

**PGM** عبر الخليج للتسويق  
Pan Gulf Marketing

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# Board of Directors Report 2023

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STATIONERY



SCHOOL  
SUPPLIES



MAKE IT



NOTEBOOKS &  
ACCESSORIES



ARTS &  
CRAFTS



WRITING  
INSTRUMENTS

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## Section I: Pan Gulf Marketing

### Chairman's Message

In the name of God the most Merciful, the most Compassionate  
Gentlemen/ Shareholders of Pan Gulf Marketing Company

Peace, mercy and blessings of God ,,,

On behalf of my fellow Board of Directors, we are pleased to present to you the annual report of Pan Gulf Marketing Company for the financial year ended 31 December 2023, prepared in accordance with the requirements of the Corporate Governance Regulations, the Saudi Companies Law and the Company's Articles of Association. The report includes information on the company's activities, performance, achievements and future plans, and refers to its efforts to raise the level of performance and move forward in developing shareholders' rights within the framework of ensuring the quality standard in business performance, and I would also like to note that the efforts achieved thanks to God and then thanks to the employees and the directives of my fellow members of the Board of Directors to raise the level of its performance, status and capabilities, and achieve the aspirations of its shareholders and all its customers and improve the level of services in a way that enhances the company's position and leadership. The company's management confirms It always seeks to improve performance to achieve the desired goal in accordance with the company's plans and strategy, which pushes towards sustainable growth and achieving good and satisfactory results, God willing.

Chairman of the Board of Directors

Abdullah bin Ahmed Al Mana

#### First: The main activity of the company

- 1- Wholesale of stationery and stationery
- 2- Other activities

The impact of these key activities on the Company's turnover and its contribution to results is as follows:

Ratio	Activity revenue	The main activity of the company
95%	400,516	Office Supplies & Stationery
5%	21,832	Other activities

#### Second: Subsidiaries

Country of Incorporation	The main state of its operations	Main activity	Percentage of ownership	Money capital	Subsidiary	M
U.A.E	U.A.E	Office Supplies & Stationery	100%	300,000	Pan Gulf MGT Trading LLC	1
Kuwait	Kuwait	Office Supplies & Stationery	100%	100,000	Pan Gulf Wholesale & Retail	2
Bahrain	Bahrain	Office Supplies & Stationery	100%	20,000	Pan Gulf Marketing L.L.C	3
Oman	Oman	Office Supplies & Stationery	100%	100,000	Pan Gulf Marketing S.C.O.	4
Qatar	Qatar	Office Supplies & Stationery	100%	100,000	Pan Gulf Marketing	5
Kenya	Kenya	Office Supplies & Stationery	100%	50,000	Clips Company Ltd.	6
Morocco	Morocco	Office Supplies & Stationery	100%	2,000,000	Clips Nav Limited	7



## Financial performance

## Section Two: Financial Performance

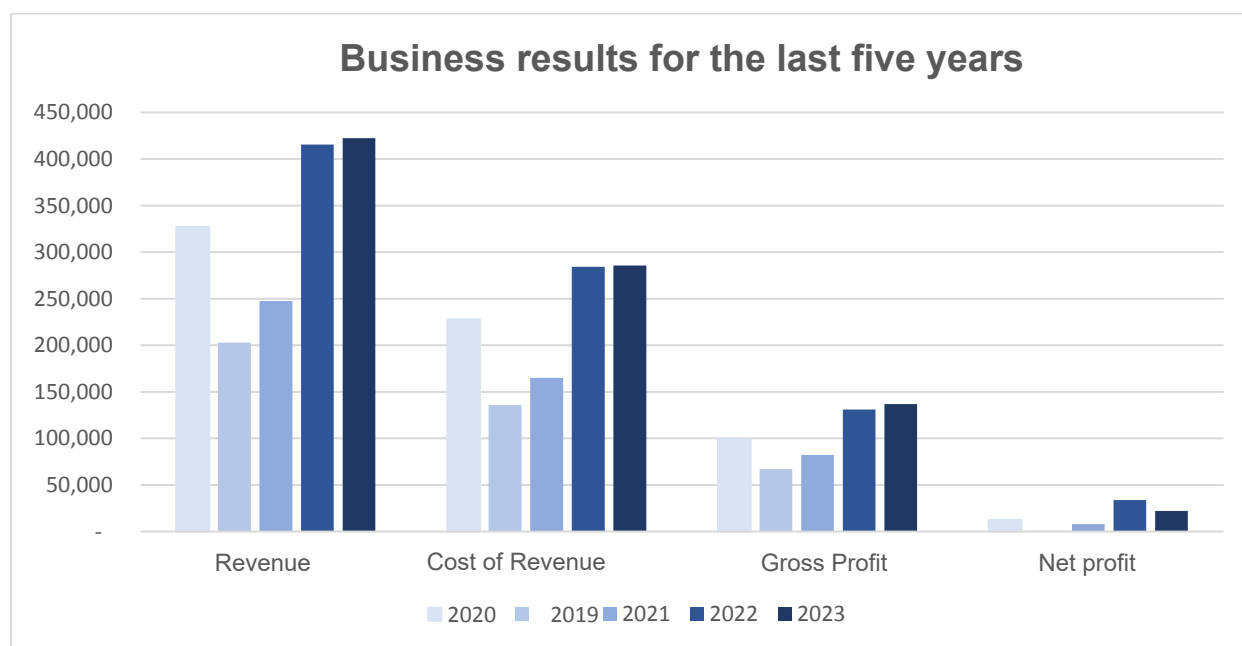
### First: Business results for the last five financial years

