Agenda of "Arabian Centres Company" AGM

1- Voting on the Board of Directors report for the financial year ended 31/03/2019.

2- Voting on the auditor's report for the financial year ended 31/03/2019.

3- Voting on the consolidated financial statements for the financial year ended on 31/03/2019.

4- 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 31/03/2020. In addition, the first quarter of financial year ended 31/03/2021, and determine their fees.

5- Voting on discharging the Board of Directors members from their liabilities related to the management of the company during the financial year ended 31/03/2019.

6- Voting on the payment of a remuneration for the Board of Directors members amounting to SAR 1,800,000 for the financial year ended 31/03/2019.

7- Voting on delegating the Board of Directors to distribute interim dividend, either semi-annually or quarterly, for the upcoming financial year ending 31/03/2020. In addition, setting the due and payment date according the Regulatory Rules and Procedures issued pursuant to the Companies Law relating to Listed Joint Stock Companies, and in line with the company's financial position, cash flows, expansion and investment plans.

8- Voting on the Board of Directors' decision of appointing Mr. Omar Almohammady as a member of the Board of Directors (Non-Executive) in the vacant seat from 24/05/2019 until the end of the current BoD term on 18/06/2022. (CV attached).

9- Voting on the Board of Directors' decision of appointing Mr. Omar Al-Farsi as a member of the Board of Directors (Independent member) in the vacant seat from 24/05/2019 until the end of the current BoD term on 18/06/2022. (CV attached).

10- Voting on the business contracts that would occur between the Company and Fawaz Abdulaziz Alhokair and Company, where Mr. Fawaz Alhokair (Non-Executive), Eng. Salman Alhokair (Executive) and Mr. Omar Almohammady (Non-Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. Noting that the value of transactions during the financial year ended 31/03/2019 amounted to SAR 368,110,849. It is also worth mentioning that those transactions are conducted on a commercial basis without preferential terms. (attached)

11- Voting on the business contracts that would occur between the Company and Food & Entertainment Company & its Subsidiaries, where Mr. Fawaz Alhokair (Non-Executive), Eng. Salman Alhokair (Executive) and Mr. Omar Almohammady (Non-Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. Noting that the value of transactions during the financial year ended 31/03/2019 amounted to SAR 35,970,658. It is also worth mentioning that those transactions are conducted on a commercial basis without preferential terms. (attached)

12- Voting on the business contracts that would occur between the Company and Abdulmohsen Alhokair for Tourism & Development Group, where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. Noting that the value of transactions during the financial year ended 31/03/2019 amounted to SAR 24,994,158. It is also worth mentioning that those transactions are conducted on a commercial basis without preferential terms. (attached)

13- Voting on the business contracts that would occur between the Company and Billy Games Company (Billy Beez), where Mr. Fawaz Alhokair (Non-Executive), Eng. Salman Alhokair (Executive) and Mr. Omar Almohammady (Non-Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. Noting that the value of transactions during the financial year ended 31/03/2019 amounted to SAR 17,222,245. It is also worth mentioning that those transactions are conducted on a commercial basis without preferential terms. (attached)

14- Voting on the business contract that would occur between the Company and Kids Space Company, where Mr. Fawaz Alhokair (Non-Executive), Eng. Salman Alhokair (Executive) and Mr. Omar Almohammady (Non-Executive) have an indirect interest in them, which is a lease contract for a rental space in Mall of Arabs in Jeddah city. Noting that the value of transactions during the financial year ended 31/03/2019 amounted to SAR 3,237,826. It is also worth mentioning that those transactions are conducted on a commercial basis without preferential terms. (attached)

15- Voting on the business contracts that would occur between the Company and Next Generation Company Limited, where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. Noting that the value of transactions during the financial year ended 31/03/2019 amounted to SAR 2,121,140. It is also worth mentioning that those transactions are conducted on a commercial basis without preferential terms. (attached)

