FITAIHI HOLDING GROUP COMPANY
(A Saudi Joint-Stock Company)
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021

FITAIHI HOLDING GROUP COMPANY
(A Saudi Joint-Stock Company)

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
For the year ended December 31, 2021

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BDO الدكتور محمد العمري وشركاه
Dr. Mohamed Al-Amri & Co.

Head office: Moon Tower - 8 Floor
P.O. Box 8736, Riyadh 11492
Unified Number : 92 002 4254
Fax : +966 11 278 2883

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Fitaihi Holding Group Company
(A Saudi Joint-Stock Company)
Jeddah, Kingdom of Saudi Arabia

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Fitaihi Holding Group Company ("the Company") and its subsidiaries (together as "the Group"), which comprise the consolidated statement of financial position as at December 31, 2021, consolidated statement of profit or loss and consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and notes, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") that are endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters, the key audit matters include:

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Inventory valuation	
Key audit matter	How the matter was addressed in our audit
As of December 31, 2021, the inventory balance reached SAR 103.3 million (2020: SAR 115.9 million) Inventory is stated at lower of cost or net realizable value. We considered this as a key audit matter due to the significance of the inventory balance and management's judgments and assumptions used by the group Management when access the reasonable impairment for inventory Which include the circumstance taken in consideration when access the reasonable impairment for inventory as follow: - Access the level of Inventory slow-moving and obsolescence based on the aging level of the inventory items by taking into consideration nature, age, and expectations of being sold using their experience and other qualitative factors. - Access the net realizable value based on the future prediction and other factor.	We performed the following audit procedures, in this area among others: -Evaluate the appropriateness of the assumptions used by the Group management's judgments and assumptions used by the group Management to verify whether the inventory was valued at lower of cost or net realizable value. - Revaluating the impairment of Inventory slow-moving and obsolescence. - Testing the net realizable value of the inventory through a sample of items and comparing the net realizable value with the book value of the inventory at the end of the year. - Assess the adequacy and appropriateness of relevant disclosures in consolidated financial statements for compliance with the requirements of the relevant International financial reporting standards.
Refer to note (4-17) for accounting policies and note (11) for related disclosures.	

Other Information:

Other information consists of the information included in the Group's 2021 annual report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information in its annual report. The Group's 2021 annual report is expected to be made available to us after the date of this auditor's report.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated financial statements

The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards ("IFRS") that are endorsed in the Kingdom of Saudi Arabia, other standards and pronouncements endorsed by SOCPA and the Regulations for Companies, and for such internal control and companies article of association as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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Responsibilities of Management and Those Charged with Governance for the Consolidated financial statements (Continued)

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of entities or businesses within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

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

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may be thought to bear on our independence and, where applicable, related safeguards.

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

For BDO Dr. Mohamed Al-Amri & Co.

Maher Al-Khatieb
Certified Public Accountant
Registration No. 514

د. محمد العمري وشركاه - محاسبون قانونيون
شركة مهنية رقم ٣٢٣/١١/٩٦
س.ت ٤٠٣٠٢٧٥٣٣٠
Jeddah
Certified Public Accountants
Dr. Mohamed Al-Amri & Co.

27/08/1443 (H)
30/03/2022(G)

FITAIHI HOLDING GROUP COMPANY
(A SAUDI JOINT-STOCK COMPANY)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021
Expressed in Saudi Riyals

	Note	2021	2020
ASSETS			
Non-CURRENT ASSETS			
Property and equipment	(7)	41,731,771	54,667,944
Right of use assets	(8)	711,404	1,995,993
Investment in associates	(9)	208,058,571	272,002,334
Investments in equity instruments at fair value through other comprehensive income	(10)	153,535,883	102,518,824
Total non-current assets		**404,037,629**	**431,185,095**
Current assets			
Inventory	(11)	103,311,412	115,963,382
Trade and other receivables	(12)	3,016,864	4,538,322
Cash and cash equivalents	(13)	15,708,438	97,118,513
Total current assets		**122,036,714**	**217,620,217**
Total assets		**526,074,343**	**648,805,312**
EQUITY AND LIABILITIES			
Equity			
Share capital	(14)	275,000,000	550,000,000
Statutory reserve	(15)	68,156,170	53,192,332
Retained earnings		129,449,158	19,322,965
Revaluation reserve of investments in equity instruments at fair value through other comprehensive income		34,926,642	3,736,019
Equity attributable to shareholders of the parent company		**507,531,970**	**626,251,316**
Non-controlling Interests	(16)	-	-
Total equity		**507,531,970**	**626,251,316**
Non-current liabilities			
Lease liabilities -Non current portion	(8)	-	810,188
Employee defined benefit liabilities	(17)	1,527,101	1,201,146
Total non-current Liabilities		**1,527,101**	**2,011,334**
Current liabilities			
Lease liabilities -current portion	(8)	810,188	1,370,213
Trade and other payables	(18)	10,231,537	11,218,332
Zakat payable	(23)	5,973,547	7,954,117
Total current liabilities		**17,015,272**	**20,542,662**
Total liabilities		**18,542,373**	**22,553,996**
Total equity and liabilities		**526,074,343**	**648,805,312**

Chief Executive Officer General Manager of Financial Department	Authorized Board Member	Chairman of Board of directors
Name: Yasser Yehia Abdulhamid	**Name:** Ibrahim Hassan Almadhon	**Name:** Ahmed Hassan Fitaihi
Signature:	**Signature:**	**Signature:**

The accompanying notes (1) to (31) form an integral part of these consolidated financial statements

FITAIHI HOLDING GROUP COMPANY
(A SAUDI JOINT-STOCK COMPANY)
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2021
Expressed in Saudi Riyals

	Note	2021	2020
Net sales		52,669,793	48,019,875
Cost of sales		(47,700,963)	(29,864,309)
Gross profit of sales		**4,968,830**	**18,155,566**
Dividends from equity instruments at fair value	(19)	15,128,589	7,591,580
Net profit of investments at fair value through profit or loss	(26)	1,200,831	-
Share of the results of associate companies Accounted by equity method	(9-1)	24,546,447	9,530,000
Gain from sale of shares of an associate company	(9-B)	125,701,957	32,118,261
Reversal Impairment /(Impairment) of investment in associate	(9-2)	-	15,952,504
Gross profit		**171,546,654**	**83,347,911**
Selling and distribution expenses	(20)	(13,910,135)	(16,148,396)
General and administrative expenses	(21)	(15,826,991)	(13,480,344)
Provision of slow-moving inventory	(11)	-	(7,379,747)
Profit from operation		**141,809,528**	**46,339,424**
Gain from the sales of property and equipment		13,786,436	-
Other (expenses) /income	(22)	(795,213)	425,450
Profit before Zakat		**154,800,751**	**46,764,874**
Zakat	(23)	(5,162,371)	(10,751,113)
Net Profit for the year from continuing operations		**149,638,380**	**36,013,761**
Net (loss) for the year from discontinued operations	(25-1)	-	(6,464,874)
Net profit for the year		**149,638,380**	**29,548,887**
attributable to:			
Shareholders of the parent company			
Profit for the year from continuing operations		149,638,380	36,013,761
(Loss) for the year from discontinued operations		-	(6,012,672)
Net Profit for the year attributable to shareholders of the parent company		**149,638,380**	**30,001,089**
Net (loss) for the year for discontinued operation of non-controlling interest		-	(452,202)
Net income for the year		**149,638,380**	**29,548,887**
Earnings per share from continuing and discontinued operations:			
Basic and diluted earnings per share attributable to shareholders of the Parent company.	(24)	**3.23**	**0.55**
For continuing operation			
Basic and diluted earnings per share attributable to shareholders of the Parent company.	(24)	**3.23**	**0.65**

Chief Executive Officer
General Manager of Financial Department
Name: Yasser Yehia Abdulhamid
Signature:

Authorized Board Member
Name: Ibrahim Hassan Almadhon
Signature:

Chairman of Board of directors
Name: Ahmed Hassan Fitaihi
Signature:

FITAIHI HOLDING GROUP COMPANY
(A SAUDI JOINT-STOCK COMPANY)
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2021
Expressed in Saudi Riyals

	Note	2021	2020
Net profit for the year		149,638,380	29,548,887
Items that will not to be reclassified subsequently to profit or loss			
Change in value of investment in equity instruments at fair value	(10)	31,222,702	(1,104,930)
Re-measuring (loss) /gain of employee defined benefit plan	(17)	(92,746)	110,965
Share of Re-measuring of defined benefit plan in associate companies	(9a)	262,318	706,849
Net comprehensive income		**181,030,654**	**29,261,771**
attributable to:			
Shareholders of the parent company			
Profit for the year from continuing operations		181,030,654	35,726,645
(Loss) for the year from discontinued operations		-	(6,012,672)
Net other comprehensive profit /(loss) for the year attributable to shareholders of the parent company		**181,030,654**	**29,713,973**
Net other comprehensive (loss) for the year for the discontinuous operation of Non-controlling interest		-	(452,202)
Total Other comprehensive income		**181,030,654**	**29,261,771**

Chief Executive Officer
General Manager of Financial Department
Name: Yasser Yehia Abdulhamid
Signature:

Authorized Board Member
Name: Ibrahim Hassan Almadhon
Signature:

Chairman of Board of directors
Name: Ahmed Hassan Fitaihi
Signature:

The accompanying notes (1) to (31) form an integral part of these consolidated financial statements

FITAIHI HOLDING GROUP COMPANY
(A SAUDI JOINT-STOCK COMPANY)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021
Expressed in Saudi Riyals

	Share capital	Statutory reserve	Retained earnings	Revaluation reserve of investments in equity instruments at fair value through other comprehensive income	Equity attributable to shareholders of the parent company	Non - controlling interests	Total equity
Balance as at January 1, 2020	550,000,000	50,192,223	2,504,171	4,840,949	607,537,343	5,093,167	612,630,510
Net income for the year	-	-	30,001,089	-	30,001,089	(452,202)	29,548,887
Changes in other comprehensive income during the year	-	-	817,814	(1,104,930)	(287,116)	-	(287,116)
Total comprehensive loss	-	-	30,818,903	(1,104,930)	29,713,973	(452,202)	29,261,771
Decrease in non-controlling interest	-	-	-	-	-	(4,640,965)	(4,640,965)
Transfer to statutory reserve	-	3,000,109	(3,000,109)	-	-	-	-
Dividends	-	-	(11,000,000)	-	(11,000,000)	-	(11,000,000)
Balance at December 31,2020	550,000,000	53,192,332	19,322,965	3,736,019	626,251,316	-	626,251,316
Balance as at January 1, 2021	550,000,000	53,192,332	19,322,965	3,736,019	626,251,316	-	626,251,316
Capital reduction	(275,000,000)	-	-	-	(275,000,000)	-	(275,000,000)
Net income for the year	-	-	149,638,380	-	149,638,380	-	149,638,380
Changes in other comprehensive income during the year	-	-	169,572	31,222,702	31,392,274	-	31,392,274
Total comprehensive income	-	-	149,807,952	31,222,702	181,030,654	-	181,030,654
Transfer of gains from the exclusion of equity investments at fair value through other comprehensive income to retained earnings	-	-	32,079	(32,079)	-	-	-
Transfer to statutory reserve	-	14,963,838	(14,963,838)	-	-	-	-
Dividends	-	-	(24,750,000)	-	(24,750,000)	-	(24,750,000)
Balance at December 31, 2021	275,000,000	68,156,170	129,449,158	34,926,642	507,531,970	-	507,531,970

