



SGS

الشركة السعودية للخدمات الأرضية
Saudi Ground Services Company

Saudi Ground Services
General Assembly Meeting
(First Meeting)

Meeting Location: Jeddah City – Via Technology

Date: Wednesday, 22-12-1446 AH (According to the Umm Al-Qura Calendar)

Corresponding to 18 of June 2025 AD

Time: 7:00 PM



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الشركة السعودية للخدمات الأرضية
Saudi Ground Services Company

**Invitation to the Shareholders to Attend the
Ordinary General Assembly Meeting**

Saudi Ground Services Company

18-06-2025





Agenda of the Ordinary General Assembly	جدول أعمال اجتماع الجمعية العامة العادية	#
Review and discuss of the Board of Directors' report for the fiscal year ended 31-12-2024.	الإطلاع على تقرير مجلس الإدارة للسنة المالية المنتهية في 31-12-2024م ومناقشته.	1
Review and discuss the financial statements for the fiscal year ended 31-12-2024.	الإطلاع على القوائم المالية للسنة المالية المنتهية في 31-12-2024م ومناقشتها.	2
Vote on the External Auditor report of the fiscal year ended 31st December 2024, after discussing it.	التصويت على تقرير مراجع حسابات الشركة عن السنة المالية المنتهية في 31-12-2024م بعد مناقشته.	3
Voting on authorizing the Board of Directors to distribute interim dividends on a semi-/quarterly basis for the fiscal year 2025.	التصويت على تفويض مجلس الإدارة بتوزيع أرباح مرحلية بشكل نصف / ربع سنوي عن السنة المالية المنتهية في 31-12-2025م.	4
Voting on the appointment of the company's external auditor among the candidates based on the recommendation of the audit committee to review and audit the financial statements for the third quarter and annual for the year ended 31-12- 2025, as well as the first and second quarters of the year ended 31-12- 2026, and determining their fees.	التصويت على تعيين مراجع حسابات الشركة من بين المرشحين بناءً على توصية لجنة المراجعة، وذلك لفحص ومراجعة وتدقيق القوائم المالية للربع (الثالث والسنوي) من السنة المالية المنتهية في 31-12-2025م، والربع الأول والثاني من السنة المالية المنتهية في 31-12-2026م، وتحديد أتعابه.	5
Voting on approving the absolving of the Board of Directors of their responsibility for managing the company of the fiscal year ended 31st December 2024.	التصويت على إبراء ذمة أعضاء مجلس الإدارة عن السنة المالية المنتهية في 31-12-2024م.	6
Voting on the transactions and contracts executed during the financial year ending on 31/12/2024 between the company and Saudi Arabian Airlines, in which the following board members have an indirect interest: Mr. Nasser Farouk Al-Qawas (Non-Executive) and Captain Fahad Hamza Sindi (Non-Executive). The nature of the transaction involves providing ground handling services at airports in the Kingdom, with a value of SAR (1,106,315,194). All transactions were conducted on commercial terms and without preferential advantages. (Attached)	التصويت على الأعمال والعقود التي تمت عن السنة المالية المنتهية في 31/12/2024م بين الشركة وشركة الخطوط السعودية للنقل الجوي والتي لأعضاء مجلس الإدارة التالية أسماؤهم: الأستاذ/ ناصر فاروق القواس (غير تنفيذي) والكابتن/ فهد حمزة سندي (غير تنفيذي) مصلحة غير مباشرة فيها، وطبيعة التعامل عبارة عن تقديم خدمات المناولة الأرضية في مطارات المملكة بقيمة (1,106,315,194) ريال سعودي وأن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية.(مرفق)	7
Voting on the transactions and contracts executed during the financial year ending on 31/12/2024 between the company and Saudi Aerospace Engineering and Industries Company, in which the following board members have an indirect interest: Mr. Nasser Farouk Al-Qawas (Non-Executive) and Captain Fahd Hamzh Cynndy (Non-Executive). The nature of the transaction involves providing ground handling services at airports in the Kingdom, with a value of SAR(22,411,109). All transactions were conducted on commercial terms and without preferential advantages. (Attached)	التصويت على الأعمال والعقود التي تمت عن السنة المالية المنتهية في 31/12/2024م بين الشركة و الشركة السعودية لهندسة وصناعة الطيران والتي لأعضاء مجلس الإدارة التالية أسماؤهم: الأستاذ/ ناصر فاروق القواس (غير تنفيذي) والكابتن/ فهد حمزة سندي (غير تنفيذي) مصلحة غير مباشرة فيها، وطبيعة التعامل عبارة عن تقديم خدمات المناولة الأرضية في مطارات المملكة بقيمة (22,411,109) ريال سعودي وأن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية.(مرفق)	8



