



أيان للاستثمار
AYYAN
— INVESTMENT —

Annual Report

Year 2023



Respected;

Dear Shareholders of Ayyan Investment Company,

“May the peace, blessings and mercy of Allah be upon you..”

The Chairman and Members of the Board of Directors of Ayyan Investment Company are pleased to present to the company's esteemed shareholders the Annual Report, which sheds light on the most important achievements of the company and its subsidiaries and its financial position for the fiscal year ending on 31st Dec., 2023 G, which was prepared in accordance with the requirements of the Corporate Governance Regulations issued by the Capital Market Authority (CMA), the Saudi Companies Law, and the Company's Articles of Association, hoping that this report reflect the aspirations of the shareholders towards further progress.

Speech of the Chairman of the Board of Directors

Our Valued Shareholders,

May the peace, blessings, and mercy of Allah be upon you,,,

Myself and on behalf of the Honorable Members of the Board of Directors, We present to you the Annual Report for the Year 2023, which reviews the company's performance, activities, and the events and achievements it witnessed during the past year.

Based on the Strategy adopted by the Company to focus on investing in the Healthcare Sector, as it is one of the most important economic sectors to grow in light of the Kingdom's Vision 2030, we have become fully confident in our capabilities after the success of our plans to expand investment in the healthcare sector, and we are fully aware of the accelerating economic changes that it requires us to continue strengthening governance principles and related internal and external control systems and sound management of potential risks.

The company will continuously work to evaluate and distribute its investments in accordance with its strategy, with the aim of raising the efficiency of the performance of its investment assets and strengthening its financial position to achieve better results in the coming years.

In conclusion, I extend my thanks to our esteemed shareholders for their trust in their company, and we look forward with you towards more success and growth, and God is the grantor of success.

Faisal bin Abdullah Al-Qahtani
Chairman of the Board of Directors

▪ **Incorporation:**

The Company was established as a Saudi joint stock company pursuant to Ministerial Resolution No. 573 dated 14/4/1414 AH corresponding to 1/10/1993, and was registered in Commercial Register No. 2252021816 on Jumada al-Thani 1, 1414 AH corresponding to November 15, 1993; and on June 25, 2020 has agreed to change the company's name to Ayyan Investment Company with Head Office in Al-Khobar City and Commercial Registration No. 2051064048.

▪ **Activity:**

- Establishing, managing, operating and maintaining various industrial projects alone or jointly with other companies, organizations or individuals.
- Maintenance, management and operation of industrial, residential and commercial cities, facilities and public and private facilities.
- Owning and reclaiming lands and using them to establish agricultural and animal production projects.
- Owning, managing, operating, and maintaining real estate and lands; constructing commercial and residential facilities on them; and investing them by selling, buying, and leasing in cash or in installments.
- Own, invest, manage, operate and maintain hotels, hospitals, health, educational, recreational, and tourism facilities.
- Establishing, managing, operating and maintaining cold stores transportation fleets; maintenance and repair workshops; and fuel stations.
- Wholesale and retail trade of what falls within the scope of the company's industrial, agricultural, tourism, and health activities; and export of the Kingdom's various products to other countries.
- Obtaining commercial agencies.

▪ **Capital:**

- The Company was established with a Capital of SR. 300 million and based on the approval of the extraordinary general assembly on 3 Dhul Qi'dah 1426 AH corresponding to 05/12/2005, a free share was paid for every seven shares in exchange for increasing the company's Capital to SR. 343 million.
- Based on the approval of the Extraordinary General Assembly on 11 Jumada Al-Awwal 1427 AH corresponding to 07/06/2006, a free share was paid for every four shares in exchange for an increase in the Company's Capital to become SR. 428 million.
- Based on the approval of the Extraordinary General Assembly on Dhul Hijjah 3, 1429 AH corresponding to 01/12/2008, a free share was paid for every seven shares in exchange for increasing the Company's Capital to SR. 490 million.

- Based on the approval of the Extraordinary General Assembly held on 02/02/2020, the Capital has been increased from SR. 490 million to SR. 737 million in order to acquire the entire shares of Al Salam Medical Services Company.
- Based on the approval of the Extraordinary General Assembly held on 19/11/2021, the capital has been increased from SR. 737 million to SR. 806 million in order to acquire the shares of Al-Ahsa Medical Services Company.

▪ **Vision:**

We seek to be a distinguished investment company primarily in the healthcare sector, with a positive contribution to raising the quality of the sector and building strong relationships with all relevant parties.

▪ **Message/Mission:**

- Developing the company's assets through acquisition and merger, while building strategic partnership relationships.
- Improving the return on investments by developing business, development, and continuous expansion.
- Developing the capabilities and cadres of the company in the administrative, financial, and medical fields.

▪ **Calendar Year:**

The Company's Calendar year ends on December 31 of each calendar year.

▪ **Auditor for the Year 2023 :**

Crowe Professional Consulting Office - formerly the Office of Abdullah Muhammad Al-Azem, Salman Bandar Al-Sudairy and Musab Abdul-Rahman Al-Sheikh (Al-Azem, Al-Sudairy, Al-Sheikh and their Partners) Certified Accountants and Auditors.

1. Description of the Main Activities of the Company and its Subsidiaries, indicating each Activity and the extent of its Impact on the Volume of the Company's Business and its Contribution to the Results:

The company's investments are mainly divided into the Healthcare sector and multiple other investments, as follows:

First: The Healthcare Sector :

The Company's strategy is focused on investing in the healthcare sector, as the company's investments in this sector are represented as follows:

A) Al-Ahsa Medical Services Company (a subsidiary company):

The Company was established in 1418 AH (1997G) with a capital of SR. 150 million. The activity of Al-Ahsa Medical Services Company is the establishment, management, operation and maintenance of hospitals, dispensaries, medical centers, and wholesale and retail trade in medical devices and equipment, hospital supplies, perfumes and cosmetics.

Al-Ahsa Hospital is a private hospital with an advanced design that has the potential for future expansion, taking into account healthcare trends in the region and the increasing demand for high-quality services. It is located on a total area of 50,000 square meters. The hospital building consists of five floors and a basement with a capacity 220 beds. The hospital includes several departments, namely surgery, internal medicine, obstetrics, gynecology, pediatrics, neonatology, a heart unit, cardiac catheterization, and dialysis, in addition to a dermatology and cosmetology center.

It is worth noting that Al-Ahsa Medical Services Company's revenues during the year amounted to SR. 263 million. In addition to what was mentioned above, Ayyan Investment Company owns a controlling stake representing 96.37% of the company's capital, and later in the year 2024 it became 97.41% after purchasing part of the minority shares in Al-Ahsa Medical Services Company.

B) Al-Salam Medical Services Company (a subsidiary company):

The Company was established in the year 1436 AH (2015G) with a capital of SR. 200 million. Its activities are in the management and operation of Al Salam Hospital in the city of Al Khobar.

Al Salam Hospital was opened in October 2022 G. It is one of the most modern hospitals in the Eastern Province and extends over a total area of 100,000 square meters, having 14 floors, and with a capacity of 495 beds. Within the first phase, 150 beds were operated and will be increased future, according to operating rates. It includes 110 clinics that include experienced consultants and specialists and emergency medical services around the clock.

It includes 12 departments covering most medical sectors, supported by more than 6 specialized centers that provide various additional services. Including but not limited to; Physical therapy, the Obesity center, the IVF unit, and the Dermatology and Plastic surgery center. During the year, a wide network of medical insurance companies and a group of major companies were contracted to provide therapeutic services to their employees. It is worth noting that Al Salam Medical Services Company's revenues during the year amounted to SAR. 50.2 million, and Ayyan Investment Company owns 100% of the Company's capital.

C) Twareat Medical Care Company:

The Company's capital is SR. 40 million; its activities are represented in medical marketing activities for treatment abroad, primary health centers, a general medical complex, medical operation of private and government hospitals, and other activities related to hospital activities. Ayyan Investment Company owns an influential share representing 25% of the Capital of the Twareat Medical Care Company. It is worth noting that the revenues of the Twareat Medical Care Company during the year amounted to SR. 154.8 million.

Second: Other Investments :

Other Investments are represented in Multiple Investments in different sectors, as follows:

- **Al-Ahsa Food Industries Company (a subsidiary company):**

The Company was established in 1416 AH (1995G) with a Capital of SR. 20 million. The Company's activities are in the production of dates and their transformational derivatives and the establishment of cold stores and leasing them to others. The company has achieved Annual Sales during the year 2023 with a total of SR. 20.01 million. Ayyan Investment Company owns 100% of the Company's Capital.

- **Manufacturing and Energy Services Company(TAQA):**

TAQA Company was established in 2003 G as a closed joint-stock company with a Capital of SR. 7.1 billion. It includes several subsidiaries, its activities are mainly summarized in carrying out industries and services related to the petroleum, mineral, petrochemical, electrical, and water desalination industries directly or through the establishment of specialized subsidiary companies. Ayyan Investment Company's share is 0.95% of the TAQA Company's Capital. The TAQA Company continued its work, and SR. 2 million were recorded as dividends received from the TAQA Company during the year.

- **Arab Paper Manufacturing Company(WARAQ):**

WARAQ Company was established in 1416 AH (1995G) as a closed joint-stock company with a capital of SR. 450 million. The company is active in the production of paper and cardboard rolls, marketing of paper products, wholesale and retail trade in materials, tools, equipment and devices for the paper industry and commercial services, and wholesale and retail trade

in paper, cardboard, plastic and rubber. Ayyan Investment Company's share is 4.74% of the Company's capital, and during the year 2023 G, no dividends were distributed.

It is worth noting that during the year 2023, negotiations took place between the management of the WARAQ Company and the Saudi Investment Recycling Company-SIRC (owned by the Public Investment Fund-PIF) with the aim of SIRC acquiring 35% of WARAQ's capital. This is done by purchasing 10% of the Company's current shareholders, as well as issuing 25% new shares to increase the company's capital.

- **Arabian Industrial Fibers Company (Ibn Rushd):**

The Ibn Rushd company was established in 1993 with a capital of SR. 2 billion. The Company's complex is located in the city of Yanbu and consists of three main sections; each section is considered to represent a stand-alone factory, noting that the three sections are complementary to each other. An allocation has been formed for the full value of the investment. The investment evaluated annually in accordance with International Accounting Standard No. 9. Ayyan Investment Company's share is 0.42% of the Company's Capital; and no dividends were received during the year 2023.

- **Al-Ahsa Amusement & Tourism Company (AHSANA):**

The AHSANA Company's activities are in the establishment, operation and management of tourism projects and entertainment centers, and the establishment and operation of restaurants, hotels, rest-houses and botanical gardens. The investment is evaluated annually to comply with international accounting standards. Ayyan Investment Company's share is 7.5% of Company's capital; and no dividends were received during the year 2023.

- **Taleem Investments Company Limited(TALEEM):**

The TALEEM's activity is investing in educational projects, as it invests in developing one of the Amity School buildings in Dubai. On 30/06/2023 Ayyan exited from the investment and was excluded from the Company's investments at a value of SR. 19.2 million, and prove the profits of the exclusion.