Comparison of Business Results for the Last Five Years for the Year Ended 31 December 2023

Value in thousands of riyals

2019	2020	2021	2022	2023	Statement
327,311	202,690	247,343	415,405	422,348	Revenue
227,851	135,688	165,214	284,241	285,573	Cost of Revenue
99,460	67,002	82,129	131,164	136,774	Gross Profit
12,541	1,000	8,117	33,942	22,272	Net profit

Business results chart for the last five years





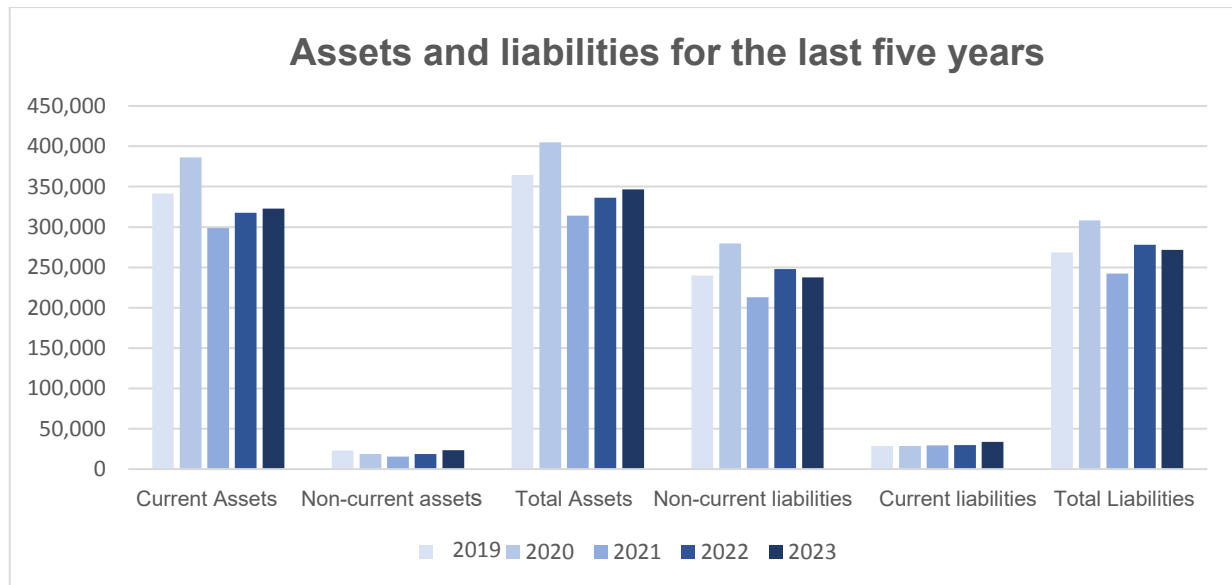
## Second: Comparison of assets and liabilities for the last five years

Asset and liability comparison for the last five years for the year ended 31 December 2023

Value in thousands of riyals

2019	2020	2021	2022	2023	Statement
341,460	386,371	298,515	317,667	323,030	Current Assets
23,020	18,721	15,659	18,639	23,604	Non-current assets
364,480	405,093	314,174	336,306	346,634	Total Assets
240,068	279,638	212,957	248,056	237,557	Current liabilities
28,532	28,575	29,221	29,854	33,939	Non-current liabilities
268,600	308,213	242,177	277,941	271,496	Total Liabilities

Asset and liability chart for the last five years for the financial year ended 31 December 2023



### Third: Geographical analysis of the company

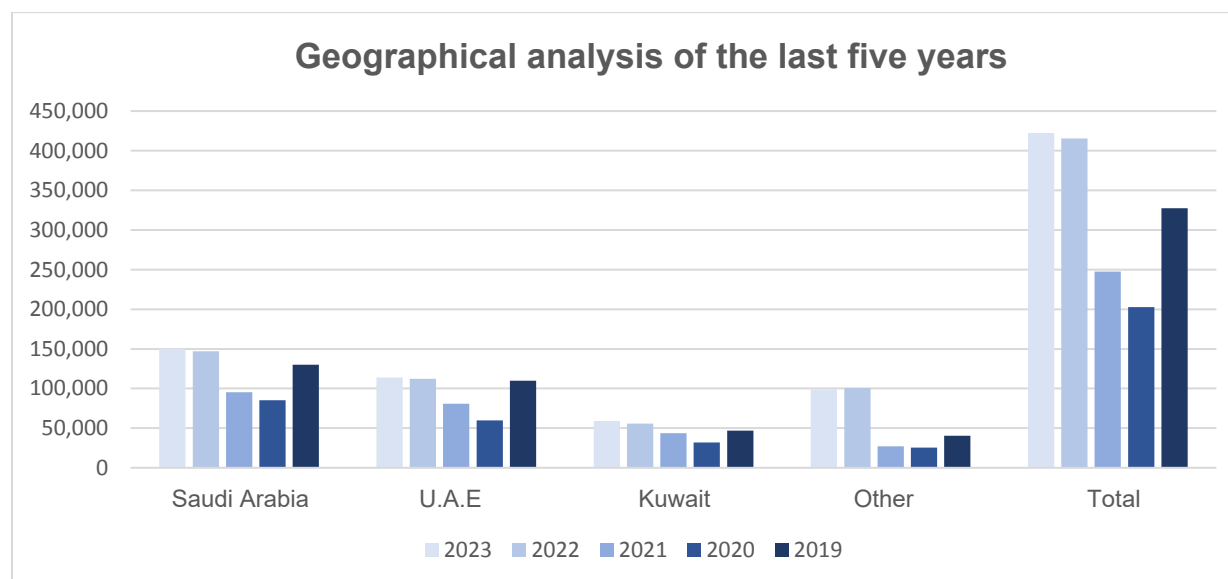
The following geographical analysis shows the company's revenues by geographical areas

