



الشرىف لتقنية المياه والطاقة
Alkhorayef Water & Power Technologies

INTEGRATED SOLUTIONS SUSTAINABLE IMPACT



ANNUAL REPORT
2025

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



The Custodian of the Two Holy Mosques

King Salman bin Abdulaziz Al-Saud

May God Protect Him



His Royal Highness Prince

Mohammed bin Salman bin Abdulaziz Al-Saud

Crown Prince and Prime Minister

May God Protect Him

Section I Company Overview

1-	The Company in Brief	16
2-	Chairman’s Statement	18
3-	CEO’s Statement	20
4-	Main Activity	22
5-	Our Vision, Mission, and Values	23
6-	Strategic Direction	24
7-	Growth Journey	26
8-	Company’s Organizational Structure	28
9-	Key Events of the Year	30
10-	Our Initiatives	36

Section II Business Segments

1-	The Company’s Main Segments	42
2-	Investment Case and Strengths	44
3-	Clients and Partners in Success	46
4-	Our Outlook for 2026	48
5-	Awards and Certifications	49
6-	Social Responsibility	52
7-	Sustainability and Commitment	52
8-	Human Resources and Workforce	53

Section III Financial Disclosures and Results of Operations

1-	Five-Year Results of Operations	58
2-	Annual Comparison of Results	59
3-	Development of Financial Statements	60
4-	Key Financial Indicators and Ratios	61
5-	Loans	62
6-	Main Activities Contributing to Revenue	63
7-	Geographical Analysis of Revenue	63
8-	Subsidiaries and Affiliates	64
9-	Due Statutory Payments	64

Section IV Governance and Sustainability

1-	The Company’s Governance	68
2-	Board Members	74
3-	Board Committees	86
4-	Executive Management	106
5-	Remuneration	115
6-	Penalties, Sanctions, and Legal Cases	116
7-	Related Party Transactions	117
8-	Disclosure and Transparency	118
9-	Shareholders	126
10-	Risks	133
11-	Sustainability at the Company	136

About the Report

The Annual Report of Alkhorayef Water and Power Technologies Company (the "Company") for 2025 includes both financial and non-financial information. It combines financial and operational reports and the Board of Directors report, in addition to the Company's strategy and business model, the Enterprise Risk Management (ERM) framework, and sustainability aspects. The objective is to provide shareholders and all other stakeholders with a comprehensive Report on the Company's activities, achievements, and objectives for the period from 01/01/2025 to 31/12/2025. The financial information presented in this report is stated in SAR million, unless otherwise indicated. Differences may arise due to rounding during calculations.

Our Theme in 2025

Integrated Solutions, Sustainable Impact

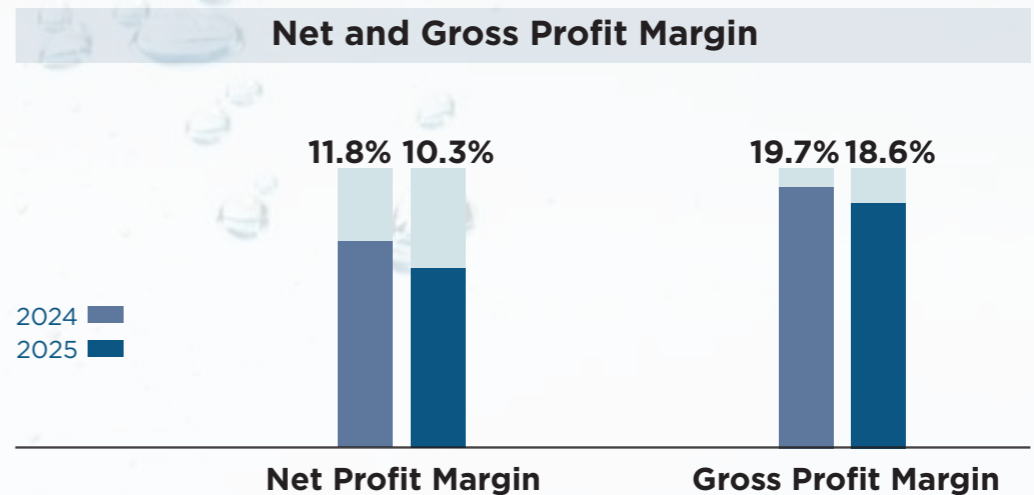
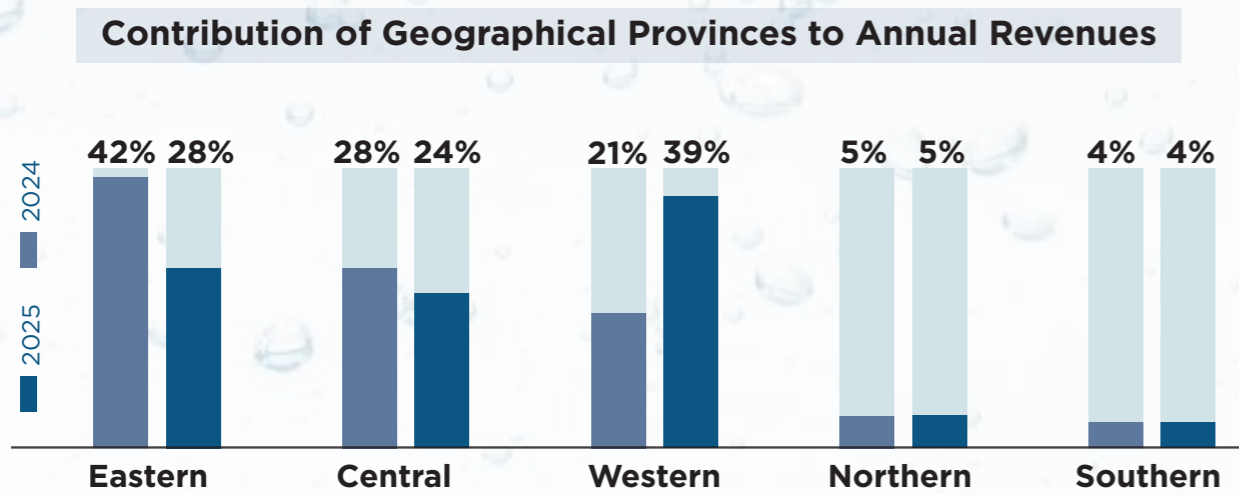
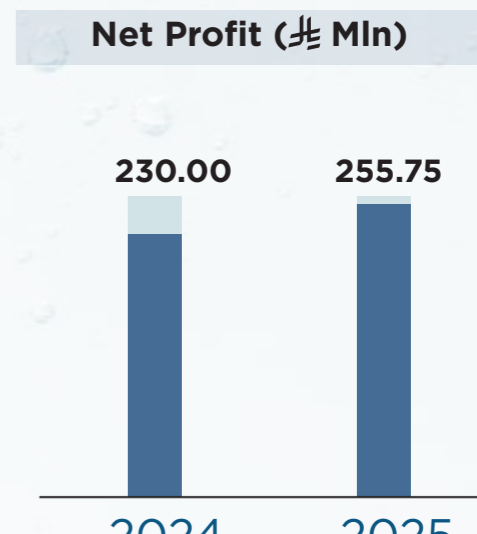
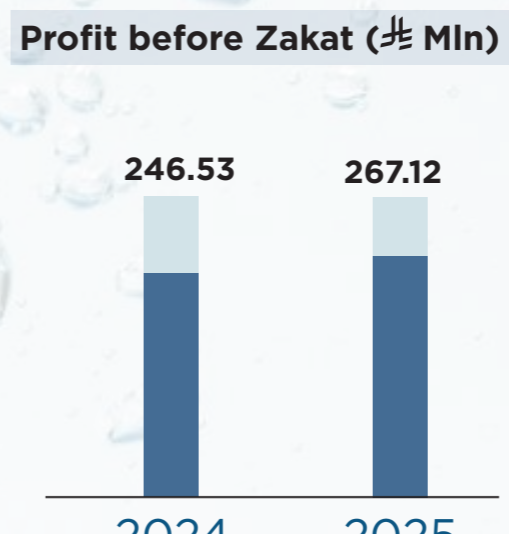
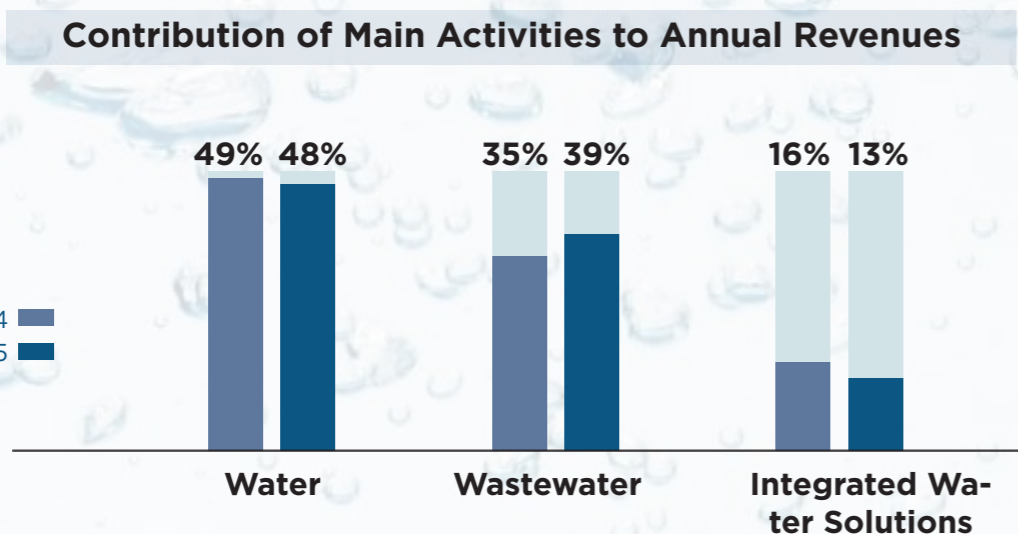
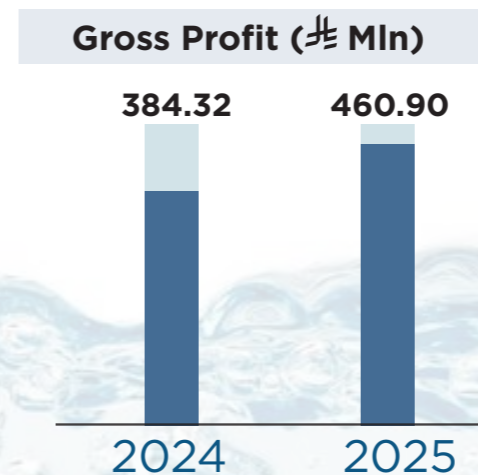
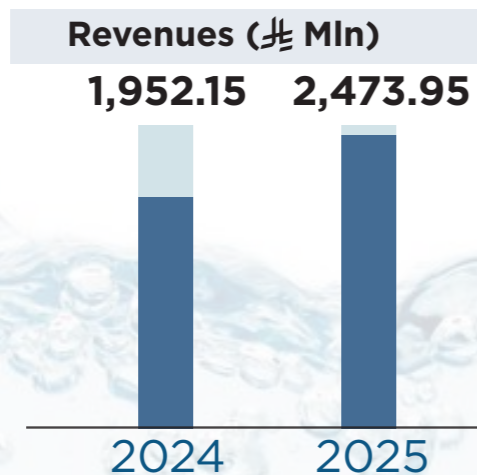
Alkhorayef Water and Power Technologies Company adopted the theme “Integrated Solutions, Sustainable Impact” to reflect the essence of its strategy and operating philosophy, which is built on an integrated business model that covers the full project lifecycle, from development and design through execution to operation and maintenance. This approach aligns with the Company’s commitment to the highest standards of quality and financial and operational efficiency in implementing major projects, while capitalizing on the Kingdom’s accelerating privatization opportunities and leading global strategic alliances, in addition to expanding the study and application of artificial intelligence (AI) solutions to enhance efficiency and improve the cost structure.

The theme reflects the Company’s commitment to providing comprehensive, integrated solutions that create a tangible impact on infrastructure and quality of life and support national development objectives. This provides the Company with a unique competitive advantage and transforms projects from mere construction assets into integrated operational systems that generate sustainable value.

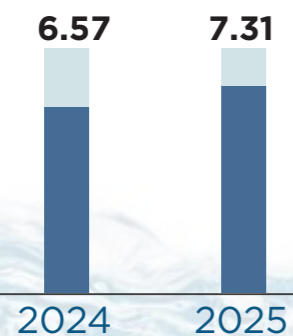
The impact of this approach extends to strengthening water security, enhancing service quality, supporting local communities, and empowering national talent, with every project implemented by the Company carrying a clear developmental dimension that reflects its role as a national partner in developing the Kingdom’s vital infrastructure. Sustainability is a firmly rooted principle in the Company’s operations, focusing on managing assets with a long-term perspective, adopting best operating practices, and applying the highest standards of quality, health, safety, and governance, thereby ensuring the continuity of resources and maximizing returns for future generations in alignment with Saudi Vision 2030.



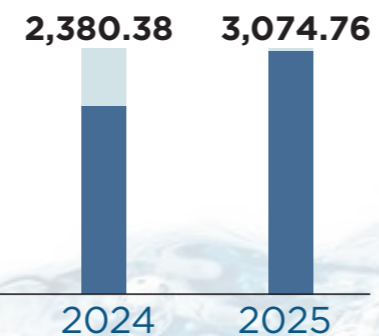
Key Financial Results



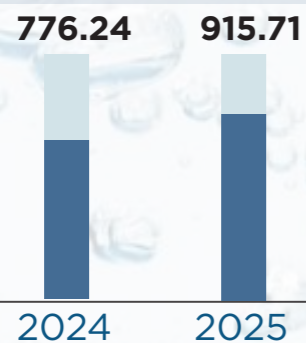
Earnings per Share (ﷲ)



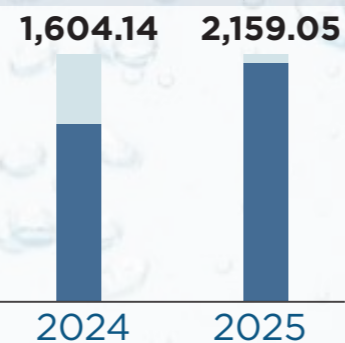
Total Assets (ﷲ Mln)



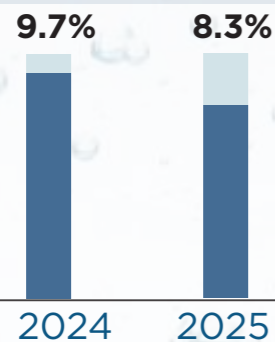
Total Shareholders' Equity (ﷲ Mln)



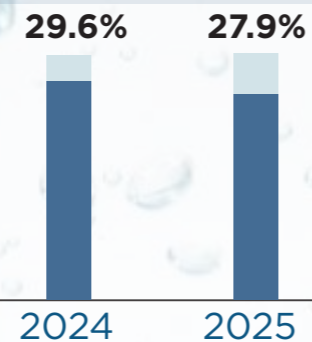
Total Liabilities (ﷲ Mln)



Return on Assets (ROA)



Return on Equity (RoE)



Section I

Company Overview

1 -	The Company in Brief	16
2 -	Chairman's Statement	18
3 -	CEO's Statement	20
4 -	Main Activity	22
5 -	Our Vision, Mission, and Values	23
6 -	Strategic Direction	24
7 -	Growth Journey	26
8 -	Organizational Corporate Structure	28
9 -	Key Events of the Year	30
10 -	Our Initiatives	36

1. The Company in Brief

Since its inception, Alkhorayef Water and Power Technologies Company has been a leading provider of water and wastewater services in the Kingdom of Saudi Arabia for more than thirty years. Since its establishment, the Company has undergone significant development to become today a strategic partner and a prominent force in engineering, procurement, construction, operation, and maintenance, with a strong track record of achievements in water and wastewater infrastructure projects.

The Company is distinguished by its unique integrated business model, which provides a clear competitive advantage in the market. It is the only company in its field that possesses comprehensive in-house capabilities to manage all project phases end-to-end. This cycle starts with project development, followed by Engineering, Procurement, and Construction (EPC), and extends to Operation and Maintenance (O&M). This integrated model enables the Company to deliver innovative and sustainable engineering and operational solutions that holistically address all customer requirements, thereby enhancing performance efficiency and ensuring the highest quality standards.

The Company's market leadership is underpinned by a sustainable operating philosophy based on the highest standards of governance and business ethics, supported by results-oriented management and advanced technical expertise. The Company has been structured into specialized business units covering operation and maintenance, concession, project services, and development, which has provided the flexibility required to dominate the local market and expand at the regional level, while maintaining excellence in execution and adherence to schedules. As a result of this approach, the Company has become the leading contractor and primary point of reference in the Saudi market.

At the operational level, the Company has substantial capabilities, including a large fleet of specialized construction equipment and a multicultural, multidisciplinary workforce of more than 8,500 employees. As a well-established Saudi Company, it plays a pivotal role in realizing the objectives of Kingdom's Vision 2030. The combination of extensive experience, broad human resources and physical assets, and strong financial solvency makes the Company the ideal partner for forming strategic international alliances that help accelerate the achievement of sustainability targets in the water and energy sectors in the Kingdom.



2. Chairman's Statement

Eng. Abdulaziz Abdulrahman AlKhorayef



Our Esteemed Shareholders,

It is my pleasure, on behalf of myself and the Board of Directors, to present the 2025 Annual Report of Alkhorayef Water and Power Technologies Company. The year 2025 was marked by notable growth in the Company's revenue, which increased by 25% compared to the previous year, 2024. The Company also achieved 11% growth in net income after zakat, reaching SAR 255.75 million, with a margin of 10%. The Company strengthened its project portfolio by successfully securing several major and vital tenders, which contributed to a 40% increase in the value of the remaining work backlog compared to the previous year. In addition to the continuous growth in project services contracts in the water and wastewater sectors as well as the operation and maintenance works, in which the Company holds a large market share in the Kingdom, Alkhorayef Water and Power Technologies Company strives to continue growing by expanding its client base and gaining more long-term operation and maintenance contracts to operate and maintain treatment plants across the Kingdom of Saudi Arabia.

The Company also plays a vital role in privatization projects, such as Independent Water Transmission Pipelines (IWTP) and Independent Sewage Treatment Plants (ISTP). Alkhorayef Water and Power Technologies Company continues its

leadership in executing these projects, building on a track record of consistent success, exceptional expertise, and pioneering leadership in this sector. It is worth noting that the Company's strategy focuses on securing and improving water and wastewater services while achieving the highest sustainability standards to ensure highly efficient and effective service delivery. Commitment to the environment is at the essence of everything we do, as reflected in the Company's leadership in providing the necessary services to preserve aquatic ecosystems and serving all areas of the Kingdom where it operates.

Herein lied the role of the Company's Management in achieving this growth and enhancing its market presence, focused primarily on possessing integrated expertise, huge resources, strong financial capabilities, business diversity, as well as a commitment to quality and professionalism, and building international and strategic partnerships, making it a major competitor for sector leadership and strengthening its position in this field to contribute, with pride, to the realization of the Saudi Vision 2030 in the water and energy sector.

The Board of Directors and Executive Management will work diligently, God willing, to achieve the desired ambition under Saudi Vision 2030 and the national responsibility placed on the private sector in the Kingdom of Saudi Arabia.

3. CEO's Statement

Eng. Rami Mohammed Moussilli



Dear Shareholders,

First and foremost, I am pleased to meet you once again. As we have accustomed, we review through this Annual Report the performance of the past year and highlight the Company's most prominent achievements, Wishing the Kingdom of Saudi Arabia further security, safety, progress, and prosperity.

Alkhorayef Water and Power Technologies Company continues to develop its operational framework and enhance its control and governance systems, contributing to improved performance efficiency and achieving sustainable growth in revenues and profits over the years.

The Company has distinguished itself as an integrated developer and operator that provides end-to-end solutions encompassing development, financing, design, execution, maintenance, and operation within a single ecosystem, which has given it an advanced capability to manage infrastructure projects across the entire supply chain in the water, wastewater, and environmental sectors.

This has been reflected in the Company's continued leadership and its capture of the largest market share in operation and maintenance projects and project services, while it continues to implement its strategy aimed at consolidating its leading position and building a solid foundation for sustained growth and expansion. During 2025 and in recent years, the Company signed strategic and vital privatization contracts with a total value exceeding SAR 13 billion. This reflects the disciplined expansionary approach adopted by the Company, which is based on diversifying its customer base and strengthening its presence across the various water sectors in the provinces of the Kingdom.

During 2025, the Company also continued to make tangible progress in implementing Long Term Operation and Maintenance (LTOM) projects with the National Water Company (NWC), where it is leading the development, financing, design, execution, rehabilitation, operation, and maintenance of existing sewage wastewater treatment plants for packages 5, 6, and 7, with a total treatment capacity exceeding two million cubic meters per day.

These projects include three plants under LTOM5 in Manfouha - Riyadh with a capacity of 700,000 m³/day, four plants under LTOM6 in Hait and Hail - Riyadh with a capacity of 870,000 m³/day, and four plants under LTOM7 in Al-Ahsa Governorate with a capacity of 472,000 m³/day.

The package 7 project in Al-Ahsa Governorate achieved a significant milestone during 2025, as the Company became the first in the Kingdom to complete the first phase of rehabilitation works ahead of the approved contractual schedule, reflecting the efficiency of its operating model, the accuracy of its

planning, and the effectiveness of its execution. The Company is also nearing completion of advanced stages of rehabilitation and development works in packages 5 and 6 in line with the approved timelines, which enhances the readiness of the assets and improves their operational efficiency over the long term.

The alliance led by Alkhorayef Water and Power Technologies Company continues to strengthen its presence in strategic privatization projects through the advanced implementation of the Rayis-Rabigh Independent Water Transmission Pipeline Project (IWTP) with the Saudi Water Partnership Company (SWPC). This is the first project of its kind in the Kingdom to be developed under a Build-Operate-Transfer (BOT) model. The project is being implemented with a transmission capacity of 500,000 m³/day via a pipeline extending approximately 150 kilometers to supply Makkah and Madinah provinces with potable water, under a concession period of 35 years.

The overall completion rate of the project has exceeded 90%, as it has moved into the testing and trial operation phases in preparation for entering the commercial operation phase in line with the approved schedule. This confirms the efficiency of project management, the discipline of execution, and full adherence to the contractual framework, and reinforces the Company's role as a key partner in the development, implementation, and operation of strategic infrastructure assets in the Kingdom.

The value of the remaining revenue from projects awarded to the Company and still under execution grew by 40% by the end of 2025, compared to 2024, reaching SAR 10,187 billion. This was driven by the Company's ability to sustain continuous growth in the award of new contracts, which exceeded SAR 5.3 billion during 2025. In addition to leading the market share in recurring contracts for operation and maintenance projects and project services contracts in the water and wastewater sector, the Company always looks forward to continuing the expansion of its business to include new customers and compete for privatization and long-term maintenance and operation projects recently launched in different parts of the Kingdom, based on the expertise of its distinguished cadres and their commitment to the highest standards of performance and quality, thus enhancing its leadership in the Saudi market and its position as a leading global developer in this field.

In conclusion, I extend my deepest thanks and appreciation to the Company's working team for their effort and perfection at work, the Board of Directors for their continuous support, and the shareholders for their trust in the Company. We also affirm our commitment to moving forward on the path of expansion, success, and contribution to the development strategy of the Kingdom's economy in line with Saudi Vision 2030.

4. Main Activity

Alkhorayef Water and Power Technologies Company is a Saudi joint stock company specialized in the construction and maintenance of water pipelines between and within cities, as well as the establishment of new networks. Its expertise includes the construction and repair of main water distribution stations, irrigation and watering canals, and main water storage towers, in addition to water well drilling and maintenance. The Company also specializes in the construction and repair of sewage treatment plants, projects, sewer networks, and pumping stations, as well as the construction of dams. Furthermore, according to the commercial registrations of its branches, the Company's activities include the repair and maintenance of pipes and pipelines, water purification devices, water collection and treatment, and sewage disposal. It also operates wastewater treatment plants and facilities, drills tubular water wells, installs and maintains irrigation pipes, manages construction projects, and engages in the retail sale of water pumping equipment and water purification devices and supplies. Furthermore, the

activities in the Commercial Register of the Company's branches include transporting and distributing water, constructing, and repairing roads, streets, sidewalks and road requirements, constructing electric power stations and transformers, constructing port berths and marine constructions, cleaning waterways, drawing underground water, and draining sites. The Company is distinguished by an integrated business model within the Kingdom's water sectors, leveraging over 30 years of experience in development, operation, maintenance, and the management of major vital projects. Its services encompass Engineering, Procurement, Construction (EPC), and operation and maintenance (O&M), meeting the local market's needs. This excellence has earned the company the trust of numerous key clients from both the public and private sectors over the years.

The core activities of the Company consist of the following main business segments:



Water Segment

Development and implementation of comprehensive water projects, including transmission pipelines, water reservoirs, and water wells, to meet the needs of cities and communities.



Wastewater Segment

Construction, operation, and maintenance of wastewater treatment plants and sewer networks to ensure efficient and sustainable wastewater treatment.



Integrated Water Solutions Segment

Provision of integrated engineering and technical solutions, including design, construction, operation, and maintenance, to support advanced water and infrastructure projects.

5. Our Vision, Mission, and Values



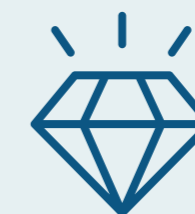
Our Vision

The Company aims to lead in developing water, environmental, and energy solutions that contribute to the prosperity and advancement of society.



Our Mission

The Company aims to develop, deliver, and manage water, environmental, and energy solutions with a focus on sustainability, innovation, and excellence, to exceed the expectations of its customers and partners.



Our Values

A Unique Company

The Company manages more than 100 strategic projects across all regions of the Kingdom, providing services to more than 36 million people. This reflects its distinction and leadership in the water and wastewater sector.

Health, Safety, and Environment

The Company places Health, Safety, and Environment (HSE) at the forefront of its priorities, implementing effective measures to ensure a safe working environment for employees, contractors, visitors, and the public.

Excellence and Quality

The Company is firmly committed to quality assurance programs across all its operations, ensuring that all products and services meet specified requirements to maintain credibility and preserve customer confidence.

Trained Workforce

The Company has highly skilled, multidisciplinary teams capable of rapid mobilization when needed, an advantage that supported its past expansion and will continue to strengthen its future capabilities.

6. Strategic Direction

Alkhorayef Water and Power Technologies Company pursues an ambitious strategic direction focused on strengthening its position as a leading developer and force in the EPC sector. The Company leverages its integrated business model, which provides it with a distinct competitive advantage, particularly in Build-Operate-Transfer (BOT) and Build-Own-Operate-Transfer (BOOT) models. This advantage is reflected in the Company's unique ability to participate effectively at all levels of the project life cycle simultaneously, starting from its role as project developer, through its responsibility for EPC, to sustainable operational management, and leading to the operation and maintenance sector. This integrated approach ensures the highest quality standards and financial and operational efficiency in the execution of major projects.

This integrated structure not only strengthens the Company's institutional capabilities but also provides it with exceptional flexibility and full readiness to adapt to any shifts in market trends or changes in demand. This positions the Company at the forefront in terms of responding swiftly to economic developments and

emerging opportunities. In addition, the Company seeks, through its accumulated experience and strong track record, to explore new growth horizons by entering adjacent infrastructure sectors and identifying expansion opportunities in international markets, to diversify its business portfolio and maximize sustainable value for shareholders.

In this context, the Company's strategy is aligned with the accelerating pace of privatization in the Kingdom, where this market is expected to grow by more than 40% over the coming years. This positions the Company as the most qualified national partner to lead global strategic alliances and execute long-term concession contracts. By combining its strong project management capabilities with its extensive experience in the water and energy sectors, the Company is committed to maintaining its leading position and strong competitiveness, thereby contributing effectively to achieving the objectives of Saudi Vision 2030 and ensuring the sustainability of vital resources for future generations.

