

**Abdullah Al Othaim for Investment Company**  
**(A Closed Saudi Joint Stock Company)**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2022**  
**AND INDEPENDENT AUDITOR REVIEW REPORT**

**Abdullah Al Othaim for Investment Company**

**(A Closed Saudi Joint Stock Company)**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**For the three month and nine month periods ended 30 September 2022**

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### Independent auditor's review report

To the shareholders of  
Abdullah Al Othaim for Investment Company  
(Closed Saudi Joint Stock Company)  
Riyadh – Kingdom of Saudi Arabia

#### Introduction

We have reviewed the accompanying interim condensed consolidated financial statement of financial position of Abdullah Al Othaim for Investment Company (the "Company") and its subsidiaries (together the "Group") as of 30 September 2022, and the related interim condensed consolidated statements of profit or loss, and other comprehensive income for the three-month and nine-month periods ended 30 September 2022, and the interim condensed consolidated statements of changes in equity, and cash flows for the nine months period then ended and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 – "Interim Financial Reporting" (IAS 34), that is endorsed in Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based in 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 of the Entity" that is 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 that are 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 that is endorsed in the Kingdom of Saudi Arabia

For Dr. Mohamed Al-Amri & Co.

Gihad Al-Amri  
Certified Public Accountant  
Registration No. 362

20 Jumada Al-Awwal 1444 (H)  
14 December 2022 (G)



Abdullah Al Othaim for Investment Company  
(A Closed Saudi Joint Stock Company)  
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 September, 2022

(All amounts are presented in Saudi Riyals)

	Note	As at 30 September 2022 (Unaudited)	As at 31 December 2021 (Audited - Restated)	As at 01 January 2021 (Audited - Restated)
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Property and equipment		387,056,450	398,429,973	427,692,296
Investment properties	5	3,329,321,111	2,912,721,082	2,305,178,862
Intangible assets		3,349,761	2,445,889	3,030,952
Right of use assets	8	324,495,378	345,647,244	379,372,147
Investments in associate		-	2,913,496	1,419,676
Advances to contractors		58,284,485	37,201,534	74,138,073
<b>TOTAL NON-CURRENT ASSETS</b>		<b>4,102,507,185</b>	<b>3,699,359,218</b>	<b>3,190,832,006</b>
<b>CURRENT ASSETS</b>				
Inventories		72,549,079	58,096,567	51,392,704
Lease receivables		155,588,076	139,271,291	186,708,209
Prepayments and other current assets	6	54,423,432	38,866,967	31,218,135
Amounts due from related parties	7	88,464,722	98,569,554	38,996,341
Cash and cash equivalents		41,494,599	82,697,585	103,274,241
<b>TOTAL CURRENT ASSETS</b>		<b>412,519,908</b>	<b>417,501,964</b>	<b>411,589,630</b>
<b>TOTAL ASSETS</b>		<b>4,515,027,093</b>	<b>4,116,861,182</b>	<b>3,602,421,636</b>
<b>EQUITY AND LIABILITIES</b>				
<b>SHAREHOLDERS' EQUITY</b>				
Share capital	12	1,000,000,000	1,000,000,000	1,000,000,000
Statutory reserve		155,313,379	155,313,379	131,972,545
Retained earnings		895,416,085	679,500,095	468,339,562
Foreign currency translation difference		(10,346,511)	(1,091,920)	(1,066,526)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>2,040,382,953</b>	<b>1,833,721,554</b>	<b>1,599,245,581</b>
Non-controlling interest		-	-	-
<b>TOTAL EQUITY</b>		<b>2,040,382,953</b>	<b>1,833,721,554</b>	<b>1,599,245,581</b>
<b>NON-CURRENT LIABILITIES</b>				
Loans	9	1,181,511,960	1,382,983,699	1,153,804,350
Lease liability		258,585,795	328,407,614	349,374,249
Deferred tax		1,921,159	2,389,939	2,013,004
Employees' defined benefit liability		26,307,156	21,252,384	22,526,090
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,468,326,070</b>	<b>1,735,033,636</b>	<b>1,527,717,693</b>
<b>CURRENT LIABILITIES</b>				
Investment losses provision		2,035,441	-	-
Current portion of loans	9	338,277,899	270,470,652	212,862,320
Trade payables		47,295,140	56,245,771	62,930,511
Contract liabilities		6,993,579	6,833,139	7,964,047
Accruals and other current liabilities	10	186,325,616	128,685,920	93,772,348
Investment Properties Creditors	11	123,000,000	-	-
Current portion of lease liability		79,787,694	65,675,882	73,881,666
Amounts due to related parties	7	217,705,627	13,295,283	15,393,000
Zakat provision		4,897,074	6,899,345	8,654,470
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,006,318,070</b>	<b>548,105,992</b>	<b>475,458,362</b>
<b>TOTAL LIABILITIES</b>		<b>2,474,644,140</b>	<b>2,283,139,628</b>	<b>2,003,176,055</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,515,027,093</b>	<b>4,116,861,182</b>	<b>3,602,421,636</b>