16- Voting on the business contracts that would occur between the Company and Coffee Centers Trading Company, where Mr. Fawaz Alhokair (Non-Executive), Eng. Salman Alhokair (Executive) and Mr. Omar Almohammady (Non-Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. Noting that the value of transactions during the financial year ended 31/03/2019 amounted to SAR 1,280,077. It is also worth mentioning that those transactions are conducted on a commercial basis without preferential terms. (attached)

17- Voting on the business contracts that would occur between the Company and Fawaz Alhokair and Partners Real Estate Company, where Mr. Fawaz Alhokair (Non-Executive), Eng. Salman Alhokair (Executive) and Mr. Omar Almohammady (Non-Executive) have an indirect interest in them, which are construction & development contracts of commercial centers of the company in various cities of the Kingdom. Noting that the value of transactions during the financial year ended 31/03/2019 amounted to SAR 430,764,063. It is also worth mentioning that those transactions are conducted on a commercial basis without preferential terms. (attached)

18- Voting on the business contracts that would occur between the Company and Tadarees Najd Security Establishment, where Eng. Salman Alhokair (Executive) has direct interest in them, which are security services contracts for all the commercial centers of the company. Noting that the value of transactions during the financial year ended 31/03/2019 amounted to SAR 53,887,226. It is also worth mentioning that those transactions are conducted on a commercial basis without preferential terms. (attached)

19- Voting on the business contracts that would occur between the Company and Azal Company, where Mr. Fawaz Alhokair (Non-Executive), Eng. Salman Alhokair (Executive) and Mr. Omar Almohammady (Non-Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. Noting that the value of transactions during the financial year ended 31/03/2019 amounted to SAR 8,322,728. It is also worth mentioning that those transactions are conducted on a commercial basis without preferential terms. (attached)

20- Voting on the business contracts that would occur between the Company and Salman Alhokair Engeneering Cunsulting office (ECHO), where Eng. Salman Alhokair (Executive) has a Direct interest in them, which are designing services contracts for the commercial centers of the company in various cities of the Kingdom. Noting that there were no dealings occurred during the financial year ended 31/03/2019. (attached)

21- Voting on the business contracts that would occur between the Company and Mahara Creative Games Company (Skill Innovative), where Mr. Fawaz Alhokair (Non-Executive), Eng. Salman Alhokair (Executive) and Mr. Omar Almohammady (Non-Executive) have an indirect interest in them, which are lease contracts for rental spaces in Al-Yasmeen Mall in Jeddah city. Noting that the value of transactions during the financial year ended 31/03/2019 amounted to SAR 2,167,836. It is also worth mentioning that those transactions are conducted on a commercial basis without preferential terms. (attached)

22- Voting on the business contracts that would occur between the Company and NESK Trading Project Company, where Mr. Fawaz Alhokair (Non-Executive), Eng. Salman Alhokair (Executive) and Mr. Omar Almohammady (Non-Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. Noting that the value of

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transactions during the financial year ended 31/03/2019 amounted to SAR 67,076,787. It is also worth mentioning that those transactions are conducted on a commercial basis without preferential terms. (attached)

23- Voting on the business contracts that would occur between the Company and Food Gate Company, where Mr. Fawaz Alhokair (Non-Executive), Eng. Salman Alhokair (Executive) and Mr. Omar Almohammady (Non-Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. Noting that the value of transactions during the financial year ended 31/03/2019 amounted to SAR 14,727,580. It is also worth mentioning that those transactions are conducted on a commercial basis without preferential terms. (attached)

24- Voting on the business contracts that would occur between the Company and Etqan Facility Management Company, where Mr. Fawaz Alhokair (Non-Executive), Eng. Salman Alhokair (Executive) and Mr. Omar Almohammady (Non-Executive) have an indirect interest in them, which are facility management services contracts all the commercial centers of the company. Noting that the value of transactions during the financial year ended 31/03/2019 amounted to SAR 42,255,699. It is also worth mentioning that those transactions are conducted on a commercial basis without preferential terms. (attached)

25- Voting on delegating the AGM authority to approve related parties transactions to the Board of Directors for amount below of SAR 10 million, 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.

