



سيرا
SEERA

Annual Report 2021



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Social responsibility

Company overview

Seera is the leading provider of diverse travel services in the Middle East and North Africa region. With its balanced portfolio of brands across five verticals, Seera is regarded as the most knowledgeable and accomplished travel service provider from KSA.

The Group is a significant contributor to the growth of the domestic, inbound and outbound tourism economies of the Kingdom of Saudi Arabia and a best-in-class business partner in unlocking the opportunities in the region.

Our vision

To continue leading in the field of travel and tourism services through a robust portfolio of trusted, reputable brands and to provide outstanding service that unfailingly exceeds our customers' expectations.

Chairman's Message



Continuing on our journey of transformation, in December 2021, we announced the integration of all travel related verticals under Almosafer, thereby creating the region's largest travel business.

Introduction

In 2021, the travel industry in the MENA region and beyond saw initial signs of rebound from the COVID-19 pandemic. As travel restrictions were eased and vaccination drives successfully implemented in key source and destination markets, Seera Group worked tirelessly with partners, suppliers and key Government stakeholders to facilitate resumption of travel, whilst emerging stronger as an organization from the crisis.

As a Group, Seera ventured into 2021 with a new set of business priorities, aimed at enabling business growth and a smooth recovery from peak pandemic times, across our portfolio of business units. Through effective deployment of capital, we ensured disciplined resource allocation of finances, talent and time. Through more streamlined processes and systems we created an environment of efficient scalability that has set the organization up to further scale at high performance. We also pursued innovative opportunities adjacent to current businesses that leverage existing assets to drive maximum value and furthermore recalibrated the overall employee experience at Seera to promote retention in a thriving people and culture environment.

Continuing on our journey of transformation, in December 2021, we announced the integration of all travel related verticals under Almosafer, thereby creating the region's largest travel business. Our flagship travel brand will now deliver the full suite of travel products and services for corporate & government (Almosafer Business), consumer & VIP travel (Almosafer Concierge), whilst the integration of the different business units will strengthen Seera Group's operational efficiencies and financial performance.

In April 2021, we also saw Abdullah Aldawood, Board Member and former CEO of Seera Group hand over the reins to our esteemed leader Majed Alnefaie, who has been a board member at Seera for the past eight years. Through his vast experience in the industry, knowledge, and expertise, Majed has ensured a smooth transition for all senior leaders at Seera as well as for overall operations.

Through agility, adaptability and powered by the Kingdom's Vision 2030 agenda, Seera Group will continue to be a leading contributor to the ongoing transformation and evolution of the sector and instrumental in achieving the tourism goals our beloved nation has set out to accomplish.

Financial & business performance

Our Group-wide Gross Book Value (GBV) significantly grew from SAR 3.7 billion in 2020 to SAR 4.8 billion in 2021. A clear sign of travel resumption across business, consumer and B2B travel.

The ever-increasing interest in inbound tourism, coupled with a multitude of large-scale events such as Riyadh Season in Saudi Arabia and EXPO 2020 in Dubai have contributed to increased traffic within the region. Capitalizing on the popularity of regional and domestic travel in 2021, our Consumer Travel vertical under Almosafer saw growth of 63% with SAR 1.8 billion in GBV compared to 2020.

One of our core focus areas for 2021 was to continue on the positive trajectory of 2020 for our car rental unit. With the launch of a state-of-the-art mobile app and large-scale leasing contracts secured, our car rental (Lumi) unit's sales have grown 20%, positioning the brand as one of the most innovative and digitally-advanced players in the market.

In a continuous effort to provide our stakeholders, customers and partners with enhanced services and products, we have pursued other digital opportunities in 2021, including the launch of a B2C marketplace for alternative accommodation under Almosafer Chalets+, catering to Saudi consumers looking to book Chalets, Istirahas and more for leisure in the Kingdom. Other projects included the enhancement of our B2B travel management portal Corporate & Government, as well as agent portals for Hajj & Umrah travel under Mawasim and inbound tourism under Discover Saudi.

Strategic partnerships, Joint Ventures and investments launched in 2021 furthermore helped us manifest Seera Group as the leading travel & tourism service provider in the region. Partnering with travel and leisure booking platform Klook (the worldwide leading OTA for activities, backed by the SoftBank Vision Fund) to support the digital transformation and growth of Saudi Arabia's tourism sector will see the creation of a one-stop digital platform with end-to-end content and inventory management solutions for suppliers and tour operators in the Kingdom. An agreement with the Tourism Development Fund will bring the Raghadan Tourist Resort to life, the first sustainable tourism project in the Al Baha region – one of the main investment destinations identified under Saudi Arabia's National Tourism Strategy. And investments into the hotel infrastructure across Saudi Arabia will also see the development of multiple properties with our partners, Kaden Investment.

Leadership & vision

We are ever grateful for our wise leadership embodied in the honorable Custodian of the Two Holy Mosques and His Royal Highness the Crown Prince, as we consider their visionary guidance and achievements for Saudi Arabia fundamentally important for our journey.

On behalf of the Seera board of Directors, I would like to express my deepest gratitude to our Executive Management team and every single employee for their commitment and dedication in 2021, as we all worked together to emerge stronger from what was, without a doubt, an unprecedented crisis for our industry.

I would also like to thank our esteemed shareholders and strategic partners for their continuous support in 2021 and beyond.

Mohammed Bin Saleh Al Khalil
Chairman

CEO's Message



With a whole new set of business priorities guiding us through the year, we have managed to streamline operations with a sharp focus on efficient deployment of capital, resources and talent.

2021 was a year marked by extremes as we went from a first quarter of stringent travel restrictions to the Kingdom and the World opening up gradually over the course of the year. The travel and tourism industry has seen highs and lows in 2021, and we as a group, were agile enough to adapt to every fluctuation we faced.

I was fortunate to step in as a CEO in a transformational time and it was an honor to lead the Group in what has proven to be a time of recalibration. With a whole new set of business priorities guiding us through the year, we have managed to streamline operations with a sharp focus on efficient deployment of capital, resources and talent. This has set us up for recovery across the board, and we have seen positive signs of recovery in many areas of our business. The COVID-19 pandemic may not be over and its further development unknown, but with vaccine drives successfully implemented in a multitude of countries, and governments & authorities working closely with the industry to safeguard populations and the economy, we are confident that 2022 will see strongly positive trends for travel and tourism.

Financial performance

We have seen financial growth across the vast majority of our portfolio verticals, a positive uplift from 2020 which was accelerated by travel and tourism resumption in Saudi Arabia and beyond, predominantly during the last three quarters of 2021. Our Travel Business (Almosafer), which caters to Corporate & Government, Consumer and VIP Travel, as well as our Car Rental unit (Lumi) have both witnessed 40% and 20% growth respectively in GBV, compared to 2020 as travel resumed in volumes comparable, and at times exceeding 2019 pre-pandemic levels, domestically and outbound, as well as initial signs of growth for inbound.

Our destination management company (Discover Saudi) recorded a GBV of SAR 71 million, as the destination management company established itself as a major MICE player in Saudi Arabia and provided transport and accommodation services to large-scale events such as the 2021 Dakar Rally in KSA. The DMC also further continued to promote Saudi Arabia as a tourism destination globally.

Gross Book Value (GBV) significantly grew to SAR 4.8 billion in 2021

Travel Services

3.4 SAR billion

Car Rental

507 SAR million

Hajj & Umrah (Mawasim) was the business unit most impacted by the pandemic in 2021, as ongoing stringent restrictions on religious tourism from domestic and inbound sources resulted in a 75% decline of GBV compared to 2020.

Overall however, 2021 was a year of incremental growth, as Seera saw its Group-Wide GBV rise from 3.7 billion to 4.8 billion in 2021 whilst we focused efforts on mitigating financial risks and operating on a more cost-effective level in terms of expenses, resources and time. In 2022, we are planning to continue on this positive trajectory by further capitalizing on the tourism opportunities in the region.

Business performance Travel

CT SAR 1.8bn (was 1bn 2020)
With reopening of borders, our consumer travel business has experienced steady recovery throughout the year, growing from SAR 1bn in 2020 to SAR 1.8bn by end of 2021, and capturing 80% of the Saudi OTA market as we absorbed gaps left by competitors.

As part of our efforts to streamline operations for scalability and performance we have merged our consumer travel and business travel businesses under one unit at the end of 2021, to realize efficiencies and leverage the strength of the Almosafer brand equity & platform. With this unifying all travels brands under 'Almosafer', i.e. what was previously 'tajawal' our OTA brand catering to the UAE market, will now be 'Almosafer'; and what was formerly, 'elaa' will now be 'Almosafer Business'. We are confident that this change will help us serve both our consumer and corporate clients more holistically on their journeys.

On Consumer Travel side, we worked to monetize our current customer base by introducing new products and services. With the growth of domestic travel and the strong appetite Saudi consumers have for stays in non-traditional alternative accommodations, Almosafer introduced Chalets+, a digital marketplace for alternative accommodation, giving consumers access to 1000+ chalets, farms and villas for gatherings, staycations and weekend getaways across KSA. The new product was developed alongside a dedicated application for Hosts to upload 3D virtual tours of their properties and manage their bookings & rates. Moreover, we leveraged our advisory and destination expertise to launch a Concierge Travel business (Almosafer Concierge) catering to high net worth individuals seeking personalized luxury travel experiences with exclusive benefits.

In 2021, we also continued to bear the fruits of our investment in an omnichannel strategy. Besides the higher value and differentiated offerings available via our advisor-driven channels, our channel capabilities and operational scale have enabled Almosafer to partner with key airlines to provide quarantine packages for unvaccinated travelers returning to the Kingdom when borders reopened in May 2021. We established relationships with quarantine-approved hotels, PCR test centers and transfer providers in addition to coordinating with airline airport operations to cross check passenger manifests and ensure service delivery by providers. By the end of 2021, we had facilitated quarantine services for over 50,000 passengers returning to the Kingdom.

Almosafer Academy continues to lead in the Saudi market as one of the best training providers in the Tourism Sector, and in February 2021, we signed a partnership agreement with Princess Noura Bint Abdulrahman University to provide training courses to students in their Travel and Tourism Management program.

C&G SAR 1.6bn (was 1.3bn 2020)

Our corporate & government business is growing at a stable rate of 22% from SAR 1.3bn in 2020 to SAR 1.6bn in 2021. We continue to retain some of the largest and most prestigious clients in the government and semi-government sectors, while pushing adoption of the advanced travel management solution launched in 2020, and shifting transactions to a self-service portal for a smoother and cost-effective booking experience.

Whilst focusing on reducing costs and operational complexity, Almosafer Business is equipped to provide higher-value services to our clients such as charter flights and group bookings.

Under our General Sales Agreement vertical, we have signed a holistic GSA agreement in 2021 to manage Philippine Airlines Sales, onground and marketing activities, whilst providing the airline with a platform to further amplify their stand in the region through Seera's travel verticals.

Destination management

SAR 71mn (was 80mn 2020)

The establishment of our destination management business 'Discover Saudi' in 2019 was prompted by KSA's ambitious aspirations for tourism and its ongoing investments & reforms in the tourism & entertainment sectors. With KSA reopening its borders to tourists and the easing of precautionary measures in 2021, our Destination Management Company (DMC) was able to achieve sales of SAR 71mn, through four levers: promoting and selling individual and group tours to KSA through partnerships with agents in source markets across the world, electronically distributing Saudi travel content via APIs to regional and global travel partners, delivering end-to-end travel logistics for large scale events & programs in the Kingdom and operating tourism assets.

In collaboration with the Saudi Tourism Authority, we leveraged our destination expertise to deliver 12 tailored fam trips for inbound travellers from around the world. Moreover, to scale our distribution capabilities, Discover Saudi launched its online distribution platform in 2021, acting as a Saudi content intermediary for flights and hotels via API integrations with travel partners. We have integrated with multiple bed banks and other OTAs, indirectly providing global consumers access to all that KSA has to offer.

Additionally, we continued to support large-scale tourism events in KSA including the prestigious Future Investment Initiative (FII), Extreme E, and Dakar Rally. We leveraged Seera's digital expertise to build an end-to-end online platform for FII delegates to book their flights, hotels and transfers on arrival to the Kingdom. We also provided the UNWTO (United Nations World Tourism Organization) with tours for their guests around Riyadh and worked with luxury hotels in Riyadh to provide tours for their guests.

Further supporting the Kingdom's efforts to build tourism & entertainment infrastructure, we operate the Riyadh Front Exhibition and Conference Center (RFEC), the largest hub in KSA for conferences and exhibitions, with an area of over 200,000 square meters that can accommodate more than 30,000 visitors. RFEC hosted major events in 2021 including the Riyadh International Book Fair, Riyadh Season (organized by the General Entertainment Authority) and other events including the The Hotel Show, Dates Festival, Horse Show & Perfume Exhibit.

Hajj & Umrah

SAR 4mn (was 14mn 2020)

Due to the closure of Hajj & Umrah and government-imposed travel bans for the majority of 2021, GBV has remained depressed relative to last year, achieving SAR 4mn in 2021 compared to SAR 14mn in 2020.

Despite the slow recovery in the religious travel market, we continue to develop our booking platform post integration with the Ministry of Hajj & Umrah's Maqam global distribution system and onboard umrah agents globally on our Mawasim portal to access flights, hotels, transportation and visa services to incoming pilgrims.

We ensured that our Mawasim B2B portal was equipped to handle all queries and bookings for markets that can perform Umrah with a tourist visa and all our direct sourced content (dynamic and static) along with transportation was loaded to the portal.

We also provided on-ground support and meet and greet services through traveler journeys and collaborated with our DMC (Discover Saudi) to create packages for Umrah Plus, in an effort to encourage pilgrims to explore other destinations within KSA during their trip.

To further showcase Mawasim's expertise in the religious tourism field, we participated at the prestigious Umrah+ Connect B2B event that brings together world-class industry experts and agents from all over the globe in London.

Car rental

SAR 507mn (was 423mn 2020)

Our Car Rental business, Lumi, continued on its strong growth trajectory achieving revenue of SAR 507mn in 2021, a growth of 20% relative to SAR 423mn in 2020.

Lumi's performance is powered by a steady pipeline of long-term leasing agreements with corporate & government clients, enabling us to lock in future revenue and asset growth, having secured various contract value in the upcoming years. Benefitting from the government sector's preference to lease vehicles rather than procure and maintain them independently, Lumi has seen continuous success in its leasing vertical.

We have also scaled our B2C car rental business with the launch of a new rental application to streamline the customer experience and provide an integrated online to in-store journey. By leveraging Seera's digital expertise, a superior app experience was developed that cut down pick-up time at our airport and retail branches from 15 minutes to less than 5 minutes. Additionally, we digitally distribute rental offerings through online aggregators including Seera's own travel businesses. We have also pursued opportunities to diversify our rental offerings by launching Harley Davidson bike rental line in 2021, to cater to burgeoning interest in alternative domestic transportation and growing number of bike aficionados in the Kingdom.

As part of our efforts to streamline operations for scalability and performance we have merged our consumer travel and business travel businesses under one unit at the end of 2021, to realize efficiencies and leverage the strength of the Almosafer brand equity & platform. With this unifying all travels brands under 'Almosafer'.

As our vehicles reach the aging milestone of two years, we have kept steady disposal of our cars to maintain a healthy balance sheet and keep our fleet young and competitive. In 2021, we sold approximately 2000 vehicles, with a healthy price recovery of 40%.

Due to the pandemic, the car rental industry faced a major challenge of micro-chip shortage globally, however Lumi was able to mitigate the risk and was able to procure 6,500+ vehicles, a doubled fleet addition compared to 2020, due to our strategic relationship with our vehicle suppliers. This helped us to ensure timely delivery of vehicles for our corporate customers and maintain a young fleet age of average 18 months.

Lumi, through its alliance with Naghi, was also able to procure 400+ luxury vehicles, so our B2C customers can enjoy a luxury experience at affordable rates, which were not offered in the market before.

Hospitality

SAR 41mn (was 54mn 2020)

Our Hospitality portfolio currently comprises eight hotels, including Sheraton Jabal Al Kaaba (Makkah) and Mövenpick City Star (Jeddah), three unbranded properties in Makkah, and three new hotels across Riyadh and Jeddah. Our new properties are developed and operated by Seera (CHME) as the master developer of CHOICE Hotels International under Clarion and Comfort brands. As the majority of our properties are pilgrim-focused, and travel restrictions persisted in Makkah until November 2021, occupancy rates were severely impacted in 2021, achieving a revenue of SAR 41mn relative to SAR 54mn in 2020.

