

**Internal Audit Committee`s Report**  
**For the General Assembly**

**For the fiscal year ending 31/12/2025**

بِسْمِ اللَّهِ  
الرَّحْمَنِ  
الرَّحِيمِ

**Internal Audit Committee`s Report for the General Assembly  
For the fiscal year ending 31/12/2025**

# Internal Audit Committee`s Report for the General Assembly

## For the fiscal year ending 31/12/2025

**Dear Shareholders of ALDREES Petroleum & Transport Services Company (Aldrees),**  
**Greetings ...**

This report has been prepared based on Article 88 of the Corporate Governance Regulations issued by the Capital Market Authority, which states The report of the audit shall include details of its performance of its competencies and duties stated in these Regulations, provided that the report contains its recommendations and opinion on the adequacy of the internal and financial control systems and risk management systems in the Company. The audit committee is an independent committee formed by the company's Board of Directors.

### Committee Meetings:

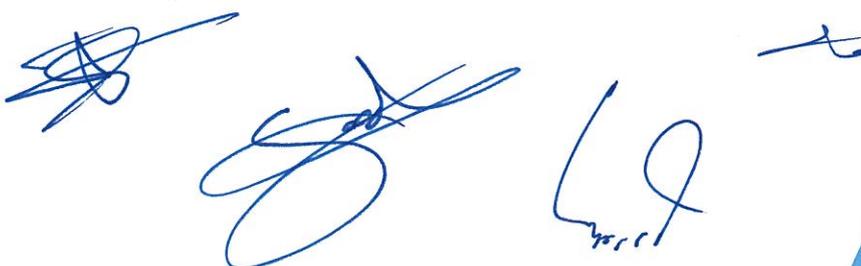
During the fiscal year 2025, the committee held 5 (five) meetings.

#	Name	2025 M				
		21/1	21/4	17/7	19/10	21/10
1	Mr. Eid bin Faleh Al Shamri	✓	✓	✓	✓	✓
2	Mr. Faraj bin Saad Al Qabbani	✓	✓	✓	✓	✓
3	Mr. Khaled bin Mohammed Al Khuwaiter	✓	✓	✓	✓	✓
4	Mr. Saad bin Hamad Al Drees	✓	✓	✓	✓	✓

✓ Attendance In person

X Attendance by proxy through another member of the Board of Directors

XX Apology



## Duties and Responsibilities:

Financial Reports: Risk and Internal Control Management: Annual report 2024 The Audit Committee is responsible for monitoring the company's business and for verifying the soundness and integrity of the reports, financial statements and internal control systems adopted therein, in addition to monitoring accounting policies and supervising internal and external audit work.

## Summary of 2025 Audit Committee Activities:

- Overseeing the management of the internal audit and following up the implementation of the approved internal audit plan of 2025.
- Reviewing the internal audit reports and following up the implementation of critical recommendations outlined in the internal audit reports.
- Reviewing all related party transactions defined by the applicable laws, terms, and regulations.
- Reviewing the effectiveness of the process of identifying, evaluating, and reporting significant risks, as well as the company's risk management approach, and submitting relevant recommendations to the Board of Directors.
- Supervising the interim and annual financial statements for the fiscal year ending on 31/12/ 2025 and the auditor's observations on the financial statements, following up the actions taken in response, the results of the financial audit for the Company's fiscal year with the external auditors and relevant management representatives, and submitting a recommendation for approval to the Board of Directors.
- Supervising the auditor.
- Reviewing the Board of Directors letter issued by the auditor.
- Reviewing the auditor's proposals and recommending the appointment of an auditor for the fiscal year ending on 31/12/2025.
- Reviewing the compliance reports reflects the adherence to the legal requirements and supervising the implementation of the recommendations included in reports.
- Reviewing significant accounting policies and practices, which includes assessing the consistency of such policies annually.
- In addition to the responsibilities stated above, the Audit Committee shall be responsible for carrying out any other duties delegated to it by the Board of Directors. The Committee shall submit periodic reports to the Board of Directors outlining its conducted inspection operations and the related recommendations.
- Directing the internal audit department to prepare a report for the Board of Directors and the Committee in accordance with the requirements of Article 75 of the Corporate Governance.






## The Audit Committee's opinion on the adequacy of the internal and financial control systems, and risk management.

The regulatory procedures and their effectiveness are critical and play a central role in achieving the company's objectives. The company's Board of Directors is responsible for establishing a comprehensive and effective internal control system.

This system is designed based on the company's Board of Directors vision and assessment in establishing a control system that aligns with the relative significance of financial risks and other inherent risks within the company's activities. With a reasonable costs and benefits to implement limited controls, the internal control system is designed to manage the risks that do not achieve the objectives, rather than avoiding them.

Accordingly, the internal control system is designed to provide reasonable assurance to avoid material errors and related losses. Furthermore, the Audit Committee reviews periodically the reports prepared by both internal and external auditors. These reports shall include an assessment of the adequacy and effectiveness of the internal control system.

Based on what was mentioned, no matters came to the committee's attention that would make it believe that there is a fundamental deficiency that requires disclosure, with regard to internal control systems and anything related to the preparation of -financial reports.

Based on the work and reports submitted to the committee and the internal and external audit work, the committee may have a degree of conviction that the company's internal control system is working effectively, which helps to develop a general perception of the risks that the company may face. There are no material events that occurred during the year 2025 that require disclosure

### Audit Committee Members:

#	Name	Position	Signature
1	Mr. Eid bin Faleh Al Shamri	Head	
2	Mr. Faraj bin Saad Al Gabbani	Member	
3	Mr. Khaled bin Mohammed Al Khuwaiter	Member	
4	Mr. Saad bin Hamad Al Drees	Member	