



**Audit Committee Annual Report**  
**Nice One Beauty Digital Marketing Company**  
**For the Year Ended 31 December 2025**



## **To the Esteemed Shareholders of Nice One Beauty Digital Marketing Company**

The Audit Committee of Nice One Beauty Digital Marketing Company is pleased to present to the esteemed shareholders its annual report for the financial year ending on December 31, 2025. The report includes the committee's opinion on the adequacy of the company's internal control system, as well as an overview of the activities carried out within its mandate, in compliance with the regulatory requirements in this regard.



### Appointment and Formation of the Audit Committee:

The Audit Committee of the company was formed during the Board of Directors meeting held on May 28, 2024. The committee consists of 4 members, including two non-executive members of the Board of Directors and two external members, one of whom is a financial expert. Below is the list of the committee members:

#	Name	Position
1	Prince Mansour bin Saad bin Farhan Al Saud	Chairman of the Audit Committee (Independent Board Member).
2	Mr. Ibrahim Abdulrahman Al Suhaibani	Audit Committee Member (Independent Board Member).
3	Mr. Abd Al Aziz Mohammed Almajal	Audit Committee Member (External to Board).
4	Mr. Mohammad Abdulaziz Aljarboua	Audit Committee Member (External to Board).

### Summary of the Audit Committee's activities during the year 2024:

The Audit Committee is responsible for overseeing the company's operations and ensuring the integrity, accuracy, and fairness of its financial reports, financial statements, and internal control systems. In particular, the Committee's duties include the following: The Audit Committee is responsible for overseeing the company's operations and ensuring the integrity, accuracy, and fairness of its financial reports, financial statements, and internal control systems. In particular, the Committee's duties include the following:

#### **First: Financial Reports and External Auditors**

The Committee is responsible for reviewing the interim and annual financial statements, providing its opinion and recommendations before they are submitted to the Board of Directors, in order to ensure their integrity and transparency. It also offers technical opinions, upon request, on the fairness and clarity of financial reports, examines material issues and observations raised by relevant parties, and verifies the soundness of accounting estimates and policies.

#### **Second: Internal Audit**

The Committee is responsible for reviewing internal control and risk management systems, examining internal audit reports and monitoring the implementation of their recommendations, and overseeing the performance of the internal audit function. It also recommends to the Board of Directors the appointment of the Head of Internal Audit and determines their remuneration.

#### **Third: External Auditor**

The Committee is responsible for recommending to the Board of Directors the appointment and dismissal of the external auditor, determining their fees, and evaluating their performance after verifying their independence and scope of work. It also reviews the auditor's work plan, ensures their compliance with audit responsibilities without providing services beyond the audit scope, follows up on their observations regarding the financial statements, responds to their inquiries, and ensures their objectivity and the effectiveness of their work.

#### **Fourth: Compliance Assurance**

The Committee is responsible for reviewing reports issued by regulatory authorities and ensuring that the necessary actions are taken in response. It verifies the company's compliance with applicable laws and regulations, reviews related-party transactions and provides its views thereon and escalates any matters it deems appropriate to the Board of Directors with recommendations for suitable action.



### Audit Committee Charter and Rules of Procedure:

The Audit Committee Charter has been prepared in line with corporate governance requirements and in accordance with the provisions of the Corporate Governance Regulations issued by the Capital Market Authority. The Charter aims to define the rules and procedures governing the work of the Audit Committee, including its responsibilities, the criteria for selecting its members, nomination procedures, terms of membership, and remuneration.

The Charter has been in effect since its approval by the General Assembly on 02/07/1446H, corresponding to 29/05/2024.

### Audit Committee Meetings during the year 2025:

The Audit Committee held five meetings during the fiscal year ending on December 31, 2025, and its statement is as below:

#	Name	Audit Committee's Cycle for the year 2025					Total
		1	2	3	4	5	
		2025/01/27	2025/02/28	2025/04/24	2025/07/23	2025/10/23	
1	Prince Mansour bin Saad bin Farhan Al Saud	✓	✓	✓	✓	✓	5
2	Mr. Ibrahim Abdulrahman Al Suhaibani	✓	✓	✓	✓	✓	5
3	Mr. Abd Al Aziz Mohammed Almajal	✓	✓	✓	✓	✓	5
4	Mr. Mohammad Abdulaziz Aljarboua	✓	✓	✓	✓	✓	5

### Committee Activities and Resolutions During the Fiscal Year Ended 31 December 2025:

**First:** The Audit Committee reviewed and examined the Company's interim and annual consolidated financial statements for the fiscal year 2025, in preparation for submission to the Board of Directors, along with its recommendations thereon.

