



The National Company for Glass Industries "Zoujaj"

ZOUJAJ

Board of Directors' Report

for The Year Ended 31st December 2023



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CHAIRMAN'S STATEMENT:



It is my pleasure and the members of the board to present to you the annual report of the company for the financial year ending on 31-12-2023, which includes the performance and activity of the company and its financial results.

Despite the conditions experienced by the region during 2023, which led to an increase in raw material prices, The National Company for Glass Industries (Zoujaj) continued to grow its sales, which reached a growth rate of 37%.

Zoujaj Company adopted a strategy of focus to develop the best mix of products and sales channels to meet its obligations and focus on the local market, which reached 55% of sales, at the same time the company continued its activity in foreign markets and reached 45% of sales.

The company also continued its activity towards investment and development in raising the production level at the Riyadh factory to maintain the highest possible quality to meet recognized food and safety standards such ASFSSC 22000, ISO certificates: 9001: 2015, 45001: 2018.

Nowadays, awareness of the environment is increasing, which supports the glass packaging industry mainly through recycling because it is a requirement for sustainability, as glass containers are recyclable.

The company would like to clarify to its valued shareholders that it is still studying several investment projects that will see the light after the completion of its study.

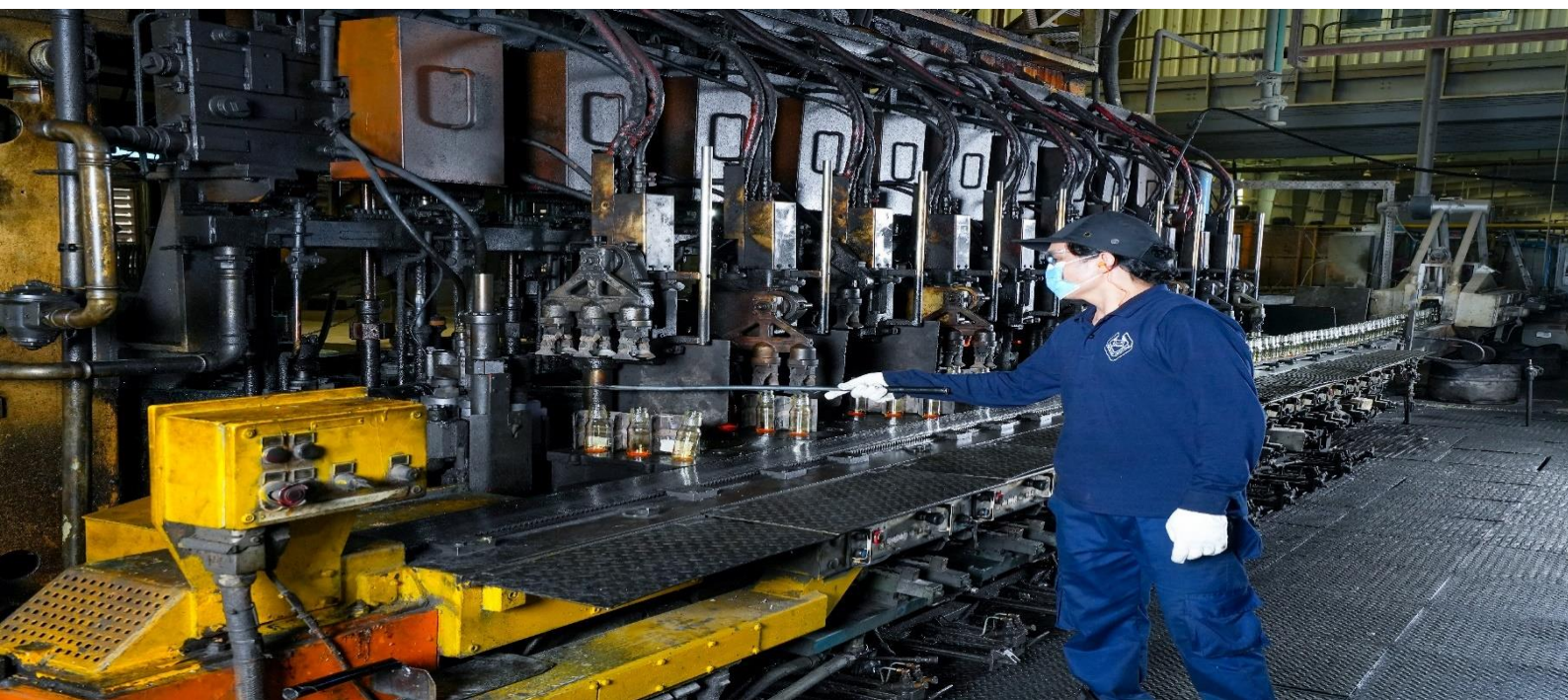


On this occasion, the board of directors, the executive management and all the employees of the company would like to sincerely thank the custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud and Crown Prince His Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud for their continuous support to the industrial sector in particular, which effectively contributes to the kingdom's Vision 2030 and their keenness to turn the kingdom into a leading industrial power.

In conclusion, I would like to thank all the company's shareholders for their trust in the company and their constant support, and we confirm that we are continuing to develop, modernize and search for new investment opportunities. I would also like to thank the board of directors, the executive management and all the employees of the company for their efforts and dedication, which resulted in the company's unique position in the field of packaging industry for food, and beverage market. Wishing everyone success and success.

Chairman of Board of Directors

Omar Riadh Al Humaidan



Board of Directors' Report for the year ended 31/12/2023.



1) Introduction

The Articles of Association of The National Company For Glass Industries (Zoujaj), a Saudi Joint Stock company was established on 20/03/1409 (corresponding to 30/10/1988).

Zoujaj was incorporated by Ministerial Resolution No. 529 dated 20/06/1410 (corresponding to 17/01/1990) issued by His Excellency Minister of Commerce approving the establishment of the company under commercial registration number 1010075300.

