KINGDOM

KINGDOM HOLDING COMPANY

(A Saudi Joint Stock Company)
Condensed Consolidated Interim
Financial Statements
For the three-month period ended
31 March 2022
(unaudited)

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(A Saudi Joint Stock Company)
Condensed consolidated interim financial statements
For the three-month period ended 31 March 2022 (Unaudited)

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REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the Shareholders of Kingdom Holding Company
(A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Kingdom Holding Company (the "Company") and its subsidiaries (collectively referred to as the "Group") as of 31 March 2022 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" (IAS 34), as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

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

Conclusion

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

PricewaterhouseCoopers

Omar M. Al Sagga
License Number 369

19 April 2022
18 Ramadan 1443

KINGDOM HOLDING COMPANY
(A Saudi Joint Stock Company)
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	31-Mar-2022 (Unaudited)	31-Dec-2021 (Audited)
ASSETS			
Current assets			
Cash and cash equivalents		**2,134,805**	1,051,194
Investments at fair value through profit or loss ("FVTPL")	6	**105,256**	152,891
Trade receivables		**217,347**	190,231
Prepayments and other current assets		**204,254**	188,512
Due from related parties		**126,358**	125,685
		2,788,020	1,708,513
Equity-accounted investment classified as held for sale		-	2,235,020
Total current assets		**2,788,020**	3,943,533
Non-current assets			
Investments at FVTPL	6	**213,525**	213,525
Investments at fair value through other comprehensive income ("FVOCI")	6	**19,046,478**	16,340,198
Equity-accounted investees	7	**16,334,285**	16,343,166
Long-term receivables		**1,101,875**	1,081,595
Investment properties		**3,693,156**	3,688,531
Property and equipment		**6,837,535**	6,861,903
Goodwill and intangible assets		**1,901,319**	1,945,430
Deferred tax assets		**33,963**	36,956
Other long-term assets		**396,325**	364,491
Total non-current assets		**49,558,461**	46,875,795
Total assets		**52,346,481**	50,819,328
LIABILITIES			
Current liabilities			
Borrowings	8	**4,204,996**	5,856,962
Accounts payable, accrued expenses and other current liabilities		**695,635**	727,199
Zakat and income tax payable		**506,588**	387,228
Due to related parties		**100,653**	100,545
Dividends payable	12	**1,038,000**	164,077
Total current liabilities		**6,545,872**	7,236,011
Non-current liabilities			
Borrowings	8	**10,599,657**	10,586,093
Due to a related party		**235,045**	238,605
Deferred tax liabilities		**144,407**	149,518
Employee benefit obligations		**87,545**	88,227
Other long-term liabilities		**105,996**	82,005
Total non-current liabilities		**11,172,650**	11,144,448
Total liabilities		**17,718,522**	18,380,459
Net assets		**34,627,959**	32,438,869
EQUITY			
Share capital		**37,058,823**	37,058,823
Statutory reserve		**877,349**	877,349
Retained earnings		**6,798,669**	1,911,050
Fair value reserve for investments at FVOCI		**(11,515,590)**	(9,036,703)
Other reserves		**(128,274)**	79,638
Equity attributable to shareholders of the Company		**33,090,977**	30,890,157
Non-controlling interests		**1,536,982**	1,548,712
Total equity		**34,627,959**	32,438,869

The accompanying notes on pages 9 to 16 form an integral part of these condensed consolidated interim financial statements, which have been authorized for issue by the Board of Directors on behalf of the shareholders and signed on its behalf by:

KINGDOM HOLDING COMPANY
(A Saudi Joint Stock Company)
CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS (Unaudited)
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	Three-month periods ended	
		31-Mar-2022	31-Mar-2021
Revenues			
Hotels and other operating revenues		**318,312**	104,315
Dividend income		**100,429**	70,573
Income from gain in investments at FVTPL, net		**31,304**	-
Total revenues		**450,045**	174,888
Hotels and other operating costs		**(199,799)**	(111,168)
Gross profit		**250,246**	63,720
General, administrative, and marketing expenses		**(117,884)**	(55,692)
Share of results from equity-accounted investees		**124,402**	42,504
Gain on sale of investment property		**20,280**	-
Gain on sale of associate, net	7	**5,873,907**	-
Other gains, net		**15,887**	158,993
Profit from operations		**6,166,838**	209,525
Financial charges		**(94,305)**	(91,853)
Profit before zakat and income tax		**6,072,533**	117,672
Income tax		**(23,638)**	(6,571)
Zakat		**(124,381)**	(21,266)
Profit for the period		**5,924,514**	89,835
Profit / (loss) for the period attributable to:			
- Owners of the Company		**5,925,619**	91,060
- Non-controlling interests		**(1,105)**	(1,225)
		5,924,514	89,835
Basic and diluted earnings per share (Saudi Riyals)	13	**1.60**	0.02