Chief Executive Officer
General Manager of Financial Department
Name: Yasser Yehia Abdulhamid
Signature:

Authorized Board Member
Name: Ibrahim Hassan Almadhon
Signature:

Chairman of Board of directors
Name: Ahmed Hassan Fitaihi
Signature:

The accompanying notes (1) to (31) form an integral part of these consolidated financial statements

FITAIHI HOLDING GROUP COMPANY
(A SAUDI JOINT-STOCK COMPANY)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021
Expressed In Saudi Riyals

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before zakat for continuing operations	154,800,751	46,764,874
(loss) before zakat for discontinued operations	-	(6,239,874)
Adjustments to reconcile Profit /(loss) before zakat to cash flows from		
Depreciation of property and equipment	3,884,996	5,989,563
Amortization of right of use assets	1,284,589	3,589,394
Amortization of intangible assets	-	669,469
Employees defined benefit liabilities	558,544	843,527
(Gain) on disposal of property and equipment	(13,786,436)	(17,000)
Finance charge of right of use assets	36,711	141,123
Provision for Impairment in inventory value	-	7,379,747
Written off from provision Impairment in inventory value	7,718,308	-
Impairment in inventory value	17,905,931	-
Written off from provision Impairment of trade receivables	27,424	-
(Reversal) /Impairment loss of investment in associates	-	(15,952,504)
share of results of associate companies Accounted by equity method	(24,546,447)	(10,199,469)
Gain on investments at fair value through other comprehensive income	(15,128,589)	(7,591,580)
Net profit on investments at fair value through profit or loss	(1,200,831)	-
Gain from sale of shares of an associate company	(125,701,957)	(32,118,259)
Impairment loss of asset value resulting from the sale of the subsidiary	-	4,203,843
	5,852,994	**(2,537,146)**
Changes in working capital:		
Trade and other receivables	1,494,034	(1,855,502)
Inventory	(12,972,269)	7,625,307
Trade and other payables	(986,795)	418,592
Cash generated from operations	(6,612,036)	3,651,251
Zakat paid	(7,142,941)	(6,676,253)
Employees defined benefit liabilities paid	(325,335)	(2,484,253)
Net cash from operating activities	**(14,080,312)**	**(5,509,255)**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(184,997)	(2,238,944)
Purchase of investments in equity instruments at fair value through other comprehensive income	(20,252,196)	(20,862,841)
Proceeds from sale of Investments at fair value through profit or loss	1,200,831	-
Dividends from associate companies	14,439,677	11,423,838
Dividends from investments at fair value	15,128,589	7,591,580
Proceeds from sale of investment at fair value through other comprehensive	457,839	-
Proceeds from sale of investment shares in associate company	200,014,808	64,124,230
Proceeds from sale of property and equipment	23,022,610	17,000
Proceeds from sale of the subsidiary	-	12,565,000
Net cash from investing activities	233,827,161	72,619,863
CASH FLOW FROM FINANCING ACTIVITIES		
Capital reduction	(275,000,000)	-
Dividends paid	(24,750,000)	(11,000,000)
Lease liabilities	(1,406,924)	(4,440,498)
Net cash (used in) financing activities	**(301,156,924)**	**(15,440,498)**
Net (decrease) / increase in cash and cash equivalents	(81,410,075)	51,670,110
Cash and cash equivalents at the beginning of the year	97,118,513	45,448,403
Cash and cash equivalents at the end of the year	**15,708,438**	**97,118,513**
Non-cash transactions		
Unrealized Gains/ (Loss) from investments in equity instruments at fair value	31,222,702	(1,104,930)

Chief Executive Officer
General Manager of Financial Department
Name: Yasser Yehia Abdulhamid
nature:

Authorized Board Member
Name:
Signature:

Chairman of Board of directors
Name:
Signature:

The accompanying notes (1) to (31) form an integral part of these consolidated financial statements

1. ORGANIZATION AND ACTIVITIES:

1.1. General Information

Fitaihi Holding Group Company ("the Company" or "the Parent Company") is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under Ministerial Resolution No. 1058 dated Ramadan 9, 1418 H and commercial registration number 4030085128 issued in Jeddah on Shaaban 2, 1412 H (corresponding to February 5, 1992).

The main activities of the Group and its subsidiaries are as follows:

a) The activities of the holding company (Management of subsidiaries of holding companies, investment of the funds of subsidiaries of holding companies, ownership of real estate and transfers necessary for holding companies, provision of loans, guarantees, and financing to subsidiaries of holding companies, ownership of industrial property rights of holding companies, lease of industrial property rights to holding companies).

b) Wholesaling of gold and precious Metal, retail sale of precious metals and gemstones.

c) Buying and selling precious metals and gemstones.

d) Import, sale, and purchase of precious metals and gemstones.

e) Welding and polishing workshops (jewelers).

f) Electronic trade.

g) Wholesale of carpets and rugs.

h) Retail trade in sweets, chocolate

i) Retail trade of blankets, sheets, linens, and bedspreads.

j) Retail for home appliances and various handicrafts cutting tools, ceramics, and household utensils

k) Retail trade of business and handicrafts, antiques, and gifts.

l) Wholesale of bags.

m) Wholesale of household utensils and table accessories.

n) Wholesale of gifts and luxuries.

o) Auctions are not in stores.

p) Cleaning new buildings after construction, cleaning buildings with steam and sand heating, activities for general cleaning services for buildings, building maintenance services activities, cleaning and maintenance of swimming pools, care and maintenance of parks and gardens for public housing purposes, care and maintenance of building scenery, home gardens, roof gardens and private building facades and others, care and maintenance of highway parks.

The registered address of the Company is the building of the Fitaihi Holding Group Company, Madinah Road, north of the Emirate of Makkah Al-Mukarramah Region, PO Box 2606, Jeddah 21461, Kingdom of Saudi Arabia, the main center of the Company is located in Jeddah.

Expressed in Saudi Riyals

1. ORGANIZATION AND ACTIVITIES (Continued):

1.2. Subsidiaries

Company name	Country of incorporation	Ownership percentage as of December 31, 2021	Ownership percentage as of December 31, 2020	Activity
Sodouq International Holding Company for Investment	Jeddah- KSA	Direct -%	Direct 100%	The activities of the holding companies (the units that acquire the assets of owning a dominant share of the capital for a group of subsidiary companies and whose main activity is the ownership of that group).
Fitaihi Retail Company One person company	Jeddah- KSA	Direct 100%	Direct 100%	Buying and selling precious metals and gemstones, Welding and polishing workshops (jewelers), and electronic trade. Retail trade-in perfumes, cosmetics, gifts (lighters, buttons, pens, watches), wholesale trade in Chinese crystal, antiques, household utensils required, leather products, towels, linens, and clothes also wholesale trade in all kinds of foodstuffs and establishment and management of business centers.
Saudi Tawteen for Maintenance & Operation	Jeddah- KSA	Direct 100%	Direct 100%	Cleaning new buildings after construction, cleaning buildings with steam and sand heating, activities for general cleaning services for buildings, building maintenance services activities, cleaning and maintenance of swimming pools, care and maintenance of parks and gardens for public housing purposes, care and maintenance of building scenery, home gardens, roof gardens and private building facades and others, care and maintenance of highway parks.

*On January 3, 2021, the Board of Directors decided to Sodouq International Holding Company for Investment, and all the statutory procedures have been completed on October 21, 2021.

2. BASIS OF PREPARATION

2.1. Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

The approved International Standards are the International Standards as issued by the International Council in addition to the requirements and disclosures that SOCPA authority added to some of these standards, according to what was mentioned in the document of approval of the international standards for the financial reporting. Standards and other pronouncements are intended to be the standards and technical opinions adopted by the Saudi Organization for Chartered and Professional Accountants "SOCPA" for topics not covered by the International Financial Reporting Standards (IFRS).

2.2. Functional currency

The consolidated financial statements are presented in Saudi Riyal (SAR), which is also the functional and presentational currency of the Group.

2.3. Basis of Measurement

The consolidated financial statements have been prepared on historical cost basis, except for, if mentioned otherwise.

3. BASIS OF CONSOLIDATION

The Group's consolidated financial statements include the financial statements of the Company and its Subsidiaries as set out in Note (1-2) "the Group" as of December 31, 2021.

The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to influence those returns by exercising its influence over the entity. In particular, the Group controls the entity if - and only if - the Group has:

- Control over the entity (existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its control over the investee to affect its returns

In general, there is an assumption that the majority of voting rights will lead to control. In order to reinforce this assumption and when the Group has a level below the majority of voting rights or similar rights in the investee company, the Group takes into account all relevant facts and circumstances when assessing whether the Group has influence over the investee, and these facts and conditions include the following:

- Contractual arrangements with others who are entitled to vote in the investee company.
- Rights arising from other contractual arrangements.
- Group voting rights and potential voting rights.

3. BASIS OF CONSOLIDATION (Continued)

The Group reassesses whether it is still exercising control over the investee, or not, when facts and circumstances indicate that there is a change in one or more of the three elements of control. The consolidation of the subsidiary begins from the date on which the Group controls the subsidiary and continues until the removal of the controls. The assets, liabilities, income, and expenses of the subsidiary acquired or sold during the period are included in the consolidated financial statements from the date the Group acquires control until the date the Group loses control of the subsidiary.

Profit or loss and each component of other comprehensive income is distributed between the shareholders of the Group's parent company and the non-controlling interests, even if this distribution may lead to a deficit balance in the non-controlling interests. If necessary, adjustments are made to the financial statements of subsidiaries in the event that there are significant differences between the parent company and the subsidiary in order to reconcile its accounting policies with the financial policies of the Group. All assets, liabilities, equity, income, expenses, and cash flows relating to transactions between Group companies are eliminated in full when the financial statements are consolidated.

