

**SAUDI INDUSTRIAL INVESTMENT GROUP
COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL
STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS
ENDED 30 JUNE 2022
AND REPORT ON REVIEW OF INTERIM FINANCIAL
STATEMENTS**

**SAUDI INDUSTRIAL INVESTMENT GROUP COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH AND SIX MONTH PERIODS ENDED 30 JUNE 2022**

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Report on review of condensed consolidated interim financial statements

To the shareholders of Saudi Industrial Investment Group Company
(A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Saudi Industrial Investment Group Company (the “Company”) and its subsidiary (together the “Group”) as of 30 June 2022 and the related condensed consolidated interim statement of profit or loss and other comprehensive income for the three-month and six-month periods then ended and the condensed consolidated interim statements of changes in equity and cash flows for the six-month period ended 30 June 2022 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, that are endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 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 14 to the accompanying condensed consolidated interim financial statements, which sets out the impact of restatement on investments in Saudi Polymers Company (“SPCO”) and Gulf Polymers Distribution Company (“GPDC”) that were previously consolidated by the Company’s subsidiary, National Petrochemical Company (“Petrochem”). Based on Petrochem’s reassessment of its contractual arrangements with the respective shareholders of SPCO and GPDC, these investments should have been accounted for as investments in joint ventures using the equity method as Petrochem exercised joint control over these investments.

Note 14 to the accompanying condensed consolidated interim financial statements sets out:

- the impact of this restatement to the 2021 comparative periods of the condensed consolidated interim statements of profit or loss and other comprehensive income and cash flows; and
- that the restatement had no impact on the profit attributable to the shareholders and earnings per share (basic and diluted) for the three-month and six-month periods ended 30 June 2021.

Our conclusion is not modified in respect of this matter.

PricewaterhouseCoopers

Ali A. Alotaibi
License Number 379

3 August 2022



SAUDI INDUSTRIAL INVESTMENT GROUP COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)
Condensed consolidated interim statement of financial position
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	As at 30 June 2022 (Unaudited)	As at 31 December 2021 (Audited)
Assets			
Non-current assets			
Property and equipment		1,408	1,651
Investments in joint ventures accounted for using the equity method	5	8,989,655	8,729,948
Other assets		5,965	4,986
Total non-current assets		8,997,028	8,736,585
Current assets			
Prepayments and other current assets		7,864	4,492
Due from related parties	6	921,812	1,259,561
Short-term Murabaha deposits	8	287,000	497,000
Cash and cash equivalents	7	2,096,497	1,813,811
Total current assets		3,313,173	3,574,864
Total assets		12,310,201	12,311,449
Equity and liabilities			
Equity			
Share capital	1, 9	7,548,000	4,500,000
Share premium	1	7,970,520	-
Statutory reserve		1,019,928	1,019,928
Other reserves	1	(6,337,411)	-
Retained earnings		1,195,420	1,808,544
Equity attributable to the shareholders of Saudi Industrial Investment Group Company		11,396,457	7,328,472
Non-controlling interests		-	4,564,866
Total equity		11,396,457	11,893,338
Liabilities			
Non-current liability			
Employee benefit obligations		20,704	19,965
Current liabilities			
Due to related parties	6	-	51
Dividends payable	13	566,912	-
Accrued and other liabilities		29,702	34,920
Zakat	10	296,426	363,175
Total current liabilities		893,040	398,146
Total liabilities		913,744	418,111
Total equity and liabilities		12,310,201	12,311,449

The accompanying notes are an integral part of these condensed consolidated interim financial statements.



Khalil Al-Watban
Chairman - Board of Directors



Abdulrahman S. Alismail
CEO



Hazem Swaireh
Finance Manager

SAUDI INDUSTRIAL INVESTMENT GROUP COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)
Condensed consolidated interim statement of profit or loss and other comprehensive income
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	For the three-month period ended 30 June		For the six-month period ended 30 June	
		2022 (Unaudited)	2021 (Unaudited) (Restated)	2022 (Unaudited)	2021 (Unaudited) (Restated)
Share of net profit of joint ventures accounted for using the equity method	5	335,274	760,826	717,134	1,254,441
General and administrative expenses		(35,781)	(18,779)	(45,309)	(28,495)
Operating profit		299,493	742,047	671,825	1,225,946
Finance income		9,892	2,206	16,358	3,518
Other income - net		-	116	81	215
Profit before zakat		309,385	744,369	688,264	1,229,679
Zakat (expense) credit		(25,188)	61,861	(52,945)	37,055
Profit for the period		284,197	806,230	635,319	1,266,734
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		284,197	806,230	635,319	1,266,734
Profit for the period is attributable to:					
Shareholders of Saudi Industrial Investment Group Company		284,197	505,262	519,076	810,675
Non-controlling interests		-	300,968	116,243	456,059
		284,197	806,230	635,319	1,266,734
Total comprehensive income for the period is attributable to:					
Shareholders of Saudi Industrial Investment Group Company		284,197	505,262	519,076	810,675
Non-controlling interests		-	300,968	116,243	456,059
		284,197	806,230	635,319	1,266,734
Earnings per share					
Basic and diluted	12	0.38	1.12	0.69	1.80

The accompanying notes are an integral part of these condensed consolidated interim financial statements.