<p>Voting on the transactions and contracts executed during the financial year ending on 31/12/2024 between the company and Saudi Private Aviation (SPA), in which the following board members have an indirect interest: Mr. Nasser Farouk Al-Qawas (Non-Executive) and Captain Fahd Hamzh Cynndy (Non-Executive). The nature of the transaction involves providing ground handling services at airports in the Kingdom, with a value of SAR(13,293,469). All transactions were conducted on commercial terms and without preferential advantages. (Attached)</p>	<p>التصويت على الأعمال والعقود التي تمت عن السنة المالية المنتهية في 2024/12/31م بين الشركة وشركة الخطوط السعودية للطيران الخاص (SPA) والتي لأعضاء مجلس الإدارة التالية أسماؤهم: الأستاذ/ ناصر فاروق القवास (غير تنفيذي) والكابتن/ فهد حمزة سندي (غير تنفيذي) مصلحة غير مباشرة فيها، وطبيعة التعامل عبارة عن تقديم خدمات المناولة الأرضية في مطارات المملكة بقيمة (13,293,469) ريال سعودي وأن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية.(مرفق)</p>	9
<p>Voting on the transactions and contracts executed during the financial year ending on 31/12/2024 between the company and Royal Saudi Fleet Services Company, in which the following board members have an indirect interest: Mr. Nasser Farouk Al-Qawas (Non-Executive) and Captain Fahd Hamzh Cynndy (Non-Executive). The nature of the transaction involves providing ground handling services at airports in the Kingdom, with a value of SAR (31,490,245). All transactions were conducted on commercial terms and without preferential advantages. (Attached)</p>	<p>التصويت على الأعمال والعقود التي تمت عن السنة المالية المنتهية في 2024/12/31م بين الشركة وشركة خدمات أسطول السعودية الملكي والتي لأعضاء مجلس الإدارة التالية أسماؤهم: الأستاذ/ ناصر فاروق القवास (غير تنفيذي) والكابتن/ فهد حمزة سندي (غير تنفيذي) مصلحة غير مباشرة فيها، وطبيعة التعامل عبارة عن تقديم خدمات المناولة الأرضية في مطارات المملكة بقيمة (31,490,245) ريال سعودي وأن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية.(مرفق)</p>	10
<p>Voting on the transactions and contracts executed during the financial year ending on 31/12/2024 between the company and Flyadeal, in which the following board members have an indirect interest: Mr. Nasser Farouk Al-Qawas (Non-Executive) and Captain Fahd Hamzh Cynndy (Non-Executive). The nature of the transaction involves providing ground handling services at airports in the Kingdom, with a value of SAR (245,635,374). All transactions were conducted on commercial terms and without preferential advantages. (Attached)</p>	<p>التصويت على الأعمال والعقود التي تمت عن السنة المالية المنتهية في 2024/12/31م بين الشركة وشركة طيران أديل والتي لأعضاء مجلس الإدارة التالية أسماؤهم: الأستاذ/ ناصر فاروق القवास (غير تنفيذي) والكابتن/ فهد حمزة سندي (غير تنفيذي) مصلحة غير مباشرة فيها، وطبيعة التعامل عبارة عن تقديم خدمات المناولة الأرضية في مطارات المملكة بقيمة (245,635,374) ريال سعودي وأن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية.(مرفق)</p>	11
<p>Voting on the transactions and contracts executed during the financial year ending on 31/12/2024 between the company and SAL Saudi Logistics Services, in which the following board members have an indirect interest: Mr. Nasser Farouk Al-Qawas (Non-Executive) and Captain Fahd Hamzh Cynndy (Non-Executive). The nature of the transaction involves providing ground handling services at airports in the Kingdom, with a value of SAR (18,217,226).</p>	<p>التصويت على الأعمال والعقود التي تمت عن السنة المالية المنتهية في 2024/12/31م بين الشركة وشركة سال السعودية للخدمات اللوجستية والتي لأعضاء مجلس الإدارة التالية أسماؤهم: الأستاذ/ ناصر فاروق القवास (غير تنفيذي) والكابتن/ فهد حمزة سندي (غير تنفيذي) مصلحة غير مباشرة فيها، وطبيعة التعامل عبارة عن تقديم خدمات المناولة الأرضية في مطارات المملكة بقيمة</p>	12

<p>All transactions were conducted on commercial terms and without preferential advantages. (Attached)</p>	<p>(18,217,226) ريال سعودي وأن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية.(مرفق)</p>	
<p>Voting on the transactions and contracts executed during the financial year ending on 31/12/2024 between the company and Catrion Catering Services Holding, in which the following board members have an indirect interest: Mr. Nasser Farouk Al-Qawas (Non-Executive) and Captain Fahd Hamzh Cynndy (Non-Executive). The nature of the transaction involves providing ground handling services at airports in the Kingdom, with a value of SAR (61,710,927). All transactions were conducted on commercial terms and without preferential advantages. (Attached)</p>	<p>التصويت على الأعمال والعقود التي تمت عن السنة المالية المنتهية في 2024/12/31م بين الشركة وشركة كاتريون للتموين القابضة والتي لأعضاء مجلس الإدارة التالية أسماؤهم: الأستاذ/ ناصر فاروق القवास (غير تنفيذي) والكابتن / فهد حمزة سندي (غير تنفيذي) مصلحة غير مباشرة فيها، وطبيعة التعامل عبارة عن تقديم خدمات المناولة الأرضية في مطارات المملكة بقيمة (61,710,927) ريال سعودي وأن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية.(مرفق)</p>	13
<p>Voting on authorizing the Board of Directors with the authority of the Ordinary General Assembly regarding the license mentioned in paragraph (1) of Article (27) of the Companies Law, for one year from the date of the General Assembly's approval or until the end of the current Board term, whichever is earlier, in accordance with the executive regulations of the Companies Law for listed joint stock companies.</p>	<p>التصويت على تفويض مجلس الإدارة بصلاحيه الجمعية العامة العادية بالترخيص الواردة في الفقرة (1) من المادة (27) من نظام الشركات، وذلك لمدة عام من تاريخ موافقة الجمعية العامة أو حتى نهاية دورة مجلس إدارة الشركة المفوض أيهما أسبق، وفقاً للشروط الواردة في اللوائح التنفيذية لنظام الشركات الخاصة بشركات المساهمة المدرجة.</p>	14

البند الأول:

الاطلاع على تقرير مجلس الإدارة للسنة المالية المنتهية في 31-12-2024م ومناقشته

تقرير مجلس الإدارة لعام 2024م



Article One:

Review and discuss of the Board of Directors' report for the fiscal year ended 31-12-2024

Annual Board Report for the year 2024 AD





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الشركة السعودية للخدمات الأرضية
Saudi Ground Services Company

**Audit Committee report
for the General Assembly of
Shareholders for the Year
2024**



Table Of Contents

Introduction3

1. Appointment Of The Audit Committee:3

2. Committees Roles And Responsibilities:.....3

 a. Financial Reports: 3

 b. Internal Audit 4

 c. External Auditors..... 4

3. Audit Committee Members:.....5

4. Audit Committee Meetings:.....5

5. Achievements Of The Audit Committee:.....5

6.The Audit Committee Opinion.....5



Introduction

In accordance with the Company Law issued by the Ministry of Commerce, the Corporate Governance Regulations issued by the Capital Market Authority, and the Company's bylaws, the Audit Committee is mandated to supervise the internal audit department, as well as reviewing internal control systems, evaluating reports, recommending the appointment of external auditors, and determining their fees. The committee also undertakes any additional responsibilities assigned by the Board of Directors to enhance the supervisory role within the company.

In 2024, the Audit Committee performed all assigned tasks in accordance with the committee's charter, which was approved by the General Assembly of Shareholders. Pursuant to Article 88 of the Corporate Governance Regulations, this Audit Committee report outlines the committee's views on the adequacy of the company's internal control system and related activities within its scope.

1. Appointment of the Audit Committee:

The Audit Committee of Saudi Ground Services Company was formed the beginning of the current board term by a resolution of the General Assembly on 09/03/2022. The current term of membership runs until 05/05/2025.

