



شركة الصناعات الكهربائية  
ELECTRICAL INDUSTRIES CO.

## Ordinary General Assembly Meeting Agenda (First meeting)

1	Review and discuss the Board of Directors report for the fiscal year ended on 31/12/2024.
2	Review and discuss the consolidated financial statements for the fiscal year ended on 31/12/2024.
3	Voting on the External Auditor Report for the fiscal year ended on 31/12/2024, after discussing it.
4	Voting on the appointment of the Company's External Auditor from among the candidates, based on Audit Committee's recommendation, to examine, review and audit the company's financial statements for Q2, Q3 and annual financial statements of the fiscal year 2025 and Q1 of the fiscal year 2026, along with determining its fees.
5	Voting on discharge of the Board of Directors members for the fiscal year ended on 31 /12/2024.
6	Voting on delegating the Board of Directors to distribute interim cash dividends on semi - annual or quarterly basis for the fiscal year 2025.
7	Voting on the business and contracts concluded between the Company and Evolving Constellation Co. for Energy, in which the Chairman of the Board, Mr. Yousef Ali ALQuraishi and the Board member Mr. Faisal Saleh ALQuraishi have indirect interest, which is sale of products without conditions or preferential benefits and the total value of the transactions during 2024 amounted to SAR 36,704 (attached).
8	Voting on the business and contracts concluded between the Company and Evolving Constellation Co. For Energy, in which the Chairman of the Board, Mr. Yousef Ali ALQuraishi and the Board member Mr. Faisal Saleh ALQuraishi have indirect interest, which is purchase of products without conditions or preferential benefits and the total value of the transactions during 2024 amounted to SAR 380,301 (attached).
9	Voting on the business and contracts concluded between the Company and ALToukhi Co. for Industry, Trading & Contracting, in which the Vice Chairman of the Board, Eng. Mahmoud Mohamad ALToukhi has indirect interest, which is sale of products without conditions or preferential benefits and the total value of the transactions during 2024 amounted to SAR 9,000 (attached).
10	Voting on the participation of the Chairman of the Board, Mr. Yousef Ali ALQuraishi in a business competing with the company's activities ( attached).
11	Voting on the participation of the board member, Mr. Faisal Saleh ALQuraishi in a business competing with the Company's activities (attached ).
12	Voting on delegating the Board of Directors with the authorization powers of the Ordinary General Assembly stated in paragraph (1) of Article (27) of the Companies Law , for a period of one year from the date of the General Assembly approval or until the end of the term of the delegated Board of Directors whichever is earlier, pursuant to the conditions stipulated in the Implementing Regulations of the Companies Law for Listed Joint Stock Companies.

## **Audit Committee Report 2024.**

### **1. Introduction**

We are pleased to present the Audit Committee report for the financial year ending December 31, 2024. The report has been prepared pursuant to Article (88) of Corporate Governance regulations issued by CMA, which states the Audit Committee's report should include details of its competencies and duties stated in Article (52), provided that the report contains its recommendation and opinion on the adequacy of the internal and financial control systems and risk management system in the Company.

### **2. Audit Committee Members and Attendance**

#### **A. Audit Committee Formation**

The Audit Committee consists of three members, appointed by the Board of directors. The Board of directors in its meeting held on 11<sup>th</sup> of Dec2024 has decided to form the Audit Committee for the current term which began on 9<sup>th</sup> Dec 2024, four years, ending on 8<sup>th</sup> Dec 2028, from the following members:

SN	Name	Position	
1	Mr. Sattam Abdulaziz ALZamil	Chairman	Independent
2	Eng. Khalid Sulaiman ALHarbi	Member	Independent
3	Mr. Abdulaziz Saudi ALShabeebi	Member	Outside the Board

#### **B. Audit Committee Meetings**

The Audit Committee shall convene periodically, provided that at least four (4) meetings to be held during the Company's financial year. During 2024, the Committee held ten (10) meetings.

### **3. Audit Committee Duties and Responsibility**

#### **A. Financial**

1. Analyze the company's interim and annual Financial Statements as per IFRS and provide its opinion and recommendation to the Board to ensure their integrity, fairness, and transparency.
2. Examine and review the accounting estimates in respect of significant matters that are contained in the financial reports.
3. Examine and review the accounting policies followed by the Company and provide its opinion and recommendation to the Board thereon.

#### **B. Internal Audit**

1. Analyze the Internal Audit reports and following up the implementation of correct measures in respect of the remarks made in such reports.
2. Examine and review the Company's internal and financial control systems and risk management system.
3. Monitor and oversee the performance and activities of the Internal Auditor and the Internal Audit Department of the Company.

#### **C. External Auditor**

1. Provide recommendation to the Board to nominate external auditors and determine their remunerations and assess their performance after verifying their independence and reviewing the scope of their work and the terms of their contracts.
2. Review the external auditor's report and its comments on the financial statements and following up the procedures taken in connection therewith.

