

**Report of the Board of Directors
of the Saudi Industrial Export Company
For the fiscal year ended on December 31, 2021**

Honorable shareholders,

Peace and mercy of Allah and his blessings may be upon you

The Board of Directors is pleased to present to you the annual report of the Saudi Industrial Export Company for the year 2021, which sheds light on the basic information about the company's activity and the most prominent projects it has undertaken; In addition to analyzing the operating and financial results, as well as the income statements, cash flows, changes in shareholders' equity, the structure of the company's board of directors, and the company's compliance with the provisions of the corporate governance regulations, and information about the company's activities and its subsidiaries, and an analytical presentation of the company's consolidated operational results, the current and expected risks it faces, which reviews the most important developments that have occurred in the company's activities, the annual financial results, and the challenges facing the companies.

The company has restructured and made a future strategic plan to cope with the changing market conditions, focusing on innovation in its high profitable products and businesses, improving performance, focusing on the target sectors, rationalizing expenditures and rationalizing production advantages. The Board of Directors has taken all possible ways to improve in all cases and advance the company to serve our shareholders, customers and employees, and we ask Allah to crown our efforts with success.

Finally, we ask Allah Almighty to pay our steps and help us to continue the company's journey to the fullest.

Board of Directors

1) What provisions of the Corporate Governance Regulations have been applied, and what are not, and the reasons for that: -

The company applies all provisions contained in the Corporate Governance Regulations issued by the Capital Market Authority, with the exception of the provisions listed below:

Article number in the regulation	Paragraph	Article/paragraph text	Reasons not to apply
Forty-first (evaluation)	(A)	A) The Board of Directors, based on the proposal of the Nominations Committee, shall establish the mechanisms necessary to annually evaluate the performance of the Board - its members, committees and the Executive Administration; This is done through appropriate performance measurement indicators related to the extent to which the company's strategic objectives are achieved, the quality of risk management, the adequacy of internal control systems and others, provided that the strengths and weaknesses are identified and a proposal to address them in line with the company's interest.	The article is indicative and has not been applied
Eighty-fifth (motivating employees)	(2)	2) Programs for granting employees shares in the company or a share of the profits it achieves, retirement programs, and the establishment of an independent fund to spend on those programs.	The article is indicative and has not been applied
Eighty-fifth (motivating employees)	(3)	3) Establishment of social institutions for the company's employees.	The article is indicative and has not been applied
Eighty-seventh (Social Responsibility)		The Ordinary General Assembly, based on a proposal from the Board of Directors, sets a policy that ensures a balance between its goals and the goals that society aspires to achieve, in order to develop the social and economic conditions of society.	The article is indicative and has not been applied
Eighty-eighth (Social Action Initiatives)		The Board of Directors sets the programs and determines the necessary means to present the company's initiatives in the field of social action.	The article is indicative and has not been applied
Ninety-fifth (formation of the Corporate Governance Committee)		In the event that the Board of Directors forms a committee specialized in corporate governance, it must delegate to it the competencies stipulated in Article Ninety-four of these Regulations. This committee must follow up on any issues related to corporate governance applications, and provide the Board of Directors, at least annually, with the reports and recommendations it reaches.	The article is indicative and has not been applied due to the presence of specialists in corporate governance in the company's administration, and accordingly the company sees no need to form this committee at present.

2) Names of the members of the Board of Directors, members of the committees, and the executive management, and their current and previous positions, qualifications and experience:

a) members of the board of directors

#	Name	Current position	Previous position	Qualifications	Experience
1	Hatem Hamad Al-Suhaibani	General Manager, Honorable Concepts Trading Company	Transport engineer	Bachelor of Mechanical Engineering	13 years in engineering, design and asset management
2	Ahmed Mohammed Al-Arini	Executive Director of the Information Technology Department at the General Investment Authority	Director of Branch Expansion Department at Al Rajhi Bank	Master of Computer Science	14 years in management, business analysis and technical project implementation
3	Abdullah Abdulaziz Al-Mishaal	General Manager of Hazoon Catering Services Company	Businessman	Bachelor's degree in Sharia	17 years in commerce and business
4	Salman Muhammed Al-Suhaibani	Chief Executive Officer, La Baa's Health Insurance Claims Resolution Co.	Head of Anti-Compliance, Money Laundering and Suspicious Activity Reporting Saudi Arabia Lazard Company	Master of Business Administration	13 years in the field of governance, control and corporate management
5	Khaled Abdullah Al-Dhubaib	Director General of the General Department for Initiatives at the Ministry of Communications and Information Technology	Project Manager for Digital Transformation and Change at Al Rajhi Bank	Master of Business Administration	13 years in strategic management, project management and business development
6	Hussam Yahya Al-Ghrimel	Executive Director	Information and communication technology consultant	Master of Business Administration	15 years in the field of ICT and management
7	Ali Saleh Al-Humaidan	Executive Director, Arabian Identity Trade Company	Co-founder of Professional Marketing Company	Master of Business Administration	13 years in management, project management and business development
8	** Suleiman Hamad Al-Jedaie	Chief Executive Officer, Saudi Industrial Exports Company	Logistical consultant	PhD in Industrial Engineering (specializing in Logistics)	More than 10 years of international experience in supply chain management, logistics and operations management

** Dr. Sulaiman Hamad Al-Jedaie was appointed as a member of the Board of Directors (Executive) by a decision of the Board of Directors on 30.03.2021, and this appointment was approved at the Ordinary General Assembly meeting on 06.07.2021.

b) committee members

#	Name	Current position	Previous position	Qualifications	Experience
1	Hatem Hamad Al-Suhaibani	General Manager, Honorable Concepts Trading Company	Transport engineer	Bachelor of Mechanical Engineering	13 years in engineering, design and asset management
2	Ahmed	Executive Director of the	Director of Branch	Master of Computer	14 years in management,