2. Committees Roles and responsibilities:

The Committee is responsible for monitoring company activities and ensuring the integrity of its financial reports and internal control systems. Responsibilities are categorized as follows:

a. Financial Reports:

1. Review quarterly and annual financial statements before submission to the Board of Directors to ensure fairness, transparency, and accuracy.
2. Provide technical opinions to the Board regarding the fairness, balance, and clarity of the financial statements and whether they offer investors sufficient insight into the company's performance, financial position, business model, and strategy.
3. Examine significant or unusual issues presented in the financial reports.
4. Review issues raised by the Company's Financial Manager, His/Her Supervisor, Compliance Officer, or Internal Auditor.
5. Verify the accuracy of accounting estimates in material matters.
6. Evaluate the accounting policies of the company and make recommendations to the Board.
7. Meet with executive management and external auditors to review and discuss quarter and annual financial results, including internal control reports.
8. Meet with the internal auditor to review internal audit reports and financial results.



9. Review reports and financial information provided to regulatory bodies or the public, including those from external auditors.

b. Internal Audit:

1. Study and review the company's internal and financial control and risk management systems.
2. Review internal audit reports and monitor corrective actions for identified issues.
3. Oversee the performance and resources of the internal audit function. If there is no internal auditor, recommend to the Board whether one should be appointed.
4. Recommending to the Board of Directors to appoint the director of the Internal Audit Unit or department or the internal auditor and proposing his remuneration.

c. External Auditors:

1. Recommend to the Board the appointment, dismissal, and performance evaluation of external auditors, ensuring their independence.
2. Verify the independence and objectivity of external auditors and assess audit effectiveness in accordance with relevant standards.
3. Review and ensure the external auditors do not provide services beyond their audit scope.
4. Respond to external auditor inquiries.
5. Review auditor reports and follow up on any comments or observations.
6. Address any issues or challenges faced by the external auditor during their work.

d. Ensuring Compliance:

1. Review findings from regulatory bodies and ensure appropriate company responses.
2. Ensure compliance with all relevant laws, regulations, policies, and procedures.
3. Review related-party transactions and submit recommendations to the Board.
4. Report to the Board on any matters requiring attention and propose corrective actions.

3. Audit Committee Members:

	Name	Membership title	General Assembly approval
1	Dr. Omar Jefri	Chairman	The members' term began with the third cycle of the board, spanning from 06/05/2022 to 05/05/2025
2	Mr. Nader Ashoor	Member	
3	Mr. Saleh Al Fadhl	Member	
4	Mr. Hisham Al Aqil	Member	
5	Mr. Adel Abalkhil	Member	

4. Audit Committee Meetings:

In 2024, the Audit Committee held five meetings. Members' attendance is detailed below:

Number of meetings (5) during 2024						
Member Name	First 24/03/2024	Second 12/05/2024	Third 04/08/2024	Fourth 05/11/2024	Fifth 15/12/2024	Total
Dr. Omar Jefri	Present	Present	Present	Present	Present	5
Mr. Nader Ashoor	Present	Present	Present	Present	Present	5
Mr. Saleh Al Fadhl	Present	Present	Present	Present	Present	5
Mr. Hisham Al Aqil	Present	Present	Present	Present	Present	5
Mr. Adel Abalkhil	Present	Present	Present	Present	Present	5

5. Achievements of the Audit Committee:

In 2024, the Committee contributed significantly to strengthening the company's supervisory functions. Key achievements include:

1. Recommendation to approve annual financial statements for 2023.
2. Recommendation to approve quarterly financial statements for 2024.
3. Review internal audit plan for 2024.
4. Approval and supervision of the 2024 internal audit plan.
5. Follow-up on the implementation of corrective actions from internal audit findings.
6. Monitoring of regulatory letters and reports.
7. Oversight of internal control activities and their effectiveness.



8. Approval of the internal audit plan for 2025.

6. Audit committee's opinion on the adequacy of the company's internal control system:

The Audit Committee relies on the periodic reports from the Internal Audit and the External Auditor of the company, as well as the confirmations issued by the Executive Management regarding the effectiveness of the internal control and financial system. The Committee affirms that it has not been notified of any significant deficiencies in the internal control, financial system, and risk management at "Saudi Ground Services Company." Moreover, the Committee notes that the Executive Management is diligently working on improving and developing the internal control systems, risk management practices, and enhancing their maturity in dealing with anticipated risks. Noting in the statement that even in the best-designed and implemented systems, absolute assurance against potential risks cannot be provided, and there is always an opportunity for improvement and development.

Executive Management:

Executive management has affirmed its responsibility for implementing internal control procedures to ensure operational efficiency, data integrity, and compliance with laws and regulations.

Internal Audit:

The Internal Audit department executes an annual plan approved by the Audit Committee, focusing on the regulatory environment, risk assessment, policy adherence, organizational structure, task segregation, and IT systems. Audits are conducted on sampled activities to assess the effectiveness of controls.

Compliance Department:

This department ensures compliance with all external regulations, identifies potential risks, advises on avoidance strategies, and responds to regulatory authority correspondence promptly.

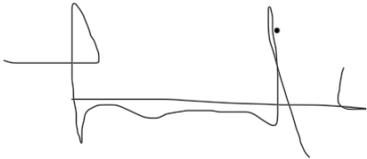
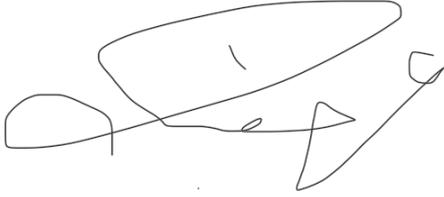
External Auditor:

The Audit Committee verified that the external auditor fulfilled duties in line with Saudi accounting standards. The quarterly and annual financial statements were free of material misstatements, as confirmed by the unqualified audit opinion in 2024. The internal control review conducted in 2024 identified several issues, most of which have been addressed. Improvement efforts are ongoing.

Conclusion:

Due to the inherent limitations of auditing including reliance on sample testing—and the company's geographic expansion, additional efforts are required to further enhance control effectiveness. The Committee

and control departments continue implementing development and improvement plans to maintain the highest standards of compliance and efficiency.

