



United Electronics Company

Extraordinary General Assembly Meeting Agenda for United Electronics Company (eXtra)
shareholders Scheduled to be held on Monday 26 May 2025 (28 Thul-Qi 'dah 1446H)

1. Reviewing the Board of Directors' Report for the fiscal year ending on 31 December 2024 and discuss it.
2. Voting on the Auditors Report for the fiscal year ending 31 December 2024 after discussion.
3. Reviewing the Financial Statements for the fiscal year ending on 31 December 2024 and discuss it.
4. Voting on release Board of Directors members from liability for the fiscal year ending 31 December 2024.
5. Voting on appointing the External Auditor for the Company from among the candidates based on the Audit Committee recommendation, The appointed auditor shall examine, review and audit the second, third quarter and annual financial statements of the fiscal year 2025, and the first quarter of the fiscal year 2026, and the determination of the auditor remuneration.
6. Voting on delegating the Board of Directors to distribute interim dividends on a semi-annual or quarterly basis to shareholders for the fiscal year 2025.
7. Voting on the business and contracts that will be concluded between the company and Abdul latif & Mohamed AlFozan Company, in which Mr. Fozan AlFozan (non-Executive member) and Mr. Abdullatif Ali Al-Fozan (non-Executive member) has an indirect interest in it, which is a warehouse lease, the contract amount is 480,000 SR annually, In addition to lease-related expenses amounting to SAR 2,400 that were paid to Abdul Latif & Mohammed Al Fozan Company during the year 2024, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)
8. Voting on the business and contracts that will be concluded between the company and Abdul latif & Mohamed AlFozan Company, in which Mr. Fozan AlFozan (non-Executive member) and Mr. Abdullatif Ali Al-Fozan (non-Executive member) has an indirect interest in it, which is a Land lease, the contract amount is 991,000 SR annually, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)
9. Voting on the business and contracts that will be concluded between the company and Madar Building Materials Company, in which Mr. Fozan AlFozan (non-Executive member) and Mr. Abdullatif Ali Al-Fozan (non-Executive member) has an indirect interest in it, which is a warehouse lease, the contract amount is 550,000 SR annually In addition to lease-related expenses amounting to 345,011 SR paid to Madar Building Materials Company during 2024, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)
10. Voting on the business and contracts that will be concluded between the company and Madar Electricity Company, in which Mr. Fozan AlFozan (non-Executive member) and Mr. Abdullatif Ali Al-Fozan (non-Executive member) has an indirect interest in it, which is a warehouse lease, the contract amount is 50,000 SR annually In addition to lease-related expenses amounting to 51,000 SR paid to Madar Electricity Company during 2024, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)
11. Voting on the business and contracts that will be concluded between the company and United Home Appliances Company, in which Mr. Fozan AlFozan (non-Executive member) and Mr. Abdullatif Ali Al-Fozan (non-Executive member) has an indirect interest in it, which is a lease contract for a sales space at the Extra showroom, the contract amount is 1,566,080 SR annually, in addition to expenses related to the lease contracts amounted to 122,448 SR collected during 2024, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)

