

SINAD HOLDING COMPANY
A SAUDI JOINT STOCK COMPANY

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTHS AND NINE MONTHS
ENDED 30 SEPTEMBER 2024
TOGETHER WITH INDEPENDENT AUDITOR'S
REVIEW REPORT**

SINAD HOLDING COMPANY
(A SAUDI JOINT STOCK COMPANY)
INDEX OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR
THE THREE MONTHS AND NINE MONTHS ENDED 30 SEPTEMBER 2024 (UNAUDITED)

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the shareholders of
Sinad Holding Company

“A Saudi Joint Stock Company”
Riyadh – Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Sinad Holding Company (the “Company”) and its subsidiaries (together referred to as the “Group”), as of 30 September 2024, the interim condensed consolidated statement of income and interim condensed consolidated statement of other comprehensive income for the three months and nine months then ended, and the interim condensed consolidated financial statements of changes in equity and cash flows For the nine months then ended, and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim condensed consolidated financial statement in accordance with International Accounting Standard 34 – (“IAS 34”) “Interim Financial Reporting” endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor*” endorsed in the Kingdom of Saudi Arabia. A review of interim 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 endorsed in the Kingdom of Saudi Arabia 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 consolidated financial statements are not prepared in all material respects in accordance with IAS (34) “Interim Financial Reporting” that is endorsed in the Kingdom of Saudi Arabia.



Independent Auditor's Review Report on the Interim Condensed Consolidated Financial Statements of Sinad Holding Company (the "Company") and its subsidiaries (together the "Group"), as of 30 September 2024 (Continued)

Emphasis of matter

We draw attention to note No. (8) to the accompanying interim condensed consolidated financial statements, which describes a status of the two lawsuits, i) against the seller of the land located in the north of Riyadh, at Al Khair District, and ii) against the broker of the purchase transaction. Our conclusion is not modified in respect of this matter.

For Dr. Mohamed Al-Amri & Co.

Gihad Mohamed Al-Amri
Certified Public Accountant
License Number 362



Riyadh on: 4 Jumada Al-Awwal 1446 (H)
Corresponding to: 6 November 2024 (G)

SINAD HOLDING COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)
(IN SAUDI RIYALS)

		For the three months ended 30		For the nine months ended 30	
		September		September	
	Note	2024	2023	2024	2023
Revenue from contracts with customers	4	443,909,942	407,052,548	1,288,429,972	1,178,360,430
Cost of revenue		(309,012,844)	(327,273,409)	(895,446,331)	(899,760,250)
GROSS PROFIT FROM REVENUE		134,897,098	79,779,139	392,983,641	278,600,180
Dividend income from investments and financial assets		420,800	726,606	1,644,303	6,299,140
Gain from valuation of financial investments at fair value through statement of income		773,359	610,770	6,232,123	7,289,658
Gain / (loss) from valuation of equity instruments at fair value through statement of income	7 (B)	1,803,198	(449,687)	2,787,966	(449,687)
Gain from valuation of debt instruments at fair value through statement of income	7 (C)	188,770	-	188,770	269,732
TOTAL GAIN FROM INVESTMENT		3,186,127	887,689	10,853,162	13,408,843
GROSS PROFIT		138,083,225	80,666,828	403,836,803	292,009,023
Selling and distribution expenses		(63,130,869)	(73,821,781)	(195,930,116)	(217,786,199)
General and administrative expenses		(40,732,881)	(46,049,982)	(129,901,883)	(135,642,238)
Other operating (expenses) / income, net		(123,845)	3,578,812	8,620,971	4,718,500
TOTAL EXPENSES		(103,987,595)	(116,292,951)	(317,211,028)	(348,709,937)
NET INCOME / (LOSS) FROM OPERATIONS		34,095,630	(35,626,123)	86,625,775	(56,700,914)
Foreign currency exchange (losses) / gains		(254,747)	213,679	(8,432,293)	2,140,834
Finance charges		(14,888,123)	(12,280,402)	(59,042,941)	(40,230,799)
Other income		151,744	81,967	777,469	2,191,396
INCOME / (LOSS) BEFORE ZAKAT AND INCOME TAX		19,104,504	(47,610,879)	19,928,010	(92,599,483)
Zakat	5 (A)	(3,287,108)	(4,089,067)	(9,625,462)	(15,711,239)
Income tax	5 (B)	(4,141,555)	(5,226,161)	(7,033,052)	(12,482,697)
NET INCOME / (LOSS) FOR THE PERIOD		11,675,841	(56,926,107)	3,269,496	(120,793,419)
NET INCOME / (LOSS) FOR THE PERIOD ATTRIBUTABLE TO:					
Shareholders of the Parent Company		1,286,966	(39,712,792)	(11,822,225)	(84,872,109)
Non-controlling interests		10,388,875	(17,213,315)	15,091,721	(35,921,310)
		11,675,841	(56,926,107)	3,269,496	(120,793,419)
Basic and diluted earnings / (loss) per share:					
Basic and diluted earnings / (loss) per share attributable to the Parent Company's shareholders	6	0.01	(0.31)	(0.09)	(0.67)
Weighted average number of ordinary shares at the end of the period		126,388,889	126,388,889	126,388,889	126,388,889


Acting Chief Financial Officer



Chief Executive Officer



Managing Director



The accompanying notes from 1 to 14 form an integral part of these interim condensed consolidated financial statements.