The sphere of company's activities are as follows:

- 1) Production of returnable and non-returnable glass bottles.
- 2) Production of all types of flat glass.
- 3) Mining and manufacturing of all materials for the glass industry including raw materials, gases etc. after obtaining the necessary licenses.
- 4) Engaging in the manufacture related to the glass and plastic industry.

Zoujaj started its activities in 17/10/1990 by establishing The National Factory For Glass Bottles, in the second Industrial city of Riyadh, producing returnable and non-returnable flint glass bottles with an annual production capacity of 54,000 MT per annum. The Plant was modernized continuously until it reached the production capacity of 66,000 MT per annum in 2006. In year 2015, a major capacity expansion was carried out by adding one more furnace and two more production line with production capacity of 57,000 MT per annum to reach the total production capacity to 123,000 MT per annum. The factory produces glass containers for the soft drinks and juices in addition to food sector products and jars. The glass containers are marketed inside and outside Saudi Arabia.

On 01/06/1992, and within the framework of its expansion plans, Zoujaj purchased Dammam Factory For Glass Bottles which was the second factory for the manufacture of glass containers. The Plant was modernized to produce returnable and non- returnable green glass containers with a capacity of 18,000 MT per annum.

In December 2019, due to non-economical operations, the Board of Directors decided to permanently close the factory and announced in Saudi Stock exchange "Tadawul" dated 19 December 2019. In 2022, the asset excluding land was disposed of and the vacant land rented off on 15-year lease.

In the other glass manufacturing avenues, efforts were made to achieve the goals set forth. In 07/04/1994, a Joint Venture Agreement was signed between Zoujaj and the other two partners viz., Guardian Glass Investments SA, one of the subsidiaries of the Guardian Industries USA, and the Eastern Company For Industrial Investment. The company under the name of The Saudi Guardian International Float Glass Company Limited "Gulf Guard" was established to produce flat glass and patterned glass. Later, mirrors and coated glass were added to the range of products. The company is in Jubail Industrial City in an area of 20,000 Square Meters. The Paid-up capital of the company is SAR 122 million and Zoujaj had initially 45% share in



the capital. Production of this factory began in 01/01/1997. The current production capacity of the factory is 131,000 MT annually, a real value addition to Saudi industrial sector and economy. This factory is pioneer in the manufacturing of flat glass in the middle east and gulf region. The factory caters to the needs of Saudi construction industry and export market.



In year 2017, Zoujaj increased its stake in Gulf Guard to 55% through acquiring the shares of Eastern Company For Industrial Investment Ltd.

In view of the success from the Joint venture of Gulf Guard, Jubail, Zoujaj Board of Directors decided to enter another Joint venture with the same partners to establish a new flat glass Plant in Ras Al Khaimah in the United Arab Emirates. Guardian Zoujaj International Float Glass Company LLC (Guardian RAK) was formed to meet the increasing demand for Flat glass. Zoujaj initially owned 45% of the Paid-up Capital of AED 220.2 million. The foundation stone for the project was laid down on 12/02/2006 and production started on 25/09/2007 with a production capacity of 190,000 MT per annum.



In 2017, Zoujaj increased its stake in Guardian RAK to 55% through acquiring the shares of Zamil Group Holding company.

Joint venture company outside the Kingdom of Saudi Arabia



Company Name	Activity	Head Quarter	Country
Guardian Zoujaj International Float Glass Company LLC	Production of glass sheets, mirror, reflective glass, enamelled and insulant glass	Ras Al-Khaimah	UAE

Description of types of Business activity and their Impact on the Profits

Type of business activity	Profit before Zakat (SAR in Million)
Glass container Business	16.8
Joint venture companies in Float Glass Business	36.4



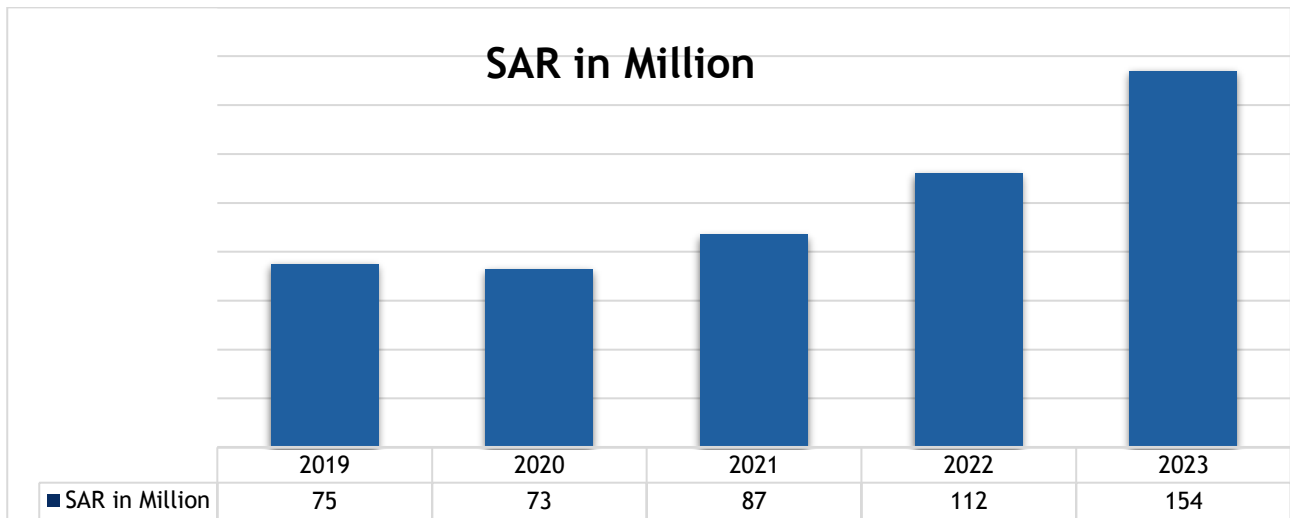
2) The results of the company's business from the main business activity are as follows:

1) Sales:



Sales amounted SAR 153.9 million in year 2023 as compared to SAR 112.3 million in year 2022.