Geographical analysis of the total revenues of the company for the last five years for the financial year ended 31

December 2023

Value in thousands of riyals

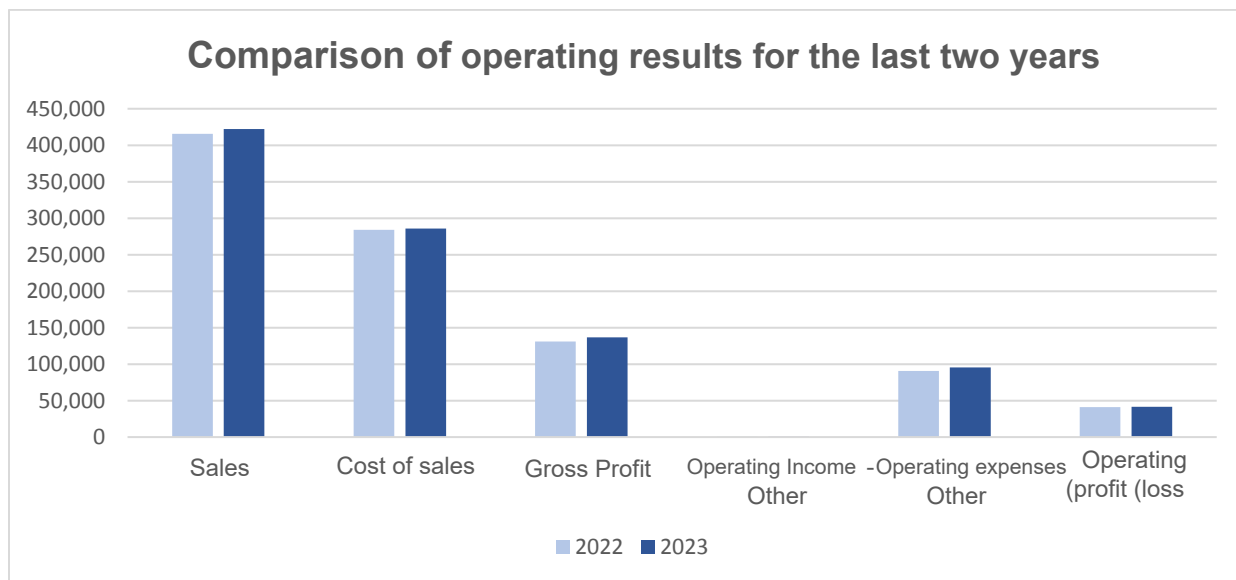
2019	2020	2021	2022	2023	
130,075	85,332	95,516	146,872	150,321	Saudi Arabia
109,811	59,839	80,983	112,173	113,786	U.A.E
46,823	32,091	43,597	55,608	59,152	Kuwait
40,602	25,428	27,247	100,752	99,088	Other
327,311	202,690	247,343	415,405	422,348	Total



## Fifth: Clarification of the operating results compared to the results of the previous year for the fiscal year ended December 31

Value in thousands of riyals

Percentage change	Changes+/-	2022	2023	Statement
2%	167,628	415,405	422,348	Sales
0%	119,027	284,241	285,573	Cost of sales
4%	49,035	131,164	136,774	Gross Profit
-8%	(1,833)	373	344	Operating Income - Other
5%	4,760	90,703	95,463	Operating expenses - Other
2%	622	41,033	41,655	Operating profit (loss)



## Sixth: Information related to loans on the company

### Loans & Murabaha - Short Term Murabaha

Value in thousands of riyals

Year-end balance	Exploited during the year	Paid during the year	Facility amount	Bank
106,198	262,941	218,468	61,725	Banque Saudi Fransi
-	-	55,124	55,124	Al Rajhi Bank
37,578	75,399	68,471	30,650	SABB Bank
10,002	48,857	38,855	-	Emirates NBD
153,778	387,197	380,919	85,774	Total

\*No bank loans on subsidiaries

## Seventh: Statutory Payments to Government Agencies

Value in thousands of riyals

Due until the end of the annual financial period and not paid	Paid per year (SAR)	Statement
1,200	600	Zakat
1,689	17,732	Tax
0	1,503	General Organization for Social Insurance
0	361	Visa and passport costs
0	1,522	Employment Office Fees

## Eighth: Penalties, penalties, precautionary measures or precautionary restrictions imposed on the company:

There is no penalty, penalty, precautionary measure or precautionary restriction imposed on the company by the Authority or any supervisory, regulatory or judicial authority during the fiscal year ending on 31/12/2023

## Risk

### Section III: Risks

## The risks faced by the company and the policy of managing and monitoring these risks

### First: Risks related to the inability to implement the strategy

A company's ability to increase its revenue and improve its profitability depends on the extent to which it effectively executes its business plans and successfully achieves its strategy. The company's ability to expand its business in the future depends on its ability to continue to implement and improve operational, financial and management information systems efficiently and in a timely manner, as well as on its ability to increase, train, motivate and manage its workforce. Furthermore, any future business expansion plans will be subject to the estimated costs and implementation schedule, and the Company may need to obtain additional funding to complete any expansion plans, if it is unable to implement the expansion plans according to its schedule and according to the estimated costs of the project or if the profitability of these projects is not achieved, which may be due to various reasons including the change in the market situation at the time of their implementation. Projects or in the event of a defect in the feasibility study, or in the event that the company is unable to obtain the necessary funding for its projects, this will negatively affect the competitive position of the company, and thus negatively and materially affect its business results, profitability and future expectations.

