



البحر الأحمر
العالمية

Annual Report 2024G





RED SEA
International

**Promising Growth with
Sustainable Impact**

Red Sea International Company was established in 1967 and is a global leader in the design, planning, production, and operation of both temporary and permanent housing units. The company operates primarily across three key business segments: housing unit manufacturing, facility management, and electromechanical contracting.

”

“Our approach is consistent and continuous in striving for comprehensive, integrated and balanced development in all regions of the Kingdom”

Custodian of the Two Holy Mosques

King Salman bin Abdulaziz Al Saud

—— may Allah preserve him ——



"Our country has huge investment capabilities,
and we will seek to make it a driver for our
economy and an additional resource for our
country"

His Royal Highness Prince
**Mohammed bin Salman
bin Abdulaziz Al Saud**

Crown Prince, Prime Minister

— may Allah protect him —

”





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Amr bin Abdullah Al Dabbagh
Chairman

Chairman's Statement

Dear Honorable Shareholders

May Allah's peace and blessings be upon you,

It gives me immense pleasure to share with you the most prominent features of the financial and operational performance of the Red Sea International Company (RSI) during the year 2024G, which are reflected in a set of promising facts and figures that embody growth and giving, toward prospective achievements and successes, God willing.

The year 2024G has been a major turning point in the Company's journey, to regain the momentum of its pioneering presence as one of the leading companies operating in the field of construction and contracting in the Saudi market, based on a long history full of major achievements and projects that contributed to supporting the comprehensive economic and societal development process in the Kingdom.

The Red Sea International Company has committed to implementing an integrated development strategy based on providing a set of solutions and services and raising their efficiency, investing its long experience and great knowledge in the market and the growing requirements and needs of customers.

The Company has focused on harnessing its competitive resources and competences to select major projects of great value and benefit to the Company, in the most dynamic sectors of promising prospects of growth. It endeavors to be the first provider of standard construction solutions and services, facilities management and advanced electromechanical services. Our efforts in this context have begun to achieve promising successes, thank

God. In addition, we adopt a promising methodology, in our pursuit to integrate the concept of sustainability into all Company's businesses in its various sectors, as one of the pillars of implementing its transformational strategy. Meanwhile, we strive to launch a set of initiatives in the field of environmental, social and corporate governance practices (ESG), based on integrated performance indicators, which foster a promising path for further growth and sustainability at various levels of work in the Company.

On the other hand, one of the most prominent features of the Company's promising growth during 2024G is the significant increase in its share price in the stock exchange compared to previous years. In addition to the success of its subsidiary (First Fix) in signing a huge contract (Modern Building Leaders Company (MBL) worth 1,522,059,988 billion Saudi riyals. In 2024G, the Company's total annual revenues rose to (2,984 million) Saudi Riyals, an increase of (54%) over 2023G. The net profit amounted to (4 million) Saudi Riyals, an

increase of (118%) over 2023G. We hope that the company's tireless efforts to restore its competitive position as the most prominent leading company in providing integrated solutions in the Middle East will be fruitful.

In conclusion, I would like to extend my sincere thanks and gratitude to our wise government, led by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and his loyal Crown Prince, His Royal Highness Prince Mohammed bin Salman Al Saud, Prime Minister, may Allah protect them, for the great and unlimited support to the private sector in launching projects and involving it in the economic and societal development process, one of the goals of the Kingdom's Vision 2030. Thanks are extended also to all shareholders for their precious trust in us, and to the Board of Directors, Executive Management and all company colleagues for their great efforts in seeking to enrich the work process in various segments of the Company, towards achieving its strategic goals. May the Almighty bless you all...



one of the most prominent features of the Company's promising growth during 2024G is the significant increase in its share price in the stock exchange compared to previous years.



Red Sea International Company
Annual Report 2024G



Marwan Al-Sayegh
CEO

CEO's Statement

The Red Sea International Company has successfully restructured its operations according to a comprehensive corporate governance framework, in the context of its strategy that aims to raise the efficiency of its business and increase the comprehensive range of its innovative and integrated solutions to meet the needs of our growing customer base. It aims to reformulate the foundations on which it is based in a way that supports its aspirations to explore more growth opportunities in the future.

The Company has also continued to develop a competitive and stimulating internal work environment, through which it attracts the elite of distinguished competencies and expertise in various work specializations, especially from young Saudi talents, in

line with the Company's efforts to raise the rate of localization and contribute to providing more job opportunities, which contributes to achieving the goals of the Kingdom's Vision 2030. The Company is also committed to supporting them with a set of development programs and training and behavioral workshops, to hone their talents and raise their capabilities and professional knowledge, which enables them to perform their job roles efficiently and successfully.

As the Company continued to develop its digital infrastructure and equip it with the latest advanced equipment, devices and applications, managed by a group of experienced and competent technicians and engineers, the Company has also made great strides in its comprehensive digital

Dear Valued Shareholders
May Allah's peace and blessings be upon you,

transformation journey, which increases work productivity across the Company's various segments, from enhancing work procedures and professional communication relationships at all levels, in addition to raising the efficiency of work paths, in terms of quality and speed of completion. In this context, the Company continued its efforts to enhance the security of the Company's information and all stakeholders, including employees, shareholders, partners, contractors and suppliers, through the latest advanced cybersecurity systems and procedures. In an effort to achieve one of the most prominent pillars of its strategy, represented by the principle of comprehensive leadership based on the three axes of "GIVING, EARNING and SUSTAINING", "the Red Sea International Company" Company continues its efforts to establish the principles of sustainability, professional ethics and innovation. The Company looks forward to developing a sustainability roadmap for the year 2030G using a carefully studied methodology to ensure achieving tangible and influential value for the benefit of all stakeholders. Finally, I would like to extend my thanks and gratitude to our wise government for

its great efforts in supporting cooperation between the public and private sectors to complete major projects, which raises the efficiency of work and the quality of its outputs and services that contribute to the well-being and quality of life of the community, one of the goals of the programs to achieve the Kingdom's Vision 2030. I am also pleased to thank our shareholders and partners for their trust and continuous support, and thanks to members of the Board of Directors for their wise guidance and leadership of the work process in the company in coordination with the executive management. I also thank colleagues, of both genders, for their loyalty and great efforts in pursuit of achieving the highest levels of success and excellence in all segments of work in the Company.

May Allah grant success...



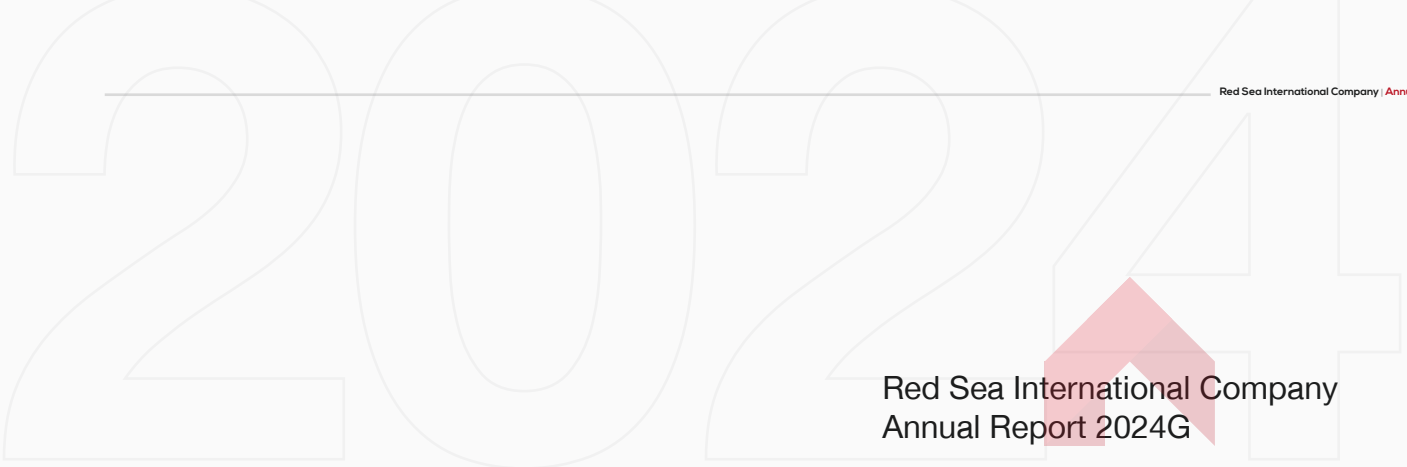
01

Executive Summary



Promising Facts and Figures

Highlights of 2024G



Red Sea International Company
Annual Report 2024G

**04
April**

The Red Sea International Company signed a contract with "Webuild S.p.A" company, with a total value of SAR 658,000,000 million to build a residential complex for colleagues of the Trojena Dam project affiliated with the NEOM project.

**17
September**

An Islamic financing agreement was signed with Riyadh Bank to grant the Red Sea International Company Islamic banking facilities, totaling (392,200,000) Saudi riyals, with the aim of issuing bank guarantees for the project signed with "Webuild S.p.A." Company to build a camp for colleagues.

**11
December**

The Red Sea International Company filed an application with the Capital Market Authority, for increasing its capital, by transferring the debts owed by the company to both Al-Dabbagh Group Holding Company and the debt arising from the acquisition of the "First Fix" amounting to (476,023,821) Saudi riyals

**18
August**

"First Fix" is a subsidiary Company from the Red Sea International Company, signs more than a billion contract with the "Modern Construction Leaders" Company with a total value of (1,522,059,988) Saudi riyals, to implement mechanical, electrical and infrastructure works in one of its projects.

Al Arabiya Channel announced in the "Stock of the Week" segment the historic rise of the Red Sea International Company's stock in the Saudi Stock Exchange "Tadawul".

**17
December**

The Red Sea International Company announces that it has achieved the highest annual financial revenues in its history, driven by the start of implementing its promising transformational strategy for further growth and development.

Key Financial and Operational Performance Indicators



Total Revenue for 2024G

2,984
million ١

↑ 54%

Percentage of increase in revenue compared to 2023G



Total Comprehensive Income for 2024G

3.8
million ١

↑ 117%

Percentage of increase in comprehensive income compared to 2023G



Net Profit for 2024G

4
million ١

↑ 118%

Percentage of increase in net profit compared to 2023G

The Red Sea International Company's share achieved a historic leap in the company's journey in the Saudi Stock Exchange during the year 2024G, its subsidiary "First Fix" also has signed a contract worth more than a billion with "Modern Building Leaders Company" amounting to (1,522,059,988) Saudi riyals, in addition to the company announcing that it achieved the highest financial revenues in its history, and the company signing a contract with "Webuild S.p.A." Company, with a total value of SAR 658,000,000 million to build a residential complex for colleagues of the Trojena Dam project affiliated with the NEOM project.

658

(million SAR)
the company signing a
contract with "Webuild S.p.A."
Company, with a total value

Red Sea International Company stock performance during 2024G





02

Our Journey



Development with renewed leadership

Red Sea International Company
Annual Report 2024G



65

Countries around the world, in
which Red Sea International
Company projects



58

Years of giving and
growth



3

Advanced factories owned by the
company in the Kingdom of Saudi
Arabia, the United Arab Emirates
and the State of Ghana



8,651

Our colleagues and
workforce are our partners in
success.

Incorporation and Journey

With an ambitious strategic vision, Red Sea International Company launched its activities in the Kingdom of Saudi Arabia from its headquarters in Jeddah in 1967G. After a journey full of achievements, it transformed into a limited liability company in 2003G, then into a joint stock company and was listed in 2006G. The main activity of Red Sea International Company is the manufacture of residential units, facility management, and electromechanical contracting, distinguished by efficiency, improving operations and strategies, and providing automation and construction technologies for fast implementation of high-quality solutions by exploiting modern technologies and providing integrated services. Our business is based on three areas, which is in line with our aspirations to follow an integrated approach in implementing work and providing integrated solutions with a complete and unique service to all our customers. Red Sea International Company enjoys a leading position in our vibrant region that has recently become more prominent as a preferred partner for providing high-quality services.

In an ambitious move, Red Sea International Company has recently launched a development strategy through which it seeks to employ its long experience and competitive advantages in the market and mobilize its resources and energies to increase its market share in light of the huge boom in offering projects and major investment opportunities in the Saudi market. Praise be to God, it has succeeded in signing several major contracts promising further growth in achieving revenues and profitable returns for the Company and shareholders and working to continue to increase the portfolio of these major projects and expand the customer base in a sustainable manner.

In continuation of its efforts to provide comprehensive and integrated services and solutions, Red Sea International Company succeeded in 2023G in acquiring a share of (51%) of the “Fundamental Installations for Electrical Works Limited - First Fix” Company, which gave the Company added value to its business and contributed to the growth of its financial revenues to a large extent.

Today, Red Sea International Company is moving forward towards further development, growth and renewed leadership with a comprehensive strategic vision.

The Company also provides a range of housing solutions and services to the private and public sectors in the form of integrated communities or independent residential neighborhoods, in addition to providing its housing units for complexes consisting of individual homes, residential buildings, or a combination of both. Meanwhile, Red Sea International Company has succeeded in becoming a reliable supplier of building materials for the industrial and residential sectors, at the right time, according to the highest global standards of reliability, innovation, quality, and high efficiency in this field.

In addition to its record of major achievements, Red Sea International Company has invested its long experience, accumulated technical, engineering, and operational efficiency, and its skilled workforce of (12,000+), and its leading local and regional presence in the Kingdom of Saudi Arabia regions and the United Arab Emirates, to provide affordable housing solutions in communities around the world. It has managed to implement construction and building projects costing more than one billion dollars in (65) countries.

1967

Launching the company in Jeddah

51 %

Red Sea International Company succeeded in 2023G in acquiring a share of (51%) of the “Fundamental Installations for Electrical Works Limited - First Fix” Company.





Mission

To become, by 2030G, the leading sustainable integrated services company in the Middle East and North Africa, specializing temporary and permanent modular buildings, facilities management, and electromechanical services.

Company Services and Works

Red Sea International Company is engaged in a wide range of diverse contracting works in a number of different sectors, such as



as follows:

1. Providing comprehensive infrastructure solutions and services, advanced electrical and mechanical engineering works.
2. Implementing various projects from pre-made buildings to temporary or semi-permanent buildings, workforce accommodation units, offices, kitchen and dining units, entertainment facilities, laundry areas, workers' housing, drilling and excavation camps, dormitories, guard housing, hospitals and clinics, hotels, relief housing facilities, schools, and religious facilities.
3. Providing a range of residential solutions and services to the private and public sectors, such as integrated complexes, neighborhoods, individual homes and residential towers, according to customer requirements, in accordance with the highest international standards of quality and efficiency.
4. Implementing general contracting, maintenance and construction works and projects, and civil engineering works.
5. High voltage systems and smart cities projects.
6. Providing heavy construction and building equipment and machinery.
7. Manufacturing and selling non-concrete residential and commercial buildings.
8. Implementing initial installation works and projects.
9. Manufacturing and selling building materials of high quality and efficiency.



Subsidiaries

01 The Fundamental Installation for Electric Work Company Ltd. (First Fix)

Red Sea International Company acquires (51%) of the shares of the Fundamental Installation for Electric Work Company Ltd. (First Fix), a leading company in the contracting sector in the Arab Gulf region. First Fix provides comprehensive infrastructure services, such as electrical and mechanical engineering solutions to a wide range of clients. It has also expanded its scope of work by incorporating new activities such as high voltage systems and smart cities and supporting the civil infrastructure department with several pieces of heavy equipment.

New smart operating systems have been adopted to enhance job performance in the human resources and recruitment departments, project management, procurement, logistics and operations, and improve tracking quality and operational efficiency.

First Fix has also been upgraded to a first-class contractor, which has enabled it to win major contracts for major projects including NEOM, the Red Sea and Amaala, which include the economic assets project for NEOM colleagues' housing "NEOM Community 2", the Amaala Health Resort and Retail Village, the Triple Bay - Rosewood Amaala Hotel in Amaala, the (HW2) Hotel project, and the design and construction of a public spaces project in cooperation with Red Sea International Company.

The acquisition of First Fix by Red Sea International Company is an important addition to the Red Sea International Company's business journey, in line with its strategy to expand its customer base and increase its portfolio of quality projects, by expanding the scope of its services and businesses, enabling it to implement major projects with all their requirements without relying on contractors or other companies.

51 %

acquiring a share of (51%) of the "Fundamental Installations for Electrical Works Limited - First Fix" Company in 2023G .



02 RED SEA HOUSING SERVICES (GHANA) LIMITED

Country of establishment: Accra, Ghana

Date of establishment: 2005G

Main Activities: Manufacturing various prefabricated housing units, serving clients in North and West Africa.

Main Country of Operations: Ghana, **100%** owned by Red Sea International Company.

03 RED SEA HOUSING SERVICES ALGERIA LIMITED

Country of establishment: Algiers, Algeria

Date of establishment: 2006G

Main Activities: Importing Red Sea Company products from other branches to be sold and rented locally to support the company's operations in implementing local projects and executing general contracting contracts. The company also manages and operates the Desert Palms Hotel located in Hassi Messaoud.

Main Country of Operations: Algeria, **98%** owned by Red Sea International Company.

04 RED SEA HOUSING SERVICES COMPANY NIGERIA LIMITED

Country of establishment: Nigeria

Date of establishment: 2008G

Main Activities: General contracting and maintenance, construction of facilities and civil works and subcontracting.

Main Country of Operations: Nigeria, **97%** owned by Red Sea International Company.

05 RED SEA HOUSING SERVICES COMPANY DUBAI FZE, Dubai

Country of establishment: United Arab Emirates, Dubai, Jebel Ali Free Zone.

Date of establishment: 2009G

Main activities: Manufacturing of prefabricated housing units, general contracting, maintenance, construction of facilities, civil works and subcontracting.

Main country of operations: United Arab Emirates, Kingdom of Saudi Arabia, Oman, Kuwait. **100%** owned by Red Sea International Company.

06 RED SEA HOUSING SERVICES COMPANY (Libia)

Country of establishment: Libya. Established: 2009

Main activities: Manufacturing prefabricated housing units, general contracting, maintenance, construction of facilities, civil works and subcontracting. **99%** owned by Red Sea International Company.

Due to the instability of the security situation in the region, which has led to the postponement of many expected major projects in the oil and gas exploration sector, Red Sea International Company announced the inability of the company to complete maintenance work and prepare the factory to start operating, due to the prevailing conditions in the region. It stressed its endeavor to seize the favorable opportunity to start operations in the factory when the situation in the region improves in general and the pace of work returns to normal.

07 RED SEA BUILDING MATERIALS AND EQUIPMENTS TRADING COMPANY

Country of establishment: Kingdom of Saudi Arabia

Date of establishment: 2012G

Main Activities: Wholesale and retail trade in sanitary materials, plumbing, electrical tools, paint and coating of all kinds, as well as trade in construction tools, machinery and equipment.

Main Country of Operations: Kingdom of Saudi Arabia. **100%** owned by Red Sea International Company.

08 PREMIER PAINTS COMPANY

Country of establishment: Kingdom of Saudi Arabia

Date of Establishment: 2012G

Main Activities: Production and distribution of various paints and coatings used in the field of decoration and construction as well as for industrial and marine use.

Main Country of Operations: Kingdom of Saudi Arabia. **81%** owned by Red Sea International Company for Trading Building Materials and Equipment.



09 RED SEA SPECIALIZED INVESTMENTS COMPANY

Country of establishment: Kingdom of Saudi Arabia

Date of Establishment: 2013G

Main Activities: Investment in industrial, commercial, agricultural, service and real estate projects.

100% owned by Red Sea International Company.

10 RED SEA HOUSING SERVICES LLC (Mozambique)

Country of establishment: Mozambique

Date of Establishment: 2013G

Main Activities: Construction of industrial housing complexes, import, sale, rental, maintenance and installation of prefabricated housing units and related equipment.

Main Country of Operations: Mozambique, **100%** owned by Red Sea International Company.

11 RED SEA HOUSING SERVICES LLC (OMAN)

Country of establishment: Oman

Date of establishment: 2013G

Main Activities: Establishing industrial housing complexes, importing, selling, leasing, maintaining and installing prefabricated housing units and related equipment.

Main Country of Operations: Oman, **100%** owned by Red Sea International Company.

