

Saudi Fransi Equity Income Fund

Annual Report - 2022

Public



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A. INVESTMENT FUND INFORMATION

1. Name of investment fund.

Saudi Fransi Equity Income Fund

2. Investment objectives and policies

Objectives of the Fund

Saudi Fransi Saudi Equity Income Fund is an open-end fund that seeks to outperform its benchmark in the medium to long term by investing in listed companies on the Saudi stock market that comply with the Sharia standards approved by the Sharia Committee. Its objective is to distribute cash dividends on a semi-annual basis which is the greater of the following:

- Either 2.5% of the Fund's net asset value per unit regardless of the Fund's performance during the period.
- Or, if the unit price achieved its highest point since its inception, 50% of the difference between the unit price over its equivalent on the previous distribution day will be distributed.

Note that the Fund's performance will be measured against the performance of its benchmark index after adding any cash distributed to the unitholders.

Investment Policies

- The Fund's investment universe includes companies listed in the main market (TASI) and the parallel market (Nomu), with a maximum of 15% of the net value of the Fund in the parallel market (Nomu), which is in line with the provisions of Islamic Shariah law established by the Shariah Board.
- The Fund has the right to invest in all other financial securities such as Real Estate Investment Traded Funds (REIT), Exchange Traded Funds (ETF) and others.
- The Fund Manager has the right to invest the cash surplus in short-term bank deposits and money market fund instruments compliant with Shariah.
- The Fund Manager will seek (and does not guarantee) to select companies that have the potential to outperform the benchmark over the medium to long term.
- When selecting stocks, the Fund Manager will use his experience and resources to assess the global economy, regionally and locally, in addition to the fundamental and technical analysis of the target companies and other factors, including but not limited to the investor's sentiment, market volatility, and the degree of correlation with other stocks.
- The investment scope of the Fund includes all shares listed on the Saudi stock market that are Shariah compliant according to the criteria approved by the Fund's Shariah Board.
- The benchmark for the fund is SFC Shariah Saudi Equity Income Index.

3. Distribution of income and gain policy

The fund manager will work to achieve cash distributions semi-annually (every six months) starting from the first period which ends with the lapse of six months from the fund's start date, equivalent to the largest value of the fund's net unit price on the day of registration as follows:

- Either 2.5% of the Fund's net asset value per unit regardless of the Fund's performance during the period.
- Or, if the unit price achieved its highest point since its inception, 50% of the difference between the unit price over its equivalent on the previous distribution day will be distributed.

Unitholders must be aware that the cash distributed will be deducted from the net assets of the fund. Note that the fund will seek to achieve cash distributions to the fund subscribers, equivalent to approximately 5% annually of the fund's net assets value, as a minimum.

4. Description of the fund's benchmark and the service provider's website (if any).

Fund's benchmark is SFC Shariah Saudi Equity Income Index.

Website: <https://www.spglobal.com>



B. FUND PERFORMANCE

1. Financial highlights for the last 3 years

	2022	2021	2020
Net Asset Value (NAV)	20,959,382.00	29,830,124.00	36,401,717.00
NAV per Unit	9.10	10.40	8.71
Highest NAV per Unit	11.65	13.18	8.79
Lowest NAV per Unit	8.79	9.64	6.29
Number of Units	2,303,567.00	2,869,449.00	4,178,843.00
Income Distribution per Unit	0.55	0.50	0.41
Expense Ratio	2.73%	2.98%	2.67%
percentage of borrowed assets from the total asset value	-	-	-
results of comparing the performance of the benchmark of the fund with performance of the fund.	Out Performed	Out Performed	Under Performed

2. Performance Record

Total Annualized Return for 1 Year, 3 Years, 5 Years, and Since Inception

	1 Year	3 Years	5 Years	Since Inception
Total Return	-8.00%	28.85%	55.36%	50.77%

Total Annual Returns for Each of the Past 10 Years or Since Inception

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total return	-8.00%	17.88%	6.01%	7.75%	4.67%	1.14%	6.18%	-5.81%	-2.52%	N/A

Fund Fees and Expenses

	Amount (SAR)
Tadawul Registration Fees	6,348.50
Regulatory Fees	7,828.80
Auditor Fee Expense	40,028.73
Remuneration of the Board of Directors	548.13
Benchmark Fees	27,451.46
Trading Expenses	43,387.76
Funding Fees	-
Other	30,298.42
Custody Fee	20,446.10
Management Fee	444,479.01
VAT on Management Fee	66,671.95
Shariah Audit Fee Expense	-
Total Expense Ratio %	2.73%

3. Material Changes to Terms and Conditions

- None.

4. Exercise of Annual Voting Rights

Company	Date of Assembly	Type of General Assembly	Subject of Voting	Decision		
				Yes	No	Abstain
Arabian Centres Co.	28-Dec-22	Extraordinary	Vote on the amendment of article (45) of the Company's Bylaws, relating to the financial year.	√		



United Electronics Co.	05-Oct-22	Extraordinary	Voting on increasing the capital of the United Electronics Company (Extra) as follows: a) The total amount of the increase is SAR 200 million. b) The capital before the increase is SAR 600 million, and the capital after the increase will become SAR 800 million; an increase by (33.33%). c) The number of shares before the increase is 60 million shares, and the number of shares after the increase will become 80 million shares. d) The objective of the increase is to Support the company's financial position. e) Increasing the company's capital by 33.33% of the company's capital, and the details of the increase are as follows: - Distributing 16.8 million shares as bonus shares to shareholders by granting 0.28 share for each 1 shares which is equivalent to 7 shares for each 25 shares, which represents an increase of 28% of the company's capital, the eligibility for Shareholders who own the shares on the due date at the end of the trading day of the company's extraordinary general assembly and who are registered in the company's shareholders register with the Securities Depository Center Company (Depository Center) at the end of the second trading day following the date of the company's extraordinary general assembly. - Allocating 3.2 million shares, for the purpose of adding it to the company's employee shares program (long-term incentive plan) and authorizing the Board of Directors to manage the program, specify its details and amend it in the future when needed, and the Board has the right to delegate that authority. f) The increase will be through capitalizing SAR 140 million from the retained earnings and SAR 60 million from the statutory reserve of the company. g) In case of capital increase is approved by company shareholders during the Extraordinary General Assembly meeting, the eligibility shall be for shareholders owning shares by the end of the trading day of company Extraordinary General Assembly meeting and are registered in company shareholders registry in the Depository Center by the end of the second trading day following the Extraordinary General Assembly meeting date. And In case of shares fractions occurrence, shares fractions will be collected in one portfolio to be sold at market price, the value will be distributed to eligible shareholders each by their share within a period not to exceeds 30 days from the allocation of new shares to each shareholder. h) The amendment of Article No. (7) of company Bylaws related to the company's capital (attached). i) The amendment of Article No. (8) of company Bylaws related to shares subscription (attached).	√		
Arabian Centres Co.	28-Sep-22	Ordinary	Voting on the Board of Directors Report for the financial year ended 31/03/2022.	√		
			Voting on the Company's Auditor's Report for the financial year ended 31/03/2022.	√		
			Voting on the Company's Financial Statements for the financial year ended 31/03/2022.	√		
			Voting on discharging the Board of Directors members from their liabilities related to the management of the company during the financial year ended 31/03/2022.			√
			Voting on delegating the Board of Directors to distribute interim dividend, either semi-annually or quarterly, for the upcoming financial year ending 31/03/2023.	√		
			Voting on appointing an external auditor for the Company among the nominees based on the recommendation of the Audit Committee, to review and audit the Company's quarterly and annual financial statements for the second, third and annual periods of financial year ended 31/03/2023. In addition, the first quarter of financial year ended 31/03/2024, and determine their fees.			√
			Voting on the payment of a remuneration to the Board of Directors members amounting to SAR 2,700,000 for the financial year ended 31/03/2022.	√		
			Voting on delegating the AGM authority to approve related parties transactions to the Board of Directors, as stated in paragraph (1) of Article 71 of the Companies Law for a period of one year from the date of approval of the AGM or until the end of the Board of Directors term, whichever is earlier, and according to the conditions stated in the Regulatory Rules and Procedures issued by the CMA pursuant to the Companies Law relating to Listed Joint Stock Companies.			√



			Voting on the businesses and contracts that will be conducted between the Company and Lynx Contracting Company (formerly known as "Fawaz Abdulaziz Al Hokair & Partners Real Estate Company"), where BoD members Mr. Fawaz Al-Hokair and Eng. Salman Al-Hokair have an indirect interest, which are contracts for the establishment and development of commercial centers belonging to the company in various cities in the Kingdom, without preferential terms, where the value of transactions for the financial year ended 31/03/2022 amounted to SAR 711,920,602. (Attached)			√
			Voting on the businesses and contracts that will be conducted between the Company and Fawaz Abdulaziz Al Hokair & Co., where BoD members Mr. Fawaz Al-Hokair, Eng. Salman Al-Hokair, Mr. Mohamad Mourad and Eng. Omar Al-Muhammadi have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers belonging to the company in various cities in the Kingdom, without preferential terms, where the value of transactions for the financial year ended 31/03/2022 amounted to SAR 273,055,082. (Attached)			√
			Voting on the businesses and contracts that will be conducted between the Company and FAS Holding Company for Hotels and its subsidiaries, where BoD members Mr. Fawaz Al-Hokair and Eng. Salman Al-Hokair have an indirect interest in them, which is a settlement of previous dues from FAS Holding Company for Hotels and its subsidiaries in cash and through transferring lands to the Company according to the announcement published on Saudi Exchange website on 28/01/2021, with the agreement of both parties that the Company will receive these real estates at 9% less than the average valuation, where the value of transactions for the financial year ended 31/03/2022 amounted to SAR 218,982,570. (Attached)			√
			Voting on the businesses and contracts that will be conducted between the Company and NESK Trading Project Company, where BoD members Mr. Fawaz Al-Hokair, Eng. Salman Al-Hokair, Mr. Mohamad Mourad and Eng. Omar Al-Muhammadi have an indirect interest in them, which are lease contracts for leasing spaces in several commercial centers belonging to the Company in various cities in the Kingdom, without preferential terms, where the value of transactions for the financial year ended 31/03/2022 amounted to SAR 61,710,786. (Attached)			√
			Voting on the businesses and contracts that will be conducted between the Company and Tadaris Najd Security Est., where the BoD member Eng. Salman Al-Hokair has an indirect interest in them, which are security services contracts for all the commercial centers of the company, without preferential terms, where the value of transactions for the financial year ended 31/03/2022 amounted to SAR 51,093,917. (Attached)			√
			Voting on the businesses and contracts that will be conducted between the Company and Sala Entertainment Company, where the BoD member Eng. Salman Al-Hokair has an indirect interest in them, which are lease contracts for rental spaces in several commercial centers belonging to the Company in various cities in the Kingdom, without preferential terms, where the value of transactions for the financial year ended 31/03/2022 amounted to SAR 40,940,432. (Attached)			√
			Voting on the businesses and contracts that will be conducted between the Company and Muvi Cinema Company, where the BoD member Mr. Fawaz Al-Hokair has an indirect interest in them, which are lease contracts for rental spaces in several commercial centers belonging to the Company in various cities in the Kingdom, without preferential terms, where the value of transactions for the financial year ended 31/03/2022 amounted to SAR 38,773,064. (Attached)			√
			Voting on the businesses and contracts that have been conducted between the Company and Saudi FAS Holding Company, where BoD members Mr. Fawaz Al-Hokair, Eng. Salman Al-Hokair, Eng. Omar Al-Muhammadi, Eng. Kamel Al-Qalam and Mr. Mohamad Mourad have an indirect interest in them, in relation to ongoing business support activities, without preferential terms, where the value of transactions for the financial year ended 31/03/2022 amounted to SAR 36,229,922. (Attached)			√
			Voting on the businesses and contracts that will be conducted between the Company and Abdulmohsin Al-Hokair for Tourism and Development Group, where BoD members Mr. Fawaz Al-Hokair and Eng. Salman Al-Hokair have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers belonging to the Company in various cities in the Kingdom, without preferential terms, where the value of transactions for the financial year ended 31/03/2022 amounted to SAR 27,758,647. (Attached)			√



			Voting on the businesses and contracts that will be conducted between the Company and Innovative Union Co. Ltd., where BoD members Mr. Fawaz Al-Hokair, Eng. Salman Al-Hokair, Mr. Mohamad Mourad and Eng. Omar Al-Muhammadi have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers belonging to the company in various cities in the Kingdom, without preferential terms, where the value of transactions for the financial year ended 31/03/2022 amounted to SAR 18,771,725. (Attached)			√
			Voting on the businesses and contracts that will be conducted between the Company and Food Gate Company, where BoD members Mr. Fawaz Al-Hokair, Eng. Salman Al-Hokair, Mr. Mohamad Mourad and Eng. Omar Al-Muhammadi have an indirect interest in them, which are lease contracts for leasing spaces in several commercial centers belonging to the Company in various cities in the Kingdom, without preferential terms, where the value of transactions for the financial year ended 31/03/2022 amounted to SAR 15,090,052. (Attached)			√
			Voting on the businesses and contracts that will be conducted between the Company and Majd Business Co. Ltd., where BoD members Mr. Fawaz Al-Hokair and Eng. Salman Al-Hokair have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers belonging to the company in various cities in the Kingdom, without preferential terms, where the value of transactions for the financial year ended 31/03/2022 amounted to SAR 14,548,982. (Attached)			√
Abdullah Al Othaim Markets Co.	27-Sep-22	Ordinary	Voting on the transactions and contracts that will be concluded between the company and Al Othaim Holding Company, where each of (the Chairman of the Board of Directors Mr. Abdullah Saleh Ali Al Othaim, and the Board of Member Mr. Abdulaziz Abdullah Saleh Al Othaim) they have an indirect interest, the transaction is selling the shares owned by Abdullah Al-Othaim Markets Company in the capital of Abdullah Al-Othaim Investment Company amounting to (13,653,850) shares with a total value of SR (846,538,700) ,without any preferential conditions			√
			Voting on the transactions and contracts that will be concluded between the company and Abdullah Al-Othaim Investment Company, where each of (the Chairman of the Board of Directors Mr. Abdullah Saleh Ali Al Othaim, and the Board of Member Mr. Abdulaziz Abdullah Saleh Al Othaim) they have an indirect interest, the transaction is selling a land owned by Abdullah Al-Othaim Markets Company in Madinah Al-Munwarah , with an area of (105,663.79) square meters with a total value of SR (211,327,580), without any preferential conditions			√
Advanced Petrochemical Co.	27-Sep-22	Ordinary	To vote on the formation of the audit committee and determine its duties, roles and remunerations for the new term, which begins on 01/10/2022 and ends on 30/09/2025, noting that the nominees (their CV's attached) are: 1) Abdulsalam Mazro Abdullah Al-Mazro (Independent Director). 2) Waleed Mohammed Abdullah Al-Jaafari (Non-Executive Director). 3) Abdulaziz Abdullah Abdulaziz Al-Mulhem (Non-Executive Director). 4) Abdullah Abdul Rahman Bu Ali (Member form outside the Board of Directors).			√
			To vote on the recommendation of the Board of Directors to transfer an amount of Eighty-One Million Five Hundred Thirty-Nine Thousand Four Hundred Ninety-Four (81,539,494) Saudi Riyals from the consensual reserve amounting to Eighty-One Million Five Hundred Thirty-Nine Thousand Four Hundred Ninety-Four (81,539,494) Saudi Riyals as stated in the interim financial statements for the period ended on 30 June 2022 to the retained earnings amounting to Four Hundred Sixty-Four Million Nine Hundred Fifty-Seven Thousand One Hundred Thirty-Three (464,957,133) Saudi Riyals as stated in the interim financial statements for the period ended on 30 June 2022.	√		
Advanced Petrochemical Co.	31-Aug-22	Ordinary	To vote on the election of the members of the Board of Directors among the board membership nominees for new term which will be starting October 1, 2022 to September 30, 2025 by the way of cumulative voting. In the event that the results of the voting will not enable the company to appoint the minimum number of independent members in the Board as required by the applicable regulations, then non-independent members will be replaced by independent members according to the number of votes they will obtain, (attached their CVs).			√