Main Pillars of The Company's Strategy



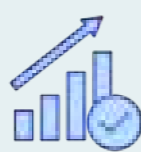
Leadership as a Main Developer



Operational Flexibility and Geographic Expansion



Strategic Partnerships and Opportunity Capture

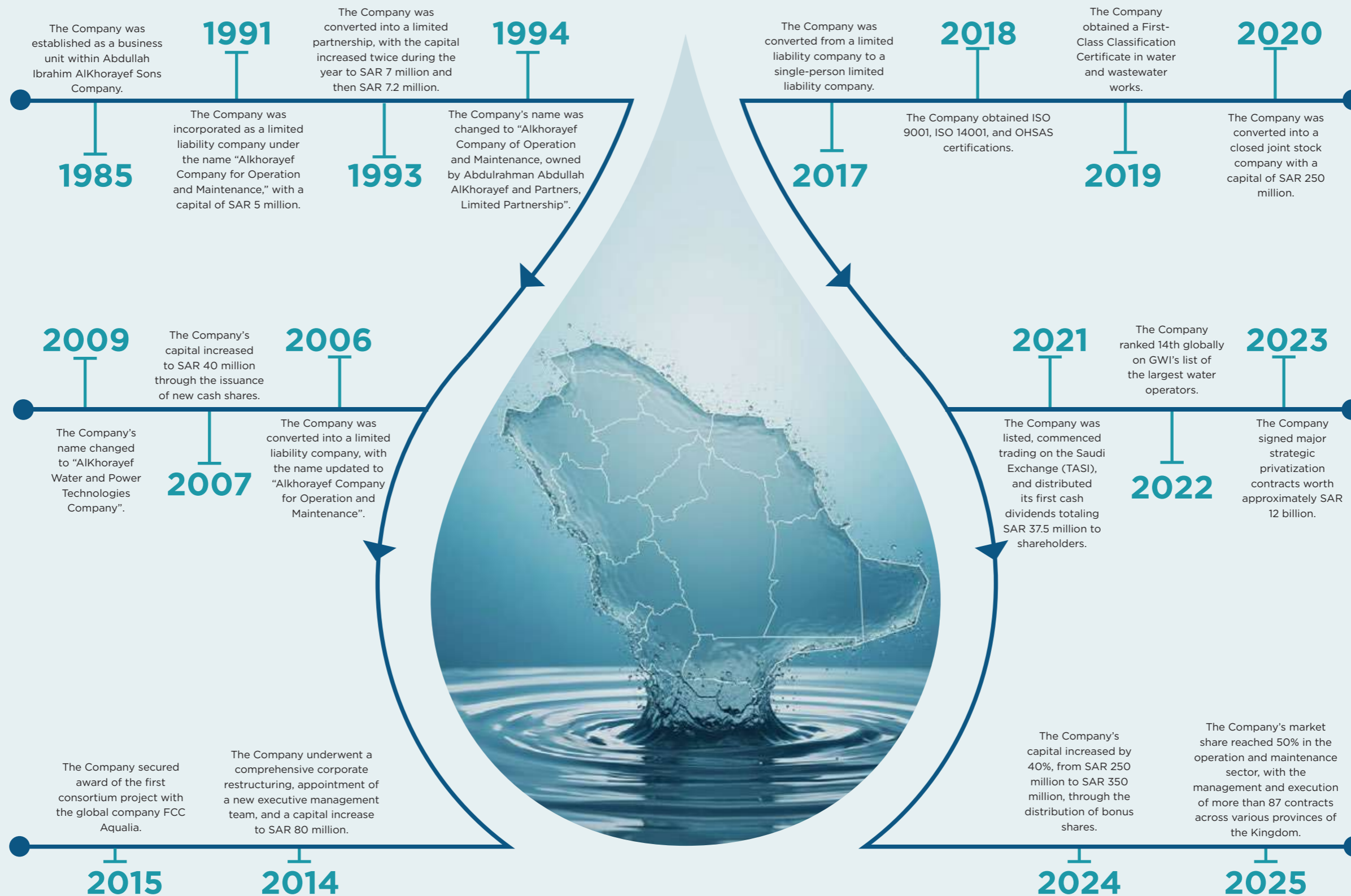


Integrated and Sustainable Growth



7. Growth Journey

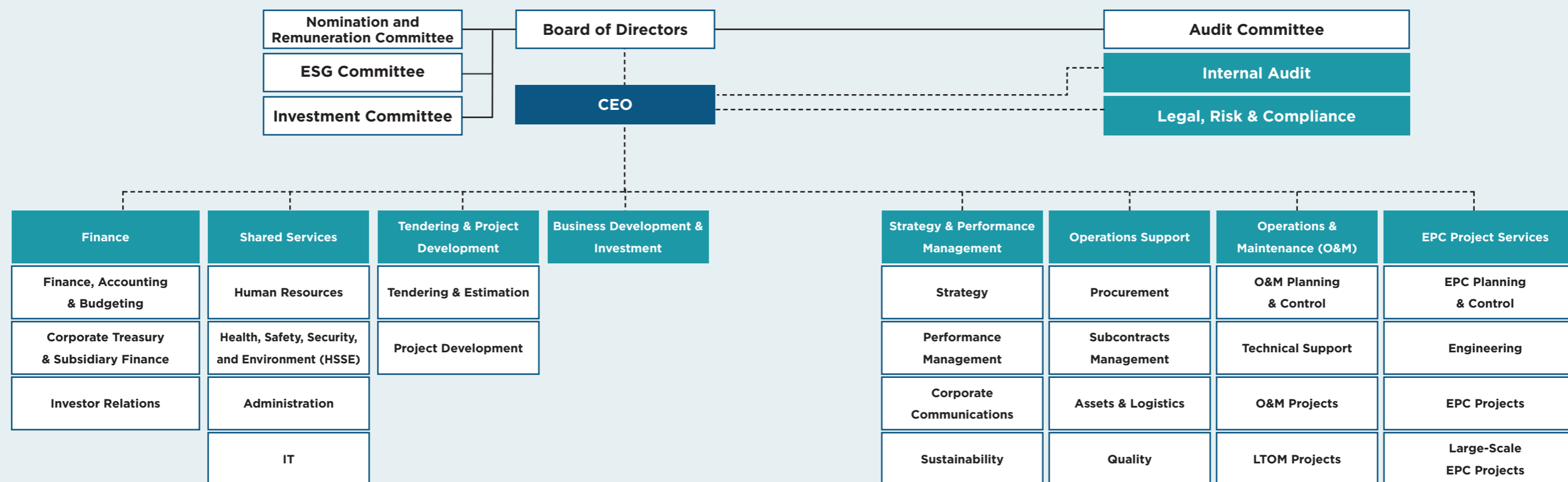
The Company... From Establishment to Leadership





8. Company's Organizational Structure

The shareholders entrust the Board of Directors with responsibility for setting the Company's overall direction and overseeing its activities. The Board, in turn, delegates to Senior Management, led by the Chief Executive Officer (CEO), the responsibility for managing the Company's day-to-day operations in a manner that ensures the achievement of its strategic objectives.



9. Key Events of the Year

Alkhorayef Water and Power Technologies Company is pleased to share the recent performance and achievements of Alkhorayef Water and Power Technologies Company. The Company's unwavering commitment to excellence and continuous improvement has enabled it to lead the water and sewage sector in the Kingdom of Saudi Arabia.

9-1 Operational Leadership

At Alkhorayef Water and Power Technologies Company, innovation and operational excellence are placed at the core of the Company's strategy through the continuous development of its operating frameworks and the enhancement of governance and control systems, thereby ensuring the highest levels of efficiency and institutional discipline. This integrated approach has been reflected in achieving sustainable growth in revenue and net profit over the past years, and in strengthening the Company's leading market share in the water and

wastewater services sector in the Kingdom. The Company is also distinguished as an integrated developer and operator that provides end-to-end solutions encompassing development, financing, design, execution, operation, and maintenance within a unified framework. This has given the Company an advanced capability to manage infrastructure projects across the full value chain of the water, wastewater, and environmental sector.



9-2 Contractual Framework

In 2025, the Company made significant progress in executing the major privatization contracts it had concluded in recent years, with a total value exceeding SAR 13 billion. The Company also strengthened its

position by securing the largest market share during the year in operation and maintenance projects and project services.



9-3 Operation and Maintenance Sector Projects

The Company operates and manages more than 100 diverse projects across various provinces of the Kingdom, including drinking water and wastewater treatment plants, water and wastewater networks, environmental treatment plants, potable water purification plants, and dam operation. These projects are complemented by specialized technical services such as control and monitoring systems (SCADA), inspection works, Closed-Circuit Television (CCTV) surveying, and the trenchless rehabilitation and repair of water and wastewater networks.

Through these operations, more than 7 million m³/day of water are pumped to customers across all provinces of the Kingdom, while approximately 2.5 million m³/day of wastewater are received and treated using advanced treatment technologies and in line with the highest environmental standards.

The Company also operates and manages a large, strategically important portfolio of water wells across the Kingdom, with a total production capacity exceeding 2.5 million m³/day, including treatment. Among the

most prominent of these projects is the operation and maintenance of the "Zamzam Well" system and all its facilities, including the bottling plants, which reflects the significant level of operational responsibility entrusted to the Company.

The Company was recently awarded a project for the operation and maintenance of water and wastewater networks and the related infrastructure in the Holy Sites of "Mina" and "Muzdalifah". This project is one of the most prominent and important recent mandates, given its direct connection to serving the Pilgrims and ensuring the continuity and reliability of services during Hajj season, which requires the highest levels of readiness and operational efficiency.

The Company also manages and operates stormwater drainage networks in several provinces across the Kingdom, including major cities such as Jeddah, Makkah, Madinah, Tabuk, Jazan, Taif, Hail, and others. This reflects the Company's extensive presence at the Kingdom-wide level and its pivotal role in supporting the national water infrastructure system.

9-4 Long-term Operation and Maintenance Contracts for Wastewater Treatment Plants

• **Package 5:** The Company recorded significant progress in executing the Package 5 contract, with a total value of SAR 1.62 billion. Under this contract, the Company leads the development, financing, design, execution, and rehabilitation works, in addition to the operation and maintenance of the existing sewage wastewater treatment plants. The total design capacity of the project plants, located in Manfouha in Riyadh and comprising the North Manfouha, East Manfouha, and the Manfouha Plant (Phase 4), is approximately 700,000 m³/day.

• **Package 6:** The Company continues to make significant progress in executing the Package 6 contract, with a total value of SAR 2.18 billion. Under this contract, the Company assumes similar responsibilities for the management and operation of the program plants located in Hait and Al-Heir in Riyadh, which comprise the Hait 01 Plant, the Hait 02 Plant, the Hait 03 Plant, and the Al-Heir Plant, with a total design capacity of 870,000 m³/day.

• **Package 7:** The Company is moving forward with the execution of the Package 7 contract, with a total value of SAR 1.72 billion. Under this contract, the Company is responsible for the management and operation of the program plants in Al-Ahsa Governorate, which comprise the Al-Hofuf 01 Plant, the Al-Hofuf 02 Plant, the Al-Oyun Plant, and the Al-Omran Plant, with a total design capacity of 472,000 m³/day.

This project is considered as a clear testament to performance efficiency, as the Company became the first contractor in the Kingdom to complete the first phase of rehabilitation works ahead of the deadline specified in the approved contractual program, and obtained NWC's endorsement of this achievement, reflecting a high level of execution discipline and adherence to the project schedule.



9-5 Implementation Sector Projects – “Project Services”



• Rayis-Rabigh Independent Water Transmission Pipeline Project (IWTP)

The project's overall completion rate has exceeded 90%, as it has moved into the testing and trial operation phases, in preparation for entering the commercial operation phase in line with the approved schedule. The project also received the “Best Privatization Project” award in the Middle East and Africa, in addition to the “Water Deal of the Year” award, in recognition of its

strategic importance and advanced contractual model. The Rayis-Rabigh (IWTP) Project is one of the vital projects being developed under the Build-Operate-Transfer (BOT) and Build-Own-Operate-Transfer (BOOT) models, with a transmission capacity of 500,000 m³/day along a route of approximately 150 kilometers. The project aims to secure potable water supplies for Makkah and Madinah under a 35 year concession agreement.

• Water Quality Improvement Project Package in the Eastern Province

The water quality improvement projects and related infrastructure were officially inaugurated by the Ministry of Environment, Water, and Agriculture (MEWA), in the presence of His Excellency, the Minister of Environment, Water, and Agriculture, and His Royal Highness, the Governor of the Eastern Province.

The Company was also recognized for its success in implementing this strategic project, valued at SAR 1.8 billion, which included the construction of more than 145 kilometers of water transmission and distribution

pipelines and the development of 18 strategic reservoirs with a total capacity of approximately 800,000 m³. These projects enhance long-term water supply security and increase the reliability of networks in the Eastern Province.

The Company is also implementing major water network projects in the Northern and Western regions, including the cities of Tabuk and Hafr Al-Batin, which will improve the efficiency of water distribution and enhance the reliability and sustainability of operational systems.



9-6 Awards and Recognitions

• Ministry Recognition – Partners in Success Forum

The MEWA, represented by His Excellency Eng. Abdulrahman Abdulmohsen AlFadley, honored Alkhorayef Water and Power Technologies Company during “Partners in Success Forum” held in Riyadh. During the event, the Company was recognized as one of the leading entities in several strategic categories, including privatization projects, EPC projects, and operation and maintenance projects. This recognition reflects the Company’s advanced standing and distinguished performance across its various business areas.



• Argaam Recognition – Best CEO in the Energy Sector

Argaam recognized Rami Mohammed Moussilli, CEO of Alkhorayef Water and Power Technologies Company, with the “Best CEO – Energy Sector” award at the inaugural Argaam Summit, held in the presence of a select group of financial experts and sector specialists. This recognition was based on a structured evaluation methodology that included an analysis of the Company’s financial and operational performance, an assessment of the CEO’s direct strategic impact on steering the growth trajectory, and the adopted institutional disclosure and transparency standards, reflecting the strength of performance and the sustainability of results.



Key Milestones in 2025

- January**
 - The Company launches “Empowering National Industries” initiative in collaboration with the Energy and Water Academy (EWA) through the Employment-Linked Training Program.
- February**
 - The Company strengthens its financing capabilities by increasing the value of its credit facilities with Alinma Bank to SAR 630 million, aimed at supporting project financing and enhancing growth plans.
- March**
 - The Company announces the award of a contract with the National Water Company (NWC) valued at SAR 61.8 million.
 - The Company signs a contract for the operation and maintenance of water treatment plants valued at SAR 58.8 million.
- April**
 - The Company is awarded two contracts by the Saudi Irrigation Organization (SIO) with a total value of SAR 354 million.
- May**
 - The Company announces the award of a contract for the supply, installation, testing, and commissioning of pumps and Variable Frequency Drives (VFDs) in Jazan Province, valued at SAR 85.9 million.
 - The Company announces its relocation to the new head office on Olaya Street, Al-Sahafa District, Riyadh.
 - The Company distributes cash dividends of 15% to its shareholders for 2024.
- September**
 - The Company signs a contract for the implementation of wastewater networks in Al-Kharj Governorate, valued at SAR 214.6 million.
- October**
 - The Company is selected as the developer of a project in Jazan Province by the Saudi Water Partnership Company (SWPC).
 - The Company announces the award of a contract for the operation and maintenance of water networks, pump stations, wells, reservoirs, and related facilities in Tabuk City, valued at SAR 43.4 million.
- November**
 - The Company announces the award of a contract for the operation and maintenance of water and wastewater networks in the southern sector governorates in Jazan Province, valued at SAR 52.2 million.
 - The Company announces the award of a project with the NWC valued at SAR 221 million.
- December**
 - The Company distributes cash dividends of 17.5% to its shareholders for 2025.
 - The Company announces the award of a contract for the operation and maintenance of water and wastewater networks in Hafr Al-Batin, valued at SAR 57.3 million.
 - The Company maintains its credit rating from Simah Rating Agency (Tassnief) at (A-).

10. Our Initiatives

1

Enhancing Operational Efficiency and Quality

Strengthening reliability and service quality
Improving operational processes by updating work procedures, implementing advanced monitoring systems, and raising inspection and testing standards across all stages of implementation and maintenance.



2

Digital Transformation in Asset and Project Management

Accurate operational decisions and reduced downtime
Utilizing smart control systems, predictive analytics, and digital platforms for project management to enhance operational efficiency and reduce costs.



3

Innovation in Water Solutions

Enhancing services and resource efficiency
Developing technologies to improve the efficiency of treatment plants, rationalize energy consumption, and reduce losses across networks.



4

Enhancing the Experience of Beneficiary Entities

Strengthening trust and service quality
Developing structured communication channels, ensuring rapid response, and improving performance standards to provide continuous, higher-quality services.



5

Environmental Sustainability and Resource Optimization

Supporting sustainable transformation and protecting resources
Reducing energy and water consumption, enhancing plant efficiency, and managing waste through environmentally friendly methods.



6

Developing National Talent (Saudization)

Alignment with Saudization targets
Launching training program leading to employment, in collaboration with the Energy & Water Academy (EWA) and the Saudi Water Academy (SWA).



7

Supporting and Empowering Persons with Disabilities

Strengthening an inclusive work environment and reinforcing the values of social responsibility
The Company received recognition from the Ministry of Education in appreciation of its efforts to support and empower Persons with Disabilities (PWDs) in partnership with "Sa3ee" Rehabilitation and Employment Initiative, reflecting its commitment to fostering an inclusive work environment and providing sustainable opportunities for talent.



8 Developing the Occupational Health and Safety Environment (OHSE)

A safe work environment and reduced risks

Implementing advanced safety programs, continuous training, and ongoing compliance monitoring to enhance preventive standards across operating sites.



9 Diversifying Business Models and Partnerships

Sustainable growth and opening new revenue streams

Entering BOT/BOOT models, expanding local and international partnerships, and developing new value-added services.



10 Strengthening Corporate Identity

Enhancing presence and showcasing leadership

Developing public relations programs, awareness content, and participating in local and international events to reinforce the Company's image.



11 Energy Efficiency and Emissions Reduction

Operational efficiencies and net zero support

Improving energy efficiency at plants, using energy-saving systems, and deploying technologies that reduce emissions.



12 Human Capital Development

Enhancing the capabilities of employees and leadership

Building a sustainable pipeline of technically and practically specialized qualified talent, which enhances operational efficiency and supports the Company's Saudization plans and strategic growth in the water sector.



13 International Participation, Representation, and Partnership Building

Strengthening the Company's leadership and building strategic partnerships

Participating in international sessions and events such as the Desalination for the Environment Conference, and sponsoring and taking part in the World Water Summit 2025, to showcase sustainable services and projects and engage industry leaders, fostering innovation and sustainability while reflecting the Company's contribution to the water sector in the Kingdom.



Section II

Business Segments

1 -	The Company's Main Segments	42
2 -	Investment Case and Strengths	44
3 -	Clients and Partners in Success	46
4 -	Our Outlook for 2026	48
5 -	Awards and Certifications	49
6 -	Social Responsibility	52
7 -	Sustainability and Commitment	52
8 -	Human Resources and Workforce	53

1. The Company's Main Segments

Alkhorayef Water and Power Technologies Company's business activities comprise three main segments:



The Company is distinguished by an integrated business model through which it provides expertise in development, project services, and operation and maintenance across all specialties:

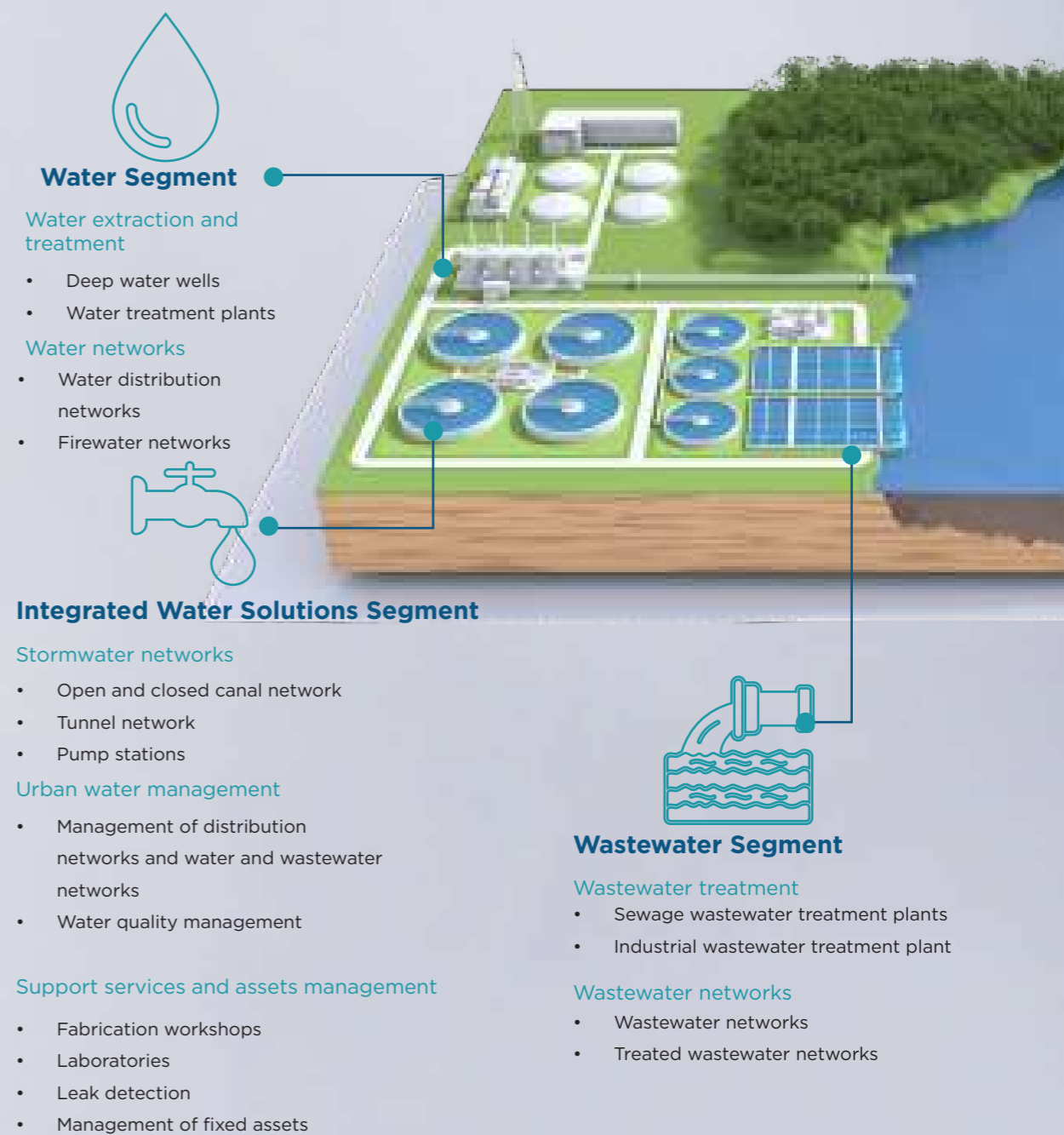
- Developing new greenfield facility projects and upgrading and expanding existing brownfield facilities under public-private partnership (PPP) models such as BOOT and BOO, while leading investment, financing management, and legal and technical structuring to ensure the sustainability of assets and long-term concession contracts.
- Providing detailed engineering designs and hydraulic modeling for water and wastewater networks, and designing desalination and treatment plants with a focus on distribution efficiency and advanced process engineering.
- Designing, constructing, and operating large-diameter strategic water transmission pipelines and major pump stations, including integrated mechanical systems, valves, metering devices, and water hammer protection systems.
- Building and managing integrated water distribution networks and house connections, ensuring continuity of supply and improved operating pressures under all weather and geographical conditions.
- Implementing and managing wastewater collection networks, manholes, and lifting stations, in addition to operating and maintaining sewage treatment plants (STP) and producing and distributing treated sewage effluent (TSE) for agricultural and industrial uses.
- Building and operating stormwater and flood drainage systems, including open and closed channels, large tunnels, and high-capacity pump stations to protect cities and vital areas from flood risks.
- Relying on in-house capabilities to implement deep pipeline installations using micro-tunnelling techniques to cross major obstacles and intersections without the need for open-cut excavation.
- Providing sustainable solutions for sludge treatment and drying by designing, constructing, and operating sludge solar dryers and mechanical systems to reduce environmental impact and enhance plant efficiency.
- Designing, implementing, and operating electrical substations and power systems, integrating solar energy technologies and energy efficiency solutions to reduce the carbon footprint and operating costs of facilities.

- Developing, programming, and managing real-time supervisory control and data acquisition (SCADA) systems and programmable logic controllers (PLC) for all plants and networks to ensure accurate operational performance and intelligent remote monitoring.
- Providing comprehensive operational management services and long-term preventive and predictive maintenance (long-term O&M) for

all water, wastewater, and stormwater assets to ensure performance sustainability throughout the project life cycle.

- Reducing non-revenue water (NRW) through the management of district metered/managed areas (DMA/DMZ), leak detection technologies, and pressure management, while providing integrated commercial solutions for billing systems.

The following chart illustrates the Company's business segments:



2. Investment Case and Strengths



Sector Leadership

The Company is one of the leading entities in the water and wastewater sector in the Kingdom, with extensive experience in operating, maintaining, and managing critical projects.



Diversified Project Portfolio

The Company has a diversified track record of projects across water, infrastructure, and electromechanical works, supporting the delivery of integrated solutions.



Integrated Operational and Engineering Capabilities

The Company's expertise covers all project stages, from design and execution through to operation and maintenance.



Qualified Human Capital

The Company relies on a pool of more than 8,500 qualified employees who support the execution of major projects in line with the highest operational standards.



Robust and Stable Financial Position

The Company has a solid financial base that supports growth and investment in new projects over the medium and long term.



Innovation and Integrated Solutions

Developing innovative solutions to water and energy challenges and supporting Construction, Operation, and Transfer of Ownership (BOT/BOOT) projects to maximize operational value.



Strategic Accreditations and Partnerships

The Company has obtained international certifications and ratings, in addition to establishing partnerships with global entities, which enhances its operational reliability.



Resource Sustainability and Efficiency

The Company implements solutions focused on conserving water and energy and enhancing asset efficiency, in line with its sustainability targets.



Digital and Technological Transformation

The Company adopts digital solutions and smart systems to manage assets and projects and enhance operational efficiency.



Extensive Strategic Presence

The Company has an operational footprint across multiple regions in the Kingdom, supporting rapid execution and service diversification.

3. Clients and Partners in Success

Alkhorayef Water and Power Technologies Company relies on a diversified client base that includes government and semi-government entities, as well as private-sector companies, across the water, energy, and infrastructure domains. The Company's relationships with its clients are characterized by continuity through long-term contracts and operation and maintenance projects, reflecting the confidence placed in its technical and operational capabilities.

The Company is also committed to collaborating with strategic partners, including technology solution providers and specialized suppliers, to ensure the execution of projects in line with the highest technical and quality standards. The Company's network of Partners in Success includes government and semi-government entities, private-sector companies, technology partners, and specialized suppliers.

Clients



Partners in Success



4. Our Outlook for 2026

Alkhorayef Water and Power Technologies Company aims to strengthen the growth of its backlog portfolio through new projects in privatization, implementation, operation, and maintenance, with a particular focus on expanding long-term operation and maintenance projects and developing strategic partnerships with water companies and specialized entities. These efforts are intended to support the sustainability of growth and reinforce the Company's leading position in the Kingdom's water and wastewater sector.

This strategic direction is supported by announced expansion plans and capital budgets of several key entities operating in the water sector, which reflect the scale of future opportunities and support the growth of the Company's project portfolio over the medium and long term. This comes in light of rising demand for

operation and maintenance projects and privatization projects, in addition to the Company's expansion in providing integrated solutions in the water and wastewater sectors.

The Company is also working to transfer its integrated and proven business model to international markets, where it has already begun to observe that its ability to finance, implement, and operate projects represents one of its most prominent competitive differentiators in many foreign markets.

At the same time, the Company is moving to diversify its activities by expanding into services that are interconnected with and complementary to its core operations, in a manner that enhances operational integration and supports the sustainability of growth.



5. Awards and Certifications

Alkhorayef Water and Power Technologies Company has earned a distinguished position in the sector through several prestigious awards and recognitions, reflecting the Company's commitment to operational excellence, transparency, and sustainable performance. These awards reaffirm the Company's leadership in strategic projects and its ability to deliver high-quality results that meet the expectations of investors and stakeholders.

The Rayis-Rabigh Independent Water Transmission Pipeline (IWTP) Project was awarded the "Best Privatization Project for 2024" in the Middle East and Africa by Project Finance International (PFI), a specialized global institution in project finance.

The Rayis-Rabigh IWTP is a strategic project developed under the Build-Operate-Transfer (BOT)

model, with a transmission capacity of up to 500,000 cubic meters per day along a 150-kilometer route. The project aims to ensure potable water supplies for Makkah and Madinah by the first quarter of 2026, under a 35-year agreement. The Company owns 50% of the

consortium executing the project, in partnership with the Spanish Company "Grupo Cobra."

The Company has also received additional distinguished awards, most notably the recognition of the Chief Executive Officer, Rami Moussilli, who received the Best CEO in the Energy Sector Award from Argaam Investment Company during the first edition of the Argaam Summit, attended by prominent experts and specialists from across the financial sector.