12 RED SEA AFFORDABLE HOUSING COMPANY

Country of Establishment: Kingdom of Saudi Arabia

Date of establishment: 2014G

Main Activities: Real Estate Investment and Development, including purchasing, leasing and developing buildings and lands, investing in them through sale or lease for the benefit of the company, constructing buildings and low-income housing projects, and other real estate development projects.

100% owned by Red Sea International Company.

13 RED SEA RESIDENTIAL CITY COMPANY

Country of establishment: Kingdom of Saudi Arabia.

Date of establishment: 2014G.

Main Activities: Establishing, managing and operating integrated residential complexes and other real estate development projects and implementing general contracting works for residential and commercial buildings.

100% owned by Red Sea International Company.

14 Red Sea Housing Services Co. Ltd. (The Red Sea Housing Company for Housing Projects previously)

Country of establishment: Kingdom of Saudi Arabia

Date of establishment: 2014G

Main Activities: Establishing, managing and operating integrated residential complexes and other real estate development projects and implementing general contracting works for residential and commercial buildings.

100% owned by Red Sea International Company.

15 Red Sea Prefabricated Rental Company, LLC

Country of establishment: United Arab Emirates.

Date of establishment: 2018G

Main activities: Trading and leasing of prefabricated houses.

Main country of operations: United Arab Emirates.

49% owned by Red Sea Housing Services FZE, Dubai.

16 Red Sea Housing Company (Kuwait)

Country of establishment: Kuwait.

Date of establishment: 2019G

Main activities: Trading and leasing of prefabricated houses

Main country of operations: Kuwait

49% owned by Red Sea International Company

17 Red Sea Housing Services Company (Malaysia) (Previously: AM Modular Private Limited)

Country of establishment: Malaysia

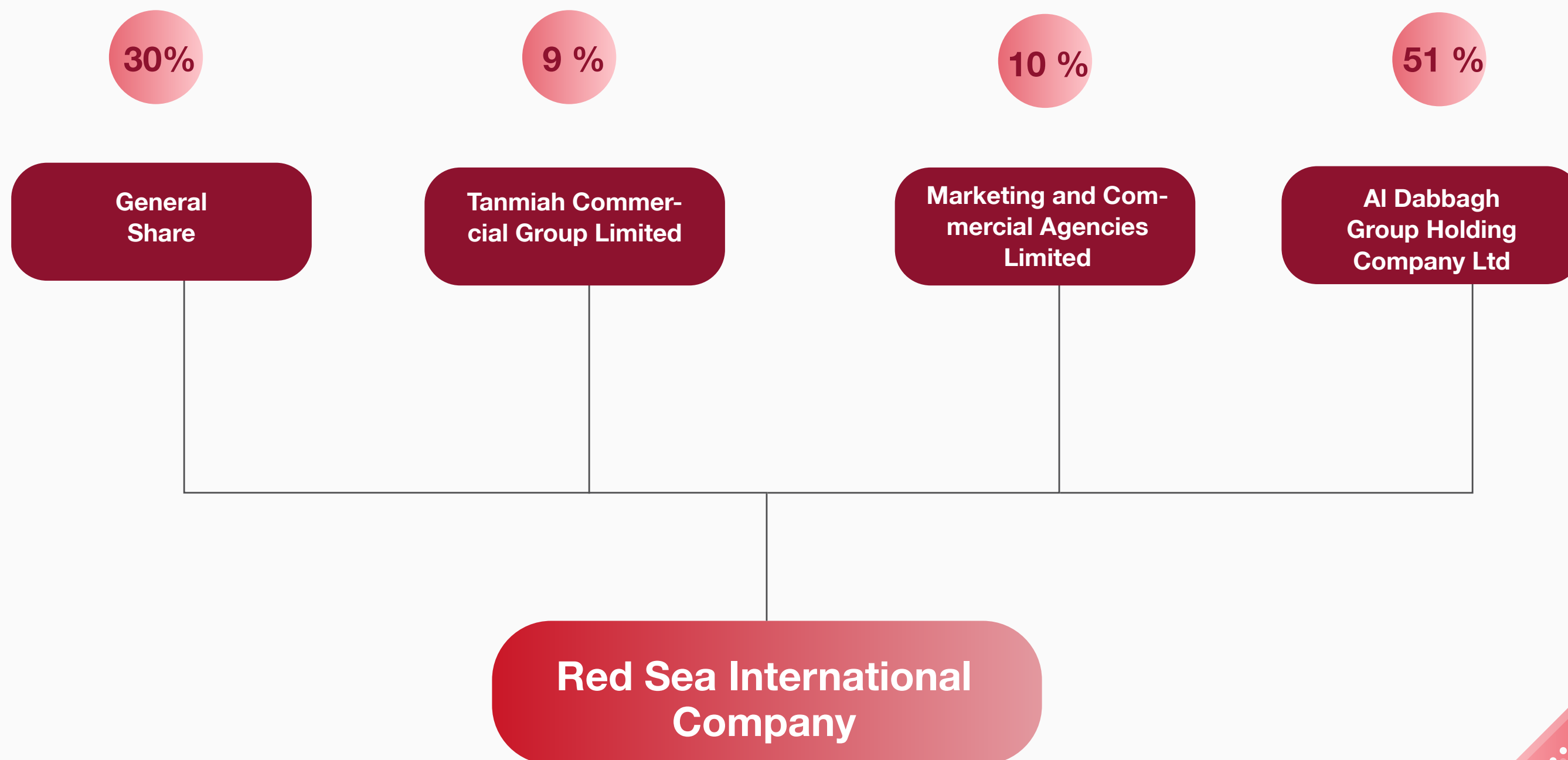
Date of establishment: 2016G.

Main Activities: General Contracting, Construction, Installation, Facilities Construction, Civil Works, Subcontracting.

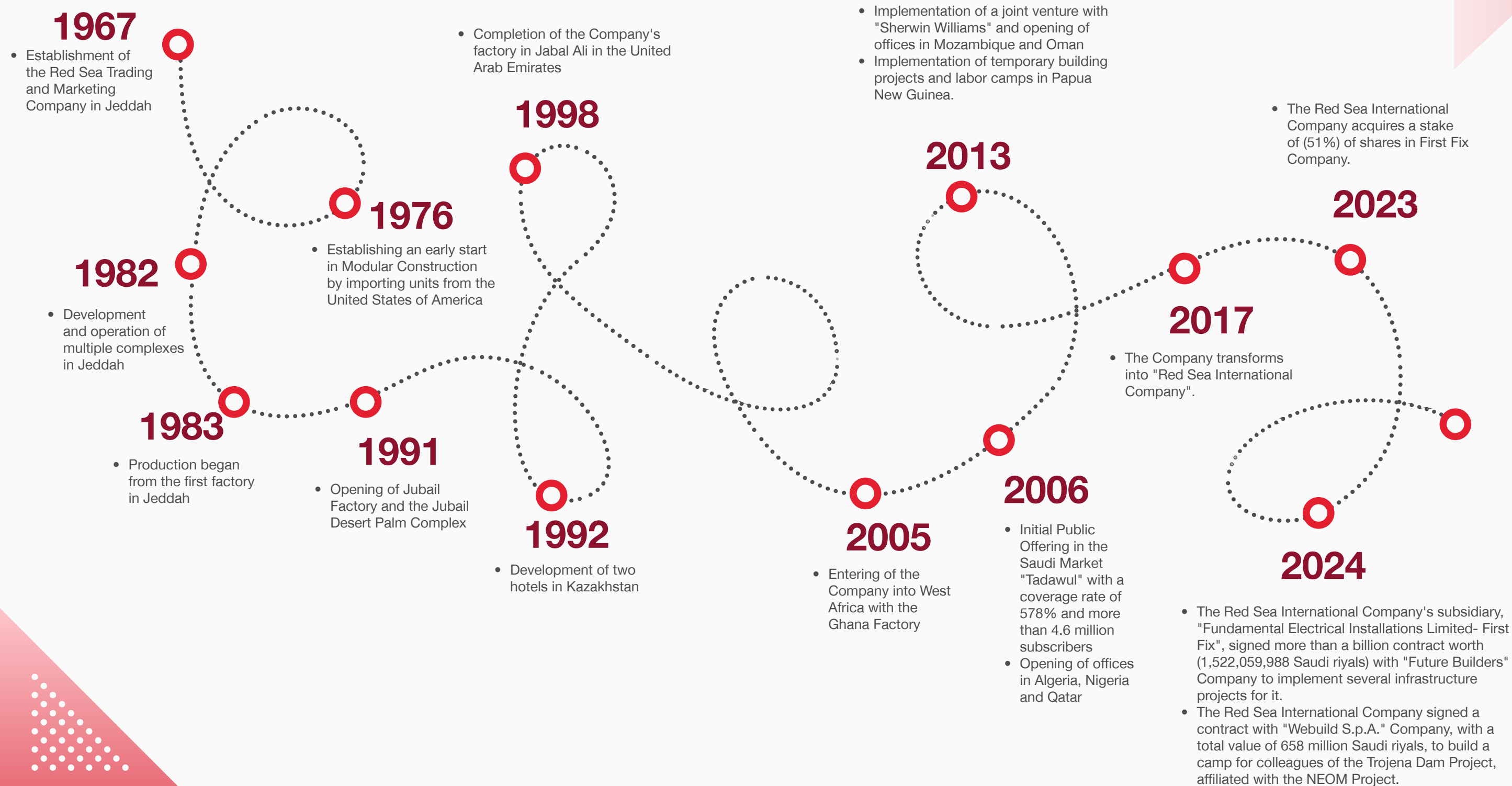
49% Owned by Red Sea Housing Services FZE, Dubai.



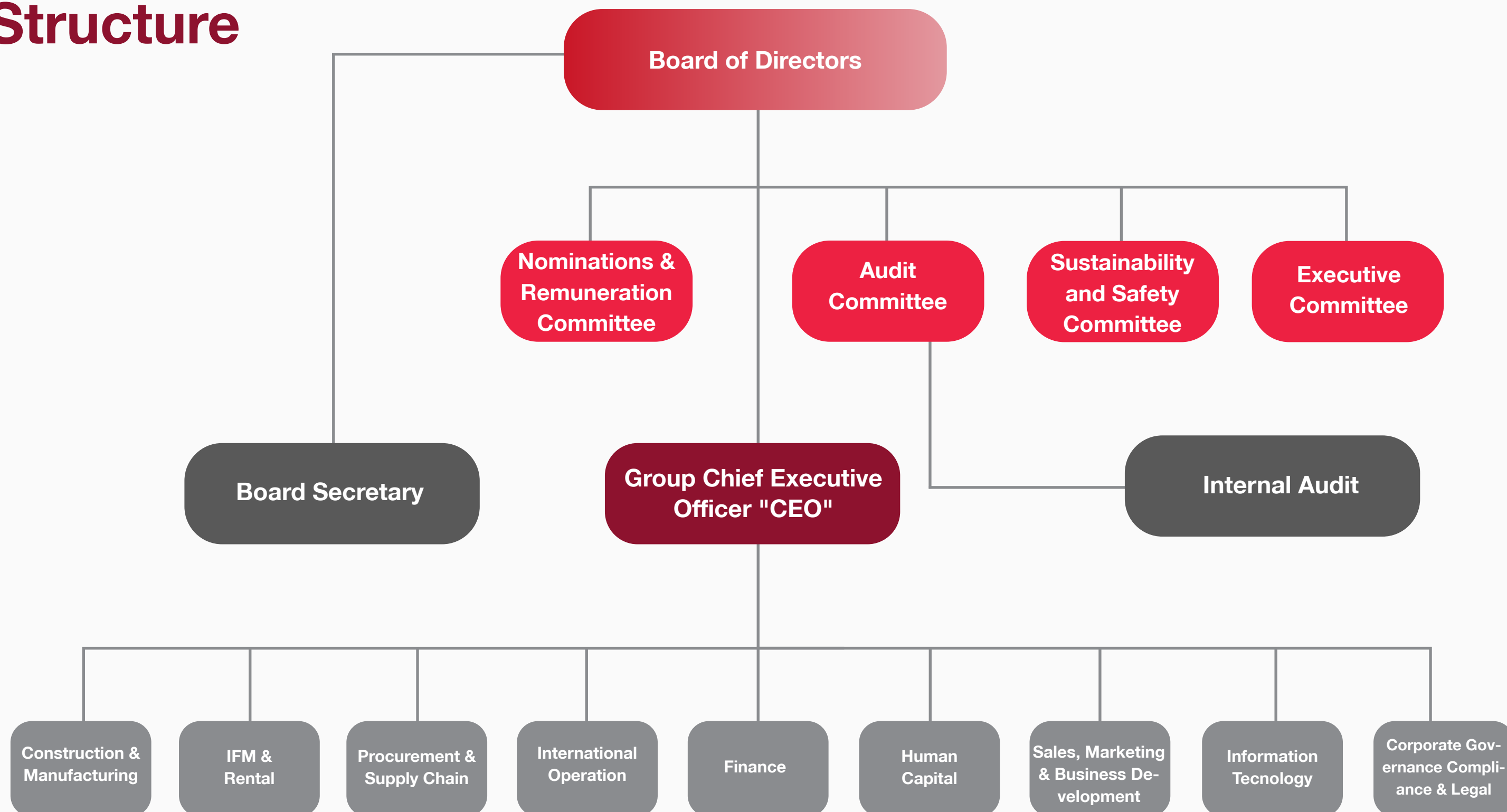
Red Sea International Company Ownership Structure



Company Milestones



Company's Organization Structure



Our Footprint

Red Sea International Company has managed in establishing a leading position on a local, regional and global level, thanks to the logistical capabilities, extensive experience and collaborative approach to serving customers and ensuring their ambitions are achieved within the allocated budgets and specified timelines. Backed by a set of real competitive advantages, our factories, operations and sales offices are spread across the Middle East, Africa and Australia. Our global experience is solid evidence of the widespread that our brand has achieved.





03

Strategic Track



The pillar of sustainable development

Company Strategy and Pillars of its Implementation

Red Sea International Company is committed to implementing its promising successful transformational strategy, by restructuring business sectors, and aligning its work streams with its subsidiary (First Fix) in a way that gives it the flexibility and efficiency to provide an integrated package of solutions and services and strives to achieve high levels of growth at the operational and financial levels. In implementing this strategy, the company relies on the following pillars:



Innovation and Sustainability

The company is committed to integrating the latest technologies and sustainable practices into all its projects. This enhances its competitiveness and is in line with global trends and customer expectations.



Strategic Partnerships

The company is keen to develop its network of relationships and establish more successful strategic alliances and partnerships, by including more local and international partners, which enhance its competitive position in the market, in addition to expanding the scope of its services and integrated solutions. Through its success in mobilizing resources and expertise to achieve mutual benefit.



Talent Development

The company gives a high priority to the principle of investing in its colleagues. It endeavors to develop a set of comprehensive behavioral and professional training and empowerment programs, in addition to attracting the best talents and competencies in various specializations, in a way that increases the capabilities and skills necessary to achieve the company's strategic goals, and maintain its leadership position in new and existing markets.



Strategic Objectives

01

Providing comprehensive solutions from design to implementation for sustainable, environmentally friendly structures.

02

Pioneering in providing an integrated package with the highest standards of quality and efficiency for design, manufacturing and electromechanical solutions and services.

03

Providing our customers with superior innovative solutions for environmentally friendly construction requirements that are provided globally.

04

Maintaining a market share and a high mental image and working to develop them among its target customer segments in both public and private sectors.

05

Expanding its project portfolio as well as expanding its customer base.

06

Focusing on raising the efficiency of the services and solutions provided.

07

Focusing on winning the most dynamic projects with high returns.

08

Leveraging the company's history of major achievements, to establish it as the first provider of services in modular construction, facilities management, and high-quality and efficient electromechanical services.

Linking the Company's Strategy to the Goals of the Kingdom's Vision 2030

Based on its distinguished leading position as one of the most prestigious Saudi companies in the construction, building and contracting sector, the Red Sea International Company has succeeded in keeping pace with achieving the Kingdom's Vision 2030; through its commitment to increasing its promising investment projects portfolio with more growth and prosperity for the contracting sector, infrastructure projects, residential and industrial facilities. This contributes the Government's efforts towards achieving the Kingdom's vision, through the following



01

Employing the Company's great achievements in the field of developing the contracting and construction sector to the highest levels of quality and efficiency, which enhances the government's efforts to enhance the concept of quality of life, one of the main programs for achieving Vision 2030.

Increasing its portfolio of investment projects with high profitable returns, which contributes to raising the non-oil GDP.



03

Establishing more strategic partnerships with the most prominent prestigious service providers in this sector in the world, which contributes to transferring and localizing expertise and knowledge, and enhancing the Government's efforts to enrich local content on a large scale.



02

Competitive Advantages

Based on its long history and extensive experience, the Red Sea International Company maintains several competitive advantages, through which it has succeeded in maintaining a leading position as one of the most prominent Saudi companies in the Kingdom and the Middle East, with an established track record of major projects and achievements. The following are the salient strengths and distinctions of the Company



Distinctive scientific, engineering, financial and operational expertise and competencies.



Distinctive mental image as one of the oldest Saudi companies operating in contracting and construction projects, which gives it high credibility with current and potential shareholders and investors in the future.



Its efficiency in diversifying and maximizing its financial resources and working on its sustainability and development.



Senior management that includes an elite group of the best experts, businessmen and talents distinguished by their expertise, competencies and great achievements.



Its distinction with a diverse professional network of business relationships, enriches its business and projects with the best strategic partnerships locally and internationally.



Presence and existence in more than one region in the world, which gives it the advantage of providing its services and integrated solutions in a number of markets together.



Applying the best advanced global operational and manufacturing practices, according to the highest standards of quality, efficiency and mastery.



Reliability and dependability, as it is one of only three companies in the Kingdom, which succeeded in obtaining the 9com certificate from the Saudi Aramco Company.



With Its large and integrated capabilities and capacities, especially after acquiring the Fundamental Installations Company, Red Sea International Company has become providing an integrated one-stop-shop of high-quality services and solutions.





Business Model

Based on its long experience in the local and global market, and its pioneering presence in the infrastructure projects and standard buildings sector, Red Sea International Company applies an advanced business model that relies on advance planning and comprehensive study of project requirements, adopting the latest comprehensive project management patterns, supporting it with the latest advanced equipment and facilities. Also, allocating experienced and expert work teams in design, implementation and all engineering works according to the highest standards of quality and efficiency applied globally in this field, to deliver projects within the pre-determined timetable and allocated financial budgets. This is according to a comprehensive system of integrated capabilities for the following stages:



04

Operations Track



The essence of Growth and Giving



Operational Excellence

In line with its commitment to implementing its development strategy, Red Sea International Company applies the latest operational practices according to the highest global standards of quality, efficiency and excellence. This is within the framework of comprehensive governance, through which it works to invest in its technical, engineering and technological capabilities, in addition to the resources and energies of its advanced design and manufacturing facilities and integrate them with the services and solutions provided by its subsidiary “First Fix” to form an integrated package of advanced professional solutions. This raises the efficiency of its services and makes it a reliable provider of engineering and electromechanical solutions, giving it the flexibility and ability to acquire a larger market share that enhances its growing leadership presence.

Company Factories

Red Sea International Company owns three advanced factories, equipped with the latest advanced machines and equipment. These factories produce raw materials that meet the requirements of the Company's projects, according to the highest standards of quality, efficiency and mastery applied globally in this field, supported by experienced and expert technical and engineering teams. This gives the Company a real competitive advantage, through which it can implement its projects according to the highest standards and technical specifications within the allocated budgets and specified time plans, with high efficiency.

01 The First Factory

Located in Jubail in the Kingdom of Saudi Arabia. It was established in 1991G with an area estimated at about 80 thousand square meters, including (manufacturing and storage areas) containing two production lines with a manufacturing capacity of about 281,000 square meters annually.

The second line was opened in 2024G to increase the production capacity of this factory that serves the Saudi market. The factory is considered one of the few factories in the Kingdom that has a 9 com certificate from Aramco.



Jubail
- Saudi Arabia -



It was established
in 1991G



area estimated at
about 80 thousand
square meters



with a manufacturing
capacity of about 281,000
square meters

02 The Second Factory

Located in Jabal Ali in the United Arab Emirates. It was established in 1998G with an area of approximately 55 thousand square meters, with a manufacturing capacity of approximately 200,000 square meters annually. This factory serves the UAE and global market as it is located in the free zone in Dubai.