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12. Voting on the business and contracts that will be concluded between the company and United Home Appliances Company, in which Mr. Fozan AlFozan (non-Executive member) and Mr. Abdullatif Ali Al-Fozan (non-Executive member) has an indirect interest in it, which is services legal agreement (Extra provides support services to the United Home Appliances Company), the contract amount is 1,506,233 SR for 2024, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)
13. Voting on the business and contracts that will be concluded between the company and AlFozan Holding Company, in which Mr. Fozan AlFozan (non-Executive member), Mr. Adel Merheb (non-Executive member) and Mr. Abdullatif Ali Al-Fozan (non-Executive member) has an indirect interest in it, which is a services legal agreement (AlFozan Holding Company provides support services to Extra Company), the contract amount is one SR Monthly, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)
14. Voting on the business and contracts that will be concluded between the company and Marketing and Distribution Company Ltd., in which Mr. Youssef Al-Quraishi (non-Executive member) has an indirect interest in it, which is a commercial Transactions, Purchases during 2024 amounted to 2,771,661 SR, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)
15. Voting on the business and contracts that will be concluded between the company and Al-Quraishi Marketing Company Ltd., in which Mr. Youssef Al-Quraishi (non-Executive member) has an indirect interest in it, which is a commercial Transactions, Purchases during 2024 amounted to 442,181 SR, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)
16. Voting on the business and contracts that will be concluded between the company and AlFozan Holding Company, in which Mr. Fozan AlFozan (non-Executive member), Mr. Adel Merheb (non-Executive member) and Mr. Abdullatif Ali Al-Fozan (non-Executive member) has an indirect interest in it, which is a commercial Transactions, Sales during 2024 amounted to 222,725 SR, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)
17. Voting on the business and contracts that will be concluded between the company and Madar Hardware Company, in which Mr. Fozan AlFozan (non-Executive member) and Mr. Abdullatif Ali Al-Fozan (non-Executive member) has an indirect interest in it, which is a commercial Transactions, Purchases during 2024 amounted to 1,469,917 SR, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)
18. Voting on the business and contracts that will be concluded between the company and Retal Urban Development Company, in which Mr. Fozan AlFozan (non-Executive member) and Mr. Abdullatif Ali Al-Fozan (non-Executive member) has an indirect interest in it, which is a commercial Transactions, Sales during 2024 amounted to 9,173 SR, these transactions are based on commercial bases, and there are no special conditions associated with them. (attached)
19. Voting on the company purchase of a number of its shares, with a maximum of three million (3,000,000) shares, to be retained as treasury shares, as the Board of Directors believes that the market price of the Company's shares is lower than their fair value. The purchase shall be financed through the company's internal resources as well as the proceeds resulting from the completion of the initial public offering (IPO) of its subsidiary (United International Holding Company) and the listing of its shares on the Saudi Main Market (Tadawul). and to authorize the Board of Directors to complete the share purchase in one or multiple phases within a maximum period of eighteen (18) months from the date of the Extraordinary General Assembly's resolution. The company shall retain the purchased shares for a period not exceeding eight (8) years from the date of the shareholders' approval. After the lapse of this period, the company shall follow the procedures and regulations stipulated in the applicable laws and regulations. (attached)



United Electronics Company

2024 Audit Committee Report



Audit Committee Report for the fiscal year ending on December 31, 2024

United Electronics Company (eXtra)

Introduction

The Audit Committee of the United Electronics Company (eXtra) is pleased to present to the company's shareholders its annual report for the fiscal year ending on December 31, 2024, which includes details of its performance of its competencies and tasks stipulated within the provisions of the Companies Law, and what was included in the rules and regulations of the Capital Market Authority and the committee's charter along with the committee's opinion, Concerning the adequacy of the internal and financial control systems in the company, and the work and tasks carried out by the committee that fall within the scope of its competence.

1. Summary of Duties and Responsibilities of the Audit Committee

Financial reports

The Audit Committee analyzes the Company's interim and annual financial statements before presenting them to the Board and providing its opinion and recommendations thereon to ensure their integrity, fairness, and transparency. The committee provides its technical opinion, at the request of the Board, regarding whether the Board's report and the Company's financial statements are fair, balanced, understandable, and contain information that allows shareholders and investors to assess the Company's financial position, performance, business model, and strategy. The Audit Committee also analyzes any important or nonfamiliar issues contained in the financial reports. It investigates any issues, examines the accounting estimates regarding significant matters within the financial reports, examines the accounting policies followed by the Company, and provides its opinion and recommendations to the Board thereafter.

Internal audit:

The Audit Committee examines and reviews the Company's internal and financial control and risk management systems, analyzes the internal audit reports, and follows up on the implementation of the corrective measures outlined in the reports. It oversees the performance and activities of the Company's internal auditor and Internal Audit Department, if any, to ensure the availability of the necessary resources, and their effectiveness in performing the assigned activities and duties. The Committee also provides recommendations to the Board on appointing the manager of the Internal Audit Unit or Department, or the internal auditor, and on their remuneration and verifying the internal auditor's degree of independence.

