

**PERFECT PRESENTATION FOR COMMERCIAL
SERVICES COMPANY**

(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE AND NINE-MONTH PERIODS
ENDED SEPTEMBER 30, 2023**

PERFECT PRESENTATION FOR COMMERCIAL SERVICES COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023

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Independent Auditor's Review Report

To the Shareholders

Perfect Presentation for Commercial Services Company

(A Saudi Joint Stock Company)

Riyadh, Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Perfect Presentation for Commercial Services Company (the "Company") as at September 30, 2023, and the related interim condensed statement of profit or loss and other comprehensive income for the three and nine-month periods ended September 30, 2023, and the related interim condensed statements of changes in equity, and cash flows for the nine-month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 'Interim Financial Reporting ("IAS 34")', as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

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

Conclusion

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

Baker Tilly MKM & Co.
Certified Public Accountants



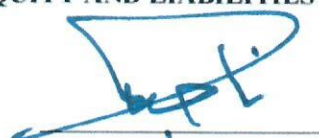
Majid Muneer Alnemer
(License No. 381)
Riyadh, on Rabi Al-Thani 22, 1445H
Corresponding to November 6, 2023G




PERFECT PRESENTATION FOR COMMERCIAL SERVICES COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2023

		September 30, 2023	December 31, 2022
	Note	Saudi Riyals (Unaudited)	Saudi Riyals (Audited)
ASSETS			
Non-Current Assets			
Property and equipment		145,256,864	131,124,467
Intangible assets		3,616,561	1,201,441
Investments at fair value through OCI		-	2,052,242
		<u>148,873,425</u>	<u>134,378,150</u>
Current Assets			
Inventory		534,998	294,737
Due from related parties	4	431,345	2,332,534
Contract assets	5	395,151,055	299,993,022
Trade receivables	6	412,775,982	286,489,810
Prepayments and other debit balances		29,198,369	16,496,287
Cash and cash equivalents		48,915,267	67,212,171
		<u>887,007,016</u>	<u>672,818,561</u>
TOTAL ASSETS		<u>1,035,880,441</u>	<u>807,196,711</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	7	150,000,000	150,000,000
Statutory reserve		13,145,523	13,145,523
Fair value reserve		-	1,535,592
Retained earnings		180,774,386	88,918,396
Total Equity		<u>343,919,909</u>	<u>253,599,511</u>
Liabilities			
Non-Current Liabilities			
Employees' defined benefits obligations		31,494,438	26,421,654
Non-current portion of long-term loans	8(a)	3,342,551	5,364,766
		<u>34,836,989</u>	<u>31,786,420</u>
Current Liabilities			
Trade payables		99,728,081	144,450,439
Due to related party	4	12,577,455	21,649,057
Short-term loans	8(b)	351,893,364	152,016,870
Current portion of long-term loans	8(a)	2,618,037	2,179,721
Contract liabilities	9	65,601,872	70,693,746
Accrued expenses and other credit balances		120,704,734	115,055,546
Dividends payable		-	10,500,000
Zakat payable		4,000,000	5,265,401
		<u>657,123,543</u>	<u>521,810,780</u>
Total Liabilities		<u>691,960,532</u>	<u>553,597,200</u>
TOTAL EQUITY AND LIABILITIES		<u>1,035,880,441</u>	<u>807,196,711</u>


Chairman of Board of
Directors
Nasser Al Bassam


Chief Executive
Officer
Ehsan Doughman


Chief Financial
Officer
Maher Bawadi

The accompanying notes form an integral part of these interim condensed financial statements

PERFECT PRESENTATION FOR COMMERCIAL SERVICES COMPANY
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023**

	Note	For the three-month period ended September 30		For the nine-month period ended September 30	
		2023	2022	2023	2022
		Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals
Revenue	10	270,319,314	207,365,359	741,766,151	639,109,179
Cost of revenue		(213,666,798)	(157,818,857)	(590,801,428)	(510,940,176)
Gross profit		56,652,516	49,546,502	150,964,723	128,169,003
Selling and marketing expenses		(2,012,718)	(1,193,718)	(4,864,601)	(2,943,405)
General and administrative expenses		(9,132,159)	(7,936,096)	(21,910,662)	(19,525,726)
Expected credit loss on contract assets and trade receivables	5&6	(1,477,337)	(858,527)	(8,273,017)	(2,288,242)
Profit from operations		44,030,302	39,558,161	115,916,443	103,411,630
Finance cost		(10,007,737)	(6,068,887)	(23,382,981)	(14,706,521)
Other income, net		658,073	259,220	1,134,221	777,660
Dividends from investments at fair value		-	8,001	-	22,235
Profit before zakat		34,680,638	33,756,495	93,667,683	89,505,004
Zakat		(1,099,089)	(1,500,000)	(3,125,078)	(4,452,739)
Profit for the period		33,581,549	32,256,495	90,542,605	85,052,265