SINAD HOLDING COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
(UNAUDITED)
(IN SAUDI RIYALS)

	Note	For the three months ended 30 September		For the nine months ended 30 September	
		2024	2023	2024	2023
NET PROFIT / (LOSS) FOR THE PERIOD		11,675,841	(56,926,107)	3,269,496	(120,793,419)
OTHER COMPREHENSIVE INCOME:					
<u>Items that may be reclassified subsequently to consolidated statement of income</u>					
Foreign currencies translation losses		(250,336)	(108,500)	(59,521,828)	(27,172,758)
<u>Items that will not be reclassified subsequently to consolidated statement of income</u>					
Net gains / (losses) on revaluation of equity instruments at fair value through other comprehensive income	7 (A)	92,128,750	(53,970,000)	33,748,750	(15,680,000)
TOTAL OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD		91,878,414	(54,078,500)	(25,773,078)	(42,852,758)
NET COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD		103,554,255	(111,004,607)	(22,503,582)	(163,646,177)
ATTRIBUTABLE TO:					
Shareholders of the Parent Company		93,276,754	(93,743,020)	(11,114,042)	(115,635,707)
Non-controlling interests		10,277,501	(17,261,587)	(11,389,540)	(48,010,470)
		103,554,255	(111,004,607)	(22,503,582)	(163,646,177)

Acting Chief Financial Officer

Chief Executive Officer

Managing Director

The accompanying notes from 1 to 14 form an integral part of these interim condensed consolidated financial statements.

SINAD HOLDING COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(IN SAUDI RIYALS)

	Notes	As of 30 September 2024 (Unaudited)	As of 31 December 2023 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		624,697,387	665,196,074
Investment properties		45,134,328	45,134,328
Intangible assets		159,717,685	159,664,640
Right of use assets		32,974,477	33,823,728
Investments and financial assets	7	692,818,751	649,302,496
Deferred tax assets		1,108,845	1,038,490
TOTAL NON-CURRENT ASSETS		1,556,451,473	1,554,159,756
CURRENT ASSETS			
Inventories		409,107,115	368,645,062
Receivables	8	389,510,813	371,187,833
Prepaid expenses and other current assets		40,144,329	53,529,256
Non-current assets held for sale		2,803,210	2,954,779
Due from related parties		2,005,641	1,334,614
Investments at fair value through statement of income		19,684,991	12,635,875
Investment at amortized cost		-	77,162,884
Cash and cash equivalent		64,736,691	102,842,295
TOTAL CURRENT ASSETS		927,992,790	990,292,598
TOTAL ASSETS		2,484,444,263	2,544,452,354
EQUITY AND LIABILITIES			
EQUITY			
Capital		1,263,888,890	1,263,888,890
Statutory reserve	11	-	219,249,829
Retained earnings / (accumulated losses)		47,178,512	(160,249,092)
Net loss on revaluation of equity instrument at fair value through other comprehensive income	7 (A)	(70,400,057)	(104,148,807)
Foreign currencies translation losses		(168,260,250)	(135,219,683)
TOTAL EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY		1,072,407,095	1,083,521,137
Non-controlling interests		256,869,713	268,259,253
TOTAL EQUITY		1,329,276,808	1,351,780,390
NON-CURRENT LIABILITIES			
Islamic Murabaha financing contracts and long-term loans	9	62,638,891	38,888,893
Lease liability		25,583,016	24,028,719
Employee's benefits liabilities		77,439,690	82,016,595
TOTAL NON-CURRENT LIABILITIES		165,661,597	144,934,207
CURRENT LIABILITIES			
Payables and other current liabilities		330,624,009	325,366,320
Short Term Islamic Murabaha financing	10	533,891,077	585,116,092
Current portion of Islamic Murabaha contracts and long-term loans	9	49,626,334	38,407,832
Current portion of lease liability		12,898,570	17,748,576
Dividends payable		12,042,133	12,113,214
Due to related parties		553,100	553,100
Zakat and income tax payable	5	49,870,635	68,432,623
TOTAL CURRENT LIABILITIES		989,505,858	1,047,737,757
TOTAL LIABILITIES		1,155,167,455	1,192,671,964
TOTAL EQUITY AND LIABILITIES		2,484,444,263	2,544,452,354

Acting Chief Financial Officer

Chief Executive Officer

Managing Director

The accompanying notes from 1 to 14 form an integral part of these interim condensed consolidated financial statements.

SINAD HOLDING COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
(IN SAUDI RIYALS)