Proper accounting treatment has been done for any change in ownership interest in a subsidiary that does not result in a loss of control equity.

If the Group loses control of a subsidiary, it excludes the assets (including goodwill if any), liabilities, and any other components of the subsidiary's equity, and any gain or loss resulting from loss of control is recorded in the consolidated statement of profit or loss. Any share of the investment is recognized at fair value.

4. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies applied by the Group in preparing the consolidated financial statements. The accounting policies below have been applied consistently to all periods presented in the consolidated financial statements:

4.1 Business Goodwill

These consolidated financial statements include consolidated statement of financial position, consolidated statement of profits or losses, consolidated other comprehensive income statement, consolidated statement of changes in equity, consolidated cash flow statement, and note to the consolidated financial statements of the Group, as they include the assets, liabilities, and results of the company and its subsidiaries (The company and its subsidiaries are collectively referred to as the Group).

Subsidiaries

Subsidiaries are companies controlled by the Group. The Group controls the company when it is exposed or has the right to various returns as a result of its participation in the company and has the ability to influence those returns through its control of the company.

Subsidiaries are consolidated from the date on which control commences and until the control of that control ceases, as the Group uses the acquisition method of accounting when control is transferred to the Group.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.1 Business Goodwill (Continued)

Subsidiaries (Continued)

The acquisition cost is measured at the fair value of the determined assets acquired and the fair value of the equity interest previously held by the subsidiary. The increase in the acquisition cost plus the fair value of the non-controlling interests over the net value of the determined assets acquired and recognized as goodwill is recorded in the consolidated statement of financial position.

Non-controlling interests
Non-controlling interests are measured by their percentage of the net assets of the company acquired at the date of acquisition. If the business combination is achieved in stages, the carrying value at the date of acquisition of the previously held shares of the company acquired in the acquired company is re-measured at fair value on the date of the acquisition and any profits or losses arising from the re-measurement are recognized in profit or loss. Both transactions and unrealized profit or loss resulting from transactions between Group companies are eliminated. Accounting policies of subsidiaries are adjusted as necessary to ensure consistency with the policies adopted by the Group.

Shares in companies using the equity method
The group's shares in equity-invested companies consist of shares in associated companies. Associates are those entities over which the group has a significant influence. An important influence is the ability to participate in decisions regarding the financial and operating policies of the investee, but it is not joint control or control of these policies.

The Group's investments in the associate are accounted for using the equity method. Under this method, investment in associates is recognized at cost. Subsequent to initial recognition, these financial statements include the group's share of the profits or loss and other comprehensive income of the investee companies accounted for using the equity method until the ceases date of the significant effect.

Expressed in Saudi Riyals

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Standards, interpretations, and amendments to existing standards

a. New standards, interpretations, and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early. The most significant of these are as follows:

IFRS	Summary	Effective date
Annual Improvements to IFRS: 2018-2020 Cycle	In May 2020, the IASB issued minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture, and the Illustrative Examples accompanying IFRS 16 Leases.	1 January 2022
Conceptual Framework for Financial Reporting (Amendments to IFRS 3)	In May 2020, the IASB issued amendments to IFRS 3, which update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. The amendments are effective for annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted.	1 January 2022
IAS 16 (Amendment – Proceeds before Intended Use)	In May 2020, the IASB issued amendments to IAS 16, which prohibit a company from deducting amounts received from selling items produced while the company is preparing the asset for its intended use from the cost of property, plant, and equipment. Instead, a company will recognize such sales proceeds and any related costs in profit or loss.	1 January 2022
IAS 37 (Amendment – Onerous Contracts – Cost of Fulfilling a Contract)	In May 2020, the IASB issued amendments to IAS 37, which specify the costs a company includes when assessing whether a contract will be loss-making and is therefore recognized as an onerous contract. These amendments are expected to result in more contracts being accounted for as onerous contracts because they increase the scope of costs that are included in the onerous contract assessment.	1 January 2022
IFRS 4	Insurance Contracts-Amendments regarding the expiry date of the deferral approach	1 January 2023
IFRS 9	Amendments regarding the interaction of IFRS 4 and IFRS 9	1 January 2023
IAS 1 (adjustment – classification of liabilities for current or non-current)	At its meetings in June and July 2021, the IASB decided to amend IAS 1 in relation to the classification of obligations subject to conditions such as disclosure of information about these terms and postponing the effective date of the 2020 amendment for at least one year until January 2024. The amendments require that the settlement of the obligation be postponed for at least twelve months after the reporting period to be available in the reporting period and/or the right to postpone the settlement for at least 12 months after the reporting period, which is also subject to the obligation of the establishment to specific conditions. The amendment provided an explanation of the meaning of "offest" for the purpose of classifying commitment.	1 January 2024

Expressed in Saudi Riyals

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Standards, interpretations, and amendments to existing standards (Continued)

b. New standards, interpretations, and amendments effective in the current year

The following are the new standards, interpretations, and amendments to standards that are effective in the current year which have not given rise to changes in the Company's accounting policies and have no impact on its financial statements:

IFRS	Summary	Effective date
Interest Rate Standard - Phase 2 Amendments to IFRS 9 and IAS 39	In addition, the criteria have been modified to require the change from IBOR to an alternative reference rate that is calculated by updating the effective interest rate.	1 January 2021
IFRS 16 (Amendment – COVID-19-Related Rent Concessions)	In March 2021, the IASB issued an amendment to IFRS 16 that extended COVID-19-related lease concessions beyond 30 June 2021.This amendment is effective from the annual reporting period beginning on or after 1 April 2021.Early application is permitted, including in financial statements not authorized for issue on 31 March 2021.	1 April 2021

4.3 Classification of assets and liabilities as current or non-current

The Group presents the assets and liabilities in the consolidated financial statements on a current or non-current basis.

The asset is classified under current assets in the case of:
- Expect the asset to be realized or there is an intention to sell or consume it during the Group's normal operating cycle, or
- The asset is held principally for trading, or
- It is expected that the asset will be realized within 12 months after the date of the consolidated statement of financial position, or
- Being in cash or cash equivalents, unless it is prohibited to exchange the asset or use it to settle an obligation within at least 12 months from the date of the consolidated statement of financial position.

All other assets are classified as non-current assets.

The obligation is considered as a current liability in the case of:

- The obligation is expected to be settled during the Group's normal operating cycle, or
- Maintaining the obligation mainly for the purpose of trading, or
- It is expected that the obligation will be settled within 12 months after the date of the consolidated statement of financial position, or
- The absence of an unrelated right, with a condition to postpone settlement of the obligation, for a period of at least 12 months after the date of the consolidated statement of financial position.

All other liabilities are classified as non-current liabilities.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.4 Fair value measurement

The Group measures financial instruments such as investment in equity instruments at fair value at each consolidated financial statement.

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

- In the principal market for the assets or liabilities, or
- In the absence of the principal market, in the most advantage market for the assets or liabilities.

The principal market or most advantage one must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest

The ability of market participants to generate economic benefits through the best and maximum use of the asset or its sale to other market participants that would use the asset in its best and maximum use when measuring the fair value of non-financial assets.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use

All assets and liabilities that are measured at fair value or disclosed in the financial statements are categorized into a hierarchy of fair value levels listed below and on the basis of significant lower level inputs to measure the fair value as a whole:

Level 1: Quoted prices (unadjusted) in an active market for similar assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

With respect to the assets and liabilities that are recognized in the consolidated financial statements at fair value frequently, the Group determines whether the transfer between the hierarchical levels to measure the fair value has been done by reassessing the classification (based on significant lower level inputs to measure the fair value as a whole) at the end of each financial year.

For the purpose of fair value disclosure, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics, and risks of assets and liabilities and a hierarchy of levels of fair value measurement mentioned above. The disclosures related to the fair value of financial instruments and non-financial assets that are measured at fair value, or their fair value are disclosed in the relevant notes.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 Revenue recognition

Revenue arises mainly from the sale of gold and revenue from operations. To determine whether revenue is to be recognized, the Group follows a five-step process that is as follows:

1- Determine the contract concluded with the customer.
2- Determine the performance obligations.
3- Determine the transaction price.
4- Allocation of the transaction price to performance obligations.
5- Revenue is recognized when performance obligations are satisfied.

The group often enters into transactions that involve a group of the group's products and services. In all cases, the total transaction is determined for the contract between the various performance obligations based on the relative selling prices.

The transaction price for the contract excludes any amounts collected on behalf of other parties.

Revenue is recognized at a specific point in time when the Group fulfills its performance obligations by transferring the promised goods or services to its customers.
The following are the specifications that must be fulfilled before revenue is achieved:

Selling of Goods

Revenue from selling of goods is recognized when the potential risks and expected gains of these sales are transferred from the Group's responsibility to the buyer's responsibility, with the possibility of realizing the revenue, usually when the goods are delivered to the buyer.

Dividend

Revenue is recognized when the Group is entitled to receive these distributions, and this is usually done when shareholders in the investee companies approve it.

4.6 Expenses

All expenses, including operating expenses, general and administrative expenses, and other expenses, are recognized and included in the consolidated statement of profits or losses in the financial period in which those expenses were realized.

Selling and distribution expenses are those expenses that relate to sales and distribution staff and other incidental expenses related thereto, and all other expenses are classified as general and administrative expenses.

4.7 Zakat

The Parent Company measures and verifies the zakat provision for each financial year separately in accordance with the regulations of the General Authority of Zakat and Tax ("ZATCA") on the basis of the accrual principle. The zakat provision is charged separately in the consolidated statement of profit or loss. Any additional amounts payable, if any, will be recorded in the same year upon completion of the final assessment.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.8 Foreign currencies

The Group's consolidated financial statements are presented in Saudi Riyals, which is also the Parent Company's functional currency. For each entity, The Group determines the functional currency, and items included in the financial statements of each entity are measured using that functional currency.

Transactions and Balances

Transactions in foreign currency are initially recorded by the entities at their respective functional currency spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognized in the consolidated statement of profits or losses with the exception of monetary items that are designated as part of the hedge of the Group's net investment in foreign operations. These are recognized at other comprehensive income consolidated statement until the net investment is disposed of, at which time, the cumulative difference amount resulted is reclassified to profit or loss in the consolidated statement of profit or loss. The burdens and changes resulting from the differences in the change in those monetary items are dealt with in the consolidated statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

4.9 Cash dividends and non-cash distributions to shareholders of the parent company

Cash or non-cash distributions to shareholders of the Parent Company are recognized as liabilities upon approval of the distribution. As per by company laws in kingdom of Saudi Arabia, a distribution is authorized when it is approved by the shareholders. The amount distributed is deducted directly from shareholders' equity and recognized as a liability.