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KINGDOM HOLDING COMPANY
(A Saudi Joint Stock Company)
CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(Unaudited)
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Three-month periods ended	
	31-Mar-2022	31-Mar-2021
Profit for the period	**5,924,514**	89,835
Other comprehensive (loss) / income:		
Items that will not be reclassified to profit or loss in subsequent periods		
Unrealized (loss) / gain on equity investments at FVOCI	**(2,478,887)**	2,272,755
Items that may be reclassified to profit or loss in subsequent periods		
Share in other comprehensive loss of equity-accounted investees	**(39,579)**	(30,907)
Re-measurements of post-employment benefit obligations	**(23,131)**	-
Exchange differences on translation of foreign operations	**(155,827)**	(117,162)
Other comprehensive (loss) / income for the period	**(2,697,424)**	2,124,686
Total comprehensive income for the period	**3,227,090**	2,214,521
Total comprehensive income / (loss) for the period attributable to:		
- Owners of the Company	**3,238,820**	2,215,746
- Non-controlling interests	**(11,730)**	(1,225)
	3,227,090	2,214,521

The accompanying notes on pages 9 to 16 form an integral part of these condensed consolidated interim financial statements, which have been authorized for issue by the Board of Directors on behalf of the shareholders and signed on its behalf by:

KINGDOM HOLDING COMPANY
(A Saudi Joint Stock Company)
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Share capital	Statutory reserve	Retained earnings	Fair value reserve for investment at FVOCI	Other reserves	Equity attributable to shareholders of the Company	Non-controlling interests	Total equity
Balance as at 1 January 2022 (Audited)	37,058,823	877,349	1,911,050	(9,036,703)	79,638	30,890,157	1,548,712	32,438,869
Profit / (loss) for the period	-	-	5,925,619	-	-	5,925,619	(1,105)	5,924,514
Other comprehensive loss	-	-	-	(2,478,887)	(207,912)	(2,686,799)	(10,625)	(2,697,424)
Total comprehensive income / (loss)	-	-	5,925,619	(2,478,887)	(207,912)	3,238,820	(11,730)	3,227,090
Transactions with owners in their capacity as owners:								
Dividends declared (Note 12)	-	-	(1,038,000)	-	-	(1,038,000)	-	(1,038,000)
Balance as at 31 March 2022 (Unaudited)	37,058,823	877,349	6,798,669	(11,515,590)	(128,274)	33,090,977	1,536,982	34,627,959

The accompanying notes on pages 9 to 16 form an integral part of these condensed consolidated interim financial statements, which have been authorized for issue by the Board of Directors on behalf of the shareholders and signed on its behalf by:

KINGDOM HOLDING COMPANY
(A Saudi Joint Stock Company)
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (continued)
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Share capital	Statutory reserve	Retained earnings	Fair value reserve for investment at FVOCI	Other reserves	Equity attributable to shareholders of the Company	Non-controlling interests	Total equity
Balance as at 1 January 2021 (Audited)	37,058,823	775,606	1,621,585	(9,130,047)	472,609	30,798,576	1,567,880	32,366,456
Profit / (Loss) for the period	-	-	91,060	-	-	91,060	(1,225)	89,835
Other comprehensive income / (loss)	-	-	-	2,272,755	(148,069)	2,124,686	-	2,124,686
Total comprehensive income / (loss)	-	-	91,060	2,272,755	(148,069)	2,215,746	(1,225)	2,214,521
Transactions with owners in their capacity as owners:								
Dividends declared (Note 12)	-	-	(655,941)	-	-	(655,941)	-	(655,941)
Balance as at 31 March 2021 (Unaudited)	37,058,823	775,606	1,056,704	(6,857,292)	324,540	32,358,381	1,566,655	33,925,036