### Second: Credit-Related Risks

Credit risk arises when one party is unable to fulfill a certain financial obligation of the other party. The company may face credit risk in several temporary or permanent cases, including the presence of debit balances from customers, the failure of other debtor parties to fulfill their obligations to the company, and others.

### Third: Risks related to the availability of funding in the future

The company may need to obtain loans and bank facilities to finance future expansion plans, and it is worth noting that access to financing depends on the company's capital, financial position, cash flows, collateral and credit history. The Company does not give any assurance or guarantee that it will obtain appropriate financing if necessary, so the Company's inability to obtain the financing it needs from financiers, or financing on acceptable preferential terms commensurate with the Company, will have a negative and material impact on the Company's performance, operations and future plans.

### Fourth: Risks related to currency exchange rate fluctuations

The Company is vulnerable to the risk of changes in foreign exchange in relation to its liabilities and expenses associated with a currency other than the currency of the Kingdom. As part of the Kingdom's policy, the Saudi riyal, as of the date of this prospectus, is pegged to the US dollar at an exchange rate of 3.75 Saudi riyals against 1 US dollar, but there are no assurances that the exchange rate of the Saudi riyal against the US dollar is constant. On the other hand, the exchange rate of the Saudi riyal against the Japanese yen is subject to supply and demand factors and is subject to fluctuations at any time, and therefore fluctuations in

the value of the Saudi riyal against foreign currencies (especially the US dollar and the Japanese yen (euro) may negatively and materially affect the results of the company's operations, its financial position and its future outlook.

#### Fifth: Risks related to lawsuits

The Company may find itself a party to other lawsuits, whether plaintiff or defendant, and any negative outcome in relation to litigation and regulatory procedures may adversely affect the Company's business, financial position, results of operations and future outlook. The Company cannot accurately predict the cost of future lawsuits or proceedings that may be instituted or brought against it in the future, the final results of such actions or judgments rendered therein, and the damages and penalties involved. These lawsuits may include, but are not limited to, zakat, tax, labor law, errors, complaints and other damages resulting from negligence or fraud by persons or institutions. Any negative consequences of such issues will therefore adversely and materially affect the Company's operations, financial position, results of operations and future outlook.

#### Sixth: Risks related to operating systems and information technology

The company relies on information technology systems to manage its business and facilities, which exposes the company to the risks of failure of these systems, such as system collapse, failure of protection systems, penetration of the company's systems, electronic viruses, natural disasters, fires, communication errors, lack of skilled labor necessary to operate and manage these systems, leakage of confidential data and information of the company, its customers or employees, or the low degree of security of such data and information, and if the company fails to maintain and develop information technology systems or In the event of any malfunctions or major failure or repeated failure, this will negatively affect the company's business and its financial and operational results.

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## Governance

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## Section IV: Governance

### First: Members of the Board of Directors and Executive Management

The Board of Directors consists of four members, and the composition of the Board of Directors is in accordance with the instructions contained in Article 17 of the Corporate Governance Regulations issued by the Capital Market Authority, and the following is a statement of the names and information of the members of the Board of Directors:

Abdullah Ahmed Al Mana	
Chairman - Non-Executive - Non-Independent	Post
<ul style="list-style-type: none"> <li>He holds a bachelor's degree in architecture and building sciences from King Saud University in the Kingdom of Saudi Arabia in 1993.</li> </ul>	Education
<ul style="list-style-type: none"> <li>He is the CEO of ASAS Pan Gulf Real Estate Investment Company (a limited liability company, working in the field of real estate development) since 2008 until now.</li> <li>He held the position of Supervising Architect at the Ministry of Social Affairs (a government agency, working in the field of social development in the Kingdom) from 2006 to 2008.</li> <li>From 2003 to 2006, he held the position of Supervising Architect at the Ministry of Municipal and Rural Affairs and Housing, a government entity.</li> <li>Served as an architect at the Ministry of Public Works and Housing (a government agency, working in the field of design and supervision of private projects in the country from 1993 to 2003).</li> </ul>	Work Experience

Khalid Abdulaziz Al-Babtain	
Vice Chairman - Executive - Non-Independent	Post
<ul style="list-style-type: none"> <li>He holds a certificate in the Executive Leaders' Development, Mergers and Acquisitions Program from the Wharton School of the University of Pennsylvania, USA in 2014.</li> <li>He holds a certificate in the Strategic Planning and Retail Management Program from Boston University, USA in 2014.</li> <li>He holds a bachelor's degree in computer engineering from King Saud University in the Kingdom of Saudi Arabia in 2005.</li> </ul>	Education
<ul style="list-style-type: none"> <li>He held the position of General Manager at Al Hoshan Retail Company (a closed joint stock company, operating in the clothing and luxury retail sector) from 2014 to 2017.</li> <li>He served as Deputy CEO at ASAS Pan Gulf Real Estate Investment Company (a closed joint stock company, working in the real estate field) from 2014 to 2015.</li> <li>He served as Director of the Strategy Management Office at Al Hoshan Holding Company (a closed joint stock company, operating in the management of subsidiaries) from 2013 to 2014.</li> </ul>	Work Experience

- He held the position of Director of Information Technology Department at Al-Hoshan Shared Services Company (a closed joint stock company, working in the field of support services) from 2010 to 2013.
- He held the position of Project Manager at the Ministry of Interior - National Information Center (a government entity, working in providing digital services and solutions to government agencies) from 2005 to 2010.