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Audit Committee Report
For the Financial Year 2018-2019
(From April 1st 2018 to March 31st 2019)

The Audit Committee Report provides insights into the manner in which the Audit Committee has discharged its function's duties for Arabian Centres (ACC) during the Financial Year 2018-2019 (April 1st 2018 to March 31st 2019) and also a summary of its various activities.

Introduction

The audit committee was formed on 14/November/2017 by a Board of Directors resolution which was later approved by the General Assembly on 06/December/2017.

The Audit Committee comprises three members. None of the members is an Executive Director with the majority being independent.

The Audit Committee comprises the following:-

1. Mr Bernard Higgins (Chairman of the Audit Committee) (Independent and Non-Executive)
2. Mr Fahad AlKhorayef (Independent and Non-Executive)
3. Mr Nadim Shabsogh (Non-Independent and Non-Executive)

The Company is currently in compliance with Article 54 of CMA Corporate Governance Regulations, which require the Audit Committee to have at least one independent director and that no executive director is among its members. The Audit Committee believes that its current composition is sufficient to exercise their judgment in an informed and impartial manner to fulfil the Committee's mandate responsibilities, especially in overseeing the areas of financial reporting, related party transactions and conflicts of interest, internal control environment, internal audit and external audit processes.

We report that we have adopted appropriate formal terms of reference in our charter in line with the requirements of Articles 54 to 59 of CMA Corporate Governance Regulations and Section 9 of ACC Corporate Governance Manual. The

audit committee charter was also approved by the General Assembly on 6/December/2017. The audit committee should meet at least four times per annum as per its approved terms of reference.
We further report that we have conducted our affairs in compliance with this charter.

COMMITTEE MEETINGS

The Audit Committee held four (4) meetings during FY 2018-2019. The details of attendance of the Audit Committee members are as follows:

	April 25 2018	September 16 2018	January 27 2019	March 10 2019
Mr Bernard Higgins (Chairman)	Present	Present	Present	Present
Mr Fahad Al Khorayef	Absent	Present	Present	Present
Mr Nadim Shabsogh	Present	Present	Present	Present

The Chief Executive Officer ("CEO") was invited to the Audit Committee meetings of January 2019 and March 2019 (Since he joined the company in January 2019). The Chief Financial Officer ("CFO") was invited to all Audit Committee meetings to facilitate direct communication in relation to the financial results.

The Internal Audit Director is the Audit Committee Secretary and is responsible for distributing the notice of the meetings to the Committee members prior to each meeting and recording the proceedings of the meetings. He attended all the Audit Committee meetings.

The Audit Committee held a conference call with the external auditors on 19/May/2019 without the presence of the Management. At this meeting, the Audit Committee enquired about the financial statements audit process, management's co-operation with the external auditors, their sharing of information and whether there were any unresolved issues. The Audit Committee Chairman also invited the External Auditors to contact him at any time that they became aware of incidents or matters in the course of their audits or reviews that needed his attention or that

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of the Audit Committee or Board. No such contacts were made during FY 2018-2019.

Minutes of each Audit Committee meetings were recorded and tabled for confirmation at the following Audit Committee meeting and subsequently presented to the Board for notation.

SUMMARY OF AUDIT COMMITTEE ACTIVITIES- FINANCIAL YEAR ENDED 31 MARCH 2019

The Audit Committee reports regularly to the Board on its activities, deliberations and recommendations in discharging its duties and responsibilities as set out in its Terms of Reference. The Audit Committee Chairman, who is also a member of the Board of Directors, regularly updates the Board on Audit Committee activities during each board meeting.

