



شركة القصيم القابضة للاستثمار
ALGASSIM INVESTMENT HOLDING CO.

Annual Report

2023



The shareholders of ALGASSIM INVESTMENT HOLDING CO.

Peace, mercy and blessings of Allah

The Board of Directors of ALGASSIM INVESTMENT HOLDING CO. is pleased to present to you the annual report on the operations and results of the Company for the financial year ended December 31, 2023. As in previous years, the Board of Directors is currently working on developing the Company's strategy and future plans to optimize the Company's investment returns, which will contribute to achieving your ambitions and aspirations, God willing.

The following is a review of the results of company's business during the year 2023 AD

1. Financial results:

The final results of the Company's operations for the year 2023 showed a net loss of SAR 6.71 million, compared to a net profit of SAR 7.05 million in 2022. The main reason for this was the recognition of an impairment loss on investment properties of SAR 5.17 million during the current year, compared to the reversal of an impairment loss on investment properties of SAR 19.06 million in the previous year 2022. This is in addition to the increase in the provision for Zakat made during the current year compared to the previous year, despite the decrease in general and administrative expenses and the reversal of the provision for expected credit losses during the current year compared to the provision made in the previous year. There was also an increase in the value of unrealized gains on financial assets at fair value and other income during the current year compared to the previous year.

The results also showed an operating loss during 2023 of SAR 1.68 million, compared to a profit of SAR 14.75 million during 2022.

Revenues during the current year reached SAR 10.466 million, compared to SAR 10.862 million during the previous year, a decrease of 3.64%.

The total comprehensive loss for the current year was SAR 6.80 million, compared to comprehensive income of SAR 7.27 million during the previous year. The main reason is the recognition of an impairment loss on investment properties of SAR 5.169 million during the current year, compared to the reversal of an impairment loss on investment properties of SAR 19.062 million in 2022. This is in addition to the increase in the Zakat provision made during the current year compared to the previous year, despite the decrease in general and administrative expenses, the reversal of the provision for expected credit losses during the current year compared to the provision made in the previous year, and the increase in unrealized gains on financial assets at fair value and other income during the current year compared to the previous year.

Shareholders' equity as of December 31, 2023 amounted to SAR 296,360,400 compared to SAR 303,164,558 as of December 31, 2022, a decrease of 2.24%. The decrease is due to the loss incurred during 2023.

2. Description of the Company's main activities:

A) Agricultural Activity:

1. Sheri palm and date plantation project generated revenues of SAR 4.79 million during 2023, compared to SAR 4.98 million during 2022.
2. The dairy factory has been inactive for several years. The Company has offered the site for investment. The factory recorded a loss of SAR 0.079 million during 2023, compared to a loss of SAR 0.080 million during 2022.

In total, this activity recorded a net loss of SAR 0.496 million during 2023, compared to a loss of SAR 4.58 million in 2022. The main reason for the lower loss in the current year compared to the previous year is the reversal of provisions for expected credit losses during 2023, despite the decrease in financing income that naturally decreases year after year, and the increase in the Zakat provision for the current year compared to the previous year.

B) Industrial activity:

- 1. The dates factory had no operating income during 2023. The Company has offered the site for investment. The factory recorded a net profit of SAR 0.4 million during 2023, compared to a loss of SAR 1.04 million during 2022.
- 2. The dairy factory has been inactive for several years. The Company has offered the site for investment. The factory recorded a loss of SAR 0.079 million during 2023, compared to a loss of SAR 0.080 million during 2022.

In total, this activity achieved a positive result of SAR 0.325 million during 2023, compared to a negative result of SAR 1.123 million during 2022.

C) Investment activity:

During 2023, the Company's investments in other companies generated dividend income of SAR 412,500, compared to SAR 337,500 during 2022.

During 2023, the Company's returns from Sharia-compliant bank deposits and investments generated income of SAR 1,702,010, compared to SAR 15,527 during 2022.

