ring Road	1010851377	Public hospitals	Riyadh	22/12/2022

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

New and revised Standards applied with no material impact on the financial statements

In the current year, the Group has applied the below mentioned amendments to IFRS Standards and interpretations issued by the International Accounting Standards Board (IASB) that are effective for an period that begins on or after January 1, 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- IFRS 17 Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts. IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach. The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees. The Group does not have any contracts that meet the definition of an insurance contract under IFRS 17.

- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements— Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term ‘significant accounting policies’ with ‘material accounting policy information’. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The IASB has also developed guidance and examples to explain and demonstrate the application of the ‘four-step materiality process’ described in IFRS Practice Statement 2.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (continued)

New and revised Standards applied with no material impact on the financial statements *(continued)*

- Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit. Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

- Amendments to IAS 12 Income Taxes— International Tax Reform—Pillar Two Model Rules

The IASB amends the scope of IAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum topup taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

New and revised standards issued but not yet effective.

At the date of authorization of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

- Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its
- Associate or Joint Venture
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 Non-current Liabilities with Covenants
- Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements
- Amendments to IFRS 16 Lease Liability in a Sale and Leaseback

The directors of the Group do not expect that the adoption of the above Standards will have a material impact on the Group's financial statements in future periods.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Statement of compliance

These reissued consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as endorsed in Saudi Arabia and other relevant pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

Basis of Consolidation

The reissued consolidated financial statements have been prepared on the historical cost basis except for employees' defined benefit liabilities which are recognised at the present value of future liabilities using the projected unit credit method.

These reissued consolidated financial statements include the assets, liabilities and results of operations of the Company and its subsidiary (the "Group") listed in note (1) above. The Company and its subsidiary are collectively referred to as the "Group". Subsidiary is the entity controlled by the Company.

The Company 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. Subsidiary is consolidated from the date on which control commences until the date on which control ceases.

The Company accounts for the business combinations using the acquisition method when control is transferred to the Company. 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 reissued consolidated statement of financial position. Intra-company balances and transactions, and any unrealized income and expenses arising from intra-company transactions, are eliminated. Accounting policies of subsidiary is aligned, where necessary, to ensure consistency with the policies adopted by the Group. The Company and its subsidiary have the same reporting periods.

Functional and presentation currency

The reissued consolidated financial statements are presented in Saudi Riyals, which is the functional and presentation currency of the Group.

Cash and cash equivalents

Cash and cash equivalents in the reissued consolidated statement of financial position comprise cash at banks and cash on hand.

Inventories

Inventories are stated at lower of cost or estimated net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less any cost to complete the selling process. Cost is determined using weighted average method. Appropriate provision is made for slow moving inventories, if any.

Cost includes the expenditure incurred in acquiring the inventories and costs incurred in bringing the inventories to their existing location and conditions.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Property and equipment

Property and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, (if any) except for assets under construction and lands which are stated at cost and are not depreciated. Assets under construction represent all costs relating directly to the projects in progress and are capitalized as property and equipment when the project is completed.

Costs includes all expenditures directly attributable to the construction or purchase of the item of property and equipment. Such costs include the cost of replacing parts of the property and equipment and borrowing costs for' long-term construction projects if the recognition criteria are met. When significant parts of property and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful life and depreciates them accordingly. All repair' and maintenance costs are recognised in the reissued consolidated statement of profit or loss and Comprehensive Income as incurred. Improvements that increase the value or materially extend the life of the related assets are capitalized.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, lease hold improvements are depreciated at the lower of its useful life or' lease term. The annual depreciation rates used are as follows:

Description	Depreciation Percentage
Building and renovation	1.75% - 6.67%
Medical equipment	10%
Furniture and fixtures	10% - 20%
Computer and Software	10% - 25%
General equipment	6.67% - 10%
Motor vehicles	25%

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of Comprehensive Income when the asset is derecognised.

The residual values, useful life and methods of depreciation of property and equipment are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

Right-of-use Assets and Lease Liabilities

The group has recognised new assets and liabilities for its finance leases of various types of contracts including buildings, lands, warehouse and depot facilities, accommodation/office rental premises, medical equipment’s etc. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the reissued consolidated Statement of Profit or Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and - restoration costs.

Right-of-use assets are subsequently measured at cost less accumulated depreciation.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Right-of-use Assets and Lease Liabilities *(continued)*

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the reissued consolidated statement of profit or loss, short-term leases are leases with a lease term or 12 months or less. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. In determining the lease term, the management generally considers certain factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Financial instruments
Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Group requires all financial assets to be classified and subsequently' measured at either amortised cost or fair value. The classification depends on the business model for managing the financial asset and the contractual cash flow characteristics of financial asset, determined at the time of initial recognition.

Financial assets are classified into the following specified categories under IFRS 9:

- Debt instruments at amortised cost;
- Debt instruments at fair value through other comprehensive income (FVOCI), with gains or losses recycled to Comprehensive Income on derecognition:
- Equity instruments at FVOCI, with no recycling of gains or losses to Comprehensive Income on derecognition; and financial assets at fair value through profit and loss (FVPL).

Financial assets classified as amortised cost
Debt instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss (except for debt investments that are designated as at fair value through Comprehensive Income on initial recognition):

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

If a financial asset does not meet both of these conditions, it is measured at fair value.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments *(continued)*

Financial assets designated as FVOCI

Debt instruments that meet the following conditions are subsequently measured at FVOCI:

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

Investment in equity instruments designated as FVOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

As of reporting date, the Group do not possess any equity instruments designated as at FVOCI.

Financial assets classified as FVPL

Investments in equity instruments are classified as at FVPL, unless the Group designates an investment that is not held for trading as at FVOCI on initial recognition.

As of reporting date, the Group does not possess any financial assets classified as at FVPL

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (ECL) on debt instruments that are measured at amortised cost such as trade receivables and other financial assets.

No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses reflects changes in credit risk since initial recognition of the respective financial instrument.

The Group applies the simplified approach to calculate impairment on trade receivables and this always recognises lifetime ECL on such exposures. ECL on these financial assets are estimated using a flow rate based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group applies the general approach to calculate impairment. Lifetime ECL is recognised when there has been a significant increase in credit risk since initial recognition and 12 month ECL is recognised the credit risk on the financial instrument which has not increased significantly since initial recognition. The assessment of whether credit risk of the financial instrument has increased significantly since initial recognition is made through considering the change in risk of default occurring over the remaining life of the financial instrument.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of' default is based on historical data adjusted by forward-looking information as described above.

As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. Exposure at default for off balance sheet items is arrived at by applying a credit conversion factor to the undrawn portion of the exposure.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments *(continued)*

Impairment of financial assets (continued)
Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are companied on the following basis:

Measurement and recognition of expected credit losses

- Nature of financial instruments (i.e., the Group's trade and other receivables, finance lease receivables and amounts due from customers are each assessed as a separate group. Loans to related parties are assessed for expected credit losses on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The Group recognises an impairment gain or loss in the reissued consolidated Statement of Comprehensive Income for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVOCl, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the Financial asset in the Reissued Consolidated statement of financial position.

Derecognition of financial assets
The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset or substantially all the risk and rewards of ownership to another entity. If the Group neither transfer nor retains substantially all the risks and reward of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and associated liability for' amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

Financial liabilities
Financial liabilities carried at amortised cost have been classified and measured at amortised cost using the effective yield method.

For financial liabilities that are designated as at FVPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other- comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other- comprehensive income would create or enlarge an accounting mismatch in reissued consolidated statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to reissued consolidated statement of comprehensive income. The liability credit reserve includes the cumulative changes in the fair value of the financial liabilities designated as at fair value through Comprehensive Income that are attributable to changes in the credit risk of these liabilities and which would not create or enlarge accounting mismatch in reissued consolidated statement of profit or loss. Amount presented in liability credit reserve are not subsequently transferred to reissued consolidated statement of profit or' loss. When such investments are derecognised, the related cumulative amount in the liability credit reserve is transferred to retained earnings.

Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Statutory reserve

As required by Saudi Arabian Regulations for Companies, 10% of the Company's net income for the year is to be transferred to the statutory reserve. The Company may resolve to discontinue such transfers when the reserve equals 30% of the share capital. The reserve is not available for distribution.

Zakat provision

The Company and its subsidiary are subject to zakat according to the regulations of the the Zakat, Tax and Customs Authority (ZATCA). Zakat is calculated according to the Zakat rule on the basis of the reissued consolidated financial statements of the Company and its subsidiary. The calculated Zakat provision is distributed between the Company and its subsidiary. Any difference between the provisions and the final assessment is recorded in the year in which the final assessment occurs.

Employees benefits

Short term obligations
Liabilities for wages and salaries and any other short term benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees, under the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the reissued consolidated statement of financial position.

