



TRANSFORMING **THE FUTURE OF MEDIA**

2022 — Annual Report

الملك



The Custodian of the Two Holy Mosques
King Salman Bin Abdulaziz Al Saud



His Royal Highness Crown Prince
Mohammed Bin Salman Bin Abdulaziz Al Saud

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INTRODUCTION

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Chairman's Statement

“

As the largest publicly listed media group in the region, it is important that we continue to build on our legacy of delivering impactful and successful media brands.

”

I am pleased to present the 2022 Annual Report on behalf of the Board of Directors of SRMG.

As this report details, 2022 was another successful year for SRMG as we continue to focus on and deliver against the business strategy set out in 2021, securing several achievements in 2022, and making significant strides in developing our capabilities to grow and enhance our business to drive commercial success, making the group a partner of choice across the media industry.

As the largest publicly listed media group in the region, it is important that we continue to build on our legacy of delivering impactful and successful media brands to continually evolve them and ensure they remain relevant, popular, and at the forefront of innovation. We must also continue to add to our strong portfolio of brands and businesses across our group. Our diverse platforms provide us

with a unique opportunity to appeal to our growing youth population as well as other demographics and ensure we create and deliver our content in a format that appeals to modern audiences.

Finally, I would like to extend my gratitude to all SRMG employees for their efforts towards achieving the group's strategic goals.

Yours sincerely,

Eng. Abdulrahman Ibrahim Al-Ruwaita

Chairman of the Board of Directors



CEO's Message

SRMG's transformation strategy ensures that we maintain our leadership position in a dynamic media landscape and leverage the expanding commercial opportunities.

172m+
DIGITAL REACH

1,900+
EMPLOYEES

2022 was a year of continued progress. We achieved several milestones across our existing assets and successfully rolled-out new platforms and verticals.

Our transformation strategy launched in 2021, laid the groundwork for our achievements in 2022. We continued to deliver double-digit financial growth, increased our audience reach, enriched our existing brands, deepened our partnerships, and diversified our offerings through new businesses, cutting-edge innovations, and effective execution.

Compelling market opportunity

The demand for factual, informed, and entertaining content continues to grow globally, with media industry growth outpacing the market, and set to reach \$3 trillion by 2026. The industry is experiencing remarkable innovation resulting in a convergence of mediums due to the digital and social revolution experienced over the past decade. This has been embraced by the population of the region, as demonstrated by, for example, the average Saudi consuming 6 hours of digital media daily. These market dynamics provide the opportunity to expand our products and services and deepen our commercial relationships, solidifying SRMG as the leading integrated media company in the region.

Favourable demographics, rising connectivity, and social media penetration, provide strong tailwinds for the media landscape in MENA, and I am confident that SRMG has the talent, resources, and agility, and is well positioned, to capture the opportunity through continued enhancement of existing platforms, launching new platforms and business verticals, and investing in the most innovative content creators and technologies.

Another record year

SRMG achieved record profits in 2022, registering double-digit growth both at the top line and bottom line; revenue (SAR 3.7 billion) and net income (SAR 649 million) increased by 22% and 21%, respectively, compared to 2021. Equally important, we have broadened our revenue-generating asset base, as we ramp-up our new business verticals and secure clients across **SRMG X**, **SRMG Think**, **SRMG Academy** and **SRMG Labs**. We also maintained a healthy balance sheet that allowed us to invest and deploy capital, capturing opportunities in a fast-paced and dynamic landscape.

Our financial performance is further supported by the work we've done to restructure and strengthen our finance, treasury, and procurement functions. We have optimized processes, costs, and liquidity, and invested excess cash, benefiting from a rising interest rate environment, as well as broadened and strengthened relationships with key vendors.

Revamping and expanding our media assets

We made substantial achievements in 2022, further engaging with regional and global audiences. Through revamping, digitising, and expanding our media portfolio, we increased our global digital reach to more than 172 million.

Asharq News and **Asharq Business** with **Bloomberg** became one of the fastest growing digital news platform in MENA, achieving the largest market share in business news on social media. Furthermore, we expanded our partnership with Bloomberg Media to launch new products such as Asharq QuickTake, a digital-first platform providing news and information in formats tailored for the digital generation, in Arabic.

We also signed an agreement with Warner Bros. Discovery to launch the **Asharq Discovery Platform**, a unique, free-to-view infotainment platform, offering compelling content, enriching experiences, and memorable stories that allow audiences to step outside their established media consumption habits.

Manga Arabia expanded in Asia, securing partnerships to adapt local Saudi IPs into Malay and Chinese languages, while also strengthening its consumer base in Saudi Arabia, to reach over 3.8 million app downloads worldwide. Manga Arabia is proof that inspiring Arabic stories have the power to resonate with local and global audiences alike.

In 2022, we conceptualised **Arab World Press**, the first independently owned Middle Eastern news wire agency, addressing key gaps in the news industry. Given the lack of private and independent newswires focusing exclusively on Arabic language news in the Arab world, this presents an opportunity for SRMG to provide a sought after and timely service.

Thmanyah has become one of the leading podcast platforms and documentary producers in the region, reaching an audience of over 11 million monthly in Saudi Arabia and beyond. Through delivering quality content and exclusive stories from the region, shows like Fnjan and Socrates continue to resonate with, and capture younger audiences through relevant topics.

In 2022, **Hia** transformed through a new brand identity and a completely new approach to reaching its audiences including multi-platform content distribution, exclusive events, and unique products, rejuvenating the 30-year-old brand to become ever closer to its youthful readers and audiences. This is directly translated into more diversified revenue streams through a wider portfolio of products and services to our brand partners,

which ultimately results in a more robust business model for a new media landscape.

A diversified portfolio and a wider offering of products and services

Our newly established verticals, designed with the evolving media landscape in mind, continue to ramp up, solidifying SRMG's leading position and offering greater commercial opportunities.

SRMG International has deployed resources to enhance existing relationships, develop a pipeline of opportunities for partnerships and investments, and execute on SRMG's strategy to access the best technology, content, and talent in a global media landscape. In 2022, this has been demonstrated through the expanded partnership with Bloomberg Media, the newly established partnership with Warner Bros. Discovery, and the flourishing partnerships with the leading Japanese manga publishers. **SRMG International** will continue to play a key role in positioning SRMG as the partner of choice for leading content creators and we expect to finalize several exciting partnerships in 2023.

Meanwhile, **SRMG X** has succeeded in achieving its targets in 2022 by activating SRMG's brands, creating further revenue streams, as well as providing immersive, tangible, and unique experiences for our audiences. In 2022, **SRMG X** hosted the second edition of Hia Hub, the largest conference of fashion and style in the region. This year's event covered 2,500 square metres and five warehouses at the Jax Creative District in Riyadh, attracting 34 commercial partners and a social reach of more than 35 million people. SRMG X has also delivered a stand-out presence for SRMG at the Cannes Lions International Festival of Creativity, where we hosted thought-provoking discussions led by prominent and influential media and advertising figures. Looking forward, **SRMG X** will be organizing the Bloomberg Invest Summit in Riyadh in 2023 for the first time, bringing together influential figures in global investing.

We are also extremely proud of **SRMG Think**, which has been able to activate its products and services in a short period of time since its establishment, attracting new clients to SRMG. Under Think Research and Advisory, we released our first set of interactive research reports, curated the "Middle East and North Africa Forum" at the United Nations General Assembly in partnership with the Middle East Institute, and fully activated our Macro-research and Market research arms with some of the best local and international academics, which have resonated with our newly acquired client-base.

SRMG Academy, our training and upskilling arm, was established to support and enhance Arab media by elevating the skills of journalists and content creators in the region, supporting and fostering a new generation of industry talent through world-class training and development programs that include writing, editing, beat reporting, digital storytelling, such as mobile journalism, podcasting, and utilizing social media and AI tools.

SRMG Academy hosted a successful two-week training with NEOM entitled 'Stories to Tell', upskilling 35 students with content creation and journalistic skills, demonstrating the demand in the market for vocational training in the media space and the monetization opportunity it presents for SRMG. I am proud of what **SRMG Academy** has achieved this year. Attracting, developing, and retaining top talent will always be core to our strategy.

SRMG Ventures, our corporate venture capital arm, invests in early-stage companies at the forefront of innovation and technology in the media sector. By partnering with and supporting founders across different areas of media, including media creators, digital media, media enablers and tools, and immersive and interactive entertainment, **SRMG Ventures** aims to future proof SRMG and support its growth and diversification plans in the context of a rapidly evolving media landscape. Our inaugural investments in Telfaz11 and VUZ, as well as the exciting deals in our pipeline, demonstrate the massive opportunity available in the media venture space.

SRMG Labs, our creative and innovation vertical, has rapidly carved a name for itself as a creative force in the industry, winning three awards, including Gold at the MENA Digital Awards. The team played a pivotal role in shaping some of our key 2022 projects, such as the rebrand of Hia, the relaunch of Al Majalla, and the branding of new verticals and initiatives. **SRMG Labs'** work went beyond the group, bringing in external business and developing a National Day campaign for the King Salman Center for Disability research, where technology was embedded in the Saudi Arabian flag allowing the hard of hearing community to listen to the national anthem for the first time. On its commitment to innovation, SRMG Labs showcased its first demo day in June, presenting five unique products, two of which are set to be launched in 2023.

Looking forward

These are just a selection of SRMG's many significant achievements in 2022, and our plans for 2023 are more ambitious as we continue to be best positioned to take advantage of new market opportunities presented by the transforming media landscape. We will continue to build on our success by:

- Producing more exclusive and unique content, distributed to millions of people around the world through multiple platforms and touchpoints, anywhere and anytime.
- Developing a wide range of multimedia products, media platforms, and services, while offering attractive opportunities for business partners.
- Investing in talent and working to increase the competitiveness of our workforce.
- Diversifying our products and services through our media portfolio and our newly established pillars to instil a more robust and nimble business model.

I am truly proud of SRMG's success throughout 2022 and this could not have been achieved without our incredibly dedicated and talented team. With our focus now fully shifted to 2023, we look forward to presenting you with a year full of success and new achievements.

Yours sincerely,

Jomana Rashed AlRashid

Chief Executive Officer
and Member of the Board

Our plans for 2023 are more ambitious as we continue to be best positioned to take advantage of new market opportunities presented by the transforming media landscape.



FINANCIAL PERFORMANCE SNAPSHOT

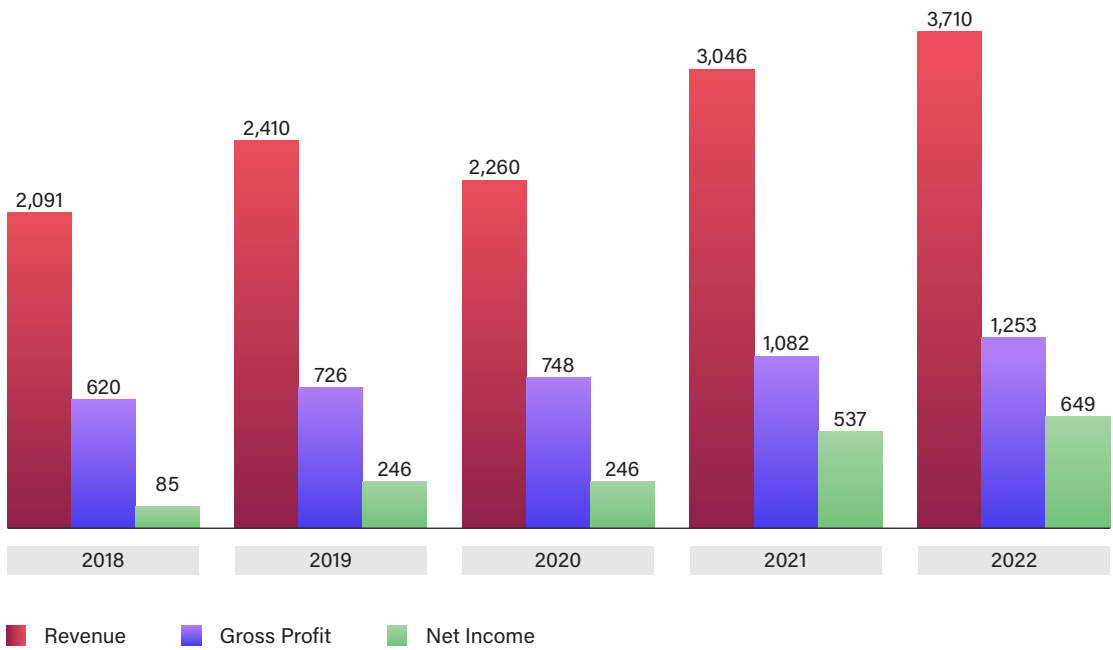
Key Financial Highlights

(SAR million)

| | 2020 | 2021 | 2022 | CAGR |
|--------------|-------|-------|-------|------|
| Revenue | 2,260 | 3,046 | 3,710 | 28% |
| Gross Profit | 748 | 1,082 | 1,253 | 29% |
| Net Income | 246 | 537 | 649 | 63% |

Group Financial Performance

(SAR million)



CFO's Review

“As we invest in revamping and digitizing our media platforms, launch new platforms, and ramp-up new business verticals, SRMG is broadening its client and consumer base, supporting our growth and diversification plans.”

Our business reached unprecedented levels in 2022 as we continue our concentrated efforts and commitment towards executing our transformation strategy. This year also marked exceptional growth in KSA's economy, resulting in elevated levels of activity and business with our partners.

SRMG's revenue reached SAR 3,710 million in 2022, increasing by 22% as compared to 2021 (SAR 3,046 million). Our top line financial performance continued to grow as we expand our platforms and roll out best-in-class products and services to serve our audiences, clients, and advertising partners.

Gross profit for the year amounted to SAR 1,253 million, increasing by 16% as compared to 2021 (SAR 1,082 million). The increase in direct costs is largely driven by growth in our business activities and the establishment of new business lines, such as SRMG Academy, SRMG Ventures, and Think Research and Advisory. Our platforms continue to enhance editorial content by investing in new talent, as well as developing capabilities for production of new digital media formats, including social, visual, and audio. This is in line with our strategic initiatives to drive our diversification plan, through investments in new technologies, launch of new business lines, and expansion into new geographies.

SRMG's overhead expenses increased in 2022 to SAR 505 million, in line with the growth of operating activity in the group. This year, we implemented several initiatives to support corporate capacity for business growth across our business verticals. This includes the development of key tech infrastructure projects, as well as hiring new capabilities in our marketing and tech teams.

Our profitability continues to reflect the strong growth we are driving across our business. Net profit for the year amounted to SAR 649 million, increasing by 21% as compared to 2021 (SAR 537 million).

Total assets increased by 6% from SAR 6,364 million in 2021 to SAR 6,736 million in 2022, mainly driven by our continued investment across our platforms and healthy business cash flow generation.

Our treasury function generated SAR 41 million in income by optimizing our balance sheet and investing in low-risk financial instruments (time deposits, money market, and KSA government sukuk). We continue to benefit from a strong interest rate environment to generate healthy returns on our cash position. Our liquidity stands ready for opportunistic investments that are accretive and in line with our expansion and transformation strategy.

Debt obligations of Saudi Printing and Packaging Company (SPPC) reached SAR 819 million in 2022, constituting 100% of SRMG's consolidated debt balance as of year-end 2022. SRMG has implemented rigorous risk management practices to manage debt obligations and working capital requirements, and our strong balance sheet puts us in a position of strength in an uncertain global interest rate environment.

As we invest in revamping and digitizing our media platforms, launch new platforms, and ramp-up new business verticals, SRMG is broadening its client and consumer base,

supporting our growth and diversification plans. We are committed to investing in capacity building that will allow SRMG to capture the market opportunity in a scalable and efficient manner.

Yours sincerely,

Mohammed Abdulfatah Nazer
Chief Financial Officer



OVERVIEW

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About SRMG

SRMG is the largest integrated media group from the MENA region with a proud history spanning over 50 years as a trusted source of news and information. SRMG has been a pioneer in the media industry and has a record characterised by many firsts in the region. SRMG launched the first English-language newspaper in Saudi Arabia, Arab News, in 1975, as a first step towards fulfilling SRMG's vision to take regional news to the global stage. The success of Arab News was quickly followed by what would become SRMG's premier title, Asharq Al-Awsat, which launched in 1978 with its iconic green sleeve. Multiple firsts followed in the subsequent decades, including the launch of Sayidaty in 1981, the MENA region's first lifestyle magazine for women. This launch was perceived as bold and progressive for the region, and this stance of leading bold and progressive publications has since become ingrained in SRMG's ethos.

Over the last 50 years, SRMG has built an impressive global portfolio of over 30 media outlets that continue to redefine boundaries with fresh perspectives. These include Asharq Al-Awsat, Asharq Network – which includes Asharq News, Asharq Business with Bloomberg, Asharq Discovery – Arab News, Independent Arabia, Sayidaty, Hia, Manga Arabia, and the Robb Report through our partnership with Penske Media Corporation, amongst others. SRMG's outlets bring quality news and information to a worldwide audience of millions in seven languages including Arabic, English, Urdu, Turkish, Farsi, French, and Japanese.

SRMG is a leading player in a growing industry, which presents increasing opportunities to engage with audiences through multiple channels in the MENA region and beyond. As a globally integrated media company, dedicated to meeting evolving audience demands, SRMG's outlets continue to invest in people, products, and processes to advance the group's impressive footprint across the globe.

Due to SRMG's long and established track record as a trusted source of news and information, it has been able to develop significant partnerships with international brands such as Bloomberg, Warner Bros. Discovery, The Independent, and others. These partnerships create new and engaging platforms, advance technical abilities and transfer of knowledge, and provide a source of ideas and content from leading organisations globally. Through its expansive and diversified media assets, and combined with its global network, SRMG provides access to today's biggest stories, boldest ideas and brightest minds, helping people understand the world better, empowering our audiences with relevant content driven by facts, and shining a light on stories that matter the most.

A champion of regional creativity, SRMG has expanded beyond traditional media by diversifying its business through its newly established pillars: SRMG Media, International, X, Think, Academy, Ventures, and Labs. These pillars diversify SRMG's offerings by introducing new products and services in a comprehensive and complementary set of functions as planned through the strategy announced in 2021. Examples of these new products and services include:

- The creation and curation of events and experiences
- Research, polling, and surveying services
- Creative services and product development
- Children's entertainment
- Book publishing
- Production services

The foundation for SRMG's progress is the enhancement of our media portfolio, revamp of our brands, enrichment of our content, innovation in the digital space, and strengthening of our existing partnerships and fostering of new ones. SRMG has diversified its business, leveraging the opportunities that the changing media landscape has presented, which has resulted in new revenue streams.

SRMG in Numbers

1972
Operational Since

50+
Nationalities

18
Offices

1,900+
Employees

11
Countries

30+
Titles

4
Continents

Reaching over

172+ million
people across the world

Business Model

SRMG is building on our market-leading position, track record and capabilities in the region to transform into a global media company of the future creating a strong and sustainable value for all our stakeholders.



Our Strengths

Outstanding People

Over 1,900 journalists, content creators, data scientists, digital and technical experts, and marketers, located in 18 cities around the world.



World-class Partners

Expanding network of international partners, such as Bloomberg Media, Warner Bros. Discovery, The Independent and Shueisha.



Market-leading Footprint

18 offices and five broadcasting studios and bureaus around the world.



Successful Track Record

50+ years of media production experience.



Advanced Technologies

Market-leading digital platforms driven by constant investment in digitisation and innovation.



Create Sustainable Value

srmgmedia

Digitising and expanding our media portfolio to deliver rich and credible multi-media content to audiences around the world.



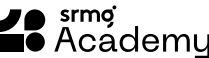
Building an expansive international network through bespoke partnerships and strategic investments with globally renowned brands, driven by a team of seasoned professionals with global expertise.



Deepening the relationship between our platforms and their audiences through events, exhibitions, and conferences.



Providing in-depth research and advisory services covering a broad spectrum of regional and global topics including data analytics, market research, literary work, and publishing solutions.



Providing world-class training and development programmes to enhance the skills of editorial professionals and content creators in the region and uncover and develop a new generation of regional media talent.



Investing in pioneering early-stage media and technology companies, shaping the future of media.



Fostering technology, talent, and innovation to nurture the regional creative ecosystem and push the boundaries of creativity.

Across our seven business pillars, we continue to advance our strategy in the following ways:

- Produce leading news content. Create fact-based, informative, and insightful news and business content targeting regional and global audiences through diverse multimedia formats and languages through 18 titles.
- Develop leading lifestyle content. Create rich and entertaining lifestyle and sports content, shining a spotlight on culture and trends through 11 titles.
- Create innovative media products. Design and build forward-looking innovative products and solutions to keep SRMG at the forefront of industry disruption.
- Enhance and expand our digital footprint. Develop leading websites, apps, and platforms to enable digital consumption of content and engage audiences through world-class user experience.
- Publish books and literary works. Publish premium books spanning translated works from global titles and original titles from the region, with a focus on digital formats and innovative reader experiences.
- Develop strong brand equity. Ensure our brands lead their categories in terms of awareness and recognition through best-in-class services powered by exceptional marketing.
- Provide leading research and advisory services. Leverage data and expert human capital to deliver macroeconomic and geopolitical research and advisory services to B2B clients.
- Produce monetizable events and create memorable experiences. Create experiential opportunities for our audiences, extending our reach through vehicles for commercial partnerships.
- Create and co-produce original and exclusive premium content, delivered to global audiences across multi-platforms and touchpoints, anytime and anywhere.
- Empower a new generation of content creators. Upskill and train talent of the future and promote careers in media and journalism.
- Invest in our people and our future and continue to innovate through cutting-edge technology.
- Develop a wide range of multimedia products, platforms, and services, while offering business partners attractive and mutually beneficial opportunities.
- Leverage experiential marketing to strengthen our brands and offer more unique, significant, and lasting moments to millions of consumers, as well as creating and participating in platforms for global dialogue and cross-cultural exchange.

For Our Stakeholders

Shareholders

We create sustainable shareholder value through robust and profitable business lines.

