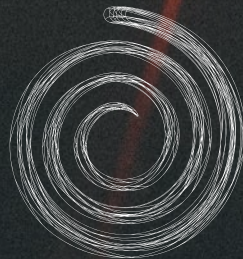


REPORT OF THE BOARD OF DIRECTORS

Issued to the Ordinary General Assembly
About the Company's Business

2023-2024

تيهامة
tihama









H.R.H Prince

**Mohammed bin Salman
bin Abdulaziz Al Saud**

Crown Prince and Prime Minister



H.R.H the Custodian of the Two Holy Mosques

**King Salman
bin Abdulaziz Al Saud**



Chairman's Message

Eng. Hatem
Bin Ali Bargas

At the outset, I would like to extend my deepest thanks and gratitude to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz—may Allah protect him—and to His Royal Highness Crown Prince Mohammed bin Salman—may Allah protect him. I pray to the Almighty for the continued security, stability, development, and prosperity of our beloved nation under the wise and conscious leadership of the Custodian of the Two Holy Mosques. On this occasion, I proudly acknowledge the monumental developmental achievements realized during the generous reign of the Custodian of the Two Holy Mosques, may God continue to support him. As we remain steadfast in our commitment to the principles and values derived from Islamic law, I wish to emphasize that Tahama Advertising, Public Relations, and Marketing Company is dedicated to aligning its strategy with the Kingdom's Vision 2030.

I would also like to extend my sincere thanks and appreciation to the shareholders of Tihama Advertising, Public Relations and Marketing Holding for their trust and unwavering support. Additionally, I am deeply grateful to the members of the company's Board of Directors and all our dedicated employees for their relentless efforts and contributions during the past period. Dear Shareholders of Tihama Advertising, Public Relations and Marketing Holding.

The Board of Director (BOD) of Tihama Advertising, Public Relations and Marketing Holding is pleased to present to you the annual report of the BOD for the period from 01/04/2023 to 31/03/2024 with the balance sheet of the Company, statements of profit or loss, cash flows and changes in shareholders equity. The report includes a comprehensive presentation of the performance of the achieved works, outcomes and decisions made throughout the last year.

The report includes a comprehensive overview for the mechanisms of companies' governance and compliance with the regulations of Capital Market Authority (CMA).



CEO's Message

**Abdul Aziz
Bin Najeeb Al-Suwailem**

At the outset, I would like to extend my deepest thanks and gratitude to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz—may Allah protect him—and to His Royal Highness Crown Prince Mohammed bin Salman—may Allah protect him. I pray to the Almighty for the continued security, stability, development, and prosperity of our beloved nation under the wise and conscious leadership of the Custodian of the Two Holy Mosques.

I would also like to extend my sincere thanks and appreciation to His Excellency the Chairman of the Board of Directors and the members of the Board of Directors for their continuous support. I would also like to extend my sincere thanks and appreciation to all employees of Tihama Advertising, Public Relations and Marketing Company for their efforts during the past period, and I urge them to exert more effort to contribute to the prosperity and growth of the company for the benefit of the shareholders and all employees of the company.



VISION

To become the leading and pioneering company in the Kingdom and the region, excelling in our fields of operation by driving innovation and embracing cutting-edge technology. We aim to be the first and preferred choice for our customers and partners, while fostering an integrated investment environment in the entertainment and audiovisual media sectors. To achieve a balance between

operational efficiency in our economic activities and strategic investments in high-return sectors. Our goal is to become the leading and pioneering company in the Kingdom and the region, advancing in our fields of operation with cutting-edge technology and innovation. We strive to be the first and optimal choice for our customers and partners.



MISSION

Pursuing innovative ideas and advanced modern technology in our fields wherever they are, and investing in promising new and innovative opportunities to consolidate

our leadership in the market, and provide added values to our partners and shareholders.

Strategy

Our strategy is to transform achievements into exemplary standards, credibility into global brands, and expertise into valuable knowledge. We aim to convert trust into unwavering commitment, needs into cutting-edge technology, and vision into groundbreaking innovation. Through our partnerships, we create pride; through our passion, we drive growth; and through our ideas, we shape a promising future—all under the framework of our new corporate strategy.



Strategic Steps

 Transformational Leadership	 Financial Organization	 Enhance performance	 Increase Value
<ul style="list-style-type: none"> • Foster a culture of success • Implement internal reorganization and enhance governance and oversight mechanisms • Control expenses • Concentrate on leveraging competitive advantages and enhancing cultural aspects 	<ul style="list-style-type: none"> • Ensure financial balance between equity and liabilities • Optimize working capital • Negotiate with all parties to ensure the most effective management of debts 	<ul style="list-style-type: none"> • Concentrate on core capabilities and resources • Strategic Planning • Organizational and human resources development • Financial Planning 	<ul style="list-style-type: none"> • Rebuild trust with shareholders and investors by enhancing clarity and transparency • Implement the financial planner and investment plan • Negotiate and strategic partnerships

STRATEGIC STEPS

1

Reorganize the Group's internal structure to ensure compliance with governance frameworks and enhance operational efficiency

2

Divest companies with negative financial performance by identifying exit strategies and maximizing returns from their sale

3

Establish clear objective criteria for investment, including alignment with vision, market position, profitability, risk assessment, and economic priorities

4

Form strategic partnerships with government entities and global organizations, and develop community-driven initiatives in collaboration with government partners



OUR VALUES

01

Creativity

Unleash our innovative spirit to infuse creativity into everything we do, delivering inventive and practical solutions.

02

Openness

Be open to all new innovative ideas and advanced technologies, ensuring we stay ahead of the curve in our fields of endeavor.

03

Leadership

Lead the way in contemporary innovative solutions, ensuring our business and products are always at the forefront.

04

Confidence

Act with honesty, commitment, and transparency toward our customers, shareholders, and stakeholders, ensuring we are always trusted and relied upon.

05

Determination

Maintain unwavering ambition and a strong will, demonstrating self-sufficiency in overcoming any obstacles until our goals are achieved.

OUR GOALS

01

Contributing to achieving sustainable development.



02

Advancing the media, communications, education, and retail industries to new heights of sophistication and modernity.

03

Unlocking commercial value through Tihama's networks, resources, and partnerships.

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First: Characteristics of the Business

1 – Description of the main activities, their impact on business size and contribution to results.

Tihama is one of the largest groups in KSA, specialized in the field of advertisement, public relations, marketing, media services, production, retail and education. Tihama started its business as a limited liability company in 1974, then transferred to a Saudi joint-stock company according to Companies Law in KSA, by virtue of the Ministerial Decree No. 1397 dated 29 Jumada Al Thani 1403 AH, corresponding to 13 April 1983 AD issued by the Ministry of Commerce and Industry. The Company also works in the field of commercial advertising, public relations, marketing, publishing and distribution under the license from the Ministry of Culture and Media No. 23232, with a paid up capital of SAR 400 million divided into 40 million shares.

Tihama manages its business through its registered office located in Riyadh (The Extraordinary General Meeting of Shareholders held on 16 October 2016 agreed to transfer registered office to Riyadh City from Jeddah), with branches, sister companies and associates in the Kingdom of Saudi Arabia and GCC countries.

During its journey, Tihama succeeded in creating the trust as the pioneer in advertising and marketing as it gained the exclusive partnership rights for a distinct group of advertising media business, international newspapers and magazines as well as several Arab satellite channels and strategic global partnerships.

Tihama is the parent company from which other companies in the business of advertising and marketing (journals, magazines and satellite channels) have emerged. Tihama contributed to the successes of many private companies that made their way in the world of advertising and marketing in both local and regional environments.

Street advertising activity started with the first launch of the company in 1976 and has evolved over the years in terms of form and level of investment. The beginning of this activity coincided with the opening of a new workshop to serve the means of street advertising. Tihama focused on expanding in the field of street advertising boards to cover all main cities and roads all over Saudi Arabia.

In the recent period, as a result of the increase in the cost of street advertising and the increase in competition in street advertising and due to market changes, this led to a decrease in revenues from street advertising, and so the company turned to focus on diversifying its investment.

In 2019, Tihama has developed its media presence with investments in the audio-visual and commercial Advertising production sector.

In line with the company's strategy to diversify its investment and expand into high-profit activities, the company signed an agreement with the Saudi Film Fund (in partnership with the Cultural Fund) on 06/05/2024 to invest in the Fund at a value of 37,500 million in exchange for 10% of the fund's capital. The Board of Directors' vision is consistent with the company's strategy. This investment will make Saudi Arabia one of the most important regions in the world in the film industry, and make Saudi Arabia one of the most important regions in the world in the film industry. The Fund is the first of its kind with the participation of the government sector, which provides Tihama with a leading opportunity to

lead the film industry as the first public joint-stock company to participate in this type of investment

2 – The guidelines and main strategy of the BOD to support and develop the Company.

The company follows its strategy adopted by the BOD since the beginning of its appointment term, which is based on the expansion and diversification of the company's investments, merging with other companies that have some new projects that the market needs, seeking to raise the efficiency of work, investing existing resources, completing its mergers, and improving the focus on strategy and increasing competitiveness.

The company's strategy is also based on taking advantage of its current position by developing investment opportunities, and developing new sectors, such as production and retail. The company will also develop the partnership between Tihama and the Education Technology Company – Houghton Mifflin Harcourt, which is operated by Tihama Distribution Company (a subsidiary company).

3 – Controlling Subsidiaries and activities

Subsidiaries are the businesses, where the holding company has control (usually by owning more than half of the voting shares) and is able to direct the financial and operational policies to obtain economic benefits.

3/1 Tihama Distribution

- The current main activity of the company is managing and operating the exclusive distribution contract for the products of Houghton Mifflin Harcourt "HMH". During the fiscal year ended on 31 March 2021, Tihama Distribution Company extended the exclusive distribution agreement with MHM.
- The agreement was renewed between Tihama and HMH, which is the leading global provider of educational curricula for the period from kindergarten to secondary school. The agreement grants Tihama the exclusive distribution right for HMH products in the Kingdom of Saudi Arabia. The agreement is valid until December 2023 and includes a clause allowing it to be extended until December 2025.
- HMH and Tihama have had a successful partnership since 2010, serving over 170 schools across the Kingdom. Tihama continues to develop its full service offering to its customers including training and professional development.
- HMH is investing in continuing innovation in the K12- market segment and is deeply focused on a digital first approach to curriculum design and delivery, leveraging online platforms and the latest in education technology developments.
- HMH new "Into Learning" product range (including, Into Reading, Into Social Studies, Into Math, etc.) has already received the highest of accolades from leading educators in the USA and Tihama will be promoting key "Into Learning" programs for the next school year.
- Covid19- has had a devastating impact on the world, and schools have had to pivot quickly to remote teaching environments. HMH's "Into Learning" solutions are ideal, offering a fully integrated curriculum with rich content that can be delivered remotely and that connects educators with the right tools to monitor and improve student performance.

- The Group has worked during the last few years on restructuring the distribution sector from one employee serving 20 schools. Tihama's new educational services with a team of 20 employees serves more than 170 schools in KSA, focusing on the significance of the growing education sector which now represents %8 of the global gross national product.
- The company currently owns a %8.33 share in the ownership of Watania Combined Distribution Company (Al Watania Distribution), which is a limited liability company registered in KSA. Watania Combined Distribution Company (Al Watania Distribution) is a private company working in media and publishing agencies. Al Watania Distribution was established in 1985 and is headquartered in Riyadh, Saudi Arabia.

3/2 Tihama Education Company

- Tihama established Tihama Education Company, a limited liability company with a capital of 200,000 Saudi riyals, for the purpose of providing educational training and development services. The Company activity was subsequently amended into retail trading. During the fiscal year ending on 31 March 2021, the parent company acquired additional shares from Tihama Education Company (subsidiary) representing %51 of the company's capital, to take the ownership percentage to %100 of the subsidiary's capital as on 31 March 2021.
- The company owns the exclusive rights to distribute the products of the globally known brand WH Smith in the Kingdom of Saudi Arabia.
- Our mission in the retail sector is to transform the customer journey from a mere shopping experience to a leisure lifestyle by providing high quality innovative products and services across all retail platforms. In partnership with WH Smith, the company is adopting a new strategy to develop its offerings to reflect changing consumer needs through redesigned stores, new marketing channels and an enhanced management team.
- During the fiscal year ended on 31 March 2023, (Tihama Education Company) signed lease agreements for 14 retail units at airports managed by Cluster 2 Company.
- Tihama will operate the 14 retail units under the WH Smith brand at the airports operated by Cluster 2 Company in the Kingdom of Saudi Arabia on three-year leases.
- The opening of the new units will contribute to the development of the successful partnership between Tihama and WH Smith and the expansion of the units operated under the WH Smith brand franchise, which also includes 6 retail units at King Abdulaziz International Airport in Jeddah and 3 units at King Khalid International Airport in Riyadh, in addition to 3 units in major hospitals in the Saudi cities. The total number of branches of the company will be 26 branches operating under the WH Smith brand .

3/3 Integrated Production Company for Audio and Visual Media Production

Tihama believes that the local production sector will grow significantly during the coming periods, in line with the Kingdom's 2030 vision.

Tihama has recently entered into the sector of movie production, commercial and awareness advertising campaigns and documentaries, by participating in the incorporation of the Integrated Media Production Company for Audiovisual Production (a subsidiary company)

The Integrated Production Company is specialized in producing visual content in 3 main areas:

- 1- The production of television programs, series, and movies.
- 2- The production of commercial advertisements and promotional movies.
- 3- The production of visual materials designated for use in social media.

The Integrated Production Company succeeded during its first year in making a distinguished name for itself in the field of advertisement and awareness production, relying on the previous successes of Tihama's partners in the company in this field, their customer network, and Tihama's long-standing name in the field of media in particular. It is known that startups do not achieve any returns in their early years, and it confirms the sound approach of Tihama management to enter into a partnership with companies with experience, existing contracts, and a customer network in order to overcome the first years period and enter from the period of profit-making. The company has also won several local and international awards.

During the fiscal year ended on 31 March 2021, Tihama acquired additional shares representing 35% of the capital of Integrated Production Company with an estimated value of SAR 7,250,000. Accordingly, the share of Tihama is 70% and the share of the partner is 30%

One of the important productions of Integrated Production Company for Audio and Visual Media Production is **Horizon**, a documentary on wildlife in the Kingdom of Saudi Arabia .

3/4 Tihama International Advertising Co.

Tihama International Advertising Company is a Saudi limited liability company established on 9 November 2010 with a capital of 500,000 Saudi riyals, for the purpose of separating the advertising sector into an independent company in accordance with the strategy set at that time. The company has not yet commenced operations. Board of Directors Resolution No. (23) was issued on 04/09/1445 AH, corresponding to 14/03/2024 AD regarding the approval to start voluntary liquidation procedures of the company.

3/5 Tihama Modern Bookstores

With the establishment of Tihama Modern Bookstores, its initial aim was to raise awareness and culture in the domestic market, 1976 saw the publication of the first-of-a kind book (Introduction to VIPs in KSA) in English. The publications continued and a distinguished series of books was published. The company sought to improve and upgrade its business and participated in various local and global exhibitions taking national books from the local to global level. Over time a change of reading habits and the latest online developments, has led to the decline in the demand of printed books meaning the publication and bookstores sector has faced significant challenges leading to rising losses. Board of

Directors Resolution No. (23) was issued on 04/09/1445 AH, corresponding to 14/03/2024 AD regarding the approval to start liquidation procedures of the company according to the Bankruptcy Law.

3/6 Tihama Commercial Investment Co.

Founded in 1999, based on Tihama's aim of investing in companies running the same business was to enhance profits through horizontal expansion and achieve the strategic policy to maintain a certain share of advertising spending budgets. It has over the years participated in incorporating many companies with the parent company. Board of Directors Resolution No. (23) was issued on 04/09/1445 AH, corresponding to 14/03/2024 AD regarding the approval to start voluntary liquidation procedures of the company.

3/7 Estidama Real Estate Co.

The Company was incorporated in 2010 for the purpose of developing and investing in real estate with a modern concept, noting that the company has not started any activity yet. Board of Directors Resolution No. (23) was issued on 04/09/1445 AH, corresponding to 14/03/2024 AD regarding the approval to start voluntary liquidation procedures of the company.

3/8 Fast Advertising Company

During the year 1440 AH, the company incorporated Fast Advertising SPC – a limited liability company %100 owned, with a capital of SAR 25,000, with the aim to support the Group's advertising business. The company has not started activities yet. Note that the company has not started any activity yet. Board of Directors Resolution No. (23) was issued on 04/09/1445 AH, corresponding to 14/03/2024 AD regarding the approval to start voluntary liquidation procedures of the company.

3/9 Aventus Global Trading

In July 2019, Tihama, through one of its subsidiaries, acquired the Aventus Global Trading Company, which has the franchise to use the trademark "WH Smith" in UAE.

On 9 May 2022, an agreement was signed between Aventus Global Trading Company (a subsidiary owned totally 100%) operating in the United Arab Emirates and Nextbite Trading Company in order to sell a group of assets and transfer obligations related to the commercial operations of Aventus Global Trading Company.

The transaction is relating to the transfer of assets and liabilities associated with the commercial operations of Aventus Global Trading, which operates in the retail sector in the United Arab Emirates and operates branches in Dubai, Abu Dhabi and Sharjah to sell books, stationery, magazines, newspapers, entertainment products, sweets and accessories.

On 4 October 2022, the necessary approvals were obtained from stakeholders and relevant bodies to complete the process of transferring franchise rights and leases. Accordingly, the subsidiary transferred the franchise agreement to use the trademark, in addition to the assets and obligations subject of the deal, including property and equipment for branches, projects under implementation, inventory and automated systems, future obligations for branch leasing contracts from the date of completion of the deal, dues of project contractors under implementation for branches, and dues of company employees. Board of Directors Resolution No. (23) was issued on 04/09/1445 AH, corresponding to 14/03/2024 AD regarding following up on the legal status and studying the legal procedures necessary to liquidate, write off or exit the company.

3/10 Imagination Weave Company for Audio and Visual Media Production

During the year ending on 31 March 2020 AD, the parent company participated in establishing Imagination Weaving Company for Audiovisual Media Production – a limited liability company with a capital of SAR100,000 – %50 owned.

Tihama has invested in a partnership with Myrkott Company to produce the movie Masameer, which had a great success and was at the top of the box office in cinemas at the time of its release. The investment is in line with Tihama's objectives of empowering national businesses. This work was %100 Saudi created in terms of production and content.

3/11 International Advertising Services Co (InterMarkets)

Established in 1981 in partnership with a Lebanese company specialized in advertising, under a license from the Foreign Investment Committee at the Ministry of Industry. Tihama owns %51 of the company's capital. Most of its customers reduced the amount of advertising spending, which affected the company's ability to continue trading.

The partners in the International Company for Advertising Services Ltd. – Intermarkets decided on 16 November 2011 to suspend the company's activity for a period of six months, subject to renewal, and not to do any new business during the period in order to avoid additional losses. Tihama inability to use its legal right to manage this company as a result of the company's cessation of activity since 16 November 2011 combined with the company's inability to obtain any financial data and information that would enable it to consolidate the company's results, together with the expiration of the commercial registry and the necessary licenses for the company to perform its work, has led to the parent company's loss of control over the investee company. Accordingly, the parent company decided to stop consolidating the financial statements of the International Advertising Services Company – Intermarkets within the Group's consolidated financial statements. During the fiscal year ended on 31 March 2022, the partners in the International Company for Advertising Services Limited – Intermarkets have issued resolutions to liquidate the company and appointed a liquidator to undertake the legal procedures in this regard.

3/12 Tihama New Media Company

During the year ended as of 31 March 2018, the company contributed to the establishment of Tihama New Media Company, which works in the field of digital advertising and marketing on behalf of others, with a capital of 100,000 Saudi riyals. During the year ended on 31 March 2021, the parent company acquired all of the partner's shares in Tihama New Media Company (an associate company), accordingly, the

parent company owns %100 of the company's capital and it became a subsidiary company as of 31 March 2021. For expanding in this field, Tihama is seeking to keep pace with the market requirements. Board of Directors Resolution No. (23) was issued on 04/09/1445 AH, corresponding to 14/03/2024 AD regarding the approval to start voluntary liquidation procedures of the company.

Associate Companies

Associate companies are companies that the group has significant influence over, but without control. Usually, this is accompanied by ownership of %20 or more of the voting rights.

3/13 Saudi Advertising Material Co. Ltd

The company started its activity since 1995 and Tihama owns %42.5 of the capital of the company, %42.5 by Kasab International company, and %15 by Sheikh Ibrahim bin Mohammed Al-Issa.

The partners of the Saudi Advertising Material Co. Ltd decided during the year ending on 31 March 2012 to begin its liquidation due to the company incurring operating losses for consecutive years and its inability to continue its activities. The legal procedures for this decision are pending as of 31 March 2023. Board of Directors Resolution No. (23) was issued on 04/09/1445 AH, corresponding to 14/03/2024 AD to initiate the necessary legal procedures against the partners.

3/14 United Advertising Company

The company was incorporated in 1976. Tihama Advertising holds %50 of the Company shares. On 30 June 2021, the Parent Company has agreed with WPP plc to the creation of a new company in KSA to be called ICG Saudi Arabia. WPP will own %70 of the new holding company and Tihama will own %30.

During the year ended on 31 March, 2023, the deadline for completing the legal transfer of ownership and all other required regulatory approvals was extended to 30 June 2023, with the structure of the agreement amended so that United Advertising Company becomes the new holding company. WPP Group will transfer some of its business operations to United Advertising Company and Tihama will assign 20% of its ownership in United Advertising Company to WPP Group, so that Tihama's ownership in United Advertising Company will become 30% after completion of all relevant formalities. Any financial impact resulting from the transaction will be recognized based on the assets and liabilities at that date upon completion. No potential impact can be reliably estimated at present.

The shareholders' agreement between WPP Limited and Tihama includes an unconditional and irrevocable option for WPP to require Tihama to transfer all of its shares (the "Call Option") at any time after the fifth year of completing the legal title transfer sand all other regulatory approvals to incorporate the new company.

The agreement also includes an unconditional and irrevocable option for Tihama to require WPP Limited to purchase all of its shares (the "Put Option") at any time after the fifth year of completing the legal title transfers and all other regulatory approvals to incorporate the new company.

The Call option or the Put option may be exercised at any time between January 1 and March 31 in any year after the fifth year after the completion of the transfers of legal title and all other regulatory approvals for incorporation of the new company (the "Option Execution Period"). Exercise of the Put or Call option is contingent upon WPP Limited or Tihama (as the case may be) giving written notice to the other party within the option window ("Notice of Exercise").

The Call option may only be exercised if the Put option has not been used and vice versa. Once notice of exercise has been given, it may not be rescinded without the written consent of the receiving party.

The consideration payable to Tihama for the Put or Call ("Option Consideration") is calculated as follows:

- A. In the case of a Call option, at the discretion of the Tihama, either on a multiple of sales revenue or a multiple of average profits (based on annual audited accounts), to be chosen at Tihama's discretion.
- B. In the case of a Put option, on a multiple of average profits based on annual audited accounts.

3/15 United Journalists Co Ltd

Tihama owns %50 of the capital. It has participated in this company since 1990 with the aim of obtaining the advertising franchise for "Kul Al Nas" magazine, whose editor-in-chief was Mr. Imad El Din Adeeb. The company's investment in United Journalists Co Ltd was recorded as zero as of 31 March 2023 and zero as of 31 March 2022, as the accumulated losses of this associate exceeded its capital and so the company does not intend to provide financial support to it in excess of its share in its capital, as it is a limited liability company. Accordingly, the parent company's share of the change in the associate's net assets for the two years ending 31 March 2023 and 2022 was not recorded. The last financial statements obtained for the company were on December 31, 2009. Board of Directors Resolution No. (23) was issued on 04/09/1445 AH, corresponding to 14/03/2024 AD regarding following up on the legal status and studying the legal procedures necessary to liquidate, write off or exit the company.

3/16 J Walter Thompson MENA EC

J. Walter Thompson Middle East and North Africa Company, which was incorporated in the Kingdom of Bahrain in 2000. Tihama's share at incorporation was %81, following Tihama's sale of a share representing %51 to J. Walter Thompson America.

Accordingly, Tihama's share became %30 in the company at that date.

This company represents one of the sources of good profits for Tihama because of its distinguished activity around MENA region. The company's offices are located in many countries with the aim of providing advertising services to international clients throughout the region.

On 30 June 2021, the Parent Company agreed with WPP plc to the merger of the J Walter Thompson MENA (an associate to Tihama) business with the Wunderman MENA business to create Wunderman Thompson MENA EC (a Bahraini based holding Group). The agreement will bring together the existing Wunderman and JWT operations across the MENA region to create Wunderman Thompson MENA. On completion of the transfer of legal ownerships and all other required regulatory approvals Tihama will hold %25 of WT MENA.

On 31 May 2023, the period for completing the legal transfer of ownership and all other required regulatory approvals was extended to 30 June 2023. Any financial impact resulting from the transaction will be recognised based on the assets and liabilities at that date upon completion. No potential impact can be reliably estimated at present.

