



Annual Report 2023

**Anaam International Holding
Group Company**

Board of Directors Message

Respected shareholders of Anaam International Holding Group Company

Peace, mercy and blessings of God be upon you.

The Board of Directors are pleased to submit to you at the forty-third meeting of the Ordinary General Assembly its annual report (fortieth) containing the consolidated financial statements and the auditor's report for the fiscal year ended 31/12/2023. The Board confirms that its report and the accompanying financial statements comply with the governance regulations issued by the Authority and with the requirements of the regulations issued by the competent authorities, and the company is always working to develop, update and keep pace with these regulations.

The report also shows a net profit of 10,759,305 for the current year (2023) compared to a net loss of 31,465,495 for the previous year (2022).

The Board confirms that despite the challenges and difficulties faced by the company for the previous year, represented in the losses of the company's financial portfolio due to the conditions of the stock market and the decline in the value of goodwill for the subsidiaries, and the reflection of this on the company's results, the company has been able to overcome most of the difficulties, which enabled it to achieve the above-mentioned profit and always seeks to develop Performance and updating strategic plans based on reality to avoid any stumbling blocks in the company's march, especially as the company obtained the support of shareholders by increasing the capital for the year 2023, in addition to the acquisitions carried out by the company, which helped in implementing some of its plans that would keep pace with developments and increase productivity in the capabilities available to the company and the optimal use of cadres and human resource development so that the company can take its leading role in development programs and support the economy in Our beloved country, under the leadership of the Custodian of the Two Holy Mosques, his faithful Crown Prince and the wise government, we ask God Almighty to help us to achieve the renaissance of the company and meet the aspirations of its shareholders and investors.

We hope that you will see the details of the report, and the Board looks forward to your contributions and respond to your inquiries and opinions on what was stated in the report and your participation in the renaissance and progress of your company.

God bless ““““

General Activity:

The company practices through its subsidiaries many licensed commercial activities that achieve its purposes, namely wholesale and retail trade in foodstuffs, carrying out import, export and marketing work for others, fodder trade, agricultural crops, types of vegetables, fruits and canned goods, wholesale and retail trade in building materials and health materials, buying land for the establishment and investment of buildings, establishing, managing and maintaining centers and facilities, shipping and storage services, and the activity also includes the establishment, management and operation of commercial centers, establishment and management Operating industrial projects, investing its funds in stocks and other securities, owning real estate and movables necessary to carry out its activity, and providing loans, guarantees and financing to subsidiaries. Due to the developments in recent years as per the above, the company has initiated its entity as a holding company and focused on investing in promising sectors such as industry, income-generating real estate, medical services, entertainment sector, logistics and financial sector. The company also aims to convert all the companies it invests in into closed joint stock companies in preparation for listing on the Saudi stock market.

Competitive advantages of the company:

- * has great experience and presence in the main regions of the Kingdom.
- * has prepared cold stores in a healthy environment.
- * has specialized cadres with great experience in the field of work and has the ability to attract qualified cadres.
- * owns plots of land close to the Islamic port of Jeddah that can be developed to serve the interests of the company.

Vision and Mission of the Company:

- * To become the best and most successful joint stock company characterized by its investment expertise, executive capabilities, and capabilities to develop and maximize its value.
- * Its mission is to invest in sectors where there are significant growth opportunities and rewarding returns through effective management focused on creating value for shareholders, partners, employees, and society.

Company Strategy:

The company has defined its general strategic objectives for the next five years, which are to activate its entity as a holding company and focus on investing in the industrial, logistical,

medical, income-generating real estate, entertainment and property management activity, in addition to financial investments with rewarding returns in order to achieve profitable financial stability. The financial objectives are focused on achieving sustainable growth in revenues and income, improving liquidity and thus distributing annual dividends to shareholders. The company also aims to increase its market value through successful investments, good profits, offering and listing investee companies on the Saudi stock market.

Company Objectives:

- Building a successful and positively influential economic entity in the sectors in which it works and deals.
- Achieving an appropriate level of growth in the return on investment for its shareholders coupled with a balanced growth in equity.
- Improving and developing the business model to suit the external variables and internal capabilities of the company.
- Concluding internal and external alliances at the level of the sectors in which it operates with successful facilities locally, regionally, and internationally to transfer experience and exchange experiences.
- Introducing technology in all fields.
- Integration with the Kingdom's Vision 2030 and its realization programs, mainly with regard to the development of various resource investments, food security and improving the quality of life.

Activities details

The net profit for the year 2023 amounted to SAR 10,759,305 compared to a net loss of SAR 31,465,495 for the previous year 2022 due to the following factors:

1- Head Office Activity:

The financial statements for the year 2023 indicate that (profit) in the general administration achieved an amount of 10,759,305 compared to an amount of 31,465,495 million riyals loss for the year (2022), and the reason for achieving profit for the current year compared to the previous year as there are no losses from the company's short-term investments and there is no loss resulting from impairment of the goodwill of the subsidiaries companies for the year 2023 compared to the previous year, in addition to the completion of the Wasit Company

factory in Sudair City and achieving sales for a period of 12 months compared to sales for 6 months for the year 2022. It should be noted that work is still underway to complete the regulatory (kuruki) extraction after the issuance of an electronic deed for the Khumra land south of Jeddah, which has an area of about 30,000 square meters, which contributes to strengthening the company's financial position and increasing shareholders' rights by a large percentage. The company is currently renting some of its spaces in the form of small warehouses to generate additional income. The company has completed the engineering work to build a modern central refrigerator in Al Khumra land and obtained building permits to start building it after completing the capital increase. The company also plans to build large additional warehouses once the extraction of the Khumra land sketch is completed.

2- Logistics Sector Activity:

The company provides storage services to others within the Kingdom by renting its frozen warehouses in Jeddah. Management is looking for investment opportunities in this sector to acquire them and merge with the operations of the existing facility. In 2023, the company achieved a net profit of SAR 1,943 million compared to a profit of SAR 1,778 million for the previous year 2022.

The company's plan and reform steps to turn it into profitability:

- ❖ Purchase profitable fixed income real estate assets in order to provide continuous income and liquidity for the company.
- ❖ Investing in the logistics sector by creating a modern central refrigerator, acquiring existing companies and building warehouses in the Al khumra land in Jeddah after obtaining the necessary licenses.
- ❖ Acquisitions in the industrial sector, restructuring and offering them on the Saudi stock market.
- ❖ Investment in medical services of all kinds, such as dispensaries, pharmacies hospitals, etc.
- ❖ Investment in the property management sector.
- ❖ Financial investments with attractive returns.
- ❖ Focusing on the manpower working in the company, improving the work environment, attracting competencies and distinctive human energies, and working to improve the performance of the company and all its departments and subsidiaries.

Important plans and decisions of the company including structural changes of the company, expansion of its business or cessation of operations and future expectations of the company's business:

- 1- Using the proceeds of the sale of Al-Jouf Agricultural Project to finance the company's future plans, which aim to enter into other sectors that contribute to maximizing the return to the company's shareholders.
- 2- Using the net proceeds of subscription and offering to finance working capital and invest in income-generating real estate assets and owning shares in privately owned companies.
- 3- Building warehouses in Al Khomra land after obtaining the necessary licenses.
- 4- Increase the efficiency of logistics services, develop, and invest in them.
- 5- Focusing on the distinguished manpower and attracting them and working to improve the performance of the group in all its departments.

The most important events and activities that were implemented or announced during the year 2023:

	Date
<p>Anaam International Holding Group "Anaam Holding" announced the signing of a Memorandum of Understanding (non-binding) with Al Murjan Group Holding Company to acquire Al Murjan Holding Group's 69.33% stake in United Ink Production Company Ltd.</p>	2023/01/02
<p>Anaam International Holding Group "Anaam Holding" announces the signing of a Memorandum of Understanding (non-binding) on 09/06/1444H (corresponding to 02/01/2022G) for a period of 120 days from the date of signing, extendable, with Al Murjan Group Holding Company to acquire Al</p>	

<p>Murjan Holding Group's 69.33% stake in United Ink Production Company Ltd. Date of signing the memorandum: 1444-06-2023-01-02 Corresponding to 09 Who signed with: Al Murjan Group Holding Company Subject of the memorandum Acquisition of 100% of the shares of Al Murjan Group Holding Company Ltd. In the United Company to Produce Inks Ltd., which represents 69.33% of the company. United Ink Production Co., Ltd. Duration of the memorandum: This memorandum shall enter into force from the date of its signature for a period of (120) days, which can be extended with the approval of Parties Related Parties: This transaction does not involve related parties . Financial impact: The financial impact will be determined after the completion of the final evaluation . Additional Information: Any material developments will be announced in relation to the Memorandum of Understanding or acquisition. The proposal is timely.</p>	
<p>Anaam Holding Group announces that it is unable to publish its annual financial results ending on 31/12/2022 on the Saudi Stock Exchange (Tadawul) website on time Anaam International Holding Group Company would like to clarify to the valued shareholders that it will not be able to publish its Annual Financial statements ending on 12/31/2022 AD on the specified date, due to the auditor's inability to complete the audit, as they believe that they need more time to complete Their work according to their letter received by the company on today 03/30/2023 AD. The Company shall apply the procedures for suspending trading in listed securities according to the listing rules approved by the Capital Market Authority Board Decision No. (1-10-2019) dated 24-05-1440 H corresponding to 30-01-2019 AD and announced on (Tadawul) website on 25.03.2019.</p>	<p>Date 30/03/2023</p>