- **Investment in the Real Estate Sector:**

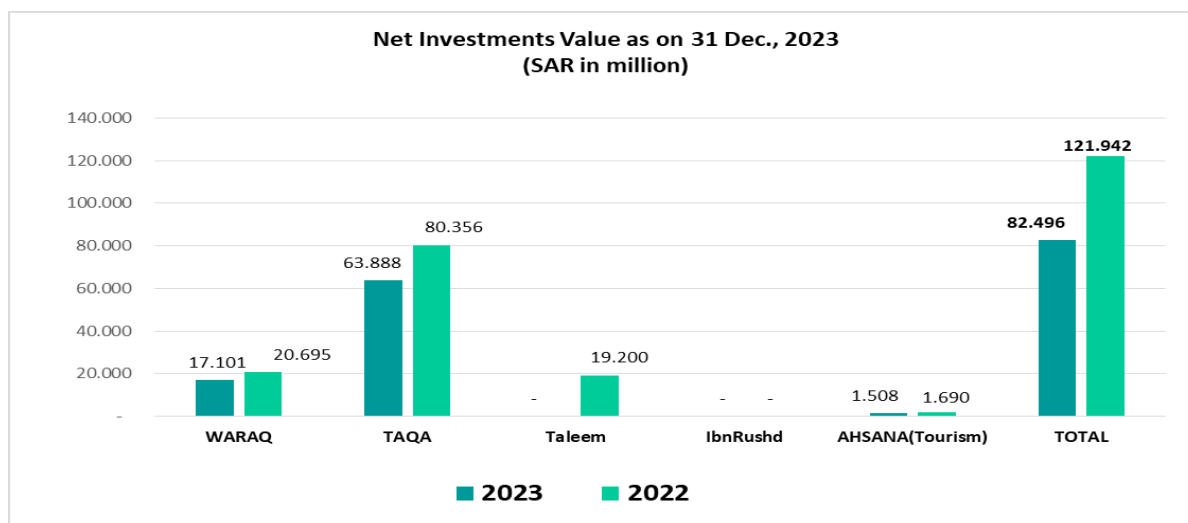
The Real Estate investment in a group of lands in the city of Riyadh has a Net Value of SR. 121.34 million, after excluding impairment provisions.

- **Investing in the Money-Market Sector:**

The Company has an investment in money markets worth SR. 47.5 million, which is invested as Murabaha deposits, and profits worth SR. 3 million have been proven.

Third: A Summary describing the impact of the Company's Investments on the Volume of work and the percentage of its contribution to the results as on December 31, 2023.

Description of the Activity	Impact on Business Volume		Contribution to Business Results	
	Revenues	%	Profit from the Activity	%
Investment in the Medical Sector	313,192,839	94%	(213,600,147)	(99)%
Investment in the Industrial Sector	20,085,153	6%	1,413,328	1%
Investment in the Services Sector	-	-	-	-
Investment Sector	-	-	(3,878,775)	(2)%
Total	333,277,992	100%	(216,065,594)	(100)%



2. Description of the Company's Important Plans and Decisions, Future Expectations of its Business and the Risks it Faces:

First: Future Plans

On February 26, 2024, the Company announced the Signing of a Non-binding Memorandum of Understanding with Dallah Healthcare Company to sell its share in Al-Ahsa Medical Services Company and Al-Salam Medical Services Company in exchange for shares in Dallah Healthcare Company or whatever will be agreed upon, and the Company is still in the process of finalizing legal and financial procedures and meeting the requirements of relevant authorities.

Second: Main Objectives

The Company's Executive Management, based on the directives of the Board of Directors, seeks to maximize the profitability of its shareholders by managing the company's financial resources to achieve the best returns, as well as applying the concept of comprehensive quality management to enhance the confidence of its customers in the subsidiaries through continuous development of its services and achieving the level of quality that its customers aspire to in order to enhance its location in the market.

Third: The Most important Achievements during the year 2023

1. Restructuring the Financing sources of subsidiaries, which makes it easier for the company to benefit from operating cash-flows.
2. Completing the Capital Increase File and submitting it to the Authority for the amount of SR. 200 million, representing 24.8% of the Company's Capital. The file was submitted on 21/12/2023 to the Capital Market Authority(CMA).

Fourth: Future Expectations:

- During the year 2024, the company expects to obtain the approval of the competent Authorities to increase the capital and, complete the procedures for the non-binding memorandum of understanding with Dallah Healthcare Company.
- The company expects the increase in revenues with the increase in operating-rates at Al Salam Hospital.

Fifth: Structural Changes:

- During the year 2024 and before the publication of the annual report, the Company announced the signing of a Non-binding Memorandum of Understanding with Dallah Healthcare Company to sell the company's shares in Al-Ahsa Medical Services Company, which owns Al-Ahsa Hospital in Al-Ahsa (amounting to 97.41%), and Al-Salam Medical Services Company, which owns Al-Salam Hospital in Al-Khobar (100%); by exchanging shares or as agreed upon between the parties.
- During the year 2023, negotiations were held between the Management of the WARAQ Company and the Saudi Investment Recycling Company-SIRC (owned by the Public Investment Fund) with the aim of acquiring 35% of the capital of the WARAQ Company by purchasing 10% of the Company's current shareholders, as well as issuing 25% new shares to increase the company's capital.

3. All Types of Risks that the Company faces:

The Company's Internal Audit department studies the risks to which the Company is exposed according to the results of the Internal Audit Plan, which is reviewed by the Audit Committee. A draft risk policy is prepared, and then a detailed record of the risks and the necessary proposals is made to reduce their impact on the company's performance rates. The risk record is updated on an ongoing basis. Under the supervision of the Audit Committee, the Audit Department leads the monitoring of risks and submits a report on the latest developments related to those risks to the Audit Committee. The company follows the COSO system to monitor, follow up, and update the internal control systems to include any risks that the company may face, as well as show how to reduce and confront them.

The most important risks to which the company is exposed at the level of the consolidated financial statements are:

- Risks related to the decline in the market value of the company's investments.
- Risks related to maintaining the level of sales and revenues of subsidiaries and trying to control rising costs.

As for the risks mentioned in the financial statement notes, they explain the company's position on these risks as follows:

- Market risks - Currency rate risks - Interest rate risks - Capital management

4. The Company's Assets and Liabilities and the Results of its Business for the Last Five years:

• Income Statement (in SAR) :

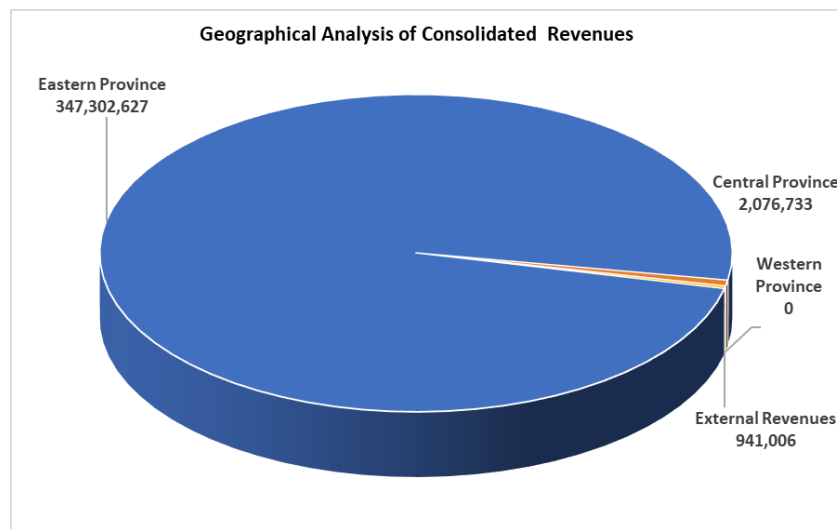
Description	2023	2022	2021	2020	2019
Revenues	333,277,992	266,226,780	269,562,709	255,316,389	245,504,829
Revenue Cost	(372,852,974)	(249,393,623)	(205,010,728)	(187,451,036)	(176,125,579)
Gross Profit/(Loss)	(39,574,982)	16,833,157	64,551,981	67,865,353	69,379,250
General & Admin. Expenses	(117,497,242)	(72,825,239)	(73,723,314)	(65,206,206)	(74,389,904)
Selling & Marketing Expenses	(3,424,292)	(1,144,722)	(951,797)	(929,852)	(1,293,507)
Operation Profits/(Loss)	(160,496,516)	(57,136,804)	(10,123,130)	1,729,295	(6,304,161)
Financing Cost	(68,611,452)	(3,387,122)	(2,934,573)	(2,570,845)	(433,495)
Share of Results from Associates	862,834	5,556,569	2,301,324	275,005	(2,517,648)
Dividends Income	2,991,015	4,036,235	3,485,526	2,705,639	6,125,634
Gain/(loss) from Investments	26,724	1,616,331	12,633,061	10,639,320	-
Purchase Gain at the Differential Price	-	-	-	14,580,063	-
Other Income	13,161,801	10,600,577	5,645,907	7,207,004	8,030,756
Net Profit/(Loss) on Ongoing Operations	(212,065,594)	(38,714,214)	11,008,115	34,565,481	4,901,086
Net Profit/(loss) on non-continuous Operations	-	-	-	3,011,839	-
Zakat	(4,000,000)	(5,916,865)	(4,632,251)	(6,730,167)	(4,174,794)
Net Profit/(Loss)	(216,065,594)	(44,631,079)	6,375,864	30,847,153	726,292
Net (Loss)/Profit Attributable to : Shareholders	(216,250,945)	(44,767,736)	4,294,315	27,293,701	(1,283,443)
Net Profit Attributable to Non-Controlling (Non-dominant Shareholders)	185,351	136,657	2,081,549	3,553,452	2,009,735
Net Profit/(Loss) for the Year	(216,065,594)	(44,631,079)	6,375,864	30,847,153	726,292
Net movement in fair value of equity instruments designated at FV through comprehensive income	(21,450,548)	(26,518,227)	(3,264,820)	(28,440,068)	24,184,656
Re-measurement loss on employees defined benefits obligations	838,987	(1,659,483)	(2,065,942)	(2,007,126)	(1,309,682)
Total Comprehensive Income/(Loss)	(236,677,155)	(72,808,789)	1,045,102	399,959	23,601,266

• **Statement of Financial Position (in SAR)**

Description	2023	2022	2021	2020	2019
Assets :					
Current Assets	306,904,621	238,311,501	227,043,076	205,659,017	128,860,509
Non-current Assets	1,358,057,012	1,397,931,355	1,290,360,372	1,105,561,405	544,972,783
Total Assets	1,664,961,633	1,636,242,856	1,517,403,448	1,311,220,422	673,833,292
Liabilities & Shareholders' Equity :					
Current Liabilities	522,145,693	316,162,313	114,707,626	239,412,566	48,842,671
Non-current Liabilities	634,194,729	575,987,169	585,793,659	252,804,118	42,825,422
Total Liabilities	1,156,340,422	892,149,482	700,501,285	492,216,684	91,668,093
Net Stockholders' Equity	500,000,820	735,735,808	808,658,495	750,803,473	516,925,539
Non-controlling (Non-dominant) Equity	8,620,391	8,357,566	8,243,668	68,200,265	65,239,660
Total Liabilities and Shareholders' Equity	1,664,961,633	1,636,242,856	1,517,403,448	1,311,220,422	673,833,292

5. Geographical Analysis of The Company's Total Revenues according to the Consolidated Financial Statements:

Description	Geographical Distribution				
	Total Revenues	Eastern Province	Central Province	Western Province	External Revenues
Sales Revenues of Subsidiaries	333,277,992	333,277,992	-	-	-
Company's Share of Profits of Associate Companies	862,834	862,834	-	-	-
Other Revenues	13,161,801	13,161,801	-	-	-
Dividend Income	2,991,015	0	2,050,009	-	941,006
Investments Profits	26,724	0	26,724	-	-
Total	350,320,366	347,302,627	2,076,733	-	941,006



6. Significant differences in Operating Results from the results of the previous year or any expectations announced by the company:

Description	2023	2022	Change + or -	Change %
Revenues	333,277,992	266,226,780	67,051,212	25%
Revenues Cost	(372,852,974)	(249,393,623)	(123,459,351)	50%
Gross Profit /(Loss)	(39,574,982)	16,833,157	(56,408,139)	-335%
General & Administrative Expenses	(117,497,242)	(72,825,239)	(44,672,003)	61%
Selling & Marketing Expenses	(3,424,292)	(1,144,722)	(2,279,570)	199%
Operation Profit /(Loss)	(160,496,516)	(57,136,804)	(103,359,712)	181%
Dividends Received	2,991,015	4,036,235	(1,045,220)	-26%
Financing Cost	(68,611,452)	(3,378,122)	(65,233,330)	1931%
Realized gain on disposal of equity instruments at fair value through profit and loss	0	1,616,331	(1,616,331)	-100%
Share of results of associate companies	862,834	5,556,569	(4,693,735)	-84%
Other income	13,161,801	10,600,577	2,561,224	24%
Gain from disposal of investments	26,724		26,724	100%
Net profit/(loss) from continuing operations	(212,065,594)	(38,714,214)	(173,351,380)	448%
Zakat	(4,000,000)	(5,916,865)	1,916,865	-32%
Net profit/(loss)	(216,065,594)	(44,631,079)	(171,434,515)	384%
Net profit/(loss) attributable to shareholders	(216,250,945)	(44,767,736)	(171,483,209)	383%
Net profit attributable to non-controlling interests	185,351	136,657	48,694	36%
Net profit/(loss) for the Year	(216,065,594)	(44,631,079)	(171,434,515)	384%
Net fair value movement on equity instruments at fair value through comprehensive income	(21,450,548)	(26,518,227)	5,067,679	-19%
Re-measurement loss on employees' defined benefit obligations	838,987	(1,659,483)	2,498,470	-151%
Total Comprehensive Income/(Loss) for the year	(236,677,155)	(72,808,789)	(163,868,366)	225%

The most important reasons for changes in operating results compared to the previous year's results:

The reason for the increase in losses during the year compared to the losses of the previous year is due to the following:

- 1- High cost of revenues as a percentage of revenues.
- 2- Increase in general and administrative expenses.
- 3- High sales and marketing expenses.
- 4- Decrease in dividends.
- 5- Decrease in the company's share of the results of an associate company.
- 6- Not achieving realized profits through investing in equity instruments at fair value through profit or loss.

