

**SINAD HOLDING COMPANY (FORMERLY ASEER  
FOR TRADING, TOURISM, INDUSTRY,  
AGRICULTURE, REAL ESTATE AND  
CONTRACTING COMPANY)  
A SAUDI JOINT STOCK COMPANY**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE THREE MONTH AND NINE-MONTH  
PERIODS ENDED 30 SEPTEMBER 2022  
TOGETHER WITH INDEPENDENT AUDITOR'S  
REVIEW REPORT**

**SINAD HOLDING COMPANY (FORMERLY ASEER FOR TRADING, TOURISM, INDUSTRY, AGRICULTURE, REAL ESTATE AND CONTRACTING COMPANY) (A SAUDI JOINT STOCK COMPANY)**

**INDEX OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2022 (UNAUDITED)**

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## **INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION**

**To the shareholders of  
Sinad Holding Company (Formerly Aseer for Trading, Tourism, Industry, Agriculture, Real  
Estate and Contracting)**

**"A Saudi Joint Stock Company"**  
Riyadh – Kingdom of Saudi Arabia

### **Introduction**

We have reviewed the accompanying interim condensed consolidated statement of financial position of Sinad Holding Company (Formerly Aseer for Trading, Tourism, Industrial, Agricultural, Real Estate and Contracting Company) (the "Company") and its subsidiaries (together the "Group"), as of 30 September 2022, the interim condensed consolidated statement of income, interim condensed consolidated statement of other comprehensive income for the three month and nine month periods then ended, the interim condensed consolidated statements of changes in equity and the interim condensed consolidated statement of cash flows for the nine month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim condensed consolidated financial statement in accordance with International Accounting Standard 34 – ("IAS 34") "Interim Financial Reporting" endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor" endorsed in the Kingdom of Saudi Arabia. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Emphasis of matter**

We draw attention to note No. (9) to the accompanying condensed consolidated interim financial statements, which states that in December 2019, the Group filed two lawsuits at the Public Court in Riyadh against the seller of the land located in the north of Riyadh, at Al Khair District, and against the broker of the purchase deal in order to obligate both the land's seller and the purchasing broker to refund the amount paid to them. During November 2020 a court ruling has been issued in favor of the Group, where the seller of the land is obligate to pay an amount of SR 202 million. During the year ended 31 December 2021, the seller of the land has filed a petition to the Court and was accepted. Accordingly, the court decided to withdraw the previous ruling and dismiss the case due to lack of jurisdiction, and the group has objected on the court ruling. On 03 February 2022, the General Department for large cases of the General Court has issued a preliminary ruling in the favor of the Group to terminate the land sale contract and obligate the seller to repay an amount of SR 202 million in favor of the Group. On 24 April 2022, the Court of Appeal issued its ruling confirming the ruling issued by the General Department for large cases. Our conclusion is not modified in respect of this matter.

**Independent Auditor's Review Report on the Interim Condensed Consolidated Financial Information of Sinad Holding Company (Formerly Aseer for Trading, Tourism, Industrial, Agricultural, Real Estate and Contracting Company) (the "Company") and its subsidiaries (together the "Group"), as of 30 September 2022 (Continued)**

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information are not prepared in all material respects in accordance with IAS (34) that is endorsed in the Kingdom of Saudi Arabia.

**For Dr. Mohamed Al-Amri & Co.**

Gihad Al-Amri  
Certified Public Accountant  
License Number 362



Riyadh on: 9 Rabi 'II 1444 (H)  
Corresponding to: 03 November 2022 (G)

**SINAD HOLDING COMPANY (FORMERLY ASEER FOR TRADING, TOURISM, INDUSTRY,  
AGRICULTURE, REAL ESTATE AND CONTRACTING COMPANY)  
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)  
(IN SAUDI RIYALS)**

|                                                                                                |       | <i>For the three months period<br/>ended 30 September</i> |                     | <i>For the nine months period<br/>ended 30 September</i> |                      |
|------------------------------------------------------------------------------------------------|-------|-----------------------------------------------------------|---------------------|----------------------------------------------------------|----------------------|
|                                                                                                | Notes | 2022                                                      | 2021                | 2022                                                     | 2021                 |
| Net sales                                                                                      | 4     | 432,261,597                                               | 411,164,769         | 1,325,991,397                                            | 1,240,768,186        |
| Cost of sales                                                                                  |       | (331,490,293)                                             | (294,523,567)       | (981,452,273)                                            | (884,049,067)        |
| <b>PROFIT FROM SALES</b>                                                                       |       | <b>100,771,304</b>                                        | <b>116,641,202</b>  | <b>344,539,124</b>                                       | <b>356,719,119</b>   |
| <b>Investments</b>                                                                             |       |                                                           |                     |                                                          |                      |
| Dividends income from investments and financial Assets                                         |       | -                                                         | -                   | 16,509,000                                               | 2,800,000            |
| Gain from sale of investment property                                                          |       | -                                                         | -                   | 5,836,764                                                | -                    |
| Gain / (loss) of investment for trading at fair value though profit and loss                   |       | 66,700                                                    | -                   | (316,732)                                                | -                    |
| Valuation of investments in debt instruments at fair value through profit or loss              | 7 (C) | (17,577,895)                                              | (12,692,655)        | (17,577,895)                                             | (12,692,655)         |
| Company's share from net loss of an associate Company                                          | 7 (A) | -                                                         | (12,253,087)        | (11,347,093)                                             | (7,451,619)          |
| <b>LOSS FROM INVESTMENT</b>                                                                    |       | <b>(17,511,195)</b>                                       | <b>(24,945,742)</b> | <b>(6,895,956)</b>                                       | <b>(17,344,274)</b>  |
| <b>GROSS PROFIT</b>                                                                            |       | <b>83,260,109</b>                                         | <b>91,695,460</b>   | <b>337,643,168</b>                                       | <b>339,374,845</b>   |
| Selling and distribution expenses                                                              |       | (66,233,461)                                              | (61,623,831)        | (204,433,968)                                            | (191,196,960)        |
| General and administrative expenses                                                            |       | (44,608,683)                                              | (35,004,124)        | (137,314,103)                                            | (118,161,621)        |
| Other operating income                                                                         |       | 128,280                                                   | 742,210             | 570,314                                                  | 3,948,385            |
| <b>TOTAL EXPENSES</b>                                                                          |       | <b>(110,713,864)</b>                                      | <b>(95,885,745)</b> | <b>(341,177,757)</b>                                     | <b>(305,410,196)</b> |
| <b>NET (LOSS) / INCOME FROM OPERATIONS</b>                                                     |       | <b>(27,453,755)</b>                                       | <b>(4,190,285)</b>  | <b>(3,534,589)</b>                                       | <b>33,964,649</b>    |
| Foreign currency exchange (loss) / gain                                                        |       | (607,033)                                                 | 429,401             | 533,023                                                  | 672,863              |
| Finance charges                                                                                |       | (11,131,250)                                              | (5,321,272)         | (23,765,062)                                             | (14,585,199)         |
| Other income                                                                                   |       | 285,011                                                   | 369                 | 3,747,769                                                | 1,159,247            |
| Expenses for expected claims                                                                   |       | (13,500,000)                                              | -                   | (13,500,000)                                             | -                    |
| <b>NET (LOSS) / INCOME BEFORE ZAKAT AND INCOME TAX</b>                                         |       | <b>(52,407,027)</b>                                       | <b>(9,081,787)</b>  | <b>(36,518,859)</b>                                      | <b>21,211,560</b>    |
| Zakat                                                                                          | 5 (A) | (3,663,274)                                               | (4,104,302)         | (12,264,517)                                             | (11,945,343)         |
| Income tax                                                                                     | 5 (B) | (6,334,496)                                               | (6,364,082)         | (18,153,558)                                             | (20,590,742)         |
| <b>NET LOSS FOR THE PERIOD</b>                                                                 |       | <b>(62,404,797)</b>                                       | <b>(19,550,171)</b> | <b>(66,936,934)</b>                                      | <b>(11,324,525)</b>  |
| <b>NET LOSS FOR THE PERIOD ATTRIBUTABLE TO:</b>                                                |       |                                                           |                     |                                                          |                      |
| Shareholders of the Parent Company                                                             |       | (54,632,295)                                              | (26,559,497)        | (64,667,457)                                             | (28,733,056)         |
| Non-controlling interests                                                                      |       | (7,772,502)                                               | 7,009,326           | (2,269,477)                                              | 17,408,531           |
|                                                                                                |       | <b>(62,404,797)</b>                                       | <b>(19,550,171)</b> | <b>(66,936,934)</b>                                      | <b>(11,324,525)</b>  |
| <b>Basic and diluted loss per share attributable to the shareholders of the Parent Company</b> |       |                                                           |                     |                                                          |                      |
| From net loss for the period                                                                   | 6     | (0.43)                                                    | (0.21)              | (0.51)                                                   | (0.23)               |
| Weighted average number of common shares at the end of the period                              |       | 126,388,889                                               | 126,388,889         | 126,388,889                                              | 126,388,889          |

