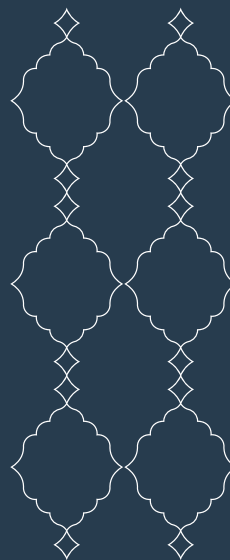


لأجلك يا مكة
FOR YOU, MAKKAH



2022

BOARD OF DIRECTORS REPORT 2022

Note: This is an English translation of the official Arabic text. In the event of any contradiction or difference between the Arabic text and the English text of this Report, the Arabic text shall prevail.

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Conternts



(رَبَّنَا إِنِّي أَسْكَنْتُ مِنْ ذُرِّيَّتِي بِوَادٍ غَيْرِ ذِي زَرْعٍ عِنْدَ بَيْتِكَ الْمُحَرَّمِ رَبَّنَا
لِيُقِيمُوا الصَّلَاةَ فَاجْعَلْ أَفْئِدَةً مِنَ النَّاسِ تَهْوِي إِلَيْهِمْ وَارْزُقْهُمْ مِنْ
الثَّمَرَاتِ لَعَلَّهُمْ يَشْكُرُونَ)



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



His Royal Highness
Prince Khalid Al-Faisal Al Saud
Advisor to the Custodian of the Two Holy
Mosques and Governor of Makkah region

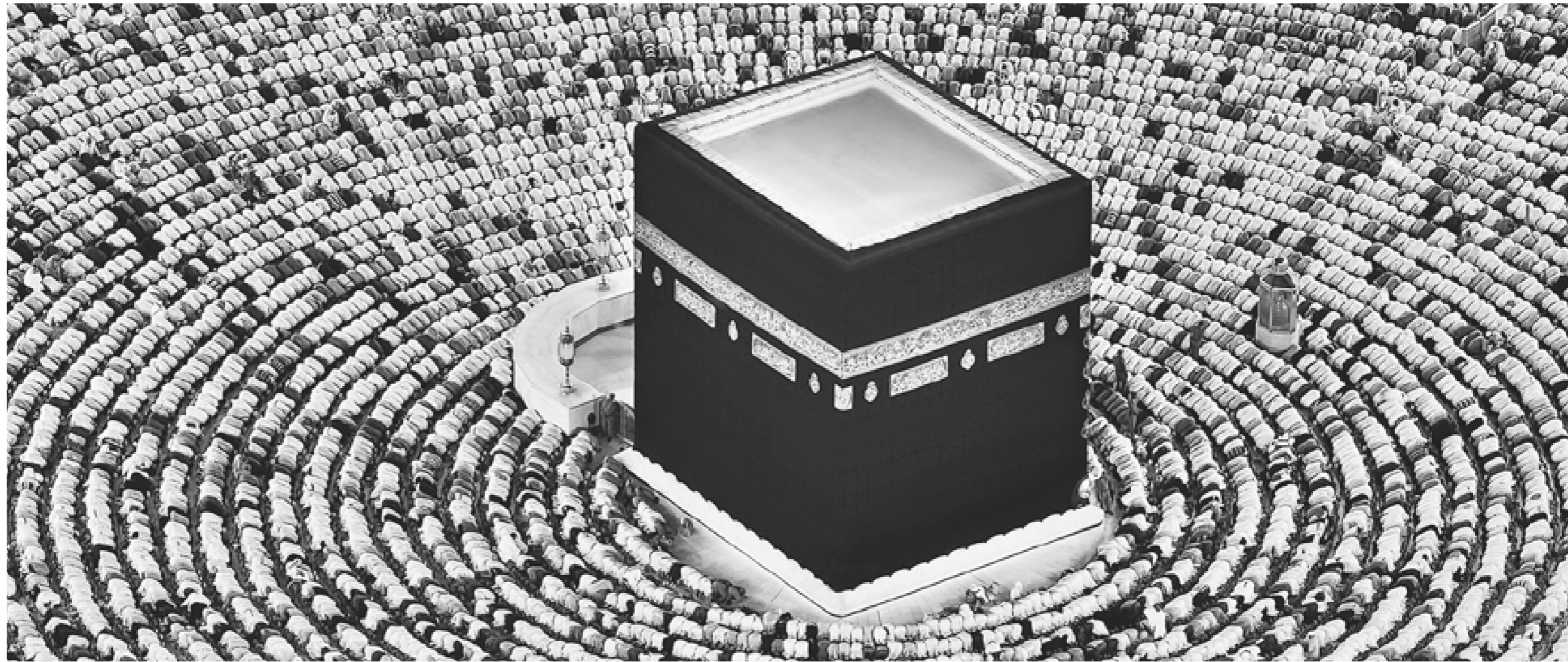


His Royal Highness
Prince Mohammed bin Salman Al Saud
The Crown Prince, Deputy Prime Minister
Defense Minister



His Royal Highness
Prince Badr bin Sultan Al Saud
Deputy Governor of Makkah Region





For You, Makkah

From here in the purest areas of the world, the best and most worthy place, the initiative entitled “For You, Makkah” has been launched. To continue the construction process, which emerged in order to uplift all parts of Makkah to the rest of the world, through which we can realize the impact that began only to remain and launched to serve guests of Allah as an eternal message.

Jabal Omar Development Company (JODC) launched "For You, Makkah" initiative to unify all Company's efforts and projects in various hotel, residential and commercial fields to achieve its ultimate goal of serving the purest areas and motivating work teams under this slogan to continue the construction process that has emerged to elevate all parts of Makkah.

About the Company

Jabal Omar Development Company is a Saudi joint stock company established pursuant to Royal Decree No. M/63 dated 25/09/1427 A.H. corresponding to 18/10/2006. JODC has a capital of SAR 11,545,341,620.

JODC is arguably one of the largest real estate developers in the Middle East and one of the largest listed companies on the Saudi Tadawul Stock Exchange. Jabal Omar project is a mixed-use real estate mega-development project that are steps away from the Holy Mosque.

Strategic Direction

JODC continues to implement a comprehensive transformation plan to achieve its strategic goals centered around:



Financial Restructuring



Completing delivery of the Project's ongoing phases



Cost Optimization

2022 Key Achievements

In 2022, JODC witnessed a qualitative leap and significant financial, operational and organizational transformations with the aim of achieving financial sustainability and enhancing operational flexibility and efficiency. The key achievements include:

Revenue for the year 2022 amounted to

850

SR million

compared to SR 310 million for 2021 with an increase of

174%

Gross profit for the year 2022 amounted to

52

SR million

compared to SR -225 million for 2021 with an increase of

123%

2022 Hospitality revenue amounted to

693

SR million

compared to SR 175 million for 2021 with an increase of

296%

2022 Malls revenue amounted to

89

SR million

compared to SR 34 million for 2021 with an increase of

161%

1 Off-setting the accumulated losses of SAR 1.6 billion during the year 2022 against share premium balance.

2 Improvement in the current ratio during the year 2022 by 27% compared to the year 2021, driven by the positive realization of initiatives within the capital structure optimization strategy, part of the comprehensive transformation plan.

7 Gross profit improved by 123% in 2022 compared to the year 2021, Predominantly driven by strong revenue recovery as well as effective cost containment measures implemented as part of the comprehensive transformation strategy.

8 Notable decrease in G&A expenses during the year 2022 by 25% compared to the year 2021, on the back of effective cost containment and efficiency enhancement measures implemented across the Company.

3 Good improvement in the total liabilities to equity ratio during the year 2022, down 51% compared to the year 2021 as a result of the completion of the landmark debt to equity transaction (Alinma Makkah Real Estate Fund).

4 Capital expenditure increased by 197% during the year 2022 compared to the year 2021 as a result of the investment into the development of the Company's projects under construction.

9 Significant decrease in the financial cost during the year 2022 by 42% compared to the year 2021, driven by the positive realization of initiatives within the capital structure optimization strategy, part of the comprehensive transformation plan.

10 Enhanced Net operating income for properties during the year 2022 reached SAR 345 million compared to SAR 10 million for the year 2021 as a result of higher revenues from the activities of hospitality assets and commercial centers.

5 Hospitality portfolio revenue for the year 2022 jumped by 296% compared to the year 2021, on the resumption of business-as-usual activities and the government's efforts to revive and grow the Hajj and Umrah sector.

6 Malls portfolio revenue for 2022 grew by 161% compared to the year 2021, on the back of higher occupancy and an increase in the gross leasable area.

11 Company is making good progress on the outstanding phases of the project – 2, 3, and 4 – with new hotels expected to be operational in Phase 2 and Phase 3 during Ramadan 1444H / 2023

12 The company won four awards:

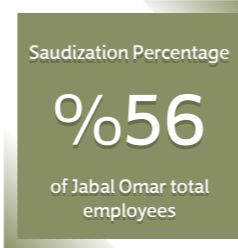
- The Best Structured Finance Deal of the Year during the Capital Markets Saudi Arabia Awards.
- Best Hotel Developer during the Saudi Building & Infrastructure Summit for the year 2022.
- Best Luxury Developer award during the Saudi Building & Infrastructure Summit for the year 2022.
- Most Innovative Mixed-use Developers (Real Estate) – Saudi Arabia 2022, in the Annual GBO Awards .

Work Culture, Participation and Awards

Work culture and human resources

A number of collective and motivational activities have been carried out for the staff with a view to promoting work environment culture and culture of achievement and raising awareness, including:

- Launching (Bell rings) initiative to honor employee for accomplishments by JODC CEO.
- Launching (Make Your Mark) initiative to motivate employees to contribute to creating innovative ideas to maximize revenue and streamline expenses.
- As part of promoting the culture of belonging to our beloved country, national, cultural and religious events were celebrated, such as the Founding Day, the National Day, religious holidays and others.
- In collaboration with the Saudi German Hospital and Tawuniya Insurance Company, free health examination services were provided within the company headquarters using modern best practices.
- In interaction with the Saudi team's participation in the World Cup, a special headquarters was set up to watch the national team's matches and enjoy the accompanying events.
- Within the framework of employing national cadres, JODC rate of localization was 56% of the total number of JODC employees.



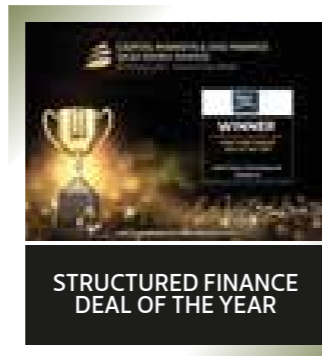
Participation in Exhibitions and Forums

In view of the importance of exhibitions and forums concerned with real estate development, tourism, and Hajj and Umrah sector, JODC has participated in a number of exhibitions and forums, including:

- Real Estate Makers Exhibition and Forum - Makkah
- Real Estate Future Forum - Riyadh
- Euromoney Saudi Arabia Conference - Riyadh
- Future Investment Forum - Riyadh
- Future Projects Forum - Riyadh

Awards

- 2022 Best Structured Financing Deal Award at the Capital Markets and ESG Finance Conference.
- 2022 Best Hotel Real Estate Developer Award during Saudi Building and Infrastructure Summit
- 2022 Best Luxury Real Estate Developer Presented at Saudi Building and Infrastructure Summit
- Best Innovative Real Estate Developer Award for mixed-use projects within the Global Business Outlook Awards



Social Responsibility

JODC, out of social responsibility, has taken the lead in strategic partnerships and quality support from the business sector to non-profit initiatives, which contributes significantly to strengthening and consolidating efforts to serve society. In cooperation with relevant authorities, JODC has contributed to a number of community participations, including:

- Cooperation with Cancer Survivors Society, where a number of cancer survivors were hosted in one of Jabal Omar hotels to perform Umrah rituals and provide them with the best hotel services.
- Cooperation with the government Ehsan charity platform and give visitors of Ka'ba the opportunity to contribute by distributing self-donation devices in the commercial centers of Jebel Omar Project.
- In cooperation with the Ministry of Hajj and Umrah, a comprehensive Umrah Guide has been published in several languages to promote health, religious and procedural awareness among guests of Jabal Omar hotels on the screens of internal rooms and a number of other sites.



Mr.
Saeed Mohammed Alghamdi
Chairman of the Board



Jabal Omar has dedicated its efforts to identifying priorities that serve the interests of the company to enable it to continue achieving its aspirations of qualitative achievements in an optimal manner by setting a strategic vision led by the strong determination and sincere efforts of our employees, as we were keen to lay strong foundations and pillars to restructure financial obligations to enable the company to implement its strategic and operational plans and expedite the existing projects (Phase two, three, and four) of Jabal Omar and support its future activities.

Chairman's Message

Dear Esteemed Shareholders of Jabal Omar Development Co.

In the name of Allah, the Most Gracious, the Most Merciful

Today, we stand proudly in front of a cohesive edifice that looks forward to leadership and competitiveness in its business approach to business and achieving its highest goals by serving guests of Allah and playing a prominent role in implementing one of the key development projects for the objectives of the ambitious Saudi Vision 2030 in Hajj, Umrah and Tourism sector.

JODC has dedicated its efforts to identifying priorities that serve the interests of the company to enable it to continue achieving its aspirations of qualitative achievements in an optimal manner by setting a strategic vision led by the strong determination and sincere efforts of our employees, as we were keen to lay strong foundations and pillars to restructure financial obligations to enable the company to implement its strategic and operational plans and expedite the existing projects (Phase two, three, and four) of Jabal Omar and support its future activities.

