

Sinad Holding Co

The Ordinary General Assembly Meeting

(First Meeting)

Place : Through modern technology means

Date: 25-06-2025 Corresponding to 29-12-1446

Time: seven o'clock in the evening



The Ordinary General Assembly Meeting Agenda





The Ordinary General Assembly Meeting Agenda

بنود جدول أعمال الجمعية العامة العادية:

1. Review and discuss the Board of Directors' report for the fiscal year ending on 31/12/2024 G. (Attached) 1. الاطلاع على تقرير مجلس الإدارة للسنة المالية المنتهية في 2024/12/31 م ومناقشته (مرفق).
2. Review and discuss the financial statements for the fiscal year ending on 31/12/2024 G. (Attached) 2. الاطلاع على القوائم المالية للسنة المالية المنتهية في 2024/12/31 م ومناقشتها (مرفق).
3. Voting on the auditor's report on the Company's accounts for the fiscal year ending on 31/12/2024 G, after discussing it. (Attached) 3. التصويت على تقرير مراجع حسابات الشركة عن السنة المالية المنتهية في 2024/12/31 م بعد مناقشته (مرفق).
4. Voting to discharge the members of the Board of Directors from liability for the fiscal year ending 31/12/2024 G. 4. التصويت على إبراء ذمة أعضاء مجلس الإدارة عن السنة المالية المنتهية في 2024/12/31 م.
5. Voting on appointing the external auditor for the Company among nominees based on the recommendation of the Audit Committee, to examine, review, and audit the second, third quarters and annual financial statement of fiscal year 2025 and the first quarter of the fiscal year 2026, and determine their fees. 5. التصويت على تعيين مراجع حسابات الشركة من بين المرشحين بناءً على توصية لجنة المراجعة، وذلك لفحص ومراجعة وتدقيق القوائم المالية للربع الثاني والثالث والسنوي من السنة المالية المنتهية في 2025/12/31 م، والربع الأول من السنة المالية المنتهية في 2026/12/31 م، وتحديد أتعابه.
6. Voting on delegating the Board of Directors with the powers of the Ordinary General Assembly, with the permission mentioned in Paragraph (1) of Article Twenty-seven of the Companies Law, for a period of one year from the date of approval by the General Assembly or until the end of the term of the delegated Board of Directors, whichever comes first. In accordance with the conditions stipulated in the executive regulations of the Companies Law for listed joint stock companies. 6. التصويت على تفويض مجلس الإدارة بصلاحيات الجمعية العامة العادية بالتفويض الوارد في الفقرة (1) من المادة السابعة والعشرين من نظام الشركات، وذلك لمدة سنة من تاريخ موافقة الجمعية العامة أو حتى نهاية دورة مجلس الإدارة المفوض أيهما أسبق. وفقاً للشروط الواردة في اللائحة التنفيذية لنظام الشركات الخاصة بشركات المساهمة المدرجة.



Item number one

Review and discuss the Board of Directors' report for the fiscal year ending on 31/12/2024 G.

To view the Board of Directors' report for the fiscal year ending 31/12/2024 G, please visit the following link:

**The Board of Directors' report for the fiscal year ending
31/12/2024**





Item number two

Review and discuss the financial statements for the fiscal year ending on 31/12/2024 G

To view the financial statements for the fiscal year ending 31/12/2024 G, please visit the following link:

The financial statements for the fiscal year ending
31/12/2024 G





Item number three

Voting on the auditor's report on the Company's accounts for the fiscal year ending on 31/12/2024 G, after discussing it.

