

Financial Performance

Persistence in the Face of Challenges



Key Financial Indicators during the Past Five Years

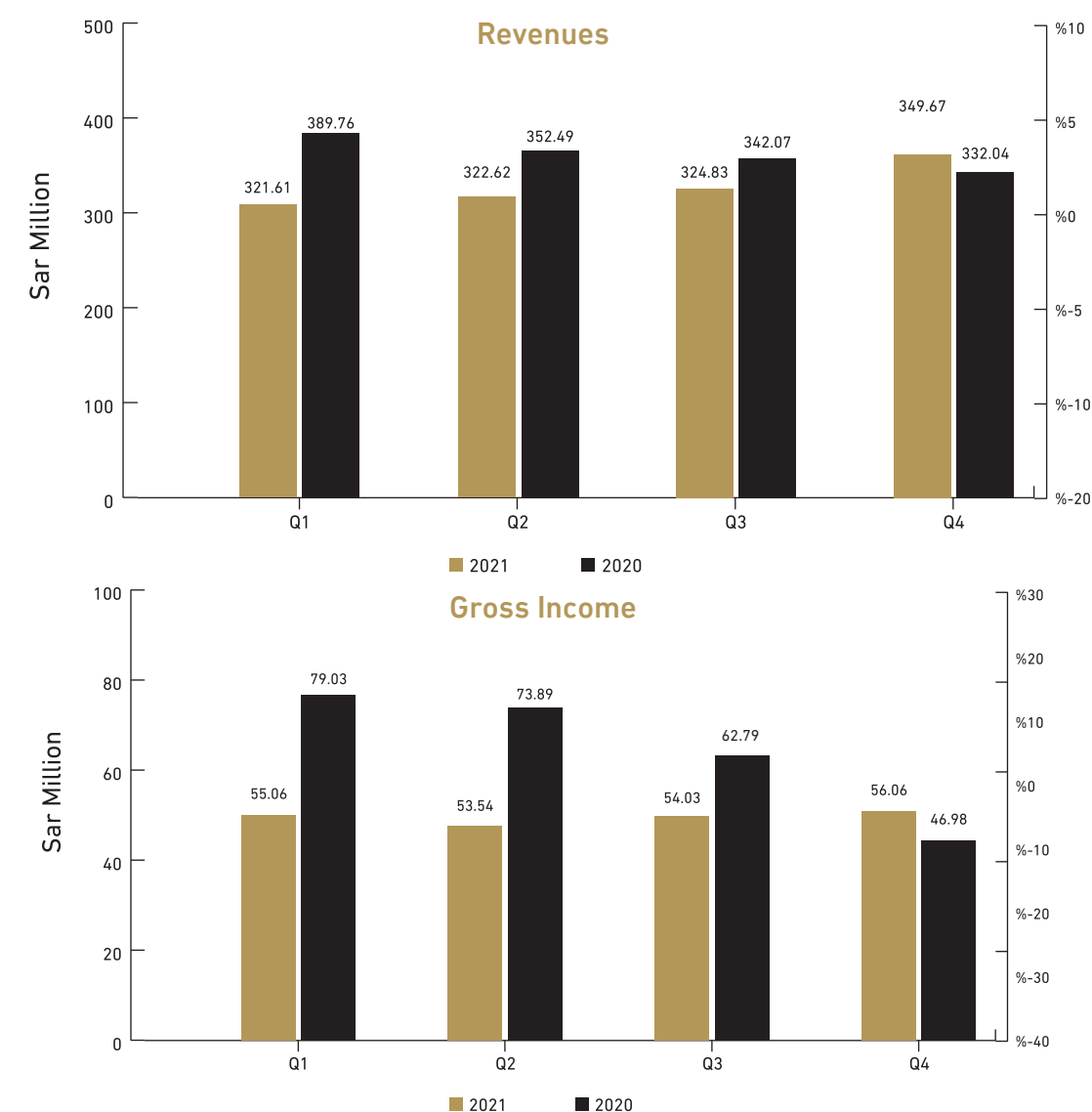
(SAR Million)	2021	2020	2019	2018	2017
Business Results					
Revenue	1,319	1,416	1,512	1,352	1,168
Cost of Revenue	(1,100)	(1,154)	(1,132)	(1,054)	(865)
Gross Profit	219	263	380	298	303
Net Income for Shareholders in the Parent Company	145	177	272	222	208
Statement of Financial Position					
Current Assets	669	769	810	716	557
Current Liabilities	376	389	439	476	392
Net Working Capital	293	380	371	239	164
Non-current Assets	367	257	293	225	136
Non-current Liabilities	89	81	79	35	36
Shareholders	571	556	585	429	264
Cash Flow					
Cash Flow from Operating Activities	28	247	74	162	249
Cash Flow from (used in) Investing Activities	158	(163)	142	(364)	(2)
Cash Flow from (used in) Financing Activities	(155)	(214)	(109)	(59)	(96)
Cash and cash equivalents	139	318	299	356	346
Key Indicators					
Income before Zakat to Revenue	12%	%13	19%	17%	19%
Operating Income to Revenue	11%	%13	19%	16%	17%
Return on Assets (RoA)	14%	%17	25%	24%	30%
Return on Equity (RoE)	25%	%32	46%	52%	79%
Net Debt to Equity (D/E) Ratio	16%	15%	14%	8%	14%
Earnings per Share(EPS)	3.86	4.73	7.26	5.93	5.55

