

JABAL OMAR DEVELOPMENT COMPANY
(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL
STATEMENTS AND REVIEW REPORT
FOR THE THREE-MONTH AND SIX-MONTH PERIODS
ENDED 30 JUNE 2021

JABAL OMAR DEVELOPMENT COMPANY
(A Saudi Joint Stock Company)
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 June 2021

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Report on review of condensed consolidated interim financial statements

To the shareholders of Jabal Omar Development Company:
(A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Jabal Omar Development Company (the “Company”) and its subsidiaries (collectively, the “Group”) as at 30 June 2021 and the related condensed consolidated statements of profit or loss and other comprehensive income for the three-month and six-month periods then ended and the condensed consolidated statements of changes in equity and cash flows for the six-month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34- “Interim Financial Reporting” (IAS 34), as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed consolidated interim 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 of the entity”, as 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, as 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 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

Emphasis of matter

We draw attention to Note 1 to the condensed consolidated interim financial statements, which indicates that the Group incurred a loss of Saudi Riyals 74.9 million and negative operating cash flows amounting to Saudi Riyals 523.7 million during the six-month period ended 30 June 2021. In addition, the Group’s current liabilities exceeded its current assets by Saudi Riyals 5,413.4 million and the Group had accumulated losses amounting to Saudi Riyals 2,202.9 million as at 30 June 2021. The Group is dependent on the successful execution of management’s plans to generate sufficient cash flows to enable it both to meet its obligations as they fall due and for the continuity of its operations without significant curtailment. These conditions, along with other matters set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Group’s ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

PricewaterhouseCoopers

Ali A. Alotaibi
License Number 379

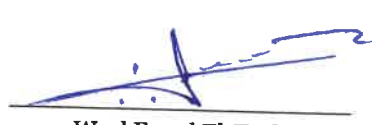
August 18, 2021



JABAL OMAR DEVELOPMENT COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated statement of financial position
As at 30 June 2021
(All amounts in Saudi Riyals thousands unless otherwise stated)

		As at 30 June 2021 (Unaudited)	As at 31 December 2020 (Audited)
Assets			
Non-current assets	Notes		
Property, plant and equipment	6	17,844,866	17,875,110
Intangible assets		2,149	2,112
Investment properties	7	5,032,651	5,041,831
Investment in a joint venture	10	116,060	114,590
Investment held at fair value through profit or loss	9	294,662	304,710
Restricted cash	8	242,590	242,590
Other non-current assets		18,867	19,944
Total non-current assets		23,551,845	23,600,887
Current assets			
Properties for development and sale	11	1,417,949	1,419,044
Other current assets		42,371	32,222
Trade and other receivables	12	144,022	101,528
Investment held at fair value through profit or loss	9	67,836	67,836
Restricted cash – current portion	8	304,994	348,319
Cash and cash equivalents	8	800,524	51,225
		2,777,696	2,020,174
Non-current asset classified as held for sale		-	115,821
Total current assets		2,777,696	2,135,995
Total assets		26,329,541	25,736,882
Equity and liabilities			
Equity			
Share capital		9,294,000	9,294,000
Statutory reserve		108,506	108,506
Reserve for advances to certain founding shareholders		(285,978)	(287,296)
Accumulated losses		(2,202,921)	(2,128,187)
Net equity attributable to shareholders of the Company		6,913,607	6,987,023
Non-controlling interests		1,570	1,719
Total equity		6,915,177	6,988,742

(Continued)
The accompanying notes from 1 to 24 form an integral part of these condensed consolidated interim financial statements, which have been authorised for issue by the Board of Directors on behalf of the Shareholders and signed on its behalf by:


Wael Emad El-Turk
Chief Financial Officer


Khaled Mohammed Al Amoudi
Chief Executive Officer


Saeed Mohammed AlGhamdi
Chairman of the Board of Directors

JABAL OMAR DEVELOPMENT COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated statement of financial position (continued)
As at 30 June 2021
(All amounts in Saudi Riyals thousands unless otherwise stated)

		As at 30 June 2021 (Unaudited)	As at 31 December 2020 (Audited)
Liabilities	Notes		
Non-current liabilities			
Loans and borrowings	13	5,195,610	8,347,880
Liabilities against leases	14	12,293	14,181
Payable to other unitholders of investment fund		4,848,497	4,644,263
Provision for employees' terminal benefits		22,035	33,400
Other non-current liabilities		1,144,829	1,146,791
Total non-current liabilities		11,223,264	14,186,515
Current liabilities			
Loans and borrowings – current portion	13	6,346,927	2,592,201
Accounts payable and other current liabilities		1,362,041	1,483,627
Payable to other unitholders of investment fund - current portion		406,199	406,199
Liabilities against leases – current portion	14	7,192	10,857
Zakat payable	19	68,741	68,741
Total current liabilities		8,191,100	4,561,625
Total liabilities		19,414,364	18,748,140
Total equity and liabilities		26,329,541	25,736,882

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Wael Emad El-Turk Chief Financial Officer	Khaled Mohammed Al Amoudi Chief Executive Officer	Saeed Mohammed AlGhamdi Chairman of the Board of Directors

JABAL OMAR DEVELOPMENT COMPANY
(A Saudi Joint Stock Company)

Condensed consolidated statement of profit or loss and other comprehensive income
For the three-month and six-month periods ended 30 June 2021
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	For the three-month period ended 30 June		For the six-month period ended 30 June	
		2021 (Unaudited)	2020 (Unaudited) (Restated)	2021 (Unaudited)	2020 (Unaudited) (Restated)
Revenue	15	77,285	1,389	98,858	159,985
Cost of revenue		(124,037)	(139,462)	(234,056)	(299,733)
Gross loss		(46,752)	(138,073)	(135,198)	(139,748)
Selling and marketing expenses		(308)	(2,838)	(1,859)	(4,696)
General and administrative expenses		(80,660)	(43,310)	(123,309)	(83,794)
Net impairment reversal / (loss) on financial assets		10,446	(30,710)	13,913	(54,224)
Other operating income	16	2,431	6,657	3,897	8,217
Other operating expense		(112,564)	(13,867)	(122,419)	(32,033)
Operating loss		(227,407)	(222,141)	(364,975)	(306,278)
Gain on disposal of non-current asset classified as held for sale	18	662,179	-	662,179	-
Financial charges	17	(163,796)	(232,746)	(373,557)	(389,928)
Share of results from investment in a joint venture		(406)	1,240	1,470	4,645
Profit/(loss) before zakat		270,570	(453,647)	(74,883)	(691,561)
Zakat	19	-	-	-	-
Profit/(loss) for the period		270,570	(453,647)	(74,883)	(691,561)
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the period		270,570	(453,647)	(74,883)	(691,561)
Income/(loss) for the period attributable to:					
Shareholders of the Company		270,570	(453,505)	(74,734)	(691,365)
Non-controlling interests		-	(142)	(149)	(196)
Total comprehensive income/(loss) for the period attributable to:		270,570	(453,647)	(74,883)	(691,561)
Shareholders of the Company		270,570	(453,505)	(74,734)	(691,365)
Non-controlling interests		-	(142)	(149)	(196)
Earnings/(loss) per share (Saudi Riyals):					
Basic and diluted earnings/(loss) per share attributable to shareholders of the Company		0.29	(0.49)	(0.08)	(0.74)

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Chief Financial Officer

Khaled Mohammed Al Amoudi
Chief Executive Officer

Saeed Mohammed AlGhamdi
Chairman of the Board of Directors

JABAL OMAR DEVELOPMENT COMPANY
(A Saudi Joint Stock Company)

Condensed consolidated statement of changes in equity
For the six-months period ended 30 June 2021
 (All amounts in Saudi Riyals thousands unless otherwise stated)

	Equity attributable to shareholders of the Company					
	Share capital	Statutory reserve	Reserve for Advances to certain founding shareholders	Accumulated losses	Net equity attributable to shareholders of the Company	Total equity
Balance at 1 January 2021 (audited)	9,294,000	108,506	(287,296)	(2,128,187)	6,987,023	6,988,742
Loss for the period	-	-	-	(74,734)	(74,734)	(74,883)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(74,734)	(74,734)	(74,883)
Payments received against advance to certain founding shareholders	-	-	1,318	-	1,318	1,318
Balance at 30 June 2021 (unaudited)	9,294,000	108,506	(285,978)	(2,202,921)	6,913,607	6,915,177
Balance at 1 January 2020 (as previously reported)	9,294,000	108,506	-	(181,653)	9,220,853	9,223,169
Impact of restatements (Note 24)	-	-	(302,458)	(605,707)	(908,165)	(908,165)
Balance at 1 January 2020 (restated)	9,294,000	108,506	(302,458)	(787,360)	8,312,688	8,315,004
Loss for the period, as restated	-	-	-	(691,365)	(691,365)	(691,561)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive loss for the period, as restated	-	-	-	(691,365)	(691,365)	(691,561)
Payments received against advance to certain founding shareholders	-	-	25	-	25	25
Balance at 30 June 2020 (unaudited) (restated)	9,294,000	108,506	(302,433)	(1,478,725)	7,621,348	7,623,468

The accompanying notes from 1 to 24 form an integral part of these condensed consolidated interim financial statements, which have been authorised for issue by the Board of Directors on behalf of the Shareholders and signed on its behalf by:

Wael Emad El-Turk
Chief Financial Officer

Khaled Mohammed Al Amoudi
Chief Executive Officer

Saeed Mohammed AlGhamdi
Chairman of the Board of Directors

JABAL OMAR DEVELOPMENT COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated statement of cash flows
For the six-month period ended 30 June 2021
(All amounts in Saudi Riyals thousands unless otherwise stated)

		For the six-month period ended 30 June	
		2021	2020
		(Unaudited)	(Unaudited) (Restated)
	Notes		
Cash flows from operating activities			
Loss before Zakat		(74,883)	(691,561)
<u>Adjustments for:</u>			
Depreciation on property, plant and equipment	6	122,226	115,464
Depreciation on investment properties	7	14,548	14,797
Amortization of intangible assets		971	606
Provision for employees' terminal benefits		(3,814)	1,963
Net impairment (reversal)/ loss on financial assets		(13,913)	54,224
Gain on disposal of non-current asset classified as held for sale		(662,179)	-
Change in fair value of FVTPL investments		10,048	32,034
Share of results of investment in a joint venture		(1,470)	(4,645)
Financial charges		373,557	389,928
		(234,909)	(87,190)
<u>Changes in operating assets and liabilities:</u>			
Other non-current assets		1,077	1,353
Properties for development and sale		1,095	8,354
Other current assets		(10,149)	4,007
Trade and other receivables		(28,581)	(62,560)
Other non-current liabilities		(1,962)	37,349
Accounts payable and other current liabilities		(73,586)	6,763
Cash used in operations		(347,015)	(91,924)
Financial charges paid		(169,140)	(202,614)
Employees' termination benefits paid		(7,551)	(2,044)
Net cash used in operating activities		(523,706)	(296,582)
Cash flows from investing activities			
Proceeds from disposal of non-current asset classified as held for sale		682,000	-
Additions to property, plant and equipment		(4,771)	(172,855)
Additional Investment in joint venture		-	(23,460)
Additions to investment properties		-	(16,988)
Purchase of Intangible assets		(1,008)	-
Proceeds from selling Investment held at amortised cost - Alinma		-	150,441
Dividend paid to NCI		-	(347)
Restricted cash balances received		43,325	47,518
Restricted cash balances disbursement		-	-
Net cash generated from / (used in) investing activities		719,546	(15,691)
Cash flows from financing activities			
Payments received against advance to certain founding shareholders		1,318	25
Repayment of leases		(5,736)	(10,912)
Loans and borrowings repayment		(111,628)	(92,422)
Loans and borrowings drawdown		669,505	289,376
Net cash generated from financing activities		553,459	186,067

Continued

JABAL OMAR DEVELOPMENT COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated statement of cash flows (continued)
For the six-month period ended 30 June 2021
 (All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	For the six-month period ended 30 June	
		2021 (Unaudited)	2020 (Unaudited) (Restated)
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at beginning of the period		749,299	(126,206)
Cash and cash equivalents at end of the period	8	51,225	239,142
		800,524	112,936

MAJOR NON-CASH SUPPLEMENTAL INFORMATION

Capitalization of borrowing cost on investment property	5,368	47,524
Capitalization of borrowing cost on property, plant and equipment	74,600	87,768

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 Khaled Mohammed Al Amoudi
 Chief Executive Officer


 Saeed Mohammed AlGhamdi
 Chairman of the Board of Directors

JABAL OMAR DEVELOPMENT COMPANY
(A Saudi Joint Stock Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the three-month and six-month periods ended 30 June 2021
(All amounts in Saudi Riyals thousands unless otherwise stated)

1. General information

Jabal Omar Development Company ("the Company"), a Saudi Joint Stock Company, was established under the Regulations for Companies in the Kingdom of Saudi Arabia ("KSA") as per Royal Decree No. M/63, dated 18 October 2006 (corresponding to 25 Ramadan 1427H). The Ministerial Resolution No. 253/S dated 28 October 2007 (corresponding to 16 Shawal 1428H) declared the incorporation of the Company. The Company is registered in Makkah Al Mukkaramah City under Commercial Registration number 4031051838 dated 25 November 2007 (corresponding to 15 Dhul Qida 1428H).

