

Limited Assurance Report on Transactions and Balances between the Group and the Related Parties

To the shareholders of
Arab Sea Information Systems Company
 (A Saudi Joint Stock Company)
 Riyadh – Kingdom of Saudi Arabia

We have performed a limited assurance engagement to determine whether a matter has come to our attention that causes us to believe that what is detailed in the topic paragraph below (the “Subject”) is not fairly reported and presented, in all material respects, In accordance with the relevant controls (“The Criteria”) referred to below.

Subject

The subject of this limited assurance engagement relates to the notification provided by the Board of Directors of Arab Sea Information Systems Company regarding business and contracts in which a member of the Board of Directors has a direct or indirect interest.

Related controls

Article (71) of the Companies law issued by the Ministry of Commerce.

Management responsibilities:

The company's management is responsible for the preparation and fair presentation of the information contained in the above topic paragraph in accordance with the relevant controls, and is also responsible for choosing the methods of applying those controls. Management is also responsible for implementing the internal control systems it deems necessary to prepare and present the information contained in the above topic paragraph, ensuring that it is free from any material misstatement, whether resulting from fraud or error, selecting and applying appropriate controls, maintaining adequate records, and making reasonable estimates depending on the relevant circumstances and events.

Our responsibilities:

Our responsibility is to provide a limited assurance conclusion on the above subject matter based on the assurance engagement we conducted in accordance with the International Standard on Assurance Engagements (3000) “Assurance Engagements Other than Audit or Reviews of Historical Financial Information”, approved in the Kingdom of Saudi Arabia, and the terms and conditions related to such engagement. Which was agreed upon with the company's management.

Our procedures are designed to obtain a limited level of assurance sufficient to provide a basis for our conclusion, and accordingly, we did not obtain all of the evidence required to provide a reasonable level of assurance. The actions taken depend on our professional judgment, including the risks of material misstatements, whether due to fraud or error. We also considered the effectiveness of internal control systems when determining the nature and extent of our procedures, and our engagement was not designed to provide assurance about the effectiveness of those systems.

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Independence and quality control:

We have committed ourselves to our independence and confirm that we have met the requirements of the professional code of conduct and ethics adopted in the Kingdom of Saudi Arabia, Which includes the basic principles of integrity, objectivity, professionalism, due care, confidentiality and professional conduct.

We have also applied the International Standard on Quality Control (1) “(ISQC) Quality Control for Firms that Perform Audits and Reviews Engagements of Historical Financial Information and Other Assurance and Related Services Engagements” and accordingly we maintain a comprehensive system of quality control including documented policies and procedures on compliance with ethical requirements, professional standards and the applicable systemic and regulatory framework.

Summary of procedures performed:

The procedures applied in a limited assurance engagement are different in nature and timing and less in extent than those applied in a reasonable assurance engagement.

As a result, the level of assurance obtained in a limited assurance engagement is much lower than the assurance that would be obtained if we had performed a reasonable assurance engagement.

Our procedures include – but not limited to – the following:

- Obtaining the notification submitted by the members of the Board of Directors, which includes the business and contracts in which a member of the Group’s Board of Directors has a direct or indirect personal interest.
- Obtaining an understanding of the nature of the transactions that will take place between the company and the member of the Board of Directors who has a direct or indirect interest in them.
- Review reports from three independent Saudi Authority of Accredited Valuers to confirm the fair value of the tower to be purchased according to the following:
 - Evaluation of the White Cubes Company for Professional Consulting, membership number 1210000474, with a total value of 62.9 million Saudi riyals.
 - Evaluation of Saleh Al-Omari Real Estate Valuation Company, membership number 1210001002, with a total value of 62.9 million Saudi riyals.
 - Evaluation of Itqan Real Estate Valuation Company, membership number 1210001245, with a total value of 64.1 million Saudi riyals.
- View the minutes of the Board of Directors meeting, which included the recommendation in principle on the purchase process.

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Limited report conclusion:

Based on our limited assurance procedures and the evidence obtained, nothing has come to our attention that we believe that what has been detailed in the above subject paragraph and set out in the attached report has not been reported and presented fairly, in all material respects, in accordance with the relevant controls.

Restriction of use:

This report has been prepared, at the request of the Group's management only, in order to assist the Group in fulfilling its obligations to report to the General Assembly under Article (71) of the Companies Law. The report may not be used for any other purpose or distributed to any parties other than the Ministry of Commerce, the Capital Market Authority and the shareholders of the group, or to quote from it or refer to it without obtaining our prior approval.