Key Financial Indicators on quarterly base between 2020 and 2021

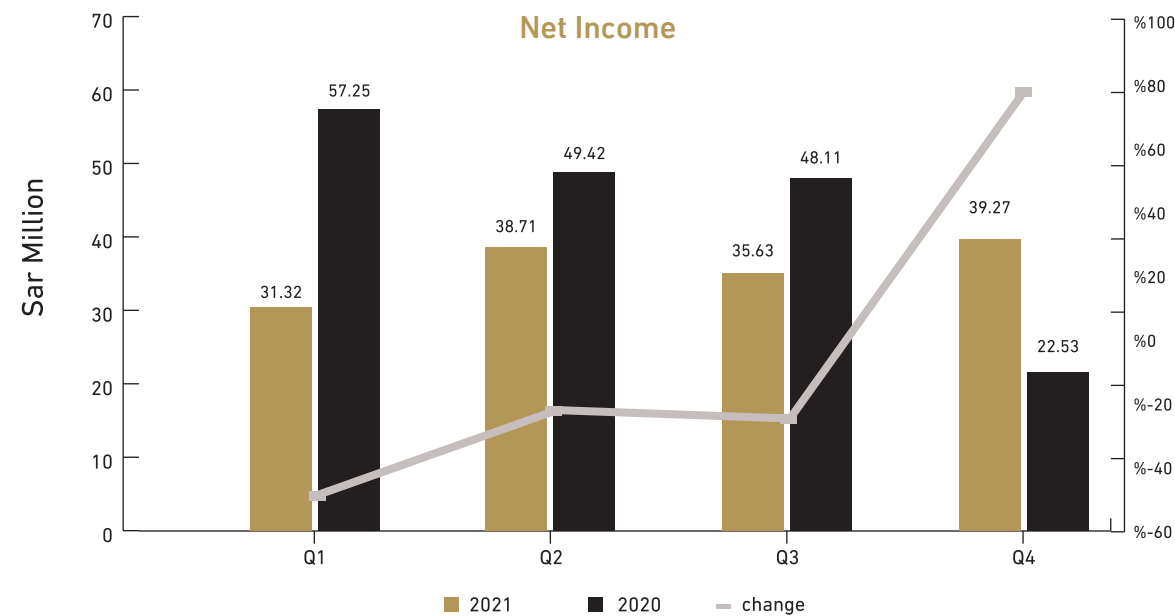
Maharah's Executive department for financial affairs to excel in all financial planning work, including preparing periodic reports, organising financial control tools, protecting company assets, account bookkeeping, financial investments and organising payment related procedures, in accordance with International Financial Reporting Standards adopted by the Kingdom of Saudi Arabia.

Q4 2021 witnessed a remarkable recovery in the financial performance of Maharah Human Resources Company; as the revenues rose to SAR 349.67 million at 5.3% compared to the same period in 2020. The gross income also rose to SAR 56.06 million at 19.3%, while the net income rose to SAR 39.27 million at 74.3% compared to the same period in the last fiscal year.