Non-cash dividends, if any, are measured at the fair value of the assets to be distributed and a fair value re-measurement is recognized directly in the consolidated equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liabilities and the carrying amount of the assets distributed is recognized in the consolidated statement of profit or loss.

Expressed in Saudi Riyals

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.10 Property and equipment

Items of property and equipment are initially recorded at cost less accumulated depreciation and accumulated impairment losses. Work in progress is not depreciated.

The cost includes the cost of the part of the property and equipment and borrowing costs of long-term construction projects if recognition requirements are met. When significant parts of property and equipment are replaced at specified intervals, the Group recognizes those parts as individual assets with a specific useful life and consumption. Likewise, when a thorough examination is performed, its costs are recognized in the carrying value of property and equipment as a replacement cost if the recognition conditions are met. All other repair and maintenance costs are recognized in the consolidated statement of profit or loss when incurred

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Property and equipment	Annual depreciation rate
Buildings	3% - 5%
Decoration	15%-50%
Control devices, elevators, and air conditioners	20%-33%
Furniture and fixture	12.5% - 25%
Vehicles	20% - 25%
Equipment	20% - 25%
Leasehold improvements	20%

The recognition of any item of property and equipment ("the asset") is canceled upon its disposal or when no economic benefit is expected from its use or sale in the future. Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment, and are recognized in the consolidated statement of profit or loss upon disposal.
The residual value, useful lives, and methods of depreciation of property and equipment are reviewed at the end of each financial year and adjustments are made on a prospective basis, if necessary.

4.11 Work in progress

Capital work-in-progress represents all costs relating directly and indirectly to the construction in progress and is capitalized as property and equipment when ready for the intended use. Work in progress is not depreciated.

4.12 Right of use assets and Leases obligations

The group evaluates whether the contract is rent or contains rent, at the beginning of the contract the group will prove the right-of-use asset and the corresponding lease obligation in relation to all lease agreements in which the tenant is, except for short-term leases and low-value asset rentals.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 Right of use assets and Leases obligations (continued)

a) Right-of-use assets

The lease is recognized as a right-of-use asset with its corresponding obligations on the date when the leased assets are ready for use by the Group. Each lease payment is allocated between the commitment and the cost of financing. The cost of financing is recognized in the consolidated profit or loss statement over the lease term. The assets of the right of use are depreciated over the productive life of the asset and the duration of the lease, whichever is shorter, and on a straight-line basis.

The right-of-use assets are measured at the beginning of the cost and consist of:
- The amount of the initial measurement of the lease obligation,
- Any lease payments made in or prior to the start date of the lease minus the rental incentives received;
- Any initial direct costs, and
- Recovery costs, where applicable.

b) Lease obligations

On the date of commencement of the lease, the group records rental obligations measured in the current value of rental payments made over the duration of the lease. Rental payments include fixed payments (including core fixed payments) minus any receivable rental incentives, variable rental payments based on an indicator or rate, and amounts expected under residual value guarantees. Rental payments include the price of exercising the purchase option when there is reasonable certainty that the group will exercise this right in addition to penalty payments for the cancellation of the lease if the terms of the lease provide for the company's practice of cancellation. For variable rental payments that do not depend on an index or rate, they are recorded as an allowance in the period during which they are paid. Rental payments are deducted using the interest rate included in the lease or the group's increased borrowing rate.

c) Short-term leases and leases with low-value assets

Short-term leases are leases with a lease of 12 months or less. Low-value assets are items that do not meet the group capitalization limits and are considered to be not material to the group's financial position statement as a whole. Short-term lease payments and low-value asset leases are recognized on a straight-line basis in the consolidated profit or loss statement.

4.13 Intangible assets

Intangible assets acquired individually are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment loss. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the consolidated statement of profit or loss at the period in which the expenditure is incurred.

4. ACCOUNTING POLICIES (continued)

4.13 Intangible assets (continued)

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of amortization of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Amortization is calculated on a straight-line basis over the estimated useful life of the intangible assets as follows:

Intangible assets	**Annual amortization rate**
Programs	20%
others	25%

Gains or losses arising from the disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and are recognized in the consolidated statement of profit or loss when the intangible asset is disposed.

4.14 Investment in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control over those policies.
The group's investments in the associate company are accounted for using the equity method. Under this method, investment in associate companies is recognized at cost. The investment book value is adjusted to determine the changes in the group's share of the company's net assets on the date of the acquisition. The goodwill or joint ventures are included in the investment book value and are not tested separately to ensure that there is no impairment in its value.

The consolidated comprehensive income statement reflects the group's share of the results of the associate company's operations. Any change in the other comprehensive income of those investments is presented as part of the group's other comprehensive income. In addition, when there is a direct fixed change in the ownership equity of the associate company, the Group records its share of any changes, when applicable, in the statement of changes in equity. Unrealized profit and loss resulting from transactions between the group and the associate company is excluded based on the group's share in the associate company.

4. ACCOUNTING POLICIES (continued)

4.14 Investment in associates (continued)

The total share of the group in the earnings or losses of the associate company is recognized in the consolidated profit or loss statement separated of operating profit and represents the profit or loss and non-controlling interest in the subsidiaries of the associates.

The financial statements of the associate company are prepared in the same period as the group's consolidated financial statements. If necessary, adjustments are made to bring accounting policies in line with those of the group.

After applying the equity method, the Group determines whether it is necessary to prove the loss of the impairment in the investment of the associate company. The Group determines on the date of each report whether there is any objective evidence that investment in the associate company has impaired its value. When this is the case, the Group calculates the amount of impairment as the difference between the recoverable value of the associate company and its book value, and the loss is recognized as "impairment losses in the associate company", in the consolidated statement of profit or loss.

At the end of each reporting period, the Group's management assesses whether there is any indication that an impairment loss recognized in prior periods for investment may no longer exist or may have decreased, and if any such indication exists, the recoverable amount is estimated. In all cases, the carrying amount to be determined (the net amount after amortization or depreciation) should not increase if no impairment loss had been recognized for the investment in previous years; The impairment loss is immediately reversed in the consolidated statement of profit or loss.

When the significant impact on an associate company is lost, the Group measures and demonstrates any investments held at fair value. Any difference between the book value of the associate company when the significant impact loss and the fair value of the retained investments and the earnings of the disposed is recognized in profit or loss.

4.15 Financial Instruments

Financial assets
The Group classifies financial assets according to the following categories:
- Those that are subsequently measured at fair value (whether through other comprehensive income, profits, or losses), and
- Those that are measured at amortized cost.

The classification depends on the company's business model of managing its financial assets and the contractual terms of cash flows.
All financial assets that are not classified as measured at amortized cost or fair value through other comprehensive income, as described below, are measured at fair value through profit or loss. Net gains and losses, which include any interest or dividend income, are recognized in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.15 Financial Instruments (Continued)

Financial assets at amortized cost
A financial asset is measured at amortized cost, using the effective interest method, if both of the following conditions are met:
- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

When assessing whether an asset is held within a business model with the objective to hold assets to collect contractual cash flows, the company takes into account:
- Management policies, Group objectives, and the performance of those policies in practice.
- Risks that affect the performance of the business model (and the financial assets held within the business model), and in particular, the way those risks are managed.
- How management evaluates the performance of the portfolio.
- Whether the management strategy focuses on earning contract commission income.
- The degree of recurrence of any sales of expected assets.
- The reason for any asset sales.

Interest income, foreign exchange gains and losses, and impairment are recognized in profit or loss. Any gain or loss arising from discontinued operation is recognized in the profit or loss.

Financial assets classified as loans and receivables are measured at amortized cost in accordance with IFRS 9 Financial Instruments, as they are held in the business model for collecting contractual cash flows. These cash flows consist of principal and interest payments only.

Investments in Debt Instruments at Fair Value Through Other Comprehensive Income
Investments in debt instruments that meet the following conditions are measured at fair value through other comprehensive income:
- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling.
- The contractual terms of the financial asset give rise on specified dates a cash flows that are solely payments of principal and interest on the principal amount outstanding

Interest income, foreign exchange gains and losses, and impairment are recognized in profit or loss. All other changes in the carrying amount of these instruments are recognized in other comprehensive income and accumulated under the investment valuation reserve in equity instruments. When these instruments are disposed of, the cumulative gain or loss previously recognized in other comprehensive income is reclassified to the statement of profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.15 Financial Instruments(continued)

Investments in equity Instruments at Fair Value Through Other Comprehensive Income (Continued)

Upon initial recognition, the Group can make an irreversible selection (as per each instrument) to determine that the investment in equity instruments will be treated at fair value through other comprehensive income. This is not permitted if the investment is held for the purpose of trading.

A financial asset is held for trading if:
- It is acquired primarily for the purpose of selling or repurchasing in the near term.
- The investment is part of a profit-taking portfolio in the short term. or
- If it is a derivative instrument.

Investments in equity instruments are measured through other comprehensive income, initially at fair value, in addition to transaction costs. Thereafter, they are measured at fair value, recognizing the gains and losses resulting from changes in the fair value in the other comprehensive income. It is never reclassified to profit or loss and there is no impairment will be recorded in the statement of profit or loss.

Dividend income is recognized in the statement of profit or loss when the group has the right to receive the dividend, unless the dividend clearly represents a recovery of part of the investment cost.

The investment revaluation reserve includes the net cumulative change in the fair value of the investment in equity measured at fair value through other comprehensive income. When these financial instruments are disposed of, the amount accumulated in the fair value is transferred from the reserve to the retained earnings.

The Group has elected to present changes in the fair value in other comprehensive income for all equity investments previously classified as available for sale financial investments, as these investments are not held for trading.

Impairment of financial assets

The Impairment of financial assets is measured using the "expected credit losses" model. The " expected credit losses" model is applied to financial assets measured at amortized cost and to debt instruments measured at fair value through other comprehensive income and not to investments in equity instruments.

The Group applies the simplified approach in calculating the Impairment. expected credit losses are estimated on the financial assets using the experience of the historical credit loss of the group, while adjusting them to general economic conditions and evaluating both the current trend and expectations of conditions at the date of the report, including the time value of money wherever it is appropriate.

The measurement of expected credit losses is evidence of the probability of default, or the default given loss (i.e. the size of the loss if there is a default). The assessment of the probability of default is based on historical data that is modified by information that expected the future as described above.