<p>Anaam International Holding Group Company announces the recommendation of the Board of Directors to the Extraordinary General Assembly of the company, issued pursuant to the Board of Directors' decision on 09/18/1444 AH corresponding to 04/09/2023 AD, to divide the nominal value of the share from (10) ten riyals per share to 50 halalas (0.50) riyals per share, thus the number of shares of the company will be 630 million shares instead of 31,500,000 shares. With the company's commitment to complete the necessary related procedures. Note that any developments will be announced in due course.</p>	<p>Date 09/04/2023</p>
<p>Referring to the announcement of Anaam International Holding Group Company for the signing of a non-binding memorandum of understanding with Al Murjan Group Holding Company to acquire the 69.33% stake of Al Murjan Holding Group in the United Company for Ink Production Ltd .</p> <p>Enaam Group Holding Company would like to inform its shareholders that based on the latest understandings between Enaam Holding Group Company and Al Murjan Group Holding Company, the two parties have agreed to extend the said non-binding Memorandum of Understanding for an additional period starting at the end of the original period on 02/05/2023 and ending after thirty (30) days, in order to allow the completion of due diligence and other preparatory work necessary for the implementation of the transaction agreements and other final agreements .</p> <p>Previously announced event Anaam International Holding Group Co. announces the signing of a non-binding Memorandum of Understanding (MoU) with Al Murjan Group Holding Company to acquire Al Murjan Holding Group's 69.33% stake in United Ink Production Company Ltd. . Date of previous announcement on the Saudi Stock Exchange (Tadawul) website 2023-01-02 Corresponding to 1444-06-09 Percentage of achievement achieved Not applicable Expected end date of the event Not applicable Reasons for being late from the previously announced date Allow the completion of due diligence and other preparatory work for the implementation of the transaction agreements . The costs associated with the event and whether they have changed or not with the reasons Not applicable The impact of the delay on the company's financial results Not applicable . Additional Information Any developments in this regard will be announced later .</p>	<p>Date 01/05/2023</p>
<p>Anaam International Holding Group announces the latest developments of Anaam International Holding Group announces the recommendation of the Board of Directors to increase the company's capital through a rights issue of SAR 157.5 mln</p> <p>In reference to the announcement of Anaam International Holding Group Company regarding the recommendation of the Board of Directors to</p>	<p>Date 18/05/2023</p>

increase the company's capital through a rights issue on October 4, 2022, in order to obtain a total amount of SAR 157,500,000 in order to finance working capital, reduce lending rates and support the company's future activities

We report that the Board of Directors has decided on 18/05/2023 and based on the studies conducted, to recommend increasing the total amount to be obtained from SAR 157.5 million to SAR 236.25 million.

Previously announced event: Anaam International Holding Group announces the Board of Directors' recommendation to increase the Company's capital through a rights issue of SAR 157.5 mln .
Date of previous announcement on the Saudi Stock Exchange (Tadawul) website 2022-10-08 Corresponding to 1444-03-08
Percentage of achievement achieved Not applicable
Expected end date of the event Not applicable
Reasons for being late from the previously announced date Not applicable
The costs associated with the event and whether they have changed or not with the reasons Not applicable
The impact of the delay on the company's financial results Not applicable .
Additional Information Any developments in this regard will be announced later .

Anaam International Holding Group Announces Invitation to Its Shareholders to Attend the Extraordinary General Assembly Meeting (First Meeting)

Date
22/05/2023

The Board of Directors of Anaam International Holding Group Company is pleased to invite the honorable shareholders to participate and vote in the extraordinary general assembly meeting (first meeting) through modern technology, God willing, at exactly six thirty in the evening on Tuesday 24/11/1444 AH corresponding to 13/06/2023 AD to discuss and vote on the agenda of the assembly

City and Place of the General Assembly : The Assembly will be held by means of modern technology

Link to the meeting venue <https://www.tadawulaty.com.sa>

Date of the General Assembly 1444-11-24 Corresponding to 2023-06-13

Time of the General Assembly 18:30

Right to attend For shareholders registered in the issuer's shareholders register at the Depository Center at the end of the trading session preceding the general assembly meeting and according to the rules and regulations .

Quorum required for the convening of the Assembly According to Article (34) of the Company's Articles of Association, the extraordinary general assembly meeting shall be valid if attended by shareholders representing at least half of the capital, and if the quorum necessary to hold this meeting is not available, the second meeting will be held an hour after the end of the period specified for the

first meeting, and the second meeting shall be valid if attended by shareholders representing at least a quarter of the capital. .

Agenda of the Assembly attachment
Power of Attorney Form

The right of the shareholder to discuss the topics on the agenda of the Assembly, the questions and how to exercise the right to vote (with details of the electronic voting feature, if any) Shareholders registered in Tadawulaty services will be able to vote remotely on the items of the General Assembly starting from one o'clock in the morning of Friday 20/11/1444 AH corresponding to 09/06/2023 AD, until the end of the time of the Assembly, and registration and voting in Tadawulaty services will be available and free of charge for all shareholders using the link : www.tadawulaty.com.sa

Each shareholder also has the right to discuss the topics on the agenda of the Assembly and ask questions .

Eligibility to register attendance and vote The eligibility to register attendance for the assembly meeting ends at the time of the assembly meeting. Also, the eligibility to vote on the items of the Assembly for those present ends when the counting committee finishes counting the votes .

How to communicate For more information or inquiries about the terms of the General Assembly, please contact the company at the Shareholders Relationship Department Tel: 126357007 - Ext. 123 - 150

Anaam International Holding Group announces the latest developments Anaam International Holding Group announces the latest developments Anaam International Holding Group Co. announces the signing of a non-binding Memorandum of Understanding with Al Murjan Group Holding Company to acquire Al Murjan Holding Group's 69.33% stake in United Ink Production Co. Ltd.

Date
01/06/2023

In reference to the announcement of Anaam International Holding Group Company on Tadawul website on 09/06/1444 corresponding to 02/01/2023G, the signing of a non-binding Memorandum of Understanding to acquire 69.33% of the United Company for the Production of Inks Ltd., which represents 100% of the shares of Al Murjan Group Holding Company Ltd. in the United Company for the Production of Inks Ltd. With reference to the announcement of Anaam International Group Holding Company on the latest developments in this regard published on the Tadawul website on 11/10/1444 (corresponding to 01/05/2023). Anaam International Holding Group Company "Anaam Holding" announces that on 11/11/1444 AH corresponding to 31/05/2023 AD, a sale and purchase agreement (SPA) was signed to acquire 69.33% of the United Company for the Production of Inks Ltd., which represents 100% of the shares of Al Murjan Group Holding Company Ltd. in the United Company for the Production of Inks Ltd., in exchange for cash for the full value of the transaction, where the value of the United Company for the Production of Inks Ltd. is fifty-six million (56,000,000) Saudi riyals, and the value of the deal is thirty-eight One million eight hundred

twenty-five thousand, six hundred and seventeen Saudi Riyals and ninety-seven halalas (38,825,617.97).

The transaction will be financed by the company's own resources.

Previously announced event Anaam International Holding Group announces the latest developments Anaam International Group Holding Co. announces the signing of a non-binding Memorandum of Understanding (MoU) with Al Murjan Group Holding Company to acquire Al Murjan Holding Group's 69.33% stake in United Ink Production Co. Ltd. .

Date of the previous announcement on the Capital Market (Tadawul) website 1444-10-2023-05-01 Corresponding to 11

Percentage of achievement achieved Not applicable

Expected end date of the event Not applicable

Reasons for being late from the previously announced date Not applicable

The costs associated with the event and whether they have changed or not with the reasons Not applicable

The impact of the delay on the company's financial results Not applicable .

Additional Information - The signing of the agreement comes in line with the strategic expansion policy of "Anaam International Holding Group", which aims to support the company's expansion plans to enter into new sectors..

- The United Company for the Production of Inks Ltd. manufactures and markets industrial inks of various kinds with a production capacity of 8,620 tons per year. The company's total assets over the past three years averaged SAR 79.7 million. Average revenue for the past three years was 94.8 million riyals. The average net profit for the past three years was 6.2 million riyals.

- The Acquisition SPA is subject to a number of regulatory and commercial conditions that must be met.

- Any material developments will be announced in due course.

Anaam International Holding Group announces that the Extraordinary General Assembly Meeting of the Company will not be held (Second Meeting)

Date
14/06/2023

Anaam International Holding Group Company announces that the extraordinary general assembly meeting (second meeting), which was scheduled to be held an hour after the first meeting, will not be held due to the lack of the necessary quorum for the meeting .

History of the General Assembly that did not convene 1444-11-24
Corresponding to 2023-06-13

City and Place of the General Assembly The company's headquarters - Jeddah city - General Quarry Street (through modern technology) .

Time of the General Assembly 19:30

Reason for non-convening Lack of quorum .

Attendance Rate The attendance rate for the first meeting was (11.07%), and the second meeting (11.23%) .

The effect of the non-convening of the General Assembly in relation to the recommendations of the Board of Directors on profits or with regard to the work of the external auditor (where applicable). There isn't any .

<p>Impact of non-convening of the General Assembly in relation to the recommendations of the Board of Directors on the change in capital There isn't any .</p> <p>Additional Information The company will later call for the extraordinary general assembly meeting (third meeting) after determining its date and obtaining the approval of the competent authorities, noting that the third meeting will be held regardless of the number of shares represented in it .</p>	
<p>Anaam International Holding Group Announces Invitation to its Shareholders to Attend the Extraordinary General Assembly Meeting (Third Meeting)</p> <p>The Board of Directors of Anaam International Holding Group is pleased to invite the honorable shareholders to participate and vote in the extraordinary general assembly meeting (third meeting) through modern technology, God willing, at exactly six thirty in the evening on Thursday 18/12/1444 AH corresponding to 06/07/2023 AD, in order to discuss and vote on the agenda of the assembly .</p> <p>City and Place of the General Assembly The assembly will be held by means of modern technology</p> <p>Link to the meeting venue https://www.tadawulaty.com.sa</p> <p>Date of the General Assembly 1444-12-2023-07-06 Corresponding to 18</p> <p>Time of the General Assembly 18:30</p> <p>Right to attend For shareholders registered in the issuer's shareholders register at the Depository Center at the end of the trading session preceding the general assembly meeting and according to the rules and regulations .</p> <p>Quorum required for the convening of the Assembly According to Article (34) of the Company's Articles of Association, the third extraordinary general assembly meeting shall be valid regardless of the number of shares represented therein. .</p> <p>Agenda of the Assembly attachment</p> <p>Power of Attorney Form The right of the shareholder to discuss the topics on the agenda of the Assembly, the questions and how to exercise the right to vote (with details of the electronic voting feature, if any) Shareholders registered in Tadawulaty services will be able to vote remotely on the items of the General Assembly starting from one o'clock in the morning of Sunday 14/12/1444 AH corresponding to 02/07/2023 AD, until the end of the time of the Assembly, and registration and voting in Tadawulaty services will be available and free of charge for all shareholders using the link: www.tadawulaty.com.sa</p> <p>Each shareholder also has the right to discuss the topics on the agenda of the Assembly and ask questions .</p> <p>Eligibility to register attendance and vote The eligibility to register attendance for the assembly meeting ends at the time of the assembly meeting. Also, the eligibility to vote on the items of the Assembly for those present ends when the counting committee finishes counting the votes</p> <p>How to communicate For more information or inquiries about the terms of the General Assembly, please contact the company at the Shareholders Relationship Department Tel: 126357007 - Ext. 123 - 150</p> <p>Or by e-mail: info@anaamgroup.com</p> <p>Go to the Volcano: skhair@anaamgroup.com</p> <p>Attached files</p>	<p>Date 15/06/2023</p>

Anaam International Holding Group announces the results of the Extraordinary General Assembly Meeting (Third Meeting)

Date
09/07/2023

Anaam International Holding Group Company announces the results of the extraordinary general assembly meeting (third meeting), which was held at exactly six thirty in the evening on Thursday 18-12-1444 AH (corresponding to 06-7-2023 AD) through modern technology using Tadawulaty platform .