Development of Quarterly Financial Results in 2020 Compared to 2021



Key Financial Indicators during the Past Five Years



Yet, the continued consequences of COVID-19 pandemic during H1 2021 reflected on the Company total financial performance of 2021. This came as the Company's annual profits rose to SAR 144.9 million by the end of 2021 at 18%, compared to the profits of SAR 177.3 million made in the same period in 2020. Such low was mainly due to the following:

- The Company's low revenues by 7% compared to the previous year due to the low in the revenues of the business sector at 9% as a result of the decrease in the average number of manpower in light of the continuous suspension of the international flights with the main sourcing countries in most periods of the year. On the other hand, the Individuals sector maintained the same level of revenues in light of the recovery of revenues from the program of the hourly house maid services (Khidmah).
- The low in the total profits by 17% compared to the previous year due to the decrease in the Company revenues, in general, in light of the rise in the manpower recruitment costs as a result of the spread of COVID-19 pandemic, and the rise started by the end of this year.
- The rise in marketing costs of SAR 2.4 million as a result of the heavy advertising campaigns during this year compared to the year before.
- The rise in G&A expenses by 7% as a result of the consolidation of the financial statements with the take-over of Spectra Support Services Company during 2021.

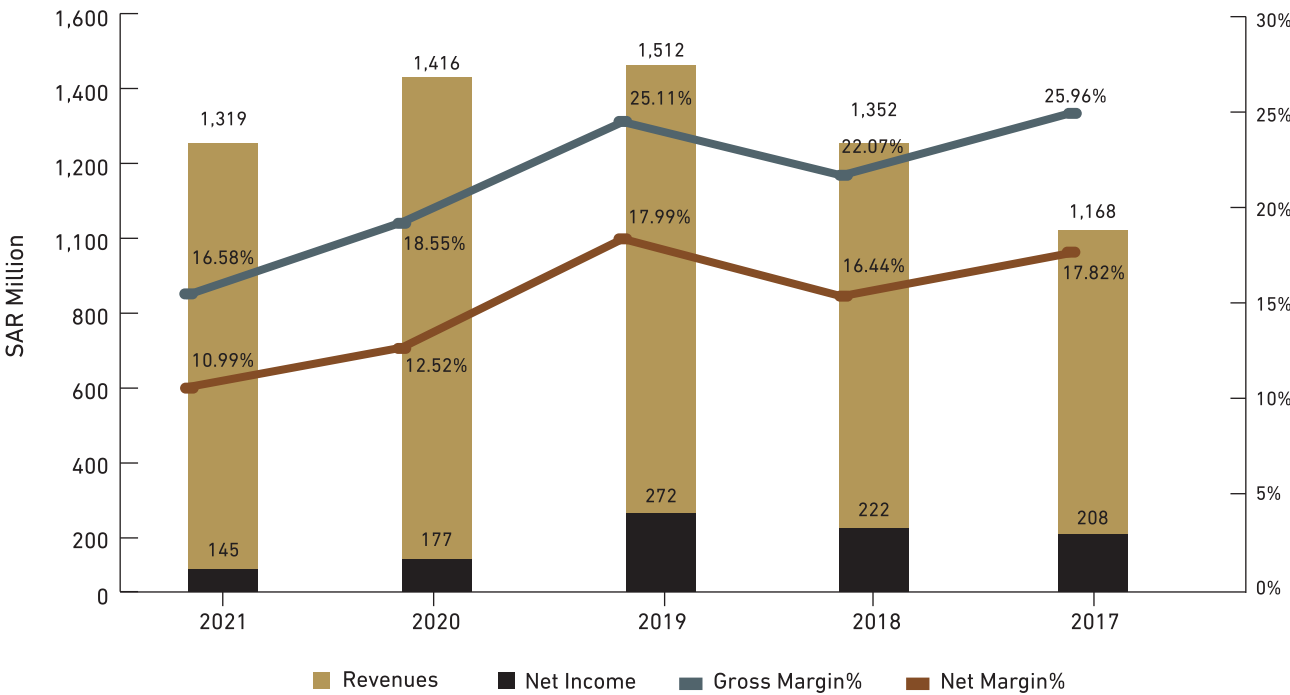
The investments in financial instruments through profit or loss gained an increase during the fiscal year 2021 of SAR 1.2 million, compared to the previous year. Also, the Company gained capital profits of SAR 10.7 million from the sale of the plot owned by the Company.

Key Financial Indicators during the Past Five Years

Revenue and Profitability Growth Rates

	2021	2020	2019	2018	2017
Revenues	1,319	1,416	1,512	1,352	1,168
Net Income	145	177	272	222	208
Gross Margin %	17%	19%	25%	22%	26%
Net Margin %	11%	13%	18%	16%	18%

Figures (SAR Million) except ratios.