**Abdullah Al Othaim for Investment Company**  
**(A Closed Saudi Joint Stock Company)**

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the three month and nine-month periods ended 30 September, 2022

(All amounts are presented in Saudi Riyals)

	For the three Months period ended		For the nine Months period ended		
	Notes	30 September 2022 (Unaudited)	30 September 2021 (Unaudited - Restated)	30 September 2022 (Unaudited)	30 September 2021 (Unaudited - Restated)
Revenue	14	253,842,958	221,284,754	694,616,815	608,738,922
Cost of revenue		(114,289,133)	(111,141,124)	(340,972,818)	(323,264,124)
<b>GROSS PROFIT</b>		<b>139,553,825</b>	<b>110,143,630</b>	<b>353,643,997</b>	<b>285,474,798</b>
Selling and distribution expenses		(23,181,394)	(18,671,631)	(66,474,958)	(52,722,295)
General and administrative expenses		(34,628,456)	(18,664,821)	(69,950,836)	(43,349,051)
Other operating income / (expenses)		(15,689,878)	10,000,000	21,565,122	(13,218,215)
<b>OPERATING PROFIT</b>		<b>66,054,097</b>	<b>82,807,178</b>	<b>238,783,325</b>	<b>176,185,237</b>
Finance cost		(11,217,381)	(4,025,779)	(26,522,898)	(21,551,164)
Share of (loss) / profit in associates		(860,698)	228,915	(2,974,001)	1,251,809
Other income		1,326,287	290,090	13,043,295	26,853,535
<b>PROFIT BEFORE ZAKAT AND TAX</b>		<b>55,302,305</b>	<b>79,300,404</b>	<b>222,329,721</b>	<b>182,739,417</b>
Zakat and Tax		(1,414,500)	(1,492,687)	(3,743,956)	(2,480,315)
<b>PROFIT FOR THE PERIOD</b>		<b>53,887,805</b>	<b>77,807,717</b>	<b>218,585,765</b>	<b>180,259,102</b>
<b>OTHER COMPREHENSIVE INCOME:</b>					
Items that will be reclassified to profit or loss in subsequent period:					
Exchange differences on translation of foreign operations	15	(3,772,242)	20,961	(9,254,591)	(16,218)
Items that will not be reclassified to profit or loss in subsequent period					
Re-measurement (loss) gain on employees' defined benefit		(281,928)	(833,538)	(2,669,775)	1,011,398
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>(4,054,170)</b>	<b>(812,577)</b>	<b>(11,924,366)</b>	<b>995,180</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>49,833,635</b>	<b>76,995,140</b>	<b>206,661,399</b>	<b>181,254,282</b>
Basic and Diluted Earning Per Share	13	0.54	0.78	2.18	1.80

The attached notes (1) to (20) form part of these consolidated financial statements.

**Abdullah Al Othaim for Investment Company**  
**(A Closed Saudi Joint Stock Company)**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY**

For the three month and nine-month periods ended 30 September, 2022

(All amounts are presented in Saudi Riyals)

	Share capital	Statutory reserve	Retained earnings	Foreign currency translation diff.	Total
<b>For the nine months period ended 30 September 2022</b>					
Balance at 31 December 2021 – Previously issued	1,000,000,000	153,050,886	659,137,654	(1,091,920)	1,811,096,620
Adjustments (note 18)	-	2,262,493	20,362,441	-	22,624,934
Balance at 31 December 2021 – Restated	1,000,000,000	155,313,379	679,500,095	(1,091,920)	1,833,721,554
Profit for the period	-	-	218,585,765	-	218,585,765
Other comprehensive income for the period	-	-	(2,669,775)	(9,254,591)	(11,924,366)
Total comprehensive income	-	-	215,915,990	(9,254,591)	206,661,399
Balance at 30 September 2022 (Unaudited)	1,000,000,000	155,313,379	895,416,085	(10,346,511)	2,040,382,953
<b>For the nine months period ended 30 September 2021</b>					
Balance at 1 January 2021 – previously issued	1,000,000,000	130,885,355	458,554,850	(1,066,526)	1,588,373,679
Adjustments (note 18)	-	1,087,190	9,784,712	-	10,871,902
Balance at 1 January 2021 – Restated	1,000,000,000	131,972,545	468,339,562	(1,066,526)	1,599,245,581
Profit for the period	-	-	180,259,102	-	180,259,102
Other comprehensive income for the period	-	-	1,011,398	(16,218)	995,180
Total comprehensive income	-	-	181,270,500	(16,218)	181,254,282
Balance at 30 September 2021 (Unaudited)	1,000,000,000	131,972,545	649,610,062	(1,082,744)	1,780,499,863

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**Ramakrishnan**  
**Ranganathan**  
Chief Financial Officer

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**Meshaal Bin Omarih**  
Chief Executive Officer  
The attached notes form (1) to (20) as a part of these condensed consolidated interim financial statements.