Khalil Al-Watban
Chairman - Board of Directors



Abdulrahman S. Alismail
CEO



Hazem Swaireh
Finance Manger

SAUDI INDUSTRIAL INVESTMENT GROUP COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)
Condensed consolidated interim statement of changes in equity
(All amounts in Saudi Riyals thousands unless otherwise stated)

Note	Attributable to the shareholders of Saudi Industrial Investment Group Company					Total	Non- controlling interests	Total equity
	Share capital	Share Premium	Statutory reserve	Other reserve	Retained earnings			
At 1 January 2021 (Audited)	4,500,000	-	906,301	-	1,005,359	6,411,660	8,221,670	14,633,330
Change in accounting treatment	-	-	-	-	-	-	(4,161,747)	(4,161,747)
At 1 January 2021 (Restated)	4,500,000	-	906,301	-	1,005,359	6,411,660	4,059,923	10,471,583
Profit for the period	-	-	-	-	810,675	810,675	456,059	1,266,734
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	810,675	810,675	456,059	1,266,734
Transactions with shareholders in their capacity as shareholders:								
Dividends	-	-	-	-	(225,000)	(225,000)	(180,000)	(405,000)
At 30 June 2021 (Restated)	4,500,000	-	906,301	-	1,591,034	6,997,335	4,335,982	11,333,317
At 1 January 2022 (Audited)	4,500,000	-	1,019,928	-	1,808,544	7,328,472	4,564,866	11,893,338
Profit for the period	-	-	-	-	519,076	519,076	116,243	635,319
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	519,076	519,076	116,243	635,319
Purchase of shareholding of a non-controlling interest	3,048,000	7,970,520	-	(6,337,411)	-	4,681,109	(4,681,109)	-
Transactions with shareholders in their capacity as shareholders:								
Dividends	-	-	-	-	(1,132,200)	(1,132,200)	-	(1,132,200)
At 30 June 2022 (Unaudited)	7,548,000	7,970,520	1,019,928	(6,337,411)	1,195,420	11,396,457	-	11,396,457

The accompanying notes are an integral part of these condensed consolidated interim financial statements.



Khalil Al-Watban
Chairman - Board of Directors



Abdulrahman S. Alismail
CEO



Hazem Swaireh
Finance Manager

SAUDI INDUSTRIAL INVESTMENT GROUP COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)

Condensed consolidated interim statement of cash flows

(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	For the six-month period ended 30 June	
		2022 (Unaudited)	2021 (Unaudited) (Restated)
Cash flows from operating activities			
Profit before zakat		688,264	1,229,679
<u>Adjustments for:</u>			
Depreciation		462	322
Share of net profit of joint ventures accounted for using the equity method	5	(717,134)	(1,254,441)
Finance income		(16,358)	(3,518)
Provision for employee benefit obligations		797	1,175
<u>Changes in operating assets and liabilities:</u>			
(Increase) decrease in prepayments and other assets		(987)	1,827
Decrease in due to related parties		(51)	-
(Decrease) increase in accrued and other liabilities		(5,218)	182
Cash utilized in operations		(50,225)	(24,774)
Finance income received		12,993	3,565
Zakat paid		(119,694)	(74,322)
Employee benefit obligations paid		(58)	(231)
Dividends received from joint ventures	5	500,625	281,250
Zakat reimbursed to a joint venture		(43,198)	-
Net cash inflow from operating activities		300,443	185,488
Cash flows from investing activities			
Payments for purchases of property and equipment		(219)	-
Placements in short-term deposits		210,000	(375,500)
Reduction in share capital of joint ventures		337,750	855,312
Net cash inflow from investing activities		547,531	479,812
Cash flows from financing activities			
Dividends paid		(565,288)	(225,000)
Dividends paid by a subsidiary to non-controlling interests		-	(180,000)
Net cash outflow from financing activities		(565,288)	(405,000)
Net increase in cash and cash equivalents		282,686	260,300
Cash and cash equivalents at beginning of the period		1,813,811	1,165,742
Cash and cash equivalents at end of the period	7	2,383,497	1,426,042

The accompanying notes are an integral part of these condensed consolidated interim financial statements.



Khalil Al-Watban
Chairman - Board of Directors



Abdulrahman S. Alismail
CEO



Hazem Swaireh
Finance Manager

**SAUDI INDUSTRIAL INVESTMENT GROUP COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)
Notes to the condensed consolidated interim financial statements (Unaudited)
For the three-month and six-month periods ended 30 June 2022
(All amounts in Saudi Riyals thousands unless otherwise stated)**

1 General information

Saudi Industrial Investment Group Company (the “Company”) is a Saudi joint stock company registered in Riyadh, Kingdom of Saudi Arabia under Commercial Registration (“CR”) number 1010139946 dated on 10 Shaban 1416 H (corresponding to 1 January 1996). The registered address of the Company is P.O. Box 99833, Riyadh, Kingdom of Saudi Arabia.

The accompanying condensed consolidated interim financial statements include the activities of the Company and its following direct subsidiary (together the “Group”):

	Country of incorporation	Effective ownership percentage at	
		30 June 2022	31 December 2021
National Petrochemical Company (a Saudi joint stock company) (“Petrochem”)	Kingdom of Saudi Arabia	100%	50%

The Company is principally engaged in the ownership of real estate, investing the funds of its subsidiary and the management of its subsidiary.

Petrochem is a Saudi joint stock company registered under CR number 1010246363 issued in Riyadh on 8 Rabi Al Awwal 1429 H (corresponding to 16 June 2008), and it was established pursuant to the Ministry of Commerce’s resolution number 53/Q dated 16 Safar 1429 H (corresponding to 23 February 2008).

Petrochem’s acquisition

On 15 September 2020, the Board of Directors of the Company, approved the decision to initiate discussions with Petrochem to study the economic feasibility of merging the two related parties (the “Transaction”).

During the year ended 31 December 2021, the Company announced the completion of the initial economic feasibility study, on the basis of which the Company and Petrochem decided to commence reciprocal due diligence, negotiate the terms and conditions of the Transaction and initiate sharing of information between them.

Furthermore, on 27 September 2021 (corresponding to 20 Safar 1443H), the Company signed a non-binding memorandum of understanding (“MOU”) with Petrochem, in relation to the share exchange ratio and the structure through which the Transaction would be implemented.