External Audit:

The Committee recommends the nominations and dismissal of external auditors to the Board, determines their remunerations, and assesses their performance after verifying their independence and reviewing the scope of their work and the terms of their contracts. It is tasked with verifying the independence of the external auditor, its objectivity, fairness, and effectiveness, taking into account the relevant rules and standards. The Audit Committee also reviews the external auditor's plans and activities, ensuring the external auditor does not provide any technical or administrative works that are beyond their scope of work. It provides its opinion on the external auditor's findings and responds to any queries that may arise, in addition to reviewing the external auditor's reports and comments on the financial statements and following up on the procedures taken accordingly.

Compliance:

The Audit Committee is tasked with reviewing the findings of the reports of supervisory authorities and ensuring that the Company has taken the necessary actions. It ensures the Company's compliance with the relevant laws, regulations, policies, and instructions; reviews the contracts and proposed related party transactions; and issues recommendations to the Board in connection therewith. The Committee reports any issues in connection with what it deems actionable to the Board and provides recommendations regarding the steps that should be taken.

2. Audit Committee rules and regulation

In line with the company's plan to align its governance practices with regulatory requirements, the Audit Committee Charter and rules of procedure are periodically reviewed to ensure compliance with relevant laws and regulations. No amendments were deemed necessary to the Committee Charter in 2024.

3. Audit committee members

According to the Audit Committee Charter and rules of procedure, the Committee shall consist of three to five members from both within and outside the Board of Directors, with consideration given to members' professional expertise and knowledge. eXtra Audit Committee was formed for the current term extending from May 13, 2024, to May 12, 2027. As of December 31, 2024, the Committee comprises the following members:

M	the name	Membership status	
1	Fahad Adnan Abdulrahman Almansour	Chairman of the Committee	Board member - independent
2	Muhammad Ibrahim Abdulaziz Al-Obeid	Committee member	outside the Board
3	Muhammad bin Farhan Nader	Committee member	outside the Board

4. Audit committee meetings

eXtra Audit Committee carried out its duties through the convening of four meetings during the year 2024. The Committee ensured that reports and meeting minutes were submitted to the Board of Directors following each meeting. The following table outlines the Audit Committee meetings held during 2024, along with the attendance record of its members:

Name	Audit Committee Meetings in FY2024			
	11 Feb	05 May	28 July	27 Oct
Mansour AbdulAziz Rashid AlBosaily	√	√	NA	NA
Fahad Adnan Abdulrahman Almansour	NA	NA	√	√
Jasem Shaheen Al Romeihy	√	√	NA	NA
Mohamed Ibrahim AbdelAziz AlObeed	√	√	√	√
Mohammed Farhan ben Nader	√	√	√	√

√ Present in person × Absent NA not a committee member at this time

5. Summary of the tasks and responsibilities of the audit committee that were fulfilled during the year 2024

The Audit Committee carried out its duties assigned to it in accordance with its powers stipulated in its work regulations and rules. The committee received all the support and cooperation from the company's executive management. The committee also confirms that there are no new matters that affect the independence of the committee members or the occurrence of any conflicts of interest that affect the independence of the committee. Members, as well as the absence of any conflicts between the committee's recommendations and the committee decisions. The summary below explains the most prominent tasks conducted and carried out by the committee during the year:

Financial reports and auditors

- Review 2023 Annual Financials and Quarterly Financials of Q1, Q2 & Q3 of 2024 and recommend to the Board for approval.
- Meeting with the external auditor to discuss the company interim and annual financial statements,
- Obtaining the auditor's confirmation on:
 - He has no material observations that he would like to present to the audit committee.

