

Project Overview

Project Description

During the year 2021, Jabal Omar Development Company witnessed major financial, operational and organizational transformations with the aim of achieving financial sustainability and raising operational flexibility and efficiency by following a proactive and specific approach to achieve its strategic priorities for the year 2021. Among the most prominent achievements are the following:

- The number of completed hotels in the project is 6 hotels managed by international operators and is based on 12 towers. Work is underway to complete the construction of 5 hotels that will be built on 13 towers.
- The areas allocated to the streets, public utilities and services = 87,984 m ², representing 39% of the total land area.
- The project contains a full suite of modern malls, with a total area of 79,073 m².
- The project also includes museums and cultural exhibitions
- The project includes the largest Convention Center in Makkah dedicated to holding conferences and social events, accommodating about 1,380 people.
- All project lands are provided with the necessary infrastructure and services.
- The project has a central monitoring system for crowd management (CCTV) and a firefighting station and system.
- The project includes several pedestrian roads equipped with escalators in order to facilitate the movement of pedestrians for those coming from the various parts of the project to the Grand Mosque.
- There are commercial shops on both sides of the road. Also, its branches lead towards the project's inside and to the public praying area.
- The project includes an internal two- way car ring road to connect all parts of the project with bus stops.
- Reinforced Concrete Tunnels under the main and secondary streets of the entire project.
- The project includes a system to collect rainwater from the roofs of buildings, water sinks and ablution for recycling and reuse.
- The project includes an advanced waste disposal system and integrated sewage networks.
- A system for treatment and reuse of gray water.
- The project includes a 268 MVA power transmission station that covers the entire project's electricity needs. In addition to a central cooling plant with a production capacity of 59,000 tons that cover the project's needs to provide a centralized water-cooled air conditioning system.
- Building management system & central control.
- Afforestation, landscaping and firefighting system in public areas.
- The project plan included the establishment of a pedestrian road of a width of 40 m an a length of 300 m, extending from the end of King Abdulaziz Road going through the project area to the western yard of the Great Mosque. The road is named King Abdulaziz Pedestrian Road, and aims to facilitate the traffic of pedestrians coming from King Abdulaziz Road And all the neighboring neighborhoods on the western side of the Great Mosque. There are areas on both sides of the road, with a width of (5 m) on each side encompassing shops and a central market, and side streets branch from this road leading to the inside of the project and to the main prayer area.

The Jabal Omar masterplan was designed to the highest standards to match the sanctity of the place as the new village in Makkah Al-Mukarramah, close to the Holy Mosque and connected to the central district with the aim of creating a unique destination.



235+ K M²
Land Area



2.5+ M M²
Built-Up Area



7
Phases



45
Towers



11
International Hotel



13+ K
Rooms



82+ K
GLA



1+ K
Car Parking

It should be noted that all the above details are based on the currently approved project plan.

Summary of the project phases

The project consists of 7 phases, all of which are provided with infrastructure services.

Phase 1

This phase includes the construction of 4 building bases (podiums), and 10 hotel towers containing 2,768 hotel rooms, 87 villas, apartments and housing units, in addition to 10 upper villas, and a rental area of 26,760 m² and 469 parking spaces. The built up areas of the first phase are about 523,975 m², overlooking Ibrahim Al Khalil Street. This phase was completed during the first quarter of 2017. The inauguration of this phase was attended by His Royal Highness Prince Khalid Al-Faisal, Governor of Makkah Al-Mukarramah Region, may Allah protect him.

Phase 2

The building consists of one building base and 4 hotel towers overlooking Ibrahim Al Khalil Street, with a total built-up area of 200,000 m². The base building consists of 3 commercial floors, with a rental area of 8,102 m², 96 housing units, 4 villas, 176 parking lots, and services including restaurants, meeting rooms, and 2 gyms. The upper floor of each tower is a penthouse containing a total of 4 villas. The construction work of phase 2 is expected to be fully completed by the end of the fourth quarter of 2022 AD.

Phase 3

Two building bases (Podiums) and 4 hotel towers. This phase includes the construction of 2,156 hotel rooms including in the twin towers, 1,490 of which will be managed by Address Hotels and Resorts Company. The built-up area of this phase is about 398,000 m2. The construction work of phase 3 is expected to be fully completed by the end of the first quarter of 2023.

Phase 4

This phase includes the construction of 3 building bases (podiums) and 7 towers. It contains 1,795 hotel rooms and 3 upper villas, and a rental area of 23,931.96 m² in addition to 479 parking lots. The built-up area is about 398,000 m2. The construction work of phase 4 is expected to be fully completed by the end of the fourth quarter of 2023.

Phase 5, Phase 6 and Phase 7

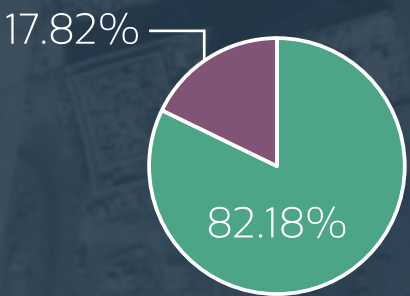
The master plan for these phases has been successfully redesigned to reflect an increase in the total built-up area

Phase 1



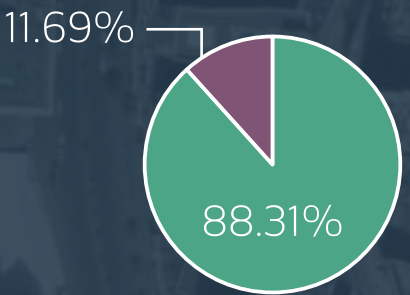
Completed Under construction

Phase 2



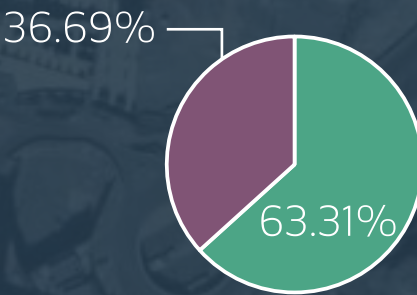
Completed Under construction

Phase 3



Completed Under construction

Phase 4



Completed Under construction

Completed hotels in the project

The project includes a number of luxury world-class hotels, through which we seek to provide the finest hospitality services to visitors of Makkah, whether for worship or work. The number of completed hotels in the project is six hotels, including 3,444 rooms.





It consists of two towers; each consists of 21 floors overlooking Ibrahim al - Khalil Street, including 116 rooms and 368 suites. and a capacity of 1820 guests per day.

In addition to 2 meeting rooms, 2 restaurants, 3 lounges and a gym. The hotel was opened in Ramadan 1435 AH.





MARRIOTT JABAL OMAR MAKKAH







 Shuttle Bus 5 Mins 2 2 5

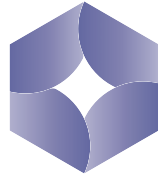


It consists of two towers. The first tower consists of 12 floors and the second tower consists of 21 floors overlooking the intersection of Umm Al-Qura Street and Ibrahim Al-Khalil Street.

They contain 374 rooms and 52 suites. and a capacity of 1330 guests per day. In addition to 5 meeting rooms, 2 restaurants, 2 lounges and a gym. The hotel was opened in Ramadan 1436 AH.



JABAL OMAR



HYATT
REGENCY

MAKKAH

جبل عمر حياة ريجينسي مكة



It consists of two towers; each consists of 23 floors overlooking Ibrahim Al-Khalil Street with 631 rooms and 25 suites, and a capacity of 1,993 guests per day.

In addition to a meeting room, 3 restaurants, 2 lounges and a gym. The hotel was opened in Ramadan 1436 AH.





كونراد مكة جبل عمر
CONRAD®
 MAKKAH JABAL OMAR



3 Mins

2

2

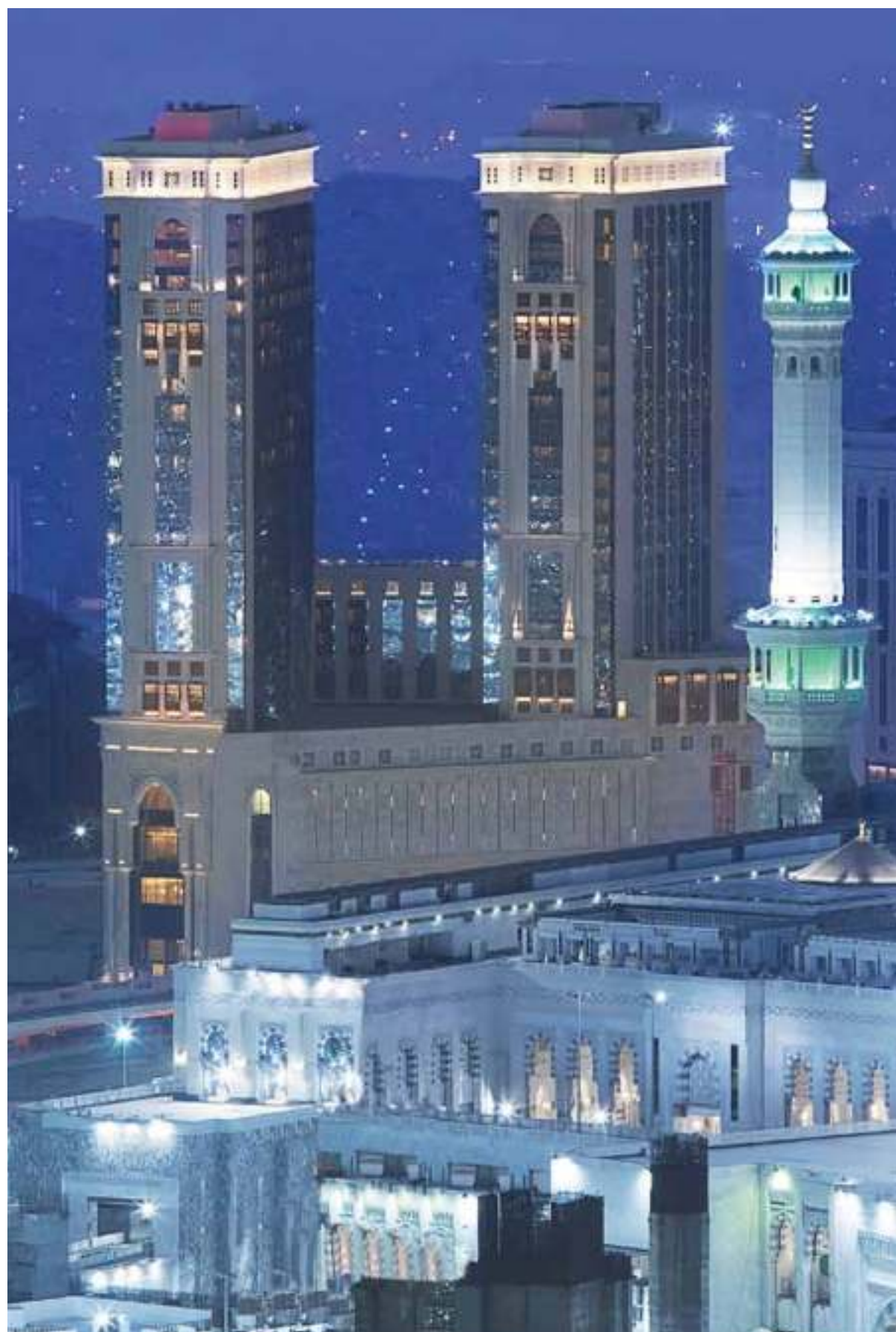
3



It consists of two towers; each consists of 24 floors overlooking Ibrahim Al-Khalil Street with 376 rooms and 62 suites, and a capacity of 1,376 guests per day.

In addition to 3 meeting rooms, 2 restaurants, 2 lounges and a gym. The hotel was opened in Ramadan 1437 AH.