7. Clarification of any discrepancy from the accounting standards approved by the Saudi Organization for Certified Public Accountants:

The financial statements were prepared in accordance with the international accounting standards adopted in the Kingdom of Saudi Arabia, and there is no difference from the international accounting standards approved by the Saudi Organization for Certified Public Accountants.

8. The Name of the Subsidiaries, their Capital, the company's ownership percentage in them, the place of their main activities, and the place of their operations, as on December 31, 2023 (Amount in SAR million):

Company Name	Company's Capital	Ayyan's Ownership percentage	Company's Main Activity	Operations Head Office	Country
Al-Ahsa Medical Services Company	150	96.3%	Establishing, managing, operating and maintaining hospitals and medical centers	AlAhsa	Saudi Arabia
Al-Salam Medical Services Company	200	100%	Establishing, managing, operating and maintaining hospitals and medical centers	AlKhobar	Saudi Arabia
Al-Ahsa Food Industries Company	20	100%	Production of dates and their transformational derivatives, establishment of cold stores and renting them to third parties	AlAhsa	Saudi Arabia

9. Details of Shares and Debt instruments issued for each subsidiary:

During the year 2023, the company or its subsidiaries did not issue any shares or debt instruments.

10. The Company's Policy for Distributing profits:

Article (45) of the Company's Articles of Association stipulates the dividend policy as follows:

The company's annual net profits are distributed after deducting all general expenses and other costs as follows:

1. Save 10% of the net profits to form a statutory reserve. The Ordinary General Assembly may stop this avoidance when the aforementioned reserve reaches 30% of the paid-up capital.
2. From the remaining, a first payment is then distributed to shareholders equal to 5% of the paid-up capital.
3. After the aforementioned, not more than 10% of the remaining shall be allocated for the reward of the members of the Board of Directors, as decided by the competent authorities, in addition to the session attendance allowance that the member is entitled to at each session, and travel and transportation expenses for the non-resident member. The remainder shall then be distributed to

the shareholders, an additional share in the profits according to what the Assembly decides or carries over to the following years.

4. Regarding the company's policy regarding stock dividend distributions, the Investment Committee works to monitor the number of traded shares and, when necessary, issues its recommendations to the Board of Directors regarding stock dividend distributions and then presents them to the Board of Directors to take the necessary decisions and follow up on their implementation. Work is underway to issue an independent policy in this regard.

It is worth noting that no recommendations for distributing profits were issued during the year 2023

11. A description of any interest in the class of shares entitled to vote during the year 2023 that belonging to persons (except Members of the Company's Board of Directors, Senior Executives and their relatives).

During the year 2023, the Company was not informed of any rights belonging to these persons, and there is no interest in the class of shares with legal rights.

12. Contractual securities and subscription rights belonging to Members of the Company's Board of Directors, Senior Executives and their relatives in shares or debt instruments of the company or any of its subsidiaries.

The following table shows the number of shares owned by Members of the Board of Directors, Senior Executives and their relatives in the company as follows:

#	Name	Beginning of the Period		End of the Period		Net Change	Change %
		No. of Shares	Debt Instruments	No. of Shares	Debt Instruments		
1	Mr. Faisal A. Al-Qahtani	1,000	-	1,000	-	-	-
2	Mr. Abdulaziz Al AlShaikh	0		0			
3	Mr. Ahmed A. Al-Khayyal	1,000	-	1,000	-	-	-
4	Eng. Mohammad A. Al-Mansour	1,000	-	1,000	-	-	-
5	Mr. Abdulaziz M. Al-Kassabi	1,000	-	1,000	-	-	-
6	Mr. Waleed A. Al-Rumaih	1,000	-	1,000	-	-	-
7	Mr. Ayham M. Al-Yousef	0		0			

With the exception of what was mentioned above, there are no ownership percentages in the company's shares belonging to Members of the Board of Directors and other senior executives and their relatives, and during the year 2023, there are no interest, other contractual securities, or subscription rights belonging to members of the Board of Directors, senior executives and their relatives in the company's shares or debt instruments or any of following, its subsidiaries, and there is no representative of a legal entity among the members of the Board of Directors.

13. Loans Outstanding from the Company and its Subsidiaries and repaid from them during the year:

The following data shows details of the loans granted to Ayyan Investment Company and its subsidiaries as of 31/12/2023 :

A- Loans from Ayyan Investment Company:

Ayyan Investment Company acknowledges that there are no loans owed by the company to any financing-body until 31/12/2023, and that the loans shown in the consolidated financial statements belong to the Subsidiaries, as follows:

Funding Source	Subsidiary company	Primary Financing Amount (million)	Financing period	Payment method	Additions during the year (million)	Amount paid during the year	As of December 31, 2023 (million)	Due Date
Alinma Bank	AlSalam Med. Co.	400,000,000	10 years	quarterly	49,999,700	56,477,253	399,853,842	2033
Alinma Bank	AlSalam Med. Co.	90,000,000	6 months		199,998,800	174,999,415	89,999,343	2024
AlRajhi Bank	AlAhssa Med. Co.	50,000,000	5 years	Monthly	0	10,167,040	39,832,959	2027
AlRajhi Bank	AlAhssa Med. Co.	50,000,000	9 months		50,000,000	50,000,000	50,000,000	2024
Bank AlBilad	AlAhssa Med. Co.	30,000,000	6 months		30,000,000	30,000,000	30,000,000	2024
MoF	AlSalam Med. Co.	145,502,925	25 years	Annual	34,396,875	8,994,990	170,904,810	2042
Alinma Bank	AlAhssa Food Co.	5,000,000	6 months	6 months	4,999,970	5,099,891	2,016,847	2024
TOTAL		770,502,925			369,395,345	335,738,589	782,607,801	

In addition, there is an outstanding balance at the end of the year to Al-Othman Holding Companies (one of the major shareholders included in transactions with related parties) amounting to SR. 153.1 million.

14. The Company did not grant or issue during the year 2023 any transferable debt instruments or any contractual securities, subscription right notes, or similar rights issued or granted by the company during the fiscal year 2023.

15. A Description of any transfer or subscription rights under transferable debt instruments, contractual securities, subscription right notes or similar rights.

During the year 2023, the company did not issue or grant any transfer or subscription rights under transferable debt instruments, contractual securities, subscription right notes or similar rights.

16. A description of any redemption, purchase or cancellation by the company of any redeemable debt instruments, and the value of the remaining securities, with a distinction between the listed securities purchased by the company and those purchased by subsidiaries.

During the year 2023, there are no transactions to redeem, purchase, or cancel by the company or its subsidiaries any recoverable debt instruments.

17. Board of Directors Meetings and Attendance record for each meeting:

The following table shows the attendance record for the Board of Directors meetings during the period from 01/01/2023 to 31/12/2023:

#	Name	Membership Type	No. of Meetings = 4			
			1 st Meeting 09/02/2023	2 nd Meeting 28/05/2023	3 rd Meeting 27/08/2023	4 th Meeting 17/12/2023
1	Faisal A. Al-Qahtani	Chairman	Attended	Attended	Attended	Attended
2	AbdulAziz A. Al AlShaikh	Vice Chairman	Attended	Attended	Attended	Attended
3	Ahmed A. Al-Khayyal	Member	Attended	Attended	Attended	Attended
4	Mohammad A. Al-Mansour	Member	Attended	Attended	Attended	Attended
5	Abdul-Aziz M. Al-Kassabi	Member	Attended	Attended	Apologized, unable to attend	Attended
6	Waleed A. Al-Rumaih	Member	Attended	Attended	Attended	Attended
7	Ayham M. Al-Yousef	Member	Attended	Attended	Attended	Attended

18. Number of the Company's Requests for the Shareholders' Register, dates and reasons for those requests:

#	Request Date	Request Reasons
1	07/06/2023	General Assembly
2	08/06/2023	General Assembly
3	11/09/2023	Company procedures
4	11/12/2023	Other

19. Transactions between the Company and Related parties:

During the year 2023, as part of the company's normal activity, the following is a description of the transactions with related parties in which the company is considered a party and regarding which the certified public accountant submitted his report:

Contracting Party	Related Party	Nature of Transaction	Contract Duration & Transaction	Transaction Value (SR)	Paid During 2023 (SR)	Balance at the End of 2023 (SR)
Strategic Business Solutions System (SBSS)	A Subsidiary of Al-Othman Holding Co., one of the major Shareholders. Also, Mr. Abdul Mohsen Muhammad Al-Othman, CEO of Al-Othman Holding Group, is the Chairman of the Board of Directors of Al-Salam Medical Services Co. (a subsidiary) and Al-Ahsa Medical Services Co. (a subsidiary). Likewise, Board Member Mr. Ahmed Abdullah Al-Khayyal represented one of the Senior Executives of Al-Othman Holding during the previous two years.	Purchase Computer Software and equipment	Supply Order	2,464,229	5,403,974	1,364,213
Al Othman Holding Group	One of the major Shareholders. Also, Mr. Abdul Mohsen Muhammad Al-Othman, CEO of Al-Othman Holding Group, is the Chairman of the Board of Directors of Al-Salam Medical Services Co. (a subsidiary) and Al-Ahsa Medical Services Co. (a subsidiary). Likewise, Board Member Mr. Ahmed Abdullah Al-Khayyal represented one of the Senior Executives of Al-Othman Holding during the previous two years.	Providing some engineering and architectural construction works and providing labor and accommodation.	Supply Order	19,248,097	16,137,557	8,481,255

