

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

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

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

	Page
Report on review of condensed consolidated interim financial statements	2
Condensed consolidated interim statement of financial position	3
Condensed consolidated interim statement of profit or loss and other comprehensive income	4
Condensed consolidated interim statement of changes in equity	5
Condensed consolidated interim statement of cash flows	6
Notes to the condensed consolidated interim financial statements	7 - 20



Report on review of condensed consolidated interim financial statements

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

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Saudi Industrial Investment Group Company (the "Company") and its subsidiary (together the "Group") as of 30 September 2022 and the related condensed consolidated interim statement of profit or loss and other comprehensive income for the three-month and nine-month periods then ended and the condensed consolidated interim statements of changes in equity and cash flows for the nine-month period ended 30 September 2022 and other explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" (IAS 34), as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

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

Conclusion

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

PricewaterhouseCoopers

A handwritten signature in blue ink, appearing to read "Ali A. Alotaibi".

Ali A. Alotaibi
License Number 379

2 November 2022

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

	Note	As at 30 September 2022 (Unaudited)	As at 31 December 2021 (Audited)
Assets			
Non-current assets			
Property and equipment		1,241	1,651
Investments in joint ventures accounted for using the equity method	5	9,019,776	8,729,948
Other assets		5,913	4,986
Total non-current assets		9,026,930	8,736,585
Current assets			
Prepayments and other current assets		3,859	4,492
Due from related parties	6	903,062	1,259,561
Short-term Murabaha deposits	8	1,252,495	497,000
Cash and cash equivalents	7	723,826	1,813,811
Total current assets		2,883,242	3,574,864
Total assets		11,910,172	12,311,449
Equity and liabilities			
Equity			
Share capital	1, 9	7,548,000	4,500,000
Share premium	1	7,970,520	-
Statutory reserve		1,019,928	1,019,928
Other reserves	1	(6,337,411)	-
Retained earnings		1,346,467	1,808,544
Equity attributable to the shareholders of Saudi Industrial Investment Group Company		11,547,504	7,328,472
Non-controlling interests		-	4,564,866
Total equity		11,547,504	11,893,338
Liabilities			
Non-current liability			
Employee benefit obligations		21,103	19,965
Current liabilities			
Due to a related party	6	-	51
Accrued expenses and other liabilities		30,464	34,920
Zakat payable	10	311,101	363,175
Total current liabilities		341,565	398,146
Total liabilities		362,668	418,111
Total equity and liabilities		11,910,172	12,311,449

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


Khalil Al-Watban
Chairman - Board of Directors


Abdulrahman S. Alismail
CEO


Hazem Swaireh
Finance Manager

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

Condensed consolidated interim statement of profit or loss and other comprehensive income

(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	For the three-month period ended 30 September		For the nine-month period ended 30 September	
		2022 (Unaudited)	2021 (Unaudited)	2022 (Unaudited)	2021 (Unaudited)
Share of net profit of joint ventures accounted for using the equity method	5	65,125	351,557	782,258	1,605,998
General and administrative expenses		(7,193)	(12,951)	(52,502)	(41,446)
Operating profit		57,932	338,606	729,756	1,564,552
Finance income		11,346	2,966	27,705	6,484
Other income - net		197	170	278	385
Profit before zakat		69,475	341,742	757,739	1,571,421
Zakat (expense) credit		(14,675)	(16,869)	(67,620)	20,186
Profit for the period		54,800	324,873	690,119	1,591,607
Other comprehensive income for the period					
<i>Item that will not be reclassified to profit or loss</i>					
Share of net other comprehensive income of joint ventures accounted for using the equity method	5	96,247	-	96,247	-
Total comprehensive income for the period		151,047	324,873	786,366	1,591,607
Profit for the period is attributable to:					
Shareholders of Saudi Industrial Investment Group Company		54,800	203,948	573,876	1,014,623
Non-controlling interests		-	120,925	116,243	576,984
		54,800	324,873	690,119	1,591,607
Total comprehensive income for the period is attributable to:					
Shareholders of Saudi Industrial Investment Group Company		151,047	203,948	670,123	1,014,623
Non-controlling interests		-	120,925	116,243	576,984
		151,047	324,873	786,366	1,591,607
Earnings per share					
Basic and diluted	12	0.07	0.45	0.88	2.25