Independent auditor's report

To the shareholders of
Sinad Holding Company
A Saudi Joint Stock Company

Riyadh – Kingdom of Saudi Arabia

Opinion

We have audited the consolidated financial statements of **Sinad Holding Company** (the "Company") and its subsidiaries (together the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the requirements of International Code of Ethics for Professional Accountants (including International Independence Standards), endorsed in the Kingdom of Saudi Arabia (the "Code"), that are relevant to our audit of the consolidated financial statements and we have fulfilled our other ethical responsibilities in accordance with the Code's requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters include:

Independent auditor's report to the shareholders of Sinad Holding Company a Saudi joint stock company for the year ended 31 December 2024 (continued)

Key audit matters (continued)

Revenue from contracts with customers	
Key audit matter	How the key audit matter was addressed in our audit
<p>The group's net revenues for the year ended 31 December 2024 amounted to SR 1.75 billion (31 December 2023: SR 1.6 billion).</p> <p>Management recognizes revenue in accordance with the principles of International Financial Reporting Standard No 15 'Revenue from Contracts with Customers'.</p> <p>Most of the Group's revenue arrangements are straightforward, being recognized at a specific point in time and requiring the exercise of some judgement. In some cases, the Group provides a right of return and volume discount to its customers; This increases the level of judgment in recognizing revenue at the end of the year.</p> <p>The determination of trade discount amount depends on the following; significant judgments, number of purchases made by the concerned customers, and on the potential arrangement between the Company and its customer. In addition, determining a provision for goods that the customers have the right to return requires taking into account historical indicators.</p> <p>We have considered this matter as a key audit matter as revenue is a material area in the consolidated financial statements and serves as a key performance indicator. The recognition of revenue from contracts with customers requires management to apply significant assumptions.</p>	<p>We have performed the following procedures to audit revenue from contracts with customers:</p> <ul style="list-style-type: none"> ▪ Evaluating the Group policy of recognizing revenue in accordance with International Financial Reporting Standards (15) "Revenue from contracts with customers" ; ▪ Evaluating the design, implementation, and testing of the operating effectiveness of the Group's controls over revenue recognition; ▪ Testing a sample of contracts with customer, in particular the contractual terms related to variable consideration, such as volume discounts and rights to return, and performing recalculation accordingly; ▪ Testing a sample of sales transactions that occurred before and after the end of the year to evaluate whether revenues were recognized in the correct accounting period; ▪ Testing a sample of revenue transactions during the year and inspected the underlying goods delivery and acceptance notices to assess compliance with Company's revenue recognition accounting policy; ▪ Auditing the management's methodology for calculating the provision for goods eligible for return and tested the reasonableness of assumptions by comparing them with actual results; and ▪ Auditing the disclosures in the consolidated financial statements related to revenue from contracts with customers.
For more details, please refer to notes (2-6 E /3 /4/5)	

Independent auditor's report to the shareholders of Sinad Holding Company a Saudi joint stock company for the year ended 31 December 2024 (continued)

Key audit matters (continued)

Investments and financial assets and financial investments at fair value through income statement	
Key audit matter	How the key audit matter was addressed in our audit
<p>As disclosed in the relevant notes to the consolidated financial statements, the Group holds financial investments comprising the following:</p> <ul style="list-style-type: none"> Financial instruments quoted in an active market (Level 1) amounting to SAR 394 million as of December 31, 2024 (SAR 354 million as of December 31, 2023) Financial instruments not quoted in an active market (Level 3) amounting to SAR 300 million as of December 31, 2024 (SAR 308 million as of December 31, 2023). Financial instruments classified under Level 3 include some investments that are measured at cost rather than fair value, due to the lack of observable data to support their fair valuation. <p>We considered this a key audit matter because:</p> <ul style="list-style-type: none"> The measurement of financial instruments not quoted in an active market (Level 3) requires significant estimates by management The absence of observable market data has led management to measure some investments at cost, which requires significant judgment Changes in assumptions or the availability of new data could have a material impact on the financial statements. 	<p>We performed the following procedures to review the accounts of investment and financial assets and financial investments at fair value through income statement:</p> <ul style="list-style-type: none"> Understand the accounting policies used to measure investments at fair value and cost; Auditing the sources of data used to determine the fair value of financial instruments quoted in an active market (Level 1) ; Evaluating the management's assumptions and models used to measure financial instruments not quoted in an active market (Level 3) when supporting data is available; Examining the management's analysis of investments measured at cost, and verifying that there is no observable data supporting their fair value measurement; and Verifying the adequacy of disclosures related to these financial instruments in the consolidated financial statements and their compliance with relevant accounting standards.
For more details, please refer to notes (2-6 B/ 16/21/33)	