On 27 October 2021 (corresponding to 21 Rabi ul Awwal 1443H), the Company entered into a legally binding implementation agreement with Petrochem (the “Implementation Agreement”), pursuant to which the Company and Petrochem have agreed that the Company will make an offer to acquire all shares issued by Petrochem which are not owned by the Company in exchange for the issuance of new shares in the Company to Petrochem’s shareholders in accordance with applicable regulations and rules issued by the board of Capital Market Authority (“CMA”), as well as the terms and conditions as set out in the Implementation Agreement.

On 16 March 2022 (corresponding to 13 Shaban 1443H), the CMA announced its resolution approving the proposed acquisition.

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(All amounts in Saudi Riyals thousands unless otherwise stated)

1 General information (continued)

During the general assembly meeting on 10 April 2022 (corresponding to 9 Ramadan 1443H), Petrochem's shareholders accepted the offer of the Company to Petrochem's shareholders to acquire all shares in Petrochem which were not owned by the Company in accordance with the Merger and Acquisition Regulations in exchange for 1.27 shares in the Company for each share in Petrochem pursuant to the terms and conditions set out in the Implementation Agreement entered into between Petrochem and the Company. As a result, the Company's share capital was increased from Saudi Riyals 4.5 billion (450,000,000 shares with a par value of Saudi Riyals 10) to Saudi Riyals 7.5 billion (754,800,000 shares with a par value of Saudi Riyals 10).

The transaction to acquire all shares in Petrochem which were not owned by the Company resulted in the following:

1.1 Share capital

Outstanding shares of Petrochem owned by non-controlling interests prior to 10 April 2022 (in 000's)	240,000
Exchange ratio	1.27
Shares issued by the Company (in 000's)	304,800
Par value of shares issued by the Company (at Saudi Riyals 10 per share and in Saudi Riyals 000's)	3,048,000
Outstanding share capital of the Company prior to 10 April 2022 (in Saudi Riyals 000's)	4,500,000
Total issued share capital of the Company on 10 April 2022 (in Saudi Riyals 000's)	7,548,000

1.2 Share premium

Shares issued by the Company (in 000's)	304,800
Share price of the Company on 10 April 2022	36.15
Total consideration (in Saudi Riyals 000's)	11,018,520
Less: par value of shares issued by the Company (at Saudi Riyals 10 per share and in Saudi Riyals 000's)	(3,048,000)
Share premium of the Company on 10 April 2022 (in Saudi Riyals 000's)	7,970,520

1.3 Other reserves

The Company recorded the difference between the fair value of the total consideration and the carrying value of the acquired interest as "Other reserves".

Total consideration (in Saudi Riyals 000's)	11,018,520
Less: carrying value of the acquired interest (in Saudi Riyals 000's)	(4,681,109)
Other reserves of the Company on 10 April 2022 (in Saudi Riyals 000's)	6,337,411

The condensed consolidated interim financial statements including notes and other explanatory information were approved and authorized for issue on 3 August 2022.

**SAUDI INDUSTRIAL INVESTMENT GROUP COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)
Notes to the condensed consolidated interim financial statements (Unaudited)
For the three-month and six-month periods ended 30 June 2022
(All amounts in Saudi Riyals thousands unless otherwise stated)**

2 Accounting policies

The principal accounting policies applied in the preparation of the condensed consolidated interim financial statements of the Group are consistent with those of the previous financial year and corresponding interim reporting periods.

2.1 Basis of preparation

(a) Statement of compliance

These condensed consolidated interim financial statements of the Group have been prepared in compliance with IAS 34 "Interim Financial Reporting" ("IAS 34"), as endorsed in the Kingdom of Saudi Arabia.

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements. Accordingly, these condensed consolidated interim financial statements are to be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2021.

(b) Historical cost convention

The condensed consolidated interim financial statements are prepared under the historical cost convention, except as explained in the relevant accounting policies in the annual financial statements for the year ended 31 December 2021.

(c) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the 'functional currency'). The condensed consolidated interim financial statements are presented in "Saudi Riyals", which is the Company's functional currency as well.

(d) New standards and amendment to standards and interpretation

There are no new standards applicable to the Group, however, certain amendments to standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amendments to standards.

(e) Standards issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2022 reporting periods and have not been early adopted by the Group. The management is in the process of assessing the impact of the new standards and interpretations on its condensed consolidated interim financial statements.

**SAUDI INDUSTRIAL INVESTMENT GROUP COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)
Notes to the condensed consolidated interim financial statements (Unaudited)
For the three-month and six-month periods ended 30 June 2022
(All amounts in Saudi Riyals thousands unless otherwise stated)**

2 Accounting policies (continued)

2.2 Basis of consolidation and equity accounting

(a) Subsidiary

The condensed consolidated interim financial statements comprise the financial statements of the Company and its subsidiary as at 30 June 2022. Subsidiaries are entities controlled by the Group. Control exists when the Group 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.

Specifically, the Group controls an investee if, and only if, the Group has all of the following six elements:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee),
- exposure, or rights, to variable returns from its involvement with the investee, and
- the ability to use its power over the investee to affect its returns.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intra-group investments, transactions, balances and unrealized gains or losses on transactions between Group companies are eliminated. The accounting policies of the subsidiaries are consistent with those adopted by the Group.

Non-controlling interests in the results and equity of not wholly owned subsidiaries are shown separately in the condensed consolidated interim statement of profit or loss and other comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of financial position, respectively.