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**Abdullah Saleh Al-Othaim**  
Chairman

**Abdullah Al Othaim for Investment Company**  
**(A Closed Saudi Joint Stock Company)**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOW**  
For the nine months ended 30 September 2022  
(All amounts are presented in Saudi Riyals)

	For the period ended	
	30 September 2022 (Unaudited)	30 September 2021 (Unaudited - Restated)
<b>OPERATING ACTIVITIES</b>		
Profit before zakat and tax	222,329,721	182,739,417
Adjustments:		
Depreciation and amortization (PPE, Investment Properties, and Intangible Assets)	100,448,785	92,668,162
Amortization of right of use assets	47,885,122	44,142,948
Expected credit losses and tenant discounts provision (no longer required) expense	(21,565,122)	13,218,215
Provision for employees' defined benefit liabilities	5,109,345	3,804,360
Provision expense for slow moving inventory	(103,865)	(1,077,203)
(gain) from sale of investment property	(123,929)	(19,546,938)
Share of result of associates	2,974,001	(1,251,809)
Finance cost	26,522,898	21,551,164
	<u>383,476,956</u>	<u>336,248,316</u>
Working capital adjustment:		
Inventories	(14,348,647)	(433,913)
Lease receivables	5,248,337	16,834,417
Prepayments and other current assets	(15,556,465)	(5,705,659)
Advance to contractors	(21,082,951)	29,217,321
Trade payable	(8,950,631)	(14,051,503)
Contract Liabilities	160,440	(1,942,288)
Payable against investment property	123,000,000	
Accruals and other current liabilities	57,620,272	37,204,970
Related parties balances	214,515,177	(2,139,179)
	<u>724,082,488</u>	<u>395,232,482</u>
Zakat and taxes paid	(4,697,532)	(5,514,163)
Employees' defined benefit liability paid	(2,786,344)	(3,965,203)
Finance costs paid	(25,703,698)	(32,512,085)
Net cash flows from operating activities	<u>690,894,914</u>	<u>353,241,031</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(43,496,913)	(24,270,335)
Proceeds from disposal of investment property	2,817,458	25,574,517
Proceeds from sale of property and equipment	237,231	1,485,294
Purchase of investment property	(463,372,496)	(644,586,933)
Net cash flows used in investing activities	<u>(503,814,720)</u>	<u>(641,797,457)</u>
<b>FINANCING ACTIVITIES</b>		
Payment / Proceeds from loans, net	(133,664,492)	325,811,594
Payment of lease liability	(94,618,688)	(59,605,932)
Net cash flows (used in) / from financing activities	<u>(228,283,180)</u>	<u>266,205,662</u>
Change in cash and cash equivalents	(41,202,986)	(22,350,764)
Cash and cash equivalents at the beginning of the period	82,697,585	103,274,241
Cash and cash equivalents at the end of the period	<u>41,494,599</u>	<u>80,923,477</u>
Significant non-cash transactions:		
Right-of-use asset	44,939,411	14,702,034
Investment properties creditors	123,000,000	-
Capitalization of finance cost	12,800,010	8,343,135

Abdullah Al Othaim for Investment Company

(A Closed Saudi Joint Stock Company)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three month and nine month periods ended 30 September, 2022

(All amounts are presented in Saudi Riyals)

1 INFORMATION ABOUT THE COMPANY AND ITS ACTIVITIES

Abdullah Al Othaim Investment Company (the "Company" or the "Parent Company") is a Closed Saudi Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia ("KSA") under commercial registration numbered 1010213454 and dated 19 Ramadan 1426H (corresponding to 22 October 2005). The registered office is located at Al Rabwah District, P.O. Box 85289, Riyadh 12821, KSA.

The Company and its subsidiaries (collectively referred to as the "Group") principal business activities include general constructions of residential and non-residential buildings, rental of investment properties, establishment and management of games and entertainment parks, wholesale retail trading in readymade garments, operate and manage restaurants and cafes.

The Company's offices address is 2351 Al Mashriqah, Ar Rawabi, Riyadh 14215, Riyadh - Kingdom of Saudi Arabia.

The company's fiscal year begins on the first of January and ends at the end of December of each year.

Those condensed consolidated financial statements include the assets, liabilities and result of operations of the Company and its subsidiaries (the "Group") set out below:

Subsidiary	Country of registration	September 2022 %
Abdullah Al Othaim for Entertainment Company (*)	Kingdom of Saudi Arabia	100%
Abdullah Al Othaim Fashion Company	Kingdom of Saudi Arabia	100%
Abdullah Al Othaim For Food Company	Kingdom of Saudi Arabia	100%
Raeeda Complex Limited Company	Kingdom of Saudi Arabia	100%
Nemar for Investment and Real Estate Development Company	Kingdom of Saudi Arabia	100%
Ethraa Al Hayat for Property Management	Kingdom of Saudi Arabia	100%
Riyadh Al Waed for Property Management	Kingdom of Saudi Arabia	100%
Elham Al mostaqbel for Property Management	Kingdom of Saudi Arabia	100%
Takamul Al Aziziye for Property Management	Kingdom of Saudi Arabia	100%
Othaim for Trading Malls Company	Kingdom of Saudi Arabia	100%
Behar International for Investment Company	Kingdom of Saudi Arabia	100%
Asaat Al Nafal for Operation and Maintenance Company	Kingdom of Saudi Arabia	100%