City and Place of the General Assembly Through modern technology from the company's headquarters in Jeddah .

Date of the General Assembly 1444-12-2023-07-06 Corresponding to 18

Time of the General Assembly 18:30

Attendance Rate 7.90%

Names of the members of the Board of Directors present at the Assembly and absent The meeting was attended by the following members of the Board of Directors::

1 Mr. Mohammed Abdulrahman Saleh Attar (Chairman)

2 Eng. Hassan Saad Farhan Al-Yamani (Vice Chairman)

3 Dr. Waleed Jameel Mohammed Ali Qattan

4 Mr. Raed Mohammed Abdullah Kati

5 Dr. Khalid bin Waheeb Mohammed Makled

Names of the chairmen of the committees present at the Assembly or their deputies from among its members 1) Mr. Ahmed Tariq Abdulrahman Murad (Chairman of the Audit Committee))

2 Dr. Khalid bin Waheeb Makled (Chairman of the Remuneration and Nomination Committee)

Voting results on the agenda of the Assembly:

,The Board of Directors' report for the fiscal year ending on December 31 - .was reviewed and discussed 2022

- Reviewing and discussing the financial statements for the fiscal year ending on December 31, 2022 .

- Approval of the auditor's report for the fiscal year ending on December 31, 2022 after discussing it .

- Not approving the discharge of the members of the Board of Directors from liability for the fiscal year ending on December 31, 2022 .

- Approval of the appointment of Dr. Mohammed Al-Omari & Partners BDO (Chartered Accountants and Auditors) from among the candidates based on the recommendation of the Audit Committee to examine, review and audit the financial statements for the second, third and annual quarters of the fiscal year 2023, and the first quarter of the fiscal year 2024 and determine their fees .

Approval of the division of the company's shares according to the following :

- Nominal value of the share before amendment: 10 Saudi riyals
- Nominal value of the share after amendment: 50 Halalas (0.50) Saudi Riyals
- Number of shares before amendment: 31,500,000 shares
- Number of shares after amendment: 630,000,000 shares
- There is no change in the company's capital before and after the stock split.
- Effective Date: In the event of approval of the item, the division resolution will be effective on all the shareholders of the company who own the shares on the day of the extraordinary general assembly and who are registered in the

company's shareholders register at the Securities Depository Center Company (Edaa) at the end of the second trading day following the date of the extraordinary general assembly in which the division of shares was decided. The effect of the resolution on the share price will be applied starting from the working day following the meeting, provided that the number of shares is applied. In the shareholders' portfolios at the end of the second trading day following the date of the extraordinary general assembly in which the division of shares was decided .

- Amending Article (7) of the Company's Articles of Association related to the Company's capital.
- Amending Article (8) of the Company's Articles of Association related to subscription to shares.

- Refusal to approve the amendment of Article (20) of the Company's Articles of Association related to (Powers of the Board).

- Refusal to approve the amendment of Article (22) of the Company's Articles of Association related to (Powers of the Chairman, Deputy, Managing Director and Secretary)

- Approving the amendment of the company's articles of association in accordance with the new companies system and rearranging the articles of the system and numbering them to comply with the proposed amendments.

Anaam International Holding Group Announces the Submission of a Capital Increase Application File to the Capital Market Authority

Date
18/07/2023

Introduction:

Referring to the company's announcement dated 04/10/2022 and attached on 18/05/2023 regarding the Board of Directors' recommendation to increase the company's capital through a rights issue of SAR 236.25 million, conditional on the approval of the relevant official authorities and the extraordinary general assembly .

Enaam International Holding Group Co. announces that it has submitted on Monday 29/12/1444H corresponding to 17/07/2023G the application file for approval of the company's capital increase by offering rights issues to the Capital Market Authority

Date of submission of the application file to the Capital Market Authority:
1444-12-2023-07-17 Corresponding to 29

Application Subject: Request for approval of capital increase through rights issue for SAR 236.25 million.

Date of Announcing the Board of Directors' Recommendation to Increase the Company's Capital on the Saudi Stock Exchange (Tadawul) Website 1444-03-08 Corresponding to 2022-10-04

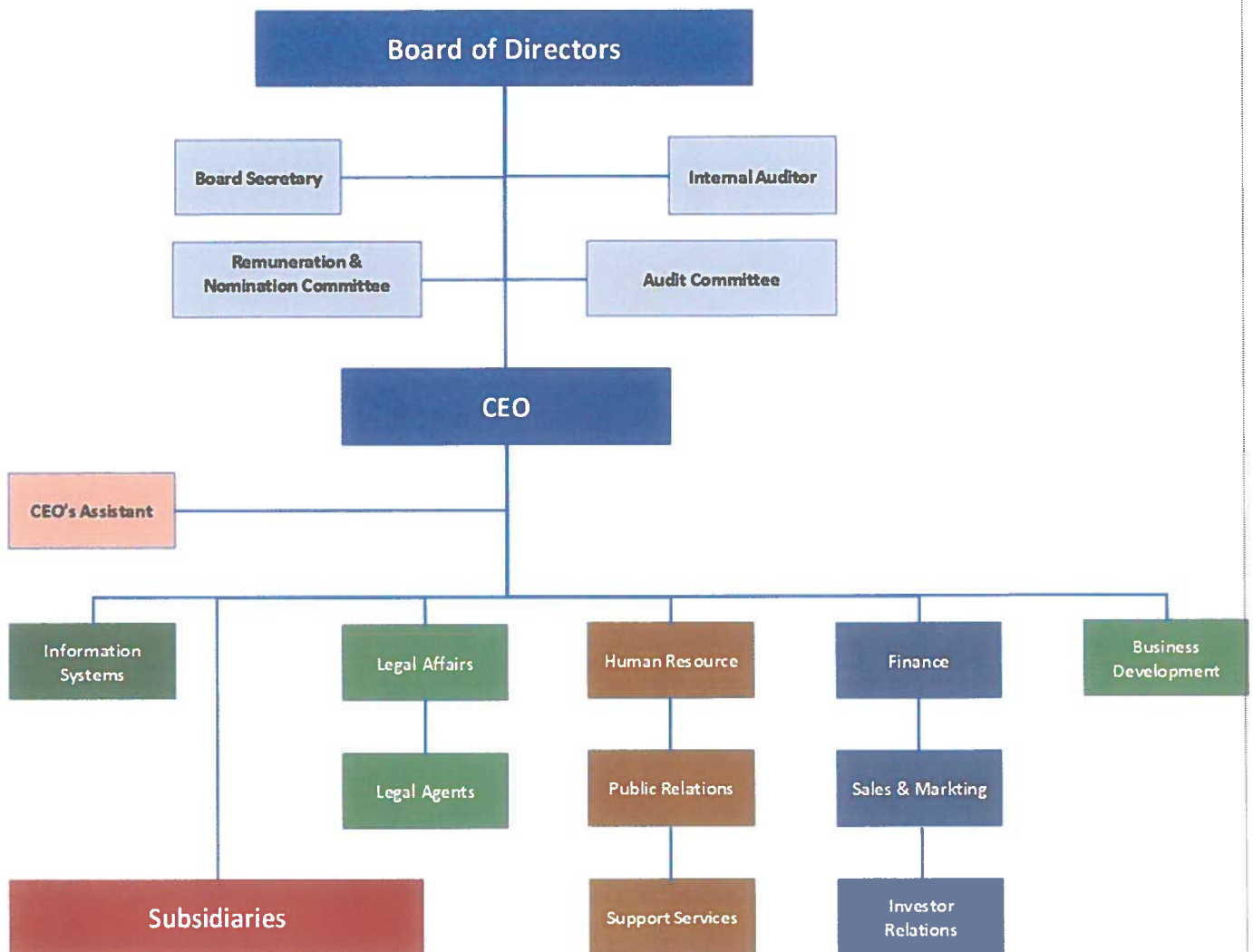
Additional Information: The company will announce any future developments in this regard in due course.

<p>Anaam International Holding Group announces the transfer of the company's headquarters</p> <p>Anaam International Holding Group Company announces the transfer of its head office in Jeddah from Al-Mahjar Street, south of Jeddah, to the new headquarters on Prince Sultan Road - Al-Rawda District, near the Saudi Airlines City building, at the following address: Short Address: JERB6723 , Building Number: 6723, Ext: 2049, Postal Code: 23431 City: Jeddah - Street: Prince Sultan, Neighborhood: Al-Rawdah District</p>	<p>Date 02/08/2023</p>
<p>Anaam International Holding Group announces the latest developments of Anaam International Holding Group announces the signing of a sale and purchase agreement (SPA) to acquire 69.33% of United Inks Production Company Ltd., which represents 100% of the shares of Al Murjan Group Holding Company Ltd. in United Ink Production Company Ltd.</p> <p>Referring to the announcement of Anaam International Holding Group Company on Tadawul website on 12/11/1444H corresponding to 01/06/2023G the signing of a Sale and Purchase Agreement (SPA) to acquire 69.33% of United Inks Production Company Ltd., which represents 100% of the shares of Al Murjan Group Holding Company Ltd. in the United Company for the Production of Inks Ltd .</p> <p>Anaam International Holding Group Company announces the cancellation of the agreement as a result of non-fulfillment of a number of regulatory and commercial conditions that must be met according to the terms of the agreement .</p> <p>Previously announced event: Anaam International Holding Group announces the signing of a sale and purchase agreement (SPA) to acquire 69.33% of United Ink Production Company Ltd., which represents 100% of the shares of Al Murjan Group Holding Company Ltd. in United Ink Production Company Ltd . Date of previous announcement on the website of the Saudi Stock Exchange (Tadawul)1444-11-12 Corresponding to 2023-06-01</p>	<p>Date 21/11/2023</p>

Organizational Structure and Human Resources:

The company always seeks to improve performance and human resources development and contribute to attracting and providing qualified cadres, selecting, appointing and motivating

excellent workers, preparing training programs and developing the ability and skills of workers, the company has also prepared the organizational structure to serve its interests based on the developments of its circumstances and install the principle of compliance with laws and improve the rates of localization and Saudization in the company by replacing Saudi cadres in addition to providing job opportunities for women in various departments of the company, and by applying a planning project Enterprise Resources is an information system project designed to coordinate all resources, information and activities necessary to complete practical procedures, for example, accounting, human resources, finance, projects and customer base management within a unified database.



