

### (Agenda items of the Ordinary General Assembly meeting) First and second meetings in one hour

- 1- Review and discuss the Board of Directors' report for the fiscal year ending December 31, 2025.
- 2-Vote on the company's auditor's report for the fiscal year ending December 31, 2025, after discussion.
- 3- Review and discuss the financial statements for the fiscal year ending December 31, 2025.
- 4- Vote on the appointment of the company's auditor from among the nominees, based on the recommendation of the Audit Committee, to examine, review, and audit the financial statements for the second, third, and fourth quarters, the audited annual financial statements for fiscal year 2026, and the first quarter of fiscal year 2027, and determine their fees.
- 5- Voting on the disbursement of SAR 1,540,000 as a bonus for the Board of Directors for the fiscal year ending December 31, 2025.
- 6- Voting on the transactions and contracts concluded between the Company and East Gas Company, in which Board Member Abdulaziz bin Raed Al-Mashal has an indirect interest. These transactions and contracts consist of a gas services contract for SAR 10,669,165 for the year 2025, under prevailing commercial terms and conditions, with no preferential terms.
- 7- Voting on authorizing the Board of Directors with the powers of the Ordinary General Assembly to grant the license stipulated in Paragraph (1) of Article (27) of the Companies Law for a period of one year from the date of approval by the General Assembly or until the end of the term of the authorized Board of Directors, whichever is earlier, in accordance with the conditions stipulated in the Implementing Regulations of the Companies Law pertaining to listed joint-stock companies.
- 8- Voting on authorizing the Board of Directors to distribute interim dividends on a semi-annual or quarterly basis for the fiscal year ending on 31/12/2026.
- 9- Voting on the Board of Directors' recommendation to distribute cash dividends of SAR 18,477,106 to shareholders for the fiscal year 2025, at a rate of SAR 0.5 per share, representing 5% of the nominal value of each share. Eligibility will be for shareholders who own shares at the close of trading on the day of the General Assembly meeting and are registered in the company's shareholder register at the Securities Depository Center Company (Edaa) at the end of the second trading day following the entitlement date. Dividend distribution will commence on Wednesday, June 3, 2026.



الشركة السعودية لصناعة الورق  
SAUDI PAPER MANUFACTURING CO.

# **Annual Report of the Audit Committee**

**For the Financial Year Ended 31 December 2025**

## To the Esteemed Shareholders of Saudi Paper Manufacturing Company,

*Peace, mercy, and blessings of God be upon you,*

This report sets out the activities undertaken by the Audit Committee for the financial year ended 31 December 2025, in accordance with the duties assigned to it under the Corporate Governance Regulations for Listed Companies issued by the Board of the Capital Market Authority, and the Audit Committee Charter approved by resolution of the General Assembly of the Company's shareholders.

### **First: Functions and Responsibilities of the Audit Committee:**

The Audit Committee, pursuant to its Charter approved by the Company's shareholders, is entrusted with overseeing the Company's operations and verifying the integrity and soundness of its financial reports, financial statements, and internal control systems. The Committee's duties include reviewing the interim and annual financial statements, examining significant matters that may affect the preparation of financial reports, ensure the application of approved accounting policies, and study such policies and providing its opinion and recommendations thereon. The Committee's responsibilities further extend to studying and applying internal control and risk management systems; supervising internal audit activities, reviewing the related reports, and following up on corrective actions taken in response to their observations; nominating external auditors and verifying their independence; reviewing the auditor's plan, work, and report, together with their observations on the financial statements and the actions required in respect thereof; verifying the Company's compliance with applicable laws and regulations; and ensuring the existence of proper procedures for receiving complaints relating to internal control and the preparation of financial reports — in addition to establishing a confidential mechanism enabling employees to report violations (Whistleblowing) and conducting independent investigations into such reports. The Committee's mandate also extends to overseeing the effectiveness of anti-fraud and anti-corruption procedures, approving the related policies, and investigating any cases of suspected financial manipulation or material fraud involving management or any employees performing significant roles in the control procedures.