The main activities undertaken by the Committee during the year are as below:

Regarding Financial Reporting:

a. Reviewed the audited financial statements of the Company for FYE March 31 2019 together with the External Auditors and CFO to ensure compliance of the financial statements with the provisions of the applicable financial reporting standards (IFRS as endorsed in KSA) prior to recommending the same to the Board for approval.

b. Reviewed the quarterly unaudited financial results of the Company for FY 2018-2019 together with the CFO, focusing particularly on significant changes to accounting policies and practices, significant or unusual events, compliance with accounting standards and other legal requirements prior to recommending the same to the Board of Directors for approval.

c. Reviewed the Financial Statements for the year ended March 31st 2019 and discussed it with the external auditors to ensure that there are no unresolved issues. We are satisfied with the external auditors' report attached to the F/S and we recommend that the audited Financial Statements for the financial year ended March 31 2019 be approved by the board.

Regarding External Audit:

a. Reviewed the performance and assessed the suitability of the External Auditor independence in fulfilling their responsibilities; quality of processes and performance during the audit; and their communications with Audit Committee.

b. Reviewed and discussed with the External Auditor the audit process, audit results and audit reports related to the financial statements.

c. Discussed with External Auditor management's co-operation during audit process, as well as necessary corrective actions that should be taken by management.

d. Recommended to the Board on the appointment of External Auditor and their remuneration for FY 2019-2020.

Regarding Risk Management and Internal Control:

a. Reviewed the progress of the establishment of a Risk Management Function at ACC and the recruitment of a Risk Manager.

b. Reviewed the major risks facing ACC and discussed those risks and their mitigation plans with the CEO and CFO to ensure significant internal controls are promptly implemented to mitigate the risks identified.

c. Evaluated the overall adequacy and effectiveness of the system of internal controls during the financial year through a review of the results of work performed by Internal Auditors and External Auditors.

d. From the various reports of the internal and external auditors, the outcome of the review of the system of internal controls showed reasonable improvements over the year and under the committee's supervision, the company will continue its periodic assessment and reviews of the internal control system to ensure the achievement of the set objectives and to improve the efficiency and effectiveness of operations and compliance with applicable laws and regulations.

Regarding Internal Audit:

a. Reviewed the adequacy of resources and reporting structure of the Internal Audit Department (IAD) to execute the audit plan effectively and independently.

b. Approved the annual internal audit plan for the financial year.

c. We have met with the Internal Audit Director during the year to ensure that his functions are executed effectively and objectively and independently from management.

d. Reviewed internal audit findings arising from the work carried out by the IAD and other outsourced service providers for special engagements. The Audit Committee also sought management's commitment for corrective actions as recommended in internal audit reports.

e. Reviewed the status of audit findings and recommendations to ensure appropriate remedial actions and measures were taken by the Management

f. We are satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the entity in its audits. The Internal Audit was performing its work in accordance with their annual plan 2018/2019 as approved by the Audit Committee.

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INTERNAL AUDIT FUNCTION

The Company has established an internal audit function as a key component of its internal control appraisal process. The Director of Internal Audit reports independently to the Audit Committee and is guided by a formalized Internal Audit Charter and The Institute of Internal Auditor's International Professional Practice Framework.

The main responsibility of the Internal Audit ("IA") function is to undertake independent assessments on the adequacy and effectiveness of internal controls pertaining to key areas as below:

- Reliability and integrity of financial and operational information;
- Effectiveness and efficiency of operations;
- Safeguarding of assets; and
- Compliance with applicable laws, and regulations

In attaining this, the IA adopts a risk-based approach towards undertaking Internal Audit reviews for the Company based on an annual internal audit plan approved by the Audit Committee. The IA has also incorporated a structured internal audit rating methodology that assigns an overall rating for audit reports by using a scoring system. The said system provides the Management and the Audit Committee a consistent and concise tool to assess the risks posed by the area or function being reviewed.

