



**Taiba Investment Company  
(A Saudi Joint Stock Company)**

**Interim Condensed Consolidated Financial Statements (Unaudited)  
and Independent Auditor's Review Report**

**for the Three-Month Period Ended  
31 March 2024**

**TAIBA INVESTMENT COMPANY**  
**(A Saudi Joint Stock Company)**  
**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
**31 MARCH 2024**

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## INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF TAIBA INVESTMENT COMPANY (A Saudi Joint Stock Company)

### Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Taiba Investment Company (A Saudi Joint Stock Company) (“the Company”) and its subsidiaries (collectively referred to as “the Group”) as at 31 March 2024, and the related interim condensed consolidated statements of income and comprehensive income, changes in equity and cash flows for the three-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated 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 interim condensed consolidated financial statements based on our review.

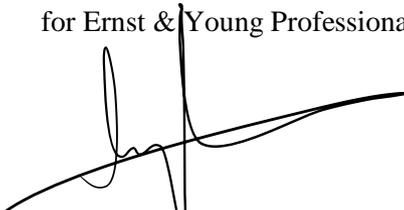
### Scope of Review

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 statement 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 consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

for Ernst & Young Professional services



Abdullah Ali AlMakrami  
Certified Public Accountant  
Licence No. 476

Jeddah 11 Dhu Al-Qi'dah 1445H  
19 May 2024G



**TAIBA INVESTMENT COMPANY**  
**(A Saudi Joint Stock Company)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**(UNAUDITED)**

As at 31 March 2024

	<i>Note</i>	<i>31 March 2024</i> <i>(Unaudited)</i> <i>SAR</i>	<i>31 December 2023</i> <i>(Audited)</i> <i>SAR</i>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	5	4,845,241,805	4,884,793,428
Projects under construction	6	759,076,458	610,819,613
Intangible assets		5,155,398	5,619,049
Investment properties	7	682,802,225	685,817,954
Goodwill	16	1,114,027,901	1,114,027,901
Right-of-use assets		174,088,380	177,468,517
Financial assets carried at FVOCI	8	722,257,293	576,127,219
Investment in equity accounted investees	9	393,024,425	382,472,472
Derivative financial instruments	15	16,877,911	4,136,864
Amounts due from related parties – non-current		15,580,472	15,407,282
Advances, prepayments, and other receivables – non-current		126,508,805	152,026,643
<b>TOTAL NON-CURRENT ASSETS</b>		<b>8,854,641,073</b>	<b>8,608,716,942</b>
<b>CURRENT ASSETS</b>			
Inventories		22,317,937	21,598,227
Trade receivables	10	139,919,025	156,015,260
Amounts due from related parties		3,111,914	1,665,119
Advances, prepayments, and other receivables		74,408,447	76,905,612
Financial assets carried at FVOCI – current	8	147,161,289	168,080,084
Short-term investments		-	100,000,000
Cash and cash equivalent	11	567,756,025	388,501,103
<b>TOTAL CURRENT ASSET</b>		<b>954,674,637</b>	<b>912,765,405</b>
<b>TOTAL ASSETS</b>		<b>9,809,315,710</b>	<b>9,521,482,347</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		2,604,574,830	2,604,574,830
Share premium		1,720,000,000	1,720,000,000
Statutory reserve		1,000,000,000	1,000,000,000
General reserve		208,791,276	208,791,276
Retained earnings		1,010,474,177	899,974,078
Other reserves		265,317,429	125,853,393
<b>Equity attributable to the shareholders of the parent</b>		<b>6,809,157,712</b>	<b>6,559,193,577</b>
Non-controlling interests		61,394,366	60,250,318
<b>TOTAL EQUITY</b>		<b>6,870,552,078</b>	<b>6,619,443,895</b>
<b>NON-CURRENT LIABILITIES</b>			
Employees' defined benefits liabilities		92,189,939	83,178,090
Long-term loans		1,451,357,528	1,451,473,438
Lease liabilities		270,783,936	285,546,964
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,814,331,403</b>	<b>1,820,198,492</b>
<b>CURRENT LIABILITIES</b>			
Lease liabilities – current		58,059,331	39,687,428
Long-term loans – current		258,767,471	261,002,550
Trade and other payables		582,780,921	561,383,403
Amounts due to related parties		35,642,839	35,653,789
Dividends payable		154,982,489	155,678,170
Zakat payable	12	34,199,178	28,434,620
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,124,432,229</b>	<b>1,081,839,960</b>
<b>TOTAL LIABILITIES</b>		<b>2,938,763,632</b>	<b>2,902,038,452</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,809,315,710</b>	<b>9,521,482,347</b>

Mr. Amin Abdullah Albukhari  
Chief Financial Officer

Mr. Sultan Badr Alotaibi  
Chief Executive Officer

Mr. Badr Abdullah Aleisa  
Chairman of the Board

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements (unaudited).

**TAIBA INVESTMENT COMPANY**  
**(A Saudi Joint Stock Company)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)**

For the three-month period ended 31 March 2024

		<i>For the three-month period ended</i>	
		<i>31 March</i>	
	<i>Note</i>	<i>2024</i>	<i>2023</i>
		<i>SAR</i>	<i>SAR</i>
<b>Continuing operations</b>			
Revenues	13	<b>332,065,912</b>	110,956,910
Costs of revenues		<b>(179,462,491)</b>	(36,802,452)
		<hr/>	<hr/>
<b>GROSS PROFIT</b>		<b>152,603,421</b>	74,154,458
Selling and marketing expenses		<b>(1,101,418)</b>	(99,688)
General and administrative expenses		<b>(30,243,859)</b>	(16,153,868)
Reversal of impairment on trade receivables	10	<b>2,626,704</b>	3,513,298
Other operating expenses		<b>(3,836,269)</b>	(2,626,606)
		<hr/>	<hr/>
<b>OPERATING PROFIT</b>		<b>120,048,579</b>	58,787,594
Dividends from financial assets carried at FVOCI		<b>3,648,627</b>	9,729,672
Share of results in equity accounted investees	9	-	(1,414,217)
Finance costs		<b>(22,311,211)</b>	(3,179,221)
Other income, net		<b>16,068,045</b>	761,764
		<hr/>	<hr/>
<b>PROFIT BEFORE ZAKAT FROM CONTINUING OPERATIONS</b>		<b>117,454,040</b>	64,685,592
Zakat expense	12	<b>(5,809,893)</b>	(2,137,857)
		<hr/>	<hr/>
<b>PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS</b>		<b>111,644,147</b>	62,547,735
<b>Discontinued operations</b>			
Loss after zakat from discontinued operations	1	-	(885,173)
		<hr/>	<hr/>
<b>PROFIT FOR THE PERIOD</b>		<b>111,644,147</b>	61,662,562
		<hr/> <hr/>	<hr/> <hr/>
<b>Attributable to:</b>			
Shareholders of the Parent Company		<b>110,500,099</b>	62,062,661
Non-controlling interests		<b>1,144,048</b>	(400,099)
		<hr/>	<hr/>
		<b>111,644,147</b>	61,662,562
		<hr/> <hr/>	<hr/> <hr/>
<b>Earnings per share:</b>			
Basic and diluted earnings per share attributable to equity holders of the Parent	14	<b>0.42</b>	0.39