	Equity attributable to shareholders of the Parent Company							
	Capital	Statutory reserve	Retained earnings / (accumulated losses)	Net loss on revaluation of equity instrument at fair value through OCI	Foreign currencies translation losses	Total equity attributable to the Parent Company	Non-controlling interests	Total equity
For the nine months ended 30 September 2024								
Balance as of 1 January 2024 (Audited)	1,263,888,890	219,249,829	(160,249,092)	(104,148,807)	(135,219,683)	1,083,521,137	268,259,253	1,351,780,390
Net loss for the period	-	-	(11,822,225)	-	-	(11,822,225)	15,091,721	3,269,496
Other items in the other comprehensive income	-	-	-	-	(33,040,567)	(33,040,567)	(26,481,261)	(59,521,828)
Gain from revaluation of equity instrument at fair value through other comprehensive income	-	-	-	33,748,750	-	33,748,750	-	33,748,750
Total comprehensive loss	-	-	(11,822,225)	33,748,750	(33,040,567)	(11,114,042)	(11,389,540)	(22,503,582)
Transferred from statutory reserve to absorb accumulated losses (Note 11)	-	(219,249,829)	219,249,829	-	-	-	-	-
Balance as of 30 September 2024 (Unaudited)	1,263,888,890	-	47,178,512	(70,400,057)	(168,260,250)	1,072,407,095	256,869,713	1,329,276,808
For the nine months ended 30 September 2023								
Balance as of 1 January 2023 (Audited)	1,263,888,890	219,249,829	(27,498,813)	(97,683,807)	(120,028,939)	1,237,927,160	349,560,297	1,587,487,457
Net loss for the period	-	-	(84,872,109)	-	-	(84,872,109)	(35,921,310)	(120,793,419)
Other items in the other comprehensive income	-	-	-	-	(15,083,598)	(15,083,598)	(12,089,160)	(27,172,758)
Loss from revaluation of equity instrument at fair value through other comprehensive income	-	-	-	(15,680,000)	-	(15,680,000)	-	(15,680,000)
Total comprehensive loss	-	-	(84,872,109)	(15,680,000)	(15,083,598)	(115,635,707)	(48,010,470)	(163,646,177)
Dividend Paid	-	-	-	-	-	-	(6,296,250)	(6,296,250)
Dividend Due	-	-	-	-	-	-	(6,514,350)	(6,514,350)
Balance as of 30 September 2023 (Unaudited)	1,263,888,890	219,249,829	(112,370,922)	(113,363,807)	(135,112,537)	1,122,291,453	288,739,227	1,411,030,680

Acting Chief Financial Officer

Chief Executive Officer

Managing Director

The accompanying notes from 1 to 14 form an integral part of these interim condensed consolidated financial statements.

SINAD HOLDING COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
(IN SAUDI RIYALS)

		For the nine months ended 30 September	
	Notes	2024	2023
<u>OPERATING ACTIVITIES</u>			
Income / (loss) before zakat and income tax		19,928,010	(92,599,483)
Adjustments:			
Dividend income from investments and financial assets		(1,644,303)	(6,299,140)
Gain from valuation of investments at fair value through statement of income		(6,232,123)	(7,289,658)
(Gain) / loss from valuation of equity instruments at fair value through statement of income	7 (B)	(2,787,966)	449,687
Gain from valuation of debt instruments at fair value through statement of income		(188,770)	(269,732)
Depreciation of property, plant and equipment and right of use assets		53,564,619	64,226,228
Amortization of intangible assets		339,312	324,228
Gains from sale of property, plant and equipment		(1,620,050)	(2,583,807)
Reversal of impairment of property, plant and equipment		(593,190)	-
Lease termination and adjustments		(2,877,403)	-
(Reversal) / provision for expected credit losses		(5,984,188)	4,846,999
Gains from derivative instruments at fair value through statement of income		-	(1,379,941)
Employee's benefits liabilities		8,087,135	8,482,204
Finance charges		59,911,532	40,230,799
Provisions no longer required		(3,583,763)	(3,049,660)
		116,318,852	5,088,724
Changes in operating assets and liabilities:			
Change in receivables, prepaid expenses and other current assets		(12,286,917)	15,824,234
Change in inventories		(88,329,229)	14,300,570
Change in payables and other current liabilities		34,718,697	37,682,680
Change in due from/to related parties, net		(671,027)	(797,237)
Cash from operations		49,750,376	72,098,971
Zakat and income tax paid	5 (A)	(28,313,423)	(34,565,078)
Finance charges paid		(54,567,298)	(37,287,523)
Employee's benefits liabilities paid		(12,664,040)	(18,661,442)
Net cash used in operating activities		(45,794,385)	(18,415,072)
<u>INVESTING ACTIVITIES</u>			
Paid for purchase of property, plant and equipment and assets under constructions		(20,856,000)	(11,578,079)
Proceeds from sale of property, plant and equipment		2,619,114	3,644,385
Paid for purchase of intangible assets		-	-
Paid for purchase of investments and financial assets		(6,790,769)	(214,829,756)
Paid for purchase of investments at fair value through statement of income		(7,823,447)	-
Proceed from selling of investments at fair value through statement of income		7,006,454	-
Proceeds from income of investment and financial assets		1,644,303	6,299,140
Net cash used in investing activities		(24,200,345)	(216,464,310)

The accompanying notes from 1 to 14 form an integral part of these interim condensed consolidated financial statements.

SINAD HOLDING COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
(IN SAUDI RIYALS)

	For the nine months ended 30	
	September	
Notes	2024	2023
<u>FINANCING ACTIVITIES</u>		
Proceed from Islamic Murabaha financing contracts, long and short-term loans	1,220,361,027	1,209,433,667
Paid to Islamic Murabaha financing contracts, long and short-term loans	(1,240,457,578)	(1,080,625,886)
Dividends paid	(71,081)	(56,169)
Non-controlling interest's share of dividends	-	(6,296,250)
Lease liabilities payment	(10,996,280)	(10,758,844)
Paid for derivatives financial instruments	-	(16,500,000)
Net cash (used in) / generated from financing activities	(31,163,912)	95,196,518
NET CHANGE IN CASH AND CASH EQUIVALENT	(101,158,642)	(139,682,864)
Effect of exchange difference from translation of cash and cash equivalent	(14,109,846)	(15,751,657)
Cash and cash equivalent at the beginning of the period	180,005,179	293,525,613
CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD	64,736,691	138,091,092