In close collaboration with our partners, we have launched the second, third and fourth phases of Jebel Omar project with clear objectives in addition to benefiting from all necessary resources, contributing to the acceleration and delivery of these phases.

We have great ambition to continue this achievement in order to contribute to achieving objectives of Saudi vision, which is to raise the capacity to host 30 million pilgrims by 2030. The Company aims to absorb one third of this number as well as upgrade the services provided to pilgrims. Within the capacity, JODC Hotels hosted more than two million pilgrims from all over the world this year. Occupancy rates at some of Jabal Omar hotels reached record levels of 98% and received pilgrims from 44 different nationalities due to the importance of their vital location adjacent to the Holy Mosque of Makkah. We are now witnessing an acceleration in the pace of work done in the second and third phases, and operation of hotels

through major brands that operate luxury hotels such as "Address Jabal Omar" and "Jabal Omar Jumeirah", which will add 2,517 rooms and suites to Jabal Omar Hotel portfolio.

In conclusion, I would like to extend my gratitude and thanks to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, his Deputy Prime Minister and Minister of Defense, Prince Mohammed bin Salman Al Saud, and the Adviser to the Custodian of the Two Holy Mosques, Governor of Makkah Province, Prince Khaled Al Faisal, and his Deputy governor, Prince Badr bin Sultan, for their unlimited support in serving pilgrims. Besides, thanks are extended to our partners in success, Ministry of Hajj and Umrah, Ministry of Tourism, Royal Commission for Makkah City, for organizing and sponsoring visitors to the Sacred House, the Ministry of Finance and the Ministry of Housing, for all support, confidence and interest that Jabal Omar enjoys.

I would also like to thank JODC shareholders for their continued confidence in their company and its promising future. I also thank all Company's employees for their continuous efforts to realize Company's vision and their dedication to serving pilgrims.

Allah is the Arbiter of Success

Mr.
Khaled M. Al-Amoudi
CEO



I extend my sincere gratitude to the employees of the company that have demonstrated resilience, dedication and unyielding determination to help us in executing on our ambitious transformation plan. Collectively we will continue to fulfill our ambitions. I would also like to thank our wider stakeholders in the public sector specifically, Ministry of Finance, Royal Commission of Makkah, as well as our other stakeholders including banks, suppliers, contractors and other partners for playing a key and enabling role in our transformation.

CEO's Message

Dear Esteemed Shareholders of Jabal Omar Development Co.

In the name of Allah, the Most Gracious, the Most Merciful

We proceeded steadily during 2022 to several critical milestones set by the Company on a path of sustainable growth, our activities have gained greater flexibility than ever, our financial position has reached a more stable level, our workforce has become more organized, and Jabal Omar's destination is vibrant thanks to the growing number of Makkah visitors.

Financial Performance

Our efforts are clearly reflected in our financial performance, as our revenues reached SAR 850 million during the period ending December 31, 2022, registering an increase of 174% compared to 2021. This significant increase in total revenues was driven by return of pilgrims to hotels and commercial centers, as well as specific initiatives launched by the Ministry of Tourism on the tourist visa regulations, which served as a supporting factor for the increase in the occupancy level. We were also able to reduce financial costs during 2022 by 42% to reach SAR 426 million, compared to SAR 736 million in 2021. This came after the positive results of the initiatives launched by the Company as part of the strategy to improve its capital structure, which is part of Company's comprehensive transformation plan.

A quantum leap in hospitality portfolio in 2022

Hospitality portfolio witnessed high occupancy rates, which underscores the increasing demand by pilgrims at local and international levels. The sector's net operating income reached SAR 693 million, an increase of 296% in a record improvement compared to SAR 175 million in 2021. It is worth mentioning that the average daily price per hotel room has begun to grow at all of our hotels, contributing to performance of this promising sector. We are confident that there is great potential for further improvement in the average daily price of hotel room due to the anticipated high demand on the distinguished hotel group, which enjoys strategic locations within our project and in line with quality-of-service standards provided.

A quantum leap in commercial portfolio in 2022

Commercial portfolio revenue grew by 161% to SAR 89 million in the year 2022 compared to SAR 34 million in the year 2021 on the back of higher occupancy and an increase in the gross leasable area. Net operating income (NOI) increased 231% to SAR 67 million compared to SAR 20 million in the year 2021 on the back

of effective asset management plans and operational measures and cost control initiatives.

Net operating income for all properties in 2022 was SAR 345 million compared to SAR 10 million in 2021. Driven by effective initiatives to maximize revenue. We expect continued improvement in cash performance over the next year.

Historic Deal

JODC succeeded in completing a deal to convert all debts owed to Alinma Makkah Real Estate Fund, amounting to SAR 5.3 billion, into new ordinary shares in the Company for the benefit of fund's unit holder. Under the deal, the Company was also able to release SAR 540 million in cash allocated to pay the annual rent to the Fund. With the exception of JODC ownership in the Fund (which amounts to about 16.42%), the direct impact on the income list would be removal of financing burden of SAR 451 million annually. Besides, JODC recorded a one-time gain of SAR 260 million after completing a deal to convert all debts owed to Alinma Makkah Real Estate Fund into shares in the Company, mainly due to difference in the share price at the registration date.

"For You, Makkah"

Under the slogan "For Makkah", JODC announced launch of second, third and fourth phases with clear delivery targets while maintaining the highest quality and safety measures. The launch of these phases comes as part of our strategy to double the number of five-star hotel rooms to meet the growing demand for luxury hospitality destinations in Makkah and at the same time improve the level of services provided to pilgrims in Makkah so they can enrich their experience. We are confident that we have the finance, passion and operational competencies to ensure that we stay on track.

I would like to take this opportunity to thank JODC team for their sincere efforts and continued dedication to the work. Thanks to the Board of Directors for their guidance and enduring trust. Finally, I would like to express sincere thanks and gratitude to the distinguished shareholders for their firm trust in JODC.

Allah is the Arbiter of Success

BOARD OF DIRECTORS



Mr. Saeed Mohammed Alghamdi
Chairman of the Board
Non-Executive

Qualification

BSc in Computer Engineering

Current jobs and memberships

- Chairman of the Saudi National Bank (SNB)
- Board Member of Misk (Prince Mohammed bin Salman Al Saud Foundation)
- Chairman of Manga Production Company
- Board Member of the Institute of International Finance

Previous jobs, memberships, and experiences

- Managing Director and CEO of the Saudi National Bank (SNB)
- Board Chairman, Saudi National Bank
- CEO, Saudi National Bank
- Board Chairman, SNB Capital
- Board Chairman at Saudi Credit Bureau "SIMAH"
- Board Chairman at Second Health Cluster
- Board Chairman of Türkiye Finans Katılım Bankası
- Board Member at Real Estate General Authority
- Member of the Regional Advisory Council, Mastercard Middle East and Africa
- Deputy CEO at Al Rajhi Bank
- Board Member at Al Rajhi Bank, Malaysia
- Board Member at Al-Rajhi Capital
- Board Member at Al-Rajhi Takaful



Mr. Thalib Bin Ali Al-Shamrani
Deputy Chairman of the Board
Non-Executive

Qualification

Bachelor of Economics and Management (Business Administration)

Current jobs and memberships

- Advisor to His Excellency the Minister of Finance
- Member of the Board of Directors of the Human Resources Development Fund and member of the Executive Committee
- Chairman of Oversight Committee at General Organization for Social Insurance
- Board Member, Audit Committee Member at Saudi Space Commission
- Audit Committee Member, Nominations and Remunerations Committee Member at Saudi Health Council
- Member of the Accounting Standards Committee in the Public Sector
- Member of the Committee for the Development, Accreditation and Issuance of Concepts of Accounting Standards in the Public Sector
- Board Member, Executive Committee Member at Albalad Alameen Development and Urban Regeneration Company
- Board Member, Audit Committee Member at IKTV
- Board Chairman at Bidaya Home Finance
- Chairman of the Steering Committee for the Transformation of Saudi Governmental Entities and Authorities to the Accrual Accounting Principle

Previous jobs, memberships, and experiences

- Assistant Minister of Finance for Financial Affairs
- Member of the Board of Directors of the General Organization for Social Insurance and Chairman of the Risk Committee
- Member of the Risk Committee - General Authority of Zakat and Income
- 35 years of banking experience, including 24 years at Riyad Bank, at the senior and executive levels
- Risk Committee Member at Saudi Electricity Company
- Chairman of the Board of Directors of the Ithraa of Riyadh Real Estate
- Member of the Board of Directors and Chairman of the Audit and Compliance Committee of Riyad Capital
- Board Member, Executive Committee Member at Public Pension Agency
- Vice-Chairman and Chairman of the Executive Committee of the Saudi Travel Check Company
- Membership of several banking and risk management committees, the International Basel Standards Implementation Committee, and the accounting committees



Mr. Abdulaziz Sulaiman Al Rajhi
Board Member
Non-Executive

Qualification

Bachelor's degree in Financial Management

Current jobs and memberships

- Member of Nominations and Remuneration Committee at JODC
- 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 Sulaiman Al Rajhi Endowment Company
- Board Member of Sulaiman bin Abdulaziz Al Rajhi Holding Company
- Board Chairman 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
- Board Member of Al-Watania Poultry Company

Previous jobs, memberships, and experiences

- Member of the Audit and Risk Committee of Yanbu Cement Company
- Member of the Executive Committee of Sulaiman Bin Abdulaziz Al Rajhi Real Estate Investments Company



Dr. Ahmad Othman Alqasabi
Board Member
Non-Executive

Qualification

Bachelor, Master and PhD in Civil Engineering

Current jobs and memberships

- Member of the Board of Directors and Member of the Executive Committee of the Thakher Investment and Real Estate Development Company Ltd.
- Member of the Board of Directors and Deputy CEO of Al Qasabi Contracting Company
- Member of the Board of Directors for Geotech Overseas Project Engineering
- Member of the Committee on Audit in the company Bin Laden Global Holding

Previous jobs, memberships, and experiences

- Member of the Executive Committee at JODC
- Member of the Saudi Code Preparation Committee - Structural Committee
- Vice President of the Committee for Preparing the Saudi Soil and Foundations Code
- Member of the Board of Directors of the Saudi Contractors Authority
- Chairman of the Committee of the supervisory of Qias tests
- Supervisor of the Statistics Center in Higher Education - Ministry of Higher Education
- General Manager of Al-Qasabi Contracting Company
- Member of the Committee of the supervisory project Prince Turki Alsudairy Mosque
- CEO of Al-Aqiq Real Estate Investment Company
- Faculty member - College of Engineering - King Saud University
- Member of the Examinations Committee for Colleges of Medicine - King Saud University
- Supervisor of registration - College of Engineering - King Saud University
- Member of Audit Committee of Riyadh Economic Forum



Mr. Hesham Abdulaziz Abdullah Alzaid
Board Member
Independent Member

Qualification

Master's degree in Business Administration

Current jobs and memberships

- Member of Nominations and Remuneration Committee at Jabal Omar Development Company
- 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

Previous jobs, memberships, and experiences

- KPMG Saudi Arabia Company - Deal Structuring, Merger and Acquisition, Evaluation, Feasibility Studies, Land Best Use Studies.
- Alinma Investment Company - Real Estate Fund Structuring and Management



Mr. Mohammed Sultan Abu Melha
Board Member
Non-Executive

Qualification

- Master's degree in Engineering Management
- Bachelor's degree in Civil Engineering
- Project Manager Professional (PMP) certification

Current jobs and memberships

- Project Delivery Manager at Osool Integrated Real Estate Company - GOSI

Previous jobs, memberships, and experiences

- Site Engineer at Zuhair Fayeze Partnership Consultants
- Head of Real Estate Projects Department at GOSI



Mr. Yasser Abdulaziz alkadi
Board Member
Independent Member

Qualification
• B.S. in Finance

Current jobs and memberships

- Chairman of Nominations and Remuneration Committee at JODC
- 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 Derayah Financial
- Member of Logistics Committee of Riyadh Province Chamber
- Managing Director of Zajil Logistics Company

Previous jobs, memberships, and experiences

- Chairman of the Board of Directors of Oqal Group, Eastern Province
- Financial Analyst at Al Faisaliah Group



Mr. Mazin Fawaz Ahmed Baghdadi
Board Member
Independent Member

Qualification
▪ Bachelor's degree in Finance

Current jobs and memberships
▪ CEO and Managing Director of Alinma Investment Company

Previous jobs, memberships, and experiences

- Head of Local Equity Funds at Riyadh Bank
- Senior Investment Fund Manager at HSBC Saudi Arabia
- Head of Saudi and Gulf Equity Funds and Portfolios at Saudi Fransi Capital (SFC)
- Head of Investment Department at HSBC Saudi Arabia



Mr. Mohanned Saud Alrasheed
Board Member
Independent Member

Qualification
▪ Bachelor in Science Management - Systems

Current jobs and memberships

- Chairman of the Audit Committee of JODC
- Chairman and Owner of Muhannad Bin Saud Al Rasheed Advocates and Legal Consultants in cooperation with Baker Potts LLP

Previous jobs, memberships, and experiences
▪ More than 24 years of experience in the field of rights



Mr. Saleh Abdullah Ibrahim Al-Zumaie
Board Member
Independent Member

Qualification
• Bachelor in Science Management - Systems

Current jobs and memberships

- Chairman of the Audit Committee of Jabal Omar Development Company
- Chairman and Owner of Muhannad Bin Saud Al Rasheed Advocates and Legal Consultants in cooperation with Baker Potts LLP

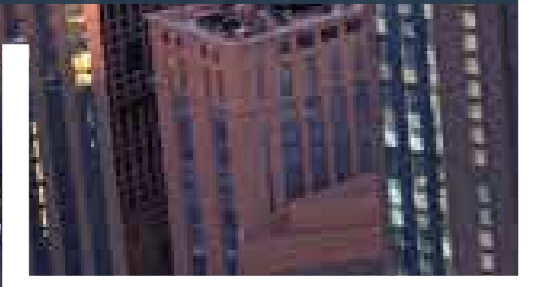
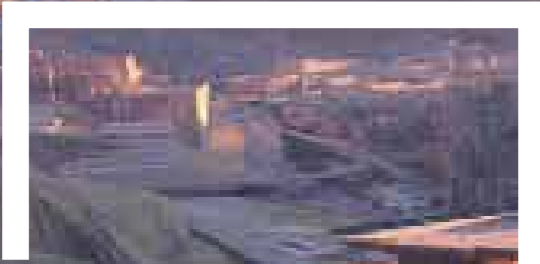
Previous jobs, memberships, and experiences

- More than 24 years of experience in the field of rights
- Member of the Audit Committee of Al-Reef Sugar Refining Co.





