



# Annual Report

Board of Directors

2022

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Promising  
development  
and growth

# Chairman's Statement



## May Allah's peace, mercy, and blessings be upon you,

Dear Shareholders and Partners,

From myself and on behalf of the Board members, it gives me immense pleasure to share with you the annual report of the board of directors of the company. The report will highlight the performance and achievements of the company, as reflected in a wide range of facts and figures that embody our leading presence in the field of comprehensive health care, promising of more growth and prosperity in the Kingdom of Saudi Arabia, in light of the great and continuous support provided by the government of the Custodian of The Two Holy Mosques King Salman bin Abdulaziz Al Saud, and His Royal Highness Crown Prince Mohammed bin Salman bin Abdulaziz Al Saud, may Allah protect them, for all business sectors in general and healthcare sector in particular.

The company is committed to implementing an ambitious development strategy based on investing in the latest global digital advanced technology in the field of health care, which gives it flexibility and readiness to develop its distinguished programs and service packages, in an effort to meet the needs of patients and beneficiaries of our advanced services, and achieve the highest levels of loyalty and satisfaction for them, at all the times.

The company's management has strengthened its commitment to applying business governance relations at all levels and internal and external roles, in a way that enhances our methodology in unifying and utilizing resources optimally, with the aim of raising the efficiency of performance in a way that contributes to maximizing returns and profits for all shareholders and partners alike. The company has also worked to strengthen its strategic partnerships to be the first provider of health services to major companies and business groups such as the giant Aramco.

We hope that our achievements in this year will establish a solid foundation for moving towards further growth and development, in light of our unrelenting efforts to dedicate a distinguished, competitive and stimulating operating environment, through which we attract a group of the best medical and technical competencies and expertise from all specialties, retain them and render them support with a package of professional services. This is in addition to developing their experiences and knowledge and refining their skills by supporting them with a range of development and training programs spanning all work teams in the company, beside moving forward with digital transformation in accordance with the highest applicable global standards of efficiency and quality.

Finally, I am glad to extend my sincere thanks and gratitude to all shareholders for their precious trust and continuous support, which had a great impact on our successful journey, and thanks to all members of our medical, administrative and technical teams, whose loyalty and dedication played a major role in achieving the company's strategic objectives, with efficiency and perfection.

May Allah bless you all.

**Khaled Mohammed Farhan Al-Dosari**



## CEO Statement

May Allah's peace, mercy, and blessings be upon you,  
Another year has elapsed during which we managed to add more successes to our sustainable growth at all administrative, operational and investment levels, which boosted our financials and deepen our pioneering presence in a changing competitive environment, in a way that enhances confidence of shareholders, partners and patients in the company's ability to develop and sustain grow.

The company succeeded in activating and developing its communication channels in order to reach the largest segment of customers, to expand its portfolio of successful investment projects, such as contracts for medical clinics projects, and to meet the requirements of the oil and gas sectors for comprehensive medical care services. This is in addition to proceeding with the implementation of its strategy aimed at increasing the number of medical centres, to enhance its leading presence throughout the Kingdom of Saudi Arabia.

The company also continued to support its operational infrastructure with more advanced medical equipment and supplies, complete the digital transformation journey leading to the automation of all work procedures, in a way that supports medical teams in their endeavours to provide the advanced services efficiently, quickly and safely; conduct a wide range of research and studies and learn about the latest findings in the global comprehensive health care services sector, in order to invest in them and develop work environments in accordance with the best advanced global operational practices. The cornerstone feature of the "Canadian Medical Centre" company is the high efficiency of its operational environment, through which it ensures maintaining the highest levels of sustainable development for its medical staff and practitioners, and attracting experienced and competent people, in a way that enables it to maintain the highest levels of satisfaction among all patients and partners, by offering them a wide range of integrated health care services in all medical specialties.

I am pleased to express my deepest thanks and gratitude to all our valued shareholders and partners, as well as members of the board of directors for their great support in our business and projects. Thanks are extended to all our employees in their various roles and job tasks, for their great efforts and continuous giving, which enable us to efficiently achieve our strategic objectives, with quality and ability. May Allah grant you all the best.

Our report this year is titled "Unwavering Performance Beyond Challenges". It highlights our proven track record of achievements in building a flexible and scalable business model that is ready for future growth. In a volatile operating environment, we demonstrated a high ability to respond to the global pandemic (Covid 19) while maintaining our firm commitment to the three pillars on which our strategy is based, thanks to our adoption of a corporate approach based on growth and adherence to the highest standards of innovation and efficiency.

In addition to providing a wide range of advanced technology solutions to enhance the patient experience and meet the needs of our partner healthcare providers, we have also shown agility in responding to the obstacles created by the (Covid-19) pandemic and a high ability to continue achieving our ambitious growth goals through our firm commitment to safety and innovation standards and maintaining a high degree of resilience in responding to this rapidly changing environment.

**Waddah Mohammed Farhan Al-Dosari**

## Governance and Compliance

### Institutional Maturity with Advanced Performance

The Canadian Medical Center Company is committed to applying the highest standards and best professional practices in governance, ensuring the integration of the concepts of disclosure and transparency in all functions and activities of the company, and sustainably spreading a culture of commitment to the highest levels of integrity and honesty in all its professional practices, in its various main work environments and with its subsidiaries and associates. The company affirms its constant keenness to comply with all laws, regulations and instructions issued by the official authorities related to the work and activity of the company, which preserves its reputation and credibility, and enhances the confidence of shareholders and partners in its successful approach in accordance with all standards of efficiency, quality and proficiency. We note here that the governance report was prepared and published in accordance with the Corporate Governance Regulations issued by the Capital Market Authority.

## Governance Practices Framework

Canadian Medical Center Company is committed to applying corporate governance in accordance with an integrated professional framework, with consideration of the best practices followed by the listed companies. The general framework of governance in the company is based on each of the following:

- 1- Protecting the rights of the company's shareholders in a way that guarantees the best interest for them and for the company.
- 2- Protecting the rights of all stakeholders and providing job stability and sustainability through the good financial performance of the company.
- 3- Providing accurate and comprehensive disclosures within the specified time frame to the company's shareholders, related parties and concerned regulatory authorities.
- 4- Identifying, reporting, disclosing and dealing with cases of conflict of interest that may arise between the company and its stakeholders, which may negatively affect the interests of the company and its shareholders.
- 5- Enabling employees to report any concerns or wrong behavior observed within the company. This is by providing an objective, confidential and independent reporting and investigation mechanism until the appropriate corrective action is taken.
- 6- Organizing transactions with related parties, whether between the company and its employees, or between the company and members of its board of directors, executive management, subsidiaries, or other interested parties.
- 7- Aligning the company's values and strategy with social and economic needs, by ensuring the application of responsible and ethical practices in all company activities, while continuing to provide the necessary support to the community.
- 8- Establishing reliable communication channels with investors to enhance the company's position in the market and attract shareholders and investments.



**Leadership  
Inspiration is  
Pioneering**

# Annual report

The Canadian General Medical Centers Complex Company




## Composition of the Board of Directors

The Board of Directors is appointed by the shareholders and its primary responsibility is to manage the operations of the company taking into consideration the long-term interest of the shareholders. The Board of Directors includes (7) seven members, who are elected by the General Assembly of the Canadian General Medical Center Company by cumulative vote and based on the recommendation of the Nominations and Remuneration Committee for a period not exceeding three years subject to renewal. Non-executive members represent the majority of the members of the Board of Directors, provided that at least three of them are independent members.

The term of membership of the first board of directors begins from the date of issuance of the ministerial decision announcing the transformation of the company into a closed joint stock company, except for that, the transformative general assembly appoints the first board of directors for a period of (5) five years. The members of the board of directors were appointed by the company's transformative general assembly held on 13/05/1442H corresponding to 28/12/2020G for a period of (5) five years, and the Board of Directors will hold its meetings at least two times a year.

The members of the Board of Directors elect the Chairman of the Board of Directors and the Vice-Chairman of the Board of Directors for a period of three years. All members of the Board of Directors, the Chairman of the Board of Directors and the Vice-Chairman can be re-elected. In the event that a seat becomes vacant in the Board, the Board may appoint a temporary board member, provided that this appointment is presented to the General Assembly of Shareholders for approval at the first meeting of the General Assembly.



Member's name	Nationality	Position	Membership Classification		
			Independent	Executive	Non-executive
Khaled Mohammed Farhan Al-Dosari	Saudi	Chairman of the Board of Directors			✓
Khalifa Abdullatif Abdullah Al Molhem	Saudi	Deputy chairman			✓
Waddah Mohammed Farhan Al-Dosari	Saudi	Board Member- Chief Executive Officer		✓	
Hasan Hasan Joudah	Canadian	Board Member		✓	
Hamad Mohammad Al-Ali Al Dowile	Saudi	Board Member	✓		
Ibrahim Naeem Ibrahim Al Naeem	Saudi	Board Member	✓		
*Musaed Mohammed Abdulaziz	Saudi	Board Member	✓		

\* The Canadian General Medical Center Company announced approval of its Board of Directors on 06/12/2023G to accept the resignation of Board member, Mr. Mosaed Mohammed Abdulaziz Al-Monaifi, from his directorship.

## Board Responsibilities

The Board of Directors is responsible for supervising and supporting the executive management of the company in its strategic objectives to enable the company to continue to perform its work successfully and in a sustainable manner in order to achieve the interests of our shareholders and more broadly the stakeholders.

It is also the responsibility of the Board of Directors to enhance the long-term success of the Group. The Board is responsible for providing clear directions to the executive management of the company, including setting a clear strategy and overseeing its implementation by the management. The Board is also responsible for overseeing the company's governance systems, controls, internal control systems and risk management.

The Board of Directors represents all shareholders and performs its duties in managing the company's affairs and performing all works for the public interest of the company and developing and increasing its value with all care and complete loyalty.

The Board is also responsible for protecting the interests of shareholders and achieving maximum benefits for them in the long term. For this purpose, the Board of Directors assumes full responsibility for corporate governance, and this includes establishing a vision and strategy for the company, setting goals for the executive management and overseeing the implementation of the management to achieve these goals.

The Board of Directors sets the company's strategic objectives, in addition to supervising the company's executive management. The responsibility for managing the daily affairs of the company rests with the executive management. However, the Board of Directors as a whole ensures and verifies the effectiveness of the company's internal control systems and the compliance of the company's activities with the strategy, frameworks, internal policies and procedures approved by the Board of Directors and as required by the system or regulations and instructions issued by the competent authorities.

## Powers of the Board of Directors

The Company is supervised by a board of directors consisting of a group of highly experienced professionals. The Board of Directors is granted all the necessary powers to manage the company's business and supervise the course of its affairs. The Board of Directors delegates responsibility for the day-to-day management of the company to the executive management of the company.

The Board of Directors also grants the authority to two committees consisting of members of the Board of Directors, the Executive Committee and the Nominations and Remuneration Committee (together referred to as the "Board Committees"). Each committee submits a report on its annual work and activities to the Board of Directors. Board committees may use external consultants and independent professional advisors, and they can request support from other levels of the Group to help them carry out their responsibilities in accordance with the work regulations of each committee.

Sometimes, external consultants, some managers and members of the senior executive management team attend committee meetings with the members of this committee and the secretary, but that is at the invitation of the head of the concerned committee. The Board of Directors has the power to form any number of committees it deems necessary for effective governance, supervision and management of the company's operational activities, or to delegate some of its powers to others. However, the Board of Directors has retained the power to make important decisions and address specific key issues that require Board approval. This includes decisions related to the Group's strategy, annual financial reports, operating plans, expenditures, major capital transactions, financial results, dividends, and other capital returns, as well as approval of the Group's risk appetite and other governance matters.



## Board Effectiveness

The Board of Directors worked very efficiently during this year, especially with regard to supporting the mission undertaken by the company. The Chairman of the Board of Directors worked and cooperated with the CEO in setting the agenda of the Board of Directors to ensure the effective implementation of decisions and procedures approved by the Board of Directors.

In addition, during the year, the Chairman maintained regular contact and meeting with independent directors and other non-executive members.

## Board Secretary

The main responsibilities of the Board Secretary are to provide secretarial services to the Board of Directors. This includes assisting in setting the time schedule for the Board meetings, notices, agendas, Board's set of procedures and minutes of meetings, and following up on decisions and action items resulting from Board meetings. These powers of the Board Secretary include all the tasks stipulated in Paragraph (a) of Article 37 of the Corporate Governance Regulations, including:



Documenting the meetings of the Board of Directors, preparing minutes for them that include the discussions and deliberations that took place, documenting the Board's decisions and voting results, and keeping them.



