

MULKIA INVESTMENT COMPANY
(Saudi Closed Joint Stock Company)
INTERIM CONDENSED FINANCIAL STATEMENTS
For the six-month period ended 30 June 2023
Together with The Independent Auditor's review Report

MULKIA INVESTMENT COMPANY

(Saudi Closed Joint Stock Company)

**Interim Condensed Financial Statements together with The Independent Auditor's Review Report
For the six-month period ended 30 June 2023**

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL
STATEMENTS**

**TO THE SHAREHOLDERS OF MULKIA INVESTMENTS COMPANY (CLOSED JOINT STOCK
COMPANY)**

INTRODUCTION

We have reviewed the accompanying interim statement of financial position of MULKIA INVESTMENT Company (the "Company") as at 30 June 2023 and the related interim statements of profit or loss and other comprehensive income, and changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes (the "interim condensed financial statements"). Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

SCOPE OF REVIEW

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

CONCLUSION

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

For Al-Bassam & Co.



Ahmed A. Mohandis
Certified Public Accountant
License No. 477
Riyadh: 22 Muharram 1445H
Corresponding to: 9 August
2023



MULKIA INVESTMENT COMPANY
(Saudi Closed Joint Stock Company)
INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
As of 30 June 2023
(Amounts in SAR)

	Notes	30 June 2023 (Unaudited)	31 December 2022 (Audited)
ASSETS			
Non-Current Assets			
Property and equipment, net		4,728,961	4,921,826
Intangible assets, net		130,571	96,252
Investments at fair value through other comprehensive income	3	6,760,664	6,246,907
Investments at fair value through profit or loss – non current portion	5	2,550,000	2,550,000
Right-of-use assets, net		1,268,926	1,540,838
Total Non-Current Assets		15,439,122	15,355,823
Current Assets			
Due from related parties	4	19,253,990	14,841,399
Prepayments and other receivables		3,790,752	1,259,614
Investments at fair value through profit or loss – current portion	5	51,653,138	31,785,925
Cash and cash equivalents		5,443,910	19,005,400
Total Current Assets		80,141,790	66,892,338
TOTAL ASSETS		95,580,912	82,248,161
EQUITY AND LIABILITIES			
EQUITY			
Share capital	6	65,000,000	65,000,000
Statutory reserve		2,468,184	2,468,184
Retained earnings		14,127,511	626,149
Re-measurement reserve for Employee defined benefits obligation		154,787	154,787
Revaluation reserve for Investments through other comprehensive income		(395,675)	(909,432)
TOTAL EQUITY		81,354,807	67,339,688
LIABILITIES			
Non-Current Liabilities			
Lease liabilities – non-current portion		606,557	904,230
Employee defined benefits obligation		766,650	622,483
Total Non-Current Liabilities		1,373,207	1,526,713
Current Liabilities			
Due to related parties	4	68,900	-
Lease liabilities – current portion		896,382	584,530
Accrued expenses and other payables		5,084,531	4,663,119
Zakat provision		6,803,085	8,134,111
Total Current Liabilities		12,852,898	13,381,760
TOTAL LIABILITIES		14,226,105	14,908,473
TOTAL EQUITY AND LIABILITIES		95,580,912	82,248,161

Notes 1 to 15 form an integral part of these interim condensed financial statements.

MULKIA INVESTMENT COMPANY

(Saudi Closed Joint Stock Company)

**INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(UNAUDITED)****For the six-month period ended 30 June 2023****(Amounts in SAR)**