Subsequent to the Financial Position Date and on 30 June 2024, the period for completion of the legal transfer of ownership and all other required regulatory approvals has been extended to 31 December 2024. Any financial impact resulting from the transaction will be recognised based on the assets and liabilities at that date upon completion. No potential impact can be reliably estimated at present.

During the year ended on 31 March 2023, J. Walter Thompson MENA (an associate) acquired non-controlling interests in a subsidiary of the associate. This transaction relates to the acquisition of an additional stake in a subsidiary of the associate without a change in control. Accordingly, the associate recorded it as an equity transaction, recognizing the increase in consideration over the carrying value of the non-controlling interests within equity.

During the year ended on 31 March 2023, the parent company's share of the change in net assets of J. Walter Thompson MENA (an associate) was adjusted as a result of the associate adjusting the opening balance of its accumulated profits as at 1 January 2020. Accordingly, the group's share of this adjustment amounting to SAR 1,879,942 was recognized by adjusting the opening balance of investments in associates using the equity method. The effect of this adjustment was recognized on the opening accumulated losses as at 31 March 2021.

3/17 Gulf Development Systems Company

The company became a partner through one of its subsidiaries (Tihama for Commercial Investment) in establishing Gulf Development Systems Company, and the partners therein are as follows: Tihama for Commercial Investment Company %30, Dar Al Mustawred (owned by the previous Chairman of the Board) %30, Zakha Contracting Corporation (owned by Dr. Abdulaziz Al-Muzaini, a previous director) %40. It has not carried out any activities nor achieved any revenues since its incorporation in 2010 to date. During the year ended on 31 March 2017, the company recorded impairment losses against the total value of the investment in the company

in the consolidated balance sheet, amounting to SAR 19,476,281. Board of Directors Resolution No. (23) was issued on 04/09/1445 AH, corresponding to 14/03/2024 AD to initiate the necessary legal procedures against the partners.

3/18 Tihama Global Dubai

In January 2014, Tihama transformed its branch in Dubai into a limited liability company registered in the United Arab Emirates under the name of the Tihama Global Free Zone Company. Tihama's share is currently %40. During the year ended on 31 March 2022, the Parent company filed a compensation claim against the former company director and partner in the associate company in the United Arab Emirates, and a final judgment was issued in favor of the company by the Dubai Courts of Appeal after the appeal and cassation filed by the former

director of the company were rejected. Accordingly, the judgment issued in favor of the company has become final and enforceable. Board of Directors Resolution No. (23) was issued on 04/09/1445 AH, corresponding to 14/03/2024 AD regarding following up on the legal status and studying the legal procedures necessary to liquidate, write off or exit the company.

3/19 Renewable Technology Co.

The company entered as a partner in establishing the Renewable Technology Company, and the partners therein are as follows: Tihama Advertising and Public Relations Company %30, Dar Al Mustawred (owned by the previous Chairman of the Board) %30, Zakha Contracting Corporation (owned by Dr. Abdulaziz Al-Muzaini, a previous director) %40. It has not carried out any activities nor achieved any revenues since its incorporation in 2010. During the year ended on 31 March 2017, the company recorded impairment losses to the value of the investment in the company in the group consolidated balance sheet, amounting to SAR 150,000. Board of Directors Resolution No. (23) was issued on 04/09/1445 AH, corresponding to 14/03/2024 AD to initiate the necessary legal procedures against the partners.

3/20 Qutrob Company for Production

During the year ended on 31 March 2022, the Group, through its subsidiary (the Integrated Production Company), contributed to the incorporation of Qutrob Audio-Visual Media Production Company with a capital of SAR 10,000. Subsequent to the date of the financial position and on 02 May 2023, Integrated Production Company for Audiovisual Media Production (a subsidiary) sold its stake in Qatrb for Audiovisual Media Production (an associate company) for 1.08 million riyals Saudi Riyals. As a result, the company achieved capital gains of 1.195 million Riyals.

The ownership position of subsidiary and associate companies can be summarized as follows:

.Sr	Company Name	Equity	Capital Saudi Riyals	Place of In- corporation	Principal place of business	Main activ- ity	Company position
1	Tihama Distribution Company	100%	3,500,000	Saudi Arabia	Saudi Arabia	Distribution	
2	Tihama Education Company	100%	200,000	Saudi Arabia	Saudi Arabia	Retail	
3	Integrated Production Company	70%	10,000	Saudi Arabia	Saudi Arabia	Production of Films and programs	
4	Tihama International .Advertising Co	100%	500,000	Saudi Arabia	Saudi Arabia	Advertising	Under liqui- dation
5	Tihama Modern Book-stores	100%	81,671,977	Saudi Arabia	Saudi Arabia	Publishing and Bookstores	Under liqui- dation
6	Tihama Commercial .Investment Co	100%	500,000	Saudi Arabia	Saudi Arabia	Commercial investment	Under liqui- dation
7	Estidama Real Estate Company	100%	500,000	Saudi Arabia	Saudi Arabia	Real Estate Investment	Under liqui- dation
8	Fast Advertising Com- pany	100%	25,000	Saudi Arabia	Saudi Arabia	Media and Advertising	Under liqui- dation
9	Aventus Global Trading	100%	616,409	United Arab Emirates	United Arab Emirates	Retail	
10	Imagination Weave Company for Audio and Visual Media Production	50%	100,000	Saudi Arabia	Saudi Arabia	Production of films	
11	International Advertis- ing Services Company ((unconsolidated	51%	1,000,000	Saudi Arabia	Saudi Arabia	Advertising	
12	Tihama New Media Company	100%	100,000	Saudi Arabia	Saudi Arabia	Media and research	Under liqui- dation
13	Saudi Advertising Mate- rial Co Ltd	43%	1,000,000	Saudi Arabia	Saudi Arabia	Media and Advertising	Taking legal action
14	United Journalists Co Ltd	50%	440	UK	Middle East	Publishing house	Taking legal action
15	United Advertising Company	50%	500,000	Saudi Arabia	Saudi Arabia	Media and Advertising	
16	J Walter Thompson Co. – MENA	30%	3,750,000	Kingdom of Bahrain	Middle East and North Af- (rica (MENA	Advertising and public relations	
17	Gulf Development Sys- tems Company	30%	500,000	Saudi Arabia	Saudi Arabia	Financial Solu- tions Technol- ogy	Taking legal action
18	Tihama Global Dubai	40%	51,000	United Arab Emirates	United Arab Emir- ates	Advertising and marketing	
19	Renewable Technology .Co	30%	500,000	Saudi Arabia	Saudi Arabia	Financial Solu- tions Technol- ogy	Taking legal action
20	Qutrob Company for Production	35%	10,000	Saudi Arabia	Saudi Arabia	Production of Films and programs	Shares have been sold

Second: Significant Events on Financial Outcome and Performance of the Company

1. Most significant achievements and decisions

- On 6 October 2022, the Parent Company submitted a request to open a financial restructuring procedure to the competent court, in accordance with the Parent Company's Board resolution on the same date.
- It should be noted that registering a request to open a financial restructuring procedure, as mentioned above, exempts the Company from applying the provisions of the Companies Law with regard to accumulated losses reaching more than 50% of the capital.
- On 7 December 2022, the Commercial Court in Riyadh issued a judgment accepting the Parent Company's request to open a financial restructuring procedure and appoint Mr. Osama Al Sudais as the Procedure Officeholder, and granting the Company (150) one hundred and fifty days from the date of opening the procedure to prepare a proposal to pay the creditors.
- Under the financial restructuring procedures, all claims against the Company are suspended for (150) one hundred and fifty days from the date of registering or opening the request to open the procedure, and the period of suspension of claims ends upon the expiry of the above-described period or before the court approves the proposal or terminates the procedure before being approved. Accordingly, all requests for execution and orders issued against the Company by its creditors have been lifted.
- On 2 April 2023, the Shareholders' Extraordinary General Assembly approved the recommendation of the Board of Directors of the Parent Company to increase the Company's capital by SAR 350 million through the issuance of preferred shares. On 4 May 2023, the subscription process and the sale of unsubscribed shares were completed for the full value of the increase approved by the Assembly until the full value of the new shares was paid in cash.
- On 14 June 2023, a decision was issued by the competent circuit of the Commercial Court approving the extension of the time limit for preparing a proposal to pay creditors in accordance with the financial restructuring procedures of the Parent Company for (150) days.
- On 13/07/2023, a judgment decree was issued extending the time limit for suspending claims by (180) days.
- On 26/09/2023, the Board of Directors adopted its resolution No. 125 approving the submission of a financial restructuring procedure proposal for the Procedure Officeholder and then submit it to the court.
- On 27/09/2023, the Financial Restructuring Procedure Officeholder submitted the Financial Restructuring Procedure Proposal to the Commercial Court in Riyadh.
- On 04/10/2023, the judgment decree approving the list of claims was issued.
- On 21/11/2023, the ruling instrument was issued accepting the submission of the proposal and setting a date for the creditors' vote.
- On 22/11/2023, the Commercial Court accepted the proposal's submission and set the date for the creditors' vote on 14/12/2023, and the Company set the date for the shareholders' vote on 14/12/2024.

- On 26/11/2023, the Company called the shareholders on attending the voting meeting on the financial restructuring procedure proposal.
- On 27/11/2023, Tihama Advertising, Public Relations and Marketing Company announced on the Tadawul website the date of the shareholders' electronic voting on the financial restructuring procedure proposal.
- On 19/12/2023, Tihama Advertising, Public Relations and Marketing Company announced on the Tadawul website the results of the shareholders' voting on the financial restructuring procedure proposal, where the attendance result was 33.23%, 99.40% agreed and 0.60% disagreed.
- On 10/01/2024, a judgment decree was issued rejecting the request to approve the proposal and terminating the financial restructuring procedure.
- On 14/01/2024, Tihama Advertising, Public Relations and Marketing Company announced on the Tadawul website the court judgment rejecting the request to approve the financial restructuring procedure proposal and terminating the financial restructuring procedure.
- On 15/01/2024, the Board of Directors adopted its resolution No. 14 approving the submission, to the Court of Appeal, of an object to the first instance judgment rejecting the approval of the proposal and terminating the financial restructuring procedure.
- On 16/01/2024, the Board of Directors decided to appeal the court judgment rejecting the request to approve the proposal and terminating the financial restructuring procedure.
- On 23/01/2024, the Board of Directors adopted its resolution No. 15 to cancel its previous resolution No. 14 and to agree not to submit an appeal to the Court of Appeal against the first instance judgment rejecting the approval of the proposal and terminating the financial restructuring procedure and accepting the content of the first instance judgment.
- On 24/01/2024, Tihama Advertising, Public Relations and Marketing Company announced on the Tadawul website the Board of Directors' resolution not to appeal the court judgment rejecting the request to approve the proposal and terminating the financial restructuring procedure.
- On 12/02/2024, the Board Member Mr. Sultan Naqli submitted solely an appeal against the Commercial Court's judgment rejecting the request to approve the proposal and terminating the procedure.
- On 06/03/2024, the Court of Appeal rejected the appeal request submitted against the judgment; thus the first instance judgment became final and the financial restructuring procedure was considered completed.
- After the completion of the financial restructuring procedure, the Company began paying its creditors directly, in compliance with its obligations.
- The Group continues to manage its business activities, supply chain and collection of receivables, and is working on restructuring some of its subsidiaries and continuing to expand its retail and production sector operations to increase revenues sufficiently to cover its expenses and achieve operating profits in the coming years. The Group expects an improvement in its business activities and revenue growth during the coming year, driven by the full operation of new branches in the retail sector, the development of distribution sector operations, and the austerity plans that have been initiated to reduce expenses and raise profit margins, especially in the production sector. In addition, the Group's ability to meet its obligations when due includes enhancing its results and cash flows and continuous improvements in its working capital.

- The Group's strategy, investment and business plans for the future years have been completed and prepared by an independent external consultant. These strategy and plans will focus on expanding the current main business sectors and divesting from loss-making companies. Part of this plan has been implemented by selling the assets and liabilities of the business operations to Aventus Global Trading Company - a subsidiary. Subsequent to the date of the financial position, the Group's investment in Qutrob Media Production Company, an associate company, was sold.
- The plan includes using part of the proceeds of the proposed capital increase to settle the liabilities owed by the Group Companies, especially those for which final judgments have been issued binding on the Group Companies to pay.
- During the fiscal year ending 31 March 2023, Tihama Education Company signed lease agreements for 14 retail units at airports managed by Cluster 2 Airports Company.
- Tihama will operate the 14 retail units under the WH Smith brand at airports managed by Cluster 2 Airports Company in the Kingdom of Saudi Arabia under three-year lease contracts.
- During the fiscal year ending 31 March 2023, Tihama Education Company signed an agreement to amend the lease contract for retail sites at King Khalid International Airport with Riyadh Airports Company.
- Under the agreement, the lease conditions of two current sites leased by Tihama Education Company at King Khalid International Airport in Riyadh will be amended, in addition to leasing a new retail site at the airport.
- The total number of sites leased and operated by Tihama Education Company (a subsidiary) at King Khalid International Airport has become 3 retail sites.
- Tihama operates these units at the airport under the exclusive franchise of the WH Smith brand. These units will serve passengers across the terminal, including departures and arrivals, serving domestic and international travelers.
- The opening of the new units will contribute to the development of the successful partnership between Tihama and WH Smith and expanding the scope of units operating under the WH Smith franchise, which also includes 6 retail units at King Abdulaziz International Airport in Jeddah and 3 units at King Khalid International Airport in Riyadh, in addition to 3 units in major hospitals in the cities of the Kingdom of Saudi Arabia. This will bring the total number of the Company's branches to 26 branches carrying the WH Smith brand.
- On 07/06/2023, the Board of Directors decided to initiate the legal procedures to terminate the CEO.
- On 08/06/2023, the Company received a letter from some shareholders who own 10% of the Company's capital requesting the dismissal of all Board Members.
- On 09/10/2023, the General Assembly refused to grant a license pursuant to Article (27/1 and 2) of the Statute to grant a license to a member of the Board of Directors and gave the Board Member a time limit for (60) days to abandon from work, contract or competition with the Integrated Production Company (a sister company) before the expiry of the specified period, or he

must resign from membership in the Board of Directors or his membership will be considered terminated according to the Statute. Thus, the Board Member abandoned the reasons before the expiry of the specified period.

- On 06/11/2023, the General Assembly appointed the Board of Directors from among the candidates to complete the current session from 14/10/2021 to 13/10/2024, which was held based on the request for dismissal submitted by some shareholders on 08/06/2024.
- On 28/01/2024, the Company received a letter from some shareholders who own 10% of the Company's capital requesting the dismissal of some Board Members.
- On 21/03/2024, the Board of Directors decided to take liquidation and voluntary liquidation procedures regarding companies that do not engage in activities.
- On a later date to the financial position on 06/05/2024, the Company signed an agreement with the Saudi Film Fund (in partnership with the Cultural Investment Fund) worth SAR 37,500 million in return for 10% of the Fund's capital. The Board of Directors had adopted its resolution to approve the investment on 05/05/2024.

Capital

- On 23 February 2022, the Extraordinary General Assembly, based on the recommendation of the Board of Directors in its meeting held on 7 February 2022, approved reducing the Company's capital by SAR 125,000,000 by canceling 12,500,000 shares in order to amortize part of the Company's accumulated losses amounting to SAR 125,000,000.
- In its meeting held on 7 February 2022, the Board of Directors issued a recommendation to the Shareholders' Extraordinary General Assembly to increase the Company's capital by SAR 350 million for the purpose of financing the Company's expansion plans and future investments, in addition to supporting working capital and paying financial obligations.
- On 5 October 2022, the Capital Market Authority approved the Company's request to increase capital by SAR 350 million through the issuance of preferred shares.
- About the financial restructuring procedure: It is one of the most prominent objectives set by the Saudi Bankruptcy Law and its executive regulations, which is to establish many bankruptcy procedures that work to achieve justice between the debtor and its creditors, by reaching an agreement with the creditors according to the procedure followed to settle such debts that are considered fixed financial obligations owed by the debtor resulting from engaging in commercial or professional activities or any activities aimed at achieving profit. The Bankruptcy Law is a lifeline for the bankrupt debtor or even the defaulter or who is expected to suffer from a disturbance in its financial position. This distinctive Saudi Law works to organize the debtor's financial position and enables it to resume its activity again and contribute to supporting and developing the Saudi Arabia's economy, in addition to taking

into account the creditors' rights fairly and ensuring fair treatment for them. As for the bankruptcy procedures addressed by the Saudi Bankruptcy Law, they are the preventive settlement procedure, the small debtors' preventive settlement procedure, the financial restructuring procedure, the small debtors' financial restructuring procedure, the liquidation procedure, as well as the small debtors' liquidation procedure, and administrative liquidation. Each of such important procedures has its own requirements, terms and conditions. The Company notes that it resorted to the financial restructuring procedure to protect the Company from dissolution according to the Law. After the Company was subjected to financial restructuring procedures in accordance with the Law, the Company stopped investing and expanding until the completion of the financial restructuring procedures, which exposed it to successive losses during such period.

- On 2 April 2023, the Shareholders' Extraordinary General Assembly approved the recommendation of the Board of Directors of the Parent Company to increase the Company's capital by SAR 350 million through the issuance of preferred shares. On 4 May 2023, the subscription process and the sale of unsubscribed shares were completed for the full value of the increase approved by the Assembly. The Company completed the legal procedures to amend the statute and the Commercial Register to reflect the new capital after the increase, amounting to SAR 400 million, divided into 40 million common shares, where the full value of the new shares was paid in cash.

2. Company's Business-Related Future Risks

- The company's activities are exposed to different risks. In the field of advertising and publicity, one of the rapidly changing markets in terms of changes and the appearance of modern advertising means, as well as how these methods are related to governmental bids which are subject to the laws of municipalities and secretariats, the risk of losing a bid is rather possible, whether due to strong competition, contracts' expiry, not offering it again by the secretariat, or increasing the cost of leasing contracts of advertising sites'.
- This is also the case in retail sector and competition in education sector, and the company monitors and assesses these risks handles it, based on an ongoing basis. Sometimes, it may refer to consulting firms in the field of risk management and assessment.
- Recurrent requests to dismiss some or all members of the Board of Directors led to delaying or suspending important procedures not requiring delay or suspension, which negatively affect the operations of the parent company and significantly affected the performance of the Board of Directors.

Consolidated financial statements were prepared on a going-concern basis, which assumes that the Group will be able to manage liquidity to ensure, as much as possible, that it has sufficient liquidity to pay its liabilities on the maturity dates thereof, under

ordinary and extraordinary circumstances. Whereas the Group:

- The Group accumulated losses reached 159.9 SR million, as of 31 March 2024, representing 39.98% of the Company's capital, as of 31 March 2024 (31 March 2023: 90.9 SR million, representing 181.8% of the capital (amended)).
 - The Group current assets exceeded its current liabilities by 167.6 SR million, as of 31 March 2024 (31 March 2023 The Group's current liabilities exceeded its current assets with an amount of 94.15 SR million (amended)).
 - As well, The Group has negative cash flows from operating activities reaching 32 SR million, as of 31 March 2024 (11.9 SR million, as of 31 March 2023 (amended)).
 - Thus, it exceeded the accumulated losses 35% of the Company capital, pursuant to the stipulation of Article 2 of Procedures & Instructions Regulation of the companies which the shares thereof are enlisted at the Market and which its accumulated losses reached 20% and above of its capital.
- a) The company has to instantly disclose to the public with no delay in a separate statement, when its accumulated losses reached 35% or more, and less than 50% of its capital, provided that the statement shall include the amount of accumulated losses and its percentage of capital, besides the main reasons that led to reaching these losses and the measures that the company will take in this regard, indicating in the statement that these procedures and instructions will be applied thereto, and if we commit to the disclosure required under this paragraph, along with the statement of the initial or annual financial results, the company will be exempted from disclosing in an independent statement, if it was included by it in the statement of the initial or annual financial results.
- b) The market shall add a sign opposite to the company name on the electronic market website indicating that the company accumulated losses reached 35% or more and less than 50% of its capital, immediately upon issuing the statement referred to in paragraph (a) of this article.
- c) Upon getting a report from the chartered accountant indicating its financial position, the company shall immediately disclose to the public with no delay in a separate statement, when its accumulated losses are reduced to less than 35% of its capital, provided that the statement shall include the measures taken by the company to modify or remedy its situation, and a report by the chartered accountant referred to in this paragraph shall be attached to the statement.
- d) The market shall remove the sign referred to in paragraph (b) of this article immediately after the company announces the remedy of its situation, pursuant to what is referred to in paragraph (c) of this article.
- e) When the company accumulated losses decrease to less than 35% and not less than 20% of its capital, Article (3) of these procedures and instructions shall be applicable to the company.

The procedures and instructions shall be applied on the companies which the shares thereof are enlisted on the Saudi Exchange and which the accumulated losses thereof reached 35% or more of its capital.

Also, the Board of Directors reviewed the strategic plans for next years, as well as comparing the estimated budget with the actual results for the current year. Within the ordinary activates, taking the following into consideration:

- a. The cash banking facilities of the group were settled.
- b. The current assets of the group exceeded its current liabilities, with an amount of 167.6 SR million, as of 31 March 2024 (31 March 2023). The current liabilities of the group exceeded its current assets, with an amount of 94.15 million SR (Amended).
- c. The current liabilities include Zakat allocation of approximately 21.7 SR million, a part of which is still finally undue by the Group, whereas till the date of approving these consolidated financial statements attached, no final decisions have been issued regarding it by the General Secretariat of Zakat, Tax and Customs Committees, before which the Company has objected to the amendments made by Zakat, Income and Customs Authority.
- d. Completing the process of increasing capital by 350 million SR on 02/04/2023.
- e. The plan of using the proceeds of the company capital increase of 350 million riyals includes using a part of the proceeds for paying current liabilities owed by the group, including liabilities for which final and binding court judgments were issued against the group companies.
- f. The Court of Appeal Judgment, dated 06/03/2024 of refusing the appeal and supporting the judgment of terminating the procedure of financial restructuring.
- g. Upon the aforementioned, and based on cash flow expectations and certain commercial initiatives such as forecasts of increased sales and reduced expenses for improving the profit margin and actual working capital improvements, as well as cost reduction initiatives, the group expects to pay its liabilities when due within the normal course of operation. Based on the factors aforementioned, the group has a reasonable expectation that it will be able to continue its business in the foreseeable future. Upon that, the consolidated financial statements attached were prepared on a going concern basis.

3. Company's performance summary, analysis and consolidated financial results

3.1 Financial Results:

Net loss for the year reached 47.68 million riyals, compared to a net loss of 61.65 million riyals (amended) in the previous year, equals a decrease in losses of 22.66%, and the loss per share attributed to the shareholders of the parent company reached 1.17 riyals, compared to a loss per share of 12.09 riyals (amended) in the previous year, with a decrease of 90.32%. Total profit from continuing operations reached 34.93 million riyals compared to a total profit from continuing operations of 31.64 million riyals for the previous year, with an increase of 10.40%, and the loss from continuing operations reached 47.12 million riyals, compared to a loss from continuing operations of 42.48 million riyals (amended) in the previous year, with an increase of 10.92%.

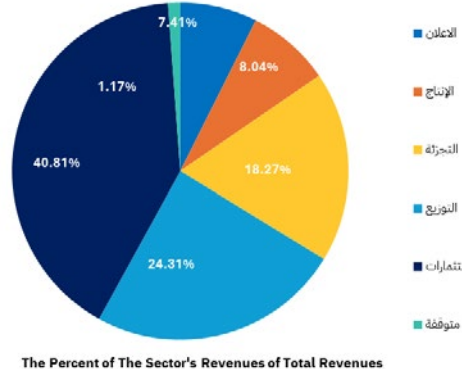
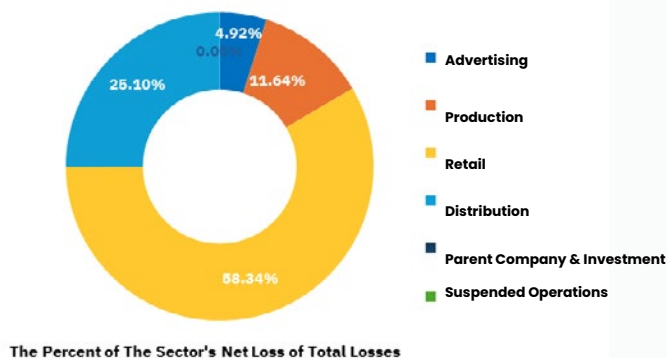
3.2 Impact of Main Activity on Business Results:

- **The Advertising Sector achieved revenues reached** 3.36 million riyals, compared

to revenues of 5.0 million riyals for the previous year, with a decrease of 32.8%, and achieved a net loss of 3.51 million riyals, compared to a net loss of 6.24 million riyals for the previous year (amended), representing a decrease of 43.8%.

