

جدول أعمال اجتماع الجمعية العامة العادية (الاجتماع الأول)

Agenda of Ordinary General Assembly Meeting (First Meeting)

تعلن الشركة السعودية للخدمات الأرضية عن دعوة مساهميها إلى حضور اجتماع الجمعية العامة العادية (الاجتماع الأول) عبر وسائل التقنية الحديثة

Saudi Ground Services Company Invites its Shareholders to Attend the Ordinary General Assembly Meeting (First Meeting) by Using Modern Technology

EXPLANATION	توضيح	
The Board of Directors of Saudi Ground Services Company are pleased to invite its shareholders to participate and vote on the Ordinary General Assembly Meeting (First Meeting) on Monday 19-06-2023G at 7:00 pm corresponding to 01-12-1444H, in Jeddah City, by using modern technology using Tadawulaty system	يسر مجلس إدارة الشركة السعودية للخدمات الأرضية دعوة المساهمين للمشاركة و التصويت في إجتماع الجمعية العامة العادية (الإجتماع الأول)، المقرر عقده بمشيئة الله تعالى في تمام الساعة السابعة مساءً يوم الإثنين 01-12-1444هـ (حسب تقويم أم القرى) الموافق 19-06-2023م، عن طريق وسائل التقنية الحديثة باستخدام منظومة تداولاتي	مقدمة Introduction
SGS Headquarter in Jeddah by using modern technology	مركز الشركة الرئيس بمدينة جدة - عبر وسائل التقنية الحديثة	مدينة ومكان انعقاد الجمعية العامة City and location
https://www.tadawulaty.com.sa	https://www.tadawulaty.com.sa	رابط بمقر الاجتماع Link at the meeting
19-06-2023G Corresponding to 01-12-1444H	1444-12-01هـ الموافق 19-06-2023م	تاريخ انعقاد الجمعية العامة Date
19:00	19:00	وقت انعقاد الجمعية العامة Time
The shareholders registered in the company's shareholders record at Edaa Center at the end of the trading session preceding the assembly meeting according to the rules and regulations.	المساهمين المقيدين في سجل مساهمي المصدر لدى مركز الايداع بنهاية جلسة التداول التي تسبق اجتماع الجمعية العامة وبحسب الانظمة واللوائح.	حق الحضور Shareholding Eligibility to attend
Regarding article (38) of the company's AOA, "the legal quorum for General Assembly meeting (First Meeting) will not be valid unless the presence of shareholders representing at least a 50% of the company's	وفقاً للمادة (38) من نظام الشركة الأساس "لا يكون اجتماع الجمعية العامة العادية صحيحاً الا اذا حضره مساهمون يمثلون 50% من رأس المال على الأقل وفي حال عدم اكتمال النصاب في	النصاب اللازم لانعقاد الجمعية

جدول أعمال اجتماع الجمعية العامة العادية (الاجتماع الأول)

Agenda of Ordinary General Assembly Meeting (First Meeting)