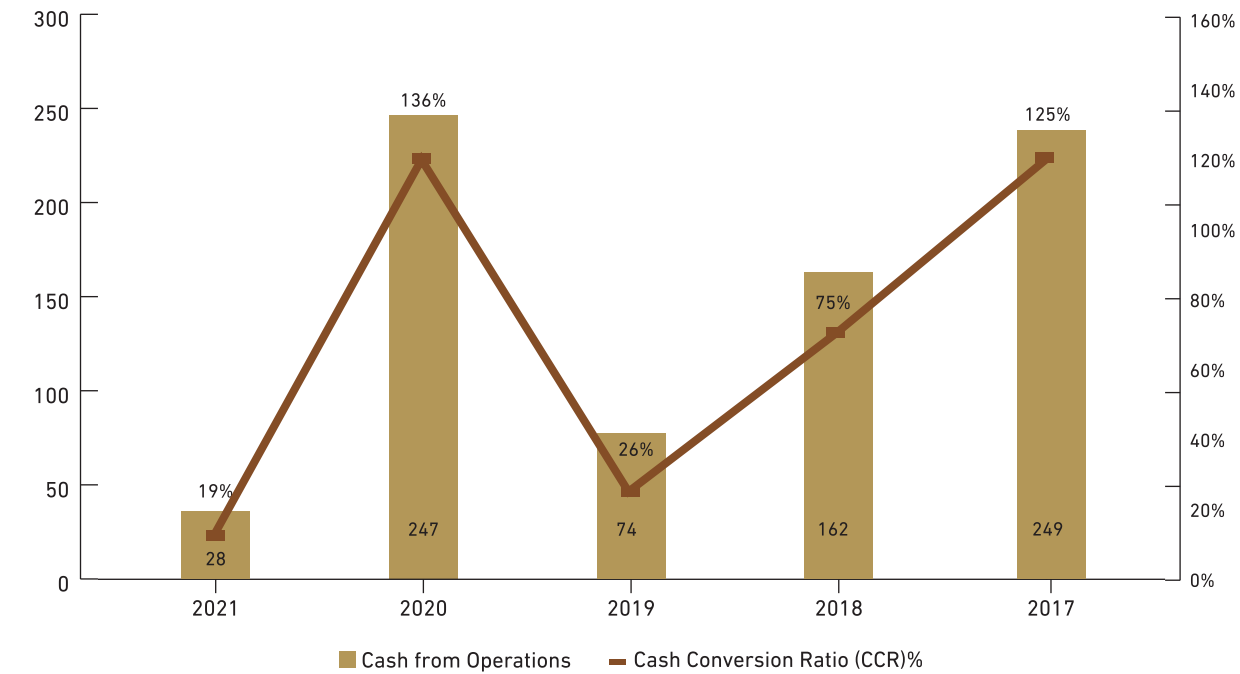


Key Financial Indicators during the Past Five Years

Good Cash Conversion Ratios (CCR) from Operations

	2021	2020	2019	2018	2017
Operation Income	147	183	283	216	200
Cash from Operations	28	247	74	162	249
Cash Conversion Ratio (CCR) %	19%	135%	26%	75%	125%