During 2023, the Company recorded unrealized gains on financial assets at fair value through profit or loss of SAR 2,392,032 as a result of changes in the fair value of its investments in companies, compared to SAR 110,347 during 2022.

Based on the valuation of investment properties prepared by an approved appraiser, an impairment loss on those investments of SAR 5,169,134 was recognized during the current year 2023, compared to the reversal of an impairment loss of SAR 19,062,626 during 2022.

Impact of activities on the Company's revenues:

Statement	Activity revenue/SR	%
Agricultural Activity	10.466.253	100%
Industrial activity	0	0
TOTAL	10.466.253	100%

3. Description of the Company's important plans, decisions and future business expectations:

Future plans:

The Company is working to enhance and develop its revenues by forming strategic partnerships and optimizing the use of the Company's assets.

The Company's plans in this area include:

Exploring economically feasible investments.

Studying acquisitions of outstanding companies.

Seeking to complete the procedures for the Company's ownership of the land granted to it in the Sheri region.

4. Information on any risks facing the Company and its policy for managing and monitoring these risks:

A. Risks facing the Company include:

Potential impact of not obtaining a title deed for the entire area of the land granted to the Company, which could affect the Company's revenues as this is linked to lease contracts for the project. To address this, the Company has filed a lawsuit against the Ministry of Environment, Water and Agriculture branch in Al-Qassim region to cancel the implicit decision of refraining from appealing to obtain ownership of the entire area it has developed of the land granted to it.

Concentration of the Company's revenues among a limited number of clients. The Company is looking for investment opportunities to diversify its revenues and expand its client base.

Impact of the implementation of international standards on the Company's results, especially fair value.

Credit risks, which are risks of a party's inability to fulfill its obligations, leading to financial losses for the other party. The Company recognizes receivables net of expected credit loss provisions.

Increases in residency and visa fees for residents, impacting labor costs. To address this, the Company is restructuring its human resources.

Increases in energy prices, impacting operating costs.

Lack of financing and increased cost of financing.

General regulatory, procedural and economic risks.

B. Risk management policy:

The Company has a risk management policy that was approved by the Board of Directors on 25/03/2020.

5. Subsequent events:

None.

6. Summary table or chart of the Company's assets, liabilities, and operational results over the past five years.

Comparison of operational results:

Statement	2023	2022 (adjusted)	2021	2020 (adjusted)	2019
Revenues	10.466.253	10.862.021	11.372.882	11.657.910	11.997.802
Revenues Cost	(1.512.945)	(1.721.306)	(1.795.722)	(1.752.344)	(1.709.361)
Gross Profit	8.9853.308	9.140.715	9.577.160	9.905.566	10.288.441
Net profit/(loss) for the year	(6.713.311)	7.049.432	1.089.793	(5.127.698)	(14.649.231)

• Comparing assets and liabilities:

Statement	2023	2022 (adjusted)	2021 (adjusted)	2020	2019
Non-current assets	Current assets	389.081.774	424.609.602	406.132.991	407.850.565
Current assets	51.266.702	43.709.036	27.433.857	35.348.551	40.811.967
Total assets	432.743.935	432.790.810	452.043.459	441.481.542	448.662.532
Non-current liabilities	58.892.812	58.623.316	59.195.926	58.982.029	58.865.766
Current liabilities	77.490.723	71.002.936	96.952.000	93.757.501	94.622.211
Total liabilities	136.383.535	129.626.252	156.147.926	152.739.530	153.487.977

Financial assets at fair value through profit or loss have been reclassified from current assets to non-current assets to be consistent with the current year classification.

7. Geographical analysis of the Company's revenues:

Total Company revenues during 2023 amounted to SAR 10.466 million compared to SAR 10.862 million during 2022, distributed as follows:

SN.	Project	Revenues (SAR 000)		Total 2023	Total 2022 (Restated)
		Internal	External		
1	Shri Project	4.795	0	4.795	4.984
2	Poultry Project	5.671	0	5.671	5.878
	TOTAL	10.466	0	10.466	10.862

Note that these revenues were generated from the Company's projects in the Qassim region.