#### Omar Hamad Alhoshan

Board Member – Non-Executive – Independent	Post
<ul style="list-style-type: none"> <li>• He holds a certificate of financial advisor from the Ministry of Commerce in the Kingdom of Saudi Arabia in 2015.</li> <li>• He holds a certified aviation consultant certificate from the Ministry of Commerce in the Kingdom of Saudi Arabia in 2010.</li> <li>• He holds a Chartered Accountant certificate from the Department of Economic Development in the United Arab Emirates in 2003.</li> <li>• He holds a certificate of chartered accountant from the Saudi Organization for Auditors and Accountants in the Kingdom of Saudi Arabia in 1993.</li> <li>• He holds a certificate of economic consultant accredited by the Ministry of Commerce in the Kingdom of Saudi Arabia in 1993.</li> <li>• He holds a certified management consultant from the Ministry of Commerce in the Kingdom of Saudi Arabia in 1993.</li> <li>• He holds a certified legal translator certificate from the Ministry of Commerce in the Kingdom of Saudi Arabia in 1993.</li> <li>• He holds a double bachelor's degree in Business Administration and Economics from the University of California, USA in 1983.</li> </ul>	Education
<ul style="list-style-type: none"> <li>• He held the position of General Manager of Al-Hoshan Chartered Accountants and Auditors - Al-Hoshan Consulting (a sole proprietorship, working in the field of accounting, auditing and financial consulting) from 1933 until now.</li> <li>• He served as a member of the Audit Committee of the Saudi Exchange Company (a public shareholding company, operating as a stock exchange in the Kingdom of Saudi Arabia) since 2020 until now.</li> <li>• He has been a member of the Audit Committee of The Red Sea Cruise Company (a closed joint stock company, operating in the field of cruises) since 2020 until now.</li> <li>• Served as Chairman of the Audit Committee of the Saudi Investment Recycling Company "SIRC" (a closed joint stock company, working in the field of recycling) from 2019 until now.</li> </ul>	Work Experience

- He served as a member of the Governance, Risk and Compliance Committee at the Saudi Investment Recycling Company "SIRC" (a closed joint stock company, working in the field of recycling) since 2021 until now.
- Served as Chairman of the Audit Committee at Abu Nayyan Holding Company (a closed joint stock company, working in the field of managing subsidiaries) since 2021 until now.
- Served as Chairman of the Audit Committee at Alawwal Investment Company (a closed joint stock company, working in the field of investment) since 2021 until now
- Served as a member of the Audit Committee of Alawwal Investment Company (a closed joint stock company, working in the field of investment) since 2021 until now
- General Manager at United Plastic Company (a limited liability company, working in the field of manufacturing) from 1988 to 1993
- He held the position of Assistant Manager at SABIC Marketing Company Limited (a limited liability company, working in the field of marketing) from 1986 to 1988.

#### Thamer Muhammad Bin Muammar

Board Member – Non-Executive – Independent	Post
<ul style="list-style-type: none"> <li>• Holds a certificate of conformity, compliance and anti-money laundering and combating the financing of terrorism from the Institute of Finance in the Kingdom of Saudi Arabia in 2017.</li> <li>• He holds the General Certificate of Dealing in Securities from the Institute of Finance in the Kingdom of Saudi Arabia in 2009.</li> <li>• He holds a bachelor's degree in marketing from King Saud University, Saudi Arabia in 1998.</li> </ul>	Education
<ul style="list-style-type: none"> <li>• He has been the Chief Governance Officer at Alinma Investment Company (a closed joint stock company, working in the field of investment services) since 2018 until now.</li> <li>• He served as the Director of Asset Management at Al-Khair Capital (a closed joint stock company, working in the field of investment services) from 2016 to 2018.</li> <li>• He held the position of Asset Management Manager at Yaqeen Capital (a closed joint stock company, working in the field of investment services) from 2007 to 2016.</li> <li>• He held the position of Operations Officer at the Arab National Bank (a public shareholding company, working in the field of banking) from 1998 to 2007.</li> </ul>	Work Experience

The following is a list of the names and information of the members  
of the executive management

Qualification	Current position	Name
Please see Section I Board Members		Khalid Abdulaziz Al-Babtain
He holds a Bachelor's degree in Finance and Banking from Dar Al Uloom University in Saudi Arabia in 2014.	Director of Finance & Shared Services	Nawaf Mishari Wallan
He holds a master's degree in business administration from the University of Entrepreneurship, USA in 2023.	Commercial Director of Saudi Arabia	Hassan Muhammad Alqatani
He holds a Master's degree in Sales and Marketing from the National University of Jaipur in the Republic of India in 2020.	Commercial Manager for the rest of the Gulf countries	Abdul manaf Akbar Balyakar
He holds a high school diploma from the Republic of Ethiopia in 1981.	Commercial Manager for the rest of the countries (export)	Omar Saqqaf As-sqaf