Project Overview



Project Description

- The total area of the project land is 235,869.11 m².
- The total built up area is 2,531,689.29 m².
- The areas allocated to the streets, public utilities and services = 87,984 m², representing 39% of the total land area.
- The project consists of 7 phases.
- The project includes 8 hotels managed by international operators and they are constructed on 18 towers.
- When fully completed, the project will include 46 towers of heights ranging between 20 to 42 floors (for the twin towers).
- The project, when fully developed, will contain approximately 13,107 hotel and residential rooms.
- When completed, the project contains 82,958 m² of leasable area.
- The project will include 11 international hotels.
- The project will include more than 1,000 parking lots.
- 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 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. 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



46
Towers



11
International Hotel



13+ K
Rooms



80+ 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 podium base, and 4 hotel towers overlooking Ibrahim Al-Khalil Street, with a total built-up area of 200,000 square meters. The base building consists of 3 commercial floors with a rental area of 8,103 square meters, housing units of 96 housing units, 4 villas, and 176 parking spaces. Cars, and services such as restaurants, meeting rooms, and a sports club, and there are penthouse villas on the upper floor of each tower, with a total of 4 villas. Partial operation is expected to start during the holy month of Ramadan in the year 1444 AH.

Phase 3

It consists of two podium bases and 4 hotel towers, as this phase contains 2,156 hotel rooms, including the twin towers, of which 1,484 hotel rooms will be managed by The Address Hotels and Resorts Company. Ramadan Mubarak for the year 1444 AH

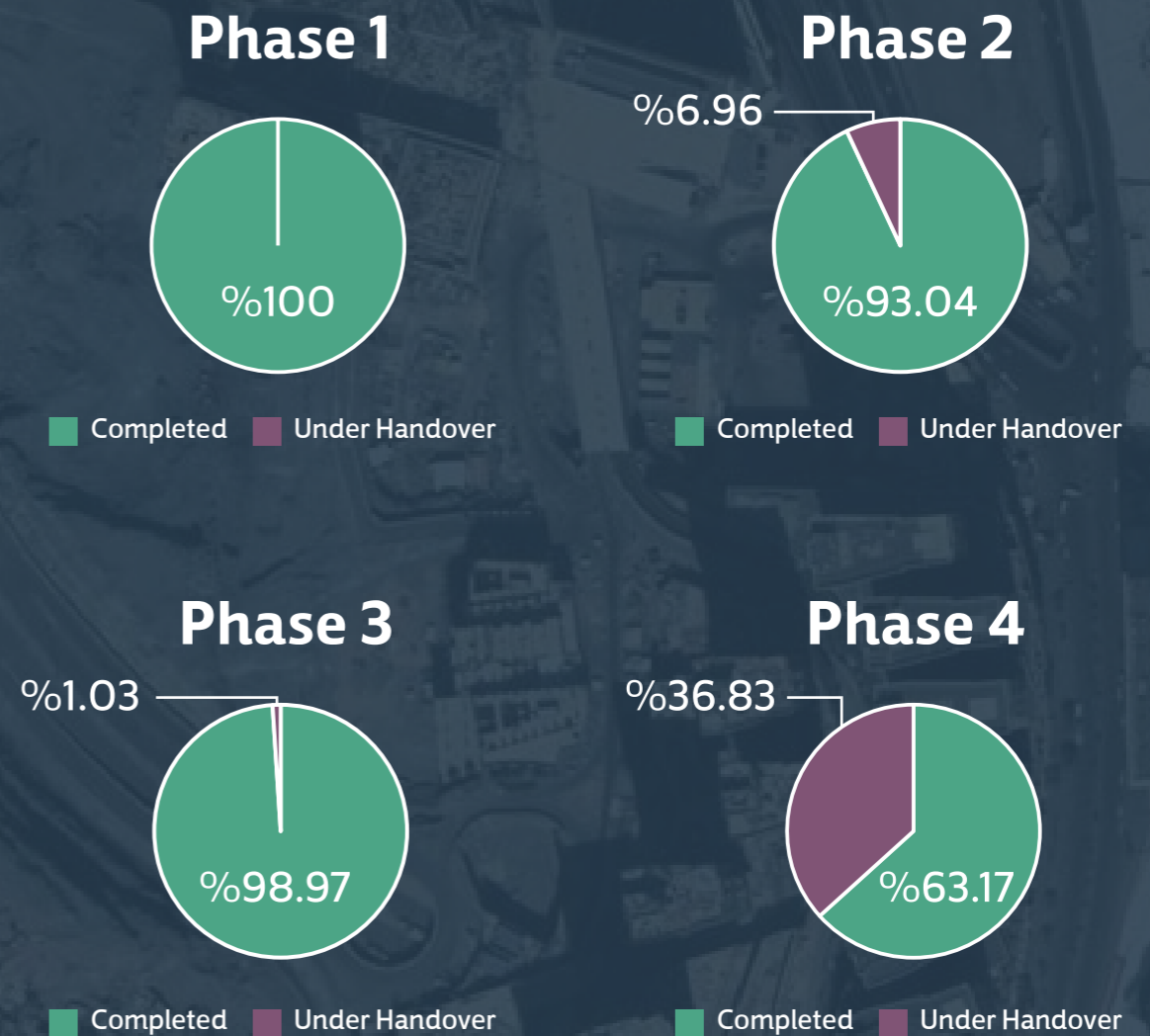
Phase 4

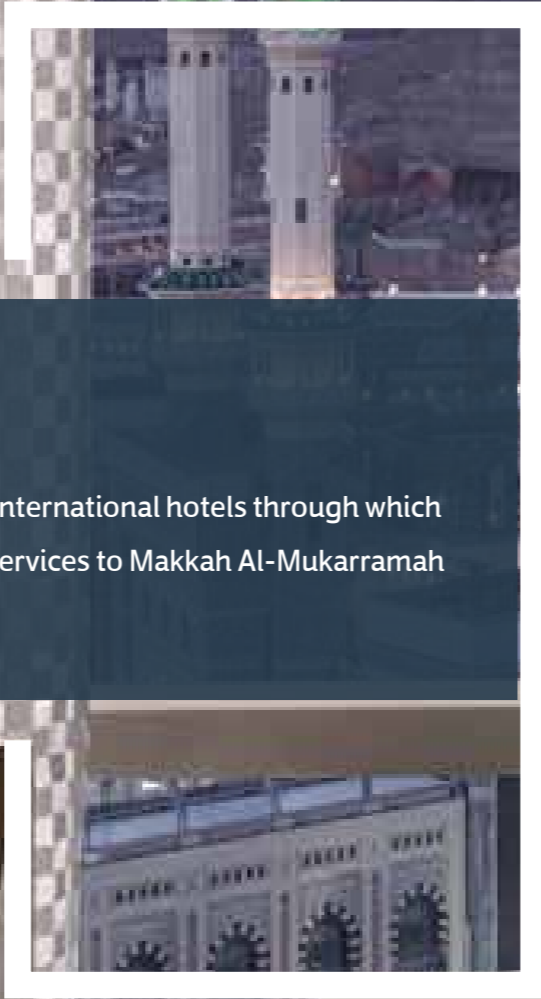
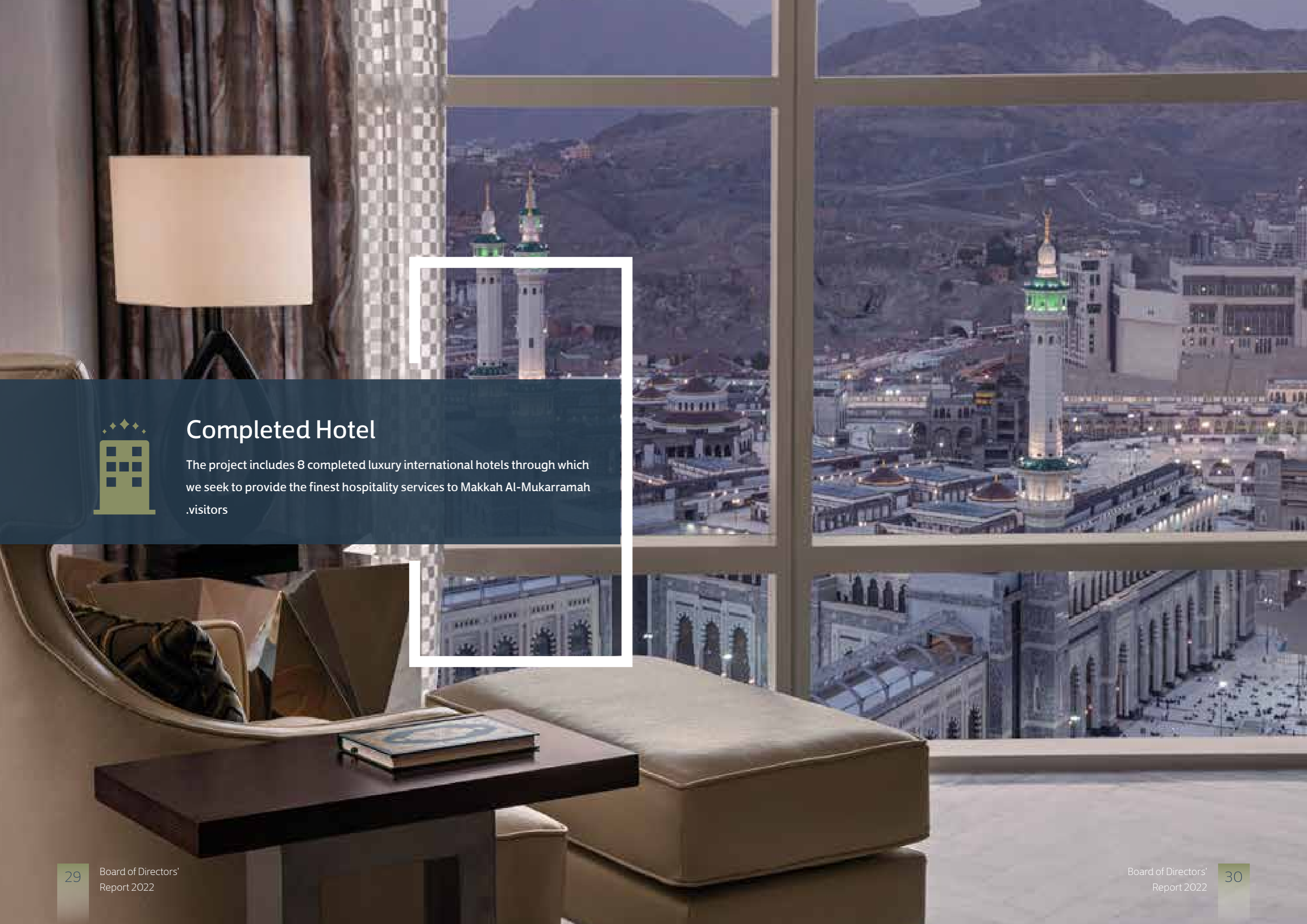
This phase consists of 3 podium bases and 7 towers, as this phase contains 1,795 hotel rooms and 3 loft villas, a rental area of 23,931.96 square meters, and 479 parking spaces, with a built-up area of about (398) thousand square meters. The actual completion of the construction work in the fourth phase is expected by the end of the third quarter of 2024.