Equity Affairs and Investor Relations Department:

Sufficient information has been provided to shareholders and how to communicate with them and provide them with answers to their inquiries through the company's website and through the Shares and Announcements Department of Tadawul.

Saudization:

The Saudization rate as it is on 31/12/2023 for the group companies reached 47%, and thus the group is classified in the high green range within the Nitaqat program of the Labor Office, and the company seeks to raise its classification to a higher range by recruiting more Saudi citizens and training them to occupy various positions in all sectors of the company.

International Financial Reporting Standards:

The company applies international accounting standards for its financial reports after all accounting policies necessary for the preparation of the statements in accordance with the international financial reporting standards have been approved by the Board of Directors and its preliminary and annual financial statements for the fiscal year 2023 have been prepared accordingly and during the specified statutory periods.

Value Added Tax (VAT):

The company applies VAT in line with the regulations in force in the Kingdom and the company has been registered in VAT with the General Authority of Zakat and Tax and files the return on monthly basis by the holding company and quarterly return by the subsidiaries and the amount due at the end of the year is 1,064,430.71 riyals.

Financial Position:

The attached financial statements show and fairly show in all material respects the results of the financial year ending on 31/12/2023 in accordance with the generally accepted accounting standards appropriate to the company's activity, accounting concepts, and general presentation and disclosure standards issued by the Saudi Organization for Certified Public Accountants in the Kingdom of Saudi Arabia.

Report of the External Auditor:

The company's auditor issued a report (drawing attention) for the annual financial statements for the year 2023 and the paragraph was as follows:

Material uncertainty related to continuity

We would like to draw attention to Note (2-4) to these consolidated financial statements, which shows that the Company has an accumulated loss of SAR 25.7 million as at the end of the year ended 31 December 2023, and the Group's current liabilities exceeded current assets by SAR 104.7 million, these events and circumstances indicate a material uncertainty about

the Group's ability to remain a going concern. Our opinion regarding this matter has not been modified.

Drew attention:

We would like to draw attention to the following:

As disclosed in Note 6 to the consolidated financial statements, property, plant and equipment includes land valued at SAR 14 million for which registration procedures in the name of the Group have not been completed.

- As indicated in Note 7 to the consolidated financial statements, investment real estate includes land worth SAR 16.5 million, for which registration procedures have not been completed in the name of the Group.

Our opinion has not been modified regarding these matters

Clarification and response of the Board of Directors to the attention-drawing paragraphs:

The Board of Directors does not agree with the observation of the lack of certainty regarding continuity, as the observation drawing attention is based on, firstly: the hypothesis that the Appeals Committee's decision in favor of zakat was issued during the current fiscal year, secondly: the hypothesis that the company lost the objection currently pending at the appeal several years ago, and thirdly: the hypothesis that the company has paid in full. The amount of zakat amounting to (106,927,278) during one fiscal year and recording the entire amount of zakat as current liabilities. The Council explained to the auditor that this violates the system of the Zakat and Income Authority, Chapter Eight, Article Twenty-Seven, which gives the taxpayer the right to divide the objected zakat amount in installments over the estimated assessment period in the case of sixteen years, which means that the current liabilities do not exceed the current assets according to what is stated in Their report.

Accordingly, the Board believes that the group is able to continue as a going concern through its current business activities. The Board also proposed increasing the company's capital by issuing first rights shares in order to increase the company's competitive ability, enable it to acquire various activities, and increase the company's profitability. With regard to drawing special attention to the item of property, machinery and equipment, lands, investment properties, and lands whose registration procedures have not been completed in the name of the group, the company seeks to complete the transfer of ownership of its properties in its name in the near future.

The future plan of the group after the sale of the Al-Jouf project is as follows:

- Raising the efficiency of logistics services provided by the group to its customers, maintaining central refrigerators, replacing some of the current (old) refrigeration devices with modern and high-tech ones, in addition to investing in the construction of modern central refrigerators.

- Investing these amounts in sectors specified by the Board to increase the company's efficiency and income.

The Group has a land in Al-Khumra district in Jeddah with an area of 197,000 meters at a value of 16.5 million Saudi riyals within the lands that belonged to the group at the time of the merger in 1995 under the merger documents and the land is under the company's possession and there is no dispute over it. The company created request with the Ahkam platform to prove its ownership of the land, and the matter is still under process. The property and machinery and equipment item also includes land and a building in the amount of 14 million Saudi riyals as a guarantee in accordance with the financing agreement with Karnaf Investment and Installment Company, and the instrument was registered in the name of Karnaf and installment company, and procedures are currently underway to retrieve the instrument in the name of the company after the end of the purpose of the financing agreement and its closure.

The results of the activity and the percentages of each of them in the last five years:

Results of the last five years (amount in thousands of riyals)		
General	Profit/ (loss)	Percentage of sales
2019	(19,324,481.00)	-229.70%
2020	(8,714,874.00)	-106.40%
2021	(17,050,982.00)	-220.00%
2022	(14,763,486.00)	-53%
2023	8,629,374.00	17%

First: Revenues and Business Results by Activities:

Description	Year 2023	Year 2022	Change	Change %
Sales	51,155,553.00	28,110,908.00	23,044,645.00	82%
Cost of sales	18,296,457.00	14,622,611.00	3,673,846.00	25%
Gross profit	32,859,096.00	13,488,297.00	19,370,799.00	144%
Operating Expenses	24,229,722.00	28,251,783.00	(4,022,061.00)	-14%
Operating profit (loss) before zakat	8,629,374.00	(14,763,486.00)	23,392,860.00	-158.5%
Other revenue (Expenses)	9,002,362.00	(10,664,002.00)	19,666,364.00	-184%
Operating profit (loss) before zakat	17,631,736.00	(25,427,488.00)	43,059,224.00	-169.3%
Less: zakat and income tax	1,490,000.00	3,799,693.00	(2,309,693.00)	100%
Net profit for the year after zakat	16,141,736.00	(29,227,181.00)	45,368,917.00	-155%
Loss from discontinued operations – net of zakat	(5,382,431.00)	(2,238,314.00)	(3,144,117.00)	140%
Profit/(loss) for the year	10,759,305.00	(31,465,495.00)	42,224,800.00	-134%

There are no revenues for subsidiaries outside the Kingdom.

Clarification of the most important material differences in the operating results for the year 2023:

- The company achieved a net profit of 10,759 million compared to a loss of 31,465 million for the previous year as a result of the loss incurred from short-term investments in securities and impairment of goodwill associated with subsidiaries for the year 2022 compared to the current year, an increase in sales volume for the year 2023 compared to 2022 by 82%
- The main reason is the increase in total profit by 144% during this year compared to the previous year mainly as a result of the increase in sales by 82%, noting that the operating costs for the current year increased by 25% compared to the previous year mainly as a result of investment costs in some projects in line with the announced strategy, and entering into new investments to finance the company's future plans, which aim to maximize the company's profit return according to the company's previously announced plan.

Revenues are distributed according to geographical regions within the Kingdom as shown in the table below:

Statement	Geographical area	Revenue & Sales	Operating profit (loss)
Anaam Holding – General	Western Region – Jeddah	26,216,415	4,504,621
Anaam International Food Company	Western Region – Jeddah	4,883,621	1,938,917
Entertainment & Cosmetology	Central Region - Riyadh	20,055,517	2,360,595
Anaam Investment	Western Region – Jeddah	-	-149,578

Second: A statement of the company's assets and liabilities for the last five years:

Statutory payments due

Assets and liabilities for the last five years (amount in thousands of riyals)						
General	Current Assets	Non-current assets	Total Assets	Current liabilities	Non-current liabilities	Total Liabilities
2019	6.144	144.927	151.071	132.218	3.063	135.281
2020	102.97	123.063	226.033	4.857	132.23	137.087
2021	113.396	155535	268931	151330	2301	153631
2022	63973	530,657	594,630	307,841	5,323	313,171
2023	75,103	544,144	619,247	179,811	144,814	324,625

1- Loans and total indebtedness of the company: –

The following are the details of the total loans with total repayments and related information during the fiscal year 2023:

S.	Loan From	Principal value	Loan Term	Paid until the end of 2022	Remaining amount of the loan	Total indebtedness of the company and its subsidiaries
1	Saudi Industrial Development Fund	16,870,000	7 Years	3,000,000	13,870,000	
2	Alinma Bank Loan - Holding	152,225,570	10 Years	85,125,611,051	111,713,000	

2- Statutory payments:

2023		Statement
Due until the end of the annual financial period and not paid	Payer	
103,183,894.00	1,114,637.70	Zakat
103,676.28	1,228,757.06	General Organization for Social Insurance
-	19,289.92	Visa and passport costs
-	542,568.86	Employment Office Fees

Zakat status:

The company received a letter from the Zakat on February 25, 2019, requesting that the company should pay zakat differences in the amount of 106,927,278 riyals for the years from 1995 to 2011. The company created provision for the full amount and submitted an objection to the Appellate court. The matter is still under process, and the company expects to reach to a final solution soon.

Equity and debt instruments activities:

During the year 2023, there are no debt instruments or treasury bills issued by the company, and there is no interest in the class of shares with the right to vote for any persons, and there is no interest, option rights and subscription rights belonging to the members of the Board of Directors, senior executives or their family members in the company's shares, nor are there any debt instruments convertible into shares or any option rights, rights memoranda or similar rights issued or granted by the company. During the financial year ended on that date, there are no conversion or subscription rights under debt instruments convertible into shares, option rights or similar rights certificates issued or granted by the Company during the year 2023, nor is there any redemption,

purchase or cancellation by the Company of any recoverable debt instruments and there is no arrangement or agreement whereby any of the shareholders waives rights to profits.

