



Annual Report 2025

cherry
تشيري

لتأجير السيارات Car Rentals



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ





The Custodian of the Two Holy Mosques

**King Salman
bin Abdulaziz Al Saud**



His Royal Highness

Prince
Mohammed bin Salman
bin Abdulaziz Al Saud



Forward with Confidence

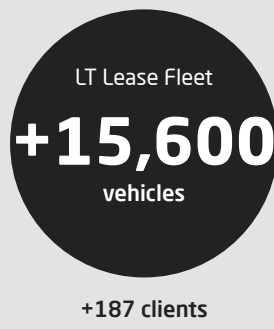


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Chairman's Statement

On behalf of the Board of Directors, I am pleased to present Cherry Trading Company's Annual Report for the financial year ended 31 December 2025, a year that marks our transition into the public market and a significant milestone in the Company's long development journey.

Cherry entered 2025 with clear momentum and concluded the year with meaningful progress on both the operating and institutional fronts. Our successful listing on the Tadawul represented an important step in the Company's evolution, reflecting the market's confidence in our business model, and our ability to operate with discipline in a growing mobility market.

Strong performance in a landmark year

The year's financial performance was encouraging. Revenue reached SAR 517.9 million, up 13.9% year-on-year, while net profit after zakat increased to SAR 71 million. These results were supported primarily by the continued strength of our long-term leasing business, which remains the core of Cherry's operating model and a key source of revenue visibility.

That visibility was further reflected in our backlog, which exceeded SAR 1.2 billion including VAT, this is one of the clearest indicators of the Company's position and reflects recurring demand, institutional trust, and the quality of Cherry's execution across a broad client base.

Governance and transparency as foundations

2025 was also a year of institutional development. As a listed company, Cherry has taken important steps to strengthen its governance framework, committee structure, reporting discipline, and shareholder communication practices. The Board considers this an ongoing priority. Building a company of scale requires sound oversight, clarity in decision-making, and a culture of accountability that matches the expectations of the market.



Vision 2030 alignment

The Kingdom's Vision 2030 agenda continues to create a favourable macroeconomic backdrop for Cherry's operations. Rising infrastructure investment, the expansion of the public sector fleet, and growing mobility demand across key cities all point toward sustained long-term growth opportunities. Our participation on the Etimad government procurement platform, our nationwide branch footprint, and our deep relationships with government ministries position us well for the decade ahead.

Looking ahead with confidence

As we enter 2026, the Board is firmly focused on executing our growth strategy, deepening our digital capabilities, expanding our geographic footprint, and delivering sustainable value for all our shareholders. We extend our sincere gratitude to our clients, employees, business partners, banking institutions, and shareholders for their trust and support.

Mr. Riyadh AlRumayzan

Chairman of the Board of Directors

CEO's Statement

The year 2025 marked an important milestone in Cherry's journey, both as an operating company and as a newly listed issuer on the Saudi Exchange. It was a year in which we converted market momentum into measurable performance, while also strengthening the Company's internal foundations for its next stage of growth.

Unprecedented revenue growth

Our long-term leasing segment continued to be the primary engine of growth, with revenue growing to SAR 378.4 million in 2025 from SAR 324.3 million in 2024. This growth was driven by fleet expansion, new contract wins with government and semi-government entities, and a growing backlog that has now exceeded SAR 1.2 billion (including VAT).

Our short-term rental business demonstrated robust growth, with revenue increasing to SAR 25.4 million, supported by geographic expansion and improving digital channels. The used vehicle sales segment delivered SAR 114.1 million, supported by our disciplined fleet rotation policy, the launch of our B2C showroom.

Operational and strategic milestones

On the operational side, we maintained high fleet management standards, supported by our seven in-house maintenance workshops and nationwide branch network.

The opening of our Riyadh B2C showroom represent meaningful steps in diversifying our revenue channels and deepening our direct consumer relationship. These initiatives form the foundation of a broader B2C expansion we plan to extend to Jeddah and Dammam in 2026.



Looking ahead

As we look to 2026, our strategic priorities are clear:

- Execute on our growth backlog,
- Expand our short-term rental network,
- Develop our B2C used vehicle channels,
- Invest in digital infrastructure,
- Continue strengthening our governance and ESG capabilities.

I am deeply grateful to our 882 colleagues across the Company for their professionalism and dedication.

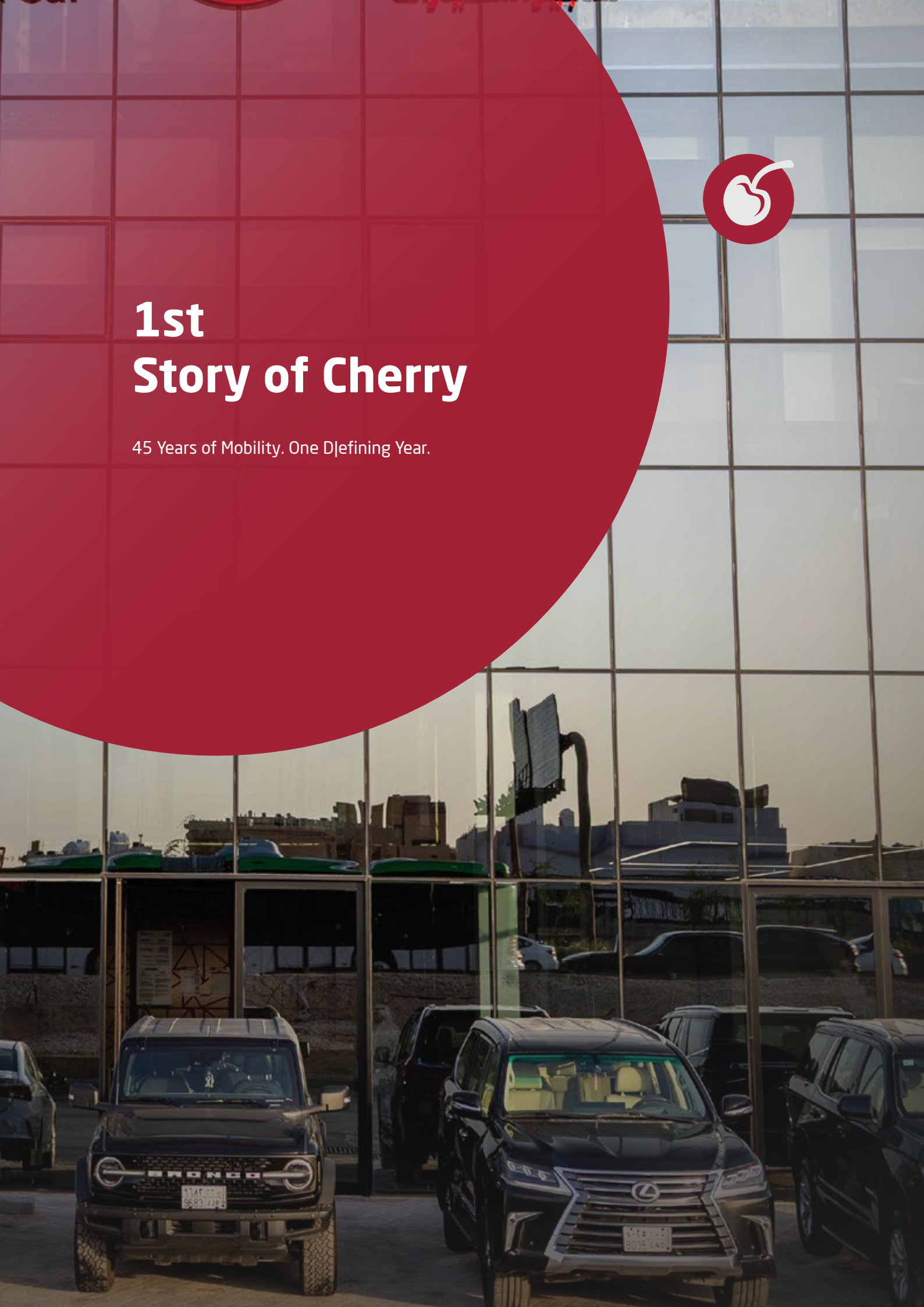
Mr. Abdulaziz AlSowail

Board Member & Chief Executive Officer



1st Story of Cherry

45 Years of Mobility. One Defining Year.



About the Company

Founded in Riyadh and operating from the heart of the Kingdom, Cherry Trading Company has developed into a recognised player in Saudi Arabia's vehicle leasing and mobility sector. The Company operates as a Saudi joint stock company and continues to build on a business legacy supported by operational experience, market understanding, and long-term client relationships.

The Company traces its origins to 1980, when it was originally established as a sole proprietorship by Mohammed Abdullah Turki AlDhayan under Commercial Registration No. 1010013375. Over more than four decades, Cherry has grown into one of the Kingdom's established vehicle mobility companies, offering integrated fleet solutions spanning long-term leasing, short-term rental, and sale of used motor vehicles.

In 2025, Cherry achieved its most transformative milestone – a successful Initial Public Offering (IPO) and listing on the Main Market of the Saudi Exchange (Tadawul). As of 31 December 2025, the Company's share capital stands at SAR 300,000,000, divided into 30,000,000 ordinary shares with a nominal value of SAR 10 per share.

Legal Form	Saudi Joint Stock Company
Commercial Registration	No. 1010156896
Original Establishment	11 Jumada al-Ula 1400H / 26 April 1980G
Date of Incorporation	13 Ramadan 1420H / 20 December 1999G
Head Office	Dammam Road, Granada District, Riyadh, KSA
Share Capital	SAR 300,000,000
Number of Shares	30,000,000 Ordinary Shares (SAR 10 nominal value)
Listing Market	Main Market – Saudi Exchange (Tadawul)
Major Shareholder	Saudi Edarah Holding Company (68.95% post-IPO)
Fiscal Year	1 January 2025 - 31 December 2025

Service Offerings

Cherry operates across three core and complementary business segments:

Long-Term Vehicle Leasing

The Company's primary revenue segment (73.1% of 2025 total revenue). Long-term leases are structured for periods of one to five years for government, quasi-government, and corporate clients. Services include customised vehicle specifications, comprehensive maintenance, insurance coverage, 24-hour roadside assistance, and a digital lease management portal. The Company serves 187+ clients with a fleet of 15,600+ vehicles and a revenue backlog exceeding SAR 1.2 billion (including VAT).

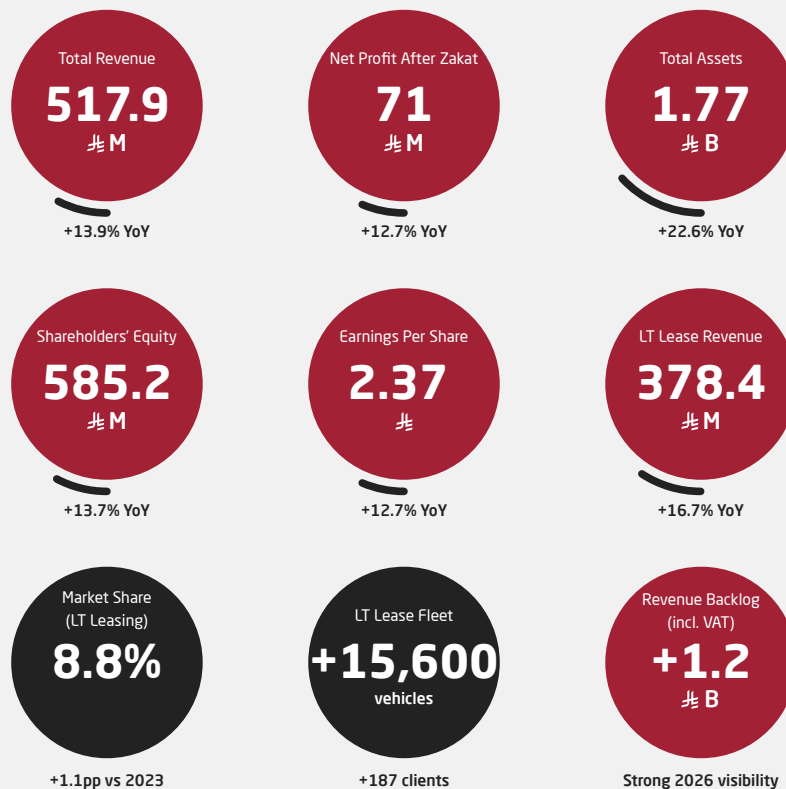
Short-Term Rental

Rentals for periods of less than 12 months and on a daily basis, operating through 23 city branches nationwide. The segment generated SAR 25.4 million in 2025 (+19.9% YoY). Services include one-way rentals, flexible drop-off, and corporate account management.

Sale of Used Motor Vehicles

Value-realisation from end-of-lifecycle fleet vehicles sold through the Company's showroom network. The segment generated SAR 114.1 million in 2025, with 2,568 vehicles sold during the year.

2025 At a Glance



Vision, Mission and Values

 Vision	 Mission	 Values
<p>To be the leading provider of comprehensive vehicle leasing and mobility solutions in the Kingdom of Saudi Arabia</p>	<p>To deliver cost-effective, reliable, and seamlessly managed fleet solutions to government, corporate, and individual clients across the Kingdom</p>	<p>Integrity Service Excellence Operational Discipline Client Focus Sustainability</p>



Awards & Certificates	
ISO 9001:2015 Certification	Cherry holds ISO 9001:2015 certification, demonstrating commitment to quality management standards
ISO 45001:2018 Certification	Cherry holds ISO 45001:2018 certification for occupational health and safety management systems

Company History & Timeline

Cherry's journey spans more than four decades of disciplined growth in Saudi Arabia's vehicle mobility sector – from a sole proprietorship founded in 1980 to a publicly listed company on the Saudi Exchange in 2025.

1980 Foundation	Mohammed Abdullah Turki AlDhayan establishes a sole proprietorship under Commercial Registration No. 1010013375 in Riyadh, beginning Cherry's journey in vehicle mobility with a small fleet serving local clients.
1999 Incorporation	Cherry is formally incorporated as a company under Commercial Registration No. 1010156896 in Riyadh, establishing the legal structure for future growth.
2000s Fleet & Client Expansion	Gradual expansion of the long-term leasing fleet as Cherry begins securing contracts with government ministries and quasi-government entities. Development of in-house maintenance infrastructure, workshops, and operational management systems.
2010s Market Leadership	Cherry establishes itself as a top-tier fleet leasing operator in the Kingdom, building a diversified blue-chip client base. Short-term rental and used vehicle sales segments are formalised as distinct and growing business units.
2015 Change in Ownership	Saudi Edarah Holding Company acquires Cherry Trading Company, initiating a comprehensive overhaul of the fleet and operations. A strategic transformation programme is launched to reposition Cherry as a profitable industry leader.
2018 Fleet Milestone	Cherry's total fleet reaches approximately 6,927 vehicles, establishing a solid foundation for accelerated growth under new ownership.
2019 Fleet Doubles	Major fleet expansion drives vehicle count to 11,432, a near-doubling in one year – as Cherry secures significant new government and quasi-government contracts, including a contract to supply a public utilities company with 2,000+ vehicles.

2020 Corporate Transformation	Cherry Trading Company is restructured as a Saudi joint stock company pursuant to Ministerial Resolution No. 156 (14 Jumada al-Ula 1442H), laying the governance foundation for a future public listing.
2021 Contract Wins	Awarded a contract to provide a local municipality with 400+ vehicles. Fleet at 12,158 vehicles. Short-Term Rental segment commences operations.
2022 Major Contract – SAR 403mn	Signed a contract worth SAR 403 million with a major public utilities company, significantly deepening an existing relationship. Fleet stabilises at approximately 12,019 vehicles following strategic fleet rationalisation.
2023 Growth Resumes	Signed a further contract worth SAR 257 million with a public utilities company. Fleet expands to 14,066 vehicles. Total revenue reaches SAR 431.8 million.
January 2025 IPO Decision	Board adopts a resolution recommending the Offering to shareholders, initiating Cherry's transition to a publicly-listed entity.
February 2025 Shareholder Approval	Extraordinary General Assembly unanimously approves the IPO. Board constituted with five members (four Independent Directors). Audit Committee and NRC established.
March-June 2025 Regulatory Approvals	Transport General Authority, Saudi Exchange (Tadawul), and Capital Market Authority (CMA) all grant their respective approvals for the Offering.
November 2025 IPO Pricing & Subscription	Final offer price set at SAR 28 per share, the upper end of the price range. Institutional (Tranche A) subscription was approximately 85.6 times oversubscribed. Individual subscription (Tranche B) took place 12-13 November 2025. Final allotment announced 19 November 2025. Implied market capitalisation at IPO: SAR 840 million.
November-December 2025 Listing on Tadawul	Cherry shares commence trading on the Main Market of the Saudi Exchange (Tadawul) on 1 December 2025 under ticker 4265, gaining +10% on the first day of trading, the maximum permitted under Tadawul's new listing price rules. A landmark in the Company's 45-year history.
Q4 2025 First Quarter as a Listed Company	Investor relations function established. First CMA disclosures filed. Riyadh B2C used vehicle showroom inaugurated. Full-year revenue reaches SAR 517.9 million, the highest in Company history.

2025 Highlights – Month by Month

The following calendar of key events documents the milestones and developments that defined Cherry's landmark year.

January 2025

- Board of Directors adopts resolution recommending the IPO to shareholders
- Corporate Governance Manual formally adopted, including Conflicts-of-Interest and Related Party Transaction policies

February 2025

- Extraordinary General Assembly approves the IPO and authorises all necessary corporate actions
- Board of Directors formally constituted: five members, four Independent Directors
- Audit Committee and Nomination & Remuneration Committee established with defined Terms of Reference
- Director induction programme commenced for newly appointed Board members

March 2025

- Transport General Authority grants approval for the Offering
- Euromonitor International Market Study Report commissioned and completed for inclusion in the Prospectus
- IPO Prospectus filed with the Capital Market Authority

April - May 2025

- Conditional listing approval granted by Saudi Exchange (Tadawul) on 27 May 2025 (29 Thul-Qi'dah 1446H)
- Investor Relations function formally established
- Dedicated Head of Daily Rental onboarded to lead short-term rental expansion

June 2025

- Capital Market Authority (CMA) grants final approval for the Offering on 25 June 2025 (29 Thul-Hijjah 1446H)
- Offer price and allocation confirmed for Tranche A (institutional) and Tranche B (individual) investors

July - August 2025

- Analyst presentation and institutional roadshow completed with strong demand across both tranches
- First CMA continuing obligations disclosures filed

September 2025

- New B2C pre-owned vehicle showroom in Riyadh formally inaugurated
- Fleet expansion contracts signed with key government clients for Q4 delivery

October 2025

- Q3 interim financial results disclosed to Tadawul

November 2025

- Final IPO offer price set at SAR 28 per share – the upper end of the price range – following successful institutional book-building (26-30 October 2025)
- Institutional (Tranche A) subscription approximately 85.6 times oversubscribed, reflecting strong investor confidence
- Individual (Tranche B) subscription period opens 12 November and closes 13 November 2025
- Final allotment of 1,800,000 shares to individual subscribers announced on 19 November 2025 (28 Jumada al-Ula 1447H)
- Excess subscription monies refunded to individual subscribers by 20 November 2025

December 2025

- Cherry shares commence trading on the Main Market of the Saudi Exchange (Tadawul) on 1 December 2025 under symbol 4265, a landmark in 45 years of Company history
- First-day gain of +10.0% (maximum permitted under Tadawul static price limit for new listings), reflecting strong market reception
- Implied market capitalisation at IPO: SAR 840 million; IPO proceeds: SAR 252 million
- Full-year revenue of SAR 517.9 million confirmed, highest annual revenue in Company history
- Revenue backlog surpasses SAR 1.2 billion (including VAT), providing strong 2026 revenue visibility
- Board reviews and approves full-year financial results for CMA disclosure
- No dividend recommended for FY2025; Board commits to reviewing dividend eligibility for FY2026

Achievements & Recognition

In its first year as a publicly listed company, Cherry Trading Company achieved several milestones that validate its competitive position and operational excellence.

