

ELEMENT	CURRENT QUARTER	SIMILAR QUARTER FOR PREVIOUS YEAR	% CHANGE CURRENT	PREVIOUS QUARTER	% CHANGE PREVIOUS
Net profit (loss)	-7.52	7.99	-	-23.14	67.5
Gross profit (loss)	56.98	64.45	-11.59	46.9	21.49
Operational profit (loss)	-7.35	5.9	-	-17.23	57.34
Earning or loss per share, Riyals	-0.14	0.15	-	-	-

All figures are in (Millions) Saudi Arabia, Riyals

ELEMENT	EXPLANATION
Reasons of increase (decrease) for quarter compared with same quarter last year	<p>The decrease in the gross profit, operational profit and net profit in this period as compared with the same period of the last year is due to the following:</p> <p>1- The decline in demand from individuals and corporate sector on hotels as a result of the decline in spending from government and private sector on conferences, meetings and exhibitions. Also the increase in market competition which resulted in the decline of Daily Average Room rate and occupancy. In addition to the negative effect on hotels in western region, the increase in revenues resulted due to opening of new entertainment centers and hotels which are still in ramp up period so didnot contribute to increase the net profit yet.</p> <p>2- The seasonality in Companys operation which negatively affect the revenues and profit of existing hotels and entertainment centers as the occurred at the end of March 2017.</p>
Reasons of increase (decrease) for quarter compared with previous quarter	<p>The Increase in the gross profit, operational profit and decrease in net loss in this quarter as compared with the previous quarter is due to the following:</p> <p>1- The seasonality in Companys operation which had a positive impact due to the Schools Midterm holidays in January 2018.</p> <p>2- Decline in operation expenses due to the cost savings initiatives taken by the company i.e. reduction in salaries, rent expenses, etc.</p>
Other notes	<p>Total revenues during current period amounted SR 270.99 million compared with SR 258.31 million for same period of last year with Increase of 5%.</p> <p>Gross Profit during current period amounted SR 56.98 million compared with SR 64.45 million for same period of last year with decrease of 12%.</p> <p>Operational Profit during current period amounted SR -7.35 million compared with SR 5.90 million for same period of last year with decrease of 224.5%.</p> <p>Net Profit during current period amounted SR -7.52 million compared with SR 7.99 million for same period of last year with decrease of 194%.</p> <p>Total Shareholders Equity (Minority interests are not available) amounted SR 652.19 million by end of this period compared with SR 695.86 million as at the end of the same period last year with decrease of 6.28%.</p> <p>There was an impact of adopting IFRS 9 and IFRS 15 as at January 1, 2018 result to a decrease amounted to SR 7.5 million and SR 2.3 million respectively.</p> <p>EPS for the current period amounted SR -0.14, compared with SR 0.15 for the same period of last year.</p> <p>The Total comprehensive income for the current period is SR -7.59 million compared to SR 7.99 million for the same quarter last year with decrease of 195%.</p>