Consumers

We continuously build smarter, more meaningful ways to connect with and deliver content to our extensive audiences around the world and continue to develop strategic relationships with our clients and business partners.

Employees

We foster a culture of care and support. We promote employee engagement, productivity, and wellbeing. We focus on upskilling and investing to develop our team and ensure they have the skills to thrive in the future.

Society

We are a valued community corporate partner with a long history of support for important events, charitable organizations, and social causes.

Historical Timeline

50+ years

The timeline of SRMG spans 50+ years of leadership, with a history of delivering first-to-market platforms and a record of delivering the highest quality of journalism, content creation, and storytelling.

1972

Establishment of Saudi Research and Publishing Company



1978

Launch of Asharq Al-Awsat; the leading title on pan-Arab and international affairs.



1981

Establishment of Sayidaty; the first pan-Arab women's weekly, allowing SRMG to make its first move into producing lifestyle content.



1987

Launch of Arriyadiyah; a sports publication providing daily coverage on local, regional, and international sporting events.



1975

Launch of Arab News; Saudi Arabia's first English-language newspaper



1980

Launch of Al Majalla; a leading current affairs magazine in the Arab world.



1987

Establishment of Saudi Research and Marketing Group, or "SRMG."



1992

Launch of Al Eqtisadiah; Saudi Arabia's first daily newspaper dedicated to economic, finance, and business news.



1992

Launch of Arrajol; a monthly men's lifestyle magazine.



1994

Launch of Al Jamila; an Arabic monthly magazine covering health and beauty for women.



1992

Launch of Hia; the leading regional Arabic luxury, fashion and beauty magazine.



1994

Launch of Urdu News; an independent newspaper with a focus on Pakistan.



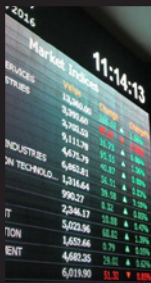
1994

Launch of Malayalam News Daily; the first Malayalam language daily newspaper launched by an Arab media group.



2006

SRMG's initial public offering.



2017

SRMG acquires a majority stake in Argaam.



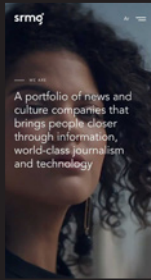
2020

Launch of Asharq News and Asharq Business with Bloomberg.



2021

SRMG unveils a transformation strategy targeting diversification, digitization, and international expansion through new business pillars.



2017

SRMG inks a licensing agreement with Bloomberg to launch an Arabic news platform.



2018

SRMG signs licensing agreements with The Independent to launch international editions in Arabic, Persian, Turkish, and Urdu.



2021

Group name changes from "Saudi Research and Marketing Group" to "Saudi Research and Media Group".



2021

SRMG acquires a majority stake in Thmanyah, the leading Arabic language podcast platform.



2021

Launch of Manga Arabia in partnership with Japanese publishers; an innovative project for the entertainment industry of the Kingdom.



2021

Launch of Raff Publishing; a state-of-the-art publishing house.



2021

Launch of SRMG Labs; dedicated to the creation, design and development of new media technologies, products, and platforms.



2022

SRMG inks agreement with Warner Bros. Discovery to launch Asharq Discovery in 2023.



2022

Establishment of SRMG Ventures and investment in several media start-ups.



2021

Launch of SRMG Think as the source for in-depth perspectives, research analysis, and insights from and about the MENA region.



2021

Launch of SRMG X; a new venture designed to meet the increased demand for experiential events, exhibitions, and conferences across the MENA region.



2022

Launch of SRMG Academy; an incubator for journalistic talent and content creators in the Arab world and a hub for content innovation.



2022

Conceptualized Arab World Press, the Arab World's first independently owned newswire service.



[illegible]

STRATEGY & BUSINESS REVIEW

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Strategy

Overview of our strategic initiatives in 2022

Our mission

is to advance perspectives by delivering cutting-edge insights, relevance and originality, providing access to today's biggest stories, boldest ideas, and brightest minds.

Our vision

is to inspire deeper knowledge in an ever-changing world by empowering audiences through content creation.

Our role

is to be a constant and reliable source of content and information, providing multi-platform access to premium news, insights, original content, and lifestyle ideas to inspire and engage audiences all over the world.

Our strategic objectives

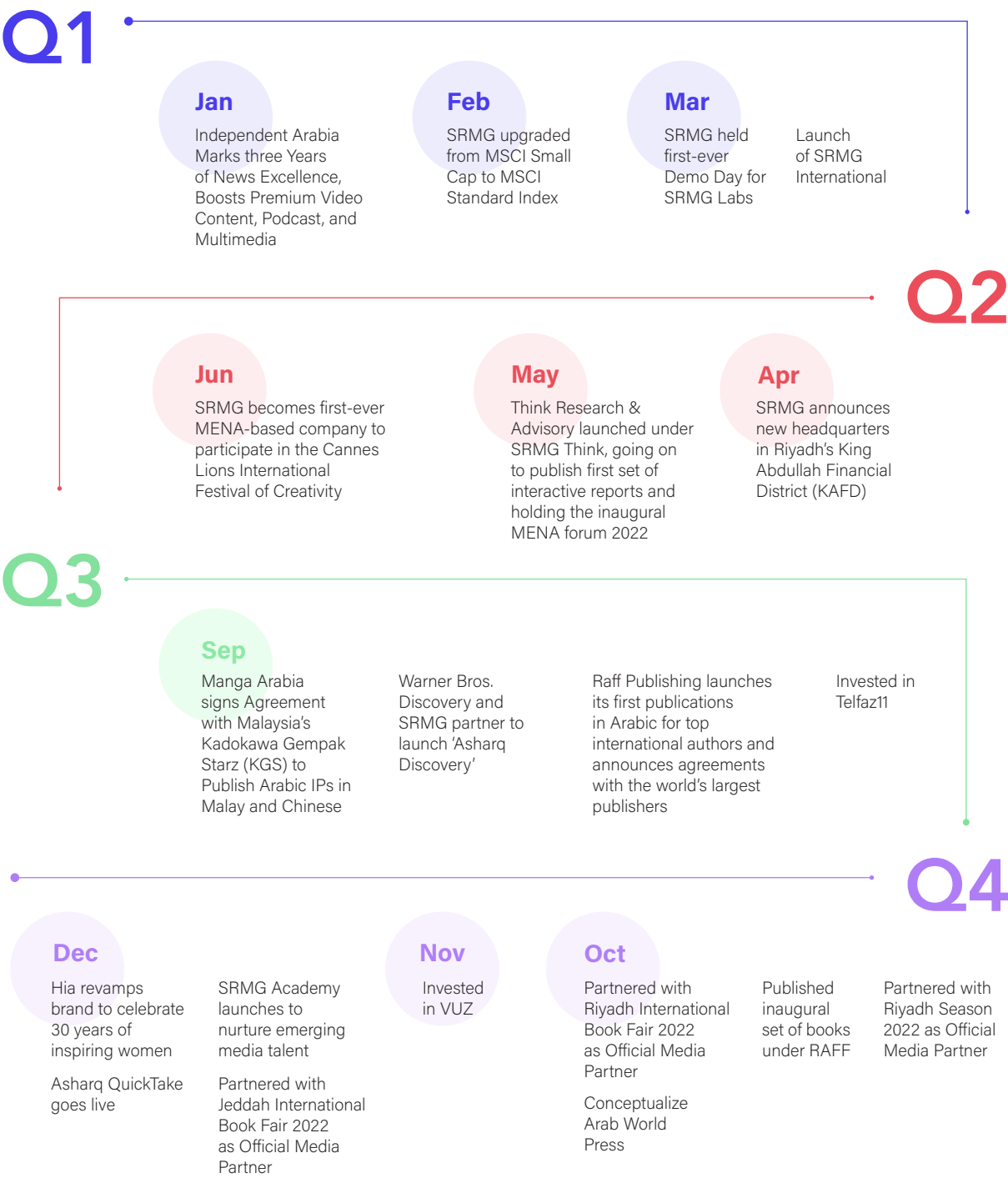
have been defined clearly and guide our transformation:

- Increase**
reach by expanding coverage of geographies, languages, and formats.
- Engage**
audiences with relevant, riveting, and informed content.
- Enhance**
innovation, connectivity, and business sustainability.
- Drive**
commercial growth and profitability.

Our dynamic strategy is supported by our pillars



During 2022, we launched a full-scale implementation of our transformation strategy and achieved numerous milestones. We were able to grow our global partnerships, expand into new markets, enable the larger creator economy, and most importantly, invest in our human capital.



Business Review

| | | |
|----|--|---|
| 01 | srmq media | Publishing, Broadcasting, and Audio-Visual Media |
| 02 | srmq <small>INTERNATIONAL</small> | International Investments and Partnerships |
| 03 | srmq X | Events, Conferences, and Exhibitions |
| 04 | srmq THINK | Research, Advisory, and Book Publishing |
| 05 |  srmq Academy | Journalism and Media Training |
| 06 | srmq ventures | Early-Stage Media and Tech Investments |
| 07 | srmq labs  | Innovation and Digital Capabilities |



THE MEDIA HOUSE OF THE FUTURE

Business review

SRMG Media

In a world where creativity, knowledge and expertise are highly valued, and in an industry that is ever changing, SRMG is the resource for a diverse set of voices, readers, and observers looking to learn, share, and be inspired.

Through its platforms, SRMG provides a constant and reliable resource, and multi-platform access to premium news, original content, and insightful information from near and far, channeling the heads and hearts of our audience.

SRMG provides access to today's biggest stories, boldest ideas, and brightest minds, empowering new audiences, new writers, and new thinkers. We imagine, write and shape the future, helping people understand their communities – and the wider world – better. Through smarter delivery of news, content and information, and the inherent creativity that exists when you bring the region's best together, SRMG can deliver diverse, curated content to audiences in more engaging and meaningful ways.

We have a wide selection of engaging media assets that inspire and unlock new perspectives from geopolitical news and finance to fashion, infotainment, sports, children's entertainment and beyond. Our media assets represent the true diversity of our global communities, unlocking new viewpoints and advancing perspectives across a broad spectrum of topics and geographies.

We offer a breadth of mediums spanning digital, broadcast, social media, print, and emergent new platforms.

We are present at scale in every arena where media consumers congregate. From newspapers, television, books and manga to cutting-edge apps, streaming platforms, social media, podcasts, and one day the metaverse – SRMG is there to advance perspectives.

We deliver authentic insights and an eye to the future.

True authenticity is central to each of our media entities. We strive to bring local insights from voices that embody and represent their respective landscapes, telling authentic stories and outlooks, and linking it all to how it matters to our future.

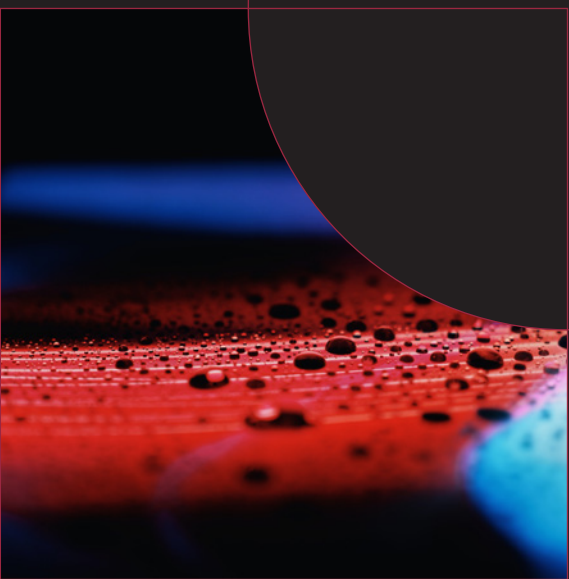
Strategy implementation

With more than 30 media outlets in our expanding portfolio, and a digital reach of over 172 million and growing, SRMG is the premier global media group in the region.

Aligned with our new strategic direction, we are investing to transform and elevate the future of media. With a focus on people and technology, new platforms, and best-in-class brands, SRMG Media is positioned to continue to lead the industry through technological innovation.

By investing in digitization, new technologies, and data-enabled platforms, we are providing even more original and exclusive content to our audiences regionally and globally. That means more data analysis, more video, more social feeds, and more audio on-demand, which results in more revenue streams and higher return on investment.

We will continue to evolve, adapt, enhance, and personalize content across SRMG Media's platforms. Whether it is direct news and political analysis, business and economics, lifestyle or fashion, technology or culture and art, our content feeds and formats will continue to be as unique and diverse as the audiences we serve.



2b+
PAGE VIEWS

125m+
SOCIAL MEDIA FOLLOWERS

Capitalizing on the trends in a rapidly evolving media landscape

- **Delivering reach**
SRMG Media has the size, scale, and capabilities to capitalize on a range of exciting regional and international media dynamics and trends that were reinforced in 2022, with some set to accelerate in the years to come.
- **Media convergence through digital media**
Demand for digital products is dominating and showing significant growth. For instance, 71% of MENA audience is regularly consuming news through social media today, reflecting double-digit growth in the past decade. Digital advancement has created a wealth of information to help better comprehend consumer interests and behavior.
- **Untapped demand for localized content**
With an ever-growing abundance of information and brands, preference for authentic and more localized content prevails over a one-size-fits-all approach. Localized website versions and native audio-visual content are increasingly sought after. For instance, 80% of the MENA region's population is demanding more Arabic-first video content.
- **Trust in renowned brands**
The abundance in news sources is overwhelming consumers, leading to increased trust in established news publishers. With widespread access to technology and the rise of content creators, a tremendous volume of information and news is being shared across platforms like never seen before. Consumers are increasingly exposed to negative and fake news alike, and it is the role of established publishers to maintain the integrity and veracity of content, and to innovate in their content approach by utilizing different formats such as explainer content, Q&A formats, inspirational stories, and backgrounders.

Strengthening our core business in 2022

In 2022, we continued the digital transformations of our core SRMG Media assets. Beyond our day-to-day focus on journalistic excellence, we invested in significantly strengthening our enablers for growth and ensuring we are well placed to monetize our media assets: content, technology, and people.

We reinforced our content approach to be more audience-centric, innovative, and digital-focused. To meet our target audience needs better, we are increasingly reporting on news, providing analysis, and telling stories on digital mediums first such as podcasts, audio/narrated articles, video shorts, reels, long-form video series, and more. We are also concentrating on what we do best, providing localized content across geographies and demographic groups. This is delivered by creating more exclusive content and having direct access to key developments across the MENA region, as well as having an on-the-ground presence across key MENA geographies.

Our approach is further complemented with data-led decision making. We revised organizational structures, operating models, and processes across key publications. Focus on people and governance has further strengthened our localized editorial teams, while also complementing editorial departments with solid digital and creative capabilities at each publication.

Overall, we grew total page views compared to 2021, to surpassing 2 billion views in 2022, while also achieving over 172 million in digital reach.

An overview of select key SRMG Media publications



Asharq Al-Awsat

Launch: 1978

Asharq Al-Awsat is the world's premier pan-Arab title, with a strong presence and readership across the globe. Launched in London in 1978, Asharq Al-Awsat has established itself as the leading regional publication on pan-Arab and international news, offering its readers in-depth analysis and exclusive editorials, as well as the most comprehensive coverage of the entire Arab world and global affairs.

Asharq Al-Awsat's success and impact can be attributed to its dedicated and experienced team of skilled journalists, editors, and columnists, who have years of experience delivering top-tier news and analysis. Balanced and comprehensive, Asharq Al-Awsat is the preferred Arabic-language title, known for conducting in-depth interviews with prominent and influential personalities.

Asharq Al-Awsat covers events through a network of bureaus and correspondents throughout the Arab world, Europe, the US, and Asia, providing its readers and viewers with the most relevant and impactful content from around the globe.



Asharq Network

Launch: 2020

Asharq News and Asharq Business with Bloomberg is a 24-hour Arabic news network specializing in the delivery of in-depth economic analysis, in addition to business and financial news. The network is headquartered in Riyadh, with bureaus in Dubai and Washington, D.C. Through its multi-platform presence, Asharq Network provides credible and sophisticated coverage of business news spanning the MENA region and the world.

Asharq Network boasts an extensive network of offices and journalists in key global markets, and through a licensing agreement with Bloomberg, has access to content provided by more than 2,700 journalists and analysts around the globe. Asharq aspires to become the leading Arabic business news platform for industry leaders and young professionals through extensive coverage and unmatched credibility via multi-platform content offerings.

Key Highlights:

- Established itself as the fastest growing and leading player across the core social media platforms amongst regional competitors, reaching 38 million followers across all channels combined.
- Launched Asharq QuickTake through a partnership with Bloomberg to further target younger audiences, 'cutting the cord' on traditional media.
- Signed partnership with Warner Bros. Discovery to launch Asharq Discovery, a new, free-to-view infotainment platform, featuring co-produced content and original content, complemented with licensed content translated/dubbed into Arabic from all of Discovery's brands.
- Received nine awards at the Broadcast Production Awards 2022, which honors the best in creative production and technical achievements across news, sports, and entertainment.
- Ranked amongst the top five news channels in terms of reach and Television Rating Point and achieved the second highest Average Time Spent in debut week, being the only news channel that passed the two-hour mark.
- Managed to gain 7% reach in KSA amongst high net-worth individuals.
- Introduced Asharq NOW, an all-inclusive VOD website and app to watch video content produced or aired by the channel across TV, website, or social media.



Manga Arabia

Launch: 2021

Manga Arabia is the leading creator and publisher of Arabic manga content, stemming from Arab culture and values. Through its app and print magazine for adults and children, engaging stories are told through local characters and inspired by Arab daily life. They also present Japanese characters in an innovative and Middle Eastern context.

Since its launch, Manga Arabia has:

- Reached over 3.8 million downloads across two Manga Arabia apps, with average user ratings of 4.4 and 5.0.
- Published and successfully distributed 30 editions of Manga titles, with 9.8+ million print copies in total.
- Secured 30 Japanese IPs, developed nine local IPs, and signed an agreement with Malaysian comic publisher Kadokawa Gempak Starz, centered around a new series, and the co-production and translation of Manga Arabia IPs into Malay and Chinese languages.
- Signed agreements with four publishers and secured 220+ magazine distribution points.
- Established additional distribution channels to 23,000+ schools, in collaboration with the Saudi Ministry of Education.
- Organized six events across Saudi Arabia, including presence in Manga Boulevard City, Anime Town, Anime Expo, and Anime Town in Boulevard World.
- Detailed a clear monetization plan across multiple verticals, including print and merchandise sales, audio-visual adaptation, entertainment, and gaming.



Thmanyah

Launch: 2016

Acquired by SRMG in 2021, Thmanyah was founded with a vision to enrich contemporary Arab audiences through informative, entertaining, and impactful journalistic content in audio-visual formats. It has evolved to become a leading podcast platform and documentary producer in the MENA region, reaching an audience of over 11 million each month in Saudi Arabia and beyond. With quality content and storytelling at the core of its mission, Thmanyah aspires to continue reaching millions of viewers across the Arab world by casting the spotlight on unique, gripping, and untold stories.

In 2022, Thmanyah managed to achieve significant results across its three main business verticals.

Thmanyah Originals business vertical, focused on developing original content (including podcasts, documentaries, and newsletters), has shown significant progress in 2022:

- Developed 22 unique IPs (including leading podcasts and newsletters)
- Achieved a reach of 134 million across listens, views, and newsletter impressions, outperforming regional competitors

Thmanyah Community business vertical, focused on events and social media, has established strong connection with Thmanyah's target audience:

- Built several community activations and events, including a movie theatre, to expand events offerings
- Accumulated 2.5+ million social media followers across key platforms (YouTube: ~1.7 million subscribers, TikTok: ~600,000 followers, Twitter: ~350,000 followers)

Thmanyah Productions business vertical, focused on production services for external clients, managed to deliver a sustainable revenue flow for the company:

- Completed successful production projects for established local clients (including Ministry of Communication and Information Technology in addition to the Ministry of Culture)

Our future focus

The significant progress achieved in 2022 focused on building a solid foundation for SRMG Media to accelerate into the future. We have successfully developed targeted strategies to guide the transformation of a select sample of our portfolio publications and prioritized the revamps according to our immediate strategic priorities.

In 2023, we will further build on this foundation to take major leaps forward by focusing on:

- Continuing the digital transformation of our existing assets, while ensuring organic expansion into new mediums.
- Tailoring content topics and formats to our target audiences’ demands and engaging our readers across multiple platforms, both ‘online’ and ‘offline’ and through immersive formats.
- Personalizing our content offering through smart use of data analytics, generating insights on our audience segmentations, and leveraging access to integrated data feeds.
- Enabling our publications through the integration of state-of-the-art centralized CMS system and mobile reporting, transforming internal content performance tracking, and enhancing user experience.
- Entering new topical areas with high monetization potential through the launch of new media assets and mutually beneficial collaborations with local and international partners.
- Addressing existing market gaps and white spaces in the MENA media landscape across verticals (VOD, longer-format videos, podcasting, etc.) and high-potential industries (music, children’s entertainment, gaming, etc.).

Beyond 2023, we have set even more ambitious strategic objectives to capture the market and mindshare across the MENA region. By 2025, SRMG Media aspires to become the:

- Regional media partner of choice
- Highest quality content creator in the MENA region
- Leading source of digital news and information on the Arab world, for regional and international audiences
- Go-to source of breaking news on the MENA region

Arab World Press:
The first independently
owned Middle Eastern
news wire agency.

Our brands aspire to become the largest and most credible source of information from the MENA region to the world, and from the world to the MENA region. To help us achieve this, we conceptualised and launched Arab World Press (AWP) in 2022.

AWP fills a key gap in the Arab world news industry. Currently, there are no privately-owned, independent, MENA-born newswires, meaning that news agencies have long depended on international newswires to source stories about the MENA region. AWP is the first and only native Arab newswire, with comprehensive coverage of the region, presenting it with a compelling opportunity to service a gap in the market with B2B demand.

With offices in Riyadh, Cairo, Dubai, and London, AWP produces comprehensive Arabic-language coverage of world events with an emphasis on topics of interest to regional clients.