جبل عمر هيلتون مكة ومركز المؤتمرات



Hilton

JABAL OMAR HILTON
MAKKAH & CONVENTION CENTER



Shuttle Bus



Mins 3



4



2

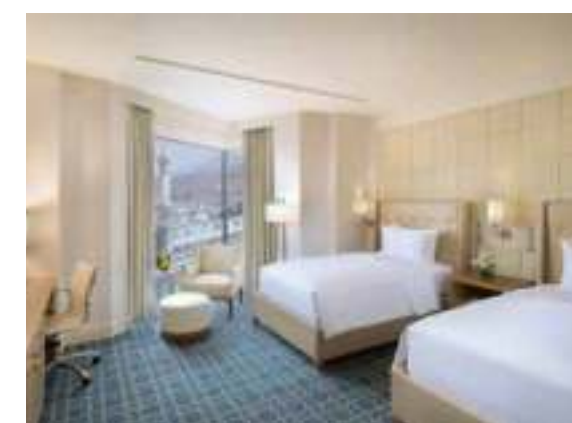


8



It consists of two towers; each consists of 23 floors overlooking Ibrahim Al-Khalil Street with 685 rooms and 76 suites, and a capacity of 2371 guests per day.

In addition to 8 meeting rooms, including the largest meeting room in Makkah, 4 restaurant, 2 lounges and a gym. The hotel was opened in Rajab 1437 AH.





It consists of two towers; each consists of 33 floors with 448 rooms and 228 suites, and a capacity of 2256 guests per day.

In addition to the two meeting halls, two restaurants, one lounge and a fitness center. The hotel was opened in Rabi Thani 1441 AH.



Completed Malls in the project

In an effort to present a different shopping experience, Jabal Omar offers a collection of world names in both fashion and restaurant. The number of completed Shopping Centers in the project is five, with a leasable space of 49,635 m².





Souk Al-Khalil-1

4

142

17K

It consists of four floors with a total rental area of 17,067 m² and contains 142 trade fairs. It was opened in 2014.

Souk Al-Khalil-2



It consists of four floors with a total rental area of 5,650 m² and contains 32 trade fairs. It was opened in 2016.





Souk Al-Khalil-3

3

109

8 K

It consists of three floors with a total rental area of 8,102 m² and contains 109 trade fairs. It was opened in .2021



Souk Makkah Gate



It consists of four floors with a total rental area of 17,011 m² and contains 140 trade fairs. It was opened in 2021.





Al-Khalil Courtyard



It consists of an open ground floor with a total rental area of 1,647 m² and contains 51 trade fairs. It was opened in 2019.



Other Shops

Commercial units overlooking Jabal Omar Road, located at Jabal Omar Marriott Hotel, with a total rental area of 157 m² and contains two units. And was opened in 2015.

Completed Residential units

The project includes housing units of different categories and areas managed by international and local operators to ensure the highest quality standards with various services offered for owning or investment. The number of units completed in phases 1 & 2 is 197 units.



Suites and Penthouse



Hotel Apartments



Freehold



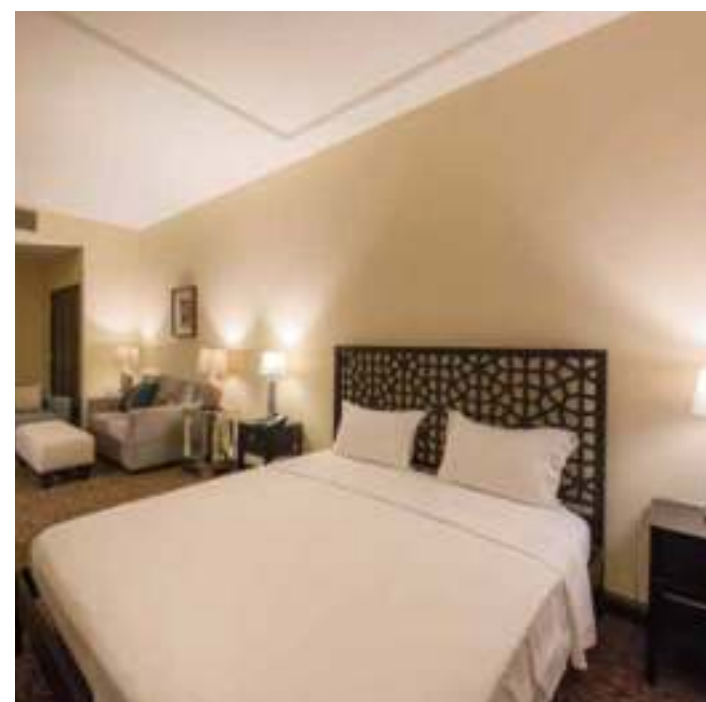
Haram View

Residential units in Phase 1

A variety of residential units consisting of 30 villas, 57 apartments, and 10 penthouses.

Residential units in Phase 2

A variety of residential units consisting of 96 apartments and 4 penthouses



Completed Parking in the Project

The number of parking spaces available for use are

469

Parking lots in Phase 1



The company's future projects

Jabal Omar Jumeirah Hotel

★★★★★

Consists of 4 towers, each tower contains 23 hotel floors with a total of 1,033 rooms and suites. The construction work is expected to be completed in December 2022.

Jabal Omar Alana Hotel

★★★★★

Consists of 2 towers, each one contains 24 hotel floors with a total of 560 rooms and suites. The construction work is expected to be completed in December 2023.

Jabal Omar H Hotel

★★★★★

Consists of 3 towers, each one contains 24 hotel floors with a total of 652 rooms and suites. The construction work is expected to be completed in December 2023.

Jabal Omar The Address Hotel

★★★★★

Consists of two towers, each tower contains 42 hotel floors with a total of 740 rooms and suites. The construction works of First Tower, H2z, are expected to be completed by the end of October 2022, and Second Tower, H1A, by the end of December 2022.

Jabal Omar Royal Alana Hotel

★★★★★

Consists of 2 towers, each tower contains 24 hotel floors with a total of 583 rooms and suites. The construction work is expected to be completed in December 2023.

Cultural Museums

Jabal Omar project contains a number of exhibitions and cultural museums and a group of various service facilities located within the building of the Jabal Omar Hilton Hotel, where the first floor contains the Museum of Majesty and Beauty and the ground floor contains the Museum of Great Creation, and the Museum of the Grand Mosque landmarks, which is estimated at a total area of 3,886 m².

Souk Makkah Gate - 2

It consists of 2 floors with a total rental area of 5,506 m², and construction works are expected to be completed by the end of March, 2023 AD.

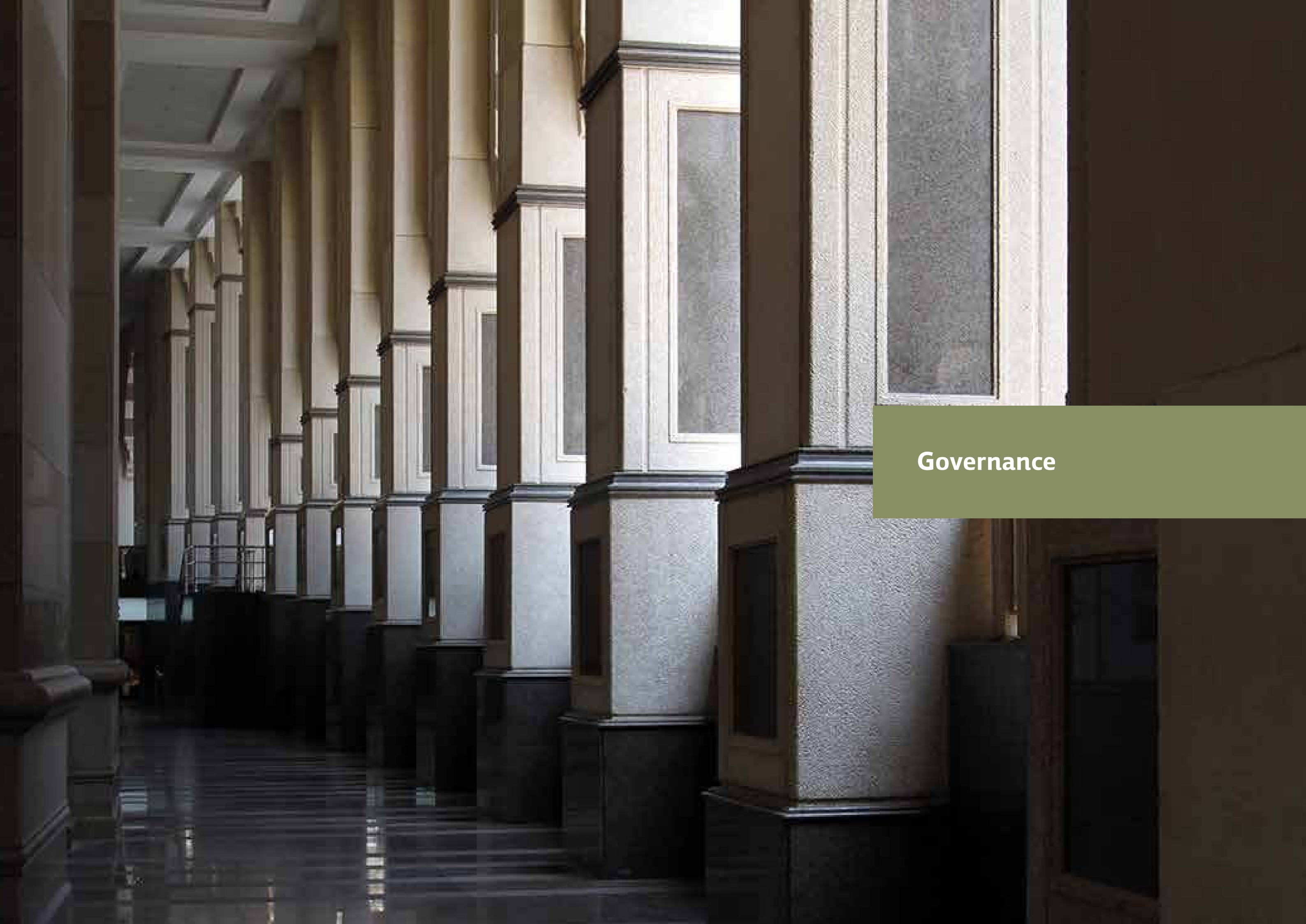
Commercial Centers - Phase 4

It consists of 4 floors with a total rental area of 23,931.96 m², and construction works are expected to be completed in December, 2023 AD.

Car Parking

Parking lots under construction is 1,133, divided between the second, third and fourth phases





Governance

1 Details of the activities of the Company and its subsidiaries and their contribution to the results of Jabal Omar Company

A. Jabal Omar Development Company activities

1. Development and reconstruction of the Jabal Omar region adjacent to the Grand Mosque square from the western side and any other areas within the Kingdom of Saudi Arabia.
2. Management, operation and maintenance of the Company's employees' accommodation and hotels.
3. Owning real estate and developing them into organizational plots, in addition to managing, investing, selling and renting them.
4. Furthermore, owning plots of land for urban development I m p o r t and export of equipment, machinery and furniture related to the Company's business.
5. Carry out all necessary construction, reconstruction, maintenance, demolition and survey works.
6. Operating training institutes specialized in the field of hospitality and hospitality.
7. Hotel management, operation and furnishing.
8. Securing and providing private civil security guard services.
9. Management, operation and maintenance of commercial facilities.
10. Laundries and restaurants services

B. Statement of each activity and the contribution of its results

#	Activity	Revenue	Ratio
1	Land development, construction and sale of developed real estate	96,908,505	31 %
2	Management and operation of hotels	179,116,437	58 %
3	Operating and renting shopping centers	34,333,861	11 %
Total		310,358,803	100 %

C. Key activities for Jabal Omar Subsidiaries

#	Subsidiary company	Main activities types
1	Shamkhat Company	Real estate development and investment activities, commission-based real estate management activities, management and leasing of owned or leased properties (non-residential), management and leasing of owned or leased properties (residential), purchase, sale and lease of land and real estate.
2	Sahat Company	Purchase, sale and lease of lands, management and leasing of owned or leased real estate (non-residential), real estate management activities against a commission, real estate development and investment activities, building construction, building maintenance and operation works.
3	Wharfat Company	Management and operation of hotels
4	Alyat Company	The general construction of non-residential buildings, including (schools, hotels, etc...), systems, purchase analysis and sale of content, real estate, divided and active off-plan sales, management and leasing owned or leased real estate (residential), and the management and leasing owned or leased real estate (Non-residential), commission-based real estate management activities, building maintenance services activities.
5	Eshraquat companies	Trade, operation, maintenance and cleaning of facilities, education and training, employment and recruitment, tourism, restaurants, hotels and exhibition organization, real estate and land (sale and purchase of land and real estate), contracting, transport, mail and storage.
6	Central District Cooling Company	The construction of the central cooling plant in Jabal Omar project and the possibility of its participation in any other cooling plants for other projects in the central region of Makkah

Note: There is no revenue from the subsidiaries, except for the revenue generated by CDCC, which is in exchange for renting land from Jabal Omar with a value of SAR 5,000,000 . Franchise fees SAR 7,993,248.