Managing Director and CEO

Chief Financial Officer

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

**SINAD HOLDING COMPANY (FORMERLY ASEER FOR TRADING, TOURISM, INDUSTRY,  
AGRICULTURE, REAL ESTATE AND CONTRACTING COMPANY)  
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME  
(UNAUDITED)  
(IN SAUDI RIYALS)**

|                                                                                      | Notes | For the three months period<br>ended 30 September |                     | For the nine months period<br>ended 30 September |                     |
|--------------------------------------------------------------------------------------|-------|---------------------------------------------------|---------------------|--------------------------------------------------|---------------------|
|                                                                                      |       | 2022                                              | 2021                | 2022                                             | 2021                |
| <b>NET LOSS FOR THE PERIOD</b>                                                       |       | <b>(62,404,797)</b>                               | <b>(19,550,171)</b> | <b>(66,936,934)</b>                              | <b>(11,324,525)</b> |
| <b>OTHER COMPREHENSIVE INCOME:</b>                                                   |       |                                                   |                     |                                                  |                     |
| <u>Items that may be reclassified subsequently<br/>to statement of income</u>        |       |                                                   |                     |                                                  |                     |
| Subsidiary's financial statements' translation<br>differences                        |       | (5,782,704)                                       | (309,780)           | (38,400,984)                                     | (160,551)           |
| <u>Items that will not be reclassified to statement of<br/>income</u>                |       |                                                   |                     |                                                  |                     |
| Net (loss) / gains on revaluation of equity<br>instruments at fair value through OCI | 7 (B) | (6,300,000)                                       | 11,305,602          | (89,750,000)                                     | 138,775,602         |
| <b>TOTAL OTHER COMPREHENSIVE<br/>(LOSS) / INCOME FOR THE PERIOD</b>                  |       | <b>(12,082,704)</b>                               | <b>10,995,822</b>   | <b>(128,150,984)</b>                             | <b>138,615,051</b>  |
| <b>TOTAL COMPREHENSIVE (LOSS) / INCOME<br/>FOR THE PERIOD</b>                        |       | <b>(74,487,501)</b>                               | <b>(8,554,349)</b>  | <b>(195,087,918)</b>                             | <b>127,290,526</b>  |
| <b>ATTRIBUTABLE TO:</b>                                                              |       |                                                   |                     |                                                  |                     |
| Shareholders of the Parent Company                                                   |       | (64,142,274)                                      | (15,425,854)        | (175,733,843)                                    | 109,953,424         |
| Non-controlling interests                                                            |       | (10,345,227)                                      | 6,871,505           | (19,354,075)                                     | 17,337,102          |
|                                                                                      |       | <b>(74,487,501)</b>                               | <b>(8,554,349)</b>  | <b>(195,087,918)</b>                             | <b>127,290,526</b>  |

  
Managing Director and CEO

  
Chief Financial Officer

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**SINAD HOLDING COMPANY (FORMERLY ASEER FOR TRADING, TOURISM, INDUSTRY,  
AGRICULTURE, REAL ESTATE AND CONTRACTING COMPANY)  
(A SAUDI JOINT STOCK COMPANY)  
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
(IN SAUDI RIYALS)**

