

**SAUDI ADVANCED INDUSTRIES COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE THREE AND NINE - MONTHS PERIOD ENDED 30 SEPTEMBER 2021  
WITH INDEPENDENT AUDITOR'S REPORT**



**SAUDI ADVANCED INDUSTRIES COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**  
**INTERIM CONDENSED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT**  
**FOR THE THREE AND NINE - MONTHS PERIOD ENDED 30 SEPTEMBER 2021**

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED  
FINANCIAL STATEMENTS****TO THE SHAREHOLDERS OF SAUDI ADVANCED INDUSTRIES COMPANY  
(A SAUDI JOINT STOCK COMPANY)****RIYADH, KINGDOM OF SAUDI ARABIA****INTRODUCTION**

We have reviewed the accompanying interim condensed statement of financial position of **Saudi Advanced Industries Company** (the "Company") – a Saudi Joint Stock Company - as at 30 September 2021 and the related interim condensed statement of profit or loss and other comprehensive income for the three and nine - months period then ended and the interim condensed statements of changes in equity and cash flows for the nine-months period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

**SCOPE OF REVIEW**

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

**CONCLUSION**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements as at 30 September 2021 are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

For Al-Bassam &amp; Co.

**Ibrahim A. Al Bassam**  
Certified Public Accountant  
License No. 337Riyadh: 22 Rabi' al-Awal 1443H.  
Corresponding to: 28 October 2021

SAUDI ADVANCED INDUSTRIES COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2021

(All amounts are in Saudi riyals unless otherwise mentioned)

	Note	30 September 2021 (unaudited)	31 December 2020 (audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment, net		398,566	464,376
Investments in associate	4	462,442,354	406,970,179
Financial assets at FVOCI	5	258,516,936	245,976,004
Financial assets at FVTPL	6-1	188,689,970	168,749,970
<b>Total non-current assets</b>		<b>910,047,826</b>	<b>822,160,529</b>
<b>Current assets</b>			
Prepayments and other current assets		514,980	470,728
Financial assets at FVTPL	6-2	187,371	19,940,000
Cash and cash equivalents		17,342,262	4,685,505
<b>Total current assets</b>		<b>18,044,613</b>	<b>25,096,233</b>
<b>Total assets</b>		<b>928,092,439</b>	<b>847,256,762</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	7	500,000,000	500,000,000
Statutory reserve	8	150,000,000	150,000,000
General reserve	9	34,331,892	34,331,892
Retained earnings		159,331,439	106,062,684
Actuarial reserve		(745,378)	(745,378)
Fair value reserve	5	79,103,765	50,105,775
<b>Total equity</b>		<b>922,021,718</b>	<b>839,754,973</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Employees' end of service benefits		2,167,109	2,201,136
<b>Total non-current liabilities</b>		<b>2,167,109</b>	<b>2,201,136</b>
<b>Current liabilities</b>			
Accrued expenses and other current liabilities		2,161,036	2,681,683
Zakat provision	11	1,742,576	2,618,970
<b>Total current liabilities</b>		<b>3,903,612</b>	<b>5,300,653</b>
<b>Total liabilities</b>		<b>6,070,721</b>	<b>7,501,789</b>
<b>Total equity and liabilities</b>		<b>928,092,439</b>	<b>847,256,762</b>

  
Muhannad Mustafa Al-Ashqar  
Chief Financial Officer

  
Saeed Abdullah Al-Moeather  
Chief Executive Officer

  
Yazeed Khaled Alshathry  
Chairman of Board of Directors

The accompanying notes from 1 to 17 are an integral part of these interim condensed financial statements.