Subsidiaries and Affiliates:

Company Name	Capital	Main activity	State of Incorporation	Percentage of equity contribution
Saudi Cold Store Company Ltd.	19.5 million riyals	Food Trading	Saudi Arabia/ Jeddah	90%
Anaam International Agricultural Company	1 million riyals	Agricultural crops	Saudi Arabia/ Al-Jouf	100%
Anaam International Financial Company Ltd.	1 million riyals	Wholesale trade	Saudi Arabia/ Jeddah	100%
Anaam International Investment Company Ltd.	1 million riyals	Real Estate & Services	Saudi Arabia/ Jeddah	100%
Anaam International Food Company Ltd.	500 thousand riyals	Food Trading	Saudi Arabia/ Jeddah	100%
Wasit Saudi Entertainment Systems and cosmetology for industry Company	17 million riyals	Manufacturing and marketing of toys and entertainment equipment	Saudi Arabia/ Sudair	51%
Arw Industry Company	1.2 million riyals	Medical Supplies Manufacturing	Saudi Arabia/ Jeddah	55%

Board of Directors:

The company's articles of association included detailed tasks for the board of directors, the most important of which is the adoption of the strategic directions and main objectives of the company, supervising their implementation, setting systems and controls for control and supervising them, in addition to approving the main budgets, guidelines and financial policies, ensuring the application of policies that regulate the relationship with stakeholders in order to protect them and preserve their rights, and ensuring the application of policies and tools that ensure respect for laws and regulations and commitment to disclosure to the public, shareholders, creditors and other stakeholders. The Board also plays other roles through its committees in following up the application of modern systems and resource planning and linking the company to the community within the limits of the possibilities available to the

company as it seeks to rehabilitate and maintain Saudi elements and provide training programs, loans and assistance as much as possible.

1- Names of the members of the Board of Directors, members of the committees, and the executive management:

First: Members of the Board of Directors

- The number of members of the Board of Directors according to the company's articles of association is five members, and the members for the current session starting on 28/11/2021 which ends on 27/11/2024 are:

M	Name	Membership classification (Executive – Non-Executive – Independent)
1	Mr. Mohammed Abdulrahman Saleh Attar	Independent Member – Chairman of the Board of Directors
2	Eng. Hassan Saad Al-Yamani	Executive Member
3	Dr. Waleed Jameel Mohammed Ali Qattan	Non-Executive Member
4	Dr. Khalid bin Waheeb Mohammed Makled	Independent Member
5	Mr. Raed Mohammed Abdulla Kati	Non-executive member

Name	Experiences
Mohammed Abdulrahman Saleh Attar	<p>38 years: Private business fish production and marketing.</p> <ul style="list-style-type: none"> - Member of the Agricultural Committee of the Chamber of Commerce 1997-2006 - Attending many relevant workshops and seminars and presenting lectures on them.
Dr. Waleed Jamil Qattan	<p>10 years: 35 years: Great experience in various economic, commercial, and administrative fields and specialization in marketing, advertising, distribution and management. Member of many institutions, professional bodies, chambers of commerce and specialized associations.</p>
A. Raed Mohammed Abdullah Kati	<p>7 years: 12 years: Extensive in the field of sales and banking management Administrative Consultant – License 14850 Ministry of Commerce</p>
Eng. Hassan Saad Farhan Al-Yamani	<p>2010 to date: CEO of Anaam Holding Group 9 years: Managing Director of Saudi Leasing Company 10 years: Managing Director of Tamleek Company Ltd. 3 years: Middle East Managing Director of Crescent Point Investment</p>
Dr. Khalid Bin Waheeb Muhammad Makled	<p>2019 to date: part-time consultant to the Agency for Development and Sustainable Development - University of Jeddah. 2016-2019: Dean of the Deanship of Knowledge Resources, University of Jeddah Vice Dean of Admission at the University from 2010-2015, and from 2007 to 2010 Vice Dean of the Faculty of Computing and Information Technology for Higher Studies and Scientific Research and from 1987-1994 Systems analyst, assistant, and programmer at the Computer Center at King Abdulaziz University.</p>
Ahmed Talaat Nassar	<p>17 years: Diversified experiences in the field of financial management accounting.</p>

M	Name	Current Position	Previous Post	Qualifications
1	Mohammed Abdulrahman Saleh Attar	Chairman of the Board of Directors - Member of the Remuneration and Nomination Committee Director and owner of Al-Sayyad Trading Establishment and works in the field of wholesale and retail trade in fresh fish - sole proprietorship - Jeddah	Businessman	- Bachelor of Economics - Fisheries and Marine Affairs - University of Washington, USA - 1980
2	Dr. Waleed Jamil Qattan	Board Member Member of the Remuneration and Nomination Committee Chairman of the Board of Directors of Kattan Media Company (Limited Liability Company) within the Kingdom	Director General of Okaz Press Foundation	- Ph.D. Quality of Press Establishments 2009 - Master of Media Quality and Environment 2007 - Bachelor of Economics and Science, Cairo University 1978
3	A. Raed Mohammed Abdullah Kati	Board Member Member of the Audit Committee Member of the Board of Directors of Wasit Saudi Company for Entertainment and Beauty Systems for Industry - a closed joint stock company - Member of the Board of Directors of Arrow Industry Company	General Manager of Senior Clients & Sales Development Al Banawi Industrial Group Management Consultant	- Master of Information Systems Engineering Management, George Washington University, USA, 1998 - Bachelor of Law, King Abdulaziz University, Jeddah 1994
4	Eng. Hassan Saad Farhan Al-Yamani	Board Member CEO Chairman of the Board of Directors of Wasit Saudi Company for Entertainment and Beauty Systems – Joint Stock Company Chairman of Arrow Industry - Closed	CEO	- MBA from the University of Pennsylvania – Whorton School of Business in America 1983
5	Dr. Khalid Bin Waheeb Muhammad Makled	Board Member Chairman of the Remuneration and Nomination Committee Member of the Audit Committee	University professor	- PhD in Networks and Analysis of Information Systems and their Applications from the University of Bradford, United Kingdom 2007.
6	Ahmed Talaat Nassar	Chief Financial Officer		- Bachelor of Accounting University of Ain Shams 2006

The Board of Directors held six (6) meetings during the year 2023, the details of their attendance are as follows:

Name	First Meeting 04/05/2023	Second Meeting 18/05/2023	Third Meeting 23/05/2023	Fourth meeting 10/08/2023 3	Fifth meeting 26/10/2023	Sixth meeting 27/12/2023	Attendance rate for the period
Mr. Mohammed Abdulrahman Saleh Attar	√	√	√	√	√	√	100%
Eng. Hassan Saad Farhan Al-Yamani	√	√	√	√	√	√	100%
Dr. Waleed Jameel Mohammed Ali Qattan	√	√	√	√	√	-	83%
Mr. Raed Mohammed Abdulla Kati	√	√	√	√	√	√	100%
Dr. Khalid bin Waheeb Mohammed Makled	√	√	√	√	√	√	100%

Number of the company's requests for the shareholders' register (4 applications), dates and reasons for such requests:

Number of company requests for shareholder register	Order Date	Number of company requests for shareholder register
1	06 June 2023	For the purpose of corporate actions
2	13 June 2023	For the purpose of the General Assembly
3	06 July 2023	For the purpose of the General Assembly
4	13 July 2023	For the purpose of corporate actions

Names of the members of the Board of Directors, members of the committees, and the executive management, their current and previous positions, qualifications, and experience:

Name	Experiences
Mohammed Abdulrahman Saleh Attar	38 years: Private business fish production and marketing. – Member of the Agricultural Committee of the Chamber of Commerce 1997-2006 – Attending many relevant workshops and seminars and presenting lectures on them.
Dr. Waleed Jamil Qattan	10 years: Member of the Board of Directors and Member of the Audit Committee Rewards and nominations 35 years: Great experience in various economic, commercial, and administrative fields and specialization in marketing, advertising, distribution, and management. Member of many institutions, professional bodies, chambers of commerce and specialized associations.
A. Raed Mohammed Abdullah Kati	8 years: Board Member Member of the Audit Committee Member of the Remuneration and Nomination Committee 12 years: Extensive in the field of sales and banking management Administrative Consultant – License 14850 Ministry of Commerce
Eng. Hassan Saad Farhan Al-Yamani	CEO of Anaam Holding Group 14 years . 10 years: Managing Director of Saudi Leasing Company 9 years: Managing Director of Tamleek Company Ltd. 3 years: Middle East Managing Director of Crescent Point Investment
Doctor Khalid Bin Waheeb Muhammad Makled	2019 to date: part-time consultant to the Agency for Development and Sustainable Development - University of Jeddah. 2016-2019: Dean of the Deanship of Knowledge Resources, University of Jeddah Vice Dean of Admission at the University from 2010-2015, and from 2007 to 2010 Vice Dean of the Faculty of Computing and Information Technology for Higher Studies and Scientific Research and from 1987-1994 Systems analyst, assistant, and programmer at the Computer Center at King Abdulaziz University.
Ahmed Talaat Nassar	17 years: Diversified experience in the field of financial management accounting.

Audit Committee

On 22/11/2021, the company's general assembly convened and elected a new board of directors for the beginner session on 28/11/2021 for a period of three years, and also approved the formation of the audit committee for the beginner session on 28/11/2021 AD to 27/11/2024 AD, and its members are:

- 1- Ahmed Tariq Abdulrahman Murad (Member from outside the Council)
- 2- Raed Mohammed Abdullah Kati .

3- Doctor Khalid Bin Waheeb Muhammad Makled

Name	Current Position	Previous Post	Qualifications	Experiences
A. Raed Mohammed Abdullah Kati	Member of the Audit Committee	Member of the Audit, Remuneration and Nomination Committees	Master of Information Systems and Management Bachelor of Law.	3 years Member of the Audit Committee and the Remuneration and Nomination Committee Ten years of experience in the field of sales and banking management.
A. Ahmed Tariq Abdulrahman Murad	External Audit Committee Chairman		Master of Business Administration from the University of San Francisco, USA 1988 Bachelor of Science in Civil Engineering, Worcester Institute, USA, 1984	Consulting Engineer Murad Engineering Consultants Company – Senior Executives Corporate Finance Department Shamil Bank Bahrain – Executive Director of Asset Management and Research Development at Alkhabeer Financial Consulting Vice Chairman and Head of Financial Investment Saudi Fertilizer Company
Dr. Khalid Bin Waheeb Muhammad Makled	Member of the Audit Committee	University professor	PhD in Networks and Analysis of Information Systems and their Applications from the University of Bradford, United Kingdom 2007. Master of Computer, University of Detroit, USA, 1994 Bachelor of Computer - Metropolitan State University, USA, 1986.	2019 to date, part-time consultant to the Agency for Development and Sustainable Development - University of Jeddah. 2016-2019 Dean of the Deanship of Knowledge Resources, University of Jeddah Vice Dean of Admission at the University from 2010-2015, and from 2007 to 2010 Vice Dean of the Faculty of Computing and Information Technology for Higher Studies and Scientific Research and from 1987-1994 Systems analyst, assistant, and programmer at the Computer Center at King Abdulaziz University.