The Group recognizes profit or loss in the impairment separately in the statement of profit or loss, and provisions for losses for financial assets that are measured at amortized cost are deducted from the total carrying amount of the financial assets.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.15 Financial Instruments (continued)

Disposal of the Financial Assets
The Group de-recognizes the financial asset only when the contractual rights to cash flows from the asset expire or transfer the financial asset and the risks and rewards of ownership to another entity. If the Group does not transfer or substantially retain all the risks and rewards of ownership of the asset, the Group continues to recognize its held share in the assets and liabilities associated with the financial asset to the amounts it may have to pay.

Financial liabilities

Initial Recognition and Measurement
Financial liabilities are classified as either at amortized cost or fair value through profit or loss.
All of the Group's financial liabilities are classified and measured at amortized cost, using the effective interest method. The Group does not have financial liabilities at fair value through profit or loss.

De-recognition of Financial Obligations
The Group removes the recognition of financial liabilities only when these liabilities are fulfilled, canceled, or expired.

4.16 Offset
The financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position only when a legal right exists and the Group has the intention to settle the assets and liabilities recorded on a net basis to achieve the assets and settle the liabilities at the same time.

4.17 Inventory
Inventory is stated at lower of cost and net realizable value and the cost is calculated according to the following principles:

- Diamond jewelry at the actual cost price per piece.
- Goldsmiths and raw materials of gold by weight and gemstones based on weighted average.
- Clothing, shoes, antiques, gifts, perfumes, cosmetics, and other goods on a weighted average basis.

The net realizable value is the estimated selling price less all costs that may be incurred to get the product disposed of.

4.18 Impairment of non-financial assets
At each reporting date, the group assesses non-financial assets whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss or reversal of impairment loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.18 Impairment of non-financial assets (Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use, and is determined for the single asset unless the asset generates cash flows that are largely independent of expenditures generated from other assets or groups of assets. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks.
specific to the asset for which the estimates of future cash flows have not been adjusted. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices, or other available fair value indicators.

The group basis its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the group CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including depreciation of inventory, are recognized in the consolidated statement of profit or loss, in the expense category consistent with the function of the impaired asset.

For assets, excluding goodwill, an assessment is made at each reporting date whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of profit or loss.

4.19 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the obligation amount. In cases where the Group expects to recover some or all of the provisions, i.e. under an insurance contract, the recoveries are recognized as a separate asset only when the recovery process is confirmed. The expense related to the provision is presented in the consolidated statement of profit or loss after deducting any recoverable amounts.

If the effect of time value of money is material, provisions are deducted using the current pre-tax rate, which, when appropriate, reflects the risks associated with that obligation. When the discount is used, the increase in the provision due to the passage of time is recognized as finance costs.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.20 Employee Benefits obligations

The present value of the defined benefit cost to employees is determined by an actuary, and it is paid at the end of the service in accordance with the law applied in the Kingdom of Saudi Arabia.

The re-measurement of defined benefit liability, which comprise of actuarial gains and losses, the effect of the asset level (excluding the amounts included in the net returns on the net defined benefit obligations), and the returns on the plan assets (excluding the amounts involved in the net returns on the net defined benefit obligations), are immediately recognized in the consolidated statement of financial position and within the retained earnings through the consolidated statement of other comprehensive income. The re-measurement is not reclassified to profit or loss in subsequent periods.

Post-employment costs are recorded in the consolidated statement of profit or loss at either:
- The date the plan was modified, or the date the plan was reduced, or
- On the date that the Group records the related restructuring costs - whichever occurs first.

Net interest is calculated by applying the discount rate to the net liability or principal of the defined benefit obligation. The Group records the following changes in the net benefit obligation defined under "cost of sales", "general and administrative expenses" and "selling and distribution expenses" in the consolidated statement of profit or loss (according to position):

- Service costs which consists of service costs, Post-employment costs, and profits and losses related to reducing the duration of the Plan or routine adjustments.
- Net interest expense or income.

5. USE OF JUDGMENT AND ESTIMATES

The preparation of the Group’s consolidated financial statements requires management to make judgments, estimates, and assumptions that affect the amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities. 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.

Judgments
In applying the Group's accounting policies, management has made the following judgments, which have a significant impact on the amounts recognized in the consolidated financial statements:

Estimates and Assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on available information when the consolidated financial statements were prepared. Existing information and assumptions about future, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

5. USE OF JUDGMENT AND ESTIMATES

A) Useful lives of Property and Equipment

The Group's management determines the estimated useful lives of its property and equipment for calculating depreciation. These estimates are determined after considering the expected usage of the assets or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charges would be adjusted where the management believes the useful lives differ from previous estimates.

B) Intangible Assets

Costs that have long-term future benefits are classified as intangible assets and amortized over the estimated period of use. The carrying amount of the intangible assets is reviewed when events or changes in circumstances indicate that the carrying amount cannot be recovered. In the event that such evidence exists and the carrying amount is greater than the estimated recoverable amount, the assets are impaired to the recoverable amount, which represents their present value. The excess of the carrying amount over the estimated recoverable amount is charged to the consolidated statement of profit or loss.

C) Impairment of Non-Financial Assets

Impairment occurs when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs of sell calculation is based on available data from binding sales transactions, conducted at arms' length, for similar assets or observable market prices less incremental costs of sell of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are extracted from its budget for the next five years and do not include restructuring activities that the Group is not yet committed to significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-flows and the growth rate used for extrapolation purposes.

D) Zakat

When the group estimates the amount of zakat due, the group's management takes into consideration the applicable laws and previous decisions and provisions of the Zakat, Tax and Customs Authority in the Kingdom of Saudi Arabia.

E) Defined Benefit Plan

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates, and employee turnover rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management takes into account interest rates on corporate bonds registered in currencies consistent with the currencies in which the specified post-employment benefit obligation is at least and with a rating of (AA) or higher according to what is defined by recognized international rating agencies. It is estimated, when necessary, with the rate of return to match the expected duration of the defined benefit obligation. The quality of the bonds in question is also reviewed. Those bonds with high credit margins are excluded from the bond analysis on which the discount rate was determined, as they do not represent high-quality bonds.

5. USE OF JUDGMENT AND ESTIMATES (continued)

E) Defined Benefit Plan (Continued)

The mortality rate is based on publicly available mortality tables for the country. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country.

F) Measuring the fair value of financial instruments

When the fair value of the financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be measured based on the prices traded in active markets, the fair value is determined by using valuation methods including the discounted cash flow method. Inputs to these methods are made through observable markets where possible, and when this is not feasible, a degree of diligence is required to determine the fair value. The judgments include consideration of inputs such as liquidity risk, credit risk, and volatility. Changes in the assumptions relating to these factors can affect the fair value of the financial instruments.

G) Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

H) Going concern

The Group's management has assessed the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the consolidated financial statements have been prepared on a going concern basis.

Expressed in Saudi Riyals

6. SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. The Group is affiliated with the business sector due to the fact that most of its activities are practiced in the Kingdom of Saudi Arabia.

The activities of the Parent Company (Fitaihi Holding Group Company), and Fitaihi Retail Company, are concentrated in the trade of gold, jewelry, precious commodities, clothing, furnishings, and accessories. The following table presents segment information for the year ended 31 December:

2021	Commercial activity	Investing activity	Total
Revenue	52,669,793	166,577,824	219,247,617
Gross profit	4,968,830	166,577,824	171,546,654
Net (Loss) Profit for the year	(17,788,672)	167,427,052	149,638,380
Assets	116,707,664	409,366,679	526,074,343
Liabilities	9,983,147	8,559,226	18,542,373

2020	Commercial activity	Investing activity	Total
Revenue	48,019,875	65,192,345	113,212,220
Gross profit	18,155,566	65,192,345	83,347,911
Net (Loss) Profit for the year	(14,934,635)	44,483,522	29,548,887
Assets	139,086,889	509,718,423	648,805,312
Liabilities	14,263,435	8,290,561	22,553,996

Expressed in Saudi Riyals

7. PROPERTY AND EQUIPMENT

	Lands	Buildings	Decoration	Control devices, elevators, and air conditioners	Furniture and fixture	vehicles	Equipment	Leasehold improvements	Work in progress	**Total**
Cost										
As at January 1,2020	28,382,843	115,269,103	99,078,371	32,617,622	30,660,973	2,228,512	10,268,467	1,681,973	2,810,433	322,998,297
Additions	-	-	-	-	-	-	-	-	1,732,190	1,732,190
Disposals	-	-	-	-	(265,046)	(104,074)	-	-	-	(369,120)
Disposals from sales of subsidiary company	-	-	(13,437,941)	-	(2,061,287)	(40,000)	-	(1,681,973)	(662,604)	(17,883,805)
Transfers	-	-	3,777,009	-	-	-	-	-	(3,777,009)	-
As at December 31,2020	28,382,843	115,269,103	89,417,439	32,617,622	28,334,640	2,084,438	10,268,467	-	103,010	306,477,562
As at January 1,2021	28,382,843	115,269,103	89,417,439	32,617,622	28,334,640	2,084,438	10,268,467	-	103,010	306,477,562
Additions	-	-	-	56,251	128,746	-	-	-	-	184,997
Disposals	(6,903,350)	(21,014,281)	(34,846,828)	(878,992)	(10,677,036)	(717,449)	(6,769,858)	-	-	(81,807,794)
Transfers	-	-	-	103,010	-	-	-	-	(103,010)	-
As at December 31,2021	21,479,493	94,254,822	54,570,611	31,897,891	17,786,350	1,366,989	3,498,609	-	-	224,854,765
Accumulated depreciation										
As at January 1, 2020	-	89,923,427	93,538,013	31,707,397	30,020,649	2,228,512	10,268,467	1,184,043	-	258,870,508
Depreciation	-	1,550,760	2,415,304	639,411	441,562	-	-	-	-	5,047,037
Disposals	-	-	-	-	(265,046)	(104,074)	-	-	-	(369,120)
Disposals from sales of subsidiary company	-	-	(8,652,239)	-	(1,862,525)	(40,000)	-	(1,184,043)	-	(11,738,807)
As at December 31,2020	-	91,474,187	87,301,078	32,346,808	28,334,640	2,084,438	10,268,467	-	-	251,809,618
As at January 1, 2021	-	91,474,187	87,301,078	32,346,808	28,334,640	2,084,438	10,268,467	-	-	251,809,618
Depreciation	-	1,442,727	2,116,361	304,656	21,252	-	-	-	-	3,884,996
Disposals	-	(18,681,457)	(34,846,828)	(878,992)	(10,677,036)	(717,449)	(6,769,858)	-	-	(72,571,620)
As at December 31, 2021	-	74,235,457	54,570,611	31,772,472	17,678,856	1,366,989	3,498,609	-	-	183,122,994
Net book value										
As at December 31,2021	21,479,493	20,019,365	-	125,419	107,494	-	-	-	-	41,731,771
As at December 31, 2020	28,382,843	23,794,916	2,116,361	270,814	-	-	-	-	103,010	54,667,944