The major activities undertaken by the internal audit function were as follows:

- Developed an annual internal audit plan.
- Performed various audit missions in accordance with the plan
- Reviewed the adequacy and effectiveness of internal controls pertaining to key business processes.
- Undertake follow up audits on the implementation of action plans committed by Management to ensure all previous audit findings highlighted are adequately addressed.

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- Upgraded the audit management software to the most recent version (TeamMate Plus) enabling the IA to improve their audit process automation and work more efficiently.
- Identified areas of opportunities to improve operations and process.
- Assisted the Audit Committee in discharging its duties.
- Assisted in establishing a risk management function and recruiting a risk manager.
- Continuous monitoring of the company compliance with the governmental and CMA rules and regulations.

During the FY 2018-2019, the IA conducted independent reviews on internal control and compliance for the following areas as per the Internal Audit Plan approved by Audit Committee:

- Human Resources
- Accounts Receivable & Collection
- Revenue
- Procurement
- Site visits of malls
- Mall Business Planning
- Mall Management
- Treasury
- Leasing
- IT Governance
- IT Applications
- Disaster Recovery/Crisis Management
- Follow up on Previous recommendations

The results of all internal audit reviews together with recommendations were presented to the management for discussion and agreement was reached on necessary corrective action plans. At each Audit Committee meeting, the Director of Internal Audit updates the Audit Committee of the status of ongoing audits and where appropriate, presents internal audit reports and observations. Relevant Management personnel are invited to be present during such presentations. Periodic follow up on recommendations are also performed by the IA to ensuring

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corrective actions arising from the previous internal audit findings had been implemented accordingly.

The Committee has allocated a reasonable budget to enable the IA team to attend briefings, conferences and seminars organized by relevant professional bodies in order for the IA team to stay abreast with the latest developments in auditing standards globally.

With best Regards,

Audit Committee Chairperson
Arabian Centres Company

Bernard Higgins

Attachment of Item no. (8): CV of Mr. Omar Almohammady

A- The Candidate Personal Information

Full Name	Omar Abdulaziz Mohammed Almohammady		
Nationality	Saudi	**Date of Birth**	25-Nov-1978

B- Qualifications

#	Certificate/Degree	Major	Date	College / Institution
1	Bachelor's Degree	Chemical Engineering	2002	Vanderbilt University

C- Experience

Period	Experience
2019 - present	Chief Executive Officer – FAS Holding Group
2016 - 2019	Chief Executive Officer – Batic Investments and Logistics Co.
2012 - 2015	Chief Executive Officer – Goldman Sachs KSA
2009 - 2012	Head of KSA Investment Banking – Barclays Capital
2007 - 2009	Managing Director of Private Stocks and Direct Investments - Merchant Bridge Dubai
2005 - 2007	Banking investments services team - Goldman Sachs Dubai

D- Any other Board or Committees Memberships (for Listed and Non- Listed Companies)

#	Company	Activity	Executive, Non-Executive, Independent	Personal / On Behalf of a Company	Committees Membership	Company Legal Form
1	Batic Investments and Logistics Co.	Transport	Non-Executive	Personal	Executive Committee and Investments	Listed
2	Citibank	Banking	Non-Executive, Independent	Personal	Auditing Committee	Non-Listed
3	Fawaz Alhokair & Co.	Retail	Non-Executive	Personal	Auditing Committee	Listed

P.O. Box 341904 Riyadh 12394 ص.ب ٣٤١٩٠٤ الرياض ١٢٣٩٤
Kingdom of Saudi Arabia المملكة العربية السعودية
+966 11 825 2222 +٩٦٦ ١١ ٨٢٥ ٢٢٢٢
+966 11 825 2323 +٩٦٦ ١١ ٨٢٥ ٢٣٢٣
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Attachment of Item no. (9): CV of Mr. Omar Al-Farisi

A- The Candidate's Personal Information			
Full Name	Omar Hadir Nasrat Al-Farisi		
Nationality	USA	**Date of Birth**	29/12/1969