|                                                                                                          | Note  | As of<br>30 September 2022<br>(Unaudited) | As of<br>31 December 2021<br>(Audited) |
|----------------------------------------------------------------------------------------------------------|-------|-------------------------------------------|----------------------------------------|
| <b>ASSETS</b>                                                                                            |       |                                           |                                        |
| <b>NON-CURRENT ASSETS</b>                                                                                |       |                                           |                                        |
| Property, plant and equipment                                                                            |       | 828,110,514                               | 871,334,654                            |
| Right of use assets                                                                                      |       | 44,737,210                                | 51,013,624                             |
| Investment properties                                                                                    |       | 5,000,000                                 | 7,163,236                              |
| Intangible assets                                                                                        |       | 159,735,867                               | 159,989,718                            |
| Investments and financial assets                                                                         | 7     | 788,236,270                               | 906,911,258                            |
| Deferred tax assets                                                                                      |       | 927,578                                   | 446,342                                |
| <b>TOTAL NON-CURRENT ASSETS</b>                                                                          |       | <b>1,826,747,439</b>                      | <b>1,996,858,832</b>                   |
| <b>CURRENT ASSETS</b>                                                                                    |       |                                           |                                        |
| Inventories, net                                                                                         |       | 474,239,420                               | 401,870,424                            |
| Trade receivables, net                                                                                   | 8     | 260,982,705                               | 231,853,653                            |
| Prepaid expenses and other assets                                                                        | 9     | 261,176,051                               | 256,143,761                            |
| Assets available for sale                                                                                |       | 10,080,000                                | 10,080,000                             |
| Investments for trading at fair value through profit or loss                                             | 10    | 29,683,268                                | -                                      |
| Due from related parties                                                                                 |       | 1,234,747                                 | 1,395,083                              |
| Cash and cash equivalent                                                                                 |       | 160,832,617                               | 149,233,146                            |
| <b>TOTAL CURRENT ASSETS</b>                                                                              |       | <b>1,198,228,808</b>                      | <b>1,050,576,067</b>                   |
| <b>TOTAL ASSETS</b>                                                                                      |       | <b>3,024,976,247</b>                      | <b>3,047,434,899</b>                   |
| <b>EQUITY AND LIABILITIES</b>                                                                            |       |                                           |                                        |
| <b>EQUITY</b>                                                                                            |       |                                           |                                        |
| Capital                                                                                                  |       | 1,263,888,890                             | 1,263,888,890                          |
| Statutory reserve                                                                                        |       | 219,249,829                               | 219,249,829                            |
| Accumulated losses                                                                                       |       | (104,803,321)                             | (40,135,864)                           |
| Net (loss) / gains on re-valuation of equity instrument at fair value through other comprehensive income | 7 (B) | (50,488,659)                              | 39,261,341                             |
| Subsidiary's financial statements' translation differences                                               | 13    | (101,752,210)                             | (80,435,824)                           |
| <b>TOTAL EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY</b>                               |       | <b>1,226,094,529</b>                      | <b>1,401,828,372</b>                   |
| Non-controlling interests                                                                                |       | 356,370,711                               | 419,996,176                            |
| <b>TOTAL EQUITY</b>                                                                                      |       | <b>1,582,465,240</b>                      | <b>1,821,824,548</b>                   |
| <b>NON-CURRENT LIABILITIES</b>                                                                           |       |                                           |                                        |
| Islamic Murabaha contracts and long-term loans                                                           | 11    | 199,465,452                               | 228,871,422                            |
| Lease liability                                                                                          |       | 35,134,338                                | 36,116,696                             |
| Employees' benefits liabilities                                                                          |       | 104,864,279                               | 111,522,743                            |
| <b>TOTAL NON-CURRENT LIABILITIES</b>                                                                     |       | <b>339,464,069</b>                        | <b>376,510,861</b>                     |
| <b>CURRENT LIABILITIES</b>                                                                               |       |                                           |                                        |
| Trade payables and other accruals                                                                        |       | 356,730,873                               | 301,397,244                            |
| Islamic Murabaha financing and short-term loans                                                          | 12    | 542,180,293                               | 321,614,951                            |
| Islamic Murabaha contracts and long-term loans - Current portion                                         | 11    | 103,786,608                               | 126,630,614                            |
| Lease liability - Current portion                                                                        |       | 15,540,638                                | 17,849,831                             |
| Dividends payable                                                                                        |       | 12,943,614                                | 12,943,614                             |
| Due to related parties                                                                                   |       | 900,576                                   | 967,652                                |
| Provision for expected claims                                                                            |       | 13,500,000                                | -                                      |
| Zakat and income tax                                                                                     | 5     | 57,464,336                                | 67,695,584                             |
| <b>TOTAL CURRENT LIABILITIES</b>                                                                         |       | <b>1,103,046,938</b>                      | <b>849,099,490</b>                     |
| <b>TOTAL LIABILITIES</b>                                                                                 |       | <b>1,442,511,007</b>                      | <b>1,225,610,351</b>                   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                                                      |       | <b>3,024,976,247</b>                      | <b>3,047,434,899</b>                   |

Managing Director and CEO

Chief Financial Officer

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



**SINAD HOLDING COMPANY (FORMERLY ASEER FOR TRADING, TOURISM, INDUSTRY, AGRICULTURE, REAL ESTATE AND CONTRACTING COMPANY)  
(A SAUDI JOINT STOCK COMPANY)  
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
(IN SAUDI RIYALS)**