Post-employment liabilities

Defined contribution plans
Retirement benefit in the Form of General Organization of Social Insurance (GOSl) is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the GOSl. The Group recognises contribution payable to the GOSl as an expense, when an employee renders the related service.

Defined benefits plans
The cost of providing benefits under the defined benefit plans is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to Comprehensive Income in subsequent periods.

The discount rate for discounting the estimated future cash outflows is required to be based on the yield on corporate bonds of duration and currency consistent with the liabilities. Where there is no deep market in corporate bonds in the currency under consideration, the yields on government bonds are used. In the absence of deep bond market in KSA, the discount rate used is based on US Corporate Bond Rates.

Past service costs are recognised in the reissued consolidated statement of Comprehensive Income on the earlier of the date of the plan amendment or curtailment and the date on which the Group recognises related restructuring costs. Net interest is calculated by applying the discount rate to the net defined benefit liability. The Group recognises the changes in the net defined benefit obligation under 'cost of revenue, 'general and administrative expenses' and 'selling and distribution expenses' in the reissued consolidated statement of profit or loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be compiled with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed. Where the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

The Group has received interest free loans from Ministry of finance with a condition to use the proceeds only for the purpose of the purchase of medical equipment and furniture. The difference between the initial carrying value of the loan (its fair value) and the proceeds received is treated as a Government grant. The grant income is deferred and subsequently released in the reissued consolidated statement of comprehensive income for the same period as the depreciation of the relevant asset.

Impairment of non-financial assets

For all tangible and intangible assets, the Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, annual impairment testing for an asset is required, the Group estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an assets or cash generating unit’s (“CGU”) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate' that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Group’s CGU to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of three years. A long-term growth rate is calculated and applied to project future cash flows after the third year.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in reissued consolidated statement of profit or loss.

Revenue

The Group recognises revenue from customers based on following five steps:

Step 1: Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met:

Step 2: Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer:

Step 3: Determine the transaction price: the transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than on performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

***Revenue** (continued)*

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.
b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced,
c) the Group's performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised services it creates a contract based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

Medical services
Revenue from medical services primarily comprises fees charged for inpatient and outpatient hospitals services. Services include charges for accommodation, medical professional services, medical supplies and medication, equipment, radiology and laboratory. These services are sold either separately or bundled together with the sale of pharmaceutical products to a customer.

The Group assessed that there is only one performance obligation in a contract for bundled medical services, because the transferred services are not capable of being distinct.

The Group concluded that revenue from bundled services will be recognised over time, using the output method to measure progress towards complete satisfaction of the service similar to the previous accounting policy.

Medical claims objections
The objections of medical claims are estimated from customers based on the Group's past experience and are recognised against revenue earned during the year. These estimates are subsequently adjusted to the actual settlement with the customers.

Cost of revenue

Cost of revenue represents expenses directly related to the generation of revenue, including but not limited to salaries and benefits, materials and supplies, depreciation and other direct costs.

General and administrative expenses

General and administrative expenses include direct and indirect costs that do not specifically form part of the medical cost. Allocations between general, administrative, and medical cost, when required, are made on a consistent basis.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Foreign currencies

Transactions in foreign currencies are initially recorded by the Group at functional currency spot rate at the date the transaction qualifies for recognition.
Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the financial statements date. All differences are recognised in the reissued consolidated statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset'. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of Comprehensive Income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

4. SIGNIFICANT JUDGEMENTS ASSUMPTION AND ESTIMATES

In preparing these reissued consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are behaved to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are addressed below:

Judgments

In the process of applying the Group’s accounting policies, management has made judgements, which have the effect on the amounts recognised in the reissued consolidated financial statements.

4. SIGNIFICANT JUDGEMENTS ASSUMPTION AND ESTIMATES (continued)

Assumptions and estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Revenue recognition

The application of IFRS 15 has required management to make the following judgement:

- ***Satisfaction of performance obligations***
  The Group is required to assess each of its contracts with patients to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue.

- ***Determination of transaction prices***
  The Group is required to determine the transaction price in respect of each of its agreements with customers. In making such judgment the Group assess the impact of any variable consideration in the contract, due to insurance claims discount or any other variable items, the existence of any significant financing component in the contract and any non-cash consideration in the contract.

- ***Transfer of control in contracts with customers***
  In case where the Group determines that performance obligation are satisfied at a point in time, revenue is recognised when services or control over the assets that is subject of contract is transferred to the patients.

Allowance for expected credit losses

When measuring expected credit losses the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring expected credit losses. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Useful lives of property and equipment

The useful life of each of the Group’s items of property and equipment is estimated based on the period over which the asset is expected to be available for use. Such estimation is based on a collective assessment of practices of similar businesses, internal technical evaluation, experience with similar assets and application of judgment as to when the assets become available for use and the commencement of the depreciation charge.

The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the asset. It is possible, however, that future results of operations could be materially affected by changes in the amounts and timing of recorded expenses brought about by changes in the factors mentioned above. A reduction in the estimated useful life of any item of property and equipment would increase the recorded operating expenses and decrease non-current assets.

4. SIGNIFICANT JUDGEMENTS ASSUMPTION AND ESTIMATES (continued)

Change in accounting estimate – useful lives of assets

The significant judgments, estimates and assumptions made by management are the same as those that applied to the annual consolidated financial statements for the year ended December 31, 2022, except for change in estimated useful lives of certain property and equipment. During the year ended December 31, 2023, the estimated total useful lives of certain property and equipment were revised as follows:

Class of property and equipment	Estimated useful life before change	Estimated useful life after change
Building and renovation	1.75% - 6.67%	1.75% - 6.67%
Medical equipment	10% - 25%	10%
Furniture and fixtures	10% - 20%	10% - 20%
Computer and Software	14% - 25%	10% - 25%
General equipment	10% - 25%	6.67% - 10%
Motor vehicles	25%	25%

The revision in useful lives was based on the operational efficiency review of these assets. The revision has been accounted for as a change in accounting estimate in accordance with the requirements of International Accounting Standard IAS 8 "Accounting policies, changes in accounting estimates and errors". Had the revision in the useful lives of these assets not been made, the depreciation expense for the year ended December 31, 2023 would have been higher by SR 15.6 million consequently profit before zakat would have been lower by the same amount.

Measurement of employees' defined benefits liabilities

The Group net obligation in respect of defined benefit schemes is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods: that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation is determined based on actuarial valuation at the statement of financial position date by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are determined by reference to US bond yields, (as the Saudi Riyal is pegged to the US dollar), adjusted for an additional risk premium reflecting the possibility of the linkage being broken.

5. CASH AND CASH EQUIVALENTS

	December 31, 2023 SR	December 31, 2022 (Restated Note 26) SR	January 01, 2022 (Restated Note 26) SR
Cash at banks	**47,295,219**	21,263,773	12,342,062
Cash on hand	**527,766**	519,314	474,044
	47,822,985	21,783,087	12,816,106

Cash and cash equivalents are subject to the impairment requirements of IFRS 9 and the identified impairment loss was immaterial.

6. TRADE AND OTHER RECEIVABLES

	December 31, 2023 SR	December 31, 2022 (Restated Note 26) SR	January 01, 2022 (Restated Note 26) SR
Trade and other receivables	**595,099,687**	510,502,268	391,957,452
Less: Provision of expected credit losses	**(86,653,689)**	(84,890,629)	(51,319,972)
	508,445,998	425,611,639	340,637,480

Movement in the provision of expected credit losses

	December 31, 2023 SR	December 31, 2022 (Restated Note 26) SR	January 01, 2022 (Restated Note 26) SR
January 01	**84,890,629**	51,319,972	4,560,617
Charged during the year	**6,214,023**	36,125,726	51,319,972
Write off during the year	**(4,450,963)**	(2,555,069)	(4,560,617)
December 31	**86,653,689**	84,890,629	51,319,972

6. TRADE AND OTHER RECEIVABLES (continued)

As at December 31, the aging analysis of unimpaired accounts receivable is as follows:

	Less than one year SR	**More than one year SR**	**Total SR**
December 31, 2023	**428,364,241**	**80,081,757**	**508,445,998**
December 31, 2022	347,843,517	77,768,122	425,611,639
December 31, 2021	295,533,542	45,103,938	340,637,480

7. INVENTORIES

	December 31, 2023 SR	December 31, 2022 SR
Medical and operating room supplies	**22,010,083**	15,816,195
Other	**3,938,238**	4,239,377
	25,948,321	20,055,572

8. PREPAYMENTS AND OTHER ASSETS

	December 31, 2023 SR	December 31, 2022 (Restated Note 26) SR	January 01, 2022 (Restated Note 26) SR
Iqama fees	**11,470,164**	11,137,398	8,934,590
Advance payments *	**8,686,837**	6,352,610	212,245,170
Prepaid expenses	**5,677,591**	2,442,805	1,989,551
Advance to suppliers	**4,396,673**	1,776,131	1,467,932
Employee receivables	**3,449,561**	2,671,708	1,973,338
Others	**1,493,000**	2,058,718	3,395,316
	35,173,826	26,439,370	230,005,897

* Advance payments as of December 31, 2021 include SR 205,516,044 which represents advance paid for purchase of Land in order to build new branch, the title deed was transferred under the Company's name during the year 2022, accordingly this balance was transferred to land under property and equipment in 2022.