Second: Names of companies in which the company's board member is a member of its current and previous boards of directors or its managers:

In the following table is a list of the names of the companies whose board member is a member of the current and previous boards of directors or one of their managers:

Names of companies in which the board member is a member of the previous boards of directors or their directors			Names of companies in which the Board member is a member of the current boards of directors or their directors			Member Name
Inside/outside the Kingdom	Legal entity	Company Name	Inside/outside the Kingdom	Legal entity	Company Name	
			Inside the Kingdom	Limited Liability	<ul style="list-style-type: none"> <li>- Al Hoshan Holding Company</li> <li>- ASAS Pan Gulf Real Estate Investment Company</li> <li>- Al Hoshan Real Estate Company</li> <li>- Al Hoshan Commercial Investment Company</li> </ul>	Abdullah Ahmed Al Mana
			Inside the Kingdom	Limited Liability	<ul style="list-style-type: none"> <li>- Al Hoshan Holding Company</li> <li>- ASAS Pan Gulf Real Estate Investment Company</li> <li>- Al Hoshan Real Estate Company</li> <li>- Al Hoshan Commercial Investment Company</li> </ul>	Khalid Abdulaziz Al-Babtain
			Inside the Kingdom	Locked contribution	<ul style="list-style-type: none"> <li>- Saudi Investment Company</li> <li>- Abu Nayan Holding Company</li> <li>- Alawwal Investment Company</li> </ul>	Omar Muhammad Alhoshan
			Inside the Kingdom	Limited Liability	<ul style="list-style-type: none"> <li>- Adaa ICT Company</li> </ul>	

There isn't any	Thamer Muhammad Bin Muammar
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### Third: Classification of Board Members

Members of the Board of Directors												
Percentage change		Net change		End of year		Start of the year		Nationality	Autonomy <sup>(3)</sup>	Organic status	Post	Name
Percentage (%)	Number (Share)	Percentage (%)	Number (Share)	Percentage (%)	Number (Share)	Percentage (%)	Number (Share)					
%0.00	0	%0.00	0	%0.00	0	%0.00	0	Saudi	Non-independent	Non-Executive	Chairman of the Board of Directors	Abdullah Ahmed Al Mana
%0.00	0	%0.00	0	%0.00	0	%0.00	0	Saudi	Non-independent	Executive	Vice Chairman	Khalid Abdulaziz Al-Babtain
%0.00	0	%0.00	0	%0.00	0	%0.00	0	Saudi	independent	Non-Executive	Board Member	Omar Muhammad Alhoshan
%0.00	0	%0.00	0	%0.00	0	%0.00	0	Saudi	independent	Non-Executive	Board Member	Thamer Muhammad Bin Muammar

### Fourth: Board Meetings during the fiscal year 2023

The Board of Directors held four meetings during the year 2023, and the Board discusses in its meetings the topics included in a documented and specific agenda in accordance with its powers, and the attendance of the meetings was as follows:

Member Name				
Thamer Muhammad Bin Muammar	Omar Muhammad Alhoshan	Khalid Abdulaziz Al-Babtain	Abdullah Ahmed Al Mana	Meeting Date
✓	✓	✓	✓	08/05/2023
✓	✓	✓	✓	07/06/2023
✓	✓	✓	✓	22/08/2023
✓	✓	✓	✓	25/12/2023

#### Fifth: Attendance Record of the General Assembly of Shareholders

During 2023, the General Assembly of Shareholders was held four times, and the date and record of attendance of the members of the Board of Directors are as follows:

Quorum of attendance	History	Assembly Type	
100%	10/05/2023	Normal	1
100%	11/06/2023	Unusual	2
100%	28/08/2023	Normal	3
100%	26/12/2023	Normal	4

#### Sixth: Committees emanating from the Board of Directors

##### Audit Committee

The Audit Committee was formed in accordance with Article (54) of the Corporate Governance Regulations issued by the Capital Market Authority, and the Ordinary General Assembly approved in its meeting held on 14/11/2023 the formation of the Audit Committee, determining its tasks, work controls, remuneration of its members and their term of office.

##### Terms of reference of the Audit Committee

The Audit Committee is responsible for monitoring the company's business to review its records and documents, consider the company's financial statements, reports and notes submitted by the auditor, if any, evaluate the effectiveness of the company's risk assessment, evaluate internal control systems, accuracy of financial and administrative reports, review management reports and information requested by supervisory authorities, monitor the work of external and internal auditors, coordinate among them, ensure compliance with the rules of financial and administrative transactions and professional conduct, express an opinion on them, and prepare reports on its opinion on the adequacy of the company's internal control system and the work it has done.