Issuing Authority (Donor)	Type	Description of Licensed Activities/Purposes	Issue Date	Expiry Date
Project Finance International (PFI)	Award of Appreciation	• Best Privatization Project for 2024 in the Middle East and Africa	2024	N/A
National Water Company (NWC)	Certificate of Appreciation for the Drinking Water Quality Improvement Program Projects	• Best-Performing Contractor for 2023	2023	N/A
Global Water Intelligence (GWI)	Classification Certificate	• The Company ranked 14 th among global water companies by GWI	2023	N/A
Ministry of Municipal and Rural Affairs - Agency for Contractors Classification	Contractor Classification Certificate - Ranked First in Water and Wastewater Classification	• Enabling the Company to participate in government projects, in accordance with statutory requirements	05/03/1446H corresponding to 08/09/2024	26/03/1448H corresponding to 08/09/2026
Assessment Private Limited - An accredited Member of the International Accreditation Forum (IAF UAF)	ISO 45001:2018 Certificate - Occupational Health and Safety (OHS) Management Systems	• Occupational Health and Safety (OHS) Management	18/12/1445H corresponding to 24/06/2024	18/01/1449H corresponding to 23/06/2027
Assessment Private Limited - An accredited Member of the International Accreditation Forum (IAF UAF)	ISO 14001:2015 Certification - Joint Accreditation System of Australia and New Zealand (JAS-ANZ)	• Environmental Management	23/02/1446H corresponding to 27/08/2024	24/03/1449H corresponding to 26/08/2027
Assessment Private Limited - An accredited Member of the International Accreditation Forum (IAF MLA)	ISO 9001:2015 Certification - Joint Accreditation System of Australia and New Zealand (JAS-ANZ)	• Quality Management	23/02/1446H corresponding to 27/08/2024	24/03/1449H corresponding to 26/08/2027
Saudi Water Partnership Company (SWPC)	Prequalification with the SWPC	• Prequalification to participate in Construction, Operation and Transfer of Ownership (BOT/BOOT) projects	17/09/1441H corresponding to 10/05/2020	N/A (Qualification is valid for bidding and each project award)
National Water Company (NWC)	Prequalification with the NWC	• Prequalification to participate in urban water management projects	06/12/1440H corresponding to 08/08/2019	N/A (Qualification is valid for bidding and each project award)
ABC Certification Company - Accredited by the Egyptian Accreditation Council (EGAC)	ISO 50001:2018 Certificate - United Kingdom Accreditation Service (UKAS)	• Energy management • Long-term O&M Project for Environmental Plants in Al Ahsa	08/01/1447H corresponding to 03/07/2025	17/01/1448H corresponding to 02/07/2026

Issuing Authority (Donor)	Type	Description of Licensed Activities/Purposes	Issue Date	Expiry Date
ABC Certification Company - Accredited by the Egyptian Accreditation Council (EGAC)	ISO 55001:2014 Certificate - United Kingdom Accreditation Service (UKAS)	• Asset management • Long-term O&M Project for Environmental Plants in Al Ahsa	08/01/1447H corresponding to 03/07/2025	17/01/1448H corresponding to 02/07/2026
ABC Certification Company - Accredited by the Egyptian Accreditation Council (EGAC)	ISO 14001:2015 Certificate - United Kingdom Accreditation Service (UKAS)	• Environmental management • Long-term O&M Project for Environmental Plants in Al-Ahsa	08/01/1447H corresponding to 03/07/2025	17/01/1448H corresponding to 02/07/2026
ABC Certification Company - Accredited by the Egyptian Accreditation Council (EGAC)	ISO 9001:2015 Certificate - United Kingdom Accreditation Service (UKAS)	• Quality management • Long-term O&M Project for Environmental Plants in Al-Ahsa	08/01/1447H corresponding to 03/07/2025	17/01/1448H corresponding to 02/07/2026
eSolutions - Accredited by IBM	Asset and Maintenance Management Automation Certificate (Maximo)	• Asset and Maintenance Management • Long-term O&M Project for Environmental Plants in Al-Ahsa	07/11/1446H corresponding to 05/05/2025	N/A
National Water Company (NWC)	Site Acceptance Test (SAT) Certificate	• Completion of rehabilitation works for treatment plants in Al Ahsa - Phase One • Long-term O&M Project for Environmental Plants in Al Ahsa	05/05/1447H corresponding to 27/10/2025	N/A
National Water Company (NWC)	Performance Compliance Certificate	• Verification of performance of all equipment at the treatment plants in Al Ahsa after completion of Phase One rehabilitation works for 48 hours • Long-term O&M Project for Environmental Plants in Al Ahsa	25/06/1447H corresponding to 16/12/2025	24/06/1448H corresponding to 15/12/2026
National Water Company (NWC)	Performance Reliability Certificate	• Verification of reliability and dependability of all equipment at the treatment plants in Al Ahsa after completion of Phase One rehabilitation works for 28 days • Long-term O&M Project for Environmental Plants in Al Ahsa	25/06/1447H corresponding to 16/12/2025	24/06/1448H corresponding to 15/12/2026
National Water Company (NWC)	Availability Certificate	• Verification of equipment availability at the treatment plants in Al Ahsa after completion of Phase One rehabilitation works for 24 hours • Long-term O&M Project for Environmental Plants in Al Ahsa	25/06/1447H corresponding to 16/12/2025	24/06/1448H corresponding to 15/12/2026
National Water Company (NWC)	Maintaining Occupational Health and Safety (OHS) and achieving 10 million man-hours without a lost-time injury	• O&M projects in the Eastern Province	2025	N/A

6. Social Responsibility

Alkhorayef Water and Power Technologies Company places strong emphasis on social responsibility as an integral part of its role in serving the community and supporting the public interest. This commitment is reflected in the Company's operational practices and its projects in the water and energy sectors.

The Company is keen to raise awareness among its workforce regarding the importance of social responsibility by providing training and development opportunities and by applying best practices in preserving natural

resources and developing human capital. These efforts contribute to creating a positive and sustainable impact on the communities in which the Company operates.

In this regard, the Company aims to develop specialized social responsibility programs and to launch distinctive initiatives that support the community and strengthen its institutional role, in alignment with national development objectives.



7. Sustainability and Commitment

Alkhorayef Water and Power Technologies Company is committed to implementing effective practices in the areas of environment, sustainability, and governance, in line with the regulations and directives issued by the regulatory authorities in the Kingdom of Saudi Arabia and in a manner that supports the long-term sustainability of its business.

In this context, the Board of Directors oversees the approved governance frameworks and, through its specialized committees, monitors the implementation of related policies to ensure that they are aligned with the nature of the Company's business and its operational requirements.

The Company is also keen to promote environmental awareness, adopt practices that enhance resource efficiency, and develop a work environment that supports sustainability. These efforts reflect the Company's commitment to sound governance and to creating sustainable value for all Stakeholders.



8. Human Resources and Workforce

Alkhorayef Water and Power Technologies Company places significant emphasis on employee training, increasing Saudization rates, and applying the highest occupational health and safety standards across the

work environment, in a manner that positively reflects on the quality of services provided to clients and partners in success.

1- Training and Employee Development

In 2025, the Company delivered 16 training courses to its employees, with 695 participants, compared to 2024, which saw the implementation of 11 training courses with 499 participants.

These programs aim to enhance employee efficiency

and qualify them to support large-scale projects, strengthening their ability to deliver high-quality services to clients. This approach directly contributes to the sustainability and continuity of the Company's strategic partnerships.



2- Saudization Policies and Rate

The Company complies with the decisions issued by the Ministry of Human Resources and Social Development (HRSD) related to Saudization through:

- Adhering to the minimum wage approved by the General Organization for Social Insurance (GOSI).
- Complying with the required Saudization ratios for operation and maintenance (O&M) contracts.
- Strengthening Saudization by implementing

continuous training and qualification programs.

- By the end of 2025, the Saudization rate was approximately 22.69%, up from 19.63% in the previous year. This reflects the Company's success in developing qualified national talent capable of supporting both clients and projects.



3- Occupational Health and Safety (OHS)

The Company is committed to providing a safe and healthy work environment for all employees and visitors through an integrated Occupational Health and Safety (OHS) system built on the following pillars:

A. Continuous Awareness and Education

- Conducting periodic awareness campaigns to reinforce a strong safety culture among employees.
- Issuing educational bulletins and guidelines on occupational hazards and preventive measures.

B. Systematic and Specialized Training

- Delivering regular training programs for all employees, with particular focus on high-risk activities.
- Ensuring that all workers obtain the accredited professional certifications required to perform their duties safely.

C. Risk Management and Regulatory Compliance

- Carrying out comprehensive risk assessments before initiating any new activity or project.
- Implementing strict procedures for issuing work permits for high-risk tasks.

D. Personal Protective Equipment (PPE) and Safety Standards

- Providing all necessary personal protective equipment required for each role.
- Ensuring strict compliance with PPE use during daily operations.

E. Continuous Monitoring and Follow-Up

- Conducting periodic inspection tours to verify the effective implementation of safety procedures.
- Monitoring the results of risk assessments and

implementing corrective actions when required.

- Applying a system of progressive disciplinary measures to ensure full compliance.

F. Promoting a Safety Culture and Business Continuity

- Encouraging employees to report any potential hazards or safety-related observations.
- Enhancing employee participation in the development and improvement of safety policies and procedures.
- Ensuring business continuity by reducing accidents and injuries, and safeguarding the Company's assets and workforce.

G. Promoting Health and Workplace Well-Being

The Company places the health and well-being of its employees as a top priority, based on its belief that a

healthy work environment is a fundamental pillar for enhancing productivity and achieving sustainable success.

In this context, the Company organized a comprehensive health-clinic exhibition at its headquarters, in cooperation with The Company for Cooperative Insurance (Tawuniya).

The exhibition included a range of medical services and examinations, most notably:

- Blood pressure and blood sugar measurements.
- Assessment of physical fitness indicators.
- Awareness sessions and specialized medical consultations.

Section III

Financial Disclosures and Results of Operations



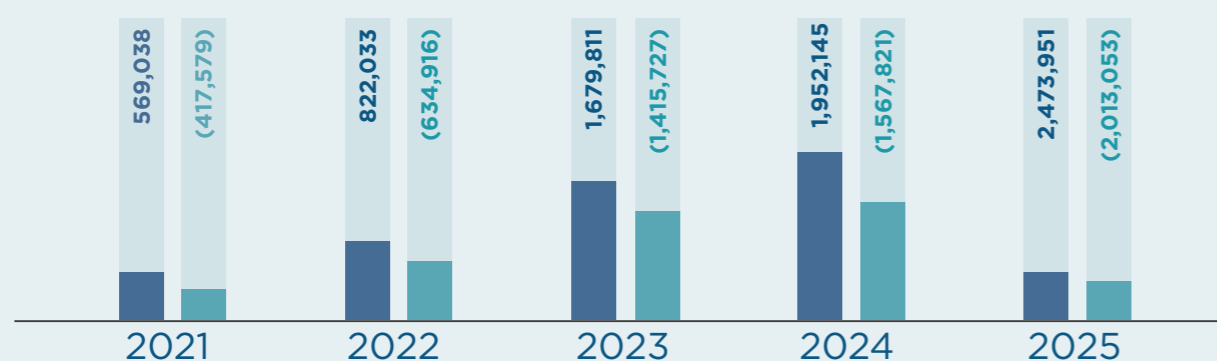
1-	Five-Year Results of Operations	58
2-	Annual Comparison of Results	59
3-	Development of Financial Statements	60
4-	Key Financial Indicators and Ratios	61
5-	Loans	62
6-	Main Activities Contributing to Revenue	63
7-	Geographical Analysis of Revenue	63
8-	Subsidiaries and Affiliates	64
9-	Due Statutory Payments	64

1. Five-Year Results of Operations

Revenue and Cost of Revenue over the Last 5 Years

(All Amounts in SAR '000)

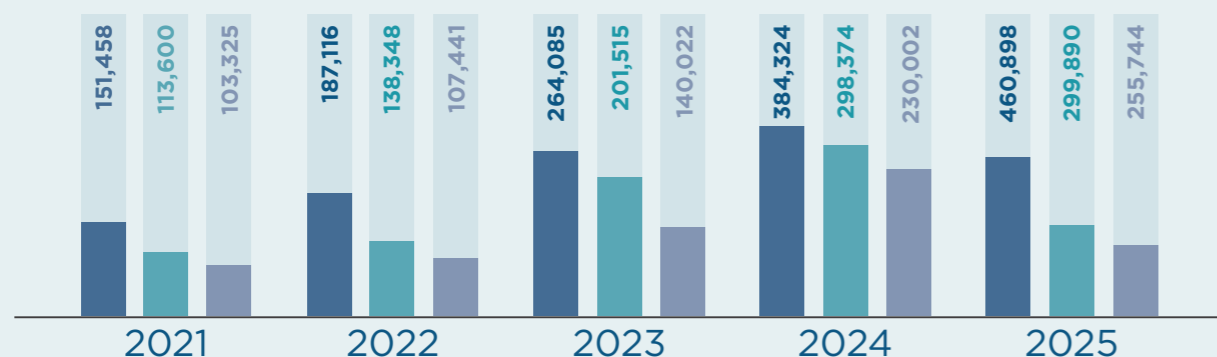
■ Total Revenue ■ Cost of Revenue



Profit over the Last 5 Years

(All Amounts in SAR '000)

■ Gross Profit ■ Operating Profit ■ Net Profit



2. Annual Comparison of Results

The following table presents a comparison of the Company's year-on-year results for 2024 and 2025, as well as the changes in these results:

(All Amounts in SAR '000)

Statement/Year	2024	2025	Change	(%) Change
Total Revenue	1,952,145	2,437,951	485,806	25%
Cost of Revenue	(1,567,821)	(2,013,053)	(445,232)	28%
Gross Profit	384,324	460,898	76,574	20%
Other Revenue	16,852	15,360	(3,689)	-19%
Selling and Distribution Expenses	(6,011)	(4,277)	1,733	-29%
General and Administrative Expenses	(76,350)	(169,070)	(92,720)	121%
Impairment Losses on Trade Receivables, including Contract Assets	(22,273)	(1,925)	20,348	-91%
Other Expenses	(366)	(1,096)	(730)	199%
Operating Profit	298,374	299,890	1,516	1%
Finance Income	9,709	45,430	35,721	368%
Finance costs	(48,112)	(64,644)	(16,532)	34%
Share of Loss from an Equity-Accounted Investee	(13,437)	(13,558)	(121)	1%
Profit before Zakat	246,534	267,117	20,584	8%
Zakat	(16,532)	(11,373)	5,159	-31%
Net Profit for the Year	230,002	255,744	25,743	11%
Remeasurements of the Net Defined Benefit Liability	1,310	1,503	193	15%
Share of Other Comprehensive Income from Investees	7,340	(4,030)	(11,370)	-155%
Total Comprehensive Income for the Year	238,652	253,217	14,565	6%
Earnings per Share (EPS) (SAR)	6.57	7.31	0.74	11%

3. Development of Financial Statements

The following table shows the development of the Company's assets, liabilities, and shareholders' equity over the last five years:

(All Amounts in SAR '000)

Statement/Year	2021	2022	2023	2024	2025
Total Current Assets	597,037	865,893	1,261,756	1,763,664	1,913,353
Total Non-Current Assets	154,430	320,698	330,362	616,716	1,161,403
Total Assets	751,468	1,186,591	1,592,118	2,380,380	3,074,755
Total Current Liabilities	287,917	586,060	883,936	1,376,280	1,345,312
Total Non-Current Liabilities	107,045	202,949	170,591	227,857	813,733
Total Liabilities	394,962	789,009	1,054,527	1,604,137	2,159,046
Total Shareholder Equity	356,506	397,581	537,591	776,243	915,709
Total Liabilities and Shareholders' Equity	751,468	1,186,591	1,592,118	2,380,380	3,074,755
Equity to Asset Ratio	47%	34%	34%	33%	30%



4. Key Financial Indicators and Ratios

Alkhorayef Water and Power Technologies Company's financial performance indicators remained relatively stable over the last five years, reflecting the robustness of its financial position and its ability to manage resources with high efficiency. The Company maintained a comfortable liquidity position, with an average current ratio of 156.5%, indicating the availability of sufficient current assets to cover short-term liabilities.

On the debt side, the total debt ratio in 2025 stabilized at 70.2%, signaling a balanced financing structure that relies significantly on equity. In terms of profitability, the Company continued to achieve robust margins, ending the year with a gross profit margin of approximately 18.6% and a net profit margin of 10.3%, supported by improved operational efficiency and an increase in Return on Equity (ROE) to 27.9%.

Statement/Year	2021	2022	2023	2024	2025
Liquidity Ratios					
Working Capital (SAR '000)	309,120	279,832	377,819	387,384	568,040
Current Ratio (%)	207.4	147.7	142.7	128.1	142.2
Cash Ratio (%)	15	14	8	23	19
Equity Ratio (%)	47.4	33.5	33.8	32.6	29.8
Debt Ratios					
Total Debt Ratio (%)	52.6	66.5	66.2	67.4	70.2
Total Asset to Equity Ratio (times)	2.1	3.0	3.0	3.1	3.4
Total Liabilities to Equity Ratio (%)	110.8	198.5	196.2	206.7	235.8
Debt to Total Assets Ratio (%)	29.1	42.5	34.1	29.4	32
Profitability Ratios					
Gross Profit Margin (%)	26.6	22.8	15.7	19.7	18.6
Net Profit Margin (%)	18.2	13.1	8.3	11.8	10.3
Return on Assets (RoA) (%)	13.7	9.1	8.8	9.7	8.3
Return on Equity (RoE) (%)	29.0	27.0	26.0	29.6	27.9

5. Loans

First: The Company's Loans:

(All Amounts in SAR '000)

Lending Entity	Principal Amount	Balance at Beginning of Year	Loan Term	Repayments During the Year	Total Repaid	Total Outstanding Balance as of Year-End 2025
Arab National Bank (ANB)	153,406	58,989	1 year	84,737	(108,013)	35,712
Banque Saudi Fransi (BSF)	1,940	1,940	1 year	4,787	(6,727)	0
Alinma Bank	0	0	0	30,000	0	30,000
Alrajhi Bank	70,970	67,386	1 year	4,228	(71,614)	0
Riyad Bank	120,000	120,000	11 years	211,094	(103,094)	228,000
Saudi Awwal Bank (SAB)	8,325	8,325	1 year	11,347	(14,077)	5,595
Saudi Investment Bank (SAIB)	100,563	85,469	7 years	0	(20,063)	65,406
Saudi National Bank (SNB)	365,721	305,593	2 years	171,565	(318,644)	158,514
Total	820,924	647,702	-	517,757	(642,231)	523,227

Second: Loans of «Package 5 Development Company for Environmental Services» (Subsidiary)

(All Amounts in SAR '000)

* No loans were obtained by «Fifth Package Development Company for Environmental Services» during the year 2025.

Third: Loans of «Package 6 Development Company for Environmental Services» (Subsidiary)

(All Amounts in SAR '000)

Lending Entity	Principal Amount	Balance at Beginning of Year	Loan Term	Repayments During the Year	Total Repaid	Total Outstanding Balance as of Year-End 2025
Alrajhi Bank	0	0	12 years	342,152	0	342,152

Fourth: Loans of «Package 7 Development Company for Environmental Services» (Subsidiary)

(All Amounts in SAR '000)

Lending Entity	Principal Amount	Balance at Beginning of Year	Loan Term	Repayments During the Year	Total Repaid	Total Outstanding Balance as of Year-End 2025
Saudi Investment Bank (SAIB)	51,430	51,430	7 years	72,842	0	124,272

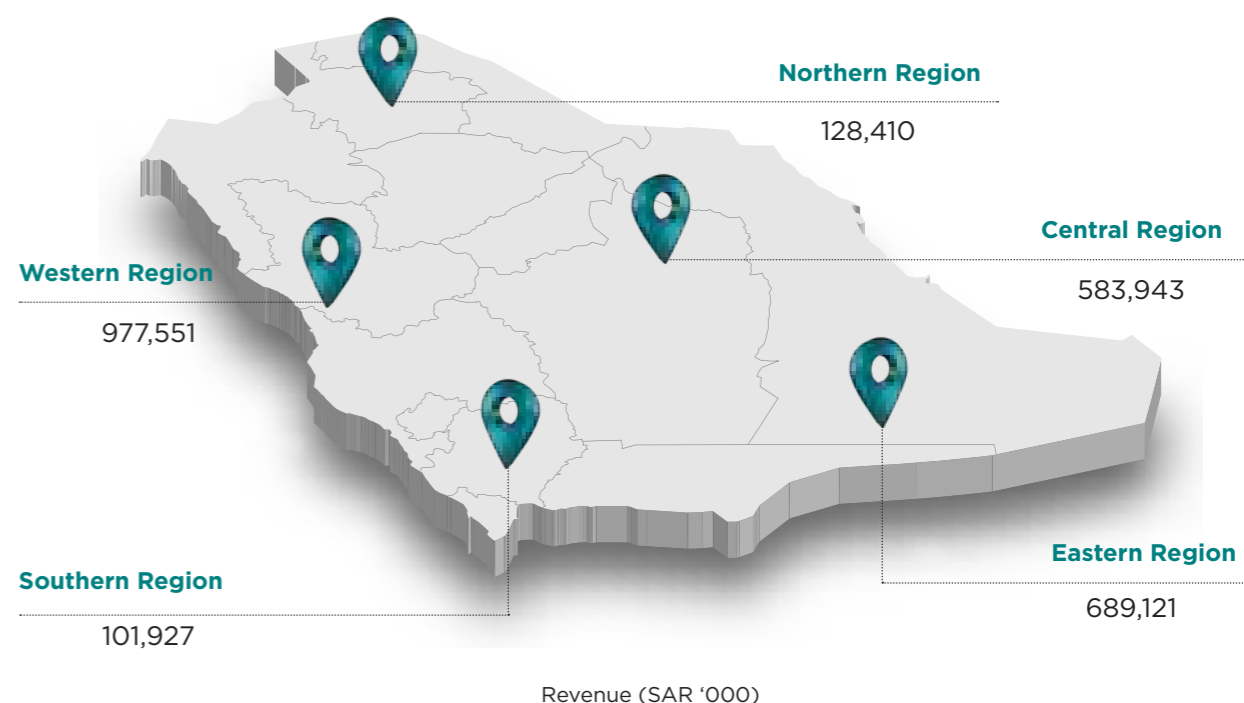
6. Main Activities Contributing to Revenue

The following table shows the main activities contributing to the revenue of Alkhorayef Water and Power Technologies Company in 2025:

Segment	Segment Revenue (SAR '000)	Ratio (%)
Water	1,183,767	48%
Wastewater	964,946	39%
Integrated Water Solutions	325,239	13%
Total	2,473,952	100%

7. Geographical Analysis of Revenue

The Company's revenue is distributed across key geographic provinces within the Kingdom, and the distribution of revenue for 2025 is as follows:



8. Subsidiaries and Affiliates

Alkhorayef Water and Power Technologies Company leverages its subsidiaries as strategic pillars to support its expansion and strengthen its footprint in different areas across the Kingdom. The Company executed a number of vital projects in the water and energy sectors and contributed to the establishment of specialized entities that support national infrastructure and provide added value to operational processes.

Company Name	Capital (SAR '000)	Ownership (%)	Activity	Country	Revenue Contribution (%)
Fifth Package Development Company for Environmental Services	100,000	100%	Operation of wastewater treatment networks and facilities.	KSA	8.84%
Sixth Package Development Company for Environmental Services	100,000	100%	Operation of wastewater treatment networks and facilities.	KSA	11.34%
Seventh Package Development Company for Environmental Services	100,000	100%	Operation of wastewater treatment networks and facilities.	KSA	9.60%
Engineering, Procurement and Construction the Rayis-Rabigh	100,000	50%	Engineering, Procurement and Construction.	KSA	22.75%

9. Due Statutory Payments

The following table shows the due statutory payments from Alkhorayef Water and Power Technologies Company and its subsidiaries as at the end of 2025:

Statement	Due as of Year-End 2025 (SAR '000)
General Organization for Social Insurance (GOSI)	2,263
Zakat	11,373
Other	0
Total	13,636

There are no specific investments or segregated reserves established for the benefit of the Company's employees, other than the provisions for incentive rewards and end-of-service benefits as stipulated by the Labor Law in the Kingdom of Saudi Arabia. The value of the end-of-service benefits for the Company's employees amounted to SAR 70,959,023 as of 31/12/2025.





Section IV

Governance and Sustainability



1-	The Company's Governance	68
2-	Board Members	74
3-	Board Committees	86
4-	Executive Management	106
5-	Remuneration	115
6-	Penalties, Sanctions, and Legal Cases	116
7-	Related Party Transactions	117
8-	Disclosure and Transparency	118
9-	Shareholders	126
10-	Risks	133
11-	Sustainability at the Company	136



1. The Company's Governance

AlKhorayef Water and Power Technologies Company reaffirms its steadfast commitment to implementing an effective governance framework that regulates the administrative and financial aspects of the Company's activities and enhances its operational efficiency and sustainability. This commitment is clearly reflected in the Annual Report, which provides an accurate and reliable representation of the Company's financial performance and operating results. Through adherence to approved governance standards, the Company seeks to enhance transparency and credibility in its disclosure practices, in line with the regulatory requirements issued by the Capital Market Authority (CMA). This helps present a fair view of the Company's financial position and results of operations. This approach reinforces the sustainability of the Company's success and supports its ability to achieve sustainable growth, thereby strengthening the confidence of investors and stakeholders and reflecting its leading position in the water and energy sector.



1-1 General Introduction

- The Company has developed its Corporate Governance Regulations in line with the CMA Corporate Governance Regulations.
- The Company's organizational structure consists of the Board of Directors (the "Board"), three Committees, and a team of executive officers known as the "Executive Management".
- The Board bears overall responsibility for formulating governance principles and policies, overseeing their implementation, and reviewing them periodically to ensure full compliance with applicable regulatory requirements, thereby supporting the Company's sustainability and growth.
- The Board has established three Committees to

support the discharge of its responsibilities, namely (the Audit Committee, the Nomination and Remuneration Committee (NRC), and the Environmental, Social, and Governance (ESG) Committee). The Board periodically reviews the Committees' performance in accordance with regulatory requirements and the recommendations submitted by the Committees.

- The Company's governance framework is founded on the principle of effective communication with shareholders, through the establishment of continuous communication channels between shareholders and the Board to discuss proposals and recommendations that contribute to improving the Company's performance and enhancing transparency.

1-2 Provisions and Compliance

The Company complies with all mandatory provisions of the Corporate Governance Regulations, except for the Guiding Articles, for the following reasons:

Article	Paragraph	Description	Reasons for Non-application
67 68 69	- - -	<ul style="list-style-type: none"> • Formation of the Risk Management Committee. • Responsibilities of the Risk Management Committee. • Meetings of the Risk Management Committee. 	The Company Management conducts ongoing reviews of its risk management policies, while these functions and competencies are currently performed by the Board and the Audit Committee.
82	2&3	<p>2) Establishing a scheme for granting Company shares or a percentage of the Company profits and pension programs for employees, and setting up an independent fund for such programs.</p> <p>3) Establishing social organizations for the benefit of the Company's employees.</p>	The Company is currently studying the introduction of a program to grant employees shares in the Company or a percentage of its profits and is also considering including such a program as part of the pillars of the Company's strategic plan.
84	-	The Ordinary General Assembly, based on the Board's recommendation, shall establish a policy that guarantees a balance between its objectives and those of the community for the purposes of developing the social and economic conditions of the community.	The Company currently undertakes initiatives that support the objectives of this policy through the work of the Social Responsibility Committee, and the Board is considering presenting it as a proposal to the General Assembly.

1-3 Health, Safety, and Environment (HSE)

AlKhorayef Water and Power Technologies Company places a significant emphasis on implementing the highest Health, Safety and Environment (HSE) standards across all its projects and operational activities. The Company's leadership is committed to executing projects efficiently while ensuring employee safety and the continuity of operations in a safe, well-regulated working environment. Excellence in this area represents one of the key pillars of the Company's institutional operating framework. The HSE sector oversees the implementation of the Company's safety framework across its various projects throughout the Kingdom, relying on advanced operational methodologies that ensure compliance with regulatory requirements and recognized professional best practices. The sector also includes a large team of specialists deployed across the Kingdom who help strengthen the implementation of safety systems at project sites, ensuring work is carried out in accordance

with the highest occupational and environmental safety standards.

This institutional approach has contributed to achieving advanced levels of operational safety and embedding a strong safety culture across the Company's activities. The Company has successfully recorded more than 10 million safe man-hours across its projects throughout the Kingdom. This achievement reflects the effectiveness of the systems and procedures adopted to manage occupational risks, as well as awareness programs and continuous monitoring at project sites. One of the most prominent projects in which these results were achieved is the Rayis-Rabigh Independent Water Transmission Pipeline Project (IWTP), a strategic project in the water sector. Strict adherence to safety procedures contributed to the efficient execution of project works while maintaining the highest standards of occupational safety.



1-4 Sustainability and Renewable Energy Initiatives

AlKhorayef Water and Power Technologies Company places increasing emphasis on environmental sustainability and on supporting the use of clean energy sources through the adoption of innovative solutions that enhance energy efficiency and reduce the environmental impact of its operations.

In this context, the Company has developed and implemented a number of pioneering initiatives in the field of renewable energy, most notably the Rayis-Rabigh Project (IWTP), where solar energy has been utilized to meet part of the project's operational energy requirements. The green energy generation capacity of this project is approximately 15.8 megawatts contributing to covering a significant portion of the energy needs of the water transmission system between Makkah and Madinah regions.

This project represents an advanced model for integrating water infrastructure with renewable energy solutions. The solar power system generates approximately 2,231 kilowatt-hours per kilowatt annually covering around 30% of the project's total operational energy demand. This reflects the Company's commitment to adopting sustainable solutions that enhance operational efficiency, reduce carbon emissions, and strengthen its position as an active partner in the development of sustainable infrastructure projects in the Kingdom.



1-5 Afforestation and Enhancement of Vegetation Cover

AlKhorayef Water and Power Technologies Company implements environmental initiatives across its various project sites, particularly at wastewater treatment plants, through afforestation and tree-planting programs in the surrounding areas of operational facilities. These initiatives rely on treated wastewater for the irrigation of green spaces, thereby promoting the sustainable use of water resources

and improving environmental conditions around project sites.

These efforts reflect the Company's commitment to sustainable operational practices and support national initiatives to expand vegetation cover and strengthen environmental sustainability in the Kingdom.



1-6 Governance Principles

AlKhorayef Water and Power Technologies Company is committed to regulatory disclosure requirements and seeks to ensure the provision of clear and fair information regarding all material information and significant developments. In this context, the Company's governance system is based on a set of principles that underpin transparency and credibility, strengthen investors' and stakeholders' confidence, and support the sustainability of the Company's business and its continued success.



Principles of Sound Governance at the Company



Fairness and Equality

Ensuring that all shareholders and stakeholders are treated fairly and without discrimination.



Responsibility

The Board and Executive Management bear full responsibility for their decisions and actions.



Transparency

Accurate and timely disclosure of all material information.



Independence

Ensuring the independence of Board Members to safeguard the impartiality of their decisions and prevent influence from personal interests or considerations.

1-7 The Company's Governance Achievements during 2025

Transparency and Disclosure: The Company has been keen to publish its financial reports periodically, reflecting its commitment to transparency with shareholders and the public.

Regulatory Compliance: The Company is subject to the supervision of the CMA and complies with all relevant laws and regulations.

Effective Board of Directors: The Company's Board comprises experts from various fields, which contributes to effective decision-making in the best interests of the Company.

