



ARAB AUTHORITY FOR
الهيئة العربية
للاستثمار والإدارة الزراعي
AGRICULTURAL INVESTMENT & DEVELOPMENT

Agricultural
Investment
Opportunities



Financial
Investment
Institution

Smart
Agricultural
Technologies

The Annual Report of the year 2022

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Introduction

International studies and reports indicated that food shortage has increased during 2020, as the prevalence rate has increased from 8.0% in the year 2019 to 9.30% in 2020 due to the repercussions of the Coronavirus pandemic (COVID-19), and it continued to increase to reach 9.8% in 2021. It has been estimated that the number of people who suffered from hunger in 2021 reached to 828 million which is equivalent to 10.5% of the world's population. As the world has begun to catch its breath after the pandemic, which lasted for nearly more than two years causing the worst global recession in more than a century, as well as worsening vulnerabilities in agricultural and food systems, the Russian-Ukrainian crisis emerged. It could be witnessed that the impacts of the recessions of this crisis on the course of food security are going to continue affecting global agricultural markets, especially trade channels, production and prices of grains, fertilizers and energy, therefore having a negative impact on the state of food security in many countries, especially that of our Arab countries.

Agricultural development and food provision has received good amount of attention at the level of all Arab countries through focusing on reviewing and evaluating the efforts that were made to reduce the size of Arab food gap, taking in consideration the increasing challenges of achieving food security due to the successive crises and obstacles that limit the development of local agricultural production, the requirements of the next stage that need to take bolder measures to build Arab capacities to withstand the problem of food shortages in basic commodities, and the threats associated with providing food for most Arab people from foreign sources, as well as the effects of sudden shocks through relying on exploitation of the agricultural resources available in the Arab world.

By 2022, the Arab Authority for Agricultural Investment and Development will have completed 45 years since the declaration of the entry into force of its establishment agreement in 1977, which was in response to the will of Their Highnesses, Majesties and Excellencies the leaders of the Arab countries at that time, and their insightful future vision of the importance of advancing Arab agricultural development forward via establishing an independent financial institution in which all Arab countries contribute to, aiming to make optimal use of agricultural resources and capabilities which the Arab world endowed in order to secure the largest amount of basic food commodities for Arab people.

AAAID's vision during its course throughout the previous period has focused most of its efforts on optimal utilization of the diversity of agricultural natural resources, and their distribution in variable ratios in the Arab countries. It has also worked to create balances between the food production and processing sector, its investment and development activities, and the geographical distribution of its agricultural projects and the availability of natural resources. AAAID comprehensive vision of the Arab agricultural sector has contributed to the diversity of the activities of the investment, the integration of its productive projects, and its continuity in achieving the goals of Arab agricultural development.

Based on AAAID's concern to enhance Arab food security and steadfastness in facing the repercussions of the crises that increased the food deficit problem in Arab countries, which is estimated to USD 42 billion, the Arab Authority presented a practical and realistic initiative to cover the deficit in basic food commodities represented in grains, sugar, dairy, vegetable oils, meat, and legumes, via using the agricultural resources available in the Arab world. This initiative was put forward and discussed during the meetings of the Economic and Social Council of the League of Arab States, which included the necessary resources of agricultural lands, quantities of water, labor and investment costs to produce about 24.7 million tons of wheat, 8.15 million tons of sugar, 6.38 million tons of vegetable oils, 3.6 million tons of meat, 6.5 million tons of dairy, 6.7 million tons of barley, 5.6 million tons of rice, and 23.1 million tons of corn. The annual production cost to cover the deficit of these basic commodities has been estimated of about USD 24.1 billion annually. The initiative also included the necessary mechanism for its implementation and highlighted the importance of starting wheat production due to its significance as a strategic crop, in addition to its world's largest cost and volume of import in Arab countries. However, the chances of wheat cultivation success are high given the availability of suitable natural resources for its cultivation, besides the relative importance of wheat to Arab nations as a basic commodity that provides the minimally required food.

It is clear that the persistent situation of food deficit in the Arab world necessitates the urgent need to develop integrated programs, plans and strategies that enable countries - individually and collectively - to cover the deficit in basic commodities for the Arab nations, which can only be achieved by strengthening the Arab capacity through integration and coordination between agricultural development policies and strengthening trade exchange relations between Arab countries, and in cooperation with research institutions to develop Arab agriculture and preserve and sustain natural resources, and most importantly, encourage and motivate the private sector to invest in the agricultural sector, by creating an attractive investment climate to mitigate risks and develop the productive and competitive capacity of the Arab agricultural sector.

Executive Summary

01 The total value of the investments of AAAID in all its existing companies, as well projects under implementation and establishment as of 31/12/2022 is about USD 661 million, representing about 91.6% of the paid-up capital of AAAID, which is about USD 722 million.




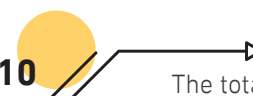
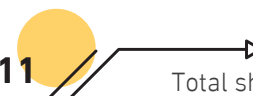



02 The total AAAID investments in all established companies and projects under implementation and establishment are divided among four main sectors. These sectors are as follows; 49.40% in the agricultural manufacturing sector, 24.25% in the animal production sector, 22.86% in the plant production sector and 3.49% in the agricultural services sector.

03 By the end of 2022, AAAID has invested in 56 companies and projects; out of which, 36 are existing companies and 20 projects under implementation and establishment. AAAID's investment is distributed according to the following: Republic of Sudan with 64.47% of its total investments, followed by Egypt 6.61%, Sultanate of Oman 5.78%, United Arab Emirates 5.31%, Republic of Iraq 4.07%, Kingdom of Saudi Arabia 3.06%, Kingdom of Morocco 2.88%, Syrian Arabic Republic 2.50%, Islamic Republic of Mauritania 1.72%, the Republic of Tunisia 1.65%, Qatar 1.28% and Kuwait 0.67%.

04 In 2022, AAAID implemented a total of (21) development programs aimed at small-scale farmers and producers in a number of Arab countries, with the aim of upgrading production and productivity of small-scale farmers and producers.

05 The number of beneficiaries of the development programs in Arab countries has reached 66,343 in 2022.

06 In 2022, AAAID has implemented (23) applied research programs in a number of Arab countries with the aim of domiciliating new varieties of field crops and introducing modern agricultural technologies.

- 07**  The number of the agricultural investment opportunities that were studied and evaluated by AAAID in 2022 reached 123.
- 08**  The total value of the existing and granted loans from AAAID to the affiliate companies and small producers reached to USD 125.1 million, and corporate guarantees that were provided by AAAID to its companies amounted to USD 25 million.
- 09**  The total value of assets of AAAID reached to USD 1.3 billion as of 31/12/2022.
- 10**  The total investments of AAAID in the global and regional financial markets as of 31/12/2022 reached to USD 537.3 million, compared to USD 605.3 million in 2021.
- 11**  Total shareholders' equity as of 31/12/2022 reached to USD 922 million compared to USD 1010 million in 2021.
- 12**  AAAID losses for the fiscal year ended 31/12/2022 of about USD (-77.7) million compared to an increase of net profit of about USD 26.1 million in 2021.
- 13**  In 2022, AAAID has organized a number of promotional events and activities in the agricultural field. It also participated in a number of Arab and international conferences, seminars, forums and virtual exhibitions.
- 14**  AAAID was able to cope with the conditions that were forced by coronavirus pandemic (COVID-19) and was able to work online due to the existing strong infrastructure of information technology and its different applications.

About AAAID

01

▶ Establishment

The Arab Authority for Agricultural Investment and Development (AAAID) is an Arab financial institution with an independent and international legal personality that was established on 1 November 1976. Its establishment agreement and articles of association were declared in March 1977.

02

▶ Shareholders

AAAID has shareholders of (21) Arab countries, referring to the fact that Libya has started the procedures of joining AAAID.

03

▶ Capital

- Authorized Capital is KWD 336 million (USD 1.1 billion).
- Paid-up capital till 31/12/2022 is KWD 221.1 million (USD 722 million).

04

▶ Fiscal Year

The fiscal year commences on 1st January of each year and ends at the end of December each year.

05

▶ Headquarters:

Khartoum - the Republic of Sudan

Regional Office:

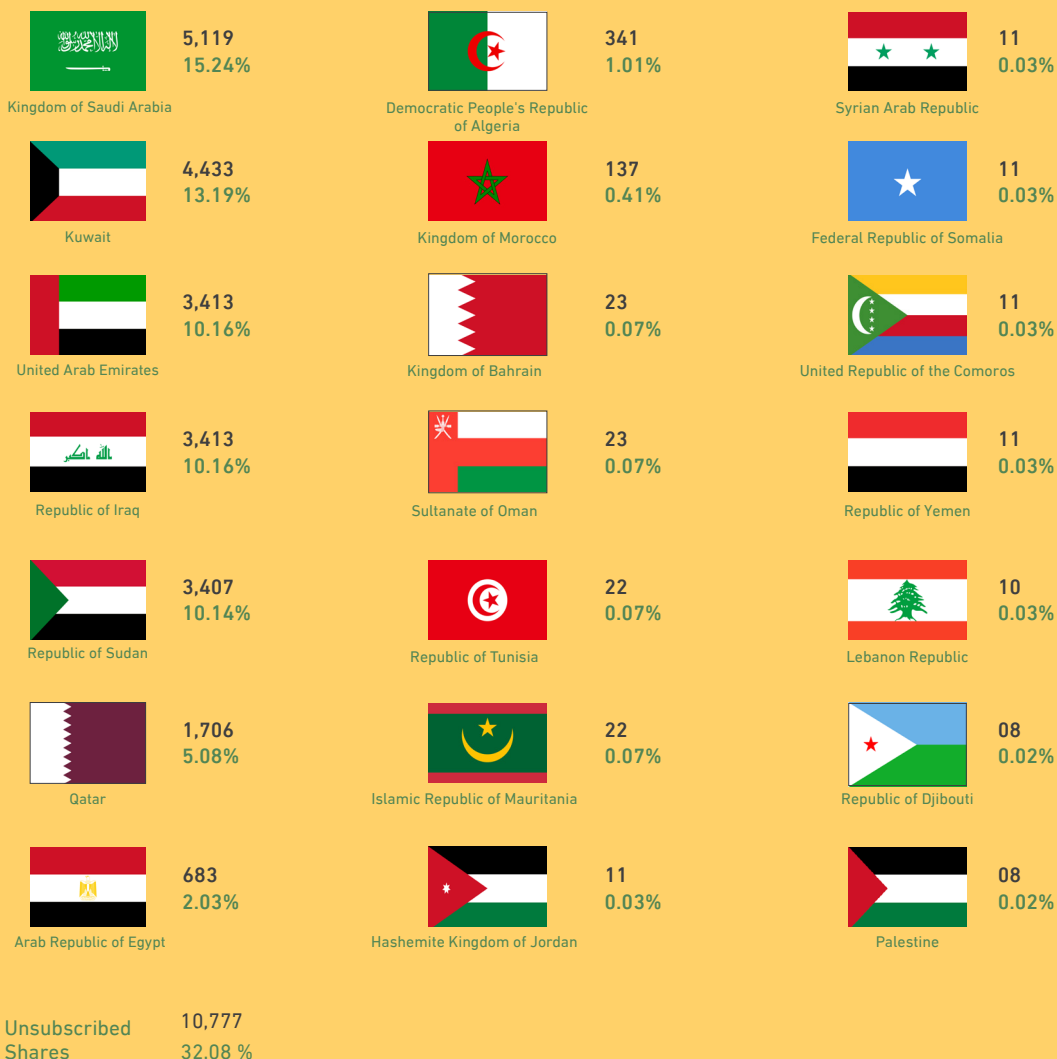
Dubai - the United Arab Emirates

Contributing Countries

Percentage of the contribution to the Capital of AAAID per country as in 31/12/2022:

- Number of Shares
- Subscription Percentage






















Total Shares 33,600
100%



*Libya has started the procedures of joining AAAID and has paid some of its contribution.

Members of the Board of Shareholders

*AAID's Members of the Board of Shareholder as of 31/12/2022:

- | | | | |
|----|---|--|--|
| 1 |  H.E. Mr. Mohammed bin Abdullah Al-Jadaan
Minister of Finance | 11 |  H.E Mr. Sultan bin Salim Al Habsi
Minister of Finance |
| 2 |  H.E. Mr. Abdulwahab Mohammed AL-Rushaid
Minister Of Finance and Minister Of state for Economic Affairs and Investment | 12 |  H.E Mr. Samir Said
Minister of Finance and Development of Investment |
| 3 |  H.E. Mr. Mohamed bin Hadi Al-Hussaini
Minister of State for Financial Affairs | 13 |  H.E Mr. Othman Mamadou Kan
Minister of Economic Affairs and Promotion of Productive Sectors |
| 4 |  H.E Mrs. Taif Sami Mohammed
Minister of Finance | 14 |  H.E Dr. Mohamad Mahmud Al-Ississ
Minister of Finance |
| 5 |  H.E. Dr. Gabriel Ibrahim
Minister of Finance and Economic Planning | 15 |  H.E Dr. Kenan Yaghi
Minister of Finance (last entry was in 2013) |
| 6 |  H.E Mr. Ali bin Ahmed Al Kuwari
Minister of Finance | 16 |  H.E Dr. Elmi Mahmud Nur
Minister of Finance |
| 7 |  H.E Mr. Alsayid Mohammed Marzooq Al Qaseer
Minister of Agriculture and Land Reclamation | 17 |  H.E Mr. Mze Abdou Mohamed Chafiou
Minister of Finance, Budget and Banking Sector |
| 8 |  H.E Mr. Ibrahim Jamal Kassali
Minister of Finance | 18 |  H.E Mr. Salim Saleh Salim bin Breik
Minister of Finance |
| 9 |  H.E Mrs. Nadia Fatteh Alaoui
Minister of Economy and Finance
Chairman of the Board of Shareholders of Session (46) | 19 |  H.E Dr. Youssef EL Khalil
Minister of Finance |
| 10 |  H.H Sheikh. Salman bin Khalifa Al Khalifa
Minister of Finance and National Economy
Deputy Chairman of the Board of Shareholders of Session (46) | 20 |  H.E Mr. Mohamed Ahmed Awaleh
Minister of Agriculture, Livestock and Fisheries |
| | 21 |  H.E Mr. Riad Mohamed Youssef Attari
Minister of Agriculture | |

*Libya has started the procedures of joining AAAID and has paid some of its contribution.

Board of Directors



His Excellency Mr. Mohammed bin Obaid Al Mazrooei

Chairman of Board of Directors
President of AAAID



**H.E. Eng.
Ibrahim Mohammad Abdullah Aboabat**
Ministry of Finance
Kingdom of Saudi Arabia



**H.E. Mr.
Yousef Hussein Mohammed Al Roumi**
Assistant Undersecretary at the General
Secretariat Council of Ministers
State of Kuwait



**H.E. Mr.
Ibrahim Hassan Rashid Aljarwan**
Head of GCC & Arab Countries Affairs
Ministry of Finance
United Arab Emirates



**H.E. Dr.
Mahdi Sahar Al Gburi**
Administrative Undersecretary of the
Ministry of Agriculture
Republic of Iraq



**H.E. Mr.
Elamin Sayed Ahmed**
Adviser of H.E The Minister of Finance
and Economic planning Ministry of
Finance and Economic Planning
Republic of Sudan



**H.E. Mr.
Mohsen Saleh A. M. Ibhili**
International Cooperation Department
Ministry of Finance
State of Qatar



**H.E. Dr.
Saad Zaki Mohamed Nassar**
Adviser of H.E The Minister Ministry of
Agriculture and Land Reclamation
Arab Republic of Egypt

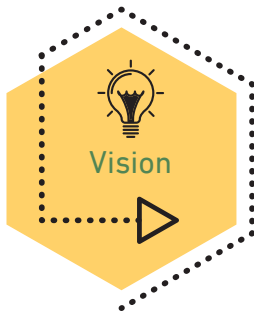


**H.E. Mr.
Sid Ahmed Saidi**
Chairman of Financial Intelligence
Processing Unit, Ministry of Finance
Democratic People's Republic of Algeria



**H.E. Mr.
Mohammed Ahmed Sulaiman Al Barashdi**
Director General of Budget and
Contracts, Ministry of Finance
Sultanate of Oman

AAAID's Strategy (2021-2025)



Vision

To be a leader in the reinforcement of food security in the Arab World.



Mission

Providing basic food needs to Arab countries through investment and development of their agricultural resources.



Goals

First goal:

Strengthening the role of AAAID in contributing to food security in the Arab World.

Second goal:

Maximizing the return on AAAID's agricultural investments.

Third goal:

Promoting concepts of innovation and governance in the work environment.

Fourth goal:

Leveraging AAAID's own resources to diversify and increase revenues.

Fifth goal:

Provide the best supportive services (administrative and technical).

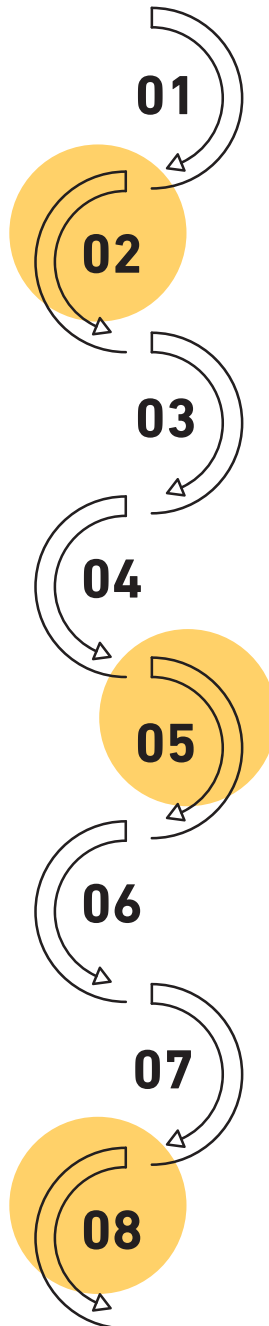
Strategic Guidance:

Benefiting from AAAID's capabilities to establish integrated pioneering agricultural projects.

Strengthen trade exchange between Arab countries by establishing projects in the field of transport and other logistical services for agricultural and food commodities.

Packing additional global and regional financial resources and investing them in projects with suitable return.

Promote knowledge and technological cooperation with international and regional agricultural institutions and organizations.



Maximizing the return from affiliated companies.

Developing strategic partnerships with the private sector and Arab and international financial institutions.

Obtaining a global credit rating for AAAID.

Create supportive and stimulating environment for innovation and entrepreneurship in the field of agricultural investment.

AAAID Activities

First

Agricultural
Investment Activity

Second

Development,
Applied Research
and Studies
Activity

Third

Activity of Strategic
Planning and
Development

Fourth

Corporate
Communication
and International
Relations activity

Fifth

Administrative
Activity

AAAID Activities

First: Agricultural Investment Activity

Agricultural investment is considered as one of the main activities of AAAID which includes establishing agricultural companies, contributing in them, following up on their performance and providing them with the necessary technical, financial and administrative support to accomplish its goals.

By the end of 2022, the total number of companies in which AAAID is a shareholder has reached to 56 companies of which 36 existing companies, 20 projects under establishment and implementation.