Saudi Telecom Co.	30-Aug-22	Extraordinary	Voting on the Board of Director's recommendation to increase Saudi Telecom Company's (stc) capital via granting bonus shares to stc's shareholders as follows: a. The total amount of the increase is SAR 30,000 million. b. The capital before the increase is SAR 20,000 million, and the capital after the increase will become SAR 50,000 million; an increase by (150%). c. The number of shares before the increase is 2,000 million shares, and the number of shares after the increase will become 5,000 million shares. d. The objective of the increase is to support stc in achieving its growth and expansion strategy along with maximizing its shareholders' return thru increasing and diversifying stc's investments and seizing the expected growth opportunities in the telecommunication & technology sector in the Kingdom of Saudi Arabia and the region. e. The increase will be through capitalizing SAR 30,000 million from the retained earnings via granting (1.5) share for each (1) share owned by shareholder at the eligibility date. f. In case of shares fractions occurrence, stc will collect all fractions in one portfolio to be sold at market price, the value will be distributed to eligible shareholders each by their share within a period not to exceeds 30 days from the allocation of new shares to each shareholder. g. In case of capital increase is approved by stc's shareholders during the Extraordinary General Assembly meeting, the eligibility shall be for shareholders owning shares by the end of the trading day of stc's Extraordinary General Assembly meeting and are registered in stc's shareholders registry in the Depository Center by the end of the second trading day following the Extraordinary General Assembly meeting date. h. The amendment of Article No. (7) of Saudi Telecom Company's (stc) Articles of Association related to the company's capital (attached). i. The amendment of Article No. (8) of Saudi Telecom Company's (stc) Articles of Association related to shares subscription (attached).	√		
			Voting on the amendment of Saudi Telecom Company's (stc) dividends policy (attached).	√		
			Voting on business and contracts between Saudi Telecom Company (stc) and Wala'a Cooperative Insurance Co. (Wala'a); In which Mr. Jameel A. Al-Mulhem, has an indirect interest being a member of the Board of Directors of stc and Wala'a. The disclosed indirect interest is regarding the agreements with Wala'a, which includes signing a number of insurance contracts to provide general insurance coverage for stc and its subsidiaries for three years starting from 03-06-2022 with an amount of SAR 36.76 million (annually). The signed contracts were part of the ordinary businesses that have offered no preferential advantages (attached).			√
			Voting on business and contracts between Saudi Telecom Company (stc) and eWTPA Technology Innovation Limited Company, Alibaba Cloud (Singapore) Private Limited, Saudi Company for Artificial Intelligence (SCAI) and Saudi Information Technology Company (SITE) with regards to signing a joint venture agreement (JV) to establish a limited liability company specialized in cloud computing with a total capital of SAR (894) million upon establishment. The shares are distributed as follows: (stc 55%, eWTPA 27%, Alibaba Cloud 10%, SCAI 4%, and SITE 4%). The JV agreement is within the ordinary businesses that have offered no preferential advantages. The Public Investment Fund (PIF) is a related party as it is the largest shareholder in stc with 64% ownership, as well as a limited partner in eWTPA through its wholly owned subsidiaries and owns all the shares of SCAI and SITE, and the Board of Directors following members have indirect interest as a representative of the PIF: H.E Dr. Khaled H. Biyari, Mr. Yazeed A. AlHumied, Ms. Rania M. Nashar, Mr. Arndt F. Rautenberg and Mr. Sanjay Kapoor (attached).	√		
			Voting on the purchase of a number of the Saudi Telecom Company (stc) shares with a maximum of 15 million shares (the proposed shares to be purchased reflects the proposed increase in stc's capital by 150%), and in an amount not to exceed SAR 453 million to allocate them within the Employee Stock Incentive Plan which was approved in the Extraordinary General Assembly meeting held in 20-04-2020, where the purchase of those shares to be financed thru stc's own resources. Further, to authorize the Board of Directors or whoever it delegates to complete the purchase within a period of 12 months from the date of the Extraordinary General Assembly approval. The purchased shares to be kept no longer than 7 years from the date of Extraordinary General Assembly approval and once the 7 years period lapses, stc will follow the rules and procedures stipulated in the relevant laws and regulations (attached).	√		



			Voting on business and contracts between Saudi Telecom Company (stc) and Public Investment Fund (PIF) with regards to signing a joint venture agreement (JV) to establish a limited liability company specialized in the field of internet of things (IoT), with a total capital of SAR 492 million upon establishment. The Joint Venture Agreement allows the possibility to increase the company's capital up to SAR 900 million, as needed, and based on the company's business requirements, at the end of the 3rd financial year from establishment, subject to the competent authorities and regulatory approvals, with 50% ownership for both stc and PIF. The JV agreement is within the ordinary businesses that have offered no preferential advantages. The PIF is a related party as it is the largest shareholder in stc with 64% ownership, and the Board of Directors following members have indirect interest as a representative of the PIF: H.E Dr. Khaled H. Biyari, Mr. Yazeed A. AlHumied, Ms. Rania M. Nashar, Mr. Arndt F. Rautenberg and Mr. Sanjay Kapoor (attached).	√		
Riyadh Cement Co.	29-Aug-22	Ordinary	Voting on forming the Audit Committee, defining its duties, operating controls, and remuneration for its members for the new session that starts on 29/08/2022 and ended by 14 June 2025, noting that the candidates are (their CVs attached): 1- Mr. Abdullah Ateeq Alfawwaz (Membership status: Independent). 2- Mr. Mohammad Abdulaziz AlShaie (Membership status: Outside the Board). 3- Dr. Abdullah Saghier AlHusaine (Membership status: - Outside the Board).			√
Riyadh Cement Co.	25-Jul-22	Ordinary	Voting on forming the Audit Committee, defining its duties, operating controls, and remuneration for its members for the new session that starts on 25/07/2022 and ended by 14 June 2025, noting that the candidates are (their CVs attached): 1- Mr. Abdullah Ateeq Alfawwaz (Membership status: Independent). 2- Mr. Mohammad Abdulaziz AlShaie (Membership status: Outside the Board). 3- Dr. Abdullah Saghier AlHusaine (Membership status: - Outside the Board).			√
Arriyadh Development Co.	29-Jun-22	Ordinary	Vote on the formation of the Audit Committee for the new session, starting from the date of the assembly's convening 06-29-2022 AD until the end of the session on 06-24-2025 AD, and on its tasks, work regulations and remunerations for its members, and the candidates are (CV attached): 1) Mr. Suleiman bin Nasser Al Hatlan Al-Qahtani. (2) Mr. Nayef bin Ibrahim Al-Hadihi (3) Mr. Ahmed bin Abdullah Al-Kanha (4) Mr. Saleh bin Moqbel Al-Khalaf			√
			To vote on the request of shareholders who make up more than 5% of the company's capital to distribute cash dividends to shareholders from the balance of the retained earnings in the amount of (88,888,888.5) Saudi riyals at (0.50) riyals per share, which represents (5%) of the nominal value per share. The eligibility is for the shareholders who own shares at the end of trading on the day of the general assembly meeting and who are registered in the company's shareholders register with the Securities Depository Center Company (Depository Center) at the end of the second trading day following the due date, and the dividend distribution date will be announced later.	√		
City Cement Co.	15-Jun-22	Ordinary	Voting on the company's auditor's report for the fiscal year ended on 31-12-2021.	√		
			Voting on the company's financial statements for the fiscal year ended on 31-12-2021.	√		
			Voting the report of the board of directors for the fiscal year ended on 31-12-2021.	√		
			Voting to discharge the members of the Board of Directors from liability for the fiscal year ended on 31-12-2021.			√
			Voting on the appointment of external auditors for the company from among the candidates based on the Audit Committee's recommendation to examine, review, and audit the (second, third and fourth) quarter, the annual financial statements of the fiscal year 2022G, and the first quarter of the fiscal year 2023G together with the determination of their remuneration.			√
			Voting on delegating the Board of Directors to distribute interim dividends on a biannual / quarterly basis for the fiscal year 2022.	√		
			Vote on the election of board members among the candidates for the next three-year session, which begins on June 19, 2022 and ends on June 18, 2025 (CV's attached)			√



			Vote on the formation of the audit committee for the next three-year session, which begins on June 19, 2022 and ends on June 18, 2025 and determine its functions, work controls and rewards of its members, knowing that the candidates are (their CV's attached) and they Are as: • Saleh Suliman Alrajhi • Mohammed Hamdan AlSuraiyea • Abdulaziz Abdullatif Aldulaijan • Saleh Hassan Al Sheikh			√
			Voting on paying an amount of (SAR 1,400,000) as remuneration to the Board members for the fiscal year ending on 31/12/2021, (200,000) for each member	√		
Yanbu Cement Co.	01-Jun-22	Extraordinary	Voting on the Board of Directors' report for the fiscal year ending on 31/12/2021.	√		
			Voting on the financial statements for the fiscal year ending on 31/12/2021	√		
			Voting on the company auditor's report for the fiscal year ending on 31/12/2021	√		
			Voting to absolve the members of Board of Directors from liability for the fiscal year ending on 31/12/2021			√
			Voting on appointing the auditor for the Company among the candidates, based on the Audit Committee's recommendation and determine the auditor's remuneration. The appointed auditor shall examine, review and audit the (second, third, fourth) quarters and annual financial statements, of the fiscal year 2022 and the first quarter of the fiscal year 2023. (attached)			√
			Voting on authorizing the Board of Directors to distribute interim dividends on a biannual basis for the fiscal year 2022. (attached)	√		
			Voting on the amendment of Article No. (1) of the company's bylaws related to (Incorporation). (attached)	√		
			Voting on the amendment of Article No. (2) of the company's bylaws related to (Company name). (attached)	√		
			Voting on the amendment of Article No. (3) of the company's bylaws related to (Company purpose). (attached)	√		
			Voting on the amendment of Article No. (4) of the company's bylaws related to (Company partnership & ownership). (attached)	√		
			Voting on the amendment of Article No. (5) of the company's bylaws related to (the company's main center). (attached)	√		
			Voting on the amendment of Article No. (6) of the company's bylaws related to (Company Term). (attached)	√		
			Voting on the amendment of Article No. (7) of the company's bylaws related to (the capital). (attached)	√		
			Voting on the adding of Article No. (10) of the company's bylaws related to (Debt instruments and Deeds). (attached)	√		
			Voting on the amendment of Article No. (8) of the company's bylaws related to (Subscription). (attached)	√		
			Voting on the deletion of Article No. (9) from the company's bylaws related to (Sale of Unpaid Shares). (attached)	√		
			Voting on the adding of Article No. (9) to the company's bylaws related to (Preferred shares). (attached)	√		
			Voting on the deletion of Article No. (10) from the company's bylaws related to (Shares Issue). (attached)	√		
			Voting on the deletion of Article No. (11) from the company's bylaws related to (Trading in Shares). (attached)	√		
			Voting on the amendment of Article No. (13) of the company's bylaws related to (Capital increase). (attached)	√		



			Voting on the deletion of Article No. (14) from the company's bylaws related to (Capital decrease). (attached)	√		
			Voting on the amendment of Article No. (15) of the company's bylaws related to (Company management). (attached)	√		
			Voting on the amendment of Article No. (17) of the company's bylaws related to (Vacant Positions in the Board). (attached)	√		
			Voting on the amendment of Article No. (18) of the company's bylaws related to (Powers & Authorities of the Board). (attached)	√		
			Voting on the amendment of Article No. (19) of the company's bylaws related to (Remuneration of Members of the Board). (attached)	√		
			Voting on the amendment of Article No. (22) of the company's bylaws related to (Board meeting quorum). (attached)	√		
			Voting on the amendment of Article No. (20) of the company's bylaws related to (Powers & Authorities of Chairman of the Board, Vice Chairman, Managing Director & Secretary). (attached)	√		
			Voting on the adding of Article No. (19) to the company's bylaws related to (Powers & Authorities of Chairman of the Board). (attached)	√		
			Voting on the amendment of Article No. (21) of the company's bylaws related to (Board meetings). (attached)	√		
			Voting on the amendment of Article No. (23) of the company's bylaws related to (Deliberations of the Board). (attached)	√		
			Voting on the deletion of Article No. (25) from the company's bylaws related to (The Constituent Assembly). (attached)	√		
			Voting on the deletion of Article No. (26) from the company's bylaws related to (Jurisdiction of the Constituent Assembly). (attached)	√		
			Voting on the amendment of Article No. (27) of the company's bylaws related to (Jurisdiction of the Ordinary General Assembly). (attached)	√		
			Voting on the deletion of Article No. (28) from the company's bylaws related to (Jurisdiction of the Extraordinary General Assembly). (attached)	√		
			Voting on the amendment of Article No. (29) of the company's bylaws related to (Invitation of Assemblies). (attached)	√		
			Voting on the amendment of Article No. (30) of the company's bylaws related to (Attendance Record of the Assemblies). (attached)	√		
			Voting on the amendment of Article No. (34) of the company's bylaws related to (Voting in Assemblies). (attached)	√		
			Voting on the deletion of Article No. (31) from the company's bylaws related to (Attendance Sheet of the Assembly). (attached)	√		
			Voting on the amendment of Article No. (32) of the company's bylaws related to (Quorum for the Ordinary General Assembly). (attached)	√		
			Voting on the amendment of Article No. (33) of the company's bylaws related to (Quorum for the Extraordinary General Assembly Meeting). (attached)	√		
			Voting on the amendment of Article No. (35) of the company's bylaws related to (Resolutions & Decision of the Assemblies). (attached)	√		
			Voting on the amendment of Article No. (36) of the company's bylaws related to (Discussions in Assemblies). (attached)	√		
			Voting on the amendment of Article No. (37) of the company's bylaws related to (Presiding over Assemblies and Minutes Development). (attached)	√		
			Voting on the amendment of Article No. (38) of the company's bylaws related to (Committee Formation). (attached)	√		



			Voting on the deletion of Article No. (39) from the company's bylaws related to (Quorum for Committee Meeting). (attached)	√		
			Voting on the deletion of Article No. (40) from the company's bylaws related to (Jurisdiction of the Committee). (attached)	√		
			Voting on the amendment of Article No. (42) of the company's bylaws related to (Appointment of Auditor). (attached)	√		
			Voting on the deletion of Article No. (43) from the company's bylaws related to (Powers & Authorities of the Auditor). (attached)	√		
			Voting on the amendment of Article No. (46) of the company's bylaws related to (Fiscal Year). (attached)	√		
			Voting on the deletion of Article No. (41) from the company's bylaws related to (Committee Reports). (attached)	√		
			Voting on the deletion of Article No. (44) from the company's bylaws related to (Report of the Auditor). (attached)	√		
			Voting on the deletion of Article No. (45) from the company's bylaws related to (Confidentiality of the Auditor). (attached)	√		
			Voting on the deletion of Article No. (47) from the company's bylaws related to (Financial Documents/Statements). (attached)	√		
			Voting on the amendment of Article No. (48) of the company's bylaws related to (Distribution of Profits). (attached)	√		
			Voting on the amendment of Article No. (49) to the company's bylaws related to (Dividends Eligibility). (attached)	√		
			Voting on the rearrangement of articles and their numbering in the Company's bylaws to be in compliance with the proposed amendments mentioned in the aforementioned items, if approved. (Attached)	√		
Riyadh Cement Co.	23-May-22	Ordinary	Voting on the election of the members of the Board of Directors from among the candidates for the next term, which starts from 06/15/2022 AD and its duration is three years, ending on 06/14/2025 AD			√
			To vote on the report of the Board of Directors for the fiscal year ending on 12/31/2021 AD	√		
			To vote on the auditor's report for the fiscal year ending on 12/31/2021 AD	√		
			Voting on the financial statements for the fiscal year ending on 12/31/2021 AD	√		
			Vote to absolve the members of the Board of Directors from liability for the fiscal year 2021 AD.			√
			To vote on appointing the auditor of the company from among the candidates based on the recommendation of the Audit Committee, in order to examine, review and audit the company's financial statements for the first quarter, second quarter, third quarter and annual for the fiscal year 2022 AD and determine his fees.			√
			To vote on the recommendation of the Board of Directors to distribute cash dividends to shareholders for the second half of the year 2021 AD at the rate of (0.75) riyals per share, which represents 7.5% of the nominal value of the share, with a total amount of 90 million riyals, and the eligibility for the dividends of the second half is for the shareholders of the company who own shares on the day of the assembly And those registered in the company's shareholder register at the Securities Depository Center at the end of the second trading day following the day of the company's general assembly, and thus the total distributed dividends proposed for distribution for the year 2021 AD is (1.75) riyals per share, which represents 17.5% of the nominal value of the share, with a total of 210 million. SAR, and the date of the second half dividend distribution will be announced later	√		
			To vote on disbursing an amount of (2,100,000) two million and one hundred thousand Saudi riyals as a reward for the members of the Board of Directors	√		

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			at the rate of (300,000) three hundred thousand Saudi riyals for each member for the fiscal year ending on 12/31/2021 AD.			
			Voting on the business and contracts concluded between the company and Al-Rashed Cement Company, in which the Chairman of the Board of Directors, Mr. Salah Al-Rashed, and the member of the Board of Directors, Mr. Abdul Mohsen Al-Rashed, has a direct interest in it, which is the sale of cement during the year 2021 AD, at a value of 99.7 million riyals, according to the prevailing commercial terms.			√
			Voting on the business and contracts that took place between the company and Building System Company, in which a member of the Board of Directors, Mr. Khalifa Al-Mulhim, has a direct interest, which is the sale of cement during the year 2021 AD, at a value of 2.3 million riyals, according to the prevailing commercial conditions			√
			Voting on the business and contracts concluded between the company and Tawa Company, in which a member of the Board of Directors, Dr. Nasser Aqil, has a direct interest, which is the sale of cement during the year 2021 AD, at a value of 80.3 million riyals, according to the prevailing commercial terms.			√
			To vote on authorizing the Board of Directors to distribute interim profits to shareholders on a semi-annual or quarterly basis for the fiscal year 2022 AD, and to determine the maturity and disbursement date in accordance with the regulatory controls and procedures issued in implementation of the Companies Law, in a manner commensurate with the company's financial position, cash flows, and expansion and investment plans.	√		
Elm Co.	29-May-22	Extraordinary	Voting on the amendment of Article (Second Article) of the company's bylaws related to (company name)	√		
			Voting for the election of the Board members among the candidates for the current term, commencing from 25/11/2021G. for a term of three years, ending on 2024/11/2 G. (Candidates' CVs attached)			√
			Voting on increasing the number of Audit Committee seats from (4) seats to be (5) seats, and appoint (Mr. Abdulrahman AlOdan for the membership of Audit Committee) as a member of Audit Committee starting from the date of the assembly's approval until the end of the current committee's term on 24/11/2024 G. (CV attached)			√
Arabian Internet and Communications Services Co.	29-May-22	Extraordinary	Voting on the Board of Directors' report for the fiscal year ending on 31-12-2021.	√		
			Voting on the Auditor's Report for the fiscal year ending on 31-12-2021.	√		
			Voting on financial statements for the year ending on 31-12-2021.	√		
			Voting on the payment of SAR 3,765,000 as remunerations to the Board of Directors for the fiscal year ending on 31-12-2021.	√		
			Voting on discharging the liability of the Board members for the fiscal year ending on 31/12/2021.			√
			Voting on the Company's Competition Standards and Rules Policy. (Attached).	√		
			Voting on the amendment of article (1) of the company's bylaw relating to transformation. (Attached).	√		
			Voting on the amendment of article (3) of the company's bylaw relating to the objectives of the company. (Attached).	√		
			Voting on the amendment of article (13) of the company's bylaw relating to stock trading. (Attached).	√		
			Voting on the amendment of article (24) of the company's bylaw relating to the Board meetings. (Attached).	√		
			Voting on the amendment of article (37) of the company's bylaw relating to the Assembly's Resolutions. (Attached).	√		