Providing the members of the Board of Directors with the Board's agenda, working papers, documents and information related thereto.



Informing the members of the management of the dates of the board's meetings well in advance of the specified date.



Making coordination between members of the Board of Directors.



Keeping reports submitted to the Board of Directors and reports prepared by the Board.



Verifying that members of the Board of Directors adhere to the procedures approved by the Board.



Presenting draft minutes to the members of the Board of Directors to express their views on them before signing them.



Organizing the disclosure record of the members of the Board of Directors and the Executive Management, as stipulated in Article Ninety-two of the Governance Regulations issued by the Capital Market Authority.



## Performance Assessment

Assessment of Board performance is conducted by the Nominations and Remuneration Committee, and the need for external consultants may be taken into account.

## Managing Conflicts of Interest

All Directors are accountable under the Internal Conflict of Interest Policy to avoid any situation that presents, or may present, a direct or indirect conflict of interest or a potential conflict with the interests of the Company and the Group, except where they obtain prior approval from the Ordinary General Assembly, which must be renewed annually.

No member of the Board of Directors may have an interest, whether direct or indirect, in the transactions or contracts that are concluded for the benefit of the company, other than that having prior approval from the Ordinary General Assembly, which must be renewed annually.

A member of the Board of Directors shall disclose to the Board of Directors any direct or indirect interest that he may obtain in transactions or contracts concluded for the benefit of the company. This member shall not participate in voting on the decision to be taken in this regard in the meetings of the Board of Directors and shareholders.

Works and contracts with a board member to meet his special needs are not considered as an interest that requires permission from the Ordinary General Assembly, provided that these works and contracts are executed according to the same terms and conditions that the company follows with all contractors and that they are within the normal course of carrying out the company's activities.

The Chairman of the Board of Directors shall inform the Ordinary General Assembly, when it convenes, of the transactions and contracts under which any member of the Board of Directors obtains a direct or indirect interest in them. This notification must be accompanied by a special report from the company's external auditor.

## Termination of membership of the Board of Directors

Membership of the Board of Directors ends upon the expiration of the term of the Board. Membership is also terminated if the member becomes unsuitable for membership in accordance with the relevant law or regulations in force in the Kingdom of Saudi Arabia and pursuant to a decision issued by the Board of Directors, provided that it is preceded by a written request from the member of the Board of Directors to the Chairman of the Board.

The General Assembly may, at any time, dismiss all or any of the members of the Board of Directors, even if the Articles of Association of the company stipulated otherwise, but without prejudice to the right of the dismissed member to obtain compensation if the dismissal was for an unacceptable reason or at an inappropriate time. The General Assembly may also, according to the recommendation of the Board of Directors, terminate the membership of a member who has been absent from attending three consecutive meetings without a legitimate reason.



## Biographies of the members of the Board of Directors



### Khaled Mohammed Farhan Al-Dosari

#### Current Positions

- Chairman of the Board of Directors of the Canadian General Medical Center
- Chairman of the Board of Directors of the Learning Academy

#### Qualifications

- Holds a Bachelor's degree in Mathematics from Imam Abdul Rahman bin Al-Faisal University in Dammam in 1995G.
- Attended several developmental courses in management and

#### Previous Positions and Experiences

- Member of the Board of Directors of the Chamber of Commerce and Industry in the Eastern Province in the Kingdom from 2010G until 2013G.
- Chairman of the National Committee for Young Businessmen in the Council of Saudi Chambers from 2009G until 2011G.
- Member of the Saudi Canadian Business Council in the Council of Saudi Chambers from 2009G until 2011G.
- Chairman of the Board of Directors of Khairat Al Khaleej Energy Company in Riyadh from 2011G until 2014G.



### Khalifa Abdullatif Abdullah Al Molhem

#### Current Positions

- Deputy chairman of the Board of Directors, Canadian General Medical Center Company

#### Qualifications

He holds a Bachelor's degree in Business Administration from the University of Colorado in Boulder, Colorado, USA.

#### Previous Positions and Experiences

- Member of the Board of Directors of the General Organization for Social Insurance in Riyadh from 2014G until 2017G.
- Member of the Board of Directors of Al-Ittifaq Steel Industries Company in Riyadh from 2012G to 2017G.
- Member of the Board of Directors of Namaa Petrochemical Company in Jubail City from 2007G until 2012G.
- Member of the Board of Directors of the Saudi Spanish Bank in Spain from 2003G to 2012G.
- Member of the Board of Directors of the Saudi British Bank in Riyadh from 1985G until 2002G.



### Waddah Mohammed Farhan Al-Dosari

#### Current Positions

Board Member and CEO of the Canadian General Medical Center Company, since 2020G

#### Qualifications

Holds a bachelor's degree in Sharia from Imam Mohammed bin Saud Islamic University in Riyadh in 2003G

#### Previous Positions and Experiences

- General Manager of the Canadian General Medical Center in Dammam from 2007G to 2013G.
- Director of the Human Resources Department at Khairat Al Sharq Trading Company in Dammam from 2003G until 2005G.
- Director of the Human Resources Department and Executive Vice President of the Learning Academy Company in Dammam from 2005G until 2007G.



### Hasan Hasan Joudah

#### Current Positions

Board Member of the Canadian General Medical Center Company, since 2020G.

#### Qualifications

- Holds a master's degree in business administration from Almeida University in Idaho, USA, in 2003G.
- Holds a Bachelor's degree in English from the University of Riyadh in the city of Riyadh in 1978G.

#### Previous Positions and Experiences

- Director of Purchasing and Deputy General Manager of the Canadian General Medical Center in Dammam from 2008G until 2014 G.
- General Manager of the Patient's Friends Hospital in Gaza City, Palestine, from 2003G until 2007G.
- Deputy General Manager and Director of the Dermatology and Plastic Surgery Hospital in Riyadh from 1982G to 2000G.
- Administrative Manager at Nadec Company in Riyadh from 1978G until 1982G.



### Hamad Mohammad Al-Ali Al Dowile

#### Current Positions

Board Member of the Canadian General Medical Center Company, since 2020G.

#### Qualifications

- Holds a master's degree in hospital management from the University of Arizona in Tucson, USA, in 1988G.
- Holds a bachelor's degree in pharmacy from King Saud University in Riyadh in 1979G

#### Previous Positions and Experiences

- Deputy Minister of the Saudi Ministry of Health from 2015G until 2019G.
- Member of the Saudi Health Council in Riyadh from 2015G until 2019G.
- Secretary-General and member of the Board of Directors of the Food Charity Association "Eta'am" in the city of Dammam from 2011G until 2019G.
- Member of the Board of Directors of King Faisal Specialist Hospital in Riyadh from 2015G until 2018G.
- Advisor to the Minister of Health in the city of Jeddah from 2014G until 2015G.
- Executive Director of Al-Ahsa Hospital in the city of Al-Ahsa from 2011G until 2013G.
- General Manager of Health Services at Saudi Aramco in Dhahran from 1981G until 2009G.



## Ibrahim Naeem Ibrahim Al Naeem

### Current Positions

Board Member of the Canadian General Medical Center Company since 2020G.

### Qualifications

- Holds a master's degree in Business Administration from the University of Denver, State of Colorado (USA) 2009G.
- Holds a bachelor's degree in Financial Management from King Fahd University of Petroleum and Minerals in Dhahran in 2006G.
- Obtained a Logistics Solutions Implementation Program certificate from the Institute of Maritime and Ports Authority in Singapore in 2011G.

### Previous Positions and Experiences

- CEO of Port Services and warehousing Company Ltd. in the city of Dammam from 2016G to 2020G.
- Member of the Nominations and Remunerations Committee in Alpha Financial Company in Riyadh since 2018G.
- Director of Business Development at King Fahd University of Petroleum and Minerals in the city of Dhahran from 2014G to 2016G.
- Director of the Investment Department at King's University Endowment of King Fahd University of Petroleum and Minerals in the city of Dhahran from 2012G to 2014G.
- Member of the Board of Directors of Manafe' Al Salam Medical Healthcare Company in Khobar from 2012G to 2014G.
- Lecturer in the Department of Finance and Economics at King Fahd University of Petroleum and Minerals in Dhahran from 2009G to 2010G.
- Lecturer in the Department of Finance and Economics at King Fahd University of Petroleum and Minerals in Dhahran from 2007G to 2008G.
- Financial Analyst at the Arab Monetary Agency Saudi Arabia in Riyadh from 2006G to 2007G.



## Musaed Mohammed Abdulaziz

### Current Positions

Board Member of the Canadian General Medical Center Company since 2020G.

### Qualifications

- Holds a bachelor's degree in Accounting from King Saud University in Riyadh in 1985G.

### Previous Positions and Experiences

- Held a number of positions in the Saudi Investment Bank in Riyadh since joining in 1992G, the last of them were the CEO from 2010G to 2019G, and the Deputy General Manager during 2009G.
- Financial manager of Al-Salam Company for Aviation Industry in the city of Riyadh from 1989G to the year 1992G.
- Head of Accounts in Petromin Company in Riyadh from 1986G to 1989G.



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## Years of leadership

## Names of companies, inside or outside the Kingdom, in which a board member of the Company is a member of their current and previous boards of directors or one of their managers

No.	Name of the Member	Names of companies, in which a Board member is a member of their current boards of directors or one of their managers	Inside or outside the Kingdom	Legal entity	Names of companies, in which a Board member was a member of their previous boards of directors or one of their managers	Inside or outside the Kingdom	Legal entity
1	<b>Mr. Khaled Mohammed Farhan Al-Dosari</b>	Chairman of the Board of Directors of Falwat Najd Real Estate Company	Inside the Kingdom	-	Chairman of the Board of Directors of the Canadian Center for Languages	Inside the Kingdom	-
		Chairman of the Board of Directors of the Learning Academy Company	Inside the Kingdom	-	Chairman of the Board of Directors of the Leading Technology Company	Inside the Kingdom	-
		-	-	-	Chairman of the Board of Directors of the Learning Academy Company	Inside the Kingdom	-
2	<b>Mr. Khaled Mohammed Farhan Al-Dosari</b>	Member of the Board of Directors of Wala Cooperative Insurance Company in the city of Khobar	Inside the Kingdom	-	Member of the Board of the International General Insurance Company (IGI)	Outside the Kingdom	-
		Member of the Board of Directors of the National Shipping Company of Saudi Arabia	Inside the Kingdom	-	Member of the Board of Directors of Bank Aljazira	Inside the Kingdom	-
		-	Inside the Kingdom	-	Chairman of the Board of Directors of the Advanced Petrochemical Company	Inside the Kingdom	-
		-	-	-	Member of the Board of Directors of Saudi White Cement Company	Inside the Kingdom	-
3	<b>Mr. Waddah Mohammad Farhan Al-Dosari*</b>						
4	<b>Hasan Hasan Joudah</b>						
5	<b>Mr. Hamad Mohammad Al-Ali Al-Dowile</b>	Member of the Board of Directors of the Abdullatif AlFozan Autism Center	Inside the Kingdom	-	Member of the Board of Directors of the Kanaf Charity Association	Inside the Kingdom	-
		The Secretary-General and a member of the Board of Directors of Athath Cooperative Association	Inside the Kingdom	-	Member of the Board of Directors of Al-Irtiqaa Al-Ahla Association	Inside the Kingdom	-
		-	-	-	Member of the Board of Trustees of Al-Fozan Company for Community Service	Inside the Kingdom	-
6	<b>Ibrahim Naeem Ibrahim Al-Naeem</b>	Member of the Board of Directors of the Fuel Services Development Company "Orange"	Inside the Kingdom	-	Member of the Board of Directors of Al-Riyadah Educational Company	Inside the Kingdom	-
		Deputy chairman of the Board of Directors of Logistics Plus Company	Inside the Kingdom	-	-	Inside the Kingdom	-
7	<b>Mosaed Mohammed Abdulaziz Al-Monaifi</b>						

Please refer to the biographies of Board members above.