Expressed in Saudi Riyals

7. PROPERTY AND EQUIPMENT (CONTINUED)

The depreciation is allocated among expenses as follows:

	2021	2020
Selling and distribution expenses (Note 20)	2,544,707	3,457,058
General and administrative expenses (Note 21)	1,340,289	1,589,979
	3,884,996	**5,047,037**

- On 12 July 2021, the group sold land and residential buildings for SAR 5 million, resulting in capital gains of SAR 3.7 million.
- On 12 August 2021, the Group's management disposed property and equipment costing SAR 53.8 million fully depreciated.
- On 15 September 2021, the Group's Board of Directors decided to approve the sale of Fatihi Center in Riyadh, and its net book value as of September 30, 2021 amounted to SAR 7,971,173.
- On 15 October 2021, the group's management sold the Fatihi Center in Riyadh for SAR 18 million and achieved capital gains of SAR 10 million

8. RIGHT OF USE ASSETS

8.1 Right of use assets – movement during the year ended 31 December as follow:

	2021	2020
Cost		
As at 1 January	6,440,911	23,615,302
Disposables/Adjustments	(2,457,841)	(17,174,391)
As at 31 December	**3,983,070**	**6,440,911**
Accumulated amortization		
As at 1 January	4,444,918	7,064,752
Amortization for the year	1,284,589	1,698,681
Disposal	(2,457,841)	(4,318,515)
As at 31 December	**3,271,666**	**4,444,918**
Net book value:		
December 31	**711,404**	**1,995,993**

The Amortization is allocated among expenses as follows:

	31 December 2021	31 December 2020
Selling and distribution expenses (Note 20)	1,284,589	1,698,681
	1,284,589	**1,698,681**

Expressed in Saudi Riyals

8. RIGHT OF USE ASSETS

8.2 Lease liabilities for right of use as follow:

	2021	2020
Lease liabilities - Non-current portion	-	810,188
Lease liabilities - current portion	810,188	1,370,213
Total lease liabilities	**810,188**	**2,180,401**

The total interest expense from lease liabilities recognized at the year ended at December 31, 2021 is SAR 36.7 Thousand (2020: SAR 141 Thousand) (Note No22).

9. INVESTMENTS IN ASSOCIATE

Investments in associates consist of the following:

	Country of incorporation	Main Activity	Ownership % 2021	Ownership % 2020	2021	2020
International Medical Center Company Note (A) below	KSA	Management and operation of hospitals	19,25%	19,25%	208,058,571	197,689,483
Al-Jouf Agricultural Development Company Note (B) below	KSA	Agricultural production	-	9%	-	74,312,851
					208,058,571	**272,002,334**

9-1 The share of results for the year consists following:

	2021	2020
Share of the results of the International Medical Center Company	24,546,447	8,277,923
Share of the results of Al-Jouf Agricultural Development Company	-	1,921,546
Amortization of intangible assets (Note B-4)	-	(669,469)
	24,546,447	**9,530,000**

Expressed in Saudi Riyals

9. INVESTMENTS IN ASSOCIATE (Continued)

9-2 The movement in the impairment of the group investment in the (Al-Jouf Agricultural Development Company) is as follows:

	2021	2020
Balance as at the beginning of the year	-	24,838,641
Charge during the year	-	-
No longer required	-	(8,886,137)
Reversal impairment of investment in associate	-	(15,952,504)
Balance as at the end of the year	-	-

A- Investment in International Medical Center Company (A Saudi Closed Stock Company)

A-1 The movement in the investment balance as follows:

	2021	2020
Balance as at the beginning of the year	197,689,483	195,748,188
Share of the results of the associate	24,546,447	8,277,923
Share of other comprehensive income	262,318	883,210
Dividends received	(14,439,677)	(7,219,838)
Balance as at the end of the year	**208,058,571**	**197,689,483**

A-2 The following is the details of the results of the International Medical Center Company's for the year ended December 31:

	2021	2020
Revenue	1,423,811,889	1,228,003,827
Cost of revenue	(1,044,974,180)	(926,663,475)
Selling and distribution expenses	(5,463,708)	(2,347,068)
General and administrative expenses	(251,826,487)	(261,805,137)
Other income, net	19,914,948	16,810,520
Finance costs	(2,532,921)	(1,366,744)
Profit before zakat and non-controlling interests	138,929,541	52,631,923
Zakat	(11,433,022)	(9,632,196)
Non-controlling interests	(1,719)	(4,006)
Net Income	**127,494,800**	**42,995,721**
Other comprehensive income that will not be reclassified to income in subsequently		
Gains of re-measure the defined benefit plans	1,362,487	4,587,411
Net comprehensive income for the year	128,857,287	47,583,132
The share of the net change in the equity of the associate	**24,808,765**	**9,161,133**

Expressed in Saudi Riyals

9. INVESTMENTS IN ASSOCIATE COMPANIES (CONTINUED)

A- Investment in International Medical Center Company (A Saudi Closed Stock Company),(Continued).

A-3 The following is the statement of financial position of the International Medical Center Company as of December 31:

	2021	2020
Non-current assets	878,835,147	872,116,895
Current assets	679,793,368	622,928,733
Non-Current liabilities	(218,600,112)	(207,523,007)
Current liabilities	(337,104,785)	(338,462,460)
Non-controlling interests	(96,718)	(90,548)
The net assets of the associate	**1,002,826,900**	**948,969,613**
The share in the net assets of the associate is 19,25% (2020: 19,25%).	193,073,263	182,704,175
Amounts paid in excess of the share of the company assets when purchasing the investment	14,985,308	14,985,308
Book value as of December 31	**208,058,571**	**197,689,483**

B. Investment in Al-Jouf Agricultural Development Company (a Saudi joint-stock company).

B-1 The movement in the investment balance as follows:

	2021	2020
Balance as at the beginning of the year	74,312,851	119,008,241
Share of the results of the associate	-	1,921,546
Share of other comprehensive income	-	(176,361)
Amortization of intangible assets (Note B-4)	-	(669,469)
Dividends received	-	(4,200,000)
Dividends Accrued	-	(679,000)
Impairment loss in investment no longer needed	-	(8,886,137)
Disposal of sold shares	(74,312,851)	(32,005,969)
Balance as at the end of the year	**-**	**74,312,851**

On March 2, 2021, the Group sold its entire share in Al Jouf Agricultural Development Company (Associate Company), based on the decision of the Board of Directors, and the group achieved profits from the selling shares amounting to SAR 125.7 million, as follows:

	Amount
Proceeds from the sale of shares	200,014,808
The carrying value of the sold shares	(74,312,851)
	125,701,957

Expressed in Saudi Riyals

9. INVESTMENTS IN ASSOCIATE COMPANIES (CONTINUED)

B. Investment in Al-Jouf Agricultural Development Company (a Saudi joint-stock company), (Continued)

B-2 The following is the details of the results of Al-Jouf Agricultural Development Company's for the year ended December 31:

	2021	2020
Sales	-	223,210,102
Cost of Sales	-	(158,922,930)
Selling and distribution expenses	-	(27,762,520)
General and administrative expenses	-	(21,943,627)
Impairment of property, plant and equipment and Biological assets	-	(6,478,234)
Other (expenses)/ income, net	-	(1,163,907)
Finance charges	-	(969,667)
Net gain arising from ownership of land due to government grant	-	25,458,846
Net profit /(loss) before zakat	**-**	**31,428,063**
Zakat	-	(10,077,556)
Net income /(loss)	**-**	**21,350,507**
Other comprehensive income/ (loss) that will not be reclassified to income in subsequently	-	
(loss) of re-measure the defined benefit plans	-	(1,959,574)
Total comprehensive income/ (loss) for the year	**-**	**19,390,933**
The share of the net change in the equity of the associate	**-**	**1,745,185**

B-3 The following is the statement of financial position of Al-Jouf Agricultural Development Company as of December 31:

	2021	2020
Non-current assets	-	490,456,438
Current assets	-	241,426,875
Non-current liabilities	-	(29,074,737)
Current liabilities	-	(94,674,330)
The net assets of the associate	**-**	**608,134,246**
The share in the net assets of the associate is -% (2020: 9%).	-	54,732,082
Intangible assets - relationship with the customer (note B-4)	-	4,407,054
Intangible assets – trademark	-	3,880,447
Goodwill	-	11,221,524
Amounts paid in excess of the Company's share of assets from purchases	-	71,744
	-	**74,312,851**
Impairment in investment	-	-
Book value as of December 31	**-**	**74,312,851**

Expressed in Saudi Riyals

9. INVESTMENTS IN ASSOCIATE COMPANIES (CONTINUED)

B. Investment in Al-Jouf Agricultural Development Company (a Saudi joint-stock company), (Continued)

B-4 Intangible assets represent a relationship with the customer and resulted from the purchase of the investments that is expected to result in future benefits, and is shown net cost after deduct the accumulated amortization and impairment (if any), and is amortized by the straight-line method. Over a period of fifteen years from the date of significant influence, the movement in intangible assets was as follows:

	2021	2020
Total intangible assets - customer relationship	-	10,042,043
Disposals during the year	-	(3,592,586)
As at the ending of the year	-	6,449,457
Amortization for the beginning of the year	-	(2,417,425)
Amortization for the year	-	(669,469)
Disposal	-	1,044,491
Amortization as at the end of the year	-	(2,042,403)
Net intangible assets - customer relationship	**-**	**4,407,054**

10. INVESTMENTS IN EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2021 Equity shares in active markets	2020 Equity shares in active markets
Cost		
Balance as at the beginning of the year	98,782,805	77,919,964
Additions during the year	20,252,196	20,862,841
Disposal during the year	(425,760)	-
Balance as at the end of the year	**118,609,241**	**98,782,805**
Unrealized gains on investments in equity instruments at fair value through other comprehensive income		
Balance as at the beginning of the year	3,736,019	4,840,949
Net movement during the year	31,222,702	(1,104,930)
Transfer of gains from the exclusion of equity investments at fair value through other comprehensive income to retained earnings	(32,079)	-
Balance as at the end of the year	**34,926,642**	**3,736,019**
Net book value as at the end of the year	**153,535,883**	**102,518,824**

All investments as at the end of the year are listed on the financial markets.