Committee Approvals	
 _____	 _____
 _____	 _____
 _____	

البند الثاني:

الاطلاع على القوائم المالية للسنة المالية المنتهية في 31 - 12 - 2024 م
ومناقشتها

القوائم المالية



Article Two:

Review and discuss the financial statements for the fiscal year ended
31-12-2024

Financial Statement



البند الثالث:

التصويت على تقرير مراجع حسابات الشركة عن السنة المالية المنتهية في 31 - 12
2024 م بعد مناقشته

Article Three:

Vote on the External Auditor report of the fiscal year ended 31st
December 2024, after discussing it





Ernst & Young Professional Services (Professional LLC)
Paid-up capital (ﷲ 5,500,000 – Five million five hundred thousand Saudi Riyal)
King's Road Tower, 13th Floor
King Abdul Aziz Road (Malek Road)
P.O. Box 1994
Jeddah 21441
Kingdom of Saudi Arabia
Head Office – Riyadh

C.R. No. 4030276644

Tel: +966 12 221 8400
Fax: +966 12 664 4408

ey.ksa@sa.ey.com
ey.com

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SAUDI GROUND SERVICES COMPANY (A SAUDI JOINT STOCK COMPANY)

Opinion

We have audited the consolidated financial statements of Saudi Ground Services Company (the "Company") and its subsidiary (collectively referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
SAUDI GROUND SERVICES COMPANY (A SAUDI JOINT STOCK COMPANY) (continued)

Key Audit Matters (continued)

Key audit matter	How the matter was addressed in our audit
<p>Impairment Assessment of customer relationships and goodwill</p> <p>At 31 December 2024, the carrying value of the customer relationships and goodwill amounted to ₪ 141 million (2023: ₪164 million) and ₪583 million (2023: ₪583 million), respectively.</p> <p>The Group is required to, at least annually, perform impairment assessments of goodwill that have an indefinite useful life. For customer relationships, with definite useful lives, the Group is required to review these for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable, and at least annually, review whether there is any change in their expected useful lives.</p> <p>Management engaged an independent expert to carry out the impairment assessment. The impairment assessment was performed by comparing the carrying value of the Cash Generating Unit ("CGU"), including goodwill, to its recoverable amount. The recoverable amount of CGU was determined based on value-in-use ("VIU") calculations. These calculations employ a discounted cash flow (DCF) model, by using cash flow projections based on financial budgets prepared by management and approved by the Board of Directors.</p> <p>The Group's VIU model for the CGU includes significant judgement and assumptions relating to cashflow projections, long term growth rates and discount rate, and is highly sensitive to the changes in these assumptions. The above -mentioned factors have increased the estimation uncertainty around the recoverable amount hence, impairment assessment of customer relationship and goodwill.</p> <p>We considered the impairment assessment of goodwill and customer relationships as a key audit matter as it involves significant judgement and high level of estimation by the Group's management as well as a greater level of audit effort and judgement to evaluate the reasonableness of management's significant judgements and assumptions underlying the goodwill and customer relations impairment model.</p> <p>Refer to the summary of material accounting policy information note 4.6, note 2.4 for the critical accounting estimates and judgements and note 7 which details the disclosure of impairment of goodwill and customer relationships.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> ➤ Analysed the identification of CGU and assessed whether management's assessment is in line with our understanding of the business and consistent with the internal reporting. ➤ Reviewed the management's procedures for identifying impairment indicators in respect of customer relationships. ➤ Evaluated competence, capabilities and objectivity of the independent expert engaged by the Group. ➤ Reviewed the strategic/operating plan as prepared by the management and approved by Board of Directors, and ensured they were consistently applied in the impairment assessment conducted by the independent expert. ➤ Assessed the reasonableness of the prospective financial information used in the value-in-use calculations and the reasonableness of the approved budget in comparison with the Group's historical results. ➤ Involved our internal specialists to: <ul style="list-style-type: none"> • Assess the reasonableness of methodology used by management to determine recoverable value based on VIU calculations. • Assess the reasonableness of significant judgments and assumptions made by the management in the value-in-use calculations. • Assess the sensitivity of the results of the VIU model to the various key assumptions, such as long-term growth rate and discount rate, within a reasonably possible range reflective of the current environment. ➤ Assessed the adequacy and appropriateness of related disclosures in the accompanying consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
SAUDI GROUND SERVICES COMPANY (A SAUDI JOINT STOCK COMPANY) (continued)

Key Audit Matters (continued)

Key audit matter	How the matter was addressed in our audit
<p>Allowance for expected credit losses</p> <p>As at 31 December 2024, the gross trade receivables amounted to ₪1,425 million (2023: ₪1,559 million), against which an allowance for expected credit losses of ₪234 million (2023: ₪310 million) was maintained.</p> <p>The Group assesses at each reporting date whether trade receivables carried at amortized cost are credit impaired. The management determines and recognises expected credit losses ('ECL') as required by International Financial Reporting Standard 9 (Financial Instruments) ('IFRS 9'). Significant judgments, estimates and assumptions have been made by the management in the calculation of ECL impact.</p> <p>We have considered this as a key audit matter as the determination of ECL involves significant management judgement and assumptions, including future macro-economic factors and the study of historical trends.</p> <p>Refer to note 4.3 to the consolidated financial statements for the summary of material accounting policy information, note 2.4 for the critical accounting estimates and judgements and note 10 which details the disclosure of impairment against accounts receivable.</p>	<p>We performed the following procedures:</p> <ul style="list-style-type: none"> ➤ Evaluated the Group's accounting policy for ECL allowance in accordance with the requirement of IFRS 9. ➤ Obtained an understanding of management's assessment of the impairment of trade receivables and allowance for expected credit losses. ➤ Involved our internal specialist to assess the reasonableness of significant judgements, estimates and assumptions made by the management related to the Group's assessment of the probability of default, incorporation of forward-looking information and the loss given default parameter used in ECL model. ➤ Tested the accuracy of trade receivables ageing generated by the accounting system which is used in the preparation of ECL model as at 31 December 2024. ➤ Tested the arithmetical accuracy of the ECL model. ➤ Assessed the adequacy and appropriateness of the related disclosures in the accompanying consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
SAUDI GROUND SERVICES COMPANY (A SAUDI JOINT STOCK COMPANY) (continued)

Other information included in The Group's 2024 Annual Report

Other information consists of the information included in the Group's 2024 annual report, other than the consolidated financial statements and our auditor's report thereon. We obtained the Group's 2024 draft annual report, prior to the date of our auditor's report, and we expect to obtain the Group's 2024 final annual report after the date of our auditor's report. Management is responsible for the other information in its annual report.