SIGNIFICANT NON-CASH TRANSACTIONS

INVESTING ACTIVITIES

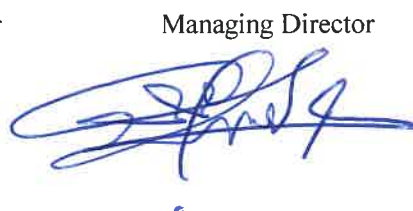
Net gains / (losses) on revaluation of equity instrument at fair value through other comprehensive income	7 (B)	33,748,750	(15,680,000)
Transferred from property, plant and equipment to advance to suppliers		-	15,447,829
Transferred from projects under construction to property, plant, and equipment and intangible assets		4,648,617	4,157,063
Transferred from property, plant and equipment to non-current assets held for sale		2,718,139	-

FINANCING ACTIVITIES

Foreign currencies translation losses		(59,521,828)	(27,172,758)
Dividends to non-controlling interests		-	6,514,350
Transferred from statutory reserve to absorb accumulated losses	11	219,249,829	-


Acting Chief Financial Officer


Chief Executive Officer


Managing Director

The accompanying notes from 1 to 14 form an integral part of these interim condensed consolidated financial statements.

**SINAD HOLDING COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR
THE THREE MONTHS AND NINE MONTHS ENDED 30 SEPTEMBER 2024
(IN SAUDI RIYALS)**

1. COMPANY'S INFORMATION

Sinad Holding Company (Formerly Aseer for Trading, Tourism, Industry, Agriculture, Real estate and Contracting Company) ("the Company" or the "Parent Company") was incorporated as a Saudi Joint Stock Company, in accordance with the Regulations for Companies in the Kingdom of Saudi Arabia, according to Royal Decree No. 78 dated 7 Dhul- Qadah 1395 H (corresponding to 11 November 1975). The Company operates under Commercial Registration No. 5850000276 issued in Abha on 15 Muharam 1397 H, (corresponding to 5 January 1977). The Company is also listed in the Capital Market Authority in Kingdom of Saudi Arabia. The Parent Company is 53.18% owned by a major shareholder (Dallah Al Baraka Holding Company) and 46.82% by other shareholders.

The capital of the Parent Company consists of 126,388,889 shares as of 30 September 2024, the value of each of which is 10 Saudi riyals (31 December 2023: 126,388,889 shares).

The Company's activity is represented in the following:

- Managing its subsidiaries, or participating in managing other Companies in which it contributes and providing the necessary support to them.
- Investing in stocks and other securities.
- Owning real estate and movables necessary to carry out its activity.
- Providing loans, guarantees and financing to its subsidiaries.
- Owning industrial property rights such as patents, trademarks, industrial rights, franchises and other moral rights, and exploiting and leasing them to its subsidiaries or others.
- Any other activity consistent with the nature of the Company.

The registered office of the Company is CMC tower, Almalqa district, King Fahad Road, Riyadh, Kingdom of Saudi Arabia.

2. BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES INFORMATION

2.1 BASIS OF PREPARATION

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (34) "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia and other standards and publications approved by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

The interim condensed consolidated financial statements do not include all the information and explanations required in the annual financial statements, and they must be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2023. Also, the results for the initial financial period ended on 30 September 2024 do not necessarily reflect the results that would be expected for the fiscal year ending on 31 December 2024.

2.2 BASIS OF MEASUREMENT

These interim condensed consolidated financial statements have been prepared on a historical cost convention, except for financial instruments that have been measured at fair value. For employees' defined benefit liabilities that is measured at the present value of future obligations using the Projected Unit Credit Method.

**SINAD HOLDING COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR
THE THREE MONTHS AND NINE MONTHS ENDED 30 SEPTEMBER 2024
(IN SAUDI RIYALS)**

**2. BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES
INFORMATION (CONTINUED)**

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

These interim condensed consolidated financial statements are presented in Saudi Riyals, which is the functional currency of the Group, unless otherwise indicated.

2.4 BASIS OF CONSOLIDATION

The interim condensed consolidated financial statements include the interim condensed financial statements of the Company and its subsidiaries (together the “Group”) as at 30 September 2024.

Below are the details of subsidiaries:

Subsidiary	Country of incorporation	Ownership percentage	
		30 September 2024	31 December 2023
Aseer Al Arabiah for Industrial Investment Company Limited (Single owner Company LLC) and subsidiaries (see notes A below)	Kingdom of Saudi Arabia	100%	100%
Al Khawatem for Trading and Contracting Company Limited (Single owner Company LLC)	Kingdom of Saudi Arabia	100%	100%
Al Mawajed International for Real Estate Development Company Limited (Single owner Company LLC)	Kingdom of Saudi Arabia	100%	100%
Fast Delivery Company for Logistics Services (Single owner Company LLC)	Kingdom of Saudi Arabia	100%	100%

SINAD HOLDING COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR
THE THREE MONTHS AND NINE MONTHS ENDED 30 SEPTEMBER 2024
(IN SAUDI RIYALS)

2. BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES
INFORMATION (CONTINUED)

2.4 BASIS OF CONSOLIDATION (CONTINUED)

A- Aseer Al Arabiah for Industrial Investment Company Limited interim condensed consolidated financial statements include the following subsidiaries (a subsidiary of the Parent Company):