1. Companies in which AAAID is a Shareholder

The following tables show the companies in which AAAID is a shareholder arranged according to the year of establishment:

Table (1) Existing Companies in Which AAAID is a Shareholder

Country	Year of Formation	Company's Name	Shareholders	Subs Percentage
Kuwait	1974	The Arab Investment & Export Credit Guarantee Corporation Subs Capital (million): 295.00 USD	AAAID	01.96 %
			Arab countries governments	46.93 %
			Arab financial institutions	51.11 %
Sudan	1975	Kenana Sugar Company Subs Capital (million): 0.561 SDG	AAAID	05.59 %
			Government of the Republic of Sudan	35.33 %
			Kuwait Investment Authority	30.64 %
			Government of the Kingdom of Saudi Arabia	10.97 %
Other Shareholders	17.47 %			
KSA	1979	Arab Fisheries Co Subs Capital (million): 65.40 SAR	AAAID	48.72 %
			Government of the Kingdom of Saudi Arabia	35.70 %
			Other Arab countries' Governments	15.58 %
Sudan	1982	Arab Sudanese Vegetable Oil Company Subs Capital (million): 340.00 SDG	AAAID	88.00 %
			Government of the Republic of Sudan	12.00 %
Sudan	1982	Arab Sudanese Blue Nile Agriculture Company/Agadi Subs Capital (million): 168.90 SDG	AAAID	85.30 %
			Government of the Republic of Sudan	14.70 %

Country	Year of Formation	Company's Name	Shareholders	Subs Percentage
Tunisia	1982	Al Marga for Cattle and Agricultural Development Company Subs Capital (million): 10.46 TND	AAAID	63.33 %
			Stusid Bank Group	30.00 %
Iraq	1986	Arab Iraqi Dairy Production Company Subs Capital (million): 11.40 IQD	AAAID	50.00 %
			Government of the Republic of Iraq	50.00 %
Syria	1986	Syrian Arab Company for the Development of Agricultural Products Subs Capital (million): 176.00 SYP	AAAID	05.00 %
			Government of the Syrian Arab Republic	25.00 %
Sudan	1987	Arab Company for Agricultural Production and Processing Subs Capital (million): 0.06 SDG	Government of the Syrian Arab Republic	70.00 %
			Private sector	70.00 %
Sudan	1987	Arab Company for Agricultural Production and Processing Subs Capital (million): 0.06 SDG	AAAID	42.50 %
			Government of the Republic of Sudan	20.00 %
Sudan	1987	Arab Company for Agricultural Production and Processing Subs Capital (million): 0.06 SDG	Government of the Kingdom of Saudi Arabia	12.50 %
			Government of Kuwait	12.50 %
Sudan	1987	Arab Company for Agricultural Production and Processing Subs Capital (million): 0.06 SDG	Government of the Republic of Iraq	12.50 %
			Government of the Republic of Iraq	12.50 %
UAE	1989	Arab Trade Financing Program Subs Capital (million): 1,000.00 USD	AAAID	00.73 %
			Arab Monetary Fund	54.80 %
UAE	1989	Arab Trade Financing Program Subs Capital (million): 1,000.00 USD	Arab Fund for Economic and Social Development	22.00 %
			Arab and International Financial and Banking Institutions	22.47 %
Qatar	1989	Arab Qatari Agricultural Production Company Subs Capital (million): 57.00 QAR	AAAID	50.00 %
			Hassad Food Company	50.00 %
UAE	1992	Arab Poultry and Cattle Equipment Company (APCECO) Subs Capital (million): 50.00 UAE	AAAID	27.44 %
			Government of Fujairah	42.22 %
UAE	1992	Arab Poultry and Cattle Equipment Company (APCECO) Subs Capital (million): 50.00 UAE	Arab Co for Livestock Development	21.11 %
			Other Shareholders	09.23 %
Tunisia	1995	Agro-Zitex Company Subs Capital (million): 7.00 TND	AAAID	25.00 %
Tunisia	1995	Agro-Zitex Company Subs Capital (million): 7.00 TND	Ceu- Zitex Company	75.00 %
Syria	1996	Al Ahlia Vegetable Oil Company Subs Capital (million): 1,500.00 SYP	AAAID	40.00 %
			Private and Government Sector	60.00 %

Country	Year of Formation	Company's Name	Shareholders	Subs Percentage
Syria	1996	Arab Company for the Manufacturing of Advanced Irrigation Equipment (MAIE) Subs Capital (million): 90.00 SYP	AAAID	25.00 %
			Nicolas Diab Zelhawi	37.50 %
			Os. Subhi Abbas	37.50 %
Oman	1996	Omani Euro Food Industries Company Subs Capital (million): 2.00 OMR	AAAID	17.19 %
			Oman and Emirates Investment Holding Company	80.84 %
			Other Shareholders	01.97 %
Egypt	1997	Al Faiyum Sugar Works Company Subs Capital (million): 445.11 EGP	AAAID	26.93 %
			Delta Sugar Company	26.83 %
			Holding company for food industries	23.01 %
			Banks and other investment entities	23.23 %
Sudan	1997	Arab Sudanese Seeds Company Subs Capital (million): 12.00 USD	AAAID	34.93 %
			Government of the Republic of Sudan	51.55 %
			Government institutions and banks	13.52 %
Egypt	1999	The Arabian company for Preserving and Manufacturing Agricultural Crops Subs Capital (million): 150.00 EGP	AAAID	46.75 %
			Dr. Moahmed Ahmed Al Ramly and Son	44.25 %
			Private Institutions and Shareholders	09.00 %
UAE	2001	Emirates Rawabi Company Subs Capital (million): 217.35 AED	AAAID	27.56 %
			Gulf Investment Corporation	22.54 %
			Government of Dubai	14.59 %
			Private sector	35.31 %
Sudan	2003	Arab Company for Crop Production Subs Capital (million): 26.70 USD	AAAID	52.75 %
			Emirates Rawabi Company	47.25 %
Sudan	2003	White Nile Sugar Company Subs Capital (million): 607.00 USD	AAAID	14.38 %
			Kenana Sugar Company	31.08 %
			Government of the Republic of Sudan	09.14 %
			Other institutions and corporations	45.40 %
Sudan	2004	Arab Poultry Production and Processing Company Subs Capital (million): 399.8 SDG	AAAID	78.80 %
			Government of the Republic of Sudan	07.40 %
			Government of the Kingdom of Saudi Arabia	04.60 %
			Government of Kuwait	04.60 %
			Government of the Republic of Iraq	04.60 %

Country	Year of Formation	Company's Name	Shareholders	Subs Percentage
KSA	2005	Arabian Shrimp Company Subs Capital (million): 33.77 SAR	AAAID	45.00 %
			Aqua Farms Corporation	29.33 %
Sudan	2007	Arab Company for Drugs Ltd Subs Capital (million): 51.00 USD	Aquad For Commerce Ltd.	18.33 %
			Saudi Offset Ltd. Partnership	07.34 %
			AAAID	32.53 %
Sudan	2008	Al Mutamayiza for Vegetables and Crops Production Subs Capital (million): 24.70 SDG	Arab Co. for Drugs Industries & Medical Appliances (ACDIMA)	40.00 %
			Arab Company for Industrial Investment (IEK)	15.86 %
			AAAID	42.50 %
			Government of the Republic of Sudan	20.00 %
			Government of the Kingdom of Saudi Arabia	12.50 %
KSA	2009	Arabian Cooperative Company Subs Capital (million): 200.00 SAR	Government of Kuwait	12.50 %
			Government of the Republic of Iraq	12.50 %
Sudan	2010	Al Muzdana Zero-Tillage Agricultural Company Subs Capital (million): 10.25 USD	Poultry Producers Association of Aseer	80.00 %
			AAAID	20.00 %
Sudan	2010		The Agricultural Bank of Sudan	46.13 %
			Sudanese Ministry of Agriculture	34.71 %
			Central Commercial Company	06.70 %
			AAAID	12.46 %
Mauritania	2013	Arab Company For Agricultural Services Subs Capital (million): 285.6 MRO	AAAID	100 %
Sudan	2015	Alsarha for Animal Production Subs Capital (million): 38.59 USD	Unsubscribed Shares	70.00 %
			AAAID	30.00 %
Oman	2016	Osool Poultry Company Subs Capital (million): 28.86 OMR	Gulf Investment Corporation	26.68 %
			Safa Foods Company	23.46 %
			Alnmaa Poultry Company	14.35 %
			Atyab Investment	09.93 %
			Security Service Pension Fund	05.00 %
			AAAID	20.58 %

Country	Year of Formation	Company's Name	Shareholders	Subs Percentage
Oman	2016	Al Bashaer Meat Company Subs Capital (million): 25.00 OMR	AAAID	20.00 %
			Oman Food Investment Holding Co.	40.00 %
			Oman National Investments Development Company	20.00 %
			Omani National Livestock Development Co	10.00 %
Tunisia	2017	Tunisia Aquaculture Fund Subs Capital (million): 50.00 TND	AAAID	40.00 %
			Deposit and Guarantee Fund	20.00 %
			STB Bank	26.70 %
			Assurances Maghreb	13.30 %
Morocco	2017	Domaine Yousif Subs Capital (million): 49.10 MAD	AAAID	49.00 %
			Belcora Group	51.00 %
Egypt	2018	Middle east for veterinary vaccines (MEVAC) Subs Capital (million): 163 EGP	AAAID	04.23 %
			Kemin Industries Company	50.19 %
UAE	2020	Trans-Agri Company Subs Capital (million): 185.75 AED	AAAID	50.00 %
			Al Rajhi International for Investment	50.00 %

Table (1) Existing Companies in Which AAAID is a Shareholder

Table (2) Projects under establishment and implementation

Project Name	Country	Goal of Project
Arab Muritanian Fish Company (Samak)	Mauritania	The project aims to manufacture pelagic fish as main products in addition to fish oil and fishmeal as secondary products. This is to fill part of the gap in fish products, contribute to the development of the sector of small and medium fishermen, and develop inter-Arab trade in the field of fish products with an annual production capacity of about 70,000 tons at the year of stability.
Al Murouj Dairy Company	Sultanate of Oman	The project aims to establish points to collect, manufacture and market cow and camel milk from breeders, as well as manufacturing of fruit juices, and establish milk cooling centers for the production of raw milk and its derivatives to contribute to meeting local needs with the capacity of 53 thousand liters/day of cow milk, and a capacity of 12 thousand liters/day of camel milk. The factory's production capacity is 120 thousand liters/day (90 thousand liters pasteurized milk + 30 thousand liters sterilized milk or juices).
Sanabil Alarabia Project	Algeria	The project aims at producing grains and fodder at an area of 7 thousand hectares in Tiaret Province in Algeria.
Orbis Berries	Morocco	The projects aims at establishing an integrated project for the production and packaging of all kinds of berries and some types of citrus through cultivating 800 hectares of berries and citrus as well as building a factory for packaging and processing with a capacity of 33,500 ton/year.
Arab Company for Meat	Mauritania	The project aims at producing healthy meat according to the latest methods that comply with the international health requirements to be able to export meat to foreign markets. It also aims at establishing a model slaughterhouse equipped with the appropriate quality and sanitary specifications. In addition to these, the project aims to modernize the traditional methods used in cutting, marketing meat and waste treatment in Mauritania. It aims to contribute to covering food gap (red meat) in the Maghreb countries.
Orbis Green Olive	Morocco	The projects aims at establishing an integrated project for olive production and processing through cultivating olive in about 384 hectares to produce 4,600 tons of olive in the first stage and producing 800 tons of olive oil.
National Veterinary Vaccines Co. LLC	Sultanate of Oman	The project aims to contribute to meeting of the needs of Arab countries for some important and most widely used vaccines, such as the redthursch fever in cattle, bird flu, Newcastle disease in poultry, and some other vaccines in two phases, the first is the mobilization of veterinary vaccines to produce 114.5 million doses of different vaccines and the production of the active substance to produce 144 million doses in the second phase.

Project Name	Country	Goal of Project
Arabiska Fruits Company	Tunisia	The project aims to export fruits with an added value, whether from the farm of the Mabrouka Company or the farmers who deal with the company in purchasing seedlings for marketing in Tunisia and for export (the Gulf, African and European market).
ILAF for Starch and Glucose	Sudan	The project aims at rehabilitation of the starch and glucose factory to produce starch and glucose as main products with production capacity of 150 ton daily and producing fodder as secondary product.
Poultry Production Project	Bahrain	The project aims at producing broiler chickens to contribute in covering part of the gap in poultry in Bahrain with production capacity of 6.4 thousand ton annually.
Integrated Smart Services	UAE	The project aims at establishing a company that gives smart agricultural service at its first phase.
Mabrouka Seeds Company	Tunisia	The project aims at producing 9 million of potato mini tuber in which 2 million are propagated in Tunisia to produce 10,000 tons of seeds annually and export 7 millions of tubers to be propagated in other Arab countries.
Alnama for Poultry Company project	Sultanate of Oman	The project aims at producing 60,000 tons/annually of poultry in the Sultanate of Oman in order to contribute to cover the poultry gap in Oman.
MAFISH PELAGIC Project	Mauritania	The project aims at catching 60,000 tons of pelagic fish annually through buying ships that are highly equipped with new cooling systems to gradually provide fish to the Arabian Mauritanian Company for fish (SAMAK) and other companies.
Central Production Market Project	Tunisia	The project aims at connecting agricultural production with marketing and processing in the middle states (Kairouan, Sidi Bouzid, Kasserine and Gafsa) and provide the suitable marketing frame of agricultural products in the internal markets and for export.

Project Name	Country	Goal of Project
Broiler chicken project	UAE	The project aims at producing 30 million hatching eggs annually in order to cover the local need for broiler chicken in the UAE.
The Golden Poultry Company expansion project	Libya	The project aims at increasing the production of the company to about 59 million chicken annually and increasing the production of table eggs to about 176 million egg per year.
The production of high grades of potato seeds project	Egypt	The project aims at producing of high grades of potato seeds that are free of diseases with capacity of 10 million seeds to achieve self-sufficiency of potato seeds in Egypt and Arab countries.
The automatic slaughter house for poultry project	KSA	The project aims at producing poultry with capacity of 57.6 thousand tons/annually by using the chicken available in Asser area which has 15 farms owned by Aseer cooperative with 80 other local farms.
Saudi Pre-IPO Growth Fund	KSA	The fund aims at establishing an investment wallet which consists of 6 to 8 projects in the stage of Pre-IPO in four sectors: consumer sector, health care, transport and logistics, and commercial services.

Table (2) Projects under establishment and implementation

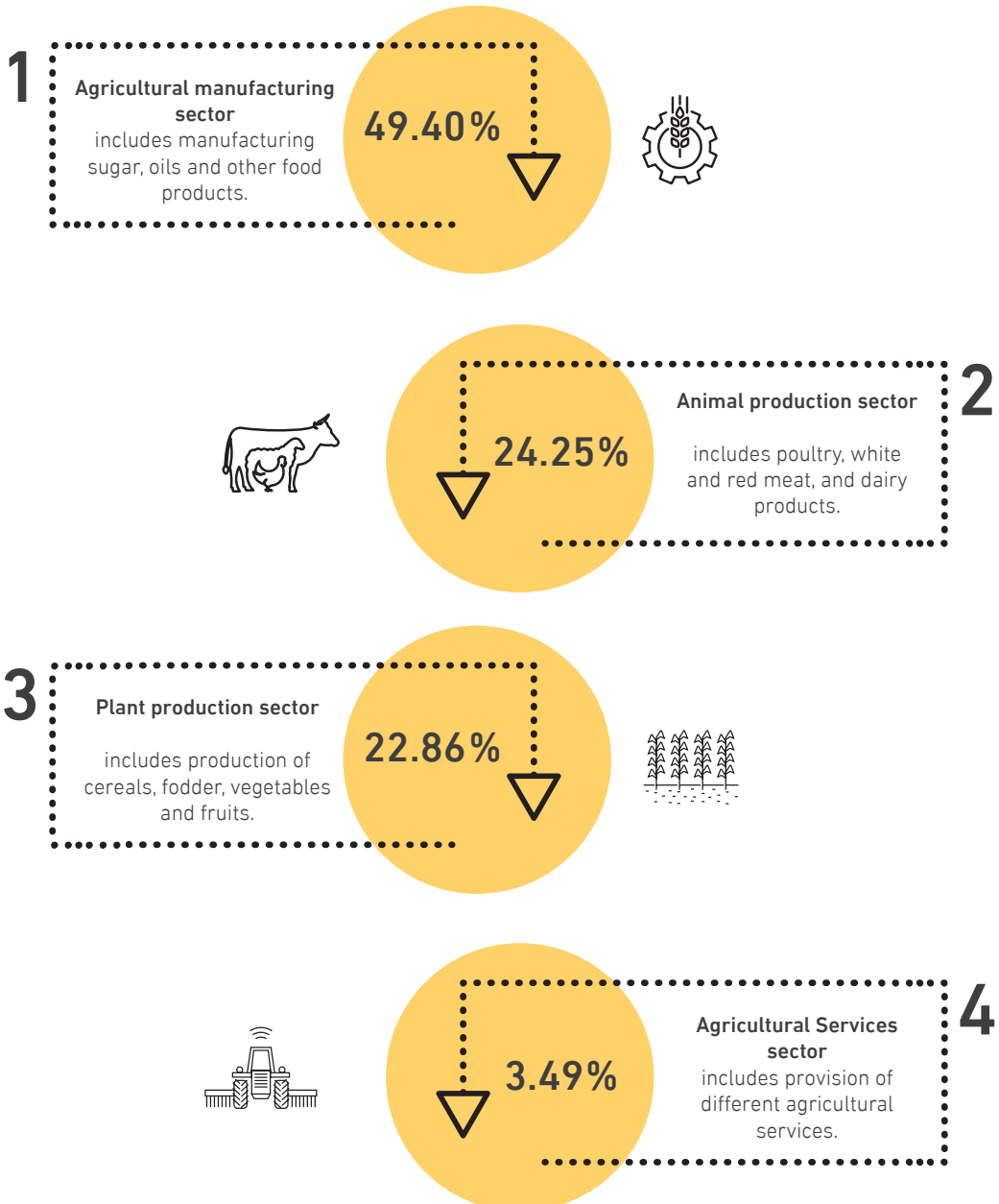
2. Sectoral and geographical distribution of AAAID's contribution in companies:

AAAID's Total Contribution in Affiliate Companies' Capital:

The total value of AAAID shares in the paid capital of its existing companies, and projects under implementation and establishment as of 31/12/2022 is about USD 535.83 million.

Sectoral distribution of AAAID's contribution in companies' capital:

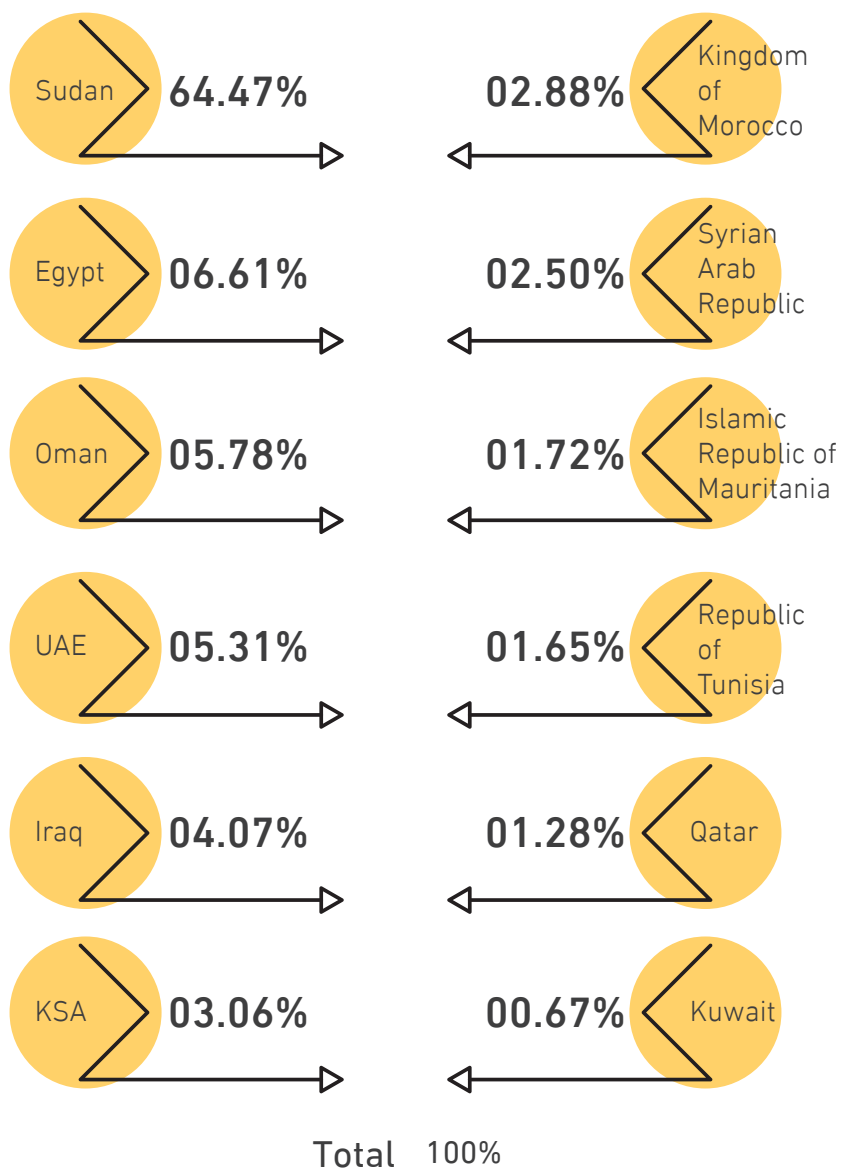
AAAID shares in the capital of its affiliate agricultural companies were distributed among four main sectors as shown in figure (1).