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

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

If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants and the applicable provisions of the Regulation for Companies and Company's by-laws, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance i.e., the Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of consolidated these consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
SAUDI GROUND SERVICES COMPANY (A SAUDI JOINT STOCK COMPANY) (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
SAUDI GROUND SERVICES COMPANY (A SAUDI JOINT STOCK COMPANY) (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

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

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

for Ernst & Young Professional Services



Abdulaziz S. Alarifi
Certified Public Accountant
License No. (572)

Jeddah: 19 Ramadhan 1446H
19 March 2025G



البند الرابع:

التصويت على تفويض مجلس الإدارة بتوزيع أرباح مرحلية بشكل نصف / ربع سنوي عن السنة المالية المنتهية في 31-12-2025م

Article Four:

Voting on authorizing the Board of Directors to distribute interim dividends on a semi-/quarterly basis for the fiscal year 2025



البند الخامس:

التصويت على تعيين مراجع حسابات الشركة من بين المرشحين بناء على توصية لجنة المراجعة، وذلك لفحص ومراجعة وتدقيق القوائم المالية للربع (الثالث والسنوي) من السنة المالية المنتهية في: 31-12-2025م ، والربع الأول والثاني من السنة المالية المنتهية في: 31-12-2026م، وتحديد أتعابه

Article Five:

Voting on the appointment of the company's external auditor among the candidates based on the recommendation of the audit committee to review and audit the financial statements for the third quarter and annual for the year ended 31-12- 2025, as well as the first and second quarters of the year ended 31-12- 2026, and determining their fees



Audit Committee Recommendation No. (02-2025)

Recommendation to appoint external auditors to audit the company's financial statement for the year ending December 31, 2025, and for Quarterly Reviews for the periods ending September 30, 2025, March 31, 2026, and June 30, 2026

توصية لجنة المراجعة رقم (٢٠٢٥-٠٢)

التوصية بتعيين مراجع خارجي لمراجعة حسابات الشركة للسنة المنتهية في ٣١ ديسمبر ٢٠٢٥، وللمراجعات الفصلية للفترة المنتهية في ٣٠ سبتمبر ٢٠٢٥ و ٣١ مارس ٢٠٢٦ و ٣٠ يونيو ٢٠٢٦.

In Reference to the Audit Committee's specialties and based on the AC Charter which was approved by the Ordinary General Assembly that was held on 23/05/2024G , which states that "Recommendation to the Board of Directors to appoint chartered accountants, separate them and determine their fees, and take into account their independence when recommending appointment, the Company had requested offers from seven audit firms, which are as follows:

1. Ernst & Young (EY)
2. KPMG Professional Services (KPMG)
3. Deloitte & Touché (Deloitte)
4. Bakertilly MKM & Co. (Bakertilly)
5. Crowe Solutions for Professional Consulting (Crowe)
6. BDO Dr. Mohamed Al Amri and Co. (BDO)
7. Grant Thornton

Management has not requested an offer from Price Waterhouse Coopers (PWC) as PWC is the zakat consultant for SGS and has expertise for zakat appeal and settlement services. Hence the management and audit committee would like to consider them for zakat and tax consultancy services considering the fact that SGS has pending material additional zakat claims for the period from 2014-2020.

We have received quotations from three of the seven audit firms. However, Crowe didn't qualify the set technical qualification criteria as they lack experience of auditing ground handling services/sector companies in KSA or Middle East. Hence, only two proposals from the following audit firms are considered:

1. Ernst & Young (EY)
2. KPMG Professional Services (KPMG)

إن لجنة المراجعة و بحكم إختصاصها و على ضوء ما تضمنته ضوابط و لوائح عملها المعتمدة من الجمعية العامة العادية المنعقدة بتاريخ ٢٣ / ٠٥ / ٢٠٢٤ م ، و التي تنص على "التوصية لمجلس الإدارة بتعيين المحاسبين القانونيين و فصلهم و تحديد أتعابهم ، و يراعى عند التوصية بالتعيين التأكد من إستقلاليتهم" فقد طلبت الشركة السعودية للخدمات الأرضية عروضاً من سبعة مكاتب تدقيق كما يلي :

١. شركة إرنست ويونغ (EY)
 ٢. شركة الفوزان و شركاه (KPMG)
 ٣. شركة ديلويت (Deloitte)
 ٤. شركة بيكرتيللي إم كي إم وشركاه (بيكرتيللي)
 ٥. كرو للاستشارات المهنية (كرو)
 ٦. شركة الدكتور محمد العمري و شركاه (BDO)
 ٧. جرانت ثورنتون
- لم يتم طلب العرض من شركة برايس ووترهاوس كوبرز (PWC)، نظراً لكونها مستشار الزكاة للشركة السعودية للخدمات الأرضية. وحيث تعتقد الإدارة ولجنة المراجعة أن شركة برايس ووترهاوس كوبرز لديها خبرة في استئناف الزكاة وتسويتها، وبالتالي نود النظر فيما لخدمات الاستشارات الزكوية والضريبية وخاصة أن الشركة لديها مطالبات خاصة بالزكاة معلقة للفترة من ٢٠١٤ إلى ٢٠٢٠.

تلقت الشركة عروض أسعار من ثلاث شركات تدقيق من أصل السبع شركات التي تم التواصل معها. ومع ذلك، لم تستوف شركة كرو معايير التأهيل الفني المحددة نظراً لافتقارها إلى الخبرة في تدقيق شركات خدمات/قطاع المناولة الأرضية في المملكة العربية السعودية أو الشرق الأوسط. وبالتالي، يتم النظر في عدد اثنين من العروض من شركات التدقيق التالية:

١. شركة إرنست ويونغ (EY)
٢. شركة الفوزان و شركاه (KPMG)

The costs excluding the value added tax on the offers received are as follows:

1. Ernst & Young (EY) SAR 1,081,500
2. KPMG Professional Services (KPMG) SAR 1,088,063

After studying and analyzing the technically qualified proposals submitted by the two audit firms, their respective financial proposals and due considerations to zakat appeal and settlement requirements, the audit committee recommends the following:

First Candidate: Ernst & Young (EY) to audit the company's accounts for the period with an aggregate fee of SAR 1,081,500, for the following reasons

- 1- EY is our current external auditors who have in-depth understanding of SGS and its operations, and its internal and financial controls, which will ensure a smoother audit process.
- 2- They are one of the top 4 global audit firms, reputable & known for quality of services globally.
- 3- They have highly qualified team with good experience in auditing accounts in the local and international market.
- 4- EY are the external auditors of two of our joint ventures, which support a consistent group-wide audit approach.
- 5- The fees quoted by them compared to the nearest qualified bidder is significantly lower.

Second Candidate: KPMG Professional Services (KPMG) to audit the company's accounts for the year with an amount of SAR 1,088,063, for the following reasons

1. They are one of the top 4 global audit firms, reputable & known for the quality of services globally.
2. They have highly qualified teams with good experience in auditing accounts in the local and international market.