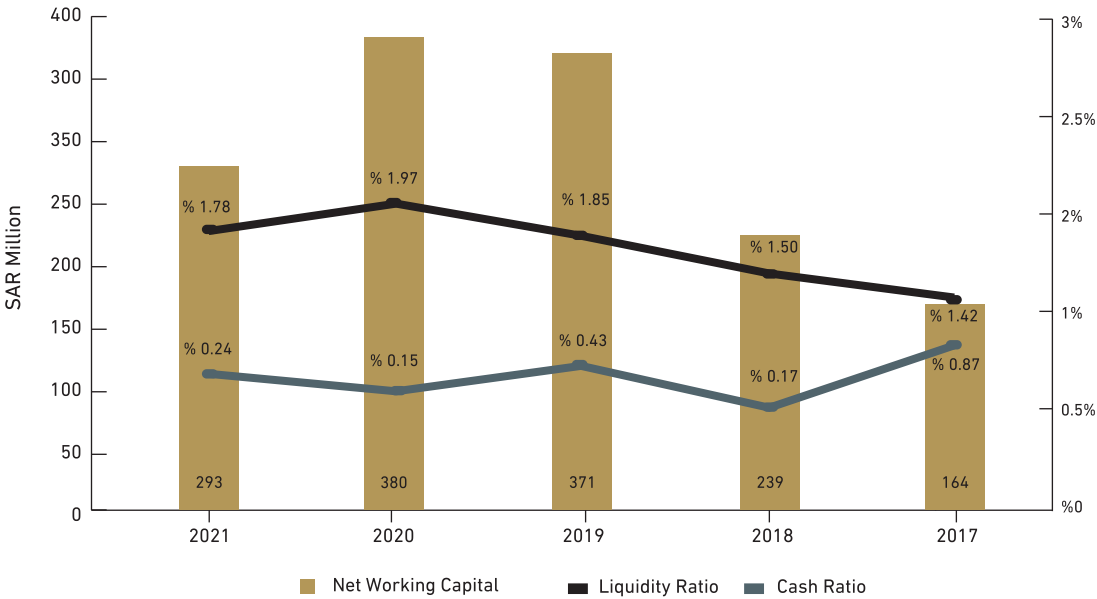
Figures (SAR Million) except ratios.



	2021	2020	2019	2018	2017
Net Working Capital	293	380	371	239	164
Liquidity Ratio (%)	1.78	1.97	1.85	1.50	1.42
Cash Ratio (%)	0.24	0.15	0.43	0.17	0.87

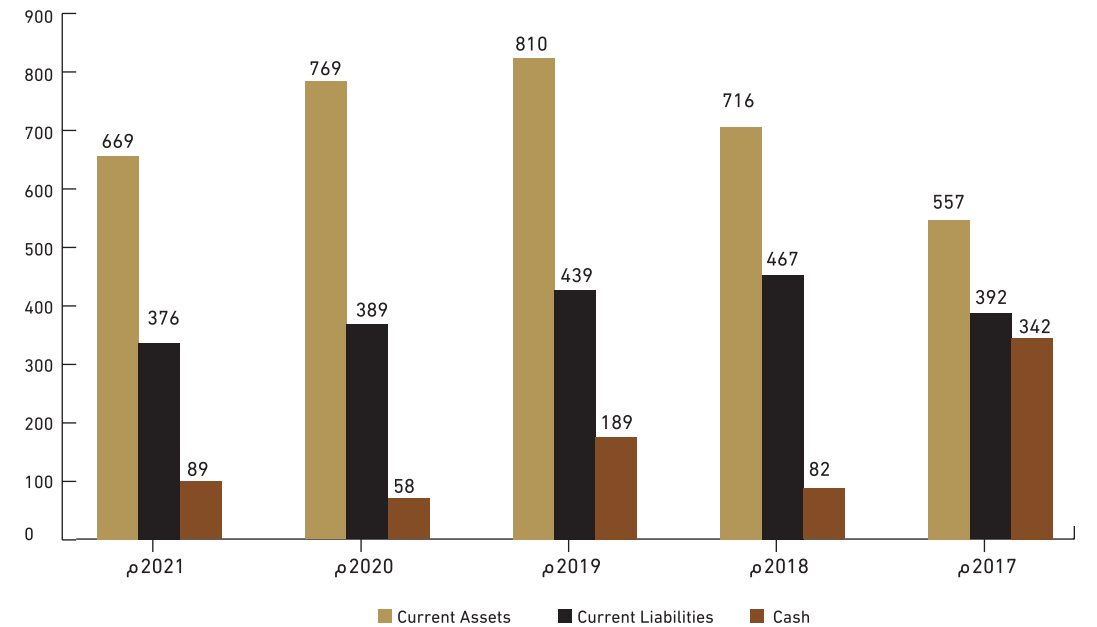
Figures (SAR Million) except ratios

Key Financial Indicators during the Past Five Years



	2021	2020	2019	2018	2017
Cash	89	58	189	82	342
Current Liabilities	376	389	439	476	392
Current Assets	669	769	810	716	557

