



سيسكو القابضة
SISCO HOLDING

Item Attachment 1



سيسكو القابضة
SISCO HOLDING

Delivering Returns on Infrastructure

Annual Report 2023





In the name of Allah, most Gracious, most Merciful



We intend to provide better opportunities for partnerships with the private sector through three pillars: our position as the heart of the Arab and Islamic worlds, our leading investment capabilities, and our strategic geographical position. We will improve the business environment, so that our economy grows and flourishes, driving healthier employment opportunities for citizens and long-term prosperity for all. This promise is built on cooperation and on mutual responsibility.

His Royal Highness
Prince Mohammed bin Salman bin Abdulaziz Al Saud
Crown Prince, Prime Minister, and Chairman of the Council
of Economic and Development Affairs.



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



His Royal Highness Crown Prince and Prime Minister
Mohammed bin Salman bin Abdulaziz Al Saud

Contents

Overview

6	Introduction to SISCO Holding	10	At a Glance
8	Key Highlights	14	Strategic Partners
		16	2023 Year in Review

Strategic Review

20	Chairman's Review	40	Market Overview
22	CEO's Review	42	CFO's Review
26	Investment Case	46	Digital Transformation
28	Business Model	48	Portfolio Review
30	Synergistic Operating Model	66	Stakeholder Engagement
32	Strategy	68	ESG at SISCO Holding

Governance Performance Report

78	Board of Directors	90	Board and Committees
88	SISCO Holding Management Team		

Financial Review

106	Key Financial Indicators	112	Bank Loans and Debt Instruments
108	Balance Sheet	113	Repayment Profile
109	Income Statement	113	Payments to Government Authorities
110	Key Ratios		
111	Key Financial Data		
112	Geographical Analysis of Revenue		

**2023 Year
in Review**



16



**Cloud
Migration**

47

**Mergers and
Acquisitions
Strategy in Action**



38

**ESG at
SISCO Holding**



68

**Women
Leadership at
SISCO Holding**



72



01

Overview



Introduction to SISCO Holding	6
Key Highlights	8
At a Glance	10
Strategic Partners	14
2023 Year in Review	16

About us

SISCO Holding is the Kingdom's first publicly listed infrastructure investment holding company and a key enabler of Saudi Arabia's infrastructure and logistics strategy.

As an investor in essential infrastructure assets that are critical for Saudi Arabia, SISCO Holding has an integrated portfolio under two verticals that provide seamless, end-to-end, logistics and water solutions delivering long term sustainable value.

Our Vision

To be the leading infrastructure investor in Saudi Arabia across the ports, logistics, and water solutions value chains.

Our Values



Transparency



Collaboration



Accountability



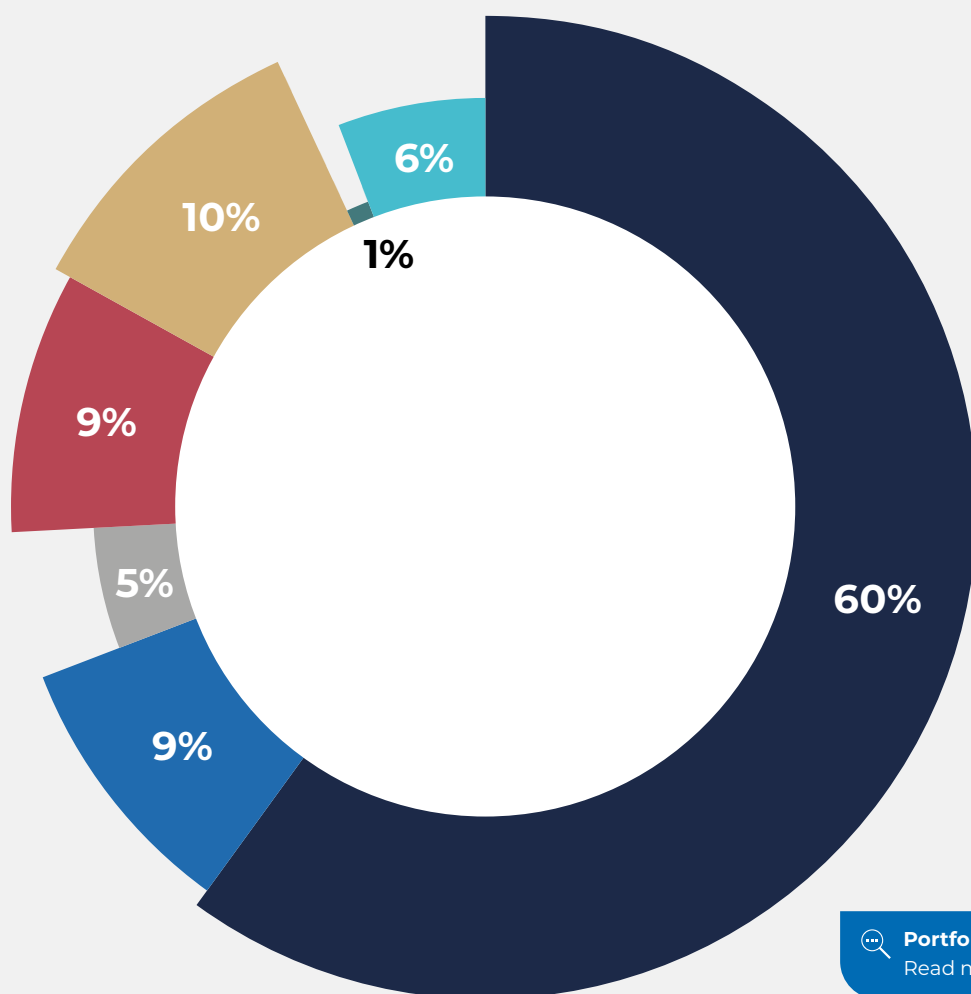
**Stakeholder
sustainability**



To develop a portfolio of value-accretive assets to support Saudi Arabia's ambitions as a globally competitive infrastructure and logistics hub.

A Diversified and Differentiated Portfolio

Portfolio companies are 1st or 2nd in their sector.
Strong Synergies Across Portfolio



Key Highlights

4

M&A deals negotiated and
2 completed

SAR

167.9_m

Equity deployed to finance M&A

SAR

672.3_m

Invested by portfolio companies
towards expansion

89%

of SISCO Holding cash was deployed
and committed

112.6%

Increase in Adjusted Net Income

SAR

1b revenue

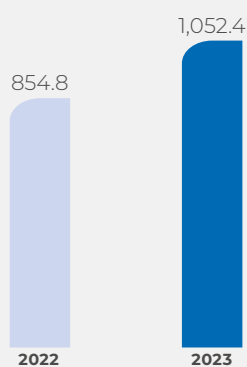
Highest ever reported by SISCO Holding



سيسكو القابضة
SISCO HOLDING

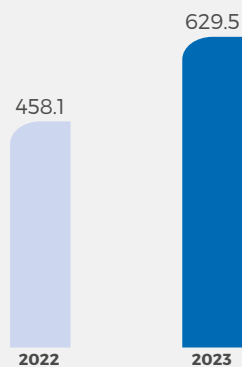
SISCO renamed as Sustained
Infrastructure Holding Company
(SISCO Holding)

Adjusted Revenue



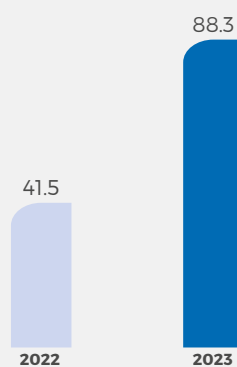
All figures in SAR millions

Adjusted EBITDA



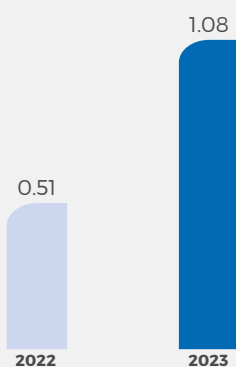
All figures in SAR millions

Adjusted Net Income



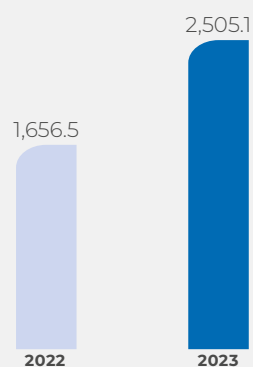
All figures in SAR millions

Adjusted EPS



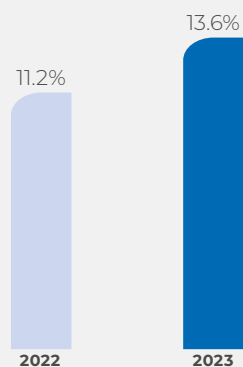
All figures are in SAR

Market Capitalization



All figures in SAR

ROIC



All figures are in %

Who We Are

SISCO Holding is an investment holding company with 8 portfolio companies across two vertical markets: ports and logistics, and water solutions. As the Kingdom's leading first publicly listed full-cycle logistics and infrastructure investment company, SISCO Holding has a proven track record in identifying and developing industry leaders, and transforming them into national champions.

Through organic and Mergers and Acquisitions (M&A) strategy and the pursuit of synergistic opportunities across the logistics value chain, SISCO Holding sets out to dominate the entire port-to-door logistics journey.



Ports & Logistics



Water Solutions



Our DNA



Investing in Infrastructure Assets and Developing Long Term Concessions



Strategic Partnerships with Leading Local and International Players



High Barriers to Entry



Long Term Investment Focus



Strong Synergies between Assets

Our Presence

**KEY**Ports
& LogisticsWater
Solutions**KSA**

Jeddah | Rabigh | Taif | Madinah |
Neom | Tabuk | Riyadh | Dammam |
Jubail | Alkhar | Sudair | Shagrah
Zulfy Buraidah | Qassim Arar |
Hafr Al-Baten

GCC and South Asia

Oman | UAE | Qatar | Bahrain |
Kuwait | Bangladesh

Our Journey

Since its establishment in 1988, SISCO Holding has built a strong reputation as a leading infrastructure investment holding company with a portfolio of highly profitable and high-growth businesses across two vertical markets: logistics and ports, and water solutions.

Phase 1 – Beginnings (1988-1999)

1988

SISCO was founded with a capital investment of SAR 59 million. The goal was to provide services required by factories and businesses operating in the industrial area of Jeddah through an “Outsourcing” system, allowing these factories to focus on their core businesses and production lines in order to compete in local and global markets. Approximately 18 different services were offered to businesses.

1989

SISCO decided to focus on four industrial services covering catering services, medical center that provided medical services for workers in the industrial area, vehicle maintenance services and operating two gas stations.

1990

SISCO starts providing industrial services in the Jeddah and Riyadh regions.

2006

Tawzea was established as a joint venture between SISCO and AMIANTIT.

2004

SISCO established ISNAD, to provide operational services in Jeddah and Riyadh industrial cities.

2002

SISCO became the first infrastructure company to be traded on the Saudi main stock market “Tadawul”.

2001

The establishment of KINDASA, the first private sector seawater desalination plant.

2007

- The establishment of Red Sea Gateway Terminal (RSGT), Saudi Arabia’s first private sector Build- Operate- Transfer Container Terminal.
- SISCO invested in S.A. TALKE, a specialized petrochemical logistics solutions provider.

2009

RSGT commenced operations.

Phase 2 – Incubation (2000-2014)

2000

- SISCO pivoted to infrastructure investments and decided to focus on logistics and water services by establishing and incubating Greenfield companies to serve specific markets.
- Established Saudi Trade and Export Development Company (TUSDEER), which was the first bonded and re-export zone developed by the private sector in Saudi Arabia.

Phase 3 – Scaling and Consolidation (2015-2020)

2015

Launching SISCO's first 5 year plan aiming at redefining SISCO as a Holding Company and built organizational capabilities, and enforcing strong governance.

2016

- TUSDEER rebranded as LogiPoint.
- SISCO Holding increased its shares at KINDASA by 5%.

2019

RSGT signed a new 30-year concession to operate the north container terminal.

2020

Tawzea signed a concession to operate the Kingdom's first Independent Sewage Treatment Plant (ISTP) in Taif.

2022

Setup of SISCO Holding's investment vehicles, RSPDI and RSGTI, to focus on international expansion.

2021

- SISCO launches its second five year strategy (6x26) aiming to redefine SISCO as a long-term strategic infrastructure investment holding company.
- SISCO completed the development of environmental social an corporate governance initiatives framework.
- SISCO Holding sold a 21.2% stake in RSGT to COSCO and PIF for SAR 556.5 million.
- Green Dome acquired shares in ELITE logistics.

2023

- SISCO changes its name to Sustained Infrastructure Company (SISCO Holding).
- SISCO Holding completed the purchase of 31.7% stake in the logistics investment fund "Green Dome", from its subsidiary LogiPoint, to deepen its penetration of the logistics services space.
- SISCO Holding crosses SAR 1 billion revenue mark for the first time in its history.

Phase 4 – Transformation (2021-2026)

Strategic Partners

At SISCO Holding, our partnership strategy is guided by the principles of collaboration, service, and accountability, enabling us to build strategic long-term relationships with both domestic and international partners. We are proud of the partnerships we have built over the years, enabling us to build our businesses and to actively contribute to the development of a diverse and sustainable national economy in Saudi Arabia.

Strategic Partner



The Public Investment Fund (PIF) is one of the world's largest sovereign wealth funds, PIF has a world-class investment portfolio focusing on sustainable domestic and international investments.

Local Partners



Abdul Latif Jameel is a family-owned business founded in Saudi Arabia in 1945. Abdul Latif Jameel comprises diversified businesses across seven business segments with a predominant focus on the Middle East, North Africa, and Turkey.



Amiantit was incorporated in Dammam, Saudi Arabia, in 1968 to manufacture pipes for the local market. Amiantit serves sectors such as Municipal & Urban Development, Industrial, Oil & Gas, Water Transmission and Distribution, and Water Wells.

International Partners



COSCO SHIPPING Ports Ltd is a global leader and one of the world's fastest growing port operators.



Rais Hassan Saadi was founded in 1910 and ranks amongst the leading commercial enterprises in Dubai, with a core business of shipping and freight-related services.



ACCIONA was formed in 1997 and focuses on Infrastructure, Energy and Water. ACCIONA is a global group that develops and manages sustainable infrastructure solutions, especially in renewable energy. Its business spans the entire value chain, from design and construction to operation and maintenance.



MMC is a leading utilities and infrastructure group with diversified businesses – Ports & Logistics, Energy & Utilities and Engineering & Construction.



Alfred Talke is a 72-year-old privately held company spread across 69 locations worldwide with more than 3,800 employees. The Company is present in 16 countries in Europe, the Middle East, Asia and the USA. It serves as the logistics provider for the chemical and petrochemical industry.



Sharaf Group is a highly diversified business with operations in Shipping, Logistics, Supply Chain, Retail, Travel & Tourism, Information Technology, Financial Services, Hospitality and Real Estate, Education and Manufacturing. The Group is headquartered in Dubai and operates in 40 countries across the Middle East, Africa, the Indian subcontinent, and Asia.

2023 Year in Review

Midway through its 6x26 strategy implementation, SISCO Holding continues to engage and create value for all its stakeholders. This year, the company has managed to execute a strategic share buyback as well as to obtain new approval for a share buyback, in line with its capital allocation framework. The Company has also continued its plan to support transforming RSGT into an international multi-port operator, expanding SISCO Holding regional and international footprint.

SAR

106.3_m

invested in RSGT

SAR

61.6_m

invested in GDI

4

M&A deals agreed
during the year

December

SISCO Holding changes its name to Sustained Infrastructure Holding Co.

SISCO Holding deploys SAR 106.3 million in cash to Red Sea Gateway Terminal International Limited for Bangladesh Concession

Negotiated and agreed 4 M&A transactions

Invested a further SAR 7.9 million in GDI taking the total investment in GDI to SAR 61.6 million

November

SISCO Holding holds EGM and obtains approval of new share buyback

October

SISCO Holding launches its new website with the focus on increasing transparency and improving investor relations

September

Cash injection to GDI of SAR 6.4 million

February

SISCO Holding holds its first portfolio event to highlight the group's activities

March

SISCO Holding holds First Investor Day

April

SISCO Holding recruits new Head of M&A

June

SISCO Holding AGM and Election of New Board

July

Transfer of Green Dome from LogiPoint to SISCO Holding for SAR 47.3 million

August

SISCO Holding executes its share buyback
SISCO Holding recruits VP of Logistics

2023

An aerial photograph of a coastal city and port. In the foreground, there's a large parking lot filled with cars, and a port area with shipping containers and cranes. The middle ground shows a body of water with several boats. In the background, a city skyline is visible under a clear blue sky. The number '02' is overlaid in a large, white, outlined font in the upper left quadrant.

02

Strategic Review



Chairman's Review	20	Market Overview	40
CEO's Review	22	CFO's Review	42
Investment Case	26	Digital Transformation	46
Business Model	28	Portfolio Review	48
Synergistic Operating Model	30	Stakeholder Engagement	66
Strategy	32	ESG at SISCO Holding	68

Chairman's Review

It gives me great pleasure to introduce the SISCO Holding annual report for 2023. In a year of transformation, we achieved an outstanding set of results that reflects our operational resilience, agility, and a strong track record of generating sustainable returns for all our stakeholders.

Board Development

This year, we elected a new Board of Directors to serve for the next three years with the addition of two new Board Members. We welcomed the arrival of Rayyan Nagadi and Nader Ashoor, whose extensive experience and valuable perspectives will serve to bring additional benefits to our seasoned Board. I look forward to working closely with them and the rest of the Board to continue to ensure our culture of high performance and integrity.

At the same time, I would like to extend my gratitude to Dr Adnan Soufi and Dr Abdulaziz Jazzar, who are leaving the Board. Their individual and collective dedication during their tenure proved to be invaluable. Their dedication and unwavering commitment were instrumental in shaping our strategic direction.

Strategic Progress

In 2023, SISCO Holding delivered record consolidated revenues of more than SAR 1 billion for the first time in its 35-year history, and its net income more than doubled. This success was underpinned by our significant progress against our five-year strategy to focus on growing our portfolio and delivering increasing shareholder returns. I am proud of the progress we have made against our strategic goals we set at the end of 2021.

All our portfolio companies outperformed their plans, delivered revenue and profitability growth and increased market share. Each company has delivered its capital programs on time throughout the year, demonstrating the strong capital stewardship that the Company's assets have demonstrated over the years.

We also made steady progress on our M&A strategy. The deals agreed in 2023 were the result of a prudent approach to acquisitions, which factors in the underdeveloped nature of the M&A landscape in emerging markets. We have a thorough investment review and due diligence process to ensure that transactions we complete create value for our shareholders.

International Expansion

During the year we took our first steps towards RSGT's international expansion strategy by signing a 22 year concession agreement in partnership with the PIF, which is a 40% shareholder in RSGTI, to develop and operate the Patenga Container Terminal (PCT) in the Port of Chittagong in Bangladesh.

The concession was underpinned by a Government to Government framework agreement for joint cooperation between the Kingdom of Saudi Arabia and the People's Republic of Bangladesh, providing a solid regulatory framework. We want to thank the government of Saudi Arabia for their support in securing the concession.

The SAR 637.5 million project, in partnership with the Public Investment Fund (PIF), will serve to accelerate our global expansion efforts. The terminal will be managed and operated by a global seasoned leadership team.

This strategic move is a significant milestone for SISCO Holding and aligns with our vision of expanding our operations and establishing a strong presence in the global logistics and infrastructure sector.



In 2023, SISCO Holding delivered record revenues of more than SAR 1 billion for the first time in its 35-year history.

Governance and Sustainability

Our corporate strategy prioritizes sustainability for responsible growth and improving stakeholder value.

In FY2023, we advanced ESG initiatives across our businesses and SISCO Holding, improving sustainability implementation, enhancing engagement with portfolio companies on ESG themes, and integration of sustainability in investment processes.

The Board places strong emphasis robust risk management and internal controls, conducting regular audits and reporting for accountability and transparency.

Our governance structure across the Group, provides strong oversight while allowing portfolio companies autonomy to drive performance.

Shareholder Returns

While we have a firm focus on investing in growth, we have been a consistent dividend payer over the last 7 years, demonstrating our ability to strike a balance between investing in growth and paying dividends.

During 2023, we have committed to a dividend of SAR0.8 per share in line with the dividend policy we announced in 2022.

With our focus on value creation, we are pleased to report that we delivered total shareholder return of 51.2% during the year.

In addition, consistent with our capital allocation framework, SISCO Holding completed its strategic share buyback, demonstrating our belief in the underlying value that SISCO Holding holds.

Acknowledgements

I would like to thank our stakeholders and my fellow Board Members for their ongoing support during a year of significant growth, stability, and value creation. I am also especially grateful to our executive management and colleagues at every level across all our portfolio of companies. Their hard work and dedication were instrumental in delivering record results against an often-uncertain global backdrop.

Outlook

Looking ahead, we remain confident in the strong foundations of SISCO Holding's resilient business model, and the market-leading positions enjoyed by our portfolio companies.

The Company has remained disciplined in its investment approach, and has succeeded in making a number of new investments during the year.

As our Company has grown, we have increased the size of the investments we can hold in our portfolio and the funding options we have available to us. We are well-placed to take advantage of new investment opportunities and to continue to support and grow our portfolio companies.

As a result, I am confident that with strong leadership, an ambitious strategy, and a robust liquidity position, we will continue to deliver growth and long-term value in 2024 and beyond.

Mr. Aamer Abdullah Alireza
Chairman of the Board



CEO's Review

In November 2023, SISCO Holding celebrated its 35-year anniversary. In 1988, "Saudi Industrial Services Co" was incorporated and began its transformational journey. Over the years, the Company has evolved to become an acknowledged leader in infrastructure investments, ports and logistics, and water assets. As a result, in 2023, we celebrated a record year of excellent results, continued growth, and ongoing momentum in implementing our strategy.

The most significant highlight of our achievements is crossing SAR 1 billion revenue for the first time in the Company's history. Our growth acceleration was manifested in the significant progress on our capital deployment at the SISCO Holding level, having deployed total capital of SAR 166.6 million in M&A transactions, investment in RSPDI and share buyback. Organically, and across the

group, our portfolio companies also made total investments of SAR 672.3 million to expand their capacity and operations, solidifying their position as market leaders in their respective fields.

Organically, and across the group, our portfolio companies also made total investments of SAR 672.3 million to expand their capacity and operations,

solidifying their position as market leaders in their respective fields.

A Year of Transformation and Progress on Implementing the 6x26 strategy

In 2023, my main objective was to accelerate the execution on the 6X26 strategy announced in October 2021 which aims to reach the value of our assets to SAR 6 billion by 2026 and



demonstrate our progress to the market. To do so, we needed a transformation on three levels; first to accelerate the growth and M&A objectives, which are at the core of the strategy; second, to enhance communication and transparency with the market; and third, to acquire more expertise to help achieve these goals.

Strong M&A and Investment Activity

One of the areas to which I committed to giving greater focus was driving the Company's M&A strategy. In 2023, we reached an agreement on four transactions and completed two with two expected to be finalized in 2024.

In July 2023, we completed the acquisition of Green Dome Investments from our subsidiary LogiPoint for a total consideration of SAR 47.3 million.

In December 2023, RSGTI, the newest member of SISCO's portfolio companies, signed a new concession to develop and operate a container terminal in Bangladesh in line with its plan to take RSGT global. The total planned investment is \$170 million which will be funded through debt and equity. SISCO Holding's share of equity contribution was \$28.2 million.

Three further acquisitions were agreed in December 2023; including signing a Non-Binding Agreement to acquire a third-party logistics asset. Our portfolio company GDI signed an SPA in December 2023 to acquire LogX for SAR 24 million, a specialized transportation company based in the UAE. The transaction was completed in January 2024.

We are particularly pleased to see this strong momentum in M&A combined with an overall increase in the scale of acquisitions, supported by investment in our M&A teams at the corporate level.



In 2023, we celebrated a record year of excellent results, continued growth, and ongoing momentum in implementing our strategy.



Investment strategy
Read more on page 35

Investment in Organic Growth

During the year, our portfolio companies increased investment supporting organic growth. Notable investments include SAR 556 million by RSGT to increase its capacity to 6.2 million TEUs and SAR 100 million by LogiPoint to increase its warehouse capacity from 73,000 m² to 123,000 m².

Our non-consolidated portfolio company Elite made additional investments to expand operations with total capex of SAR 85.8 million

The increase in these investments reflect the confidence our portfolio companies have in the substantial growth prospects they anticipate in their markets and solidifies their position as market leaders. Our services have never been more relevant than today as infrastructure assets are considered an important component of the Vision 2030.

Performance Overview

We delivered a strong financial performance across the year, delivering record revenue, growing underlying margins, and more than doubling our net income. Revenue in the year grew by 23.1% to SAR 1,052.4 million with adjusted net income increasing by 112.6%. The growth in top line was mainly driven by our ports segment, while net income growth was fueled by all three consolidated portfolio companies.

All our portfolio companies were cash positive, and the strong cash generation allowed all our companies to maintain a strong balance sheet, while making substantial investments to support our future growth.

Strengthening SISCO Holding Team and Improving Communication with the Investors

We repositioned SISCO Holding as an investment Holding Company, and we changed the company name to better reflect what it actually does today. The new name "Sustained Infrastructure Company" aligns more closely with the Company's purpose and objective. The move represents an important milestone in our evolution and our role as an enabler of the country's national transport and logistics infrastructure, as laid out in Saudi Vision 2030 and the National Transportation and Logistics Strategy.

To enhance our communication with the market, we revamped all our communication tools including our website and strengthened our

presence on social media. At the same time, we increased the flow of information across all these platforms to respond to the requirements of the investor community by enhancing the transparency on our financial results.

One of the most notable steps we took during the year – and a key component of our strategy – was to strengthen the business by hiring an experienced M&A team as well as a new Senior Vice President of Logistics. These significant hires, in addition to those in communication, human resources, and digital transformation, are critical in executing our strategy and providing support to our portfolio companies in their growth plans.

Women Empowerment

The Company continued to comply with the directives of Vision 2030 to empower women to leadership positions, with women in SISCO Holding influential positions in the Board of Directors and the investment Department.

Women at SISCO Holding account for 30% of the total workforce.