### **Second: Activities of the Audit Committee during the Financial Year 2025:**

The Committee discharges the duties and responsibilities entrusted to it in order to assist in obtaining the necessary assurances regarding the soundness and adequacy of the Company's internal control systems, taking into consideration the approved risk-based annual audit plan, which seeks to provide an objective evaluation of the internal control system. This is achieved through the Internal Audit Department's submission of periodic reports to the Committee on the operational, administrative, and financial audit activities it carries out on a continuous basis, with the aim of obtaining reasonable assurance that the Company's objectives are being achieved — namely, the safeguarding of its assets, the

accuracy and completeness of its accounting records, and adherence to the regulations, by-laws, and policies adopted by management to attain those objectives — all of which are continuously monitored by the Audit Committee. There were no conflicts between the Audit Committee's recommendations during 2025 and the resolutions of the Company's Board of Directors.

During the financial year 2025, the Committee held **six (6) meetings** and devoted itself to the discussion and issuance of recommendations and resolutions aimed at developing and supporting the Internal Audit Department and discharging the duties of the Audit Committee in accordance with the highest standards, principles, and practices applicable to audit committee work. The principal activities and recommendations carried out by the Committee are set out below:

1. Reviewing the Company's quarterly financial statements for the first, second, and third quarters to ensure their compliance with the accounting standards adopted in the Kingdom of Saudi Arabia and recommending them to the Board of Directors for approval.
2. Reviewing the Company's annual financial statements to ensure their compliance with the accounting standards adopted in the Kingdom of Saudi Arabia and recommending them to the Board of Directors for approval.
3. Reviewing the proposals submitted by the external auditors for the audit and review of the Company's financial statements and recommending the nominees to the General Assembly after verifying the independence of the proposals and the scope of work.
4. Approving the engagement of an external specialist consultant to support the Internal Audit Department team in the performance of internal audit work.
5. Approving the internal audit plan and its scope of work, monitoring the progress of its implementation, considering the most significant observations arising therefrom, and providing the necessary directives for addressing any deficiencies identified.
6. Directing the Company's Executive Management to formulate and prepare the policy governing the calculation of financial provisions for inventory.
7. Preparing a report on the plan for the utilization of unused assets, with the Committee being kept informed of the follow-up on the matter of unused assets in accordance with its terms of reference.
8. Preparing a study on slow-moving inventory of economic value, and on how to maximize the benefit derived therefrom — whether through reintegration into the production process or through disposal.
9. Directing the Company's Executive Management on the importance of accelerating the work to complete the project for preparing and approving the Company's internal policies and procedures.

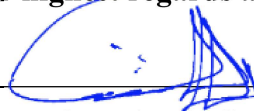
10. Directing the Company's Executive Management to prepare a detailed study of the trade receivables and the procedures undertaken to collect outstanding amounts.

The Committee further conducts a periodic review of the reports prepared by the External Auditor and by the Internal Audit Department in accordance with the approved plan. These reports include an assessment of adequacy and effectiveness of internal control. During the financial year 2025, work was carried out to address the observations arising from the internal audit activities with the aim of strengthening the internal control system; all observations were addressed, the necessary corrective plans were implemented, and adequate controls were put in place to prevent their recurrence in the future.

### **Third: Results of the Annual Review of the Effectiveness of the Internal Control Procedures, and the Audit Committee's Opinion on the Adequacy of the Internal Control System and Risk Management:**

Control procedures and their effectiveness are of paramount importance and play a pivotal role in the achievement of the Company's objectives. The Company's management is responsible for the design, preparation, and implementation of a comprehensive and effective internal control and risk management system. The internal control system is grounded in the vision and judgment of the Company's management, with a view to establishing a control framework commensurate with the relative materiality of the financial, operational, and other risks inherent in the Company's activities. The internal control system is likewise built on sound foundations in a manner that ensures the continuous evaluation of the internal control system and the risk management system and of their effectiveness. Following its examination and assessment, the Audit Committee did not identify any material observations having a significant impact on the effectiveness of the internal control system during the financial year 2025. The Committee further recommended that the Company's management analyze the principal operational, administrative, and financial risks that the Company may face, and assess the proposed solutions and remedial measures so as to ensure the sustainability and integrity of the Company's operations and activities. The Committee continues to oversee the updating of the risk register within the annual audit plan prepared by the Internal Audit Department, which operates with full independence — bearing in mind that no audit or review system can provide comprehensive and absolute assurance as to the soundness and effectiveness of the internal control system.