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

Completion percentages for the existing phases of the Jabal Omar project as of March 16, 2023





Completed Hotel

The project includes 8 completed luxury international hotels through which we seek to provide the finest hospitality services to Makkah Al-Mukarramah .visitors

جبل عمر أجنحة هيلتون مكة



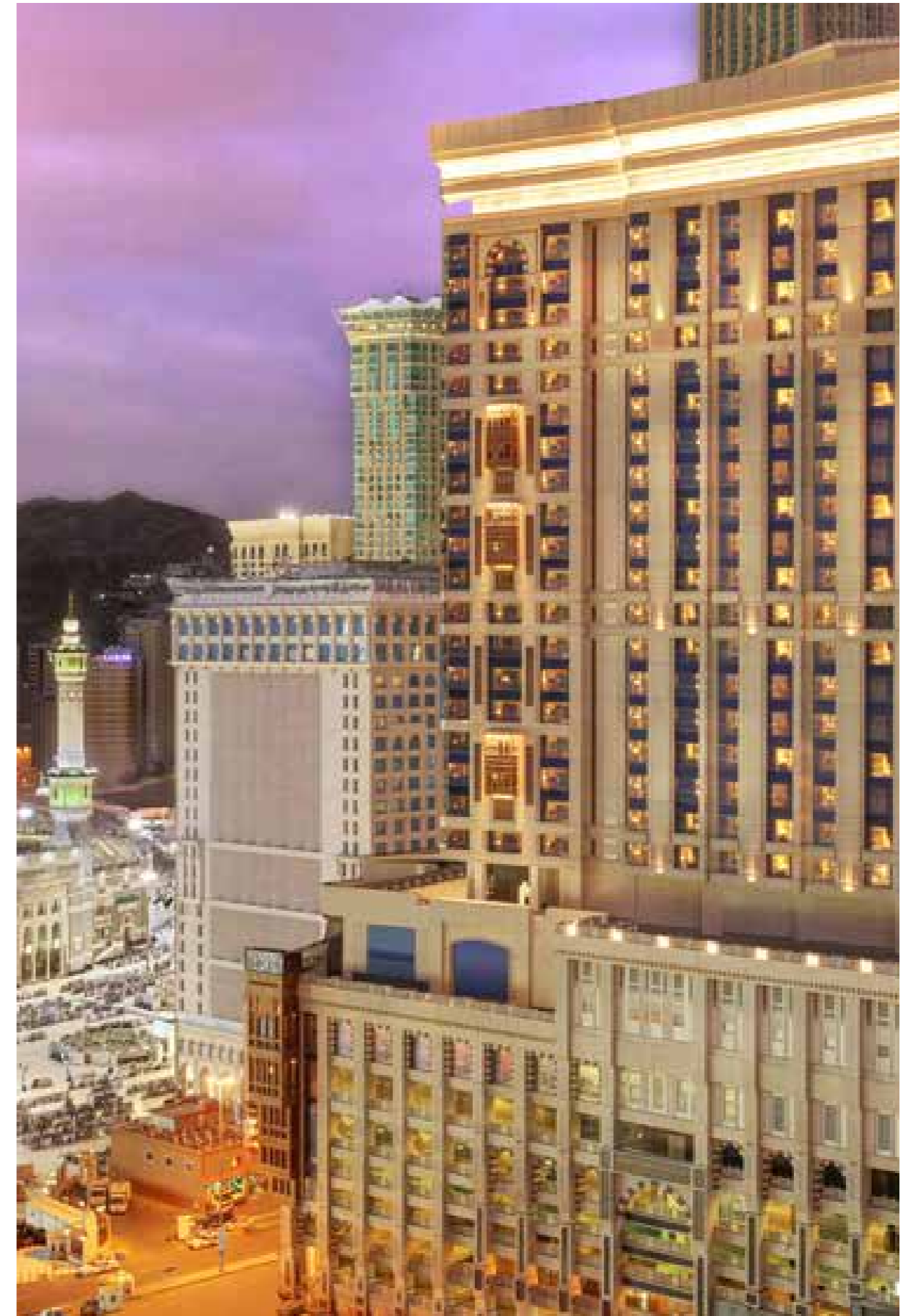
Hilton

JABAL OMAR HILTON SUITS
MAKKAH



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**

- ★
5 Stars
- 🏠
5 Mins
- 🍴
2
- ☕
2
- 👤
5
- 📶
Free



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.

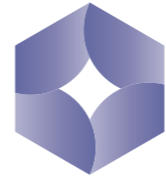




It consists of two towers; each consists of 23 floors overlooking Ibrahim Al-Khalil Street with 631 rooms and 25 suites, and a capacity of 1,993 guests per day.

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

JABAL OMAR



HYATT
REGENCY

MAKKAH

جبل عمر حياة ريجينسي مكة





كونراد مكة جبل عمر
CONRAD[®]
 MAKKAH JABAL OMAR

- ★
5 Stars
- 🏨
3 Mins
- 🍴
2
- ☕
2
- 👥
3
- 📶
Free



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.

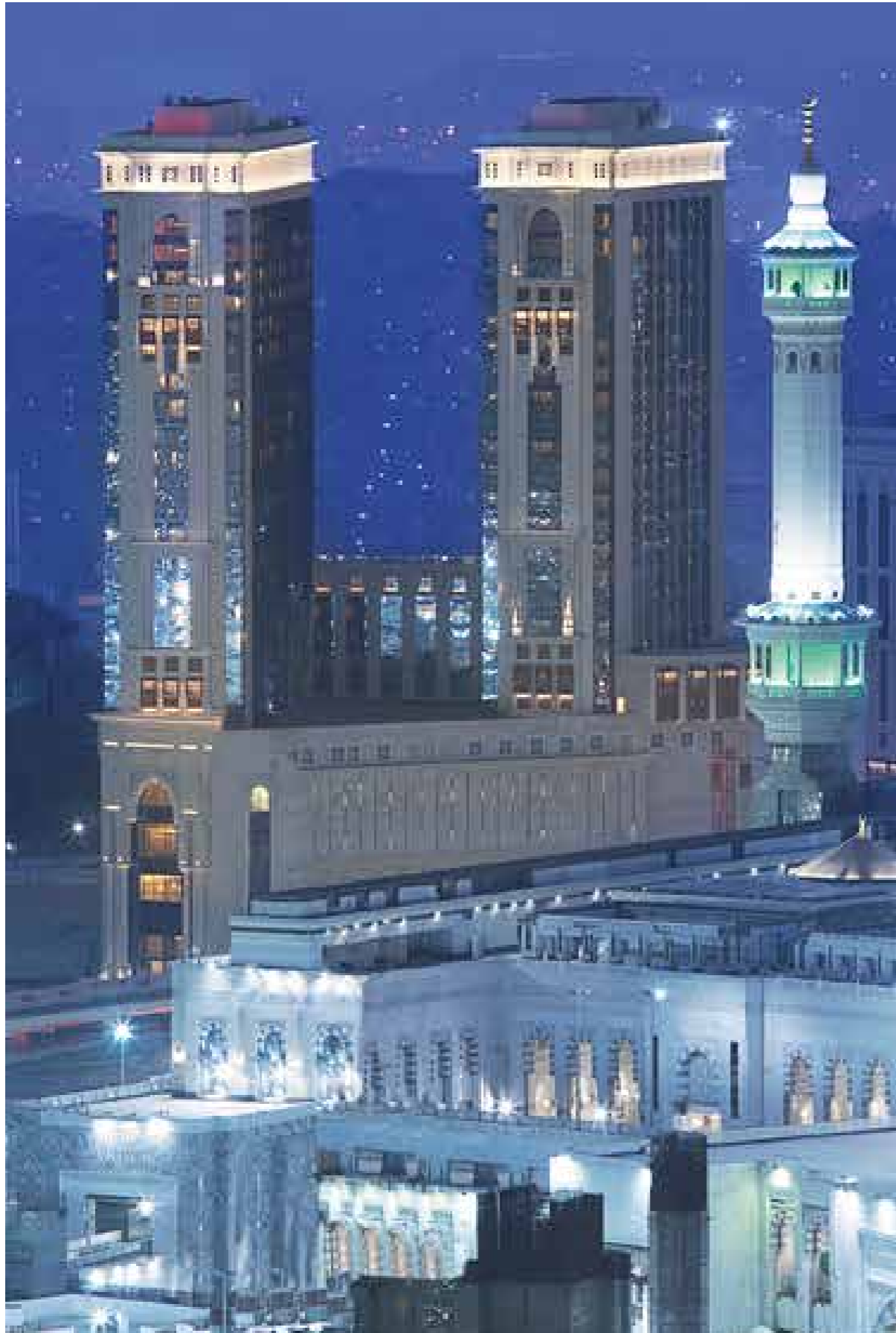


جبل عمر هيلتون مكة ومركز المؤتمرات



Hilton

JABAL OMAR HILTON
MAKKAH & CONVENTION CENTER

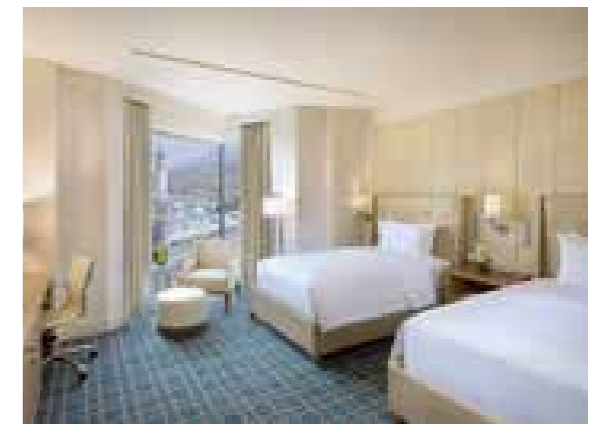


- ★ 5 Stars
- 🏠 3 Mins
- 🍴 4
- ☕ 2
- 👥 8
- 📶 Free



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.





JABAL OMAR Jumeirah

- ★ 5 Stars
- 🏠 3 Mins
- 🍴 6
- ☕ 1
- ♿ 4
- 📶 Free



It consists of 4 towers, each tower contains 23 floors, including 1033 rooms and suites, with a daily capacity of 2582 guests.

In addition to 4 meeting rooms, 6 restaurants, a lounge, and a fitness center. The hotel was partially opened in the month of Ramadan 1444 AH.





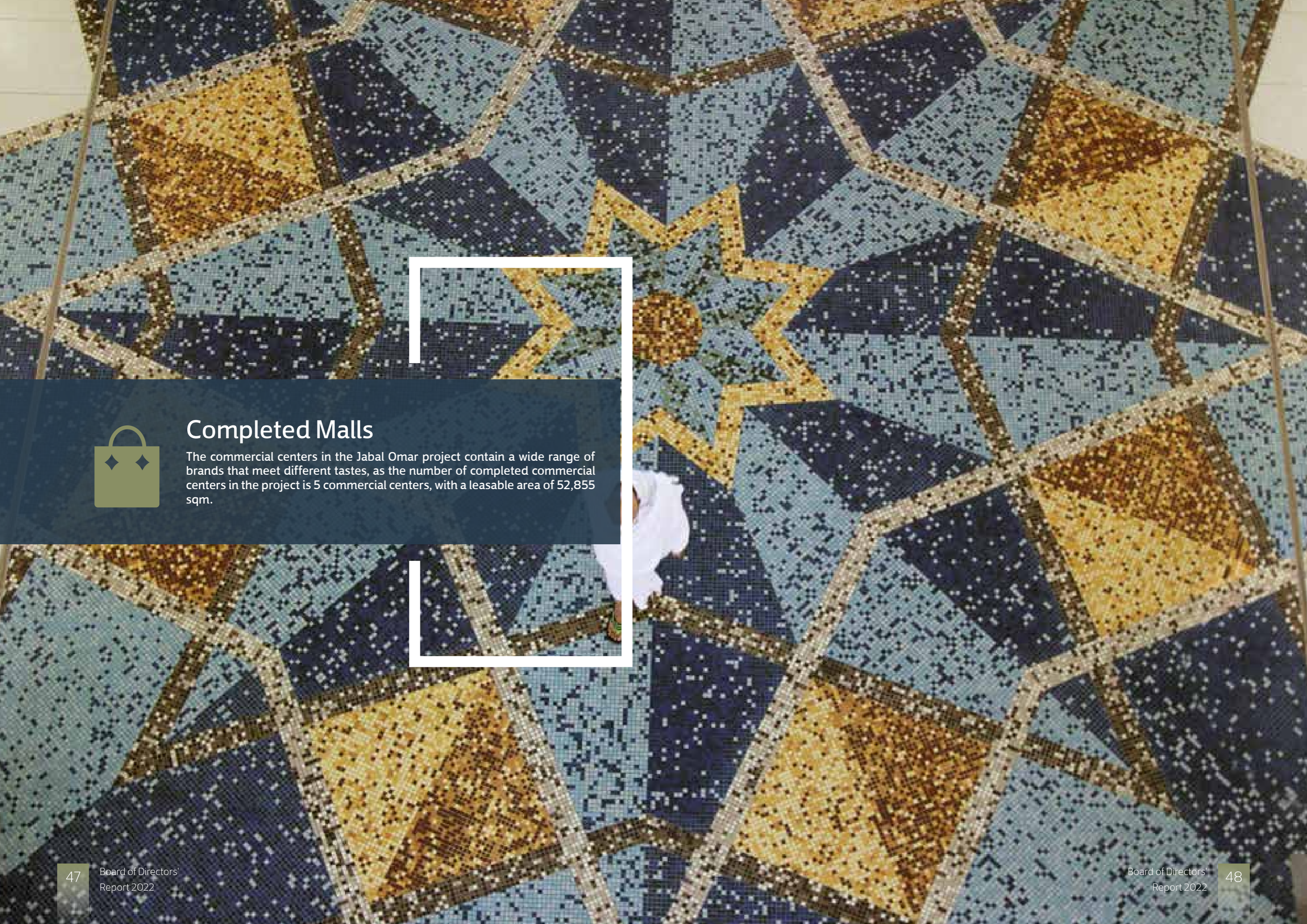
ADDRESS JABAL OMAR MAKKAH

- 5 Stars
- 7 Mins
- 4
- 2
- 8
- Free

It consists of two towers, each tower contains 44 floors, including 1484 rooms and suites, with a daily capacity of 3710 guests.

In addition to 8 meeting rooms, 4 restaurants, 2 lounges, and a fitness center. The hotel was partially opened in the month of Ramadan 1444 AH.