The Company's and its subsidiaries (the "Group") main activity is to own Jabal Omar area adjacent to the western side of the Holy Mosque in Makkah and develop it into plots of land to manage, invest, sell and lease them for the Company's interest; in addition to carrying out operations necessary for construction, maintenance, management, demolishing, surveying, and furnishing hotels, commercial facilities and staff residences, as well as importing and exporting hotels' equipment and furniture and operating the hotels.

Going concern

The Group's envisioned project (hereafter, the "Project") comprises seven phases where each phase will include podiums and towers intended for mixed-use. The Group has completed development work and commenced operations for the first phase. The Group has substantially developed the second, third and fourth phases but the completion of development for these phases still requires a sizable amount of investment to be ready for their intended use. The Group has not commenced development of the remaining phases.

The Group utilizes debt financing to fund the development of each of the Project's phases. However, the Group's projected operating cash flows for the next twelve-months are insufficient to meet the servicing requirements and repayment of the Group's debt. Moreover, this shortfall was exacerbated by the outbreak of novel coronavirus (COVID-19), classified as a pandemic, in March 2020. The outbreak of COVID-19 led to a substantial reduction in cash generated from the Group's hotel and commercial area operations. The Group incurred a loss of Saudi Riyals 74.9 million and negative operating cash flows amounting to Saudi Riyals 523.7 million during the six-month period ended 30 June 2021. In addition, the Group's current liabilities exceeded its current assets by Saudi Riyals 5,413.4 million and the Group had accumulated losses amounting to Saudi Riyals 2,202.9 million as at 30 June 2021. Consequently, the Group is dependent on the successful execution of management's plans to generate sufficient cash flows from debt financing and restructuring and the sale of certain plots of land to meet both its obligations when they become due and to continue its operations without a significant curtailment. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

At 30 June 2021	Within 1 year	1-2 years	2-5 years	Over 5 years	Total contractual cash flows
Loans and borrowings	6,714,098	2,230,655	3,500,258	449,069	12,894,080
Payable to other unit holders of investment fund	751,468	812,398	1,218,596	5,340,594	8,123,056
Accounts payable and other current liabilities	1,091,208	-	-	-	1,091,208
Other non-current liabilities	-	548,657	144,747	745,083	1,438,487
Liabilities against leases	7,884	8,065	5,376	-	21,325
Total	8,564,658	3,599,775	4,868,977	6,534,746	23,568,156

JABAL OMAR DEVELOPMENT COMPANY
(A Saudi Joint Stock Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the three-month and six-month periods ended 30 June 2021
(All amounts in Saudi Riyals thousands unless otherwise stated)

1. GENERAL INFORMATION (continued)

Going concern (continued)

The Group's obligations against lenders and banks do not carry financial covenants except for covenants in respect of a loan amounting to Saudi Riyals 138 million included in the current liabilities.

In assessing the appropriateness of applying the going concern basis in the preparation of these condensed consolidated interim financial statements, the Group's management has developed a plan to enable the Group to meet both its obligations as they become due and to continue its operations, without significant curtailment, as a going concern. The plan comprises the Group's liquidity and forecasted cash flows taking into account reasonably possible outcomes over a 12-month period from the approval of these condensed consolidated interim financial statements. This plan principally includes:

- The Group is at an advanced stage of discussions with a lender to restructure a loan facility amounting to Saudi Riyals 4.6 billion as of 30 June 2021 where the current portion of the loan amounts to Saudi Riyals 1.1 billion. The restructured loan agreement would require the Group to sell phase 5. The Group has appointed a real estate broker for the sale of plots of land belonging to phase 5. The cash expected to be generated from this sale would be utilized to partially repay the loan, amounting to Saudi Riyals 1.1 billion, and remaining funds will be restricted for the development of phases 2 and 4. The restructured loan agreement would also enable the Group to obtain a fresh drawdown amounting to Saudi Riyals 1.2 billion for the development of phases 2 and 4.
- The Group also intends to sell certain plots of land in phase 7 along with the plots of land belonging to phase 5 (as mentioned above) and expects to generate aggregate cash amounting to Saudi Riyals 4.2 billion within twelve months from the date of the condensed consolidated statement of financial position.
- During the six-month period ended 30 June 2021, the Group entered into a financing arrangement amounting to Saudi Riyals 1.6 billion with a lender for the completion of phase 3 and made a drawdown of Saudi Riyals 426 million. Remaining drawdowns from this facility is Saudi Riyals 1,174 million out of which Saudi Riyals 674 million, will be made within twelve months from the date of the condensed consolidated statement of financial position.
- The Group is in discussion with a lender to defer the repayment of an obligation, amounting to Saudi Riyals 3 billion, that is due to mature on 31 March 2022. The lender has supported the Group by acting as guarantor for the new financing arrangement amounting to Saudi Riyals 1.6 billion referred to above. On this basis, the Group's management is confident that a deferral is expected to be granted.
- The Group is planning to obtain approval from another lender to roll-over a loan facility amounting to Saudi Riyals 1 billion due to mature on 30 November 2021. The loan facility has a history of roll-over in the past and, on this basis, the Group's management is confident that the roll-over will be granted.
- The Group is also in discussions with other lenders to increase the magnitude of their financing facilities by an aggregate amount of Saudi Riyals 0.5 billion and reschedule the payment terms. Drawdowns on such facilities once increased are expected to be made within twelve months from the date of the condensed consolidated statement of financial position. The discussions with these lenders are expected to conclude before 30 September 2021.
- The Group is engaged in discussions with the stakeholders of a structured financing facility to reorganize their investment vehicle in a manner that would afford the Group with rights to defer the timing and amount of its repayment obligation.

Based on the above plan, the Group's cash flow forecast for the twelve-month period from the reporting date indicates a net positive cash flow position. Although there is a material uncertainty created by COVID-19 and its impact on travel restrictions besides the successful execution and conclusion of the above plan, management continues to believe that it remains appropriate to prepare the condensed consolidated interim financial statements on a going concern basis as the above plan mitigates any shortfall that may arise during the next 12 months.

The Company has branch commercial registrations to engage in hospitality activities as per the Saudi Commission for Tourism and National Heritage's ("SCTA") letters. These condensed consolidated interim financial statements include the assets, liabilities and results of the operating activities relating to the following hotels in addition to its two branches in Jeddah and Riyadh bearing commercial registration numbers 4030291056 and 1010465230 respectively.

JABAL OMAR DEVELOPMENT COMPANY
(A Saudi Joint Stock Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the three-month and six-month periods ended 30 June 2021
(All amounts in Saudi Riyals thousands unless otherwise stated)

1. GENERAL INFORMATION (continued)

<i>Name</i>	<i>Commencement of operation</i>	<i>Registration number</i>	<i>Registration date</i>	<i>SCTA's-letter Number</i>	<i>SCTA's-letter date</i>
Hilton suites Makkah	01 July 2014 (corresponding to 4 Ramadan 1435H)	4031077081	25 May 2013 (corresponding to 15 Rajab 1434H)	AVM/5887/34	04 March 2013 (corresponding to 22 Rabi II 1434H)
Hyatt Regency	22 June 2015 (corresponding to 5 Ramadan 1436H)	4031087547	09 September 2014 (corresponding to 14 Dhul Qida 1435H)	8957	25 May 2014 corresponding to 26 (Rajab 1435H)
Conrad	30 July 2016 (corresponding to 25 Shabaan 1437H)	4031091636	29 April 2015 (corresponding to 10 Rajab 1436H)	9347	16 March 2015 (corresponding to 25 Jumada I 1436H)
Hilton Convention	31 March 2017 (corresponding to 3 Rajab 1438H)	4031097174	10 August 2016 (corresponding to 07 Dhul Qida 1437H)	16474	19 July 2016 (corresponding to 14 Shawwal 1437H)
Double Tree by Hilton	01 August 2019 (corresponding to 29 Dhul Qida 1440H)	4031214815	15 May 2018 (corresponding to 29 Shaban 1439H)	1651	14 May 2018 (corresponding to 28 Shaban 1439H)
Marriott Makkah	22 June 2015 (corresponding to 5 Ramadan 1436H)	4031085088	07 May 2014 (corresponding to 8 Rajab 1435H)	AVM/8332/35	17 March 2014 (corresponding to 16 Jumada I 1435H)

These condensed consolidated interim financial statements comprise the financial statements of the Company and its subsidiaries (together referred to as the 'Group'). The Company has the following subsidiaries as at 30 June 2021. The Group is incorporated in the Kingdom of Saudi Arabia except for Jabal Omar Sukuk Company Limited which is incorporated in the Cayman Island. Except for Alinma Makkah Real Estate Fund, remaining subsidiaries have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group.

<i>Name of the Subsidiary</i>	<i>Registration number</i>	<i>Registration date</i>	<i>Ownership interest</i>	<i>Financial year end</i>	<i>Principal activities</i>
Shamikhath Company for Investment and Development	4030594602	09 October 2017 corresponding to 19 Muharram 1439H	100%	31 December	Investment & Development services in the real estate sector
Sahat For Facility Management Company	4031210499	22 October 2017 corresponding to 02 Safar 1439H	100%	31 December	Real estate services
Warifat Hospitality Company	4030298569	1 January 2018 corresponding to 14 Rabi II 1439H	90%	31 December	Hospitality services
Ishrakat for logistic services Company	4030303509	06 May 2018 corresponding to 21 Shaban 1439H	100%	31 December	Logistic services

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the three-month and six-month periods ended 30 June 2021
(All amounts in Saudi Riyals thousands unless otherwise stated)

1. GENERAL INFORMATION (continued)

<i>Name of the Subsidiary</i>	<i>Registration number</i>	<i>Registration date</i>	<i>Ownership interest</i>	<i>Financial year end</i>	<i>Principal activities</i>
Alyaat for marketing Company	4030326220	05 March 2019 corresponding to 27 Jumada Al-Thani 1440H	100%	31 December	Marketing services
Rasyat Company	4031051838	8 August 2017 corresponding to 15 Dhul Qadah 1438	100%	31 December	Investment in infrastructure facilities
Alinma Makkah Real Estate Fund	CMA letter no. 17/4432/5/3	22 August 2017 corresponding to 30 Dhul Qadah 1438	16.42%	31 December	Acquire a number of income generating real estate assets located within the first phase of Jabal Omar project next to the Grand Mosque in Makkah
Jabal Omar Sukuk Company Limited	334209	12 March 2018 corresponding to 24 Jumada Al-Thani 1439H	100%	31 December	Issuance of sukuks

2 Basis of preparation

2.1 Statement of compliance

The accompanying condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants (SOCPA).