Mr. Amin Abdullah Albukhari  
Chief Financial Officer

Mr. Sultan Badr Alotaibi  
Chief Executive Officer

Mr. Badr Abdullah Aleisa  
Chairman of the Board

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements (unaudited).

**TAIBA INVESTMENT COMPANY**  
**(A Saudi Joint Stock Company)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**(UNAUDITED)**

**For the three-month period ended 31 March 2024**

		<i>For the three-month period ended</i>	
	<i>Note</i>	<i>31 March</i>	
		<i>2024</i>	<i>2023</i>
		<i>SAR</i>	<i>SAR</i>
<b>PROFIT FOR THE PERIOD</b>		<b>111,644,147</b>	61,662,562
<b>OTHER COMPREHENSIVE INCOME:</b>			
<i>Item that that may be reclassified to consolidated statement of income in subsequent periods:</i>			
Net change in fair value of cash flow hedges	15	<b>16,206,659</b>	(14,480,641)
Reclassification of realized portion from cash flow hedge in the interim condensed consolidated statement of Income	15	<b>(1,953,903)</b>	46,846
<i>Item that that will not be reclassified to consolidated statement of income in subsequent periods:</i>			
Net unrealized gain from revaluation of financial assets carried at FVOCI	8	<b>125,211,280</b>	112,565,727
<b>OTHER COMPREHENSIVE INCOME</b>		<b>139,464,036</b>	98,131,932
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>251,108,183</b>	159,794,494
<b>Attributable to:</b>			
Shareholders of the Parent Company		<b>249,964,135</b>	160,194,593
Non-controlling interests		<b>1,144,048</b>	(400,099)
		<b>251,108,183</b>	159,794,494

Mr. Amin Abdullah Albukhari  
Chief Financial Officer

Mr. Sultan Badr Alotaibi  
Chief Executive Officer

Mr. Badr Abdullah Aleisa  
Chairman of the Board

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**TAIBA INVESTMENT COMPANY**  
**(A Saudi Joint Stock Company)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

**For the three-month period ended 31 March 2024**

	<i>Equity attributable to the shareholders of the parent</i>						<i>Non-controlling interests</i>	<i>Total equity</i>	
	<i>Share capital</i>	<i>Share premium</i>	<i>Statutory reserve</i>	<i>General reserve</i>	<i>Other reserves</i>	<i>Retained Earnings</i>			<i>Total SAR</i>
<b>Balance as at 31 December 2023</b>	<b>2,604,574,830</b>	<b>1,720,000,000</b>	<b>1,000,000,000</b>	<b>208,791,276</b>	<b>125,853,393</b>	<b>899,974,078</b>	<b>6,559,193,577</b>	<b>60,250,318</b>	<b>6,619,443,895</b>
Profit for the period	-	-	-	-	-	110,500,099	110,500,099	1,144,048	111,644,147
Other comprehensive income for the period	-	-	-	-	139,464,036	-	139,464,036	-	139,464,036
Total comprehensive income for the period	-	-	-	-	139,464,036	110,500,099	249,964,135	1,144,048	251,108,183
<b>Balance as at 31 March 2024</b>	<b>2,604,574,830</b>	<b>1,720,000,000</b>	<b>1,000,000,000</b>	<b>208,791,276</b>	<b>265,317,429</b>	<b>1,010,474,177</b>	<b>6,809,157,712</b>	<b>61,394,366</b>	<b>6,870,552,078</b>
<b>Balance as at 31 December 2022</b>	1,604,574,830	-	1,000,000,000	208,791,276	27,558,030	790,174,815	3,631,098,951	25,529,293	3,656,628,244
Profit (loss) for the period	-	-	-	-	-	62,062,661	62,062,661	(400,099)	61,662,562
Other comprehensive income for the period	-	-	-	-	98,131,932	-	98,131,932	-	98,131,932
Total comprehensive income (loss) for the period	-	-	-	-	98,131,932	62,062,661	160,194,593	(400,099)	159,794,494
<b>Balance as at 31 March 2023</b>	<b>1,604,574,830</b>	<b>-</b>	<b>1,000,000,000</b>	<b>208,791,276</b>	<b>125,689,962</b>	<b>852,237,476</b>	<b>3,791,293,544</b>	<b>25,129,194</b>	<b>3,816,422,738</b>

Mr. Amin Abdullah Albukhari  
Chief Financial Officer

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Mr. Badr Abdullah Aleisa  
Chairman of the Board

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**TAIBA INVESTMENT COMPANY**  
**(A Saudi Joint Stock Company)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (UNAUDITED)**