9. PROPERTY AND EQUIPMENT

	Land** SR	Building and renovation** SR	Medical equipment SR	Furniture and fixtures SR	Computer and software SR	General equipment SR	Motor vehicles SR	Right-of-use assets	Capital work in progress * SR	Total SR
Cost:										
As of January 1, 2022 (as previously reported)	326,550,389	755,928,941	387,400,100	103,444,924	86,844,913	41,017,503	7,687,044	239,379,750	51,688,531	1,999,942,095
Restatement (note 26)	(205,516,044)	(67,650,000)	(6,955,150)	(733,655)	(5,765,556)	-	-	(239,379,750)	-	(526,000,155)
As of January 1, 2022 (restated)	121,034,345	688,278,941	380,444,950	102,711,269	81,079,357	41,017,503	7,687,044	-	51,688,531	1,473,941,940
Additions	205,516,044	1,677,929	23,144,511	6,893,155	3,668,150	5,119,046	103,500	-	20,279,617	266,401,952
Transfers	-	-	-	131,950	-	-	-	-	(131,950)	-
Disposals	-	-	-	(1,580)	(639,755)	(165,610)	-	-	-	(806,945)
As of December 31, 2022 (restated)	326,550,389	689,956,870	403,589,461	109,734,794	84,107,752	45,970,939	7,790,544	-	71,836,198	1,739,536,947
Additions	**11,032,500**	**10,528,768**	**15,451,943**	**3,754,452**	**2,420,140**	**2,109,147**	**-**	**-**	**27,544,207**	**72,841,157**
Transfers	**-**	**1,152,683**	**-**	**40,172,950**	**91,184**	**5,774,620**	**-**	**-**	**(47,191,437)**	**-**
Disposals	**-**	**(137,808)**	**(2,984,594)**	**(1,395,130)**	**(36,497)**	**(34,648)**	**-**	**-**	**-**	**(4,588,677)**
As of December 31, 2023	**337,582,889**	**701,500,513**	**416,056,810**	**152,267,066**	**86,582,579**	**53,820,058**	**7,790,544**	**-**	**52,188,968**	**1,807,789,427**
Accumulated depreciation:										
As of January 1, 2022 (as previously reported)	-	141,457,045	218,721,857	54,455,689	67,742,738	22,608,213	6,646,894	51,458,340	-	563,090,776
Restatement (note 26)	-	(48,506,741)	(5,630,352)	(415,737)	(4,667,350)	-	-	(51,458,340)	-	(110,678,520)
As of January 1, 2022 (restated)	-	92,950,304	213,091,505	54,039,952	63,075,388	22,608,213	6,646,894	-	-	452,412,256
For the year	-	16,346,007	38,553,729	7,852,967	8,294,602	3,380,546	417,236	-	-	74,845,087
Disposals	-	-	-	(1,580)	(639,332)	(165,610)	-	-	-	(806,522)
As of December 31, 2022 (restated)	-	109,296,311	251,645,234	61,891,339	70,730,658	25,823,149	7,064,130	-	-	526,450,821
For the year	**-**	**17,228,084**	**25,601,176**	**8,324,646**	**3,991,230**	**2,933,905**	**413,608**	**-**	**-**	**58,492,649**
Disposals	**-**	**(57,245)**	**(2,881,461)**	**(762,146)**	**(13,477)**	**(17,387)**	**-**	**-**	**-**	**(3,731,716)**
As of December 31, 2023	**-**	**126,467,150**	**274,364,949**	**69,453,839**	**74,708,411**	**28,739,667**	**7,477,738**	**-**	**-**	**581,211,754**
Net book value:										
As of December 31, 2023	**337,582,889**	**575,033,363**	**141,691,861**	**82,813,227**	**11,874,168**	**25,080,391**	**312,806**	**-**	**52,188,968**	**1,226,577,673**
As of December 31, 2022 (restated)	326,550,389	580,660,559	151,944,227	47,843,455	13,377,094	20,147,790	726,414	-	71,836,198	1,213,086,126
As of December 31, 2021 (restated)	121,034,345	595,328,637	167,353,445	48,671,317	18,003,969	18,409,290	1,040,150	-	51,688,531	1,021,529,684

* Capital work-in-progress represents cost incurred to date on different hospital projects of Group.

**Land, building and renovation includes an amount of SR 60,983,414 land and building mortgaged against the loan from ministry of finance (note 13).

9. PROPERTY AND EQUIPMENT (continued)

The depreciation expense for the year has been allocated in the reissued statement of profit or loss and other comprehensive income as follows:

	2023 SR	2022 SR
Cost of revenue	**51,373,805**	65,316,673
General and administrative expenses	**7,118,844**	9,528,414
	58,492,649	74,845,087

Movement of capital work progress is summarized as following:

	2023 SR	2022 SR
Balance as of January 01	**71,836,198**	51,688,531
Additions during the year	**27,544,207**	20,279,617
Transfer during the year	**(47,191,437)**	(131,950)
Balance as of December 31*	**52,188,968**	71,836,198

***** The construction contracts of the Ishbilia Kitchen and Ishbilia Nurses Housing projects are signed with Abdulrahman Saad Al-Rashid & Sons Co., a major shareholder in the group (Note 21).

10. SHORT-TERM LOANS

The Group obtained bank facilities from local commercial banks with a rate of one month SIBOR + agreed rates to finance working capital, with corporate and personal guarantees from the shareholders, the value of the withdrawal until December 31, 2023: SR 415,000,000 (December 31, 2022: SR 395,000,000).

11. LONG-TERM LOANS

	December 31, 2023 SR	December 31, 2022 (Restated Note 26)	January 01, 2022 (Restated Note 26)
Balance as of January 01	**235,000,000**	302,750,000	255,035,736
Proceed during the year	**-**	-	280,000,000
Reclassification to short term loan	**-**	(45,000,000)	-
Paid during the year	**(33,571,429)**	(22,750,000)	(232,285,736)
Balance as of December 31	**201,428,571**	235,000,000	302,750,000
Current portion of long-term loans	**57,551,020**	36,296,296	20,000,000
Non-current portion of long-term loans	**143,877,551**	198,703,704	282,750,000
	201,428,571	235,000,000	302,750,000

The Group utilized bank facilities from local commercial banks with a rate of one month SIBOR + agreed rates to finance the working capital. Further it also utilized for the purchase of land for branch 3, with corporate and personal guarantees from the shareholders, as the value of the withdrawal until December 31, 2023: SR 201,428,571 (December 31, 2022: SR 235,000,000).

As of the year end, the company was in compliance with all covenants associated with its loan agreements stipulated by the local commercial banks, ensuring no breaches occurred during the reporting period.

12. RIGHT OF USE ASSETS AND LEASE LIABILITIES

The Group leases plots of land, buildings and medical equipment. The range of the duration of the determined lease terms is from 2 years to 23 years.

Right-of-use Assets	**December 31, 2023 SR**	December 31, 2022 (Restated Note 26) SR	January 01, 2022 (Restated Note 26) SR
Cost			
Balance as of January 01	**315,023,121**	320,484,111	311,520,980
Additions during the year	**2,085,240**	-	10,884,988
Adjustment	**(16,212,783)**	(5,460,990)	(1,921,857)
Modification during the year	**78,005,617**	-	-
Balance as of December 31	**378,901,195**	315,023,121	320,484,111
Depreciation			
Balance as of January 01,	**136,597,058**	110,678,520	82,013,997
Charge for the year	**29,270,009**	29,093,080	30,586,380
Adjustment	**(16,212,783)**	(3,174,542)	(1,921,857)
Balance as of December 31	**149,654,284**	136,597,058	110,678,520
Net book value			
As of December 31,	**229,246,911**	178,426,063	209,805,591

The depreciation expense for the year has been allocated to cost of revenue in the reissued statement of profit or loss and other comprehensive income as follows:

	2023 SR	2022 SR
Cost of revenue	**25,976,053**	25,799,124
General and administrative expenses	**3,293,956**	3,293,956
	29,270,009	29,093,080