Other comprehensive income

Items that will not be reclassified to profit or loss in subsequent periods:

Remeasurements on employees' defined benefit obligations		(535,693)	-	(580,160)	-
Revaluation of investment at fair value through OCI		-	132,103	357,953	433,520
Total other comprehensive income for the period		(535,693)	132,103	(222,207)	433,520
Total comprehensive income for the period		33,045,856	32,388,598	90,320,398	85,485,785

Earnings per share

Basic and diluted	11	0.22	0.22	0.60	0.57
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**Chairman of Board
of Directors**
Nasser Al Bassam



**Chief Executive
Officer**
Ehsan Doughman
**Chief Financial
Officer**
Maher Bawadi

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PERFECT PRESENTATION FOR COMMERCIAL SERVICES COMPANY
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INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

	Share Capital	Additional Share Capital	Statutory Reserve	Fair Value Reserve	Retained Earnings	Total Equity
	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals
For the nine-month period ended September 30, 2023						
Balance as at January 1, 2023	150,000,000	-	13,145,523	1,535,592	88,918,396	253,599,511
Profit for the period	-	-	-	-	90,542,605	90,542,605
Total other comprehensive income for the period	-	-	-	357,953	(580,160)	(222,207)
Total comprehensive income for the period	-	-	-	357,953	89,962,445	90,320,398
Transfer from fair value reserve to retained earnings	-	-	-	(1,893,545)	1,893,545	-
Balance as at September 30, 2023	150,000,000	-	13,145,523	-	180,774,386	343,919,909

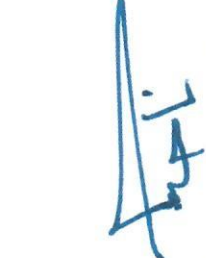


For the nine-month period ended September 30, 2023

Balance as at January 1, 2023
 Profit for the period
 Total other comprehensive income for the period
 Total comprehensive income for the period
 Transfer from fair value reserve to retained earnings
Balance as at September 30, 2023

For the nine-month period ended September 30, 2022

Balance as at January 1, 2022
 Profit for the period
 Total other comprehensive income for the period
 Total comprehensive income for the period
 Share capital increase
 Dividend
Balance as at September 30, 2022

20,000,000	6,670,311	6,000,000	984,854	126,061,825	159,716,990
-	-	-	-	85,052,265	85,052,265
-	-	-	433,520	-	433,520
130,000,000	(6,670,311)	(6,000,000)	433,520	85,052,265	85,485,785
-	-	-	-	(117,329,689)	-
150,000,000	-	-	1,418,374	(26,000,000)	(26,000,000)
				67,784,401	219,202,775

	
Chairman of Board of Directors Nasser Al Bassam	Chief Executive Officer Ehsan Doughman
	
	Chief Financial Officer Maher Bawadi

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INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

	For the nine-month period ended September 30, 2023 Saudi Riyals	For the nine-month period ended September 30, 2022 Saudi Riyals
Operating activities		
Profit before zakat	93,667,683	89,505,004
Adjustments for non-cash items:		
Depreciation and amortization	3,171,453	3,158,668
Expected credit loss on contract assets and trade receivables	8,273,017	2,288,242
Current service cost on employees' defined benefit obligations	10,029,469	11,191,960
Financing cost on employees' defined benefits	767,887	-
Changes in operating assets and liabilities:		
Inventory	(240,261)	714,324
Due from / to related parties	(7,170,413)	(23,340,280)
Contract assets	(98,688,192)	(37,753,591)
Trade receivables	(131,029,030)	(246,874,367)
Prepayments and other debit balances	(12,702,082)	(869,723)
Trade payables	(44,722,358)	26,989,642
Contract liabilities	(5,091,874)	11,168,063
Accrued expenses and other credit balances	5,649,188	(1,541,730)
Cash used in operations	(178,085,513)	(165,363,788)
Employees' defined benefits obligations paid	(6,304,732)	(6,334,361)
Zakat paid	(4,390,479)	(3,089,868)
Net cash used in operating activities	(188,780,724)	(174,788,017)
Investing activities		
Additions of property and equipment	(16,890,289)	(9,399,443)
Additions of intangible assets	(2,828,681)	-
Proceed from disposal of property and equipment	-	1,717
Proceed from investment at fair value through OCI	2,410,195	-
Net cash used in investing activities	(17,308,775)	(9,397,726)
Financing activities		
Net change in bank facilities	198,292,595	187,865,567
Dividends paid	(10,500,000)	(26,000,000)
Net cash generated from financing activities	187,792,595	161,865,567
Net change in cash and cash equivalents	(18,296,904)	(22,320,176)
Cash and cash equivalents at beginning of the period	67,212,171	69,459,058
Cash and cash equivalents at end of the period	48,915,267	47,138,882
Non-cash transactions		
Increase in share capital	-	130,000,000