The past 5-year sales are as follows:

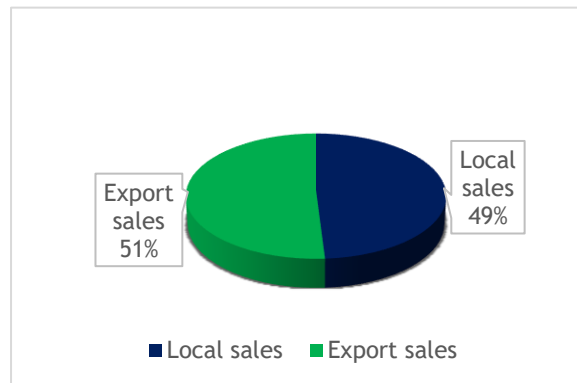


2) Geographical distribution of sales for the year 2023 :

Glass container sales



Sales including Joint venture Companies.



3) Inventory:

Inventory includes the stock of finished goods intended for sale, raw materials, spare parts, consumables amounted at the end of 2023 to SAR 24.4 million as compared to SAR 25.2 million in year 2022.

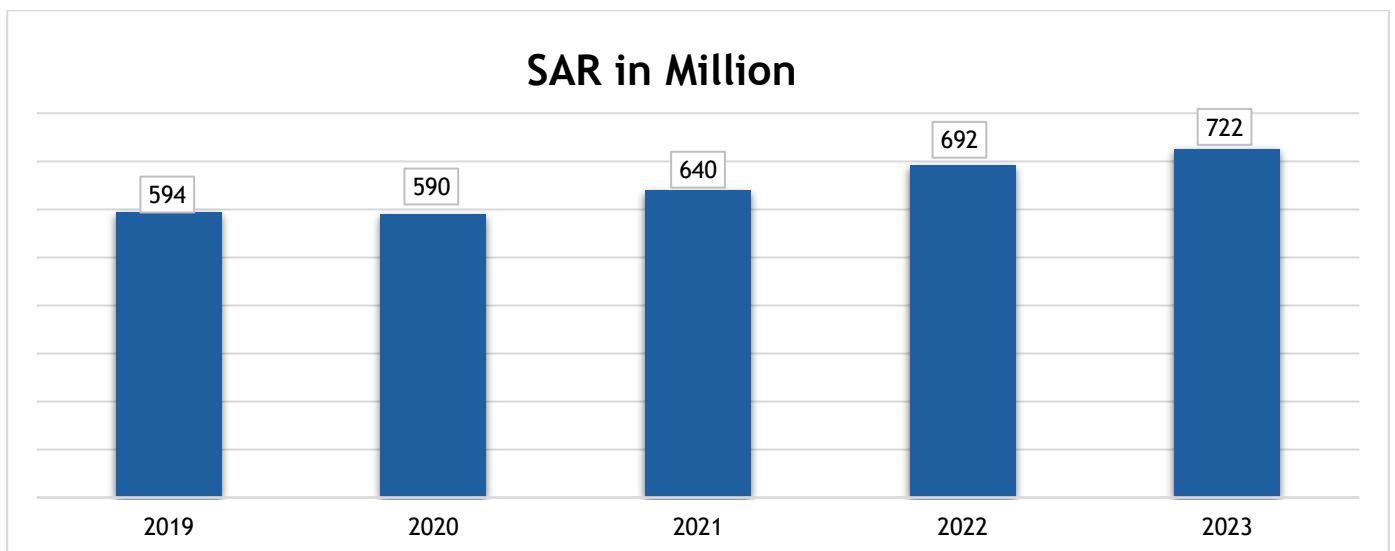
4) Financial results:



The following is a brief review of the Statement of Financial Position for the five years as below:

SAR in Million	Years				
	2019	2020	2021	2022	2023
Assets					
Current Assets	88.3	79.6	88.4	101.2	108.0
Non-Current Assets	650.8	628.1	678.8	718.9	680.4
Total Assets	739.1	707.7	767.2	820.1	788.4
Liabilities					
Current Liabilities	93.3	103.1	90.2	120.0	54.3
Non-Current Liabilities	51.9	14.3	36.8	8.4	12.5
Shareholders' Equity	593.9	590.3	640.2	691.7	721.6
Total Liabilities & Shareholders' Equity	739.1	707.7	767.2	820.1	788.4

The following is a graphic presentation of the change in shareholders' equity during the five years from 2019-2023:



The following is a summary of the Statement of Comprehensive Income and earnings per share for the five years from 2019-2023:

SAR in Million	2019	2020	2021	2022	2023
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Revenue from Sale of goods	74.9	73.3	86.9	112.3	153.9
Cost of sales	(69.6)	(75.5)	(84.1)	(108.9)	(118.7)
Gross Profit (loss)	5.3	(2.2)	2.8	3.4	35.2
General administrative sales and marketing expense	(11.5)	(12.6)	(12.0)	(14.0)	(16.5)
Impairment loss on financial assets	-	(1.0)	(5.1)	(0.7)	(0.6)
Other Income (Expenses)	0.2	0.8	1.3	0.9	2.6
Operating Profit (loss)	(6.0)	(15.0)	(13.0)	(10.4)	20.7
Finance cost	(3.2)	(3.4)	(2.5)	(3.5)	(3.9)
Cost of temporary cessation of operation	(2.6)	-	-	-	-
Joint venture companies Profit (loss) share	14.0	10.2	73.2	126.8	36.4
Provision for investment loss in Joint venture company (SNLEC)	(0.6)	-	-	-	-
Joint venture company loan receivable write-off (SNLEC)	(20.3)	-	-	-	-
Zakat	(3.2)	(2.9)	(4.2)	(2.9)	(5.3)
Net Profit (loss) after Zakat	21.9	(11.1)	53.5	110.0	47.9
Loss from discontinued operation	(9.4)	-	(2.4)	(5.7)	-
Net profit (loss) for the period	(31.3)	(11.1)	51.1	104.3	47.9
Other comprehensive Income	0.7	0.9	(1.2)	(3.5)	(1.5)
Total comprehensive Income (loss)	(30.6)	(10.2)	49.9	100.8	46.4
Earnings per share from continuing operations	(0.67)	(0.34)	1.63	3.34	1.46