CHME, a fully owned Seera company, continues to expand the group's hospitality footprint nation-wide in tandem with the Kingdom's efforts to promote tourism, primarily in the mid-market and upper mid-market segments. The recently signed Clarion Al Baha Resort in cooperation with the Tourism Development Fund (TDF), MOMRAH and AMANA Al Baha, is a unique landmark project currently under development. We have also recently signed a joint venture agreement with the AlUla Development Company (UDC) to develop a Clarion hotel to cater to the business needs of AlUla, which is fast becoming a major tourism destination, and is home to Hegra, the first UNESCO World Heritage Site in Saudi Arabia. CHME currently has a healthy pipeline of hotels focused on tier-two cities in the Kingdom that present a substantial opportunity to the hospitality sector.

Corporate ventures*

We continue to consolidate all non-strategic subsidiary companies and businesses under the umbrella of the Corporate Ventures unit to achieve maximum gain from them in terms of value and revenue. We pursue certain strategies based on the nature of the investment including immediate exit from an investment or increasing the short-term to middle-term value for a future exit with higher returns.

One of our largest investments is in Portman Travel Group Ltd. which is currently one of the leading specialized travel groups based in the UK and Europe, across three divisions: luxury leisure travel (Elegant Resorts), sports DMC (Destination Sport) and corporate travel (Clarity). We manage Portman under the second investment strategy, by pursuing organic growth in addition to the acquisition of specialists in the travel sector and integrating them under the Portman umbrella, to build value and critical buying power, for a profitable future exit. In the short-term, we also leverage Portman as a partner to drive inbound luxury and sports travel from key source markets in which Portman operates, i.e. UK and Europe.

Seera Group furthermore successfully led a SAR 28 Million Series A funding round of financing for Siwar, a Saudi-based food-tech startup, including participation by other prominent strategic investors. Siwar was launched in 2020 to meet the growing and untapped needs of a new generation of consumers within the F&B market, with a focus on the 'ready to eat food' segment.

Majed Bin Ayed Alnefaie
Chief Executive Officer

Board of Directors



Engineer Mohammed Bin Saleh Al Khalil
Chairman



Ahmed Samer Bin Mohammed Hamdi Al-Zaim
Vice Chairman



Majed Bin Ayed Alnefaie
Board Member
Group Chief Executive Officer



Abdullah Bin Nasser Al Dawood
Board Member
Managing Director



Mazen Bin Ahmed Al Jubeir
Board Member



Yazeed Khalid Al Muhaizaa
Board Member



Ibrahim Bin Abdulaziz Alrashed
Board Member

Executive management



Majed Bin Ayed Alnefaie
Board Member
Group Chief Executive Officer



Muhammad Khalid
Group Chief Financial Officer



Muzzammil Ahussain
Executive Vice President
Travel



Tarique Khatri
Executive Vice President
Center Of Excellence



Redmond Walsh
Executive Vice President
Portman Travel Group



Syed Mohammed Azfar Shakeel
Vice President
Car Rental



Louise Blake
Vice President
Data Center



Alwaleed Bin Abdulaziz Al Nasser
Vice President
Legal Affairs



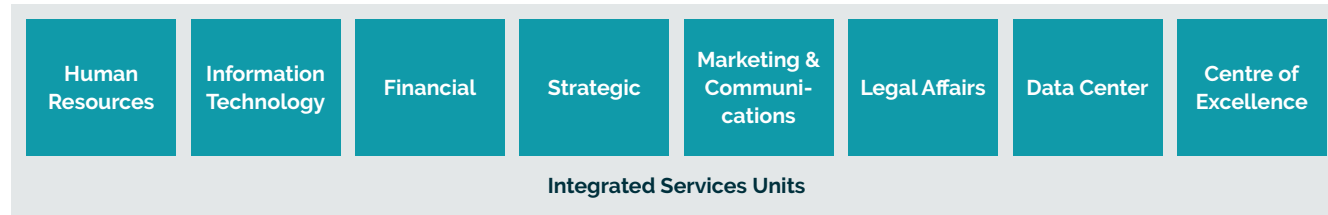
Moataz Mohammed Safwat
Senior Director
Internal Audit



Shuja Zaidi
Vice President
Hospitality

Organizational structure and Core Brands

Central units provide a unified platform for resource management, commercial contracts, data, technical solutions and support services that serve all strategic business units



A diverse portfolio of business units geared towards providing specialized services to different customer sectors

Core Brands



Section 01

Historical growth, Financial performance and Group subsidiaries

Historical Growth

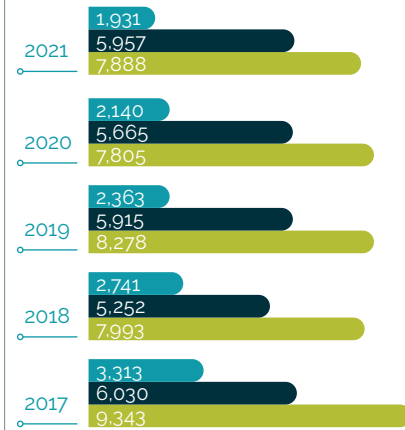
Historical growth of key financial indicators over 5 years

Assets (SAR million)	2021	2020	2019	2018	2017
Current assets	1,931	2,140	2,363	2,741	3,313
Non-current assets	5,957	5,665	5,915	5,252	6,030
Total assets	7,888	7,805	8,278	7,993	9,343

Liabilities (SAR million)	2021	2020	2019	2018	2017
Current liabilities	1,962	1,367	1,776	1,763	2,369
Non-current liabilities	452	561	658	595	983
Total liabilities	2,414	1,928	2,434	2,358	3,352

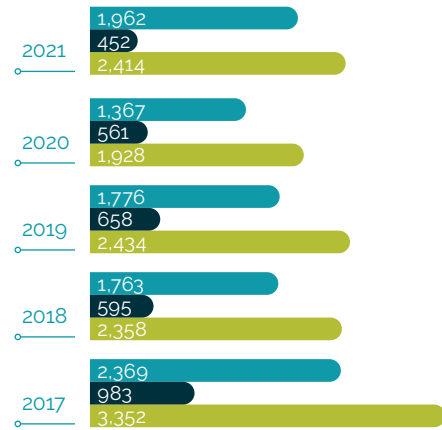
Assets (SAR million)

- Current assets
- Non-current assets
- Total assets



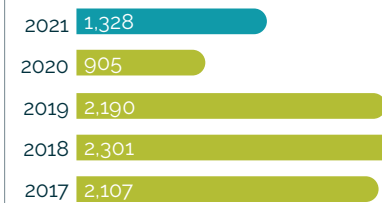
Liabilities (SAR million)

- Current liabilities
- Non-current liabilities
- Total liabilities

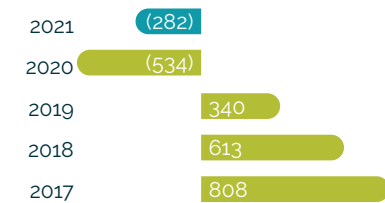


	2021	2020	2019	2018	2017
Revenues (SAR million)	1,328	905	2,190	2,301	2,107
Operating (loss)/ profit (SAR million)	(282)	(534)	340	613	808
(Loss)/ profit for the year (SAR million)	(378)	11	189	(142)	489
Total equity (SAR million)	5,474	5,877	5,844	5,635	5,991

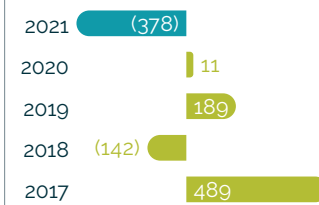
Revenues



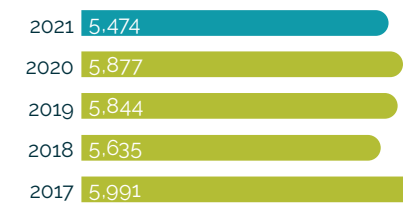
Operating (loss)/ profit (SAR million)



(Loss)/profit for the year (SAR million)



Total equity (SAR million)



Financial performance during 2021

1 The gross booking value to strategic business units

In 2021, the travel industry in MENA region and beyond has shown initial signs of rebound from Covid 19 pandemic as borders were largely opened, travel restrictions were eased, and vaccination drives were successfully implemented in key source and destination markets. Also in 2021, the Group has further invested efforts into advanced technology and digital projects across its portfolio as well as domestic and inbound infrastructure. As a result, the Group witnessed growth in gross booking value (GBV) by approximately 22% from SAR 3.9 billion in 2020 to SAR 4.8 billion in 2021, as follows:

Strategic Business Unit	2021	2020	%
Travel services	3,397,854,066	2,242,518,716	40%
Car rental	507,361,200	423,396,692	20%
Investments	775,543,587	738,052,165	5%
Hospitality	41,272,486	54,179,231	(24%)
Others (Hajj and Umrah and Discover Saudi)	74,535,389	94,034,680	(21%)
Total	4,796,566,729	3,734,181,485	28%

Travel services (SAR)



Car rental (SAR)



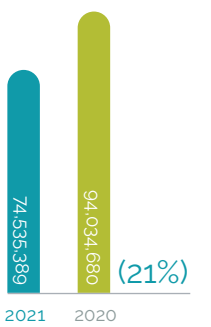
Investments (SAR)



Hospitality (SAR)



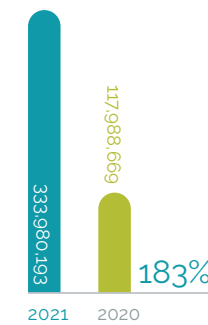
Others (SAR)



2 Revenue based on the Group's main activities

Statement	2021	2020	%
Airline ticketing commission and incentives revenue	333,980,193	117,988,669	183%
Hotel booking commission and holidays packages revenue	385,759,836	265,452,455	45%
Car rental revenue	548,420,287	463,983,907	18%
Real estate and room rental revenue	41,272,486	54,279,231	(24%)
Other services revenue	18,424,873	2,889,600	538%
Total	1,327,857,675	904,593,862	47%

Airline ticketing commission and incentives revenue (SAR)



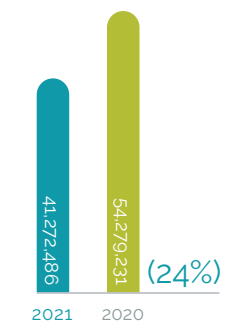
Hotel booking commission and holidays packages revenue (SAR)



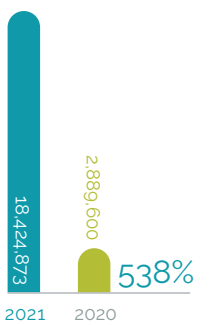
Car rental revenue (SAR)



Real estate and room rental revenue (SAR)



Other services revenue (SAR)

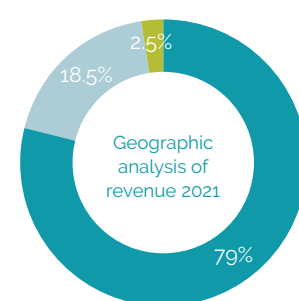


Financial performance during 2021 continued

3 Geographic analysis of revenue according to the Group's operations and services

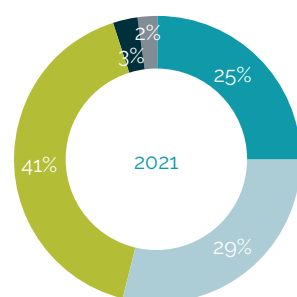
Revenue by country	2021	2020	%
Saudi Arabia	1,051,560,861	713,417,301	47%
United Kingdom	245,713,840	162,238,350	51%
Others	30,582,974	28,938,211	6%
Total	1,327,857,675	904,593,862	47%

Geographic analysis of revenue according to Group's operations and services



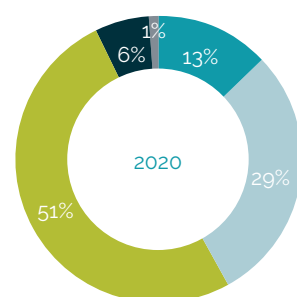
- 79% Saudi Arabia
- 18.5% United Kingdom
- 2.5% Others

Contribution of key operations in revenue 2021



- 25% Airline ticketing and incentives revenue
- 29% Hotel booking incentives and package holidays revenue
- 41% Revenue from car rentals
- 3% Revenue from property and room rentals
- 2% Revenue from other services

Contribution of key operations in revenue 2020



- 13% Airline ticketing and incentives revenue
- 29% Hotel booking incentives and package holidays revenue
- 51% Revenue from car rentals
- 6% Revenue from property and room rentals
- 1% Revenue from other services

4 Key changes in the operation results

The key changes in the operation results for the year ended 31 December 2021 reflect economic and market changes as well as the increase in strategic business units fueled by a strong recovery of domestic and international travel, relaxed quarantine requirements and easing of restrictions on entry and entertainment & leisure activities. Here are the key changes in the revenue and the gross profit.

A Significant change in revenue and overall profit

Table 1: Core changes in revenue and overall profit:

Statement	2021	2020	value	Change %
Revenue	1,327,857,675	904,593,862	423,263,813	47%
Cost of revenue	(721,553,949)	(597,635,874)	(123,918,075)	21%
Total profit	606,303,726	306,957,988	299,345,738	98%

Revenues in 2021 were SAR 1,328 million against SAR 904 million in 2020, with a significant increase of SAR 423 million or 47% due to increase in total bookings across the Group's travel verticals from business to consumer travel, car rental and beyond during the year ended 2021 compared to 2020 driven largely by opening of borders, relaxed quarantine requirements and easing of restrictions on entry and entertainment & leisure activities. For Car rental, the group focused on capturing lease clients and increasing corporate rental partnerships and continuous investment in digital offerings, such as the launch of Lumi app.

B Key changes in operating loss

Table (2): Key changes in operating loss:

Statement	2021	2020	value	Change %
Gross profit	606,303,726	306,957,988	299,345,738	98%
Selling expenses	(336,052,333)	(317,861,677)	(18,190,656)	6%
Administrative expenses	(553,056,136)	(509,984,341)	(43,071,795)	8%
Impairment of trade and other receivables	(78,169,532)	(25,049,050)	(53,120,482)	212%
Other operational expenses/revenues (net)	78,739,880	12,328,458	66,411,422	539%
Operating loss	(282,234,395)	(533,608,622)	251,374,227	(47%)

The Group recognized an operating loss in 2021 of SAR (282) million, with significant improvement of 47% in comparison to operating loss of SAR (534) million recognized in 2020 fueled by a strong recovery of domestic and international travel, relaxed quarantine requirements and easing of restrictions on entry and entertainment & leisure activities. The travel industry has shown initial signs of rebound from Covid 19 pandemic in 2021.

C Significant changes in the net (loss)/profit for the year

Table 3: Net (loss)/profit for the year:

Statement	2021	2020	value	Change %
Operating loss	(282,234,395)	(533,608,622)	251,374,227	(47%)
Financing income	8,620,525	1,461,532	7,158,993	490%
Financing costs	(61,971,307)	(46,546,654)	(15,424,653)	33%
Foreign exchange loss recognized on impairment of Goodwill	0	(13,334,763)	13,334,763	(100%)
Gain on disposal of equity – accounted associated	0	1,572,593,275	(1,572,593,275)	(100%)
Impairment losses	(7,424,962)	(955,555,642)	948,130,680	(99%)
Share of gain of equity – accounted investees, net of tax	17,115,676	11,408,223	5,707,453	50%
Zakat allowance and income tax	(51,829,925)	(26,659,360)	(25,170,565)	94%
Gain from disposal of subsidiary	0	1,087,877	(1,087,877)	(100%)
(Loss) / income from discontinued operations	0	(7,113,747)	7,113,747	100%
Gain on disposal from discontinued operations	0	8,201,146	(8,201,146)	(100%)
Recognized foreign currency gain / (loss) from discontinued operations	0	478	(478)	(100%)
Net (loss)/profit of the year	(377,724,388)	10,845,866	(388,570,254)	(3583%)

The net loss of the Group for the year 2021 amounted to SAR 378 million compared to net profit of SR 10.8 million for the year 2020. While the gross profit has significantly improved during the current year, the profit in prior year includes the net impact of the gain on disposal of Careem investment and impairment losses recognized in prior year while such did not arise in current year.

The increase in expenses for the provision of Zakat is mainly due to additional provision related to reassessment for 2008 to 2019.