<p>capital attend. If there is no quorum for this meeting, a second meeting shall be held one hour after the end of the duration of the first meeting. On condition to include in the invitation of the first meeting the possibility to hold this meeting. The second meeting shall be valid regardless of the number of shares represented in it".</p>	<p>هذا الاجتماع الأول ، سيتم عقد الاجتماع الثاني بعد ساعة من انتهاء المدة المحددة لانعقاد الاجتماع الأول ، ويكون الاجتماع الثاني صحيحاً بمن حضر من المساهمين أيّاً كان عدد الأسهم الممثلة فيه".</p>	<p>Quorum as percentage of shareholding for Convening the General Assembly's Meeting</p>
<ol style="list-style-type: none"> 1. Reviewing the Board of Directors' Annual Report of the fiscal year ended 31st December 2022, and discuss it. 2. Vote on the External Auditor report of the fiscal year ended 31st December 2022, after discussing it. 3. Reviewing the Financial Statements for the fiscal year ending 31st December 2022, and discuss it. 4. Vote on approving the absolving of the Board of Directors of their responsibility for managing the company of the fiscal year ended 31st December 2022. 5. Vote on the appointment of the company's external auditor among the candidates based on the recommendation of the audit committee to review, and audit the financial statements for the third, fourth quarters and annual for the year 2023 and the first and second quarter of 2024 and determine their fees. 6. Vote on the Board of Directors delegated the authority of the Ordinary General Assembly to the license mentioned in Paragraph (1) of Article 71 of the Companies Law, for a period of one year from the date of approval of the Ordinary General Assembly or until the end of the period of the authorized Board of Directors, whichever is earlier, in accordance with the conditions set forth in the executive bylaws of the companies law for listed joint stock companies. 7. Vote on the business and contracts between the company and the Saudi Airlines Air Transport Company, and a member of the Board of Directors Mr. Con Korfiatis and 	<ol style="list-style-type: none"> 1. الإطلاع على تقرير مجلس الإدارة للعام المالي المنتهي في 31 ديسمبر 2022م و مناقشته. 2. التصويت على تقرير مراجع الحسابات عن العام المالي المنتهي في 31 ديسمبر 2022م بعد مناقشته. 3. الإطلاع على القوائم المالية للعام المالي المنتهي في 31 ديسمبر 2022م و مناقشتها. 4. التصويت على إبراء ذمة أعضاء مجلس الإدارة عن العام المالي المنتهي في 31 ديسمبر 2022م. 5. التصويت على تعيين مراجع الحسابات الخارجي للشركة من بين المرشحين بناءً على توصية لجنة المراجعة وذلك لفحص ومراجعة وتدقيق القوائم المالية وذلك للربع الثالث والرابع والسنوية من العام 2023م و الربع الأول والثاني من العام 2024م وتحديد أتعابه. 6. التصويت على تفويض مجلس الإدارة بصلاحية الجمعية العامة العادية بالترخيص الوارد في الفقرة (1) من المادة الحادية و السبعون من نظام الشركات، وذلك لمدة عام من تاريخ موافقة الجمعية العامة العادية أو حتى نهاية دورة مجلس الإدارة المفوض أيهما أسبق، وفقاً للشروط الواردة في اللائحة التنفيذية لنظام الشركات الخاصة بشركات المساهمة المدرجة. 7. التصويت على الأعمال والعقود التي تمت بين الشركة وشركة الخطوط السعودية للنقل الجوي والتي لعضو مجلس الإدارة الأستاذ/ كون كورفياتيس و الكابتن/ فهد سندي مصالحة غير مباشرة فيها، وهي عبارة عن تقديم خدمات المناولة الأرضية في 	<p>جدول أعمال الجمعية Meeting Agenda</p>

جدول أعمال اجتماع الجمعية العامة العادية (الاجتماع الأول)

Agenda of Ordinary General Assembly Meeting (First Meeting)

- | | |
|---|---|
| <p>Capt. Fahd Cynndy has an indirect interest in it ,which is about the provision of ground handling services at the Kingdom's airports, noting that transactions in the year 2022 amounted to 975,129,944 SAR annually with the knowledge that these transactions take place on a commercial basis and without preferential terms. (attached).</p> <p>8. Vote on the business and contracts between the company and the Saudia Aerospace Engineering Industries Company, and a member of the Board of Directors Mr. Con Korfiatis and Capt. Fahd Cynndy has an indirect interest in it, which is about the provision of ground handling services at the Kingdom's airports, noting that transactions for the year 2022 amounted 38,585,481 SAR annually, noting that these transactions are carried out on commercial basis and without preferential terms. (attached)</p> <p>9. Vote on the business and contracts between the company and Saudia Private Aviation Company, and a member of the Board of Directors Mr. Con Korfiatis and Capt. Fahd Cynndy has an indirect interest in it, , which is about the provision of ground handling services at the Kingdom's airports, noting that the transactions are for the year 2022 amounted 16,117,047 SAR annually, noting that these transactions are carried out on commercial basis and without preferential terms.(attached)</p> <p>10. Vote on the business and contracts between the company and Saudia Royal Fleet, and a member of the Board of Directors Mr. Con Korfiatis and Capt. Fahd Cynndy has an indirect interest in it, which is about the provision of ground handling services at the Kingdom's airports, noting that the transactions for the year 2022 amounted 38,005,805 SAR annually, noting that these transactions are carried out on commercial basis and without preferential terms. (attached)</p> <p>11. Vote on the business and contracts between the company and Flyadeal, and a member of the Board of Directors Mr.</p> | <p>مطارات المملكة و كانت قيمة التعاملات في عام 2022م تقدر بقيمة 975,129,944 ريال سعودي و أن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية. (مرفق).</p> <p>8. التصويت على الأعمال والعقود التي تمت بين الشركة و الشركة السعودية لهندسة و صناعة الطيران والتي لعضو مجلس الإدارة الأستاذ/ كون كورفياتيس و الكابتن/ فهد سندي مصلحة غير مباشرة فيها، وهي عبارة عن تقديم خدمات المناولة الأرضية في مطارات المملكة و كانت قيمة التعاملات في عام 2022م تقدر بقيمة 38,585,481 ريال سعودي و أن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية. (مرفق)</p> <p>9. التصويت على الأعمال والعقود التي تمت بين الشركة و شركة الخطوط السعودية للرحلات الخاصة (SPA) والتي لعضو مجلس الإدارة الأستاذ/ كون كورفياتيس و الكابتن/ فهد سندي مصلحة غير مباشرة فيها، وهي عبارة عن تقديم خدمات المناولة الأرضية في مطارات المملكة و كانت قيمة التعاملات في عام 2022م تقدر بقيمة 16,117,047 ريال سعودي وأن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية. (مرفق)</p> <p>10. التصويت على الأعمال والعقود التي تمت بين الشركة و شركة خدمات أسطول السعودية الملكي والتي لعضو مجلس الإدارة الأستاذ/ كون كورفياتيس و الكابتن / فهد سندي مصلحة غير مباشرة فيها، وهي عبارة عن تقديم خدمات المناولة الأرضية و كانت قيمة التعاملات في عام 2022م تقدر بقيمة 38,005,805 ريال سعودي و أن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية. (مرفق)</p> <p>11. التصويت على الأعمال والعقود التي تمت بين الشركة و شركة طيران أديل والتي لعضو مجلس الإدارة الأستاذ/ كون كورفياتيس و الكابتن/ فهد سندي مصلحة غير مباشرة فيها،</p> |
|---|---|