(b) Investments in joint ventures

A joint venture is a type of joint arrangement where the Group has a contractual arrangement (rights and obligations) in place, with one or more parties, to undertake activities typically, however not necessarily, through a legal entity that is subject to joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Interests in joint ventures are accounted for using the equity method (equity accounted investees) and are recognised initially at cost. The condensed consolidated interim financial statements include the Group's share of the post-acquisition profits or losses of the investee in the profit or loss; and the Group's share of movements in other comprehensive income of the investee in the other comprehensive income, after adjustments to align the accounting policies with those of the Group. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment when the right to receive a dividend is established.

When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to nil, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

**SAUDI INDUSTRIAL INVESTMENT GROUP COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)
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For the three-month and six-month periods ended 30 June 2022
(All amounts in Saudi Riyals thousands unless otherwise stated)**

3 Fair value of assets and liabilities

As at 30 June 2022 and 31 December 2021, the fair values of the Group's financial instruments are estimated to approximate their carrying values since the financial instruments are short-term in nature, carry interest rates which are based on prevailing market interest rates and are expected to be realized at their current carrying values within twelve months from the date of condensed consolidated interim statement of financial position. The fair values of the non-current financial instruments are estimated to approximate their carrying values as these are determined through cash flows discounted using interest rates which are based on prevailing market interest rates.

4 Critical accounting estimates and judgements

The preparation of condensed consolidated interim financial statements requires the use of certain critical estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no significant changes in critical accounting estimates and judgements used by management in the preparation of the condensed consolidated interim financial statements from those that were applied and disclosed in the annual consolidated financial statements for the year ended 31 December 2021.

**SAUDI INDUSTRIAL INVESTMENT GROUP COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)
Notes to the condensed consolidated interim financial statements (Unaudited)
For the three-month and six-month periods ended 30 June 2022
(All amounts in Saudi Riyals thousands unless otherwise stated)**

5 Investments in joint ventures accounted for using the equity method

The Group has investments in the following joint venture limited liability companies:

	Country of incorporation	Effective ownership percentage at	
		30 June 2022	31 December 2021
Saudi Chevron Phillips Company ("SCP")	Kingdom of Saudi Arabia	50%	50%
Jubail Chevron Phillips Company ("JCP")	Kingdom of Saudi Arabia	50%	50%
Aromatics Distribution Company FZCO (a free zone limited liability company) ("ADCO")	United Arab Emirates	50%	50%
Saudi Polymers Company (a limited liability company) ("SPCO")	Kingdom of Saudi Arabia	65%	65%
Gulf Polymers Distribution Company FZCO (a free zone limited liability company) ("GPDC")	United Arab Emirates	65%	65%

- a) SCP is principally engaged in the production of liquid fuels, basic organic chemicals, primary gases and gaseous fuels. SCP is a limited liability company registered in Jubail, Kingdom of Saudi Arabia under CR number 2055003839 dated 22 Safar 1417H (corresponding to 8 July 1996) with a branch in Jubail under CR number 2055009584.

During 2018, the shareholders of SCP resolved to decrease the share capital of SCP by Saudi Riyals 411 million through their resolution dated 4 September 2018 (corresponding to 24 Dhul Hijjah 1439H). The legal formalities in relation to this matter were completed during 2020. The reduction in share capital has been paid in full, to the shareholders of SCP as of 31 December 2021.

- b) JCP is principally engaged in the production of basic organic chemicals, propylene and liquid fuels. JCP is a limited liability company registered in Jubail, Kingdom of Saudi Arabia under CR number 2055005901 dated 25 Jumada' II 1424H (corresponding to 23 August 2003).

During 2018, the shareholders of JCP resolved to decrease the share capital of JCP by Saudi Riyals 994 million through their resolution dated 4 September 2018 (corresponding to 24 Dhul Hijjah 1439H). The legal formalities in relation to this matter were completed during 2020. The balance of the reduction in share capital is payable on demand to the shareholders of JCP, dependent on its financial capabilities, and is treated as a current liability in JCP's financial statements (also see Note 6).

- c) ADCO is principally engaged to distribute the aromatic products (styrene, cyclohexane, propane and benzene) produced by JCP and SCP. ADCO is registered in Dubai Airport Free Zone ("DAFZA"), United Arab Emirates under license number 4105.

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(A Saudi Joint Stock Company)**
Notes to the condensed consolidated interim financial statements (Unaudited)
For the three-month and six-month periods ended 30 June 2022
(All amounts in Saudi Riyals thousands unless otherwise stated)

5 Investments in joint ventures accounted for using the equity method (continued)

- d) SPCO is a limited liability company registered in Jubail, Saudi Arabia under CR number 2055008886 dated 29 Dhul-Qadah 1428H (corresponding to 9 December 2007), with a branch in Jubail under Commercial Registration number 2055009065. The principal activities of SPCO are to produce and sell motor fuel blend stock, fuel oil, ethylene, propylene, 1-Hexene, high density and low-density polyethylene, polypropylene and polystyrene. SPCO is a joint venture between Petrochem and Arabian Chevron Phillips Petrochemical Company Limited ("ACPPCL").

During 2019, the shareholders of SPCO resolved to decrease the share capital of SPCO from Saudi Riyals 4.8 billion to Saudi Riyals 1.4 billion. The legal formalities in relation to this matter were completed during the year ended 31 December 2021. The balance of reduction in share capital is payable on demand, dependent on its financial capabilities, and is treated as a current liability in SPCO's financial statements (also see Note 6).

- e) GPDC was formed in the Dubai Airport Free Zone on 15 February 2011 as per DAFZA trade license. The registered address of GPDC is DFZA, Office No.6EA 420, Dubai, United Arab Emirates. The principal activities of GPDC are facilitating sales of polymer and monomer products and provision of international warehousing. GPDC is a distributor for SPCO and is a joint venture of Petrochem and ACPPCL.