Geographical Distribution:

AAAID shares in the capital of its affiliate agricultural companies are distributed among 12 member states as per the investment opportunities and comparative advantages that were available then in each country as shown in figure (2).

Figure (2): Geographical Distribution of AAAID's contributions to companies in member countries



AAAID's Share from Distributed Profits by the Companies in 2022

Table (3) AAAID share from Profits Distributed by the Companies for the year 2022

Statement	USD million
Total net profit achieved by companies in 2021	85.44
AAAID's share of the net profit achieved by the companies	50.37
Total profits distributed by companies	35.07
The total amount of retained earnings in companies	18.15
AAAID's share of the companies' dividends	6.53

3. Contribution in new projects:

In the framework of implementing AAAID's investments programs for the year 2022 and to contribute in covering the food gap in basic commodities, the Board of Directors agreed to contribute in new projects as follows:

1

Alnama for Poultry Company project – Sultanate of Oman:

- The project aims at producing about 60,000 tons of poultry per year.
- The total investment cost reached to OMR 142 million which is about USD 369.3 million.
- AAAID agreed to contribute to the project with OMR 7.8 million which is about USD 20.3 million after the completion of contributing in the project's requirements.

2

MAFISH PELAGIC project – Islamic Republic of Mauritania:

- The project aims at catching pelagic fish with capacity of 60,000 tons per year through buying ships that are highly equipped with new cooling systems to gradually provide fish to the Arabian Mauritanian Company for fish (SAMAK) and other companies.
- The total investment cost reached to USD 18.38 million.
- AAAID agreed to contribute to the project with USD 1.75 million which is 35% of the total investments of the project.

3

Central production markets project –Republic of Tunisia:

- The project aims at connecting agricultural production with marketing and processing in the middle states (Kairouan, Sidi Bouzid, Kasserine and Gafsa) and providing the suitable marketing frame of agricultural products in the internal markets and for export.
- The total cost of the project reached to TND 116 million which is about USD 36.3 million.

- AAAID agreed to contribute to the project with TND 22.3 million, which is USD 6.98 million and is about 33.8% of the total investments of the project after the completion of contributing in the project's requirements.

4

Broiler chicken project – the United Arab Emirates:

- The project aims at producing 30 million hatching eggs annually in order to cover the local need for broiler chicken in the UAE.
- The total cost of the project reached to AED 55.8 million which is about USD 15.2 million.
- AAAID agreed to contribute to the project with AED 17.9 million, which is USD 4.9 million and is about 50% of the total investments of the project after the completion of contributing in the project's requirements.

5

The Golden Poultry company expansion project– Libya:

- The project aims at increasing the production of the company to about 59 million chickens annually and increasing the production of table eggs to about 176 million eggs per year.
- The total cost of the expansion project reached to LYD 257 million which is about USD 53.6 million.
- AAAID agreed to contribute to the project with LYD 257 million which is USD 53.6 million after the completion of contributing in the project's requirements.

6

The production of high grades of potato seeds project – Republic of Egypt:

- The project aims at producing of high grades of potato seeds that are free of diseases with capacity of 10 million seeds to achieve self-sufficiency of potato seeds in Egypt and Arab countries.
- The total cost of the expansion project reached to USD 16.23 million.
- AAAID agreed to contribute to the project with USD 4 million.

7

The automatic slaughter house for poultry project – Kingdom of Saudi Arabia:

- The project aims at producing poultry with capacity of 57.6 thousand tons/annually by using the chicken available in Asser area which has 15 farms owned by Aseer cooperative with 80 other local farms.
- The total cost of the investment project reached to SAR 284 million.
- AAAID agreed to contribute to the project with SAR 71.1 million which is USD 19 million that's 35% of the total investments of the project.

8

Saudi Pre-IPO Growth Fund project – Kingdom of Saudi Arabia:

- The fund aims at establishing an investment wallet which consists of 6 to 8 projects in the stage of Pre-IPO in four sectors: consumer sector, health care, transport and logistics, and commercial services.
- The fund's target capital reached USD 500 million.
- AAAID agreed to contribute to the fund with USD 10 million by paying the contribution via the applicable system in the fund.

4. AAAID's contribution to increasing the companies' capital:

AAAID supports its companies by contributing to increasing their capital for the purpose of implementing rehabilitation, expansion programs, diversifying activity and providing operating capital, in order to diversify their products and benefit from the full production capacities available in these companies. In 2022, the AAAID's Board of Directors agreed to contribute to increasing the capital of the following companies:



- **Arab Qatari for Agricultural Production Company** - Qatar, the company's capital was increased by QAR 10 million, and AAAID subscribed to the capital increase according to its current contribution rate of 50% with QAR 5 million.



- **Orbis Green Olive company** - Kingdom of Morocco, the company's capital was increased by MAD 2 million and AAAID subscribed to the capital increase according to its current contribution rate of 49% with MAD 980 thousand.



- **Trans Agri Holding Ltd** – United Arab Emirates, the company's capital was increased by AED 183.75 million and AAAID subscribed to the capital increase according to its current contribution rate of 50%.

5. Increasing AAAID's share in companies:



In the framework of benefiting from the investment opportunities available in the companies to which AAAID contributes and which are characterized by high financial viability, the Board of Directors of AAAID has agreed to increase its share in the **Middle East for Vaccines (MEVAC)** – Republic of Egypt to reach about 10% in 2022.

6. Addressing the remaining loans of AAAID in some companies:



In order to address the conditions of the companies to which AAAID contributes, the Board of Directors agreed to schedule the payment of the operational purpose granted to the **Youssef Domaine Company** which is about USD 1 million, in addition to the interest amount of USD 162.5 thousand.

7. Follow-up of performance of Companies:

AAAID continuously works on following-up and evaluating the performance of the companies to which it contributes to guarantee achieving its goals through analyzing the technical, financial, and administrative conditions of companies, addressing issues and obstacles, as well as providing advice and recommendations through its representatives in the Board of Directors and management councils to help in developing the performance of the companies and taking the suitable decisions. AAAID also works to create permanent communication channels with the affiliate companies, through which exchanging ideas and advice about all topics related to its work can take place.

01

Following up the appropriate channels to address challenges facing the companies:

The management of AAAID in coordination with the representatives of countries in the Board of Directors addressed the issues and obstacles that faced AAAID and its companies in some countries. These efforts included an interview with a number of ministers and officials in those countries, which led to overcoming many problems that hinder the performance of some companies in these countries, including the following examples:

- Refund of intermittent taxes from AAAID's share of the dividends in the Faiyum Sugar Works Company in the Republic of Egypt.
- Reducing free zone fees to 50% of the Arab Mauritanian Fish Company in the Republic of Mauritania.

02

Communicating with the representatives of countries in the Board of Directors:

Despite the continuity of COVID-19, and the lockdown that occurred in countries, besides the imposed health measures that demanded social distancing; AAAID, in coordination with representatives of countries in the Board of Directors, addressed the issues and obstacles that faced AAAID and its affiliate companies in specific countries through remote communication. It also arranged online visual meetings with representatives of the Board of Directors of some companies and its executive managements to review the performance of companies and their main issues, as well as address them in means that support those companies and improve their performance towards achieving the desired goals.

03

Technical and financial support of companies:

Providing operating loans for companies:

AAAID has provided technical and financial support to its affiliated companies in order to help them improve their production and financial performance. This included providing operating loans to several companies, in addition to offering advice and technical support. AAAID has also formed specialized technical and financial teams to visit some of the companies to which it contributes, in order to assess their production and financial conditions, and submit integrated reports on their technical and financial performance in coordination with the executive management and the companies' Boards of Directors in order to address the challenges they face.

8. The economic impact of AAAID's affiliate companies:

Contribution to Providing Basic Food Products:

AAAID's affiliate companies contribute in providing basic food commodities such as: (cereals, sugar, diaries, meat and oils). For example, the Arab Sudanese seeds company, produce about 67% of the total seeds produced in Sudan, the sugar companies, that AAAID contributes to, produce about 52% of the total production of sugar in Sudan and about 8% of total production of sugar in Egypt. AAAID companies in the UAE provide more than 30% of dairy and juices and more than 15% in poultry products. Moreover, the companies produce about 6% of poultry products in Saudi Arabia, about 8% poultry products in Sudan, 15% of vegetable oils and fats in Syria, 12% of vegetable oils in Sudan and about 15% of olive residues in Tunisia.



Engagement in Contracts with small farmers and producers:

Many of the AAAID affiliate companies engage in contract with farmers and producers in order to complete the production chain. These companies provide many services to small farmers by providing production inputs, technical supervision and guidance services to enhance their production and competitive abilities. For example;



1. **Al Faiyum Sugar Works Company** in Egypt, made contracts with farmers to cultivate about 80,000 feddans to provide the company with 1.5 million tons of sugar beet.
2. **Agro-zitex Company** in Tunisia has contracts with about 95 olive mills to export about 34,000 tons of olive residue which is the basic raw material.
3. **The Arabian Cooperative Company** in KSA contracts with small poultry breeders to provide the company with about 30 million birds.
4. **The Arab Sudanese Seeds Company** in Sudan contracts with farmers and private companies to provide the company with about 10,000 tons of different assorted seeds.
5. **The Arab Iraqi Dairy Production Company** in Iraq contracts with farmers in its agricultural project of growing wheat in an area of about 4.4 thousand feddans.
6. **Al Muzdana Zero-Tillage Agricultural Services Company** in Sudan provides land preparation, planting, fertilizers, and pesticides application and harvesting services in an area of more than 81 thousand feddans in the irrigated and rain-fed sector.
7. **The Arab Company for Agricultural Services** in the Islamic Republic of Mauritania provides agricultural services to small farmers in an area of about 17.9 thousand feddans.
8. In 2022, the Board of directors agreed to contribute to the automatic slaughter house for poultry project in the Kingdom of Saudi Arabia which depends on poultry breeders to provide it with livestock. The Board also agreed to contribute to the Golden poultry company expansion project in Libya, in which the company has contracts with poultry breeders.
9. Golden poultry company expansion project in Libya which has contracts with poultry breeders.

Provide Employment Opportunities:

AAAID's affiliate companies provide permanent and seasonal employment opportunities. The employment opportunities provided by these companies reached to more than 110 thousand jobs, of which about 17 thousand of permanent positions in various disciplines, and about 93 thousand seasonal jobs.



Development of Intra-Arab Trade:

AAAID has contributed to establishing a number of agricultural companies with the aim of exporting their products to other Arab countries. The following are the most important established companies:



1. **Al Bashaer Meat Company** in Oman which was established to produce high quality meat for the local market and then export it to other gulf countries.
2. **Al Sarha for Animal Production** in Sudan, which aims to establish an integrated project for production, fattening, slaughtering, manufacturing, marketing and exporting of red meat (live animals, meat cuts and manufactured meat) with international quality and specifications, and exporting it to other Arab countries.
3. **The project of Red Meat** in Mauritania to produce, pack, market and export red meat to Arab countries, Europe and West Africa.
4. **The Arab Mauritanian Fish Company** that aims to catch, store, manufacture pelagic fish as main products and export them to Arab countries, in addition to producing fish oil and fishmeal as secondary products.
5. **Agricultural Orbis Company (Orbis Berries and Orbis Green Olive) and Domaine Youssef company** in Morocco, which aims to establish innovative projects to produce fruits, berries and producing and processing green olive for the purpose of exporting to the Arab and European markets.
6. **Osool Poultry Company** - Sultanate of Oman: The company aims to produce fertilized eggs to meet the needs of the shareholders in the project mainly and to cover part of the deficit in the Gulf markets.
7. **Mabrouka Seeds Company** - Republic of Tunisia: The company aims to produce 9 million of potato mini tubers (G0/S) in which (2) million of it is propagated and marketed in Tunisia and (7) million are exported to Arab countries.
8. **Middle east for veterinary vaccines (MEVAC):** The company aims to contribute to meeting the needs of the Arab Republic of Egypt and some Arab countries for some important and most widely used vaccines, such as foot and mouth disease vaccines in livestock, bird flu, Newcastle in poultry and some other vaccines. MEVAC is the only company active in this field in the private sector in the Arab Republic of Egypt.
9. AAAID contributes in the Arab Trade Finance Program, which aims to contribute in developing Arab trade through providing the necessary financing for Arab trade activities. The program also keen on cooperation and coordination with local and regional financing and guarantee institutions. It also contributes to the Arab Investment and Credit Guarantee Corporation Exports "Daman", which aims to provide insurance services against commercial and non-commercial risks for inter-Arab investments in Arab countries, and to contribute to raising Arab awareness of investment, export and insurance issues through a set of complementary activities, as well as support services that contribute to the development of the environment and climate for Arab investments.

The Social Responsibility of AAAID's companies:

AAAID's companies pay special concern to the social responsibility for their importance in developing AAAID's projects areas. The following are examples of the services that are provided by the companies:

1. Provide support for basic services like roads and electricity in the project areas such as: Osool Poultry Company, Al Bashaer Meat Company in Oman, Kenana Sugar Company and White Nile Sugar Company in Sudan.
2. Support health and education, as well as providing support in places of worship, schools and health facilities in villages: Kenana Sugar Company in Sudan, which was awarded the National Social Responsibility Award.
3. Environment day campaign: White Nile Sugar Company in Sudan participated in the activities of preserving the environment in Al Douiem which included aerial spraying in the area in order to control mosquitos.
4. Some companies allocate some money from its profits for service and charitable work in the regions where they operate such as: Al Faiyum Sugar Works Company in Egypt, Al Ahlia Vegetable Oil Company in Syria.
5. Some companies organize activities and entertainment programs for children and the families of their staff, and provide support for people with special needs such as Kenana Sugar Company in Sudan, Emirates Rawabi Company, Agro-Zitex Company in Tunisia and Al Ahlia Vegetable Oil Company in Syria.
6. Internship/Training: several companies provided opportunities to train graduates in different technical and administrative fields such as Kenana Sugar Company in Sudan and White Nile Sugar Company in Sudan.



AAID Activities

Second: Development, Applied Research and Studies Activity

1. Developmental Programmes for the year 2022:

The development programs included direct and indirect financing activities for small-scale farmers and producers, as well as non-refundable support such as support for the Palestinian people, in addition to the program of drilling wells in the Republic of Sudan and applied research programs in the Arab countries.

•The developmental programmes that were implemented in Arab countries in 2022 reached to (21) programs and the number of beneficiaries of these programs was (66,343) as follows:

Republic of Sudan:

Objectives of the implemented programs:

- Achieving profit for small scale farmers which in return sustain their activity.
- Improving the standard of living of small scale farmers and producers.
- Contributing in reinforcing food security.

The mechanism of the development programs:

AAID provided an integrated technical and financial package for all agricultural operations, starting from land preparation to the harvesting process, as well as technical supervision.

The implemented programs:

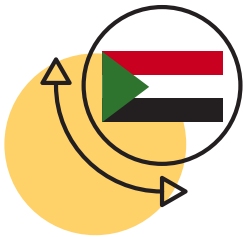
- (19) programs were implemented in 2022 that included cultivation of peanuts, wheat, sorghum, sunflower, and sesame crops in (3) states these are: Gezira (9 divisions), East Darfur (Al Layet Municipality) and North Darfur (Adyilah Municipality). Locality
- The total funded cultivated areas reached to (9,991) feddans and the number of the associations that benefiting from development programs in Sudan reached to (123) associations, comprising about (2,868) families, representing (17,208) beneficiaries.
- In 2022, about 7 wells were drilled in the states of North Kordofan and White Nile, and the number of beneficiaries reached to about (20,000) beneficiary.

Supporting Palestinian People program

1. 1. AAAID, in cooperation with the Arab funds, provides support for financing development projects in the agricultural sector to contribute in the achieving of economic and social development and alleviating the suffering of the Palestinian people. This process is conducted via Al Aqsa fund, which is managed by the Islamic Development Bank (IsDB) in Jeddah. The most important results of these projects are:
 - Drilling of 198 wells for farmers in Marj Sanur.
 - Making 20 water ponds in Bayt al Rosh areas, Arraba and Bani Na 'im.
 - Rehabilitation and cultivation of more than 2,000 dunum of agricultural lands in West Bank.
 - Rehabilitating and maintenance of 60 fishing boats for fishermen in Gaza Strip.
 - Developing fish farms and hatcheries in salty water, via solar systems (Gilt-head bream fish) in East Bank.
 - Rehabilitation of agricultural roads. including retaining walls, hard shoulders and water drainage in Hebron and Bethlehem.
 - Empowering the youth's capabilities of agricultural engineers to entrepreneurship in West Bank and Gaza Strip.
 - Harvesting and purification of rainwater in Beit Lahia/Gaza Strip.
 - Empowering poor families in Gaza Strip through providing the families with productive projects to help them raise their incomes.
2. The total amount allocated for the above-mentioned projects amounted to about USD 13.85 million.
3. The total number of beneficiaries of the Palestinian people supporting programs in 2022 reached 29,135 beneficiaries, with a cumulative total of 210,466 beneficiaries during the period 2016-2022.

2. Applied researches:

The number of applied research programs carried out in Arab countries in 2022 reached to (23) programs, as follows:



Republic of Sudan:

AAAID has carried out (18) applied research trials in 2022 in high salinity lands in the Arab Company for Agricultural Production and Processing - Al-Baqir – Republic of Sudan - in order to test the cultivation of different varieties of field crops, fodder and vegetable crops as follows:

Trials of the winter season 2021-2022:

Cultivating varieties of Tomato seeds:

- The trial aimed to test the tolerance of the tomato crop to soil salinity and its impact on productivity.
- Two cultivars (Jude 1216 F1) and (Jude 132 F1) were cultivated on an area of 0.5 feddans, and the plants were subsequently treated with fungicides and insecticides in precautionary doses, and on a regular basis.
- Results:
 - The cultivar Jud 132-F1 excelled in terms of productivity, as the yield of the crop reached 14 tons/feddan, compared to the cultivar Jud 1216-F1, whose productivity was about 11 tons/feddan.
 - The plants were free of powdery mildew and leaf spots (septoria).
 - Appearance of some psychological symptoms in the fruits due to high temperature.

Cultivating Sweet pepper in high salinity lands:

- The trial aimed to test the tolerance of sweet pepper to soil salinity and its impact on productivity.
- The Caliorin-W cultivar was cultivated on an area of (2) feddans.
- Results:
 - The crop yield about 8 tons/feddans.
 - Florescence is delayed because of low temperatures in January.
 - Lack of florescence and fruits after the third harvest.

Cultivating Eggplants in high salinity soils:

- The trial aimed to test the tolerance of eggplants to soil salinity and its impact on productivity.
- The cultivar Caliorin was cultivated. on an area (2) feddans.
- Results:
 - The crop yield was severely affected by soil salinity.
 - Infeasibility of cultivating the crop in high salinity lands.