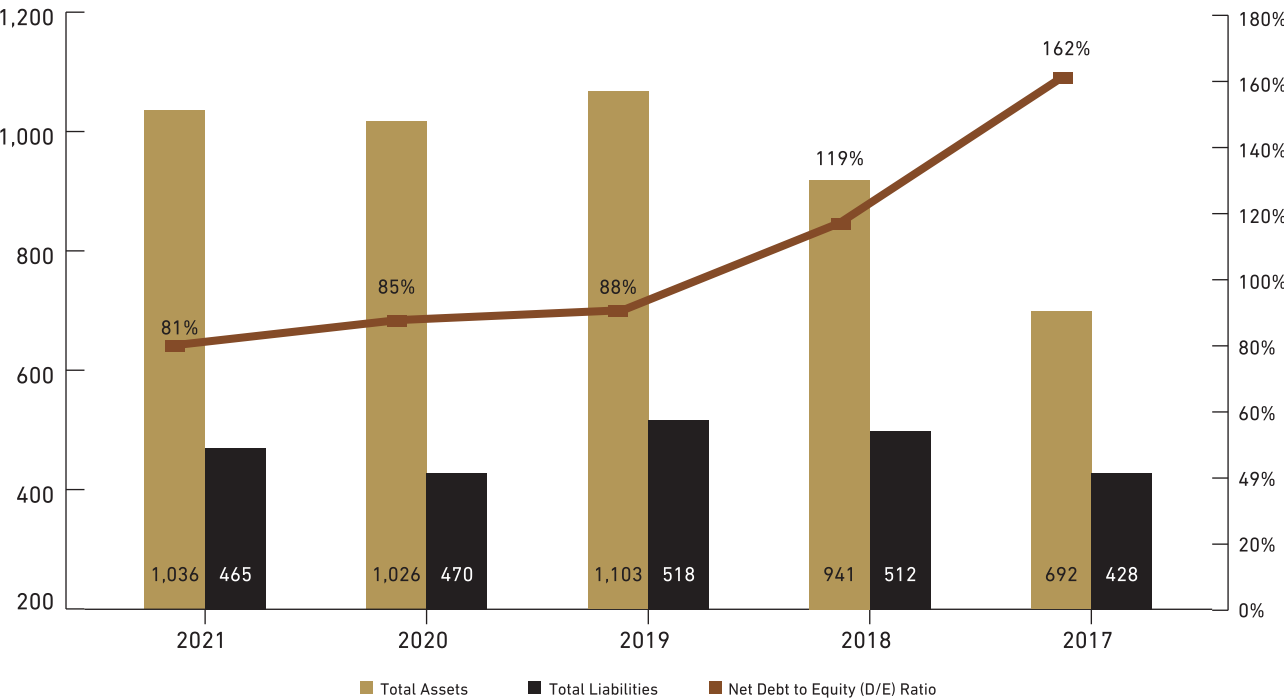
Figures (SAR Million)



Key Financial Indicators during the Past Five Years

	2021	2020	2019	2018	2017
Total Assets	1,036	1,026	1,103	941	692
Total Liabilities	465	470	518	512	428
Gross Debt to Equity (D/E) Ratio	81%	85%	88%	119%	162%

Figures (SAR Million) except ratios.



Geographical Analysis of Total Revenues of the Company and its Subsidiaries (SAR Million)

Year	Total Revenues	Kingdom of Saudi Arabia	United Arab Emirates	Total
2021	1,319	1,280	39	1,319
2020	1,416	1,386	31	1,416

Key Financial Indicators during the Past Five Years

The Subsidiaries					
Name of Subsidiary	Capital (SAR)	Ownership Percentage in the Company	Main Activity	Country of Main Operations	Country of Establishment
Musanid Cleaning Services LLC	306,300	85%	Cleaning Services	United Arab Emirates	United Arab Emirates
Spectra Support Services Company	30,000,000	90%	Buildings Maintenance Services	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Growth Avenue Investment Company	5,000,000	100%	Financial Services	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
NABD for Logistics Services Company	100,000	100%	Logistics Services	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Professional Development Training Company	2,000,000	100%	Technical and Vocational Training	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia

The Subsidiaries have not issued any Shares or Debt Instruments

Clarification of Any Material Variances in Operational Results Compared to the Previous Year				
Description	2021	2020	Variances	Variance Ratio
Revenues / Sales	1,318,728,548	1,416,355.00	(97,626,628)	(7%)
Cost of Revenues / Sales	(1,100,042,075)	(1,150,527.00)	53,625,271	(5%)
Gross Profit	218,686,473	265,828.00	(44,001,357)	(17%)
Operational Expenditures – Others	(71,940,447)	(82,799.00)	7,718,884	(10%)
Operational Profit (Loss)	146,746,026	183,029.00	(36,282,473)	(20%)