The accompanying notes on pages 9 to 16 form an integral part of these condensed consolidated interim financial statements, which have been authorized for issue by the Board of Directors on behalf of the shareholders and signed on its behalf by:

KINGDOM HOLDING COMPANY
(A Saudi Joint Stock Company)
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (Unaudited)
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Three-month periods ended	
	31-Mar-2022	**31-Mar-2021**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before zakat and income tax	**6,072,533**	117,672
Adjustments for non-cash items:		
Depreciation and amortisation	**34,649**	32,442
Share of results from equity-accounted investees	**(124,402)**	(42,504)
Gain on sale of investment at FVTPL	**(31,304)**	-
Gain on sale of equity-accounted investee	**(5,873,907)**	-
Gain on sale of investment property	**(20,280)**	-
Provision for employee benefit obligations	**11,824**	-
Financial charges	**94,305**	91,853
	163,418	199,463
Changes in operating assets and liabilities		
Trade receivables	**(27,116)**	(35,633)
Prepayments and other current assets	**(15,742)**	(21,848)
Due from related parties	**(673)**	3,179
Accounts payable, accrued expenses and other current liabilities	**(31,564)**	(99,748)
Due to related parties	**108**	35,176
Proceeds from sale of investments at FVTPL	**78,939**	159,621
Other long-term assets	**(31,834)**	-
Other long-term liabilities	**23,991**	(673)
	159,527	239,537
Zakat and income tax paid	**(30,777)**	(9,822)
Movement in employee benefit obligations	**(46,262)**	(16,935)
Net cash generated from operating activities	**82,488**	212,780
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments at FVOCI	**(5,185,167)**	-
Proceeds from disposal of equity accounted investee, net	**8,108,927**	-
Additions to property and equipment	**(17,198)**	-
Additions to investment property	**(10,044)**	-
Net cash generated from investing activities	**2,896,518**	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Net movement in borrowings	**(1,640,084)**	(1,376,383)
Financial charges paid	**(87,674)**	(91,853)
Dividends paid	**(164,077)**	(164,077)
Related party loan	**(3,560)**	-
Net cash utilized in financing activities	**(1,895,395)**	(1,632,313)
Net change in cash and cash equivalents	**1,083,611**	(1,419,533)
Cash and cash equivalents at the beginning of the period	**1,051,194**	2,387,431
Cash and cash equivalents at the end of the period	**2,134,805**	967,898

The notes on pages 9 to 16 form an integral part of these condensed consolidated interim financial statements, which have been authorized for issue by the Board of Directors on behalf of the shareholders and signed on its behalf by:

1 Corporate information

Kingdom Holding Company (the "Company" or "KHC") is a Saudi Joint Stock Company ("JSC") operating in the Kingdom of Saudi Arabia. The Company was previously formed as a limited liability company and operated under commercial registration number 1010142022 dated 11 Muharram 1417H (corresponding to 28 May 1996). The Ministry of Commerce approved, pursuant to resolution number 128/S dated 18 Jumad Awwal 1428H (corresponding to 4 June 2007), the conversion of the Company into a joint stock company. The majority shareholder of the Company is His Royal Highness Prince Alwaleed Bin Talal Bin Abdulaziz AlSaud ("Ultimate controlling party").

The Company and its subsidiaries (the "Group") carry out activities through the entities as listed in Note 1.5 to the annual audited consolidated financial statements for the year ended 31 December 2021. The principal activities of the Group are hotel management and operations, commercial services and education and investments.

The shares of the Company commenced trading on the Saudi Stock Exchange on 28 July 2007 after approval by the Capital Market Authority of Kingdom of Saudi Arabia.

The Company's head office is in Riyadh at the following address:
Kingdom Holding Company
66th Floor, Kingdom Centre
P.O. Box 1, Riyadh 11321
Kingdom of Saudi Arabia

Impact of COVID-19

Across the world, governments have taken different protective measures against COVID-19 causing disruptions to businesses and economic activity, ranging from partial to complete lockdown of countries. The impact of the pandemic has evolved rapidly and to contain the virus, the governments and other authorities across the world, including the geographies where the Group operates, imposed strict measures. These included restrictions on movement, social gatherings, travel bans, border closures, business closures, quarantines, stay-at-home requirements, shelter-in-place orders, density limitations and social distancing measures. The Group's businesses in hospitality and airlines (subsidiaries and equity-accounted investees) have been impacted by the mandated closures to affect social distancing. As a result, the Group experienced reductions in income associated with these businesses. The majority of the Group's business is customers' driven and the pandemic has impacted the customers' confidence and purchasing power globally. Consequently, the Group has experienced reduction in income and revenues in the corresponding financial year 2021. However, with the adoptions of protective measures under the regulatory guidelines and world-wide vaccination drives the world economy has shown upward trajectory at a steady pace. Similarly, the income and revenues of the Group have improved during the current period as compared to the corresponding period.