## Attendance Record for Board Meetings

The Board of Directors of the Canadian General Medical Center Company held two meetings during the fiscal year 2022G. The following shows the number of meetings and the attendance record of the members of the Board of Directors during the year:

(The table is an example covering only the number of meetings actually held by the Company)

No.	Name of the Member	Membership status	First meeting	Second meeting
			10/03/2022G	27/07/2022G
1	Khaled Mohammed Farhan Al-Dosari	Non-Executive	✓	✓
2	Khalifa Abdullatif Abdullah Al Molhem	Non-Executive	✓	✓
3	Waddah Mohammed Farhan Al-Dosari	Executive	✓	-
4	Hasan Hasan Joudah	Executive	✓	✓
5	Hamad Mohammad Al-Ali Al-Dowile	Independent	✓	✓
6	Ibrahim Naeem Ibrahim Al-Naeem	Independent	✓	✓
7	Mosaed Mohammed Abdulaziz Al-Monaifi	Independent	✓	-



## Committees of the Board of Directors

In order to achieve more efficiency, the Board of Directors has been supported with a number of internal committees formed by the Board or the General Assembly to assist it in performing its activities, as follows:

01

The Audit Committee

02

The Remuneration and  
Nominations Committee

03

The Executive Committee

These internal committees were formed by the Board of Directors, with the exception of the Audit Committee, which was elected by the General Assembly. The number of members in each of the committees ranges between three to four. The work regulations of the Audit Committee and the Nominations and Remunerations Committee have been approved by the General Assembly. The Board is also entitled to establish any number of committees it deems necessary to achieve effective governance and oversight of the Canadian Medical Center Company's operational activities, and define their powers, objectives and reporting mechanisms. On an annual basis, the Board reviews and approves or amends the powers of its sub-committees to ensure that these powers remain fit for their purpose.

The Board committees also submit their annual report to the Board of Directors, including the activities of the committee, the results of its work, its decisions and recommendations with complete transparency. The Board of Directors follows up on a regular basis the activities of its committees to ensure the performance of the duties assigned to them. The heads of the internal committees submit a quarterly report to the Board.

The Board's internal committees may use external consultants and independent professional advisors, and may seek the support of employees at all functional levels within the Group to help them carry out their responsibilities. External consultants and some managers and members of the senior management team, when needed, attend committee meetings with members of this committee and the secretary, subject to the invitation of the head of the committee.

Each of the Board committees is accountable before the Board in respect of its activities, although this responsibility does not absolve the Board of its responsibility for these activities, duties and powers it has delegated to its committees. The Audit Committee is also responsible for performing its roles and responsibilities before the General Assembly. The Audit Committee prepares and presents an annual report on the work of the Audit Committee to the General Assembly.

Board committees include a sufficient number of executives, non-executive and independent members of the Board. The Chairman of the Board of Directors may be a member of the Board's committees, with the exception of the Audit Committee, and he is not entitled to be the Head of the Nominations and Remunerations Committee. The committees shall have full access to all employees, workplaces, records, systems and legal advisors to enable them to carry out their responsibilities.

## 1. Audit Committee:

The Audit Committee was formed in accordance with Article (54) of the Corporate Governance Regulations issued by the Capital Market Authority, and the Extraordinary General Assembly, in its meeting held on 11/07/1442H (corresponding to 23/02/2022G), agreed to form an audit committee and define its tasks, work controls and remunerations for its members. The Audit Committee is responsible for monitoring the company's business and verifying the correctness and integrity of its reports, financial statements and internal control systems.

### Formation of the Audit Committee and its Roles

Committee members must be selected in a manner that ensures the availability of a range of competencies, skills and different experiences, and a sound understanding of the industry in which the company operates. At least one member must have reasonable accounting or financial experience.

Executive members of the Board of Directors and the Chairman of the Board of Directors are not entitled to membership in the Audit Committee. Also, any person who works or worked in the financial affairs department of the company or the executive management or with the external auditor of the company during the previous two years is not entitled to obtain membership in the committee. At least one member of the committee must be an independent board member.

In general, the committee has the power to audit and review any activity that falls within its competence or any other tasks that the Board of Directors may specifically request. The committee has the right to view all records and deal with the staff of the Canadian General Medical Center Company (including the internal audit) and the external auditors without restrictions. The Board of Directors authorizes the Committee to obtain external legal advice or other independent legal advice as necessary to assist the Committee in the performance of its work. In order to ensure the independence of the work of the Audit Committee, there are direct channels of communication with the Head of Internal Audit and the external auditors, as they can communicate directly with the Audit Committee without any intermediary.

- The committee consists of a minimum of three members and not more than five members, including a specialist in financial and accounting affairs. The members of the Audit Committee are appointed by election from the General Assembly of Shareholders for a period coinciding with the period of appointment of each member as a member of the Board of Directors, and he may be dismissed or replaced by the General Assembly at any time. The members of the Audit Committee are also nominated for election by the General Assembly in accordance with the policy of standards and conditions for membership of the Board of Directors. At the end of the Audit Committee's work cycle, the company follows the method stipulated in the policy and criteria for nomination for membership of the Board of Directors and committees.

In the event that there is a vacancy in the committee, the Board of Directors shall appoint a temporary member of the Audit Committee within 40 days of the seat becoming vacant, based on the recommendation of the Nominations and Remuneration Committee. Then the appointment shall be presented to the General Assembly for approval of the appointment as a permanent member by the shareholders at the first meeting of the General Assembly after a seat becomes vacant.

The main role of the Audit Committee is to ensure the availability of a control and audit mechanism in order to support the accuracy and integrity of the reports issued by the company and its financial statements and lists; ensure the integrity and efficiency of the company's internal control and risk management systems; ensure the company's compliance with applicable laws and regulations, and oversee the company's business.



## Members of the Audit Committee

The General Assembly of Shareholders, which was held on 11/07/1442H, corresponding to 23/03/2022G, approved this until the end of the current Board session, which ends on 27/12/2025G. The Audit Committee consists of the following members:

No.	Name of the Member	Position	Membership Classification		
			Independent	Executive	Non-executive
1	Mr. Ibrahim Naeem Ibrahim Al-Naeem	Head of the Audit Committee	✓		
2	Mr. Mohammed Refa'at Ahmed	Member of the Audit Committee	✓		
3	Mr. Ibrahim Shawqi Abdullah	Member of the Audit Committee	✓		

## Biographies of the Members of the Audit Committee

No.	Name of the Member	Current positions	Previous experiences and positions	Current board memberships	Qualifications
1	Mr. Ibrahim Naeem Ibrahim Al-Naeem*				
2	Mr. Mohammed Refa'at Ahmed	General accountant at Khalifa Al-Molhem Holding Company in Dammam since 2016G	General accountant at Khalifa Abdullatif Al-Molhem Company Limited in Dammam from 2008G to 2016G General accountant at Al-Amoudi Company in Dammam from 1995G to 2008G	-	Holds a Bachelor's degree in Accounting from Cairo University, Egypt, in 1994G
3	Mr. Ibrahim Shawqi Abdullah	General accountant at Khalifa Al-Molhem Holding Company in Dammam since 2016G	General accountant at Khalifa Abdullatif Al-Molhem Company Limited in Dammam from 2008G to 2016G Financial affairs specialist at Misr Foreign Trade Company in Taba in Arab Republic of Egypt, from 2004G to 2008G	-	Holds a Bachelor's degree in Accounting from Zagazig University, Egypt, in 2002G

Please refer to the biographies of Board members above.



## Record of the Audit Committee Meetings

The committee meets regularly, and during the year 2022G, the committee held three meetings.

The CEO and Chief Financial Officer of the company are invited to attend meetings, when required, to provide any clarifications related to accounts and financial matters, and the minutes of the meetings are documented and then submitted to the Board of Directors. The CEO and Chief Financial Officer of the company attended all meetings except for individual meetings between the Audit Committee and the external auditor to obtain his opinion on the management's performance during the audit process, which was always positive.

The Head of the Audit Committee presents to the Board of Directors all important matters that are annotated by the external auditors or the head of the internal audit department.

It is worth noting that there is no conflict between the recommendations of the Audit Committee and the decisions issued by the Board of Directors during the year.

**(The table is an example covering only the number of meetings actually held by the Company)**

No.	Name of the Member	First meeting	First meeting	Third meeting
		03/01/2022G	09/03/2022G	26/07/2022G
1	Mr. Ibrahim Naeem Ibrahim Al-Naeem	✓	✓	✓
2	Mr. Mohammed Refa'at Ahmed	✓	✓	✓
3	Mr. Ibrahim Shawqi Abdullah	✓	✓	✓

# Summary of the works

## the Audit Committee meetings



Reviewing the fees of the external auditors for the year 2022G and letters of engagement with the review process and recommending it to the Board of Directors for approval.



Review the independence of the external auditors and the work related to the provision of services other than auditing services.



Reviewing the fees of the external auditors for the year 2022G and letters of engagement with the review process and recommending to the Board of Directors for approval of them.



Reviewing the independence of the external auditors and the works related to providing services other than auditing services.



Overseeing the risk management function and evaluating the effectiveness of risk identification and control systems and mechanisms, including monitoring the implementation of risk policies and procedures.



Reviewing the adequacy and effectiveness of the Group's internal control systems



Reviewing the audit reports and the findings of the internal audit department and the external auditors, and the management's response to their recommendations.



Reviewing with the external auditors and the management the approved methodology for audit work contained in the report of the independent auditor at the end of the year.



Reviewing the content of the annual report of the Board of Directors to ensure that it actually expresses the results of the company's activities in an understandable manner and provides the necessary information for shareholders to evaluate the company's performance, business model and strategy.



Reviewing the semi-annual and annual results and financial statements of the Group.

## 2. Nominations and Remunerations Committee

The Nominations and Remunerations Committee was formed by a decision of the Board of Directors on 21/02/2021G. The Committee is responsible for developing policies and controls for candidacy for membership of the Board and committees in line with the relevant laws and regulations issued by the authorities supervising the Company's business; developing, reviewing and updating policies related to the compensation and rewards of members of the Board, Committees and Executive Management, and submitting any recommendations regarding them to the Board of Directors in preparation for presenting them to the General Assembly for approval. It also ensures the appropriate disclosure of bonuses and compensations in the annual report of the company in accordance with the relevant laws and regulations, studies the issues referred to the committee by the Board and makes recommendations regarding them.

The Nomination and Remuneration Committee has been formed by the Board of Directors, and its main purpose is to make recommendations to the Board of Directors on the nomination and re-nomination of Board members, to make recommendations on remuneration policy, benefits package and individual remuneration for Board members, committee members and the Executive Committee, and other matters related to the evaluation of Performance of the Board of Directors, company committees and executive management.

The Nominations and Remuneration Committee is one of the committees of the Board, and reports directly to the Board of Directors through its Chairman. The Chairman of the Committee shall bring to the attention of the Board of Directors any matters that require approval and/or action by the Board at the nearest scheduled meeting of the Board.

The committee consists of a minimum of three members; two non-executive board members, and one independent board member. The chairman of the committee must be an independent member of the Board of Directors. Executive Board members are not entitled to membership in the Committee. Committee members are appointed by the Board of Directors for a period coinciding with the term of membership of the Board of Directors.

In order to carry out its duties, the committee has the right to reach all employees at the various job levels in the company directly, as may be required by its work tasks, and it maintains effective working relations with the executive management. The role of the committee is the following main objectives:

### Regarding nominations

- Proposing the policy and criteria for membership of the Board of Directors and the Executive Management.
- Making recommendations to the Board of Directors regarding candidates for new appointments or re-appointment to the Board of Directors and the company's committees.
- Evaluating various matters related to nominations, the performance of the Board of Directors, its committees, and the executive management, and submitting recommendations to the Board of Directors.
- Reviewing the succession plans of the Board of Directors and the Executive Management.
- Reviewing the policy of employment, termination of services and termination of service of members of the executive management.

### Regarding remunerations

- Submitting recommendations to the Board of Directors regarding the remuneration policy for members of the Board of Directors, its committees and the executive management.
- Providing recommendations regarding the remuneration package and individual benefits for members of the Board of Directors, its committees and the Executive Committee in accordance with the applicable remuneration policy.
- Highlighting any cases of deviation from the applicable remunerations policy, and reviewing this policy periodically.
- Developing incentive plans.
- Retirement arrangements.