Jabal Ali
- Dubai -



It was established
in 1998G



area estimated at
about 55 thousand
square meters



with a manufacturing
capacity of about 200,000
square meters

03 Third Factory

Located in Tema in Ghana, Africa. It is one of the largest factories of the Company, established in 2004G on an area of approximately 70 thousand square meters with a production capacity of approximately 285 thousand square meters annually. The factory is distinguished by its strategic location near the city's port, which gives it a strong advantage in terms of fast and efficient logistics services. It currently meets the requirements of the African continent and the South American market.



Tema
- Ghana -



It was established
in 1991G



area of approximately
70 thousand
square meters



with a production capacity
of approximately 285
thousand square meters

Projects and Achievements

Red Sea International Company has a wide portfolio of major projects, which it has successfully implemented according to the highest standards of efficiency, quality and excellence, which have had an impact on the wheel of economic and social growth in the Kingdom and the region. The Company continues to develop its work strategies and methodologies in order to achieve further growth by acquiring many major projects with high value and financial impact on the Company's overall performance. We list the most prominent projects that the Company has implemented:

Existing Projects

The area of projects implemented globally since the company's establishment until now

3,500,000
Approximately square meters

01

The employee housing city project for the Trojena Dam construction project in cooperation with the Italian Company We Build.



02

The workers' housing complex in the Eastern Region for Aramco projects in cooperation with the Turkish company Mapa.



03

A number of projects that the subsidiary company, the Fundamental Installations Company, is working on in cooperation with the Modern Building Leaders Company.



04

The (Scientific) Center for Discovering Science and Innovation project located in the non-profit Mohammed bin Salman City in Riyadh. The subsidiary Company, the Fundamental Installations Company, is working on it in cooperation with the Saudi ALEC Engineering and Contracting Company.



05

Residential complexes in a number of regions of the Kingdom that are leased under a hotel system to companies, and they are under the responsibility of the Facilities Management Department.



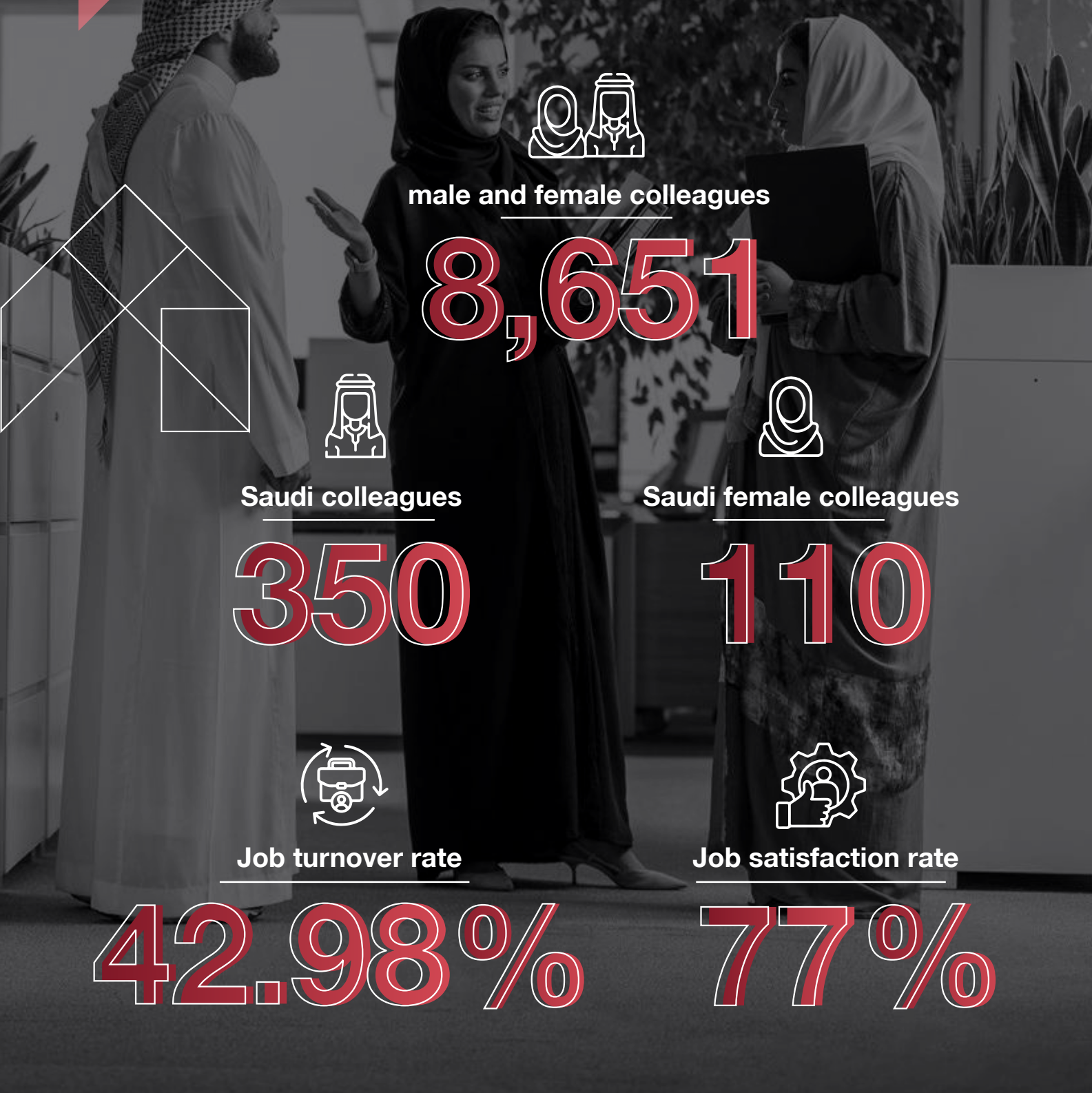
05

Human Capital Development



Sustainable support and empowerment

Red Sea International Company attaches great importance to its human capital as one of its most important and vital assets. It constantly works to develop the work environment in an effort to enable its colleagues to perform their activities with enthusiasm and passion, in addition to its commitment to implementing an internal communication strategy through which it aims to strengthen the bonds of cooperation and participation between managers and colleagues at all levels, and to develop the cooperation to the point of their participation in making decisions and recommendations and expressing observations in the course of the company's work, which increases their loyalty and belonging to the work and their dedication to accomplishing their tasks and responsibilities, with efficiency and competence.



Job Localization Strategy (RSI)

Red Sea International Company is committed to implementing a sustainable localization strategy, by attracting the best young Saudi talents and working to support them with a set of professional and behavioral training programs and workshops, to raise their efficiency and enhance their capabilities to enable them to improve their career path, which enhances their sense of belonging and loyalty to the company in its various sectors.

Field of Work (Jobs)	Saudis	Non-Saudis	Total	Saudization Rate
Engineering jobs	45	30	75	60%
Administrative jobs	23	15	38	60.5%
Legal jobs	4	0	4	100%
Security jobs	66	1	67	98.5%
Accounting jobs	4	7	11	36%
Technical jobs	2	2	4	50%
Total	144	55	199	72%

Job Localization Strategy (First Fix)

Field of Work (Jobs)	Saudis	Non-Saudis	Remaining	Total	Saudization Rate
Engineering Jobs	90	319	18	409	22%
Administrative Jobs	35	2	5	37	95 %
Project Management Professions	2	2	0	4	50 %
Medical Equipment Professions	0	1	1	1	0 %
Technical Support and Telecommunications Technical Jobs	10	18	0	28	36 %
Legal Jobs	10	4	1	14	71 %
Technical Engineering Jobs	61	182	0	243	25 %
Accounting Jobs	7	16	4	23	30 %
Sales Jobs	7	37	0	44	16 %
Procurement Jobs	33	10	0	43	77 %
Marketing Jobs	6	15	1	21	29 %
Application Development, Programming, and Analysis Jobs	1	9	2	10	10 %
Telecommunications and Information Technology Engineering Jobs	4	11	0	15	27 %
Total	266	626	32	892	30 %



Training and Administrative Development

Red Sea International Company is continuously committed to developing the skills of its colleagues and providing them with more knowledge and experience necessary to help them advance and develop in their work performance, through the training programs that the company cares for its colleagues in all sectors. During the fiscal year 2024G, the company launched several initiatives in this field, in the context of establishing a comprehensive institutional culture that relies on innovation and creativity.

The following are the most prominent of these initiatives:



Shared Values Promotion Programs

Launching initiatives that aim to promote the values of teamwork, innovation, and dedication, such as periodic introductory sessions that highlight the company's vision, mission, and strategic goals.



Internal Communication Platforms

Creating dedicated internal platforms for employee communication, such as electronic applications or periodic meetings, that enhance transparency and exchange of opinions and ideas among all levels of colleagues.



Social events and activities

Organizing social gatherings, and cultural and sports activities that contribute to enhancing team spirit and building strong relationships between colleagues outside the formal work framework.



Mentoring and guidance programs

Providing guidance programs aimed at connecting new colleagues with experienced professionals within the company to enhance the sense of belonging and facilitate the transfer of knowledge.



Workshops and dialogue sessions

Holding periodic dialogue workshops concerned with discussing work challenges and enhancing cooperation between different departments, which establishes a culture of mutual respect and partnership.



Honoring and celebrating achievements

Allocating programs to honor distinguished colleagues and successful teams, with the aim of enhancing the sense of achievement and belonging, while highlighting the institutional values that these successes reflect.



Diversity and inclusion

Initiatives that support cultural diversity within the company with a focus on empowering women and supporting local competencies.



Sustainability and Social Responsibility

Involving colleagues in social initiatives and projects that serve the local community, which enhances their sense of responsibility and belonging to the company's mission.

06

Digital Transformation



A comprehensive development journey



Red Sea International Company (RSI) continues to develop its IT and security systems to support and enhance its operations in line with its leading position, business size and projects. As part of its continuous development and modernization, the IT and Security Department has accomplished the following during the current fiscal year:



Computer Operating System Upgrade

Upgrade the company's computer operating systems to the latest versions, ensuring enhanced security, improved performance, and compatibility with modern software.



Security Software Upgrade

The company's computer systems and servers is updated with security and protection software to protect against potential cyber threats and vulnerabilities.



Financial System Development

Improve the company's financial system and integrate it across all departments to ensure seamless communication and data flow for better financial management and decision-making.



Human Resources System Development

Enhance the company's human resources system to streamline processes such as recruitment, payroll, employee performance tracking, and training.



Develop a document archiving system

Implementing an electronic archiving system to manage and organize all company documents digitally will improve accessibility and reduce reliance on physical filing procedures.



Activate website publishing

Publish and update all company news and events, along with investor relations initiatives and bulletins.



Provide technical support and maintenance

Provide ongoing technical support and maintenance for the company's hardware, software, tools, and various departments, ensuring smooth and uninterrupted business operations.



Information Security

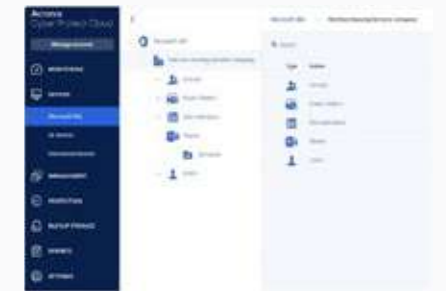
Red Sea International Company is committed to enhancing its cybersecurity procedures and systems to protect the company's data and the data of all internal stakeholders, including colleagues, shareholders, customers, suppliers, and contractors, from any threats or security breaches to its digital business network. It endeavors to strengthen these systems with additional support measures, in addition to linking the company's digital platforms to government websites and platforms responsible for protecting the digital environment and the data of all business sectors and society from potential cyber threats.

Main Achievements in 2024G

1. Obtaining a cybersecurity compliance certificate from Aramco, valid for two years.



2. Commercial Business Emails Application and Data Protection SharePoint backup system



3. Receiving the Best IT System of the Year Award in the Manufacturing Sector.



4. Implementing a crowd detection, tracking and response system (CROWD-STRIKE) as part of security measures



07

Participations and Recognition



In line with its corporate communication strategy aimed at reaching the largest number of clients from companies, entities and institutions operating in the market, with the aim of building the trust of the public and partners and achieving positive interaction with various stakeholders. In addition to working to benefit from opportunities to meet the largest number of potential investors, through its participation in relevant local, regional and international forums. The following are the main pillars that the company relies on to achieve its strategic goals:

The following are the main pillars that the company relies on to achieve its strategic goals:



Transparency and Credibility

The company seeks to establish relationships based on transparency and credibility with all stakeholders, by providing accurate and clear information about its projects and strategies. This communication takes place through multiple channels such as press releases, annual reports, and social media.



Effective Interaction with the Media

The company relies on continuous cooperation with local and international media to convey its messages and news of its projects. It also pays great attention to preparing professional press releases to raise awareness about its achievements and future goals.



Internal Communication

The company focuses on enhancing communication between work teams within the organization, through internal platforms, workshops, and periodic meetings, to ensure unification of vision and joint achievement of institutional goals.



Interacting with the Local Community

As part of its commitment to social responsibility, Red Sea International Company develops effective communication strategies with the local communities in which it operates. This is done through community initiatives, supporting environmental and educational activities, which aim to improve the lives of local residents and promote sustainability.



Digitization

The company keeps pace with digital developments by developing electronic communication platforms that allow for smooth and effective interaction with the public, which contributes to expanding its circle of influence and enhancing its digital presence.

Red Sea International Company has participated in many prominent events as a sponsor or participant, which helped enhance its presence in the market and have a positive impact on its reputation.

The following are the salient events:

Saudi Green Building Forum

The company participated in this forum, which is an important platform for presenting the company's projects in sustainability and innovation.

This contributed to raising awareness of the company's brand and enhancing its position as a leader in sustainability and environmental development. In addition to its ability to build strategic relationships with many local and international companies.



Certificates of Recognition and Honor

The Red Sea International Company is keen to enhance its roles in supporting local and global sustainability paths, by applying the best integrated practices through which it works to preserve the natural environment according to the highest global standards applied in this field. She was crowned by obtaining the sustainability award in the effectiveness of the Saudi Green Building Forum, in which she participated in 2024G.

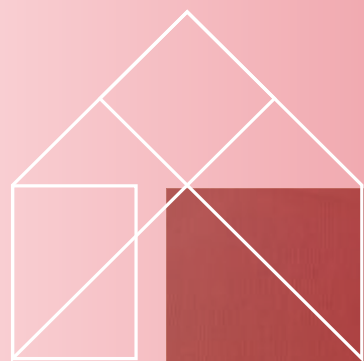


08

Reliability, Occupational Health and Safety



Enabling Sustainable Leadership



Occupational Health and Safety

Red Sea International Company is committed to developing safe work environments in its various segments of business, by implementing a set of integrated procedures that ensure the dedication of the principle of occupational health and safety under the slogan "Health and Safety First", to be a comprehensive institutional culture for all job levels of all colleagues and the workforce in the company, especially in operational, manufacturing and production facilities. The company is keen to conduct a set of training and awareness courses and workshops for all colleagues and the workforce, and to set performance indicators through which it monitors the application of procedures and practices that ensure health and safety on a personal and professional level, and to follow up on them continuously.

In an effort to raise the efficiency of this track according to a comprehensive corporate governance framework, the Board of Directors of the Red Sea International Company has established a committee affiliated with it specialized in implementing, monitoring and following up on health, Sustainability and Safety procedures in all of the company's facilities that cover its various activities, and this committee will submit periodic reports on this.

The company has received several accreditation certificates that confirm the quality and efficiency of its various works. The most prominent of these are mentioned below:



Reliability and Dependability

Red Sea International Company is keen to apply the highest global operational and production standards, through which it ensures the highest levels of performance and achievement, in a way that enhances its efforts to meet the requirements and needs of its customers from various segments. This supports its growing leading position in the market. The company has obtained a number of accreditation certificates that dedicate the quality and efficiency of all its various works.



09

Sustainability



Environmental, Social and Corporate Governance Practices (ESG)

The Red Sea International Company is committed to implementing a comprehensive strategy to enhance and integrate the concept of sustainability in its subsidiary, which contributes to achieving high levels of sustainable growth. It is continuing to consolidate its presence as a Company committed to creating positive and sustainable impacts in society by making effective contributions to environmental care. The Company has embarked on an ambitious journey to integrate sustainability principles and practices into all aspects of its business. It has been keen to achieve this by enhancing safety measures during work, observing ethical behaviors in carrying out its work, and adhering to the principles of participation and care to continue to enhance its brand and strengthen its relationships with all stakeholders.

The Company adopts an effective approach to managing the environmental impact of its activities, ensuring that it continues to work in harmony with local communities and move forward in improving energy efficiency and managing resources and capabilities. The Company also places the health and safety of each of our colleagues and stakeholders at the forefront of its priorities while conducting its business.

The Company's Code of Conduct reflects its commitment to applying sustainability

principles, highlighting its core values and approach to managing its business. It believes that having a strong governance structure is the foundation for the sustainable growth of its brand, which prompted it to formulate its corporate governance guidelines to enhance its commitment to applying sustainability principles in its daily operations.

Highlights of the strategy/policy of the Red Sea International Company's social responsibility



Environmental Sustainability

The Company focuses greatly on initiatives that enhance environmental sustainability, such as green building projects and preserving biodiversity in its project areas. These initiatives include preserving the natural environment surrounding the Red Sea region, which includes protecting marine life and planting trees.



Community Development

The Red Sea International Company continues to develop an integrated future strategy and apply it throughout the year according to a specific timetable, through which it is committed to providing a set of social and health initiatives and programs that contribute to improving the lives of local communities in which they work, such as training, education and skills development programs, and improving the infrastructure of the areas surrounding its projects, in order to enhance the company's role in supporting the comprehensive community development process in the Kingdom.



Supporting the Neediest Groups

The Company adopts programs to support low-income groups, especially in the local communities in which its projects are located, by providing job opportunities and contributing to humanitarian relief programs during crises and natural disasters.



Cooperation with Government Agencies and Non-governmental Organizations

The Company seeks to establish strategic partnerships with government agencies and non-governmental organizations to achieve social responsibility goals. These partnerships aim to promote sustainable development in the Kingdom, in line with the Kingdom's Vision 2030





The Company's achievements in the field of sustainability during 2024G

On the level of social practices

10 %

Percentage of women working in senior management.

52%

Percentage of new colleagues aged 18-30.

85 %

Percentage of company spending on local suppliers.

On the Level of Environmental Practices



Cybersecurity awareness training workshops.



No cybersecurity breaches.

In Terms of Corporate Governance

01

Formation of a sustainability committee.

02

(50%) Percentage of independent directors/ board members.

03

(30%) Percentage of female representation on the board of directors.

Promising Future Roadmap

The company is working according to a specific methodology and timetable to enhance its corporate communication strategies in 2025G, by improving its digital presence, enhancing transparency, expanding its interaction with the local community, and strengthening its media relations. These goals will contribute to supporting the Company's reputation and strengthening its relations with the public and stakeholders, in pursuit of achieving the following strategic goals during the coming year:



Enhancing digital presence

- **Expanding the Company's presence on social media platforms**

The company aims to improve its interaction with the public by enhancing its presence on social media platforms such as LinkedIn, Twitter, and Instagram. This will include producing continuous content about its projects, achievements, and goals to achieve sustainability.

- **Improving the website**

Work is underway to develop the website to include updated information about the Company's projects and services, in addition to providing an interactive platform that allows the public to interact with the Company's content.



Enhancing transparency in corporate communication

- **Issuing periodic and transparent reports:** The Company seeks to publish quarterly and annual reports on a regular basis, presenting the progress it has achieved in its projects, and highlighting social and environmental achievements and initiatives.

- **Launching an interactive platform to communicate with customers:** Digital platforms will be developed to allow the public and investors to communicate directly with the Company, and provide opinions and suggestions.



Interaction with the local community

- **Focus on social responsibility:** The Company seeks to increase its participation in community events and support educational and health activities in the communities surrounding its projects. It also plans to launch new initiatives to promote sustainable local development.

- **Participation in international events and exhibitions:** The Company will continue to participate as a sponsor or participant in international exhibitions and conferences that focus on sustainability, green construction, and real estate development innovations.



Strengthening media relations

- **Establishing strategic media partnerships:** The Company plans to work closely with local and international media to highlight its projects, its role in the field of sustainability, and its contribution to the development of the Kingdom's infrastructure.

- **Organizing press conferences and meetings with media professionals:** The Company will organize many press events to highlight its most prominent projects, especially in the field of sustainable tourism and innovation in construction.