Revenues of the Main Activities of the Company

Description of Main Activities of the Company		
	Sector Revenue (SAR Million)	Ratio %
Manpower Services for the Corporate Sector	944	72%
Domestic Manpower Services for the Individuals Sector	375	28%
Total	1,319	100%

Key Financial Indicators during the Past Five Years

Sector Type	Sector Revenue (SAR Million)	Ratio %
Individuals	374.59	28.4%
Industrial and Operational	259.81	19.7%
Retail	213.48	16.2%
Hospitality	189.21	14.3%
Healthcare	170.15	12.9%
Commercial	105.03	8.0%
Esnad Sector	6.44	0.5%
Total	1,318.73	100%

Description of any Deal or Transactions between the Issuer and a Related Party

Amounts due from Related Parties:

N	Related Party	Type of Relationship to the Company	Type of Deal	Term	Value
1	Maharah for Travel and Tourism	Related Party	Flight Tickets	--	6,987,870
		Related Party	Manpower Services	One Year	23,143
3	Arab Medical Holding Company	Related Party	Manpower Services	One Year	730,547
4	Bloovo	Related Party	Manpower Services	One Year	1,999,752
5	Four Twins	Related Party	Manpower Services	One Year	96,442
6	Mozon Technologies	Related Party	Manpower Services	One Year	573,204
7	Zawaya Investment Company	Related Party	Manpower Services	One Year	270,129
	Bawader Catering Services				
10	Company, One Person Company	Related Party	Manpower Services	One Year	320,937
11	Fast Food Coffee Tour Company	Related Party	Manpower Services	One Year	255,031
12	Yellow Mix for Serving Meals	Related Party	Manpower Services	One Year	29,288

Key Financial Indicators during the Past Five Years

Information related to any Businesses or Contracts in which the Company is a Party and in which a Board Member, Senior Executives or any Party related to them, has or had an Interest

Name of Member	Name of Company	Nature of Business or Contract	Amount of Business or Contract (in SAR)	Term	Terms and Conditions of Business or Contract
Suleiman Al Majed					
Abdullah Al Majed					
Saud bin Nasser Al Shathri	Spectra Support Services	Manpower Services	109,800,516	1 Year	Without Preferential Conditions
Ali Damati	Company				
Abdullah Al Amro					
Abdul Aziz Al Kathiri					
Abdullah Al Amro	Arabian Shifa Medical Co.	Manpower Services	1,230,547	1 Year	Without Preferential Conditions
Abdullah Al Naqir (One of the Owners of Architectural Experience Company, a Major Shareholder)	Four Twins Cafe	Manpower Services	96,442	1 Year	Without Preferential Conditions
Investee	Bloovo	Manpower Services and Leases	1,999,752	1 Year	Without Preferential Conditions
Abdullah Al Amro	Mozon Technologies Co.	Leases	573,204	1 Year	Without Preferential Conditions
Abdullah Al Amro	Zawaya Investment Company	Leases	270,129	1 Year	Without Preferential Conditions
Abdullah Al Amro	Sarp Arabia Investment Holding Company	Leases	0	1 Year	Without Preferential Conditions
Abdullah Al Amro	Insurance World Infor-mation Technology Company	Leases	0	1 Year	Without Preferential Conditions
Saud bin Nasser Al Shathri	Yellow Mix for Serving Meals	Manpower Services	29,288	1 Year	Without Preferential Conditions

Key Financial Indicators during the Past Five Years

A Statement of Regulatory Payments made and due until the End of the Annual Financial Period

Statement	2021		Brief Description	Reasons
	Paid	Due until the end of the Annual Fiscal Period and not yet paid		
Zakat	15,249,978	15,379,357	Zakat due for the year 2020 in addition to final zakat assessments for the years 2019 and 2020.	Zakat Dues
Tax	160,166,525	12,173,707	Value added tax due for the year 2021.	Value Added Tax (VAT)
General Organization for Social Insurance (GOSI)	16,067,191	1,079,201	Social insurance due for the year 2021.	Social Insurance Contributions
Visas and Passports Costs	143,835,702	-	Recruitment fees and visas for expats due for the year 20201.	Operational Fees
Labor Office Fees	182,631,978	-	Labor Office fees and financial consideration due for the year 2021.	Operational Fees