			Voting on the amendment of article (40) of the company's bylaw relating to the committee formation. (Attached).	√		
			Voting on the amendment of article (48) of the company's bylaw relating to the distribution of profits. (Attached).	√		
			Voting on the Board of Directors' recommendation to distribute cash dividends to the Shareholders for the year 2021 with a total amount of SAR 475.2 Million at SAR 4 per share, which represents 40% of the nominal value of the shares, where the eligibility will be to the Shareholders owning shares on the General Assembly Meeting date, and are registered in the Company's share registry at the Depository Center (Edaa) at the end of the second trading day following the due date. The date of the dividends' distribution will be announced later.	√		
United International Transportation Co.	17-May-22	Extraordinary	Voting on the company's auditor's report for the fiscal year ending on 31/12/2021	√		
			Voting on the company's financial statements for the fiscal year ending on 31/12/2021	√		
			Voting on the Board of Directors' report for the fiscal year ending on 31/12/2021	√		
			Voting on paying an amount of (SAR 2,780,000) as remuneration to the Board members for the fiscal year ending on 31/12/2021.	√		
			Voting on delegating the Board of Directors to distribute interim dividends on a biannual / quarterly basis for the fiscal year 2021.	√		
			Voting on the Board of Directors' recommendation to distribute dividends for the second half of 2021 at the rate of 1.3 riyals per share, representing 13% of the capital with a total amount of (SAR 92,516,668), Provided that the entitlement to dividends is for shareholders holding the shares by the end of the trading day of the assembly date, and who are registered in the Company's shareholders registry held with the Securities Depository Center Company (Edaa) at the end of the second trading day following the entitlement date. the distribution date to be announced later. (Attached)	√		
			Voting on discharging the members of the Board of Directors from liability for the fiscal year ending 31/12/2021			√
			Voting on amending Article No (20) of the company's bylaws relating to Powers of the Board of Directors. (Attached)	√		
Abdullah Al Othaim Markets Co.	16-May-22	Ordinary	Voting on the auditor report on the Company's accounts for the fiscal year ending 31/12/2021G.	√		
			Voting on the financial statements for the fiscal year ending on 31/12/2021G.	√		
			Voting on the Board of Directors' report for the fiscal year ending on 31/12/2021G.	√		
			Voting on absolving the Members of the Board Directors from their liabilities for the fiscal year ending on 31/12/2021G			√
			Voting on appointing the auditor for the Company from among the candidates based on the Audit Committee's recommendation. The appointed auditor/s shall examine, review and audit the second, third, fourth, and annual financial statements of the fiscal year 2022G, and the 1st quarter of the fiscal year 2023G and determination of the auditor remuneration			√
			Voting on delegating the Board of Directors to distribute interim dividends on a biannual or quarterly basis, for the fiscal year 2022G, determining the eligibility and distribution date in accordance with the regulatory rules and procedures issued pursuant to the companies' law relating to listed joint stock companies	√		



			Voting on delegating to the Board of Directors the authorization powers of the General Assembly stipulated in paragraph (1) of Article (71) of the Companies Law, for one year starting from the date of the approval by the General Assembly or until the end of the delegated Board of Directors' term, whichever is earlier, by the conditions outlined in the Regulatory Rules and Procedures issued under the Companies Law relating to Listed Joint Stock Companies.	√		
			Voting on amending the Remuneration Policy for Members of the Board, Committees and Executive management. Or tap here to enter text.	√		
			Voting on The Social Responsibility Policy.	√		
			Voting on The competitive Business Standards.	√		
			Voting on the transactions and contracts that will be concluded between the company and Abdullah Saleh Al-Othaim & Sons Charity Establishment, where each of (the Chairman of the Board of Directors Mr. Abdullah Saleh Ali Al-Othaim, and the Board of Member Mr. Abdulaziz Abdullah Saleh Al-Othaim) they have an indirect interest, the transaction is a purchasing contract for sanabel al-Khair cards for one year, with amount of SR (17,258,300) for the year 2022G, the value is variable and will be calculated at the end of the year. There are no preferential terms in this transaction.			√
			Voting on the transactions and contracts that will be concluded between the company and Abdullah Al Othaim Investment Company, where each of (the Chairman of the Board of Directors Mr. Abdullah Saleh Ali Al Othaim, and the Board of Member Mr. Abdulaziz Abdullah Saleh Al Othaim) they have an indirect interest, the transaction is a lease contract for administrative offices for one year, with amount of SR (1,452,550) for the year 2022G, there are no preferential conditions in this transaction.			√
			Voting on the transactions and contracts that will be concluded between the company and Marafeg AL-Ttashgeel Company "a subsidiary company" where each of (the Chairman of the Board Mr. Abdullah Saleh Ali Al-Othaim, and Member of the Board Mr. Abdulaziz Abdullah Saleh Al-Othaim) they have an indirect interest, the transaction is a contract labor services rental for one year, with amount of SR (6,670,007), for the year 2022G, It is among the normal business that takes place between the company and its subsidiaries, the value is variable and will be calculated at the end of the year, noting that there are no preferential conditions in this transaction.			√
			Voting on the transactions and contracts that will be concluded between the company and Abdullah Al Othaim Investment Company, where each of (the Chairman of the Board of Directors Mr. Abdullah Saleh Ali Al Othaim, and the Board of Member Mr. Abdulaziz Abdullah Saleh Al Othaim) they have an indirect interest, the transaction is contract for electricity services and common benefits in the leased branches for one year, with amount of SR (3,197,850) for the year 2022G, there are no preferential conditions in this transaction			√
			Voting on the transactions and contracts concluded between the company and Saudi Pillar Company for Constructions, where each of (the Chairman of the Board of Directors Mr. Abdullah Saleh Ali Al-Othaim, and Member of the Board Mr. Abdulaziz Abdullah Saleh Al-Othaim) they have an indirect interest, the transaction is contract to establish a project for the company in Tabuk City for a period of (10) months, with the amount of SR (14,016,475.43) for the year 2021G, there are no preferential conditions in this transaction.			√
			Voting on the transactions and contracts concluded between the company and Saudi Pillar Company for constructions, where each of (the Chairman of the Board of Directors Mr. Abdullah Saleh Ali Al-Othaim, and the Member of the Board Mr. Abdulaziz Abdullah Saleh Al-Othaim) they have an indirect interest, the transaction is a contract to establish a project for the company in Riyadh City for a period of (10) months, with amount of SR (7,401,894.35) for the year 2021G, there are no preferential conditions in this transaction.			√
			Voting on the transactions and contracts that will be concluded between the company and seven service Company "a subsidiary company" where each of (the Chairman of the Board Mr. Abdullah Saleh Ali Al-Othaim, and Member of the Board Mr. Abdulaziz Abdullah Saleh Al-Othaim) they have an indirect interest, the transaction is a contract commissions for selling goods for one year, with the amount of SR (1,320,170) for the year 2022G, It is among the normal business that takes place between the company and its subsidiaries, the value is variable and will be calculated at the end of the year, there are no preferential conditions in this transaction.			√



			Voting on the transactions and contracts that will be concluded between the company and Shorfat AL-Jazeera Company "a subsidiary company" where each of (the Chairman of the Board Mr. Abdullah Saleh Ali Al-Othaim, and Member of the Board Mr. Abdulaziz Abdullah Saleh Al-Othaim) they have an indirect interest, the transaction is a contract labor services rental for one year, with amount of SR (3,106,141) for the year 2022G, It is among the normal business that takes place between the company and its subsidiaries ,the value is variable and will be calculated at the end of the year, there are no preferential conditions in this transaction.			√
			Voting on the transactions and contracts concluded between the company and Almarai Company, where the Member of the Board Mr. Muhammad Hassan Al-Shuhail has an indirect interest, the transaction is a contract for supplying food products for one year , with amount of SR (489,178,786.57) for the year 2021G, The value is variable and will be calculated at the end of the year, its ongoing commercial transactions that take place in the normal course of business and according to the prevailing commercial terms without any preferential terms			√
			Voting on the transactions and contracts concluded between the company and Al-Jouf Agricultural Company, where the Vice Chairman of the Board of Directors Mr. Bader Hamed Abdulrazaq Al-Aujan has an indirect interest as he holds the position of Chairman of the Board of Directors of Al-Jouf Agricultural Company, transaction is a contract of purchasing material food for one year, with amount of SR (17,511,586) for the year 2021G, The value is variable and will be calculated at the end of the year, its ongoing commercial transactions that take place in the ordinary course of business and according to the prevailing commercial terms without any preferential terms.			√
			Voting on the transactions and contracts concluded between the company and Arab for Agricultural Services Company, where the Vice Chairman of the Board of Directors. Mr. Bader Hamed Abdulrazaq Al-Aujan has an indirect interest, as he holds the position of Vice Chairman of the Board of Directors of the Arab Company for Agricultural Services, the transaction is a contract of purchasing of material food for one year, with an amount of SR (18,074,323) for the year 2021G, The value is variable and will be calculated at the end of the year, its ongoing commercial transactions that take place in the ordinary course of business and according to the prevailing commercial terms without any preferential terms.or tap here to enter text.			√
			Voting on the transactions and contracts concluded between the company and Jarir Marketing company, where the Vice Chairman of the Board of Directors Mr. Bader Hamed Abdulrazaq Al-Aujan has an indirect interest the transaction is a contract of purchasing stationary with amount of SR (210,921) for the year 2021G, The value is variable and will be calculated at the end of the year, its ongoing commercial transactions that take place in the ordinary course of business and according to the prevailing commercial terms without any preferential terms.			√
			Voting on the transactions and contracts concluded between the company and General Organization for Social Insurance, where the member of the Board of Directors Mr. Bandar Nasser Hamad Al-Tamimi has an indirect interest, the transaction is a contract of leasing land for investment with amount of SR (49,427,083) for a period of (8) years, there are no preferential conditions in this transaction.			√
National Shipping Company of Saudi Arabia	16-May-22	Extraordinary	Voting on the report of the Board of Directors for the fiscal year ended 31/12/2021.	√		
			Voting on the auditor report for the fiscal year ended 31/12/2021.	√		
			Voting on the consolidated financial statements for the fiscal year ended 31/12/2021.	√		
			Voting on the discharge of the Board of Directors members for the fiscal year 2021.			√
			Voting on the payment of an amount of SAR (4,120,000) as a remuneration for the members of the Board of Directors, for the fiscal year ending on 31/12/2021	√		
			Voting on the recommendation of the Audit Committee, on the appointment of the auditor, from among nominees, to audit the quarterly (Q2, Q3 and Q4)			√



			and annual financial statements for 2022, in addition to Q1 2023 financial statements, as well as determining their fees.			
			Voting on the Board of Directors' mandate to distribute quarterly or semi-annual dividends for the fiscal year 2022.	√		
			Voting on the recommendation of the board of directors not to distribute dividends to shareholders for the second half of 2021.	√		
			Voting on the recommendation of the board of directors regarding the increase of the Company's capital by granting bonus shares to the shareholders of the Company according to the following: • Capital before increase: SAR (3,937,500,000) • Capital after increase: SAR (4,921,875,000) • Increase percentage: (25%) at the rate of one bonus share for every four shares held • Number of shares before increase: (393,750,000) shares • Number of shares after increase: (492,187,500) shares • This recommendation aims to strengthen the capital base of the company to be matched with the size of company assets and future projects. • The capital will be increased by capitalizing SAR (984,375,000) from the Statutory Reserve. • The eligibility date of the bonus shares for the Company's shareholders who own the shares will be at the day of the Extraordinary General Assembly and who are registered in the Company's shareholders register with the Securities Depository Center Company (Depository Center) at the end of the second trading day following the eligibility date. In the event of any bonus shares having fractions, these will be consolidated in one portfolio for all shareholders and sold at the market price, then their value will be distributed to the eligible shareholders for the grant, each according to his/her/it share within a period not exceeding (30) days from the date of determining the shares due to each shareholder. • Amending Article (6) of the Company's By-Laws concerning the Capital • Amending Article (7) of the Company's By-Laws concerning the Subscription in Shares	√		
			Voting on Amending Article (15) of the Company's By-Laws concerning the number of board of directors	√		
			Voting on delegating the Board of Directors with the authority of the General Assembly relating to the permission mentioned in Paragraph (1) of Article 71 of the Companies Bylaw, for a period of one year from the date of approval of the General Assembly or until the end of the term of Delegated Board of Directors, whichever is earlier and in accordance with the conditions mentioned in the related regulations.	√		
Arriyadh Development Co.	12-May-22	Extraordinary	Vote on the report of the Board of Directors for the fiscal year ending on December 31, 2021 AD.	√		
			Vote on the company's auditor's report for the fiscal year ending on December 31, 2021 AD.	√		
			Vote on the financial statements for the fiscal year ending on December 31, 2021 AD.	√		
			Vote for the appointment of the Company's auditor from among the candidates on the recommendation of the Audit Committee; This is for examining, reviewing and auditing the financial statements for the (second, third and fourth) and annual quarters of the 2022 AD, and the first quarter of the 2023 AD, and determining its fees.			√
			Vote to absolve the members of the Board of Directors from liability for the fiscal year ending on December 31, 2021 AD.			√
			Vote to disburse an amount of 3,417,000 riyals as a bonus to the members of the Board of Directors for the fiscal year ending on December 31, 2021 AD.	√		
			Vote on the resolution of the Board of Directors regarding the distribution of cash dividends during the first half of the year 2021 AD in the amount of (177,777,777) Saudi riyals at the rate of (1) riyals per share, which represents (10%) of the nominal value of one share.	√		
			Vote on the Board of Directors' recommendation to distribute cash dividends to shareholders for the second half of the year 2021 AD in the amount of (88888888.5) Saudi riyals at (0.50) riyals per share, which represents (5%) of the nominal value per share, provided that the eligibility is for the shareholders who own the shares At the end of trading on the day of the General Assembly meeting and those registered in the company's shareholders register with the Securities Depository Center Company	√		

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			(Depository Center) at the end of the second trading day following the due date, and the dividend distribution date will be announced later.			
			To vote on authorizing the Board of Directors to distribute interim dividends on a semi-/quarterly basis for the fiscal year 2022 AD.	√		
			Vote on the amendment of Article (No. 8) of the company's articles of association related to (subscribing to the capital)(Attachment)	√		
			Vote to elect the members of the company's board of directors from among the candidates for the next (tenth) session, which will start on 06/25/2022 and for a period of three years ending on 06/24/2025 (CVs are attached).			√
			Vote on the amendment of Article No. 1 of the company's articles of association related to (incorporation)(Attachment).	√		
			Vote on the amendment of Article No. 3 of the company's articles of association related to (the company's purposes)(Attachment).	√		
			Vote on the amendment of Article (No. 4) of the company's articles of association, related to (ownership of shares and participation)(Attachment).	√		
			Vote on the amendment of Article No. 7 of the company's articles of association related to (the company's capital)(Attachment).	√		
			. Vote on the amendment of Article (12) of the company's articles of association related to (trading of shares)(Attachment).	√		
			Vote on the amendment of Article (No. 9) of the company's bylaws, related to (issuance, purchase, and transfer of preferred shares)(Attachment)	√		
			Vote on the amendment of Article (No. 10) of the company's articles of association related to (shares)(Attachment).	√		
			Vote on the amendment of Article No. 11 of the company's articles of association related to (trading in shares)(Attachment).	√		
			Vote on the amendment of Article (No. 13) of the company's bylaws, related to the (Extraordinary General Assembly)(Attachment).	√		
			Vote on the amendment of Article No. 14 of the company's articles of association related to (the capital increase)(Attachment).	√		
			Vote on the amendment of Article No. 15 of the company's articles of association related to (reducing the capital)(Attachment).	√		
			Vote on the amendment of Article (No. 16) of the company's articles of association related to (debt instruments)(Attachment).	√		
			Vote on the amendment of Article No. 17 of the company's articles of association related to (purchasing company shares)(Attachment)	√		
			Vote on the amendment of Article No. 19 of the company's articles of association related to (the termination of membership in the Board of Directors)(Attachment).	√		
			Vote on the amendment of Article (No. 23) of the company's articles of association, related to (the quorum of the board of directors meeting)(Attachment).	√		
			Vote on the amendment of Article (No. 20) of the company's articles of association, related to (the competence of the board of directors)(Attachment).	√		
			Vote on the amendment of Article No. 21 of the company's articles of association related to (the remuneration of members of the board of directors)(Attachment).	√		



