

The Board of Directors of Sahara International Petrochemical Company (Sipchem) invite the shareholders to attend the 27th General Assembly (First Meeting) via modern technology

The Board of Directors of Sahara International Petrochemical Company (Sipchem) invite the honorable shareholders to participate and vote in The Twenty-seven General Assembly meeting (the first meeting), which is scheduled to be held via modern technology means, at 07:00 pm on .Wednesday, May 20 2026 Corresponding to 03 Dhu al-Hijjah 1447 AH

To consider the following agenda:

- 1- Reviewing the Board of Directors' report for the fiscal year ending on 31-12-2025. and discussing it. (attached)
- 2- Reviewing the financial statements for the fiscal year ending on 31-12-2025. and discussing it. (attached)
- 3- Voting on the auditor report on the company's accounts for the fiscal year ending on 31-12-2025 after discussing it. (attached)
- 4- Voting to absolve the members of the Board of Directors from their liability for the past year 31/12/2025.
- 5- Voting to authorize the Board of Directors to distribute interim quarterly (quarter/ half) annual profits for the fiscal year 2026.

Shareholders registered in the Company share registry at the Depository Center as of the end of trading prior to the General Assembly Meeting as per the rules and regulations. Shareholders have the right to discuss the topics on the agenda of the assembly and direct their inquiries. Eligibility for Registering the Attendance of the General Assembly's Meeting Ends upon the Convenience of the General Assembly's Meeting. Eligibility for Voting on the Business of the Meeting Agenda Ends upon the Counting Committee Concludes Counting the Votes. The quorum to convene Ordinary General Meeting is the attendance of shareholders representing at least twenty-five (25%) percentage of the Company's capital. If such quorum is not present at the first meeting, the second meeting will be held one hour after the end of the period specified for the first meeting and the second meeting will be deemed quorate irrespective of the number of shares represented at the meeting. The remote voting will start on Saturday 29/11/1447 H Corresponding to 16/05/2026 at (01:00) AM, and the voting will end once the General Assembly Meeting ended. Please note that registration in Tadawulaty service and voting is provided free of charge.

For inquiries, please contact the Governance and Shareholders Affair Department on Phone:

+966 133567148 or +966 138019396

e-mail: Shareholders@sipchem.com

Audit Committee Report for the Year Ended 31/12/2025

Dear Respected Shareholders of Sahara International Petrochemical Company (Sipchem)

The Internal Audit department is verifying the efficiency of the Internal Control System and its effectiveness in mitigating major risks facing the company, that includes financial, operational and legal risks. The Audit Committee monitoring on a continuous basis the activities of the Internal Audit Department. On a regular basis Audit Committee reviewing reports issued by the Internal Audit Department, following on actions taken by company management to implement Internal Audit Recommendations and remediating deficiencies identified to ensure effectiveness and efficiency of Internal Control System.

Audit Committee report to the Board of Directors all material findings (if any) to take proper action(s). The scope of the Internal Audit Department includes the following:

- 1- Developing the Annual Audit Plan (Risk Based).
- 2- Executing the Annual Audit Plan, communicating and discussing audit results and findings with concerned/responsible departments.
- 3- Provide advisory services as directed by the Audit Committee.
- 4- Evaluate and assess action plans developed by management to remediate identified deficiencies.
- 5- Prepare and submit the Audit Reports to the Audit Committee and conduct follow-up activities to ensure full implementation of audit recommendations.
- 6- Assist in improving the internal control system and increase employee awareness about importance of Internal Control and its role as well as management role in improving its performance.

In addition to the above, the appointed External Auditor as part of approved scope of work of Auditing the Annual Financial Statement, perform an assessment of internal control system including IT system to ensure proper segregation of duties and that controls are in place and working effectively.

The Audit Committee ensured the objectivity and independence of the External Auditor and confirmed that the External Auditor obtained all required data, information, and clarifications necessary to perform its assigned duties. The Committee reviewed, discussed, the adequacy of the External Auditor's audit plan, its scope, and the risks covered. During the periodic meetings between the Audit Committee and the External Auditor, the Committee followed up on the execution of the external auditor plan and ensured its implementation as approved by the Committee. The results of the periodic and annual audits of the Company's financial data and financial statements (quarterly and annual) performed by the External Auditor for the year 2025 were also discussed during the meetings conducted between the Audit Committee and the External Auditor.



The Audit Committee held Six periodic meetings during the year 2025. All Committee meetings met the required quorum. During these meetings, the Committee reviewed the results of Internal Audit activities and discussed the periodic Internal Audit reports. The Committee also, together with the External Auditor, reviewed the Company's quarterly financial data and financial statements as well as the audited financial statements for the year 2025. The Committee discussed in detail the financial data and financial statements with Management and the External Auditor prior to their approval.

In accordance with the directives of the Audit Committee and the approved risk-based Internal Audit Plan, the Internal Audit Department executed several periodic audit engagements during the year 2025 to verify the accuracy and effectiveness of operations, the Internal Control and Financial Control Systems, and Risk Management, and to ensure that these systems are operating efficiently in a sound and effective manner. Internal Audit confirmed that all Company departments are committed to implementing the recommendations issued by the Internal Audit Department in accordance with the approved timelines for implementation.

The Audit Committee did not identify any material weakness or deficiency in the Internal Control, Financial Control, and Risk Management systems. As is professionally recognized, internal control systems—regardless of their effectiveness—do not provide absolute assurance regarding the adequacy, soundness, and effectiveness of the Company's internal controls; however, they provide reasonable assurance with a high level of confidence.

The Audit Committee verified the Company's compliance with applicable laws and regulations in the Kingdom of Saudi Arabia and ensured fulfillment of all disclosure and governance requirements issued by the Capital Market Authority. The Committee did not identify any violations indicating non-compliance or affecting the accuracy, reliability, or completeness of the Company's financial statements and related financial disclosures.



Chairman of Audit Committee

Eng. Abdullah Khalifa Al-Buainain