**For the three-month period ended 31 March 2024**

	Note	<i>For the three-month period ended</i>	
		<i>2024</i>	<i>2023</i>
		<i>SAR</i>	<i>SAR</i>
<b>OPERATING ACTIVITIES</b>			
Profit before zakat from continuing operations		<b>117,454,040</b>	64,685,592
Loss before zakat from discontinued operations		-	(885,173)
		<b>117,454,040</b>	63,800,419
<i>Adjustments to reconcile income before zakat to net cash flow:</i>			
Depreciation of property and equipment	5	<b>33,357,989</b>	5,536,329
Amortization of intangible assets		<b>612,510</b>	181,781
Depreciation of investment properties	7	<b>3,050,729</b>	2,404,873
Depreciation on right-of-use asset		<b>3,380,137</b>	-
Gain on sale of property and equipment		<b>(9,656,000)</b>	-
Provision of employees' defined benefits liabilities		<b>11,903,409</b>	716,788
Reversal of provision for impairment of trade receivables	10	<b>(2,626,704)</b>	(3,513,298)
Loss from discontinued operations		-	885,173
Gain loss from impairment of inventories		<b>(9,000)</b>	-
Provision for legal cases obligations		<b>3,634,269</b>	-
Finance costs on term loans		<b>18,688,842</b>	3,179,221
Finance costs on lease liabilities		<b>3,608,875</b>	-
Unwinding of discount of due from related parties		<b>(173,190)</b>	(253,281)
Dividends from financial assets carried at FVOCI		<b>(3,648,627)</b>	(9,729,672)
Group's share of results of investment in equity accounted investees	9	-	1,414,217
Provision for losses of investment in associates		-	390,724
		<b>179,577,279</b>	65,013,274
<i>Working capital adjustments:</i>			
Trade receivables		<b>18,722,939</b>	5,617,116
Advances, prepayments and other receivables		<b>2,497,165</b>	778,479
Inventories		<b>(710,710)</b>	(148,449)
Trade and other payables		<b>(31,907,049)</b>	(30,117,441)
Related parties, net		<b>(1,457,745)</b>	(2,382,481)
<b>Cash flows from operations</b>		<b>166,721,879</b>	38,760,498
Employees' defined benefits liabilities paid		<b>(2,891,560)</b>	(245,957)
Zakat paid	12	<b>(45,335)</b>	-
<b>Net cash flows from operating activities</b>		<b>163,784,984</b>	38,514,541

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements (unaudited).

**TAIBA INVESTMENT COMPANY**  
**(A Saudi Joint Stock Company)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (UNAUDITED)**  
**(Continued)**

**For the three-month period ended 31 March 2024**

	<i>Note</i>	<i>2024</i> <i>SAR</i>	<i>2023</i> <i>SAR</i>
<b>INVESTING ACTIVITIES</b>			
Dividends received		<b>3,648,628</b>	-
Short-term investments		<b>100,000,000</b>	-
Additions to property and equipment	5	<b>(4,006,366)</b>	(540,400)
Additions to investment properties	7	<b>(35,000)</b>	(5,859)
Additions to projects under construction		<b>(85,699,846)</b>	(44,648,642)
Advances to contractors for projects under construction, net		<b>25,517,838</b>	(79,027,558)
Additions to intangible assets		<b>(148,859)</b>	-
Proceeds from disposal of property and equipment		<b>19,856,000</b>	-
Additions to investment in equity accounted investees	9	<b>(10,551,953)</b>	-
Net movement of assets held-for-sale and associated liabilities		-	831,158
<b>Net cash flow from (used in) investing activities</b>		<b><u>48,580,442</u></b>	<b><u>(123,391,301)</u></b>
<b>FINANCING ACTIVITIES</b>			
Repayment of term loans		<b>(51,555,784)</b>	(74,068,737)
Proceeds from term loans		<b>49,204,795</b>	150,000,000
Dividends paid		<b>(695,681)</b>	(1,304,026)
Finance costs paid		<b>(30,063,834)</b>	-
<b>Net cash flows (used in) from financing activities</b>		<b><u>(33,110,504)</u></b>	<b><u>74,627,237</u></b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
		<b>179,254,922</b>	(10,249,523)
Cash and cash equivalents at beginning of the period	11	<b><u>388,501,103</u></b>	<u>187,631,365</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>			
		<b><u>567,756,025</u></b>	<b><u>177,381,842</u></b>
<b>SIGNIFICANT NON-CASH TRANSACTION</b>			
Unrealized gains from revaluation of financial assets at FVOCI	8	<b>125,211,280</b>	112,565,727
Net change in fair value of cash flow hedges	15	<b>14,252,756</b>	(14,433,795)
Additions to projects under constructions		<b>53,727,634</b>	49,881,493
Capitalization of borrowing costs		<b>8,829,365</b>	2,135,506

Mr. Amin Abdullah Albukhari  
Chief Financial Officer

Mr. Sultan Badr Alotaibi  
Chief Executive Officer

Mr. Badr Abdullah Aleisa  
Chairman of the Board

**TAIBA INVESTMENT COMPANY**  
**(A Saudi Joint Stock Company)**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

**For the three-month period ended 31 March 2024**

**1. CORPORATE INFORMATION**

Taiba Investment Company (“Taiba”, “The Company” or “Parent Company”) has been formed as per the Royal Decree number M/41 dated 16 Jumada Al- Akhirah 1408H, its formation has been declared according to the decision of His Excellency the Minister of Trade and Investment No. 134 dated 13 Safar 1409H, corresponding to 24 September 1988, and Commercial Register No. 4650012403. The Extraordinary General Assembly held on 14 May 2019, agreed to amend article (2) of the Company's By-laws regarding changing the name of Taiba Holding Company to Taiba Investment Company. The Company's articles of association were amended on 21 May 2019.

The Company's registered office is located at Riyadh, Building Number 6575, As Safarat District, Post Code 12511 - Kingdom of Saudi Arabia

The Company's main activities include owning real estate, hotels, hospitals, recreational and tourism facilities and investing in them by selling or buying, renting, managing and operating, operating management of cities, facilities, public facilities and contracting in architectural, civil, mechanical, electrical, agricultural, industrial, mining, credit and mortgage service. The Company executes its activities in accordance with the applicable regulations and after obtaining the necessary licenses from the concerned authorities, if any.

The Company may have an interest or participate in any way with bodies, companies or individuals that engage in similar activities, or which may assist in achieving its purpose as it may merge or incorporate or purchased and may invest funds that achieves its interests.