| Equity attributable to shareholders of the Parent Company                                   |                                                                                     |                   |                    |              |                                                            |                                                 |                           |               |
|---------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------|--------------------|--------------|------------------------------------------------------------|-------------------------------------------------|---------------------------|---------------|
|                                                                                             | Net (losses) / gains on re-valuation of equity instrument at fair value through OCI |                   |                    |              | Subsidiary's financial statements' translation differences | Total equity attributable to the parent Company | Non-controlling interests | Total equity  |
| <b>For the period ended 30 September 2022</b>                                               |                                                                                     |                   |                    |              |                                                            |                                                 |                           |               |
| Balance as at 1 January 2022                                                                | Capital                                                                             | Statutory reserve | Accumulated losses | 39,261,341   | (80,435,824)                                               | 1,401,828,372                                   | 419,996,176               | 1,821,824,548 |
| Net loss for the period                                                                     | -                                                                                   | -                 | (64,667,457)       | -            | -                                                          | (64,667,457)                                    | (2,269,477)               | (66,936,934)  |
| Subsidiary's financial statements' translation differences                                  | -                                                                                   | -                 | -                  | -            | (21,316,386)                                               | (21,316,386)                                    | (17,084,598)              | (38,400,984)  |
| Loss on re-valuation of equity instruments at fair value through other comprehensive income | -                                                                                   | -                 | -                  | (89,750,000) | -                                                          | (89,750,000)                                    | -                         | (89,750,000)  |
| Total comprehensive income                                                                  | -                                                                                   | -                 | (64,667,457)       | (89,750,000) | (21,316,386)                                               | (175,733,843)                                   | (19,354,075)              | (195,087,918) |
| Dividends in a subsidiaries Companies                                                       | -                                                                                   | -                 | -                  | -            | -                                                          | -                                               | (44,271,390)              | (44,271,390)  |
| Balance as at 30 September 2022                                                             | 1,263,888,890                                                                       | 219,249,829       | (104,803,321)      | (50,488,659) | (101,752,210)                                              | 1,226,094,529                                   | 356,370,711               | 1,582,465,240 |
| <b>For the period ended 30 September 2021</b>                                               |                                                                                     |                   |                    |              |                                                            |                                                 |                           |               |
| Balance as at 1 January 2021                                                                | 1,263,888,890                                                                       | 311,666,945       | (63,684,060)       | (51,177,261) | (80,394,578)                                               | 1,380,299,936                                   | 434,213,174               | 1,814,513,110 |
| Net loss for the period                                                                     | -                                                                                   | -                 | (28,733,056)       | -            | -                                                          | (28,733,056)                                    | 17,408,531                | (11,324,525)  |
| Subsidiary's financial statements' translation differences                                  | -                                                                                   | -                 | -                  | -            | (89,122)                                                   | (89,122)                                        | (71,429)                  | (160,551)     |
| Gain on re-valuation of equity instruments at fair value through other comprehensive income | -                                                                                   | -                 | -                  | 138,775,602  | -                                                          | 138,775,602                                     | -                         | 138,775,602   |
| Total comprehensive income                                                                  | -                                                                                   | -                 | (28,733,056)       | 138,775,602  | (89,122)                                                   | 109,953,424                                     | 17,337,102                | 127,290,526   |
| Dividends in a subsidiaries Companies                                                       | -                                                                                   | -                 | -                  | -            | -                                                          | -                                               | (29,514,260)              | (29,514,260)  |
| Dividends payable in a subsidiary Company                                                   | -                                                                                   | -                 | -                  | -            | -                                                          | -                                               | (4,270,200)               | (4,270,200)   |
| Balance as at 30 September 2021                                                             | 1,263,888,890                                                                       | 311,666,945       | (92,417,116)       | 87,598,341   | (80,483,700)                                               | 1,490,253,360                                   | 417,765,816               | 1,908,019,176 |

Managing Director and CEO

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



**SINAD HOLDING COMPANY (FORMERLY ASEER FOR TRADING, TOURISM, INDUSTRY,  
AGRICULTURE, REAL ESTATE AND CONTRACTING COMPAN)**  
**(A SAUDI JOINT STOCK COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**  
**(IN SAUDI RIYALS)**

|                                                                                             | <b>For the nine months period ended<br/>30 September</b> |                     |
|---------------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------|
| <b>Notes</b>                                                                                | <b>2022</b>                                              | <b>2021</b>         |
| <b>OPERATING ACTIVITIES</b>                                                                 |                                                          |                     |
| (Loss) / income before zakat and income tax                                                 | (36,518,859)                                             | 21,211,560          |
| <b>Adjustments for:</b>                                                                     |                                                          |                     |
| Company's share from net loss of an associate Company                                       | 7 (A) 11,347,093                                         | 7,451,619           |
| Loss from valuation of investments in debt instruments at fair value through profit or loss | 7 (C) 17,577,895                                         | 12,692,655          |
| Dividends from investments and financial assets                                             | (16,509,000)                                             | (2,800,000)         |
| Losses from investments for trading at fair value through profit or loss                    | 316,732                                                  | -                   |
| Depreciation of property, plant and equipment and right of use assets                       | 76,743,216                                               | 78,947,234          |
| Amortization of intangible assets                                                           | 306,445                                                  | 190,238             |
| Gains from sale of property, plant and equipment                                            | (20,971)                                                 | (1,785,870)         |
| Transferred from property, plant and equipment to expenses                                  | 898,749                                                  | -                   |
| Gain from sale of investment property                                                       | (5,836,764)                                              | -                   |
| Gains on derivative financial instruments at fair value through statement of income         | (308,181)                                                | (315,694)           |
| Provision for expected credit loss on trade receivables                                     | 2,230,927                                                | 1,063,862           |
| Provision for claims                                                                        | 15,704,783                                               | 1,812,509           |
| Finance charges                                                                             | 23,765,062                                               | 14,585,199          |
|                                                                                             | <u>89,697,127</u>                                        | <u>133,053,312</u>  |
| <b>Changes in operating assets and liabilities:</b>                                         |                                                          |                     |
| Change in trade receivables, prepaid expenses and other assets                              | (46,695,513)                                             | (94,326,825)        |
| Change in inventories                                                                       | (99,177,146)                                             | (28,279,945)        |
| Change in trade payable and other accruals                                                  | 70,216,254                                               | 16,944,037          |
| Change in due to related parties                                                            | 93,260                                                   | 303,274             |
| Change in employees' benefits liabilities                                                   | (6,658,464)                                              | (9,794,382)         |
| <b>Cash from operations</b>                                                                 | <u>7,475,518</u>                                         | <u>17,899,471</u>   |
| Zakat and income tax paid                                                                   | (33,613,022)                                             | (40,523,534)        |
| Finance charges paid                                                                        | (17,294,189)                                             | (12,061,098)        |
| <b>Net cash used in operating activities</b>                                                | <u>(43,431,693)</u>                                      | <u>(34,685,161)</u> |
| <b>INVESTING ACTIVITIES</b>                                                                 |                                                          |                     |
| Purchase of property, plant and equipment and assets under constructions                    | (34,187,206)                                             | (20,133,395)        |
| Proceeds from sale of property, plant and equipment                                         | 499,423                                                  | 2,121,520           |
| Purchase of intangible assets                                                               | (63,134)                                                 | (1,418,813)         |
| Payment for purchase of investments                                                         | (30,000,000)                                             | (33,787,190)        |
| Proceeds from sale of investment properties                                                 | 8,000,000                                                | -                   |
| Proceeds from investment income and financial assets                                        | 16,509,000                                               | 2,800,000           |
| <b>Net cash used in investing activities</b>                                                | <u>(39,241,917)</u>                                      | <u>(50,417,878)</u> |
| <b>FINANCING ACTIVITIES</b>                                                                 |                                                          |                     |
| Net movement in Murabaha financing and short and long-term loans                            | 163,939,189                                              | 101,524,382         |
| Dividends paid                                                                              | -                                                        | (548,218)           |
| Share of non-controlling interest of dividend in a subsidiaries Companies                   | (44,271,390)                                             | (29,514,260)        |
| Lease liabilities paid                                                                      | (12,316,415)                                             | (9,395,760)         |
| <b>Net cash generated from financing activities</b>                                         | <u>107,351,384</u>                                       | <u>62,066,144</u>   |
| <b>NET CHANGE IN CASH AND CASH EQUIVALENT</b>                                               | <u>24,677,774</u>                                        | <u>(23,036,895)</u> |
| Effect of exchange difference from translation of cash and cash equivalent                  | (13,078,303)                                             | (126,640)           |
| Cash and cash equivalent at the beginning of the period                                     | 149,233,146                                              | 177,571,679         |
| <b>CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD</b>                                    | <u>160,832,617</u>                                       | <u>154,408,144</u>  |
| <b>MAJOR NON-CASH TRANSACTIONS:</b>                                                         |                                                          |                     |
| Effect of exchange in a subsidiary's financial statements' translation differences          | (38,400,984)                                             | (160,551)           |
| Net (loss) / gains on re-valuation of equity instrument at fair value through OCI           | (89,750,000)                                             | 138,775,602         |
| Dividend payable to non-controlling interests                                               | -                                                        | 4,270,200           |