**SAUDI ADVANCED INDUSTRIES COMPANY**


(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE AND NINE - MONTHS PERIOD ENDED 30 SEPTEMBER 2021**

(All amounts are in Saudi riyals unless otherwise mentioned)

	Note	For the three months period		For the nine months period	
		30 September 2021 (unaudited)	30 September 2020 (unaudited)	30 September 2021 (unaudited)	30 September 2020 (unaudited)
Revenue	12	35,875,999	9,593,814	74,904,159	27,030,472
Gross income		35,875,999	9,593,814	74,904,159	27,030,472
General and administrative expenses		(2,042,304)	(1,809,318)	(6,353,022)	(5,617,414)
Profit from operating		33,833,695	7,784,496	68,551,137	21,413,058
Finance costs		-	-	-	(34,844)
Other income		4,019	15,528	59,328	68,039
Net income before zakat		33,837,714	7,800,024	68,610,465	21,446,253
Zakat	11-3	(2,169,129)	(300,000)	(3,099,689)	(900,000)
Net income for the period		31,668,585	7,500,024	65,510,776	20,546,253
<b><u>Other comprehensive income / (loss):</u></b>					
<b>Items that will not be subsequently reclassified to profit or loss:</b>					
Change in financial assets at FVOCI		(5,430,960)	29,621,890	29,255,969	12,322,099
Total comprehensive income for the period		26,237,625	37,121,914	94,766,745	32,868,352
<b><u>Basic and diluted earnings per share</u></b>					
Earnings per share from net period profit	13	0.63	0.15	1.31	0.41
Earnings per share from total comprehensive income	13	0.52	0.74	1.90	0.66

  
Muhannad Mustafa Al-Ashqar  
Chief Financial Officer

  
Saeed Abdullah Al-Moeather  
Chief Executive Officer

  
Yazeed Khaled Alshathry  
Chairman of Board of Directors

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**SAUDI ADVANCED INDUSTRIES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)  
**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2021**  
(All amounts are in Saudi riyals unless otherwise mentioned)

	Note	Share capital	Statutory reserve	General reserve	Retained earnings	Actuarial reserve	Fair value reserve	Total
<b>For the nine-months period ended 30 September 2020</b>								
Balance as at 31 December 2019 (audited)		500,000,000	150,000,000	36,320,000	93,299,170	(518,527)	19,726,324	798,826,967
Net income for the period		-	-	-	20,546,253	-	-	20,546,253
Other comprehensive income		-	-	-	-	-	12,322,099	12,322,099
Total comprehensive income / (loss) for the period		-	-	-	20,546,253	-	12,322,099	32,868,352
Dividends	10	-	-	-	(12,500,000)	-	-	(12,500,000)
Balance as at 30 September 2020		500,000,000	150,000,000	36,320,000	101,345,423	(518,527)	32,048,423	819,195,319
<b>For the nine-months period ended 30 September 2021</b>								
Balance as at 31 December 2020 (audited)		500,000,000	150,000,000	34,331,892	106,062,684	(745,378)	50,105,775	839,754,973
Net income for the period		-	-	-	65,510,776	-	-	65,510,776
Other comprehensive income		-	-	-	-	-	29,255,969	29,255,969
Total comprehensive income for the period		-	-	-	65,510,776	-	29,255,969	94,766,745
Transfer fair value reserve upon investment disposal	5	-	-	-	257,979	-	(257,979)	-
Dividends	10	-	-	-	(12,500,000)	-	-	(12,500,000)
Balance as at 30 September 2021		500,000,000	150,000,000	34,331,892	159,331,439	(745,378)	79,103,765	922,021,718

  
**Muhammad Mustafa Al-Asbqar**  
Chief Financial Officer

  
**Saeed Abdullah Al-Moearth**  
Chief Executive Officer


  
**Yazeed Khaled Alshathry**  
Chairman of Board of Directors

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SAUDI ADVANCED INDUSTRIES COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
**INTERIM CONDENSED STATEMENT OF CASH FLOWS**  
**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021**  
(All amounts are in Saudi riyals unless otherwise mentioned)

