

ELEMENT LIST	CURRENT YEAR	PREVIOUS YEAR	%CHANGE
Sales/Revenue	708.42	613.11	15.545
Gross Profit (Loss)	104.61	45.96	127.61
Operational Profit (Loss)	-86.09	-159.34	-45.97
Net Profit (Loss) after Zakat and Tax	-171.58	-200.16	-14.278
Total Comprehensive Income	-171.16	-192.39	-11.034
Total Share Holders Equity (after Deducting Minority Equity)	377.88	247.42	52.728
Profit (Loss) per Share	-2.93	-3.64	
<i>All figures are in (Millions) Saudi Arabia, Riyals</i>			
ELEMENT LIST	EXPLANATION		
The reason of the increase (decrease) in the net profit during the current year compared to the last year is	<p>(A) - The Group achieved a Net Loss of SAR 171.58 million during Year 2021 compared to a Net Loss of SAR 200.16 million during Last Year 2020 that was due mainly to the following:</p> <p>1- Revenues: The Group has achieved Revenues of SAR 708.42 million during Year 2021 compared to Revenues of SAR 613.11 million during Last Year 2020; a growth of SAR 95.31 million (15.5%) due to:</p> <p>1.1- The Hotel Division achieved Revenues of SAR 381.89 million during Year 2021 compared to Revenues of SAR 395.32 million during Last Year 2020; a reduction of SAR 13.43 million (3.4%).</p> <p>1.2- The Entertainment Division achieved Revenues of SAR 287.47 million during Year 2021 compared to Revenues of SAR 183.1 million during Last Year 2020; a growth of SAR 104.36 million (57%) that is attributable to continued recovery of Entertainment Division's business activities during Current Year compared to suspension of operations pursuant to the precautionary measures during Last Year.</p> <p>1.3- The Other Divisions achieved Revenues of SAR 39.06 million during Year 2021 compared to Revenues of SAR 34.68 million during Last Year 2020; a growth of SAR 4.37 million (12.6%).</p> <p>2- Gross Profit: The Gross Profit reached SAR 104.61 Million during Year 2021 compared to a Gross Profit of SAR 45.96 Million during Last Year 2020; a growth of SAR 58.65 Million (127.61%) that was mainly attributable to growth in the Group's Revenues in addition to the impact of rental exemptions by SAR 19 million that the Group obtained during the Current Year compared to SAR 47 million during Last Year 2020 for some leased hotels, entertainment and commercial centers due to Corona Virus pandemic.</p> <p>3- Operational Loss: The Operational Loss reached SAR 86.09 million during Year 2021 compared to an Operational Loss of SAR 159.34 million during Last Year 2020; a reduction of SAR 73.25 Million (46%) that was mainly attributable to growth in Operational Loss.</p> <p>4- Net Loss: The Net Loss reached SAR 171.58 Million during Year 2021 compared to a Net Loss of SAR 200.16 Million during Last Year 2020; a reduction of SAR 28.58 Million (14.3%) that was mainly attributable to reduction in Operational Loss in addition to the net impact of non-recurring operations, represented by:</p> <p>First: During the Last Year 2020; recognition of gain by SAR 77 million according to the requirements of IFRS 16 resulted from revised of lease agreement of some hotel properties to be a percentage of revenues instead of fixed rent amount.</p> <p>Second: non-recurring impact of closing some sites and disposing their assets with a loss equal to net book value of SAR 28 million during Current Year compared to losses of SAR 3 million during Last Year 2020.</p> <p>Third: In accordance with IFRS 16; a profit of SAR 43 million was recorded during Current Period, which resulted from exiting certain sites due to their low financial feasibility compared to profit of SAR 5 million during Last Year 2020.</p> <p>Fourth: Recording a provision for impairment for some property and equipment amounted to SAR 33 million during Current Year compared to SAR 28 million during Last Year 2020 that were based on the impairment test conducted by the Group in accordance with IFRS.</p> <p>5- Total Comprehensive Loss: The Total Comprehensive Loss reached SAR 171.16 Million during Year</p> <p>(B) - Loss Per Share: The Loss Per Share reached SAR 2.93 as at the end of Year 2021 compared to a Loss Per Share of SAR 3.64 as at the end of Last Year 2020.</p> <p>(C) - Total Shareholders' Equity: The Total Shareholders Equity (No Minority Interest) reached SAR 377.88 million as at the end of Year 2021 compared to SAR 247.42 million (52.73%) as at the end of Last Year 2020.</p> <p>(D) - Accumulated Losses: The Accumulated Losses reached SAR 272.29 million as at the end of Year 2021 that represents (41.9%) of that Group's Paid Capital of SAR 650 Million.</p> <p>On 28 March 2022, the Board of Directors has been informed that Accumulated Losses of the Group has reached 41.9% of its Capital.</p>		
Statement of the type of external auditor's report	Unmodified opinion		
Modification, Qualification or Emphasis of a Matter as Stated within the External Auditor Opinion	We draw attention to note 2 to the consolidated financial statements, which indicates that the Group incurred a net loss of SR 171.58 million during the year ended 31 December 2021 and, as of that date, the Group's current liabilities exceeded its current assets, resulting in a negative working capital of SR 190.52 million. These conditions indicate that a material uncertainty exists that may cast a doubt on the Group's ability to continue as a going concern. As stated in note 2, the management has made an assessment of the Group's ability to continue as a going concern, and as result, these consolidated financial statements have been prepared by management on a going concern basis. As further detailed in note 2, this assessment is dependent mainly on the Group's ability to meet its business plan and operational forecast for 2022 and also its ability to use the unutilized bank facilities and obtain additional bank loans. Our conclusion is not modified in respect of this matter.		
Reclassification of Comparison Items	Certain amounts in the prior year have been reclassified in order to conform to the presentation for the current year		
Additional Information	<p>On 28 March 2022, the Board of Directors has been informed that Accumulated Losses of the Group has reached 41.9% of its Capital.</p> <p>Main Reason of Reaching Losses:</p> <p>The accumulated losses resulting from the impact on the company's business during the year 2020 by the Covid-19 pandemic (the emerging Corona virus) and by the precautionary and preventive measures to control the Corona and reduce the risks of its spread.</p> <p>Continuation of precautionary measures (fully or partially) during the year 2021, including the suspension of international flights and Umrah rituals, banning the events and parties, operating wedding halls and meeting rooms, and obligating social distancing measures in activities and events, which negatively affected the pace of recovery of the hotel and entertainment sector in all regions in the Kingdom.</p> <p>Non-recurring losses resulting from operating in recreational centers, starting from 4 February 2021 until 6 March 2021</p> <p>Non-recurring losses resulting from closing a number of underperforming sites and disposing off their assets in 2021.</p> <p>Actions to be Taken:</p> <p>Continuing to implement the business plans of the Group in accordance with its approved Group strategy.</p> <p>Continuing to restructure the Group's divisions for improving efficiency and effectiveness in the operational and administrative aspects.</p> <p>Continuing in evaluating the Group's projects and exiting poorly performing ones that generate operational losses</p> <p>Procedures and Instructions Applicable:</p> <p>Procedures and Instructions Applicable on Companies Listed in Saudi Capital Market Whose Accumulated Losses reach 35% or more and less than 50% out of the Capital thereof will be Applied.</p>		