**Chairman of Board
of Directors**
Nasser Al Bassam



**Chief Executive
Officer**
Ehsan Doughman



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PERFECT PRESENTATION FOR COMMERCIAL SERVICES COMPANY
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023

1. Company Information

Perfect Presentation for Commercial Services Company (the "Company") is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under commercial registration No. 1010203693 issued in Riyadh on Shawwal 25, 1425H (corresponding to December 8, 2004G).

The registered address of the Company is Alsheikh Abdullah Bin Gabreen Road, Al Qairawan district, P.O. Box 10552, Riyadh 11651, Kingdom of Saudi Arabia.

On Safar 16, 1444H (corresponding to September 12, 2022G), the Capital Market Authority Board issued its resolution approving Perfect Presentation for Commercial Services Company application for Registration and the offering of 4,500,000 shares representing (30%) of the company's share capital.

On Rabi' Al-Thani 22, 1444H (corresponding to November 16, 2022G), the Company's shares were traded on the Saudi stock exchange market (Tadawul) in the Kingdom of Saudi Arabia.

These financial statements include assets, liabilities, and the activities of the Company and its branches below:

CR number	Location	Register date
1010290349	Riyadh	Rajab 8, 1431H (corresponding to June 20, 2010G)
4031218300	Makkah	Safar 13, 1440H (corresponding to October 22, 2018G)
5900143626	Jizan	Dhu al-Hijjah 29, 1444H (corresponding to July 17, 2023G)

The Company's main activity is the installation and extension of computer and communications networks, wholesale of computers and their accessories, including (sale of printers and their inks), wholesale of software including import, provision of fixed communications services, provision of wholesale services for infrastructure, design and programming of special software, provision of SMS services and the provision of call center service, the provision of wired and wireless Internet services, systems analysis, the design and programming of special software, the provision of management and control service of communications and information networks, registration for the provision of cloud computing services, the establishment of infrastructure for hosting websites on the network, data processing services and related activities, research and development in the field of engineering and technology, user interface design and experience, robotics and virtual and augmented reality technology, application development, artificial intelligence techniques, biotechnology solutions, financial technology solutions, big data technologies and data analytics, installation of communication equipment, installation of central computers, repair and maintenance of personal computers and portable of all kinds and sizes, repair and maintenance of printers and optical scanners, repair and maintenance of screens, keyboard, mouse, and other similar accessories, repair and maintenance of engines, systems and fixed and portable information storage devices, repair and maintenance of wireless phones, repair and maintenance of military communication equipment, other activities of network gates, other activities of communications not previously mentioned, other computer programming activities, other activities such as installing and extending television, computer and communications networks, cyber security, incoming call center activities, answering customer calls using operators, distributing calls automatically or through phone and computer integration, using interactive voice answering systems, or other similar methods to receive orders, provide information on products and deal with customer assistance requests and complaints.

2. Basis of Preparation and Change in Accounting Policies

2.1 Statement of compliance with International Financial Reporting Standards.

These interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Report" as endorsed in the Kingdom of Saudi Arabia. These interim condensed financial statements do not include all the information required to prepare a complete set of financial statements prepared in accordance with International Financial Reporting Standards. Thus These interim condensed financial statements should be read along with the company's financial statements for the previous year ended on December 31, 2022.

The interim period is considered an integral part of the full fiscal year, still, the results of the operations for the interim period may not be a fair indication of the results of operations for the full year.