Movement in the carrying amount of investment in joint ventures is as follows:

	For the six-month period ended 30 June 2022					
	SCP	JCP	ADCO	SPCO	GPDC	Total
Opening balance, 1 January	684,422	775,063	123,072	6,530,085	617,306	8,729,948
Share of net profit	241,386	30,574	41,390	298,517	105,267	717,134
Dividends received from joint ventures	(318,750)	-	(84,375)	-	(97,500)	(500,625)
Zakat reimbursed to joint ventures	9,298	1,848	-	32,052	-	43,198
Closing balance, 30 June	616,356	807,485	80,087	6,860,654	625,073	8,989,655
	For the six-month period ended 30 June 2021					
	SCP	JCP	ADCO	SPCO	GPDC	Total
Opening balance, 1 January	536,698	699,739	54,509	7,493,025	594,347	9,378,318
Share of net profit	222,612	81,189	83,152	810,010	57,478	1,254,441
Reduction in share capital	-	-	-	(2,206,100)	-	(2,206,100)
Dividends received from joint ventures	(112,500)	-	(46,875)	-	(121,875)	(281,250)
Closing balance, 30 June	646,810	780,928	90,786	6,096,935	529,950	8,145,409

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5 Investments in joint ventures accounted for using the equity method (continued)

Summarised financial information for joint ventures is provided below. The information disclosed reflects the amounts presented in the financial statements of the joint venture and not the Company's share of those amounts.

Summarised statement of financial position

	SCP		JCP	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
<u>Current assets</u>				
<i>Cash and cash equivalents</i>	397,930	196,148	284,615	278,276
<i>Other current assets</i>	1,380,390	1,419,353	1,390,310	1,155,822
Total current assets	1,778,320	1,615,501	1,674,925	1,434,098
Non-current assets	920,996	989,164	1,536,678	1,660,790
<u>Current liabilities</u>				
<i>Financial liabilities (excluding trade payables)</i>	(996,317)	(782,224)	(1,025,932)	(1,137,510)
<i>Other current liabilities</i>	(58,491)	(148,433)	(456,090)	(312,191)
Total current liabilities	(1,054,808)	(930,657)	(1,482,022)	(1,449,701)
<u>Non-current liabilities</u>				
<i>Financial liabilities (excluding trade payables)</i>	(33)	(821)	(4,751)	(4,640)
<i>Other non-current liabilities</i>	(238,141)	(223,283)	(121,340)	(119,712)
Total non-current liabilities	(238,174)	(224,104)	(126,091)	(124,352)
Net assets	1,406,334	1,449,904	1,603,490	1,520,835

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5 Investments in joint ventures accounted for using the equity method (continued)

Summarised statement of financial position

	ADCO		SPCO	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
<u>Current assets</u>				
<i>Cash and cash equivalents</i>	202,530	286,091	601,400	598,729
<i>Other current assets</i>	647,591	508,117	2,030,080	1,923,478
Total current assets	850,121	794,208	2,631,480	2,522,207
Non-current assets	-	-	12,064,472	12,392,888
<u>Current liabilities</u>				
<i>Financial liabilities (excluding trade payables)</i>	(689,853)	(547,980)	(2,636,120)	(3,023,955)
<i>Other current liabilities</i>	-	-	(572,486)	(604,171)
Total current liabilities	(689,853)	(547,980)	(3,208,606)	(3,628,126)
<u>Non-current liabilities</u>				
<i>Financial liabilities (excluding trade payables)</i>	-	-	(411,956)	(799,425)
<i>Other non-current liabilities</i>	(94)	(86)	(670,034)	(653,944)
Total non-current liabilities	(94)	(86)	(1,081,990)	(1,453,369)
Net assets	160,174	246,142	10,405,356	9,833,600

Summarised statement of financial position

	GPDC	
	30 June 2022	31 December 2021
<u>Current assets</u>		
<i>Cash and cash equivalents</i>	120,539	95,693
<i>Other current assets</i>	1,532,735	1,475,171
Total current assets	1,653,274	1,570,864
Non-current assets	2,246	304
<u>Current liabilities</u>		
<i>Financial liabilities (excluding trade payables)</i>	(594,170)	(568,778)
<i>Other current liabilities</i>	(97,728)	(51,506)
Total current liabilities	(691,898)	(620,284)
<u>Non-current liabilities</u>		
<i>Financial liabilities (excluding trade payables)</i>	-	-
<i>Other non-current liabilities</i>	(1,972)	(1,182)
Total non-current liabilities	(1,972)	(1,182)
Net assets	961,650	949,702

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5 Investments in joint ventures accounted for using the equity method (continued)

The reconciliation of the Group's interest in the joint ventures is as given below:

	SCP		JCP	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Joint venture net assets	1,406,334	1,449,904	1,603,490	1,520,835
Group's share	50%	50%	50%	50%
	703,167	724,952	801,745	760,418
Intra-group eliminations	-	-	-	-
Timing differences in zakat / current income tax recognition and reimbursement	(86,811)	(40,530)	5,740	14,645
Carrying value of investments	616,356	684,422	807,485	775,063

	ADCO		SPCO	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Joint venture net assets	160,174	246,142	10,405,356	9,833,600
Group's share	50%	50%	65%	65%
	80,087	123,071	6,763,481	6,391,840
Intra-group eliminations	-	-	(18,801)	(38,622)
Timing differences in zakat / current income tax recognition and reimbursement	-	-	115,974	176,867
Carrying value of investments	80,087	123,071	6,860,654	6,530,085

	GPDC	
	30 June 2022	31 December 2021
Joint venture net assets	961,650	949,703
Group's share	65%	65%
Carrying value of investment	625,073	617,307

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5 Investments in joint ventures accounted for using the equity method (continued)