This is the first year in SISCO Holding where women occupied influential roles across the group in critical technological departments. For example, more than 15 Saudi women have been trained to operate remote controlled quay cranes in the port, among other roles. This is explained further in this report.

Digital Transformation

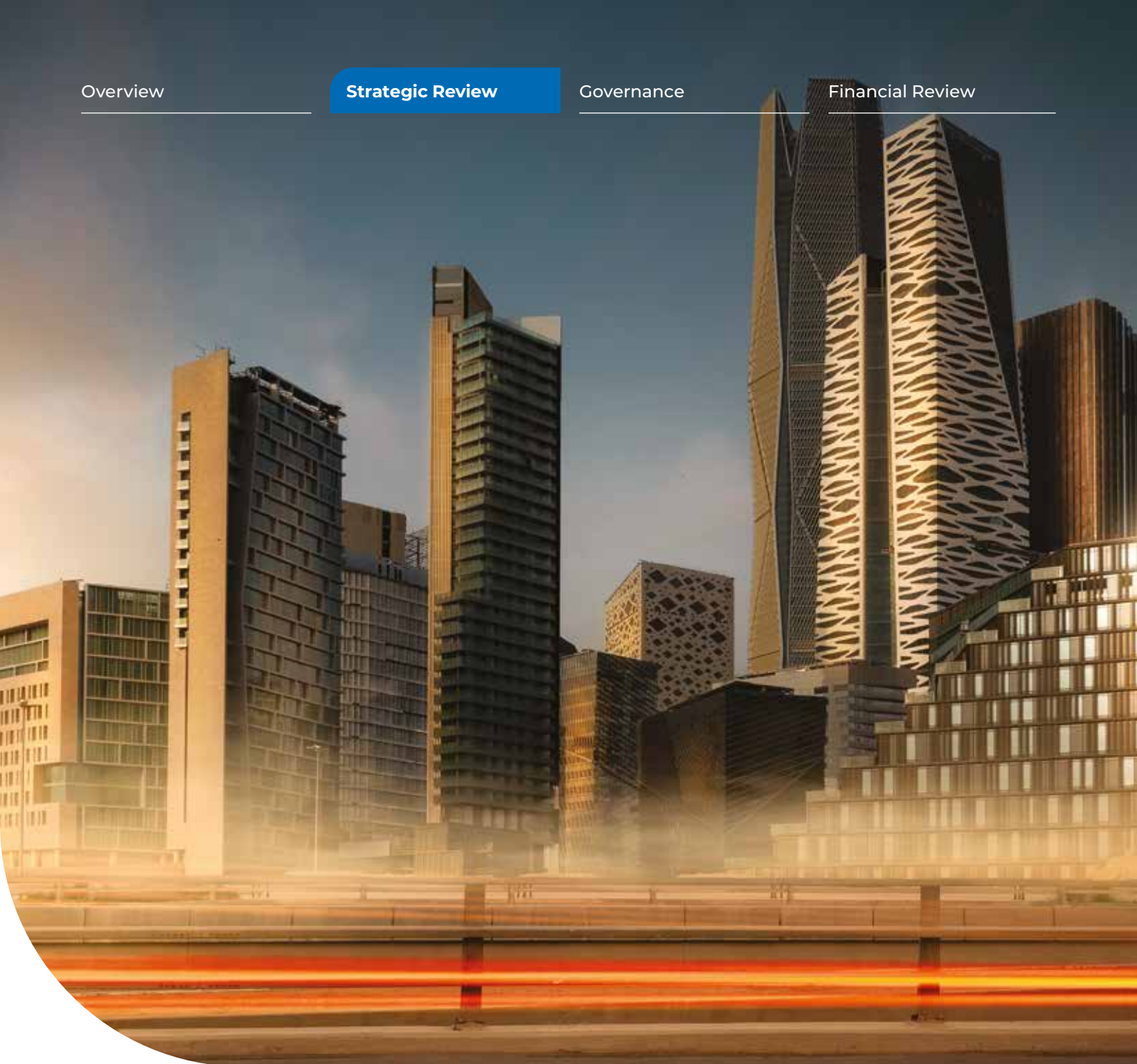
SISCO Holding completed its digital transformation strategy this year. The strategy aims at creating a comprehensive logistics platform that serves as a digital hub for our operations and ecosystem partners. This platform will integrate various technologies, and artificial intelligence (AI), to enable end-to-end visibility, real-time tracking, and seamless coordination across the supply chain.

SISCO Holding also moves all of its data servers to the cloud, which increased its security classification to (C), the highest available, and increased data transfer speeds significantly. Furthermore, data recovery is guaranteed through the cloud, while firewalls are updated remotely, instantly and autonomously.

SISCO Holding also moved all of its data servers to the cloud in 2023, which increased improved its security classification to Class (C), the highest available, and increased data transfer speeds significantly. Furthermore, data recovery is guaranteed through the cloud, while firewalls are updated remotely, instantly and autonomously.



Two M&A deals completed for SAR 167.9 million. Investment in expansion by portfolio companies of SAR 672.3 million.



Outlook

The year has once again highlighted the diverse and resilient nature of our, high-quality, low-risk business model. The strong performances delivered across the Group in 2023 suggest that our strategy for sustainable growth and shareholder value is succeeding. We expect this positive momentum to continue into 2024 and anticipate sustained topline and net income growth. Through our sharp focus on supporting organic growth measures in our portfolio companies and through further M&A appetite, the

Holding Company looks forward to gaining further traction across the entire logistics value chain next year.

We will continue to build on our strengths and to leverage the combined expertise of our portfolio companies in 2024. We will target new areas for organic growth, while simultaneously appraising acquisitive opportunities in our end markets. Significant levels of investment in our markets provide us with confidence in the Group's prospects for the year ahead. Furthermore, the Saudi Vision

2030 and the country's rapid move towards becoming a global logistics hub under the National Transportation and Logistics strategy, provide SISCO Holding with significant scope to further its ambitions as a one-stop-shop with comprehensive port-to-door capabilities covering the entire logistics value chain.

Khalid Suleimani
Chief Executive Officer

Investment Case

Differentiated Low-Risk Business Model



Our portfolio companies operate across a diverse range of markets with strong growth prospects, high barriers to entry and long-term sustainable returns. We undertake investment in essential infrastructure assets that are time and capital-intensive to develop, with low risk of technological disruption.

Attractive Market Dynamics



We have a unique opportunity to grow market share in our high return markets that are backed by infrastructure investment and long-term growth drivers. Our business segments operate in markets that are underpinned by resilient, long-term growth dynamics and government initiatives such as the National Transportation and Logistics Strategy. We are well-placed to benefit from these initiatives over the coming years that aims to make the Kingdom a regional logistics hub.

Market-Leading Position and Strong Execution Track Record



Our portfolio companies includes market-leading infrastructure assets in the GCC with supporting market fundamentals. SISCO Holding's autonomous model has delivered strong performance over the long term with a proven track record of generating strong returns and solid cash flow. Our investments are managed on a decentralized basis, with the Board providing strategic directions.

Superior Value-Creation through Portfolio Synergy



SISCO Holding supports its portfolio companies cross-collaboration across its two verticals to create an integrated portfolio achieving economies of scale and accelerating synergies. Our portfolio companies are benefiting from synergies, leveraging each other's strengths to drive operational efficiencies and to support the Group's operations in low-risk, capital-intensive sectors. The Company's Integrated Logistics Platforms, spanning our portfolio capabilities in ports and logistics, is providing SISCO Holding with a superior value creation model. Our water distribution, ideally positioned to benefit from the privatization of the segment, is harnessing Group synergies to establish its market leadership.

Expert Leadership and Management Teams



SISCO Holding's Board is composed of industry and investment experts, supported by experienced management teams with an unmatched knowledge in our operational areas. Our leadership's active investment approach has translated into SISCO Holding's success in acquiring and growing infrastructure assets with high barriers to entry across the ports and logistics, and water solutions value chains. Our management has expertly navigated the Company's high barriers to entry investments, operating in a highly regulated environment requiring close working relationships with the various authorities.

Strong Financial Position and Access to Capital



SISCO Holding's strong financial position and access to banks and financial institutions enable us to continue to make strategic investments in the future. The Company's ability to generate reliable long-term cash inflows is backed by its capital-intensive diversified portfolio of assets in defensive sectors and its robust capital management capabilities. SISCO Holding's avenues of access to capital are also enhanced by its strategy of exiting mature businesses.

Business Model

We aim to compound value by investing responsibly in key infrastructure assets to create market leaders with strong growth potential delivering long-term value for stakeholders.

Invest

- Continued strategic investment by our companies in brownfield assets
- Focused M&A in high potential businesses with successful track record to create platforms that enable synergies

Scale

- Maximize infrastructure utilization and cash generation growth through cross-portfolio synergies
- Nurture strategic partnerships with seasoned leading local and international players to build scale across the entire value chain

Manage

- Provide Portfolio Companies with comprehensive advisory and support services to ensure that they achieve their full potential as part of a Portfolio of Companies with a shared vision

Realize

- Where necessary, partially monetize position to bring strategic investors to grow Portfolio Companies' businesses while generating value and returns for SISCO Holding shareholders

Key Stakeholders

Our model is capable of delivering strong returns to shareholders through the investment cycle.



Shareholders

168.5%

10 year Return On Investment

>12%

10 year IRR



Portfolio Companies

8

Portfolio Companies

We work in close partnership with our portfolio companies to provide expertise and support, enabling them to grow sustainably and to contribute to the communities in which they operate.



Our People

>4,000

skilled workforce across the Group

Our people are our most important resource. We foster the professional development and well-being of our employees.



Community

>SAR 1m

of charitable initiatives across the Group

Our corporate and portfolio teams are actively engaged in our communities, including charitable giving and volunteering activities.

Key Enablers

Expertise and Diverse Team

We have a proven track record of securing and maintaining long term concessions. Our teams are formed of local and international talent with strong knowledge and experience of their sector.

Active Asset Management

We engage with portfolio companies' management teams to manage risks and invest in initiatives that support long term sustainable growth.

Strong Balance Sheet

Our flexible funding model seeks to maintain an efficient balance sheet with sufficient liquidity to make new investments.

Access to Partnerships and Long-term Concessions

Strong record in forming joint ventures and strategic partnerships with the ability to attract industry-leading partners.

Robust Governance and Policies

Strong governance framework across the group with appropriate board representation and composition.

Synergistic Operating Model

At SISCO Holding, our organizational DNA is rooted in the principles of **synergy** and **collaboration**, positioning us as a truly integrated Holding Company. We pride ourselves on fostering an environment where our portfolio companies not only coexist but thrive through seamless collaboration. This unique approach to integration is driven by our commitment to unlocking synergies and creating value across our diverse business ventures.



SISCO Holding Center of Excellence

At the core of our integrated approach is the support provided by the Holding Company. SISCO Holding serves as the backbone, offering strategic guidance, operational expertise, and shared resources to our portfolio companies. Whether it's facilitating access to capital, optimizing operational efficiencies, or providing centralized services, our holding company is dedicated to empowering each entity within our portfolio.



Centralized services,
funding and support

Operating synergies and customer
opportunities driven by collaboration
across our portfolio Companies



Ports and Logistics

محطة بوابة البحر الأحمر
RED SEA GATEWAY TERMINAL

شركة البحر الأحمر لتطوير الموانئ
RED SEA PORTS DEVELOPMENT COMPANY

LogiPoint

شركة تشغيل الخدمات المساندة
ISNAD Support Services Operation Company

S.A. TALKE
س.أ. تالكي

ELITE



Water Solutions

توزيع
TALWZEA

Kindasa
WATER SERVICES

كنداسة
لخدمات المياه

Operating synergies and customer opportunities driven by collaboration across our portfolio Companies



SISCO Holding's objective is to reach the target of SAR 6 billion in assets under management (AUMs) by 2026 – the 6x26 Strategy. The strategy involves expansion, mergers and acquisitions, concession development, and funding of brownfield projects to create a comprehensive logistics platform covering the entire supply chain from port-to-door.

Our strategy is to maintain a balanced portfolio of infrastructure investments delivering attractive returns for our shareholders.

Our Strategy for 2026

Strategic Pillars



**Grow the Existing
Portfolio
Companies**



**Expand Into
New Markets and
Geographies**



**Strategic
Acquisitions to
Achieve Scale**

SISCO Holding aims to grow its portfolio by concentrating mainly on logistics services and adjacent areas that cover the entire logistics value chain. The ultimate objective is to emerge as a major player in KSA and the region in multi-modal logistics services.

We see significant potential in our existing portfolio and will aim to supplement this with strategic acquisitions to unlock value and achieve scale.

Our Strategic Ambitions



Leveraging Our Know-how and Strong Asset Base to be a leading logistics and infrastructure investment company in the region with presence across the value chain



Become a National Champion in more than one vertical in the core logistics segment



Be a Partner of Choice for strategic investors in infrastructure



Increase Regional and International Footprint. Transform RSGT into an international multi-port operator, and expand Green Dome operations



Progress on Strategy Read more on page 36-37

SAR

2_b

Group Revenue

>40%

EBITA Margin

SAR

>6_b

AUMs



Investment Strategy

SISCO Holding's 6x26 Strategy is underpinned by a twin focus on organic and M&A growth across its two verticals of Ports & Logistics, and Water Solutions. Through an aggressive M&A appetite, portfolio synergies and infrastructure maximization, the Holding Company will expand its reach across the entire value chain. This enables it to secure an ever-greater market share of a growing sector by offering a fully integrated best-in-class logistics service.

M&A Growth Levers

- Pursue high barrier-to-entry brownfield M&A opportunities across the entire value chain at both the Holding Company level and through our portfolio companies and investment vehicles
- Leveraging capabilities of investment team at holding and portfolio / investment vehicle level.

Organic Growth Levers

- Synergistic cross-selling within and between both Portfolio Company verticals
- Continued organic investment by existing portfolio companies to realize full potential
- Organic investment through SISCO Holding's investment vehicles.



Key Pillars



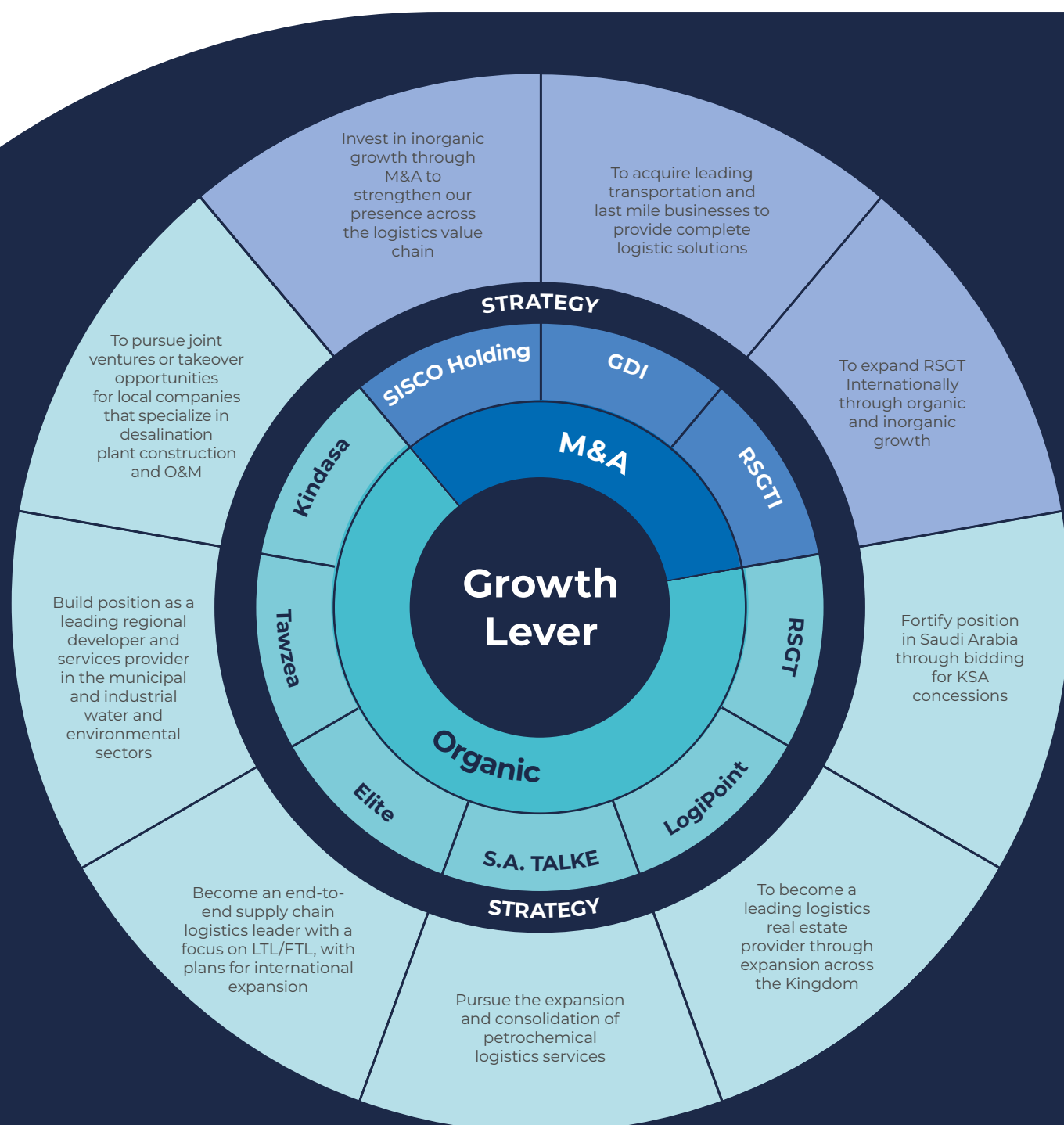
**Invest in Ports
and Logistics**



**Establish
Platforms**



**Priority for
Consolidation**



Progress on Strategy

Strategic Progress 2023

M&A Growth Levers

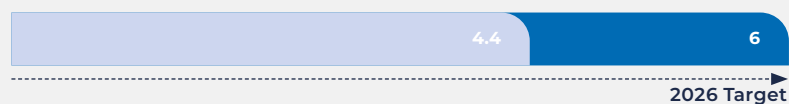
SISCO Holding	<ul style="list-style-type: none"> Completed acquisition of GDI from LogiPoint for SAR 47.3 million Agreed two further M&A deals and expected to complete during 2024
GDI	<ul style="list-style-type: none"> Acquired LogX, a leading cold chain logistics company in the meal plans and catering space Additional targets are being vetted
RSGTI	<ul style="list-style-type: none"> Signed a 22-year concession to develop and operate a container terminal in the Port of Chittagong in Bangladesh Additional opportunities are being reviewed across Asia and Africa

Organic Growth Levers

RSGT	<ul style="list-style-type: none"> TEU volumes grew 15.5% in 2023 Increased capacity to 6.2 million TEUs Record volumes handled in 2023 YoY revenue growth of 25.3%
LogiPoint	<ul style="list-style-type: none"> 44,000 additional sq. meters brought online in 2023 Delivered the Warehouse Village 5 and the Aramex Built-to-Suit facilities Scheduled to develop a 43,000 sqm site in the Bonded and Re-Export Zone at Jeddah Islamic Port YoY revenue growth of 23%
S.A. TALKE	<ul style="list-style-type: none"> Diversified its revenues by adding MRO, fertilizer, order processing, spare house management and chemical warehousing services to its product mix. Offsite expansion scheduled to increase footprint by 330,000 sqm YoY revenue growth of 0.4%
Elite	<ul style="list-style-type: none"> Expanded product offerings in 2023, including e-fulfillment Expanded into Kuwait's greenfield territories Now provides last-mile B2B services across five Gulf states, supported by a robust fleet of 600 vehicles YoY revenue growth of 12%
Tawzea	<ul style="list-style-type: none"> In 2023, Tawzea won a 34.5 million Saudi riyals (\$9.20 million) 18-month project from the state-run National Water Company (NWC) Taif ISTP became fully operational YoY revenue growth of 26%
Kindasa	<ul style="list-style-type: none"> Succeeded in signing lease agreement at JIP to 2032 Currently relocating its seawater intake from the berth lagoon to the open sea Strong margin growth during the year YoY revenue growth of 6.1%

Progress Against Targets

AUM's (billions)



Portfolio Value



Consolidation



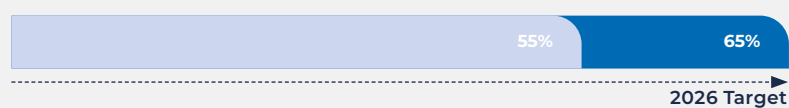
Current Capacity (TEU millions)



Bonded Zone Capacity (km²)



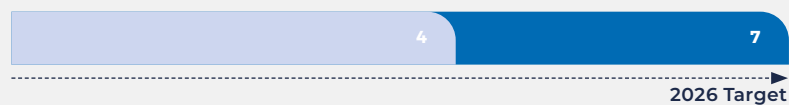
Market Share



Last Mile Transportation



ISTP



Jeddah Islamic Port Facility Utilization



M&A Strategy in Action

Taking RSGT International



We made our first steps in taking RSGT international, aligning with Saudi Arabia's strategy of enhancing the Kingdom's global trade connectivity.

2023 Highlights

22 year

Concession to develop and operate the Patenga Container Terminal in Chittagong, Bangladesh

500,000

TEU capacity
Total capex investment

During the year, Red Sea Gateway International (RSGTI), signed a 22-year concession with the Chittagong Port Authority to develop and operate the Patenga Container Terminal in the port of Chittagong, Bangladesh's primary port.

Under this new concession agreement, RSGTI will develop and operate a 500,000-TEU facility at PCT in Chittagong. The terminal, which currently features a 580-meter quay, will be equipped with the latest technologies to handle the fast-growing export market. The capital expenditure for the Bangladesh concession is approximately USD 170 million, which will be funded through debt and equity.

The concession has been signed in partnership with the Public Investment Fund (PIF), a 40% shareholder in RSGTI, to accelerate the company's global expansion efforts. The PCT concession is further underpinned by a Government-to-Government framework agreement for joint cooperation between the Kingdom of Saudi Arabia and the People's Republic of Bangladesh, providing a solid regulatory framework.

This concession marks a pivotal change in RSGT's overarching strategy to expand its presence in the global ports sector, elevating it to a multi-port operator. The company is currently engaged in advanced negotiations with several selected international ports and has built an extensive project pipeline.

Investment Rationale

Key investment highlights of the Bangladesh terminal are:

- The investment in Bangladesh is fully aligned with RSGTI's international expansion plan which focuses on high-growth low-risk markets that play a major role in global trade.
- Bangladesh's macroeconomic environment is on a positive

Relevant Strategic Pillar



Expand Into
New Markets and
Geographies



Strategic
Acquisitions to
Achieve Scale

trajectory, characterized by a rapidly growing economy, a stable regulatory and legal framework, and a population exceeding 160 million providing a dynamic demographic for sustained economic development.

- The PCT terminal is situated in the Port of Chittagong, which serves as the gateway for 90% of Bangladesh's import and export activities. The terminal will therefore target the fast-growing import and export market that has an expected annual gateway volume growth rate of 7% per annum, underscoring the potential for higher revenues and margins over time.
- The port will be managed by a seasoned international team with a proven track record in optimizing port operations globally. RSGTI's strategic investment will leverage the expertise of this accomplished management team to enhance operational performance and shareholder value.
- The proposed investment by RSGTI will contribute to the economic development of the country, facilitate trade, and is aligned with RSGTI's commitment to being a responsible long-term investor.



Expansion of Elite Logistics Services

Acquisitions continue to be a key focus of Elite's strategy to expand its portfolio and accelerate returns.

In December 2023, Elite acquired LogX, the UAE's leading temperature controlled logistics company for a total purchase price of SAR 24 million. The deal is the second acquisition by Elite which follows the acquisition in Kuwait during 2022, and marks a significant milestone for Elite as it strengthens its position in its market and expands its service offering.

LogX has emerged as a key player in the temperature-controlled logistics space, boasting a network of over 150 talented professionals and partners. The company was established in 2016 and is based in Dubai. It specializes in providing cold chain logistics services for a variety of industries, including meal plans, gifts and flowers, pharmaceuticals, and catering deliveries.

Through the acquisition, Elite aims to leverage its expertise, resources, and market influence to further enhance its logistics services. This acquisition aligns with Elite's overarching

strategy of building an end-to-end logistics services company, capitalizing on both regional and global growth opportunities.

Relevant Strategic Pillar



**Strategic
Acquisitions to
Achieve Scale**

2023 Highlights

SAR

24m

Was spent to acquire LogX



Market Overview

Global megatrends are shaping our world, prompting decision makers to accommodate the evolving needs placed on our economy and services. Our ability to identifying potential change drivers is a key differentiator of our investment decision making strategy, influencing the choice of businesses, sectors and countries we invest in.

Saudi Arabia's market witnessed a surge in strategic investments in ports infrastructure during the past fiscal year. Aligned with the Kingdom's Vision 2030 goals, Saudi Arabia continued to position itself as a key logistics hub, attracting substantial investments in port facilities. Notable projects, such as the expansion of key ports along the Red Sea and the Arabian Gulf, have significantly increased the nation's capacity for container handling and bulk cargo shipments. These strategic investments underscore the Kingdom's commitment to enhance its maritime capabilities and facilitate global trade flows.

As a pioneer in global ports, logistics, and water services in Saudi Arabia, SISCO Holding is set to benefit from the opportunities arising from increased government spending and investment in these sectors.

Saudi Economy – Impressive Progress Towards Achieving Vision 2030 Targets

Following a strong performance in 2022, Saudi Arabia's economic growth slowed down in 2023 due to successive oil production cuts to support price stability. The slowdown of oil GDP was

partially offset by the continued growth of non-oil GDP, which stands as a testament to the success of Saudi Vision 2030 economic diversification strategy. In Q2 2023, non-oil private sector growth accelerated to 5.8% year-on-year, which is 13.9% higher than in 2019. The main sectors witnessing growth well beyond their pre-COVID-19 levels included trade and hospitality, manufacturing (excluding oil refining), and finance and business services.