The impact of COVID-19 is determined by factors that continue to evolve, including but not limited to the success of support measures introduced by governments; the volume and velocity of the tourism trade; customer behaviour and sentiment; the ability of the wider economy to recover; and the timing and manner of the easing of restrictions (such as lockdowns and social distancing).

Globally, there has been significant drop in the number of registered cases. As a result, restrictions related to Covid-19 such as social distancing, travel bans, requirement for travellers to present a negative PCR or rapid antigen test on arrival test have been lifted

Critical judgements and estimates

The Group has considered the potential impact of the Covid-19 pandemic on its significant accounting judgements and estimates (Note 3).

1 Corporate information (continued)

Liquidity and financial position

As at 31 March 2022, the Group had net current liabilities amounting to Saudi Riyals 3.8 billion (31 December 2021: Saudi Riyals 3.3 billion). This is mainly due to maturity of certain current borrowings amounting to Saudi Riyals 4.2 billion. The Group has undrawn amounts of other borrowing facilities (Saudi Riyals 3.4 billion) given the existing liquid unpledged investments portfolio and an analysis of cash flow projections over the next twelve months, management is confident that the Group will be able to meet its obligations as and when they fall due

Accordingly, these condensed consolidated financial statements are prepared on going concern basis.

There are no changes to the Group structure as reported in Note 1 to the annual audited consolidated financial statements of the Group for the year ended 31 December 2021.

These condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on 17 Ramadan 1443H (corresponding to 18 April 2022).

2 Basis of preparation

2.1 Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 - "Interim Financial Reporting" ("IAS-34") that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

These condensed consolidated interim financial statements should be read in conjunction with the Group's annual audited consolidated financial statements as at and for the year ended 31 December 2021 and do not include all of the information required for a complete set of financial statements under IFRS. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual audited consolidated financial statements.

The interim results may not be an indicator of the annual results of the Group.

2.2 Historical cost convention

These condensed consolidated interim financial statements have been prepared under the historical cost convention, except for certain financial assets that are measured at fair value. Further, the employee termination benefits are calculated using the Projected Unit Credit Method (PUCM) and actuarial assumptions.

2.3 Functional and presentation currency

These condensed consolidated interim financial statements are presented in Saudi Riyals, which is the Company's functional and the Group's presentation currency.

3 Use of estimates, assumptions and judgments

The preparation of the Group's condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, costs, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

These estimates and assumptions are based upon experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised or in the revision period and future periods if the changed estimates affect both current and future periods.

Management has adjusted the significant inputs in its estimates of recoverable amounts of investments in equity-accounted investments, goodwill and intangible assets, as disclosed in Notes 3.1, 11 and 14 of the annual audited consolidated financial statements for the year ended 31 December 2021, directly impacted by Covid-19 and recoverable amount of these assets are higher than the carrying values and therefore no impairment was recognized for the three-month period ended 31 March 2022.

4 Significant accounting policies

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Group's last annual audited consolidated financial statements as at and for the year ended 31 December 2021.

New IFRS standards, amendments to standards and interpretations not yet adopted

There are no new standards issued, however, there are number of amendments to existing standards which are effective from 1 January 2022 and have been explained in the Group's annual consolidated financial statements, but they do not have a material effect on these condensed consolidated interim financial statements.

5 Segment information

The Group is a diversified organization and derives its revenues and profits from a variety of sources. The investment committee, comprising senior management and the Chief Executive Officer, organize and manage its operations by business segments and have identified the following segments separately for the purposes of monitoring, decision making and performance assessment.