Lease liabilities	**December 31, 2023 SR**	December 31, 2022 (Restated Note 26) SR	January 01, 2022 (Restated Note 26) SR
Balance as of January 01	**177,050,545**	201,068,969	211,803,655
Additions during the year	**2,085,240**	-	10,884,988
Finance cost during the year	**8,673,334**	5,518,506	6,060,401
Lease termination during the year	**-**	(2,286,448)	-
Payments during the year	**(25,981,515)**	(27,250,482)	(27,680,075)
Modification during the year	**78,005,617**	-	-
Balance as of December 31	**239,833,221**	177,050,545	201,068,969

12. RIGHT OF USE ASSETS AND LEASE LIABILITIES (continued)

Lease liabilities as of the year-end are as follows:

	December 31, 2023 SR	December 31, 2022 (Restated Note 26) SR	January 01, 2022 (Restated Note 26) SR
Current portion of lease liabilities	**25,086,962**	24,634,353	21,558,371
Non-current portion of lease liabilities	**214,746,259**	152,416,192	179,510,598
Balance as of December 31	**239,833,221**	177,050,545	201,068,969

	December 31, 2023 SR	December 31, 2022 (Restated Note 26) SR	January 01, 2022 (Restated Note 26) SR
Future minimum lease liabilities	**336,778,097**	201,104,430	239,650,736
Less: un-amortised finance costs	**(96,944,876)**	(24,053,885)	(38,581,767)
Present value of minimum lease liabilities	**239,833,221**	177,050,545	201,068,969
Less: current portion of lease liabilities	**(25,086,962)**	(24,634,353)	(21,558,371)
Non – current portion of lease liabilities	**214,746,259**	152,416,192	179,510,598

13. GOVERNMENT LOAN

The group obtained government interest-free loan to finance the purchase of medical equipment and furniture. This is secured against the mortgage of the land and the building of the Company (note 9).

	December 31, 2023 SR	December 31, 2022 (Restated Note 26) SR	January 01, 2022 (Restated Note 26) SR
Balance as of January 01	**7,968,335**	10,446,870	14,663,035
Paid during the year	**(2,565,280)**	(2,478,535)	(4,216,165)
Balance as of December 31	**5,403,055**	7,968,335	10,446,870
Current portion of long-term government loans	**2,565,278**	2,565,278	2,478,532
Non-current portion of long-term government	**2,837,777**	5,403,057	7,968,338
Balance as of December 31	**5,403,055**	7,968,335	10,446,870

The Government grant represents the difference between the fair value and carrying value of the interest free loan obtained from Ministry of Finance to fund the purchase of medical equipment and furniture.

13. GOVERNMENT LOAN (continued)

The movement of the government grant during the year is shown as follows:

	2023 SR	2022 SR	2023 SR
Balance as of January 01	**564,176**	929,816	1,443,023
Amortization during the year	**(278,889)**	(365,640)	(513,207)
Balance as of December 31	**285,287**	564,176	929,816

	December 31, 2023 SR	December 31, 2022 (Restated Note 26) SR	January 01, 2022 (Restated Note 26) SR
Current portion of deferred government grant	**189,107**	278,892	365,640
Non-current portion of deferred government grant	**96,180**	285,284	564,176
	285,287	564,176	929,816

14. ACCRUED EXPENSES AND OTHER LIABILITIES

	December 31, 2023 SR	December 31, 2022 (Restated Note 26) SR	January 01, 2022 (Restated Note 26) SR
Employees' salaries and benefits	**47,101,743**	41,508,574	41,872,621
Value added tax	**13,599,521**	9,617,834	8,369,895
Advance from customers	**10,629,187**	9,454,405	7,272,769
Provision for contingent liabilities	**3,300,000**	3,300,000	1,200,000
General organization for social insurance	**2,352,727**	2,092,973	1,581,620
Accrued expenses	**1,541,438**	1,645,369	527,561
Unearned other revenue	**1,158,048**	2,334,559	1,907,537
Others	**9,521,095**	6,418,816	5,254,986
	89,203,759	76,372,530	67,986,989

15. ZAKAT PAYABLE

The principal elements of the zakat base are as follows:

	December 31, 2023 SR	December 31, 2022 SR
Non-current assets	**1,455,824,584**	1,391,512,189
Non-current liabilities	**518,265,731**	505,282,507
Opening shareholders' equity	**731,834,522**	684,245,692
Profit before zakat	**174,699,588**	107,115,512
Dividends	**60,000,000**	50,000,000

Some of these amounts have been adjusted in arriving at the zakat charge for the year.

15. ZAKAT PAYABLE (continued)

The movement in Zakat provision for the years ended December 31, is as follows:

	December 31, 2023 SR	December 31, 2022 SR
Balance as of January 01	**3,957,230**	3,321,202
Charge for the current year	**6,003,547**	4,154,844
Paid during the year	**(4,246,135)**	(3,518,816)
Balance as of December 31	**5,714,642**	3,957,230

Status of assessments:
Zakat declarations were submitted to the Zakat, Tax and Customs Authority (ZATCA) for all years up to December 31, 2023, and the Group obtained the final assessment up to the year ended 2018, and it is still, awaiting the final assessments for the years from 2019 up to 2023 from ZATCA.

16. EMPLOYEES DEFINED BENEFITS LIABILITIES

The Group provides end of service benefits to its employees. The entitlement is based upon the employees' final salary and length of service, provided that a minimum period of service is completed. The entitlement is calculated according to the Saudi Arabian Labor Law and is payable upon resignation or termination of the employee.

	December 31, 2023 SR	December 31, 2022 SR
Employees' benefit liability	**155,938,697**	147,367,361

The movement of present value of total employee benefits liability recognised in the statement of financial position is as follows:

	December 31, 2023 SR	December 31, 2022 SR
January 1	**147,367,361**	134,284,750
Included in profit or loss		
Current service cost	**17,895,328**	15,928,476
Interest cost	**6,379,864**	3,108,347
	24,275,192	19,036,823
Re-measurement (gains) / losses	**(4,518,662)**	5,371,838
Benefits paid	**(11,185,194)**	(11,326,050)
December 31	**155,938,697**	147,367,361

16. EMPLOYEES DEFINED BENEFITS LIABILITIES (continued)

The expense recognised in the reissued statement of profit or loss and other comprehensive income is as follows:

	2023 **SR**	2022 SR
Current service cost	**17,895,328**	15,928,476
Interest cost	**6,379,864**	3,108,347
	24,275,192	19,036,823

Actuarial assumptions
The main financial assumptions used to calculate the indicative defined unfunded benefit plans liabilities are as follows:

	December 31, 2023	December 31, 2022
Discount rate	**4.75%**	4.50%
Future salary growth/expected rate of salary increase	**3.00%**	4.50%
Withdrawal rate	**22%**	14%

The sensitivity of employee benefits obligation to changes in the weighted principal assumptions is as follows:

	December 31, 2023		
	Impact on employee benefits liability Increase/(decrease) in actual figures		
	Change in assumption by	**Increase in assumption**	**Decrease in assumption**
Discount rate	1%	**143,427,343**	**154,876,629**
Future salary growth/expected rate of salary increase	1%	**154,921,907**	**143,286,797**

	December 31, 2022		
	Impact on employee benefits liability Increase/(decrease) in actual figures		
	Change in assumption by	Increase in assumption by	Decrease in assumption by
Discount rate	1%	137,213,580	148,554,855
Future salary growth/expected rate of salary increase	1%	148,584,816	137,087,288

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented may not be representative of the actual change in the employee benefits liability as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

16. EMPLOYEES DEFINED BENEFITS LIABILITIES (continued)

In presenting the sensitivity analysis, the present value of the employee benefits liability has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the employee benefits liability recognised in the statement of financial position.
There was no change in the method and assumption used in preparing the sensitivity analysis from prior year.

During the year, an independent actuarial exercise has been conducted to ensure the adequacy of provision for employees' end of service benefits in accordance with the rules stated under the Saudi Arabian Labor Law by using the Projected Unit Credit Method as required under IAS 19.

The expected maturity analysis of the employees benefit liability is as follows:

The weighted average duration of the end of service benefits is 6 years.