Achievement	Detail
IPO on Saudi Exchange Main Market	Successfully completed one of the pioneering vehicle mobility company IPO on Tadawul in 2025
Record Revenue	SAR 517.9 million, the highest annual revenue in the Company's 45-year history
Revenue Backlog Milestone	Backlog surpassed SAR 1.2 billion (including VAT) for the first time
Market Share Gain	Long-term leasing market share grew from 7.7% (2023) to 8.8% (2024), a gain of 1.1pp
B2C Showroom Launch	First dedicated B2C premium pre-owned vehicle showroom for an integrated leasing operator in KSA
Governance Framework	Full CMA-compliant governance infrastructure established: committees, policies, disclosure framework





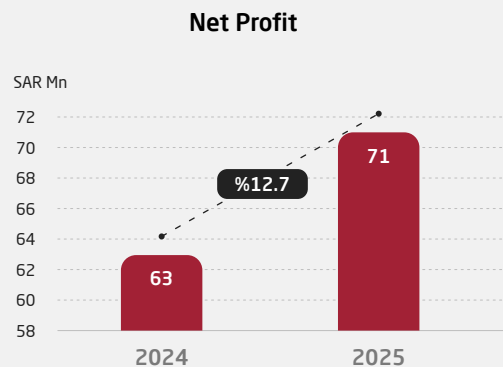
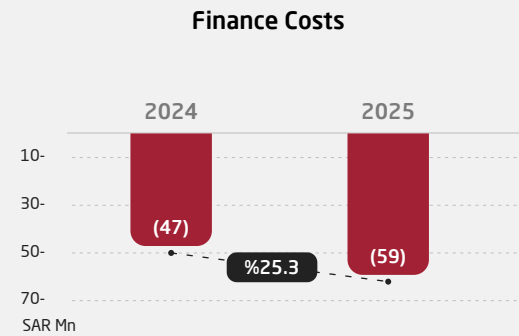
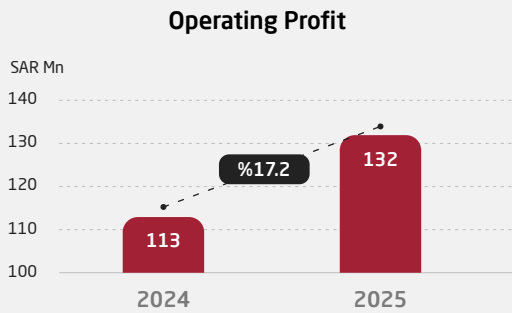
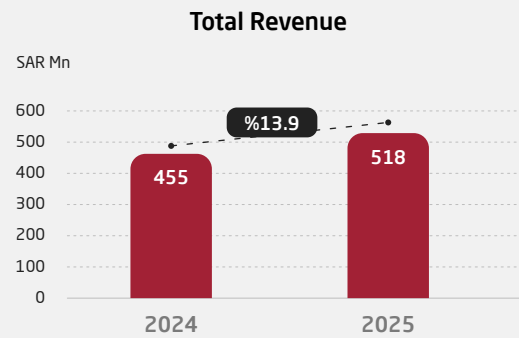
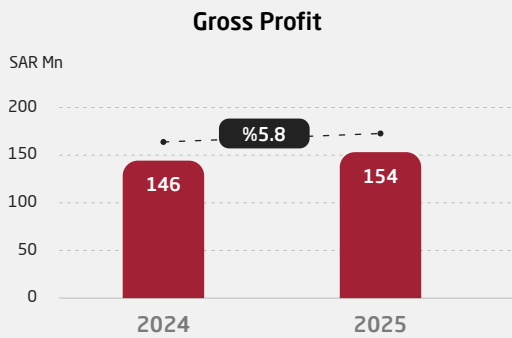
2nd Review of the Year



Numbers Overview

Cherry's financial performance in 2025 reflects the robustness of our core business model. Total revenue grew to SAR 517.9 million (+13.9%), driven primarily by a 16.7% increase in long-term lease revenues. Gross profit reached SAR 154.4 million (gross margin 29.8%). Net profit after zakat increased to SAR 71 million (+12.7%), with EPS of SAR 2.37.

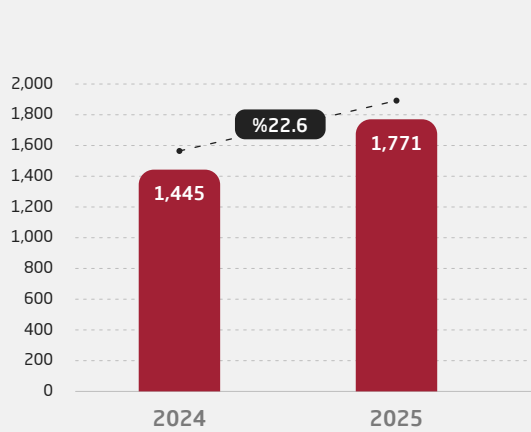
Income Statement Highlights



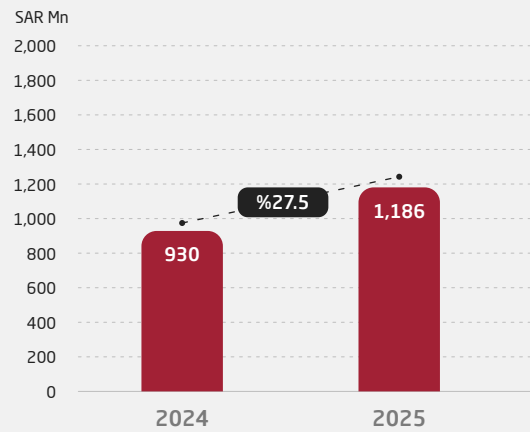
Balance Sheet Highlights

Finance costs increased to SAR 59.3 million (2024: SAR 47.3 million), reflecting the higher debt base associated with fleet expansion. Zakat for FY2025 amounted to SAR 1,638,489 (2024: SAR 2,159,940).

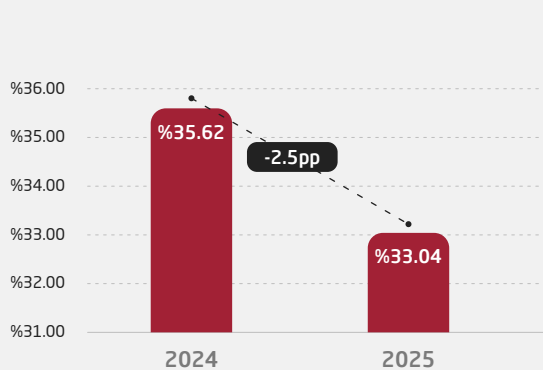
Total Assets



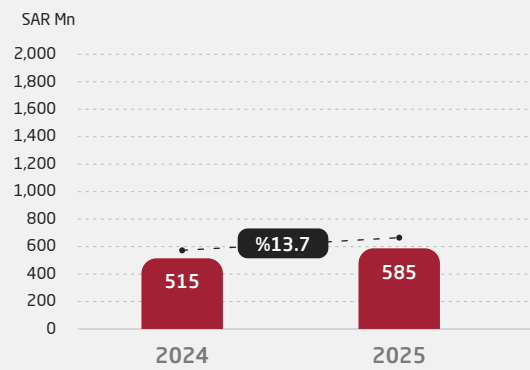
Total Liabilities



Equity-to-Assets Ratio



Total Shareholders' Equity



Market Overview

Saudi Arabia's vehicle leasing, rental and used car sectors are among the fastest-growing mobility markets in the Middle East, underpinned by Vision 2030's economic transformation agenda, rapid urbanisation, a rising middle class, and surging inbound tourism.

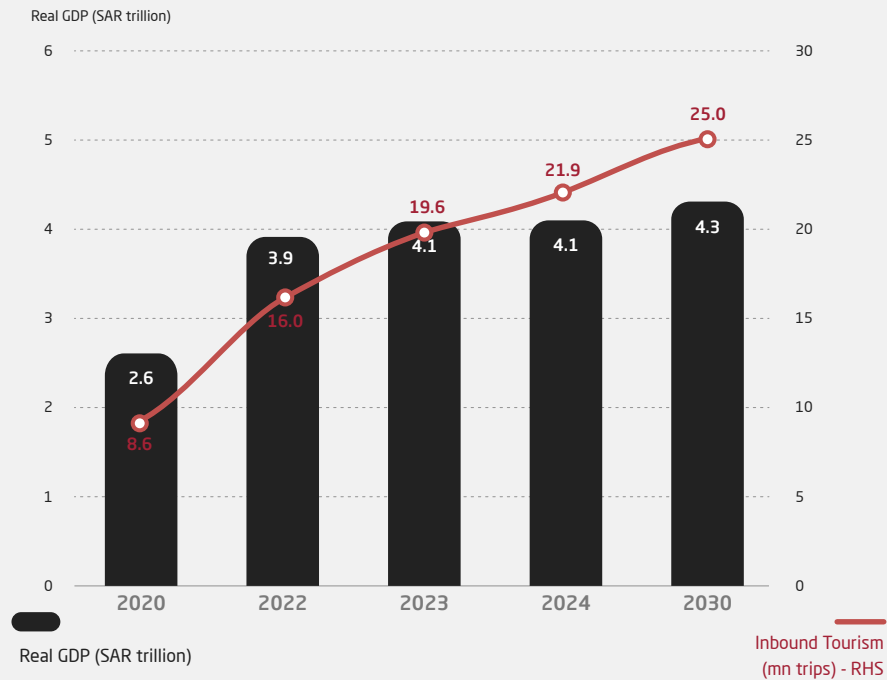
Macroeconomic Backdrop

Saudi Arabia's macroeconomic foundations strengthened further in 2025. Real GDP is estimated at approximately SAR 4.3 trillion, continuing its growth trajectory and on track to reach SAR 5.0 trillion by 2029 (CAGR 4.0%). Unemployment reached a record low of approximately 4.8% in 2025, down from 5.0% in 2024 and 7.8% as recently as 2021, reflecting sustained job creation driven by Vision 2030 economic diversification. Disposable income per capita is estimated at approximately SAR 51,000 in 2025, growing towards a projected SAR 57,245 by 2029. Inbound tourism arrivals reached an estimated 25 million trips in 2025, up from 21.9 million in 2024, with Saudi Arabia on track towards its target of 150 million annual visitors by 2030.

Macro Indicator	2024 Actual	2029 Forecast	CAGR
Real GDP (SAR tn)	4.1	5.0	4.0%
Consumer Spending on Transport (SAR bn)	255	323	4.8%
Employed Population (mn)	16.3	18.2	2.4%
KSA Population (mn)	33.9	36.9	3.7%
Inbound Tourism Arrivals (mn trips)	21.9	31.4	7.5% (2025-2029)
New Vehicle Sales ('000 units)	828	857	+3.6% YoY (2025 confirmed)

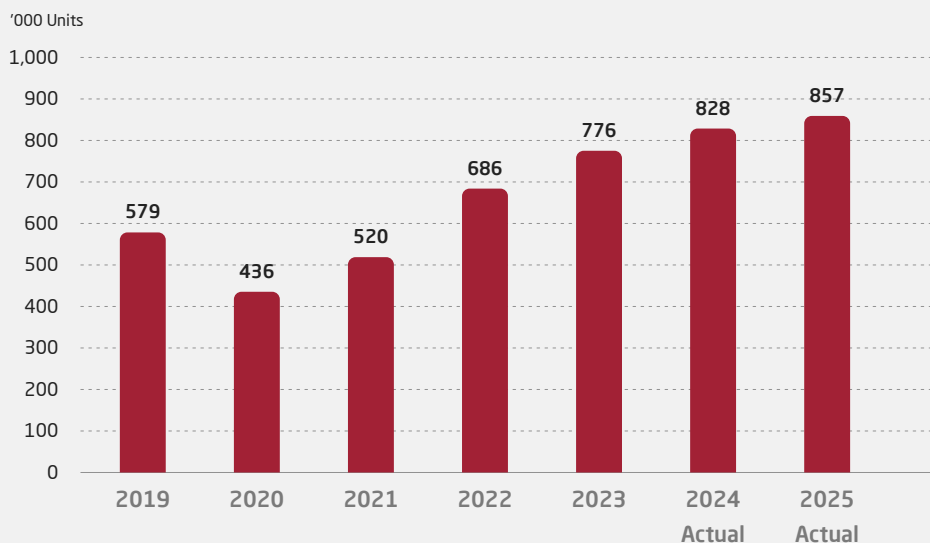
Euromonitor International Market Study Report; IMF World Economic Outlook.

KSA Real GDP & Inbound Tourism (2020-2025)



The Kingdom's new vehicle market delivered 857,247 units in 2025, a 3.6% increase over 2024 and the strongest annual result in ten years – confirming continued consumer and corporate confidence in the Saudi economy. Electric vehicle adoption accelerated sharply, with EV sales estimated at approximately 27,000 units in 2025 (+12% year-on-year), supported by government incentives and growing charging infrastructure. Key structural drivers remain intact: private vehicle dominance at approximately 72% of all transport modes, over SAR 1 trillion committed to infrastructure projects including NEOM and the Red Sea Project, and more than 200 PPP projects worth approximately USD 50 billion spanning healthcare, education, transportation, and renewable energy. The FIFA World Cup 2034 and Riyadh Expo 2030 are expected to drive unprecedented further demand.

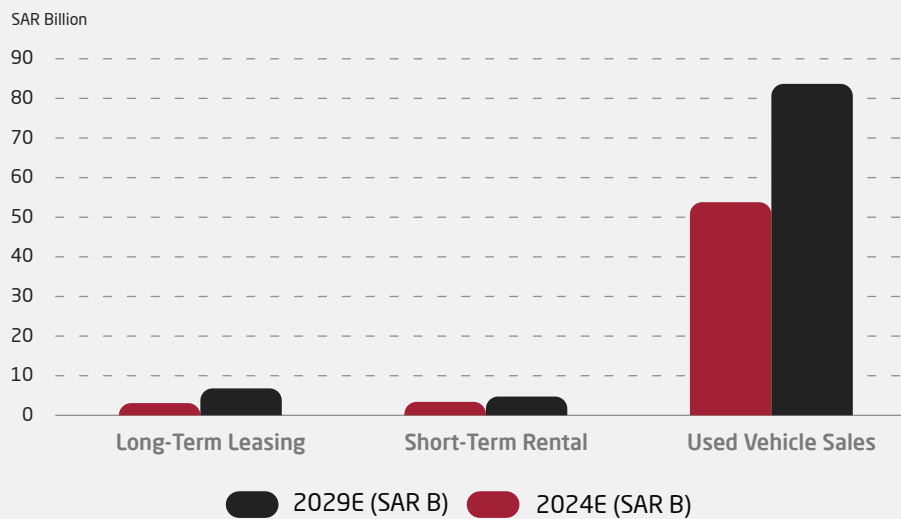
KSA New Vehicle Sales



KSA vehicle leasing market

Market Segment	2020	2024 Actual	2029 Forecast	CAGR (2025-2029)	Key Drivers
Long-Term Leasing (SAR bn)	2.1	3.7	7.2	13.5%	Fleet outsourcing, government contracts, NTP execution
Long-Term Leasing Fleet ('000 vehicles)	96	161	303	13.6%	Shift from ownership to leasing, mega-project demand
Short-Term Rental (SAR bn)	2.6	4.0	5.2	5.7%	Tourism growth, corporate demand, digital platforms
Short-Term Rental Fleet ('000 vehicles)	117	172	231	7.8%	App-driven convenience, 5G penetration, F&B delivery
Used Vehicle Sales (SAR bn)	35.3	54.0	84.0	10.1%	Digital marketplaces, fleet rotation, expatriate buyers

KSA Market Size: 2024A vs 2029E

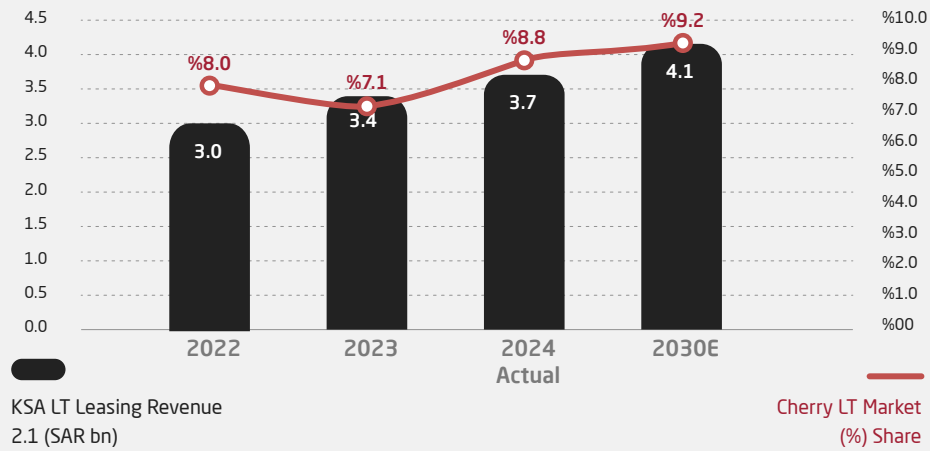


Euromonitor International Market Study Report, March 2025G.

Cherry's Market Position

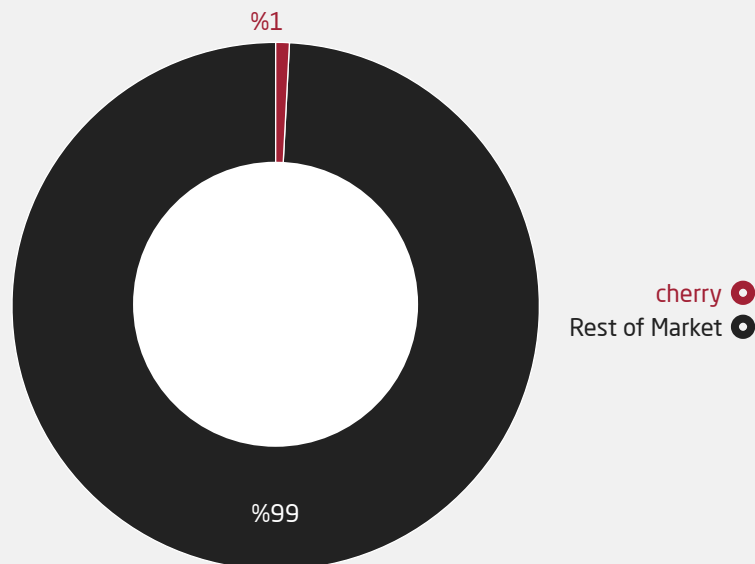
Cherry holds an 8.8% revenue market share in the Kingdom's long-term vehicle leasing segment as at 2024, growing from 7.7% in 2023, an increase of 1.1 percentage points in a single year. The KSA long-term leasing market generated revenues of approximately SAR 3.7 billion in 2024, with the top players collectively holding the majority of market share. Cherry's sustained share growth demonstrates the Company's ability to win and renew contracts in a competitive tendering environment, achieving a 30-40% win rate on actively bid government and quasi-government fleet tenders. The Company serves 187+ institutional clients with a fleet of approximately 15,600 vehicles and a contracted revenue backlog exceeding SAR 1.2 billion including VAT.

KSA LT Leasing Market Size & Cherry Share



In the short-term rental segment, Cherry's revenue grew 19.8% to SAR 25.4 million in FY2025, with an estimated market share of approximately 0.6% as in 2024 in a sector generating an estimated SAR 4.3 billion. Far from a limitation, this position represents one of the Company's most compelling growth opportunities. The STR segment is structurally growing and highly fragmented, demand is driven by inbound tourism, corporate travel, and a rising digital-native consumer base. Cherry's existing 23-branch nationwide network, newly appointed Head of Daily Rental, and improving digital booking capabilities provide a credible platform for meaningful share capture in the years ahead.

Cherry STR Market Position 2025E



Share Price Data

Cherry Trading Company completed its IPO with a final offer price of SAR 28 per share – the upper end of the initial price range – following a heavily oversubscribed book-building process. Individual subscription took place on 12-13 November 2025G, with final allotment announced on 19 November 2025G. Trading commenced on the Main Market of the Saudi Exchange (Tadawul) thereafter.

IPO Metric	Detail
Final Offer Price	SAR 28.00 per share (upper end of price range)
Total Shares Offered	9,000,000 shares (30% of share capital)
Institutional Tranche (Tranche A)	7,200,000 shares (80% of offered shares)
Individual Tranche (Tranche B)	1,800,000 shares (20% of offered shares)
Institutional Oversubscription	Approximately 85.6 times covered
Implied Market Capitalisation at IPO	SAR 840,000,000 (SAR 840 million)
Trading Commencement	1 December 2025 (Monday) – Main Market of Saudi Exchange (Tadawul)
Ticker / Symbol	4265
First 3 Days Price Limits	Daily $\pm 30\%$; Static $\pm 10\%$ (Tadawul new listing rules)
From Day 4 Onwards	Daily $\pm 10\%$; Static limits no longer apply
52-Week Range (to 7 Jan 2026)	SAR 23.62 - SAR 29.54
First-Day Gain	+10.0%

On this occasion, Mr. Abdulaziz AlSowail, CEO, stated:

"We are pleased to witness this growing interest from prestigious institutional investors in our Company. This reflects the strong confidence in our vision to be a leader in excellence in the vehicle leasing market and is a testament to the competence of our management and operational team. This growing interest is not merely an indicator of the strength of our offering; it is also a clear recognition of Cherry's growth potential and our ability to lead the transformation and rapid growth of this vital sector, in line with the objectives of Saudi Vision 2030."