Financial performance during 2021 continued

5 (Loss)/Earnings per share

Table 4: (Loss)/Earnings per share:

Statement	2021	2020	Value	Change
				%
(Loss)/Earnings per share	(1.25)	0.06	(1.36)	2267%

The Group had a share loss of (1.25) as at the end of the year ended December 31, 2021. Most of the changes were reflected in the income statement.

6 Islamic Murabaha

A. Short-term Islamic exercises

Table 5: Short-term Islamic exercises:

M	Bank	Murabaha Value	Time	Paid during the year	Balance
1	Financial Institution 1	468,000,000	3 to 9 months	290,000,000	178,000,000
2	Financial Institution 2	881,000,000	2 to 6 months	681,000,000	200,000,000
3	Financial Institution 3	1,112,638,248	3 to 6 months	981,125,077	131,513,171
4	Financial Institution 4	400,000,000	6 months	250,000,000	150,000,000
5	Financial Institution 5	50,000,000	6 months	0	50,000,000

Murabaha fundamentally represents the value of banking agreements in accordance with Islamic Sharia. They are short-term for one year and are used to finance working capital requirements of the Group. This is carried out through Islamic Murabaha and Tawarruq contracts in accordance with the requirements of Islamic Sharia, and all bank commissions are agreed upon according to the announced rates by all banks in the Kingdom or other banks related to our international subsidiaries. Rates are within 1%-1.75%.

B. With long-term Islamic shrines

Table 6: Long-term Islamic trials:

M	Bank	Murabaha Value	Time	Paid during the year	Balance
1	Financial Institution 1	392,857,143	7 years	39,285,714	353,571,429
2	Financial Institution 2	75,477,443	3 years	75,477,443	0

In 2018, long-term funding (Tawarruq) was acquired from a local bank. This was to finance the expansion of the Sheraton Jabal Al Kaaba Hotel in Makkah. The Murabaha was based on an agreed-upon rate based on the established bank rates (SAIBOR), in addition to a profit margin specified in the Murabaha agreement.

C. Other types of Islamic Murabaha

The nature of Islamic Murabaha (Tawarruq) is that it is used to fund working capital requirements. This is primarily obtained from local items in subsidiaries countries according to agreed rates. The value was SAR 1.1 million against SAR 5.5 million.

7 Changes in cash flow

Table 7: Changes in cash flow:

Statement	2021	2020
Net cash flow generated from/ (used in) operating activities	241,263,541	(233,034,081)
Net cash (used in)/generated from investment activities	(321,930,666)	388,769,010
Net cash generated from/ (used in) financing activities	140,487,318	(252,867,258)

The most prominent changes in cash flows from operating activities are mainly due to:

- Net changes in cash paid to trade and non- trade service suppliers at SAR (160) million.
- Net payments at SAR (55) million and financial costs against Murabaha borrowing.
- Net changes in contract liabilities at SAR (71) million.
- Cash paid to Zakat and income tax paid SAR (10) million.

Key changes in cash flow related to financing activities were mainly due to:

- Net cash changes to reflect total receipts from financing contracts concluded in accordance with Islamic Sharia in SAR 2.8 billion, and payment of SAR (2.7) billion to financial institutions.

Key changes in cash flow related to investing activities were mainly due to:

- SAR 280 million cash proceeds from disposal of properties and equipment.
- SAR 21 million cash proceeds from disposal of investment property.
- SAR (628) million as payments mainly against purchasing cars for car rental business.
- SAR (144) million as payments against investment in equity instruments, associates, and subsidiaries.
- SAR 180 million as proceeds from disposal of equity investment.
- SAR (28) million as payments for project in progress items related to Group's investing projects.

Subsidiaries

United Kingdom
23 companies

Spain
2 companies

Egypt
7 companies

Saudi Arabia
24 companies

Kuwait
1 company

United Arab Emirates
4 companies

The financial statements show the current status of subsidiary companies and most important changes related to mergers and acquisitions.

No.	Country	Number of subsidiaries
1	Kingdom of Saudi Arabia	24
2	United Kingdom	23
3	Egypt	7
4	United Arab Emirates	4
5	Kuwait	1
6	Spain	2
Total		61

Subsidiaries in Kingdom of Saudi Arabia

No.	Company	Activities	%
1	The National Co. for Tourism and Travel Ltd.	Travel and tourism	100%
2	Al Sarh Co. for Travel and Tourism Ltd.	Travel and tourism	80%
3	Elaa Agency for Air Transport Ltd.	Travel and tourism	100%
4	Serra Holidays for Travel and Tourism Ltd.	Travel and tourism	100%
5	Elaa for Travel, Tourism and Shipping Ltd.	Travel and shipping	100%
6	Taqniyatek for IT	IT Services	100%
7	Seera Hospitality Ltd.	Hotels and property	100%
8	Lumi Rental	Car rentals	100%
9	High Speed Company for Transportation Co. Ltd	Transport	100%
10	Tajawal for Travel and Tourism Ltd.	Travel and tourism	100%
11	Al Mawasim Co. for Travel and Tourism Ltd.	Travel and tourism	100%
12	Mawasim for Tourism, Hajj and Umrah Services	Tourism services	51%
13	Fi IT	SMS and multimedia	60%
14	Muthmerah Real Estate Investment Company (MREIC)	Property rentals	100%
15	Al Nukhba for Private Airplanes	Airplane ownership and rental	100%
16	Fayfa Travel & Tourism Agency	Travel and tourism	100%
17	The Saudi Arabia Co. for Conference and Event Tourism	Event organization	100%
18	Hanay Trading Company	Car rentals	80%
19	Almosafer for Travel and Tourism	Tourism services	100%
20	Discover Saudi for Travel and Tourism	Travel and tourism	100%
21	Seera Hospitality	Hotels	100%
22	Sheraton Makkah	Hotels	100%
23	Sahat Al-Ardh Company	Property services	50%
24	Eitedal Hospitality Company	Event organization	100%

Subsidiaries in United Kingdom

No.	Company	Activities	%
1	Portman International Group	Travel and tourism	100%
2	Elegant Resorts Ltd. And its subsidiaries	Tourism services	100%
3	Ian Allan Ltd	Travel and tourism	100%
4	Mawasim Ltd. (Formerly: Co-op Travel Ltd.)	Transport services	100%
5	If Only Holidays Ltd.	Tourism services	100%
6	Mawasim for Travel and Tourism	Travel and tourism	100%
7	Clarity Travel Company Limited	Travel and tourism	100%
8	Portman Group Holdings Ltd.	Travel and tourism	100%

Subsidiaries Continued

No.	Company	Activities	%
9	Portman Ltd. Company	Travel and tourism	100%
10	Gimal Limited Company	Travel and tourism	100%
11	Portman Travel Solutions Ltd. Company	Travel and tourism	100%
12	Portman Travel (B.V.) Ltd. Company	Travel and tourism	100%
13	If Only Ltd. Company	Travel and tourism	100%
14	Elegant Resorts Transport Ltd.	Transport services	100%
15	Inspiresport Group Ltd.	Travel and tourism	100%
16	EMESDM SAS	Travel and tourism	100%
17	European Sports Destination Management GmbH	Sports	100%
18	EMESDM GmbH	Travel and tourism	100%
19	EMESDM TBC	Travel and tourism	100%
20	EMESDM Limited	Travel and tourism	100%
21	EMESDM TBC	Travel and tourism	100%
22	EMESDM SRL	Travel and tourism	100%
23	Sports Destination Ltd. Company	Sports	100%

Subsidiaries in United Arab Emirates

No.	Company	Activities	%
1	Seera Holidays for Travel and Tourism (formerly	Tourism services	100%
2	Tajawal General Trading (LLC)	Travel and tourism	100%
3	Tajawal Call Center Services	Call center services	100%
4	Tajawal Tourism And Travel	Travel and tourism	100%

Subsidiaries in Kuwait

No.	Company	Activities	%
1	Almosafer for Travel and Tourism	Travel and tourism	100%

Subsidiaries in Egypt

No.	Company	Activities	%
1	Hanouf Co. for Tourism and Services	Tourism services	70%
2	Al Tayyar Travel Group Holidays	Travel and tourism	100%
3	Al Tayyar Shipping and Customs Clearance	Tourism services	100%
4	Seera Travel and Tourism (Formerly: Nile Holiday Tourism)	Travel and tourism	100%
5	E Al Tayyar Tourism	Car rentals	100%
6	Al Tayyar Car Rentals	Car rentals	100%
7	Seera Call Center Services	Call center services	100%

Subsidiaries in Spain

No.	Company	Activities	%
1	Seera Group Travel IT Spain (B2B Travel Group)	Travel and tourism	100%
2	Seera Sports S.L.U	Sports	100%



Section 2

Board of Directors and Governance

Board of Directors and Governance

1. The Board of Directors, Committees and Executive Management

a. Board of Directors

Seera Holding Group is managed by the Board of Directors comprising of (7) board members, who shall be appointed by the Ordinary General Assembly "AGM" every 3 years. Currently, 7 board members were appointed by the AGM convened on 10.01.2021. The Board shall have all the necessary powers and authorities to manage the Group. The Board of Directors' responsibilities are clearly defined in the Company's Articles of Association.

Table (8): Board members' names for the current term expiring on 28 March 2024*:

No.	Name	Current positions	Former positions	Qualification	Experiences
1	Eng. Mohammed Bin Saleh Al Khalil	- Chairman of the Board of Directors of Seera Holding Group - Chairman of the Board of Directors of Alujain Corp	- Board Member of Riyadh Chamber of Commerce, and Committees Member at Riyadh Chamber of Commerce and Council of Saudi Chambers	- Bachelor of Engineering - MBA	- A long experience in investments, real estate, travel, tourism, petrochemicals and industrial sector. He assumed many positions as chairman and board member in several tourism and travel, petrochemicals and real estate companies.
2	Mr. Ahmed Samer Bin Mohammed Hamdi Al-Zaim	- Deputy Chairman of the Board of Directors of Seera Holding Group Partner and Chairman of the Board of Directors- Gulf International Company for Contracting Real Estate Investment - Chairman of the Board of Directors of Saudi Modern Company for Minerals, Cables and Plastics	- Committee Member at Riyadh Chamber of Commerce and Council of Saudi Chambers.	- BA in Economy - Bachelor of Business Administration	- Board Member in a number of companies and board committees and their subsidiaries. - Committee Member at Riyadh Chamber of Commerce and Council of Saudi Chambers
3	Mr. Majed Bin Ayed Alnefaie	- Chief Executive Officer, Seera Holding Group - Chairman of Al-Ahli Saudi FC	- Deputy Head of Revenue Department at Makka Construction & Development Co.	- Bachelor of Accounting - Advanced Diploma in Hotels Management	- Hotel Manager at the Hilton Towers Makkah from 1999 to 2004 - Board member of companies working in tourism sector and hotel services.
4	Mr. Mazen Bin Ahmed Al Jubeir	- Chairman of Fund of Funds Company (Jada)	- Executive Vice President – Amwal AlKhaleej Company - Advisor at the McKinsey & Company	- BA in Economics from Harvard College with a fellow degree from John Harvard and Harvard's Academic Excellence - Master in Business Administration	- Executive Vice President – Amwal AlKhaleej Company - Consultancy for the McKinsey & Company - Chairman of the National Agricultural Development Company (NADEC) - Board Memberships at several companies including outstanding government organizations, private companies and social projects - An active investor in SMEs and fast-growing companies in the KSA and USA.
5	Mr. Ibrahim Bin Abdulaziz Alrashed	- Country Director- of Colliers International	- Legal Counsel at several companies	- Bachelor of Accounting - Master in Business Administration Initial fellowship of the Saudi Organization for Certified Public Accountants (SOCPA) Secondary fellowship of the Saudi Organization for Certified Public Accountants (SOCPA)	- An inspiring and motivational executive director with first-rate interpersonal skills at "Colliers International" – Saudi Operations, where he was a co-founder. - He is equipped with more than 15 years of experience in various fields. He has also worked as a "Senior Manager" in the auditing department of "Ernst and Young" Riyadh.
6	Mr. Yazeed Khalid Al Muhaizaa	- Advisor of the Managing Director - Qiddiya Investment	- Assistant General Manager and Head of International Markets - Hassana Investment Company	- Master in Financial Management - Bachelor of Financial Administration	- Representative of the General Organization for Social Insurance - Assistant General Manager and Head of International Markets Department at Hassana Investment Company since 2014. - Investment Analyst in the Portfolio Management Department at The General Organization for Social Insurance in the Kingdom of Saudi Arabia from 2007 to 2014.

No.	Name	Current positions	Former positions	Qualification	Experiences
7	Mr. Abdullah Bin Nasser Al Dawood	- Managing Director, Seera Holding Group - Chairman of the Saudi Entertainment Projects Company - Chairman, Alraedah Finance Company - Managing Director, Qiddiya Investment	- Vice President of Investment Banking at Deutsche Bank in the Middle East and North Africa - CEO of Seera Holding Group	- Bachelor in Business Administration with first class honors - MBA with class honors - Master in Political Science and International Relations	- Over 11 years of experience in investment banking, during which he held several executive positions - Vice President of Investment Banking at –Deutsche Bank in the Middle East and North Africa - Former member of the Board of Directors of the Saudi Stock Exchange (Tadawul) Formerly - Member of the Board of Directors of Rua AlMadinah Holding Company. - Member of the Board of Directors of many prominent companies, such as Careem. - Chief Executive Officer, Seera Holding Group

*The former board of directors managed the Company until the end of its round on 28 March 2021. The former board of directors consist of 9 members as follows:

1. Eng. Mohammed Bin Saleh Al Khalil (Chairman of the Board of Directors) Independent member
2. Mr. Ahmed Samer Bin Mohammed Hamdi Al-Zaim (Deputy Chairman of the Board of Directors) Non-Executive Member
3. Dr. Sulaiman Bin Ali Al Hudaif (Board Member) Independent member
4. Mr. Majed Bin Ayed Alnefaie (Board Member) Non-Executive Member
5. Mr. Mazen Bin Ahmed Al Jubeir (Board Member) Non-Executive Member
6. Mr. Abdullah Bin Abdulrahman Al Ayadi (Board Member) Independent member
7. Mr. Ibrahim Bin Abdulaziz Alrashed (Board Member) Independent member
8. Mr. Yazeed Khalid Al Muhaizaa (Board Member) Independent member
9. Mr. Abdullah Bin Nasser Al Dawood (Board Member/CEO of the Group) Executive Member

A.1 Composition of Board of Directors and Classification of its Members are as follows:

Table (9): Composition of Board of Directors and Classification of its Members:

No.	Name	Title:	Classification
1	Eng. Mohammed Bin Saleh Al Khalil	Chairman of the board	Independent
2	Mr. Ahmed Samer Bin Mohammed Hamdi Al-Zaim	Deputy Chairman of the Board of Directors	Non-Executive
3	Mr. Majed Bin Ayed Alnefaie	Board member - Executive President	Executive
4	Mr. Mazen Bin Ahmed Al Jubeir	Board member	Independent
5	Mr. Ibrahim Bin Abdulaziz Alrashed	Board member	Non-Executive
6	Mr. Yazeed Khalid Al Muhaizaa	Board member	Independent
7	Mr. Abdullah Bin Nasser Al Dawood	Board member Managing Director	Executive

A.2. Board of Directors meetings

The Board members dedicated sufficient time for undertaking their responsibilities and well preparation for the board meetings and were very keen to attend the meetings. None of the board members submitted any written request for convening emergency board meetings during the financial year ended on 31 December 2021. Also, none of the board members rejected the board agendas and resolutions. The Board was keen to schedule its meetings at specific dates, regularly prepare for the board meetings before convention, ensure adherence by all board members to attend the meetings and discuss all agenda items introduced to the meeting, record the results of the meeting in minutes by the Company Secretary, and follow up execution of contents of the minutes with the Company's Executive management. Furthermore, the Board paid due attention to follow up the functions entrusted to each board member, ensure execution of the functions in accordance with the decisions taken by the board during its meetings, follow up the board sub-committees and its periodic meetings, make sure that the members performed their duties and responsibilities, and execute the contents of the minutes of the meetings.

In order to streamline the work flow, the Company's by-laws authorized the Board to take resolutions by circulation which shall be presented to the Board in its first following meeting for final approval. During 2021, number of resolutions taken by circulation were issued after prior deliberation thereon and were presented to the Board of Directors pursuant to paragraph (4) under Article (18) of the Company's by-laws.

