

Saudi Joint Stock Co.
C.R. 1010073685
P.O. Box 859 Riyadh 11421
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Tel. (+966 11) 2658888
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شركة العبد اللطيف للاستثمار الصناعي
Al Abdullatif Industrial Investment Co.

شركة مساهمة سعودية
س.ت: ١٠١٠٠٧٣٦٨٥
ص.ب ٨٥٩ الرياض ١١٤٢١
المملكة العربية السعودية
هاتف: ٢٦٥٨٨٨٨ (+٩٦٦١١)
فاكس: ٢٦٥٩٩٩٩ (+٩٦٦١١)

02/05/2023AD

Inform from the Board of Directors to the Shareholders about the transactions to be made with the Related Parties in Fiscal year 2023

Gentlemen / Shareholders of Al-Abdullatif Industrial Investment Company
Peace, mercy, and blessings of Allah be upon you,

We the board of directors of Al-Abdullatif Industrial Investment Company are pleased to put in your hands a comprehensive statement of the transactions that will take place, God willing, with the related parties for the fiscal year 2023, knowing that all transactions with the related party are not different from transactions with the ordinary commercial debtors and creditors and there are no special advantages, which are as follows:

Reasons and justifications for the intrinsic relations with the Related Parties

Name	Relationship
Al-Abdul Latif Furniture Company	Facility managed by Mr. Suleiman Omar Al-Abdullatif (General Manager Al-Abdul Latif Furniture Company) He is currently a member of the board of directors of AL Abdullatif Furniture Company (closed contribution), Mr. Abdul Latif Omar Al-Abdul-Latif and Mr. Fahd Omar Al-Abdul-Latif are also members of the Board of Directors of Al-Abdullatif Furniture Company (closed contribution) and have (indirect relationship).

The nature of the relationship that took place with these parties in the fiscal year 2022 is as follow:

1- conditions to make transaction with the related parties are demonstrated below:

Business transactions with the related parties are conducted in accordance with the normal terms of dealing, which are not different from dealings with debtors and ordinary commercial creditors and there are no other benefits.

2- Detailed description of the dealings with these related parties is below:

3- Sales to a related party (AL Abdul Latif Furniture Company):



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Sales consist mainly of wholesale sale of carpet and moquette materials, knowing that all dealings with the related party are not different from those with ordinary debtors and commercial creditors and have no special advantages. These businesses are one year period and renewed annually by the General Assembly During the fiscal year 2022, sales were (40.151) thousand riyals.

Chairman

Suliman bin Omar Al-Abdullatif

REPORT ON A LIMITED ASSURANCE

**TO THE SHAREHOLDERS
AL ABDULLATIF INDUSTRIAL INVESTMENT COMPANY
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA**

We have performed a limited assurance engagement to indicate whether a matter has drawn our attention that causes us to believe that the stated details in the subject paragraph below (the "subject") has not been reported and presented fairly, in all material respects, in accordance with the relevant controls referred to hereunder.

Subject:

The subject of the limited assurance engagement is related to the financial information described in the accompanying communication (Appendix 1) submitted by the Chairman of the Board of Directors of Al Abdullatif Industrial Investment Company ("the Company") to the Ordinary General Assembly regarding business and contracts in which a member of the company's board of directors has a direct or indirect personal interest thereof for the year ended December 31, 2022, in accordance with the requirements of Article (71) of the regulations for Companies .

Related controls

- Article (71) of the regulations for Companies issued by the Ministry of Commerce and Investment (1437H - 2015).
- The communication submitted by the Chairman of the Board of Directors of the Company (Appendix 1).
- Approval of the Ordinary General Assembly held on June 14, 2022 on business and contracts concluded with related parties in which one of the members of the company's board of directors has a direct or indirect personal interest for the year ended December 31, 2022.

Responsibility of the management

Management is responsible for the preparation and fair presentation of the information contained in the accompanying communication prepared in accordance with the above-mentioned paragraph of the subject, and it is also responsible for choosing the methods for applying the relevant controls, and such internal as management determines is necessary to enable the preparation and fair presentation of the information contained in the above subject paragraph that are free from any material misstatements, whether due to fraud or error, and choosing and applying appropriate controls, maintaining adequate records and making reasonable estimates according to the relevant circumstances and events.

Our responsibility and the basis for the conclusion

It is our responsibility to provide a limited assurance conclusion on the above subject based on the limited assurance engagement we have made in accordance with the International Standard for Assurance Engagements (3000) "Assurance engagements other than audits or reviews of historical financial information" adopted in the Kingdom of Saudi Arabia, and the related terms and conditions with this engagement that agreed upon with the company's management.

Our procedures are designed to obtain a limited level of assurance sufficient to provide a basis for expressing our conclusion, and accordingly, we have not obtained all of the evidence required to provide a reasonable level of assurance. The procedures performed depend on our professional judgment, including the risk of material misstatements in the subject, whether due to fraud or error. We also took into consideration 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 these systems.

We are independent of the company in accordance with the professional code of conducts and ethics that are endorsed in the Kingdom of Saudi Arabia, and we have also complied with our other ethical responsibilities in accordance with those requirements, and we also apply the international standard for quality control (1).

REPORT ON A LIMITED ASSURANCE

TO THE SHAREHOLDERS
AL ABDULLATIF INDUSTRIAL INVESTMENT COMPANY
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA...(continued)

Summary of the performed procedures:

The procedures applied in a limited assurance engagement differ in nature, timing, and are less in scope than those applied in reasonable assurance engagements. As a result, the level of assurance that is obtained in a limited assurance engagement is less than that which would be obtained if a reasonable assurance engagement procedure had been made.

Our procedures that we performed include:

- Obtain the communication submitted by the Chairman of the Board of Directors, which includes financial information on the business and contracts in which a member of the company's board of directors has a direct or indirect personal interest thereof for the year ended December 31, 2022, in accordance with the requirements of Article (71) of the regulations for Companies (Appendix 1).
- Review the minutes of the Board of Directors' meetings, which refer to communicate with the members of the board of directors of the business and contracts that they perform for the year ended December 31, 2022
- Compare the financial information as stated in Appendix (1) with the company's accounting records for the year ended December 31, 2022.

Conclusion

Based on the limited assurance procedures that we have performed and the evidence obtained, nothing has come to our attention that causes us to believe that the details stated in the above subject paragraph has not been reported and presented fairly, in all material respects, in accordance with the relevant controls.

Riyadh: Ramadan 07, 1444H.
March 29, 2023G.



For EL SAYED EL AYOUTY & CO.



Abdullah Balamesh
Certified Public Accountant
License No. (345)