The interim condensed consolidated financial statements include the financial statements of the Company and its subsidiaries as of 31 March 2024 (collectively referred to as the “Group”). All of these subsidiaries are incorporated in the Kingdom of Saudi Arabia:

**(A) Companies subject to the direct control of Taiba Investment Company,**

<i>Subsidiary Name</i>	<i>Principal activities</i>	<i>Effective ownership (%)</i>	
		<i>31 March 2024</i>	<i>31 December 2023</i>
Al Aqeeq Real Estate Development Company	Real estate development	<b>100%</b>	100%
DUR Hospitality Company	Hospitality and real estate development	<b>100%</b>	100%

On 21 June 2022, the 36th Ordinary Assembly of Taiba Agriculture Development Company (“TADEC”) approved the recommendation of the Company's board of directors for voluntary liquidation. During the quarter 2 of year ended 31 December 2023, the Company completed the sale of its total shares in TADEC, amounting to 274,000 shares, which represented 54.8% of the total shares of TADEC, for a total amount of SR 5.5 million, and resulted in a net loss of SR 24.9 million. The activities of TADEC were presented as discontinued operations in the prior year.

**(B) Companies subject to the indirect control of Taiba Investment Company,**

<i>Subsidiary Name</i>	<i>Principal activities</i>	<i>Effective ownership (%)</i>	
		<i>31 March 2024</i>	<i>31 December 2023</i>
Makkah Hotels Company Limited	Hospitality	<b>99.44%</b>	99.44%
Saudi Hotel Services Company	Hospitality	<b>70%</b>	70%
Alnakheel for Tourist Areas Company Limited	Hospitality	<b>98.73%</b>	98.73%
Nuzul Shada Hospitality Company	Hospitality and real estate development	<b>60%</b>	60%
Tabuk Hotels Company Limited	Hospitality	<b>97.14%</b>	97.14%
Jude Alia Company Limited	Real estate development	<b>99%</b>	99%
Al Sawaed Al Kareemah Investment and Real Estate Development Company	Hospitality and tourism	<b>95%</b>	95%
Sofraa Al Ewaa Hospitality Company (One Person Company)	Hospitality	<b>100%</b>	100%
Dara Oasis Company Limited (One Person Company)	Tourism	<b>100%</b>	100%
Dur Real Estate Communities Company (One Person Company)	Real estate development	<b>100%</b>	100%
Alsarh Alaniq Operation and Maintenance Company (One Person Company)	Cleaning and building maintenance services	<b>100%</b>	100%

**For the three-month period ended 31 March 2024**

## **2. BASIS OF PREPARATION**

### **2.1 Statement of Compliance**

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

The interim condensed consolidated financial statements do not include all information and disclosures required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards as endorsed in the Kingdom of Saudi Arabia and should be read in conjunction with the Group’s consolidated financial statements as at and for the year ended 31 December 2023.

### **2.2 Basis of measurement**

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for:

- investment in equity instruments at FVOCI and derivative financial instruments, which are measured at fair value; and
- employees’ end of service benefits which are measured under projected credit unit method.

Further, these interim condensed consolidated financial statements have been prepared using an accrual basis of accounting and on the basis that it will continue to operate as a going concern.

### **2.3 Functional and presentation currency**

These interim condensed consolidated financial statements are presented in Saudi Riyals (“SR”), which is the functional and presentation currency of the Group. These interim condensed consolidated financial statements have been rounded-off to the nearest Saudi Riyal, unless otherwise stated.

### **2.4 New standard and amendments issued and effective**

Following are amendments to the standards, which are effective for annual periods beginning on or before 1 January 2024:

#### **Name of standard, amendment, or interpretation**

- Amendments to IAS 1: Classification of Liabilities as Current or Non-current
- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback
- Amendments to IAS 7 and IFRS 7 –Supplier Finance Arrangements

These amendments had no impact on the interim condensed consolidated financial statements of the Group.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

### **2.5 New standard and amendments issued but not yet effective**

There are new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group’s interim condensed financial statements as listed.

#### **Name of standard, amendment, or interpretation**

- Amendments to IAS 21 – Lack of Exchangeability

#### **Effective date**

1 January 2025

The Group intends to adopt this amendment, if applicable, when becomes effective. This amendment will have no impact on the interim condensed consolidated financial statements of the Group.

## **3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

In preparing these interim condensed consolidated financial statements, management has made estimates and assumptions that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. The differences arising on revisions to estimates are recognised prospectively.

The significant judgments, assumptions and estimates made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the Group’s annual consolidated financial statements for the year ended 31 December 2023.

**For the three-month period ended 31 March 2024**

#### **4. SEGMENT REPORTING**

The Group has the following strategic divisions, which represents its reportable segments. These segments offer different services and are managed separately because they have different economic characteristics – such as trends in sales growth, rates of return and level of capital investment – and have different marketing strategies.

All the Group's businesses are located in the Kingdom of Saudi Arabia. The following summary describes the operations of each reportable segment:

- A) Real estate sector - includes leasing services of residential and commercial centers owned by the Group and managing properties.
- B) Tourism sector - includes the operation and accommodation of hotels, hotel suites and tourist resorts.
- C) Property management sector – includes management and operations of the hotels and properties.
- D) Agriculture sector - includes the activity of planting and selling dates and some other agricultural products. The activities of segments were classified as discontinued operations in the prior year and has been disposed of during the current year.
- E) Headquarter - includes the Company's Headquarter and the financial information regarding other investments owned by the Group.

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**4. SEGMENT REPORTING (CONTINUED)**

The segments' performance is evaluated based on income or loss and measured based on a fixed basis in accordance with profit or loss in the interim condensed consolidated financial statements. However, the group's financing (including financial burdens) is managed on the Group level basis and not distributed to the operating sectors and revenues.