			Vote on the amendment of Article (No. 22) of the company's articles of association, related to (the Board of Directors meeting)(Attachment).	√		
			Vote on the amendment of Article (No. 29) of the company's articles of association, related to (the register of attendance at the assemblies)(Attachment).	√		
			Vote on the amendment of Article (No. 24) of the company's articles of association, related to (the Board of Directors meeting)(Attachment).	√		
			Vote on the amendment of Article (No. 25) of the company's bylaws, related to (shareholders' assemblies)(Attachment).	√		
			Vote on the amendment of Article (No. 26) of the company's articles of association, related to (the competence of the ordinary general assembly)(Attachment).	√		
			Vote on the amendment of Article (No. 27) of the company's articles of association, related to (the competence of the extraordinary general assembly)(Attachment).	√		
			Vote on the amendment of Article (No. 28) of the company's articles of association related to (convening assemblies)(Attachment).	√		
			Vote on the amendment of Article (No. 30) of the company's articles of association, related to (Quorum for the Ordinary General Assembly)(Attachment).	√		
			Vote on the amendment of Article (No. 36) of the company's articles of association related to (appointment of an auditor)(Attachment).	√		
			Vote on the amendment of Article (No. 31) of the company's bylaws, related to (Quorum for the Extraordinary General Assembly)(Attachment).	√		
			Voting on the amendment of Article (No. 32) of the company's articles of association related to (voting)(Attachment).	√		
			Vote on the amendment of Article (No. 33) of the company's articles of association related to (General Assembly Resolutions)(Attachment).	√		
			Vote on the amendment of Article (No. 34) of the company's articles of association, related to (discussion of assembly topics)(Attachment).	√		
			Vote on the amendment of Article (No. 35) of the company's bylaws, related to (presiding over meetings of the assembly)(Attachment).	√		
			Vote on the amendment of Article (No. 37) of the company's bylaws, related to (the functions of the auditor)(Attachment).	√		
			Vote on the amendment of Article (No. 38) of the company's bylaw, related to (formation of the audit committee)(Attachment).	√		
			Vote on the amendment of Article (No. 39) of the company's articles of association, related to (the audit committee meeting quorum)(Attachment).	√		
			Vote on the amendment of Article (No. 43) of the company's bylaws, related to (financial documents)(Attachment).	√		
			Vote on the amendment of Article (No. 40) of the company's articles of association, related to (the jurisdiction of the Audit Committee)(Attachment).	√		
			Vote on the amendment of Article (No. 41) of the company's articles of association related to (the audit committee report)(Attachment).	√		
			Vote on the amendment of Article (No. 42) of the company's bylaws, related to (the company's fiscal year)(Attachment).	√		
			Vote on the amendment of Article (No. 44) of the company's articles of association related to (distribution of profits)(Attachment).	√		
			Vote on the amendment of Article (No. 45) of the company's bylaws, related to (earning of profits)(Attachment).	√		



			Vote on the amendment of Article (No. 46) of the company's articles of association, related to (disputes)(Attachment).	√		
			Vote on the amendment of Article (No. 47) of the company's articles of association, related to (the termination of the company)(Attachment).	√		
			Vote on the amendment of Article (No. 48) of the company's articles of association, related to (Final Provisions)(Attachment).	√		
			Vote on the amendment of Article (No. 49) of the company's articles of association related to (publishing the system). {Attachment}	√		
			Vote to add Article No. (9) to the company's articles of association (issuance, purchase, and transfer of preferred shares). (Attachment)	√		
			Voting on adding Article No. (47) to the company's articles of association (attached) regarding (distribution of profits for preferred shares) (attached).	√		
			Vote on adding an article to the company's articles of association No. (10) related to (sale of unpaid shares). (Attachment)	√		
			Vote to add Article No. (14) to the company's articles of association related to (the company's purchase, sale and pledge of its shares). (Attachment)	√		
			To vote on adding an article to the company's articles of association No. (20) related to (the vacant position on the board of directors). (Attachment)	√		
United Electronics Co.	12-May-22	Ordinary	Voting on the Board Report for the fiscal year ending 31 December 2021.	√		
			Voting on the Auditors Report for the fiscal year ending 31 December 2021.	√		
			Voting on the Financial Statements for the fiscal year ending 31 December 2021.	√		
			Voting on release Board of Directors members from liability for the fiscal year ending 31 December 2021.			√
			Voting on the Board of Directors resolution regarding the distributed profits of the company for the first half and second half of 2021, 4.5 Saudi riyals per share, 45% of the company's capital, with a total amount of (270,000,000) Saudi riyals. (attached)	√		
			Voting on appointing the External Auditor for the Company from among the candidates based on the Audit Committee recommendation, The appointed auditor shall examine, review and audit the second, third quarter and annual financial statements of the fiscal year 2022, and the first quarter of the fiscal year 2023, and the determination of the auditor remuneration.			√
			Voting on delegating the Board of Directors to distribute interim dividends on a semi-annual or quarterly basis to shareholders for the fiscal year 2022 and to determine the due date and payment date in accordance with the Regulatory Rules and Procedures issued pursuant to Companies Law, in line with the company's financial position, cash flows, expansion and investment plans.	√		
			Voting on the business and contracts that will be concluded between the company and Abdul latif & Mohamed AlFozan Company, in which Mr. Fozan AlFozan has an indirect interest in it, which is a warehouse lease, the contract amount is 480,000 SR annually, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)			√
			Voting on the business and contracts that will be concluded between the company and Abdul latif & Mohamed AlFozan Company, in which Mr. Fozan AlFozan has an indirect interest in it, which is a Land lease, the contract amount is 991,000 SR annually, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)			√
			Voting on the business and contracts that will be concluded between the company and Madar Building Materials Company, in which Mr. Fozan AlFozan has an indirect interest in it, which is a warehouse lease, the contract amount is 550,000 SR annually in addition to the warehouse maintenance expenses of 567,757 SR paid to Madar Building Materials Company during			√

Public



			2021, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)			
			Voting on the business and contracts that will be concluded between the company and Retal for Urban Development Company, in which Mr. Fozan AlFozan has an indirect interest in it, which is a commercial Transactions, Sales during 2021 amounted to 243,288 SR, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)			√
			Voting on the business and contracts that will be concluded between the company and United Home Appliances Company, in which Mr. Fozan AlFozan has an indirect interest in it, which is a lease contract for a sales space at the Extra showroom, the contract amount is 1,566,080 SR annually, in addition to expenses related to the lease contracts amounted to 484,656 SR collected during 2021, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)			√
			Voting on the business and contracts that will be concluded between the company and United Home Appliances Company, in which Mr. Fozan AlFozan has an indirect interest in it, which is services legal agreement (Extra provides support services to the United Home Appliances Company), the contract amount is 1,043,457 SR annually, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)			√
			Voting on the business and contracts that will be concluded between the company and AlFozan Holding Company, in which Mr. Fozan AlFozan and Mr. Adel Merheb has an indirect interest in it, which is a services legal agreement (AlFozan Holding Company provides support services to Extra Company), the contract amount is one SR Monthly, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)			√
			Voting on the business and contracts that will be concluded between the company and United Home Appliances Company, in which Mr. Fozan AlFozan has an indirect interest in it, which is a commercial Transactions, Purchases during 2021 amounted to 3,999,881 SR, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)			√
			Voting on the business and contracts that will be concluded between the company and AlFozan Holding Company, in which Mr. Fozan AlFozan and Mr. Adel Merheb has an indirect interest in it, which is a commercial Transactions, Sales during 2021 amounted to 223,987 SR, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)			√
			Voting on the business and contracts that will be concluded between the company and Madar Hardware Company, in which Mr. Fozan AlFozan has an indirect interest in it, which is a commercial Transactions, Purchases during 2021 amounted to 870,705 SR, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)			√
			Voting on amending the audit committee charter (attached)	√		
			Voting on the business and contracts that will be concluded between the company and Madar Electrical Company, in which Mr. Fozan AlFozan has an indirect interest in it, which is a commercial Transactions, Purchases during 2021 amounted to 119,500 SR, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)			√
			Voting on the Board's resolution to appoint Mr. Mohammed Ibrahim Abdul Aziz Al-Obaid (member outside the board) as an Audit Committee member, starting from 7 Mar 2022. until the end of the current committee's term on 12 May 2024, to succeed the former committee member Mr. Abdul Moaty Wasfy Abdul Hady (member outside the board), effective from the date of the resolution issued on 7 Mar 2022. This appointment is in accordance with the Audit Committee Regulations. (CV attached)			√
Saudi Arabian Oil Co.	12-May-22	Extraordinary	Voting on the Board of Directors Report for the Financial Year ended December 31, 2021.	√		



			Voting on the Board of Director's recommendation to increase the Company's capital by way of granting bonus shares through the capitalization of 15,000,000,000 Saudi Riyals from the Company's retained earnings in the following manner: - The increase in capital will be made by capitalizing an amount of SAR 15,000,000,000 from the Company's retained earnings. The shareholders will be given one (1) share for every ten (10) shares owned in Saudi Aramco. - The share capital of the Company before the increase is sixty billion Saudi Riyals (SAR 60,000,000,000), and if the increase is approved, it will be seventy-five billion Saudi Riyals (SAR 75,000,000,000). The percentage increase of the share capital is: 25%. - The number of shares before the increase is two hundred billion (200,000,000,000), and after the increase it will become two hundred and twenty billion (220,000,000,000) shares. - By increasing its capital, the Company aims to maximize total returns for its shareholders through the distribution of sustainable and progressive dividends, in line with future prospects, underlying growth in free cash flow, and long-term value creation through investments in available opportunities. - In case there are any fractional shares as a result of the capital increase, the fraction shares will be grouped into a single portfolio on behalf of all of the Company's shareholders who would otherwise have been entitled to receive such fractional shares, and sold at the market price and subsequently distribute the net cash proceeds to their respective fractional entitlements within 30 days from the date of determining the shares due to each shareholder. - The shareholders registered in the Company's shareholders' register with the Securities Depository Center Company (Edaa) by the end of the second trading day following the date of the extraordinary general assembly meeting, will be eligible for the bonus shares. - Amending Article (6) of the Saudi Aramco's Bylaws relating to the capital (as attached to the Company's announcement on Tadawul).	√		
Saudi Chemical Co.	11-May-22	Ordinary	Voting on the Board of Directors' report for the fiscal year ending on 12/31/2021	√		
			Voting on the company's financial statements for the fiscal year ending on 12/31/2021	√		
			Voting on the auditor's report for the fiscal year ending 12/31/2021	√		
			Voting to absolve the members of the Board of Directors from liability for the fiscal year ending on 12/31/2021			√
			Vote on disbursing an amount of 2,020,800 riyals as a reward to the members of the Board of Directors for the fiscal year ending on 12/31/2021	√		
			Voting to appoint the company's auditor from among the candidates based on the recommendation of the Audit Committee, to examine and review the financial statements for the third and annual quarter of the fiscal year 2022 and the first and second quarters of 2023 and determine their fees.			√
			Voting to authorize the Board of Directors to distribute interim dividends on a quarterly or semi-annual basis for the fiscal year 2022, and to determine the date of maturity and distribution in accordance with the regulations and regulatory procedures issued in implementation of the Companies Law, in line with the company's financial position, cash flows, expansion and investment plans	√		
Jarir Marketing Co.	10-May-22	Extraordinary	To vote on the Board of Directors' report for the fiscal year ending 12/31/2021.	√		
			To vote on the company's auditor's report for the fiscal year ending 12/31/2021.	√		
			To vote on the financial statements for the fiscal year ending on 12/31/2021.	√		
			To vote on disburse an amount (2,650,000) two million six hundred and fifty thousand riyals as an annual bonus for members of the Board of Directors for the fiscal year ending on 31/12/2021.	√		
			To vote on release Board of Directors members from liability for the fiscal year ending 31/12/2021.			√
			To vote on the amendment of Article Three (the objectives of the company) of the company's articles of association (attached).	√		



			To vote on the amendment of Article Twenty-first (the powers of the chairman, his deputy, managing director and secretary) of the company's articles of association (attached).	√		
			To vote on the amendment of Article 45 (Earnings of Profits) of the Company's Articles of Association (attached).	√		
			To vote on authorizing the Board of Directors to distribute interim dividends on a semi-annual or quarterly basis for the fiscal year 2022.	√		
			To vote on the business and contracts that will be done between the company and Kite Arabia, which is for Mr. Mohammed Abdurrahman Al-Agil , Mr. Abdullah Abdurrahman Al-Agil , and Eng. Nasser Abdurrahman Al-Agil, and Mr. Abdul Karim Abdurrahman Al-Agil has an indirect interest in it, which is a work of implementation, designs and technical consultations, noting that the value of transactions in the year 2021 amounted to (36,494,512) riyals, knowing that these transactions It is carried out on commercial bases without preferential terms (attached).			√
			To vote on the business and contracts that will be done between the company and Jarir Real Estate Company, which is for Mr. Mohammed Abdurrahman Al-Agil , Mr. Abdullah Abdurrahman Al-Agil , and Eng. Nasser Abdurrahman Al-Agil, And Mr. Abdul Karim Abdurrahman Al-Agil has an indirect interest in it, which is a contract to lease an office in the Jarir building in Riyadh, noting that the value of transactions in the year 2021 amounted to (171,625) riyals, knowing that these transactions are based on commercial bases without Preferential terms (attached).			√
			To vote on the business and contracts that will be done between the company and Kite Arabia, which is for Mr. Mohammed Abdurrahman Al-Agil , and Mr. Abdullah Abdurrahman Al-Agil , and Eng. Nasser Abdurrahman Al-Agil, and Mr. Abdul Karim Abdurrahman Al-Agil has an indirect interest in it, which is a contract for renting an office in the Jarir building in Riyadh, noting that the value of transactions in 2021 amounted to (196,020) riyals, knowing that these transactions It is carried out on commercial bases without preferential terms (attached).			√
			To vote on the business and contracts that will be done between the company and Jarir Commercial Investments Company, which is for Mr. Mohammed Abdurrahman Al-Agil , Mr. Abdullah Abdurrahman Al-Agil , and Eng. Nasser Abdurrahman Al-Agil, And Mr. Abdul Karim Abdurrahman Al-Agil has an indirect interest in it, which is a contract for renting an office in the Jarir building in Riyadh, noting that the value of transactions in the year 2021 amounted to (444,840) riyals, knowing that these transactions are based on commercial bases without Preferential terms (attached).			√
			To vote on the business and contracts that will be done between the company and Jarir Commercial Investments Company, which is for Mr. Mohammed Abdurrahman Al-Agil , and Mr. Abdullah Abdurrahman Al-Agil , and Eng. Nasser Abdurrahman Al-Agil, And Mr. Abdul Karim Abdurrahman Al-Agil has an indirect interest in it, which is a contract for renting an office in the Jarir building in Riyadh, noting that the value of transactions in 2021 amounted to (145,860) riyals, knowing that these transactions are based on the basis of Commercial without preferential terms (attached).			√
			To vote on the business and contracts that will be done between the company and Amwaj AL-Dhahran Company Ltd., which is for Mr. Mohammed Abdurrahman Al-Agil (a non-executive member), and Mr. Abdullah Abdurrahman Al-Agil, and Eng. Nasser Abdurrahman Al-Agil, and Mr. Abdul Karim Abdurrahman Al-Agil has an indirect interest in it, which is a lease contract for showroom of Jarir Bookstore in Dhahran, noting that the value of transactions in 2021 amounted to (1,653,750) riyals, knowing that these transactions are based on the basis of Commercial without preferential terms (attached).			√
			To vote on the business and contracts that will be done between the company and Aswaq Almustaqbil Trading Company Ltd., which is for Mr. Mohammed Abdurrahman Al-Agil , Mr. Abdullah Abdurrahman Al-Agil , and Eng. Nasser Abdurrahman Al-Agil, and Mr. Abdul Karim Abdurrahman Al-Agil has an indirect interest in it, which is a lease contract for showroom of Jarir Bookstore in Riyadh, noting that the value of transactions in 2021 amounted to (2,556,696) riyals, knowing that these transactions are based on the basis of Commercial without preferential terms (attached).			√