Since its conceptualisation in 2022, AWP has built a strong core team of regional experts, led by an international team of editorial and journalistic experts. AWP complements SRMG’s existing media portfolio by serving an untapped B2B market. With the infrastructure now in place, AWP is well positioned for rapid growth and ready to establish itself as the MENA region’s dedicated source of timely and reliable Arabic news.

Business review

SRMG International

Building on an expansive international network through bespoke partnerships and strategic investments with globally renowned brands and driven by a team of seasoned professionals with global expertise.

SRMG International is a dedicated entity managing SRMG's investments and partnerships in support of the group's transformation and goal of growing the regional media ecosystem and nurturing regional talent.

SRMG International aims to maximize investment value by partnering with international players to exchange knowledge and capture know-how. We are identifying emerging innovation to create viable new income streams and grow SRMG's portfolio.

Our private-equity-like operating model and capabilities help support investments throughout their lifecycle.

Growing our portfolio and capabilities

Within a year of launching SRMG International, we have established the vertical as a force for change in our business and across our industry.

SRMG International's output has resulted in multiple high-profile partnerships over the course of the year – including Warner Bros Discovery and our growing partnership with Bloomberg Media. Furthermore, we have a strong pipeline of exciting global partnerships across media sectors and their adjacencies that will be announced in 2023.

Launching a new era of Discovery

In a landmark partnership, SRMG International signed an agreement with Warner Bros. Discovery to launch the Asharq Discovery platform. The scope of the partnership extends beyond the distribution of original and first-time-to-air Discovery content in Arabic to encompass the development of 30+ hours of co-produced local content annually. Through this collaboration, SRMG and Warner Bros. Discovery aim

to cast a light on the developments and untold stories in the Arab world, as well as contribute to the rapidly evolving media production ecosystem across Saudi Arabia and the MENA region.

Our partnership with Penske Media Corporation (PMC) is an important step in the evolving landscape of regional media, especially when it comes to lifestyle, cultural, and thematic content. We are excited to be collaborating with PMC to bring some of the world's best-known brands, including the Robb Report, to the region both in the form of digital titles as well as captivating events.

Furthermore, in 2022, we announced that we have expanded our partnership with Bloomberg to launch Asharq QuickTake and the first Bloomberg Invest Summit in Saudi Arabia in October 2023.

Expanding our footprint in 2023

In 2023, SRMG International will continue to expand and diversify our international portfolio and continue to develop our capabilities in line with our strategic mandate. The growth of our portfolio will be achieved by accelerating the diversity and scale of investments and partnerships in digital media, content production and media technology, as well as increased focus on Ad-Tech and monetization.

Nurturing SRMG's portfolio

We have built a diverse and talented team of portfolio management experts to support SRMG's portfolio companies – Thmanyah, Argaam, and Saudi Printing and Packaging Company, to name a few. SRMG International's support to the portfolio companies, ensuring they go from strength to strength and have the required resources to capture new markets will continue to be a focus moving forward.



Business review

SRMG X

In 2022, SRMG X activated its strategy to organise and participate in prominent events.

The strategy driving SRMG X is focused on driving revenue growth, diversifying reach, and amplifying engagement of the various events in our portfolio across the following areas:

- Premium events for SRMG's own IP and publications.
- Events in partnership with leading international organisers in the MENA region and beyond.
- Events and activations for top-tier international and regional clients.

To deliver our strategic mandate and objectives, we grew our team across core event management capabilities, complemented by an extensive network of external vendors and freelancers that we engage to support in building our capacity during peak periods.

This approach has resulted in steady revenue growth during 2022, primarily through selling in-event merchandise and activations in original and group title IP events and supporting other companies in our group to deliver high-impact events and conferences.

Our value propositions

Create events and experiences for our brands
Support our extensive portfolio of media assets by delivering events and experiences that help diversify their product(s), reach new consumers, and attract new commercial sponsors.

Partner and deliver events leading global IPs
Because we thoroughly understand the regional landscape, we create opportunities for global brands to partner with us and reach new markets.

Third party clients
We have the technical expertise, creative rigour, industry know-how, and the right partnerships in place to ensure that our clients are able to originate commercial opportunities

with third party clients to support them in reaching their full potential and successful execution of their events.

Highlights of premium events for SRMG’s IPs and publications

Hia Hub: The second edition of Hia Hub, the region's largest fashion and style conference, kicked off with a large three-day activation that covered over 2,500 square meters across five warehouses and outdoor spaces located in Jax district in Riyadh. The event featured a wide range of local, regional, and international brands and was attended by industry experts, and celebrity guests. The event attracted 34 sponsors and partners, with 3,000+ attendees over three days, and garnered close to seven million social media engagements and 35 million impressions across all digital media platforms.

Manga Arabia x Jeddah Season: A two-day event hosted during Jeddah Season, the Kingdom’s premier entertainment and cultural festival, which brought over two million visitors. The event provided an array of activities, from manga cosplay and art exhibitions to gaming competitions and creative workshops. Visitors were also able to purchase manga and other related merchandise, meet artists and creators, and more.

Partnering with leading international events
At Cannes Lions International Festival of Creativity 2022, SRMG welcomed global and regional industry experts, innovators, and creatives to discuss the trends shaping the media landscape and celebrate the regions’ creative talent. SRMG X successfully organized the festival's first ever presence from MENA and welcomed 1,000+ registrations. Due to the success of this event, SRMG is now the official Cannes Lions representative in Saudi Arabia.

Cannes Lions always been an outstanding platform for engaging with international partners, presenting the diverse achievements of SRMG, and building critical relationships with regional and international clients and partners. Through closer collaboration with Cannes Lions, SRMG is well-positioned to establish a larger and broader representation of the group, demonstrating our capabilities, establishing partnerships, and fostering new commercial relationships.

Driving new revenue through client events
During the year, SRMG X partnered with public and private sector players to successfully organize innovative events and drive increasing revenue for the group. SRMG X demonstrated strong capabilities in designing, planning, and delivering events, bringing together 70,000+ attendees during the year.

A good example of this was the launch event for Dior’s new fragrance, J’adore D’eau, in collaboration with Hia Magazine at Jax District in Riyadh. The intimate event hosted influencers and members of the beauty community for an introduction to the product, and included dining, live music, and interactive installations.

Building engagement and reach in 2023
In 2023, SRMG X will continue to grow and support SRMG in delivering events that engage audiences and increase reach and revenue, while identifying opportunities to partner with the most popular global IPs and bring new experiences to the region. Furthermore, SRMG X will expand its direct to client operation, growing the events side of the business, delivering monetizable events and experiences to client partners.

Investing in regional creative talent

Monetizing SRMG’s unique IPs

10+ events organized in 2022

15+ new clients local and international

70,000+ attendees in 2022

Business review

SRMG Think

We inspire deeper knowledge and greater understanding of an ever-changing world by elevating thought.

Developing knowledge and sharing insights

In 2022, SRMG launched Think Research and Advisory. Think is capitalizing on the growing need for in-depth perspectives, analysis, and insights from and about the MENA region. Our progress in year one has been swift. The SRMG Think team has grown rapidly in 2022 as we continue to attract key talent to an array of critical roles. The success of Think Research and Advisory in attracting new clients and international partners is a clear demonstration of SRMG's transformative business strategy in action; diversifying its offering beyond traditional media and championing opportunity across business verticals to access new revenue streams.

Think Research and Advisory

Having identified a gap in fact-based insight and analysis from the region, our research and advisory business crafted a unique and differentiated value proposition with profound expertise offering real-time insight into the region. We are a distinct and unique voice on, and in, the MENA region providing strategic advice on regional issues. As a leading provider of data, research, and insights, we support decision-makers to navigate a complex global landscape. With our advisory arm, we provide macroeconomic, geopolitical, and industry-specific research and analysis that empowers clients with serious interest in our region to make sound decisions.

In only six months since its launch, Think Research and Advisory has forged key partnerships and organized high-profile events within the Kingdom and across the world to enhance brand awareness, engage in business development and activate our efforts in signing clients. We successfully hosted the leading Middle East policy event "MENA Forum 2022" in New York City and kicked off a roundtable series in London with discussions involving energy industry leaders. We published interactive reports with an audience reach of

~4 million and signed first-time client contracts in the second half of 2022.

We are set to further drive revenue growth in 2023, namely through the development of an intelligence subscription-based platform and will continue to publish leading research and organize high-profile events to build on our brand equity.

Raff Publishing

Despite millions of Arabic readers, the book publishing market in the region has large untapped demand due to an underdeveloped ecosystem and a lack of quality regional authorship. Raff Publishing is bridging these gaps, publishing translated and original works, and championing regional talent to satisfy demand. Raff Publishing has made significant and steady progress, leveraging innovative business models to address the demand for Arabic content, and creating commercial opportunities by bringing digital formats and quality content to audiences across the region and the world.

In 2022, Raff Publishing released various print and digital format titles from world renowned authors in new and innovative genres and signed nine authors. We also signed substantial licensing agreements with leading international publishing companies and agents, including Penguin Random House, HarperCollins, Inkwell Management, Kaplan DiFiore, John Wiley & Sons, Abrams, and The MIT Press.

Raff Publishing has also signed with several leading and emerging Arab authors to publish their original works. Our aim is to continue this effort to enable the amplification of our authors on the world stage while cultivating the Arab world's passion for reading.

Building on the momentum of 2022, we have an ambitious and exciting line-up of releases planned for 2023. We have created a robust editorial strategy that will enable us to introduce new genres to the Arabic-language and publish genres that are most in demand amongst Arabic readers to drive revenue-generation.



Business review

SRMG Academy

Developing knowledge and creating a talent pipeline for the future.

In 2022, SRMG Academy was launched to uncover new media talent and develop the next generation of journalists and content creators through world-class vocational training, to create and support a sustainable media economy and ecosystem in the region.

In line with SRMG's strategy to diversify revenue streams beyond its core media offering, the establishment of the Academy, the training courses on offer, and the pipeline of potential partnerships present a tangible commercial opportunity for the business.

For decades, Arab news and media organizations have suffered from a lack of sustained investment in training and talent development. Powered by the group's size and influence, SRMG Academy was developed to bridge this gap, by becoming a truly transformative force for the media industry in the Arab world.

Our strategic focus is to attract and develop talent across the region and beyond through the delivery of best-in-class industry training to aspiring and established journalists and content creators. Throughout its range of courses, SRMG

Academy offers world-class instructors, an interactive and wide-ranging curriculum developed by best-in-class professionals, and a fully Arabic-language curriculum, with various courses also offered in English.

During 2022, SRMG partnered with NEOM to launch the SRMG-NEOM "Stories to Tell" Journalism Bootcamp in Riyadh in November. For the first major external program organized by SRMG Academy, more than 35 Saudi graduates underwent two weeks of world-class journalism training. The course saw industry leaders and renowned regional and international journalism experts upskilling young Saudi talent by providing them with the basic skills needed to thrive in a career in media. Following the program, selected graduates were offered an exclusive path to take part in a two-month internship program in one of SRMG's popular publications, which has resulted in job creation. A total of 17 students have been offered employment opportunities across our portfolio of brands.

In 2023, SRMG Academy will build on its early success to expand the scope, scale, and impact of its operations. A range of initiatives and programs are in the pipeline to build critical knowledge and capabilities, both within SRMG and across the media sector.



Business review

SRMG Ventures

Building on our role as a leading media player, coupled with the emergence of exciting opportunities in the media space, SRMG launched its venture capital arm, SRMG Ventures.

The rapid evolving media ecosystem presents an opportunity for SRMG to adapt its investment approach and include early-stage disruptors in its focus.

With initial investments targeting seed to Series B, SRMG Ventures is well positioned to become a leading regional investor and enabler for media creation and innovation. SRMG Ventures will invest in early-stage companies and technologies within the core target areas:

1. Media Creators; supporting disruptive creators and studios in various content production fields such as TV, animation, news, social media, and other active media avenues.
2. Digital Media; encompassing digital platforms on web 2.0 and 3.0, including online publications, audio/music platforms, video distribution, ecommerce, and more.
3. Media Enablers and Tools; funding software and hardware companies enabling the media ecosystem, including Ad-Tech and generative AI-startups, developer tools, marketplaces, and other emerging products and services.
4. Immersive and Interactive Entertainment; covering all major platforms, esports, AR/VR, the metaverse, and beyond.

As part of SRMG's transformative growth strategy, SRMG Ventures was established to leverage strategic investment opportunities, providing SRMG with direct access to the latest technologies, including advanced data analytics, Ad-Tech capabilities, and new promising media software.

Additionally, SRMG Ventures aims to capitalize on the increasing talent market within the industry, positioning SRMG at the forefront of innovation and growth.

The new corporate venture capital arm will also help SRMG penetrate new markets and further diversify its business offering, whilst generating tangible financial returns.

The formation of SRMG Ventures underscores SRMG's commitment to delivering long-term value to its stakeholders while simultaneously driving innovation in the industry.

1 Media Creators Content production and audience engagement

Investment areas include:

- a Content producers
- b Creative studios
- c Video publishers

2 Digital Media Media platforms across web 2.0 and 3.0

Investment areas include:

- a Online publications
- b Audio/music platforms
- c Social networks

3 Media Enablers and Tools Software and tools to facilitate the media economy

Investment areas include:

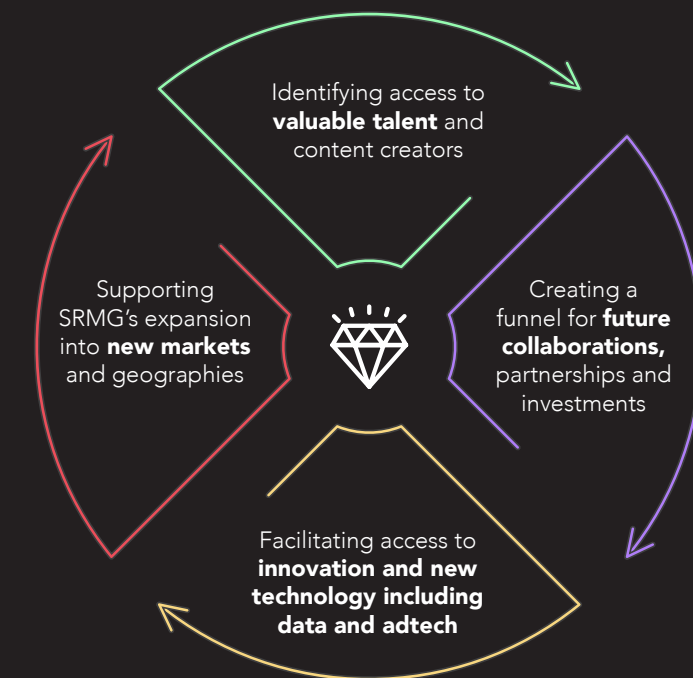
- a Ad-Tech
- b Data/Analytics
- c Generative AI

4 Immersive and Interactive Entertainment VR, AR, and gaming platforms

Investment areas include:

- a Studios
- b Software
- c Metaverse and open gaming platforms

SRMG Ventures offers financial, strategic and technical value-add to the group's portfolio companies through:



SRMG Ventures has already made multiple investments, including:

Telfaz11

A Saudi-based creative media studio specializing in locally relevant entertainment content. Telfaz11 has built a strong early followership through short-form video content on YouTube and social platforms. It has taken a huge step towards expanding its production scope by signing an eight-picture deal with Netflix, and releasing the box office hit "Sattar," and a Netflix feature film "Alkhallat+." It is continuously growing its creative portfolio through acquisitions of other early-stage media production and creative houses.

VUZ

A leading social, immersive video platform based in UAE with a global footprint. The mobile app allows users to attend live events, concerts, sports, and experiences through its 360-degree live streams. The leading 360°

LIVE Video Streaming mobile app also features streams and videos with celebrity interviews, masterclasses, as well as behind the scenes content.

Through close collaboration with our portfolio companies, SRMG Ventures offers essential resources and support, such as facilitating connections with industry leaders, and providing strategic advice to help founders navigate the dynamic media industry landscape.

With a keen focus on early-stage startups at the forefront of innovation, SRMG Ventures is committed to playing a pivotal role in building the next generation of media companies.

Business review

SRMG Labs

We inspire deeper knowledge and greater understanding of an everchanging world by unleashing creativity.

Delivering creative design & innovation across SRMG and beyond.

In 2022, SRMG Labs hit the ground running following its launch, and set the stage for accelerating impact in the years ahead. We successfully established a dedicated creative department, product design department and innovation team, while further developing our strategic focus for the years ahead.

To ensure the capacity, capabilities, and skills needed to deliver on our mandate, Labs rapidly grew the team, adding key roles dedicated to design, innovation, creative, and incubation. Our investment in new talent has helped us engage and support a wide range of internal and external partners and stakeholders. Made possible by our growing personnel, we took our creative and product design services in-house – further adding value across numerous projects and delivering significant cost savings for the group.

Our Value Proposition

Home of the creative minds

Coming from diverse backgrounds, unified by their achievements as creative minds and innovators, we have created a comprehensive team to help us navigate the ever-evolving media and technology ecosystem. From concept to product, SRMG Labs has the internal talent to develop and execute ideas from branding, to campaigns, all the way to new innovative digital products, to satisfy our consumers’ demands.

Incubator of ideas at the intersection of media and technology

Through our innovation arm, we stay abreast of developments within the media and technology space. We are close to local and regional talent, and constantly find the best and brightest to add to our expanding team of creative minds and innovators.

Exporting innovation from the region

SRMG Labs was established to respond to a central need of all companies in an increasingly connected world; to not only stay relevant through creativity and innovation, but also through contribution to the global scene.

Demonstrating the power of design – an award-winning year

SRMG Labs supported the transformation and success of many teams, publications, and projects across SRMG during the year, delivering immediate and substantive benefits for the group, including:

- Winning three awards for SRMG at the MENA Digital Awards for SRMG’s National Day Campaign.
- Initiating its first demo day, presenting five innovative concepts for the group to be further developed and released.
- Leading the revamp of Asharq Al-Awsat’s digital and print product, including the rebrand and full redesign of the digital platform.
- Leading the revamp of Hia’s digital and print product, including the creation of Hia’s new logo.
- Leading the full revamp of Al Majalla’s digital and print product.
- Creating a National Day campaign for the King Salman Center for Disability Research, which was heavily shared on social media platforms and was considered one of the best National Day campaigns of the year.
- Leading a partnership agreement with Cannes Lions to become their official representatives in Saudi Arabia.
- Designing brand identities for SRMG Think, Raff Publishing, SRMG Academy, as well as designing and launching websites for SRMG’s Cannes Lions activation, Raff Publishing, SRMG Think, SRMG Academy and other products across the group.

Accelerating innovation in 2023

In 2023, SRMG Labs will continue to grow and support the transformation of the group and its diverse portfolio with their creative requirements. It will also expand its external relationships, offering creative and innovative solutions.

Major initiatives in 2023 include launching SRMG’s accelerator program, innovative new products and consumer app designs, and a creative training program between SRMG Academy and Cannes Lions; continue to upskill talent and champion creativity across the world.

Delivering impact through design



14
projects delivered in 2022



4
new SRMG brands developed



3
awards won for SRMG's National Day campaign

Case Study: Hia Relaunch

Transforming an iconic legacy brand to appeal to a new generation of women.

Hia was established 30 years ago and is the definitive voice of contemporary Middle Eastern women. As the leading regional Arabic luxury Fashion and Beauty magazine, Hia has been championing women with style and substance for three decades. Its influence spans all key Arab markets, including the Kingdom of Saudi Arabia, United Arab Emirates, Qatar, Kuwait, Egypt, and Lebanon. A pioneer, covering leading female figures, championing untold stories, and navigating the worlds of fashion, beauty, and culture with insight and inspiration, Hia has paved the way for the Arab woman, making strides today and for future generations to come.

Hia has the largest readership amongst competitors in the region, with a digital monthly reach of 14 million and more than 80,000 monthly print readers. The brand has championed women with style and substance for three decades across the Arab world.

Recently, market trends have disrupted media consumption; demand for “on-the-go” digital content has skyrocketed due to narrowed attention spans. The rise of individual fashion and beauty content creators and influencers in MENA has strengthened overall content and its quality in the market.

Hia has had to remain true to its identity and legacy whilst transforming and elevating its product to adapt to this disrupted consumption behavior. Hia has also had to look at new forms of monetization and alternative ways to engage commercial advertisers. A large-scale transformation was initiated in December 2022 to elevate the brand, product offering, and capabilities to meet the changing needs of the modern Arab woman.

This involved enhancing all aspects of the business internally, including the organizational structure. We mapped all new initiatives to capabilities required, and significantly strengthened Hia’s creative, digital, and strategic competencies to ensure continuous and sustainable growth. We further identified opportunities in enhancing Hia’s data-led content decision-making approach. We uplifted Hia’s technological and data analytics capabilities through an enhanced Content Management System and Data Analytics reporting, as well as a new Search Engine

Optimization approach. The strategic review also addressed Hia’s processes, outlining new ways of working to increase efficiency and impact. Overall, internal enablers of the transformation were thoroughly established to lay down a thriving foundation for success.

Delivering a successful transformation.

Key project outcomes:

- Modernized brand strategy and positioning (including logo, color palette, typography, etc.).
- Reviewed target audience and market segmentation.
- Devised new content strategy to address modern audience needs.
- Revamped website and digital experience.
- Enhanced print design and experience.
- Introduced new suite of digital products including personalized newsletters as well as engaging video series and podcasts.
- Elevated editorial content (e.g., superior picture quality, more in-depth and longer form articles, powerful stories, and stronger photoshoots, etc.).
- Expanded social media formats including new content, tailored to each platform.
- Focused on consumer engagement and community building through the launch of our flagship event, Hia Hub.
- Generated new and sustainable revenue streams.

Hia celebrated its 30-year anniversary with a special issue and a gala revealing its new look and formats.

To celebrate the transformation and to mark its 30th anniversary, Hia commemorated its legacy by giving readers a glimpse of what is to come. Iconic photographer Ellen Von Unwerth created a cover symbolizing the past and future of Hia, featuring women who are an inspiration in MENA, celebrating diversity, and championing success.