- extra's Finance department provided all the necessary support to perform his work and cooperate to achieve the objective of the audit. The auditor confirmed that he did not encounter any scope limitations of his work.
- He emphasized his independence as there are no dealings between the external auditor's office or any of its partners or employees with the company outside the scope of the external auditor's contract.
- Audit Committee recommended to the Board and the General Assembly to nominate the company's auditors, and after studying the offers submitted, the General Assembly of the company, which was held on May 9, 2024, approved the appointment of PricewaterhouseCoopers (PWC) as auditors for the company's accounts for the year 2024 and the first quarter of the year 2024.
- Requesting proposals from external auditors to audit the company's accounts for the year 2025, after the committee's opinion on the nominations has been settled. It will be presented to the Board of Directors and then to the General Assembly to consider choosing the company's auditor for the year 2025.
- Verify the auditor's report and his notes (if any) on the interim and annual financial statements and follow up on what has been taken in their regard.

Internal Audit

The Committee met with the company's internal audit department to supervise its work by following up :

- Risk based internal audit plan updates,
- The scope of the internal audit work, including the sections that were covered during the year 2024 and a statement of the work performed,
- A summary of the most important internal audit findings for 2024
- The conclusion of the internal audit on the effectiveness of the company's internal control systems
- Review the internal audit plan progress that will be covered during the next three years .
- Quarterly and annual internal audit reports submitted to the Board of Directors and the Audit Committee.

Compliance:

- The committee reviewed transactions with related parties and recommended to the Board of Directors for approval.
- The Committee Chairman attended the General Assembly meetings held on April 16, 2024, and May 9, 2024, and presented a summary of the Committee's annual report to the shareholders.
- The committee supervises eXtra Whistle-Blowing policy, where all reports submitted by stakeholders, including the executive management team, are recorded and preserved.

6. The results of the annual review of the effectiveness of the company's internal control procedures

In light of the work carried out by the Audit Committee during the year 2024, and based on the reports presented to the Committee by the company's executive departments—particularly the Finance Department, Internal Audit, Compliance—as well as the reports from the external auditor, and relying on the assurances and disclosures received from executive management, the Audit Committee believes that the company's internal control, financial, and risk management systems are effective in covering the key control areas that significantly impact the company's ability to achieve its objectives. Furthermore, there were no material negative findings in the annual review of the effectiveness of the internal control procedures for the year 2024.

Based on the above, and with reference to the assurances of the executive management, the internal and external auditors, the audit committee confirms the following: -

- Nothing has come to the Committee's attention that would lead it to believe there is any material deficiency requiring disclosure regarding the integrity of the financial and accounting systems or anything related to the preparation of financial reports.
- The control systems are efficient and effective and allow for the identification of any risks the company may face, with no material system breaches during 2024 needs to be disclosed.
- All observations and recommendations submitted by the Internal Audit Department to the Audit Committee have been addressed through the necessary corrective actions or assessments.

Chairman of the audit committee

Fahad Adnan Abdulrahman Almansour



United Electronics Company

Attachments for Items from No. 7 to No. 18

- Related Parties transaction Board letter to AGM
- Related Parties transaction Independent Auditor report

Wednesday, March 05, 2025

To the Shareholders of United Electronics Company (eXtra),

Notification of the Board of Directors for Transactions with Related Parties for the Year Ended December 31, 2024.

With reference to the requirements of Article 71 of the Companies Law, which stipulates that a member of the Board of Directors must, upon becoming aware of any direct or indirect interest he may have in the company's transactions and contracts, notify the board thereof and document this notification in the board meeting minutes when convened. This member shall not be allowed to participate in voting on the decision made in this regard in the board and general assemblies. The board shall inform the general assembly, upon its convening, of the transactions and contracts in which a member of the board has a direct or indirect interest, accompanied by a special report from the company's auditors prepared in accordance with the approved auditing standards in the Kingdom. Based on the related party transactions policy of the company, we would like to inform you that the company has executed a number of transactions with related parties in which some board members have a direct or indirect interest, and the company seeks the approval of the shareholders thereon.