Board of Directors and Governance Continued

Table (10): Attendance register of Board meetings of 2021 AD, total number of meetings (6):

No.	Name	Number of Meetings (6) in 2021						Total	Attendance %
		27.03	29.03	12.04	02.08	13.12	27.12		
1	Eng. Mohammed Bin Saleh Al Khalil	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
2	Mr. Ahmed Samer Bin Mohammed Hamdi Al-Zaim	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
3	Dr. Sulaiman Bin Ali Al Hudaif	⊙	Did not attend for the expiry of membership					1	100%
4	Mr. Mazen Bin Ahmed Al Jubeir	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
5	Mr. Majed Bin Ayed Alnefaie	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
6	Mr. Abdullah Bin Abdulrahman Al Ayadi	⊙	Did not attend for the expiry of membership					1	100%
7	Mr. Ibrahim Bin Abdulaziz Alrashed	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
8	Mr. Yazeed Khalid Al Muhaizaa	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
9	Mr. Abdullah Bin Nasser Al Dawood	⊙	⊙	⊙	⊙	⊙	⊙	6	100%

⊙ Attended ⊙ Not attended

A.3 The Board's key strategic resolutions during 2021AD

1. Approve the 2020 annual financial statements.
2. Approve the 2021 initial financial statements.
3. Approve the merge of unit of individual tourism and travel services with the unit of business travel under one strategic unit.
4. Approve by the Board on the proposed budget of 2022.

A.4. Board members' shares ownership

Table (11): The shares owned by board members in the Group at the beginning and end of 2021 and their percentage out of the total number of the Group's shares inclusive of the board membership shares:

No.	Board Member Name	Owned Shares				Note
		No. of Shares at the beginning of 2021	% out of the total no. of shares	No. of Shares at the end of 2021	% out of the total no. of shares	
1	Eng. Mohammed Bin Saleh Al Khalil	842,622	0.28%	842,622	0.28%	Personal ownership
2	Mr. Ahmed Samer Bin Mohammed Hamdi Al-Zaim	4,083	0.001%	96,091	0.03%	Personal ownership The shares are owned by Gulf International Contracting Co. managed by him and in which he owns shares
		1,056,616	0.35%	1,056,616	0.35%	
3	Mr. Majed Bin Ayed Alnefaie	9,800	0.003%	9,800	0.003%	Personal ownership
4	Mr. Mazen Bin Ahmed Al Jubeir	1,866	0.0006%	1,866	0.0006%	Personal ownership
5	Mr. Ibrahim Bin Abdulaziz Alrashed	1,400	0.0005%	1,400	0.0005%	Personal ownership
6	Mr. Abdullah Bin Nasser Al Dawood	2,332	0.0008%	2,332	0.0008%	Personal ownership
7	Mr. Yazeed Khalid Al Muhaizaa	-	-	-	-	A representative of GOSI which owns 16,066,999 shares representing 5.36% out of the total number of the Group's shares.

A. The methods on which the Board of Directors used in the assessment of performance of the Board, Committees, Members and Executive management

The Board of Directors followed diverse methods to enable it to evaluate the performance of the Board and its members and committees based on the KPIs approved in "Board and Subcommittees members and Executive management Performance Evaluation Policy and Procedures" proposed by Remuneration and Nomination committee. The Board observes, while defining thereof, its fairness, suitability and consistency with the Group's activity, strategies and objectives, in addition to the extent of interaction by board members and his ability to offer creative and innovative ideas. The Policy consisted of several elements; the most important of which are:

Board and Sub-committees KPIs

1. Remuneration for the board is in cash sums and compensation for meeting attendance and transportation according to the sums specified by the board and the recommendations of the remuneration committee, and in accordance with the Companies Law, or any other laws, decisions, instructions or regulations from related bodies. The board's report must be presented to the General assembly and contain a comprehensive statement of all financial remunerations, compensation for meeting attendance, transportation and any other benefits received by the board during the financial year. The report must also contain a list of all sums received by board members as employees or administrators, or sums received against the Group's technical, administrative or consulting works, which were previously approved by the board. It must also contain a list of the board's meetings and number of meetings attended by each member as of the date of last General assembly meeting.
2. Effectiveness of discussions of board and committee members to achieve the Group's objectives and strategy plan, and its reflection on the matters introduced during the year.
3. Compliance by board and committee members with the procedures to be applied in the meetings.
4. Compliance by the board committees with the functions entrusted thereto by the Board of Directors.
5. Having clear and open communication channels during the board and committees' meetings to introduce constructive participation and decisions.
6. Receiving a written agenda in advance by board members and a briefed notification about the meeting's matters and time in a sufficient period before the meeting.
7. Accuracy of board members in reviewing the annual financial statements and monitoring the cash flows, profitability, revenues and other financial indicators to ensure that the Group operates within the achievement of its approved objectives.
8. Efficiency of board members in monitoring the Group's performance and comparing information and data relevant to the industry in which the Group operates.
9. Effectiveness of board members in discussing the matters which affect the Group in the long term.
10. Recognize the difference between the board's role in preparing policies and the CEO's role in managing the Group.
11. The role played by board members in assisting the CEO in developing a clear and understandable policy.
12. The Board's effectiveness in developing the Executive management succession plan, in case of vacancy.

B. Board and Committees members KPIs

1. Dedicate time for the matters and needs of the Group to be able to make proper decisions. Understand the technical matters by the board and committee members.
2. Spend sufficient time with the CEO to understand the long-term plans. Ability of board and committee member to communicate with the Chairman of the Board of Directors, if necessary; and understanding and assimilation by members of the company's industry and field operating therein.
3. The ability of board members to offer opinions on the Group's strategy and approach, where necessary.
4. The objectivity of board members in confronting difficult decisions. Their ability to express their own opinion during the meeting, even if their point of view is different than other board members.
5. Ability of board members to gather the necessary information in order to have enough knowledge, in case they don't attend a meeting.
6. The initiative taken by board and committee members, when being appropriate, in order to obtain relevant information about the company.
7. Reaction and acceptance of board members for the participation of other board and committee members; their ability to introduce creative and innovative ideas; their reservation on confidential information received.
8. Sufficient experience to evaluate strategies and policies and market developments, and all specific factors related to the Group's long-term operations.

C. Executive management (CEO/ Senior executive) KPIs

The performance of CEO and senior executives are assessed for reviewing the Group's strategic objectives and operational objectives to be in alignment with job objectives to be accomplished and for defining objectives that must be developed periodically and as per the following criteria:

1. Strategic Planning: Work to ensure the development of a long-term strategy, set up objectives and plans which fulfill the needs of the shareholders, clients, employees and every stakeholder. Ensure consistent, appropriate and timely progress towards achievement of the strategic objectives. Get and allocate resources in a way that aligns with the strategic objectives; submit regular reports to CEO/ Board of Directors on progress which is achieving the milestones of the strategic plan.
2. Leadership: Develop and propose a clear and coherent view about the Group's values and objectives and ensure they are completely understood and obtain wide support and effective implementation across the Group. Enhance a culture across the Group that works to encourage and remunerate for leadership, excellency and creativity. Ensure the concepts that promote the ethical norms, individual integrity and collaboration which build values.

Board of Directors and Governance Continued

3. Financial results: Set and achieve appropriate long-term and annual financial performance objectives. Ensure the development and maintenance of appropriate systems to safeguard the Group's assets, and make sure that effective control over operations is in place.
4. Operations management: Ensure the Group has high-level management with appropriate budget to conduct daily business of the Group. Encourage continuous improvement of quality, value and comparativeness of the Group's products and business systems. Encourage and remunerate innovative solutions introduced to the business and administrative challenges faced by the Group.
5. Management development and executives succession planning: Develop, attract, retain and motivate a group of senior executives and ensure their efficiency and unity. Ensure that management development schemes and executives succession plans have required resources and directives so that future leadership can grow.
6. Human resources: Ensure creating and developing effective programs for employment, training, compensation, continuity and motivation of employees. Ensure the provision of necessary human resources to achieve the Group's objectives; set up and monitor workplace diversity programs and give appropriate recognition and appreciation for achievements made by individuals and groups.
7. Communication: Serve as an official speaker of the Group and effectively communicate with shareholders, investors, employees, clients and vendors. Effectively represent the company in business relations among the company, government agencies and financial institutions.
8. Board of Directors relations: Work closely with board members to ensure that members are aware of the Group's status, its business and relevant key matters, and are aware of the Group's progress towards achievement of the operating plan and milestones of the strategic plan.

This is done in light of the core values of Seera Group Holding:

1. Promotion of the spirit of cooperation.
2. Customer first.
3. Efficient decision-making process.
4. Focus on the actual value.
5. Increase work environment efficiency and strengthen the sense of responsibility.
6. Strategic thinking.
7. Effective Leadership.

A.6 Board and its Sub-committees members remuneration

The Board of Directors determined remunerations of the board and committees' members and Executive management. The Board considers that the remunerations should be consistent with the Group's strategy and objectives, taking into account the industry in which the Group operates and the experience of board and sub-committees members, and also should be in light of the applicable laws and regulations. The remuneration policy is divided into three parts as follows:

A. Board members remuneration:

1. The board members' remuneration includes a certain amount of meeting attendance allowance, travel expenses allowance, in-kind benefits or a certain percentage of net profits. Two or more of these benefits may be given together.
2. In all circumstances, the total amount received by the board member including remuneration, financial or in-kind benefits must not exceed SAR 500,000 per annum in accordance with Companies Law and controls placed by the competent authorities.
3. The annual Board of Directors Report presented to the AGM must include a comprehensive statement showing every amount received by the board member during the financial year including remuneration, travel expenses allowance and other benefits. It should also include a statement showing the amounts paid to the board members as employees or executives or the amounts paid in consideration for technical, administrative or consulting business (if any). Furthermore, the report should include the number of board meetings and the number of meetings attended by each member from the date of the last AGM.

B. Committee members, Company secretary and Committees remuneration:

1. The Board of Directors approves the sub-committees' remuneration - (except Audit committee), attendance allowance and other entitlements based upon the recommendation of the Remuneration and Nomination committee.
2. The board sub-committees membership remuneration consists of annual remuneration and meeting attendance allowance.
3. Audit committee members' remuneration is approved by the AGM based upon the recommendation of the Board of Directors.
4. On composition of the committees, the number of memberships that a board member can assume should be considered, provided that the total payment received by a member including remuneration for board and committee members should not exceed the maximum payment provided for in Companies Law applicable in the Kingdom of Saudi Arabia.

The Board and Sub-committees meetings remunerations and attendance allowance is detailed as follows:

Table (12): Board and its Sub-committees remuneration:

No.	Statement	Remuneration
Annual remuneration		
1	Chairman of the board	SAR 500,000
2	Board members	SAR 300,000
3	Sub-committees excluding audit committee	SAR 50,000
	Committee member from outside the Board	SAR 150,000
Remuneration for attendance of board meetings and its sub-committees		
4	Remuneration for attendance of board meetings	SAR 5,000
5	Remuneration for attendance of Committee meetings	SAR 4,000

- The remunerations of the board members for the current round, which starts as of 29.03.2021 until 28.03.2024 based on the recommendation of the Nomination & Remuneration Committee approved by the Board.
- The remunerations of the members of the Audit Committee were determined by the General Assembly held on 28March2018 for the previous round of the Board, dated 28March2021. The remunerations of the members of the Audit Committee were determined by the General Assembly held on 10January 2021 for the current round ending on 28March2024AD.
- Remuneration for Executive management has been decided in accordance with the Group's human resources policy and performance evaluation methods based on the standards mentioned earlier.

A. 7 Executive management remuneration

1. According to the Remuneration and Nomination Committee's recommendation, the Board of Directors (Body) approves the types of remunerations granted for the senior executives of the Group, as for instance: fixed bonuses, performance-related bonuses, incentive bonuses, so as to not interfere with regulations and regulated procedures issued for joint-stock companies.
2. Remunerations of senior executives shall be consistent with the strategic objectives of the Group and consistent with its activity and the required skills to manage it, taking into consideration the sector and volume of the Group.
3. The Remuneration and Nomination committee shall continuously review the incentive plans of the senior executives and submit a recommendation to the Board of Directors to approve it.
4. Remunerations aim to offer the competitive environment required to attract and retain qualified and competent staff and assure a high level of skills needed by the Company.
5. The Chief Executive Officer (CEO) shall implement the remuneration policy for staff and senior executives in light of the plans and programs the Remuneration and Nomination committee recommends.
6. Annual performance-related bonuses shall be determined by the Remuneration and Nomination committee based in the recommendations and reports of the CEO and in the light of performance evaluation as well as the KPIs.
7. Plans, incentive programs, salaries adjustment and other benefits of senior executives shall be approved by the Remuneration and Nomination committee.
8. Some allowances are determined as a percentage of the basic salary, such as housing allowance at 25% of the basic salary and transportation allowance at 10% maximum.
9. Some employees of the Company, based on the nature of their work, receive in-kind benefits such as providing a car in accordance with the conditions and standards set by the management of the Company in this regard; and the CEO shall approve this. In case any of the executive employees receives a car, he/she does not deserve a transportation allowance.
10. Some other allowances such as fuel and telephone allowances could be provided, according to a clear internal policy set by the human resources department.
11. Non-Saudi employees and their families (one wife and two children maximum) shall be granted airline tickets once a year.
12. Achieving financial results and profits for strategic departments and units.
13. Accomplishing the results of the strategic transformation programs.
14. Achieving annual results of the management in operations assigned according to the tasks of the concerned department.
15. Assessment of departments for each other regarding common tasks and level of cooperation.
16. The quality of the results of the concerned department.
17. The contribution share in developing the Company in general aside from the tasks of the concerned department.

While the remunerations of the employees of the Company are determined according to the following criteria:

1. Abilities, professional performance and history of the employee of the company; in addition to his serving period in the Company shall be taken into consideration when determining and adjusting his/her basic salary.
2. Salaries of newly/recently hired executives of the Company shall be determined by a decision taken by the CEO of the Company, according to the policy of the Company and the salary structure adopted in accordance with the functional grades.
3. Concerning fixed bonuses, whether they are a lump sum or certain commission from sales, they shall be determined and approved according to internal incentives regulations.

Board of Directors and Governance Continued

A.8. Remunerations of the Board of Directors

Table (13): Remunerations of the members of the Board of Directors in 2021:

Board Member	Fixed Bonuses							Variable Bonuses							Grand Total
	Board Members Bonus	Total Attendance Allowance	Total Attendance Allowance	Total Attendance Allowance for Committee Meetings	In-Kind Benefits	Technical, Administrative and Investment Works Bonus	Remuneration of the Chairman, Managing Director or Secretary, if he/she is one of the members	Total	Profit Share	Periodic Remunerations	Short-term Incentive Plans	Long-term Incentive Plans	Granted Shares (value to be entered)	Total	
First: Independent Members															
Eng. Mohammed Bin Saleh Al Khalil	400,000	30,000	50,000	20,000	-	-	3,000,000*	3,500,000	-	-	-	-	-	-	3,500,000
Dr. Sulaiman Bin Ali Al Hudai ¹	75,000	5,000	125,000	16,000	-	-	-	221,000	-	-	-	-	-	-	221,000
Mr. Abdullah Bin Abdulrahman Al Ayadi ²	75,000	5,000	212,500	44,000	-	-	-	336,500	-	-	-	-	-	-	336,500
Mr. Ahmed Samer Bin Mohammed Hamdi AL-Zaim	300,000	30,000	12,500	-	-	-	-	342,500	-	-	-	-	-	-	342,500
Mr. Yazeed Khalid Al Muhaizaa ³	300,000	30,000	143,125	36,000	-	-	-	464,125	-	-	-	-	-	-	464,125
Second: Non-Executive Members															
Mr. Ahmed Samer Bin Mohammed Hamdi AL-Zaim	300,000	30,000	100,000	44,000	-	-	-	474,000	-	-	-	-	-	-	474,000
Mr. Ibrahim Bin Abdulaziz Alrashed	300,000	30,000	100,000	56,000	-	-	-	486,000	-	-	-	-	-	-	486,000
Third: Executive Members															
Mr. Majed Bin Ayed Alnefaie	300,000	30,000	50,000	44,000	-	2,000,000	-	2,424,000	-	-	-	-	-	-	2,424,000
Mr. Abdullah Bin Nasser Al Dawood	300,000	30,000	50,000	40,000	-	-	800,000	1,220,000	-	-	-	-	-	-	1,220,000
Grand Total	2,350,000	220,000	843,125	300,000	-	2,000,000	3,800,000	9,468,125	-	-	-	-	-	-	9,468,125

(1) His membership ended at the round of the Board on 28.03.2021.