These condensed consolidated interim financial statements do not include all the information and disclosures required for a complete set of annual consolidated financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to the understanding of the material changes in the Group's financial position and performance since the date of last audited financial statements. In addition, results for the six-month period ended 30 June 2021 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2021. Accordingly, the condensed consolidated interim financial statements should be read in conjunction with the Group's last audited consolidated financial statements for the year ended 31 December 2020.

2.2 Basis of Measurement

These condensed consolidated interim financial statements have been prepared under the historical cost basis using the accrual basis of accounting except for the following items which are measured as follows:

Items

Lease liability
Provisions for employee terminal benefits
Investment held at fair value through profit or loss

Measurement basis

Present value of minimum lease payment
Present value of the defined benefit obligation using projected credit unit method
Fair value

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2 Basis of preparation (continued)

2.3 New and amended standards adopted by the Group

There are no new standards issued, however, there are a number of amendments to standards which are effective from January 1, 2021 but they do not have a material effect on the Group's condensed consolidated interim financial statements.

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for the interim reporting period ended 30 June 2021 and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2.4 Critical accounting estimates and judgments

The preparation of the condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, costs, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future period.

These estimates and assumptions are based upon experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised or in the revision period and future periods if the changed estimates affect both current and future periods.

The key assumption concerning the future and other key sources of estimation uncertainty at the condensed consolidated statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial year include:

Revenue recognition from sale of residential units

The Group exercises judgment in determining whether the performance obligation(s) included in contracts for sale of Properties for development and sale are satisfied at a point in time or over time. This includes careful consideration of the relevant terms of each sale agreement to assess whether:

- the customer simultaneously receives and consumes the benefit provided by the Group's performance as the Group performs
- the Group's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date

When one or more of the aforementioned criteria is met, the Group recognizes revenue over time.

In prior years, the group had recognized revenue transactions on a point in time for sales to the Albilad Makkah Hospitality Fund in relation to 90 residential units and after consideration of the agreements, it was determined the revenue should be recognized over time, as the Group had right to payment over 88 of those units. There were certain amendments in relation to 2 of the residential units which resulted in the Group no longer having right to payment and as such revenue on those arrangements will be recognized at a point in time, when the units are available for their intended use. Refer to note 24.

Furthermore, the Group's revenue transactions to the Albilad Makkah Hospitality Fund contained a first right of refusal. The Group also exercises judgment in determining whether the existence of a right of first refusal, if any, can give rise to an in-substance call option and whether the likelihood of exercising such call option would preclude the recognition of revenue. Management has determined the existence of first right of refusal would not result in in-substance call option which would preclude revenue recognition. This is on the basis that albeit the Fund has a limited life, the life of the Fund could be extended by the unitholders or alternatively assets in the Fund could be distributed to the unitholders.

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2 Basis of preparation (continued)

2.4 Critical accounting estimates and judgments (continued)

Determination of transaction prices

The Group is required to determine the transaction price in respect of each of its contracts with customers, this is based on the stand alone selling price of each unit. The total transaction price for the units was Saudi Riyals 1,105 million.

In addition, the stand alone selling price, the sales contract also includes variable consideration in the form of delay penalties, which the Group is required to pay if the units are not delivered in time according to the contractual terms and conditions. This delay penalty is adjusted against revenue. In this regard, a significant judgement has been made as the Group has not been able to deliver the units in time and as such the impact of the delay penalties has been estimated, using the expected value. When assessing the amount of the delay penalties which should be recognized at the reporting date, management has made a judgement in relation to the timing of when the units will be available for operational readiness for the Buyer, and as such will no longer be obligated to make these payments. Management expects both the 88 units and 2 units to be available for operational readiness by October 2021. As a result of this the expected delay penalty is Saudi Riyals 154.8 million. If the units are not available by the expected date and there is a further delay, for every delayed month an additional penalty of Saudi Riyals 3.9 million will be due.

Recognition of revenue overtime

The transaction price for the 88 units was Saudi Riyals 886 million, net of delay penalties. For the 88 units Management have used the percentage of completion method using estimated costs to complete, to determine how much revenue should be recognized overtime. In calculating the amount of revenue to be recognized, management considered reports from appropriate project managers to determine the percentage of completion. The method for estimating the POC used was the input method, and the basis of applying this method were the Group's costs incurred relative to the total estimated costs to complete the satisfaction of the performance obligation. As at 30 June 2021 the estimated POC for the 88 units was 90.1%, the transaction price for the remaining performance obligation to be completed is Saudi Riyals 96.3 million. The Group expects to complete the remaining performance obligations in relation to these units by October 2021.

Recognition of revenue at a point in time

The transaction price for the 2 units was Saudi Riyals 75 million. As described above, there was an amendment to the original sales contract in respect of 2 residential units, which resulted in the Group no longer having right to payment, as such revenue in relation to these units has been reversed, details of which are provided in Note 24. As per the terms and conditions of the amendment the Buyer holds 2 promissory notes which it is able to exercise and demand a refund for these units, even when they are complete. As such the Group does not have a present right to payment for these units and a liability has been recognized for the advance which has been received for these units. On this basis management considers that control of these units will not pass to the buyer until the promissory notes expire and the units are handed over to the Buyer. Handover on these units is expected to be in October 2021.

Consolidation of structured entities

The Group consolidates Alinma Makkah Real Estate Fund (the "Fund") by virtue of the Group's ability to control the Fund. The Fund has a limited life and defined purpose, whereas activities are restricted, decisions are largely defined on design of the entity, is thinly recognized and was set up to provide liquidity to the Group, and as such the Fund was considered a structure entity.

As the Fund was considered a structured entity, the Group's ability to control the Fund is determined by assessing power arising from contractual rights with the Fund and analysis of the purpose and design of the Fund taking into consideration the following factors:

- *Purpose and design:* The purpose of the transaction and the Fund structure was to provide the Group with liquidity to settle obligations which were due. The Fund was designed to provide unitholders with a fixed rate of return on their investment and the unitholders would not benefit from the increase in the fair value of the underlying properties. Certain contractual arrangements, such as the repurchase right, would allow the Group to continue to benefit from the properties as if such properties were owned.

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2 Basis of preparation (continued)

2.4 Critical accounting estimates and judgments (continued)

Consolidation of structured entities (continued)

- Assessment of what relevant activities are; The most relevant activity was determined as management of the residual value of the underlying assets.
- How decisions about the relevant activities are made; The Group analyzed evidence of how decisions about the most relevant activity are made and its current ability to manage the most relevant activity of the investee according to the specific business needs (including any decisions that may arise only in particular circumstances). The Group determined the existence of a repurchase option [which when exercised during certain periods of the lease at a predetermined price] grants the Group the current ability to direct the most relevant activity of the Fund.
- Whether the Group is exposed to or has rights to variable returns from its involvement with the investee; The Group considered the most variable returns to be the Group's ability to purchase the properties at a fixed price. As the fair value of the properties in excess of this value, this provides the Group with significant variable returns. Furthermore, the Group currently holds an investment in the units of the Fund which would also provide the Group with variable return albeit not the most significant.
- The ability to use the Group's power over the investee to affect the amount of the Group's returns; As can be noted above, the Group is able to exercise the option to purchase the properties at a fixed price and as such as the ability to extract the value from the Fund by exercising the repurchase right.

Considering the various contracts, the repurchase right of the leased assets was considered to provide the Group with the ability to manage both the residual value of the assets and to some extent the credit risk related to the variable returns from the Fund.

Assessment of AlBilad Makkah Hospitality Fund for consolidation

The Group holds an investment of 20 million units in AlBilad Makkah Fund ("Albilad Fund"). The Fund was established in 2016 and certain transactions related to the sale of residential units were conducted with the Albilad Fund. The Albilad Fund is a property Fund with a limited life of 5 years. Refer Note 9 and 24 for more information on the transaction with the Albilad Fund.

The Albilad Fund is considered a structured entity from an IFRS perspective and would need to be considered for consolidation. Management considered the requirements for structured entities and applied judgement in determining whether the Albilad Fund should be consolidated. In the case of the AlBilad Fund, the Group does not hold a repurchase right but merely a right of first refusal and this right would be exercised at fair value. There are other contractual agreements with the Albilad Fund, but management assessed these and determined these do not provide power to the Group. Currently, the Albilad Fund is managed by the Fund manager, Albilad Investment Company, and the Fund manager has the ability to make decisions in relation to the residual units. The Group is not exposed to substantial variable returns as any repurchase occurs at fair value. Furthermore, the exposure of the Group via the units held in Albilad Fund is not considered significant.

On this basis, the requirements of control are not met as the Group does not appear to have power nor significant variable returns.

Allocation of cost of land, construction and infrastructure assets to operating properties

The Group exercises judgment in determining reasonable basis for allocating cost of land, construction and infrastructure assets to operating properties for the purpose of impairment assessment. This includes consideration of factors such as the nature of items of infrastructure assets, covered and built up areas as well as respective market values.

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2 Basis of preparation (continued)

2.4 Critical accounting estimates and judgments (continued)

Impairment for expected credit losses (ECL) in trade and other receivables

The Group's determination of ECL in trade and other receivables requires the Group to take into consideration certain estimates for forward looking factors while calculating the probability of default. These estimates may differ from actual circumstances.

The Group has identified GDP growth rate to be the most relevant macro-economic factor of forward looking information that would impact the credit risk of the customers, and accordingly adjusted the historical loss rates based on expected changes in this factor using different scenarios.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. To determine a recoverable amount, the management uses fair value using market approach and value in use approach.

Useful lives and residual value of property, plant and equipment, intangibles and investment property

The Group determines the estimated useful lives of property, plant and equipment, intangibles and investment properties for calculating depreciation and amortization. This estimate is determined after considering expected usage of the assets or physical wear and tear. Management periodically reviews the useful lives, residual value, depreciation and amortization method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Estimation of net realizable value of Properties for development and sale

Properties for development are stated at the lower of cost and net realizable value ("NRV"). NRV is estimated selling prices in the ordinary course of business less estimated cost of completion and estimated cost to make the sale.

NRV is assessed with reference to market conditions, planned future mode of disposal and recoverable value of the properties at the reporting date under planned mode of disposal. NRV for these properties are assessed internally by the Group in the light of recent market transactions.

Estimated selling price of land parcels is assessed with reference to market prices at the reporting date for similar properties after adjustment for differences in location, size, development status and quality. Estimated costs to complete development are deducted from the estimated selling price to arrive at NRV.

Assessment of joint arrangements

The Group has concluded that the investment in Central District Cooling Company ("CDCC") is a joint venture arrangement. The Group exercises judgment in its assessment of joint arrangements and whether the Group's investment in such arrangements should be classified as a joint operation or a joint venture. In making this judgement the Group considers whether the investee is a separate legal entity and whether terms of the contractual arrangement between the parties to the joint arrangement specify that the parties have rights to the assets, and obligations for the liabilities relating to the arrangement. The Group also considers whether the arrangement establishes an allocation of revenues and expenses on the basis of relative performance of each party of the joint arrangement and whether parties to the joint arrangement are provided any guarantees to rights and obligations as joint ventures.

Going concern

The Group exercises judgement in assessing its ability to continue as a going concern. For details refer Note 1.

Zakat assessments

As noted, in Note 19 on Zakat payable, the Group has received a zakat assessment from ZTCA till 2018 of approximately Saudi Riyals 477 million and recorded zakat payable based on the received assessment of Saudi Riyals 68 million. The Group has filed an appeal against the open assessments. In determining the amount payable to ZTCA, the Group has applied their judgement and interpretation of the ZTCA requirements for calculating Zakat.