Hia also celebrated with a gala dinner in Riyadh. Held at the historical Red Palace, the event attracted 350+ notable guests. The night featured the brand reveal, immersive experiences, performances from leading regional and international acts, as well as a discussion with Hia’s Editor in Chief Mai Badr, and a speech by supermodel and actress,

Naomi Campbell. It was attended by industry leaders including iconic Hollywood stylist, Law Roach, Brazilian celebrity model, Alessandra Ambrosio, Iraqi US beauty mogul, Mona Kattan, Lebanese actress, Carmen Bsaibes, Saudi TV presenter and social media celebrity, Lujain Omran, Lebanese businessman and celebrity designer, Elie Saab Junior, Saudi influencer and entrepreneur, Yara Al Namla, Tunisian model and actress, Rim Saidi Breidy, Lebanese celebrity stylist, Cedric Haddad, and many more.

Hia Hub - The region’s largest style conference was a great success.

Following the Gala, we hosted the second edition of Hia Hub, a three-day event spanning over 2,500 square meters across five warehouses and outdoor spaces in Jax district in Riyadh. The event program included talks and panels, exhibitions, workshops, masterclasses with live entertainment and performances, and food and beverage pop-up shops. It featured supermodel and actress Amber Valetta, internationally acclaimed fashion designer, Zac Posen, and renowned global fashion photographers, Luigi and Lango, as well as various industry experts.

We also partnered with 34 brands, including Yves Saint Laurent Beauty, Piaget, Panerai, Vacheron Constantin, Richard Mille, and Michael Kors. The event was a success with 3,000+ attendees and garnered approximately three million social media engagements across Hia’s digital channels.



Market Overview

The global media industry is growing with the rise of digital media

The global media and entertainment industry has made a strong recovery after a brief decline in 2020 due to the COVID-19 pandemic. In 2021, the industry experienced an impressive growth rate of over 10%, outpacing the overall global economic growth.

The continued growth of digital media and a rebound in digital advertising revenues are the driving forces behind this upward trend. With consumers spending

more time online, digital advertising is leading the growth in the advertising segment overall. The industry is also becoming increasingly mobile, mainly due to the younger demographic, with gaming and VR serving as key new growth frontiers.

Leading industry players are now prioritizing revenue diversification by finding new ways to incorporate advertising and e-commerce into their business models.

MENA region’s market growth is led by the GCC and Saudi Arabia.

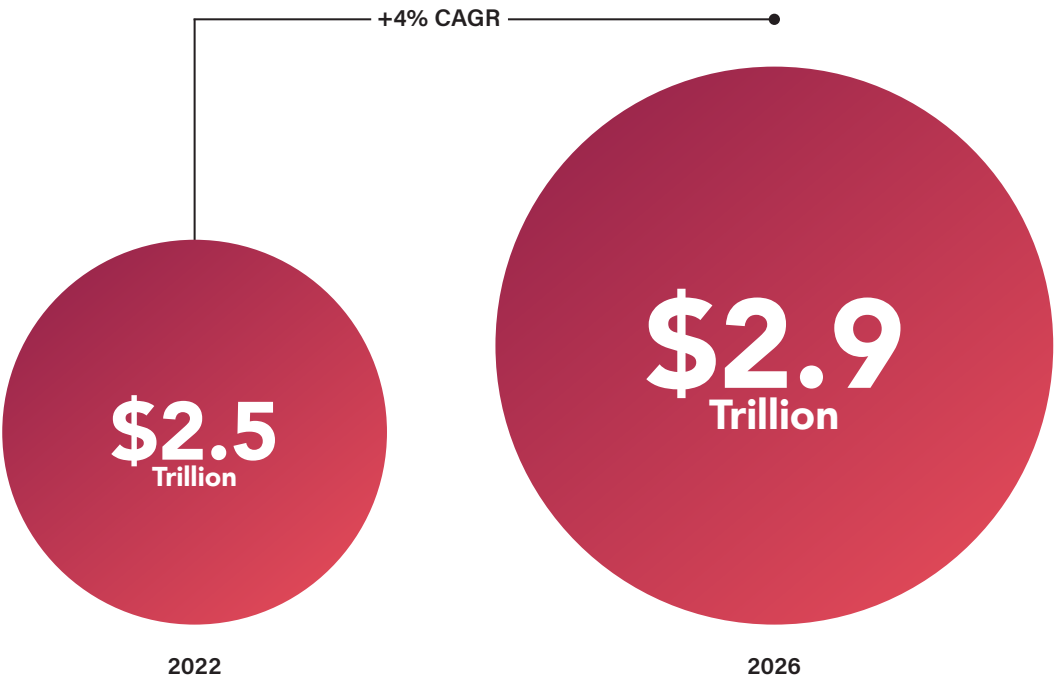
The media industry is growing faster in the MENA region than globally, driven by the region's young population, rising connectivity, and ever-increasing social media penetration, particularly in the GCC.

Saudi Arabia has the largest entertainment and media industry in the region, estimated at USD 17.7 billion in 2022. It is considered the most attractive regional market, characterized by favorable demographics and consumption rates, with two-thirds of the population under 35 years old and the average Saudi spending six hours consuming digital media daily.

The Saudi media industry is nascent and has yet to reach its full potential. Local media production is limited, with large unmet demand for quality local content. Production houses and advertising agencies currently serving the market are mostly located outside the country.

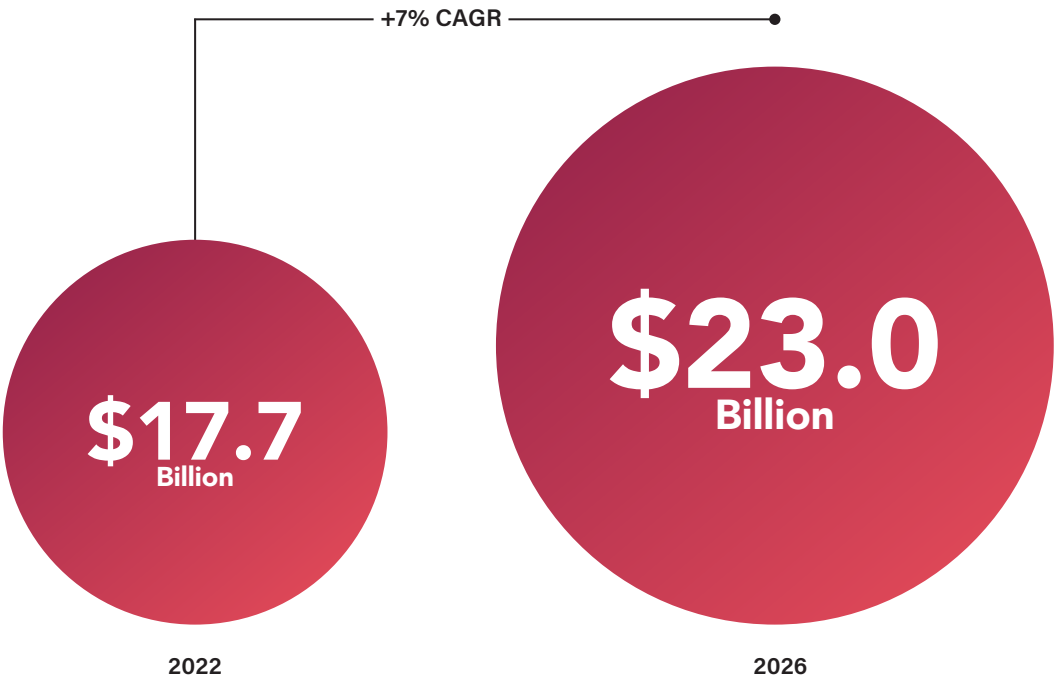
This market environment creates an opportunity for SRMG and our brands to create content, drive growth, and capitalize on new revenue streams. Our growth strategy aims to take full advantage of these market opportunities.

Global Entertainment and Media Market Size



Note: includes VR & AR, Video Games & eSports, TV Advertising, Traditional TV, OOH, OTT, Publishing, Music, Radio, Podcasts, Internet Advertising, Internet Access, Cinema
Source: PwC Global Entertainment and Media Outlook




KSA Entertainment and Media Market Size



Note: includes VR & AR, Video Games & eSports, TV Advertising, Traditional TV, OOH, OTT, Publishing, Music, Radio, Podcasts, Internet Advertising, Internet Access, Cinema
Source: PwC Global Entertainment and Media Outlook

Investment Case

As the leading integrated media group from the region with a diverse and expanding portfolio of premium brands, SRMG is accelerating towards the future by investing in platforms and people that will drive value creation for all our stakeholders and capitalize on the region's shifting media landscape.

| | | | | | |
|--|---|---|--|---|--|
| Broad portfolio of iconic media brands | 50+ years of value creation and market firsts. | 30+ publications across a broad range of categories catering to a diverse audience with over 172 million digital reach. | Best in class content , localized for our target audiences. | Attracting global consumption with our extensive reach. | A strong relationship with advertisers and commercial partners. |
| Enabler of the media ecosystem through our robust and diverse network | Diverse network of brands, audiences, and industry partners. | Formed partnerships with leading brands including Bloomberg, Warner Bros. Discovery, PMC, The Independent, Shogakukan, Shueisha, Kadokawa, Kodansha, and international media pioneers. | Bold investments to broaden audience base including Argaam, Thmanyah, and Telfaz11. | Global presence with offices across key target markets. | <div></div> |
| Investing in digital transformation and the future of MENA's Media | Building market-leading omnichannel platforms for our brands. | Investing in digital transformation across the organization. | Launched venture capital strategy to capitalize on emerging media trends . | Creating value through add-on acquisitions, further propelling in-house technology transformation . | <div>Investing in digital transformation across the organisation</div> |
| Accelerating diversification through multi-faceted growth strategy | Dynamic strategy centered around expansion and diversification to create synergies and drive growth. | Developing across multiple verticals to bridge market gaps and complement existing portfolio. | Attracting top-tier talent and building dynamic teams to fuel transformation and secure long-term growth. | <div>World-class talent</div> | |
| Track record of robust financial performance and value creation | Top-line growth of 22% between 2021 and 2022. | Maintaining high double-digit gross and net margins. | Strong liquidity position with nominal parent-related leverage. | Ease of access to capital markets. | <div>22% Top-line growth</div> |

Our People

Talent drives our success

Our people remain the cornerstone of our transformation strategy, with investment in their development driving expansion and diversification across our dynamic media group.

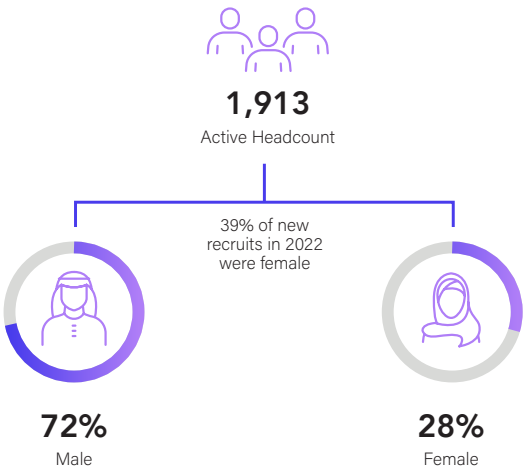
During 2022, we continued to attract exceptional talent, develop our capabilities, plan for our future, and build a supportive environment, promoting excellence and fostering a performance driven culture.

We invested in talent growth

In alignment with the group's transformation strategy and expansion plans, SRMG remains deeply committed to growing and empowering our teams across the globe. Our overall fulltime workforce has risen by 15% year on year. This growth is in line with our drive to build highly specialized capabilities locally, regionally, and internationally.

We are proud of our diverse workforce

Our global team consists of 56 nationalities operating across 11 countries, with 25% of our leadership roles occupied by women.



We formed new teams to achieve our vision

SRMG assigned internal capabilities and acquired external resources to enable the newly formed functions within SRMG and deliver the group's transformation strategy. During 2022, we successfully integrated cross-department collaboration and provided clear mandates and milestones to drive our future success.

The group focused on delivering transparency and engaging employees across all levels and geographies through a range of initiatives and activities led by the CEO and senior management. The activities reinforced SRMG's strategic priorities, communicated our plans, and set the tone for our company's culture. Ultimately, our aim is to build an attractive environment that celebrates diversity, enables quality retention, and attracts acquisition of key talents. Throughout this, we are committed to instilling a results-driven and proactive attitude, inspiring creativity, and creating a positive work environment.

We promote a culture of learning and development

SRMG encourages its workforce to continuously learn and develop their knowledge, skills, and capabilities. As part of SRMG's deeply rooted learning culture, managers and subject matter experts coach, mentor, and ensure our teams are exposed to learning opportunities. The group hosted 20 leading classroom learning sessions which were attended by over 200 employees. Over the course of the year, 85+ on the job learning opportunities were extended to university graduates and interns.

Our Human Resources and Technology teams worked tirelessly throughout the year to design and rollout an Employee Self Service infrastructure to increase the efficiency of human capital tools and enable our people to manage their requests seamlessly.

In 2023, we will continue to focus on our people

This year, we will build on our success, and continue to enhance our teams' strengths and capabilities.

We will continue to attract and retain a top-tier workforce, further accelerating the group's transformation, while rebuilding our learning and talent framework, in line with emerging business requirements.

We will also implement lean, optimized, and leading human capital practices to further enable the business in a fast-paced environment, while working to enhance our position as an employer of choice in the Kingdom, regionally, and internationally.

Spotlight on our people

Haifa Al Jeeda:
SRMG Think



Haifa Al Jeeda has played a key role in SRMG Think's launch, serving as its first Managing Director. In 2022, SRMG Think team enjoyed rapid growth attracting talent in a variety of positions.

In January 2023, following a successful period as Managing Director of SRMG Think, Haifa Al Jeeda was appointed as ambassador and Head of the Saudi Mission to the EU and the European Atomic Energy Community, following a royal decree. The appointment is testament not only to Haifa's ability and experience in the field of international relations but also to SRMG's mission to attract exceptional talent, develop capabilities, and build a supportive environment that promotes excellence and fosters a performance driven culture. As a company, we are proud of Haifa's achievements, and we wish her the very best in her future endeavors.

Maram AlHajri:
SRMG



In August 2019, Maram AlHajri started her career at SRMG as a Performance Coordinator. She then took on the role of Executive Assistant to the CEO, and eventually progressed to become a Senior Project Manager. Maram's exposure to various aspects of the business has diversified and strengthened her skill set, enabling her to carve out a new career path. Her journey outlines the opportunities and support available at SRMG, as Maram now oversees some of SRMG's most ambitious and complex corporate projects, including the planned relaunch of Akhbaar24.

Through her outstanding achievements within the organization, Maram exemplifies the values of SRMG in fostering and cultivating talent.

Rupinderjeet Singh:
Asharq News



Rupinderjeet Singh has worked at Asharq News Network since late 2018, initially joining as an office assistant. Rupinderjeet is an extremely valued and popular member of the team, who most recently progressed to the role of cameraman's assistant, a move which marked an exciting career change and allowed him to fulfil a lifelong ambition of working in TV production.

In preparation for his new role, Rupinderjeet underwent a two-month training course by Asharq News. The training covered all technical and operational aspects of the position and Rupinderjeet is now a key figure in Asharq's newsroom, working on programs such as Assabah Maa Cyba (Morning with Cyba), Aswaq Asharq (Asharq Markets), Mouasherat Asharq (Asharq Indices), Sharq Gharb (East and West), and Akhbar Asharq (Asharq News).

Corporate Social Responsibility

SRMG is an active, engaged, and responsible corporate organization, with an established track record of supporting a wide range of worthy charitable organizations and social causes across the region and beyond.

We are committed to working in a way that is socially responsible and focus on creating content that has a positive global impact.

Many of our titles are driving cultural conversations and, in 2023, we plan to continue this with a dedicated strategy that will reflect our commitments to championing the most important social and environmental causes.

SRMG is committed to supporting humanitarian and charitable efforts in the region. We proactively seek opportunities to promote positive change and increase impact through diverse partnerships, sponsorships, media support, and charitable donations.

Media Sponsorships

SRMG has been at the forefront of regional Corporate Social Responsibility (CSR) efforts, engagement, and education. In 2006, we helped organize the region's first conference on CSR by serving as a platinum sponsor to the Corporate Social Responsibility Forum, demonstrating practical

experiences and showcasing various case studies and models of CSR programs practiced both inside and outside of the Kingdom. Since then, and over the years, we have provided millions of Riyals in media sponsorships and free advertising to a wide variety of social groups and events across our market-leading brands.

Charities and causes we have supported include

The Disabled Children's Association, King Salman Center for Disability Research, Saudi Cancer Society, King Salman Science Oasis, Zahra Association, and Ensan Charity Committee for Orphans Care.

SRMG also supports a carefully selected set of outstanding organizations and causes within STEM research, breast cancer awareness, disability research, rehabilitation for the elderly, and youth development in the fields of arts and science.

Alongside this, we are focused on driving positive change by providing tangible opportunities to prepare young generations for future progress. We have collaborated with numerous institutes to promote talent development and media training in the fields of publishing, research, and journalism.

Environmental Commitments

SRMG has made significant charitable donations to promote work in science and technology development, including working with the King Salman Science Oasis to encourage youth participation in STEM-based projects, and supporting endangered species' preservation.

Social Commitments

As part of our activities for the International Day of Charity in 2022, we hosted over 30 children from the Ensan Charity Committee for Orphans Care at our headquarters. The guests had the opportunity to meet with SRMG's CEO and top management and discuss their aspirations for the future. They also visited various departments and gained a behind-the-scenes look at the inner workings of the media industry, providing them with an enriching and memorable experience.

Finally, we launched an initiative aimed at improving the daily quality of life for King Salman Center for Disability Research's enrolled members.

Charitable Entities

- 01 } Saudi Association for Exceptional Children
- 02 } King Salman Center for Disability Research
- 03 } Sultan bin Abdulaziz Al-Saud Foundation
- 04 } Prince Ahmed Bin Salman Applied Media Academy
- 05 } King Salman Science Oasis
- 06 } King Abdulaziz Foundation (Darah Agency)
- 07 } Zahra Breast Cancer Association

GOVERNANCE

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The Activities of the group and its Subsidiaries

Saudi Research and Media Group is a leading integrated media group in the MENA region, with a portfolio of highly influential media products and a global presence. Moreover, the group has a presence throughout the Kingdom; and also owns branches and centers all around the world. The group operates through a number of subsidiary companies, which are renowned for their seamless integration. Below is a description of those companies and their activities:

Saudi Research and Publishing Company

The publishing sector is considered one of the main pillars on which the group relies, doing so through the Saudi Research and Publishing Company, which includes a number of publications that are diverse in content and issuance (daily, weekly, and monthly), in addition to numerous projects licensed to international newspapers and magazines. These publications are also issued in different languages. Moreover, the company also owns a number of websites, applications, and social media accounts for all its platforms, thus enhancing its presence and brands, and its ability to meet the needs of its audience by providing appropriate content for each of its platforms.

Al-khaleejiah for Advertising and Public Relations

Al-khaleejiah for Advertising and Public Relations is considered one of the leading advertising companies in the Arab Gulf region. The company carries out continuous and effective follow-ups on the needs of the market through ongoing support for media related research and studies.

Saudi Distribution Company

The Saudi Distribution Company serves as the main point of contact between publications and the customer, accumulating a great deal of experience in the field of distribution, overseeing the distribution of the group's publications, managing logistical and shipping services for the publications issued by the Saudi Research and Publishing Company, inside and outside the Kingdom, in addition to overseeing the distribution of Arabic manga magazines and the Directions magazine

Argaam Commercial Investment Co.

Argaam is a Saudi company that owns the first and most important financial platform in Saudi Arabia and the Gulf countries, Argaam Financial Portal. The company specializes

in publishing financial information and economic news of interest to investors and decision-makers in Saudi Arabia and the Arab Gulf markets.

Argaam Financial Portal is unique in providing several specialized finance pages, tools and analysis that help investors to make investment decisions by covering all indicators of the Saudi macro-market and all its sectors and companies listed in the primary and secondary market, in addition to the Gulf markets.

Argaam Financial Portal is characterized by providing a massive package of periodic reports analyzing the performance of companies, sectors, and markets. It also provides specialized pages and presents the financial and economic indicators of the markets in real-time, in addition to its exclusive index for petrochemicals, and its pages for subscriptions, funds, acquisitions and projects.

Argaam Financial Portal provides more specialized services through the "Argaam Plus" platform, which is specifically directed at companies, financial institutions and qualified individuals with investment experience and high financial solvency, by providing in-depth coverage of historical financial data and indicators, in addition to providing more than 100 interactive analytical tools through the "Argaam Tools" platform. This is an advanced service that aims to help investors, researchers and analysts access analysis and data related to the economy and financial market across various sectors, and important companies, in a quick and easy manner.

Asharq News Services

The group established Asharq News Services Company in Riyadh, with headquarters in Riyadh, and bureaus in Dubai and Washington D.C. The group's subsidiary also launched a multi-platform news service in November 2020, which included "Asharq News Channel", "Asharq Business with Bloomberg" service, and three digital news sites, one specialized in economics and business, the second in general news, and the third specialized as a "video on demand" service, thus keeping up with the best available technical capabilities in this industry. The TV channel provides its news services in the Arabic language and delivers daily, round the clock coverage to audiences in the Middle East and around the world, with a focus on regional and international

economic issues. Asharq's channel works to provide and publish content based on in-depth analysis, with special attention to information and data, in addition to the contexts accompanying the news, in order to reach the audience of Arab investors as a "news service for decision-makers and businessmen." "Asharq Business with Bloomberg" is the result of cooperation between the Saudi Research and Media Group and Bloomberg to cover global economic and financial news. In addition to the channel, Asharq shows special interest in original productions to serve specialized social platforms, including "Asharq QuickTake" (in cooperation with Bloomberg), "Asharq Sports Economy", as well as "Bloomberg Business Week", "Asharq Green", "Asharq Technology", "Asharq Crypto", "Asharq Breaking", and many other original services on digital and social platforms. The group also announced the launch of the "Asharq Discovery" channel, in cooperation with "Warner Bros. Discovery", to be launched in 2023.

