



To the shareholders of the Saudi Pharmaceutical Industries and Medical Appliances Corporation (SPIMACO)

With reference to the requirements of Article (71) of the Companies Law issued by Royal Decree No. (M / 3) for the year 1437 AH, we list below the transactions and contracts that were made with the related parties during the year 2020, which are greater than 1% of revenues or greater than SAR 10 million, in accordance with Article (56) of the Regulatory Rules and Procedures issued pursuant to the Companies Law for listed joint stock companies, hereby the Company seeks to obtain the shareholders' approval on these transactions, which are listed as follows:

1- Vote on the business and contracts concluded between the Company and ARAC Healthcare Company (a subsidiary company), which represent the sales and marketing services by ARAC Healthcare Company to the products of SPIMACO on an annual basis. Mr. Faisal Mohammed Shaker who is a board member of SPIMACO has an indirect interest as he represents the Company in the Board of Directors of ARAC Healthcare Company. The amount of transactions during 2020 reached SAR 652,013,416 in addition to sales and marketing commission contract of SAR 21,167,073, without preferential terms.

2- Vote on the business and contracts concluded between ARAC Healthcare Company (a subsidiary company) and Dammam Pharmaceutical Company (a subsidiary company) which represent the sales and marketing services by ARAC Healthcare Company to the products of Dammam Pharmaceutical Company on an annual basis. The Chairman of the Board of SPIMACO, His Excellency Mr. Mohammed Talal Al-Nahas (indirect interest), represents the Company in the Board of Directors of Dammam Pharmaceutical Company, and Mr. Faisal Mohammed Shaker (indirect interest) who is a board member of SPIMACO represents the Company in the Board of Directors of ARAC Healthcare Company. The amount of transactions between both companies during 2020 reached SAR 13,006,198 without preferential conditions.

3- Vote on the business and contracts concluded between the Company and Riyadh Bank, which represents renewal of an Islamic financing contract and credit facilities agreement with Riyadh Bank with an amount of SAR 330 million. This is in addition to the different banking treasury transactions through the Company's account at Riyadh Bank in the ordinary course of business without preferential conditions. The Chairman of the Board of SPIMACO, His Excellency Mr. Mohammed Talal Al-Nahas has an indirect interest as a member of the Board of Directors of Riyadh Bank.

Mohammad Talal Al-Nahas
Chairman of the Board of Directors