##### Committee Members

The names and information of the members of the Committee are as follows:

Omar Hamad Alhoshan	
Chairman of the Audit Committee	Post
Please see Section I Board Members	

### Osama Saleh Alhadithi

Member of the Audit Committee	Post
<ul style="list-style-type: none"> <li>• He holds a master's degree in computer science and systems from the University of Detroit, USA, in 1997.</li> <li>• Certified by the Global Credit Program from the Association of Internal Auditors in the United States of America in 1996</li> <li>• Bachelor's degree in Accounting from King Khalid University, Saudi Arabia in 1992</li> </ul>	Education
<ul style="list-style-type: none"> <li>• He has been the Chief Executive Officer of the Audit Department at the Saudi Agricultural and Livestock Investment Company (SALIC) (a closed joint stock company, working in the field of agricultural investment and animal production) since 2020 until now.</li> <li>• He held the position of Head of Internal Audit at the Human Resources Fund (a government entity working in the field of qualifying the national workforce and employing it in the private sector) during the period from 2019 to 2020.</li> <li>• He held the position of Head of Internal Audit at Tawuniya Insurance Company (a public shareholding company, operating in the field of insurance) during the period from 2018 to 2019.</li> <li>• He served as Head of Internal Audit at Medgulf Insurance Company (a public joint stock company, operating in the field of insurance) from 2017 to 2018.</li> <li>• From 2005G to 2013G, he held the position of Director of Internal Audit and Enforcement at the Capital Market Authority (an independent government body that oversees the regulation and development of the capital market).</li> <li>• He held the position of Director of Internal Control and Quality Control at Al-Faisaliya Group (a closed joint stock company, operating in the field of commercial and industrial activities) from 1999 to 2005.</li> <li>• He held the position of supervisor at Ernst &amp; Young (a closed joint stock company, working in the field of accounting and auditing) from 1993 to 1999.</li> </ul>	Work Experience

### Mustafa Ahmed Jamal Abdul latif

Member of the Audit Committee	Post
<ul style="list-style-type: none"> <li>• He holds a Corporate Governance Program from Hawkamah Institute in the United Arab Emirates in 2015.</li> <li>• He holds a diploma in internal auditing from Citibank Institute in the United States of America in 1994.</li> <li>• He holds a diploma in banking operations from Samba Educational Institute in the Kingdom of Saudi Arabia in 1992.</li> <li>• He holds a master's degree in building sciences from King Saud University in the Kingdom of Saudi Arabia in 1991.</li> <li>• He holds a bachelor's degree in architecture and planning from King Faisal University in Saudi Arabia in 1989.</li> </ul>	Education



<ul style="list-style-type: none"> <li>• He is the Head of Governance, Risk and Compliance at the Saudi Investment Recycling Company (a closed joint stock company, working in the field of recycling) since 2021 until now.</li> <li>• He worked as a specialized expert at Ernst &amp; Young (a closed joint stock company, working in the field of financial and management consulting) from 2020 to 2021.</li> <li>• He held the position of Head of Governance, Risk Management and Compliance at the Real Estate Development Fund (a government fund, working in providing and innovating real estate financing programs) from 2015 to 2019.</li> <li>• He served as Head of Compliance, Corporate Governance and Financial Crime Control at BlackBank (a public joint stock company, operating in the field of banking services) from 2012 to 2015.</li> <li>• He was the Director of the Audit and Risk Program at Samba Financial Group (a public banking company) from 2011G to 2012G.</li> <li>• He held the position of Chief Compliance and Operating Officer at Global Investment House (a closed joint stock company, operating in the field of investment services) from 2008 to 2011.</li> <li>• He was the Chief Compliance Officer at Banque Saudi Fransi (a closed joint stock company, operating in the field of banking services) from 1996 to 2008.</li> <li>• He was a senior auditor at Samba Financial Group (a public shareholding company, operating in the field of banking services) from 1991 to 1995.</li> </ul>	Work Experience
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#### Committee Meetings

Fourth meeting	Third meeting	Second Meeting	First Meeting	Nature of membership	Name	
27/12/2023	14/12/2023	21/08/2023	29/03/2023	president	Omar Bin Muhammad Alhoshan	1
				member	Osama Bin Saleh Alhadithi	2
				member	Mustafa Bin Ahmed Jamal Abdul latif	3

#### Seventh: Dividends and dividends policy for the fiscal year 2023

Shares grant their holders the right to receive the dividends announced by the Company, and in accordance with the Company's Articles of Association, any resolution to distribute cash dividends must be issued by the Ordinary General Assembly upon the recommendation of the Board of Directors, which shall take into account the various factors prevailing at the time, including the Company's profits, the financial situation, the restrictions to which the distribution of profits under financing and debt agreements are subject, the results of the Company's activities, the Company's current and future cash needs, and plans. Expansion and requirements of the company's investments.

Article 34 of the Articles of Association for Entitlement to Profits stipulates as follows:

- The shareholder shall be entitled to his share in the profits in accordance with the resolution of the General Assembly issued in this regard, and the resolution shall indicate the date of maturity and the date of distribution. Dividends shall be eligible for shareholders registered in the shareholders' registers at the end of the day fixed for maturity. The Board of Directors shall implement the resolution of the General Assembly regarding the distribution of dividends to shareholders.

The company distributed cash dividends in the fiscal year 2023 from the retained earnings of previous years.