8. Explanation of any material variances in operating results compared to the previous year's results:

Statement	2023	2022 (adjusted)	Changes (+) or (-)	Change %
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Revenue / Sales	10.466.253	10.862.021	-395.768	3.64%
Cost of revenue / sales	(1.512.945)	(1.721.306)	-208.361	12.104%
Gross Profit	8.953.308	9.140.715	-187.407	2.05%
General and administrative expenses	(5.670.060)	(6.823.799)	-1.153.739	16.91%
Impairment loss reversal / (loss) on investment properties	(5.169.134)	19.062.626		
Provisions reversed / (made)	206.440	(6.624.980)		
Operating (loss) / profit	(1.679.446)	(14.754.562)		

The decrease in revenue/sales during 2023 is due to the decrease in financing income from lease contracts, which naturally decreases year after year, in addition to the decrease in sales of palm orchard dates compared to the previous year.

The decrease in general and administrative expenses during 2023 compared to 2022 is mainly due to the decrease in professional and consultancy fees, salaries and the like, and depreciation of property, plant and equipment during the current year compared to the previous year.

The reason for the operating loss during 2023 is mainly due to the recognition of an impairment loss on investment properties of SAR 5.17 million during the current year compared to the reversal of an impairment loss on investment properties of SAR 19.06 million in 2022, despite the decrease in general and administrative expenses during 2023, the reversal of provision for expected credit losses during the current year compared to provisions made for expected credit losses during the previous year.

9. Explanation of any deviation from the accounting standards adopted by the Saudi Organization of Chartered Accountants.

None.

10. Name of each subsidiary, its capital, the company's ownership percentage, its main activity, the country of its main operations, and its country of incorporation.

None.

11. Details of shares and debt instruments issued by each subsidiary.

None.

12. Description of the Company's policy for distributing share dividends.

Article (44) (Distribution of Dividends)

Subject to the provisions of other relevant regulations, the Company's net annual profits after deducting all general expenses and other costs including Zakat levied in accordance with Sharia shall be distributed as follows:

1. 10% of net profits shall be set aside to form a statutory reserve. The Ordinary General Assembly may discontinue this deduction once the said reserve reaches 30% of the paid-up capital.
2. The remainder shall be distributed after that as a first payment to the shareholders equal to 5% of the paid-up capital.
3. After the above, up to 10% of the remainder shall be allocated for the remuneration of the Board of Directors, provided that entitlement to this remuneration is proportional to the number of meetings attended by the member.
4. The remainder after that shall be distributed to the shareholders as an additional share of the profits. Interim dividends may be distributed to shareholders on a semi-annual or quarterly basis in accordance with the controls set by the competent authority.

13. The proposed method for distributing dividends, the percentages of dividends distributed to shareholders during the different periods of the fiscal year, the proposed percentage for distribution at year-end, and the total of these dividends.

N/A.

14. Description of any interest in a class of voting shares held by persons other than the directors, senior executives and their spouses and minor children in the company's shares or debt instruments, or any change in such interest or rights which they have notified the company thereof.

No notification of any interest or change in such rights has been received during the financial year ended 31/12/2023.

15. Description of any interest, contractual securities and subscription rights belonging to the directors, senior executives and their relatives in the company's shares or debt instruments, or any change in such interest or rights during the last fiscal year.

- Shares owned by directors, senior executives, their wives and minor children and their ownership percentages, and any change in such interests during 2023:

Member Name	Number of shares at beginning of year	Number of shares at end of year	Change %	Debt instruments at beginning of year	Debt instruments at end of year	Change %	Reason for change
Abdulrahman Saleh Al-Hadheef	20.500	500	-97.56%	0	0	0	Sale of shares
Rashid Suleiman Al-Rashid	32.400	0	-100%	0	0	0	Sale of shares
Faisal Abdulkarim Al-Khamis	300	2800	833.33%	0	0	0	Purchase of shares
Ahmed Suleiman Al-Muzaini	129	129	0	0	0	0	-
Badr Hamad Al-Qadi	611	1	-99.84%	0	0	0	Sale of shares
Waleed Khalid Al-Qusaibi	0	0	0	0	0	0	-
TOTAL	53.940	3.430	-93.64%	0	0	0	

