

ثروات طوية  
THARAWAT TUWAIQ

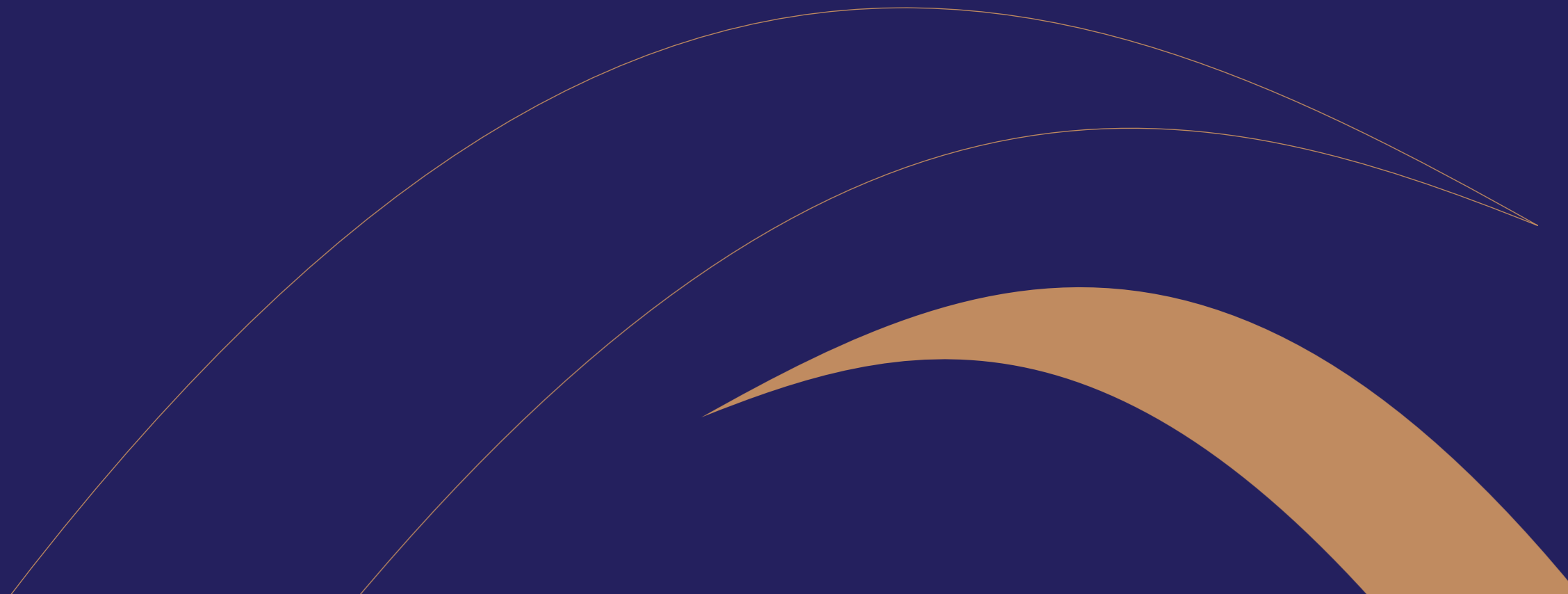


Tharawat Tuwaiq 20  
Annual Report 23

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THARAWAT TUWAIQ



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ





My primary goal is for our country to be a successful and leading model in the world, and I will work with you to achieve that

Custodian of the Two Holy Mosques  
**King Salman bin Abdulaziz**

May God Protect him



Our nation is a member of the G20 and one of the largest economies in the world. It is located at the crossroads of three continents. Changing Saudi Arabia for the better means helping the region and changing the world

His Royal Highness Prince  
**Mohammed bin Salman bin Abdulaziz**

Crown Prince and Prime Minister  
May God Protect him

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Tharawat Tuwaiq Capital is a financial institution licensed as m by the Saudi Capital Market Authority in investment management with a paid-up capital of SAR20 million.