B- Educational Qualifications				
#	**Certificate/Degree**	**Major**	**Date**	**College / Institution**
1	Bachelor of Arts	Economics	1991	University of Notre Dame, USA
2	Juris Doctorate	Law	1994	Columbia University, New York, USA

C- Work Experience	
Period	**Experience**
1994 – 2019	Financial advisory and legal services

D- Any other Current Board or Committees Memberships (for Listed and Non- Listed Companies)						
#	Company	Activity	Executive, Non-Executive, Independent	Personal / On Behalf of a Company	Committees Membership	The Company Legal Form
None						

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Attachment to Items from (10) to (24): Auditors Report & Chairman's Declaration of Business Dealings that BoD members have direct & indirect interest in

KPMG Al Fozan & Partners
Certified Public Accountants
KPMG Tower
Salahudeen Al Ayoubi Road
P. O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia

Telephone +966 11 874 8500
Fax +966 11 874 8600
Internet www.kpmg.com/sa

Licence No. 46/11/323 issued 11/3/1992

Independent Limited Assurance Report

To the Shareholders of Arabian Centres Company

Upon request of the management of **Arabian Centres Company** ("the Company") and its subsidiaries ("the Group"). we have carried out a limited assurance engagement in order to state whether anything has come to our attention that causes us to believe that the subject matter detailed below ("Subject Matter"), has not been prepared, in all material respects, in accordance with the applicable criteria ("Applicable Criteria") below.

Subject Matter

The Subject Matter for our limited assurance engagement is related to the Chairman's declaration enclosed in the attached Appendix 1 (the "Declaration") prepared by the Management in accordance with the requirements of Article 71 of the Regulations for Companies and presented by the Chairman of **Arabian Centres Company** ("the Company") and its subsidiaries ("the Group), which comprises the transactions carried out by the Group during the year ended 31 March 2019 in which any of the members of Board of Directors of the Group had direct or indirect personal interest.

Applicable Criteria

We have used the following as the Applicable Criteria:

1. Article 71 of the Saudi Arabian Regulations for Companies issued by MOCI (1437H -2015).

Management Responsibility

The Management and the Chairman of the Group are responsible for the preparation and appropriate presentation of the Subject Matter in accordance with the Applicable Criteria. Further, the Group's management is responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate criteria; maintaining adequate records and making estimates that are reasonable in the circumstances.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Subject Matter based on our limited assurance engagement conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" endorsed in the Kingdom of Saudi Arabia and the terms and conditions for this engagement as agreed with the Group's management.

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion, and, as such, do not provide all of the evidence that would be required to provide a reasonable level of assurance. The procedures performed depend on the assurance practitioner's judgment including the risk of material misstatement of the Subject Matter, whether due to fraud or error. While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

Independent Limited Assurance Report

To the Shareholders of Arabian Centres Company (continued)

Independence and quality controls

We are independent of the Group in accordance with professional code of conduct and ethics that are endorsed in the Kingdom of Saudi Arabia that are relevant to our assurance engagement and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of Procedures

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

As part of this engagement, we have not performed any procedures by way of audit, review or verification of the Subject matter, nor of the underlying records or other sources from which the Subject matter was extracted. Accordingly, we do not express such an opinion

Our procedures included, but are not limited to:

- Obtaining the BOD chairman's list that includes all kind of business and contracts by any of the BOD members of the Group either directly or indirectly in the favor of the (Group) during the year; (Appendix 1);
- Reviewing of the BOD's minutes of meetings that indicate member notification to the BOD on the business and contracts performed by the BOD member; and further that the concerned Board Member did not vote on the resolution issued in this regard at the meetings of the BOD and shareholders assembly;
- Obtaining the required approvals on the transactions included in the Chairman's declaration (Appendix 1);
- Obtaining confirmation from the concerned BOD member on the business and contracts performed by the member during the year; and
- Ensuring the total transactions includes revenue recorded and other transactions included in the list prepared by the BOD chairman agrees to the total transactions amounts included in the note 9 to the audited financial statements.