Managing Director and CEO

Chief Financial Officer

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

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**1. COMPANY'S INFORMATION**

Sinad Holding Company (Formerly Aseer for Trading, Tourism, Industry, Agriculture, Real estate and Contracting Company) ("the Company" or the "Parent Company") was incorporated as a Saudi Joint Stock Company, in accordance with the Regulations for Companies in the Kingdom of Saudi Arabia, according to Royal Decree No. 78 dated 7 Dhul- Qadah 1395 H (corresponding to 11 November 1975). The Company operates under Commercial Registration No. 5850000276 issued in Abha on 15 Muharam 1397 H, (corresponding to 5 January 1977).

On 9<sup>th</sup> January 2022 (corresponding to 6 Jumada al-Tahni 1443), the shareholder's General Assembly approved to amend the Company's commercial name to be "Sinad Holding". During the period ended 30 September 2022, all legal procedures have been completed and the new amended commercial registration and article of association have been issued.

The Company is also listed in the Capital Market Authority in Kingdom of Saudi Arabia. The Parent Company is 53.18% owned by a major shareholder (Dallah Al Baraka Holding Company) and 46.82% by other shareholders.

The capital of the Parent Company consists of 126,388,889 shares as of 30 September 2022, the value of each of which is 10 Saudi riyals (31 December 2021: 126,388,889 shares).

The Company's activity is represented in the following:

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

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

**2. BASIS OF PREPARATION AND SUMMEERY OF SIGNIFICANT ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION**

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

The interim condensed consolidated financial statements do not include all the information and explanations required in the annual financial statements, and they must be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2021. Also, the results for the initial financial period ended on 30 September 2022 do not necessarily reflect the results that would be expected for the fiscal year ending on 31 December 2022.

**2.2 BASIS OF MEASUREMENT**

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

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**2.3 FUNCTIONAL AND PRESENTATION CURRENCY**

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

**2.4 BASIS OF CONSOLIDATION**

The consolidated financial statements include the financial statements of the Company and its subsidiaries (together the "Group") as at 30 September 2022.

Below are the details of subsidiaries:

| Subsidiary                                                                                                             | Country of incorporation | Ownership percentage |                  |
|------------------------------------------------------------------------------------------------------------------------|--------------------------|----------------------|------------------|
|                                                                                                                        |                          | 30 September 2022    | 31 December 2021 |
| Aseer Al Arabiah for Industrial Investment Company Limited (Single owner Company) and subsidiaries (see notes A below) | Kingdom of Saudi Arabia  | 100%                 | 100%             |
| Al Khawatem for Trading and Contracting Company Limited (Single owner Company)                                         | Kingdom of Saudi Arabia  | 100%                 | 100%             |
| Al-Mawajed International Real Estate Development & Development Co., Ltd. (Single owner Company)                        | Kingdom of Saudi Arabia  | 100%                 | 100%             |
| Fast Delivery Company for Logistics Services (Single owner Company) *                                                  | Kingdom of Saudi Arabia  | 100%                 | -                |

\* During the period ended 30 September 2022, Sinad Holding Company established a new Company "Fast Delivery Company for Logistics Services". The Company's activity will be in logistics services (ground transportation of goods – light transportation – providing delivery services via electronic platforms).

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

| Subsidiary                                                                 | Operation                                           | Country of incorporation | Ownership percentage |                  |
|----------------------------------------------------------------------------|-----------------------------------------------------|--------------------------|----------------------|------------------|
|                                                                            |                                                     |                          | 30 September 2022    | 31 December 2021 |
| Halawani Brothers Company (a Saudi Joint Stock Company) (see note B below) | Manufacturing, packaging and trade of food products | Kingdom of Saudi Arabia  | 55.51%               | 55.51%           |
| Al Rabie Saudi Foods Company Limited                                       | Manufacture of dairy products, juices and beverages | Kingdom of Saudi Arabia  | 57.30%               | 57.30%           |
| Textile & Readymade Garments Company Limited                               | Production of the Saudi dress and uniforms          | Kingdom of Saudi Arabia  | 62.30%               | 62.30%           |

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

| Subsidiary                                               | Country of incorporation | Ownership percentage |                  |
|----------------------------------------------------------|--------------------------|----------------------|------------------|
|                                                          |                          | 30 September 2022    | 31 December 2021 |
| Halawani Brothers Company (a closed joint stock company) | Egypt                    | 100%                 | 100%             |

## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies, judgments and estimates applied in preparing the accompanying interim condensed consolidated financial statements are the same as those mentioned in the group's consolidated financial statements as of 31 December 2021.

## 2.6 SIGNIFICANT ACCOUNTING POLICIES

### New standards, amendments to existing standards and interpretations

There are no new standards issued by the International Accounting Standards Board (IASB), however, a number of amendments to the standards are effective as of January 1, 2022, which were explained in the annual consolidated financial statements of the group as of December 31, 2021 and there is no material impact on the interim condensed consolidated financial statements of the group as of September 30, 2022.