Comparing the cultivation of different types of Maize:

- The trial aimed to compare the productivity of maize seeds varieties under highly saline soil conditions in Sudan.
- Varieties: Damazine and PL712 are cultivated on an area of 1 feddans.
- Results:
 - The PL712 variety excelled in productivity, as its productivity reached to about 550 kg / feddans, compared to the local cultivar (Damazine), whose productivity was about 275 kg / feddans.
 - The productivity achieved by the cultivar PL712 is considered good in such high salinity soils, compared to the dominant productivity of fertile lands which is about 750 kg/feddans.

Soybean Cultivation Trial:

- The trial aimed to test the cultivation of soybean varieties in winter season, under highly saline soil conditions in Sudan.
- Two cultivars of soybean (Sudan1 & Sudan2) were cultivated on an area of (1,5) feddans.
- Results:
 - Both cultivars were affected by the low temperature in January.
 - The productivity of (Sudan2) achieved 100 kg/feddan.
 - The yield of cultivar (Sudan1) was 0 kg/feddans, and therefore it is not feasible to plant it in winter season under such conditions.

Trial of cultivating Quinoa crop in high salinity soils under the conditions of in Sudan:

- The trial aimed to test the cultivation of quinoa crop, for the third season respectively, to confirm the results obtained in the previous two seasons, in addition to measuring the plant's tolerance to varying temperature and high salinity.
- The crop was cultivated by direct sowing on an area of in 0,5 feddans.
- Results:
 - Crop acclimatization to salinity (good vegetative growth).
 - Incomplete filling of grains in the crop due to the high temperature in March.
 - The obtained results proved that the crop needs a low temperature in order for the grains to be formed and filled in the required manner.

Trial of cultivating Mung bean under Sudan conditions:

The trial aimed to cultivate Mung bean (Green gram) under high salinity soils in Sudan.

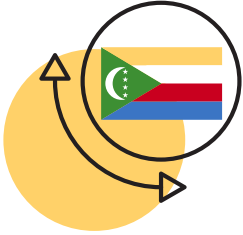
- Results:
 - Crop acclimatization to salinity (good vegetative growth).
 - The productivity of the crop achieved 100 kg/feddan.
 - The results obtained proved the feasibility of cultivating the crop as one of the leguminous crops grown for the first time in Sudan.

Trial of cultivating Melon in high salinity soils:

- Trial aimed to test cultivation of the melon in high salinity soils in Sudan.
- The cultivar (Alya F1) was cultivated on an area of 0,5 feddans.
- Results:
 - The cultivated cultivar (Alya F1) didn't did not prove successful in high salinity lands in Sudan.

Trials of the winter season 2022-2023:

- A number of (10) trials were conducted in the winter season 2022-2023, which included Trials of cultivating Soybean, Maize, Sweetcorn, Mung bean, Tomato (three trials), Sweet pepper, and Panicum, as well as trial to study the effect of Panicum fodder on the increasing productivity of meat and milk on sheep.
- The trials are being followed up, and results are awaiting.



The United Republic of Comoros:

During the year 2022, AAAID has carried out (5) applied research programs in the United Republic of Comoros; included the following:

A trial of comparing the productivity of Sweet potato varieties:

- The trial aimed to compare varieties of potato seeds, and to find the suitable cultivar for the Comorian environment and desirable for the local consumer.
- Four (4) varieties of sweet potatoes were cultivated: Sudaf, Malarenion, Fendi Amara and Makrani, on an area of 800 square meters.
- Results:
 - The productivity of Sodaf, Fendi, Amara, and Makrani cultivars reached to about 5 tons/feddans, while the productivity of the Malarino cultivar was about 4.2 tons/feddans.
 - The new variety (Makrani) will be included among the varieties that will be grown at the station in the future, due to its low sugar content and average production period (6 months), in addition to its acceptance by local consumers.

A trial of comparing the productivity of Potato varieties:

- The trial aimed to compare varieties of potato seeds and to reach the variety with high productivity and desirable for the local consumer.
- Two cultivars: Desire and Rozana were cultivated on an area of 2,300 square meters.
- Results:
 - The productivity of the cultivar (Rozana) achieved about 2 ton/feddans compared to the productivity of (Desire) that achieved about 1,5 tons/feddans. however, both cultivars are affected by the delay in harvesting dates.
 - Despite the superiority of the cultivar Rosana in terms of productivity, it is noted that it is less resistant to diseases compared to the cultivar Desire.

Trial of testing cultivation of Sorghum crop

- The trial aimed to test the cultivation of sorghum crop in the autumn season, and comparing its productivity when planting in the summer season.
- A number of local varieties that are desirable to the local consumers have been cultivated.
- Results:
 - The average of the cultivated varieties achieved about 2,1 ton/feddans.
 - The experiment faced some problems, such as: birds attacking the crop and the difficulty in marketing the product due to the dryness of the grains.

Cassava Cultivation Test Trial

- The trial aimed to cultivate new varieties of cassava and comparing their productivity with local varieties.
- The cultivar (Cameron) and some local cultivars were cultivated.
- Results:
 - There was a slight superiority of the cultivar (Cameron) as its productivity achieved about 13,4 ton/feddans, while the productivity of local varieties achieved about 12,6 ton/feddans.

Carrot cultivation test Trial

- The trial aimed to test the cultivation of new varieties of carrot crop, and comparing their productivity to the local varieties grown by neighboring farmers.
- The two cultivars: Amazon and Pamela were cultivated.
- Results:
 - The productivity of Rozana variety achieved about 1,7 ton/feddans.
 - There were no clear differences between the two cultivated cultivars, whether in terms of productivity or general performance of the crops.

Studies:

The studies activity is considered one of the most important activities of AAAID while reaching investment decisions to contribute in the projects. This activity includes developing the investment opportunities, preparing and evaluating feasibility studies, providing consultancy services and technical support to the companies.

The projects that have been identified during 2022 reached to (123) projects classified as follows:

Projects at the stage of investment opportunities identification, term of reference and proposal evaluation:

In this stage, the project ideas are received from investors and the opportunities are fine-tuned and elaborated. After the project's identification is completed, the terms of references for the project's feasibility studies are prepared and a request for proposals is launched for consultancy firms to get technical and financial offers, or are prepared internally by AAAID's experts. The investment opportunities identified during 2022 reached (57) distributed into the main sectors as shown in the figure (3).

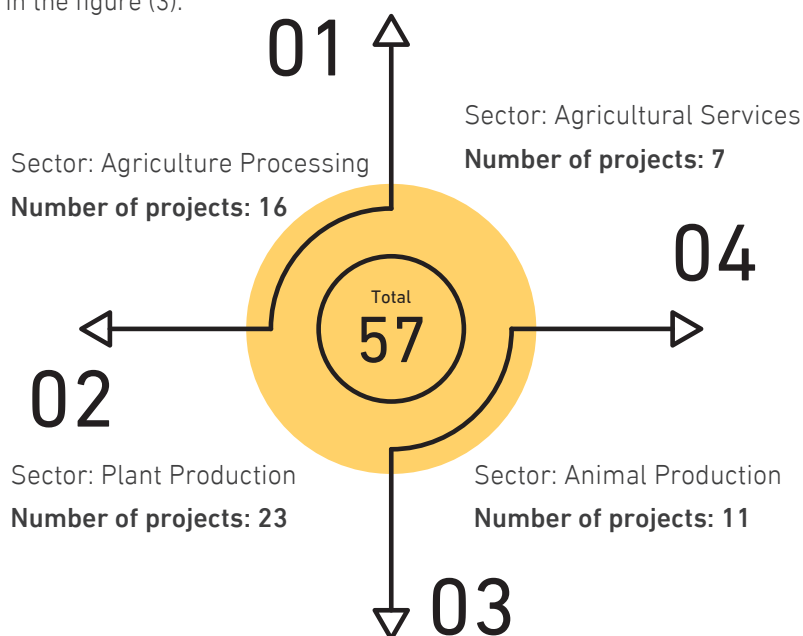


Figure (3): Projects at the stage of investment opportunities identification, Term of reference and proposal evaluation.

Projects under feasibility of studies preparation stage:

AAAID prepared preliminary and detailed studies for a number of investment opportunities and assigned consultancy firms to conduct feasibility study, Due Diligence and Business Valuation of existing companies in order to determine their value. The number of projects in this stage reached in 2022 (13) projects as shown in table (4).

No	Project	Country	Project Objectives
1.	Agricultural project for vegetables and milking cow breeding	Mauritania	Production of fodder in 1500 hectares and milking cow breeding in Aftot sahli.
2.	Broiler production project-valuation and due diligence study	Oman	Establishing of integrated project of producing broiler chicken with a capacity of 60,000 tons/year.
3.	Potato seeds production project-Valuation and due diligence study	Tunisia	Production capacity scale up of a startup company in producing potato seeds to 10,000 tons of seeds/year for the local market and 7 million minitubers for export purposes.
4.	Funding project for providing revolving loans to small farmers in Arab countries	Sudan	Establishing a fund for revolving loans to finance small and medium farmers in the Arab countries with investment cost of around USD 150 to 200 million.
5.	Sanabil Alarabia agricultural project: for cereals and fodders	Algeria	Production of cereals and fodders in 5 thousand hectares in Tiaret.
6.	Smart Services company project	UAE	Providing smart solutions services for agricultural companies.
7.	Food Storage platform project	UAE	Establishing a project for storing and marketing food stuff with capacity of 70,000 tons.
8.	Potato seed and potato production project.	Egypt	Production of higher grades of potato seeds with a capacity of 10 million minitubers in Sharq El Owainat.
9.	Potato processing – Valuation and due diligence study	Iraq	Production of potato, half fried potato and chips.
10.	AAAID Non-agricultural investments project		Investing in non-agricultural projects in order to diversify and increase AAAID's income.
11.	Investment Bank Project	Sudan	Establishing an investment entity to provide corporate finance, microfinance and investment services.
12.	Project of processing vegetable oils	Mauritania	Establishing vegetable oil pressing and refining unit.
13.	Diary production and processing project	Morocco	Producing and processing of milk with capacity of 5 thousand heads milking cow.

Table (4): Projects under feasibility of studies preparation stage

Projects under feasibility studies evaluation stage:

AAAID evaluated the feasibility studies of the projects submitted by promoters or by existing companies in order to decide its contribution to these projects. AAAID evaluated (43) projects and studies in 2022 as shown in Table (5).

No	Project	Country	Project Objectives
1.	Expansion project of laboratory of tissue culture of potato and date palms	Egypt	Increasing production capacity to 4 million minitubers and the capacity of producing palm seedlings to 250,000 per year.
2.	Juice and dairy manufacturing project	Egypt	Expansion of an existing dairy company by increasing the working capital as well as the investing and marketing in order to increase its market share.
3.	Grain storage project	Tunisia	Building of metal silos to store grain with capacity of 25,000 ton in Sousse.
4.	Agricultural products marketing platform project	Tunisia	Establishing an integrated platform for marketing and processing of agricultural products in Central area.
5.	Table-egg production project	Iraq	Developing an existing company specialized in producing of table-egg via raising its capacity up to 136 million egg per year in Erbil.
6.	Broiler poultry project	KSA	Establishing an automatic slaughterhouse with capacity of 37,2 thousand ton per year to produce chicken in Eastern Province.
7.	Table eggs project in Al Qassim	KSA	Producing table eggs with a capacity of 200 million egg/year.
8.	Broiler poultry project	KSA	Establishing an automatic slaughterhouse with capacity of 57,6 thousand ton per year to produce chicken in Bisha.
9.	Fish Farming Project	Algeria	Farming Sea-Bass and Sea-Bream with a capacity of 10,000 ton/year in Tlemcen.
10.	Hydroponic Vegetables production project	UAE	Producing vegetables with hydroponic system in an area of 20 feddans in Sharjah.

No	Project	Country	Project Objectives
11.	Canned tuna production, metal cans and canned beans production project.	Egypt	Producing tuna and mackerel with a capacity of 6 million carton/year and production of metal cans and packing of tomato paste and frozen vegetables.
12.	Production of vegetables and fruits	Morocco	Producing berries and cherry tomatoes in Dakhla in an area of 315 hectares.
13.	Marketing agricultural products project	Jordan	Marketing agricultural products in Jordan and Palestine with a capacity of 150,000 ton per year.
14.	International school project	Egypt	Establishing an international school with 14 grades in the Administrative Capital.
15.	Production of jojoba, fish farming and olive production	Egypt	Establishing of a jojoba production farm and integrated aquaculture in ponds and olive production with an intensive system.
16.	Restructuring and developing food processing company project	Egypt	Restructuring and developing five companies in order to establish three oil refineries, two extraction factory and ghee factory.
17.	Logistic services project in Egypt	Egypt	Establishing and operating 20 logistic stations and providing agricultural services such as wheat storage and potato refrigerators.
18.	Breeder poultry and table-egg project	Libya	Establishing of a project for breeder poultry to produce chicken with a capacity of 58 million bird per year and producing table-egg with a capacity of 176 million egg per year in Benghazi.
19.	Shrimp farming project	Oman	Establishing an integrated project to produce shrimp with a capacity of 18,000 on per year in 1650 hectares.
20.	Pelagic fish farming project	Oman	Expansion of an existing company specialized in fishing sardine and mackerel and increasing the fishing capacity to 5000 ton/year.
21.	Red Meat project	Sudan	Establishing a calves-fattening station and a slaughterhouse with capacity of 6,700 tons/year.
22.	Hydroponic vegetables production project	KSA	Establishing a farm with new agricultural system in an area of 11,000 square meter in Riyadh
23.	Hydroponic vegetables and fruits production project	KSA	Production of tomato, lettuce and strawberry with a capacity of 1000 ton/year via hydroponic system in Al Qaseem

No	Project	Country	Project Objectives
24.	Fish farming project with floating cages	KSA	Fish farming project in floating cages with a capacity of 10,000 ton/year of Seabass, sparidentex hasta, Seabream and red snapper.
25.	Fish farming project with floating cages in Dalma Island	UAE	Establishing an integrated complex to produce fingerlings and fish farming in floating cages with capacity of 20,000 tons, and 60,000 tons of fodder and establishing a factory for processing and exporting fish with capacity of 20,000 tons in Dalma Island.
26.	Spa project	UAE	Establishing an integrated spa in Ajman.
27.	Calves-fattening project in Sharjah	UAE	Establishing a calves-fattening farm with a capacity of 40,000 head per year in order to cover the local market needs.
28.	Gift marketing project	UAE	Increasing the capacity of a new company specialized in marketing gifts via e-platform.
29.	Agricultural lands project	Mauritania	Producing of potato, onion, cantaloupe, watermelon, berry to the local market and for export in area of 460 hectares.
30.	Pelagic fish project	Mauritania	Establishing a specialized company of catching pelagic fish with a capacity of 60,000 ton/year in order to provide AAAID's company with pelagic fish.
31.	Table-egg project	Egypt	Producing table-eggs with a capacity of 35,000 birds.
32.	Canned tuna and sardine project	Oman	Establishing a factory for canning tuna, sardine and mackerel with a capacity of 27,000 ton and producing 387,000 cans.
33.	Intravenous solutions factory project	KSA	Producing intravenous solutions with a capacity of 19.2 million bottles per year in Riyadh.
34.	Marketing fish project	KSA	Providing logistic services connected to fish marketing and developing tourism activities.
35.	Investment fund project	KSA	Establishing fund in order to invest in companies in Pre-IPO stage.

No	Project	Country	Project Objectives
36.	Breeder poultry project	UAE	Raising of breeder poultry to produce 30 million hatching egg per year
37.	Salmon farming project	UAE	Salmon farming in pools using RAS system with a capacity of 10,000 ton/year in Abu Dhabi
38.	Drip irrigation systems and accessories project	Morocco	Manufacturing drip irrigation systems and its accessories.
39.	Plastic covers for greenhouses project	Palestine	Establishing a factory for manufacturing plastic covers in West Bank with a capacity of 900 kg/hour using polythene products and thermal curtains for greenhouses.
40.	Irrigation systems project	Egypt	Producing innovated irrigation systems to reduce water consumption
41.	Integrated agricultural project in Karkuk	Iraq	Producing grains in an area of 60,000 dunam in Kirkuk.
42.	Afforestation, production of olives and establishing of olive oil press	Egypt	Processing olive with a capacity of 6,000 tons.
43.	Broiler poultry project	Bahrain	Producing chicken to contribute in covering part of the food gap of poultry in Kingdom of Bahrain with a capacity of 6,4 thousand ton/year of chicken.

Table (5): Projects under feasibility studies evaluation stage

Consulting and technical support

Consulting and technical support is given to AAAID affiliated companies. The consultancy services consisted of follow up on projects implementation, preparation and evaluation of studies in addition to companies' valuation. The number of consultations of AAAID's affiliated companies reached (8) in 2022 as shown in table (6).

No	Project	Beneficiary	Country	Nature of Support
1.	Wheat production project in Sudan	Kenana Sugar Company	Sudan	Preparing feasibility study
2.	Expansion of the Omani Euro Food Industries Company (packing factory project)	Omani Euro Food Industries Company	Oman	Feasibility study evaluation
3.	Establishing olive press project	Orbis Green Olive company	Morocco	Evaluation of business plan
4.	Expansion of Arab Poultry Production and Processing Company	Arab Poultry Production and Processing Company	Sudan	Evaluation of expansion plan
5.	Expansion of Qtfa farm: the increase of producing different vegetables	Arab Qatari Agricultural Production Company - Qtfa	Qatar	Evaluation of expansion plan
6.	Rehabilitation of Starch and Glucose factory project	ELAF for Starch and Glucose	Sudan	Rehabilitation and operation of the starch and glucose unit to attract investors.
7.	Rehabilitation of El Muzdana Company project	El Muzdana Zero-Tillage Agricultural Company	Sudan	Preparing strategic business plan for the company.
8.	Al Rawabi Dairy farm project	Emirates Rawabi Company	UAE	Evaluation of preliminary study

Table (6): Consulting and technical support

AAAID Activities

Third: Activity of Strategic Planning and Development

01 Strategic Planning activity:

AAAID applies the latest strategic management systems on the continuous development part of the principle and methodology of the governance in the effective planning, assessing performance, improving management and technical methods to guarantee the proper and sustainable implementation via the following:

- Improving and updating AAAID strategic plan 2021-2025, the operational plans of the organizational units and the measurement indications of performance including updating documents related to the strategic plan.
- Periodic review and performance measurement of the strategic plan for agricultural investment with the development of an automated system to measure performance and support decision-making in optimal use of resources.
- Developing the institutional performance management methodology and evaluating job performance based on job objectives and behavioral competencies, with the development of a panel (Corporate performance measurement dashboard) to measure institutional performance in detail.

02 Institutional Development

Carrying out the efforts of AAAID's management to adopt and apply the principles of modern management and quality management systems to reach global competitiveness, manage its operations in accordance with the best standards, and formed the infrastructure towards total quality management, AAAID has done the following:

- Implemented a quality management system that meets the requirements of ISO 9001 for the year 2015 (the newest version) in which all policies, manuals, work procedures, and approaches are documented. AAAID passed the external audit successfully and got the ISO 9001 certification for its quality management system.
- Completed the inventory and classification of AAAID's procedures, and approved the register of AAAID's total processes.
- The work is underway on the "Performance of Processes Development" project to improve AAAID's processes and measure their performance commensurate with measuring institutional performance. The project that is under implementation includes process re-engineering where processes are reviewed and simplified. Key performance indicators are defined for each process and enrolment in the "Processes Management" electronic system has started, and this system will help AAAID in measuring the efficiency and effectiveness of its processes. The results achieved from implementing this system will form an input to

AAAID's system for measuring staff performance.