Al Othman Holding Group	One of the major Shareholders. Also, Mr. Abdul Mohsen Muhammad Al-Othman, CEO of Al-Othman Holding Group, is the Chairman of the Board of Directors of Al-Salam Medical Services Co. (a subsidiary) and Al-Ahsa Medical Services Co. (a subsidiary). Likewise, Board Member Mr. Ahmed Abdullah Al-Khayyal represented one of the Senior Executives of Al-Othman Holding during the previous two years.	Al Salam Medical Services Company (a subsidiary) obtained an amount of SR. 153.1 million (without any interest), in order to complete construction work and support working capital.		153,100,000	5,452,635	153,100,000
Al-Othman Agricultural Production and Industrialization Company (NADA)	A Subsidiary of Al-Othman Holding Co., one of the major Shareholders. Also, Mr. Abdul Mohsen Muhammad Al-Othman, CEO of Al-Othman Holding Group, is the Chairman of the Board of Directors of Al-Salam Medical Services Co. (a subsidiary) and Al-Ahsa Medical Services Co. (a subsidiary). Likewise, Board Member Mr. Ahmed Abdullah Al-Khayyal represented one of the Senior Executives of Al-Othman Holding during the previous two years.	Providing medical services to employees	Service Order	69,011	2,070	119,826
Takween Advanced Industries Company	Al-Othman Holding Company is considered one of the major shareholders in Takween Company, as well as the major shareholders in Ayyan Company. Likewise, Mr. Abdul Mohsen bin Muhammad Al-Othman, CEO of Al-Othman Holding Group, is the Chairman of the Board of Directors of Al-Salam Medical Services Company (a subsidiary) and Al-Ahsa Medical Services Company (a subsidiary). Likewise, Board Member, Mr. Ahmed Abdullah Al-Khayyal, represented one of the senior executives of Al-Othman Holding during the previous two years.	Providing medical services to employees	Service Order	31,682	0	31,682

Al-Othman Agricultural Production and Industrialization Company (NADA)	A Subsidiary of Al-Othman Holding Co., one of the major Shareholders. Also, Mr. Abdul Mohsen Muhammad Al-Othman, CEO of Al-Othman Holding Group, is the Chairman of the Board of Directors of Al-Salam Medical Services Co. (a subsidiary) and Al-Ahsa Medical Services Co. (a subsidiary). Likewise, Board Member Mr. Ahmed Abdullah Al-Khayyal represented one of the Senior Executives of Al-Othman Holding during the previous two years.	Purchase juice and dairy products	Supply Order	338,694	304,922	116,592
Property Security for Security	A Subsidiary of Al-Othman Holding Co., one of the major Shareholders. Also, Mr. Abdul Mohsen Muhammad Al-Othman, CEO of Al-Othman Holding Group, is the Chairman of the Board of Directors of Al-Salam Medical Services Co. (a subsidiary) and Al-Ahsa Medical Services Co. (a subsidiary). Likewise, Board Member Mr. Ahmed Abdullah Al-Khayyal represented one of the Senior Executives of Al-Othman Holding during the previous two years.	Providing security services	One Year	0	3,412,604	0

These transactions and contracts with related parties do not have a material negative impact on the company's results of operations. The company confirms, as of the date of this report, that there are no agreements or transactions concluded during the year 2023 with related parties that were not mentioned in this report, and that there are no discussions or negotiations with related parties regarding new or potential agreements or transactions that were not mentioned in this report. The company has no intention to cancel or amend the agreements or transactions that will exist with related parties during the year 2023. The company and its Board of Directors confirm that all transactions with related parties were conducted in a regular, legal and commercial basis, and that none of these related parties received any preferential treatment in this regard. It is worth noting that the company's audit committee reviews all contracts with related parties and submits its recommendations to the Board of Directors, and that all transactions and contracts between the company and related parties will be presented for approval in the next general assembly, God willing.

The company has also adhered to what is stated in the Corporate Governance Regulations regarding conflicts of interest, and the company also includes the item of contracts and transactions with related parties item by item on the Agenda of the General Assemblies on an Annual basis for voting on it.

20. Information related to any business or contracts to which the company is a party or in which a Member of the Board of Directors, senior executives, or any person related to any of them has an interest, which includes the names of those involved in the business and contracts and the nature, conditions, duration and amount of these business:

Contracting Party	Related party	Terms of Work or Contract	Nature of Work or Contract	Duration of Work	Transaction Amount (SR)	Name of the Board Member of the Co. or Subsidiaries/Sr. Executives (stakeholders)
Strategic Business Solutions System (SBSS)	A Subsidiary of Al-Othman Holding Co., one of the major Shareholders. Also, Mr. Abdul Mohsen Muhammad Al-Othman, CEO of Al-Othman Holding Group, is the Chairman of the Board of Directors of Al-Salam Medical Services Co. (a subsidiary) and Al-Ahsa Medical Services Co. (a subsidiary). Likewise, Board Member Mr. Ahmed Abdullah Al-Khayyal represented one of the Senior Executives of Al-Othman Holding during the previous two years.	Purchase Computer Software and equipment	Supply request	Supply request	2,464,229	Mr. Abdul Mohsen bin Muhammad Al-Othman, CEO of Al-Othman Holding Group, is Chairman of the Board of Directors of Al-Salam Medical Services Company (a subsidiary) and Al-Ahsa Medical Services Company (a subsidiary) Likewise, Board Member, Mr. Ahmed Abdullah Al-Khayyal, represented one of the Senior Executives at Al-Othman Holding during the previous two years
Al Othman Holding Group	One of the major Shareholders. Also, Mr. Abdul Mohsen Muhammad Al-Othman, CEO of Al-Othman Holding Group, is the Chairman of the Board of Directors of Al-Salam Medical Services Co. (a subsidiary) and Al-Ahsa Medical Services Co. (a subsidiary). Likewise, Board Member Mr. Ahmed Abdullah Al-Khayyal represented one of the Senior Executives of Al-Othman Holding during the previous two years.	Providing some engineering and architectural construction works and providing labor and accommodation	Supply request	Supply request	19,248,097	Mr. Abdul Mohsen bin Muhammad Al-Othman, CEO of Al-Othman Holding Group, is Chairman of the Board of Directors of Al-Salam Medical Services Company (a subsidiary) and Al-Ahsa Medical Services Company (a subsidiary) Likewise, Board Member, Mr. Ahmed Abdullah Al-Khayyal, represented one of the Senior Executives at Al-Othman Holding during the previous two years
Al Othman Holding Group	One of the major Shareholders. Also, Mr. Abdul Mohsen Muhammad Al-Othman, CEO of Al-Othman Holding Group, is the Chairman of the Board of Directors of Al-Salam Medical Services Co. (a subsidiary) and Al-Ahsa Medical Services Co. (a subsidiary). Likewise, Board Member Mr. Ahmed Abdullah Al-Khayyal represented one of the Senior Executives of Al-Othman Holding during the previous two years.	During the completion of the construction of the building, we obtained an amount of SR. 153.1 million from the main shareholder of the holding company (Al-Othman Holding) without any interest)	Supply request	Supply request	153,100,000	Mr. Abdul Mohsen bin Muhammad Al-Othman, CEO of Al-Othman Holding Group, is Chairman of the Board of Directors of Al-Salam Medical Services Company (a subsidiary) and Al-Ahsa Medical Services Company (a subsidiary) Likewise, Board Member, Mr. Ahmed Abdullah Al-Khayyal, represented one of the Senior Executives at Al-Othman Holding during the previous two years

Al-Othman Agricultural Production and Industrialization Company (NADA)	A Subsidiary of Al-Othman Holding Co., one of the major Shareholders. Also, Mr. Abdul Mohsen Muhammad Al-Othman, CEO of Al-Othman Holding Group, is the Chairman of the Board of Directors of Al-Salam Medical Services Co. (a subsidiary) and Al-Ahsa Medical Services Co. (a subsidiary). Likewise, Board Member Mr. Ahmed Abdullah Al-Khayyal represented one of the Senior Executives of Al-Othman Holding during the previous two years.	Providing medical services to employees	Service request	Service request	69,011	Mr. Abdul Mohsen bin Muhammad Al-Othman, CEO of Al-Othman Holding Group, is Chairman of the Board of Directors of Al-Salam Medical Services Company (a subsidiary) and Al-Ahsa Medical Services Company (a subsidiary) Likewise, Board Member, Mr. Ahmed Abdullah Al-Khayyal, represented one of the Senior Executives at Al-Othman Holding during the previous two years
Takween Advanced Industries Company	Al-Othman Holding Company is considered one of the major shareholders in Takween Company, as well as the major shareholders in Ayyan Company. Likewise, Mr. Abdul Mohsen bin Muhammad Al-Othman, CEO of Al-Othman Holding Group, is the Chairman of the Board of Directors of Al-Salam Medical Services Company (a subsidiary) and Al-Ahsa Medical Services Company (a subsidiary). Likewise, Board Member, Mr. Ahmed bin Abdullah Al-Khayyal, represented one of the Senior Executives of Al-Othman Holding during the previous two years	Providing medical services to employees	Supply request	Supply request	31,682	Mr. Abdul Mohsen bin Muhammad Al-Othman, CEO of Al-Othman Holding Group, is Chairman of the Board of Directors of Al-Salam Medical Services Company (a subsidiary) and Al-Ahsa Medical Services Company (a subsidiary) Likewise, Board Member, Mr. Ahmed bin Abdullah Al-Khayyal, represented one of the Senior Executives at Al-Othman Holding during the previous two years
Al-Othman Agricultural Production and Industrialization Company (NADA)	A Subsidiary of Al-Othman Holding Co., one of the major Shareholders. Also, Mr. Abdul Mohsen Muhammad Al-Othman, CEO of Al-Othman Holding Group, is the Chairman of the Board of Directors of Al-Salam Medical Services Co. (a subsidiary) and Al-Ahsa Medical Services Co. (a subsidiary). Likewise, Board Member Mr. Ahmed Abdullah Al-Khayyal represented one of the Senior Executives of Al-Othman Holding during the previous two years.	Purchase juice and dairy products	Supply request	Supply request	338,694	Mr. Abdul Mohsen bin Muhammad Al-Othman, CEO of Al-Othman Holding Group, is Chairman of the Board of Directors of Al-Salam Medical Services Company (a subsidiary) and Al-Ahsa Medical Services Company (a subsidiary) Likewise, Board Member, Mr. Ahmed Abdullah Al-Khayyal, represented one of the Senior Executives at Al-Othman Holding during the previous two years

Property Security for security	A Subsidiary of Al-Othman Holding Co., one of the major Shareholders. Also, Mr. Abdul Mohsen Muhammad Al-Othman, CEO of Al-Othman Holding Group, is the Chairman of the Board of Directors of Al-Salam Medical Services Co. (a subsidiary) and Al-Ahsa Medical Services Co. (a subsidiary). Likewise, Board Member Mr. Ahmed Abdullah Al-Khayyal represented one of the Senior Executives of Al-Othman Holding during the previous two years.	Providing security services	Providing security services for one year to Al-Ahsa Medical Services Company (subsidiary co) - There are no transactions during the year other than payment of the due from the previous year	One year	0	Mr. Abdul Mohsen bin Muhammad Al-Othman, CEO of Al-Othman Holding Group, is Chairman of the Board of Directors of Al-Salam Medical Services Company (a subsidiary) and Al-Ahsa Medical Services Company (a subsidiary) Likewise, Board Member, Mr. Ahmed Abdullah Al-Khayyal, represented one of the Senior Executives at Al-Othman Holding during the previous two years
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Other than what was mentioned above, there are currently no commercial transactions with any of the members of its Board of Directors, its executive directors, or any of their relatives who have or have a direct or indirect material interest in these transactions, and there are no powers that give any of them the right to vote on these transactions. Transactions. In accordance with the Companies Law and in line with the policy of disclosing conflicts of interest adopted by the company in the field of regulating the relationship between the company and members of its Board of Directors and senior executives, the members of the Board of Directors (related parties) have informed the Board of their personal interest in the transactions that take place on behalf of the company.

21. A Statement of any Arrangements or Agreement under which a Member of the Company's Board of Directors or a Senior Executive waived any remuneration :

During the year 2023, there are no agreements or arrangements under which a member of the Company's Board of Directors or a Senior Executive waives any remuneration.

22. A Statement of any Arrangements or Agreement under which any of the Company's Shareholders waived any rights to profits.

During the year 2023, there are no arrangements or agreement under which any of the Company's Shareholders waived any rights to profits. It is worth noting that no recommendation was issued by the Board of Directors regarding dividend distributions during the year 2023 .