		For the six-month period ended	
	Notes	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
Operating Income			
Income from management fees and investment services	8	22,442,717	16,490,407
Realized (losses) / gains on sale of investments through profit or loss, net		(276,422)	2,084,833
Unrealized gains / (losses) on investments through profit or loss, net	6	1,033,867	(270,380)
Dividends income		294,412	46,425
Special commission income		94,143	71,302
Total Operating Income		23,588,717	18,422,587
Operating Expenses			
Salaries and employee-related expenses		(4,849,936)	(4,172,756)
Depreciation of Property and equipment		(272,650)	(168,876)
Amortization of right-of-use assets		(271,913)	(271,913)
Rental expenses		-	(277,752)
Subscriptions, government fees, and CMA licensing fees		(932,919)	(982,593)
Other administrative expenses	9	(1,874,693)	(2,052,325)
Marketing expenses		(747,820)	(13,650)
Finance costs		(163,266)	(60,205)
Total Operating Expenses		(9,113,197)	(8,000,070)
Net Operating Income		14,475,520	10,422,517
Other income		81,295	360
Net Income For The Period Before Zakat		14,556,815	10,422,877
Zakat		(1,055,453)	(800,000)
Net Income For The Period		13,501,362	9,622,877
Other Comprehensive Income			
Items that will not be reclassified subsequently to the statement of profit or loss			
Net changes in investments at fair value through other comprehensive income		513,757	(80,520)
Total Other Comprehensive Income / (Loss) For The Period		513,757	(80,520)
Total Comprehensive Income For The Period		14,015,119	9,542,357
Earnings Per Share			
Basic earnings per share of net operating income		2.23	1.60
Basic earnings per share of net income for the period		2.08	1.48

Notes 1 to 15 form an integral part of these interim condensed financial statements.

MULKIA INVESTMENT COMPANY

(Saudi Closed Joint Stock Company)

INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)**For the six-month period ended 30 June 2023****(Amounts in SAR)**

	Share Capital	Statutory Reserve	Retained Earnings	Re-measurement reserve for Employee defined benefits obligation	Revaluation Reserve For Investments Through Other Comprehensive Income	Total Shareholders' Equity
Balance as of 1 January 2022(Audited)	65,000,000	836,056	4,245,925	167,601	(615,277)	69,634,305
Net income for the period	-	-	9,622,877	-	-	9,622,877
Net changes in investments at fair value through comprehensive income	-	-	(405,929)	-	325,409	(80,520)
Total other comprehensive income	-	-	9,216,948	-	325,409	9,542,357
Dividends (note 11)	-	-	(3,250,000)	-	-	(3,250,000)
Balance as of 30 June 2022 (Unaudited)	65,000,000	836,056	10,212,873	167,601	(289,868)	75,926,662
Balance as of 1 January 2023 (Audited)	65,000,000	2,468,184	626,149	154,787	(909,432)	67,339,688
Net income for the period	-	-	13,501,362	-	-	13,501,362
Net changes in investments at fair value through comprehensive income	-	-	-	-	513,757	513,757
Total other comprehensive income	-	-	13,501,362	-	513,757	14,015,119
Balance as of 30 June 2023 (Unaudited)	65,000,000	2,468,184	14,127,511	154,787	(395,675)	81,354,807

Notes 1 to 15 form an integral part of these interim condensed financial statements.

MULKIA INVESTMENT COMPANY
(Saudi Closed Joint Stock Company)
INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
For the six-month period ended 30 June 2023
(Amounts in SAR)

	Notes	For the six-month period ended	
		30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before Zakat		14,556,815	10,422,877
Adjustments to reconcile net income for the period before zakat:			
Depreciation of property and equipment		272,650	168,876
Amortization of intangible assets		22,064	32,034
Unrealized losses / (gains) on investments at fair value through profit or loss	6	(1,033,867)	270,380
Amortization of right-of-use assets		271,913	271,913
Gains on disposal of property and equipment		(375)	-
Finance costs		163,266	60,205
Interest on term-deposits		(94,143)	(71,302)
Employee defined benefits obligation Charged		152,167	171,370
		<u>14,310,490</u>	<u>11,326,353</u>
Changes in operating assets and liabilities:			
Investments at fair value through other comprehensive income		-	894,258
Investments at fair value through profit or loss		(18,833,346)	21,751,571
Due from related parties		(4,412,591)	(2,253,332)
Due to related parties		68,900	-
Prepayments and other receivables		(2,545,426)	(791,232)
Accrued expenses and other payables		421,412	(196,612)
Results from operations		<u>(10,990,561)</u>	<u>30,731,006</u>
Employee defined benefits obligation paid		(8,000)	(132,787)
Zakat paid		(2,386,479)	(1,665,632)
Net cash generated from / (used in) operating activities		<u>(13,385,040)</u>	<u>28,932,587</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of property and equipment		(88,410)	(620,552)
Proceeds from disposal of property and equipment		9,000	-
Payment for purchase of intangible assets		(56,383)	-
Interest received on deposits		108,430	71,302
Net cash used in investing activities		<u>(27,363)</u>	<u>(549,250)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		-	(3,248,974)
Credit facilities received		10,000,000	-
Credit facilities paid		(10,000,000)	-
Finance costs paid		(149,087)	-
Net cash used in Financing activities		<u>(149,087)</u>	<u>(3,248,974)</u>
Net change in cash and cash equivalents		<u>(13,561,490)</u>	<u>25,134,363</u>
Cash and cash equivalents at beginning of the period		19,005,400	1,270,100
Cash and cash equivalents at end of the period		<u>5,443,910</u>	<u>26,404,463</u>
Non-cash transactions			
Unrealized gains from investments at fair value through comprehensive income		513,757	325,409
Unpaid dividends			1,026