2 The risks that the company may face, and the risk management and control policy

The Group's principal financial liabilities comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, and cash and short-term deposits that derive directly from its operations. The Group also holds investments in equity instruments.

The Group is exposed to market risk, credit risk and liquidity risk. The Group management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Board of Directors has overall responsibility for establishment and oversight of the Group's risk management framework. audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the management. The Group is continuously monitoring the evolving scenario and any further change in the risk management policies will be reflected in the future reporting periods.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages the interest rate risk by regularly monitoring the interest rate profiles of its interest-bearing financial instruments. The Group's interest-bearing liabilities, which are mainly bank borrowings, at floating rates of interest, which are subject to re-pricing. Management monitors the changes in interest rates and believes that the fair value and cash flow interest rate risks to the Group are not significant. Interest bearing financial assets comprises of short term murabaha deposits which are at fixed interest rates; therefore, has no exposure to cash flow interest rate risk and fair value interest rate risk.

Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's transactions are principally in Saudi Riyals and United States Dollars. The management believes that there is no currency risk arising from the transactions in currencies to which the Saudi Riyals is pegged. The Group's exposure to currency risk arising from currencies to which the Saudi Riyals is not pegged is not material to these consolidated financial statements.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from special commission rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instruments or it's issuer, or factors affecting all similar financial instruments traded in the market.

The Group's exposure to unit price risk arises from investments held by the Group and classified in the consolidated statement of financial position at fair value through profit or loss. The Group closely monitors price in order to manage price risk arising from investments in fund.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group manages credit risk by assessing the credit worthiness of counter parties before entering into transactions as well as monitoring any outstanding exposures on a periodic basis to ensure timely settlement. Credit risk arises from cash and cash equivalents, restricted cash, credit exposures to customers, including outstanding receivables, accrued rental income and contract assets. Credit risk is managed on a Group basis. For trade receivables, accrued rental income and contract assets, internal risk control department assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set in accordance with limits set by the management. The compliance with credit limits by customers is regularly monitored by line management.

The Group's maximum exposure to credit risk for the components of the statement of financial position at 31 December 2021 and 31 December 2020 is equal to the respective carrying amounts as disclosed in notes 9 and 12. Cash at banks are placed with banks with sound credit ratings. Other receivables are considered to have low credit risk; therefore, 12 months expected loss model was used for impairment assessment. Based on management's impairment assessment, there is no provision required in respect of these balances for all the years presented.

For trade receivables, accrued rental income and contract assets, the Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables, accrued rental income and contract assets based on a provision matrix. To measure the expected credit losses, trade receivables, accrued rental income and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets and accrued rental income relate to unbilled work in progress. Further, the expected credit losses also incorporate forward-looking information.

The provision matrix takes into account historical credit loss experience (48 months-period) and is adjusted for average historical recovery rates. The historical loss rates are also considered to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified GDP growth rate to be the most relevant macro-economic factors of forward looking information and accordingly adjusts the historical loss rates based on expected changes in these factors.

Liquidity Risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available through committed credit facilities to meet any future commitments. This includes consideration of future cashflow forecasts, prepared using assumptions about the nature, timing and amount of future transactions, planned course of actions and other committed cash flows that can be considered reasonable and achievable in the circumstances of the Group. The Group's management has developed a plan to enable the Group to meet its obligations as they become due and to continue its operations, without significant curtailment, as a going concern.

Construction & Development Risks

The company's inability to continue implementing project development because the company incurs construction costs beyond its original estimates due to increased costs of materials, labor and other costs, which makes the completion of the project unfeasible; or The company's inability to complete the construction of a specific property on time, which leads to an increase in debt service expenses and construction or restoration costs, thereby changing occupancy and rental rates in newly completed properties depending on several factors, including market conditions and economic conditions, for example, the impact of the Corona virus pandemic (19-COVID) on religious tourism in Makkah, which would make the company's investments unprofitable compared to previous expectations of occupancy rates before the pandemic (19-COVID). In its future vision, the company seeks to maintain and continue growth by strengthening its project management capabilities by enhancing its resources, maintaining its strategic alliances, financial and administrative control of costs, the ability to appoint competent and solvent contractors, and monitoring the progress of work step by step to adhere to project delivery schedules.

Operational Risks for Hotels

The inefficiency of the company's hotel operator, where performance depends largely on the operator's ability to increase occupancy rates for hotel rooms and facilities, whether renting stores or efficiently operating restaurants, clubs and parking lots, and establishing good relations with companies and individuals to operate meeting rooms and wedding halls. In addition, any deficiency or defect in the level of service provided by the operator for any reason, or the operator's failure to manage the hotel or manage the contractors affiliated to provide security, maintenance, cleaning and other services with the required efficiency, which will directly and materially affect the company's business, results of operations, financial position and future prospects. If the operator fails to operate, it is likely that the company will incur excessive costs for appointing a suitable alternative to manage and operate its hotels, which would materially affect the company's business, results of operations, financial position and future prospects.

Choosing an operator with long experience and reputation in the hospitality sector will have an impact on the efficiency of hotel management and how to deal with crises and disasters to determine the size and type of risks and use the appropriate mechanism to address emergencies that cannot be avoided. The operator often relies on its previous experience in handling these crises, especially if it has many years of experience in the same field and multiple geographic branches that constitute sufficient experience for it to handle crises.

Operational risks

The operational risks arising from the company's main activities in constructing and developing real estate and then operating these real estates. The operational risks of Jabal Omar Company include three main types of risks, namely, construction and development risks, operational risks for hotels and operational risks for commercial centers.

The company's inability to rent all the shops of the commercial centers, as the performance depends largely on the company's ability to raise occupancy rates for the commercial centers at reasonable prices. The demand of tenants depends on the state of the retail sector, as when the retail sector declines, this will be reflected on the performance of tenants and their ability to rent. In addition, the decline in the growth of the retail sector will affect the company's ability to increase rental values or be forced to reduce the same during periods of decline in growth to avoid losing its tenants at that time and motivating them to continue as tenants until the retail sector grows again.

On the other hand, if the company concluded long-term contracts with the main tenants in an attempt to ensure continuous income in the future, there will be no guarantee that the increases specified by the company at the time of contract conclusion will be sufficient to compensate the company for the increase in operation costs or inflation rates, or that these increases are equivalent to the growth rates that occur on the rental values. Thus, if these increases are not sufficient to cover the costs, or the rental values collected from the main tenants are less than the fair rental value compared to the market, which the company may not be able to negotiate with the tenants to amend before the expiry of those contracts, this will have a negative and material impact on the company's business, results of operations, financial position and future prospects. The company manages the operational risks of the commercial centers by evaluating the tenants in terms of business plan efficiency, the marketing plan, financial solvency and the method of handling crises before concluding any contract, as well as monitoring their performance on an ongoing basis.

Force Majeure Risks

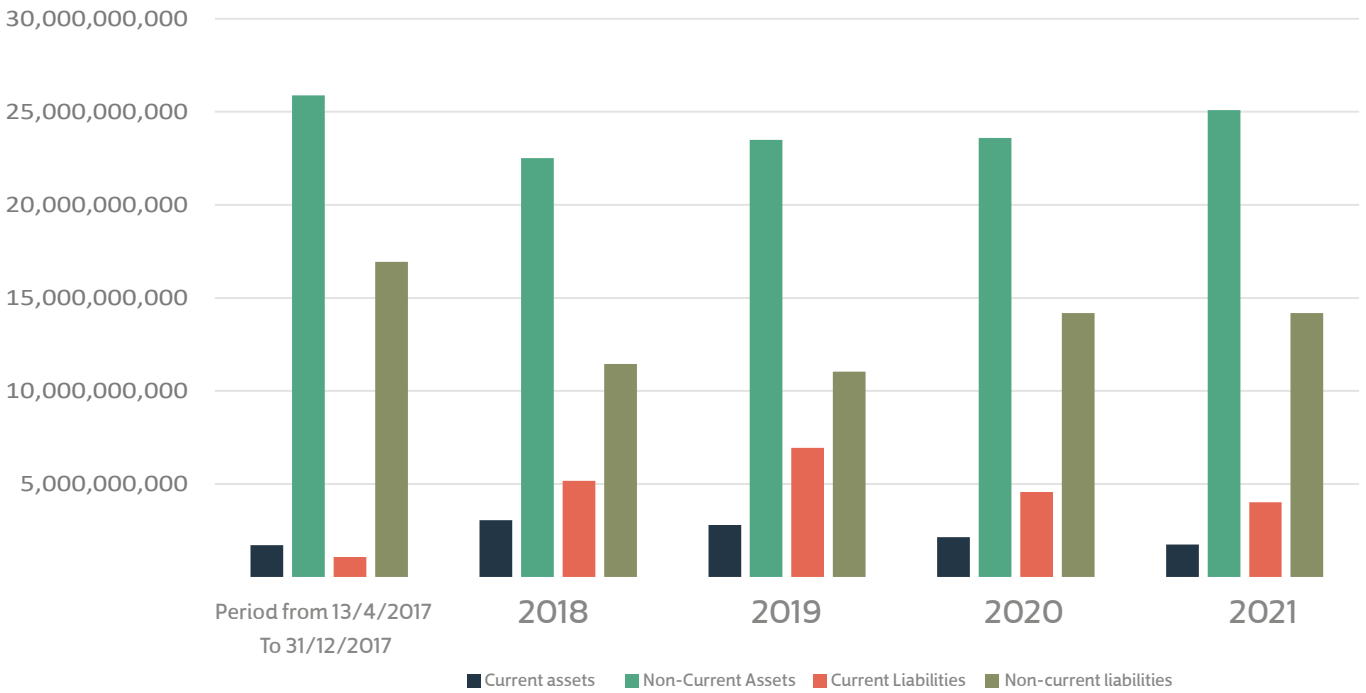
The company's activities are generally subject to the surrounding economic, social and legislative conditions. In addition, the company's activities are materially subject to being affected by the decisions may be enacted by the state to limit force majeure impacts that may result from wars and/or the spread of epidemics and diseases, especially Corona virus pandemic (19-COVID) which greatly affected the company's business through the sharp decrease in the number of pilgrimages and Umrah pilgrimages, thereby negatively affecting the tenants' ability to pay the due rents, and the decrease in occupancy rates in hotels and so on, and thus the decline in the company's performance and revenues. One of the most important ways to confront such unexpected risks is to develop BCPs such as emergency and backup plans, study potential risks properly, and take measures alleviating their severity on the company's business and performance.