Subsidiary	Operation	Country of incorporation	Ownership percentage	
			30 September 2024	31 December 2023
Halawani Brothers Company (a Saudi Joint Stock Company) (see note B below)	Manufacturing, packaging, wholesale and retail trade of food products	Kingdom of Saudi Arabia	55.51%	55.51%
Al Rabie Saudi Foods Company (a Saudi Closed Joint Stock Company)	Manufacturing of dairy, dairy products, juices, drinks	Kingdom of Saudi Arabia	57.30%	57.30%
Textile & Readymade Garments Company Limited (Limited Liability Company)	Production of Saudi Thobe and uniforms	Kingdom of Saudi Arabia	62.30%	62.30%

B- The interim condensed consolidated financial statements of Halawani Brothers (Saudi Joint Stock Company) include the following subsidiary:

Subsidiary	Operation	Country of incorporation	Ownership percentage	
			30 September 2024	31 December 2023
Halawani Brothers Company (a Closed Joint Stock Company)	Manufacturing, packaging, wholesale and retail trade of food products	Egypt	100%	100%
Fodco Limited *	Investments	Cayman Islands	100%	-
Halegpt Limited *	Investments	Cayman Islands	100%	-

* Both companies haven't started their operations yet.

2.5 SUMMARY OF MATERIAL ACCOUNTING POLICIES INFORMATION, JUDGEMENTS AND ESTIMATES

The accounting policies, judgments and estimates applied in preparing the accompanying interim condensed consolidated financial statements are the same as those mentioned in the group's consolidated financial statements as of 31 December 2023.

SINAD HOLDING COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR
THE THREE MONTHS AND NINE MONTHS ENDED 30 SEPTEMBER 2024
(IN SAUDI RIYALS)

2. BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES
INFORMATION (CONTINUED)

2.6 APPLICATION OF NEW AMENDED STANDARDS AND INTERPREPERATIONS

New standards, amendments to existing standards and interpretations

There are no new standards issued by the International Accounting Standards Board (IASB), however, a number of amendments to the standards are effective as of 01 January 2024, which were explained in the annual consolidated financial statements of the group as of 31 December 2023 and there is no material impact on the interim condensed consolidated financial statements of the group for the nine months ended 30 September 2024.

3. SEGMENTAL INFORMATION

A segment is a distinguishable component of the Group that is engaged either in providing products or services (a business segment) or in providing products or services within a particular economic environment (a geographic segment), and its profits and losses are different from other segments.

The Group uses business segment and geographical segment. The Group performs its activities in Kingdom of Saudi Arabia, Egypt and other countries. The selected financial information for geographical and business segments as follows:

A) Business segments

The Group's business segments are represented in the investment and industrial segments. Following is selected information about each of those two segments:

30 September 2024 (Unaudited)	<i>Investment segment SR'000'</i>	<i>Industrial segment SR'000'</i>	<i>Total SR'000'</i>
Total assets	956,214	1,528,230	2,484,444
Total liabilities and non-controlling interests	285,714	1,126,323	1,412,037
Net revenues and investment income	17,982	1,281,301	1,299,283
Gross profit	5,054	398,783	403,837
Depreciation	3,651	50,253	53,904
Property, plant and equipment and assets under constructions	2,345	622,352	624,697
Capital expenditures	131	20,725	20,856
31 December 2023 (Audited)	<i>Investment segment SR'000</i>	<i>Industrial segment SR'000</i>	<i>Total SR'000</i>
Total assets	913,460	1,630,992	2,544,452
Total liabilities and non-controlling interests	245,561	1,215,370	1,460,931
Net revenues and investment income	36,199	1,612,882	1,649,081
Gross profit	18,269	398,129	416,398
Depreciation and amortization of intangible assets	4,250	81,174	85,424
Property, plant and equipment and assets under constructions	3,042	662,154	665,196
Capital expenditures	464	26,382	26,846

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3. SEGMENTAL INFORMATION (CONTINUED)

B) Geographical segments

**For the nine months
period ended 30
September 2024
(Unaudited)**

	<i>Kingdom of Saudi Arabia</i>	<i>Egypt</i>	<i>Other Arab and foreign countries</i>	<i>Reconciliations</i>	<i>Total</i>
Description	SR	SR	SR	SR	SR
	'000'	'000'	'000'	'000'	'000'
Total assets	2,363,827	185,114	-	(64,497)	2,484,444
Total liabilities	1,034,549	123,171	-	(2,553)	1,155,167
Revenue from contracts with customers	809,962	375,220	104,540	(1,292)	1,288,430

**31 December 2023
(Audited)**

	<i>Kingdom of Saudi Arabia</i>	<i>Egypt</i>	<i>Other Arab and foreign countries</i>	<i>Reconciliations</i>	<i>Total</i>
Description	SR	SR	SR	SR	SR
	'000'	'000'	'000'	'000'	'000'
Total assets	2,429,655	286,012	-	(171,215)	2,544,452
Total liabilities	1,077,875	127,103	-	(12,306)	1,192,672

**For the nine months
ended 30 September
2023 (Unaudited)**

Revenue from contracts with customers	665,790	375,625	137,240	(295)	1,178,360
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4. REVENUE FROM CONTRACTS WITH CUSTOMERS

Below is the classification of the Group's revenue from contracts with customers as per the various classifications affected by the nature of economic factors, amount and the timing of sales:

	For the nine months ended 30 September 2024 (Unaudited)	2023 (Unaudited)
Food products	731,966,775	649,086,921
Drinks and beverages	549,334,546	526,723,533
Other	7,128,651	2,549,976
	1,288,429,972	1,178,360,430

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5. ZAKAT AND INCOME TAX PAYABLE

The amount of zakat and income tax payable consists of the following:

	As of	
	30 September 2024	31 December 2023
	(Unaudited)	(Audited)
Zakat payable	44,439,885	53,526,409
Income tax payable	5,430,750	14,906,214
	49,870,635	68,432,623

A) Zakat

Movement in zakat on the Group was as follows:

	As of	
	30 September 2024	31 December 2023
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	53,526,409	41,162,322
Provided during the period / year	9,625,462	14,977,006
Paid during the period / year	(18,711,986)	(26,812,919)
Transferred from payables and other current liabilities	-	24,200,000
Balance at the end of the period / year	44,439,885	53,526,409

Zakat charged to the interim condensed consolidated statement of income as follow:

	For the nine months ended 30 September	
	2024	2023
	(Unaudited)	(Unaudited)
Provided during the period	9,625,462	15,711,239

B) Income tax

Movement in income tax provision was as follows:

	As of	
	30 September 2024	31 December 2023
	(Unaudited)	(Audited)
At the beginning of the period / year	14,906,214	15,129,195
Provided during the period / year	7,760,185	18,769,369
Paid during the period / year	(9,601,437)	(12,217,916)
Translation differences	(7,634,212)	(6,774,434)
Balance at the end of the period / year	5,430,750	14,906,214

Income tax charged to interim condensed consolidated statement of income as follows:

	For the nine months ended 30 September	
	2024	2023
	(Unaudited)	(Unaudited)
Current income tax	7,760,185	12,913,258
Deferred income tax	(727,133)	(430,561)
	7,033,052	12,482,697

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5. ZAKAT AND INCOME TAX PAYABLE (CONTINUED)

C) Zakat and tax status

There has been no material change in the group's zakat or tax status compared to the zakat and tax status for the year ended 31 December 2023, except for the following:

- The Authority issued Zakat assessments for the years 2021 and 2022 for the Parent Company, and the Company paid those assessments, and finalized its Zakat status up to 2022.
- One of the subsidiaries has finalised its Zakat status up to year ended 31 December 2018, and also for the years 2021 and 2022.

The executive regulation for the collection of Zakat issued by Resolution No. (1007) of His Excellency the Minister of Finance dated 8/19/1445 AH shall apply to fiscal years beginning after 1/1/2024 AD and has no material impact on the Group.

6. EARNINGS PER SHARE

Basic and diluted earnings per share is calculated by dividing the net loss for the period attributable to the shareholders of the Parent Company by the number of outstanding ordinary shares as follows:

	For the nine months ended 30 September	
	2024	2023
	(Unaudited)	(Unaudited)
Loss for the period attributable to the shareholders of the Parent Company	(11,822,225)	(84,872,109)
Weighted average number of outstanding ordinary shares	126,388,889	126,388,889
Basic and diluted loss per share attributable to the shareholders of Parent Company	(0.09)	(0.67)

7. INVESTMENTS AND FINANCIAL ASSETS

	As of	
	30 September 2024	31 December 2023
	(Unaudited)	(Audited)
Equity instruments at fair value through the other comprehensive income (see note (A) below)	665,380,915	631,632,165
Equity instruments at fair value through statement of income (see note (B) below)	24,593,806	15,015,071
Debt instruments at fair value through statement of income (see note (C) below)	2,844,030	2,655,260
	692,818,751	649,302,496

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7. INVESTMENTS AND FINANCIAL ASSETS (CONTINUED)

a) Equity instruments at fair value through other comprehensive income

	Investment in equity instruments		Total as of	Total as of
			30 September	31 December
	Quoted	Un-quoted	2024	2023
			(Unaudited)	(Audited)
Cost:				
At the beginning of the period / year	390,600,000	345,180,972	735,780,972	735,780,972
At the end of the period / year	390,600,000	345,180,972	735,780,972	735,780,972
Net losses from revaluation of investments and financial assets:				
At the beginning of the period / year	(64,400,000)	(39,748,807)	(104,148,807)	(97,683,807)
Revaluation gains / (losses)	33,748,750	-	33,748,750	(6,465,000)
At the end of the period / year	(30,651,250)	(39,748,807)	(70,400,057)	(104,148,807)
Net book value	359,948,750	305,432,165	665,380,915	631,632,165

The Group owns 35 million shares as at 30 September 2024 (31 December 2023: 35 million shares) in Emaar the Economic City Company with amount of SR 307 million as at 30 September 2024 (31 December 2023: SR 278 million). The Company is required to obtain an approval from the Economic Cities and Special Zones Authority before it can dispose of its owned shares.