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3. Basis of Consolidation

These Condensed Consolidated Interim Financial Statements comprising the Condensed Consolidated Statement of Financial Position, Condensed Consolidated Statement of Profit or Loss, Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Statement of Cash Flows and notes to the Condensed Consolidated Financial Statements of the Group include assets, liabilities and the results of the operations of the Company and its subsidiaries, as set out in Note 1. The Company and its subsidiaries are collectively referred to as the "Group". Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control commences until the date on which control ceases. The Group accounts for the business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identified net assets acquired and fair value of pre-existing equity interest in the subsidiary. The excess of the cost of acquisition and amount of Non – Controlling Interest ("NCI") over the fair value of the identifiable net assets acquired is recorded as goodwill in the Consolidated Statement of Financial Position. NCI is measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. If the business combination is achieved in stages, the acquisition date carrying value of the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in the Consolidated Statement of Profit or Loss. Intra-group balances and transactions, and any recognized income and expenses arising from intra-group transactions, are eliminated. Accounting policies of subsidiaries are aligned, where necessary, to ensure consistency with the policies adopted by the Group. The Company and its subsidiaries have the same reporting periods.

Consolidation of structured entities

Structured entities are entities designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements". Such entities generally have restricted activities, have a narrow and well defined objective, such as:

- to effect a specific structure (for example, a tax-efficient lease);
- to perform research and development activities; or
- to provide a source of capital or funding to an entity or to provide investment opportunities for investors by passing risks and rewards associated with the assets of the structured entity to investors.
- Thin recognized on (that is, the proportion of 'real' equity is too small to support the structured entity's overall activities without subordinated financial support).
- Financing in the form of multiple contractually linked instruments to investors that create concentrations of credit risk or other risks (tranches).

The key criterion in determining whether an entity is a structured entity is whether voting or similar rights are dominant, such that they convey substantive decision-making powers, or whether substantive powers have been prescribed through contractual terms (for example, an 'autopilot' arrangement). Where voting rights are the dominant factor in decision-making powers over an entity, that entity is not a structured entity.

Consolidation of structured entity is not decided solely by legal ownership. The key to determining whether an investor should consolidate a structured entity is whether the investor controls that structured entity. IFRS states that "an investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee". This definition applies to all entities, including structured entities. The difference with structured entities is that, often, the normal substantive powers (such as voting rights) are not the means by which the investee is controlled. Rather, relevant activities are directed by means of contracts. If those contracts are tightly drawn, it might initially appear that none of the parties has power over the structured entity. As a result, additional analysis is required to ascertain which party controls the structured entity.

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3. Basis of Consolidation (continued)

As such, understanding the purpose and design of the entity and consideration of the following matters need to be considered when assessing who has the power to direct a structured entity's relevant activities:

- Involvement in, and decisions made at, the structured entity's inception as part of its design.
- Contractual arrangements established at the structured entity's inception.
- Rights to direct the structured entity's relevant activities that are only activated when certain events occur.
- Commitment to ensure that the structured entity operates as designed.

In particular, decision-making rights that take effect only when particular circumstances arise or events occur need to be considered carefully in assessing control. An investor with these rights can have power over the structured entity, even if those circumstances have not yet arisen, where the rights give the investor the practical ability to direct the investee's relevant activities.

Another key factor in structured entities is understanding the variable returns. Variable returns should be considered more and may include returns, from dividends, fees and tax benefits to economies of scale and cost savings. The analysis therefore covers not only financial, but also operational, benefits and risks. For further guidance on variability.

If the Group has power to direct the relevant activities, is exposed to the variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee, the structured entity is consolidated.

4. Functional and Presentation Currency

These condensed consolidated interim financial statements are presented in Saudi Riyal, which is the Company's functional and the Group's presentation currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

5. Significant accounting policies

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in Group's last annual Consolidated Financial Statements.

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6. Property, plant and equipment

	Land	Buildings	Central district cooling system	Equipment	Furniture and fixtures and other assets	Infrastructure assets	Capital work in progress	Total
COST:								
Balance at 1 January 2020 (restated)	2,957,546	4,207,847	505,025	1,968,513	767,263	429,057	7,564,558	18,399,809
Additions during the year	-	-	-	711	6,502	-	452,057	459,270
Remeasurement	-	-	-	-	16,996	-	-	16,996
Disposals during the year	-	-	-	-	(5,164)	-	-	(5,164)
Write-off	-	-	-	-	(26,600)	-	-	(26,600)
Transfers from CWIP	-	-	502,129	-	-	-	(502,129)	-
Transfer to non-current asset classified as held for sale (Note 6 (b))	(61,546)	-	-	-	-	-	-	(61,546)
Balance at 31 December 2020	2,896,000	4,207,847	1,007,154	1,969,224	758,997	429,057	7,514,486	18,782,765
Transfers from CWIP	-	-	11,868	-	-	-	(11,868)	-
Additions during the period	-	-	-	1,031	4,083	-	86,868	91,982
Balance at 30 June 2021 (unaudited)	2,896,000	4,207,847	1,019,022	1,970,255	763,080	429,057	7,589,486	18,874,747
ACCUMULATED DEPRECIATION:								
Balance at 1 January 2020 (restated)	-	131,250	75,838	169,072	239,514	29,853	-	645,527
Depreciation for the year	-	53,538	43,616	81,911	92,473	7,985	-	279,523
Disposals during the year	-	-	-	-	(1,435)	-	-	(1,435)
Write-off	-	-	-	-	(15,960)	-	-	(15,960)
Balance at 31 December 2020 (Audited)	-	184,788	119,454	250,983	314,592	37,838	-	907,655
Depreciation for the period	-	24,936	17,113	40,774	35,410	3,993	-	122,226
Balance at 30 June 2021 (Unaudited)	-	209,724	136,567	291,757	350,002	41,831	-	1,029,881
NET BOOK VALUE:								
At 30 June 2021 (Unaudited)	2,896,000	3,998,123	882,455	1,678,498	413,078	387,226	7,589,486	17,844,866
At 31 December 2020 (Audited)	2,896,000	4,023,059	887,700	1,718,241	444,405	391,219	7,514,486	17,875,110

6. Property, plant and equipment (continued)

- a. The Group signed an agreement ("the Agreement") with the Central District Cooling Company ("CDCC") a joint venture for the construction, operation and maintenance of the District Cooling System ("DCS") for 26.5 years from the date of final commissioning of DCS which became effective 31 December 2014. The DCS is pledged against a loan obtained by CDCC. The Group is entitled to obtain all economic benefits from the DCS during its entire life and therefore recognized the DCS from the commencement of construction by CDCC.
- b. These represent amounts transferred to non-current assets classified as held for sale pertaining to assets determined by management to be recovered principally through a sale transaction rather than continuing use. Refer to the Note 18.
- c. Refer to the restatement in Note 24.
- d. Land (the 'Land') represents plots situated in the Jabal Omar area, which were received by the Company from the founding shareholders (the 'Owners') against issuance of its shares at nominal value of Saudi Riyals 10 per share by virtue of a Royal Decree (the 'Decree') (Note 1). Valuation of land was prepared and approved by Development Commission of Makkah Al Mulkaramah. Legal formalities for the transfer of title deeds from the Owners were completed. The Company had intended to complete the procedures for transferring any remaining title deeds in the name of the Company and issue corresponding shares, as and when their Owners would complete the related statutory and legal documentation (the 'documentation').

However, due to the physical location of the Project and peculiarities attached to the land ownership around Haram area, there were certain plots without identified title deeds. Accordingly, owners of plots amounting to Saudi Riyals 359 million remained unable to complete the documentation even after several years post incorporation of the Company. Accordingly, during 2016, the management of the Company recognized this remaining unrecorded land in its financial statements, considering the following:

- No title deeds had been submitted for the past 2 years;
- In respect of the Owners who could not submit their legal title deeds, pursuant to the transfer arrangement, Makkah Construction and Development Company ("MCDC") subscribed for shares in the Company on behalf of those owners. This mechanism was ratified by Royal Decree No. M/63, dated 25/9/1427H (corresponding to 18 October 2006) and therefore legal ownership of the land is with the Group.
- The Company possesses substantive rights to the use of complete Land by virtue of the Decree
- The Group has been in the possession of the Land for the past several years and has started construction thereon
- During 2020, the competent authorities issued a unified title deed in the name of the Company for the entire area of the Group's Project.

Moreover, in lieu of the fact that MCDC subscribed for the shares on behalf of owners who could not submit their legal title deeds, a corresponding payable to MCDC was recognized. The amount payable to MCDC would be settled as and when owners who could not submit their title deeds earlier, would do so, with a corresponding re-allocation in shareholding between MCDC and such owner.

- e. During the period ended 30 June 2021, an amount of Saudi Riyals 74.6 million (31 December 2020: Saudi Riyals 117 million) was capitalized as borrowing cost for the construction of property plant and equipment included in capital work in progress. Further, the capitalization rate used to determine the amount of borrowing cost to be capitalized is the weighted average interest rate applicable to the Group general borrowing during the period, in this case 3.57% (2020: 4.26%).
- f. At 30 June 2021, the Group's land in the property and equipment with a carrying amount of Saudi Riyals 2,532 million (2020: Saudi Riyals 2,532 million) were mortgaged as collateral against loans and borrowings and unitholders of investment fund.

6. Property, plant and equipment (continued)

- g. The outbreak of COVID-19 led to a substantial reduction in cash generated from the Group's hotel and commercial area operations. It has also interrupted the development of the Group's projects. As a result, management had considered there to be indicators of impairment. There is a risk that the carrying value of non-financial assets, hotels, commercial properties and land parcels ("properties") associated with the Group's operations will be higher than the recoverable amounts.

For the purpose of impairment testing of the properties, the underlying assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. The Group has determined the recoverable amounts of each CGU by assessing the fair value less cost of disposal (FVLCD) of the underlying assets. The valuation is considered to be Level 3 in the fair value hierarchy due to unobservable inputs used in the valuation. Based on the valuation, no impairment was identified.

The valuation methodology and related significant inputs and assumptions used by valuers in estimation of net recoverable amount are as follows:

Valuation methodology:

The Group engaged independent professionally qualified valuation experts i.e. 'Esnad Real Estate Valuation' accredited by the Saudi Authority for Accredited Valuers and performed their work in accordance with the International Valuation Standards Council (IVSC) as well as the regulations and regulations issued by the Saudi Authority for Accredited Valuers (TAQEEM). Esnad has recent experience under IFRS 13, in determining the fair value for properties in the locations and segments where the Group's properties are situated.

The Group's finance department includes a team that reviews the valuations performed by the independent valuer for financial reporting purposes. This team reports directly to the Chief Financial Officer (CFO) and Chief Risk Officer (CRO) of the Group. Discussions of valuation processes and results are held between the CFO, CRO, the valuation team and the independent valuer at least once in every quarter, in line with the Group's quarterly reporting dates.

There were no changes in the valuation techniques during the period.

At each financial year-end the finance department:

- verifies all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation report; and
- holds discussions with the independent valuer.

Changes in Level 2 and 3 fair values are analysed at each reporting date during the quarterly valuation discussions between the CFO, CRO and the valuation team. As part of this discussion, the team presents a report that explains the reasons for the fair value movements.

The Group has a number of operating hotels and hotels under construction. Each hotel is considered a separate CGU for purposes of impairment testing. In determining the fair value, the valuer has used an income approach, residual value approach, cost approach and in certain cases a weighted average of approaches. In case of non-operated assets comprising land parcels only the valuer has used comparable values approach. The Group also has a number of commercial centers and each commercial center is considered a separate CGU. The valuer has used an income approach for developed commercial centers and commercial centers under development.

Income approach: Under this approach, the valuers obtained rental of the relevant property and estimated future rental cash inflows. These future cash inflows are then discounted back to valuation date, resulting in present value of the related investment property. Since these valuations are based on significant unobservable inputs, the fair value measurement was classified as Level 3.

Cost approach: In cost approach appraisal, the market price for the property is equal to the fair value of the land plus cost of construction, less depreciation. Since these valuations are based on significant unobservable inputs, the fair value measurement was classified as Level 3.