- **The Production Sector achieved revenues reached** 7.93 million riyals, compared to 18.44 million riyals, during last year, with a decrease of 57%, the sector's net loss decreased from 3.81 million riyals, last year to 3.80 million riyals, with a decrease of 0.26%.
- **The Retail Sector achieved revenues reached** 39.73 million riyals, compared to 31.15 million riyals for the previous year, equals an increase of 27.5% more than the previous year, and the sector's net loss reached 8.66 million riyals, compared to a net loss for the previous year, with an amount of 8.30 million riyals (amended), with an increase of 4.34%.
- **The Distribution Sector achieved revenues reached** 17.09 million riyals compared to 27.20 million riyals in the previous year, a decrease of 37.17%, and the sector's net loss reached 11.52 million riyals compared to a net loss of 1.82 million riyals for the previous year, with an increase of 532.97%. The net loss of the parent company and the investments sector reached 19.63 million riyals, compared to a loss of 22.30 million riyals for the previous year, a decrease of 12%.

Sector	Revenues (In million)	Total (Loss) / (Profit) (In million)	(Net (Loss) / Profit (In million)
Advertising	3.36	0.14	-3.51
Production	7.93	2.56	-3.81
Retail	39.73	23.58	-8.66
Distribution	17.09	8.64	-11.52
Parent Company & Investment	-	-	-19.63
Suspended Operations	0	0	0.556-
Total	68.1	34.92	-47.679

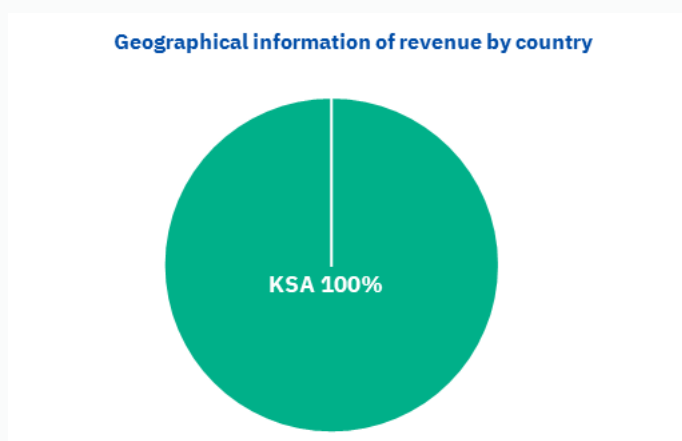


3.3 Distribution of Achieved Revenues:

A. Geographical Distribution by Country:

All of the Group revenues from continuing operations reached 68.105 million riyals were achieved inside the Kingdom of Saudi Arabia.

Percent	Amount (In million)	country
100%	68.105	KSA
100%	68.105	Total Revenues from continuing operations

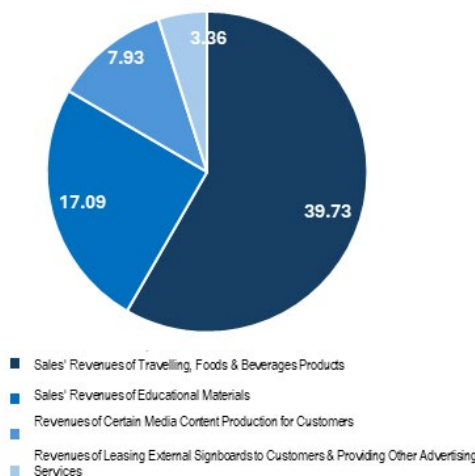


The revenues achieved by the affiliated companies inside the Kingdom (United Company for Advertising) reached 42.8 million riyals, and the company ownership in the affiliated company is 50%, and the affiliated companies outside the Kingdom are estimated with an amount of 354.9 million riyals, belonging to J. Walter Thompson MENA, in which the company owns a share equals 30%.

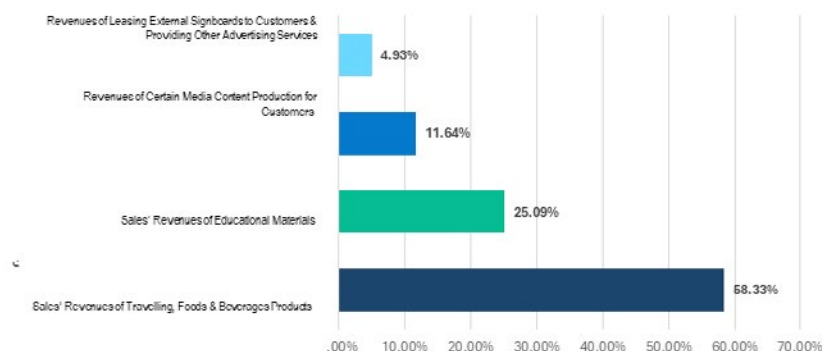
B) Distribution of Revenues by Product / Service Type:

Distribution of Revenue By Product / Service Type	Amount (In million SR)	Revenue Per- cent of Total Revenue
Sales' Revenues of Travelling, Foods & Beverages Products	39.73	85.33%
Sales' Revenues of Educational Materials	17.09	%25.09
Revenues of Certain Media Content Production for Customers	7.93	%11.64
Revenues of Leasing External Signboards to Customers & Providing Other Advertising Services	3.36	%4.93
Total Revenues of Contracts for Continuous Operations	68.11	%100

Distribution of Revenues From Customers by Product / Service Type - Amounts (In Millions)



Distribution of Revenues by product/service type



3.4 Financial Statements:

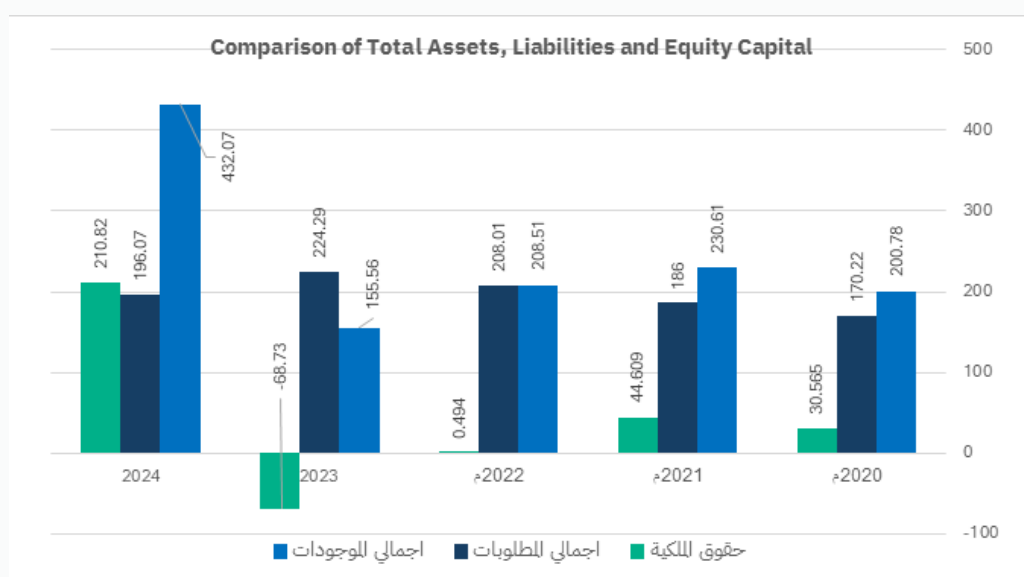
- Net loss during the twelve months reached 47.68 million riyals compared to a net loss of 61.65 million riyals (amended) for the same period of the previous year, with a decrease of 22.66%.
- Loss per share during the twelve months reached 1.17 riyals compared to a loss per share of 12.10 riyals (amended) for the same period of the previous year, with a decrease of 90.32%.
- Total profit during the twelve months reached 34.93 million riyals compared to a total profit of 31.64 million riyals for the same period of the previous year, with an increase of 10.41%.
- Operation loss during the twelve months reached -47.12 million riyals, compared to operation loss of -42.48 million riyals (amended), for the same period of the previous year, with an increase of 10.92%.

3.5 Statement of Financial Position:

Below is a summary of the financial position statement (for the last five years) in million,

as of 31 March of each year, taking into consideration the amendments to the statements of the financial period ending 31 March 2023:

Item	2024	2023	2022	2021	2020
Assets					
Circulated Assets	351.13	95.92	117.37	142.28	95.68
Non-Circulated Assets	76.58	59.63	91.14	88.32	105.10
Total Assets from Discontinuous Operations	4.36	0	0	0	0
Total Assets	432.07	155.56	208.51	230.61	200.78
Liabilities & Equities					
Circulated Liabilities	183.23	190.08	171.23	154.07	147.74
Non-Circulated Liabilities	12.54	34.22	36.78	31.93	22.48
Total Liabilities	196.07	224.29	208.01	186	170.22
Total Liabilities from Discontinuous Operations	25.18	0	0	0	0
Equities	210.82	-68.73	0.494	44.609	00.565
Total Liabilities & Equities	432.07	155.56	208.51	230.61	200.78



Profit and Loss Account:

Net loss reached SR 47.68 million, compared to a net loss of 61.65 SR million (amended) in the previous year, a decrease of 22.66%, and loss per share attributed to shareholders of the parent company reached SR 1.17, compared to a loss per share of 12.10 SR, (amended) in the previous year, with a decrease of 90.32%. Total profit from continuing operations reached 34.93 SR million, compared to a total profit from continuing operations of 31.64 million SR, for the previous year, with an increase of 10.41%, and loss from continuing operations reached 47.12 SR million, compared to a loss from continuous operations of 42.48 SR million, (amended) in the previous year, with an increase of 10.92%.

The decrease in losses this year compared to the same period of the previous year is primarily due to:

- The increase in gross profit is due to the company's adoption of policies that enhance gross profit. The

gross profit increase for the current year amounted to 3.3 million SAR compared to the same period of the previous year

- An increase in other revenues this year compared to the same period of the previous year by approximately 5.9 million SAR.
- An increase in the share of results from associate companies this year compared to the same period of the previous year by approximately 9.5 million SAR.
- A decrease in the allowance for doubtful accounts this year compared to the same period of the previous year by approximately 4.0 million SAR.
- Referring to the company's board of directors' decision regarding the disposal of inactive companies, the loss from discontinued operations for the current year decreased by 0.556 million SAR compared to the same period of the previous year, which was a decrease of 19.2 million SAR

The reason for the losses incurred this year compared to the same period of the previous year is primarily due to:

- The reason for the losses incurred this year compared to the same period of the previous year is primarily due to:
- The company established a provision for slow-moving inventory during the current year amounting to approximately 12.2 million SAR
- An allowance for zakat of 10.5 million SAR was established this year, including an amount of 1.9 million SAR for rate linkage and 0.324 million SAR for adjustment of previous years' allowances based on the zakat expert's report.
- Increased selling and marketing expenses this year compared to the same period of the previous year by 4.5 million SAR.
- Increased expenses for asset usage rights this year by 2.6 million SAR compared to the same period of the previous year, and increased advertising and commission expenses this year by 2.3 million SAR compared to the same period of the previous year.
- Increased general and administrative expenses this year by 17.9 million SAR compared to the same period of the previous year.
- During the current year, an additional allowance for slow-moving inventory of 12.2 million SAR was established, which is an increase of 6.7 million SAR compared to the same period of the previous year. Employee salaries and benefits expenses increased this year by 3.9 million SAR compared to the same period of the previous year due to the settlement of some executive management's entitlements. Legal, consulting, and professional expenses increased by 8.3 million SAR this year, including expenses related to financial restructuring. Legal claim loss expenses increased by 2.0 million SAR this year compared to the same period of the previous year.

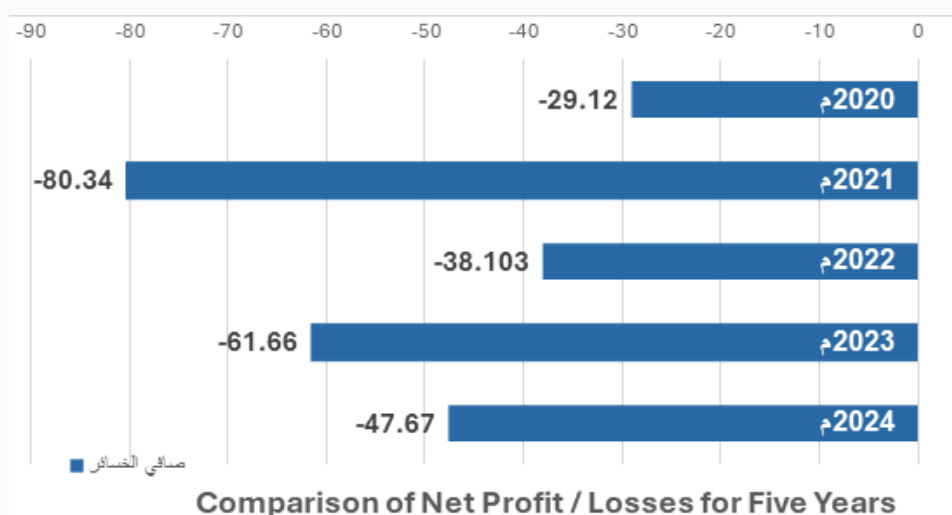
The Group financial results for the year ended on 31 March 2024 were affected by a number of items that led to an increase in losses for the year as follows:

1. Registering a provision for slow-moving inventory of approximately 12.212 SR million.
2. Registering losses from cases, reaching 2.542 SR million.
3. Registering financial restructuring expenses of approximately 1.251 SR million.
4. Registering Zakat provision of approximately 10.52 million riyals, during the current year.

The impact of these items aggregately on the consolidated statement of profit or loss of the fiscal year ending on 31 March 2023 is approximately 26.52 million SR.

Herein below is a summary of the statement of profit and loss (for the past five years), as of 31 March (In million), taking into consideration the amendments made to the financial statements for the period ending on 31 March 2023

Item	2024	2023	2022	2021	2020
Revenue	68.11	81.82	76.384	73.25	96.81
Other revenues	8.88	2.96	8.211	6.07	9.72
Company's share of profits of associate companies	15.69	6.16	8.109	-6.51	7.04
Cost and expenses	-129.28	-128.08	124.56-	- 143.07	-140.56
Net (loss) / profit before Zakat	-36.6	-37.136	-31.853	-70.26	-26.99
Zakat	-10.52	-5.354	-0.347	-10.08	-2.13
Stopped operations	-0.55	-19.17	-5.903	-	-
Net profit / (loss)	-47.67	-61.66	-38.103	-80.34	-29.12



Comparison of the profit and loss statement for the last three years, ending in 31 March (in millions), taking into consideration the amendments to the statements for the financial period, ending on 31 March 2023 and 31 March 2022.

Item	March 2024 31	March 2023 31 Amended	March 2022 31 Amended
Revenues from continuous operations	68.105	81.825	76.384
Revenues Costs	-33.175	-50.188	-61.152
Gross profit	34.93	31.637	15.232
Expenses Operations			
Sale and Marketing Expenses	-40.396	-35.926	-31.098
General and Administrative Expenses	-52.467	-34.558	-27.994
Losses of decrease of (Net) Trade Receivables & other (Net) debit balances	-1.253	-5.298	-0.999
Other (Net) debit balances	8.88	2.963	8.211
for Operation loss from continuous operations the year	-50.3	-41.182	-36.648
(Revenues / Expenses Non-Operation)			
Financing Costs	-1.98	-2.105	-3.314

Share from Activities' Results of Associate Companies	15.69	6.162	8.109
The Year's Loss from continuous operations	-36.6	-37.125	-31.853
Zakat	-10.5	-5.354	-0.347
The Year's Net Loss from continuous operations	-47.11	-42.479	-32.2
Suspended Operations			
The Year's Profit / (Loss) from Suspended Operations	-0.556	-19.173	-5.903
The Year's Net Loss	-47.67	-61.652	-38.103

3.7 Statement of Shareholders' Equity:

Below is a statement of shareholders' equity (in millions), as of 31 March 2024, taking into consideration the amendments made to the financial statements, as of 31 March 2023 and 31 March 2022.

Shareholders' Equity	March 31 2024	March 2023 31 Amended	March 2022 31 Amended
Capital	400	50	50
Accrued Losses	-159.93	-90.93	-30.54
Employee's Benefits' Measurement Reserve	-2.66	-2.065	-1.91
Other Reserves	-22.65	-22.695	-15.17
Total Equities of Shareholders in the company	214.76	-65.69	2.38
Uncontrolled Equities	-3.938	-3.04	-1.89
Total Equities	210.822	-68.73	0.49

3.8 Payments to Governmental bodies:

Below is a statement of the amounts due to government bodies/authorities and the amounts paid to those bodies/authorities, during the year ending on 31 March 2024: (in millions)

Item	Balance as of March 31, 2023	Due during the period	Reclassification of discontinued operations	Adjustments during the year	Paid during the period	Balance as of March 31, 2024
Zakat, Income and Customs Authority	36.61	10.52	-23.258	-0.0004	-2.174	21.6976
The General Organization for Social Insurance	0.909	1.942	0	.	-1.798	1.054
Other government secretariats and agencies	36.46	1.129	0	3.454	-0.375	40.671
Total due to government agencies	73.979	13.591	-23.258	3.4536	-4.347	63.42

3.9 Accounting Standards

The consolidated financial statements were prepared according to the International Financial Reporting Standards (IFRS) approved by the Saudi Organization for Certified Public Accountants (SOCPA) and applicable in the Kingdom of Saudi Arabia, as well as other standards and interpretations approved by the Saudi Organization for Certified Public Accountants (SOCPA).

3.10 Suspended Operations

- On 09 May 2022, an agreement was signed between Aventus Global Trading (100%-owned subsidiary operating in the United Arab Emirates) and Next Byte Trading Company for selling a group of assets and transferring liabilities related to the commercial operations of Aventus Global Trading Company. The transaction represents transferring assets and liabilities related to the commercial operations of Aventus Global Trading Company, operating in the retail sector in United Arab Emirates.
- On 04 October 2022, the necessary approvals from stakeholders and relevant authorities were completely procured for completing the process of transferring franchise rights and lease contracts. Accordingly, the subsidiary transferred the franchise agreement to use the trademark, in addition to the assets and liabilities subject to the transaction, including properties and equipment of the branches and projects under execution, inventory and automated systems, besides future liabilities related to branch lease contracts from the date of completion of the transaction and the dues of contractors of projects under execution for the branches, and the dues of the company's employees.
- The total fair value of the compensation for the transaction reached 4,637,726 riyals, of which 2,451,226 riyals were received and the balance 2,186,500 riyals was included in the item of trade receivables and other debit net balances, according to the sale agreement, the balance purchase amount shall be paid in two installments. The Group established and registered a net profit of 1,484,557 SR, on the transaction in the consolidated statement of profit or loss for the year ended 31 March 2023.
- On 2 May 2023, Integrated Production Company for Audiovisual Media Production (a subsidiary company) sold its share in Qutrob Audiovisual Media Production Company (an associate company). The total fair value of the compensation for the transaction reached 1,195,000 SR, of which 219,500 SR was received and the balance 975,500 SR was included in the item of trade receivables and other debit net balance. According to the sale agreement, the balance purchase amount shall be paid in installments, and the net book value of the shares in the associate company, as of the buying-out date reached SR 116,572. The Group profit from suspended operations resulting from the buying-out of the share in the net assets of the associate reached 1.078.428 SR.
- During the fiscal year ending on 31 March 2003, the parent company established Tihama Holding Company for Commercial Investment (limited liability companies), and commercial registers were issued for it, but it has not engaged in any business activities, since it was established. During the year ending on 31 March 2011, the parent company established Estdama International Real Estate Company and Tihama International Advertising Company (limited liability companies), and commercial registers were issued for both companies, but they were not engaged in any commercial activities since their establishment. During the same year, the company established Tihama Modern Libraries Company and transferred the assets and liabilities of its libraries department to that company, as of 03 November 2010.

- During the year ending on 31 March 2019, the parent company established Fast Advertising Company, (100%-owned limited-liability company), with a capital of 25,000 riyals, whereas that the company has not started practicing its activity till the date of preparing the consolidated financial statements.
- During the year ending on 31 March 2021, the parent company through acquiring all shares of the partner in Tihama New Media Company (an associate company), the parent company's ownership became 100% of the company's capital and it became a subsidiary as of 31 March 2021. The impact of eliminating the associate company with an amount of 139,084 riyals was established directly in the consolidated statement of profit or loss for the fiscal year ending on 31 March 2021. On 14 March 2024, the company's board of directors decided to start liquidation procedures for the companies not practicing activities and to incur the group annual losses. The decision includes the voluntary liquidation of Tihama Holding Company for Commercial Investment, Estidama Real Estate Company, Fast Advertising Company, Tihama New Media Company, and Tihama International Advertising Company, as well as the decision of starting liquidation process under the bankruptcy law for Tihama Modern Bookstores Company. They were classified in the financial statements as suspended operations.
- **The consolidation of the financial statements of these companies was stopped and they were classified as discontinued operations.**
- ✓ **The table below shows the results of discontinued operations as of 31 March 2024:**

	Aventus Global Trading	Qutrob Company for Production	Tihama Modern Bookstores	Fast Advertising Company	Estidama Real Estate Co	Tihama Holding for Commercial Investment	Tihama International Advertising Co	Tihama New Media Company	Total
General and administrative expenses	(205,722)	-	(2,079,218)	(65,755)	(142,512)	(71,168)	(144,376)	(1,272,537)	(3,981,288)
Other revenues	106,337	-	3,523,314	-	2,725	2,725	83,207	250	3,718,558
Financing costs	(4,515)	-	(16,894)	-	-	-	-	(45)	(21,454)
Zakat expense	-	-	(1,319,266)	-	(1,451)	-	(9,056)	-	(1,329,773)
Net loss for the period	(103,900)		107,936	(65,755)	(141,238)	(68,443)	(70,225)	(1,272,332)	(1,613,957)
Share of operating revenues	-	(20,932)	-	-	-	-	-	-	(20,932)
Loss from operations	(103,900)	(20,932)	107,936	(65,755)	(141,238)	(68,443)	(70,225)	(1,272,332)	(1,634,889)
Profit from suspended operations	-	1,078,428	-	-	-	-	-	-	1,078,428
Loss from discontinued operations	(103,900)	1,057,496	107,936	(65,755)	(141,238)	(68,443)	(70,225)	(1,272,332)	(556,461)

- ✓ **The table below provides information on the assets and liabilities of discontinued operations as of 31 March 2023:**

	Aventus Global Trading	Qutrob Company for Production	Tihama Modern Bookstores	Fast Advertising Company	Estidama Real Estate Co	Tihama Holding for Commercial Investment	Tihama International Advertising Co	Tihama New Media Company	Total
Revenue	11,702,822	-	25,381	-	-	-	-	-	11,728,203

Cost of sales	(5,671,038)	-	(25,695)	-	-	-	-	-	(5,696,733)
Sale and marketing expenses	(6,798,483)	-	(566,112)	-	-	-	-	-	(7,364,595)
General and administrative expenses	-	-	(17,290,275)	(83,888)	(32,318)	(38,810)	(32,812)	(33,629)	(17,511,732)
Other revenues	2,710,778	-	-	-	-	-	-	11,000	2,721,778
Financing costs	(531,605)	-	-	-	-	-	-	-	(531,605)
Zakat expense	-	-	(2,503,561)	-	(3,170)	(75)	(9,873)	(2,623)	(2,519,302)
Loss from discontinued operations	1,412,474	-	(20,360,262)	(83,888)	(35,488)	(38,885)	(42,685)	(25,252)	(19,173,986)
Loss from operations	1,412,474	-	(20,360,262)	(83,888)	(35,488)	(38,885)	(42,685)	(25,252)	(19,173,986)
Loss from discontinued operations	1,412,474	-	(20,360,262)	(83,888)	(35,488)	(38,885)	(42,685)	(25,252)	(19,173,986)

✓ The following table presents information on the assets and liabilities of discontinued operations as of March 31, 2023:

	Aventus Global Trading	Qutrob Company for Production	Tihama Modern Bookstores	Fast Advertising Company	Estidama Real Estate Co	Tihama Holding for Commercial Investment	Tihama International Advertising Co	Tihama New Media Company	Total	Reconciliation and exclusions	Total
Assets	4,733,915	137,503	4,531,830	265,458	158,013	-	492,500	-	10,319,219	(3,544,326)	6,774,893
Liabilities	18,450,702	-	44,773,515	534,349	36,223	47,809	435,051	1,064,276	65,341,925	(37,618,160)	27,723,765

✓ The following table presents information on the assets and liabilities of discontinued operations as of March 31, 2024:

	Aventus Global Trading	Qutrob Company for Production	Tihama Modern Bookstores	Fast Advertising Company	Estidama Real Estate Co	Tihama Holding for Commercial Investment	Tihama International Advertising Co	Tihama New Media Company	Total	Reconciliation and exclusions	Total
Assets	4,102,403	-	2,354,295	265,558	88,378	-	-	-	6,810,634	(2,451,882)	4,358,752
Liabilities	17,923,088	-	42,398,747	600,205	107,826	116,252	12,777	2,336,633	63,495,528	(38,317,741)	25,177,787

3.11 Previous Years' Adjustments and Comparative Figures

a. During the previous financial years, a subsidiary recorded other revenues from rental privileges for real estate lease contracts, taking into account that they were related to conditional rental privileges and since these privileges are potential in nature and the conditions for obtaining these privileges were not fulfilled, therefore they did not meet the conditions required for their registration.

b. The group revoked the registration of other revenues from rental privileges and

amended the opening balance of short-term lease obligations as of 31 March 2023. The effect of this amendment was established on the opening accumulated losses balance as of 31 March 2023, with the amendment of comparative information for the consolidated statement of financial position as of 31 March 2024 and 31 March 2023, and the consolidated statement of profit or loss and statement of cash flows for the comparative financial period ended on 31 March 2023.