Stakeholder Engagement

Cherry Trading Company recognises that its long-term success depends on the trust and support of all its stakeholders. The following framework sets out key stakeholder concerns and the Company's principal responses.

Stakeholder Group	Key Concerns	Company Response
Shareholders & Investors	<ul style="list-style-type: none"> - Sustainable growth and returns - Good governance and transparency - Risk management and disclosure - Dividend policy 	<ul style="list-style-type: none"> - 12.7% net profit growth; SAR 1.2B backlog (including VAT) providing visibility - Full CMA Corporate Governance Regulations compliance; Tadawul disclosures - Eight-category risk framework; Audit Committee oversight - Dividend policy established; review for FY2026 committed by Board
Clients	<ul style="list-style-type: none"> - Fleet reliability and availability - Value and flexibility - Digital service channels - Maintenance quality 	<ul style="list-style-type: none"> - 15,600+ well-maintained vehicles; active fleet rotation programme - Flexible contract terms from 1 to 5 years; customisable specifications - Seven in-house maintenance workshops providing 24/7 support
Employees	<ul style="list-style-type: none"> - Fair remuneration - Career development - Safe working environment - Saudisation and inclusion 	<ul style="list-style-type: none"> - Competitive market-aligned compensation packages - Structured training and career development pathways - Health, safety, and wellbeing programmes at all locations - Active Saudisation programme aligned with Vision 2030
Government & Regulators	<ul style="list-style-type: none"> - Regulatory compliance - Vision 2030 contribution - Zakat and taxation - Fleet safety standards 	<ul style="list-style-type: none"> - Full compliance with CMA, Transport General Authority, and ZATCA - Government fleet outsourcing; Etimad registered vendor; SEZ presence - Zakat of SAR 1,638,489 for FY2025 - Rigorous vehicle inspection and maintenance standards
Community	<ul style="list-style-type: none"> Local employment Regional economic development Environmental responsibility Social responsibility 	<ul style="list-style-type: none"> Employment created across all 23 branches in regions beyond major cities Operational presence near Special Economic Zones Fleet modernisation; EV roadmap in development CSR programme covering youth development and road safety



3rd Strategic Direction

Leading with Purpose. Building with Discipline.



Our Strategy

Cherry's strategy is built around five integrated pillars designed to drive sustainable growth, reinforce competitive advantage, and fulfil the Company's obligations as a publicly-listed entity.

#	Strategic Pillar	Description	Key 2025 Actions
1	Sustainable Growth	Capitalise on growing demand for fleet leasing backed by Vision 2030 and rising private vehicle demand	Revenue backlog surpassed SAR 1.2B; including VAT ;LT lease fleet expanded to 15,600+ vehicles
2	Operational Efficiency	Maintain rigorous standards of fleet management, maintenance, and cost control to protect margins	Seven in-house workshops; active fleet rotation; cost of revenue tightly managed
3	Market Expansion	Extend geographic coverage in underserved regions; grow short-term rental aligned with tourism	Network maintained at 23 branches; SEZ presence near Ras El-Khair and Jazan
4	Digital Transformation	Implement data-driven tools for demand forecasting, fleet optimisation, and digital customer experience	Digital lease portal enhanced; B2C showroom opened
5	Customer-Centric Innovation	Develop tailored fleet packages and value-added services to enhance retention and attract new segments	Flexible leasing contracts; 24/7 roadside assistance; third-party vehicle valuations introduced

Investment Case

Cherry presents a compelling investment case built on a set of distinctive and durable competitive advantages:

Competitive Advantage	Evidence
Strong market position	4th largest in KSA long-term leasing; 8.8% revenue market share growing at +1.1pp YoY
Recurring revenue model	73.1% of revenue from long-term leases with multi-year contracts; SAR 1.2B backlog (including VAT).
Blue-chip client base	187+ active clients spanning government ministries, semi-government, and major corporates
45+ years operating history	Deep institutional knowledge, established supplier relationships, regulatory track record
Nationwide footprint	23 branches, 4 offices, 1 showroom, and 7 maintenance workshops across the Kingdom
Integrated business model	Leasing, rental, and used vehicle sales maximise fleet lifecycle value and return on assets
Vision 2030 alignment	Etimad registered vendor; government fleet outsourcing tailwinds; SEZ presence
Conservative financial profile	Positive net margins every year for 5 years; equity-to-assets ratio of 33%

IPO & Listing

One of the most significant milestones in Cherry Trading Company's history was achieved during 2025, the successful completion of its Initial Public Offering (IPO) and listing on the Main Market of the Saudi Exchange (Tadawul). The Offering consisted of 9,000,000 ordinary shares, representing 30% of the Company's share capital, offered entirely as a secondary offering from the selling shareholders.

IPO Parameter	Detail
Issuer	Cherry Trading Company
Listing Venue	Main Market of the Saudi Exchange (Tadawul)
Offering Size	30% of share capital (9,000,000 shares)
Selling Shareholders	Saudi Edarah Holding Company (98.5% of offered shares) and Mr. Abdulaziz AlSowail (1.5%)
Offer Timing	November 2025 (Subscription 12-13 Nov; Allotment 19 Nov)
Lock-up Period	180 days for substantial shareholders post-listing



4th Operational Performance

Three Segments. One Integrated Model.



Segment Performance Overview

The following table presents Cherry's financial performance by business segment for the year ended 31 December 2025, compared to 2024.

Description (SAR)	Long-Term Lease	Short-Term Rental	Vehicle Sales	Total 2025
Revenue	378,386,712	25,420,996	114,082,070	517,889,778
Depreciation - Motor Vehicles	(125,407,324)	(6,575,865)	–	(131,983,189)
Cost of Vehicles Sold	–	–	(109,913,947)	(109,913,947)
Segment Profit	252,979,388	18,845,131	4,168,123	275,992,642
% of Total Revenue	73.1%	4.9%	22.0%	100%
YoY Revenue Growth	+16.7%	+19.9%	+4.6%	+13.9%

Comparative 2024 revenue: LT Lease SAR 324.3M

Short-Term Rental SAR 21.2M

Vehicle Sales SAR 109.1M

Total SAR 454.7M



Long-Term Leasing

The long-term leasing segment represents the core of Cherry's business and its most strategic growth engine. Revenue grew to SAR 378.4 million in 2025, a 16.7% increase over 2024, driven by fleet expansion and new contract wins with government and semi-government clients.

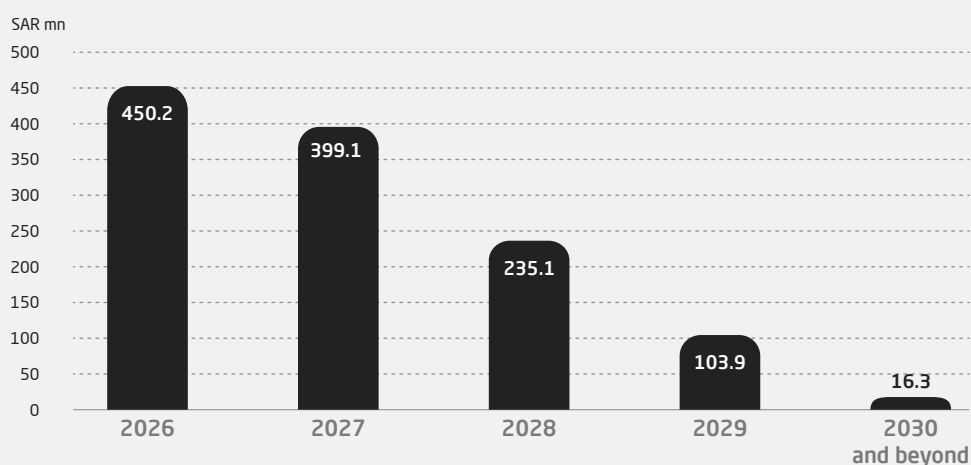
Key Metric	2025	2024
Revenue (SAR)	378,386,712	324,341,993
Active Fleet	~15,600+ vehicles	14,597 vehicles
Number of Active Clients	187+	187+
Contract Backlog (inc. VAT)	SAR ~1.2 billion	SAR 1.2 billion
% of Total Revenue	73.1%	71.3%
YoY Revenue Growth	+16.7%	+33.2%
Segment Profit	SAR 252,979,388	SAR 223,149,357

Revenue Backlog Schedule

The Company's contracted backlog provides the following forward revenue schedule:

Year	Contracted Backlog (SAR mn)	Commentary
2026	450.2	Near-term revenue largely secured
2027	399.1	High visibility for near-term planning
2028	235.1	Mid-term contracts in place
2029	103.9	Longer-duration contracts
2030 and beyond	16.3	Extended-term contracts
Total	1,204.6	Total contracted backlog incl. VAT

LT Lease Revenue Backlog by Year



Key Operational Highlights

- Fleet of approximately 15,600+ vehicles under active long-term lease contracts
- 187+ active clients spanning government, quasi-government, and large corporate entities
- Flexible contract periods ranging from 1 to 5 years with customisable vehicle specifications
- Services include 24-hour roadside assistance, comprehensive maintenance, insurance, and digital lease portal
- Active participation on Etimad platform for government fleet procurement tenders
- 30-40% win rate on actively bid tenders (management estimates), with Cherry continuously bidding on 30-50 contracts per annum

Short-Term Rental

The short-term rental business operates through Cherry's nationwide branch network. Revenue grew 19.9% to SAR 25.4 million in 2025, supported by geographic expansion and improving digital booking channels.

Key Metric	2025	2024
Revenue (SAR)	25,420,996	21,202,658
% of Total Revenue	4.9%	4.7%
Workshops	7 dedicated	—
Fleet as of 31 Dec	~1,200+ vehicles	1,000+

Key Highlights

- 23 strategically located city branches including flagship, medium, and small-size formats
- 7 dedicated maintenance workshops supporting fleet quality and reliability
- Services include one-way rentals, flexible drop-off, child seats, unlimited mileage packages, extra insurance options
- Branch types: Flagship (e.g. Abha), Medium (e.g. Jeddah, Al Khobar), and Small city stations
- Dedicated Head of Daily Rental onboarded in Q2 2025 to lead segment expansion
- Digital booking channels being enhanced as part of the broader digital transformation initiative

Used Vehicle Sales

The used vehicle sales segment provides an efficient exit mechanism for fleet vehicles at the end of their useful lifecycle. Revenue reached SAR 114.1 million in 2025, supported by 3,052 vehicles sold during the year.

Key Metric	2025	2024
Revenue (SAR)	114,082,070	109,110,992
% of Total Revenue	22.0%	24.0%
Vehicles Sold	2,568	3,052
Showrooms	1 (Riyadh, opened 2025)	None dedicated

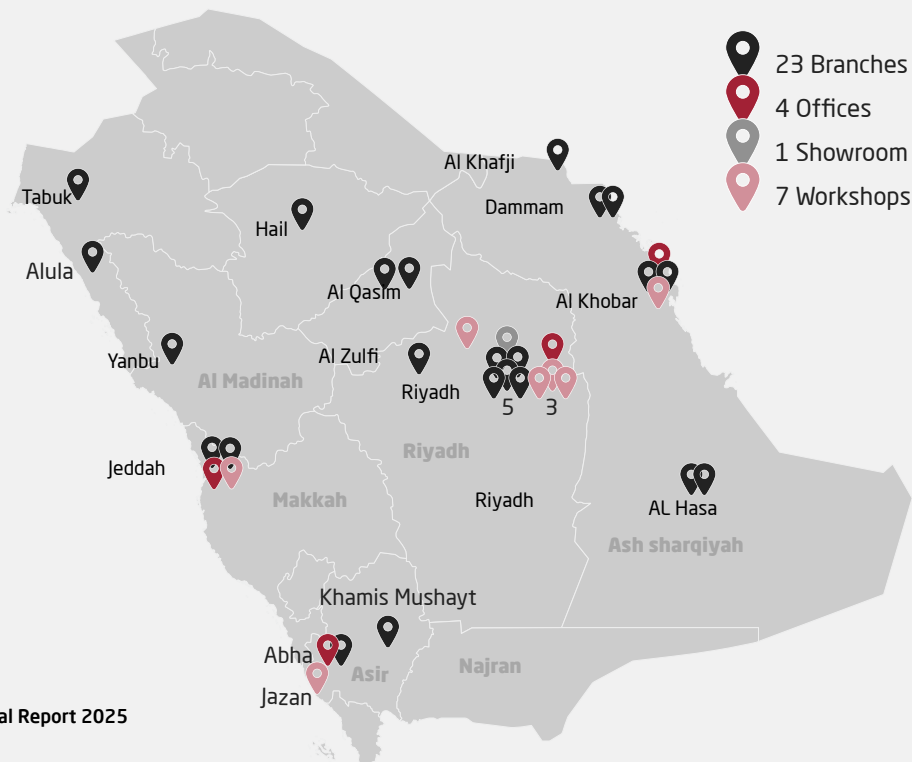
Key Highlights

- Rental fleet vehicles typically transferred to sale after approximately 3 years of lifecycle
- Leasing fleet vehicles sold upon expiry of lease contracts (typically within 3-5 years)
- All vehicles undergo comprehensive pre-disposal inspection and independent third-party assessment
- New B2C showroom opened in Riyadh in 2025, targeting premium pre-owned vehicle buyers
- Plans to expand showroom presence to Jeddah and Dammam as part of B2C strategy in 2026

Geographical Footprint

Cherry operates a nationwide network strategically distributed across the Kingdom, covering all major population centres and Special Economic Zones. As of 31 December 2025, the network comprised 23 branches and 7 maintenance workshops. The 2025 network is confirmed in the table below from the Company's official geographic disclosure.

As of 31 December 2025G					
Region	City	Branches	Workshops	Offices	Showrooms
Central Region	Riyadh	5	3	1	1
	Al Qassim	2	-	-	-
	Al Zulfi	1	-	-	-
	Jalajil	-	1	-	-
Total Central Region		8	4	1	1
Eastern Region	Dammam	2	-	-	-
	Al Khobar	2	1	1	-
	Al Hasa	2	-	-	-
	Al Khafji	1	-	-	-
Total Eastern Region		7	1	1	-
Western Region	Jeddah	2	1	1	-
	Yanbu	1	-	-	-
Total Western Region		3	1	1	-
Northern Region	Tabuk	1	-	-	-
Northern Region	Hail	1	-	-	-
Northern Region	Alula	1	-	-	-
Total Northern Region		3	0	-	-
Southern Region	Abha	1	-	1	-
	Khamis Mushayt	1	-	-	-
	Jizan	-	1	-	-
Total Southern Region		2	1	1	-
Total		23	7	4	1

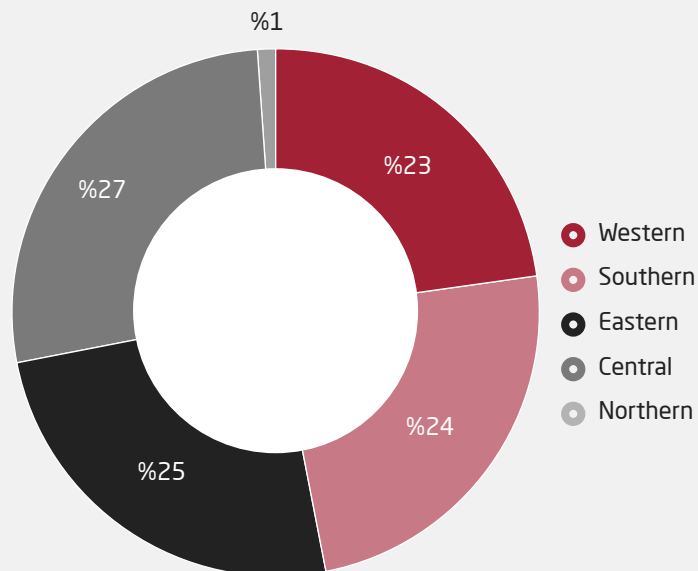


Short-Term Rental – Revenue by Region (2025 vs 2024)

Region	STR Revenue 2025 (SAR)	% 2025	STR Revenue 2024 (SAR)	% 2024
Central	6,859,906	27%	3,095,588	15%
Eastern	6,228,176	25%	5,512,691	26%
Southern	6,210,264	24%	7,738,970	36%
Western	5,927,029	23%	4,834,206	23%
Northern	195,621	1%	21,203	0%
Total	25,420,996	100%	21,202,658	100%

The Central region’s share of STR revenue doubled from 15% to 27% in 2025, reflecting new branch activity in Riyadh. Northern region increased from negligible to SAR 195,621 – the Alula branch becoming operational.

Short-Term Rental: Revenue By Region (FY2025)





5th Our People

The foundation of every achievement.



HR Strategy & Workforce Profile

Cherry Trading Company's people are its most important competitive asset. The Company's HR strategy is focused on attracting, developing, and retaining talented Saudi and non-Saudi professionals who share Cherry's commitment to service excellence, operational discipline, and sustainable growth.

HR Strategic Objectives

Horizon	Objectives	Key Initiatives
Short-Term (0-12 months)	Optimise recruitment; reduce time-to-hire; improve onboarding	Structured job profiles; digital recruitment channels; onboarding programme
Medium-Term (1-3 years)	Skill development; retention; leadership pipeline	Training academies; performance-linked incentives; internal promotion pathways
Long-Term (3-5+ years)	Sustainable Saudi-majority workforce; employer-of-choice	Saudisation targets aligned with Vision 2030; university partnerships; succession planning

Training & Development

In 2025, Cherry's training and development programme focused on three key areas: operational excellence, digital skills, and leadership development.

Key Training initiatives

- Fleet management and vehicle technical training for Operations division employees
- Customer service excellence programme for branch and rental staff
- Digital literacy and technology adoption training aligned with the Company's digital transformation roadmap
- Leadership development programme for mid-management and high-potential employees
- Compliance and governance training for all employees, including CMA regulations awareness
- Health and safety training across all branch, workshop, and showroom locations

Saudisation & Diversity

Cherry's Saudisation programme is a core strategic commitment aligned with the Kingdom's Vision 2030 workforce nationalisation goals.

Saudisation highlights

- Daily Rental segment achieved 85.1% Saudisation – the highest rate across all Company departments
- Frontline and operational roles demonstrate consistently strong nationalisation rates
- Structured career development pathways established for Saudi national employees to grow into senior and specialist roles
- Partnerships with local educational institutions to develop the pipeline of future Saudi talent

Diversity and inclusion

- Cherry is committed to equal opportunities for all employees regardless of background, gender, or nationality
- The Company promotes an inclusive culture that values diverse perspectives and recognises individual contributions
- Female employee engagement is actively promoted in line with Vision 2030 objectives

Compensation and benefits

Cherry offers competitive compensation packages aligned with local market standards. Benefits include:

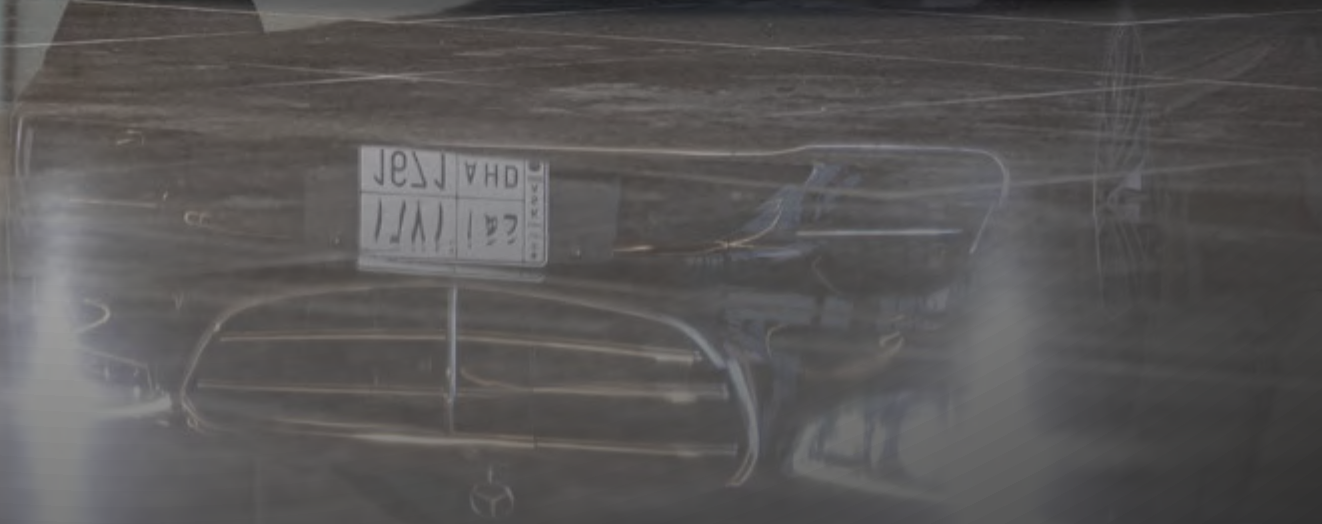
- comprehensive medical insurance;
- annual leave in accordance with Saudi Labour Law;
- end-of-service benefits;
- performance-linked incentive schemes;
- and training and development investment as part of total compensation.