3 Summary of assets and liabilities of the Company and the results of its business

A. The Company's assets and liabilities in the last five financial years

#	Statement	2021	2020	2019	2018	Period from 13/4/2017	To 31/12/ 2017
1	Current assets	1,737,520,098	2,135,995,416	2,791,710,000	3,055,193,000	1,707,750,537	
2	Non-Current Assets	25,085,059,947	23,600,885,579	23,495,866,000	22,511,264,000	25,880,943,542	
3	Total Assets	26,822,580,045	25,736,880,995	26,287,576,000	25,566,457,000	27,588,694,079	
4	Current Liabilities	4,017,168,870	4,561,625,070	6,936,834,000	5,167,500,000	1,063,960,121	
5	Non-current liabilities	14,177,187,585	14,186,514,689	11,035,738,000	11,452,944,000	16,935,138,844	
6	Total Liabilities	18,194,356,455	18,748,139,759	17,972,572,000	16,620,444,000	17,999,098,965	

B. Diagram of the Company's assets and liabilities in the last five financial years



C. The results of the Company's business in the last five financial years

#	Statement	2021	2020	2019	2018	Period from 13/4/2017	To 31/12/ 2017
1	Revenues	310,358,803	176,681,546	885,220,064	1,962,643,843	568,826,613	
2	Costs of Revenue	(534,994,314)	(601,366,756)	(734,378,535)	(1,164,807,049)	(557,716,673)	
3	Gross profit	(224,635,511)	(424,685,210)	150,841,529	797,836,794	11,109,940	
4	Net profit	946,204,531	(1,339,005,792)	(635,103,464)	194,992,931	(600,959,078)	

D. A graph of the Company's business results in the last five financial years



4 Geographical analysis of the total revenues of the Company during the year 2021

A. Geographical analysis of the Company's total revenue

Geographical Area	Revenues
Makkah Al-Mukarramah	310,358,803
Total Revenue	310,358,803

Note: There is no revenue for the subsidiaries

5 Explanation of the material differences in the operating results of the Company compared to the results of the previous year

Statement	2021	2020	Changes (+) or (-)	Percentage change
Revenues	310,358,803	176,681,546	133,677,257	76 %
Cost of revenue	(534,994,314)	(601,366,756)	66,372,442	-11 %
Gross profit	(224,635,511)	(424,685,210)	200,049,699	-47 %
Other operating income	7,262,162	18,501,940	-11,239,778	-61 %
Other operating expenses	(240,963,154)	(384,598,021)	143,634,867	-37 %
Operating profit (loss)	(458,336,503)	(790,781,291)	332,444,788	-42 %

6 Names of the subsidiaries, their capital and the percentage owned by the Company, their primary functions, Country, Establishment and Operation Location and details of the issued shares of each subsidiary

#	Company's Name	Capital	Percentage of the company's ownership	Main activity	Country, Establishment & Operation Location
1	Shamkhat Development Company Ltd	100.000 SAR	Wholly owned by Jabal Omar Development Company	Real estate development and investment activities, commission-based real estate management activities, management and leasing of owned or leased properties (non-residential), management and leasing of owned or leased properties (residential), purchase, sale and lease of land and real estate	Kingdom of Saudi Arabia
2	Sahat property management company	5.000.000 SAR	Wholly owned by Jabal Omar Development Company	The general construction of residential buildings, general construction of non-residential buildings, management and leasing of owned or leased real estate (residential), management and leasing of owned or leased real estate (non-residential), real estate management activities against commission.	Kingdom of Saudi Arabia
3	Warfat Hospitality Company	15.000.000 SAR	Jabal Omar Development Company owns 90 %	Management and operation of hotels	Kingdom of Saudi Arabia
4	Alyat Marketing Company	5.600.000 SAR	Wholly owned by Jabal Omar Development Company	The general construction of non-residential buildings, systems analysis, purchase and sale of land, real estate, divided and active off-plan sales, management and leasing owned or leased real estate (residential), and the management and leasing owned or leased real estate (Non-residential), commission-based real estate management activities, building maintenance services activities.	Kingdom of Saudi Arabia
5	Eshraquat companies for logistics services	100.000 SAR	Wholly owned by Jabal Omar Development Company	Trade, operation, maintenance and cleaning of facilities, education and training, employment and recruitment, tourism, restaurants, hotels and exhibition organization, real estate and land (sale and purchase of land and real estate), contracting, transport, mail and storage	Kingdom of Saudi Arabia
6	Central District Cooling Company	5.000.000 SAR	Jabal Omar Development Company owns 40%	The construction of the central cooling plant in Jabal Omar project and the possibility of its participation in any other cooling plants for other projects in the central region of Makkah	Kingdom of Saudi Arabia

7 The company's policy in distributing dividends

According to Article forty-one of the Company's articles of association, which states the following:

"The net profits of the Company are distributed among the shareholders at a rate of no less than 2% of the paid-up capital (annually, semi-annually or quarterly) after deducting all general expenses and other costs, including the Sharia-imposed zakat, and setting aside (10%) of the net profits to be a reserve. Legally, the Ordinary General Assembly may stop this deduction when the aforementioned reserve reaches (30%) of the paid-up capital. “

8 Information related to any loans on the Company (whether they are payable on demand or otherwise). A disclosure of the total indebtedness of the Company and its subsidiaries, any amounts paid by the Company in repayment of loans during the year, the principal amount of the loan, the name of the donor, its duration, and the remaining amount

#	Name of the donor of the loan	Principal amount of loan	Term of the loan (Year)	Amounts paid in repayment to the loan during the year	Remaining amount of the facilities available	Total indebtedness of the company and its subsidiaries
1	Ministry of Finance	1,500,000,000	10	-	-	1,500,000,000
2	Banks & financial institutions	10,256,000,000	1 to 15	285,831,000	2,062,312,258	7,800,533,914
3	Sukuk	506,250,000	5	-	-	506,250,000

(All numbers mentioned in the above table are in Saudi riyals)

9 The number of the Company's requests for shareholders' register and dates and reasons for those requests

The shareholders' register was requested eight (8) times as follows:

#	Date	Reason	#	Date	Reason
1	April 15, 2020	Corporate Process	5	August 31, 2021	Corporate Process
2	April 22, 2021	General Assembly	6	December 31, 2021	Corporate Process
3	May 27, 2021	General Assembly	7	December 31, 2021	Corporate Process
4	August 31, 2021	Corporate Process	8	December 31, 2021	Corporate Process

10 Number of Board meetings held during 2021, dates of sessions and the attendance record of each meeting explaining the names of those present

The Board of Directors held a total of (10) Meeting and (12) board resolutions by circulation. the following table shows the attendance record for each meeting:

الإسم	1	2	3	4	5	6	7	8	9	10	عدد الاجتماعات التي حضرها العضو
	Jan 10	Jan 26	Mar 14	Mar 30	Apr 26	Jun 20	Jun 30	Aug 15	Nov 07	Dec 28	
Ziad Al-Hogail	√	√	√	√	√	√	His membership expired on June 29, 2021 AD				6
Ahmed Al-Qahtani	√	√	√	√	√	√	His membership expired on June 29, 2021 AD				6
Mohiuddin Kamel	X	√	√	√	√	√	His membership expired on June 29, 2021 AD				5
Ali Al Kanhal	X	√	√	X	√	√	His membership expired on June 29, 2021 AD				4
Walid Al-Issa	√	√	√	√	√	√	His membership expired on June 29, 2021 AD				6
Abdul Raouf Manna	√	X	√	√	√	√	√	√	√	√	9
Muhannad Al-Rasheed	√	√	√	X	√	X	√	X	X	√	6
Ahmed Al-Qasabi	X	√	√	√	√	√	√	√	√	√	9
Thaleb Alshamrani	√	√	√	√	√	√	√	√	√	√	10
Saeed Al-Ghamdi	He wasn't a member of the board						√	√	√	√	4
Ryan Al-Rasheed	He wasn't a member of the board						√	√	√	√	4
Abdulaziz Al-Rajhi	He wasn't a member of the board						√	√	√	X	3
Mohammed Abu Melha	He wasn't a member of the board						√	√	√	√	4
Yasser Al-Qadi	He wasn't a member of the board						√	√	√	√	4

√ : Attended the meeting X: Apologized for not attending

11 A description of any interest of securities and contractual rights of subscription belonging to the members of the board of directors and their relatives in the company's shares or debt instruments and any change in that interest or those rights during 2021

#	Name of the person to whom the interest, contractual papers, or subscription rights belong in Jabal Omar Company	Name of the Beneficiary	Beginning of the year 2021	End of the year 2021	Net Change	Percentage of change
			Number of shares	Number of shares		
1	Saeed Al-Ghamdi	Chairman of the Board	0	0	0	% 0
2	Thaleb Alshamrani	Vice Chairman	0	0	0	% 0
3	Abdul Raouf Manna	Board member	1000	1000	0	% 0
4	Ahmed Al-Qasabi	Board member	1000	1000	0	% 0
5	Ryan Al-Rasheed	Board member	0	0	0	% 0
6	Abdulaziz Al-Rajhi	Board member	160,000	160,000	0	% 0
7	Mohammed Abu Melha	Board member	0	0	0	% 0
8	Yasser Al-Qadi	Board member	10,320	10,320	0	% 0
9	Muhannad Al-Rasheed	Board member	1000	1000	0	% 0
10	Saad bin Aiban	One of Senior Executives	6030	6030	0	% 0

Note: Except as noted above, there is no interest or subscription rights of board members, senior executives or their relatives in the debt instruments of the company or subsidiaries.

12 Procedures for informing members of the Board of Directors of shareholders’ proposals and comments about the company and its performance

The Board of Directors reviews the shareholders ’suggestions and observations about the company and its performance during the meeting that follows the assembly and takes what is appropriate so that it does not conflict with the company’s goals and strategy.

Committees emanating from the Board of Directors

13 Audit Committee

A. A statement of the names of the members of the audit committee, their qualifications, current and previous jobs, and their experiences

#	Name	Qualification	Current positions	Previous jobs and experiences
1	Muhannad Al-Rasheed - Chairman	Bachelor in Science Management - Systems	Chairman and Owner of Muhannad Bin Saud Al Rasheed Advocates and Legal Consultants in cooperation with Baker Potts LLP	<ul style="list-style-type: none">• More than 24 years of experience in the field of rights• Member of the Audit Committee of Al-Reef Sugar Refining Company
2	Adeeb Abanumi – Committee Member	<ul style="list-style-type: none">• Master’s degree in Accounting• Bachelor’s degree of Accounting	<ul style="list-style-type: none">• Board member and Chairman of the Audit Committee at Bank Albilad• Board member at AL Maather REIT Fund• Audit Committee member at Sothern Province Cement Company• Board member and Chairman of the Audit Committee at JAZADCO• Board member and Chairman of the Audit Committee at Abdullah M. Bin Saedan and Sons Real Estate Co.• Audit Committee member at Al Widyen Co.• Audit Committee member at Natural Gas Distribution Co.• Audit Committee member at Saudi Real Estate Company (Al Akaria)	<ul style="list-style-type: none">• Abanumi Certified Public Accountants• Second Adviser at Capital Market Authority's ("CMA")• Head of Continuing Disclosure Specialists at CMA• Financial Analyst in SEP at SFD• Researcher - Accounts Analyst - at SFD
3	Saad Hamlan - Committee Member	<ul style="list-style-type: none">• MA in Financial Analysis• Bachelor's degree in Accounting Sciences• Certified Public Accountant -SOCPA• Certified Internal Auditor -CIA• Certified Fraud Examiner (CFE)	<ul style="list-style-type: none">• Member of STC PAY Audit Committee• Audit Committee member at SFL• Audit Committee member at KSU Endowments• Audit Committee member at National Aquaculture Group (NAQUA)	<ul style="list-style-type: none">• Director General of Operational Audit, Business Units and Internal Audit – STC• Director General of Financial Audit and Consulting - Internal Audit - STC• CFO at NWC• Director of Financial Audit Department - Internal Audit – STC• Internal Audit Supervisor - Internal Audit - STC• Director of Construction Accounting Department - Financial Department - STC

B. The terms of reference and tasks of the audit committee

The Audit Committee is responsible for monitoring the company's business and verifying the integrity of the reports, financial statements, and internal control systems therein. The committee's tasks include the following:

Financial Reports

- Studying the initial and annual financial statements of the company before submitting it to the Board of Directors and expressing its opinion and recommendation in this regard to ensure its integrity, fairness and transparency.
- Give technical opinion - building on the request of the Board of Directors - whether the report of the Board of Directors and financial statements fair, balanced and understandable to the company and includes information that allows shareholders and investors evaluate the company's financial position and performance and its business model and strategy.
- Study any important or unusual issues included in the financial reports.
- Carefully researching any issues raised by the company's financial director, whoever assumes his duties, the company's compliance officer, or the auditor.
- Verification of accounting estimates in the material issues included in the financial reports.
- Study the accounting policies applied in the company and express opinion and recommendation to the Board of Directors in this regard.