**Abdullah Al Othaim for Investment Company**

**(A Closed Saudi Joint Stock Company)**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the three month and nine month periods ended 30 September, 2022

(All amounts are presented in Saudi Riyals)

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(\*) The following are the subsidiaries of Abdullah Al Othaim for Entertainment Company:

Subsidiary	Country of registration	September
		2022 %
Fun World for Entertainment and Tourism	Egypt	100%
Cairo For Operation and Maintenance	Egypt	100%
Fun World Entertainment LLC – UAE	United Arab Emirates	100%
International Leisure Company LLC	United Kingdom	100%
Fun World Investments LLC – Qatar	Qatar	100%
Fun World Entertainment LLC – Oman	Oman	100%
Abdullah Al Othaim for Entertainment - Bahrain	Bahrain	100%

## 2 BASIS OF PREPARATION

These condensed consolidated interim financial statements for the nine months period ended 30 September 2022 have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should therefore be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2021.

An interim period is considered as integral part of the whole fiscal year, however, the results of operations for the interim periods may not be a fair indication of the results of the full year operations

## 3 AMENDMENTS TO STANDARDS AND INTERPRETATIONS

There are no new standards issued, however, there are number of amendments to standards which are effective from 1 January 2022 and has been explained in Group annual Consolidated Financial Statements, but they do not have a material effect on the Group's Condensed Consolidated Interim Financial Statements

**Abdullah Al Othaim for Investment Company**

**(A Closed Saudi Joint Stock Company)**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the three month and nine month periods ended 30 September, 2022

(All amounts are presented in Saudi Riyals)

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#### **4 SIGNIFICANT EVENTS DURING THE PERIOD**

On July 13, 2022 AD (corresponding to Dhu al-Hijjah 13, 1443 AH), Abdullah Al-Othaim Markets Company (shareholder) announced the decision of its board of directors to approve the offer submitted by Al-Othaim Holding Company to purchase all of its shares in Abdullah Al-Othaim Investment Company, amounting to about 13.65 million shares, which include 13.65% of its capital for 62 riyals per share, with a total value of 846.54 million riyals.

On July 24, 2022 AD (corresponding to Dhu al-Hijjah 24 1443 AH), The group sent a letter to the Saudi Capital Market Authority (CMA) to request the cancellation of the initial public offering of 30% of its capital in the main Saudi financial market, which the company had previously issued the prospectus for the aforementioned offering on May 18, 2022 AD.

On August 03, 2022 AD (corresponding to Muharram 05, 1443 AH), The board of directors of the group have announced it's intention to offer Saudi Pillar Company for sale to Leader Investment Company (a related party which is owned by one of the sons of the shareholder and the Chairman Mr. Abdullah Saleh Al Othaim)

Abdullah Al Othaim for Investment Company

(A Closed Saudi Joint Stock Company)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three month and nine month periods ended 30 September, 2022

(All amounts are presented in Saudi Riyals)

5 INVESTMENT PROPERTIES

	Lands SR	Buildings SR	Machinery and equipment SR	Furniture and Fixtures SR	Lease hold improvement SR	Construction work in progress SR	Total SR
Cost: -							
Balance as at 01 January 2021 – Previously issued Restatement (note 18)	752,443,457	1,520,004,172	242,886,678	9,627,439	14,815,091	400,676,039	2,940,452,876
Balance as at 01 January 2021 - Restated	-	-	-	-	-	10,871,902	10,871,902
Adjustments	-	(175,878)	-	-	(1,204,539)	-	(1,380,417)
Additions (*)	598,030,000	120,952	525,955	-	1,585,140	67,741,856	668,003,903
Transferred from construction work in progress	-	779,358	-	-	4,966,831	(9,388,049)	(3,641,860)
Disposal	(4,922,336)	(10,353)	(47,932)	(1,996)	-	-	(4,982,617)
Balance as at 31 December 2021	1,345,551,121	1,520,718,251	243,364,701	9,625,443	20,162,523	469,901,748	3,609,323,787
Additions (**)	369,844,706	36,946,269	218,878	-	143,282	56,219,361	463,372,496
Transferred from construction work in progress	-	212,915,702	66,083,087	-	1,867,850	(280,866,639)	-
Disposal	(2,691,234)	-	(768,665)	(1,793)	-	-	(3,461,692)
Balance as at 30 September 2022	1,712,704,593	1,770,580,222	308,898,001	9,623,650	22,173,655	245,254,470	4,069,234,591
Accumulated depreciation:							
Balance as at 01 January 2021	-	437,424,623	193,865,651	9,270,079	5,585,563	-	646,145,916
Adjustments	-	(1,283,171)	47,884	(113,224)	-	-	(1,348,511)
Charge for the period	-	41,060,724	8,445,001	217,948	2,131,552	-	51,855,225
Disposal	-	-	(47,931)	(1,994)	-	-	(49,925)
Balance as at 31 December 2021	-	477,202,176	202,310,605	9,372,809	7,717,115	-	696,602,705
Charge for the period	-	34,268,392	7,970,775	147,955	1,701,816	-	44,088,938
Disposal	-	-	(766,427)	(1,736)	-	-	(768,163)
Balance as at 30 September 2022	-	511,470,568	209,514,953	9,519,028	9,418,931	-	739,923,480
Net Book Value							
As at 30 September 2022	1,712,704,593	1,259,109,654	99,383,048	104,622	12,754,724	245,254,470	3,329,321,111
As at 31 December 2021	1,345,551,121	1,043,516,075	41,054,096	252,634	12,445,408	469,901,748	2,912,721,082
As at 01 January 2021	752,443,457	1,082,579,549	49,021,027	357,360	9,229,528	411,547,941	2,305,178,862