Achieving greater interaction with stakeholders

- **Effective communication with colleagues and partners:** The Company plans to develop internal communication programs that enhance employee interaction with the Company's strategies, as well as expanding the network of local and international partners.

- **Interaction with investors and shareholders:** The Company is working to improve communication mechanisms with investors, by organizing periodic meetings to follow up on the progress of its projects and overall performance.



Achieving Excellence in the field of social responsibility

- **Increasing investments in environmental initiatives:** Future goals include enhancing sustainability in its future projects and expanding green initiatives that contribute to preserving the environment.

- **Developing community support programs:** The Company will launch new programs to support education and community projects in the areas where its projects are located, aiming to improve the standard of living of the target groups.

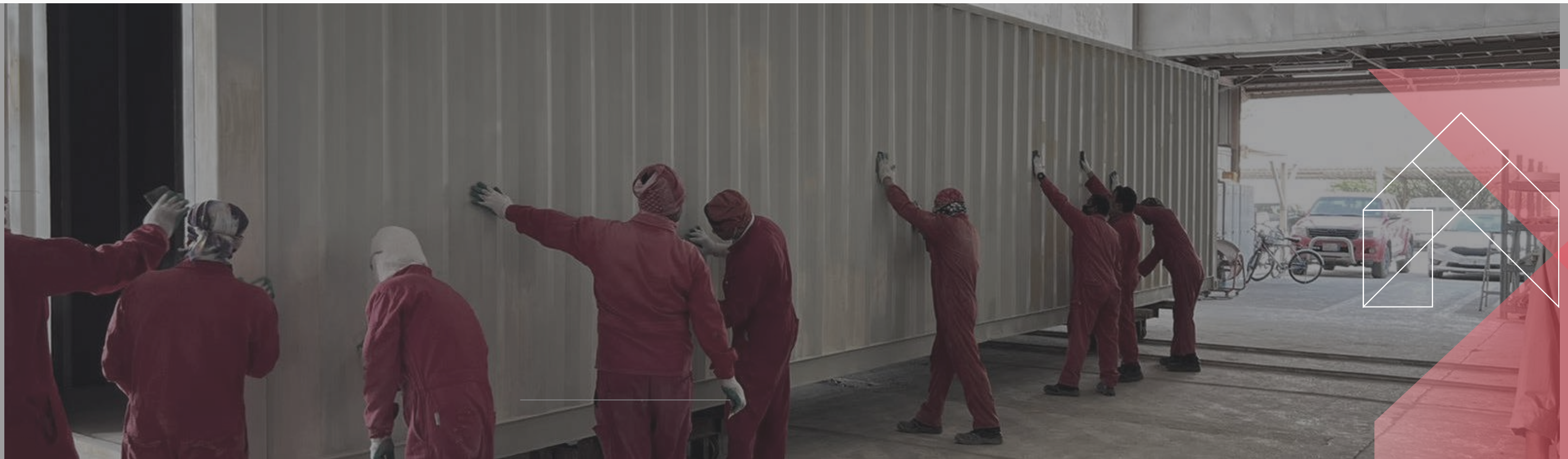


10

Risk Management and Business Continuity



An Integrated Security Strategy



Red Sea International Company is committed to implementing control systems of compliance with the company's risk management policies and procedures and reviewing the adequacy of its policy framework in managing the risks it faces. The Board of Directors bears overall responsibility for establishing and monitoring a comprehensive risk management framework for the company, while the internal audit or whoever is assigned by the Board of Directors assists the company's Audit Committee in its oversight role. The internal audit conducts periodic and non-periodic reviews of management controls and procedures, and the results are communicated to management. The company continuously monitors the evolving scenario and any changes in risk management policies will be reflected in future reports.

First - Market Risks

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk includes three types:



Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market interest rate risk relates primarily to its long-term debt obligations that carry floating interest rates. The Company manages interest rate risk by continuously monitoring the interest rate conditions on its interest-bearing financial instruments. The Company's commission-bearing liabilities, which primarily comprise bank loans, are at floating interest rates and are subject to re-pricing. Management monitors changes in commission rates and believes that the Company's fair value and cash flow commission rate risks are immaterial. Interest-bearing financial assets include short-term fixed interest rate loans and are therefore not exposed to cash flow interest rate risk and fair value interest rate risk.



Currency Risks

Foreign currency risk is the risk that the fair value or future cash flows of an asset will fluctuate as a result of changes in foreign exchange rates. The Company transacts primarily in Saudi Riyals and US Dollars. Management believes that there is no currency risk arising from transactions in currencies pegged to the Saudi Riyal. The Company's exposure to currency risk arising from currencies denominated in currencies not pegged to the Saudi Riyal is not material to the consolidated financial statements.



Price Risks

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from special commission rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market. The Company's exposure to unit price risk arises from investments held by the Company and classified in the consolidated statement of financial position at fair value through profit or loss. The Company monitors prices closely in order to manage the price risk arising from investments.

Second - Credit Risk

Credit risk is the risk that a party will fail to meet its obligations under a financial instrument or customer contract resulting in a financial loss. The Company manages credit risk by assessing the credit worthiness of counter parties before entering into any transactions and by continuously monitoring any outstanding contracts to ensure timely settlement. Credit risk arises from cash and cash equivalents, restricted cash and customer credit exposures, including outstanding receivables, accrued rental income and contract assets.

Credit risk is managed on a Company basis. For trade receivables, accrued rental income and contract assets, the Internal Risk Control Department assesses the credit quality of customers, taking into account their financial position, past experience and other factors and individual risk limits are set in accordance with management's established limits. Customer compliance with credit limits is monitored regularly by management.

The Company's maximum exposure to credit risk in respect of the items of the consolidated statement of financial position as 31 December 2023 and 31 December 2022 is equivalent to the respective carrying amounts as disclosed in the notes.

Cash is deposited at banks with high credit ratings. Other receivables are considered to have low credit risk, therefore, the 12-month expected loss model has been used to assess the impairment. Based on management's assessment of impairment, no provision is required on these balances for all periods presented other than as disclosed.



Third: Liquidity Risks

Liquidity crisis is the company's inability to meet its obligations through its liquid tradable assets, or its revenues, whether through profits or from customers' settlement of their financial obligations. This crisis can also occur as a result of a mismatch between supply and demand, whereby demand covers the quantity supplied in a way that makes the company unable to meet it or provide sufficient funds to meet it in a short time.

The company may also face a liquidity crisis when the expected returns from profits and revenues from its various projects do not match the expenses and obligations that must be paid within the specified time. The company finds itself in a financial crisis that requires additional financing. With the absence of payment guarantees and the lack of means that can be used to convince investors or financing agencies to grant companies financial loans, the company is exposed to the risk of a severe liquidity shortage.

The company is working to confront this crisis by adopting financial strategies through which it applies a clear system through which the company's financial indicators can be reviewed to identify the problems it is going through firsthand. In addition, raising the efficiency of cash flow management in a sound professional manner, adopting methods and tools specific to the company in advance, and determining whether the company's financing policy was based on loans, investors, investment funds, etc. and working to move away from bank financing sources with increasing interest, and not relying on external financing sources to meet the operational needs of projects, but rather resorting to them only in the event of a desire to expand and grow.

Fourth: Risks of the Competitive Environment

The company operates in the most growing and developed business sectors in the Kingdom and the world, with the portfolio of construction and infrastructure projects increasing rapidly. Many companies operating in this sector are entering this market, which escalates risks facing such companies due to competition, threatening their ability to maintain or develop their market share.

The company seeks to identify these risks proactively to mitigate them and maintain its leading position, by conducting a comprehensive market analysis, direct and continuous exposure to the latest market trends, analyzing the sector landscape and its development in general, understanding competitors' behavior, customer trends and requirements, in addition to any external factors that may affect the market. By understanding market dynamics, the company can identify potential competitive risks such as new players, changing customer preferences, or the entry of advanced business technologies and systems. This is in parallel with monitoring competitors' activities, performance, solutions, services and products they offer in the market, marketing methods and access to customer segments, which helps the company adopt a specific and clear methodology to maintain its competitive position and mitigate any competitive threats it may face in the future.





Fifth: Risks of Changing Relevant Laws and Regulations

In an effort to develop business environments in their various sectors, governments are constantly working to issue more procedures, policies, requirements and updates, which companies are required to implement within a specific period. These often pose urgent threats to businesses and activities, and to their position in the market.

The Red Sea International Company strives to constantly develop and update its business systems in accordance with the governance of labor relations in an integrated manner, in a way that enhances its resilience to implement the requirements issued by the relevant legislative authorities, and to train its concerned teams to streamline implementation and support them with the needed capabilities and means that enable them to implement the new requirements smoothly, efficiently and safely, in a way that spares the company any threat that affects its progress temporarily or in the future.

Sixth: Risks Related to Project Implementation

These risks are represented by emergency events or uncertain conditions that may adversely or positively affect the project objectives, including the impact on the project schedule, costs, or quality. The company applies an integrated methodology to reduce and mitigate these risks, by identifying these potential risks, assessing them, and developing plans to avoid them or mitigate their impact. The event may be internal, such as issues in the work teams or the technologies used, or external, such as changes in the market or the issuance of new laws and regulations. The company identifies five main types of these risks that it may face during the project life cycle, which are: external risks, internal risks, technical risks, commercial risks, and unexpected risks.



External Risks

These are risks that come from outside the project and cannot be directly controlled by the internal team, and include the following:

- 01 Regulatory challenges:** such as changes in laws and regulations that may affect how the project is implemented.
- 02 Environmental challenges:** such as natural disasters, climate change, or severe weather that may disrupt work.
- 03 Government challenges:** such as new regulatory measures, taxation, or trade restrictions that could affect financing or timelines.
- 04 Market changes:** such as changes in demand for a product or service, economic changes, or the entry of new competitors into the market.
- 05 Project location issues:** such as geographic, political, or security issues at the site where the project is being implemented.



Internal Risks

These are risks that arise from within the project and can be directly controlled. These risks include:

- 01 Changes in schedule or budget:** Any delay or cost overrun can negatively impact the project.
- 02 Changes in scope:** Unplanned changes to the project scope can increase cost and time.
- 03 Lack of expertise:** Lack of experience or skills in the team can lead to errors and delays.
- 04 Personnel and staffing issues:** Such as conflicts between team members, or staff shortages.
- 05 Materials and equipment:** Delays in the supply of materials or equipment breakdowns can impact the schedule and quality.



Technical Risks

These are risks related to the technological aspects of the project. They include the following:

- 01 Changes in technology:** The use of new technologies can carry significant risks if not handled carefully.
- 02 Technological processes:** Issues in technical processes can lead to delays or even project failure.
- 03 System interfaces:** Incompatibility of different systems or difficulties in integrating different technological solutions.



Business Risks

These are risks related to the commercial and financial aspects of the project. They include:


- 01 Customer stability:** Relying too heavily on a few customers can be dangerous if you lose one.
- 02 Terms and conditions within contracts:** Inadequate or incomplete contracts can lead to legal or financial disputes.
- 03 Vendor relations:** Vendors failing to deliver materials or services timely can cause delays and additional costs.



Unforeseen Risks

These are difficult to predict and represent a small portion of the risk (about 10%) but can be very significant. They include:

- 01 Unexpected crises:** such as global health crises or natural disasters.
- 02 Radical changes in the external environment:** such as a sudden economic collapse or major political changes.



11

Governance and Compliance



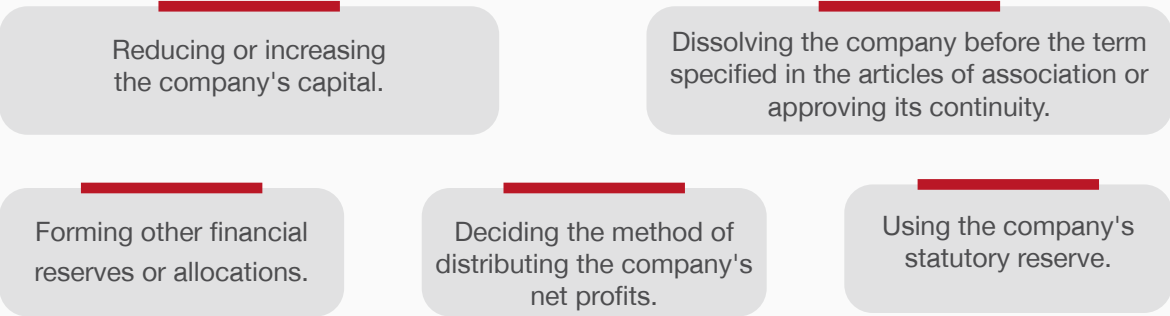
The essence of Comprehensive Institutional Maturity

Board of Directors

The Board of Directors represents all shareholders and must exercise the duties of care and loyalty in managing the company and everything that would preserve its interests, develop it and maximize its value. The Board of Directors is responsible for the company's work even if it delegates some of its powers to committees, entities or individuals. In all cases, the Board of Directors may not issue a general or indefinite-term authorization.

The responsibilities of the Board of Directors shall be in accordance with the provisions of the regulations, the bylaws and related regulations. The following shall also be included in the responsibilities and duties of the Executive Management:

- 01
- Implementing the company's internal policies and regulations approved by the Board of Directors.
- 02
- Proposing the company's comprehensive strategy, business plans, financing policies, risk management and emergency management plans and implementing them after obtaining the necessary approvals from the Board of Directors.
- 03
- Proposing the company's capital structure, strategy and financial objectives.
- 04
- Proposing the company's capital expenditures and acquiring and disposing of assets.
- 05
- Proposing the organizational and functional structure and submitting them to the relevant committees and the Board of Directors for approval.
- 06
- Implementing control systems, internal controls and risk management, verifying the effectiveness of these systems and general supervision thereof.
- 07
- Effectively implementing the company's governance regulations and proposing amendments thereto when necessary.
- 08
- Implementing policies and procedures that ensure the company's compliance with regulations and bylaws and its commitment to disclosing material information to shareholders.
- 09
- Providing the Board of Directors with the information necessary to exercise its jurisdiction and submitting its recommendations regarding the following:



- 10
- Proposing the remuneration policy granted to the company's colleagues.
- 11
- Preparing financial and non-financial reports periodically on the development of the company's activities and achieving strategic objectives.
- 12
- Managing daily work in addition to optimally managing the company's resources.
- 13
- Proposing internal policies related to the company's work and development.

Composition of the Board of Directors

Subject to the provisions of the Companies Law and the relevant regulations issued by the Capital Market Authority, the Company's Articles of Association, the Board of Directors' Membership Policy and the Board of Directors' Charter, the following must be observed:

- 01
- The majority of the Board of Directors' members must be non-executive members.
- 02
- The number of independent Board members must not be less than three (3) members or one-third of the Board members, whichever is greater.
- 03
- A Board member must not be a Board member of five joint stock companies at the same time.
- 04
- An independent Board member must be able to exercise his/her duties, express his/her opinions and vote on decisions objectively and impartially in a manner that helps the Board of Directors make sound decisions that achieve the interests of the company and shareholders.
- 05
- The Board of Directors must conduct a periodic assessment to verify the independence of the independent members of the Directors.

Subject to the provisions of the Companies Law and the Board of Directors' charter, the Board shall hold regular meetings to exercise its duties and shall hold its meetings whenever necessary in accordance with the Board of Directors' charter.

Board Members

Board members for the tenure ending on 09/05/2024G

Member Name	Type of Membership			Membership in Committees
	Executive	Non-Executive	Independent	
H.E. Mr. Amr Abdullah Al Dabbagh - Chairman		✓		Executive Committee
Mr. Sami Ahmed Binmahfouz - Deputy Chairman		✓		Executive Committee - Audit Committee - Nominations and Remuneration Committee
Mr. Khaled Mohammed Fagih – Managing Director	✓			Executive Committee
Mr. Osama Zakariya Jamjoom			✓	Executive Committee
Mr. Peter Walichnowski			✓	-
Mr. Mohammed Zaher Salahuddein AlMunajjed			✓	Audit Committee - Nominations and Remuneration Committee
Mr. Mujahid Abdulkarim Al-Yaqeen			✓	Nominations and Remuneration Committee
Mr. Taher Mohammed Aqeel		✓		Executive Committee

Members of the new Board of Directors elected on 09/05/2024G

Member Name	Type of Membership			Membership in Committees
	Executive	Non-Executive	Independent	
H.E. Mr. Amr Abdullah Al Dabbagh - Chairman		✓		Sustainability and Safety Committee
Mr. Sami Ahmed Binmahfouz - Deputy Chairman		✓		Audit Committee
Mr. Mohammed Zaher Salahuddein AlMunajjed - Member			✓	Audit Committee
Mr. Mohamed Husnee Jazeel - Member		✓		Audit Committee - Nominations and Remuneration Committee
Dr. Hans-Martin Stockmeier - Member			✓	Sustainability and Safety Committee
Dr. Lama Abdulaziz Alsulaiman - Member			✓	Nominations and Remuneration Committee
Ms. Shahad Nejaim - Member		✓		Sustainability and Safety Committee
Ms. Lina Al Sheikh - Member			✓	Nominations and Remuneration Committee

Board of Directors Meetings

The following is a statement of the Board of Directors’ meetings during the year 2024:

1. Before the election of new Board of Directors members after the end of the previous Board’s membership on 09/05/2024G.

Member Name	1st Meeting	2nd Meeting
	March 21	April 18
H.E. Mr. Amr Abdullah Al Dabbagh - Chairman	✓	✓
Mr. Sami Ahmed Binmahfouz - Deputy Chairman	✓	✓
Mr. Khaled Mohammed Fagih Managing Director	*Did not attend	✓
Mr. Osama Zakariya Jamjoom	✓	✓
Mr. Peter Walichnowski	✓	✓
Mr. Mohammed Zaher Salahuddein AlMunajjed	✓	✓
Mr. Mujahid Abdulkarim Al-Yaqeen	✓	✓
Mr. Taher Mohammed Aqeel	✓	✓
Mr. Mahmoud Abdul Ghaffar – Board Secretary	✓	✓

(*) Mr. Khaled Mohammed Fagih – Managing Director apologized for not attending due to personal reasons.

2. After electing new members of the Board of Directors after the end of the membership of the previous Board on (09/05/2024G):

Member Name	3rd Meeting	4th Meeting
	July 2	August 6
H.E. Mr. Amr Abdullah Al Dabbagh - Chairman	✓	✓
Mr. Sami Ahmed Binmahfouz - Deputy Chairman	✓	✓
Mr. Mohammed Zaher Salahuddein AlMunajjed	✓	✓
Dr Lama Abdulaziz Alsulaiman	✓	✓
Mr. Mohamed Husnee Jazeel	✓	✓
Ms. Lina bint Abdulaziz Al Al-Sheikh	✓	✓
Ms. Shahad Nejaim	✓	✓
Dr. Hans-Martin Stockmeier	✓	✓
Mr. Mahmoud Abdul Ghaffar – Board Secretary	✓	✓

Names of the Members of the Board of Directors, Board Committee, and Executive Management, their current and former positions, qualifications, and experience

First - Biographies of Board Members

His Excellency Mr. Amr Abdullah Al-Dabbagh

Position

Chairman of the Board of Directors (Non-Executive)

Committee Membership

Sustainability and Safety Committee

His Excellency Mr. Al-Dabbagh is the CEO and Chairman of the Board of Directors of Al-Dabbagh Holding Group, a family conglomerate headquartered in Jeddah, Saudi Arabia. The first company of Al-Dabbagh Holding Group was founded in 1962G.

Over 30 years of experience, His Excellency held the position of Governor (with a rank of Minister) of the Saudi Arabian General Investment Authority (currently the Ministry of Investment) for two 4-year terms. In addition, he was elected as a member of the Jeddah Chamber of Commerce and Industry for two consecutive terms. Also, he was appointed as a member of the Makkah Region Council for two consecutive terms. In addition to his chairmanship and membership in many boards of directors of local and international Companies.

Scientific qualification:

Bachelor of Business Administration of King Abdulaziz University



Mr. Sami Ahmed Binmahfouz

Position

Deputy Chairman of the Board of Directors (Non-Executive)

Committee Membership

Audit Committee

Mr. Bin Mahfouz holds a Bachelor's degree in Finance from Ohio State University, and obtained a certificate in the Executive Management from Darden School University in the United States of America.

He enjoys extensive experience exceeding 30 years in the banking operations, credit instruments and policies. He has held several leadership positions at the National Commercial Bank until becoming the Chief Risk Officer.