جدول أعمال اجتماع الجمعية العامة العادية (الاجتماع الأول)

Agenda of Ordinary General Assembly Meeting (First Meeting)

- Con Korfiatis and Capt. Fahd Cynndy has an indirect interest in it, which is about providing ground handling services at the Kingdom's airports, noting that transactions for the year 2022 amounted to 114,790,301 SAR annually, noting that these transactions are carried out on commercial basis and without preferential terms. (Attached)
12. Vote on the business and contracts between the company and the Saudi Logistics services Company, and a member of the Board of Directors Mr. Con Korfiatis and Capt. Fahd Cynndy has an indirect interest in it, which is about providing ground handling services at the Kingdom's airports, noting that the transactions for the year 2022 amounted 13,753,616 SAR annually, noting that these transactions are carried out on commercial basis and without preferential terms.(Attached)
13. Vote on the business and contracts between the company and Saudi Arabian Airlines Corporation, and a member of the Board of Directors Mr. Con Korfiatis Capt. Fahd Cynndy has an indirect interest in it, which is about providing VAT receivable, noting that transactions in the year 2022 amounted to 62,714,209 SAR annually noting that these transactions are carried out on a commercial basis and without preferential terms. (Attached)
14. Vote on the business and contracts between the company and the Saudi Airlines Catering Company, and a member of the Board of Directors Mr. Con Korfiatis and Capt. Fahd Cynndy has an indirect interest in it, which is about services received, noting that transactions for the year 2022 are amounted at 41,601,809 SAR annually, noting that these transactions are carried out on commercial basis and without preferential terms. (Attached)
15. Vote on the business and contracts between the company and Saudi Amad Company, and a member of the Board of Directors Eng. Khalid Al Buainain has an indirect interest in
- وهي عبارة عن تقديم خدمات المناولة الأرضية في مطارات المملكة و كانت قيمة التعاملات في عام 2022م تقدر بقيمة 114,790,301 ريال سعودي و أن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية. (مرفق)
12. التصويت على الأعمال والعقود التي تمت بين الشركة وشركة سال السعودية للخدمات اللوجستية والتي لعضو مجلس الإدارة الأستاذ/ كون كورفياتيس و الكابتن/ فهد سندي مصلحة غير مباشرة فيها، وهي عبارة عن تقديم خدمات المناولة الأرضية في مطارات المملكة و كانت قيمة التعاملات في عام 2022م تقدر بقيمة 13,753,616 ريال سعودي سنوياً وأن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية. (مرفق)
13. التصويت على الأعمال والعقود التي تمت بين الشركة و المؤسسة العامة للخطوط الجوية العربية السعودية والتي لعضو مجلس الإدارة الأستاذ/ كون كورفياتيس و الكابتن/ فهد سندي مصلحة غير مباشرة فيها، وهي عبارة عن تقديم خدمات ضريبة القيمة المضافة المستحقة و كانت قيمة التعاملات في عام 2022م تقدر بقيمة 62,714,209 ريال سعودي سنوياً وأن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية. (مرفق)
14. التصويت على الأعمال والعقود التي تمت بين الشركة و الخطوط الجوية السعودية للتموين والتي لعضو مجلس الإدارة الأستاذ/ كون كورفياتيس و الكابتن/ فهد سندي مصلحة غير مباشرة فيها، وهي عبارة عن خدمات مقدمة و كانت قيمة التعاملات في عام 2022م تقدر بقيمة 41,601,809 ريال سعودي سنوياً وأن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية. (مرفق)
15. التصويت على الأعمال والعقود التي تمت بين الشركة وشركة الأمد السعودي والتي لرئيس مجلس الإدارة المهندس/خالد