All the best,,,

وقد حددت التكاليف الخاصة للعروض المستلمة بدون ضريبة القيمة المضافة كما يلي:

١. إرنست ويونغ (EY) ١,٠٨١,٥٠٠ ريال -/
٢. شركة الفوزان و شركاه (KPMG) ١,٠٨٨,٠٦٣ ريال -/

بعد دراسة وتحليل العروض المقدمة تقنيا المقدمة من شركات التدقيق ، والعروض المالية الخاصة بكل منها، والاعتبارات الواجبة لمطالبات الطعن في الزكاة والتسوية، فإن اللجنة توصي بما يلي :

المرشح الأول: شركة إرنست ويونغ لمراجعة حسابات الشركة للعام بمبلغ قدره ١,٠٨١,٥٠٠ ريال سعودي وذلك للأسباب الآتية:

- ١- إرنست ويونغ هي شركة التدقيق الخارجي الحالية للشركة ، والتي تتمتع بفهم عميق للشركة وعملياتها، وضوابطها الداخلية والمالية، مما يضمن عملية تدقيق أكثر سلاسة.
- ٢- وهي واحدة من أفضل ٤ شركات تدقيق عالمية ، ذات سمعة جيدة ومعروفة بجودة الخدمات على مستوى العالم.
- ٣- لديهم فريق مؤهل تأهيلاً عالياً يتمتع بخبرة واسعة في تدقيق الحسابات في السوق المحلية والدولية.
- ٤- شركة إرنست ويونغ هي المدقق الخارجي لاثنتين من مشاريعنا المشتركة، مما يؤدي إلى وجود نهج منسق للتدقيق على مستوى المجموعة.
- ٥- الرسوم المعروضة تعد تنافسية وأقل مقارنة بأقرب عرض مقدم من شركات تنافسية مؤهلة.

المرشح الثاني : شركة الفوزان و شركاه (KPMG) لمراجعة حسابات الشركة للعام بمبلغ قدره 1,088,063 ريال سعودي ، وذلك للأسباب الآتية:

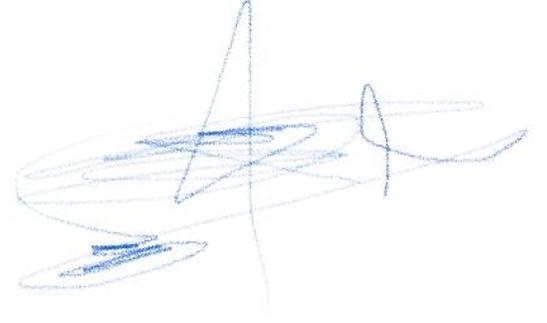
١. وهي واحدة من أفضل ٤ شركات تدقيق عالمية ، ذات سمعة جيدة ومعروفة بجودة الخدمات على مستوى العالم..
٢. لديهم فريق عمل مؤهل تأهيلاً عالياً ولديه خبرة جيدة في تدقيق الحسابات في السوق المحلي والدولي.

و الله الموفق،،،

موافقة أعضاء اللجنة



الأستاذ/ صالح بن عبد الرحمن الفضل
عضو اللجنة



الأستاذ/ عادل بن صالح أبالخييل
عضو اللجنة



الأستاذ/ نادر بن محمد صالح عاشور
عضو اللجنة



الأستاذ/ هشام بن علي العقل
عضو اللجنة



الدكتور/ عمر بن عبدالله جفري
رئيس اللجنة

البند السادس:

التصويت على إبراء ذمة أعضاء مجلس الإدارة عن السنة المالية المنتهية في 31-12-2024م

Article Six:

Voting on approving the absolving of the Board of Directors of their responsibility for managing the company of the fiscal year ended 31st December 2024



البند السابع الى البند الثالث عشر:
التصويت على الأعمال والعقود مع الأطراف ذات العلاقة

Article Seven to Article thirteen:

Voting on the business and contracts with related parties





Ernst & Young Professional Services (Professional LLC)
Paid-up capital (SR 5,500,000 – Five million five hundred thousand Saudi Riyal)
King's Road Tower, 13th Floor
King Abdul Aziz Road (Malek Road)
P.O. Box 1994
Jeddah 21441
Kingdom of Saudi Arabia
Head Office – Riyadh

C.R. No. 4030276644

Tel: +966 12 221 8400

Fax: +966 12 664 4408

ey.ksa@sa.ey.com
ey.com

LIMITED ASSURANCE REPORT TO THE SHAREHOLDERS OF SAUDI GROUND SERVICES COMPANY (A SAUDI JOINT STOCK COMPANY)

Scope

We have been engaged by Saudi Ground Services Company (the “Company”) to perform a ‘limited assurance engagement,’ as defined by International Standards on Assurance Engagements endorsed in the Kingdom of Saudi Arabia, here after referred to as the engagement, on the Company’s compliance with the requirements of Article (71) of the Companies’ Law (the “Subject Matter”) contained in the Company’s attached notification (Appendix A) which is presented by the Company’s Board of Directors to the Ordinary General Assembly on the transactions and contracts in which some members of the Company’s Board of Directors have a direct or indirect personal interest in them dated 28 April 2025.

Criteria Applied by the Company

In preparing the Subject Matter the Company applied the below criteria (the “Criteria”). Such Criteria were specifically designed for the notification presented by the Company’s Board of Directors to the Ordinary General Assembly (Appendix A). As a result, the subject matter information may not be suitable for another purpose.

- Article (71) of the Companies’ Law issued by the Ministry of Commerce.
- Notification presented by the Company’s Board of Directors to the Ordinary General Assembly (Appendix A) dated 28 April 2025.
- Declarations submitted by some of the Company’s Board of Directors’ members regarding the transactions and contracts in which some members of the Company’s Board of Directors have a direct or indirect personal interest in them dated 28 April 2025.

Management’s Responsibilities

The Company’s management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

Our Responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.



LIMITED ASSURANCE REPORT TO THE SHAREHOLDERS OF SAUDI GROUND SERVICES COMPANY (A SAUDI JOINT STOCK COMPANY) (continued)

Our Responsibilities (continued)

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (“ISAE 3000”) endorsed in the Kingdom of Saudi Arabia, and the terms of reference for this engagement as agreed with the Company on 14 April 2025. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Our Independence and Quality Management

We have maintained our independence and confirm that we have met the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia, and have the required competencies and experience to conduct this assurance engagement.

Our firm also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of Procedures Performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management’s internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject matter and related information and applying analytical and other appropriate procedures.



**LIMITED ASSURANCE REPORT TO THE SHAREHOLDERS OF
SAUDI GROUND SERVICES COMPANY
(A SAUDI JOINT STOCK COMPANY) (continued)**

Description of Procedures Performed (continued)

Our procedures included:

- Obtained the notification presented the by the Company's Board of Directors to the Ordinary General Assembly (Appendix A), regarding the transactions and contracts entered into by the Company in which some of the Board of Directors' members directly or indirectly with the Company dated 28 April 2025.
- Obtained the declarations from some of the Company's Board of Directors' members for the transactions and contracts done with the Company's in which some members of the Company's Board of Directors have a direct personal interest in them. dated 28 April 2025.
- Discussing with the management the contracts and transactions between the Board of Directors' members either directly or indirectly with the Company during the year ended 31 December 2024.