Comparable values approach and residual value approach: Under these approaches, the valuer obtains land prices in the neighbouring districts and adjusts them for difference in specification of the Group's properties. Such values are based on significant unobservable inputs and hence the fair value measurement was classified as Level 3.

6. Property, plant and equipment (continued)

Management has determined the above approaches using the below key assumptions as follows:

Assumption	Approach used to determining values
Average daily rate	Based on the actual location, type and quality of the properties and supported by historic trends and approved room rents including impacts of expected inflations.
Estimated occupancy rate	Based on current and expected future market conditions
Retail developed land value	Prices of residential and commercial land parcels per square meter in the neighbouring districts.
Discount rates	Reflects current market assessments of the uncertainty in the amount and timing of cash flows
Capitalization rate	It is based on actual location, size and quality of the properties and taking into account market data at the valuation date
Costs to complete	These are largely consistent with internal budgets developed by the Group's finance department, based on management's experience and knowledge of market conditions.

The valuation of the Group's properties didn't significantly change from the valuation done at Group's last audited consolidated financial statements for the year ended 31 December 2020. For the sensitivity analysis refer to the last audited consolidated financial statements for the year ended 31 December 2020.

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7. Investment properties

	Land	Buildings	Equipment	Infrastructure Assets	Capital work in progress	Total
Cost:						
Balance at 1 January 2020 (restated)	1,393,948	879,983	365,102	92,335	2,423,599	5,154,967
Additions	-	-	2,113	-	69,694	71,807
Transfer to non-current asset classified as held for sale (Note 7 c)	(54,275)	-	-	-	-	(54,275)
Balance at 31 December 2020 (Audited)	<u>1,339,673</u>	<u>879,983</u>	<u>367,215</u>	<u>92,335</u>	<u>2,493,293</u>	<u>5,172,499</u>
Additions during the period	-	-	-	-	5,368	5,368
Balance at 30 June 2021 (Unaudited)	<u>1,339,673</u>	<u>879,983</u>	<u>367,215</u>	<u>92,335</u>	<u>2,498,661</u>	<u>5,177,867</u>
Accumulated depreciation:						
Balance at 1 January 2020 (restated)	-	28,294	56,179	16,175	-	100,648
Depreciation for the year	-	11,058	17,038	1,924	-	30,020
Balance at 31 December 2020 (Audited)	<u>-</u>	<u>39,352</u>	<u>73,217</u>	<u>18,099</u>	<u>-</u>	<u>130,668</u>
Depreciation for the period	-	5,307	8,278	963	-	14,548
Balance at 30 June 2021 (Unaudited)	<u>-</u>	<u>44,659</u>	<u>81,495</u>	<u>19,062</u>	<u>-</u>	<u>145,216</u>
Net book value:						
At 30 June 2021 (Unaudited)	<u>1,339,673</u>	<u>835,324</u>	<u>285,720</u>	<u>73,273</u>	<u>2,498,661</u>	<u>5,032,651</u>
At 31 December 2020 (Audited)	<u>1,339,673</u>	<u>840,631</u>	<u>293,998</u>	<u>74,236</u>	<u>2,493,293</u>	<u>5,041,831</u>

- a)** Investment properties comprise commercial centers, parking areas and properties under development. Developed commercial centers and parking areas generate income through lease agreements. During the period ended 30 June 2021, there was Saudi Riyals 5.4 million capitalized as borrowing costs for the construction of investment properties included in capital work in progress (31 December 2020: Saudi Riyals 57.9 million). Further, the capitalization rate used to determine the amount of borrowing costs to be capitalized is the weighted average interest rate applicable to the Group's general borrowings during the period, in this case 3.57% (31 December 2020: 4.26 %).

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7 Investment properties (continued)

- b) Capital work in progress represents assets under construction relating to commercial centers and infrastructure development work on the land.
- c) These represent amounts transferred to non-current asset classified as held for sale pertaining to assets determined by management to be recovered principally through a sale transaction rather than continuing use.
- d) Depreciation charged for the period ended 30 June 2021 has been allocated to cost of sale.
- e) At 30 June 2021, the Group's land in the investment properties with a carrying amount of Saudi Riyals 1,018 million (31 Dec 2020: Saudi Riyals 1,018 million) were mortgaged as collateral against loans and borrowings and unitholders of investment fund. Also, see Note 1.
- f) Please refer to the restatement in Note 24.
- g) Also refer Note 6 for key assumptions and information about fair value measurements using significant unobservable input.

8. Cash and cash equivalents

	30 June 2021 (Unaudited)	31 December 2020 (Audited)
Cash on hand	157	462
Cash at banks (see Notes (a) and (b) below)	1,347,951	641,672
	1,348,108	642,134
Less: Restricted cash – non-current (see Note (a) below)	(242,590)	(242,590)
Less: Restricted cash – current (see Note (a) below)	(304,994)	(348,319)
Cash and cash equivalents	800,524	51,225

- a) Restricted cash includes an amount of Saudi Riyals 318 million placed in Murabaha deposits with commercial banks having original maturity of three months (31 December 2020: Saudi Riyals 352.5 million) and yielding profit at prevailing market rate. However, these Murabaha deposits are restricted under reserve accounts as per the agreements under corresponding arrangements with commercial banks.
- b) Balance in bank accounts with entities having common directorship with the Group amount to Saudi Riyals 975,743 as at reporting date (31 December 2020: Saudi Riyals 137,419).
- c) The cash is held in accounts with banks having sound credit ratings. The fair value of cash and cash equivalent and restricted cash approximates the carrying value at 30 June 2021 and 31 December 2020.

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9. Investment held at fair value through profit or loss

9.1 Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss:

- debt investments that do not qualify for measurement at either amortised cost or FVOCI;
- equity investments that are held for trading; and
- equity investments for which the entity has not elected to recognize fair value gains and losses through OCI.

9.2 Equity investments at fair value through profit or loss

		Carrying value as at		Unrealized (loss) gain as at	
		30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		Note			
Non-current assets					
Al Bilad Makkah Hospitality Fund	A	294,662	304,710	(36,338)	(26,290)
Current assets					
Alinma Saudi Riyal Liquidity Fund	B	67,836	67,836	2,308	2,308

- a) This represents investment in 20 million units (31 December 2020: 20 million units) of the investee which is a private placement closed ended real estate investment fund domiciled in KSA and managed by Al Bilad Investment Company. The objective of the investee is to acquire interest in properties situated in Makkah in order to generate income and capital growth. The main assets of the investee are represented by investment properties. The investee prepares and publishes financial statements on semi-annual basis under which it reports net asset value of the fund based on the fair value of these investment properties, as determined by two independent valuers (referred to as 'Indicative NAV'). Since the units of the fund are traded with reference to such Indicative NAV, management believes that it is a reasonable approximation of the fair value of the investee. As per the latest financial statements of the investee for the period ended 30 June 2021, the Indicative NAV per unit amounts to Saudi Riyals 14.73 which has accordingly been used as a valuation basis of the Group's investment as at 30 June 2021.
- b) This represents investment in Alinma Saudi Riyal Liquidity Fund which is a public investment fund domiciled in KSA and managed by Alinma Investment Company. The objective of the investee is to invest in Murabaha Contracts which complies with Islamic Shari'
- c) Financial assets at FVTPL comprise investments in funds. The following tables show the valuation techniques used in measuring Level 3 fair values for financial instruments in the statement of financial position, as well as the significant unobservable inputs used.

Type	Valuation technique
Investment in public funds	Quoted market prices
Investment in non-public funds	Indicative NAV of the Fund based on the fair value of the underlying assets of the Fund
Other financial instruments	Discounted cashflow analysis

There are no transfers in the fair value levels during the period ended 30 June 2021.

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10. Investment in a joint venture

This represents Group's 40% investment in a joint venture arrangement in Central District Cooling Company ("CDCC"), which is principally engaged in the business of providing central district cooling system services. CDCC has share capital consisting solely of ordinary shares, which are held directly by the group and the proportion of ownership interest is the same as the proportion of voting rights held. CDCC is not publicly listed and the Group has entered into an agreement with CDCC, for the construction, operation and maintenance of District Cooling System ("DCS"). The principal place of business of the joint venture is Makkah, KSA. The Group's interest in CDCC is accounted for using the equity method in the condensed consolidated interim financial statements. The information disclosed reflects the amounts presented in the consolidated condensed interim financial statements of the joint venture. They have been amended to reflect adjustments made by the Group when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

11. Properties for development and sale

These represent properties being developed for sale as residential units and plot of lands which determined by management to be used for future sale in the ordinary course of Group's operations.

Movement during the period ended 30 June 2021 is as follows:

	30 June 2021 (Unaudited)	31 December 2020 (Audited)
Opening balance (restated)	1,419,044	1,423,302
Additions	-	11,771
	1,419,044	1,435,073
Less: Charged to cost of revenue	(1,095)	(16,029)
	1,417,949	1,419,044

11.1 At 30 June 2021 the Group's development properties amounting to Saudi Riyals 146 million were mortgaged as collateral to the local commercial banks and unitholders of investment fund.

11.2 Development properties recognized as an expense during the period ended 30 June 2021 are included in cost of development properties sold.

11.3 Determination of net realizable value:

At 30 June 2021 and 31 December 2020, the net realizable value of the properties is assessed to be higher than their carrying value.

Residential units

The management of the Group has carried out an exercise to determine the net realizable value of their residential units. This exercise involved determination of planned mode of disposal and the estimation of certain significant variables such as estimated selling price based on planned mode of disposal, estimated cost to sell and estimated cost to make the asset ready for sale. At 30 June 2021 and 31 December 2020, the net realizable value of the villas is assessed to be higher than their carrying value.

12. Trade and other receivables

	30 June 2021 (Unaudited)	31 December 2020 (Audited)
Receivables from contract with customers	64,839	36,679
Receivables from rental income	19,140	53,382
Receivables in respect of properties for development and sale	2,690	17,532
Contract assets	78,426	69,996
Advances to suppliers	48,929	6,538
Margin and other deposits	14,571	14,571
Other receivables	3,540	7,127
Less: net impairment loss on financial assets	(88,113)	(104,297)
	144,022	101,528

Trade receivables are non-derivative financial assets carried at amortised cost and are generally on terms of 90 to 180 days. The carrying value may be affected by changes in the credit risk of the counterparties. It is not the practice of the Group to obtain collateral over third party trade receivables and these are, therefore, unsecured. The Group's trade receivables are concentrated in the Kingdom of Saudi Arabia. As at 30 June 2021, five largest customers accounted for 30% (31 December 2020: 36%) of the outstanding trade receivables. Due to short-term nature of the trade receivables, their carrying amounts are considered to approximate their fair values.

Advances to suppliers mainly include advances for undertaking repair and maintenance of infrastructure work.