- c. During the previous years, a subsidiary company charged the depreciation of right-of-use assets in a manner that was not complying with the requirements of International Financial Reporting Standard IFRS 16. The Group corrected the expense registration and amended the opening balance of right-of-use assets as of 31 March 2024. The impact of this amendment was established in the opening accumulated losses balance as of 31 March 2023, with the amendment of comparative information for the consolidated statement of financial position as of 31 March 2024 and 31 March 2023, and the consolidated statement of profit or loss and statement of cash flows for the comparative financial period ended on 31 March 2023.
- d. Some comparative figures for the previous year were reclassified to be consistent with the presentation of the current year and according to the requirements of International Financial Reporting Standard No. (5) Non-current Assets for Sale and Discontinued Operations (Explanation 30).
- e. Correction of an error in the amendments related to the exclusion of joint ownership profits in consolidation during previous financial years, and the effect of this amendment was established in the opening accumulated losses balance as of 31 March 2023 and 2022, along with the amendment of comparative information for the consolidated statement of financial position as of 31 March 2024 and 31 March 2023.
- f. The lease liabilities were received for invoices were reclassified to trade payables and the opening balance of short-term lease liabilities and payables was amended as of 31 March 2023.
- g. The total cash flows from operating, investing and financing activities were not affected by these amendments and reclassifications. The impacts of the amendments in the statement of cash flows are primarily in the adjustments to non-cash items and changes in working capital within cash flows from operating activities, therefore these are not disclosed separately.
- h. Correcting the failure to register goods in transit for a subsidiary which were received during the year.
- i. Reclassifying distributions due from other credit balances to be in a separate line in the financial statement.
- j. Reclassifying amounts of discontinued operations, as explained in Explanation (31), according to the requirements of IFRS 5 for comparative figures of the statement of profit and loss.

Impact on the consolidated statement of financial position as at 01 April 2022 as a result of the above amendments:

	April 01, 2022 before adjustment	Impact of Adjustment	Reclassification	April 1, 2022 AD after adjustment and reclassification
Assets				
Non-current assets				
Property and equipment, net	12,657,283	-	-	12,657,283
Right to use assets, net	40,579,838	(383,749)	-	40,196,089
Investments in associates using the equity method	34,912,054	-	-	34,912,054
Financial assets at fair value through other comprehensive income	428,363	-	-	428,363
Trade and other receivables, net	-	-	-	-
Intangible assets, net	135,002	-	-	135,002
Real estate investments at cost, net	2,809,227	-	-	2,809,227
Total non-current assets	91,521,767	(383,749)	-	91,138,018
Current Assets				
Stock, net	45,485,087	-	-	45,485,087
Trade and other receivables, net	36,296,463	-	-	36,296,463
Due from related parties	1,016,976	-	-	1,016,976
Short term investment	-	-	-	-
Cash and cash equivalents	34,570,382	-	-	34,570,382
Total current assets	117,368,908	-	-	117,368,908
Total assets	208,890,675	(383,749)	-	208,506,926
Equity and liabilities				
Equity				
Capital	50,000,000	-	-	50,000,000
Accumulated losses	(26,546,570)	(3,989,433)	-	(30,536,003)
Reserve for measurement of defined benefit liabilities	(1,911,687)	-	-	(1,911,687)
Other reserves	(15,168,117)	-	-	(15,168,117)
Equity attributable to shareholders of the parent company	6,373,626	(3,989,433)	-	2,384,193
Non-controlling equity	(1,890,013)	-	-	(1,890,013)
Total Equity	4,483,613	(3,989,433)	-	494,180
Non-current Liabilities				
Non-current portion of lease liabilities	30,603,321	-	-	30,603,321
Non-current portion of long-term loans	38,458	-	-	38,458
Defined employee benefit liabilities	6,140,345	-	-	6,140,345
Total non-current Liabilities	36,782,124	-	-	36,782,124
Current Liabilities				
Trade and other credit balances	93,084,730	2,637,694	(8,808,754)	86,913,670
Due to a related party	4,385,179	-	-	4,385,179

Current portion of lease liabilities	19,870,896	967,990	-	20,838,886
Short term loans	20,222,331	-	-	20,222,331
Current portion of long-term loans	155,980	-	-	155,980
Creditor Dividends	-	-	8,808,754	8,808,754
Zakat due	29,905,822	-	-	29,905,822
Total current Liabilities	167,624,938	3,605,684	-	171,230,622
Total Equity and liabilities	208,890,675	(383,749)	-	208,506,926

Impact on the consolidated statement of financial position as at 31 March 2023 as a result of the above adjustments:

	March 31, 2023 before amendment	Impact of Adjustment	Reclassifications operations	March 31, 2023 after adjustment and reclassification
Assets				
Non-current assets				
Property and equipment, net	5,388,150	-	-	5,388,150
Right to use assets, net	30,814,983	(662,581)	-	30,152,402
Investments in associates using the equity method	22,970,062	-	-	22,970,062
Trade and other receivables, net	990,210	-	-	990,210
Intangible assets, net	135,002	-	-	135,002
Total non-current assets	60,298,407	(662,581)	-	59,635,826
Current Assets				
Stock, net	30,255,601	7,715,787	-	37,971,388
Trade and other receivables, net	27,814,049	-	-	27,814,049
Due from related parties	141,473	-	-	141,473
Cash and cash equivalents	29,997,918	-	-	29,997,918
Total current assets	88,209,041	7,715,787	-	95,924,828
Total assets	148,507,448	(7,053,206)	-	155,560,654
Equity and liabilities				
Equity				
Capital	50,000,000	-	-	50,000,000
Accumulated losses	(82,798,638)	(8,131,530)	-	(90,930,168)
Reserve for measurement of de-fined benefit liabilities	(2,065,629)	-	-	(2,065,629)
Other reserves	(22,695,163)	-	-	(22,695,163)
Equity attributable to share-holders of the parent company	(57,559,430)	(8,131,530)	-	(65,690,960)
Non-controlling equity	(3,043,024)	-	-	(3,043,024)
Total Equity	(60,602,454)	(8,131,530)	-	(68,733,984)

Non-current Liabilities

Long term lease liabilities	29,162,506	-	-	29,162,506
Defined employee benefit liabilities	5,056,817	-	-	5,056,817
Total non-current Liabilities	34,219,323	-	-	34,219,323

Current Liabilities

Trade and other credit balances	104,362,923	10,353,480	1,022,487	113,693,916
Current portion of long-term lease obligations	13,165,564	4,831,256	(7,786,268)	10,210,552
Short term loans	20,751,481	-	-	20,751,481
Creditor Dividends	-	-	8,808,755	8,808,755
Zakat due	36,610,611	-	-	36,610,611
Total current Liabilities	174,890,579	15,184,736	-	190,075,315
Total Equity and liabilities	148,507,448	7,053,206	-	155,560,654

Impact on the consolidated statement of profit or loss for the year ended March 31, 2023 as a result of the above reclassifications:

	March 31, 2023 before amend- ment	Reclassifica- tions resulting from discontin- ued operations (Note 30)	Impact of Ad- justment	March 31, 2023 after adjust- ment and re- classification
Revenue from continuing operations	81,850,682	(25,381)	-	81,825,301
Cost of revenue	(50,213,845)	25,695	-	(50,188,150)
Gross profit	31,636,837	314	-	31,637,151
:Operating expenses				
Sale and marketing expenses	(36,213,662)	566,112	(278,831)	(35,926,381)
General and administrative expenses	(52,080,183)	17,521,517	-	(34,558,666)
Net impairment of trade and other receivables	(5,288,322)	(9,775)	-	(5,298,097)
Other income, net	6,837,828	(11,000)	(3,863,266)	2,963,562
Operating loss from continuing operations for the year	(55,107,502)	18,067,168	(4,142,097)	(41,182,431)
:Expenses) / Non-operating revenues)				
Financing costs	(2,105,420)	-	-	(2,105,420)
Share of results of associates	6,162,374	-	-	6,162,374
Loss for the year from continuing operations before Zakat	(51,050,548)	18,067,168	(4,142,097)	(37,125,477)
Zakat	(7,873,500)	2,519,302	-	(5,354,198)
Net loss for the year from continuing operations	(58,924,048)	20,586,470	(4,142,097)	(42,479,675)
Discontinued operations				
Profit/(loss) for the year from discontinued operations	1,412,484	(20,586,470)	-	(19,173,986)
Net loss for the year	(57,511,564)	-	(4,142,097)	(61,653,661)

:Net loss for the year attributable to

Shareholders of the parent company	(56,354,216)	-	-	(60,496,313)
Non-controlling equity	(1,157,348)	-	-	(1,157,348)
	(57,511,564)	-	-	(61,653,661)
:Basic and diluted loss per share	-	-		-
Basic and diluted operating loss per share from continuing operations for the year	(11.02)	2.78		(8.24)
Basic and diluted loss per share from net loss for the year from continuing operations	(11.78)	3.28		(8.50)
Basic and diluted loss per share of net loss for the year attributable to equity holders of the parent company	(11.27)	(0.83)		(12.10)

Impact on the consolidated statement of cash flows for the year ended March 31, 2023 as a result of the above reclassifications:

	March 31, 2023 before amendment	Reclassifications resulting from discontinued operations (Note 30)	Impact of Adjustment	March 31, 2023 after adjustment and reclassification
Cash flows from operating activities				
Loss for the year from continuing operations before Zakat	(51,050,548)	18,067,168	(4,142,097)	(37,125,477)
Net profit/(loss) for the year from discontinued operations before Zakat	1,412,484	(18,067,168)	-	(16,654,684)
Adjustments to non-cash items	-	-	-	-
Depreciation of property and equipment	2,805,487	-	-	2,805,487
Gain) / loss on disposal of property and equipment	(307,612)	-	-	(307,612)
Right-of-use asset depreciation	10,964,625	-	278,831	11,243,456
Rental Franchise	(3,863,266)	-	3,863,266	-
Profits from termination and transfer of leases	(834,435)	-	-	(834,435)
Real estate investment depreciation	78,957	-	-	78,957
Real estate investment exclusion profits	(1,508,977)	-	-	(1,508,977)
Share of results of operations of associates using the equity method	(6,162,374)	-	-	(6,162,374)
Impairment of Inventory	22,580,110	-	-	22,580,110
Impairment of trade and other receivables	5,298,097	-	-	5,298,097
Reversal of impairment of trade and other receivables	(9,775)	-	-	(9,775)
Write-off of accounts receivable and other receivable balances	278,788	-	-	278,788
Net profits on disposal of discontinued operations	(1,484,557)	-	-	(1,484,557)
Provision for employee benefit liability	1,288,998	-	-	1,288,998
Financing Cost	2,637,025	-	-	2,637,025

	(17,876,973)	-	-	(17,876,973)
Net cash flows used in operating activities	(11,863,502)	-	-	(11,863,502)
Net cash flows from investing activities	14,241,567	-	-	14,241,567
Net cash flows used in financing activities	(6,950,529)	-	-	(6,950,529)
Net change in cash and cash equivalents	(4,572,464)	-	-	(4,572,464)
Cash and cash equivalents at the beginning of the year	34,570,382			34,570,382
Cash and cash equivalents at the end of the year	29,997,918			29,997,918

3.12 Subsequent Material Events

- Subsequent to the date of the financial position on 02 May 2024, the nomination period was opened for membership of the Board of Directors for four vacant seats for completing the current session that commenced on 14/10/2021 and ends on 13/10/2024.
- Subsequent to the financial position, dated 06/05/2024, the company signed an agreement with the Saudi Film Fund (in partnership with the Cultural Investment Fund) worth 37.500 million riyals for 10% of the fund capital. The Board of Directors decided to approve the investment on 05/05/2024.
- Subsequent to the financial position, Dated 30 June 2024, regarding concluding an agreement by Tihama Advertising, Public Relations and Marketing Company with WPP Group for establishing a new company in the Kingdom of Saudi Arabia in the name of ICG Saudi Arabia, the period for completing transferring legal ownership and all other required regulatory approvals were extended and the extension period will end on 31 December 2024. Any financial impact resulting from the transaction will be registered upon completion, based on the assets and liabilities on that date, any potential impact cannot be reliably estimated at present.

Thirdly: Zakat Status:

- Zakat due on the parent company and its subsidiaries was calculated pursuant to the regulations issued by Zakat, Tax and Customs Authority in the Kingdom of Saudi Arabia.
- The Parent Company
- The parent company received the amended zakat assessments from the Authority for the years ending on 31 March 2015 until 31 March 2020, and the company registered an additional zakat obligation against the differences in the amended assessments.
- A decision was issued by the Appeal Committee for Tax Violations and Disputes for refusing the appeal sued by the company for the years ending on 31 March 2016 till 2019, thus the decision became enforceable against the company.
- During the fiscal year ending on 31 March 2024, the parent company received the amended zakat assessments from Zakat, Income and Customs Authority for the years ending on 31 March 2021 and 31 March 2022. The company registered an additional zakat liability for the differences in the revised assessments in the amount of 1,942,812 riyals. During a period subsequent to the date of the financial statements, the company submitted an objection to those assessments, and then the company submitted a request for accounting, based on the new regulations of Zakat, Income and Customs Authority for those years. Zakat, Income and Customs Authority agreed to reexamine those years, based on the new regulations, but

it did not conduct the examination until the date of preparing those financial statements.

- Essential subsidiaries subject to the regulations issued by Zakat, Income and Customs Authority

Modern Tihama Bookstores Company

- The company received zakat assessments from Zakat, Income and Customs Authority for the years ending on 31 December 2011 until 31 December 2021. The company registered an additional zakat liability for the differences in the amended assessments.
- During the fiscal year ending on 31 March 2024, a decision was issued by the Appeal Committee for Tax Violations and Disputes to partially accept the company's appeal regarding the amended assessments for the years ending on 31 December 2011, 2016 and 2019. The Zakat, Income and Customs Authority amended those zakat assessments.
- During the year ending on 31 March 2023, Zakat, Tax and Customs Authority issued amended assessments for the fiscal years ending December 31, 2020 and 2021, including an additional Zakat obligation. The company recorded a Zakat provision for the full value of the differences based on the amended assessment. The company filed an objection with the Authority on its report regarding the amended assessment. The Authority accepted the re-examination of Zakat for the fiscal year ending 31 December 2020. No decision was issued regarding the company's objection to the amended assessment for the fiscal year ending 31 December 2021 till the date of approving these attached condensed consolidated provisional financial statements.
- Tihama Distribution Company.
- The company submitted its Zakat returns up to the year ending 31 December 2023 to Zakat, Tax and Customs Authority and paid Zakat due, based on its Zakat declaration.
- During the fiscal year ending on 31 March 2022, Tihama Distribution Company received the amended Zakat assessment from the Zakat, Tax and Customs Authority for the years ending on 31 December 2015 till 2017. The total value of the differences, based on the amended assessments reached 921,895 riyals, representing a corresponding Zakat liability. During the fiscal year ending on 31 March 2023, a decision was issued by the Appeal Committee for Tax Violations and Disputes for refusing the appeal submitted by the company. Therefore, the amounts became payable by the company.
- During the fiscal year ending on 31 March 2023, Tihama Distribution Company received the amended Zakat assessment from Zakat, Tax and Customs Authority for the year ending on 31 December 2019, and a corresponding Zakat liability became due.

Tihama Education Company

- The company submitted zakat declaration for the years since its establishment till 31 December 2023 and paid zakat dues, based on zakat declaration submitted by the company. The company received zakat certificate for the fiscal year ending 31 December 2023. Zakat, Income and Customs Authority did not issue any amended assessments on the company till the date of approving the attached consolidated financial statements.
- Integrated Production Company for Audiovisual Media Production
- The company submitted zakat declaration for the years since its establishment till 31 December 2023 and paid zakat dues, based on zakat declaration submitted by the company. The company received zakat certificates for these years. Zakat, Income and Customs Authority did not issue any amended assessments on the company till the date of approving the attached consolidated financial statements.

- The movement of Zakat allocation of the year is as follows:

	- March 31, 2024	- March 31, 2024
- Balance as of March 31, 2023	- 36,610,611	- 29,905,822
- Reclassification of discontinued operations	- -23,258,417	- -
- Component during the year of ongoing operations	- 10,519,296	- 5,354,198
- Component during the year from discontinued operations	- -	- 2,519,302
- Adjustments	- -4,270	- -
- Paid during the year	- -2,174,179	- -1,168,711
- Balance as of the end of the year	- 21,693,041	- 36,610,611

Fourthly: Loans

- The Group has cash and non-cash credit facilities with local banks in riyals. These facilities were obtained for the purpose of restructuring the financial obligations of the parent company and providing non-cash facilities to issue guarantees. These facilities incur financing fees pursuant to the relevant agreements and these agreements are subject to the terms and conditions of bank facilities applicable to all types of facilities provided by banks to their customers. The agreements are secured against promissory notes and assets registered as guarantees.
- During the year ending on 31 March 2022, the parent company signed a non-cash bank facilities agreement with Riyadh Bank for three years, with the amount of 591,000 riyals to issue guarantees and documentary credits. During the fiscal year ending on 31 March 2024, it was agreed with Riyadh Bank to revoke the non-cash facilities agreement, with the company providing a cash coverage margin to the bank for the full value of the existing guarantees balance equals 591,160 riyals, as of 31 March 2024 (as of 31 March 2023 : 591,160 riyals).
- During the year ending on 31 March 2023, the bank facilities obtained by the company from the National Commercial Bank of Saudi Arabia were due for a total value of 20,751,481 riyals, and the company paid the value of the due facility.
- Contingent liabilities and assets mortgaged as guarantees and insurance

The guarantees provided by the company, pursuant to the facilities agreement with the National Commercial Bank of Saudi Arabia are as follows:

- A promissory note, with a value of 22,000,000 riyals.
- Cash coverage of 20,751,481 SR in the company's account with the National Commercial Bank (Explanation 12).

The guarantees provided by the company under the agreement with Riyadh Bank are as follows:

- Cash coverage of SR 591,000.
- The table below summarizes the guarantees and assets mortgaged or registered as guarantees against the above facilities:

	Promissory notes	Cash and cash equivalents	Accounts re- ceivable and other receivable balances
As of March 31, 2023			
Saudi National Bank facility	22,000,000	20,751,481	-
Riyad Bank facility	591,000	-	88,704
Total	22,591,000	20,751,481	88,704
As of March 31, 2024			
Saudi National Bank facility	22,000,000	20,751,481	-
Riyad Bank facility	-	-	591,000
Total	22,000,000	20,751,481	591,000

Other Conditions:

The Company maintains with the National Commercial Bank an amount of 20,751,481 riyals, as of 31 March 2024 (as of 31 March 2023: 20,751,481 riyals) registered within cash with local and international banks and financial institutions and restricted from disposal thereof, under the facilities agreement with the bank. On a subsequent date, on 02 April 2024, the amount was released and the facilities agreement was revoked.

Below is a statement of the movement on cash loans during the year:

	March 31, 2024	March 31, 2024
Balance as of March 31, 2023	20,751,481	20,416,769
Proceeds from loans during the year	-	-
Loan payments during the year	(20,751,481)	(194,438)
Finance costs due during the year	-	835,711
Financing costs paid during the year	-	(306,561)
Balance as of the end of the year	-	20,751,481

Non-cash facilities for issuing letters of guarantee:

	March 31, 2024	March 31, 2024
Non-cash facility from Riyad Bank	-	591,160
Total non-cash facilities	-	591,160

- On a subsequent date for the financial position for the financial period ending on 31 March 2024, the company paid the facilities amount to the National Bank equals an amount of 20,751,481 riyals.

Fifthly: Commitments, Liabilities and Contingent Assets

Contingent Commitments

Letters of Guarantee

- Contingent commitments consist of letters of guarantee, based on the group, as of 31 March 2024 and 31 March 2023, as follows:

	March 2024 31	March 2023 31
* Letters of Guarantee	11,073,071	11,517,685

- Cash security for letters of guarantee as of 31 March 2024 equals an amount of 11,073,071 riyals, included in trade and other debit balances – (Explanation 11/5) (31 March 2023 in the amount of 11,517,685 riyals).

Potential Liabilities:

Potential Legal Claims

- There are some cases sued against the parent company and some of the group subsidiaries, during the normal course of business and are currently being heard and pleaded:
- There is a case sued by one of the secretariats against the company claiming paying an amount of 1,449,000 riyals for the cost of removing signs, and a preliminary judgment was issued obliging the company to pay the claim amount and an objection was submitted against the judgment.
- There is a case sued by a service supplier, claiming paying an amount of 565.584 riyals for a service provision agreement, and no decision was issued in the case until the date of approval of the consolidated financial statements.
- There is a labor case sued against the company claiming due salaries, end-of-service benefits for an employee and compensation, the total value of the claim is 1,138.125 riyals, as there is a corresponding liability of 511.363 riyals, and a preliminary judgment was issued with the amount of 607,567 riyals, and an objection was submitted against the judgment.

Potential assets:

Substantial Cases sued by The Parent Company

- During the year ending 31 March 2022, the company sued a case before the General Secretariat of Securities Disputes Resolution Committees regarding the company's private right against some members of the previous board of directors that managed the company during the period from 26 September 2009 to 25 September 2015. During the period ending 31 December 2023, the Securities Disputes Appeal Committee issued a decision of accepting the company's appeal against the Secretariat's decision for refusing all requests and referring the case to Securities Disputes Resolution Committee.
- No potential assets were registered in the attached consolidated initial financial statements for the cases sued by the company aforementioned, due to the lack of a practical and reliable means to estimate the financial impact that may result from that.

Sixthly: Social Responsibility

Through extensive participation in covering awareness, national and social campaigns, the company continues to being involved in social responsibility by providing free banner advertisements.

As well, the company continues to provide free banners for educational and social events, as Tihama views the concept of social responsibility a real investment in society and not merely a charitable work limited to support and financial donations provided by some companies.

Tihama was one of the first companies to contribute to promoting science and knowledge in Saudi society, through Tihama bookstores all over the regions of the Kingdom of Saudi Arabia. Tihama was also one of the first companies to print and publish thousands of intellectual and literary books by Saudi writers, thus contributing to enhancing and promoting the level of cultural awareness in Saudi society. It is worth noting that one of the important works of the Integrated Production Company for the production of visual and audio media is the documentary film HORIZON about wildlife in the Kingdom of Saudi Arabia.

Employees and Training

- The company has completed the policies and procedures guidebook for each business sector, which includes a description of rights, duties and tasks of the employee towards the company to ensure the utmost effectiveness of performance.
- The company has maintained Saudi employees as much as possible within its employee rehabilitation program, which confirms that it is keen on retaining national competencies and involve them in the production process.
- The company emphasizes its keenness to localize its jobs and its commitment to support ambitious Saudi youth.

General Assemblies of Shareholders:

Member's Name	Extraordinary ,General Assembly Dated 04/02/ 2023	Ordinary ,General Assembly Dated 23/08/2023	Ordinary ,General Assembly Dated 09/10/2023	Ordinary ,General Assembly Dated 05/11/2023
Mr./ Mr. Sultan Salah al-Din Abdulatheem	Attended	Attended	Attended	Attended
Mr. Ibrahim bin Mohammed Al-Shabib	Attended	Attended	Attended	Attended
Eng./ Sari bin Ibrahim Al-Mayouf	Attended	Not Attended	Not Attended	Not Attended
Salman Mohammed / .Mr Nasser Al-Asmari	Attended	Attended	Attended	Attended
Mr./ Abdulaziz bin Njib Bin Abdulaziz Alsuwalim	Attended	Attended	Attended	Attended
Dr./ AlMutasmbilla Bin Zaki Bin Mohammed Abdul-jawad Allam	Attended	Attended	Attended	Not Attended
Mr./ Reda bin Mohammed Al-Haidar	Not Attended	Not Attended	Not Attended	Not Attended

During the fiscal year ending on 31 March 2024, the following Shareholders' General Assembly meetings were held:

Firstly : The term of the Board of Directors, which ended on 05/11/2023

Secondly : The term of the Board of Directors, which started on 05/11/2023

Number of Shareholders' General Assembly was held from 06/11/2023 until 31/03/2024.

The number of company requests for shareholder register, the dates of those requests and its reasons:

NO.	Date	Reason
1	4/2/2023	General Assembly
2	4/6/2023	Other
3	4/30/2023	Company Procedures
4	5/9/2023	Company Procedures
5	5/15/2023	Company Procedures
6	6/12/2023	Company Procedures
7	7/24/2023	General Assembly
8	8/13/2023	Company Procedures
9	8/22/2023	Company Procedures
10	10/8/2023	General Assembly
11	11/1/2023	Company Procedures
12	11/4/2023	General Assembly
13	12/13/2023	Other
14	12/17/2023	Other
15	1/22/2024	General Assembly
16	2/1/2024	Company Procedures
17	2/7/2024	Company Procedures
18	2/15/2024	Company Procedures

19	2/15/2024	General Assembly
20	3/10/2024	Company Procedures
21	3/11/2024	Company Procedures

Eighthly: The Company Governance Regulations.