During the period ended 30 September 2024, one of the investee Companies "Amlak International Company", increased its capital by granting free shares based on the decision of the Extraordinary General Assembly dated 20 May 2024, which led to an increase in the number of shares owned by the Company, and the total number of shares owned as of 30 September 2024 became 3.9 million shares (31 December 2023: 3.5 million shares) with a value of SR 40 million (31 December 2023: SR 48 million).

b) Equity instruments at fair value through statement of income

	As of	
	30 September 2024	31 December 2023
	(Unaudited)	(Audited)
At the beginning of the period / year	15,015,071	-
Additions	6,790,769	14,729,755
Revaluation gains	2,787,966	285,316
At the end of the period / year	24,593,806	15,015,071

c) Debt instruments at fair value through statement of income

	As of	
	30 September 2024	31 December 2023
	(Unaudited)	(Audited)
Balance as at the beginning of the period / year	2,655,260	2,645,055
Gain from revaluation of debt instruments at fair value through statement of income	188,770	10,205
Balance as at the end of the period / year	2,844,030	2,655,260

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8. RECEIVABLES

	As of	
	30 September 2024	31 December 2023
	(Unaudited)	(Audited)
Receivables (See note (a) below)	447,843,010	437,712,980
Provision of expected credit losses	(58,332,197)	(66,525,147)
	389,510,813	371,187,833

a) Receivables - Land seller north of Riyadh and broker

On 28 April 2019, the Group received a letter from the seller stating that the title deed of the purchased land in 2009 amounting to SR 219,739,441 was revoked by an order issued from the Public Court in Riyadh for a reason beyond the control of the seller and the group. Of which the Group paid SR 207,239,441 and the remaining amount of SR 12,500,000 has not been paid. and the decision has become final and must be adhered to and implemented. the seller presented some solutions and proposals to the Group in a manner that preserves all its rights. After receiving the above-mentioned letter, the Group verified its validity through the concerned parties and it was confirmed that the revocation was valid for reasons and justifications pertaining the seller as the revocation pertains to the main title deed of the land belonging to the seller and its scope. The Group has no relation or involvement in this matter and was not informed or involved in this matter, court hearings, sessions, discussions, or investigations. noting that the Group when purchasing the land inquired about the title deed, and proved its validity at the time through a committee of attorney public composed of three members as per statement of permission issued on 28 Rajab 1430H.

On 18 Rabi II 1441H (corresponding to: 15 December 2019), the Group filed two lawsuits at the Public Court in Riyadh against the seller of the land located north of Riyadh, Al Khair District, and against the broker of the purchase deal requesting to compel both the land seller and purchase broker (claimers) to return the amount paid to them amounted to SR 207,239 million of the land value to the Group with retaining its right to claim any compensation for any losses or financial claims that have arisen or that may be caused due to revocation of the said land deed. Based on the opinion of the legal consultant of the Group and inquiries made with him, the documents and papers presented in both lawsuits are strong and explicit and form legal evidence of contractual relationship and prove the right of the Group to collect and recover the purchase amount paid due to revocation of the title deed and its right as well as to collect and recover the brokerage fees paid to the sale broker.

During the year ended 31 December 2019, the Group de-recognized the total land amount from the books amounted to SR 181,500,000 and recognized as trade receivable on the seller and broker with total amount of SR 207,239,441 after deducting the remaining amount due to the seller of the land value of SR 12,500,000.

The book value of the land amounts to SR 181,500,000 representing purchase price of SR 219,739,441 less impairment previously recognized amounting to SR 38,239,441.

During November 2020, a final ruling was issued in favor of the Group to revoke the sale contract between the Group and the seller of the land and bind the seller of the land to pay an amount of SR 202 million to the Group.

On 19 Shaaban 1442 H corresponding to 01 April 2021, the Group received a letter from its legal consultant stating that the defendant (land's seller) filed a petition to the court on 05 Shaaban 1442H, corresponding to 18 March 2021, to overturn the verdict and dismiss the case after the expiry of the formal objection period and petition was accepted, and according to the Court dismissed the previous ruling and dismiss the case for lack of jurisdiction because the case is one of the big cases with amounts of more than 100 million Saudi Riyals. The Group has objected the ruling as it was not valid.

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8. RECEIVABLES (CONTINUED)

a) Receivables - Land seller north of Riyadh and broker (Continued)

On 03 February 2022, the General Department for large cases of the General Court has issued a preliminary ruling in the favor of the Group, to terminate the sale's contract pertaining to north Riyadh land between the Group and the seller and what's entitled to it, and obligate the land seller to repay an amount of SR 202 million in favor of the Group.

On 24 April 2022, the Court of Appeal issued its ruling confirming the ruling issued by the General Department for large cases. Consequently, the Group applied to the Execution Court to execute the ruling, and the court has started to proceed with the execution by seizing assets owned by the seller. The Execution Court collected approximately 3 million Saudi riyals from the seller's bank accounts, which reduced the total balance owed to the group to 199 million Saudi riyals.

On 08 March 2023, a preliminary rule was issued in favour of the Group obliging the broker to repay an amount of SR 5,239,441 in favour of the Group, and the period of objection to the issued ruling is 30 days starting from the following date of receiving a copy of the rule based on the legal pleadings system. The defendant objected to the ruling and the Court of Appeal confirmed the issued ruling and it was submitted to the Court of Execution. On 21 June 2023 a final rule was issued in favor of the Group obliging the broker to repay an amount of SR 5,239,441. A request to enforce the judgment was submitted to the Enforcement Court in Riyadh, and a decision was issued against the defendant in terms of seizing and enforcing bank accounts, investment portfolios, real estate, and movable funds, as well as preventing him from traveling and suspending his services. A request to seize the shares of the defendant was submitted, and the department was provided with all the companies in which the defendant owns shares, and they are under procedure with the judge, and during the subsequent period, the group collected the total amount due from the broker.