(2) The remunerations of the member / Yazeed Al Muhaizaa in the Audit Committee were calculated as of his date of appointment by the AGM on 25.05.2021.

(3) His membership ended in the Executive Committee at the round of the Board on 28.03.2021.

* Exceptional remuneration to the Chairman of the Board in consideration for his efforts to support the balanced progress and business growth of the Group in light of exceptional conditions.

A.9. Membership of the Board of Directors in other companies

Table (14): Membership of the Board of Directors members in other companies according to the presentations submitted in 2021:

No.	Name	Name of companies where BoD member is a member in their existing BoD or manager	In./outside the KSA	Legal Status:	Name of companies where BoD member is a member in their former BoD or manager	In./outside the KSA	Legal Status:
1	Eng. Mohammed Bin Saleh Al Khalil	Alujain Holding	inside the KSA	Listed joint-stock company	Thakher Investment and Real Estate Development Co.Ltd	inside the KSA	Limited Liability Company.
		Cannoli Food Industries	inside the KSA	Limited Liability Company	Tatweer Education Holding Co.	inside the KSA	Limited Liability Company.
		Cementa Cement	Outside the KSA	Private joint-stock company	Manafea Holding Co.	inside the KSA	Closed joint-stock company
		Akwaan Real Estate	inside the KSA	Closed joint-stock company	Karam Development and Investment Company	inside the KSA	Limited Liability Company.
		Tatweer Buildings Co.	inside the KSA	Limited Liability Company.	Environmental Business International Inc. (EBI)	inside the KSA	Limited Liability Company.
		Fad International Company for Investment & Development	inside the KSA	Limited Liability Company.	Aqar Middle East Real Estate Company	Outside the KSA	Limited Liability Company.
		Enwan Al Makan Real Estate Development and Investment Company	inside the KSA	Limited Liability Company.	Belda for Specialized Commercial Complexes	inside the KSA	Closed joint-stock company
		National Petrochemical Industries Company (NATPET)	inside the KSA	Closed joint-stock company	Elite Doctors Medical Company	inside the KSA	Limited Liability Company.
		Arkan Steel Company	inside the KSA	Limited Liability Company.	-	-	-
		Unaizah Investment Company	inside the KSA	Closed joint-stock company	-	-	-
		Unaizah Endowment Company	inside the KSA	Closed joint-stock company	-	-	-
		Al Tahaluf Real Estate Company	inside the KSA	Limited Liability Company.	-	-	-
		Al Wedyan Saudi Real Estate Company	inside the KSA	Closed joint-stock company	-	-	-
2	Mr. Ahmed Samer Bin Mohammed Hamdi AL-Zaim	Al-Rajhi Takaful Insurance Co.	inside the KSA	Listed joint-stock company	Riyadh Cables Company	inside the KSA	Closed joint-stock company
		Saudi Modern Company for Metals and Plastic industry	inside the KSA	Closed joint-stock company	Saudi Modern Company for Specialized Electrical Cables & Wires Industry	inside the KSA	Closed joint-stock company
		Riyadh Cables Group of Companies	inside the KSA	Closed joint-stock company	-	-	-
		Saudi Modern Company for Specialized Electrical Cables & Wires Industry	inside the KSA	Closed joint-stock company	-	-	-
		Modern Company for Cables Ltd.	inside the KSA	Limited Liability Company.	-	-	-
		Gulf International Company for Contracting Real Estate Investment	inside the KSA	Limited Liability Company.	-	-	-
		International Ceramic and Building Materials Trading Co	inside the KSA	Limited Liability Company.	-	-	-
		Gulf Int'l For Home Furnishings	inside the KSA	Limited Liability Company.	-	-	-
		Lighting Technology Co., Ltd.	inside the KSA	Limited Liability Company.	-	-	-
		Silver Crown Trading Co.	inside the KSA	Limited Liability Company.	-	-	-
		Yanabee Gulf for Water	inside the KSA	Limited Liability Company.	-	-	-
		Unified Natural Company	inside the KSA	Limited Liability Company.	-	-	-
		Smart Solutions Commercial Brokerage Company	Outside the KSA	Limited Liability Company.	-	-	-

Board of Directors and Governance Continued

No.	Name	Name of companies where BoD member is a member in their existing BoD or manager	In/outside the KSA	Legal Status:	Name of companies where BoD member is a member in their former BoD or manager	In/outside the KSA	Legal Status:
3	Mr. Majed Bin Ayed Alnefaie	Mawasim for Tourism, Hajj and Umrah Services	inside the KSA	Limited Liability Company.	-	-	-
		Mawasim Investment and Real Estate Development	inside the KSA	Limited Liability Company.	-	-	-
		Mawasim Sports	inside the KSA	Limited Liability Company.	-	-	-
		Al Takamul Group International Company	inside the KSA	Limited Liability Company.	-	-	-
		Sheraton Makkah	inside the KSA	Limited Liability Company.	-	-	-
		Madad Al-Baraka Hotel Company	inside the KSA	Limited Liability Company.	-	-	-
		KARIZMA 'Al Sharq' Trading Company Ltd.	inside the KSA	Limited Liability Company.	-	-	-
		Mawasim Tourism Investment Group Ltd.	inside the KSA	Limited Liability Company.	-	-	-
		Saudi Conference & Incentive Tours Company	inside the KSA	Limited Liability Company.	-	-	-
		Beige for Décor Company	inside the KSA	Limited Liability Company.	-	-	-
		Mawasim Al Sriyah Company Ltd.	inside the KSA	Limited Liability Company.	-	-	-
		Darat Al Asryah for Real Estate Development	inside the KSA	Limited Liability Company.	-	-	-
		Naqla Company for Audiovisual Media Production	inside the KSA	Limited Liability Company.	-	-	-
		Seera Travel Group Holidays Company	inside the KSA	Limited Liability Company.	-	-	-
		Al Mawasim Co. for Travel and Tourism	inside the KSA	Limited Liability Company.	-	-	-
		National Travel & Tourism	inside the KSA	Limited Liability Company.	-	-	-
		Elaa Agency for Air Transport	inside the KSA	Limited Liability Company.	-	-	-
		Lumi Rental	inside the KSA	Closed joint-stock company	-	-	-
		Seera Hospitality Ltd.	inside the KSA	Limited Liability Company.	-	-	-
		Fayfa Travel & Tourism Agency	inside the KSA	Limited Liability Company.	-	-	-
		Muthmerah Real Estate Investment Company (MREIC)	inside the KSA	Limited Liability Company.	-	-	-
		Almosafer for Travel and Tourism	inside the KSA	Closed joint-stock company	-	-	-
		Discover Saudi	inside the KSA	Limited Liability Company.	-	-	-
		Sahat Al-Ardh Investment and Real Estate Development Co.	inside the KSA	Limited Liability Company.	-	-	-
		Aroma Saudi Co.	inside the KSA	Mixed Limited Liability Company	-	-	-
		Riyadh Front Exhibition & Convention Co.	inside the KSA	Limited with a Gulf capital	-	-	-
		Seera Hotels	inside the KSA	Limited Liability Company.	-	-	-
Wajbat Osraty for Ready Meals	inside the KSA	Joint Stock Company	-	-	-		
Asas Al Qafzeh Riyadh Company	inside the KSA	Limited Liability Company.	-	-	-		
Defense Systems Company for Military Supplies	inside the KSA	Limited Liability Company.	-	-	-		
Shama Al Khair Company	inside the KSA	Limited Liability Company.	-	-	-		
Mazoon Marketing Company	inside the KSA	Limited Liability Company.	-	-	-		
Eitedal Hospitality Company	inside the KSA	Limited Liability Company.	-	-	-		
International English Schools Primary and Inc.	inside the KSA	Limited Liability Company.	-	-	-		
Mawasem Dates Company	inside the KSA	Limited Liability Company.	-	-	-		
Retal Urban Development Company	inside the KSA	Limited Liability Company.	-	-	-		

No.	Name	Name of companies where BoD member is a member in their existing BoD or manager	In/outside the KSA	Legal Status:	Name of companies where BoD member is a member in their former BoD or manager	In/outside the KSA	Legal Status:
4	Mr. Mazen Bin Ahmed Al Jubeir	Saudi Arabian Military Industries (SAMI)	inside the KSA	Closed joint-stock company	National Metal Manufacturing and Casting Company (MAADANIYAH)	inside the KSA	Listed joint-stock company
		Jada Fund of Funds	inside the KSA	Closed joint-stock company	National Medical Care Company	inside the KSA	Listed joint-stock company
		Maxis Communications Bhd. (Malaysia)	Outside the KSA	Closed joint-stock company	SaudiMed Investment Company (SaudiMed)	inside the KSA	Closed joint-stock company
		Mohammed I. Alsubaei & Sons Investment Company	inside the KSA	Closed joint-stock company	Capital Bank	Outside the KSA	Listed joint-stock company
		SABIC Investment and Local Content Development Company	inside the KSA	Closed joint-stock company	Derayah Financial Company	inside the KSA	Closed joint-stock company
		Aptec Saudi Arabia	inside the KSA	-	Buan	inside the KSA	Listed joint-stock company
		Aujan Industrial Services and Supplies	-	-	Lafana Holding Company	inside the KSA	Closed joint-stock company
		Sulaiman Al-Rajhi Holding Company	inside the KSA	Limited Liability Company.	Northern Trust Company of Saudi Arabia	inside the KSA	Closed joint-stock company
		Taqniyatek for IT Saudi	inside the KSA	Closed joint-stock company	Careem Incorporation	Outside the KSA	Closed joint-stock company
		Maxis Communications Berhad	Outside the KSA	Closed joint-stock company	Riyadh Airports Co.	inside the KSA	Limited Liability Company.
		-	-	-	Public Pension Agency	inside the KSA	Government Entity
		-	-	-	Al Ra'idah Investment Company	inside the KSA	Al Ra'idah Investment Company
		-	-	-	Al Mehbaj Al Shamiah Company	inside the KSA	-
		-	-	-	National Agricultural Development Company (NADEC)	inside the KSA	Listed joint-stock company
		-	-	-	Diyar AlKhozama	inside the KSA	Closed joint-stock company
5	Mr. Ibrahim Bin Abdulaziz AlRashed	Saudi Entertainment Ventures	inside the KSA	Closed joint-stock company	Sleep High Company	inside the KSA	Limited Liability Company.
		Gheras Al-Khairat and its Subsidiaries	inside the KSA	Limited Liability Company.	NBR Property Developers	inside the KSA	Limited Liability Company.
		Alraedah Finance Company	inside the KSA	Closed joint-stock company	-	-	-
		Mowakaba Investment Co.	inside the KSA	Limited Liability Company.	-	-	-
6	Mr. Yazeed Khalid Al Muhaizaa	-	-	-	-	-	-
7	Mr. Abdullah Bin Nasser Al Dawood	Saudi Entertainment Ventures	inside the KSA	Closed joint-stock company	Thakher Investment and Real Estate Development Co.Ltd	inside the KSA	Closed joint-stock company
		Alraedah Finance Company	inside the KSA	Closed joint-stock company	Muthmerah Real Estate Investment Company (MREIC)	inside the KSA	Closed joint-stock company
		MBC Group	Outside the KSA	Closed joint-stock company	Hanay Trading Company	inside the KSA	Closed joint-stock company
		Almosafer Co.	inside the KSA	Closed joint-stock company	Saudi Stock Exchange (Tadawol)	inside the KSA	Closed joint-stock company
		ALUla Development Company	inside the KSA	Closed joint-stock company	Rou'a Al Madinah	inside the KSA	Closed joint-stock company
		E-Commerce Council	inside the KSA	Government Council	-	-	-
		Hotel Management Company	inside the KSA	Closed joint-stock company	-	-	-
		Careem Incorporation	Outside the KSA	Closed joint-stock company	-	-	-
		Supreme Committee for Transport and Logistics	inside the KSA	Committee of the Council of Economic and Development Affairs by a Royal Decree	-	-	-

Board of Directors and Governance Continued

B. Board of Directors Committees

1. Committees

In compliance with the Company by-laws, its corporate governance and optimal management of Company affairs, the Board of Directors, in its meeting held on 29 March 2021 was consisted as follows:

a. Executive Committee

Table (15): Executive committee head and members:

No.	Name	Current positions	Former positions	Qualification	Experiences
1	Eng. Mohammed Bin Saleh Al Khalil	- Chairman of the Board of Directors of Seera Holding Group - Chairman of the Board of Directors of Alujain Corp	- Board Member of Riyadh Chamber of Commerce, and Committees Member at Riyadh Chamber of Commerce and Council of Saudi Chambers	- Bachelor of Engineering - MBA	- A long experience in investments, real estate, travel, tourism, petrochemicals and industrial sector. He assumed many positions as chairman and board member in several tourism and travel, petrochemicals and real estate companies.
2	Mr. Ibrahim Bin Abdulaziz Alrashed	- Country Director – of Colliers International	- Legal Counsel at several companies	- Bachelor of Accounting - Master in Business Administration Initial fellowship of the Saudi Organization for Certified Public Accountants (SOCPA) Secondary fellowship of the Saudi Organization for Certified Public Accountants (SOCPA)	- An inspiring and motivational executive director with first-rate interpersonal skills at "Colliers International" – Saudi Operations, where he was a co-founder. - He is equipped with more than 15 years of experience in various fields. He has also worked as a "Senior Manager" in the auditing department of "Ernst and Young" Riyadh.
3	Mr. Majed Bin Ayed Alnefaie	- CEO of Seera Holding Group	- Deputy Head of Revenue Department at Makka Construction & Development Co.	- Bachelor of Accounting - Advanced Diploma in Hotels Management	- Hotel Manager at the Hilton Towers Makkah from 1999 to 2004 - Board member of companies working in tourism sector and hotel services.
4	Mr. Abdullah Bin Nasser Al Dawood	- Managing Director, Seera Holding Group - Chairman of the Saudi Entertainment Projects Company - Chairman, Alraedah Finance Company - Managing Director, Qiddiya Investment	- Vice President of Investment Banking at Deutsche Bank in the Middle East and North Africa	- Bachelor in Business Administration with first class honors	- Over 11 years of experience in investment banking, during which he held several executive positions

B. Remuneration and Nomination committee

Table (16): Chairman and members of the Remuneration and Nomination committee:

No.	Name	Current positions	Former positions	Qualification	Experiences
1	Dr. Sulaiman Bin Ali Al Hudaif	- Deputy Chief of Strategy and Business Excellence Group-Alinma Bank	- Executive Manager Human Resources and Development – Al Rajhi Bank - CEO of Elite World for Administrative and Organizational Consulting Co.	- BA in Business Administration - Master in International Relations - Master in Management - DBA	- A well-known HR Executive in KSA. Dr. Sulaiman Ali Al-Hudaif has more than 30 years of experience within Corporate and Executive Governance, which includes- inter alia – Competitive HR Business Modeling & Processes, Corporate Communication, Change Management & Reengineering, Business Development Cooperation, Strategic Human Resources Planning & Design, Organizational Development, Executive Training, Assessment & Competency Development, Top Management Talent Selection, Acquisition & Succession and Project Consultation. In addition, he has also led the development of various HR initiatives.
2	Mr. Yazeed Khalid Al Muhaizaa	Advisor of the Managing Director - Qiddiya Investment	Assistant General Manager and Head of International Markets - Hassana Investment Company	- Master in Financial Management - Bachelor of Financial Administration	- Representative of the General Organization for Social Insurance - Assistant General Manager and Head of International Markets Department at Hassana Investment Company since 2014. - Investment Analyst in the Portfolio Management Department at The General Organization for Social Insurance in the Kingdom of Saudi Arabia from 2007 to 2014.
3	Mr. Ibrahim Bin Abdulaziz Alrashed	Country Director – of Colliers International	- Legal Counsel at several companies	- Bachelor of Accounting - Master in Business Administration - Initial fellowship of the Saudi Organization for Certified Public Accountants (SOCPA) - Secondary fellowship of the Saudi Organization for Certified Public Accountants (SOCPA)	- An inspiring and motivational executive director with first-rate interpersonal skills at "Colliers International" – Saudi Operations, where he was a co-founder. - He is equipped with more than 15 years of experience in various fields. He has also worked as a "Senior Manager" in the auditing department of "Ernst and Young" Riyadh.