The company is guided by the provisions of the new governance regulations issued by the Capital Market Authority and pursuant to the company's articles of association, the companies' system, as well as the procedures that ensure the company's commitment to laws and regulations and compliance with the requirements of disclosing material information and the conflict of interest law in the board of directors and company employees, besides the policy of regulating the relationship with shareholders and the mechanism for resolving disputes with them.

The company, pursuant to the company governance regulations & new companies' law, has:

-
- Audit Committee's mission regulations.
- Nominations and Remuneration Committee's mission regulations.
- Code of Conduct.
- Conflict of Interest Policies.
- Confidentiality Policy.
- Risk Management Policy.
- Disclosure and Transparency Policy.
- Shareholders' Relations Policy.
- Confidentiality Declaration.
- Declaration of Conflict of Interest Policy.
- Declaration of Shareholders and Stakeholders Rights.
- Board Membership Policy and Standards.
- Board of Directors Succession Policy.
- Executive Management Succession Policy.

1) Communication with Shareholders

Tihama Company pays a great attention to implementing the Company Governance Regulations in a way that enhances its relationship with shareholders and stakeholders and in accordance with the principle of disclosure and transparency, whereas it notifies them of its performance and activities during the year as per the quarterly report and the annual Board of Directors report, as well as continuously notifying them of any important developments that may occur and that may have an impact via Tadawul website and other means of communication, such as the company's website, having an email specified for effective communication with shareholders through the Shareholder Relations Department. investor-relations@tihama.com and Tel. No.: 0112079767

The company articles of association guarantee the general rights of shareholders, including all rights related to shares, including the right to dispose of shares, the right to obtain a share of the profits to be distributed, the right to hold a share of the company assets upon liquidation, the right to attend shareholders' assemblies and to vote on its

decisions, the right to monitor the work of the Board of Directors, as well as the right to inquire and request information, with no prejudice to the company's interests or with no violation of the Capital Market Law and executive regulations thereof. The company has established a shareholder relations unit with a main objective to ensure that the company implements mechanisms and requirements for communication with shareholders.

2) Dividend Distribution Policy.

Pursuant to Article (71) of the company's Articles of Association, the company's annual net profits are distributed as follows:

1. (10%) of the net profits shall be allocated to form the company's statutory reserve. The Ordinary General Assembly may decide to suspend this reserve when the mentioned reserve reaches (30%) of the paid-up capital.
2. The Ordinary General Assembly may decide to form other reserves, for the company's interest or in a way that ensures the distribution of fixed profits as much as possible among shareholders. The aforementioned assembly may also deduct amounts from the net profits to establish social institutions for the company's employees or to assist such institutions existed.
3. The Ordinary General Assembly may decide to distribute from the balance among shareholders a percent equals (5%) of the company's paid-up capital.
4. The Ordinary General Assembly, pursuant to the provisions stipulated in the Articles of Association and Article (76) of Companies Law, may allocate beside the above a percent of (10%) of the balance to reward the Board of Directors, provided that the right to this reward is proportional according to the number of sessions attended by the member.

3) Board of Directors and its membership classification.

The company board of directors consists of (7) members appointed by the general assembly of shareholders for a period not exceeding three (3) years. The company board of directors was elected by the general assembly of shareholders held on 03/10/2021 for the new session, which starts on 14/10/2021 and ends on 13/10/2024. The members of the board of directors were dismissed by the general assembly of shareholders on 11/05/2023, and new members were elected to complete the current session of the board, which ends on 13/10/2024.

Independent Member: A non-executive board member who has a complete independence in his position and decisions, and none of independence obstacles stipulated under governance regulations issued by Capital Market Authority shall be applicable to him. Tihama requires the independent member to meet the following conditions of independence:

- 1) The independent board member must be able to exercise his duties, express his opinions and vote on decisions objectively and impartially, in a way that helps the board of directors to make sound decisions that contribute to achieving the highest interests of the company.
- 2) The board of directors must conduct an annual assessment for achieving member's independence and ensuring that there are no relationships or circumstances that affect or could affect him.
- 3) Tihama requires the availability of independence conditions required for an independent board member, including but not limited to, the following:-

- a. He must not hold five percent or more of the company's shares or the shares of another company in its group or have a relation with someone who holds more than this percentage.
- b. Not to be a representative of a legal person who holds five percent or more of the company's shares or the shares of another company in its group.
- c. Not to be related to any of the members of the board of directors in the company or in another company in its group.
- d. Not to be related to any of the senior executives in the company or in another company in its group.
- e. Not to be a member of the board of directors in another company in the group of the company nominated for membership in its board of directors.
- f. Not to work or have worked as an employee during the past two years for the company or any party dealing with it or another company in its group such as auditors and major suppliers, or to own controlling shares in any of those parties during the last two years.
- g. Not to have a direct or indirect interest in the activity and contracts concluded on behalf of the company.
- h. Not to receive any financial amounts from the company in addition to the bonus for membership of the Board of Directors or any of its committees exceeding 200 Thousand SR or 50% of his bonus in the previous year that he received for membership of the Board of Directors or any of its committees, whichever is less.
- i. Not to participate in a work that would compete with the company, or to trade in one of the branches of activity executed by the company.
- j. Not to have spent more than nine consecutive or separate years as a member of the Board of Directors of the company.

Executive Member : A full-time member of the Board of Directors in the executive management of the company and participates in its daily work.

Non-Executive Member : A member of the Board of Directors who shall not work as a full time for managing the company and shall not participate in its daily work.

Duties of The Board of Directors:

Pursuant to the powers assigned to the General Assembly, the main tasks of the Board are focused on developing strategic directions and objectives, setting and supervising internal control laws and regulations, approving main budgets, financial policies, and the policies that regulate the relationship with stakeholders for the interests of the company and its investors, as well as a number of other tasks under the company's articles of association. Hereinafter are the names of the Council members and their membership classification:

Members of the Board of Directors:

First: Board of Directors for the period from 01/04/2023 until 05/11/2023

	Member Name	Position	Membership Classification	Membership in the boards of directors of other joint stock companies during the fiscal year	Qualifications and Experience
1	Mr. Sultan Salah al-Din Abdulatheem	Chairman	Independent		Working in the banking sector, especially at Samba Financial Group for 10 years, during which he graduated in many leadership positions, he has a full knowledge of marketing and advertising through his participation in the establishment of OneUp Advertising Agency and was leading the development and marketing department in it, until he resigned from it in 2020 and devoted himself to family business, Mr. Sultan holds a Bachelor's degree from King Abdulaziz University in Jeddah in Business Administration
2	Mr. Ibrahim Mohammed Ibrahim Al-Shabib	Vice Chairman	Non-executive		He holds a BA and MA in Media and Public Relations with honors from King Saud University. He has many portfolios in various fields including environmental project management, client management, programme management, supervising the establishment, management and development of companies, environmental communications, quality management systems, environmental management, financial management and logistics. Further, he is a member of the Saudi Association for Media and Communication
3	Eng/ Sari bin Ibrahim Al-Mayouf	BOD Member	Independent		Member of the Board of Directors of MOTABAQAH, Al-Masader Al-Dualiyah for Environment & Quality Systems, and Saudi Private Laboratories Company. He held the position of Wealth Manager at Middle East Financial Investment Company (MEFIC) from 2007 to 2013, Corporate Financial Relations Manager at ING London from 2008 to 2009, and Engineering Consultant at ICP Riyadh from 2004 to 2007 He holds a BA in Electrical Engineering in 2004 from the University of Southern California in the United States of America
4	Mr. Salman bin Mohammed Bin Nasser Al-Asmari	BOD Member	Non-executive		He holds a Bachelor's degree in Information Management Systems (Management Information Systems) from King Fahd University of Petroleum and Minerals and has over 10 years of experience in the banking and finance industry. His career has been punctuated with knowledge and experience enrichment. Mr. Salman has been involved in many successful ventures during his career in the banking, telecommunications, e-commerce, real estate investment and financial industries and has been the CEO of Adeem Capital since 2012
5	Mr. Abdulaziz bin Njib Bin Abdulaziz Alsu- **walim	Board Member - Managing Director	Executive		Board member of Integrated Production Company and has worked in executive management in advertising and production for more than 10 years, Executive Producer since 2007, completed a filmmaking course in Los Angeles, obtained a BA from Imam Muhammad University in Media and Marketing Communication, and an MBA from Bays Business School and has worked with major clients from brands and government sectors
6	Dr. AlMutasm-billa Bin Zaki Allam	BOD Member	Independent	Board Member in Tabuk Agricultural Development Company	He holds a PhD in Banking and Finance from Bangor University, Wales, UK and is an Adjunct Professor at the Institute of Islamic Economics, in addition to his membership on the Board of Directors, he is the Chairman of the Audit Committee at Tihama
7	Mr. Reda bin Mohammed *Al-Haidar	BOD Member	Independent		He holds a BA in Multimedia Design and Development from American University, a Master of Public Administration from Harvard Kennedy School, and a Master of Arts in Communication, Culture and Technology from Georgetown University. He previously worked at the Saudi Capital Market Authority, the Saudi Arabian General Investment Authority and other governmental bodies. He has served as a senior executive and board member of a number of companies operating in the advertising and marketing industry in Saudi Arabia and abroad. Until recently, he served as Chairman of the General Authority for Audiovisual Media

* On 29/05/2023, the Board of Directors resolved to appoint Mr. Reda Mohammed Al-Haidar as an independent member to the vacant position of the Board of Directors.

** On 06/06/2023, Engineer Sari Ibrahim AlMaayouf resigned from the Board of Directors.

*** On 23/08/2023, the Ordinary General Assembly rejected the appointment of Mr. Reda Mohammed Al-Haidar to the Board of Directors.

Second: Board of Directors for the period from 05/5/2023 to 31/03/2024:

	Member Name	Position	Member-ship Clas-sification	Member-ship in the boards of directors of other joint stock companies during the fiscal year	Qualifications and Experience
1	Mr. Ibrahim Moham-med Ibrahim Al- **Shabib	Chairman	Non-exec-utive		He holds a BA and MA in Media and Public Rela-tions with honors from King Saud University. He has many portfolios in various fields including environ-mental project management, client management, programme management, supervising the estab-lishment, management and development of com-panies, environmental communications, quality management systems, environmental manage-ment, financial management and logistics. Further, he is a member of the Saudi Association for Media and Communication
2	Eng. Hatem Ali Taleb *Barjash	Vice Chair- man of the Board of Directors - Chairman of the Audit Committee	Indepen- dent	Board - Member and Chair- man of the Nomina- tions and Remunera- tion Com- mittee at Afaq Food Company .Ltd Board - Member of Arab Insurance Company	Eng. Hatem holds a Bachelor's degree in Telecom-munications Engineering from King Saud University and has worked in several investment companies and management structuring companies with expertise in investments, corporate structuring and corporate governance. He was the CEO of Al Nasr Club Company, a former board member of Lumi Car Rental, a former board member of Watani-ya Insurance Company, and the Director of the Department of Educational Technologies at King .Saud University
3	Mr. Sultan Salah al-Din **Abdulatheem	Board Member - Chairman of Nomina- tions and Remunera- tion Com- mittee	Indepen- dent		Working in the banking sector, especially at Sam-ba Financial Group for 10 years, during which he graduated in many leadership positions, he has a full knowledge of marketing and advertising through his participation in the establishment of OneUp Advertising Agency and was leading the development and marketing department in it, until he resigned from it in 2020 and devoted himself to family business, Mr. Sultan holds a Bachelor's degree from King Abdulaziz University in Jeddah in .Business Administration
	Mr. Sultan Abdul Latif Naqli	BOD Mem- ber	Non-exec-utive	Member - of the Board of Directors, member of the Audit Committee and Chair- man of the Nomination Committee at Ladun In- .vestments	Mr Sultan holds a Bachelor's degree in Business Administration and a Master's degree in Finance from King Saud University. He is the Founder and Partner of Ahdaf Al Mustaqbal for Financial and Strategic Consultancy and has held several lead-ership positions including CEO of SICO Capital, Deputy CEO of Atqan Capital, CEO of Investment Asset Management at Albilad Capital and Head of .Cash and Fixed Income Markets at BSF Capital

3	Mr. Abdulkarim Mazy	BOD Member	Non-executive		Mr, Adel holds a degree in Industrial and Systems Engineering from King Fahd University of Petroleum and Minerals and served as the Chief Commercial Officer of AHOY Technology and has multiple experiences in the latest infrastructure, technology and artificial intelligence applications. He also held the position of Executive Director of Sales and Business Development at Jarir Marketing Company and has experience in the traditional and modern retail sector, especially modern bookstores, and is currently working as a business and management consultant at AHOY Technology Company.
4	Dr. Anan Muhammad ****Al-Subaihin	BOD Member	Independent		Dr. Anan holds a PhD and Master's degree in Management Information Systems from Brunel University in England and a Bachelor's degree in English Language and Literature from Imam Muhammad Bin Saud Islamic University. Dr Anan has served as Business Development Manager at Insurance House and then as Operations Manager at Insurance House, and is currently Director of Operations Management at Insurance House and a consultant at the Opinion Polling Centre.
5	Mr. Abdulaziz bin Njib Bin Abdulaziz Alsulaim	Board Member - Managing Director, and the CEO	Executive		Board member of Integrated Production Company and has worked in executive management in advertising and production for more than 10 years, Executive Producer since 2007, completed a filmmaking course in Los Angeles, obtained a BA from Imam Muhammad University in Media and Marketing Communication, and an MBA from Bays Business School and has worked with major clients from brands and government sectors.

* On 05/05/2024, the Chairman of the Audit Committee, Eng. Hatem Ali Barjash, resigned from the committee while retaining his membership in the Board of Directors.

** On 05/05/2024, Mr. Ibrahim Al-Shabib stepped down as Chairman of the Board of Directors and Engineer Hatem Barjash was appointed as Chairman of the Board of Directors.

** On 06/05/2024, Mr. Ibrahim Al-Shabib and Mr. Sultan Abdulazim resigned from the Board of Directors.

*** On 07/05/2024, Mr Abdulaziz Najeeb Al-Suwailem resigned from the Board of Directors and will continue as Chief Executive Officer.

**** On 09/05/2024, Ms. Anan Al-Subaihin resigned from the membership of the Board of Directors.

4. Executive Management

#	Name	Position	Experience and Qualifications
1	Abdulaziz bin Njib Bin Abdulaziz ***Alsuwalim	CEO	Board member of Integrated Production Company and has worked in executive management in advertising and production for more than 10 years, Executive Producer since 2007, completed a filmmaking course in Los Angeles, obtained a BA from Imam Muhammad University in Media and Marketing Communication, and an MBA from Bays Business School and has worked with major clients from .brands and government sectors
2	Udoy Chatterjee	Vice President (Finance, Administration, Human Resources, Information Technology)	He holds a BA and MA in Media and Public Relations with honors from King Saud University. He has many portfolios in various fields including environmental project management, client management, programme management, supervising the establishment, management and development of companies, environmental communications, quality management systems, environmental management, financial management and logistics. Further, he is a member of the Saudi Association for Media and Communication
3	James Grahame Murray	Senior Executive Vice President	Graham has held senior finance and operational positions internationally within a number of leadership groups including Pearson and Time Warner, as well as working for private equity-owned companies in the Middle East. He is the founder of a new free school in London, Fulham School for Boys. Qualifications: BA Economics, University of Leeds. Chartered Accountant (ICAEW)
4	Ayman Mohammed Suleiman	Finance Manager	Ayman has 22 years of work experience and started his career in 2000 at Deloitte (Egypt and Kuwait) as an external auditor and worked there until 2005. In 2005 he joined Investment House Company (Kuwait) as Assistant Director of Internal Audit .and became Senior Financial Controller in 2008 Academic Qualifications: BA from the Faculty of Commerce and Business Administration, Cairo University, Egypt and Certified Internal Auditor (CIA)
5	Mazen Mohamed * Al Asmari	CEO	Mazen began his working career in Public Relations at the Royal Court before joining Standard Chartered Bank as Head of HR and PR. He headed up HR and Government Relations in international engineering consultancy groups before .joining Tihama Mazen Joined Tihama on 2015 and the last position held before being appointed .was Executive Vice President
6	Abdelkarim bin Ibrahim Al-Mayouf	General Supervisor of International Partnerships in the Media Sector	He holds a Bachelor's degree with honours in Electrical Engineering and a Master's degree in Engineering Management from the University of Southern California. He held several positions at Bina Puri Saudi Arabia Limited, Riyadh, including Business Development Manager and Board Member .Previously, he was a member of the Board of Directors of Bank Aljazira He served as a member of the Board of Directors of Tihama Advertising, Public Relations and Marketing Holding Company for the period from 14/10/2025 to .13/10/2021 He served as the Managing Director of Tihama Advertising, Public Relations and .Marketing Company from 12/08/2015 to 13/10/2021

* On 07-06-2023, the Board of Directors approved the initiation of the statutory procedures to terminate the services of Mr. Mazen Mohammed Al Asmari, Chief Executive Officer.

** On 31-03-2024, the contractual relationship with the Director of Finance, Mr. Ayman Suleiman, ended by mutual agreement.

* On 07/05/2024, Mr Abdulaziz Najeeb Al-Suwailem resigned from the Board of Directors and will continue as Chief Executive Officer.

5. Board Meeting Attendance Record

First: Board of Directors for the period from 01/04/2023 until 05/11/2023

The Company's Board of Directors held (11) meetings for the period from 01/04/2023 to 05/11/2023. ... The table below shows the attendance record of board members at board meetings.

Member Name	Meeting 1 Date 18/04/2023	Meeting 2 On 10/05/2023	Meeting 3 On 14/05/2023	Meeting 4 On 24/05/2023	Meeting 5 On 06/06/2023	Meeting 6 On 14/06/2023	Meeting 7 On 15/06/2023	Meeting 8 On 20/06/2023	Meeting 9 On 11/07/2023	Meeting 10 On 18/07/2023	Meeting 11 On 05/09/2023
Mr. Sultan Salah al-Din Abdulatheem	X	X	X	X	X			X	X	X	X
Mr. Ibrahim Mohammed Ibrahim Al-Shabib	X	X	X	X	X	X	X	X	X	X	X
Eng. Sari bin Ibrahim Al-Mayouf	X	X	X	X	X						
Mr. Salman bin Mohammed Bin Nasser Al- As-mari	X	X	X	X	X	X	X	X	X	X	
Mr. Abdulaziz bin Njib Bin Abdulaziz Alsuwalim	X	X	X	X	X	X	X	X	X	X	X
Dr. AlMutasmbilla Bin Zaki Allam	X		X	X	X	X	X	X	X	X	X
Mr. Reda bin Mohammed Al-Haidar					X	X		X		X	

Second: Board of Directors for the period from 05/5/2023 to 31/03/2024:

The Company's Board of Directors held (6) meetings for the period from 5/11/2023 to 31/3/2024. The table below shows the attendance record of board members at board meetings.

Member Name	Meeting 1 Date 08/11/2023	Meeting 2 On 14/11/2023	Meeting 3 On 22/11/2023	Meeting 4 On 15/01/2024	Meeting 5 On 21/01/2024	Meeting 6 On 20/03/2024
Mr. Ibrahim Mohammed Ibrahim Al-Shabib	X	X	X	X	X	X
Eng. Hatem Ali Taleb Barjash	X	X	X	X	X	X
Mr. Sultan Salah al-Din Abdulatheem	X	X	X	X	X	X
Mr. Sultan Abdul Latif Naqli	X	X	X	X	X	X
Mr. Abdulkarim Mazy	X	X	X	X	X	X
Dr. Anan Muhammad Al-Subaihin	X	X	X	X	X	X
Mr. Abdulaziz bin Njib Bin Abdulaziz Alsuwalim	X	X	X	X	X	X

6. Remuneration Policy for Board Members, Subsidiary Committees and Executive Management and a statement of Compensation and Rewards

1. Introduction:

The company bylaws specify the number of Board Members, provided that it shall not exceed (7) members and shall not exceed (4) members on a continuous basis.

The Remuneration Policy for Board Members, Subsidiary Committee Members of the Board and Executive Management at Tihama Company was prepared with the aim of complying with Paragraph (1) of Article (61) of the Company Governance Regulations issued by the Capital Market Authority Board, stipulating that among the duties of Remuneration and Nominations Committee is "Developing a clear policy for remuneration of Board Members, Subsidiary Committee Members of the Board and the Executive Management, as well as referring it to the Board of Directors for review in preparation for approval by the General Assembly."

2. Remuneration Policy:

2.1 With no prejudice to the provisions of the Companies Law, Capital Market Law and their executive regulations, the following in the remuneration policy, shall commit adhered to the following:

2.1.1 Consistency with the company strategy and objectives.

2.1.2 Remunerations shall be provided for the purpose of encouraging members of the Board of Directors and the Executive Management to make the company successful and develop it in the long term, such as linking different parts of the remunerations to long-term performance.

2.1.3 Remunerations shall be determined based on job level, tasks and responsibilities assigned to the job applicant, academic qualifications, practical experience, skills, besides level of performance.

2.1.4 Its consistency with size, nature, and degree of risks in the company.

2.1.5 According to the practices of other companies in determining remunerations, avoiding any unjustified increase in remunerations and compensations that may result from this.

2.1.6 It aims at attracting, retaining, and motivating professional competencies, with no exaggeration.

2.1.7 To be prepared upon new appointments.

2.1.8 Cases of suspending the payment of the bonus or recovering it if it is found that it was decided based on inaccurate information provided by a member of the Board of Directors and the Executive Management, for preventing exploitation of the job position to obtain undeserved bonuses.

2.1.9 Regulating granting the company shares to the members of the Board of Directors and the Executive Management, whether they are new issues or shares purchased by the company.

3. Board of Directors' Remunerations*:

- In general, the Board of Directors' remunerations shall be subject to the approval of the General Assembly.

3.1 The remunerations of the Board of Directors of Tihama Company consists

of a certain amount or an attendance allowance for the sessions, or an expense allowance or in-kind benefits or a percentage of the profits. It shall be permissible to combine two or more of these benefits and shall not to exceed what is stipulated under the Companies Law. The Board of Directors determines the remunerations of its members annually based on the recommendation of the Remuneration and Nominations Committee, pursuant the provisions contained in this regard in the Company's Articles of Association or any other regulations issued by the competent authorities.

- 3.2. The Board member receives an attendance allowance for each session of the Board of Directors in the amount of (5000) SR, besides the compensation for travel expenses, accommodation, air tickets and transportation for members from outside the city of the company head offices.
- 3.3. Upon a recommendation issued by Remuneration Committee, the Board of Directors shall determine additional in-kind or cash rewards as appropriate, so that the minimum reward for a Board member is (150.000) SR annually, in accordance with the controls set by the competent authority.
- 3.4. An additional annual reward of (60000) SR and a monthly reward of (10000) SR shall be paid to the of the Board Chairman for his management and control of the Board's works and ensuring that he performs his duties and responsibilities stipulated in the Company's Articles of Association.
- 3.5. The Board of Directors shall approve payment of rewards to the members of the Board and its committees, no need to refer to the General Assembly, provided that all amounts paid to the members of the Board and committees shall be disclosed in the annual report of the Board of Directors that is presented to the General Assembly according to the item referred to in the report of the Board of Directors based on the instructions by the Capital Market Authority.
- 3.6. A member of the Board of Directors may receive compensation for his membership in Audit Committee, or for any work, or for any executive, technical, administrative or advisory positions (under a professional license) in addition to the compensation for membership of the Board and committees affiliating thereto.
- 3.7. The compensation of independent members of the Board of Directors shall not be a percent of the profits achieved by the company or be based directly or indirectly on the company profitability.
- 3.8. The Board of Directors report submitted to the General Assembly shall include a complete description of all bonuses, expense allowances and other benefits received by members of the Board of Directors during the fiscal year. It shall also include a statement of what members of the Board received as employees or administrators or what they received for technical, administrative or advisory work. It shall also include a statement of the Board's meetings, along with the number of meetings attended by each member from the date of the last meeting of the General Assembly. It shall also include a statement of the Board's sessions and the number of sessions attended by each member from the date of the last General Assembly meeting.
- 3.9. Upon a recommendation issued by Remuneration Committee, the Board of Directors shall determine a remuneration for the Board Secretary.

4. **Remuneration of Committee Members “Sub-Committees of the Board of Directors”:**

- 4.1. The Board of Directors, based on the recommendation of Remuneration and Nominations Committee, shall approve membership remuneration of the sub-committees, attendance allowances and other entitlements no need to refer to the General Assembly, provided that all amounts paid to committee members shall be disclosed in the annual report of the Board of Directors that is submitted to the General Assembly according to the item referred to in the report of the Board of Directors upon the instructions by the Capital Market Authority.
- 4.2. Remuneration of membership of the subcommittees of the Board of Directors shall consist of an annual remuneration of (130,000) SR for each member and an additional amount for the committee chairman of (60,000) SR for the heads of committees.
- 4.3. The member shall be paid an attendance allowance for each session of the subcommittees of the Board of Directors with an amount of (2500) SR, besides travel allowance, accommodation allowance, air tickets and transportation expenses for members from outside the city of the company's head offices.
- 4.4. When forming the membership of the sub-committees of the Board of Directors, the number of committees that a Board member can occupy shall be taken into consideration.