Tasks of the Audit Committee:

The Audit Committee is responsible for monitoring the company's business and verifying the integrity and integrity of the reports, financial statements and internal control systems, and the committee's tasks include, in particular, the following:

- 1) Studying the company's interim and annual financial statements before presenting them to the Board of Directors and expressing its opinion and recommending them to ensure their integrity, fairness, and transparency.
- 2) Expressing a technical opinion at the request of the Board of Directors on whether the report of the Board of Directors and the company's financials are fair, balanced, and

understandable and include information that allows shareholders, Investors to evaluate the company's financial position, performance, business model and strategy.

- 3) Examining any important or unusual issues contained in the financial reports.
- 4) Studying any important or unusual issues contained in the financial reports thoroughly research any issues raised by the company's financial manager or whoever assumes his duties or an official Commitment to the company or auditor.
- 5) Verifying accounting estimates in material matters contained in the financial reports.
- 6) Studying the accounting policies followed and expressing an opinion and recommendation to the Board of Directors thereon.
- 7) Studying and reviewing the internal and financial control systems and risk management in the company.
- 8) Studying the internal audit reports and following up the implementation of corrective actions for the observations contained therein.
- 9) Control and supervise the performance and activities of the internal auditor and the internal audit department in the company, if any, to verify the availability of the necessary resources and their effectiveness in performing the business and the tasks entrusted to it, and if the company does not have an internal auditor, the committee shall submit its recommendations to the Council on the need to appoint him.
- 10) Recommending to the Board of Directors the appointment of the Director of the Internal Audit Unit or Department or the Internal Auditor and propose his reward.
- 11) Recommending to the Board of Directors the nomination and dismissal of auditors, determining their fees, and evaluating their performance after verifying their independence and reviewing the scope of their work and the terms of their contract.
- 12) Verification of the independence, objectivity and fairness of the auditor and the duration of the effectiveness of the auditor's work taking into account the relevant rules and standards.
- 13) Reviewing the company's auditor's plan and work and verifying that it is not submitted in general or non-technical or Administrative outside the scope of the review work and expressing its views on it.
- 14) Answering the inquiries of the company's auditor.
- 15) Study the auditor's report and observations on the financial statements and follow up on what has been taken in this regard.
- 16) Review the results of the reports of the regulatory authorities and verify that the company has taken the necessary measures about them.
- 17) Verify the company's compliance with the relevant laws, regulations, policies, and instructions.
- 18) Review the contracts and transactions proposed to be conducted by the company with the relevant parties and submit its views on them to the Board of Directors.

- 19) Submit any matters it deems necessary to take action to the Board of Directors and recommendations for actions to be taken.
- 20) Develop a mechanism that allows employees in the company to submit their observations on any violation in the financial reports or others confidentially. The Committee shall verify the application of this mechanism through an independent and appropriate investigation with the size of the error or override and the adoption of appropriate follow-up procedures.

The Audit Committee held (5) meetings during the year 2023, in which it studied the company's interim and annual financial statements, made its observations and recommendations to the Board, studied the accounting policies followed, and carried out all its tasks stipulated in the regulations governing its work.

Details of attending the meetings of the Audit Committee for the year 2023:

Name	First meeting 04/5/2023	Second Meeting 17/5/2023	Third meeting 23/5/2023	Fourth meeting 09/8/2023	Fifth Meeting 26/10/2023	Attendance Rate
Mr. Ahmed Murad	√	√	√	√	√	100%
Dr. Khaled Makled	√	√	√	√	√	100%
Mr. Raed Katy	√	√	√	√	√	100%

Remuneration and Nomination Committee:

On 28/11/2021, the Board of Directors decided to form the Remuneration and Nominations Committee for the starting session on 28/11/2021 to 27/11/2024 from:

- 1- Dr. Khalid bin Waheeb Mohammed Makled - Supervisor
- 2- Mohammed Abdulrahman Saleh Attar - Member
- 3- Dr. Waleed Jameel Mohammed Ali Qattan - Member

Name	Current Position	Previous Post	Qualifications	Experiences
Dr. Waleed Jamil Qattan	Member of the Remuneration and Nomination Committee	Board Member	PhD Quality of Press Facilities Master of Media and Environment Bachelor of Economics and Science	9 Board Member, Audit Committee Member and Remuneration and Nomination Committee Member 30 years of great experience in various economic fields, commercial and administrative fields, specializing in

				marketing, advertising, distribution, and management.
Mohammed Abdulrahman Saleh Attar	Member of the Remuneration and Nomination Committee	Businessman	Bachelor of Economics, Fisheries and Marine Affairs, 1980, University of Washington, USA	35 years Private business fish production and marketing. Member of the Agricultural Committee of the Chamber of Commerce Attending many relevant workshops and seminars and presenting lectures on them.
Dr. Khalid Bin Waheeb Muhammad Makled	Chairman of the Remuneration and Nomination Committee	University professor	PhD in Networks and Analysis of Information Systems and their Applications from the University of Bradford, United Kingdom 2007. Master of Computer, University of Detroit, USA, 1994 Bachelor of Computer - Metropolitan State University, USA, 1986.	2019 to date, part-time consultant to the Agency for Development and Sustainable Development - University of Jeddah. 2016-2019 Dean of the Deanship of Knowledge Resources, University of Jeddah Vice Dean of Admission at the University from 2010-2015, and from 2007 to 2010 Vice Dean of the Faculty of Computing and Information Technology for Higher Studies and Scientific Research and from 1987-1994 Systems analyst, assistant and programmer at the Computer Center at King Abdulaziz University.

Tasks and Competencies of the Committee:

1. Regarding bonuses:

- a) Preparing a clear policy for the remuneration of the members of the Board of Directors and the committees emanating from the Board and the executive management that enhances the motivation of the company's administrative apparatus and the preservation of distinguished cadres, and submit it to the Board of Directors for consideration in preparation for approval by the General Assembly, taking into account in that policy the following of standards related to performance, disclosure and ensuring their implementation.
- b) Clarify the relationship between the bonuses granted and the applicable remuneration policy and indicate any material deviation from this policy.

- c) Periodically review the remuneration policy and evaluate its effectiveness in achieving its objectives.
- d) Recommending to the Board of Directors the remuneration of the members of the Board of Directors, its committees, and senior executives in the company in accordance with the approved policy.
- e) Review the financial remuneration of the CEO, including long- and short-term incentives, as well as determine the ceiling of the expected results achieved by the CEO and submit recommendations thereon to the Board of Directors.
- f) Review the CEO's recommendations on the guidelines and general criteria for financial rewards and other benefits for senior executives that the CEO implements in light of the policies followed.
- g) Ensure the company's commitment and observance of the remuneration policy of the members of the Board of Directors and members of the committees emanating from the Board of Directors and the executive management approved by the General Assembly of Shareholders.

2- Regarding nominations:

- a) Proposing clear policies and criteria for membership in the Board of Directors and executive management.
- b) Recommending to the Council the nomination of its members and committees and re-nomination in accordance with the approved policies and standards, taking into account not to nominate any person who has previously been convicted of a crime against trust.
- c) Preparing a description of the capabilities and qualifications required for membership of the Council and filling the positions of executive management.
- d) Determine the time that the member must allocate for the work of the Council.
- e) Annual review of the necessary needs of skills and experience appropriate to the membership of the Board and the functions of the executive management, while identifying the weaknesses and strengths of the Board and the executive management and proposing to address them in accordance with the interest of the company.
- f) Review the structure of the Board and the executive management and make recommendations regarding the changes that can be made.
- g) Verify annually the independence of independent members, and the absence of any conflict of interest if the member is a member of the board of directors of another company.
- h) Develop job descriptions for independent members, executive members, non-executive, and senior executives.

- i) Establishment of special procedures in the event of a vacancy in the position of a Board member or senior executive
- j) Identify the weaknesses and strengths of the Board and propose solutions to address them in accordance with the interest of the Company.
- k) Provide an appropriate level of training and familiarization to the new board members about the company's tasks and achievements to enable them to perform their work with the required efficiency.
- l) Study and review the performance of the executive management.
- m) Study and review the career replacement plans of the company in general, the Board, the CEO, and senior executives.
- n) Study and review the CEO's recommendations for the appointment and termination of the service of senior executives.
- o) Assist the Board and the Executive Management in developing and reviewing the organizational structure of the company and the operating model that regulates the relationship between the parent company and its subsidiaries.
- p) Monitor the implementation of the employee grievance policy and ensure its effectiveness.

The Committee held (three meetings) in 2023 in the presence of its members, in which it exercised its assigned duties.

Name	First meeting 16/05/2022	Second meeting 05/10/2022	Third meeting 26/12/2023	Attendance Rate
Dr. Waleed Kattan	√	√	-	67%
Mr. Mohamed Attar	√	√	√	100%
Dr. Khaled Makled	√	√	√	100%

The interest of the members of the Board of Directors, their spouses and minor children in the company's shares.

The following list shows the change in share ownership for board members, their spouses and minor children during the year .2023

Name	Beginning of the year 2023		Net change (+ or-) During the year	End of year2023	
	Number of shares	Percentage of ownership		Number of shares	Percentage of ownership
Hassan Saad Farhan al, Yamani	1076	0.0034159	%0	1076	0.0034159
Waleed Jameel Muhammad Ali Qattan	4809	0.0152667	%0	4809	0.0152667
Raed Mohammed Abdullah Kati	100	0.0003175	%0	100	0.0003175
Mohammed Abdulrahman Saleh Attar	20277	0.0643714	%0	20277	0.0643714
Khalid Bin Waheeb Muhammad Makled	13	0.0000413	%0	13	0.0000413

- There is currently no interest of senior executives and their spouses and minor children in the shares or debt instruments of the company.
- There are no arrangements or agreements whereby a member of the Board of Directors or a senior executive of the company waives any salary or compensation.
- The Audit Committee did not recommend a conflict between it and the decisions of the Board of Directors or that the Board refused to take concerning the appointment of the company's auditor, his dismissal, determination of his fees and evaluation of his performance or the appointment of the internal auditor for lack of applicability of that.
- Details of the company's social contributions do not apply because the company did not make a social contribution for this year.