3) Loan information:

Lending Institution – SAR in Million	Principal loan	Loan 01 Jan 2023	Receipt	Paid	Loan 31 Dec 2023	Period
The Saudi Industrial Development Fund (SIDF)	108.5	12.4	-	12.4	-	2016-2023
Islamic loans from Banks – Long term	28.0	4.2	2.9	1.7	5.4	2020-2027
Islamic loans from Banks – Short term	45.0	32.6	22.8	48.4	7.0	2022-2023
Dividend Loan from Banks – Short term	8.0	8.0	-	8.0	-	2019-2023

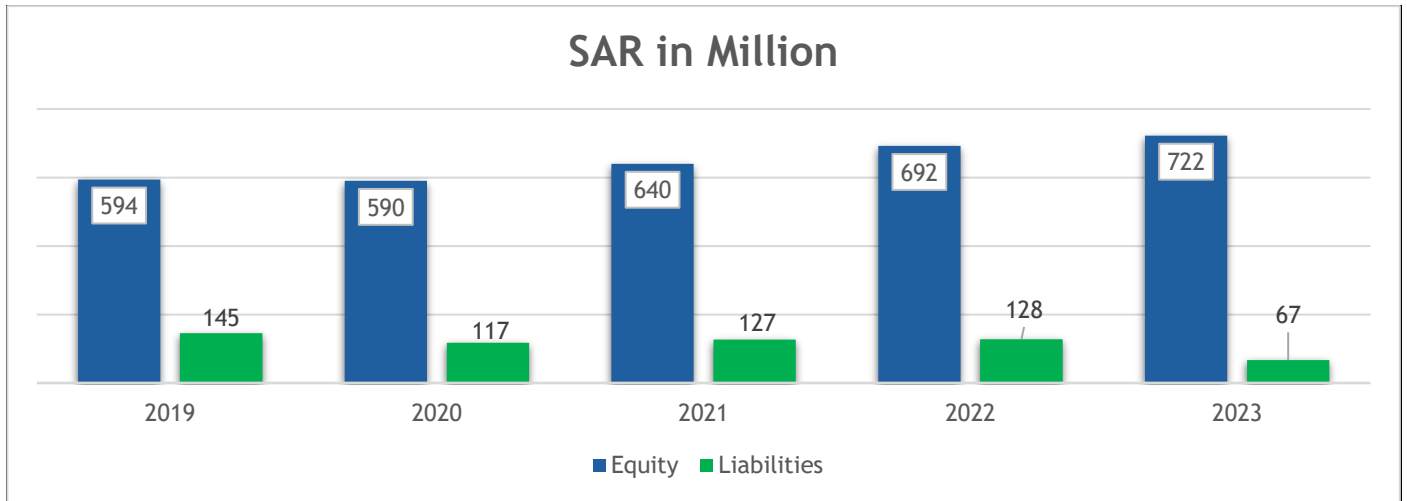


Total	189.5	57.2	25.7	70.5	12.4	
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The Saudi Guardian International Float Glass company Ltd, Jubail

Lending Institution – SAR in Million	Principal loan	Loan 01 Jan 2023	Receipt	Paid	Loan 31 Dec 2023	Period
Islamic Loans from Bank – Long Term	140.0	70.0	70.0	--	140.0	2022-2026

4) Shareholders' Equity to Total Liabilities:



5) Investment in Joint venture Companies

Zoujaj expanded in glass related business by investing in two Joint venture companies manufacturing flat glass.






The Saudi Guardian International Float Glass Company Limited (Gulf Guard) Jubail recorded loss of SAR (6.1) million due to maintenance and development work activity.

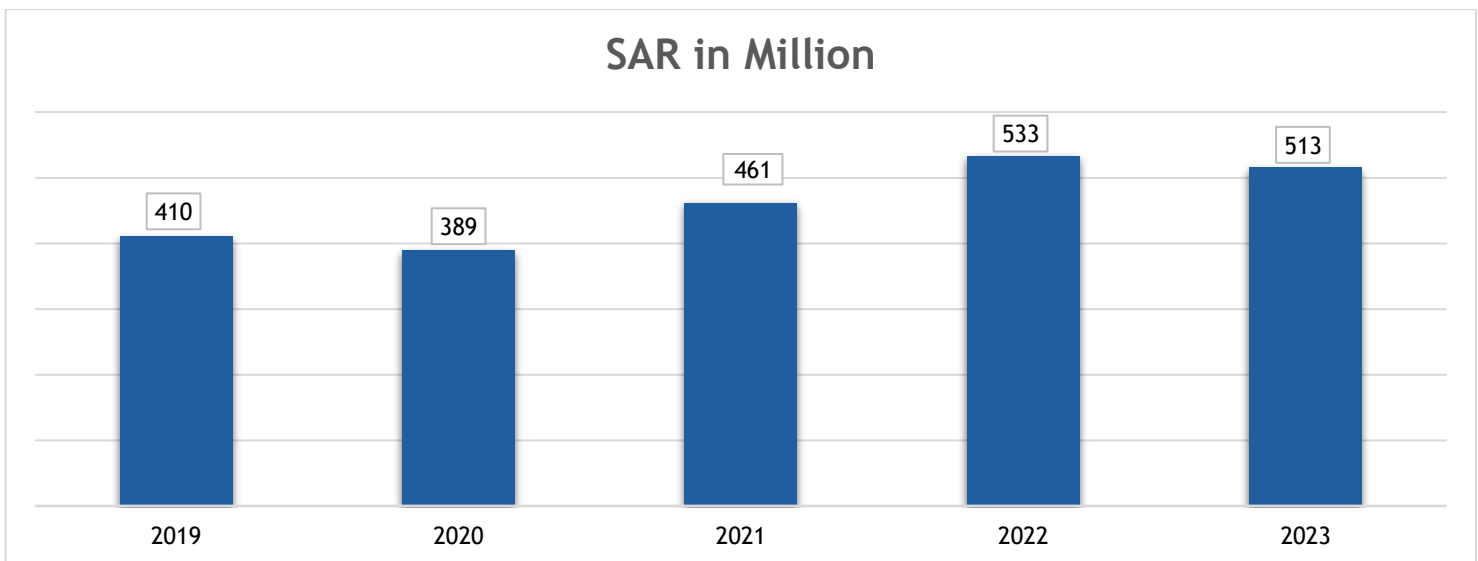
The Zoujaj Guardian International Float Glass Company LLC (Guardian RAK) in Ras Al Khaimah, UAE recorded a profit of SAR 73.6 million.