The significant shift in the structure of the national economy is defined by the development of transformative mega-projects, manufacturing, green energy, mobility, digitization, tourism and real estate. Underpinning this historic pivot towards becoming a thriving, globally competitive and diverse knowledge economy is a rapidly maturing logistics ecosystem. Logistics play a key role in the successful and timely development of megaprojects such as The Line, the Red Sea Project, and NEOM.

With the third pillar of Vision 2030 focused on transforming Saudi Arabia into a global hub, the National Transport and Logistics Strategy, launched in 2019, is aiming to diversify the national economy and to position Saudi Arabia as a global leader in logistics and industry. Midway to the deadline for Vision 2030 implementation, Saudi Arabia rose to 38th in the Logistic Performance Index, up from 49th in the baseline year and mid-way to the target of 25th of Vision 2030.

SISCO Holding Portfolio Sectors



Ports and Logistics

Saudi Arabia continued to solidify its global position and role in the maritime transport and logistics sector throughout 2023, in line with the National Transport and Logistics Strategy (NTLS) aiming to position the Kingdom as a global logistics hub. The Saudi Ports Authority (Mawani) launched significant investment initiatives in the maritime and logistics sectors, investing 13 billion riyals in various projects from logistics parks to maritime services.

Mawani announced signing several agreements, establishing five new logistics parks and centers with investments exceeding 4 billion riyals. The agreements covered the development of logistics parks at King Abdulaziz Port in Dammam, an integrated logistics park at Jeddah Islamic Port, and a comprehensive bunker station at King Fahad Industrial Port in Yanbu.

The Saudi Ports Authority also added 28 new maritime services, connecting Saudi ports to eastern and western ports. Several partnership agreements were also signed with global ports and national entities, enhancing the position of Saudi ports in the maritime transport sector.

Mawani has also made significant infrastructure investments in 2023, investing more than 7 billion riyals in projects to develop and operate container terminals across the

Kingdom. It has also launched several strategic projects at Jubail Commercial and Industrial Ports to increase capacity.

The success of the strategic investments in the ports and logistics sectors is evident in the progress that Saudi Arabia made on several international rankings, including climbing eight places on the Lloyd's List of "One Hundred Ports 2023" to reach the 16th position in annual container throughput. It also moved up 17 places, reaching the 38th position out of 160 countries on the logistics efficiency index by the World Bank. The Kingdom also made significant progress in the Liner Shipping Connectivity Index, displaying the highest regional advancement.

Water Solutions

Saudi Arabia is continuing its elaborate plan, under the umbrella of Vision 2030, for developing the water infrastructure through public-private partnerships to accommodate population and economic activity growth. In 2023, the Kingdom has announced a multitude of water projects for desalinization, transmission, strategic reservoir, and wastewater treatment.

This year, the Kingdom has maintained its position as the largest market for water desalinization in the world, with seven new desalinization projects to be built starting 2024 under the PPP

model as Independent Water Plant projects. These projects include Ras Alkhair 2, Ras Alkhair 3, Tabuk, Alshuqaiq, Rabigh 5, Rayis 2, and Jazan.

The Kingdom has also announced six new wastewater treatment projects for treating wastewater for reuse, including five Independent Sewage Treatment Plant projects, a Small Sewage Treatment Plant and a Collection Network project. These treatment projects include Hadda, Uranah, South Najran, Abu Arish 3, North Jeddah 1, and the SSTP in Northern Province.

SISCO Holding an enabler of the National Transport and Logistics Strategy

As a market leader across the logistics value chain, SISCO Holding is considered a key enabler of the National Transport and Logistics Strategy (NTLS), which aims to transform the Kingdom into a major global logistics hub and industrial powerhouse.

As megaprojects transform the national economy, new transport corridors and logistics infrastructures will continue to evolve, from the Red Sea to major industrial and economic zones that serve Saudi Arabia's thriving businesses. The development of the national logistics infrastructure is expected to enhance international connectivity, unlocking enormous potential for the manufacturing, mining and energy sectors, and driving diversified non-oil economic growth, positioning Saudi Arabia as a highly attractive destination for investments.

SISCO Holding is already gaining significant traction in response to the opportunities arising from the NTLS strategy and the goals of Saudi Vision 2030. Building upon its strengths, the Holding Company will continue to pursue an aggressive growth strategy across its core operating sectors locally and internationally.

CFO's Review

We are pleased to report that SISCO Holding delivered a strong financial performance in 2023, which included record revenue and a significant net income improvement. Each quarter, we delivered an excellent set of results as all our portfolio companies rebounded strongly from a challenging 2022 macro environment. The strong liquidity position across the Group and our balance sheet strength puts us in a strong position to capitalize on the organic and M&A opportunities that the Company encounters.

Strong Financial Performance

Financial performance across the Group improved significantly this year as all our segments showed a strong recovery. Most performance measures have returned to and surpassed pre-2020 levels. Revenue and profitability showed significant improvement supported by strong demand across all our business segments, in particular the ports segment.

Group revenue increased by 23.1% to SAR 1,052.4 million during the year 2023 mainly attributed to the strong recovery in the ports and logistics segment driven by an increase in gateway container volumes in Saudi Arabia compared to 2022. Adjusted Gross profit of SAR 564.1 million increased in total by 35.6% ahead of the revenue growth driven by a strong margin performance across all our consolidated portfolio companies.

Adjusted EBITDA increased from SAR 458.1 million to SAR 629.5 million in 2023, an increase of 37.4%, driven by an improvement in revenue mix and margins across all consolidated portfolio companies. Depreciation and amortization costs increased during the year by SAR 19.1 million to SAR 190.7 million, as a result of an increase in expansionary capital expenditure in RSGT and LogiPoint.

Net finance charges comprise finance costs on debt finance, IFRIC 12 finance charges on the obligations under service concessions arrangements, and income from short-term deposits. The increase in finance charges by SAR 30.2 million to SAR 243.8 million was due to an increase in finance costs following a significant rise in SAIBOR rates and an increase in the Company's debt, predominantly in RSGT and LogiPoint. However, we were able to partially offset the impact of increased borrowing costs by generating income utilizing excess cash on short-term deposits.

Despite the increase in depreciation and net finance charges, adjusted net income grew substantially by 112.6% to SAR 88.3 million in 2023, compared to SAR 41.5 million in 2022.

Solid Cash Generation and Strong Financial Position

Cash generation is a vital component of the Group's model, underpinning further investment in organic growth, supporting value-enhancing acquisitions and maintaining a consistent dividend to our shareholders. Despite significant increases in both organic investment and acquisition spend, the Company's financial position remains strong, with a net debt-to-equity ratio of 58% at the year-end at a consolidated level.

Cash generated from operations in 2023 was SAR 452.6 million, an improvement of 112.3% driven by strong operating performance and improved working capital management. Free cash flow during the year improved by SAR 391.9 million to SAR 79.3 million primarily due to an increase in expansionary capex and an increase in capital deployment at the Holding level (see capital allocation for further details).

Balance Sheet

By year-end 2023, SISCO Group's balance sheet and liquidity position were significantly improved compared to 2022. The Company's largest asset, Red Sea Gateway Terminal (RSGT), continues to enjoy strong liquidity and cash management, signaling continued growth in 2024 and beyond.

Group net debt stood at SAR 177.2 million on 31 December 2023, comprising debt and cash SAR 1.34 billion and SAR 1.17 billion respectively. The increase was primarily driven by a rise in debt in our consolidated ports and logistics assets.

Capital Allocation

One of the key components of our 6x26 strategy is delivering an accretive, disciplined capital allocation policy, with the overriding objective of enhancing shareholder value.

Our capital allocation framework remains unchanged and prioritizes:

- Organic growth by portfolio companies and investment vehicles
- Value-enhancing acquisitions in current and adjacent markets aligned with our strategy
- Consistent returns to shareholders through a consistent dividend
- Strategic share buyback.

Portfolio Performance

The year saw our portfolio companies rebound strongly and deliver strong revenues and profit growth. The ports segment was the principal driver of the Company's consolidated revenue growth, driven by an improvement in gateway volumes. Logistics delivered strong topline growth compared to 2022, thanks to an improvement in warehouse and open yard occupancy levels.



Adjusted EBITDA increased from 458.1m to 629.5m in 2023, an increase of 37.4%, driven by an improvement in revenue mix and margins across all consolidated portfolio companies.”



CFO Review continued

Consolidated Portfolio Companies

Red Sea Gateway Terminal

Ports saw a strong recovery in 2023, with year-on-year (YoY) revenues growing by SAR 170.8 million compared to 2022. This was driven by a strong recovery of import-export activity within the gateway, delivering growth in topline revenues and margins. Adjusted Gross margins improved by 4.1% to 54.8% in 2023 compared to 2022. Adjusted Net income for the ports saw a significant improvement in net income, soaring by 315% in 2023 thanks to a shift in the revenue mix.

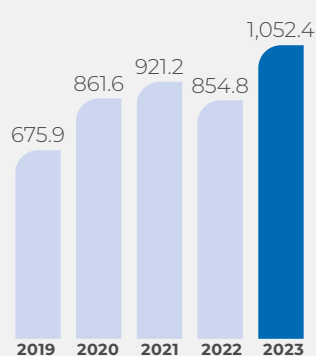
LogiPoint

LogiPoint's expansion saw 22,000 additional sq. meters brought online in 2023, a capacity that was not available in 2022. This created an additional SAR 6.9 million in revenue compared to the previous year. Open yard occupancy increased from 49% in 2022 to 78% in 2023, a 29% overall annual increase in occupancy. LogiPoint's expansion delivered additional capacity for higher margin revenue, driving topline growth.

Kindasa

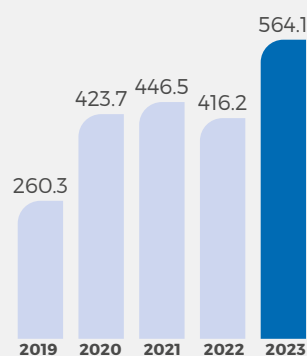
Kindasa delivered a stable topline performance and a significant improvement in gross profit and margins due to efficiency improvements in 2023, with a reduced cost of water. Secondly, the business signed a new ten-year concession that enabled it to reassess its depreciation policy, which resulted in a decrease in the depreciation charge. This delivered a positive impact on gross margins and net income. The extension to the JIP concession provides Kindasa with a strong long-term future for sustained growth.

Adjusted Revenue



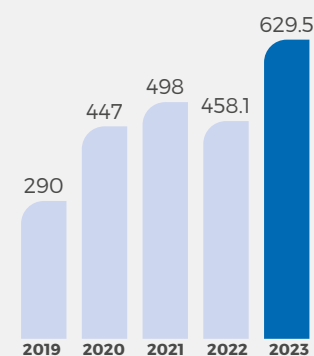
All figures in SAR millions

Adjusted Gross Profit



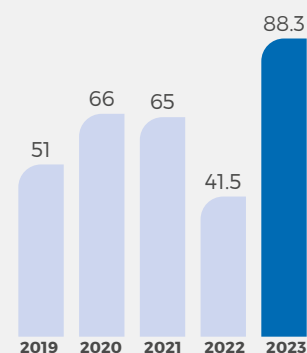
All figures in SAR millions

Adjusted EBITDA



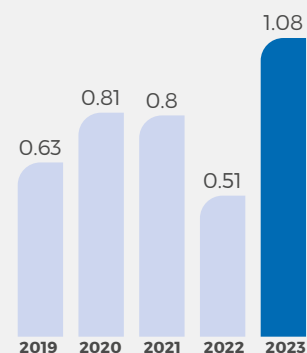
All figures in SAR millions

Adjusted Net Income



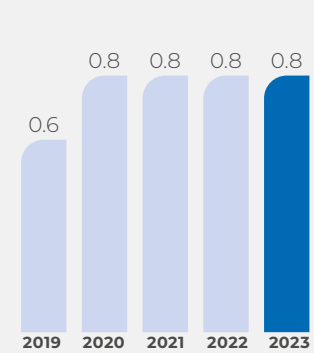
All figures in SAR millions

Adjusted EPS



All figures are in SAR

Dividend Per Share



All figures are in SAR

Associate Companies**S.A. TALKE**

Supporting SISCO Holding's position, S.A. TALKE delivered another year of strong revenue and a marked improvement in gross margins, resulting in double-digit net income growth. As a newly acquired company that has continued to make progress.

Elite Logistics

Elite Logistics continued to expand its offering within the GCC as a specialized transportation and last-mile service provider with a focus on creating synergies across the logistics value chain.

Tawzea

Tawzea continued its strong performance after signing new projects at the start of the year, delivering topline revenue growth of 26% compared to 2022. Net income declined by 6.9%, resulting in SISCO Holding's share of Tawzea net income decreasing, which is reflected in the investment income on the Company's income statement.

Dividend

The fixed dividend policy for 2022 and 2023 saw SISCO Holding pay its interim dividend of SAR 32.65 million in September 2023, with a further SAR 32.53 million slated for Q1 of 2024.

Outlook

The Company is optimistic that its strong recovery will continue into 2024, contributing to sustained topline and net income growth. This will provide the Company with the ability to continue to execute strategically important high-margin acquisitions that will contribute to bottom-line growth. Many of our portfolio companies are in expansion mode, which offers additional capacity for revenue and profitability growth.

Looking ahead to the dynamics of the global economy, SISCO Holding is confident that it can overcome challenges thanks to its healthy cash position, as evidenced in 2022 and throughout 2023. The business will also continue to benefit from Saudi Arabia's ambitious plans for the logistics sector, which play to the Company's strengths and those of its portfolio companies. National priorities and a growing Saudi economy provide us with widespread opportunities across the logistics value chains.

Mahmood Hussain

Chief Financial Officer

Digital Transformation as an Enabler of Synergy Creation and Creating a Logistics Platform

SISCO Holding's digital transformation strategy is key to sustain its growth and to support its portfolio companies achieve their strategic goals. The completed digital transformation will prove to be pivotal in the coming years as Saudi Arabia's logistics ecosystem expands and becomes more competitive.

To support its portfolio companies' growth strategies, SISCO Holding operates in an advisory capacity, helping our portfolio companies to complete their digital transitions. A key focus is to help the portfolio companies communicate effectively

with their customers as they implement new digital solutions, products and services.

Focused on leveraging state-of-the-art technologies, our goal is to revolutionize traditional logistics

processes, introducing efficiency and innovation at key levels. The core objective is to enhance the end-to-end logistics value chain by deploying advanced analytics, real-time tracking, and automation solutions.

One of the key objectives of our digital transformation initiatives is to foster integration and synergies across our diverse business units and operations. By leveraging digital platforms and data-driven insights, we are breaking down silos and creating a unified ecosystem that promotes collaboration, transparency, and agility.

Central to our digital transformation strategy is the creation of a comprehensive logistics platform that serves as a digital hub for our operations and ecosystem partners. This platform will integrate various technologies, and artificial intelligence (AI), to enable end-to-end visibility, real-time tracking, and seamless coordination across the supply chain.





SISCO Holding completes migrating its Data Center to the Cloud.”

Cloud Migration

In 2023, SISCO Holding completed the migration of its operations to the cloud.

2023 Highlight

Class C Status

SISCO Holdings Cloud servers are classified at the highest level available as per the Communication and Space Technology Commission

Commencing with the migration of its human resources platforms, the process was completed with the full transition of the Company's resource planning, finance, and administration operations. As a fully cloud-based business, the Holding Company is protected by a next-generation security that is critical for a publicly listed organization.

The completed migration means that all SISCO Holding's data in addition to its website, are now stored on a government-approved server, ensuring

regulatory alignment, strong governance, security protocols, speed, and operational efficiency.

SISCO Holding was also moved to Class C status as per the Communication & Space Technology Commission, the highest level available, which further underscores our commitment to excellence in security and compliance as we embark on our cloud migration journey.

Data transfer speed has improved significantly as a result of the cloud migration. Furthermore, data recovery is guaranteed through the cloud, while firewalls are updated remotely, instantly and autonomously.

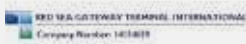
SISCO Holding is now better positioned to stay ahead of the potential risks associated with the digital economy, with cloud-based operations helping in mitigating against industrial espionage and vandalism as well as protecting data.

A Diversified and Synergistic Portfolio

SISCO Holding continues to tap its growth potential across the ports, logistics, and water solutions value chains, with its portfolio companies leveraging the opportunities created by Saudi Vision 2030. The Company's assets have significantly increased their capacities, reach capabilities, and revenues in 2023, expanding their market penetration and diversifying their client mix.

Ports and Logistics Portfolio

SISCO Holding's ports and logistics portfolio companies play an important role in supporting Saudi Arabia's strategy to become a global logistics hub. In 2023, the portfolio companies demonstrated their abilities in leveraging the increased government investment in ports and logistics, empowering the Company to build and control more stages across the entire integrated logistics value chain.



Water Portfolio

SISCO Holding's water portfolio companies are leading providers of private water supply services to the municipal and industrial sectors in Saudi Arabia. The Company's assets cover the entire value chain, including desalination, treatment, and distribution. The water portfolio companies are well-positioned to capitalize on the opportunities provided by the privatization initiatives of Saudi Vision 2030 aiming to modernize the social welfare system.

In 2023, the water portfolio companies made significant strategic progress in terms of infrastructure investments, new clients' acquisition, and the extension of lease agreements. Increased efficiency with a sharp focus on protecting margins ensured that both of SISCO Holding's water portfolio companies delivered robust financial results by the end of the year.



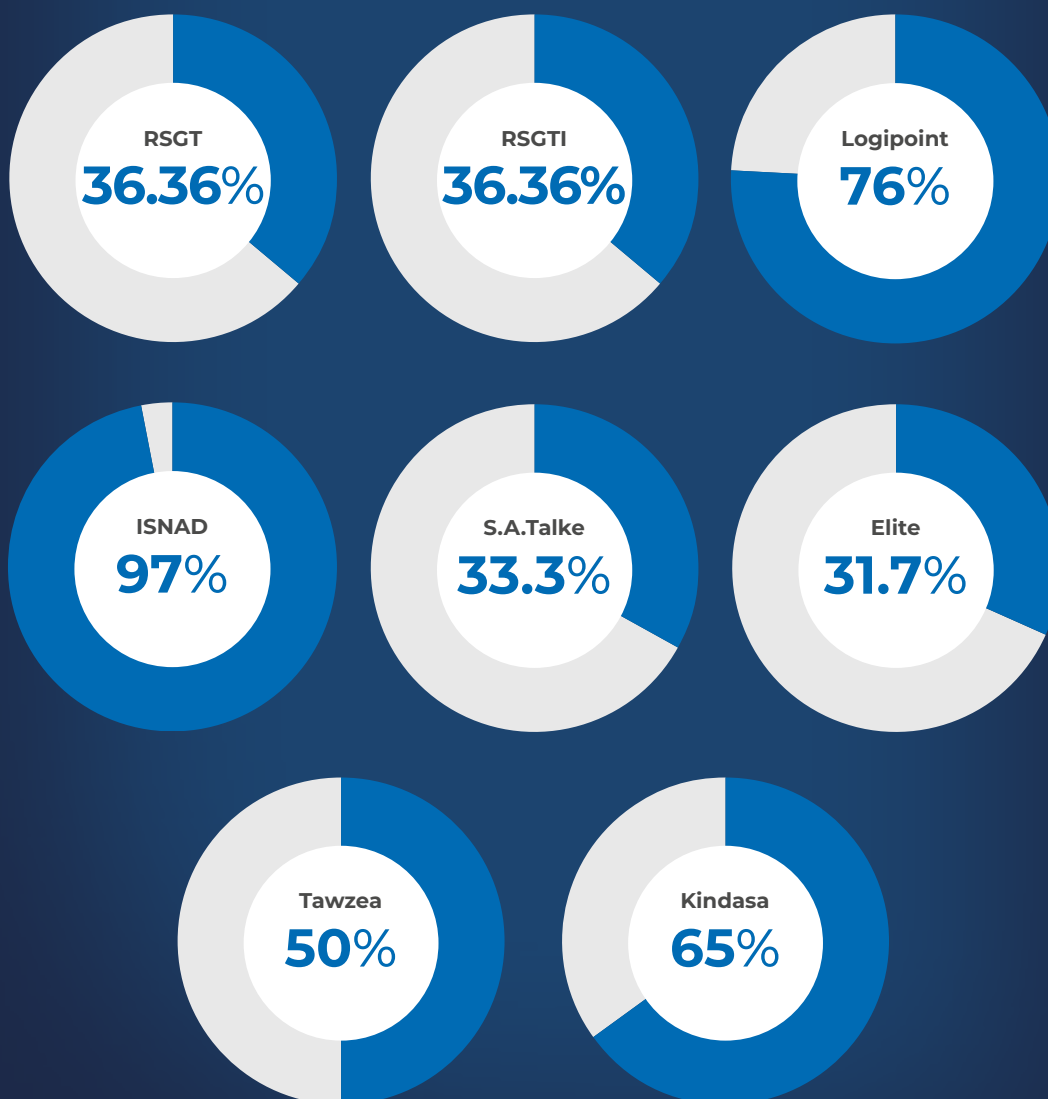
Portfolio Outlook

SISCO Holding is planning on expanding its portfolio across the entire infrastructure and logistics value chain, in line with the Company's 6x26 strategy focusing on investing in value-accretive assets with high barriers to entry.

SISCO Holding and its portfolio company managers aim to continue their collaboration to leverage portfolio synergies. The Company plans to support its individual assets in leveraging the opportunities provided by Saudi Arabia's National Transport and Logistics Strategy.

Through innovation and investment, SISCO Holding is aligning itself with the objectives laid out in Saudi Vision 2030. Within the context of a resilient national economy backed by significant public investment, the Company plays a pivotal role in support of diversifying economic growth.

Our Portfolio





Red Sea Gateway Terminal (RSGT) is the first privately funded KSA-based terminal operator. The company has a modern terminal featuring best-in-class facilities and equipment. RSGT has the largest capacity in the Kingdom, with around 29% market share of throughput in Saudi Arabia in 2023. As the largest container terminal in KSA and one of the top-performing container terminals in the world, RSGT is poised to play a key role in realizing the Kingdom's Vision 2030.

The company is strengthening its market leadership further through improved productivity and efficient operations. Since its establishment in 2009, RSGT has acquired an excellent track record in port operations at one of the world's 40 busiest container ports, with an annual container throughput capacity of 6.2 million TEUs.

2023 Highlights

SAR
15.5%
Growth in TEU Volumes

38.8%
EBITDA Growth

SAR
844.8m
Net Revenue

Performance Overview

RSGT's strategy of protecting the core and targeting growth by acquiring new customers has led 2023 to an EBITDA expansion of 32% compared to 2022.

Revenue (excluding accounting construction revenues) increased by 25.3% to SAR 844.8 million, driven by:

1. Higher gateway volumes with improved activity in Saudi Arabia across tourism, hajj, and construction activity following a challenging 2021–2022 period.
2. The full impact of the return of MSC to Jeddah Islamic Port exclusively at RSGT.
3. Additional business with existing customers, attracting more gateway volume from regional shipping lines and transshipment volume showing steady growth.

As a result, the average revenue per TEU increased by 8.6% from SAR 237 to SAR 257.

Underlying Adjusted EBITDA grew by 38.8% driven by an increase in gross margins offset by an increase in operating costs from SAR 114.8 million to SAR 122 million, representing an increase of 6.3%.

Despite increased operating costs and finance charges, net income increased three-fold in 2023, driven by strong margin expansion.





Operational highlights

In 2023, total throughput increased by 15.5% to 3.3 million TEUs driven primarily by strong growth in gateway volumes and increased market share. Year on year, RSGT gateway volumes increased by 29.3% to 1.3 million TEUs in 2023 (1 million TEUs in 2022), driven by strong consumption in Saudi Arabia and stable container rates. RSGT transshipment volumes also had a solid performance, growing by 7.5% compared to the 2022 level.

RSGT continued its upgrade and consolidation of the North Container Terminal with total capex spend of SAR 556 million during the year, which increased RSGT's capacity from 5.2 million TEUs to 6.2 million TEUs, more than fulfilling RSGT's committed capex spend of SAR 1 billion over three years under the terms of the new concession.

RSGT Outlook

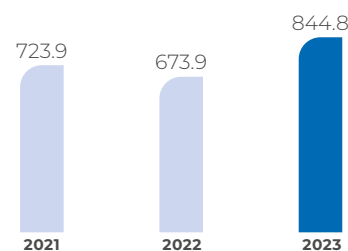
RSGT plans to continue to grow its business in Saudi Arabia. In 2024, the company expects to focus on additional locations on the Red Sea coast. The company will also focus on automation and digitalization and will continue to drive the adoption of digital solutions. Automation is being rolled out to gates and new remote-control cranes. The addition of remote-controlled cranes provides the company with an opportunity to employ more local female professionals who can operate cranes from within the office environment.

In terms of volumes, the near-term outlook depends on the development of the crisis in the Red Sea, and the company is focused on increasing its market share in Saudi Arabia.

Terminal Specification

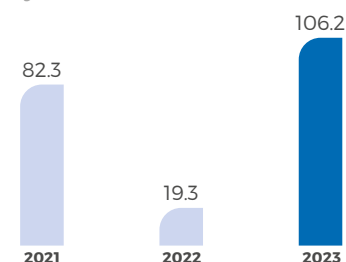
- 6.2 Million TEU annual capacity
- 1.8 Milion Sqm Terminal Area
- 18 Meters Quayside Depth
- 3,300 Meters Total Quay Length
- 11 Berths
- 24 STS Cranes
- 20,000 TEU Largest Vessel Size

Net Revenue



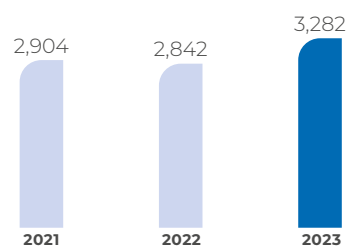
All figures in SAR millions

Adjusted Net Income



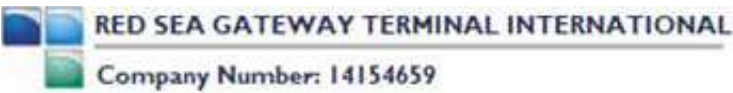
All figures in SAR millions

Volume – TEU's 000



All figures in SAR millions

Portfolio Review continued



Red Sea Gateway Terminal International (RSGTI), is an investment vehicle and a new member to SISCO Holding’s portfolio established to spearhead RSGT’s international expansion strategy, focusing predominantly on emerging markets. This strategic venture is in partnership with PIF which holds a 40% stake in RSGTI. The partnership with PIF underscores the strategic significance of RSGTI’s growth plans. PIF’s substantial ownership stake in RSGTI reflects its commitment to supporting RSGT’s international growth strategy.

