



Annual Audit Committee Report 2023





Messrs. Shareholders of Arab Sea Information Systems "Joint Stock Company "

Audit Committee Report of Financial Year 2023

The objectives of the audit committee are to assist the company's board of directors in carrying out its responsibilities in monitoring the integrity of the data contained in the company's financial statements and to ensure the effectiveness and efficiency of the internal control systems in order to achieve the company's objectives and protect the interests of shareholders with high efficiency and reasonable cost. Based on the decision of the company's Board of Directors, the Audit Committee was formed. September 17, 2023

Accordingly, the Auditing Committee shall present an annual report for its works during the fiscal year 2023, all inquiries of shareholders will be answered after reading this report.

Composition of the audit committee:

The following are the members of the Audit Committee for the previous session that ended on September 16, 2023:

1. Ahmed Suleiman Al-Jasser (Member of the Board of Directors and Chairman of the audit Committee)
2. Nasser Abdullah Al-Awfi (Audit Committee Member)
3. Khaled Abdulaziz Al-Hoshan (Audit Committee Member)

The Audit Committee was formed by the Board of Directors, and the current session began on September 17, 2023. Its duration is three years and consists of the following independent members:

1. Ahmed Siraj Khoqair (member of the Board of Directors and Chairman of the audit Committee)
2. Ahmed Suleiman Al-Jasser (Member of the Board of Directors and Committee Member)
3. Nasser Abdullah Al-Awfi (Audit Committee Member)





4. Khaled Abdulaziz Al-Hoshan (Audit Committee Member)

The members of the committee have no relationship that may contradict their independence. The applicable regulations and laws shall be complied with to assess the independence of members at the extent of our knowledge. Audit Committee held 6 meetings within 2023, through which the initial and annual financial statements are discussed, as well as the internal and external auditing works, in light of the financial statements and the information submitted by the Executive management and external auditor, accordingly the auditing committee has performed the following action:

- Study the presentations of the accounting auditors by approved external offices, and provide recommendations to appoint independent external accounting auditors.
- Study initial and annual financial statements of the company before previewing thereof to the board of directors and give their opinions in its respect and recommend therewith to ensure its integrity, just, and transparency.
- Give the technical opinion about whether the report of the board of directors and the financial statements of the company are fair, balanced, and well understood. It shall also include the information that enables the shareholders to assess the financial position of the company and its performance.
- Study any important or unfamiliar issues in the financial statement.
- Search accurately in any issues invoked by the financial director of the company or any person who undertakes his duties, or the accounting auditor.
- Study the accounting estimates in the essential issues provided in the financial statements.
- Study the accounting policies applicable as per the nature of its work and give its opinion, and recommend the board of directors in its respect.
- Control and supervise the performance and activities of the internal auditing department in the company, to verify the availability of the required resources and its efficiency in performing the assigned works and duties.
- Investigate the internal auditing reports and follow up the implementation of the corrective procedures of the remarks provided therein, and notify the board of directors with the essential remarks if any.
- Review and approve the internal auditing annual plan.
- Verify the independence of the internal auditing department, the extent of efficiency of the auditing works, in appropriate with the relevant standards.
- Review the work plan of the external auditing and works, and ensure that no technical or administrative works, which are beyond the scope of auditing works, are provided, as well as giving their opinions in this respect.





- Ensure the independence, objectiveness, and fairness of the external auditing and the efficiency of the auditing works.
- Answer the inquiries of the external auditor of the company.
- Study the external auditing report and its remarks on the financial statement.
- Present any issues, the board of directors think necessary and recommend the procedures that shall be taken.

Auditing Committee's Opinion

During its meetings, the Committee reviewed the periodic reports of the internal audit. It also met with the external auditor and reviewed the reports issued by him.

It also conducted reviews to provide reasonable assurance of the efficiency and effectiveness of risk management, governance, and internal control processes.

The committee periodically followed up on the efforts of the executive management to ensure that the observations that were discovered were addressed and that controls were put in place to limit their impact on the internal control system. Based on the periodic Reports submitted to the Audit Committee during the fiscal year ending on 31/12/2023 AD by the Internal Audit Department and the reports of the External Auditor, the Audit Committee did not find any fundamental observations or gaps in the company's internal control system that would affect the integrity and fairness of the financial statement

There is also no conflict between the recommendations and decisions of the Audit Committee with the Board of Directors

Chairman of Audit Committee

Dr. Ahmed Khoqair