The Saudi National Lamps and Electricals Co. Limited (SNLEC), is under a court liquidation process.

Zoujaj Investment in Joint venture companies:

	Company Details	Capital Share	Ownership	Place of Incorporation	Legal status
	The Saudi Guardian International Float Glass Co. Ltd (Gulf Guard)	SAR 122 million	55%	Saudi Arabia	Limited liability
	Guardian Zoujaj International Float Company LLC (Guardian RAK)	AED 220.2 million	55%	UAE	Limited liability
	Saudi National Lamps and Electricals Company Limited (SNLEC)	SAR 10 million	50%	Saudi Arabia	Limited liability

The following is a graphical presentation of the Zoujaj Investment in Joint venture companies for the 5 years:



6) Regular payments to Government Agencies and fines:



SAR in Million	2022	2023
Customs Duty	0.6	0.6
Zakat	0.8	4.1
GOSI	1.3	1.4
Passports and visas	0.3	0.2
Chamber of Commerce	0.05	0.03
Industrial land – lease	0.2	0.4

- The number of Shareholders register requested during 2023 - (7 reports)

7) Corporate Governance:

- 1) Zoujaj corporate governance framework is established by the Provisions of the corporate governance regulations issued by the Saudi Capital Market Authority (CMA) including:
 - a) Cumulative voting, where the company amended Article 8, Paragraph B of its Article of Association to make applicable cumulative voting to nominate members of the board of Directors, as per the Capital Market Authority and the Ministry of commerce.
 - b) The rules for the selection of members of the audit committee, nomination and remuneration committee, the duration of their membership and the working style of the committees as approved by the general assembly.
 - c) Board membership policy, standards and procedures approved.

8) Report of the Internal Audit Committee:

The Internal Audit Committee of the company has filed its report on the company's performance.

- a) It was confirmed that there were no substantial notes affecting the performance of the work or financial reports.
- b) The company's work has been confirmed according to the rules and regulations of the work.

9) Name of Board Members, committee members, Executive Management:

9.1) Board of Directors

Name	Current Position	Previous Position	Qualification	Areas of Expertise	Membership of Committees
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Omar Riadh Al Humaidan	Member of the board of Directors of Abraj Al Hayat Contracting .Co	- Chairman of the board of Directors of trans Arabia Foundation. Member of the board of Directors of Al Hayat pharmacies group.	Bachelor of Sharia and Law	Management and Planning	Chairman & Member Executive Committee, Member of Saudi Guardian International Float Glass co, Jubail and Guardian Zoujaj International Float Glass Co LLC, Ras Al Khaimah
Adel Saleh Al Ghassab	-	-Chairman and member of the board of Directors of Zamil Plastic Industries. - Chairman of Zamil Plastic Industries Company. - Sales manager at Tasnee petrochemical company. - Sales and marketing manager at Fipco. - Sales and marketing manager of Al Sharq Plastic Industries. - Sales and marketing manager of Zamil Plastic Industries. - SABIC sales manager.	Bachelor of industrial management	Management of companies and factories.	Executive Committee.
Ahmed Yaqoub Al Furaih	-	Project management and engineering consulting.	Bachelor of engineering.	- Project management. -Engineering consulting.	Executive Committee.
Bassam Mohammed Al Bassam	Public Investment Fund.	- General Authority for State Real Estate. - Building Development Company. - Leading Investment Company. - Saudi Ceramic Company. - Royal Dutch Shell.	Master of Business Administration.	- Investment. - estates. .- industry	Nomination and Remuneration Committee
Uthman Riadh Al Humaidan	Investment Manager in Al Hayat Towers Contracting.	-Al Hayat Pharmacies Group. -Naeem Investment Company.	Bachelor of finance	Financial Management.	Audit Committee.
Abdulrahman Sulaiman Al Yahya	CEO of Khalid Stationery Trading Establishment. Chief Executive Officer of the Cargo .Port Company	-	Bachelor of Sharia	Management experience.	Nomination and Remuneration Committee
Sattam Rashid Al humedhi	Executive Vice President and Director of Quality and Public Relations Department at Al-	-	Bachelor of political science	Business Experience.	Nomination and Remuneration Committee



	Humaidi Trading .Establishment				
Magad Abdullah Al khames	Executive vice president of the investment sector of the Social Development Bank	Head of accounts at Middle East aircraft engine company	Bachelor of accounting	Financial Experience	Audit Committee.