	Mohammed Al-Arini	Information Technology Department at the General Investment Authority	Expansion Department at Al Rajhi Bank	Science	business analysis and technical project implementation
3	Abdullah Abdulaziz Al-Mishaal	General Manager of Hazoon Catering Services Company	Businessman	Bachelor's degree in Sharia	17 years in commerce and business
4	Salman Muhammed Al Suhaibani	Chief Executive Officer, La Baa's Health Insurance Claims Resolution Co.	Head of Anti-Compliance, Money Laundering and Suspicious Activity Reporting Saudi Arabia Lazard Company	Master of Business Administration	13 years in the field of governance, control and corporate management
5	Khaled Abdullah Al-Dhubaib	Director General of the General Department for Initiatives at the Ministry of Communications and Information Technology	Project Manager for Digital Transformation and Change at Al Rajhi Bank	Master of Business Administration	13 years in strategic management, project management and business development
6	Hussam Yahya Al-Ghrimel	Executive Director	Information and communication technology consultant	Master of Business Administration	15 years in the field of ICT and management
7	Ali Saleh Al Humaidan	Executive Director, Arabian Identity Trade Company	Co-founder of Professional Marketing Company	Master of Business Administration	13 years in management, project management and business development
8	** Suleiman Hamad Al-Jedaie	Chief Executive Officer, Saudi Industrial Exports Company	Logistical consultant	PhD in Industrial Engineering (specializing in Logistics)	More than 10 years of international experience in supply chain management, logistics and operations management
9	Mohammed Azzam Al Shuwaier	Chief Executive Officer, Mining House Company	Senior Audit Manager, Saudi Telecom Channels Company	Bachelor of Information Systems	Director of Group Policies Department at Saudi Civil Aviation Holding Company, Director of Operational Excellence Department at National Gas and Industrialization Company, and advisor at Al-Elm Company for Information Security, Consultant at Accenture International

c) Executive management

Name	Current position	Previous position	Qualifications	Experience
Suleiman Hamad Al-Jedaie	Chief Executive Officer, Saudi Industrial Exports Company	Logistical consultant	PhD in Industrial Engineering (specializing in Logistics)	More than 10 years of international experience in supply chain management, logistics and operations management
Ahmed Talaat Abdul-Aziz	Financial Director	Financial Director	Bachelor of Commerce	24 years in the field of financial management and accounting

3) The names of companies inside or outside the Kingdom of Saudi Arabia for 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 managers.

Member name	Names of the companies in which the board member is a member of their current boards of directors or one of their managers	Inside / outside the Kingdom of Saudi Arabia	Legal entity (listed/unlisted/limited liability/etc.)	Names of the companies in which a member of the board of directors is a member of their previous boards of directors or one of their managers	Inside / outside the Kingdom of Saudi Arabia	Legal entity (listed/unlisted/limited liability/etc.)
Hatem Hamad Al-Suhaibani	Ayan Investment Company	inside the kingdom	Listed joint stock company	BATEC Investment and Logistics Company	inside the kingdom	Listed joint stock company
Ahmed Mohammed Al-Arini	-	-	-	-	-	-
Abdullah Abdulaziz Al-Mishaal	Andalusia Real Estate Company Dom International Investment Company	inside the kingdom inside the kingdom	Listed joint stock company closed contribution	-	-	-
Salman Muhammed Al Suhaibani	Aldrees Petroleum and Transport Services Company Morni Holding Company Taqdeer International Company	inside the kingdom inside the kingdom inside the kingdom	Listed joint stock company Limited Limited	-	-	-
Khaled Abdullah Al-Dhubaib	-	-	-	-	-	-
Hussam Yahya Al-Ghrimel	Beal Al Riyadh Co. Ltd.	inside the kingdom	Limited liability	-	-	-
Ali Saleh Al Humaidan	Hawyia Yamam Rawafid AlHadarah	inside the kingdom inside the kingdom inside the kingdom	Limited Limited Limited	-	-	-
Suleiman Hamad Al-Jedaie	-	-	-	-	-	-

- 4) **The composition of the board of directors and the classification of its members as follows: an executive board member - a non-executive board member - an independent board member.**

Member name	Membership classification (executive - non-executive - independent)
Eng. Hatem Hamad Al-Suhaibani	Independent
Mr. Ahmed Mohammed Al-Arini	Independent
Mr. Abdullah Abdulaziz Al-Mishaal	Non-Executive
Mr. Salman Muhammed Al Suhaibani	Independent
Mr. Khaled Abdullah Al-Dhubaib	Independent
Eng. Hussam Yahya Al-Ghrimel	Non-Executive
Mr. Ali Saleh Al Humaidan	Independent
Dr. Suleiman Hamad Al-Jedaie	Executive

- 5) **Actions taken by the Board of Directors to inform its members - especially non-executives - of the shareholders' proposals and comments regarding the company and its performance.**

The proposals and comments of the company's shareholders, if any, are presented at the meeting of the Board and Board committees after the Board members are notified by phone or by e-mail.

- 6) **A brief description of the committees' competencies and tasks, such as: the Audit Committee, the Nomination Committee and the Remuneration Committee, indicating the names of the committees, their chairmen and members, the number of their meetings, the dates of their meetings, and the members' attendance data for each meeting.**

(1) Audit Committee:

It is chaired by Mr. Salman Muhammad Al-Suhaibani - a member of the Board of Directors, the membership of Mr. Ahmed Muhammad Al-Arini - a member of the Board of Directors, and the membership of Mr. Muhammad Azzam Al-Showair - a member of the committee from outside the Board, and it is concerned with assisting the Board in fulfilling its responsibilities entrusted to it, in particular helping to verify the adequacy of The system of internal control and its effective implementation and submitting any recommendations to the Board of Directors that would activate and develop the system in order to achieve the objectives of the company and protect the interests of shareholders and investors with high efficiency and reasonable cost. From this concept, the tasks of the committee do not include carrying out any executive tasks or making any decisions. Rather, its tasks are limited to providing

recommendations to the Board of Directors to take what it deems appropriate in their regard. The committee held (8) meetings during the fiscal year 2021 according to the following statement:

Member's name	Member's capacity	Ninth meeting 04/24/2021	Tenth meeting 04/28/2021	Eleventh meeting 01/06/2021	Twelfth meeting 09/06/2021	Thirteenth meeting 06/28/2021	Fourteenth meeting	Fifteenth meeting 08/11/2021	Sixteenth meeting 11/14/2021	Number of meetings
Salman Muhammed Al Suhaibani	Committee president	✓	✓	✓	✓	✓	✓	✓	✓	8
Ahmed Mohammed Al-Arini	Member	✓	✓	✓	✓	✓	✓	✓	×	7
Mohammed Azzam Al Shuwaier	Member	✓	✓	✓	✓	×	✓	✓	✓	7

✓ attended by himself

× Did not attend

*** Duties and scope of work of the Audit Committee:**

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

1. Request documents, reports, clarifications and other appropriate information from the company's executives and officials.
2. Inviting the company's executive directors, officials and employees to the committee's meetings to ask them and request clarifications and explanations from them.
3. The use of experts, consultants and specialists from outside the company.
4. Perform any duties assigned to them by the Board of Directors within the powers of the Audit Committee
5. Carrying out the annual review and evaluation of its bylaws and preparing recommendations to the Board of Directors regarding the amendment of part of it (if required.)
6. Preparing reports on a periodic basis to the Board of Directors, provided that they are submitted to the Board upon the completion of the committee meeting.
7. Dealing with the information available to the committee as a result of carrying out its work in strict confidence.

8. Inform the Board of Directors of developments that affect its independence or conflicts of interest related to the decisions taken by the Audit Committee in preparing an annual evaluation and review of the activities of the Audit Committee and its members, including the degree of compliance of the Committee with its regulations.