Details of policies related to the remuneration of board members, committee members and senior executives and the mechanisms for determining them:

1. The remuneration of the members of the Board of Directors shall consist of a certain amount, attendance allowance for meetings, in-kind benefits or a certain percentage of net profits, and two or more of these benefits may be combined.
2. In determining and disbursing the remuneration received by each of its members, the Board of Directors shall take into account the relevant provisions contained in the Companies Law, the Corporate Governance Regulations and the following criteria:
 - The remuneration should be based on the recommendation of the Nomination and Remuneration Committee.
 - The remuneration should be commensurate with the company's activity and the skill necessary to manage it.
 - The sector in which the company operates, its size and the experience of the members of the board of directors are taken into account.
 - The remuneration shall be reasonably sufficient to attract, motivate and retain board members with appropriate competence and experience.

3. The members of the Board of Directors may not vote on the item of remuneration of the members of the Board of Directors at the General Assembly meeting.
4. A member of the Board of Directors may obtain remuneration for his membership in the Audit Committee formed by the General Assembly or for the work or positions of executive or technical or advisory management under an additional professional license assigned to him in the company, in addition to the remuneration that he can receive as a member of the Board of Directors and in the committees formed by the Board of Directors in accordance with the Companies Law and the Company's Articles of Association.
5. The remuneration of the members of the Board of Directors may vary in amount to reflect the extent of the member's experience, terms of reference, tasks entrusted to him, his independence, the number of meetings attended and other considerations.
6. The remuneration of the members of the Board of Directors for the previous years is calculated on the allowance of attending the meetings of the Board of Directors at the rate of 3 thousand riyals for each meeting of the Board and the committees of the Board. The Board of Directors approved the recommendation of the Remuneration and Nomination Committee to grant remuneration to the members of the Board of Directors and the Board Committees in a total amount of SAR 2,000,000 for the year 2023.
7. The remuneration of the CEO shall be determined in accordance with the contract concluded with him, in addition to his remuneration as a member of the Board of Directors in accordance with the decision to recommend remuneration, and the remuneration of the Chief Financial Officer and senior executives shall be determined according to what is determined by the senior management after the recommendation from the Nomination and Remuneration Committee, and shown below what the CEO and senior executives receive during the year 2023.
8. The Nomination and Remuneration Committee shall supervise the implementation of the remuneration policy for employees and senior executives in light of the plans, programs and guidelines approved by the Board of Directors.

Senior Executive Rewards:

Total	Total remuneration of executives for the Board if any	End of Service Gratuity	Bonuses Change	Fixed Bonuses	Senior Executive Positions

- Review and update rules in accordance with regulatory requirements and best practices.
- Review and develop codes of conduct that represent the company's values, etc. Internal Policies and Procedures to meet the needs of the company and consistent with best practices.
- Always inform the members of the Board of Directors of developments in the field of corporate governance and best practices, Or delegate this to the Audit Committee or any other committee or department.

The company is committed to establishing a good governance policy that provides a strong base for an effective relationship between the company, its board of directors, shareholders, and other relevant parties. The general framework of this policy works on the fair treatment of all shareholders, and it recognizes the inalienable legal rights of all shareholders regardless of their contributions, in addition to that the general framework of the company's governance policy works to provide accurate and timely information on all material matters related to the company, as well as to establish frameworks for accountability to the company and shareholders.

This policy provides and stipulates the base of policies and practices for corporate governance that should be implemented and followed in the company, and the Board of Directors and its members, individually or collectively, must implement them optimally and as they should and the policy is approved by the Board of Directors, and the Board of Directors must review on an annual basis the extent of compliance with the policy and take all decisions that will ensure compliance with good governance practices.

The Board of Directors and the executive management of the company seek to be guided by the best principles and practices that enhance governance, and the company makes every effort to consolidate the principles of governance, which is a necessary element to help in the management of sound business and ensure the practice of the best governance policies.

The company also seeks to implement a strong and effective governance system, by consolidating the roles of the company's shareholders, the board of directors, the chairman and vice chairman, the company's CEO, the committees emanating from the board of directors, external auditors, internal auditors, and the company's executive management.

A. Shareholders

The governance system seeks to protect the rights of shareholders in a way that ensures justice and equality between them and protects their interests by communicating with them through the meetings of shareholders' assemblies and through direct communication, and the Board of Directors must exert maximum effort to communicate with shareholders and clarify everything related to shareholders and answer their inquiries and providing them with all reports that make the matter clear and understandable to them, and shareholders have the right to communicate with the external auditor during assemblies and others.

The company is also keen on all shareholders to exercise their statutory rights to obtain a share of the profits to be distributed and a share of the company's assets in the event of liquidation, attend assemblies, participate in deliberations, vote on decisions, dispose of shares, monitor the work of the board, file a liability lawsuit against board members, inquire and as a request for information in a manner that does not harm the company and does not conflict with the capital market system and its regulations and in line with the provisions of the company's governance regulations.

B- Board of Directors

The Board assumes all responsibilities related to the company and ensures the interests of shareholders, creditors, employees and stakeholders, and the Board ensures the management of the company and the conduct of its business wisely within the framework of the laws and regulations in force and the company's own policies, and the Board of Directors determines the strategic objectives of the company and the executive management oversees the implementation of the policies set and the daily operations of the company, and the Board of Directors ensure that the company's internal control systems are effective and that the company's activities are in line with the strategy approved by the Board as stipulated in the two laws and regulations in force.

The company must prepare and update the company's governance policies and standards and implement them in a way that leads to supporting and achieving its goals and objectives, and the most important of those goals is to provide the best services to shareholders and customers, taking into account compliance with the laws, regulations and regulations set.

The company has provided the members of the Board of Directors and non-executive members in particular and the company's committees with all the necessary information, data, documents and records, which were clear, correct, non-misleading and timely so that the members can perform their duties and tasks, as they have been trained and prepared to hold the responsibility and identify the progress of the company's business and activities and everything that includes the company's strategy, financial and operational aspects, the obligations of the board members, the tasks of its committees and their terms of reference, as well as the discussions in the general assemblies and suggestions. Shareholders and minutes of the General Assembly held in the fiscal year.

The company adheres to most of the governance articles that have been developed in line with and in accordance with the corporate governance regulations issued by the Capital Market Authority, such as the applicable regulations and regulations that include the policies, standards and procedures for board membership, mechanisms for compensating stakeholders, mechanisms for complaints and disputes that arise between the company and stakeholders, the

issuance by the General Assembly of the rules for selecting members of the Nomination and Remuneration Committee and the Audit Committee, the term of membership of these committees, the method of work, what falls within the scope of work, and proof The general rights of shareholders, facilitating the exercise of shareholders' rights and access to information, the right to monitor the work of the Board and file a liability lawsuit against the members of the Board, their rights related to the meeting of the General Assemblies, voting rights, the rights of shareholders in dividends, disclosure policies and procedures in the report of the Board of Directors, and everything related to the rights contained in the shareholders and the General Assembly in Article III of the Corporate Governance Regulations. The bylaws were approved by the company's general assembly in its meeting on 14/06/2010, and the company reviews the bylaws and always updated to comply with the Corporate Governance Regulations of the Capital Market Authority, where the last update of the Regulations of the Board was on 07/02/2018.

Meetings of the General Assembly of Shareholders:

The general assembly of the company meets annually to approve its agenda items including the annual report and annual financial statements, so that the company takes into account the adoption of all available means to facilitate the task of shareholders to take their rights stipulated in Articles 3, 4, 5, 6, 7 of the Corporate Governance Regulations, the Company's Articles of Association, the Company's Governance Regulations and all related regulations, where the Extraordinary General Assembly of Shareholders held during the year 2023 a meeting in which its items and the items of the Ordinary General Assembly for the year 2022 were discussed, and the details of the attendance of its members in this meeting were as follows:

Extraordinary General Assembly Meeting on 06/07/2023	Attendance of members of the Board of Directors of the associations
Mr. Mohammed Abdulrahman Saleh Attar	1-
Eng. Hassan Saad Al-Yamani	2-
Dr. Waleed Jameel Mohammed Ali Qattan	4 -
D / Khaled Bin Wahab	5-

The shareholders had the opportunity to exercise their rights stipulated in the organizing regulations and mentioned above with ease, obtain the required information, discuss the annual report and communicate with them, and the opportunity was also provided to vote on the items of the meeting by electronic voting from the distance, and the company applied the provisions contained in the regulations.

Measures taken by the Board to inform its members, especially non-executives, of the shareholders' proposals and observations regarding the Company and its performance:

The company's articles of association in the meetings of the general assembly of shareholders ensure that they participate in deliberations and discussions freely in a manner that does not

harm the interests of the company, as stated in the board work regulations, disclosure regulations and the company's governance procedures regulations, and the members of the board of directors must attend the meetings of the general assembly, especially the chairmen and members of the board committees, to answer shareholders' inquiries and observations, exchange ideas and opinions with them regarding the company, and receive their proposals to work with it if they are consistent with the directions and plans of the company. The Board also discusses what was stated in the general assemblies of the company after their termination and in its subsequent sessions, and enlightens the members of all the shareholders' proposals, opinions and requirements, implements what is possible of these proposals and communicates with shareholders in this regard. The company also receives suggestions and comments of its shareholders by e-mail, as well as shareholder complaints and responses by communicating with the Complaints Department of the Capital Market Authority.

The means relied upon by the Board of Directors in evaluating its performance and the performance of its committees, members and executive management:

The Board of Directors' work regulations, the Board regulations and the work regulations of the committees of the Board have included work procedures to help evaluate the performance of the Board and its committees periodically and continuously, and the Nomination and Remuneration Committee evaluates the performance of the Board and Executive Management committees and works to address weaknesses and enhance strengths. The Board did not appoint an external body to evaluate the performance of its members.

Waiver of Bonuses:

None of the directors or senior executives has waived the annual remuneration for the financial year ending December 31, 2023.

Waiver of Profits:

The company did not distribute any dividends to its shareholders for the financial year ended 31 December 2023.

Contracts in which members of the Board of Directors and senior executives have an interest:

The company has not entered into any contracts with any member of its board of directors or one of its senior executives and there is no Personal interest of one of them or any person related to them.

Competing business of the company or its branches of activity:

There are no competing business of the company or any of the branches of the activity it carries out, which is or has been practiced by any member of the Board of Directors.

A statement of the value of any investments or reserves made for the benefit of the company's employees:

There are no investments or reserves made for the benefit of the company's employees except the end of service gratuity.