Below is a statement of transactions with related parties for the year ended December 31, 2024, in which some members of the Board of Directors have a direct or indirect interest:

A- Related parties Commercial Transaction

During 2024 the company conducted commercial transaction with Related parties, these transactions are based on commercial bases, and there are no special conditions associated with them, the table below state the transactions during 2024:

Party	Related board member	Transaction type	Contract term	Amount (SAR)
Madar Hardware Co.	- Fozan Alfozan - Abdullatif Ali Al-Fozan	Purchase	1 Year Renewed automatically	1,469,917
Retal Urban Development Co.		Sales	1 Year Renewed automatically	9,173
Al Fozan Holding Co.	- Fozan Alfozan - Adel Merheb - Abdullatif Ali Al-Fozan	Sales	1 Year Renewed automatically	222,725
Marketing and Distribution Co. Ltd.	- Yousef Al Quraishi	Purchase	1 Year Renewed automatically	2,771,661
Al-Quraishi Marketing Co. Ltd.		Purchase	1 Year Renewed automatically	442,181

B- Leases from Related parties

Leases from related parties				
Party	Related board member	Transaction type	Contract term	Amount (SAR)
Madar Building materials Co. ²	- Fozan Alfozan - Abdullatif Ali Al-Fozan	Warehouse lease	1 Year Renewed automatically	550,000
Abdullatif & Mohammed AlFozan Co. ¹		Land lease	25 years	991,000
		Warehouse lease	3 Years Renewed automatically	480,000
Madar Electrical ³		Warehouse lease	1 Year Renewed automatically	50,000

¹. Expenses related to a lease contract amounting to SAR 2,400 were paid during 2024.

². Expenses related to a lease contract amounting to SAR 345,011 were paid during 2024.

³. Expenses related to a lease contract amounting to SAR 51,000 were paid during 2024.

C- Leases to Related parties (Renting Sale space)

Party	Related board member	Transaction type	Contract term	Amount (SAR)
United Homeware Co. (NICE)	- Fozan Alfozan - Abdullatif Ali Al-Fozan	Renting a sale space in Extra Swedy showroom	10 Years	1,566,080

*Expense related to a lease worth SAR 122,448 received from United Homeware Company during 2024.

D- Related parties' Balances

Below is a statement of the related parties' balances with the company as of 31-December-2024, all these balances are the result of transactions occurred as per commercial basis and contracts, which considered as part of its usual business.

Party		Balance as of 31 Dec 2024 (Saudi Riyals thousands)
Due From	United Homeware Co. (NICE)	2,407
Due From	Retal Urban Development Company	8
Due to	Madar Hardware Company	888
Due to	Al Yusrah Trading Company	31
Due to	Marketing and Distribution Company Ltd.	3,982
Due to	Abdul Latif and Mohammed Al Fozan Holding Company	496
Due to	Al Quraishi Marketing Company Ltd.	125

E- Other related parties' transactions:

- Service legal agreement was signed with United Homeware company on 1 April 2018, wherein eXtra provides support services to the company for amount of SAR 1,506,233 SAR for 2024, The contract renewed for 2025.
- Service legal agreement was signed with Al Fozan Holding Company on Mar 2013, wherein Al Fozan Holding Company will provide support services to eXtra for a monthly cost of 1 SR. , The contract renewed for 2025

This letter didn't include the transactions between eXtra and its Subsidiaries.

Yousef Ali Zaid AL Quraishi

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Mohamed Galal Ali Fahmy

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Hazem Abdullah Abdulaziz Al Shaikh Mubarak

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Adel Omar Al Farouq Merheb

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Abdullatif Ali Abdullatif Al Fozan

.....

Fozan Mohammed Ahmed AlFozan

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Ali Mohamed Ali Faramawy

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Jaser Abdullah Saleh Al Jaser

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Fahad Adnan Abdulrahman Almansour

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To the Board of Directors
United Electronics Company

Limited assurance report on the Board of Directors' declaration to the shareholders of United Electronics Company

We have undertaken a limited assurance engagement in respect of the accompanying declaration of related party transactions for the year ended 31 December 2024 from the Board of Directors of United Electronics Company (the "Company") prepared in accordance with the applicable criteria mentioned below so as to comply with the requirements of Article 71 of the Regulations for Companies (the "Declaration").

Subject matter

The Subject Matter for our limited assurance engagement is the Declaration prepared by the management of the Company and approved by the Board of Directors as attached to this report and submitted to us.