	Note	30 September 2021 (unaudited)	30 September 2020 (unaudited)
<b>Cash flows from operating activities:</b>			
Net Income for the period before zakat		68,610,465	21,446,253
<b>Adjustments to reconcile net Income before zakat to net cash from operating activities:</b>			
Depreciation of property and equipment		136,806	100,861
Capital losses		659	-
Provision for end of service benefits		241,837	250,701
Share of profit in an associate	4	(64,563,084)	(16,148,231)
Finance cost		-	34,844
Unrealized gain on financial assets at FVTPL	12	(43,166)	-
		<u>4,383,517</u>	<u>5,684,428</u>
<b>Changes in working capital items</b>			
Prepayments and other current assets		(44,252)	(168,108)
Accrued expenses and other current liabilities		(520,647)	449,110
Financial assets at FVTPL		(144,205)	2,438,489
<b>Cash generated from operating activities</b>			
Employees' end of service benefits paid		3,674,413	8,403,919
Zakat paid	11-2	(275,864)	(27,316)
		<u>(3,976,083)</u>	<u>(738,378)</u>
<b>Net cash (used in) / generated from operating activities</b>		<u>(577,534)</u>	<u>7,638,225</u>
<b>Cash flows from investing activities:</b>			
Paid to purchase property and equipment		(71,655)	(23,468)
Dividends received from investments in associate	4	9,090,909	9,090,909
Proceed from selling financial assets at FVOCI		16,715,037	-
Purchase short-term Murabaha		-	6,000,000
<b>Net cash generated from investing activities</b>		<u>25,734,291</u>	<u>15,067,441</u>
<b>Cash flows from financing activities:</b>			
Repayment of a long-term loan		-	(8,000,000)
Dividends paid	10	(12,500,000)	(12,500,000)
Finance cost paid		-	(34,844)
<b>Net cash used in financing activities</b>		<u>(12,500,000)</u>	<u>(20,534,844)</u>
<b>Net change in cash and cash equivalents</b>		<u>12,656,757</u>	<u>2,170,822</u>
Cash and cash equivalent at the beginning of the period		<u>4,685,505</u>	<u>4,098,829</u>
<b>Cash and cash equivalents at the end of the period</b>		<u>17,342,262</u>	<u>6,269,651</u>
<b>Non-monetary transactions</b>			
Change in fair value reserve of financial assets through other comprehensive income		29,255,969	12,322,099
Transfer from fair value reserve to retained earnings due to selling investments at FVOCI		257,979	-

  
Muhannad Mustafa Al-Ashqar  
Chief Financial Officer

  
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Chairman of Board of Directors

The accompanying notes from 1 to 17 are an integral part of these interim condensed financial statements.

**SAUDI ADVANCED INDUSTRIES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2021**  
(All amounts are in Saudi riyals unless otherwise mentioned)

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**1. Organization and principal activities**

Saudi Advanced Industries Company (“the Company”) is a Saudi joint-stock company registered in the Kingdom of Saudi Arabia with Commercial Registration No. 1010068321 issued in Riyadh on Jumada Al-Awwal 24, 1408H, corresponding to 13 January 1988.

The principal activity of the Company is in investing its funds in stocks and other securities.

The headquarters of the Company is located at the following address:  
Riyadh / Al-Narjis district - -Takhasusi Street with Othman bin Affan Road  
P.O. Box 51743  
Riyadh 11553  
Saudi Arabia

**2. Basis of preparation**

The interim condensed financial statements for the nine-months period ended on 30 September 2021 have been prepared in accordance with International Accounting Standard No. 34 (IAS), “Interim Financial Reporting” as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants (SOCPA).

The interim condensed financial statements do not include all the required information and disclosures to prepare the annual financial statements, and should be read in conjunction with the annual financial statements of the company for the year ended 31 December 2020.

These interim condensed financial statements have been prepared on going concern basis and in accordance with the accrual accounting principle and the historical cost basis, except the financial assets that are measured at fair value and employee benefit liabilities carried in the present value of liabilities.

**Use of estimates and assumptions**

The preparation of the interim condensed financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

In particular, information about significant matters regarding the estimation of uncertainty in the application of accounting policies that have a significant effect on the amounts recognized in the financial statements, as follows:

The management reassesses the useful lives of tangible assets and intangible assets periodically depending on the general condition of these assets and management's expectations for their future useful lives.

Management assesses the recoverable amount of the financial assets to determine whether there is any impairment.

Estimates and assumptions applied are continually reviewed, and changes in accounting estimates are recognized in the period in which the estimates were changed and in future years affected by that change.

**Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
  - In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or liability is measured using assumptions used by market parties when pricing the asset or liability on the assumption that market participants are working in their best economic interests.