Notes 1 to 15 form an integral part of these interim condensed financial statements.

MULKIA INVESTMENT COMPANY

(Saudi Closed Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

For the six-month period ended 30 June 2023

(Amounts in SAR)

1. ORGANIZATION AND ACTIVITY

Mulkia Investment Company ("the Company") is a Saudi closed joint stock company CMA regulated under license No (13170-37) dated 10 Muharram 1435H (corresponding to 13 November 2013).

The Company operates in the Kingdom of Saudi Arabia under commercial registration number 1010407245 dated 9 Jumada I 1435H (corresponding to 10 March 2014). The Company was incorporated pursuant to the ministerial decree No. 101 / Q dated 2 Jumada I 1435H (corresponding to 3 March 2014).

The company is mainly involved in securities dealing, securities arrangements, providing advisory services on securities, securities custody, investments management and operating funds.

The company's head office is in Elite Complex, Prince Abdulaziz Bin Musa'ed Bin Jalawi Street, Sulaymaniyah Dist, P.O Box 52775, Riyadh 12234, Kingdom of Saudi Arabia.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These interim condensed financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" endorsed in Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants, and should be read in conjunction with the annual financial statements for the year ended 31 December 2022. These interim condensed financial statements do not include all the information required in the annual financial statements. however, the specific accounting policies and explanatory notes have been included to explain the significant events and transactions to understand the changes in the company's financial position and performance since 31 December 2022.

2.2 Basis of measurement

The financial statements have been prepared on a historical cost convention except for Investments carried at fair value through statement of profit or loss and investments carried at fair value through other comprehensive income and employee post-employment benefits which are carried at the present value of future obligations using the projected credit unit.

2.3 Presentation and functional currency

These financial statements are presented in SAR, which is the Company's functional and presentation currency.

MULKIA INVESTMENT COMPANY

(Saudi Closed Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**For the six-month period ended 30 June 2023****(Amounts in SAR)****2. BASIS OF PREPARATION (CONTINUED)****2.4 New standards, amendments to standards and interpretations**

There are new standards and a number of amendments to the standards effective as of 1 January 2023, and explained in the company's annual financial statements, but they have no significant impact on the company's interim condensed financial statements.

3. INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2023 (Unaudited)			
	Beginning Balance of Cost	Disposals During the Period	Unrealized (Losses) / Gains	Ending Balance
First: funds managed by the company				
Mulkia Private Equity Fund – Education Sector	1,110,145	-	(343,035)	767,110
Mulkia Private Equity Fund – Beverages Sector	5,783,224	-	(193,788)	5,589,436
Second: foreign investments				
Space x company	262,970	-	141,148	404,118
Total Investments	7,156,339	-	(395,675)	6,760,664

	31 December 2022 (Audited)			
	Beginning Balance of Cost	Disposals During the Year	Unrealized (Losses) / Gains	Ending Balance
First: funds managed by the company				
Mulkia Private Equity Fund – Education Sector	2,500,000	(1,389,855)	(502,810)	607,335
Mulkia Private Equity Fund – Beverages Sector	5,783,224	-	(547,770)	5,235,454
Second: foreign investments				
Space x company	262,970	-	141,148	404,118
Total Investments	8,546,194	(1,389,855)	(909,432)	6,246,907

4. RELATED-PARTY TRANSACTIONS AND BALANCES

Related parties are subsidiaries, the company's shareholders, key management personnel and entities controlled or jointly managed or significantly influenced by those other affiliates of the Company and funds managed by the company. Pricing policies and these transactions terms are approved by Company's management.