6th Digitalization & Innovation

Technology as a competitive advantage.



Digital Strategy & Roadmap

Cherry Trading Company recognises that digital transformation is a critical enabler of operational efficiency, client experience, and competitive differentiation. As a newly-listed company, Cherry is committed to building the digital infrastructure required to deliver service excellence at scale.

Strategic Digital Priorities

Priority	Description	Status
Digital Lease Management Portal	Client-facing portal for contract management, vehicle tracking, maintenance, and invoice management	Active – continuous enhancement in 2025
Demand Forecasting & Fleet Analytics	Data analytics for fleet utilisation optimisation and proactive maintenance	In development
Digital Booking & Rental Channels	Online and mobile booking platforms for short-term rental customers	Active – enhancement planned for 2026
ERP & Financial Systems	Core enterprise resource planning supporting financial reporting and fleet inventory	Active – upgrade review for 2026
Cybersecurity Framework	Data protection, access controls, and security monitoring appropriate for a listed company	Baseline established – ISO 27001 target for 2026

Technology Initiatives in 2025

Digital lease management portal

Cherry's digital lease management portal continued to be enhanced in 2025, providing long-term lease clients with a comprehensive suite of self-service capabilities including contract management, vehicle tracking, maintenance requests, and invoice access.

B2C digital channels for used vehicle sales

The opening of Cherry's first dedicated B2C used vehicle showroom in Riyadh was supported by digital marketing and customer acquisition capabilities. The Company plans to develop a comprehensive online used vehicle marketplace as part of its B2C expansion strategy for 2026.

Looking Ahead: Digital Roadmap for 2026

- Mobile application for short-term rental booking and fleet management
- Advanced fleet utilisation analytics powered by telematics data
- Customer loyalty programme digital platform
- ISO 27001 cybersecurity certification target
- Integration of AI-driven demand forecasting tools for fleet procurement planning
- Expansion of e-auction capabilities to include third-party vehicle valuations



7th Financial Performance

Five Years of Consistent, Disciplined Growth.



CFO's Detailed Review

Cherry's financial performance in 2025 reflects the robustness of our core business model and the successful execution of our operational strategy. Total revenue grew to SAR 517.9 million (+13.9%), driven primarily by a 16.7% increase in long-term lease revenues. Gross profit reached SAR 154.4 million, representing a gross margin of 29.8%. Net profit after zakat increased to SAR 71 million (+12.7%), supported by strong operating leverage and disciplined cost management.

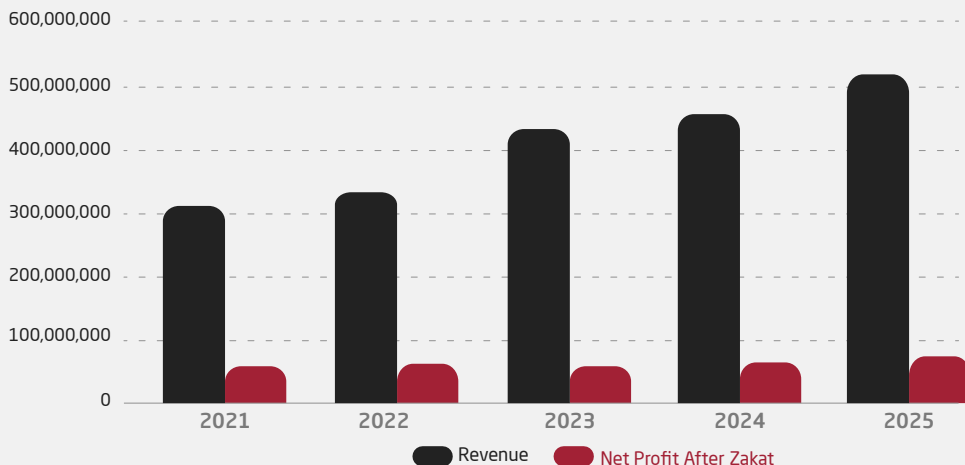
Finance costs increased to SAR 59.3 million (2024: SAR 47.3 million), reflecting the higher debt base associated with fleet expansion investments. Total assets reached SAR 1.77 billion. Shareholders' equity increased to SAR 585 million, supported by the year's net earnings.

Five-Year Financial Summary

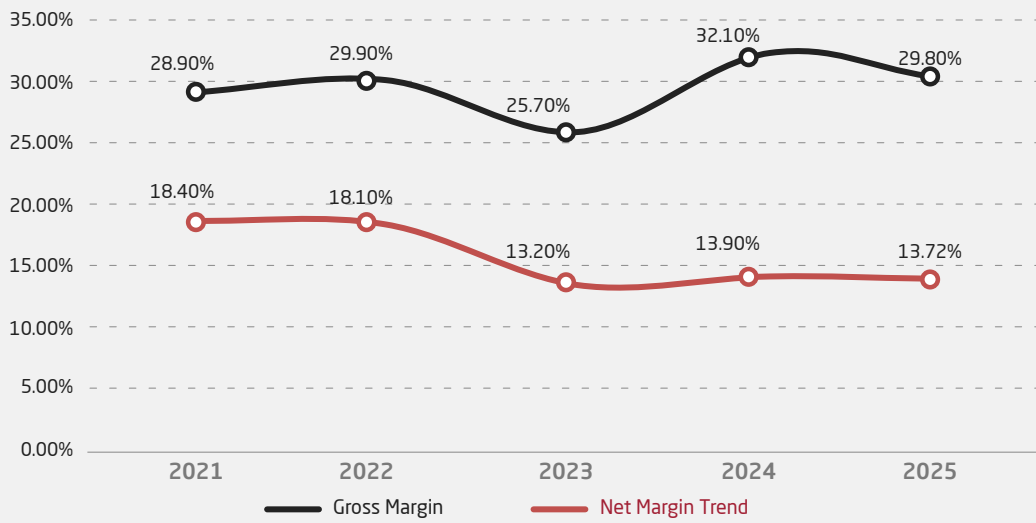
Statement of Profit or Loss

Description (SAR)	2021	2022	2023	2024	2025
Revenue	309,170,187	331,932,764	431,840,711	454,655,643	517,889,778
Cost of Revenue	(219,807,958)	(232,848,974)	(320,718,853)	(308,697,681)	(363,526,268)
Gross Profit	89,362,229	99,083,790	111,121,858	145,957,962	154,363,510
G&A Expenses	(18,232,143)	(20,794,754)	(25,341,569)	(25,078,173)	(30,035,080)
Selling & Marketing	(1,255,661)	(3,196,815)	(4,111,942)	(4,282,523)	(5,147,665)
Other Income	4,613,356	6,761,087	5,186,862	6,599,771	13,987,385
Impairment loss on trade receivables	(9,367,322)	(9,848,363)	(5,765,099)	(10,627,150)	(1,200,000)
Operating Profit	65,120,459	72,004,945	81,090,110	112,569,887	131,968,150
Finance Costs	(5,005,802)	(9,455,745)	(21,415,212)	(47,316,926)	(59,293,142)
Gain/(Loss) on derivative instruments at FVPL	1,242,361	1,210,233	(605,432)	(40,194)	-
Zakat	(4,447,629)	(3,729,135)	(2,162,640)	(2,159,940)	(1,638,489)
Net Profit After Zakat	56,909,389	60,030,298	56,906,826	63,052,827	71,036,519
Earnings Per Share (SAR)	1.90	2.00	1.89	2.10	2.37

Revenue vs Net Profit After Zakat



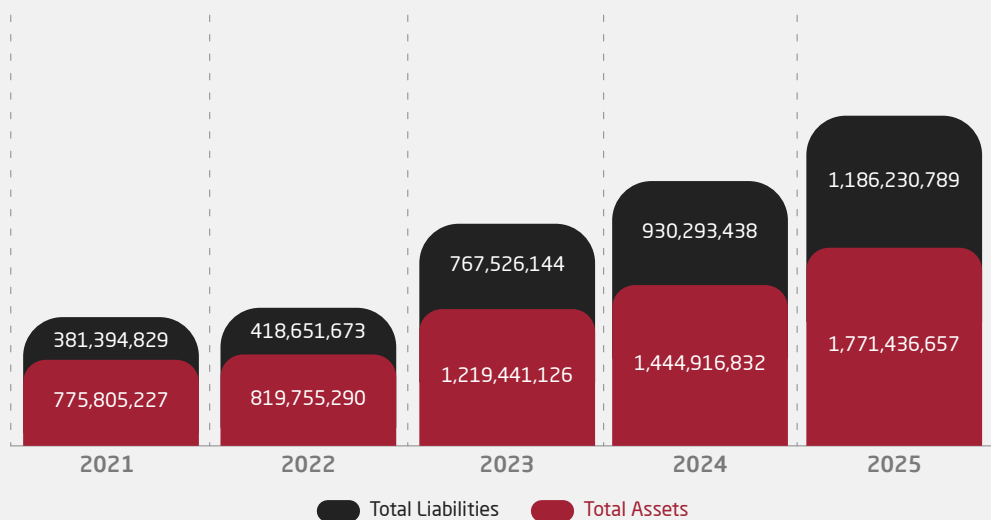
Gross Margin & Net Margin Trend (%)



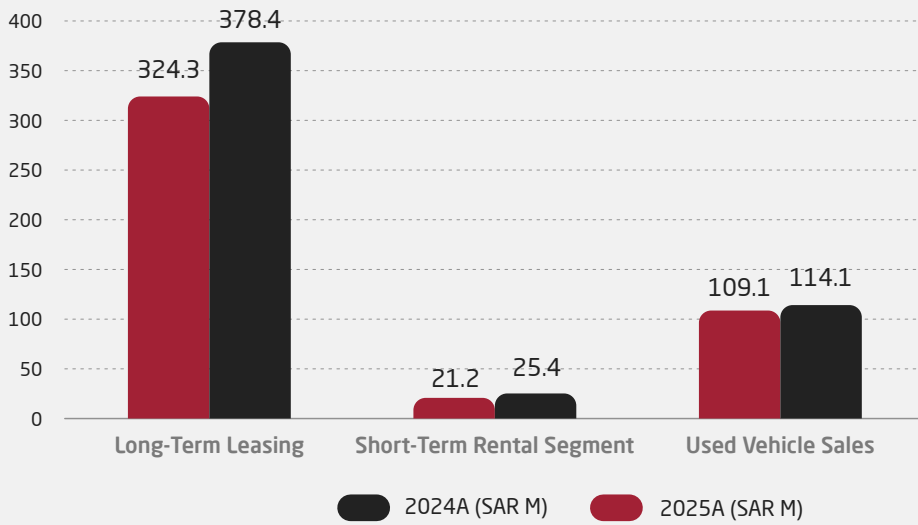
Statement of Financial Position

Description (SAR)	2021	2022	2023	2024	2025
Non-Current Assets	609,162,058	592,264,525	939,152,274	1,149,692,928	1,391,257,140
Current Assets	166,643,169	227,490,765	280,288,852	295,223,904	380,179,517
Total Assets	775,805,227	819,755,290	1,219,441,126	1,444,916,832	1,771,436,657
Share Capital	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000
Total Shareholders' Equity	394,410,398	401,103,617	451,914,982	514,623,394	585,205,868
Non-Current Liabilities	191,155,709	131,972,427	341,548,713	558,203,218	571,444,352
Current Liabilities	190,239,120	286,679,246	425,977,431	372,090,220	614,786,437
Total Liabilities	381,394,829	418,651,673	767,526,144	930,293,438	1,186,230,789

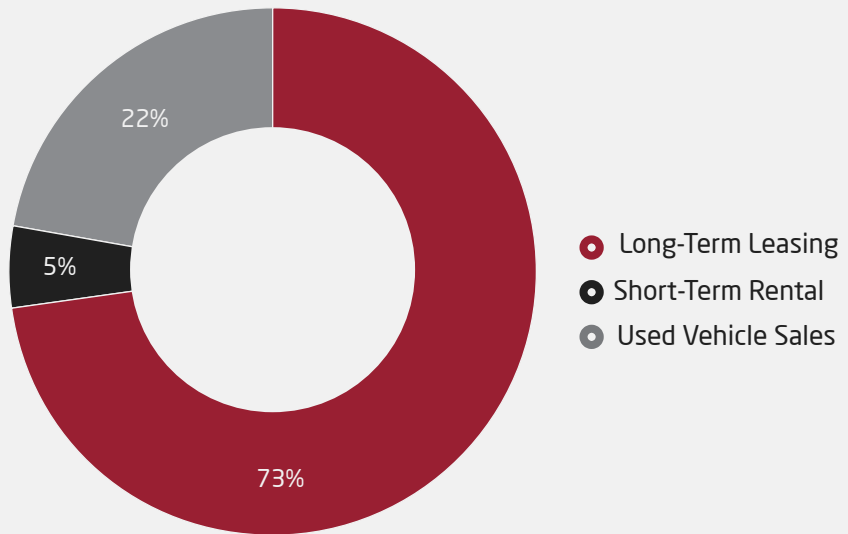
Assets: Equity vs Liabilities (SAR M)



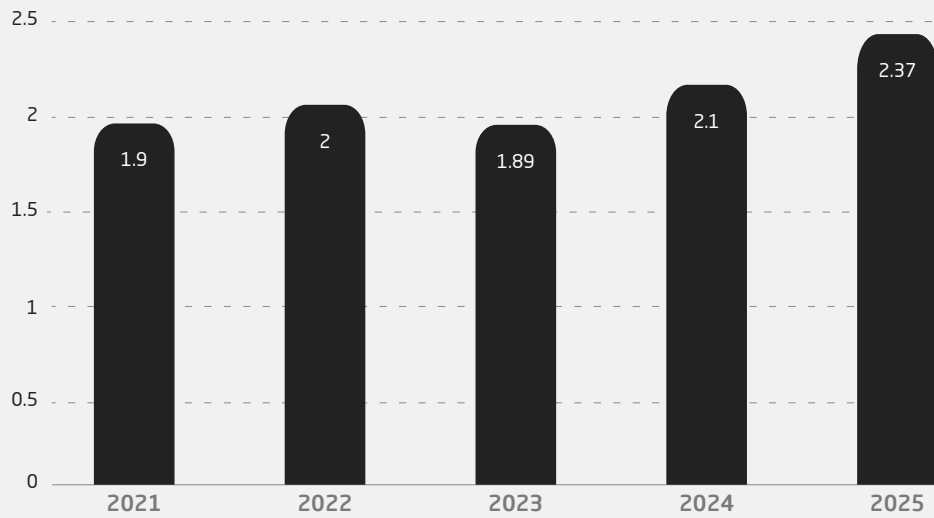
Revenue by Segment: 2024A vs 2025A (SAR M)



FY2025 Revenue Mix



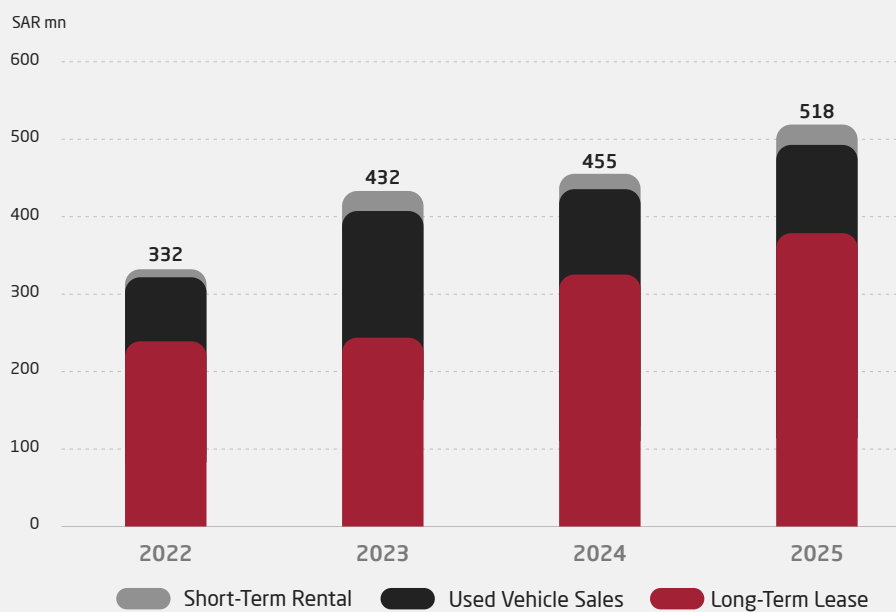
Earnings Per Share (SAR) - Five-Year History



Revenue Distribution by Activity

Activity	2025 (SAR)	2024 (SAR)	2025 % of Total	YoY Growth
Long-Term Lease	378,386,712	324,341,993	73.1%	+16.7%
Used Vehicle Sales	114,082,070	109,110,992	22.0%	+4.6%
Short-Term Rental	25,420,996	21,202,658	4.9%	+19.9%
Total Revenue	517,889,778	454,655,643	100%	+13.9%

Revenue by Business Segment



Historical Revenue Analysis (2022-2025)

Cherry's revenues grew at a 16.0% CAGR from 2022 to 2025, driven primarily by long-term leasing fleet expansion and contract wins. The following table provides a four-year breakdown by segment.

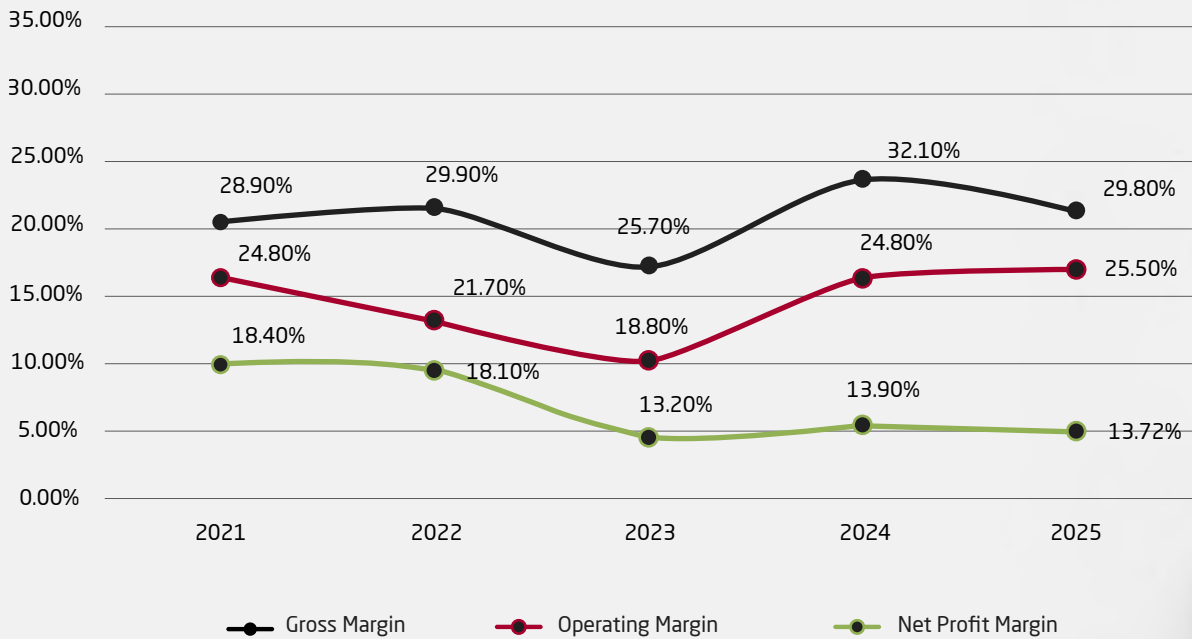
Segment (SAR mn)	2022A	2023A	2024A	2025A	CAGR 22-25
Long-Term Lease	239.4	243.4	324.3	378.4	+16.5%
Short-Term Rental	9.0	25.8	21.2	25.4	+41.3%
Vehicle Sales	83.5	162.7	109.1	114.1	+11.0%
Total Revenue	331.9	431.8	454.7	517.9	+16.0%

On a like-for-like basis, net profit grew 12.7% to SAR 71mn, and EPS of SAR 2.37 represents a 12.7% increase over 2024.