Description of segments and principal activities

The Group's primary operations are organized into the following segments:

Equity investments	International - The principal activity includes investments in international quoted securities
Domestic and regional	The principal activity includes investments in securities quoted on the Saudi Stock Exchange, regional Stock Exchanges and investments in associates other than real estate.
Private equity	The principal activity includes investments in private equities, managed funds and other entities existing within the structure of the Group.
Hotels	The principal activity of this segment includes investments in subsidiaries and associates that are in the business of managing and owning hotel properties and related activities.
Real estate	The principal activity includes investments in activities relating to ownership and development of land and real estate projects.
Healthcare	The principal activity includes consulting clinics.
All other segments	The principal activities include operations of Kingdom School and other trading activities carried out by the Group.

(All amounts in Saudi Riyals thousands unless otherwise stated)

5 Segment information (continued)

	Equity investments	Hotels	Real estate	Health care	All other segments	Total
2022 (Unaudited)						
Total revenue for the three-month period ended 31 March 2022	131,733	171,639	128,392	-	18,281	450,045
Profit / (loss) for the three-month period ended 31 March 2022	5,918,342	(12,344)	13,483	-	5,033	5,924,514
Total assets as of 31 March 2022	38,482,221	6,385,675	6,836,146	77,561	564,878	52,346,481
Total liabilities as of 31 March 2022	13,184,397	3,582,047	876,373	29,757	45,948	17,718,522
Timing of revenue recognition:						
- At point in time	N/A	Yes	N/A	Yes	N/A	
- Over a period	N/A	N/A	N/A	N/A	Yes	

	Equity investments	Hotels	Real estate	Health care	All other segments	Total
2021						
Total revenue for the three-month period ended 31 March 2021 (Unaudited)	70,574	18,494	69,238	-	16,582	174,888
Profit / (loss) for the three-month period ended 31 March 2021 (Unaudited)	160,643	(75,064)	(750)	-	5,006	89,835
Total assets as of 31 December 2021(Audited)	36,966,541	6,445,943	6,769,070	77,561	560,213	50,819,328
Total liabilities as of 31 December 2021(Audited)	13,760,698	3,676,070	866,834	29,757	47,100	18,380,459
Timing of revenue recognition:						
- At point in time	N/A	Yes	N/A	Yes	N/A	
- Over a period	N/A	N/A	N/A	N/A	Yes	

Management believes that the inter-segment revenues for the Group are insignificant and therefore have not been disclosed.

(All amounts in Saudi Riyals thousands unless otherwise stated)

6 Investments at fair value

Note 31 of the annual audited consolidated financial statements as at and for the year ended 31 December 2021 explains the fair value hierarchy, valuation techniques and the valuation process.

The following table presents the Group's financial assets measured and recognized at fair value on a recurring basis including their levels in the fair value hierarchy as at period end:

	Level 1	Level 2	Level 3	Total
As at 31 March 2022 (Unaudited)				
Financial assets				
Investments at FVTPL:				
- Europe *(Non-current)*	-	213,525	-	213,525
- Middle East *(Current)*	-	105,256	-	105,256
Sub-total	-	318,781	-	318,781
Investments at FVOCI (Non-current):				
- United States of America	10,700,715	-	-	10,700,715
- Middle East	1,447,062	-	-	1,447,062
- Europe	6,898,701	-	-	6,898,701
Sub-total	19,046,478	-	-	19,046,478
Total financial assets at fair value	19,046,478	318,781	-	19,365,259
As at 31 December 2021(Audited)				
Financial assets				
Investments at FVTPL:				
- Europe *(Non-current)*	-	213,525	-	213,525
- United States of America *(Current)*	-	47,635	-	47,635
- Middle East *(Current)*	-	105,256	-	105,256
Sub-total	-	366,416	-	366,416
Investments at FVOCI (Non-current):				
- United States of America	11,202,782	-	-	11,202,782
- Middle East	1,198,670	-	-	1,198,670
- Europe	3,938,746	-	-	3,938,746
Sub-total	16,340,198	-	-	16,340,198
Total financial assets at fair value	16,340,198	366,416	-	16,706,614

(All amounts in Saudi Riyals thousands unless otherwise stated)

7 Equity-accounted investees

	31-Mar-2022	31-Dec-2021
At beginning of the period / year	**16,343,166**	18,654,797
Dividends	-	(205,031)
Share of results	**124,402**	571,952
Share in other comprehensive loss	**(39,579)**	(167,422)
Unrealized exchange loss on translation	**(93,704)**	(276,110)
At end of the period / year	**16,334,285**	18,578,186
Less: Equity-accounted investment classified as held for sale *(Current)*	-	(2,235,020)
	16,334,285	16,343,166

The significant movements during 2021 have been explained in Note 11 to the annual consolidated financial statements for the year ended 31 December 2021.