## Members of the Nomination and Remuneration Committee

The following table shows the composition of the Nominations and Remunerations Committee, the names and positions of the members of the Nominations and Remunerations Committee:

No.	Name of the Member	Position	Classification of membership		
			Independent	Executive	Non-executive
1	Mr. Hamad Mohammed Al-Ali Al-Dowile	Head of the Nominations and Remuneration Committee	✓		✓
2	Mr. Khaled Mohammed Farhan Al-Dosari	Member of the Nominations and Remunerations Committee			✓
3	Mr. Mohammed Refa'at Ahmed	Member of the Nominations and Remunerations Committee	✓		✓

## Biographies of the Nomination and Remuneration Committee members

No.	Name of the Member	Current positions	Previous experiences and positions	Current board memberships	Qualifications
1	Mr. Hamad Mohammed Al-Ali Al-Dowile *				
2	Mr. Khaled Mohammed Farhan Al-Dosari *				
3	Mr. Mohammed Refa'at Ahmed	General accountant at Khalifa Al-Molhem Holding Company since 2016G	General accountant at Khalifa Abdullatif Al-Molhem Company Limited in Dammam from 2008G to 2016G General accountant at Al-Amoudi Company in Dammam from 1995G to 2008G	-	Holds a Bachelor's degree in Accounting from Cairo University, Egypt, in 1994G

Please refer to the biographies of Board members above

## Statement of the Nominations and Remuneration Committee meetings

During the year 2022G, the Nominations and Remunerations Committee held one meeting. The following table shows a statement of the Nominations and Remunerations Committee meetings and the attendance rate:

No.	Name of the Member	First Meeting
		29/03/2022G
1	Mr. Hamad Mohammed Al-Ali Al-Dowile	✓
2	Mr. Khaled Mohammed Farhan Al-Dosari	✓
3	Mr. Mohammed Refa'at Ahmed	✓

## 3. Executive Committee

Pursuant to the Corporate Governance Regulations issued by the Capital Market Authority and the Internal Governance Regulations, and to meet business needs as appropriate, the Executive Committee of the Board of Directors was formed for the following objectives: Providing recommendations and follow up on the implementation of the company's strategies, future plans, internal policies and regulations.

- Providing recommendations and following up the implementation of the company's operational and investment projects and objectives.
- Supervising the budget plan and following up the company's performance.
- Approving some issues on behalf of the Board of Directors within the limits of the powers granted to it by the Board of Directors.
- Addressing some of the specific tasks delegated to the committee by the Board of Directors that need further study and analysis.
- Reviewing the internal policies and organizational provisions prepared by the Executive Management before submitting and recommending them to the Board of Directors for approval.
- Viewing and reviewing performance measurement indicators and recommending them to the Board of Directors for approval.
- Providing advice to the Board of Directors on determining dividends, taking into account any recommendations made by the Audit Committee in this regard.
- Reviewing and making recommendations to the Board of Directors regarding the company's annual business plans.
- Reviewing the matrix of powers in the company and recommending to the Board of Directors for approval.
- Conducting regular contacts and meetings with the executive management to follow up on its work.
- Carrying out any other tasks determined by the Board of Directors.

The Executive Committee reports directly to the Board of Directors through its Chairman. The Chairman of the Executive Committee presents to the Board of Directors any issues or matters that require the approval of the Board or taking action by the Board at the nearest scheduled meeting of the Board. In order to carry out its duties, the Executive Committee has the right to reach employees at the various job levels in the company directly and as may be required by its work tasks. The Executive Committee also maintains effective working relations with the executive management.

## Executive Committee members

The Executive Committee was formed by a decision of the Board of Directors, as of 06/01/1443H corresponding to 14/08/2021G, until the end of the current Board session, which ends on 27/12/2025G. Below are the members of the Executive Committee in the company:

	Name of the Member	Position	Classification of membership		
			Independent	Executive	Non-executive
1	Mr. Khaled Mohammed Farhan Al-Dosari	Chairman of the Executive Committee			✓
2	Mr. Khalifa Abdullatif Al Molhem	Member of the Executive Committee			✓
3	Mr. Waddah Mohammad Farhan Al-Dosari	Member of the Executive Committee		✓	
4	Mr. Hamad Mohammad Al-Ali Al-Dowile	Member of the Executive Committee	✓		✓

## Biographies of members of the Executive Committee

	Name of the member	Current positions	Previous positions	Current board memberships	Experiences	Qualifications
1	Mr. Khaled Mohammed Farhan Al-Dosari					
2	Mr. Khalifa Abdullatif Al Molhem					
3	Mr. Waddah Mohammad Farhan Al-Dosari					
4	Mr. Hamad Mohammad Al-Ali Al-Dowile					

Please refer to the biographies of the members of the Board of Directors above

## Statement of the Executive Committee meetings

During the year 2022G, the Executive Committee held one meeting. The following table shows a statement of the committee's meetings and their attendance rate:

(The table is an example covering only the number of meetings actually held by the Company)

No.	Name of the Member	First Meeting
		24/03/2022
1	Mr. Khaled Mohammed Farhan Al-Dosari	✓
2	Mr. Khalifa Abdullatif Al Molhem	-
3	Mr. Waddah Mohammad Farhan Al-Dosari	✓
4	Mr. Hamad Mohammad Al-Ali Al-Dowile	✓



## Findings and opinion of the annual internal audit committee

The Executive Management of Internal Audit performs a range of assurance services that include internal audit operations. Internal audits are carried out independently and objectively, according to the requirements of the International Framework for the Practice of Internal Auditing, which includes the basic principles of professional practice and standards, and the Definition of Internal Auditing issued by the Institute of Internal Auditors (IIA). The internal audit work methodology is based on each of the following:

The audit plan (confirmation services) -3 is implemented according to the agreed time schedule, by notifying each department before starting the internal audit process, and then sending an initial list of requirements, and then the process of field examination. The control procedures are evaluated and tests are conducted based on the studied samples, then a draft internal audit report will be prepared and discussed with the concerned department and obtaining a response from the department for each observation that is monitored. This includes the corrective action, the expected time to implement the corrective plan, the responsible person, and the expected implementation date. Finally, the final report is issued and discussed with the Chief Executive Officer, making any necessary amendments (if any), and then meeting with the audit committee and summoning both the executive management and the concerned department to discuss the reports. The Audit Committee supervises the executive management of the internal audit, which guarantees its independence, and that is followed by the process of following up the implementation of the corrective plans that were previously agreed upon. This includes preparing a report on that and submitting it to both the executive management and the Audit Committee to ensure that all departments implement the corrective plans agreed upon in the Internal .audit reports

The internal audit process begins -1 with the process of evaluating risks in the company, and preparing a risk register, through which the level of all latent risks that have been monitored are assessed. This is in addition to evaluating the control measures that the management has activated, which would limit the effects of those risks, in order to reach an assessment of the remaining risks, on the basis of which an audit plan is prepared for the next three .years, and will be at least updated annually

Based on the findings of the -2 assessment of the remaining risks, an audit plan for the next three years is prepared with a timetable for its implementation, where the audit plan is called (risk-based audit plan). That is, the basis for its preparation is the level of risk for each department/ activity in the company or subsidiaries, and then it is presented to the audit committee for the purpose of discussion and approval. It should be noted that the Committee may request the addition of one of the departments or activities to the plan whenever it deems .appropriate

Based on the results of the follow-up -4 operations, the risk register is updated, which is considered the basis for preparing .the audit plan for the coming years

The Executive Management of Internal Audit also supervises reports of violating practices, by virtue of its independence. The policy for reporting violating practices was prepared in cooperation with the Compliance and Governance Department, in compliance with Article 84 of the Corporate Governance Regulations issued by the Capital Market Authority, and was approved by the Board of Directors. This policy aims to promote ethical values and encourage a culture of integrity and accountability within the company.

The management methodology is that the Executive Director of Internal Audit, who is assigned to submit quarterly reports to the Audit Committee on the communications received and the recommendations issued in this regard, which in turn submits an annual report on them.





## Internal Auditor Report

The scope of work of the Internal Audit Department includes examining and evaluating the adequacy and effectiveness of the company's internal control systems, verifying the company and its employees' compliance with the rules and regulations issued by the relevant authorities, in addition to the company's internal policies. The Audit Committee assists the Board of Directors in fulfilling its responsibilities, with regard to verifying the existence of an effective internal control system within the company. Accordingly, the Audit Committee assists in verifying the adequacy of the internal control system and its effective implementation, and provides to the Board of Directors recommendations that would activate and develop the system, in a way that achieves the company's objectives and protects the interests of shareholders and investors.

During the year 2022G, the Company's Internal Audit Department supervised the internal audit work in the group, which was assigned to an external consulting firm from the four major offices specialized in this field. The Internal Audit Department was asked to carry out a risk assessment and update the risk register in the group, based on developments, to make an internal audit work plan for the next three years, and to set a special budget for this matter with the approval of the Company's board of directors.

The Internal Audit Department submitted the main risk report to the Company's Audit Committee, where it was discussed with the Company's executive management. A corrective action plan was prepared to address all notes contained therein, and the Internal Audit Department presented the annual internal audit action plan based on the updated risk register.

The Internal Audit Department also carried out detailed follow-up work on corrective plans for all departments that were audited. Then, the final reports were submitted to the Audit Committee for discussion and approval, and to recommend appropriate measures to address any observations regarding them.

The Audit Committee also reviewed the reports submitted by the external auditor, including the management report, which includes some observations on the internal control system related to the preparation of the financial statements and the corrective plan developed by the management to address them.

Noting that the Chairman of the Audit Committee, during the meetings of the Board of Directors, provides the members of the Board of Directors with the necessary reports on the work of the Audit Committee and the results of its work, including the result of its follow-up to the work of the Internal Audit Department and its recommendations in this regard.

Based on the foregoing, the Audit Committee believes that the internal control system in the company is efficient and effective in several aspects, but it needs development and improvement in other aspects, to keep pace with the size and nature of the company's business. The company's executive management discussed the observations reached through the internal audits. The executive management of the Audit Committee presented the corrective plan for these observations, and the Audit Committee will follow up on the implementation of the corrective plan during the year 2023G.

## The Need to Appoint an Internal Auditor for the Company

The Audit Committee did not recommend the appointment of an internal auditor because the company has an internal audit department.

## The conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors

There are no recommendations issued by the Audit Committee that conflict with the decisions of the Board of Directors, or which the Board refused to take with regard to appointing and dismissing the company's auditor, determining his fees, evaluating his performance, or appointing the internal auditor.

## Executive Management

In pursuit of performance integration, the Canadian General Medical Center Company includes a group of executive departments, through which it attracts elite experts and highly qualified people, to ensure the highest levels of performance towards more achievements and major successes, in accordance with the highest professional standards of the effective corporate governance practices, in the manner that it strengthens its leading position in the healthcare sector in the Kingdom of Saudi Arabia.

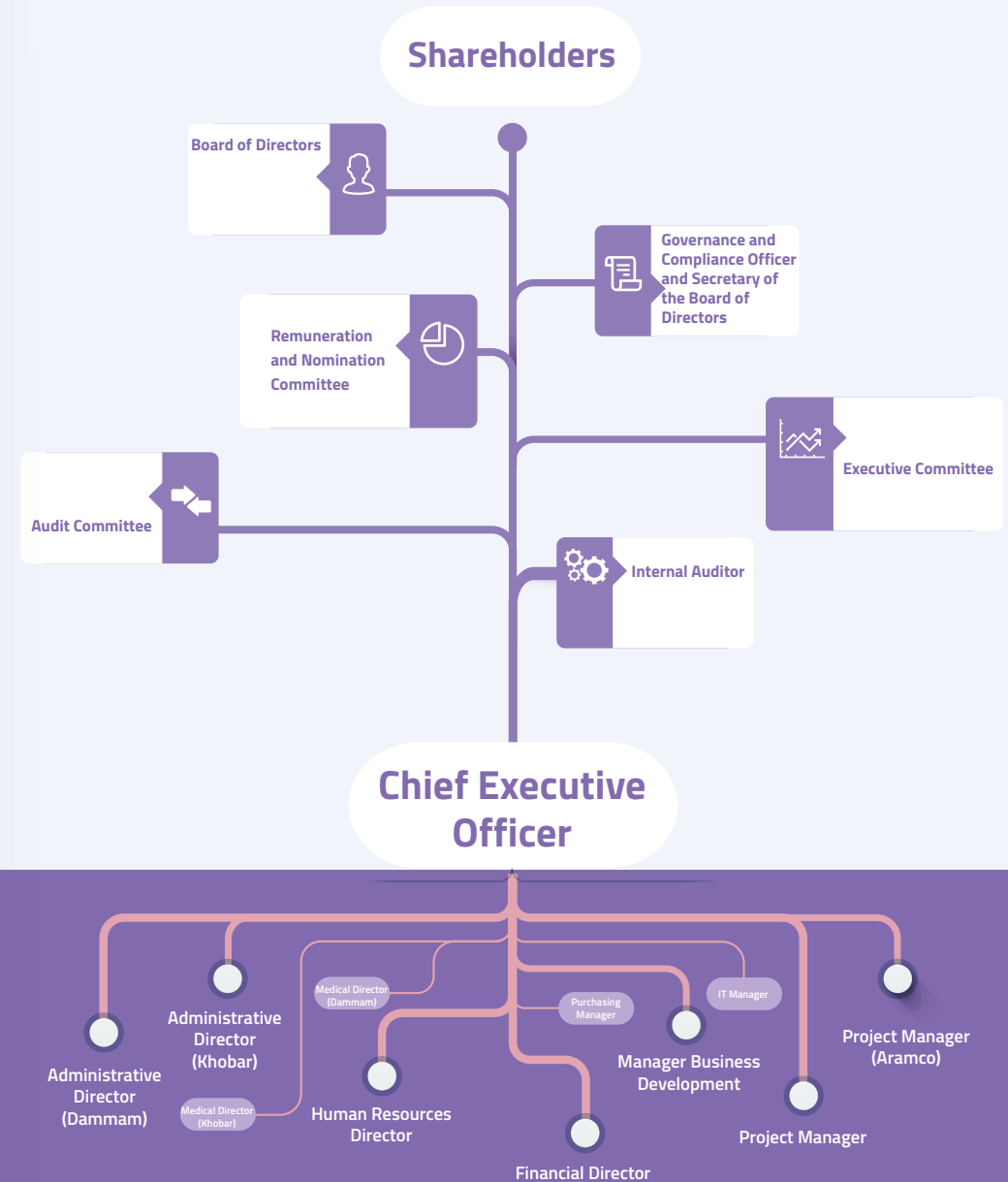
(All members of the executive departments and their biographies are mentioned)