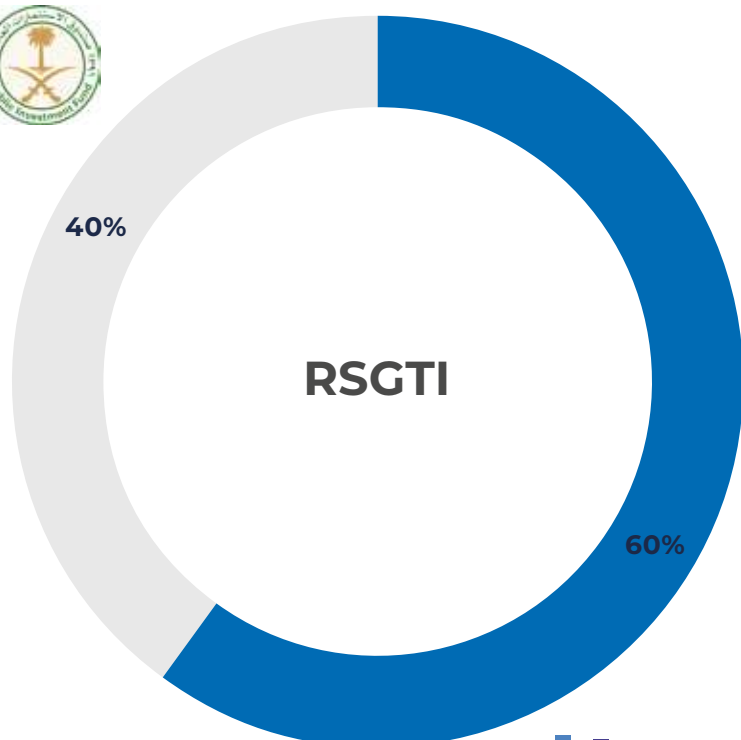
RSGTI’s investment focus primarily centers on emerging markets, with substantial potential for growth and development in the maritime and logistics sectors. These markets offer attractive opportunities for infrastructure investment and port development.

RSGTI has already made its inaugural investment in Bangladesh, signaling the commencement of its international expansion journey. The concession in Bangladesh is the start of a journey towards becoming a multi-port operator able to deliver multiple and bespoke capabilities in key strategic markets.

In line with SISCO Holding’s strategy, RSGTI will target additional brownfield concessions and potential acquisitions in various emerging markets, including the Red Sea region, Asia, and Africa. The company is developing a robust pipeline encompassing existing port infrastructure projects and strategic acquisitions with significant potential to accelerate investment returns. Upon completing this journey, RSGTI is expected to emerge as a niche international terminal operations group in alignment with SISCO Holding’s strategy.

In addition, RSGTI’s ongoing global footprint will provide other SISCO Holding portfolio companies with opportunities to access the value chains within other markets through shared synergies and cross-selling. In summary, the establishment of RSGTI aligns with SISCO Holding’s overarching objective of growing its portfolio and AUMs directly through SISCO Holding or its investment vehicles.







LogiPoint is a leading logistics real estate developer as well as an operator and logistics services provider, dedicated to enabling logistics and creating value for clients, driven by its intent to become a leading regional supply chain and logistics hub.

The company has delivered market-leading and unparalleled services to customers for over 18 years through its facilities in Jeddah Islamic Port (JIP), MODON, and Khumrah. LogiPoint’s strategically positioned logistics zones and extensive hands-on experience providing customers with a range of logistic infrastructure services, covering bonded zone facilities, warehousing, and logistic parks.



Jeddah Islamic Port with an investment exceeding SAR 150 million (USD 40 million).

The deal solidifies LogiPoint's position as the developer of state-of-the-art logistics real estate, enabling trade and attracting international investment. LogiPoint also diversified its client mix, securing projects that offer higher returns and quick turnaround time such as the Yemen Reconstruction Project and MG Automobiles agent transition.

2023 Highlights

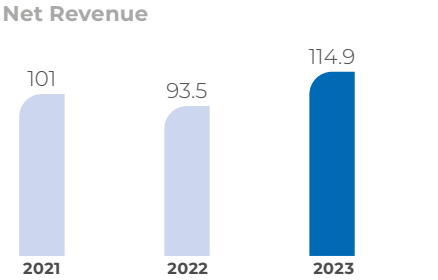
SAR
114.9m
Net Revenue

SAR
150m
Investment at Jeddah Islamic Port

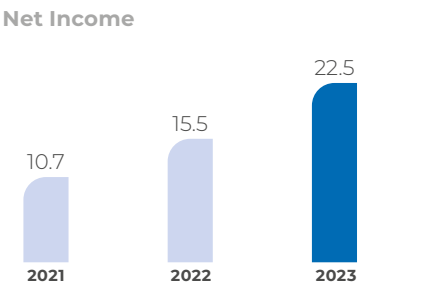
45,000m²
Expansion to existing capacity

LogiPoint provides state-of-the-art storage, distribution facilities, warehousing, and customized value-added services. The company has extensive logistics real estate that is fully developed and managed in JIP, with an additional 1 million m² of logistics facilities under development in Saudi Arabia. The company provides value-added logistics services through its sister company Isnad.

LogiPoint in 2023
LogiPoint’s expansion in 2023 added 45,000 m² to existing capacity by delivering the Warehouse Village 5 and the Aramex Built-to-Suit facilities (BTS) in 2023. Both these facilities increased the landscape of LogiPoint’s premium facilities at the Bonded and Re-Export Zone at



All figures in SAR millions



All figures in SAR millions

Performance Review

Revenue increased in 2023 by 23% to SAR 114.9 million, driven predominantly by an improvement in open yard revenues as a result of higher occupancy. Warehouse occupancy recovered compared to previous quarters resulting in 23% increase in revenues compared to last year. This improvement in revenue mix led to an increase in gross margins by 4.7%.

Underlying EBITDA grew by 40.8% driven by an increase in gross margins offset by an increase in operating costs from SAR 16 million to SAR 20 million, representing an increase of 25%.

Despite an increase in operating costs and finance charges, adjusted net income also improved by 44.8% in 2023, driven by strong margin growth.

Operational Review

During 2023, LogiPoint continued the expansion of its warehouse capacity with two additional warehouses being completed bringing the total capacity to 118,160 m². By the year end LogiPoint's warehouse occupancy was 90%. Open yard occupancy improved during the year reaching 84% by the end of the year driven mainly by agreements with Amazon, Samaco, Al-Faris and RSGT.

Total capex spend during the year amounted to SAR 150 million, associated with the construction of two warehouses in the bonded zone and an additional BTS warehouse being constructed in Modon.

LogiPoint Outlook

LogiPoint is poised for a transformative 2024. The company anticipates expanding its footprint in Jeddah as well as venturing into new markets within the Kingdom.

LogiPoint sees immense opportunities for collaboration and growth on Saudi Arabia's Giga Projects with EXPO2030 and FIFA 2034 on the horizon. LogiPoint is well-positioned to provide support to its current and potential clients for creating more resilient supply chains.



Portfolio Review continued



Isnad, established in 2015, provides a “one-stop-shop” of logistic services to the industry, functioning as LogiPoint’s operational services arm. The company is a groundbreaking pioneer in providing cross-border solutions with Saudi Customs through LogiPoint’s Bonded and Re-Export Zone.

Isnad played an instrumental role in the development of Saudi Arabia’s infrastructure and logistics value chains. It was one of the first corporate entities in KSA to obtain a customs clearance license, providing 24/7 clearance services through the Saudi Customs Portal. Isnad is also the only entity in the Kingdom that provides value-added services such as unbundling, labeling, repacking, and consolidation.

Isnad is continuously contributing to the growth of the national infrastructure ecosystem through the development of warehousing and yard operations, particularly for 3PL and major petrochemical customers. The company has also forged nationwide transport and distribution capabilities, providing Full Truck Load (FTL) and Less Than Full Load (LTL) cargo distribution across the Kingdom through its own as well as third-party vehicles.

ISNAD in 2023

Isnad continued to build its customer base across diversified verticals in 2023, including automotive, FMCGs and industrial manufacturers. The company has leveraged opportunities in multiple handling of containers, faster customs clearance, and just-in-time solutions across multiple projects. ISNAD also succeeded in ensuring the reliability of its clients’ supply chains during periods of disruption. The company worked to secure consistent supply chain viability across a range of cross-border and multi-modal shipments.

2023 Highlights

44.4m
Revenue





Isnad expanded its work in servicing businesses operating outside of Jeddah Islamic Port while also offering transit FTLs across the GCC. The company started offering 3PL and VLS services inside the bonded zones and handled transshipment volumes through cross-docking operations. Isnad launched transportation solutions from Jeddah Islamic Port (JIP) to destinations within and outside Saudi Arabia. From handling of containers to lashing of trucks and cars in containers, storage, labeling, re-export, transportation, and vehicle logistics services (VLS), Isnad has continued reinforcing its position as a one-stop-shop logistics solutions provider.

ISNAD also successfully assisted the Yemen Development Program in 2023 through the smooth and timely processing, handling, and shipment of more than 450 containers. The company's operations and customer services were enhanced further after the restructuring of the company's customer service team.

Performance Review

Revenue declined marginally by 4% to SAR 44.4 million. Port operation revenues increased by 10% which was offset by the decline in low margin service revenues by 26% (mainly facilities management and other short-term revenues), resulting in overall revenues declining.

Underlying EBITDA declined by 21.6%, driven by an increase in operating expenses by 39% offset by improvement in gross margins by 3%.

As a result of decline in revenues and higher operating expenses, net income declined by 36% in 2023.

Operational Review

Isnad has successfully capitalized on opportunities offered by various verticals, primarily automotives, FMCGs and industrial manufacturers. The opportunities were primarily around multiple handling of containers, faster custom clearance and just-in-time solutions to various projects. ISNAD also successfully provided assistance in cross border, multi-modal shipments,

thus providing supply chain reliability which at present is greatly affected due to shipping lines disruptions.

Isnad Outlook

Isnad will continue to expand its product portfolio as it expands its operations outside the Jeddah Bonded Zone and across the rest of the country. The company will also pursue 3PL opportunities in the central and eastern region, largely in cold chain and petrochemicals. Furthermore, within the context of an increasingly competitive landscape populated by a growing number of 3PL operators, Isnad will pursue acquisitions in 2024 and beyond.

Isnad plans on targeting trade routes with high volumes and large customer bases, including trade routes to China and Europe. To leverage these opportunities, Isnad will continue to innovate customized solutions to meet demands across the various value chains.



S.A. TALKE is a specialized logistics company that has supported clients in handling, managing, and distributing solid and liquid petrochemical products for over 15 years. The company plays a crucial role in supporting the petrochemical logistics sector in Saudi Arabia with logistics solutions that include analyzing logistics processes, providing optimization advice and spare part warehousing, and planning and constructing turnkey logistics plants for industrial companies.

The company provides transportation services for bulk liquids, dry bulk and packaged products, in addition to technical services, including maintenance and container terminal management. S.A. TALKE's expertise in chemical logistics enables its customers to benefit from comprehensive services available from a single source, ensuring smooth and efficient handling of their supply chains from start to finish.

2023 Highlights

SAR
309m
Net Revenue

15.2m
Tonnes Recorded Volumes

330,000m²
S.A. TALKE Offsite Footprint
Expansion

S.A. TALKE in 2023

A consistent drive for productivity improvement has supported the company's stability and has contributed to a sound financial performance for S.A. TALKE in 2023. Throughout the year, the company has focused on cost control measures to ensure that its operating costs remain consistently under budget while meeting its revenue targets by retaining market share. The company has also succeeded in diversifying its revenues by adding MRO, fertilizer, order processing, spare house management and chemical warehousing services to its product portfolio.

In addition to diversifying its product and service offerings, S.A. TALKE commenced the expansion of its offsite services in 2023 by developing a multiuser facility in Jubail to meet growing customer demand. This investment will increase the company's offsite footprint by 330,000 m².

In addition to the expansion of its footprint, S.A. TALKE enhanced the efficacy of its internal IT systems in 2023. Following the successful acquisition and integration of new ERP and HRA systems, the company has improved controls and efficiencies by improving processes





and eliminating manual transactions. Over 80% of all HRA transactions, procurement and finance was digitalized by the end of 2023. New technologies also delivered safety improvements in 2023 after the testing of new proximity devices and forklift video recording solutions designed to minimize man-machine interaction.

Performance Review

S.A. TALKE revenue of SAR 309 million in 2023 remained broadly in line with 2022. However, gross margin improved to 26.5% from 25% in 2022 due to improved revenue mix. EBITDA increased to SAR 77 million, an improvement of 8.9% due to the improvement in margins and better cost control.

Due to the improved revenue mix and better cost control, net income increased by 10% to reach SAR 60.6 million in 2023.

Operational Review

S.A. TALKE achieved improved integration with its customers by offering additional services such as planning, order processing, chemical warehousing management, and technical support for bagging lines. The company was also able to further

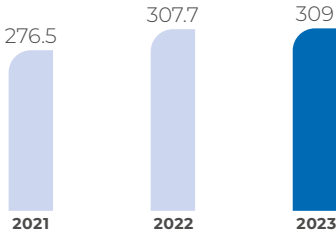
diversify its revenue by adding fertilizer operation and management of spare part warehouses to its portfolio.

During the year, S.A. TALKE focused on expanding its offsite services by commencing work on a multiuser facility in Jubail to cater for the growing needs of its customers. This investment will increase S.A. TALKE's offsite footprint by 330,000 m² and will enable the company to centralize its Multi-User Facility on one site, thus enabling cost savings and improving efficiency.

S.A. TALKE Outlook

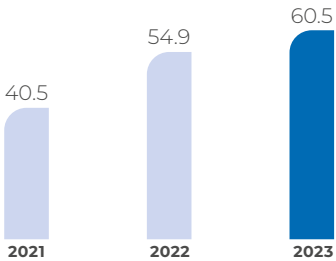
Looking ahead, S.A. TALKE is strategically focused on integrating new digital solutions across its operations to achieve greater cost optimization, enhanced safety, enhanced quality, and improved overall productivity. The company is well positioned to meet the demands of the Kingdom's logistics agenda, enhancing Saudi petrochemical logistics infrastructures and capabilities.

Net Revenue



All figures in SAR millions

Net Income



All figures in SAR millions



Elite is a leading logistics solution provider, offering comprehensive integrated overland freight and courier services. Established in the Sultanate of Oman in 2000, the company has expanded its operations to Saudi Arabia and the GCC, offering a wide range of land freight solutions and value-added capabilities, including bonded overland freight, versatile multi-port clearance facilities, specialized services, and sophisticated courier solutions.

Performance overview

Elite witnessed a 21.3% year-on-year (YoY) growth in 2023, with the company's express products being a major contributor with a growth rate of 42%. The company has also expanded its product portfolio by introducing new offerings such as e-fulfillment.

Overall, 2023 has been a year of strategic growth, operational enhancements, and customer-centric

innovations at Elite Logistics, setting a strong foundation for future success.

Elite Logistics achieved significant milestones in 2023, underscoring its commitment to growth and excellence in the logistics sector. The company has successfully expanded its operations into Kuwait's greenfield territories, acquiring major clients and cementing its position, demonstrating its ability to thrive in new markets.

2023 Highlights

SAR
138m
Net Revenue

21.3%
YoY Revenue Growth



Operational Review

This year also marked a record-breaking performance in trucking volumes at Elite – a notable feat given the substantial regulatory changes observed in the region. The company’s proactive response to these shifts has proven pivotal in maintaining its competitive edge. Furthermore, by strengthening its operations, the company has enhanced its fleet capabilities through acquiring specialized certifications to ensure better and efficient utilization of its resources.

In line with its commitment to technological advancement and operational efficiencies, Elite deployed new IT systems across finance and operations, streamlining its processes and enabling it to respond more effectively to market demands. A key development in this area was the creation of bespoke solutions, developed in-house, to meet the complex requirements of the company’s customer portfolio. These tailored solutions have significantly boosted Elite’s capabilities, allowing it to offer more personalized and effective services.

Looking at the challenges the company faced in 2023, the regulatory landscape within the logistics sector – particularly in the Middle East region – proved to be a formidable hurdle throughout the year. Navigating these complex regulatory conditions was a crucial challenge for Elite. However, the Elite team adeptly addressed this challenge with strategic foresight and adaptability. In addition to regulatory hurdles, the company had to deal with a surge in demand, which it successfully tackled through the timely and proactive expansion of its fleet. This strategic decision not only allowed Elite to meet the increased demand effectively but also reinforced its commitment to providing uninterrupted and high-quality services to its clients.

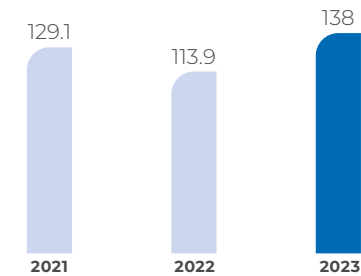
Elite Outlook

Elite Logistics is targeting a 37.2% growth for its freight services in 2024. The company plans to increase its fleet capacity by 44%.

Elite is strategically geared to branch out further in Kuwait’s market, introducing FTL and LTL services.

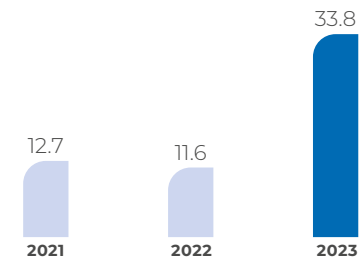
The company has significant expansion plans for new markets in 2024, particularly in Saudi Arabia, aligning with the company’s goal of broadening its operational reach. Elite also remains opportunistic about secondary markets like Turkey.

Net Revenue



All figures in SAR millions

Net Income



All figures in SAR millions





Established in 2006, Tawzea is an international water distribution company specializing in delivering municipal and industrial water solutions. The company works on public-private partnership (PPP) projects, manages concessions, and operates and maintains water and wastewater facilities. Tawzea provides water investment solutions focused on privatizing the water sector, a key element of the Kingdom's Vision 2030. Tawzea is one of the first companies to successfully privatize this sector in Saudi Arabia, particularly within industrial cities. The company, best known in the past for its concessions work with industrial cities, has become a major player in the growing market for privately financed municipal wastewater treatment plants.

Tawzea is a leader in wastewater treatment through its Independent Sewage Treatment Plant (ISTP). The company, with its tailor-made solutions, is an environmental market leader in Saudi Arabia. The company ensures high operational efficiency and reliability through the implementation of a global management system compliant with international standards, including ISO 9001, 14001, and 45001. A specialized team provides technical support to the company's customers through a 24/7 customer care center and a fully implemented CRM with an automatic billing system and SADAD services.

2023 Highlights

SAR

423.6m

Net Revenue

34.5m

Value of New NWC Contract

Performance Review

Tawzea's revenues (excluding construction revenues) reached SAR 423.6 million, up by 26% from 2022.

The growth in revenue was driven by an increase in the volume of water, wastewater and related services

across the various industrial cities, the additional service contracts in Neom, as well as revenues generated from the fully operational South Cluster and North Cluster SPVs.





Gross margins (excluding construction revenues and construction costs), increased to 16% up from 9% in 2022, primarily due to the impact of the new contracts, and better cost management.

EBITDA remained flat year-on-year at approximately SAR 40 million in both 2023 and 2022.

Net profit fell by 6.9% compared to 2022, dropping from SAR 22.2 million in 2022 to SAR 20.6 million in 2023, due to the costs associated with new projects awarded during the year.

Operational Review

The company secured a number of new contracts for O&M projects in 2023, including one in NEOM and several other projects with the National Water Company in Makkah, Riyadh and Dammam. The company's NWC contract, to operate and maintain wastewater treatment plants in the cities of Dammam and Khobar, is valued at SAR 34.5 million, while the company's NWC contract to operate and maintain the water network in Makkah and its governorates is valued at SAR 199.5 million.

Tawzea has successfully conducted commercial operations and performance tests for the first independent sewage treatment plant in Saudi Arabia, the Taif facility, with a capacity of 100,000 m³ per day. Taif O&M Company operated for the full year of 2023, after obtaining a deemed PCOD during Q4-2022. Taif ISTP also successfully achieved the full PCOD in Q4-2023.

The company has also developed and launched various digital solutions to deliver value to its customers, including billing, meter testing and collection, and environmental solutions. The new digital solutions enable the company's customers to pay their water bills online, view their consumption history, get accurate and reliable water meter readings, and reduce their environmental impact and comply with environmental regulations.

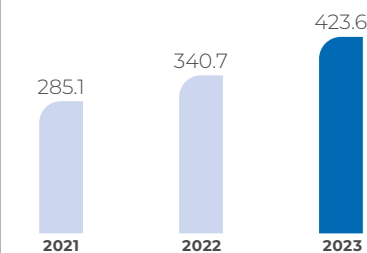
Tawzea Outlook

1. Industrial cities
2. Developer in PPP and BOT projects
3. O&M Projects

The company is actively participating in current tenders for the above sectors in various locations within Saudi Arabia.

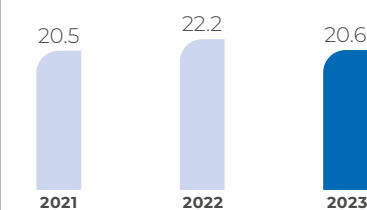
The company will remain focused on contributing to Saudi Vision 2030 objectives, which aim to foster inclusive economic growth. Tawzea is also an active supporter of the Saudi Green Initiative, working with key stakeholders to plant more than 200,000 trees in the next few years.

Net Revenue



All figures in SAR millions

Net Income



All figures in SAR millions



As a significant player in the distilled water segment, Kindasa offers 24/7 water distribution services ensuring a steady and dependable water supply to the industrial sectors. The company produces high-quality desalinated water, with projects operational in major industrial hubs in Saudi Arabia, including Jeddah Islamic Port, Saudi City, and King Abdulaziz University (Rabigh).

The company operates a 50,000 m³ per day sea water reverse osmosis (SWRO) desalination plant, including potable water transfer pipelines to Jeddah Industrial City, South Khumrah District, and tanker loading stations. The company has recently built a 4000 m³ per day (expandable to 12,000 m³ per day) SWRO desalination plant with loading stations in Rabigh to fulfill the growing demand for potable water in the industrial and municipal sectors.

2023 Highlights

SAR

92.7m

Net Revenue





Performance Review

Kindasa's revenue improved by 6.3% to reach SAR 94.3 million in 2023, driven by an increase in volumes and average prices, while the year 2022 was impacted by a temporary decrease in production during the first quarter of 2022, which resulted in lower sales volumes for that year. Gross margin improved to 49.2% in 2023, up from 38.4% in 2022 due to the increase in revenue, reduction in depreciation due to the extension of JIP plant land lease and better cost optimisation.



EBITDA increased to SAR 37.6 million, an improvement of 31.6% compared to 2022, due to the improvement in margins.

As a result, net income increased by 115% to reach SAR 25.3 million in 2023.

Operational Review

Kindasa's growth in 2023 was mainly supported by its operations in Jeddah Industrial Cities (JIC) and Jeddah Islamic Port (JIP), which allowed the company better access to port companies.

Kindasa succeeded in signing a new agreement at JIP up to 2032. The company rehabilitated the JIP water network, enabling the sale of more water to JIP customers. These strategic successes and the optimization of contracts with suppliers and customers helped Kindasa increase its profit margins in 2023.

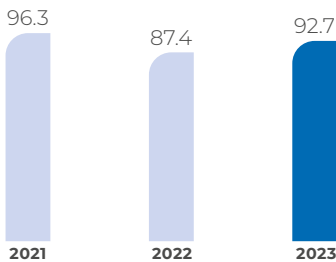
In pursuit of better profit margins, Kindasa has started in 2023 selling distilled water, as it has higher profit margins than potable water. With its Distilled water quality meeting the highest industrial standards, Kindasa has secured contracts with high-volume customers.

Kindasa Outlook

The company is planning to continue its plans for relocating its seawater intake from the berths lagoon to the open sea as well as increasing its distilled water sales in 2024. The company is pursuing partnerships with well-established companies to bid for PPP projects.

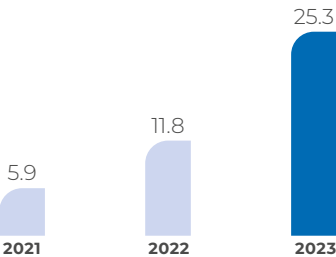
The company is also working with high-volume customers to extend its pipeline in the Khumrah area to enable even higher volume sales and eliminate transportation costs and the environmental impact of truck movement. Kindasa is working on rehabilitating two additional RO units to increase its water production capacity, which will be completed in early 2024.

Net Revenue



All figures in SAR millions

Net Income



All figures in SAR millions

Stakeholder Engagement

Understanding our stakeholders is key to achieving our strategy, helping us create long-term value for all our stakeholders.

Regular stakeholder engagement enables the Company to make informed decisions that align with its stakeholders' needs and goals, ensuring the development of long-term trust-based stakeholder relationships.