We also performed such other procedures as we considered necessary in the circumstances.

Other Matter

The attached notification (Appendix A) is stamped by us for identification purposes only.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that need to be made to the Subject Matter, in order for it to be in accordance with the Criteria applied by the Company referred to above.

for Ernst & Young Professional Services

Abdulaziz S. Alarifi

Certified Public Accountant
License No. (572)



Jeddah: 13 Thul-Qi'dah 1446H
11 May 2025G

التاريخ: 30-Shawwal-1446هـ
الموافق: 28-April-2025م

Dear/ Shareholders of the Saudi Ground Services Company

السادة/مساهمي الشركة السعودية للخدمات الأرضية

Greetings,

السلام عليكم ورحمة الله وبركاته.

Subject: Notification from the Board of Directors to the General Assembly Meeting regarding the transactions with related parties

الموضوع: تبليغ من مجلس الإدارة إلى الجمعية العامة للمساهمين حول تعاملات الأطراف ذات العلاقة

With reference to article (71) of the Companies law, we would like to inform you that during the fiscal year 2024, the Saudi ground services has entered into a number of business transactions and contracts in which some of the Board members have interest (whether direct or indirect) as per the attached report. Such contracts and transactions were executed in accordance to the relevant regulations and with preferences conditions.

بالإشارة إلى المادة (71) من نظام الشركات نود إبلاغكم بأنه خلال العام المالي 2024م. قامت الشركة السعودية للخدمات الأرضية بالدخول في عقود و معاملات تجارية كان لبعض أعضاء مجلس الإدارة مصلحة فيها (بطريقة مباشرة أو غير مباشرة) وذلك وفقاً للتقرير المرفق والتي تم التعامل معها في ضوء الأنظمة ذات العلاقة وبدون شروط تفضيلية.

The contracts and transactions were also disclosed in the Annual Board Report for the year 2024 as per legal requirements noting that the company in such transactions follows the same terms and commercial principles followed with third parties, without any preference.

كما تم الإفصاح عنها في التقرير السنوي لمجلس الإدارة للعام 2024م، حسب المتطلبات النظامية علماً بأن الشركة في مثل هذه التعاملات تتبع نفس الشروط والأسس التجارية المتبعة مع الغير ودون أي تفضيل.

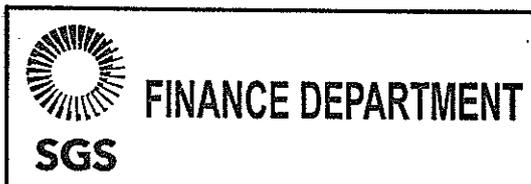
In this regard, the Board recommends to the General Assembly approving the continuation of these transactions as per the details included in the attached agenda items of the General Assembly Meeting.

وهذا الخصوص، فقد تضمن جدول أعمال جمعيتكم الموقرة توصية من مجلس الإدارة بالموافقة على استمرار هذه التعاملات والعقود وفقاً للمعلومات الواردة في بنود جدول أعمال الجمعية.

Also, as per the relevant regulations, we have requested the company's External Auditor to issue a report on those transactions to be presented to the Shareholders General Assembly which is attached along with the agenda of the AGM.

ولقد طلبنا وفقاً للنظام تقريراً خاصاً من قبل مراجع حسابات الشركة الخارجي حول هذه المعاملات لعرضه على جمعيتكم الموقرة والمرفق في جدول أعمال الجمعية.

وتقبلوا منا وافر التحية والتقدير،،



	Related party	Type of relationship with the company	Type of contracts and business	Term	Transactions Amount (SAR)	Terms of business or contract	Member name
1	Saudi Airlines Air Transport Company	100% owned by the Saudi Arabian Airlines Public Corporation and a founding shareholder of SGS with a 52.5% stake	Services provided	Five years (three years with an option to renew for two additional years)	1,106,315,194	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Airlines Public Corporation and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Capt. Fahd Cynndy and Mr.Nasser Al-Qawas.
2	Saudia Aerospace Engineering Industries Company	100% owned by the Saudi Arabian Airlines Public Corporation and a founding shareholder of SGS with a 52.5% stake	Services provided	Three Years	22,411,109	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Airlines Public Corporation and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Capt. Fahd Cynndy and Mr.Nasser Al-Qawas.
3	Catrion Catering Holding Company	35.7% owned by the Saudi Arabian Airlines Public Corporation and a founding shareholder of SGS with a 52.5% stake	Services provided	One year, automatically and annually renewed	4,240,182	Same terms and standards adopted with third parties without preferential terms.	It is 35.7% owned by the Saudi Arabian Airlines Public Corporation and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Capt. Fahd Cynndy and Mr.Nasser Al-Qawas.
4	Saudi Private Aviation (SPA)	100% owned by the Saudi Arabian Airlines Public Corporation and a founding shareholder of SGS with a 52.5% stake	Services provided	Three years	13,293,469	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Airlines Public Corporation and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Capt. Fahd Cynndy and Mr.Nasser Al-Qawas.
5	Saudia Royal Fleet Services	100% owned by the Saudi Arabian Airlines Public Corporation and a founding shareholder of SGS with a 52.5% stake	Services provided	One year, automatically and annually renewed	31,490,245	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Airlines Public Corporation and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Capt. Fahd Cynndy and Mr.Nasser Al-Qawas.
6	Flyadeal Airline	100% owned by the Saudi Arabian Airlines Public Corporation and a founding shareholder of SGS with a 52.5% stake	Services provided	Three years	245,635,374	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Airlines Public Corporation and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Capt. Fahd Cynndy and Mr.Nasser Al-Qawas.
7	Saudi Amad for Airport Services and Transport Support Company	Joint Venture, in which the company owns 50%.	Services provided	Unfixed term transactions	9,844,265	The same terms and standards as with others without any preferences.	It is represented in the Board of Directors by Eng. Khalid Q. Al Buainain
8	Alvest Arabia Equipment Services (TLD Arabia)	Joint Venture, in which the company owns 50%.	Services provided	Unfixed term transactions	844,577	Same terms and standards adopted with third parties without preferential terms.	Joint Venture
9	SAL Saudi Logistics Services Company	49% owned by the Saudi Arabian Airlines Public Corporation and a founding shareholder of	Services provided	Three years	18,217,226	The same terms and standards as with others without any preferences.	It is 49% owned by the Saudi Arabian Airlines Public Corporation and it is a founding shareholder in the company by 52.5%. It is represented in the Board of