23. Regular Payments to Government agencies:

The Company has paid dues to Government agencies as follows:

Description	2023		Brief Description
	Paid Amounts	Due at the End-of the Year	
Zakat	4,326,440	5,556,044	Shows the Zakat paid and due for the year 2023
Tax	42,584,162	2,817,250	Represents the value added tax for the year 2023
GOSI	9,246,148	1,236,541	Represents contributions paid to Social security Authority
Total	56,156,750	9,609,835	

Zakat Status:

The group submits a unified zakat declaration for Ayyan Investment Company, Al-Ahsa Food Industries Company, and Al-Salam Medical Services Company. The group submitted its zakat declaration for the years up to December 31, 2022 AD and obtained the official certificate and receipts valid until April 30, 2024 AD. The group received the final zakat assessments until the year 2020 from the Zakat, Tax and Customs Authority.

Al-Ahsa Medical Services Company:

The Company submitted its Zakat returns for the years up to December 31, 2022 and obtained a Zakat certificate valid until April 30, 2023. It received the final assessments until 2018 from the Zakat, Tax, and Customs Authority. The assessment for the years 2019 to 2022 is still under study by the Authority.

Al-Salam Medical Services Company:

The company submitted its zakat returns for the years up to December 31, 2022 and obtained a zakat certificate valid until April 30, 2024. The company has received the final assessments until 2017, and the remaining years are still under study by the Authority. It is worth noting that starting from 2021, the company submits its returns within the unified declaration of the parent company.

- The following is a Statement of the Zakat position for the consolidated financial statements until the end of the fiscal year 2023:

Description	2023	2022
The Balance of the provision at the beginning of the Period	5,882,484	5,524,782
Component Allocation	4,000,000	5,918,177
Paid Amount through the Year	(4,326,440)	(5,560,475)
The Balance of the Provision as at the End of the Period	5,556,044	5,882,484

Note: The consolidated financial statements include Al-Ahsa Medical Services Company and Al-Salam Medical Services Company, but the consolidated zakat declaration includes all companies except Al-Ahsa Medical Services Company.

24. A Statement of the Value of any investments or reserves created for the benefit of the company's employees during the year 2023 :

During the year 2023, there are no investments or reserves established for the benefit of the company's employees.

25. The Board of Directors of Ayyan Investment Company acknowledges the following:

- Account records are prepared correctly.
- The internal control system was prepared on sound basis and implemented effectively.
- There is no significant doubt about the company's ability to continue its activities (Note 36).
- During the year 2023, there are no treasury shares that the company has purchased.

26. Information required to be disclosed under the Corporate Governance Regulations:

- a) The following table details the extent of the company's compliance with the Governance Regulations and what has not been Implemented.

The Company applies all provisions contained in the Corporate Governance Regulations issued by the Capital Market Authority, except for the following:

Article No.	Paragraph No.	Statement of the article in accordance with the Governance Regulations	Commitment done	Partial commitment	Not committed	Reason for non-application
22	2	Adopting a written and detailed policy specifying the powers delegated to the executive management and a schedule showing those powers, the method of implementation and the duration of the delegation.		✓		All powers are explained, but without specifying the duration of the authorization
39	A	Based on the proposal of the Nominations Committee, the Board of Directors shall establish the necessary mechanisms to annually evaluate the performance of the Board, its members, committees, and executive management. This is done through appropriate performance measurement indicators linked to the extent of achieving the company's strategic objectives, the quality of risk management, the adequacy of internal control systems, etc., provided that the strengths and weaknesses are identified and it is proposed to address them in a way that is consistent with the company's interest.		✓		The article is still indicative, and when it is required, the company will implement it
39	E	The Board of Directors makes arrangements to obtain a third party evaluation of its performance every three years			✓	The article is still indicative, and when it is required, the company will implement it
39	F	The non-executive members of the Board of Directors conduct a periodic evaluation of the performance of the Chairman of the Board after taking the views of the executive members (without the Chairman of the Board attending the discussion designated for this purpose), provided that the strengths and weaknesses are identified and a proposal to address them is consistent with the interest of the company.			✓	The article is still indicative, and when it is required, the company will implement it

67		Formation of a risk management committee			✓	The article is still indicative, and when it is required, the company will implement it
68		Functions of the Risk Management Committee			✓	The article is still indicative, and when it is required, the company will implement it
69		Risk Management Committee meetings			✓	The article is still indicative, and when it is required, the company will implement it
80		Organizing the relationship with stakeholders		✓		The article is still indicative, and when it is required, the company will implement it. There is a written policy that defines the relationship with relevant parties, but it is being updated to include all stakeholders.
82		Motivating employees			✓	The article is still indicative, and when it is required, the company will implement it
84		Social Responsibility			✓	The article is still indicative, and when it is required, the company will implement it
85		Social work initiatives			✓	The article is still indicative, and when it is required, the company will implement it
92		Formation of a corporate governance committee			✓	The article is still indicative, and when it is required, the company will implement it

b) Names of Member of the Board of Directors, Committee Members, Executive Management, their current and previous jobs, qualifications, and experience.

#	Name	Qualifications and Experience	Current Jobs	Previous Jobs
1	Mr. Faisal Abdullah Al-Qahtani (Chairman of the Board of Directors)	Qualifications: • Bachelor of Law - King Saud University 2000 Experience: • Arab National Bank • Albilad Bank	• Chairman of the Board of Directors - Ayyan Investment Company • Arab national Bank	
2	Mr.Abdulaziz Abdul Rahman Al AlShaikh (Deputy Chairman of the Board of Directors)	Qualifications: • Bachelor of Science (Chemical Engineering)-King Saud University 1993 • Master of International Finance (International Finance and Marketing) - American University 1999 • Master of Business Administration (Finance and Marketing) - The American University in 1999 Experience: • Management and Supervision	• General Manager (Atyaf Medical Company) 2021 to date • CEO (Spectrum Pharmaceutical Company) 2021 to date	• General Manager (Johnson and Johnson Company) 2015-2021 • General Manager (Banaja Company) 2008-2015 • Area Sales Manager and Business Manager (Merck & Co.) 2002-2004 • Major Clients Marketing Representative (Merck & Co.) 2001-2002
3	Mr. Ayham Muhammad Al-Yousef (Member of the Board of Directors)	Qualifications: • Bachelor of Industrial Management - King Fahd University of Petroleum and Minerals 1994 • Master of Business Administration - University of Washington 2001 Experience: • Management and Supervision		• General Supervisor of the Real Estate Development Fund and Advisor to the Minister of Housing 2016-2018 • CEO of AlBilad Financial Company 2012-2016 • CEO of Roya Capital 2008-2010 • In Banking and Finance field, since 1995
4	Mr. Ahmed Abdullah Al-Khayyal (Member of the Board of Directors)	Qualifications: • Bachelor of Accounting Sciences - Portland State University - USA 2012 Experience: • Treasury and Investment - The Saudi Investment Bank from 2013-2014 • General Manager – Gulf Desert Chemicals Company from 2014-2022 • Chief Operating Officer - Dar & Emaar Real Estate Invest. & Dev. Co. 2022-dte	• Member of the Board of Directors - Ayyan Investment Company • Member of the Board of Directors - Al-Balour Industrial Company • Chief Operating Officer - Dar and Emaar Real Estate Investment and Development Company - from 2022.	• Treasury and Investment - The Saudi Investment Bank from 2013-2014 • General Manager - Gulf Desert Chemicals Company - from 2014 to 2022
5	Mr. Abdulaziz Majid Al-Kassabi (Member of the Board of Directors)	Qualifications: • Bachelor of Engineering Management - Missouri University of Science & Technology 2008 • Master of Business Administration (Finance) - Drucker University of Management 2013	• Saudi Musheera Company - Executive Director	
6	Eng. Mohammad Abdullah Al-Mansour (Member of the Board of Directors)	Qualifications: • Bachelor of Industrial Engineering - King Fahd University of Petroleum and Minerals 1986 Experience: • Management and leadership, engg., development, consulting, planning	• Chief Strategy and Performance Executive - Jubail and Yanbu Electricity and Water Utilities Company (Marafiq)	• Saudi Aramco (Director of Organizational Consulting, Operations Development, Engg. and Projects)1986-2016 • Advisor to Minister of Health- 2015 • CEO of Copper Star Co 2016-2017 • CEO of Nama Chemicals Co 2019 • Director – New Horizon Office for Management Consulting 2019-2023

7	Mr. Waleed Amer Al-Rumaih (Member of the Board of Directors)	Qualifications: <ul style="list-style-type: none"> • Bachelor of Business Administration - Prince Muhammad Fahd University 2014 Experience: <ul style="list-style-type: none"> • Banks and Investments 	<ul style="list-style-type: none"> • Director of Banking Relationships (Alinma Bank) 2017-2018 • KPMG Public Finance 2015-2017
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Committee Members from Outside the Board:

#	Name	Qualifications & Experience	Current Jobs	Previous Jobs
1	Mr. Hani Abu Al-Naga (Member of the Audit Committee)	<ul style="list-style-type: none"> • Qualifications: • Bachelor of Accounting - King Abdulaziz University 1992 Experience: <ul style="list-style-type: none"> • Management, consulting, committee membership, banks 	<ul style="list-style-type: none"> • Assistant Governor (General Authority for State Real Estate) 2021-present • Member of the Internal Audit committee at Wafra Company for Industry and Development- 2021-now • Member of the Internal Audit Committee at Dar Al Tamleek - 2019 - now 	<ul style="list-style-type: none"> • Advisor to the Executive Office of the Ministry (Ministry of Housing) 2019-2021 • International Family Investment Office - Executive Vice President 2018-2019 • Banking expert (retail banking and branch network management) 25 years
2	Mr. Rashid Abdullah Al-Rashid (Member of the Audit Committee)	<ul style="list-style-type: none"> • Qualifications: • Bachelor of Accounting-King Faisal University-1998 • Diploma in Real Estate Management - Arab Real Estate Academy - 2009 • Accreditation Certificate - Saudi Authority for Accredited Residents - 2014 Most important Experiences: <ul style="list-style-type: none"> • Founder / General Manager / Certified Evaluator - Shore Real Estate Corporation, • And the Shore Real Estate Appraisal Foundation, (2002-2009-present), • Founder and General Manager of Concrete Products Projects (GRC) 2013-2018 • Founder - Easier Computer Foundation 2009-12 • Founder-Color & Color Foundation Dyes-2006 • Founder - Al-Dar Color Foundation for Decoration Projects- 2003-2017, • General Manager of Al-Mashreq Al-Arabia Contracting Corporation - (1999-present) 	<ul style="list-style-type: none"> • Member of the Audit committee of Ayyan Investment Company • General Manager / Certified Evaluator - Sure Real Estate Corporation, • Shore Real Estate Appraisal Corporation (2009 - until now), 	
3	*Mr. Imad Mahmoud Nashar (Member of the Audit Committee)	<ul style="list-style-type: none"> • Qualifications: • Bachelor of Finance - King Fahd University of Petroleum and Minerals 2005 • Master of Business Administration (Accounting) - Graduate School of Management, Clark University – 2008 Experience: Investment, Banking, Finance and Accounting	<ul style="list-style-type: none"> • Audit planning and quality control 2019 – now 	<ul style="list-style-type: none"> • Compliance and reporting of money laundering 2014 - 2014 • Licensing and inspection in the Capital Market Authority 2014-2009 Department of Investment and Private Banking Financial / Accounting 2004- 2005

*Mr. Imad Mahmoud Nashar submitted his resignation on 20/08/2023, due to personal reasons.