## 3. SEGMENTAL INFORMATION

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

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

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**A) Business segments**

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

|                                                    | <i>Investment<br/>segment<br/>SR'000'</i> | <i>Industrial<br/>segment<br/>SR'000'</i> | <i>Total<br/>SR'000'</i> |
|----------------------------------------------------|-------------------------------------------|-------------------------------------------|--------------------------|
| <b>30 September 2022</b>                           |                                           |                                           |                          |
| Total assets                                       | 1,108,719                                 | 1,916,257                                 | 3,024,976                |
| Total liabilities and non-controlling interests    | 410,497                                   | 1,388,385                                 | 1,798,882                |
| Property, plant and equipment                      | 2,526                                     | 825,585                                   | 828,111                  |
| Net sales and investment income                    | (6,896)                                   | 1,325,991                                 | 1,319,095                |
| Gross profit                                       | (6,896)                                   | 344,539                                   | 337,643                  |
| Depreciation and amortization of intangible assets | 1,162                                     | 75,888                                    | 77,050                   |
| Capital expenditures                               | 8                                         | 34,242                                    | 34,250                   |
|                                                    | <i>Investment<br/>segment<br/>SR'000'</i> | <i>Industrial<br/>segment<br/>SR'000'</i> | <i>Total<br/>SR'000'</i> |
| <b>31 December 2021</b>                            |                                           |                                           |                          |
| Total assets                                       | 1,185,447                                 | 1,861,988                                 | 3,047,435                |
| Total liabilities and non-controlling interests    | 392,765                                   | 1,252,842                                 | 1,645,607                |
| Property, plant and equipment                      | 3,958                                     | 867,377                                   | 871,335                  |
| Capital expenditures                               | 678                                       | 27,685                                    | 28,363                   |
| <b>30 September 2021</b>                           |                                           |                                           |                          |
| Net sales and investment income                    | (17,344)                                  | 1,240,768                                 | 1,223,424                |
| Gross profit                                       | (17,344)                                  | 356,719                                   | 339,375                  |
| Depreciation and amortization of intangible assets | 1,165                                     | 77,972                                    | 79,137                   |

**B) Geographical segments**

|                          | <i>Kingdom of<br/>Saudi<br/>Arabia</i> | <i>Egypt</i>        | <i>Other Arab and<br/>foreign<br/>countries</i> | <i>Reconciliations</i> | <i>Total</i>        |
|--------------------------|----------------------------------------|---------------------|-------------------------------------------------|------------------------|---------------------|
| <b>30 September 2022</b> | <i>SR<br/>'000'</i>                    | <i>SR<br/>'000'</i> | <i>SR<br/>'000'</i>                             | <i>SR<br/>'000'</i>    | <i>SR<br/>'000'</i> |
| Total assets             | 2,860,512                              | 320,724             | -                                               | (156,260)              | 3,024,976           |
| Total liabilities        | 1,278,048                              | 172,436             | -                                               | (7,973)                | 1,442,511           |
| Net sales                | 755,029                                | 441,147             | 129,983                                         | (168)                  | 1,325,991           |
|                          | <i>SR<br/>'000'</i>                    | <i>SR<br/>'000'</i> | <i>SR<br/>'000'</i>                             | <i>SR<br/>'000'</i>    | <i>SR<br/>'000'</i> |
| <b>31 December 2021</b>  |                                        |                     |                                                 |                        |                     |
| Total assets             | 2,941,366                              | 292,964             | -                                               | (186,895)              | 3,047,435           |
| Total liabilities        | 1,119,541                              | 106,240             | -                                               | (171)                  | 1,225,610           |
| <b>30 September 2021</b> |                                        |                     |                                                 |                        |                     |
| Net sales                | 644,386                                | 454,531             | 141,949                                         | (98)                   | 1,240,768           |

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**4. NET SALES**

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

|                      | <b>For the period ended<br/>30 September<br/>2022</b> | <b>30 September<br/>2021</b> |
|----------------------|-------------------------------------------------------|------------------------------|
| Food products        | 769,795,403                                           | 792,095,186                  |
| Drinks and beverages | 555,393,741                                           | 446,483,491                  |
| Other                | 802,253                                               | 2,189,509                    |
|                      | <b>1,325,991,397</b>                                  | <b>1,240,768,186</b>         |

**5. ZAKAT AND INCOME TAX PAYABLE**

Provision for zakat and income tax payable consists of the following:

|                    | <b>30 September<br/>2022</b> | <b>As at<br/>31 December 2021</b> |
|--------------------|------------------------------|-----------------------------------|
| Zakat payable      | 43,174,822                   | 41,875,530                        |
| Income tax payable | 14,289,514                   | 25,820,054                        |
|                    | <b>57,464,336</b>            | <b>67,695,584</b>                 |

**A) Zakat**

Movement in zakat on the Group was as follows:

|                                               | <b>For the period / year ended<br/>30 September<br/>2022</b> | <b>31 December<br/>2021</b> |
|-----------------------------------------------|--------------------------------------------------------------|-----------------------------|
| Balance at the beginning of the period / year | 41,875,530                                                   | 39,491,244                  |
| Provided during the period / year             | 12,264,517                                                   | 16,323,856                  |
| Paid during the period / year                 | (10,965,225)                                                 | (13,695,859)                |
| Adjustments                                   | -                                                            | (243,711)                   |
| Balance at the end of the period / year       | <b>43,174,822</b>                                            | <b>41,875,530</b>           |

Zakat charged to the interim condensed consolidated statement of income:

|                            | <b>For the period ended<br/>30 September<br/>2022</b> | <b>30 September<br/>2021</b> |
|----------------------------|-------------------------------------------------------|------------------------------|
| Provided during the period | <b>12,264,517</b>                                     | <b>11,945,343</b>            |

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**B) Income tax**

Movement in income tax was as follows:

|                                         | <b>For the period / year ended</b> |                    |
|-----------------------------------------|------------------------------------|--------------------|
|                                         | <b>30 September</b>                | <b>31 December</b> |
|                                         | <b>2022</b>                        | <b>2021</b>        |
| At the beginning of the period / year   | <b>25,820,054</b>                  | 25,029,998         |
| Income tax during the period / year     | <b>18,773,776</b>                  | 29,949,306         |
| Paid during the period / year           | <b>(22,647,797)</b>                | (29,160,095)       |
| Translation differences                 | <b>(7,656,519)</b>                 | 845                |
| Balance at the end of the period / year | <b>14,289,514</b>                  | 25,820,054         |

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

|                     | <b>For the period ended</b> |                     |
|---------------------|-----------------------------|---------------------|
|                     | <b>30 September</b>         | <b>30 September</b> |
|                     | <b>2022</b>                 | <b>2021</b>         |
| Current income tax  | <b>18,773,776</b>           | 21,571,974          |
| Deferred income tax | <b>(620,218)</b>            | (981,232)           |
|                     | <b>18,153,558</b>           | 20,590,742          |

**C) Zakat and tax status**

There has been no material change in the group's zakat and tax status compared to the zakat and tax status for the year ended 31 December 2021 except for the following:

The Company had previously objected on the zakat assessments that pertain to the years from 2009 to 2018. During the period ended 30 September 2022 a decision was issued by The Third Department to Adjudicate the Tax Violations and Disputes and some of the objection items were accepted and others were rejected. Therefore, the Company has appealed on the decision to the Appeal Committee for Tax Violations and Disputes, and the appeal is still under inspection by the Committee.