C. Audit committee

Table (17): Audit committee head and members:

No.	Name	Current positions	Former positions	Qualification	Experiences
1	Mr. Abdullah Bin Abdulrahman Al Ayadi	- Head of Legal Affairs Department at the Prince Mohammed bin Salman bin Abdulaziz Foundation (MISK).	- Legal Counsel at several companies - Member in the executive team of one of the most reputable companies in the KSA - (Al Faisaliah Group) Acting Deputy Vice President in King Abdullah Bin Abdulaziz International Foundation for Humanitarian Work	- Bachelor's degree in Law - Master's degree in International Business Law	- Legal Counsel at several companies - More than 20 years of legal and administrative experience in top-ranked institutions - A key player in negotiations in one of the fastest growing companies in the Gulf Region (ACWA).
2	Mr. Ahmed Samer Bin Mohammed Hamdi Al -Zaim	- Deputy Chairman of the Board of Directors of Seera Holding Group - Partner and Chairman of the Board of Directors- Gulf International Trading and Real Estate Investment Co. - Chairman of the Board of Directors of Saudi Modern Company for Minerals, Cables and Plastics	- Committee Member at Riyadh Chamber of Commerce and Council of Saudi Chambers	- BA in Economy - Bachelor of Business Administration	- Board Member in a number of companies and board committees and their subsidiaries. - Committee Member at Riyadh Chamber of Commerce and Council of Saudi Chambers
3	Dr. Saleh Hamad Al-Shenefy	- Associate Professor – Faculty of Business Administration – King Saud University	- Assistant Professor - Faculty of Business Administration – King Saud University	- PhD in Business Administration, major Accounting - University of Florida Atlantic	- Membership of the Audit committee in several companies and BoD member of the Saudi Organization for Certified Public Accountants (SOCPA)
4	Mr. Yazeed Khalid Al Muhaizaa	- Advisor of the Managing Director - Qiddiya Investment	- Assistant General Manager and Head of International Markets - Hassana Investment Company	- Master in Financial Management - Bachelor of Financial Administration	- Representative of the General Organization for Social Insurance - Assistant General Manager and Head of International Markets Department at Hassana Investment Company since 2014. - Investment Analyst in the Portfolio Management Department at The General Organization for Social Insurance in the Kingdom of Saudi Arabia from 2007 to 2014.
5	Mr. Abdullah S. Alanizi	- Chief Internal Audit – Saudi Telecom Company	- General Manager, Network & IS Audit – Saudi Telecom Company	- Master of Business Administration – King Fahd University of Petroleum & Minerals	- He held several positions in the Auditing and Accounting fields in Samba Financial Group and Saudi Telecom Company He held the position of membership of the Audit Committee at Seera Company until 29 March 2021 AD as shown in the attendance record Table No. (20).

Board of Directors and Governance Continued

2. Tasks of committees and attending meetings

a. Executive Committee

The Executive committee is comprised of four members according to the statement shown in Table (18) of this report. During 2021, the committee held ten meetings.

Among the most important tasks of the committee's work are:

- Submitting recommendations to the BoD to set and approve the financial and strategic objectives of the Group.
- Recommending the approval of the annual budget of the Group.
- Approving the execution of contracts, tenders and auctions and awarding bids in the supply, construction, operation contracts and contracting works as per the powers granted to them for amounts, not exceeding SAR 50 million per contract.
- Giving approval on participation in investment projects, new partnerships or projects aiming to enhance and develop the existing activities according to the granted authorities at no more than SAR 500 million.

Table (18): Executive committee member names and committee meetings attendance rate.

No.	Name	Title:	Number of Meetings (10) in 2021										Attendance %
			04.04	21.04	19.05	11.07	01.08	12.08	21.09	08.11	08.12	27.12	
1	Eng. Mohammed Bin Saleh Al Khalil	Committee president	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	100%
2	Mr. Majed Bin Ayed Alnefaie	Committee member/ CEO	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	100%
3	Mr. Ibrahim Bin Abdulaziz Alrashed	Committee member	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	100%
4	Mr. Abdullah Bin Nasser Al Dawood	Committee member/ Managing Director	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	100%

⊙ Attended ○ Not attended

B. Remuneration and Nomination committee

The Remuneration and Nomination committee is comprised of 3 members, two independent members of the Board, Chairman of the Committee from outside the Board, according to the statement indicated in Table (19) of this report, and the Committee held four meetings during 2021. The Remuneration and Nomination committee issued numerous decisions by passing them to members. The committee fulfills its role and authority through the regulations of the Remuneration and Nomination and Governance committees. Functions and responsibilities of the committee include the following:

- Submitting a recommendation to the BoD to nominate for the membership of the BoD, according to approved policies and procedures; taking into consideration not to nominate any person previously convicted with a crime of dishonor or dishonesty.
- Annual review of required needs of convenient skills for the BoD membership and preparation of a description of the capabilities and qualifications required for its membership including determination of the time a member would need to devote to the BoD affairs.
- Review the structure of the BoD and Executive management and submit recommendations on possible changes and determine weaknesses and strengths in the BoD while proposing solutions for them, according to the benefit of the Group.
- Annually assuring the autonomy of independent members.
- Assuring that there is no conflict of interest since the member is in the BoD of another company.
- Setting clear policies with regards to the compensations and remunerations of the BoD members and senior executives, taking into consideration using performance-related standards when setting these policies.

Table (19): Remuneration and Nomination committee members names and committee meetings attendance rate:

No.	Name	Title:	Number of Meetings (4) in 2021				Attendance %
			21/01	24/06	21/12	26/12	
1	Dr. Sulaiman Bin Ali Al Hudaif	Committee president	⊙	⊙	⊙	⊙	100%
2	Mr. Majed Bin Ayed Alnefaie	Committee member	⊙	Did not attend for the expiry of membership			100%
3	Mr. Ibrahim Bin Abdulaziz Alrashed	Committee member	⊙	⊙	⊙	⊙	100%
4	Mr. Yazeed Khalid Al Muhaizaa	Committee member	His membership did not start	⊙	⊙	⊙	100%

⊙ Attended ○ Not attended

C. Audit committee

The Audit Committee is comprised of 4 members, as mentioned in Table 20 of this report, two members from the BoD and two independent members out of the BoD; Dr.Saleh Al-Shenefy Financial and Accounting Specialist, and Mr. Abdullah S. Alanizi, Internal Audit and Technical Risk Specialist until the end of the previous round on 29March2021:

At the beginning of the new round, dated 29March2021, 4 members were appointed as mentioned in Table 20 of this report, two members from the BoD and two independent members out of the BoD; they are Dr. Saleh Hamad Al-Shenefy, Financial and Accounting Specialist, Mr. Abdullah Al Ayadi, Legal Affairs Specialist, and Mr. Yazeed Khalid Al Muhaizaa, Member of the Audit Committee. The committee held 11 meetings in 2021; and it performs its duties according to its authority approved by the Audit committee, which is approved by the Extraordinary General Meeting (EGM) of the Group held on 25May2021. The functions and responsibilities of the Committee include the following:

1. Initial and annual financial statements

- Considering the initial and annual financial statements of the Group before submitting them to the BoD and giving their opinions on them; and recommending them to ensure their integrity, fairness and transparency.
- Giving technical opinion on whether the report of the BoD and the financial statements are fair, balanced and clear; and includes data that allows shareholders and investors to assess the Group's financial position, performance, business model and strategy.
- Considering any significant or unusual issues included in the financial reports.
- Considering any issues raised by the Financial Manager (or who covers him/her), Compliance Officer, or External Auditor of the Group.
- Reviewing accounting estimates of significant issues included in the financial reports.
- Overseeing accounting policies and principles followed in the Group and its subsidiaries; depending on the nature of their work; and submitting opinion and recommendation to the BoD on them.

2. Internal audit

- Monitor and supervise the performance and activities of the Internal Audit Department to ensure availability of the necessary resources and their effectiveness in performing the tasks and functions assigned to them.
- Oversee Internal Audit reports and following up the implementation of the corrective measures of the notes included therein.
- Study and review the internal control systems.
- Activate the reporting policy mechanism for the employees to confidentially provide their comments on any violation in the financial reports or elsewhere.
- Approve the Internal Audit regulations, policies, and procedures.
- Approve the annual internal audit plan proposed by the Internal Audit Manager.
- Ensure the independence of the Internal Audit Department and its effectiveness, according to the relevant standards.
- Review the results of the reports of the supervisory authorities and ensure taking the required actions thereon.

3. External audit

- Reviewing the work plan of the Group's auditor and its works, making sure that the auditor does not carry out technical or administrative works outside the scope of the audit work, and giving its views thereon.
- Ascertaining the independence, objectivity and fairness of the auditor and the effectiveness of the audit works, taking into account the relevant rules and standards.
- Examining the auditor's report and its observations on the financial statements and following up on what has been taken in this regard.

4. Compliance review

- Reviewing the contracts and transactions proposed to be entered by the Group with the related parties and presenting its views thereon to the Board of Directors.
- Checking the Group's compliance with the relevant regulations, instructions and policies.
- Raising such matters as it considers necessary for action to the Board of Directors and making recommendations on the actions to be taken.

Table (20) Names of the members of the Audit committee and the committee meetings attendance rate:

No.	Name	Title:	Number of Meetings (11) in 2021										Attendance %		
			02.02	25.03	03.04	26.04	06.05	23.07	16.08	20.10	04.11	09.11		07.12	
1	Mr. Abdullah Bin Abdulrahman Al Ayadi	Committee president	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	100%	
2	Mr. Ahmed Samer Bin Mohammed Hamdi Al-Zaim	Committee member	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	100%	
3	Dr. Saleh Hamad Al-Shenefy	Committee member	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	100%	
4	Mr. Abdullah S. Alanizi	Committee member	⊙	⊙	He did not attend because his membership ended at the round of the Board on 28.03.2021.						⊙	⊙	⊙	⊙	100%
5	Mr.Yazeed Khalid Al Muhaizaa	Committee member	His membership did not start and he was appointed by the AGM on 25.05.2021.						⊙	⊙	⊙	⊙	⊙	100%	

⊙ Attended ○ Not attended

Board of Directors and Governance Continued

5.1 Findings of the internal review and evaluation of the effectiveness of the internal control system

5.1 Organizational structure and scope of operations

The "Seera" Group's Board of Directors is committed to use the Internal Audit Department as a key tool to control, improve and monitor the performance across the Group, and to develop the Group's business, governance and oversight practices. The Internal Audit Department is the group's "third line of defense," which means that it does not replace the role of the senior executives at the strategic business units and the joint central service units. Simply, they represent the Group's "first lines of defense", as they are required to minimize the risks and verify the effectiveness of the controls approved by the Board of Directors.

The Internal Audit Department submits a quarterly report to the Audit Committee, appointed by the General Assembly, and reports directly to the Group's CEO. The Internal Audit Department conforms to the IIA's International Professional Practices Framework (IPPF), which sets the definition, international professional standards and key principles of internal auditing.

The Internal Audit Department follows an approach based on risk management and focuses on the sectors and operations that comprise potential risks to the Group, if any.

Accordingly, the mission of the Internal Audit Department is to support and protect organizational value, through verification and providing the stakeholders with independent and objective consultation that is based on risk management.

The key achievements of the Internal Audit Department in 2021:

5.2 Internal audit and evaluating the effectiveness of internal auditing

The Internal Audit Department has focused on several tasks within its purview in accordance with the IIA's International Professional Practices Framework (IPPF) and the approved Internal Audit Activity Charter. These have helped enhance the audit controls, improve risk management, and achieve the desired goals including:

- Execution of the full internal audit plan for 2021, with completion percentage of 100%, which covered nearly 24 key audit and consultancy tasks carried out upon the board and Audit Committee's request. The operations and activities mentioned earlier were audited during this process. This was to ensure the effectiveness of the auditing of these operations and to limit any risks involved.
- The execution of follow-up procedures with strategic sector managers and senior manager for all results listed in internal audit report for 2021 and earlier reports, in the light of the recommendations of the Internal Audit Department to ensure timely execution of the proposed corrective measures and 85% of the recommendations of the reports of the Internal Audit Department was performed.
- A comprehensive update for the evaluation of risks for 2021 for all departments within the Group according to the challenges of (Covid-19). This is to update the internal audit operational and strategic plans for 2022. During this process, discussions were held with the main related bodies, such as the Audit Committee, operational units' managers, and senior management. All the key issues identified through these discussions were reflected in the operational review plan.
- The participation in investigation and the follow-up on issues related to violations in cooperation with concerned unites, and study of the results of the investigation to enhance the controls.
- An internal audit was carried out in 2021 to evaluate the quality of internal auditing practices and measure the Internal Audit Department's compliance with the IIA's International Professional Practices Framework (IPPF). The methodological evaluation revealed that the department conforms to the IPPF.
- Continue the ongoing the Internal Audit Department's workforce restructure according to the recommendations of the IIA Global Internal Audit Competency Framework. This process involves supporting the Department and hiring of new qualified, competent and experienced auditors to handle all the required tasks and duties.
- The Group and the Internal Audit Department invested in internal auditing technological solutions. For example, the department used "Teammate" system to digitally document its works.
- The internal audit team has attended some visual training courses and specialized seminars on internal audit in 2021 to keep the team updated about the latest scientific and practical developments in this field.
- The Internal Audit Department submits a quarterly report to the Audit Committee, outlining the results of the internal auditing activities in the light of the approved KPIs. The report is discussed in meetings with the Audit Committee with the head of the Group's Internal Audit Department.

5.3 Initial & Annual Financial Statements

- The Internal Audit Department pays special attention to the financial statements and reports for the Seera Group. Therefore, it has allocated adequate hours for this task as part of its operation plan. In this respect, the Internal Audit Department reviews these financial reports and statements before submitting them to the Audit Committee along with the necessary recommendations to ensure their integrity, fairness, and transparency.
- Check the key risks associated with the financial statements, for example, (important accounting estimates – changes in accounting policies and their financial effects on the statements – the compliance with the IFRS disclosure standards).
- Revision of key issues and accounting reports regularly.

5.1 Governance operations

The Internal Audit Department has undertaken tasks related to governance, which in turn has confirmed the efficiency and adherence to the internal auditing procedures according to the IIA's 2110 performance standard, which stipulates that the internal audit activity must assess and make appropriate recommendations to improve the governance processes. In this context, the Internal Audit Department has reviewed the following:

- The decisions and minutes of the Board of Directors to ensure consistent decision-making and consistent strategy procedures.
- Procedures for effective performance and the evaluation of the strategic business units to affirm that they are suitably structured.
- Disclosure of risk-related information to the related bodies in the Group in a regular manner.

Report violations that may raise suspicion of financial and non-financial violations related to the Group via the reporting channels "Nazih".

6. The findings of the Audit committee

The committee has been made aware of the findings, through regular internal audit reports, as well as meeting with the external auditor and the report submitted by him. The committee regularly follows up on the efforts of the executive committee to ensure that its observations have been addressed and that sufficient controls have been put in place to remedy the issues. However, it should be clear that any internal audit system can only provide reasonable, but not absolute, assurances regarding integrity and effectiveness of the internal control system. Also, there is no conflict between the recommendations and decisions of the Audit Committee and that of the Board of Directors.

7. External audit

At its meeting held on 25 May 2021, the Ordinary General Assembly of the Group approved the appointment of the Dr. Mohamed Al Amri & Co., from other candidates, as the Group's auditor for the financial year ended on 31 December 2021 in consideration of remuneration of SAR 905,000.

Various proposals were obtained from major audit firms for auditing the Group's accounting records for the financial year 2021. Having been presented to the Audit committee and after discussion, the committee decided on the list of nominations which was reviewed by the Board of Directors and the General Assembly. Accordingly, the Group's auditor for the financial year 2021 was appointed.