Completed Malls

The commercial centers in the Jabal Omar project contain a wide range of brands that meet different tastes, as the number of completed commercial centers in the project is 5 commercial centers, with a leasable area of 52,855 sqm.



Souk Al-Khalil-1

4

142

16K

It consists of four floors with a total rental area of 16,238 square meters and contains 142 showrooms. It was opened in 2014.



Souk Al-Khalil-2

4 32 5.6 K

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 8,103 m² and contains 109 trade fairs. It was opened in 2021.



Souk Makkah Gate



4



140



17K

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



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



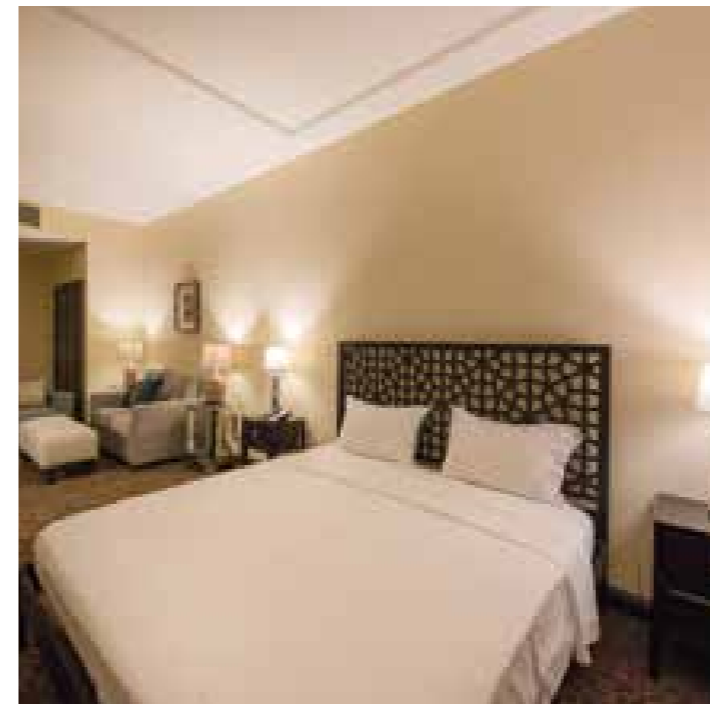
Haram View

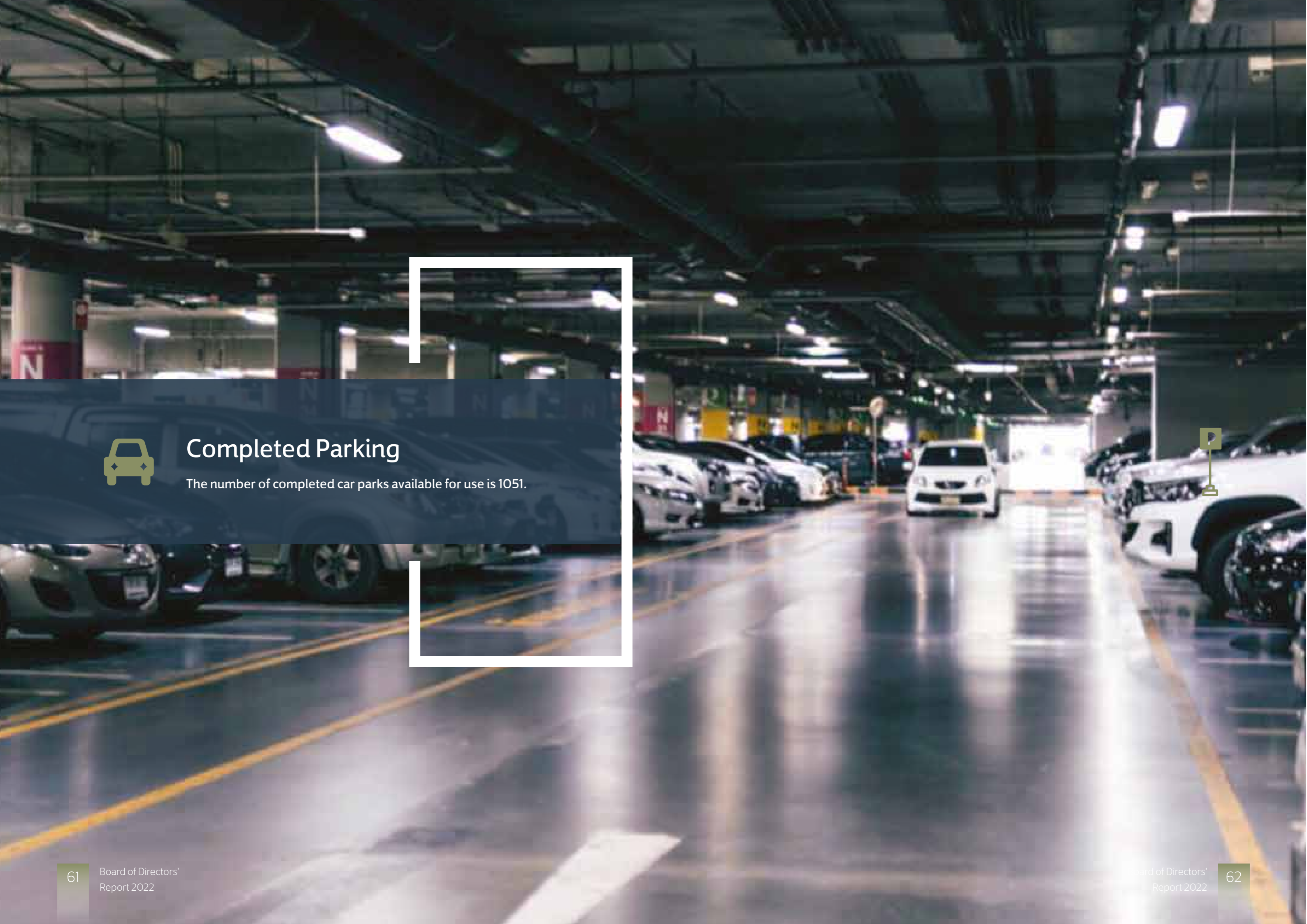
Residential units in Phase 1

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

The number of completed car parks available for use is 1051.

The company's future projects

Jabal Omar Alana Hotel



It consists of two towers, each tower contains 24 hotel floors with a total of 560 rooms and suites. The actual completion of construction work is expected by the end of the third quarter of 2024.

Jabal Omar Royal Alana Hotel



It consists of two towers, each tower contains 24 hotel floors with a total of 583 rooms and suites. The actual completion of construction work is expected by the end of the third quarter of 2024.

Jabal Omar H Hotel



It consists of 3 towers, each tower contains 24 hotel floors with a total of 652 rooms and suites. The actual completion of construction work is expected by the end of the third quarter of 2024.

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.

Commercial Centers - Phase 4

It consists of four floors with a total rental area of 23,931.96 square meters, and the actual completion of the construction works is expected by the end of the third quarter of 2024 .

Car Parking

Parking lots under construction is 551, divided between the second, third and fourth phases



JABAL OMAR
The Alana
MAKKAH

JABAL OMAR
The Royal Alana
MAKKAH

H'



Corporate 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 Import 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	62,680,424	7%
2	Management and operation of hotels	697,535,991	82%
3	Operating and renting shopping centers	89,284,364	11%
	Total	849,500,779	100 %

C. Key activities for Jabal Omar Subsidiaries

#	Subsidiary company	Main activities types
1	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
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.

Note: There is no revenue from the subsidiaries except for the revenue generated from the Central District Cooling Company, which is in return for renting land from Jabal Omar with a value and franchise fees of 9,310,141 and the geographical area of activity is Makkah Al-Mukarramah

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

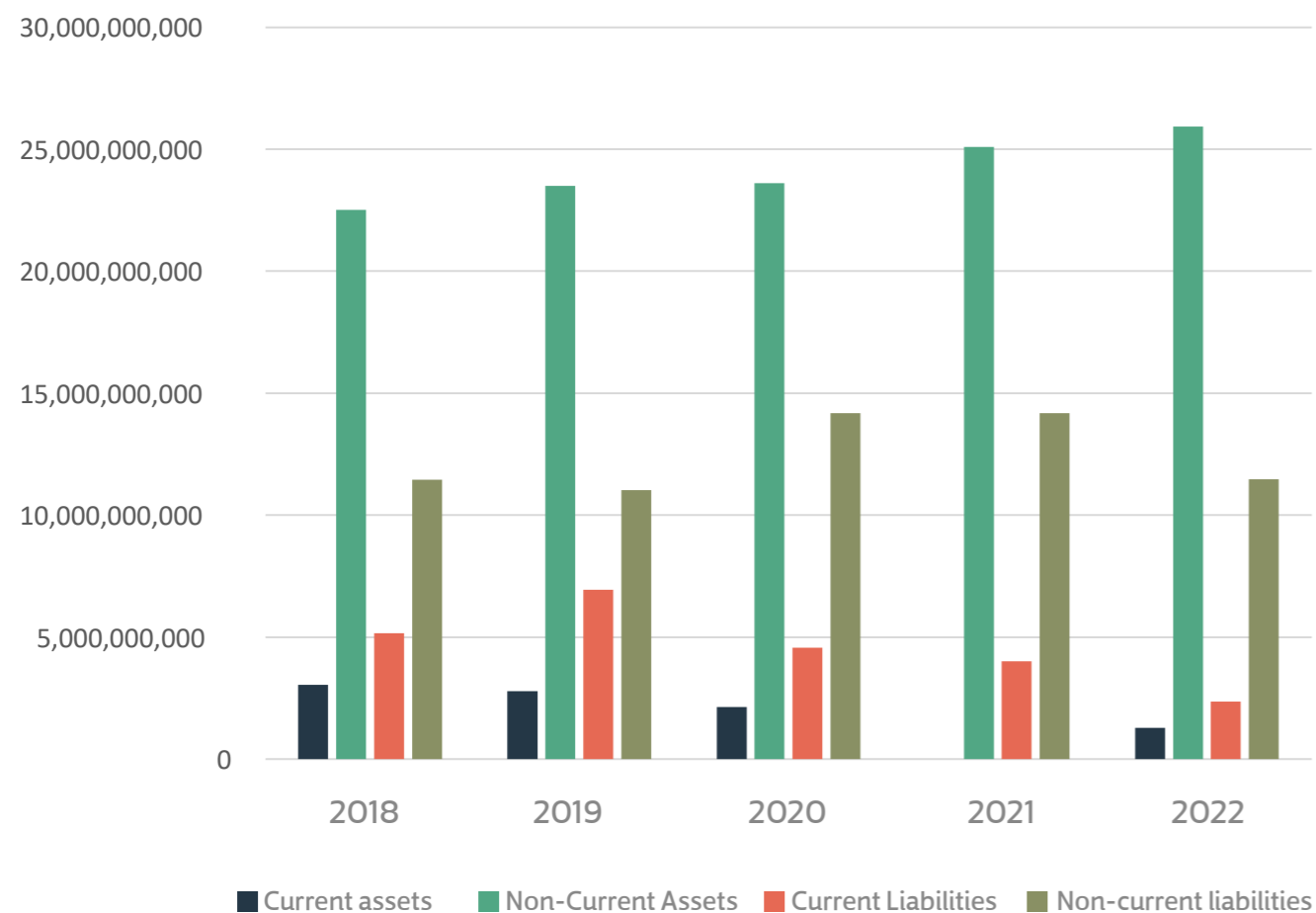
The company's activities are generally subject to the surrounding economic, social and legislative conditions. In addition, the company's activities are materially subject to being affected by the decisions may be enacted by the state to limit force majeure impacts that may result from wars and/or the 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	2022	2021	2020	2019	2018
1	Current assets	1,292,061,876	1,737,520,098	2,135,995,416	2,791,710,000	3,055,193,000
2	Non-Current Assets	25,920,410,194	25,085,059,947	23,600,885,579	23,495,866,000	22,511,264,000
3	Total Assets	27,212,472,070	26,822,580,045	25,736,880,995	26,287,576,000	25,566,457,000
4	Current Liabilities	2,356,582,612	4,017,168,870	4,561,625,070	6,936,834,000	5,167,500,000
5	Non-current liabilities	11,469,177,403	14,177,187,585	14,186,514,689	11,035,738,000	11,452,944,000
6	Total Liabilities	13,825,760,015	18,194,356,455	18,748,139,759	17,972,572,000	16,620,444,000