Following is a summary of certain financial information for the two periods ended 31 March:

	<u>Real Estate</u>	<u>Tourism</u>	<u>Property Management</u>	<u>Agriculture*</u>	<u>Head Office</u>	<u>Elimination of inter segment balances and transactions</u>	<u>Total SAR</u>
<u>2024</u>							
Revenues	86,992,845	243,233,046	1,840,021	-	-	-	332,065,912
Intersegment revenues	2,839,715	340,027	5,804,779	-	-	(8,984,521)	-
Cost of revenues (excluding depreciation)	(12,948,880)	(134,064,603)	(1,658,926)	-	-	8,873,243	(139,799,166)
Depreciation and amortization	(10,947,706)	(28,714,257)	(1,362)	-	-	-	(39,663,325)
Gross segment profit	65,935,974	80,794,213	5,984,512	-	-	(111,278)	152,603,421
Segment assets	1,676,946,809	3,719,760,765	681,779	-	7,048,910,389	(2,636,984,032)	9,809,315,710
Segment liabilities	213,747,958	809,393,668	2,584,154	-	2,633,828,039	(720,790,187)	2,938,763,632
<u>2023</u>							
Revenues	44,175,242	66,781,668	-	-	-	-	110,956,910
Cost of revenues (excluding depreciation)	(5,022,513)	(24,046,183)	-	-	-	-	(29,068,696)
Depreciation and amortization	(2,431,308)	(5,302,448)	-	-	-	-	(7,733,756)
Gross segment profit	36,721,421	37,433,037	-	-	-	-	74,154,458
Segment assets	470,500,582	1,336,540,902	-	57,955,536	3,241,160,334	(499,663,496)	4,606,493,858
Segment liabilities	54,829,813	118,961,971	-	2,360,283	1,113,582,549	(499,663,496)	790,071,120

\* Represents assets held-for-sale and associated liabilities.

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**4. SEGMENT REPORTING (CONTINUED)**

4.1 Reconciliation of information on reportable segments to income before zakat of the Group for the two periods ended 31 March:

	<i>2024</i>	<i>2023</i>
	<i>SAR</i>	<i>SAR</i>
Gross profit of operating segments	<b>152,603,421</b>	74,154,458
<b>Un-allocated amount:</b>		
Selling and marketing expenses	<b>(1,101,418)</b>	(99,688)
General and administrative expenses	<b>(30,243,859)</b>	(16,153,868)
Reversal of impairment losses on trade receivables	<b>2,626,704</b>	3,513,298
Other operating expenses	<b>(3,836,269)</b>	(2,626,606)
Dividend from investees at FVOCI	<b>3,648,627</b>	9,729,672
Share of results of equity accounted investees	-	(1,414,217)
Finance costs	<b>(22,311,211)</b>	(3,179,221)
Other income, net	<b>16,068,045</b>	761,764
<b>Total un-allocated amounts</b>	<b>(35,149,381)</b>	(9,468,866)
<b>Income before zakat</b>	<b>117,454,040</b>	64,685,592

**5. PROPERTY AND EQUIPMENT**

Movement in property and equipment during the three-month period / year is as follows:

	<b>31 March</b>	31 December
	<b>2024</b>	2023
	<i>(Unaudited)</i>	<i>(Audited)</i>
At beginning of the period / year	<b>4,884,793,428</b>	2,240,346,614
Acquisition of subsidiary	-	2,380,151,761
Additions during the period / year	<b>4,006,366</b>	43,002,503
Transfers from projects under construction during the period / year	-	269,837,254
Depreciation during the period / year	<b>(33,357,989)</b>	(34,204,449)
Transfers	-	(341,828)
Disposals during the period / year	<b>(10,200,000)</b>	(13,998,427)
<b>Balance at the end of the period / year</b>	<b>4,845,241,805</b>	4,884,793,428

The property and equipment include 4 plots of land owned by the Group, in Al Madinah Al Munawwarrah and Riyadh, with a total book value of SR 522 million mortgaged to a local bank in exchange for a loan to carry out business on it.

**6. PROJECTS UNDER CONSTRUCTION**

Movement in projects under construction during the three-month period /year is as follows:

	<b>31 March</b>	31 December
	<b>2024</b>	2023
	<i>(Unaudited)</i>	<i>(Audited)</i>
At beginning of the period / year	<b>610,819,613</b>	292,560,808
Acquisition of subsidiary	-	299,484,016
Additions during the period / year	<b>148,256,845</b>	288,612,043
Transfers to property and equipment	-	(269,837,254)
<b>Balance at the end of the period</b>	<b>759,076,458</b>	610,819,613

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**7. INVESTMENT PROPERTIES**

Movement in investment properties during the three-month period /year is as follows:

	<b>31 March 2024</b> <i>(Unaudited)</i>	31 December 2023 <i>(Audited)</i>
At beginning of the period / year	<b>685,817,954</b>	464,241,768
Acquisition of subsidiary	-	218,129,618
Additions during the period / year	<b>35,000</b>	16,684,535
Depreciation during the period / year	<b>(3,050,729)</b>	(10,218,195)
Impairment during the period / year	-	(3,238,663)
Adjustment / disposal	-	218,891
<b>Balance at the end of the period / year</b>	<b>682,802,225</b>	<b>685,817,954</b>

- 7.1 The Group's investment properties consist of 6 commercial properties in Al Madina Al Munawara and Riyadh (31 December 2023: 6 properties) including offices, buildings and shops fully leased to other parties.
- 7.2 The fair value of investment properties amounted to SR 3.56 billion as at 31 December 2023. The fair value was determined by an independent external real estate evaluator (Value Strat & Barcode) accredited by the Saudi Authority for Accredited Valuers ("TAQEEM") to determine the investment properties fair value. The fair value of investment properties was determined using valuation methodologies including significant judgments and estimations. Any significant change in the assumptions used in the fair valuation of investment properties, such as the discount rate, return, rental growth, etc., will result in a significant change in fair value for these assets. The Group's management believes that there are no significant effects on the above estimates during the three-month period ended 31 March 2024.
- 7.3 On 12 March 2020, through the sale agreement of TACOMA, the Group transferred the land and buildings on which it is located with a value of SR 4.3 million for the Group under the terms of the agreement, and therefore the land and buildings on which it is located have been reclassified as investment properties. The legal procedures to transfer the ownership of the land and buildings are still under process up to the date of the interim condensed consolidated financial statements. During the year ended 31 December 2023, the management assessed that there are significant doubts about the transfer of ownership and accordingly, recorded impairment for the entire amount during the year ended 31 December 2023.

