



**Audit Committee Report 2024**

**Opinion on the adequacy of the internal control system**

**Introduction:**

The supervision is considered a major role in the process of evaluation, follow-up, performance correction, detecting deviations, identifying opportunities, managing obstacles in order to achieve the company's goals and preserve the interests of shareholders and related parties. A well-managed company, that has an effective control system, is able to enhance its ability to implement its strategy.

Accordingly, the committee prepared an annual report aimed to provide the shareholders and other stakeholders with the most prominent works carried out by the committee within its competence and role in evaluating the internal control systems and their results. The audit committee has conducted (8) meetings during 2024, where discussed the interim and annual financial statements and the internal/external audit duties, based on information received from the executive management.

The most prominent tasks are as follows:

**Internal Audit:**

The committee carried out many tasks during 2024 related to internal auditing as follows:

1. Review and approve the internal audit plan and follow up the implementation of corrective measures for its observations.
2. Study and review the company's internal and financial control systems and ensure compliance with the required professional standards.
3. Ensure, through the internal auditor, that the contracts and transactions conducted by the company with related parties are reviewed.
4. Verify the company's compliance with the relevant laws, regulations, policies and instructions.
5. Follow up on the mechanism for reporting the violating practices and ensure its sufficiency and effectiveness.
6. The committee periodically reviews the company's internal policies and procedures, which cover the administrative, financial and operational aspects.

**External audit:**

The external auditor aims to provide the shareholders and related parties with a fairness opinion of the company's financial position and the absence of substantial observations. The external auditor relies on the existence of effective control tools that help him to become familiar with the tools and methods that the company has followed in implementing its regulations and procedures. The following are the most prominent tasks related to external auditing as follows:

1. Reviewing the quarterly and annual financial statements, ensuring compliance with accounting regulations and policies in accordance with international standards, and submitting recommendations to the Board of Directors for approval.
2. Studying the auditor's proposal and recommending the appointment of an independent external auditor.
3. Review the results of the reports of the supervisory authorities and verify that the company has taken the necessary actions.

**The Committee's Opinion:**

Based on the above, and the periodic reports submitted by the internal auditor and the executive management of the company and their confirmation of the safety and adequacy of the company's supervisory systems. The committee did not discover a fundamental weakness in the company's internal control systems or material matters of significant impact that required disclosure for the year 2024. The committee considers the adequacy of the policies, procedures, regulations and instructions in place in the company. The committee also reviews them continuously with the aim of improving and developing.