	Shareholders	Portfolio Companies
How We Engage	<ul style="list-style-type: none"> • Convening 3 Investor conferences attended by the CEO and CFO • Arranging 4 Investor Roadshows • Organizing 1 Investor Day • Holding more than 70 one-to-one meetings and investor calls • Making 4 Earnings calls and results presentation • Publishing the Annual Report • Organizing AGM and EGM • Running and maintaining SISCO Holding IR Website 	<ul style="list-style-type: none"> • Engaging at the board level through Company board representatives • Engaging at the management level during the semi-annual Portfolio Days • Publishing monthly and quarterly performance reports
Outcomes From the Engagement	<ul style="list-style-type: none"> • Developing improved disclosure procedures based on feedback received from investors • Involving shareholders in setting the strategic direction of the Company • Addressing shareholders' concerns in a timely and transparent manner 	<ul style="list-style-type: none"> • Providing SISCO Holding with a thorough understanding of Portfolio Companies' performance • Ensuring Portfolio Companies' alignment and progress against the Group's overall strategic objectives • Facilitating compliance with the Group's set of standards overseeing all aspects of its subsidiaries' operations
How we Responded in 2023	<ul style="list-style-type: none"> • Communicating of Company business model and strategic plan to investors • Applying stated capital allocation priorities • Seeking feedback through a perceptions study • Communicating improved Organisational Capabilities in executing strategy 	<ul style="list-style-type: none"> • Working closely with Portfolio Companies to facilitate cross-portfolio collaboration and synergies • Proposing quarterly meetings between corporate and portfolio company management teams • Making referrals of M&A opportunities

At the Board level, board members are encouraged to engage with our stakeholders directly, including having shareholders attend the Company's Annual General Meeting. In addition, the Board receives feedback from management on stakeholder views, through Board reports, investor feedback reports and employee survey reports.

Regarding SISCO Holding's overall engagement with its stakeholders, the Company has identified engagement with the following stakeholder groups as being vital to the success of the Group.

Employees	Government and Regulatory Bodies	Community
<ul style="list-style-type: none"> • Conducting employee surveys • Holding town hall meetings • Holding leadership team meetings • Providing Training programs • Providing Graduate programs 	<ul style="list-style-type: none"> • Communicating consistently with government authorities and regulatory bodies to create positive and productive relationships to ensure compliance with relevant regulations across the business activities and the sectors in which the Company operates 	<ul style="list-style-type: none"> • Participating in volunteering and fundraising activities • Educating school children on environmental issues, such as recycling • Partnering with local charities to alleviate poverty • Communicating with local communities through social media channels and the Company's website
<ul style="list-style-type: none"> • Creating an inclusive culture, where all employees feel valued, respected and empowered to express their opinions and contribute to decision making • Providing a free, fair and healthy workplace that allows its employees to grow and thrive, enabling SISCO Holding to retain its highly skilled workforce 	<ul style="list-style-type: none"> • Creating positive and productive relationships with government authorities • Understanding the requirements and priorities for infrastructure assets • Improving the Company's metrics • Identifying the new regulations that may impact the Company's assets 	<ul style="list-style-type: none"> • Identifying local concerns and challenges to be able to give back to the community • Ensuring the health and well-being of local communities in the areas where the Company operates through minimizing the environmental impact of our activities and to the promotion of sustainable practices across its portfolio operations
<ul style="list-style-type: none"> • Introducing an employee reward and benefit structure in recognition of our employees' contribution to the success of its operations • Implementing policies which ensure all employees are treated fairly 	<ul style="list-style-type: none"> • Complying with applicable laws, regulations, and license conditions • Participating in initiatives run by the regulatory bodies 	<ul style="list-style-type: none"> • Organizing community building activities • Providing financial support during times of crisis • Making significant contributions to local charities • Distributing food parcels during Ramadan

ESG at SISCO Holding

SISCO Holding adheres to an operational philosophy aligned with the triple bottom line of sustainability, effectively managing environmental, social, and economic (including governance) aspects in an integrated manner for the benefit of all stakeholders. Our objective is to contribute to the realization of Saudi Vision 2030, fostering the country's economic development while enhancing social and environmental outcomes.

At SISCO Holding, we firmly believe in embracing a business strategy that is centered on sustainability. This approach enables the Company to explore emerging markets and elevate overall business performance. As a demonstration of our commitment to sustainability, SISCO

Holding is committed to achieving net-zero emissions by 2060, aligning with the Saudi Green Initiative. This commitment serves as a cornerstone in the Company's pursuit of a more environmentally conscious and resilient future.

In this Environmental, Social, and Governance (ESG) overview, we present a snapshot of SISCO Holding's highlights and achievements in 2023, its sustainability management practices for the year, the Group's current approach to ESG, and its future outlook.



Ports and Logistics



Water Solutions



Vision 2030

Ambitious Nation



- Enhance government effectiveness
- Enable social responsibility

SISCO Holding's ESG Framework

- Good governance and strong intuition
- Sustainable environment and infrastructure

Thriving Economy



- Grow & diversify the economy
- Increase employment

SISCO Holding's ESG Framework

- Supporting our communities

Vibrant Society



- Strengthen Islamic & national identity
- Offering a fulfilling & healthy life

SISCO Holding's ESG Framework

- Empowering our people

Alignment with National Priorities & SDGs

The ESG management process at SISCO Holding, in addition to SISCO Holding's current ESG framework, are closely aligned with the national agenda, seamlessly integrating key elements of the Saudi Vision 2030. Moreover, our ESG management process aligns with

the objectives of the Saudi Green Initiative, focusing on the reduction of carbon emissions, the augmentation of renewable energy utilization, and the preservation of natural resources.

Acknowledging our duty to actively contribute to a sustainable future for all, SISCO Holding has identified avenues

through which we can support the United Nations Sustainable Development Goals (UN SDGs). Our aim is to champion the SDGs by aligning our business practices with these objectives and establishing pertinent targets. We operate in a manner that generates a positive impact and also aligns with the SDGs.

Empowering our People

Our commitment to equity and diversity is evident in our robust policies, ensuring equal employment opportunities. Aligned with Saudi Vision 2030, we actively enhance women's representation. Prioritizing our employees, we emphasize their health, safety, and overall well-being. To attract and retain top-tier talent, we focus on fostering career advancement through continuous development, augmenting our organizational capacity.



Supporting our Communities

At SISCO Holding, our commitment is to reduce our environmental impact and champion the Kingdom's Green Initiative. The Company actively reduces its carbon footprint through energy conservation initiatives, integrating advanced technologies into operations. SISCO Holding also aims to minimize its water consumption and waste footprint while diligently managing climate change risks associated with its activities.



Sustainable Environment and Infrastructure

As a contributor to the Kingdom's economic growth, SISCO Holding embraces the responsibility for the progress and prosperity of its communities. Leveraging our resources, SISCO Holding serves as a catalyst for positive transformation. Simultaneously, the Company is committed to enhancing the customer experience through improved products, services, and refined engagement strategies. This commitment extends to ensuring fair and transparent procurement practices, expanding our local sourcing capacity, and dedicating efforts to improve conditions and livelihoods for our suppliers throughout our supply chain, fostering a mutually beneficial relationship.



Good Governance and Strong Intuition

Operating with utmost integrity is a core principle for us. We believe that maintaining unwavering ethical conduct, from leadership to field employees, cultivates a resilient culture marked by confidence, responsibility, and openness. This, in turn, enhances business performance and creates value for all stakeholders.



ESG at SISCO Holding continued

Our Current Approach to ESG

In maintaining transparency, SISCO Holding actively collaborates with stakeholders, ensuring that our material concerns and emerging issues are recognized and appropriately tackled. Regular engagement facilitates a proactive approach to addressing and resolving these matters.

SISCO Holding acknowledges the significance of discerning pivotal factors that may affect our business and stakeholders. The Group consistently scrutinizes industry trends, pinpoints risks, and delineates crucial matters requiring effective management. Utilizing our materiality assessment process, 13 key issues were identified and ranked based on their significance to both the Company and its stakeholders. Through this mapping, the Company can formulate targeted actions to address these issues and strategically allocate our resources.

Sustainability is integral to SISCO Holding’s corporate strategy, serving as a fundamental driver for responsible and sustainable business expansion that creates value for all stakeholders. Our ESG framework is designed around four pivotal pillars, which not only harmonize with our business vision and mission, but also serve as the foundational elements of our Company’s values. These pillars play a central role in shaping our decision-making process, emphasizing our commitment to sustainable practices and responsible business conduct.

Building on the Company’s strong ESG foundations, SISCO Holding will develop a new framework in 2024. This upcoming version will be purposefully designed to align seamlessly with current and emerging Saudi standards, incorporating innovative advancements for enhanced effectiveness and responsiveness to evolving ESG standards. This ongoing effort will ensure a markedly elevated

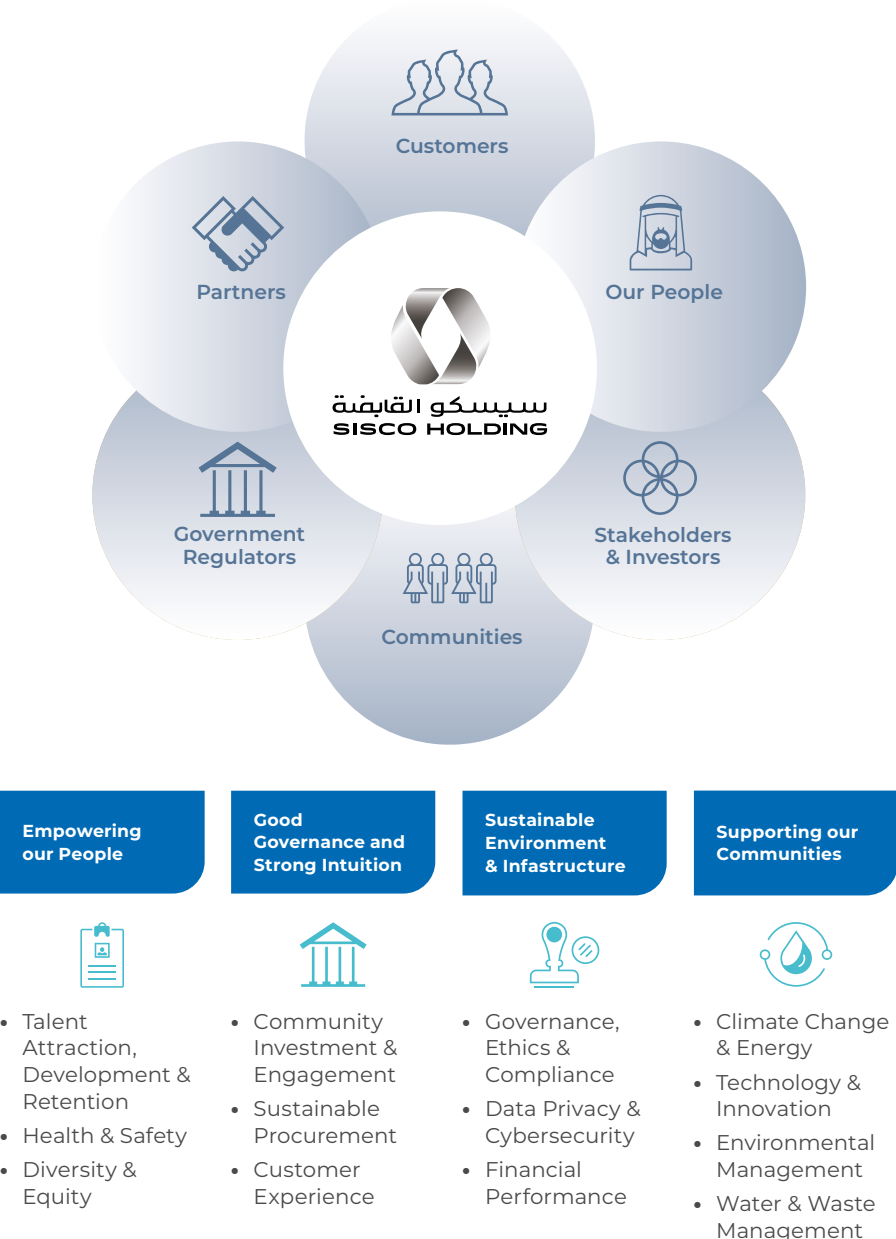
level of environmental and social impact, underscoring our commitment to continuous improvement and adaptability in promoting sustainable business practices.

Looking Ahead

SISCO Holding is actively advancing its ESG approach, shaping a responsible and forward-thinking future through strategic initiatives. The Company will undertake a comprehensive benchmarking assessment and sustainability landscape analysis to inform the development of a new

sustainability framework. This framework will be aligned with current corporate priorities and ambitions in Saudi Arabia, backed by an action plan detailing high-priority initiatives designed for rapid and achievable progress in the short to medium-term.

By undertaking these initiatives, SISCO Holding is poised to navigate a sustainable course, leveraging valuable insights, reducing its carbon footprint, and harnessing digital innovation for a more environmentally conscious and resilient future.



Highlights and Achievements in 2023

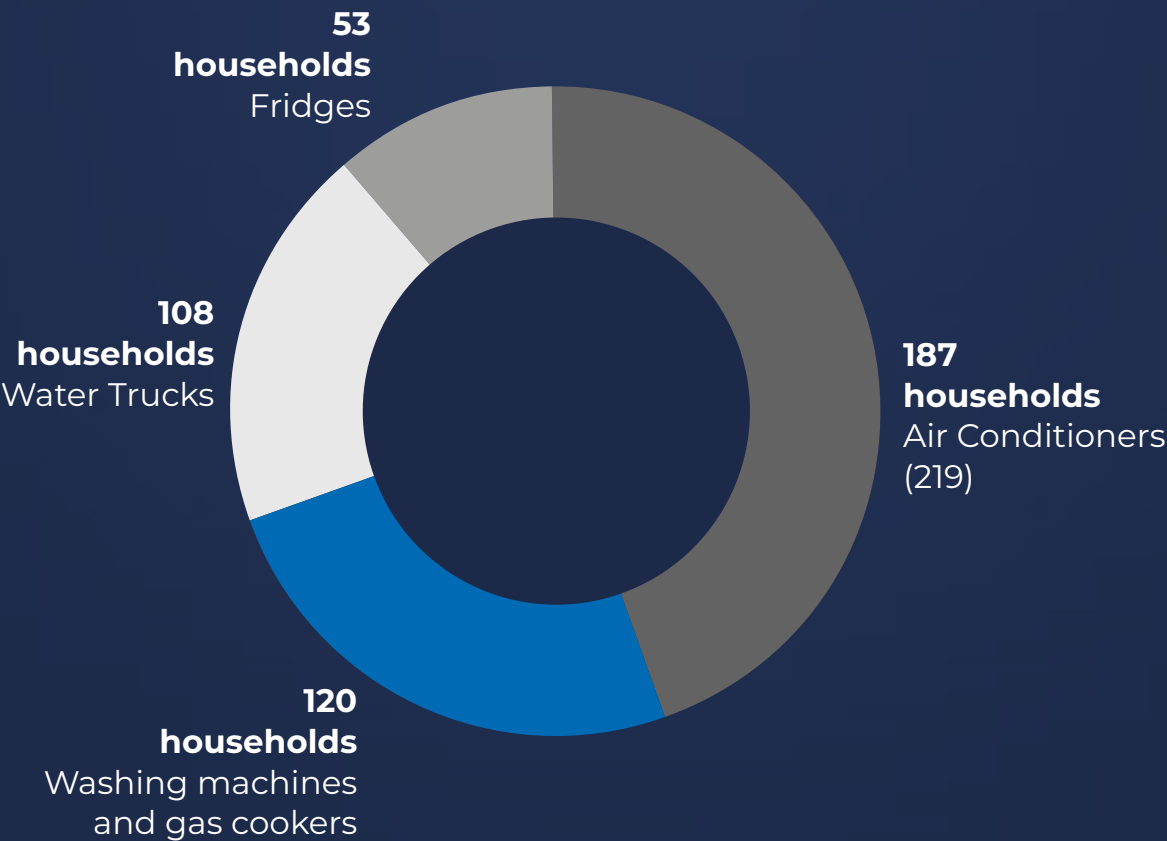
SISCO Holding has signed an agreement to partner with Ektefaa, a non-profit organization, to empower disadvantaged families in the Makkah region towards achieving self-sufficiency. Ektefaa addresses diverse needs within these communities, providing essential services such as water, sanitation, air conditioning, furniture, electronics, and kitchen appliances. This collaboration involves gathering information and conducting research in strategic partnership with various community sectors to promote

sustainable development. The signing of the agreement marks the launch of this impactful project in 2024.

In Saudi Arabia, where approximately 20% of residents live in unplanned areas, and over 5,000 families reside in informal settlements or have resettled after districts were demolished, this initiative specifically targets informal settlements in alignment with Sustainable Development Goal 11 for Sustainable Cities and Communities.

This impactful initiative is characterized by a systematic, data-driven approach, starting with identifying the target population and conducting a thorough needs assessment survey. The verification and quantification of needs follow the needs assessment survey, allowing for the maximization of impact during the implementation stage. The initiative's progress is continuously measured and disclosed to track its sustained impact over time.

Fund the highest priority needs & most impactful interventions
SAR 1.25 million



Women Leadership at SISCO Holding

Women make a significant impact in the workforce. SISCO Holding is committed to fostering a gender-inclusive work environment with no tolerance for discrimination or gender inequality. In line with this commitment, mentoring and leadership development programs are provided for all female employees, and there is appropriate training for all positions held by women within the Company. Moreover, we are proud to announce that during the year 2023, the number of female employees at SISCO Holding has doubled, reflecting our dedication to diversity and inclusion. Notably, this growth has extended to the upper echelons of management, with five talented women now occupying top leadership positions within the company.

Here are some stories of SISCO Holding and portfolio company female leaders.

Ms. Muneera Al-Dossary
Board Member, and member of the
Investment Committee SISCO Holding



Since 2020 I had the honor to be part of SISCO Holding as an Independent Board Member and member of the Investment Committee.

I am very proud to be the first female Board Member and feel proud to contribute positively to SISCO Holding's success story not only by enhancing the board gender diversity but by being an active, engaged, and responsible board member primarily by capitalizing on my background in investment especially in capital markets where I can represent the institutional investors community expectations and standards.

I have been part of the board representatives working on the company 6 years strategy side by side with company's management to outlines where SISCO holdings is going, the actions it will take to get there, and frequently monitoring the progress to make sure we achieve the goals & meet our shareholders expectations.

Reema Kandil
Investment Manager
SISCO Holding



At SISCO, I've undergone significant changes, particularly in my role within M&A under our new CEO Mr. Suleimani's leadership. Lately I felt a sense of evolution as I became more engaged in the M&A process, contributing opinions on opportunities that were actively considered. Now I find myself deeply immersed, participating in major meetings and decision-making. My role has expanded to encompass financial analysis, background work, valuation, modelling, and providing recommendations. Working in M&A at SISCO Holding is exciting and challenging.

As SISCO Holding is an investment company, my role also required portfolio management and investment review to maximize returns. Overall, my experience at SISCO Holding has been one of growth, adaptation, and a continuous improvement.

Reman Harir
Business Development Logistics
SISCO Holding



Transitioning from ISNAD to LogiPoint marked a significant shift in my career trajectory, driven by the improvements I initiated in ISNAD's customer service operations. As the Customer Service Manager at ISNAD, I introduced the first port-to-door customer service model and enhanced services such as documentation and customs clearance. The success of these enhancements led to my transfer to LogiPoint, aiming to replicate these improvements on a larger scale within the logistics industry. At LogiPoint, I focused on changing employee mindsets and optimizing operations, particularly within the bonded zone, resulting in efficiency improvements in port-to-door services and customs clearance.

My recent transition to SISCO Holding, reflects a broader strategic objective to enhance portfolio logistics.

Noura Rehbin
Corporate Communication
SISCO Holding



I have taken on the responsibility of developing the corporate communication department at SISCO Holding, managing the significant changes to the website and branding and establishing social media presence. Throughout this process, I have felt empowered to make decisions and implement strategies, with full support from management. Additionally, I am enjoying the collaborative and effective approach to driving the change.

Rahaf Musslem
Crane Electrical Engineer
Red Sea Gateway Terminal



Working in this field gives me a sense of pride and achievement as it contributes to the development of this vital and important sector in the industry.

I see this as a unique role, as the presence of women in this field adds value due to the innovative and creative thinking. It requires high technical and engineering skills coupled with the ability to deal with technical challenges and constantly changing practical requirements.

Enabling women to work in these roles promotes diversity and inclusion in the work environment, which enhances productivity and enhances innovation and development in the industry.

Tahani Al-Jadaani
HR and Admin Manager
Kindasa



As the HR and Admin manager at KINDASA, I've spearheaded significant changes within the company's human resources and administrative departments. Reporting directly to the CEO, I've implemented new policies and procedures and enhanced the internal framework of the organization, including transitioning various HR functions from manual processes to digital systems as part of a broader digital transformation initiative.

Personally, working at KINDASA has been fulfilling; the company fosters a supportive and inclusive atmosphere, particularly in empowering women and valuing employee feedback. Over my five years here, I've witnessed substantial positive changes and look forward to continuing to contribute to the company's growth and improvement.

Madawii Abushoshah
Remote Control Quay Crane Operator
Red Sea Gateway Terminal



As a Remote-Control Quay Crane Operator, I underwent extensive training totaling 280 hours on a simulator, covering various operations on different types of vessels. This comprehensive preparation equipped me with the necessary skills and expertise.

Overall, being a Remote-Control Quay Crane Operator represents not only a testament to technological innovation but also a commitment to safety, efficiency, and excellence in maritime operations. Being the first woman to operate a Quay Crane Remotely in Saudi Arabia reflects the spirit of innovation and advancement in the workplace.

I feel proud to be working for Red Sea Gateway Terminal company, which has provided more job opportunities for women in the operations department and is a significant factor in empowering women.

ESG at SISCO Holding continued

Red Sea Gateway Terminal (RSGT):

RSGT celebrated a year of significant achievements, emphasizing its commitment to employees and social responsibility. Employee-centric activities, such as Employee Appreciation Events, Monthly Safety Star recognitions, Quarterly Behavioral Awards, and service milestone acknowledgements underscored the company's dedication to fostering a positive and inclusive work environment.

RSGT actively participated in humanitarian efforts, exemplified by its support during the Sudan Evacuation and the Safety Standdown initiatives. Environmental stewardship was emphasized through Environmental Impact Assessment-Related Environmental Sampling, Dive Against Debris, and a yoga session dedicated to Breast Cancer Awareness. The company's involvement in community events like the KAU 11th Career Fair and Jeddah College Career Fair reflected its commitment to nurturing talent and contributing to societal growth. Furthermore, RSGT demonstrated a strong sense of social responsibility by organizing the HELP Center Marathon and providing Medical Checkups in the camp. The Admiral Program, along with the commitment to flu vaccinations, signified RSGT's dedication to the health and well-being of its employees.

LogiPoint:

During 2023, LogiPoint exhibited a constant commitment to ESG principles through a multifaceted array of initiatives. On the environmental front, the installation of solar panels, separate water meters implementation, and shuttle services in BRZ demonstrated LogiPoint's dedication to reducing its carbon footprint. Transparent stakeholder management and adherence to ethical practices showcased LogiPoint's dedication to responsible and sustainable business operations. The launch of an ePortal for



invoicing and comprehensive recycling efforts underscored the company's commitment to resource efficiency and environmental sustainability.

In the social sphere, LogiPoint engaged in philanthropy with local charities, prioritized employee wellness through safety videos and continuous health and safety refresher courses, and designed a new warehouse building with environmentally-friendly features. LogiPoint championed diversity and inclusivity, upheld equal opportunity employment practices, and maintained high safety standards with certified firefighting systems.

S.A. TALKE:

S.A. TALKE exemplified a strong commitment to safety, health, and environmental initiatives and corporate social responsibility (CSR) programs. Notable efforts included the Operation Clean Sweep Campaign, OHS Plan workshops for S.A. TALKE Site Leaders, and Quarterly Environmental Campaigns, emphasizing environmental stewardship and safety culture. The company actively addressed water and energy conservation through initiatives such as the Water Conservation Initiative which focused on installing aerators and the Energy Conservation Initiative which tackled the use of motion sensors and energy-saving stickers. In parallel, S.A. TALKE demonstrated its dedication to

social responsibility through diverse CSR activities, including collaborative initiatives with the Ministry of Education in Rabigh, Blood Donation Campaigns, and Ramadan Iftar in Jubail. Contributions to Al Nibras and participation in the Al-Nabiyah Charity Association emphasized the company's commitment to community welfare.

Elite Express Cargo:

Elite achieved a commendable 24% reduction in average fuel consumption per shipment compared to the previous year, demonstrating a notable advancement in operational sustainability. The company's decision to retire 27 vehicles older than 20 years resulted in a tangible reduction in fuel consumption and carbon emissions. Active participation in the "Can Collection Drive" with Emirates Environmental Group further underscored Elite's dedication to responsible waste management and recycling. Prioritizing employee well-being, the company organized an Annual Health Check-up and conducted mental health webinars in collaboration with medical insurance partners. Additionally, Elite succeeded in securing the 2nd Runner-up position in the cricket tournament Smartcup 2023, highlighting its active engagement in social and recreational activities.



Tawzea:

Tawzea demonstrated a steadfast commitment to ESG principles, increasing female employee presence by 150%, offering comprehensive healthcare benefits, and providing paid leave for various purposes. Collaborative efforts with SISCO Holding enhanced employee engagement, while educational competitions raised awareness about the water & wastewater sector. Orchestrating Group activities during national celebrations and participating in the Cooperative Training Forum at King Abdulaziz University (KAU), Tawzea exemplified a holistic approach to ESG principles, emphasizing employee well-being, diversity, community engagement, and talent development.