Mr. Taher Mohammed Aqeel*

Position

Board Member (Non-Executive)

Committee Membership

Executive Committee

Mr. Aqeel holds a Master's and Bachelor's degrees of Science in Industrial Engineering from the University of Texas at Arlington (USA), trained at Chase Manhattan Bank (New York), and attended development programs at world-class institutions like Harvard, Oxford and INSEAD.

Mr. Aqueel has a distinguished background and experience in the finance, investment, real estate and corporate arena in Saudi Arabia, gained through working for leading financial institutions in the Kingdom in the field of investment banking (Deutsche Alazizia Financial Services, CEO and the National Commercial Bank, Head, Structured Finance), as well as serving on the Boards of several private and listed companies including the Kingdom Holding Company, Gulf General Cooperative Insurance Company, Bank of America's Merrill Lynch Kingdom of Saudi Arabia, and Bidaya Home Finance Company.

(*) His membership ended on (9-5-2024G) and has not been renewed.



Mr. Peter Walichnowski*

Position

Board Member (Independent)

Mr. Walichnowski holds a bachelor's degree in architecture from the University of New South Wales, Australia and a number of management and governance training courses from Harvard University in America and IMD in Switzerland.

He has more than 40 years of experience, most of which was spent in leadership positions within the region; he was the CEO of Majid Al Futtaim Properties in Dubai where he was responsible for developing a number of real estate mega projects such as hotels and commercial complexes, including the Mall of the Emirates, and the CEO of Al Ghurair Investment. He also held leadership positions in Australia, United Kingdom, Korea and China.

(*) His membership ended on (9-5-2024G) and has not been renewed



Mr. Mujahid Abdulkarim Al-Yaqeen*

Position

Board Member (Independent)

Committee Membership

Nominations and Remuneration Committee

Mr. Mujahid earned a degree in Industrial Management from Whitworth University, Washington State, is a Harvard Alumni, an Oxonine, and has completed several advanced management programs for senior executives from top international school such as Harvard Business school, Said Business School Oxford, Stanford University Graduate School of Business, and Chicago University, trained in Japan and Ireland. He also participated in many local and international specialized forums and workshops.

He started his career with the Royal Commission for Jubail and Yanbu and held several executive positions until he became an advisor to the Chairman and Assistant Director General of Operation and Maintenance. He also worked at the Saudi Arabian General Investment Authority and held the position of Deputy Governor for Regional Development and Deputy Governor for Strategy and Planning, and Supervisor of the Finance Department. During his career, he held the position of CEO and Head of the Foundation Team of Al-Qassim Development Company and an advisor to the President of the Saudi Commission for Tourism and Antiquities, as well as the Chief Investment and Business Development Officer in charge of developing a business model and vision realization in King Abdullah City for Atomic and Renewable Energy.

(*) His membership ended on (9-5-2024G) and has not been renewed



Mr. Mohammed Zaher Salahuddeen AlMunajjed

Position

Board Member (Independent)

Committee Membership

Audit Committee

A graduate in Business Administration (MBA) from Harvard Business School, Mr. Al-Munajjed also holds a master's in French International Law from St. Joseph University in Beirut. He is also the Chairman of the Harvard Business School Club of the GCC in Dubai.

He has over 30 years of experience in leading positions, playing key roles in building and developing businesses and advising large family business groups in Saudi Arabia. He also has hands-on knowledge of business reorganization and restructuring, turnaround situations and acquisition deals, in addition to being a Board member in a number of joint stock companies.



Mr. Osama Zakaria Jamjoum*

Position

Board Member (Independent)

Committee Membership

Executive Committee

Mr. Jamjoom earned a bachelor's degree in Mechanical Engineering from King Abdulaziz University, a Master's degree in Industrial Engineering, and continued his postgraduate studies in System Engineering at Northeastern University, Boston.

He is the founder and CEO of Project Management Development House (PMD House), in addition to being the founding and executive partner of Dar Al-Wasal Real Estate Development and Marketing Company. He has held several executive positions in prestigious companies such as Al-Sulaiman Group, Dallah Al-Baraka Group, Urban Development Company, Al-Rasem Company, and Bechtel Saudi Company. He has extensive experience and knowledge of more than 20 years in corporate governance through participation in membership of boards and committees for local and international companies. The list of companies in which he was a member of the board of directors or committees includes Halwani Brothers Company, Ghassan Ahmed Al-Sulaiman Furniture Company (IKEA), Downtown Development Company, Dallah Al-Baraka Group, and Saudi Global Star Company.

(*) His membership ended on (9-5-2024G) and has not been renewed



Mr. Khaled Mohammed Fagih *

Position

Managing Director

Committee Membership

Executive Committee; Mr. Fagih is the Managing Director

He held the position of CEO until November 19, 2023G for Red Sea International Company and Chairman of the Board of Directors of Excellent Paints Company, and a member of the Commercial Committee of the Riyadh Chamber of Commerce. He has more than 27 years of experience in business management, corporate banking, investments, risk management, digital transformation, and project finance management.

Mr. Fagih has achieved many successes during his career. He has succeeded in completing a large number of high-level transactions with the government and many private sector companies during several economic cycles. He has also contributed to building and leading many business initiatives in a record period of time and has a proven track record in leading institutional transformation.

(*) His membership ended on (9-5-2024G) and has not been renewed

New Board Members Elected at the General Assembly Meeting on (9-5-2024G)

Ms. Lina bint Abdulaziz Al Sheikh



Position

Board Member

Committee Membership

Nominations and Remuneration Committee

Positions and Practical Experience

She was Head of Private Banking at Alinma Bank, and a member of the Board of Directors at "Petrolube Oil Company". She has 21 years of experience in the commercial banking sector in "Private Banking and Excellence Banking, Strategy in the Retail and Individuals Sector". Ms. Lina holds a Master's degree in Business Administration in 2017G from "King Abdulaziz University", and a Bachelor's degree in English Literature in 2006G from "King Abdulaziz University".

Mrs. Shahd bint Khalid Njeim



Position

Board Member

Committee Membership

Sustainability and Safety Committee

Current Positions

Sustainability Director at Al -Dabbagh Holding Group.

Positions and Practical Experiences

She held the position of an administrative advisor from January 2019G to December 2022G in "McKinsey Company", a member of the Environment, Society and Governance Committee, and a member of the Board of Directors in "Dukan Retailing Co". She holds a master's degree in public relations and corporate communications in 2018G from "Georgetown University", and a Bachelor's degree in Business Administration in 2016G from the "American University".

Dr. Hans Martin Stoker



Position

Board Member

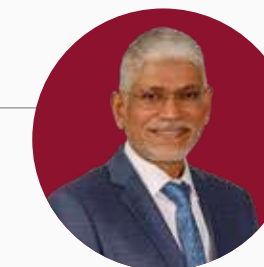
Committee Membership

Nominations and Remuneration Committee and Audit Committee

Positions and Practical Experience

He serves as an independent consultant, a member of the Board of Directors, an Executive Committee member, a member of the Nominations and Remuneration Committee, at the Ghurair Investment Group, United Arab Emirates. He was a first partner at McKinsey & Company, and a member of the Board of Directors of the GCC Board Directors Institute. He holds a PhD in Economics from the University of Humbolt (1998G), Master's and Bachelor's degrees from prominent institutions such as: London College of Economics, Witten/Herdecke University and Carlton University.

Mr. Mohamed Husnee Jazeel



Position

Board Member

Committee Membership

Nominations and Remuneration Committee

Positions and Practical Experience

Mr. Jazeel earned his Certificate from the Chartered Institute of Management Accountants in the UK. He served in several managerial roles in PricewaterhouseCoopers (PwC) and gained accounting experience exceeding 25 years. He worked in the Company's offices located in different countries around the world. He joined Al -Dabbagh Holding Group in 1999G and held the position of the group's operations manager. He is also a member of the Board of Directors of the Gulf General Cooperative Insurance Company and the Food Development Group.

Second - Members of the Board Committees

Dr. Mazen Ibrahim Hassounah

Position

External Member

Committee Membership

Audit Committee

Dr. Hassounah holds a bachelor's degree in Civil Engineering from the University of Petroleum and Minerals in Dhahran, KSA (1982), and a master's (1988) and PhD. (1992) in Planning from the University of Toronto, Canada.

He has over 40 years of experience in engineering, planning, corporate advisory, banking, investment banking and asset management services in various academic and non-academic positions in Saudi Arabia, Canada and the UK. Prior to his current positions as the Managing Partner of Mawakher Development Company (a project development company), the Managing Director of Alissa Group Companies, and the Acting Managing Director of Alyusr for Leasing and Finance, he held the position of CEO and Managing Director of Rana Investment Company for the period 2000 to 2008, and the position of Deputy CEO for the period 1995 to 2000.

In addition to his membership in the Audit Committee of Red Sea International Company, Dr. Hassounah is the Chairman of the Board of directors of SHUAA Capital KSA, a member of the Board of Best Trading Company, Abdullatif Alissa Group Holding Company, Alyusr for Leasing and Finance, Almanara Communication and Information Technology, and Arab Palestinian Investment Company (APIC). He serves as the Chairman of the Audit Committees of APIC and Almanara. Until very recently, he served as the Chairman of the Audit Committee and Compliance Committee at AXA Cooperative Insurance. Further, for several years, Dr. Hassounah served as a Board member of Etihad Etisalat (Mobily), AXA Cooperative Insurance Company, and as a member of the Investment Committee of the Riyadh Chamber of Commerce and Industry.



Ms. Sarah Al Harthy

Position

External Member

Committee Membership

Sustainability and Safety Committee

Ms. Sarah has been a member of the Board of Directors of Sakaka Solar Energy Company, from November 2023 to the present. She has also an Executive Director for Business Development at ACWA Power - Renewable Energy, Green Hydrogen, Sustainable Utilities, Senior Director of Business Development, Business Development Manager, and Senior Supervisor of Business Development, from May 2019 to the present.

She served as Alstom Engineer, Technical Support for Systems Engineering, October 2017 - May 2019.

Ms. Sarah Alharthi is a graduate of the Executive Leadership Program, International Institute for Management Development, and the Clean Energy and Climate Change Leadership Fellowship, Yale University. She also holds a Master's degree in Renewable Energy Engineering and a Bachelor's degree in Electrical and Computer Engineering, Effat University. She is also a certified Public-Private Partnership (PPP) Leader, World Bank, and a Women in Leadership for Results, European Institute of Business Administration. She also holds a certificate in Climate Change Leadership, Climate Reality Project.



Ms. Hayfa Abuzabibah

Position

External Member

Committee Membership

Nominations and Remuneration Committee

Ms. Haifa has been serving as Manager of Human Resources at Al Dabbagh Group from February 2022. Previously, she held the following positions: Manager of Human Resources Operations and Development, Abdullatif Jameel Motors, October 2018 to January 23, 2020; Group Human Resources Manager, Al Dabbagh Group, April 2017 to September 2019; Associate Manager, Human Resources Business Partner, Emaar The Economic City, July 2015 to April 2016; Vice President - Manager of Compensation and Benefits, National Commercial Bank, May 2016 to March 2017; Vice President - Senior Manager, Talent Resources and Development, National Commercial Bank, April 2014 to June 2015; Vice President - Senior Manager, Talent Resources and Development, National Commercial Bank, April 2014 to June 2015; Vice President - Senior Manager, Talent Resources and Development, National Commercial Bank, April 2014 to June 2015 National Commercial Bank April 2014 - June 2015, Vice President, Head of Sustainability and Business Excellence National Commercial Bank July 2010 - March 2014, Assistant Vice President, Head of Performance Management, National Commercial Bank July 2007 - June 2010, Senior Officer, Performance Management, National Commercial Bank September 2006 - July 2007, Head of Administration, Jeddah International School June 2005 - June 2006. She also served as a teacher, Economics and Social Studies, Jeddah International School, September 2004 - June 2005, Medical and Clinical Operations Coordinator, King Faisal Specialist Hospital and Research Centre, May 2002 - April 2003, Community Relations Coordinator, King Faisal Specialist Hospital and Research Centre, April 2000 - May 2002, and Assistant Personnel Affairs - Recruitment, King Fahad Armed Forces Hospital, June 1997 - April 2000.

Ms. Hayfa Abuzabibah holds a Bachelor of Business Administration from Hult Business School, UAE, from 2020 to 2022, specializing in Business Analytics. She also completed graduate courses at the Harvard Extension School in Organizational Behavior, Financial Accounting, Microeconomics, and Leading Self and Others, from September 2013 to December 2015, at California State University, Los Angeles. Ms. Haifa also holds a Bachelor of Arts in Sociology, graduated in 1996G.



Third - Biographies of the Executive Management Members

Mr. Mahmoud Siddiqui*

Position

Group Financial Manager

Mr. Siddiqui is a chartered accountant from the Institute of chartered accountants in Pakistan in 1996, and holds a bachelor's degree in Business Administration from the University of Karachi in 1991. He served in several managerial roles at Price water house Coopers (PwC) in different offices across the world. In 2000, he joined Ghassan Al Sulaiman Furniture Trading Company (IKEA) and was later appointed as the Chief Financial Officer. He also served as CFO in Flow Progressive Logistics. Before Joining Red Sea International Company, he served as Group CFO for Re/Max Builders and Developers in Pakistan, until he joined Red Sea International Company and assumed the position of Financial Manager of the Group.

(*) Resigned on 1 February 2024G





Mr. Marwan Jean Sayegh

Position

Chief Executive Officer

Mr. Marwan is an entrepreneur with over two decades of experience in the construction industry across Saudi Arabia and the United Arab Emirates and other parts of the Greater Middle East and North Africa. His experience and success as a consultant at the company 'Viamenina' expanded his experience through many major construction companies and facilities management companies in the region in the fields of infrastructure, mechanical and electrical engineering, finishes and landscapes.



Mr. Ghassan Ashkar*

Position

Group CFO

He served as Senior Chief Financial Officer of Jeddah Economic Company, Kingdom of Saudi Arabia from February 2017G until 2024G. He served also as manager of Institutional Development, Secretary of the Board of Directors, Executive Committee, Audit Committee and Nominations and Remuneration Committee at CPC Holding Company-Saudi Arabia (Saudi Binladin Group) from September 2014G to February 2017G, and its Financial Manager from September 2010G to September 2014G. Mr. Ghassan also served as a private financial advisor to Mr. Faisal Kamal Adham (private investment)- Saudi Arabia from mid-2005G to August 2010G, and as the Financial Manager of Saudi Elevators Company Limited - Saudi Arabia from January 2002 to mid-2005. He also served as the Financial Controller of Al-Mabani General Contracting Company- Saudi Arabia from September 1994G to January 2002G, and its Finance and Accounting Manager from January 1992G to September 1994G.

Mr. Ghassan Ashkar holds a Bachelor's degree in Economics (1990) from the American University of Beirut, Lebanon.

(*) He was appointed as the Company's CFO on February 1, 2024



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Names of Companies inside or outside the Kingdom of which the Board member is a member of their current or previous boards or one of their managers

Name	Current and Previous Companies	Local/ International	Legal Entity
His Excellency Mr. Amr Abdullah Al-Dabbagh	Petromin Company	Local	Closed Joint Stock Company
	SAED International Recruitment (formerly)	Local	Closed Joint Stock Company
	Food Development Company	Local	Public Joint Stock Company
	Al Dabbagh Group Holding Company Ltd	Local	Holding Company
	Commercial Development Group Company	Local	Limited Liability Company
	Amr Bin Abdullah Al-Dabbagh Company Limited	Local	Limited Liability Company
	Comprehensive Leadership Company Limited (formerly)	Local	Limited Liability Company
	Petrolube Oil Company	Local	Closed Joint Stock Company
	Seven United Investment Company	Local	Limited Liability Company
Mr. Sami Ahmed Binmahfouz	Petromin Investment Company (formerly)	Local	Limited Liability Company
	Itqan Capital (Itqan Fund)	Local	Closed Joint Stock Company
	Fundamental Installations Company for Electrical Works Limited	Local	Limited Liability Company
	United Pipes Company (formerly)	Local	Limited Liability Company
Mr. Khaled Faqih	Rawasi Solutions for Financial Consulting	Local	Limited Liability Company
	Premium Paints Company	Local	Limited Liability Company
	Red Sea Specialized Investment Company	Local	Limited Liability Company
	Red Sea Company for Trading of Building Materials and Equipment	Local	Limited Liability Company
Mr. Peter Walichnowski	-	-	-

Name	Current and Previous Companies	Local/ International	Legal Entity
Mr. Osama Zakaria Jamjoum	Halwani Brothers (formerly)	Local	Public Joint Stock Company
	Ghassan Ahmed Al-Sulaiman Furniture Company (formerly)	Local	Closed Joint Stock Company
	Al-Diyar Al-Arabiya	Local	Closed Joint Stock Company
	Downtown Development Company	Local	Closed Joint Stock Company
	Dallah Al-Baraka Group Company	Local	Closed Joint Stock Company
	Saudi Global Star (formerly)	Local	Closed Joint Stock Company
Mr. Mujahid Abdulkarim Al-Yaqeen	Dar Development and Project Management Company	Local	Closed Joint Stock Company
	-	-	-
Mr. Mohammed Zaher Salahuddein AlMunajjed	Gulf General Cooperative Insurance Company	Local	Public Joint Stock Company
	Kandasa Water Services	Local	Closed Joint Stock Company
	Al-Arjwan for Real Estate Development and Investment	Local	Limited Liability Company
	Amaco Omar Qassim Al-Eisaei Trading Limited	Local	Closed Joint Stock Company
	Credit Suisse Saudi Arabia (Formerly)	Local	Closed Joint Stock Company
	Jameel Grameen Finance	Local	Limited Liability Company
Mr. Taher Mohammed Omar Aqeel	Ajyal Finance	Local	Closed Joint Stock Company
	Kingdom Holding (Formerly)	Local	Public Joint Stock Company
	Gulf General Cooperative Insurance Company	Local	Public Joint Stock Company
	Merrill Lynch Saudi Arabia	Local	Closed Joint Stock Company
	Home Finance Alternatives	Local	Closed Joint Stock Company
	Global Textile Company	Local	Mixed Limited Liability
	Al Nahdi Company (Family Office)	Local	Closed Joint Stock Company

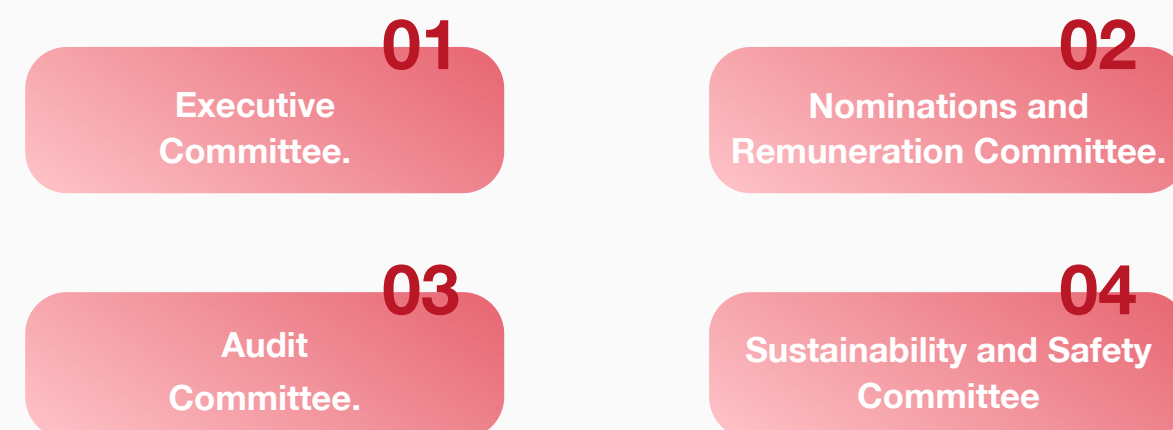
New Board Members Elected on 09/05/2024G:

Name	Current and Previous Companies	Local/ International	Legal Entity
Dr. Lama Abdulaziz Alsulaiman	Rolaco Trading & Contracting Holding Company - currently	Local	Limited Liability Company
	House of Family Business Company -currently	Local	Limited Liability Company
	Laila Investment Company -currently	Local	One Person Limited Liability Company
	Qatras International Trading Company -formerly	Local	Limited Liability Company
	Al-Nuzul Al-Hadith Trading Company Limited -formerly	Local	Limited Liability Company
	Foras Saudi Investment Company -formerly	Local	Joint Stock Company
Mr. Mohamed Husnee Jazeel	Tanmiah Food Company -currently	Local	listed Joint Stock Company
	Gulf General Cooperative Insurance Company -currently	Local	listed Joint Stock Company
	Red Sea International Company -currently	Local	listed Joint Stock Company
	SEAD International Recruitment Company, Closed Joint Stock (Company (currently	Local	Closed Joint .Stock Company
	Petrolube Oil Company -currently	Local	Closed Joint .Stock Company
	Gulf International for Electric Power Company -currently	Local	Closed Joint .Stock Company
	Barq Systems for Commercial Technology Services Company -currently	Local	Closed Joint .Stock Company
	The Fundamental Installation for Electric Works Company -currently	Local	Mixed limited liability
	Al - Dukan Company Ltd -currently	Local	Mixed limited liability
	Premium Paints Company, Mixed limited liability -currently	Local	Mixed limited liability
	The International Saudi Egyptian Logistics and Electronics Company SALEC Egypt -currently	International	limited liability
	Premier Aviation Limited -currently	International	limited liability
	FPS Investments BV -currently	International	limited liability

Name	Current and Previous Companies	Local/ International	Legal Entity
Mr. Mohamed Husnee Jazeel	Stars Foundation Ltd-currently	International	limited liability
	Petromin Corporation -Previously	Local	Closed Joint .Stock Company
	Agriculture Development Company -Previously	Local	limited liability
	Greif Flexible Asset Holding B.V -Previously	International	limited liability
Ms. Lina Bint Abdulaziz Al Al Sheikh	Petrolube Company -currently	Local	Limited Liability Company
Ms. Shahad Bint Khalid Nejaim	Al Dukan Company-currently	Local	Limited Liability Company
Dr. Hans Martin Stock-meier	Al Ghurair Holding Group -currently	International	Limited Liability Company

Brief description of the committees' competencies and tasks

In accordance with the provisions of the Companies Law and the rules of the Capital Market Authority and in implementation of the governance regulations, (4) committees emanating from the Board of Directors were formed:



These committees play an important and vital role in assisting the Board of Directors in carrying out its assigned regulatory duties and achieving optimal performance and benefiting from the diverse experiences of its members. They also play a role in developing policies and plans and adhering to the provisions and regulations of the Capital Market Authority, the Companies Law and related legislation and making recommendations to the Board of Directors as it deems necessary.