Financial reports

1. Studying the company's initial and annual financial statements and its announcements related to its financial performance before presenting them to the Board of Directors, to ensure their integrity, fairness and transparency, and expressing their opinion
2. Expressing a technical opinion at the request of the Board of Directors whether the Board's report 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 or position, its performance, business model and strategy.
3. Study any important or unfamiliar issues contained in the financial reports.
4. Thoroughly researching any issues raised by the company's financial manager, or whoever undertakes his duties, the company's compliance officer, or the auditor.
5. Verification of accounting estimates in material matters contained in financial reports
6. Studying the accounting policies followed in the company and expressing an opinion and recommendation to the Board of Directors in this regard.

Internal audit

1. Study and review the company's internal and financial control and risk management systems, and prepare a written report that includes its recommendations and opinion on the adequacy of these systems and the work they performed that fall within their jurisdiction, provided that the board of directors deposits a sufficient copy of this report at the company's head office before the date of the general assembly. At least ten days, to provide a copy of it to the shareholders who wish. The report will be read during the assembly
2. Studying internal audit reports and following up on the implementation of corrective actions for the observations contained therein.
3. Monitor and supervise the performance and activities of the internal auditor and the internal audit department in the company, if any, to verify the availability of the necessary resources and their effectiveness in performing the work and tasks assigned to them. If the company does not have an internal auditor, the committee must submit its recommendation to the Board regarding the need for his appointment.

Auditing

1. Recommending the Board of Directors to appoint and dismiss auditors, determine their fees, and evaluate their performance, after ensuring their independence and reviewing the scope of their work and the terms of contracting with them.
2. Verifying the independence and objectivity of the auditor, and the effectiveness of audit work, taking into account the relevant rules and standards.
3. Review the company's auditor's plan and work, and verify that he has not submitted technical or administrative works that are outside the scope of audit work, and provide its views in this regard.
4. Answering corporate auditor inquiries.
5. Studying the auditor's reports and his notes on the financial statements and following up on what was taken in their regard.

Commitment Guarantee

1. Review the results of the reports of the supervisory authorities and verify that the company has taken the necessary measures in this regard.
2. Verify the company's compliance with relevant laws, regulations, policies and instructions.
3. Reviewing the contracts and transactions proposed to be conducted by the company with related parties, and submitting what it deems appropriate to the Board of Directors
4. Reporting to the Board of Directors of the issues it deems necessary to take action on, and expressing its recommendations for the steps that need to be taken.

(2) Nomination and Remuneration Committee:

It is chaired by Mr. Ahmed Muhammad Al-Arini - Vice Chairman of the Board of Directors, the membership of Mr. Abdullah Abdul-Aziz Al-Mishal - Member of the Board of Directors, and the membership of Mr. Ali Saleh Al-Humaidan - Member of the Board of Directors. The Committee held only two meetings during the fiscal year 2021 according to the following statement:

Member's name	Member's capacity	Fifth meeting 24/03/2021	Sixth meeting 15/12/2021	Number of meetings
Ahmed Muhammad Al-Arini	Committee president	✓	✓	2
Abdullah Abdul-Aziz Al-Mishal	Member	✓	✓	2
Ali Saleh Al-Humaidan	Member	✓	✓	2

✓ attended by himself

× Did not attend

*** Duties and terms of reference of the Nominations and Remunerations Committee:**

The Nominations and Remunerations Committee is responsible for the following:

1. Preparing a clear policy for the remuneration of the members of the Board of Directors and the committees emanating from the Board and the Executive Management, and submitting it to the Board of Directors for consideration in preparation for approval by the General Assembly, provided that such policy takes into account the adoption of performance-related standards, its disclosure, and verification of its implementation.
2. Clarify the relationship between the rewards granted and the applicable rewards policy, and indicate any material deviation from this policy
3. Periodically reviewing the rewards policy, and evaluating its effectiveness in achieving its objectives.
4. Recommending to the Board of Directors the remunerations of the members of the Board of Directors and its committees and senior executives of the company in accordance with the approved policy, reviewing the work contract and position of the CEO or the general manager, and plans for the annual financial rewards for employees in the affiliated companies, in accordance with the approved policy of those companies, and raising the recommendation to the Board of Directors
5. Propose clear policies and criteria for membership in the Board of Directors and the Executive Management.
6. Recommending the Board of Directors to nominate and re-nominate members in accordance with the approved policies and standards, taking into account not to nominate any person previously convicted of a crime against honor and honesty.
7. Preparing a description of the capabilities and qualifications required for membership in the Board of Directors and occupying executive management positions.
8. Determining the time that the member should allocate for the work of the Board of Directors.
9. Annual review of the necessary needs of appropriate skills for membership of the Board of Directors and executive management functions.
10. Review the structure of the Board of Directors and the Executive Management and make recommendations regarding changes that can be made.
11. Ensure on an annual basis the independence of the independent members, and the absence of any conflict of interest if the member is a member of the board of directors of another company
12. Develop job descriptions for executive members, non-executive members, independent members, members of the executive management and senior executives

13. Establishing special procedures in the event of a vacancy in the position of a member of the Board of Directors or senior executives.
14. Identifying weaknesses and strengths in the Board of Directors, and proposing solutions to address them in line with the company's interest.

(3) Executive and Investment Committee:

It is chaired by Eng. Hatem Hamad Al-Suhaibani - Chairman of the Board of Directors, and the membership of Dr. Suleiman Hamad Al-Jadaei - CEO and Board Member, Mr. Khaled Abdullah Al-Dhubaib - Board Member, and Mr. Hussam Yahya Al-Gharimel - Board Member. The committee held a meeting Only one during the fiscal year 2021, according to the following statement:

Member's name	Member's capacity	Tenth meeting 20/09/2021	Number of meetings
. Hatem Hamad Al-Suhaibani	Committee president	✓	1
Khaled Abdullah Al-Dhubaib	Member	✓	1
Hussam Yahya Al-Gharimel	Member	✓	1
Suleiman Hamad Al-Jadaei	Member	✓	1

✓ **attended by himself**

× **Did not attend**

** Dr. Suleiman Hamad Al-Jadaei was appointed as a member of the Executive and Investment Committee in the minutes of the sixth meeting of the Board of Directors on 09/11/2020.

***Duties and terms of reference of the Executive and Investment Committee:**

- 1) The Investment Executive Committee is responsible for overseeing the executive decision-making process and represents the role of the Supervisory Board in between Board meetings.
- 2) The committee discusses and takes decisions related to issues that need to take urgent decisions in emergency events within the limits of the powers granted to it by the board of directors.
- 3) Receive reports from management regarding legal issues and lawsuits of material importance to the company.
- 4) With regard to the company's strategy and objectives, the committee does the following:
 - a) Reviewing the company's strategic planning procedures and processes in cooperation with the CEO.
 - b) Ensuring that the company's strategic plans have been translated into actual actions and actions aimed at achieving the company's goals.