5. **Salaries, Benefits and Rewards of Executive Management:**

- 5.1. The Remuneration and Nominations Committee shall periodically review – once per annum – the salaries, benefits and rewards of senior executives and incentive programs and plans and shall issue recommendations in this regard to the Board of Directors.
- 5.2. The Company shall grant its senior executives – in pursuant to the procedures and standards adopted by the Board of Directors – specific financial benefits based on the salary scale and its approved policies in this regard. The rewards of the Executive Management shall include the following:
 - 5.2.1. Basic salary – paid monthly.
 - 5.2.2. Allowances, including but not limited to: housing allowance, transportation allowance, telephone allowance, education allowance for children.
 - 5.2.3. Medical insurance for them and their families.
 - 5.2.4. Short-term incentive plans related to individual and company performance, and long-term incentive plans such as stock options, etc.
 - 5.2.5. Other benefits including but not limited to: annual leave, traveling tickets, traveling allowance and service end reward.
 - 5.2.6. Any other bonuses and allowances – in return for their work – approved by the Board.

6. **Table of The Board of Directors, its Committees and Senior Executives :-**

- 6.1. The table below shows the details of the type of bonus and what is recommended:

Table of remuneration and benefits for members of the Board of Directors and its committees

Remuneration Type	Recommended
Attendance Allowance for BOD Sessions	A member of the Board of Directors and the Secretary of the Board or his representative shall be paid an attendance allowance of SAR 5,000 for each session of the Board of Directors, and this allowance shall be paid for invited members
Allowance for attending sessions of the BOD's committees	A member of the Committee and the Secretary of the Committee or his representative shall be paid an attendance allowance of SR 2,500 for each session of the Committee
Annual remuneration for board member	<ul style="list-style-type: none"> - An annual remuneration shall be paid to the Board member at a minimum of (SAR 150,000/150), linked to the number of sessions attended by the Board member out of the total sessions held by the Board of Directors during the concerned financial year. - The Chairman of the Board shall be paid an additional annual remuneration of SAR (0.0006)
Housing, transport and overheads allowance to attend meetings and work assignments if the member is based outside the city of the meeting or work assignment	<p>The Board/Committee member, the Secretary or his/her representative shall be paid a traveling allowance equivalent to the value of a business class ticket if his/her residence is outside the city where the meeting is held</p> <p>The Board/Committee member and the Secretary or his/her representative shall be paid a daily allowance to include housing, transportation and other incidentals in the amount of (3,000) three thousand SAR, as a lump sum when attending from outside the city of the meeting, work assignments or training and development courses within the Kingdom</p> <p>A board/committee member, secretary or his/her representative shall be paid a daily allowance to include housing, transportation and other incidentals in the amount of (1,500) thousand and five hundred riyals, if the meeting, work assignment or training and development courses are outside the Kingdom, and one day shall be added for travel within the Kingdom and two days outside the Kingdom</p> <p>Provide travel facilitation service for Board/Committee members in accordance with the company's established policy</p>
Participation/attendance of a member of the Board/Committee of the Board if requested to discuss a topic, or attend a panel discussion that requires his/her participation, or a meeting of the Company or the Board/Committee within its mandate to discuss a topic, or attend a panel discussion	A member of the Board/Committee shall be paid an amount of (2,500) two thousand five hundred riyals for each session he attends of the Board/Committee in case he is requested to attend the discussion of a subject, or attend a discussion that requires his participation, for any meeting related to the Board/Committee or the Company within his approved mandate. And shall be recorded in the minutes of the meetings

Perform technical, administrative or advisory work for the Company or the Board/Committee within his/her competence, upon request and approval of the Board	A member of the Board of Directors and/or the Committee shall be paid an allowance of (5,000) five thousand riyals for each working day for performing technical, administrative or consultancy work for the Company or the Board/Committee within his/her competence, based on a request and approval by the Board, and authorizing the Chairman of the Board of Directors to approve the tasks not exceeding (25) twenty days, provided that the remuneration for a single task shall not exceed (50,000) fifty thousand riyals, with an annual maximum of (250,000) two hundred and fifty thousand riyals for a member of the Board of Directors
Health benefits for board members	Providing medical benefits for the board member, his family and his parents (optional for the board member), and within the permissible limit in accordance with Article 76 of the Companies Law
Annual remuneration for Audit Committee members who are not members of the Board of Directors	An annual remuneration of SAR 100,000 shall be paid to the member of the Audit Committee who is not a member of the Board of Directors, and the annual remuneration shall be divided between the two members in case a substitute member is appointed, according to the number of sessions attended by each of them
Annual remuneration for membership of committees of the Board of Directors	An annual remuneration of SAR 130,000 shall be paid to each member of the subsidiary committees formed by the Council, an annual remuneration of SAR 130,000 shall be paid for membership in another committee of the Council, and an additional remuneration of SAR 60,000 shall be paid to the head of the committee. The annual remuneration shall be divided between the two members in appointing a replacement member, according to the number of sessions attended by each of them
Dates for disbursing annual bonuses for members of the Board of Directors and its committees	Annual remuneration for membership of the BOD and its committees are paid to members on a quarterly basis
Date of implementation of the compensation and benefits policy for members of the BOD and its committees	- Implementing the compensation and benefits policy for the members of the BOD and its committees as of the beginning of membership.

6. 2 The following table details the type of remuneration and the recommended:

Senior Executive Bonus and Benefits Schedule	
Remuneration Type	Recommended
Basic salary – Allowances – Medical insurance – Other benefits	It shall be paid according to the employment contract, and according to the special regulations and rules of the regulatory authorities
Short-term incentive plans – Long-term incentive plans such as shares options, etc	Disbursed on the basis of a resolution of the Board of Directors or the Chairman of the Board of Directors only
Other remuneration and allowances for their work assigned to them outside the employment contract	Disbursed on the basis of a resolution of the Board of Directors or the Chairman of the Board of Directors only

1.3 **The Board of Directors authorizes the Chairman of the Board to approve the above table.**

The competent body to monitor this policy:

The Remuneration and Nomination Committee shall be responsible for periodically reviewing this policy and assessing its effectiveness in achieving its intended purposes. This policy is a document that can be updated and revised in order to respond to changes in the labour market and the company's growth and expansion.

7. General Provisions:

These policies and criteria are effective from the date of their approval by the General Assembly and supersede the policies and criteria for board membership procedures approved by the Ordinary General Assembly.

8. Implementation and interpretation:

The provisions of these policies shall be applied and interpreted in accordance with the Articles of Association and any other regulations or policies approved by the Board of Directors and in compliance with the Companies Law and the regulations of the Capital Market Authority (CMA) and its executive regulations.

The words and terms used in this plan and procedures shall have the meanings set forth in the list of terms used in the CMA's regulations and rules and the Corporate Governance Regulations issued by the CMA Board.

The following shall be the salaries and compensation of the Board of Directors and senior executives and related expenses during the period from 1/4/2023 to 31/03/2024.

First: Salaries and remunerations for BOD members during the period from 01/04/2023 to 05/11/2023

Specific amount		Fixed Rewards							Variable Rewards							End of Service Benefit	Grand Total	Expense Allowance
		Allowance for attending **Board's sessions	Total allowance for at- tending Board's sessions	Benefits in kind	Technical, administrative and advisory works reward	Remuneration of the Chairman of the Board, the Managing Director or the Secretary if he is a member	Total	Percentage of profits	Periodic bonuses	Short-term incentive plans	Long-term incentive plans	Granted Shares (Value is (entered)	Total					
First: Independent Members																		
.1	Sultan Salah al- Din Qasem	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	222,554	
.2	AlMutasmilla Zaki Allam	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59,084	
3	Sari Ibrahim Al Maayouf	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	181,141	
.4	Reda Moham- med Al-Haidar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24,164	
	Total	-	0	-	-	-	-	0	-	-	-	-	-	-	-	0	486,942	
Second: Non-Executive Members																		
1	Salman Mohammed Al-Asmari	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,181	
.2	Ibrahim Mohammed Al- Shabib	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,181	
Third: Executive Members																		
.1	Abdulaziz Njib Alsuwalim	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	122,259	
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	122,259	
	Grand Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	623,382	

* On 09/03/2023, the Board of Directors issued a decision to approve the remuneration policy for the members of the Board of Directors, the BOD affiliated committees, and the executive management, and recommend to present the policy to the General Assembly of Shareholders for approval.

** On 09/03/2023, the BOD decided under the same decision to include in the agenda of the Extraordinary General Assembly a vote on the adoption of remuneration policies for the members of the Board of Directors, the BOD affiliated committees, and the executive management.

*** On 02/04/2023, the Ordinary General Assembly refused to approve the remuneration policy for the members of the Board of Directors, the BOD affiliated committees, and the executive management

Second: Salaries and remunerations for BOD members during the period from 05/11/2023 to 31/03/2024

Specific amount		Fixed Rewards							Variable Rewards							End of Service Benefit	Grand Total	Expense Allowance
		Allowance for attending Board's sessions	Total allowance for attending Board's sessions	Benefits in kind	Technical, administrative and advisory works reward	Remuneration of the Chairman of the Board, the Managing Director or the Secretary if he is a member	Total	Percentage of profits	Periodic bonuses	Short-term incentive plans	Long-term incentive plans	(Granted Shares (Value is entered	Total					
First: Independent Members																		
.1	Hatem Ali Bar-gash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	
.2	Sultan Salah al-Din Qasem	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	93,991	
.3	Anan Moham-med Al-Sabee-hain	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	
	Total	-	0	-	-	-	-	0	-	-	-	-	-	-	-	0	93,991	
Second: Non-Executive Members																		
.1	Ibrahim Mohammed Al-Shabib	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	
.2	Sultan Ab-dul-Latif Naqli	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	
.3	Adel Abdul Karim Mazi																0	
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	
Third: Executive Members																		
.1	Abdulaziz Njib Alsuwalim	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	78,928	
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	78,928	
	Grand Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	172,919	

Senior Executive Rewards

Senior Executive Rewards (current) during the period from 01/04/2023 to 31/03/2024

.Sr	Executive	Fixed Reward				Variable Reward						End of Service Benefit	Total remuneration of executives, if any	Grand Total
		Salaries	Allowances	Benefits in kind	Total	*Periodic bonuses	Profits	Short-term incentive plans	Long-term incentive plans	Granted Shares ((Value is entered	Total			
1	Chief Executive Officer	2,692,778	897,646	142,391	3,732,815	0	0	0	0	0	0	167,604		3,900,419
2	Senior Executive Vice President	636,000	303,600	89,374	1,028,974	0	0	0	0	0	0	80,667		1,109,641
3	Executive Vice President	409,229	164,009	28,929	602,167	0	0	0	0	0	0	24,624		626,791
		3,738,007	1,365,255	260,694	5,363,956	0	0	0	0	0	0	272,895		5,636,851

Senior Executive Rewards (current) during the period from 01/04/2023 to 31/03/2024

	Executive	Fixed Reward				Variable Reward						End of Service Benefit	Total remuneration of executives, if any	Grand Total
				Benefits in kind		*Periodic bonuses		Short-term incentive plans	Long-term incentive plans	Granted Shares (Value is entered)				
1	* Former CEO	223,333	2,249,507	35,662	2,508,502							22,356		2,530,858
2	General Supervisor of International Partnerships in the Media Sector	924,907	77,438.46	37,953	1,040,298		2,834,231				2,834,231	38,722		3,913,251
3	*** Finance Manager	679,383	330,237	58,441	1,068,061							229,795		1,297,856
Total		1,827,623	2,657,182	132,056	4,616,861	0	2,834,231	0	0	0	2,834,231	290,873		7,741,965

* On 07/06/2023, the Board of Directors agreed to start the legal procedures to end the services of the Chief Executive Officer, Mr. Mazen Mohammed Al Asmari.

** International partnerships in the media sector are represented by J Walter Thomson MENA, and ICG Saudi Arabia and its subsidiaries.

*** On 31/03/2024, the contractual relationship with the Financial Director, Mr. Ayman Suleiman, was terminated by agreement between the two parties.

Remuneration of committee members during the period from 01/04/2023 to 31/03/2024

		Fixed Rewards except session) attendance al- (lowance	Session atten- dance allowance	Total
Members of the Audit Committee				
.1	AlMutasmbilla Zaki Allam	-	-	-
.2	* Abdulaziz Awgan Al Rashidi	-	-	-
.3	*** Karim Abdulaziz Cheniour			
.4	** Hatem Ali Bargash			
.5	**** Ahmed Saud Al Sahli			
.6	**** Alwaleed Saleh Alsaif			
Total		-	-	-
Members of Nomination and Remuneration Committee				
.1	Sari Ibrahim Al Maayouf	-	-	-
.2	Sultan Salah al-Din Abdul Azim	-	-	-
.3	Salman Mohammed Nasser Al-Asmari	-	-	-
.4	Ibrahim Mohammed Al-Shabib			
.5	Reda Mohammed Al-Haidar			
.6	Turki Ali Bakhit			
Total		-	-	-
Executive Committee Members				
.1	Sari Ibrahim Al Maayouf	-	-	-
.2	Salman Mohammed Nasser Al-Asmari	-	-	-
.3	AlMutasmbilla Zaki Allam			
Total		-	-	-
:Members of the Investment Committee				
.1	Hatem Ali Bargash	-	-	-
.2	Abdul Aziz Najib Al-Suwailem	-	-	-
.3	Sultan Abdul-Latif Naqli			
Total		-	-	-

The Nomination and Remuneration Committee was reformed by virtue of the BOD decision dated 09/05/2023. According to this decision, Mr. Ibrahim Mohammed Al-Shabib was appointed as Chairman of the Nomination and Remuneration Committee, Mr. Reda Mohammed Al-Haidar as a member of the Nomination and Remuneration Committee,

and Mr. Turki Ali Bakhit as a member of the Nomination and Remuneration Committee.

* On 19/11/2023, the Board of Directors approved the resignation of Audit Committee member Mr. Abdul Aziz Awajan Al-Rashidi.

** On 08/11/2023, Eng. Hatem Ali Bargash was appointed as the Chairman of the Audit Committee.

*** On 19/11/2023, the Board of Directors approved the resignation of Audit Committee member Mr. Karim Cheniour.

**** On 23/11/2023, Mr. Ahmed Saud Al Sahli and Mr. Alwaleed Saleh Alsaif were appointed members of the Audit Committee.

***** On 05/05/2024, the Chairman of the Audit Committee, Eng. Hatem Ali Bargash, resigned from the committee while retaining his membership in the Board of Directors.

***** On 11/05/2024, the member of the Audit Committee, Dr. AlMutasmbilla Zaki Allam, resigned.

***** On 02/04/2023, the Extraordinary General Assembly approved the amendment of the work regulations of the Nomination and Remuneration Committee.

7. Statement of the interest of the BOD members and its change

Ownership of BOD members and its change during the period from 01/04/2023 to 05/11/2023

Name	Shares					Debt Instruments		
	Number of shares at the beginning of the year	Net Change	Number of shares at the end of the year	Percentage of ownership at the end of the year	Percentage of change	Beginning of year	End of year	% Change
Mr. Sultan Salahadin Abdul Azim	-	-	-	-	-	-	-	-
Mr. Ibrahim Mo-hamed Ibrahim Al Shabib	-	-	-	-	-	-	-	-
Eng. Sari Ibrahim Al Maayouf	-	-	-	-	-	-	-	-
Mr. Salman Mohammed Nasser Al-As-mari	-	-	-	-	-	-	-	-
Mr. Abdulaziz Njib Alsuwalim	-	-	-	-	-	-	-	-

Dr. AlMutasmbilla
 Zaki Allam

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Ownership of BOD members and its change during the period from 05/11/2023 to 31/03/2024

Name	Shares					Debt Instruments		
	Number of shares at the beginning of the year	Net Change	Number of shares at the end of the year	Percentage of ownership at the end of the year	Percentage of change	Beginning of year	End of year	% Change
Mr. Ibrahim Mohamed Ibrahim Al Shabib	-	-	-	-	-	-	-	-
Eng. Hatem Ali Bargash	-	-	-	-	-	-	-	-
Mr. Sultan Salahadin Abdul Azim	-	-	-	-	-	-	-	-
Mr. Sultan Abdul-Latif Naqli	-	-	-	-	-	-	-	-
Mr. Abdulaziz Njib Alsuwalim	-	-	-	-	-	-	-	-
Dr. Anan Mohammed Al-Sabeehain	-	-	-	-	-	-	-	-
Mr. Adel Abdul Karim Mazi	-	-	-	-	-	-	-	-

**Ownership of BOD members relatives of first degree and its change during the period
from 01/04/2023 to 05/11/2023**

	Number of shares at the beginning of the year	Net Change	Number of shares at the end of the year	Percentage of ownership at the end of the year	Percentage of change	Beginning of year	End of year	% Change
Mr. Sultan Sala- hadin Abdul Azim	-	-	-	-	-	-	-	-
Mr. Ibrahim Mo- hamed Ibrahim Al Shabib	-	-	-	-	-	-	-	-
Eng. Sari Ibrahim Al Maayouf	-	-	-	-	-	-	-	-
Mr. Salman Mo- hammed Nasser Al-Asmari	-	-	-	-	-	-	-	-
Mr. Abdulaziz Njib Alsuwalim	-	-	-	-	-	-	-	-
Dr. AlMutasmbilla Zaki Allam	-	-	-	-	-	-	-	-

Ownership of BOD members relatives of first degree and its change during the period from 05/11/2023 to 31/03/2024

Name	Shares					Debt Instruments		
	Number of shares at the beginning of the year	Net Change	Number of shares at the end of the year	Percentage of ownership at the end of the year	Percentage of change	Beginning of year	End of year	% Change
Mr. Ibrahim Mohamed Ibrahim Al Shabib	-	-	-	-	-	-	-	-
Eng. Hatem Ali Bargash	-	-	-	-	-	-	-	-
Mr. Sultan Salahadin Abdul Azim	-	-	-	-	-	-	-	-
Mr. Sultan Abdul-Latif Naqli	-	-	-	-	-	-	-	-
Mr. Abdulaziz Njib Alsulwalim	-	-	-	-	-	-	-	-
Dr. Anan Mohammed Al-Sabeehain	-	-	-	-	-	-	-	-
Mr. Adel Abdul Karim Mazi								

.Sr	Executive Name	Number of shares at the beginning of the year	Number of shares at the end of the year 2023	Net change in number of shares during the year	Cash dividends for the year 2023	Ownership and Ownership Change of First-Degree Relatives
1	Abdulaziz Najib Alsuwalim	-	-	-	-	-
2	Odoeye Chatterjee	-	-	-	-	-
3	James Graham Murray	-	-	-	-	-
4	Mazen Mohammed Al-Asmari	-	-	-	-	-
5	Ayman Mohammed Suleiman	-	-	-	-	-
6	Abdul Karim Ibrahim Al Maayouf	-	-	-	-	-

A statement of the interests and relevant change of senior executives and their first-degree relatives during the fiscal year ending on 31 March 2024:

8. Waiver of salaries, compensation, and profits:

There are no arrangements or agreements under which a BOD member or a senior executive waived any salaries or compensation received. There are no arrangements or agreement under which a shareholder of the company waived his rights to profits.

9. BOD Committees:

BOD committees were formed by BOD members, external and executive members with suitable expertise and competences. Their objectives, functions and general

framework are given in the approved Articles of Association of the company. These committees have regulations approved by BOD and the General Assembly of shareholders determining their powers and work procedures, as follows.

9/1 Audit Committee

The Ordinary General Assembly, in its meeting held on 26/02/1443 AH (corresponding to 03/10/2021 AD), approved the formation of the Audit Committee, defining its tasks, working controls, and remunerations for its members for the new term starting from 14/10/2021 and ending on 13/10/2024.

** At its meeting held on 08/07/1443 AH (corresponding to 09/02/2022 AD), the Ordinary General Assembly of Shareholders approved the decision of the Board of Directors to appoint (Mr. Al-Mu'tasim Billah Zaki Allam Alam (an independent member)) as a member of the Audit Committee starting from 17/10/2021 until the end of the Committee's period on 13/10/2024, in place of the former committee member (Mr. Sultan Salah Al-Din Abdul Azim (an independent member)). This appointment is effective from the date of the decision issued on 17/10/2021, and this appointment comes in accordance with the Audit Committee Charter.

The following are the members of the Audit Committee during the fiscal year ended on 31/03/2024:

Name	Capacity	Qualifications and Experiences
Dr. AlMutasmbilla Zaki Allam *****	BOD Member - Chairman of the Audit Committee	Bachelor of Business Administration - Financial 2007 King Abdulaziz University Pass with Honors, Dissertation: The Real Estate investments in Saudi. Dr. Almutasmbillah holds as well PhD Banking & Finance from University of Bangor MSc Islamic Banking & Finance from University of Bangor. MSc Financial Economics from University of Essex He is a Board Member Tabuk Agriculture Company (Joint Stock Company and a member of the Audit Committee Assistant professor at the Islamic Economics Institute. He is also a BOD member and chairman of the Audit Committee at Tihama Company.

Eng. Hatem Ali Bargash** *****	BOD Member - Chairman of the Audit Committee	Eng. Hatem holds a Bachelor of Communication Engineering from King Saud University and has worked in several investment companies, and management structure companies. He has experience in the field of investments, and corporate structure and governance. He served as the CEO of AlNassr Club Company, and was a former BOD member of Lomi Car Rental Company, a former BOD member of Al-Watania Insurance Company, and Head of Educational Technologies Department, King Saud University.
Abdulaziz Awgan Al Rashidi *	Non-Board Member	Abulaziz Holds BA in accounting from King Saud University and he is Certified Management Accountant (CMA) from the Institute of Management accountants and certified member from SOCPA and CME-1. Abdulaziz has 25 years' experience in Finance, Accounting and Risk Management and in number of finance and investment company. Currently he is the Chief financial officer for Ladun Invetment Company (A company listed in the Saudi Exchange's Nomu – Parallel Market).
Karim Abdulaziz Cheniour ***	Non-Board Member	Karim has BA in accounting from Faculty of Economic Sciences and Master in Bussines Administration (MBA), he carries more than 22 years' experience in number of international audit firms and has worked as financial advisor for number of companies in finace and restructuring.
Ahmed Saud Al Sahli ****	Non-Board Member	Ahmed holds a bachelor's degree in financial management from King Fahd University of Petroleum and Minerals. He has also worked in a number of companies, including the Director of Investment Banking Department at Afaq Financial Company, a senior financial analyst at Aldukheil Financial Group, and a financial analyst at Unilever.
Alwaleed Saleh Alsaif ****	Non-Board Member	Alwaleed holds a bachelor's degree in finance from Alfaisal University and currently works as a consultant at Ernst & Young.

* On 15/06/2023, the Board of Directors approved the resignation of Mr. Abdulaziz Awgan Al Rashidi from the Audit Committee membership, effective from 15/06/2023.

** On 08/11/2023, the Board of Directors approved the appointment of Eng. Hatem Ali Bargash as Chairman of the Audit Committee.

*** On 19/11/2023, the Board of Directors approved the resignation of Audit Committee member Mr. Karim Abdulaziz Cheniour.

**** On 23/11/2023, Mr. Ahmed Saud Al Sahli and Mr. Alwaleed Saleh Alsaif were appointed members of the Audit Committee.

***** On 05/05/2024, the Chairman of the Audit Committee, Eng. Hatem Ali Bargash, resigned from the committee while retaining his membership in the Board of Directors.

***** On 11/05/2024, the member of the Audit Committee, Dr. AlMutasmbilla Zaki Allam, resigned.

Purpose

The purpose of the Audit Committee of the Company's BOD is to assist the board in achieving its supervisory duties regarding the following:

- ❖ Audits, accounting, and financial reports of the company in general.
- ❖ Internal Controls Systems in the company with regard to finance, accounting, legal compliance, and ethical behavior.
- ❖ The company's financial statements and other financial information that the company provides to shareholders, the public, etc.
- ❖ Performance of the company's internal audit department and the independent auditors.

The committee while performing its functions, maintains effective work relationships with BOD, Executive Management as well as with the Internal and External Auditor functions. Each member shall understand the detailed responsibilities of the committee membership as well as the company's business, operations, and risks in order to effectively play their role.

Although the committee has the powers and responsibilities stipulated in this Committee Charter, it shall perform a monitoring role. The committee members are not employees of the company and may or may not be accountants or auditors or experts in the fields of accounting or audit. In all cases, they are not required to perform such tasks. Accordingly, it is not the committee's duty to conduct audits or to determine that the company's financial statements and disclosures are complete and accurate according to all applicable rules and regulations. These responsibilities are undertaken by the executive management and independent auditors.