1. Executive Committee

The Executive Committee shall be formed by a decision of the Board of Directors in accordance with Article 4 of the Executive Committee Charter. The number of its members shall not be less than three members and a maximum of five members. The Regulations stipulate that the members of the Committee shall be either members of the Board of Directors or others.

The tasks and responsibilities of the committee are summarized

in proposing all important executive and strategic decisions according to the powers specified for it and approved by the Board of Directors, and then recommending them to the Board for approval and ratification.

Members of the Executive Committee

Member Name	Membership Type
(H.E. Mr. Amr Abdullah Al Dabbagh (Committee Chairman	Non-Executive
(Mr. Sami Ahmed Binmahfouz (Committee Deputy Chairman	Non-Executive
(Mr. Khaled Mohammed Fagih (Member	Executive
(Mr. Osama Zakariya Jamjoom (Member	Independent
(Mr. Taher Mohammed Aqeel (Member	Non-Executive

(*) The Executive Committee's term ended with the end of the Board's term on 09/05/2024G, and it was not renewed.

2. Audit Committee

In application of Article 2 of the Audit Committee Charter, the members of the committee are elected by a decision of the company's general assembly, and the decision must include the committee's powers, rules of work, members' remuneration and term of membership, based on the recommendation of the Board of Directors, provided that the number of its members shall not be less than three and not more than five, and that they are not members of the Executive Committee, whether shareholders or others.

The committee's tasks are summarized

1. in monitoring and supervising the practices and reports of the accounting and financial departments,
2. ensuring compliance with the relevant systems, regulations, policies and instructions,
3. supervising the work of the internal and external auditors.
4. It also regularly reviews the adequacy and effectiveness of the internal control system and procedures to provide a continuous assessment of the system and its effectiveness.

Members of the Audit Committee

Member Name	Membership Type
Mr. Mohammed Zaher AIMunajjed (Committee Chairman)	Independent
Dr. Mazin Hassuna (Member)	Independent from outside the Board of Directors
Mr. Mohamed Husnee Jazeel (Member)	Executive from outside the Board of Directors
Mr. Sami Ahmed Binmahfouz (Member)	Non-Executive
Mr. Mahmoud Abdul Ghaffar	Secretary of the Board of Directors

Statement on Audi Committee meetings (Tenure ending on 9/05/2024)

Member Name	Membership	1st Meeting	2nd Meeting
		19/05/2024	16/04/2024
Mr. Sami Ahmed Binmahfouz	Chairman	✓	✓
Mr. Mohamed Husnee Jazeel	Member	✗	✓
Mr. Mohammed Zaher AIMunajjed	Member	✓	✓
Dr. Mazen Hassounah	Member	✓	✓
Mr. Mahmoud Abdul Ghaffar	Committee Secretary	✓	✓

Statement on Audi Committee meetings (Elected for the Current Tenure on 09/05/2024)

Member Name	Membership	1st Meeting	2nd Meeting	3rd Meeting	4th Meeting	5th Meeting	6th Meeting	7th Meeting	8th Meeting	9th Meeting	10th Meeting	11th Meeting	12th Meeting
		17/04/2024	15/05/2024	21/07/2024	23/07/2024	05/08/2024	13/08/2024	24/09/2024	14/10/2024	04/11/2024	10/11/2024	08/12/2024	18/12/2024
Mr. Sami Ahmed Binmahfouz	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Mohamed Husnee Jazeel	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓
Mr. Mohammed Zaher AIMunajjed	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr. Mazen Hassounah	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Mahmoud Abdul Ghaffar	Committee Secretary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

3. Nominations and Remuneration Committee

The Committee shall be formed by a decision of the Board of Directors in accordance with Article 2 of the Nominations and Remuneration Committee Charter, and the number of its members shall not be less than three members and not more than five members, provided that the members of the Committee are members of the Board of Directors or others.

The tasks of the Committee are summarized

1. reviewing all the work, policies, programs and requirements related to the members of the Board of Directors and their membership.
2. It is also responsible for setting clear policies and standards for the remuneration and compensation of the members of the Board of Directors and senior executives and recommending them to the Board of Directors for approval.

Members of the Nominations and Remuneration Committee (Tenure ending on 9/05/2024)

Member Name	Membership Type
Mr. Mohammed Zaher Salahuddein AlMunajjed	Independent
Mr. Sami Ahmed Binmahfouz	Non-Executive
Mr. Mohamed Husnee Jazeel	Non-Executive
Mr. Mujahid Abdulkarim Al-Yaqeen	Independent
Mahmoud Abdul Ghaffar	Committee Secretary

A Statement on Nominations and Remuneration Committee meetings (Tenure ending on 9/05/2024)

Member Name	Type of Membership	1st Meeting	2nd Meeting	3rd Meeting
		01/02/2024	18/03/2024	16/04/2024
Mr. Mohammed Zaher SalaAl-YaqeenIMunajjed	Chairman	✓	✓	✓
Mr. Sami Ahmed Binmahfouz	Member	✓	✓	✓
Mr. Mohamed Husnee Jazeel	Member	✓	✓	✓
Mr. Mujahid Abdulkarim Al-Yaqeen	Member	✓	✓	✓
Mr. Mahmoud Abdul Ghaffar	Committee Secretary	✓	✓	✓

Members of the Nominations and Remuneration Committee (Elected for the Current Tenure on 09/05/2024)

Member Name	Membership Type
Ms. Lama Abdulaziz Alsulaiman (Committee Chairman)	Independent
Ms. Lina Al Sheikh (Member)	Non-Executive
Mr. Mohamed Husnee Jazeel (Member)	Non-Executive
Mr. Mujahid Abdulkarim Al-Yaqeen (Member)	Independent
Ms. Hayfa Abuzabibah	Independent
Mahmoud Abdul Ghaffar	Committee Secretary

A Statement on Nominations and Remuneration Committee meetings (Elected for the Current Tenure on 09/05/2024)

Member Name	Type of Membership	4th Meeting	5th Meeting	6th Meeting
		04/08/2024	03/11/2024	17/12/2024
Ms. Lama Abdulaziz Alsulaiman	Chairman	✓	✓	✓
Ms. Lina Al Sheikh	Member	✓	✓	✓
Mr. Mohamed Husnee Jazeel	Member	✓	✓	✓
Ms. Hayfa Abuzabibah	Member	✓	✓	✓
Mr. Mahmoud Abdul Ghaffar	Committee Secretary	✓	✓	✓

4. Sustainability and Safety Committee

The main purpose of forming the Sustainability and Safety Committee at Red Sea International Company is to assist the Board of Directors in fulfilling its oversight responsibilities, and performing the duties, responsibilities and authorities described in this Charter. The Committee also assists the Board of Directors in promoting the long-term sustainability of the Company in line with the Sustainability and Safety Framework.

The Committee aims to:

1. Develop the Sustainability and Safety Strategy and set priorities and objectives, to enhance the integration of sustainability into the Company's strategy and operations.
2. Oversee the implementation of the Company's Sustainability and Safety Strategy and key initiatives.
3. Assist the Board of Directors in identifying and managing key risks and opportunities related to Sustainability and Safety.
4. Monitor the Company's performance in the field of safety, sustainability, compliance and external ratings.
5. Assist the Board of Directors in overseeing the Company's disclosures in the field of Sustainability and Safety and monitoring compliance with international best practices.
6. Monitor the effectiveness of the Company's internal controls and reporting systems related to Sustainability and Safety.

The committee oversees Sustainability and Safety within the company through its duties and responsibilities in the following areas

On the environmental level

1. The Committee oversees the development of the Sustainability and Safety strategy to help the Company achieve its long-term environmental goals in line with the Sustainability and Safety framework.
2. The Committee assists, leads and inspires the Company's leadership and management teams to guide environmental strategies.
3. The Committee reviews the Company's proposed strategic environmental solutions that properly take into account the available data, current constraints, competition, strategic priorities and the consequences that link the solutions to the environment and business needs.

On the social level

1. The Company focuses on its social contributions to internal and external stakeholders. Given the nature of the Company's business activities, the health and safety of colleagues and guests is a constant priority.
2. The Committee oversees ensuring that the health, safety and well-being of colleagues and guests is integrated into its work and is properly reported.
3. The Committee oversees and supports stakeholder engagement in key areas relevant to the Company.

Governance

1. The Committee sets guidelines and governance structures to continuously enhance corporate governance, business ethics, anti-bribery and corruption mechanisms, commercial governance, product governance, data privacy and security, among other important areas.
2. The Committee ensures that the Company's governance structures comply with local laws and best practices.

Committee Formation

The Committee shall be formed by a decision of the Board of Directors, and the number of Committee members shall not be less than three and not more than five, including a member specialized in Sustainability and Safety. The term of membership of the Committee shall not exceed the term of the Board of Directors.

Sustainability and Safety Committee Members

Member Name	Membership Type
Dr. Hans-Martin Stockmeier	Independent
H.E. Mr. Amr Abdullah Al Dabbagh	Non-Executive
Ms. Shahad Nejaim	Non-Executive
Ms. Sarah Al-Harthi	Member
Mr. Mahmoud Abdul Ghaffar	Committee Secretary

Sustainability and Safety Committee Meetings

Member Name	Membership	1st Meeting	2nd Meeting
		13/10/2024	12/12/2024
Dr. Hans-Martin Stockmeier	Chairman	✓	✓
H.E. Mr. Amr Abdullah Al Dabbagh	Member	✓	✓
Ms. Shahad Nejaim	Member	✓	✓
Ms. Sarah Al-Harthi	Member	✓	✓
Mr. Mahmoud Abdul Ghaffar	Committee Secretary	✓	✓



The Procedures taken by the Board of Directors to inform its members - especially Non-executives - of Shareholders' proposals and comments regarding the Company and its performance

The Chairman of the Board of Directors and the Company's Executive Management shall inform the Board of Directors of the opinions, proposals or comments of shareholders regarding the Company and its performance and discuss them with the Board. The Chairman of the Board shall also inform and communicate the opinions of shareholders to the Board of Directors during Board meetings without the presence of any executive member if necessary.

Where applicable, the Means relied upon by the Board of Directors to evaluate its performance and the performance of its committees and members, and the external party that conducted the evaluation and its relationship with the Company, if any

The Board of Directors has developed an evaluation mechanism based on the comments received from the Board members through self-evaluation questionnaires that are circulated among the Board of Directors members on an annual basis to evaluate the performance of the Board, its members and its committees. The evaluation mechanism uses key performance indicators related to the extent to which the Company's strategic objectives are achieved, the effectiveness of the Board of Directors, and understanding the roles and responsibilities of the Board of Directors to identify weaknesses and strengths. Accordingly, proposing corrective action plans that serve the Company's interest.

Disclosure of the remuneration of members of the Board of Directors and Executive Management

According to what is stipulated in Article Ninety of the Corporate Governance Regulations as per the remuneration policy of the Red Sea International Company approved by the General Assembly during its meeting held on 24/08/2021G, a member of the Board of Directors receives a fixed annual remuneration of 200 thousand Saudi riyals. In addition to 5,000 Saudi riyals for attending meetings. Remunerations are paid quarterly and approved by the shareholders in the General Assembly. The Board of Directors may also review these remunerations whenever necessary, in a manner that does not conflict with the Company's Articles of Association and other applicable regulations, especially with regard to the commitment to a higher ceiling for remunerations paid to members. The remuneration is paid to the resigning or newly joining member based on the number of days he served as a member of the Board of Directors during the period. In relation to these remunerations, the Board is committed to following all the regulations and laws issued by the Capital Market Authority and based on the recommendations of the Nominations and Remuneration Committee.

5000
 allowance for attending meetings

200
 thousand
 Annual fees for board members

Based on the recommendations of the Nominations and Remuneration Committee approved by the General Assembly, the Company's remuneration policy stipulates the following:

1. The Chairman of the Board of Directors receives an additional annual remuneration of SAR 200,000; The Vice Chairman of the Board of Directors receives an additional annual remuneration of SAR 100,000; The Managing Director receives an additional annual remuneration of SAR 100,000
2. Each member of the Audit Committee receives an additional remuneration of SAR 100,000 and SAR 3,000 for each meeting he attends. Members of the Executive Committee are not entitled to an annual remuneration; however, each member receives SAR 3,000 for each meeting he attends.
3. Members of the Nominations and Remuneration Committee are not entitled to annual remuneration; However, each member receives SAR 3,000 for each meeting he attends.
4. The Secretary of the Board of Directors does not receive any remuneration for his duties or attendance at meetings.
5. The Executive Management remuneration consists of the following:

A. A fixed component that includes basic salary, allowances and benefits.

B. An additional component linked to performance and variable according to the annual financial results achieved by the Company. The remunerations are approved by the Nominations and Remuneration Committee based on comparative packages for similar positions within the sector and region and are designed to attract and retain management talents.

Statement detailing the remuneration and compensation paid to the members of the Board of Directors during the year 2024G

Member	Fixed Remuneration							Variable Remuneration						Total End of Service Gratuity	Grand Total	Expense Allowance
	Specific amount	Allowance for attending Board sessions	Total allowance for attending committee sessions	In-kind benefits	Remuneration against technical, managerial and consulting work	Remuneration of the Chairman of the Board, the Managing Director or the Secretary if he is a member	Total	Percentage of profits	Periodic remuneration	Short term incentive plan	Long term incentive plan	Shares granted (enter value)	Total			
First: Independent Members																
Mr. Peter Walichnowski		10	10			71.7	71.7								81.7	
Mr. Osama Zakariya Jamjoom																
Mr. Mujahid Abdulkarim Al-Yaqeen		10	10			71.7	71.7								81.7	
Mr. Mohammed Zaher Salahuddein AlMunajjed																
Dr. Hans-Martin Stockmeier																
Dr Lama Abdulaziz Alsulaiman																
Ms. Lina bint Abdulaziz Al Al-Sheikh																
Total		20	20			143.4	143.4								163.4	
Second: Non-Executive members																
H.E. Mr. Amr Abdullah Al Dabbagh																
Mr. Sami Ahmed Binmahfouz																
Mr. Taher Mohammed Omar Aqeel																
Ms. Shahad bint Khaled Nejaim																
Total																
Third: Executive members																
Mr. Khaled Mohammed Fagih																
Total																

Senior Executives Remuneration

	Fixed Remuneration				Variable Remuneration						Total end of service	Total executive bonus for the board, if any	Grand total
	Salaries	Allowances	In-kind Benefits	Total	Periodic	Profits	Short term incentive plan	Long term incentive plan	Shares granted (enter value)	Total			
Current CEO	1,800			1,800						-	-	-	1,800
CFO	1,375			1,375						-	-	-	1,375
General Manager of Facilities & Services	422.2	147.8		570						-	-	-	570
General Manager of Engineering & Pricing	924	156		1,080						-	-	-	1,080
Manager of Strategy	508.5	175.9		684.4						-	-	-	684.4
Total	5,029.7	479.7		5,509.4									5,509.4

Board Committee Members Remuneration

	Fixed Remuneration (Except Session Attendance Allowance)	Session Attendance Allowance	Total
Audit Committee Members			
Mr. Sami Ahmed Binmahfouz	100	36	136
Dr. Mazin Hassuna	100	36	136
Mr. Mohamed Husnee Jazeel	75	27	102
Mr. Mohammed Zaher AlMunajjed	100	36	136
Total	375	135	510
Nominations and Remuneration Committee Members			
Mohammed Husnee Jazeel	-	9	9
Lama Al Sulaiman	-	9	9
Hayfa Abuzabiba	-	9	9
Lina Al Sheikh	-	9	9
Total	-	36	36
Executive Committee Members			
H.E. Mr. Amr Abdullah Al Dabbagh	-	-	-
Mr. Sami Ahmed Binmahfouz	-	-	-
Mr. Khaled Mohammed Fagih	-	-	-
Mr. Osama Zakariya Jamjoom	-	-	-
Mr. Taher Mohammed Aqeel	-	-	-
Total	-	-	-

A statement of the dates of the general assemblies of shareholders held during the last fiscal year and the names of the members of the Board of Directors attended these assemblies.

Name	Attendance Record
	Ordinary Assembly Meeting 09/05/2024G
H.E. Mr. Amr Abdullah Al Dabbagh	✓
Mr. Sami Ahmed Binmahfouz	✓
Mr. Khaled Mohammed Fagih	Did not attend
Mr. Peter Walichnowski	Did not attend
Mr. Osama Zakariya Jamjoom	Did not attend
Mr. Mujahid Abdulkarim Al-Yaqeen	Did not attend
Mr. Mohammed Zaher Salahuddein AlMunajjed	✓
Mr. Taher Mohammed Omar Aqeel	✓

Name	Attendance Record
	Ordinary Assembly Meeting 25/06/2024G
H.E. Mr. Amr Abdullah Al Dabbagh (Chairman of the Board)	✓
Mr. Sami Ahmed Binmahfouz (Deputy Chairman of the Board)	✓
Mr. Mohammed Zaher Salahuddein AlMunajjed	✓
Dr Lama Abdulaziz Alsulaiman	✓
Mr. Mohamed Husnee Jazeel	✓
Ms. Lina bint Abdulaziz Al Al-Sheikh	✓
Ms. Shahad bint Khaled Nejaim	✓
Dr. Hans-Martin Stockmeier	✓

Any penalty, sanction, precautionary measure or precautionary restriction imposed on the Company by the Authority or any supervisory, regulatory or judicial body, with statement of the reasons for the violation, the party that imposed it, and ways to treat it and avoid its occurrence in the future

Statement description	Date of Violation	Government Agency	Amount of the violation	Action taken by the Company
Joint registration without an actual work relationship for 21 trainees	09/09/2024	GOSI	137,244.31	An objection was filed on the website of the General Organization for Social Insurance (GOSI) and all supporting documents were submitted. GOSI was referred to and an objection was filed regarding the violation listed against the Company.
The employer's failure to comply with the rules of protection, safety and occupational health	06/06/2024	MOL	5,000	<p>To ensure compliance with the rules of protection, safety and occupational health approved by the Ministry of Human Resources and Social Development, apply occupational safety and health standards and adhere to all safety regulations and systems approved by the Ministry:</p> <ul style="list-style-type: none">- Personal protective equipment (PPE) was provided to all workers according to the nature of the work.- Ensured that safe and standard-compliant work equipment and tools are used. Periodic inspections carried out at all work sites to identify potential risks.- Developed a risk management plan according to observations and periodic reports.
Value Added Tax (VAT)	03/01/2024	Imposing a fine	96,740.77	Ensuring the timely payment of any outstanding amounts
Total			238,985.08	

Results of the annual review of the effectiveness of the Company's internal control procedures, in addition to the Audit Committee's opinion on the adequacy of the Company's internal control system

The company's operations in 2024 underwent periodic reviews by the Internal Audit Department to assess the adequacy and effectiveness of internal control procedures in safeguarding the company's assets, evaluating operational risks, and measuring overall performance efficiency. Additionally, the external auditor assessed the effectiveness of the systems and procedures as part of their review of the consolidated financial statements. The Audit Committee regularly and continuously monitors and evaluates the performance of the Internal Audit Department to ensure that audit processes are conducted efficiently and effectively.