Senior Executives:

#	Name	Qualifications and Experience	Current Jobs	Previous Jobs
1	Mr. Raed Mohammed Al-Naeem (Chief Executive Officer)	Qualifications: • Bachelor of Accounting - King Faisal University Experience: • 21 years of experience in the banking sector, worked in several Saudi banks, progressed through to several positions in the field of corporate finance.	• CEO of Ayyan Investment Company	• Senior Manager of the Eastern Region of Corporate Banking - Bank Albilad
2	Mr. Ahmed Mahmoud Ibrahim (Finance Manager)	Qualifications: • Bachelor of Commerce from Cairo University • Certified American Management Accountants Association (CMA) • Certified American Certified Public Accountants Association – CPA Experience: • Accountant at Tamimah Telesin Egypt • Chief Accountant at Mena Company for Touristic and Real Estate Investment, Egypt • Finance Manager at Saudi Future Company. • Finance Manager of Al-Ahsa Food Industries Co.	• Financial Analyst - Ayyan Investment Company	• Finance Manager - AlAhsa Food Industries Company

- Names of Companies inside or outside the Kingdom in which a Member of the Company's Board of Directors is a Member of its Current and Previous Boards of Directors or one of its Director for the period from 01/01/2023 to 31/12/2023 :

1. The Member	Mr. Faisal Abdullah Al-Qahtani (Chairman of the Board of Directors)	
<i>Names of Companies in which a Member of the Board of Directors is a Member of their Current Boards of Directors or one of their Directors</i>	<i>Inside the Kingdom/ Outside the Kingdom</i>	<i>Legal Entity (listed joint stock / unlisted joint stock / limited liability)</i>
Ayyan Investment Company	Within the Kingdom	Listed Joint Stock
<i>Names of Companies in which a Member of the Board of Directors was a Member of its Previous BOD or one of its Managers</i>	<i>Inside the Kingdom/ Outside the Kingdom</i>	<i>Legal Entity (listed joint stock / unlisted joint stock / limited liability)</i>
Wafra Company	Within the Kingdom	Listed joint stock

2. The Member	Mr Abdulaziz AbdulRahman Al- AlShaikh (Vice Chairman of the Board of Directors)	
<i>Names of Companies in which a Member of the Board of Directors is a Member of their Current Boards of Directors or one of their Directors</i>	<i>Inside the Kingdom/ Outside the Kingdom</i>	<i>Legal Entity (listed joint stock / unlisted joint stock / limited liability)</i>
Spectrum Pharmaceutical Company	Within the Kingdom	Non-listed Joint Stock
Tal Debt Crowdfunding Co.	Within the Kingdom	Non-listed Joint Stock
Ayyan Investment Company	Within the Kingdom	Listed Joint Stock
Saudi Insurance Management Co.	Within the Kingdom	Listed Joint Stock

<i>Names of Companies in which a Member of the Board of Directors was a Member of its Previous BOD or one of its Managers</i>	<i>Inside the Kingdom/ Outside the Kingdom</i>	<i>Legal Entity (listed joint stock / unlisted joint stock / limited liability)</i>
N/A	N/A	N/A

3. The Member	Mr. Ahmed Abdullah Al Khayyal (Member of the Board of Directors)	
<i>Names of Companies in which a Member of the Board of Directors is a Member of their Current Boards of Directors or one of their Directors</i>	<i>Inside the Kingdom/ Outside the Kingdom</i>	<i>Legal Entity (listed joint stock / unlisted joint stock / limited liability)</i>
Ayyan Investment Company	Within the Kingdom	Listed Joint Stock
Al-Balour Company for Industry	Within the Kingdom	Non-listed Joint Stock
<i>Names of Companies in which a Member of the Board of Directors was a Member of its Previous BOD or one of its Managers</i>		<i>Legal Entity (listed joint stock / unlisted joint stock / limited liability)</i>
N/A	N/A	N/A

4. The Member	Mr. Ayham Muhammad Al-Youssef (Member of the Board of Directors)	
<i>Names of Companies in which a Member of the Board of Directors is a Member of their Current Boards of Directors or one of their Directors</i>	<i>Inside the Kingdom/ Outside the Kingdom</i>	<i>Legal Entity (listed joint stock / unlisted joint stock / limited liability)</i>
Saudi Marketing – Farm Markets	Within the Kingdom	Listed Joint Stock
Saudi Home Finance	Within the Kingdom	Non-listed Joint Stock
Ayyan Investment Co.	Within the Kingdom	Listed Joint Stock
<i>Names of Companies in which a Member of the Board of Directors was a Member of its Previous BOD or one of its Managers</i>	<i>Inside the Kingdom/ Outside the Kingdom</i>	<i>Legal Entity (listed joint stock / unlisted joint stock / limited liability)</i>
Gulf Commercial Union National Insurance	Within the Kingdom	Listed Joint Stock

5. The Member	Mr. Abdulaziz Majid Al-Kassabi (Member of the Board of Directors)	
<i>Names of Companies in which a Member of the Board of Directors is a Member of their Current Boards of Directors or one of their Directors</i>	<i>Inside the Kingdom/ Outside the Kingdom</i>	<i>Legal Entity (listed joint stock / unlisted joint stock / limited liability)</i>
Petromin	Within the Kingdom	Non-listed Joint Stock
Saudi Limestone Industries Company	Within the Kingdom	Listed Joint Stock (سوق نمو)
Elaj Group	Within the Kingdom	Non-listed Joint Stock
Hail Cement Company	Within the Kingdom	Listed Joint Stock
Ayyan Investment Co	Within the Kingdom	Listed Joint Stock
<i>Names of Companies in which a Member of the Board of Directors was a Member of its Previous BOD or one of its Managers</i>	<i>Inside the Kingdom/ Outside the Kingdom</i>	<i>Legal Entity (listed joint stock / unlisted joint stock / limited liability)</i>
N/A	N/A	N/A

6. The Member	Eng. Mohammad Abdullah Al-Mansour (Member of the Board of Directors)	
<i>Names of Companies in which a Member of the Board of Directors is a Member of their Current Boards of Directors or one of their Directors</i>	<i>Inside the Kingdom/ Outside the Kingdom</i>	<i>Legal Entity (listed joint stock / unlisted joint stock / limited liability)</i>
Raya Finance Co. - Member of the Nominations & Remunerations Committee	Within the Kingdom	Non-listed
Ayyan Investment Co.	Within the Kingdom	Listed Joint Stock
<i>Names of Companies in which a Member of the Board of Directors was a Member of its Previous BOD or one of its Managers</i>	<i>Inside the Kingdom/ Outside the Kingdom</i>	<i>Legal Entity (listed joint stock / unlisted joint stock / limited liability)</i>
Dammam Airports Company	Within the Kingdom	Non-listed Joint Stock

7. The Member	Mr. Waleed Amer Al-Rumaih (Member of the Board of Directors)	
<i>Names of Companies in which a Member of the Board of Directors is a Member of their Current Boards of Directors or one of their Directors</i>	<i>Inside the Kingdom/ Outside the Kingdom</i>	<i>Legal Entity (listed joint stock / unlisted joint stock / limited liability)</i>
Asiyar Logistics Services Co	Within the Kingdom	Non-listed Joint Stock
Saudi Al-Ittifaq Club	Within the Kingdom	Non-listed Joint Stock
Amer Al-Rumaih Charitable Foundation	Within the Kingdom	Non-listed Joint Stock
Al-Rumaih Industrial Investment Group	Within the Kingdom	Non-listed Joint Stock
Ayyan Investment Co.	Within the Kingdom	Listed joint stock
Saudi Food Bank	Within the Kingdom	Non-listed Joint Stock
<i>Names of Companies in which a Member of the Board of Directors was a Member of its Previous BOD or one of its Managers</i>	<i>Inside the Kingdom/ Outside the Kingdom</i>	<i>Legal Entity (listed joint stock / unlisted joint stock / limited liability)</i>
N/A	N/A	N/A

c) **Formation of the Board of Directors and classification of its Members for the period from 01/01/2023 to 31/12/2023 :**

The composition of the Board of Directors and the classification of its members are as follows:

BoD Members Name	Position	Membership Category
Mr. Faisal A. Al-Qahtani	Chairman of Board of Director	Non-Executive
Mr. Abdulaziz A. Al-AlShaikh	Vice Chairman of BOD	Independent
Mr. Ayham M. Al-Yousef	Member of the BOD	Independent
Mr. Ahmed A. Al-Khayyal	Member of the BOD	Independent
Eng. Mohammad A. Al-Mansour	Member of the BOD	Independent
Mr. Abdulaziz M. Al-Kassabi	Member of the BOD	Independent
Mr. Waleed A. Al-Rumaih	Member of the BOD	Independent

d) A Brief Description of the terms of reference of the Main Board of Directors Committees and their tasks:

• **Audit Committee :**

Formation of the Audit Committee for the Period from 01/01/2023 to 31/12/2023 :

Committee Members Name	Position
Mr. Waleed A. Al-Rumaih	Head of the Committee
Mr. Rashid A. Al-Rashid	Member (From outside the Board)
Mr. Hani A. Abu-AlNaja	Member (From outside the Board)
*Mr. Imad M. Nashar	Member (From outside the Board)

**Mr. Imad Al-Nashar submitted his resignation on 20/08/2023, due to personal reasons.*

Duties of the Audit Committee and duration of its work:

Committee's terms of Powers:

The Audit Committee is responsible for monitoring the company's business and verifying the integrity and integrity of the reports, financial statements and internal control systems. The committee's duties include, in particular, the following:

- a. Regarding the function of the chartered accountant (auditor) and the preparation of financial statements and reports:
 - i. Recommending to the Board of Directors to appoint the chartered public accountants (Auditors), which includes the committee's reviewing their professional competencies, confirming of their independence and the expected risks of a conflict of interest, as well as determining their fees and dismissal.
 - ii. Verifying the auditor's independence, objectivity, fairness, and the effectiveness of audit work, taking into account the relevant rules and standards.
 - iii. Reviewing the company's auditor's plan and his work, and ensuring that he does not submit technical or administrative work falls outside the scope of the audit-work in accordance with the principle of independence and expressing its views on that.
 - iv. Answering the company's auditor's inquiries.
 - v. Studying the auditor's report and his observations on the financial statements and following up on the decisions taken thereon.
- b. With regard to the conformity and compliance function, the committee shall do the following:
 - i. Reviewing the results of the regulatory authorities' reports and verify that the company has taken the necessary measures in this regard.
 - ii. Verifying the company's compliance with relevant laws, regulations, policies and instructions.
 - iii. Reviewing the contracts and transactions proposed to be conducted by the company with the relevant parties and presenting its views regarding that to the Board of Directors.
 - iv. Raising the issues it deems necessary to take action in its regards to the Board of Directors and expressing its recommendations regarding the measure that must be taken.
- c. With regard to the internal audit function, the Committee shall:
 - i. Study and review the company's internal control, financial and risk management systems; and deficiencies in the general structure and functioning of the internal control systems & their work.

- ii. Study internal audit reports and follow-up the implementation of corrective actions based on the observations contained therein.
 - iii. General supervision of the performance and activities of the internal auditor and the internal audit department in the company, in order to verify their effectiveness in implementing the work and tasks assigned to them by the Board of Directors.
 - iv. Preparing recommendations for the establishing the company's internal audit department and its budget, selecting and appointing the Director of the Internal Audit unit or department, and ensuring the extent of the independence of the internal auditors.
- d. With regard to Financial Reports:
- i. Studying the draft preliminary quarterly financial statements before publishing them, submitting them to the Board of Directors, and making recommendations them, if necessary.
 - ii. Studying the draft annual financial statements before submitting them to the Board of Directors and expressing an opinion and recommendation on them.
 - iii. Expressing an opinion, upon at the request of the Board of Directors, as to whether the report of the Board of Directors and the company's financial statements are fair, balanced and understandable, and include information that allows shareholders and investors to evaluate the company's financial position, performance, business model and strategy.
 - iv. Examining any important or unusual issues contained in the financial reports.
 - v. Carefully research any issues raised by the company's financial manager, or whoever assumes his duties, or the company's compliance officer, or the auditor.
 - vi. Verifying the accounting estimates regarding the essential issues mentioned in the financial reports.
 - vii. Studying the accounting policies followed in the company and express an opinion and recommendation to the Board of Directors in this regard.
- e. Regarding General Matters:
- i. The committee should formulate a mechanism that allows the company's employees to submit, in complete confidentiality, all the observations contained in the financial reports, regarding transgressions or violations and the committee members must conduct an independent investigation commensurate with the extent of the violation.
 - ii. The Committee is responsible for its work before the Board of Directors, without prejudice to the responsibility of the Board for those actions and for the powers or authorities delegated to it.
 - iii. The Chairman of Committee must attend the General Assembly to answer shareholders' inquiries.