Duties and Responsibilities

To fulfil their responsibilities and duties, the audit committee shall do the following:

1- Regarding the independent auditors

The committee shall be directly responsible for appointing and determining the fees and supervising the work of the independent auditors (including resolving disputes between the management and the independent auditors arising in relation to the financial reports) for the purpose of preparing the audit report or the report for other related work.

Reviewing the scope and plan of work followed by the independent auditors for each fiscal year based on the independent auditors' recommendation.

The committee shall also have the absolute power to review and approve the following:

- ❖ All audit services provided by independent auditors.
- ❖ Approve fees and other work conditions related to the work of independent auditors.
- ❖ The committee shall also review and approve the required disclosures for inclusion in the financial statements in accordance with the regulatory requirements.
- ❖ The committee shall also ensure the independence of the external auditors.

2- Regarding the financial statements

Review and discussion of the quarterly and annual financial statements of the Company with the management, the internal audit department and the independent auditors (including the disclosures included within "the Company's management business activity report", and independent auditors' review of the financial statements) before presenting them to the shareholders, any governmental entity, the stock market or the public.

Periodic and ongoing review with the executive management, the independent auditors and the internal audit department of the following separate matters:

- ❖ Any disagreement between the executive management and the independent auditors or the internal audit department arising in relation to the preparation of the financial statements.
- ❖ Any problems encountered during the review process (including any limitations on the scope of work or the obtainment of required information).
- ❖ The management's response to the above matters.
- ❖ Consideration and approval, as necessary, of urgent changes to the accounting principles and financial disclosure practices in the company, under the recommendations of the independent auditors, the executive management or the internal audit department.
- ❖ Review with the executive management, independent auditors, the internal audit department and the company's legal department including any legal, regulatory or compliance issues that could have a significant impact on the financial statements of the Company, including significant changes in accounting standards or rules.
- ❖ Periodic Discussion of with the independent auditors (without the presence of the executive management) on the following:
- ❖ Their opinions on the quality, appropriateness and acceptability of the accounting principles for the Company and financial disclosure practices, as applied in its financial reports.
- ❖ Completeness and accuracy of the financial statements of the Company.

3- Regarding the internal audit department and internal control systems

- ❖ Approval of the appointment and/or replacement of the Director of the internal audit department.
- ❖ Review of the performance of the internal audit department on an annual basis.
- ❖ Review of the scope and plan of work that shall be performed by the internal audit department, under the recommendation of the independent auditors and the internal audit director.

In consultation with the independent auditors and the internal audit department, the committee shall:

- ❖ Review the adequacy of the Company's internal control system and procedures designed to ensure compliance with applicable laws and regulations.
- ❖ Discuss the responsibilities, budget and needs of employees in the Internal Audit Department.
- ❖ Managing the internal audit projects implemented by auditors from outside the company.

4- Other Matters

- ❖ Reviewing and approving all related party transactions.
- ❖ Review and approve any change in the Code of Conduct and Business Ethics for Board members or executives.
- ❖ Review and evaluate the appropriateness of this Charter annually and recommend any change the Committee deems appropriate to the Board.
- ❖
- ❖
- ❖
- ❖ Annually evaluating its performance and submitting a report on the evaluation results to the Board. This evaluation shall also include an assessment of the commitment and performance of each member of the committee in terms of performing their assigned duties and responsibilities.
- ❖ Performing any tasks or responsibilities assigned by the BOD from time to time, within the scope of the objectives of the General Committee.

Authorities

The Board shall give the Audit Committee the authority (within the scope of its responsibilities) to perform the following:

- ❖ Nominating external auditors to the BOD for the approval of the General Assembly.
- ❖ Checking the scope of the proposed audit to be carried out and the effectiveness and adequacy thereof to deal with the company-related problems.
- ❖ Reviewing audit results with external auditors and discussing financial

- statements.
- ❖ Reviewing the adequacy of the internal, financial and operational controls of the Company with the director and/or employees of the internal audit department and the external auditors, and keeping the Board informed of the relevant updates.
 - ❖ Obtaining legal or external professional advice when needed.
 - ❖ The committee may form and delegate its powers to sub-committees when necessary.

Organization of the Committee

The current Audit Committee consists of four members.

A) The Committee held seven (7) meetings during the fiscal year from 01/04/2023 until 31/03/2024.

The following is a statement of the names of the Committee's members, record of attendance and number of meetings.

	Member Name	First meeting 28/05/2023	Second meeting 12/11/2023	Third meeting 07/12/2023	Fourth meeting 01/02/2024	Fifth meeting 08/02/2024	Sixth meeting 18/02/2024
1	Dr. AlMutasmbil-la Zaki Allam	✓	✓	✓	✓	✓	✓
2	Mr. Abdulaziz Aujan Al-Rashidi	✓					
3	Mr. Karim Abdulaziz Cheniour	✓	✓				
4	Eng. Hatem Ali Bargash		✓	✓	✓	✓	
5	Mr. Ahmed Al Sahli			✓	✓	✓	✓
6	Mr. Alwaleed Alsaif			✓	✓	✓	✓

* On 15/06/2023, the Board of Directors approved the resignation of Mr. Abdulaziz Aujan Al-Rashidi from the Audit Committee, in effect as of 15/06/2023.

** On 08/11/2023, the Board of Directors approved the appointment of Eng. Hatem Ali Bargash as Chairman of the Audit Committee.

*** On 19/11/2023, the Board of Directors approved the resignation of Audit Committee

member Mr. Karim Cheniour.

**** On 23/11/2023, Mr. Ahmed Saud Al Sahli and Mr. Alwaleed Saleh Alsaif were appointed members of the Audit Committee.

***** On 05/05/2024, the Chairman of the Audit Committee, Eng. Hatem Ali Bargash, resigned from the committee while retaining his membership in the Board of Directors.

***** On 11/05/2024, the member of the Audit Committee, Dr. AlMutasmbilla Zaki Allam, resigned.

The Ordinary General Assembly, in its meeting held on 26/02/1443 AH (corresponding to 03/10/2021 AD), approved the formation of the Audit Committee, defining its tasks, working controls, and remunerations for its members for the new term starting from 14/10/2021 and ending on 13/10/2024.

9/2 Nomination and Remuneration Committee

The BOD decided to form the Nomination Committee and the Remuneration Committee, and the decided they should be merged to form the Remuneration and Nomination Committee, as follows:

The following are the members of the Remuneration and Nomination Committee during the fiscal year from 01/04/2023 to 31/03/2024.

Name	Capacity	Qualifications and Experiences
Sari Ibrahim Al Maayouf	Chairman of the Committee – BOD Member	Bachelor's degree of Electrical Engineering, California State University years of experience in senior positions in 14 KSA and internationally, including 7 years in the financial services sector after working for ING
Sultan Salah al-Din Abdul Azim	Committee Member	Sultan holds BA in Business Administration from King Abdulaziz Universtay and has an experience in Advertising and Marketing – he has also worked for Samba Financial Group for 10 years

Salman Mohammed Al-Asmari	Committee Member	<p>He holds a Bachelor's degree in Management Information Systems from King Fahd University of Petroleum, and has extensive experience for more than 19 years in working with financial institutions, managing portfolios and investment funds. He is currently working as CEO of Adeem Financial Company, and previously worked as Vice President in Al-Mashreq Real Estate Company and Director of Business Development at The Investor Securities Company and Vice President of the Saudi Federation of Arrows from 2016 to 2020</p>
Ibrahim Mohammed Al-Shabib	Committee Member	<p>He holds a BA and MA in Media and Public Relations with honors from King Saud University. He participated in various fields, including general management of environmental projects, customer management, program management and supervision of the establishment, management and development of companies, in addition to the field of environmental communications and quality management systems, environmental management, and financial and logistical management.</p> <p>Furthermore, he is a member of the Saudi Association for Media and Communication (SAMC).</p>

Reda Mohammed Al-Haidar	Committee Member	<p>Holds a BA in Multimedia Design and Development from the American University. A MA in General Administration from Kennedy School at Harvard University, and a MA in Communication, Culture and Technology from Georgetown University. Previously, he has worked for the Capital Market Authority (CMA), the General Investment Authority, and other</p> <p>governmental agencies. He has held several positions as a Senior Executive and a BOD Member in companies operating in the advertising and marketing industry in KSA and abroad. Until recently, he served as Chairman of the General Commission for .Audiovisual Media</p>
Turki Ali Bakhit	Committee Member	

* On 02/04/2023 AD, the Extraordinary General Assembly approved the amendment of the work regulations of the Nomination and Remuneration Committee, including its duties and work controls. The Extraordinary General Assembly did not approve the remuneration policy of the members of the Board of Directors, the subcommittees and the Executive Management.

** The Nomination and Remuneration Committee was reformed by virtue of the BOD decision dated 09/05/2023. According to this decision, Mr. Ibrahim Mohammed Al-Shabib was appointed as Chairman of the Nomination and Remuneration Committee, Mr. Reda Mohammed Al-Haider as a member of the Nomination and Remuneration Committee, and Mr. Turki Ali Bakhit as a member of the Nomination and Remuneration Committee.

*** The BOD member, Mr. Sultan Salah Al-Din Abdul Azim was appointed as the Chairman of the Nomination and Remuneration Committee on 23/11/2023.

Purpose

The purpose of the Remuneration and Nomination Committee shall be in assisting the Board in achieving its duties regarding the following:

- Nominating qualified individuals to become members of the BOD and recommending them to the Board for the purpose of presenting their nominations to the shareholders for approval during the annual meeting of the shareholders.
- Recommending nominees to the Board for each committee affiliated to the Board.
- Monitoring all matters related to the remuneration of Board members, Committees, and Executive Directors.
- Preparing and publishing an annual report of the Committee, incorporating

the remuneration of Board members, committees and Executive Directors, as well as any other matters that may be required under the applicable laws and regulations in force.

- Human Resources issues relating to the recruitment, evaluation, remuneration, and succession of the Board, its committees, senior management and employees.

Duties and Responsibilities

The following duties shall constitute the general and recurring activities of the Committee. These duties shall be considered a general guide, bearing in mind that the Committee may perform additional tasks in light of the regulations and business changes, as deemed appropriate by the Board. The Committee shall also perform any duties or responsibilities assigned to it by the BOD from time to time within the scope of the objectives of the General Committee.

- ❖ Determining the qualifications of nominees as members of the BOD and recommending them to the Board for the purpose of presenting their nominations to the shareholders for approval during the shareholders' annual meeting or during a shareholders' special meeting, if needed (in case there is a vacant seat in the BOD, including vacant seats resulting from an increase in the number of board members). The Committee shall make a recommendation to the Board to fill vacancies by appointing nominees to the Board, so that a decision on their membership can be made by the shareholders the next annual meeting. The committee shall take into account all the factors it deems appropriate when nominating individuals for membership in the Board, including the ability to provide the required time, appropriate technical knowledge, diversity and experience as well as to the extent to which the nominee shall be a desirable addition to the Board or any of its committees. The Committee may also consider the nominees proposed by the shareholders, the Board, or the management at its discretion.
- ❖ Reviewing the appropriate skill requirements for the Board membership on an annual basis and preparing descriptions of the capabilities and qualifications required for that membership, including the appropriate estimate of the time expected to be needed by the member to carry out their duties and responsibilities as a board member.
- ❖ Reviewing the structure and formation of the Board and making its suggestions thereon as required.
- ❖ Identifying the strengths and weaknesses of the BOD and recommending any reforms consistent with the interest of the Company. This may be achieved by conducting an annual evaluation of the achievements and performance of the Board.
- ❖ Ensuring the independence of the Board members and independent committees on an annual basis and ensuring that all members have no conflict of interest, especially with regard to the membership of Board members on the Boards of Directors of other companies.
- ❖ Reviewing the formation of all Board committees and submitting their recommendations thereon to the Board regarding the number and duties of the committees. The Committee shall select qualified nominees for membership in all the committees of the Board, taking into account all the applicable laws and regulations in this regard, to be then submitted

to the Board in order to select members of the committees from the nominees.

- ❖ Assisting the Board in selecting, evaluating, and developing potential nominees for executive positions, including the Executive Director, and supervising the development of succession plans for executive positions.
- ❖ Preparing qualification programs for new members of the Board and organizing ongoing development programs for all members.
- ❖ Reviewing and approving the objectives of the Company relevant to the CEO remuneration, evaluating his performance in light of these objectives, as well as determining and approving the CEO annual remuneration, based on this evaluation. When evaluating any incentives given to the CEO, the Committee shall take into account the performance of the Company, the return on shareholders' equity, and the value of similar incentives given to Executive Directors in similar companies.
- ❖ Reviewing and approving the decisions made by the CEO regarding the annual performance evaluation and the level of remuneration given to the company's executives. The definition of senior executives shall include the persons charged with managing the day-to-day operations of the Company and proposing and implementing strategic decisions, such as the CEO, his deputies and the Chief Financial Officer (CFO).
- ❖ Submitting its recommendations to the Board regarding the remuneration of Board members (under the applicable laws and regulations), Committee members and senior executives, as well as the incentive and allowance plans, including option-based incentives.
- ❖ Reviewing the standards followed when evaluating the performance of employees of the Company and other managers other than the CEO, including ensuring that these standards are consistent with the company's human resources strategy.
- ❖ Reviewing the remuneration policies adopted by the Company (including incentives and allowances), pension and benefit policies and plans developed for other lower-level employees as compared to the executives and managers. This shall include ensuring that these policies are in line with the company's human resources strategy.
- ❖ Carrying periodic reviews of recruitment, development, promotion, and retention programs. This shall include ensuring that these programs are in line with the company's human resources strategy.
- ❖ Preparing and publishing the annual report of the Committee on the remuneration of board members, its committees and senior executives.
- ❖ Reviewing and re-evaluating this Charter and recommending to the Board any improvements it deems necessary.
- ❖ Evaluating its annual performance and a report on the evaluation results shall be submitted to the Board. This evaluation shall also include an assessment of the commitment and performance of each member of the Committee in terms of performing their assigned duties and responsibilities.
- ❖ The Committee may form and delegate all or part of its powers to sub-committees.
- ❖ Ensuring the independence of the independent members of the BOD on an annual basis.
- ❖ Annually verifying that managers have no conflicts of interests due to their association with the Boards of Directors of other companies.
- ❖

- ❖ All committee members shall fulfil the independence and expertise requirements under the applicable laws and regulations. The Board shall also annually determine whether each member of the Committee shall be independent in accordance with the abovementioned requirements. Any decisions or actions taken by the committee shall not be nullified due to the absence of any of the required membership conditions at the time the decision was made.

Organization of the Committee

The committee consists of three (4) members, all of whom are BOD members

A) The Committee held three (3) meetings during the fiscal year from 01/04/2023 until 31/03/2024.

The following is a statement of the names of the Committee's members, record of attendance and number of meetings.

.Sr	Member Name	First meeting 07/06/2023	Second meeting 09/07/2023	Third meeting 21/08/2023
1	Sari Ibrahim Al Maayouf			
2	Sultan Salah al-Din Abdul Azim			
3	Salman Mohammed Nasser Al-Asmari			
4	Ibrahim Mohammed Al-Shabib	✓	✓	✓
5	Reda Mohammed Al-Haidar	✓	✓	✓
6	Turki Ali Bakhit	✓	✓	✓

* The Nomination and Remuneration Committee was reformed by virtue of the BOD decision dated 09/05/2023. Under this decision, Mr. Ibrahim Mohammed Al-Shabib was appointed as the Chairman of the Nomination and Remuneration Committee and Mr. Reda Mohammed Al-Haidar as a member of the Nomination and Remuneration Committee and Mr. Turki Ali Bakhit is a member of the Nomination and Remuneration Committee.

** The BOD member, Mr. Sultan Salah Al-Din Abdul Azim was appointed as the Chairman of the Nomination and Remuneration Committee on 23/11/2023

9/3 Executive Committee:

On 17/10/2021, the Board of Directors decided to form the Executive Committee. The Committee has not held any meetings since formation and has not recommended a committee charter for the Board to approve yet.

The Committee constitutes of three (3) Board members .

The following are the members of the Executive Committee during the fiscal year ended on 31/03/2024:

Name	Capacity	Current Position	Former Position	Qualifications and Experiences
Sari Ibrahim Al Maayouf	Chairman of the Committee – BOD Member	Member of the Board of Directors of Tihama Advertising Company	Managing Director of Thimar Development Holding Company – Chairman of Tihama Advertising Company's BOD	<ul style="list-style-type: none"> Bachelor's degree of Electrical Engineering, California State University 14 years of experience in senior positions in KSA and internationally, including 7 years in the financial services sector after working for ING
Dr. AlMutasmBillah Zaki Allam	Committee Member	Assistant Professor Institute of Islamic Economics	Lecturer at the Institute of Islamic Economics	<ul style="list-style-type: none"> BSc Business Administration – Financial 2007 King Abdul-Aziz University Pass with Honors, Dissertation: The Real Estate investments in Saudi Arabia. Dr. AlMutasmBillah holds as well PhD Banking & Finance from University of Bangor MSc Islamic Banking & Finance from University of Bangor. MSc Financial Economics from University of Essex. He is a Board Member Tabuk Agriculture Company (Joint Stock Company) and a member of the Audit Committee Assistant professor at the Islamic Economics Institute. He is also a BOD member and chairman of the Audit Committee at Tihama Company.
Salman Mohammed Al-Asmari	Committee Member	Cheif Executive Officer – Adeem Capital	Vice president – Al Mashreq Real Estate	<p>He holds a Bachelor's degree in Management Information Systems from King Fahd University of Petroleum, and has extensive experience for more than 19 years in working with financial institutions, managing portfolios and investment funds. He is currently working as CEO of Adeem Financial Company, and previously worked as Vice President in Al-Mashreq Real Estate Company And Director of Business Development at The Investor Securities Company and Vice President of the Saudi Federation of Arrows from 2016 to 2020</p>

On 18/04/2023, the BOD approved the dissolution of the Executive Committee due to the lack of an effective role.

9/4 Investment Committee

- On 23/11/2023, the Board of Directors decided to form the Investment Committee. **The following are the members of the Investment Committee during the fiscal**

year ended on 31/03/2024:

Name	Capacity	Qualifications and Experiences
Hatem Ali Bargash	Chairman of the Committee – BOD Member	Eng. Hatem holds a Bachelor of Communication Engineering from King Saud University and has worked in several investment companies, and management structure companies. He has experience in the field of investments, and corporate structure and governance. He served as the CEO of AlNassr Club Company, and was a former BOD member of Lomi Car Rental Company, a former BOD member of Al-Watania Insurance Company, and Head of Educational Technologies Department, King Saud University
Sultan Abdul-Latif Naqli	Committee Member	Mr. Sultan holds a Bachelor of Business Administration and a Master of Finance from King Saud University. He is the partner and founder of Future Goals for Financial and Strategic Consulting. He has also held several leadership positions. He was the CEO of Seiko Financial Company, the Executive Vice President of Etqan Capital, the CEO of Investment Asset Management at Al-Bilad Financial Company, and the Head of Cash and Fixed Income Markets at French Capital Company
Abdul Aziz Najib Al-Suwailem	Committee Member	Member of the Board of Directors of Integrated Production Company and worked in the executive management in the field of advertising and production for more than 10 years. He is an executive producer since 2007, received a course in filmmaking in Los Angeles. He got a bachelor's degree from Imam Muhammad University in media and marketing communication, and an MBA from Bayes Business School. He also worked with major clients from .brands and government sectors

The Committee consists of three (3) members of the BOD Members.

Organization of the Committee

- The committee consists of three (3) members, all of whom are BOD members
- The Committee held three (3) meetings since its formation on 23/11/2023 until 31/03/2024.

The following is a statement of the names of the Committee's members, record of attendance and number of meetings.

.Sr	Member Name	First meeting 27/11/2023	Second meeting 19/12/2024	Third meeting 15/01/2024
1	Hatem Ali Bargash	✓	✓	✓
2	Sultan Abdul-Latif Naqli	✓	✓	✓
3	Abdul Aziz Najib Al-Suwailem	✓	✓	✓

10. Results of the annual review of the effectiveness of the company's internal control procedures

Internal Audits aim to ensure the effectiveness of the internal control systems, which are carried out by the company's internal audit department, subject to the supervision and follow-up of the Audit Committee. Internal audits aim for protecting the company's assets and ensuring effective management of the business risks, which are carried out periodically and continuously by the internal auditor, who reports periodically to the Audit Committee on the performance of the company's various departments.

Under the supervision of the Audit Committee, the Legal Affairs Department, the Compliance and Governance Department, the Human Resources and Administrative Affairs Department, the Information Technology Department, the Advertising Sector, the Executive Management worked on evaluating the risks mentioned in the external auditor's reports during the fiscal year ending on 31/03/2024. Tihama Distribution Company and the Financial Management of Tihama Advertising, Public Relations & Marketing Company are being contacted and the weakness in the internal control system is addressed, and the internal control plan will be developed accordingly.

During the fiscal year ended 31/03/2024, the company's operations were subject to periodic audits by the Audit Committee to verify the effectiveness of the internal control systems in protecting the company's assets and rights, and communicating with the executive and financial management. The Audit Committee also reviews the company's quarterly and final accounts for the fiscal year ending 31/03/2024, to ensure the integrity of the financial reports and their compliance with the requirements of the recognized accounting standards in Saudi Arabia, and then made its recommendations to the BOD in this regard.

11. Related-Party Transactions:

Related parties to the group consist of companies in which the shareholders and key management personnel have control, joint control or significant influence.

Salaries, compensation and related expenses for the Board of Directors and Senior Executives:

The following are details of salaries, compensation and related expenses for the Board of Directors and Senior executives during the year ended on 31 March 2024 and 2023:

	31 March 2024	31 March 2023
Salaries	5,565,631	5,517,379
Remunerations	2,834,231	3,551,313
Allowances	3,318,729	886,505
Compensation and other in-kind benefits	1,660,226	1,279,204
Expenses of BOD and Committees members	792,665	591,343
	14,171,482	11,825,744

Related party transactions

During the year, some transactions were conducted with related parties in accordance with the terms and commercial principles followed with third parties. Pricing policies and terms of these transactions are approved by the Group's management.

The following are details of the main transactions with related parties during the two years ending March 31:

			Net amount of transactions	
	Nature of Relation	Nature of Transaction	March 31 2024	March 31 2023
Qutrob Company for Production	Associate	Production contracts	-	76,300
J Walter Thompson MENA	Associate	Production contracts	-	1,429,324
United Advertising Company	Associate	Current account	175,250	3,970
United Advertising Company	Associate	Settlement with Dividend	-	4,385,179

Related parties' transactions and balances:

Due from related parties

	March 31 2024	March 2023 31
Qutrob Company for Production	-	137,503
United Advertising Company	-	3,970
	-	141,473

Due to a related party

	March 31 2024	March 31 2023
United Advertising Company	171,280	-
	171,280	-

Transactions involving indirect personal interest of BOD member

The following is a statement of the transactions carried during the fiscal year ending on 31 March 2024 between Tihama Advertising, Public Relations & Marketing Company and Integrated Production Company for Audio and Visual Media Production

(subsidiary), in which the BOD member, Mr. Abdul Aziz Najib Al-Suwailem owns 30% of its capital.

Transaction	(Amount (SAR
Refund of a funding of a letter of guarantee issued by Tihama Advertising, Public Relations & Marketing Company on behalf of Integrated Production Company for Audio and Visual Media Production	83,950
Invoice for the provision of advertising and administrative services by the Integrated Production Company for Audio and Visual Media Production for Tihama Advertising, Public Relations & Marketing Company	115,245
A funding of a letter of guarantee issued by Tihama Advertising, Public Relations & Marketing Company on behalf of Integrated Production Company for Audio and Visual Media Production	293,653
A finance of a letter of guarantee issued by Tihama Advertising, Public Relations & Marketing Company on behalf of Integrated Production Company for Audio and Visual Media Production	98,498
Payment of an installment of the funding granted by Tihama Advertising, Public Relations & Marketing Company to the Integrated Production Company for Audio and Visual Media Production	5,000
Transfer for issuing bank cheques by the Integrated Production Company for Audio and Visual Media Production on behalf of Tihama Education Company ((Subsidiary	1,647,900
Balance of funding granted by Tihama Advertising, Public Relations & Marketing Company to the Integrated Production Company for Audio and Visual Media Production as at 31 March 2024. (Operations since 2021 preceding the BOD member assuming (their duties and are still ongoing	15,606,058

On 09/10/2023, the General Assembly refused the license under paragraphs 1 and 2 of

Article Twenty-Seven of the Law to grant the license to the BOD member and gave the BOD member 60 days to renounce the work, contract or competition in the Integrated Production Company for Audio and Visual Media Production (Associate) before the expiry of the prescribed period. Otherwise, he must submit his resignation from the BOD membership or his membership will be considered expired under the Law. The BOD member renounced the reasons before the expiry of the specified period.