Management has not carried out an external valuation for investment properties as at 30 September 2022. Fair value of the investment properties as at 31 December 2021 amounted to SR 5,721,137,234. An independent third party, Colliers International (“Valuer”) license number 1220001784 has performed the valuation of the investment properties using the discounted cash flow approach. Certain lands and buildings with an aggregate book value of SR 1,263 million (31 December 2021: SR 1,265 million) are pledged with local banks.

(\*) Total Additions during the year ended 31 December 2021 include SAR 11,753,032 capitalized finance cost on Construction work in progress using capitalization rate of 1.64%

(\*\*) Total Additions during the nine months period ended 30 September 2022 include SAR 12,800,010 capitalized finance cost on Construction work in progress using capitalization rate of 2.49%

Abdullah Al Othaim for Investment Company

(A Closed Saudi Joint Stock Company)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three month and nine month periods ended 30 September, 2022

6 PREPAYMENTS AND OTHER CURRENT ASSETS

	30 September 2022	31 December 2021	01 January 2021
Refundable deposits	10,039,513	10,253,838	10,197,062
Prepayments	25,495,224	18,701,647	11,918,928
Prepaid rent	7,773,838	2,162,400	3,101,261
Employees' receivables	1,814,520	1,232,143	805,711
Other	9,300,337	6,516,939	5,195,173
	54,423,432	38,866,967	31,218,135

7 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent the shareholders and key management personnel of the Group, and entities controlled or significantly influenced by such parties. The terms of the transactions with related parties are approved by the Group's management.

7.1 Following is a list of related parties of the Group:

Related party	Nature of relationship
Othaim Market Company	Shareholder
Al Othaim Holding Company	Shareholder
Qyol for Real Estate Investment	Subsidiary of a Shareholder
Lilyan Company	Affiliate
Orion Holding Limited Company	Subsidiary of a Shareholder
Al Nahdi Medical	Mutual Board member
Al Rajhi capital	Mutual Board member
FAW International	Affiliate
Advanced Systems and Technology Company	Mutual Board member
Fun World Company - Bahrain	Subsidiary
Wamdah for Cinema	Joint Venture
Saudi Pillar for Construction Company	Affiliate
Qyol for Real Estate Investment	Affiliate

7.2 Related party balances

The following table summarizes related parties' balances:

Amounts due from related parties	As at 30 September 2022	As at 31 December 2021	As at 01 January 2021
Wamdah for Cinema	88,447,868	88,086,106	34,832,378
Othaim Market Company	-	5,125,576	3,495,538
Liliane for Trade Establishment	16,854	16,854	-
Qyol for Real Estate Investment	-	668,425	668,425
Saudi Pillar for Construction Company	-	1,684,606	-
Fun world – Bahrain	-	2,987,987	-
	88,464,722	98,569,554	38,996,341

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Management conducted an impairment review as required under IFRS 9 for amounts due from related parties, based on such assessment, management believe that there is no significant impairment against the carrying value the outstanding balances of amounts due from related parties.

Amounts due to related parties	As at 30 September 2022	As at 31 December 2021	As at 01 January 2021
Orion Holding Limited Company	391,383	391,383	393,000
Othaim Market Company	206,877,308	-	-
FAW International Company	10,436,936	12,903,900	15,000,000
	217,705,627	13,295,283	15,393,000

7.3 Related party transactions

Name of related parties	Nature of transaction	30 September 2022	30 September 2021
Al Othaim Holding Company	Expenses paid on behalf	150,926	153,456
	Charging IPO expenses	15,823,792	-
Othaim Market Company	Rental revenue	15,393,047	13,007,077
	Rental expense	27,288,412	26,755,875
	Purchase of Land	211,327,580	-
Wamdah For Cinemas	Net rental revenue	8,208,159	1,877,128
FAW International Company	Repayment of amount due	2,466,964	-
Advanced systems and technology	Service received	80,000	-
Al Rajhi capital	Rental revenue	701,633	791,894
Al Nahdi medical	Rental revenue	2,554,814	2,599,739
Qyol for Real Estate Investment	Settlement of receivable	688,425	-
Saudi Pillar	Construction Service received	5,686,652	7,286,749

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8 RIGHT OF USE ASSETS

	As at 30 September 2022	As at 31 December 2021	As at 01 January 2021
Cost:			
Opening balance	550,808,177	650,230,515	735,559,367
Additions	44,939,411	35,183,862	3,979,941
Disposals (note 11)	(55,774,144)	(124,606,200)	(89,308,793)
Closing balance	<u>539,973,444</u>	<u>560,808,177</u>	<u>650,230,515</u>
Accumulated amortisation:			
Opening Balance	205,160,933	270,858,368	218,912,920
Charge for the period / year	47,885,122	62,068,584	59,709,086
Disposals (note 11)	(37,567,989)	(117,766,019)	(7,763,638)
Closing balance	<u>215,478,066</u>	<u>215,160,933</u>	<u>270,858,368</u>
Net book value	<u>324,495,378</u>	<u>345,647,244</u>	<u>379,372,147</u>

9 LOANS

The loans outstanding balance is sub-divided into current and non-Current as follows:

	As at 30 September 2022	As at 31 December 2021	As at 01 January 2021
Current portion of loans	338,277,899	270,470,652	212,862,320
Non-current portion of loans	1,181,511,960	1,382,983,699	1,153,804,350
	<u>1,519,789,859</u>	<u>1,653,454,351</u>	<u>1,366,666,670</u>

And we can summarize the following

- Loans bears financing charges at market rates, which are generally based on Saudi Inter Bank Offer Rate ("SIBOR") plus 0.85%
- The group added a short-Term loan from local commercial bank to cover shortfall in working capital requirements.
- These facilities are secured by corporate guarantees and promissory notes issued by the shareholders, acknowledgement of assignment of project proceeds, mortgage over lands and building, with carrying value of SR 1,263 million (31 December 2021: SR 1,265 million)
- These loans are repayable on installments according to the terms of the agreements up to year 2028.

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10 ACCRUALS AND OTHER CURRENT LIABILITIES

	As at 30 September 2022	As at 31 December 2021	As at 01 January 2021
Retention payable	52,351,994	44,687,574	54,596,782
Accrued expenses	21,532,811	19,765,426	6,766,934
Unearned rental income	89,473,920	43,711,755	4,418,133
Employees' accruals	7,544,346	6,458,649	5,869,654
Advance from customers	1,446,542	624,642	5,699,847
Accrued finance cost	1,463,049	703,947	3,114,834
Accrued to contractors	6,001,972	192,621	192,620
Value-added tax payable	2,355,316	2,743,423	2,685,154
Other accruals	4,155,666	9,797,883	10,428,390
	<u>186,325,616</u>	<u>128,685,920</u>	<u>93,772,348</u>

11 Investment Properties Creditors

During the period, the company entered into an agreement with the lessors of 50% of the land of Rabwa Mall, based on an agreement dated 20 March 2022, the lease contract for the land was terminated and the company purchased the entire share of the lessors with a value of 123 million Saudi riyals, the company becomes the owner of the entire land.

12 SHARE CAPITAL

The Company's share capital at 30 September 2022 and 31 December 2021 amounted to SR 1,000,000,000 consisting of 100,000,000 fully paid and issued shares of SR 10 each.

13 BASIC AND DILUTED EARNINGS PER SHARE

Earnings per share for the ordinary shareholders for the periods ended 30 September 2022 and 30 September 2021 are calculated based on the weighted average number of shares outstanding during the period.

	For the THREE months ended 30		For the NINE months ended 30	
	September		September	
	2022	2021	2022	2021
Net Income for the period	<u>53,887,805</u>	<u>77,807,717</u>	<u>218,585,765</u>	<u>180,259,102</u>
Average number of shares	<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>
	0.54	0.78	2.18	1.80

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14 SEGMENT REPORTING

The Group has the following four strategic divisions, which are its reportable segments. These divisions offer different products and services.

Reportable segments

The following table describes the operations of each reportable segment:

Reportable segment	Operations
Rental of commercial spaces	Rental of commercial spaces in shopping malls
Entertainment	Kids playing centres
Fashion retail	Sales of apparels, footwear's & accessories through retail outlets
Food & Beverages	Cafes and restaurants

The segments financial details are shown below

	Rental of Commercial Spaces	Entertainment	Fashion Retail	Food & Beverage	Other Activities	Elimination	Total
<b>30 September 2022</b>							
Revenue	344,242,078	252,043,528	123,463,740	12,305,857	44,384	(37,482,772)	694,616,815
Finance Cost	21,368,777	4,023,820	1,886,308	245,731	-	(1,001,738)	26,522,898
Profit/ (Loss) for the period	218,585,765	76,749,584	(1,794,976)	(4,480,879)	30,128	(70,503,857)	218,585,765
Total Assets	4,430,071,977	706,972,286	171,366,045	49,101,921	107,889,194	(950,374,330)	4,515,027,093
Total Liabilities	2,389,689,024	216,292,185	174,175,651	55,739,322	74,413,682	(435,665,724)	2,474,644,140