No.	Member's Name	Current Positions	Previous Positions and Experiences	Qualifications
1	Waddah Mohammed Farhan Al-Dosari	CEO of the Canadian General Medical Center Company	Holds a bachelor's degree in Sharia from Imam Mohammed bin Saud Islamic University in Dammam since 2014G. CEO of the Canadian General Medical Center in Dammam from 2007G to 2013G. Director of the Human Resources Department at Khairat Al Sharq Trading Company in Dammam from 2003G until 2005G. Director of the Human Resources Department and Executive Vice President of the Learning Academy Company in Dammam from 2005G until 2007G. University in Riyadh in 2003G.	Holds a bachelor's degree in Sharia from Imam Mohammed bin Saud Islamic University in Riyadh in 2003G.
2	Hasan Hasan Joudah	COO of the Canadian General Medical Center Company	COO of the Canadian General Medical Center Company in Dammam, since 2015G. Director of Purchasing and Deputy General Manager of the Canadian General Medical Center in Dammam from 2008G until 2014G. General Manager of the Patient's Friends Hospital in Gaza City, Palestine, from 2003G until 2007G. Deputy General Manager and Director of the Dermatology and Plastic Surgery Hospital in Riyadh from 1982G to 2000G.	Holds a master's degree in business administration from Almeida University in Idaho, USA, in 2003G.
3	Sayed Ahmed Saeed Al-Bassat	Chief Financial Officer of the Canadian General Medical Center	Director of procedures and internal control in Al Jabr Holding Company in Dammam from 2016G to 2019G. Assistant Director of Finance in the Specialized Care Hospital Co. in Khobar from 2014G to 2016G. Auditor in Ernst & Young & Co., chartered accountants, in Khobar from 2006G to 2014G.	Holds a bachelor's degree in Accounting from Beirut Arab University in Lebanon in 2005G.

	Member's Name	Current Positions	Previous Positions and Experiences	Qualifications
4	Wael Ahmed Jabr	Projects Manager of the Canadian General Medical Center Company	Projects Officer at Johns Hopkins Aramco Medical Care in Dhahran from 2015G to 2020G. Nursing services coordinator in medical services organization in Saudi Aramco, Dhahran from 2002G to 2014G. A general nurse at Aramco in Dhahran from 1980G to 2002G.	Holds a master's degree in Business Administration from the Arab Open University in the Kingdom of Bahrain in 2010G. Holds a Bachelor's degree in Health Administration from the University of St Joseph in Maine in USA in 1999G. Obtained a Diploma in Nursing from the Jordan College of Nursing, Amman, Jordan in 1977G.
5	Dr. Fatima Zuhair Al-Gharib	Director of the Medical Department of the Canadian General Medical Center Company in Dammam	A dentist and supervisor at the Canadian General Medical Center Company in the city of Dammam from 2014G to 2018G.	Holds a bachelor's degree in Dental Surgery from Jordan University of Science and Technology in Irbid in 2013G.
6	Dr. Ashraf Al-Abasir	Director of the Medical Department of the Canadian General Medical	Internal medicine specialist in the Canadian General Medical Center Company in Dammam from 2016G to 2019G.	Holds a master's degree in Internal diseases from the Alexandria University in Egypt in 1992G.
7		Center Company in Khobar	Internal medicine specialist at Saad Specialized Hospital in Khobar since 2002G to 2016G. Internal medicine specialist in Al-Amis Medical clinic in Khamis Mushait from 1998G to 2002G. Internal medicine specialist at Al Kathiri Hospital in Khobar from 1994G to 1997G.	Holds a bachelor's degree in Medicine and Surgery from Alexandria University in Egypt in 1987G.

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## Organizational Structure of the Company



## Details of paid remunerations

Remunerations and compensations have been paid to members of the Board of Directors and to senior executives of the Canadian General Medical Center Company for the fiscal year 2022G, including the CEO and Chief Financial Officer.

Standards and rules governing the preparation of remunerations in the company

The standards and rules governing the preparation of remunerations were approved by the General Assembly of Shareholders on 06/10/2021G, as this policy aims at each of the following:

- 1- Consistency with the company's strategy and objectives.
- 2- Providing remunerations for the purpose of motivating the members of the Board of Directors, committees and senior executives, for the success of the company and its long-term development. For example, linking the variable part of rewards to long-term performance.
- 3- Consistency with the size, nature and degree of risks in the company.
- 4- Taking into account the practices of other companies in determining remuneration, while avoiding what may result from an unjustified increase in remuneration and compensation.
- 5- Stopping the remuneration payment or refunding it if it appears that it was decided on the basis of inaccurate information provided by a member of the Board of Directors, in order to prevent exploitation of the job position to obtain undue remunerations.

In accordance with the policy of remuneration for members of the Board of Directors, committees, and executive management, and the company's articles of association, the remuneration of members of the Board of Directors shall be in accordance with the regulations issued in this regard. The report of the Board of Directors to the General Assembly must include a comprehensive statement of all that the members of the Board of Directors received during the fiscal year in terms of remuneration and expense allowances and other advantages. It shall include a statement of what the members of the Board of Directors have received in their capacity as workers or administrators, or what they have received in return for technical work, management or consultancy, and it shall

also include a statement of the number of Board sessions attended by each member. The following table shows a statement of remuneration and compensation paid to members of the Board of Directors and senior executives:

### First - Board members' remuneration

Member	allowance for attending Board sessions	Total allowance attending committee sessions	Fixed Remuneration				Remuneration of the chairman, managing director or the secretary if he is a member	Total	percent of the profits	Variable Remuneration							Grand total in Saudi riyals	Expense allowance	Statement of what the member has received in return for technical work, management or consultancy
			Benefits in kind	Statement of what the member has received in return for technical work, management or consultancy	Statement of what the member has received in return for technical work, management or consultancy	Statement of what the member has received in return for technical work, management or consultancy				Periodic bonuses	Short-term incentives plans	Long-term incentives plans	Granted shares	Total	End of service benefits				
Independent members																			
Hamad Mohammed Al-Ali Al-Dosari	-	4000	3000	-	-	-	-	7000	-	35,000	-	-	-	42,000	-	42,000	-	-	
Ibrahim Nazeem Ibrahim Al Nazeem	-	4000	4500	-	-	-	-	8500	-	35,000	-	-	-	43,000	-	43,000	-	-	
Muhammad Mohammed Al-Moofi	-	2000	-	-	-	-	-	2000	-	5000	-	-	-	7000	-	7000	-	-	
Total	-	10,000	7500	-	-	-	-	17,500	-	75,000	-	-	-	92,500	-	92,500	-	-	
Non-executive members																			
Khaled Mohammed Farhan Al-Dosari	-	4000	3000	-	-	-	-	42,000	-	35,000	-	-	-	42,000	-	42,000	-	-	
Khalifa Abdulatif Al-Mutairi	-	4000	-	-	-	-	-	39,000	-	35,000	-	-	-	39,000	-	39,000	-	-	
Total	-	8000	3000	-	-	-	-	81,000	-	70,000	-	-	-	81,000	-	81,000	-	-	
Executive members																			
Waddah Mohammed Farhan Al-Dosari	-	2000	1500	-	-	-	-	3500	-	5000	-	-	-	8500	-	8500	-	-	
Hasan Hasan Joudah	-	4000	-	-	-	-	-	4000	-	35,000	-	-	-	39,000	-	39,000	-	-	
Total	-	6000	1500	-	-	-	-	7500	-	40,000	-	-	-	47,500	-	47,500	-	-	

### Second- Senior Executives Remunerations (if any)

No.	Jobs of senior executives	Fixed remuneration			End of service remuneration	Total remuneration of executives
		Salaries	Allowances	Total		
1	Five senior executives received the highest remuneration (including the CEO and Chief Financial Officer)	2,045,250	173,375	2,218,625	-	0

### Third- Remunerations for members of committees emanating from the Board of Directors

No.	Name of the member	Fixed remuneration (except for attendance allowance)	Session Attendance Allowance	Total	Arrangements or agreement for assignment of remunerations
Audit committee members					
1	Ibrahim Naeem Ibrahim Al Naeem	*	4500	4500	-
2	Mohammed Refa'at	25.000	7500	32.500	--
3	Ibrahim Shawqi	25.000	7500	32.500	
Total		50.000	19.500	69.500	-
Members of the Nomination and Remuneration Committee					
1	Hamad Mohammed Al-Ali Al-Dowile	*	1500	1500	-
2	Khaled Mohammed Farhan Al-Dosari	*	1500	1500	-
3	Mohammed Refa'at	*	2500	1500	-
Total		*	5.500	4.500	-
Executive Committee members					
1	Khaled Mohammed Farhan Al-Dosari	*	1500	1500	-
2	Khalifa Abdullatif Abdullah Al Molhem	*	-	-	-
3	Hamad Mohammad Al-Ali Al-Dowile	*	1500	1500	-
4	Waddah Mohammed Farhan Al-Dosari	*	1500	1500	-
Total		*	4.500	4.500	-

Board members received a fixed remuneration for one time only if the member of the Board was a member of a Board committee

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## Actions taken by the Board of Directors to inform its members of the shareholders' suggestions and observations regarding the company and its performance

- 01** The members of the Board of Directors and the heads of the committees attend the meetings of the general assemblies to directly view the shareholders' observations and proposals.
- 02** A unit for investor relations has been established under the vice president for financial affairs, in order to inform the members of the Board of Directors of the comments and suggestions of the shareholders.
- 03** Quarterly and annual meetings were held with investors and financial analysts to discuss the company's financial results.
- 04** A website and an application for investor relations have been established.

## Stock shares and debt instruments for members of the Board of Directors and senior executives

Below we show the details of any shares, contractual securities, or subscription rights belonging to members of the Board of Directors and their relatives in shares or debt instruments of the company or any of its subsidiaries, and the changes that occurred during the year 2022G. None of the members of the Board of Directors owns any share in any debt instruments issued by the company. There were no arrangements or agreements under which any member waived his salary or remunerations.

Shares of board members							
No.	Name of the person to whom the interest, contractual securities, or subscription rights belong	Beginning of the year		End of the year		Net change	Percentage of change%
		Number of debt instruments	Number of shares	Number of shares	Number of debt instruments		
1	Mr. Khaled Mohammed Farhan Al-Dosari	2,310,000	-	2,310,000	-	0	0
2	Mr. Khalifa Abdullatif Abdullah Al Molhem	2,310,000	-	2,310,000	-	0	0
3	Mr. Waddah Mohammed Farhan	100,000	-	90,000	-	(10,000)	(10)
4	Mr. Mosaed Mohammed Abdulaziz Al-Monaifi	203,693	-	203,693	-	0	0
5	Mr. Hamad Mohammad Al-Ali Al-Dowile	-	-	-	-	0	0
6	Mr. Hasan Hasan Joudah	-	-	-	-	-	-
7	Mr. Ibrahim Naeem Ibrahim Al-Naeem	-	-	-	-	-	-

None of the members of the Senior Board of Directors and their spouses and minor children have any ownership in the issued shares of the Canadian General Medical Centre Company.