جدول أعمال اجتماع الجمعية العامة العادية (الاجتماع الأول)

Agenda of Ordinary General Assembly Meeting (First Meeting)

<p>it, which is about operational vehicle leasing services agreement, noting that the transactions for the year 2022 amounted 10,885,182 SAR annually, noting that these transactions are carried out on commercial basis and without preferential terms. (Attached)</p> <p>16. Vote on the business and contracts between the company and Bupa Arabia for Cooperative Insurance Company, and a member of the Board of Directors Mr. Nader Ashoor has an indirect interest in it, which is about transactions on behalf of the company for Insurance services, noting that the transactions for the year 2022 amounted 93,948,758 SAR annually, noting that these transactions are carried out on commercial basis and without preferential terms. (Attached)</p> <p>17. Vote on the business and contracts between the company and Saudi Amad Company, and a member of the Board of Directors Eng. Khalid Al Buainain has an indirect interest in it, which is about transactions on behalf of the company for Crew bus , deportees and Passenger buses noting that the transactions for the year 2022 amounted 80,089,917 SAR annually, noting that these transactions are carried out on commercial basis and without preferential terms.(Attached)</p>	<p>البوعينين مصلحة غير مباشرة فيها، وهي عبارة عن إتفاقية خدمات تأجير مركبات و كانت قيمة التعاملات في عام 2022م تقدر بقيمة 10,885,182 ريال سعودي وأن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية. (مرفق)</p> <p>16. التصويت على الأعمال والعقود التي تمت بين الشركة وشركة بوبا العربية للتأمين التعاوني والتي لعضو مجلس الإدارة الأستاذ/ نادر بن محمد صالح عاشور مصلحة غير مباشرة فيها، و هي عبارة عن تقديم خدمات التأمين و كانت قيمة التعاملات في عام 2022م تقدر بقيمة 93,948,758 ريال سعودي سنوياً وأن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية. (مرفق)</p> <p>17. التصويت على الأعمال والعقود التي تمت بين الشركة وشركة الأمد السعودي والتي لرئيس مجلس الإدارة المهندس/ خالد البوعينين مصلحة غير مباشرة فيها، وهي عبارة عن التعاملات الخاصة بنقل الملاحين والركاب والمرحلين و كانت قيمة التعاملات في عام 2022م تقدر بقيمة 80,089,917 ريال سعودي سنوياً وأن كافة التعاملات تمت على أسس تجارية وبدون مزايا تفضيلية. (مرفق)</p>	
<p>Attached</p>	<p>مرفق</p>	<p>نموذج التوكيل Proxy Form</p>
<p>The right to record attendees for the meeting ends at the beginning of the Assembly's meeting and the right to vote on the terms of the Assembly for those who expire when the sorting committee ends. Accordingly, the donated shareholders will be able to vote electronically on the agenda items from (1:00) AM on Thursday 15-06-2023G, corresponding to 26-11-1444H as of the end of the meeting on Monday ,19-06-2023G. Therefore the Company invite its shareholders to use electronic voting remotely through the website of the "Tadawulaty" http://tadawulaty.com.sa as registration in the "Tadawulaty" and voting will be available free of charge to all shareholders.</p>	<p>بإمكان المساهمين الكرام المسجلين في خدمات تداولاتي التصويت إلكترونياً عن بعد على بنود جدول أعمال الجمعية بدءاً من الساعة (1:00) صباحاً يوم الخميس 15-06-2023م الموافق 26-11-1444هـ وحتى نهاية وقت انعقاد الجمعية يوم الإثنين 12-01-1444هـ حسب تقويم ام القرى و الموافق 19-06-2023م وعليه ندعو جميع مساهمي الشركة الى إستخدام التصويت الالكتروني عن بعد وذلك عبر زيارة الموقع الالكتروني الخاص بخدمات تداولاتي عبر الرابط التالي http://tadawulaty.com.sa علماً بأن التسجيل في خدمات تداولاتي والتصويت متاح مجاناً لجميع المساهمين.</p>	<p>التصويت الالكتروني E-Vote</p>