			To vote on the business and contracts concluded between the company and Jarir Real Estate Company, which belong to Mr. Mohammed bin Abdul Rahman Al-Agil , Mr. Abdullah bin Abdul-Rahman Al-Agil , Engineer Nasser bin Abdul Rahman Al-Agil, and Mr. Abdul Karim bin Abdul Rahman Al-Agil , an indirect interest in it, which is a contract to sell the plot of land owned by the company and located in Al-Yasmeen district in Riyadh, noting that the sale value is (97,925,699) riyals, knowing that these transactions are based on commercial bases without Preferential terms (attached).			√
			To vote on the business and contracts that will be done between the company and Rubeen Al Arabia Company, which is for Mr. Mohammed Abdurrahman Al-Agil , and Mr. Abdullah Abdurrahman Al-Agil , and Eng. Nasser Abdurrahman Al-Agil, and Mr. Abdul Karim Abdurrahman Al-Agil , has an indirect interest in it, which is a lease contract for showroom of Jarir Bookstore in Riyadh, noting that the value of transactions in 2021 amounted to (2,368,800) riyals, knowing that these transactions are based on commercial bases without Preferential terms (attached).			√
			To vote on the business and contracts that have been that will be done between the company and the company Reuf Tabuk Ltd., which is for Mr. Mohammed Abdurrahman Al-Agil , Mr. Abdullah Abdurrahman Al-Agil , and Eng. Nasser Abdurrahman Al-Agil, and Mr. Abdul Karim Abdurrahman Al-Agil has an indirect interest in it, which is a lease contract for showroom of Jarir Bookstore in Tabuk, noting that the value of transactions in 2021 amounted to (1,803,600) riyals, knowing that these transactions are based on commercial bases without Preferential terms (attached).			√
			To vote on the business and contracts that have been that will be done between the company and Sehat Al Sharq Medical Company Ltd., which is for Mr. Mohammed Abdurrahman Al-Agil , Mr. Abdullah Abdurrahman Al-Agil , and Eng. Nasser Abdurrahman Al-Agil, and Mr. Abdul Karim Abdurrahman Al-Agil has an indirect interest in it, which is a rental contract for a residential building in Al-Khobar, noting that the value of transactions in 2021 amounted to (8,000,000) riyals, knowing that these transactions are based on commercial bases without Preferential terms (attached).			√
			To vote on the business and contracts that will be done between the company and Rubeen Al Arabia Company, which is for Mr. Mohammed Abdurrahman Al-Agil , Mr. Abdullah Abdurrahman Al-Agil , and Eng. Nasser Abdurrahman Al-Agil, and Mr. Abdul Karim Abdurrahman Al-Agil has an indirect interest in it, which is a contract to provide management, operation and maintenance services (not including services related to leasing) for Rubeen Plaza commercial complex in Riyadh, noting that the value of transactions in 2021 amounted to (783,800) riyals, knowing that these transactions are based on commercial bases without Preferential terms (attached).			√
Elm Co.	09-May-22	Ordinary	Voting on the Board of Directors Report for the fiscal year ending on 31/12/2021.	√		
			Voting on the financial statements for the fiscal year ending on 31/12/2021.	√		
			Voting on External Auditors Report for the financial year ending on 31/12/2021.	√		
			Voting on discharging the Board members from any liabilities for the fiscal year ended 31/12/2021.			√
			Voting on paying an amount of (1,399,285.71) Riyals as remuneration to the Board members for the fiscal year ending on 31/12/2021.	√		
			Voting on the appointment of the external auditors of the company among the candidates based on the Audit Committee's recommendation. The appointed auditors shall examine, review and audit the (first, second, third quarters and the annual financial statements of the fiscal year 2022 and the first quarter of 2023 along with determining his fees.			√
			Voting on the Board of Directors 'recommendation to distribute cash dividends to shareholders for the year ending on December 31, 2021, amounting to (232,800,000) Saudi riyals at a rate of (3) Riyals per share, which represents 30% of the book value of the share after deducting zakat, for the 77,600,000 shares due for dividends.) Eligibility for dividends to the Company's shareholders who own shares at the end of the day of the GA meeting, and who are registered in the Company's records at the Securities Depository Center Company (Edaa) at the end of the second trading day	√		



			following the due date, provided that the date of the distribution will be determined later. (Attached).			
			Voting on delegating the Board of Directors to distribute interim dividends on a biannual / quarterly basis for the fiscal year 2022.	√		
Al Rajhi Bank	08-May-22	Extraordinary	Voting on the Board of Directors report for the fiscal year ended 31st December 2021.	√		
			Voting on the Bank's financial statements for the fiscal year ended 31st December 2021.	√		
			Voting on the Bank's Auditor report for the fiscal year ended 31st December 2021.	√		
			Voting on releasing the Board of Directors Members from their liabilities for the fiscal year ended 31st December 2021.	√		
			Voting on the Board resolution dated 29/06/2021 regarding distribution of dividends to shareholders for the first half of the fiscal year ended 31st December 2021 at SAR (1.40) per share, representing (14%) of the share face value.	√		
			Voting on the Board recommendation to increase the Bank's capital by granting bonus shares as follows: A) Total amount of increase: SAR 15,000 MM. B) Capital before increase: SAR 25,000 MM. Capital after increase: SAR 40,000 MM. Increase Percentage: 60%. C) Number of Shares before Increase: 2,500 MM. Number of Shares after Increase: 4,000 MM.D) This recommendation aims to enhance the Bank's funding to achieve strong growth rates at the next years. E) The increase will be made through capitalization of SAR 15,000 MM from Retained Earnings account by granting 3 shares for each 5 shares. F) In case of shares fractions, the Bank will collect all fractions in one portfolio to be sold at market price; then their value to be distributed to eligible shareholders as per their share within a period not exceeds 30 days from the allocation of new shares to each shareholder. In case of capital increase is approved by the Bank shareholders during the Extraordinary General Assembly meeting, the eligibility of bonus shares shall be for shareholders owning shares at the end of the trading day of the Bank's General Assembly meeting and are registered in the Bank's Shareholders Registry at the Securities Depository Center (Edaa) at the end of the second trading day after the Extraordinary General Assembly meeting.	√		
			Voting on amending Article No. (3) of ARB AoA related to Company Objectives. (attached)	√		
			Voting on amending Article No. (6) of ARB AoA related to capital increase, if the Extraordinary General Assembly approved item No. (6). (attached)	√		
			Voting on amending Article No. (10) of ARB AoA related to Register of Shareholders.(attached)	√		
			Voting on amending Article No. (11) of ARB AoA related to Preferred Shares. (attached)	√		
			Voting on amending Article No. (17) of ARB AoA related to Executive Committee. (attached)	√		
			Voting on amending Article No. (14) of ARB AoA related to Management of the Company. (attached)	√		
			Voting on amending Article No. (15) of ARB AoA related to Termination of Board Membership. (attached)	√		
			Voting on amending Article No. (16) of ARB AoA related to Powers of the Board. (attached)	√		
			Voting on amending Article No. (19) of ARB AoA related to Powers of Chairman, Deputy Chairman and Secretary of the Board. (attached)	√		



			Voting on amending Article No. (21) of ARB AoA related to Powers of the Managing Director. (attached)	√		
			Voting on amending Article No. (22) of ARB AoA related to Composition of BACC. (attached)	√		
			Voting on amending Article No. (31) of ARB AoA related to Calling for Assemblies Meeting. (attached)	√		
			Voting on amending Article No. (39) of ARB AoA related to Auditor Appointment. (attached)	√		
			Voting on amending Article No. (41) of ARB AoA related to Auditor Reports. (attached)	√		
			Voting on amending Article No. (43) of ARB AoA related to Financial Documents. (attached)	√		
			Voting on amending Article No. (44) of ARB AoA related to Dividend Distribution. (attached)	√		
			Voting on the delegation of the Board of Directors to distribute interim cash dividend on semi-annually or quarterly basis for the fiscal year 2022.	√		
			Voting on amending Board Audit & Compliance Committee charter. (attached)	√		
			Voting on the appointment of the Bank's external auditors, from among nominees, as per the Board nomination based on Audit Committee recommendation, to examine, review and audit the primary financial statements for the first, second and third quarter financial statements and annual financial statements for the fiscal year 2022, and to approve their fees.	√		
			Voting on the payment of SAR (5,130,000) as remunerations and compensations to the Members of the Board of Directors and its Committees for the period from 1st January 2021 to 31st December 2021.	√		
			Voting on the payment of SAR (818,494) as remunerations and compensations to the Members of the Board Audit & Compliance Committee for the period from 1st January 2021 to 31st December 2021.	√		
			Voting on amending Board Nominations and Compensations charter. (attached)	√		
			Voting on delegating the Ordinary General Assembly authorization powers stipulated in Paragraph (1) of Article (71) of the Companies Law to the Bank's Board of Directors, for a maximum period of one year from the date of approval by the General Assembly to delegate its powers, or until the end of the term of the delegated Board of Directors, whichever is earlier, in accordance with the conditions contained in the Regulatory Rules and Procedures related to Listed Joint Stock Companies which issued pursuant to the Companies Law.	√		
			Voting on the business and contracts concluded between the Bank and Al Rajhi Company for Cooperative Insurance, in which the Chairman of the Board of Directors Mr. Abdullah bin Sulaiman Al Rajhi has an indirect interest, being the Chairman of the Company's Board of Directors, and to authorize the same for the upcoming year. The transactions contain a contract of Fire and Allied Perils Policy - Mortgage Insurance, at arm's length basis, for a period of one year with a value of SAR 11,149,000 for 2021. (attached)			√
			Voting on the business and contracts concluded between the Bank and Al Rajhi Company for Cooperative Insurance, in which the Chairman of the Board of Directors Mr. Abdullah bin Sulaiman Al Rajhi has an indirect interest, being the Chairman of the Company's Board of Directors, and to authorize the same for the upcoming year. The transactions contain a contract of Bankers Blanket Bond "BBB", at arm's length basis, for a period of one year with a value of SAR 9,509,000 for 2021. (attached)			√



			Voting on the business and contracts concluded between the Bank and Al Rajhi Company for Cooperative Insurance, in which the Chairman of the Board of Directors Mr. Abdullah bin Sulaiman Al Rajhi has an indirect interest, being the Chairman of the Company's Board of Directors, and to authorize the same for the upcoming year. The transactions contain a contract of Directors and Officers Policy, at arm's length basis, for a period of one year with a value of SAR 3,182,000 for 2021. (attached)			√
			Voting on the business and contracts concluded between the Bank and Al Rajhi Company for Cooperative Insurance, in which the Chairman of the Board of Directors Mr. Abdullah bin Sulaiman Al Rajhi has an indirect interest, being the Chairman of the Company's Board of Directors, and to authorize the same for the upcoming year. The transactions contain a contract of Properties All Risk Policy, at arm's length basis, for a period of one year with a value of SAR 3,194,000 for 2021. (attached)			√
			Voting on the business and contracts concluded between the Bank and Al Rajhi Company for Cooperative Insurance, in which the Chairman of the Board of Directors Mr. Abdullah bin Sulaiman Al Rajhi has an indirect interest, being the Chairman of the Company's Board of Directors, and to authorize the same for the upcoming year. The transactions contain a contract of Motor Insurance Agreement, at arm's length basis, for a period of one year with a value of SAR 509,261,000 for 2021. (attached)			√
			Voting on the business and contracts concluded between the Bank and Al Rajhi Company for Cooperative Insurance, in which the Chairman of the Board of Directors Mr. Abdullah bin Sulaiman Al Rajhi has an indirect interest, being the Chairman of the Company's Board of Directors, and to authorize the same for the upcoming year. The transactions contain a contract of Group Credit Takaful Policy - Mortgage Insurance, at arm's length basis, for a period of one year with a value of SAR 172,885,000 for 2021. (attached)			√
Saudi Telecom Co.	19-Apr-22	Ordinary	Voting on the Board of Directors report for the fiscal year ending on 31/12/2021.	√		
			Voting on the report of stc auditor for the fiscal year ending on 31/12/2021.	√		
			Voting on stc consolidated financial statements for the year ending on 31/12/2021.	√		
			Voting on delegating the Board of Directors with the authority of the General Assembly relating to the permission mentioned in Paragraph (1) of Article 71 of the Companies Bylaw, for a period of one year from the date of approval of the General Assembly or until the end of the term of Delegated Board of Directors, whichever is earlier and in accordance with the conditions mentioned in the related regulations.	√		
			Voting on paying (6,315,329.68) Saudi Riyal as remunerations for the members of Board of Directors for the fiscal year ending on 31/12/2021.	√		
Saudi Basic Industries Corp.	10-Apr-22	Ordinary	Voting on the auditors' report for the fiscal year ended 31/12/2021.	√		
			Voting on the financial statements for the fiscal year ended 31/12/2021.	√		
			Voting on the report of the Board of Directors for the fiscal year ended 31/12/2021.	√		
			Voting on the appointment of an external auditor, from among nominees recommended by the Audit Committee, to audit the quarterly (Q2, Q3 and Q4) and annual financial statements for 2022, in addition to Q1 2023 financial statements, as well as determining their fees.			√
			Voting on the recommendation of the Board of Directors to distribute cash dividends to the shareholders for the second half of 2021 amounting to SR 6,750,000,000 at (SR 2.25) per share representing 22.5% of the nominal value per share. The eligibility will be to the shareholders at the end of trading on the day of the General Assembly registry at the Depository Center (Edaa Center) at the end of the second trading day following Eligibility day, the distribution day will start on Monday 25/04/2022.	√		
			Voting on the discharge of the members of the Board of Directors for the fiscal year ended 31/12/2021.			√



			Voting on the election of the Board of Directors' members for the next Board term of three years starting on 10/04/2022 and ending on 09/04/2025. It should be noted that if the voting results do not enable the Company (SABIC) to appoint the minimum number of independent members in the Board according to the regulatory requirements, that minimum should be achieved by replacing the necessary number of non-independent members with independent members according to their order based on the number of votes they obtained.			√
			Voting on the formation of the Audit Committee, defining its duties, working procedure and members' remuneration for the new term of three years – starting on 10/04/2022 and ending on 09/04/2025 :1- Mr. Nader Ibrahim Al-Wehibi -2- Mr. Calum Maclean -3- Mr. Salah Mohammad Al-Hareky - 4- Mr. Wilhelms Jansen- 5- Mr. Stephan Santbrink	√		
			Voting on the Board of Directors' delegation to distribute quarterly or semi-annual dividends for the fiscal year 2022, and to determine the maturity and disbursement dates in accordance with the regulatory rules and procedures issued pursuant to the Companies Law, and commensurate the Company's financial position, cash flows and expansion and investment plans.	√		
Yanbu National Petrochemical Co.	23-Mar-22	Ordinary	Voting on External Auditor Report for the fiscal year ended on 31 December 2021.	√		
			Voting on the Financial Statements for the fiscal year ended on 31 December 2021.	√		
			Voting on the Board of Directors Report for the fiscal year ended on 31 December 2021.	√		
			Voting on the appointment of an External Auditor for the Company from among the candidates nominated based on the recommendation of Audit Committee to review and audit financial statements of the first quarter, second quarter, third quarter, fourth quarter and the annual of the fiscal year 2022, in addition to first quarter 2023 financial statements, and determining the fees.			√
			Voting on the discharge of the Board of Directors members for the fiscal year ended 31 December 2020.			√
			Voting on disbursement of SAR (1,400,000) as remuneration to the Board members for the fiscal year ended on 31 December 2021.	√		
			Voting on the recommendation of the Board of Directors to distribute cash dividends with total amount (SAR 843,750,000) to shareholders for the second half of the year 2021 at SAR 1.5 per share, which represents 15% of par value. Eligibility will be to the shareholders at the end of trading on the day of the General Assembly registry at the Depository Center (Edaa Center) at the end of the second trading day following Eligibility day, the distribution day will start from Wednesday 30 March 2022	√		
			Voting on authorizing the Board of Directors to distribute interim dividends, semi-annual or quarterly for the fiscal year 2022.	√		
Advanced Petrochemical Co.	20-Mar-22	Extraordinary	To vote on the Board of Directors Report for the year ended 31-12-2021.	√		
			To vote on the Company consolidated financial statements for the year ended 31-12-2021.	√		
			To vote on the external auditor report for the year ended 31-12-2021.	√		
			To vote on discharge of the members of the Board of Directors for the year ended 31-12-2021.			√
			To vote on the payment of an amount of SAR (2,700,000) as a remuneration for the members of the Board of Directors, for the fiscal year ending on 31/12/2021.	√		
			To vote on the Company's distributed dividends for the first, second, third and fourth quarters of the fiscal year 2021, with a total amount of (2.6) two Saudi riyals and sixty halalas per share, and (26%) of the Company's capital, totaling (562,800,000) Five hundred and sixty-two million and eight hundred thousand Saudi riyals.	√		



			To vote on authorizing the Board of Directors to distribute interim cash dividends to the shareholders on biannual or quarterly basis for the financial year 2022 in accordance with Regulatory Rules and Procedures issued pursuant to the Companies Law relating to Listed Joint Stock Companies in which it should be appropriate with the financial position of the Company, its cash flow, its expansion and investment plans.	√		
			To vote on delegating the Board of Directors the vested powers of the general assembly meeting as per Article (71) of the Companies Law for one year from the date of the approval by the general assembly meeting or the end of the delegated Board of Directors' term, which comes first. Such delegation shall be in accordance with the requirements stipulated in the Regulatory Rules and Procedures issued pursuant to the Companies Law relating to Listed Joint Stock Companies.	√		
			To vote on the amendment of Article (9) of the Company's By-Laws concerning the Preferred & Ordinary Shares.	√		
			To vote on the update of Nominations & Remunerations Committee Charter.	√		
			To vote on the Company's Competition Standards.	√		
			To vote on the update of the Remuneration Policy.	√		
			To vote on the recommendation of the Board of Directors to discontinue setting aside (10%) of the net profits to the consensual reserve, subject to the approval of item number (15).	√		
			To vote on the Company's Employees Incentive Shares Program and to delegate delegating the Board of Directors to approve any future amendments to the Program, subject to the approval of item number (9).	√		
			To vote on the Company's purchase of its own shares, with a maximum of (1,500,000) shares, for the purpose of allocating them to the Company's employees within the Employees incentive shares program, provided that the purchase of these shares to be financed through the Company's own resources. Further, to authorize the Board of Directors (or whomever it delegates) to complete the purchase within (12 months) from the date of the extraordinary general assembly's approval, and to determine the terms of the program and its implementation, including determination of the allocation for consideration or not, and to be kept no longer than (10) years from the date of approval as a maximum until the shares are allocated to eligible employees. Upon the end of mentioned period, the Company will follow the rules and procedures stipulated in the relevant laws and regulations, subject to the approval of item number (13).	√		
			To vote on the Board of Directors recommendation regarding the increase of the Company's capital by way of granting bonus shares to the shareholders of the Company according to the following: Total amount of increase: SAR (435,266,000). Capital before increase: SAR (2,164,734,000). Capital after increase: SAR (2,600,000,000). Increase percentage: (20.11%) at the rate of one bonus share for every five shares held. Number of shares before increase: (216,473,400) shares. Number of shares after increase: (260,000,000) shares. This recommendation aims to support the Company's capital base to match the size of company assets and future expansions. The capital will be increased by capitalizing SAR (261,159,600) from the Statutory Reserve and SAR (174,106,400) from the retained earnings. If the item is approved, the eligibility date of the bonus shares for the Company's shareholders who own the shares will be at the day of the Extraordinary General Assembly and who are registered in the Company's shareholders register with the Securities Depository Center Company (Depository Center) at the end of the second trading day following the eligibility date. In the event of any bonus shares having fractions, these will be consolidated in one portfolio for all shareholders and sold at the market price, then their value will be distributed to the eligible shareholders for the grant, each according to his/her/it share within a period not exceeding (30) days from the date of determining the shares due to each shareholder. Amending Article (7) of the Company's By-Laws concerning the Capital. Amending Article (8) of the Company's By-Laws concerning the Subscription in Shares.	√		
Arabian Internet and Communications Services Co.	02-Mar-22	Extraordinary	Voting on the amendment of article (2) of the company's bylaw relating to Name of the Company. (Attached)	√		
			Voting on the amendment of article (3) of the company's bylaw relating to Objectives of the Company. (Attached)	√		