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13. Loans and borrowings

Details of the Group's loans and borrowings are as follows:

	30 June 2021 (Unaudited)	31 December 2020 (Audited)
Loans and borrowings	11,053,616	10,529,748
Accrued commission on term loan	512,651	433,374
Less: Deferred financial charges	(23,730)	(23,041)
	11,542,537	10,940,081
Current portion	(6,346,927)	(2,592,201)
Non-current portion	5,195,610	8,347,880

Non-current portion

	30 June 2021 (Unaudited)	31 December 2020 (Audited)
Government loan (Note (a) below)	-	3,000,000
Accrued commission	-	318,300
Syndicate loan (2) (Note (b) below)	3,427,006	3,587,699
Facility from a local bank (Note (c) below)	236,770	331,770
Accrued commission	2,062	2,873
Facility from a local bank (Note (g) below)	600,000	600,000
Accrued commission	12,326	15,856
Facility from local bank (Note (J) below)	426,315	-
Subordinated Sukuk (Note (h) below)	506,250	506,250
	5,210,729	8,362,748
Less: Deferred financial charges	(15,119)	(14,868)
	5,195,610	8,347,880

Current portion

	30 June 2021 (Unaudited)	31 December 2020 (Audited)
Government loan (Note (a) below)	3,000,000	-
Accrued commission	420,181	42,421
Facility from a local bank (Note (d) below)	1,000,000	1,000,000
Accrued commission	14,197	28,553
Syndicate loan (2) (Note (b) below)	1,247,926	957,029
Accrued commission	39,275	840
Facility from a local bank (Note (c) below)	383,404	272,973
Accrued commission	10,861	11,851
Facility from a local bank (Note (e) below)	87,672	135,753
Accrued commission	250	1,757
Facility from a local bank (Note (f) below)	138,274	138,274
Accrued commission	3,378	969
Accrued commission (Note (g) below)	3,655	3,560
Accrued commission (Note (h) below)	6,465	6,394
	6,355,538	2,600,374
Less: Deferred financial charges	(8,611)	(8,173)
Current portion	6,346,927	2,592,201

13 Loans and borrowings (continued)

Term loans

- a) On 13 December 2011 (corresponding to 18 Muharram 1433H), the Group signed an agreement with a government entity to obtain a loan amounting to Saudi Riyals 3 billion. The loan was designated for development of Phase 3 of the Group's Project. At origination, the amount was due for settlement in six semi-annual installments commencing from 1 January 2014.

During 2016, the Group obtained an extension on the settlement's commencement date to 1 January 2019. During 2018, the Group obtained approval from the lender to further reschedule the loan for repayment in three equal installments annually, commencing from 31 December 2018, with interest rate of SIBOR plus 1.75%.

During 2020, the Group obtained approval from the lender to postpone repayment of all installments that were due on, or before, 31 December 2020 until 31 March 2022. As result, the Group has recognized modification losses amounting to Saudi Riyals 9.3 million, recorded under finance charges, as a result of facilities rescheduled during the year ended 31 December 2020. The Group has pledged Phase 3 to the lender as mortgage against the loan's amount. There are no financial debt covenants related to the facility.

- b) On 18 May 2015 (corresponding to 29 Rajab 1436H), the Group signed a syndicated Islamic loan agreement under Ijara arrangement with a credit limit of Saudi Riyals 8 billion with two local banks. Such loan shall be used to repay all bank liabilities related to Phases 2, 4 and 5, including a loan from a local bank with a credit limit of Saudi Riyals 2 billion (already paid) and another short-term liability in addition to completing the construction of Phases 2 and 4 and executing Phase 5. The syndicated Islamic loan is payable over a period of 12 years from the date of signing the agreement in quarterly payments ending at September 2027. The Group has an option to extend the repayment schedule for additional 4 years. The Group has withdrawn Saudi Riyals amounting to 4.6 billion under the facility and carries borrowing costs of SIBOR plus 2.5% rate. During 2020, the Group received letter for the deferral of payment due till March 31, 2021. During 2021, the Group received letter for the deferral of payment due till September 30, 2021. There are no financial debt covenants related to the facility.

The Group has provided the following securities against the facility:

- Mortgage of the above mentioned phases' lands deeds and properties with carrying amount of Saudi Riyals 7,285 million as of 30 June 2021.
 - Promissory note by the Group for the syndicate of Saudi Riyals 6.1 billion.
- c) On 20 March 2017 (corresponding to 21 Jumada II 1438H), the Group signed an unsecured long term loan facility agreement with a local bank having common directorship with the Company (Note 20), the facility limit of Saudi Riyals 842 million for the purpose of settlement of certain Group's outstanding liabilities, whereby the loan will be repaid over a period of four years. Accordingly, as per the repayment terms, the loan is repayable in seven semi-annual equal instalments; the first instalment was due on 20 March 2018 (corresponding to 03 Rajab 1439H) and last instalment would have been due on 20 March 2021 (corresponding to 7 Shabaan 1442H). The loan carries borrowing costs at SIBOR plus 5%. On 21 March 2019 (corresponding to 14 Rajab 1441), the Group entered into a revised/ restructured agreement relating to the facility for the outstanding amount of the loan as at the restructuring date. Accordingly, as per the revised terms, the loan is repayable in nine installments; the first installment falling due on 18 August 2019 (Corresponding to 17 Dhul Hijjah 1440) and last installment due on 19 September 2023 (Corresponding to 4 Rabiul awal 1445). During the year ended 31 December 2020, the Group has received short-term deferral on the instalment due in March 2020 and September 2020 until the following instalment due date in March 2021 and remaining amount to be settled till September 2023 based on semi-annual installment schedule. Due to restructuring in current payments, the Group has recognized modification losses amounting to Saudi Riyals 4.9 million during the year ended 31 December 2020. During 2021, the Group received short-term deferral on the instalment due in March 2021 until July 2021. There are no financial debt covenants related to the facility.
- d) On 17 July 2017 (corresponding to 22 Shawal 1438H), the Group signed an unsecured facility with a local bank, with an amount of Saudi Riyals 500 million for the purpose of settlement of certain Group's outstanding liabilities. The loan carries borrowing costs at commercial rates and was repayable after six months (with an option to extend for a further period of six month). Original maturity date of the loan was 31 August 2018 (corresponding to 20 Dul-Hajjah 1439H). On 16 October 2017 (corresponding to 26 Muharram 1439H), the Group has re-negotiated and signed an agreement to convert the existing unsecured facility with secured facility for an additional amount of Saudi Riyals 500 million which increased the facility to Saudi Riyals 1 billion for the purpose of Group's outstanding liabilities. This new facility is secured with Saudi Riyals 1 billion subscribed units of JODC in the Group's subsidiary interest, Alinma Makkah Real Estate Fund, and was due for payment on 31 March 2018. The loan carries borrowing costs at commercial rates. During the year ended 31 December 2020, the Group has finalized the terms and condition of restructuring the facilities and accordingly maturity has been extended to November 2021 with borrowing cost of SIBOR plus 3%. The Group has recognized modification losses amounting to Saudi Riyals 36.2 million, as a result of facilities rescheduled during the year ended 31 December 2020. There are no financial debt covenants related to the facilities.

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13 Loans and borrowings (continued)

- e) On 16 August 2017 (corresponding to 24 Dhul Qadah 1438H), the Group signed an unsecured non funded facility with a local bank, with an amount of Saudi Riyals 200 million for the purpose of opening letters of credit (L/C) and letters of guarantees (L/G) by the Group. The facility carries borrowing costs at commercial rates and facility was rolled over till 17 September 2022 (corresponding to 21 Safar 1444). The facility carries borrowing costs at SIBOR plus spread. At 30 June 2021, the Group has utilized Saudi Riyals 87.67 million to settle some of the outstanding liabilities. There are no financial debt covenants related to the facility.
- f) On 17 January 2018 (corresponding to 30 Rabi Al-Akhar 1439H), the Group signed an unsecured nonfunded facility with a local bank, with a limit of Saudi Riyals 300 million for the purpose of opening letters of credit (L/C) and letters of guarantees (L/G) by the Group. The facility was renewed with an amount of Saudi Riyals 209.8 million with an expiry date of 30 January 2020. At 30 June 2021, the Group has utilized Saudi Riyals 138 million to settle some of the outstanding liabilities SIBOR plus 2.5%. During the year ended 31 December 2020, the facility has been extended. Also refer Note 13 (i) for information on financial debt covenant.
- g) On 30 January 2019 (corresponding to 24 Jamada awal 1440), the Group has signed a facility with a local bank, with an amount of Saudi Riyals 600 million for the purpose of financing existing phase 3 project overhead requirements and other financial commitments. The loan was repayable on 27 February 2020. The Group has provided a hotel as mortgage against the loan amount. The facility carries borrowing costs at commercial rates at SIBOR plus 2%. During the year ended 31 December 2020, the Group finalized the terms and condition of restructuring the facility and accordingly its maturity has been extended to December 2025. During the year ended 31 December 2021, the Group has recognized modification losses amounting to Saudi Riyals 18.5 million due to rescheduling during the year 2020. The deferred repayments will be linked with the assigned operating cashflows of the hotel. There are no financial debt covenants related to the facility.
- h) On 12 November 2018, the Group issued sharia compliant unsecured and subordinated private Sukuk amounting to Saudi Riyals 506 million, with a maturity date of 15 November 2023. The sukus were issued under wholly owned subsidiary 'Jabal Omar Sukuk Company Limited' in United States Dollars. The outstanding principal is repayable in a single instalment due on the maturity date. The Sukuk carries a fixed commission rate of 9.85%. There are no financial debt covenants related to the Sukuk.
- i) The Group has a financial covenant related to a borrowing facility with an outstanding principal amount of Saudi Riyals 138 million. The Group has complied with the requirements of the financial covenant during the period ended 30 June 2021 and the year ended 31 December 2020. Under the terms of the borrowing facility, the group is required to comply with the financial covenant of debt to equity ratio of not exceeding 2.5:1.
- j) During the three-month period ended June 30, 2021, the Group entered into a secured financing arrangement amounting to Saudi Riyals 1.6 billion with a lender for the completion of the third Phase of the Group's Project. SR 426m were drawn during the quarter which were used to settle some of Phase 3 related liabilities. Remaining drawdowns from this facility will be made within twelve months from the date of the condensed consolidated statement of financial position. Cost of borrowing is SIBOR plus 0.9%.

14. Liabilities against leases

The liabilities against leases are as follows:

	30 June 2021 (Unaudited)	31 December 2020 (Audited)
Total leases payments under leases	21,325	27,061
Finance charges	(1,840)	(2,023)
	19,485	25,038
Less: Current portion	(7,192)	(10,857)
Non-current portion	12,293	14,181

	Future lease rentals	Unamortized finance charges	Lease liability
30 June 2021 (unaudited)			
Less than one year	7,884	(692)	7,192
Between one to five years	13,441	(1,148)	12,293
	21,325	(1,840)	19,485
31 December 2020 (Audited)			
Less than one year	11,588	(731)	10,857
Between one to five years	15,473	(1,292)	14,181
	27,061	(2,023)	25,038

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15. Revenue

	Note	For the six-month period ended	
		30 June 2021 (Unaudited)	30 June 2020 (Unaudited) (Restated)
Revenue from contract with customers	a	89,135	135,615
Revenue from rental income	b	9,723	24,370
		98,858	159,985

a. Disaggregation of revenue from contract with customers

Set out below is the revenue disaggregated by type of revenue and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments. Further, the Group's revenue is earned in Kingdom of Saudi Arabia.

	For the six-month period ended 30 June							
	2021	2020	2021	2020	2021	2020	2021	2020
	Operating Hotels		Commercial centers		Properties for development and sale		Total	
Type of revenue:								
Sale of Properties for development and sale	-	-	-	-	-	17,439	-	17,439
Hotels						-	-	-
- Room rent	73,188	90,266	-	-	-	-	73,188	90,266
- Other services	15,947	27,910	-	-	-	-	15,947	27,910
	89,135	118,276	-	-	-	17,439	89,135	135,615
Timing of revenue recognition:								
Point-in-time	15,947	27,910		-		-	15,947	27,910
Over time	73,188	90,266	-	-	-	17,439	73,188	107,705
Total Revenue from contract with customers	89,135	118,276	-	-	-	17,439	89,135	135,615

b. Rental income

Parking	-	2,440	-	-	-	-	-	2,440
Commercial center	-	-	9,723	21,930	-	-	9,723	21,930
Total Lease revenue	-	2,440	9,723	21,930	-	-	9,723	24,370

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16. Other operating income

	For the six-month period ended	
	30 June 2021	30 June 2020
	(Unaudited)	(Unaudited) (Restated)
Murabaha investment income	873	3,118
Concession fee	423	1,088
Others	2,601	4,011
	3,897	8,217

17. Financial charges

	For the six-month period ended	
	30 June 2021	30 June 2020
	(Unaudited)	(Unaudited) (Restated)
Interest and finance charges paid/payable for financial liabilities not at fair value through profit or loss	219,858	233,602
Conventional borrowing cost	153,699	156,326
	373,557	389,928

18. Non-current assets classified as held for sale

During the three-month period ended 30 June 2021, the Group consummated the sale of a plot of land, measuring 2,572 square meters, located in Phase 7 of the Group's project by transferring the plot's legal title to the buyer. The sale value amounted to Saudi Riyals 830 million whereas the carrying amount of the land disposed amounted to Saudi Rials 115.8 million. In accordance with the terms of the sale agreement, the Group has collected payments from the buyer amounting Saudi Riyals 782 million whereas the remaining proceeds are expected to be received before 31 December 2021 upon fulfillment of certain conditions specified in the agreement.

19. Zakat payable

During 1433H, the Zakat, Tax and Customs Authority ("ZTCA"), issued an assessment for the intervening period from 23 Ramadan 1427H to 30 Dhul Hijjah 1430H resulting in additional zakat liability of Saudi Riyals 30.4 million. JODC has filed an appeal against ZTCA 's assessment and submitted a bank guarantee of Saudi Riyals 29.1 million. During 20'6, the ZTCA 's Higher Appeal Committee (HAC) rendered its decision reducing the zakat liability to Saudi Riyals 21.8 million. JODC has filed another appeal to the ZTCA's Board of Grievance against HAC's unfavorable decision. This appeal is under assessment and awaiting a decision. Management expects a favorable outcome.

During 1435H, ZTCA issued an assessment for zakat and withholding tax ("WHT") with a claim for additional zakat and WHT amounting to Saudi Riyals 26.8 million for the years ended 30 Dhul Hijjah 1431H through 1433H. JODC has filed an appeal against ZTCA's assessment along with the submission of a bank guarantee of Saudi Riyals 14.6 million. Management expects a favorable outcome.

The Group has filed its zakat return for the years ended 30 Dhul Hijjah 1434H to 1437H along with the periods ended 15 Rajab 1438H and 31 December 2018 and obtained a restricted zakat certificate for the said years. The ZTCA has not completed the review of the zakat returns and has not issued any assessment for the said years. Furthermore, during 2017, the Group has submitted a revised zakat return for the years 1434H through 1436H which has been acknowledged by ZTCA and awaiting assessment.

The Group has received zakat assessment from ZTCA till 2018 of approximately Saudi Riyals 477 million and recorded zakat payable based on the received assessment of Saudi Riyals 68 million and filed appeal against the open assessments.

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20. Related parties and other affiliates

In the ordinary course of its business the Group transacts with related parties which are based on prices and terms approved by the management.

The following are the details of major related party transactions during the year and the related balances at period end:

Related party	Nature of transaction	For the six-month period ended	
		30 June 2021	30 June 2020 (Unaudited) (Restated)
Bank Al Bilad – affiliate	Finance cost on loan from a local bank	15,751	8,806
Senior management employees	- Short term employee benefits	4,876	938
	- Post-employment benefits	75	37
BOD	BOD meeting attendance fee	337	167
Central District Cooling Company – Joint Venture	Cooling charges and lease payment (Note 6(a))	38,611	17,899
	Concession fee 7%	3,649	563
	Land rent and others	(2,607)	-

Balances arising from transactions with related parties are as follows:

Related party	Included under	30 June 2021 (Unaudited)	31 December 2020
Al-Bilad Makkah Hospitality Fund	Accounts payable and other current liabilities	112,519	112,519
Bank Al-Bilad	Loans and Borrowings	629,393	619,468
Central District Cooling Company	Accounts payable and other current liabilities	158,950	120,256
	Other non-current liabilities	751,741	762,595
Makkah Construction and Development Company	Accounts and other receivables	(2,673)	(5,280)
	Other current liabilities	309,565	309,565

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21. Segment reporting

Basis for segmentation

The Group has the following five strategic divisions which are its reportable operating segments. These divisions offer different products and/or services and are managed separately. The following summary describes the operations of each reportable segment.

Reportable segments	Operations
Operating Hotels	Includes leasing rooms and selling food and "beverages" the Hotels").
Commercial centers	Includes operating and leasing commercial shopping malls ("the Commercial Centers.")
Properties for development and sale	Includes construction and development of property and sale of completed dwellings
Property under construction	Includes construction and development activities of Hotels under all phases.
Corporate (Head office)	Activities of corporate office including selling and marketing.

As at 30 June 2021 (Unaudited)					
	Operating Hotels	Commercial Centers	Properties for development and sale	Corporate	Total
Current assets	188,174	72,237	1,465,931	1,051,354	2,777,696
property, plant and equipment	17,773,706	48,836	-	22,324	17,844,866
Investment properties	1,620,444	3,412,207	-	-	5,032,651
Other non-current-assets	580	-	-	673,748	674,328
Total assets	19,582,904	3,533,280	1,465,931	1,747,426	26,329,541
Total liabilities	10,999,102	6,717	310,231	8,098,314	19,414,364

Consolidated statement of profit or loss and other comprehensive income items for the six-month period ended 30 June 2021:

	Operating Hotels	Commercial Centers	Properties for development and sale	Corporate	Total
Revenues from operations	89,135	9,723	-	-	98,858
Total comprehensive income/ (loss)	302,691	112,485	-	(490,059)	(74,883)

As at 31 December 2020 (Audited)					
	Operating Hotels	Commercial Centers	Properties for development and sale	Corporate	Total
Current assets	124,145	83,189	1,503,744	424,917	2,135,995
property, plant and equipment	17,786,458	-	-	88,652	17,875,110
Investment properties	558,934	4,482,897	-	-	5,041,831
Other non-current-assets	-	-	-	683,946	683,946
Total assets	18,469,537	4,566,086	1,503,744	1,197,515	25,736,882
Total liabilities	941,157	272,736	208,837	17,325,410	18,748,140

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21 Segment reporting (continued)

Consolidated statement of profit or loss and other comprehensive income items for the six-month period ended 30 June 2020, as restated:

	<i>Operating Hotels</i>	<i>Commercial Centers</i>	<i>Properties for development and sale</i>	<i>Corporate</i>	<i>Total</i>
Revenues from operations	126,616	21,930	17,439	-	159,985
Total comprehensive (loss)/income	(268,009)	(71,600)	505	(352,457)	(691,561)

22. Commitments and contingencies

- As at 30 June 2021, the outstanding capital commitments in respect of development of the Project amounted to Saudi Riyals 2,702 million (31 December 2020: Saudi Riyals 2,778 million).
- At 30 June 2021, the Group has contingent liabilities for bank guarantees and letters of credit issued in the normal course of business amounting to Saudi Riyals 50 million (31 December 2020: Saudi Riyals 71.5 million)
- Operating lease commitments are not significant.
- Refer note 19 for Zakat and tax related contingencies.

23. Approval of the condensed consolidated interim financial statements

These condensed consolidated interim financial statements were approved and authorized to issue by the Board of Directors on 15 August 2021 corresponding to (7 Muharram 1443H).

24. Restatement

The Group had restated certain amounts and balances in its annual consolidated financial statements for the year ended 31 December 2020, the details of which were disclosed in Note 36 to the annual consolidated financial statements. Certain of the restatements have not impacted the primary statements for the three-month and six-month periods ended 30 June 2021 but have been reproduced below for completeness purposes (restatement 3, 5 and 6):

Restatement - 1

During 2017, the Group entered into agreements with Alinma Makkah Real Estate Fund (the "Fund") that were collectively accounted for as a sale and finance leaseback arrangement (the "Arrangement"). The Arrangement related to the Group's strategic properties situated in the first phase. As a consequence of this Arrangement, part of the consideration for the purchase of the properties was settled in cash and the remaining was settled "in-kind" by the Fund issuing units in the Fund to the Group. The Group's investment in the Fund represented 16.42% of the Fund's ownership. The Group accounted for this investment as a financial asset measured at fair value through profit or loss.

During the year ended 31 December 2020, the Group re-assessed its relationship with the Fund in terms of the requirements-of IFRS 10 - Consolidated Financial Statements. Previously, management had considered the Fund to be governed by voting rights but based on the reassessment and to appropriately reflect the arrangement the Fund should have been considered a structured entity (i.e. the Fund is not governed by voting rights). The conclusion is based on the rights afforded to the Group by the repurchase right, lease agreement and other contractual arrangements, which enabled the Group to direct the relevant activities of the Fund, namely the management of the residual value of the properties. The Group has the ability to exercise its power over the relevant activities from the above rights over the Fund to affect the amount of the returns from the properties, as such providing the Group with control. Since the Group has control over the Fund, the Fund should have been consolidated in the Group's consolidated financial statements. This resulted in:

- Elimination of the investment in Fund measured at fair value through profit or loss;
- Reversal of the initial sale and finance leaseback accounting; and
- Recognition of a financial liability to the unitholders in Fund.

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24. Restatement (continued)

Restatement - 2

In prior years, the Group made payments to its founding shareholders which were intended to be recovered by means of future dividends that will be paid to these shareholders or as and when these shareholders disposed of their shares. In addition, if no distributions were made to shareholders the amounts would be written off against pre-establishment expenses. These balances would not be considered financial assets, since the Group had no contractual right to receive cash or another financial asset from these shareholders as the shareholders are not obligated to dispose of their shares and the Group cannot recognise an asset for rights to economic benefits of itself (i.e. future dividends paid by the Group). The Group accounted for these payments as an asset instead of treating them as equity transactions with the founding shareholders. During the year ended 31 December 2020, the Group reclassified these payments made to the founding shareholders from “advances to shareholders” to equity. Any payments which may be received from the shareholders should be considered contributions received by the Group.

Restatement - 3

During 2012, the Group entered into an arrangement with another shareholder for the creation of a new investee, the Central District Cooling Company (CDCC) in which the Group held an investment representing 40% ownership interest in CDCC. Concurrently, the Group entered into agreements with CDCC to build, operate and transfer district cooling plants to the Group (the “Concession Arrangement”). The Group accounted for the investment in CDCC as an associate and the district cooling plants obtained under the Concession Arrangement as a right of use asset in accordance with IFRS 16 - Leases (“IFRS 16”) upon completion of construction and commencement of the lease. However, the Concession Arrangement should not be considered a lease under IFRS 16 as ownership is transferred to the Group and, as such, the Group exercises control over the asset for the entire useful life of the asset. The Group should have accounted for the acquisition of district cooling plants as a purchase of the underlying district cooling plants as and when construction is performed and not solely on completion of construction that was previously considered the commencement of the lease.

Furthermore, during the year ended 31 December 2020, the Group re-assessed its relationship with CDCC and in particular whether the arrangements should be considered a joint arrangement in terms of IFRS 11 - Joint Arrangements (“IFRS 11”). Previously, management had considered the investment in CDCC as an investment in an associate as the Group only held 40% shareholding. However, the shareholders’ agreement between CDCC’s shareholders required unanimous approval of both the shareholders for all key decisions affecting the operations of CDCC. To appropriately reflect the agreement between CDCC’s shareholders, the investment in CDCC should have been considered a joint arrangement and classified in accordance with IFRS 11 as a joint venture.

Restatement – 4

The Group entered into a sale agreement with Albilad Makkah Hospitality Fund (the “Buyer”) for 90 residential units (“units”) during the financial year ended 31 December 2018. These units comprised two penthouses and 88 apartments. The Group recognized revenue in 2018 amounting to Saudi Riyals 1.1 billion at a point in time from the sale of these units. The performance obligation under the contract was to deliver the completed units and the individual promises under this performance obligation were as follows:

- Deliver 90 units including all the contents, fittings, equipment, wires, telephone, water pipes, etc.;
- Common share of the real estate land on which the units are located; and
- Achieve operational readiness of the units (i.e. the hotel facilities must be cote).

