



**Audit Committee Report to the General Assembly on the Results of the Annual Review of the Effectiveness of the Company's Internal Control Procedures and the Adequacy of the Internal Control and Risk Management System for the Fiscal Year Ended December 31, 2025**

The Audit Committee is responsible for overseeing the Company's activities and ensuring the efficiency and effectiveness of its internal control systems, while providing the necessary recommendations and observations to continuously enhance and develop them. Internal audit is based on a risk-based approach in accordance with an approved plan that is subject to continuous follow-up by the Committee.

These processes aim to evaluate the performance of the internal control and governance systems. The internal and external audits did not reveal any material weakness in the efficiency and effectiveness of the Company's control and risk management systems, which reinforces the Audit Committee's confidence in the adequacy and efficiency of the approved internal system.

Accordingly, the Audit Committee believes that the Company's internal control, financial control, and risk management systems are adequate and effective, and achieve an appropriate level of efficiency that supports the achievement of its operational and regulatory objectives.

**The Committee discussed this report during its meeting No. 01-2026, held on Tuesday, February 17, 2026, at 1:00 PM at the Company's headquarters, and recommended that the Board of Directors approve it.**

May Allah grant success.

**Head Office**

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C.R. 1010071301  
C.C.No. 38629

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**First: Audit Committee Performance for Fiscal Year 2025**

**a) Scope of the Report:**

This report includes a presentation of the work and activities carried out by the Audit Committee during its meetings in the fiscal year 2025.

**b) Committee Meetings during Fiscal Year 2025:**

The Committee held six meetings during the fiscal year 2025 in accordance with its approved plan, which complies with the Corporate Governance Regulations, as follows:

1. Audit Committee Meeting No. (01-2025), held in person at the Company's headquarters on Thursday, February 27, 2025.
2. Audit Committee Meeting No. (02-2025), held in person at the Company's headquarters on Wednesday, April 16, 2025.
3. Audit Committee Meeting No. (03-2025), held in person at the Company's headquarters on Thursday, May 8, 2025.
4. Audit Committee Meeting No. (04-2025), held in person at the Company's headquarters on Tuesday, July 22, 2025.
5. Audit Committee Meeting No. (05-2025), held in person at the Company's headquarters on Thursday, September 18, 2025.
6. Audit Committee Meeting No. (06-2025), held in person at the Company's headquarters on Wednesday, October 22, 2025.

**c) Audit Committee Activities during Fiscal Year 2025:**

We present below the key matters that were submitted to the Audit Committee during the fiscal year 2025, which were reviewed and decisions were made accordingly:

1. Discussing the Company's internal audit plan for the fiscal year 2025.
2. Following up on the implementation of the audit plan for the fiscal year 2025 at each Audit Committee meeting.
3. Discussing the periodic reports issued by the internal auditor for the fiscal year 2025 at each Audit Committee meeting.

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4. Reviewing the annual financial statements for the fiscal year ended December 31, 2024.
5. The Committee held a separate meeting with the external auditor for the fiscal year 2024.
6. The Committee held a separate meeting with the internal auditor for the fiscal year 2024.
7. The Committee qualified and evaluated a number of audit firms to audit the Company's accounts for the second, third, and fourth quarters of the fiscal year 2026 and the first quarter of the fiscal year 2027.
8. The Committee recommended the nomination of the external auditor to audit the accounts of Thobe Al Aseel Company and its subsidiaries for the fiscal year 2025 and the first quarter of the fiscal year 2026.
9. Discussing the Audit Committee's report to the Board of Directors on the results of the annual review of the effectiveness of the Company's internal control procedures, in addition to the Committee's opinion on the adequacy of the Company's internal control and risk management system for the fiscal year 2024.
10. Reviewing the observations received from the internal auditor, discussing such observations and the plans to address them with management, and ensuring the implementation of key internal control measures.
11. Discussing the management letter submitted by the external auditor for the fiscal year 2024.
12. Following up on the implementation of the Committee's resolutions at each meeting.
13. Reviewing the financial statements for the first, second, and third quarters of the fiscal year 2025 in the presence of the Company's external auditor.
14. Reviewing the audit plan with the external auditor for the year 2025, providing comments thereon, and confirming the independence of the external auditor.
15. Determining the proposed schedule of the Committee's meetings for the fiscal year 2025.
16. Presenting at each meeting a report on whistleblowing matters—if any—regarding any violations in financial reporting or otherwise, in accordance with governance requirements.
17. Discussing the financial statements for the fiscal year 2024 with the external auditor in the presence of the Company's executive management.

**The Committee discussed this report during its meeting No. (01-2026), held on Tuesday, February 17, 2026, at 1:00 PM at the Company's headquarters, and recommended that the Board of Directors approve it.**

May Allah grant success.

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