Key Profitability Ratios (2022-2025)

Ratio	2022A	2023A	2024A	2025A
Net Profit Margin	18.1%	13.2%	13.9%	13.9%
Revenue Growth YoY	—	+30.1%	+5.3%	+13.9%
Net Profit Growth	—	(5.2%)	+10.9%	+12.7%
EPS (SAR)	2.00	1.90	2.10	2.37
Return on Equity	15.0%	12.6%	12.3%	12.3%
Equity-to-Assets	48.9%	37.1%	35.6%	33%

(%) Profitability Margins



Balance Sheet Highlights

- As at 31 December 2025, the Company's key balance sheet indicators reflect a financially sound and growth-oriented position:
- Total assets grew to SAR 1.77 billion, primarily driven by ongoing fleet investment under the vehicle leasing and rental segments
- Non-current assets (principally property and equipment – motor vehicles) reached SAR 1.35 billion, reflecting the capital-intensive nature of the fleet leasing business
- Shareholders' equity reached SAR 585.2 million, representing an equity-to-assets ratio of approximately 33%
- Total liabilities stood at SAR 1.19 billion, with a balanced split between current and non-current obligations
- Term loan facilities from Riyadh Bank, Arab National Bank (ANB), and Saudi Investment Bank (SAIB) represent the principal long-term debt instruments (SAIBOR + 1.25% to 1.50%, maturities to 2030)

Bank Facilities

As at 31 December 2025, the Company's principal banking facilities are summarised as follows:

Financing Entity	Opening Balance as of 1 Jan 2025 - Principal amount	Loan availed during the year - principal amount	Loan repaid - Principal Amount	Closing Balance as of 31 Dec 2025 - Principal amount	Loan Term
Riyadh Bank	450,541,166	142,044,841	(148,196,308)	444,389,699	36 to 48 months
SAIB	167,224,042	71,401,127	(39,889,776)	198,735,393	36 to 48 months
ANB	184,859,189	47,999,069	(35,778,478)	197,079,780	36 to 48 months

All facilities are utilised for vehicle purchases in support of the Company's core leasing and rental operations. Maturities extend to 2030, providing medium-term funding certainty for fleet investment.







8th Corporate Social Responsibility & Sustainability

Building a Better Kingdom through Responsible Business.

Social Contributions

Cherry Trading Company is committed to playing an active role in the Kingdom's social and economic development. As a company with deep roots spanning more than four decades, Cherry recognises that its long-term licence to operate is tied to its positive impact on the communities it serves.

Initiative	Description	Impact
Saudisation	Active recruitment, training, and retention of Saudi nationals across all functions	Daily Rental at 85.1%; structured career development pathways
Employment Creation	Nationwide expansion across 23 branches, 4 offices, and 7 workshops creating direct employment in regional cities	Contribution to regional economic development aligned with Vision 2030
Youth Development	Supporting Saudi professional development through structured on-the-job training, mentorship, and career pathways	Building the next generation of Saudi mobility professionals
Regional Services	Operational presence in Abha, Tabuk, Al Ahsa, Az Zulfi, and Special Economic Zones	Essential mobility services to communities in underserved regions
Special Economic Zones	Presence near Ras El-Khair SEZ and Jazan SEZ	Supporting Vision 2030 industrial development agenda



Community Initiatives

In 2025, the Company participated in and supported a number of community-oriented initiatives:

- Supporting Vision 2030 infrastructure projects by providing fleet solutions for government entities engaged in national development projects
- Active participation in local business forums promoting best practices in fleet management and corporate governance
- Contributing to road safety awareness through the promotion of well-maintained, regularly inspected fleet vehicles
- Supporting Special Economic Zone development through operational presence near Ras El-Khair SEZ and Jazan SEZ

Sustainability Commitments

Cherry Trading Company acknowledges the growing importance of environmental, social, and governance (ESG) considerations in the context of Vision 2030's sustainability agenda and the expectations of shareholders of a listed entity.

Environmental Commitments

- Fleet Modernisation: Continuous fleet refresh with newer model vehicles meeting evolving fuel efficiency and emissions standards
- Fleet Lifecycle Optimisation: Efficient fleet rotation minimises waste and extends the productive life of each vehicle
- Electric Vehicle (EV) Roadmap: Developing a roadmap for gradual EV fleet introduction aligned with the Kingdom's target of 30% EV penetration in Riyadh by 2030
- Digital Operations: Transition toward digital lease management, e-auction platforms, and demand forecasting tools reduces paper-based processes

Social Commitments

- Commitment to Saudisation targets aligned with Vision 2030 across all branches and departments
- Ongoing investment in employee wellbeing, safety, and professional development
- Provision of mobility solutions supporting economic activity across urban and regional communities

Governance Commitments

- Full compliance with CMA Corporate Governance Regulations and the Companies Law
- Maintenance of an independent Board majority with robust committee oversight
- Commitment to transparency, timely disclosure, and proactive shareholder communication
- Strengthening of internal controls, risk management, and audit capabilities as befits a listed entity

The Board intends to progressively formalise Cherry's ESG reporting framework in coming annual reporting cycles, targeting IFRS S1/S2 adoption from FY2027 in alignment with the Saudi Exchange ESG Reporting Guide recommendations.



9th Risk Management

Identifying, monitoring, and managing risk responsibly.



Our Approach to Risk

Effective risk management is central to Cherry Trading Company's ability to deliver sustainable value to our shareholders, clients, and employees. The Board of Directors maintains ultimate responsibility for setting the Company's risk appetite and overseeing its enterprise-wide risk management framework. The Audit Committee, established in October 2024, provides independent oversight of risk management processes, internal controls, and financial reporting integrity. Executive management is responsible for identifying, monitoring, and responding to risks in the ordinary course of operations, with material matters escalated to the Audit Committee and Board on a regular basis.

The Company identifies risks across four principal categories:

- Operational and Fleet Risks,
- Financial and Liquidity Risks,
- Market and Industry Risks,
- and Governance and Compliance Risks.

Each category is described below, together with the management response that Cherry has in place to monitor and mitigate the relevant exposures.

Operational and Fleet Risks

Fleet Availability and Vehicle Procurement

Cherry's core business depends on our ability to maintain an adequate supply of vehicles across the long-term leasing and short-term rental segments. Vehicle procurement is subject to global supply chain dynamics, manufacturer lead times. The Company's fleet is sourced primarily from Japanese and Korean brands which account for approximately 80% of the active fleet and benefit from strong resale values and broad parts availability across the Kingdom.

Our Response We manage procurement risk through multi-brand sourcing across authorised dealers, a forward purchase pipeline aligned with our contracted backlog, and buffer stock at key operational hubs. Global supply chain conditions have normalised since 2023, with lead times returning to standard levels, and the Company's procurement planning is calibrated accordingly.

Contract Renewal and Backlog Execution

Long-term lease contracts are typically structured for three to five years at fixed lease rates, with no contractual adjustment clauses for changes in operational costs over the contract period. Risks include the non-renewal of contracts upon expiry and the inability to replace expiring revenue with new contract wins at comparable values. The Company's contracted revenue backlog stood at SAR 1.2 billion (including VAT), providing strong near-to-medium-term visibility.

Our Response Cherry's tendering function actively bids on 30 to 50 government and quasi-government fleet contracts per annum, achieving a consistent win rate of 30-40%. Fleet lease rates are set using conservative multi-year cost projection models, and the Company's presence on the Etimad government procurement platform ensures participation in all major government fleet events. Our strategy of deepening relationships with existing clients while continuously adding new institutional clients supports a healthy and diversifying backlog.

Asset Quality and Residual Value

Cherry's financial performance is sensitive to the residual values realised on vehicle disposals. Changes to vehicle useful life or residual value assumptions, such as the restatement effected in 2024 – can materially affect the carrying value of the fleet and reported profitability.

Our Response Fleet rotation policy targets disposal within three to five years for leasing vehicles and approximately two years for rental fleet. Residual value assumptions are reviewed annually against independent third-party market assessments. The launch of our B2C used vehicle showroom in Riyadh in 2025 broadened the buyer pool and support more competitive disposal pricing. All material accounting estimate changes are reviewed and approved by the Audit Committee and external auditors before being applied.

Vehicle Safety, Insurance, and Maintenance

Maintaining a safe, well-maintained, and comprehensively insured fleet is both a regulatory requirement and an operational imperative. Vehicle theft, accidents involving uninsured counterparties, or major fleet damage events represent potential direct financial exposures that could affect profitability.

Our Response Cherry maintains comprehensive fleet insurance policies, renewed annually and covering all vehicle categories across all segments. GPS tracking is installed across the active fleet to support vehicle monitoring and recovery. Lease agreements contain contractual provisions assigning liability for vehicle damage or misuse to the lessee. Our seven in-house maintenance workshops reduce third-party dependency and ensure consistent fleet quality standards across the network.

Financial and Liquidity Risks

Leverage and Debt Serviceability

Cherry's fleet expansion strategy is capital-intensive, with approximately 80% of vehicle purchases financed through external bank facilities. The debt service coverage ratio was 0.74x in 2024, below the conventional threshold of 1.0x, indicating that operating cash flows in isolation do not fully cover debt service in a period of high capital investment.

Our Response Cherry's three banking relationships – Riyadh Bank, Arab National Bank, and Saudi Investment Bank – provide diversified access to facilities with staggered maturities extending to 2030.

The SAR 1.2 billion contracted revenue backlog including VAT provides forward cash flow visibility to support debt service obligations, and management is targeting improvement in DSCR above 1.0x by end of 2026 as the fleet reaches full revenue utilisation under existing contracts.

Interest Rate Exposure

All of Cherry's bank facilities are priced on a floating rate basis at SAIBOR plus a spread of 1.25% to 1.50%. Following the expiry of the Company's interest rate swap in March 2024, Cherry is fully exposed to movements in SAIBOR without the benefit of a hedging instrument. Management estimates that a 100 basis point increase in SAIBOR would increase annual finance costs by approximately SAR 8.4 million. Finance costs reached SAR 59.3 million in FY2025, equivalent to 11.4% of revenues.

Our Response Management actively monitors SAIBOR movements and has initiated a review of available hedging instruments. The Company is evaluating the reinstatement of an interest rate swap or cap arrangement to partially fix its interest rate exposure on a portion of the outstanding facilities. Cherry's fixed-rate lease contracts – which are not linked to financing costs – provide a natural partial offset, as lease revenues are unaffected by rate movements that increase finance costs.

Market and Industry Risks

Macroeconomic and Spending Conditions

While government and quasi-government fleet demand is relatively stable and underpinned by contracted obligations, the Company's used vehicle sales and short-term rental segments are more sensitive to consumer confidence, corporate travel budgets, and macroeconomic conditions. A sustained slowdown in Saudi GDP growth, reduction in government procurement activity, or contraction in inbound tourism could adversely affect one or more segments. Vision 2030's infrastructure and tourism programme provides a powerful structural tailwind, but is not immune to oil price cycles or global economic headwinds.

Our Response Cherry's long-term leasing segment represents 73.1% of revenues and is secured under multi-year contracts, providing strong cyclical resilience. The SAR 1.2 billion contracted backlog including VAT further insulates near-term revenues. Our STR and used vehicle businesses are being scaled in a measured and capital-disciplined manner, limiting downside exposure if economic conditions soften in either segment.

Evolving Mobility and Transportation Landscape

Saudi Arabia's transportation landscape is undergoing meaningful structural evolution. The Riyadh Metro became fully operational in December 2024, and the government's long-term transport infrastructure programme includes additional transit lines and bus networks across major cities. The national target of achieving a 30% electric vehicle adoption rate by 2030 will require fleet operators to invest in EV procurement, charging infrastructure, and revised maintenance capabilities. The ongoing growth of ride-hailing platforms also influences short-term rental usage patterns, particularly in urban centres.

Our Response Cherry's institutional client base – government ministries, quasi-government entities, and large corporates – has fleet requirements driven by operational necessity rather than individual transport preference, providing insulation from public transit substitution. The Company actively monitors the EV transition and is evaluating the introduction of electric vehicles into both the leasing and rental fleets in alignment with Vision 2030 targets. We anticipate that the EV transition will generate fleet renewal demand rather than reduce it.

Regulatory and Compliance Environment

Operating as a listed company on the Saudi Exchange subjects Cherry to an expanding set of regulatory obligations from the CMA, Tadawul, the Transport Authority, ZATCA, and the Ministry of Human Resources (Nitaqat/Saudisation). Regulatory changes – including CMA rule amendments, evolving PDPL data privacy requirements, changes to vehicle licensing or safety standards, or increases in government fees for non-Saudi employees – could increase compliance costs or require operational adjustments. Zakat assessments for 2019 to 2024 remain pending formal ZATCA determination.

Our Response Cherry maintains a dedicated compliance function that tracks regulatory developments across all relevant authorities. External legal and tax advisers are retained for specialist matters. The Board and Audit Committee receive regular compliance updates, and the Corporate Governance Manual – effective January 2025 – is applied across all governance and disclosure obligations. The Selling Shareholders provided pre-IPO indemnities in connection with zakat liabilities attributable to periods prior to listing.

Governance and Compliance Risks

New Listed Company Governance

Cherry became a publicly listed company on the Saudi Exchange in December 2025. As a first-year listed entity, the Company is implementing the full suite of CMA Corporate Governance Regulations, Listing Rules, and continuing obligations for the first time. The Board's Audit Committee was established in October 2024 and the Nomination and Remuneration Committee in January 2025, with both committees completing their first full operational year in 2025. The Company also adopted a new Corporate Governance Manual effective January 2025. The transition to listed company status introduces new responsibilities around disclosure, investor communication, and regulatory engagement that require investment in processes and capabilities.

Our Response Cherry's Board consists of five Directors – four of whom (80%) are Independent – exceeding CMA minimum requirements. Both Board committees are composed entirely of Independent Directors. External governance advisers supported the drafting of committee charters and the Corporate Governance Manual. The Company has established a dedicated Investor Relations function and implemented a structured disclosure calendar aligned with Tadawul continuing obligation timelines. All material announcements are reviewed by the Board and external legal counsel before release.

Information Technology and Data Privacy

Cherry's operations are dependent on three core technology platforms: CarPro for fleet management, SAP Business One for financial reporting, and Menaitech for human resources. The failure, breach, or prolonged outage of any of these systems could disrupt billing, receivables management, contract administration, or financial reporting. The Personal Data Protection Law (PDPL), effective September 2023, imposes specific obligations on the collection, processing, and storage of customer and employee personal data, with penalties of up to SAR 5 million per incident for non-compliant organisations.

Our Response Business continuity and disaster recovery procedures are maintained for all critical systems. The PDPL compliance programme – initiated in 2024 – includes staff training, data access controls, and an external legal review of all customer-facing data handling processes.

People, Talent, and Saudisation

Cherry's performance depends on the continued service and leadership of its senior management team. The CEO, CFO, and COO collectively bring over 56 years of relevant industry and professional experience, and their retention and succession are critical to operational continuity and investor confidence. Across the workforce of 882 employees, the Company is subject to Nitaqat Saudisation requirements set by the Ministry of Human Resources, with compliance levels monitored monthly across all business units. Inability to meet Saudisation thresholds could restrict the Company's ability to hire expatriate staff and impact operations.

Our Response Competitive remuneration packages are maintained across all employee levels, and a formal long-term incentive framework for senior management is in development post-listing to align leadership retention with shareholder value creation. Succession planning is overseen by the Nomination and Remuneration Committee. Cherry's short-term rental segment maintains a Saudisation rate of 85.1%, above minimum requirements, and the Company actively partners with HRDF and national training providers to develop Saudi talent across all operational and corporate functions.



10th Corporate Governance

Accountability, Transparency, and Long-Term Value.



Regulations and Manual

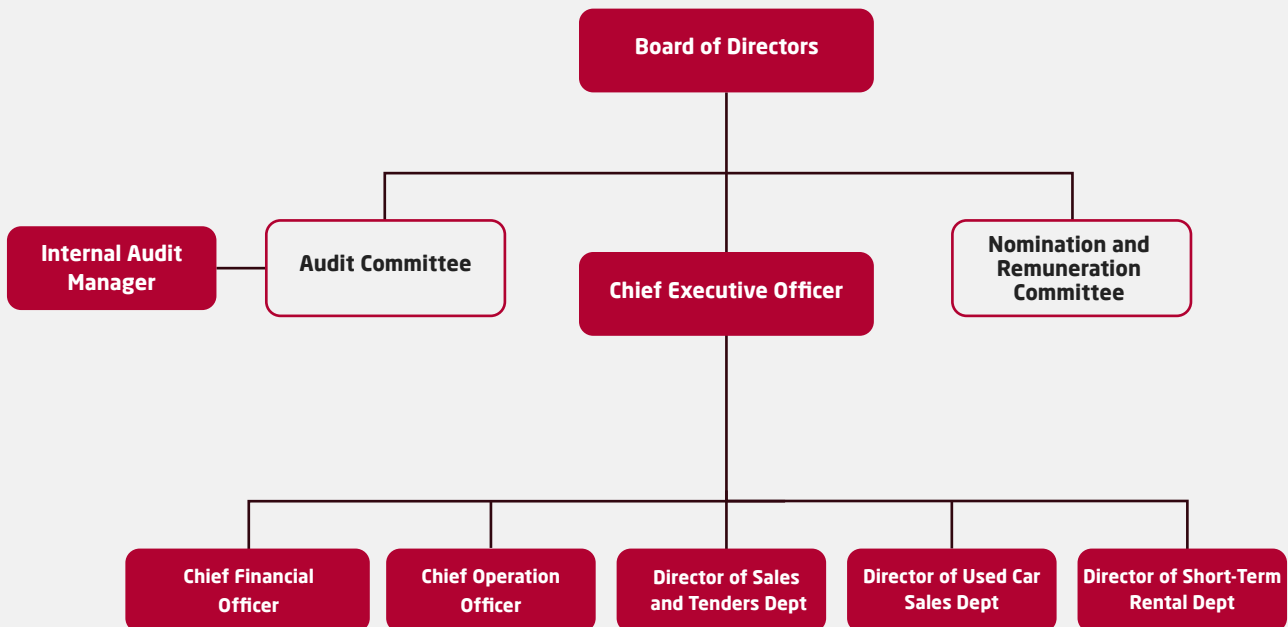
The Company's policy is to adopt high standards of corporate governance and its Board of Directors undertakes to comply with the Corporate Governance Regulations, which regulate the management of the Company to ensure adherence to best practices, thereby protecting the rights of Shareholders and other stakeholders. The provisions of the Corporate Governance Regulations are mandatory, except for certain provisions that are designated as guiding provisions.

The Company's internal Corporate Governance Manual, which was approved by the Board of Directors on 22 January 2025G, includes provisions in relation to the following:

- Rights of the Shareholders;
- The Board of Directors (including Board formation, membership, meetings, working procedures, competencies, duties and powers, development, support, evaluation and remuneration);
- Committees of the Board of Directors;
- Management;
- Internal control and audit;
- Other various internal policies.

Organisation Chart

The organisational structure of the Company consists of the General Assembly, the Board of Directors and the Committees derived from it. Without prejudice to General Assemblies' authorities, the Board of Directors has the broadest authorities to manage the Company and has the responsibility for the overall direction, supervision and control of the Company. The Board of Directors delegates responsibility for the overall day-to-day management of the Company to the Executive Management of the Company.



Board of Directors

Cherry Trading Company is committed to the highest standards of corporate governance as required by the CMA's Corporate Governance Regulations, the Companies Law, and the Listing Rules of the Saudi Exchange. The Board consists of five members, of which four (80%) are Independent Directors, exceeding the minimum requirements.

The Board of Directors consists of five Directors who are appointed by the General Assembly by means of cumulative vote, the Corporate Governance Regulations, the Bylaws, and the internal Corporate Governance Manual of the Company determine the duties and responsibilities of the Board of Directors. The term of the Directors' membership on the Board, including the Chairman, shall be for a maximum period of four years for each term. The current term of the Board of Directors commenced on 20 December 2024G and will end to 19 December 2028G.

Name	Position	Classification
Riyadh AIRumayzan	Chairman of the Board	Independent
Sultan AIDuwaish	Vice Chairman	Independent
Abdulaziz AISowail	Board Member & CEO	Executive
Abdulaziz AINasser	Director	Independent
Saleh AIIahya	Director	Independent

The Board Secretary is Asma Abduraheem AIGHamdi, was appointed pursuant to a resolution of the Board of Directors dated 2 December 2021G.

Responsibilities of the Board of Directors

The Company is supervised by a Board of Directors which consist of professional and highly experienced members. The Companies Law, the Corporate Governance Regulations, the Company's Bylaws and the Company's internal Corporate Governance Manual define the duties and responsibilities of the Board of Directors. Subject to the powers reserved for the General Assembly, the Board of Directors is vested with full powers to manage the business of the Company and supervise its affairs. The Board of Directors delegates responsibility for the overall day-to-day management of the Company to the Company's Executive Management.