Committee Formation: Board Committees were formed in accordance with the provisions of the Corporate Governance Regulations, in implementation of the principles and

foundations of governance, and in line with the Board's roles in managing and directing the Company, in accordance with the principles of sound governance.

AlKhorayef Water and Power Technologies Company intends to continue strengthening its governance culture and compliance across its various sectors and organizational levels by integrating approved policies and procedures, implementing targeted training programs, and raising awareness of governance principles among employees and stakeholders. This approach aims to ensure the application of best practices across all the Company's operations, enhance transparency and credibility, and support the sustainability of its business and continued success.

2. Board Members

2-1 Board Composition and Classification

Name	Current Position	Membership Type
Abdulaziz Abdulrahman AlKhorayef	Chairman of the Board	Non-Executive
Fahd Muhammad Alkhorayef	Deputy Chairman of the Board	Non-Executive
Ammar Ahmed AlZubaidi	Board Member	Non-Executive
Othman Yahya AlNajdi	Board Member	Non-Executive
Abdulrahman Saud AlOwais	Board Member	Independent
Faisal Abdulaziz AIDuwaish	Board Member	Independent

2-2 Ownership of Board Members in the Company

Name	Position	Nationality	Direct Ownership				
			No. of Shares at Beginning of the Year	No. of Shares at End of the Year	Ownership Percentage	Increase/Decrease	Change Rate
Abdulaziz Abdulrahman AlKhorayef	Chairman of the Board	Saudi	53,856	53,856	0,15%	0	0
Fahd Muhammad Alkhorayef	Deputy Chairman of the Board	Saudi	0	0	0	0	0
Ammar Ahmed AlZubaidi	Board Member	Jordanian	0	0	0	0	0
Othman Yahya AlNajdi	Board Member	Saudi	0	0	0	0	0
Abdulrahman Saud AlOwais	Board Member	Saudi	8,190	8,190	0,02%	0	0
Faisal Abdulaziz AIDuwaish	Board Member	Saudi	0	0	0	0	0

2-3 Biographies of Board Members

The following sets out the names of the Board Members, their current and previous positions, qualifications and experience, as well as the names of the companies inside and outside the Kingdom in which a Member of the Board currently serves, or has previously served, as a Member of the Board or as a Director.



Eng. Abdulaziz Abdulrahman AlKhorayef

Chairman of the Board

Current Positions

- 2023-Present: Chairman, Board of Directors, AlKhorayef Water and Power Technologies Company.
- 2023-Present: Chairman, Board of Directors, Takamol Mobility Services.
- 2023-Present: Vice Chairman, Board of Directors, AlKhorayef Industries Company.
- 2024-Present: Member, National Committee for Military Industries.
- August 2025-Present: Vice Chairman, Saudi-Iraqi Business Council.
- November 2025-Present: Member, Board of Directors, Special Integrated Logistics Zone Company (SILZ)
- October 2025-Present: Member, Board of Directors, AlKhorayef Petroleum Company.
- 2015-Present: Member, Board of Directors, AlKhorayef Industries Company.

Previous Professional Experience

- 2023-February 2025: Chief Executive Officer, Business Development, Takamol Holding Company, a Saudi Company Specialized in Providing Solutions and Services that Support the Labor Market and Develop Economic Solutions KSA. Takamol Acts as a Partner to Government Entities and the Private Sector in Implementing Development Initiatives Related to Saudi Vision 2030.
- 2017-Present: Chief Operating Officer (COO), Takamol Holding Company, a Company Operating in Project Management, Consultancy, Human Resources, and Procurement Services.
- 2017-December 2025: Member, Board of Directors, Packaging Products Company (PPC), a Company Operating in the Manufacture of Single-use Plastic Products Serving the Dairy and Food Industries.
- 2015-Present: Member, Board of Managers, Equipment Systems Sector, One of the Specialized Sectors or Departments Operating in the Field of Supplying and Managing Equipment and Related Systems to Support Industrial or Service Projects, AlKhorayef Group.
- 2015-Present: Member, Board of Directors, AlKhorayef Commercial Company (ACC), a Company Operating in the Supply of Equipment and Systems within the Agriculture, Power, Water, Industrial, and Marine Equipment Sectors, Providing Maintenance and Operation Services.
- 2023-Present: Member, Board of Directors, Rasa Company, a Company, Operating in the Municipal and Urban Services Sector in Riyadh. Rasa is a Strategic Partnership between the Riyadh Region Municipality and the Private Sector.
- 2020-2022: Vice Chairman, Board of Directors, AlKhorayef Water and Power Technologies Company, a Publicly Listed Company, Operating in Water Construction Projects and Operation and Maintenance Services, including the Design, Construction, Operation, Maintenance, and Management of Water and Wastewater Projects such as Industrial Wastewater Plants, Water Treatment Facilities, Desalination Plants, Water and Sewage Networks and Connections for Residential Buildings, Pumping and Lifting Stations, Electromechanical Works, Stormwater Projects, and Water Wells.
- 2016-2017: Advisor, Minister for Industrial Initiatives, Ministry of Energy, Industry and Mineral Resources, a Government Ministry Responsible for the Management, Development, and Utilization of Oil, Gas, and Mineral Resources, KSA.
- 2016-2017: General Manager, General Department of Industrial Planning, Policies and Research, Manufacturing Affairs Agency, Ministry of Energy, a Government Ministry Responsible for the Management, Development, and Utilization of Oil, Gas, and Mineral Resources, KSA.
- 2014-2016: General Manager, National Center for Small and Medium Enterprises, Ministry of Commerce, a Government Entity Responsible for Developing and Implementing the Kingdom's Commercial Policies, Facilitating Domestic and International Trade, Enhancing the Role of the Private Sector in the National Economy, Strengthening Trade Relations with Countries Worldwide, Supervising the Implementation of Commercial Regulations, and Issuing Licenses for the Establishment of Chambers of Commerce and their Branches, KSA.
- 2009-2014: General Manager, AlKhorayef Industries Company, a Limited Liability Company, Operating in the Manufacture of Turbine Pumps, Steel Pipes, and Centre Pivot Irrigation Systems.
- 2005-2007: Manager, Industrial Projects Development, AlKhorayef Industries Company, a Limited Liability Company, Operating in the Manufacture of Turbine Pumps, Steel Pipes, and Centre Pivot Irrigation Systems.
- 2005-2007: Manager, Industrial Projects Development, AlKhorayef Petroleum Company, a Limited Liability Company, Operating in Pumping Systems and Components.
- 2005-2007: Industrial Projects Development Manager, AlKhorayef Printing Solutions Company, a Limited Liability Company, Operating in Printing and Packaging Solutions.
- 2018-2023: Member, Board of Directors, Bayan Credit Bureau Company, a Company Operating in the Provision of Credit Information Services and the Collection of Credit Data and Information from Commercial and Industrial Establishments.

Qualifications

- 2008: Master's Degree, Engineering Science and Management of Manufacturing Systems, Cranfield University, Bedfordshire, UK.
- 2005: Bachelor's Degree, Industrial Engineering, King Saud University (KSU), Riyadh, KSA.



Fahd Muhammad Alkhorayef

Deputy Chairman of the Board

Current Positions

- 2023-Present: Deputy Chairman, Board of Directors, Alkhorayef Water and Power Technologies Company.
- 2020-Present: Member, Board of Directors, Alkhorayef Water and Power Technologies Company
- 2012-Present: Member, Board of Directors, Abdullah Ibrahim Alkhorayef Sons Company
- Co-founder and Partner, Pharma Real Estate Company.
- Co-founder and Partner, Shawarma Al-Balad Fast Food Restaurants.
- Co-founder and Partner, Nuzum Information Technology Company.

Previous Professional Experience

- 2019-Present: Managing Director, Alkhorayef Printing Solutions Company.
- 2012-Present: CEO, Saudi Parts Center Company (SPC).
- 2015-Present: Member, Board of Managers, Equipment Systems Sector, Alkhorayef Group.
- Material Handling Products Manager, Alkhorayef Commercial Company (ACC).

Qualifications

- 2010: Master's Degree, Business Administration (MBA), Aston University, Birmingham, England.
- 2004: Bachelor's Degree, Industrial Engineering, King Saud University (KSU), Riyadh, KSA.



Abdulrahman Saud AlOwais

Board Member

Current Positions

- 2020-Present: Member, Board of Directors, Alkhorayef Water and Power Technologies Company.
- 2020-Present: Chairman, Nomination and Remuneration Committee (NRC), Alkhorayef Water and Power Technologies Company.
- 2023-Present: CEO, National Grain Company (NGC).
- 2024-Present: Member, Nomination and Remuneration Committee (NRC), Topian - NEOM.

Previous Professional Experience

- 2021-Present: Advisor to the CEO, Saudi Agricultural and Livestock Investment Company (SALIC).
- 2021-Present: Member, Board of Directors, Milling Company 3 (MC3).
- 2021-Present: Member, Board of Directors, Minerva Foods Australia.
- 2022-Present: Chairman, Board of Directors, Saudi Fisheries Company (SFC).
- 2022-Present: Chairman, Executive Committee, Saudi Fisheries Company (SFC).
- 2021-Present: Chairman, Board of Directors, National Grain Company (NGC).
- 2017-2020: Vice President, Shared Services, National Water Company (NWC), a Closed Joint Stock Company, Operating in the Provision of Water and Wastewater Services.
- 2015-2017: General Manager, Eastern Region, Almarai Company, a Publicly Listed Multidisciplinary Company, Operating in the Food Sector.

Qualifications

- 2021: Master's Degree, Business Administration (MBA), University of Manchester, UK.
- 2005: Bachelor's Degree, English Language and Literature, Imam Mohammad Ibn Saud Islamic University (IMSIU).
- 2005: Human Resources Diploma, Al-Yamamah College.



Dr. Othman Yahya AlNajdi

Board Member

Current Positions

- Member, Board of Directors, AlKhorayef Water and Power Technologies Company.
- Chairman, Finance and Accounting Committee, Saline Water Conversion Corporation (SWCC) Privatization Program -Phase II.
- Chairman, Committees, General Supervisor, Ras Al-Khair Stations Readiness Project for Operation and Maintenance.
- Chairman, Clean Development Mechanism (CDM) Projects Committee, Saline Water Conversion Corporation (SWCC), Member, Greenhouse Gas Emissions Reduction Committee.
- Supervisor, Clean Development Mechanism (CDM) Project for Carbon Emissions Reduction at the Corporation's plants.
- General Supervisor, Construction and Operation of Dam Water Technology Plants, KSA.
- Supervisor, Water and Electricity Costing System Project, Saline Water Conversion Corporation (SWCC).
- Supervisor, Implementation of On-Sale Agreements with Private Sector Companies.
- Supervisor, Technical Specifications and Contracting Phase for the World's Largest Multi-Effect Distillation (MED) Unit, Implemented and Operated at the Yanbu Desalination Plants.
- Supervisor, SWCC Production System.
- SWCC Supervisor, Overseeing the Khafji Solar-Powered Desalination Project.
- Project Manager, Nano Filtration Units for Small Plants at Umluj Station.
- General Supervisor, Local Manufacturing Conferences Organized by SWCC.
- SWCC Member, Responsible for Reviewing On-Sale Agreements for Private Sector Production Projects, Participant, Negotiation Committee.
- SWCC Member, Responsible for Reviewing Power and Water Purchase Agreements (PWPA) with Private Sector Companies.
- Member, Central Bid Evaluation and Award Committee, SWCC.
- Member, Privatization and Restructuring Committees, SWCC.
- Member, Renewable Energy for Water Desalination Committee, in Partnership with King Abdullah City for Atomic and Renewable Energy (KACARE).
- Member, Various Technical and Administrative Committees (including Desalination Engineers Committees, Systems Development Committees, and Local Manufacturing Committees).
- Member, Saudi Water Demand Forecast Study Committee.
- SWCC Representative, GCC Water Interconnection Program.
- Designer, Implementer, Database Training for Planning, Maintenance, and Operations; Small Resources Management System (SRMS) Program.
- Chairman, Session Moderator, Regional and International Conferences and Exhibitions Related to Desalination.
- SWCC Member, National Committee for Clean Development Mechanism (DNA).
- Advisory Member, Saudi Council of Engineers (SCE).
- Member, SWCC Representative, International Desalination Association (IDA), including Membership in the Scientific Research Committee and the Utilities Committee.
- Member, SWCC Representative, European Desalination Society (EDS).
- Member, Board of Directors, Chairman, Executive Committee, Water & Electricity Company (WEC).
- Member, Board of Directors, Electricity and Co-Generation Regulatory Authority (ECRA).
- Member, National Designated Authority (DNA) for the Clean Development Mechanism.
- Member, Environmental Council.

Previous Professional Experience

- 1413H-1414H: Trainee Engineer, Saline Water Conversion Corporation (SWCC).
- 1414H-1415H: Operations Engineer, Saline Water Conversion Corporation (SWCC).
- 1415H-Present: Manager, Farasan Water Desalination Plant.
- 1419H-Present: Manager, Small Desalination Plants Department.
- 1424H-Present: Manager, Manufacturing Division, Saline Water Conversion Corporation (SWCC), Riyadh.
- 1427H-Present: Resources Department Manager, Saline Water Conversion Corporation (SWCC), Riyadh.
- 2007: Technical Director and Projects Manager, Saudi Masader for Water & Power for IWPP and IPP Project Development; Responsible for Preparing Technical, Financial, and Legal Bids for Ras Al-Khair Project (One-Year Secondment to the Private Sector).
- 1429H-Present: General Manager, Technical Affairs and Production Department, Saline Water Conversion Corporation (SWCC).
- 1432H-Present: Acting Deputy Governor, Operation and Maintenance, Saline Water Conversion Corporation (SWCC).
- 1434H-1438H: Deputy Governor, Operation and Maintenance, Saline Water Conversion Corporation (SWCC).
- Multiple Periods: Acting Governor, Saline Water Conversion Corporation (SWCC).
- 1438H-1440H: Advisor, Governor for Operational Excellence, Saline Water Conversion Corporation (SWCC).
- 1440H-1444H: General Supervisor, International Partnerships and Investment, Saline Water Conversion Corporation (SWCC).

Qualifications

- 1993: Bachelor's Degree, Mechanical Engineering, Aeronautical Engineering Department, King Abdulaziz University (KAU).
- 2004: Master's Degree, Thermal Engineering and Mechanical Power (Desalination Technologies), King Abdulaziz University (KAU).
- PhD, Sustainable Energy Engineering, University of Nottingham, UK.
- Finance Courses Specialized in Corporate and Project Finance (Project and Corporate Finance).
- Project Management Professional (PMP) and Certified Project Manager.
- Specialized Courses in Project Financing and Financial Modelling.
- Advanced Leadership Courses, Institute of Public Administration (IPA).
- 2014-2015: Advanced Management and Change Management Programs, London Business School (LBS), London.
- 2016: Executive Leadership Program, Harvard Business School (HBS), Boston, USA.
- 2017: Specialized Leadership Course, GE Crotonville Leadership Institute, New York, USA.



Ammar Ahmed AlZubaidi

Board Member

Current Positions

- 2020-Present: Member, Board of Directors, AlKhorayef Water and Power Technologies Company.
- 2014-Present: Chief Financial Officer (CFO), AlKhorayef Group, a Closed Joint Stock Company, Operating across Multiple Sectors, Including Oil, Lubricants, Machinery and Equipment Systems, Contracting Services, Printing, and Paper.
- 2015-Present: Member, Advisory Board, Equipment and Machinery Sector, AlKhorayef Group, a Diversified Group whose Business Units Operating across Oil, Lubricants, Machinery and Equipment Systems, Contracting Services, Printing, and Paper Industries.
- Member, Board of Directors, Saudi Finance Company.
- Member, Board of Directors, Arab Lubricating Oil Company (Castrol).
- Chairman, Audit Committee, Saudi Parts Center Company (SPC).
- 2015-Present: Member, Risk and Credit Committee, Saudi Finance Company.
- Member, Board of Directors, Rakhaa for Agricultural Investment and Development SAE (Rakhaa Egypt), Arab Republic of Egypt.
- Member, Board of Directors, ESCO Irrigation Equipment, Spain.

Previous Professional Experience

- 1999-Present: General Manager, Finance, AlKhorayef Group, a Closed Joint-Stock Company, Operating across Multiple Sectors, Including Oil, Lubricants, Machinery and Equipment Systems, Contracting Services, Printing, and Paper.
- 1993-1999: Credit Officer, Arab Bank, Jordan, a Public Joint-Stock Company, Operating in Banking and Financial Services.

Qualifications

- 1993: Bachelor's Degree, Accounting and Business Administration, University of Jordan, Amman, Jordan.
- 1990: Bachelor's Degree, Accounting and Auditing, Kuwait University, Kuwait.



Faisal Abdulaziz AlDuwaish

Board Member

Current Positions

- Member, Board of Directors, AlKhorayef Water and Power Technologies Company.
- 2023-Present: Advisor to the CEO, Enova Facilities Management Company.
- 2010-Present: Business Development Director, Vice President, CEO, Advisor to the President, Veolia, a Company Operating in Water Services, Industrial Waste Treatment, and Water Supply and Management.
- 2023-Present: Member, Board of Directors, Red Sea Farms Cooperative (Tamala).
- 2024-Present: CEO, Investment and Partnerships, Royal Commission for Makkah and Holy Sites.
- Member, Board of Directors, Alrajhi Business.
- Member, Board of Directors, National Tri-Generation Company (NTCC).
- Member, Board of Directors, AlBalad AlAmeen for Development and Urban Regeneration.
- January 2022-February 2024: CEO, King Abdullah Humanitarian Foundation, Chairman, Board of Directors, Mawhiba.

Previous Professional Experience

- 2008-2010: Project Manager, Electricity and Water Projects, Al Sharq Office Co. For Trading, Contracting & Maintenance.
- 2010-January 2022: Director, Business Development, Vice President, then CEO, Saudi Arabia, Kuwait, and Bahrain, Veolia France, a Company Operating in the Fields of Water, Industrial Waste Treatment, and Water Supply and Management.
- 2015-2017: General Manager, Support Services, Ministry of Defense (MOD) Transformation Program.
- 2015-2017: Advisor, Office of the Minister of Defense, Transformation Program, Air Defense Forces.
- 1993-2008: Officer, Royal Saudi Air Defense Forces (RSADF), with Experience in Operations and Project Management.

Qualifications

- 2006: Master's Degree, Geostrategy, Defense and Industrial Dynamics, Paris-Panthéon-Assas University, France.
- 1989-1993: Bachelor's Degree, International Relations, École Spéciale Militaire de Saint-Cyr, France.
- Completed Various Training Courses Totaling Four Years in the Fields of Electronics and Communications, Maintenance Management, Employee Qualification and Training, Negotiations and Contracts, Leadership, and a PMP Certification in Project Management.
- June 2014: Strategic Planning Program, Wharton University, Philadelphia, USA.
- 2018: International Executive Program (IEP).

* Note: All companies mentioned in the tables above are Saudi companies, except where otherwise indicated.

2-4 Procedures Taken by the Board to Inform its Members, Particularly Non-Executives, of Shareholders' Proposals and Observations Regarding the Company and its Performance

The Board has delegated to the Company the necessary procedures that enable shareholders to submit their proposals and observations through the communication channels available within the Investor Relations (IR) Department, as follows:

Phone No	0114049404
Fax No	0114555179
Mobile No	0593999005
Email	awpt-ir@alkhorayef.com

2-5 Attendance Record for Board Meetings

The following table shows the attendance record of the Board Members for the Board Meetings held during 2025:

Attendance Record of Members							
Meeting No.	Meeting Date	Abdulaziz Abdulrahman AlKhorayef	Fahd Muhammad Alkhorayef	Ammar Ahmed AlZubaidi	Abdulrahman Saud AlOwais	Othman Yahya AlNajdi	Faisal Abdulaziz AlDuwaih
First	13/03/2025	√	√	√	√	√	√
Second	25/05/2025	√	√	√	√	√	√
Third	30/07/2025	√	√	√	√	√	√
Fourth	07/08/2025	√	√	√	√	√	√
Fifth	01/10/2025	√	√	√	√	√	√
Sixth	03/11/2025	√	√	√	√	√	√
Seventh	06/11/2025	√	√	√	√	√	√
Eighth	12/12/2025	√	√	√	x	√	√
Ninth	21/12/2025	√	√	√	√	√	√
Total		9	9	9	8	9	9

2-6 Committee Members' Names (Non-Board and Executive Management), their Current and Previous Positions, Qualifications, and Experience



Abdulaziz AlFakhri

Audit Committee Member

Nationality

• Saudi

Academic and Professional Qualifications

- 2019: Executive Master's Degree, Business Administration (EMBA), INSEAD – European Institute of Business Administration, USA.
- 2007: Bachelor's Degree, Economics, Colorado School of Mines, USA.
- 2006: Bachelor's Degree, Mechanical Engineering, Colorado School of Mines, USA.
- 2007: Master's Degree, Engineering Management and Technology, Colorado School of Mines, USA.

Current Positions

- 2023-Present: CFO, Alat, a Joint Stock Company, Operating in the Electronics and Advanced Industries Sector.
- 2022-Present: Member, Investment and Opportunities Committee, Riyadh Angels Group, Operating in the Venture Capital Investment Sector.
- 2023-Present: Member, Audit Committee, Alkhorayef Water and Power Technologies Company, a Joint Stock Company, Operating in the Water and Energy Sector.
- 2021-Present: Member, Board of Directors, FinTech Galaxy, a Joint Stock Company, Operating in the Financial Technology Sector.
- 2022-Present: Member, Board of Directors, FinTech Galaxy Bahrain, a Bahraini Joint Stock Company, Operating in the Financial Technology Sector.

Previous Professional Experience

- 2021-2023: Member, Finance and Investment Committee, King Faisal Specialist Hospital Foundation, a Non-Profit Institution, Operating in the Healthcare Sector.
- 2013-2016: Head, Treasury, Saudi Basic Industries Corporation (SABIC).
- 2011-2013: Senior Specialist, Corporate Finance and Credit Rating, Saudi Basic Industries Corporation (SABIC).
- 2008-2010: Senior Investment Analyst, Mergers and Acquisitions, Saudi Basic Industries Corporation (SABIC).
- To 2007: Project Feasibility and Engineering Economics Consultant, Beck, R.W.
- 2020-2021: Executive Director, Global Investments and Feasibility Study, Saudi Basic Industries Corporation (SABIC).
- 2017-2021: Member, Board of Directors, Chairman, Audit Committee, SSNC, a Singaporean Joint Stock Company, Operating in the Petrochemicals Sector.
- 2016-2020: CFO, Saudi Spanish Train Projects Company (SSTPC).



Nabil Mohamed Batawi

Nomination and Remuneration Committee Member

Nationality

- Saudi

Academic and Professional Qualifications

- Master's Degree, Human Resources Management, University of Wolverhampton, UK.
- Postgraduate Diploma, International Management, Westford University, UK.
- Bachelor's Degree, Sociology and Social Work, King Faisal University (KFU).
- Level 7 Advanced Diploma, Human Resource Management, Chartered Institute of Personnel and Development (CIPD), UK.
- Fellowship (FCIPD), Human Resource Management, Chartered Institute of Personnel and Development (CIPD), UK.

Current Positions

- CEO, Shared Services Department, Prince Mohammed bin Salman Foundation (Misk).
- Chairman, Nomination and Remuneration Committee, Alkhorayef Group.
- Chairman, Nomination and Remuneration Committee, Alkhorayef Petroleum.
- Member, Nomination and Remuneration Committee, Alkhorayef Water and Power Technologies Company.
- Member, Nomination and Remuneration Committee, Alat (Public Investment Fund "PIF").
- Member, Nomination and Remuneration Committee, Badael Company (Public Investment Fund "PIF").
- Member, Nomination and Remuneration Committee, Lifera (Public Investment Fund "PIF").
- Member, Nomination and Remuneration Committee, Al-Ahli FC Company (Public Investment Fund "PIF").
- Member, Advisory Board, National Committee for Social Responsibility, Ministry of Human Resources and Social Development (HRSD).
- Member, Advisory Board, Technical and Vocational Training Corporation (TVTC).
- Member, Human Resources and Labor Market Committee, Riyadh Chamber.
- Vice Chairman, Human Resources Team, National Industrial Committee (NIC).

Previous Professional Experience

- 2021-2024: Chief Human Resources Officer (CHRO), Alkhorayef Group.
- 2019-2021: Chief Human Resources and Administrative Affairs Officer, Al Safi Danone.
- 2017-2019: Head, Human Resources and Administrative Affairs, Aujan Coca-Cola Beverages Company (ACCBC).
- 2009-2017: Executive Director, Human Resources, GlaxoSmithKline (GSK).
- 1999-2009: Manager, Training and Development, Tetra Pak Manufacturing Limited.
- 2019-2021: Member, National Committee for Dairy Products, Federation of Saudi Chambers (FSC).

2-7 General Assemblies of Shareholders

The Company held one Ordinary General Assembly (OGA) Meeting of Shareholders during 2025, where several key matters related to the Company's performance and future plans were discussed. The following table presents

the details of the OGA and the attendance record of Board Members:

Name	Position	OGA First Meeting Date: 25/05/2025
Abdulaziz Abdulrahman AlKhorayef	Chairman of the Board	√
Fahd Muhammad Alkhorayef	Deputy Chairman of the Board	√
Ammar Ahmed AlZubaidi	Board Member	√
Abdulrahman Saud AlOwais	Board Member	√
Othman Yahya AlNajdi	Board Member	√
Faisal Abdulaziz AlDuwaish	Board Member	√

OGA Results

The results of the Ordinary General Assembly (OGA) held on 25/05/2025 were as follows:

1. Reviewing and discussing the Board's Report for the fiscal year (FY) ended 31/12/2024.
2. Reviewing and discussing the Financial Statements for the FY ended 31/12/2024.
3. Approving the Company's External Auditor Report for the FY ended 31/12/2024 after discussion.
4. Approving the payment of remuneration to Board Members for the FY ended 31/12/2024 for SAR 3,419,000, in accordance with the Board's Report.
5. Approving the recommendation of the Board to distribute cash dividends to shareholders for the FY 2024 in a total amount of fifty-two million five hundred thousand riyals (SAR 52,500,000), at one riyal and a half (SAR 1.5) per share, representing 15% of the nominal value of the share. Entitlement to dividends shall be for the Company's shareholders who own and are registered with the Securities Depository Center Company (Edaa) at the end of trading on the entitlement date, being the date of the Company's General Assembly Meeting. The dividend distribution date was set for 19/06/2025.
6. Approving the discharge of the Board Members from liability for the FY ended 31/12/2024.
7. Approving the appointment of the Company's External Auditor, KPMG, to examine, review, and audit the Financial Statements for the second and third quarters (Q2, Q3) and the Annual Financial Statements of the FY 2025, as well as the first quarter (Q1) of the FY 2026, for a total fee of SAR 1,069,500, exclusive of Value Added Tax (VAT).
8. Approving the delegation of the Board with the OGA powers as stipulated in Paragraph (1) of Article (27) of the Companies Law for a period of one year from the date of the General Assembly's approval, or to the end of the term of the delegated Board, whichever occurs first, in accordance with the conditions set out in the Implementing Regulations of the Companies Law for listed joint stock companies.
9. Approving the authorization of the Board to distribute interim dividends on an annual or semi-annual basis for the FY 2025.

3. Board Committees

3-1 Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) held five (5) Meetings during 2025 and submitted its reports to the Board of Directors, as set out in the table below:

Meetings of the Committee and Attendance Record in 2025

Member	Position	No. of Meetings					Total
		First Meeting 20/01/2025	Second Meeting 10/03/2025	Third Meeting 17/07/2025 03/08/2025 (Supplementary)	Fourth Meeting 14/09/2025	Fifth Meeting 31/12/2025	
Abdulrahman Saud AlOwais	Chairman	√	√	√	√	√	5
Fahd Muhammad Alkhorayef	Member	√	√	√	√	√	5
Nabil Mohamed Batawi	Member	√	√	√	√	√	5

Nomination and Remuneration Committee Charter

The Nomination and Remuneration Committee (hereinafter referred to as the "Committee" or "NRC") of Alkhorayef Water and Power Technologies Company (the "Company") was established, and its composition was approved by the Company's Board (the "Board")

pursuant to the powers vested in it and in accordance with the Company's Bylaws. The Committee operates in accordance with the provisions of this Charter, and each Member of the Board shall be referred to as a "Board Member".

Purpose and Role

1. The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities and in performing the duties, responsibilities, and powers stipulated in this Charter.
2. The NRC's primary role includes the following:
 - A. Leading the process of nominating and evaluating the Company's Board Members and Senior Executives.
 - B. Ensuring the effectiveness and integrity of the structure of the Board and Executive Management, as well as the related internal policies and procedures.
 - C. Assisting the Board in reviewing and determining the remuneration of the Company's Members of the Board, Board Committees, and Senior Executives.

