

September 13, 2022

M.s/ Board of Directors

**SAUDI CABLES COMPANY
(A SAUDI JOINT STOCK COMPANY)
Kingdom of Saudi Arabia**

Dear Sirs,

Accumulated losses report as of 31 July 2022

The report was prepared in accordance with the terms of our agreement and our understanding of the terms and objectives of our engagement and the nature and limits of the services we will provide to you in accordance with IFRS 3000, other assurance engagements other than audits or review of historical financial information. We have adhered to the rules and ethics of the profession in terms of integrity, objectivity and confidentiality

Agreed upon procedure:

- Issuing a Financial report that presented the Accumulated losses as of 31 July 2022.
- This report is used to present it to the Capital Market Authority and for the purpose for which it was prepared and may not be submitted to any other party.
- After reviewing the accounts of the Saudi Cable Company - a Saudi joint stock company - as on July 31, 2022 and reviewing reduction in capital to extinguish part of the accumulated losses, we found out that the company's accumulated losses amounted to Saudi Riyals 255,397 thousand, or 97.4% of the capital before amortizing part of it in accordance with the decision of the extraordinary general assembly on July 25, 2022. Shareholders as shown in the following table:

Excerpts of shareholder equity	Amounts in Saudi Riyal thousands		
	Share capital	Accumulated losses	Accumulated losses percentage
As of 1 January 2022	360,614	(256,730)	
Losses of the first quarter	-	(37,155)	
Capital reduction of February 2022	(98,303)	98,303	
Balance as at March 31, 2022	262,311	(195,582)	74.56%
Losses of the second quarter	-	(44,489)	
Balance as at June 30, 2022	262,311	(240,071)	
Losses for the month of July 2022	-	(15,326)	
Total	262,311	(255,397)	
Capital reduction of July 2022	(195,582)	195,582	
Balance as at June 31, 2022	66,729	(59,815)	89.6%

AlKharashi & Co.



Abdullah A. Msned
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