جدول أعمال اجتماع الجمعية العامة العادية (الاجتماع الأول)

Agenda of Ordinary General Assembly Meeting (First Meeting)

The right to record attendees for the meeting ends in the beginning of the Assembly's meeting and the right to vote on the terms of the Assembly for those who expire when the sorting committee ends.	احقية تسجيل الحضور لاجتماع الجمعية تنتهي وقت انعقاد اجتماع الجمعية. كما ان احقية التصويت على بنود الجمعية للحاضرين تنتهي عند انتهاء لجنة الفرز من فرز الاصوات.	احقية تسجيل الحضور والتصويت Eligibility for Attendance Registration and Voting
If there are any inquiries, please contact Shareholders Relations Department: Tel: 012690999 EXT: 8866 E-mail: mdhaifallah@saudiags.com.	وفي حال وجود أي استفسار نأمل التواصل مع إدارة علاقات المساهمين بالشركة عبر الهاتف رقم 012690999 تحويلة 8866 أو عبر البريد الإلكتروني mdhaifallah@saudiags.com	طريقة التواصل Method of Communication
		الملفات الملاحقة Attached Document

Audit Committee report for the year 2022 for shareholders meeting

Table of Contents

Introduction	3
1. The Appointment of the Audit Committee:.....	3
2. Committees Roles and responsibilities:.....	3
a. Financial Reports:	3
b. Internal Audit.....	4
c. External Auditors	4
3. Audit committee members	5
4. Audit Committee Meetings	5
5. Achievements of the Audit Committee	6
6. The Audit committee's opinion on the adequacy of the company's internal control system.....	6

Introduction

In line with the provisions of the Company Law issued by the Ministry of Commerce and the Regulations of Corporate Governance issued by the Financial Market Authority and the company by Law, all of which stipulated that the Audit committee should carry out the tasks of supervising the internal audit department in the company, which undertake the systems of control and reports and the recommendation of the appointment of external auditors and determining their fees , As well as in supervising any other tasks that the Board of Directors request, which ensures the activation of the supervisory role in the company, the Audit committee during 2022 carried out all the tasks assigned to it in accordance with the regulations and the committee charter of the Audit committee, which was approved by the General Assembly of Shareholders.

According to Article 104 of the Companies Law issued by the Ministry of Commerce, this annual report of the Audit Committee has been prepared to show the committee opinion on the adequacy of the company's internal control system and other work within its jurisdiction.

1. The Appointment of the Audit Committee:

The Audit committee of the Saudi Ground Services Company was formed based on a decision of the General Assembly which was held on 09/03/2022, whose cycle ends on 05-05-2022 based on Article No. (101) of the Company Law issued by the Ministry of Commerce and the adoption of the basic rules, which includes the committee charter and the remuneration of its members.

2. Committees Roles and responsibilities:

The Committee is responsible for monitoring the company's work and verifying the integrity of its reports, financial statements and internal control systems, and the commission's Roles includes the followings:

a. Financial Reports:

2. Audit the company's financial statements, lists and financial performance announcements before submission to the Board of Directors to ensure their integrity, fairness, and transparency and to express their opinion.

3. Provide technical opinion at the request of the Board of Directors as to whether the Board's report - and the Company's financial lists are fair, balanced, and understandable and include information that allows shareholders and investors to assess the financial position or status of the Company, its performance, its business model, and its strategy.
4. Study any significant or unusual issues contained in financial reports and accounts.
5. Carefully consider any matters raised by the company's financial manager, his/her supervisor, the company's compliance manager or internal auditor.
6. Verification of accounting estimates in material matters in financial reports.
7. Study of company accounting policies and make an opinion and recommendation to the Board of Directors.
8. Meeting with executive management and external auditors to audit and discuss the company's operational quarterly results and annual financial statements, as well as all internal oversight reports or summaries.
9. Meeting with the internal auditor to review the internal audit reports and to discuss the company quarter results and the quarter and financial results.
10. Audit other relevant reports or financial information provided by a company to a government agency, or the public, and related reports submitted by the external auditors or their summaries.