RSM Allied Accountants Professional Services



Mohammed Bin Farhan Bin Nader

License No. 435

Riyadh, Kingdom of Saudi Arabia

26 Dhul-Qi'dah 1445 H (Corresponding to June 3, 2024)



Date :21-05-2024

التاريخ:21-05-2024م

A notification letter from the Board of Directors of Arab Sea Information Systems Company

خطاب تبليغ من مجلس إدارة شركة بحر العرب لأنظمة المعلومات

Dear shareholders of Arab Sea Information Systems Company,,,

السادة / مساهمي شركة بحر العرب لأنظمة المعلومات الكرام ,,,

Notification of the business and contracts in which members of the Board of Directors have a direct or indirect interest with the Arab Sea Company

تبليغ عن الأعمال والعقود التي لأعضاء مجلس الإدارة مصلحة مباشرة أو غير مباشرة فيها مع شركة بحر العرب

A reference to the requirements of Article (71) of the Companies Law, which states: "It is not permissible for a member of the Board of Directors to have a direct or indirect interest in the business and contracts carried out for the company except with authorization from the Ordinary General Assembly, according to regulations enacted by the competent authority, and A member of the Board of Directors should notify the Board on any direct or indirect interest in the business and contracts carried out for the company.

إشارة الى متطلبات المادة (71) من نظام الشركات، والتي تنص على أنه " لايجوز أن يكون لعضو مجلس الإدارة مصلحة مباشرة أو غير مباشرة في الأعمال والعقود التي تتم لحساب الشركة إلا بترخيص من الجمعية العامة العادية، ووفقاً للضوابط التي تضعها الجهة المختصة، وعلى عضو مجلس الإدارة أن يبلغ المجلس بما له من مصلحة مباشرة أو غير مباشرة في الأعمال والعقود التي تتم لحساب الشركة.

Therefore, We would like to inform you of the business and contracts in which the members of the Board of Directors will have a direct or indirect interest, and for which the company seeking to obtain authorization from the General Assembly, on as follows:

عليه نود إبلاغكم بالتعاملات والعقود التي ستكون لأعضاء مجلس الإدارة مصلحة مباشرة أو غير مباشرة فيها، والتي تسعى الشركة للحصول على ترخيص من الجمعية العامة عليها وهي على النحو التالي :

- Voting on the business and contracts that will take a place between the company and the member of the Board of Directors, Mr. Mohammed Saleh Al-Suhaibani have (a direct interest), which is represented in the purchase of an office tower consisting of 23 floors with a total area of 6,510 square meters located in the north of the city of Riyadh in Al-Sahafa District, to be a headquarters for the company and its subsidiaries, at a value of 59 million Saudi riyals Not including real estate transaction tax. it will be installment over a period of ten calendar years in equal annual installments In accordance with the prevailing regulatory conditions without any preferential conditions, and the member of the Board of Directors, Mr. Haitham Mohammed Al-Suhaibani, (indirect interest)

- التصويت على الأعمال والعقود التي ستمت بين الشركة وعضو مجلس الإدارة الأستاذ/ محمد صالح السحبياني (مصلحة مباشرة) والمتمثلة في شراء برج مكثبي مكون من 23 دور بمساحه إجمالية 6510 متر مربع يقع في شمال مدينة الرياض بحي الصحافة ليكون مقراً للشركة والشركات التابعة لها بقيمة 59 مليون ريال سعودي غير شاملة ضريبة التصرفات العقارية تقسط لمدة عشر سنوات ميلادية تدفع على دفعات سنوية متساوية. وفقاً للشروط النظامية السائدة دون أي شروط تفضيلية كما أن لعضو مجلس الإدارة الأستاذ / هيثم محمد السحبياني (مصلحة غير مباشرة).

الأستاذ/ عبدالله محمد الحواس

التوقيع :

الأستاذ/ تركي ناصر الدهمش

التوقيع :

الدكتور / أحمد سراج خوير

التوقيع :

الأستاذ/ صالح محمد العجيان

التوقيع :

الأستاذ/ محمد صالح السحبياني

التوقيع :

الأستاذ/ أحمد سليمان الجاسر

التوقيع :

الأستاذ/ هيثم محمد السحبياني

التوقيع :

المهندس/ عبدالعزيز محمد الخليفة

التوقيع :