Equity-accounted investee – Held for Sale (Current)

On 9 September 2021, the Company, through its affiliate (Kingdom Investment I (TSF)), has signed an agreement with FS Washington Acquisition Corp, an affiliate of Cascade Investment Company, to sell half of its stake in Four Seasons Holding Company, representing 23.75% for a consideration of Saudi Riyals 8.29 billion, and retaining a 23.75% ownership of Four Seasons Holding Company (FSHC). FSHC is engaged in the management of, and the investment in, hotels, resorts and branded residential projects throughout the world. The deal is closed in January 2022 after obtaining all the applicable regulatory approvals and satisfaction of other customary closing conditions. The transaction has resulted into a net gain of Saudi Riyals 5.87 billion.

8 Borrowings

Details of borrowings by entity are as follows:

	31-Mar-2022	31-Dec-2021
Kingdom Holding Company	**8,061,300**	9,570,420
Kingdom 5-KR-11 Limited	**3,293,229**	3,326,492
Kingdom 5-KR-35 Group	**1,622,193**	1,666,852
Kingdom KR-114 Limited	**1,310,021**	1,344,117
Trade Centre Company Limited	**517,502**	534,766
Others	**408**	408
	14,804,653	16,443,055

The above outstanding balance is presented in the condensed consolidated interim statement of financial position as follows:

	31-Mar-2022	31-Dec-2021
Current		
Current portion of term loans	**4,204,996**	5,856,962
Non-Current		
Term loans, including long-term revolving facilities	**10,599,657**	10,586,093

As at 31 March 2022, borrowings from a related party amounted to Saudi Riyals 1.2 million (31 December 2021: Saudi Riyals 1.2 billion).

9 Contingencies and commitments

The Group is a defendant in various legal claims arising in the normal course of business. Based on the information presently available, there are no significant claims, other than those claims against the Group requiring provision and which have been already provided. Management believes that the provisions maintained for such claims are adequate. Any additional liabilities including any potential zakat assessments that may result in connection with other claims are not expected to have a material effect on the Group's financial position or results of operations.

There have been no significant changes in contingencies, capital and operating lease commitments during the three-month period ended 31 March 2022.

10 Related party transactions

The Group enters various other transactions with related parties at mutually agreed terms. Other than those mentioned specifically in these condensed consolidated interim financial statements, these transactions for the three-month period ended 31 March 2022, individually or in aggregate, are not material to the condensed consolidated interim financial statements.

11 Share capital

The share capital as at 31 March 2022 and 31 December 2021 consists of 3,706 million authorized and issued shares at a par value of Saudi Riyals 10 each.

12 Dividends declaration

The Board of Directors on 25 Rajab 1443H corresponding to 26 February 2022 exercised its authority provided by the shareholders of the Company and approved dividend distribution of Saudi Riyals 1,038 million. The fourth distribution of the dividend relating to the year ended 31 December 2021 was paid during the three-month period ended 31 March 2022.

13 Earnings per share

Earning / (loss) per share for the three-month period ended 31 March 2022 and 2021 have been computed by dividing the profit / (loss) for each of the period presented by the number of shares outstanding of 3,706 million shares (31 March 2021: 3,706 million shares) during the period.

14 Zakat and income tax payable

In the year ended 31 December 2020, the Company settled all of its open assessment years with Zakat, Tax and Customs Authority ("ZATCA") till 2020. The Company has filed its zakat returns up to the year ended 31 December 2020 with the ZATCA. The zakat return for 2021 is not yet filed.

During the year ended 31 December 2021, the ZATCA reopened the assessments for the years 2015 to 2018 claiming additional zakat amounts related to those years and that management is in the process of contesting these claims. The Company is carrying an estimated zakat provision in the books that is based on historical settlements and analysis conducted internally.

There are no significant pending zakat assessments received in relation to the operations of subsidiaries in the Kingdom of Saudi Arabia by the ZATCA.

15 Subsequent event

No events have arisen subsequent to 31 March 2022 and before the date of signing the independent auditor's review report, that could have a significant effect on the condensed consolidated interim financial statements as at 31 March 2022.