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



Khalil Al-Watban
Chairman - Board of Directors



Abdulrahman S. Alismail
CEO




Hazem Swaireh
Finance Manager


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

Note	Attributable to the shareholders of Saudi Industrial Investment Group Company					Total	Non- controlling interests	Total equity
	Share capital	Share Premium	Statutory reserve	Other reserves	Retained earnings			
At 1 January 2021 (Audited)	4,500,000	-	906,301	-	1,005,359	6,411,660	8,221,670	14,633,330
Change in accounting treatment	-	-	-	-	-	-	(4,161,747)	(4,161,747)
At 1 January 2021 (Restated)	4,500,000	-	906,301	-	1,005,359	6,411,660	4,059,923	10,471,583
Profit for the period	-	-	-	-	1,014,623	1,014,623	576,984	1,591,607
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	1,014,623	1,014,623	576,984	1,591,607
Transactions with shareholders in their capacity as shareholders:								
Dividends	13	-	-	-	(225,000)	(225,000)	(180,000)	(405,000)
At 30 September 2021 (Unaudited)	4,500,000	-	906,301	-	1,794,982	7,201,283	4,456,907	11,658,190
At 1 January 2022 (Audited)	4,500,000	-	1,019,928	-	1,808,544	7,328,472	4,564,866	11,893,338
Profit for the period	-	-	-	-	573,876	573,876	116,243	690,119
Other comprehensive income for the period	-	-	-	-	96,247	96,247	-	96,247
Total comprehensive income for the period	-	-	-	-	670,123	670,123	116,243	786,366
Purchase of shareholding of non-controlling interest	1	3,048,000	7,970,520	-	(6,337,411)	-	4,681,109	(4,681,109)
Transactions with shareholders in their capacity as shareholders:								
Dividends	13	-	-	-	(1,132,200)	(1,132,200)	-	(1,132,200)
At 30 September 2022 (Unaudited)	7,548,000	7,970,520	1,019,928	(6,337,411)	1,346,467	11,547,504	-	11,547,504

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


Khalil Al-Watban
Chairman - Board of Directors


Abdulrahman S. Alismail
CEO


Hazem Swaireh
Finance Manager

SAUDI INDUSTRIAL INVESTMENT GROUP COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated interim statement of cash flows
(All amounts in Saudi Riyals thousands unless otherwise stated)

		For the nine-month period ended 30 September	
	Note	2022 (Unaudited)	2021 (Unaudited)
Cash flows from operating activities			
Profit before zakat		757,739	1,571,421
<u>Adjustments for:</u>			
Depreciation		668	576
Share of net profit of joint ventures accounted for using the equity method	5	(782,258)	(1,605,998)
Finance income		(27,705)	(6,484)
Gain on disposals of property and equipment		-	(80)
Provision for employee benefit obligations		1,195	1,532
<u>Changes in operating assets and liabilities:</u>			
(Increase) decrease in prepayments and other assets		(2,537)	3,071
Decrease in due from related parties		-	205,593
Decrease in due to a related party		(51)	-
Decrease in accrued expenses and other liabilities		(7,933)	(1,789)
Cash (utilized in) generated from operations		(60,882)	167,842
Finance income received		27,453	4,240
Zakat paid		(119,694)	(74,323)
Employee benefit obligations paid		(58)	(168)
Dividends received from joint ventures	5	631,875	318,750
Zakat reimbursed to a joint venture	5	(43,198)	(27,390)
Net cash inflow from operating activities		435,496	388,951
Cash flows from investing activities			
Payments for purchases of property and equipment		(258)	(73)
Placements in short-term deposits		(753,000)	(179,000)
Proceeds from disposals of property and equipment		-	80
Reduction in share capital of a joint venture	6	356,499	1,145,625
Net cash (outflow) inflow from investing activities		(396,759)	966,632
Cash flows from financing activities			
Dividends paid		(1,128,722)	(448,427)
Dividends paid by a subsidiary to non-controlling interests		-	(180,000)
Net cash outflow from financing activities		(1,128,722)	(628,427)
Net (decrease) increase in cash and cash equivalents			
		(1,089,985)	727,156
Cash and cash equivalents at beginning of the period		1,813,811	1,165,742
Cash and cash equivalents at end of the period	7	723,826	1,892,898

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



Khalil Al-Watban
Chairman - Board of Directors



Abdulrahman S. Alismail
CEO



Hazem Swaireh
Finance Manager

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

1 General information

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

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

	Country of incorporation	Effective ownership percentage at	
		30 September 2022	31 December 2021
National Petrochemical Company (a Saudi Closed Joint Stock Company) (“Petrochem”)	Kingdom of Saudi Arabia	100%	50%

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

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

Petrochem’s acquisition

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

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

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

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

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

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

1 General information (continued)

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

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

1.1 Share capital

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

1.2 Share premium

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

1.3 Other reserves

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

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

The condensed consolidated interim financial statements including notes and other explanatory information were approved and authorized for issue on 2 November 2022.