Organization and Membership

1. The Nomination and Remuneration Committee (NRC) shall consist of no fewer than three (3) and no more than five (5) Members (each individually referred to as a "Member" and collectively as the "Members"), appointed by the Board for a term not exceeding three (3) years. The term of Membership of a Committee Member who is also a Board Member shall not exceed the duration of their Membership on the Board. Members may be reappointed for subsequent terms.
2. Executive Board Members may not be appointed as Members of the Committee, provided that at least one Member shall be appointed from among the Independent Members of the Board.
3. The Committee shall appoint from among its Members a Chairman (the "Chairman"), who must be one of the Independent Members of the Board. If the Chairman of the Board is a Committee Member, the said Member may not be appointed as its Chairman. The Chairman shall preside over the Committee's Meetings and shall attend, or delegate one of the Members to attend, the General Assembly Meetings to respond to shareholders' questions. The Chairman's term of appointment shall correspond with his term of Membership on the Committee, and the Committee may remove him at any time.
4. The Committee shall appoint a Secretary (the "Secretary") from among its Members or a Non-Committee Member. The Secretary shall attend all Committee Meetings, prepare the Minutes of the Meetings, and document the Committee's Resolutions. The Committee shall determine the term of appointment of the Secretary. If the Secretary is a Committee Member, the Member's term of appointment shall not exceed his term of Membership on the Committee. The Committee may remove the Secretary at any time.
5. The Board may remove all or any of the Committee Members at any time. If the Membership of any Member is terminated for any reason before the end of his term, the Board may appoint a Replacement Member to fill the vacancy, and the newly appointed Member shall complete the remaining term of his predecessor.
6. The Company shall notify the CMA of the name, position, and independence status of each Member within five (5) business days from the date of the appointment or removal, as well as any subsequent changes within five (5) business days from the date such changes occur.



Meetings and Procedures

1. The Nomination and Remuneration Committee (NRC) shall meet at least once every six months. Additional Meetings may be held from time to time at the request of the Board or any of its Members.
2. The Committee shall convene its Meetings upon invitation by the Chairman through a written notice sent by the Secretary to each Member, and to any person invited to attend the Meeting, as applicable, at the request of the Chairman, at least five (5) business days before the scheduled Meeting date. In urgent cases, and subject to the approval of the majority of the Members, the Meeting may be convened with a shorter notice period. The notice shall include the date, time, and venue of the Meeting, in addition to the agenda and the relevant documents. The Committee shall hold its Meetings at the times and places the NRC considers appropriate to carry out its responsibilities.
3. Committee Meetings may be held in person, by telephone, via audio-visual communication means, or through any other means approved by the NRC, provided that such means enable Members to hear each other and participate in discussions interactively.
4. Attendance at Committee Meetings shall be limited to Members and the Secretary. The Committee may invite other persons to attend any of its Meetings the NRC deems appropriate.
5. The quorum for Committee Meetings shall be constituted by the presence of a majority of its Members (more than 50%). Resolutions shall be adopted and actions approved by a majority vote of the Members present (more than 50%). In the event of a tie, the side supported by the Chairman shall prevail. A Member may not participate in voting on any matter in which the Member has a direct or indirect interest.
6. In the absence of the Chairman, and if there is no Deputy Chairman among the Members or none has been appointed, the Members present shall select one from among themselves to chair the Meeting, provided that they are qualified to assume this position in accordance with the provisions of this Charter.
7. A Member may authorize another Committee Member to represent him at any Meeting, provided that such authorization is made in writing and that notice of the authorization is sent to the Secretary prior to the relevant Meeting.
8. The Committee may adopt its Resolutions by circulation by sending the proposed Resolutions in writing or electronically to all Members for approval and signature. A scanned copy of the Resolution signed by the Member shall be deemed an acceptable means for this purpose. Written Resolutions shall be adopted by the approval of a majority of the Members. In the event of a tie, the side supported by the Chairman shall prevail.
9. As soon as practicable following the conclusion of each Meeting or the adoption of any written Resolution, the Secretary shall send a copy of the Minutes of the Meeting or the Resolution to each Committee Member. The Minutes shall be signed by the Secretary and all Members who attended the Meeting.

Duties and Responsibilities

The Nomination and Remuneration Committee (NRC) performs its primary role set out in Section (1) above by undertaking, without limitation, the following powers, functions, and responsibilities:

First: Nominations

1. Preparing the policies and criteria relating to the nomination and appointment of Board Members and Members of the Company's Executive Management (the "Nominations Policy"), submitting them to the Board for approval, and overseeing their implementation.
2. Verifying that the necessary and appropriate inquiries have been conducted regarding candidates for Membership of the Board, including their qualifications and experience, before submitting recommendations concerning their nomination to the Board.
3. Recommending to the Board the nomination or re-nomination of the Board Members in accordance with the applicable laws, regulations, and rules, and the approved policies and criteria, including the provisions of this Charter.
4. Reviewing, evaluating, and submitting recommendations to the Board, at least once annually, regarding the capabilities, qualifications, and experience required for Membership on the Board and for positions within the Company's Executive Management. This includes determining the time required to perform Membership duties and preparing job descriptions for Executive, Non-Executive, and Independent Members of the Board, as well as Members of the Executive Management.
5. Verifying the independence of Independent Members of the Board annually in accordance with the applicable laws, regulations, and rules, and ensuring the absence of conflicts of interest, including cases where a Member serves on the board of another company.
6. Conducting periodic reviews of succession plans for Senior Executives and submitting recommendations thereon to the Board, taking into account the challenges and opportunities facing the Company and its future needs in terms of skills and experience.
7. Assessing potential candidates for positions within the Company's Executive Management, including the position of CEO, and submitting recommendations regarding such candidates to the Board.
8. Establishing procedures for cases where any position on the Board or within Executive Management becomes vacant, reviewing such procedures periodically, and recommending to the Board the selection and approval of candidates to fill those positions.

Second: Review and Evaluation

1. Periodically reviewing the structure, size, and composition of the Company's Board and Executive Management, as well as their respective strengths and weaknesses, including skills, knowledge, and experience, and submitting appropriate recommendations to the Board in a manner that serves the best interests of the Company.
2. Preparing an induction program for newly appointed Board Members, overseeing its implementation, and updating the program whenever necessary.
3. Establishing an annual mechanism for the self-assessment of Board Members and certain Senior Executives of the Company, submitting recommendations to the Board regarding the results of such assessments, and overseeing the implementation of the evaluation process.

Third: Remuneration

1. Preparing the remuneration policy for the Company's Members of the Board, Board Committees, and Executive Management (the "Remuneration Policy"), submitting the said Policy to the Board to be approved by the General Assembly, overseeing its implementation, and ensuring disclosure in accordance with the relevant laws, regulations, and rules.
2. Preparing an annual report on the remuneration and other payments (whether cash or in kind) granted to Members of the Board, Board Committees, and Executive Management. The report shall outline the relationship between the remuneration granted and the Remuneration Policy, including clarification of any material deviation from this Policy (the "Annual Remuneration Report"), and shall be submitted to the Board for consideration.
3. Conducting periodic reviews of the Remuneration Policy, assessing its adequacy and effectiveness, and recommending to the Board any necessary actions in this regard.
4. Recommending to the Board the remuneration of Members of the Board, Board Committees, and Executive Management, including the nature and amount of such remuneration, in accordance with the approved Remuneration Policy.
5. Reviewing the Company's plans relating to compensation, benefits, and incentives applicable to the Company's Board Members and employees, and submitting recommendations thereon to the Board, including the approval, amendment, or termination of such plans.
6. Preparing the remuneration-related disclosures required under the Company's policies or under any laws, regulations, or rules to which the Company is subject, including disclosures relating to the Remuneration Policy and the Annual Remuneration Report.

Fourth: Other Provisions

1. Undertaking any other work or tasks related to the scope of the Committee's responsibilities, at the request of the Board.
2. Ensuring clarity and proper delineation of responsibilities and authorities between the Committee, the Board, and the Company's Management, in a manner that supports effective governance.
3. Submitting a Report to the Board on its activities, including the Results and Resolutions reached, following each of its Meetings.

Powers

The Committee shall have the powers necessary to perform its functions and responsibilities, including in particular the following:

1. The right to review, without restriction, the Company's records and documents required by the Committee to perform its functions and responsibilities.
2. The right of unrestricted access to the Company's Management and employees (including Board Members and Executive Officers), who shall fully cooperate with the Committee and respond promptly and comprehensively to any inquiries raised by the Committee.
3. The right to establish subcommittees or working groups composed of one or more Members to perform tasks delegated by the Committee in accordance with this Charter.
4. The right to appoint and engage such External Advisers or other Specialists and Experts as the Committee deems appropriate to provide advice or assistance to the Committee as necessary (provided that the Minutes of the relevant Committee Meeting record such appointment, including the name of the appointed person and any relationship that the person may have with the Company or its Executive Management).
5. The right to take any other actions that the Committee reasonably considers necessary for the proper performance of its functions and responsibilities and the fulfillment of its obligations under this Charter.

Remuneration

Any remuneration granted to Members shall be in such form and amount as determined by the General Assembly based on a recommendation from the Board,

Effectiveness and Review

1. This Charter shall be approved by a Resolution of the General Assembly based on a proposal from the Board and shall become effective as of the date of its approval by the General Assembly.
2. The Committee shall periodically review the provisions of this Charter and submit its

Key Achievements in 2025

During 2025, the Nomination and Remuneration Committee (NRC) played a significant role in driving transformation and enhancing human capital efficiency through its oversight and guidance of the Executive Management and the Human Resources Department, particularly through the following initiatives:

Enhancing the Organizational Structure: The Committee oversaw the project to update the Company's organizational structure to ensure greater operational flexibility and to keep pace with the rapid expansion of the Company's business activities. The restructuring was not limited to the administrative dimension; rather, the Committee focused on aligning the organizational structure with the Company's new strategic phase. This contributed to improving decision-making efficiency, eliminating role duplication, and ensuring the Company's readiness for future geographic and sectoral expansion.

Empowering National Talent: As part of its responsibility to strengthen human capital, the Committee supervised the launch of the "Training Leading to Employment" initiative, representing a qualitative shift in the Company's Saudization strategy. The program successfully attracted and trained more than 300 male and female trainees from among young national talent, equipping them with the technical and behavioral competencies required to integrate into the workplace. This initiative reflects the Committee's commitment to building a sustainable local

in accordance with the relevant laws, regulations, resolutions, and instructions.

recommendations regarding any amendments thereto to the Board.

3. Any amendments to this Charter shall be approved in the same manner in which this Charter was originally approved.

talent pipeline that supports the Company's long-term growth plans and contributes to achieving Saudi Vision 2030 objectives.

Embedding a Performance Culture: The Committee led efforts to modernize the performance management framework for the Executive Management and all Company employees, aiming to transition towards a results-driven work environment. Comprehensive key performance indicators (KPIs) were developed to link individual objectives with the Company's strategic goals, reinforcing transparency and accountability and ensuring a clear and direct linkage between performance excellence and the incentives and rewards system.

Market Competitiveness and Talent Retention: In line with the Company's commitment to being an attractive environment for talent, the Committee supervised a comprehensive benchmarking study of the Company's compensation and benefits framework against the labor market and peer companies in the sector. Based on the outcomes of this study, remuneration policies were reviewed and enhanced to ensure the Company's competitiveness, which directly contributed to improving the retention of high-caliber talent and attracting additional expertise capable of leading the Company's transformation in the coming phase.

3-2 Audit Committee

The Audit Committee held five (5) Meetings during 2025 and submitted its reports to the Board, as shown in the table below:

Meetings of the Committee and Attendance Record in 2025

Member	Position	No. of Meetings					Total
		First Meeting 06/03/2025	Second Meeting 07/05/2025	Third Meeting 03/08/2025	Fourth Meeting 03/11/2025	Fifth Meeting 06/11/2025	
Faisal Abdulaziz AlDuwaish	Chairman	√	√	√	√	√	5
Abdulaziz AlFakhri	Member	√	√	√	√	√	5
Ammar Ahmed AlZubaidi	Member	√	√	√	√	√	5

Audit Committee Charter

The Audit Committee (hereinafter referred to as the "Committee") was established at Alkhorayef Water and Power Technologies Company (the "Company"), and its formation was approved by the Company's Board of Directors (the "Board") pursuant to the powers vested in

the Committee and in accordance with the Company's Bylaws. The Committee operates in accordance with the provisions of this Charter (the "Charter"), and each Member of the Board shall be referred to as a "Board Member".

Purpose

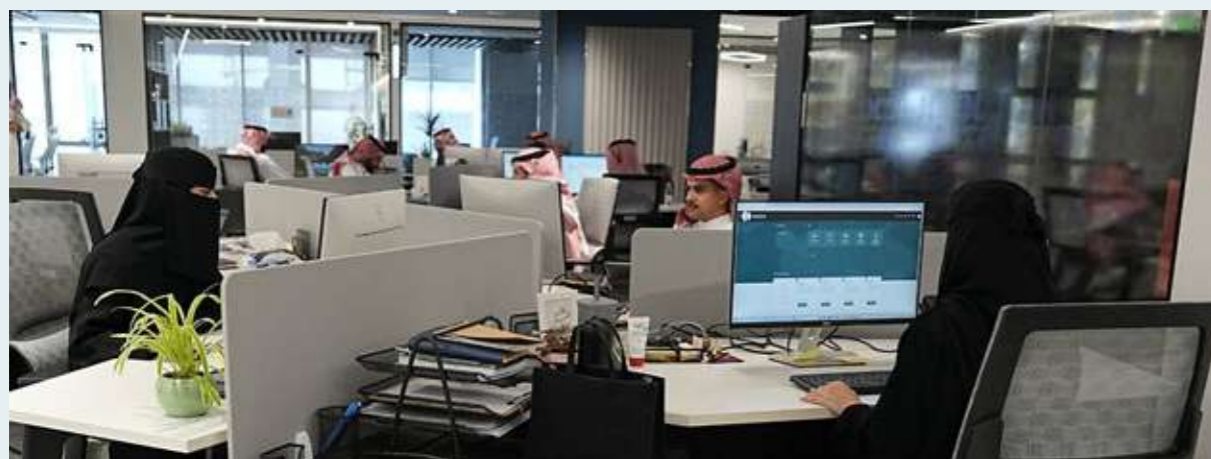
1. The purpose of the Audit Committee is to assist the Board in discharging its oversight responsibilities and in performing the functions, responsibilities, and powers set out in this Charter.
2. The primary role of the Committee is to assist the Board in overseeing the following:
 - A. The soundness, integrity, and accuracy of the Company's financial statements and reports, and its internal control system.
 - B. The Company's compliance with legal and regulatory rules and requirements, and with Professional Codes of Conduct.
 - C. The qualifications and independence of the Company's External Auditor.
 - D. The performance of the Company's Internal Audit function and the independent accounts audit.

Formation

1. The Audit Committee shall be formed pursuant to a Resolution of the Board and shall consist of at least three (3) and not more than five (5) Members (each of whom shall be referred to individually as a "Member" and collectively as "Members").
2. If the Board is unable to form the Committee at the beginning of its term, it may establish a temporary Audit Committee, provided that its Members meet the selection criteria set out in this Charter. The temporary Committee shall operate in accordance with the provisions of this Charter, and its Members shall be granted remuneration calculated based on the Resolution of the General Assembly regarding the annual remuneration of the previous Audit Committee Members.
3. The term of a Member's Membership in the Committee, if they are a Board Member, shall not exceed their term of Membership on the Board.
4. None of the Executive Board Members may be appointed as a Member of the Committee, and the Chairman of the Board may not be appointed as a Member of the Committee.
5. No person who has worked during the past two years in the Executive Management or Finance Department of the Company, or as an Employee or a Board Member of the Company's External Auditor, may be appointed as a Member of the Committee.
6. All Members must be financially literate, and at least one of them must be a Financial and Accounting Affairs Specialist. A "specialist in financial and accounting affairs" is defined as a person who possesses financial and accounting expertise through academic qualifications or experience as an accountant or financial employee at a public company, or any similar experience. The attributes required of such a Specialist include, without limitation, the following:
 - Familiarity with the general principles of accounting and auditing.
 - Knowledge of Internal Auditing Standards, including the International Standards for the Professional Practice of Internal Auditing.
 - Ability to assess Internal Auditing procedures.
 - Ability to prepare, review, analyze, and evaluate financial statements, or any of the foregoing.
7. At least one Member of the Committee must be an Independent Board Member.
8. The Members of the Committee shall select from among themselves a Chairman (the "Chairman"), who must be an Independent Board Member. The Chairman shall preside over the Committee's Meetings and shall attend, or be represented by another Member, at all General Assembly Meetings to answer questions from the Company's shareholders. The term of the Chairman's appointment shall coincide with the term of his Membership in the Committee, and the Committee may remove the Chairman at any time.
9. The Committee shall appoint a Secretary (the "Secretary") from among its Members or a Non-Committee Member. The Secretary shall attend all Committee meetings, prepare the Minutes, and document its Resolutions. The Committee shall determine the term of the Secretary's appointment, and if the Secretary is a Committee Member, his term of appointment may not exceed the term of his Membership in the Committee. The Committee may remove the Secretary at any time.
10. The Board may remove all or some of the Members at any time. If the Membership of any Member is terminated for any reason before the end of his term, the Board may appoint a Replacement Member to take the place of that Member, and the new Member shall complete the term of his predecessor.
11. A Member of the Audit Committee may not have a direct or indirect interest in the business and contracts concluded for the account of the Company except with the approval of the General Assembly.
12. A Member of the Audit Committee may not serve as a Member of audit committees in more than five (5) listed joint stock companies at the same time.
13. The Company shall notify the CMA of the name of each Member, their position, and independence status within five (5) business days from the date of their appointment or dismissal, and of any changes thereto within five (5) business days from the date on which they occur.

Meetings

1. The Audit Committee shall meet at least four (4) times during each fiscal year (FY), and additional Meetings may be held as necessary, at the request of the Board, any of the Members, the External Auditor, or any of the Company's Senior Executives.
2. The Committee shall hold its Meetings upon an invitation from its Chairman, pursuant to a written notice sent by the Secretary to each Member, and to any invitees, as applicable, at the request of the Chairman, at least seven (7) days before the scheduled Meeting date, except in urgent cases where the Meeting may be held with the approval of the majority of the Members based on a notice sent within a shorter period.
 - The notice must include the date, time, and place of the Meeting, in addition to the Meeting agenda and the relevant accompanying documents.
 - The Members shall endeavor to attend all Meetings, whether in person, by telephone, by videoconference, or by any other means approved by the Committee that enables Members to hear one another.
 - The Head of Internal Audit and the External Auditor may request a Meeting with the Committee, whenever necessary.
3. A Meeting of the Committee shall be valid only if attended by a majority of its Members, and its Resolutions shall be passed by a majority of the votes of those present. In the event of a tie, the side with which the Chairman of the Meeting has voted shall prevail.
4. In the event of the absence of the Chairman, and the absence or non-appointment of a Deputy by them, the remaining Members present shall select from among themselves a Member to chair the Meeting, provided that such Member is qualified to hold this position in accordance with the provisions of this Charter.
5. Attendance at Committee Meetings shall be limited to the Members and the Secretary, with the possibility of inviting Board Members, Executive Management, Auditors, or others when the Committee requests to hear their views or obtain their advice. Periodic Meetings or special executive sessions may also be held with the Head of Internal Audit or the External Auditors, whenever needed.
6. The Committee may adopt its Resolutions by circulation, by submitting the proposed Resolutions in writing or in electronic form to all Members for their approval and signature, noting that a scanned copy of the Resolution signed by a Member shall be deemed an acceptable form for this purpose. Written Resolutions shall be passed by the approval of a majority of the Members, and in the event of a tie, the side with which the Chairman has voted shall prevail.
7. Within fourteen (14) days from the end of each Meeting or the adoption of any written Resolution, the Secretary shall send a copy of the Minutes of the Meeting or the Resolution to the Board and to each Committee Member. The Minutes of Meetings shall be signed by all Members present.



Responsibilities

The Audit Committee shall perform its primary role, as set out in Section (1) above, by undertaking the following powers, functions, and responsibilities, including but not limited to:

[A] Financial Statements and Reports

1. Reviewing significant matters related to accounting affairs and financial reporting, including complex or unusual transactions and material areas of judgment, newly issued professional and regulatory announcements, and assessing their impact on the Financial Statements.
2. Reviewing any significant or unusual matters included in the Company's Financial Statements and Reports, and reviewing any issues raised by the Chief Financial Officer (or his designee), the Compliance Officer, or the Auditor.
3. Reviewing the audit results with the Management and the External Auditor, including any difficulties encountered during the audit process.
4. Studying the Company's interim and annual Financial Statements and expressing an opinion thereon, and submitting the necessary recommendations to the Board before their presentation, to ensure their soundness, integrity, and transparency, and to verify that they are complete, consistent with the information available to the Members, and reflect appropriate accounting principles and policies.
5. Reviewing other sections of the Annual Report and related regulatory filings before issuance, with a focus on the accuracy and completeness of the information.
6. Reviewing all matters required to be referred to the Committee in accordance with recognized auditing standards, in coordination with the Management and the External Auditor.
7. Studying the accounting policies adopted by the Company, and expressing an opinion and making recommendations thereon to the Board.
8. Understanding how the Management develops interim financial information, and the nature and extent of the involvement of the Internal Audit Department and the External Auditor in its preparation.
9. Providing a technical opinion, at the request of the Board, on whether the Board's Report and the Company's Financial Statements are fair, balanced, and understandable, and include sufficient information to enable shareholders and investors to assess the Company's financial position, performance, business model, and strategy.
10. Verifying the accounting estimates in material matters included in the Company's Financial Statements and Reports.

[B] Internal Control

1. Studying and reviewing the Company's internal control and financial control systems and risk management framework, and assessing their effectiveness, including information technology security controls.
2. Understanding the scope of the Internal Audit of financial reporting carried out by the Internal Audit Department, and obtaining the reports that include significant findings and recommendations, in addition to the Management's comments and responses.

[C] Internal Audit

1. Approving the Company's Internal Audit Charter.
2. Reviewing the performance and activities of the Head of Internal Audit, ensuring that there are no unjustified restrictions on their activities, and recommending to the Board their appointment, dismissal, annual remuneration, and salary.
3. Overseeing the performance and activities of the Internal Audit Department in the Company to verify the availability of the necessary resources and their effectiveness in performing the assigned tasks in accordance with appropriate professional standards.
4. Approving the Annual Audit Plan and any amendments thereto, and reviewing the performance and activities of the Internal Audit Department against the approved plan.
5. Coordinating with the Head of Internal Audit in relation to the Internal Audit budget, resource plan, activities, and the organizational structure of the Internal Audit function.
6. Reviewing the Company's Internal Audit procedures and ensuring their efficiency and adequacy.
7. Studying Internal Audit Reports and following up on the implementation of corrective actions for the observations contained therein.
8. Holding regular independent Meetings with the Head of Internal Audit to discuss any matters that the Committee or Internal Audit Officers consider necessary to be discussed in private sessions.

[D] External Audit

1. Reviewing the proposed scope, approach, and plan of the External Auditor, and providing the Committee's views thereon, including coordinating audit efforts with Internal Audit activities.
2. Recommending to the Board the nomination or dismissal of the External Auditors, determining their fees, and reviewing the scope of their work and the terms of their engagement, taking into account their independence.
3. Reviewing the performance of the External Auditors and overseeing their activities, and approving any activity outside the scope of the assigned audit work during the performance of their duties.
4. Studying the External Auditors' Reports, observations, and reservations on the Company's Financial Statements, and following up on the actions taken in this regard.
5. Verifying the independence, objectivity, and impartiality of the External Auditors, and the effectiveness of the audit work, taking into consideration the relevant rules and standards, and recommending to the Board the necessary actions in this regard.
6. Ensuring that the External Auditor does not provide technical or administrative services that fall outside the scope of audit work, and recommending to the Board the necessary actions in this regard.
7. Holding regular independent Meetings with the External Auditors to discuss any matters that the Committee or the Auditors consider necessary to be discussed in private sessions.
8. Responding to the External Auditors' inquiries in a manner that ensures clarity of information and effective communication.
9. Resolving any disputes that arise between the Management and the External Auditors in relation to the preparation of financial reports.

[E] Compliance

1. Verifying the Company's compliance with the relevant laws, regulations, policies, and instructions, and monitoring their implementation.
2. Reviewing the effectiveness of the monitoring system, ensuring compliance with laws and regulations, and following up on the results of investigations conducted by the Management, including monitoring any instances of non-compliance and taking the necessary disciplinary actions.
3. Reviewing the reports and investigation results issued by the competent supervisory or regulatory authorities, as well as any observations raised by the External Auditors or Internal Auditors, and verifying that the Company has taken the necessary actions in this regard.
4. Reviewing the process for communicating the Professional Code of Conduct to the Company's employees and monitoring compliance therewith.
5. Reviewing the contracts and transactions that the Company proposes to enter into with related parties, and submitting the Committee's views and recommendations thereon to the Board.
6. Ensuring that appropriate mechanisms and arrangements are established and implemented to enable the Company's employees to submit their observations and concerns confidentially and anonymously regarding any financial, accounting, audit-related, or non-compliance matters.
7. Receiving regular updates from the Company's Management and its Legal Advisor on compliance matters.

[F] Reporting Responsibilities

1. Submitting periodic reports to the Board on the Committee's activities and the issues identified, and providing any recommendations that the Committee deems appropriate in any aspect of its remit.
2. Providing open and effective channels of communication between the Internal Audit, External Auditor, and the Board.
3. Submitting an annual report to the shareholders explaining the composition of the Committee, its functions, and performance of such functions, as well as any other information in accordance with the applicable rules, including the approval of services that fall outside the scope of audit.
4. Reviewing any other reports issued by the Company that relate to the Committee's responsibilities, and ensuring their accuracy and adequacy.
5. Preparing a written annual report on its opinion regarding the adequacy and effectiveness of the

Company's internal control and financial systems and risk management, including information technology security and controls, and its recommendations in this regard, in addition to any other work it has carried out within its remit. Sufficient copies of this report shall be deposited at the Company's Head Office to provide a copy to any shareholder who so wishes, and it shall be published on the Company's website and on the website of the Saudi Exchange (Tadawul) when the invitation to convene the relevant Annual General Assembly Meeting is published, at least twenty-one (21) days before the scheduled Meeting date. The report shall be read out during the Meeting.

6. Preparing a written report to the Board on the Company's Internal Audit procedures, and submitting the Committee's recommendations in this regard.

[G] Other Responsibilities

1. Undertaking any other tasks related to this Charter at the request of the Board.
2. Initiating special investigations and supervising them, when necessary.
3. Reviewing and assessing the adequacy and appropriateness of this Charter on an annual basis, submitting the necessary recommendations to the Board, and ensuring that the required disclosures are made in accordance with the relevant laws and regulations.
4. Providing annual confirmation that all responsibilities set out in this Charter have been carried out.
5. Regularly evaluating the performance of the Committee and of each of its Members to ensure the effectiveness and adherence to the

Powers

1. The Committee shall have the powers necessary to perform its remit and duties, including the power to conduct investigations into any matters falling within its scope of authority or to delegate such investigations. In particular, these powers include:
 - The right to review the Company's records and documents without any restrictions.
 - The right of unrestricted access to the Company's Management and Employees, including Board Members, Executive Officers, and Internal Audit Team Members, who must fully cooperate with the Committee and respond comprehensively and as promptly as possible to any inquiries raised by the Committee.
 - The right to form sub-committees or working groups consisting of one or more Committee Members to carry out tasks delegated to them by the Committee in accordance with this Charter.
 - The right to appoint or engage Advisors, External

Remuneration

Any remuneration granted to the Members shall be in such form and amount as determined by the General Assembly based on a recommendation from the Board,

- responsibilities assigned to it.
- In performing its role, the Committee is keen to observe the segregation of responsibilities and powers between the Board, Executive Management, Internal Audit Team, and the External Auditor. In the event of any conflict between the Committee's recommendations and Resolutions of the Board, or if the Board refuses to adopt the Committee's recommendation regarding the appointment, dismissal, remuneration, or performance evaluation of the External Auditor, or the appointment of the Head of Internal Audit, the Board's Report must include the Committee's recommendation, its justifications, and the reasons for the Board not adopting it.

- Accountants, or other Specialists and Experts to provide advice to, or assist, the Committee, when necessary, provided that any such appointment is documented in the Minutes of the Committee Meeting, including the name of the appointed person and any relationship that person may have with the Company or the Executive Management.
- The right to take any other actions that the Committee deems necessary and reasonable to perform its remit and duties in a manner that ensures it meets its responsibilities under this Charter.
2. The Committee may request the Board to convene the General Assembly if the Board obstructs its work or if the Company is exposed to serious damage or significant losses. The Board must convene the General Assembly within fifteen (15) days from the date of the Committee's request.

in accordance with the relevant laws, regulations, resolutions, and instructions.

Effectiveness and Review

1. This Charter shall be approved by a Resolution of the General Assembly based on a proposal from the Board, and shall become effective as of the date of its approval by the General Assembly.
2. Any amendments hereto shall be approved in the same manner in which this Charter was approved.

Annual Review Results of the Company's Procedures Effectiveness

In 2025, the Committee held five (5) Meetings with the Company's Auditor, the Internal Audit Department, and Executive Management to perform its duties in the best possible manner. The following is a summary of the principal activities falling within its remit:

- Approving the timetable for the deadlines for issuing the Company's quarterly and annual Financial Statements.
- Reviewing the Company's operating results and financial position as presented in the interim and annual Financial Statements and Reports for the 2025 fiscal year (FY), and the actions taken in respect thereof, in accordance with International Financial Reporting Standards (IFRS). The Committee has provided its opinion and recommendations thereon to ensure their integrity and transparency, approved these Statements and Reports, and submitted its recommendations in this regard to the Board.
- Discussing the Management letter, which includes the External Auditor's observations arising from its review of the interim and annual Financial Statements for the FY 2025.
- Discussing the mechanism adopted for consolidating the results of investments in joint arrangements and equity-accounted investees, and incorporating their operational results into the Company's records in compliance with the

standards for the preparation and presentation of Financial Statements; and ensuring that the relevant policies and procedures are included within the Financial Department Policies.