Thmanyah Company for Publishing and Distribution

Founded in 2016, Thmanyah is a Saudi company specialized in the creation and delivery of various forms of Arabic content, and delivers its content from the city of Riyadh to the rest of the Arab world. Thmanyah leads the Arab market in the field of podcasts, with more than 130 million listeners and views reached every year. It is the largest producer of documentaries in Saudi Arabia, with more than 135 films produced. Thmanyah continues to grow and is driven by its ambition to expand. Accordingly, on 11 October 2021, it joined the Arab Media Company (one of the companies of the Saudi Research and Media Group) through an acquisition deal to continue its ambition to elevate the culture of Arab press.

TAWQ Media Research Company

TAWQ is the research arm of the Saudi Research and Media Group, working in the fields of preparing qualitative research and studies in various fields, providing specialized consultations, developing strategic and executive media plans, developing initiatives, customized publications, media monitoring, managing digital content and social media accounts, digital marketing, delivering digital media campaigns, organizing events, translating and interpreting, organizing and managing international events and forums, and designing and developing websites. Thanks to its exceptional performance and high-quality deliverables, the company has successfully secured contract renewals for

extended periods, and has also secured new projects as part of its ongoing efforts to expand its customer base and grow its business. Moving forward, the company aims to further develop its operations and become a regional leader, driven by its ambitious goals and aspirations.

Saudi Printing and Packaging Company

The Saudi Printing and Packaging Company is a Saudi joint stock company operating in the printing and packaging sectors, and registered in Saudi Arabia, under Commercial Registration No. 1010219709 issued in the city of Riyadh on Jumada Al-Awwal 1, 1427 AH (corresponding to 28 May 2006), based on Ministry of Commerce Resolution No. 104 / Q dated 20 Rabi` al-Thani 1428 AH (corresponding to 7 May 2007).

The Saudi Printing and Packaging Company was established under the name of Al-Madinah Al-Munawara Printing and Publishing Company in 1963, and during the year 2007, its name was changed to the Saudi Printing and Packaging Company, with 30% of its shares offered for public subscription during that year, noting that the Saudi Research and Media Group and its subsidiaries own 70% of the company's shares.

The company owns advanced newspaper printing centers in Riyadh and Jeddah. It prints a number of important newspapers such as Al-Sharq Al-Awsat, Al-Eqtisadiah, Al-Riyadiyya, Arab News and others, in addition to periodical commercial publications. The company also works in the field of packaging and the plastic industry, with factories in Sharjah, Abu Dhabi, and Dubai.

Subsidiary Companies

The following is a list of the subsidiaries incorporated within these consolidated financial statements:

| Subsidiaries | company's main activity | Country of main activity | Capital/ Millions | % Ownership | Country of Incorporation |
|--|--|--------------------------|-------------------|-------------|--------------------------|
| Intellectual Holding Company for Advertisements and Publicity -LLC | Investing in subsidiaries | KSA | SAR 300.0 | 100% | KSA |
| Scientific Works Holding Company - LLC | Investing in subsidiaries | KSA | SAR 300.0 | 100% | KSA |
| Saudi Research and Publishing Co. | Publishing | KSA | SAR 6.5 | 100% | KSA |
| Al Khaleejiah Advertising and Public Relations Co. | Media and Advertising | KSA | SAR 5.585 | 100% | KSA |
| Arab Media Company | Visual and printed media and advertising services | KSA | SAR 1.0 | 100% | KSA |
| Saudi Distribution Co. | Publishing and distribution | KSA | SAR 8.6 | 100% | KSA |
| Manga Arabia LLC | Distribution and gaming | KSA | SAR 0.1 | 100% | KSA |
| News Hub | News wire | KSA | SAR 0.05 | 100% | KSA |
| Kuwaiti Group for Publishing and Distribution Co. Ltd | Distribution | Kuwait | KWD 0.3 | 100% | Kuwait |
| Emirates Printing, Publishing and Distribution Co. Ltd. | Distribution | UAE | AED 1.7 | 100% | UAE |
| Moutamarat Company for Exhibitions and Conferences | Holding and organizing specialized exhibitions, conferences and forums | KSA | SAR 1.0 | 100% | KSA |
| Argaam Commercial Investment Company and its subsidiaries | Publishing and electronic content | KSA | SAR 0.1 | 51% | KSA |
| Moroccan Printing and Publishing Co. | Printing and distribution | Morocco | MAD 0.5 | 100% | Morocco |
| VOX Asia Productions Limited | Media and advertising | Pakistan | PR 1.0 | 100% | Pakistan |
| HH Saudi Research and Marketing Co. | Publishing and distribution | United Kingdom | GBP 0.5 | 100% | United Kingdom |
| Asharq Al Awsat Co. Ltd | Main center activities | United Kingdom | GBP 0.9 | 100% | United Kingdom |
| Media Investment Co. Ltd | Rental services | United Kingdom | GBP 0.5 | 100% | United Kingdom |
| Arab Net Technology Co. Ltd | Internet services | United Kingdom | GBP 0.5 | 100% | United Kingdom |
| Sayidaty Products Co. | Commercial activities | Grenzee Islands | GBP 0.01 | 100% | Grenzee Islands |

| Subsidiaries | company's main activity | Country of main activity | Capital/ Millions | % Ownership | Country of Incorporation |
|--|---|--------------------------|-------------------|-------------|--------------------------|
| IPM Ltd | Registering, maintenance and possession of intellectual properties of the group | Grenzee Islands | GBP 0.01 | 100% | Grenzee Islands |
| Global Media and Partners Ltd and its subsidiaries | Commercial activities | Cayman Islands | USD 0.00001 | 100% | Cayman Islands |
| Gulf British Company Ltd | Advertising | United Kingdom | GBP 0.0001 | 100% | United Kingdom |
| EuroMena Co. | Commercial activities | United Kingdom | GBP 0.4 | 100% | United Kingdom |
| Sayidaty Limited Company | Commercial activities | United Kingdom | GBP 0.000002 | 100% | United Kingdom |
| Majallah Company | Commercial activities | United Kingdom | GBP 0.000002 | 100% | United Kingdom |
| Arab Media Company | Commercial activities | Jersey | GBP 0.000002 | 100% | Jersey |
| Alsharq Company for News Services Ltd | Television Broadcasting and Radio and Forums | UAE | USD 0.05 | 100% | UAE |
| Saudi Specialized Printing Company | Specialized publishing | KSA | SAR 0.5 | 100% | KSA |
| Alsharq TV Company | Television Broadcasting and Radio and Forums | KSA | SAR 0.1 | 100% | KSA |
| Alsharq Company for News Services Ltd - | Television Broadcasting and Radio and Forums | KSA | SAR 0.1 | 100% | KSA |
| The News Hub Limited | News wire | UK | GBP 0.0001 | 100% | United Kingdom |
| Thamnyah for publishing and distribution | Broadcasting | KSA | SAR 15.3 | 51% | KSA |
| NUMU Media Holding Co. | Electronic audio and video production and distribution | KSA | SAR 24.86 | 100% | KSA |
| Scene Visual Media Co. | Media and advertising | KSA | SAR 0.2 | 100% | KSA |
| NUMU Educational Co. | Developing educational methods and books trade | KSA | SAR 0.5 | 100% | KSA |
| Saudi Commercial Company | Trading in printing accessories | KSA | SAR 2.0 | 100% | KSA |
| Ofoq Information Systems and Communications Co. | Trading in communication equipment and software development | KSA | SAR 3.5 | 100% | KSA |
| Funoon Al Shakhsiyat for Trade | Trade | KSA | SAR 0.05 | 100% | KSA |
| Taoq Public Relations Co. Ltd. | Public relations and communication | KSA | SAR 0.3 | 100% | KSA |

| Subsidiaries | company's main activity | Country of main activity | Capital/ Millions | % Ownership | Country of Incorporation |
|---|---|--------------------------|-------------------|-------------|--------------------------|
| Takanah Public Relations Co. Ltd. | Finance and business services | KSA | SAR 0.05 | 100% | KSA |
| Educational Concept Company for Educational Solutions | Import and export and wholesale trade | KSA | SAR 0.1 | 100% | KSA |
| NUMU Training and Consulting Company | Training and consulting | KSA | SAR 0.1 | 100% | KSA |
| NUMU Alelaniah for Advertising Co. | Visual and printed media and advertising services | KSA | SAR 0.05 | 100% | KSA |
| Raff for publishing Company | Publishing and distribution | KSA | SAR 0.05 | 100% | KSA |
| Taoq Research Co. | Research and support | KSA | SAR 0.05 | 100% | KSA |
| ALNashroon International Company | Publishing books | KSA | SAR 0.05 | 100% | KSA |
| SRMG - Godo Keisha | Publishing | Japan | JPY 1.0 | 100% | Japan |
| Content Specialized Media | Specialized publishing | UAE | AED 0.2 | 100% | UAE |
| University Book Shop Company | Publishing and Distribution | UAE | AED 3.0 | 100% | UAE |
| Smart Super Store Company | Publishing and Distribution | UAE | AED 3.0 | 100% | UAE |
| Book Depot for Publishing and Distribution (Ethra'a) | Publishing and Distribution | Jordan | JOD 0.1 | 100% | Jordan |
| Saudi Printing and Packaging Company and its subsidiaries | Printing | KSA | SAR 600.0 | 70% | KSA |

Board of Directors and its Sub-Committees

Saudi Research and Media Group Board of Directors as at 31 December 2022:

| # | Director's Name | Director's Profile/Background | Statement | Executive | Non-Executive | Independent |
|---|-------------------------------------|---|----------------------------|-----------|---------------|-------------|
| 1 | Eng. Abdulrahman Ibrahim Al-Ruwaita | <p>Serves on the Board of a wide range of organizations, including Jadwa Investment Company and General Commission for Audiovisual Media. In addition, Eng. Al-Ruwaita has held various senior roles including Managing Director and General Manager of Aseer Company, and first Vice Executive President at Dallah Al Baraka Holding Company. Eng. Al-Ruwaita previously served as Chairman of the Board of Directors of Halwani Bros, Board member of Emaar Economic City Company, and Vice Chairman of the Board of Directors of Welaya for Investment Company. Eng. Al-Ruwaita was also a member of the Board of Directors of Alessa Industries and the Saudi Industrial Exports Company. He formerly served as a member of the Advisory Committee for Economic Affairs at the Supreme Economic Council, in addition to serving as a member of the Board of Directors of the General Authority of Civil Aviation.</p> <p>Eng. Al-Ruwaita holds a Master's degree in Industrial Engineering from the University of Southern California in the U.S.</p> | Chairman | | √ | |
| 2 | Mr. Majed Abdulrahman Al-Issa | <p>Serves as Marketing Group Chairman of the Board of Directors of the British- Saudi Reinsurance Company, RFIB. Prior to this, he spent 25 years at SABEC and SAMBA Financial Group in various senior leadership roles. He has also held roles at Arab National Bank and Arcapita Bank and served as Executive Chairman of Al-Anwa Holding Group, a private investment company. He has also served as an advisor to the Minister of Trade.</p> <p>Mr. Al-Issa is a member of several boards and committees for various companies.</p> <p>Mr. Al-Issa holds a Bachelor's degree in Accounting from King Saud University and an MBA from Middlesex University in the UK, in addition to a Diploma from Bradford University in the UK.</p> | Vice Chairman of the Board | | | √ |

| # | Director's Name | Director's Profile/Background | Statement | Executive | Non-Executive | Independent |
|---|------------------------------|--|----------------------------------|-----------|---------------|-------------|
| 3 | Ms. Jomana Rashed AlRashid | A Board member and the Chief Executive Officer at SRMG, under her leadership, the group has been implementing a digital transformation and growth strategy – thus transforming its portfolio of leading media brands and platforms, while diversifying its business to include premium content production, events and experiential marketing, research and advisory, book publishing, and international operations. Prior to joining SRMG, Ms. AlRashid worked as the London correspondent of Al-Riyadh newspaper and was posted to the Saudi Embassy in London as a senior aide and adviser to the Ambassador, with an emphasis on media relations, as well as Head of the Embassy's Media Department. After a successful tenure in London, she worked in a media advisory role assisting the private and public sectors in Riyadh. In addition to sitting on the Board of Directors of SRMG and Argaam Investment Company. Ms. AlRashid was most recently appointed as Chairwoman of the Board of Trustees of the Red Sea Film Foundation. She is also the Chairwoman of Thmanyah Publishing and Distribution. | Member of the Board of Directors | √ | | |
| | | Ms. AlRashid holds a Bachelor's degree in Politics from SOAS University of London, and a Master's degree in International Journalism from City University. | | | | |
| 4 | H.E Dr. Adel Zaid Al-Toraifi | Previously served as the Minister of Information and Culture and has held various senior roles in media including Editor-in-Chief of Asharq Al-Awsat, General Manager of Al-Arabiya News Channel and Editor-in-Chief of Al-Majallah magazine, as well as Regional Director for Siemens International. He is also a member of the Council for Economic and Development Affairs and the Council for Political and Security Affairs. | Member of the Board of Directors | | | √ |
| | | H.E. Dr. Al-Toraifi obtained a Ph.D. in International Relations and a Master's degree in Philosophy from the London School of Economics and Political Sciences (LSE). He also holds a Master's degree in Social Sciences from the University of Kingston. | | | | |
| 5 | Dr. Abdulaziz Hamad Al-Fahd | A Legal Adviser covering various areas including corporate and financial affairs, international transactions, and arbitration. He has served as a Board member at several organizations across both the private and public sectors. | Member of the Board of Directors | | √ | |
| | | Dr. Al-Fahd holds a J.D. in Law from Yale School in the U.S. | | | | |

| # | Director's Name | Director's Profile/Background | Statement | Executive | Non-Executive | Independent |
|---|----------------------------|---|----------------------------------|-----------|---------------|-------------|
| 6 | Dr. Turki Omar Buqshan | Held several leadership roles in higher education, management, and consulting, including serving as Vice Dean of university colleges in Saudi Arabia. He also serves as a Board member at Saudi Printing and Packaging Company. | Member of the Board of Directors | | √ | |
| | | Dr. Buqshan obtained a Ph.D. from Bond University in Australia. | | | | |
| 7 | Eng. Moussa Omar Al-Omran | Previously served as a Board member at various organizations including Savola, Banque Saudi Fransi, Almarai and the Arabian Cement Company. He was also a Board member of the Council of the Region of Makka Al Mukarrama, Saudi Airlines Air Cargo Company, Jeddah Development Company, and the General Investment Authority. He has accumulated extensive experience in internal, external, and industrial investments. | Member of the Board of Directors | | | √ |
| | | Eng. Al-Omran obtained a Bachelor's degree in Industrial Engineering from King Saud University in Riyadh. He also holds an MBA from St. Edwards University in Austin, Texas. | | | | |
| 8 | Mr. Mohiddin Saleh Kamel | Chairman of the Board of Directors of Al-Rabie Company and serves as a Board member for several organizations including Dallah Health, Jabal Omar Development Company, Al-Khozama Management Company, Dallah Al-Baraka Holding Company, Arab Holding Company for Digital Distribution, and Halwani Bros Company. He has also served as a member of the Board at Al Baraka Banking Group in Bahrain. | Member of the Board of Directors | | √ | |
| | | Mr. Kamel holds a Bachelor's degree in Economics, with a specialization in Management and Marketing, from the University of San Francisco. | | | | |
| 9 | Mr. Adel Marzouk Al-Nasser | Previously held a wide range of leadership positions at banks, including Deputy Managing Director at the Saudi British Bank (SABB). He currently serves as Chairman of Saudi Printing and Packaging Company, as well as a member of the Board of Directors at Al-Itifaq Iron and Steel Company. | Member of the Board of Directors | | √ | |
| | | Mr. Al-Nasser obtained a diploma from the London Institute of Banking and Finance. | | | | |

| # | Director's Name | Director's Profile/Background | Statement | Executive | Non-Executive | Independent |
|----|-----------------------------------|--|----------------------------------|-----------|---------------|-------------|
| 10 | Mr. Hamad Saud Al-Omar | <p>Has extensive experience in the field of internal Audit, Banking, Finance, Management, Academia, and Training. He held various positions in commercial banks, the central bank and civil aviation. He is a Board and Committee member of various companies.</p> <p>Mr. Al-Omar holds a Master's degree in Mathematics from the University of California.</p> | Member of the Board of Directors | | | √ |
| 11 | Eng. Abdullah Suleiman Al-Rubaian | <p>Currently Chairman of the Board of Directors of Banoon Investment Company, in addition to serving on the Boards of a range of other organizations. He has extensive management experience and has held senior positions in financial organizations for 45 years.</p> <p>Eng. Al-Rubaian holds an MBA from King Fahd University of Petroleum and Minerals.</p> | Member of the Board of Directors | | | √ |

Names of the companies inside and outside Saudi Arabia in which a Board member is a member of their current or previous Board

| Name | Listed | Not Listed |
|--------------------------------------|---|---|
| Eng. Abdulrahman Ibrahim Al- Ruwaita | <ul style="list-style-type: none">Chairman of the Board of Directors of Saudi Research and Media GroupChairman of the Board of Directors of Halawani Brothers CompanyBoard member of Emaar, The Economic CityBoard member of the Saudi Printing and Packaging CompanyBoard member of the Saudi Industrial Exports Company | <ul style="list-style-type: none">Board member of Jadwa Investment CompanyBoard member of Argaam CompanyBoard member of Amlak International for Real Estate Development and Finance CompanyBoard member of Al-Khuzama Management CompanyBoard member of Directors of Wilaya Investment ManagementBoard member of Alessa Industries |
| Mr. Mohiddin Saleh Kamel | <ul style="list-style-type: none">Board member of Saudi Research and Media GroupBoard member of Jabal Omar CompanyBoard member of Dallah Company for Health Services | <ul style="list-style-type: none">Board member of Al-Khozama Management CompanyBoard member of Dallah Albaraka HoldingBoard member of Dallah Albaraka InvestmentBoard member of Dallah Albaraka Real EstateBoard member in limited liability companies:Dallah Company for Pilgrim TransportDalla Esat Bridge Investment CompanyJood Al Hala Trading Company LimitedAldalael AL Khaleejiah Real Estate Investment CompanyDallah Advanced Waste Recycling Management Company LimitedFood Service Group CompanyARM CompanyAL Saadi Trading and Soil Stabilizing CompanyCyan Entertainment CompanyIqraa Alalameya Investment CompanyAlbwader Almotmayza Holding CompanyGlobal Port for Real Estate Development CompanyFwasil Advanced Events and Tourism Festival OrganizationMawaqeeat Al Arabiah Real Estate Services CompanyAlmoasherat Aleqlemya CompanyAlmuqawalat Alsreeah CompanyDar Saleh CompanySadin Holding CompanySaudi Company for Tourism CitiesOne Thousand Seven Hundred Sixty Company |
| Mr. Adel Marzouk Al-Nasser | <ul style="list-style-type: none">Board member of Saudi Research and Media GroupChairman of the Board of Directors of Saudi Printing and Packaging Company | <ul style="list-style-type: none">Board member of Al-Ittefaq Steel Co. |
| Dr. Turki Omar Buqshan | <ul style="list-style-type: none">Board member of Saudi Research and Media GroupBoard member of Saudi Printing and Packaging Company | |

| Name | Listed | Not Listed |
|-----------------------------------|---|---|
| Mr. Majed Abdulrahman Al-Issa | <ul style="list-style-type: none">Board member of Saudi Research and Media Group | <ul style="list-style-type: none">Board member of Bidayah for Financing |
| Ms. Jomana Rashed AlRashid | <ul style="list-style-type: none">Board member of Saudi Research and Media Group | <ul style="list-style-type: none">Board member of Argaam Investment CompanyChairwoman of the Board of Trustees of the Red Sea Film FoundationChairwoman of the Board of Directors of Thmanyah Publishing and Distribution |
| Mr. Hamad Saud Al-Omar | <ul style="list-style-type: none">Board member of Saudi Research and Media GroupBoard member of HSBC Saudi Arabia Bank | |
| Eng. Abdullah Suleiman Al-Rubaian | <ul style="list-style-type: none">Board member of Saudi Research and Media GroupChairman of the Board of Directors of National Shipping Company of Saudi ArabiaBoard member of Arabian ShieldChairman of the Board of Directors of Salic | <ul style="list-style-type: none">Chairman of the Board of Directors of ArascoBoard member of an Airline Company |
| Eng. Moussa Omran Al-Omran | <ul style="list-style-type: none">Board member of Saudi Research and Media Group | <ul style="list-style-type: none">Board member of MBC GroupBoard member of Royal Commission for Al UlaBoard member of Al Arabia News Channel |
| Dr. Abdulaziz Hamad Al-Fahd | <ul style="list-style-type: none">Board member of Saudi Research and Media Group | |
| H.E Dr. Adel Zaid Al-Toraifi | <ul style="list-style-type: none">Board member of Saudi Research and Media Group | |

Interests/Stakes owned by Members of the Board and Senior Executives

The following table displays the changes in stakes/interests held by members of the Board, Senior Executives, their spouses, and children as at 31 December 2022

| Name | No. of Shares at the Beginning of the Year | Percentage Ownership at the Beginning of the Year | Net Change in Number of Shares during the Year | Percentage Change during the Year | No. of Shares at the End of the Year | Percentage Ownership at the End of the Year |
|-------------------------------------|--|---|--|-----------------------------------|--------------------------------------|---|
| Eng. Abdulrahman Ibrahim Al-Ruwaita | 1,000 | 0.00125 | - | - | 1,000 | 0.00125 |
| Mr. Mohiddin Saleh Kamel | 1,000 | 0.00125 | - | - | 1,000 | 0.00125 |
| Dr. Abdulaziz Hamad Al-Fahd | 1,115 | 0.00139 | - | - | 1,115 | 0.00139 |
| Mr. Majed Abdulrahman Al-Issa | - | - | - | - | - | - |
| Mr. Adel Marzouk Al-Nasser | - | - | - | - | - | - |
| Dr. Turki Omar Buqshan | 1,000 | 0.00125 | - | - | 1,000 | 0.00125 |
| H.E Dr. Adel Zaid Al-Toraifi | - | - | - | - | - | - |
| Eng. Moussa Omran Al-Omran | - | - | - | - | - | - |
| Ms. Jomana Rashed AlRashid | - | - | - | - | - | - |
| Mr. Hamad Saud Al-Omar | - | - | - | - | - | - |
| Eng. Abdullah Suleiman Al-Rubaian | - | - | - | - | - | - |
| Mr. Mohammed Abdulfatah Nazer | - | - | - | - | - | - |

Executive Management

Ms. Jomana Rashed AlRashid
CEO

Ms. AlRashid is a Board member and Chief Executive Officer at SRMG, a role she has held since October 2020. She is a seasoned communications and media professional, responsible for steering the region's leading media house through its new transformation strategy focusing on platform expansion and international partnerships. Prior to joining SRMG, Ms. AlRashid worked as the London correspondent of Al-Riyadh newspaper and was posted to the Saudi Embassy in London as a senior aide and adviser to the Ambassador, with an emphasis on media relations, as well as Head of the Embassy's Media Department. After a successful tenure in London, she worked in a media advisory role assisting the private and public sectors in Riyadh. In addition to sitting on the Board of Directors of SRMG and Argaam Investment Company, Ms. AlRashid was most recently appointed as Chairwoman of the Board of Trustees of the Red Sea Film Foundation. She is also the Chairwoman of Thmanyah Publishing and Distribution.