Criteria

The applicable Criteria is the requirement of Article 71 of the Regulations for Companies issued by the Ministry of Commerce (the "Regulations") which states that, subject to the provision of Article 27 of the Regulations, any member of the Board of Directors (the "Board") with any interest, both directly or indirectly, in the transactions or contracts made for the account of the Company shall declare such interests to the Board for the approval of the general assembly of the Company. The board member must notify the Board of such interest and excuse himself in vote by the Board to approve such transactions or contracts. The Board will notify the general assembly of transactions and contracts in which a member of the Board has a direct or indirect interest.

Management's responsibility

Management of the Company is responsible for the preparation of the Declaration in accordance with the Criteria and ensuring its completeness. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of the Declaration that is free from material misstatement, whether due to fraud or error.

Professional ethics and quality management

We have complied with the independence requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards), endorsed in the Kingdom of Saudi Arabia (the "Code"), that is relevant to our limited assurance engagement in the Kingdom of Saudi Arabia and we have fulfilled our other ethical responsibilities in accordance with the Code's requirements.

The firm applies International Standard on Quality Management 1 ("ISQM 1"), as endorsed in the Kingdom of Saudi Arabia, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Declaration based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information', as endorsed in the Kingdom of Saudi Arabia. This standard requires that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention that causes us to believe that the Company has not complied, in all material respects, with the applicable requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration for the year ended 31 December 2024.

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

Summary of work performed

We planned and performed the following procedures to obtain limited assurance over the Company's compliance with the requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration:

- Discussed with the management the process for obtaining business and contracts by any of the board members with the Company.
- Obtained the accompanying Declaration that includes the list of all transactions and agreements entered into by any of the board members of the Company, either directly or indirectly, with the Company during the year ended 31 December 2024.
- Reviewed the minutes of the Board meetings that indicate that the board member notified the Board on the transactions and agreements entered into by the board member during the year ended 31 December 2024; and further that the concerned board member did not vote on the resolution issued in this regard at the meetings of the Board.
- Reviewed confirmations obtained by the management from the board members on the transactions and agreements entered into by the board member during the year.
- Reviewed the consistency of the transactions and agreements included in the Declaration with the disclosure in Note 28 to the audited consolidated financial statements for the year ended 31 December 2024.

Inherent limitations

Our procedures relating to the preparation of the Declaration in accordance with the requirements of the Article 71 of the Regulations for Companies are subject to inherent limitations and, accordingly, errors or irregularities may occur and not be detected.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 (Revised) 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information', as endorsed in the Kingdom of Saudi Arabia. Consequently, the nature, timing and extent of the procedures outlined above for gathering sufficient appropriate evidence were deliberately limited relative to a reasonable assurance engagement, and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

Inherent limitations (continued)

Our procedures did not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, that are endorsed in the Kingdom of Saudi Arabia, and, accordingly, we do not express an audit opinion or a review conclusion in relation to the adequacy of systems and controls around the preparation of the Declaration.

This conclusion relates only to the Declaration for the year ended 31 December 2024, and should not be seen as providing assurance as to any future dates or periods, as changes to systems or controls may alter the validity of our conclusion.

Limited assurance conclusion

Based on our work described in this report, nothing has come to our attention that causes us to believe that the Company has not complied, in all material respects, with the applicable requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration.

Restriction of use

This report, including our conclusion, has been prepared solely upon the request of the management of the Company, to assist the Company and its Board in fulfilling its reporting obligations to the general assembly in accordance with Article 71 of the Regulations for Companies. The report should not be used for any other purpose or to be distributed to or otherwise quoted or referred to, without our prior consent to any other parties other than the Ministry of Commerce, Capital Market Authority and the shareholders of the Company. To the fullest extent permitted by law, we do not accept or assume responsibility to any third party.