Expressed in Saudi Riyals

11. INVENTORY

	2021	2020
Jewelry and gold	95,686,688	107,896,236
Gold and jewelry materials	5,502,681	7,280,630
Accessories and other	1,640,951	6,170,375
Gold raw material under manufacture by others	428,104	-
Boxes and packaging tools	52,988	2,334,449
	103,311,412	**123,681,690**
Less: Provision for slow-moving inventory	-	(7,718,308)
	103,311,412	**115,963,382**

Movement of the Provision for slow-moving inventory is as follow:

	2021	2020
Balance as at the beginning of the year	7,718,308	338,561
Charged during the year	-	7,379,747
Write-off during the year	(7,718,308)	-
Balance at the end of the year	**-**	**7,718,308**

- During the year, the value of idle and unsalable inventory was reduced, and based on the requirements of International Accounting Standard No. 2 applied in the Kingdom of Saudi Arabia, the inventory was valued at cost or net realizable value, whichever is lower. The Board of Directors decided on 07/12/2021 to write off the provision for previously formed inventory amounting to SAR 7,718,308 in addition to a decline in inventory value with an amount of SAR 17,905,931, which was impacted in the cost of sales.

12. TRADE AND OTHER RECEIVABLES

	2021	2020
Trade receivables	16,267	75,301
Prepayments expenses	683,244	738,219
Advances to suppliers	228,106	625,001
Due from sale of subsidiary (Note No. 25)	1,520,478	2,090,478
Other receivables	585,216	1,053,194
	3,033,311	**4,582,193**
Less: impairment in value	(16,447)	(43,871)
	3,016,864	**4,538,322**

The movement in impairment in value is as follows:

	2021	2020
Balance as at the beginning of the year	43,871	47,397
Amounts written off during the year	(27,424)	(3,526)
Balance as at the ending of the year	**16,447**	**43,871**

Expressed in Saudi Riyals

13. CASH AND CASH EQUIVALENTS

	2021	2020
Cash on hand	73,197	35,394
Cash at banks	15,635,241	97,083,119
	15,708,438	**97,118,513**

14. SHARE CAPITAL

	2021	2020
Ordinary shares par value per share 10 Saudi riyals	275,000,000	550,000,000

The Board of Directors recommended at the meeting held on 4 March 2021 to reduce the capital by 50%, so that the capital becomes SAR 275,000,000 (two hundred seventy-five million Saudi riyals) instead of SAR 550,000,000 (five hundred and fifty million Saudi riyals). On 7 July 2021, the CMA approved the company's request to reduce its capital which exceeds the company's need from SAR (550,000,000) to SAR (275,000,000) so that the number of shares decreased from 55,000,000 share to 27,500,000 share. The details of the company's capital reduction were approved by shareholders at the extraordinary General Assembly meeting on July 7, 2021. The extraordinary General Assembly decision to reduce capital was implemented at the end of the last day of the creditors' (60 days) objection period on 5September 2021.

Accordingly, the capital consists of 27.5 million shares valued at 10 Saudi riyals each share (December 31, 2020: 55 million shares valued at SAR 10 each share).

15. STATUTORY RESERVE

In accordance with the Saudi Companies law and the Group's Articles of Association, The Group shall transfer 10% of the annual net profit to the statuary reserve and the ordinary general assembly may decide to discontinue setting aside such percentage when reserve reaches 30% of paid-in capital.

16. NON-CONTROLLING RIGHTS

The non-controlling interests represent the part of the profit or loss and the net assets not owned by the Group that are presented as a separate item in the consolidated statement of profit or loss and consolidated other comprehensive income statement, which shown in equity in the consolidated statement of financial position in separately from of the equity in the parent company.

17. EMPLOYEE DEFINED BENEFIT LIABILITIES

	2021	2020
Balance as at the beginning of the year	1,201,146	4,319,299
Net benefit expense recognized in the consolidated statement of profit or loss	558,544	696,798
Re-measuring (loss) /gain of employee defined benefit plan	92,746	(110,965)
Disposals of sale of subsidiary	-	(1,219,733)
Paid during the year	(325,335)	(2,484,253)
Balance as at the end of the year	**1,527,101**	**1,201,146**

Expressed in Saudi Riyals

17. EMPLOYEE DEFINED BENEFIT LIABILITIES (Continued)

Net benefit expense (recognized in the consolidated statement of profit or loss) is as shown below:

	2021	2020
Current service cost	523,296	765,876
Experience service cost	-	(165,246)
Finance costs	35,248	96,168
	558,544	**696,798**

Actuarial loss recognized in other comprehensive income during the year comprises of:

	2021	2020
Actuarial (Gains) / loss resulted from change in financial assumptions	(12,296)	(142,699)
Actuarial losses resulted from change experience	105,042	31,734
	92,746	**(110,965)**

The principle actuarial assumptions used in the calculation of the employees' current defined benefit obligations are as follows:

	2021	2020
Discount rate	2.79%	2.660%
Salary increase rate	3%	3%
Death rate	From 0,000594 To 0,024783	From 0,000594 To 0,024783
Turnover rate	From 5% To 25%	From 5% To 25%

The effect of change in one of the actuarial assumptions that has reasonable change in the rate in the defined benefit obligation, with all other variable assumptions constant is presented as follows:

	2021	2020
Discount rate +1%	1,434,797	1,127,840
Discount rate -1%	1,630,691	1,283,456
Salary increase +1%	1,636,877	1,288,259
Salary increase -1%	1,427,487	1,122,128

The above sensitivity analysis have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

The following payments are expected in future years in respect of defined benefit plan:

	2021	2020
Within the next 12 months (next annual reporting period)	219,020	180,775
Between 2 and 5 years	907,490	1,990,641
Between 6 and 10 years	1,428,996	1,723,867
Over 10 years	2,526,614	3,887,411

The average duration of the defined benefit plan obligation at the end of the reporting period is 7 years (2020: 10 years).

Expressed in Saudi Riyals

18. TRADE AND OTHER PAYABLES

	2021	2020
Trade payables	3,404,333	3,675,232
Accrued expenses	3,007,550	3,329,777
Advances from customers	1,628,727	1,584,734
Other credit balances	2,190,927	2,628,589
	10,231,537	**11,218,332**

19. DIVIDENDS FROM EQUITY INSTRUMENTS AT FAIR VALUE

	December 31, 2021	December 31, 2020
Dividends	15,128,589	7,591,580
	15,128,589	**7,591,580**

20. SELLING AND DISTRIBUTION EXPENSES

	December 31, 2021	December 31, 2020
Salaries, wages, and other benefits	5,283,681	6,190,180
Depreciation (Note N0.7)	2,544,707	3,457,058
Amortization of right-of-use assets(Note No. 8-1)	1,284,589	1,698,681
Advertising and marketing	1,949,437	1,088,345
Rents *	-	160,164
Electricity and water	573,778	884,615
Bank charges	425,635	357,702
Others	1,848,308	2,311,651
	13,910,135	**16,148,396**

* It is representing the lease of the group branch with short period rent contract that is not affected by IFRS 16.

21. GENERAL AND ADMINISTRATIVE EXPENSES

	December 31, 2021	December 31, 2020
Salaries, wages, and other benefits	10,308,443	8,186,707
Depreciation (Note No. 7)	1,340,289	1,589,979
Board of directors and committee benefit	1,280,000	527,756
Professional fees	780,000	792,000
Subscription fees	684,878	677,703
Others	1,433,381	1,706,199
	15,826,991	**13,480,344**

Expressed in Saudi Riyals

22. OTHER (EXPENSES) /INCOME

	December 31, 2021	December 31, 2020
Financing interest – Contract lease	(36,711)	(141,123)
Others	399,595	705,263
Other expenses	(1,158,097)	(138,690)
	(795,213)	**425,450**

23. ZAKAT PAYABLE

1) The movement in zakat payable for the Group as follow:

	December 31, 2021	December 31, 2020
Balance as at the beginning of the year	7,954,117	4,403,004
Charged during the year	3,964,665	5,952,893
Charged for prior years	1,197,706	4,798,220
Paid during the year	(7,142,941)	(6,676,253)
Charged /Disposal from the sale of the subsidiary	-	(523,747)
Balance as at the end of the year	**5,973,547**	**7,954,117**

2) The Zakat status

Fitaihi Holding Group Company
The Group finalized its zakat status for the years ending December 31, 1999 until 2015, and the year ended on December 31, 2018 until 2020.

- The Group submitted the zakat return for the two years ending on December 31, 2016 and 2017 and obtained the unrestricted zakat certificate for the year 2017.
- The General Authority of zakat and Tax issued the assessment for the two years mentioned above, which showed differences amounting to SAR 2,001,223.
- The Group has submitted an objection on such assessment for the two years mentioned above.
- The General Authority of zakat and Tax reject the objection for two years mentioned above.
- The Group to the Appeal Committee for the settlement of violations and disputes for consideration and issuance of a decision regarding it, which is still under study by the committee until to date.

- The Group submitted its zakat declaration for the year ending on December 31, 2020 and paid the zakat due for its share in the foreign investment for the year. The Group obtained an unrestricted zakat certificate for the year 2020.

Expressed in Saudi Riyals

24. EARNINGS /(LOSS) PER SHARE

The basic and diluted earnings per share are calculated by dividing net income for the year by the weighted average number of ordinary shares issued and outstanding at year-end. The reduced earnings per share is equal to the basic earnings per share.

The following table reflects the net income data for the year and the number of shares used to calculate the basic and diluted earnings per share:

	2021	2020
Profit for the year from continued operation	149,638,380	36,013,761
(loss) for the year from discontinued operation	-	(6,012,672)
Profit for the year attributable to shareholders of the parent company (SAR)	**149,638,380**	**30,001,089**
Weighted average number of common shares outstanding (share)	**46,260,274**	**55,000,000**
From Continuous and Discontinued operations		
Basic and diluted profit earnings per share from the net profit for the year attributable to shareholders of the parent company	**3.23**	**0.55**
From Continuous operations		
Basic and diluted profit earnings per share from the net profit for the year attributable to shareholders of the parent company	**3.23**	**0.65**

25. DISCONTINUED OPERATIONS (DISPOSAL OF A SUBSIDIARY COMPANY)

LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS

On 10 June 2020, the Board of Directors decided to sell the group's 80% ownership in the capital of its subsidiary, (Luxury Goods Company Ltd) and the group's share of the fair value of the subsidiary amounted to SAR 14.36 million, resulting in a loss amounting to SAR 4.2 million.