**Please accept our highest regards and appreciation,**



**Chairman of the Audit Committee**

**Mr. Bashar bin Abdulaziz Aba Al-Khail**



**INDEPENDENT AUDITOR'S REPORT****(1/5)****TO THE SHAREHOLDERS OF  
SAUDI PAPER MANUFACTURING COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
DAMMAM, KINGDOM OF SAUDI ARABIA****REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS****OPINION:**

We have audited the accompanying consolidated financial statements of Saudi Paper Manufacturing Company – a Saudi joint stock company (“the Company”) and its subsidiaries (collectively referred to as “the Group”), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in shareholders' equity, and the consolidated statement of cash flows for the year then ended, and the accompanying notes the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with IFRS as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements endorsed by SOCPA.

**BASIS FOR OPINION:**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) as endorsed in the Kingdom of Saudi Arabia, relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with that code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**KEY AUDIT MATTER:**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Below is a description of each key audit matter and how it was addressed:

**INDEPENDENT AUDITOR'S REPORT (Continued)**
**(2/5)**
**TO THE SHAREHOLDERS OF  
 SAUDI PAPER MANUFACTURING COMPANY  
 (A SAUDI JOINT STOCK COMPANY)**
**DAMMAM, KINGDOM OF SAUDI ARABIA**
**REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**
**KEY AUDIT MATTER: (Continued)**

Revenue Recognition	Audit Procedures
<p>Revenue is a key element of the Group's performance and profitability and involves inherent risks, including the risk of revenue being overstated to enhance profitability. Accordingly, this matter has been considered a key audit matter.</p> <p>As disclosed in Note (21), the Company's revenue amounted to SAR 850.2 million for the financial year ended 31 December 2025 (2024: SAR 837.2 million).</p>	<p>We performed the following procedures, among others, in relation to revenue verification:</p> <ul style="list-style-type: none"> <li>✦ Assessed the appropriateness of the Company's accounting policies for revenue recognition in accordance with the requirements of IFRS 15, Revenue from Contracts with Customers.</li> <li>✦ Tested the design and operating effectiveness of internal controls related to the recognition of revenue and the related receivables.</li> <li>✦ Tested a sample of revenue transactions and verified the proper application of the revenue recognition policy.</li> <li>✦ Performed cut-off procedures to ensure that revenue was recorded in the correct period.</li> <li>✦ Evaluated the completeness and adequacy of disclosures related to revenue in the Group's consolidated financial statements.</li> </ul>
Expected Credit Losses (ECL)	Audit Procedures
<p>The Group has total trade receivables of SAR 330 million as at 31 December 2025, against which it has recorded an allowance for expected credit losses amounting to SAR 39.4 million.</p> <p>The estimation of the expected credit loss allowance is highly judgmental due to the significant accounting judgments and assumptions applied by management in determining the expected credit losses for outstanding trade receivables, based on historical credit loss experience and adjusted for forward-looking information. Assessing the relationship between historical observed loss rates, expected economic conditions, and anticipated cash flows represents a significant estimate. Given the accounting judgments involved, particularly in calculating expected credit losses, we have considered this matter to be a key audit matter.</p> <p>Refer to Note (9) of the accompanying consolidated financial statements for further details.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>✦ Evaluated the appropriateness of the significant judgments and assumptions used in management's estimates.</li> <li>✦ Analyzed the accounting policies and assessed the methodology used to calculate the expected credit loss rate.</li> <li>✦ Verified the mathematical accuracy of the model and recalculated the expected credit losses on a sample basis.</li> <li>✦ Performed an analysis of the results of the Group's expected credit loss model and tested the aging of trade receivables and other source data used in the assessment on a sample basis.</li> <li>✦ Evaluated the adequacy of the Group's disclosures regarding expected credit losses on trade receivables, as well as management's assessment of credit risk and its response to those risks.</li> </ul>