			Voting on the amendment of article (4) of the company's bylaw relating to Participation and Ownership in Companies. (Attached)	√		
			Amendment of article (21) of the company's bylaw relating to Powers of the Board of Directors. (Attached)	√		
			Voting on appointing the External Auditors for the Company from among the candidates based on the Audit Committee's recommendation. The appointed auditor shall examine, review and audit the first, second, third quarter and annual financial statements, of the fiscal year 2022, and the first quarter of the fiscal year 2023, and the determination of the auditor's remuneration.			√
Jarir Marketing Co.	01-Mar-22	Ordinary	Voting for election of the Board members from among the candidates for the next term, commencing from 09/03/2022 G, for a term of three years, ending on 08/03/2025 G.			√
			Voting on the formation of the Audit Committee, and the definition of its duties, work regulations and remuneration of its members for the new term, starting from the date of the assembly on 09/08/2022 G. until the end of the term on 08/03/2025 G. The following are the names of the candidates, (whose CVs are attached):- Mr. Abdulsalam bin Abdulrahman Al-Agil.- Mr. Muhammad Dahash Othman Al Dahash.- Mr. Medhat Farid Abbas Tawfiq.	√		
			Voting to stop the (10%) net profit to form a regular reserve for the company, in order to reach the regular reserve as on 30/09/2021G. (30.6423%) of the capital, Starting from the financial results ending in 31/12/2021 G.	√		
			Voting on appointing the auditor for the Company from among the candidates based on the Audit Committee's recommendation. The appointed auditor shall examine, review and audit the second, third, and fourth quarter and annual financial statements, of the fiscal year 2022 G., and the first quarter of the fiscal year 2023 G., and the determination of the auditor's remuneration.			√
Aldrees Petroleum and Transport Services Co.	28-Feb-22	Ordinary	Voting on the External Auditors report for the financial year ended 31 December 2021.	√		
			Voting on the financial statements for the financial year ended 31 December 2021	√		
			Voting on the Board of Directors Report for the financial year ended 31 December 2021	√		
			Voting on the recommendation of the Board of Directors on the distribution of dividends for FY 2021 of SAR 1.5 per share equivalent to 15% of the capital of the company. Number of shares eligible for dividends is 75 Millions shares Total amount of distribution of dividend SAR 112.5 Millions shall be paid to eligible shareholders registered in the records of Tadawul at the closing of trading on the day of the Assembly, those registered in the company's shareholders 'registry at the Depository Center Company (The Center) at the end of the following day trading, and the distribution will be on Monday 14/03/2022.	√		
			Voting on the Clearance of the Chairman and members of the Board of Directors with respect to the management of the company for the year ended 31 December 2021.			√
			Voting on the selection of External Auditor from among the candidates nominated by the Audit Committee to review and audit the annual financial statements of the company for the Q2, Q3 and annually for the FY2022 and Q1 for the FY2023 and the corresponding audit fees.			√
			Voting on the contracts and businesses that took place between the company and Aldrees Industrial and Trading Company (ALITCO), of which two members of its board of directors namely: Abdulmohsen Mohammed Aldrees (direct interest) and Hussein Abdul Rahman Al-Athel, (indirect interest) member of the executive committee as they are Board members and shareholders of Aldrees Industrial and Trading Company (ALITCO), as related parties and authorizing such transactions and approve these contracts for FY2022 , with maximum transactions of 25 Million riyals and note that there are no preferential terms in the contracts and these transactions are purchasing fuel pumps made by Dresser Wayne (USA/Brazil) at competitive prices amounting to 4.8 Million riyals during the fiscal year 2021 (attached) .			√



			Voting on the contracts and businesses that took place between the company and Mr.Hamad Mohammed Aldrees - Chairman of the Board of Directors which has a direct interest as related parties and authorizing such transactions and approve these contracts for FY2022 and note that there are no preferential terms in the contracts and these transactions is renting Al-Manakh station with annual rent of (1.250) Million riyals , Contract term is (16) years, remaining (13) years that transaction during FY2021 cost 1.250 Million (attached) .			√
			Voting on the contracts and business that took place between the company and the BOD-Vice Chairman Engr. Abdulmohsen Mohammed Aldrees which he has direct interest as related parties and authorizing such transactions and approve these contracts for FY2022 and note that there are no preferential terms in the contracts and these transactions are rent of Jizan Property owned by a member of the Board of Directors, Engineer Abdulmohsen Mohammed Aldrees for an annual rent of SAR200,000 that is being used for the workshop, office and accommodation of transport sector., that transaction during FY2021 cost SAR200,000 (attached).			√
			Voting on the contracts and business that took place between the company and Seven Orbit Trading Co. which equally owned by Mr. Hamad Mohammed Aldrees and Aldrees Industrial and Trading Company (ALITCO) as Mr. Hamad Mohammed Aldrees is owner as well and the two members of its board of directors namely: Abdulmohsen Mohammed Aldrees, (direct interest) and the member of executive committee Hussein Abdul Rahman Al-Athel – (indirect interest) both are members and shares owners of Aldrees Industrial and Trading Company (ALITCO) as related parties and authorizing such transactions and approve these contracts for FY2022 and note that there are no preferential terms in the contracts and these transactions are renting Al-Nour Alzahr station in the Eastern Province, total combined annual rent of SAR650,000 - contract term of 10 years, remaining (4) years , that transaction during FY2021 cost SAR650,000 (attached) .			√
			Voting on the contracts and business that took place between the company and Seven Orbit Trading Co. which equally owned by Mr. Hamad Mohammed Aldrees and Aldrees Industrial and Trading Company (ALITCO) as Mr. Hamad Mohammed Aldrees is owner as well and the two members of its board of directors namely: Abdulmohsen Mohammed Aldrees (direct interest), and the member of executive committee Hussein Abdul Rahman Al-Athel (indirect interest) they are members and shares owners of Aldrees Industrial and Trading Company (ALITCO) and authorizing such transactions and approve these contracts for FY2022 and note that there are no preferential terms in the contracts and these transactions are renting Al-Nour Alhaditha station in the Eastern Province, total combined annual rent of SAR400,000 - contract term of 9 years, remaining (3) years, that transaction during FY2021 cost SAR400,000 (attached)			√
Advanced Petrochemical Co.	28-Feb-22	Ordinary	To vote on appointing an auditor for the company among those nominees based on the recommendation of the Audit committee to review and audit the second, third, annual financial statements of fiscal year 2022 and first quarter of fiscal year2023, and determine its remuneration.			√
			To vote on the resolution of the Board of Directors to appoint Mr. Bander Sulaiman Alghafees (Independent Director) in the Board of Directors starting from the date of his appointment on 17/12/1442H corresponding to 27/07/2021 to continue the term of the Board until the end of the current term of the Board on 04/03/1444H corresponding to 30/09/2022, in succession to the previous Board member Dr. Sultan Mohammad Ahmed Al-Sulaiman (Independent Director).	√		
			To vote on the resolution of the Board of Directors to appoint Mr. Bander Sulaiman Alghafees (Independent Director) as a member of the Audit Committee starting from 17/12/1442H corresponding to 27/07/2021 until the end of the current term of the Committee, on 04/03/1444H corresponding to 30/09/2022, in succession to the previous Committee member Dr. Sultan Mohammad Ahmed Al-Sulaiman (Independent Director) which shall take effect as of the date of the resolution issued on 16/12/1442H corresponding to 26/07/2021, and this appointment is in accordance with the Audit Committee Charter.	√		
Saudi Telecom Co.	21-Feb-22	Ordinary	Voting on appointing the auditor for the Company from the selected candidates based on the Audit Committee's recommendation. The appointed auditor shall examine, review and audit the (second and third) quarters and annual financial statements of the fiscal year 2022, and the first quarter of the fiscal year 2023. In addition to, the determination of the auditor's remuneration.			√



			Voting on amending the Audit Committee Charter (attached).	√		
			Voting on business and contracts between stc and Wala'a Cooperative Insurance Co. (Wala'a); in which Mr. Jameel A. Al-Mulhem, has an indirect interest being a Member of the Boards of Directors of stc and Wala'a. The disclosed indirect interest is regarding the agreement with Wala'a, which includes signing a supplementary contract to provide stc with insurance coverage for six years starting from 10/12/2021 for an amount of SAR 19.3 million. The signed supplementary contract was part of the ordinary businesses that have offered no preferential advantages (attached).			√

5. Fund's Board Annual Report

a. The members of the Fund Board of Directors are as follows.

Member Name	Member Classification
Mr. Ehab Talib Ahmed Farhan	Chairman, Non-Independent
Mr. Abdullah Sulaiman Abdulaziz Al-Oraini	Vice-Chairman, Non-Independent
Mr. Muhammad Fathallah Abdul-Khaleq Al-Bukhari	Member, Independent
Mr. Hani Ibrahim Ahmed Obaid	Member, Independent

b. A brief about of the fund board members' qualifications

- Mr. Ehab Talib Ahmed Farhan – Head of the Private Banking at the Banque Saudi Fransi, Wealth Management at Saudi Fransi Capital, with 13 years of experience in consulting services with the National Bank in the field of the global stock exchange and investment products. He joined Banque Saudi Fransi in 2005 as Head of the Investment Department of the Jeddah City Department. He was appointed as the Head of Wealth Management in charge at the Saudi Fransi Capital in May 2015, then joined the Saudi Fransi Capital as Head of Wealth Management until May of 2018, holder of a Bachelor's degree in Business Administration, class 1995, and a qualified financial planner certificate from the Arab Monetary Agency - Banking Institute in the year 2004.
- Mr. Abdullah Sulaiman Abdulaziz Al-Oraini – The Head of Brokerage at the Saudi Fransi Capital Company, with 14 years of experience in the banking sector in the Kingdom, Mr. Abdullah became the Head of Brokerage in the Saudi Fransi Capital Company in 2011. He was appointed as the Head of Brokerage in 2014 at Saudi Fransi Capital. Holds a Bachelor's degree in International Business Administration from King Saud University, class of 1999.
- Mr. Muhammad Fathallah Abdul-Khaleq Al-Bukhari – With more than 25 years of experience in the banking and investment sector inside and outside the Kingdom, holding a Bachelor's degree in English Literature from King Saud University in 1972. Mr. Mohamed is currently retired, and his last position was Director of Conformity and Compliance at the Arab National Investment Company in 2011.
- Mr. Hani Ibrahim Ahmed Obaid – A partner in Invest Corp., with 11 years of experience in the banking and investment sector inside the Kingdom. Mr. Hani became the Fund Manager at Banque Saudi Fransi in 2004. He joined Morgan Stanley in 2008 as Vice President of Private Wealth Management, and in 2012 he became a partner in Invest Corp. Holds a Bachelor's degree in Technology Management from Wentworth University of Technology.

c. Description of the roles and responsibilities of the Fund Board.

- Approve all contracts, decisions, and substantial reports to which the fund is a party.
- Adopt a written policy regarding voting rights related to the fund's assets.
- Supervise, and when appropriate, approve or ratify any conflicts of interest disclosed by the Fund Manager in accordance with the investment funds regulations.
- Meeting at least twice annually with the Compliance Officer with the Fund Manager and/or the Compliance Committee and the competent Anti-Money Laundering and Counter-Terrorism Financing Officer, to ensure that the Fund Manager complies with all applicable regulations and bylaws.
- Approval of any recommendation submitted by the liquidator, if appointed, according to the investment funds regulations.
- Ensure that the fund terms and conditions, the information memorandum, and any other document, whether it is a contract or otherwise, is complied with by the Investment Funds Regulations.
- Ensuring that the Fund Manager fulfils its responsibilities in the interest of the unitholders in accordance with the fund terms and conditions, and the provisions of the investment funds regulations.
- Work with honesty, goodwill, interest, care and diligence in the interests of the Fund and its unitholders.
- Take minutes of the meetings that includes all the minutes of the meetings and the decisions made by the Board.



d. Details on the remuneration of fund board members.

The Fund's Board of Directors' remuneration encompass all the funds of Saudi Fransi Capital, which is supervised by the Board, knowing that these fees will be changed annually, as each share of these funds will be allocated based on the size and proportion of the asset on pro-rata basis, and they are calculated cumulatively on each calendar day and deducted on an annual basis.

The annual maximum sum of the fees and expenses of members of the Board of Directors of all the funds of Saudi Fransi Capital is estimated at SAR 60,000.00 (sixty thousand Saudi Riyals). The Fund's share of this fee is estimated at SAR 6,283 (six thousand two hundred and eighty-three).

It is also worth noting that the Fund's share of these fees will change annually according to the Fund's assets (increase or decrease), and that each independent member will receive an amount of SAR 15,000.00 (fifteen thousand Saudi riyals) per meeting with a maximum of two meetings per year which is the minimum number of Fund board meetings for all the funds of Saudi Fransi Capital.

e. A statement of any conflict or potential conflict of interest between the interests of a fund board member and the interests of the fund. A statement showing all the funds boards that the relevant board member is participating in.

There is no existing or potential conflict of interest between the interests of a Fund's Board member and the interests of the Fund.

f. Statement of all fund's board member participates in

The Fund's Board members participate in other fund boards under the management of Saudi Fransi Capital as follows:

Fund Name	Ehab Farhan	Abdullah Al-Oraini	Hani Obaid	Muhammad Bukhari
Al-Badr Murabaha Fund - US Dollars	Chairman	Member	Independent member	Independent member
US Dollar Money Market Fund	Chairman	Member	Independent member	Independent member
Al-Saffa Saudi Equity Trading Fund	Chairman	Member	Independent member	Independent member
Al Qasr GCC Real Estate and Construction Equity Trading Fund	Chairman	Member	Independent member	Independent member
Al-Badr Murabaha Fund - SAR	Chairman	Member	Independent member	Independent member
Saudi Riyal Money Market Fund	Chairman	Member	Independent member	Independent member
Saudi Istithmar Equity Fund	Chairman	Member	Independent member	Independent member
Al-Danah GCC Equity Trading Fund	Chairman	Member	Independent member	Independent member
Saudi Fransi Capital Saudi Equity Income Fund	Chairman	Member	Independent member	Independent member
Saudi Fransi GCC IPO Fund	Chairman	Member	Independent member	Independent member

Public



Saudi Fransi Capital Fixed Income Fund Class (A)	Chairman	Member	Independent Member	Independent Member
Saudi Fransi Capital Fixed Income Fund Class (B)	Chairman	Member	Independent Member	Independent Member
Taleem REIT	Member	-	Independent member	Independent member
Bonyan REIT	-	-	Independent member	-

g. The following is a summary of the key decisions approved and the matters discussed by the Fund Board:

■ The Fund Board held two meetings during 2022

■ First Meeting – 5th July 2022 – Riyadh

The following is a summary of the key decisions approved and the matters discussed by the Fund Board:

- Essential developments
- Funds' performance during the period
- General view & funds compliance with all applicable rules and regulations

■ Second Meeting – 11th December 2022 – Riyadh

The following is a summary of the key decisions approved and the matters discussed by the Fund Board:

- Essential developments
- Funds' performance during the period
- General view & funds compliance with all applicable rules and regulations

C. FUND MANAGER

1. Name and address of the fund manager

Saudi Fransi Capital

Head Office: PO Box 23454, Riyadh 11426, Saudi Arabia

Phone +966 11 282 6666 - Fax +966 11 282 6725

Website: www.sfc.sa

2. Names and addresses of sub-manager and/or investment adviser

None

3. A Review of Investment Activities

Saudi Arabia's Tadawul All Share Index (TASI) ended 2022 with a decline of 7.1%, or 804 points, at 10,478 points, compared to 11,282 points in 2021.

This is the first loss recorded by TASI since 2015, when it dropped 17%.

The benchmark gained 16% (1,808 points) in Q1 2022, and then fell 12% (1,567 points) in Q2 2022. It edged down 1% (118 points) in Q3 2022, and deepened its losses to 8.1% (927 points) in Q4 2022.