- Recommending to the Board the nomination, dismissal, determination of fees, and performance evaluation of the External Auditors after verifying their independence and reviewing the scope of their work and the terms of their engagement.
- Reviewing the Company's External Auditor's Plan and Work, verifying the scope of the audit, and providing its views thereon.
- Studying the External Auditor's Report and its observations on the Financial Statements, and providing its views thereon, if any.
- Reviewing and approving the estimated budget of the Internal Audit Department.
- Following up on all Reports issued by the Internal Audit Department.
- Reviewing and approving the operational Internal Audit Plan for 2026, which forms part of the three-year plan for 2024-2026.
- Reviewing the effectiveness of the Internal Audit Department, as the progress of work in the Department was monitored by reviewing the Periodic Reports submitted to the Committee at its Meetings with the CEO of Internal Audit Department.

Internal Control System

The Company follows an internal control system based on three lines of defense. The various departments and business units align their activities with the regulations and rules established and approved by the competent authorities, constituting the first line of defense. Meanwhile, the internal control functions, represented by the Finance Group and the Security and Confidentiality of Information, serve as the second line of defense and are responsible for assessing, measuring, and monitoring the different levels of risk at the level of day-to-day operations, to ensure the Company's compliance with regulatory requirements. These departments submit periodic reports to the

Internal Administrative Committees and the Board Subcommittees. The Internal Audit Group performs the role of the third line of defense, which involves conducting the necessary examinations and audits to ensure that the Company and its Employees comply with the approved policies, based on the work carried out by the Internal Audit Group during the FY. In general, reasonable assurance has been obtained regarding the effectiveness of the internal control procedures and systems, in terms of these procedures covering the key control aspects that have a material impact on the Company's achievement of its objectives.



Audit Committee's Opinion on the Internal Control System Adequacy

The Executive Management is responsible for designing, preparing, and maintaining an effective internal control system in the Company. This system encompasses all policies, procedures, and processes designed under the Board's supervision to achieve the Company's strategic objectives. An integrated internal control system has been designed in the Company in accordance with the recommendations of the regulatory and supervisory authorities, and the Company evaluates and monitors the internal control system through its control functions and relevant Committees. Based on the Periodic Reports submitted to the

Committee by Internal Audit, the External Auditors' Reports, and the annual confirmations and disclosures obtained from the Executive Management, the Audit Committee is of the view that the internal control system currently in place is operating at an acceptable level of effectiveness. No material weaknesses in the Company's internal control system have come to the Committee's attention that would require drawing the attention of the General Assembly. It should be noted that any internal control system, regardless of the soundness of its design and the effectiveness of its implementation, cannot provide absolute assurance.

3-3 Environmental, Social, and Governance (ESG) Committee

The Environmental, Social, and Governance (ESG) Committee at Alkhorayef Water and Power Technologies Company was established following the Board approval and held its first Meeting on 13 December 2023. The Committee aims to support the Board in achieving the Company's sustainability, social

responsibility, and corporate governance objectives, and to enhance compliance with the best local and international practices and standards. The ESG Committee held six (6) Meetings in 2025 and submitted its Reports to the Board, as shown in the table below:

Meetings of the Committee and Attendance Record in 2025

Member	Position	No. of Meetings						Total
		First Meeting 11/02/2025	Second Meeting 12/03/2025	Third Meeting 21/04/2025	Fourth Meeting 19/05/2025	Fifth Meeting 04/09/2025	Sixth Meeting 09/09/2025	
Fahd Muhammad Alkhorayef	Chairman	√	√	√	√	√	×	5
Othman Yahya AlNajdi	Member	√	√	√	√	√	√	6
Abdulaziz AlFakhri	Member	×	√	√	√	√	√	5
Rami Mohammed Moussilli	Member	√	√	√	√	√	√	6

Membership

- Members of the Committee are appointed by the Board based on a recommendation from the Nomination and Remuneration Committee (NRC).
- The Committee shall consist of three (3) to five (5) Members, with the majority being Non-Executive Members.
- It is preferable that Members possess relevant experience in ESG matters.
- The Committee shall notify the CMA of its formation in accordance with the applicable regulations.

Responsibilities of the Committee Chairman

- Overseeing the planning and preparation of the Committee's Meetings, including approving the Meeting agenda.
- Ensuring that the necessary information is provided by the Management to support the Committee's decision-making process.
- Guiding the Committee in submitting its Reports and Recommendations to the Board.
- The Chairman of the Committee may appoint a Deputy to preside over Meetings in his absence.
- Attending General Assembly Meetings and responding to any inquiries relating to the Committee's activities.

Responsibilities of the Committee Secretary

The Committee Secretary shall assume the following responsibilities:

1. Acting as the primary point of contact for the Committee and ensuring effective coordination among its Members.
2. Preparing the agendas of the Committee's Meetings, in coordination with the Committee Chairman, and distributing them to Members sufficiently in advance of each Meeting.
3. Recording the proceedings of Committee Meetings and preparing the Minutes, and circulating them to Members for review and approval.
4. Maintaining the Committee's records and ensuring the confidentiality of the Committee's information and reports.
5. Following up on the implementation of the Committee's decisions and recommendations and ensuring that they are implemented in accordance with the approved procedures.
6. Monitoring compliance with the Committee's decisions and ensuring proper adherence to them.

Powers and Objectives of the Committee

(A) Powers of the Committee

The ESG Committee shall have the authority necessary to perform its duties, including the following:

1. Reviewing and approving policies and initiatives related to sustainability and social responsibility.
2. Submitting recommendations to the Board on strategic matters related to sustainability and governance.
3. Requesting information and clarifications from the Executive Management or any other relevant internal parties within the Company.
4. Proposing improvements to ESG policies and practices in a manner that enhances institutional performance.
5. Engaging Independent Experts or Advisors, when necessary, to assist the Committee in performing its duties effectively.

(B) Objectives of the Committee

The Committee focuses on strengthening the Company's commitment to sustainability through a comprehensive framework addressing three key pillars: **Environmental Pillar:** This aims at addressing climate change challenges by adopting effective strategies to reduce carbon emissions, improve the efficient use of natural resources, and minimize the environmental impact of the Company's activities. The Committee also supports innovation in sustainable environmental solutions and promotes the adoption of green technologies.

Social Pillar: This aims at developing a fair and inclusive work environment, strengthening employee

rights, and providing a safe and healthy workplace. The Committee also seeks to ensure the quality of products and services, while promoting Corporate Social Responsibility (CSR) initiatives that benefit society and strengthen engagement with the local community.

Governance Pillar: This aims at applying leading corporate governance practices to ensure transparency, accountability, and ethical conduct, while strengthening internal control mechanisms. The Committee also works to ensure compliance with applicable regulatory standards and to enhance investor confidence in the Company.

Responsibilities of the Committee

The responsibilities of the Committee include the following:

1. Reviewing and approving key performance indicators (KPIs) related to ESG matters and governance.
2. Approving short- and long-term strategic plans aimed at achieving the Company's sustainability objectives.
3. Monitoring the implementation of programs and initiatives and preparing periodic reports on the level of progress achieved.
4. Overseeing the preparation of the Company's annual sustainability reports in accordance with recognized standards and best practices.
5. Advising the Board on emerging developments and trends in sustainability and ESG practices.
6. Reviewing budgets allocated to environmental and social initiatives and proposing necessary adjustments when required.
7. Monitoring sustainability-related risks and opportunities and providing appropriate recommendations to the Board.
8. Ensuring the implementation of Corporate Social Responsibility (CSR) programs in alignment with the Company's strategy.
9. Assessing the impact of ESG policies on the Company's performance and proposing necessary improvements.
10. Promoting a culture of sustainability within the Company through awareness initiatives and continuous training programs.

Committee Meetings

- The Committee shall hold periodic Meetings to follow up on the implementation of its duties and responsibilities.
- Additional Meetings may be convened, when necessary, at the request of the Committee Chairman or any of its Members.
- Meetings shall be formally documented, and the Minutes shall be maintained for a period of not less than ten (10) years.
- A legal quorum must be present for Meetings to be valid, and the Committee Chairman may invite Experts or Advisors to attend Meetings, when necessary.

General Provisions

- Committee Members shall maintain full impartiality in performing their duties and ensure that their actions serve the best interests of the Company.
- Committee Members shall not disclose any confidential information relating to the Committee's activities except as permitted under the Company's policies.
- Committee role shall be reviewed periodically to ensure alignment with best practices and regulatory developments.
- The ESG Committee represents an essential component of the Company's administrative structure, contributing to the integration of sustainability, social responsibility, and corporate governance, thereby supporting the Company's strategic objectives and long-term value.

Key Achievements in 2025

During 2025, the ESG Committee achieved a number of significant milestones reflecting its commitment to advancing the Company's sustainability approach and strengthening governance practices. The key notable achievements include the following:

- The Company entered into an agreement with Ernst & Young (EY) Professional Services as a Specialized Advisor to implement a Corporate Governance Enhancement Project, aimed at strengthening and developing the Company's governance framework. The scope of the project focused on clarifying decision-making authorities and responsibilities, standardizing governance practices, and enhancing the Company's ability to identify, manage, and monitor governance risks in a systematic and effective manner.
- The project included conducting a comprehensive

governance maturity assessment, based on benchmarking against leading international practices and standards, and in alignment with the Corporate Governance Regulations issued by the CMA. The assessment identified key strengths in the Company's governance framework, highlighted areas for improvement, and resulted in the development of prioritized action plans to elevate governance maturity to the targeted level within a defined timeframe.

- In collaboration with EY, the Company developed a governance framework manual to serve as the primary reference for institutionalizing governance practices. The manual defines internal roles, responsibilities, and decision-making authorities, while ensuring alignment with leading practices, international standards, and applicable regulatory

requirements.

- In addition, a Governance Risk Register was developed to provide a comprehensive view of key governance risks, identify existing controls, and design remediation plans to address gaps and continuously enhance the effectiveness of internal controls.
- Following the value generated from the initial phase of the project, the Company further strengthened its strategic partnership with EY by implementing an additional phase focusing on the development of policies and procedures across all Company departments and business units. This initiative aimed to standardize operational practices, enhance consistency in implementation, and improve overall performance quality and operational efficiency. In parallel, a Delegation of

Authority (DoA) Matrix was developed to serve as a key reference for the Executive Management and the Board, supporting improved transparency, faster decision-making, and appropriate segregation of duties and responsibilities.

- Throughout the project period, numerous workshops and training sessions were conducted to support the effective implementation and sustainability of the developed frameworks and governance outputs.
- In addition, work is currently underway to further strengthen the environmental and social dimensions through the launch of specialized initiatives and projects in these areas, ensuring the integration of governance practices with the Company's broader environmental and social commitments.




4. Executive Management

The Executive Management, delegated by the Board of Directors, is responsible for managing the Company's operations, led by the Chief Executive Officer (CEO), supported by Deputies, Sector Heads, and Subsidiaries. The Executive Management assumes all executive responsibilities relating to the Company's activities, including operational, financial, administrative, technical, information, and risk

management functions, in addition to all other matters related to the Company's business. Furthermore, Specialized Executive Committees are formed as needed to follow up on and efficiently execute exceptional tasks, enhancing the Company's ability to achieve its strategic objectives and ensure business sustainability.


4-1 Statement of the Company's Senior Executives in 2025



Rami Mohammed Moussili

Current Position
Chief Executive Officer (CEO)

Qualifications
Master's Degree, Civil Engineering



Rahul B. Rao

Current Position
Chief Financial Officer (CFO)

Qualifications
Bachelor's Degree, Electrical Engineering
Master's Degree, Business Administration



Ramzi Saeed Elyas Aazar

Current Position
Chief Strategy and Performance Management Officer

Qualifications
Bachelor's Degree, Mechanical Engineering



Al Hassan Mustafa Abu Al Ruz

Current Position
Chief Internal Audit Officer

Qualifications
Bachelor's Degree, Accounting



Tamim Suliman Alkhalifah

Current Position
Chief Human Resources Officer

Qualifications
Bachelor's Degree, Management Information Systems
Master's Degree, Financial Management



Charbel Fares Elkhoury

Current Position
Senior Manager, Project Services Portfolio

Qualifications
Bachelor's Degree, Mechanical Engineering



Waleed Hussaini Mohammad Najeeb

Current Position
General Manager, Maintenance and Operations Projects

Qualifications
Bachelor's Degree, Civil Engineering

4-2 Statement of Senior Executives' Shareholdings and those of their Spouses and Minor Children in the Company during 2025

The following table sets out the number of shares owned by the Senior Executives during 2025:

Name	Beginning of 2025	End of 2025	Change during the Year	Change Percentage
Ramzi Saeed Elyas Aazar	1,022	1,766	744	72.8%

4-3 Biographies of Senior Executives

Eng. Rami Mohammed Moussilli

CEO

Nationality

- American

Date of Appointment

- 06/02/2014

Academic and Professional Qualifications

- 2000: Master's Degree, Civil Engineering, Georgia Institute of Technology, USA.

Current Positions

- 2014-Present: CEO, Alkhorayef Water and Power Technologies Company.
- 2023-Present: Member, ESG Committee, Alkhorayef Water and Power Technologies Company.
- 2023-Present: Chairman, Board of Managers, Innovative Water Transport Development Company.
- 2022-Present: Member, Board of Directors, Erwaa Water Company.

Previous Professional Experience

- 2011-2014: Executive Director, Major Power Generation Projects Sector, Arabian Bemco Contracting Co. Ltd., a Limited Liability Company, Operating in the Contracting Sector.
- 2008-2011: CEO, Joint Venture of C.W. Matthews Contracting Company and Thrasher Contracting Company, both Limited Liability Companies, Operating in Heavy Civil Works, Bridges, Roads, Airports, Aviation Infrastructure, and Critical Emergency Services, Georgia, USA.
- 2006-2008: COO, Joint Venture of C.W. Matthews Contracting Company and Thrasher Contracting Company, both Limited Liability Companies, Operating in Heavy Civil Works, Bridges, Roads, Airports, Aviation Infrastructure, and Critical Emergency Services, Georgia, USA.
- 2004-2006: Director, Bids and Projects Sector, R5 Construction LLC, a Limited Liability Company, Operating in Heavy Civil Works, Bridges, Roads, Airports, Aviation Infrastructure, and Critical Emergency Services, Atlanta, Georgia, USA.
- 2000-2004: Engineer, Bids and Projects Sector, R5 Construction LLC, a Limited Liability Company, Operating in Heavy Civil Works, Bridges, Roads, Airports, Aviation Infrastructure, and Critical Emergency Services, Atlanta, Georgia, USA.
- 1999-2000: Senior Research and Teaching Assistant, Georgia Institute of Technology and the United States Geological Survey (USGS), Atlanta, Georgia, USA.

Rahul B. Rao

CFO

Nationality

- Indian

Date of Appointment

- 01/05/2024

Academic and Professional Qualifications

- 1992: Bachelor's Degree, Electrical Engineering, Mumbai, India.
- 1996: Master's Degree, Business Administration (MBA), Finance Specialization, Mumbai, India.
- 2024: Certified Management Accountant, UK.

Current Positions

- CFO

Previous Professional Experience

- 2021-2024: CFO, Hindustan Construction Company Limited (HCC), India.
- 2020-2021: Director and Co-founder, Sar Sanjivani Consultancy Services Private Limited, India.
- 2008-2019: CFO - Europe Group, VA Tech Wabag (WABAG), Austria.
- 2004-2008: General Manager, Finance Affairs and Business Strategy, Global Steel Holdings Ltd. (GSHL), Bulgaria.
- 1998-2004: Finance Manager, Sterlite Industries, India.
- 1996-1998: Project Officer, SICOM, India.
- 1992-1994: Technical Officer, B.S.E.S. India Pvt. Ltd., India.

Ramzi Saeed Elyas Aazar

Chief Strategy and Performance Management Officer

Nationality

- Lebanese

Date of Appointment

- 25/08/2014

Academic and Professional Qualifications

- 2007: Bachelor's Degree, Mechanical Engineering, Notre Dame University-Louaize (NDU), Beirut, Lebanon.

Current Positions

- 2023-Present: Chief Strategy and Performance Management Officer Alkhorayef Water and Power Technologies Company.
- 2021-Present: Member, Board of Directors, Erwaa Water Company.
- 2023-Present: Member, Board of Directors, Innovative Water Transport Development Company.

Previous Professional Experience

- 2007-2014: Manager, Regional Operations, Capital Gas Gambia Co., a Limited Liability Company (LLC), Operating in the Energy, Water, Oil, and Gas Sectors.

Al Hassan Mustafa Abu Al Ruz

Chief Internal Audit Officer

Nationality

- Jordanian

Date of Appointment

- 14/08/2022

Academic and Professional Qualifications

- 2002: Bachelor's Degree, Accounting, Yarmouk University, Jordan.
- 2013: Certified Public Accountant (CPA).
- 2010: Certified Internal Auditor (CIA).
- 2019: Certified Fraud Examiner (CFE).

Current Positions

- 2022-Present: Chief Internal Audit Officer, Alkhorayef Water and Power Technologies Company.
- 2024-Present: Chairman, Audit Committee, Wajd Life Company.
- 2024-Present: Member, Board of Directors, Chairman, Audit Committee, MDD Plus.

Previous Professional Experience

- 2018-2022: Senior Internal Audit Manager, National Agricultural Development Company (NADEC), Riyadh.
- 2014-2018: Group Internal Audit Manager, Pan Gulf Industrial Investment Company (PGII), Al Khobar.
- 2013-2014: Assistant Manager, PricewaterhouseCoopers (PwC), Riyadh.
- 2008-2013: Internal Audit Manager, Adraj Holding Company, Al Khobar.
- 2003-2008: Internal Audit Supervisor, Rashed Abdul Rahman AlRashed & Sons Group, Al Khobar.

Tamim Suliman Alkhalifah

Chief Human Resources Officer

Nationality

- Saudi

Date of Appointment

- 02/06/2024

Academic and Professional Qualifications

- 2008: Bachelor's Degree, Management Information Systems, King Fahd University of Petroleum and Minerals (KFUPM), KSA.
- 2014: Master's Degree, Financial Management, Seattle University, USA.

Current Positions

- 2024-Present: Chief Human Resources Officer, Alkhorayef Water and Power Technologies Company.
- 2023-Present: Member, Nomination and Remuneration Committee, Charity Center for Learning the Holy Quran and its Sciences (Tallam), Riyadh.

Previous Professional Experience

- 2022-2024: Director General, Human Capital, Ministry of Health (MoH), Riyadh.
- 2020-2022: General Manager, Human Capital Development, National Water Company (NWC), Riyadh.
- 2019-2020: Operational Planning Manager-Shared Services, NWC, Riyadh.
- 2014-2019: Manager, Human Resources and Administrative Affairs, Arabian Medical Express Services (MedEx), Riyadh.
- 2011-2014: Consultant, Arabian Medical Express Services (MedEx), Riyadh.
- 2008-2011: Credit Analyst, Samba Financial Group, Riyadh.

Charbel Fares Elkhoury

Senior Manager, Project Services Portfolio

Nationality

- Lebanese

Date of Appointment

- 20/02/1437H (corresponding to 02/12/2015)

Academic and Professional Qualifications

- October 2003-June 2008: Bachelor's Degree with Honors, Mechanical Engineering, Notre Dame University-Louaize (NDU), Zouk Mosbeh, Lebanon.

Current Positions

- 2015-Present: Senior Manager, Project Services Portfolio, Alkhorayef Water and Power Technologies Company.

Previous Professional Experience

- November 2015-September 2023: Head, Project Services Portfolio, Alkhorayef Water and Power Technologies Company, NWC Projects, Royal Commission for Riyadh City, and Riyadh Metro. Led and Managed a Portfolio of Major Infrastructure Projects in the Water Sector, Overseeing Project Planning, Execution, Cost Control, and Quality Management. Coordinated with Government Entities and Contractors to Ensure that Project Objectives were Achieved in Accordance with Approved Schedules and Project Requirements.
- October 2014-November 2015: Head, Mechanical Engineering Department, King Abdulaziz International Airport Expansion Project, Vision Networks (Saudi Binladin Group), Jeddah, KSA.
- Managing and Coordinating Manpower, Equipment, and Materials to Ensure Continuity of Execution and Operational Efficiency, while Providing Technical Guidance and Conducting Progress and Safety Meetings. This Includes Collaboration with the Technical Department to Enhance Value Engineering. Extensive Experience in National Giga-Projects, Particularly Airports, Government Projects, and Infrastructure, with a Proven Track Record in High-Complexity Projects within KSA.
- February 2014-September 2014: Mechanical Engineer, Technical Department, King Abdulaziz International Airport Expansion Project, Vision Networks (Saudi Binladin Group), Jeddah, KSA.
- Managing Mechanical Works within the Airport Expansion Project and Monitored Implementation in Accordance with Approved Drawings and Technical Specifications. Coordinating with Technical Teams and Contractors to Ensure Quality Execution and Compliance with the Project Schedule.
- June 2013-September 2013: Project Manager, Tanks Department, Gulf Steel Works (GSW), Jubail, KSA.
- Managing Fabrication and Installation of Industrial Tanks, Supervising Work Teams, and Ensuring Compliance with Technical Specifications and Quality Standards. Coordinated with Various Departments to Monitor Project Progress and Deliver Project Objectives within the Specified Timeframe.
- August 2011-May 2013: Production/Installation Engineer, Bemco Steel Industries (BSI).
- Supervising Production, Fabrication, and Installation of Steel Structures and Piping Systems for Power and Infrastructure Projects of the Saudi Electricity Company (SEC), Including Pump Platforms, Cable Trays, Cooling Systems, and Fire-Fighting Systems. Monitoring Fabrication, Quality Assurance, Commissioning Tests, and Coordinated with Subcontractors to Ensure Compliance with Project Specifications. Key Projects Included Qurayyah Power Plant (Eastern Province) and Riyadh Power Plant No.10 (Combined and Single Cycles).
- August 2008-July 2011: Site Mechanical Engineer (Infrastructure), CAT Group-Abu Dhabi (AUH), UAE.
- Managing Manpower, Materials, and Equipment while Planning Project Activities, Monitoring Progress, Preparing Cost Estimates, and Supervising Execution to Ensure Quality, Safety, and Schedule Adherence in District Cooling Projects and Oil And Gas Transmission and Distribution Pipelines. Coordinating with Clients, Contractors, and Designers, Reviewed Drawings and Technical Documentation, Supported Pre-Commissioning Activities, and Ensured Compliance with ADCO Work Permit Standards and Regulations.

Waleed Hussaini Mohammad Najeeb

General Manager, Maintenance and Operations Projects

Nationality

- Egyptian

Date of Appointment

- 01/06/2014

Academic and Professional Qualifications

- 1995: Bachelor's Degree, Civil Engineering, Zagazig University, Sharqia, Egypt.

Current Positions

- 04/04/2025-Present: General Manager, Operations and Maintenance Sector, Alkhorayef Water and Power Technologies Company.
- 01/06/2016-31/03/2025: Manager, Operations and Maintenance Sector, Eastern Region, Alkhorayef Water and Power Technologies Company.
- 01/09/2013-31/05/2016 Project Manager, Water and Wastewater Operations and Maintenance, Dammam, Alkhorayef Water and Power Technologies Company.
- 01/03/2012-31/08/2013: Project Manager, Sewage House Connections Construction, Alkhorayef Water and Power Technologies Company.
- 2009-2012: Project Manager, Drinking Water Operations and Maintenance, Alkhorayef Water and Power Technologies Company.
- 2007-2009: Manager, Water Operations and Maintenance Program for Villages and Rural Settlements, Hafr Al-Batin and Qatif Governorates, Alkhorayef Water and Power Technologies Company.
- 2004-2006: Executive Engineer, Global Urban Development Company, a Limited Liability Company, Operating in the Contracting Sector.

Previous Professional Experience

- 2001-2004: Project Manager, Yathrib Contracting Company, a Company Operating in the Contracting Sector.
- 1999-2001: Project Manager, Al-Nasr Company for Civil Works, a Limited Liability Company, Operating in the Contracting Sector.
- 1996-1999: Civil Engineer, Al-Nasr Engineering and Contracting Company, a Limited Liability Company, Operating in the Contracting Sector.



5. Remuneration

5-1 Remuneration Policy

Remuneration Policy for Members of the Board and Board Committees

The Company determines the remuneration of Members of the Board and Board Committees in accordance with the following:

- Board Members shall be entitled, in consideration of their Membership on the Board, to an annual remuneration determined by the Ordinary General Assembly (OGA) of Shareholders based on a recommendation from the Board.
- Board Members shall be entitled to an attendance allowance of SAR 5,000 for each Meeting attended. The Company shall also bear travel, accommodation, and transportation expenses when any Board Member attends Meetings of the Board or Board Committees held outside the Member's city of residence.
- Members of the Board Committees shall be entitled to an attendance allowance of SAR 4,000 for each Meeting attended. The Company shall also

bear travel, accommodation, and transportation expenses when any Member of these Committees attends Meetings held outside the Member's city of residence.

- The Board may approve additional remuneration, on a periodic or annual basis, for Board Members and Board Committees' Members, in accordance with the provisions of the Remuneration Policy.
- The Chairmen of the Board Committees shall be entitled to an annual remuneration not exceeding SAR 175,000, provided that the Chairman of the Committee is not an employee of the Company.
- Members of the Board Committees shall be entitled to an annual remuneration not exceeding SAR 150,000, provided that the Committee Member is not an employee of the Company.

These remunerations are granted in accordance with the provisions of the approved Remuneration Policy.

5-2 Remuneration of Board Members

Remuneration of the Company's Board Members for 2025

(All Amounts in SAR)

Description	Fixed Remuneration			Variable Remuneration	Grand Total
	Fixed Amount	Board Meeting Attendance Allowance	Total	Periodic Remuneration	
Non-Executive Members					
Abdulaziz Abdulrahman AlKhorayef	300,000	45,000	345,000	-	345,000
Fahd Muhammad AlKhorayef	250,000	45,000	295,000	-	295,000
Ammar Ahmed AlZubaidi	250,000	45,000	295,000	-	295,000
Othman Yahya AlNajdi	250,000	45,000	295,000	-	295,000
Total	1,050,000	180,000	1,230,000	-	1,230,000
Independent Members					
Abdulrahman Saud AlOwais	250,000	40,000	290,000	-	290,000
Faisal Abdulaziz AlDuwaish	250,000	45,000	295,000	-	295,000
Total	500,000	85,000	585,000	-	585,000
Grand Total	1,550,000	265,000	1,815,000	-	1,815,000

5-3 Remuneration of Members of the Board Committees

Remuneration of Members of the Board Committees for 2025

(All Amounts in SAR)

Description	Fixed Remuneration			Variable Remuneration	Grand Total
	Fixed Amount	Board Meeting Attendance Allowance	Total	Periodic Remuneration	
Audit Committee Members					
Faisal Abdulaziz AlDuwaish	175,000	20,000	195,000	-	195,000
Ammar Ahmed AlZubaidi	150,000	20,000	170,000	-	170,000
Abdulaziz AlFakhri	150,000	20,000	170,000	-	170,000
Total	475,000	60,000	535,000	-	535,000
Nomination and Remuneration Committee (NRC) Members					
Abdulrahman Saud AlOwais	175,000	20,000	195,000	-	195,000
Fahd Muhammad AlKhorayef	150,000	20,000	170,000	-	170,000
Nabil Mohamed Batawi	150,000	20,000	170,000	-	170,000
Total	475,000	60,000	535,000	-	535,000
Environmental, Social, and Governance (ESG) Committee Members					
Fahd Muhammad AlKhorayef	175,000	24,000	199,000	-	199,000
Othman Yahya AlNajdi	150,000	24,000	174,000	-	174,000
Abdulaziz AlFakhri	150,000	24,000	174,000	-	174,000
Total	475,000	72,000	547,000	-	547,000
Grand Total	1,425,000	192,000	1,617,000	-	1,617,000

It should be noted that the periodic remuneration referred to in the table above represents the remuneration of Members of the Board Committees for 2025 and will be paid in the same year. The Meeting attendance allowances, on the other hand, represent the attendance allowances for Meetings of the Board Members for 2025.

- Pursuant to the recommendation of the Nomination and Remuneration Committee (NRC), which stated the following:
 - The Chairman of the Board shall receive remuneration of SAR 300,000 for each financial year.
 - Each Board Member shall receive remuneration of SAR 250,000 for each FY.

- The attendance allowance for Board Meetings shall be SAR 5,000 per Meeting.
- The Chairmen of each Board Committee shall receive remuneration of SAR 175,000 for each FY.
- Each Member of each Board Committee shall receive remuneration of SAR 150,000 for each FY.
- The attendance allowance for Committee Meetings shall be SAR 4,000 per Meeting.

5-4 Remuneration of Senior Executives

Remuneration of the Company's Senior Executives for 2025

(All Amounts in SAR)

Description	Type of Remuneration	Amount
Fixed Remuneration	Salaries	5,744,620
	Allowances	1,901,999
	In-Kind Benefits	415,971
Total		8,062,590
Variable Remuneration	Periodic Remuneration	11,745,572
	Profit	-
	Short-Term Incentive Plans	-
	Long-Term Incentive Plans	-
	Granted Shares (value to be added)	-
	Total	11,745,572
End-of-Service Benefits		512,945
Total Remuneration of Executives who are Board Members (if any)		-
Grand Total		20,321,107

6. Penalties, Sanctions, and Legal Cases

The following table sets out the penalties, sanctions, precautionary measures, or precautionary restrictions imposed on the Company by regulatory, supervisory, or judicial authorities, if any, during the FY 2025:

(All Amounts in SAR)

Penalty/Sanction/Precautionary Measure/ Provisional Restriction	Reasons for the Violation	Authority Imposing the Violation
1,222,397	Various Violations	Various Authorities
10,204,002	Fines Deducted from Progress Invoices	National Water Company (NWC)
3,050,794	Fines Deducted from Progress Invoices	Jeddah Municipality
741,250	Fines Deducted from Progress Invoices	Saudi Water Authority (SWA)
666,317	Fines Deducted from Progress Invoices	Zakat, Tax and Customs Authority
444,049	Fines Deducted from Progress Invoices	Saudi Irrigation Organization (SIO)
14,065,979	Provision for Fines	Various Government and Other Authorities
36,824,012	Provision for Fines (Ejada-Jeddah)*	Ejada (Jeddah Municipality)

*The Company has recorded a provision for fines received from Ejada Program, the official delegate of Jeddah Municipality. The Company has contested all recorded fines and has recognized a provision only for fines classified as "approved."