Based on the above, and after the Audit Committee reviewed the periodic reports from the executive management, internal audit reports, and the external auditor's findings for the fiscal year 2024, the results of the examination conducted by both the external auditor and the Internal Audit Department indicated no significant deficiencies or material changes in the internal control systems. However, some observations were provided to the executive management by the committee, and corrective actions were agreed upon, including specific implementation timelines and periodic reporting to the committee.

It is important to emphasize that audit procedures are based on sampling activities; therefore, absolute comprehensiveness cannot be guaranteed. The Internal Audit Department continues to work closely with the executive management to maintain and enhance the effectiveness and efficiency of the internal control system.

Audit Committee's recommendation to appoint an internal auditor in the Company if it recommended his appointment during the last fiscal year

No recommendation was issued by the Audit Committee regarding the need to appoint an internal auditor in the Company due to the existence of a specialized internal audit department and team in the Company, and the Internal Audit Department prepares its periodic reports to the Audit Committee to take the necessary action regarding the observations contained therein.

Audit Committee recommendations that conflict with the decisions of the Board of Directors, or that the Board refused to take regarding the appointment of the Company's auditor, his dismissal, determining his fees, evaluating his performance, or appointing the internal auditor, and the justifications for those recommendations, and the reasons for not taking them

There was no conflict between the recommendations of the Audit Committee and the decisions issued by the Board of Directors in 2024G.



Description of the Company's Dividend Policy

The dividend distribution process at Red Sea International Company is based on the net profits realized by the Company, taking into account the importance of maintaining a strong financial position to face any changes that may affect the economic climate in general.

Red Sea International Company is also keen to pay annual dividends to its shareholders, but there are no guarantees for the distribution of dividends or a guarantee for the value of future dividends.

The dividend distribution policy changes from time to time according to the Company's financial performance and the Board of Directors' vision of cash and capital needs and expansion of the Company's main activities. The dividend distribution process is carried out through a recommendation from the Board of Directors to the General Assembly to distribute dividends. The dividend distribution process is carried out on the date determined by the Board of Directors in accordance with the instructions and regulations issued by the competent authorities.

Dividend Distribution Policy

- 01** The Board of Directors must adopt in its annual report submitted to the General Assembly the percentages of profits distributed to shareholders during the different periods of the current year.
- 02** Applying Zakat and any other tax systems in force in the Kingdom of Saudi Arabia.
- 03** The Company may distribute interim dividends to shareholders on a semi-annual or quarterly basis in accordance with the controls issued by the Capital Market Authority, based on an authorization issued by the Ordinary General Assembly of the Board of Directors to distribute interim dividends, and this authorization is renewed annually.
- 04** The cash dividends to be distributed to shareholders are deposited in their accounts linked to their investment portfolios, and the granted shares are deposited in the shareholders' investment portfolios after announcing this through official channels.
- 05** The disbursement of dividends in the Red Sea International Company is approved based on the recommendations of the Board of Directors, according to the following conditions:
 - The Company's financial position.
 - The Company's operational results.
 - Cash flow needs, taking into account the Company's current and future plans and projects, obligations and restrictions that may restrict these distributions.
 - Covering the Company's losses.
 - Dividends are distributed after setting aside the statutory provisions and reserves.
 - The remainder is then distributed to shareholders at a rate of no less than 5% of the Company's paid-up capital.
 - 10% of the net profits shall be set aside to form the Company's statutory reserve, and the Ordinary General Assembly may stop this setting aside whenever the statutory reserve reaches 30% of the paid-up capital.
 - The General Assembly may, based on the Board of Directors' proposal, allocate any other reserves.

Details of shares and debt instruments issued for each subsidiary

The following table provides details of the shares representing the capital of each subsidiary of Red Sea International Company. None of the company’s subsidiaries issued any classes of shares or debt instruments during the period ending December 31, 2024G.

Company Name	Paid up Capital	No. of Shares
Red Sea Housing Services Limited (GHANA)	USD 50,000	450,000
Red Sea Housing Services Limited (ALGERIA)	DZD 20,000,000	20,000
Red Sea Housing Services Company Limited (NIGERIA)	NGN 2,000,000	2,000,000
Red Sea Housing Services Company DUBAI FZE	AED 1,000,000	1
Red Sea Housing Services Company (Libya)	LYD 300,000	10,000
Red Sea Building Materials and Equipment Trading Company	﷌ 50,000	500
Premier Paints Company	﷌10,000,000	10,000
Red Sea Specialized Investments Company	﷌ 50,000	500
Red Sea Housing Services LLC (Mozambique)	MT 15,000,000	-
Red Sea Housing Services LLC (OMAN)	OMR 250,000	250,000
Red Sea Affordable Housing Company	﷌ 50,000	500
Red Sea Residential City Company	﷌ 50,000	500
Red Sea Housing Services Co. Ltd.	﷌ 50,000	500
Red Sea Housing Services Company (Malaysia)	RM 6,122,450	6,122,450
Red Sea Prefabricated Rental Company, LLC	AED 300,000	300
Red Sea Prefab Rentals Co. W.L.L. (Kuwait)	KD 1000	100
The Fundamental Installation Company (First Fix)	﷌ 100,000	100

A description of any interest in the class of voting shares held by persons other than members of the Company’s Board of Directors, senior executives and their relatives) who have notified the Company of such rights pursuant to Article 45 of the Registration and Listing Rules, and any change in such rights during the last fiscal year.

Description of any interest in the class of voting shares held by parties (other than members of the company's Board of Directors, senior executives and their relatives)			
Name of the party to whom the interest belongs	Number of shares at the beginning of the year	Number of shares at year end	Net Change
Dabbagh Group Holding Company	15,419,544	15,419,544	No Change
Tanmiah Commercial Group Limited	2,721,093	2,721,093	No Change
Marketing and Commercial Agencies Limited	3,023,436	3,023,436	No Change

A description of any interest, contractual securities and subscription rights of the members of the company’s Board of Directors, senior executives and their relatives in the shares or debt instruments of the company or any of its subsidiaries, and any change in such interest or rights during the last fiscal year.

Description of any interest, contractual papers and subscription rights held by the members of the Board of Directors and their relatives in the shares or debt instruments of the company						
Name of the person to whom the interest, contractual papers or subscription rights belong	Beginning of the Year		Year End		Net Change	Change (%)
	No. of Shares	Debt Instruments	No. of Shares	Debt Instruments		
H.E. Mr. Amr Abdullah Al Dabbagh - Chairman						
Mr. Sami Ahmed Binmahfouz - Deputy Chairman	1,176		0			
Mr. Khaled Mohammed Fagih Managing Director						
Mr. Osama Zakariya Jamjoom						
Mr. Peter Walichnowski						
Mr. Mohammed Zaher Salahud-dein AIMunajjed						
Mr. Mujahid Abdulkarim Al-Yaqeen						
Mr. Taher Mohammed Aqeel						
Ms. Shahad Khaled Nejaim – Non Executive Member						
Ms. Lina bint Abdulaziz Al Al-Sheikh – Independent Member						
Dr Lama Abdulaziz Alsulaiman - Independent Member						
Dr. Hans-Martin Stockmeier - Independent Member						
Mr. Marwan Al-Sayegh - CEO						
Mr. Mohammed Seddiki - Former CFO*						
Mr. Ghassan Ashqar - Current Financial Directo CFO**						

(*) Resigned on February 1, 2024

(**) Appointed on February 1, 2024

A description of the categories and numbers of any convertible debt instruments and any contractual securities, subscription rights notes or similar rights issued or granted by the Company during the fiscal year, with an explanation of any consideration received by the Company in return

There are no debt instruments convertible into shares, or any option rights, subscription rights notes or similar rights issued or granted by the Company during the year 2024G.

A description of any conversion or subscription rights under convertible debt instruments, contractual securities, subscription rights notes or similar rights issued or granted by the Company

There are no conversion or subscription rights under convertible debt instruments into shares, option rights, subscription rights notes or similar rights issued or granted by the Company during the year 2024G.

A description of any redemption, purchase or cancellation by the Company of any redeemable debt instruments, and the value of the remaining securities, distinguishing between listed securities purchased by the company and those purchased by its subsidiaries.

The Company or its subsidiaries did not redeem, purchase or cancel any redeemable debt instruments, whether listed or unlisted, during 2024G.

Number of the Company Applications for the Shareholders’ Register, their Dates and Reasons

S/N	Date of Application	Reason of Application
1	21/11/2024	General Assembly
2	24/10/2024	Corporate Procedures
3	18/09/2024	Corporate Procedures
4	15/09/2024	Corporate Procedures
5	25/06/2024	General Assembly
6	24/06/2024	General Assembly
7	27/05/2024	Corporate Procedures
8	09/05/2024	General Assembly
9	08/05/2024	General Assembly
10	20/03/2024	Corporate Procedures

A Description of any transaction between the company and a related party

The amount due from related parties presented under advances and other receivables	
Al Dabbagh Group Holding Co. Ltd	1,900
Amount due to a shareholder	
Al Dabbagh Group Holding Co. Ltd	81,225
Amount due to a shareholder presented under trade payables	
Al Dabbagh Group Holding Co. Ltd	(12,175,113)

Information relating to any business or contracts to which the Company is a party, or in which a member of the Company’s Board of Directors or its senior executives or any person related to any of them has an interest, including the names of those concerned with the business or contracts, nature of these businesses or contracts, their terms, duration and amount during 2024.

There are no transactions we are aware of or reported in the Financial statements in which a member of the Company’s Board of Directors or its senior executives or any person related to any of them has an interest

Statement of any arrangements or agreements under which a member of the Company’s Board of Directors or a senior executive has waived any Remuneration

There was no arrangement under which a member of the Company’s Board of Directors or a senior executive waived his right to receive any remuneration due in 2024G.

Statement of any arrangements or agreements under which a shareholder of the Company has waived any rights to profits

There was no arrangement under which a shareholder has waived his right to receive any dividends due in 2024G.

Statement of the value of any investments or reserves established for the benefit of the Company’s colleagues

The Company has allocated reserves for its colleagues in line with the requirements of the Labor Law in both the Kingdom of Saudi Arabia and the United Arab Emirates. End of service benefits provisions are based on the colleagues’ final salaries and bonuses and their cumulative years of service at the date of their termination as specified in the terms stipulated in the Labor Laws in the Kingdom of Saudi Arabia and the United Arab Emirates. The table below summarizes the provisions allocated by the Company to its colleagues as of December 31, 2024G compared to the previous year: Amounts are in thousands of Saudi Riyals.

End of service benefits	2024G	2023G
Beginning of the year	57,496	21,855
Acquisition of a subsidiary	-	34,351
Net interest expense	28,012	9,386
Interest paid	(9,783)	(6,412)
Remeasurement loss on defined colleagues benefit obligations	227	(29)
Obligations directly related to assets acquired for sale	-	(1,655)
End of the year	75,952	57,496



Any reservations mentioned in the external auditor's report

We draw attention to Note 2.1 in the consolidated financial statements, which indicates that as of 31 December 2024, the accumulated losses of the Group amounted to SR 283.3 million (31 December 2023: SR 219.7 million) which represent 93.7% (31 December 2023: 72.7%) of share capital as of the same date. Further, at 31 December 2023, the Group's current liabilities exceeded its current assets by SR 250.7 million (31 December 2023: SR 346.3 million). As stated in Note 2.1, these events or conditions, along with other matters as set forth in Note 2.1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

A description of the company's significant plans and decisions (including structural changes to the company, expansion of its business, or cessation of its operations) and the prospects of the company's business.

In 2024G, Red Sea International Company conducted a comprehensive review of some operations that were not achieving the desired results. The performance of some existing projects was evaluated, which allowed the company to make an informed decision about whether to discontinue or restructure these operations. This shift came as part of a larger strategy aimed at focusing resources on the most profitable and growth-prone areas.

For example, some activities that required significant investments but did not record significant success in the market were discontinued, which allowed those resources to be redirected to new and innovative projects, such as expanding facilities and real estate management services. This proactive approach aims to improve overall efficiency and reduce costs, which contributes to enhancing the company's competitiveness.

Red Sea International Company looks forward to a promising future, as it has developed ambitious strategies to enhance its growth and increase profitability. Along with focusing on innovation and digital transformation, the company aims to become a leader in providing integrated solutions in the fields of manufacturing, facilities management and real estate. By investing in modern technology and automation, the company seeks to achieve higher operational efficiency, which will enable it to improve the quality of its services and increase customer satisfaction. The commitment to sustainability will also enhance the company's position in the market, as environmental solutions are becoming increasingly important in the construction sector. The company also expects to expand its partnerships with the public and private sectors, which will contribute to opening up new horizons for growth. By continuing to innovate and adopt the latest trends in the market, the company hopes to enhance its market share and achieve its strategic goals by 2025G and beyond.

Overall, these strategies represent a comprehensive approach aimed at ensuring sustainable growth and profitability.

Implemented and Non-implemented Provisions of the Corporate Governance Regulations and Justifications therefor

The Company is compliant with all provisions in the Corporate Governance Regulations issued by the Capital Market Authority, with the exception of the following:

Article	Implemented	Justifications of non-compliance
<p>Article 35: The Secretary of the Board</p> <p>a) The Board shall appoint a secretary among its members or a third party, whose competencies and wage shall be specified by a Board resolution, unless the Company's bylaws include provisions in connection therewith, provided that such powers shall include:</p> <p>1) Documenting the Board meetings and preparing minutes therefor, which shall include the discussions and deliberations carried during such meetings, as well as the place, date, times on which such meetings commenced and concluded; and recording the decisions of the Board and voting results and retaining them in a special and organized register, and including the names of the attendees and any reservations they expressed (if any). Such minutes shall be signed by the chairman of the meeting, all of the attending members and the secretary.</p>	Partially	<p>The Secretary of the Board of Directors has been appointed in accordance with the article. However, the remuneration was not specified in the same resolution, but rather was done under the contract concluded with him. We consider this procedure to be in line with the company's requirements, as it was in compliance with the applicable laws.</p> <p>We also intend to take additional steps to ensure full compliance with the article, including a periodic review of the procedures to ensure their compatibility with the requirements of the article</p>
<p>Article 37: Training</p> <p>The Company shall pay adequate attention to the training and preparation of the Board members, committee members, and the Executive Management, and shall develop the necessary programmes required for the same, taking the following into account:</p> <p>2) Developing the necessary mechanisms for Board members, committee members, and the Executive Management to continuously enroll in training programmes and courses in order to develop their skills and knowledge in the fields related to the activities of the Company.</p>	Not Implemented	<p>Guiding article, meaning it provides general guidance rather than mandatory requirements.</p>
<p>Article 39: The Assessment</p> <p>a) The Board shall develop, based on the proposal of the nomination committee, the necessary mechanisms to annually assess the performance of the Board, its members and committees and the Executive Management using key performance indicators linked to the extent to which the strategic objectives of the Company have been achieved, the quality of the risk management and the efficiency of the internal control systems, among others, provided that weaknesses and strengths shall be identified and a solution shall be proposed for the same in the best interests of the Company.</p> <p>b) The procedures of performance assessment shall be in writing and clearly stated and disclosed to the Board members and parties concerned with the assessment.</p> <p>c) The performance assessment shall entail an assessment of the skills and experiences of the Board, identification of the weaknesses and strengths of the Board and shall attempt to resolve such weaknesses using the available methods, such as nominating competent professional staff able to improve the performance of the Board. The performance assessment shall also entail the assessment of the mechanisms of the Board's activities in general.</p>	Partially	<p>It has been partially implemented, and is considered a guiding article, meaning it provides general guidance rather than mandatory requirements. We will periodically review the current performance assessment procedures, taking into account the requirements of the article, and will work to amend them to be more consistent with the company's objectives.</p>

Article	Implemented	Justifications of non-compliance
<p>d) The individual assessment of the Board members shall take into account the extent of effective participation of the member and his/her commitment to performing his/her duties and responsibilities, including attending the Board and its committees' meetings and dedicating adequate time thereof.</p> <p>e) The Board shall carry out the necessary arrangements to obtain an assessment of its performance from a competent third party every three years.</p> <p>f) Non-Executive Directors shall carry out a periodic assessment of the performance of the chairman of the Board after getting the opinions of the Executive Directors, without the presence of the chairman of the Board in the discussion on this matter, provided that weaknesses and strengths shall be identified and a solution shall be proposed for the same in the best interests of the Company.</p>		
<p>Article 67: Composition of the Risk Management Committee</p> <p>The Company's Board shall, by resolution therefrom, form a committee to be named the "risk management committee.". Chairman and majority of its members shall be Non-Executive Directors. The members of that committee shall possess an adequate level of knowledge in risk management and finance.</p>	Not Implemented	<p>Guiding article, meaning it provides general guidance rather than mandatory requirements.</p>
<p>Article 68: Competencies of the Risk Management Committee</p> <p>The competencies of the risk management committee shall include the following:</p> <p>1) developing a strategy and comprehensive policies for risk management that are consistent with the nature and volume of the Company's activities, monitoring their implementation, and reviewing and updating them based on the Company's internal and external changing factors;</p> <p>2) determining and maintaining an acceptable level of risk that may be faced by the Company and ensuring that the Company does not go beyond such level;</p> <p>3) Ensuring the feasibility of the Company continuation, the successful continuity of its activities and determining the risks that threaten its existence during the following twelve (12) months;</p> <p>4) overseeing the Company's risk management system and assessing the effectiveness of the systems and mechanisms for determining and monitoring the risks that threaten the Company in order to determine areas of inadequacy therein;</p> <p>5) Regularly reassessing the Company's ability to take risks and be exposed to such risks (through stress tests as an example);</p> <p>6) preparing detailed reports on the exposure to risks and the recommended measures to manage such risks, and presenting them to the Board;</p> <p>7) providing recommendations to the Board on matters related to risk management;</p> <p>8) ensuring the availability of adequate resources and systems for risk management;</p> <p>9) reviewing the organizational structure for risk management and providing recommendations regarding the same before approval by the Board;</p> <p>10) verifying the independence of the risk management colleagues from activities that may expose the Company to risk;</p> <p>11) ensuring that the risk management colleagues understand the risks threatening the Company and seeking to raise awareness of the culture of risk; and</p> <p>12) reviewing any issues raised by the audit committee that may affect the Company's risk management.</p>	Not Implemented	<p>Guiding article, meaning it provides general guidance rather than mandatory requirements.</p>

Article	Implemented	Justifications of non-compliance
Article 69: Meetings of the Risk Management Committee The risk management committee shall convene periodically at least once every six months, and as may be necessary.	Not Implemented	Guiding article, meaning it provides general guidance rather than mandatory requirements.
Article 71: Establishing Independent Units or Departments within the Company a) For purposes of implementing the approved internal control system, the Company shall establish units or departments for the assessment and management of risks and for internal auditing.	Partially	Partial compliance with this article has been achieved through the establishment of the Internal Audit Department, which works to enhance the internal control and risk assessment system. Although we have not yet fully committed to establishing an independent risk management department, we are currently working on establishing this department, as this plan is underway.
Article 82: Employee Incentives The Company shall establish programmes for developing and encouraging the participation and performance of the Company's colleagues. The programmes shall particularly include the following: 1) forming committees or holding specialized workshops to hear the opinions of the Company's colleagues and discuss the issues and topics that are subject to important decisions; 2) establishing a scheme for granting Company shares or a percentage of the Company profits and pension programmes for colleagues, and setting up an independent fund for such programme; and 3) establishing social organizations for the benefit of the Company's colleagues.	Not Implemented	Guiding article, meaning it provides general guidance rather than mandatory requirements.
Article 84: Social Responsibility The Ordinary General Assembly, based on the Board 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.	Not Implemented	Guiding article, meaning it provides general guidance rather than mandatory requirements.
Article 85: Social Initiatives The Board shall establish programmes and determine the necessary methods for proposing social initiatives by the Company, which include: 1) establishing indicators that link the Company's performance with its social initiatives and comparing it with other companies that engage in similar activities; 2) disclosing the objectives of the Company's social responsibility to its colleagues and raising their awareness and knowledge of social responsibility; 3) disclosing plans for achieving social responsibility in the periodical reports on the activities of the Company's; and 4) establishing awareness programmes to the community to familiarize them with the Company's social responsibility.	Not Implemented	Guiding article, meaning it provides general guidance rather than mandatory requirements.