Limited Assurance Conclusion

Based on our limited assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter has not been prepared in all material respects, in accordance with the Applicable Criteria.

Independent Limited Assurance Report

To the Shareholders of Arabian Centres Company (continued)

Restriction of Use of Our report

Our report is prepared upon the request of the Group's management to be presented to the shareholders in their ordinary General Assembly Meeting in accordance with the requirements of Article (71) of the Saudi Arabian Regulations for Companies and should not be used for any other purpose.

For KPMG Al Fozan & Partners
Certified Public Accountants

Hani Hamzah A. Bedairi
License No: 460

Al Riyadh, 6 Dhul Hijjah 1440H
Corresponding to: 7 August 2019

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Arabian Centres

Date: 05/12/1440H
Gregorian: 06/08/2019G

Respected Messrs. /General Assembly of Arabian Centres Company

Subject: Chairman of the Board of Directors declaration regarding related party transactions where members of the Board of Directors have direct or indirect interest in contracts and agreements with a brief description of these transactions

Chairman's declaration

Introduction

During year ended 31 March 2019, the Group carried out transactions with related parties in the ordinary course of business. Transactions are entered into with the related parties on terms and conditions approved by either the Group's management or its Board of Directors.

With reference to the above, we hereby declare to the General Assembly, **contracts and agreements** where members of the Board of Directors have a direct or indirect interest are as follows:

Related party name and description	Nature of transaction	Revenue recorded	Amount Billed
1. Business contracts that occurred between the Company and **Fawaz Abdulaziz Alhokair and Company** & its Subsidiaries (except Nesk Trading Project Company which included below), where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. It is also worth mentioning that those transactions are conducted on a commercial basis.	Rental revenue	363,827,891	368,110,849

P.O.Box 341904 Riyadh 12394 ص.ب ٣٤١٩٠٤ الرياض ١٢٣٩٤
Kingdom of Saudi Arabia المملكة العربية السعودية
+966 11 825 2222 +٩٦٦ ١١ ٨٢٥ ٢٢٢٢
+966 11 825 2323 +٩٦٦ ١١ ٨٢٥ ٢٣٢٣
C.R. 1010209177 س.ت ١٠١٠٢٠٩١٧٧

Related party name and description	Nature of transaction	Revenue recorded	Amount Billed
2. Business contracts that occurred between the Company and **Food & Entertainment Company & its Subsidiaries**, where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. It is also worth mentioning that those transactions are conducted on a commercial basis.	Rental revenue	21,950,327	35,970,658
3. Business contracts that occurred between the Company and **Abdulmohsen Alhokair for Tourism & Development Group**, where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. It is also worth mentioning that those transactions are conducted on a commercial basis.	Rental revenue	39,631,043	24,994,158
4. Business contracts that occurred between the Company and **Billy Games Company (Billy Beez)**, where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. It is also worth mentioning that those transactions are conducted on a commercial basis.	Rental revenue	15,359,876	17,222,245

Related party name and description	Nature of transaction	Revenue recorded	Amount Billed
5. Business contracts that occurred between the Company and **Kids Space Company**, where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them, which is a lease contract for a rental space in Mall of Arabs in Jeddah city. It is also worth mentioning that those transactions are conducted on a commercial basis.	Rental revenue	2,463,778	3,237,826
6. Business contracts that occurred between the Company and **Next Generation Company Limited**, where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. It is also worth mentioning that those transactions are conducted on a commercial basis.	Rental revenue	4,866,756	2,121,140
7. Business contracts that occurred between the Company and **Coffee Centers Trading Company**, where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. It is also worth mentioning that those transactions are conducted on a commercial basis.	Rental revenue	1,205,912	1,280,077