Tharawat Tuwaiq Capital was established with a commercial registration number 1010865309 on March 2, 2023, and is licensed by the Capital Market Authority under license number 02 - 23253 dated January 4, 2023, to practice investment management activities. The company also obtained a license to provide advisory services on February 11, 2024, and is currently working to complete the requirements to obtain approval from the authority to conduct business.

## Our Vision

We aim to achieve leadership in the financial services sector by offering unique products in Saudi Arabia and facilitating access to opportunities in global markets.



## Our Goals

1. A constant commitment to accomplishing and adding value for our clients, shareholders, and community.
2. Offering specially designed investment solutions that help our clients achieve their financial goals.
3. We strive to provide sustainable returns for shareholders while ensuring our business aligns with their principles and expectations.
4. Enhancing professional behaviors in alignment with the goals of the Kingdom for the benefit of the local business environment, creating more opportunities for future generations.



## Governance

We adhere to internal policies in compliance with the directions of the board of directors and based on the principles of accountability, transparency, equity, and responsibility, to maintain the correct course of professional behaviors and decision-making practices under all circumstances.



## Main Activities

Tharawat Tuwaiq owns a license from the Capital Market Authority to conduct investment management activities in securities.



### Investment Management in Securities

We offer investment management services to our clients in innovative ways through a team of experts in investment and private portfolio management, aiming to generate sustainable wealth for our clients.

## Subsidiaries

The company does not have any subsidiaries.



## Geographic Scope

From the capital that looks to the future, Tharawat Tuwaiq is located and offers its diverse services from its main branch in Riyadh, Al Asimah District, King Khalid Street.



## Description of the Company's Important Decisions and Plans During the Year and Future Plans

Our goal is a perpetual commitment to achieve and create added value for our clients, shareholders, and community. The company has applied to the Capital Market Authority for an advisory license to diversify its products. The company expects to launch several private equity investment funds with various investment returns to offer innovative and diverse investment products.

### Future Plans

Tharawat Tuwaiq believes in its role in developing and supporting the financial sector. The company focuses on the following two objectives:

First: Attracting foreign investments:

The Kingdom is ranked as the 17th largest economy in the world, enjoys a high credit rating, and a stable economic outlook. The company aims to attract new investors from outside the Kingdom to its investment funds.

Second: Investments in Vision Sectors:

Vision sectors are considered the most attractive due to the support from government sectors. Accordingly, we aim to launch several funds focused on vision sectors, including mining and advanced technology.



## Board Members



**Abdulrahman Mohammed Al-Rashed**  
Chairman of the Board



**Eng. Sulaiman Abdulaziz AlDhukair**  
Board Member



**Ali Abdulrahman AlGwaiz**  
Board Member



**Turki Abdullah AlHamdan**  
Vice Chairman of the Board

## Chairman's Message

On behalf of myself and my fellow Board members, I am pleased to present the 2023 annual report for Tharawat Tuwaiq Capital, which highlights the outcomes of the company's activities, operational results, and levels of progress achieved. The year 2023 marked the launch of Tharawat Tuwaiq Capital, focusing on providing quality investment opportunities that fulfill our clients' aspirations and contribute to achieving their goals. During our first year, we succeeded in assembling a team and launching several investment products for our clients, notably the Tharawat Tuwaiq Strategic Fund and private portfolio management. We also plan to expand our advisory services in the upcoming year.



Despite being our inaugural year, Tharawat Tuwaiq achieved sound financial and operational results in the fiscal year 2023. We earned approximately SAR 1 million, starting from the company's launch date on June 22, 2023, while maintaining a robust financial position. We take pride in this ambitious start without borrowing, relying on our client's trust, and our team's expertise.