Ms. AlRashid holds a Bachelor's degree in Politics from SOAS University of London, and a Master's degree in International Journalism from City University.

Mr. Mohammed Abdulfatah Nazer
CFO

Mr. Nazer is the Chief Financial Officer at SRMG and is responsible for the finance and investments departments at the group. Prior to joining SRMG, he served as Executive Director at Goldman Sachs Saudi Arabia, and prior to that was part of J.P. Morgan's Mergers and Acquisitions team in New York. His other roles include positions at Jadwa Investment, Barclays Capital, and Proctor & Gamble. Mr. Nazer sits on the Boards of Saudi Printing and Packaging Company, Argaam Investment Company, and Thmanyah Publishing and Distribution.

Mr. Nazer has an MBA from The Wharton School at the University of Pennsylvania and an undergraduate degree from New York University.

Compensation and Remuneration Policy for the Members of the Board of Directors and the Sub-Committees

During its meeting held on Thursday, 14-09-1441, corresponding to 7 May 2020, the Extraordinary General Assembly agreed to amend the Compensation and Remuneration policy for the members of the Board of Directors, the sub-committees, and the Executive Management as follows:

1. Remunerations of members of the Board of Directors

The Board of Directors has decided to pay a yearly remuneration to its members, provided that the total amount of remunerations and benefits, whether financial or in-kind, received by each Board member, in addition to his/her membership in the sub-committees, shall not exceed an annual amount of SAR 500,000.

In addition to the remunerations of Board members mentioned in Paragraph (A), and in accordance with the provisions of the group's Articles of Association, the Chairman of the Board shall receive a monthly or annual remuneration, and this amount is to be determined by the Board of Directors or whomever it may authorize to do so.

2. Remunerations of sub-committee members

The Board of Directors has decided to pay an annual amount of SAR 300,000 to each sub-committee member, provided that entitlement to this amount shall be proportional to the number of meetings and sessions attended by each member.

3. Allowances for Board and sub-committee members attending meetings

Each Board and sub-committee member shall be paid an amount of SAR 3,000 for each meeting attended.

4. Expenses related to attending meetings held within Saudi Arabia

An amount of SAR 3,000 shall be paid to each Board and sub-committee member for each night of stay, including the price of a 2-way ticket, to and from a member's place of residence, should the meeting take place in another city, without the need for submitting any invoices. In the event that invoices are submitted, the amount paid should not exceed SAR 5,000, taking into consideration the provisions of article No. (7).

5. Expenses related to attending meetings held outside of Saudi Arabia

Each Board and sub-committee member shall be compensated for the expenses incurred to attend meetings outside of Saudi Arabia as per the below mentioned details:

a. Meetings held in the Gulf, Asia, and Africa

An amount of SAR 2,000 per night required to attend the meeting shall be paid, in addition to reimbursing the cost of a plane ticket for flying business class from a member's place of residence to the location of the meeting, back and forth, noting that a member should submit an invoice showing the price of the ticket.

b. Meetings held in America and Europe

An amount of SAR 5,000 per night required to attend the meeting shall be paid, in addition to reimbursing the cost of a plane ticket for flying business class from a member's place of residence to the location of the meeting, back and forth, noting that a member should submit an invoice showing the price of the ticket.

6. If any emergency arises, whereby the member is not at his/her place of residence, thus leading to an increase in flight expenses, he/she should obtain approval from the Chairman of the Board of Directors, in order to exempt the member from bearing the additional expenses, based on determining how important it is for the meeting to be attended.

7. In the event that extra amounts are required to be paid to Board and sub-committee members, or any other related individuals, contrary to what has been mentioned above, then the requested amounts shall be approved by the Chairman of the Board before they are disbursed.

8. Board members may receive compensation for being members of the Audit Committee formed by the General Assembly, or for any other tasks they may carry out, or for any additional executive, technical, administrative, or consultative positions – based on a professional license – in addition to the remunerations they already receive for their membership of the Board and its sub-committees, in accordance with the Articles of Association of the company.

9. The company has the right to demand compensation for any damage caused to its reputation, and recover any remunerations, compensations and any other expenses borne by the company, in the any of the following cases:

- If a Board member commits any act which violates morals and integrity; or if a Board member is discovered to be involved in any acts of forgery, or if a Board member violates any of the laws and regulations in Saudi Arabia.
- If a Board member fails to carry out his/her responsibilities, tasks, and duties, thus compromising the interests of the company.
- If it becomes apparent that any remunerations and/or compensations paid to members of the Board and the Executive Management were paid based on inaccurate information provided by a Board and/or Executive Management member, in order to prevent members from exploiting their positions to obtain undeserved remunerations.

10. Policy related to Executive Management remunerations

The Board of Directors reviews the salary scales of all employees and Executive Management members, in addition to the incentive program and scheme, the performance indicators and the remunerations of the Executive Management approved and implemented within the group, based on the recommendation of the Remunerations and Nominations Committee, according to the following criteria:

- The remunerations and compensations shall be compatible with the company's overall strategy. They should also serve as a factor to motivate the Executive Management to achieve the company's goals.
- The remunerations and compensations should be compatible with the nature of the company's activities, volume and the required level of skills and expertise.
- The remunerations and compensations should enable the company to attract Senior Management candidates with the required skills, capabilities, and qualifications to facilitate it to achieve its goals.

11. Publication and implementation

These regulations, or any subsequent amendments, shall be effective starting from the date that the General Assembly approves them.

Remuneration of SRMG’s Board Members

| | | Fixed remunerations | | | | | | | Variable remunerations | | | | | | | | |
|-------------------------------|-------------------------------------|---------------------|--------------------------------------|---|------------------|---|---|-----------|-------------------------|--------------------|------------------------------|-----------------------------|----------------|-------|------------------------|-----------|------------------------------|
| | | Specified amount | Allowance for attending BOD meetings | Total allowances for attending committees' meetings | In-kind benefits | Bonuses for technical, administrative and consultative activities | Allowances paid to the Chairman or the appointed member | Total | Percentage from profits | Periodical bonuses | Short-term incentive schemes | Long-term incentive schemes | Granted shares | Total | Allowance for expenses | Aggregate | End of service remunerations |
| First: Independent members | | | | | | | | | | | | | | | | | |
| 1 | H.E Dr. Adel Zaid Al-Toraifi | 200,000 | 6,000 | - | - | - | - | 206,000 | - | - | - | - | - | - | - | 206,000 | - |
| 2 | Eng. Moussa Omran Al Omran | 300,000 | 6,000 | 15,000 | - | - | - | 321,000 | - | - | - | - | - | - | - | 321,000 | - |
| 3 | Mr. Majed Abdulrahman Al-Issa | 300,000 | 6,000 | 15,000 | - | - | - | 321,000 | - | - | - | - | - | - | - | 321,000 | - |
| 4 | Mr. Hamad Saud Al-Omar | 100,000 | 6,000 | 15,000 | - | - | - | 121,000 | - | - | - | - | - | - | - | 121,000 | - |
| 5 | Eng. Abdullah Suleiman Al-Rubaian | 100,000 | 6,000 | 6,000 | - | - | - | 112,000 | - | - | - | - | - | - | - | 112,000 | - |
| Total | | 1,000,000 | 30,000 | 51,000 | - | - | - | 1,081,000 | - | - | - | - | - | - | - | 1,081,000 | - |
| Second: Non-Executive members | | | | | | | | | | | | | | | | | |
| 1 | Eng. Abdulrahman Ibrahim Al-Rwaitie | 300,000 | 3,000 | 15,000 | - | - | 6,000,000 | 6,318,000 | - | - | - | - | - | - | - | 6,318,000 | - |
| 2 | Dr. Abdulaziz Hamad Al-Fahd | 300,000 | 3,000 | 9,000 | - | - | - | 312,000 | - | - | - | - | - | - | - | 312,000 | - |
| 3 | Mr. Mohiddin Saleh Kamel | 300,000 | 6,000 | 6,000 | - | - | - | 312,000 | - | - | - | - | - | - | - | 312,000 | - |
| 4 | Mr. Adel Marzouk Al-Nasser | 300,000 | 6,000 | - | - | - | - | 306,000 | - | - | - | - | - | - | - | 306,000 | - |
| 5 | Dr. Turki Omar Buqshan | 300,000 | 6,000 | 21,000 | - | - | - | 327,000 | - | - | - | - | - | - | - | 327,000 | - |
| 6 | Mr. Abdulrahman Hamad Al-Rashid | 200,000 | - | - | - | - | - | 200,000 | - | - | - | - | - | - | - | 200,000 | - |
| Total | | 1,700,000 | 24,000 | 51,000 | - | - | 6,000,000 | 7,775,000 | - | - | - | - | - | - | - | 7,775,000 | - |
| Third: Executive Members | | | | | | | | | | | | | | | | | |
| 1 | Ms. Jomana Rashed AlRashid | 100,000 | 6,000 | 15,000 | - | - | - | 121,000 | - | - | - | - | - | - | - | 121,000 | - |

Remuneration of SRMG's Senior Executives

| | Fixed | | | | Variable | | | | | | | End of service benefits | Total remunerations for Executive Board members, if any | Aggregate total |
|-------------------|------------|------------|------------------|------------|--------------------------|--------------------|---------|-----------------------------|----------------|------------|---------|-------------------------|---|-----------------|
| | Salaries | Allowances | In-kind benefits | Total | Periodical remunerations | Periodical bonuses | Profits | Long-term incentive schemes | Granted shares | Total | | | | |
| Senior Executives | 15,692,200 | - | - | 15,692,200 | 14,721,700 | - | - | - | - | 14,721,700 | 903,417 | - | 31,317,317 | |

Remuneration of SRMG’s Sub-board Committees

| | | Fixed remunerations (excluding attendance allowances) | Allowance for attending meetings | Total |
|--|--|--|----------------------------------|---------|
| Members of the Audit Committee | | | | |
| 1 | Dr. Turki Omar Buqshan | 100,000 | 15,000 | 115,000 |
| 2 | Mr. Majed Abdulrahman Al-Issa | 100,000 | 15,000 | 115,000 |
| 3 | Mr. Suleiman Nasser Al Hatlan Al-Qahtani | 40,000 | - | 40,000 |
| 4 | Mr.Hamad Saud Al-Omar | 40,000 | 15,000 | 55,000 |
| Total | | 280,000 | 45,000 | 325,000 |
| Members of the Executive Committee | | | | |
| 1 | Eng. AbdulrahmanIbrahim Al-Ruwaita | 150,000 | 15,000 | 165,000 |
| 2 | Mr. AbdulrahmanHamad Al-Rashed | 112,500 | - | 112,500 |
| 3 | Dr. Abdulaziz Hamad Al-Fahd | 150,000 | 9,000 | 159,000 |
| 4 | Eng. Moussa Omran Al Omran | 150,000 | 15,000 | 165,000 |
| 5 | Ms .Jomana Rashed AlRashid | 37,500 | 15,000 | 52,500 |
| Total | | 600,000 | 54,000 | 654,000 |
| Members of the Remunerations and Nominations Committee | | | | |
| 1 | Mr. Mohiddin Saleh Kamel | 30,000 | 6,000 | 36,000 |
| 2 | Mr. Abdulrahman Hamad Al-Rashed | 15,000 | - | 15,000 |
| 3 | Dr. Turki Omar Buqshan | 30,000 | 6,000 | 36,000 |
| 4 | Eng. Abdullah Suleiman Al-Rubaian | 15,000 | 6,000 | 21,000 |
| Total | | 90,000 | 18,000 | 108,000 |

The above table exhibits allowances paid to Committee members during 2022, in addition to the yearly remunerations paid to members of the Board and the sub-committees for the year 2021, which were approved for 2022.

Balances of Related Parties

Balances and transactions with related parties during the period ended 31 December, 2022, are summarized as follows:

- Transaction and contracts executed between the group and Hala Printing Company, which is one of the subsidiaries of Saudi Printing and Packaging Company; in which the Board members, Mr. Adel Marzouk Al-Nasser, Dr. Turki Omar Buqshan, and Mr. Mohammed Nazer, Chief Financial Officer of the group, have an indirect interest. These transactions represent printing contracts, noting that the total value of these transactions amounted to SAR 27,755,882 during the year 2022, there were no due amounts as of 31 December 2022 (without any preferential conditions).
- Transaction and contracts executed between the group and Medina Printing and Publishing Co., which is one of the subsidiaries of Saudi Printing and Packaging Company, in which the Board members, Mr. Adel Marzouk Al-Nasser, Dr. Turki Omar Buqshan and Mr. Mohammed Nazer, Chief Financial Officer of the group, have an indirect interest. These transactions represent a printing contract, noting that the total value of these transactions amounted to SAR 23,881,385 during 2022, there were no due amounts as of 31 December 2022 (without any preferential conditions).
- For transactions made with Saudi Printing and Packaging Company and its subsidiaries; in which the Board members, Mr. Adel Marzouk Al-Nasser, Dr. Turki Omar Buqshan, and Mr. Mohammed Nazer, Chief Financial Officer of the group, have an indirect interest. The group paid in advance an amount of SAR 61,186,868 to be used to cover 2023 transactions.
- Transaction and contracts executed between the group and Argaam Commercial Investment Co. Ltd, in which the Board member Ms. Jomana Rashed AlRashid, and Mr. Mohammed Nazer, Chief Financial Officer of the group, have an indirect interest. These transactions represent legal services, noting that the total value of these transactions amounted to SAR 364,166 during the fiscal year 2022, and there were no due amounts as of 31 December 2022 (without any preferential conditions).
- Transaction and contracts executed between the group and Thmanyah Co. for Publishing and Distribution, in which the Board member Ms. Jomana Rashed AlRashid, Chief Executive Officer of the group, and Mr. Mohammed Nazer, Chief Financial Officer of the group, have an indirect interest. These transactions represent events management provided, noting that the total value of these transactions amounted to SAR 350,269 during the fiscal year 2022, while there are no due amounts, as of 31 December 2022 (without any preferential conditions).
- Transaction and contracts executed between the group and Thmanyah Co. for Publishing and Distribution, in which the Board member Ms. Jomana Rashed AlRashid, Chief Executive Officer of the group, and Mr. Mohammed Nazer, Chief Financial Officer of the group, have an indirect interest. These transactions represent financing certain cost and expenses of Thmanyah Co. for Publishing and Distribution, noting that the total value of these transactions amounted to SAR 6,300,000 during the fiscal year 2022, while the due amounts were SAR 6,300,000 as of 31 December 2022 (without any preferential conditions).
- Transaction and contracts executed between the group and Al-Fahd Law Firm, in which the Board member, Dr. Abdulaziz Al-Fahd have a direct interest. These transactions represent legal services, noting that the total value of these transactions amounted to SAR 928,062 during the fiscal year 2022, while the due amounts were SAR 491,753 as of 31 December 2022 (without any preferential conditions).
- Transaction and contracts executed between the group and Argaam Commercial Investment Co. Ltd, in which the Board members, Ms. Jomana Rashed AlRashid, Chief Executive Officer of the group, and Mr. Mohammed Nazer, Chief Financial Officer of the group, have an indirect interest. These transactions represent the transfer of Akhbar 24 businesses to SRMG noting that the total value of the mentioned transactions is SAR 6,000,000, while there are no due amounts as of 31 December 2022 (without any preferential conditions).

Board of Directors Declarations

The Board of Directors declare the following:

1. The group's accounting records have been duly and accurately prepared.

2. The internal control systems have been established, based on sound foundations and have been implemented effectively.

3. There is no doubt as to the group's ability to continue carrying out its activities.

• Recommendations of the Audit Committee, which are in contradiction with the decisions passed by the Board of Directors, or which the Board has refused to take into consideration, related to the appointment of an auditor for the company, dismissing him, determining his fees, evaluating his performance, or appointing an internal auditor; in addition to the reasons for making these recommendations and why they were not taken into consideration.

There are no recommendations made by the Audit Committee which are in contradiction with any of the Board's decisions, or which the Board has refused to take into consideration, in relation to the appointment of an auditor for the company, dismissing him, determining his fees, evaluating his performance, or appointing an internal auditor.

- The tools used by the Board of Directors to assess its own performance, along with the performance of the sub-committees and their members; and the external party which undertook this performance evaluation, along with its relationship with the company:

The Remunerations and Nominations Committee evaluates the performance of the Board of Directors on an annual basis, especially in relation to the following:

1. An annual review of the skills required in order to be a member of the Board of Directors and preparing a description of the qualifications required to be a member of the Board of Directors, along with the amount of time required to be allocated by members for the Board's activities.

2. Review the structure and formation of the Board of Directors and make recommendations regarding the changes that could be made.

3. Determine the strengths and weaknesses of the Board of Directors and make recommendations on how to deal with the weaknesses in line with the company's interests.

4. Verify the independence of independent members on an annual basis and ensure there are no overall conflicts of interest in the event that a Board member is a member of a Board at any other company.

*As for the Remunerations and Nominations Committee, the Board is responsible for reviewing and evaluating its activities.

Communicating with the Shareholders

Actions taken by the Board of Directors to inform its members – especially the Non-Executive members – of proposals and comments made by the shareholders regarding the company and its performance:

- The Saudi Research and Media Group assigns a great deal of importance to communicating with its shareholders and has taken numerous actions in order to guarantee the rights of shareholders to obtain information, through the “Tadawul” website, and the group's website, www.srmg.com. Through this website, the group provides comprehensive information related to its activities, business and yearly reports. The group is keen on maintaining contact with the shareholders, and answering

all of their queries, in addition to providing them with the required data in a timely manner. The group has also designated the e-mail address: investors.relations@srmg.com to receive all of the shareholders’ queries.

- The minutes of the General Assembly also include inquiries received from shareholders about the General Assembly's agenda and inform the Board and the Chairman of the shareholders' proposals and observations about the company and its performance when necessary.

Board of Directors Meetings

The Board of Directors of the Saudi Research and Media Group met two times during 2022 as follows:

| Member of the Board of Directors | First Meeting 06/02/2022 | Second Meeting 30/03/2022 |
|-------------------------------------|-----------------------------|------------------------------|
| Eng. Abdulrahman Ibrahim Al-Ruwaita | Present | Not present |
| Mr. Majed Abdulrahman Al-Issa | Present | Present |
| Ms. Jomana Rashed AlRashid | Present | Present |
| H.E Dr. Adel Zaid Al-Toraifi | Present | Present |
| Dr. Abdulaziz Hamad Al-Fahd | Not present | Present |
| Eng. Moussa Omran Al-Omran | Present | Present |
| Mr. Mohiddin Saleh Kamel | Present | Present |
| Mr. Adel Marzouk Al-Nasser | Present | Present |
| Dr. Turki Omar Buqshan | Present | Present |
| Mr. Hamad Saud Al-Omar | Present | Present |
| Eng. Abdullah Suleiman Al-Rubaian | Present | Present |

Board of Directors Sub-Committees

The Board of Directors has established the following three sub-committees:

- Executive Committee
- Audit Committee
- Remunerations and Nominations Committee

1. Executive Committee

The Executive Committee consists of four Board members. Within the scope of the Executive responsibilities assigned to it by the Board, the Executive Committee is responsible for overseeing the implementation of the group's overall strategy and formulating its budgets. The Executive Committee is also responsible for monitoring the group's operational and financial performance, in addition to reporting financial, strategic, and other related matters to the Board of Directors.

During 2022, the Executive Committee held five meetings, with the names of the Committee members and their attendance shown in the below table:

| # | Name | Title | 30/01/2022 | 10/03/2022 | 21/03/2022 | 18/07/2022 | 20/08/2022 |
|---|-------------------------------------|--------------------|-------------|------------|------------|-------------|------------|
| 1 | Eng. Abdulrahman Ibrahim Al-Ruwaita | Committee Chairman | Present | Present | Present | Present | Present |
| 2 | Ms. Jomana Rashed AlRashid | Committee member | Present | Present | Present | Present | Present |
| 3 | Dr. Abdulaziz Hamad Al-Fahd | Committee member | Not present | Present | Present | Not present | Present |
| 4 | Eng. Moussa Omran Al-Omran | Committee member | Present | Present | Present | Present | Present |

2. Audit Committee

The Audit Committee consists of a minimum of three and a maximum of five members. One of these members should be specialized in financial and accounting matters. The Committee's tasks and responsibilities include studying the internal control system of the company, overseeing the internal auditing management of the group in order to verify its effectiveness in carrying out the tasks set by the Board of Directors, in addition to studying and reviewing the internal audit reports and following up on implementation of the recommendations and corrective actions made in these reports. The Committee is also responsible for making recommendations to the Board of Directors on appointing and dismissing certified public accountants, determining their fees, verifying their independence, and following up on their work, along with studying and reviewing the audit plans with the certified public accountant. In addition, the

Committee is responsible for studying the accountant's remarks related to the Consolidated Financial Statements of the group, and following up on actions taken in this regard, in addition to studying preliminary and annual statements before presenting them to the Board of Directors and giving recommendations and opinions as necessary.