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Related party name and description	Nature of transaction	Revenue recorded	Amount Billed
8. Business contracts that occurred between the Company and **Fawaz Alhokair and Partners Real Estate Company**, where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them, which are construction & development contracts of commercial centers of the company in various cities of the Kingdom. It is also worth mentioning that those transactions are conducted on a commercial basis.	Construction & development	Nil	430,764,063
9. Business contracts that occurred between the Company and **Tadarees Najd Security Establishment**, where Eng. Salman Alhokair (Executive) has direct interest in them, which are security services contracts for all the commercial centers of the company. It is also worth mentioning that those transactions are conducted on a commercial basis.	Security services	Nil	53,887,226
10. Business contracts that occurred between the Company and **Azal Company**, where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. It is also worth mentioning that those transactions are conducted on a commercial basis.	Rental revenue	4,357,355	8,322,728
11. Business contracts that occurred between the Company and **Salman Alhokair Engineering Consulting office (ECHO)**, where Eng. Salman Alhokair (Executive) has an Direct interest in them, which are designing services contracts for the commercial centers of the company in various cities of the Kingdom.	Designing services	Nil	Nil

P.O. Box 341904 Riyadh 12394 ص.ب ٣٤١٩٠٤ الرياض ١٢٣٩٤
Kingdom of Saudi Arabia المملكة العربية السعودية
+966 11 825 2222 +٩٦٦ ١١ ٨٢٥ ٢٢٢٢
+966 11 825 2323 +٩٦٦ ١١ ٨٢٥ ٢٣٢٣
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Related party name and description	Nature of transaction	Revenue recorded	Amount Billed
12. Business contracts that occurred between the Company and **Mahara Creative Games Company (Skill Innovative)**, where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them, which are lease contracts for rental spaces in Al-Yasmeen Mall in Jeddah city. It is also worth mentioning that those transactions are conducted on a commercial basis.	Rental revenue	2,279,995	2,167,836
13. Business contracts that occurred between the Company and **NESK Trading Project Company**, where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. It is also worth mentioning that those transactions are conducted on a commercial basis.	Rental revenue	82,212,231	67,076,787
14. Business contracts that occurred between the Company and **Food Gate Company**, where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them, which are lease contracts for rental spaces in several commercial centers of the company in various cities of the Kingdom. It is also worth mentioning that those transactions are conducted on a commercial basis.	Rental revenue	12,811,187	14,727,580

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Related party name and description	Nature of transaction	Revenue recorded	Amount Billed
15. Business contracts that occurred between the Company and **Etqan Facility Management Company**, where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them, which are facility management services contracts all the commercial centers of the company. It is also worth mentioning that those transactions are conducted on a commercial basis without preferential terms.	Facility management services	Nil	42,255,699

Other Transactions

In addition to the above, below transactions took place with related parties where Mr. Fawaz Alhokair (Non-Executive) and Eng. Salman Alhokair (Executive) have an indirect interest in them and which are disclosed in the financial statements as follows:

Related party	Nature of transaction	Amount of transaction
Saudi FAS Holding Company	Transfer of project under construction along with prepaid rent and accrued lease rentals	107,242,362
Saudi FAS Holding Company	Transfer of Zakat Payable	8,825,429
Saudi FAS Holding Company	Dividends settled	640,000,000
Saudi FAS Holding Company	Settlement of balances through other related party	20,500,000
Saudi FAS Holding Company	Payment to suppliers	26,994,896
Saudi FAS Holding Company	Transfer of investment properties	83,867,364
Saudi FAS Holding Company	Accounts payable transferred	9,857,629

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Saudi FAS Holding Company	Property, plant and equipment transferred	96,282
Abdulmohsen Alhokair for Tourism & Development Group	Dividend settled	20,000,000

Regards,

Fawaz Alhokair
Chairman

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Kingdom of Saudi Arabia المملكة العربية السعودية
+966 11 825 2222 +٩٦٦ ١١ ٨٢٥ ٢٢٢٢
+966 11 825 2323 +٩٦٦ ١١ ٨٢٥ ٢٣٢٣
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