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

2 Accounting policies

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

2.1 Basis of preparation

(a) Statement of compliance

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

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

(b) Historical cost convention

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

(c) Functional and presentation currency

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

(d) New standards and amendments to standards and interpretations

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

(e) Standards issued but not yet effective

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

3 Fair value of assets and liabilities

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

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

4 Critical accounting estimates and judgements

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

5 Investments in joint ventures accounted for using the equity method

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

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

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

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

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

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

As at 30 September 2022, due to the existence of certain impairment indicators, the Company's investment in JCP was tested for impairment. However, no impairment was required to be recognized as a result of such assessment as at 30 September 2022.

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

Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month and nine-month periods ended 30 September 2022

(All amounts in Saudi Riyals thousands unless otherwise stated)

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

- c) ADCO is principally engaged to distribute the aromatic products (styrene, cyclohexane, propane and benzene) produced by JCP and SCP. ADCO is registered in Dubai Airport Free Zone ("DAFZA"), United Arab Emirates under license number 4105.
- d) SPCO is a limited liability company registered in Jubail, Saudi Arabia under CR number 2055008886 dated 29 Dhul-Qadah 1428H (corresponding to 9 December 2007), with a branch in Jubail under Commercial Registration number 2055009065. The principal activities of SPCO are to produce and sell motor fuel blend stock, fuel oil, ethylene, propylene, 1-Hexene, high density and low-density polyethylene, polypropylene and polystyrene. SPCO is a joint venture between Petrochem and Arabian Chevron Phillips Petrochemical Company Limited ("ACPPCL").

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

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

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

	For the nine-month period ended 30 September 2022					
	SCP	JCP	ADCO	SPCO	GPDC	Total
1 January 2022	684,422	775,063	123,072	6,530,085	617,306	8,729,948
Share of net profit (loss)	372,551	(96,531)	21,624	366,758	117,856	782,258
Share of other comprehensive income	25,817	13,277	-	57,153	-	96,247
Dividends received from joint ventures	(412,500)	-	(121,875)	-	(97,500)	(631,875)
Zakat reimbursed to joint ventures	9,298	1,848	-	32,052	-	43,198
30 September 2022	679,588	693,657	22,821	6,986,048	637,662	9,019,776
	For the nine-month period ended 30 September 2021					
	SCP	JCP	ADCO	SPCO	GPDC	Total
1 January 2021	536,698	699,739	54,509	7,493,024	594,348	9,378,318
Share of net profit	314,281	76,991	88,501	1,011,543	114,682	1,605,998
Reduction in share capital	-	-	-	(2,206,100)	-	(2,206,100)
Dividends received from joint ventures	(150,000)	-	(46,875)	-	(121,875)	(318,750)
Zakat reimbursed to joint ventures	6,245	8,026	-	13,119	-	27,390
30 September 2021	707,224	784,756	96,135	6,311,586	587,155	8,486,856

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

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

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

Summarised statement of financial position

	SCP		JCP	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
<u>Current assets</u>				
<i>Cash and cash equivalents</i>	186,087	196,148	428,460	278,276
<i>Other current assets</i>	1,604,301	1,419,353	1,015,699	1,155,822
Total current assets	1,790,388	1,615,501	1,444,159	1,434,098
Non-current assets	886,624	989,164	1,473,774	1,660,790
<u>Current liabilities</u>				
<i>Financial liabilities (excluding trade payables)</i>	(715,501)	(782,224)	(916,450)	(1,137,510)
<i>Other current liabilities</i>	(301,983)	(148,433)	(512,251)	(312,191)
Total current liabilities	(1,017,484)	(930,657)	(1,428,701)	(1,449,701)
<u>Non-current liabilities</u>				
<i>Financial liabilities (excluding trade payables)</i>	(304)	(821)	(4,785)	(4,640)
<i>Other non-current liabilities</i>	(189,926)	(223,283)	(90,566)	(119,712)
Total non-current liabilities	(190,230)	(224,104)	(95,351)	(124,352)
Net assets	1,469,298	1,449,904	1,393,881	1,520,835