**8. FINANCIAL ASSETS CARRIED AT FVOCI**

	<i>Note</i>	<b>31 March 2024</b> <i>(Unaudited)</i>	31 December 2023 <i>(Audited)</i>
Investments in quoted shares	8.1	<b>838,225,931</b>	713,014,652
Investments in unquoted shares	8.2	<b>31,192,651</b>	31,192,651
<b>Total</b>		<b>869,418,582</b>	744,207,303
<b>Less: Current portion</b>		<b>147,161,289</b>	168,080,084
<b>Non-current portion</b>		<b>722,257,293</b>	576,127,219

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**8. FINANCIAL ASSETS CARRIED AT FVOCI (CONTINUED)**

Movement during the period / year in financial assets carried at FVOCI is as follows:

	<b>31 March 2024</b>	31 December 2023
	<i>(Unaudited)</i>	<i>(Audited)</i>
<b>Balance at beginning of the period / year</b>	<b>744,207,302</b>	630,051,595
Acquisition of subsidiary	-	1,716,084
Unrealized gain from revaluation, net	<b>125,211,280</b>	112,439,623
<b>Balance at the end of the period / year</b>	<b>869,418,582</b>	744,207,302

**8.1 Investment in quoted shares**

	<i>Shareholding percentage</i>		<b>31 March 2024</b>	31 December 2023
	<i>2024</i>	<i>2023</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
SABIC for Agri-nutrients	<b>0.25%</b>	0.25%	<b>147,161,289</b>	168,080,084
Knowledge Economic City Company	<b>9.60%</b>	9.60%	<b>568,846,800</b>	456,771,600
Makkah Construction and Development Company	<b>0.72%</b>	0.72%	<b>122,217,842</b>	88,162,968
<b>Total</b>			<b>838,225,931</b>	713,014,652

**8.2 Investment in unquoted shares**

	<i>Shareholding percentage</i>		<b>31 March 2024</b>	31 December 2023
	<i>2024</i>	<i>2023</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
Kinan International Real Estate Development Company	<b>2.33%</b>	2.33%	<b>29,476,567</b>	29,476,567
National Tourism Company	<b>1.67%</b>	1.67%	<b>1,716,084</b>	1,716,084
<b>Total</b>			<b>31,192,651</b>	31,192,651

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**9. INVESTMENTS IN EQUITY ACCOUNTED INVESTEEES**

<i>Name</i>	<i>Principle business sector</i>	<i>Country of incorporation</i>	<i>Shareholder Direct (%)</i>		<b>31 March 2024</b> <i>(Unaudited)</i>	31 December 2023 <i>(Audited)</i>
			<b>2024</b>	2023		
Al-Seera City Company for Real Estate Development	Investment properties	Kingdom of Saudi Arabia	<b>20%</b>	20%	<b>147,947</b>	147,947
Saudi Heritage Hospitality Company	Provision of touristic services	Kingdom of Saudi Arabia	<b>55%</b>	55%	<b>6,148,328</b>	6,148,328
Knowledge Economic City Developers Company	Rendering real estate services	Kingdom Saudi Arabia	<b>35.06%</b>	35.06%	<b>333,339,658</b>	333,339,658
Al Madinah Hotels Company Limited	Rendering real estate services	Kingdom Saudi Arabia	<b>50%</b>	50%	<b>4,142,289</b>	4,142,289
Al-Madina Tower Real Estate Company	Rendering of hotel services	Kingdom of Saudi Arabia	<b>49%</b>	49%	<b>49,246,203</b>	38,694,250
Madinah Airport Hotel Company (9.1)	Rendering of hotel services	Kingdom of Saudi Arabia	<b>33.33%</b>	33.33%	-	-
					<b>393,024,425</b>	<b>382,472,472</b>

Movement in investment in equity accounted investees during the period / year is as follows:

	<b>31 March 2024</b> <i>(Unaudited)</i>	31 December 2023 <i>(Audited)</i>
Balance at beginning of the period / year	<b>382,472,472</b>	337,656,977
Acquisition of subsidiary	-	44,617,760
Share in net results for the period / year	-	(913,722)
Additions during the period / year	<b>10,551,953</b>	1,111,457
<b>Balance at the end of the period / year</b>	<b>393,024,425</b>	<b>382,472,472</b>

9.1 During the year ended 31 December 2023, the partners of Madina Airport Hotel Company (including Taiba Investment Company) decided to support the cash liquidity position of Madinah Airport Hotel Company by providing a long-term loan by signing an “investment agency” contract with Madinah Airport Hotel Company, and Taiba Investment Company paid its share amounting to SR 15 million, maturing on 31 May 2041. The Group has recorded share of losses during the period ended 31 March 2024 of SR nil (31 December 2023: SR 2.8 million) resulting in accumulated provision against losses of investment in equity accounted investees to be SR 9.7 million, for legal and contractual liabilities to provide financial support to this company to meet its financial obligations when due. The Group is also liable for a potential liability of SR 37.63 million, which represents the value of the guarantee granted by the Group to a financial institution to secure the loan of Madinah Airport Hotel Group and the Group has not recorded any provision for this potential obligation.

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**10. TRADE RECEIVABLES**

	<b>31 March 2024</b>	31 December 2023
	<i>(Unaudited)</i>	<i>(Audited)</i>
Trade receivables	<b>261,676,442</b>	280,399,381
Less: Provision for impairment	<b>(121,757,417)</b>	(124,384,121)
<b>Balance at the end of the period / year</b>	<b>139,919,025</b>	156,015,260

**Movement in allowance for impairment of trade receivables is as follows:**

	<b>31 March 2024</b>	31 December 2023
	<i>(Unaudited)</i>	<i>(Audited)</i>
Balance at beginning of the period / year	<b>124,384,121</b>	102,739,079
Acquisition of a subsidiary	-	39,379,840
Reversal during the period / year, net	<b>(2,626,704)</b>	(11,941,133)
Provision written off	-	(5,793,665)
<b>Balance at the end of the period / year</b>	<b>121,757,417</b>	124,384,121

**11. CASH AND CASH EQUIVALENTS**

	<b>31 March 2024</b>	31 December 2023
	<i>(Unaudited)</i>	<i>(Audited)</i>
Cash in bank (11.1)	<b>564,017,362</b>	297,755,171
Cash in hand	<b>738,663</b>	745,932
Murabaha investment (11.2)	<b>3,000,000</b>	90,000,000
	<b>567,756,025</b>	388,501,103

11.1 Balances at banks include restricted cash held by the Group amounted to SR 101.5 million (31 December 2023: SR 100.5 million) related to dividends due to the Group's shareholders and this balance is not available for the general use of the Company.