- Initiated a project for developing AAAID's Governance System to be in compliance with the requirements of the international standard ISO 37000 for institutional governance. AAAID aims to get a recognition for its governance system by the end of the year 2023.
- Initiated a project for measuring satisfaction of interested parties as an important entry to develop the services, processes, and systems of AAAID.
- Started implementation for record control process, records for all the organizational units were defined and classified and records lists were approved.
- Drafted the "AAAID Services Guide" that includes service identification cards.

03 Information Technology Activity

In continuation of AAAID's constant efforts to automate its operations and services by adopting information systems applications and developing infrastructure that contribute to improving performance, the following has been accomplished:

- **Integrated Institutional Performance Management System:**
Developing a system to follow up the implementation of the strategic plan and institutional development to measure the overall performance of AAAID. The system includes operational plans and indicators with a comprehensive evaluation of all components of the strategic plan and performance measurement for departments and Project Teams, in addition to connecting daily operations of employees with performance indicators and developing a system that evaluate performance and behavioral competencies.
- **Market value measurement system**
Introducing a system that measures the market value of companies via using the latest technical and financial technology and linking it to market indicators using artificial intelligence with the aim of speeding up the evaluation process and increasing accuracy and reliability.
- **Upgrading AAAID's Infrastructure**
Developing the infrastructure and raising its efficiency through updating the e-mail system to the latest versions and adding many features that help employees perform their duties. The project has also aimed to raise the connection speed and data compression of the virtual line linking the headquarters with the regional office, which led to an increase in the number of backup copies and raised the efficiency of the backup data center.
- **Upgrading AAAID's new building in Dubai**
This project aimed at designing and following up the implementation of smart building services by introducing the latest modern technologies in the field of energy, security and monitoring management, and ease of access to the building, besides establishing a modern data center according to the best specifications, with the aim of providing the appropriate environment in order to save and host all the systems and data of AAAID and reduce the risks related to data loss.
- **The addition of features and services to the electronic systems**
Reports have been added to the Enterprise Resource Planning (SAP ERP) system that related to AAAID's general budget and exchange rates. Furthermore, services have been added to The AAAID's business chat system (CHATBOT), and new features have been added to the updated messaging system and operations system.

AAAID Activities

Fourth: Corporate Communication and International Relations activity

For the activity of corporate communication and international relations in AAAID, an annual plan has been drawn up that is aimed at effective achievements that support the AAAID's vision and adopts continuous development to exchange knowledge, achieve modern electronic concepts, and enhance cooperation with all parties as follows:



Internal Communication

Internally, communication has been strengthened within AAAID through knowledge sharing programs, provided information and news about the activities and achievements of AAAID via the electronic knowledge portal website that shows the following:

- Weekly electronic publications about the global agricultural news.
- Monthly E-library releases.
- Delivering and organizing a series of lectures and workshops regularly, which reflects knowledge assets and expertise exchange in the various fields of work.



International Communication and relations

Internationally, AAAID has strengthened and expanded its communication with the governmental entities, financial Arab and international organizations and institutes, private sectors, media agencies and others that have connection with agricultural sector as follows:

- AAAID's management has conducted its media plans through cooperation with audio-visual media institutions and Arab and international news agencies, with the aim of introducing AAAID and highlighting its annual activities and programs.

- AAAID's management has promoted and introduced its annual projects and activities through the following:
 - Modern means of communication represented in the official website of AAAID, social media programs, and electronic promotional messages.
 - The paper and electronic version of the Annual report of AAAID both in English and Arabic, brochures of investment opportunities, studies, development programs, newsletters and introductory brochures.
 - AAAID has joined the membership of the Arab Information Network as a partner member through the network portal, which is considered as an accredited Arab information channel that includes all joint Arab institutions, in order to work on providing a package of informational electronic services to researchers and those who are interested.
 - Participating as a partner in in the Arab agricultural investment for the Middle East Poultry Exhibition, in the period 14 to 16 March 2022 that was held in Riyadh International Convention and Exhibition Center in Riyadh, Kingdom of Saudi Arabia.
 - The vision of AAAID in enhancing Arab food security was included in the special edition of the report of the G20 Summit 2022, which was held in the period 1516- November 2022 in Bali, Indonesia.

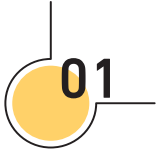


- AAAID participated in the first edition of Abu Dhabi International Food Exhibition 2022 ADIFE in the period 68- December 2022, Abu Dhabi - the United Arab Emirates, as an investment partner.
- AAAID organized the periodic meeting of the AAAID's companies during the event of the first edition of Abu Dhabi International Food Exhibition 2022 in the period 68- December 2022, Abu Dhabi - the United Arab Emirates with the participation of a group of dignitaries and decision makers and a group of businessmen, investors and specialists in the agricultural field from various Arab countries.
- AAAID has actively participated in a number of forums and official meetings of regional and international organizations and financial institutions, and presented many working papers and recommendations in a number of events organized by: The Secretariat General of the League of Arab States, European Bank for Reconstruction and Development, World Green Economy Organization, Islamic Organization for Food Security, Arab Atomic Energy Agency, Arab Organization for Agricultural Development and the Arab Investment & Export Credit Guarantee.
- AAAID's signing of a number of memoranda of understanding for joint cooperation and information confidentiality agreements with investment agencies and others concerned with the agricultural sector.

AAID Activities

Fifth: Administrative Activity

Board and Committee Meetings:



The meeting of Board of Shareholders for the year 2022 (Forty-sixth session):

The 46th meeting of Board of Shareholders of AAAID that was chaired by Her Excellency Ms. Nadia Fattah Alaoui - Minister of Economy and Finance of the Kingdom of Morocco - took place in Jeddah, Kingdom of Saudi Arabia on 7th April 2022 as part of the joint annual meetings of the Arab financial authorities. At the beginning of the meeting, Her Excellency the Chairperson of the Council delivered a speech through which she praised AAAID's performance for 2021, as it was shown in AAAID annual report. Her Excellency indicated that the report has reflected AAAID's intensification of its activities in recent years and the development of its performance, as it was able to establish 53 companies specialized in the production of basic commodities in the Arab food gap, and in implementation of many development programs and agricultural research experiences, in order to increase production efficiency and developing small and medium-scale farmers while maintaining the strength of its financial position.

His Excellency Mr. Mohammad bin Obaid Al Mazrooei - Chairman of AAAID has also delivered his speech, indicating that AAAID achieved a total income of about USD 77.7 million during 2021, compared to about USD 52.2 million in 2020, with an increase of 35.8%. He explained that the net profit during the same year reached to USD 26.1 million, and His Excellency indicated that AAAID has started implementing its strategic plan for agricultural investment for the period 2021-2025, which focuses on applying the best international practices in the field of agricultural investment, with the aim of increasing agricultural production and maximizing the return on investments, stressing that AAAID is always striving to develop its operational plans while ensuring the application of governance principles to support rational decision-making.

The most prominent of the decisions made during the meeting was the approval of the investment Operations Programs of AAAID for 2022 with an amount of KWD (9.1) million, the approval the final accounts for 2021, the allocation of 10% of AAAID's net profits for 2021 to support the Palestinian people, and declaring the representative of the Kingdom of Bahrain in the Board of Shareholders as Chairman of the Board for the forty-seventh annual session, as well as nominating the representative of the Sultanate of Oman as his deputy.

02

The meetings of Board of Directors for the year 2022:

During the period from February to December of 2022, the Board of Directors of the Arab Authority for Agricultural Investment and Development held four meetings, in which a number of important topics related to investments, agricultural projects and administrative aspects were discussed; and the board issued a number of decisions. Among the most important of these are the decisions to approve a number of financial investments, to increase AAAID's contribution to the capital of Arab Qatari Agricultural Production Company in Qatar, Orbis Green Olives in the Kingdom of Morocco, and Trans-Agri Company in the United Arab Emirates, in addition to contribute in new projects such as the Golden Poultry Company project in Libya, the production of high grades of potato seeds project in the Republic of Egypt, the automated slaughterhouse for poultry project in the Kingdom of Saudi Arabia and the Central Production Market Project in the Republic of Tunisia. The Board of Directors has also taken in consideration the conditions of a number of companies in some Arab countries and praising the Chairman's initiative regarding covering the deficit of basic food commodities in the Arab World and the proposals, visions and plans that would contribute in reducing the size of food gap in the Arab World.

The decisions of the Board of Directors also included approving the recommendations of the Executive Committee regarding the increase of the capital of some of AAAID's affiliated companies, as well as the recommendations of the Financial Investments Committee, and the Audit and Risks Committee.

03

The meetings of Committees emanating from the Board of Directors (Executive Committee, Financial Investments Committee, Audit and Risk Committee) for the year 2022:

The executive committee, financial investment committee, and audit and risks committee, held a number of meetings in 2022, during which they discussed several reports about the performance of AAAID's and submitted their recommendations to the Board of Directors to take the necessary decisions.

Internal Audit Activity:



01 Professional Development in the field of internal audit:

- About (14) of employees from different administrative departments of AAAID were trained on the Auditing skills program ISO 9001:2015 in March 2022.



02 Most important audit activities:

- In the second quarter of this year, a qualitative development took place in the internal control environment, as AAAID's operations and procedures were reviewed by an external auditor, to ensure that AAAID complied with the international requirements and specifications of the ISO 9001: 2015 certificate, as the external audit ended successfully and it was recommended to grant the certificate to AAAID.
- This audit was preceded by the efforts of the Internal Audit Department by conducting several preparatory reviews with different departments to ensure compliance with approved policies and procedures and provide technical support to raise the level of internal control.



03 Auditing of AAAID's affiliated companies:

- At the beginning of the second quarter of 2022, the Internal Audit Department was assigned to review a number of the AAAID's affiliated companies. Therefore, the department audited these companies and prepared reports on the results of the review, which were then submitted to the AAAID's management.



04 The participation of the Internal Audit Department in events and conferences during the year 2022:

- Based on the directives of the Audit and Risk Committee of AAAID, the Director of the Internal Audit Department participated in the eleventh conference of the Association of Internal Auditors in Abu Dhabi - United Arab Emirates. He also participated in the fourth forum on the role of governance in developing control systems over institutional and administrative performance held in the Republic of Tunisia.

Other activities

The administration of AAAID continued its efforts to increase the returns of its real estate investments through the following:

Preparing studies to establish or participate in the construction of new investment buildings, in order to increase and diversify sources of income.

01

02

Work is underway to construct AAAID's regional office building in Dubai, which consists of a basement + ground floor + (4) floors with an area of 2200 square meters per floor and the building is expected to be completed in the first quarter of 2023.

Providing the best services and implementing plans and programs for maintenance and modernization of existing assets and buildings, taking into account the protection of the environment and the development of the level of services.

03

04

A study has been prepared for the replacement and renewal of part of the central air-conditioning system for the commercial authority building and the implementation will begin in the second quarter of 2023, in order to maintain the level of service for the tenants.

Maintaining the level of rental revenues and increasing the leased area taking in consideration the current global economic conditions.

05

06

Providing technical and engineering support to AAAID affiliated companies, in addition to participating in the preparation of plans and drawings, supervising the implementation of many projects, and providing technical services at the request of the companies affiliated with AAAID's management.

Meetings, Visits, Participations and Events

The year 2022 witnessed a series of visits, meetings and events to enhance cooperation with member states, government institutions and international organizations of common interests. These meetings have contributed to supporting AAAID's projects and programs in the Arab countries and introducing AAAID at the regional and international levels. AAAID has also participated in a number of events. The following is a summary of the most important participations that happened in 2022:

Meetings:



The meeting of AAAID chairman with H.E Mr. Al Sayid Al Qaseer- Minister of Agriculture and Land Reclamation of Egypt during Expo Exhibition on 20 February 2022 Dubai – UAE.

The meeting of AAAID chairman with H.E Mr. Abdullah Ahmed Sbeih – The General Manager of the Arab Investment and Export Credit Guarantee in the AAAID regional office on 29 March 2022 Dubai- UAE.



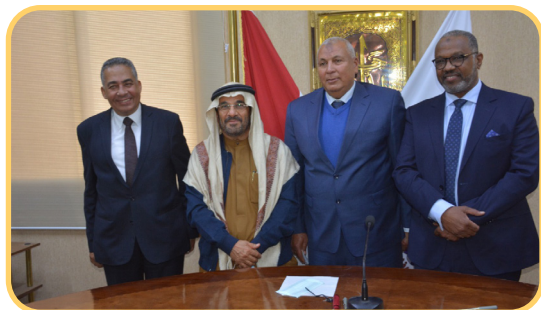


The meeting of AAAID's Chairman with H.E Dr. Ahmed Al Dakheel the CEO of Al Rajhi International for Investment and chairman of Trans-Agri Holding Company on 26 June 2022 in Dubai – UAE.

The meeting of AAAID's Chairman with H.E Mr. Perlan Baidolet the General Manager of Islamic Organization for Food security on 30 November 2022 at AAAID's main office in Khartoum – Sudan.



Visits:



The visit of H.E Major General/ Mohammed Al Zamlot – Governor of the New Valley Governorate on 16 January 2022 in Cairo - Egypt.



The visit of AAAID's delegation to investment projects in Al Kharga, which included processing dates, flowering plants, vegetable agriculture and some investment industries on 16 January 2022 - Egypt.

The visit of AAAID's delegation to Her Excellency to the farms and investment companies working on the agricultural sector in Shark Al 'Owinat and Farafra on 20 January, 2022 New Valley Governorate - Egypt.



The visit of AAAID's delegation to H.E Mr. Abdulaziz bin Mutaib Al Rashid/ Minister Assistant for International Finance Affairs and Total Policies in Ministry of Finance on 31 January, 2022 Riyadh - KSA.



The field visit of AAAID's delegation to Arab Poultry Production and Processing in Tayba Alhasanab to stand at the partial development to some of the project's facilities on 23 February, 2022, Khartoum - Sudan.





The field visit of AAAID's delegation to Al Sarha for Animal Production in Al Baqeer to stand on the company's project which works on producing, fattening, slaughtering and marketing of red meat on 24 February 2022 in Khartoum - Sudan.

The visit of H.E Ms. Nadia Fattah Alaoui to explore avenues of cooperation and introduce AAAID and its investment projects in Morocco on 28 February, 2022 Rabat - Morocco.



The visit H.E Eng. Mohammed Sadiqi – Minister of Agriculture and Fisheries to discuss ways of cooperation and introduce AAAID and its investment projects in Morocco on 3 March 2022 Rabat - Morocco.

The visit of AAAID's delegation to the Arab Qatari Agriculture Production Company (Qtfa) to view the development that took place in the farm and the production of different vegetables on 10 March, 2022 Doha - Qatar.



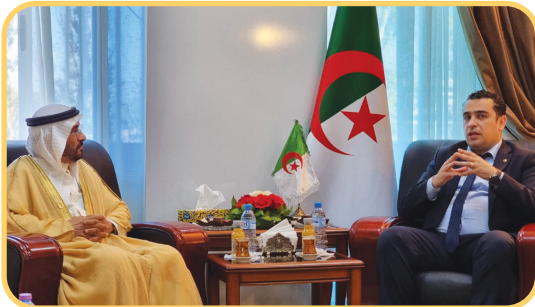


The visit of H.E Abderrahmane Raouya Minister of Finance in Algeria on 10 May, 2022 - Algeria.

The visit of H.E Mohammed Abdelhafid Henni Minister of Agriculture and Rural Development in Algeria on 10 May, 2022 - Algeria.



The visit of H.E Prof. Hisham Sofiane Salaouatchi Minister of Fishing and Fishery productions in Algeria on 10 May, 2022 - Algeria.



The visit to the Algerian Chamber of Commerce and Industry on 9 May, 2022 - Algeria.





The visit of H.E Mohamed Yazid Hambali – Director of National Agriculture Chamber on 9 May, 2022 - Algeria.

The visit of H.E Mr. Mohammed Amin Daramshi Governor of Tiarat Province on 12 May, 2022 - Algeria.



A field visit to check the land of Sanabil Alarabia Project in Tiarat Province on 12 May 2022 –Algeria.

The visit of H.E Dr. Abdulaziz Khalaf, Director of the Office of the Presidency on 13 May - Algeria.





The visit of H.E Dr. Salem Hamdi, General Director of Arab Atomic Energy Agency on 27 May - Tunisia.

The visit of H.E Mahmoud Elyes Hamza, Minister of Agriculture on 27 May 2022 - Tunisia.



The visit of H.E Samir Saïed, Minister of Economy and Planning on 30 May 2022 - Tunisia.

The visit of H.E Dr. Saoud bin Hamood Al Habsi, Minister of Agriculture, Fisheries and Water Resources on 5 June 2022 - Oman.





The visit of H.E Dr. Sultan bin Salim Al Habsi, Minister of Finance on 5 June 2022 – Oman.

The visit to the center of diary assembly point of Al Murouj Dairy Company on 6 June 2022 – Oman.



The visit to Al Basher Meat Company project on 7 June 2022 in Dhofar – Oman.

The visit of H.E Mr. Mohammed Suhail Al Shanfari, Chairman of Board of Director of Osool Poultry Company on 8 June 2022 – Oman.





The visit of H.E Mr. Nasser Al Harthi, Chairman of Board of Director of Fisheries Development Oman Company on 8 June 2022 – Oman.

The visit of H.E President of AAAID to H.E Mr. Hamid Msidi, Minister of Agriculture, Fisheries, Environment, Lands and Construction Planning along with H.E. Dr. Sidi Wald Tah, General Director of Arab Bank for Economic Development in Africa on 13 July 2022 – Comoros.



The visit of H.E Mr. Mze Abdou Mohammed Chafiou, Minister Finance Budget and Banking Sector along with H.E. Dr. Sidi Wald Tah, General Director of Arab Bank for Economic Development in Africa on 14 July 2022 – Comoros.



The visit of H.E Mohammed Hussin Madi, Deputy Director of the National Agency for Investment Promotion along with H.E. Dr. Sidi Wald Tah, General Director of Arab Bank for Economic Development in Africa on 14 July 2022 – Comoros.





The visit of H.E Said Al Maqbali, Ambassador of the United Arab Emirates during the period 12-16 July 2022 – Comoros.

The visit of tissue culture laboratory on 14 July 2022 - Comoros.



The visit of BandaSmellini station on 14 July 2022 - Comoros.

The visit of the Comoros Savings and Credit Association (MECK) during the period 12 to 16 July 2022 – Comoros.





The visit of the Tanzania Investment Centre during the period 18 to 21 July 2022 – Tanzania.

The visit of the Deputy Minister of Industry, Trade and Investment in Tanzania during the period 18 to 21 July 2022 – Tanzania.



The visit of H.E Frank Nyabundege – the managing director of Tanzanian Agriculture Bank during the period 18 to 21 July 2022 – Tanzania.

The visit of H.E Mohammed Abdelhafid Henni Minister of Agriculture and Rural Development in Algeria on 2 November, 2022 - Algeria.





The visit of Mr. Mohammed Lamine Lebbou the managing director of the National Bank of Algeria, Mr. Mohanad Burai, Managing Director of Agriculture and Rural Investment, and Ms. Saida Neghza, Director of General Confederation of Algerian Enterprises on 2 November 2022 - Algeria.

The visit of H.E Yahya Ould Ahmed El Waghef – Minister of Agriculture in the Islamic Republic of Mauritania on 3 November 2022 - Mauritania.



The visit of H.E Mohammed Ould Abdullah Ould Othman – Minister of Animal Development on 4 November 2022 - Mauritania.

The visit of H.E Othman Mamadou Kan – Minister of Economic Affairs and Promotion of Productive Sectors on 4 November 2022 - Mauritania.





The visit of H.E Fatima Bint Suwaina – the CEO of the Mauritanian Company for Animal Products on 3 November 2022 - Mauritania.

The visit of H.E Dr. Hala el-Said – Minister of Planning and Economic Development in her office in the Administrative Capital on 23 November 2022 in Cairo –Egypt.