Summarised statement of profit or loss and other comprehensive income

	SCP			
	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2022	2021	2022	2021
Revenue from contracts with customers	1,729,291	1,317,485	3,346,318	2,180,532
Finance income	1,127	851	2,463	1,113
Depreciation	(40,954)	(33,672)	(73,976)	(66,779)
Finance costs	(60)	517	(122)	(310)
Zakat and income tax expense	(39,501)	(33,885)	(65,397)	(48,957)
Profit for the period	298,551	271,460	496,901	416,743
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	298,551	271,460	496,901	416,743

Summarised statement of profit or loss and other comprehensive income

	JCP			
	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2022	2021	2022	2021
Revenue from contracts with customers	1,975,479	1,710,856	3,610,134	2,722,826
Finance income	538	566	834	896
Depreciation	(67,257)	(68,929)	(133,788)	(134,569)
Finance costs	(56)	(76)	(112)	(122)
Zakat and income tax expense	(6,292)	(17,581)	(8,521)	(23,106)
Profit for the period	41,681	114,969	58,553	143,575
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	41,681	114,969	58,553	143,575

	ADCO			
	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2022	2021	2022	2021
Revenue from contracts with customers	1,587,982	1,340,636	2,752,590	2,062,455
Depreciation	(30)	-	(60)	-
Profit for the period	476	23,656	82,785	166,304
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	476	23,656	82,785	166,304

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5 Investments in joint ventures accounted for using the equity method (continued)

Summarised statement of profit or loss and other comprehensive income

	SPCO			
	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2022	2021	2022	2021
Revenue from contracts with customers	2,335,406	2,355,611	4,150,763	4,317,379
Finance income	2,226	2,309	3,438	3,373
Depreciation	(219,573)	(219,662)	(434,699)	(436,744)
Finance costs	(8,292)	(8,047)	(14,155)	(16,375)
Zakat and income tax expense	(24,623)	(83,883)	(41,587)	(132,475)
Profit for the period	229,436	818,751	441,713	1,280,048
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	229,436	818,751	441,713	1,280,048

Summarised statement of profit or loss and other comprehensive income

	GPDC			
	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2022	2021	2022	2021
Revenue from contracts with customers	2,169,287	2,067,172	4,064,477	3,767,216
Finance income	65	34	65	34
Depreciation	23	123	-	(143)
Finance costs	(19)	15	(30)	-
Profit for the period	28,479	15,998	161,945	88,429
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	28,479	15,998	161,945	88,429

The joint ventures' contingent liabilities with respect to bank guarantees and approved capital expenditures are as follows:

	30 June 2022	31 December 2021
SCP	760,520	738,647
JCP	960,040	971,762
ADCO	-	-
SPCO	564,175	1,256,083
GPDC	-	-

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6 Related party transactions and balances

Related parties comprise the shareholders, directors, associated companies and key management personnel. Related parties also include business entities in which certain directors or senior management have an interest ("other related parties").

(a) *Following are the significant transactions entered into by the Group with its related parties:*

Related parties	Nature of transactions	For the three-month period ended 30 June		For the six-month period ended 30 June	
		2022	2021 (Restated)	2022	2021 (Restated)

Joint venture:

SPCO	<i>Reduction in share capital</i>	-	2,206,100		2,206,100
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(i) Due from related parties

	30 June 2022	31 December 2021
SPCO	743,936	987,686
JCP	177,876	271,875
	921,812	1,259,561

(ii) Due to related parties

	30 June 2022	31 December 2021
ACPPCL	-	51

(b) *Key management personnel compensation*

	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2022	2021	2022	2021
Salaries and other short-term employee benefits	8,655	8,387	11,162	11,019
Employee benefit obligations	349	696	684	1,023
	9,004	9,083	11,846	12,042

Key management personnel represent board members, directors and key personnel of the Group.

Also refer Note 14.

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7 Cash and cash equivalents

	30 June 2022	31 December 2021
Cash at banks	78,487	36,811
Cash in hand	10	-
Murabaha deposits	2,018,000	1,777,000
	2,096,497	1,813,811

Murabaha deposits are placed with commercial banks, with a maturity period of three months or less from date of placement, and yield finance income at commercial rates ranging from 0.90% to 2.60% per annum (2021: 0.35% to 0.75% per annum).

8 Short-term Murabaha deposits

Short-term Murabaha deposits, with maturity periods of more than three months and less than twelve months from the date of placement, yield finance income at commercial rates ranging from 0.60% to 1.25% per annum (2021: 0.60% to 0.75%).

9 Share capital

As at 30 June 2022, the authorized, issued and fully paid-up share capital comprised 754.8 million ordinary shares (31 December 2021: 450 million ordinary shares) of Saudi Riyals 10 per share.

Also refer to Note 1.

10 Zakat

The Group is subject to zakat in accordance with the regulation of the Zakat, Tax and Customs Authority (the "ZATCA"). Provisions for zakat are charged to the profit or loss.

The Group's management believes that the existing provisions in the condensed consolidated interim statement of financial position are adequate to cover any additional zakat liabilities that may arise from the ZATCA.

(a) Status of assessments of the Company

The Company has filed its Zakat return with the ZATCA up to 2021. The Company has finalised its zakat status with the ZATCA for all years up to 31 December 2006 on standalone basis.

The ZATCA raised assessments for the years from 2007 to 2014 with additional zakat liability of Saudi Riyals 42.0 million. The Company has filed an appeal against the additional zakat liability with the General Secretariat of Tax Committees (the "GSTC") and the final ruling is awaited.

During 2021, the ZATCA raised assessments for the years from 2019 to 2020 with additional zakat liability of Saudi Riyals 15.7 million. The Company filed an appeal against the additional zakat liability with the ZATCA, following which the Company received revised assessments from ZATCA reducing the additional zakat liability to Saudi Riyals 14.8 million, for which the Company has settled Saudi Riyals 3.9 million during the year ended 31 December 2021 and the remaining balance of Saudi Riyals 10.9 million during January 2022.