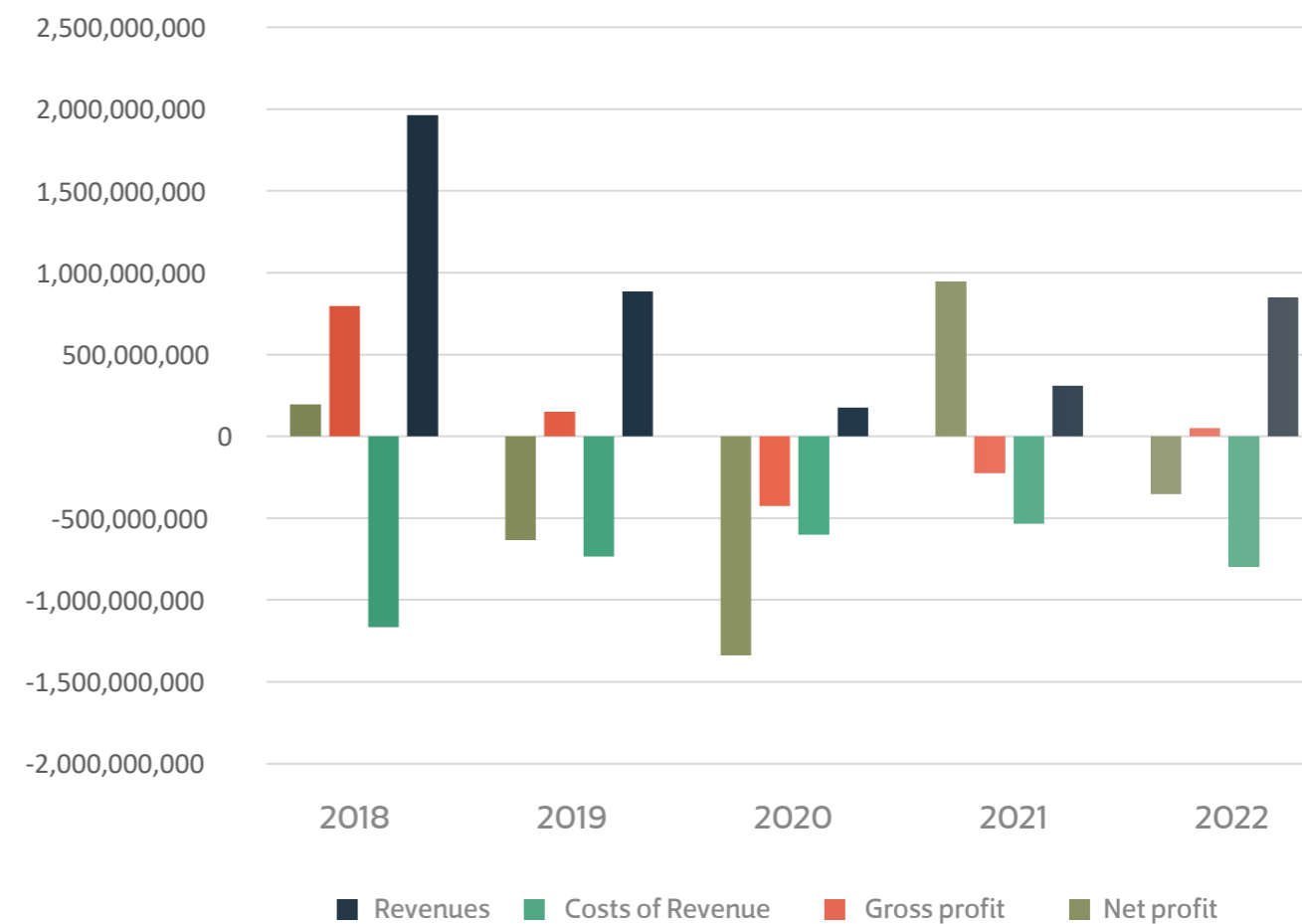
B. Diagram of the Company's assets and liabilities in the last five financial years



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

#	Statement	2022	2021	2020	2019	2018
1	Revenues	849,500,779	310,358,803	176,681,546	885,220,064	1,962,643,843
2	Costs of Revenue	(797,739,534)	(534,994,314)	(601,366,756)	(734,378,535)	(1,164,807,049)
3	Gross profit	51,761,245	(224,635,511)	(424,685,210)	150,841,529	797,836,794
4	Net profit	(352,372,560)	946,204,531	(1,339,005,792)	(635,103,464)	194,992,931

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 2022

A. Geographical analysis of the Company's total revenue

Geographical Area	Revenues
Makkah Al-Mukarramah	849,500,779
Total Revenue	849,500,779

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

Statement	2022	2021	Changes (+) or (-)	Percentage change
Revenues	849,500,779	310,358,803	539,141,976	174%
Cost of revenue	(797,739,534)	(534,994,314)	(262,745,220)	49%
Gross profit	51,761,245	(224,635,511)	276,396,756	-123%
Other operating income	19,090,354	41,297,273	(22,206,919)	-54%
Other operating expenses	(261,761,713)	(274,998,215.88)	13,236,503	-5%
Operating profit (loss)	(190,910,114)	(458,336,503)	267,426,345	-58%

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	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
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

Note: In line with the company's strategy, Shamkhat Development Co. Ltd. and Ishraqat Logistics Services Company have been closed, noting that the aforementioned companies have not carried out any activities since their inception.

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	1,503,291,298	10	0	1,503,291,298	1,537,264,002
2	Banks & financial institutions	7,800,533,914	1 to 12	708,571,172	7,091,962,742	7,091,962,742
3	Sukuk	508,045,332	5	253,665,000	254,380,332	254,380,332

(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 (7) times as follows:

#	Date	Reason
1	2022/5/22	Corporate Process
2	2022/6/29	General Assembly
3	2022/8/22	Corporate Process
4	2022/8/25	General Assembly
5	2022/8/31	Corporate Process
6	2022/9/1	Corporate Process
7	2022/12/31	Corporate Process

10 Number of Board meetings held during 2022, dates of sessions and the attendance record of each meeting explaining the names of those present

The Board of Directors held a total of (8) Meeting and (25) board resolutions by circulation. the following table shows the attendance record for each meeting:

Name	1	2	3	4	5	6	7	8	Number of meetings attended by the member
	January 25	March 27	March 31	June 07	August 16	October 02	November 07	December 21	
Saeed Al-Ghamdi	√	√	√	√	√	√	√	√	8
Thaleb Al-Shamrani	√	√	√	√	√	√	√	√	8
Muhannad Al-Rasheed	√	√	√	√	X	√	√	√	7
Yasser Al-Qadi	√	√	X	√	√	√	√	X	6
Ahmed Al-Qasabi	√	√	√	√	√	√	√	√	8
Abdulaziz Al-Rajhi	√	√	X	√	√	√	√	√	7
Muhammad Abu Melha	√	√	√	√	√	√	√	√	8
Hisham Al-Zaid	He wasn't a member of the board			√	√	√	√	√	5
Saleh Al-Zamaia	He wasn't a member of the board					√	√	√	3
Mazen Baghdadi	He wasn't a member of the board					√	√	√	3
Abdul Raouf Manna	X	√	√	√	√	His membership expired on August 25, 2022			4
Ryan Al-Rashid	√	√	X	His membership expired on May 15, 2022					2

√ : 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 2022

#	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 2022	End of the year 2022	Net Change	Percentage of change
			Number of shares	Number of shares		
1	Saeed Al-Ghamdi	Chairman	0	0	0	0 %
2	Thaleb Al-Shamrani	Vice Chairman	0	0	0	0 %
3	Ahmed Al-Qasabi	Board Member	1,000	1,000	1,000	0 %
4	Abdulaziz Al-Rajhi	Board Member	160,000	190,000	30,000	15,78 %
5	Muhammad Abu Melha	Board Member	0	0	0	0 %
6	Yasser Al-Qadi	Board Member	10,320	10,320	0	0 %
7	Muhannad Al-Rasheed	Board Member	1,000	122,388	121,388	99 %
8	Mazen Baghdadi	Board Member	0	18,134	18,134	100 %
9	Saleh Al-Zamaia	Board Member	0	0	0	0 %
10	Hisham Al-Zaid	Board Member	0	0	0	0 %
	Abdul Aziz Al-Zaid	Relatives of Board Member, Hesham Abdulaziz Alzaid	199	144,751	144,552	72,73 %
	Saad bin Aiban	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.

13 Committees emanating from the Board of Directors

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	<ul style="list-style-type: none"> Bachelor in Science Management - Systems 	<ul style="list-style-type: none"> 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
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"> Owner and General Manager of Abanami Office of Chartered Accountants and Auditors Vice Chairman of the Board of Directors and Chairman of the Audit Committee at Bank Albilad Member of the Board of Directors of Al-Maather REIT Fund Member of the Audit Committee of the Southern Cement Company Member of the review committee of the Natural Gas Distribution Company Member of the Budget Review Committee 	<ul style="list-style-type: none"> Second advisor in the Capital Market Authority Head of continuous disclosure specialist in the Capital Market Authority Financial Analyst in the Saudi Exports Program at the Saudi Fund for Development Researcher and account analyst at the Saudi Fund for Development
3	Saad Hamlan - Committee Member	<ul style="list-style-type: none"> Master's degree in Financial Analysis Bachelor's degree in Accounting Science Certified Public Accountant (SOCPA) Certified Internal Auditor (CIA) Certified Fraud Examiner (CFE) CRMA Risk Management Assurance Certificate 	<ul style="list-style-type: none"> Vice President for reviewing the business units of the Saudi Telecom Company, STC Member of the review committee of a number of unlisted companies 	<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 a total number of (15) meetings and (4) resolutions by circulation during 2022, the following table shows the attendance record for each meeting:

#	Name	3 Jan	17 Feb	7 Mar	17 Mar	24 Mar	31 Mar	18 Apr	22 May	24 Jul	1 Aug	16 Aug	30 Aug	14 Sep	3 Nov	27 Dec
1	Muhannad Al-Rasheed	√	√	√	√	√	√	√	X	√	X	√	√	√	√	X
2	Adeeb Abanomy	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
3	Saad Al-Hamlan	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√

√: Attended the meeting X: Apologized for not attending

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	<ul style="list-style-type: none"> MBA (Finance) Bachelor's degree in Financial Sciences 	<ul style="list-style-type: none"> 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 Derayah 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 	<ul style="list-style-type: none"> Chairman of the Board of Directors of Oqal Group, Eastern Province Financial Analyst at Al Faisaliah Group
2	Saeed Alghamdi Committee Member	<ul style="list-style-type: none"> BSc in Computer Engineering 	<ul style="list-style-type: none"> Managing Director and CEO of the Saudi National Bank (SNB) Board Chairman, Saudi National Bank CEO, Saudi National Bank Board Chairman, SNB Capital Board Chairman at Saudi Credit Bureau "SIMAH" Board Chairman at Second Health Cluster Board Chairman of Türkiye Finans Katılım Bankası Board Member at Real Estate General Authority Member of the Regional Advisory Council, Mastercard Middle East and Africa Deputy CEO at Al Rajhi Bank Board Member at Al Rajhi Bank, Malaysia Board Member at Al-Rajhi Capital Board Member at Al-Rajhi Takaful 	<ul style="list-style-type: none"> Managing Director and CEO of the Saudi National Bank (SNB) Board Chairman, Saudi National Bank CEO, Saudi National Bank Board Chairman, SNB Capital Board Chairman at Saudi Credit Bureau "SIMAH" Board Chairman at Second Health Cluster Board Chairman of Türkiye Finans Katılım Bankası Board Member at Real Estate General Authority Member of the Regional Advisory Council, Mastercard Middle East, and Africa Deputy CEO at Al Rajhi Bank Board Member at Al Rajhi Bank, Malaysia Board Member at Al-Rajhi Capital Board Member at Al-Rajhi Takaful
3	Abdulaziz Al-Rajhi Committee Member	<ul style="list-style-type: none"> Bachelor's degree in Financial Management Bachelor's degree in Financial Management 	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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

- To propose clear policies and criteria for membership in the Board of Directors and executive management.
- 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.
- Preparing a description of the capabilities, qualifications and merits required for membership in the Board of Directors and for filling executive management positions
- Determine the time that the member should allocate to the work of the board of directors.
- Annual review of the necessary needs of skills or appropriate expertise for board membership and executive management functions
- Review the structure of the Board of Directors and executive management and make recommendations regarding changes that can be made.
- 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
- Develop job descriptions for the executive and independent members of the board of directors and the executive management
- Establishing special procedures in case the position of a member of the board of directors or senior executives becomes vacant
- Identify the strengths and weaknesses of the board of directors or senior executives
- Propose criteria & a mechanism for evaluating performance for each of the board, its members, company committees, & executive management
- 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
- Approval of the dismissal / termination of the senior executive's contract.
- 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
- Clarify the relationship between the bonuses awarded & the applicable remuneration policy, and indicate any material deviation from this policy.
- Periodic review of the remuneration policy, and evaluation of its effectiveness in achieving the objectives sought from it
- 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
- Supervising the succession plans of the executive management at the company level
- Recommending to the Board of Directors to nominate members from outside the Board to serve on other Board Committees.
- Any additional tasks assigned to it by the Board.