Some powers are delegated to the Board of Directors' committees, which consist of the Audit Committee and the Nomination and Remuneration Committee and a number of administrative departments with responsibility for dealing with a range of operational and business matters. In addition, the Board of Directors has the power to form any number of committees it considers necessary for the effective governance, oversight and operations of the Company or delegate some of its powers to one or more of the Directors or third parties. Notwithstanding any delegation, the ultimate responsibility for the Company rests with the Board of Directors.

The responsibilities of the Board of Directors, the Chairman and the Board Secretary can be summarised as follows:

Without prejudice to the competencies of the General Assembly as per the Companies Law and its implementing regulations and the Company's bylaws, the Board shall have the broadest powers to manage the Company and guiding its activities to achieve its objectives. Pursuant to the Corporate Governance Regulations, among the main functions and competencies of the Board of Directors are the following:

Laying down the plans, policies, strategies and main objectives of the Company, supervising their implementation and reviewing them periodically, and ensuring that the human and financial resources required to fulfil them are available, including:

- **Setting a comprehensive strategy for the Company, key business plans, policies, and mechanisms of risk management and reviewing and guiding them;**
 - Determining the most appropriate capital structure for the Company, its strategies, and financial objectives, and approving all kinds of estimated budgets;

- Overseeing the main capital expenditures of the Company and the acquisition or disposal of assets;
- Setting performance indicators, and monitoring the implementation thereof and the overall performance of the Company;
- Reviewing and approving the organisational and human resources structures of the Company on a periodic basis; and
- Ensuring that the financial and human resources required for achieving the objectives and main plans of the Company are available;
- **Setting rules and procedures for internal control and generally overseeing them, including:**
 - Developing a written policy to remedy actual and potential conflicts of interest scenarios for each of the Board members, the Executive Management, and the shareholders, including misuse of the Company's assets and the mismanagement resulting from transactions with Related Parties;
 - Ensuring the integrity of the financial and accounting rules, including rules relating to the preparation of financial reports;
 - Ensuring the implementation of appropriate control procedures for risk assessment and management by generally forecasting the risks that the Company may encounter and creating an environment that is aware of the culture of risk management at the Company level and disclosing such risks transparently to the stakeholders and parties related to the Company; and
 - Reviewing the effectiveness of the Company's internal control procedures on an annual basis;
- **Setting forth specific and explicit policies, standards and procedures for membership on the Board, without prejudice to the mandatory provisions of the Corporate Governance Regulations, and implementing them following approval by the General Assembly;**
- **Developing a written policy that regulates the relationship with stakeholders pursuant to the provisions of the Corporate Governance Regulations;**
- **Setting policies and procedures to ensure the Company's compliance with the laws and regulations and the Company's obligation to disclose material information to shareholders and stakeholders, and ensuring the compliance by the Executive Management with these policies and procedures;**
- **Supervising the management of the Company's finances, its cash flows as well as its financial and credit relationships with third parties;**
- **Providing recommendations to the Extraordinary General Assembly as to what it deems appropriate regarding the following:**
 - Increasing or decreasing the share capital of the Company; and
 - Dissolving the Company before the end of its term as specified in its bylaws or deciding the continuity of the Company;
- **Providing recommendations to the Ordinary General Assembly regarding:**
 - Use of the Company's reserves, if they are not allocated for a specific purpose in the Company's Bylaws;
 - Forming additional financial allocations or reserves for the Company; and
 - The method of distributing the net profits of the Company;
 - preparing the Company's interim and annual financial statements and approving them before publishing them;
- **Preparing the Board report and approving it before publishing it;**
- **Ensuring the accuracy and integrity of the data and information which must be disclosed pursuant to the applicable policies and systems in respect of disclosure and transparency;**
- **Developing effective communication channels allowing shareholders to continuously and periodically review the various aspects of the Company's businesses as well as any material developments;**
- **Forming specialised committees of the Board pursuant to resolutions that shall specify the term, powers and responsibilities of such committees as well as the manner used by the Board to monitor such committees. Such resolutions shall also specify the names of the members and their duties, rights and obligations and shall evaluate the performance and activities of these committees and their members;**
- **Specifying the types of remunerations granted to the Company's employees, such as fixed remunerations, remunerations linked to performance and remunerations in the form of shares**

without prejudice to the Implementing Regulation of the Companies Law for Listed Joint Stock Companies;

- **Notifying the Ordinary General Assembly, when convened, of the businesses and contracts in which any Board member has a direct or indirect interest; the notification provided by the member of the Board shall include the nature and extent of such interest, the names of concerned persons, and the expected benefit to be obtained directly or indirectly from interest whether financial or non-financial; and**
- **Setting the values and standards that govern the work at the Company.**

In addition to the above, the Board of Directors shall be vested with the other powers and responsibilities stipulated in Part 3 of the Corporate Governance Regulations.

Chairman

The Chairman of the Board shall be responsible for leading the Board and supervising its operations and the effective performance of its duties. Pursuant to the Corporate Governance Regulations and without prejudice to the competencies of the Board, the competencies and duties of the Chairman of the Board shall in particular include the following:

- Ensuring that the Board members obtain complete, clear, accurate and non-misleading information in due course;
- Ensuring that the Board effectively discusses all fundamental issues in due course;
- Representing the Company before third parties in accordance with the Companies Law and its Implementing Regulations and the Company's Bylaws;
- Encouraging the Board members to effectively perform their duties in order to achieve the interests of the Company;
- Ensuring that there are actual communication channels with shareholders and conveying their opinions to the Board;
- Encouraging constructive relationships and effective participation between the Board and the Executive Management on the one hand, and the Executive, Non-Executive and Independent Directors on the other hand, and creating a culture that encourages constructive criticism;
- Preparing agendas of the Board meetings, taking into consideration any matters raised by Board members or the external auditor and consult with the Board members and the Chief Executive Officer upon preparing the Board's agenda; and
- Convening periodic meetings with the Non-Executive Directors without the presence of any executive officers of the Company.

Board Secretary

Pursuant to the Corporate Governance Regulations, the responsibilities of the Board Secretary include the following:

- Documenting the Board meetings and preparing minutes therefor, which shall include the discussions and deliberations carried during such meetings, as well as the place, date, times on which such meetings commenced and concluded; and recording the decisions of the Board and voting results and retaining them in a special and organised register, and including the names of the attendees and any reservations they expressed (if any). Such minutes shall be signed by the chairman of the meeting, all of the attending members and the Board Secretary;
- Retaining the reports submitted to the Board and the reports prepared by it;
- Providing the Board members with the agenda of the Board meeting and related worksheets, documents and any additional information, related to the topics included in the agenda items, requested by any Board member;
- Ensuring that the Board members comply with the procedures approved by the Board;
- Notifying the Board members of the dates of the Board's meetings within sufficient time prior to the date specified for the meeting;

- Presenting the draft minutes to the Board members to provide their opinions on them before signing the same;
- Ensuring that the Board members receive, fully and promptly, a copy the minutes of the Board's meetings as well as the information and documents related to the Company;
- Coordinating among the Board members;
- Regulating the disclosure register of the Board and Executive Management; and
- Providing assistance and advice to the Board members.

Biographies of the Directors and the Board Secretary

The experience, qualifications and the current and other positions of each of the Directors and the Board Secretary are set out below:

Riyadh AlRumayzan, Chairman

Nationality:	Saudi.
Age:	55 years.
Position:	Chairman of the Board of Directors.
Membership Status:	Non-Executive.
Independence:	Independent.
Appointment Date (Current Term):	19 Jumada al-Akhirah 1446H (corresponding to 20 December 2024G).
Academic and Professional Qualifications:	<ul style="list-style-type: none"> - Bachelor's Degree in Mechanical Engineering, King Saud University, Riyadh, Kingdom of Saudi Arabia, in 1993G; and - Postgraduate Diploma in Business Administration, Vadodara Institute, Republic of India, in 2001G.
Current Positions:	<ul style="list-style-type: none"> - Chairman of the Company's Board of Directors, since 2024G; and - Chief Executive Officer, Al Mawarid Manpower Company, a public joint stock company, manpower sector, since 2016G.
Key Past Professional Experience:	<ul style="list-style-type: none"> - General Manager, Saudi Basic Industries Corporation (SABIC), a public joint stock company, petrochemicals sector, from 1999G to 2016G; - High-Density Polyethylene Business Manager, Saudi Basic Industries Corporation (SABIC) Europe, a limited liability company, petrochemicals sector, from 2011G to 2013G; - Key Accounts Sales Manager, Saudi Basic Industries Corporation (SABIC) Europe, a limited liability company, petrochemicals sector, from 2009G to 2011G; - High-Density Degradable Ethylene Business Manager, Saudi Basic Industries Corporation (SABIC) Europe, a limited liability company, petrochemicals sector, from 2007G to 2009G; - Technology Business Leader, Saudi Basic Industries Corporation (SABIC) Europe, a limited liability company, petrochemicals sector, from 2001G to 2007G; - Projects Manager, Saudi Basic Industries Corporation (SABIC) Europe, a limited liability company, petrochemicals sector, from 1999G to 2001G; - Senior Engineer, Ministry of Interior, a government entity, from 1997G to 1999G; - Consulting Engineer, Saudi Operation and Maintenance Company, a Saudi-established company, military industries sector, from 1996G to 1997G; and - Deputy Mechanical Engineer, King Abdulaziz Medical City - National Guard (formerly King Fahad National Guard Hospital), a government hospital, from 1993G to 1996G.

Sultan AlDuwaish, Vice Chairman

Nationality:	Saudi.
Age:	51 years.
Position:	Company Vice Chairman.
Membership Status:	Non-Executive.
Independence:	Independent.
Appointment Date (Current Term):	19 Jumada al-Akhirah 1446H (corresponding to 20 December 2024G).
Academic and Professional Qualifications:	<ul style="list-style-type: none"> - Bachelor's Degree in Computer Science, King Saud University, Riyadh, Kingdom of Saudi Arabia, in 1995G; - Master's Degree in Business Administration, King Saud University, Riyadh, Kingdom of Saudi Arabia, in 2011G; and - Master's Degree in Business Administration, Arab Academy for Science and Technology, Cairo, Arab Republic of Egypt, in 2009G.
Current Positions:	<ul style="list-style-type: none"> - Vice Chairman of the of the Board of Directors, since 2025G; - Member of the Nomination and Remuneration Committee of the Company, since 2025G; - General Manager, Athal Development and Investment Company, a limited liability company, real estate development, property and facility management sector, since 2018G; - Board Member, Bahrah Real Estate Development Company, a limited liability company, real estate development sector, since 2021G; - Board Member, Taheel Resources Company, a limited liability company, consulting services and human resources management sector, since 2023G; - Board Member, Al Tuwaijri Trading Company, a closed joint stock company, retail sector, since 2022G; - Chairman of the Board, Global Dishes Company, a limited liability company, food sector, since 2024G; - Board Member, Ajyal Al-Rowad Schools Company, a limited liability company, education sector, since 2016G; - Board Member, Athal Development and Investment Company, a limited liability company, real estate development, property and facility management sector, since 2018G; - Chairman of the Board, Future Investment Company, a limited liability company, endowment sector, since 2021G; - Secretary General, Abdulaziz bin Abdullah Al-Jomaih Charitable Endowment, a charitable endowment, since 2019G; - Member of the Grants Committee, Abdullah Al-Dhayan Endowment, a charitable endowment, since 2018G; - Member of the Experts Committee, Al Rajhi Humanitarian Foundation, a non-profit civil foundation, since 2022G; - Founder and Board Member, Qabas Judicial Association, a non-profit civil judicial association, since 2020G; - Board Member, Obar Al-Majd Real Estate Company, a limited liability company, real estate development sector, since 2012G; - Executive Supervisor, Cooperative Association for Logistics Services, a cooperative association in the logistics sector, since 2023G; - Founder, Al-Masajid Association in Al-Zulfi, a charitable association, since 2023G; and - Founder, Ghadaq Association for Water Provision, a charitable association, since 2023G.

Key Past Professional Experience:

- Founder and Board Member, Cooperative Association for Livestock, a cooperative association in the food sector, from 2020G to 2025G;
- Board Member, Basqat Al-Khaleej Company, a limited liability company, real estate sector, from 2022G to 2024G;
- Board of Trustees Member, King Saud University Scholarship Fund, an educational entity, from 2021G to 2024G;
- Fund Manager, Al-Duwaish Family Fund, a civil institution, from 2019G to 2024G;
- Board Member, Nawie Food Company, a limited liability company, food sector, from 2021G to 2023G;
- Founder and Board Member, Charitable Association for Drinking Water Services, a charitable association, from 2016G to 2023G;
- Member of the Endowments Committee, Riyadh Chamber of Commerce, a governmental entity, from 2012G to 2022G;
- Board Member, Leadership Development Company for Training, a limited liability company, training sector, from 2010G to 2022G;
- Board Member, Maalem Financing Company, a closed joint stock company, financing sector, from 2009G to 2019G;
- Member of the Executive Committee, Maalem Financing Company, a closed joint stock company, financing sector, from 2015G to 2019G;
- Member of the Nomination and Remuneration Committee, Maalem Financing Company, a closed joint stock company, financing sector, from 2015G to 2019G;
- General Supervisor, Ajyal Al-Rowad Schools Company, a limited liability company, education sector, from 2016G to 2018G;
- Chief Executive Officer, Obar Al-Majd Real Estate Company, a limited liability company, real estate development sector, from 2012G to 2016G; and
- Lecturer, Technical and Vocational Training Corporation, an educational entity, from 2002G to 2012G.

Abdulaziz AlNasser, Director

Nationality:	Saudi.
Age:	62 years.
Position:	Company Director.
Membership Status:	Non-Executive.
Independence:	Independent.
Appointment Date (Current Term):	19 Jumada al-Akhirah 1446H (corresponding to 20 December 2024G).
Academic and Professional Qualifications:	<ul style="list-style-type: none"> - Diploma in Financial Control, Institute of Public Administration, Riyadh, Kingdom of Saudi Arabia, in 1990G; and - Bachelor's degree in Business Administration, Imam Muhammad bin Saud Islamic University, Riyadh, Kingdom of Saudi Arabia, in 1987G.
Current Positions:	<ul style="list-style-type: none"> - Director of the Company, since 2024G. - Member of the Nomination and Remuneration Committee of the Company since 2025G; - Financial Advisor, Riyadh Second Health Cluster (Ministry of Health), a government entity, since 2024G; - Member of the Planning Committee, Riyadh Second Health Cluster (Health Holding Company), a government entity, since 2018G; and - Member of the Operations Committee, King Fahad Medical City, a government entity, since 2004G.
Key Past Professional Experience:	<ul style="list-style-type: none"> - Member of the Training and Scholarship Committees, Riyadh Second Health Cluster (Health Holding Company), a government company, from 2021G to 2024G; - Executive Director of Finance and Accounts, King Fahad Medical City, a government entity, from 2019G to 2024G; - Head of Financial Affairs, Riyadh Second Health Cluster (Ministry of Health), a government entity, from 2019G to 2024G; - Member of the Training and Scholarship Committees, King Fahad Medical City, a government entity, from 2010G to 2021G; - Executive Director of Finance and Accounts, King Fahad Medical City, a government entity, from 2017G to 2019G; - Member of the Bid Review Committee, General Directorate of Health Affairs, a government entity, from 1997G to 2001G; - Secretary of the Bid Review Committee, General Directorate of Health Affairs, a government entity, from 1993G to 1997G; - Executive Director of Finance and Accounts, King Fahad Medical City, a government entity, from 2017G to 2019G; - Director of Financial Affairs, King Fahad Medical City, a government entity, from 2003G to 2017G; - Financial Affairs Accountant, Ministry of Health, a government entity, from 2002G to 2003G; - Financial Auditor, General Directorate of Health Affairs, a government entity, from 1991G to 1997G; - Accountant, General Directorate of Health Affairs, a government entity, from 1990G to 1991G; and - Accountant, General Directorate of Health Affairs, a government entity, from 1987G to 1988G.

Saleh AlYahya, Director

Nationality:	Saudi.
Age:	44 years.
Position:	Company Director.
Membership Status:	Non-Executive.
Independence:	Independent.
Appointment Date (Current Term):	19 Jumada al-Akhirah 1446H (corresponding to 20 December 2024G).
Academic and Professional Qualifications:	<ul style="list-style-type: none"> - Bachelor's Degree in Accounting, King Saud University, Riyadh, Kingdom of Saudi Arabia, in 2005G; and - Certified Public Accountant (CPA), Saudi Organisation for Chartered and Professional Accountants (SOCPA), Riyadh, Kingdom of Saudi Arabia, in 2007G.
Current Positions:	<ul style="list-style-type: none"> - Director of the Company, since 2024G. - Chairman of the Audit Committee of the Company, since 2024G; - Member, General Assembly of the Individual Investors Protection Association, a non-profit civil association, since 2025G; - Chairman of the Audit Committee, Al Yusr Leasing and Financing Company, a closed joint stock company, financing sector, since 2023G; - Member of the Audit Committee, Tawareed Financial Solutions Company, a limited liability company, financing sector, since 2023G; - Member of the Audit Committee, Saudi Lime Industries Company, a public joint stock company, building materials sector, since 2023G; - Member of the Audit Committee, Saudi Artificial Intelligence Company, a closed joint stock company, communications, media and technology sector, since 2022G; - Chairman of the Audit Committee, Saudi Tadawul Group, a closed joint stock company, financial sector, since 2022G; - Chairman of the Audit Committee, Muqassa Company, a closed joint stock company, financial sector, since 2022G; - Chairman of the Audit Committee, Baja Company, a closed joint stock company, food sector, since 2022G; - Member of the Audit Committee, Light Weight Construction Company (SIPOREX), a Saudi closed joint stock company, construction sector, since 2021G; - Member of the Audit Committee, Arabian Pipe Company, a public joint stock company, steel pipe manufacturing sector, since 2020G; - Member of the Audit Committee, Sela Company, a closed joint stock company, entertainment, tourism, and sports sector, since 2020G - Member of the Audit Committee, Alandalus Property Company, a public joint stock company, real estate sector, since 2017G; - Member of the Audit Committee, Tadawul Real Estate Company, a limited liability company, real estate sector, since 2017G; and - Chairman of the Partners' Oversight Board, Turki Abdulmohsen Al-Laheid and Saleh Abdullah AlYahya Certified Public Accountants, a limited liability company, accounting sector, since 2016G.
Key Past Professional Experience:	<ul style="list-style-type: none"> - Licensed Partner, Ernst & Young Professional Services, a limited liability company, professional services sector, from 2014G to 2016G; - Senior Audit Manager, Ernst & Young Professional Services, a limited liability company, professional services sector, from 2011G to 2014G; - Audit Assistant Manager, Ernst & Young Professional Services, a limited liability company, professional services sector, from 2006G to 2011G; and - Accountant, Al-Areel Contracting and Industry Co. Ltd., a limited liability company, contracting sector, from 2002G to 2006G.

Abdulaziz AlSowail, Director & CEO

Nationality:	Saudi.
Age:	48 years.
Position:	Company Director and Chief Executive Officer.
Membership Status:	Executive.
Independence:	Non-Independent.
Appointment Date (Current Term):	20 December 2024G.
Academic and Professional Qualifications:	<ul style="list-style-type: none"> - Bachelor's Degree in Quantitative Methods, King Saud University, Riyadh, Kingdom of Saudi Arabia, in 2000G; and - Master's Degree in Business Administration, University of Hull, Hull, United Kingdom, in 2007G.
Current Positions:	<ul style="list-style-type: none"> - Director of the Company, since 2024G; - Company Chief Executive Officer, since 2023G; and - Member of the Board of Directors, Saudi Edarah Holding Company, a closed joint stock company, real estate sector, since 2020G.
Key Past Professional Experience:	<ul style="list-style-type: none"> - Executive Vice President, Al Mawarid Manpower Company, a public joint stock company, manpower sector, from 2020G to 2023G; - Chief Executive Officer, Own Financing Company, a closed joint stock company, financing sector, from 2018G to 2020G; - Head of Banking Inspection, Saudi Central Bank (SAMA), a government entity, from 2015G to 2018G; - Banking Inspection Team Leader, Saudi Central Bank (SAMA), a government entity, from 2012G to 2014G; and - Banking Inspector, Saudi Central Bank (SAMA), a government entity, from 2001G to 2011G.

Asma AlGhamdi, Board Secretary

Nationality:	Saudi.
Age:	31 years.
Position:	Board Secretary.
Academic and Professional Qualifications:	<ul style="list-style-type: none"> - Bachelor's Degree in Law, Princess Nourah bint Abdulrahman University, Riyadh, Kingdom of Saudi Arabia, in 2017G; and - Master's Degree in Private Law, Princess Nourah bint Abdulrahman University, Riyadh, Kingdom of Saudi Arabia, in 2023G.
Current Positions:	<ul style="list-style-type: none"> - Board Secretary of the Company, since 2021G; and - Legal Department Supervisor of the Company, since 2018G.
Key Past Professional Experience:	<ul style="list-style-type: none"> - Legal Representative, AlGhamdi Trading Establishment, a sole proprietorship, retail trade sector, from 2017G to 2018G; and - Legal Assistant, Dr. Fahad Al-Refaei & Partners Law Firm, a sole proprietorship, legal sector, from 2017G to 2018G.