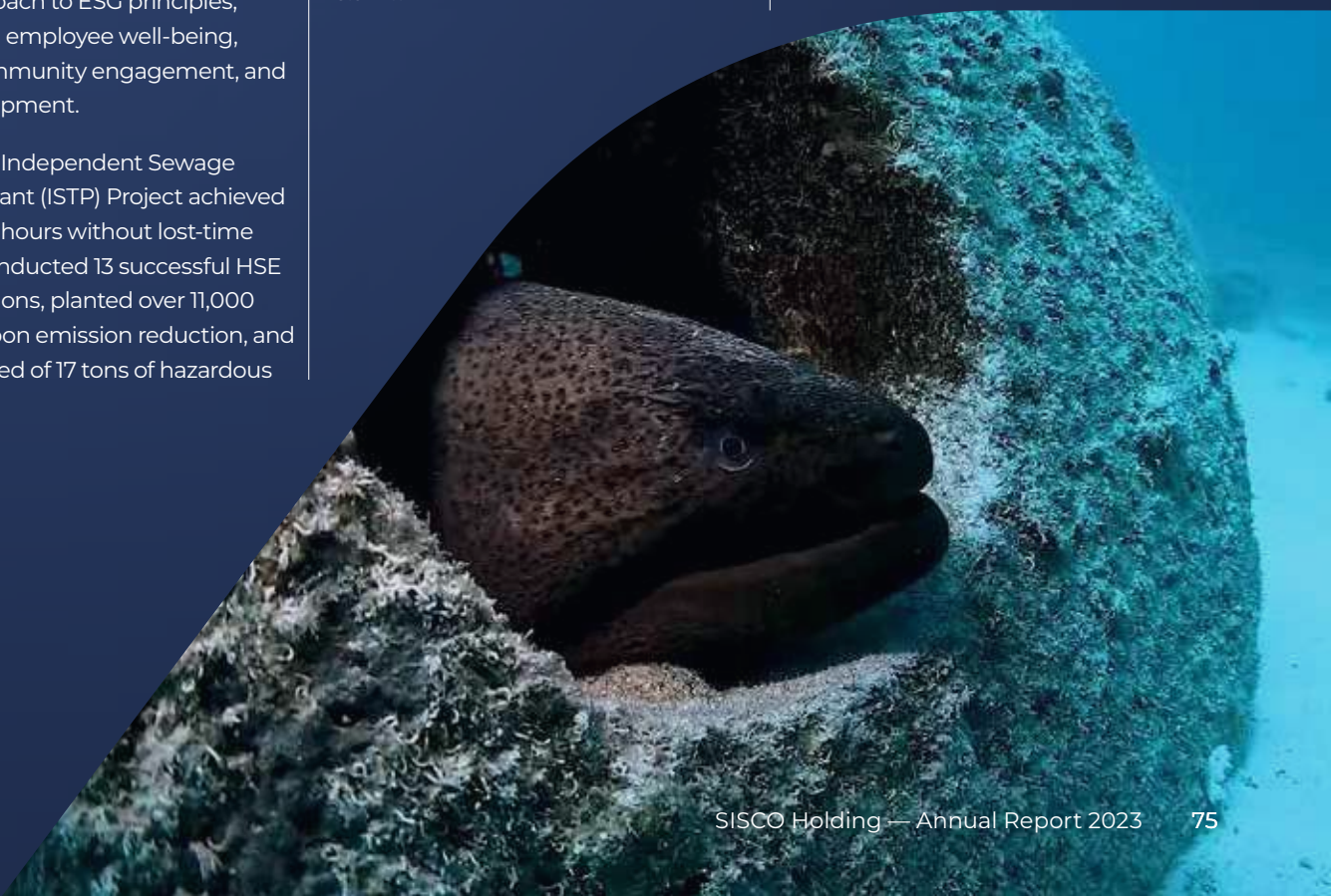
Tawzea's Taif Independent Sewage Treatment Plant (ISTP) Project achieved 100,000 safe hours without lost-time incidents, conducted 13 successful HSE training sessions, planted over 11,000 trees for carbon emission reduction, and safely disposed of 17 tons of hazardous

waste, earning accolades as the "Best Water Treatment Project" at the MEED Middle East Economic Digest Awards 2023 and as a runner-up for the "Best Water Treatment Plant" at the Global Water Awards 2023. Collaboration with Taif Technical College contributed to national competency enhancement.

Through the Modon/Makkah O&M initiative, Tawzea minimized work injuries, automated meter readings, and has actively engaged in green initiatives. The company upheld international standards, renewed ISO certifications, and maintained a Saudization rate of 25.94%.

Kindasa:

In 2023, Kindasa upgraded the Jeddah Islamic Port (JIP) water network, connecting all facilities and resident companies via a pipeline, thereby eliminating water trucks and substantially reducing the carbon footprint associated with water production and distribution. Kindasa expanded its pipeline customer base from three to nine, diminishing the reliance on truck deliveries. In 2024, the company plans to further extend the pipeline network in south Jeddah, aiming to transition additional customers from truck transport to pipelines for an eco-friendlier operation. Additionally, the implementation of a paperless system underscored the company's commitment to sustainability, eliminating the need for printing sales invoices and related documents, saving an average of 600 pages monthly by adopting email-based communications. These initiatives collectively showcase Kindasa's dedication to environmental stewardship, operational efficiency, and ESG principles.





03

Governance Performance Report



Board of Directors	78
SISCO Holding Management Team	88
Board and Committees	90

Board of Directors

**Mr. Aamer
Abdullah Alireza
Chairman of the Board**

On SISCO Holding Board since 2003
Investment Committee Member
and Nomination and Remuneration
Committee Member



MEMBERSHIP IN COMPANIES

- Transport General Authority
- Al Ballad Development Co.
- Saudi Logistics Academy.
- NEOM Industrial City – Oxagon
- Saudi Electronic Information Exchange Company “TABADUL” (Previously)

LEGAL ENTITY

Governmental

- BUPA Arabia for Co-operative Insurance (Previously)

Listed /Joint Stock

- Red Sea Ports Development (a subsidiary of SISCO Holding)

Closed Joint Stock

- Xenel Industries Co.
- Red Sea Gateway Terminal Company (a subsidiary of SISCO Holding)
- Saudi Trade and Export Development Company “LogiPoint” (a subsidiary of SISCO Holding)
- Support Services Operation Co. (a subsidiary of SISCO Holding)
- AECOM Arabia Ltd.
- Green Dome Investments (United Arab Emirates)
- Magrabi Hospitals and Centres

Limited Liability

CURRENT POSITION

- Chairman of the Board, The Sustained Infrastructure Holding Company "SISCO Holding"
- Executive Chairman of the Board of Directors, Red Sea Gateway Terminal Company
- Executive Chairman of the Board of Directors, Saudi Trade and Export Development Company "LogiPoint"
- Chairman of ExCom and Board Member of Xenel Industries Ltd, and Managing Director of Xenel Services Division
- Chairman of the Board, AECOM Arabia Ltd.

PREVIOUS POSITION

- Vice Chairman, The Sustainable Infrastructure Holding Company (SISCO Holding)
- CEO and Board Member, Red Sea Gateway Terminal Company
- CEO and Board Member, Saudi Trade and Export Development Company "LogiPoint"

QUALIFICATIONS

- BA in Economics and Political Science from Pitzer College, California, USA – 1994
- Certificate in Financial Affairs from the University of Berkeley – California – USA – 2000
- Certificates of attending several training courses for executives, the latest of which was the "Advanced Management Program" from Harvard Business School, Boston – USA – in 2010.

EXPERIENCE

Mr. Aamer is the Chairman of the Board of Directors of The Sustained Infrastructure Holding Company "SISCO Holding" (a public joint stock company), Executive Chairman of the Board of Directors of the Red Sea Gateway Terminal Company Limited (RSGT), and Executive Chairman of the Board of Directors of the Saudi Trade and Export Development Company. Ltd. and LogiPoint, both subsidiaries of SISCO Holding.

Also, he is a member of the Board of Directors, Chairman of the Executive Committee, and Managing Director of the Industrial Services Department at Xenel Industries, Chairman of the Board of Directors of AECOM Arabia Limited, and Vice Chairman of Magrabi Hospitals and Centres.

Mr. Aamer is a member of the board of directors of several government institutions and companies, such as General Transport Authority, NEOM Industrial City Company (OXAGON), Al Balad Development Company, and Saudi Logistics Academy.

He previously held the position of Managing Director of OILspace – Middle East, and over the past six years he held several leadership positions in the international Chevron Company in the United States of America, Britain and Russia.

Mr. Aamer has multiple practical experiences in the field of business development and management of giant projects, which he gained during his work with major companies operating in various fields such as petroleum, information technology, e-commerce, infrastructure, industrial services, and the logistics and navigation services sector.

Board of Directors continued



Eng. Rayyan Nagadi
Vice Chairman

On SISCO Holding Board since 2023
Investment Committee Chairman

MEMBERSHIP IN COMPANIES

- Board member, Saudi Postal & Logistics
- Founding Board Member, National Infrastructure Fund
- Board member, Saudi Hospitality Company
- Vice-Chairman, SEDCO Capital Board
- Vice-Chairman, SEDCO Holding Executive Committee
- Chairman, Al Mahmal Facility Company Board

LEGAL ENTITY

Government Entity

Public Investments Fund (PIF)

Closed Joint Stock Company (CJSC)

Limited Liability Company (LLC)

CURRENT POSITION

- Chief Executive Office – SEDCO Holding Group
Dec 2022 - Present

PREVIOUS POSITION

- Chief Executive Officer – National Center of Privatization & PPP
2021 - 2019

QUALIFICATIONS

- Bachelors of Applied Electrical Engineering – King Fahad University of Petroleum and Minerals

EXPERIENCE

2021 – 2019 CEO, National Center for Privatization & PPP

2021 – 2019 Advisor to H.E. Minister of Finance HSBC

2019 – 2017 Managing Director

2017 – 2012 Director

2012 – 2008 Associate Director

2008 – 2006 Associate

2006 – 2001 Senior Analyst – Credit and Collection at SIDF



Mr. Talal
Nasir Al-Dakhil

On SISCO Holding Board since 2020

Nomination and Remuneration
Committee Chairman & Audit Committee
Member

BOARD MEMBERSHIP IN COMPANIES

- Alpha Capital Public Sukuk Fund
- Alpha Capital Saudi Freestyle Equity Fund
- Washmen Holding Limited
- International Water Distribution Company (previously)

LEGAL ENTITY

Limited Liability (LLC)
Closed Joint Stock
Company

CURRENT POSITION

- Businessman

PREVIOUS POSITION

- He held several positions, including Senior Banker for Corporate Banking at Banque Saudi Fransi, and Relationship Manager for Corporate Banking at Banque Saudi Fransi.

QUALIFICATIONS

- He holds a bachelor's degree in Financial Management from King Saud University.

EXPERIENCE

More than 11 years of experience in corporate banking.

Board of Directors continued



**Nader Mohammed
Saleh Ashour**

On SISCO Holding Board since 2023

Chairman of the Audit Committee and
Member of the Nominations and
Remuneration Committee

BOARD MEMBERSHIP IN COMPANIES BASED IN KSA

- Bupa Arabia for Cooperative Insurance
- Saudi Ground Services Company (Board of Directors, Audit Committee, Risk Committee)
- Jeddah Airports Company (Risk and Audit Committee)
- Dal Bank 360 (Audit Committee)
- Member of the Audit Committee at One of the Companies of the Public Investment Fund

LEGAL ENTITY

Listed / Joint Stock

Closed Joint Stock

CURRENT POSITION

- Bupa Arabia for Cooperative Insurance Company (Member of the Board of Directors – Deputy CEO – Strategy, Business Development & Transformation)

PREVIOUS POSITION

- Saudi Aramco (Several Leadership Positions, Most Recently the Director of the Readiness Team for the IPO)

QUALIFICATIONS

- Master's Degree in Business Administration, IMD International, Lausanne, Switzerland
- Bachelor's Degree in Accounting, King Fahd University of Petroleum and Minerals
- Certified Management Accountant (CMA).
- Certified Internal Auditor (CIA)
- Passed American Certified Public Accountant (CPA) Exams

EXPERIENCE

Extensive Experience in
Several Fields and Sectors



Mr. Saleh Ahmed Hefni

On SISCO Holding Board since 1998
Investment Committee Member

MEMBERSHIP IN (PREVIOUS) COMPANIES

- Halwani Brothers Co.
- Al-Ahli Takaful (Executive Committee & Risk Committee Member)
- Saudi Ground Services Co. NRC & Executive Committee Member
- Middle East Healthcare Company – MEAHCO
- Halwani Brothers Co. (Egypt)

LEGAL ENTITY

Listed / Joint Stock

Closed Joint Stock

MEMBERSHIP IN (CURRENT) COMPANIES

- International Water Distribution Co.
- Kindasa Water Services Co. (SISCO subsidiary)
- Motor Vehicle Periodic Inspection
- United Sugar Company.

LEGAL ENTITY

Closed Joint Stock

- Saudi Trade and Export Development Co. "LogiPoint" (SISCO subsidiary)
- Omar Kassem Alesayi Marketing Co.
- Al Tawfiq Co. for Plastic & Woven sacks Ind. Ltd
- National Biscuits & Confectionery CO. LTD
- TechnoVal Information Systems
- United Warehouse Company
- United Feed Manufacturing Company (UFMC)
- United Feed Company (UFC)
- Arabian Maize Company (AMC)
- Saudi Bulk Transport Ltd. (SBT)

Limited Liability

CURRENT POSITION

- Group CEO, Omar Kassem Al-Esayi & Co. (OMACO)

PREVIOUS POSITION

- Managing Director and CEO, Halwani Brothers Co. (KSA and Egypt)

QUALIFICATIONS

- Bachelor of Science in Civil Engineering from San Francisco, United States
- Master's degree in Human Resources from University of Strathclyde, Scotland

EXPERIENCE

Experience in management, aiding companies with structure, and business development.

Board of Directors continued



**Ms. Muneera Hejab
Al-Dossary**

On SISCO Holding Board since 2020
Investment Committee Member

CURRENT POSITION	PREVIOUS POSITION	QUALIFICATIONS	EXPERIENCE
<ul style="list-style-type: none"> • CEO & Managing Director of Franklin Templeton, Saudi Arabia • Vice Chairman, National Committee of Financial and Insurance Sectors, Conical of Saudi Chambers • Member of Investment and Securities Committee, Riyadh Chamber of Commerce 	<p>She held several different positions, including:</p> <ul style="list-style-type: none"> • Head of Asset Management at ANB Capital • Chairman, Capital Market Financial Institutions Committee • Chief Investment Officer and Head of Asset Management - HSBC Saudi Arabia • CEO of Mulkia Investment Company • Board member in Rugove, European Water Company • Head of Equity Investments Department at Saudi Fransi Capital. • Vice Chairman of the Board of Directors of Education REIT Fund 	<ul style="list-style-type: none"> • Bachelor's degree in Business Administration Studies/MIS from Arab Open University • Banking Operations Diploma from Institute of Public Administration • Certified Financial Technician by IFTA 	<p>Over 19 years of experience in banking and asset management.</p>



Mr. Ahmed Mohammed
Al-Rabiah

On SISCO Holding Board since 2020

BOARD MEMBERSHIP IN COMPANIES BASED IN KSA

- Innovative Foods Company
- Saudi Trade & Export Development Co.

LEGAL ENTITY

Limited Liability
Closed Joint Stock

CURRENT POSITION

- Chief Profitability Officer, Shawarmer Food company.

PREVIOUS POSITION

- Previously held several positions such as Director of Wealth and Investment Management at Audah Capital, and Senior Director of Corporate Banking Relations at Saudi British Bank.

QUALIFICATIONS

- Bachelor's degree in Computer Science, Boston University, USA

EXPERIENCE

14 years' experience in wealth management, investment and banking relationships.

Board of Directors continued



Mr. Hussein
Hassan Eid

Audit Committee Member

BOARD MEMBERSHIP IN COMPANIES BASED IN & OUTSIDE OF KSA

LEGAL ENTITY

<ul style="list-style-type: none"> SAMBA Bank Limited, Pakistan (SNB subsidiary) Independent – Board Member – in a personal capacity since 05/2021 to present 	Public listed
<ul style="list-style-type: none"> SAMBA Bank Limited, Pakistan (SNB subsidiary) Independent – Audit Committee Member – in a personal capacity – since 06/2021 to present 	Public listed
<ul style="list-style-type: none"> SAMBA Bank Limited, Pakistan (SNB subsidiary) Independent – Nomination and Remuneration Committee Member – in a personal capacity since 06/2021 to present 	Public listed
<ul style="list-style-type: none"> SIJIL Corporation, Saudi Arabia Independent – Executive Committee Member – representing Alahli Bank of Saudi Arabia – in a personal capacity since 11/2021 to 6/2022 	Closed joint stock owned by Saudi Banks
<ul style="list-style-type: none"> ORYX regional private equity fund, Bahrain Independent – Board Member – representing Alahli Bank of Saudi Arabia – in a personal capacity since 11/2019 to 8/2022 	Private equity fund majority owned by SNB

CURRENT POSITION

- Chief Financial Officer at Sela Corporation Since April 2022 until present

PREVIOUS POSITION

- Chief Financial Officer of Comprehensive Banking Group and Deputy Chief Financial Officer of the Bank at Saudi National Bank (Alahli Bank) From May 2008 to April 2022

QUALIFICATIONS

- Master's degree in professional accounting (MPA), 2008 King Abdulaziz University, Jeddah, Kingdom of Saudi Arabia
- Bachelor's degree in accounting, 2005 King Fahd University of Petroleum and Minerals – Dhahran, Kingdom of Saudi Arabia
- Certified Public Accountant (CPA), 2012 The American Board of Accountancy in Colorado, USA, and the American Institute of Certified Public Accountants (AICPA)
- Certified Management Accountant (CMA), 2008 Institute of Management Accountants (IMA) – CMA, USA
- Diploma in International Financial Reporting Standards (DipIFR), 2010 Association of Chartered Certified Accountants (ACCA), UK

EXPERIENCE

Professional Experience (Over 18 years) Please refer to the details of the experiences in the attached resume.



Eng. Yaser Allaf

Audit Committee Member

MEMBERSHIP IN COMPANIES
BASED IN KSA

- Hala Payments Company –
(Jan 2024 – Present)

LEGAL
ENTITYMember of the Board of
Directors

CURRENT POSITION

- Chief Governance, Risk,
and Control Officer
(Tawuniya)

PREVIOUS POSITION

- EVP – Head of Wholesale
Treasury and Market Risk
(SNB)

QUALIFICATIONS

- Master of Business
Administration degree
(Concentration in Finance)
University of Business &
Technology, Jeddah, Saudi
Arabia, 2010 – 2012.
- B.A. degree in Electrical
Engineering (Computer
Major) King Abdul Aziz
University, Jeddah, Saudi
Arabia, 1993 – 1998.
- Certificate in Board
Membership, GCC Board
Directors Institute (BDI),
2024.
- High Impact Leadership
Program, Columbia
Business School, USA,
2020.
- International Certificate in
Risk Management,
Institute of Risk
Management, United
Kingdom, 2014.
- Executive Leadership
Program INSEAD Reach
Program, France, 2006.

EXPERIENCE

Eng. Yaser Allaf is a highly experienced professional with over 25 years of experience in the Financial Services Industry in Saudi Arabia. He has worked in various sectors, specializing in Risk Management, Control and Corporate Governance. He holds a B.A. degree in Electrical Engineering, Computer Major from King Abdul Aziz University, and a Masters of Business Administration, concentration in Finance, from the University of Business & Technology, Jeddah, Saudi Arabia.

SISCO Holding Management Team



Khalid Suleimani
Chief Executive Officer

EXPERIENCE

25+ years of in leading roles VC investment, digital transformation. Worked on tens of M&A deals, investment fund structures, and digital transformation projects. Wrote a best selling book on Entrepreneurship in the MENA region and has several publications in scientific and business journals.

QUALIFICATIONS

Mr. Suleimani holds a Master's degree in electrical and computer engineering from the University of Colorado at Boulder, an executive education certificate on launching new ventures from Harvard Business School, and a venture capital certification from Invest Europe.



Mahmood Hussain
Group Chief Financial Officer

EXPERIENCE

Over two decades of experience in transactions, restructuring and accounting advisory, having worked on over 70 transactions in the Middle East and internationally.

QUALIFICATIONS

Mr. Hussain holds a Master's degree in Accountancy and Management from University of Aberdeen, an ACA from Institute of Chartered Accountants in England and Wales (ICAEW), and Certificate in Corporate Finance, membership of The Chartered Institute for Securities & Investment (The CISI).



Wilfried Hugebaert
Senior VP of Logistics

EXPERIENCE

International experience in the Middle East, Africa and CIS in strategy, growth and operations management.

QUALIFICATIONS

Mr. Hugebaert holds a MBA from the Leicester University-UK (with focus on Logistics), double Master in International Trade from ESCI-France and University of Evry-France, and various industry certifications like ISO standards triple certification Lead Auditor, Nebosh Health & Safety, Lean Six Sigma Black Belt.



Christophe Durand
Head of Mergers and Acquisitions

EXPERIENCE

Over 22 years of experience in investments and transactions in Europe, Middle East and Africa, Mr. Durand leads SISCO Holding's M&A activity.

QUALIFICATIONS

Master's degree in management from MBS (Montpellier Business School) in France.
Master's degree in Asset Management from Paris Dauphine University in France.

**EXPERIENCE**

Significant legal experience in the company commercial areas in the Kingdom of Saudi Arabia and internationally.

QUALIFICATIONS

PhD in Company Law and LLM Master of Laws from the London School of Economics & Political Science, and an LLB (Hons) Bachelor of Laws from Leicester University.

**EXPERIENCE**

International experience in the Middle East, Africa and CIS in strategy, growth and operations management.

QUALIFICATIONS

Executive MBA at Warwick Business School in the UK, with a focus on strategy and its implementation.

**EXPERIENCE**

An experienced Internal Audit Executive with over 15 years of audit advisory experience across various industries.

QUALIFICATIONS

Certified Internal Auditor (CIA)
MBA from Seattle University, Seattle, USA Master of Arts in Accountancy and Finance from Heriot-Watt University, Edinburgh, United Kingdom.

Board and Committees

Dividend Policy

The Company's dividend policy is governed by Articles (40) and (41) of its Articles of Association.

Article 41 mandates the following regarding the distribution of the Company's annual Net Profits:

The Shareholders shall be entitled to a percentage of profits pursuant to the Ordinary General Meeting's resolution in relation to the same. The Ordinary General Meeting's resolution shall determine the due date and distribution date of dividends. The priority for receiving dividends shall be to the Shareholders whose names are recorded in the Company's share register as of the dividends' due date. The Board of Directors must execute the Ordinary General Meeting's resolution in relation to distributing the dividends to the Shareholders.

The Company may distribute interim dividends to its shareholders on a semi-annual or quarterly basis after satisfaction of the following requirements:

1. That the Ordinary General Meeting authorizes the Board of Directors to distribute interim dividends under a resolution to be renewed annually;
2. The Company has stable profits;
3. The Company has reasonable liquidity and the level of its profits can be reasonably anticipated; and
4. The Company has adequate distributable profits in accordance with the latest audited financial statements to cover the profits proposed to be distributed as dividends after deducting the profits already distributed and delivered past the date of such financial statements.

Historical Dividends Paid by the Company	2016	2017	2018	2019	2020	2021	2022	2023
Dividend/Share	*	0.3	0.4	0.6	0.8	0.8	0.8	0.8
Distribution %	*	3% of share capital which is SAR 816 million	4% of share capital which is SAR 816 million	6% of share capital which is SAR 816 million	8% of share capital which is SAR 816 million	8% of share capital which is SAR 816 million	8% of share capital which is SAR 816 million	8% of share capital which is SAR 816 million
Total Amount	*	SAR 24.4 million	SAR 32.6 million	SAR 48.9 million	SAR 65.2 million	SAR 65.2 million	SAR 65.2 million	SAR 65.2 million

* Bonus shares were granted to all Shareholders by issuing 1 bonus share for each 5 shares, as approved by the General Assembly of Shareholders on April 16, 2017.

Share Repurchase

On August 21, 2022, the Board of Directors issued its recommendation to the General Assembly for the Company to repurchase its ordinary shares and hold them as treasury shares. The recommendation was for the Company to repurchase up to 8,160,000 shares, or a maximum of 10% of the Company's ordinary shares. This aim of this recommendation was to maintain the stability of the share price, as the Board of Directors believed that the share price was lower than its fair value. The Board noted that the funding for the repurchase would come from the Company's internal sources, specifically the available cash. The General Assembly authorized the Board of Directors, or its authorized representatives, to complete the repurchase process within twelve months from the date of the extraordinary General Assembly's decision. The General Assembly also approved the retention of the treasury shares, without selling or allocating them for an employee share program, for a maximum period of five years. This approval was granted by the extraordinary General Assembly held on November 10, 2022. The Company appointed a financial advisor to manage the portfolio. The Company announced that it had completed the repurchase of its shares on November 9, 2023 in order to hold them as treasury shares, in line with the approval of the extraordinary General Assembly on November 10, 2022, as follows:

Purchase Period	Up to twelve (12) months from the date of the Extraordinary General Assembly resolution
Number of Purchased Shares	264,502
Value of Purchased Shares	SAR 6,622,585.21
Average Purchase Price per Share	SAR 25.04 per share

The Board

Every 3 years the Shareholders elect a new Board of Directors that is responsible to the Shareholders for the direction of the Group. The Board has the ultimate and overall responsibility to set up a robust corporate governance structure, to envisage the Group's strategic direction and to help achieve the business objectives. The CEO, with the direction of the Board, is responsible for implementing the acquisition and divestment policies, and major capital expenditures as well as the consideration of significant financial matters, while the Board monitors the Group's key business risks and reviews the direction of individual business units, and other investments.

Article (16) of SISCO Holding's Articles of Association states that the Board of Directors is to comprise of 7 members, which complies with paragraph (a), Article (16) of the Corporate Governance Regulation issued by the Capital Market Authority.

The members of the Board of Directors have been elected for their new cycle of 3 years, starting from 01-07-2023 and ending on 30-06-2026.

The Company announced the decisions that were made at the Board of Directors meeting held on 02/07/2023, as follows:

First: Appointing Mr. Aamer Abdullah Alireza as Chairman of the Company's Board of Directors.

Second: Appointing Eng. Rayyan Mohammed Nagadi as Vice Chairman of the Board of Directors of the Company.

Third: Formation of the Investment Committee.

Fourth: Formation of the Nomination and Remuneration Committee.

Board Balance

SISCO Holding's Board is balanced and complies with the independent members criteria set out under the requirements of the Capital Markets Authority. All 7 Board Members are Non-Executives, with 4 of them being Independent Members with expertise in different fields, bringing independent judgement on matters of strategy, performance and utilization of resources of the Group. They provide unbiased views, improving corporate accountability.