Number of shares at beginning of year : 53,940 shares

Ownership percentage at beginning of year : 0.001%

Net change in number of shares during the year: (50,510) shares

Change percentage during the year :93.64%

- These shares do not include any rights for the wives and minor children of directors and senior executives.
- The Company did not issue any debt instruments during the 2023 fiscal year.

16. Information on any loans on the Company, whether payable on demand or otherwise.

- 1- None.
- 2- Declaration: The Company declares that there are no loans payable during the 2023 fiscal year.

17. Description of the categories and numbers of any convertible debt instruments into shares or any option rights or subscription memoranda issued during the fiscal year, explaining any consideration the Company received in return thereof.

None.

18. Description of any conversion or subscription rights under convertible debt instruments into shares granted by the Company.

None.

19. Description of any redemption, purchase or cancellation by the Company of any redeemable debt instruments.

None.

20. Disclosure of treasury shares held by the Company and details of the use of such shares.

None.

21. Description of any transaction between the Company and a related party.

None.

22. Information relating to any business or contracts in which the Company was a party or in which a board member or a senior executive had a material interest, or relating to any person connected to any of them.

A- None.

B- Declaration: The Company declares that it did not enter into any contracts during 2023 in which a board member, senior executive, or any person connected to any of them had a material interest.

23. Statement of any arrangements or agreements under which a board member or senior executive has waived any salary or compensation.

None.

24. Statement of any arrangements or agreement under which a shareholder has waived any rights to dividends.

None.

25. Statement of statutory payments to government entities (SAR):

Statement	2023		Brief Description	Reasons
	Paid	Due and unpaid at year-end		
*** Zakat	3.174.891	21.633.453	Paid amount represents Zakat due for 2022 plus payment of part of Zakat differences.	Due amount represents Zakat provision for 2023, and provision for differences related to prior years.
Tax	1.816.990	(106.298)	Represents paid VAT and withholding tax during 2023.	Due balance for the Company according to Q4 2023 declaration and unpaid tax from Al-Watania Poultry.
Social insurance	262.360	23.752	Amount of contributions paid to GOSI during 2023.	Due amount represents December 2023 contributions to be paid in January 2024.
Visas and residencies	84.750	0	Visa and labor office fees and residency renewals	
Other	18.403	0	Traffic, subscriptions and others	
TOTAL	5.357.394			

*** Brief description of Zakat:

- The Company obtained a final assessment for prior periods up to 2006.
- For the years 2007-2022, Zakat declarations were submitted and due Zakat was paid for those years according to the declarations. The Company has obtained a final certificate for 2022, and the GAZT has issued assessments for 2014-2020 which the Company has objected to as follows:

2014-2015: Zakat assessment was received and the Company objected to the assessment and filed an appeal against items not agreed upon by the Appeals Committee. A final decision was issued by GAZT for 2014. The Company is still awaiting the Appeals Committee decision for 2015, with a net assessment of SAR 300,728.

2016-2017: Zakat assessment was received and the Company objected and filed an appeal. The Appeals Committee decision rejected the petition. The Company requested reconsideration of the Appeals Committee decisions, which is still pending. The Company paid 20% of total obligation to enable installment request. GAZT approved 12-month installments only. 36-month installments were requested again from GAZT. First installment per current schedule was paid pending GAZT reconsideration of re-scheduling request. Net assessment value is SR 5.198.993.

In 2018, the company received a zakat assessment and objected to the zakat assessment by submitting an appeal and petition. All requests were rejected and the 2018 zakat liability became final and cannot be challenged. The net value of the assessment is 3,745,135 Saudi Riyals.