3. Remuneration and allowances of the Board committees

Table (21): Remuneration and allowances of the Board committees during 2021:

No.	Name	Fixed Bonuses (except for allowance of meetings attendance)	Attendance allowance	Total
Executive committee				
1	Eng. Mohammed Bin Saleh Al Khalil	50,000	20,000	70,000
2	Mr. Majed Bin Ayed Alnefaie ¹	37,500	40,000	77,500
3	Mr. Mazen Bin Ahmed Al Jubeir ²	12,500	-	12,500
4	Mr. Ibrahim Bin Abdulaziz Alrashed	50,000	40,000	90,000
5	Mr. Yazeed Khalid Al Muhaizaa ²	12,500	-	12,500
6	Mr. Abdullah Bin Nasser Al Dawood	50,000	40,000	90,000
Total		212,500	140,000	352,500
Nominations and Remuneration committee				
1	Dr. Sulaiman Bin Ali Al Hudaif ³	125,000	16,000	141,000
2	Mr. Majed Bin Ayed Alnefaie ²	12,500	4,000	16,500
3	Mr. Ibrahim Bin Abdulaziz Alrashed	50,000	16,000	66,000
4	Mr. Yazeed Khalid Al Muhaizaa ¹	37,500	12,000	49,500
Total		225,000	48,000	273,000
Audit committee				
1	Mr. Abdullah Bin Abdulrahman Al Ayadi ³	212,500	44,000	256,500
2	Mr. Ahmed Samer Bin Mohammed Hamdi Al-Zaim	100,000	44,000	144,000
3	Dr. Saleh Hamad Al-Shenefy	200,000	44,000	244,000
4	Mr. Abdullah S. Alanizi ²	50,000	8,000	58,000
5	Mr. Yazeed Khalid Al Muhaizaa ⁴	84,125	24,000	108,125
Total		646,625	164,000	810,125
Total		1,084,125	352,000	1,435,625

(1) His membership in the Committee started at the beginning of the new round of the Board on 29.03.2021.

(2) His membership in the Committee ended at the end of the round of the Board on 28.03.2021.

(3) Committee member from inside the Board until the end of its round on 28.03.2021. He was appointed as the Chairman of the Committee from outside the Board at the beginning of the new round on 29.03.2021.

(4) His appointed as a member in the Audit Committee was approved by the AGM on 25.05.2021.

Board of Directors and Governance Continued

c. Executive management

1. Positions, qualification and experience of the senior executives

Table (22): Positions, qualification and experience of the senior executives:

No.	Name	Current positions	Former positions	Qualification	Experiences
1	Mr. Majed Bin Ayed Alnefaie	- Chief Executive Officer, Seera Holding Group	- Deputy Head of Revenue Department at Makka Construction & Development Co.	- Bachelor of Accounting - Advanced Diploma in Hotels Management	- Hotel Manager at the Hilton Towers Makkah from 1999 to 2004 - Board member of companies working in tourism sector and hotel services.
2	Mr. Abdullah Bin Nasser Al Dawood	- Managing Director, Seera Holding Group - Chairman of the Saudi Entertainment Projects Company - Chairman of the Alraedah Finance Company - Managing Director in Qiddiya Investment	- Vice President of Investment Banking at Deutsche Bank in the Middle East and North Africa	- Bachelor in Business Administration with first class honors	- Over 11 years of experience in investment banking, during which he held several executive positions
3	Mr. Muhammad Khalid	- Chief Financial Officer, Seera Holding Group	- Vice Preseident Financial Management	- Bachelor of Commerce from University of the Punjab, Pakistan. - CertIA, Association of Chartered Certified Accountants-United Kingdom - Certificate in Accountancy and Finance, Institute of Chartered Accountants of Pakistan.	- 13 years experience with 5 years in KPMG. Experienced in developing and implementing best in class financial controls with seamless processes, business practices, driving cost optimization, improving operational efficiency and enhancing business growth and profitability.
4	Mr. Muzzammil Ahussain	- Executive Vice President - Travel	- Senior Manager Accenture	- MBA with distinction - French Institute for Higher Studies in Business Administration "INSIDE" - BA in Economy from the University of California, Irvine.	- Certified International Advisor in Travel via e-platforms
5	Mr. Tarique Khatri	- Executive Vice President - Center Of Excellence	- Co-Founder & COO tajawal - Senior Vice President - Customer Experience Cleartrip.com	- Diploma in Hotels Management and Catering Technology - Faculty of Rizvi Hotels Management and Catering Technology - Mumbai	- More than 20 year-experience in travel industry, as he builds his experience on customer expertise, business development and new market initiatives to promote commercial success. He occupied vital roles in multinational companies such as: Kuoni and Cleartip as part of the founders of Cleartip. He also led the extension of the platform in the Middle East and created various jobs for suppliers and distributors.
6	Mr. Syed Mohammed Azfar Shakeel	- Vice President - Car Rental	- Head of Rentals in Hanco Rent A Car in the UAE - Director of Treasury and Planning in Al Tala'a International Transportation Co.	- Associate Member in the Pakistan Institute of Public Finance Accountants	- He has almost 20 year experience in working with multinational companies in many countries. - He worked as Head of Financial Operations in huge organizations before joining the Group. He worked with many companies such as "Hanco" Car Rentals and Al Tala'a International Transportation Co - He also worked in "Coca-Cola" Pakistan, "Procter & Gamble" "Gillette" Limited in Pakistan.

2. Remuneration and rewards paid to the senior executives

The total disbursements paid to the senior executives, including "CEO and Chief Financial Officer" are SAR 15,328,687 for the year 2021 including, salaries, allowances, periodic and annual compensation and travel and accommodation allowances until 31December2021 as follows:

Table (23): Remuneration of the senior executives:

Fixed Bonuses From January - December 2021					Variable Bonuses					Total remuneration of the Board's Executives, if any	Grand Total	
Salaries	Allowances	In-kind benefits	Total	Regular bonuses	Profits	Short-term Incentive Plans	Long-term Incentive Plans	Granted Shares (value to be entered)	Total			Indemnity
5,012,019	2,541,558	-	7,553,577	3,686,960	-	-	-	2,679,108	6,366,068	565,042	844,000	15,328,687

3. Shares held by the senior executives:

Shares held by the senior executives and percentage to total shares in the Group by the end of 2021 comparing with their shares at the beginning of 2021:

Table (24): Shares held by the senior executives:

No.	Names of senior executives:	Owned Shares			
		No. of shares at beginning of 2021	% out of the total no. of shares	No. of Shares at the end of 2021	% out of the total no. of shares
1	Mr. Majed Bin Ayed Alnefaie	9800	0.003%	9800	0.003%
2	Mr. Muhammad Khalid	Nil.	-	Nil.	-
3	Mr. Syed Mohammed Azfar Shakeel	Nil.	-	Nil.	-
4	Mr. Abdullah Bin Nasser Al Dawood	2,332	0.0008%	2,332	0.0008%
5	Mr. Tarique Khatri	Nil.	-	Nil.	-
6	Mr. Muzzammil Ahussain	Nil.	-	Nil.	-

Disclosure: According to the declarations submitted by senior executives, there are no shares owned by any wives or children of the senior executives during 2021.

2. The Group's compliance with the Corporate Governance Regulations

The management of Seera Holding Group is committed to implementing all the provisions of the Corporate Governance Regulations issued by the Capital Market Authority (CMA) on 14 January 2021, except for the guidance articles as described below:

Table (25): The Group's compliance with the Corporate Governance Regulations:

No.	Article/ Clause no.	Status	Article/ Clause text	Reasons for non-application
1	70/71/72	Guidance	- Formation of risk management committee - Competences of risk management committee - Meetings of risk management committee	The Group is currently applying tasks and competences related to this committee through the Board of Directors and Audit Committee
2	95	Guidance	- Formation of Corporate Governance Committee	The Group is currently applying tasks and competences related to this committee through the Board of Directors and sub-committees by performing the assigned tasks and achieving their goals.

3. Rights of shareholders and General Assembly

a. Shareholders' rights

The Group is keen in enabling all shareholders to exercise their own lawful rights so that they receive their share of the distributed profits and a share of the Group's assets in case of liquidation, attend shareholders' assembly meetings, participate in its discussions, vote on its resolutions, dispose of the shares, monitor the work of the Board of Directors, file a liability case against a member of the Board of Directors, and request information, provided that it may not prejudice the interest of the Group or conflict with the Capital Market Law and its executive regulations and that it shall be in line with the provisions of the Corporate Governance Regulations approved by the Board.

b. Information to shareholders

The Group shall make all information available to all shareholders in accordance with the policies of disclosure of significant developments, financial statements and performance report in accordance with the applicable legal requirements and regulations and the instructions received from the competent authorities without discrimination amongst the shareholders, to enable them to exercise their rights to the fullest extent. Such information is required to be accurate, complete and updated in a regular and timely manner on the website of the Capital Market Authority (Tadawul), the Group's website and daily newspapers.

Board of Directors and Governance Continued

c. Dividend policy

The Group's policy to distributing the net annual profits is based on Article (38/M) of the Group's Articles of Association after deducting all general expenses and other costs as follows:

- 10% of the net profit shall be set aside to form a statutory reserve. The Ordinary General Assembly may cease such withholding once the said reserve reaches 30% of the paid-up capital.
- The Ordinary General Assembly, based on the Board of Directors' proposal, may set aside a percentage of the net profits no more than (50%) to form a consensual reserve to be allocated for a certain purpose(s).
- The Company may distribute interim dividends to the shareholders on a semi-annual or quarterly basis after fulfilling the following requirements:

- The General Assembly shall authorize the Board to distribute interim dividends under a resolution to be renewed annually.
- The Company shall maintain good and regular profits.
- The Company shall have reasonable cash flow and can reasonably predict its level of profitability.
- The Company shall have available sufficient distributable profits according to the latest audited financial statements to cover the proposed dividends, after deducting the distributed and capitalized part of such profits after the date of these financial statements.

The Board of Directors shall implement the General Assembly's resolution regarding the distribution of profits to the registered shareholders within 15 days from the date whereon such profits become due as specified in the General Assembly's resolution.

- The General Assembly may withhold (10%) of the net profit for establishing social institutions for the Company's employees or for granting reward shares in the Company to the employees of the Company.
- The profits to be distributed to shareholders shall be paid in such time and place as may be determined by the Board of Directors in accordance with the instructions issued by the Ministry of Commerce and Industry or any competent authority.
 - During its meeting of 14 April 2019, the Extraordinary General Assembly agreed to allot 6,490,000 shares for the establishment of a program for the Groups employees (long-term incentives plan).

Table (26): Details of treasury stocks maintained by the Group:

Number of treasury stocks maintained by the Group	Value	Date	Usage details
6,053,820	SAR 60,538,200*	31 December 2021	Group's employees shares program (Long-term incentives plan)

* Share book value.

Number of treasury stocks maintained by the Group	Value	Date	Usage details
6,490,000	SAR 64,900,000*	14 April 2019	Group's employees shares program (Long-term incentives plan)

* share book value.

d. Group's applications for shareholders' register

Table (27): Group's applications for shareholders' register:

No. of applications	Application date	Application reason
1	03/01/2021	Updating the shareholder's register
2	06/01/2021	General Assembly
3	28/01/2021	Updating the shareholder's register
4	20/05/2021	Updating the shareholder's register
5	25/05/2021	General Assembly

e. Actions taken by the Board of Directors to inform its members of the shareholders' proposals and their comments on the Group and its performance

The Group took a number of measures to inform members of the Board of Directors, particularly the non-executive directors, - of shareholders' proposals as follows:

- The Group appointed a competent department to receive Shareholders' proposals, namely, the Investor Relations Department. These proposals are then submitted to the Board of Directors during the Board meetings to take and send the appropriate decision to (investors@seera.sa).
- For years, the Group has been providing the shareholders with opinion and proposal cards at the General Assembly, so that each shareholder can record their observations on the Group and its performance as well as their own proposals.
- The Group also allowed its shareholders to question the members of the Board of Directors about the performance of the Group during the AGM.

f. General Assembly

The Company's shareholders were convened to the General Assembly on 07 January 2021 and 25 May 2021. The quorum was present, and the members of the Board of Directors were present according to the following table:

Table (28): Statement of the General Assembly Meeting attended by the members of the Board of Directors.

No.	Name	Attendance Record of the General Assembly meeting held on 07 January 2021	Attendance Record of the General Assembly meeting held on 25 May 2021
1	Eng. Mohammed Bin Saleh Al Khalil	⊙	⊙
2	Mr. Ahmed Samer Bin Mohammed Hamdi Al-Zaim	⊙	⊙
3	Dr. Sulaiman Bin Ali Al Hudaif*	⊙	○
4	Mr. Majed Bin Ayed Alnefaie	⊙	⊙
5	Mr. Mazen Bin Ahmed Al Jubeir	⊙	⊙
6	Mr. Abdullah Bin Abdulrahman Al Ayadi*	⊙	○
7	Mr. Ibrahim Bin Abdulaziz Alrashed	⊙	⊙
8	Mr. Yazeed Khalid Al Muhaizaa	⊙	⊙
9	Mr. Abdullah Bin Nasser Al Dawood	⊙	⊙

⊙ Attended ○ Not attended

* His membership in the Board ended at the end of its round on 28.03.2021

g. Disclosure policies and procedures

The Board of Directors has developed written disclosure and transparency policies and procedures to ensure the fair provision of appropriate information in a timely manner to assist investors in making investment decisions based on correct and adequate information and to ensure no information is disclosed to some investors and not to the others.

The Company is committed to complying with the policies and procedures developed by the Board of Directors based on the relevant regulations and the instructions issued by the Capital Market Authority and the competent authorities in order to enhance the level of transparency and disclosure.

4. The interests of the Board of Directors

Table (29): List of Interests of some members of the Company's Board of Directors:

No.	Statement	Nature of relationship	Nature of contract	Value of the Contract	Contract terms and conditions	Contract term
1	Gulf International Company for Trade and Real Estate Investment Ltd.	The member of the Board of Directors, Mr. Mr. Ahmed Samer Bin Mohammed Hamdi Al-Zaim, owns 36.66% of the ownership.	Providing travel and tourism services	200 thousand riyals per month	There are no special conditions	Annual contract Automatically renews
2	Riyadh Cables Group Company	the member of the Board of Directors, Mr. Ahmed Samer Bin Mohammed Hamdi Al-Zaim, owns an ownership percentage of 11.9%	Providing travel and tourism services	50 thousand riyals per month	There are no special conditions	Annual contract Automatically renews
3	SABIC Company	Mr. Mazen bin Ahmed Al Jubeir is a member of the Board of Directors of SABIC Investment and Local Content Development Company, which is one of the SABIC subsidiaries	Car rental services	On demand and according to market value	There are no special conditions	5 years

Board of Directors and Governance Continued

No.	Statement	Nature of relationship	Nature of contract	Value of the Contract	Contract terms and conditions	Contract term
4	Saudi Entertainment Projects Company	Member of the Board of Directors and Managing Director Mr. Abdullah bin Nasser Al Dawood - Related Party and Board Member Mr. Ibrahim bin Abdulaziz Al-Rashed - Related Party	Providing travel and tourism services	SAR 2 million	There are no special conditions	One year
5	Education Development Holding Company	Chairman of the Board of Directors Eng. Muhammad bin Saleh Al Khalil - Related Party	Providing travel and tourism services	On demand and according to market value	There are no special conditions	Annual contract Automatically renews
6	Building Development Company	Chairman of the Board of Directors Eng. Muhammad Bin Saleh Al Khalil - Related Party	Providing travel and tourism services	On demand and according to market value	There are no special conditions	Annual contract Automatically renews
7	Naqla Audio Visual Media Production Company	Member of the Board of Directors and Chief Executive Officer, Mr. Majid bin Ayedh Al-Nafaei	Providing travel and tourism services	On demand and according to market value	There are no special conditions	providing services against advanced payment
8	National Petrochemical Industries Company (NATPET)	Chairman of the Board of Directors Eng. Muhammad bin Saleh Al Khalil - Related Party	Car rental services	On demand and according to market value	There are no special conditions	One-off rental contract

5. Undertakings of the Board of Directors

The Board of Directors affirms and acknowledges that:

- The consolidated financial statements were prepared in accordance with the conceptual framework of the International Accounting Standards Board (IASB).
- The accounting records were prepared correctly.
- The internal audit system was duly developed and effectively implemented.
- There is no doubt about the Company's ability to continue its activities.
- The company always complies with the requirements of the Corporate Governance Regulations, including all disclosure and transparency policies and procedures.
- The General Assembly did not convene during the last fiscal year and the Company received no request from the legal auditor to this effect.
- The General Assembly did not convene during the last fiscal year and the Company received no request from the shareholders who hold 5% or more of the capital to this effect.
- None of the shareholders holding 5% or more of the Company's capital requested to add an item or more to the agenda of the General Assembly upon its preparation.
- No penalty, sanction or conservatory constraint has been imposed on the Company by CMA or any other supervisory, regulatory or judicial body.
- Except as disclosed in this report, the company has no loans with over 3 year maturity, none of the Company's properties were sold or mortgaged, and the Company's debtors were not discharged from any obligations towards the Company during 2021.
- No action has been taken that may hinder a shareholder's ability to exercise his voting rights.
- Except as disclosed in this report, the Company is not a party to any contract, which involves or involved a substantial interest for a member of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer or any person related to any of them during the fiscal year 2021.
- There is no waiver agreement or arrangement under which any of the shareholders of the company has waived rights in profits during the fiscal year 2021.
- The audit report on the annual financial statements for the fiscal year 2021 included no substantive reservations or observations.
- There is no recommendation from the Board of Directors to replace the auditor before three consecutive fiscal years.