The visit of H.E Dr. Abu Bakir Omar Al Bushra – Minister of Agriculture and Forestry in his office at the Ministry on 27 November 2022 in Khartoum – Sudan.

The visit of H.E Dr. Fahad Mashary Al Thafiri – the Ambassador of Kuwait in the Republic of Sudan in his office in the Embassy on 28 November 2022 in Khartoum – Sudan.



Participations:



The participation in the 52nd regular meeting of the Higher Coordination Committee for Joint Arab Action, which is organized by the General Secretariat of Arab League in Naif Arab University for Security Sciences on 26 January, 2021 Riyadh – KSA.

Participation in the International Fisheries and Exhibition on 30 January, 2022, Riyadh – KSA.



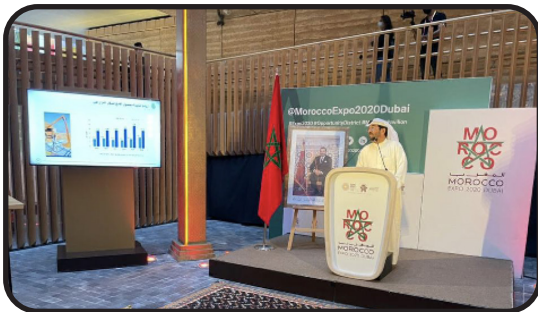
Participation in the introductory meeting of AAAID's projects and discussing of investment opportunities between H.E President of AAAID and H.E Eng. Abdulrahman bin Abdulmuhsin Al Fadley – the Minister of Environment, Water and Agriculture on 30 January 2022 Riyadh –KSA.





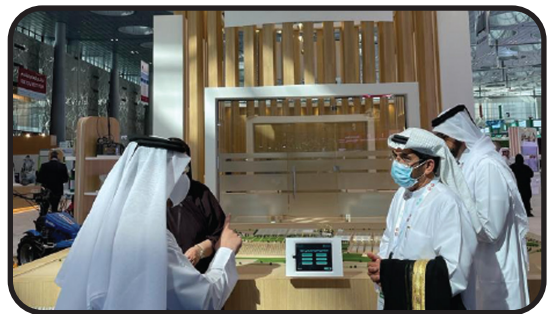
Participation in a meeting to present and discuss investment opportunities in the fisheries with H.E Dr. Ali Al Shaikhi in the "Saudi Ministry of Environment, Water and Agriculture" and the CEO of "the National program to develop fisheries" on 31 January 2022, Riyadh – KSA.

Participation in the events of the Russian Agricultural Week, which is organized by "Agroexport" center that is affiliated with the Ministry of Agriculture in the Russian Federation of Expo 2020 during the period 11-24 February 2022 Dubai – UAE.



Participation in the event that is organized by the Moroccan Ministry of Agriculture, Fishing, Rural Development, Water and Forestry in the Moroccan wing in Expo 2020 Dubai – UAE.

Participation in the opening of the Qatar International Agricultural and Environmental Exhibition, and visiting the pavilion of "Qtfa" Company which is one of AAAID's companies on 10 March 2022 Doha – Qatar.





Participation in the dialogue session with the title "AAAID investments and its role in enhancing Arab food security" in the events of Middle East Poultry Exhibition on 15 March 2022 Riyadh – KSA.

Participation as the Arab agricultural partner for the Middle East Poultry Exhibition, Riyadh International Convention and Exhibition Centre during the period 14-16 March 2022, Riyadh – KSA.



Participation in the annual investment forum in Dubai Centre Expo 202, during the period 29-31 March 2022, Dubai – UAE.

Participation in the activities of the Arab Economic Integration Forum during the period 23-25 May 2022, Cairo – Egypt.





Participation in the extraordinary general session of Al Mabrouka Company in the Republic of Tunisia on 10 October 2022 – Tunisia.

Participation in the Symposium that was presented by H.E Mr. Al Sayid Al Qasir – Minister of Agriculture and Land Reclamation of Arab Republic of Egypt in the pavilion of Egypt during Expo activities on 20 February 2022, Dubai – UAE.



The participation in the 53rd regular meeting of the Higher Coordination Committee for Joint Arab Action during the period 27-31 May, 2021 Tunisia – Tunisia.

The meeting of AAAID and the Saudi Company for Agricultural Investment and Livestock Production (SALIK) to discuss ways of cooperation in the field of fodder, sugar and red meats on 16 March 2022, Riyadh – KSA.





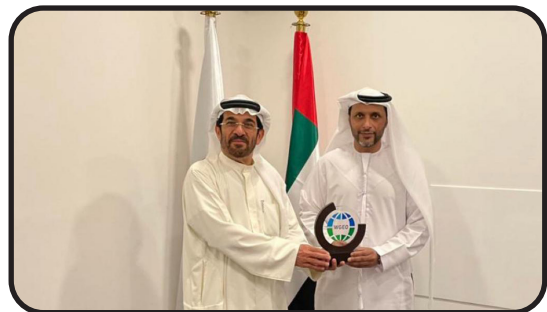
Participation in the signing ceremony of a partnership contract and two memorandums of understanding between one of AAAID's partnership, the National Veterinary Vaccines Company, the Indian TechInvention Company, the Indian Immunological for Animal Vaccine Company and the Malaysian Vaccines & Pharmaceuticals company during the period 5-8 June 2022 - Oman.

The meeting of H.E Chairman of AAAID with H.E Prof. Odile Renaud-Basso – the president of the European Bank for Reconstruction and Development in London on 5 September 2022, London – United Kingdom.



The meeting of H.E Chairman of AAAID with H.E Mr. Mahmoud Elyes Hamza – Minister of Agriculture, Water and Fishing in his office on 11 October 2022 – Tunisia.

Meeting with H.E Abdulrahim Sultan Al Qasbi – Executive Director of the World Green Economy Organization on 10 November 2022, Dubai – UAE.





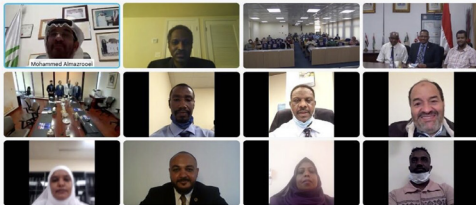
Participation in the Abu Dhabi International Food Exhibition as an Exclusive Investment Partner in Abu Dhabi National Exhibition Centre (ADNEC) during the period 6-8 December 2022, Abu Dhabi – UAE.

The regular meeting of AAAID's companies during the participation of AAAID in the activities of the Abu Dhabi International Food Exhibition, as an Exclusive Investment Partner in Abu Dhabi National Exhibition Centre (ADNEC) during the period 6-8 December 2022, Abu Dhabi – UAE.



Events:

التميز الوظيفي 2021

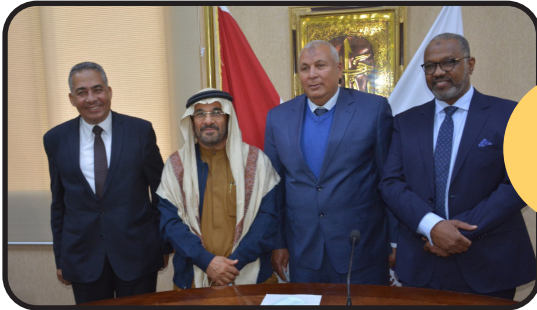


Career Excellence 2021

Organizing the 7th annual ceremony for Career Excellence 2021.

Agreements and Memoranda of Understanding:

AAAID has signed a number of agreements and memoranda of understanding with a number of international organizations, companies and institutions aimed at cooperation, integration and coordination between them to establish investments and cooperation in various fields serving the agricultural field. The following agreements and memoranda of understandings has been signed in 2022:



Signing a joint memorandum of understanding between AAAID and the Arab Company for Poultry Production on 16 January 2022 in Egypt.



Signing a joint memorandum of understanding between AAAID and the Islamic organization for Food Security in the International Conference with the title "Prospects for the Development of Food Security in Kazakhstan and Central Asian Countries" which took place in the Kazakhstan Pavilion at Expo 2020, on 21 February 2022, Dubai – UAE.



Signing a joint memorandum of understanding between AAAID and the Islamic organization for Food Security in the International Conference with the title "Prospects for the Development of Food Security in Kazakhstan and Central Asian Countries" which took place in the Kazakhstan Pavilion at Expo 2020, on 21 February 2022, Dubai – UAE.



Signing of a joint memorandum of understanding between AAAID and Maneser Group on 31 May, 202, Tunisia – Tunisia.



The signing of a joint memorandum of understanding between the AAAID and Arab Atomic Energy Agency on 31 May 2022, Tunisia –Tunisia.



The signing of a joint memorandum of understanding between AAAID and Algerian Sonatrach Company on 31 October, Algeria – Algeria.



The signing of a joint memorandum of understanding between AAAID and the Arab Organization for Agricultural Development on 30 November, Khartoum – Sudan.



The signing of a joint memorandum of understanding between AAAID and Abu Dhabi Chamber of Commerce and Industry on 7 December, Abu Dhabi – UAE.

The financial Situation of AAAID for the year Ended on 31/12/2022

Total Income:

The total income for the year ended on 31/2022/12/ reached to KWD (10.1) million USD (33) million compared to KWD 23.5 million (USD 77.7 million) for the fiscal year 2021.

The income mainly consists of investment portfolios, the profits of the companies, loans, and other sources.

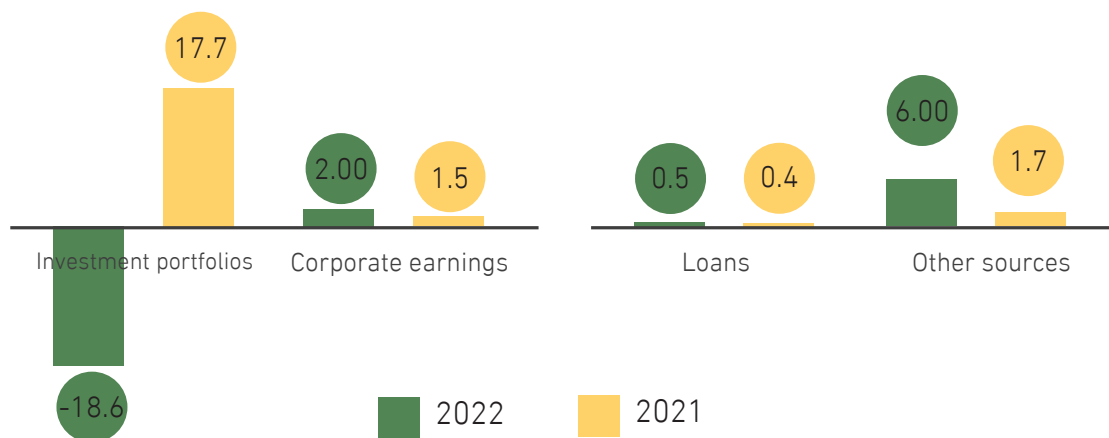


Figure (4): Comparison of income components from 2021 - 2022 (million KWD)

Details of total income are as follows:

1. Income from financial investments:

Income from financial investments for the fiscal year ended on 31/12/2022 reached to KWD (18.6) million (USD (60.7) million), compared to KWD 17.7 million (USD 58.5 million) as on 31/12/2021.

2. Income from corporate dividends:

Income from corporate dividends for the fiscal year ended on 31/12/2022 reached KWD 2 million (USD 6.5 million) compared to KWD 1.5 million (USD 4.9 million) as on 31/12/2021.

3. Income from loans:

Income from loans for the year ended on 31/12/2022 reached KWD 0.5 million (USD 1.6 million) compared to KWD 0.4 million (USD 1.3 million) as on 31/12/2021.

4. Income from other sources:

Income from other sources as on 31/12/2022 reached to KWD 6 million (USD 19.6 million) compared to KWD 3.9 million (USD 12.9 million) as on 31/12/2021.

The value and distribution of the consolidated investment portfolio for the year 2022

On 31/12/2022, the total investment portfolio of AAAID reached to KWD 164.6 million (USD 537.3 million), compared to KWD 183.1 million (USD 605.3 million) on 31/12/2021.

Portfolio Distribution as at December 2022



The distribution of AAAID's consolidated portfolio is as follows:

1. Equity Investments:

- The value of AAAID's investments in equities as at 31/12/2022 reached to KWD 111.2 million (USD 362.9 million) representing 68% of the total consolidated portfolio compared to KWD 134.6 million (USD 445 million) representing 73.5% of the consolidated portfolio, as at the end of 2021.
- On 31/12/2022, AAAID's investments in equity achieved a profit of KWD (-13.2) million (USD (-43.1) million) compared to KWD 18.2 million (USD 60.2 million) at the end of 2021.

2. Bond Investments:

- AAAID's investments in bonds value as at 31/12/2022 reached to KWD 53.4 million (USD 174.3 million) representing 32% of the total consolidated portfolio compared to KWD 48.5 million (USD 160.3 million) representing 26.5% of total consolidated portfolio, as at the end of 2021.
- On 31/12/2022, AAAID investments in bonds achieved losses of KWD (-5.3) million USD (-17.3) million compared to KWD 0.5 million (USD 1.6 million) at the end of 2021.

Total expenditure:

- AAAID's total expenditure as on 31/12/2022 was KWD 13.7 million (USD 44.7 million) compared to KWD 15.6 million (USD 51.6 million) as at 31/12/2021.

Financial Performance results:

- AAAID's net profit for the year ended on 31/12/2022 was KWD (-23.8) million (USD (-77.7) million) compared to KWD 7.9 million (USD 26.1 million) as at 31/12/2021.

Financial Center:

1. Assets:

- AAAID's net assets as at 31/12/2022 amounted to KWD 306.4 million (USD 1.0 billion), compared to KWD 324.4 million (USD 1.072 billion) as at 31/12/2021.

2. Liabilities:

- AAAID's total liabilities as at 31/12/2022 amounted to KWD 24 million (USD 78.4 million) compared to KWD 19 million (USD 62.8 million) as at 31/12/2021.

Shareholders' Equity:

- AAAID's total shareholders' equity, representing paid-up capital and reserves as at 31/12/2022, amounted to KWD 282.4 million (USD 922 million) compared to KWD 305.4 million (USD 1,010 million) as at 31/12/2021.

Financial Data and External Auditor Report

Arab Authority for Agricultural Investment and Development

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	<i>Notes</i>	2022 KD	2021 KD
ASSETS			
Cash and cash equivalents	4	1,559,960	4,190,567
Investments held for trading	5	164,575,378	183,104,202
Loans, net	6	3,670,506	4,060,086
Contributions and direct investments, net	7	121,459,602	119,561,598
Other assets	10	4,683,080	3,073,253
Property and equipment, net	8	8,081,329	7,726,737
Investment Property, net	9	2,409,965	2,660,396
TOTAL ASSETS		306,439,820	324,376,839
LIABILITIES AND EQUITY			
Liabilities			
Borrowings from financial institutions	11	329,830	325,739
Other liabilities	12	21,299,642	16,069,236
Employees' end of service benefits	13	2,380,025	2,600,852
Total liabilities		24,009,497	18,995,827
Member Countries' Equity			
Paid up capital	14	221,076,072	221,076,072
Share premium		208,570	208,570
Statutory reserve	15	26,714,695	26,714,695
General reserve	16	18,169,714	44,748,103
Voluntary reserve	17	16,041,340	14,041,340
Foreign currency translation reserve	18	219,932	(1,407,768)
Total member countries' equity		282,430,323	305,381,012
TOTAL LIABILITIES AND EQUITY		306,439,820	324,376,839

 Mohamed Bin Obaid Al-Mazrouei
 Chairman

 Jalaleldin Mohamed Zain
 Director of Finance

 The attached notes 1 to 28 form part of these financial statements.

Arab Authority for Agricultural Investment and Development

STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

For the year ended 31 December 2022

	<i>Notes</i>	2022 KD	2021 KD
(Loss) Income			
Net (loss) gain from investments held for trading	19	(18,553,713)	17,733,629
Dividend from contributions and direct investments	20	2,000,853	1,467,004
Reversal of impairment losses	22	5,727,341	2,158,051
Income from loans	6	475,251	401,604
Other income	21	270,168	1,744,124
Total (Loss) income		(10,080,100)	23,504,412
Expenditure			
Salaries and indemnities		(3,422,973)	(4,059,495)
Depreciation	8,9	(431,415)	(384,695)
Travelling and accommodation		(826,684)	(294,099)
Impairment losses	23	(6,906,446)	(9,858,051)
Portfolio investment fees		(1,181,057)	(418,593)
Others		(936,600)	(558,341)
Total expenditure		(13,705,175)	(15,573,274)
(LOSS) PROFIT FOR THE YEAR		(23,785,275)	7,931,138
Other comprehensive loss			
Net movement in foreign currency translation reserve		1,627,700	(3,461,972)
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE YEAR		(22,157,575)	4,469,166

 Mohamed Bin Obaid Al-Mazrouei
 Chairman

 Jalaleldin Mohamed Zain
 Director of Finance

Arab Authority for Agricultural Investment and Development

STATEMENT OF CHANGES IN MEMBER COUNTRIES' EQUITY

For the year ended 31 December 2022

	Paid up capital KD	Share premium KD	Statutory reserve KD	General reserve KD	Voluntary reserve KD	Foreign currency translation reserve KD	Total KD
Balance at 1 January 2021	221,076,072	208,570	25,921,581	38,361,345	14,041,340	2,054,204	301,663,112
Profit for the year	-	-	-	7,931,138	-	-	7,931,138
Transfer to voluntary reserve	-	-	793,114	(793,114)	-	-	-
Funds appropriations for donations	-	-	-	(751,266)	-	-	(751,266)
Foreign currency translation reserve	-	-	-	-	-	(3,461,972)	(3,461,972)
At 31 December 2021	221,076,072	208,570	26,714,695	44,748,103	14,041,340	(1,407,768)	305,381,012
Balance at 1 January 2022	221,076,072	208,570	26,714,695	44,748,103	14,041,340	(1,407,768)	305,381,012
Loss for the year	-	-	-	(23,785,275)	-	-	(23,785,275)
Transfer to investment impairment reserve (Note 17)	-	-	-	(2,000,000)	2,000,000	-	-
Funds appropriations for donations	-	-	-	(793,114)	-	-	(793,114)
Foreign currency translation reserve	-	-	-	-	-	1,627,700	1,627,700
At 31 December 2022	221,076,072	208,570	26,714,695	18,169,714	16,041,340	219,932	282,430,323

The attached notes 1 to 28 form part of these financial statements.

Arab Authority for Agricultural Investment and Development

STATEMENT OF CASH FLOWS

For the year ended 31 December 2022

	Notes	2022 KD	2021 KD
OPERATING ACTIVITIES			
(Loss) Profit for the year		(23,785,275)	7,931,138
<i>Adjustments to reconcile (loss) profit for the year to net cash flows from operating activities:</i>			
Dividend income	20	-	(1,445,683)
Change in fair value for investments held for trading	20	-	(4,738,558)
Reversal of impairment losses	22	(5,727,341)	(2,158,051)
Impairment losses	23	6,906,446	9,858,051
Depreciation of property and equipment and investment property	8,9	453,436	384,695
Gain (Loss) on sale of property and equipment	8	58,928	(9,360)
Provision for employees' end of service benefits	13	389,753	261,881
		(21,704,053)	10,084,113
<i>Operating cash flows before changes in working capital:</i>			
Net movement in investments held for trading		18,528,824	(26,376,795)
Net movement in loans, net		(456,670)	2,768,788
Net movement in other assets		(1,390,725)	(785,499)
Net movement in other liabilities		4,437,289	1,698,499
		(585,335)	(12,610,894)
Employees' end of service benefits paid	13	(610,581)	(43,729)
Net cash flows (used in) operating activities		(1,195,916)	(12,654,623)
INVESTING ACTIVITIES			
Additions to contributions and direct investments		(2,445,680)	(2,672,182)
Additions to property and equipment and investment property	8,9	(616,711)	(4,437,480)
Proceeds from sale of property and equipment		-	9,773
Time deposits		-	15,798,362
Dividend income received		-	1,445,683
Net cash flows (used in) /from investing activities		(3,062,391)	10,144,156
Net (decrease) in cash and cash equivalents		(4,258,307)	(2,510,467)
Cash and cash equivalents at the beginning for the year		4,190,567	10,163,006
Net movement in foreign currency translation reserve		1,627,700	(3,461,972)
CASH AND CASH EQUIVALENTS AT THE END FOR THE YEAR	4	1,559,960	4,190,567

The attached notes 1 to 29 form part of these financial statements.