This year, we managed to launch the Tharawat Tuwaiq Multi-Asset Strategic Fund, and by year-end, Tharawat Tuwaiq managed over SAR 112 million in assets. We are fully committed to managing these assets with efficiency and effectiveness to maximize their financial return, ensuring our clients receive financial management that suits them. Tharawat Tuwaiq Capital has dedicated efforts to updating internal controls, policies, and procedures and supporting the company with professional staff that contributes to enhancing long-term performance, aiming to provide services that meet our client's expectations and needs through adopting innovative technologies that strengthen our corporate operations.

In conclusion, I can only express, on behalf of myself and my fellow board members, our profound gratitude to the Custodian of the Two Holy Mosques and the Crown Prince for their continuous support of the national economy, including the advancement of the financial sector, a crucial axis for the Kingdom's economy. We are also grateful to our shareholders who have joined us in this achievement-filled launch, and at this moment, we must individually thank each member of our team for their relentless efforts throughout this year.

May God grant us success

**Abdulrahman bin Mohammed AlRashed**

Chairman of the Board



## The Financial Sector in the Kingdom

The financial sector in the Kingdom has seen significant development since the announcement of the Financial Sector Development Program in April 2017, which is one of the executive programs for achieving Saudi Vision 2030. The sector has taken an upward and positive trajectory in every aspect following the commencement of the program's implementation.

The program included a diverse and substantial number of initiatives, developed, and achieved by various government entities and bodies, within a comprehensive and consistent action plan to realize these initiatives and goals. This is part of the accelerated efforts to meet the comprehensive development requirements adopted by Vision 2023.

Furthermore, the program has stimulated and developed the financial sector to diversify income sources, increase the culture of saving, diversify financing methods and investment projects, and played a fundamental and significant role in transforming the Saudi financial sector into a powerhouse for growth and economic diversity through the establishment of a vibrant and effective financial sector.

Under its wise and ambitious leadership, the Kingdom strives to build a strong economy that looks forward to the future with great ambition, by empowering financial sector institutions, developing an advanced financial market, stimulating savings, and supporting emerging companies in the financial technology sector.



## Our Launch Year 2023

### Launches

- Tharawat Tuwaiq Multi-Asset Fund
- Management of private equity portfolios in the Saudi stock market

### Over 112 million

During the year 2023, the assets under management exceeded SAR 112 million

### Continued Expansion

Tharawat Tuwaiq obtained the advisory license and is working on completing the requirements to obtain approval to conduct business