b. Internal Audit:

1. Study and audit the internal and financial control systems of the company.
2. Study internal audit reports and follow up on the implementation of corrective actions for the observations contained therein.
3. Oversight and oversight of the performance and activities of the internal auditor, internal audit management, governance, and compliance of the company, to ensure that the necessary resources are available and effective in performing the work and tasks assigned to it. If the company does not have an internal auditor, the committee shall make its recommendation to the board as to the need for his appointment and, if not, shall state the reasons in the annual report.
4. Recommend to the Board of Directors the appointment of the Director of the Internal Audit or Management Unit or Internal Auditor and propose rewards.

c. External Auditor:

1. Recommend to the Board of Directors the appointment, dismissal, determination of fees and performance evaluation of external auditors, after ascertaining their independence and auditing the scope of their work and the terms of their engagement.
2. Verify the independence and objectivity of external auditors and the effectiveness of the audit work, taking into account relevant rules and standards.

3. Audit the plan and work of the external auditors of the company and verify and reflect on their failure to submit technical or administrative works outside the scope of the audit.
4. Answer inquiries from external corporate auditors.
5. Study external auditors' reports and observations on the financial statements and follow-up action taken thereon.
6. Audit with the external auditor any problems or difficulties encountered and audit the management response.

3. Audit committee members:

	Name	Membership title	General Assembly approval
1	Dr. Omar Abdullah Jafari	Committee Chairman	The membership of the members started with the third cycle of the board from 06/05/2022 to 05/05/2025
2	Mr. Adel Abul Khail	Committee member	
3	Mr. Saleh Abdulrahman Al-Fadl	Committee member	
4	Mr. Hisham Ali Al-Aqel	Committee member	
5	Mr. Nader Mohammed Saleh Ashoor	Committee member	
6	Mr. Mohammed AL Yemni	Committee member	His membership ended on 05/05/2022

4. Audit Committee Meetings:

During 2022 from 1-1-2022 to 31-12-2022 the audit committee held five meetings as follows:

Number of meetings (5) during 2022						
Member Name	First 23/03/2022	Second 17/05/2022	Third 21/08/2022	Fourth 03/11/2022	Fifth 19/12/2022	Total
Dr. Omar bin Abdullah Jafari	Present	Present	Present	Present	Present	5
Mr. Saleh Al-Fadl	Present	Present	Present	Present	Present	5
Mr. Hisham Ali Al-Aqel	Present	Present	Present	Present	Present	5
Mr. Adel Al-Khail	Present	Present	Present	Present	Present	5
Mr. Muhammad Ali al-Yemni	Present	His membership ended on 05/05/2022				1
Mr. Nader Ashoor	His membership started from 06/05/2022 to 05/05/2025	Present	Present	Present	Present	4

5. Achievements of the Audit Committee:

During 2022, the Committee achieved several achievements in achieving the objective for which the Committee was formed, which is activating the supervisory role in the company, the Committee took several decisions and recommendations to the Board of Directors to ensure the continuity of the business, including but not limited to the following:

- 1- Recommendation for the financial statement approval for the financial year 2021
- 2- Recommendation for approval of financial statement for first quarter of 2022
- 3- Review internal audit plan for 2022.
- 4- Approval of internal audit plan and supervise it works and review its report through 2022.
- 5- Appointing internal auditor.
- 6- Follow up on the implementation of corrective actions for the observations contained in the internal audit report.
- 7- Follow-up of regulatory letters and reports.
- 8- Follow-up the conduct of internal control work and its effectiveness.
- 9- Approving the internal audit plan for 2023.

6. The Audit committee's opinion on the adequacy of the company's internal control system:

One of the responsibilities and roles of the audit committee is to ascertain the adequacy of the internal control of the company and to conduct its work in accordance with established best practices, by following up and examining reports issued by the internal or external auditor or the compliance department. The audit committee's opinion on the adequacy of the company's internal control system is as follows:

Executive management:

The company's executive management has signed declarations affirming its responsibility to provide internal control procedures to ensure the effectiveness and efficiency of the company's operations and control procedures, including the credibility and integrity of the financial reports and the compliance with the regulations, laws, and policies in force .

Internal Audit:

The company's internal audit department also implements the annual audit plan approved by the audit committee to assess the applicable internal control situation, focusing on the evaluation of the regulatory environment, organizational structure, risks, policies and procedures, the segregation of tasks and information systems by randomly sampling planned activities for audit to ascertain the effectiveness and efficiency of the internal control systems designed and applied, and obtaining assurances of the effectiveness and efficiency of internal control procedures during the year.

