

Audit Committee Report to the Shareholders of GAS Arabian Services Co. for the Fiscal Year 2025

Dear Shareholders,

GAS Arabian Services Company

Dammam, Kingdom of Saudi Arabia

In recognition of the importance of evaluating the effectiveness of internal control systems, verifying the integrity of the Company's financial reports and statements, overseeing the Internal Auditor and the External Auditor, and ensuring the Company's compliance with applicable laws, regulations, and relevant policies, the Audit Committee was established comprising three members, and its roles responsibilities, and operating procedures have been defined in accordance with the Companies Law, the Corporate Governance Regulations issued by the Capital Market Authority, and other relevant laws and regulations.

The Audit Committee performs its duties in accordance with the applicable laws and regulations, as well as its charter approved by the General Assembly. These duties include evaluating the effectiveness of internal control systems, ensuring the integrity and accuracy of the Company's financial reports and statements, overseeing the Internal Auditor and the External Auditor, and verifying the Company's compliance with relevant laws, regulations, and policies.

During the year 2025, the Committee held four meetings. Below is a summary of the Committee's composition and the attendance of its members at the meetings held during the year:

Name	Position	First Meeting 25/02/2025	Second Meeting 30/04/2025	Third Meeting 29/07/2025	Fourth Meeting 29/10/2025	Attendance Rate
Fawaz Abdullah Danish	Chairman	✓	✓	✓	✓	100%
Adnan Abdulrahman Al-Mansour	Member	✓	✓	✓	✓	100%
Youssef Abdelhamid Khalil	Member	✓	✓	✓	✓	100%

Below is a summary of the key activities undertaken by the Committee during the year 2025

- **Internal Audit:**

Oversight of the Internal Audit function, which included the following:

1. **Approving the risk-based Internal Audit strategic plan for the years 2025 to 2027.**



2. Reviewing Internal Audit reports highlighting key observations identified in the quarterly and annual reports for the year 2025.
3. Monitoring the progress and adherence to the Internal Audit plan and ensuring that no restrictions were imposed on the work of the Internal Audit manager.
4. Ensuring the independence of the Internal Audit manager and their reporting line in accordance with the Internal Audit Charter.
5. Following up on Internal Audit recommendations by tracking progress in closing observations raised in previous Internal Audit reports.
6. Implementing Article (75) of the Corporate Governance Regulations by submitting an executive summary of Internal Audit activities to the Board of Directors.

“The Committee did not identify any material violations within the scope of Internal Audit.”

• **Financial Statements:**

1. Reviewing the interim and annual financial statements of the Company for the fiscal year 2025, providing its opinion, and submitting recommendations to the Board of Directors, confirming that they comply, in all material respects, with applicable laws, regulations, and relevant policies.

“No material violations were identified, and no adjustments were made to the financial statements based on the Committee’s observations.”

• **External Auditor:**

1. Monitoring the External Auditor’s plan and activities and verifying their independence.
2. Recommending to the Board of Directors the appointment, dismissal, remuneration, and performance evaluation of the External Auditor.
3. Reviewing the External Auditor’s report and observations on the financial statements and following up on actions taken in this regard.

“No material violations were reported based on the External Auditor’s findings.”



• **Committee's Opinion on the Adequacy of Internal Control, Financial Control, and Risk Management Systems:**

The Audit Committee reviewed the Company's internal control procedures within the scope of its approved responsibilities and based on the reports presented to it. Following discussions with the External Auditor, Executive Management, and Internal Auditor, the Committee concluded that the Company's internal and financial control environment and procedures have shown notable improvement. It is of the view that the internal control system has been appropriately designed and effectively implemented.

However, it is recognized that any internal control system, regardless of the strength of its design and effectiveness of its implementation, cannot provide absolute assurance. The Committee will continue to monitor developments in governance and risk management, ensure the Company's compliance with applicable regulations, and follow up on any updates, taking necessary actions accordingly. The Committee's work remains aligned with evolving local professional standards and international best practices within its mandate.

Fawaz Abdullah Danish
Chairman of the Audit Committee

