

ELEMENT LIST	CURRENT YEAR	PREVIOUS YEAR	%CHANGE
Sales/Revenue	1,150.95	1,124.09	2.389
Total Profit (Loss)	227.53	268.52	-15.265
Profit (Loss) Operational	-49.84	6.63	-
Net Profit (Loss) after Zakat and Tax	-76.05	8.69	-
Total Comprehensive Income	-77.45	6.97	-
Total Share Holders Equity (after deducting minority equity)	582.33	669.61	-13.034
Profit (Loss) per Share	-1.38	0.16	

All figures are in (Millions) Saudi Arabia, Riyals

ELEMENT LIST	EXPLANATION
Reason for increase (decrease) in net profit for current year compared to last year	<p>The Reason for the Net Loss in the current period as compared with the same period of the last year is due to the following:</p> <p>1-Although there is an increase in revenues amounted to SAR 26.8 million resulting mainly from the revenue of the newly opened entertainment centers and hotels sites amounted to SAR 120.6 million, however, those sites did not contribute positively in the profitability due to the fact that they still in the rump up period, in addition to the pre-operating expenses incurred. The increase in the revenue of the new sites was offset by a reduction of revenues by SAR 93.8 million of the existing locations.</p> <p>2- Decline of revenues of the existing entertainment centers and hotels by SAR 93.8 million as compared to the same period of the last year, mainly due to the decline in the number of visitors this year compared to the last year, in addition to the decreased demand for conferences, meetings and exhibitions from individuals and corporate sector that affected existing hotels. Also, the increased market competition contributed to a decline in the Average Daily Room rate and occupancy rate.</p> <p>3- Non-recurring losses resulted from the discontinued operation i.e. closure of a number of low performing locations (included Entertainment centers and restaurants) which incurred operational losses amounted to SAR 7.7 million in 2018. In addition to the losses due to the write off of fixed assets of these closed locations amounted to SAR 16.8 million, with a total losses of SAR 24.5 million.</p> <p>4- The Cancellation of the Spring school holiday in 2018 which negatively affected the revenues of the existing as well new locations of Entertainment Centers and hotels.</p> <p>5-Increased financial charges by SAR 5.9 million due to increased borrowing cost.</p> <p>6-Decline in the Company’s share in net result of joint venture by SAR 5.3 million.</p> <p>Also, it is worth noting that the management of the Company has taken a lot of actions to reduce the operating, administrative and marketing expenses of the existing locations, so the total expenses reduction amounted to SAR 49.7 million as compared to the last year’s expenses. The reduced expenses included the following: Salaries and benefits by SAR 18.9 million, rent expenses by SAR 16.6 million (include SAR 8.7 million from related parties), depreciation expenses by SAR 3.3 million and other miscellaneous expenses by SAR 10.9 million. Taking into consideration the increase in renewal of expats work permits cost, licenses renewal cost as well as the utilities cost.</p>
Type of the external auditor's opinion	Unmodified opinion
External auditor's report containing reservation	NA
Additional Information	<p>Total revenues during current period amounted to SAR 1,150.95 million compared to SAR 1,124.09 million for the same period of last year with an increase of 26.86 million , 2.4% increase.</p> <p>Gross profit during current period amounted to SAR 227.53 million compared to SAR 268.52 million for the same period of last year with a decrease of 41 million , 15.3% decrease.</p> <p>Operational loss during current period amounted to SAR 49.84 million compared to SAR 6.63 million Operational Profit for the same period of last year with a decrease of 56.47 million.</p> <p>Net loss during the current period amounted to SAR 76.05 million compared to SAR 8.69 million net Profit for the same period of last year with a decrease of 84.74 million.</p> <p>Total comprehensive loss during current period amounted to SAR 77.45 million compared to total comprehensive Income amounted to SAR 6.97 million for the same period of last year with a decrease of 84.43 million.</p> <p>EPS for the current period amounted to SAR -1.38, compared to SAR 0.16 for the same period of last year.</p> <p>Total Shareholders Equity (No Minority interests) during the current period amounted to SAR 582.33 million compared to SAR 669.61 million of the same period of last year with a decrease of 87.28 million, 13% decrease.</p> <p>The company adopted IFRS 9 and IFRS 15 as at January 1, 2018 and resulted in a decrease in the Shareholders Equity by SAR 7.5 million and SAR 2.3 million respectively.</p>