**INDEPENDENT AUDITOR'S REPORT (Continued)****(3/5)**

**TO THE SHAREHOLDERS OF  
SAUDI PAPER MANUFACTURING COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
DAMMAM, KINGDOM OF SAUDI ARABIA**

**REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS****OTHER MATTER:**

The consolidated financial statements of the Group for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements dated Ramadan 27, 1446H (corresponding to March 27, 2025).

**OTHER INFORMATION INCLUDED IN THE GROUP'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025:**

Other information comprises the information included in the Group's annual report for the year ended 31 December 2025, other than the consolidated financial statements and the auditor's report thereon. Management of the Group is responsible for the other information included in its annual report. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or the information obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we perform, we conclude that there is a material misstatement in the other information, we are required to report that fact to those charged with governance.

**MANAGEMENT'S AND THOSE CHARGED WITH GOVERNANCE'S RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS:**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia, other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants (SOCPA), the provisions of the Companies Law, and the Company's Articles of Association. Management is also responsible for such internal control as it determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and applying the going concern accounting principle unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are the Board of Directors, and they are responsible for overseeing the Group's financial reporting process.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS:**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) as endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists.

Misstatements may arise from fraud or error and are considered material, individually or in the aggregate, if it is reasonably expected that they could influence the economic decisions of users taken on the basis of these consolidated financial statements.

**INDEPENDENT AUDITOR'S REPORT (Continued)****(4/5)**

**TO THE SHAREHOLDERS OF  
SAUDI PAPER MANUFACTURING COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
DAMMAM, KINGDOM OF SAUDI ARABIA**

**REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS:****AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

As part of an audit in accordance with the International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ✦ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ✦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ✦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ✦ Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ✦ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ✦ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**INDEPENDENT AUDITOR'S REPORT (Continued)****(5/5)****TO THE SHAREHOLDERS OF  
SAUDI PAPER MANUFACTURING COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
DAMMAM, KINGDOM OF SAUDI ARABIA****REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS:****AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**FOR EL SAYED EL AYOUTY & CO.****Date:** Shawwal 07, 1447H  
March 26, 2026**Abdullah Ahmad Balamash**  
Certified Public Accountant  
License No. (345)

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**Independent Auditor's Report on a Limited Assurance Engagement in accordance with Article (71) of the Companies Law**

**To the Shareholders of the Saudi Paper Manufacturing Company  
(A Saudi Joint Stock Company)  
Dammam – Kingdom of Saudi Arabia**

We have performed a limited assurance engagement to determine whether anything has come to our attention that causes us to believe that the matter described in the subject paragraph below (the "Subject Matter") has not been properly reported and fairly presented, in all material respects, in accordance with the relevant criteria referred to below.

**Subject Matter:**

The subject of the limited assurance engagement relates to the financial information disclosed in the attached report (Appendix No. 1) submitted by the Chairman of the Board of Directors of the Saudi Paper Manufacturing Company (the "Company") to the Ordinary General Assembly regarding the businesses and contracts in which a member of the Board of Directors has a direct or indirect personal interest, which occurred during the period from January 1, 2025 to December 31, 2025, in accordance with the requirements of Article (71) of the Companies Law.

**Relevant Criteria:**

- Article (71) of the Companies Law issued by the Ministry of Commerce.
- The report submitted by the Chairman of the Board of Directors (Appendix No. 1).
- The Company's accounting records for the period from January 1, 2025, to December 31, 2025.

**Management's Responsibility:**

Management is responsible for the preparation and fair presentation of the information included in the attached report, prepared in accordance with the subject matter paragraph above. Management is also responsible for selecting the methods for applying the relevant criteria. Furthermore, management is responsible for implementing such internal control systems as it deems necessary for the preparation and fair presentation of the information referred to in the subject matter paragraph above, ensuring that it is free from material misstatement, whether due to fraud or error, and for selecting and applying appropriate criteria, maintaining adequate records, and making reasonable estimates in light of the relevant circumstances and events.