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24. Restatement (continued)

Whilst on the date of sale a substantial amount of the performance obligation under the contract was completed, the performance obligation was not fully completed as the units were not ready for their intended use, which was primarily the operational readiness. As the units were not ready for their intended use, the terms of the sale agreement required the Group to pay a delay penalty, amounting to 4.3% of the total sale value, for any delay beyond 90 days in making the units available for their intended use. The Group has accounted for delay penalty as an operating expense.

In December 2018, there was a contract modification in relation to the 2 penthouse units. The terms of this modification have impacted the Group's enforceable right to payment for the 2 penthouse units. It was agreed between the Group and the Buyer, that if the 2 penthouses are not completed by the implementation date, the Buyer would have the right to exercise 2 promissory notes which were issued by the Group to the Buyer in lieu of the sales price of the 2 units. The terms of the promissory notes are such that the Buyer can exercise its rights over the promissory notes and as such not take possession of the 2 penthouses, therefore under these terms, there is no longer an enforceable right to payment for these units. The recognized revenue for these units in 2018.

During the year ended 31 December 2020, the Group reassessed the requirements—of IFRS 15 - Revenue from Contracts with Customers ("IFRS 15") and noted revenue for the 88 apartments should be recognized overtime and not point in time. This is because at inception of the contract, right of payment for work performed to date had existed. The delay penalty should have been accounted for as variable consideration within revenue and not as an operating expense.

As noted above, the issuance of the promissory notes resulted in a modification to the sale agreement. In terms of the guidance on modification accounting in IFRS 15, the modification resulted in the Group no longer having an enforceable right to payment for the 2 penthouse units. As at the end of 2018, it was still considered that there was an enforceable right to payment as such any previous recognized was not reversed. It should have been reversed for the full sales price, and the amount should have been recognized as liabilities which were owed to the Buyer.

Restatement - 5

In prior years, the Group classified its obligation to one of its founding shareholders, amounting to Saudi Riyals 309 million as of 1 January 2019 and 31 December 2019, under other non-current liabilities. However, the Group did not have the right to defer settlement of this obligation beyond 12 months. Hence, the Group should have classified this obligation as a current liability.

Restatement - 6

In prior years, the Group reclassified certain plots of land from property, plant and equipment with a value of 525 million to property for development and sale in anticipation of a view to sell the same plots of land. However, the Group was unable to demonstrate evidence for either substantial modification or enhancement of those plots of land that would demonstrate a specific change in use. The Group should have continued accounting for those plots of land as property, plant and equipment until such time that it is able to demonstrate evidence for a specific change in use that would corroborate alternative classification.

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24. Restatement (continued)

The resultant impact of the above-mentioned restatements on each of the impacted financial statement line items as of 1 January 2020 and in particular the restatement of total equity is reflected in the table below:

	Previously reported	Restatement 1	Restatement 2	Restatement 3	Restatement 4	Restatement 5	Restatement 6	Restated
<u>As at 1 January 2020</u>								
Assets								
Non-current assets								
Property, plant and equipment	17,630,023	(582,545)	-	182,208	-	-	524,596	17,754,282
Intangible assets	3,302	-	-	-	-	-	-	3,302
Investment properties	6,192,633	(1,138,314)	-	-	-	-	-	5,054,319
Investment in a joint venture	87,082	-	-	-	-	-	-	87,082
Investment held at fair value through profit or loss	1,497,986	(1,166,986)	-	-	-	-	-	331,000
Restricted cash	242,590	-	-	-	-	-	-	242,590
Advances to certain founding shareholders	302,458	-	(302,458)	-	-	-	-	-
Other non-current assets	23,291	-	-	-	-	-	-	23,291
Total non-current assets	25,979,365	(2,887,845)	(302,458)	182,208	-	-	524,596	23,495,866
Current assets								
Properties for development and sale	1,928,376	-	-	-	19,522	-	(524,596)	1,423,302
Other current assets	216,730	(191,998)	-	-	-	-	-	24,732
Trade and other receivables	342,322	(40,000)	-	-	-	-	-	302,322
Investment held at fair value through profit or loss	-	205,527	-	-	-	-	-	205,527
Investment at amortised cost	-	150,441	-	-	-	-	-	150,441
Restricted cash – current portion	446,244	-	-	-	-	-	-	446,244
Cash and cash equivalents	237,860	1,282	-	-	-	-	-	239,142
Total current assets	3,171,532	125,252	-	-	19,522	-	(524,596)	2,791,710
Total assets	29,150,897	(2,762,593)	(302,458)	182,208	19,522	-	-	26,287,576

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24. Restatement (continued)

	Previously reported	Restatement 1	Restatement 2	Restatement 3	Restatement 4	Restatement 5	Restatement 6	Restated
Equity and liabilities								
Equity								
Share capital	9,294,000	-	-	-	-	-	-	9,294,000
Statutory reserve	108,506	-	-	-	-	-	-	108,506
Reserve for Advances to certain founding shareholders	-	-	(302,458)	-	-	-	-	(302,458)
Accumulated losses	(181,653)	(446,670)	-	-	(159,037)	-	-	(787,360)
Net equity attributable to shareholders of the Company	9,220,853	(446,670)	(302,458)	-	(159,037)	-	-	8,312,688
Non-controlling interests	2,316	-	-	-	-	-	-	2,316
Total equity	9,223,169	(446,670)	(302,458)	-	(159,037)	-	-	8,315,004
Liabilities								
Non-current liabilities								
Loans and borrowings	4,948,012	-	-	-	-	-	-	4,948,012
Liabilities against leases	6,599,357	(6,001,037)	-	(595,742)	-	-	-	2,578
Payable to other unitholders of investment fund	-	4,896,260	-	-	-	-	-	4,896,260
Provision for employees' terminal benefits	29,523	-	-	-	-	-	-	29,523
Other non-current liabilities	1,947,087	(1,256,107)	-	777,950	-	(309,565)	-	1,159,365
Total non-current liabilities	13,523,979	(2,360,884)	-	182,208	-	(309,565)	-	11,035,738
Current liabilities								
Loans and borrowings – current portion	5,262,821	-	-	-	-	-	-	5,262,821
Accounts payable and other current liabilities	1,119,154	(158,640)	-	17,270	178,559	309,565	-	1,465,908
Payable to other unitholders of investment fund	-	203,601	-	-	-	-	-	203,601
Liabilities against lease – current portion	21,774	-	-	(17,270)	-	-	-	4,504
Total current liabilities	6,403,749	44,961	-	-	178,559	309,565	-	6,936,834
Total liabilities	19,927,728	(2,315,923)	-	182,208	178,559	-	-	17,972,572
Total equity and liabilities	29,150,897	(2,762,593)	(302,458)	182,208	19,522	-	-	26,287,576

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24. Restatement (continued)

The above restatements in annual consolidated financial statements for the year ended December 31, 2020 had also affected certain amounts and balances included in the prior period condensed consolidated interim financial statements. The impact thereof on the comparative results of the condensed consolidated statements of profit or loss and other comprehensive income and cash flows is set out below:

Effect on the condensed consolidated statement of profit or loss and other comprehensive income:

	Previously reported	Restatem ent - 1	Restatem ent - 4	Reclassifi cation	Restated
<u>For the six-month period ended 30 June 2020</u>					
Revenue	180,781	-	(20,796)	-	159,985
Cost of revenue	(323,986)	25,984	(1,731)	-	(299,733)
Gross loss	(143,205)	25,984	(22,527)	-	(139,748)
Selling and marketing expenses	(4,696)	-	-	-	(4,696)
General and administrative expenses	(97,620)	(4,468)	18,294	-	(83,794)
Net impairment loss on financial assets	(54,224)	-	-	-	(54,224)
Other operating expense	-	58,857	-	(90,890)	(32,033)
Other operating income	46,527	(129,200)	-	90,890	8,217
Operating loss	(253,218)	(48,827)	(4,233)	-	(306,278)
Financial charges	(434,051)	44,123	-	-	(389,928)
Share of results from investment in a joint venture	4,645	-	-	-	4,645
Loss before zakat	(682,624)	(4,704)	(4,233)	-	(691,561)
Zakat	-	-	-	-	-
Loss for the period	(682,624)	(4,704)	(4,233)	-	(691,561)
Other comprehensive income					
Total comprehensive loss for the period	(682,624)	(4,704)	(4,233)	-	(691,561)
Loss attributable to:					
Shareholders of the Company	(682,428)	(4,704)	(4,233)	-	(691,365)
Non-controlling interests	(196)	-	-	-	(196)
	(682,624)	(4,704)	(4,233)	-	(691,561)
Total comprehensive loss attributable to:					
Shareholders of the Company	(682,428)	(4,704)	(4,233)	-	(691,365)
Non-controlling interests	(196)	-	-	-	(196)
	(682,624)	(4,704)	(4,233)	-	(691,561)
Loss per share (Saudi Riyals):					
Basic and diluted loss per share attributable to shareholders of the Company	(0.73)				(0.74)

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24. Restatement (continued)

Effect on condensed consolidated statement of cash flows:

	Previously reported	Impact of restatements	Reclassification	Restated
<u>For the six-month period ended 30 June 2020</u>				
Cash flows from operating activities				
Loss before Zakat	(682,624)	(8,937)	-	(691,561)
<u>Adjustments for:</u>				
Depreciation on property, plant and equipment	127,763	(12,299)	-	115,464
Depreciation on investment properties	28,481	(13,685)	-	14,797
Amortization of intangible assets	606	-	-	606
Provision for employees' terminal benefits	31	-	1,932	1,963
Net impairment loss on financial assets	54,224	-	-	54,224
Amortization of deferred gain on sale and leaseback assets	(90,862)	90,862	-	-
Share of results of investment in a joint venture	(4,645)	-	-	(4,645)
Financial charges	434,051	(44,123)	-	389,928
Change in fair value of FVTPL investments	90,890	(58,856)	-	32,034
	(42,085)	(47,038)	1,932	(87,190)
<u>Changes in operating assets and liabilities:</u>				
Other non-current assets	1,353	-	-	1,353
Properties for development and sale	6,623	1,731	-	8,354
Other current assets	197,763	(193,756)	-	4,007
Trade and other receivables	(52,560)	(10,000)	-	(62,560)
Other non-current liabilities	2,428	36,853	(1,932)	37,349
Accounts payable and other current liabilities	15,935	(9,172)	-	6,763
Cash generated from operations	129,457	(221,381)	-	(91,924)
Financial charges paid	(274,982)	72,368	-	(202,614)
Employees' termination benefits paid	(2,044)	-	-	(2,044)
Net cash used in operating activities	(147,569)	(149,013)	-	(296,582)
Cash flows from investing activities				
Additions to property, plant and equipment	(172,855)	-	-	(172,855)
Additional Investment in joint venture	(23,460)	-	-	(23,460)
Additions to investment properties	(16,988)	-	-	(16,988)
Proceeds from selling Investment held at amortized cost - Alinma	-	150,441	-	150,441
Dividend paid to NCI	(347)	-	-	(347)
Net change in restricted cash balances	47,518	-	-	47,518
		-	-	
Net cash used in investing activities	(166,132)	150,441	-	(15,691)

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24. Restatement (continued)

Effect on condensed consolidated statement of cash flows:

	Previously reported	Impact of restatements	Reclassification	Restated
Cash flows from financing activities				
Payments received against advance to certain founding shareholders	25			25
Loans and borrowings drawdown	289,376	-	-	289,376
Loans and borrowings repayment	(92,422)	-	-	(92,422)
Lease repayment	(10,912)	-	-	(10,912)
Net cash from financing activities	186,067	-	-	186,067
Net change in cash and cash equivalents	(127,634)	1,428	-	(126,206)
Cash and cash equivalents at beginning of the period	237,860	1,282	-	239,142
Cash and cash equivalents at the end of the period	110,226	2,710	-	112,936
Major non-cash supplemental information				
Capitalization of borrowing cost on investment property	47,524	-	-	47,524
Capitalization of borrowing cost on property and equipment	87,768	-	-	87,768