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

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

Summarised statement of financial position

	ADCO		SPCO	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
Current assets				
<i>Cash and cash equivalents</i>	188,743	286,091	799,489	598,729
<i>Other current assets</i>	265,919	508,117	1,818,739	1,923,478
Total current assets	454,662	794,208	2,618,228	2,522,207
Non-current assets	30	-	12,016,815	12,392,888
Current liabilities				
<i>Financial liabilities (excluding trade payables)</i>	(408,952)	(547,980)	(2,649,529)	(3,023,955)
<i>Other current liabilities</i>	-	-	(446,386)	(604,171)
Total current liabilities	(408,952)	(547,980)	(3,095,915)	(3,628,126)
Non-current liabilities				
<i>Financial liabilities (excluding trade payables)</i>	-	-	(409,514)	(799,425)
<i>Other non-current liabilities</i>	(98)	(86)	(586,230)	(653,944)
Total non-current liabilities	(98)	(86)	(995,744)	(1,453,369)
Net assets	45,642	246,142	10,543,384	9,833,600

Summarised statement of financial position

	GPDC	
	30 September 2022	31 December 2021
Current assets		
<i>Cash and cash equivalents</i>	156,776	95,693
<i>Other current assets</i>	1,335,998	1,475,171
Total current assets	1,492,774	1,570,864
Non-current assets	2,055	304
Current liabilities		
<i>Financial liabilities (excluding trade payables)</i>	(479,089)	(568,778)
<i>Other current liabilities</i>	(32,688)	(51,506)
Total current liabilities	(511,777)	(620,284)
Non-current liabilities		
<i>Financial liabilities (excluding trade payables)</i>	-	-
<i>Other non-current liabilities</i>	(2,033)	(1,182)
Total non-current liabilities	(2,033)	(1,182)
Net assets	981,019	949,702

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

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

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

	SCP		JCP	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
Joint venture net assets	1,469,298	1,449,904	1,393,881	1,520,835
Group's share	50%	50%	50%	50%
	734,649	724,952	696,941	760,418
Intra-group eliminations	(9,516)	-	-	-
Timing differences in zakat / current income tax recognition and reimbursement	(45,545)	(40,530)	(3,284)	14,645
Carrying value of investments	679,588	684,422	693,657	775,063

	ADCO		SPCO	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
Joint venture net assets	45,642	246,142	10,543,384	9,833,600
Group's share	50%	50%	65%	65%
	22,821	123,071	6,853,200	6,391,840
Intra-group eliminations	-	-	(14,425)	(38,622)
Timing differences in zakat / current income tax recognition and reimbursement	-	-	147,273	176,867
Carrying value of investments	22,821	123,071	6,986,048	6,530,085

	GPDC	
	30 September 2022	31 December 2021
Joint venture net assets	981,019	949,702
Group's share	65%	65%
Carrying value of investment	637,662	617,306

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

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

Summarised statement of profit or loss and other comprehensive income

	SCP			
	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2022	2021	2022	2021
Revenue from contracts with customers	1,500,606	1,227,676	4,846,924	3,408,208
Finance income	2,090	862	4,553	1,975
Depreciation	(30,923)	(34,234)	(104,899)	(101,013)
Finance costs	(36)	(102)	(158)	(412)
Zakat and income tax expense	(27,446)	(22,706)	(92,843)	(71,663)
Profit for the period	198,831	166,673	695,732	583,416
Other comprehensive income for the period	51,634	-	51,634	-
Total comprehensive income for the period	250,465	166,673	747,366	583,416

Summarised statement of profit or loss and other comprehensive income

	JCP			
	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2022	2021	2022	2021
Revenue from contracts with customers	1,730,241	1,605,442	5,340,375	4,328,268
Finance income	1,049	364	1,883	1,260
Depreciation	(67,516)	(67,752)	(201,304)	(202,321)
Finance costs	(53)	(57)	(165)	(179)
Zakat and income tax credit (expense)	19,831	(2,564)	11,310	(25,670)
(Loss) profit for the period	(236,163)	(9,410)	(177,610)	134,165
Other comprehensive income for the period	26,554	-	26,554	-
Total comprehensive (loss) income for the period	(209,609)	(9,410)	(151,056)	134,165