What has been applied from the provisions of the Corporate Governance Regulations, what has not been applied and the reasons for that:

The company applies all the provisions contained in the Corporate Governance Regulations issued by the Capital Market Authority, except for some guiding provisions:

Article/Paragraph Number	Text of the article/paragraph	Reasons for non-application
ArticleThirty Nine	The Board of Directors, upon the proposal of the Nomination Committee, shall develop the necessary mechanisms to evaluate the performance of the Board, its members, committees and executive management annually, through appropriate performance indicators related to the extent to which the company's strategic objectives are achieved, the quality of risk management, the adequacy of internal control systems, and others, provided that the strengths and weaknesses are identified and proposed to address them in accordance with the interest of the company.	The Board follows some methods and methods through it and its committees to evaluate and measure performance and through internal control systems and the Board takes into account the observations in this regard, noting that work is underway to apply the article as stated in the Governance Regulations
Evaluation	e) The Board of Directors shall make the necessary arrangements to obtain an evaluation of a competent external party for its performance every three years.	Guiding material
Evaluation	f) The non-executive members of the Board of Directors shall periodically evaluate the performance of the Chairman of the Board after taking the views of the executive members - without the Chairman of the Board attending the discussion designated for this purpose, provided that the strengths and weaknesses are identified and proposed to address them in accordance with the interest of the company.	Guiding material
Article 66	A committee called the Risk Management Committee shall be formed by a decision of the Board of Directors of the Company, the Chairman and the majority of its members shall be non-executive members of the Board of Directors, and its members shall have an appropriate level of knowledge of risk management and financial affairs.	The company intends to work on the application of this article after the increase in the members of the Board due to the limited number of current members.

Article Eighty-Four	The Ordinary General Assembly, upon the proposal of the Board of Directors, shall establish a policy that ensures a balance between its objectives and the objectives that society aspires to achieve in order to develop the social and economic conditions of the community.	Work is underway to implement this article
Article Eighty-Two	<ol style="list-style-type: none"> 1. Forming committees or holding specialized workshops to listen to the opinions of employees in the company and discuss them in the issues and topics subject to important decisions. 2. Programs to grant employees shares in the company or a share of the profits it generates and retirement programs and the establishment of an independent fund to spend on those programs. 3. Establishing social institutions for employees of the company 	<p>Guiding material</p> <p>Guiding material</p> <p>Guiding material</p>
Article Ninety-Two	In the event that the Board of Directors forms a committee specialized in corporate governance, it shall delegate to it the competencies prescribed under Article Ninety-Four of these Bylaws, and this committee shall follow up on any topics related to the applications of governance and provide the Board of Directors at least annually with the reports and recommendations it reaches.	Guiding material

Restrictions and Penalties:

There are no penalties, penalties or other precautionary restrictions imposed on the Company by the Capital Market Authority or any other supervisory, regulatory or judicial authority for the fiscal year 2023.

The company's ability to continue its activities:

The Board of Directors makes great efforts in order to lay strong foundations to support the company in carrying out its business, developing its resources and expanding its activities, and accordingly attention is paid to the control system, ensuring the tasks, responsibilities and decisions, achieving the maximum degree of control and independence of internal and external audit, ensuring that they are dealt with and providing continuous evaluation to ensure the safety and protection of the company's assets. Accordingly, the Board of Directors confirms according to the information available to it that it has no doubt about the company's ability to continue its activity, God willing.

Shareholders' Rights:

Some articles of the company's articles of association stipulate the right of shareholders to participate in attending general assemblies and how to participate in decision-making, as well as the right to dispose of shares, the right to obtain a percentage in the prescribed profits, the priority of redeeming the value of shares in the capital upon liquidation, and obtaining a certain

percentage of the liquidation product. The articles of association and internal regulations of the company also included the right to monitor the work of the board of directors, inquire and request information in a manner that does not harm the interests of the company.

Risk Management:

- 1- Develop a comprehensive risk management strategy and policies commensurate with the nature and size of the company's activities and verify the implementation of this policy, review and update it based on the internal and external variables of the company.
- 2- Determine and maintain an acceptable level of risk to which the company may be exposed and ensure that the company does not exceed it.
- 3- Verifying the feasibility of the company's continuation and continuing its activities successfully while identifying the risks that threaten its continuation.
- 4- Supervising the company's risk management system and evaluating the effectiveness of systems and mechanisms for identifying, measuring and following up the risks to which the company may be exposed in order to identify its shortcomings.
- 5- Re-evaluate the company's ability to withstand risks and its exposure to them periodically through stress tests as such.
- 6- Prepare detailed reports on risk exposure and proposed steps to manage these risks and submit them to the Board of Directors
- 7- Provide recommendations to the Board on issues related to risk management.
- 8- Ensure the availability of adequate resources and risk management systems.
- 9- Review the risk management structure and make recommendations thereon before being approved by the Board of Directors.
- 10- Verify the independence of risk management staff from activities that may arise in the company's exposure to risks.
- 11- Ensure that the risk management understands the risks surrounding the company and work to increase awareness of the risk culture.
- 12- Review the issues raised by the Audit Committee that may affect the company's risk management.

Risk Committee:

The Risk Committee aims to establish and supervise a framework for identifying, managing and reviewing risks, including agreeing on the size and tolerance of risks, identifying the main risks arising within the scope of the company's business, ensuring the implementation of appropriate systems to manage those risks, contributing to the review and assessment of the strategic risks detailed above, and defining policies and procedures on all matters that may arise from significant financial risks for the company or other risks, while clarifying the company's strategy and its ability to proactively identify and recognize risks. Which you may face when achieving its goals through strategies and action plans.

Statement of risks faced by the company and policies for its control:

Within the framework of reducing and confronting the risks it faces, the company develops policies that reduce those risks by studying the impact of risks on its activities and developing the necessary plans to avoid those risks and reduce the possible negative effects of them and uses all possible means to avoid the effects of risks according to modern systems and technology. The most important risks facing the company are:

- Price fluctuations of its sister companies' base materials
- Real estate market price fluctuation and competition

The company works to ensure the integrity of financial and accounting systems and the effectiveness of internal control procedures, as well as improve and improve its products to be able to compete.

Board of Directors Acknowledgments:

The Board of Directors hereby approves:

- * The records of accounts are properly prepared.
- * The internal control system is properly prepared and implemented effectively.
- * There is little doubt about the exporter's ability to continue his activity.
- * The company does not have any information related to any contracts to which the company is a party and in which there is or has been a direct or indirect interest of one of the company's board members, the chief executive, the financial manager, or any person related to any of them. There are also no investments or other reserves created for the benefit of the company's employees.
- * No member of the Board has participated in any business that would compete with the Company or trade in any branch of the activities carried out by the Company.
- * The company did not provide a cash loan of any kind and did not guarantee any loan with third parties to any of the members of the Board of Directors.
- * The company did not receive from the chartered accountant a request to convene the general assembly during the ended fiscal year and it was not convened.

- * The company has not received from shareholders who own 5% of the capital or more a request to convene the general assembly during the ended fiscal year and it has not been convened.

The results of the annual review of the effectiveness of internal control procedures and the company's ability to continue its activity:

The executive management of the company has developed the internal regulations that govern the administrative, technical and financial aspects, and the internal audit department and the statutory control department under the direct supervision of the audit committee to ensure the effectiveness of the internal audit and the company's commitment to the regulatory requirements, and they submit periodic reports to the audit committee, which is reviewed and provided any assistance in the event of difficulties they may face in carrying out their tasks. The regulatory supervision also provided its assurances on the application of the new instructions issued by the Saudi Arabian Monetary Agency. The company's internal control system has been prepared on a sound basis and is implemented efficiently and effectively.

Auditors:

The Extraordinary General Assembly held on 18/12/1444H agree to 06/07/2023 on the appointment of gentlemen Dr. Mohammed Al-Omari & Partners Company BDO as Chartered Auditors to examine and review and audit Financial Statements for the second, third, fourth and annual quarters of the fiscal year 2023 and the first quarter of 2024.

The company's dividend policy:

In accordance with Article (40) of the Company's Articles of Association, the Company's annual net profits shall be distributed as follows:

- 1- 10% of the net profits shall be set aside to form the statutory reserve of the company, and the general assembly may decide to stop this retainer when the said reserve reaches (30%) of the paid-up capital.
- 2- The Ordinary General Assembly may, upon the proposal of the Board of Directors, set aside (10%) of the net profits to form a general agreement reserve.
- 3- The Ordinary General Assembly may decide to form other reserves, to the extent that it achieves the interest of the company or ensures the distribution of fixed profits as much as possible to the shareholders, and the said General Assembly may also deduct from the net profits amounts for the establishment of social enterprises for the company's employees or to assist any existing such institutions.
- 4- No less than (5%) of the company's paid-up capital shall be distributed thereafter to the shareholders.
- 5- Subject to the provisions prescribed in Article (18) of the Company's Articles of Association, no more than (10%) shall be allocated after the above to the remuneration of the Board of Directors, provided that the total remuneration and financial or in-kind benefits received by a member of the Board of Directors does not exceed the amount

of five hundred thousand riyals annually in accordance with the controls set by the competent authority, provided that the entitlement to this remuneration is proportional to the number of sessions attended by the member.

- 6- The company may distribute interim dividends to its shareholders on a semi-annual or quarterly basis in accordance with the regulations issued by the competent authority. This is based on an authorization issued by the Ordinary General Assembly of the Board of Directors to distribute interim dividends.

Agenda of the Annual General Assembly for the year 2023:

Based on the foregoing, the Council hopes that you will discuss what is contained in the agenda and vote on the items included therein, as follows:

1. Reviewing and discussing the Board of Directors' report for the fiscal year ending on 31/12/2023.
2. Review and discuss the consolidated financial statements for the fiscal year ending on 31/12/2023.
3. Voting on the auditor's report for the fiscal year ending on 31/12/2023.
4. Voting on the discharge of the members of the Board of Directors from liability for the fiscal year ending on 31/12/2023.
5. Voting on the appointment of the Company's auditor from among the candidates nominated by the Audit Committee, in order to examine, review and audit the financial statements, quarterly statements and balance sheet for the current year 2024 and the first quarter of 2025 and determine his fees.

In conclusion, the Board of Directors of Anaam International Holding Group is pleased on this occasion to extend its thanks and gratitude to the Capital Market Authority, the Saudi Stock Exchange (Tadawul), the Ministry of Commerce and Investment and the relevant government departments for their constant cooperation, and to the honorable shareholders for their precious trust, as well as the members of the Board of Directors, the executive management and all employees for the continuous support, efforts, dedication and sincerity in work.

Peace, mercy and blessings of God

**Board of
Directors**