In 2022, the index was hit by the state of uncertainty about global economic recessions and interest-rate hike repercussions. This is besides oil price fluctuations.

Major events impacting Saudi market's performance in 2022:

- The Saudi Central Bank (SAMA) raised the interest rates seven times after the US Federal Reserve's consecutive interest-rate hike decisions. SAMA raised the repo and reverse repo rates to 500 and 450 basis points (bps), respectively.
- The Saudi Exchange (Tadawul) witnessed the initial public offerings (IPOs) of 17 companies, including the first dual listing as well as the approval to list four others.
- OPEC+ issued a number of decisions in light of the global oil market events. It cut oil output by two million barrels per day (bpd) as of November 2022, and agreed to stick to its oil output targets in December.



- The onset of the Russia-Ukraine war and the state of uncertainty it caused on oil markets and the global economy.
- Prices of Brent crude reached their highest and lowest levels of \$139 and \$75 a barrel, respectively, during the year.
- Saudi Tadawul Group Holding Co. (Tadawul Group) implemented new improvements to develop the post-trading infrastructure and increase its efficiency. Single stock futures (SSFs) were also launched, and the market-making framework for equity and derivatives markets was introduced.
- Amendment to the rules on the offering of securities and continuing obligations to offer an additional option of increasing capital through the issuance of shares without a rights issue.
- Delisting of National Petrochemical Co. (Petrochem) after its merger with the Saudi Industrial Investment Group (SIIG). In addition, Saudi Indian Company for Cooperative Insurance (Wafa Insurance) got delisted after the start of liquidation procedures.
- Tadawul also witnessed the delisting of AlAhli Takaful Co. (ATC) after its merger with Arabian Shield Cooperative Insurance Co. Further, SABB Takaful was delisted after its merger with Walaa Cooperative Insurance Co.
- Lifting COVID-19-related precautionary and preventive measures.
- King Salman bin Abdulaziz Al Saud issued a royal decree to earmark SAR 20 billion to face the repercussions of global price hikes.
- Another royal decree was also issued to appoint Crown Prince Mohammad bin Salman as Prime Minister.
- The Saudi economy recorded the highest growth rates among G20 countries this year.
- The Ministry of Finance announced the state's general budget for 2023, with an estimated revenue of SAR 1.130 trillion. Expenditures were forecasted at SAR 1.114 trillion, showing an expected surplus of SAR 16 billion.
- GOSI transfers stakes in 30 Tadawul-listed firms to Hassana Investment Co. a fully-owned subsidiary.

4. Fund's Performance

	2022
Saudi Fransi Equity Income Fund	-8.00%
Benchmark Performance	-17.54%

The Fund Over performed the benchmark by 954 bps

5. Details of any material changes to the Fund's Terms and Conditions

- Updating the terms and conditions according to the requirements of Annex (1) of the updated Investment Funds Regulations.
- Update the financial disclosure summary based on the audited statements for the year 2020
- New External Auditor

6. Any other information that would enable unitholders to make an informed judgment about the Fund's activities

None

7. Investment in Other Investment Funds

None

8. Special Commission received by the fund manager during the period

None

9. Any other data and information required by the Regulations

- Fund Manager's Subscriptions in Units in an Investment Fund
None
- Conflicts of Interest
None



- Breach of Investment Limitations
None

- Incorrect Valuation or Pricing

During 2019, Incorrect Valuation day has occurred, we have informed The Capital Market Authority and the fund's board of directors. As a result the negatively impacted clients will be compensated once the required approvals have been obtained.

10. Period for the management of the person registered as fund manager

Since the inception of the fund.

11. A disclosure of the expense ratio of each underlying fund at the end of the year and the weighted Average expense ratio of all underlying funds that invested in

None

D. CUSTODIAN

1. Name and address of custodian.

HSBC Saudi Arabia Limited
Head Office: Olaya - Al-Mrooj 7267
P.O. Box: 2255 Riyadh 12283, Saudi Arabia
Phone +966 92000 5920 - Fax +966 11 299 2385
Website: www.hsbcSaudi.com
Email: saudiArabia@hsbc.com

2. Duties and Responsibilities

- The Custodian is responsible for its obligations in accordance with the provisions of the Investment Funds Regulations, whether it fulfils its responsibilities directly or assigns it to a third party under the provisions of the Investment Funds Regulations or the list of authorized persons.
- The Custodian is liable towards the Fund Manager and unitholders for the losses of the Fund resulting from its fraud, shortcoming, misbehavior or deliberate negligence.
- The Custodian is responsible for preserving and protecting the Fund's assets for the benefit of unitholders, and it is also responsible for taking all necessary administrative measures in relation to preserving the Fund's assets.

E. Fund Operator

1. Name and address of Fund Operator

Saudi Fransi Capital
Head Office: PO Box 23454, Riyadh 11426, Saudi Arabia
Phone +966 11 282 6666 - Fax +966 11 282 6725
Website: www.sfc.sa

2. Duties and Responsibilities

- Operation of the Fund
- The fund operator is responsible for evaluating the fund's assets
- The fund operator shall be responsible for the pricing of the units and responsible for the erroneous valuation or pricing
- The fund operator is responsible for the full and fair evaluation of the fund's assets
- The fund operator shall prepare, maintain and update a register of unit holders
- Maintain books and records related to the operation of the fund
- Maintain a record of all issued and canceled units, and an updated record showing the fund's existing units balance
- The fund operator is responsible for the process of distributing profits to unit holders
- The fund operator is responsible for executing and regulating all subscription and redemption requests

Public





F. AUDITOR

1. Name and address of auditor

Price Waterhouse Coopers
Head Office: Kingdome Tower, King Fahad Road
P.O Box 8282, Riyadh 11482, Saudi Arabia
Phone: +966.11.2110400 - Fax: +966.11.2110401
Website: www.pwc.com/middle-east

The Fund's Reports are available upon request free of charge. These reports are also available on the fund manager's website for free www.sfc.sa and on the Saudi Stock Exchange (Tadawul)

Saudi Fransi Capital (Closed Joint Stock Company owned by Banque Saudi Fransi) – Commercial Registration 1010231217 – Authorized and Regulated by the Capital Market authority (CMA) under license 11153-37

G. FINANCIAL STATEMENTS



**SAUDI FRANSI CAPITAL SAUDI EQUITY INCOME
FUND**
(Managed by Saudi Fransi Capital Company)

**FINANCIAL STATEMENTS
TOGETHER WITH THE INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

SAUDI FRANSI CAPITAL SAUDI EQUITY INCOME FUND
(Managed By Saudi Fransi Capital Company)

FINANCIAL STATEMENTS

For the year ended 31 December 2022

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Independent auditor's report to the Unitholders and Fund Manager of Saudi Fransi Capital Saudi Equity Income Fund

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Saudi Fransi Capital Saudi Equity Income Fund (the "Fund") as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

What we have audited

The Fund's financial statements comprise:

- the statement of financial position as at 31 December 2022;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to the Unitholders for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing, 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 financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund and Fund Manager in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), endorsed in the Kingdom of Saudi Arabia (the "Code"), that is relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with the Code's requirements.

Responsibilities of Fund Manager and Fund Board for the financial statements

Fund manager is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, and the applicable provisions of the Investment Funds Regulations issued by the Capital Market Authority, the Fund's terms and conditions and information memorandum, and for such internal control as Fund Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Fund Manager is responsible for assessing the Fund'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 Fund Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Fund Board is responsible for overseeing the Fund's financial reporting process.



Independent auditor's report to the Unitholders and Fund Manager of Saudi Fransi Capital Saudi Equity Income Fund (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 International Standards on Auditing, that are endorsed in the 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 financial statements.

As part of an audit in accordance with International Standards on Auditing, 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 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 for 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 Fund Manager's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Fund Manager.
- Conclude on the appropriateness of Fund Manager's 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 Fund'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 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 Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Fund Board 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.

PricewaterhouseCoopers

Bader I. Benmohareb
License Number 471

March 30, 2023

SAUDI FRANSI CAPITAL SAUDI EQUITY INCOME FUND
(Managed By Saudi Fransi Capital Company)

STATEMENT OF FINANCIAL POSITION

	<i>Note</i>	<i>As at 31 December 2022 SR</i>	<i>As at 31 December 2021 SR</i>
<u>ASSETS</u>			
Cash and cash equivalents	7	1,151,897	1,505,204
Investments measured at fair value through profit or loss (FVTPL)	8	19,971,326	29,036,996
Due from a related party	10	466,967	-
Prepayments and other assets		-	375,101
TOTAL ASSETS		21,590,190	30,917,301
<u>LIABILITIES</u>			
Management fee payable	10	32,981	50,654
Accruals and other liabilities		41,871	26,550
Due to a related party	10	555,956	1,009,973
TOTAL LIABILITIES		630,808	1,087,177
Net assets attributable to the Unitholders		20,959,382	29,830,124
Units in issue		2,303,567	2,869,449
Net assets per unit in Saudi Riyals		9.0987	10.3958

The accompanying notes 1 to 16 form an integral part of these financial statements.

SAUDI FRANSI CAPITAL SAUDI EQUITY INCOME FUND
(Managed By Saudi Fransi Capital Company)

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2022

		<i>For the year ended 31 December 2022</i>	<i>For the year ended 31 December 2021</i>
	<i>Note</i>	<i>SR</i>	<i>SR</i>
<u>INVESTMENT (LOSS)/INCOME</u>			
Net (loss) / gain on investments measured at FVTPL	9	(1,453,706)	7,898,650
Dividend income		826,505	1,282,242
Other income		257	-
		<u>(626,944)</u>	<u>9,180,892</u>
<u>EXPENSES</u>			
Management fees	10	(511,151)	(685,015)
Other expenses	11	(176,289)	(205,390)
		<u>(687,440)</u>	<u>(890,405)</u>
NET (LOSS) / INCOME FOR THE YEAR		(1,314,384)	8,290,487
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR		<u>(1,314,384)</u>	<u>8,290,487</u>
Distribution to redeemable Unitholders		<u>(1,421,244)</u>	<u>(1,768,046)</u>
(DECREASE) / INCREASE IN NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS DURING THE YEAR		<u>(2,735,628)</u>	<u>6,522,441</u>

SAUDI FRANSI SAUDI EQUITY INCOME FUND

(Managed by Saudi Fransi Capital Company)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS

For the year ended 31 December 2022

	<i>For the year ended 31 December 2022 SR</i>	<i>For the year ended 31 December 2021 SR</i>
NET ASSETS AT THE BEGINNING OF THE YEAR	29,830,124	36,401,717
CHANGES FROM OPERATIONS		
(Decrease) / increase in net assets attributable to the Unitholders during the year	(2,735,628)	6,522,441
CHANGES FROM UNIT TRANSACTIONS		
Proceeds from units sold	536,818	1,699,181
Value of units redeemed	(6,671,932)	(14,793,215)
Net change from unit transactions	(6,135,114)	(13,094,034)
NET ASSETS AT THE END OF THE YEAR	20,959,382	29,830,124

UNIT TRANSACTIONS

Transactions in units are summarised as follows:

	<i>For the year ended 31 December 2022 Units</i>	<i>For the year ended 31 December 2021 Units</i>
UNITS AT THE BEGINNING OF THE YEAR	2,869,449	4,178,843
Units sold	48,511	165,563
Units redeemed	(614,393)	(1,474,957)
Net change in units	(565,882)	(1,309,394)
UNITS AT THE END OF THE YEAR	2,303,567	2,869,449

SAUDI FRANSI CAPITAL SAUDI EQUITY INCOME FUND
(Managed By Saudi Fransi Capital Company)

STATEMENT OF CASH FLOWS

For the year ended 31 December 2022

		<i>For the year ended 31 December 2022 SR</i>	<i>For the year ended 31 December 2021 SR</i>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Net (loss) / income for the year		(1,314,384)	8,290,487
<i>Adjustments to reconcile net (loss) / income to net cash generated from operating activities:</i>			
Unrealised loss on investments measured at FVTPL	9	5,903,884	71,071
		4,589,500	8,361,558
Changes in operating assets and liabilities:			
Investments measured at FVTPL		3,161,786	6,659,967
Due from a related party		(466,967)	-
Prepayments and other assets		375,101	(324,481)
Management fee payable		(17,673)	(13,908)
Accruals and other liabilities		15,321	(29,220)
Due to a related party		(454,017)	1,009,973
Net cash generated from operating activities		7,203,051	15,663,889
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from units sold		536,818	1,699,181
Payments against units redeemed, net of redemption payable		(6,671,932)	(15,133,370)
Dividend distribution		(1,421,244)	(1,768,046)
Net cash used in financing activities		(7,556,358)	(15,202,235)
NET CHANGE IN CASH AND CASH EQUIVALENTS		(353,307)	461,654
Cash and cash equivalents at the beginning of the year		1,505,204	1,043,550
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		1,151,897	1,505,204

The accompanying notes 1 to 16 form an integral part of these financial statements.

SAUDI FRANSI CAPITAL SAUDI EQUITY INCOME FUND
(Managed By Saudi Fransi Capital Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

1. GENERAL

Saudi Fransi Saudi Equity Income Fund (the “Fund”) is an open-ended Shariah compliant investment fund based on an agreement between Saudi Fransi Capital Company (the ‘Fund Manager’) and investors (the ‘Unitholders’). The Fund commenced its operations on 20 Rabi Thani 1435H (corresponding to 20 February 2014).

The objective of the Fund is to provide medium to long-term growth by investing in listed companies in the Saudi Stock Exchange (Tadawul) that comply with Shariah Standards.

During the year, the Fund updated its terms and conditions, which have been approved by the Capital Market Authority “CMA” on 6 Muharram 1444H (corresponding to 4 August 2022).

The Fund Manager and Administrator of the Fund is Saudi Fransi Capital Company. The Custodian of the Fund is HSBC Saudi Arabia.

The Fund also aims to make cash distributions to its Unitholders considering following two options as per the terms and conditions, whichever is higher;

- 2.5% of the Fund's net asset value per unit, regardless of the Fund's performance during the period; or
- If the unit price has achieved its highest point since its inception, 50% of the difference between the unit price over its equivalent on the previous distribution day.

The Fund Manager will distribute the cash at the end of each six-month period. The amount shall be calculated as of the end of the last dealing day of each six-month period (“The Record Day”). The proceeds of the cash distribution shall be paid within four business days.

2. REGULATORY AUTHORITY

The Fund is governed by the Investment Fund Regulations (the “Regulations”) issued by the Capital Market Authority (CMA) on 3 Dhul Hijja 1427H (corresponding to 24 December 2006) and amended by resolution of the Board of the Capital Market Authority on 12 Rajab 1442H (corresponding to 24 February 2021) effective from 19 Ramadan 1442H (corresponding to 1 May 2021) by the New Investment Fund Regulations (“Amended Regulations”) published by the Capital Market Authority on 17 Rajab 1442H (corresponding to 1 March 2021) detailing requirements for all funds within the Kingdom of Saudi Arabia.

3. BASIS OF PREPARATION

3.1 STATEMENT OF COMPLIANCE

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

Assets and liabilities in the statement of financial position are presented in the order of liquidity.

An analysis in respect of recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note (13).

3.2 BASIS OF MEASUREMENT

These financial statements are prepared under the historical cost convention, using the accrual basis of accounting except for investment held at fair value through profit or loss (FVTPL) which are carried at fair value.

3.3 FUNCTIONAL CURRENCY

These financial statements are presented in Saudi Riyal (“SR”), which is the Fund’s and presentation functional currency.

3.4 SUBSCRIPTION/REDEMPTION

Subscription / redemption requests are accepted on Monday, Wednesday, and Thursday on which Tadawul is open. The value of the Fund’s portfolio is determined daily. The net asset value of the Fund for the purpose of purchase or sale of units is determined by dividing the net assets (fair value of the Fund’s assets minus fund’s liabilities) of the fund by the total number of outstanding fund units on the following day.

SAUDI FRANSI SAUDI EQUITY INCOME FUND

(Managed by Saudi Fransi Capital COMPANY)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

4. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these financial statements are consistent with those used and disclosed in the financial statements for the year ended 31 December 2021.

Financial instruments

Initial recognition

The Fund records financial asset or a financial liability in its statement of financial position when, and only when, it becomes party to the contractual provisions of the instrument.

At initial recognition, financial assets or financial liabilities are measured at their fair value. In the case of financial assets or financial liabilities not at fair value through profit or loss, its fair value less transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability is the initial recognition amount. For financial assets and financial liabilities at FVTPL, the transaction costs are expensed in the statement of comprehensive income.

Classification

The Fund classifies its financial assets under the following categories:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); and
- Amortised cost.

These classifications are on the basis of business model of the Fund for managing the financial assets, and contractual cash flow characteristics.

The Fund measures financial asset at amortised cost when it is within the business model to hold assets in order to collect contractual cash flows, and contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For assets measured at fair value, gains and losses will either be recorded in either profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Fund has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Fund classifies all financial liabilities as subsequently measured at amortised cost using the effective interest rate method except for financial liabilities measured at fair value through profit or loss.

Currently investment in equities is classified as FVTPL while cash and cash equivalents, other assets, management fee payable, accrued and other liabilities, due to a broker, payable against units redeemed and due from / to a related party are classified as held at amortised cost financial assets / financial liabilities.

The gain/ loss on disposal of investments classified at FVTPL is included in the statement of comprehensive income and is calculated as the difference between the sales proceeds and the carrying value before disposal.