	ADCO			
	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2022	2021	2022	2021
Revenue from contracts with customers	1,094,031	1,089,159	3,846,621	3,151,614
(Loss) profit for the period	(39,543)	10,698	43,242	177,002
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) income for the period	(39,543)	10,698	43,242	177,002

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

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

Summarised statement of profit or loss and other comprehensive income

	SPCO			
	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2022	2021	2022	2021
Revenue from contracts with customers	1,777,945	1,706,071	5,928,708	6,023,450
Finance income	3,426	1,301	6,864	4,674
Depreciation	(223,451)	(217,927)	(658,150)	(654,671)
Finance costs	(10,298)	(6,746)	(24,453)	(23,121)
Zakat and income tax expense	(7,821)	(28,203)	(49,408)	(160,678)
Profit for the period	50,099	180,770	491,812	1,460,818
Other comprehensive income for the period	87,928	-	87,928	-
Total comprehensive income for the period	138,027	180,770	579,740	1,460,818

Summarised statement of profit or loss and other comprehensive income

	GPDC			
	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2022	2021	2022	2021
Revenue from contracts with customers	1,718,316	1,769,453	5,782,793	5,536,669
Finance income	396	12	461	26
Finance costs	(11)	(4)	(41)	(4)
Profit for the period	19,371	88,009	181,316	176,438
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	19,371	88,009	181,316	176,438

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

	30 September 2022	31 December 2021
SCP	715,848	738,647
JCP	955,492	971,762
ADCO	-	-
SPCO	563,086	1,256,083
GPDC	-	-

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

6 Related party transactions and balances

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

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

Related parties	Nature of transactions	For the three-month period ended 30 September		For the nine-month period ended 30 September	
		2022	2021	2022	2021

Joint venture:

SPCO	Reduction in share capital	-	-	-	2,206,100
------	----------------------------	---	---	---	-----------

(i) Due from related parties

	30 September 2022	31 December 2021
SPCO	743,936	987,686
JCP	159,126	271,875
	903,062	1,259,561

(ii) Due to a related party

	30 September 2022	31 December 2021
ACPPCL	-	51

(b) *Key management personnel compensation*

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2022	2021	2022	2021
Salaries and other short-term employee benefits	3,143	2,351	14,305	13,370
Employee benefit obligations	355	338	1,039	1,361
	3,498	2,689	15,344	14,731

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

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

7 Cash and cash equivalents

	30 September 2022	31 December 2021
Cash at banks	199,205	36,811
Cash in hand	10	-
Murabaha deposits	524,611	1,777,000
	723,826	1,813,811

Murabaha deposits are placed with commercial banks, with a maturity period of three months or less from date of placement, and yield finance income at commercial rates ranging from 2.50% to 2.75% per annum (2021: 0.35% to 0.75% per annum).

8 Short-term Murabaha deposits

Short-term Murabaha deposits represents short-term deposits with maturity periods of more than three months and less than twelve months from the date of placement, and yield finance income at commercial rates ranging from 2.65% to 4.10% per annum (2021: 0.60% to 0.75% per annum).

9 Share capital

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

Also refer to Note 1.

10 Zakat

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

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

(a) Status of assessments of the Company

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

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

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

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

10 Zakat (continued)

(b) Status of assessments of Petrochem

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

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

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

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

11 Segment reporting

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

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

Polymers	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2022	2021	2022	2021
Domestic/Middle East	17%	17%	18%	21%
Asia	46%	51%	49%	49%
Europe/Africa	37%	32%	33%	30%
	100%	100%	100%	100%

Aromatics	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2022	2021	2022	2021
Domestic/Middle East	48%	45%	47%	45%
Asia	26%	24%	30%	24%
Europe/Africa	26%	31%	23%	31%
	100%	100%	100%	100%

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

12 Basic and diluted earnings per share

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

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2022	2021	2022	2021
Earnings for the period	54,800	203,948	573,876	1,014,623
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	754,800	450,000	653,200	450,000
Earnings per share	0.07	0.45	0.88	2.25

Also see Note 1.

13 Dividends

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