MULKIA INVESTMENT COMPANY

(Saudi Closed Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**For the six-month period ended 30 June 2023****(Amounts in SAR)****4. RELATED-PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

The details of related-party transactions and balances except for those disclosed elsewhere in the interim condensed financial statement:

Related Parties	Nature of Relationship	Nature of Transaction	Amount of Transaction	
			For the period ended 30 June 2023 (Unaudited)	For the period ended 30 June 2022 (Audited)
Investment funds	Funds managed by the company	Management fees	10,188,915	8,797,929
		Subscription fees	-	30,000
		Acquisition and reorganization fees	3,150,000	4,531,960
		Performance fees	3,261,941	345,044
		Service fees	509,785	542,270
		Insider trading fees	5,332,077	338,209
Dur Alkuttab Company Ltd.	Associate Company	Expenses paid on behalf	9,830	56,155
		Finance	1,622,640	-
Mulkia Investment Company Ltd	Subsidiary Company	Expenses paid on behalf	-	8,625
		Finance	68,900	-
Mubtakira Investment Company	Affiliate	Commissions payment	225,000	-
Shareholders	Private portfolios management	Performance fees	-	40,314
		Unit trading fees	110,349	-

The following are the compensations of senior management, senior executives, and members of the Board of Directors and its committees:

	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
Salaries and bonuses of senior management and senior executives	2,579,017	2,107,099
Rewards and allowances for attending the board of directors and committees	540,000	975,000
	3,119,017	3,082,099

Below is the statement of balances due from related parties:

	30 June 2023 (Unaudited)	31 December 2022 (Audited)
Investment funds managed by the Company	17,617,278	14,836,149
Due from associates and subsidiaries	1,636,712	5,250
	19,253,990	14,841,399

Below is the statement of balances due to related parties:

	30 June 2023 (Unaudited)	31 December 2022 (Audited)
Mulkia Investment Company Ltd	68,900	-
	68,900	-

MULKIA INVESTMENT COMPANY

(Saudi Closed Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**For the six-month period ended 30 June 2023****(Amounts in SAR)****5. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS**

These investments are as follows:

	As of 30 June 2023 (Unaudited)				
	Beginning Balance	Additions During the Year	Disposals During the Year	Unrealized Gains / (Losses)	Ending Balance
First: funds managed by the company					
Mulkia Private Equities Opportunities Fund	71,908	14,327,256	(3,852,340)	292,457	10,839,281
Mulkia IPO Fund 2	88,113	-	-	(36,892)	51,221
Mulkia Al Narges Real Estate Fund	15,999,110	-	(14,914,269)	(733,614)	351,227
Mulkia – Alajlan Riviera Fund	2,735,082	-	(775,983)	(257,647)	1,701,452
Mulkia – Gulf Real Estates REIT Fund	1,208,414	29,784,327	(5,872,983)	860,810	25,980,568
Second: local direct investment	353,082	1,495,536	(768,037)	161	1,080,742
Third: foreign investment					
Listed	5,470,494	-	(521,062)	372,184	5,321,616
Unlisted	3,561,896	-	-	-	3,561,896
Fourth: funds not managed by the company	2,297,826	228,727	(297,826)	536,408	2,765,135
Fifth: Investments in subsidiary					
Mulkia Investment Company Ltd	50,000	-	-	-	50,000
Sixthly: Investments in companies					
Dur Alkuttub Company Ltd	2,500,000	-	-	-	2,500,000
Total Investments	34,335,925	45,835,846	(27,002,500)	1,033,867	54,203,138

As of 30 June 2023, the company had a 100% ownership interest in the subsidiary with the main purpose of providing services related to the company's investment activities. However, management believes that if the financial statements are consolidated with the subsidiary's, the impact on the financial statements individually or collectively will not be material. As a result, subsidiary hasn't been consolidated in these financial statements.

MULKIA INVESTMENT COMPANY

(Saudi Closed Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**For the six-month period ended 30 June 2023****(Amounts in SAR)****5. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)**

	As of 31 December 2022 (Audited)				
	Beginning Balance	Additions During the Year	Disposals During the Year	Unrealized Gains / (Losses)	Ending Balance
First: funds managed by the company					
Mulkia Private IPO Fund	1,234,162	-	(1,234,162)	-	-
Mulkia Private Equities Opportunities Fund	4,302,533	8,877,000	(13,088,776)	(18,849)	71,908
Mulkia IPO Fund 2	332,706	1,210,000	(1,441,824)	(12,769)	88,113
Mulkia Al Narges Real Estate Fund	9,635,986	3,600,000	-	2,763,124	15,999,110
Mulkia – Alajlan Riviera Fund	2,051,703	-	-	683,379	2,735,082
Mulkia – Gulf Real Estates REIT Fund	20,192,500	1,819,699	(20,621,564)	(182,221)	1,208,414
Second: local direct investment	4,313,390	3,120,885	(7,025,192)	(56,001)	353,082
Third: foreign investment					-
Listed	6,664,312	6,902,241	(6,664,311)	(1,431,748)	5,470,494
Unlisted	1,122,846	2,439,050	-	-	3,561,896
Fourth: funds not managed by the company	-	2,499,160	(199,684)	(1,650)	2,297,826
Fifth: Investments in subsidiary					
Mulkia Investment Company Ltd	79,748	-	-	(29,748)	50,000
Sixthly: Investments in companies					
Dur Alkuttub Company Ltd	3,675,000	-	(1,175,000)	-	2,500,000
Total Investments	53,604,886	30,468,035	(51,450,513)	1,713,517	34,335,925

Investments have been classified at fair value through profit or loss as follows:

	30 June 2023 (Unaudited)	31 December 2022 (Audited)
Non-current portion	2,550,000	2,550,000
Current portion	51,653,138	31,785,925
	54,203,138	34,335,925

MULKIA INVESTMENT COMPANY

(Saudi Closed Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**For the six-month period ended 30 June 2023****(Amounts in SAR)****6. SHARE CAPITAL**

The company's authorized and paid up share capital is SAR 65 million, divided into 6.5 million shares of SAR 10 each. as of 30 June 2023 and 31 December 2022.

7. INCOME FROM MANAGEMENT FEES AND INVESTMENT SERVICES

	For the period ended 30 June 2023	For the period ended 30 June 2022
Income from asset management services	18,670,991	15,562,780
Fees for services provided to funds	509,785	542,270
Funds and private portfolios performance fees	3,261,941	385,357
	22,442,717	16,490,407
Timing of Revenue Recognition:		
Time-proportional	10,188,915	8,797,929
At point in time	12,253,802	7,692,478
	22,442,717	16,490,407

8. OTHER GENERAL AND ADMINISTRATIVE EXPENSES

	For the period ended 30 June 2023	For the period ended 30 June 2022
Allowances and remunerations to BOD members and related annual committees	540,000	975,000
Commissions	243,155	26,574
Operating expenses	260,958	281,228
Professional and advisory services	180,148	131,508
Insurance	229,786	167,134
General benefits	16,390	36,342
Amortization of intangible assets	22,064	32,034
Repairs and maintenance expenses	19,190	8,253
Other expenses	363,002	394,252
	1,874,693	2,052,325

9. EARNINGS PER SHARE

Earnings per share out of net income for the period and earnings per share from main operations are calculated by dividing net income for the period and net income from main operations by weighted average number of shares outstanding as at end of the period, amounting to 6,500,000 shares (30 June 2022: 6,500,000 shares).

MULKIA INVESTMENT COMPANY

(Saudi Closed Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**For the six-month period ended 30 June 2023****(Amounts in SAR)****10. SEGMENT REPORTS**

The company consists of the following main business segments:

a) Investment

Investment Segment manages the ownership of company's investments.

b) Asset Management

Asset Management Segment manages assets of the investment portfolios of company's clients, as well as managing assets of investment and real estate funds managed by the company.

c) Others

It represents remaining company's segment and includes other services provided by the company such as advisory, arranging, underwriting and custody services.

Below is the statement of segment information as of 30 June 2023, 2022:

	Investment SAR	Asset Management SAR	Others SAR	Total SAR
<u>As of 30 June 2023</u>				
Total operating income	1,146,000	22,442,717	-	23,588,717
Total operating expenses	(2,243,505)	(6,869,692)	-	(9,113,197)
Net operating income	(1,097,505)	15,573,025	-	14,475,520
Total assets	70,072,258	24,995,675	512,979	95,580,912
Total liabilities	4,093,277	9,462,099	670,729	14,226,105
	Investment SAR	Asset Management SAR	Others SAR	Total SAR
<u>As of 30 June 2022</u>				
Total operating income	1,932,179	16,490,408	-	18,422,587
Total operating expenses	(1,915,988)	(6,084,082)	-	(8,000,070)
Net operating income	16,191	10,406,326	-	10,422,517
<u>As of 31 December 2022</u>				
Total assets	61,856,459	20,022,302	369,400	82,248,161
Total liabilities	4,235,810	9,966,694	705,969	14,908,473

MULKIA INVESTMENT COMPANY

(Saudi Closed Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**For the six-month period ended 30 June 2023****(Amounts in SAR)****10. SEGMENT REPORTS (CONTINUED)**

Below is the presentation of the geographic concentration of segment assets disclosures based on the location of the assets held:

	KSA SAR	USA SAR	Europe SAR	Total SAR
As of 30 June 2023				
Property and equipment, net	4,728,961	-	-	4,728,961
Intangible assets, net	130,571	-	-	130,571
Right-of-use assets, net	1,268,926	-	-	1,268,926
Investments at fair value through other comprehensive income	6,356,546	404,118	-	6,760,664
Investments at fair value through profit or loss	45,319,626	3,561,896	5,321,616	54,203,138
Due from related parties	19,253,990	-	-	19,253,990
Prepayments and other receivables	3,790,752	-	-	3,790,752
Cash and cash equivalents	5,443,910	-	-	5,443,910
Total Assets	86,293,282	3,966,014	5,321,616	95,580,912
	KSA SAR	USA SAR	Europe SAR	Total SAR
As of 31 December 2022				
Property and equipment, net	4,921,826	-	-	4,921,826
Intangible assets, net	96,252	-	-	96,252
Right-of-use assets, net	1,540,838	-	-	1,540,838
Investments at fair value through other comprehensive income	5,842,789	404,118	-	6,246,907
Investments at fair value through profit or loss	25,303,535	3,561,896	5,470,494	34,335,925
Due from related parties	14,841,399	-	-	14,841,399
Prepayments and other receivables	1,259,614	-	-	1,259,614
Cash and cash equivalents	19,005,400	-	-	19,005,400
Total Assets	72,811,653	3,966,014	5,470,494	82,248,161

*Geographical concentration of revenues, operating expenses and liabilities within the Kingdom of Saudi Arabia.

11. ASSETS HELD UNDER FIDUCIARY CAPACITY

The company holds assets on behalf of its clients by managing private portfolios and funds (managed by the company). As the company acts as a custodian of these assets, these assets were not included in the interim condensed statement of financial position as of 30 June 2023, and the company holds assets under management amounting to SAR 4,383 million on behalf of and for the benefit of its clients (31 December 2022: SAR 5,887 million).

MULKIA INVESTMENT COMPANY

(Saudi Closed Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

For the six-month period ended 30 June 2023

(Amounts in SAR)

12. SIGNIFICANT EVENTS

On 6 June 2023, It was approved by Tadawul to list the company's securities submitted by Al-Jazira capital, provided that the approval is conditional on the issuer obtaining CMA approval on the relevant registration and offerings in accordance with the relevant regulations and rules and meeting liquidity requirements.

CMA board has raised its resolution dated 03/12/1444H corresponding to 21/06/2023, approving the company's application to register its shares and offer (1,300,000) shares representing (20%) of its shares in the parallel market. The offerings will be limited to the categories of qualified investors stipulated in the glossary of terms used in the regulations and rules of CMA, and the prospectus will be published well in advance of the start date.

13. SUBSEQUENT EVENTS

Management believes that no significant subsequent events after 30 June 2023 until approval date of the interim condensed financial statements may have a material impact on the interim condensed financial statements as of 30 June 2023.

14. COMPARATIVE FIGURES

Certain of the comparative period figures have been reclassified to conform with the current classification in the financial statements.

15. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements have been approved by the Board of Directors on 19 Muharram 1445H (6 August 2023).