C. Meetings of the Nomination and Remuneration Committee

The Nominations and Remuneration Committee held (3) meetings and (3) resolutions by passing during the year 2022, and the following table shows the attendance record for each meeting:

#	Member Name	March 20	April 13	December 20
1	Yasser Al-Qadi	√	√	√
2	Abdulaziz Al-Rajhi	X	√	√
3	Ryan Al-Rashid	√	√	√
4	Saeed Al-Ghamdi	He wasn't a member of the Committee		His membership expired on May 15, 2022

√: Attended the meeting X: Apologized for not attending

14 Executive Management

A statement of the names of the executive management, their qualifications, their current and previous jobs, and their experience

#	Name	Qualification	Current positions	Previous jobs and experiences
1	Khaled Al-Amoudi - CEO	<ul style="list-style-type: none"> Bachelor of Industrial Management - Marketing 	<ul style="list-style-type: none"> Chairman of the Central District Cooling Company Member of the Board of Directors of the Human Resources Development Fund "Hadaf" Member of the Investment Committee of the Human Resources Development Fund "Hadaf" Chairman of the Nominations and Remunerations Committee of the Human Resources Development Fund "Hadaf" Member of the Board of Directors of the National Financial Services Company Member of the Board of Directors of Lumi Leasing Company Member of the Board of Directors of Aloff Real Estate Development Company Member of the Real Estate Committee of the Council of Saudi Chambers Chairman of the Hotels and Tourism Committee of Makkah Al-Mukarramah Chamber Member of the Real Estate Committee of Makkah Al-Mukarramah Chamber 	<ul style="list-style-type: none"> General Supervisor of the Real Estate Development Fund Head of Real Estate Finance - National Commercial Bank
2	Muhammad Jawad Acting CFO	<ul style="list-style-type: none"> Bachelor of Commerce. Chartered Accountant, Institute of Chartered Accountants of Pakistan (ICAP). 	<ul style="list-style-type: none"> Acting Head of Financial Sector 	<ul style="list-style-type: none"> CFO at Manazil Company. Manager at Ernst & Young. Assistant Manager at A. F. Ferguson & Co.
3	Saad bin Aiban CPMO	<ul style="list-style-type: none"> High School Several development programs. 	<ul style="list-style-type: none"> Chief Projects Management Officer 	<ul style="list-style-type: none"> Several positions in Petrocon Corporation with Aramco, the latest of which is the Manager of Yanbu Office. Several positions in SABIC companies, the latest of which is Contracts and Procurement Manager for Mega Projects. Several positions in Maaden Company, the latest of which is Vice President for Projects CEO Advisor at JODC.
4	Abdulrahman Al-Jifri COO	<ul style="list-style-type: none"> MBA Bachelor's degree in Civil Engineering Leadership Excellence Leadership Development Program Six Sigma, Green Belt Bullet Proof Manager Finance for Non-Finance Manager 	<ul style="list-style-type: none"> Chief Operation Officer 	<ul style="list-style-type: none"> Project Control Senior Manager at JODC. Several positions in SNB: Head of Services - Real Estate Finance Department, Head of Business Development - Real Estate Finance Department, Head of Site Selection and Owner Relationship Management - Retail Banking Development Department, Manager of Expansion and Spread Plan - Retail Banking Development Department. Senior Engineer at the Saudi Hollandi Bank. Civil Engineer at Fluor Arabia Ltd.
5	Alaa Adnan Banaja Acting CAMO	<ul style="list-style-type: none"> MBA - Finance 	<ul style="list-style-type: none"> Chief Governance & Compliance Officer Acting Chief Asset Management Officer. 	<ul style="list-style-type: none"> Head of Compliance Department at Alkhabeer Capital Company. Second Specialist, CMA Financial Adequacy Department.

15 Method adopted by the Board of Directors in evaluating its performance and the performance of its committees and members

Based on the proposal of the Board of Directors, the Nominations and Remuneration Committee established a mechanism for evaluating the performance of the Board, its members and its committees, through questionnaires with the aim of identifying strengths and weaknesses and addressing them.

16 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.

Article 3: Definitions

The following words and expressions shall have the meanings shown opposite 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, in order to enable it to perform its tasks effectively, in accordance with general procedures established by the Board, including 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 monitors it.
- Workshops:** Meeting of the members of the Board of Directors with the executive management and/or specialists from outside the Board to discuss one or more topics for the purpose of exchanging opinions, experiences, information and suggestions on them.
- Executive Member:** A member of the Board of Directors who works full-time in the executive management of the company and participates in its daily business.
- Non-Executive Member:** A member of the Board of Directors who is not dedicated to managing the company and does not participate in its daily business.
- Independent Member:** A non-executive board member who enjoys complete independence in his position and decisions, and none of the symptoms of independence stipulated in the Corporate Governance Regulations apply to him.
- Committee members from outside the Board:** Experts and specialists from outside the company.
- Bonuses:** 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, with the exception of the reasonable actual costs and expenses incurred by the company on behalf of a member of the Board of Directors for the purpose of performing his work.
- Meeting:** Any meeting of the members, including meetings of the Board of Directors, its committees and the General Assembly.

Article 4: Criteria for determining rewards

When determining rewards, the following criteria are taken into account:

- That the rewards be fair and commensurate with the member's competencies, works and responsibilities that he undertakes and assumes, in addition to the goals set by the Board of Directors to be achieved during the fiscal year.
- The rewards should be commensurate with the company's activity and the skill needed to manage it.
- Its consistency with the size, nature and degree of risks of the company.
- The remuneration should be reasonably sufficient to attract, motivate and retain board members with appropriate competence and experience.
- Taking into account the practices of other companies in the market in determining remuneration, while avoiding what may result from unjustified increase in remuneration and expenses allowance.
- Taking into account the sector in which the company operates and its size.
- To take into account the experience, skills and academic qualifications of the members of the Board of Directors.
- To promise to coordinate with the Nominations and Remunerations Committee on new appointments.
- The calculation and disbursement of rewards shall be in accordance with this policy.

Article 5: General rules and restrictions

1. A member of the Board of Directors and members of its committees may obtain compensation or a separate reward for any additional technical, administrative or consulting work provided to the company, provided that such consulting work is provided under a professional license. This remuneration is determined based on the recommendation of the Nominations and Remuneration Committee and the approval of the Board of Directors.
2. The remuneration of the members of the Board of Directors may vary in amount to reflect the member's experience, competencies, tasks entrusted to him, his independence, the number of sessions he attends and other considerations.
3. Members of the Board of Directors are not entitled to vote on the item of remuneration for members of the Board of Directors at the meeting of the General Assembly of Shareholders.
4. The total remuneration received by a member of the Board of Directors may not exceed the amount of (500,000) five hundred thousand Saudi riyals annually. With the exception of the remunerations he receives for his membership in the audit committee, as well as the remunerations referred to in Paragraph (1) above.

Article 6: Details of bonuses and expenses allowances

Here are the bonus details:

1. The company offers an annual bonus to the Chairman of the Board of Directors at a value of (350,000) riyals.
2. The company provides an annual bonus for each member of the Board of Directors at a value of (250,000) riyals.
3. The company provides an annual bonus for each member of the audit committee at a value of (125,000) riyals.
4. The company offers an annual bonus to a member - from outside the board - in other committees emanating from the board of directors at a value of (125,000) riyals.
5. A lump sum amount of (3,000) riyals shall be paid to the secretary for each meeting, except in the event that the secretary is an employee of the company.

Article 7: Eligibility, remuneration payment mechanism

1. The member is entitled to the remuneration from the date of the beginning of the session of the Council and the committees emanating from it, or from the date of issuance of the decision to join the member to the Council or the Committee until the end of those sessions, or from the date of issuance of the decision to approve the resignation or dismissal of the member.
2. Procedures for disbursing bonuses and expenses allowance are prepared by the Governance and Compliance Sector, provided that the disbursement order is approved by the Chief Executive Officer.
3. The annual remuneration for the members of the Board of Directors and its committees is paid on a quarterly basis.
4. The member's dues shall be disbursed without delay in the event of termination of his membership.
5. The mechanism for calculating the annual remuneration for the members of the Board of Directors and its committees in the event of their joining or ending their membership during the session is as follows:

(The value of the member's annual reward ÷ the number of days in the calendar year x the number of actual days) The actual number of days means the number of days of the membership period for which the remuneration is due.

Article 8: Cases of stopping or recovering remunerations and allowances

The reward is discontinued or refunded in the following cases:

1. If it appears to the company, the audit committee, or the commission that the remunerations paid to any of the members are based on incorrect or misleading information presented to the general assembly or included in the report of the board of directors, they must be returned to the company, and the company has the right to ask him to return them.
2. If the General Assembly decides to terminate the membership of the absent member of the Board of Directors due to his failure to attend three consecutive meetings of the Board without a legitimate excuse. The member is not entitled to bonuses for the period following the last meeting he attended, and he must return all bonuses paid to him for that period.

Article 9: Disclosure of Remunerations and Allowances

Details of remuneration for members of the Board of Directors and its committees shall be disclosed in the annual report of the Board of Directors, and any material deviation from this policy shall be indicated.

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 rewards granted to members.

17 Remuneration policy for executive management

The purpose:

This policy aims to reward senior executives for their performance and to recognize their efforts and contributions in achieving the company's objectives.

For the purpose of implementing the provisions of this policy, any remuneration granted to senior executives shall be included, whether in kind or cash, short or long term, regular or exceptional, fixed or variable.

Definitions

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

General Provisions

- The plans and programs for remuneration of senior executives shall be reviewed by Nomination and Remuneration Committee and approved by the Board of Directors.
- The Company discloses 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 Company's AoA and 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

- Size and nature of Company's business, its financial position, the sector in which it operates, and degree of risks it faces.
- 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 Board of Directors sends results of 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 payment of remuneration according to the approved mechanism.

Entry into force

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

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

18 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 2022

#	Member Name	Fixed Remuneration						Variable Remuneration						Grand total	Expense Allowance
		Specific Amount	Allowance for attending Board sessions	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	Total		
Independent members															
1	Ryan Al-Rasheed	73,973	6,000	0	0	0	79,973	0	0	0	0	0	0	79,973	0
2	Yasser Al-Qadi	224,452	9,000	0	0	0	233,452	0	0	0	0	0	0	233,452	3,700
3	Muhannad Al-Rasheed	224,452	12,000	0	0	0	236,452	0	0	0	0	0	0	236,452	0
4	Hesham Alzaid	150,480	3,000	0	0	0	153,480	0	0	0	0	0	0	153,480	0
5	Mazin Baghdadi	87,842	0	0	0	0	87,842	0	0	0	0	0	0	87,842	0
6	Saleh Al-Zumaie	87,842	0	0	0	0	87,842	0	0	0	0	0	0	87,842	0
Total		849,041	30,000	0	0	0	879,041	0	0	0	0	0	0	879,041	3,700
Non-Executive Members															
7	Saeed Al-Ghamdi	324,041	12,000	0	0	0	336,041	0	0	0	0	0	0	336,041	0
8	Thaleb Alshamrani	224,452	12,000	0	0	0	236,452	0	0	0	0	0	0	236,452	0
9	Abdul Raouf Manna*	137,808	9,000	0	0	0	146,808	0	0	0	0	0	0	146,808	1,200
10	Ahmed Al-Qasabi	224,452	12,000	0	0	0	236,452	0	0	0	0	0	0	236,452	0
11	Mohammed Abu Melha	224,452	12,000	0	0	0	236,452	0	0	0	0	0	0	236,452	0
12	Abdulaziz Al-Rajhi	224,452	9,000	0	0	0	233,452	0	0	0	0	0	0	233,452	0
Total		1,359,658	66,000	0	0	0	1,425,658	0	0	0	0	0	0	1,425,658	1,200

* Members whose membership ended in 2022

B. Remunerations and compensation due to members of Audit Committee during the year 2022

#	Member Name	Remunerations type		Total
		Fixed remuneration except for the session attendance (allowance)	Session attendance allowance	
1	Muhannad Al-Rasheed	112,226	21,000	133,226
2	Saad Hamlan	112,226	24,000	136,226
3	Adeeb Abanumi	112,226	24,000	136,226
Grand Total				405,678

c. Remunerations and compensation due to members of Nomination and Remuneration Committee during the year 2022 .

#	Member Name	Remunerations type		Total
		Fixed remuneration (except for the session attendance allowance)	Session attendance allowance	
1	Yasser Al-Qadi	49,041	6,000	55,041
2	Abdulaziz Al-Rajhi	49,041	3,000	52,041
3	*Ryan Al-Rasheed	36,986	6,000	42,986
4	Saeed Al-Ghamdi	7,945	0	7,945
Grand total				158,013

* Members whose membership expired during 2022 .

D. Remunerations and compensations due to five senior executives, including the Chief Executive Officer and the Chief Financial Officer, during the year 2022

Fixed Remuneration				Variable Remuneration						End of Service Indemnity	Total Executives Remuneration for the Board	Grand Total
Salaries	Allowances	In-kind benefits	Total	Periodic Remunerations	Profits	Short-term incentive plans	Long-term incentive plans	Shares Awarded	Total			
6,001,305	1,812,457	0	7,813,762	0	0	0	0	0	0	110,500	NA	7,924,262

It includes the remuneration of the former head of the financial sector for the period from 01/01/2022 AD to 03/07/2022 .

E. Annual bonuses due to senior executives for the year 2021 AD, which were approved and disbursed in 2022

Annual Remuneration	
Total Remuneration	6,250,821

19 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 continuously by the internal audit sector by following a systematic and organized approach based on risks to ensure the efficiency of the control procedures in reducing the risks that the company may face and providing the necessary recommendations for improvement in order to enhance and protect the value of the company and help it reach its goals. The Audit Committee and the Board of Directors receive periodic reports on the results of the audit, which are discussed with the executive management and follow-up on correcting the observations contained therein. Despite exerting the necessary professional care to the maximum reasonable extent, it is not possible to absolutely confirm 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.

The audit work during the year showed a number of important observations that were submitted to the executive management, the audit committee and the board of directors. The executive management developed procedures to address them. Despite the efforts made by the company's management, the audit committee believes that the company's internal control system still needs necessary improvements to ensure The association of the company's internal procedures with its strategic objectives and its efficiency in reducing risks that may prevent them from being achieved. In light of the structural changes that the company went through during the year, the Board of Directors of the company, on June 3, 2022, suspended the work of the Board of Directors' decision issued on January 25, 2022, which includes assigning the tasks of overseeing risk management to the Audit Committee and approving the naming of the committee as the "Audit and Risk Committee." The Board of Directors decided The company's management approved the executive management's recommendation to amend the risk management reference to be directly linked - functionally and administratively - to the company's CEO.