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FOR THE THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023

2. Basis of Preparation and Change in Accounting Policies (Continued)

2.2 General Consideration

The accounting policies and calculation methods applied in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the annual financial statements of the Company for the year ended December 31, 2022, except for the application of the new standards that became effective as at January 1, 2023. The Company has not made early application of any other standard, interpretation or amendment issued but not yet effective. Some amendments to the international Financial Reporting Standards are effective as at January 1, 2023 and none of those amendments have an impact on the Company's financial statements.

These financial statements have been prepared on a historical cost basis except the investments at fair value through other comprehensive income.

The condensed financial statements are presented in Saudi riyals, which is the functional currency of the Company, and all amounts are rounded to the nearest Saudi riyal, unless otherwise stated.

3. Use of Judgments and Estimates

The Company makes certain judgments and estimates regarding the future. Judgments and estimates are continually evaluated based on past experience and other factors, including anticipation of future events that are believed to be reasonable in the circumstances. In the future, actual results may differ from these estimates and assumptions.

The significant estimates made by management in applying the Company's accounting policies and the primary sources of estimation of uncertainty were the same as those that were applied in the financial statements for the year ended December 31, 2022.

4. Related Parties' Transactions and Balances

Related parties represent major shareholders of the Company, managers and top management and entities controlled or significantly influenced by them. The nature of the relationship is described as follow:

Related party	Relation
Ideal for Business and Commercial Investment Company	Major Shareholder
Information Technology Belt Company	Affiliate
Perfect Presentation for Commercial Services Company – Egypt	Affiliate
Fawran Smart Logistics	Affiliate
Wahg Energy Establishment	Related to Shareholder
Perfect Presentation for Technology Company – Jordan	Affiliate
Cloud Distribution for Communications and Information Technology Company	Affiliate
Smart Health for Communications and Information Technology Company	Affiliate
Sustainable Technology Energy Company	Affiliate
Nasser Abdullah bin Muhammad Al-Bassam	Major Shareholder
Saleh Ibrahim bin Hamad Al Mazrou	Major Shareholder
Prime Technology Contracting Establishment	Related to Shareholder

The following is a summary of the significant transactions carried out with related parties for the period ended September 30:

	2023	2022
	Saudi Riyals	Saudi Riyals
Purchases	14,444,784	19,030,240
Sales	556,945	3,629,457
Expenses paid on behalf of related parties	64,321	330,030
Closing IPO expenses in the shareholders' accounts	-	5,194,468

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023

4. Related Parties' Transactions and Balances (Continued)

The balances due from related parties consist of the following:

	<u>September 30, 2023</u> Saudi Riyals	<u>December 31, 2022</u> Saudi Riyals
Information Technology Belt Company	186,210	2,201,997
Ideal for Business and Commercial Investment Company	98,612	-
Sustainable Energy Technology Company	77,752	77,752
Prime Technology Contracting Establishment	68,771	52,785
	<u>431,345</u>	<u>2,332,534</u>

The amounts due from related parties are non-bearing interest.

The balances due to related party consists of the following:

	<u>September 30, 2023</u> Saudi Riyals	<u>December 31, 2022</u> Saudi Riyals
Cloud Distribution for Communications and Information Technology Company	<u>12,577,455</u>	<u>21,649,057</u>

The amounts due to related party are non-bearing interest.

Key managements remunerations and benefits

	<u>September 30, 2023</u> Saudi Riyals	<u>September 30, 2022</u> Saudi Riyals
Key managements remunerations and benefits	<u>3,301,579</u>	<u>3,115,435</u>

Key management's personal remunerations and benefits consists of salaries, benefits, end of service benefits and other provisions.

5. Contract Assets

	<u>September 30, 2023</u> Saudi Riyals	<u>December 31, 2022</u> Saudi Riyals
Total contract assets	400,169,154	301,480,962
Less: Expected credit loss provision on contract assets	<u>(5,018,099)</u>	<u>(1,487,940)</u>
	<u>395,151,055</u>	<u>299,993,022</u>

Contract assets mainly relate to the company's right to obtain consideration for services provided to customers, which have not yet been billed at the reporting date and are transferred to trade receivables when the contracts become unconditional, when the company issues the invoice to the customer.

As at September 30, 2023, the Company's contract assets are mainly concentrated in government agencies with an amount of SR 334,936,011 representing 84% of total contract assets (December 31, 2022: SR 241,578,830 representing 80% of total contract assets).