- c) Review the CEO's recommendations regarding the distribution of the Company's resources aimed at achieving alignment between the Company's strategic plans and its long-term operational objectives.
 - d) Periodic review of the company's strategic plans and operational objectives to ensure their compatibility with the company's mission and objectives.
 - e) Reviewing the marketing and sales strategy and recommending the modifications required by it before approving this strategy
 - f) The committee reviews and prepares recommendations to 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 does the following:**
- a) Preparing and reviewing recommendations to the Board of Directors related to annual and long-term financial goals and strategies, as well as the performance indicators associated with them.
 - b) Preparing and reviewing the recommendations submitted to the Board of Directors related to the company's dividend policy and how to implement it.
 - c) Periodic review of actual capital expenditures and review them with previously approved budgets. The committee reviews and prepares recommendations to the board of directors regarding strategic decisions related to the opportunities facing the company that aim to improve the quality of the products and services provided by the company and rationalize the related costs.
- 6) Studying and advising the Board on the proposed mergers and acquisitions, increasing or decreasing the company's capital.**
- 7) Develop the company's investment policies, procedures, strategies and programs and recommend them to the Board of Directors for approval, including policies and guidelines related to diversifying investments (investment in stocks, bonds, currencies...etc.) and its limits, and prohibited investments.**
- 8) Preparing a diversification plan for investments in line with the company's needs and the acceptable degree of risk, and recommending it to the Board of Directors for approval.**
- 9) Recommending to the Board of Directors regarding the approval of an investment and reinvestment of the company's funds. The committee may delegate investment operations to employees in the company and to external investment managers.**
- 10) Studying and advising the Board on proposed mergers and acquisitions and the like.**
- 11) Reviewing the company's capital plan, studying and making recommendations to the Board on important financial policies and matters related to the company's financing including, dividend distribution policy, share repurchase program, issuance or exclusion of debt bonds and others.**

- 12) Monitor the management of the company's funds by reviewing the reports of the management and investment advisors, and discussing them during the committee's meetings.
- 13) Evaluating the investment and portfolio performance of the company by comparing the actual return with the expected returns, and the returns of other companies selected by the committee or the board of directors from time to time. This assessment will take into account compliance with investment policies, guidelines and risk levels.
- 14) Reviewing all investment transactions that require the approval of the Board of Directors and recommending them to the Board.
- 15) Studying and evaluating potential investments and determining the type of investment most appropriate for the company and recommending it to the Board.
- 16) Reviewing important financial matters of the company, such as matters related to the company's capital, the company's credit rating, cash flows, borrowing activities, and investment deposits, in cooperation with the Audit Committee.
- 17) Doing any other matters assigned by the Board of Directors to the Committee.

7) The means adopted by the Board of Directors in evaluating its performance, the performance of its committees and members, the external party that carried out the evaluation and its relationship with the company, if any:

During the year 2021, no accreditation method approved by the Board of Directors was applied in evaluating its performance and the performance of its committees and members from any external party.

8) Disclosing the remunerations of the members of the Board of Directors and the Executive Management in accordance with what is stipulated in Article Ninety-Three of the Corporate Governance Regulations.

a. Remuneration policy for board members and executive management in the company:

The remuneration policy for the Board of Directors, its committees, and the executive management for the Board of Directors of the Saudi Industrial Export Company was prepared in order to comply with the Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. (8-16-2017) dated 16/05/1438 AH corresponding to 13/02/2017AD, which stipulated that the Nominations and Remunerations Committee shall prepare a clear policy for the remunerations of the members of the Board of Directors, the committees emanating from the Board and the Executive Management, and submit it to the Board of Directors for consideration in preparation for approval by the General Assembly.

Document Objectives:

This policy aims to:

- 1- Defining clear criteria for the remuneration of the members of the Board of Directors, its committees and senior executives, in light of the requirements of the company's system and the regulations and regulations of the Capital Market Authority.
- 2- The policy aims to attract individuals with a degree of competence, ability and talent to work on the board of directors and executive committees by adopting incentive plans and programs for rewards linked to performance, which contributes to improving the company's performance, achieving the company's performance and achieving the interests of its shareholders.

General criteria for remunerations

The Nominations and Remunerations Committee is concerned with recommending to the Board the remunerations of the Board members, members of the committees and senior executives of the company in accordance with the approved criteria as follows:

- 1- The remuneration should be commensurate with the company's activity, strategy, objectives, and the skills necessary to manage it.
- 2- Consider linking the variable portion of rewards to long-term performance.
- 3- The company takes into account the consistency of the rewards with its strategy and objectives and with the size, nature and degree of risks it has.
- 4- The company takes into account the practices of other companies, which are prevalent in the labor market, in determining the remuneration, while avoiding the unjustified rise in remuneration that might result.
- 5- Rewards are determined based on the job level, the tasks and responsibilities assigned to the incumbent, educational qualifications, practical experience, skills and level of performance.
- 6- The remuneration shall be reasonably sufficient to attract, motivate and retain suitable qualified and experienced persons.
- 7- The remuneration of the members of the Board of Directors shall be determined to reflect the member's experience, competencies, tasks entrusted to him, the number of sessions he is prohibited from, and other considerations.
- 8- The reward is suspended or refunded if it is found that it was decided based on inaccurate information provided by the member of the board of directors or the executive management in order to prevent the exploitation of the job position to obtain undue rewards.
- 9- In the event of developing a program to grant shares in the company to the executive management and its employees, whether it is a new issue or shares purchased by the company, this is done under the supervision of the Nominations and Remunerations Committee and in accordance with the company's articles of association and the relevant Capital Market Authority regulations and regulations and in accordance with the share grant plan approved by the Extraordinary General Assembly.

Remuneration of board members

- 1- The remuneration of the members of the Board of Directors of the Saudi Industrial Export Company shall consist of the following:

- A certain amount
- or instead of attending the sessions
- or expense allowance
- or a percentage of the profits

It is permissible to combine two or more of these benefits, and not to exceed what is stipulated in the Companies Law and the Company's Articles of Association in accordance with the details of the remuneration of the members of the Board of Directors and its committees contained in this policy, and any amendments that may occur later to be approved in accordance with the Law.

- 2- This remuneration may be of varying amount and in the light of a policy issued by the Nomination and Remuneration Committee and decided by the General Assembly, and the annual report of the Board of Directors to the General Assembly of Shareholders must include a statement of such benefits. It shall also include a statement of what the members of the Council have received in their capacity as workers or administrators or in return for technical or administrative work or consultancy (if any), and it shall also include a statement of the number of Council sessions and the number of sessions attended by each member from the date of the last meeting of the General Assembly.
- 3- If the remuneration of the members of the board of directors is a percentage of the profits, the provisions of the Companies Law, the relevant regulations and the articles of association of the company must be observed. Provided that the total remunerations and financial benefits that a member of the Board of Directors receives in all cases does not exceed the amount of (500,000) five hundred thousand Saudi riyals annually.