Independent auditor's report to the shareholders of Sinad Holding Company a Saudi joint stock company for the year ended 31 December 2024 (continued)

Key audit matters (continued)

Impairment of goodwill	
Key audit matter	How the key audit matter was addressed in our audit
<p>As at 31 December 2024, the Group has goodwill arising from a previous business combination amounting to SAR 157 million.</p> <p>According to IAS 36 – Impairment of Assets, an entity is required to test goodwill acquired in a business combination for impairment at least annually, regardless of whether there is any indication of impairment.</p> <p>Goodwill is monitored by management at the cash-generating unit (CGU) level. As at 31 December 2024, management conducted an impairment test for goodwill allocated to each CGU by determining the recoverable amount based on the value in use derived from a discounted cash flow model prepared based on the latest official business plan developed by the Group's management. This test did not result in any impairment loss to be recognized.</p> <p>We considered it as a KAM due to:</p> <p>As the assessment of the recoverable amount of goodwill based on value in use is complex and requires a significant management judgment, The key judgment areas in management's assessment include:</p> <p>(a) Assumptions regarding expected economic conditions, particularly growth in the markets in which the Group primarily operates;</p> <p>(b) Sales growth rate and pre-tax discount rates Tax in value-in-use model.</p>	<p>We performed the following procedures in relation to management's assessment of the impairment of goodwill:</p> <ul style="list-style-type: none"> • We evaluated the methodology used by management to determine the recoverable amount based on the value in use of the assets in each cash-generating unit and compared it with the requirements of IAS 36. We inquired and discussed with management any changes made to the impairment model in the current year and tested the mathematical accuracy of the model; • We tested the accuracy and relevance of the input data used in the model by referring to supporting evidence, such as approved budgets, and considered the reasonableness of these budgets in comparison with the historical results of the Group's performance against the budgets; • We examined the methodology applied to support the value in use calculations and the use of key assumptions including, in particular, sales growth rates and pre-tax discount rates; • We performed sensitivity analysis on key assumptions, primarily sales growth rates and pre-tax discount rates, to assess the potential impact on a range of possible outcomes; and • We also tested the adequacy of the Group's disclosures included in the accompanying consolidated financial statements.
For more details, please refer to notes (2-6 A/ 3/14/34)	

Independent auditor's report to the shareholders of Sinad Holding Company a Saudi joint stock company for the year ended 31 December 2024 (continued)

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, when made available to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and Those Charged with Governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA and Regulations for Companies and the Company's By-laws, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance, i.e., the Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Independent auditor's report to the shareholders of Sinad Holding a Saudi joint stock company for the year ended 31 December 2024 (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

As part of an audit in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision, and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

Independent auditor's report to the shareholders of Sinad Holding a Saudi joint stock company for the year ended 31 December 2024 (continued)

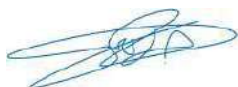
Auditor's responsibilities for the audit of the consolidated financial statements (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For Dr. Mohamed Al-Amri & Co.



Gihad Al-Amri
Certified Public Accountant
License No. 362



Riyadh, on: 13 Ramadan 1446 H
Corresponding to: 13 March 2025 G



Item number four

Voting to discharge the members of the Board of Directors from liability for the fiscal year ending 31/12/2024 G.



Item number five

Voting on appointing the external auditor for the Company among nominees based on the recommendation of the Audit Committee, to examine, review, and audit the second, third quarters and annual financial statement of fiscal year 2025 and the first quarter of the fiscal year 2026, and determine their fees.