**31 December 2021**

Total Assets	4,023,129,664	609,270,214	146,505,092	32,544,736	103,241,157	(797,829,681)	4,116,861,182
Total Liabilities	2,189,408,109	185,192,718	163,073,100	40,087,422	69,485,069	(364,106,790)	2,283,139,628

**30 September 2021**

Revenue	329,771,560	185,066,731	107,240,535	12,002,365	302,645	(25,644,914)	608,738,922
Finance Cost	18,710,450	3,250,876	1,911,629	189,922	-	(2,511,713)	21,551,164
Profit/ (Loss) for the period	180,259,102	37,881,703	(1,775,994)	(1,340,719)	323,492	(35,088,482)	180,259,102



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**Geographical information**

The Group operates through their various entertainment centres for kids in the Kingdom of Saudi Arabia (Domestic) and international geography which primarily includes United Arab Emirates, Qatar, Oman, Bahrain, and Egypt. The group does not have any other segment outside Saudi Arabia except Entertainment.

**Geographical distribution of revenue**

	For the nine months period ended 30 September 2022		For the nine months period ended 30 September 2021	
Saudi Arabia	601,996,729	86.7%	551,583,497	90.6%
United Arab Emirates	39,174,143	5.6%	29,921,298	4.9%
Egypt	22,650,691	3.3%	9,821,593	1.6%
Qatar	17,196,252	2.5%	9,749,051	1.6%
Oman	11,887,511	1.7%	7,663,483	1.3%
Bahrain	1,711,489	0.2%	-	0%
<b>Total</b>	<b>694,616,815</b>	<b>100%</b>	<b>608,738,922</b>	<b>100%</b>

**Geographical distribution of Total Assets**

	As of 30 September, 2022		As of 31 December, 2021	
Saudi Arabia	4,248,007,420	94.0%	3,856,985,670	93.70%
United Arab Emirates	114,894,587	2.6%	120,013,856	2.90%
Egypt	50,686,373	1.0%	36,845,463	0.9%
Qatar	44,958,796	1.1%	55,749,641	1.40%
Oman	52,182,890	1.2%	47,179,689	1.10%
Bahrain	4,137,081	0.1%	-	-
United Kingdom	159,946	0.004%	86,863	0.002%
<b>Total</b>	<b>4,515,027,093</b>	<b>100%</b>	<b>4,116,861,182</b>	<b>100%</b>

**Geographical distribution of Total Liabilities**

	As of 30 September, 2022		As of 31 December, 2021	
Saudi Arabia	2,382,725,324	96.3%	1,980,927,643	86.80%
United Arab Emirates	45,516,471	1.8%	168,970,242	7.40%
Egypt	9,753,942	0.4%	50,067,539	2.20%
Qatar	19,709,471	0.8%	33,343,239	1.40%
Oman	16,747,166	0.7%	49,830,965	2.20%
Bahrain	191,766	0.008%	-	-
<b>Total</b>	<b>2,474,644,140</b>	<b>100%</b>	<b>2,283,139,628</b>	<b>100%</b>

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#### 15 DEVALUATION OF EGYPTIAN CURRENCY

During the last month of the quarter ended 31 March 2022, the Egyptian pound recorded an average 17% devaluation in rate against the SAR. As a result, currency translation adjustment has been recorded in relation to the translation of foreign operations in Egypt.

#### 16 RISK MANAGEMENT OF FINANCIAL ASSETS AND LIABILITIES

The Group's activities expose it to a variety of financial risks, market risk, credit risk, and liquidity risk.

Financial instruments in the group's statement of financial position include cash and cash equivalents, other assets, account receivable, and other liabilities.

##### a) Market risk

Market price risk is the risk that value of a financial instrument will fluctuate as a result of changes in market prices, such as, commission rates, commodity prices and foreign currency exchange rates, will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

##### Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in currency that is not the group's currency. The group exposure to foreign currency risk is primarily limited to transactions in United State Dollars ("USD"), Egyptian Pound (EGP), Arab Emirates Dirham (AED), Omani Riyal (OMR), Qatari riyal (QAR), Great Britain Pound (GBP) & Bahraini Dinar (BHD). Group is not exposed to foreign currency fluctuation risk arising from AED, OMR, QAR, & BHD as these are pegged to USD. The fluctuation in exchange rates against EGP & GBP are monitored on a continuous basis.

##### Commission rate risk

Commission rate Risk is the exposure associated with the effect of fluctuations in the prevailing commission rates on the group's financial position and cash flows.

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**Liquidity risk**

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from the inability to sell a financial asset quickly at an amount close to its fair value. Following are the contractual maturities at the end of the reporting period of financial liabilities.

**Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risks from its operating activities (primarily leasing receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

	30 September 2022	31 December 2021
Cash and cash equivalents	41,494,599	82,697,585
Amounts due from related parties	88,464,722	98,569,554
Lease receivable	155,588,076	139,271,291
	<u>285,547,397</u>	<u>320,538,430</u>

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17 FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS AND LIABILITIES

Financial instruments by category

Financial instruments for nine months ending 30 September 2022 have been categorised as follows:

	Carrying value			Fair value		
	Financial assets at Fair Value through Other Comprehensive Income	Amortized cost	Total	Level 1	Level 2	Level 3
	SR	SR	SR	SR	SR	SR
<b>Financial assets</b>						
Cash and cash equivalents	-	41,494,599	41,494,599	-	41,494,599	-
Amounts due from related parties	-	88,464,722	88,464,722	-	88,464,722	-
Lease receivables	-	155,588,076	155,588,076	-	155,588,076	-
	-	285,547,397	285,547,397	-	285,547,397	-
<b>Financial liabilities</b>						
Lease liabilities	-	338,373,489	338,373,489	-	338,373,489	-
Trade payables	-	47,295,140	47,295,140	-	47,295,140	-
Retentions Payable	-	52,351,994	52,351,994	-	52,351,994	-
Accrued finance Cost	-	1,463,049	1,463,049	-	1,463,049	-
Amounts due to related parties	-	217,705,627	217,705,627	-	217,705,627	-
Loans	-	1,519,714,859	1,519,714,859	-	1,519,714,859	-
Payable against Investment Properties	-	123,000,000	123,000,000	-	123,000,000	-
	-	2,299,904,158	2,299,904,158	-	2,299,904,158	-

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17 FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS AND LIABILITIES (Continued)

Financial instruments by category

Financial instruments for the year ending 31 December 2021 have been categorised as follows

	Carrying value			Fair value		
	Financial assets at Fair Value through Other Comprehensive Income	Amortized cost	Total	Level 1	Level 2	Level 3
	SR	SR	SR	SR	SR	SR
<b>Financial assets</b>						
Cash and cash equivalents	-	82,697,585	82,697,585	-	82,697,585	-
Amounts due from related parties	-	98,569,554	98,569,554	-	98,569,554	-
Lease receivables	-	139,271,291	139,271,291	-	139,271,291	-
	-	320,538,430	320,538,430	-	320,538,430	-
<b>Financial liabilities</b>						
Lease liabilities	-	394,083,496	394,083,496	-	394,083,496	-
Trade payables	-	56,245,771	56,245,771	-	56,245,771	-
Retentions Payable	-	44,687,574	44,687,574	-	44,687,574	-
Accrued finance Cost	-	703,947	703,947	-	703,947	-
Amounts due to related parties	-	13,295,283	13,295,283	-	13,295,283	-
Loans	-	1,653,454,351	1,653,454,351	-	1,653,454,351	-
		2,162,470,422	2,162,470,422		2,162,470,422	

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#### 18 RESTATEMENT

The group restated certain amounts and balances included in the prior years as the transactions to which these balances relate, had not been accounted for correctly, and accordingly adjusted in accordance with the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". The details of each of such restatements have been summarized below:

<u>31 December 2021</u>	<u>Previously Reported</u>	<u>Restatement (1)</u>	<u>Restated</u>
<b>Statement of financial position</b>			
Investment Properties	2,890,096,148	22,624,934	2,912,721,082
Retained Earnings	659,137,654	20,362,441	679,500,095
Statutory reserve	153,050,886	2,262,493	155,313,379
<u>01 January 2021</u>	<u>Previously Reported</u>	<u>Restatement (1)</u>	<u>Restated</u>
<b>Statement of financial position</b>			
Investment Properties	2,294,306,960	10,871,902	2,305,178,862
Retained Earnings	458,554,850	9,784,712	468,339,562
Statutory reserve	130,885,355	1,087,190	131,972,545
<u>30 September 2021</u>	<u>Previously Reported</u>	<u>Restatement (1,2)</u>	<u>Restated</u>
<b>Statement of profit or loss</b>			
Cost of Sales	322,126,132	1,137,992	323,264,124
Finance Cost	29,894,299	(8,343,135)	21,551,164

#### Restatement (1)

The impact of capitalizing finance cost to qualified assets that previously expensed on the statement of profit or loss.

#### Restatement (2)

The impact of calculating the depreciation of investment properties as a result of incorrect estimate of the useful life of buildings when it capitalized in prior years, to comply with the requirements of IAS (8) "Accounting Policies, Changes in Accounting Estimates and Errors".

#### 19 COMPARATIVE FIGURES

Certain of the prior year amounts have been reclassified to conform to the presentation in the current year.

#### 20 THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS APPROVAL

These Condensed Consolidated Interim Financial Statements were approved by the Board of Directors on behalf of the Shareholders on 01 December 2022 corresponding to 07 Jumada al-Awwal 1444 H