Remuneration of committee members

- 1- The Board of Directors determines and approves the membership remuneration of its committees, attendance allowances and other entitlements based on the recommendation of the Nomination and Remuneration Committee.
- 2- The allowance for attending meetings and other benefits as described in this policy shall be paid in accordance with the details of the remuneration of the members of the Board of Directors and its committees and the Secretary of the Board.

Executive Management Remuneration

- 1- The Nominations and Remunerations Committee reviews and approves the salary scale set for all employees and senior executives on an ongoing basis, based on a recommendation from the executive management. The remunerations of the executive management include the following:

- Basic salary (paid at the end of each Gregorian month and on a monthly basis) and allowances including, but not limited to, housing allowance, transportation allowance, children's education allowance, and telephone allowance.
 - An annual bonus for the company's employees linked to the achievement of the annual objectives approved by the Nominations and Remunerations Committee and the Board of Directors, in accordance with the annual evaluation carried out in this regard.
 - Short-term incentive plans related to exceptional performance and long-term incentive plans such as stock options programs (if any) benefits including but not limited to annual leave, annual travel tickets and severance pay as per the work system and human resources policy approved by the company.
- 2- The plans and programs for remuneration of senior executives are approved by the Nominations and Remunerations Committee.
 - 3- The company's CEO implements the remuneration policy for the company's employees and senior executives in light of the plans, programs and general guidelines approved by the committee.

Additional parameters for remuneration and disbursement method

- 1- The members of the Board of Directors are not allowed to vote on the remuneration of the members of the Board of Directors at the meeting of the general assembly of shareholders.
- 2- The company discloses the remuneration of board members, committees and executives in the annual report of the board of directors in accordance with the controls and directives issued under the Companies Law and the Capital Market Authority regulations and their executive regulations.
- 3- The member shall be entitled to the remuneration as of the date of joining the board or committee and according to the term of his membership.
- 4- The procedures for disbursing the remuneration for the members of the Board of Directors and the committees are prepared by the Secretary of the Board, provided that the payment order is approved by the CEO of the company.
- 5- The allowance for attending the meetings of the Council, the remuneration of the committees, and the allowance for attending the meetings of the committees shall be paid within one month of the meeting. The annual remuneration for the Council is paid in full after it is approved in the annual general assembly meeting.

A statement of the details of the remuneration of the members of the Board of Directors and its committees

- 1- members of the board of directors
- It is determined annually, not exceeding 500 thousand riyals, according to the companies' system, and it is due on the condition that the member attends 70% of the meetings of the Board of Directors.
 - Additional allowance (travel and transportation) for those who are outside the city of the meeting location (Riyadh) according to the actual expense.

2- Committee members

- An annual remuneration of 100,000 one hundred thousand riyals for each committee member from within the council, and it is due to the member, provided that the member attends 70% of the committee's meetings.
- An annual remuneration of 50,000 fifty thousand riyals for each committee member from outside the council, which is due to the member, provided that the member attends 70% of the committee's meetings.
- An annual remuneration of 50,000 fifty thousand riyals for the Secretary of the Board of Directors.
- Allowance for attending the meetings of the Board of Directors' meetings and the committees emanating from the Board for all members of the Board and members of the committees by an amount of 3000 riyals, one thousand riyals for each member for each meeting.

Remuneration adjustment:

- The amount of the annual remuneration for a member of the Board of Directors may be reviewed from one period to another based on the recommendation of the Nomination and Remuneration Committee, in light of the performance-related variables, and then obtaining the approval of the Shareholders' General Assembly on that.
- The amount of the annual remuneration for a member of the Board of Directors may be reviewed from one period to another based on a recommendation from the Remuneration and Nominations Committee, in light of the performance-related variables, and then obtaining the approval of the Shareholders' General Assembly on that.
- The meeting attendance allowance is paid after each meeting.
- The remunerations of the committee members and the council secretary shall be paid at the beginning of each calendar year, and in the event of membership termination or resignation, they shall be paid for the remainder of the year only.
- The annual remuneration is paid to the members of the board of directors after it is approved by the general assembly of shareholders (as stipulated in the Companies Law).

A. Remuneration of board members

Remuneration of board members

	Fixed Remuneration							Variable Remuneration								
	A certain amount	Allowance for attending board meetings	Total allowance for attending committee sessions	In-kind benefits	A statement of what the council members received in their capacity as workers or administrators or what they received as remuneration of the chairman, managing director, or secretary, if he is a member			Total	Percentage of the profits	Periodic Remuneration	Short term motivational plans	Long term motivational plans	Granted Shares (Value is to be entered)			
First: the independent members																
Hatem Hamad Al-Suhaibani	-	12.000	-	-	-	-	12.000	-	-	-	-	-	12.000	-	12.000	-
Salman Muhammed Al Suhaibani	-	12.000	24.000	-	-	-	36.000	-	-	-	-	-	36.000	-	36.000	-
Khaled Abdullah Al-Dhubaib	-	12.000	-	-	-	-	12.000	-	-	-	-	-	12.000	-	12.000	-
Ali Saleh Al Humaidan	-	12.000	6.000	-	-	-	18.000	-	-	-	-	-	18.000	-	18.000	-
Ahmed Mohammed Al-Arini	-	9.000	27.000	-	-	-	36.000	-	-	-	-	-	36.000	-	36.000	-
Total	-	57.000	57.000	-	-	-	114.000	-	-	-	-	-	114.000	-	114.000	-
Second: Non-executive members																
Abdullah Abdul-Aziz Al-Mishaal	-	12.000	6.000	-	-	-	18.000	-	-	-	-	-	18.000	-	18.000	-
Hussam Yahya Al-Ghrimel	-	12.000	-	-	-	-	12.000	-	-	-	-	-	12.000	-	12.000	-
Total	-	24.000	6.000	-	-	-	30.000	-	-	-	-	-	30.000	-	30.000	-
Third: the executive members																
** Suleiman Hamad Al-Jedaie	-	12.000	-	-	-	-	12.000	-	-	-	-	-	12.000	-	12.000	-
Total	-	12.000	-	-	-	-	12.000	-	-	-	-	-	12.000	-	12.000	-

** Dr. Sulaiman Hamad Al-Jedaie was appointed as a member of the Board of Directors (Executive) by a decision of the Board of Directors on 30.03.2021, and this appointment was approved at the Ordinary General Assembly meeting on 06.07.2021.