Item number six

Voting on delegating the Board of Directors with the powers of the Ordinary General Assembly, with the permission mentioned in Paragraph (1) of Article Twenty-seven of the Companies Law, for a period of one year from the date of approval by the General Assembly or until the end of the term of the delegated Board of Directors, whichever comes first. In accordance with the conditions stipulated in the executive regulations of the Companies Law for listed joint stock companies.



Audit Committee's Report on the Internal Control System and the Effectiveness of Procedures Followed for the Fiscal Year 2024

Date: 10/03/2025

Report of the Audit Committee on the internal control system
And the effectiveness of the procedures followed for the fiscal year 2024 G

The committee reviewed the annual internal control report on the evaluation of the effectiveness and design of the internal control system for the year 2024 G prepared by the internal auditor within the agreed scope of work. The executive management studied the report and discussed it before its final issuance, then the methodology of the report was reviewed and confirmed that it was in accordance with the standards. Professional internal audit by applying a number of professional methods and procedures that were based on internal audit standards issued by the International Institute of Internal Auditors, in addition to the applicable internal regulations in force in the company. The scope of the review included an evaluation of the internal control systems of the following major business cycles:

- Follow up on the recommendations of the previous auditor's reports
- Strategy
- Information Technology (IT)
- Purchases
- Human Resources
- Finance
- Investment

The committee clarifies that special questionnaires prepared by the internal auditor on risk management were sent to all departmental managers, and he met with them in a workshop to clarify the objective of managing current and future risks and the mechanism of working to reduce the effects of risks on the company and reach the levels of acceptable risks for each department. Its reflection on the company as a whole, in addition to a comprehensive analysis of the responsibilities of each department to ensure that the responsibilities include risk management and control tools on it, and the internal auditor reviewed the reports issued by departmental managers to the managing director and CEO in his capacity as a hierarchical reference according to the company's administrative structure.

Then the committee reviewed the findings of the internal auditor in his report to assess the control system and the effectiveness of the measures taken within the implementation processes and that a general conclusion was reached based on the information and tests carried out by him, which stipulated that the design of the company's internal control system includes effective, appropriate and sufficient procedures and controls to a degree. Reasonable with the importance of carrying out improvement and development work for the system to overcome weaknesses according to the nature of the company's business, its activities and its objectives.

Based on the committee's follow-up of its duties, the internal auditor's reports, the follow-up with the chartered accountant, the corrective measures taken by the executive management of the company for continuous development and improvement, and the executive management's assurances that there were no material notes when preparing the annual consolidated financial statements for the year 2024 G and the preliminary financial statements for the quarterly periods during the year 2024 G and processing all The observations made by the chartered accountant during the audit work for the year 2024 G

and he does not have any reservations or material notes that have not been addressed, the absence of material notes by the committee when studying these lists, the absence of substantial notes from the Board of Directors and their approval of these financial statements, and the management's assurances about the internal control system and the effectiveness of its procedures Signed on 26/02/2025 G, the financial statements have been examined and reviewed by the independent certified auditor who has the right to view all the books and records, the minutes of the Board of Directors and its committees and the minutes of the General Assembly of shareholders, and as no material note has been received from the chartered accountant on the internal control and control systems. And based on the age of the internal control report It is about the evaluation of the effectiveness of the design of the internal control system and the methodology carried out by the internal auditor and his conclusion that the design of the internal control system is effective, appropriate and sufficient while working on continuous development and improvement, which is evidenced by the following:

- That the account records have been properly prepared
- That the internal control system was prepared on a sound basis and was effectively implemented
- There is no doubt about the company's ability to continue its activity
- That the financial system reflects the integrity of financial data and reports and their systems

In light of the above, the committee does not have fundamental observations on the internal control system in the company and believes that the internal control system confirms to a reasonable degree that it has been prepared on sound basis with the importance for the executive management to continue developing and improving the internal control system and developing the control mechanism over the operations and activities The company.



Thank you