The Committee is also responsible for studying the accounting policies being used and submits its opinions and recommendations to the Board of Directors in this regard. Moreover, the Committee evaluates the effectiveness of the group's Management in assessing risks, and the steps and actions taken by the group's Management to monitor these risks.

During 2022, the Audit Committee held 5 meetings, and the table below shows the names of the members and their attendance:

| #. | Name | Title | 12/02/2022 | 30/03/2022 | 18/05/2022 | 16/08/2022 | 06/11/2022 |
|----|-------------------------------|--------------------|------------|------------|------------|------------|------------|
| 1 | Dr. Turki Omar Buqshan | Committee Chairman | Present | Present | Present | Present | Present |
| 2 | Mr. Majed Abdulrahman Al-Issa | Committee member | Present | Present | Present | Present | Present |
| 3 | Mr. Hamad Saud Al Omar | Committee member | Present | Present | Present | Present | Present |

3. Remunerations and Nominations Committee

The Remunerations and Nominations Committee is made up of a minimum of three and a maximum of five members, all of whom are from the Board of Directors. At least one of the members should be independent. The Committee's tasks and responsibilities include making recommendations related to nominations to the Board of Directors in accordance with the adopted policies and standards and conducting an annual review of the required skills necessary for membership to the Board of Directors, along with preparing a description of the capabilities and qualifications required by members of the Board and specifying the amount of time to be allocated by members for the Board's activities. The Committee is also responsible for reviewing the structure and composition of the Board, and submitting recommendations related to the changes that could be made, in addition to highlighting the strengths and weaknesses of the Board, and accordingly making suggestions as to how to address them in line with

| #. | Name | Title | 24/03/2022 | 22/09/2022 |
|----|-----------------------------------|--------------------|------------|------------|
| 1 | Eng. Abdullah Suleiman Al-Rubaian | Committee Chairman | Present | Present |
| 2 | Mr. Mohiddin Saleh Kamel | Committee Member | Present | Present |
| 3 | Dr. Turki Omar Saleh Buqshan | Committee Member | Present | Present |

the company's interests. Furthermore, the Committee verifies the independence of independent members on an annual basis, and it ensures that there are no conflicts of interest in the event that one or more members of the Board is a board member at other companies.

The responsibilities of the Remunerations and Nominations Committee also include setting a clear remunerations and bonuses policy for the Board and Senior Executive members, after submitting it to the Board of Directors and obtaining approval to proceed and obtain approval from the General Assembly. The Committee is also responsible for following up on the Board's recommendations and ensuring their implementation.

During 2022, the Remunerations and Nominations Committee held two meetings, and the table below shows the names of its members, along with their attendance:

Governance of SRMG

The group is always keen to conduct its commercial and investment operations in line with the applicable laws and regulations in Saudi Arabia. In this regard, the group is committed to observing transparency and disclosure standards, in accordance with the requirements of good governance and corporate governance regulations applied in the Kingdom. This includes making fundamental information available to shareholders and investors at specified times, according to the instructions and regulations of the Saudi Capital Markets Authority, and in line with the applicable Corporate Governance regulations of the group.

The Board of Directors, along with its sub-committees (the Executive Committee, the Audit Committee and the Remunerations and Nominations Committee) support all of

the means and methods necessary for governance on an ongoing basis. The company's governance rules are reviewed from time to time, to ensure that they are being implemented and adhered to, and in order to accommodate developments and emerging regulatory requirements of the Capital Market Authority.

Accordingly, the group has complied with all of the mandatory Articles of the Corporate Governance Regulations issued by the Capital Markets Authority. The following table shows what the group has done regarding the guiding provisions stipulated within the Governance Regulations:

| Article No. | Article/Paragraph | Partially Implemented | Not Implemented | Reasons and Details |
|--|---|-----------------------|-----------------|--|
| Article No. (32): Board meetings | b) The Board of Directors holds at least 4 meetings on an annual basis, with no less than 1 meeting every 3 months. | √ | | The Board of Directors held 2 meetings during 2022 in accordance with the group's Articles of Association. |
| Article No. (39): Training | (2) Setting up the necessary mechanisms in order for the members of the Board and the Executive Management to undergo continuous training programs and courses, in order to develop their skills and knowledge in areas related to the activities of the company. | | √ | The article is still optional, and in the event that it becomes mandatory, the company shall implement it. |
| Article No. (41): Evaluation | z) The Board of Directors is taking the necessary actions to obtain an evaluation of its performance every 3 years. | | √ | The article is still optional, and in the event that it becomes mandatory, the company shall implement it. |
| Article No. (54): Structure of the Audit Committee | b) The Chairman of the Audit Committee should be an independent member. | | √ | The article is still optional, and in the event that it becomes mandatory, the company shall implement it. |
| Article No. (70): Establishing a Risk Management Committee | Based on a decision from the company's Board of Directors, a "Risk Management Committee" shall be formed, whereby the majority of its members and its Chairman are to be selected from amongst the Non-Executive members of the Board. Its members are required to enjoy an adequate level of knowledge related to risk management and finance. | | √ | <p>The article is still optional, and in the event that it becomes mandatory, the company shall implement it.</p> <p>The Audit Committee also assumed the duties of the Risk Management Committee.</p> |

| Article No. | Article/Paragraph | Partially Implemented | Not Implemented | Reasons and Details |
|---|--|-----------------------|-----------------|---|
| Article No. (78): Internal Audit Report | The Internal Audit Department or Unit shall prepare a written report regarding its activities, and it shall submit it to the Board of Directors and the Audit Committee at least once every quarter. The report should include an evaluation of the company's internal control systems, and the conclusions and recommendations of the unit or department. The report should also include the actions taken by departments with regards to the recommendations presented in the previous audit report, in addition to any remarks on these recommendations, especially in the event of failure to address these issues in a timely manner, and the reasons for this failure. | √ | | The Internal Audit Department presents all of its reports to the Audit Committee. The Chairman of the Committee presents the most significant findings in these reports to the Board of Directors whenever necessary. |
| | The Internal Audit Department or Unit shall prepare a general written report and present it to the Board of Directors and the Audit Committee regarding all of the audits it has conducted during the fiscal year. The report shall provide a comparison between the actual audits carried out and the adopted plans. The report shall include a description of the reasons for any deviations from the adopted plan, if any. Finally, the report is to be submitted to the Board during the subsequent quarter to the fiscal year in question. | | | |
| Article No. (85): Motivating employees | Establishing committees or holding specialized workshops to take note of the opinions of the company's employees, and to discuss issues related to important decisions. | √ | | The article is still optional, and in the event that it becomes mandatory, the company shall implement it, noting that the company supports and motivates its employees on an ongoing basis. |
| | Programs related to granting employees Company shares, or a share of the realized profits, in addition to retirement programs; and the establishment of an independent fund to finance these programs. | | | |
| Article (87): Corporate Social Responsibility | Establish social institutions for the company's employees. | √ | | The article is still optional, and in the event that it becomes mandatory, the company shall implement it, noting that the company has made numerous social contributions. |
| | Based on the proposal of the Board of Directors, the Ordinary General Assembly shall formulate a policy to ensure a balance between the company's goals and the goals that society aspires to achieve, with the aim of developing and advancing the social and economic conditions of society. | | | |

| Article No. | Article/Paragraph | Partially Implemented | Not Implemented | Reasons and Details |
|--|---|-----------------------|-----------------|---|
| Article No. (88): Social work initiatives | Create measurement indicators to link the company's performance with its social work initiatives and compare these indicators with other companies involved in similar activities. | | √ | The article is still optional, and in the event that it becomes mandatory, the company shall implement it, noting that the company carries out numerous social and humanitarian activities through its media platforms. |
| | Develop community awareness programs to make known the company's social responsibility. | | | |
| Article No. (95): Establish a Corporate Governance Committee | In the event that the Board of Directors establishes a specialized Corporate Governance Committee, it must delegate the necessary powers to it, stipulated in article no. (94) of these regulations. The Committee shall be responsible for following up on any issues concerning corporate governance applications. Moreover, the Committee shall submit its reports and recommendations to the Board of Directors at least once a year. | √ | | The article is still optional, and in the event that it becomes mandatory, the company shall implement it. |

Risk Management

The group's risk management process is in line with the principles and standards issued by ISO 31000: 2009, which define best practices for business institutions to follow. The Board of Directors and Senior Management adopt these principles when setting strategies and making decisions, and the Management plans, approves and directs sufficient procedures to provide reasonable and sufficient guarantees in order to achieve the objectives of the group, which are designed according to a specific framework, while ensuring that the associated risks are contained within the minimum threshold. The group's internal controls and associated risks fall under the categories of the framework of principles and standards as follows:

- Strategy: ensuring alignment of the group's strategy objectives with its mission and vision.
- Operations: ensuring efficient and effective use of available resources.
- Reporting: ensuring the reliability of financial and operational reporting.
- Compliance: ensuring compliance with all applicable laws, regulations, legislations, and governance frameworks.

The group's Senior Management, Financial Control Department, Risk Management Department, Legal Department, and Internal Audit Department collectively participate in the implementation of internal control procedures to ensure that pre-defined risks are appropriately addressed and controlled.

The group works diligently to face potential challenges and risks which could have an effect on its activities and the strength of its financial position. It does so by relying on its accumulated experiences in the publishing industry, along with its ability to identify the potential risks related to the industry and the market, thus enabling it to take necessary actions to avoid or mitigate the effects of these risks. All of this comes in light of the fast paced global and local economic and political developments and challenges being witnessed in regions where the group operates.

The group has been successful in avoiding and facing previously identified risks, and it has been able to reduce the effects linked to these risks, which has contributed to strengthening its operational results. This has strengthened

the confidence of shareholders and investors in the group's and its employees' ability to achieve sustained development, and to realize its strategic goals.

The risks which have been studied and proactively addressed include strategic risks, financial risks, operational risks, and governance risks; all of which may affect the group's ability to achieve its strategic objectives, and to achieve its targeted profit levels, and to bolster its financial position. The group and its subsidiary companies are involved in the fields of media, publishing, research, investments, content development, training, and organization of conferences and events. These activities are mainly conducted in the Middle East, Europe, and North Africa. The group perceives that the most significant risks it could face in relation to its activities are as follows:

First: Strategic Risks

Reputation risks

The group works continuously to strengthen the confidence of its customers and suppliers, by maintaining a positive image of its brands, whilst developing these brands and maintaining a balanced and sincere editorial line. The group is also careful to solve any disputes that may arise with its suppliers, or with any other parties, in order to avoid entering into any legal disputes which could have a negative impact on its commercial revenues or reputation.

Economic conditions

The group's revenues are quantitatively and qualitatively impacted by economic changes and cycles in the markets in which it is involved. In order to limit and mitigate these risks, the group has diversified its sources of revenues, whereby it does not rely on only one element. Moreover, the group's important relationships with the advertising market is one of the most prominent factors that plays a role in mitigating the effects of these risks. The main economic risk factors that could potentially have a negative impact on the group's revenues, and which could change the group's capital, are carefully studied, and analyzed whilst implementing the group's strategy and day-to-day operational decisions.

Political conditions

The group operates in a variety of markets that may experience certain geopolitical changes. Furthermore, there is always the risk that new legislations may emerge, thus impacting the group's business. In an effort to reduce the effects of these risks, the group continuously monitors the markets in which it operates and finds solutions to any obstacles that may arise. This includes working with international law firms in order to ensure compliance with any legislations passed in these markets.

Industry risks (shifting customer patterns)

The media and publishing industry is facing numerous challenges, whereby the realities and basics related to obtaining and using information are rapidly transforming. The group is fully aware of and appreciates these transformations, based on rapidly occurring technological advancements, coupled with the challenges related to the changes in the sources for obtaining information and news from traditional media platforms to modern media platforms. The group has worked continuously to remain abreast of these changes and transformations by implementing carefully studied plans to adopt digital platforms within specified professional and economically feasible frameworks.

Expansion strategy

The group undertakes the planning of numerous expansion projects which are consistent with its overall strategies and implements them. These projects are subject to the risks of being postponed or non-implementation, within the framework of the group's overall expansion strategies. Developing and implementing programs within a set timeframe and a prespecified budget constitutes a significant challenge for the group; hence the group has resorted to highly qualified experts to implement these programs within the existing budget and time constraints, whilst periodically following up on the progress of these projects to determine the effectiveness of the group's expansion programs.

Second: Financial Risks

Liquidity risks

Liquidity risk is the risk that the group will encounter difficulties in raising funds to meet commitments associated with financial instruments. Liquidity risk may also arise from the inability to sell a financial asset quickly at an amount

close to its fair value. The group manages its liquidity risks through regular monitoring in order to ensure the availability of sufficient funds to meet future obligations. This entails ensuring that bank facilities are readily available to the group, noting that it enjoys the ability to obtain a significantly large credit limit in order to meet its short-term cash needs if necessary.

The company strives to maintain its cash and cash equivalent liquidity levels in order to meet unexpected future cash flows required to cover financial liabilities.

The group's selling terms stipulate that amounts are to be paid in cash, or on a deferred payment basis, when goods are supplied, noting that trade payables are normally settled within a period of 90 days, starting from the date of purchase.

Currency risks

Currency risks are the risks arising from fluctuations in the values of financial instruments due to changes in foreign exchange rates. The group's Management monitors fluctuations in foreign exchange rates, and it believes that the impact of foreign currency fluctuations on the group's activities was insignificant during the year.

Credit risks

Credit risk is the risk that one party will fail to discharge an obligation, thus causing the other party to incur a financial loss. Credit risk mainly includes cash and cash equivalents, term deposits, trade debtors, loans, and other receivables. In accordance with the group's policies, the credit profiles of all clients that wish to deal on a credit basis/deferred payment basis are taken into consideration and are carefully studied. Financial instruments which are the most exposed to credit risk concentrations include bank and debtor balances, noting that the group has adopted a policy of depositing its cash balances at a number of financial institutions with high credit ratings.

Murabaha commission rate risk

Murabaha commission fluctuation risks represent those risks which may arise from fluctuations in Murabaha rates on short and long-term loans. The Management monitors fluctuations in Murabaha rates on an ongoing basis with all banks that it deals with, and it believes that the impact of fluctuating Murabaha rates during the year was insignificant.

Risks related to borrowing terms

Borrowing terms risks represents the failure of the group to comply with the terms and conditions of borrowing agreements, which may lead to a reclassification of long-term loans into short-term loans. In turn, this could have a negative impact on the group's liquidity in the short-term. The group reviews the terms of loan agreements and conducts the required financial analysis on an ongoing basis, to ensure that it is in compliance with the provisions of these agreements. It may also resort to restructuring existing loans to ensure continued compliance in a manner that does not affect its profits or operations.

Third: Operational Risks

Raw material cost risks

Paper is considered as one of the most important raw materials used by the group, especially when it comes to its costs and supply sources. The group relies on the printing presses owned by the Saudi Printing and Packaging Company to print its publications in Saudi Arabia. The group obtains the majority of its paper supplies through an agreement signed with a main supplier, while it also obtains smaller quantities of paper from various other suppliers every now and then. The group has been able to limit the impact of paper cost fluctuations by carefully monitoring and professionally managing its inventory levels. The group has also adopted a policy of diversifying its suppliers of polyethylene and polypropylene materials, in addition to standardizing purchase contracts for quantities, in order to obtain the greatest possible level of benefits.

Leadership stability

The group is managed by some of the best Saudi and Arab competencies in all of its editorial, administrative and financial sectors. The stability of these leaderships is one of the most important factors affecting the development of the group's performance.

Risks of business interruptions

Business interruption risks are those risks that may arise from exposure to environmental risks, or natural disasters, or hacking. The group continuously works to update its infrastructure, in order to make it easy to switch to a virtual environment, or to other locations. This has been done easily during the COVID-19 pandemic.

The group also conducts periodical tests to ensure that its website and main servers are protected. This is done by dealing with leading international companies in the cybersecurity sector. The group has also employed state of the art technology in the field of cybersecurity. Moreover, the company's websites are hosted by companies that have a high degree of protection against any security breaches.

Fourth: Governance Risks

Risks related to governance

The Board of Directors is responsible for determining the strategic direction of the group, and this is affected by the level of accuracy of information related to the operational and financial transactions of the group's companies. In turn, this could lead to formulating ineffective strategies, and thus could negatively impact the profitability and returns on investments.

In order to reduce the possibility of occurrence of these types of risk, the Board of Directors has adopted the principles of corporate governance, and it reviews the compliance of the company with these principles on an ongoing basis, in an effort to enhance transparency, and to bolster the relationships between the group and stakeholders. Moreover, the Board also observes and ensures compliance with all regulations, through a number of tools, including but not limited to:

- Formulating frameworks and the general lines for the group's commercial and operational orientations, in order to limit the risks faced by the group.
 - Formulating the group's strategies, and review and adjust these strategies periodically.
 - Provide the necessary logistical, human, and financial support in order to facilitate achieving the group's objectives.
 - Effectively review and assess the Executive Management's performance on an ongoing basis.
 - Establish values and criteria to measure the group's performance.
 - Ensure that the group is aware of its obligations towards the shareholders, and that it fulfils them.
- Discuss the performances of the various companies in light of the group's overall strategy, goals, workforce plans, yearly budgets, and ensure that corrective actions are taken.
 - Review accounting policies and practices adopted by the group, and ensure that any significant changes are adopted by the General Assembly.
 - Ongoing review of the internal control systems are in place, in addition to risk management, and receive internal audit reports related to how effective these internal controls are.
 - Establish sub-committees for the Board of Directors, in order to help with decision-making in a professional manner.

A list of the dates of the shareholder General Assembly Meetings held during the previous fiscal year, and the names of the attending Board members

| # | General Assembly | Date | Names of Attending Board Members |
|---|---------------------------|------------|---|
| 1 | Ordinary General Assembly | 19/05/2022 | <div><ul style="list-style-type: none">Eng. Abdulrahman Ibrahim Al-Ruwaita – Chairman of the BoardMr. Majed Abdulrahman Al-Issa – Vice Chairman of the BoardMs. Jumana Rashed AlRashidH.E. Dr. Adel Zaid Al-ToraifiDr. Abdulaziz Hamad Al-FahdEng. Moussa Omran Al-OmranMr. Mohiddin Saleh KamelMr. Adel Marzouk Al-NasserDr. Turki Omar BuqshanMr. Hamad Saud Al-OmarEng. Abdullah Suleiman Al-Rubaian</div> |
| The 2022 Ordinary General Assembly meeting was held at 6:30 PM on Thursday 18-10-1443 AH, corresponding to 19 May 2022, through modern technological means, noting that the required legal quorum for the validity of the Ordinary General Assembly (first meeting) was completed. The attendance rate was 70.6%, and the voting results were as follows: | | | <div><div>3. Approved the financial statements for the year ending on 31 December 2021.</div><div>4. Approved the discharge of the Board members from liability for the fiscal year ending on 31 December 2021.</div><div>5. Approved the appointment of Messrs. Ernst & Young Professional Services Company as auditors for the company from among the candidates, based on the recommendation of the Audit Committee, in order to examine, review and audit the financial statements for the second, third and fourth quarters, and the annual fiscal year 2022, in addition to the first quarter of the fiscal year 2023, and to determine the auditor's fees.</div></div> |
| 1. Approved the Board of Directors' report for the fiscal year ending on 31 December 2021. | | | |
| 2. Approved the company's auditor's report for the fiscal year ending on 31 December 2021. | | | |

6. Approved the disbursement of an amount of SAR 2,800,000 as a remuneration for the Board members for the year ending on 31 December 2021.
7. Approved the disbursement of an amount of SAR 970,000 as remuneration for members of the Committees emanating from the Board of Directors for the year ending on 31 December 2021.
8. Approved the business and contracts concluded between the group and Hala Press Company, one of the subsidiaries of the Saudi Printing and Packaging Company, in which the Board member, Mr. Adel Marzouq Al-Nasser, Board member, Dr. Turki Omar Saleh Buqshan, and Mr. Mohammed Abdulfatah Nazer, Chief Financial Officer of the group, have an indirect interest, involving printing contracts, noting that the total value of these transactions amounted to SAR 12,381,447 during the fiscal year of 2021, and the due amount reached SAR 2,839,064 as at 31 December 2021 (without preferential terms).
9. Approved the business and contracts concluded between the group and (Al-Madinah Al-Munawwarah Printing and Publishing Company), one of the subsidiaries of the Saudi Company for Printing and Packaging, in which Board member, Mr. Adel Marzouq Al-Nasser, and Board member, Dr. Turki Omar Saleh Buqshan, and Mr. Mohammed Abdulfatah Nazer, Chief Financial Officer of the group, have an indirect interest, noting that these transactions are related to a printing contract, where the total value of these transactions amounted to SAR 10,315,231 during the fiscal year 2021, and the due amount reached SAR 2,913,594 as at 31 December 2021 (without preferential terms).
10. Approved the business and contracts concluded between the group and (Al-Madarat Advertising and Advertising Company and its subsidiaries) or R-Media, in which Board member, Mr. Abdul Rahman Hamad Abdullah Al-Rashed, has a direct interest. These transactions were in exchange for media and advertising services with a total contractual value equivalent to SAR 7,763,444. The volume of these

- transactions is represented in the services provided to the group from 1 January 2021 to 20 May 2021 (the date of termination of his membership on the Board of Directors) (without preferential conditions).
11. Approved the business and contracts that took place between the group and Al-Fahd Law Firm, in which Board member, Dr. Abdulaziz Hamad Al-Fahd, has a direct interest, and these transactions represent legal services, noting that the total value of the transactions amounted to SAR 1,540,500 during the fiscal year 2021, and there is no outstanding balance due as of 31 December 2021 (without preferential conditions).
12. Approved the business and contracts that took place between the group and Argaam Commercial Investments Company, in which Board member, Ms. Jomana Rashed AlRashid, Chief Executive Officer of the group, and Mr. Mohammed Abdulfatah Nazer, Chief Financial Officer of the group, have an indirect interest. These transactions represent advertising contracts in addition to other special services in the Shareholders Relations Department, noting that the total value of these transactions amounted to SAR 2,816,552 during the fiscal year 2021, and the net payable amount reached SAR 428,652 as at 31 December 2021 (without preferential conditions).
13. Approved suspension of the reserve ratio, which amounts to 10% of net profits, to form a statutory reserve for the company, due to the balance of the statutory reserve as on 31 December 2021 reaching 36.7% of the capital, starting from the company's financial results ending on 31 March 2022.
14. Approved an increase in the fees of the company's auditors (KPMG) based on the recommendation of the Audit Committee, for additional audit services provided to the group's subsidiaries, amounting to SAR 150,000.