- Except as disclosed in this report, none of the members of the Board of Directors, senior executives, their wives or minor children has interests, contractual securities or subscription rights in the Company's shares, debt instruments or subsidiaries.
- Except as disclosed in this report, no convertible or redeemable debentures, option rights, warrants or similar rights were issued or granted by the Company or its subsidiaries during 2021.
- The company did not redeem, purchase or cancel any redeemable debt instrument.
- There is no waiver agreement or arrangement whereby a board member or a senior executive waived any salary or remuneration.
- The Company's subsidiaries issued no shares or debt instruments.
- There are no rights of transfer or subscription under convertible debt instruments, option rights, warrants or similar rights issued or granted by the Company.
- The Company did not offer any cash loan of any kind to members of its Board of Directors, nor did it guarantee any loan made by any of them with a third party.
- None of the members of the Company's Board of Directors owns any share in the capital of the Company's subsidiaries; and the Company has not entered into any business or contract that involves any interest for any of its Board members, senior executives or any person related to any of them or the Company's employees, except as disclosed in this report. The Company does not have preferred shares or shares of special interest in voting (for shareholders, directors or any of their employees) and all shares of the Company are ordinary shares of equal nominal value and have equal voting rights and other rights according to the by-law.
- The Company is subject to zakat in accordance with the regulations of the General Authority of Zakat and Tax. A provision for zakat is charged to the consolidated statement of income. Differences, if any, at the finalization of final assessments are accounted for when such amounts are determined.
- The Company's external auditor provided no advisory services to the Company during the fiscal year 2021 and received no fees related thereto.

6. Lawsuits against the company

- The Board of Directors assures that no cases were filed during the fiscal year 2021 by or against the Company exceeding 5% of the net assets of the Company.
- The Board of Directors assures that no cases were filed during the fiscal year 2021 against a member of the Board of Directors or a partner in our subsidiaries or against any of the Company's senior executives.

Table (30): Fines and penalties imposed on the Group in 2021:

No.	Penalty	The violation causes	The authority that imposed the penalty	Ways to treat and avoid its occurrence in the future	Financial Impact
1	Financial	Failure to adhere to health protocols and precautionary measures	Ministry of Municipal and Rural Affairs - Jazan Municipality	Activating corrective measures to ensure that it does not happen again in the future	Low
2	Financial	Not having a residence permit	Ministry of Municipal and Rural Affairs - Riyadh Municipality	The residence permit has been obtained and corrective measures have been activated to ensure that this will not happen again in the future	Low
3	Financial	Failure to open an establishment file for the branch in the Labour Office - Employment in Saudized jobs	Ministry of Labor	Activating corrective measures to ensure that it does not happen again in the future	Low
4	Financial	Failure to present the VAT registration certificate	Zakat, Tax and Customs Authority	Activating corrective measures to ensure that it does not happen again in the future	Low
5	Financial	Not including Saudis in insurance payments	General Organization for Social Insurance	Activating corrective measures to ensure that it does not happen again in the future	Low

Board of Directors and Governance Continued

7. Related party transactions and balances for the fiscal year 2021

Table (31): Related party transactions and balances for the fiscal year 2021

No.	Related Party	Relationship with the Company	Nature of the transaction	Transaction/ Contract value					Other costs (Revenues)	Contract term
				Sales	Purchases	Collections	Payments			
1	Riyadh Front Exhibition & Convention Co.	Affiliate	Provision of travel services	-	-	-	16,501	(713,117)	Automatically renewable annual contract	
2	Abdullah Al Ajlani	Minority shareholder in Hanay Trading company	Minority shareholder	-	-	-	-	-	There is no contract	
3	Nile Air	Majority shareholding in SEERA Group	Provision of travel services	20,000	1,792,880	-	-	1,865,105	Automatically renewable annual contract	
4	Muhaidib Ali Muhaidib	Minority shareholder in Alsarh Travel and Tourism	Minority shareholder	-	-	-	-	2,931	Automatically renewable annual contract	
5	Majed Bin Ayed Alnefaie	shareholding for a director	Executive President	1,084,910	-	-	-	(14,766,826)	There is no contract	
6	Saudi Entertainment Ventures	shareholding for a director	Provision of travel services	6,502,799	-	4,419,840	-	(769)	Automatically renewable annual contract	
7	Riyadh Cables Group of Companies	shareholding for a director	Provision of travel services	-	-	-	-	(26,544)	Automatically renewable annual contract	
8	Gulf International Trading & Real Estate Investment Limited Company	shareholding for a director	Provision of travel services	-	-	120,820	-	141,806	Automatically renewable annual contract	
9	Saudi Batal Design Company	Majority shareholding in SEERA Group	Provision of travel services	-	-	68,227	-	(2,675)	Automatically renewable annual contract	
10	Forbes Middle East	Majority shareholding in SEERA Group	Provision of travel services	-	-	-	-	-	Automatically renewable annual contract	
11	Saudi Basic Industries Corporation (SABIC)	shareholding for a director	Provision of travel services	-	-	35,905	-	18,119	Automatically renewable annual contract	
12	Mohammed Bin Saleh Al Khalil	shareholding for a chairman	Provision of travel services	248,784	-	353,100	-	132,202	Automatically renewable annual contract	
13	Tatweer Education Holding Co.	shareholding for a director	Provision of travel services	34,264	-	186,802	-	-	Automatically renewable annual contract	
14	Tatweer Buildings Co.	shareholding for a director	Provision of travel services	-	-	-	-	-	Automatically renewable annual contract	
15	Naqla Media Production Company	shareholding for a director	Provision of travel services	-	-	-	-	(95,329)	There is no contract	
16	Careem Incorporation	shareholding for a director	Provision of travel services	-	-	-	-	-	There is no contract	
17	Mazen Bin Ahmed Al Jubeir	shareholding for a director	Provision of travel services	7,975	-	-	-	-	Personal	
18	National Petrochemical Industry Company	shareholding for a director	Provision of travel services	8,654	-	-	-	-	There is no contract	
19	zshare United Communications	Majority shareholding in SEERA Group	Provision of travel services	-	-	-	-	-	Automatically renewable annual contract	

Table (31): Related party transactions and balances for the fiscal year 2020

No.	Related Party	Relationship with the Company	Nature of the transaction	Transaction/ Contract value					Other costs (Revenues)	Contract term
				Sales	Purchases	Collections	Payments			
1	Riyadh Front Exhibition & Convention Co.	Associate	Provision of travel services	618,043	-	-	5,712,923	458,717	Automatically renewable annual contract	
2	Abdullah Al Ajlani	Minority shareholder in Hanay Trading company	Minority shareholder	-	-	-	-	-	There is no contract	
3	Nile Air	Majority shareholding in SEERA Group	Provision of travel services	-	10,455,535	200,000	1,672,842	1,407,207	Automatically renewable annual contract	
4	Muhaidib Ali Muhaidib	Minority shareholder in Alsarh Travel and Tourism	Minority shareholder	-	-	-	-	81,361	Automatically renewable annual contract	
5	Majed Bin Ayed Alnefaie	shareholding for a director	Executive President	-	-	-	-	324,966	There is no contract	
6	Saudi Entertainment Projects Company	shareholding for a director	Provision of travel services	1,038,640	-	3,959,071	-	565,942	Automatically renewable annual contract	
7	Riyadh Cables Group of Companies	shareholding for a director	Provision of travel services	4,500	-	2,778	-	-	Automatically renewable annual contract	
8	Gulf International Trading & Real Estate Investment Limited Company	shareholding for a director	Provision of travel services	19,146	-	21,000	-	(24,476)	Automatically renewable annual contract	
9	Saudi Batal Design Company	Majority shareholding in SEERA Group	Provision of travel services	152,660	-	170,000	-	(41,807)	Automatically renewable annual contract	
10	Forbes Middle East	Majority shareholding in SEERA Group	Provision of travel services	-	-	-	-	-	Automatically renewable annual contract	
11	Saudi Basic Industries Corporation (SABIC)	shareholding for a director	Provision of travel services	2,600,664	-	2,097,347	-	(503,169)	Automatically renewable annual contract	
12	Mohammed Bin Saleh Al Khalil	shareholding for a chairman	Provision of travel services	289,576	-	353,100	-	63,524	Automatically renewable annual contract	
13	Tatweer Education Holding Co.	shareholding for a director	Provision of travel services	192,229	-	379,421	-	-	Automatically renewable annual contract	
14	Tatweer Buildings Co.	shareholding for a director	Provision of travel services	-	-	-	-	-	Automatically renewable annual contract	
15	Naqla Media Production Company	shareholding for a director	Provision of travel services	-	-	-	-	(397,735)	There is no contract	
16	Careem Incorporation	shareholding for a director	Provision of travel services	-	-	-	-	(84,190)	There is no contract	
17	Mazen Bin Ahmed Al Jubeir	shareholding for a director	Provision of travel services	-	-	-	-	-	Personal	
18	National Petrochemical Industry Company	shareholding for a director	Provision of travel services	8,654	-	-	-	-	There is no contract	
19	zshare United Communications	Majority shareholding in SEERA Group	Provision of travel services	-	-	-	-	(27,930)	Automatically renewable annual contract	

Section 3

Social Responsibility and Risk Management

Social responsibility

1. Social Solidarity Fund

Seera Holding ensures special care for its employees and staff based on its social responsibility towards them by establishing a social solidarity fund. Through this fund, Seera provides a package of humanitarian aid and material support when an employee is married, dies or is exposed to emergency circumstances. The fund contributed SAR 1 million SAR in 2021, the balance of the Social Solidarity Fund at the end of 2021 is SAR 84 million.

2. Obligations of the Group to Society

Proceeding from the Group's commitment to serve and meet the needs of the community, it continued its efforts to adopt and implement many community service programs during the fiscal year 2021. This is in line with the Group's mission and values. The group has contributed SAR1.8 million within the social responsibility programs, bringing the balance to SAR 8.2 million by the end of 2021.

3. Almosafer Academy

Arising from the Group's enthusiasm to develop its staff, it launched a year-round virtual and physical recruitment program aimed at developing multi-talented Saudi youth and preparing a new generation of travel advisors. This aims to:

- 1 Strengthening the role of the Group's social responsibility by investing in the development of local competencies in line with the Kingdom of Saudi Arabia's Vision 2030.
- 2 Strengthening the Group's position in the field of travel and tourism.
- 3 Attracting excellent young talent and enhancing the Group's image as a work environment of choice.

Risk management

Risk management is an integral part of the Group's activity. It is managed through a framework for identifying and evaluating risk, activating controls to cover risks, determining response procedures to deal with them, documenting relevant risk information and communicating it in a timely manner, enabling the Board of Directors and the Executive Management to carry out their duties and responsibilities.

The Group's management classifies risks into external and internal risks related to the strategic, operational, financial and compliance factors, which are represented in:

- 1 External factors, which include technical developments, changes in customer requirements and behavior, competition, new legislation and regulations, economic changes, natural disasters and epidemics.
- 2 Internal factors, which include all risks related to business, data processing systems, employee efficiency, changes in management responsibilities, and the effectiveness of the governance system.

The most important strategic and operational risks

Strategic risk

These are risks that affect the Group's strategic objectives, and the Group's management is preparing an effective system for managing strategic risks efficiently and effectively to enable the Group to achieve the objectives while addressing those risks.

Innovation and digital transformation risks

These are risks arising from a failure to keep pace with innovation and digital transformation related to online sales platforms and the IT sector, which is characterized by rapid development and change. This may create some challenges and opportunities.

This plan is implemented in several stages that take into account technical, organizational and economic variables. Systems and policies have been developed to monitor the efficiency of the systems and raise the levels of safety procedures.

The risks of cyber-attacks and the security risks of cloud computing

Cyber-attacks and cloud computing risks mainly target the online sales platforms and the IT sector. The Group continues to strengthen its cyber security function. Internal systems and policies were put in place, and the levels of security procedures were raised.

Data governance risks

The global risks resulting from the fast-growing data production and its uses represent real threats to the travel and IT sectors, as well as digital transformation projects. This may increase operational and organizational risks that compromise personal, business and operations data. The Group implements comprehensive governance policies to handle all types of data according to the relevant privacy requirements. It also adopts unified standards for data classification, storage, use, categorization and protection.

Service provider procedure risks

These are represented by key changes in service provision procedures, as the Group deals with a large number of service providers and the need to avoid dependence on one supplier. The Group has developed a network of certified service providers to avoid dependence on one provider. Its contracts stress that all systems be in agreement despite changes in suppliers. The Group reviews the status of companies it has contracted with on a regular basis to ensure their financial stability and the soundness of their operational plans and technical systems.

External risks

The risks of the COVID-19 pandemic

In 2021, the travel industry in the MENA region and beyond saw initial signs of recovery from the COVID-19 pandemic. With the easing and removal of travel restrictions and the implementation of targeted vaccination campaigns, Seera Group has worked diligently with partners, suppliers and key government stakeholders to facilitate the resumption of travel. The management has taken prudent precautions and the situation is being closely and continuously monitored with preventive steps and measures been taken to ensure business continuity.

Financial risk

Credit risk

This is the inability of one party to fulfill its obligations, which leads to financial loss for the other party. The Group does not have a significant concentration of credit risk. Cash and cash equivalents were deposited with local and international banks with high credit ratings. Trade and other receivables are due mainly from local customers - Government sectors, companies and related parties have been stated at their estimated recoverable amount.

Zakat and statutory payments

The following are the regular payments made during the financial year ended on 31 December 2021.

Table (33): Zakat and regular payments

Statement	Paid	2021		
		Outstanding until the end of 2021 (not paid)	Description	Reasons
Zakat and VAT	11,453,852	108,150,804	Zakat Provision	Based on the legislation requirements and existing regulations
The General Organization for Social Insurance	18,336,031	1,508,994	Social insurance for the Group's employees	Based on the legislation requirements and existing regulations
Visa Fees and Office Fees	22,998,539	0	Ministry of Labor Cost	Based on the legislation requirements and existing regulations

Fair value risks and commission rates cash flow

This is the exposure to multiple risks as a result of the changes in the prevalent market commission rates and the Group's cash flows.

The risks faced by the Group regarding changes in prevailing market commission rates relate mainly to short-and long-term Islamic deposits and Murabaha with an agreed commission. All Islamic deposits and Murabahas are subject to regular re-pricing.

Management monitors changes in commission rates and believes that the impact of the fair value and the commission rates cash flow risks to which the Group is exposed is not significant.

Liquidity risk

This is the risk that the Group will not be able to provide the necessary funds to meet its obligations relating to financial instruments. Liquidity risk arises from the inability to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring it regularly to ensure that sufficient liquidity is available to meet the Group's future obligations.

Currency risk

This represents the risk that the value of financial instruments will fluctuate as a result of changes in foreign exchange rates. The Group's transactions are principally in Saudi Riyals and US Dollars. Other transactions in foreign currencies are not material. Currency risk is managed on a regular basis.

VAT risks

Value-added tax (VAT) regulations are now in place in the Kingdom of Saudi Arabia, and VAT is imposed on most of the Group's services provided with some exceptions, so there is a risk of applying VAT in general, especially in the services of the aviation, hotel and car rental sectors provided within the Kingdom of Saudi Arabia.

Compliance risk

Compliance with government legislation and regulations risk

The risks arising from non-compliance with government legislation and regulations issued by official authorities or government bodies, for example, but not limited to, the instructions of the Capital Market Authority with regard to compliance, disclosure and application of accounting standards issued by the Saudi Organization for Certified Public Accountants and the instructions of the Ministry of Commerce and Industry, the Ministry of Labor, the Civil Aviation Authority and the Department of Zakat and Incomeetc. The Group continuously reviews all obligations and requirements and provides what is necessary to the concerned authorities.



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