External Auditor:

The Audit Committee ensured that the external auditor performed his responsibilities towards the company by following up on the plans and implementing the audit work to obtain a high degree of satisfaction that the accounting standards, which are known in Saudi Arabia, were applied in the company and that the quarterly and annual financial statement results reports of the company were free of material errors, in accordance with the unqualified opinion of the external accountant during 2022. Based on the annual examination of the internal control procedures tested during 2022 by the Audit and External Auditor Committee and the internal audit department of the company, the results of this examination indicated that there were several observations during 2022 and most of them were addressed. It is therefore not possible to emphasize the comprehensiveness of the internal audit procedures and evaluations conducted in the Kingdom, as they are based on random sampling efforts. The above improvement, and the developments are ongoing by the Committee and the company's internal control departments to ensure more effective and efficient follow-up mechanism to internal control processes and procedures.

Dr. Omar Jefri
Committee Chairman
Saudi Ground Services Company

Related Parties transaction Chairman letter to AGM +
Related Parties transaction Independent Auditor report

Date: 22 Ramadan 1444 H
Corresponding: 13 April 2023 G

Dear/ Shareholders of the Saudi Ground Services Company

Greetings,

Subject: Reporting contracts and business with related parties in which Board Members have an interest (Direct/ Indirect):

In implementation with the provisions of Article (71) of the Companies Law issued by the Ministry of Commerce and Ministerial Decree No. 32565 dated 27 Jumada II H, and based on the provisions of the regulatory controls and procedures issued in implementation of the Companies Law of Joint Stock Companies, regarding reporting on business and contracts that are concluded with other companies, I would like to inform your association esteemed on these business and contracts as per attachments and notifications submitted by the members of the Board of Directors.

	Related party	Type of relationship with the company	Type of contracts and business	Term	Transactions Amount (SAR)	Terms of business or contract	Member name
1	Saudi Airlines for Air Transport	It is owned by the Saudia Airlines by 100% and is a founding shareholder in the company by 52.5%	Services provided	Seven years, automatically renewed annually	975,129,944	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudia Arabian Airline and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Eng. Fahd Sindi and Mr.Con Cofartis.
2	Saudia Aerospace Engineering Industries one-person company Ltd.	It is 100% owned by the Saudia Airlines and is a founding shareholder in the company.	Services provided	Transactions that are not specified for a period of time	38,585,481	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.
3	Saudi-private-aviation Ltd.	It is 100% owned by the Saudia Airlines and is a founding shareholder in the company.	Services provided	Three years, automatically renewed annually	16,117,047	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.
4	The Royal Saudi Fleet	It is 100% owned by the Saudia Airlines and is a founding shareholder in the company.	Services provided	One year, automatically renewed annually	38,005,805	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is represented in the

							Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.
5	Flyadel Airline	It is 100% owned by the Saudia Airlines and is a founding shareholder in the company.	Services provided	Transactions that are not specified for a period	114,790,301	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.
6	Saudi SAL Logistics Services Company	It is 100% owned by the Saudia Airlines and is a founding shareholder in the company.	Services provided	Transactions that are not specified for a period	13,753,616	The same terms and standards as with others without any preferences.	It is 70% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis..
7	Saudia Airlines	It is 100% owned by the Saudia Airlines and is a founding shareholder in the company.	VAT due	Agreement that are not specified for a period of time	62,714,209	The same terms and standards as with others without any preferences.	It is 100% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.
8	Saudi Airlines Catering	It is 35.7% owned by the Saudia Airlines and is a founding shareholder in the company.	Catering service for the company's employees	Seven years, automatically renewed annually	41,601,809	The same terms and standards as with others without any preferences.	It is 35.7% owned by the Saudi Arabian Airline and it is a founding shareholder in the company by 52.5%. It is represented in the Board of Directors by Eng. Fahd Cynndy and Mr.Con Cofartis.
9	SAAS	Joint Venture	Operational vehicle leasing services agreement	Transactions that are not specified for a period	10,885,182	The same terms and standards as with others without any preferences.	Joint Venture and It is represented in the Board of Directors by Eng. Khalid Al Buainain
10	Bupa Arabia for Cooperative Insurance Co. SJSC	Common Key Management Personnel	Insurance services	One year agreement	93,948,758	Same terms and standards adopted with third parties without preferential terms.	It is represented in the Board of Directors by Mr. Nader Ashoor
11	SAAS	Joint Venture	Crew bus , deportees and Passenger buses	Transactions that are not specified for a period of time	80,089,917	The same terms and standards as with others without any preferences.	Joint Venture and It is represented in the Board of Directors by Eng. Khalid Al Buainain