	December 31, 2023 SR	December 31, 2022 SR
Expected total benefits payment		
Year 1	**46,735,444**	40,615,779
Year 2	**20,203,961**	17,856,561
Year 3	**18,251,815**	15,355,755
Year 4	**18,347,696**	15,132,843
Year 5	**13,703,209**	13,336,383
Year 6	**74,944,571**	70,668,681

17. SHARE CAPITAL

Capital consists of 8,500,000 shares (2022: 8,500,000 shares) of SR 10 (2022: SR 10) each fully paid and held as of December 31, 2023, and December 31, 2022, as follows:

Name	**Nationality**	**Number of shares**	**Percentage**	**Amount**
Abdulrahman Saad Al-Rashid & Sons Co.	**Saudi**	**3,433,500**	**40.39%**	**34,335,000**
Abdullah Saad Al-Rashid & Sons, Co.	**Saudi**	**1,754,481**	**20.64%**	**17,544,810**
Al Thomad Trading & Contracting Co.	**Saudi**	**1,716,750**	**20.20%**	**17,167,500**
Rashid Al-Rashid & Sons Co.	**Saudi**	**1,106,769**	**13.02%**	**11,067,690**
Dr. Khaled Al Sebaiay	**Saudi**	**325,000**	**3.83%**	**3,250,000**
Dr. Mohammad Saleh Al Konbaz.	**Saudi**	**163,500**	**1.92%**	**1,635,000**
		8,500,000	**100.00%**	**85,000,000**

18. STATUTORY RESERVE

In accordance with Saudi Arabian Regulations for Companies, the Company has set aside 10% of its yearly net income until it has built a reserve equal to 30% of the share capital. The reserve is not available for dividend distribution.

19. GENERAL AND ADMINISTRATIVE EXPENSES

	2023	2022
	SR	SR
Employees' salaries & benefits	**92,177,375**	78,946,922
Depreciation	**10,412,800**	12,822,370
Repair and maintenance	**7,490,959**	7,015,847
Expected credit losses	**6,214,023**	36,125,726
Subscription	**2,136,821**	2,078,307
Rents	**1,417,842**	2,033,845
Others	**12,801,525**	10,456,653
	132,651,345	149,479,670

20. DIVIDEND DISTRIBUTION

The board of directors approved annual dividend amounting to SR 60 million for the year ended December 31, 2022 (SR 50 million for the year ended December 31, 2021) in their meeting held on February 28, 2023.

21. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties include the shareholders, affiliated companies, directors, and relatives thereof. The terms and conditions of such transactions are approved by the management:

Name of Related Party	**Relationship**
Saudi Bunyan Company	Common Directorship
Snow Bright Laundry Company	Common Directorship
Adeem Al Sahra Trading Company	Owned by a close family member of a director
Cotton Experts	Owned by a close family member of a director
Code Invention Company	Owned by a close family member of a director
Mr. Sulaiman Abdulrahman Al-Rashid	Chairman of Board of Directors
Al-Thomad Travel and Tourism Company	Shareholder
Rashid Saad Al Rashid & Sons Company	Shareholder
Abdullah Saad Al Rashid & Sons Company	Shareholder
Dr. Mohammad Saleh Al Konbaz	Shareholder
Dr. Khalid Al Sebaiay	Shareholder
Abdulrahman Saad Al-Rashid & Sons Company	Shareholder
Mr. Abdulrahman Al-Rashid	Director
Mr. Rashid Saad Al-Rashid	Director
Mr. Omran AbdulRahman Al-Rashid	Director
Mr. Yousef Rashid Al-Rashid	Director
Abdallah A. Al-Twaijri	Director
Family members of shareholders, board members, and those related them	Family Members

21. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

The significant transactions and the related approximate amounts are as follows:

Transactions with Related Parties	2023 SR	2022 SR
Purchases and services	**19,463,505**	5,740,322
Lease rentals payments	**16,236,893**	14,813,663
Expense incurred on behalf of related party	**9,589,482**	601,811
Revenue	**1,633,461**	1,956,267

Due from related parties

	December 31, 2023 SR	December 31, 2022 (Restated note 26) SR	January 01, 2022 (Restated note 26) SR
Saudi Bunyan Company	**124,643**	380,776	69,291
Code Invention Company	**48,621**	-	-
Rashid Saad Al Rashid & Sons Company	**4,453**	6,915	30,019
Mr. Omran AbdulRahman Al-Rashid	**235,511**	9,757	349,359
Mr. Yousef Rashid Al-Rashid	**78,941**	6,802	16,522
Mr. Sulaiman Abdulrahman Al-Rashid	**29,617**	71,702	399,302
Mr. Abdulrahman Al-Rashid	**22,768**	9,237	265,573
Mr. Rashid Saad Al-Rashid	**18,250**	15,231	51,649
Dr. Mohammad Saleh Al Konbaz	**1,796**	94,970	100,233
Abdallah A. Al-Twaijri	**720**	11,805	-
Dr. Khalid Al Sebaiay	**-**	31,650	45,780
Family members of shareholders, board members, and those related them	**449,212**	801,644	1,034,186
	1,014,532	1,440,489	2,361,914

The amount due from related parties represent health care services provided to those related parties in the course of ordinary business with other customers.

Due to related parties

	December 31, 2023 SR	December 31, 2022 (Restated note 26) SR	January 01, 2022 (Restated Note 26) SR
Snow Bright Laundry Company	**377,339**	197,862	180,595
Al-Thomad Travel and Tourism Company	**326,912**	437,412	172,526
Cotton Experts Company	**131,781**	-	-
Adeem Al Sahra Trading Company	**59,492**	-	-
Code Invention Company	**-**	290,000	97,129
	895,524	925,274	450,250

21. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Compensation of key management personnel of the group:

	2023 **SR**	2022 SR
Short term employment benefits	**10,167,130**	10,041,682
Board of Directors' remuneration	**1,500,000**	1,500,000
Post employment benefits	**993,011**	1,011,595
	12,660,141	12,553,277

22. COMMITMENTS AND CONTINGENCIES

Capital commitments
The Group has capital commitment mainly for both expansions and projects under construction, as follows:

	December 31 2023 SR	December 31 2022 SR
Capital commitments *	**23,544,956**	24,403,826

* The commitments are relating to various construction contracts projects with Abdulrahman Saad Al-Rashid & Sons Co., a major shareholder in the group.

Letter of guarantees
The Group has guarantees related to, as follows:

	December 31 2023 SR	December 31 2022 SR
Letter of guarantees	**25,307,591**	23,840,745

23. EARNINGS PER SHARE

Basic earnings per share (EPS) are calculated by dividing profit for the year attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares in issue outstanding during the year.

	2023 SR	2022 (Restated note 26) SR
Total profit for the year attributable to the shareholders	**168,696,041**	102,960,668
Weighted average number of ordinary shares outstanding for basic EPS	**8,500,000**	8,500,000
Earnings per share – basic and diluted	**19.85**	12.11

24. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As the group financial instruments are compiled under the historical cost convention, differences may arise between the book values and fair value estimates. Management believes that the fair values of the group financial assets and liabilities are not materially different from their carrying values.

The management assessed that cash and short-term deposits, trade and other receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The table below shows the carrying amounts of financial assets and liabilities:

Financial Assets **Amortised cost**	Notes	**December 31, 2023** **SR**	December 31, 2022 (Restated Note 26) SR	January 01, 2022 (Restated Note 26) SR
Trade and other receivables	6	**508,445,998**	425,611,639	340,637,480
Due from related parties	21	**1,014,532**	1,440,489	2,361,914
Other debit balances	8	**1,493,000**	2,058,718	3,395,316
Cash and cash equivalents	5	**47,822,985**	21,783,087	12,816,106
		558,776,515	450,893,933	359,210,816

Financial Liabilities **Amortised cost**		**December 31, 2023** **SR**	December 31, 2022 (Restated Note 26) SR	January 01, 2022 (Restated Note 26) SR
Long term loans	11 & 13	**206,831,626**	242,968,335	313,196,870
Short term loans	10	**415,000,000**	395,000,000	335,000,000
Lease liabilities	12	**239,833,221**	177,050,545	201,068,969
Due to related parties	21	**895,524**	925,274	450,250
Trade payables		**115,478,265**	110,802,373	95,933,385
		978,038,636	926,746,527	945,649,474

24. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Fair value measurement *(continued)*

When measuring the fair value of an asset or a liability, the group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Management believes that its estimates and judgments are reasonable and adequate.

Financial risk management

The Board of Directors of the group has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is also responsible for developing and monitoring the Group's risk management policies.

The group has exposure to the following risks from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk
- Foreign Currency risk
- Commission rate risk
- Capital Management

Credit risk

Credit risk is the risk that one party will fail to discharge its obligation and will cause the other party to incur a financial loss.

The group assets that are subject to credit risks comprise of bank balances, bank deposits, advances to suppliers, receivables and other debit balances. Cash is placed with banks with high credit ratings and credit limits to the customers are monitored on regular basis thus reduces credit risk.

The group does not believe that there is a significant risk of non-performance by these financial institutions, the group does not consider itself exposed to a concentration of credit risk with respect to accounts receivable due to its diverse customer base operating in various industries and located in many regions.