### Revenue

Revenues exceeded approximately SAR 1 million during the year 2023

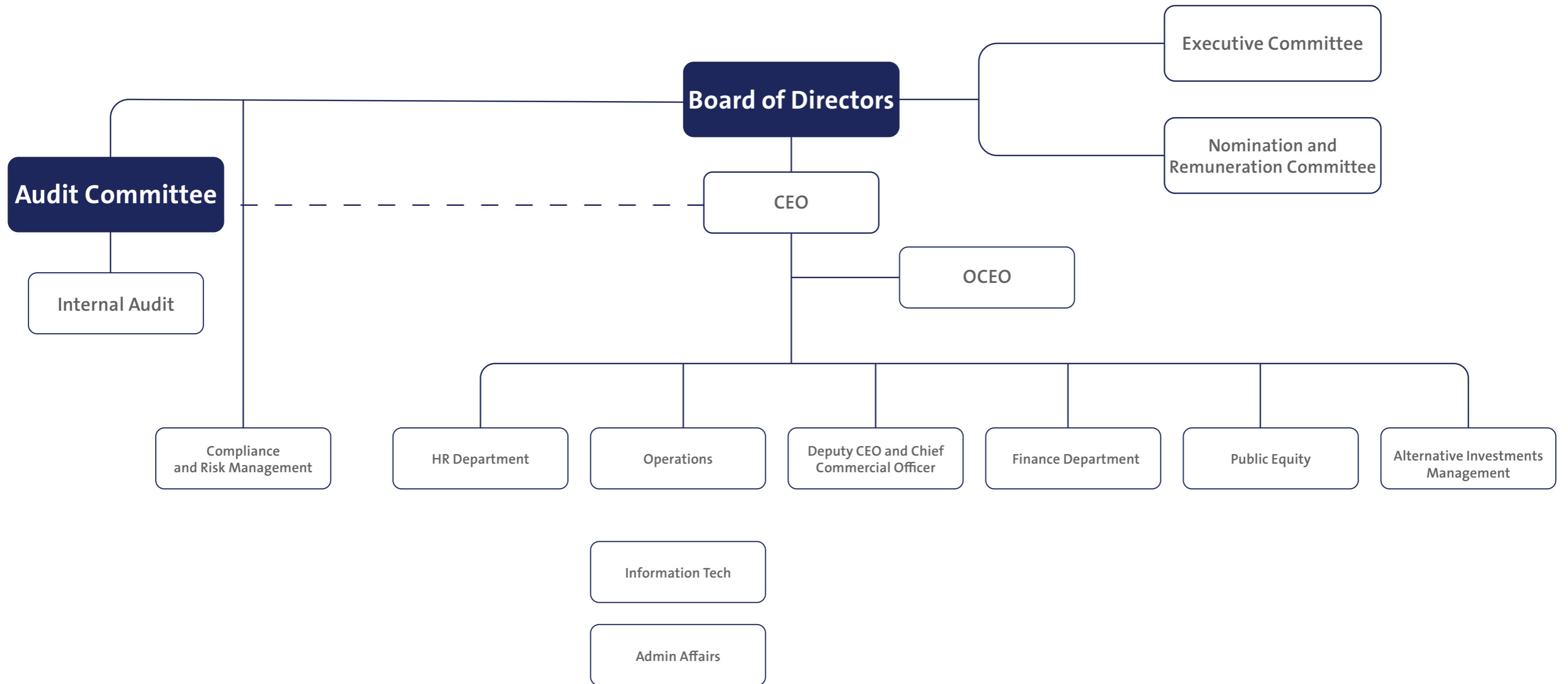




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# Organizational Structure



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**Financial Performance**

## Financial Performance

The company has managed its operational processes effectively, contributing to a strong financial baseline that positions it as a leading company in the financial sector.

### Income Statement:

The company achieved notable income as a result of providing its diverse services.

Statement	البيان
Revenues	934,205
Operating Expenses	6,675,514
Income from Other Operations	155,713
Zakat	130,094
Annual Losses	-5,715,689

### Financial Position Statement:

The company recorded strong growth in the size of assets and liabilities during the year 2023.

Statement	2023
Current Assets	16,599,852
Non-Current Assets	11,770
Total Assets	16,711,622
Current Liabilities	2,285,050
Non-Current Liabilities	142,261
Total Liabilities	2,427,311
Shareholders' Equity	14,284,311
Total Liabilities and Shareholders' Equity	16,711,622



### Transactions with Related Parties:

There are no transactions with related parties.



### Company Loans:

The company currently has no loans.



## Risk Management Policy

Risk management is an ongoing process that requires identifying, analyzing, and mitigating risks, and continuously setting controls to protect the company's activities and shareholders.

### Key Risks Facing the Company:



#### Market Risks:

These are the risks of losses on investments due to changes in the prices of securities, commodities, interest rates, and currencies. Tharawat Tuwaiq manages these risks by setting risk tolerance limits, analyzing investments exposed to risks, measuring the size of cash flows and their impact on financial positions, and adhering to regulatory instructions and legislative requirements.



#### Legal Risks:

These are the risks of exposure to fines, penalties, or compensatory damages resulting from supervisory actions.

Tharawat Tuwaiq Capital Resources is exposed to legal risks through claims resulting from errors in operations or actions by regulatory bodies.



#### Interest Rate Risks:

These are the risks arising from changes in fixed interest rates, which can increase or decrease the value of a fixed-value investment/asset.