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

1 ACTIVITIES

The Arab Authority for Agricultural Investment and Development (the “Authority”) was established as an Independent Arab Financial Authority having administrative and financial independence as per the statute of the Authority signed by thirteen (13) Arab countries on 1 November 1976, with authorised share capital of KD 150 million. Subsequently, the Board of Shareholders resolved to increase the authorised share capital to KD 336 million amount of 221.076 KD Accordingly, the number of contributing countries reached (21) countries (Note 14).

The objective of the Authority includes the development of agricultural resources with a particular emphasis on maximising the availability of agricultural products within its member states.

The head office of the Authority is located at P.O. Box 2102, Khartoum, Republic of Sudan.

The issuance of these financial statements was approved by the Authority's Board of Directors on 2 March 2023.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

The accompanying financial statements of the Authority have been prepared in accordance with the requirements of Article 17 of the Articles of Association and in accordance with the accounting policies approved by the Board of Shareholders of the Authority in accordance with the requirements and nature of the Authority as shown in (Note 3).

2.2 BASIS OF MEASUREMENT

These financial statements have been prepared based on the historical cost convention, modified to include the measurement at fair value of investments held for trading and derivatives using the accrual accounting method and going concern assumption.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The functional currency of the Authority is US Dollar as majority of the transactions undertaken by the Authority are denominated in US Dollar. The financial statements are presented in Kuwaiti Dinar (“KD”) which represents the presentation currency according to the Statute and Establishment Agreement of the Authority.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Authority and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The Authority assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Authority has concluded that it is acting as a principal in all of its revenue arrangements.

Interest income

Interest on loans, bank deposits, and fixed income securities are accounted for on accrual basis, except for the overdue interest for six months, which are recognized on receipt basis.

Dividend income

Dividend from contributions and direct investments are recorded when the right to receive the dividend income is established.

Investment income

Gains and losses on sale of investments are included in the statements of comprehensive income and expenditure and are recognized when the transaction takes place.

Unrealised gains and losses arising on revaluation of securities classified as held for trading are included in the statements of comprehensive income and expenditure.

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income from derivatives

Derivative financial instruments include forward contracts, which are initially measured at cost and are subsequently re-measured at fair value. Fair values are generally obtained by reference to quoted market prices. Any changes in the fair values of derivatives that are held for trading purposes are directly included in the profit for the year. The fair values of derivatives are included in Investments held for trading.

Rental income

Rental income from renting of the investment property and the building is recognized as other income on a straight-line basis over the lease term.

Taxes

In accordance with Article No. 12, Clause No. 3, of the Establishment Agreement, the Authority, its assets, income, dividend and operations in the contracting countries, as well as the subscriptions of member countries, issued bonds, loans granted by the Authority, deposits, and donations received shall be exempted from all taxes and fees including customs duties and local taxes.

The Authority is further exempted from the obligation of collecting or paying any fees or taxes.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses. When property and equipment are sold or retired, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting on their disposal is recognised in the statement of comprehensive income and expenditure.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

• Building	20 years
• Furniture	5 years
• Equipment	3 years
• Vehicles	5 years
• Computer accessories	3 years

The residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognised in the statements of comprehensive income and expenditure as the expense is incurred.

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognised in the statements of comprehensive income and expenditure as the expense is incurred.

The Authority capitalises all costs relating to assets as capital work-in-progress until the date of completion and commissioning of these assets. These costs are transferred from capital work-in-progress to the appropriate asset category upon completion, commissioning and depreciated over their useful economic lives from the date of such completion and commissioning.

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment property

Investment property is the property held either to earn rental income or for capital appreciation or for both, but not for the sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. The investment property held by the Authority is measured at cost less accumulated depreciation.

The investment property is depreciated using the straight-line method over the estimated useful life of 20 years.

Repair and maintenance expenses are charged to the statement of comprehensive income when incurred, and improvements that would increase the value of the related assets or substantially extend their life are capitalized.

Impairment of non-financial assets

The Authority assesses, at each reporting date, whether there is an indication that non-moneatry asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Authority estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Reversal of impairment losses recorded in previous years is recorded when there is an indication that the impairment loss for the financial asset has decreased or has decreased, and the decrease can be linked objectively to an event occurring after the impairment was recognized. A reversal of impairment losses is recognized in the statement of comprehensive income and expenditure to the extent that the carrying amount of the asset does not exceed its amortized cost at the date of the reversal..

Leases

All agreements for lease entered into by the Authority are considered as operating leases. Payments made under operating leases are charged to the statements of profit or loss and other comprehensive income on a straight line basis over the lease term.

Authority as a lessor

All lease contracts entered into between the Authority and the lessee are considered as operating leases and are recognized in the statements of profit or loss and other comprehensive income on an accrual basis.

Employees' end of service benefits

Provision for employees' end of service benefits is calculated for the accumulated periods of service at the end of the reporting date in accordance with employees' regulation of the Authority.

Financial instruments

Financial assets

Initial recognition and measurement

Financial assets are classified as "cash and cash equivalents", "investments held for trading", "loans", "contributions and direct investments", "other assets", or as "derivatives designated as hedging instruments in an effective hedge" as appropriate. The Authority determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of investments not held from trading, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Authority commits to purchase or sell the asset.

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Initial recognition and measurement (continued)

The Authority's financial assets include cash and cash equivalents, investments held for trading, loans, contributions and direct investments and other assets. At 31 December, the Authority did not have any financial assets held-to-maturity or as derivatives designated as hedging instruments.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position consist of cash with banks and short-term, highly liquid deposits with a maturity of three months or less, which can be readily converted into a known amount of cash and are subject to an insignificant risk of changes in value

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand and bank balances.

Investments held for trading

Investments are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains or losses on investments held for trading are recognised in the statement of profit or loss and other comprehensive income.

After initial recognition, investments held for trading are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of income and expenditure.

Loans

Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are originated by the Authority with no intention of trading the receivables; and comprise of borrowings to investee companies. Loans are measured at amortised cost less impairment losses. Amortised cost is calculated on the effective interest rate method.

Contributions and direct investments

In accordance with the Establishment Agreement, and the objectives of the Authority, investments are directed to companies of similar nature consistent with the overall objectives of the Authority's. Since the Authority doesn't exercise or intent to exercise control or significant influence over these companies; it is carried at cost less impairment losses, if any.

Other assets

Other assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Other assets include dividend receivable which are stated at original invoice amount less a provision for any uncollectible amount. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when there is no possibility of recovery.

Derecognition

A financial asset (or, where applicable a part of financial asset or part of a group of similar financial assets) is derecognised when:

- the right to receive the cash flows from the asset have expired.
- the Authority has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Authority has transferred substantially all the risks and rewards of the asset, or (b) the Authority has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Authority has transferred its rights to receive cash flows from an asset or has entered into pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Authority's continuing involvement in the asset. In that case, the Authority also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Authority has retained.

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

The Authority assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and also where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The Authority performs a detailed assessment on its direct investment, contributions and related loans at each reporting date to determine whether there are any indications for impairment or there is uncertainty on the recoverability of these amounts. As part of the assessment process, the Authority considers certain factors such as the investees' operations, restructuring plans and expected future profitability.

In case there is an objective evidence of impairment of investment and recoverability of any related loans and if the investee has a restructuring plan, the Authority usually provides the investee a period of time to assess the final outcome and impact. Based on that a decision will be taken to either provide an impairment or consider an alternative plan such as debt to equity conversion and /or injection of additional capital.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified as "borrowings from financial institutions", "other liabilities" or as "derivatives designated as hedging instruments in an effective hedge" as appropriate. The Authority determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in case of borrowings from financial institutions, plus directly attributable transactions costs.

The Authority's financial liabilities include borrowings from financial institutions and other liabilities. At 31 December, the Authority did not have any financial liabilities at fair value through the statement of comprehensive income and expenditures or derivative financial instruments (if any).

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Payables

Liabilities are recognised for amounts to be paid in the future.

Derecognition

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

Offsetting of financial instruments

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

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Fair value of financial instruments (continued)

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include:

- ▶ Using recent arm's length market transactions;
- ▶ Reference to the current fair value of another instrument that is substantially the same; or
- ▶ A discounted cash flow analysis or other valuation models.

An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 27.

Foreign currencies

Foreign currency transactions are translated into functional currency at the spot exchange rates prevailing at transaction dates. Monetary assets and liabilities at the year end, denominated in foreign currencies, are retranslated into functional currency at the exchange rates prevailing at the reporting date. Foreign exchange gains or losses on translation of monetary assets and liabilities denominated in foreign currencies are recognized in the statements of comprehensive income and expenditure. Non-monetary assets measured at fair value in a foreign currency are translated using the exchange rates prevailing at the date when the fair value was determined.

For purpose of presentation of the financial statements, results of business and financial position of the Authority are translated into Kuwaiti Dinar (presentation currency) as follows:

- Assets and liabilities are translated at the closing rate at the statement of financial position date, except for the following:
 - ▶ Contributions and direct investments;
 - ▶ Property and equipment;
 - ▶ Investment property;
 - ▶ Provision for impairment losses on loans;
 - ▶ Unpaid dividend
- Income and expenses are translated at the transaction date exchange rates; and
- All resulting exchange differences are recognized as a separate component of equity as foreign currency translation reserve.

Provisions

Provisions are recognised when the Authority has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using the current pre-tax rate that reflects -where appropriate- the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recorded as a finance cost.

The provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. The provision is reversed if it is probable that no further outflow of resources will be required to settle the obligation.

Dividend

The Authority records an obligation to pay cash dividends when the distribution is approved and the distribution is no longer at the discretion of the Authority

Based on board resolution and with reference to the shareholder recommendation, interest on unpaid dividend shall be reversed directly to the general reserve.

Contingencies

Contingent liabilities are not recognised in the financial statements, but are disclosed unless the possibility of an outflow of resources embodying economic benefits of the Authority is remote.

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

4 CASH AND CASH EQUIVALENTS

	2022 KD	2021 KD
Bank balances	698,372	3,718,745
Time deposits (maturing within 3 months from contract date)	861,588	471,822
	<u>1,559,960</u>	<u>4,190,567</u>

Cash in banks yields interest at variable rates based on daily bank deposit rates. Short-term deposits are linked for varying periods of time, ranging from one day to three months, according to the Authority's immediate cash requirements, and yield a return according to the relevant short-term deposit rates.

The Authority does not have any pledges or pledges on bank balances and term deposits as on December 31, 2022 and December 31, 2021.

Cash and cash equivalents at the currency level:

	2022 KD	2021 KD
AED	1,349,548	2,451,489
USD Dollars	174,021	1,281,363
EURO	34,919	5,196
Other currencies	1,472	452,519
Total	<u>1,559,960</u>	<u>4,190,567</u>

5 INVESTMENTS HELD FOR TRADING

Investments held for trading are managed by the portfolio managers appointed by the Authority. Investments held for trading as at 31 December comprise of the following:

	2022 KD	2021 KD
Equity securities	111,167,432	134,599,743
Fixed income securities	54,232,920	48,636,990
Fair value of derivatives	(824,974)	(132,531)
	<u>164,575,378</u>	<u>183,104,202</u>

The movement in investments held for trading is as follows:

	2022 KD	2021 KD
As at 1 January	183,104,202	151,988,849
Additions/disposals (net)	24,889	13,381,724
Portfolio earnings	(18,553,713)	17,733,629
As at 31 December	<u>164,575,378</u>	<u>183,104,202</u>

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

5 INVESTMENTS HELD FOR TRADING (continued)

The balance of investments held for the purpose of trading (stocks and securities with fixed income) was distributed to the investment portfolio managers, as follows:

Portfolio	2022		2021	
	KD Equity securities	KD Fixed Income	KD Equity securities	KD Fixed Income
Portfolio 1	20,976,421	19,663,670	32,028,252	18,159,670
Portfolio 2	15,575,641	18,737,140	21,239,641	20,525,432
Portfolio 3	16,148,075	-	17,811,544	-
Portfolio 4	15,958,649	-	17,262,068	-
Portfolio 5	10,989,217	-	11,196,439	-
Portfolio 6	9,939,709	-	15,833,515	-
Portfolio 7	7,863,108	-	7,721,870	-
Portfolio 8	3,943,779	-	4,421,850	-
Portfolio 9	4,703,582	-	-	-
Portfolio 10	-	9,309,561	-	9,454,882
Portfolio 11	-	7,149,397	-	6,878,287
Portfolio 12	-	3,135,722	-	-
Portfolio 13	-	481,707	-	364,476
Portfolio 14	-	-	206,276	-
	106,098,181	58,477,197	127,721,455	55,382,747

The balance of investments held for trading, broken down by currency, is as follows:

	2022 KD	2021 KD
USD Dollars	127,734,096	131,516,606
Bahraini dinar	16,177,967	15,833,515
Japanese Yen	2,323,974	6,909,146
Euro	2,151,134	6,400,030
Sterling pound	1,617,324	3,002,523
Swiss Franc	702,698	4,513,074
Others	13,868,185	14,929,308
	164,575,378	183,104,202

The balance of investments held for trading includes cash balances with the custodian and portfolio managers as an integral part of the portfolio managers' duties in managing the investment portfolio with the Authority as on December 31, 2022, at an amount of 4,221,355 KD (December 31, 2021: 2,655,989 KD).

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

6 LOANS, NET

In accordance with the Authority's objectives, the Authority grants majority of loans to its investee companies to finance their operations (Note 8). Loans agreements signed between the Authority and these companies contain certain covenants, such as:

- ▶ Ensuring commitment of investees to fulfil their obligations as stipulated in the signed loan agreement by creating a floating lien on all their assets to the Authority.
- ▶ Obligation of investee companies not to dispose of their assets either by sale, grant, by any other means or assignment of any rights to other companies without obtaining prior written approval from the Authority; and
- ▶ Obligation of investee companies to give the priority to the loans borrowed from the Authority in settlement over any other debts.

The movement in the loans balance was as follows:

	2022 KD	2021 KD
Balance at the beginning of the year	37,868,444	44,577,481
Disbursements during the year	929,108	2,260,730
Repayments during the year	(741,721)	(5,029,520)
Transfer to direct investments (Note 7)	-	(3,831,264)
Foreign exchange differences	273,378	(108,983)
Balance at the end of the year	<u>38,329,209</u>	<u>37,868,444</u>
Less: Provision for impairment losses	<u>(34,658,703)</u>	<u>(33,808,358)</u>
	<u>3,670,506</u>	<u>4,060,086</u>

Income from loans as at December 31, 2022 amounted to KD 475,251 (2021: KD 401,604)

The movement in the allowance for impairment losses is as follows:

	2022 KD	2021 KD
Balance at the beginning of the year	33,808,358	32,835,501
Charge during the year (Note 23)	850,345	1,099,443
Reversal of provision (Note 22)	-	(126,586)
	<u>34,658,703</u>	<u>33,808,358</u>

As of December 31, 2022, the total provision for loan impairment amounted to KD 34,658,703 (2021: KD 33,808,358) related to some loans granted to companies in which the Authority invests. This is as a result of the failure of these companies to fulfil their obligations to the Authority on their due dates, in addition to the Authority's lack of certainty about the possibility of recovering these loans. During the year ending on December 31, 2021, the Authority recorded impairment losses in the value of loans amounting to 850,345 KD (2021: 1,099,443 KD) in the statement of comprehensive income and expenditure. The management considers that the provision recorded is sufficient in accordance with the methodology for calculating loan provisions in accordance with the accounting policies of the Authority and according to the recommendation of the relevant committee, taking into account the following:

- Recording a provision for impairment in the full value of loans granted to companies that have defaulted in repayment for extended periods of time and that suffer from financial difficulties that make the possibility of collecting the value of the loans slim.
- Recording a provision equal to the present value of the future cash flows of some loans that are expected to be rescheduled within two years after the passage of three years, a grace period starting from 2022, with a discount rate ranging between 5%: 6%.

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

6 LOANS - NET (continued)

Loans as at 31 December is granted to the following:

	2022	2021
<i>Country</i>	KD	KD
<i>Arab Company for Agricultural Production and Processing</i>	Sudan	
Loan for refinancing and production inputs	26,008,555	25,685,890
Loan for financing folder production	778,436	768,779
Loan for payment of staff dues	536,025	529,375
Loan for financing production inputs for year 2001-2002	113,362	111,955
	<u>27,436,378</u>	<u>27,095,999</u>
	Saudi	
<i>Al-Robian Company</i>	Arabia	
Unified loan	2,052,210	2,026,750
Steering loan	1,497,531	1,458,760
Agriculture Development Fund	1,225,099	1,209,900
Bridging loan	1,194,570	1,179,750
	<u>5,969,410</u>	<u>5,875,160</u>
<i>Arab Sudanese Blue Nile Agricultural Company – (AGADI)</i>	Sudan	
Operational loan 2011-2012	1,966,596	1,942,199
	<u>1,966,596</u>	<u>1,942,199</u>
<i>Arab Company for Crops Production</i>	Sudan	
Irrigation Axels	810,278	800,226
	<u>810,278</u>	<u>800,226</u>
	2022	2021
	KD	KD
<i>Pioneer (Al-Ruwad)</i>	Sudan	
Operating loan (2008-2009)	160,623	158,630
Capital loan 2006	77,506	76,544
Operating loan (2007-2008)	19,580	19,337
	<u>257,709</u>	<u>254,511</u>
<i>Dhayat Yusef Company</i>	Morocco	302,500
Al Sarha Animal Production Company	Sudan	352,864
	Saudi	
<i>Masaed al asmak</i>	Arabia	132,661
<i>Kabuja Project for Agricultural Production</i>	Sudan	73,959
Al-Mutamayaza for Vegetables and Crops	Sudan	62,243
Wad Aabid Association	Sudan	29,140
Raeadat Agadi Association	Sudan	48,230
Others	939,058	898,752
	<u>1,888,838</u>	<u>1,900,349</u>
Total loans	38,329,209	37,868,444
Less: Provision for impairment losses	(34,658,703)	(33,808,358)
	<u>3,670,506</u>	<u>4,060,086</u>

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

7 CONTRIBUTIONS AND DIRECT INVESTMENTS – NET

In accordance with the Authority's objectives, the Authority participated in establishing certain companies, which are specialized in agriculture field and foodstuff, as well as investment in companies with similar objectives. However, these investments are classified under "contributions and direct investments" as the Authority does not exercise any significant influence or has a control over the operations and financial policies of these companies. Therefore, these investments are carried in the financial statements at cost less provision for impairment losses, if any. The following table represents the cost of the outstanding investments as at 31 December:

	<i>Location</i>	<i>Ownership percentage</i>	2022 KD	2021 KD
White Nile Sugar Company	Sudan	14.38%	21,429,303	20,572,858
Arab Sudanese Vegetable Oil Company	Sudan	88.00%	17,588,930	17,482,528
Arab Company for Processing and Production of Poultry	Sudan	78.80%	16,386,322	16,386,322
Arab Sudanese Blue Nile Agricultural Company (AGADI)	Sudan	85.30%	13,061,714	13,061,714
Kenana Sugar Company	Sudan	5.59%	10,703,800	10,703,800
Arab Company for Agricultural Production and Processing Ltd. Sudan	Sudan	42.50%	8,778,375	8,778,375
El Faiyum Sugar Works Company	Egypt	26.93%	8,215,308	8,215,308
The Arab Iraqi Dairy Company	Iraq	50.00%	6,671,003	6,671,003
Emirates Rawabi Company Limited	UAE	27.56%	4,813,829	4,813,829
Osool for poultry	Oman	20.58%	4,698,244	4,698,244
Arab Company for Crops Production	Sudan	52.75%	4,113,883	4,113,883
Veterinary Medicines Company under formation	Sudan	32.53%	4,612,721	4,040,759
Al bashayer meat company	Oman	20.00%	4,040,020	4,040,020
Elaf for starch and glucose	Sudan	100.00%	3,831,264	3,831,264
Al-Ahliyah Company for Vegetable Oils (Hama)	Syria	40.00%	3,641,476	3,641,476
Asser Poultry Company	KSA	20.00%	2,879,325	3,206,834
Others*			28,658,783	28,020,403
Total cost of investments			164,124,300	162,278,620
Provision for impairment losses			(42,664,698)	(42,717,022)
			121,459,602	119,561,598

Other investments item includes the Authority's investments in various countries, with a value between 2.3 million KD and 2.7 thousand KD.