BOD Declarations as per the regulations of CMA and the results of applying the Governance List for the year 2023/2024

The company's board of directors would like to point out that the company has disclosed in this report the requirements that apply to it and implemented them from the Corporate Governance Regulations, and the following are the non-implemented articles of the Corporate Governance Regulations and the reasons for non-application:

On 09/03/2023, the updated Nomination and Remuneration Committee bylaw was approved by the Board, and the remuneration policy for the members of the Board of Directors, the sub-committees and the executive management was approved. Nomination and Remuneration Committee updated bylaw was approved by the extraordinary general assembly on 02/04/2023. The Extraordinary General Assembly refused to approve the remuneration policy of the members of the Board of Directors, the sub-committees and the Executive Management during its meeting held on 11/09/1444 AH, corresponding to 02/04/2023 AD.

The work regulation of the Nominations and Remunerations Committee approved by the Company's General Assembly on 02/04/2023 did not include the remunerations of its members, and the General Assembly did not approve the remuneration policy for the Board of Directors, the committees emanating from the Board and the Executive Management approved by the Board of Directors, violating some of the requirements of Paragraph (B) of Article 57, Paragraph (B) of Article 61, and Paragraph (1) of Article 58 of the Corporate Governance Regulations.

Article No	Text of Non-applicable Article	Reasons for non-application
Article 58 – Paragraph 1	Terms of reference of Remuneration Committee are: Prepare a clear policy for the remuneration of the members of the Board of Directors and the committees emanating from the Board and the Executive Management, and submit it to the Board of Directors for consideration in preparation for approval by the General Assembly, taking into account the adoption of standards related to performance, disclosure, and verification of its implementation.	On 09/03/2023, the updated Nomination and Remuneration Committee bylaw was approved by the Board, and the remuneration policy for the members of the Board of Directors, the sub-committees and the executive management was approved. Nomination and Remuneration Committee updated bylaw was approved by the extraordinary general assembly on 02/04/2023. The Extraordinary General Assembly refused to approve the remuneration policy of the members of the Board of Directors, the sub-committees and the Executive Management during its meeting held on 11/09/1444 AH, corresponding to 02/04/2023 AD.
Article 57 – Paragraph B	The Company's General Assembly, as per the Board recommendation, issues a regulation for the remuneration committee including its procedures, duties and rules for selecting its members, the term of their membership and their remunerations	On 09/03/2023, the updated Nomination and Remuneration Committee bylaw was approved by the Board, and the remuneration policy for the members of the Board of Directors, the sub-committees and the executive management was approved. Nomination and Remuneration Committee updated bylaw was approved by the extraordinary general assembly on 02/04/2023. The Extraordinary General Assembly refused to approve the remuneration policy of the members of the Board of Directors, the sub-committees and the Executive Management during its meeting held on 11/09/1444 AH, corresponding to 02/04/2023 AD.
Article 61 – Paragraph B	The Company's General Assembly, as per the Board recommendation, issues a regulation for the nomination committee including its procedures, duties and rules for selecting its members, the term of their membership and their remunerations	On 09/03/2023, the updated Nomination and Remuneration Committee bylaw was approved by the Board, and the remuneration policy for the members of the Board of Directors, the sub-committees and the executive management was approved. Nomination and Remuneration Committee updated bylaw was approved by the extraordinary general assembly on 02/04/2023. The Extraordinary General Assembly refused to approve the remuneration policy of the members of the Board of Directors, the sub-committees and the Executive Management during its meeting held on 11/09/1444 AH, corresponding to 02/04/2023 AD.

37	<p>The company shall pay sufficient attention to training and qualifying BOD members and the Executive Management, and developing the necessary programs, taking into account the following:</p> <p>1) Preparing programs for the newly appointed members of the Board of Directors, members of the committees and the executive management to introduce the progress of the company's work and activities, especially the following:</p> <p>A. The company's strategy and objectives.</p> <p>B. Financial and operational aspects of the company's activities.</p> <p>C. Board members' obligations, duties, responsibilities and rights.</p> <p>D. The duties and terms of reference of the company's committees.</p> <p>2) Developing the necessary mechanisms for the BOD members and the Executive Management to obtain ongoing training programs and courses; in order to develop their skills and knowledge in areas related to the company's business activities.</p>	<p>It's being studied by the company Board.</p>
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A, B, C, D, E,) 39 (F	A) According to the proposal of the Nomination Committee,– the BOD shall set the necessary mechanisms to annually evaluate the performance of the Board, its members, committees, and executive management, using appropriate performance measurement indicators related to achieving the company's strategic objectives, the quality of risk management, the adequacy of internal control systems, etc, provided that the strengths and weaknesses shall be identified and proposed to be addressed in accordance with the interest of the company.	The BOD has adopted various methods that enable it to evaluate the performance of its members and committees, and the organization of the mechanism for evaluating the performance of the Board and its committees is being examined in accordance with best practices.
67	Under a decision by the company's BOD, a committee called (Risk Management Committee) shall be formed. Its chairman and the majority of its members shall be non-executive board members, provided that its members shall have an adequate level of knowledge in risk management and financial affairs.	The company's various business activities are not considered to be of high risk, such as those of banking sector. However, the company's BOD is currently examining the appropriateness of forming this committee and the benefits that might brought to the company.
68	<p>Terms of reference of Risk Management Committee</p> <p>إدارة المخاطر</p> <p>1. Developing a comprehensive risk management strategy and policies that comply with the nature and size of the company's business activities, verifying their implementation, reviewing and updating them according to the internal and external changes of the company.</p>	The company's various business activities are not considered to be of high risk, such as those of banking sector. However, the company's BOD is currently examining the appropriateness of forming this committee and the benefits that might brought to the company.
69	The Risk Management Committee shall periodically meet at least every 6 months and whenever needed.	The company's various business activities are not considered to be of high risk, such as those of banking sector. However, the company's BOD is currently examining the appropriateness of forming this committee and the benefits that might brought to the company.

82	<p>The Company shall set out programs to develop and stimulate the participation and performance of the Company's employees; provided that such programs include in particular the following:</p> <p>Forming committees or specialized workshops to listen to and discuss the views of company's employees on the issues and topics the subject of important decisions.</p> <p>Programs granting employees shares in the company or a share of profits and retirement programs. Establishing an independent fund for spending on these programs.</p> <p>Establishing social institutions for the company's employees.</p>	The company's BOD is studying this matter and taking the necessary procedures to implement them, for its positive impact on the employees.
84	The Ordinary General Assembly, based on the Board of Directors' recommendation, shall establish a policy that guarantees a balance between its objectives and those of the community for purposes of developing the social and economic conditions of the community.	The company's BOD is studying it, since it is a noble objective.
85	Social Work Initiatives.	The company's BOD is studying it, since it is a noble objective.
86/3	The company's website shall include all the information required for disclosure, and any data or other information published through other means of disclosure.	The website is being updated for disclosure of important information.
92	In the event that the BOD forms a Corporate Governance Committee, it shall delegate to it the authorities stipulated under Article 94 of this Regulations. This Committee shall follow up any topics relating to governance applications and provide the BOD with at least the annual reports and recommendations it made.	The company's BOD is currently studying the possibility of forming this committee in order to ensure compliance with the corporate governance and applying the highest quality standards thereto.



PRODUCTION SECTOR

FORWARD INTEGRATED PRODUCTION

- Tihama recently engaged in this field, believing in its effective role in society and adapting to what the Saudi and Arab markets require
- The company is seeking to establish a new company in the production sector for producing imaging equipment and media production.
- Creating new tributaries for revenue growth and contributing to lowering the cost of production.
- Enhancing the working capital of the production sector and financing the company's projects in the sector.
- Tihama has a great opportunity to be a leader in this sector because there is no major player in the sector



EDUCATION SECTOR

HMH

- Tihama has invested in education by distributing the best curricula globally for schools, looking at innovation in the sector to develop a promising and distinctive generation
- The company intends to expand the education sector and distribute and develop educational subjects through the development of educational materials for the private education sector and schools that teach the British curriculum
- Developing educational programs with publishers in the field of non-major subjects, and developing the current operations of the sector by focusing on increasing the company's market share of the main customers in the sector.
- Investing modern technology and artificial intelligence in education and analysis of students' data.



RETAIL SECTOR

WHSmith

- We aim to achieve our goals through our strategic priorities and initiatives through continuous innovation, local expansion and sustainable returns
- The company seeks to support the retail sector, as the company has the franchise right to use the trademark " WH Smith"
- Benefiting from the growth of health sector operations through the opening of a number of branches in health facilities and hospitals
- Taking advantage of the development in the tourism sector within the vision program, where the company intends to open a number of branches in hotels and adopt modern technologies in retail.

ADVERTISING SECTOR



WPP

- Tihama has maintained its position in the advertising sector since its establishment and adopts the changes in the market and always seeks to innovate in this sector
- The company seeks to strengthen its position in the advertising sector by expanding its advertising sites network
- Providing a larger network for its customers and ensuring greater operational capacity, which will reflect positively on the development of the sector's revenues.

12. CMA Penalties:

During the fiscal year ending on 31 March 2024, no penalties were issued against the company by the Capital Market Authority.

13. Financial Instruments – Fair Value and Risk Management

Financial Instruments – Fair Value

This note provides information about the Group's financial instruments, including:

- **An overview of all financial instruments held by the Group;**
- **Specific information about each type of financial instruments.**

Financial assets

Financial assets are measured at amortized cost, or fair value through other comprehensive income ("FVOCI").

The decision to classify these financial assets into appropriate categories depends on:

- The business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial asset.

All financial assets owned by the Group are measured at amortized cost (with the exception of fair value through other comprehensive income ("FVOCI")) with the fair values being not materially different from their carrying amounts due to their short-term nature.

	31 March 2024	31 March 2023
:Financial Assets		
Financial assets at fair value through other comprehensive income	-	-
:Loans and Receivables		
Trade and other receivables	24,141,895	27,814,049
Due from related parties	-	141,473
	24,141,895	27,955,522
Cash and cash equivalent	285,365,222	29,997,918
Total	309,507,117	57,953,440

Financial liabilities:

The fair values of financial liabilities are not materially different from their carrying amounts, since the interest payable on those liabilities is either close to current market rates or the liabilities are of a short-term nature.

	31 March 2024	31 March 2023 (amended)
Financial liabilities		
Loans	-	20,751,481
Due to a related party	171,280	-
Payables and other payable balances	120,742,955	113,693,917
Accrued Zakat	21,693,041	36,610,611
Total	142,607,276	171,056,009

- **The Group's activities are subject to various financial risks, including:**

A. Credit Risks**B. Market Risks****C. Liquidity Risks****Risk management framework**

- The Parent Company's Board of Directors is responsible for developing and monitoring the Group's risk management framework. The Board of Directors is responsible for developing and monitoring the Group's risk management policies.
- The Group's overall risk management program focuses on the unexpected financial market fluctuations and the search for possibilities to minimize potential negative effects on the Group's consolidated financial performance.
- Risk management is carried out by senior management in accordance with policies approved by the Board of Directors. Senior management identifies and assesses financial risks in close cooperation with the company's operating units.

A. Credit Risks

- The Group is exposed to credit risk as a result of the counterparty's failure to meet its contractual obligations when due, in respect of:
 - Trade receivables and other debit balances
 - Cash and cash equivalents
- In monitoring customer credit risk, customers are grouped according to their credit characteristic existence of previous financial difficulties.
- The Group is closely monitoring the economic environment in taking actions to limit its exposure to customers in industry experiencing particular economic volatility. Purchase limits are monitored, all group customers dealing with credit are operating in Kingdom of Saudi Arabia.

- Credit risk is the risk that the Group will incur a financial loss as a result of the failure of the customer or counterparty to a financial instrument to fulfil its contractual obligations. The carrying amount of financial assets represents the maximum credit risk exposure. Impairment losses on financial assets recognized in consolidated statement of profit or loss amounted to SAR 657,705 (31 March 2023: SAR 5,298,097).
- The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management also considers the factors that may influence the credit risk of its customers base, including the default risk of the sector in which customers work.

For accounts receivable, the group has developed a policy according to which customers who wish to deal in credit are analyzed before presenting the basic terms and conditions of payment and delivery to the group. The Group limits its exposure to credit risk by providing credit terms that do not usually exceed three months on average, except in limited cases.

The book value of financial assets represents the maximum value to which financial assets can be exposed to credit risk as at the date of the financial position on 31 March, and is as follows:

	31 March 2024	31 March 2023
Trade and other receivables, net	24,141,895	27,814,049
Due from related parties	-	141,473
Cash and cash equivalent	285,365,222	29,997,918
Total	309,507,117	57,953,440

- Receivables are short-term and usually less than 12 months, so the provision for credit loss is calculated in a way that does not differ from the 12-month period, which is the expected life of the receivables.
- The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.
- The group uses past and historical experiences and loss rate based on the basis of the past 36 months, where historical loss rates are adjusted to reflect information on current conditions and future expectations of future economic conditions. The loss rates differ based on the age of the receivables and are usually higher the older the receivables.

The following table shows information on credit risk exposure and expected credit losses of trade receivables as at 31 March 2024:

Age of Trade Re- ceivables	Weighted-average loss rate	Total book value	Impairment loss provision
days 1-90	36.51%	1,053,816	384,699
days 91-180	51.01%	1,433,887	731,384
days 181-360	81.97%	188,103	154,197
More than 360 years	98.78%	15,919,922	15,726,029
Total		18,595,728	16,996,309

The following table shows information on credit risk exposure and expected credit losses of trade receivables as at 31 March 2023:

Age of Trade Receivables	Weighted-average loss rate	Total book value	Impairment loss provision
days 1-90	6.15%	3,079,007	189,456
days 91-180	11.76%	2,011,145	236,449
days 181-360	31.84%	1,925,409	612,970
More than 360 years	98.06%	16,034,050	15,722,882
Total		23,049,611	16,761,757

Factors affecting credit loss model:

1- Collection of receivables.

- Future expectations of the economic conditions of the sectors in which customers work.
- Sensitivity :
- **The following table shows the sensitivity of impairment of trade receivables to possible reasonable changes in future default rates with all other variables fixed:**

	31 March 2024	31 March 2023
Increase by 100 bps	(184,859)	(268,249)
Decrease by 100 bps	184,859	268,249

- The Group has assessed other receivables as underperforming receivables and as the expected lifetime of related financial assets for less than 12 months the Group has applied the expected loss measurement over the life of the assets. The expected losses of other receivables as at 31 March 2024 are SAR 1,159,215 (31 March 2023: SAR 1,159,215).
- The Group has kept cash and cash equivalents in reputable banks and financial institutions, so the expected credit losses of cash and cash equivalents as at 31 March 2024 is insignificant (31 March 2023: insignificant).

B. Market Risks

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, such as foreign exchange rates, commission rates and goods prices, will affect the Group's income or the value of its holdings of financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency management risks

- **Currency risk** is the risk that the value of a financial instrument is subject to fluctuations as a result of changes in foreign exchange rates. The Group's business transactions are mainly in the currencies of Saudi riyal, UAE dirham and US dollar.
- The group also has investments in foreign associate companies where its net assets are exposed to currency conversion risk. These risks are currently mainly related to the movement of the conversion rate between the Saudi riyal against the UAE dirham. The impact of these exposures is recorded in a separate item in the shareholders' equity in the accompanying consolidated financial statements. The Group's management monitors fluctuations in the foreign exchange rate and believes that these risks are insignificant as the exchange currencies are regularly fixed in Saudi Riyals.

Managing fair value and cash flow commission rate risks

Fair value and cash flow commission rate risks are different exposures related to the effect of fluctuations in commission rates prevailing in the market on the consolidated financial position and consolidated cash flows of the group. Commission rate risk to the Group arises mainly from short-term deposits and bank borrowings. The Group does not use hedging contracts, but management monitors changes in commission rates and believes that this risk is not significant.

As at the date of the financial position, the Group's loans carrying commission rates were as follows:

	31 March 2024	31 March 2023
Loans – Commission Instru- ments	-	20,751,481
	-	20,751,481

Price risk management

- Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its source, or factors affecting all instruments traded in the market. The group is exposed to price risk in relation to equity investments held by the group and classified as financial assets designated at fair value through comprehensive income in the consolidated statement of financial position. The Group diversifies its investment portfolio to manage the price risk arising from its equity investments.

C. Liquidity Risks

- Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity by monitoring on a regular basis that sufficient funds and banking and other

credit facilities are available to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group seeks continuously to comply with its legal obligations, including any, relating to its financing agreements.

- Liquidity risk is managed by monitoring on a regular basis that sufficient funds and banking and other credit facilities are available to meet the Group's future commitments.
- The management monitors the rolling forecasts of liquidity and expected cash flows at the group level. In addition, the liquidity management policy of the group includes forecasting cash flows and considering the level of liquid assets necessary to meet them, monitoring liquidity rates in the financial position and debt financing plans.

The following are the contractual accruals for financial liabilities at the end of the reporting period. The amounts shown are in the total amount, not the deducted amount:

As on 31 Mach 2024	Less than three months	More than 6 months but less than a year	years 1-2	years 2-5	Total	Book value
Loans	-	-	-	-	-	-
Accrued Zakat	9,161,461	12,531,580	-	-	21,693,041	21,693,041
Payables and other payable balances	25,749,991	94,992,964	-	-	120,742,955	120,742,955
Dividend Receivables	8,008,175	-	-	-	8,008,175	8,008,175
Due to a related party	-	171,280	-	-	171,280	171,280
	43,720,206	107,695,824	-	-	151,416,030	151,416,030
As on 31 Mach 2024						
Loans	20,751,481	-	-	-	20,751,481	20,751,481
Accrued Zakat	7,873,500	28,737,111	-	-	36,610,611	36,610,611
Payables and other payable balances	37,906,220	68,071,910	-	-	113,693,917	113,693,917
Dividend Receivables	8,808,754	-	-	-	8,808,754	8,808,754
Due to a related party	-	-	-	-	-	-
	72,820,653	107,044,110	-	-	172,148,976	172,148,976

Lease contracts liabilities

The following are the minimum undeducted lease payments to which IFRS applies as on:

	March 2024 31	31 March 2023 (amended)
Within a year	32,805,773	10,705,992
Above 1 year to 5 years	8,227,447	30,577,538
	<u>41,033,220</u>	<u>41,283,530</u>

The following are the minimum deducted lease payments to which IFRS applies as on:

	31 March 2024	31 March 2023 (amended)
Within a year	32,112,488	10,210,552
Above 1 year to 5 years	8,008,175	29,162,506
Total long-term lease liabilities	<u>40,120,663</u>	<u>39,373,058</u>

Capital Management

- The Group seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.
- The Group monitors capital using a ratio of adjusted net debt to adjusted equity. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash, and cash equivalents. Adjusted equity comprises all components of equity attributable to shareholders of parent company.

	31 March 2024	31 March 2023 (amended)
Total Liabilities for Continuing Operations	196,072,462	224,294,638
Total Liabilities for Discontinued Operations	25,177,787	-
Less: Cash and cash equivalent	<u>(265,365,222)</u>	<u>(29,997,918)</u>
Net adjusted debt	(44,114,973)	194,296,720
Total equity attributable to equity holders of parent company	214,762,113	(65,690,960)
Ratio of net adjusted debt to equity attributable to shareholders of the parent company	(0.21)	(2.96)

14. Description of Debt Instruments Activities:

1. Convertible debt instruments:

There are no debt instruments that may be converted into shares, subscription rights or similar rights issued or granted by the company or its affiliates during the fiscal year.

2. Conversion or subscription rights under debt instruments:

In addition, there are no conversion or subscription rights under debt instruments convertible to shares, option rights or similar title certificates issued or granted by the company or its affiliates during the fiscal year.

3. Recoverable debt instruments:

The company or its affiliates have nor recovered, purchased or canceled any recoverable debt instruments. In addition, there are no shares or instruments issued by the company to any of its affiliates.

15. Description of shares Interests and Debt Instruments

1. There is no interest in a class of voting shares held by persons (other than the company's directors, Senior Executives and their relatives) who have notified the company of their holdings pursuant to Article 67 of the Rules on the Offer of Securities and Continuing Obligations, together with any change to such interests during the last fiscal year
2. There is no interest in a class of voting shares and subscription rights are issued to the BOD members, senior executives, their spouses and their children in the company's shares or debt instruments or any of its affiliates. There is no change during the last fiscal year.

16. Acknowledgments of BOD:

- The company's records have been duly prepared.
- The internal control system has been based on sound basis and effectively implemented.
- There is no doubt regarding the ability of the issuer to continue its activity

The BOD shall acknowledge that:

- The consolidated financial statements have been fully prepared for the fiscal year ending on 31/03/2024 in accordance with the international financial reporting standards approved by the Saudi Organization for Certified Public Accountants (SOCPA) applicable in KSA, as well as other standards and interpretations approved by SOCPA, in a manner showing its appropriate financial position.
- The company has the ability and the resources necessary to continue its activity and business in the future.
- The internal control system has been based on sound basis and effectively implemented.
- There are no loans granted to any member of BOD.

- No penalties or sanctions have been imposed on the company by any supervisory, regulatory, judicial entity or the CMA except as disclosed.
- The BOD shall acknowledge that there are no loans due on the company, except for those mentioned within the company's financial statements for the fiscal year ending on 31/03/2024 and disclosed in its report submitted to the shareholders.
- No one has informed the company of any interest in the share category with voting rights.
- The report of the auditor shall appear that the financial statements are clear and free of any fundamental mistakes.

Eighth: Auditor's Report

The auditor's report was issued with a qualified opinion as follows:

Qualified Opinion

In our opinion, except for the possible effect of the matter described in the "Basis for Qualified Opinion" section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Tihama Advertising, Public Relations & Marketing Company and its subsidiaries.

Basis for Qualified Opinion

As stated in Note No. (6) investments in associate companies are accounted for using the equity method in the accompanying consolidated financial statements. The group has investment in associate companies (Wunderman Thomson MENA Company) "Wunderman" and United Advertising Company, amounting to SR 35,107,558 and SR 7,036,321 respectively as at 31 March 2024, which is accounted for using the equity method. The Group has recorded its investments in the associate as well as its share in net result of profit of associate amounting to SR 15,692,080 based on the management Internal accounts of the associates. Accordingly, we were unable to obtain sufficient audit evidence, directly or through alternative procedures, regarding valuation of the investment balances as of 31 March 2024, as well as the accuracy of the group's share in profit for the year ending on the same date. Accordingly, we were not able to determine whether adjustments to these amounts were necessary as of 31 March 2024.

MATERIAL UNCERTAINTIES RELATED TO GOING CONCERN

We draw attention to Note (2/4/1) to the accompanying consolidated financial statements, which states that the group has accumulated losses amounting to SR 159,925,206 as of 31 March 2024, representing 39.98% of the company's capital on the same date (31 March 2023: amounting to SR 90,930,168 representing 181.86% of the company's capital).

The group also has negative cash flows from operating activities amounted to SR 32,007,219, and the total comprehensive loss for the year ended 31 March 2024, amounted to SR 48,271,961. The group has sufficient liquidity to enable it to meet its liabilities when it become due, in addition to plans to liquidation of number of subsidiaries, new investments and expansion in its business to generate positive cash flow to continue its operations, these circumstances indicate the existence of a material uncertainty, which may raise significant doubts about the group's ability to remain as a going concern. Our opinion has not been qualified with respect to this matter.

OTHER MATTER

Without considering this as an additional qualification, the consolidated financial

statements of the Group for the year ended 31 March 2023, were audited by another auditor, who expressed a qualified opinion dated 22 June 2023. The reason for qualifying his opinion was as follows:

"The group's investments in associate companies were recorded and accounted for using the equity method based on financial statements prepared by the Company's management, the balance of investments in the group's summary and consolidated statement of financial position as of 31 March 2023 amounted to SR 20,043,000 and the group's share profits were included in the group's interim condensed consolidated statement of profit or loss for the period ending on that date amounting to SR 3,841,875 and he was not able to obtain sufficient evidence directly or through procedures regarding the group's investment balances in the above company as of 31 March 2023 as well as the group's share in the other comprehensive income of the above company for the same period. Accordingly, He was not able to determine whether it was necessary to conduct Adjustments to this amount."

Ninth: Recommendations of BOD:

After reviewing with you the balance sheet and final accounts for the period as at 01/04/2023 until 31/03/2024, the Board recommends the following to your esteemed association:

- 1- Approval of the financial statements for the fiscal year ending on 31/03/2024.
- 2- Approval of the report of BOD for the fiscal year ending on 31/03/2024.
- 3- Approval of the auditor's report for the fiscal year ending on 31/03/2024.
- 4- Approval of the appointment of the company's auditor from among the candidates based on the recommendation of the audit committee, to examine, review and audit the financial statements for the second, third and year end of the fiscal year ending on 31/03/2025, and the first quarter of the following fiscal year; as well as determining his/her fees.

Acknowledgment

The BOD of the Tihama Advertising, Public Relations and Marketing Holding Company (Tihama) is pleased to thank God the Almighty for the results achieved by the company, even if they are below the expected outcome. The Board is also pleased to thank and appreciate the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz – may God bless him – and HRH Crown Prince Muhammad Bin Salman – may God bless him – for their wise contribution to promote the status of the nation and the citizens spreading the welfare throughout the Kingdom for more blessed development. The Board would also thank the company's shareholders for their trust and sincere support, in addition to the company's administration and its employees for their sincere efforts and great performance during the fiscal year 2023/2024.

Regards,,,
Company's Board of Directors