9.2) Committee members from outside the Board of Directors

Name	Current Position	Previous Position	Qualification	Areas of Expertise	Membership of Committees
Mohammed Ahmed Al Sheikh	Businessman	CEO of Qais Al Obaid Certified Public Accountants	Bachelor of Accounting	Financial affairs	Audit Committee

9.3) Executive Management

Name	Current Position	Previous Position	Qualification	Areas of Expertise	Membership of committees
Walid Afyouni	General manager	-Managing Director & Board Member, New Modern Plast Co., Cairo – Egypt - Regional Director Business Development MENA, ALPLA, Dubai – UAE – KSA - General Manager, Zamil Plastic Ind's - KSA	-BA in Business, NSW University, Australia. -Diploma in Business Computer Science, Lebanon.	Areas of industry and business development.	-
Hatim Aiydh Al Fadli	Finance Director	-Financial Director of Al Arabiya Company. - Lucent Technologies Co. - Al Rajhi Bank. -Saudi Ceramic Company.	Bachelors in accounting	Financial affairs	-
Fahad Alaskari	HR and Administration Manager	Human resources and administrative affairs of the manufacturing and energy services company "TAQA".	Associate Degree in Computer Technology; major in Programming. CIPD Associate Diploma in People Management.	Human Resources & Administration. Member of the Sectoral Council for Skills – Manufacturing Sector.	-



Hani Khalil Salim Sammour	Sales Manager (From 02 Oct 2022)	Sales Manager	Bachelor's in computer information system	Sales and marketing	-
Saleh Alamri	Plant Director	Operations Director, Saudi Plastic Factory. Plants Executive Manager, HIT Group. Engineering & Business Development Manager, Hit Group	BSc. Of Mechanical Engineering.	Areas of industry and maintenance. Areas of Administrative and engineering	-

10) Board Committees:

1-Audit Committee:

The Audit Committee supervises the financial affairs and internal controls, and its responsibilities include reviewing and discussing the quarterly and annual financial statements of the company and submitting the results to the Board of Directors. The Audit committee also recommends to the Board of Directors appointing statutory Auditor. The Audit committee consist of 3 members including one member from outside the Board of Directors and held meetings during 2023 as follows:

Meetings of the Audit Committee of the previous Board of Directors from 2020 to 2023:

Member Name	Position	No. of meetings	14/02/2023	07/03/2023
Mohammed Suliman Alharbi	Committee President	2		
Mohammed Ahmed Al Sheikh	Member	2		
Othman Riyadh Al-Humaidan	Member	2		

Meetings of the committee after the adoption of the new board on 13-04-2023:

Member Name	Position	No. of meetings	03/05/2023	26/07/2023
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Mohammed Ahmed Al Sheikh	Committee President	2		
Ahmed Yaqoub Al-Furaih	Member	2		
Othman Riyadh Al-Humaidan	Member	2		

Meetings of the audit committee of the new board of directors from 13-04-2023 after the change of committee members:

Member Name	Position	No. of meetings	30/08/2023	25/10/2023
Mohammed Ahmed Al Sheikh	Committee President	2		
Miqad Abdullah Al khamis	Member	2		
Othman Riyadh Al-Humaidan	Member	2		

2- Nomination and Remuneration Committee:

The Nominations and Remuneration Committee reviews the structure of the Board of Directors and the performance of its members, submits recommendations to the Board, identifies weaknesses and strengths, assures its independence that there is no conflict of interest with company activities and receives nomination to Board of Directors upon the expiration of the Board membership and examine them. The committee consists of 3 members from the Board of Directors, and during the year it held its meetings according to the following schedule:

Member Name	Position	No. of Meetings	16/05/2023	19/09/2023	14/11/2023
Bassam Mohammed Al Bassam	Committee President	3			
Abdulrahman Sulaiman Al Yahya	Member	3			
Sattam Rashid Al humedhi	Member	3			

3-Executive Committee:



The Executive Committee follows up the Board's policies and decisions and follows up on the executive management without prejudice of the general powers of the Board and the executive management. The Executive committee shall report to and manage the communication with the Board of Directors. The Executive Committee consists of 5 members, all of whom are members of the Board of Directors. During the year 2023, the Executive committee held its meetings according to the following schedule:

Meetings of the executive committee of the previous board of directors from 2020 to 2023:

Member Name	Position	No. of Meetings	30/01/2023
Omar Riyadh Al-Humaidan	Committee President	1	
Muhammad Suliman al-Harbi	Member	1	
Ahmed Yaqoub Al-Fraih	Member	1	
Bassam Mohammed Al Bassam	Member	1	
Bandar AbdulrumanAl-Zamil	Member	-	-

Meetings of the committee after the adoption of the new board on 13-04-2023:

Member Name	Position	No. of Meetings	30/05/2023	06/07/2023	17/09/2023	26/10/2023	12/12/2023
Adel Al-Ghasab	Committee President	5					
Omar Al-Humaidan	Member	5					
Ahmed Al-Fraih	Member	5					

11) Board of Directors:

The board of directors consists of eight members and the board of Directors has held 4 meetings during the year 2023 for the current board session for a period of 3 years starting from 13/04/2023.