**SAUDI ADVANCED INDUSTRIES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2021**  
(All amounts are in Saudi riyals unless otherwise mentioned)

**2. Basis of preparation (continued)**

**Fair value measurement (continued)**

The fair value measurement of a non-financial asset considers the ability of market parties to provide economic benefits by using the asset to achieve the best benefit from it or by selling it to another market party to use it in a manner that achieves the best benefit from it.

The company uses valuation methods commensurate with the circumstances and conditions and has sufficient data to measure fair value, maximizing the use of relevant observable data, and minimizing the use of unobservable data to the greatest extent.

All assets and liabilities whose fair values are measured or whose fair values are disclosed in the financial statements are categorized within the scope of the fair value hierarchy set forth below based on the lowest level data that is essential to the fair value measurement as a whole:

Level 1: prices traded in active markets for the same assets or liabilities.

Level 2: other valuation techniques in which the minimum significant inputs are observable, directly or indirectly, to the fair value measurement.

Level 3: other valuation techniques in which the minimum significant inputs that are relevant to the fair value measurement are unobservable.

With regard to the assets and liabilities included in the financial statements on a recurring basis, the company determines whether transfers have taken place between levels in the above hierarchy by reassessing the classification (based on the lowest level of data significant to the fair value measurement as a whole) at the end of each financial reporting period.

The company holds the following financial instruments at fair value in the balance sheet as follows:

	Level 1 SR	Level 2 SR	Level 3 SR	Total
<b>30 September 2021 (unaudited)</b>				
Financial assets at FVOCI	258,516,936	-	-	258,516,936
Financial assets at FVTPL	187,371	-	188,689,970	188,877,341
<b>31 December 2020 (audited)</b>				
Financial assets at FVOCI	245,976,004	-	-	245,976,004
Financial assets at FVTPL	-	-	188,689,970	188,689,970

**3. Summary of significant accounting policies**

The accounting policies used in preparing the interim condensed financial statements are consistent with the policies followed in preparing the annual financial statements of the company for the year ended 31 December 2020. The company did not apply any of the new and amended International Financial Reporting Standards issued and not yet effective.

**4. Investments at the associate**

Investments in associate amounted to the following:

Name	No. of share	%	30 September 2021 (unaudited)	31 December 2020 (audited)
Deutsche Gulf Finance	18,181,818	31,62	276,540,582	267,878,188
Obeikan Glass Company	9,600,000	40	185,901,772	139,091,991
			<b>462,442,354</b>	<b>406,970,179</b>

Summary of the movement of investments in associates:

	30 September 2021 (unaudited)	31 December 2020 (audited)
Balance at the beginning of the period / year	406,970,179	392,426,192
Share of net profit of associate	64,563,084	25,739,265
Dividends of Deutsche Gulf Finance	(9,090,909)	(9,090,909)
Comprehensive income items impact on Obeikan Glass Company	-	(2,104,369)
Balance at the end of the period / year	<b>462,442,354</b>	<b>406,970,179</b>

**SAUDI ADVANCED INDUSTRIES COMPANY**  
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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2021**  
(All amounts are in Saudi riyals unless otherwise mentioned)

**5. Financial assets at FVOCI**

Financial assets amounted to as follows:

	<b>30 September 2021 (unaudited)</b>	31 December 2020 (audited)
A- Listed financial assets	<b>258,516,936</b>	245,976,004
B- Unlisted financial assets	<b>8,680,000</b>	8,680,000
	<b>267,196,936</b>	254,656,004
<b>Less:</b>		
Provision for Impairment losses of investments	<b>(8,680,000)</b>	(8,680,000)
<b>Total</b>	<b>258,516,936</b>	245,976,004

The movement in FVOCI is as follows:

	<b>30 September 2021 (unaudited)</b>	31 December 2020 (audited)
Cost as at 1 January	<b>204,550,229</b>	205,588,887
Disposals during the period / year	<b>(16,457,058)</b>	(1,038,658)
	<b>188,093,171</b>	204,550,229
Fair value reserve as at 1 January	<b>50,105,775</b>	19,726,324
Unrealized gains during the period / year	<b>29,255,969</b>	30,029,755
Transfer fair value reserve upon investment disposal	<b>(257,979)</b>	349,696
Fair value reserve as at the end of the period / year	<b>79,103,765</b>	50,105,775
Total	<b>267,196,936</b>	254,656,004
<b>Deduct: -</b>		
Provision for impairment losses of investment	<b>(8,680,000)</b>	(8,680,000)
Net carrying value	<b>258,516,936</b>	245,976,004

<b>A- Listed financial assets</b>	<b>No. shares</b>	<b>30 September 2021 (unaudited)</b>	31 December 2020 (audited)
Yanbu National Petrochemical (YANSAB) *	<b>3,269,473</b>	<b>232,786,477</b>	208,919,324
Investment portfolio in Alistithmar Capital	<b>580,173</b>	<b>25,730,459</b>	37,056,680
		<b>258,516,936</b>	245,976,004

\* The company entered into a credit facility agreement with a local bank on July 1, 2018, for a period of 3 years ended on June 30, 2021, with a facility limit of 50 million Saudi riyals, under the guarantee of mortgaging the entire investment shares in Yanbu National Petrochemical (Yansab) and a promissory note of 50 million. This agreement has been renewed for another year ended on June 30, 2022, with a guarantee of 2 million shares of investment shares in Yanbu National Petrochemical (Yansab) and a promissory note of 50 million Saudi riyals.

<b>B- Unlisted financial assets</b>	<b>No. shares</b>	<b>%</b>	<b>30 September 2021 (unaudited)</b>	31 December 2020 (audited)
AGC Obeikan Glass*	<b>868</b>	<b>12,4</b>		
Balance at the beginning of the period / year			<b>8,680,000</b>	8,680,000
Provision for Impairment losses of Investments			<b>(8,680,000)</b>	(8,680,000)
			<b>-</b>	-

\* During the year 2018, the Board of Directors decided, due to the Company's losses exceed 100% of the capital, to form an impairment provision for the entire investment amount within the other comprehensive income.

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**6. Financial assets at FVTPL**

**6-1 Non-current assets**

	No. shares	%	30 September 2021 (unaudited)	31 December 2020 (audited)
<b>Unlisted financial assets</b>				
Industrialization and Energy Services Company (TAQA)	16,874,997	3.375	168,749,970	168,749,970
Alsalam Aerospace Industries Company (1)	162,000	10	19,940,000	-
Arabian Industrial Fibers Company (Ibn Rushed) (2)	1,249,354	0.62	12,493,540	12,493,540
			<b>201,183,510</b>	<b>181,243,510</b>
<b>Less:</b>				
Impairment provision			<b>(12,493,540)</b>	<b>(12,493,540)</b>
<b>Total</b>			<b>188,689,970</b>	<b>168,749,970</b>

(1) The company has signed a preliminary memorandum of understanding on 10 December 2018, to sell its entire stake in Alsalam Aerospace Industries Company, and in view of the circumstances of the emerging coronavirus ("Covid-19") pandemic, the aforementioned memorandum of understanding has been extended for an additional period ending on 30 June 2021, in order to complete the procedures and to reach the final agreement. On 1 July 2021 the Company announced the memorandum of understanding finished without reaching any deal. Accordingly, investments in current assets have been reclassified to non-current assets.

(2) The shareholders decided in the extraordinary general assembly of the Arabian Industrial Fibers Company (Ibn Rushd) on 31 December 2017 to reduce the company's capital from 8.5 billion Saudi riyals to 2 billion Saudi riyals, as the share of the Advanced Industries Company from this reduction amounted to 40.7 million Saudi riyals. So, the investment will be 12,493,540 riyals as at 30 September 2021 (31 December 2020: 12,493,540 Saudi riyals). In the previous period, the Company has fully recognized impairment losses in the value of the investment.

