



Agenda Item 2



Financial Statements for the fiscal year ending on 31-12-2024.

To review and read the Financial Statements for the fiscal year ending on 31-12-2024, please follow the below link:

SUSTAINED INFRASTRUCTURE HOLDING COMPANY
(formerly, "SAUDI INDUSTRIAL SERVICES COMPANY")
(A Saudi Joint Stock Company)

CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

31 DECEMBER 2024



Agenda Item 3



Ernst & Young Professional Services (Professional LLC)
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**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF SUSTAINED INFRASTRUCTURE HOLDING COMPANY
(FORMERLY, "SAUDI INDUSTRIAL SERVICES COMPANY")
(A SAUDI JOINT STOCK COMPANY)**

Opinion

We have audited the consolidated financial statements of Sustained Infrastructure Holding Company (formerly, "Saudi Industrial Services Company") ("the Company"), and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs') that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the '*Auditor's Responsibilities for the Audit of the Consolidated financial Statements*' section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia that is relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with that Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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TO THE SHAREHOLDERS OF SUSTAINED INFRASTRUCTURE HOLDING COMPANY
(FORMERLY, "SAUDI INDUSTRIAL SERVICES COMPANY")
(A SAUDI JOINT STOCK COMPANY) (CONTINUED)**

Key Audit Matters

ACCOUNTING FOR INTANGIBLE ASSETS RELATING TO SERVICE CONCESSION ARRANGEMENTS

The key audit matter	How the matter was addressed in our audit
<p>As at 31 December 2024, the carrying value of Group's intangible assets amounted to SR 3,583 million (2023: SR 3,487 million) and the related amortisation expense was SR 182 million (2023: SR 144 million).</p> <p>The intangible assets primarily pertain to long-term port concession arrangements, where the Group is contracted to develop (or upgrade), operate and maintain the concession assets. As the operator, the Group has a right to charge users for services rendered. The Group has recognised the concession arrangement in accordance with the <i>IFRIC 12 Service Concession Arrangements</i>.</p> <p>Accounting for intangible assets relating to the concession arrangements involve complexities and significant judgements relating to recognition and measurement of the concession arrangement assets including related additions, amortisation and assessment for any internal or external indicators of impairment.</p> <p>Given (i) the significance of the amounts involved and (ii) significant judgments that management applied to determine the value of the intangible assets and corresponding financial liabilities, for concession arrangement and related other accounting implications, we considered this area as a key audit matter.</p> <p>Refer to note 3 which contains the disclosure of significant accounting judgements, estimates and assumptions relating to 'Accounting for Service Concession Arrangement', note 4 for material accounting policy information for the 'Intangible Assets'; and 'Impairment of Non-financial Assets'; note 8 which contains the disclosure of 'Intangible Assets'; and note 19 which contains the disclosure of 'Obligation Under Service Concession Agreement'.</p>	<p>We performed the following audit procedures in relation to intangible assets relating to service concession arrangements:</p> <ul style="list-style-type: none"> ➤ Obtained the service concession agreements and reviewed the contracts and related documentation to ensure that the accounting for the concession assets comply with the requirements of <i>IFRIC 12 Service Concession Arrangements</i>; ➤ Assessed the appropriateness of the Group's accounting policies including recognition and measurement of contract intangible assets. This included examining assumptions related to margins during construction phase and then methods used to estimate the present value of concession fees, as well as the useful life and amortisation of the concession intangible assets. We also tested the mathematical accuracy of related models; ➤ Assessed the accounting for any change in terms during the year and re-evaluated the carrying value of the intangible assets to ensure accuracy; ➤ Involved our internal specialists to assess the accounting treatment and reasonableness of the discount rate used to determine the present value of the Obligation Under Service Concession Agreements; ➤ Evaluated the assessment of impairment indicators by comparing forecasts to historical experience and applying our understanding of the future prospects of the business, drawing from both internal and external sources; and ➤ Considered the adequacy of the Group's disclosures regarding the long-term concession arrangements, ensuring compliance with applicable accounting standards that are endorsed in the Kingdom of Saudi Arabia.

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(FORMERLY, "SAUDI INDUSTRIAL SERVICES COMPANY")
(A SAUDI JOINT STOCK COMPANY) (CONTINUED)**

Other Matter

The consolidated financial statements of the Group for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 18 March 2024G, corresponding to 8 Ramadan 1445H.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, when made available to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance, i.e. the Board of Directors.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the SOCPA, and the provisions of Regulations for Companies and Company's By-laws, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance i.e. the Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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Auditor's Responsibilities for the Audit of the Consolidated Financial statements (continued)


- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

for Ernst & Young Professional Services



Hussain Saleh Asiri
Certified Public Accountant
License No .(414)



Jeddah: 18 Ramadan 1446H
(18 March 2025G)

The background is a composite of two images. The upper right portion shows a low-angle, upward-looking view of several modern skyscrapers against a blue sky with light clouds. The lower left portion shows a close-up, blurred view of a building's facade with vertical architectural elements, possibly glass panels or structural columns, creating a sense of depth and movement. A large, white, curved shape separates these two images, acting as a design element.

Agenda Item 5

Date: 09/11/1446

Corresponding: 07/05/2025

Esteemed Members of the Board of Directors

Sustainable Infrastructure Holding Company ("SISCO HOLDING")

In reference to the Audit Committee's remit based on the Audit Committee Charter as approved by the General Assembly, the Audit Committee had invited four audit firms to submit their offers to audit the activities of SISCO Holding. These audit firms were as follows:

1. Ernst & Young
2. KPMG
3. PricewaterhouseCoopers
4. Deloitte.

We received quotations from two of the audit firms mentioned above. PricewaterhouseCoopers declined to submit a proposal due to a conflict of interest as they have provided audit services of the Group's IT function and due diligence services for the M&A function. Additionally, no proposal was received from Deloitte. As a result, the two offers from the following audit firms are being considered:

1. Ernst & Young
2. KPMG

The costs excluding the value added tax on the offers received are as follows:

External Auditors	Audit Fees (in Saudi Riyals)
Ernst & Young (E&Y)	283,500
KPMG	297,000

After reviewing the technical and commercials proposals, the Committee recommends selecting Ernst & Young with fees of SAR 283,500 (two hundred and eighty three thousand and five hundred Saudi Riyals), or KPMG with fees of SAR 297,000 (two hundred and ninety seven thousand Saudi Riyals) to audit the accounts of "SISCO Holding".

This includes the review, audit, and examination of the financial statements for the second and third quarters of 2025, annual financial statements for the fiscal year 2025 and the first quarter of 2026 but excluding the fees for preparing and submitting the Zakat declaration.

Audit Committee Members:

Talal AlDakhil

Mr. Talal Naser Al-Dakhil

Hussein Eid

Mr. Hussain Hassan Eid

Yaser Allaf

Eng. Yaser Assad Allaf


Nader Ashoor

Mr. Nader Mohammed Saleh Ashoor


Signature: Nader Ashoor

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