Article	Implemented	Justifications of non-compliance
Article 87: The Board's Report The Board's report shall include the Board's operations during the last fiscal year and all factors that affect the company's businesses, such report shall include the following: 1) implemented and non-implemented provisions of these Regulations, and justifications therefor;	Partially	In the opinion of the company and its Executive Management, the extent disclosed in the report regarding the implementation of the Corporate Governance Regulations, and what has not been implemented, was sufficient to provide the information required in this context.
Article 92: Formation of a Corporate Governance Committee If the Board forms a corporate governance committee, it shall assign to it the competencies stipulated in Article (91) of these Regulations. Such committee shall oversee any matters relating to the implementation of governance, and shall provide the Board with its reports and recommendations at least annually.	Not Implemented	Guiding article, meaning it provides general guidance rather than mandatory requirements.

Other Declarations by the Board of Directors

01

The Company's records of accounts have been prepared on a sound basis.

02

The company's current internal control system is working effectively, with some aspects of its effectiveness needing to be improved.

03

There is no doubt over the Company's ability to continue its activity.



12

Financial Performance Highlights



Sustainable Growth

1. The main financial performance indicators for the year 2024G compared with 2023G (SAR'000)

Description	2024G	2023G	Variance (%)
Revenue	2,984,238	1,378,489	116%
Profit (Loss) attributable to:			
Equity attributable to shareholders of the parent	-57,520	-48,015	20%
Non-controlling interests	71,081	24,884	186%
Profit (Loss) for the year	13,561	-23,131	-159%
Loss per share	-1.9	-1.59	19%
Earnings before interest, tax, depreciation and amortization	273,187	131,523	108%
Capital expenditure	60,461	10,404	481%
Debt/borrowings	405,321	408,650	-1%
Efficiency and cost reduction			
Cost of revenue	2,637,193	1,268,890	108%
Selling and distribution	-12,784	-10,513	22%
General and administrative	-219,375	-85,111	158%
Provisions for expected credit losses, net	-35,254	-7,606	364%
Balance sheet			
Total current assets	1,787,714	1,463,865	22%
Assets held for sale	4,107	6,510	-37%
Total non-current assets	1,105,239	1,202,709	-8%
Total assets	2,897,060	2,673,084	8%
Total current liabilities	2,010,282	1,792,785	12%
Liabilities directly related to assets held for sale	22,775	23,912	-5%
Total non-current liabilities	360,034	365,761	-2%
Total liabilities	2,393,091	2,182,458	10%
Equity attributable to shareholders of the parent	12,116	70,832	-83%
Non-controlling interests	491,853	419,794	17%
Total equity	503,969	490,626	3%
Cash flows	#DIV/0!		
Net cash flows from operating activities	-36,260	19,678	-284%
Net cash used in investing activities	-63,713	-132,935	-52%
Net cash used in financing activities	-31,459	233,971	-113%
Increase in cash flows during the year	-131,432	120,714	-209%

2. Financial performance of business segments (SAR'000)

a) General Construction Services Arm (First Fix)

Description	2024G	2023G	Variance (%)
Revenue	2,626,200	869,246	202%
Earnings before interest, Zakat, taxes, depreciation and amortization	290,909	94,015	220%
Net profit	244,687	81,570	200%

b) Non-concrete residential and commercial buildings

Description	2024G	2023G	Variance (%)
Revenue	228,517	358,014	-36%
Earnings before interest, Zakat, taxes, depreciation and amortization	(109,972)	(67,976)	62%
Net profit	(250,927)	53,655	-568%

c) Leases from investment properties

Description	2024G	2023G	Variance (%)
Revenue	120,521	151,229	-20%
Earnings before interest, Zakat, taxes, depreciation and amortization	82,750	105,484	-22%
Net profit	32,670	40,593	-20%

d) Paints and related services (listed for sale)

Description	2024G	2023G	Variance (%)
Revenue	1,800	4,031	-55%
Earnings before interest, Zakat, taxes, depreciation and amortization	(5,333)	(2,922)	83%
Net profit	(12,869)	(13,447)	-4%

3. Financial performance by geographical presence compared with 2023 (SAR’000)

a) Kingdom of Saudi Arabia

Description	2024G	2023G	Variance (%)
Revenue	2,959,297	1,323,683	124%
Net Profit	21,056	-24,559	-224%

b) United Arab Emirates

Description	2024G	2023G	Variance (%)
Revenue	26,315	53,655	-51%
Net Profit	-4,159	37,664	-111%

c) Other areas

Description	2024G	2023G	Variance (%)
Revenue	426	1,151	-63%
Net Profit	-12,836	-36,236	-65%

4. A summary as a table or chart of the company’s assets, liabilities, and business results for the last five fiscal years (SAR’000)

Year	2024G	2023G	2022G	2021G	2020G
Revenue	2,984,238	1,378,489	404,207	468,201	533,520
Cost of Revenue	(2,631,241)	(1,245,843)	(460,803)	(496,545)	(561,868)
Depreciation Loss	(5,952)	(23,047)	-	-	-
Net Profit / (Loss) Total	347,045	109,599	(56,596)	(28,344)	(28,348)
% Net Profit / (Loss) Total	12%	8%	-14%	%-6	%-5
Sales and Marketing	(12,784)	(10,513)	(14,948)	(18,049)	(29,363)

Year	2024G	2023G	2022G	2021G	2020G
General Management and Administration	(121,175)	(60,008)	(69,461)	(62,987)	(72,606)
Depreciation of Intangible Assets	(98,200)	(24,369)	-	-	(8,234)
Allowance for expected credit losses	(44,754)	(7,606)	-	-	-
Loss from Operations	70,132	7,103	(141,005)	(109,380)	(138,551)
Other Income / (Expense) Net	2,365	(854)	12,418	1,618	855
Share in Result of Investment in Associated Companies		-	(616)	(2,225)	(2,454)
Depreciation of Investment in Associated Company		-	(7,305)	-	-
Financial Income	161	530	33	58	350
Financial Expenses Net	(29,341)	(12,393)	(9,455)	(10,537)	(13,662)
Loss before Foreign Taxes, Zakat and Minority Interest	43,317	(5,614)	(194,763)	(120,466)	(153,462)
Foreign Taxes on Income	(2,495)	(1,989)	(41)	(113)	-
Zakat	(23,892)	(1,347)	(2,965)	(11,788)	(8,664)
Net Loss from Continuing Operations	16,930	(9,684)	(197,769)	(132,367)	(162,126)
Loss) / Profit from Discontinued Operations	(12,869)	(13,447)	-	-	180
Net Profit / (Loss) for the Year before Minority Interest	4,061	(23,131)	(197,769)	(132,367)	(161,946)
Minority Interest	66,426	24,884	1,637	1,928	3,623
Net Loss for the Year	(62,365)	(48,015)	(196,132)	(130,439)	(158,323)
(%) Net Loss / Sales Ratio	0.14%	-1.68%	-49%	-28%	-30%

5. Summary of total assets and liabilities for the past five years (SAR’000)

Year	2024G	2023G	2022G	2021G	2020G
Current Assets	1,782,321	1,470,375	401,632	477,027	489,966
Non-Current Assets	1,105,239	1,202,709	377,112	474,946	551,127
Total Assets	2,887,560	2,673,084	778,744	951,973	1,041,093
Current Assets	2,033,057	1,816,697	603,140	573,620	482,078
Non-Current Assets	360,034	365,761	81,930	91,764	138,189
Total Assets	2,393,091	2,182,458	685,070	665,384	620,267

6. The company’s revenues from its main activities (SAR’000)

Statement of the company's main business and activities	Revenues from main company's activities	Percentage of total company revenue
General construction	2,626,200	88%
Building sales revenue	228,517	8%
Lease revenue	129,521	4%
Painting revenue (discontinued operations)	1,800	0.1%
Subtotal	2,986,038	
Subtotal after deducting painting revenue (discontinued operations)	(1,800)	
Total revenue reported according to financial statements	2,984,238	

7. The Company’s revenues from the main activities generated from operations in the Kingdom of Saudi Arabia (SAR’000)

Statement of the company's main business and activities	Revenues from main company activities	Percentage of total company revenue
General construction	2,626,200	89%
Building sales revenue	202,282	7%
Lease revenue	129,016	4%
Painting revenue (discontinued operations)	1,800	0.1%
Subtotal	2,959,297	
Subtotal after deducting painting revenue (discontinued operations)	(1,800)	
Total revenue	2,957,497	

8. The company’s revenues from the main activities generated from the operations of subsidiaries (SAR’000)

Total revenue from main activities in UAE	Revenues from main company activities	Percentage of total company revenue
Building sales revenue	26,236	99.7%
Leasing revenue	79	0.3%
Total revenue	26,315	

Total revenue from main activities in Ghana	Revenues from main company activities	Percentage of total company revenue
Building sales revenue	0	
Leasing revenue	0	
Total revenue		

Total revenue from main activities in Algeria	Revenues from main company activities	Percentage of total company revenue
Building sales revenue		
Leasing revenue	43	100%
Total revenue	43	

Total revenue from main activities in Oman	Revenues from main company activities	Percentage of total company revenue
Building sales revenue		
Leasing revenue	382	100%
Painting revenue		
Total revenue	382	

9. Summary of total revenues and net losses over the past five years (SAR’000)

	2024G	2023G	2022G	2021G	2020G
Revenue	2,984,238	1,378,489	404,207	468,201	533,520
Cost of Goods Sold	(2,631,241)	(1,241,149)	460,803	496,545	561,868
Depreciation loss	(5,952)	(23,047)	-	-	-
Gross profit	347,045	109,599	(56,596)	(28,344)	28,348()
Net Loss/Profit attributable to parent company shareholders	(62,365)	(48,015)	(196,132)	(130,439)	(158,323)

10. Total revenues geographical analysis for the company and its subsidiaries (SAR’000)

Year	Red Sea International Company - KSA(Consolidated)					
	Total Revenues	KSA	UAE	Oman	Ghana	Algeria
2024G	2,984,238	2,960,967	22,844	382	0	43

Year	Red Sea International Company - KSA					
	Total Revenues	KSA	UAE	Oman	Ghana	Algeria
2024G	331,296	331,296				

Year	The Fundamental Installation for Electric Work Company Limited					
	Total Revenues	KSA	UAE	Oman	Ghana	Algeria
2024G	2,626,200	2,626,200	0			

Year	Red Sea Housing Services Company FZE, UAE					
	Total Revenues	KSA	UAE	Oman	Ghana	Algeria
2024G	26,315	3,471	22,844			

Year	Red Sea Housing Services Ghana Limited, Ghana					
	Total Revenues	KSA	UAE	Oman	Ghana	Algeria
2024G	0					

Year	Red Sea Housing Services Algeria Limited, Algeria					
	Total Revenues	KSA	UAE	Oman	Ghana	Algeria
2024G	43					43

Year	Red Sea Housing Services Oman Limited, Oman					
	Total Revenues	KSA	UAE	Oman	Ghana	Algeria
2024G	382			382		

11. Material differences in operating results between the recent financial results and the previous year (SAR'000)

Year	2024G	2023G	Variance	Variance%
Revenue	2,984,238	1,378,489	1,605,749	116%
Cost of Sales	(2,637,193)	(1,268,890)	1,368,303	108%
Gross Profit	347,045	109,599	237,446	217%
Operating Income (Loss)	70,132	6,369	73,263	1150%
Profit (Loss) from Continuing Operations	16,930	(9,684)	36,114	-373%
Loss after Tax for the Year from Discontinued Operations	(12,869)	(13,447)	578	-4%

12. Details of any difference from the accounting standards approved by SOCPA

The financial statements for the year ending December 31, 2024G have been prepared in accordance with IFRS as adopted in KSA.

13. Information related to any loans owed by the company (whether repayable on demand or otherwise), a statement of the total indebtedness of the company and its subsidiaries, any amounts paid by the company in repayment of loans during the year, the principal amount of the loan, the name of the lender, its term and the remaining amount, in case that there are no loans owed by the company, it must submit a declaration to that effect. (In thousands of Saudi Riyals)

Lender	Principal amount	Loan term	Repayments during 2024G	Remaining amounts
Saudi Arabian British Bank (Medium Term Loan)	23,500	24 months	10,500	13,000
Banque Saudi Fransi (Medium Term Loan)	59,750	27 months	19,000	40,750
Al Awal Bank (Short Term Loan)	2,100	6 months	2,100	-
Al Rajhi Bank (Medium Term Loan)	250,000	75 months	25,000	225,000
Lendo	4,000	3 months	-	4,000
Al Dabbagh Holding Group	81,225	360 days	-	81,225
SAB (Short Term revolving Loan)	35,000	60 days	182,169	33,190
Riyad Bank (Short Term revolving Loan) LC post finance		90 days	32,520	9,471
Total	455,575		271,289	406,636

14. Details of regulatory payments made and due to pay for any Zakat, taxes, fees or any other dues that have not been paid until the end of the annual financial period, with a brief description thereof and a statement of the reasons therefor:

Particular	2024G		Brief description
	Paid	Due	
Zakat	20,475	39,544	Amounts settled or carried for the year in accordance with the regulations of ZATCA
Income Tax	6,396	3,417	Amounts settled or carried for the year in accordance with the regulations of ZATCA
General Organization for Social Insurance	3,842	366	Amounts settled or carried for the year in accordance with the regulations of GOSI.
Visa and Passport Services	6,364	-	Amounts settled or carried for the year in accordance with the regulations of Passport General Department.



A hand holding a pen pointing to a line graph with a bar chart in the background.

13

Financial Statements



**RED SEA INTERNATIONAL COMPANY AND ITS SUBSIDIARIES
(A SAUDI JOINT STOCK COMPANY)**

**CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT**

31 DECEMBER 2024

**RED SEA INTERNATIONAL COMPANY AND ITS SUBSIDIARIES
(A SAUDI JOINT STOCK COMPANY)**

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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RED SEA INTERNATIONAL COMPANY AND ITS SUBSIDIARIES
(A SAUDI JOINT STOCK COMPANY)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

	Note	2024 SR'000	2023 SR'000 (Restated) (Note 40)
CONTINUING OPERATIONS			
Revenues	6	2,984,238	1,378,489
Cost of revenues	7	(2,631,241)	(1,245,843)
Impairment loss	13 & 14	(5,952)	(23,047)
GROSS PROFIT		347,045	109,599
EXPENSES			
Selling and distribution	8	(12,784)	(10,513)
General and administration	9	(121,175)	(60,742)
Amortization of intangible assets	15	(98,200)	(24,369)
Allowance for expected credit losses, net		(44,754)	(7,606)
OPERATING PROFIT		70,132	6,369
Other income (loss)	10	2,365	(854)
Finance costs	11	(29,341)	(12,393)
Finance income		161	530
PROFIT (LOSS) BEFORE ZAKAT AND INCOME TAX		43,317	(6,348)
Income tax	30	(2,495)	(1,989)
Zakat	30	(23,892)	(1,347)
PROFIT (LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS		16,930	(9,684)
DISCONTINUED OPERATIONS			
Loss after tax for the year from discontinued operations	39	(12,869)	(13,447)
PROFIT (LOSS) FOR THE YEAR		4,061	(23,131)
PROFIT (LOSS) ATTRIBUTABLE TO:			
Equity holders of the Parent Company		(62,365)	(48,015)
Non-controlling interests		66,426	24,884
		4,061	(23,131)
LOSS PER SHARE:			
Basic and diluted losses per share attributable to the shareholders of the Parent Company	12	(2.06)	(1.59)



Chairman of the Board



Chief Financial Officer



Chief Executive Officer

RED SEA INTERNATIONAL COMPANY AND ITS SUBSIDIARIES
(A SAUDI JOINT STOCK COMPANY)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Note	2024 SR'000	2023 SR'000 (Restated) (Note 40)
Profit for the year		4,061	(23,131)
<i>Other comprehensive income not to be reclassified to the consolidated statement of profit or loss in subsequent periods:</i>			
Actuarial (loss) gain on defined benefit liabilities	26	(227)	29
Deferred tax credit on the gain on remeasurement of employee benefit obligations	30	9	-
Net other comprehensive (loss)/income not to be reclassified to consolidated statement of profit or loss in subsequent periods		(218)	29
Other comprehensive (loss) income for the year		(218)	29
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		3,843	(23,102)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:			
Equity holders of the Parent Company		(63,561)	(47,278)
Non-controlling interests		67,404	24,176
		3,843	(23,102)



Chairman of the Board



Chief Financial Officer



Chief Executive Officer

The attached notes 1 to 41 form part of these consolidated financial statements.

The attached notes 1 to 41 form part of these consolidated financial statements.

RED SEA INTERNATIONAL COMPANY AND ITS SUBSIDIARIES
(A SAUDI JOINT STOCK COMPANY)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Note	2024 SR'000	2023 SR'000 (Restated) (Note 40)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	13	103,956	81,503
Investment properties	14	195,590	224,283
Intangible assets and goodwill	15	491,064	589,284
Right-of-use assets	16	49,969	48,964
Retention receivables	19	263,200	257,490
Deferred tax assets	32	1,460	1,185
TOTAL NON-CURRENT ASSETS		1,105,239	1,202,709
CURRENT ASSETS			
Inventories	17	60,914	43,936
Contract assets	18	693,055	328,599
Trade receivables	19	518,291	389,740
Advances to suppliers	20	391,713	487,417
Prepayments and other receivables	21	88,051	56,538
Cash and cash equivalents	22	26,190	157,635
TOTAL CURRENT ASSETS		1,778,214	1,463,865
Assets held for sale	39	4,107	6,510
TOTAL ASSETS		2,887,560	2,673,084
EQUITY AND LIABILITIES			
EQUITY			
Share capital	23	302,344	302,344
Accumulated losses		(283,294)	(219,733)
Foreign currency translation reserve		(11,779)	(11,779)
EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY		7,271	70,832
NON-CONTROLLING INTERESTS	24	487,198	419,794
TOTAL EQUITY		494,469	490,626
NON-CURRENT LIABILITIES			
Interest bearing loans and borrowings	25	215,767	222,675
Employees' defined benefit liabilities	26	75,952	57,496
Non-current portion of lease liabilities	16	28,137	28,299
Non-current portion of retention payable	29	9,685	28,736
Other non-current liabilities	27	30,493	28,555
TOTAL NON-CURRENT LIABILITIES		360,034	365,761

The attached notes 1 to 41 form part of these consolidated financial statements.

Red Sea International Company (A Saudi Joint Stock Company)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 31 December 2024

	Note	2024 SR'000	2023 SR'000
CURRENT LIABILITIES			
Deferred consideration	38	394,799	399,799
Trade payables	28	558,058	440,721
Accruals and other current liabilities	29	444,119	349,004
Short-term interest bearing loans and borrowings	25	60,162	20,000
Current portion of interest bearing loans and borrowings	25	48,167	84,750
Current portion of lease liabilities	16	26,772	23,930
Amount due to a shareholder	31	81,225	81,225
Contract liabilities	18	354,019	350,669
Zakat and income tax payable	30	42,961	42,687
TOTAL CURRENT LIABILITIES		2,010,282	1,792,785
Liabilities directly associated with the assets held for sale	39	22,775	23,912
TOTAL LIABILITIES		2,393,091	2,182,458
TOTAL EQUITY AND LIABILITIES		2,887,560	2,673,084



Chairman of the Board



Chief Financial Officer



Chief Executive Officer

The attached notes 1 to 41 form part of these consolidated financial statements.



Annual Report 2024G

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