Committee Powers:

The Committee has the following powers:

- i. Request documents, records, documents, reports, clarifications and other appropriate information from members of the Board of Directors, executives and officials of the company.
- ii. Inviting the Company's Executives, officials and employees to the committee's meetings to answer any inquiries the committee raises to them.
- iii. To request the Board of Directors to convene the Company's General Assembly, if the Board of Directors obstructs its work or if the company is exposed to serious damage or losses.
- iv. Seeking the assistance of experts, consultants and specialists from outside the company during the performance of its work.

- v. Carry out any duties assigned to it by the Board of Directors within the limits of its powers.
- vi. Review and evaluate the provisions of these regulations and prepare recommendations to the Board of Directors regarding amending part of them, if required.
- vii. Preparing quarterly reports to the Board of Directors on a periodic basis, and the Committee submits them to the Board of Directors immediately upon completion of the Committee meeting.
- viii. Determining monthly salaries, incentive bonuses, and other rewards for the internal audit department, the internal auditor, or the conformity and compliance department in line with the internal regulations of the company approved by the Board.
- ix. The committee conducts an annual review and evaluation of its bylaws and prepares recommendations, if necessary, to the Board of Directors regarding amending part of it.
- x. Treat the information they have as a result of undertaking the committee's work with complete confidentiality.
- xi. Informing the Board of Directors of developments that affect their independence or conflicts of interest related to the decisions taken by the Committee.
- xii. The committee's term of office ends with the end of the current session.

Committee Meetings:

Audit Committee members' attendance record from 01/01/2023 to 31/12/2023:

Name	Membership Capacity	Number of Meetings = 4			
		First Meeting 29/03/2023	Second Meeting 21/05/2023	Third Meeting 10/08/2023	Fourth Meeting 09/11/2023
Mr. Waleed A. Al-Rumaih	Head of the Committee	Attended	Attended	Attended	Attended
Mr. Rashid A. Al-Rashid	Member	Attended	Attended	Attended	Attended
Mr. Hani A. Abu Al-Naga	Member	Attended	Attended	Attended	Attended
*Mr. Imad M. Nashar	Member	Attended	Attended	Attended	Resigned

* He submitted his resignation from the committee on 20/08/2023, due to personal reasons.

- During the year 2023, there is no conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors, whether regarding the appointment of the external or internal auditor or any other matter, as there is no conflict between the recommendations of the Committee and the Board of Directors.
- The company has an internal auditor, so there are no recommendations regarding appointing an internal auditor.

• Nomination and Remuneration Committee:

Formation of the Nominations and Remuneration Committee for the period from 01/01/2023 to 31/12/2023 :

Members of the Committee	Position
Eng. Mohammad A. Al-Mansour	Head of the Committee
Mr. Ahmad A. Al-Khayyal	Member
Mr. AbdulAziz M. Al-Kassabi	Member

Duties of the Nominations and Remuneration Committee and duration of its work :

1. The Committee shall review the remuneration policy in order to evaluate its effectiveness in achieving the objectives for which it was set.
2. The committee recommends annually the remuneration of the Members of the Board of Directors as well as the Executive Management, taking into account the remuneration policy attached to these regulations, and indicating any reasons for deviation from this policy.
3. Taking into account any instructions issued by the Board of Directors, the Remuneration and Nominations Committee shall exercise all powers delegated to it by the Board of Directors.
4. The Committee exercises all the powers granted to it to carry out its duties towards its shareholders.
5. The Committee is responsible for nominating members of the Board of Directors and executive managers as follows:
 - a) Study applications for candidacy for membership of the Board of Directors and document all relevant observations and recommendations, taking into account what is stated in this regulation when nominating a member, and taking into account what is stated in the governance regulations issued by the Capital Market Authority, provided that the assembly takes into account the recommendations of the Nominations and Remuneration Committee.
 - b) Recommending to the Board of Directors about nomination for Membership of the Board.
 - c) Provide shareholders with sufficient information about the candidates, their qualifications and their relationship with the company before voting on their selection.
 - d) Using the services of an independent specialized third party to identify additional candidates for membership of the Board of Directors, in the event that the number of candidates does not exceed the number of seats available in the Board.
 - e) The company must publish the nomination announcement on the company's website, the market's website, and in any other means specified by the Authority, in order to invite persons wishing to run for membership of the Board of Directors, provided that the nomination period remains open for at least one month from the date of the announcement.
 - f) Every shareholder in the company has the right to nominate himself or others for membership in the Board of Directors in accordance with the provisions of the Companies Law and its executive regulations.
 - g) Establishing special procedures in the event of a vacancy in the position of a member of the Board of Directors or senior executives.
6. The Committee is responsible to the Board of Directors and the Executive Directors as follows:
 - a) Review the structure of the Board of Directors and make recommendations regarding changes that can be made.
 - b) Annual review of the skills requirements for the membership of the Board of Directors and its committees, preparing a description of the capabilities and qualifications required for membership of the Board and its Committees, and determining the time that a member must devote to the work of the Board and/or the Board committees.
 - c) Evaluating the structure and composition of the board and its committees on an annual basis, identifying weaknesses in the board and proposing the necessary steps to address them.
 - d) Evaluate the board as a whole and each member separately on an annual basis, based on transparent, formal and objective criteria.
 - e) Ensure annually the independence of the independent members and the absence of conflicts of interest if the member holds membership in other companies.
 - f) Ensure that the Board members do not hold the Membership in the Board of Directors in more than five joint-stock companies at the same time.
 - g) Recommendation regarding the appointment and dismissal of senior management members.
 - h) Developing a succession policy and procedures for the CEO and senior members of senior management and monitoring the implementation of succession plans and procedures for them.
 - i) Develop job descriptions for executive members, non-executive members, independent members and senior executives.
 - j) Identify the strengths and weaknesses in the Board of Directors, and proposing solutions to address them in a way that is consistent with the company's interest.

7. The Committee is responsible for the remuneration of the members of the Board of Directors, its committees and executive managers, as follows:
 - a) Develop a clear policy for compensation, rewards and incentives for the members of the Board of Directors, its committees emanating from it, and the executives of the company, and submitting it to the Board of Directors and having it approved by the General Assembly, taking into account the organization of the efforts of each member of the Board of Directors and the Executive Director in implementing the strategic objectives of the company, and using standards related to performance and the committee's evaluation of their personal performance. In exchange for the objectives set and disclosed by the Board of Directors.
 - b) Setting standards for the remuneration of the Members and the Chairman of the Board of Directors that enable the company to obtain outstanding performance with the aim of developing the company in the long term without affecting the independence of the members.
 - c) Continuous review of the appropriateness of the company's remuneration criteria against the company's performance, financial position and basic trends in the labor market.
 - d) Ensure that the company's incentive policy does not lead to taking unjustified risks.
 - e) Follow-up on the implementation of the decisions taken by the General Assembly of shareholders related to issues related to the remuneration of the members of the Board of Directors and company's senior executives and the manner in which those remunerations are disclosed in the Annual Report of the Board of Directors.
 - f) The Committee regulates how to grant free shares to members of the Board and the Executive Management.
8. The Committee's term of office ends with the end of the current session.

Committee Meetings:

**Attendance record of the Nominations and Remuneration Committee Members
from 01/01/2023 until 31/12/2023:**

#	Name	Membership Capacity	Number of Meetings = 2	
			First Meeting 09/02/2023	Second Meeting 20/12/2023
1	Eng. Mohammad Al-Mansour	Head of the Committee	Attended	Attended
2	Mr. Ahmad A. Al-Khayyal	Member	Attended	Attended
3	Mr. Abdul-Aziz Al-Kassabi	Member	Attended	Attended

• **Investment and Follow-up Committee:**

**Formation of the Investment and Follow-up Committee for the Period
from 01/01/2023 to 31/12/2023:**

Committee Members	Position
Mr. Faisal A. Al-Qahtani	Head of the Committee
Mr. Abdul-Aziz A. Al Al-Shaikh	Member
Mr. Ayham M. Al-Yousef	Member

Duties of the Investment and Follow-up Committee and duration of its work:

1. The Committee exercises all powers and assumes the duties of the Board of Directors in the period between Board meetings.
2. The committee discusses and takes decisions related to issues that need urgent decisions in emergency events.
3. The committee's responsibilities include taking routine decisions required by the company's regular business, according to the powers delegated by the Board of Directors.

4. With regard to the company's strategy and objectives, the committee will do the following :
 - Review the company's strategic planning procedures and processes.
 - Ensure that the company's strategic plans have been translated into actual actions and actions aimed at achieving the company's goals.
 - Reviewing the Board's recommendations regarding the distribution of the company's resources, which aim to achieve compatibility between the company's strategic plans and its long-term operational goals.
 - Periodic review of the strategic plans of the company and its subsidiaries and operational objectives to ensure their consistency with the company's mission and objectives.
 - With regard to the company's operational priorities, the committee will review and prepare recommendations for the Board of Directors regarding strategic decisions related to operational priorities, including expansion into new markets and countries or exit from existing markets and countries.
5. With regard to the company's financial planning and dividend policy, the committee will do the following:
 - Preparing and reviewing recommendations for the Board of Directors related to annual and long-term financial goals and strategies, as well as associated performance indicators.
 - Review the important financial matters of the company and its subsidiaries, such as matters related to the company's capital, the company's credit rating, cash flows, borrowing activities, and investment deposits.
 - Preparing and reviewing recommendations submitted to the Board of Directors related to the company's dividend policy and how to implement it.
 - Periodic review of actual capital expenditures and their review with previously approved budgets, with regard to evaluating the company's long-term productivity and the effectiveness of its operational processes. The committee will review and prepare recommendations for the Board of Directors regarding strategic decisions related to the opportunities in front of the company that aim to improve the quality of the products and services provided by the company, and rationalize related costs.
6. The Committee is responsible for its work before the Board of Directors, without prejudice to the Board's responsibility for those work and for the powers or authorities delegated to it.
7. The Head/Chairman of the Committee must attend the General Assembly to respond to shareholders' inquiries

Committee Powers:

1. Request documents, reports, clarifications and other appropriate information from the company's officials, executives and employees without any restrictions.
2. Invite the company's officials, executives and employees to attend its meetings to answer the inquiries raised by the committee.
3. Seeking the services of experts and consultants from outside the company to express opinions and advice on matters that are presented to them.
4. Perform other services required by the Board of Directors and which fall within the powers of the Committee,
5. The committee conducts an annual review and evaluation of its regulations in order to ensure that it fulfills its duties and submits recommendations to the Board of Directors regarding making amendments to it.
6. The Committee's term of office ends at the end of the current session.