PricewaterhouseCoopers



Ali A. Alotaibi
License Number 379

9 April 2025





United Electronics Company

Attachments for Item No. 19

External Auditor independent report & Financial Solvency requirement report

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The Board of Directors
United Electronics Company
P.O. Box 76688
Al Khobar 31952
Kingdom of Saudi Arabia

Independent limited assurance report over the schedule of information prepared in connection with the Implementing Regulation of the Companies Law for Listed Joint Stock Companies relating to the proposed buy-back of shares transaction

We have undertaken a limited assurance engagement in respect of the accompanying schedule of proposed buy-back of shares transaction (the “Schedule”) of United Electronics Company (the “Company”) and its subsidiaries (collectively the “Group”) as at 20 April 2025, prepared in accordance with the applicable Criteria mentioned below.

Subject matter

The subject matter for our limited assurance engagement is the Schedule prepared by management of the Group as attached to this report and submitted to us.

Criteria

The criteria are the applicable requirements of Part Six, Chapter One, Article 17.3 of the Implementing Regulation of the Companies Law for Listed Joint Stock Companies issued by the Capital Market Authority (“CMA”) of the Kingdom of Saudi Arabia dated 7 October 2024 (as amended) (the “Implementing Regulation” or the “Criteria”).

Management’s responsibility

The management of the Group is responsible for:

- the preparation of the Schedule in accordance with the Criteria and ensuring its completeness and accuracy;
- the design, implementation and maintenance of internal control relevant to the preparation of the Schedule that is free from material misstatement, whether due to fraud or error; and
- the calculation of capital requirements and working capital sufficiency in accordance with the Criteria.

Professional ethics and quality management

We have complied with the independence requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards), endorsed in the Kingdom of Saudi Arabia (the “Code”), that is relevant to our limited assurance engagement and we have fulfilled our other ethical responsibilities in accordance with the Code’s requirements.

The firm applies International Standard on Quality Management 1 (“ISQM 1”), as endorsed in the Kingdom of Saudi Arabia, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Schedule based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), ‘Assurance Engagements Other Than Audits or Reviews of Historical Financial Information’ (ISAE 3000 (Revised)), as endorsed in the Kingdom of Saudi Arabia. This standard requires that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention that causes us to believe that the Schedule is not prepared, in all material respects, in accordance with the applicable requirements of the Implementing Regulation relating to the proposed buy-back of shares.



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

Summary of work performed

We planned and performed the following procedures to obtain limited assurance over the Group's compliance with the requirements of the Implementing Regulation issued by CMA in the preparation of the Schedule.

1. Inspected the Board of Directors of the Company's resolution dated 18 December 2024, in which the proposed shares buy-back was approved.
2. Obtained the Schedule as at 20 April 2025, and the underlying workings and calculations, that support the requirements specified in the Implementing Regulation.
3. Compared the proposed number of shares for buy-back as set out in the Schedule with the number of shares approved in the resolution of the Board of Directors of the Company's dated 18 December 2024.
4. With respect to the working capital details included in the Schedule, traced the forecasted working capital as at 31 December 2025, 2026 and 2027 to the consolidated business plan of the Group prepared by the Group management (as authorised by the Chairman of the Board of Directors). We also inquired about the parameters and the nature of the assumptions applied in forecasted working capital calculation and the consistency of the assumptions used in developing such forecasts with the historical consolidated financial information of the Group, and applied analytical and other procedures to confirm our understanding of such consistency.
5. With respect to the summary of assets, liabilities and contingent liabilities (as per the Glossary of Defined Terms used in the Implementing Regulations and Rules of the CMA) outstanding as at 31 December 2024 and purchase price of the shares included in the Schedule:
 - a) Agreed the amount of total assets, total liabilities and total contingent liabilities as disclosed in the Schedule to the Group's audited consolidated financial statements for the year ended 31 December 2024;
 - b) Agreed the estimated price for the buy-back of treasury shares to the average quoted market price of Company's shares as quoted on Tadawul between 1 January 2025 and 31 March 2025; and
 - c) Checked the arithmetical accuracy of the computation of the surplus assets as reported in the Schedule (being the amount of assets remaining after the deduction of liabilities, contingent liabilities and estimated purchase cost of shares).
6. With respect to the treasury shares:
 - a) Agreed the carrying value of treasury shares and retained earnings as disclosed in the Schedule with Group's audited consolidated financial statements for the year ended 31 December 2024; and
 - b) Checked the arithmetical accuracy of the computation i.e. excess of retained earnings as at 31 December 2024 (i.e. being the excess of retained earnings after deduction of the treasury shares to be purchased by the Company after the proposed buy-back) as detailed in the Schedule.