The current board of Directors consists of the following members:

Member Name	Membership Status	Membership in other companies	Status
Omar Riadh Al Humaidan	Chairman	Member of Board of Directors of : (1) Fetaihi Group, a Saudi Joint Stock company (2) Al-Jouf Agricultural, a Saudi Joint Stock company	Non-Executive



		(3) Saudi Guardian International glass company and Guardian Zoujaj International Float Glass company LLC	
Adel Saleh Al Ghassab	Deputy Chairman	<ul style="list-style-type: none"> - Member of the Board of Directors of Zamil Company for Chemical and Plastic Industries. - Member of the Board of Directors of Zamil Plastic Industries. - Member of the Board of Directors of the Saudi German Company. - Member of the Board of Directors of Advanced Company for Flexible Packaging. - Member of the Board of Directors of Al-Tawfiq Company for Plastic Industries and Woven Bags. - Member of the Board of Directors of Zamil Industrial Investment Company. 	Independent
Ahmed Yaqoub Al Furaih	Member	-	Independent
Bassam Mohammed Albassam	Member	<ul style="list-style-type: none"> - Real estate investment advisor - Chairman of the Board of the Saudi Utilities Company and Chairman of the Executive Committee - Member of the Board of Directors of the King Abdullah Financial District Development (KAFFD) Company - Member of the Board of the Smart Accommodation Residential Company - Member of the Water Endowment Council 	Independent
Uthman Riyad Al Humaidan	Member	Member of the Board of Directors and member of the Nomination Committee of the Basic Chemical Industries Company.	Non-executive
Magad Abdullah Al khames	Member	<ul style="list-style-type: none"> - Member of the Board of Directors of Al-Jouf Agricultural Company. - Member of the Board of Directors of the United International Transport Company (Saudi Budget). - Member of the Board of Directors of the Saudi Fund for Small and Emerging Companies. 	Independent
Abdulrahman Sulaiman Al Yahya	Member	- Member of the Board of Directors of Cargo Port Company for Wholesale and Retail Trade.	Independent
Sattam Rashid Al Humedhi	Member	-	Independent

Statement of the attendance of the Board of Directors and their attendance percentage are as follows:

Member Name	No. of Meetings	07/05/2023	17/09/2023	08/11/2023	24/12/2023	Attendance
Omar Riyad Al Humaidan	4					100%
Adel Saleh Al Ghassab	4					100%



Ahmed Yaqoub Al Furaih	4					100%
Bassam Mohammed Albassam	4					100%
Uthman Riyadh Al Humaidan	4					100%
Magad Abdullah Alkhames	4					100%
Abdulrahman Sulaiman Al Yahya	4					100%
Sattam Rashid Al humedhi	4					100%

The shares of the members of the board of directors and their spouses and underage children in the current session are as follows:

Name	Stocks at the beginning of the year		Change during the period		Spouses & underage children	Stocks at the end of the year	
	No. of Shares	%	No. of Shares	%	No. of Shares	No. of Shares	%
Omar Riyadh Al Humaidan	6,000	0.018	24,000	0.073	-	30,000	0.091
Adel Saleh Al Ghassab	-	-	-	-	-	100	0.0003
Ahmed Yaqoub Al Furaih	1,000	0.003	-	-	-	1,000	0.003
Bassam Mohammed Albassam	3,162	0.009	-	-	-	3,162	0.009
Uthman Riyadh Al Humaidan	15,000	0.045	-	-	-	15,000	0.045
Magad Abdullah Alkhames	-	-	-	-	-	-	-
Abdulrahman Sulaiman Al Yahya	-	-	2,500	0.007	-	2,500	0.007
Sattam Rashid Al humedhi	-	-	3,000	0.009	-	3,000	0.009

12) Major shareholders of the company:

Name	No. of Shares
Riadh Mohammed A. Al Humaidan	6,066,000
Human Resources Development Fund	1,116,000
Social Development Bank	360,000
Companies and investment funds	4,320,847



Charities	150,000
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Nature of Investors:

Type	Investor's No.	No. of Shares
Major contributors	1	6,066,000
Saudi companies and funds	36	5,205,321
Foreign companies and funds	27	861,487
Charities	1	150,000
Individuals	10,207	20,617,192
Total	10,272	32,900,000

Investors by size of ownership:

Ownership Size/Share	No. of investors	No. of shares	Ownership %
More than 1 million	3	8,182,000	24.9%
From 500K: Less than 1 million	5	3,987,000	12.1 %
From 100K: Less than 500K	30	6,258,822	19.0%
From 50K: Less than 100K	34	2,261,566	6.9%
From 10K: Less than 50K	261	5,094,235	15.5%
From 5K: Less than 10K	284	1,892,397	5.7%
From one Thousand: less than 5K	1869	3,714,430	11.3%
Less than one Thousand	7786	1,509,550	4.6%
Total	10,272	32,900,000	100%

13) Remuneration for the Board of Directors and five senior executives and members of the committees:

Members do not receive any allowances or bonuses except as stipulated in Article 22 of the company's bylaw regarding the payment of annual bonus, which amounted to SAR 1.6 million to all members, in addition to the assignments and attendance allowances for all committees. Their breakdown are as follows:

1-13 Compensation and bonuses paid to board members and committee members of the previous board:



Name of Board Members	Fixed Rewards				
	Board Attendance fees	Committee Attendance fees	Ticket and allowances	Remuneration to Chairman of the Board, Managing Director or Secretary, if he is a member	Total (SAR)
<u>Independent Directors</u>					
Mazin Abdulaziz Al Manie				200,000	200,000
Mohammed Sulaiman Al Harbi		24,000	5,380	200,000	229,380
Abdulatif Ali Al Fawzan				200,000	200,000
Bassam Mohammed Al Bassam		6,000		200,000	206,000
<u>Non-Executive Directors</u>					
Omar Riadh Al Humaidan		13,000	5,380	200,000	218,380
Ahmed Yacoub Al Furaih		3,000		200,000	203,000
Bandar Abdulrahman Al Zamil				200,000	200,000
Uthman Riadh Al Humaidan		9,000		200,000	209,000
<u>Member of the committee out of the board</u>					
Mohammed Ahmad Al Sheikh (audit committee)		6,000			6,000
<u>Grand Total</u>		61,000	10,760	1,600,000	1,671,760

2-13 Compensation and bonuses paid to board members and committee members of the current board:

Name of Board Members	Fixed Rewards				
	Board Attendance fees	Committee Attendance fees	Ticket and allowances	Remuneration to Chairman of the Board, Managing Director or Secretary, if he is a member	Total (SAR)
<u>Non-Executive Directors</u>					