#### **D. Compliance**

1. Review the compliance report from compliance officer to ensure the Company's compliance with relevant laws, regulation, policies, and instructions.
2. Review the findings of the reports of supervisory authorities and ensuring that the Company has taken the necessary actions in connection therewith.
3. Review the contracts and transactions concluded with the related parties and providing its recommendation to the board in connection therewith.

#### **4. Audit Committee's views on the adequacy of the internal control systems and risk management**

The Audit Committee oversees the internal audit department, which periodically reviews the adequacy and effectiveness of the internal control system, to provide a continuous assessment of the internal control system and its effectiveness. The Committee also reviews the external auditor's reports and management letter, which might include any weakness of internal control noted by external auditor as part of their internal control assessment. The Committee also reviews the compliance report from the compliance officer. The management has created risk management committee for the management of the Company's risk.

Based on the above, the Audit Committee believes that the internal control systems and risk management within the Company is designed and effectively serves organizational objectives, efficiency, reporting reliability and compliance with no indicated material deficiency or material deviations therefrom.



## KPMG Professional Services Company

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Kingdom of Saudi Arabia  
Commercial Registration No 2051062328

Headquarters in Riyadh

## شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية

الطابق ١٦، برج البرعش  
٦١٨٩ طريق الأمير تركي، الكورنيش  
ص.ب ٤٨٠٣  
الخير ٣١٤٦ - ٣٤٤١٢  
المملكة العربية السعودية  
سجل تجاري رقم ٢٠٥١٠٦٢٣٢٨

المركز الرئيسي في الرياض

# Independent Limited Assurance Report to Electrical Industries Company on the Declaration by Board of Directors on the Requirements of Article 71

## To the Shareholders of Electrical Industries Company

We were engaged by the management of Electrical Industries Company (the "Company") to report on the declaration of Board of Directors prepared by the Management in accordance with the requirements of Article 71 of the Companies Law issued by Ministry of Commerce ("MOC"), which comprises the transactions carried out by the Company during the year ended 31 December 2024 in which any of the members of Board of Directors of the Company had direct or indirect personal interest as detailed below ("Subject Matter") and the accompanying management's statement thereon as set out in Appendix 1, in the form of an independent limited assurance conclusion that based on our work performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter is not properly prepared, in all material respects, based on the applicable criteria ("Applicable Criteria") below.

### Subject Matter

The Subject Matter for our limited assurance engagement is related to the declaration by the Board of Directors enclosed in the attached Appendix 1 (the "Declaration") prepared by the Management in accordance with the requirements of Article 71 of the Companies Law issued by Ministry of Commerce ("MOC") and presented by the Board of Directors of Electrical Industries Company (the "Company"), which comprises the transactions carried out by the Company during the year ended 31 December 2024 in which any of the members of Board of Directors of the Company had direct or indirect personal interest.

### Applicable Criteria

We have used the following as the Applicable Criteria:

- Article 71 of the Companies Law issued by Ministry of Commerce ("MOC").

### Electrical Industries Company's Responsibility

The management of the Company is responsible for preparing the Subject Matter information that is free from material misstatement in accordance with the Applicable Criteria and for the information contained therein. The management of the Company is also responsible for preparing the Subject Matter information (i.e. Appendix 1).

This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of the Subject Matter that information is free from material misstatement, whether due to fraud or error. It also includes selecting the Applicable Criteria and ensuring that the Company complies with the Companies Law; designing, implementing and effectively operating controls to achieve the stated control objectives; selecting and applying policies; making judgments and estimates that are reasonable in the circumstances; and maintaining adequate records in relation to the Subject Matter information.

## Electrical Industries Company's Responsibility (continued)

The management of the Company is also responsible for preventing and detecting fraud and for identifying and ensuring that the Company complies with laws and regulations applicable to its activities. The management of the Company is responsible for ensuring that staff involved with the preparation of the Subject Matter information are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.

## Our Responsibility

Our responsibility is to examine the Subject Matter information prepared by the Company and to report thereon in the form of an independent limited assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" endorsed in the Kingdom of Saudi Arabia and the terms and conditions for this engagement as agreed with the Company's management. That standard requires that we plan and perform our procedures to obtain a meaningful level of assurance about whether the Subject Matter information is properly prepared, in all material respects, as the basis for our limited assurance conclusion.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The procedures selected depend on our understanding of the Subject Matter and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

In obtaining an understanding of the Subject Matter and other engagement circumstances, we have considered the process used to prepare the Subject Matter information in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Company's process or internal control over the preparation and presentation of the Subject Matter information.

Our engagement also included: assessing the appropriateness of the Subject Matter, the suitability of the criteria used by the Company in preparing the Subject Matter information in the circumstances of the engagement, evaluating the appropriateness of the procedures used in the preparation of the Subject Matter information and the reasonableness of estimates made by the Company.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We did not perform procedures to identify additional procedures that would have been performed if this were a reasonable assurance engagement.