The carrying amount of the financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the financial position date was as follows:

24. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Credit risk (continued)

	December 31, 2023 SR	December 31, 2022 (Restated Note 26) SR	January 01, 2022 (Restated Note 26) SR
Trade and other receivables	**508,445,998**	425,611,639	340,637,480
Due from related parties	**1,014,532**	1,440,489	2,361,914
Other debit balances	**1,493,000**	2,058,718	3,395,316
Cash and cash equivalents	**47,822,985**	21,783,087	12,816,106
	558,776,515	450,893,933	359,210,816

Liquidity risk
Liquidity risk is the risk that the group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis to ensure that sufficient funds are available to meet any future commitments. The group approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, without incurring unacceptable losses or risking damage to the group reputation.

The following are the contracted maturities of financial liabilities, including estimated interest payments:

December 31, 2023	**Carrying Amount SR**	**Contractual Cash Flows SR**	**Less than a year SR**	**More than a year SR**
Non-derivative financial liabilities				
Long term loans	**206,831,626**	**230,557,374**	**71,603,211**	**158,954,163**
Short term loan	**415,000,000**	**424,931,250**	**424,931,250**	**-**
Lease liabilities	**239,833,221**	**336,778,098**	**25,549,819**	**311,228,279**
Due to related parties	**895,524**	**895,524**	**895,524**	**-**
Trade payables	**115,478,265**	**115,478,265**	**114,708,998**	**769,267**
	978,038,636	**1,108,640,511**	**637,688,802**	**470,951,709**

December 31, 2022	Carrying Amount SR	Contractual Cash Flows SR	Less than a year SR	More than a year SR
Non-derivative financial liabilities				
Long term loans	242,968,335	281,546,472	51,553,288	229,993,184
Short term loan	395,000,000	405,672,343	405,672,343	-
Lease liabilities	177,050,545	201,104,430	25,128,233	175,976,197
Due to related parties	925,274	925,274	925,274	-
Trade payables	110,802,373	110,802,373	109,695,464	1,106,909
	926,746,527	1,000,050,892	592,974,602	407,076,290

24. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risk such as equity price risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings and deposits.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Management monitors the fluctuation in currency exchange rates and believes that the currency risk is not significant. The Group’s transaction is principally in Saudi Riyals.

Commission rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group’s financial assets and liabilities as of the consolidated financial position date, except for some banking facilities and long-term loans, are not exposed to interest rate risk.

Capital management
Capital includes equity attributable to the equity holders of the parent. The primary objective of the Group’s capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

In order to achieve this overall objective, the Group’s capital management, amongst other things, aims to ensure that it meets financial covenants attached to the loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest bearing loans and borrowing in the current period. Surplus cash is either reinvested in the business, used to repay debt or returned to shareholders.

No changes were made in the objectives, policies or processes for managing capital during the year ended December 31, 2023.

25. SEGMENT INFORMATION

As the operations of the Group are conducted in the Kingdom of Saudi Arabia, accordingly, for management purposes, the Group is organized into business units based on its products and services and has two reportable segments. Operating segments is determined based on the Group's internal reporting to the Chief Operating Decision Maker ("CODM"). The CODM has been determined to be the Chief executive officer (CEO) as he is primarily responsible for the allocation of resources to segments and the assessment of the performance of each of the segments. Revenue and segment profit is a consistent measure within the Group. The identified key segments are medical services, and trading and retail.

The following table presents segment information (assets, liabilities, revenue and net income) foreach of the business segments as at and for the year ended December 31:

	Medical services SR	**Trading, retail & others SR**	**Total SR**
For the year ended December 31, 2023			
Revenue	**1,105,991,035**	**261,938,532**	**1,367,929,567**
Gross profit	**282,886,947**	**73,562,293**	**356,449,240**
As of December 31, 2023			
Total assets	**2,074,230,246**	**-**	**2,074,230,246**
Total liabilities	**1,196,949,151**	**32,231,870**	**1,229,181,021**

	Medical services SR	Trading, retail & others SR	Total SR
For the year ended December 31, 2022			
Revenue	1,007,990,300	200,663,739	1,208,654,039
Gross profit	229,840,676	55,834,595	285,675,271
As of December 31, 2022			
Total assets	1,886,842,346	-	1,886,842,346
Total liabilities	1,119,582,365	35,425,459	1,155,007,824

26. COMPARATIVE INFORMATION

The consolidated financial statements for the years ended December 31, 2022 and 2021 have been restated due to errors identified in the classification and adjustments of certain balances and expenses. In accordance with the requirements of IAS 1 Presentation of Financial Statements and IAS 8 Accounting policies, Changes in Estimates and Errors, the above items have been corrected retrospectively and accordingly balances in the consolidated statement of financial position as of January 01, 2022 and December 31, 2022 have been restated and the consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2022 has been reclassified/restated as follows:

December 31, 2022	Notes	As previously reported SR	Reclassification SR	Restatement SR	Restated Amount SR
Statement of financial position					
Property and equipment	i	1,391,512,189	(178,426,063)	-	1,213,086,126
Right-of-use assets	i	-	178,426,063	-	178,426,063
Trade and other receivables	iv to vii	512,024,033	1,912,980	(88,325,374)	425,611,639
Due from related parties	v	-	1,440,489	-	1,440,489
Prepayments and other assets	iii & iv	30,312,152	(3,872,782)	-	26,439,370
Cash and cash equivalents	iii	21,263,774	519,313	-	21,783,087
Retained earnings	vi	685,506,658	-	(88,325,374)	597,181,284
Non-current portion of long-term loans	xii	243,703,704	(45,000,000)	-	198,703,704
Non-current portion of lease liabilities	i	156,087,803	(3,671,611)	-	152,416,192
Non-current portion of deferred income government grant	viii	564,176	(278,892)	-	285,284
Long term trade payables	ix	-	1,106,909	-	1,106,909
Trade payables	vii & ix to xi	111,437,647	(1,742,183)	-	109,695,464
Due to related parties	xi	-	925,274	-	925,274
Short-term loans	xii	350,000,000	45,000,000	-	395,000,000
Current portion of lease liabilities	i	19,680,485	4,953,868	-	24,634,353
Current portion of deferred income government grant	viii	-	278,892	-	278,892
Current portion of finance lease liabilities	i	1,282,257	(1,282,257)	-	-
Accrued expenses and other liabilities	x	76,662,530	(290,000)	-	76,372,530
Statement of profit or loss and other comprehensive income for the year ended December 31, 2022					
Revenue	vi & xvi	1,212,154,039	-	(3,500,000)	1,208,654,039
Cost of revenue	xiii	(907,425,122)	(15,553,646)	-	(922,978,768)
General and administrative expenses	vi & xiii to xv	(137,626,059)	20,806,861	(32,660,472)	(149,479,670)
Expected credit loss on trade and other receivables	vi	(3,280,955)	3,280,955		-
Finance cost	xv	(26,759,549)	(3,061,445)	-	(29,820,994)
Net profit for the year before Zakat		137,803,259	5,472,725	(36,160,472)	107,115,512
Re measurement of employees defined benefits liabilities	xiv	100,887	(5,472,725)	-	(5,371,838)
Statement of cash flows					
Net cash generated from operating activities		178,430,612	(948,699)	-	177,481,913
Net cash used in financing activities		(108,687,687)	993,968	-	(107,693,719)

26. COMPARATIVE INFORMATION (continued)

2021	Notes	As previously reported SR	Reclassification SR	Restatement SR	Restated Amount SR
Statement of Financial position					
Property and equipment	i & ii	1,436,851,319	(415,321,635)	-	1,021,529,684
Right of use assets	i	-	209,805,591	-	209,805,591
Trade and other receivables	v, vi &vii	398,241,470	(5,439,088)	(52,164,902)	340,637,480
Due from related parties	v	-	2,361,914	-	2,361,914
Prepayments and other assets	ii & iii	24,963,897	205,042,000	-	230,005,897
Cash and cash equivalents	iii	12,342,062	474,044	-	12,816,106
Retained earnings	vi	601,757,356	-	(52,164,902)	549,592,454
Non-current portion of lease liabilities	i	177,863,469	1,647,129	-	179,510,598
Non-current portion of deferred income government grant	viii	929,816	(365,640)	-	564,176
Long term trade payable	ix	-	5,524,097	-	5,524,097
Non-current portion of finance lease liabilities	i	1,647,129	(1,647,129)	-	-
Trade payables	vii, ix & xi	99,460,809	(9,051,521)	-	90,409,288
Due to related parties	xi	-	450,250	-	450,250
Current portion of lease liabilities	i	19,204,845	2,353,526	-	21,558,371
Current portion of deferred income government grant	viii	-	365,640	-	365,640
Current portion of finance lease liabilities	i	2,353,526	(2,353,526)	-	-