**6-2 Current assets**

		30 September 2021 (unaudited)	31 December 2020 (audited)	
A-listed financial assets		187,371	-	
B-Unlisted financial assets		-	19,940,000	
<b>Total</b>		<b>187,371</b>	<b>19,940,000</b>	
<b><u>A-Unlisted financial assets</u></b>				
	No. shares	30 September 2021 (unaudited)	31 December 2020 (audited)	
Arabian Company for Internet and Communications Services	955	187,371	-	
		<b>187,371</b>	<b>-</b>	
<b><u>B-Unlisted financial assets</u></b>				
	No. shares	%	30 September 2021 (unaudited)	31 December 2020 (audited)
Alsalam Aerospace Industries Company	162,000	10	-	19,940,000
			<b>-</b>	<b>19,940,000</b>

\*Note 6-1

**7. Capital**

The company's issued and paid capital amounted to SR 500 million consists of 50 million shares of equal value, each share value of SR 10. (December 31, 2020: 500 million Saudi riyals).

**SAUDI ADVANCED INDUSTRIES COMPANY**  
(A SAUDI JOINT STOCK COMPANY)  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2021**  
(All amounts are in Saudi riyals unless otherwise mentioned)

**8. Statutory reserve**

In accordance with the Articles of Association and companies by-laws in the kingdom of Saudi Arabia, the Company is required to transfer 10% of net income annually to the statutory reserve until such reserve equals 30% of the capital. As the reserve has reached this limit and there is no need for the further deduction, this reserve is not available for dividends distribution.

**9. General reserve**

This reserve was made based on the decision of the Ordinary General Assembly on 15 May 2018, with the aim of facing future investment or zakat losses, and authorizing the Board of Directors to transfer from the general reserve if it is established to face any investment or zakat losses, in accordance with what the Board deems in the interest of the company.

**10. Dividends**

The Board of Directors decided on August 18, 2020 in accordance with the authorization of the general shareholders assembly on April 21, 2020 to distribute interim dividends for the first half of the financial year 2020, an amount of SR 12.5 million at SR 0.25 per share, on Dhu al-Qa'dah 13, 1442H corresponding to June 23, 2021, the Ordinary General Assembly decided to distribute profits for the second half of the financial year 2020 SR 12.5 million at SR 0.25 per share.

**11. Zakat Provision**

**11-1 Zakat status**

The company submitted its zakat returns to the Zakat, Tax and Customs Authority "Authority" until the year ended on 31 December 2020, and the company obtained a certificate from the Authority, valid until 29 Ramadan 1443H corresponding to 30 April 2022, the Company has also settled its zakat and zakat assessments with the Authority until the year ended 31 December 2020 and paid 1,810,473 riyals for the zakat assessments due for the years 2019 and 2020.

**11-2 Zakat provision movement as follows:**

	30 September 2021 (unaudited)	31 December 2020 (audited)
Balance beginning of the period / year	2,618,970	966,675
Charge during the period / year	3,099,689	3,036,700
Paid during the period / year	(3,976,083)	(1,384,405)
Balance end of the period / year	1,742,576	2,618,970

**11-3 Zakat expense components**

	For the three months		For the nine months	
	30 September 2021 (unaudited)	30 September 2020 (unaudited)	30 September 2021 (unaudited)	30 September 2020 (unaudited)
Zakat expense	358,656	300,000	1,289,216	900,000
Zakat adjustments for previous years	1,810,473	-	1,810,473	-
	2,169,129	300,000	3,099,689	900,000

**12. Revenue**

	For the three months		For the nine months	
	30 September 2021 (unaudited)	30 September 2020 (unaudited)	30 September 2021 (unaudited)	30 September 2020 (unaudited)
Share of net profit of associate	30,886,367	5,371,118	64,563,084	16,148,231
Earned dividends	4,904,209	4,222,696	10,122,798	10,925,120
Profits / (loss) from selling financial assets at FVTPL	42,257	-	175,111	(42,879)
Unrealized gain on financial assets at FVTPL	43,166	-	43,166	-
	35,875,999	9,593,814	74,904,159	27,030,472

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**13. Earnings / (loss) per share**

The basic and diluted earnings per share of net profit for the period and total comprehensive income for the period from operating by dividing the net profit for the period and total comprehensive income for the period by the weighted average number of ordinary shares outstanding at the end of the year. The outstanding number of shares as at 30 September 2021 is 50 million shares (50 million shares: 30 September 2020).