Omar Riadh Al Humaidan	12,000	15,000	7,205	-	34,205
Uthman Riadh Al Humaidan	12,000	12,000	6,808	-	30,808
<u>Independent Directors</u>					
Adel Saleh Al Ghassab	12,000	15,000	9,810	-	36,810
Ahmed Yacoub Al Furaih	12,000	21,000	6,808	-	39,808
Bassam Mohammed Albassam	12,000	9,000	3,541	-	24,541
Magad Abdullah Alkhames	12,000	6,000	3,220	-	21,220
Abdulrahman Sulaiman Al Yahya	12,000	9,000	3,575	-	24,575
Sattam Rashid Al humedhi	12,000	9,000	3,220	-	24,220
<u>Member of the committee out of the board</u>					
Mohammed Ahmad Al Sheikh (audit committee)	-	12,000	-	-	12,000
<u>Grand Total</u>	96,000	108,000	44,187	-	248,187

3-12 Compensation and bonuses disbursed during the year 2023 to five senior executives, including the General Manager and Financial Director:

The bonus and allowances disbursed during the year 2023 to five senior executives, including the General Manager and Financial Manager are as follows: -

Senior Executives	Fixed Remuneration			
	Salaries	Allowances	Bonus and compensation	Total (SAR)
Five Senior Executives including Managing Director for 2023	1,666,313	736,586	-	2,402,899

The company is committed to disclosing the compensation for executives in accordance with the statutory requirements contained in Article 93 of the Corporate Governance Regulations.

14) Zakat :

The Zakat paid related to year 2022 in year 2023 amounted to SAR 4.15 million, and declarations were submitted accordingly. The company received Zakat certificate up to year 2022. The company finalized zakat returns and received final zakat certificate till year ended 2018.

15) Company Achievements:



- 1) Zoujaj company sales growth by 37% during year 2023.
- 2) Zoujaj company continued to develop its sales in the export and local market, fulfil its obligations to its customers and attract new customers in the domestic and foreign markets with the main food and beverage producers in Iraq, the GCC countries and others.
- 3) the company continued to raise the percentage of Saudization and attract distinguished cadres.
- 4) National Factory for Glass Bottles (NFGB) has maintained all the required accreditations for GMP (good manufacturing practices), and food & safety; FSSC 22000 and ISO 9001:2015, ISO 14001:2018 certificates.

16) Social responsibility:

For the company to fulfil its duty to the community, the board of Directors approved the amount of SR 300,000 distributed to the following associations:

Association Name	Amount in SAR
Vitiligo charitable society	60,000
Taibah Doctors Medical Charitable Society	60,000
Ekhaa-charitable foundation for orphans	60,000
Down Syndrome Charitable Association	60,000
Saudi cancer society	60,000

17) General Assembly of shareholders and the names of those present from the previous board of directors:

The 31th ordinary general assembly, which was held on 13/04/2023, was attended by 6 members of the Board of Directors out of 8 members:

- 1) Omar Riadh Al Humaidan.
- 2) Ahmed Yacoub Al Furaih
- 3) Bassam Mohammed Al Bassam.
- 4) Uthman Riadh Al Humaidan.



- 5) Mazin Abdulaziz Al Manie.
- 6) Bandar Abdulrahman Al Zamil.

18) Future Projects:

- 1) the company announced the establishment of a new production line for the manufacture of glass containers.
- 2) 2) the company announced the start of studying the possibility of concluding an acquisition or merger deal with SAGCO.

19) Company Declarations:

- 1) Proper books of account have been maintained.
- 2) The internal control system is prepared on a sound basis and has been effectively implemented.
- 3) There are no significant doubts concerning the ability of the company to continue its activity.
- 4) There is no contract in which there is a substantial interest for one of the members of the board of directors, the executive management, or anyone related to them.

20) Auditors:

The ordinary meeting of the shareholders of the company approved in its annual general meeting held on 13/04/2023, the appointment of the Statutory Auditors Baker Tilly MKM & Co. SA, Riyadh as the company's auditor for the financial year ending 31/12/2023.

21) Expected Risks:

Types of expected risks that the company may face:

- 1) Increased raw materials prices especially imported ones which's subject to price fluctuations because of the impact of the global market.
- 2) Increased prices of energy, insurance, and transportation.
- 3) Geo-political situations that impacted the export business and international transactions.
- 4) Shortage of natural gas supply in the event of natural disasters.



- 5) lower profit margins from the Joint venture companies due to decreased prices, competition, and underutilized assets.

22) Profit Distribution Policy:

The ordinary assembly authorized the Board of Directors to distribute interim dividends on a semi-annual basis for each financial year after deducting all general expenses and other costs as stated in the company's Articles of Association and as follows:

- 1) 10% of the net profits shall be set aside towards statutory reserve, and the ordinary general assembly may stop this retention when the said reserve balance reaches 30% of the share capital.
- 2) From the remainder, the equivalent of 5% of the paid-up capital shall be distributed to the shareholders.
- 3) After allocating the above mentioned, a percentage not exceeding 5% of the remainder as remuneration to the Board of Directors.

23) the historical information of the cash dividend paid previous financial years:

Year	Net Profit (SAR in Million)	Dividend per share in SAR	Dividend Paid (SAR in million)	Dividend % to Net Profit
2021	51.1	0.5	16.45	32%
2022	104.3	1.0	32.90	32%
2023	47.9	0.50	16.45	34%
Total Distributions	203.3	2.0	65.80	32%

In the end, the Zoujaj Board of Directors extends their gratitude and thanks to the Saudi government of the custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud and Crown Prince His Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud for the support and encouragement to the industrial sector. Zoujaj Board also extend thanks to the shareholders of the company for their confidence in the Board, as well as to the Executive Management and all the employees of the company.