		SGS with a 52.5% stake					Directors by Capt. Fahd Cynndy and Mr.Nasser Al-Qawas.
10	Jusoor Company for Operation and Maintenance	Joint Venture, in which the company owns 51%.	Invoices on behalf of related party	Unfixed term transactions	71,774,205	Same terms and standards adopted with third parties without preferential terms.	Joint Venture
11	Jusoor Company for Operation and Maintenance	Joint Venture, in which the company owns 51%.	Expenses incurred on behalf of related party	Unfixed term transactions	41,940,764	Same terms and standards adopted with third parties without preferential terms.	Joint Venture
12	Catrion Catering Holding Company	35.7% owned by the Saudi Arabian Airlines Public Corporation and a founding shareholder of SGS with a 52.5% stake	Services received	Seven years, automatically and annually renewed	61,710,927	The same terms and standards as with others without any preferences.	It is 35.7% owned by the Saudi Arabian Airlines Public Corporation and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Capt. Fahd Cynndy and Mr.Nasser Al-Qawas.
13	Saudi Amad for Airport Services and Transport Support Company	Joint Venture, in which the company owns 50%.	Operational Vehicle Leasing Services Agreement	Transactions that are not specified for a period of time	19,814,443	The same terms and standards as with others without any preferences.	It is represented in the Board of Directors by Eng. Khalid Q. Al Buainain
14	PSAA	100% owned by the Saudi Arabian Airlines Public Corporation and a founding shareholder of SGS with a 52.5% stake	Services Provided	Unfixed term transactions	1,420	Same terms and standards adopted with third parties without preferential terms.	It is 100% owned by the Saudi Arabian Airlines Public Corporation and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Capt. Fahd Cynndy and Mr.Nasser Al-Qawas.
15	Saudi Amad for Airport Services and Transport Support Company	Joint Venture, in which the company owns 50%.	Transaction relates to the transportation of crew, passengers, and deportees	Transactions that are not specified for a period of time	36,770,738	The same terms and standards as with others without any preferences.	It is represented in the Board of Directors by Eng. Khalid Q. Al Buainain
16	Saudi Arabian Airlines Corporation	A founding shareholder of SGS with a 52.5% stake	Services received	Unfixed term transactions	20,000	Same terms and standards adopted with third parties without preferential terms.	It is represented in the Board of Directors by Capt. Fahd Cynndy and Mr.Nasser Al-Qawas.
17	Alvest Arabia Equipment Services (TLD Arabia)	Joint Venture, in which the company owns 50%.	Equipment maintenance	Unfixed term transactions	111,665,930	Same terms and standards adopted with third parties without preferential terms.	Joint Venture
18	Alvest Arabia Equipment Services (TLD Arabia)	Joint Venture, in which the company owns 50%.	Invoices on behalf of related party	Unfixed term transactions	8,740,589	Same terms and standards adopted with third parties without preferential terms.	Joint Venture
19	PSAA	100% owned by the Saudi Arabian Airlines Public Corporation and a founding shareholder of SGS with a 52.5% stake	Services received	Unfixed term transactions	2,555,070	Same terms and standards applied to non-related parties without any preferences.	It is 100% owned by the Saudi Arabian Airlines Public Corporation and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Capt. Fahd Cynndy and Mr.Nasser Al-Qawas.



SGS

FINANCE DEPARTMENT

شركة إرنست ويونغ للخدمات المهنية
(مهنية ذات مسؤولية محدودة)

FOR IDENTIFICATION PURPOSES ONLY فقط لغراض تعريفية فقط

Ernst & Young Professional Services
(Professional LLC)

30

Board of Directors Approval
موافقة أعضاء مجلس الإدارة


Mrs. Ghada AL Jarbou
Board Member



Mr. Mansour A. Al Bosaily
Board Member



Mr. Nasser ALQawas
Board Member



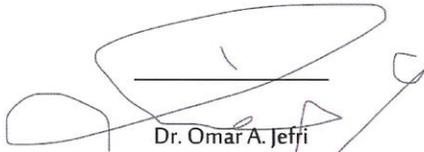
Mr. Nader Ashoor
Board Member



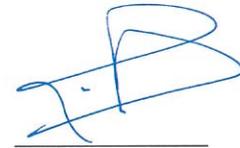
Mr. Per Utnegaard
Board Member



Mr. Said AL Hadrami
Board Member



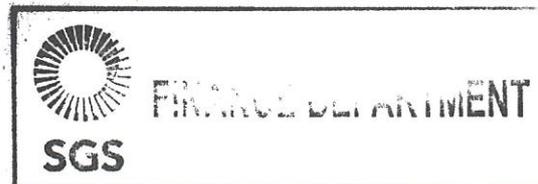
Dr. Omar A. Jefri
Vice-Chairman



Capt. Fahad H. Cynndy
Board Member



Eng. Khalid Q. Al Buainain
Chairman



البند الرابع عشر:

التصويت على تفويض مجلس الإدارة بصلاحيه الجمعية العامة العادية بالترخيص الواردة في الفقرة (1) من المادة (27) من نظام الشركات، وذلك لمدة عام من تاريخ موافقة الجمعية العامة أو حتى نهاية دورة مجلس إدارة الشركة المفوض أيهما أسبق، وفقاً للشروط الواردة في اللوائح التنفيذية لنظام الشركات الخاصة بشركات المساهمة المدرجة

Article Fourteen:

Voting on authorizing the Board of Directors with the authority of the Ordinary General Assembly regarding the license mentioned in paragraph (1) of Article (27) of the Companies Law, for one year from the date of the General Assembly's approval or until the end of the current Board term, whichever is earlier, in accordance with the executive regulations of the Companies Law for listed joint stock companies



نموذج التوكيل

Proxy Form





SGS

واجهة وطن
FACE OF A NATION

Clarification on the Proxy form	إيضاح حول نموذج التوكيل
<p>The proxy form is not available.</p> <p>As the General Assembly will only be conducted through modern technology using Tadawulaty website.</p> <p>http://tadawulaty.com.sa</p> <p>as registration in Tadawulaty Service and voting will be available free of charge to all shareholders.</p>	<p>نموذج التوكيل غير متاح.</p> <p>حيث سيتم الاكتفاء بعقد الجمعية العامة العادية عبر وسائل التقنية الحديثة باستخدام منظومة تداولاتنا.</p> <p>http://tadawulaty.com.sa</p> <p>و سيكون التسجيل و التصويت في خدمة تداولاتنا متاتا و مجانا لجميع المساهمين</p>