BOD Meeting and Attendance

Name of Board members	Position	First 22 Jan 2025	Second 12 Mar 2025	Third 20 May 2025	Fourth 2 June 2025	Fifth 27 August 2025	Sixth 30 October 2025	Total
Riyadh AlRamizan	BOD Chairman	✓	✓	✓	✓	✓	✓	6
Abdulaziz AlNasser	BOD Member	✓	✓	✓	✓	✓	✓	6
Saleh AlYahya	BOD Member	✓	✓	✓	✓	✓	✓	6
Sultan AlDuwaish	Vice Chairman	✓	✓	✓	✓	✓	✓	6
Abdulaziz AlSowail	CEO	✓	✓	✓	✓	✓	✓	6

Board Performance Evaluation

The Board of Directors did not rely on any external means to evaluate its performance and its committees and members' performance. Instead, the Nominations and Remuneration Committee carries out the evaluation process.

Board Committees

Audit Committee

The Audit Committee oversees financial reporting integrity, the internal audit function, external auditor appointment and independence, and risk management effectiveness. The Committee reports directly to the Board and holds a minimum of four meetings per year.

Nomination and Remuneration Committee

The NRC oversees nominations to the Board and senior executive roles, reviews remuneration policies, and ensures alignment with shareholder interests and CMA requirements.

Audit Committee

Audit Committee Members

The Audit Committee was formed, and its members were appointed by a Board of Directors resolution dated 27 October 2024G, for a term of four years. The Audit Committee comprises the following members:

Name	Status	Role
Saleh AlYahya	Independent Director	Chairman of the Audit Committee
Asim Al-Attas	Non-Board Member	Member of the Audit Committee
Noura Abunayan	Non-Board Member	Member of the Audit Committee

Responsibilities of the Audit Committee

The Audit Committee oversees: (i) the integrity, effectiveness and accuracy of the Company's financial statements, reports, and internal control system; (ii) the Company's compliance with legal and regulatory requirements, and the rules of professional conduct; (iii) the qualifications and independence of the Company's external auditors; (iv) the performance of the Company's internal audit and external auditors; and (v) evaluating and supervising the risk management system in the Company and the relevant procedures in this regard. The Audit Committee charter was approved by the General Assembly on 13 Sha'ban 1446H (corresponding to 13 February 2025G).

The responsibilities of the Audit Committee also include the following:

a. Financial Reports

- Analysing the Company's interim and annual financial statements before presenting them to the Board and providing its opinion and recommendations thereon to ensure their integrity, fairness and transparency;
- Providing its technical opinion, at the request of the Board, regarding whether the Board's report and the Company's financial statements are fair, balanced, understandable, and contain information that allows shareholders and investors to assess the Company's financial position, performance, business model, and strategy;
- Review of annual report and related filings before publication for accuracy and completeness;
- Analysing any important or non-familiar issues contained in the financial reports;
- Review of audit findings with external auditor and management, including any encountered difficulties;
- Coordination with management and external auditor on matters referred to the committee under recognised auditing standards;
- Accurately investigating any issues raised by the Company's Chief Financial Officer or any person assuming his/her duties or the Company's compliance officer or external auditor;
- Understanding the process by which management prepares interim financial info and the role of internal audit and external auditor in that process;
- Examining the accounting estimates in respect of significant matters that are contained in the financial reports;
- Examining the accounting policies followed by the Company and providing its opinion and recommendations to the Board thereon.

b. Internal Control

- Studying and reviewing the Company's internal control, financial control and risk management systems and assessing their effectiveness, including information security and technology controls;
- Understanding the scope of internal audit over financial reporting conducted by the Internal Audit Department, and obtaining reports that include key findings, recommendations and management's comments and responses.

c. Internal Audit

- Approving the internal audit charter;
- Reviewing the performance and activities of the head of internal audit, ensuring there are no unjustified restrictions on their work, and recommending their appointment, dismissal, annual remuneration, and salary to the board of directors;
- Overseeing and monitoring the performance and activities of the company's internal audit department to ensure that it has the necessary resources and is effectively carrying out its duties in accordance with appropriate professional standards;
- Approving the annual internal audit plan and any amendments thereto, and reviewing the performance and activities of the internal audit department in comparison to the approved plan;
- Working with the head of internal audit to review the internal audit budget, resource plan, activities and the organisational structure of the internal audit function;
- Reviewing the company's internal audit procedures;
- Studying internal audit reports and following up on the implementation of corrective actions for the observations noted therein; and
- Holding regular independent meetings with the head of internal audit to discuss any matters the committee or internal audit management considers necessary to address in closed sessions.

d. External Auditor

- Reviewing the proposed scope, approach, and plan of the external auditor's audit engagement, and providing its views thereon, including coordination of audit efforts with internal audit activities;
- Recommending to the board of directors the appointment, dismissal and remuneration of the external auditor, and reviewing the terms of their engagement, taking into consideration the auditor's independence;
- Reviewing the performance of the external auditor, overseeing its activities and approving any non-audit services to be performed during the engagement period;
- Reviewing the external auditor's report, observations and reservations on the company's financial statements, and following up on the corrective actions taken in response;
- Verifying the independence, objectivity, and fairness of the external auditor and the effectiveness of the audit work, taking into account applicable standards and regulations and making recommendations to the board of directors in this regard;
- Ensuring that the external auditor does not provide technical or administrative services that fall outside the scope of the audit work and making recommendations to the board on this matter;
- Holding regular independent meetings with the external auditor to discuss any matters that the committee or the auditor considers necessary to be addressed in private sessions;
- Responding to inquiries raised by the external auditor; and
- Resolving any disagreements between management and the external auditor in relation to the preparation of financial reports.

e. Ensuring Compliance

- Verifying the Company's compliance with applicable laws, regulations, policies, and instructions and monitoring adherence thereto;
- Reviewing the effectiveness of the compliance control system, ensuring adherence to applicable regulations and laws, reviewing the results of investigations conducted by management and following up on any cases of non-compliance (including the application of disciplinary actions);
- Reviewing reports and findings from competent regulatory or supervisory authorities, and any observations raised by the external or internal auditors and ensuring that the Company takes the necessary corrective measures;
- Reviewing the communication and enforcement process of the Company's code of conduct to employees and monitoring compliance therewith;
- Reviewing proposed contracts and transactions between the Company and any Related Party and providing its views and recommendations to the Board of Directors;
- Ensuring that appropriate mechanisms and arrangements are in place and implemented to allow employees to confidentially and anonymously report any concerns or observations regarding financial, accounting, auditing matters, or any cases of non-compliance; and
- Receiving regular updates from Company management and the legal advisor regarding compliance matters.

f. Reporting

- Submitting periodic reports to the Board regarding the Committee's activities and issues identified and providing recommendations to the Board that it deems appropriate in any matter within its competencies, as necessary;
- Providing an open avenue of communication amongst the Internal Audit Management, the external auditor and the Board;
- Providing an annual report to Shareholders describing the Committee's formation, duties and performance of such duties in addition to such other information as may be required by applicable rules, including approving services outside the auditing scope;
- Reviewing any other reports on the Committee's responsibilities issued by the Company;
- Preparing an annual written report assessing the adequacy and efficiency of the Company's internal control, financial and risk management systems, including information technology security and controls, and its recommendations in respect thereof, as well as the tasks undertaken by the Committee within its competence. Copies of the report should be made available for collection by the Company's Shareholders at the Company's head office and published on the website of the Company and the Exchange at the time of publishing the invitation to convene the relevant annual General Assembly meeting. A copy of the report should be read out at that meeting; and
- Preparing a written report to the Board regarding the Company's internal audit procedures and the Committee's recommendations in this regard.

g. Miscellaneous

- Performing such other activities relating to the Audit Committee Charter, as requested by the Board;
- Instituting and overseeing special investigations as needed;
- Reviewing and assessing the adequacy and propriety of the Audit Committee Charter on annual basis, providing recommendation to the Board in this regard and guaranteeing that necessary disclosures are made according to relevant laws and regulations;
- Confirming, on annual basis, that all responsibilities set forth in the Audit Committee Charter have been performed; and
- Regularly assessing the performance of the Committee and every member thereof.

Biographies of the Members of the Audit Committee

The experience, qualifications and the current and other positions of the members of the Audit Committee are set out below:

Saleh Abdullah Saleh AlYahya, Chairman of the Audit Committee

Mentioned in the board of directors biographies.

Asim Mohammed Hussein Al-Attas, Member of the Audit Committee

Nationality:	Yemeni.
Age:	41 years.
Position:	Member of the Audit Committee.
Appointment Date (Current Term):	24 Rabi' al-Thani 1446H (corresponding to 27 October 2024G)
Academic and Professional Qualifications:	<ul style="list-style-type: none"> - Master's Degree in Business Administration, HEC Paris, French Republic, in 2017G; and - Bachelor's Degree in Accounting, Al-Ahgaff University, Mukalla, Republic of Yemen, in 2005G.
Current Positions:	<ul style="list-style-type: none"> - Member of the Audit Committee of the Company, since 2024G; - Board Member, Padel X Company, a limited liability company, since 2023G; and - Chief Financial Officer, Leejam Sports Company, a public joint stock company, fitness and sports centre sector, since 2022G.
Key Past Professional Experience:	<ul style="list-style-type: none"> - Board Member, Physiotherapia Company, a limited liability company, rehabilitation and care sector, from 2023G to 2024G; - Chief Financial Officer, Al Munajem Foods Company, a public joint stock company, food distribution sector, from 2013G to 2022G; - International Internal Auditor, General Electric Company, a publicly listed company in the United States of America, energy, healthcare, and aviation sectors, from 2010G to 2013G; - Assistant Manager, Advisory Division, Ernst & Young Professional Services, a limited liability company, Professional Services sector, from 2009G to 2010G; - Senior Auditor, Ernst & Young Professional Services, Certified Public Accountants, a limited liability company, Professional Services sector, from 2008G to 2009G; and - Auditor, Audit Division, Ernst & Young Professional Services, Certified Public Accountants, a limited liability company, Professional Services sector, from 2005G to 2008G.

Noura Fahad Mohammed Abunayan, Member of the Audit Committee

Nationality:	Saudi.
Age:	43 years.
Position:	Member of the Audit Committee.
Appointment Date (Current Term):	24 Rabi' al-Thani 1446H (corresponding to 27 October 2024G).
Academic and Professional Qualifications:	<ul style="list-style-type: none"> - Bachelor's Degree in Accounting, King Saud University, Riyadh, Kingdom of Saudi Arabia, in 2006G; and - Master's Degree in Accounting, King Saud University, Riyadh, Kingdom of Saudi Arabia, in 2016G.
Current Positions:	<ul style="list-style-type: none"> - Member of the Audit Committee of the Company, since 2024G; and - Chief Internal Audit Officer, Saudi Artificial Intelligence Company, a limited liability company, artificial intelligence sector, since 2024G.
Key Past Professional Experience:	<ul style="list-style-type: none"> - Director of Internal Audit Department, Saudi Standards, Metrology and Quality Organisation, a government entity, from 2020G to 2021G; - Director of Internal Audit Department, Prince Sultan Cardiac Centre for Armed Forces, a government centre, from 2010G to 2020G; - External Auditor, PricewaterhouseCoopers (PwC), a limited liability company, Professional Services sector, in 2008G; and - Financial Analyst, Riyad Bank, a public joint stock company, financial sector, in 2006G.

AC Meeting and Attendance

Name	Position	First 6 March 2025	Second 5 May 2025	Third 26 May 2025	Fourth 25 August 2025	Fifth 30 October 2025	Sixth 29 December 2025	Total
Saleh AlYahya	Chairman AC	✓	✓	✓	✓	✓	✓	6
Assim Alattas	Member	✓	✓	✓	✓	✓	✓	6
Nora Abunayyan	Member	✓	✓	✓	✓	✓	✓	6

Nomination and Remuneration Committee

Nomination and Remuneration Committee Members

The Nomination and Remuneration Committee was formed, and its members were appointed pursuant to the Board of Directors' resolution dated 22 January 2025G, for a term of three years. The Nomination and Remuneration Committee comprises the following members:

Name	Status	Role
Abdulaziz AlNasser	Independent Director	Chairman of the Nomination and Remuneration Committee
Riyadh AlRumayzan	Chairman of the Board of Directors	Member of the Nomination and Remuneration Committee
Sultan AlDuwaish	Vice Chairman of the Board of Directors	Member of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee did not hold any meetings during 2025.

Biographies of the Members of the Nomination and Remuneration Committee

The experience, qualifications and the current and other positions of the members of the Nomination and Remuneration Committee are set out below:

Abdulaziz AlNasser, Chairman of the Nomination and Remuneration Committee

Mentioned in the board of directors biographies.

Riyadh AlRumayzan, Member of the Nomination and Remuneration Committee

Mentioned in the board of directors biographies.

Sultan AlDuwaish, Member of the Nomination and Remuneration Committee

Mentioned in the board of directors biographies.

Responsibilities of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee charter was approved by the General Assembly on 12 February 2025G.

The responsibilities of the Nomination and Remuneration Committee include the following:

a. Nomination

- Suggesting clear policies and standards for membership of the Board and the Executive Management (the "Nomination Policy"), which shall be presented before the General Assembly for approval;
- Ensuring that appropriate and adequate due diligence is conducted on nominees for Board membership, including verification of their qualifications and experience, prior to submitting recommendations to the Board;
- Recommending to the Board the nomination and re-nomination of candidates for Board membership in accordance with applicable regulations and the Nomination and Remuneration Committee Charter;
- Conducting annual reviews and assessments of the skills, qualifications, and experience required for membership of the Board and senior executive positions. This includes determining the time commitment

required for each role and preparing job descriptions for Executive, Non-Executive, and Independent Board members, as well as senior executive roles;

- On an annual basis, verifying the independence of Independent Directors in accordance with applicable laws and regulations, and confirming the absence of any conflict of interest, including cases where a Board member holds a directorship in another company;
- Periodically reviewing succession plans for senior executive positions and providing recommendations to the Board, taking into consideration the Company's strategic direction, operational challenges, and future talent requirements;
- Evaluating potential candidates for senior executive positions, including the Chief Executive Officer, and submitting appropriate recommendations to the Board; and
- Establishing and periodically reviewing procedures to address vacancies in the Board or senior executive roles, and recommending suitable candidates for appointment, subject to the Board's approval.

b. Review and Assessment

- Regularly reviewing the structure, size, composition, strengths and weaknesses of the Board (including the skills, knowledge, and experience) and the Company's Executive Management and making appropriate recommendations to the Board that are compatible with the interests of the Company;
- Developing and overseeing an orientation programme for new Directors; and
- Developing, recommending and overseeing an annual self-evaluation process for the Directors and certain Senior Executives of the Company.

c. Remuneration

- Preparing, recommending and overseeing the implementation and disclosure of a policy for the remuneration of Directors, Senior Executives, and members of the Committees of the Board (the "Remuneration Policy"), which shall be presented before the General Assembly for approval;
- Preparing an annual report on the remuneration and other payments (in cash or in kind) received by the Directors, Executive Management and members of the Committees, and the basis for the remuneration received with respect to the Remuneration Policy (including a description of any significant departures from the Remuneration Policy) (the "Annual Report on Remuneration"), for presentation before the Board for consideration;
- Regularly reviewing and assessing the effectiveness and appropriateness of the Remuneration Policy and making recommendations to the Board in relation to the same;
- Recommending to the Board the form and amount of remuneration to be granted to the Directors, Senior Executives of the Company, and members of the Committees, in accordance with the approved Remuneration Policy;
- Reviewing and make recommendations to the Board regarding the Company's incentive plans for Directors and employees, including in relation to adopting, amending, and terminating such plans;
- Preparing and overseeing a career progression framework for the Company's employees detailing, among other things, the general range of professional ranks and levels, salary scale, benefits and allowances (in cash or in kind) for the relevant professional rank and level; and
- Preparing all disclosures required under the policies of the Company and any laws, regulations, or rules to which the Company is subject, including, at a minimum, disclosures relating to the Remuneration Policy and the Annual Report on Remuneration, and disclosures regarding remuneration in the annual report of the Board.

d. Other Provisions

Carrying out any other related tasks as requested by the Board of Directors.

Nomination and Remuneration Committee Meeting and Attendance

Executive Management

Name	Title	Experience
Abdulaziz AISowail	Chief Executive Officer	24 years in vehicle leasing and corporate leadership
Abdul Wahab Khattak	Chief Financial Officer	23 years in finance and capital markets
Zaid AlNasser	Chief Operating Officer	9 years in operations management
Talal Aldhahri	Short-Term Rental Manager	9 years in vehicle rental management
Ali Mohammed Ali AlNihabi	Director of Sales and Tenders Department	
Abdulmajeed Abdullah AlUraini	Director of Used Car Sales Department	

Biographies of Senior Executives

The experience, qualifications and the current and other positions of each Senior Executive are set out below:

Abdulaziz Saleh Mohammed AISowail, Chief Executive Officer

Mentioned in the board of directors biographies.

Abdul Wahab Suleiman Khattak, Chief Financial Officer

Nationality:	Pakistani.
Age:	46 years.
Position	Chief Financial Officer
Academic and Professional Qualifications:	<ul style="list-style-type: none"> - Master's Degree in Commerce, Higher Education Commission, Islamabad, Islamic Republic of Pakistan, in 2008G; and - Chartered Accountant, Institute of Chartered Accountants, Karachi, Islamic Republic of Pakistan, in 2008G.
Current Positions:	Chief Financial Officer of the Company, since 2024G.
Key Past Professional Experience:	<ul style="list-style-type: none"> - Manager, Ernst & Young Professional Services, a limited liability company, Professional Services sector, from 2006G to 2022G; and - Senior Auditor, Ernst & Young Professional Services, a limited liability company, Professional Services sector, from 2002G to 2006G.

Zaid Mohammed Zaid AlNasser, Chief Operating Officer

Nationality:	Saudi.
Age:	32 years.
Position	Chief Operating Officer
Academic and Professional Qualifications:	Bachelor's Degree in Business Administration, Imam Muhammad bin Saud University, Riyadh, Kingdom of Saudi Arabia, in 2015G
Current Positions:	Chief Operating Officer of the Company, since 2022G.
Key Past Professional Experience:	<ul style="list-style-type: none"> - Operations Manager of the Company, from 2018G to 2021G; and - Operations Supervisor of the Company, from 2016G to 2017G.

Ali Mohammed Ali AlNihabi, Director of Sales and Tenders Department

Nationality:	Saudi.
Age:	34 years.
Position	Director of Sales and Tenders Department
Academic and Professional Qualifications:	Bachelor's Degree in Business Administration, Qassim University, Qassim, Kingdom of Saudi Arabia, in 2012G.
Current Positions:	Director of Sales and Tenders Department of the Company, since 2021G.
Key Past Professional Experience:	<ul style="list-style-type: none"> - Recruitment Consultant, Maximus Saudi Arabia, a limited liability company, from 2019G to 2021G; - Leasing Manager of the Company, from 2017G to 2021G; and - Inspector, Human Resources Development Fund, a government entity, from 2013G to 2017G.

Abdulmajeed Abdullah Ibrahim AlUrani, Director of Used Car Sales Department

Nationality:	Saudi.
Age:	29 years.
Position	Director of Used Car Sales Department
Academic and Professional Qualifications:	Bachelor's Degree in Accounting, Imam Muhammad bin Saud University, Riyadh, Kingdom of Saudi Arabia, in 2022G.
Current Positions:	Director of Used Car Sales Department of the Company, since 2024G.
Key Past Professional Experience:	<ul style="list-style-type: none"> - Executive Secretary, Al Bab Company, a company established in the Kingdom, contracting sector, from 2014G to 2017G; and - Sales Management, Bakkah Learning Company, a company established in the Kingdom, education sector, from 2018G to 2022G.

The duties and responsibilities of the Chief Executive Officer can be summarised as follows:

- Managing the day-to-day affairs and business of the Company;
- Managing the strategic matters, customers services, business transformation of the Company and adopting digital transformation;
- Proposing and developing the Company's short- and long-term strategy and overall commercial objectives, in close consultation with the Board of Directors;
- Implementing the resolutions of the Board of Directors and the Committees;
- Providing input to the Chairman on the Board of Directors meeting agenda;
- Ensuring the provision of accurate and clear information to the Board of Directors in a timely manner; and
- Ensuring that all material matters affecting the Company are brought to the attention of the Board of Directors.