There has been no item of dilution affecting the weighted average number of ordinary shares.

**14. Benefits, remuneration, and compensation of the Directors and Key management personal**

	For the three months		For the nine months	
	30 September 2021 (unaudited)	30 September 2020 (unaudited)	30 September 2021 (unaudited)	30 September 2020 (unaudited)
Committee members fees and meetings Expenses	403,500	444,000	1,263,500	1,276,000
Key management personal salaries and benefits	562,776	554,516	1,776,400	1,853,466
	<b>966,276</b>	<b>998,516</b>	<b>3,039,900</b>	<b>3,129,466</b>

**15. Segment information**

Segment information relates to the activities and business of the company, which the company's management has relied on as a basis for preparing its financial information, for its compatibility with internal reporting methods. Transactions between segments are carried out on the same terms as dealing with other parties.

Segment's assets, liabilities, and operating activities include items directly related to a specific segment and items that can be distributed among the different sectors on a reasonable basis. Items that cannot be allocated between segments are classified under other segments.

The following is a summary of the financial segment information in Saudi riyals as on 30 September 2021, and 30 September 2020, respectively, according to the nature of the activity:

	30 September 2021 (unaudited)					Total
	Petrochemical segment	Glass industry segment (Industrial investment)	Industrial services segment (Energy and utilities)	Financial services and investments segment (banks and financial services)	Other segments	
<b>Revenues</b>						
For the nine-month period ended 30 September 2021	8,991,051	46,809,781	-	19,103,327	59,328	74,963,487
For the three-month period ended 30 September 2021	4,904,210	24,541,443	-	6,430,345	4,020	35,880,018
<b>Net income / (loss) for the period</b>	6,620,098	44,916,354	(1,921,826)	16,022,759	(126,609)	65,510,776
<b>Total assets</b>	232,786,478	185,901,772	188,689,970	302,458,412	18,255,807	928,092,439
<b>Total liabilities</b>	-	-	-	-	6,070,721	6,070,721

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**15. Segment information (continued)**

	30 September 2020 (unaudited)					
	Petrochemical segment	Glass industry segment (Industrial investment)	Industrial services segment (Energy and utilities)	Financial services and investments segment (banks and financial services)	Other segments	Total
<b>Revenue</b>						
For the nine-month period ended 30 September 2021	9,808,419	2,800,351	-	14,421,702	68,039	27,098,511
For the three-month period ended 30 September 2021	4,086,841	3,239,965	-	2,267,009	15,527	9,609,342
<b>Net income / (loss) for the period</b>	<b>8,282,756</b>	<b>1,710,638</b>	<b>(1,500,002)</b>	<b>12,041,254</b>	<b>11,607</b>	<b>20,546,253</b>
	31 December 2020 (audited)					
<b>Total assets</b>	<b>208,919,325</b>	<b>139,091,991</b>	<b>188,689,970</b>	<b>304,934,867</b>	<b>5,620,609</b>	<b>847,256,762</b>
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,501,789</b>	<b>7,501,789</b>

The petrochemical sector represents the company's investment in Yanbu National Petrochemical (YANSAB) and the Arabian Industrial Fibers Company (Ibn Rushd), and the glass industry segment represents the company's investment in Obeikan Glass Company and AGC Obeikan Glass Company, and the Industrial Services segment represents the company's investment in the Industrialization and Energy Services Company And Alsalam Aerospace Industries Company, the services, and financial investments sector represent the company's investment in Deutsche Gulf Finance, and other financial investments and the other segments are represented in the remaining assets.

All of the company's activities and business were carried out within one geographical distribution in the Kingdom of Saudi Arabia, and accordingly none of the quantitative limits referred to in IFRS No. (8) "Operational Segments" were fulfilled, and consequently, the information of geographical segments was not disclosed.

**16. Subsequent events after the interim financial report period**

Management believes that there are no significant subsequent events since the end of the period that would require disclosure or adjustment to these interim condensed financial statements.

**17. Approval of the interim condensed financial statements**

The interim condensed financial statements for the period ended 30 September 2021 were approved by the Board of Directors corresponding to 21 Rabi' al-Awal 1443H corresponding to 27 October 2021.