The Committee also held a meeting with the external auditor to confirm that no obstacles or concerns were encountered during the audit of the fiscal year ended 31 December 2025, and to ensure that no circumstances existed that could affect the auditor's independence or objectivity in performing their duties. **(The Audit Committee's recommendation to the Board to approve the Company's consolidated financial statements for FY 2025 is attached.)**

**Second:** The Committee recommended to the Board of Directors the appointment of the external auditor to review the interim consolidated financial statements for the second and third quarters of 2025 and the first quarter of 2026, as well as to audit the annual consolidated financial statements for the fiscal year 2025. It also reviewed the auditor's plan and scope of work.

**Third:** The Audit Committee followed up on the activities of the external service provider appointed to assist in delivering internal audit functions. The Committee approved the following:

1. The results of the risk assessment and the updated corporate risk register.
2. The annual audit plan for 2025, based on the results of the risk assessment.

**Fourth:** The Committee reviewed the periodic internal audit reports, including key observations, and monitored corrective actions to strengthen the Company's internal control environment. It is noted that management is responsible for the design and implementation of internal controls and the internal control system within the Company.

**Fifth:** The Committee reviewed the Internal Audit Policies and Procedures Manual and recommended its approval to the Board of Directors.

**Sixth:** The Committee examined the external auditor's report and the management letter, which includes any observations regarding internal control systems.

**Seventh:** The Committee reviewed the Whistleblowing Policy and recommended its approval to the Board of Directors.

**Results of the Annual Review of the Effectiveness of the Company's Internal Control Procedures and the Audit Committee's Opinion on the Adequacy of the Internal Control System:**

The Audit Committee acknowledges that internal control systems, by their nature, provide reasonable rather than absolute assurance regarding the integrity and reliability of financial reporting, operational efficiency and effectiveness, and compliance with applicable laws, regulations, and policies.

Based on periodic reports from management, the Internal Audit Department's findings, and the external auditor's evaluation, the Committee reviewed and assessed the adequacy and effectiveness of the internal control framework.

The assessment identified certain control weaknesses across a number of areas, which are being addressed through approved corrective action plans subject to ongoing monitoring, aimed at strengthening controls and mitigating associated risks.

Accordingly, the Committee believes that the Company's internal control systems are generally in place and effectively implemented, providing a reasonable level of adequacy and effectiveness. The Committee affirms its continued oversight role, in coordination with the Board of Directors and executive management, to monitor the implementation of remediation and improvement plans, and to enhance the maturity and efficiency of the internal control framework. This is aimed at safeguarding the Company's assets, protecting the rights of shareholders and stakeholders, and supporting the achievement of strategic objectives in line with principles of good governance and sustainability.

**Audit Committee Recommendation for the Appointment of the External Auditor for the Fiscal Year Ended 31 December 2026:**

Based on invitations extended to several external audit firms to review and audit the interim financial statements for the second and third quarters of 2026, the annual financial statements for the fiscal year 2026 of Nice One Beauty E-Marketing Company, as well as the interim financial statements for the first quarter of 2027, the following proposals were received:

#	Company Name	Total Fees (Saudi Riyal)
1	Ernst & Young	1,558,250
2	PWC	1,621,500
3	KPMG	1,667,500

After reviewing and discussing the submitted proposals, the Audit Committee recommends selecting one of the firms mentioned above, with preference given to the appointment of Ernst & Young (EY), due to the suitability of its technical and financial proposal. **(The Audit Committee's recommendation to the Board of Directors regarding the selection of the external auditor, along with the submitted quotations, is attached.)**

Accordingly, this matter is presented to your esteemed Board for consideration and for taking the appropriate decision, in preparation for its submission to the General Assembly for voting, in accordance with the relevant regulatory requirements.

With Warm Regards


Chairman of the Audit Committee

Audit Committee Member

Audit Committee Member

Audit Committee Member


Mansour bin Saad bin Farhan Al Saud

Signed by:  
  
2042E9DE2E1E4F7...  
5/3/2026

Mohammad Aljarboua

Signed by:  
  
1277699075A54FB...  
5/3/2026

Abd Al Aziz Almajal

Signed by:  
  
9C6C8D7D59EC4C2...  
5/3/2026

Ibrahim Al Suhaibani

Signed by:  
  
301439B7EC1943D...  
5/3/2026



**ERNST & YOUNG PROFESSIONAL SERVICES (PROFESSIONAL LLC)**  
**Paid-Up Capital: ٥,500,000** (Five Million Five Hundred Thousand Saudi Riyals)

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## **LIMITED ASSURANCE REPORT TO THE SHAREHOLDERS OF NICE ONE BEAUTY DIGITAL MARKETING COMPANY (A SAUDI JOINT STOCK COMPANY)**

### **Scope**

We have been engaged by Nice One Beauty Digital Marketing 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, to report 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 4 Thul-Qi’dah 1447H (corresponding to 22 April 2026G).