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10 Zakat (continued)

(b) Status of assessments of Petrochem

Petrochem has filed its Zakat return with the ZATCA up to 2021. Petrochem has finalised its zakat status with the ZATCA for all years up to 31 December 2010 on a standalone basis. A number of additional assessments have been issued by the ZATCA as follows:

The ZATCA raised assessments for the years from 2014 to 2016 with additional zakat liability of Saudi Riyals 204.2 million. Petrochem had filed an appeal against the additional zakat liability to the ZATCA, following which the case had been escalated to the GSTC. During the year ended 31 December 2021, the Committee for Resolution of Tax Violations and Disputes ("CRTVD", the first level of the GSTC) issued its ruling, accepting Petrochem's appealed items partially and, accordingly, the zakat liability for such years has been reduced to Saudi Riyals 92.5 million. Petrochem and ZATCA, both, have filed an appeal to the Appellate Committee for Tax Violations and Disputes Resolution ("ACTVD", the final level of GSTC) and the final ruling is awaited. During 2022, the ACTVD issued its decision accepting Petrochem's appealed items partially and returning one of the appeal's clauses to the CRTVD to consider it again. Accordingly, Petrochem escalated the case to the CRTVD again based on the decision of ACTVD, and decision of CRTVD is awaited.

During 2020, the ZATCA raised assessments for the years 2017 and 2018 with additional zakat liability of Saudi Riyals 128.9 million. Petrochem had filed an appeal against the additional zakat liability to the ZATCA, following which the case had been escalated to the GSTC. During 2022, the CRTVD issued its ruling, accepting Petrochem's appealed items partially and, accordingly, the zakat liability for such years has been reduced to Saudi Riyals 91.8 million. Petrochem and ZATCA, both, have filed an appeal to the ACTVD and the final ruling is awaited.

During 2021, the ZATCA raised assessments for the years 2019 and 2020 with additional zakat liability of Saudi Riyals 9.2 million. Petrochem had filed an appeal against the additional zakat liability to the ZATCA, following which the case had been escalated to the GSTC and GSTC's decision is awaited.

11 Segment reporting

In respect of performance appraisal and allocation of resources, the activities and operations of the Group and its joint ventures comprises two operating segments which are the within the petrochemical sector i.e. the polymers and aromatics product envelopes.

Operating assets are located in the Kingdom of Saudi Arabia. The revenue of the operating segments is geographically distributed as follows:

Polymers	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2022	2021 (Restated)	2022	2021 (Restated)
Domestic/Middle East	16%	22%	18%	23%
Asia	51%	47%	50%	48%
Europe/Africa	33%	31%	32%	29%
	100%	100%	100%	100%

Aromatics	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2022	2021 (Restated)	2022	2021 (Restated)
Domestic/Middle East	43%	39%	46%	44%
Asia	22%	31%	22%	24%
Europe/Africa	35%	30%	32%	32%
	100%	100%	100%	100%

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12 Basic and diluted earnings per share

Basic earnings per share is calculated by dividing the earnings for the period attributable to the shareholders of the Company by the weighted average number of ordinary shares in issue during the period. As the Company does not have any dilutive potential shares, the diluted earnings per share is the same as the basic earnings per share.

	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2022	2021 (Restated)	2022	2021 (Restated)
Earnings for the period	284,197	505,262	519,076	810,675
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	754,800	450,000	754,800	450,000
Earnings per share	0.38	1.12	0.69	1.80

Also see Notes 1 and 14.

13 Dividends

On 14 April 2022, the Company's Board of Directors approved dividends amounting to Saudi Riyals 1.1 billion (Saudi Riyals 1.5 per share) of which Saudi Riyals 565.3 million were paid during the six-month period ended 30 June 2022 (30 June 2021: Saudi Riyals 225 million (Saudi Riyals 0.5 per share) which was fully paid during the six-month period ended 30 June 2021).

14 Restatement

Until 31 December 2020, Petrochem, a subsidiary of the Group, consolidated SPCO and GPDC on the assessment that it had control over both SPCO and GPDC. During the three-month period ended 30 September 2021, Petrochem reassessed the basis of this conclusion in light of the contractual arrangements between the shareholders and concluded that Petrochem exercised joint control according to the requirements of IFRS 10, 'Consolidated Financial Statements' and IFRS 11 'Joint Arrangements'. As a consequence, Petrochem has now accounted for the investments in SPCO and GPDC as investments in joint ventures using the equity method in the condensed interim financial statements of Petrochem. Accordingly, the Group has included a restatement of these investments in these condensed consolidated interim financial statements. The restatement had no impact on the total equity attributable to the shareholders of SIIG, net income attributable to the shareholders of SIIG and earnings per share (basic and diluted). This restatement has resulted in the following:

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14 Restatement (continued)

Condensed consolidated interim statement of profit or loss and other comprehensive income	For the three-month period ended 30 June 2021		
	As previously reported	Restatement	As restated
Revenue from contracts with customers	2,455,720	(2,455,720)	-
Cost of revenues	(1,457,266)	1,457,266	-
Gross profit	998,454	(998,454)	-
Share of net profit of joint ventures accounted for using the equity method	226,020	534,806	760,826
Selling and distribution expenses	(119,913)	119,913	-
General and administrative expenses	(47,339)	28,560	(18,779)
Operating profit	1,057,222	(315,175)	742,047
Finance costs	(8,047)	8,047	-
Finance income	4,534	(2,328)	2,206
Finance costs - net	(3,513)	5,719	2,206
Other income - net	6,326	(6,210)	116
Profit before zakat and income tax	1,060,035	(315,666)	744,369
Zakat expense	44,609	17,252	61,861
Income tax	(66,631)	66,631	-
Profit for the period	1,038,013	(231,783)	806,230
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	1,038,013	(231,783)	806,230
Profit for the period is attributable to:			
Shareholders of SIIG	505,262	-	505,262
Non-controlling interests	532,751	(231,783)	300,968
	1,038,013	(231,783)	806,230
Total comprehensive income for the period is attributable to:			
Shareholders of SIIG	505,262	-	505,262
Non-controlling interests	532,751	(231,783)	300,968
	1,038,013	(231,783)	806,230
Earnings per share			
Basic and diluted	1.12	-	1.12