Internal Audit

- Study and review of the company's internal, financial and risk management systems
- Study the internal audit reports and follow up on the implementation of corrective actions for the observations contained therein.
- Control and supervise the performance of the internal auditor and internal audit in the company - if any - to verify the availability and effectiveness of the necessary resources in the business and the performance of the tasks assigned to them. If the company does not have an internal auditor, the committee must submit its recommendation to the board regarding the extent of the need to appoint him.
- Recommending to the Board of Directors to appoint a director of the internal audit unit or department or the internal auditor and suggesting his remuneration.

Auditor

- Recommending to the Board of Directors to nominate and dismiss auditors, determine their fees, evaluate their performance after verifying their independence and review the scope of their work and the terms of contracting with them.
- Verifying the auditor's independence, objectivity and fairness, and the effectiveness of the audit work, taking into account the relevant rules and standards.
- Review references the company's accounts and its business plan, and the verification of the failure to provide technical or administrative acts beyond the scope of the review
- Answer the inquiries of the company's auditor.
- Study the auditor's report and his notes on the financial statements and follow up on what has been taken in their regard.

Compliance

- Review the results of the reports of the regulatory authorities and verify that the company has taken the necessary actions in this regard
- Verify the company's compliance with the relevant laws, regulations, policies and instructions.
- Review of contracts and transactions proposed that the company conducted with the parties with the relationship, and to provide its views about it to the Board of Directors.
- Raise the issues it deems necessary to take action in their regard to the Board of Directors and make recommendations on the measures to be taken.

C. Audit Committee meetings

Audit Committee held am total number of (15) meeting and (5) resolutions by circulation during 2021, the following table shows the attendance record for each meeting:

#	Name	Number of meetings	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
		Date	24 January	31 January	17 February	18 March	30 March	10 May	11 July	15 July	09 August	22 August	12 SEP	21 OCT	09 NOV	21 NOV	23 DEC
1	Muhannad Al-Rasheed		√	√	√	√	X	√	√	√	X	X	X	X	X	√	√
2	Ali Al Kanhal		X	√	√	√	√	√	His membership expired on June 29, 2021								
3	Thamer Al-Ateesh		√	√	√	√	√	√	His membership expired on June 29, 2021								
4	Mohammed bin Nader		√	√	√	√	√	√	His membership expired on June 29, 2021								
5	Adeeb Abanumi		He wasn't a member of the Committee						√	√	√	√	√	√	√	√	√
6	Saad Hamlan		He wasn't a member of the Committee						√	√	√	√	√	√	√	√	√

√: Attended the meeting X: Apologized for not attending

14 The Nominations and Remuneration Committee

A. A statement of the names of the members of the Nomination and Remuneration Committee, their qualifications, current and previous positions, and their experiences:

#	Name	Qualification	Current positions	Previous jobs and experiences
1	Yasser Al-Qadi Chairman of the Committee	• MBA (Finance) • Bachelor's degree in Financial Sciences	• CEO of kadi Group Holding Company • Board Member and member of the Audit Committee of the National Shipping Company of Saudi Arabia (Bahri) • Board Member and Chairman of Risk Committee at Deraayah Financial • Member of the Board of Trustees of Oqal Group • Member of the Logistics Committee of the Eastern Province Chamber • Managing Director of Zajil Logistics Company	• Chairman of the Board of Directors of Oqal Group, Eastern Province • Chief Business Development Officer at Jeraisy Group • Financial Analyst at Al Faisaliah Group • Board Member of Al Sagr Cooperative Insurance Company
2	Ryan Al-Rasheed Committee Member	• Master's degree in Business Administration • bachelor's degree in Financial Management	• Vice CEO, Financial Investments at Awqaf Investment Company • Board Member of the National Tri-generation Company • Board Member of Raz Amwal Investment Company	• Board Member of the International Gases Company • Private Equity and Investment Banking Department in Jadwa Investment Company • Corporate Finance Department at the Capital Market Authority
3	Abdulaziz Al-Rajhi Committee Member	• Bachelor's degree in Financial Management Bachelor's degree in Financial Management	• CEO of Sulaiman bin Abdulaziz Al Rajhi Holding Company • Secretary General of Sulaiman Al Rajhi Endowment Company • Board Member of Al Rajhi United Investment Holding Co. • Board Member of Raj Real Estate Company • Board Member, Member of the Audit and Risk Committee, and Member of the Nominations Committee of Yanbu Cement Company • Board Member of Alpha Investment Company	• Board Member of Sulaiman Al Rajhi Endowment Co. • Board Member of Sulaiman bin Abdulaziz Al Rajhi Holding Company • Board Member and Member of the Executive Committee of Sulaiman Bin Abdulaziz Al Rajhi Real Estate Investments Company • Board Member of the National Agricultural Company • Board Member of Al Rajhi International for Investment Company • Board Member of Al Rajhi Family Fund • Board Member of Abdulaziz bin Saleh Al Rajhi Endowment

B. The terms of reference and functions of the Nomination and Remuneration Committee

- 1- To propose clear policies and criteria for membership in the Board of Directors and executive management.
- 2- Recommending to the Board of Directors the nomination and re-nomination of members in accordance with the approved policies and standards, taking into account the non-nomination of any person who has already been convicted of breach of trust.
- 3- Preparing a description of the capabilities, qualifications and merits required for membership in the Board of Directors and for filling executive management positions
- 4- Determine the time that the member should allocate to the work of the board of directors.
- 5- Annual review of the necessary needs of skills or appropriate expertise for board membership and executive management functions
- 6- Review the structure of the Board of Directors and executive management and make recommendations regarding changes that can be made.
- 7- Verify on an annual basis the independence of the independent members, and the absence of any conflict of interest if the member is a member of the board of directors of another company
- 8- Develop job descriptions for the executive and independent members of the board of directors and the executive management
- 9- Establishing special procedures in case the position of a member of the board of directors or senior executives becomes vacant
- 10- Identify the strengths and weaknesses of the board of directors or senior executives
- 11- Propose criteria & a mechanism for evaluating performance for each of the board, its members, company committees, & executive management
- 12- Reviewing and evaluating the performance of its duties and responsibilities at least once every year, provided that the results of the evaluation, along with suggestions to improve their effectiveness, are sent to the Board
- 13- Approval of the dismissal / termination of the senior executive's contract.
- 14- Preparing a clear policy for the remuneration of members of the Board of Directors and the committees emanating from the Board and the Executive Management, and submitting them to the Board of Directors for consideration in preparation for approval by the General Assembly, provided that this policy takes into account the observance of standards related to performance, disclosure of them, & verification of their implementation
- 15- Clarify the relationship between the bonuses awarded & the applicable remuneration policy, and indicate any material deviation from this policy.
- 16- Periodic review of the remuneration policy, and evaluation of its effectiveness in achieving the objectives sought from it
- 17- Recommending to the Board of Directors the remuneration of members of the Board of Directors, the committees emanating from it, and the senior executives of the company, in accordance with the approved policy
- 18- Supervising the succession plans of the executive management at the company level
- 19- Recommending to the Board of Directors to nominate members from outside the Board to serve on other Board Committees.
- 20- Any additional tasks assigned to it by the Board.

ج. Meetings of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee held (9) meetings during the year 2021, and the following table shows the attendance record for each meeting:

#	Member Name	Number of meetings	1	2	3
		Date	March 11	April 20	December 20
1	Abdul-Raouf Al Manna		√	√	His membership expired on June 29, 2021
2	Abdul Rahman Al Rawaf		√	√	His membership expired on June 29, 2021
3	Fahd Al-Zahrani		√	√	His membership expired on June 29, 2021
4	Yasser Al-Qadi		He wasn't a member of the Committee		√
5	Ryan Al-Rasheed		He wasn't a member of the Committee		√
6	Abdul Aziz Al-Rajhi		He wasn't a member of the Committee		X

√ : Attended the meeting X: Apologized for not attending

15 The Executive Committee

A. A statement of the names of the members of the Executive Committee, their qualifications, current and previous positions, and their experiences:

#	Name	Qualification	Current positions	Previous jobs and experiences
1	Ziad Al-Hogail Chairman of the Executive Committee	BSc, MSc and PhD in Electrical Engineering	<ul style="list-style-type: none">Chairman of the Board of Directors of the Advanced Communications and Electronics Systems CompanyChairman of the Board of Directors of Linking Knowledge CompanyChairman of the Board of Trustees of the National Institution for Developmental HousingMember of the Board of Directors of Bank AlbiladMember of the Board of Directors of Sulaiman Al-Rajhi Real Estate Investment Co.Member of the Board of Directors of the National Poultry Co.	<ul style="list-style-type: none">Chairman of the Board of Directors of Dallah Media Production CompanyChairman of the Board of Directors of Al Rabeeh CompanyMember of the Board of Directors of Dallah Real Estate Investment CompanyMember of the Board of Directors of Almaza Real Estate Development CompanyMember of the Board of Directors of the Arab Company for Tourism and Real Estate DevelopmentMember of the Board of Directors of the Arab Company for Digital DistributionExecutive Vice President for the Media Sector at the Arab Media CompanyGeneral Supervisor of Sports Channels and Managing Director of Sports Events CompanyHe has experience in the commercial and industrial fields, as well as direct and indirect investmentsExecutive Vice President for Projects Sector at Dallah Al Baraka Holding CompanyMember of the Board of Directors and member of the Executive Committee of Al Baraka Banking Group
2	Mohiuddin Kamel	BA in Economics, majoring in Management and Marketing	<ul style="list-style-type: none">Member of the Board of Directors of Dallah Health Services CompanyMember of the Board of Directors of the Saudi Research GroupMember of the Board of Directors of Dallah Al Baraka Holding (Bahrain)Member of the Board of Directors of Al-Khozama Management Company	<ul style="list-style-type: none">Member of the Saudi Code Preparation Committee - Structural CommitteeVice President of the Committee for Preparing the Saudi Soil and Foundations CodeMember of the Examinations Committee for Colleges of Medicine - King Saud UniversityMember of the Board of Directors and member of the Executive Committee of the Saudi Contractors AuthorityChairman of the Committee of E supervision tests measureSupervisor of registration - College of Engineering - King Saud University
3	Ahmed Al-Qasabi	BSc, MSc and PhD in Civil Engineering	<ul style="list-style-type: none">Head of the project management team at Jabal Omar Development CompanyMember of the Board of Directors and Member of the Executive Committee of Thakhir Real Estate Investment and Development Ltd.Member of the Board of Directors and Deputy CEO of Al Qasabi Contracting CompanyMember of the Board of Directors for Geotech Overseas Project EngineeringMember of the Committee on Audit in the company Bin Laden Global Holding	<ul style="list-style-type: none">Supervisor of the Statistics Center in Higher Education - Ministry of Higher EducationGeneral Manager of Al-Qasabi Contracting CompanyMember of the Committee of the E supervising project Prince Turki Al MosqueCEO of Al-Aqiq Real Estate Investment CompanyFaculty member - College of Engineering - King Saud UniversityA scientific course in a program PLAXIS for engineering design.A scientific course in a program ABAQUS for engineering analysisA practical course in the uses of a device GPRA practical course in strategic planningPractical course in accounting for non-accountantsPractical Course in Finance for Non-Financial YenA workshop in financing economical housing for Saudis
4	Khaled Al-Amoudi	Bachelor of Industrial Management Marketing	<ul style="list-style-type: none">CEO of Jabal Omar Development CompanyChairman of the Board of Directors of the Central District Cooling CompanyMember of the Board of Directors of the Makkah Real Estate Development FundMember of the Board of Directors of the Human Resources Development Fund "HadaF"Member of the Investment Committee of the Human Resources Development Fund "HadaF"Member of the Board of Directors of the National Financial Services CompanyMember of the Real Estate Committee in the Makkah Chamber	<ul style="list-style-type: none">General Supervisor of the Real Estate Development FundHead of Real Estate Finance - National Commercial Bank