### **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 (“MC”) (1443H -2022G).
- Notification presented by the Company’s Board of Directors to the Ordinary General Assembly (Appendix A) dated 4 Thul-Qi’dah 1447H (corresponding to 22 April 2026G).
- 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.
- Meeting minutes of the Board of Directors meetings which include disclosures by some of the Company’s Board of Directors’ members regarding transactions and contracts in which some members of the Company’s Board of Directors have a direct or indirect personal interest in them.

### **Company’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 NICE ONE BEAUTY DIGITAL MARKETING 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”) that is endorsed in the Kingdom of Saudi Arabia, and the terms of reference for this engagement as agreed with the Company on 1 April 2026. 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 or Reviews of Financial Statements, or Other Assurance or 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  
NICE ONE BEAUTY DIGITAL MARKETING COMPANY  
(A SAUDI JOINT STOCK COMPANY) (CONTINUED)**

**Description of Procedures Performed (continued)**

Our procedures included:

- Obtained the notification presented by the Company's Board of Directors to the Ordinary General Assembly (Appendix A) regarding the transactions and contracts entered between some of the Board of Directors' members directly or indirectly with the Company dated 4 Thul-Qi'dah 1447H (corresponding to 22 April 2026G).
- 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 or indirect personal interest in them.
- Obtained Board of Directors minutes of meetings that indicates some members' notification to the Board of Directors of transactions and contracts done with the Company in which some members of the Company's Board of Directors have a direct or indirect personal interest in them.

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

Abdullah A. Alshenaibir  
Certified Public Accountant  
License No. (583)



Riyadh: 16 Thul-Qi'dah 1447H  
3 May 2026G

## Notification to the General Assembly of the Interests of Board Members in Contracts and Business Conducted for the Company and Competing Business

To: Shareholders of Nice One Beauty Digital Marketing Company

In accordance with Article (71) of the Companies Law and the relevant implementing regulations and regulatory requirements, and in line with the Company's commitment to transparency and compliance with disclosure obligations, which require a member of the Board of Directors to disclose to the General Assembly any direct or indirect interest in the contracts and business conducted for the Company, as well as any competing business, the Board of Directors hereby notifies you of the following:

### 1. Contracts and Business:

There are no direct or indirect interests of any member of the Board of Directors in the contracts or business conducted for the Company during the financial period ending on 31 December 2025.

### 2. Competing Business:

The Board hereby discloses that Mr. Amr Abdulaziz Al-Jallal, Chairman of the Board of Directors, is a member of the Board of Directors of Global Healthcare Company (Whites and Kunooz Pharmacies), which operates in the sale of pharmaceutical products, cosmetics, and medicines, and such activities constitute competing business with the Company's activities.



Board Members Signature		
Name	Membership Status	Signature
1. Mr. Amr Abdulaziz Al-Jallal	Board Chairman Non-Executive Member	Signed by: <i>Amr Abdulaziz Al-Jallal</i> A57E0C7462C1469...
2. Mr. Abdulrahman Ali Al-Olayan	Vice Chairman Executive Member	Signed by: <i>[Signature]</i> CB6361491980465...
3. Prince Mansour Saad Mohammed Al-Saud	Board Member Independent Member	Signed by: <i>[Signature]</i> 2042E9DE2E1E4F7...
4. Mr. Mohamed Ahmed Loughzail	Board Member Independent Member	Signed by: <i>[Signature]</i> F670497EC95F4E5...
5. Mr. Omar Ali Al-Olayan	Board Member Executive Member	Signed by: <i>[Signature]</i> 625CBE16DE7E43A...
6. Mr. Abdulaziz Mohammad Al-Rugaib	Board Member Independent Member	Signed by: <i>Abdulaziz AlRugaib</i> F4226ACG61B6466...
7. Mr. Ibrahim Abdulrahman Al-Suhaibani	Board Member Independent Member	Signed by: <i>Ibrahim Alsuhaibani</i> 301439B7EC1943D...