25-1 Net loss for the period from discontinuing operations

	2021	2020
Revenue	-	8,631,983
Expenses	-	(10,668,014)
Loss of impairment of assets classified as held for sale	-	(4,203,843)
Loss before zakat	**-**	**(6,239,874)**
Zakat	-	(225,000)
loss for the period from discontinuing operations	**-**	**(6,464,874)**

Expressed in Saudi Riyals

25. DISCONTINUED OPERATIONS (DISPOSAL OF A SUBSIDIARY COMPANY) (Continued)

LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS (Continued)

25-2 Cash flows from discontinuous operations

The statement of cash flows includes the following discontinuous operations:

	2021	2020
Cash flows from operating activities:		
Net(loss) before zakat	-	(2,036,031)
Adjustments to reconcile income /(loss) before zakat to cash flows from operating activities:		
Depreciation of property and equipment	-	942,526
Amortization of right of use assets	-	1,890,713
Employees defined benefit liabilities	-	146,729
Finance charge of right of use assets	-	165,726
	-	**1,109,663**
Changes in working capital:		
Other receivables	-	(574,518)
Inventory	-	2,606,633
Trade and other payables	-	507,673
	-	**3,649,451**
Zakat paid	-	-
Employees defined benefit liabilities paid	-	-
Net cash from operating activities	**-**	**3,649,451**
Cash flows from investing activities:		
Purchase of property and equipment	-	(506,754)
Net cash (used in) investing activities	**-**	**(506,754)**
Cash flow from financing activities		
Lease obligations	-	(2,502,463)
Net cash (used in) financing activities	**-**	**(2,502,463)**
Net Change in Cash and cash equivalents	**-**	**640,234**

26. NET PROFIT FROM INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

During the year, the group invested the surplus amount including the sale of the associate company, amounting to 278,137,094 Saudi riyals for a period of 6 months, and it achieved profits in the amount of 1,200,831 Saudi riyals.

27. RELATED PARTIES' TRANSACTIONS

The related parties represent major shareholders, directors, and key management of the Group, and entities controlled, jointly controlled, or significantly influenced by such parties. The following are the transactions with related parties during the year:

A) Fitaihi Holding Group Company's sold 80% share in the capital of its subsidiary (Luxury Goods Company Ltd.) to a member of the Board of Directors and former CEO of the retail sector, Dr. Muhammad Ahmad Hassan Fitaihi, who owned 20% of the share of this company, by total amount of SAR 14.36 million, and the remaining amount of SAR 1.5 Million as at December 31, 2021. He resigned from his position as CEO of the retail sector of the Group effect on 13/05/2021. The total amount of salaries, benefits, and bonus he received amounted to nil (2020: SR 944,156) during the fiscal year 2020 until 30/06/2020, which is the end date of his membership in the board of directors of the Group (after he submitted his resignation from his membership in the Group's Board of Directors. on 29/06/2020).

B) The Group's senior management consists of senior executives and board members who have powers and responsibilities to plan, direct and supervise the Group's activities. The total salaries and benefits of senior management and senior executives amounted to SAR 2,931,002 (2020: SAR 3,064,041). And there is no allowance for attending Board and committee due as of December 31, 2021 (2020: none), and the total remuneration to the members of the Board of Directors during the year amounted to SAR 1,300,000 (2020: SAR 537,756), and remuneration for a single member out of the Audit Committee (Mr. Osman Riad Al-Hamidan) during the year SAR 80,000 (2020: SAR 40,000).

C) The Group's sales to the International Medical Center Company (an associate company) during the year amounted to SAR Zero (2020: SAR 1,445,984).

D) The group's sales to the Chairman of the Board of Directors without preferential terms and with the same conditions that the company follows with the general dealers and contractors, and it is among the main goods in which the subsidiary Fitaihi Retail Company operates and sells during the year the amount of SAR 1,562,616 (2020 : SAR 168,422).

28. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Group's use of financial instruments exposes it to a variety of financial risks. The Group continuously reviews its risk exposures and takes measures to limit it to acceptable levels. The board of directors has the overall responsibility for the establishment and oversight of the Group's risk management framework and developing and monitoring the risk management policies in close co-operation with the Group's operating units. The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits, the Group is exposed through its operations to the following financial risks.

Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximize the return to shareholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged from the prior year.

The Group's capital structure consists of equity and debt comprising share capital, the statutory reserve, and retained earnings.

28. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

Categories of financial instruments

	December 31, 2021	December 31, 2020
Financial assets		
Amortized cost		
Cash and cash equivalents	15,708,438	97,118,513
Trade and other receivables	3,016,864	4,538,322
Financial liabilities		
At amortized cost		
Trade and other payables	10,231,537	11,218,332
Lease liabilities	810,188	1,370,213

Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market.

Foreign Currency risk

The Group's significant transactions are done in Saudi riyals, US dollars, British pounds, euros, and Egyptian pounds. The US dollar is pegged against the Saudi Riyal at a fixed exchange rate. Management monitors fluctuations in currency exchange rates and manages their effects on the consolidated financial statements. Currency risk is the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group is exposed to the risks of currency exchange fluctuations in its normal business cycle. The risks related to currency fluctuations associated with financial instruments are concentrated in currency fluctuations of the Group's foreign investments, as the main Group's investments in the stock market are concentrated on the Egyptian Stock Exchange, and therefore their fair value is affected by the exchange rate of Egyptian pound from one period to another. According to the economic and political conditions in Egypt, the Group considers that most of its investments are for long-term strategic purposes.

The carrying values of monetary liabilities denominated in foreign currencies of the Group at the end of the fiscal year are as follows:

As at December 31, 2021	Foreign Currency	Foreign Currency Balance	Exchange rate	Total
Investments in equity instruments at fair value through other comprehensive income	EGP	643,086,070	0.38	153,535,883
Cash and bank balances	EUR	1,165	4,57	5,324
Cash and bank balances	GBP	835	5,08	4,242
Cash and bank balances	CHF	366	4,21	1,541
				153,546,990

Expressed in Saudi Riyals

28. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

Foreign Currency risk (Continued)

As at December 31, 2020	Foreign Currency	Foreign Currency Balance	Exchange rate	Total
Investments in equity instruments at fair value through other comprehensive income	EGP	428,264,000	0.38	102,053,149
Cash and bank balances	EUR	1,165	4,57	5,324
Cash and bank balances	GBP	835	5,08	4,242
Cash and bank balances	CHF	366	4,21	1,541
				102,064,256

Stock price Risk
The Group is exposed to market price risks on its investments in shares traded and arising from the uncertainty in the future value of shares traded. Reports on investment in shares traded are regularly reported to Top management.

Interest rate and liquidity risks management
Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium, and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities, The group is not exposed to interest rate risk, as the group's management relies fundamentally on providing liquidity through the group's operational and investment operations, and it does not rely on facilities and loans. Therefore, sensitivity interest rate analysis has not been presented.

Interest rate risk
Interest rate risk is the risk that the value of financial instruments or the associated cash flows will fluctuate due to changes in interest rates. The Group does not have a significant variable of interest.

Fair value of financial instruments
For financial reporting purposes, the Group has used the fair value hierarchy categorized in levels 1, 2, and 3 based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety, and describe as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can assess at the measurement date.
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The valuation of each publicly traded investment is based upon the closing market price of that stock as of the valuation date, less a discount if the security is restricted.

Expressed in Saudi Riyals

28. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

Fair value of financial instruments (Continued)

Fair values of investments in unquoted equity shares classified in Level 3 are determined based on the investees' latest reported net asset values as at the date of consolidated statement of financial position.

Details of financial instruments carried at fair value are as below:

Nature of financial instrument	Carrying value SAR	Level 1 SAR	Level 2 SAR	Level 3 SAR
As at 31 December 2021				
Investments in quoted equity shares	153,535,883	153,535,883	-	-
As at 31 December 2020				
Investments in quoted equity shares	102,518,824	102,518,824	-	-

Other financial instruments have been carried at amortized cost. At the respective reporting dates, the fair value for these instruments approximates the amortized cost considered for financial reporting and disclosed in the respective schedules.

There have been no transfers between levels during the reporting periods.

The Group haven't investment unquoted, therefore sensitivity analysis has not been presented

29. PARENT COMPANY BRANCHES

Branch name	Branch commercial registration number	Date	City
Branch of Fitaihi Holding Group	4030174070	11/11/1428 H	Jeddah
Saudi Tawteen for Maintenance & Operation	4030231204	17/8/1433 H	Jeddah
Fitaihi Retail Company One person company	4030174452	24/11/1428 H	Jeddah
Branch of Fitaihi Retail Company	4030085129	2/8/1412 H	Jeddah
Branch of Fitaihi Retail Company	4030085130	2/8/1412 H	Jeddah
Branch of Fitaihi Retail Company	4030085131	2/8/1412 H	Jeddah
Branch of Fitaihi Retail Company	4030145447	11/9/1424 H	Jeddah
Branch of Fitaihi Retail Company	4030173628	25/10/1428 H	Jeddah
Branch of Fitaihi Retail Company	4030252765	21/9/1434 H	Jeddah
Branch of Fitaihi Retail Company	4030272500	11/8/1435 H	Jeddah
Branch of Fitaihi Retail Company	4030287194	7/4/1437 H	Jeddah
Branch of Fitaihi Retail Company	4030292611	29/3/1438 H	Jeddah
Branch of Fitaihi Retail Company	4030317582	13/4/1440 H	Jeddah

Expressed in Saudi Riyals

29. PARENT COMPANY BRANCHES (Continued)

-On 14/05/1442 corresponding to 29/12/2020, a new Commercial register number 4030403227 was issued to Sodouq International Holding Company for Investment One person company Ltd, and the existing commercial registration to t Sodouq International Holding Company for Investment One person company Ltd Company number. 4030174070 dated 11/11/1428 was transferred to a branch.

- On 19/05/1442 corresponding to 03/01/2021, the owner of the capital in Sodouq International Holding Company for Investment One person company (limited liability) company, agreed to transfer and subordinate all the assets and liabilities of the Commercial Registration -number 4030174070 on 11/11/1428 and all related to It has rights, obligations, transactions, contracts and agreements of any kind from individuals, governmental or non-governmental bodies, banks or others, to become a branch of the Fitaihi Holding Group Company, Commercial Register number. 4030085128, dated 02/08/1412.

- During the year, the group's management wrote off the commercial records of Riyadh branches no. 1010222334, 1010384632, and 1010115028.

-On 29/06/1442 AH corresponding to 11/02/2021, the activity of wholesale carpets and rugs, retail sale of blankets, sheets, linens and mattresses, was added to the Fitaihi Retail Company, Register No. 4030252765.

30. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation. The most important of them are as follows :

Consolidated statement of financial position:

	2020 Before reclassification	Reclassification	2020 After reclassification
Lease liabilities – Non current portion	-	810,188	810,188
Trade and other payables	12,028,520	(810,188)	11,218,332

31. APPROVAL OF THE FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Board of Directors on 27/03/2022