B. Functions and tasks of the Executive Committee

- 1) Review strategy & plans Action The company, get On Understanding Full From Administration Company, & raise the recommendation For the board Administration To count.
- 2) Review The budget Annual For the company, and get to understand Full From Administration, and lift recommendation to the board of directors to count.
- 3) Review reports patrol issued about management, fixing Which Issues should Forwarded For the board Administration Or discuss it With Administration.
- 4) Approve any transactions within the limits of the powers delegated to them by the Board of Directors, which exceed the limits of the powers granted to the CEO.
- 5) Consider the issues referred by the CEO to take the necessary measures and provide the necessary support.
- 6) Reviewing the company's investment policies.
- 7) Reviewing the company's business policies and procedures that do not fall within the scope of the responsibility of any of the other board committees, obtaining a full understanding from the management, and submitting the recommendation to the board of directors for approval.
- 8) Review the authority matrix and submit the recommendation to the Board of Directors for approval.
- 9) Self-review of the performance of the committee according to its validity at least once during the year, in order to verify the effectiveness of its performance. The result of the self-evaluation must be sent to the board of directors, accompanied by any suggestions to improve its performance, as necessary.

- 10) Recommending to the council in everything that would increase the efficiency and effectiveness of business The internal company related to the following:
 - financial affairs
 - Investment
 - Operational
 - Procurement and Contracts

11) Review, evaluate and approve the proposed investments and projects submitted by the executive management that are within the limits of the committee's authorities.

12) Monitoring and evaluating the performance of the company's investments periodically and ensuring its consistency with the policies and strategies

C. Executive Committee meetings

The Executive Committee held a total number of (5) meetings during 2021, and the following table shows the attendance record for each meeting, bearing in mind that the session of the Executive Committee ended with the previous session of the Board on 29/6/2021 and was not re-formed:

		Number of meetings	1	2	3	4	5
#	Member Name	Meeting Date	January 04	January 11	March 25	April 21	June 09
1	Ziad Al-Hogail		√	√	√	√	√
2	Mohiuddin Kamel		√	X	√	√	√
3	Ahmed Al-Qasabi		√	√	√	√	√
4	Khaled Al-Amoudi		√	√	√	√	√

√ : Attended the meeting X: Apologized for not attending

16 A statement of the names of the executive management, their qualifications, current and previous positions, and their experiences

#	Name	Qualification	Current positions	Previous jobs and experiences
1	Khaled Al-Amoudi - CEO	Bachelor of Industrial Management Marketing	<ul style="list-style-type: none">CEO of Jabal Omar Development CompanyChairman of the Board of Directors of the Central District Cooling CompanyMember of the Board of Directors of the Makkah Real Estate Development FundMember of the Board of Directors of the Human Resources Development Fund "HadaF"Member of the Investment Committee of the Human Resources Development Fund "HadaF"Member of the Board of Directors of the National Financial Services CompanyMember of the Real Estate Committee in the Makkah Chamber	<ul style="list-style-type: none">General Supervisor of the Real Estate Development FundHead of Real Estate Finance - National Commercial Bank
2	Wael Al-Turk CFO	<ul style="list-style-type: none">BA's EconomicsMaster of Finance	Member of the Board of Directors of the Central District Cooling Company	<ul style="list-style-type: none">Financial Director and Operations Director in Bloom InvestSupport services manager In Rabia Trading and Contracting Company
3	Saad Mushabab Bin Aiban CDPM	<ul style="list-style-type: none">High schoolSeveral development programs	Chief Projects Officer	<ul style="list-style-type: none">Several positions in the American Petrocon Company with Aramco, the latest of which is the manager of the Yanbu officeSeveral positions in SABIC companies, the latest of which is the Director of Contracts and Procurement for giant projectsSeveral positions in Ma'aden Company, the latest of which is Vice President of ProjectsAdviser to the CEO of Jabal Omar Development Company
4	Abdulrahman Omar Al-Jafri COO & Acting CCO	<ul style="list-style-type: none">Master of Business AdministrationBachelor's degree in Civil EngineeringLeadership ExcellenceLeadership Development ProgramSix Sigma, Green BeltBullet Proof ManagerFinance for Non Finance Manager	<ul style="list-style-type: none">Chief Operations OfficerActing Chief Asset Management Officer	<ul style="list-style-type: none">Senior Project Control Manager at Jabal Omar Development CompanySeveral positions in the National Bank of Saudi Arabia: Head of Services - Real Estate Finance Department, Head of Business Development - Real Estate Finance Department, Site Selection and Owners Relationship Department - Retail Banking Development Department, Expansion and Expansion Plan Manager - Retail Banking Development DepartmentSenior Engineer at Dutch BankCivil Engineer at Fluor Arabia Company

17 Means which the Board adopted in assessing its performance and the performance of its committees and its members

Based on the proposal of the Board of Directors, the Nomination and Remuneration Committee established a mechanism to evaluate the performance of the Board, its members and the committees emerging from it, through questionnaire forms in order to identify and address strengths and weaknesses.

18 Remuneration policy for members of the Board of Directors

Article 1: The purpose of the policy

- This policy aims to set clear standards for the remuneration of the members of the Board of Directors, the committees emanating from it, and the work teams, and to specify all the payments due to them and the expenses allowances and expenses that the Company incurs on behalf of the members to perform their work.
- The Nomination and Remuneration Committee have prepared this policy by the provisions of the Companies Law and the Capital Market Law and their implementing regulations and the best practices in force. They are reviewed and updated at the committee's discretion or when any changes occur in the relevant regulatory requirements.

Article 2: Scope of Application:

- This policy applies to members of the Board of Directors and the committees emerging from it, including members of the Audit Committee, and members from outside the Board.
- This policy applies to the employees of Jabal Omar Development Company who have membership in the committees emanating from the Board of Directors.

Article 3: Definitions

The following words and phrases denote the meanings indicated before them unless the context requires otherwise:

- Board: The Board of Directors of Jabal Omar Development Company.
- Committee: The Board of Directors forms specialized committees according to the Company's need, circumstances, and conditions, to enable it to perform its duties effectively, under general procedures established by the Board that includes defining the mission of each committee, the duration of its work, the powers vested in it during this period, and how the Board of Directors supervises it.
- Workshops: meeting of board members with the executive management and/or specialists from outside the board to discuss one or more topics to exchange views, experiences, information, and suggestions about it.
- Work teams: It is a team made up of one or more members of the board of directors, which the board forms and determines the term of work and the powers vested in it to study a specific topic, and the work team must provide the council with the results of that study. The task force may also include members from outside the board.
- Executive Member: A member of the Board of Directors who is a full-time member of the Company's executive management and participates in its day-to-day business.
- Non-executive member: a member of the board of directors who are not dedicated to managing the Company and does not participate in its day-to-day business.
- Independent Member: A non-executive board member who enjoys complete independence in his position and decisions. None of the independence symptoms stipulated in the Corporate Governance Regulations apply to him.
- Members of committees and work teams from outside the board: experts and specialists from outside the Company
- Remuneration: amounts, allowances, profits and the like, periodic or annual bonuses related to performance, short or long-term incentive plans, and any other in-kind benefits, except for reasonable, actual expenses and expenses incurred by the Company on behalf of a member of the board of directors to perform his work.
- Meeting: any meeting of the members, including meetings of the Board of Directors, the committees emanating from it, teams, workshops, and the General Assembly.

Article 4: Criteria for determining rewards

The following criteria should be taken into consideration when determining rewards:

1. That the remuneration is fair and commensurate with the member's competencies and the works and responsibilities he carries out and assumes, in addition to the goals set by the board of directors to be achieved during the fiscal year.
2. Remuneration must be in proportion to the Company's activity and the skill needed to manage it.
3. Its consistency with the size, nature, and degree of risks of the Company.
4. The remuneration is sufficient to attract, motivate and retain competent and experienced board members.
5. Considering the practices of other companies in the market in determining rewards while avoiding what may result from unjustified increases in bonuses and expenses
6. Take into account the sector in which the Company operates and its size.
7. Taking into consideration the experience, skills, and educational qualifications of the members of the Board of Directors.
8. To be prepared in coordination with the Nominations and Remuneration Committee upon new appointments.
9. The calculation and disbursement of rewards shall be by this policy.

Article 5: General rules and restrictions

1. A member of the Board of Directors and members of the committees emanating from him may obtain compensation or separate remuneration for any technical, administrative or advisory work submitted to the Company, provided that such works are performed under a professional license.
2. A member of the board of directors may obtain remuneration for his membership in the audit committee formed by the General Assembly of shareholders, in addition to the income that he can obtain as a member of the board of directors and other committees emanating from it.
3. The remuneration of the members of the Board of Directors may be of varying magnitude to reflect the member's experience, competencies, tasks entrusted to him and his independence, the number of sessions he attends, and other considerations.
4. An additional reward may be paid to a member of the board of directors and a member of the committees emanating from the board if he is assigned to other additional tasks, based on the recommendation of the Nominations and Remuneration Committee and after obtaining the approval of the Board of Directors on that.
5. Board members are not entitled to vote on the board members' remuneration item at the shareholders' general assembly meeting
6. The total remuneration, allowances, and benefits a member of the Board of Directors gets for his membership in the board, committees, and work teams may not exceed the amount of (500,000) five hundred thousand Saudi riyals annually.

Article 6: Details of bonuses and expenses allowances

Details of the remunerations and expenses allowance are as bellow:

1. The Company offers an annual remuneration to the Chairman of the Board of Directors of (300,000) riyals.
2. The Company offers an annual remuneration for each member of the board of directors of (200,000) riyals.
3. The Company offers an annual remuneration for each committee member emanating from the board, with a value of (100,000) riyals
- The Company offers a reward for each member of the work teams, to be determined based on the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors, after taking into account the tasks entrusted to the work team, the number of meetings and outputs, so that the value of the reward does not exceed (200,000) riyals annually.
4. The Company offers an attendance allowance reward for each meeting, an amount of (3,000) riyals, and this includes the meeting through virtual communication means, for example, group conversation.
5. The Company secures travel tickets for members residing outside the area where the meeting is held for domestic or foreign trips in business class or first class (if a seat in business class is not available). And if the ticket is purchased by the member, an

expense allowance will be paid to the member as follows:

- An amount of (2,500) riyals for domestic flights.
- An amount of (5.000) riyals for trips to one of the Gulf Cooperation Council countries or Arab countries.
- An amount of (10,000) riyals for trips to any other country.

The allowance mentioned above is calculated once for all meetings held in one day or during successive days, and this includes meetings of all other committees.