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

7 CONTRIBUTIONS AND DIRECT INVESTMENTS – NET (continued)

Movements in impaired contributions and direct investments

	2022 KD	2021 KD
Balance at the beginning of the year	42,717,022	37,481,952
Charged during the year (Note 23)	4,895,929	7,452,070
Reversed during the year (Note 22)	(4,348,253)	(1,800,000)
Write off during the year	(600,000)	(417,000)
Balance at the end of the year	42,664,698	42,717,022

The Authority, based on the instructions of the Board of Directors, created a voluntary reserve of KD 16.041 million as of 31 December 2022 to safeguard its investments from any impairment losses (Note 17). Subsequently, an Impairment Assessment Committee (“the Committee”) was formed to review and assess the financial performance of each investee company on the date of the statement of financial position; to determine whether there is a need for further impairment losses. The Committee reviews the historical financial performance and projected future cash flows of each investee company and provides further impairment losses, if any.

As at the reporting date, the Authority has total provision for impairment on its direct investments of KD 42,664,698 (2021: KD 42,717,022) related to certain entities where there is objective evidence of impairment. During the year ended 31 December 2022, the Authority recorded impairment loss on investments of KD 4,895,929 (2021: KD 7,452,070) recognized in the statement of comprehensive income and expenditure. The management believes that the provision recorded is sufficient in accordance with the Authority's accounting policy which is as follow:

- In some investments, a provision was calculated to study the future business plan of companies that showed that there are indicators, whether internal or external, that indicate a decrease in the value of contributions, and the calculation of a provision for impairment in value depends on calculating the value of the Authority's contribution to those companies using the model of discounting the present value of future cash flows.
- Forming a provision for impairment equivalent to the full value of the Authority's contributions in fully troubled companies that do not have approved plans to improve performance in the near future.
- Based on the recommendations of the commission charged with calculating the provisions, several assumptions were used, represented in discount rates ranging from 6% to 8%, the use of a marketing discount rate as appropriate, and the use of a growth rate according to the expectations of the International Monetary Fund and based on the cash flows of the future plan of the investee company.

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

8 PROPERTY AND EQUIPMENT- NET

The movement in property and equipment for the year ended 31 December 2022 is as follows:

Cost	Building KD	Furniture and equipment KD	Vehicles KD	Computer accessories KD	Capital work-in- progress* KD	Total KD
At 1 January 2022	3,052,616	1,206,505	348,758	586,528	7,139,039	12,333,446
Additions during the year	314	7,302	8,718	1,351	596,910	614,595
Disposals during the year	-	-	-	(81,135)	-	(81,135)
Transfers	-	-	-	25,646	(25,646)	-
At 31 December 2022	3,052,930	1,213,807	357,476	532,390	7,710,303	12,866,906
Accumulated depreciation						
At 1 January 2022	2,971,840	1,160,154	254,477	220,238	-	4,606,709
Charged during the year	9,911	20,535	38,029	132,600	-	201,075
Accumulated depreciation of disposals	-	-	-	(22,207)	-	(22,207)
At 31 December 2022	2,981,751	1,180,689	292,506	330,631	-	4,785,577
Net carrying amount						
At 31 December 2022	71,179	33,118	64,970	201,759	7,710,303	8,081,329

*The balance of capital work in progress as of December 31, 2022, represents the cost of establishing a new administrative headquarters for the authority in Dubai. The project is expected to be completed during the first quarter of 2023

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2020

8 PROPERTY AND EQUIPMENT - NET (continued)

The movement in property and equipment for the year ended 31 December 2021 is as follows:

Cost	Building KD	Furniture and equipment KD	Vehicles KD	Computer accessories KD	Capital work-in- progress* KD	Total KD
At 1 January 2021	3,052,616	1,190,644	396,115	191,091	3,114,455	7,944,921
Additions during the year	-	2,574	-	-	4,434,906	4,437,480
Disposals during the year	-	14,885	-	395,437	(410,322)	-
Transfers	-	(1,598)	(47,357)	-	-	(48,955)
At 31 December 2021	3,052,616	1,206,505	348,758	586,528	7,139,039	12,333,446
Accumulated depreciation						
At 1 January 2021	2,961,930	1,135,777	261,700	162,469	-	4,521,876
Charged during the year	9,910	25,939	38,548	57,769	-	132,166
Accumulated depreciation of disposals	-	(1,562)	(45,771)	-	-	(47,333)
At 31 December 2021	2,971,840	1,160,154	254,477	220,238	-	4,606,709
Net carrying amount						
At 31 December 2021	80,776	46,351	94,281	366,290	7,139,039	7,726,737

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

9 INVESTMENT PROPERTY – NET

The movement in investment property for the year ended 31 December is analyzed as follows:

	2022 KD	2021 KD
Cost		
At the beginning and ending of the year	5,107,598	5,107,598
Additions during the year	2,116	-
	<u>5,109,714</u>	<u>5,107,598</u>
Accumulated depreciation		
At 1 January	2,447,202	2,194,673
Charged during the year	252,547	252,529
	<u>2,699,749</u>	<u>2,447,202</u>
At 31 December	<u>2,699,749</u>	<u>2,447,202</u>
Net carrying amount at 31 December	<u>2,409,965</u>	<u>2,660,396</u>

10 OTHER ASSETS

	2022 KD	2021 KD
Accrued interest on loans	4,687,448	4,468,829
Due from related parties (Note 27)	5,248,704	5,087,506
Advances to employees	99,816	67,970
Deposits for other companies	1,070,292	-
Others	845,782	936,826
	<u>(7,268,962)</u>	<u>(7,487,878)</u>
Less: Allowance for impairment losses	<u>4,683,080</u>	<u>3,073,253</u>

The movement in the allowance for impairment of other assets as follow:

	2022 KD	2021 KD
Balance at the beginning of the year	7,487,878	6,412,806
Charged during the year (Note 23)	1,160,172	1,306,538
Reversal for impairment (Note 22)	(1,379,088)	(231,466)
	<u>7,268,962</u>	<u>7,487,878</u>

11 BORROWINGS FROM FINANCIAL INSTITUTIONS

	2022 KD	2021 KD
	Kingdom Saudi Arabia	
Saudi Fund for Development	<u>329,830</u>	<u>325,739</u>

The term loan from the Saudi Fund for Development is not guaranteed and has Libor weighted interest rate + 0.4%.

The term loan is repayable as follows:

	2022 KD	2021 KD
Within five year	<u>329,830</u>	<u>325,739</u>

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

12 OTHER LIABILITIES

	2022 KD	2021 KD
Suppliers and other credit balances	6,277,556	4,351,791
Accrued expenses	5,263,696	6,573,340
Payments received from Libya under capital increase	3,938,441	-
Rents in advance	143,490	127,379
Others	5,676,459	5,016,726
	<u>21,299,642</u>	<u>16,069,236</u>

13 EMPLOYEES' END OF SERVICE BENEFITS

Movements in the employees' end of service benefits is as follows:

	2022 KD	2021 KD
Balance at beginning of the year	2,600,852	2,344,770
Charged during the year	357,174	261,881
Foreign exchange differences	32,580	37,930
Paid during the year	(610,581)	(43,729)
Balance at end of the year	<u>2,380,025</u>	<u>2,600,852</u>

14 PAID UP CAPITAL

Analysis of the authorised and paid up capital as at 31 December is as follows:

	2022		2021	
	Authorised capital KD	Paid-up capital KD	Authorised capital KD	Paid-up capital KD
<i>Member countries:</i>				
Kingdom of Saudi Arabia	51,190,000	51,187,169	51,190,000	51,187,169
The State of Kuwait	44,330,000	44,329,885	44,330,000	44,329,885
United Arab Emirates	34,130,000	34,128,133	34,130,000	34,128,133
The Republic of Iraq	34,130,000	34,128,133	34,130,000	34,128,133
The Republic of Sudan	34,070,000	27,030,233	34,070,000	27,030,233
The State of Qatar	17,060,000	17,059,036	17,060,000	17,059,036
The Arab Republic of Egypt	6,830,000	6,829,651	6,830,000	6,829,651
The People's Democratic Republic of Algeria	3,410,000	3,409,795	3,410,000	3,409,795
The Kingdom of Morocco	1,370,000	1,369,954	1,370,000	1,369,954
Sultanate of Oman	230,000	233,356	230,000	233,356
The Kingdom of Bahrain	230,000	233,356	230,000	233,356
The Republic of Tunisia	220,000	222,870	220,000	222,870
The Islamic Republic of Mauritania	220,000	223,134	220,000	223,134
The Hashemite Kingdom of Jordan	110,000	111,648	110,000	111,648
The Democratic Republic of Somalia	110,000	103,559	110,000	103,559
The Republic of Lebanon	100,000	100,743	100,000	100,743
The Republic of United Comoros	110,000	83,866	110,000	83,866
The Republic of Yemen	110,000	82,758	110,000	82,758
The State of Palestine	80,000	81,608	80,000	81,608
The Syrian Arab Republic	110,000	75,670	110,000	75,670
Republic of Djibouti	80,000	51,515	80,000	51,515
Unsubscribed capital	107,770,000	-	107,770,000	-
	<u>336,000,000</u>	<u>221,076,072</u>	<u>336,000,000</u>	<u>221,076,072</u>

On May 2013, The Board of Directors passed a resolution to increase the share capital by KD 84.49 million to be paid by the shareholders in five equal instalments starting from 1 January 2014. During the year ended 31 December 2022: Nil (2021: KD Nil).

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

15 STATUTORY RESERVES

In accordance with Article No. 19/2 of the Statute of the Authority, the Authority is required to transfer 10% of the profit for the year to the statutory reserve until such reserve equals 20% of the share capital of the Authority, unless the Board of Shareholders resolves to exceed such limit. The Authority hasn't been transferred any amounts to the statutory reserve this year regarding to the year losses.

16 GENERAL RESERVE

In accordance with Article No. (19/2) of the Statute of the Authority, the Board of Shareholders are authorised to form any other suitable reserves. The general reserve is formed from transfer of net profit/ (loss) for each year after deduction of outstanding reserves and is available for distribution.

17 VOLUNTARY RESERVE

This reserve has been formed based on the Board of Directors' Resolution No. 13 of 1990, which requires that such reserve shall be set aside from the net profit as appropriate and will be utilised to safeguard the Authority's interests against any impairment losses of the investee companies. This reserve shall not be used for any purpose other than the one it has been formed for.

On 7 April 2022, the Board of Directors of the Authority has approved the transfer of KD 2,000,000 from the general reserve to the voluntary reserve.

18 FOREIGN CURRENCY TRANSLATION RESERVE

Foreign currency translation reserve includes the result of translating all balances of the financial statements as at the year-end denominated in US Dollar (functional currency) to KD (presentation currency).

19 NET (LOSS) GAIN FROM INVESTMENTS HELD FOR TRADING

	2022 KD	2021 KD
Interest from bonds and dividends	3,247,585	3,112,422
(Loss)/ Gain on sale of investments held for trading	(185,681)	12,993,494
Change in fair value of held-for-trading investments	(20,878,551)	1,626,136
Dividend income	623,148	1,445,683
Change in fair value of forward contracts	(1,360,214)	(1,444,106)
	<u>(18,553,713)</u>	<u>17,733,629</u>

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

20 DIVIDEND FROM CONTRIBUTIONS AND DIRECT INVESTMENTS

	2022	2021
	KD	KD
El Faiyum Sugar Works Company	783,605	690,075
Asser Poultry Company	327,509	161,592
Arab Company for Processing and Production of Poultry	199,103	46,172
Arab Sudanese Vegetable Oil Company	158,160	59,555
Emirates Rawabi Company Limited	150,031	196,210
Al-Ahliah Company for Vegetable Oils	130,768	143,772
Arab Sudanese Seed Company	113,536	7,773
Al Margi for Livestock	68,516	44,866
Arab Iraqi Dairy Company	47,224	95,019
Arab Trade Finance Program	22,401	21,970
	<u>2,000,853</u>	<u>1,467,004</u>

21 OTHER INCOME

	2022	2021
	KD	KD
(loss) / gain of currency valuation differences	(512,465)	1,242,805
Rental income	657,637	486,923
Miscellaneous income	124,996	14,396
	<u>270,168</u>	<u>1,744,124</u>

22 REVERSAL OF IMPAIRMENT LOSSES

	2022	2021
	KD	KD
Contributions and direct investments (Note 7)	4,348,253	1,800,000
Other assets (Note 10)	1,379,088	231,466
Loans (Note 6)	-	126,585
	<u>5,727,341</u>	<u>2,158,051</u>

23 IMPAIRMENT LOSSES

	2022	2021
	KD	KD
Impairment losses on contributions and direct investments (Note 7)	4,895,929	7,452,070
Other assets (Note 10)	1,160,172	1,306,538
Loans (Note 6)	850,345	1,099,443
	<u>6,906,446</u>	<u>9,858,051</u>

Arab Authority for Agricultural Investment and Development

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

24 RISK MANAGEMENT

24.1 Market Risk

26.1.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market interest rates. The Authority is exposed to interest rate risk on its granted loans.

24.1.2 Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Authority's exposure to the risk of changes in foreign exchange rates primarily relates to the Authority's operating activities (when income or expenditure is denominated in a currency different from the Authority's presentation currency).

The following analysis details the financial assets and liabilities in foreign currencies:

	2022		2021	
	Financial assets KD	Financial liabilities KD	Financial assets KD	Financial liabilities KD
US dollars	167,620,487	305,899,103	141,117,322	11,857,722
Bahraini Dinar	16,177,967	-	15,833,515	-
Japanese Yen	2,323,974	-	6,909,146	-
Euro	2,186,052	-	6,400,030	-
Swiss Franc	702,698	-	4,513,074	-
Sterling Pound	1,617,324	-	3,002,523	-
United Arab Emirates Dirham	2,516,226	-	2,380,906	-
Sudanese Pound	1,306,746	539,203	516,833	3,360,253
Others	14,696,187	-	15,895,920	6,732,267
	209,147,661	306,438,306	196,569,269	21,950,242

24.1.3 Stock and bond price risks

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the individual value of the securities. The Authority is exposed to equity price risk on its investments held for trading. The Authority manages this risk through diversification of investments in terms of industry diversification.

Concentration of equity securities based on geographical areas are as follows:

Markets	2022		2021	
	KD	Percentage	KD	Percentage
North America	77,350,428	47%	109,862,521	60%
Western Europe	54,309,875	33%	38,451,882	21%
East Asia & Pacific	13,166,030	8%	16,479,378	9%
Middle East & North Africa	16,457,538	10%	16,479,378	9%
Others	3,291,508	2%	1,831,043	1%
	164,575,379	100%	183,104,202	100%

24.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Management of the Authority attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties, and continually assessing the credit worthiness of counterparties. The maximum credit risk is limited to the carrying values of financial assets appearing on the statement of financial position.

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NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2022

24 RISK MANAGEMENT (continued)

24.2 Credit Risk (continued)

The Authority seeks to limit its credit risk with respect to borrowers by monitoring outstanding loans. The Authority limits credit risk with regard to its cash and cash equivalents by only dealing with reputable banks.

With respect to credit risk arising from the other assets, the Authority's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

a) Maximum exposure to credit risk is as follows:

	2022 KD	2021 KD
Fixed income securities	53,407,946	48,371,928
Loans, net	3,670,506	4,060,086
Other assets	4,683,080	3,073,253
Bank balances	698,372	3,718,745
Time deposits and deposits and wakala with financial institutions	861,588	471,822
	<u>63,321,492</u>	<u>59,695,834</u>

24.3 Liquidity risk

Liquidity risk is the risk that the Authority will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk is managed by the treasury department of the Authority. To manage this risk, the Authority periodically assesses the financial viability of borrowing companies and invests in bank deposits or other investments that are readily realisable. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

25 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or pay a liability in an orderly transaction between market parties at the measurement date in the principal market or the most advantageous market in the absence of the principal market that the Authority has access to at that date. The fair value of a liability reflects the related non-performance risk.

There are a number of accounting policies and disclosures that require the measurement of fair values of financial and non-financial assets and liabilities.

When measuring the fair value of an asset or liability, the Authority uses observable market data, as far as possible. The book values are categorized into levels of the fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level One: Quoted prices (unadjusted) in active markets for the same assets or liabilities.
- Level two: other valuation techniques in which the minimum amount of material data is directly or indirectly observable to the fair value measurement.
- Level Three: Other valuation techniques in which minimal inputs are material to the fair value measurement

If the inputs used to measure the fair value of the asset or liability are within different levels of the fair value hierarchy, the entire fair value measurement is categorized in the same level of the hierarchy to the extent that the lowest level of the input is material to the entire measurement.

The Authority includes the movements between the levels of the fair value hierarchy at the end of the financial reporting period during the change that occurred.

Arab Authority for Agricultural Investment and Development

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As at 31 December 2022

25 FAIR VALUE MEASUREMENT (continued)

As at December 31, 2022 and December 31, 2021, the fair values of the Authority's financial instruments were estimated to approximate their carrying values.

As at December 31, 2022 and December 31, 2021, the fair value of held-for-trading investments was estimated based on the first level of fair value valuation basis.

During the year ending December 31, 2022, and December 31, 2021, there was no movement between levels.

26 CAPITAL RISK MANAGEMENT

The Authority manages its capital to ensure its ability to continue as a going concern and maximising the shareholders returns through the optimisation benefit of the debt and equity balances. The Authority's overall policy remains unchanged since 2009.

The capital of the Authority comprises contribution from member countries comprising the issued capital as disclosed in Note 14.

27 RELATED PARTIES

Compensation of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and monitoring the activities of the Authority, either directly or indirectly, including the Board of Directors.

The remuneration of directors and other members of key management during the year were as follows:

	2022 KD	2021 KD
Remuneration paid to directors		
Meeting fees	261,628	123,652
Remuneration	100,619	107,700
	<u>362,247</u>	<u>231,352</u>
Key management compensation		
Short-term benefits	485,297	431,942
Post-employment benefits	396,954	388,490
	<u>882,251</u>	<u>820,432</u>

28 COMMITMENTS AND CONTINGENT LIABILITIES

Capital commitments

As at 31 December 2022, the Authority has capital commitments amounting to KD 596,910 (2021: KD 4,007,156).

Contingent liabilities

As at 31 December 2022, the Authority has granted corporate guarantees to commercial banks amounting to KD 7.6 million equivalent to USD 25 million (2021: KD 7 million equivalent to USD 23 million). These guarantees were provided to certain financial institutions to support the entities, which the Authority has invested in, in order to obtain facilities from these financial institutions.



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المكتب الإقليمي: دبي - دولة الإمارات العربية المتحدة
ص.ب. 51250، هاتف: 0097144161555 | 0097142566222
فاكس: 0097142566657 | 0097142566656

المقر الرئيسي: الخرطوم - جمهورية السودان
ص.ب. 2102، هاتف: 00249187096100 | 00249183772600
فاكس: 00249183794350

www.aaaid.org | info@aaaid.org