9. ISLAMIC MURABAHA CONTRACTS AND LONG-TERM LOANS

	As of	
	30 September 2024	31 December 2023
	(Unaudited)	(Audited)
Facilities and long-term loans	112,265,225	77,296,725
Amounts due within a year	(49,626,334)	(38,407,832)
Non-current portion	62,638,891	38,888,893

The Group has a number of Islamic Murabaha contracts and long-term loans that were disclosed in the Group's financial statements as of 31 December 2023, in addition to the following agreement entered into by the group during the period ended on 30 September 2024, which is as follow:

- One of the subsidiaries has signed an agreement with a local bank in the Kingdom of Saudi Arabia in the amount of SAR 65 million, according to the terms of the agreement, the financing is due to be repaid in quarterly instalments by SR 4.06 million starting from 31 December 2024, and the financing ends on 30 September 2028. The financing entails financing fees at the prevailing market rate between Saudi banks (SAIBOR) plus a profit margin. The financing is secured by promissory notes issued to the bank. And it was announced in the Capital Market Authority. As of 30 September 2024, the loan balance amounted to SR 65 million (31 December 2023: Nil).

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10. SHORT-TERM ISLAMIC MURABHA FINANCING

	As of	
	30 September 2024	31 December 2023
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	585,116,092	576,303,097
Net movement during the period / year	(51,225,015)	8,812,995
Balance at the beginning of the period / year	533,891,077	585,116,092

The group has a number of short-term Islamic Murabaha financing agreements that were disclosed in the group's financial statements as of 31 December 2023, in addition to the following agreements entered into by the group during the period ended on 30 September 2024, which is as follow:

- One of the subsidiaries signed an agreement with a local bank in the Kingdom of Saudi Arabia to finance the purchase of imported goods through letters of credit. The facility is subject to a commission based on the prevailing inter-bank rates in the Kingdom of Saudi Arabia (SIBOR) plus a commission rate determined by the bank. As of 30 September 2024, the loan balance amounted to SR 25.8 million (31 December 2023: Nil).
- One of the subsidiaries, has entered into short-term Murabaha contracts with local banks in the Arab Republic of Egypt to finance its operations. The subsidiary pays financing charges according to the market rate. As of 30 September 2024, the outstanding balance for these contracts amounted to SR 46 million (31 December 2023: Nil).

11. STATUTORY RESERVE

- Under the previous Articles of Association, the Company was required to transfer 10% of net income to the statutory reserve until it reached 30% of the capital. In accordance with the amendments made to the Companies Law in the Kingdom of Saudi Arabia, there is no longer an obligation to maintain the statutory reserve. Accordingly, the shareholders decided at the Extraordinary General Assembly held on 26 June 2024 to amend the Company's Articles of Association. According to the decision, the statutory reserve amounting to SR 219,249,829 was transferred to accumulated losses. To Absorb the accumulated losses amounting to SR 160,249,092 as of December 31, 2023.
- Under the amended Articles of Association, the General Assembly of Shareholders has the right, when determining the share of profits, to decide to form new reserves to the extent that serves the interest of the Company or ensures the distribution of fixed dividends as much as possible to shareholders.

12. COMPARATIVE INFORMATION

The group's management has reclassified some items for the comparison period to conform to the current period's classification, the most important of which are as follows:

	For the nine months period ended 30 September 2023		
	(Unaudited)		
Interim condensed consolidated income statement	Before reclassification	Reclassification	After reclassification
Revenue from contracts with customers	1,189,332,350	(10,971,920)	1,178,360,430
Cost of revenue	(896,656,042)	(3,104,208)	(899,760,250)
Selling and distribution expenses	(230,313,962)	12,527,763	(217,786,199)
General and administrative expenses	(135,088,966)	(553,272)	(135,642,238)
Other operating income, net	2,616,863	2,101,637	4,718,500
Foreign currency exchange (losses) / gains	(74,374)	2,215,208	2,140,834
Finance charges	(38,015,591)	(2,215,208)	(40,230,799)

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12. COMPARATIVE INFORMATION (CONTINUED)

Interim condensed consolidated income statement	For the three months period ended 30 September 2023		
	(Unaudited)		
	Before reclassification	Reclassification	After reclassification
Revenue from contracts with customers	412,340,906	(5,288,358)	407,052,548
Cost of revenue	(325,765,949)	(1,507,460)	(327,273,409)
Selling and distribution expenses	(80,069,938)	6,248,157	(73,821,781)
General and administrative expenses	(45,496,710)	(553,272)	(46,049,982)
Other operating income, net	2,477,879	1,100,933	3,578,812
Foreign currency exchange (losses) / gains	243,110	(29,431)	213,679
Finance charges	(12,309,833)	29,431	(12,280,402)

13. SIGNIFICANT EVENTS

On March 6, 2024, with the aim of achieving stability in the exchange market and eliminating the gap between the official and parallel market exchange rates, the Central Bank of Egypt took the decision to allow the exchange rate of the Egyptian pound to be determined according to market mechanisms. This step comes in response to the economic challenges that the Arab Republic of Egypt has recently faced, which were in the lack of resources of foreign currencies, the shortage of foreign currencies has led to the emergence of a parallel market for the exchange rate of the Egyptian pound due to the accumulation of demand for foreign exchange.

14. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved by Board of Directors on 4 Jumada Al-Awwal 1446 (H) corresponding to 6 November 2024 (G).