6. The Company provides accommodation for members residing outside the area where the meeting is held in an executive room or a junior suite (in the event that an executive room is not available) in five-star hotels for a period of one night for each meeting, whether the meeting is inside or outside the Kingdom. In case the accommodation is secured by the member, an allowance will be paid to him for one night for each meeting as follows:

- An amount of (1,500) riyals if the meeting takes place inside the Kingdom
- An amount of (2,500) riyals if the meeting is outside the Kingdom.

The allowance mentioned above is calculated once for all meetings held in one day or during successive days, and this includes meetings of all other committees

7. A hospitality expense allowance is paid to members residing outside the area where the meeting is to be held, as follows:

- An amount of (500) riyals for each meeting inside the Kingdom.
- the amount of 800 riyals for each meeting outside the Kingdom.

The allowance mentioned above is calculated once for all meetings held in one day or during successive days, and this includes meetings of all other committees

8. transportation expense allowance is paid to members residing outside the area where the meeting is to be held, as follows:

- An amount of (700) riyals for each meeting inside the Kingdom.
- the amount of 1.000 riyals for each meeting outside the Kingdom.

The allowance mentioned above is calculated once for all meetings held in one day or during successive days, and this includes meetings of all other committees The allowance mentioned above is not calculated if the Company has provided transportation for all travels of the member during his stay.

9. The board's Secretary will be paid remuneration of (3,000) riyals for each meeting.

Article 7: Eligibility, remuneration payment mechanism

1. A member deserves the remuneration starting from the date of the start of the Board's session and the committees are emerging from it, or from the date of the issuance of the member's joining the council, committee, or work team's decision until the end of those sessions or from the date of the issuing of the decision approving the member's resignation or dismissal.

2. The procedures for disbursing rewards and expenses are prepared by the Governance and Compliance Sector, provided that the order for their disbursement is approved by the CEO.

3. May exchange Attendance allowance and expenses allowance quarterly.

4. The annual remuneration for the members of the Board of Directors, the committees are emanating from it, and the work teams are paid annually.

5. The member's dues shall be paid without delay if his membership is terminated.

6. The mechanism for calculating the annual remuneration for members of the Board of Directors, the committees emanating from it, and the work teams in the event they join or expire their membership during the session is as follows:

(The value of the annual remuneration for the member the / number of days of the calendar year x the number of actual days).

Actual days mean the number of days for the membership period in which the rumination is due to be paid.

Article 8: Cases of stopping or recovering remunerations and allowances

Remuneration and allowances will be suspended or refunded in the following cases:

1. If the Company, the audit committee, or the body finds that the remuneration paid to any of the members is based on incorrect or misleading information presented to the General Assembly or included in the board of directors' report, they must be returned to the Company. The Company has the right to ask him to refund them.

2. If the General Assembly decides to terminate a member of the Board of Directors who is absent due to his failure to attend three consecutive Board meetings without a legitimate excuse. A member is not entitled to remuneration for the period following the last meeting he attended, and he must return all rewards that were paid to him for that period.

Article 9: Disclosure of Remunerations and Allowances

Details of the remuneration and expenses allowance paid to members of the Board of Directors and the committees emerging from it and any material deviation from this policy shall be disclosed in the annual report of the Board of Directors.

Article 10: Entry into force

This policy shall be effective from the date of its approval by the General Assembly of shareholders.

- Note: There is no material deviation between the above policy and the remunerations awarded to members.

19 Remuneration policy for executive management

The purpose:

This policy aims to reward senior executives on their performance and to appreciate their efforts and contribution to achieving the Company's objectives. For the purpose of implementing the provisions of this policy, any remuneration granted to senior executives, whether in the form of in-kind or cash, short or long-term, regular or exceptional, fixed or variable, shall be included in the remuneration of senior executives.

Definitions

Senior Executives: Persons authorized, such as the CEO, his deputies and the CFO, to manage the company's day-to-day operations and to propose and implement strategic decisions.

General Provisions

- The plans and programs for the remuneration of senior executives shall be reviewed by Nomination and Remuneration Committee and approved by the Board of Directors.
- The company discloses the remuneration of senior executives in the annual report in accordance with the relevant controls.
- When developing a program to grant shares in the company to senior executives, the relevant provisions of the company AoA and the laws and regulations of CMA shall be considered.
- Remuneration shall be suspended or refunded if it is found that it was released upon inaccurate information provided by the executive management.

General criteria for Determining Remuneration for Senior Executives

- The size and nature of the company's business, its financial position, the sector in which it operates, and the degree of risks it faces.
- The activities of other companies and the average of remunerations in the labor market
- Linking remuneration to extent of achieving company strategy and objectives
- The remuneration shall be reasonably sufficient to attract, motivate and retain executives with appropriate competence and experience.

Remuneration Disbursement Mechanism

- The executive management of the Board of Directors sends the results of the performance and achievements of senior executives for review and approval.
- The remuneration is proposed and presented to Nomination and Remuneration Committee for review based on the approved policy and recommended to the Board of Directors.
- The Board of Directors approves the payment of remuneration according to the approved mechanism.

Entry into force

This policy shall be applied as of the results of 2020 AD, according to the approval of the General Assembly

Note: There is no material deviation between the above policy and the remunerations awarded to senior executives.

20 A breakdown of the remuneration and compensation owed to the board members, committee members and executive management (all the sums mentioned in this article are in Saudi riyals)

A. Remunerations and compensation payable to members of the Board of Directors during the year 2021

Remunerations and compensation payable to members of the Board of Directors																		
#	Member Name	Fixed Remuneration								Variable Remuneration						End of service indemnity	Grand total	Expense Allowance
		specific amount	Allowance for attending Board sessions	Allowance for attending work team meetings	Annual remuneration for members of work teams	Allowance for attending the Assembly meeting	In-kind benefits	Remuneration for technical administrative & advisory work	Reward for Board Chairman or Managing Director or Secretary if he was one of the members	Total	Percentage of Profits	Periodic reward	Short-term incentive plans	Long-term Incentive Plans	Shares awarded			
Independent members																		
1	Ryan Al-Rasheed	100,000	12,000	0	0	0	0	0	0	112,000	0	0	0	0	0	0	112,000	5,200
2	Yasser Al-Qadi	100,000	12,000	0	0	0	0	0	0	112,000	0	0	0	0	0	0	112,000	1,200
3	Muhannad Al-Rasheed	200,000	18,000	0	0	6,000	0	0	0	244,000	0	0	0	0	0	0	244,000	0
4	Abdul Aziz Al-Rajhi	100,000	9,000	0	0	0	0	0	0	109,000	0	0	0	0	0	0	109,000	5,200
Total		500,000	51,000	0	0	6,000	0	0	0	557,000	0	0	0	0	0	0	557,000	11,600
Non-Executive Members																		
5	Saeed Al-Ghamdi	150,000	12,000	0	0		0	0	0	162,000	0	0	0	0	0	0	162,000	5,200
6	Thaleb Alshamrani	200,000	30,000	0	0	6,000	0	0	0	236,000	0	0	0	0	0	0	236,000	7,650
7	Abdul Raouf Manna	200,000	27,000	60,000	9,016	6,000	0	0	0	302,016	0	0	0	0	0	0	302,016	0
8	Ahmed Al-Qasabi	200,000	27,000	18,000	9,016	6,000	0	0	0	260,016	0	0	0	0	0	0	260,016	4,900
9	Mohammed Abu Melha	100,000	12,000	0	0		0	0	0	112,000	0	0	0	0	0	0	112,000	5,200
10	Ziad Al-Hogail*	150,000	18,000	0	0	6,000	0	0	0	174,000	0	0	0	0	0	0	174,000	1,200
11	Mohiuddin Kamel*	100,000	15,000	0	0	6,000	0	0	0	121,000	0	0	0	0	0	0	121,000	0
12	Ali Al Kanhal*	100,000	12,000	0	0	6,000	0	0	0	118,000	0	0	0	0	0	0	118,000	0
13	Walid Al-Issa*	100,000	18,000	18,000	9,016	6,000	0	0	0	151,016	0	0	0	0	0	0	151,016	10,400
14	Ahmed Al-Qahtani*	100,000	18,000	63,000	9,016	6,000	0	0	0	196,016	0	0	0	0	0	0	196,016	5,400
Total		1,400,000	189,000	159,000	36,064	48,000	0	0	0	1,832,064	0	0	0	0	0	0	1,832,064	39,950

* : Members whose membership expired during 2021 due to the end of the Board's term

B. Remunerations and compensation due to members of the Audit Committee during the year 2021

#	Member Name	Remunerations type		Total
		Fixed remuneration (except for the session attendance allowance)	Session attendance allowance	
1	Ali Al Kanhal*	50.000	15.000	65,000
2	Thamer Al-Ateesh*	50.000	18.000	68,000
3	Mohammed bin Nader*	50.000	18.000	68,000
4	Muhannad Al-Rasheed	100.000	27.000	127,000
5	Saad Hamlan	50.000	27.000	77.000
6	Adeeb Abanumi	50.000	27.000	77,000
Grand total				482,000

* : Members whose membership expired during 2021 due to the end of the Committee's term

C. Remunerations compensation due to members of the Nomination and Remuneration Committee during the year 2021.

#	Member Name	Remunerations type		Total
		Fixed remuneration (except for the session attendance allowance)	Session attendance allowance	
1	Walid Al-Issa*	50.000	6.000	56,000
2	Fahd Al-Zahrani*	50.000	6.000	56,000
3	Abdul Raouf Manna*	50.000	6.000	56,000
4	Yasser Al-Qadi	50.000	3.000	53,000
5	Abdulaziz Al-Rajhi	50.000	0	50,000
6	Ryan Al-Rasheed	50.000	3.000	53,000
Grand total				324,000

* : Members whose membership expired during 2021 due to the end of the Committee's term

D. Remunerations and compensation due to members of the Executive Committee during the year 2021

#	Member Name	Remunerations type		Total
		Fixed remuneration (except for the session attendance allowance)	Session attendance allowance	
1	Ziad Al-Hogail	50.000	15.000	65,000
2	Mohiuddin Kamel	50.000	12.000	62,000
3	Khaled Al-Amoudi	50.000	15.000	65.000
4	Ahmed Al-Qasabi	50.000	15.000	65,000
Grand total				257,000

E. Remunerations and compensation due to five senior executives, including the CEO and CFO, during the year 2021

Position	Fixed Remuneration				Variable Remuneration						End of service indemnity	Grand total
	Salaries	Allowances	In-kind benefits	Total	Periodic remuneration	Profits	Short-term incentive plans	Long-term Incentive Plans	Shares awarded	Total		
Chief Executive Officer	2.880,000	747,000	0	3,627,000	0	0	0	0	0	0	0	3,627,000
Chief Financial Officer	888,889	311,111	0	1,200,000	0	0	0	0	0	0	0	1,200,000
Chief Project Management Officer*	1,674,076	585,927	0	2,260,003	0	0	0	0	0	0	87,452	2,347,455
Head of Development**	740,740	259,259	0	999,999	0	0	0	0	0	0	0	999,999
Chief commercial Officer***	430,018	150,507	0	580,525	0	0	0	0	0	0	99,034	679,559

* It includes the remuneration of the former Chief Project Management Officer for the period from the beginning of the year 2021 until the date of the end of the contractual relationship on September 30, 2021 . As well as the remuneration of the current head of the projects sector, appointed on August 1, 2021 and until the end of the year 2021.

** Includes the remuneration of the head of the development sector from the beginning of the year 2021 until the end of the contractual relationship on May 31, 2021 , and the position was not vacant during the remaining period of the year.

*** It includes the remuneration of the former Chief commercial Officer for the period from the beginning of the year 2021 until the end of the contractual relationship on January 31, 2021 . As well as the remuneration of the current and assigned head of the commercial sector from July 1, 2021 until the end of the year 2021 .

21 Results of the annual review of the effectiveness of the company's internal control procedures and the audit committee's opinion of their adequacy.