**6. EARNINGS PER SHARE**

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

|                                                                                     | <b>For the period ended</b> |                     |
|-------------------------------------------------------------------------------------|-----------------------------|---------------------|
|                                                                                     | <b>30 September</b>         | <b>30 September</b> |
|                                                                                     | <b>2022</b>                 | <b>2021</b>         |
| Loss for the period attributable to the shareholders of the Parent Company          | <b>(64,667,457)</b>         | (28,733,056)        |
| Weighted average number of outstanding ordinary shares                              | <b>126,388,889</b>          | 126,388,889         |
| Basic and diluted loss per share attributable to the shareholders of Parent Company | <b>(0.51)</b>               | (0.23)              |



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**7. INVESTMENTS AND FINANCIAL ASSETS**

|                                                                            | <b>30 September<br/>2022</b> | 31 December<br>2021 |
|----------------------------------------------------------------------------|------------------------------|---------------------|
| Investments in associate (see note "a" below)                              | -                            | 11,347,093          |
| Equity instruments at fair value through OCI (see note "b" below)          | <b>693,379,165</b>           | 783,129,165         |
| Debt instruments at fair value through profit or loss (see note "c" below) | <b>94,857,105</b>            | 112,435,000         |
|                                                                            | <b>788,236,270</b>           | 906,911,258         |

**a) Investments in an associate**

| <i><b>Company's name</b></i>               | <b>Country of<br/>incorporation</b> | <b>Main<br/>activity</b> | <b>Shareholding<br/>percentage</b> | <b>30 September<br/>2022</b> | 31 December<br>2021 |
|--------------------------------------------|-------------------------------------|--------------------------|------------------------------------|------------------------------|---------------------|
|                                            |                                     |                          | <b>2022</b>                        | 2021                         |                     |
| Alessa Industries Company (see note below) | Kingdom of Saudi Arabia             | Wholesale and retail     | <b>38%</b>                         | 38%                          | -                   |
|                                            |                                     |                          |                                    |                              | <b>11,347,093</b>   |

During the period ended 30 September 2022, the associate Company reduced its capital to absorb the accumulated losses by cancelling 25 million shares. The number of shares owned by the Company is 19 million shares of the total capital of Alessa Industries Company amounted to 50 million shares with 38% ownership of its equity (31 December 2021: 28.5 million shares of the total capital in Alessa Industries Company amounted to 75 million shares with 38% ownership of its equity).

Movement in investment for the period ended 30 September is as follows:

|                                                          | <b>30 September<br/>2022</b> | 31 December 2021 |
|----------------------------------------------------------|------------------------------|------------------|
| Investment balance at the beginning of the period / year | <b>11,347,093</b>            | 72,612,289       |
| Group's share from net loss of an associate              | <b>(11,347,093)</b>          | (60,380,298)     |
| Group's share of other comprehensive income              | -                            | (884,898)        |
| Investment balance at the end of the period / year       | -                            | 11,347,093       |

During the period ended 30 September 2022, the investment balance in the associate Company was fully reduced, accordingly the Company discontinued to recognize additional losses that are recorded in the books of the associate Company.

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**b) Equity instruments at fair value through OCI**

|                                                                                           | Quoted             | Un-quoted          | Total<br>30 September<br>2022 | Total<br>31 December<br>2021 |
|-------------------------------------------------------------------------------------------|--------------------|--------------------|-------------------------------|------------------------------|
| <b>Cost:</b>                                                                              |                    |                    |                               |                              |
| At the beginning of the period / year                                                     | 390,600,000        | 353,267,824        | 743,867,824                   | 710,080,634                  |
| Additions                                                                                 | -                  | -                  | -                             | 33,787,190                   |
| At the end of the period / year                                                           | 390,600,000        | 353,267,824        | 743,867,824                   | 743,867,824                  |
| <b>Net unrealized (loss) / gain from revaluation of investments and financial assets:</b> |                    |                    |                               |                              |
| At the beginning of the period / year                                                     | 101,370,000        | (62,108,659)       | 39,261,341                    | (51,177,261)                 |
| Revaluation                                                                               | (89,750,000)       | -                  | (89,750,000)                  | 90,438,602                   |
| At the end of the period / year                                                           | 11,620,000         | (62,108,659)       | (50,488,659)                  | 39,261,341                   |
| <b>Net book value</b>                                                                     | <b>402,220,000</b> | <b>291,159,165</b> | <b>693,379,165</b>            | <b>783,129,165</b>           |

During the year ended 31 December 2021, one of the investee Company increased its capital. Accordingly, the Group maintained its percentage of investment in this Company, and the investment value was increased by 33.7 million Saudi Riyals.

The Group owns 35 million shares as of 30 September 2022 (31 December 2021: 35 million shares) in Emaar the Economic City, with a value of 344 million Saudi Riyals, as of 30 September 2022 (31 December 2021: 418 million Saudi Riyals). The group is required to obtain the approval of the Economic Cities Authority before disposing of the shares it owns.

**c) Debt instruments at fair value through profit or loss**

|                                                                           | 30 September<br>2022 | 31 December<br>2021 |
|---------------------------------------------------------------------------|----------------------|---------------------|
| Balance as at the beginning of the period / year                          | 112,435,000          | 109,855,000         |
| Revaluation of debt instruments at fair value through statement of income | (17,577,895)         | 2,580,000           |
| Balance as at the end of the period / year                                | 94,857,105           | 112,435,000         |

**8. TRADE RECEIVABLES, NET**

|                                     | 30 September<br>2022 | 31 December<br>2021 |
|-------------------------------------|----------------------|---------------------|
| Trade receivables                   | 285,913,300          | 255,075,256         |
| Provision of expected credit losses | (24,930,595)         | (23,221,603)        |
|                                     | 260,982,705          | 231,853,653         |

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**9. PREPAID EXPENSES AND OTHER ASSETS**

On 28 April 2019, the Company received a letter from the seller stating that the title deed of the purchased land in 2009 amounting to SR 219,739,441 was revoked by an order issued from the Public Court in Riyadh for a reason outside the control of the seller and Company's will. The Company paid SR 207,239,441 and the remaining amount of SR 12,500,000 was unpaid. The decision has become final and must be adhered to and implemented. The seller presented some solutions and suggestions to the Company in a way that preserves all its rights. After receiving the above-mentioned letter, the Company confirmed its validity through the concerned parties and is assured that the revocation is correct for reasons pertaining the seller as the revocation is attributive to the main title deed of the land and its scope. The Company has no relation or involvement in this matter and was not informed or involved in this matter, court hearings, sessions, discussions, or investigations. The Company inquired before purchasing the land, confirmed the validity of the title deed through a committee of attorney public composed of three members as per statement of permission issued on 28 Rajab 1430H.