Reissued consolidated statement of financial position reclassifications:

i) As of December 31, 2022 and January 01, 2022, building and renovation, medical equipment, and furniture and fixtures included amounts of SR 16,087,068 and SR 21,884,181 respectively, representing right-of-use assets that were incorrectly classified under property and equipment. Consequently, management reclassified these amounts to right-of-use assets, resulting in total right-of-use assets of SR 178,426,063 and SR 209,805,591 as of December 31, 2022, and January 01, 2022, respectively. Management identified the right-of-use asset amount as material and accordingly reclassified it as a separate line item in the reissued consolidated financial statements. Additionally, management reclassified related amounts of SR 1,282,257 and SR 2,353,526 from current portions of finance lease liabilities to current portions of lease liabilities as of December 31, 2022 and January 01, 2022, respectively, and amounts of SR nil and SR 1,647,129 from non-current portions of finance lease liabilities to non-current portions of lease liabilities as of December 31, 2022 and January 01, 2022, respectively, and amount of SR 3,671,611 from non-current portion of lease liability to current portion of lease liability as of December 31, 2022.

ii) In 2021, the Company paid an advance of SR 205,516,044 for the purchase of land, which was recorded under property and equipment as of January 01, 2022. However, the title deed of the land was transferred to the Company in 2022. Accordingly, the Company reclassified the advance paid from property and equipment to Prepayments and other assets as of January 01, 2022, and recorded the land under property and equipment in 2022.

iii) During the year, the Company identified that as of December 31, 2022, and January 01,2022, petty cash amounts of SR 519,313 and SR 474,044 respectively, previously included under Prepayments and other assets, which should have been classified under Cash and cash equivalents. Consequently, the Company reclassified these amounts from Prepayments and other assets to Cash and cash equivalents as of December 31, 2022, and January 01, 2022. This reclassification has been made to present the liquidity of these funds more accurately in accordance with the Company’s accounting policies.

26. COMPARATIVE INFORMATION (continued)

iv) As of December 31, 2022, Prepayments and other assets included trade and other receivables amounting to SR 3,353,469. As a result, the Company has reclassified this amount as of December 31, 2022 from prepayment and other assets to trade and other receivables.

v) As of December 31, 2022, and January 01, 2022, trade and other receivables included related party balances amounting to SR 1,440,489 and SR 2,361,914 respectively. As a result, the Company has reclassified the amount of SR 1,440,489 and SR 2,361,914 on December 31, 2022, and January 01, 2022 from trade and other receivables to due from related parties respectively.

vi) During the year, the Company identified that adequate expected credit loss allowance on trade and other receivables was not recognised as of December 31, 2022, and January 01, 2022. Consequently, the Company has recognised the required allowances for expected credit loss amounting to SR 81,325,374 and SR 48,664,902 as of December 31, 2022, and January 01, 2022, respectively. Accordingly, an additional amount of SR 32,660,472 has been recognised under general and administrative expenses during the year ended December 31, 2022. Furthermore, an amount of SR 3,280,955, previously recognised on the face of the statement of profit or loss and other comprehensive income, has also been reclassified to general and administrative expenses during the year ended December 31, 2022.

The Company identified that trade and other receivables in previously issued consolidated financial statements for the year ended December 31, 2021 and 2022 included an amount of SR 3.5 million and 3.5 million respectively related to insurance claims which was rejected. Accordingly, trade and other receivables and retained earnings has been decreased by SR 7 million in these reissued consolidated financial statements.

vii) As of December 31, 2021, the trade payable included an amount of 3,077,174 payable to wholly owned subsidiary and trade and other receivables included same amount as receivable in subsidiary account. This balance should be eliminated from consolidated financial statements, accordingly, the company eliminated SR 3,077,174 from trade and other receivables and trade payable as of December 31, 2021.

viii) During the year, the Company classify current and non-current portion of deferred income government grant separately, as a result, the Company has reclassified SR 278,892 and SR 365,640 as of December 31, 2022 and January 01, 2022, respectively, from non-current portion of deferred income government grant to current portion of deferred income government grant.

ix) During the year, the Company identified that trade payables include long term payables of SR 1,106,909 and SR 5,524,097 as of December 31, 2022 and January 01, 2022 respectively. As a result, the Company has reclassified SR 1,106,909 and SR 5,524,097 as of December 31, 2022, and January 01, 2022, from trade payables to long term trade payables.

x) During the year, the Company identified that accrued expenses and other credit liabilities include trade payables balance of SR 290,000 as of December 31, 2022. As a result, the Company has reclassified SR 290,000 as of December 31, 2022, from accrued expenses and other credit liabilities to trade payables.

xi) As of December 31, 2022, and January 01, 2022, trade payables included related party balances amounting to SR 925,274 and SR 450,250 respectively. As a result, management has reclassified the amount of SR 925,274 and SR 450,250 from trade payables to due to related parties.

xii) During the year, the Company identified that short term loan of SR 45,000,000 was classified as long term loan as of December 31, 2022. As a result, the Company has classified SR 45,000,000 from long term loan to short term loan.

xiii) During the year ended December 31, 2022, management identified that certain cost of sales expenses amounting to SR 15,553,646 was classified in general and administrative expenses. Accordingly, these expenses have been reclassified to cost of sales.

xiv) During the year ended December 31, 2022, the re-measurement loss on of employees defined benefits liabilities amounting SR 5,472,725 was included under general and admins expenses. Accordingly, these losses have been reclassified to Re-measurement of employees defined benefits liabilities.

26. COMPARATIVE INFORMATION (continued)

xv) During the year ended December 31, 2022, management classified interest cost associated with end of service balance from General and administrative expenses to finance cost amounting to SR 3,061,445.

xvi) In addition, the Company identified that trade and other receivables in previously issued consolidated financial statements for the year ended December 31, 2021 and 2022 included an amount of SR 3.5 million and 3.5 million respectively related to insurance claims which was rejected. Accordingly, trade and other receivables and retained earnings has been decreased by SR 7 million in these reissued consolidated financial statements.

27. REISSUED CONSOLIDATED FINANCIAL STATEMENTS ADJUSTMENTS

The Group has reissued consolidated financial statements for current year to replace the consolidated financial statements that were approved on 28 Dhul-Qidah 1445 (Corresponding June 5, 2024), the details of adjustments made on the consolidated statement of financial position, the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows are as follows:

Reissued consolidated statement of financial position:

	Notes	Before reissuance December 31, 2023 SR	Adjustments	After reissuance December 31, 2023 SR
Assets				
Current assets				
Cash and cash equivalents	vi	**47,295,219**	**527,766**	**47,822,985**
Trade and other receivables	iv & v	**635,602,392**	**(127,156,394)**	**508,445,998**
Due from related parties		**1,014,532**	**-**	**1,014,532**
Inventories		**25,948,321**	**-**	**25,948,321**
Prepayments and other assets	vi & vii	**36,051,253**	**(877,427)**	**35,173,826**
Total current assets		**745,911,717**	**(127,506,055)**	**618,405,662**
Non-current assets				
Property and equipment	i & iii	**1,363,241,968**	**(136,664,295)**	**1,226,577,673**
Right-of-use assets	i & ii	**-**	**229,246,911**	**229,246,911**
Total non-current assets		**1,363,241,968**	**92,582,616**	**1,455,824,584**
Total assets		**2,109,153,685**	**(34,923,439)**	**2,074,230,246**

27. REISSUED CONSOLIDATED FINANCIAL STATEMENTS ADJUSTMENTS (continued)

	Notes	Before reissuance December 31, 2023 SR	Adjustments	After reissuance December 31, 2023 SR
Liabilities and Equity				
Current liabilities				
Trade payables	viii & ix	**114,460,690**	**248,308**	**114,708,998**
Due to related parties	viii	**704,251**	**191,273**	**895,524**
Short-term loans		**415,000,000**	**-**	**415,000,000**
Long-term loans		**57,551,020**	**-**	**57,551,020**
Lease liabilities		**25,086,962**	**-**	**25,086,962**
Government loans		**2,565,278**	**-**	**2,565,278**
Deferred government grant		**189,107**	**-**	**189,107**
Current portion of letter of credit	ix	**439,581**	**(439,581)**	**-**
Accrued expenses and other liabilities	vii	**89,553,420**	**(349,661)**	**89,203,759**
Zakat Payable		**5,714,642**	**-**	**5,714,642**
Total current liabilities		**711,264,951**	**(349,661)**	**710,915,290**
Non-current liabilities				
Long-term loans		**143,877,551**	**-**	**143,877,551**
Government loan		**2,837,777**	**-**	**2,837,777**
Lease liabilities	ii	**133,030,596**	**81,715,663**	**214,746,259**
Deferred government grant		**96,180**	**-**	**96,180**
Trade payables		**769,267**	**-**	**769,267**
Employees defined benefits liabilities		**155,938,697**	**-**	**155,938,697**
Total non-current liabilities		**436,550,068**	**81,715,663**	**518,265,731**
Total liabilities		**1,147,815,019**	**81,366,002**	**1,229,181,021**
Equity				
Share capital		**85,000,000**	**-**	**85,000,000**
Statutory reserve		**49,653,238**	**-**	**49,653,238**
Retained earnings	iv & v	**826,685,428**	**(116,289,441)**	**710,395,987**
Total equity		**961,338,666**	**(116,289,441)**	**845,049,225**
Total Liabilities and equity		**2,109,153,685**	**(34,923,439)**	**2,074,230,246**