7. Related Party Transactions

There are no contracts to which the Company was a party and in which any Board Member, the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), or any person related to any of them had an interest, except for the following. The following statement clarifies the details of those fees:

(All Amounts in SAR 000')

Name of Company	Relationship	Name of Board Member/ Committee Member/Executive	Member's Position	Nature of Transaction	2024	2025
Alkhorayef Group	Parent Company	Ammar Ahmed AlZubaidi	(CFO)	Cost of shared IT services	1,578	1,578
		Othman Yahya AlNajdi	General Manager, Sustainable Technologies, AlKhorayef Group	Land rent	0	0
		Abdulaziz Abdulrahman AlKhorayef	Board Member, Equipment Systems Sector	Subscription costs	0	0
		Fahd Muhammad Alkhorayef	Board Member, Equipment Systems Sector	Expenses paid on behalf	0	0
Abdullah Ibrahim Alkhorayef Sons Company	Ultimate Parent Company	Fahd Muhammad Alkhorayef	Board Member	Land Rent	46	248
		Ammar Ahmed AlZubaidi	(CFO)			
Alkhorayef Commercial Company (ACC)	Related Party	Fahd Muhammad Alkhorayef	Board Member	Sales Purchases	0	12
					11,365	17,617
				Spare parts and maintenance of pumps, wells, and equipment	235	131
				Assets (forklifts and generators)	654	189
				Equipment rent	0	723
				Other supplies for the owner	10,476	16,535
Alkhorayef Printing Solutions Company	Affiliate	Fahd Muhammad Alkhorayef	Board Member	Other	0	39
				Purchases	339	1,011
				Assets (printers and computers)	17	122
				Inks	315	889
Alkhorayef Petroleum Company	Affiliate	Abdulaziz Abdulrahman AlKhorayef	-	Spare parts and maintenance	7	0.07
				Sales	8	6
				Alkhorayef Lathe (lathe works and repairs)	8	6
				Procurement	381	442
Saudi Parts Center Company (Listed)	Affiliate	Fahd Muhammad Alkhorayef	CEO and Managing Director	Pumps and spare parts	381	442
				Procurement	60	54
				Spare parts and equipment maintenance	60	54
Alkhorayef Industries Company	Affiliate	Abdulaziz Abdulrahman AlKhorayef	Vice Chairman of the Board of Directors	Procurement	0	4
		Fahd Muhammad Alkhorayef	Board Member		0	4
		Ammar Ahmed AlZubaidi	Board Member		0	4
Alkhorayef Lubricants Company (Castrol)	Affiliate			Procurement	921	1,384
				Machine and vehicle operating oils	921	1,384
Erwaa Water Company	Associate	Faisal Abdulaziz AlDuwaish	Board Member/Chairman, Audit Committee	Loan	7,448	11,662
		Rami Mohammed Moussilli	CEO	Financing Revenues	917	1,736
				Services provided	12,357	46,681

Amounts Due to Related Parties

(All Amounts in SAR)

Name	2024	2025
Alkhorayef Commercial Company (ACC)	267	3,680
Alkhorayef Lubricants Company (Castrol)	69	397
Saudi Parts Center Company	15	0
Alkhorayef Printing Solutions Company	83	294
Alkhorayef Petroleum Company	34	0
Total	468	4,371

8. Disclosure and Transparency

8-1 General Introduction

Alkhorayef Water and Power Technologies Company is committed to the highest standards of transparency and sound governance across all its operations and activities, in line with the requirements of the Corporate Governance Regulations (CGRs) issued by the Capital Market Authority (CMA), the Companies Law, and the Rules on the Offer of Securities and Continuing Obligations (ROSCO) issued by the CMA, in addition to compliance with the Company's Bylaws.

This Policy aims to regulate the disclosure of the Company's information and various activities in a

manner that ensures clarity, accuracy, and compliance with regulatory requirements. It adopts the definitions and terminology set out in the CMA's regulations and rules as the primary reference for any undefined terms, to ensure a unified and consistent understanding among all relevant parties.

This Policy reflects the Company's vision of integrating sound governance with operational sustainability, in a manner that supports the achievement of sustainable growth and strengthens confidence among investors and all stakeholders.

8-2 Disclosure Policy and Related Obligations

First: Objectives of Disclosure

- The objective of disclosure is to provide information to the Company's shareholders, stakeholders, and investors without discrimination, thereby enabling them to exercise their rights and make informed decisions. The Company is committed to ensuring accuracy and to providing information in a timely, clear, and transparent manner, while maintaining an appropriate balance between disclosure and the protection of the Company's interests.

- The Company shall disclose to the CMA and the public, without delay, any material developments within the scope of its activities that are not available to the general public. The Company ensures that disclosure

of all material matters is accurate and made promptly.

- Material matters and information include those relating to the Company's financial position, activities, operational performance, and any information expected to have a direct impact on events that may lead to a material change in the capital market or in the price of the Company's shares.

- Disclosure to shareholders and investors shall be made without discrimination and in a clear, accurate, non-misleading, and timely manner, on a regular and consistent basis, to enable shareholders and stakeholders to exercise their rights effectively.

Second: Parties Responsible for Disclosure and Rules Governing Information Disclosure

- The Chairman of the Board and the CEO shall have the authority to disclose information to parties interested in the Company's affairs, including shareholders, investors, the media, and government authorities, in accordance with applicable laws and regulatory requirements and without prejudice to the prescribed manner and timing of disclosure.

- As a general rule, no person other than those authorized by the Board may provide information or respond to inquiries relating to the Company's activities without obtaining prior approval from the Chairman of the Board or the CEO.

- Board Members and all Company Employees who are not authorized to speak on behalf of the Company must refer all requests received from financial institutions or shareholders to the designated Company spokesperson.

- The Board Secretary or the Compliance Manager shall coordinate with the Chairman of the Board and the CEO to ensure the proper timing of disclosure of information, quarterly financial reports, and any developments affecting the Company's operations. They shall also oversee the protection and retention of Company records that the Company is required to maintain.

- Financial reports or material announcements shall be published on the website of the Saudi Exchange (Tadawul) first, and thereafter in daily newspapers and on electronic platforms (as applicable), and through other publication channels to ensure broad dissemination.

- Any requests submitted to obtain material information that is not permitted to be disclosed publicly must be rejected.

Third: Obligation to Information Disclosure

(A) Disclosure of Material Developments:

-The Company shall disclose to the CMA and the public, without delay, any material developments that fall within the scope of its activities and are not available to the general public, and that may affect its assets, liabilities, financial position, or the general course of its business, and which could reasonably be expected to lead to a change in the price of its listed securities or

to have a significant impact on the Company's ability to meet its obligations relating to debt instruments. In determining whether a development constitutes a material development, the Company shall assess whether a reasonable and prudent investor would be likely to consider such development when making an investment decision.

(B) Disclosure of Financial Information:

- The Board shall approve the audited annual financial statements ("Annual Financial Statements") and the interim financial statements for the first, second, and third quarters ("Interim Financial Statements") within the prescribed regulatory deadlines. Such statements shall be signed by an authorized Member of the Board, the CEO, and the CFO before their publication and distribution to shareholders and other stakeholders. The Interim Financial Statements and Annual Financial Statements, together with the Board's Report, shall be submitted to the CMA immediately upon their approval by the Board and within the applicable regulatory deadlines.

- The Company shall disclose its Interim and Annual Financial Statements through the electronic systems and platforms specified by the CMA.

The Company shall comply with the following timelines for the disclosure of financial information:

- The Company shall prepare its Interim Financial Statements and have them reviewed in accordance with the accounting and auditing standards issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA), and disclose them to the public within a period not exceeding thirty (30) days from the end of the financial period covered by such statements.

- The Company shall prepare its Annual Financial Statements and have them audited in accordance with the accounting and auditing standards issued by the SOCPA, and disclose them to the public within a period not exceeding three (3) months from the end of the relevant fiscal year. The Company shall disclose such financial statements at least twenty-one (21) calendar days before the date of the Annual General Meeting (AGM).

(C) Disclosure in the Board of Directors' Report

- The Board shall issue its Annual Report within the regulatory deadlines and submit it to the CMA and disclose it to shareholders. The Board's Report must include a comprehensive overview of the Company's operations during the most recent fiscal year and all factors affecting its business. The Report shall include

all requirements set out in Article (87) of the Corporate Governance Regulations (CGRs), the relevant provisions of Article (82) of the Rules on the Offer of Securities and Continuing Obligations (ROSCO) issued by the CMA, and Article (76), Paragraph (2) of the Companies Law.

(D) Disclosure in the Audit Committee Report

- The Audit Committee shall review the Company's financial statements and reports and observations submitted by the External Auditor, and shall provide its comments thereon, if any. The Committee shall also prepare a report containing its opinion regarding the adequacy of the Company's internal control system and other activities carried out within the scope of its responsibilities. The Board shall deposit sufficient

copies of this report at the Company's head office at least twenty-one (21) days before the date of the General Assembly Meeting, to provide any shareholder wishing to obtain a copy thereof. The report shall be read during the General Assembly Meeting.

(E) Disclosure of Specific Events

• The Company shall disclose to the CMA and the public immediately and without delay any of the following developments, whether material or otherwise, as set out in Article (80) of the Rules on the Offer of Securities and Continuing Obligations (ROSCO) issued by the CMA, including but not limited to:

- Any transaction involving the purchase, sale, mortgage, or lease of an asset with a value equal to or exceeding 10% of the Company's net assets based on the recently reviewed interim financial statements or audited annual financial statements, whichever is more recent.
- Any indebtedness outside the Company's ordinary course of business amounting to 10% or more of its net assets based on the recently reviewed interim or audited annual financial statements, whichever is more recent.
- Any losses equal to or exceeding 10% of the Company's net assets based on the recently reviewed interim or audited annual financial statements, whichever is more recent.
- Any significant change in the Company's operating environment or business activity, including, but not limited to, the availability of essential resources, whichever is more recent.
- Any change in the Company's CEO or any change in the composition of the Board or the Audit Committee.
- Any dispute, including any lawsuit, arbitration, or mediation, where the amount of the claim or dispute equals or exceeds 5% of the Company's net assets

based on the recently reviewed interim or audited annual financial statements, whichever is more recent.

- Any court judgment issued against the Board or any of its Members if the subject of the judgment relates to the activities of the Board or one of its Members.
- Any increase or decrease in the Company's net assets equal to or exceeding 10% based on the recently reviewed interim or audited annual financial statements, whichever is more recent.
- Any increase or decrease in the Company's total profits equal to or exceeding 10% based on the recently audited annual financial statements, whichever is more recent.
- Entering into a contract whose revenues equal or exceed 5% of the Company's total revenues, based on the recently audited annual financial statements, or the unexpected termination of such contract.
- Any transaction with a related party or any arrangement whereby the Company and a related party jointly invest in a project or asset or provide financing thereto, where the value of such transaction or arrangement equals or exceeds 1% of the Company's total revenues, based on the recently audited annual financial statements.
- Any interruption in any of the Company's principal activities, or those of its subsidiaries (if any), equal to or exceeding 5% of the Company's total revenues, based on the recently audited annual financial statements.
- Any change to the Company's Bylaws or its head office.

- Any change in the External Auditor.
- Filing of a petition for liquidation, issuance of a liquidation order, or the appointment of a liquidator for the Company or any of its subsidiaries under the Companies Law, or under any laws applicable to a foreign company whose shares are listed on the Main Market in accordance with the Listing Rules, including the commencement of any procedures under the Bankruptcy Law.
- Issuance of a resolution by the Company or any of its subsidiaries to dissolve or liquidate the Company, or the occurrence of an event or the expiry of a period that requires the Company to be placed under liquidation or dissolution.
- Issuance of any recommendation or resolution by the competent authority within the Company to submit an application to the court to initiate any of the Company's bankruptcy procedures under the Bankruptcy Law, together with a statement of its impact on the Company's financial position or the general course of its business.
- Receipt by the Company of a court notification that a third party has submitted an application to initiate a financial restructuring procedure or an administrative liquidation procedure under the Bankruptcy Law, together with a statement of its impact on the Company's financial position or the general course of its business.
- Registration with the court of an application to initiate any bankruptcy procedure for the Company under the Bankruptcy Law, together with an explanation of the future steps, their expected timelines, and a statement of the impact on the Company's financial position or the general course of its business.
- Issuance of a court order, whether at the first instance or on appeal, initiating any of the Company's bankruptcy procedures under the Bankruptcy Law, together with an explanation of the future steps, their timelines, and the impact on the Company's financial position or the general course of its business.
- Issuance of a court judgment, whether at the first instance or on appeal, rejecting a bankruptcy application and initiating the appropriate bankruptcy procedure instead, together with an explanation of the reasons for rejection and a statement of its impact on the Company's financial position or the general course of its business.
- Issuance of a court judgment, whether at the first instance or on appeal, terminating the financial restructuring procedure or the preventive settlement procedure of the Company under the Bankruptcy Law, or terminating either of them and initiating the appropriate bankruptcy procedure instead, together with a statement of its impact on the Company's financial position or the general course of its business.
- Filing an objection before the competent court

regarding the opening or rejection of the opening of any bankruptcy procedure under the Bankruptcy Law, or the termination or non-termination of the preventive settlement procedure or the financial restructuring procedure, together with a statement of its impact on the Company's financial position or the general course of its business.

- Issuance of a judgment in respect of the objection referred to in the preceding paragraph, either upholding or overturning the court's judgment and deciding the case, together with a statement of its impact on the Company's financial position or the general course of its business.
- Any material developments contained in the reports submitted by the Company in connection with the bankruptcy procedure initiated under the Bankruptcy Law, together with a statement of their impact on the Company's financial position or the general course of its business, unless the trustee, the Bankruptcy Commission, or the competent authority determines that such information is confidential under the Bankruptcy Law and its Implementing Regulations.
- Issuance of any judgment, decision, announcement, or order by a court or judicial authority, whether at the first instance or on appeal, that may adversely affect the Company's ability to utilize any part of its assets whose total value exceeds 5% of the Company's net assets, based on the latest reviewed interim financial statements or audited annual financial statements, whichever is more recent.
- Calling a General Assembly or Extraordinary General Assembly Meeting, together with its agenda.
- The results of the General Assembly or Extraordinary General Assembly Meeting.
- Any proposed change in the Company's capital, together with a statement of its impact on the holders of convertible debt instruments, where applicable.
- Any resolution to declare dividends, recommend their declaration, pay portions thereof, or make other distributions to the holders of the Company's listed securities.
- Any resolution or recommendation not to distribute dividends in circumstances where the Company would normally be expected to distribute dividends.
- Any resolution to call, repurchase, cancel, redeem, or make a tender offer for the Company's securities, including the total amount, number of securities, and their value.
- Any resolution relating to non-payment in respect of debt instruments or convertible debt instruments.
- Any change in the rights attached to any class of the Company's listed shares or to any debt instruments convertible into such shares.

(F) Disclosure by Board Members

• The Board shall regulate the disclosure processes relating to each of its Members and to Members of Executive Management, taking into consideration the following:

- Establishing a dedicated register for the disclosures of Members of the Board and Executive Management,

and updating it periodically in accordance with the disclosure requirements stipulated under the Companies Law, the Capital Market Law, and their Implementing Regulations.

- Enabling the Company's shareholders to review this register free of charge.

(G) Disclosure of Remuneration

• The Company shall disclose its Remuneration Policy and the mechanism for determining the remuneration of Members of the Board and Executive Management. The Company shall also disclose, accurately, transparently, and in sufficient detail, in the Board's

Report, the remuneration granted to Members of the Board and Executive Management, whether directly or indirectly, without concealment or misrepresentation, in accordance with the relevant regulatory instructions governing such disclosures.

• Fourth: Limits of Disclosure

- Board Members shall not disclose, outside the Meetings of the General Assembly, any of the Company's confidential information or secrets that come to their knowledge. They shall also refrain from exploiting

information obtained by virtue of their Membership to achieve a benefit for themselves, any of their relatives, or any third party. otherwise, they shall be subject to dismissal and held liable for compensation

(A) Confidential Information

• The Company shall take the necessary measures to protect confidential information and trade and industrial secrets that have current or anticipated value.

• The Board Members, CEO, and Senior Executives are entitled to access confidential information.

• The Chairman of the Board and the CEO may add or remove individuals authorized to access confidential information.

• Confidential information includes, but is not limited to, the following:

1. Investment opportunities available to the Company that remain under review.
2. Contracts currently under negotiation.
3. Industrial and production secrets relating to the Company's products.
4. Detailed information relating to manufacturing costs and the Company's products.
5. Designs and software programs.
6. Financial details of operating units.
7. Internal Audit Department Reports.

(B) Insider Information

• Insider information refers to non-routine and non-public information related to the Company's activities. It also includes any information that, if disclosed, could affect the market value of the Company's shares.

• Persons who have access to insider information

are prohibited from disclosing such information to any party or engaging in transactions based on such insider information.

(C) Insider Trading

• A transaction or trade shall be deemed to have been conducted based on insider information when an insider, such as a Board Member, an Executive Officer, any Employee, a Member of one of the Company's Committees, or a person who obtains material non-public information (MNPI) through a family relationship, including any person related to the recipient of the insider information, or through an employment or contractual relationship, engages in a transaction with the Company or trades in its shares, whether directly or indirectly, based on such insider information. (Refer to the Insider Trading Policy.)

• Trading based on insider information constitutes a criminal offence and a practice that violates Article (50) of the Capital Market Law.

• In all cases, Board Members, Audit Committee Members, Senior Executives, and any person related to any of them must refrain from trading in any of the Company's securities during the blackout periods specified under applicable laws and the Company's internal regulations, particularly the Conflict-of-Interest Policy.

Fifth: Preparation of Disclosures and Announcements

- The Legal Department or the Compliance Department shall prepare drafts of regulatory announcements and disclosures in accordance with the requirements of the CMA. The Departments shall also review all bulletins and media materials issued by the Company, as well as

all content published in newspapers, on social media platforms, and in advertisements before publication, to ensure compliance with the applicable laws and regulatory requirements.

Sixth: Entry into Force and Amendments

(A) This Policy shall be approved pursuant to a Resolution of the Board and may be amended as necessary in accordance with its provisions. It shall become effective as of the date of its approval by the Board. With respect to the provisions relating to disclosure to the public and to the CMA, as well as relevant timelines, these shall apply from the date of listing and commencement of trading of the Company's shares on the Saudi Exchange (Tadawul).

(B) The Board shall review this Policy periodically as part of its review of the effectiveness of the Company's governance framework or upon the issuance of new instructions or regulations relating to the Policy.

(C) This Policy shall cancel and supersede any procedures, resolutions, or internal regulations of the Company that conflict with it. This Policy shall be deemed complementary to all applicable instructions and regulations in force in the Kingdom governing disclosure and transparency, in addition to the Company's Bylaws.

(D) This Policy shall be published and circulated to Members of the Board, Executive Management, and the Company's Employees to ensure their acknowledgment that they have reviewed and understood all provisions contained in the Policy.

8-3 Board Declarations

In line with the Company's commitment to full transparency and to disclose all material information related to the performance of its business activities and the presentation of its financial results, the Board declares the following:

- The accounting records have been properly prepared.
- The internal control system has been established on sound bases and has been implemented effectively.
- There is no material doubt regarding the Company's ability to continue as a going concern.
- There are no deviations from the accounting standards issued by the SOCPA.
- The Company has not received any notification of any interest in a class of shares carrying voting rights held by persons (other than the Company's Board Members, Senior Executives, and their relatives) who have notified the Company of such rights pursuant to Article (45) of the Listing and Registration Rules issued by the CMA.
- The Company has no classes of shares, convertible debt instruments, contractual securities, warrants, or similar rights issued or granted by the Company during the fiscal year.
- The Company has no conversion or subscription rights under any convertible debt instruments,

contractual securities, warrants, or similar rights issued or granted by the Company.

- There has been no redemption, purchase, or cancellation by the Company or its subsidiaries of any redeemable debt instruments.
- There are no arrangements or agreements under which any Board Member or any Senior Executive has waived any salary or compensation.
- There are no arrangements or agreements under which any shareholder of the Company has waived any rights to dividends.
- The External Auditor has not issued any qualification on the Company's annual financial statements.
- The Board has not recommended replacing the External Auditor before the end of the term for which the Auditor was appointed.
- The Audit Committee did not recommend the appointment of an Internal Auditor within the Company during the fiscal year 2025.
- There is no conflict between the recommendations of the Audit Committee and the Resolutions of the Board, and there has been no rejection by the Board regarding the appointment, dismissal, determination of remuneration, or evaluation of the performance of the Company's External Auditor, nor regarding the appointment of the Internal Auditor.



8-4 Company Disclosures on Tadawul During 2025

S	Announcement Date	Announcement Title
1	03/02/2025	• Announcement regarding the latest developments on obtaining Shariah-compliant bank financing from Alinma Bank.
2	16/03/2025	• Announcement regarding the annual financial results for the year ended 31/12/2024.
3	17/03/2025	• Announcement regarding the signing of an operation and maintenance contract for water treatment plants in Wadi Ad-Dawasir, As-Sulayyil, and As-Safa in Najran, and Al-Wajid with the Saudi Water Authority (SWA).
4	17/03/2025	• Announcement regarding the recommendation of the Board of Directors to distribute cash dividends to shareholders for the fiscal year 2024.
5	17/03/2025	• Announcement regarding the renewal and increase of a shariah-compliant credit facilities agreement with the Saudi National Bank (SNB).
6	20/03/2025	• Announcement regarding the award of a contract for leak detection and repair in Jazan.
7	17/04/2025	• Announcement regarding the award of a contract for the Reuse Process from Wadi Ad-Dawasir Plant with the Saudi Irrigation Organization (SIO).
8	17/04/2025	• Announcement regarding the award of a contract for the Reuse Process from Ar-Rass Plant with the SIO.
9	30/04/2025	• Announcement of the invitation to the Company's Shareholders to attend the Ordinary General Assembly Meeting (first meeting) via modern technology means.
10	06/05/2025	• Announcement regarding the award of a contract for the supply, installation, testing, and commissioning of Pumps and Variable Frequency Drives (VFDs) in Jazan.
11	14/05/2025	• Announcement regarding the preliminary financial results for the period ended 31/03/2025 (three months).
12	26/05/2025	• Announcement regarding the results of the Ordinary General Assembly Meeting (first meeting).
13	26/05/2025	• Announcement regarding the relocation of the Company's head office.
14	10/08/2025	• Announcement regarding the preliminary financial results for the period ended 30/06/2025 (six months).
15	13/08/2025	• Announcement regarding the award of a contract for the implementation of sewage networks in Al Kharj (Phase 7).
16	21/09/2025	• Announcement regarding the signing of a contract for the implementation of sewage networks in Al Kharj (Phase 7).
17	05/10/2025	• Announcement regarding the selection of the Company as the preferred developer for the project of Small-Scale Sewage Treatment Plants (SSTPs) and Collection Networks in Jazan.
18	05/10/2025	• Announcement regarding the award of a contract for the operation and maintenance of water networks, pumping stations, wells, reservoirs, and related facilities in Tabuk.
19	02/11/2025	• Announcement regarding the award of a contract for the operation and maintenance of water and wastewater networks in the Southern governorates and their affiliated centers and villages in Jazan.
20	09/11/2025	• Announcement regarding the preliminary financial results for the period ended 30/09/2025 (nine months).
21	20/11/2025	• Announcement regarding the award of a project for secondary sewage networks in Hafr Al-Batin and Qaisumah (Phase 4), Part 2.
22	03/12/2025	• Announcement regarding the maintenance of the Company's credit rating assigned by the SIMAH rating agency "Tassnief".
23	14/12/2025	• Announcement regarding the award of a contract for the operation and maintenance of water and wastewater networks in Hafr Al-Batin governorate.
24	21/12/2025	• Announcement regarding the Resolution of the Board of Directors to distribute cash dividends to shareholders for the fiscal year 2025.
25	31/12/2025	• Announcement regarding the award of a project for the operation (cleaning) of stormwater and surface water networks in the sub-municipalities of Al-Balad (BA), Al-Jamiah (JA), and Umm Al-Salam (US)-19320.

9. Shareholders

9-1 Company's Bylaws

The Bylaws of Alkhorayef Water and Power Technologies Company constitute the principal document that defines the legislative framework and guiding principles governing the Company's operations and core objectives. The Bylaws comprise a set of articles that define the Company and its activities, its organizational structure, and the procedures and policies regulating its business, in accordance with the Companies Law and the Corporate Governance Regulations (CGRs) applicable in the Kingdom. The Bylaws represent the primary

reference governing the Company's internal and external relationships.

(The Bylaws may be accessed through the Company's website or through the Company's page on the Tadawul website)
https://www.saudiexchange.sa/Resources/pdf.ByLaw2_1981/pdfs

9-2 Shareholders' Information

Country	KSA
City	Riyadh
Ownership Type	Public Joint Stock Company
Date of Incorporation	January 1991
Listing Date	March 2021
Short Name on Tadawul	Alkhorayef
Company's Symbol on Tadawul	2081
ISIN Code	SA1591410GHO
Financial Market	Saudi Exchange (Tadawul) - Main Market - TASI
Line of Business	Development, design, and construction of wastewater treatment plants, purification systems, and solutions
Sector	Utilities
No. of Issued Shares	35 Million Shares
Paid-up Capital	SAR 350 Million
Par Value per Share	SAR 10
Free Float Ratio	57.82%
Foreign Ownership as of Year-End of 2025	9.05%
Closing Price as of Year-End of 2025	SAR 134.5
Market Cap as of Year-End of 2025	SAR +4.7 Billion

9-3 Major Shareholders and Foreign Ownership

The following tables present the ownership structure of the Company, in addition to foreign investors' ownership in the Company, as at the end of 2025:

Major Shareholders' Structure and Changes in Ownership Percentages

Shareholder	Shares Owned at the End of 2025	Ownership Percentage at the End of 2024	Ownership Percentage at the End of 2025	Change %
Alkhorayef Group Company (Closed Joint Stock Company)	16,275,000	46.5%	46.5%	No change

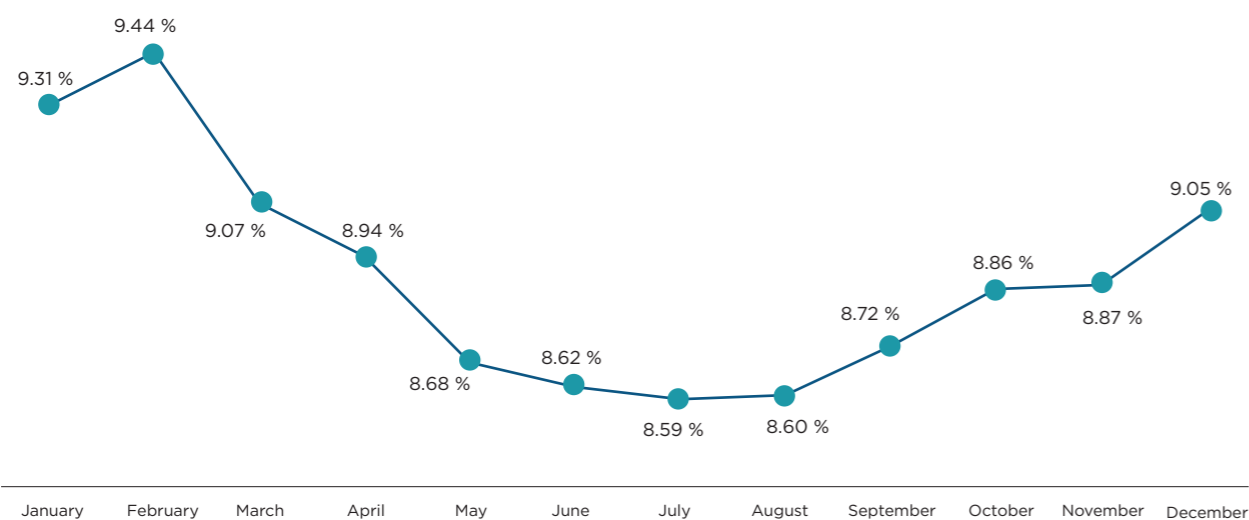
Board Members' Ownership in the Company

Member	Position	Nationality	Membership Type	No. of Shares at the Beginning of 2025	No. of Shares at the End of 2025	Direct		
						Ownership (%)	Increase (Decrease)	Percentage
Abdulaziz Abdulrahman Alkhorayef	Chairman of the Board	Saudi	Non-Executive	53,856	53,856	0.15%	0	0
Fahd Muhammad Alkhorayef	Deputy Chairman of the Board	Saudi	Non-Executive	0	0	0	0	0
Othman Yahya AlNajdi	Board Member	Saudi	Non-Executive	0	0	0	0	0
Ammar Ahmed AlZubaidi	Board Member	Jordanian	Non-Executive	0	0	0	0	0
Abdulrahman Saud AlOwais	Board Member	Saudi	Independent	8,190	8,190	0.02%	0	0
Faisal Abdulaziz AlDuwaish	Board Member	Saudi	Independent	0	0	0	0	0

