

National Metal Manufacturing & Casting Company (MAADANIYAH) Invitation for its Shareholders to Attend The Ordinary General Assembly Meeting (First Meeting) via modern technology

MAADANIYAH Board of Directors is pleased to invite its shareholders to attend the company's Ordinary General Assembly Meeting (First Meeting), which is scheduled to be held, at exactly 6:30 pm on 14/11/14422H corresponding to June 24, 2021G, in Dammam Industrial City, utilizing modern technology through the use of Tadawulaty portal www.tadawulaty.com.sa, to ensure the safety of shareholders to support the preventive and precautionary efforts and measures by the health authorities to address the emerging Corona Virus (COVID-19), and as an extension of the continuous efforts made by all government agencies in The Kingdom of Saudi Arabia to take the necessary preventive measures to prevent its spread.

Agenda:

- 1- Voting on the Board of Directors' report for the fiscal year ending on 31/12/2020G
- 2- Voting on the auditor report on the Company's accounts for the fiscal year ending on 31/12/2021 G
- 3- Voting on the financial statements for the fiscal year ending on 31/12/2020 G
- 4- Voting on paying an amount of (SAR 1,200,000) as remuneration to the Board members for the fiscal year ending on 31/12/2019 G.
- 5- Voting on paying an amount of (SAR 1,200,000) as remuneration to the Board members for the fiscal year ending on 31/12/2020 G.
- 6- Voting on paying an amount of (SAR 150,000) as remuneration to the Audit Committee members for the fiscal year ending on 31/12/2019 G.
- 7- Voting on paying an amount of (SAR 150,000) as remuneration to the Audit Committee members for the fiscal year ending on 31/12/2020 G.
- 8- Voting on absolving liability of the Board of Directors of the fiscal year ended 31/12/2020
- 9- Voting on appointing the auditor for the Company from among the candidates based on the Audit Committee's recommendation. The appointed auditor shall examine, review and audit the (second, third and fourth) quarter and annual financial statements, of the fiscal year 2021 G, and the first quarter of the fiscal year 2022 G, and the determination of the auditor's fees.
- 10- Voting on amending the regulations (Audit Committee Regulations).

Attendance Eligibility: Each shareholder who is registered in the Company's Shareholders Register at the Depository Center at the end of the trading session preceding the General Assembly meeting has the right to register/ sign in online to attend and vote using Tadawulaty web portal at the Assembly Meeting according to the applicable rules and regulations.

Quorum for Convening the General Assembly's Meeting: In order for the Assembly to convene, it is required as per Article 31 of the Company's Bylaws to register the attendance of shareholders representing at least a quarter (25%) of the Company's share capital for the first meeting; however, the second meeting shall be held one hour after the first meeting (in the event that the attendance quorum for the first meeting is not complete), and shall be deemed valid irrespective of the number of the shareholders present.

E-Vote: Distinguished shareholders registered in Tadawulaty Portal can vote remotely on the Assembly's topics starting at (10:00 AM) on Sunday 10/11/1442H 20/06/2021G, till the end of the Assembly convention. Registration and Voting in Tadawulaty will be available and free for all shareholders using the following link: www.tadawulaty.com.sa

Eligibility for Attendance Registration and Voting: The right to attend the Meeting ends before the beginning of the meeting, and the right to vote ends once the voting sorts has concluded.

If you have any inquiries, please contact the Investor Relations Department via the following phone number: 00966 13 358 8000, or via the following e-mail: (info@maadaniyah.com)

Annual Audit Committee Report - 2020

Dear Shareholders of the National Metal Manufacturing and Casting Company (Maadaniyah)

The Audit Committee is pleased to submit to the shareholders of Maadaniyah its annual report on the work, performance and observations of the committee for the financial year ending 12/31/2020, and the details of the report are as follows: -

Formation of the audit committee: -

The Audit Committee forms of 3 members, based on the decision of the fifteenth extraordinary general assembly held on 11/6/2020, they are: -

Mr. Talal A. Alnafie - Chairman

Eng. Ryan W. Tarabzoni - Member

Mr. Abdulaziz S. Alardi - Member

The Audit Committee performs its duties in accordance with the scope of work included in the corporate governance and in conformity with what was mentioned in the Corporate Governance Regulations in the Kingdom of Saudi Arabia issued by the Board of the Capital Market Authority.

The main tasks of the audit committee are to ensure the adequacy and effectiveness of internal control procedures and systems, to verify the integrity and correctness of the financial statements, to recommend the selection of the external accountant according to specific controls, and to study the reports, notes and suggestions submitted by each of the external accountant and the internal audit department of the company.

Results of the annual review of the effectiveness of the internal control system:

The duties of internal audit are assigned to Baker Tilly - legal auditors - and the audit office carries out audits based on the risk-based plan, which has been approved by the audit committee, where the management activities are to review all company operations and verify the effectiveness of the internal control system and procedures in protecting the company's property. And assess business risks and measure the efficiency of performance. The audit office submits internal audit reports, including observations, suggestions, management responses, and action plans to support the company's internal controls, in addition to what the external auditor evaluates while performing the final audit.

The internal audit committee met five times during the year 2020 as follows:

1 st Meeting	٢٠٢٠/٠٢/٢٣
2 nd Meeting	٢٠٢٠/٠٣/٢٦
3 rd Meeting	٢٠٢٠/٠٦/١٧
4 th Meeting	٢٠٢٠/٠٨/١٨
5 th Meeting	٢٠٢٠/١١/٠٨

Where the results of the internal audit were discussed according to the agreed plan, and the observations and suggestions submitted by the internal auditor and the company's auditor were examined and analyzed, and the suggestions that would help improve the internal control system of the company were activated.

During the aforementioned meetings, the committee studied the preliminary financial results for the first, second and third quarters. It also studied the annual results for the year 2020 AD at its meeting on 15/03/2021 and raised its recommendation to the Board of Directors.

The committee also discussed the investment opportunities and challenges that the company might face.

The results of the aforementioned audit did not show, in light of the aforementioned scope of work, a significant fundamental weakness that warrants disclosure in the internal control system and procedures during the year 2020.

In conclusion, the audit committee would like to thank the board of directors for its support and support for the committee in accomplishing its tasks, and for the executive management for providing them with all the evidence requested to perform the committee's duties.

Thank you,,,

Chairman

Talal A. Alnafie