Senior Executives Remuneration

A breakdown of the remuneration paid to five senior executives who received the highest remuneration and compensation, in addition to the CEO and the CFO

المكافآت الثابتة					المكافآت المتغيرة					End of service benefits	Grand total	Expenses allowance
Salaries	Allowances	In-kind benefits	Total	Periodic Remuneration	Profits	Short term motivational plans	Long term motivational plans	Granted Shares (Value is to be entered)	Total			
1,179,745	412,911	-	-	-	-	25.925	-	-	1,618,581	-	1,618,581	-

Committee member Remuneration

	Fixed remuneration (except for the allowance for attending meetings)	allowance for attending meetings	Total
Audit Committee Members			
Salman Muhammed Al Suhaibani	100.000	24.000	124.000
Ahmed Mohammed Al-Arini	100.00	21.000	121.000
Mohammed Azzam Al Shuwaier	50.000	21.000	71.000
Total	250.000	66.000	316.000
Members of the Nominations and Remunerations Committee			
Ahmed Mohammed Al-Arini	0.00	6.000	6.000
Abdullah Abdul-Aziz Al-Mishaal	100.000	6.000	106.000
Ali Saleh Al Humaidan	100.000	6.000	106.000
Total	200.000	18.000	218.000
Members of the Executive and Investment Committee			
Hatem Hamad Al-Suhaibani	100.000	0.00	100.000
Khaled Abdullah Al-Dhubaib	100.000	0.00	100.000
Hussam Yahya Al-Ghrimel	100.000	0.00	100.000
** Suleiman Hamad Al-Jedaie	100.000	0.00	100.000
Total	400.000	0.00	400.000

** Dr. Sulaiman Hamad Al-Jedaie was appointed as a member of the Board of Directors (Executive) by a decision of the Board of Directors on 30.03.2021, and this appointment was approved at the Ordinary General Assembly meeting on 06.07.2021.

9) Any penalty, penalty, precautionary measure, or precautionary restriction imposed on the company by the Authority or any supervisory, regulatory or judicial authority, with a statement of the reasons for the violation, the signatory to it, and ways to remedy and avoid it in the future:

There is no penalty, penalty, precautionary measure or precautionary restriction imposed on the company by the Authority or any supervisory, regulatory or judicial authority.

10) Results of the annual review of the effectiveness of internal control procedures:

The company's audit committee, consisting of three members, is primarily concerned with studying periodic reports related to internal control procedures, as the committee reviewed during the fiscal year 2021 within the limits of its tasks in accordance with the regulations governing the work of the audit committee, the company's annual and quarterly financial statements, and reports submitted by Auditors. The committee has studied and reviewed the company's internal and financial control systems and discussed with the external auditor and the company's management those works.

This has been the development and implementation of many periodic audits, which achieve the company's full assurance of the accuracy and effectiveness of performance and quality, in addition to the Committee's contribution to the review of the preliminary and final financial statements.

The committee also coordinates the work of external regulators. The Audit Committee reviewed the reports submitted on the company's business.

Thus, the Committee considers the necessity of urging the executive management to follow up on improving the internal control procedures and enhancing its role with the Audit Committee more effectively through periodic follow-up with the company's internal control from time to time.

11) Recommendation of the Audit Committee regarding the need to appoint an internal auditor in the company in the absence of one:

The Audit Committee recommends appointing an internal auditor for the company during the year 2021 AD and activating an electronic ERP system to manage the company's resource planning, as well as updating the policies, procedures and list of powers in line with the company's current activity.

12) Recommendations of the Audit Committee that conflict with the decisions of the Board of Directors, or which the Board refused to accept

regarding the appointment and dismissal of the company's auditor, determining his fees, evaluating his performance or appointing the internal auditor, the justifications for those recommendations, and the reasons for not taking them into account.

No recommendation was issued by the Audit Committee that contradicted the decisions of the Board of Directors or was rejected by the Board.

13) The company's social contribution:

There are no social contributions to the company during the year 2021.

14) 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.

Tenth session of the board of directors

#	Name	Attendance Record
		Ordinary Assembly Meeting (34) 07/06/2021
1	Hatem Hamad Al-Suhaibani	✓
2	Ahmed Mohammed Al-Arini	✓
3	Abdullah Abdulaziz Al-Mishaal	✓
4	Salman Muhammed Al Suhaibani	✓
5	Ali Saleh Al Humaidan	●
6	Khaled Abdullah Al-Dhubaib	✓
7	Hussam Yahya Al-Ghrimel	✓
8	**Suleiman Hamad Al-Jedaie	✓

✓ attended by himself

× Did not attend

** Dr. Sulaiman Hamad Al-Jedaie was appointed as a member of the Board of Directors (Executive) by a decision of the Board of Directors on 30.03.2021, and this appointment was approved at the Ordinary General Assembly meeting on 06.07.2021.

15) The company's main activity:

Marketing and exporting national industrial and other products, mining and petroleum products and their branches, manufacturing industries and their branches according to industrial licenses, electricity, gas, water and their branches, construction, building, transportation, storage, refrigeration, financial and business services and other services, trade, information technology, security and safety inside and outside the Kingdom of Saudi Arabia for the company or for others, and re-export, barter and import For its own account or for the account of others, providing marketing and export services to Saudi factories and companies, entering into supply contracts and exporting national products abroad, and in doing so it may carry out

activities complementing its purposes, including commercial agencies. The company carries out its activities in accordance with the applicable regulations and after obtaining the necessary licenses from the competent authorities, if any.

Description of the activities of the subsidiaries of "Sadirat"

a) Sara Factory for Medical Supplies:

It was purchased on 03/02/2016 with a capital of 3,467,416 riyals and a percentage of ownership (100%) located in the Third Industrial City in Riyadh. Its activity is the production of medical, laboratory, and disposable plastic supplies, a unit for feeding, pacifiers, plastic baby supplies, a unit of solutions, eye drops, eye washes, and glasses, creams and medicines.

b) Saudi Industrial Export Company (Republic of Sudan):

It is a Saudi company under commercial license No. 2450 and the ownership percentage (100%), and it is a branch of the company. It was established on November 27, 2019 and is located in the Qary Duty Free Zone - the Republic of Sudan.

c) Saudi Industrial Export Company (The United Arab Emirates):

It is a Saudi company under Commercial Registration No. 1473310 and the ownership percentage is (100%), and it is a branch of a Gulf company, established on 12/24/2019 and headquartered in Dubai - United Arab Emirates.

16) A description of the company's most important plans and decisions, future expectations and risks:

The Saudi Industrial Exports Company was established in 1990, as the first company listed in its sector as an integrated company to be the trading house that ensures the global expansion of industrial products and provides innovative export and import solutions with a legacy of knowledge, understanding and experience in the best practices in this field.

Our vision:

To be the number one service provider of supply chain and trade solutions in the Middle East and Africa.

Our mission

Fostering global stability, growth, and prosperity through trade and supply chain solutions.