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

During the year ended 31 December 2019, the Company de-recognized the total land amount from the books amounted to SR 181,500,000 and recognized as trade receivable on the seller and broker with total amount of SR 207,239,441 after deducting the remaining amount due to the seller of the land value of SR 12,500,000. The book value of the land amounts to SR 181,500,000 representing purchase price of SR 219,739,441 less impairment previously recognized amounting to SR 38,239,441.

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

On 19 Shaaban 1442 H corresponding to 01 April 2021, the Company received a letter from its legal counsel stating the following:

That the defendant (land's seller) filed a petition to the court on 05 Shaaban 1442H, corresponding to 18 March 2021, to overturn the verdict and dismiss the case after the expiry of the formal objection period and petition was accepted, and according to that:

The Court dismissed the previous ruling and dismiss the case for lack of jurisdiction because the case is one of the big cases with amounts of more than 100 million Saudi Riyals.

The Company has objected the ruling as it was not valid, as the Company's legal advisor considers that the ruling violates the law and the rules of procedures in the courts. The Company's legal advisor believes that the court's rejection of the lawsuit will not have an impact on the Company's position, as it is a formal procedure, not subjective.

On 03 February 2022, the General Department for large cases of the General Court has issued a preliminary ruling in the favor of the Group as follow:

First: To terminate the sale's contract pertaining to north Riyadh land between the Company and the seller and what's entitled to it.

Second: Obligate the land seller to repay an amount of SR 202 million in favor of the Company.

On 24 April 2022, the Court of Appeal issued its ruling confirming the ruling issued by the General Department for large cases.

The Company proceeded in execution of the ruling, and during the period ended 30 September 2022, the Company collected an amount of SAR 2.4 million.

**SINAD HOLDING COMPANY (FORMERLY ASEER FOR TRADING, TOURISM, INDUSTRY, AGRICULTURE, REAL ESTATE AND CONTRACTING COMPANY)  
(A SAUDI JOINT STOCK COMPANY)**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2022**

(All amounts are presented in Saudi Riyals unless otherwise indicated)

**10. INVESTMENTS FOR TRADING AT FAIR VALUE THROUGH PROFIT OR LOSS**

During the period ended on 30 September 2022, the Company invested in one of the investment portfolios which managed by one of the licensed parties for an amount of SR 30 million, and the investment resulted in losses by SR 317 thousand. The investment balance as of 30 September 2022 is SR 29.7 million.

**11. ISLAMIC MURABAHA CONTRACTS AND LONG-TERM LOANS**

|                                | <b>30 September<br/>2022</b> | <b>31 December<br/>2021</b> |
|--------------------------------|------------------------------|-----------------------------|
| Facilities and long-term loans | <b>303,252,060</b>           | 355,502,036                 |
| Amounts due within a year      | <b>(103,786,608)</b>         | (126,630,614)               |
| <b>Non-current portion</b>     | <b>199,465,452</b>           | 228,871,422                 |

The group has a number of Islamic Murabaha contracts agreements and long-term loans that were disclosed in the group's financial statements as of 31 December 2021, in addition to the following contracts that the group cancelled during the period ended 30 September 2022, which are as follows:

During the year 2019, one of the subsidiaries signed a financing agreement (Tawarruq) with Banque Saudi Fransi in the amount of SR 150 million. The entire financing balance has been withdrawn by the Company. According to the terms of the agreement, the repayment of the financing is due in instalments ending on 30 September 2023. However, the subsidiary, during the period ended 30 September 2022, paid the total instalments due on the loan.

**12. ISLAMIC MURABHA FINANCING AND SHORT-TERM LOANS**

|                                               | <b>30 September<br/>2022</b> | <b>31 December<br/>2021</b> |
|-----------------------------------------------|------------------------------|-----------------------------|
| Balance at the beginning of the period / year | <b>321,614,951</b>           | 185,827,234                 |
| Net movement during the period / year         | <b>220,565,342</b>           | 135,787,717                 |
| Balance at the beginning of the period / year | <b>542,180,293</b>           | 321,614,951                 |

The group has a number of short-term Islamic Murabaha financing agreements that were disclosed in the group's financial statements as at 31 December 2021, in addition to the following agreement entered into by the group during the period ended on 30 September 2022, which is as follows:

During the period ended 30 September 2022, the Parent Company entered into an Islamic financing agreement with Al Rajhi Bank, the total value of the financing facilities amounting to SR 200 million. And the loan balance as of 30 September 2022 is amounted to SR 102 million.

One of the subsidiaries Company has entered into a Sharia-compliant financing facility contract to issue partnership letters of credit for the purpose of financing working capital with one of the banks in the Kingdom of Saudi Arabia. The balance of the letters of credit liabilities as of 30 September 2022 amounted to SAR 19.76 million (31 December 2021: Nil).

One of the subsidiaries Company has entered into short term Murabaha contracts with local banks in Egypt for the purpose of financing its operation. The subsidiary pays its financing charges according to prevailing market rate. As of 30 September 2022, the outstanding balance of these contracts amounted to SAR 42.5 million (31 December 2021: Nil).

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**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR  
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(All amounts are presented in Saudi Riyals unless otherwise indicated)

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**13. SIGNIFICANT EVENTS**

During the period ended 30 September 2022, the Egyptian Pound recorded a decrease in the exchange rate against the Saudi Riyal. As a result, translation differences were recorded in a subsidiary Company in the Arab Republic of Egypt by SR 38.4 million in the interim condensed consolidated statement of other comprehensive income.

During the current period; there has been a significant decrease in the number of registered cases. As a result, some restrictions related to COVID-19, such as social distancing and travel bans have been lifted. Based on these factors, management believes that the COVID-19 pandemic did not have a material impact on the Group's reported financial results for the period ended 30 September 2022, including significant accounting judgments and estimates. The Group continues to monitor the situation of (Covid-19) closely, although management at this time is not aware of any expected factors that may change the impact of the pandemic on the Group's operations during 2022 or beyond.

**14. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

These interim condensed consolidated financial statements were approved by Board of Directors on 9 Rabi 'II 1444 (H) corresponding to 3 November 2022 (G).