Shares of Senior Executives							
No.	Name of the person to whom the interest, contractual securities, or subscription rights belong	Beginning of the year		End of the year		Net change	Percentage of change%
		Number of shares	Number of debt instruments	Number of shares	Number of shares		
1	Mr. Waddah Muhammad Farhan Al-Dosari	100,000	-	90,000	-	(10,000)	(10)



## Shares in the category of shares with voting entitlement

There are no ownership stakes in any class of shares with voting rights for persons who have informed the company of their ownership stakes. This is in accordance with Article (67) of the Rules on the Offer of Securities and Continuing Obligations.

## Debt instruments and contractual securities

There are no transferable debt instruments, no contractual securities, no purchase priority rights or any similar rights issued or granted by the company during the fiscal year 2022G.

There are no transfer right or subscription rights under transferable debt instruments, contractual securities, subscription right notes, or similar rights issued or granted by the company.

There is no redemption, purchase or cancellation by the company of any recoverable debt instruments, and the value of remaining securities, with a distinction between the listed securities purchased by the company and those purchased by its subsidiaries.

## Treasury shares held by the company

The Company does not have any treasury shares held by it on December 31, 2022G.

## Details of the company's social contributions in 2022G

No	Name of the Initiative	Partnering body	Date	Amount
1	Patient Friends Committee in the Eastern Province	Ministry of Health	27/03/2022G	10,000



## Penalties and fines received by the Company in 2022G

The Canadian General Medical Center Company has not been subjected to any penalties, fines, precautionary measures, or precautionary restrictions from any regulatory control or judicial authority.

## Employees

The number of employees in the Canadian General Medical Center Company has reached (385). The following table shows the number of employees and the Saudization rates of the company during the years 2021G and 2022G.

Number of employees	2022G	2021G	Increase (dropout)	Percentage of increase (dropout)
Number of employees	247	272	(25)	(9%)
The number of Saudi workers	138	121	17	14
Total	385	393	(8)	(2%)



# 2

## Shareholders Rights and the General Assembly



## Credibility, Transparency and Integrity

## Shareholders Rights

The Articles of Association of the Canadian Medical Center Company and its governance regulations guarantee that shareholders obtain all their rights related to shares, especially their right to obtain a share of the agreed dividends, their right to obtain a share of the company's assets upon liquidation, and the right to attend the meetings of the general assembly of shareholders (participation in its discussions and voting on its decisions), the right to dispose of shares, the right to supervise the work of the Board of Directors, to file a liability suit against its members, and the right to inquire and request information, provided that it does not affect the interests of the company or conflict with the provisions of the Capital Market Authority and its implementing regulations.

The Canadian Medical Center Company allows the participation of the maximum number of its shareholders in the meetings of the General Assembly and is keen to ensure the selection of the place and time that allow full participation. The company's articles of association and corporate governance regulations also stipulate the provisions related to the general assembly of shareholders, which include the necessary precautionary measures and steps to ensure that all shareholders exercise their rights on a regular basis. In addition to the possibility of holding meetings of the General Assembly through modern technology.

The General Assembly of Shareholders is the highest authority in the company, and its exclusive powers include appointing and terminating the members of the Board of Directors, approving the consolidated financial statements, appointing external auditors and determining their fees, approving the percentage of dividends in accordance with the recommendations of the Board of Directors, increasing or decreasing the company's capital, and amending the internal regulations and articles of association of the company.

The Canadian Medical Center Company also provides sufficient access for shareholders to read the minutes of the General Assembly meetings by uploading them on the company's website, and a copy of these minutes is submitted to the Capital Market Authority within (10) days only from the date of the meeting. Investor relations is the continuous channel of communication with investors and answers their questions during working days and is considered as a mutual communication channel between investors and the company's board of directors and executive management.

## Investor relations activities

The Board of Directors of the Canadian Medical Center Company recognizes the importance of regular and open dialogue with shareholders and other stakeholders, not only prior to the General Assembly meeting but throughout the year. The group's investor relations department and the secretary of the board of directors act as a permanent communication center with shareholders, investors and analysts. The Board of Directors receives regular updates on the opinions, suggestions and observations of the Group's shareholders about the company and its performance through the Investor Relations Department and the Board Secretary.

The CEO informs the members of the Board of Directors of the essential opinions and suggestions of the shareholders, and discusses these opinions and suggestions with them during the meetings of the Board of Directors.

The Canadian Medical Center Company also aims to achieve balance in the continuous participation of investors throughout the year, by providing continuous opportunities to interact with them through a variety of meetings, including quarterly and annual meetings and conference calls to discuss business, attending many investor conferences, and issuing explanatory information to management about the company's activities and results of business.

## Means of Communication with Our Shareholders

The Canadian Medical Center Company is committed to effective and permanent communication with all shareholders, ensuring the highest levels of consistency and clarity in disclosure processes at all times. We look forward to engaging with shareholders with transparently and regularly with the aim of facilitating mutual understanding of our respective goals. We strive to communicate with investors from the public and private sectors alike, and we encourage all shareholders to participate in the annual general meeting.

The company aims to be among the leading companies in the sector, and in order to achieve this, it is committed to providing higher levels of disclosure and transparency in its financial reports, whether in the quarterly or annual financial statements.

The company looks forward to providing all means of financial and strategic communications in an open and harmonious manner, ensuring the use of Arabic and English languages - wherever possible - to enhance the clarity of disclosures in order to provide a fair, balanced and understandable assessment of the company's position and future prospects.

The company welcomes shareholders' comments and constructive suggestions, which can be submitted to the Investor Relations Department via e-mail: [info@canadian-mc.com](mailto:info@canadian-mc.com)

Investors can view all financial reports, corporate governance policies, minutes of general assembly meetings, periodic announcements and related information, including clarifications and comments of management, available on the website [sa.canadian-mc.com](http://sa.canadian-mc.com) at the specified times. Based on its great care and commitment to continuous communication with shareholders to take care of their rights and interests, it gives shareholders several channels to communicate with it through several digital channels:

website

Customer Service telephone and fax +966 (13) 8188320

E-mail

The Canadian Medical Center Company is also committed to protecting the rights of shareholders and ensuring justice and equality among them, and is keen to implement the shareholders' rights policy and procedures approved by the Board of Directors. The Board of Directors and the executive management of the company are also obligated not to discriminate between shareholders who own the same class of shares, and after blocking any of their rights.

## The company's capital

The following table shows a detailed statement of the capital and shares of the Canadian Medical Center Company as of December 31, 2022G:

### The company's shares

7,700,000 Shares

### Capital

77,000,000 SAR

## Substantial shareholders and historical developments in equity

Here we review a statement of the substantial shareholders of the company as of December 31, 2022G:

1 Khaled Mohammed Farhan Al-Dosari

30%

2 Khalifa Abdullatif Al Molhem

30%

The following table shows a statement of the names, number and percentage of ownership of the substantial shareholders, who own shares of (5%) or more, and its change during the years 2021G and 2022G:

Date	Owner	Previous Ownership Percentage	Current Ownership Percentage	(%) Change
01/01/2022	Khaled Mohammed Farhan Al-Dosari	30	30	0
31/12/2022	Khaled Mohammed Farhan Al-Dosari	30	30	0
01/01/2022	Khalifa Abdullatif Al Molhem	30	30	0
31/12/2022	Khalifa Abdullatif Al Molhem	30	30	0

## Canadian Medical Center Complex Company

### Highest Price



### Lowest Price



## Shareholders' suggestions and observations regarding the company and its performance

The Board of Directors of the Canadian Medical Center Company is committed to the following measures taken by it to inform its members- especially the executives among them- of the shareholders' proposals and remarks regarding the company and its performance:

-The members of the Board of Directors and the heads of the committees' attendance of the meetings of the general assemblies to view directly the observations and proposals of the shareholders.

-An Investor Relations Unit was established to inform the Board members of the shareholders' comments and suggestions.

## The company's applications for the shareholder register 2022G

Corporate  
Actions

09/01/2022

Corporate  
Actions

02/02/2022

Earnings File

23/03/2022

Corporate  
Actions

27/06/2022

Corporate  
Actions

25/08/2022

General  
Assembly

28/08/2022

Earnings File

13/09/2022

Corporate  
Actions

01/11/2022

Corporate  
Actions

24/11/2022

Corporate  
Actions

27/11/2022

## Unreceived earnings



The Canadian Medical Center Company is committed to preserving the rights of its shareholders, based on the principle of honesty, as it provides the feature of inquiring about profits not received by the beneficiaries, and delivering these amounts to the beneficiaries. This is done by sending the name and ID number to the shareholder service email [info@canadian-mc.com](mailto:info@canadian-mc.com)

## The company's stock performance data for the fiscal year 2022G

The share price as of January 1, 2022

84.9



The share price as of December 31, 2022

45.0



Change  
Rate (%)

48.2



We also review the following statement of the share price of the Canadian Medical Center Company in the market (highest and lowest price) at the end of each month, during the fiscal year 2022G:

## year 2022G

— January —	— February —	— March —
Highest Price: 67.8	Highest Price: 72.2	Highest Price: 76.5
Lowest Price: 66.9	Lowest Price: 71	Lowest Price: 73
Closing Price: 66.9	Closing Price: 71.3	Closing Price: 74.9

— June —	— May —	— April —
Highest Price: 52	Highest Price: 60.9	Highest Price: 70
Lowest Price: 50	Lowest Price: 59.4	Lowest Price: 68.4
Closing Price: 50.8	Closing Price: 60.9	Closing Price: 70

— September —	— August —	— July —
Highest Price: 49.5	Highest Price: 53	Highest Price: 50.9
Lowest Price: 49.15	Lowest Price: 51	Lowest Price: 49.95
Closing Price: 49.15	Closing Price: 51	Closing Price: 50.9

— December —	— November —	— October —
Highest Price: 45.5	Highest Price: 49.8	Highest Price: 48.25
Lowest Price: 44.4	Lowest Price: 45.25	Lowest Price: 48
Closing Price: 45	Closing Price: 49.8	Closing Price: 48.25



## General Assembly of Shareholders

Based on the Canadian Medical Center Company's awareness of the importance of effective communication with shareholders, it is committed to constructively benefiting from the annual general assembly meeting by meeting the board of directors, its chairman and its members with shareholders to hear their opinions and answer their inquiries. Therefore, we are keen to encourage shareholders in advance to participate in the Annual General Assembly meeting by attending and voting, whether on their own behalf or by proxy. The company also seeks to maximize the ability of shareholders to participate in the General Assembly meeting through:

- Appropriate arrangements for the General Assembly to motivate a greater number of shareholders to participate, including determining the appropriate place and time.
- Making Board members, executive management and external auditors available to shareholders in the General Assembly.
- Provide a reasonable opportunity for shareholders, while attending the General Assembly meeting, to raise inquiries regarding agenda items, including asking questions to the external legal auditor regarding the conduct of the audit process and the preparation and content of the external legal auditor's report.
- The company may call for the convening of the general assembly of shareholders using the methods of modern technologies.
- The company invites the general assembly of shareholders to vote electronically on the agenda items through the Tadawulaty services portal.
- Shareholders are encouraged to participate in the General Assembly or to appoint representatives on their behalf to attend and vote in the meetings for and on their behalf in case they are unable to attend the meetings.

While the Canadian Medical Center Company held during fiscal 2022G (one meeting) for the General Assembly of Shareholders, an Extraordinary General Assembly at (19:30) on Sunday evening on 01-02-1444H corresponding to 28-08-2022 G through means of Modern technology using Tadawulaty system. This was to vote on approving the report of the Board of Directors for the fiscal year ending on 31-12-2021G, approving the company auditor's report for the fiscal year ending on 31-12-2021G, approving the financial statements for the fiscal year ending on 31-12-2021G and approving the appointment of Dr. Mohammad Al-Omari and Partners as the External Auditor of the company from among the candidates based on the recommendation of the Audit Committee in order to examine, review and audit the semi-annual and annual financial statements of the fiscal year 2022G and the first half of the fiscal year 2023G, determine his fees, and approve the amendment of Article (45) of the bylaws of the company related to (dividend distribution), and approving the authorization of the Board of Directors to distribute interim profits on a semi/quarterly basis, for the fiscal year 2022G, in the event that item No. (5) of the Assembly's agenda is approved.

