

ITEM NO (5)

To vote on the business and contracts that will take place between the company and “Rumooz Al-Fakherah For Trading Company”, where two of the Board members (Mr. Mohammad Rasheed Al-Rasheed) and (Mr. Saleh Rasheed Al-Rasheed), as related parties, have indirect interest, for the year 2022. The total value of the transactions done in the year 2020 was (9,452,931) Saudi Riyals, representing sales made on commercial basis and with non-preferential terms.



شركة اتحاد مصانع الأسلاك United Wire Factories Company

شركة مساهمة - رأس المال ٣٥١ مليون ريال سعودي - سجل تجاري: ١٠١٠٠٧٩١٩٥
Saudi Joint Stock Co. - Capital SR 351 Million - C. R. 1010079195



Date on 10 Jumada al-Akhirah 1443 H

Corresponding to 13 January, 2022 AD

To the Shareholders of United Wire Factories Company (Saudi Public Interest Company),

Riyadh -- Kingdom Saudi Arabia

Subject: A statement of the Transactions and Balances between the Company and the Related Parties with companies owned by the members of the Board of Directors and shareholders of the company.

With reference to the above subject, and with reference to the Independent Limited Assurance Report issued by the external auditor - Baker Tilly K.M. Certified Public Accountants (attached),

We present to your Excellency the following a statement of the transactions that took place between the United Wire Factories Company (the company) and the relevant institution with the members of the Board of Directors of the company, according to Article (71) and Article (72) of the Saudi Companies Law, for the transactions that took place during the fiscal year ending on 31/12/2021.

Nature of relationship: Sales

Company name: Rumooz Al-Fakherah For Trading Company

The following is a clarification of the transactions that took place between Aslak Company and the associated company, the two members of the Board of Directors

company name	Relationship type	Type of transaction	The total value of the transaction during the fiscal year 2021 (Including VAT) SR	The percentage of transactions during the fiscal year 2020 compared to sales for the same period	Balance as of 12/31/2020 SR
Rumooz Al-Fakherah For Trading Company	A company in which he owns two members of the board of directors of Aslak Company: Mr. Muhammad Al-Rasheed and Mr. Saleh Al-Rasheed	sales	9,452,931	0.89%	480,512

As shown, the sales of United Wires Company to the related Parties are carried out within the framework of its normal trading with customers and without any preferential or exceptional conditions.

Chairman of Board of Directors

Khaled Saad Al-Kanhai



Independent Limited Assurance Report on the Transactions and Balances with Related Parties**To the Shareholders****United Wire Factories Company**

Riyadh, Kingdom Saudi Arabia

We have conducted an independent limited assurance engagement to determine whether it has come to our attention a matter that makes us believe that what has been detailed in the subject paragraph below (the "Subject Matter") has not been reported and fairly presented, in all material respects, in accordance with the relevant criteria ("Applicable Criteria") referred to below.

Subject Matter:

The subject of the limited assurance engagement is about the statement of transactions and balances between United Wire Factories Company ("The Company") and the related party "Rumooz Al-Fakherah for Trading Company" during the year ended December 31, 2021, which is presented to the members of the Board of Directors and Shareholders of the Company.

The transactions between the Company and the related party during the year consist of sales to the related party, amounting to SR 9,452,931 which were made without any preferential or exceptional conditions, and the outstanding debit balance amounting to SR 480,512 as of December 31, 2021.

Applicable Criteria:

Article (71) and Article (72) of the Regulations for Companies issued by the Ministry of Commerce.

Management Responsibility:

The management of the Company is responsible for the preparation and fair presentation of the information mentioned in the above Subject Matter paragraph in accordance with the Applicable Criteria. In addition, the management is responsible for implementing internal control systems that are deemed necessary to prepare and present the information contained in the above Subject Matter paragraph free from any material misstatements, whether due to fraud or error, and to apply appropriate controls, maintain adequate records, and make reasonable estimates according to the relevant circumstances and events.

Our Responsibility:

Our responsibility is to express a limited assurance conclusion on the above Subject Matter based on the assurance engagement we performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000: "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" as endorsed in the Kingdom of Saudi Arabia, along with the terms and conditions related to this engagement which have been agreed with the Company's management.

Our procedures have been designed to obtain a limited level of assurance that is sufficient to provide a basis for expressing our conclusion. Accordingly, we have not obtained all of the evidence required to provide a reasonable level of assurance. The implemented procedures depend on our professional judgment, including the risk of material misstatements in the Subject Matter, whether due to fraud or error. We also took into consideration the effectiveness of internal control systems when determining the nature and extent of our procedures, and our engagement was not designed to provide assurance about the effectiveness of those systems.

Independence and quality control:

We have complied with independence and other ethical requirements in accordance with the Code of Conduct and Ethics for Professional Accountants endorsed by the International Professional Ethics and Conduct Standards Board for Accountants, which contain the fundamental principles of integrity, objectivity, professionalism, due care, confidentiality, and professional conduct, we are also independent of the company in accordance with the relevant code of conduct and ethics in the Kingdom of Saudi Arabia.

In addition, we comply with the International Standard on Quality Control (1) as endorsed in the Kingdom of Saudi Arabia, and accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable regulatory requirements.

Summary of the Performed Procedures:

The procedures performed in a limited assurance engagement differ in nature, timing, and less in scope than those performed in a reasonable assurance engagement. As a result, the level of assurance that is obtained in the limited assurance engagement is significantly less than the assurance that would be obtained if a reasonable assurance engagement was performed.

The performed procedures included -but were not limited to- the following:

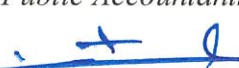
- Obtained an understanding of the nature of the transactions that took place during the year ended December 31, 2021, between the Company and the related party.
- Obtained statement of account for the related party “Rumooz Al-Fakherah for Trading Company” and agreed the total transaction volume amounting to SR 9,452,931 to the statement submitted by the Company’s management to members of the Board of Directors and Shareholders.
- Reviewed a sample of transactions to the supporting documents test its accuracy.
- Obtained confirmation of the balance due from the related party amounting to SR 480,512 as of December 31, 2021.
- Reviewed the Company's Board of Directors’ minutes of meetings which included the Board’s approvals of the transactions and contracts with the related party.
- Review terms and prices of sales for a selected sample in comparison to Company’s approved price list and similar transactions with non-related parties.

Limited Assurance Conclusion:

Based on our limited assurance procedures performed, and the evidence obtained, nothing has come to our attention that caused us to believe that what was detailed in the above Subject Matter paragraph and reported in the attached letter, has not been properly reported and presented fairly, in all material respects, in accordance with the applicable criteria.

BAKER TILLY MKM & CO.
Certified Public Accountants




Ayad Obeyan Alseraihi
License No. 405

Riyadh on Jumada II 23, 1443H
Corresponding to January 26, 2022G