Percentage of dividends distributed during the year	
11/06/2023	Distribution date
5,500,000 SAR	Total

Eighth: What has been applied from the provisions of the Corporate Governance Regulations and what has not been applied:

The Company shall apply all provisions of the Corporate Governance Regulations issued by the Capital Market Authority, except for the following:

Reasons for non-application	Text of the article/paragraph	Article/Paragraph Number
Guideline.	Training, supporting and evaluating the members of the Board of Directors and the executive management, and developing the necessary programs for this.	39
Indicative, and the company believes that it does not need an independent risk management committee	Formation of the Risk Management Committee.	70 – 71 – 72
Pilot.	The company develops programs to develop and stimulate the participation and performance of the company's employees.	85
Indicative, and the company is currently working on website development	Disclosure Policies and Procedures	89/3
The Board of Directors works continuously to follow up the Company's implementation of all governance regulations.	Formation of the Corporate Governance Committee	95



## Disclosures and Undertakings

## Section Five: Disclosures and Undertakings

### First: Transactions with Related Parties

Transactions with related parties are conducted on the basis of terms agreed upon between the two parties or on terms approved by the company's board of directors, and the total amount of transactions concluded with related parties for the fiscal year ending 2023 is presented below:

2023	Nature of the transaction	Related Party Name
2,043,583	Shared loaded services	
5,500,000	Dividends	Al Hoshan Holding Company
7,543,583	Transfer Financing	
1,884,336	Shared loaded services	ASAS Pan Gulf Real Estate Investment
1,225,000	Rentals	Company
659,336	Transfer Financing	

- Executive Management Salaries and Allowances SAR 2,243,531

### Second: Means of evaluating the performance of the Council and the performance of its committees, members and executive management

According to the general assemblies held during the previous period, no special committee for nominations and remuneration was appointed, as the process of evaluating the performance of the board committees and the executive management will remain indicative, while the board of directors has not appointed an external body to evaluate the performance of its members.

### Third: Disclosure of Remuneration

Issued the Extraordinary General Assembly Resolution dated 08/05/2023 regarding the remuneration policy of the members of the Board of Directors in addition to the remuneration of the members of the pop-up committees, which is summarized as follows:

- 1- The members of the Board of Directors are granted an amount of SAR 100,000 annually for their membership in the Board, in addition to granting them an allowance to attend the meetings of the Board of Directors of SAR 3000 for each meeting and a maximum of four meetings annually.

- 2- Members of the Audit Committee are granted an amount of 30,000 riyals annually for their membership in the committee, in addition to granting them an allowance to attend committee meetings of 3000 riyals for each meeting, up to a maximum of four meetings annually.

### 1: Remuneration of the Chairman and members of the Board of Directors

Total	Meetings	Allowance for attending sessions	Fixed Bonuses	Member Name
112,000	4	3000	100,000	Abdullah Ahmed Al Mana
112,000	4	3000	100,000	Khalid Abdulaziz Al-Babtain
112,000	4	3000	100,000	Omar Muhammad Alhoshan
112,000	4	3000	100,000	Thamer Muhammad Bin Muammar

### 2: Remuneration of the Chairman and Members of the Audit Committee

Total	Meetings	Allowance for attending sessions	Fixed Bonuses	Member Name
42,000	4	3000	30,000	Omar Muhammad Alhoshan
42,000	4	3000	30,000	Osama Saleh Al , Hadithi
42,000	4	3000	30,000	Mustafa Ahmed Jamal Abdul latif

#### Third: Auditor's Reservations on the Financial Statements

The chartered accountant's report did not include reservations on the annual financial statements

#### Fourth: Recommendations of the Board of Directors with regard to the auditor

There is no recommendation from the Board to replace the auditor before the end of the period for which he was appointed

#### Fifth: Approvals of the Board of Directors

The Board of Directors acknowledges the following:

- 1- that the account records have been properly prepared
- 2- that the internal control system has been properly prepared and implemented effectively.
- 3- That there is no doubt about the company's ability to continue its activity

#### Sixth: Measures taken by the Board of Directors to inform its members, especially non-executives, of the shareholders' proposals and observations regarding the Company and its performance.

The Chairman of the Board of Directors and the CEO of the Company shall inform the members of the Board of Directors of the opinions, suggestions or observations of the shareholders about the Company and its performance and discuss them with them, and the Chairman of the Board shall also brief and communicate the opinions of the shareholders to the Board of Directors during the holding of the Board meetings without the presence of any executive member if the need arises.

#### Seventh: Some items that do not apply to the company:

1. There are no debt instruments convertible into shares, contractual securities, rights memoranda or similar rights issued or granted by the Company during the fiscal year ending on 31/12/2023G.
2. There are no conversion or subscription rights under debt instruments convertible into shares, contractual securities, rights memorandums or any similar rights issued or granted by the Company during the financial year ending on 31/12/2023G.
3. There is no refund, purchase or cancellation by the Company of any redeemable debt instruments.
4. During the fiscal year ending on 31/12/2023, there are no treasury shares held by the company.
5. There are no investments or other reserves created for the benefit of the company's employees.
6. No subsidiary of Pan Gulf Marketing Company has issued shares or debt instruments.
7. During the fiscal year ending on 31/12/2023, there is no interest in the voting class of any persons.
8. During the financial year ending on 31/12/2023, there were no transactions between the Company and any related person.
9. During the financial year, there are no contracts to which the company was a party and in which the members of the Board of Directors, senior executives or any person related to any of them were in the interest of the members of the Board of Directors, senior executives or any person related to any of them.

10. There is no arrangement or waiver agreement whereby a member of the Company's Board of Directors or a senior executive has waived any remuneration.

**Eighth: Disclosure of the appointment of the internal auditor**

The company's share prospectus stated in the declarations - item seven, paragraph 21 - that the company is committed to appointing an internal audit department manager, and this was done on 13/3/2024.

**Ninth: Social contributions of the company**

- 1- Within the framework of contributing to social responsibility, the Saudi Society for Fine Art (JSFT) is supported with artistic tools to celebrate the National Day and the founding day during the year 2023. And the various events associated with the association.