As part of this engagement, we have not performed any procedures by way of audit, review or verification of the Subject Matter information nor of the underlying records or other sources from which the Subject Matter information was extracted.

## Procedures Performed

Our procedures performed are as follows:

- Obtained the declaration that includes the transactions and/or contracts performed in which any of the BoD members of the Company has either direct or indirect interest during the year ended 31 December 2024.
- Reviewed the minutes of meetings of the BoD that indicate notifications to the BoD by certain directors of actual or potential conflicts of direct or indirect interest in relation to transactions and/or contracts involving the BoD member.

### Procedures Performed (continued)

- Checked that the minutes of meetings of the BOD that the relevant directors who notified the BoD of actual or potential conflicts of direct or indirect interest did not vote on the resolution to recommend the related transactions and/or contracts;
- On a sample basis, obtained the required approvals along with supporting documents in respect of the transactions and/or contracts included in the declaration; and
- Checked the transaction amounts included in the Declaration agree, where applicable, to the transaction amounts disclosed in note 32 to the audited consolidated financial statements of the Company for the year ended 31 December 2024.

### Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.


Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter information is not prepared, in all material respects, in accordance with the Applicable Criteria.

### Restriction of Use of Our report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company and MOC for any purpose or in any context. Any party other than the Company and MOC who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the Company and MOC for our work, for this independent limited assurance report, or for the conclusions we have reached.

Our report is released to the Company and MOC on the basis that it shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent.

### KPMG Professional Services Company

  
**Abdullah Oudah Althagafi**  
License No: 455

Al Khobar, 25 March 2025  
Corresponding to: 25 Ramadan 1446



شركة الصناعات الكهربائية  
ELECTRICAL INDUSTRIES CO.

Saudi Joint Stock Co. شركة مساهمة سعودية  
س.ت: 2050056359 - رأس المال المدفوع 562.500.000 ريال سعودي  
C.R. 2050056359 - Paid UP Capital 562.500.000 SR

06-03-2025

Dear Shareholders of Electrical Industries Co,

**Notification of the businesses and contracts in which the members of the board have a direct or in direct interest for the year ending on 31 Dec 2024**

With reference to the requirements of Article (71) of the Companies Law, which states the board of directors shall inform the General Assembly upon its convenance of the businesses in which there is direct or indirect interest for any members of the board and the notification shall be enclosed with a special report from the External Auditor.

Therefore, we would like to inform you of the businesses and contracts in which EIC board members have direct or indirect interest, and the company is seeking to obtain General Assembly authorization for such businesses and contracts which are as follow:

Name of the related party	Member who has interest.	Nature of the business	Duration of Contract	Terms	Amount (SR)
Evolving Constellation Co. for Energy	Mr. Yousef A. ALQuraishi Mr. Faisal S. ALQuraishi	Sale of products	One year	Without Preferential terms	36,704
Evolving Constellation Co. for Energy	Mr. Yousef A. ALQuraishi Mr. Faisal S. ALQuraishi	Purchase of products	One year	Without preferential terms	380,301
ALToukhi Co. for Industry, Trading & Contracting.	Eng. Mahmoud M. ALToukhi	Sale of Products	One Year	Without preferential terms	9,000

Mr. Yousef A. ALQuraishi  
Chairman of the Board

Mr. Faisal S. ALQuraishi  
Board Member

Mr. Bader B. ALSwailem  
Board Member

Mr. Sattam A. ALZamil  
Board Member

Mr. Mahmoud M. ALToukhi  
Vice Chairman

Mr. Fahad S. ALTuwaijri  
Board Member

Mr. Jameel A. ALMulhim  
Board Member

Mr. Tariq M. ALTahini  
Managing Director

Mr. Khalid S. ALHarbi  
Board member



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شركة الصناعات الكهربائية  
ELECTRICAL INDUSTRIES CO.

**A Statement and description of the company in which  
the Board member is conducting a competing business.**

Board Member Name	Name of the Competing Co.	Legal Status	Main Activities	The members' relationship with the Competing Co.
Mr. Yousef Ali ALQuraishi	Evolving Constellation Co. for Energy.	Limited Liability	Repair and installation of electrical equipment, power generation, and sale of machinery and other equipment.	Board member at AJDA Co. for Industrial Service, which owns Evolving Constellation Co. for Energy.





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**A Statement and description of the company in which  
the Board member is conducting a competing business.**

Board Member Name	Name of the Competing Co.	Legal Status	Main Activities	The Member's relationship with the Competing Co.
Mr. Faisal Saleh ALQuraishi	Evolving Constellation Co. for Energy.	Limited Liability	Repair and installation of electrical equipment, power generation, and sale of machinery and other equipment.	Board member at AJDA Co. for Industrial Services, which owns Evolving Constellation Co. for Energy.