11.2 Murabaha investments represent investment in Islamic Murabaha with commercial banks and the average maturity of those deposits' ranges between 30 to 90 days.

**12. ZAKAT**

From the year 2019, the Company and its fully owned subsidiaries are submitting a consolidated Zakat declaration. For subsidiaries with less than 100% ownership, they file separate Zakat declarations. The main components of the Zakat base for each Company according to the Zakat and income tax system consist of shareholders' equity, provisions at the beginning of the year and adjusted income less discounts for the adjusted net book value of property, equipment, investment properties and projects under construction and investments.

**12.1 Movement in Zakat provision**

	<b>2024</b>	2023
Balance at the beginning of the period / year	<b>28,434,620</b>	11,163,964
Acquisition of a subsidiary	-	14,111,032
Charged during the period / year	<b>5,809,893</b>	11,049,317
Paid during the period / year	<b>(45,335)</b>	(7,380,728)
Adjustments during the period / year	-	(508,965)
<b>Balance at the end of the period / year</b>	<b>34,199,178</b>	28,434,620

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**12. ZAKAT (CONTINUED)**

**12.2 Zakat status of the Group's companies**

As at 31 December 2023, the Group's companies Zakat status was as follows:

**Taiba Investment Company and Al Aqeeq Real Estate Development Company**

Taiba Investment Company and Al Aqeeq Real Estate Development Company have filed their Zakat returns with Zakat, Tax and Customs Authority ("ZATCA") for all years up to 2023 and received a Zakat certificate valid until 30 April 2025. The companies completed the Zakat assessments up to 31 December 2020

During 2023, ZATCA has raised certain queries for the years 2021 to 2022. The companies have provided the necessary information in response to ZATCA queries for the above years, and these are still under the ZATCA's review process.

**Dur Hospitality Company**

Dur Hospitality Company and its subsidiaries have filed their Zakat returns with ZATCA for all years up to 2023 and received a Zakat certificate valid until 30 April 2025.

Dur received its zakat assessments from ZATCA up to 31 December 2014 and for the years 2016, 2017, 2018 and 2020.

ZATCA issued zakat assessments for the year 2015. Dur submitted its objections on those assessments. Those objections were accepted by ZATCA, except for an amount of SR 0.86 million. The Company submitted its appeal to the General Secretariat of the Committees ("GSTC"). GSTC accepted the Company's objections for amount of SR 0.62 million and rejected an amount of SR 0.25 million. In May 2022, ZATCA appealed to Appeal Committee for Tax Violations and

Disputes Resolution ("ACTVDR") against GSTC decision. The Company submitted its response to ACTVDR within the timeline required. The ACTVDR ruled in favor of the Company. Accordingly, the Company is required to pay an amount that was not previously objected to amounting SR 0.25 million to close the case.

ZATCA issued zakat assessment for the year 2019, which resulted in zakat differences of SR 3.03 million. The Company has paid all the unobjectionable amounts aggregating SR 1.2 million and raised objections to the rest of the items in dispute. This resulted in the issuance of an amended assessment by ZATCA with additional amount of SR 1.04 million. The Company filed an objection with the GSTC to consider the items under objection. The Committee for Resolution of Tax Violations and Disputes "CRTVD" issued its decision and rejected the Company's objection. The Company has appealed to the Appellate Committee for Tax Violations and Disputes Resolution "ACTVDR" within the timeline required and the ruling was issued in favor of the ZATCA in December 2023. Accordingly, the Company has paid the final zakat liability of SR 0.59 million.

ZATCA has not finalized yet the zakat assessment for the year ended 31 December 2021 and 2022.

ZATCA issued zakat assessments for the subsidiaries for all the years up to 2018, except for Tabuk Hotels Company and Annakheel Company Tourist Areas Limited, which have received assessment till 2020 and Saudi Hotels Services Company, which has received assessment till 2019.

**13. REVENUE**

	<i>For the three-month period ended</i>	
	<i>31 March</i>	
	<i>2024</i>	<i>2023</i>
Hospitality revenue	<b>243,233,046</b>	66,781,668
Rental - real estate properties	<b>86,992,845</b>	44,175,242
Property management	<b>1,840,021</b>	-
	<b>332,065,912</b>	110,956,910

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**14. EARNING PER SHARE**

Earnings per share is calculated as follows:

	<i>For the three-month period ended 31 March</i>	
	<i>2024</i>	<i>2023</i>
Net profit for the year to shareholders	<b>110,500,099</b>	62,062,661
Weighted average number of ordinary shares	<b>260,457,483</b>	160,457,483
<b>Earnings per share - basic and diluted</b>	<b>0.42</b>	0.39

No item for diluting earnings per share that impacts weighted average number of ordinary shares.

**15. DERIVATIVE FINANCIAL INSTRUMENTS**

The Group has covered the risk of Murabaha rates on some of the loans obtained from local banks. This is to reduce the risk of Murabaha rates that are eligible for designation as “cash flow hedges”. The Group’s share of changes in effective cash flow hedge reserves, subsequent to acquisition is recognized in its equity. According to the Company’s policy, financial derivatives are not used for trading and speculation purposes.

As of 31 March 2024, Murabaha price swap agreements (“swap contracts”) with local banks amounted to a total nominal amount of SR 600 million to hedge against future fluctuations in Murabaha rates for part of their loans signed with the bank for financing projects under development.

The tables below provide a summary of hedged items, hedging instruments and derivative trading, the notional amounts, and their fair values. The notional amounts indicate the volume of transactions outstanding at the financial statements date and are neither indicative of market risk nor credit risk.