Committee Meetings:

Attendance record of the Members of the Investment and Follow-up Committee for the period from 01/01/2023 to 31/12/2023:

#	Name	Membership Nature	Number of meetings = 4			
			First Meeting 08/02/2023	Second Meeting 28/05/2023	Third Meeting 13/06/2023	Forth Meeting 22/08/2023
1	Mr. Faisal Al-Qahtani	Head of the Committee	Attended	Attended	Attended	Attended
2	Mr. AbdulAziz Al AlShaikh	Member	Attended	Attended	Attended	Attended
3	Mr. Ayham AlYousef	Member	Attended	Attended	Attended	Attended

e) The Measures taken by the Board of Directors to inform its Members (particularly non-executives) of the Shareholders' proposals and observations regarding the company and its performance:

In the event of any observations from the company's shareholders, the Chairman of the Board informs the Board Members about the observations raised by the shareholders, how to address them, and the ways to adopt them if their feasibility is proven in the first meeting.

f) The Remuneration Policy stipulates the following:

1. Remuneration of Members of the Board of Directors:

Article Nineteen(19) of the Company's Articles of Association and any future amendments thereto, stipulate the remuneration of the members of the Board of Directors as follows:

Members of the company's Board of Directors will be paid a lump sum of Saudi Riyals One hundred and fifty thousand for each member for the services they perform, provided that the entitlement to this reward is proportional to the number of sessions attended by the member, in addition to a session attendance allowance of Saudi riyals three thousand for each session. A member of the Board of Directors, and the attendance allowance includes the Secretary of the Board.

A lump sum of Saudi riyals fifty thousand will be paid to each member participating in a committee, with a maximum of Saudi riyals seventy thousand, if he is a member of more than one committee, provided that the entitlement to this reward is proportional to the number of sessions attended by the member, in addition to an attendance allowance of Saudi riyals three thousand for each member for each session for each committee and the attendance allowance includes the Secretary of the Committee.

The Members of the Board of Directors shall be paid a bonus of (10%), of the net profits after deducting the reserves decided by the General Assembly and after distributing a profit to the shareholders of not less than (5%) of the company's paid-up capital.

In all cases, the total amount received by a Member of the Board of Directors of financial or in-kind rewards and benefits shall not exceed Saudi riyals five hundred thousand, and within the limits stipulated in the Companies Law or any other regulations, decisions or instructions complementary to it. The Board of Directors' report to the Ordinary General Assembly shall include a statement. It includes everything that the members of the Board of Directors received during the fiscal year in terms of salaries, share of profits, attendance allowance, expenses, and other benefits. The aforementioned report also includes a statement of what was disbursed to the members of the Board of Directors in their capacity as employees or administrators, or what they spent in exchange for technical, management, or consulting work. It was previously approved by the company's general assembly.

2. Executive Management Remuneration:

With regard to the policy of executive remuneration, the Nominations Committee reviews the executive regulations for executive remuneration and submit recommendations at the end of each fiscal year, about the disbursement of those remunerations and their amounts.

The Remunerations specified in the contracts of some senior executives are taken into account, according to which those remunerations are paid on their due date. Annually, the Nominations Committee reviews the nominations and remuneration policies to verify their compatibility with the company's strategy.

27. Clarifying the relationship between the rewards awarded and the applicable rewards policy, and indicating any material deviation from this policy:

The above-mentioned remuneration policy was adhered to, as the Nominations Committee recommended that the remuneration be disbursed according to the remuneration policy regulations, and then it was approved by the Board of Directors.

28. All members of the Board of Directors declared that they are not participating, are participating, or were participating in any business competing with the company or any of the branches of activity practiced by the company.

29. Details of Remuneration and Compensation for Members of the Board of Directors and Senior Executives:

- **Members of the Board of Directors (Independent) for the period from 01/01/2023 to 31/12/2023:**

		1	2	3	4	5	6	
	Member's Name	Abdul-Aziz A. Al Al-Shaikh	Abdul-Aziz M. Al-Kassabi	Waleed A. Al-Rumaih	Ahmed A. AlKhayyal	Ayham A. Al-Yousef	Mohammed Al-Mansour	Total
Fixed Awards	Allowance for Attending Board Meetings	12,000	9,000	12,000	12,000	12,000	12,000	69,000
	Allowance for Attending Committee Meetings	12,000	6,000	12,000	6,000	12,000	6,000	54,000
	Annual Remuneration for the Board	150,000	150,000	150,000	150,000	150,000	150,000	900,000
	Annual Remuneration for Committees	50,000	50,000	50,000	50,000	50,000	50,000	300,000
Gross Total		224,000	215,000	224,000	218,000	224,000	218,000	1,323,000

- **Members of the Board of Directors (Non-Executives)**

	Member's Name	Faisal A. Al-Qahtani
Fixed Awards	Allowance for Attending Board Meetings	12,000
	Allowance for Attending Committee Meetings	12,000
	Annual Remuneration for the Board	150,000
	Annual Remuneration for Committees	50,000
Gross Total		224,000

• **Remuneration for Committee Members (from Outside the Board)**

Audit Committee Members	Fixed Remuneration for Committee Members (Excluding the allowance for attending sessions)	Board Sessions Attendance Allowance	Total
Mr. Rashid A. Al-Rashid	50,000	12,000	62,000
Mr. Hani A Abu AlNaja	50,000	12,000	62,000
Mr. Imad M Nashar	31,731	9,000	40,731
Total	131,731	33,000	164,731

• **Five Senior Executives Who Received the Highest Rewards and Remuneration**

	Member's Name	CEO	Finance Manager	Total
Fixed Awards	Salaries	1,000,008	266,676	1,266,684
	Allowances	417,069	76,889	493,958
	Total	1,417,077	343,565	1,760,642
Variable Awards	Periodical Bonuses	250,000	55,019	305,019
End-of-service Awards		0	0	0
Gross Total		1,667,077	398,584	2,065,661

- According to the Corporate Governance Regulations, the disclosure of five senior executives who received the highest remuneration, but the current positions in the company's organizational structure include only two of the senior executives listed above (Chief Executive Officer & Finance Manager).
- Except for what was mentioned, none of the members of the Board of Directors or any of the senior executives received any travel expenses, transportation, bonuses or any other allowances.

30. The Means relied upon by the Board of Directors to evaluate its performance and the performance of its committees and members, and the external party that carried out the evaluation and its relationship with the company, if any.

The Nominations and Remuneration Committee identifies the strength and weaknesses of the Board of Directors and suggests addressing them in a way that is consistent with the company's interest. The Committee evaluates the members of the Board of Directors. As for the Nominations and Remuneration Committee, it is evaluated by the Chairman of the Board and the Board Members complete the necessary forms for the evaluation. The Company believes that there is no need to seek assistance from an entity external method for evaluating the members of the Board of Directors, as the Nominations and Remuneration Committee carries out the self-evaluation of the members of the Board of Directors.

31. Penalty or Precautionary restriction imposed on the company by the Authority or any other supervisory, regulatory or judicial authority:

There is no penalty or punishment, but in the subsequent period (April 2024 G) the company received attention letter from CMA, stating that it had violated Paragraph (A) of Article 88 of the Corporate Governance Regulations, which stated that the company did not refer to the Audit Committee's recommendation regarding the adequacy of the internal and financial control and risk management systems. The company also received in the subsequent period (April 2024 G) information indicating that it had violated the rules and regulations by not publishing the announcement of the annual financial statements for the period ending on December 31, 2023 within the specified statutory deadline; as well as not submitting the Board of Directors' report for the year 2023 G.

32. Lawsuits filed against the company:

There are No Lawsuits in which the company is one of the parties.

33. Results of the Annual Review of the effectiveness of the company's internal control procedures:**First: The foundations of internal control and the application of the control cycle within the company:**

In light of the internal control reports, the Audit Committee reviews the control cycle for all the company's activities in accordance with the COSO system, and identifies the strengths and weaknesses, as well as updating records of the risks to which the company is exposed and how to reduce them, and developing control systems that ensure that they do not occur or that their effects are not exposed. The Internal Audit Department develops an annual plan to ensure the quality of the internal control system in place and develops recommendations regarding updating the internal control system so that the systems are updated to reduce the effects of the new risks according to the risk records of the Internal Audit Department, submitting them to the Audit Committee and following up with the executive management in implementing those recommendations.

Second: The Results of the Annual Review of the effectiveness of Internal Control. The following are the most important procedures and essential observations:

During the year 2023, the committee examined and evaluated the company's internal control system through what was stated in the internal audit reports, and ensured the company's departments' commitment to implementing the recommendations contained in those reports. It also studied and reviewed the risks, in major operational, financial and administrative challenges that the company may face, in addition to studying Weaknesses and strengths of internal control, financial and risk management systems. The results of the examination revealed that there are no fundamental deficiencies that require disclosure, and that risk control procedures are managed within the limits that have been set, in a transparent manner and at the appropriate time, while emphasizing the continuous need to update the company's systems and policies in line with business changes and the requirements of continuous development. To manage risks and complete what is necessary to perform its tasks efficiently and effectively, in addition to changes in the relevant systems and regulations issued by the competent authorities. The Audit Committee considered that there were no fundamental deficiencies that required disclosure, and the

Committee did not issue any recommendations regarding the adequacy of the company's internal and financial control and risk management systems.

34. Details of the Company's Social Contributions:

The company does not have any social contributions during the year 2023.

35. A Statement of the Dates of the General Assemblies of Shareholders held during the last fiscal year and the Names of the Members of the Board of Directors attending these Assemblies:

#	BOD Name	Attendance Register
		Ordinary General Assembly Meeting on 08/06/2023
1	Mr. Faisal Abdullah Al-Qahtani	Attended
2	Mr. Abdulaziz Abdulrahman Al-Shaikh	Did not attend
3	Mr. Ayham Mohammed Al-Yousef	Attended
4	Mr. Ahmed Abdullah Al-Khayyal	Attended
5	Eng. Mohammad Abdullah Al-Mansour	Attended
6	Mr. Abdulaziz Majid Al-Kassabi	Attended
7	Mr. Waleed Amer Al-Rumaih	Attended

36. The Certified Public Accountant's Report did not include any reservations on the annual financial statements for the fiscal year ending on 31/12/2023.

The Auditor's Report includes the following:

Material Uncertainty Related to Going Concern;

We draw attention to Note (1) of the Consolidated Financial Statements, which stated that the Group had accumulated losses amounting to SR. 258,024,934; which representing 32% from the Capital as of December 31, 2023; The current liabilities of the Group had exceeded its current assets by SR. 215.2 million as at December 31, 2023 (December 31, 2022 : SR.77.9 million). The Group is currently in negotiations with a commercial bank for additional facilities to finance its working capital requirements. Also the Group has submitted Rights Issue file to the Capital Market Authority to increase capital by SR. 200 million. The Management of the Group believes that it would be successful in obtaining additional facilities in near future as required. And also, if required the Group will sale one of its investment from investment properties and investment in equity instruments designated at fair value through other comprehensive income to cover this issue. These events or conditions, along with other matters, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern, our opinion has not been modified in this matter.

37. The Chartered Accountant:

The Ordinary General Assembly, held on 08/06/2023, approved the proposal of the Company's Board of Directors, based on the recommendation of the Audit Committee, to appoint Messrs. Crowe Professional Consulting Office (formerly Abdullah Mohammed AlAzem, Salman Bandar AlSudairy and Musab Abdulrahman AlShaikh - Al-Azem, Al-Sudairy, Al-Shaikh and their partners); as a Chartered Accountant for the Company, for the financial year ending on 31/12/2023 to review the Company's preliminary and Annual Consolidated statements. There is no recommendation from the Board of Directors to replace the chartered accountant during the period for which they was appointed.

38. Retained Earnings Account

Under the Saudi Companies Law, which requires that the Board of Directors' Report include the following recommendations to shareholders; regarding net profits:

Description	2023 (SAR)
Company's Net Losses after Zakat for the year 2023	(216,065,594)
Net Gains attributable to non-controlling interest	185,351
Net Loss after Zakat for the year 2023	(216,250,945)
Exclusions of Investments at fair value through comprehensive income	1,204,992
Net Accumulated Losses as of December 31, 2023	(215,045,953)
Accumulated Losses as of January 1, 2023	(42,978,981)
Accumulated Losses as of December 31, 2023	(258,024,934)

In conclusion:

The Board of Directors approved this Report, and agreed to submit it to the General Assembly for approval pursuant to Resolution No. 597/2024, dated 18/04/2024.