The movement in the expected credit loss provision on contract assets is as follows:

	<u>For the nine-month period ended September 30, 2023</u> Saudi Riyals	<u>For the year ended December 31, 2022</u> Saudi Riyals
Balance at the beginning of the period/year	1,487,940	-
Additions	<u>3,530,159</u>	<u>1,487,940</u>
Balance at the end of the period/year	<u>5,018,099</u>	<u>1,487,940</u>

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
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6. Trade Receivables

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
	Saudi Riyals	Saudi Riyals
Trade receivables	422,587,167	291,558,137
Less: Expected credit loss provision	<u>(9,811,185)</u>	<u>(5,068,327)</u>
	<u>412,775,982</u>	<u>286,489,810</u>

As at September 30, 2023, the company's trade receivables are mainly concentrated in government agencies with an amount of SR 395,295,819 representing 94% of total trade receivables (December 31, 2022: SR 270,950,112 representing 93% of total trade receivables).

The movement in the allowance for expected credit losses on trade receivables as follows:

	<u>For the nine-month period ended September 30, 2023</u>	<u>For the year ended December 31, 2022</u>
	Saudi Riyals	Saudi Riyals
Balance at the beginning of the period/year	5,068,327	2,151,635
Additions	<u>4,742,858</u>	<u>2,916,692</u>
Balance at the end of the period/year	<u>9,811,185</u>	<u>5,068,327</u>

7. Share Capital

On Dhu al-Qi'dah 18, 1444H (corresponding to June 7, 2023), the extraordinary general assembly of the company's shareholders approved the recommendation of the Board of Directors to divide the nominal value of the share from 10 Saudi riyals per share to 1 Saudi riyal per share. As a result, the number of shares of the company increased from 15 million shares to 150 million shares. Legal procedures have been completed to reflect the above.

The company's share capital as at September 30, 2023, consists of 150,000,000 shares with a nominal value of 1 Saudi riyal per share (December 31, 2022: 15,000,000 shares with a nominal value of 10 Saudi riyals per share).

8. Bank Facilities

A. Long term Loans

Long-term loans comprise of the following:

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
	Saudi Riyals	Saudi Riyals
Non-current portion	3,342,551	5,364,766
Current portion	<u>2,618,037</u>	<u>2,179,721</u>
	<u>5,960,588</u>	<u>7,544,487</u>

The Company obtained several loans (Murabaha and Tawrruq) from various commercial banks. These loans generally bear finance costs based on inter-bank offer rates which charge finance fees at the prevailing inter-bank rate in the kingdom of Saudi Arabia ("SIBOR") plus a fixed margin agreed upon between the parties. Certain loans of these loans are secured by a mortgage on property and equipment.

B. Short-term loans

Those loans represent credit facilities (Murabaha and Tawrruq) obtained from various commercial banks and bear financial charges at prevailing market rates which are based on inter-bank offer rates which charge finance fees at prevailing inter-bank rate in the kingdom of Saudi Arabia ("SIBOR") plus a margin agreed upon between the parties. Certain loans of these loans are secured by promissory notes, and assignment of trade receivables for projects funded through these facilities.

C. Loan covenants

The covenants of certain short-term and long-term loans require the Company to maintain certain level of financial conditions, require lenders' prior approval for dividends payment above certain amount and limit the amount of annual capital expenditures and certain other requirements.

PERFECT PRESENTATION FOR COMMERCIAL SERVICES COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023

9. Contract Liabilities

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
	Saudi Riyals	Saudi Riyals
Billing in excess of works performed	53,323,326	56,673,410
Advance payment from customers	12,278,546	14,020,336
	<u>65,601,872</u>	<u>70,693,746</u>

10. Revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers by type of products or services, timing or revenue recognition and type of customers:

	<u>Three-month period ended</u>		<u>Nine-month period ended</u>	
	<u>September 30</u>		<u>September 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals
<u>Timing of revenue recognition</u>				
Service transferred over time	262,081,449	203,539,108	717,439,879	629,384,719
Products transferred at a point in time	8,237,865	3,826,251	24,326,272	9,724,460
	<u>270,319,314</u>	<u>207,365,359</u>	<u>741,766,151</u>	<u>639,109,179</u>
	<u>Three-month period ended</u>		<u>Nine-month period ended</u>	
	<u>September 30</u>		<u>September 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals
<u>Types of customers</u>				
Government and government-controlled entities	236,766,426	195,464,188	668,141,993	574,415,120
Private sector	33,552,888	11,901,171	73,624,158	64,694,059
	<u>270,319,314</u>	<u>207,365,359</u>	<u>741,766,151</u>	<u>639,109,179</u>
	<u>Three-month period ended</u>		<u>Nine-month period ended</u>	
	<u>September 30</u>		<u>September 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals
<u>Products or services</u>				
Customer experience	76,749,823	86,606,689	226,747,737	271,125,419
Operation and maintenance services	83,300,813	76,186,022	245,511,652	213,306,383
Software license and development services (SWD)	99,257,108	44,572,648	255,179,323	154,677,377
Management services	11,011,570	-	14,327,439	-
	<u>270,319,314</u>	<u>207,365,359</u>	<u>741,766,151</u>	<u>639,109,179</u>

PERFECT PRESENTATION FOR COMMERCIAL SERVICES COMPANY
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
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11. Earnings Per Share

	Three-month period ended September 30		Nine-month period ended September 30	
	2023	2022	2023	2022
	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals
Profit for the period	33,581,549	32,256,495	90,542,605	85,052,265
Weighted average number of ordinary shares (Share)	150,000,000	150,000,000	150,000,000	150,000,000
Earnings per share – basic and diluted	0.22	0.22	0.60	0.57

There is no diluted effect on the Company's basic earnings per share.

Basic earnings per share have been calculated by dividing the profit for the period attributable to shareholders by the weighted average number of ordinary shares outstanding during the period.

Number of shares for the period ending on September 30, 2022 has been retrospectively adjusted to reflect the share split (note 7) since it represents a change in the number of shares without any change in resources.

12. Contingent Assets and Liabilities

Contingent Assets:

On January 22, 2023, the Company received a notification of estimation for the two properties included in the expropriation decision in favor of a government agency. According to the valuation received from the government agency, it is expected that the expropriation process will result in capital gains of SR 33.8 million, which will be recognized upon transfer of title deed ownership in favor of the government agency.

Contingent Liabilities:

The Company has contingent liabilities for bank guarantees issued in the normal course of business as follow:

	September 30, 2023	December 31, 2022
	Saudi Riyals	Saudi Riyals
Letters of guarantees	331,545,352	271,155,152

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13. Fair Value of Financial Instruments

The following table shows the book values and the fair values of the financial assets and liabilities, except for cash and cash equivalents, including their stages in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities that are not measured at fair value if the book value reasonably approximates fair value.

	September 30, 2023				
	Carrying value		Fair value		
	Fair value	Amortized cost	Level 1	Level 2	Level 3
	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals
Financial assets at amortized cost					
Trade receivables	-	412,775,982	-	-	-
Due from related parties	-	431,345	-	-	-
Bank margins	-	3,138,326	-	-	-
Total financial assets	-	416,345,653	-	-	-
Financial liabilities at amortized cost					
Loans	-	357,853,952	-	-	-
Due to related party	-	12,577,455	-	-	-
Trade payables	-	99,728,081	-	-	-
Accrued expenses and other credit balances	-	120,704,734	-	-	-
Total financial liabilities	-	590,864,222	-	-	-
December 31, 2022					
	Carrying value		Fair value		
	Fair value	Amortized cost	Level 1	Level 2	Level 3
	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals
Financial assets at amortized cost					
Trade receivables	-	286,489,810	-	-	-
Due from related parties	-	2,332,534	-	-	-
Bank margins	-	7,004,273	-	-	-
Financial assets at fair value					
Investments at fair Value	2,052,242	-	2,052,242	-	-
Total financial assets	2,052,242	295,826,617	2,052,242	-	-
Financial liabilities at amortized cost					
Loans	-	159,561,357	-	-	-
Due to related party	-	21,649,057	-	-	-
Trade payables	-	144,450,439	-	-	-
Accrued expenses and other credit balances	-	115,055,546	-	-	-
Total financial liabilities	-	440,716,399	-	-	-

There has been no change in the risk management policies related to financial instruments during the period from those followed by the management during the year ended on December 31, 2022.

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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
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14. Operating Segments

The company operates within one geographical sector in the Kingdom of Saudi Arabia and represented by four operating segments, which are as follows:

Segment 1: Operation and maintenance services.

Segment 2: Customer experience.