The following table provides the classification of each Member of the Board of Directors:

Name of the Board Member	Title	Independent	Executive	Non-Executive
Mr. Aamer Abdullah Alireza	Chairman			√
Eng. Rayyan Mohammed Nagadi	Deputy Chairman	√		
Eng. Saleh Ahmed Hefni	Board Member			√
Ms. Muneera Hejab Al-Dossary	Board Member	√		
Mr. Talal Nasser Al-Dakhil	Board Member	√		
Mr. Ahmed Mohammed Al-Rabiah	Board Member			√
Mr. Nader Mohammed Saleh Ashoor	Board Member	√		
Dr. Adnan Abdulfattah Soufi	Previous Vice Chairman	√		
Dr. Abdulaziz Abdullatif Jazzar	Previous Board Member	√		

Overall, the Board has an appropriate mix of diverse academic and professional backgrounds, providing a collective range of skills, expertise, and experience relevant to support the growth and address the complexities, competition and changes in SISCO Holding's business environment.

Board and Committees continued

A total of 10 meetings of the Board of Directors were held during the financial year 2023, and the attendance record of each of the Directors was as follows:

Name of the Board Member	27th Feb	8th Mar	9th Apr	15th May	2nd Jul	9th Aug	17th Sep	2nd Nov	28th Nov	7th Dec
Mr. Aamer Abdullah Alireza	√	√	√	x	√	√	√	√	√	x
Dr. Adnan Abdulfattah Soufi*	√	√	√	√	–	–	–	–	–	–
Dr. Abdulaziz Abdullatif Jazzar*	√	√	√	√	–	–	–	–	–	–
Eng. Saleh Ahmed Hefni	√	√	√	√	√	√	√	√	√	√
Ms. Muneera Hejab Al-Dossary	√	√	√	√	√	√	√	√	√	√
Mr. Talal Nasser Al-Dakhil	√	√	√	√	√	√	√	√	√	√
Mr. Ahmed Mohammed Al-Rabiah	√	√	√	√	x	√	√	√	√	√
Eng. Rayyan Mohammed Nagadi**	–	–	–	–	x	√	√	√	√	√
Mr. Nader Mohammed Saleh Ashoor**	–	–	–	–	√	√	√	√	√	√

* Until June 30, 2023.

** Starting from July 1, 2023.

The dates of the General Assembly Meeting (GAM) held in 2023 and the Board of Directors' attendance are as follows:

Name of the Board Member	Ordinary General Assembly	Ordinary General Assembly
	15th June	21st November
Mr. Aamer Abdullah Alireza	√	√
Dr. Adnan Abdulfattah Soufi*	√	–
Dr. Abdulaziz Abdullatif Jazzar*	√	–
Eng. Saleh Ahmed Hefni	√	√
Ms. Muneera Hejab Al-Dossary	√	√
Mr. Talal Nasser Al-Dakhil	√	√
Mr. Ahmed Mohammed Al-Rabiah	√	√
Eng. Rayyan Mohammed Nagadi**	–	√
Mr. Nader Mohammed Saleh Ashoor**	–	√

* Until June 30, 2023.

** Starting from July 1, 2023.

Board Committees

The Board has established 3 committees, comprising of Board Members and external independent experts. These committees have specific charters approved by the Company's Board of Directors or General Assembly of shareholders. These committees are represented as follows:

Audit Committee

Name of Committee Member	27th Feb	11th May	7th Aug	2nd Oct	1st Nov	20th Dec
Mr. Waleed Abdulaziz Kayyal (Former Committee Chairman)*	√	√	–	–	–	–
Dr. Abubaker Ali Bagabir*	√	√	–	–	–	–
Dr. Abdulaziz Abdullatif Jazzar*	√	√	–	–	–	–
Mr. Nader Mohammed Ashour (AC Chairman)***	√	√	√	√	√	√
Mr. Talal Nasser Al-Dakhil **	–	–	√	√	√	√
Mr. Hussein Hasan Eid**	–	–	√	√	√	√
Eng. Yasser Asad Allaf**	–	–	√	√	√	√

* Until June 30, 2023.

** Starting from July 1, 2023.

*** Starting from July 2, 2023.

Responsibilities

The Committee meets at least once every quarter and assists the Board in fulfilling its oversight responsibilities, primarily reviewing quarterly and annual financial statements, reporting financial and non-financial information, and reviewing systems of internal controls, risk management, the audit process, and the related party transactions. The Audit Committee has also been assigned by the Board to oversee the Risk Function of the Company.

Internal Control Framework

The Board of Directors is responsible for the overall effectiveness of control systems, internal auditing, and risk management within the Group. However, the Board has delegated responsibility for reviewing the detailed framework of internal control systems and risk management to the audit committee consisting of some members of the Board of Directors and external experts. The Board of Directors is responsible for maintaining strong systems, and tight and effective internal control.

The Group maintains an effective internal control framework comprising clear structures, authority limits, accountabilities, well understood policies and procedures, and annual budgets. The Board meets regularly to consider SISCO Holding's financial performance, business growth and development plans, capital expenditure proposals, and other key performance indicators.

Internal Audit Function

The Audit Committee annually reviews the appropriateness of resources and the capabilities of the internal audit function. The Chief Audit Executive functionally reports to the Audit Committee. The Audit Committee approves the annual audit plan, based on an annual risk assessment. The department also reviews financial and operational matters and ensures compliance with approved regulations. The head of the internal audit department presents the results to the Audit Committee periodically.

The Boards of all subsidiary and associated companies have established their own audit committees with dedicated internal audit resources. SISCO Holding monitors their internal audit functions by having its nominated members in the respective audit committees of those companies.

Risk Management

Effective risk management requires awareness and participation at all levels of the Company and for this reason the risk management process is integrated into the day-to-day business, as well as reflected in the core operations of the Group.

Risks are considered at every level of the business and are evaluated, discussed, and considered when deciding on future strategy, approving transactions, and monitoring performance.

The Board recognizes that effective risk management requires awareness and participation at all levels of the Company. The subsidiaries are also responsible for identifying and evaluating the risks that lie with them, while the risk management function in SISCO Holding ensures that the procedures followed by the subsidiaries are adequate.

Investment Committee

Name of the Board Member

	2nd Apr	21st Jun	17th Aug	19th Oct	23rd Nov
Dr. Adnan Abdulfattah Soufi (Former Committee Chairman)*	√	√	–	–	–
Mr. Aamer Abdullah Alireza	√	√	√	√	√
Eng. Saleh Ahmed Hefni	√	√	√	√	√
Ms. Muneera Hejab Al-Dossary	√	√	√	√	√
Eng. Rayyan Mohammed Nagadi (Current Chairman)**	–	–	√	√	√

* Until June 30, 2023.

** Starting from July 2, 2023.

Board and Committees continued

Responsibilities

The Investment Committee assists the Board in reviewing the Group's major investment transactions and performances, oversees the Group's financial resources, and advises on future financial strategy. The Committee meets on an as needed basis.

The current Investment Committee was appointed by the Board for a period of 3 years, starting July 2, 2023.

Nomination and Remuneration Committee

Name of the Board Member

	26th Mar	8th Apr	16th Oct	14th Dec
Dr. Abdulaziz Abdullatif Jazzar (Former Committee Chairman)*	√	√	–	–
Mr. Aamer Abdullah Alireza	√	√	√	√
Mr. Talal Nasser Al-Dakhil (Current Chairman)**	√	√	√	√
Mr. Ahmed Mohammed Al-Rabiah*	√	√	–	–
Mr. Thamer Saeed Al-Harhi*	√	√	–	–
Mr. Nader Mohammed Saleh Ashoor	–	–	√	√

* Until June 30, 2023.

** Starting from July 2, 2023.

Responsibilities

The Nomination and Remuneration Committee meets at least twice a year to assist the Board of Directors in reviewing and approving the compensation to be provided to SISCO Holding Corporation, Board Members, the Chief Executive Officer, and employees. In addition, the Committee is responsible for overseeing the development, screening, and nomination of qualified individuals for membership of the Board and its committees.

The current Nomination and Remuneration Committee was appointed by the Board for a period of 3 years, starting July 2, 2023.

Liquidity Management Policy

Cash is managed and controlled separately by the Parent Company and each subsidiary and associate, and is carried out in accordance with the policies approved by the respective Boards of each company after thorough consultation. The purpose of the policies is to ensure that adequate cost-effective funding is available at all times and that exposure to financial risk is minimized. The risks managed are liquidity risk, interest rate risk, and currency exchange rate risk. Derivative financial instruments like hedging strategies are applied to manage exposure to interest rate risk and currency risk. Derivative financial instruments are not used for speculative or profiteering purposes.

SISCO Holding's liquidity policy objectives include the implementation of good business practices such as repayment of obligations on a timely basis, assisting in building the image of the Company for future funding requirements and in meeting business commitments on a timely basis. Liquidity risk is mitigated by careful monitoring of cash flow needs, regular communication with our credit providers, and careful selection of financial strategies and appropriate financial partners.

Board and Management Remuneration

Fixed Remuneration								
Board Members	Specific Amount	Allowance for Attending Board Meetings	Total Allowance for attending committee meetings	Total	Variable Remuneration	End of Service Award	Total	Expense Allowance
Independent Members								
Eng. Rayyan Nagadi**	125,000	50,000	30,000	205,000	–	–	205,000	
Mr. Nader Ashoor**	100,000	60,000	80,000	240,000	–	–	240,000	
Ms. Muneera Al-Dossary	200,000	100,000	50,000	350,000	–	–	350,000	4,610.26
Mr. Talal Al-Dakhil	195,000	100,000	80,000	375,000	–	–	375,000	4,822.36
Dr. Adnan Soufi*	125,000	40,000	20,000	185,000	–	–	185,000	
Dr. AbdulAziz Jazzar*	100,000	40,000	40,000	180,000	–	–	180,000	
TOTAL	845,000	390,000	300,000	1,535,000	–	–	1,535,000	9,432.62
Non-Executive Members								
Mr. Aamer Alireza	180,000	90,000	80,000	350,000	–	–	350,000	–
Eng. Saleh Hefni	200,000	100,000	50,000	350,000	–	–	350,000	–
Mr. Ahmed Al-Rabiah	200,000	90,000	20,000	310,000	–	–	310,000	4,610.26
TOTAL	580,000	280,000	150,000	1,010,000	–	–	1,010,000	4,610.26

* Until June 30, 2023.

** Starting from July 1, 2023.

Board and Committees continued

Committee Members	Fixed Remuneration (except for the allowance for attending board meetings)	Allowance for attending board meetings	Total
Audit Committee Members			
Mr. Waleed Kayal (Former Committee Chairman)*	75,000	20,000	95,000
Dr. Abu Bakr Bajabir*	50,000	20,000	70,000
Dr. Abdulaziz Jazzar*	37,500	20,000	57,500
Mr. Nader Ashoor	100,000	60,000	160,000
Mr. Talal Al-Dakhil	37,500	40,000	77,500
Eng. Yasser Allaf	50,000	40,000	90,000
Mr. Hussain Eid	50,000	40,000	90,000
Total	400,000	240,000	640,000

Nomination and Remuneration Committee Members			
Dr. AbdulAziz Jazzar (Former Committee Chairman)*	50,000	20,000	70,000
Mr. Aamer Alireza	75,000	40,000	115,000
Mr. Talal Al-Dakhil (Current Chairman)	87,500	40,000	127,500
Mr. Ahmed Al-Rabiah*	37,500	20,000	57,500
Mr. Thamer Al-Harhi*	37,500	20,000	57,500
Mr. Nader Ashoor	37,500	20,000	57,500
Total	325,000	160,000	485,000

Investment Committee Members			
Dr. Adnan Soufi (Former Committee Chairman)*	50,000	20,000	70,000
Mr. Aamer Alireza	75,000	50,000	125,000
Eng. Saleh Hefni	75,000	50,000	125,000
Ms. Muneera Al-Dossary	75,000	50,000	125,000
Eng. Rayyan Nagadi (Current Chairman)	50,000	30,000	80,000
Total	325,000	200,000	525,000

* Until June 30, 2023.

Compensation and benefits paid to five Senior Executives (including CEO and CFO) during 2023 are as follows:

Executives	Fixed Remuneration			Total	Variable Remuneration		End of Service Benefits	Total
	Salaries	Allowances	In-kind benefits		Periodic Remunerations	Total		
CEO	1,200,000	867,500	50,000	2,117,500	192,800	192,800	96,062	2,406,362
CFO	936,000	417,600	55,701	1,409,301	489,840	489,840	250,268	2,149,409
Other Executives	2,380,613	995,368	136,231	3,512,212	703,162	703,162	1,285,635	5,501,008
Total	4,516,613	2,280,468	241,932	7,039,013	1,385,802	1,385,802	1,631,964	10,056,779

The policy that defines the rewards for the Board of Directors/committees and Executive management has been approved at the general assembly meeting held on June 15, 2023. Accordingly, the Company will pay annual bonuses, meeting attendance expenses, and additional expenses for its Board of Directors and committee members, in accordance with the regulations stipulated by the Ministry of Commerce and in accordance with the Company's bylaws and the remuneration policy of the Board and its committees, which are organized to support the work of the Board of Directors and its committees.

Board and Management Performance

The Nomination and Remuneration Committee evaluates the Board performance through an annual review of the necessary skills and expertise required for board membership and executive management functions to:

- Verify annually that there are no conflicts of interest
- Identify weaknesses and strengths of the Board
- Propose solutions to address the weaknesses of the Board
- Verify independency of the independent members

The Nomination and Remuneration Committee evaluates the performance of SISCO Holding's Executive Management through the review of Corporate KPI Scorecard achievement for the current year and agrees on the Corporate KPI Scorecard for the next year.

Board Declaration/Confirmation

In accordance with the requirements of Article (87) of the Corporate Governance Regulations, and Paragraph (2) of Article (76), and Paragraph (1) of Article (121), and article (122) of the Companies Law and Article (82) of the Rules on the Offer of Securities and Continuing Obligations, and to ensure the Board's commitment to highlight the applicable and non-applicable requirements under these articles, the Board confirms the following:

Article (87) of the Corporate Governance Regulations:

Paragraph NO.	Description	Reason For Non-Compliance
9	Any punishment, penalty, precautionary procedure or preventive measure imposed on the Company by the Authority or any other supervisory, regulatory or judiciary authority, describing the reasons for non-compliance, the imposing authority and the measures undertaken to remedy and avoid such non-compliance in the future;	Not Applicable
12	The Audit Committee's recommendation in conflict with Board resolution or those which the Board disregards relating to the appointment, dismissal, assessment or determining the remuneration of an external auditor, as well as justifications for those recommendations and reasons for disregarding them.	Not Applicable
21	Any inconsistency with the standards approved by the Saudi Organization for Chartered and Professional Accountants.	Not Applicable
25	A description of any interest in a class of voting shares held by persons (other than the Company's directors, Senior Executives and their relatives) who have notified the Company of their holdings pursuant to Article 85 of the Rules on the Offer of Securities and Continuing Obligations, together with any change to such interests during the last fiscal year;	Not Applicable
26	A description of any interest, contractual securities or rights issue of the Board members, Senior Executives and their relatives on shares or debt instruments of the Company or its affiliates, and any change on these interest or rights during the last fiscal year	Not Applicable
28	A description of the class and number of any convertible debt instruments, contractual securities, preemptive right or similar rights issued or granted by the Company during the fiscal year, as well as stating any compensation obtained by the Company in this regard	Not Applicable
29	A description of any conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights issued or granted by the Company.	Not Applicable
30	Description of any redemption, purchase or cancellation by the Company of any redeemable debt instruments and the value of such securities outstanding, distinguishing between those listed securities purchased by the Company and those purchased by its affiliates	Not Applicable
35	A description of any arrangement or agreement under which a director or a Senior Executive of the Company has waived any remuneration	Not Applicable
36	A description of any arrangement or agreement under which a shareholder of the Company has waived any rights to dividends	Not Applicable

Board and Committees continued

38	A statement as to the value of any investments made or any reserves set up for the benefit of the employees of the Company.	Not Applicable
40	If the external auditor's report contains reservations on the annual financial statements, the Board report shall highlight this mentioning the reasons and any relevant information	Not Applicable
41	If the Board recommended replacing the external auditor before the end of its term, the report shall indicate this mentioning the reasons for the replacement recommendation	Not Applicable
42	Information relating to any competing business with the Company or any of its activities that any member of the Board is engaging in or was engaging in such competing businesses, including the names of persons in relation, the nature, conditions of such competing businesses. If there are no such competing businesses, the Company must submit a statement thereof.	Not Applicable

Pursuant to article (87) of Corporate Governance Regulations, the Board of Directors of the Company hereby declare that:

1. The Group's accounting records were properly prepared.
2. The Group's internal control systems and procedures were properly developed and effectively executed.
3. There are no doubts about the Group's ability to continue its business activities.
4. No information relating to any competing business with the Company or any of its activities that any member of the Board is engaging in or was engaging in such competing businesses.
5. The Company acknowledges its compliance with all mandatory provisions stated in the Corporate Governance Regulations.

Shareholder Proposal

If the Company receives any proposal, note, or enquiry from a Shareholder, the Liaison Officer directly informs Executive Management to address and respond to the enquiry. The Secretary of the Board shall notify the Board for discussion, if necessary.

Shareholding Interests

Information of the shareholding required under the reporting framework is as follows:

Number and dates of shareholders' requests.

Req. No.	Request Date	Shareholder List Date	Request Reason
1.	29/11/23	29/11/23	Company Procedures
2.	21/11/23	21/11/23	General Assembly Meeting
3.	15/11/23	14/11/23	Company Procedures
4.	06/09/23	05/09/23	Company Procedures
5.	06/09/23	05/09/23	Dividend File
6.	08/08/23	02/05/23	Dividend File
7.	15/06/23	15/06/23	General Assembly Meeting
8.	12/06/23	12/06/23	Company Procedures
9.	04/06/23	01/06/23	Company Procedures
10.	14/05/23	02/05/23	Company Procedures
11.	03/05/23	02/05/23	Dividend File
12.	03/04/23	30/03/23	Company Procedures
13.	05/03/23	05/03/23	Company Procedures
14.	26/02/23	23/02/23	Company Procedures
15.	09/02/23	08/01/23	Company Procedures
16.	09/02/23	08/01/23	Company Procedures
17.	07/02/23	05/02/23	Company Procedures
18.	23/01/23	23/01/23	Company Procedures

Shareholders holding more than 5% of the paid-up voting share capital of the Company

	No. of Shares as of 01/01/2023	% of Capital	No. of Shares as of 31/12/2023	% of Capital	Change	
Name					No.	%
Xenel Industries Limited	11,992,924	14.7%	11,992,924	14.7%	0	–

Board Members and Senior Executives Interest and Changes During the Year

	No. of Shares as of 01/01/2023	% of Capital	No. of Shares as of 31/12/2023	% of Capital	Change	
Name					Shares	%
Mr. Aamer A. Alireza	50,927	0.062	50,927	0.062	–	–
Dr. Adnan Soufi	100	0.00	3,100*	0.00	3,000	0.00
Eng. Saleh Hefni	21,000	0.03	21,000	0.03	–	–
Dr. Abdulaziz Jazzar	29,400	0.036	29,400*	0.036	–	–
Ms. Muneera Al-Dossary	14,100	0.017	14,100	0.017	–	–
Mr. Ahmed Al-Rabiah	5,000	0.01	5,000	0.01	–	–
Mr. Talal Al-Dakhil	1,000	0.00	1,000	0.00	–	–
Mr. Nader Mohammed Saleh Ashoor	–	–	102**	0.00	102	0.00

* Until June 30, 2023.

** Starting from July 1, 2023.

Shareholding Pattern as of 31 December 2023

No.	Ownership of Shares	Shareholders		Shares
		No.	%	%
1.	Less than 20 shares	4,201	19.9%	0.0%
2.	From 20 to 99 shares	3,182	15.1%	0.2%
3.	From 100 to 499 shares	5,326	25.3%	1.5%
4.	From 500 to 999 shares	2,430	11.5%	2.0%
5.	From 1,000 to 19,999 shares	5,522	26.2%	23.3%
6.	From 20,000 to 99,999 shares	336	1.6%	16.1%
7.	From 100,000 to 999,999 shares	86	0.4%	25.8%
8.	From 1,000,000 to 4,999,999 shares	8	0.0%	16.4%
9.	More than 5,000,000 shares	1	0.0%	14.7%
Total		21,092	100.00%	100.0%

Shareholder Categories as of 31 December 2023

No.	Category of Shareholder	No. of Investors	Total Shares Owned	%
1.	Companies	62	26,675,790	33%
2.	Individuals	20,909	46,629,754	57%
3.	Funds	121	8,294,456	10%
Total		21,092	81,600,000	100%

Board and Committees continued

Nationality of shareholders as of 31 December 2023

No.	Nationality	Current Balance	%
1.	Saudi	72,851,518	89.11%
2.	USA	3,213,510	3.94%
3.	Others (49 Countries)	5,534,972	6.95%
Total		81,600,000	100.00%

Shareholder Proposal

If the company receives any proposal, note or enquiry from a shareholder, the Liaison Officer directly informs executive management to address and respond to the enquiry. The Secretary of the Board shall notify the Board for discussion, if necessary.

Risk Management

Risk Management is an integral part of SISCO Holding's management philosophy. SISCO Holding follows a combination of top-down and bottom-up approaches to identify and assess the risks faced by its Group, and develops mitigation plans accordingly. The management teams of all Group companies participated in this process, and the risk-register was updated incorporating recent market/economic conditions and trends.

Risks across the Group companies were monitored throughout the year, and appropriate actions were taken to ensure that the risks are properly mitigated.

The following are the Group's Main Risks:

No.	Potential Risk	Mitigating Actions
1.	Business Concentration The Company is highly dependent on the port segment. If this segment is affected, it might have a major impact on SISCO Holding's turnover.	The Company is continuously reviewing its portfolio of investments to diversify its sectors as well as developing the non-port related businesses, which will balance the dependence on the three business segments.
2.	Credit Risk and Debt Collections The current market conditions might negatively affect the customers' credit strength and liquidity causing delay in collecting receivables.	SISCO Holding has improved its credit control and customer collection procedures through regular follow-up with customers, updating the credit policy, and strengthening the controls over granting credit lines.
3.	Government Regulations Several regulations are continuously changing, which presents implementation challenges and hence risk of non-compliance. As a result, any change in regulations or laws may adversely impact our business.	SISCO Holding monitors changes to regulations across its portfolio to ensure that appropriate steps are taken to mitigate the effect of any change in regulations and to ensure compliance is continuously managed. SISCO Holding also has a central legal team to support its portfolio companies to manage and comply with regulatory changes.
4.	Business Continuity/Disaster Recovery Plan The risk of business interruptions from a range of internal and external incidents or threats including cyber threats, environmental and climate issues, terrorism, economic instabilities, pandemic, and operational incidents.	SISCO Holding and its subsidiaries are enhancing their operational resilience framework to strengthen their responses to disruptions. They are also updating their disaster recovery and business continuity plans to minimize disruption to operations from natural disasters. They are also continuously updating their cyber security policy.
5.	Financial Constraints Risk The Company may encounter difficulty in obtaining new facilities for future investments. Financial constraints may be faced by partners.	The Company manages its financing constraints by ensuring it is maintaining a balanced debt coverage ratio. It is strengthening its banking relationships as well as making sure not to default on any of current loan payments to keep good credit history.

The Audit Committee Report

The Audit Committee met six times during 2023, four of which were conducted during the committee's current term, commencing July 1, 2023. The committee's primary role is to support the Board in its duties of ensuring the integrity and effectiveness of the Company's financial statements and internal control systems. The committee's key responsibilities in 2023 included the following:

- Recommending to the Board the nomination of the external auditors.
- Recommending to the Board the approval of the Company's quarterly and annual financial statements after discussing it with the Company's management and external auditors.
- Meeting the Company's external auditors to verify their independence and the effectiveness of their audit plans and related activities, while responding to their queries and following up on their observations.
- Overseeing the Company's internal audit function to ensure the availability of the necessary resources and their effectiveness, while analyzing the internal audit findings and following up on their implementation.
- Recommending to the Board the appointment of the Chief Audit Executive and suggesting his annual appraisal.
- Reviewing related party transactions and providing its recommendations to the Board.
- Obtaining Executive Management's confirmations around the effectiveness of the Company's internal controls and risk management systems, as well as its compliance with applicable laws, regulations, and policies.
- Reviewing the amended Audit Committee charter and providing its recommendations to the Board.
- Overseeing and monitoring the Company's whistleblowing program.

Internal Controls

The Company's Executive Management is responsible for designing and implementing an effective internal control system, under the supervision of the Board, to ensure the efficiency and effectiveness of the Company's operations, protection of its assets, reliability of its financial reporting, and compliance with applicable laws, regulations, and policies.

The Company follows the Institute of Internal Auditors' Three Lines of Defense model to manage risk and exercise effective internal controls in a structured manner with clearly defined roles and responsibilities, with the first line of defense residing with operational management and process owners who are responsible for maintaining internal controls on a day-to-day basis. The second line of defense resides with the supporting functions who oversee and monitor the first line of defense controls and report their compliance to the Executive Management. The last of the three lines of defense is internal audit, who provides independent assurance and reports functionally to the Audit Committee.

The Company's affiliates and subsidiaries are responsible for their own internal control systems, including related governing bodies, with SISCO Holding's involvement being coordinated through its representation in their respective boards and/or audit committees. The Audit Committee is provided with periodic updates on internal audit and whistle blowing programs of affiliates and subsidiaries, and – where applicable – oversees any joint assurance initiatives.

Opinion of the Audit Committee

Based on the periodic reports presented by internal audit and the Company's external auditors, as well as the written confirmations of the effectiveness of internal controls provided by the Executive Management, the Audit Committee confirms that nothing came to its attention to cause it to believe that there are significant deficiencies in the Company's internal control systems, taking into account that any internal control system, regardless of its effective and sound design and implementation, cannot give absolute assurance and can be continuously improved.

Board and Committees continued

Related Party Transactions

Various Group companies had transactions with related parties of the Group. These transactions follow the same conditions and principles as dealing with third parties. The related parties include: The Group Board members, major shareholders, senior executives and any of their first-degree relatives pursuant to the CMA and Ministry of Commerce and Investment regulations. All related party transactions are carried out according to best practices and as per the companies approved procurement procedures and policies.