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14 Restatement (continued)

Condensed consolidated interim statement of profit or loss and other comprehensive income	For the six-month period ended 30 June 2021		
	As previously reported	Restatement	As restated
Revenue from contracts with customers	4,583,659	(4,583,659)	-
Cost of revenues	(2,901,985)	2,901,985	-
Gross profit	1,681,674	(1,681,674)	-
Share of net profit of joint ventures accounted for using the equity method	386,953	867,488	1,254,441
Selling and distribution expenses	(227,933)	227,933	-
General and administrative expenses	(85,018)	56,523	(28,495)
Operating profit	1,755,676	(529,730)	1,225,946
Finance costs	(16,375)	16,375	-
Finance income	6,925	(3,407)	3,518
Finance costs - net	(9,450)	12,968	3,518
Other income - net	(2,593)	2,808	215
Profit before zakat and income tax	1,743,633	(513,954)	1,229,679
Zakat expense	7,724	29,331	37,055
Income tax	(103,144)	103,144	-
Profit for the period	1,648,213	(381,479)	1,266,734
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	1,648,213	(381,479)	1,266,734
Profit for the period is attributable to:			
Shareholders of SIIG	810,675	-	810,675
Non-controlling interests	837,538	(381,479)	456,059
	1,648,213	(381,479)	1,266,734
Total comprehensive income for the period is attributable to:			
Shareholders of SIIG	810,675	-	810,675
Non-controlling interests	837,538	(381,479)	456,059
	1,648,213	(381,479)	1,266,734
Earnings per share			
Basic and diluted	1.80	-	1.80

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14 Restatement (continued)

Condensed consolidated interim statement of cash flows	For the six-month period ended 30 June 2021		
	As previously reported	Restatement	As restated
Cash flows from operating activities			
Profit before zakat and income tax	1,743,633	(513,954)	1,229,679
Adjustments for:			
Depreciation	437,664	(437,342)	322
Finance costs – net	9,450	(12,968)	(3,518)
Share of net profit of joint ventures accounted for using the equity method	(386,953)	(867,488)	(1,254,441)
Provision for employee benefit obligations	26,079	(24,904)	1,175
Gain on disposals of property and equipment	(165)	165	-
Changes in operating assets and liabilities:			
Decrease in inventories	6,547	(6,547)	-
Change in prepayments and other current assets and loans to employees	(4,723)	6,550	1,827
Decrease in due from related parties	93,088	(93,088)	-
Increase in trade receivables	(425,524)	425,524	-
Increase in trade payables	(46,408)	46,408	-
Increase in due to related parties	56,854	(56,854)	-
Change in accrued and other liabilities	(3,545)	3,727	182
Cash generated from (utilized in) operations	1,505,997	(1,530,771)	(24,774)
Finance costs paid	(12,698)	12,698	-
Finance income received	1,743	1,822	3,565
Zakat and income tax paid	(108,222)	33,900	(74,322)
Employee benefit obligations paid	(3,239)	3,008	(231)
Dividends received from a joint ventures	159,375	121,875	281,250
Net cash inflow from operating activities	1,542,956	(1,357,468)	185,488
Cash flows from investing activities			
Payments for purchases of property, plant and equipment	(28,924)	28,924	-
Proceeds from disposals of property, plant and equipment	165	(165)	-
Placements in short-term deposits	(375,500)	-	(375,500)
Reduction in share capital of a joint venture	-	855,312	855,312
Net cash (outflow) inflow from investing activities	(404,259)	884,071	479,812

(continued)

SAUDI INDUSTRIAL INVESTMENT GROUP COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)
Notes to the condensed consolidated interim financial statements (Unaudited)
For the three-month and six-month periods ended 30 June 2022
(All amounts in Saudi Riyals thousands unless otherwise stated)

14 Restatement (continued)

Condensed consolidated interim statement of cash flows	For the six-month period ended 30 June 2021		
	As previously reported	Restatement	As restated
Cash flows from financing activities			
Dividends paid	(225,000)	-	(225,000)
Principal elements of lease payments	(18,215)	18,215	-
Repayments of long-term borrowings	(375,000)	375,000	-
Repatriation of share capital in an indirect subsidiary to a related party	(400,313)	400,313	-
Dividends paid by a subsidiary to non-controlling interest	(245,625)	65,625	(180,000)
Income tax reimbursed by non-controlling interest	21,871	(21,871)	-
Net cash outflow from financing activities	(1,242,282)	837,282	(405,000)
Net (decrease) increase in cash and cash equivalents	(103,585)	363,885	260,300
Cash and cash equivalents at beginning of period	2,080,971	(915,229)	1,165,742
Cash and cash equivalents at end of period	1,977,386	(551,344)	1,426,042
Non-cash operating activity:			
Reduction in share capital of an indirect subsidiary adjusted against due to related parties	1,187,900	(1,187,900)	-
Dividends payable	225,000	(225,000)	-
Accrued capital expenditure	1,711	(1,711)	-
Amortization of transaction costs	3,677	(3,677)	-