The company works on four axes to reach its strategic objectives through expansion and capacity building in:

1. Financial solutions for trade and supply chains.
2. Geographical expansion in multilingual marketing and trade offices.
3. Digital transformation in management and logistics systems and electronic platforms.
4. Building logistical capacity with allies experienced in this field.

The company faced a great challenge during the past two years due to the global economic crisis for export, "the Corona Virus (Covid 19) pandemic", which constituted an obstacle in the company's work plan for the year 2021. Also, the delay in approving the capital increase had a negative impact on the delay in implementing the strategy and new plans and bringing in the necessary cadres.

Where the company was active in the field of business development and preparing marketing and sales channels in multiple countries in Africa, and this is expected to appear in the company's business in 2022. The company has started working on introducing new and multiple products in its electronic platform (under development). It contains 1,500 Saudi products, and it is expected to increase with an injection of funds into its development, according to the capital increase plan.

With reference to the Sarah Factory for Medical Supplies, work is underway to complete the issuance of licenses for the concerned authorities and to conduct market studies for the products required in the local market, as specialized marketing studies require costly external contracts.

17) Information related to the risks faced by the company and the policy for managing and controlling these risks:

The company has contracted with several companies specialized in providing programs and applications to measure the risks of commercial entities, and linking several vital databases to the Saudi economy for the purpose of data collection and analysis and the production of reliable and updated commercial and credit information. It provides the company with good financial and credit decision-making to avoid all risks that the company may face during its commercial operations.

The process of evaluating risks is also carried out on a continuous basis at the strategic level by the executive management and the board of directors, where the relevant procedures are followed up periodically and continuously in order to deal with them and take the necessary measures and preventive measures to prevent or reduce these risks by relying in the company's commercial transactions on the presence of sufficient bank guarantees.

Based on the Board of Directors' previous approval of the allocation policies, the Board continuously reviews the company's policies related to risk management to ensure the implementation of the approved policies and programs in order to reduce the risks that the company may face, especially with regard to export operations by obtaining bank guarantees approved by Saudi banks.

18) Business results for the last five fiscal years: -

Business results for the last five fiscal years:

Description	2021	2020	2019	2018	2017
Revenue	15,656	32,600	80.578	118.271	19.224
Cost of revenue	(14,022)	(30,663)	(38.004)	(116.911)	(21.746)
Total profit	1,634	1,937	(2.426)	1.360	(2.522)
Net profits (loses)	(14,884)	(13,181)	12.652	6.426	(110.991)

Assets and liabilities for the last five years:

Description	2021	2020	2019	2018	2017
Current assets	19,976	36,366	52.857	64.972	7.961
Non-current assets	4,175	4,789	10.277	11.799	11.124
Total assets	24,151	41,155	63.134	76.771	19.085
Current liabilities	10,139	12,363	7.719	8.842	7.703
Non-current liabilities	1,049	1,056	1.230	0.474	0.382
Total liabilities	11,188	13,419	8.949	9.316	8.085

19) Geographical analysis of the company's total revenue and its subsidiaries:

Year	Geographical analysis of the company's total revenue					
	Total revenue	Local markets	America	Asia	Africa	Total
٢٠٢١م	15,656	774	591	53	14,238	15,656

20) Clarify the significant differences in operating results:

Description	2021	2020	Changes + or -	Change ratio
Sales / Revenue	15,656	32,600	(37.693)	- 31.87%
Cost of sales/revenue	(14,022)	(30,663)	(33.908)	-29%
Gros profit	1,634	1,937	(3.786)	-28%
Other operating income	2,567	1,921	0	0
Other operating expenses	(17,932)	(14,507)	(584)	-6.59%
Operating profit (loss)	(13,731)	(10,649)	(3.202)	-42.66%

Based on the foregoing, the company did not achieve net profits during the year ended 31/12/2021 compared to the previous year 2020. The reason for the company's loss for the year 2021 is due to the decrease in sales due to the delay in the liquidity received from the increase in the company's capital, due to the failure to issue the approval of the Capital Market Authority on the file to increase the company's capital, as well as the increase in administrative and general expenses compared to the previous year 2020, despite the increase in other revenues.

21) Clarify the difference from accounting standards:

The company's financial statements were prepared during the fiscal year ending on 31/12/2021 in accordance with the international accounting standards IFRS recognized in the Kingdom of Saudi Arabia issued by the Saudi Organization for Certified Public Accountants.

22) Subsidiaries:

Subsidiary name	Capital	company's ownership percentage	Mail activity	The country of its headquarters	Establishment country
Sara Factory for Medical Supplies	3,467,416 riyals	100%	Producing medical, laboratory and consumable plastic supplies, feeding units, pacifiers, plastic baby supplies, solutions unit, eye drops, eye washes, glasses, creams and medicines.	Kingdom Saudi Arabia	Kingdom Saudi Arabia
Branch of the Saudi Industrial Export Company (Sudan)	Free zone	100%	import and export	Sudanese Republic	Sudanese Republic
Branch of the Saudi Industrial Export Company (UAE)	-	100%	Trading of greases and lubricants	United Arab Emirates	United Arab Emirates

23) Shares and debt instruments issued for each subsidiary company:

The company has no subsidiaries to issue shares or debt instruments.

24) Company's Policy on Dividend Distribution:

As stated in Article (49) of the company's articles of association: "The company's annual net profits shall be distributed after deducting all general expenses and other costs" as follows: -

- a) (10%) of the net profits shall be set aside as a statutory reserve, and the Ordinary General Assembly may discontinue this deduction when the said reserve reaches (30%) of the paid-up capital.
- b) The Ordinary General Assembly may, based on the proposal of the Board of Directors, set aside a percentage not exceeding (20%) of the net profits to form a consensual reserve and allocate it for a specific purpose or purposes.
- c) After that, a first payment to shareholders equal to (5%) of the paid-up capital shall be distributed from the rest.
- d) Subject to the provisions of Article (76) of the Companies Law, after the foregoing, a percentage not exceeding (5%) of the remainder shall be allocated as a remuneration to the members of the Board of Directors, with a maximum limit of (500,000) five hundred thousand riyals for each member in return for his membership in the Board of Directors.
- e) The shareholder shall be entitled to his share of the profits in accordance with the decision of the General Assembly issued in this regard. The decision shall indicate the maturity date and the date of distribution, and the eligibility of profits shall be for the owners of shares registered in the company's records at the end of the day specified for entitlement.

- f) The company may distribute interim dividends to its shareholders on a semi-annual or quarterly basis after authorizing the company's general assembly to the Board to distribute interim dividends according to a resolution that is renewed annually.
- g) The remainder is then distributed to the shareholders as an additional share in the profits or transferred to the retained earnings account.
- The Board of Directors proposes not to distribute dividends for the fiscal year ending on December 31, 2021.