The duties and responsibilities of the Chief Financial Officer can be summarised as follows:

- Assisting in the formulation of the Company's objectives and lead the Company's financial planning process;
- Leading the financial reporting process and strengthening the Company's internal control systems;
- Optimising the Company's cash flow, liquidity and working capital facilities; and
- Managing the financial forecast and budget processes and supervising the preparation of the Company's financial statements

General Assembly Meetings

The following General Assembly meetings were held during the fiscal year ended 31 December 2025:

Date	Type	Key Resolutions	Attending
12 February 2025	Extraordinary General Assembly	Approval of IPO; corporate authorizations.	Shareholders
30 April 2025	Extraordinary General Assembly	Board constitution; committee establishment.	Shareholders



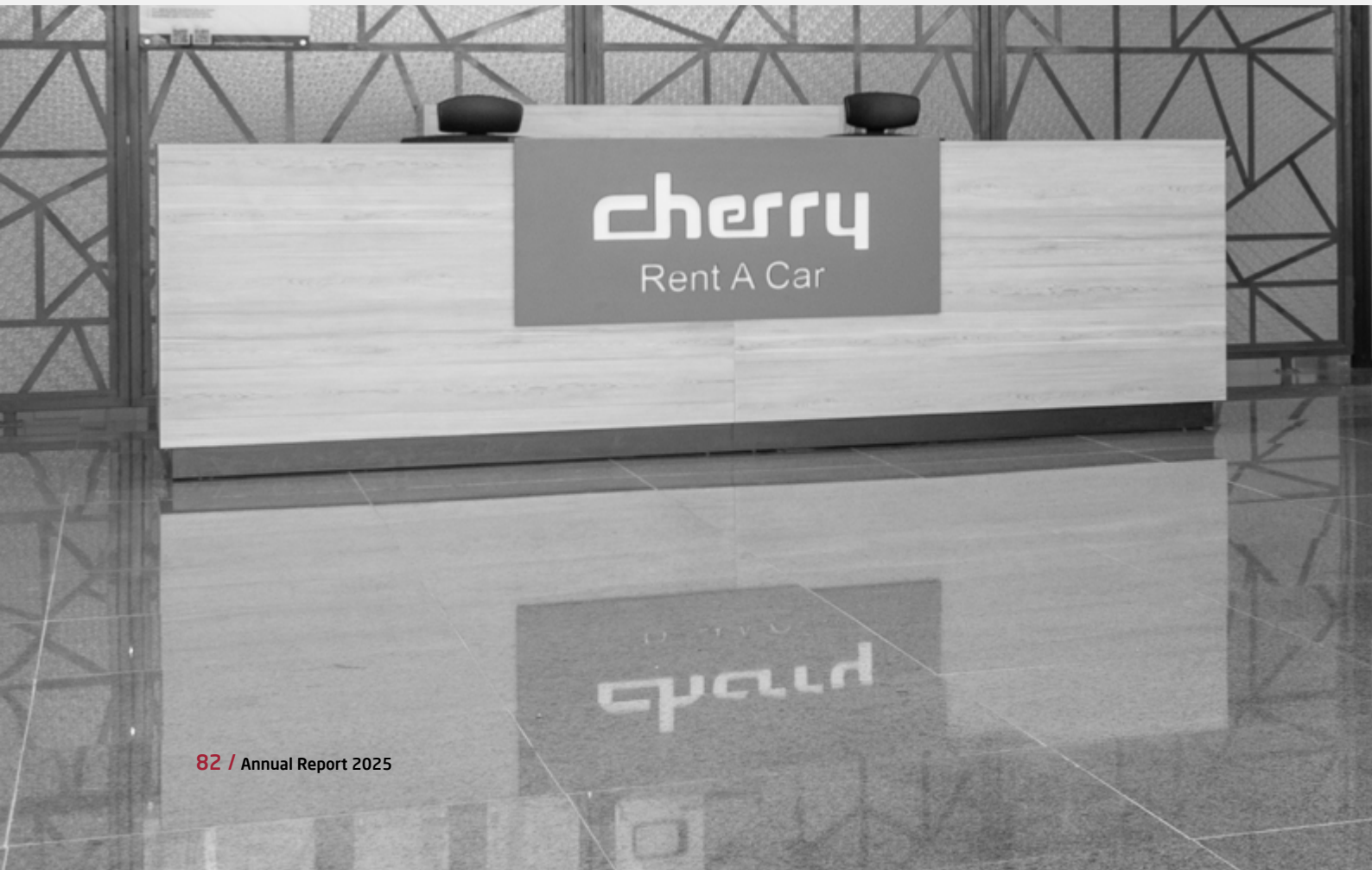
Application of the Corporate Governance Regulations

The Company has applied all provisions and articles of the Corporate Governance Regulations, except for the articles listed below:

Article No.	Article Text	Implementation Status and Reason	Mandatory / Guiding
37	The Company shall give due attention to the training and qualification of Board members, committee members, and executive management, and shall establish the necessary programs for such purpose.	Not applied.	Guiding
67 - 69	The Company's Board of Directors shall form a committee called the "Risk Management Committee," chaired by a non-executive Board member, with the majority of its members being non-executive directors. Members must possess an appropriate level of knowledge in risk management and financial matters.	Not applied.	Guiding
82	The Company shall establish programs to develop employees and enhance participation and performance.	Not applied.	Guiding
84	The Ordinary General Assembly, based on the Board recommendation, shall establish a policy that guarantees a balance between its objectives and those of the community for purposes of developing the social and economic conditions of the community.	Not applied.	Guiding
85	The Board shall establish programs and determine the necessary methods for proposing social initiatives by the Company	Not applied.	Guiding
92	Formation of a Corporate Governance Committee.	Not applied.	Guiding

Remuneration Policy

1. The Nomination and Remuneration Committee recommends the remuneration of all Board members to the Directors for approval on an annual basis. The recommendations of the Nomination and Remuneration Committee shall be in compliance with the Applicable Law and this Policy.
2. The remuneration of Directors may be in the form of fixed amount in cash, in kind benefits, attendance allowances, a percentage of the Company's annual net profits or a combination of any of the foregoing.
3. The report submitted by the Board to the Ordinary General Assembly at its annual meeting shall include a detailed account of all the amounts Board members received or were entitled to receive during the financial year in the form of remuneration, meeting allowances, expense allowances, and other benefits. The report shall also include an account of the amounts received by Board members in their capacity as employees or Executives, or in exchange for technical, administrative, or consulting services as well as an account of the number of Board meetings and the number of meetings attended by each member.
4. Board members shall not vote on the agenda item relating to the remuneration of Board members at the General Assembly's meeting.
5. The remuneration of independent Directors shall not be in the form of a percentage of the Company's profits and shall not be, directly or indirectly, based on the profitability of the Company.
6. The remuneration of Directors may vary based on the experience, competencies, duties, independence and attendance record of each Director, as well as other relevant considerations.
7. If it is evidenced to the Audit Committee or the Capital Market Authority that the remuneration paid to any Board member was based on false or misleading information presented to the General Assembly or included in the annual Board report, the Board member shall return such remuneration to the Company, and the Company may request such Board member to return such remuneration.



Remuneration of Directors and Senior Executives

The remuneration of the Directors shall be determined in accordance with the Companies Law, Corporate Governance Regulations, the CMA's rules and relevant instructions, the Company's Bylaws and the Remuneration Policy.

	Board Members Remuneration (SAR)												Grand Total	Expenses Allowances
	Fixed Remuneration					Variable Remuneration						End of Service Rewards		
	Specific amount	Allowance for attending the Board sessions	Total allowance for attending committee sessions	A statement of the Board members remuneration as workers or managers or payments received for technical, administrative and consultancy works	Total	Profit share	Periodic remunerations	Short-term incentive plans	Long-term incentive plans	Equity	Total			
Independent Members														
Riyadh Ibrahim Rumayzan Al Rumayzan	300,000	60,000	60,000	-	360,000	-	-	-	-	-	-	-	360,000	-
Abdul Aziz bin Othman bin Mohammed Al Nasser	200,000	60,000	60,000	-	260,000	-	-	-	-	-	-	-	260,000	-
Saleh Abdullah Saleh Al Yahya	200,000	60,000	60,000	-	260,000	-	-	-	-	-	-	-	260,000	-
Sultan Mohammed Abdul Razzaq Al-Duwaish	200,000	60,000	60,000	-	260,000	-	-	-	-	-	-	-	260,000	-
Executive Members														
Abdulaziz Saleh Mohammed Al-Sowail	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	900,000	240,000	240,000	-	1,140,000	-	-	-	-	-	-	-	1,140,000	-

Remuneration of committee members (SAR)

	Fixed Rewards	Attendance Fees and Other Expenses	Total
Audit Committee Members			
Saleh Abdullah Saleh Al Yahya	60,000	18,000	78,000
Assim Mohammed Alattas	60,000	18,000	78,000
Nora Abunayyan	60,000	18,000	78,000
Total	180,000	54,000	234,000
Nomination and Remuneration Committee Members			
Abdul Aziz Al Nasser	-	-	-
Riyadh Ibrahim Al Rumayzan	-	-	-
Sultan Mohammed Al-Duwaish	-	-	-
Total	-	-	-

Senior Executive Remuneration (SAR)

The following table outlines the remuneration for the five most senior executives, including the CEO and CFO, during 2025.

	Senior Executive Remuneration										End of Service Benefit	Total remuneration of executives for the Board, if any	Grand Total
	Fixed Remuneration				Variable Remuneration								
	Salaries	Other short term benefits	In-kind benefits	Total	Periodic Remuneration	Profits	Short-term incentive plans	Long-term incentive plans	Shares Vested	Total			
Senior Executives	2,820,000	1,318,323	-	4,138,323	-	-	-	-	-	-	478,979	-	4,617,302

Detailed Remuneration

5 Senior Executives including CEO, CFO, COO (SAR)

	Amount
Employees' salaries	2,820,000
Other Short Term Benefits	1,318,323
Post-employment benefits	478,979
Total	4,617,302

Related Party Transactions

In the ordinary course of its business, the Company enters into transactions with related parties as defined under IFRS and in accordance with the Company's Related Parties Transaction Policy approved by the Board. All related party transactions are conducted on arm's length terms and are reviewed and approved by the Board and Audit Committee in accordance with CMA regulations.

Material related party transactions during FY2025 and any balances outstanding will be disclosed in the Notes to the Audited Financial Statements. The Board confirms that no related party transactions were entered into that were not in the best interests of the Company or its shareholders.

Related Party	Nature of Relationship	Nature of Transactions	2025 (SAR)	2024 (SAR)
Saudi Edarah Holding Company	Parent	Expenses paid on behalf of the related party by Cherry	2,079,754	3,192,796
		Expenses paid on behalf of the Company by Edarah	3,340,199	2,608,699
		Transfer of subsidiaries	-	8,373,322
		Repayments	9,500,000	33,252,469
		Sale of used vehicles	481,939	-
		IPO expenses	26,159,372	-
		Reimbursement of IPO Expenses	26,159,372	-
		Purchase of Land and Building	-	11,830,576

Related Party	Nature of Relationship	Nature of Transactions	2025 (SAR)	2024 (SAR)
H-10 Logistics services	Entities under common control	Expenses paid on behalf of the related party by Cherry	-	4,097,976
		Services transferred	94,634	310,908
		Services received	6,600,795	5,334,890
		Payments	5,703,460	-
		Sale of used vehicles	-	556,000
Elegant Vehicle Carwash Services Company	Entities under common control	Expenses paid on behalf of the related party by Cherry	284,981	1,821,660
		Services transferred	164,932	354,513
		Services received	1,038,997	902,962
		Payments	683,689	-
Mr. Abdulaziz Alsowail	Chief Executive Officer	Sale of used vehicle	-	500,000
Mr. Abdul Wahab Khattak	Chief Financial Officer	Sale of used vehicle	-	176,978
Board of Directors and Audit Committee	Board of Directors and Audit Committee	Board of Directors and Audit Committee remuneration	1,458,932	357,671

Related Parties represent major shareholders, directors and key management personnel of the Company and entities controlled, jointly controlled or significantly influenced by such parties. The transactions with related parties are made at approved contractual terms.

Outstanding balances at the year end are unsecured, interest free, payable on demand and settled in cash. There have been no guarantees provided or received for any related party receivables or payables.

Due to a related party	31 December 2025 (SAR)	31 December 2024 (SAR)
Saudi Edarah Holding Company	2,446,147	10,459,545

Shareholders Information

As at 31 December 2025, the share capital of Cherry Trading Company is SAR 300,000,000, divided into 30,000,000 ordinary shares with a nominal value of SAR 10 per share. Following the completion of the IPO, the ownership structure is as follows:

Shareholder	Beginning of the Year Shares	Ownership %	End of the Year Shares	Ownership %
Saudi Edarah Holding Company	29,550,000	98.50%	20,685,000	68.95%
Mr. Abdulaziz Saleh Mohammed AlSowail	450,000	1.50%	315,000	1.05%
Public (Free Float – IPO Shares)	-	-	9,000,000	30.00%
Total	30,000,000	100%	30,000,000	100%

Saudi Edarah Holding Company is the Substantial Shareholder and is subject to a lock-up period of 180 days from the commencement of trading. Mr. Abdulaziz AlSowail is similarly subject to the lock-up period. Saudi Edarah Holding Company is majority-owned by Mr. Nasser Ibrahim Mohammed AlOmair.

Dividend Policy

1. The Board of Directors may recommend the distribution of dividends to shareholders out of the Company's net profits after deduction of Zakat obligations and statutory reserves.
2. The Company aims to distribute dividends regularly, taking into account growth plans and capital expenditure requirements for fleet expansion.
3. Any dividend recommendation by the Board is subject to shareholder approval at the Ordinary General Assembly.
4. No dividend was distributed for FY2025 in light of the Company's capital investment requirements following the IPO. The Board will review dividend distribution eligibility for FY2026.

Dividends Distributed by the Company from 2022 to 2025

(SAR)	2022	2023	2024	2025
Dividends Declared During the Year	55,000,000	6,000,000	-	-
Dividends distributed During the Year	55,000,000	6,000,000	-	-
Net Profit for the Year	60,030,298	56,906,826	63,052,827	71,036,519
Declared Dividend Payout Ratio to Net Profit (%)	91.62%	10.54%	-	-

Regulatory Payments

Zakat for the year ended 31 December 2025 amounted to SAR 1,638,489, a decrease compared to SAR 2,159,940 in 2024, reflecting ongoing dialogue with ZATCA in relation to assessable amounts.

Statutory Payments Settled and Outstanding as of the End of Fiscal Year 2025 In (SAR)

Description	2025 Paid	Outstanding as of Year-End	Reasons
Zakat	1,634,657	1,638,489	The amount due for 2025 shall be paid during statutory period in 2026
Withholding Tax (WHT)	302,535	62,232	The amount payable shall be paid during statutory period in 2026
General Organization for Social Insurance (GOSI)	3,377,481	562,652	The amount payable shall be paid during statutory period in 2026
Visa and Iqama	4,894,480	-	As per labour law

Penalties and Sanctions

No	Penalty Description	Penalty Amount	Authority	Remediation
1	A set of violations issued by Transport general authority	243,000	Transport General Authority	Appointment of committee to prevent similar actions
2	Violation on late submission of Financials on Qawaem	12,000	Ministry of Commerce	Appointment of committee to prevent similar actions
3	Violation on Noncompliance in Jeddah	20,000	National Center for Environmental Compliance Monitoring	Appointment of committee to prevent similar actions
4	A set of violations issued by Jeddah Municipality	12,000	Jeddah Municipality	Appointment of committee to prevent similar actions
5	Violation of fire protection provision	4,000	Civil Defense	Appointment of committee to prevent similar actions
6	Violation issued by Unaizah Municipality	600	Unaizah Municipality	Appointment of committee to prevent similar actions
7	A set of violation issued by Riyadh Municipality	1,200	Riyadh Municipality	Appointment of committee to prevent similar actions

Communication Channels

Cherry Trading Company is committed to transparent, timely, and equitable communication with all shareholders and the broader investment community.

Channel	Description
Saudi Exchange (Tadawul)	All material disclosures, financial results, Board resolutions, and regulatory announcements disclosed via Tadawul in accordance with Continuing Obligations requirements
Company Website	Financial reports, governance documents, shareholder information, and corporate announcements published on the Company's official website
Investor Relations	Dedicated IR function responds to shareholder enquiries, facilitates analyst access to management, and coordinates earnings communications
General Assembly	Shareholders formally engaged through Ordinary and Extraordinary General Assemblies conducted in compliance with the Companies Law and CMA regulations
Electronic Voting (e-Vote)	The Company utilises Edaa's e-voting platform to enable remote participation in General Assemblies

Internal Control Review in 2025

The 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 Company's internal control system

The Audit Committee oversees the Company's internal control system to support the achievement of its strategic objectives and to maintain an appropriate control environment across its operations.

During 2025, the Committee reviewed the adequacy and effectiveness of the Company's internal control procedures, followed a risk-based approach in focusing on key areas, and oversaw the work of both internal and external auditors.

Based on the annual review and the controls in place, the Audit Committee came to the opinion that the Company's internal control system is adequately designed and has operated effectively in all material respects during the year. The Company continues to review and improve its internal control framework on an ongoing basis, noting that any internal control system can provide reasonable, but not absolute, assurance.

The Audit Committee's Recommendation

As the appointment of Mr. Nabeel Ahmad Bashir Khan, Director of Internal Audit, remains valid until July 2026, the appointment of an internal auditor was not discussed during 2025.

Board Of Directors Declarations

The Board of Directors declares the following in accordance with regulatory requirements and the highest standards of corporate governance:

1. The Company confirms that the accounting records have been accurately and properly prepared in compliance with recognized accounting standards in the Kingdom of Saudi Arabia.
2. A robust and effective control system has been established, implemented, and is regularly monitored to ensure operational integrity and compliance with applicable regulations.
3. The Company confirms that there is no significant doubt regarding the Company's ability to continue its operations.
4. The Company confirms that there is no conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors.
5. The Board has not rejected any recommendations made by the Audit Committee regarding the appointment, dismissal, fee determination, or performance evaluation of the Company's external auditor.
6. The external auditor's report does not include any reservations or qualifications regarding the annual financial statements for the year 2025.
7. The Company does not currently have an employee savings program or formal social contributions program in place.
8. The Board remains committed to upholding principles of transparency, accountability, and compliance with all applicable governance regulations, further reinforcing stakeholder trust and confidence.
9. The Board of Directors of the Company has adhered to the remuneration and nomination controls and policy issued by the Company regarding the Board of Directors, committees and executive management. The Board confirms that there is no deviation from this policy.
10. The company confirms that the company has not issued any debt instruments, nor has it authorized the issuance of such instruments.
11. The company confirms that the company has no transfer or subscription rights under transferable debt instruments, contractual securities, subscription right notes, or similar rights issued or granted by the company.
12. The Company confirms that there are no arrangements or agreement under which a member of the Company's Board of Directors or a senior executive waived any remuneration.
13. The Company confirms that there are no arrangements or agreement under which any of the Company's shareholders waived any rights to profits.
14. The Company confirms that there are no investments or other reserves created for the benefit of any of the Company's employees.
15. The Company confirms that there are no treasury shares held by the Company.
16. During the fiscal year 2025, the Company's external auditor did not provide any services of an advisory nature to the Company and did not receive any fees in this regard.
17. There is no recommendation from the Board of Directors during the year 2025 to change the auditor before the end of the period for which he was appointed.
18. The Board of Directors declares that the financial statements of Cherry Trading Company have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted in the Kingdom of Saudi Arabia and other standards and publications approved by the Saudi Organization for Chartered and Professional Accountants (SOCPA).



Closing Statement

The Board extends its sincere appreciation to the Capital Market Authority, the Saudi Exchange and the Transport General Authority for their guidance and support throughout the IPO process. We also acknowledge with gratitude our valued clients, business partners, banking institutions, and the talented Cherry team whose dedication underpins everything we have achieved.

Our priorities as we enter 2026

- Executing our growth strategy across long-term leasing, short-term rental, and used vehicle sales segments
- Expanding our B2C used vehicle showroom network to Jeddah and Dammam
- Strengthening our digital infrastructure and technology to improve service quality and efficiency
- Expanding our geographic footprint in alignment with Saudi Arabia's regional development agenda
- Deepening our corporate governance frameworks and ESG practices in line with listed company expectations
- Delivering sustainable value for all shareholders through disciplined capital allocation and responsible growth

Finally, the Board expresses its deepest thanks to our shareholders – both those who have supported Cherry through its decades-long private journey and those who have joined us as new investors through the IPO. Your trust and confidence is our greatest responsibility, and one the Board takes with the utmost seriousness.



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