The control procedures in the company are reviewed on an ongoing basis by the internal audit sector by adopting a systematic and structured methods based on risks to ensure the efficiency of the control procedures and to provide the necessary recommendations for improvement in order to enhance and protect the value of the company and help it to reach its objectives. The audit committee and the board of directors receive periodic reports on the results of the review that are discussed with the executive management and follow-up on the correction of the observations contained therein. Despite the necessary professional care to the maximum reasonable level, it is not possible to absolutely assert the comprehensiveness of the examination processes for all the work and activities of the company by virtue of the fact that the audits are carried out on the basis of the estimated sample.

During the year, the audit work showed a number of essential notes that were submitted to the executive management, the audit committee and the board of directors, and procedures have been discussed to address them. Despite the efforts of the company's management, the Audit Committee considers that the internal control system still requires substantial improvements. In light of the structural changes that the company underwent during this year, the Company's Board assigned the functions of the Risk Management Committee to the Audit Committee. The Committee will develop a comprehensive framework for risk management and ensure that the executive management applies appropriate control systems to measure and manage risks by developing a general perception of the risks that the company may face and creating an environment that is familiar with the risk management culture at the company level and presenting it transparently with the Board and stakeholders in accordance with Article 26/c of the Corporate Governance Regulations.

22 Details of the Company's social contributions

Since the establishment of Jabal Omar Company, it has undertaken from the standpoint of social responsibility to play the pioneering role in achieving strategic partnership and providing qualitative support to civil society institutions. Therefore, over the course of its path, the Company has implemented several community initiatives that covered various areas of development and focused more in the region of Makkah Al-Mukarramah, which contributed to the achievement of positive returns but due to circumstances of COVID-19 pandemic has not made available to the Company the opportunity to continue to do its part to serve the community.

23 Statement of the dates of the general assemblies of the shareholders held during the 2021 and the names of members of the Board of Directors attends these associations

The Board of Directors held 2 meetings during 2021, as follows:

- 1st Meeting: The Ordinary General Assembly meeting No. 11 was held on Thursday, April 22, 2021, and the meeting was attended by the following Board members:
- 1. Dr. / Ziad Othman Hugail - Chairman of the Board of Directors
 - 2. Dr. / Abdel - Raouf Mohammed Manna - Vice Chairman of the Board of Directors
 - 3. Dr. / Ahmed Osman bronchial
 - 4. Mr. / Muhannad Saud Al- Rasheed
 - 5. Engineer / Walid Abdul Rahman Al – Issa
 - 6. Mr / Mohi - Din Saleh God Full
 - 7. Mr / Ali Muhammad Al- Kanhal
 - 8. Mr / Thalib Ali Al - Shamrani
 - 9. Mr. Ahmed Waze' Al-Qahtani

- 2nd Meeting: The Ordinary General Assembly meeting No. 12 was held on Thursday, May 27, 2021, and the meeting was attended by the following Board members:
- 1. Dr. / Ziad Othman Hugail - Chairman of the Board of Directors
 - 2. Dr. / Abdel - Raouf Mohammed Manna - Vice Chairman of the Board of Directors
 - 3. Dr. / Ahmed Osman bronchial
 - 4. Mr. / Muhannad Saud Al- Rasheed
 - 5. Engineer / Walid Abdul Rahman Al – Issa
 - 6. Mr / Mohi - Din Saleh God Full
 - 7. Mr / Ali Muhammad Al- Kanhal
 - 8. Mr / Thalib Ali Al - Shamrani
 - 9. Mr. Ahmed Waze' Al-Qahtani

24 A description of any deal between the Company and a related party, the related information to any business or contracts in which the Company is a party, or in which there is an interest in a member of the Company's board of directors, its senior executives, or any person related to any of them.

#	The parties involved contracted with them	Type of deal nature of business or contract	The amount of work or contract	Duration of work or contract	Terms of the contract	Relationship type / name of the member or the senior executives or any person related to any of them
1	Ministry of Finance	Providing credit support by the Ministry of Finance to the Company to obtain a loan from a local bank.	A maximum of 1,600,000,000 Saudi riyals	Do not apply	There are no preferential conditions	Mr. Thalib Ali Al Shamrani one of the members of the Board of Directors is a senior executive in the Ministry of Finance
2	SABB and SNB	Restructuring the terms of Islamic financing offered	- The total value of financing before the restructuring is SAR 4.7 billion - The total value of financing after the restructuring is SAR 5.9 billion	9 years	There are no preferential conditions	The Chairman of the Board of Directors, Mr. Saeed Al-Ghamdi, is a senior member and a senior executive of SNB

25 The Board of Directors Member Decisions

The Board shall acknowledge the following:

- a) The account records were properly prepared.
- b) The internal audit system was prepared on a right basis and was effectively implemented
- c) There is no doubt about the ability of the Company to continue its activity.
- d) There is no contradiction between the recommendations of the Audit Committee and the decisions of the Board of Directors during the year that did not reject the introduction of the Board with any recommendation of the recommendations of the auditor of the appointment of references to the accounts of the Company and isolate and determine his fees.
- e) There is no arrangement or agreement under which a member of the Company's board of directors or a senior executive, waived any salary or compensation.
- f) There is no arrangement or agreement under which a shareholder of the Company waived any rights to profits.
- g) There are no debt instruments transferable and any contractual or memoranda of securities the right to subscribe or similar rights issued or granted by the Company during the year a financial.
- h) There is no transfer or subscription rights under convertible debt instruments, contractual securities, subscription right notes, or similar rights issued or granted by the Company.
- i) There is no refund, purchase or cancellation on the part of the Company for any refundable debt instruments.
- j) There is no interest in the voting-eligible shares category belonging to persons (except for members of the Company's board of directors, senior executives and their relatives) who informed the Company of these rights.
- k) The Company has not made any investments or allocated other reserves that have been created for the benefit of the Company's employees.
- l) There are no treasury shares held by the Company.
- m) The Board of Directors did not recommend changing the auditor Before the expiry of the specified period.
- n) There are no shares and debt instruments issued by the subsidiary companies.
- o) There is no difference from the accounting standards approved by Saudi Organization for Chartered and Professional Accountants.

26 Reservations in the auditor's report on the annual financial statements

As of 31 December 2021, the net carrying value of property, plant and equipment and investment properties (collectively “the Assets”) reported in the Group’s consolidated statement of financial position amounted to SR 19,369 million and SR 5,024 million, respectively. In view of substantial reduction in cash generated from the Group’s hotels and other commercial operations, as well as the interruption in the development of the Group’s real estate projects primarily due to the outbreak of COVID-19 pandemic, and in accordance with the requirements of IAS 36 Impairment of assets, the Group’s management performed an impairment assessment on its Assets as of 31 December 2021 by comparing the Assets’ carrying values with the recoverable amount, being the higher of fair value less costs to sell and value-in-use (VIU). Accordingly, the Group’s management engaged external valuers (“valuers”) to determine the fair values of the assets and carried out an internal assessment to determine the VIU. As a result of the Group management’s assessment, it concluded that no impairment provision is required on its Assets as of 31 December 2021. We reviewed and challenged the significant judgments, assumptions and estimates used by the Group’s management including its determination of the appropriate valuation methodologies, and noted that in our view recoverable values of certain Assets that comprised property, plant and equipment and investment

properties with net carrying values of SR 9,672 million and SR 391 million, respectively as at 31 December 2021, were determined mainly using cost approach, while a permitted valuation approach by the applicable accounting standards, is not appropriate considering the nature and current and expected use of the Assets. We also noted that certain significant assumptions used in the calculation of certain Asset’s VIUs and fair values using income approach were not supported by reasonable basis. Had the Group management used valuation methodology that is aligned with the requirements of the applicable accounting framework, as well as assumptions that are reasonably supported, certain elements in the accompanying consolidated financial statements together with the related disclosures would have been materially affected. The effects on the consolidated financial statements have not been determined.

We have audited the consolidated financial statements of Jabal Omar Development Company – A Saudi Joint Stock Company - (the “Company” or the “Parent Company”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

We draw attention to note 1 to the consolidated financial statements, which indicates that the Group’s current liabilities exceeded its current assets by SR 2,280 million and the Group had accumulated losses amounting to SR 1,179 million as at 31 December 2021. As stated in note 1, these events or conditions, along with other matters as set forth in note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

27 What provisions of the Corporate Governance Regulations have been applied, and what have not been applied, and the reasons for that

The company has applied all provisions contained in the Corporate Governance Regulations issued by the Capital Market Authority, except for the provisions listed below:

#	Article No.	Article/ paragraph requirements	Reasons for non-application
1	22	Developing, reviewing and directing risk management policies and procedures.	Work is underway to develop risk management policies and procedures
2	39 / 2	The necessary mechanisms are put in place for members of the Board and the Executive Management to obtain training programs and courses on an ongoing basis	Due to the circumstances resulting from the Corona pandemic, insufficient attention has been paid to training and qualifying members of the Board of Directors and members of the Executive Management. The requirements of this guidance article will be applied in the future.
3	41	The evaluation of the Council's performance every three years by a competent external body	A guiding article that will be applied in the future. Note that the performance of the board was internally evaluated on an annual basis
4	78	The Internal Audit Department prepares a written report on its work and submits it to the Board of Directors and the Audit Committee on a quarterly basis at least.	Guidance material and will be used in the future
5	85	Establishing a program to give employees shares in the company or a share of the profits it achieves, retirement programs, and establishing a future fund to spend on these programs and establishing social institutions for the company's workers.	Guidance material and will be used in the future
6	87	The Ordinary General Assembly - based on a proposal from the Board of Directors, sets a policy that ensures a balance between its goals and the goals that society aspires to achieve with the aim of developing the social and economic conditions of the society.	Guidance material and will be used in the future
7	88	The Board of Directors sets the programs and defines the necessary means to present the company's initiatives in the field of social work.	Guidance material and will be used in the future
8	95	Formation of the Governance Committee	Guidance material and will be used in the future

28 A statement of the value of the regular payments paid and due for the payment of any zakat, taxes, fees or any other payables that were not paid until the end of the annual financial period, with a brief description of them and their reasons

Statement	2021		Brief description of it	Statement of reasons
	Paid	Payable until the end of the annual financial period and the repayment has not been made		
Zakat	-	301,768,430	-	-
Tax	11,285,494	-	-	-
GOSI	1,980,270	-	-	-
Costs of visas and passports	303,832	-	-	-
Labor office fees	516,208	-	-	-

(All numbers mentioned in the table are in Saudi riyals)

29 Any penalty, sanction, precautionary measure, or precautionary restriction imposed on the company by any supervisory, regulatory or judicial authority.

#	Amount of the violation	Reasons for the violation	The authority giving the violation	Ways to fix it and avoid its occurrence in the future
1	10,000	Wage Protection	Ministry of Human Resources and Social Development (HRSD)	Coordination has been made with Jabal Omar Hotels to take the necessary corrective measures to avoid future violations from the company
2	1,000	Absence of the necessary supervision by the Safety Department in Jabal Omar	General Directorate of Civil Defense	In order to avoid the absence of safety monitors in the project, the coverage periods were rescheduled for the concerned personnel in addition to the activation of an effective communication mechanism between the duty safety representative and the operational departments.
3	1,000	Absence of duty safety manager	General Directorate of Civil Defense	In order to avoid the absence of safety monitors in the project, the coverage periods were rescheduled for the concerned personnel in addition to the activation of an effective communication mechanism between the duty safety representative and the operational departments.
4	200	Fine for late payment of billboard fees	Chamber of Commerce	Developing the necessary procedures for paying the fees on time to avoid imposing future fines



A Saudi joint stock company, established by Royal Decree, No. M /63, dated 9/25/1427 AH corresponding to 10/18/2006.

The capital of the company is 9,294,000,000 Saudi riyals

Makkah: Makkah Chamber of Commerce - Al-Takhasosy District

Jeddah: The Headquarters Business Park, Corniche Rd.

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