Below we show a statement of the date of the General Assembly held during the year 2021G, and the names of the members of the Board of Directors who attended this meeting:

Name	Position	Date of the meeting 28-08-2022G	Attendance Rate
Mr. Khaled Mohammed Farhan Al-Dosari	Chairman of the Board	Attended	65.63%
Mr. Khalifa Abdullatif Abdullah Al Molhem	Deputy chairman of the Board of Directors	Absent	
Mr. Waddah Mohammed Farhan Al-Dosari	Member of the Board of Directors	Attended	
Mr. Hasan Hasan Joudah	Member of the Board of Directors	Attended	
Mr. Hamad Mohammad Al-Ali Al-Dowile	Member of the Board of Directors	Attended	
Mr. Ibrahim Naeem Ibrahim Al-Naeem	Member of the Board of Directors	Attended	
Mr, Mosaed Mohammed Abdulaziz Al-Monaifi	Member of the Board of Directors	Absent	

# 3

**Financial  
performance  
Sustainable  
Growth**

**credibility  
With transparency  
and integrity**

## The most prominent financial indicators during the past three years

(One million Saudi riya)	2022	2021	2020
Revenues	81,229,390	70,642,658	64,215,735
costs of Revenue	(56,257,150)	(45,449,780)	(40,189,114)
Gross profit	24,972,240	25,192,878	24,026,621
Current assets	95,287,704	101,651,274	95,796,054
Current liabilities	10,627,010	12,161,988	10,141,289
Net working capital	84,660,694	89,489,286	85,654,765
Non-current assets	13,406,034	15,084,655	16,392,750
Non-current liabilities	11,056,815	10,123,880	9,829,896
Shareholder Equity	87,009,913	94,450,061	92,217,619
Cash flow generated from operating activities	16,529,949	1,590,469	17,826,342
Cash flow generated (used in) investing activities	14,556,796	(60,629,029)	(1,093,147)
Cash flow generated (used in) financing activities	(26,942,855)	(14,367,111)	60,932,737
Cash balance and the like	10,654,897	6,511,007	79,916,678
Earnings before zakat deduction to revenue	%22	%23	%26
Operating profit to revenue	%21	%23	%27
Return on assets	%14	%12	%14
Return on equity	%18	%15	%18
Net debt to equity ratio	0	%3	%5
Earing per share	2.03	1.83	41.96

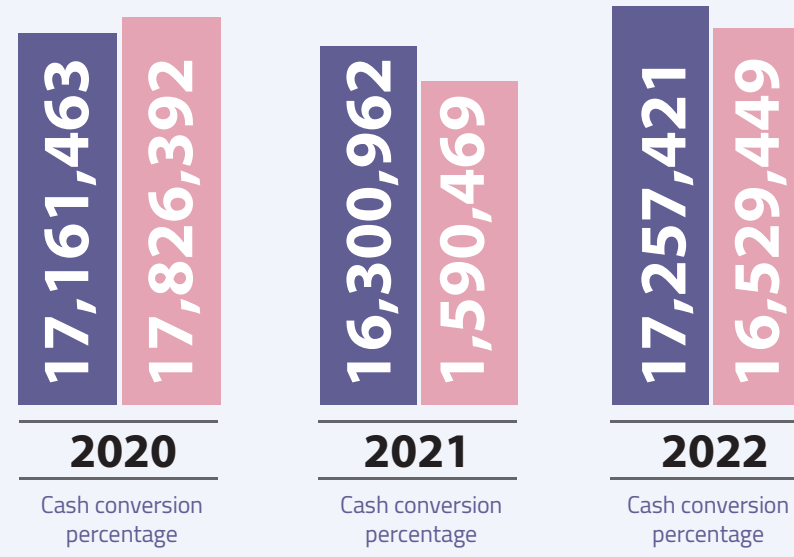
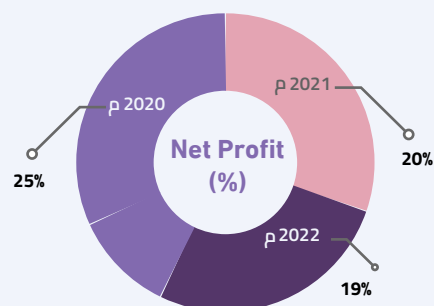
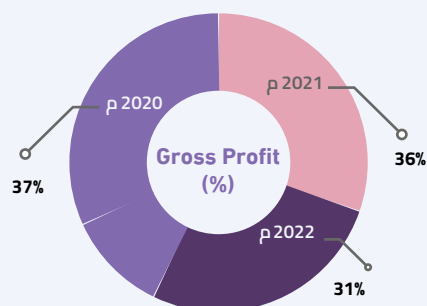
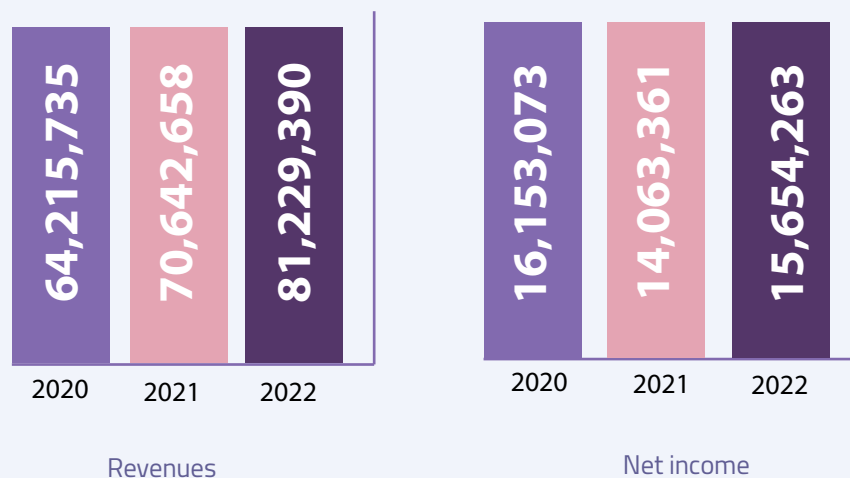
## The most prominent financial indicators on a half-term basis between (2021G-2022G)

The Canadian Medical Center Complex Company continued to implement all financial planning, prepare periodic reports, organize financial control tools and protect the company's assets. In addition to keeping accounting books and financial investments, and organizing procedures for payments in accordance with the accounting standards for financial reporting approved in the Kingdom of Saudi Arabia.

The year (2022G) witnessed a remarkable increase in the financial performance of the company, as revenues increased to 81.23 million Saudi riya, with an increase of (15%) over the same year (2021G), while the net income increased to 15.65 million Saudi riya, by (11.31%), compared to the previous fiscal year (2021G)

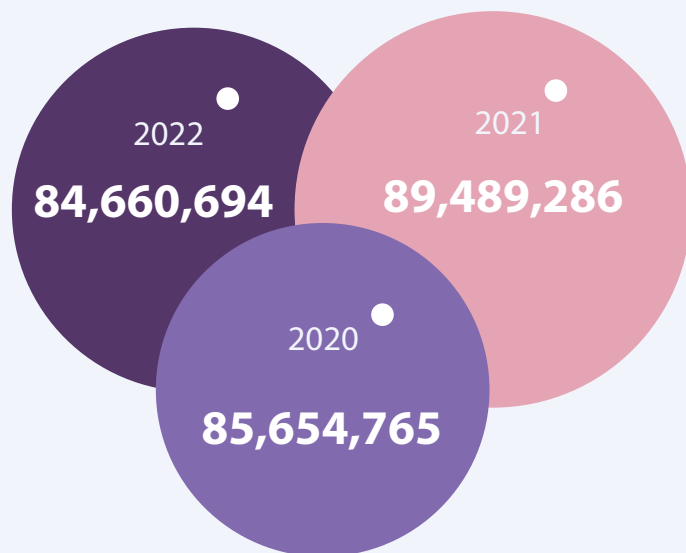
## Revenue growth rates and profitability rates