Derecognition of financial instruments

The Fund derecognizes a financial asset when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Fund neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Fund recognizes its retained interest in the asset and associated liability for amounts it may have to pay. If the Fund retains substantially all the risks and rewards of ownership of the transferred financial asset, the Fund continues to recognize the financial asset and also recognizes a collateralized financing for the proceeds received.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

The Fund assesses on a forward-looking basis the Expected Credit Losses (“ECL”) associated with its financial assets, carried at amortised cost and FVOCI, the ECL is based on a 12-month ECL and lifetime ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

Redeemable Units

Redeemable units are classified as equity instruments when:

- The redeemable units entitle the Unitholder to a pro rata share of the entity’s net assets in the event of the Fund’s liquidation.
- The redeemable units are in the class of instruments that is subordinate to all other classes of instruments.
- All redeemable units in the class of instruments that is subordinate to all other classes of instruments have identical features.
- The redeemable units do not include any contractual obligation to deliver cash or another financial asset other than the Unitholder’s rights to a pro rata share of the entity’s net assets.
- The total expected cash flows attributable to the redeemable units over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Fund over the life of the instrument.

In addition to the redeemable shares having all of the above features, the entity must have no other financial instrument or contract that has:

- Total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Fund
- The effect of substantially restricting or fixing the residual return to the redeemable shareholders

The Fund continuously assesses the classification of the redeemable units. The Fund’s redeemable units do not meet the definition of puttable instruments classified as equity instruments under IFRS and accordingly are not classified as equity. If the redeemable units subsequently have all the features and meet the conditions to be classified as equity, the Fund will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

No gain or loss is recognised in the statement of comprehensive income on the purchase, issuance or cancellation of the Fund’s own liability instruments.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement

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 asset or liability, or
- In the absence of a principal market, in the most accessible advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the fund.

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.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. This is 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.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

At each reporting date, the Fund analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Fund's accounting policies.

For the purpose of fair value disclosures, the Fund has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. Fair value related disclosures for financial instruments that are measured at fair value or where fair values are disclosed are discussed in Note 12.

Trade date accounting

The Fund follows trade date accounting for all purchases and sales of financial assets (i.e. the date that the Fund commits to purchase or sell the assets).

Cash and cash equivalents

Cash and cash equivalent include accounts maintained with Banque Saudi Fransi ("the bank") and the Custodian.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

Provisions are recognised when the Fund has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and can be measured reliably. If the effect of time value of money is material, provisions are discounted using a current pretax rate that reflects, where appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to passage of time is recognised as finance costs.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured.

Accrued expenses and other payables

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the suppliers or not. These are initially recognized at fair value and subsequently needs to be recognized at amortized cost.

The undiscounted value of all financial liabilities of the Fund at the reporting date approximate to their carrying values due to the fact that all are to be settled within one year from the reporting date, accordingly, the said liabilities are not recognised at amortized cost.

Management fees

Fund management fee is payable at an agreed rate with the Fund Manager. The Fund Manager will charge a management fee of 1.75% per annum plus applicable VAT on the net asset value accrued daily and paid on a monthly basis.

Expenses

Expenses are measured and recognized on an accrual basis in the accounting year in which they are incurred.

Zakat and income tax

Zakat and income tax at the Fund level is the obligation of the Unitholders and is not provided for in these financial statements.

Net asset value per unit

Net assets value per unit as disclosed in the statement of financial position is calculated by dividing the net assets of the Fund by the number of units in issue at year end.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires the Fund Manager to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected. There are no significant accounting estimates, judgements and assumptions made in the preparation of these financial statements.

Going concern

The Fund Manager made an assessment of the Fund's ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, the Fund Manager is not aware of any material uncertainties that may cast significant doubt upon the Fund's ability to continue as a going concern. Therefore, these financial statements continue to be prepared on the going concern basis.

Fair value measurement (Refer to Note 4)

SAUDI FRANSI CAPITAL SAUDI EQUITY INCOME FUND
(Managed By Saudi Fransi Capital Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

6. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

New standards, interpretations and amendments adopted by the Fund

The International Accounting Standard Board (IASB) has issued following accounting standards, amendments, which were effective from periods on or after 1 January 2022. The Fund Manager has assessed that the amendments have no significant impact on the Fund's financial statements.

- Amendment to IFRS 16, 'Leases' – Covid-19 related rent concessions Extension of the practical expedient
- A number of narrow-scope amendments to IFRS 3, IAS 16, IAS 37 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16

New Standards, interpretations and amendments not yet effective

The listing of standards and interpretations issued which the Fund reasonably expects to be applicable at a future date are as follows. The Fund intends to adopt these standards when they become effective. These amendments and standards are not expected to have any impact on the financial statements of the Fund.

Standard / Interpretation	Description	Effective from periods beginning on or after
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	1 January 2024
Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8	Disclosure of Accounting Policies	1 January 2023
Amendment to IAS 8	Definition of accounting estimate	1 January 2023
IFRS 17, 'Insurance contracts'	New Insurance standard	1 January 2023
Amendments to IAS12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

7. CASH AND CASH EQUIVALENTS

	<i>31 December 2022 SR</i>	<i>31 December 2021 SR</i>
Cash at bank (see note below)	21,533	135,273
Cash with the custodian	1,130,364	1,369,931
	<u>1,151,897</u>	<u>1,505,204</u>

The bank balances represent the cash in a current account maintained with Banque Saudi Fransi (Note 10).

The Fund Manager has conducted a review as required under IFRS 9 and based on such an assessment, the effect of expected credit loss ('ECL') allowance against the carrying value of cash and cash equivalents is insignificant as the balances are held with investment grade credit rated financial institutions and therefore no ECL has been recognised in these financial statements.

SAUDI FRANSI CAPITAL SAUDI EQUITY INCOME FUND
(Managed By Saudi Fransi Capital Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

8. INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

The composition of investments measured at fair value through profit or loss (FVTPL) is summarized below:

<u><i>Saudi Equity Sectors</i></u>	<i>31 December 2022</i>		
	<i>Cost</i> <i>SR</i>	<i>Market Value</i> <i>SR</i>	<i>% of Market</i> <i>Value</i>
Materials	10,539,221	8,894,764	44.54
Telecommunication services	2,332,130	2,371,519	11.87
Retailing	2,869,234	2,317,424	11.60
Real estate management and development	1,543,138	1,623,435	8.13
Energy	1,057,823	1,010,990	5.06
Banks	682,808	881,972	4.42
Cements	806,678	766,539	3.84
Health care equipment and services	980,074	720,747	3.61
Food and staples retailing	744,180	680,680	3.41
Transportation	506,579	618,649	3.10
Capital goods	100,362	84,607	0.42
	22,162,227	19,971,326	100.00

<u><i>Saudi Equity Sectors</i></u>	<i>31 December 2021</i>		
	<i>Cost</i> <i>SR</i>	<i>Market Value</i> <i>SR</i>	<i>% of Market</i> <i>Value</i>
Materials	8,606,079	8,842,484	30.45
Retailing	3,885,543	4,528,276	15.59
Energy	4,526,804	4,352,929	14.99
Banks	2,093,768	4,159,279	14.32
Telecommunication services	2,538,068	2,829,710	9.75
Real estate management and development	890,326	1,472,641	5.07
Transportation	842,644	1,176,086	4.05
Health care equipment and services	1,099,457	1,034,323	3.56
Food and beverages	841,324	641,268	2.21
	25,324,013	29,036,996	100.00

The effect on the net assets as a result of the change in the fair value of investments as at 31 December 2022 and 31 December 2021 due to a reasonably possible change in equity indices based on the industry concentration, with all other variables held constants is as follows:

	<i>31 December 2022</i>		<i>31 December 2021</i>	
	Potential reasonable change %	Effect on Net Assets	Potential reasonable change %	Effect on Net Assets
Materials	±1%	88,948	±1%	88,425
Telecommunication services	±1%	23,715	±1%	28,297
Retailing	±1%	23,174	±1%	45,283
Real estate management and development	±1%	16,234	±1%	14,726
Energy	±1%	10,110	±1%	43,529
Banks	±1%	8,820	±1%	41,593
Cements	±1%	7,665	±1%	-
Health care equipment and services	±1%	7,207	±1%	10,343
Food and staples retailing	±1%	6,807	±1%	-
Transportation	±1%	6,186	±1%	11,761
Capital goods	±1%	846	±1%	-
Food and Beverages	±1%	-	±1%	6,413
		199,712		290,370

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9. NET (LOSS) / GAIN ON INVESTMENTS MEASURED AT FVTPL

	<i>For the year ended 31 December 2022</i>	<i>For the year ended 31 December 2021</i>
	<i>SR</i>	<i>SR</i>
Realised gains on the disposal of investments measured at FVTPL, net	4,450,178	7,969,721
Unrealised loss on remeasurement of investments measured at FVTPL, net	(5,903,884)	(71,071)
Net (loss) / gain on investments measured at FVTPL	(1,453,706)	7,898,650

10. TRANSACTIONS WITH RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties include Saudi Fransi Capital Company ("the Fund Manager"), Banque Saudi Fransi (the Bank and the shareholder of the Fund Manager), the Fund Board Directors, affiliates of the Fund Manager and the Funds managed by the Fund Manager.

In the ordinary course of its activities, the Fund transacts business with related parties.

The Fund pays the Fund Manager a management fee calculated at an annual rate of 1.75% (2021: 1.75%) per annum calculated on the total net assets value on daily basis. The fee is intended to compensate the Fund Manager for administration and management of the Fund.

Subscription fee up to 3 percent of the invested amount is adjusted by deduction from the gross subscription, hence, it does not affect or reflect in the financial statements of the Fund.

Related party transactions and balances are as follows:

<i>Related party</i>	<i>Nature of transactions</i>	<i>Amount of transactions (Expense) / income</i>		<i>Balance Receivable / (payable)</i>	
		<i>For the year ended 31 December</i>	<i>For the year ended 31 December</i>	<i>As at 31 December</i>	<i>As at 31 December</i>
		<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
		<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
Saudi Fransi Capital Company	Management fee	(511,151)	(685,015)	(32,981)	(50,654)
	Brokerage fee	(43,388)	(22,309)	-	-
	Due from broker	-	-	466,967	-
	Payable against purchases	-	-	(555,956)	(1,009,973)
Board of Directors	Annual remuneration	(548)	(668)	-	-
Banque Saudi Fransi	Bank balance	-	-	21,533	135,273

The units in issue at 31 December 2022, include 56,534 units held by the employees of Banque Saudi Fransi and Saudi Fransi Capital (31 December 2021: 52,843 units).

During the year, the Fund has obtained funding from Saudi Fransi Capital Company amounting to Nil (31 December 2021: SR 1.789 million) in order to invest in Initial Public Offerings (IPO). The funding amount was re-paid to Saudi Fransi Capital Company subsequently. The funding was received with zero markup.

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11. OTHER EXPENSES

		<i>For the year ended 31 December 2022</i>	<i>For the year ended 31 December 2021</i>
	<i>Note</i>	<i>SR</i>	<i>SR</i>
Trade commission expense		43,388	55,729
Audit fees		40,029	40,250
Benchmark fees		27,451	30,000
Custody fees		17,779	27,401
CMA fees		7,829	7,500
Tadawul registration fee		6,349	5,750
Directors fee	10	548	668
Others		32,916	38,092
		176,289	205,390

12. FAIR VALUE OF FINANCIAL INSTRUMENTS

Determination of fair value and fair value hierarchy

The Fund's financial assets consist of bank balance and investments measured at fair value through profit or loss (FVTPL). The Fund's financial liabilities consist of management fee payable and accruals and other liabilities.

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

	<i>Carrying value SR</i>	<i>Fair value</i>			
		<i>Level 1 SR</i>	<i>Level 2 SR</i>	<i>Level 3 SR</i>	<i>Total SR</i>
31 December 2022					
Investments measured at FVTPL	19,971,326	19,971,326	-	-	19,971,326
31 December 2021					
Investments measured at FVTPL	29,036,996	29,036,996	-	-	29,036,996

During the year ended 31 December 2022, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of level 3 fair value measurements.

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13. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled, respectively:

31 December 2022	<i>Within 12 months SR</i>	<i>After 12 months SR</i>	<i>Total SR</i>
ASSETS			
Cash and cash equivalents	1,151,897	-	1,151,897
Investments measured at fair value through profit or loss (FVTPL)	19,971,326	-	19,971,326
Due from a related party	466,967	-	466,967
TOTAL ASSETS	21,590,190		21,590,190
LIABILITIES			
Management fee payable	32,981	-	32,981
Accruals and other liabilities	41,871	-	41,871
Due to a related party	555,956	-	555,956
TOTAL LIABILITIES	630,808	-	630,808

31 December 2021	<i>Within 12 months SR</i>	<i>After 12 months SR</i>	<i>Total SR</i>
ASSETS			
Cash and cash equivalents	1,505,204	-	1,505,204
Investments measured at fair value through profit or loss (FVTPL)	29,036,996	-	29,036,996
Other assets	375,101	-	375,101
TOTAL ASSETS	30,917,301	-	30,917,301
LIABILITIES			
Management fee payable	50,654	-	50,654
Accruals and other liabilities	26,550	-	26,550
Due to a related party	1,009,973	-	1,009,973
TOTAL LIABILITIES	1,087,177	-	1,087,177

14. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Introduction

The Fund's objective in managing risk is the protection of Unitholder's value. Risk is inherent in the Fund's activities and is managed through a process of ongoing risk identification, measurement and monitoring. The process of risk management is critical to the Fund's continuing profitability. The Fund is exposed to market risk (which includes foreign currency risk and equity price risk), credit risk and liquidity risk arising from the financial instruments it holds.

Risk management

The Fund Manager is primarily responsible for identifying and controlling risks.

Risk measurement and reporting system

Monitoring and controlling risks is primarily set up to be performed based on limits as specified in the Investment Fund Regulations. These limits reflect the business strategy and the market environment of the Fund. In addition, the Compliance Department of the Fund Manager monitors the exposures against the approved limits.

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For the year ended 31 December 2022

14. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk mitigation

The Fund's investment guidelines as specified in Terms and Conditions, Information memorandum and fact sheet set out its overall business strategies, its tolerance for risk and its general risk management philosophy.

Concentration risk

Concentration indicates the relative sensitivity of the Fund's performance to developments affecting a particular industry or geographical location. Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of liquidity risk may arise from the repayment terms of financial liabilities, sources of borrowing facilities or reliance on a particular market in which to realise liquid assets. Concentrations of foreign exchange risk may arise if the Fund has a significant net open position in a single foreign currency, or aggregate net open positions in several currencies that tend to move together.

In order to avoid excessive concentrations of risk, the Fund's policies and procedures include guidelines to focus on maintaining a diversified portfolio based on the recommendations of Investment Committee.

Note 8 to the financial statements analyse the Fund's concentration of equity portfolio by industrial distribution.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Fund does not have a formal internal grading mechanism. Credit risk is managed and controlled by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties.

The Fund Manager seeks to limit its credit risk by monitoring credit exposure, credit ratings and by dealing with reputed counterparties.

The following table shows the Fund's maximum exposure to credit risk for components of the statement of financial position.

	<i>31 December 2022 SR</i>	<i>31 December 2021 SR</i>
Cash and cash equivalents	1,151,897	1,505,204
Due from a related party	466,967	-
Other assets	-	375,101
	1,618,864	1,880,305

Market risk

Market risk is the risk that changes in the market prices, such as foreign exchange rates, equity prices and interest rates, will affect the Fund's income or cash flows. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

(a) Equity Price Risk

Equity price risk is the risk that the value of financial instruments will fluctuate because of changes in market prices.

The Fund's investments are susceptible to market price risk arising from uncertainties about future prices. The Fund Manager manages this risk through diversification of its investment portfolio in terms of industrial distribution.

Note 8 to the financial statements analyses the impact on profit or loss due to 1% change in prices of its equity portfolio.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

14. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Currency risk

Currency risk is the risk that the value of a financial instrument may fluctuate due to change in foreign exchange rates. The financial instruments of the Fund i.e. cash and cash equivalents, investments held at FVTPL, due to/ from a related party, management fee payable and accruals and other liabilities are denominated in Saudi Arabian Riyals. Accordingly, the Fund is not exposed to any currency risk.

(c) Commission rate risk

Commission rate risk is the exposure to various risks associated with the effect of fluctuations in the prevailing commission rates on the Fund's financial position and cash flows. The Fund is not exposed to any commission rate risk as it does not have any interest-bearing financial assets.

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in releasing funds to meet commitments associated with financial liabilities that are settled by delivering cash or another financial asset.

The Fund's terms and conditions provide for the terms of subscriptions and redemptions of units and it is, therefore, exposed to the liquidity risk of meeting Unitholder redemptions. The Fund's securities are considered to be readily realizable as they are all listed on Tadawul. The Fund Manager monitors the liquidity requirements on a regular basis and seeks to ensure that sufficient funds are available to meet any commitments as they arise.

In addition to the above, the Fund can potentially utilize a facility can be offered by the Fund Manager to meet liquidity requirements.

The undiscounted value of all financial liabilities of the Fund at the reporting date approximate to their carrying values and all are to be settled within one year from the reporting date.

15. LAST VALUATION DAY

The last valuation day for the purpose of preparation of these financial statements for the year ended was 31 December 2022 (31 December 2021: 31 December 2021).

16. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved and authorised for issue by the Fund Board on 5 Ramadhan 1444H (corresponding to 27 March 2023).