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**Governance**



## Governance

Board of Directors Commitment to Effective Governance and Transparency Tharawat Tuwaiq's Board of Directors ensures the implementation of effective governance and high transparency and complies with all regulations and circulars issued by the Capital Market Authority. Consequently, the board has adopted a governance charter reflecting best governance practices.



### Board of Directors

The company's Board of Directors consists of four members. The current term (the first term) began on March 2, 2023, and will last for three years.

Board Members		
Name	Positions in Other Companies	Memberships in Other Companies' Boards
<b>Abdulrahman Mohammed AlRashed</b> Chairman of the Board	-	<ul style="list-style-type: none"> <li>Tadawul Real Estate Company</li> <li>Umm Al-Qura Development and Construction Company</li> <li>Tharawat Tuwaiq Capital</li> <li>Al-Ahli REIT Fund</li> </ul>
<b>Turki Abdullah AlHamdan</b> Vice Chairman	<b>CEO at Tharawat Holding Company</b>	<ul style="list-style-type: none"> <li>Board member at Arriyadh Development Company</li> <li>Board member at Rasees Contracting Company</li> <li>Board of Directors at Tharawat Tuwaiq Capital</li> </ul>
<b>Ali Abdulrahman AlGwaiz</b> Member	<b>No other directorships</b>	<ul style="list-style-type: none"> <li>The Family Office International Investment Co</li> <li>AFICO</li> <li>Tharawat Tuwaiq Capital</li> <li>Board of directors at Zdsn Capital</li> </ul>
<b>Eng. Sulaiman Abdulaziz AlDhukair</b> Member	<b>General Manager at Modern Building Systems Ltd</b>	<b>Board member at SICO Capital</b> <ul style="list-style-type: none"> <li>Resignation has been submitted to be accepted in the upcoming General Assembly meeting in the following weeks</li> <li>Tharawat Tuwaiq Capital</li> </ul>



### Board of Directors Meetings and Attendance Record

The Board of Directors held 6 meetings during the fiscal year 2023, as follows:

Member Name	first 2023/03/16	Second 2023/04/12	Third 2023/07/10	Fourth 2023/10/22	Fifth 2023/11/26	Sixth 2023/12/26	Total
Abdulrahman Mohammed AlRashed	✓	✓	✓	✓	✓	✓	6
Turki Abdullah AlHamdan	✓	✓	✓	✓	✓	✓	6
Ali Abdulrahman AlGwaiz	✓	✓	✓	✓	✓	✓	6
Eng. Sulaiman Abdulaziz AlDhukair	✓	✓	✓	✓	✓	✓	6



### Interests of Board Members

There are no interests, contractual securities, or subscription rights related to the shares or debt instruments of the company held by board members, senior executives, or their relatives.



## Remuneration and Compensation of Board Members and Senior Executives

The remunerations paid to the board members for the year 2023 are as follows:

Statement	Executive Board Members	Non-Executive Board Members	Independent Board Members
Attendance fees for sessions	-	-	-
Committee attendance fees	-	-	-
Periodic and annual bonuses	1,000,000	-	-
Incentive plans	-	-	-
Any other monetary or in-kind compensations paid monthly or annually	-	-	-
<b>Total</b>	<b>1,000,000</b>		

The remunerations paid to the senior executives for the year 2023 are as follows:

Statement	The top five senior executives who received the highest remunerations and compensations, including the CEO and CFO if they are not among them
Salaries and wages	2,575,703.50
Committee attendance fees	-
Periodic and annual bonuses	-
Incentive plans	71,255.36
Commissions	-
Any other monetary or in-kind compensations paid monthly or annually	-
<b>Total</b>	<b>2,646,958.86</b>

## Board Committees, Their Functions, and Meetings in 2023



### Executive Committee

The Executive Committee is a permanent committee of the board. Its role is to consider matters fully delegated to it by the board and to provide recommendations to the board or make decisions based on the powers delegated by the board.



### Functions of the Executive Committee:



Evaluation and recommendation to the board regarding the annual audit plan, business strategy, and company budget.



Consideration of management's operational reports, their review, organizational developments, and strategy.



Review and approval of investment proposals, transactions, credit, and market risks.



Review and approval of new product and service offerings.



Evaluation of management's performance in implementing the company's strategies, business plans, and annual budgets.



Review and approval of capital and administrative expenditures.



### Members of the Committee include:

#### Abdulrahman Mohammed AlRashed

Chairman of the Committee

#### Turki Abdullah AlHamdan

Member

#### Eng. Sulaiman Abdulaziz AlDhukair

Member



### The Executive Committee held 3 meetings:

اسم العضو	First 2023/03/28	Second 2023/04/04	Third 2023/09/04	Total
Abdulrahman Mohammed AlRashed	✓	✓	✓	3
Turki Abdullah AlHamdan	✓	✓	✓	3
Eng. Sulaiman Abdulaziz AlDhukair	✓	✓	✓	3



### Audit Committee

The Audit Committee is a permanent committee of the board. Its purpose is to assist the board in fulfilling its oversight responsibilities concerning the following:



### Audit Committee Tasks:



Integrity and accuracy of financial reports and statements



Verification of the internal audit function's performance and its independence



Recommendation for the appointment of external auditors, and assessment of their qualifications, independence, and performance



Compliance of the company with legal and regulatory requirements, including the company's disclosure controls and procedures



### Members of the Committee include:

#### Saleh AlKhalaf

Chairman of the Committee

#### Abdullah AlQahtani

Member

#### Salem AlKhalifa

Member



### The Audit Committee held 4 meetings.

Member Name	First 2023/05/04	Second 2023/06/05	Third 2023/09/27	Fourth 2023/12/27	Total
Saleh AlKhalaf	✓	✓	✓	✓	4
Abdullah AlQahtani	✓	✓	✓	✓	4
Salem AlKhalifa	✓	✓	✓	✓	4



### Awards and Nominations Committee

The Awards and Nominations Committee is a permanent committee of the board. Its purpose is to consider specific matters fully delegated to it by the board and to provide recommendations to the board or make decisions based on the powers specifically delegated by the board.



### Tasks of the Awards and Nominations Committee



Endorsement of candidates nominated for the board membership



Identification of strengths and weaknesses in the board and proposing remedies in alignment with the company's interests



Ensuring the annual independence of independent members and the absence of any conflict of interest if the member serves on the board of another company



Developing compensation policies for board members, senior executives, the board secretary, and subsidiary committees



Approval of annual raises and salaries for the company's employees based on the company's annual performance



### Members of the Committee include:

**Ali Abdulrahman AlGwaiz**  
Chairman of the Committee

**Turki Abdullah AlHamdan** Member     **Eng. Sulaiman Abdulaziz AlDhukair** Member



### The Awards and Nominations Committee held 5 meetings

Member Name	First 2023/03/22	Second 2023/04/05	Third 2023/09/04	Fourth 2023/09/12	Fifth 2023/10/17	Total
Ali Abdulrahman AlGwaiz	✓	✓	✓	✓	✓	5
Turki Abdullah AlHamdan	✓	✓	✓	✓	✓	5
Eng. Sulaiman Abdulaziz Al-Dhukair	✓	✓	✓	✓	✓	5



## Sanctions and Penalties for Violations

There have been no violations against the company, and we will continue to make every effort to adhere to the correct procedures to avoid any infractions and to comply with regulations and laws.



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**Conclusion**

In conclusion, we extend our thanks to everyone who contributed to achieving this progress during the fiscal year 2023. We look forward to more successes and to continuing our work and development, keeping pace with changing and accelerating requirements. This report reflects Tharawat Tuwaiq's commitment to its governance, guided by the directives of its board of directors, which relies on transparency and responsibility in addressing challenges and successes as well as performance indicators and levels of progress in operational activities.



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