**Our Responsibility and Basis for Conclusion:**

Our responsibility is to express a limited assurance conclusion on the subject matter above based on the limited assurance engagement we performed in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" as endorsed in the Kingdom of Saudi Arabia, and the terms and conditions of the engagement agreed upon with the Company's management.

Our procedures were designed to obtain a limited level of assurance sufficient to provide a basis for our conclusion. Accordingly, we did not obtain all the evidence that would be required to provide a reasonable level of assurance. The procedures performed depend on our professional judgment, including the assessment of the risks of material misstatement in the subject matter, whether due to fraud or error. We also considered the effectiveness of internal control systems in determining the nature and extent of our procedures; however, our engagement was not designed to provide assurance on the effectiveness of those systems.

We are independent of the Company in accordance with the relevant professional code of conduct and ethics adopted in the Kingdom of Saudi Arabia, and we have also fulfilled our other ethical responsibilities in accordance with these requirements. We also apply International Standard on Quality Management (ISQM 1).

(1/2)

**Independent Auditor's Report on a Limited Assurance Engagement in accordance with Article (71) of the Companies Law**

**To the Shareholders of the Saudi Paper Manufacturing Company  
(A Saudi Joint Stock Company)  
Dammam – Kingdom of Saudi Arabia**

**Summary of Procedures Performed:**

The procedures applied in a limited assurance engagement vary in nature and timing and are less in extent than those applied in a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than that which would have been obtained had a reasonable assurance engagement been performed.

**Our procedures included the following:**

- Obtaining the report submitted by the Chairman of the Board of Directors, which includes financial information regarding the business and contracts in which a member of the Board of Directors has a direct or indirect personal interest, and which occurred during the period from January 1, 2025 to December 31, 2025, in accordance with the requirements of Article (71) of the Companies Law (Appendix No. 1).
- Comparing the financial information included in Appendix No. 1 with the Company's accounting records for the period from January 1, 2025, to December 31, 2025.

**Conclusion:**

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

**Other Matter:**

The attached Appendix No. 1 has been initialized by us for identification purposes.

**FOR EL SAYED EL AYOUTY & CO.**

**Abdullah Ahmad Balamash  
Certified Public Accountant  
License No. (345)**

**Al-Khobar:** DhuAl-Qa'dah 03, 1447H  
April 20, 2026



The Honorable Shareholders of the Saudi Paper Manufacturing Company,

**Subject: Notifying of the Board of Directors Regarding transactions and contracts in which Board members have a direct or indirect interest for the fiscal year ending: 31/12/2025**

With reference to the requirements of Article (71) of the Companies Law and its implementing regulations, which stipulate that the Board of Directors must inform the General Assembly, upon its convening, of any transactions and contracts in which a member of the Board has a direct or indirect interest, and that such notification must be accompanied by a special report from the company's external auditor.

Accordingly, the Board of Directors of the Saudi Paper Manufacturing Company wishes to inform the esteemed General Assembly of the transactions and contracts in which members of the Board of Directors have a direct or indirect interest, for which the Company seeks approval from the General Assembly. These are detailed in the table below:

Party Name	Member of the BOD	Nature of Transaction	Contract During	Value (SAR)
East Gas Company	Abdul Aziz bin Raed Al-Mashal	Purchase	2025	10,669,165

The above-mentioned transactions were approved by a resolution of the General Assembly at its meeting held on 21/05/2025, whereby the Board of Directors was delegated the authority of the General Assembly to grant the authorization set forth in paragraph (1) of Article (27) of the Companies Law, for a period of one year or until the end of the term of the delegated Board, whichever occurs earlier, in accordance with the terms and controls stipulated in the Implementing Regulations for Listed Joint Stock Companies. These transactions will be presented to the next General Assembly for approval.

**Thank you for your attention and appreciation.**



Chairman of the Board  
Abdul Rahman bin Raed Al-Mashal