

SEDCO Capital Flexi Saudi Equities Fund

Quarterly Report As of 31 December 2020

Name of Investment Fund

SEDCO Capital Flexi Saudi Equities Fund

Fund Factsheet

| Item | Description |
|--|--|
| Fund Size | 10.49 Million |
| Fund Currency | Saudi Riyal (SAR) |
| Fund Manager | SEDCO Capital |
| Date of Inception | 25 May 2016 |
| Benchmark | S&P Saudi Shariah Domestic TR Index |
| Minimum Subscription Amount | 50,000 SAR |
| Evaluation days / Working days | The day on which the net unit price is determined, which is every Monday and Wednesday, if they are working days |
| The Last Date for Receiving Subscription and Redemption Requests | 4:00 p.m. Saudi Arabia local time on the day of dealing |
| Subscription Fee | Not exceeding 2% of the initial and additional subscription amount, to be paid upfront |
| Early Redemption fee | 1% of the net value of any units redeemed within 30 business days of subscription |
| Management Fees | 0.75% is calculated annually from the fund's net asset value and paid monthly |
| Performance Fees | The fund pays a performance fee of 20% if the fund manager performs above the barrier rate |
| Fund Administration and Custodian Fees | 0.10% annually of the fund's net asset value to be paid monthly with a minimum of SAR 100,000 annually |
| Auditor | KPMG |
| Fund Administrator and Custodian | Saudi Fransi Capital |

Fund Objectives and Policies

The Fund aims to achieve absolute positive returns by investing in the shares of companies listed on the Saudi Stock Market in addition to investing in initial public offerings in Saudi Arabia, UAE, Qatar, Kuwait, Oman, Bahrain, Jordan, Egypt, Tunisia and Morocco (“the Middle East and North Africa countries”), in accordance with investment parameters approved by the Sharia Board of the Saudi Economic and Development Securities Company (SEDCO Capital). The fund may invest in all sectors of the Saudi financial market, without focusing specifically on any sector or industry. Capital gains and cash dividends will be reinvested in the fund. Cash may be kept or reinvested in short-term Murabaha deals in Saudi Riyals with Saudi banks under the supervision of the Saudi Arabian Monetary Agency. The fund will not be linked to any benchmark, but the Saudi Domestic Islamic Index (total return) “SPSHDSADT” will be the benchmark for comparing the fund’s performance only.

The Top Ten Investments in the Fund's Portfolio

List of issuers which shares constitute the largest ten investments in the fund portfolio and their percentages as it is in the first day of the quarter.

| Number | Issuers | % |
|--------|----------------------------|-------|
| 1 | ALRAJHI COMMODITY FUND-SAR | 8.99% |
| 2 | STC | 4.79% |
| 3 | ALRAJHI | 4.71% |
| 4 | ALMARAI | 2.82% |
| 5 | ETIHAD ETISALAT | 1.93% |
| 6 | SGS | 1.93% |
| 7 | BAHRI | 1.49% |
| 8 | CATERING | 1.45% |
| 9 | MAADEN | 1.22% |
| 10 | FITNESS TIME | 0.98% |

The Percentage of Total Fees and Expenses for the Quarter

| Description | Value |
|---|-------------|
| The percentage of total fees and charges to the average of the net assets value of the fund | 1.54% |
| The amount and percentage of profits distributed in the quarter | - |
| The fund manager's investment (in units) | 91,475.0721 |
| The fund manager's investment (percentage) | 100.00% |
| Unit value as at the end of the quarter | 114.7274 |
| The amount of the dealing expenses to the fund's average net assets value | 33,983.68 |
| The percentage of the dealing expenses to the fund's average net assets value | 0.33% |
| Percentage of borrowings to the fund's net assets value at the end of the quarter | - |

Risk Measures

| Statistical Analysis | Value |
|---------------------------------|--------|
| Standard Deviation (Annualized) | 16.09% |
| Beta | 0.77 |
| Sharp Ratio | 0.25 |

Investment Activities and Performance During the Period

During 4Q 2020, S&P Saudi Shariah Domestic TR Index went up by 5.75%, the Fund went up by 3.1% and Hurdle Rate stood at 0.62%. WATAN, ALMRAKEZ and MEDGULF were the positive contributors to excess returns i.e. 15, 11 and 10 bps respectively while MAHARAH, MOUWASAT and TAPRCO were the negative contributors to the excess returns i.e. 19, 10, 9 bps respectively.

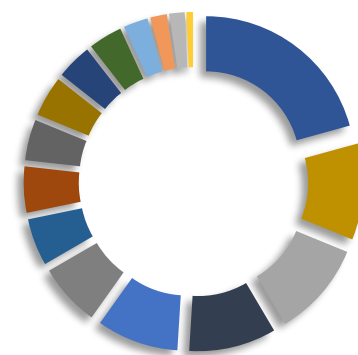
Fund's Performance

| Description | 3 Years | 5 Years | 10 Years |
|--------------|---------|---------|----------|
| Total Return | 8.25% | N/A | N/A |

| Description | QTD | YTD | ITD |
|--|-------|--------|--------|
| SED CO Capital Flexi Saudi Equities Fund | 1.41% | 0.32% | 14.73% |
| S&P Saudi Shariah Domestic TR Index | 4.99% | 11.75% | 42.10% |

Sectoral Diversification as at the end of Quarter

| # | Sector | % |
|-------|---------------------------------|---------|
| 1 | Banks | 20.71% |
| 2 | Telecommunication Services | 10.46% |
| 3 | Fund Investments | 10.34% |
| 4 | Energy | 9.47% |
| 5 | Real Estate Mgmt. & Development | 8.87% |
| 6 | Health Care Equipment & Svc | 6.79% |
| 7 | Food & Staples Retailing | 5.13% |
| 8 | Retailing | 5.00% |
| 9 | Commercial & Professional Svc | 4.44% |
| 10 | Media | 4.41% |
| 11 | Insurance | 3.85% |
| 12 | Materials | 3.66% |
| 13 | Consumer Services | 2.66% |
| 14 | Food & Beverages | 1.81% |
| 15 | Utilities | 1.68% |
| 16 | Capital Goods | 0.72% |
| Total | | 100.00% |



Asset Allocation

| Description | % |
|-------------|---------|
| Stocks | 90.95% |
| Cash | 9.05% |
| Total | 100.00% |



Fund Manager

Name and address of fund manager

SAUDI ECONOMIC AND DEVELOPMENT SECURITIES
COMPANY (SEDCO CAPITAL), SEDCO Building, Red Sea Mall,
Between Gates 7 & 8
P.O. Box 13396
Jeddah, 21493
Kingdom of Saudi Arabia
info@sedcocapital.com



Custodian

Name and address of the custodian

Saudi Fransi Capital
749 King Fahad Road
PO Box 23454
Jeddah 11426
Kingdom of Saudi Arabia



Summary of custodian duties

The custodian is responsible of maintaining stock records, investments and financial instruments in addition to the cash of the Fund.

Auditor

Name and address of the Auditor

KPMG Al Fozan & Partners
Zahran Business Centre, Tower A, 9th Floor. Prince Sultan Street
PO Box 55078
Jeddah 21534
Kingdom of Saudi Arabia



Reports are available upon request free of charges



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Important Note

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