Saudi riyals



■ operating profit ■ Cash from operations

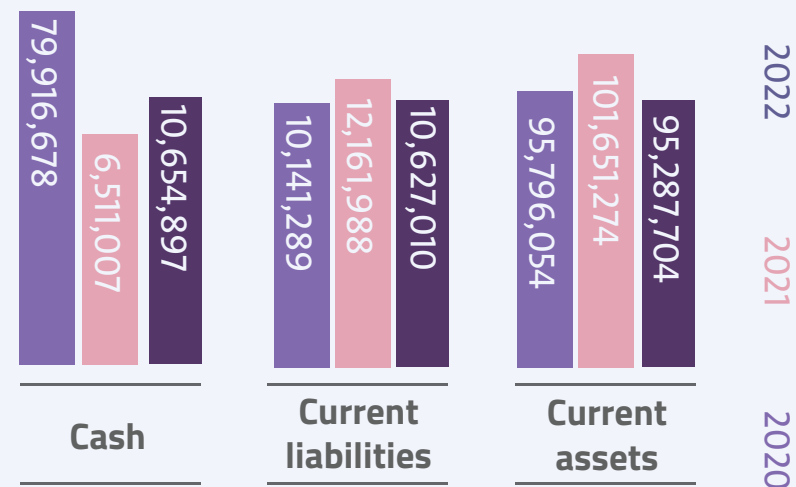
## Net capital employed



## Liquidity rate



## Cash conversion percentage



## Revenues

2020

64,215,735

2021

70,642,658

2022

81,229,390

## Net income

2020

16,153,073

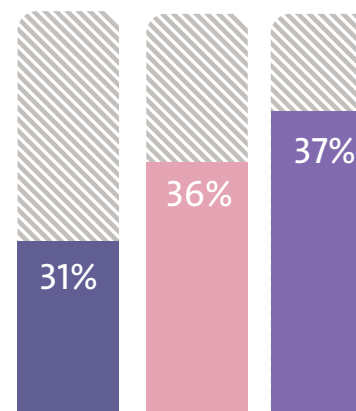
2021

14,063,361

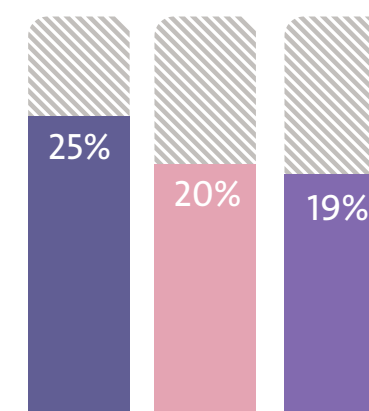
2022

15,654,263

## Gross Profit (%)



## Net profit (%)



2022 ■

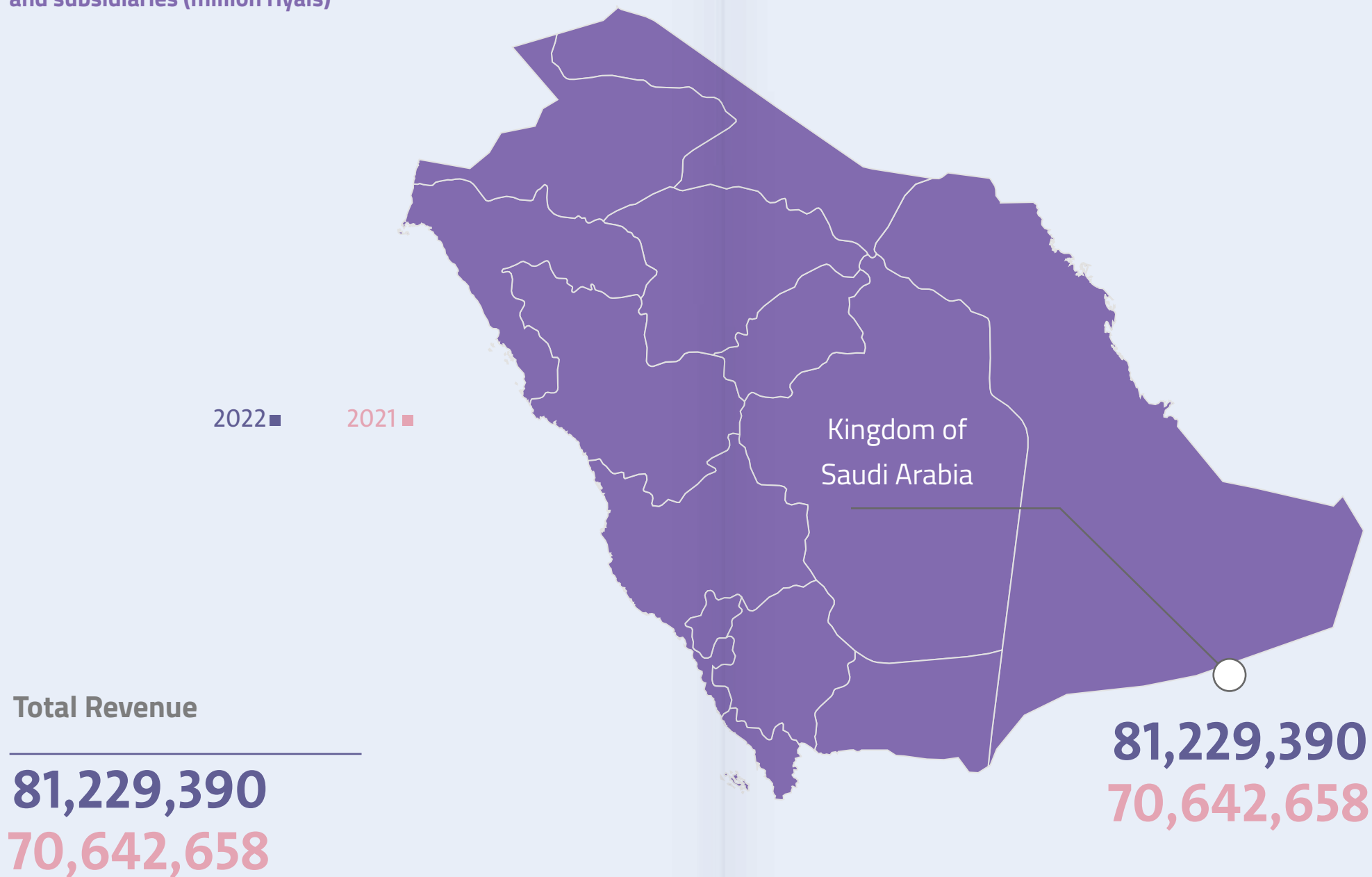
2021 ■

2020 ■





## Geographical analysis of the total revenues of the company and subsidiaries (million riyals)



## Clarification of any significant differences in operating results from the previous year

Description	2022	2021	Changes	Percentage of change
Sales/revenue	81,229,390	70,642,658	10,586,732	%15
Cost of sales/revenue	(56,257,150)	(45,449,780)	10,807,370	%24
Gross profit	24,972,240	25,192,878	(220,638)	
Other operating expenses	(7,714,819)	(8,891,916)	(1,177,097)	
Operating profit (loss)	17,257,421	16,300,962	956,459	% 6

## Subsidiaries

The Canadian General Medical Center Complex Company does not own any subsidiaries.

## Description of the main activities of the company



### Medical clinics projects contracts sector

78,942,957

97%



### Medical clinics sector

2,286,433

3%

## Loans owed by the Company

A statement of the company's total indebtedness, any amounts paid by the company in repayment of loans during the year, the principal amount of the loan, name of the financier, duration, and remaining amount, and in case of no loans submit a declaration on that.

Name of the financier	Amount of the principal of the loan	Duration of the loan	Amounts paid in repayment of the loan during the year	The remaining amount of the loan	The total indebtedness of the company
SABB Bank	7,452,755	3 years	2,757,715	0	0

A description of any transaction or dealings between the issuer and a related party

The Board of Directors acknowledges that there are no transactions or transactions between the company and related parties.

Information related to any business or contracts to which the company is a party, or in which there is an interest of a member of the company's board of directors or its senior executives or any person related to any of them

The Board of Directors acknowledges that there are no acts or contracts to which the Company is a party, or in which there was an interest of a member of the Board of Directors or the senior executives or any person related to any of them

## A statement of the statutory payments made and due until the end of the annual financial period

Description	Paid	Due until the end of the financial period and not paid	Statement of reasons	Brief description
Zakat	2,452,827	2,317,741	Zakat dues	The amounts paid were calculated as zakat expenses and value-added fees in accordance with applicable laws and regulations
VAT	9,007,643	942,495	Value added tax	The amounts paid were calculated as zakat expenses and value-added fees in accordance with applicable laws and regulations
The General Organization for Social Insurance	1,918,339	182,404	Social insurance fees	The amounts paid or imposed as social insurance expenses were calculated in accordance with the Labour and Social Insurance Law.
Visa and passport fees	188000	0	Operational fee	The amounts paid or imposed were calculated as expenses for issuing visas and passports
Labour office fees	2,686,555	0	Operational fee	The amounts paid or imposed were calculated as labour office fees

## Applied and not applied from the Corporate Governance Regulations issued by the Capital Market Authority in the Kingdom of Saudi Arabia

In implementation of what was stated in the Corporate Governance Regulations issued by the Capital Market Authority, which obliges the company to disclose in the report of its Board of Directors what has been applied of the provisions of this regulation and what has not been applied, with an indication of the reasons for non-application, In accordance with the requirements contained in the Corporate Governance Regulations issued by the Capital Market Authority, the company worked to comply with and apply all provisions contained in these regulations, with the exception of the following articles:

Article/ Paragraph number	Text of the Article / Paragraph	Reasons for non-application
34/(B)	b) The Board shall convene no less than four meetings per year, and no less than one meeting every three months.	Non-binding guidance article
39	1)The Company shall pay adequate attention to the training and preparation of the Board members and the Executive Management, and shall develop the necessary programmes required for the same, taking the following into account: a.Preparing programmes for the recently-appointed Board members and Executive Management to familiarise them with the progress of the Company's business and activities, particularly the following: b.the strategy and objectives of the Company; c.the financial and operational aspects of the Company's activities; d.the obligations of the Board members and their duties, responsibilities and rights; e.the duties and competencies of the members of the Board. 2)Developing the necessary mechanisms for Board members, committee members, and the Executive Management to continuously enroll in training programmes and courses in order to develop their skills and knowledge in the fields related to the activities of the Company.	Non-binding guidance article
41	a)The Board shall develop, based on the proposal of the nomination committee, the necessary mechanisms to annually assess the performance of the Board, its members and committees and the Executive Management using key performance indicators linked to the extent to which the strategic objectives of the Company have been achieved, the quality of the risk management and the efficiency of the internal control systems, among others, provided that weaknesses and strengths shall be identified and a solution shall be proposed for the same in the best interests of the Company. b)The procedures of performance assessment shall be in writing and clearly stated and disclosed to the Board members and parties concerned with the assessment. c)The performance assessment shall entail an assessment of the skills and experiences of the Board, identification of the weaknesses and strengths of the Board and shall attempt to resolve such weaknesses using the available methods, such as nominating competent professional staff able to improve the performance of the Board. The performance assessment shall also entail the assessment of the mechanisms of the Board's activities in general. d)The individual assessment of the Board members shall take into account the extent of effective participation of the member and his commitment to performing his duties and responsibilities, including attending the Board and its committees' meetings and dedicating adequate time thereof. e)The Board shall carry out the necessary arrangements to obtain an assessment of its performance from a competent third party every three years.	A non-binding guiding material and its application will be studied
70	The Company's Board shall, by resolution therefrom, form a committee to be named the "risk management committee". Chairman and majority of its members shall be Non-Executive Directors. The members of that committee shall possess an adequate level of knowledge in risk management and finance.	A non-binding guiding article. The Audit Committee performs the functions of the Risk Committee
71	The competencies of the risk management committee shall include the following: 1)Developing a strategy and comprehensive policies for risk management that are consistent with the nature and volume of the Company's activities, monitoring their implementation, and reviewing and updating them based on the Company's internal and external changing factors. 2)Determining and maintaining an acceptable level of risk that may be faced by the Company and ensuring that the Company does not go beyond such level. 3)Ensuring the feasibility of the Company continuation, the successful continuity of its activities and determining the risks that threaten its existence during the following twelve (12) months. 4)Overseeing the Company's risk management system and assessing the effectiveness of the systems and mechanisms for determining and monitoring the risks that threaten the Company in order to determine areas of inadequacy therein. 5)Regularly reassessing the Company's ability to take risks and be exposed to such risks (through stress tests as an example)	A non-binding guiding article. The Audit Committee performs the functions of the Risk Committee
72	The risk management committee shall convene periodically at least once every six months, and as may be necessary.	A non-binding guiding article. The Audit Committee performs the functions of the Risk Committee
83	The Board shall establish clear and written policies and procedures regulating the relationship with Stakeholders with the aim of protecting them and safeguard their rights, which shall include the following, in particular: 1)Methods to compensate Stakeholders when their rights established by laws or protected by contracts are infringed; 2)Methods for resolving complaints or disputes that may arise between the Company and the Stakeholders; 3)Methods for building good relationships with customers and suppliers and maintaining the confidentiality of their information; 4)Rules of professional conduct for Company managers and employees that are prepared in compliance with the proper professional and ethical standards and regulate their relationship with Stakeholders, provided that the Board shall establish mechanisms for supervising the implementation of, and compliance with such rules; 5)The Company's social contributions; 6)Ensuring that the Company's transactions with Board members and Related Parties are entered into on terms identical to the terms of transactions with Stakeholders without any discrimination or bias; 7)Stakeholders obtaining of information relevant to their activities to enable them to perform their duties. Such information shall be correct and sufficient and shall be provided in timely manner and on a regular basis; and 8)Treating Company employees pursuant to the principles of justice and equality and without discrimination.	
85	The Company shall establish programmes for developing and encouraging the participation and performance of the Company's employees. The programmes shall particularly include the following: 1) Forming committees or holding specialised workshops to hear the opinions of the Company's employees and discuss the issues and topics that are subject to important decisions; 2) Establishing a scheme for granting Company shares or a percentage of the Company profits and pension programmes for employees, and setting up an independent fund for such programme; and 3) Establishing social organisations for the benefit of the Company's employees.	Non-binding guidance article. The company carries out various incentive programs
88	The Board shall establish programmes and determine the necessary methods for proposing social initiatives by the Company, which include: 1) Establishing indicators that link the Company's performance with its social initiatives and comparing it with other companies that engage in similar activities; 2) Disclosing the objectives of the Company's social responsibility to its employees and raising their awareness and knowledge of social responsibility; 3) Disclosing plans for achieving social responsibility in the periodical reports on the activities of the Company's; and 4) Establishing awareness programmes to the community to familiarise them with the Company's social responsibility.	Non-binding guidance article. The company undertakes various social initiatives
95	If the Board forms a corporate governance committee, it shall assign to it the competencies stipulated in Article (94) of these Regulations. Such committee shall oversee any matters relating to the implementation of governance, and shall provide the Board with its reports and recommendations at least annually.	A non-binding guiding article. Various parties in the company supervise corporate governance and its tasks

## Accordingly, the Company has committed to implementing the basic requirements, including:

### Declarations of the Board of Directors according to the requirements of the governance regulation

1-Preparing the Board of Directors' report in accordance with the offering rules and continuing obligations issued by the Capital Market Authority, the corporate governance regulations, the Companies Law and its amendments, and the regulatory controls and procedures issued in implementation of the Companies Law for listed joint-stock companies issued by the Capital Market Authority.

2-The members of the Board of Directors have filled out and signed the undertakings, declarations and disclosure forms required by the Capital Market Authority.

3-Commitment to applying the amendments approved by the Capital Market Authority to the corporate governance regulations.

4-Preparing a governance system for the company in accordance with the rules of the Corporate Governance Regulations and other systems and regulations issued by the Authority.

5-There is no conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors regarding the appointment of the auditor. Rather, there is agreement between the recommendations of the Committee and the Board of Directors regarding the continuation of the appointment of the external auditor of the company.

6-No recommendation was issued by the Audit Committee regarding the need to appoint an internal auditor for the company, as the company has an internal audit department.

7-There is no difference from the accounting standards issued by the Saudi Organization for Certified Public Accountants regarding the review and evaluation of the company's financial statements during the year 2022G.

8-There is no interest in the category of shares with voting right belonging to persons (other than members of the Board of Directors, senior executives and their relatives) who informed the company of these rights and any change in those rights during the year 2022G.

9-There are no transferable debt instruments, any contractual securities, subscription right notes, or similar rights issued or granted by the company during 2022G.

10-There are no transfer or subscription rights under convertible debt instruments, contractual securities, subscription right notes or similar rights issued or granted by the company during the year 2022G.

11-No redeemable debt instruments were redeemed, purchased or canceled by the company or any of its subsidiaries, and no listed securities were purchased either from the company or its subsidiary.

12-No agreement was concluded under which a member of the company's board of directors or a senior executive waived any salary or compensation for the year 2022G.

13-There is no agreement under which one of the company's shareholders waived any rights to profits.

14-The chartered accountant's report did not include any reservations about the financial statements.

15-There was no recommendation by the Board of Directors to replace the Company's chartered accountant before the end of the period for which he was appointed.

### Other Declarations

11-The Board of Directors acknowledges that the account records have been properly prepared.

2-The Board of Directors acknowledges that the internal control system has been prepared on sound foundations and has been effectively implemented.

3-The Board of Directors acknowledges that there is no doubt about the company's ability to continue its activities.

# Promising development and growth