Maturity date for swap contracts, and average rate of interest are as follow:

	<i>Maturity date</i>				<i>Total</i>
	<i>Less than 3 months</i>	<i>3 to 12 months</i>	<i>1 to 5 years</i>	<i>More than 5 years</i>	
Murabaha rate swap contracts	—	—	—	<b>600,000,000</b>	<b>600,000,000</b>
Average rate of Murabaha	—	—	—	<b>4.37%</b>	<b>4.37%</b>

The impact of Hedging instrument on the statement of financial position is as below:

<i>Murabaha rate swap contracts as at</i>	<i>Nominal value</i>	<i>Carrying value</i>	<i>Item in the statement of financial position</i>	<i>Change in fair value</i>
<b>31 March 2024</b>	<b>600,000,000</b>	<b>16,877,911</b>	<b>Derivative Financial instruments</b>	<b>12,741,047</b>
31 December 2023	600,000,000	4,136,864	Derivative Financial instruments	(11,209,811)

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**15. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)**

The impact of Cash flow hedges recorded in statement of income and other comprehensive income consist of:

	<i>Profit and loss through other comprehensive income</i>	<i>Non- effectiveness recognized in statement of income</i>	<i>Item in the statement of income</i>	<i>Reclassified amounts through the statement of income</i>	<i>Item in the statement of income</i>
<b>31 March 2024</b>	<b>16,206,659</b>	—	—	<b>(1,953,903)</b>	<b>Finance costs</b>
31 March 2023	(14,480,641)	—	—	46,846	Finance costs

**16. BUSINESS COMBINATION AND GOODWILL**

On 30 November 2023 Taiba Investment Company acquired 100% of the issued share capital of Dur Hospitality Company (“DUR”), which is involved in the business of construction, acquisition, operation, management, through partnership and rent of hotels, restaurants, motels, rest stops, entertainment centers, travel agencies, private and public roads and tourism areas. The acquisition is in line with the Group’s strategy of growth market competitiveness.

The Company accounted for the acquisition using the provisional values in the consolidated financial statements for the year ended 31 December 2023, as the process of evaluating the identifiable assets acquired and liabilities assumed and allocating the purchase consideration for was still not concluded. This resulted in goodwill of SR 1.114 billion.

Due to the inherent complexity and judgement associated with identifying intangible assets and determining the fair value of identified intangible assets and on-balance sheet items, the process was incomplete, till the date interim condensed consolidated financial statements were authorized for issue. Accordingly, the Company is carrying the same provisional values and resultant goodwill. The Company shall retrospectively adjust provisional amounts recognized during the measurement period.

**17. SEASONALITY**

The operations and revenues of the Group are affected by the seasonal changes during the year and for certain periods, especially Hajj and Umrah seasons and the summer break. Therefore, the results of operations for the three months period ended 31 March 2024 may not necessarily be indicative of the annual results of the Group.

**For the three-month period ended 31 March 2024**

## **18. FINANCIAL INSTRUMENTS**

The Group measures financial instruments at fair value as at the date of the financial statements. 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 assumption that selling an asset or transferring an obligation will take 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 by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants may use when pricing the asset or liability and assuming that the participants act for their best interest.

When measuring the fair value of a non-financial asset, the market participant's ability to generate economic benefits arising from the best use of the asset or its sale to another market participant who may be using the best use is taken into account.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair values are measured or disclosed in the financial statements are classified within the fair value hierarchy, which is illustrated below, on the basis of the minimum inputs that are important to measure the fair values as a whole:

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Valuation techniques so that the minimum limit that can be determined for significant inputs to measure fair value can be observed directly or indirectly.
- Level 3 Valuation techniques so that the minimum limit that can be determined for significant inputs to measure fair value cannot be observed.

**TAIBA INVESTMENT COMPANY**  
**(A Saudi Joint Stock Company)**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)**

**For the three-month period ended 31 March 2024**

**18. FINANCIAL INSTRUMENTS (CONTINUED)**

*Following are the details of the classification of financial instruments:*

	<b>31 March 2024</b>				<b>31 December 2023</b>			
	<i>Total</i>	<i>Amortized cost</i>	<i>fair value through statement of income</i>	<i>Fair value through OCI</i>	<i>Total</i>	<i>Amortized cost</i>	<i>fair value through statement of income</i>	<i>Fair value through OCI</i>
<b>Financial Assets</b>								
Financial asset at fair value	<b>869,418,582</b>	—	—	<b>869,418,582</b>	744,207,303	—	—	744,207,303
Trade receivables	<b>139,919,025</b>	<b>139,919,025</b>	—	—	156,015,260	156,015,260	—	—
Due from related parties	<b>18,692,386</b>	<b>18,692,386</b>	—	—	17,278,752	17,278,752	—	—
Cash and cash equivalent	<b>567,756,025</b>	<b>567,756,025</b>	—	—	388,501,103	388,501,103	—	—
Derivative Financial instruments	<b>16,877,911</b>	—	—	<b>16,877,911</b>	4,136,864	—	—	4,136,864
<b>TOTAL</b>	<b>1,612,663,929</b>	<b>726,367,436</b>	—	<b>886,296,493</b>	<b>1,310,139,282</b>	<b>561,795,115</b>	—	<b>748,344,167</b>
<b>Financial liabilities</b>								
Trade and other payable	<b>51,810,503</b>	<b>51,810,503</b>	—	—	59,844,097	59,844,097	—	—
Dividend Payable	<b>154,982,489</b>	<b>154,982,489</b>	—	—	155,678,170	155,678,170	—	—
Loans	<b>1,710,124,999</b>	<b>1,710,124,999</b>	—	—	1,712,475,988	1,712,475,988	—	—
	<b>1,916,917,991</b>	<b>1,916,917,991</b>	—	—	<b>1,927,998,255</b>	<b>1,927,998,255</b>	—	—

**For the three-month period ended 31 March 2024**

**19. SUBSEQUENT EVENTS**

No matters have occurred up to and including the date of the approval of the interim condensed consolidated financial statements which could materially affect the interim condensed consolidated financial statements and the related disclosures for the three-month period ended 31 March 2024.

**20. COMPARATIVE FIGURES**

Certain of the prior year numbers have been reclassified to conform with the presentation in the current period.

**21. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL**

The interim condensed consolidated financial statements were approved and authorized for issue by the Group's Board Directors on 05 Dhu Al-Qi'dah 1445H (corresponding to 13 May 2024G).