The following table sets out all related party transactions where the relationship is through a Board Member of SISCO Holding, requiring approval by the General Assembly in accordance with Article 71 of the Saudi Company Law:

Related Party Transactions

Related Party	Relationship	Nature of Transaction	Amount of Transaction
Karam Al Arabi Catering	Xenel Industries (SISCO Holding shareholder) is also a shareholder of Karam Fedics. Also, Mr. Aamer A. Alireza (SISCO Holding Chairman) is a board member of Karam Fedics.	<ul style="list-style-type: none"> Purchase of goods and services including catering and employee housing by RSGT. 	20,037,835
Xenel Industries Limited (XIL)	XIL is a shareholder of SISCO Holding. Mr. Aamer A. Alireza (SISCO Holding Chairman) is also board members of XIL.	<ul style="list-style-type: none"> Payments made by the Group on behalf of shareholder. Expenses incurred by shareholder on behalf of the Group. 	262,133 92
International Water Distribution Co. Ltd. (Tawzea)	SISCO Holding owns 50% of Tawzea. Eng.Saleh Hefni (SISCO Holding Board Member) is a Board Member of Tawzea.	<ul style="list-style-type: none"> Sale of water by Kindasa. Expenses incurred by SISCO Holding on behalf of Tawzea. 	70,446,445 68,206

In addition to the above table, following are the additional related party transactions required to be disclosed in accordance with Listing Rules and Corporate Governance Guideline issued by Capital Market Authority.

Related Party	Relationship	Nature of Transaction	Amount of Transaction
International Water Distribution Co. Ltd. (Tawzea)	SISCO Holding owns 50% of Tawzea. Eng. Saleh Hefni (SISCO Holding Board Member) is a Board Member of Tawzea.	<ul style="list-style-type: none"> • Sale of water by Kindasa. • Expenses incurred by SISCO Holding on behalf of Tawzea. 	70,446,445 68,206
Red Sea Gateway Terminal Company Limited (RSGT)	RSGT is a subsidiary of SISCO Holding. Mr. Aamer A. Alireza (SISCO Holding Chairman) and Eng. Khalid Sulaimani (SISCO Holding CEO) are Board Members of RSGT.	<ul style="list-style-type: none"> • Expenses incurred by SISCO Holding on behalf of RSGT. 	1,161,628
Saudi Trade and Export Development Company Limited (LogiPoint)	LogiPoint is a subsidiary of SISCO Holding. Mr. Aamer A. Alireza (SISCO Holding Chairman), Mr. Saleh A. Hefni (SISCO Holding Board Member), Mr. Ahmed Al-Rabeah (SISCO Holding Board Member), Eng. Khalid Sulaimani (SISCO Holding CEO), are Board Members of LogiPoint.	<ul style="list-style-type: none"> • Expenses incurred by SISCO Holding on behalf of Logipoint. • Purchase of Investment by SISCO Holding. 	330,879 47,291,714
Kindasa Water Services Company (Kindasa)	Kindasa is a subsidiary of SISCO Holding. Mr. Saleh A. Hefni (SISCO Holding Board Member) is the Chairman of Kindasa.	<ul style="list-style-type: none"> • Expenses incurred by SISCO Holding on behalf of Kindasa. 	320,746
Support Services Operation Company Limited (ISNAD)	ISNAD is subsidiary of SISCO Holding. Mr. Aamer A. Alireza (SISCO Holding Vice Chairman) and Eng. Khalid Sulaimani (SISCO Holding CEO) are Board Members of ISNAD.	<ul style="list-style-type: none"> • Expenses incurred by SISCO Holding on behalf of ISNAD. 	7,518
Saudi AlJabr Talke (S.A. TALKE)	SISCO Holding owns 33.3% of S.A. TALKE. Eng. Khalid Suleimani (SISCO Holding CEO) is a Board Member of S.A. TALKE.	<ul style="list-style-type: none"> • Expenses incurred by SISCO on behalf of S.A. TALKE 	623,761



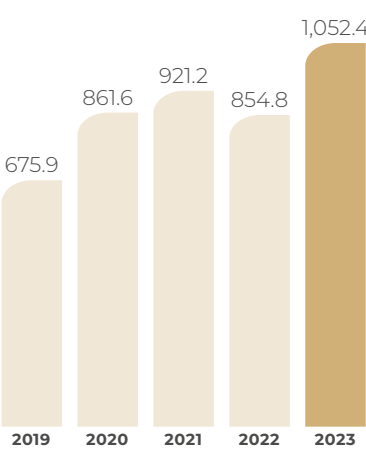
04

Financial Review

Key Financial Indicators	106
Balance Sheet	108
Income Statement	109
Key Ratios	110
Key Financial Data	111
Geographical Analysis of Revenue	112
Bank Loans and Debt Instruments	112
Repayment Profile	113
Payments to Government Authorities	113

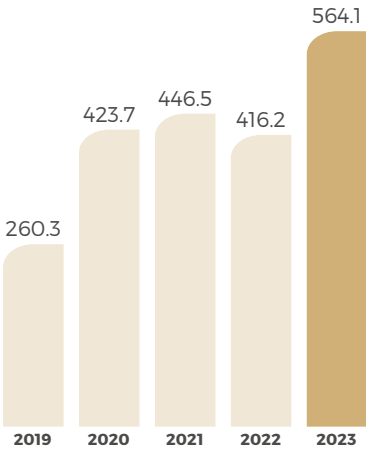
Key Financial Indicators

Adjusted Revenue



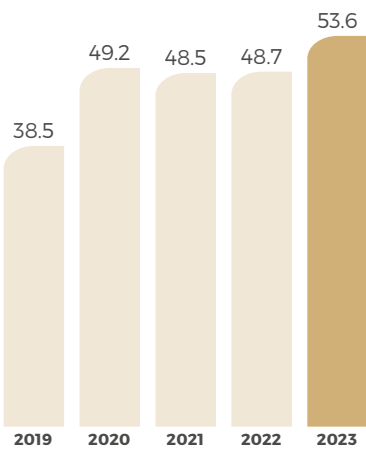
All figures in SAR millions

Adjusted Gross Profit



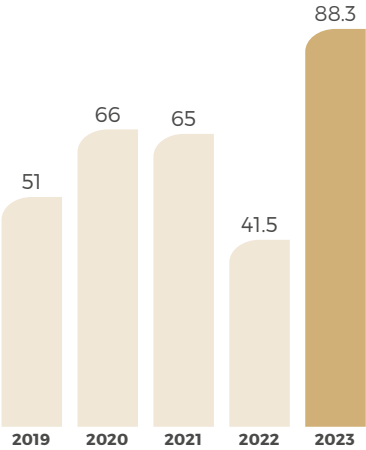
All figures in SAR millions

Adjusted Gross Profit Margin



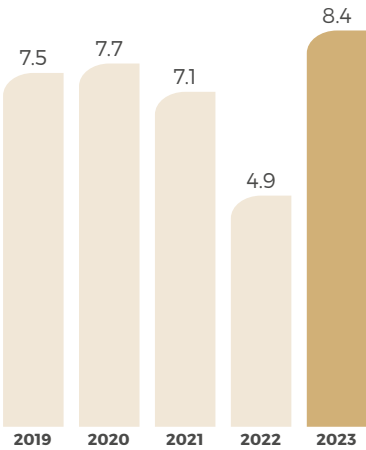
All figures in %

Adjusted Net Income



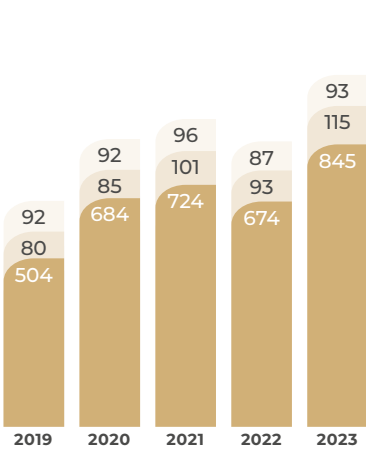
All figures in SAR millions

Adjusted Net Income Margin



All figures in %

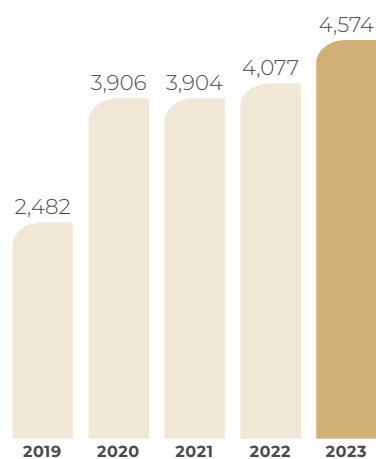
Segment Revenue



All figures in SAR millions

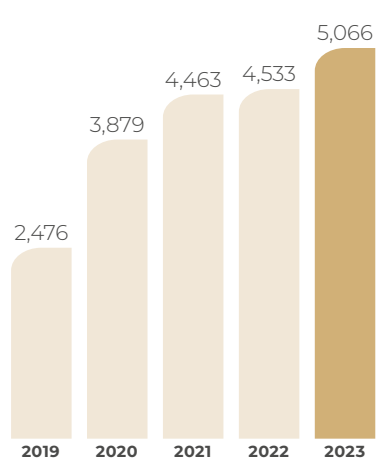
Ports Logistics Water

Long Term Assets



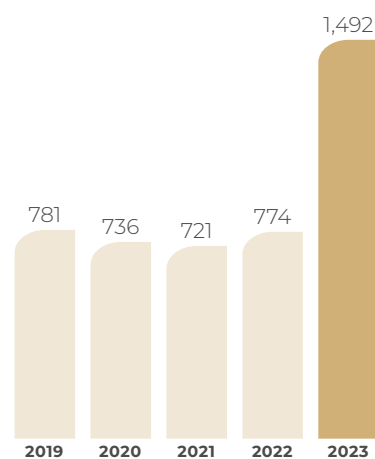
All figures in SAR millions

Capital Employed



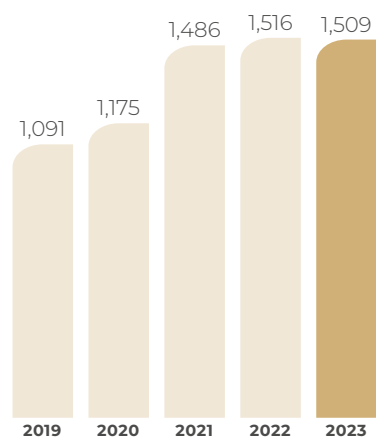
All figures in SAR millions

Long Term Borrowings



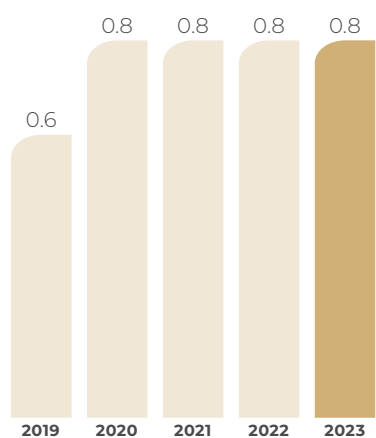
All figures in SAR millions

Shareholders' Equity



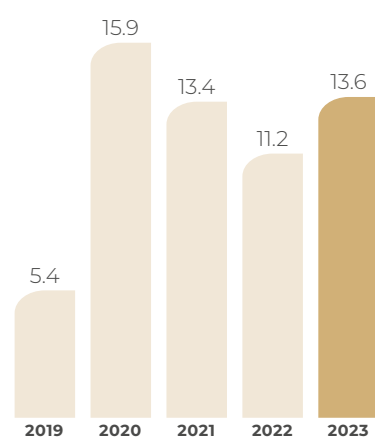
All figures in SAR millions

Dividend Per Share



All figures in SAR millions

ROIC



All figures in %

Balance Sheet

(SAR '000)	2023	23 vs. 22 % Change	2022	2021	2020	2019
Assets						
Current Assets						
Bank Balances and Cash	1,166,406	48.0%	787,872	892,374	336,534	295,101
Receivables	227,223	35.3%	167,887	172,416	144,990	111,274
Inventories	22,049	-15.4%	26,054	25,935	19,628	18,172
	1,415,678	44.2%	981,813	1,090,725	501,152	424,547
Non-Current Assets						
Investments	283,588	3.2%	274,822	211,707	160,672	156,737
Property, Plant and Equipment	742,443	0.5%	738,803	545,107	514,436	1,008,201
Right of Use Assets	48,638	6.9%	45,497	90,132	86,918	241,825
Other Non-Current Assets	3,499,635	16.0%	3,017,396	3,057,380	3,143,976	1,074,792
	4,574,304	12.2%	4,076,518	3,904,326	3,906,002	2,481,555
Total Assets	5,989,982	18.4%	5,058,331	4,995,051	4,407,154	2,906,102
Liabilities and Equity						
Current Liabilities						
Payables	778,677	77.8%	438,034	458,760	457,050	189,768
Short-term Loans	145,169	65.4%	87,791	73,211	70,671	240,712
	923,846	74.9%	525,825	531,971	527,721	430,480
Non-Current Liabilities						
Long Term Bank Loans	1,198,445	74.7%	685,960	648,147	665,663	540,390
Other Non-Current Liabilities	1,408,091	1.0%	1,393,802	1,376,996	1,371,469	87,641
Lease Liabilities	95,450	1.4%	94,086	88,796	84,598	217,086
Employees' End of Service Benefits	49,428	16.4%	42,468	52,725	48,126	39,470
	2,751,414	24.1%	2,216,316	2,166,664	2,169,856	884,587
Shareholders' Equity						
Share Capital	816,000	—	816,000	816,000	816,000	816,000
Share Premium	36,409	—	36,409	36,409	36,409	36,409
Reserves	106,905	7.1%	99,785	96,115	90,324	76,383
Treasury Shares	(6,623)	100%	—	—	—	—
Other Non-Distributable Reserves	387,089	-1.6%	393,451	334,993	(16,482)	(9,517)
Retained Earnings / (Loss)	169,080	-0.7%	170,277	202,527	248,330	171,818
Equity Attributable to Parent Company	1,508,860	-0.5%	1,515,922	1,486,044	1,174,581	1,091,093
Non-Controlling Interest	805,862	0.7%	800,268	810,372	534,996	499,942
Total Equity	2,314,722	-0.1%	2,316,190	2,296,416	1,709,577	1,591,035
Total Liabilities and Equity	5,989,982	18.4%	5,058,331	4,995,051	4,407,154	2,906,102

Income Statement

(SAR '000)	2023	23 vs. 22 % Change	2022	2021	2020	2019
Revenue	1,603,429	61.3%	993,837	985,408	1,020,865	675,884
Direct Costs	(1,065,295)	84.4%	(577,687)	(538,936)	(597,125)	(415,577)
Gross Profit	538,134	29.3%	416,150	446,472	423,740	260,307
Selling & Distribution Expenses	(14,784)	-4.5%	(15,482)	(16,583)	(20,825)	(32,863)
General & Administrative Expenses	(203,987)	19.5%	(170,667)	(151,544)	(146,672)	(134,036)
Operating Profit	319,363	38.9%	230,001	278,345	256,243	93,408
Finance Costs	(243,804)	14.2%	(213,580)	(203,541)	(133,481)	(47,727)
Share of Results from Associates	30,504	-1.1%	30,831	23,682	21,609	27,372
Other Income / (Loss)	49,619	87.7%	26,440	15,068	88,728	10,818
Net Income before Zakat	155,682	111.3%	73,692	113,554	233,099	83,871
Zakat & Income Tax	(26,606)	46.5%	(18,163)	(18,437)	(16,430)	(5,993)
Group Net Income	129,076	132.4%	55,529	95,117	216,669	77,878
Group Net Income Attributable to:						
Non-Controlling Interest	57,872	207.8%	18,799	37,238	77,256	26,956
Parent Company	71,203	93.9%	36,730	57,878	139,413	50,923

Key Ratios

	2023	2022	2021	2020	2019
Liquidity Ratios					
Current Ratio	1.5	1.9	2.1	0.9	1.0
Quick Ratio	1.5	1.8	2.0	0.9	0.9
Cash to Current Liabilities	1.3	1.5	1.7	0.6	0.7
Cash Flow from Operations to Sales	0.3	0.2	0.2	0.3	0.4
Capital Structure Ratios					
Debt-Equity Ratio	0.9	0.5	0.5	0.7	0.5
Financial Leverage Ratio	0.8	0.9	0.6	1.2	1.4
Interest Cover Ratio	1.6	1.3	1.6	2.7	2.8
Activity Ratios					
Average Collection Period	71.6	62.2	56.0	68.2	73.1
Fixed Assets Turnover	0.4	0.3	0.3	0.3	0.3
Total Assets Turnover	0.3	0.2	0.2	0.2	0.2
Accounts Receivables Turnover	7.1	5.9	5.7	7.0	6.1
Profitability Ratios					
Adjusted Gross Profit Margin (%)	53.6%	48.7%	48.5%	49.2%	38.5%
Adjusted Operating Profit Margin (%)	32.8%	26.9%	30.2%	29.7%	13.8%
Adjusted Net Profit Margin (%)	8.4%	4.9%	7.1%	7.7%	7.5%
Return on Assets (%)	3.4%	1.5%	2.5%	9.3%	3.5%
Return on Equity (%)	4.7%	2.4%	3.9%	11.9%	4.7%
Adjusted EBITDA Margin to Sales (%)	59.8%	53.7%	54.1%	51.9%	42.9%
Investment / Market Ratio					
Price Earnings Ratio	35.0	45.1	43.3	19.0	31.4
Market Price per Share (SAR)					
At the end of the year	30.7	20.3	30.7	32.4	19.6
Highest during the year	31.5	35.3	53.0	33.5	19.9
Lowest during the year	20.3	19.3	10.7	13.1	10.7
Book Value per Share (SAR)	18.5	18.6	18.2	14.4	13.4
EBITDA Multiple	4.3	3.6	5.1	5.0	5.5
EV / EBITDA	6.0	5.3	6.4	6.7	8.9

Key Financial Data

	2023	2022	2021	2020	2019
Balance Sheet (SAR '000)					
Share Capital	816,000	816,000	816,000	816,000	816,000
Reserves	106,905	99,785	96,115	90,324	76,383
Shareholders' Equity	1,508,860	1,515,922	1,486,044	1,174,581	1,091,093
Long-term Borrowing	1,198,445	685,960	648,147	665,663	540,390
Capital Employed	5,066,138	4,532,506	4,463,080	3,879,433	2,475,622
Property, Plant, & Equipment	742,443	738,803	545,107	514,436	1,008,201
Right of Use Assets	48,638	45,497	90,132	86,918	241,825
Other Non-Current Assets	3,493,578	3,010,724	3,052,853	3,141,574	1,070,385
Profit & Loss (SAR '000)					
Sales	1,603,429	993,837	985,408	1,020,865	675,884
Adjusted Gross Profit	564,134	416,150	446,472	423,740	260,307
Adjusted Operating Profit	345,363	230,001	278,345	256,242	93,408
Adjusted Profit before Zakat and NCI	181,682	73,692	113,554	233,099	83,872
Adjusted Net Profit	88,297	41,529	64,978	66,495	50,923
Adjusted EBITDA	629,574	458,137	497,971	447,529	289,543
Adjusted Earnings per Share	1.08	0.51	0.80	0.81	0.62
Cash-flow (SAR '000)					
Cash Flows from Operating Activities	452,578	213,216	236,272	355,907	261,120
Cash Flows from Investing Activities	(373,197)	(525,746)	511,448	(194,694)	(23,726)
Cash Flows from Financing Activities	579,139	(71,958)	(191,880)	(119,779)	(122,878)
Change in Cash and Cash Equivalents	658,520	(384,488)	555,840	41,433	114,517
Closing Cash and Cash Equivalents	1,166,406	507,886	892,374	336,534	295,101
Capitalization					
Closing Price (SAR per Share)	30.70	20.30	30.70	32.40	19.60
Market Capitalization (SAR million)	2,505,120	1,656,480	2,505,120	2,643,840	1,599,360
Enterprise Value (SAR million)	3,489	2,443	3,144	3,579	2,585
Numbers of Shares Issued (SAR million)	81,600	81,600	81,600	81,600	81,600
Operational Statistics					
Containers ('000 TEUs)	3,282	2,865	2,937	2,667	1,959
No. of Vehicles	9,345	1,534	3,915	1,761	4,688
General Cargo (metric tons)	111,405	94,468	65,824	48,505	73,881
Water Production (million m ³)	18.5	15.5	16.9	16.9	16.7

Geographical Analysis of Revenue

The Group's consolidated subsidiaries principally operate in western region of the Kingdom.

COMPANY (SAR '000)	2023			2022		
	WESTERN	CENTRAL	EASTERN	WESTERN	CENTRAL	EASTERN
RSGT	844,759	–	–	673,936	–	–
LOGIPOINT	70,618	–	–	52,320	–	–
KINDASA	92,747	–	–	87,445	–	–
ISNAD	44,318	–	–	41,143	–	–
	1,052,442	–	–	854,844	–	–
TOTAL	1,052,442			854,844		

SISCO Holding's associated entities, whose revenues are not consolidated in SISCO Holding's financial statements, operate across the Kingdom and their revenue break-down is as follows:

COMPANY (SAR '000)	2023			2022		
	WESTERN	CENTRAL	EASTERN	WESTERN	CENTRAL	EASTERN
TAWZEA	223,878	193,592	6,084	213,002	199,697	–
S.A. TALKE	60,030	–	249,019	66,373	–	241,348
	283,908	193,592	255,103	279,375	199,697	241,348
TOTAL	732,603			720,420		

Bank Loans and Debt Instruments

No	COMPANY (SAR '000)	LENDER	START YEAR	ORIGINAL PRINCIPAL	BALANCE 1/1/2023	DRAWDOWNS	REPAYMENTS	BALANCE 31/12/2023
1.	RSGT	Al Rajhi / BSF	2020	793,791	603,187	–	(74,218)	528,969
			2020	750,000	175,000	575,000	–	750,000
2.	LogiPoint	NBK	2022	290,000	37,217	70,473	(4,732)	102,958
3.	Kindasa	SAB	2016	24,000	1,329	–	(1,329)	–
TOTAL				1,857,791	816,733	645,473	(80,279)	1,381,927

Repayment Profile

COMPANY
(SAR '000)

Lender	RSGT		LogiPoint	TOTAL
	Al-Rajhi / BSF (1)	Al-Rajhi / BSF (2)	NBK	
Less than one year	76,837	63,600	4,732	145,169
From 1 to 2 years	79,695	65,700	13,461	158,856
From 2 to 5 years	256,944	212,175	40,383	509,502
More than 5 years	115,493	408,525	44,382	568,400
Closing Balance of the Period	528,969	750,000	102,958	1,381,927

Payments to Government Authorities

INSTITUTION (SAR '000)	2023		DESCRIPTION
	PAID DURING THE YEAR	DUE UP TO END OF 2023 AND HAS NOT BEEN PAID	
General Authority of Zakat and Tax	26,928	3,631	Received after the year end.
General Organization of Social Insurance	13,884	1,204	
Ministry of Interior for Passport / Visa Services	4,120	–	
Department of Customs	8,693	750	Received after the year end.
Saudi Ports Authority	194,293	220	
TOTAL	247,919	5,805	



Saudi Business Center
Building 7859
Unit 501
22234-4342
Jeddah, Kingdom of Saudi Arabia

<https://sisco.com.sa/web/en/>

SISCO HOLDING AUDIT COMMITTEE REPORT FOR YEAR 2023

The Audit Committee met six times during the year 2023, four of which were conducted during the committee's current term, commencing July 1, 2023. The committee's primary role is to support the Board in its duties of ensuring the integrity and effectiveness of the company's financial statements and internal control systems. The committee's key responsibilities in 2023 included the following:

- Recommending to the Board the nomination of the external auditors.
- Recommending to the Board the approval of the company's quarterly and annual financial statements after discussing it with the company's management and external auditors.
- Meeting the company's external auditors to verify their independence and the effectiveness of their audit plans and related activities, while responding to their queries and following up on their observations.
- Overseeing the company's internal audit function to ensure the availability of the necessary resources and their effectiveness and review the internal audit reports, while analyzing the internal audit findings and following up on their implementation.
- Recommending to the Board the appointment of the chief audit executive and suggesting his annual appraisal.
- Reviewing related party transactions and providing its recommendations to the Board.
- Obtaining executive management's confirmations around the effectiveness of the company's internal controls and risk management systems, as well as its compliance with applicable laws, regulations, and policies.
- Reviewing the amended audit committee charter and providing its recommendations to the Board.
- Overseeing and monitoring the company's whistleblowing program.

Internal Controls & Risk Management

SISCO Holding's executive management is responsible for designing and implementing effective internal control and risk management systems, under the supervision of the Board, to ensure the efficiency and effectiveness of the company's operations within its risk appetite, while protecting its assets, maintaining the reliability of its financial reporting, and compliance with applicable laws, regulations, and policies.

SISCO Holding adheres to the Institute of Internal Auditors' Three Lines of Defense model for managing risk and implementing effective internal controls. This model is structured with clearly defined roles and responsibilities. The first line of defense lies with operational management and process owners who are responsible for maintaining internal controls



and managing risks daily. The second line consists of supporting functions that oversee and monitor the first line of defense and report any deviations to executive management. The final line of defense is the internal audit, providing independent assurance and reporting functionally to the Audit Committee.

Affiliates and subsidiaries of SISCO Holding are accountable for their internal control and risk management systems. SISCO Holding coordinates its involvement through its representation on their respective boards and/or audit committees. The Audit Committee receives regular updates on the internal audit and whistleblowing programs of these affiliates and subsidiaries. When applicable, it also oversees any joint assurance initiatives.

Opinion of the Audit Committee

The Audit Committee, based on periodic reports from internal audit and the company's external auditors, along with written confirmations of the effectiveness of internal and financial controls from executive management, confirms that nothing has been brought to its attention that would suggest significant deficiencies in the company's internal and financial control and risk management systems. The Committee, however, notes that the company is in the process of formalizing and maturing its risk management practices and related frameworks. It's important to note that no internal control and risk management system, no matter how well-designed and implemented, can provide absolute assurance and is always subject to continuous improvement.

Mr. Nader Mohammed Saleh Ashoor

Audit Committee Chairman


Nader (June 5, 2024, 10:44 GMT+2)