Our procedures did not include evaluating the suitability of design or operating effectiveness of control activities, testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Group's estimates.

Inherent limitations

Our procedures are subject to inherent limitations and, accordingly, errors or irregularities may occur and not be detected.

Given the announcement requirements by the CMA, our report is issued well before the expected date of the completion of the proposed shares buy-back. As a result, the share price of the Company on the actual dates of execution of the proposed share buy-back transaction may be substantially different from the share price used in arriving at the estimated purchase cost of the proposed shares buy-back transaction in the Schedule as at the date prepared by management of the Group and accompanying our report. Further, the working capital following each proposed share buy-back transaction may also differ significantly from the calculation made by management and reflected in the Schedule.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 (Revised), as endorsed in the Kingdom of Saudi Arabia. Consequently, the nature, timing and extent of the procedures outlined above for gathering sufficient appropriate evidence were deliberately limited relative to a reasonable assurance engagement, and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

Our procedures did not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, that are endorsed in the Kingdom of Saudi Arabia, and accordingly we do not express an audit opinion or a review conclusion in relation to the adequacy of systems and controls. Furthermore, our procedures did not include testing or assessing any forward-looking statements or other information.

This conclusion relates only to the Schedule as at 20 April 2025 and should not be seen as providing assurance as to any future dates or periods, as changes in circumstances may alter the validity of our conclusion.

Emphasis of matter

We draw attention to the Schedule which states that the estimated forecasted working capital amount presented in the Schedule is based on the unaudited forecasted consolidated business plan of the Group for the years ending 31 December 2025, 2026 and 2027. Our conclusion is not modified in respect of this matter.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the accompanying Schedule as at 20 April 2025 is not prepared, in all material respects, in accordance with the applicable requirements of the Implementing Regulation relating to the proposed buy-back of shares.

Restriction of use

This report, including our conclusion, has been prepared solely upon the request of the Board of Directors of the Company, to assist the Company in fulfilling its reporting obligations to the CMA in accordance with the Implementing Regulation. The report should not be used for any other purpose or published except as permitted under the terms of our agreement. To the fullest extent permitted by law, we do not accept or assume responsibility to any third party.

PricewaterhouseCoopers



Ali A. Alotaibi
License Number 379
20 April 2025



Financial Solvency Requirements

As stated in Paragraph 3 of Article 17 of the Implementing Regulations of the Companies Law for Listed Joint Stock Companies Issued by the Capital Market Authority Board

Financial Data Related to the Company's Compliance with Financial Solvency Requirements

Expected Completion Date for the Share Buyback: 01 November 2026 "18 months from expected date of General Assembly's approval"

➤ **Working Capital Adequacy**

Amount in Thousand SAR

Forecasted working capital*	31 December 2025	31 December 2026	31 December 2027
	1,205,621	1,405,519	1,629,720

* Based on forecasted consolidated business plan of the Group

➤ **Summary of Assets and Liabilities Including Contingent Liabilities:**

As of 31 December 2024, based on the audited annual financial statements:

Total Assets	5,401,622
Total Liabilities	3,358,172
Contingent Liabilities	683,300
Net Assets	1,360,150
Estimated Cost of Share Buyback (Average share price in Q1 2025 "SAR 96.10" × Maximum number of shares to be bought "3,000,000")	288,300
Surplus Assets	1,071,850

➤ **Treasury Shares:**

Amount in Thousand SAR

Retained earnings as of December 31, 2024	903,263
Cash dividends distributed (distributed on April 7, 2025, for H2 2024)	240,000
Remaining retained earnings after dividend distribution (A)	663,263
Treasury shares balance as of December 31, 2024	41,766
Estimated cost of treasury shares to be purchased	288,300
Total expected treasury shares balance after purchase (B)	330,066
Remaining surplus (A - B)	333,197

CFO



MD & CEO



MA
MAC