20 A statement of the dates of the general assemblies of shareholders held during the year 2022 and the names Board Members attending these assemblies

The Board of Directors held (2) meetings during 2022, as follows:

1st Meeting the Extra-ordinary General Assembly meeting No. (12) was held on Jun 29, 2022, AD, and the meeting was attended by the following Board members:

- Mr. Saeed Mohammed Al-Ghamdi - Chairman of Board of Directors
- Mr. Thalib Ali Al-Shamrani - Vice Chairman of Board of Directors
- Mr. Muhannad Saud Al-Rasheed - Chairman of Audit Committee
- Mr. Yasser Abdel Aziz Al-Qadi - Chairman of Nominations and Remunerations Committee
- Dr. Abdel-Raouf Mohammed Manna
- Dr. Ahmed Othman Al-Qasabi
- Mr. Hisham Abdel-Aziz Al-Zaid
- Mr. Muhammad Sultan Abu Melha
- Mr. Abdul-Aziz Suleiman Al-Rajhi was unable to attend the meeting.

2nd Meeting: The Extra-ordinary General Assembly meeting No. (13) was held on Aug 25, 2022, AD, and the meeting was attended by the following Board members:

- Mr. Saeed Mohammed Al-Ghamdi (Chairman of Board of Directors)
- Mr. Thalib Ali Al-Shamrani (Vice Chairman)
- Mr. Muhannad Saud Al-Rasheed - Chairman of Audit Committee
- Mr. Yasser Abdel Aziz Al-Qadi - Chairman of Nominations and Remunerations Committee
- Dr. Abdel-Raouf Mohammed Manna
- Dr. Ahmed Othman Al-Qasabi
- Mr. Hisham Abdel-Aziz Al-Zaid
- Mr. Abdul-Aziz Suleiman Al-Rajhi
- Eng. Muhammad Sultan Abu Melha

21 Audit Committee's recommendations that Board of Directors (conflict or refused to approve), regarding appointment and dismissal of Company's auditor, determining his fees, evaluating his performance, or appointing the internal auditor, justifications for those recommendations, and reasons for not considering them.

Audit Committee's recommendation	Board resolution in this regard
Payment of additional fees to the auditor, Ernst & Young, in the amount of 1,157,739 riyals, in exchange for additional work hours carried out by the company during the audit work.	Refusal to pay additional fees to the auditor, Ernst & Young, because the works and meetings described in the auditor's letter are part of the work required to enable him to complete the examinations of the financial statements

22 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 Company's board of directors, its senior executives, or any person related to any of them.

#	Contracting Parties	Type of deal/nature of business or contract	Terms of contract	Type of relationship / name of member or senior executives or any person related to any of them
1	Alinma Makkah Real Estate Fund	Settlement of all rights and obligations related to the fund through the company's issuance of (225,134,162) new shares in the company for the benefit of the fund's unit holders) by increasing the company's capital from (9,294,000,000) Saudi riyals to (11,545,341,620) Saudi riyals	Nothing Preferential terms	<ul style="list-style-type: none"> ▪ Abdul Raouf Manna in his capacity as Vice Chairman of the Board of Directors of Sulaiman Al-Rajhi Holding Company, a shareholder in the company and owns units in the fund ▪ Ahmed Al-Qasabi in his capacity as a direct unit owner in the Fund ▪ Hisham Al-Zaid in his capacity as a representative of the General Endowment Authority, which owns shares in the company and units in the fund ▪ Abdulaziz Al-Rajhi, in his capacity as a board member and a senior executive in Sulaiman Al-Rajhi Holding Company, is a shareholder in the company and owns units in the fund. ▪ Muhannad Al-Rasheed in his capacity as a direct unit owner in the Fund ▪ Muhammad Abu Melha, in his capacity as a representative of the General Organization for Social Insurance, in the company and units in the fund

23 Information related to any business that competes with the company or any of the branches of the activity it is engaged in and which it is or was engaged in by any member of the Board of Directors, so that it includes the names of those involved in the competing business and the nature and conditions of this business

#	Board Member Name	Company Name
1	Ahmed Al-Qasabi	He is a member of a competing company, Thakher Investment and Real Estate Development Company, which carries out an activity similar to that of Jabal Omar Development Company, noting that there are no conditions for the member's participation in the aforementioned membership.
2	Abdulaziz Al-Rajhi	He is a member of the Board of Directors of Suleiman bin Abdulaziz Al-Rajhi Real Estate Investments Company, which carries out an activity similar to that of Jabal Omar Development Company, noting that there are no conditions for the member's participation in the aforementioned membership.

24 The Board of Directors Member Decisions

The Board of Directors acknowledges the following:

- The account records were prepared correctly, taking into account what was stated in the report of the independent auditor included in the audited financial statements for the year 2022 .
- The internal control system has been prepared on sound foundations and is undergoing improvements for its effective implementation
- That there is no significant doubt about the company's ability to continue its activities.
- There are no arrangements or agreements under which a member of the Board of Directors of the company, or a senior executive, waived any salary or compensation.
- There are no arrangements or agreements under which a shareholder of the company waives any rights to profits.
- There are no transferable debt instruments, any contractual securities, subscription right notes or similar rights issued or granted by the company during the fiscal year.
- There are no transfer or subscription rights under transferable debt instruments, contractual securities, subscription right notes, or similar rights issued or granted by the company.
- There is no refund, purchase or cancellation by the company of any redeemable debt instruments.
- There is no interest in the class of shares with voting entitlement belonging to persons (other than members of the company's board of directors and senior executives and their relatives) who informed the company of these rights.
- The company has not made any investments or allocated other reserves created for the benefit of the company's employees.
- There are no treasury shares held by the company.
- The Board of Directors did not recommend changing the auditor before the end of the period for which he was appointed.
- There are no shares and debt instruments issued by subsidiaries.

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

The differences were clarified in the report of the external auditor attached to the annual financial statements for the year 2022.

26 Modification, Qualification or Emphasis of a Matter as Stated within the External Auditor Opinion on the annual financial statements

As of 31 December 2022, the Group's total assets include Property, Plant and Equipment and Investment Property (collectively referred to as the 'Properties') amounting to SR 20,202 million and SR 5,048 million respectively (31 December 2021: SR 19,370 million and SR 5,024 million respectively). Due to the existence of impairment indicators, an impairment exercise was performed to compare the carrying amounts of these Properties with their corresponding recoverable amounts (being the higher of fair value or value in use) as at 31 December 2022. Pursuant to our audit procedures carried out in respect of management's determination of recoverable amounts, which included detailed assessment of the valuation methodology and approach used by the valuation experts engaged by management, certain significant assumptions and judgments (such as in relation to the growth rate used with respect to the disposal cashflows) used by management in the determination of recoverable amounts of certain properties, were not found to be reasonable and appropriate in the context of the nature, type and location of these properties.

Had management used reasonable and appropriate assumptions, the recoverable amounts of these properties as at 31 December 2022 would have been estimated to be lower than their corresponding carrying values by approximately SR 0.7 billion and accordingly, as of that date, the carrying amounts of Properties and the total equity of the Group would have been lower by the same amount. The foregoing assessment of recoverable amounts includes various elements such as consideration of highest and best use from market participant perspective as well as the use of appropriate assumptions and application of judgment by the management which represents an estimate at a point in time and is highly sensitive to the matters further explained in note 5, such as the reasonableness of highest and best use scenarios, identification of comparable transactions and adjustments thereto, as well the developments disclosed in note 2.4. Therefore, such foregoing matters, judgments, assumptions and developments, or changes thereto, may have a material impact on the estimated recoverable amounts.

A similar impairment exercise was also performed in prior periods and as described in the other matter paragraph, the opinion expressed by the predecessor auditor on the financial statements of the Group for the year ended 31 December 2021 and conclusions expressed on the financial statements of the Group for the periods ended 31 March 2022 and 30 June 2022 were qualified opinion / conclusion since the predecessor auditor assessed the valuation approach to be inappropriate and certain significant assumptions to be not reasonable. Our report for the current year is also qualified due to the effects of these matters on the comparability of the current year's figures and the corresponding figures as well as their impact on the current year amounts included in the consolidated financial statements as at and for the year ended 31 December 2022.

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 mentioned in Corporate Governance Regulations issued by CMA, with the exception of the provisions listed below:

#	Article No.	Article/ paragraph requirements	Reasons for non-application
1	A .22.1	Developing, reviewing and directing risk management policies and procedures.	The Risk Department is currently working on preparing and approving the general risk framework. Accordingly, risk policies and procedures will be prepared
2	37	Establishing the necessary mechanisms for each of the members of the Board of Directors and the executive management to obtain training programs and courses on an ongoing basis; In order to develop their skills and knowledge in areas related to the company's activities	Work is currently underway to develop a training plan for the executive management and members of the Board of Directors, as a guiding material
3	D – 39	Evaluation by a competent external body of the Board's performance every three years	Board's performance shall be evaluated internally, and requirements of this guiding article will be implemented in the future
4	67+68+69	Formation of a Risk Committee affiliated to the Board of Directors. Its chairman and majority of its members are non-executive Board members, and it is required that its members have an appropriate level of knowledge of risk management and financial affairs.	Guidance material and will be used in the future
5	73-1	The employees of the Internal Audit Department shall have competence, independence and appropriate training	guidance material. Noting that the employees of the Internal Audit Department have the necessary competence and independence, and the training requirements will be adhered to in the future
6	73-4	To enable the Internal Audit Department to view and obtain information, documents and papers without restriction	Guidance material. Note that some departments place restrictions on audit work and do not allow direct access to information except after escalation to the CEO and the Audit Committee
7	74	The Internal Audit Department operates according to a comprehensive audit plan approved by the Audit Committee, and this plan is updated annually. The main activities and processes, including risk management and compliance activities, must be reviewed at least annually	Guidance material. Note that the risk management has not been reviewed due to the newness of the management and it is still in the stage of preparing the risk management framework and policies and having it approved by the Board of Directors.
8	A – 75	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. This report must include an evaluation of the internal control system in the company and the conclusions and recommendations of the management, and a statement of the actions taken by each department regarding handling the results and recommendations of the previous review and any observations thereon, especially in the event of not being addressed in a timely manner and the reasons for that.	Guidance material and will be used in the future
9	C – 75	The Board of Directors determines the scope of the Internal Audit Department's report based on the recommendation of the Audit Committee or the Internal Audit Department, provided that the report includes, in particular, the following: <ul style="list-style-type: none"> Procedures for controlling and supervising financial affairs, investments and risk management Evaluate the evolution of risk factors in the company and existing systems; To face drastic or unexpected changes in the financial market Evaluation of the performance of the Board of Directors and senior management in implementing the internal control system, including determining the number of times the Board was notified of control issues (including risk management) and the manner in which these issues were dealt with Failures in the application of internal controls or weaknesses in their application or emergency situations that affected or may affect the financial performance of the company, and the procedure that the company followed in addressing this failure (especially the problems disclosed in the annual reports of the company and its financial statements) The company's compliance with internal control systems when identifying and managing risks Information describing the company's risk management processes 	The performance of the Board of Directors is not evaluated by the Internal Audit Department in applying the internal control system, including determining the number of times the Board was notified of control issues (including risk management) and the manner in which it dealt with these issues. Being a guide
10	82	Establishing programs for granting employees shares in the company or a share of the profits it achieves, and retirement programs, and establishing an independent fund to spend on these programs. And the establishment of social institutions for the employees of the company.	Guidance material and will be used in the future
11	84	Developing a policy that ensures the establishment of a balance between the objectives of the company and the objectives that the community aspires to achieve, in order to develop the social and economic conditions of the community, and to be approved by the association.	Guidance material and will be used in the future
12	85	The Board of Directors sets the programs and determines the means necessary to launch the company's initiatives in the field of social work.	Guidance material and will be used in the future
13	92	Forming the governance committee	Guidance material and will be used in the future

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

Statement	2022		Brief description	Statement of reasons
	Paid	Payable until the end of the annual financial period and repayment has not been made		
Zakat	16,709,966.59	285,000,000	<ul style="list-style-type: none"> Payment of Zakat dues for the years 1427 to 1430 Dues that were not paid until the end of 2022, and they relate to the years from 1438 to 2021 AD. 	0
Zakat	20,892,398	0	<ul style="list-style-type: none"> A guarantee for the Authority against the bonds for the years 2019 and 2020 	0
Taxes	100,990,157	0	0	0
GOSI	4,215,712	0	0	0
Costs of visas and passports	485,580	0	0	0
Labor office fees	523,406	0	0	0

(All figures 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 violation	Reasons for violation	Enforcement Entity	Ways to remedy the violation and avoid its occurrence in the future
1	20,000	Employing non-Saudi workers in occupations or activities restricted to Saudis	An inspector of the Ministry of Labor visited Jabal Omar site in Makkah without informing the HR Department after the visit or during the visit	The profession has been corrected
2	6,490	Delayed payment of the insurance bill for the Jeddah and Makkah branches	GOSI	Develop the necessary procedures for paying fees in a timely manner to avoid imposing fines in the future
3	430	Customs clearance delay fine	Zakat, Tax, and Customs Authority	Develop the necessary procedures for paying fees in a timely manner to avoid imposing fines in the future
4	10,000	A fine on one of Souk Al Khalil shops	Civil Defense	Adhere to the requirements of the civil defense in the shops



JODC is a Saudi joint stock company established pursuant to Royal Decree No. M/63 dated 25/09/1427 A.H. corresponding to 18/10/2006.

JODC has a capital of SAR 11,545,341,620.

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