25) Persons' interests in the company's shares:

During the fiscal year ending on 31/12/2021, there is no interest in the class of shares with the right to vote for any persons.

26) The interests and rights of board members and senior executives in the company's shares:

Shares of the members of the Board of Directors, senior executives, their spouses and their minor children (10th session) from 01/01/2120 to 31/12/2120.

A description of any interest belonging to the members of the Board of Directors, senior executives, their spouses and minor children in the shares or debt instruments of the company or any of its subsidiaries							
#	Beneficiary Name	On 01.01.2021		On 31.12.2021		Net change	Change percentage
		Shares No.	Debt instruments	Shares No.	Debt instruments		
1	Hatem Hamad Al-Suhaibani	10	N/A	10	N/A	N/A	00%
2	Ahmed Mohammed Al-Arini	0	N/A	0	N/A	N/A	00%
3	Abdullah Abdulaziz Al-Mishaal	0	N/A	0	N/A	N/A	00%
4	Salman Muhammed Al Suhaibani	0	N/A	0	N/A	N/A	00%
5	Ali Saleh Al Humaidan	0	N/A	0	N/A	N/A	00%
6	Khaled Abdullah Al-Dhubaib	7	N/A	7	N/A	N/A	00%
7	Hussam Yahya Al-Ghrimel	36	N/A	0	N/A	N/A	00%
8	Suleiman Hamad Al-Jedaie	0	N/A	0	N/A	N/A	00%
9	Ahmed Talaat Abdul-Aziz	0	N/A	0	N/A	N/A	00%

Noting that the family members of the board members (their spouses and minor children) do not own any shares in the Saudi Industrial Export Company.

27) Total loans on the company and its companies:

There are no loans on the company during the year 2021.

28) Description of debt instruments convertible to shares and any contractual securities or subscription notes:

There are no debt instruments convertible to shares, or any option rights, or subscription right notes or similar rights issued or granted by the company during the financial year ending on 31/12/2021.

29) Description of the transfer and subscription rights and any contractual securities:

There are no transfer, subscription, or debt convertible rights into shares, option rights or similar rights certificates issued or granted by the company during the financial year ending on 31/12/2020.

30) Description of redeemable debt instruments:

There is no refund, purchase or cancellation by the Company of any redeemable debt instruments.

31) Board Meetings (tenth session):

The Board of Directors held four (4) meetings during the fiscal year 2021, and the attendance of the members was as follows:

Member's name	Member's capacity	Eighth meeting 30.03.2021	Ninth meeting 28.04.2021	Tenth meeting 05.05.2021	Eleventh meeting 09.12.2021	عدد الاجتماعات التي حضرها العضو
Hatem Hamad Al-Suhaibani	Chairman	✓	✓	✓	✓	4
Ahmed Mohammed Al-Arini	vice Chairman	✓	✓	✓	×	3
Abdullah Abdulaziz Al-Mishaal	Member	✓	✓	✓	✓	4
Salman Muhammed Al Suhaibani	Member	✓	✓	✓	✓	4
Khaled Abdullah Al-Dhubaib	Member	✓	✓	✓	✓	4
Ali Saleh Al Humaidan	Member	✓	✓	✓	✓	4
Suleiman Hamad Al-Jedaie	Member	✓	✓	✓	✓	4
Hussam Yahya Al-Ghrimel	Member	✓	✓	✓	✓	4

✓ attended by himself

× Did not attend

** Dr. Sulaiman Hamad Al-Jedaie was appointed as a member of the Board of Directors (Executive) by a decision of the Board of Directors on 30.03.2021, and this appointment was approved at the Ordinary General Assembly meeting on 06.07.2021.

32) The number of the company's applications to the shareholders' register, the dates of those applications and their reasons

The number of the company's applications to the shareholders register	Application's date	Application's reasons
1	21.04.2021	Corporate Procedures
2	05.07.2021	General Assembly
3	07.10.2021	General Assembly
4	10.10.2021	General Assembly
5	21.12.2021	Corporate Procedures

33) Description of any transaction between the issuer and a related party:

The Board of Directors acknowledges that there are no contracts for the company in which there is a material or non-material interest for any member of the Board of Directors, the CEO, the financial manager, or any person related to any of them.

34) Interests in company contracts:

During the year 2021, there are no contracts in which the company was a party or in which the members of the board of directors, the chief executive officer, the financial officer, or any person related to any of them had an interest.

35) Waivers of Salaries, Compensation and Profits:

There is no waiver arrangement or agreement under which a member of the company's board of directors or a senior executive has waived any salary or compensation.

36) Shareholders' Waiver of Rights to Dividends:

During 2021, there are no arrangements or assignment agreements under which any of the shareholders has waived his rights to profits.

37) Statutory Due Payments:

The company is subject to Sharia Zakat in accordance with the instructions issued by the Department of Zakat and Income Tax, as shown in the company's balance sheet in Note No. (16) paragraph "Zakat Provision", and the following is a table with the value of the regular payments due on the company in million:

Description	2021		Brief	Reasons
	Paid	Due until the end of the annual financial period and has not been paid		
Zakat	1,996,426	1,233,261	Company's Zakat	Mandatory
Tax	17,774	-	-	Mandatory
General Organization for Social Insurance	511,382	38,081	Pay the company's subscriptions	Mandatory
Costs of visas, passports and labor office fees	104,333	-	Payment of residency, visa and passport fees	Mandatory

38) Incentive programs for company employees:

There are no incentive programs for the company's employees during 2021.

39) Acknowledgments of the Board of Directors:

The Board of Directors acknowledges the following:

- That the account records are properly prepared.
- The internal control system was prepared on sound basis and implemented effectively.
- There is no doubt about the issuer's ability to continue its activity.

40) The company's-certified accountant report

The company's 34th Ordinary General Assembly, held on 07/06/2021, approved the appointment of the auditor (Messrs. Office/ Ibrahim Ahmed Al-Bassam and Partners, Certified Accountants) for the fiscal year 2021. The company's certified accountant report did not include any reservations on the annual financial statements.

41) Recommendation of the board of directors regarding the company's-certified accountant

No recommendation was issued by the Board of Directors to replace the certified accountant.

42) Treasury shares held by the company and details of the uses of these shares.

During the year 2021, there are no treasury shares held by the company.

*** Conclusion:**

The Chairman and members of the Board of Directors extend their sincere thanks and appreciation to the government of the Custodian of the Two Holy Mosques for the support it has given to national exports, and prays to Allah Almighty to increase this country's blessings and goodness. We especially thank the Ministry of Commerce, the Capital Market Authority, and all other governmental and private sectors for their continuous support and cooperation. The Board also thanks the valued shareholders for their support and trust, and all the company's employees for their sincere efforts and keenness on continuing its progress and prosperity.

Peace and mercy of Allah and his blessings may be upon you,

Board of Directors