Number of requests for the shareholder register made by the company, and the dates and reasons for these requests

| # | Type of Request | Date | Reason for Request |
|---|-------------------------------------|------------|--------------------|
| 1 | Quantities – Identification Class A | 03/01/2022 | Company procedures |

Results of the Annual Review of the effectiveness of the internal control system procedures

The Board of Directors adopts the company's Internal Control System for the purpose of assessing the policies and procedures for managing risks, implementing the provisions of the governance system, and complying with applicable laws and regulations. This system ensures all related parties' transactions are carried out in accordance with the relevant provisions, as well as compliance with clear standards of accountability at all Executive levels within the company.

The Audit Committee reviewed and confirmed the efficiency and effectiveness of the group's Internal Control System procedures. In accordance with the Audit Committee's instructions, the Internal Audit Department continued to provide internal auditing services and consultations within the scope of its work, independently, objectively and with a reasonable degree of confidence. During the fiscal year of 2022, the Internal Audit Department carried out its roles and tasks by relying on a disciplined scientific approach to evaluate the effectiveness of internal controls, risk management, and governance operations. Furthermore, the Internal Audit Department evaluated and monitored the group's Internal Control System implementation. It also verified the compliance of the group's subsidiaries and their employees with the company's laws, regulations, instructions, policies and procedures through the implementation of risk-based audit plan approved by the Audit Committee and certain risk priorities identified through the results of a comprehensive analysis and study of the inherent risks within the group and its subsidiaries, in addition to offering consultations relevant to its scope of work in an independent and objective manner. The Audit Department also followed up on updating the company's policies and procedures manuals, to enable the group effectively implementing its priorities and achieve its strategic goals.

During 2022, the Committee reviewed the Internal Audit Department reports on the integrity of the Internal Control System, as well as the policies and actions taken by the group's management to implement the recommendations proposed within these reports within a specified time frame, and to follow up on the implementation of these recommendations at subsequent stages to ensure that they were implemented soundly and properly, thus ensuring improvement and strengthening of procedures; and to provide reasonable assurances on the protection of the group's assets and resources.

The Committee has also tested the effectiveness of internal control procedures through the work of public accountant (Messrs. Ernst & Young) who were appointed to audit the company's financial statements for the fiscal year of 2022. The auditor reviewed the internal control system of the group within the scope of auditing the financial statements, noting that this audit did not show any significant weaknesses in the internal control systems of the group, or of any of its subsidiaries. Accordingly, based on the results of the audit functions performed by the Internal Audit Department during 2022, both at the group and its subsidiaries levels, the Audit Committee has been reasonably reassured that the Internal Control System provides an adequate level of protection for the group's assets, and that the group's operations are efficient and effective, as well as in compliance with the applicable laws, thus enabling the group to achieve its desired objectives. As a result, there were no material remarks to be disclosed.

Dividend Distribution Policy

On 29 December 2020, the group updated its dividend distribution policy, and obtained approval on it from the Board of Directors in accordance with the Articles of Association and the relevant regulations.

First: This policy clarifies how profits are to be distributed if they are realized, in a way that serves the interests of the shareholders and the company, in accordance with the company's Articles of Association.

Second: The company's Articles of Association clarify the percentage of net profits to be distributed as dividends to shareholders, after deducting the statutory reserve and all other reserves. The company shall commit to allocate a statutory reserve, along with other reserves, taking into consideration the company's financial position, prevailing market and economic conditions, and any other factors, including but not limited to the existence of investment opportunities, the potential for business, and other regulatory considerations.

Third: In the event that approval is obtained to distribute profits, dividends shall be distributed from the company's net profits after deducting all general expenses and other costs as follows:

- 10% of net profits is allocated to the statutory reserve, noting that, based on a recommendation from the Board of Directors, the Ordinary General Assembly may halt these allocations as soon as the mentioned reserve exceeds 30% of the company's capital.
- Based on a recommendation from the Board of Directors, the Ordinary General Assembly may allocate no more than 10% of net profits to form a consensual reserve for various purposes.
- Whilst determining the earnings per share, the Ordinary General Assembly may decide to form other types of reserves, to the extent that this achieves the company's interests, or to the extent that this would ensure the distribution of fixed profits to the shareholders. The mentioned General Assembly may also deduct certain amounts from the company's profits to establish/create various social institutions for the company's employees, or to support any existing institutions.

- Based on the recommendation of the Board of Directors, the General Assembly may distribute the remaining amounts, at a rate of no less than 5% of the paid-up capital.
- The company may also distribute interim dividends to its shareholders, on a semi-annual or quarterly basis, after meeting the requirements and regulations in this regard. These dividends, whether they are from the company's net profits or if they are interim dividends, are to be paid based on a decision clarifying the due dates and the dates of distribution. Shareholders that are registered in the company's shareholders' records at the end of the day specified for distribution shall be eligible to receive these dividends, within the period specified in the decision. All other exceptions are to be decided upon based on the Articles of Association.

Fourth: Distribution of dividends for preferred shares:

- If no dividends have been distributed for any fiscal years, profits may not be distributed for the subsequent years until after the specified percentage for the current year has been paid to preferred shareholders, in accordance with article No. 114 of the Companies' Act.
- In the event that the company fails to pay the specified percentage for a period of 3 consecutive years in accordance with article No. 114 of the Companies' Act; a Special Assembly made up of these shareholders, and held in accordance with article No. 89 of the Companies' Act, may decide for its members to attend the meetings of the company's General Assembly and to participate in voting, or to appoint representatives to the Board of Directors in proportion to the value of their shares in the company's capital. This shall continue until the company is able to pay all dividends allocated to preferred shareholders for the previous years.

Fifth: Shareholders are entitled to their share in the company's profits based on a decision taken by the General Assembly related to the distribution of profits or based on a decision passed by the Board of Directors to distribute interim dividends. The decision shall specify the date that these dividends are due to be paid, provided that the decision is implemented in accordance with the controls and regulatory procedures stipulated within the Companies' Act for enlisted joint-stock companies.

Non-Distribution of Dividends for the Year 2022:

The group decided not to distribute dividends for the fiscal year of 2022, in order to strengthen its investments, and implement its strategy.

Recommendations of the Board of Directors:

The Board of Directors of the Saudi Research and Media Group is pleased to invite its distinguished shareholders to the Ordinary General Assembly at 7:30pm on Thursday, 21-10-1444 A.H., corresponding to 11-05-2023, to discuss the following points on the agenda:

1. To review and discuss the Board of Directors' report for the fiscal year ending on 31/12/2022.
2. To vote on the company's auditor's report for the fiscal year ending on 31/12/2022.
3. To review and discuss the Consolidated Financial Statements for the company for the year ending on 31/12/2022.
4. To vote on absolving the Board members for all of their actions during the fiscal year ending on 31/12/2022.
5. To vote on appointing an auditor for the company from amongst the candidates, based on a recommendation from the Audit Committee, in order to examine, review and audit the financial statements for the second and third quarters, and for the fiscal year of 2023, along with the first quarter of 2024, and to determine the auditor's fees.
6. To vote on disbursing an amount of SAR 3,270,000 to members of the Board of Directors for the year ending on 31/12/2022.
7. To vote on disbursing an amount of SAR 1,104,000 to sub-committees of the Board for the year ending on 31/12/2022.
8. To vote on transaction and contracts executed between the group and Hala Printing Company, which is one of the subsidiaries of Saudi Printing and Packaging Company, in

which the Board members, Mr. Adel Marzouk Al-Nasser, Dr. Turki Omar Buqshan, and Mr. Mohammed Nazer, Chief Financial Officer of the group, have an indirect interest. These transactions represent printing contracts, noting that the total value of these transactions amounted to SAR 27,755,882 during the year 2022, there were no due amounts as of 31 December 2022 (without any preferential conditions).

9. To vote on transaction and contracts executed between the group and Medina Printing and Publishing Co., which is one of the subsidiaries of Saudi Printing and Packaging Company, in which the Board members, Mr. Adel Marzouk Al-Nasser, Dr. Turki Omar Buqshan and Mr. Mohammed Nazer, Chief Financial Officer of the group, have an indirect interest. These transactions represent a printing contract, noting that the total value of these transactions amounted to SAR 23,881,385 during 2022, there were no due amounts as of 31 December 2022 (without any preferential conditions).
10. To vote on transactions made with Saudi Printing and Packaging Company and its subsidiaries; in which the Board members, Mr. Adel Marzouk Al-Nasser, Dr. Turki Omar Buqshan, and Mr. Mohammed Nazer, Chief Financial Officer of the group, have an indirect interest. The group paid in advance an amount of SAR 61,186,868 to be used to cover 2023 transactions.
11. To vote on transaction and contracts executed between the Group and Argaam Commercial Investment Co. Ltd, in which the Board member Ms. Jomana Rashed AlRashid, and Mr. Mohammed Nazer, Chief Financial Officer of the Group, have an indirect interest. These transactions represent technical support provided, noting that the total value of these transactions amounted to SAR 928,062 during the fiscal year 2022, while the due amounts were SAR 491,753 as of 31 December 2022 (without any preferential conditions).
12. To vote on transaction and contracts executed between the group and Argaam Commercial Investment Co. Ltd, in which the Board members, Ms. Jomana Rashed AlRashid, Chief Executive Officer of the group, and Mr. Mohammed Nazer, Chief Financial Officer of the group, have an

indirect interest. These transactions represent the transfer of Akhbar 24 businesses to SRMG noting that the total value of the mentioned transactions is SAR 6,000,000, while there are no due amounts as of 31 December 2022 (without any preferential conditions).

13. To vote on transaction and contracts executed between the group and Thmanyah Co. for Publishing and Distribution, in which the Board member Ms. Jomana Rashed AlRashid, Chief Executive Officer of the group, and Mr. Mohammed Nazer, Chief Financial Officer of the group, have an indirect interest. These transactions represent events management provided, noting that the total value of these transactions amounted to SAR 350,269 during the fiscal year 2022, while there are no due amounts as of 31 December 2022 (without any preferential conditions).

14. To vote on transaction and contracts executed between the group and Thmanyah Co. for Publishing and Distribution, in which the Board member Ms. Jomana Rashed AlRashid, Chief Executive Officer of the group, and Mr. Mohammed Nazer, Chief Financial Officer of the group, have an indirect interest. These transactions represent financing certain costs and expenses of Thmanyah Co. for Publishing and Distribution, noting that the total value of these transactions amounted to SAR 6,300,000 during the fiscal year 2022, while the due amounts were SAR 6,300,000 as of 31 December 2022 (without any preferential conditions).

15. To vote on transaction and contracts executed between the group and Al-Fahd Law Firm, in which the Board member, Dr. Abdulaziz Al-Fahd has a direct interest. These transactions represent legal services, noting that the total value of these transactions amounted to SAR 364,166 during the fiscal year 2022, and there were no due amounts as of 31 December 2022 (without any preferential conditions).

16. To vote to increase professional fees payable to the company's auditors (KPMG) by SAR 150,000 based on a recommendation from the Audit Committee and in relation to the provision of additional audit services for a Group subsidiary.

Information Related to Murabaha and Loans (Saudi Research and Media Group)

Total Loans and Murabaha summarized as follows:

| SAR '000s | 2022 | 2021 |
|--|----------------|----------------|
| Saudi Research and Media Group | - | 32,000 |
| Saudi Printing and Packaging Company | 814,331 | 822,892 |
| Total consolidated loans and Murabaha (Principal) | 814,331 | 854,892 |
| Total consolidated accrued interest | 4,441 | 3,182 |
| Total consolidated loans and Murabaha | 818,772 | 858,074 |

The Movement of SRMG's loans and Murabaha in 2022 (ex. SPPC) is summarized as follows:

| SAR '000s | Balance at the beginning of the year | Proceeds during the year | Repayments during the year | Balance at the end of the year | Duration (in years) | Granting Banks |
|------------------|--------------------------------------|--------------------------|----------------------------|--------------------------------|---------------------|---------------------|
| Short-term loans | 32,000 | 104,000 | (136,000) | - | Less than 1 year | Banque Saudi Fransi |

Information Related to Murabaha and Loans (Saudi Printing and Packaging Company)

The following table shows information related to SPPC's Loan of the group and movements during 2021:

| SAR '000s | Principle loan amount | Balance at the beginning of the year | Proceeds added during the year | Repayments during the year | Balance at the end of the year | Duration (in years) | Granting bank |
|------------------|-----------------------|--------------------------------------|--------------------------------|----------------------------|--------------------------------|---------------------|--------------------|
| Long-term loans | 778,830 | 510,213 | 6,562 | (111,864) | 404,911 | 4-7 years | More than one bank |
| Short-term loans | 446,080 | 315,542 | 1,379,145 | (1,280,826) | 413,861 | One year | More than one bank |
| Total | 1,224,910 | 825,755 | 1,385,707 | (1,392,690) | 818,772 | | |

The movement of Murabaha and loans used for operational and investment purposes is summarized as follows:

| SAR '000s | 2022 | 2021 |
|--------------------------------------|-------------|-------------|
| Balance at the beginning of the year | 825,755 | 789,534 |
| Add: proceeds during the year | 1,385,707 | 1,210,344 |
| Less: repayments during the year | (1,392,690) | (1,174,123) |
| Balance at the end of the year | 818,772 | 825,755 |

Due loans (SPPC):

| SAR '000s | 2022 | 2021 |
|-------------------|---------|---------|
| Less than 1 year | 486,470 | 407,075 |
| From 1 to 2 years | 72,435 | 144,817 |
| From 2 to 5 years | 192,224 | 131,443 |
| More than 5 years | 67,644 | 142,420 |
| Total | 818,772 | 825,755 |

Total Murabaha and loans (SPPC) is summarized as follows:

| SAR '000s | 2022 | 2021 |
|---|---------|---------|
| Short-term loans (STL) | 404,912 | 315,542 |
| Long-term loans/financing investments (LTL) | 413,861 | 510,213 |
| Total | 818,772 | 825,755 |

The balance at the end of 2022 between internal and external banks is summarized as follows:

| | Balance (SAR '000s) | Percentage | Granting bank |
|---------------------|---------------------|------------|---|
| Saudi Banks | 326,741 | 39.91% | Alinma Bank, Banque Saudi Fransi, Saudi British Bank, and Saudi National Bank |
| Foreign Banks (UAE) | 492,031 | 60.09% | Abu Dhabi Islamic Bank, Dubai Islamic Bank, Emirates Islamic Bank, First Abu Dhabi Bank, Commercial Bank of Dubai, and Alarabi Bank |
| Total | 818,772 | 100% | |

Income Statement Summary

| SAR '000s | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|-------------|-------------|-------------|-------------|-------------|
| Revenue | 3,709,839 | 3,045,974 | 2,260,094 | 2,409,643 | 2,090,891 |
| Cost of revenue | (2,457,065) | (1,963,834) | (1,512,019) | (1,683,957) | (1,471,244) |
| Gross profit | 1,252,774 | 1,082,140 | 748,075 | 725,686 | 619,647 |
| Other income (expenses), Net | 19,208 | 8,623 | 26,726 | 20,381 | 24,103 |
| Selling and Marketing Expenses | (97,734) | (95,177) | (74,957) | (82,660) | (84,957) |
| General and Administrative Expenses | (408,415) | (358,236) | (273,446) | (294,308) | (312,440) |
| Impairment loss on Trade receivables | (17,688) | (7,913) | (12,069) | (10,288) | (29,149) |
| Impairment loss on Intangible assets | - | - | (42,800) | (27,735) | (73,091) |
| Income from operations | 748,146 | 629,437 | 371,529 | 331,076 | 144,113 |
| Finance Cost | (60,041) | (57,251) | (69,965) | (84,312) | (76,203) |
| Finance Income | 41,395 | 8,287 | 4,331 | 19,993 | 10,508 |
| Operating Profit | 729,500 | 580,473 | 305,895 | 266,757 | 78,418 |
| Zakat and Income Tax | (87,395) | (66,326) | (78,103) | (42,080) | (19,862) |
| Profit before Non-controlling interests | 642,104 | 514,146 | 227,792 | 224,677 | 58,556 |
| Non-controlling interest | 6,687 | 22,873 | 17,855 | 21,437 | 26,051 |
| Net Profit attributable to parent company | 648,792 | 537,020 | 245,647 | 246,114 | 84,607 |

Balance Sheet Summary

| SAR '000s | 2018 | 2019 | 2020 | 2021 | 2022 |
|------------------------------|-----------|-----------|-----------|-----------|-----------|
| Current assets | 3,284,200 | 2,535,849 | 2,202,722 | 2,829,782 | 3,248,969 |
| Non-current assets | 2,986,925 | 3,234,000 | 3,218,680 | 3,533,825 | 3,487,052 |
| Total assets | 6,271,125 | 5,769,849 | 5,421,402 | 6,363,607 | 6,736,021 |
| Current liabilities | 1,882,572 | 1,744,942 | 1,858,181 | 2,517,023 | 2,773,572 |
| Non-current liabilities | 3,116,316 | 2,537,790 | 1,793,939 | 1,544,387 | 1,083,844 |
| Total liabilities | 4,998,888 | 4,282,732 | 3,652,120 | 4,061,410 | 3,857,416 |
| Shareholders' interests | 1,014,463 | 1,237,387 | 1,527,479 | 2,066,458 | 2,651,606 |
| Non-controlling interests | 257,774 | 249,730 | 241,803 | 235,739 | 226,999 |
| Total liabilities and equity | 6,271,125 | 5,769,849 | 5,421,402 | 6,363,607 | 6,736,021 |

Segmental Information

| As at 31 December 2022 (SAR '000s) | Publishing, Digital and Visual Content | Advertising and Public Relations | Printing and Packaging | Others | Total | Eliminations | Consolidated |
|--|--|--|------------------------------|----------|------------|--------------|--------------|
| Revenues | 1,937,051 | 1,258,545 | 1,000,094 | 108,412 | 4,304,102 | (594,264) | 3,709,839 |
| Gross Profit | 401,528 | 696,536 | 142,393 | 35,812 | 1,276,268 | (23,494) | 1,252,774 |
| Net Profit / (Loss) Attributable to Equity holders of the Parent Company | 264,337 | 532,176 | (6,454) | (12,803) | 777,256 | (128,464) | 648,792 |
| Total Assets | 4,843,495 | 7,548,067 | 1,735,292 | 716,825 | 14,843,679 | (8,107,658) | 6,736,021 |
| Total Liabilities | 4,747,747 | 4,130,092 | 1,097,351 | 322,862 | 10,298,052 | (6,440,636) | 3,857,416 |

| As at 31 December 2021 (SAR '000s) | Publishing, Digital and Visual Content | Advertising and Public Relations | Printing and Packaging | Others | Total | Eliminations | Consolidated |
|--|--|--|------------------------------|----------|------------|--------------|--------------|
| Revenues | 1,456,899 | 1,371,394 | 783,639 | 53,905 | 3,665,838 | (619,863) | 3,045,974 |
| Gross Profit | 305,266 | 689,801 | 88,976 | 21,952 | 1,105,995 | (23,855) | 1,082,140 |
| Net Profit / (Loss) | 111,901 | 546,416 | (59,297) | (16,550) | 582,469 | (45,449) | 537,020 |
| Total Assets | 3,178,191 | 6,493,755 | 1,702,052 | 788,351 | 12,162,349 | (5,798,743) | 6,363,607 |
| Total Liabilities | 3,400,068 | 4,437,059 | 1,060,306 | 328,712 | 9,226,145 | (5,164,735) | 4,061,410 |

Geographic Breakdown of Revenue

The group's operating assets mainly operate in Saudi Arabia. The main markets for the group's major activities are the Middle East, Europe, and North Africa.

| Geography | 2022 |
|-------------------------------------|-----------------------|
| | Amount (SAR '000s) |
| Revenues generated inside the KSA | 3,065,151 |
| Revenues generated outside the KSA | 644,688 |
| Middle East and North Africa (MENA) | 534,226 |
| Africa, excluding North Africa | 97,840 |
| Asia | 6,269 |
| Europe and North America | 6,353 |
| Total | 3,709,839 |

Zakat and Statutory Payments

The company and its subsidiaries are subject to the applicable Zakat and income tax laws of Saudi Arabia. The group pays Zakat after settling all outstanding amounts and answering all enquiries of the Zakat, Tax and Customs Authority.

As for the group's subsidiaries operating abroad, a provision is set aside to cover tax liabilities, if any. The group also pays all other regulatory obligations in accordance with the applicable regulations of Saudi Arabia. The following table clarifies all the regulatory payments made during 2022:

| Description | Amounts paid during 2022 (SAR '000s) |
|---|--------------------------------------|
| Zakat | 36,644 |
| Withheld taxes | 12,207 |
| General Organization for Social Insurance | 23,723 |
| Other regulatory payments | 5,640 |
| Customs | 3,216 |
| Total | 81,430 |

Declaration of Any Deviations from The Accounting Standards Endorsed by The Saudi Organization For Certified Public Accountants (SOCPA)

The Consolidated Financial Statements for the company, along with the standalone financial statements for the subsidiaries are prepared in accordance with International Financial Reporting Standards (IFRS) and the directives issued by the Saudi Organization for Certified Public Accountants. Moreover, these financial statements have been audited in accordance with the International Standards on Auditing (ISAs), noting that the financial statements are in compliance with IFRS.