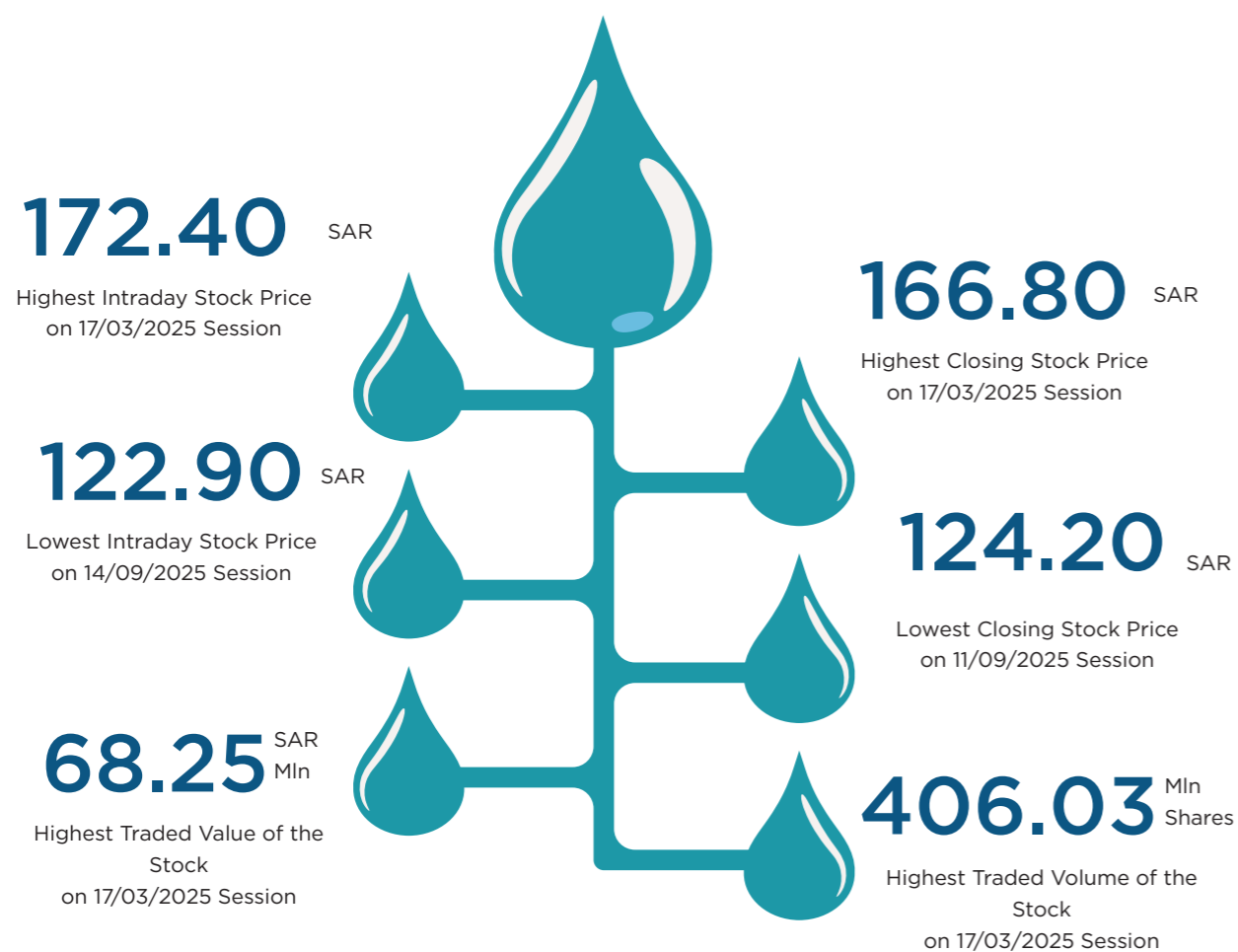
Foreign Investors' Ownership in the Company as at 31 December 2025

Company	Maximum Ownership Limit	Actual Ownership Ratio
Alkhorayef Water and Power Technologies Company	49%	9.05%

Evolution of Foreign Ownership Percentage during 2025



9-4 Stock Performance and Annual Trading



Monthly Stock Performance Evolution during 2025

Month	Current Closing (SAR)	Previous Closing (SAR)	Change	Rate of Change %
January	155	150	5	3.3 %
February	163.20	155	8.20	5.3 %
March	165	163.20	1.80	1.1 %
April	162	165	- 3	- 1.8 %
May	138	162	- 24	- 14.8 %
June	144.10	138	6.10	4.4 %
July	129.40	144.10	- 14.70	- 10.2 %
August	125.40	129.40	- 4	- 3.1 %
September	140.10	125.40	14.70	11.7 %
October	150.50	140.10	10.40	7.4 %
November	133	150.50	- 17.50	- 11.6 %
December	134.50	133	1.50	1.1 %

Monthly Stock Trading Trend during 2025

Month	Quantities (Stocks)	Values (SAR)	No. of Transactions
January	2,198,262	345,593,300.60	37,840
February	1,283,781	201,969,816.00	20,886
March	1,516,417	246,219,714.40	35,628
April	1,492,509	233,119,504.20	32,720
May	1,663,941	246,746,402.40	28,397
June	1,002,297	139,097,053.30	16,980
July	1,122,280	155,422,002.70	22,926
August	1,282,399	164,082,454.90	20,071
September	1,400,124	186,399,911.10	23,382
October	2,350,682	344,003,211.20	28,972
November	906,850	128,668,002.30	16,964
December	1,014,562	134,630,269.40	18,167
Total	17,234,104	2,525,951,643	302,933

9-5 The Company's Requests for the Shareholder Register in 2025

During 2025, the Company requested the Shareholder Register from the Securities Depository Center Company (Edaa).

The following is a summary of the dates and reasons for these requests:

S	Date of Request	Reason for Request
1	12/01/2025	Company Procedures
2	20/04/2025	Company Procedures
3	25/05/2025	General Assembly
4	27/05/2025	Dividends File

9-6 Dividend Policy

Purpose

- This Dividend Policy ("the Policy") of Alkhorayef Water and Power Technologies Company (the "Company") defines the mechanism for distributing dividends by the Company to its shareholders, including the procedures and terms governing payment.
- This Policy has been prepared in accordance with the Companies Law, the Implementing Regulations of the Companies Law for Listed Joint

Stock Companies, and the Corporate Governance Regulations issued by the CMA, and in light of the Company's internal regulations.

- The purpose of this Policy is to implement and complement the provisions of the relevant regulations. In the event of any conflict between this Policy and the applicable regulations, the regulations shall prevail.

Definitions

- The terms and expressions used in this Policy shall have the meanings defined in the Corporate Governance Regulations (CGRs) issued by the CMA,

unless the context requires otherwise.

Mechanism and Principles

(A) Annual Profits

- Annual profits shall be distributed based on the approval of the General Assembly following the Board's recommendation concerning the Company's net profits, the calculated amount of profits, and the proposed allocation.
- The General Assembly retains the right to reject the distribution of profits in any year if it believes such

distribution would harm the Company's financial position and capital requirements.

- The Board shall implement the decision of the General Assembly and distribute the profits within fifteen (15) days of the due date specified in the decision.

(B) Distributable Profits

- Distributable profits consist of the net income for the fiscal year, less all amounts set aside for reserves designated for specific purposes in the Company's Bylaws, if any, or that must be set aside for reserves formed by the General Assembly, in addition to

retained earnings and distributable reserves formed from profits.

- The nominal value difference item within shareholders' equity may not be used for the distribution of cash dividends to shareholders.

(C) Profit Calculation

- The General Assembly determines the percentage of the net profits to be distributed to the shareholders after deducting reserves, if any. The Company's net annual profits are distributed after deducting all general expenses and other costs as follows:
 - The Ordinary General Assembly, upon the recommendation of the Board, shall allocate (5%) of the net profits to form a statutory reserve, to be designated for a specific purpose or purposes as decided by the General Assembly.
 - The Ordinary General Assembly may decide to create additional reserves, to the extent that this serves the Company's interests or ensures, to the extent possible, the distribution of stable dividends to shareholders. The General Assembly may also decide to allocate amounts from the net profits

to establish social institutions for the Company's employees or to support existing institutions.

- The remaining profits shall then be distributed to shareholders as a percentage of the net annual profits, as determined by the Ordinary General Assembly.
 - Profits may be distributed in the form of cash, bonus shares, or both.
 - The Board shall include in its Annual Report submitted to the Company's General Assembly the percentages of profits distributed to shareholders during the different periods of the fiscal year, in addition to the percentages of profits recommended to be distributed at the end of the fiscal year and the total amount of such profits.

(D) Interim Dividends

- The Company may distribute interim dividends to its shareholders on a quarterly or semi-annual basis if the following requirements are met:
 - The General Assembly authorizes the Board to distribute interim dividends pursuant to a Resolution renewed annually.
 - The Company achieves consistent and satisfactory profits.
 - The Company has reasonable liquidity and the ability to reasonably forecast its profit levels.
 - The Company has distributable profits according to its recently audited financial statements, sufficient to cover the proposed dividends, after deducting any distributed or capitalized profits after the date of these financial statements.
- If the Board decides to distribute interim dividends, the Company shall disclose and announce this decision within the prescribed regulatory periods

and provide the CMA with a copy immediately.

- The distribution of interim dividends shall be subject to the following controls:
 - The distribution of dividends shall be made from retained earnings accumulated from previous years, distributable reserves formed from profits, or both. The Company shall observe sequence and regularity in the manner and ratios of dividend distribution according to the Company's available resources and liquidity. The Board shall disclose and announce the ratios of regular interim dividends to be distributed to shareholders at the specified times.
 - If the Board decides to distribute interim dividends, the Company shall disclose and announce this decision to the CMA and the public immediately and without delay.

(E) Eligible and Qualified Shareholders

- The General Assembly's decision approving the annual dividend distribution shall determine the dividend entitlement date and the distribution date.
- Shareholder eligibility for dividends shall be determined in accordance with the relevant rules

and regulations and the Company's announcement on the website of the Saudi Exchange (Tadawul).

Final Provisions

- This Policy shall be adopted by a Resolution of the Board of Directors and shall become effective as of the date of its adoption by the Board.
- The Board shall supervise the implementation of this Policy and review its provisions periodically. Any amendments to this Policy shall be approved in the

same manner in which this Policy was adopted.

- The Board shall comply with the disclosure obligations and requirements pursuant to the relevant disclosure policy and the applicable laws and regulations related to this Policy.

Dividend Distributions to the Company's Shareholders in 2025

Year	Type of Distribution	Distribution Rate	Dividend per Share (SAR)	Total Distribution Value (SAR Mln)	Notes
2025	Cash	17.5%	1.75	61.25	Board Resolution for Distributions on 21/12/2025

9-7 Procedures Taken by the Board to Inform its Members of Shareholders' Proposals

1. Holding periodic meetings between the Chairman of the Board and the Non-Executive Board Members to encourage them to perform their duties effectively in a manner that serves the Company's best interests, ensures the neutrality of opinions, and identifies their views on the progress of the Company's operations.
2. Enabling the Board Members and Board Committees to review the Minutes of Meetings of the Board and Board Committees (Executive Committee, Audit Committee, and Nomination and Remuneration Committee), and to discuss the proposals of shareholders attending the General Assembly. Their inquiries are recorded in the Meeting Minutes, discussed with the Board Members, and followed up by implementing proposals that are beneficial to the Company and addressing observations that may affect the Company's performance.
3. Communication with shareholders and investors: The Company recognizes the importance of communicating with its shareholders and providing them with information. In line with the Company's commitment to the principles of disclosure and transparency, it has undertaken the following:
 - Publishing the quarterly financial statements and the annual financial statements for the fiscal year 2025 on the Tadawul website within the period specified by the regulations.
 - Complying with the announcement format prescribed by the CMA, the material information that must be included, and the timing of publishing such announcements.
 - Preparing the Board's Report in accordance with the disclosure requirements of the Corporate Governance Regulations (CGRs).
 - Allowing all the Company's shareholders, without exception, to review the Minutes of the General Assemblies and any Annual Reports of the Board on the Tadawul website and the Company's website, as well as in person, or by requesting them via email or fax.
 - Creating a dedicated Company email address to receive complaints and suggestions from all stakeholders (shareholders, customers, suppliers, and employees).

10. Risks

The potential risks that the Company may face are the following:

Risks Related to the Market and the Nature of the Activity

1. The Saudi Ministry of Environment, Water & Agriculture (MEWA) and the National Water Company (NWC) manage more than 90% of the water and wastewater infrastructure in which the Company is currently involved, and they are the two largest clients of the Company. There is no guarantee of the stability or sustainability of the sales volume provided to these two clients under their contractual relationships, which may change at any time. The loss of either of the Company's two principal clients, or a decrease in the volume of business with either of them, would have a material adverse effect on the Company's business, financial position, results of operations, and future prospects.
2. Changes in the policies and regulations of the relevant government authorities, particularly the Labor Office Law and the job localization rate.
3. Increases in the fees and prices of basic services such as energy, water, consumables, and other newly introduced fees.
4. External and economic factors that may affect the development and completion of projects, such as fluctuations in currency exchange rates in the target markets.
5. Economic conditions and low oil prices may lead to a reduction in public spending.
6. The spread of epidemics domestically or globally that affect global economies and may consequently have a negative impact on the Company's various activities.



Risks Related to Increased Competition in the Water and Wastewater Sectors

The water and wastewater sectors are characterized by a multiplicity of competitors, as the Company competes with other companies, such as small local companies that serve local markets and large foreign companies that serve regional, national, and international markets. An institution that possesses sufficient financial resources and a proven track record of the required expertise in the same domain, in addition to its recognized classification and access to technical expertise, may become one of the Company's competitors in those markets.

Competition in the water and wastewater sectors depends on a number of competitive factors, including price, service delivery, quality, geographic presence, innovation, and customer service. Some of the Company's competitors, particularly large foreign companies, may have lower labor and overhead cost structures, and may therefore be able to offer their services at lower prices

Risks Related to Credit

Credit risk is the risk arising from the failure of one party to fulfil its financial obligations when they become due, which results in financial losses to the other party. The financial assets that are most likely to be exposed to a concentration of credit risk mainly consist of cash at banks and trade receivables. The Company's cash is deposited with local banks that have good credit ratings; therefore, the credit risk associated with cash deposits is limited. The credit risk related to trade receivables is also limited because most of the Company's transactions

than the Company.

In addition, some of the Company's competitors may have financial, technical, and human resources that exceed those of the Company. The Company does not guarantee that its competitors will not develop their expertise and resources to provide services that surpass those provided by the Company in terms of price and quality. Likewise, it cannot be assured that the Company will be able to maintain or enhance its competitive position within the markets in which it offers its services or maintain its client base at current levels. If the Company is unable to address these competitive challenges, this would have a material adverse effect on the Company's business, financial position, results of operations, and future prospects.

are concentrated with clients that have strong financial positions. The Executive Management monitors and follows up on the balances of trade receivables to reduce any credit risks associated with them, monitors their collection, and takes the necessary actions in this regard to safeguard the Company's rights.

Risks Related to Contracts with Third Parties

The Company has entered into numerous contracts and agreements with suppliers, clients, subcontractors, lessors, and other third parties. Some of these contracts and agreements will expire within one year or in the next few years, as their terms range from one to four years, and there is no guarantee that they will be renewed. In the event that they are renewed, there is no guarantee that they will be renewed under terms similar to those

in previous contracts. The Company's inability to renew any of these contracts, or their renewal under terms that are not favorable for the Company, would have a material adverse effect on the Company's business, results of operations, financial position, and future prospects.

Risks Related to the Company's Reputation and the Quality of Services Provided

Since its establishment, the Company has sought to build a good reputation associated with its brand, and it seeks to maintain its reputation and brand in the future by enhancing the quality of the services it provides to its clients. This depends on several factors, including the implementation and completion of projects in accordance with the agreed technical and time requirements, as well as leveraging its previous and accumulated experience to execute such projects with the highest possible quality. Accordingly, the Company's failure to provide or maintain the quality of the services provided to its clients would have a material adverse effect on its brand and

reputation.

Moreover, the Company's failure to provide high-quality services may expose it to negative publicity that may harm its reputation, which may lead to its inability to obtain projects in the future or, in some cases, expose it to legal claims. The Company's reputation may also be affected if it is unable to maintain the quality of the services provided to its clients, which would have a material adverse effect on the Company's business, results of operations, financial position, and future prospects.



Risks Related to Increases in the Prices of Materials, Equipment, and Energy

The Company may be exposed to risks arising from increases in the prices of certain raw materials and equipment used in projects, such as chemicals, cement, iron, and heavy equipment, as well as increases in energy costs, including gasoline and diesel required to operate

vehicles and equipment. There is no guarantee that these additional costs can be compensated under existing contracts, which may adversely affect the Company's profitability, business activities, and financial results.

11. Sustainability at the Company

11-1 Sustainability and Social Responsibility

Alkhorayef Water and Power Technologies Company is committed to applying sustainability principles across its operational and administrative activities to support business continuity and strengthen its reliability with customers and partners. The Company believes that

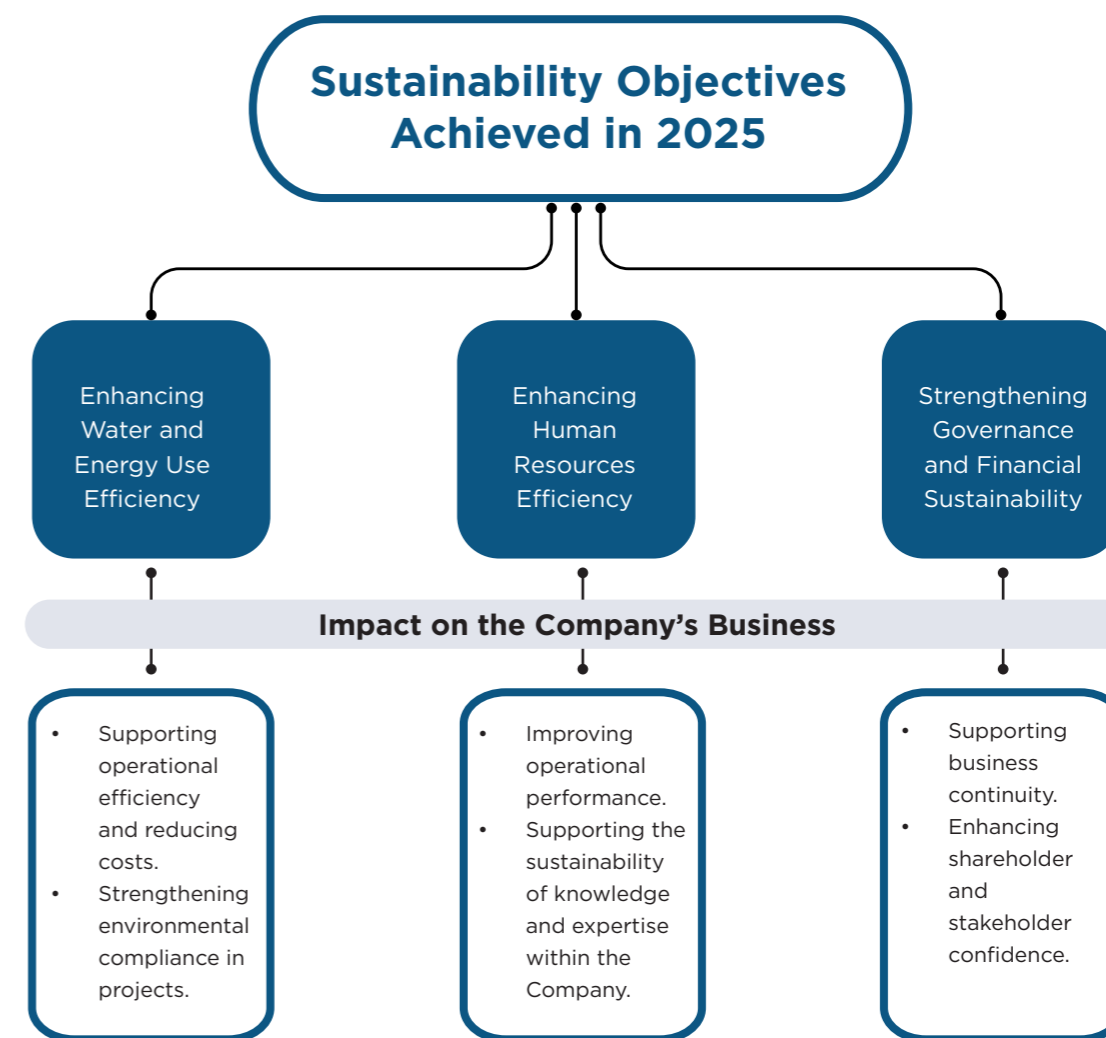
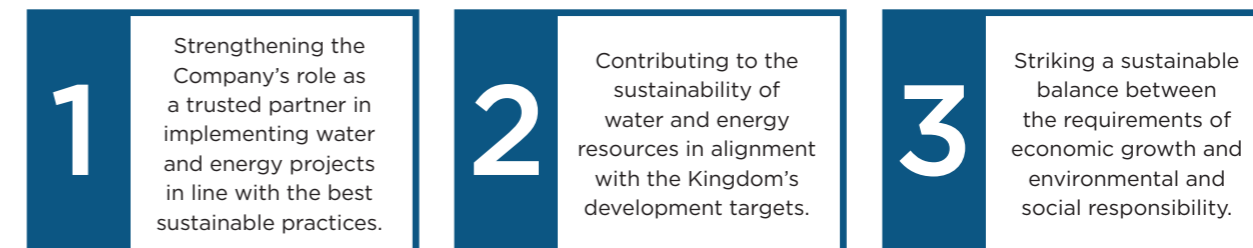
adopting sustainability practices is a fundamental element in striking a balance between economic growth, efficient resource utilization, and environmental and social responsibility.

Sustainability Pillars at the Company

Objective	Pillars	Initiatives
<ul style="list-style-type: none"> Limiting the environmental impact of the Company's operations and enhancing resource-use efficiency 	 <p>Environmental Sustainability</p>	<ul style="list-style-type: none"> Enhancing water and energy use efficiency in operational projects. Applying approved environmental practices in water and energy projects. Complying with environmental requirements approved by regulatory authorities.
<ul style="list-style-type: none"> Promoting a safe and supportive work environment and contributing to community development 	 <p>Social Sustainability</p>	<ul style="list-style-type: none"> Providing a safe and healthy work environment for employees. Developing national talent through training and qualification. Supporting social responsibility initiatives related to the water and energy sector.
<ul style="list-style-type: none"> Achieving sustainable growth and enhancing long-term shareholder value 	 <p>Economic Sustainability</p>	<ul style="list-style-type: none"> Improving the efficiency of operational processes. Supporting the financial sustainability of projects. Strengthening governance and transparency principles in business management.

11-2 Company's Vision for Sustainability

The Company's vision for sustainability is as follows:



11-3 Sustainable Societal Impact

Alkhorayef Water and Power Technologies Company places significant importance on corporate social responsibility, considering it a fundamental pillar of its sustainable growth strategy. The Company believes that meaningful investment begins with empowering people and advancing the Saudi society. This commitment is reflected in targeted initiatives that create tangible impact beyond the boundaries of traditional commercial activities.

As part of its efforts to localize knowledge and innovation in the water and energy sector, the strategic partnership between the Company and local academies specializing in this field represents a leading model for developing national capabilities. The initiative aims to refine the skills of Saudi youth and equip them with the technical expertise required to keep pace with the latest global standards in this vital sector, thereby contributing to building a generation of experts and specialists capable of leading the future of water sustainability in

the Kingdom, in line with the objectives of Saudi Vision 2030.

In promoting inclusivity and professional equity, the Company is committed to empowering persons with disabilities through close cooperation with Sa3ee for the Rehabilitation and Employment for Disabilities. This initiative extends beyond providing sustainable employment opportunities to fostering a supportive and motivating work environment that ensures their effective inclusion and leverages their unique capabilities. The Company believes that diversity is a source of strength and that the capacity to innovate is not limited by physical barriers.

These ongoing efforts reflect the comprehensive vision of the Company, which goes beyond delivering water and energy solutions to actively fostering hope and empowerment within society, in pursuit of a sustainable and prosperous future for all.

11-4 Details of the Company's Social Contributions in 2025

Initiative	Partners	Details
International Day of Persons with Disabilities	Sa3ee for the Rehabilitation and Employment for Disabilities	<ul style="list-style-type: none"> The Company is committed to fostering an inclusive work environment. Promoting the principle of equal opportunity. Embedding the values of social responsibility. Empowering talent and integrating them into the labor market on a sustainable basis.
Strategic Partnership Agreement	Energy & Water Academy (EWA)	<ul style="list-style-type: none"> Strengthening cooperation between the private sector and educational institutions. Empowering national talent by providing advanced education and training opportunities. Developing specialized training programs to enhance technical and professional skills. Promoting innovation in the water and energy sectors through the exchange of knowledge and expertise. Contributing to the achievement of the objectives of Saudi Vision 2030 in connection with resource sustainability and capability development.



11-5 Key Environmental Impacts of the Company's Operations

Alkhorayef Water and Power Technologies Company has managed the environmental impacts associated with its operational activities by implementing environmental practices aligned with the nature of its business in the water and energy sectors, reaffirming its commitment

to applicable environmental laws and regulations. The Company has also continued to develop its environmental policies and practices in a manner that supports the long-term sustainability of its operations.

Water Consumption



Impact Description

The Company's activities are linked to the implementation and operation of projects in the water sector, which require handling water resources within the scope of its operational activities.

Practices

The Company works to enhance the efficient use of water in the projects it implements and to comply with the technical standards and regulatory requirements approved by the relevant authorities.

Energy Consumption



Impact Description

Water and energy projects require the use of operating systems and equipment that rely on energy during both the implementation and operation phases.

Practices

The Company seeks to rationalize energy consumption by improving operational efficiency, using appropriate technologies, and adhering to best practices adopted in energy management.

Environmental Impact of Projects



Impact Description

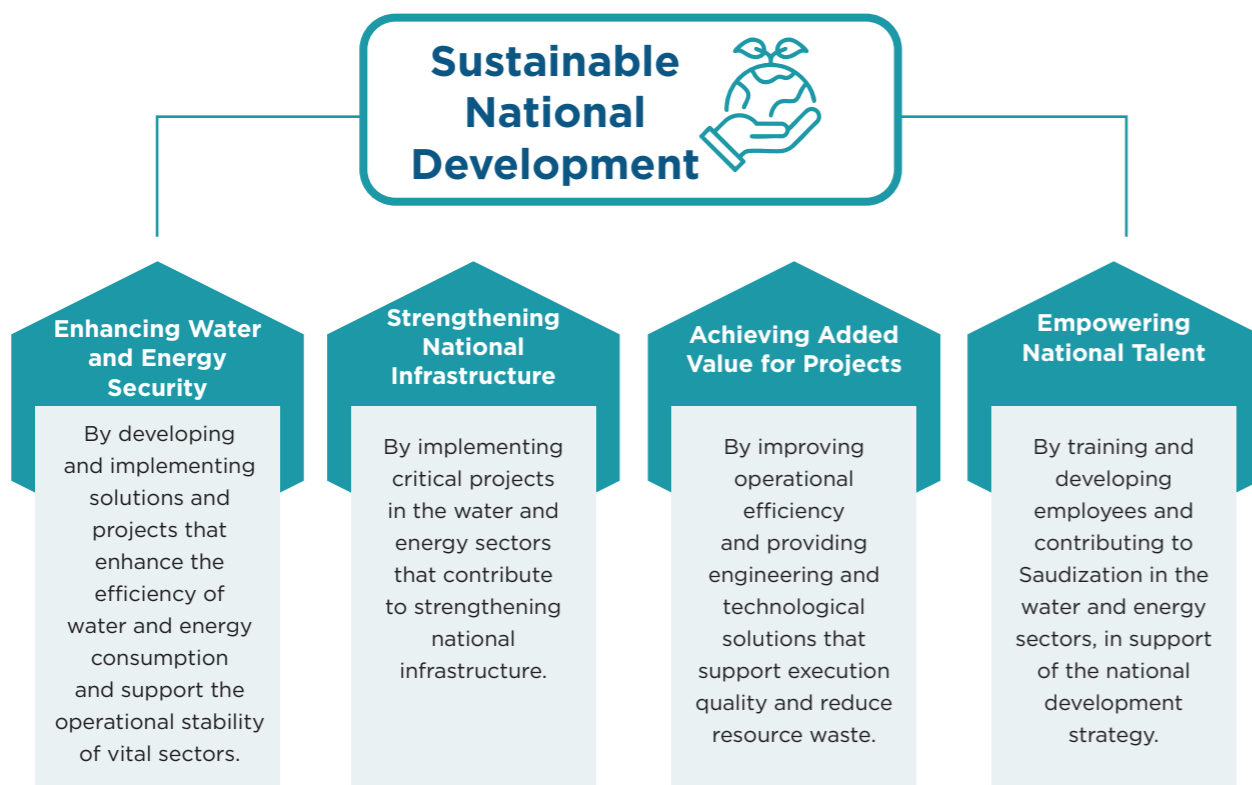
The implementation of projects may result in temporary environmental impacts during the construction or operation phases.

Practices

The Company is committed to implementing environmental assessment requirements and related regulatory conditions, and to mitigating any potential environmental impacts in accordance with applicable regulations.

11-6 Developing the National Economy

The Company seeks to support the development of the national economy by implementing projects in the water and energy sectors that strengthen national infrastructure and contribute to economic sustainability.



11-7 Developing a Sustainable and Efficient Model

Alkhorayef Water and Power Technologies Company seeks to develop a model that integrates sustainability into its business model across five main pillars:

