

**ANAAM INTERNATIONAL HOLDING GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE-MONTH AND NINE-MONTH
PERIODS ENDED 30 SEPTEMBER 2024**

**ANAAM INTERNATIONAL HOLDING GROUP COMPANY
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INDEPENDENT AUDITOR'S REVIEW REPORT
ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Anaam International Holding Group Company
(A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Anaam International Holding Group Company (A Saudi Joint Stock Company) (the "Company") and its subsidiaries (together "the Group") as at 30 September 2024 and the related interim condensed consolidated statement of profit or loss and other comprehensive income for the three-month and nine-month periods ended, and the interim condensed consolidated statement of changes in equity and cash flows for the nine-month period then ended, and other explanatory notes.

Management is responsible for the preparation and presentation of this interim condensed consolidated financial statements in accordance with International Accounting Standard 34 – "Interim Financial Reporting" (IAS 34) that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim condensed consolidated financial statements based on our review.

Scope of Review

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

Conclusion

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

Emphasis of Matters

We draw attention to the following:

1. As stated in note (4) to the accompanying interim condensed consolidated financial statements, the property, plant and equipment includes a land and a building amounting to SR 14 million registered in the name of Karnaf for Finance Company for which the ownership and the title deed is not yet transferred to the name of the Group.
2. As stated in note (5) to the accompanying interim condensed consolidated financial statements, the investment properties include a land with an amount of SR 16.5 million of which the ownership and the title deed is not registered in the name of the Group, and still in the process in issuing the title deed in the name of Group.

Our conclusion is not qualified in respect to these matters.



Crowe Solutions for Professional Consulting



Abdullah M. AlAzem
License No. 335

25 Rabi' al-Thani 1446H (October 28, 2024)
Jeddah, Kingdom of Saudi Arabia

ANAAM INTERNATIONAL HOLDING GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024 (UNAUDITED)
(Saudi Riyals)

	Note	As at 30 September 2024 (Unaudited)	As at 31 December 2023 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	4	54,630,814	56,340,955
Right of use assets		832,853	853,445
Investment properties	5	452,393,717	481,013,787
Intangible assets		539,612	601,296
Long-term investments	6	5,335,000	5,335,000
Total non-current assets		513,731,996	544,144,483
Current assets			
Inventory		158,608	742,921
Trade receivables	7	24,351,198	18,362,140
Prepaid expenses and other debit balances	8	35,467,497	3,554,412
Short term investments	9	9,474,681	8,109,803
Cash and cash equivalents	10	15,510,316	33,727,977
		84,962,300	64,497,253
Non – Current assets held for sale	11-2	-	8,476,205
Total current assets		84,962,300	72,973,458
Total assets		598,694,296	617,117,941
EQUITY AND LIABILITIES			
Equity			
Share capital	12	315,000,000	315,000,000
Accumulated losses		(29,520,511)	(25,661,135)
Reserve for acquisition of additional shares in a subsidiary		(3,294,834)	-
Equity attributable to the shareholders of the Parent Company		282,184,655	289,338,865
Non-Controlling interests		4,187,449	5,283,941
Total equity		286,372,104	294,622,806
Non-current liabilities			
Long-term loans – non-current portion	13	119,174,978	127,687,541
Government grant – non-current portion	13-6	1,327,741	1,447,812
Lease liabilities – non-current portion		893,453	875,303
Employees' defined benefits obligation		4,556,076	2,669,749
Total non-current liabilities		125,952,248	132,680,405
Current liabilities			
Trade payables		3,665,500	2,619,855
Accruals and other credit balances		18,763,220	13,534,147
Dividends and due to shareholders		13,825,188	13,837,843
Due to related parties	18	3,534,431	4,335,454
Long-term loans – current portion	13	44,999,682	43,779,771
Government grant – current portion	13-6	160,122	160,122
Lease liabilities – current portion		24,637	15,697
Provision for zakat		101,397,164	102,857,655
		186,369,944	181,140,544
Liabilities directly associated with the Group's that assets classified as held for sale	11-2	-	8,674,186
Total current liabilities		186,369,944	189,814,730
Total liabilities		312,322,192	322,495,135
Total equity and liabilities		598,694,296	617,117,941

Chief Financial Officer

Chief Executive Officer

Authorized Board Member

The accompanying notes (1) to (21) form an integral part of these interim condensed consolidated financial statements.



ANAAM INTERNATIONAL HOLDING GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2024 (UNAUDITED)
(Saudi Riyals)

	Note	For the three-month period ended 30 September		For the nine-month period ended 30 September	
		2024 (Unaudited)	2023 (Unaudited)	2024 (Unaudited)	2023 (Unaudited)
Continuing operations					
Rental revenue		7,428,286	7,903,525	22,557,841	23,162,945
Revenue from contracts with customers		3,735,856	6,289,023	11,868,649	13,906,828
Total revenue	16	11,164,142	14,192,548	34,426,490	37,069,773
Cost of revenue		(4,617,085)	(4,665,137)	(13,772,337)	(13,888,697)
Gross profit		6,547,057	9,527,411	20,654,153	23,181,076
Selling and marketing expenses		(1,097,533)	(1,319,235)	(2,843,228)	(2,857,901)
General and administrative expenses		(10,263,280)	(4,322,066)	(18,516,885)	(11,803,589)
(Loss) / Profit from operations		(4,813,756)	3,886,110	(705,960)	8,519,586
Gain from FVTPL investments	9	135,899	450,998	1,226,546	173,059
Gain from disposal of short term investments		-	-	-	961,148
Finance cost		(3,081,950)	(3,035,597)	(9,759,331)	(9,083,866)
Fair value (loss) / gain on investment properties	5	-	(1,964)	-	5,890,260
Other (expenses) / revenue, net		(446,997)	677,400	460,866	1,578,464
(Loss) / Profit before zakat from continuing operations		(8,206,804)	1,976,947	(8,777,879)	8,038,651
Zakat expense		-	-	-	-
(Loss) / Profit before zakat from continuing operations after zakat		(8,206,804)	1,976,947	(8,777,879)	8,038,651
Profit / (loss) for the period of non-continuing operations	11-3	-	(973,080)	4,440,860	(2,924,947)
(Loss) / Profit for the period		(8,206,804)	1,003,867	(4,337,019)	5,113,704
Other comprehensive income:					
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>					
Re-measurement of employees' benefits obligation		-	-	-	-
Total comprehensive (loss) / income for the period		(8,206,804)	1,003,867	(4,337,019)	5,113,704
(Loss) / Profit for the period attributable to:					
Owners of the Parent Company		(8,054,128)	634,167	(3,859,376)	6,144,671
Non-controlling interests		(152,676)	369,700	(477,643)	(1,030,967)
		(8,206,804)	1,003,867	(4,337,019)	5,113,704
Total comprehensive (loss) / income for the period attributable to:					
Owners of the Parent Company		(8,054,128)	634,167	(3,859,376)	6,144,671
Non-controlling interests		(152,676)	369,700	(477,643)	(1,030,967)
		(8,206,804)	1,003,867	(4,337,019)	5,113,704
(Loss) / Earnings per share					
Basic and diluted earnings per share attributable to owners of the Parent Company	14	(0.013)	0.001	(0.0061)	0.01

Chief Financial Officer

Chief Executive Officer

Authorized Board Member

The accompanying notes (1) to (21) form an integral part of these interim condensed consolidated financial statements.



ANAAM INTERNATIONAL HOLDING GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (UNAUDITED)
(Saudi Riyals)

	Attributable to the Shareholders of the Parent Company					
	Share capital	Accumulated losses	Reserve for acquisition of additional shares in a subsidiary	Total	Non-controlling interests	Total equity
Balance as at 1 January 2023 (audited)	315,000,000	(40,335,540)	-	274,664,460	6,795,044	281,459,504
Profit / (loss) for the period	-	6,144,671	-	6,144,671	(1,030,967)	5,113,704
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income / (loss) for the period	-	6,144,671	-	6,144,671	(1,030,967)	5,113,704
Balance as at 30 September 2023 (unaudited)	315,000,000	(34,190,869)	-	280,809,131	5,764,077	286,573,208
Balance as at 1 January 2024 (audited)	315,000,000	(25,661,135)	-	289,338,865	5,283,941	294,622,806
Acquisition of additional shares in a subsidiary (note 3-2)	-	-	(3,294,834)	(3,294,834)	(1,505,166)	(4,800,000)
Disposal of a subsidiary (note 11)	-	-	-	-	886,317	886,317
Loss for the period	-	(3,859,376)	-	(3,859,376)	(477,643)	(4,337,019)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	(3,859,376)	-	(3,859,376)	(477,643)	(4,337,019)
Balance as at 30 September 2024 (unaudited)	315,000,000	(29,520,511)	(3,294,834)	282,184,655	4,187,449	286,372,104


Chief Financial Officer


Chief Executive Officer


Authorized Board Member

The accompanying notes (1) to (21) form an integral part of these interim condensed consolidated financial statements.



ANAAM INTERNATIONAL HOLDING GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (UNAUDITED)
(Saudi Riyals)

	Note	For the nine months period ended 30 September	
		2024 (Unaudited)	2023 (Unaudited)
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
(Loss) / profit before Zakat		(4,337,019)	5,113,704
<u>Adjustments:</u>			
Depreciation of property, plant and equipment	4	2,726,491	3,095,918
Depreciation of right of use assets		20,592	-
Amortization of intangible assets		61,684	15,612
Fair value gain on investment properties	5	-	(5,890,260)
Loss from disposal of investment properties		557,570	-
Gain from the disposal of a subsidiary	11	(4,494,556)	-
Unrealized gain from FVTPL investments	9-1	(1,195,956)	(173,059)
Gain on disposal of FVTPL investments	9-1	(30,590)	(961,148)
Finance cost		9,759,331	9,152,887
Amortization of deferred revenue of government grant	13-6	(120,071)	(120,079)
Employees defined benefits obligation		2,092,227	683,969
Investment dividends income		(368,607)	(307,669)
<u>Changes in operating assets and liabilities</u>			
Inventory		584,313	644,956
Trade receivables		(3,360,806)	(6,645,026)
Prepaid expenses and other debit balances		(10,834,475)	(2,873,810)
Accruals and other credit balances		2,766,214	6,794,538
Due to related parties		(748,963)	-
Trade payables		134,188	1,352,742
Cash (used in) / generated from operation		(6,788,433)	9,883,275
Employees defined benefits obligation paid		(205,546)	(198,996)
Finance cost paid		(7,274,776)	(8,629,038)
Dividend received		368,607	147,861
Zakat paid		(1,460,491)	(1,123,442)
Net cash (used in) / generated from from operating activities		(15,360,639)	79,660
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Purchase of property, plant and equipment	4	(1,016,350)	(4,401,125)
Proceeds from sale of investments property		10,445,000	-
Purchase of additional shares in a subsidiary		(4,800,000)	-
Purchase of investment in FVTPL	9-1	(1,331,495)	-
Proceeds from sale of investments in FVTPL	9-1	1,193,163	36,977,407
Net cash generated from investing activities		4,490,318	32,576,282
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Dividends due to shareholders		(12,655)	(8,984)
Repayment of long-term loans		(7,334,685)	(779,871)
Proceeds from long-term loans		-	12,999,922
Net cash (used in) / generated from financing activities		(7,347,340)	12,211,067
Net change in cash and cash equivalents		(18,217,661)	44,867,009
Cash and cash equivalents at beginning of the period		33,727,977	4,854,876
Cash and cash equivalents at end of the period	10	15,510,316	49,721,885
<u>Non cash transactions:</u>			
Net assets disposed	11-1	227,051	-
Net assets disposed	11-2	197,981	-
Uncollected balance from the disposal of investment properties included under other receivables	8	3,000,000	-
Disposed Non-controlling interests	11	886,317	-
Uncollected amounts from the sale of investment properties	8	17,617,500	-
Chief Financial Officer		Chief Executive Officer	Authorized Board Member

The accompanying notes (1) to (21) form an integral part of these interim condensed consolidated financial statements.



ANAAM INTERNATIONAL HOLDING GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2024 (UNAUDITED)
(Saudi Riyals)

1. CORPORATE INFORMATION

Anaam International Holding Group Company (the “Company”) is a Saudi joint stock Company established in accordance with Commercial Registration No. 4030035073 dated 7/9/1402 H (corresponding to 29 June 1982). The registered office is located in Jeddah.

The Company and its subsidiaries’ (referred to it as the “Group”) main activities were performing all operation of marine transport of livestock within and outside the Kingdom, possession of all means of marine and overland transport necessary to the Group, trading of marine equipment necessary for the ships of the Group, trading of livestock and fodder, related operation of meat production and its transportations, management and operation of slaughterhouses and meat manufacturing, establishing, managing and operating centers and industrial projects, wholesale and retail trade in foodstuff, carryout import, export and marketing to third parties and public services in the fields of trading and distribution agencies.

On 3 December 2020, the Company has changed its activities of cultivation and trading of feedstuffs, wholesale and retail trade in foodstuffs, warehousing and leasing services to managing subsidiaries or participating in the management of other companies in which the Group contributes, providing the necessary support for them, investing their money in shares and other securities, owning real estate and movables necessary to conduct its activities, and providing loans, guarantees and financing for its subsidiaries.

The Company has the following subsidiaries included in the interim condensed consolidated financial statements. All these companies are established in the Kingdom of Saudi Arabia and are owned by the Company directly and indirectly. The main activities and shareholding percentages of each subsidiary are as follows:

Subsidiaries	Main activity	Commercial registration number	Shareholding %	
			30 September 2024	31 December 2023
Saudi Cold Store Company Limited	Foodstuff trading & rental storage (dormant entity)	4030007971	100%	100%
Anaam International Food Co., Ltd.	Foodstuff trading	4030166809	100%	100%
Anaam International Agricultural Company (*)	Agricultural production (dormant entity)	4030035281	100%	100%
Anaam International Investment Company	Real estate and services (dormant entity)	4030165735	100%	100%
Saudi Wasit Factory for Entertainment and Beauty Systems (“Saudi Wasit”) (**)	Entertainment and Beauty	1126002218	63%	51%
ARW Industry Company (“ARW”) (***)	Manufacturing of medical equipment and healthcare products	4030288106	-	55%

(*) The board of directors resolved to liquidate this entity.

There has been no change in the Group’s interest in its subsidiaries since its last annual consolidated financial statements for the year ended 31 December 2023 except for the below:

(**) On 1 January 2024, the Group has acquired 12% more shareholding of this entity. Accordingly, the Article of Association of the entity was updated.

(***) During the period, the entity has been fully disposed off and presented as discontinued operation (note 11).

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting” “IAS 34” as endorsed in the Kingdom of Saudi Arabia.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements. These interim condensed consolidated financial statements should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2023. In addition, results for the interim period ended 30 September 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

2. BASIS OF PREPARATION (CONTINUED)

These interim consolidated financial statements have been prepared on a historical cost basis, except for the items which are measured at fair value, present value, net realizable value and replacement cost in line with the accrual basis of accounting and going concern.

The interim condensed consolidated financial statements are presented in Saudi Riyals ("SR"), which is also the functional currency of the Company.

Working capital deficit

The Group's current liabilities exceeded its current assets by SR 101.4 million as of 30 September 2024. These events or conditions indicate that the Group will be unable to meet its future obligations when fall due. These financial statements have been prepared on a going concern basis of accounting after taking into account, amongst others:

- Alinma Bank waived the Parent Company with respect to a breach of covenants (note 13)
- Total equity is positive at 30 September 2024; and
- The zakat provision, amounting to SR 101 million, represents 54% of the current liabilities. It corresponds to the assessments imposed on the Group by ZATCA, which are currently under appeal. Management believes that the process will support a reduction of more than 75% of the balance, with the remainder to be paid in installments over more than one year.

3. MATERIAL ACCOUNTING POLICIES

3.1 Critical accounting estimates and assumptions

The preparation of consolidated financial statements in accordance with International Financial Reporting Standards and the applicable accounting policies requires the use of judgments, estimates and assumptions that affect the amounts of revenues and expenses, assets and liabilities and the accompanying notes, in addition to the disclosure of contingent liabilities. Uncertainty regarding these assumptions and estimates may lead to results that require a material adjustment to the carrying amount of the assets and liabilities affected in future periods.

The significant judgments made by management in applying the key sources of estimation uncertainty in the Group were the same as those described in the consolidated financial statements for the year ended 31 December 2023. However, the Group has also reviewed the key sources of estimation uncertainty disclosed in its 2023 consolidated annual financial statements. Management believes that all sources of estimation uncertainty remain similar to those disclosed in the 2023 consolidated annual financial statements. The Group will continue to monitor the situation and any required changes will be reflected in future reporting periods.

3-2 MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023. Except for the following amendments which first apply in 2024. but they do not have a material effect on the Group's interim condensed consolidated financial statements.

New standards, interpretations and amendments adopted by the Group

- Supplier Finance Arrangements (Amendments to: IAS 7 Cash Flow Statements IFRS 7 Financial Instruments: Disclosure
- Lease Liability in a Sale and Leaseback (Amendment to IFRS 16 "Leases")
- Classification of Liabilities as Current or Non-current (including Classification of Liabilities as Current or Non-current – Deferral of Effective Date) (Amendment to IAS 1 "Presentation of Financial Statements")
- Non-current Liabilities with Covenants (Amendment to IAS 1 "Presentation of Financial Statements")

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective for periods beginning on or after 1 January 2025 that the Group has decided not to adopt early. The Group does not expect these standards and interpretations to have a material impact on the interim condensed consolidated financial statements once adopted.

ANAAM INTERNATIONAL HOLDING GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2024 (UNAUDITED)
(Saudi Riyals)

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3-2 Critical accounting estimates and assumptions (continued)

Reserve for acquisition of additional shares in a subsidiary

On 21 Dhu al-Qi'dah 1442 H corresponding to 1 July 2021 ,the Group took control of Saudi Wasit Factory for Entertainment and Beauty Systems, owning 51% of its capital and it has become a subsidiary company since that date.

	30 September 2024	31 December 2023
The ownership rate at the beginning of the period / year	51%	51%
The percentage of additional shares purchased*	12%	-
The ownership rate is as at the end of the period / year	63%	51%

* The book value of the additional shares purchased during the first quarter amounted to SR 1.5 million (2023: Nil).

The purchase was accounted for as an equity transaction with the owner without any impact on profit or loss. Where the difference between the book value of the non-controlling interest owned and the consideration paid within equity was recorded as part of other reserves amounted to SR 3.3 million for the nine-month period ended 30 September 2024

4. PROPERTY, PLANT AND EQUIPMENT

For purpose of preparing the interim condensed consolidated statement of cash flows, movement in property, plant and equipment during the nine-month period ended 30 September is as follows:

	For nine-month periods ended 30 September	
	2024 (Unaudited)	2023 (Unaudited)
Depreciation	2,726,491	3,095,918
Additions to property, plant and equipment	1,016,350	4,401,125

4-1. Property, plant and equipment as of 30 September 2024 include assets with net book value of SR 28.5 million (2023: SR 29.82 million) mortgaged against loan obtained from the Saudi Industrial Development Fund. (note 13-1).

4-2. Property, plant and equipment as of 30 September 2024 include land amounting to SR 14 million (2023: SR 14 million) under sale-leaseback agreement with Karnaf for Finance Company with an area of 9,987 square meters. The Group has fulfilled and completed the contract conditions, and in the process of transferring back the land deed to Group's name. The Group already has control over the land and has the right to use it in its normal operations. It was secured by a pledge of ownership transfer in exchange for the payment of financing from Karnaf Company and the financing has been fully repaid.

5. INVESTMENT PROPERTIES

	Lands	Buildings	Total
Fair Value			
Balance as at 1 January 2023 (Audited)	200,575,904	263,435,948	464,011,852
Gain / (loss) from change in fair value	21,644,127	(4,642,192)	17,001,935
Balance as at 31 December 2023 (Audited)	222,220,031	258,793,756	481,013,787
Disposal during the period	(9,033,156)	(19,586,914)	(28,620,070)
Balance as at 30 September 2024 (Unaudited)	213,186,875	239,206,842	452,393,717

As of 31 December 2023, The Group has evaluated its investment properties based on an evaluation carried out by independent evaluators such as Global Ideas Real Estate (Registration number: 1210000033) and Abdulaziz Al-Azab Real Estate Appraisal Company (Registration number: 1210000177) registered at the Saudi Authority for Accredited valuers (Taqeem) and accordingly recorded these based on the lower of their fair values as required by the Capital Market Authority ("CMA") vide announcement dated 31 December 2019 and to be effective from 1 January 2023.

ANAAM INTERNATIONAL HOLDING GROUP COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2024 (UNAUDITED)
(Saudi Riyals)

5. INVESTMENT PROPERTIES (CONTINUED)

Details of investment properties are mentioned below:

	30 September 2024 (Unaudited)	31 December 2023 (Audited)
Building in Prince Sultan Street – Jeddah City (*)	335,942,571	335,942,571
Land in Al-Khumra District - Jeddah City	69,700,000	69,700,000
Land and Building in Taliyah Street – Jeddah City (**)	28,914,113	28,914,113
Land in Al-Sururiya District – Jeddah (***)	16,500,000	16,500,000
Land in Jubail City	977,000	977,000
Land in Yanbu City	360,033	360,033
Hayat Al Fursan Hotel	-	19,586,914
Land in Al-Khumra District (Warehouse) - Jeddah City	-	5,002,209
Land in Al-Wadi District - Jeddah City	-	4,030,947
	<u>452,393,717</u>	<u>481,013,787</u>

(*) The purchase and mortgaged of the investment properties was financed from Alinma Bank. (note 13-4)

(**) The properties are mortgaged against the loan obtained from Alinma Bank. (note 13-5)

(***) This item represents land located in the Al-Sarouriya district of Jeddah, covering an area of 197,554 square meters, valued at SR 16.5 million at fair value. This land does not have a title deed and is not registered in the Group's name. The Group acquired this land during the merger process in 1995. The Group has obtained a waiver decision for the land and submitted an application to extract a title deed in the Group's name through the Ehkam system. The procedures are still in progress.

6. LONG -TERM INVESTMENTS

At fair value through profit or loss (FVTPL)

The shares have no quoted market price as at the end of the period/year. The management of the Group believes that the change in fair value of the investment is insignificant. The movement for the investment is as follows:

	30 September 2024 (Unaudited)	31 December 2023 (Audited)	30 September 2024 (Unaudited)	31 December 2023 (Audited)
	Number of shares		SR	
Al Wasatah Al Maliah Company				
Balance at the end of period / year	<u>533,500</u>	<u>533,500</u>	<u>5,335,000</u>	<u>5,335,000</u>

7. TRADE RECEIVABLES

	Note	30 September 2024 (Unaudited)	31 December 2023 (Audited)
Trade receivables		25,320,679	19,331,621
Allowance for expected credit losses	7-1	(969,481)	(969,481)
		<u>24,351,198</u>	<u>18,362,140</u>

7-1 The movement of allowance for expected credit losses is as follows:

	30 September 2024 (Unaudited)	31 December 2023 (Audited)
Opening balance	969,481	558,124
Charge during the period / year	-	1,122,618
Balance of provision excluded on disposal of a subsidiary	-	(711,261)
	<u>969,481</u>	<u>969,481</u>

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8. PREPAID EXPENSES AND OTHER DEBIT BALANCES

	Note	30 September 2024 (Unaudited)	31 December 2023 (Audited)
Other receivables	8-1	24,397,709	755,251
Employees loans	8-2	8,639,488	2,270,753
Prepaid expenses		1,569,232	523,215
Value added tax		824,735	-
Advances to suppliers		36,333	5,193
		<u>35,467,497</u>	<u>3,554,412</u>

8-1 At 30 September 2024, the balance includes an amount of SR 3 million receivable from a buyer and previous owner of Arrow Industry Company (previously as a subsidiary) in respect of the sales process, and the amount of SR 2.6 million is represented in receivables from Arrow Industry Company. This amount was granted by the Group to cover the working capital requirements of Arrow Industry Company during the periods in which it was a subsidiary of the Group. It is expected that these two amounts will be received within a year.

In addition to what has been mentioned above, this balance includes an amount of SR 17.6 million as of 30 September 2024 (2023: Nil) resulted from the disposal of investment property.

8-2 The employees loans include an amount of SR 8.5 million as of 30 September 2024 (2023: nil), provided to key management personnel (note 18).

9. SHORT TERM INVESTMENTS

Fair value through profit or loss (FVTPL)

	30 September 2024 (Unaudited)	31 December 2023 (Audited)	30 September 2024 (Unaudited)	31 December 2023 (Audited)
	Number of shares		Value	
Raoom Trading Company	65,758	65,758	8,877,330	7,719,989
Saudi Telecom Company	4,421	-	193,198	-
Mutual Fund Profile	23,668	-	168,438	-
Al Taiseer Group Talco Industrial Company	1,997	-	118,422	-
ASG Plastic Factory Company	1,399	-	68,551	-
Saudi Manpower Solutions Company	2,799	-	24,799	-
Rasan Information Technology Company	243	-	15,285	-
Dr. Soliman Abdel Kader Fakeeh Hospital Company	148	-	8,658	-
Al Rajhi REIT Fund	-	43,898	-	389,814
	<u>100,433</u>	<u>109,656</u>	<u>9,474,681</u>	<u>8,109,803</u>

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9. SHORT TERM INVESTMENTS (CONTINUED)

Movement in short term investments:

	Balance as at 1 January 2024 (Audited)	Additions	Disposals	Unrealized gain / (loss)	Realized (loss) / gain	Balance as at 30 September 2024 (Unaudited)
Raom Trading Company	7,719,989	-	-	1,157,341	-	8,877,330
Saudi Telecom Company	-	190,212	-	2,986	-	193,198
Mutual Fund Profile	-	200,000	(15,438)	(14,165)	(1,959)	168,438
Al Taiseer Group Talco Industrial Company	-	85,872	-	32,550	-	118,422
ASG Plastic Factory Company	-	61,556	-	6,995	-	68,551
Saudi Manpower Solutions Company	-	20,992	-	3,807	-	24,799
Rasan Information Technology Company	-	8,991	-	6,294	-	15,285
Dr. Soliman Abdel Kader Fakeeh Hospital Company	-	8,510	-	148	-	8,658
Miahona Company	-	4,439	(11,907)	-	7,468	-
Takween Advanced Industries Company	-	434,534	(495,886)	-	61,352	-
Al Rajhi REIT Fund	389,814	-	(385,380)	-	(4,434)	-
Altharwah Albashariyyah Co.	-	109,120	(95,072)	-	(14,048)	-
Arabian Drilling Company	-	207,269	(189,480)	-	(17,789)	-
	8,109,803	1,331,495	(1,193,163)	1,195,956	30,590	9,474,681

10. CASH AND CASH EQUIVALENTS

	30 September 2024 (Unaudited)	31 December 2023 (Audited)
Cash in hand	107,744	321,581
Cash at banks *	15,402,572	33,406,396
	15,510,316	33,727,977

* Cash at bank is held in a current account with commercial banks in Saudi Arabia. Balances in current account bears no interest.

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11. NON-CURRENT ASSETS HELD FOR SALE

On 11 December 2023, the Board of Directors decided to discontinue the Medical Equipment and Healthcare segment represented by ARW Industry Company (a subsidiary) (ARW), following the Board of Director of the approval to sell. The Group made an agreement to sell ARW. As of 31 December 2023, ARW was classified as assets held for sale and as a discontinued operation. With ARW being classified as discontinued operations, the Medical Equipment and Healthcare segment is no longer presented in the segment note.

11-1 The gain on disposal of discontinued operation was determined as follows:

	Note	18 February 2024 (Unaudited)
<u>Net assets disposed on the date of disposal:</u>		
<u>Assets at the date of disposal</u>		
Property, plant and equipment		6,103,947
Inventory		1,099,011
Trade receivables		543,395
Prepayments and other debit balances		188,113
Cash and cash equivalents		83,067
		<u>8,017,533</u>
<u>Liabilities at the date of disposal</u>		
Long-term loans	13	1,902,215
Employees defined benefits obligation		153,963
Trade payables		191,581
Accrued expenses and other credit balances		354,941
Provision for zakat		43,101
Due to related parties		5,144,681
		<u>7,790,482</u>
Net assets disposed		227,051
Non-controlling interest at the date of disposal		<u>886,317</u>
Group's share of net assets disposed		1,113,368
Consideration to the disposal of the subsidiary	8-1	<u>(5,607,924)</u>
Gain from disposal of discontinued operation		<u><u>4,494,556</u></u>

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11. NON-CURRENT ASSETS HELD FOR SALE (CONTINUED)

11-2 There were no balances of assets and liabilities of ARW recorded at 30 September 2024 due to the completion of the disposal during the period. The major classes of assets and liabilities of ARW classified as held for sale as at 31 December 2023 are, as follows:

	Note	31 December 2023 (Audited)
Assets		
Property, plant and equipment		6,103,947
Inventory		1,099,011
Trade receivables		563,723
Prepayments and other debit balances		649,223
Cash and cash equivalents		60,301
		<u>8,476,205</u>
Liabilities		
Long-term loans	13	1,944,007
Employees defined benefits obligation		153,609
Trade payables		1,103,038
Accrued expenses and other credit balances		360,335
Provision for zakat		20,576
Due to related parties		5,092,621
		<u>8,674,186</u>

11-3 The results of ARW industrial for the period up to the date of the disposal and for the nine months period ended 30 September 2023:

	Note	1 January 2024 to 18 February 2024 (Unaudited)	1 January 2023 to 30 September 2023 (Unaudited)
Revenue from contracts with customers		-	2,706,818
Cost of revenue		-	(3,514,066)
Operating loss		-	(807,248)
General and administrative and selling and distribution expenses		(39,260)	(2,175,613)
Finance costs		(14,436)	(69,021)
Other revenue		-	126,935
Loss before zakat		(53,696)	(2,924,947)
Zakat expense		-	-
Net loss for the period		(53,696)	(2,924,947)
Gain from disposal of discontinued operation	11-1	4,494,556	-
Net gain / (loss) from discontinued operation		<u>4,440,860</u>	<u>(2,924,947)</u>

11-4 The net cash flows of Arrow Industries for the period up to the date of disposal and the nine months ended September 30, 2023 are as follows:

	1 January 2024 to 18 February 2024 (Unaudited)	1 January 2023 to 30 September 2023 (Unaudited)
Operating Activities	64,558	(281,606)
Investing Activities	-	(342,674)
Financing Activities	(41,792)	552,985
Net cash flows during the period	<u>22,766</u>	<u>(71,295)</u>

11.5 Basic and diluted loss per share is, as follow:

	Note	1 January 2024 to 18 February 2024 (Unaudited)	1 January 2023 to 30 September 2023 (Unaudited)
Basic and diluted loss per share	14-3	<u>(0.00005)</u>	<u>(0.0026)</u>

12. SHARE CAPITAL

As of 31 December 2018, the Company's capital was amounting to SR 196 million, consisting of 19.6 million fully paid shares of SR 10 per share.

During December 2019, and based on the Extraordinary General Assembly meeting held on 31 December 2019, the shareholders decided to absorb the accumulated losses as on 10 November 2019 amounting to SR 181 million and reduce the capital by that amount. Subsequent to the absorption, the capital of the Company was SR 15 million instead of SR 196 million, with a decrease of 92.35%, and the number of shares after the reduction become 1.5 million shares at SR 10 per share instead of 19.6 million shares, and the Company's Bylaw and commercial registration have been amended accordingly.

On 2 September 2020, the Board of Directors of the Company recommended the increase in the Company's capital by an amount of SR 90 million by issuing rights shares. On 22 September 2020 corresponding to 5 Safar 1442H, the Capital Market Authority approved the request and the Extraordinary General meeting of the shareholders dated on 27 October 2021 approved the increase of the Company's capital to SR 105 million instead of SR 15 million and number of shares to 10.5 million shares instead of 1.5 million shares. The Company amended its Bylaw and the Commercial Registration accordingly.

On 8 February 2021, the Board of Directors of the Company recommended increasing the Company's capital by an amount of SR 210 million by issuing rights shares. On 14 July 2021, the Group announced that it had submitted a file requesting approval to increase the Group's capital by offering rights shares amounting to SR 210 million to the Capital Market Authority (CMA), conditional on obtaining the approval of the relevant official authorities and Extraordinary General Assembly.

On 17 May 2022, the shareholders in Extra Ordinary General meeting resolved to increase the share capital by SR 210 million through rights issuance to finance working capital, invest in real estate properties and invest in shares of other privately owned entities. The right issuance process was completed in tranches during the period ended 30 June 2022 and the resulting total proceeds from the right received on 26 June 2022. The aforementioned right issuance also resulted in over-subscription by the amount of SR 42.3 million out of which only SR 0.88 million remain outstanding for payment as at ended 30 September 2024.

With reference to the Company's announcement dated 4 October 2022 and the addendum dated 18 May 2023 regarding the Board of Directors' recommendation to increase the Company's capital by issuing priority rights shares at a value of SR 236.25 million, subject to the approval of the relevant official authorities and the ordinary General Assembly. The Company has announced its submission on 17 July 2023 corresponding to 29 Dhul Hijjah 1444H, a file requesting approval to increase the Company's capital by offering priority rights shares, to the CMA.

On 9 July 2023, the shareholders in Extraordinary General meeting resolved to split the shares by adjusting the nominal value of share from SR 10 per share to SR 0.5 per share. Accordingly, the number of shares have been increased from 31.5 million to 630 million during the year ended 31 December 2023. There is no change in the Company's share capital before and after the share split.

The Company has fulfilled all the legal and regulatory requirements pertaining to the above increase in share capital during the year ended 31 December 2023.

On 5 February 2024, the CMA has announced the approval of request made by Group to increase capital through offering of rights shares at a value of SR 236.25 million. The Goup's management invited shareholders to the Extraordinary General Assembly meeting on 3 March 2024, but the quorum was not met.

As at 30 September 2024, the share capital of the Company is SR 315 million, divided into 630 million shares of SR 0.5 each. (31 December 2023: SR 315 million share capital divided into 630 million shares of SR 0.5 each).

On 2 July 2024, the Group announced an invitation to shareholders to attend the Extraordinary General Assembly meeting, which included increasing the Group's capital (the third meeting) on 30 July 2024 the resulted in the shareholders disapproval the capital increase.

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13. LONG-TERM LOANS

	Note	30 September 2024 (Unaudited)	31 December 2023 (Audited)
Saudi Industrial Development Fund loans	1 / 2	12,959,057	14,659,057
Alinma Bank loans	4 / 5	151,215,603	158,108,255
Riyadh Bank loan	3	-	644,007
Total loans		164,174,660	173,411,319
Liabilities held for sale	11-2	-	(1,944,007)
		164,174,660	171,467,312
Less: current portion		(44,999,682)	(43,779,771)
Non-current portion		119,174,978	127,687,541

Saudi Wasit Factory for Entertainments and Beauty System - A Subsidiary Company ("Wasit Company")

- 1- The entity has a long-term facility from the Saudi Industrial Development Fund (SIDF). The total outstanding balance of the loan as at 30 September 2024 amounted to SR 12.9 million (31 December 2023: SR 13.3 million). The loan has a low-interest rate, accordingly, the difference between the fair value of loan and book value (being the discount present value of the loan using effective interest rate) is considered as a deferred revenue. These facilities are secured by the promissory notes, corporate guarantees from the subsidiary's shareholders and mortgaged by the assets of the Company (note 4.1). The semi-annual repayment of the loan begins on 18 March 2022 and final payment is due on 3 February 2026. The loan agreements contain certain covenants which among others, requires that the Wasit Company maintain specified financial ratios.

As at 30 September 2024 and 31 December 2023, the entity has not complied with certain covenants as stipulated in the loan agreement. Accordingly, the total loan amount is classified under current liabilities.

ARW Industry Company - Formerly a subsidiary ("ARW")

- 2- During 2017, ARW obtained a long-term loan from SIDF. The total outstanding balance of the loan as of 30 September 2024 amounted to SR 1.3 million (date of disposal of the subsidiary - note 11-1) (31 December 2023: SR 1.3 million). The loan was secured by promissory notes and guarantees from ARW shareholders. The loan was repaid on an equal semi-annual installments over a period of 6 years.
- 3- During 2021, the entity entered into a three-year financing agreement with Riyadh Bank for a credit limit of SR 1.1 million to finance its working capital requirements. The total outstanding balance of the facility as at 18 February 2024 (date of disposal of the subsidiary - note 11-1) amounted to SR 0.6 million (31 December 2023: SR 0.64 million).

During the year 2023, these loans have been classified as the liabilities directly associated with assets in the disposal group classified as held for sale, (note 11). At the reporting date, the loan balance is nil as ARW was disposed off during the period with liabilities directly related to assets classified as held for sale.

Parent company

- 4- During 2022, the Parent Company has obtained long-term facility from Alinma Bank amounting to SR 153.2 million to finance the purchase of investment property with an amount SR 325 million. As of 30 September 2024, the total balance of this loan was SR 136.2 million (31 December 2023: SR 144.7 million). This loan carries a SAIBOR plus 2% interest rate. The loan is repayable over the period of 10 years in semi-annual installments, commencing from 29 December 2023 until 29 June 2032. The loan is secured against the mortgage of the newly purchased investment property in Prince Sultan Street Building-Jeddah city (note 5).

As at 30 September 2024 and 31 December 2023, the entity has not complied with certain covenants as stipulated in the loan agreement. The Parent Company has obtained a waiver from Alinma Bank with respect to the breached covenants. Accordingly, the non-current portion of the loan was not reclassified as current liabilities.

Anaam International Investment Company- Subsidiary Company ("Anaam Investment Company")

- 5- During the year ended 31 December 2023, Anaam Investment Company has obtained long-term facility from Alinma Bank amounting to SR 13 million. As of 30 September 2024, the total balance of this loan was SR 12.1 million (31 December 2023: SR 13 million) as per the loan agreement. This loan carries a SAIBOR plus 3% interest rate. The loan is repayable over the period of 15 years in semi-annual installments, commencing from 24 February 2024 until 24 August 2038. The loan is secured against the mortgage of the investment property in Taliah Street Building-Jeddah city (note 5).

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13. LONG-TERM LOANS (CONTINUED)

Anaam International Investment Company- Subsidiary Company (“Anaam Investment Company”)(continued)

The loan was not used for a purpose as stipulated in the loan agreement. Accordingly, the total loan amount is classified under current liabilities as at 30 September 2024 and 31 December 2023.

Government grant

6- On 9 October 2018, Wasit Company obtained a loan of SR 16.87 million from SDIF to finance and expand a factory for the production of children's toys and park and garden furniture in Sudair Industrial City. The loan is interest-free and is repayable over four years. The movement during the period / year was as follows:

	30 September 2024 (Unaudited)	31 December 2023 (Audited)
Opening balance	1,607,934	1,768,029
Deferred revenue amortized during the period / year	(120,071)	(160,095)
	1,487,863	1,607,934

Below are the balances representing current and non-current portion of Government grant:

	30 September 2024 (Unaudited)	31 December 2023 (Audited)
Current	160,122	160,122
Non-current	1,327,741	1,447,812
	1,487,863	1,607,934

14. BASIC AND DILUTED (LOSS) / EARNINGS PER SHARE

14-1 (Loss) / profit for the period attributable to shareholders of the Parent Company:

	For the nine-months period ended 30 September	
	2024 (Unaudited)	2023 (Unaudited)
Continuing operations	(3,829,843)	7,753,392
Discontinued operations	(29,533)	(1,608,721)
(Loss) / profit attributable to owners of the Parent Company	(3,859,376)	6,144,671

14-2 (Loss) / earnings per share from the continuing operation

	For the nine-months period ended 30 September	
	2024 (Unaudited)	2023 (Unaudited)
(Loss) / profit for the period attributable to the owners of the Parent Company	(3,829,843)	7,753,392
Weighted average number of basic and diluted shares - share	630,000,000	630,000,000
(Loss) / earnings per share from basic and diluted continuing operations – SR per share	(0.0061)	0.01

14-3 Loss per share from the discontinued operation

	For the nine-months period ended 30 September	
	2024 (Unaudited)	2023 (Unaudited)
Loss for the period attributable to the owners of the Parent Company	(29,533)	(1,608,721)
Weighted average number of basic and diluted shares	630,000,000	630,000,000
Basic and diluted loss per share - SR per share	(0.00005)	(0.0026)

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14. BASIC AND DILUTED (LOSS) / EARNINGS PER SHARE (COUNTNED)

14-4 (Loss) / earnings per share for the period

	For the nine-months period ended 30 September	
	2024 (Unaudited)	2023 (Unaudited)
(Loss) / profit for the period attributable to the owners of the Parent Company	(3,859,376)	6,144,671
Weighted average number of basic and diluted shares - share	630,000,000	630,000,000
Basic and diluted (loss) / earnings - SR per share	(0.0061)	0.01

15. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

a. Contingent liabilities

There were no contingencies as at 30 September 2024 (31 December 2023: Nil).

b. Capital commitments

There were no capital commitments as at 30 September 2024 (31 December 2023: Nil).

16. REVENUE

	Note	For the three-months period ended 30 September		For the nine-months period ended 30 September	
		2024 (Unaudited)	2023 (Unaudited)	2024 (Unaudited)	2023 (Unaudited)
Rental revenue (*)		7,428,286	7,903,525	22,557,841	23,162,945
Revenue from contracts with customers (**)	16-1	3,735,856	6,289,023	11,868,649	13,906,828
		11,164,142	14,192,548	34,426,490	37,069,773

16-1 Revenue from contracts with customers

	For the three -months period ended 30 September		For the nine-months period ended 30 September	
	2024 (Unaudited)	2023 (Unaudited)	2024 (Unaudited)	2023 (Unaudited)
Revenue from contracts with customers	3,770,858	6,400,136	11,923,484	14,039,841
Sales Return	(14,095)	-	(14,095)	-
Discount	(20,907)	(111,113)	(40,740)	(133,013)
	3,735,856	6,289,023	11,868,649	13,906,828

(*) Rental revenue is recognized over the period of lease term of each lease contract.

(**) Revenue from contracts with customers is recognized at point in time.

16-2 Geographical market

The Group operates completely within the Kingdom of Saudi Arabia.

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17. SEGMENTS INFORMATION

The Group's main activity consists of segments including leasing, warehousing and other activities. The following is a breakdown of the for the nine months ended September 30, 2024, and September 30, 2023, for each segment:

30 September 2024 (Unaudited)	Warehouse management and leasing	Rental of buildings and others	Entertainment and beauty	Unallocated items	Total
Revenue	3,789,687	18,768,154	11,868,649	-	34,426,490
Non-current assets	5,199,281	478,981,234	29,551,481	-	513,731,996
Profit / (loss) from main operations	1,666,931	5,704,733	(1,348,127)	(6,729,497)	(705,960)
Profit / (loss) for the period from continuing operations	1,855,836	(337,572)	(1,348,777)	(8,947,366)	(8,777,879)

30 September 2023 (Unaudited)	Warehouse management and leasing	Rental of buildings and others	Entertainment and beauty	Unallocated items	Total
Revenue	3,689,471	19,215,824	14,164,478	-	37,069,773
Non-current assets	5,533,001	495,103,812	30,874,376	-	531,511,189
Profit / (loss) from main operations	1,442,711	8,157,035	1,109,986	(2,190,146)	8,519,586
Profit for the period from continuing operations	1,447,192	708,555	839,810	5,043,094	8,038,651

18. TRANSACTIONS WITH RELATED PARTIES AND BALANCES

During the period, the Group transacted with the following related parties under the agreed terms and conditions:

Related party	Nature of the transactions	Nature of the relationship	30 September 2024 (Unaudited)	31 December 2023 (Audited)
Mr. Mohammed Ibrahim Haidari*	Loan given to Saudi Wasit for working capital	Non-controlling shareholder in a subsidiaries	2,162,451	2,572,451
Mr. Tariq Mohammed Ibrahim Haidari	Loan given to Saudi Wasit for working capital	Non-controlling shareholder in a subsidiaries	1,371,980	1,763,003
			3,534,431	4,335,454

* During the period ended 30 September 2024, the Group purchased additional shares in a subsidiary, Wasit Saudi Factory Company for Entertainment and Beauty, amounting to 12% of the subsidiary's equity for a value of SAR 4.8 million (note 3-2).

Key management compensation for the Group

The Group's senior management personnel represent members of the Board of Directors and senior executives who exercise authority and responsibility in planning, obligating and controlling the Group's activities, directly or indirectly. The compensation of senior management of the Group is as follows:

	For the nine-months period ended 30 September	
	2024 (Unaudited)	2023 (Unaudited)
Short-term employee salaries and benefits	4,060,794	3,892,212
Termination benefits	1,550,853	304,997
	5,611,647	4,197,209

The employees loans include an amount of SR 8.5 million as of 30 September 2024 (2023: nil) (note 8), provided to key management personnel.

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19. FAIR VALUE MEASUREMENT

All assets and liabilities for which fair value is measured or disclosed in the interim condensed consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical 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.

Suppose the inputs used to measure the fair value of an asset or liability falls into different levels of the fair value hierarchy. In that case, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest input level that is significant to the entire measurement.

Below is a comparison, by class, of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	30 September 2024 (Unaudited)			
	Balance	Level 1	Level 2	Level 3
Short term investments	9,474,681	9,306,243	168,438	-
Long-term loans	5,335,000	-	-	5,335,000
	31 December 2023 (Audited)			
	Balance	Level 1	Level 2	Level 3
Short term investments	8,109,803	7,719,989	389,814	-
Long-term loans	5,335,000	-	-	5,335,000

During the period ended 30 September 2024, there were no movement between the fair value hierarchy levels.

20. SUBSEQUENT EVENT

No events occurred after 30 September 2024, and before the date of approval of the financial statements that would have a material impact on these interim condensed consolidated financial statements.

21. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements of the Group for the three-month and nine-month periods ended 30 September 2024 were approved by the Board of Directors on 25 Rabi' al-Thani 1446H (October 28, 2024).