27. REISSUED CONSOLIDATED FINANCIAL STATEMENTS ADJUSTMENTS (continued)

Reissued consolidated statement of profit or loss and other comprehensive income:

	Notes	Before reissuance December 31, 2023 SR	Adjustments	After reissuance December 31, 2023 SR
Revenue	v	1,404,152,040	(36,222,473)	1,367,929,567
Cost of revenue	ii, iii, x & xii	(1,010,981,945)	(498,382)	(1,011,480,327)
Gross profit		393,170,095	(36,720,855)	356,449,240
General and administrative expenses	iv, xi to xiii	(141,004,308)	8,352,963	(132,651,345)
Selling and marketing expenses		(9,215,406)	-	(9,215,406)
Expected credit loss on account receivables	iv	(3,605,476)	3,605,476	-
Operating profit		239,344,905	(24,762,416)	214,582,489
Finance costs	ii & xi	(42,952,951)	(5,505,845)	(48,458,796)
Other income	xiii	10,212,778	(1,636,883)	8,575,895
Profit for the year before zakat		206,604,732	(31,905,144)	174,699,588
Zakat		(6,003,547)	-	(6,003,547)
Profit for the year		200,601,185	(31,905,144)	168,696,041
Other comprehensive income:				
Items which will not be reclassified to profit or loss:				
Re-measurement of employees defined benefits liabilities	x	577,585	3,941,077	4,518,662
Total other comprehensive loss for the year		577,585	3,941,077	4,518,662
Total comprehensive income for the year		201,178,770	(27,964,067)	173,214,703
Earnings per share (EPS)		23.60	(3.75)	19.85

i) As of December 31, 2023, building and renovation included amounts of SR 10,289,951 representing right-of-use assets that were incorrectly classified under property and equipment, Consequently, management reclassified this amount to right-of-use assets, resulting in total right-of-use assets of SR 152,296,184 as of December 31, 2023. Management identified the right-of-use asset amount as material and accordingly reclassified it as a separate line item in these reissued consolidated financial statements.

ii) In 2023, lease term of a building was increased by way of lease modification which was not accounted for by the Company in previously issued financial statements. This modification results in increase of right of use of assets and lease liability by SR 78,005,617 at modification date, and addition of cost of revenue and finance costs of SR 1,054,890 and SR 3,710,046 respectively. Accordingly, right of use of assets and lease liability as of December 31, 2023 have been increased by SR by SR 76,950,727 and SR 81,715,663 respectively, and cost of revenue and finance costs has been increased by SR 1,054,890, and SR 3,710,046 respectively in these reissued consolidated financial statements.

iii) In 2023, the Company revised estimated total useful lives of certain property and equipment which result in decrease in depreciation for the year by SR 15,631,889. Accordingly, property and equipment has been increased and cost of revenue has been decreased by SR 15,631,889 in these reissued consolidated financial statements.

27. REISSUED CONSOLIDATED FINANCIAL STATEMENTS ADJUSTMENTS (continued)

iv) The Company identified that expected credit loss allowance on trade and other receivables was not recognised as of December 31, 2023, December 31, 2022, and December 31, 2021. Consequently, the Company has recognised the required allowances for expected credit loss on trade and other receivables amounting to SR 2,608,547, and SR 32,660,472, and SR 48,664,902 as of December 31, 2023, December 31, 2022, and December 31, 2021, respectively in these reissued consolidated financial statements. Accordingly, general and administrative expenses for the year have been increased by 2,608,547 and retained earnings has been decreased by SR 81,325,374 as of December 31, 2023, in these reissued consolidated financial statements. Furthermore, expected credit loss amounting to SR 3,605,476, previously recognised on the face of the consolidated statement of profit or loss and other comprehensive income, has also been reclassified to general and administrative expenses in these reissued consolidated financial statements.

v) The Company identified that trade and other receivables in previously issued consolidated financial statements included an amount of SR 36,222,473 related to insurance claims which was rejected. Accordingly, trade and other receivables and revenue has been decreased by SR 36,222,473 in these reissued consolidated financial statements.

The Company identified that trade and other receivables in previously issued consolidated financial statements for the year ended December 31, 2021 and 2022 included an amount of SR 3.5 million and 3.5 million respectively related to insurance claims which was rejected. Accordingly, trade and other receivables and retained earnings has been decreased by SR 7 million in these reissued consolidated financial statements.

vi) The Company identified that prepayment and other assets in previously issued consolidated financial statements included petty cash amount of SR 527,766 which should have been classified under Cash and cash equivalents. Consequently, the Company reclassified this amount from Prepayments and other assets to Cash and cash equivalents in these reissued consolidated financial statements.

vii) The Company identified that prepayment and other assets in previously issued consolidated financial statements included an amount of SR 349,661 related to accrued expenses and other liabilities which should have been classified under accrued expenses and other liabilities. Consequently, the Company reclassified this amount from Prepayments and other assets to accrued expenses and other liabilities in these reissued consolidated financial statements.

viii) The Company identified that trade payables in previously issued consolidated financial statements included an amount of SR 191,273 which was due to related parties which should have been classified under due to related parties. Consequently, the Company reclassified this amount from trade payables to due to related parties in these reissued consolidated financial statements.

ix) The Company presented liabilities of SR 439,581 related to letter of credits on the face consolidated statement of financial position in previously issued consolidated financial statements which should have been classified under trade payables. Consequently, the Company reclassified this amount from letter of credits to trade payables in these reissued consolidated financial statements.

x) The Company identified that the re-measurement gain on of employees defined benefits liabilities amounting SR 3,941,077 was offset under cost of revenue in previously issued consolidated financial statements which should have been classified under other comprehensive income. Accordingly, this gain has been reclassified to Re-measurement of employees defined benefits liabilities under other comprehensive income in these reissued consolidated financial statements.

xi) The Company identified that interest cost of SR 1,795,799 associated with end of service benefit was classified under general and administrative expenses in previously issued consolidated financial statements which should have been classified under finance costs. Accordingly, interest cost has been reclassified to finance costs in these reissued consolidated financial statements.

27. REISSUED CONSOLIDATED FINANCIAL STATEMENTS ADJUSTMENTS (continued)

xii) The Company identified that depreciation for the year was not allocated correctly in previously issued consolidated financial statements. Accordingly, depreciation expense of SR 11,134,304 has been reclassified from general and administrative expense to cost of revenue in these reissued consolidated financial statements.

xiii) The Company identified that other income includes rental income of SR 1,636,883 earned from wholly owned subsidiary which was recorded in general and administrative expenses in subsidiary account in previously issued consolidated financial statements. This balance should be eliminated from consolidated financial statements. Accordingly, the Company eliminated SR 1,636,883 from general and administrative expenses and other income in these reissued consolidated financial statements.

xiv) Based on the adjustments above, the consolidated statement of cash flows for the year ended December 31, 2023 has been adjusted as follows:

	As previously reported SR	**Restatements and Reclassifications SR**	**Restated amounts SR**
Cash flows from operating activities	**231,364,254**	**2,007,192**	**233,371,446**
Cash flows from investing activities	**(71,165,201)**	**(838,020)**	**(72,003,221)**
Cash flows from financing activities	**(134,167,608)**	**(1,160,719)**	**(135,328,327)**

28. SUBSEQUENT EVENTS

The Company's share capital as of December 31, 2023 is SR 85 million (December 2022: SR 85 million) consisting of 8.5 million ordinary shares (December 2022: 8.5 million ordinary shares), fully paid up with a nominal value of SR 10. During the subsequent period, the Company resolved to increase the share capital by SR 165 million by capitalizing the retained earnings with a total value SR 165 million as per approval of the Board of Director dated August 27, 2024 and approval of Extraordinary General Assembly of the Company in its meeting held on September 15, 2024. The increase has been recorded as an additional contribution to share capital and the Company obtained the Ministry of Commerce approval and updated the Commercial Registration on November 19, 2024.

There were no events, except for aforementioned, subsequent to December 31, 2023, and occurring before the date of the approval of the financial statements that are expected to have a significant impact on these consolidated financial statements.

29. APPROVAL ON THE REISSUED CONSOLIDATED FINANCIAL STATEMENTS

The reissued consolidated financial statements have been approved by the board of directors on 11 Jumada II 1446 H (corresponding to December 12, 2024).