Segment 3: Software licenses and development services (including providing text messaging services and subscriptions and providing internet services).

Segment 4: Management services

The following is a summary of some financial information by operating segments:

For the three-month period ended September 30, 2023:

	Segment 1	Segment 2	Segment 3	Segment 4	Shared items	Total
	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals
Revenue	83,300,813	76,749,823	99,257,108	11,011,570	-	270,319,314
Profit before zakat	11,481,959	18,976,050	16,789,570	1,153,731	(13,720,672)	34,680,638

For the three-month period ended September 30, 2022:

	Segment 1	Segment 2	Segment 3	Segment 4	Shared items	Total
	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals
Revenue	76,186,022	86,606,689	44,572,648	-	-	207,365,359
Profit before zakat	12,709,022	23,802,388	8,755,975	-	(11,510,890)	33,756,495

For the nine-month period ended September 30, 2023:

	Segment 1	Segment 2	Segment 3	Segment 4	Shared items	Total
	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals
Revenue	245,511,652	226,747,737	255,179,323	14,327,439	-	741,766,151
Profit before zakat	32,593,379	53,526,288	46,159,921	1,480,821	(40,092,726)	93,667,683

For the nine-month period ended September 30, 2022:

	Segment 1	Segment 2	Segment 3	Segment 4	Shared items	Total
	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals
Revenue	213,306,383	271,125,419	154,677,377	-	-	639,109,179
Profit before zakat	34,839,383	66,903,118	16,560,679	-	(28,798,176)	89,505,004

PERFECT PRESENTATION FOR COMMERCIAL SERVICES COMPANY
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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023**

14. Operating Segments (Continued)

As at September 30, 2023

	Segment 1	Segment 2	Segment 3	Segment 4	Shared items	Total
	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals
Contract assets	150,230,680	95,915,646	142,333,981	11,688,847	(5,018,099)	395,151,055
Trade receivables	217,010,286	76,048,343	126,955,196	2,573,342	(9,811,185)	412,775,982
Shared assets	-	-	-	-	227,953,404	227,953,404
Total assets	367,240,966	171,963,989	269,289,177	14,262,189	213,124,120	1,035,880,441
Contract liabilities	24,482,507	5,434,360	35,685,005	-	-	65,601,872
Shared liabilities	-	-	-	-	626,358,660	626,358,660
Total liabilities	24,482,507	5,434,360	35,685,005	-	626,358,660	691,960,532

As at December 31, 2022

	Segment 1	Segment 2	Segment 3	Segment 4	Shared items	Total
	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals	Saudi Riyals
Contract assets	145,175,240	86,414,288	69,891,434	-	(1,487,940)	299,993,022
Trade receivables	110,799,784	94,948,841	85,809,512	-	(5,068,327)	286,489,810
Shared assets	-	-	-	-	220,713,879	220,713,879
Total assets	255,975,024	181,363,129	155,700,946	-	214,157,612	807,196,711
Contract liabilities	28,048,779	1,895,935	40,530,507	-	218,525	70,693,746
Shared liabilities	-	-	-	-	482,903,454	482,903,454
Total liabilities	28,048,779	1,895,935	40,530,507	-	483,121,979	553,597,200

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023

15. Reclassification of Comparative Figures

Comparative figures have been reclassified in order to be in line with the classification of the current period, this reclassification had no impact on total equity or net profit of prior periods as follows:

Three-month period ended September 30, 2022:

	Before reclassification	Reclassification	After reclassification
	<u>Saudi Riyals</u>	<u>Saudi Riyals</u>	<u>Saudi Riyals</u>
Cost of revenue	162,098,395	(4,279,538)	157,818,857
Selling and marketing expenses	2,362,838	(1,169,120)	1,193,718
Finance cost	620,229	5,448,658	6,068,887

Nine-month period ended September 30, 2022:

	Before reclassification	Reclassification	After reclassification
	<u>Saudi Riyals</u>	<u>Saudi Riyals</u>	<u>Saudi Riyals</u>
Cost of revenue	520,806,420	(9,866,244)	510,940,176
Selling and marketing expenses	5,954,250	(3,010,845)	2,943,405
Finance cost	1,829,432	12,877,089	14,706,521

16. Approval of the Financial Statements

The interim condensed financial statements were approved by the Company's Board of Directors on Rabi Al-Thani 22, 1445H (corresponding to November 6, 2023G).