Accept our Regards and Appreciation



Chairman

Eng. Khalid Al Buainain



LIMITED ASSURANCE REPORT TO THE SHAREHOLDERS OF SAUDI GROUND SERVICES COMPANY (A SAUDI JOINT STOCK COMPANY)

Scope

We have been engaged by Saudi Ground Services Company (the “Company”) to perform a ‘limited assurance engagement,’ as defined by International Standards on Assurance Engagements endorsed in the Kingdom of Saudi Arabia, here after referred to as the engagement, on the Company’s compliance with the requirements of Article (71) of the Companies’ Law (the “Subject Matter”) contained in the Company’s attached notification (Appendix A) which is presented by the Company’s Board of Directors to the Ordinary General Assembly on the transactions and contracts in which some members of the Company’s Board of Directors have a direct or indirect personal interest in them dated 13 April 2023.

Criteria Applied by the Company

In preparing the Subject Matter the Company applied the below criteria (the “Criteria”). Such Criteria were specifically designed for the notification presented by the Company’s Board of Directors to the Ordinary General Assembly (Appendix A). As a result, the subject matter information may not be suitable for another purpose.

- Article (71) of the Companies’ Law issued by the Ministry of Commerce.
- Notification presented by the Company’s Board of Directors to the Ordinary General Assembly (Appendix A) dated 13 April 2023.
- Declarations submitted by some of the Company’s Board of Directors’ members regarding the transactions and contracts in which some members of the Company’s Board of Directors have a direct or indirect personal interest in them dated 13 April 2023.

Management Responsibilities

The Company’s management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

Our Responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

**LIMITED ASSURANCE REPORT TO THE SHAREHOLDERS OF
SAUDI GROUND SERVICES COMPANY
(A SAUDI JOINT STOCK COMPANY) (continued)**

Our Responsibilities (continued)

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (“ISAE 3000”) endorsed in the Kingdom of Saudi Arabia, and the terms of reference for this engagement as agreed with the Company on 3 May 2023. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Our Independence and Quality Management

We have maintained our independence and confirm that we have met the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia, and have the required competencies and experience to conduct this assurance engagement.

Our firm also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of Procedures Performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management’s internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject matter and related information and applying analytical and other appropriate procedures.

**LIMITED ASSURANCE REPORT TO THE SHAREHOLDERS OF
SAUDI GROUND SERVICES COMPANY
(A SAUDI JOINT STOCK COMPANY) (continued)**

Description of Procedures Performed (continued)

Our procedures included:

- Obtained the notification presented the by the Company's Board of Directors to the Ordinary General Assembly (Appendix A), regarding the transactions and contracts entered into by the Company in which some of the Board of Directors' members directly or indirectly with the Company dated 13 April 2023.
- Obtained the declarations from some of the Company's Board of Directors' members for the transactions and contracts done with the Company's in which some members of the Company's Board of Directors have a direct personal interest in them dated 13 April 2023.

We also performed such other procedures as we considered necessary in the circumstances.

Other Matter

The attached notification (Appendix A) is stamped by us for identification purposes only.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that need to be made to the Subject Matter, in order for it to be in accordance with the Criteria applied by the Company referred to above.

for Ernst & Young Professional Services



Abdulaziz S. Alarifi

Certified Public Accountant
License No. (572)

Jeddah: 14 Shawwal 1444H
4 May 2023G



Proxy Form

Proxy Form

نموذج التوكيل

Clarification on the Proxy form	إيضاح حول نموذج التوكيل
<p>The proxy form is not available.</p> <p>As the General Assembly will only be conducted through modern technology using Tadawulaty website http://tadawulaty.com.sa</p> <p>as registration in Tadawulaty Service and voting will be available free of charge to all shareholders.</p>	<p>نموذج التوكيل غير متاح</p> <p>حيث سيتم الاكتفاء بعقد الجمعية العامة العادية عبر وسائل التقنية الحديثة باستخدام منظومة تداولاتي. http://tadawulaty.com.sa</p> <p>و سيكون التسجيل و التصويت في خدمة تداولاتي متاحاً و مجاناً لجميع المساهمين.</p>