In 2019 and 2020, the company received zakat assessments and objected by submitting lawsuits to the Appeals Committee. A hearing date has not been set with the Appeals Committee as of now. The case is still under technical study and the net value of the assessment is 5,898,314 Saudi Riyals.

In 2021 and 2022, the Authority issued a preliminary assessment of 6,753,053 Saudi Riyals. The company objected to it. A final assessment has not been issued yet. Accordingly, the company's management decided to

create a provision for these assessments at 25%, estimated at 1,688,264 Saudi Riyals as a precaution until a final assessment is received from the Authority.

By the end of 2023, the company owes 21,633,453 Saudi Riyals representing the zakat provision for 2023 in addition to provisions made to meet existing and potential liabilities for the years 2014: 2022

26. A statement of the value of any investments or other reserves created for the benefit of the company's employees: -

None.

27. Statement of cases raised by third parties against the company and by the company against third parties.

The substantial existing and raised cases (by/against) the company are summarized as follows:

There is a legal dispute between the company and the Ministry of Environment, Water and Agriculture branch ("Ministry branch") in Al-Qassim region, concerning the request to cancel the negative decision represented by the Ministry branch's refusal to raise to the Supreme Authority the request to grant the company ownership of the full area it had cultivated from the land allotted to it. An approval was issued from the Supreme Authority to grant the company ownership of only 74 million square meters of the total land area of 116 million square meters. It is noted that assuming the company loses the case, it will significantly impact the company given the disputed land is tied to the rental income contracts the company entered into with third parties, which represents its main source of income, and expected losses can only be determined upon final ruling in the dispute. On March 30, 2021 corresponding to 17/8/1442H, a ruling was issued rejecting case no. (228) for the year 1442H. The company appealed the ruling before the Administrative Court of Appeals, and the case was registered under no. 446/1442 at the Administrative Court of Appeals in Al-Qassim region, which issued a ruling overturning the ruling dated March 30, 2021 corresponding to 17/8/1442H related to case no. (228) for the year 1442H, rejecting the case, and canceling the negative decision by the Ministry of Environment, Water and Agriculture represented by its refusal to refer the company's appeal on not acquiring full ownership of the area it had cultivated from the land allotted to it, to the committee stipulated in Article Ten of the Regulation for Distributing Dead Lands. The ruling was received on 03/03/1443H and a request was submitted to register the case before the committee, with no response from the committee yet. On 02/07/1444H, the Supreme Administrative Court requested the defendant to complete the data and documents within 30 days. A hearing was scheduled at the Supreme Administrative Court on 20/09/1444H. The appeal submitted by the Ministry of Agriculture against the ruling by the Administrative Court of Appeals in Al-Qassim region was accepted, overturning the appealed ruling and returning it to the Appeals Court in Al-Qassim region for reconsideration. The next hearing was scheduled on 20 Shawwal 1444H at the Appeals Court in Al-Qassim region. The Appeals Court in Al-Qassim region issued a ruling accepting the appeal in form and affirming the ruling by the First Division of the Administrative Court in Buraydah issued on 17/8/1442H rejecting the case filed by the company against the Ministry of Environment, Water and Agriculture branch in Al-Qassim region. Appropriate procedures will be taken to claim ownership of the remaining cultivated land area after receiving the ruling deed. On May 31, 2023, the company submitted a grievance to the Dead Lands Disputes Committee at the Ministry of Environment, Water and Agriculture, which is under review by the competent committee.

On May 18, 2021, the company received a letter from the Ministry of Environment, Water and Agriculture dated 24 Ramadan 1442H concerning Shari land, in which the Ministry demanded the payment of the rental value of the trespassed area which the company had cultivated from the date of trespassing until 24 Ramadan 1442H to the state treasury for the benefit of the Ministry. Given an existing dispute filed by the company against the Ministry of Environment, Water and Agriculture branch in which the company requests canceling the decision to refrain from raising to the Supreme Authority the request to grant the company ownership of the full area it cultivated from the land allotted to it, the Ministry has no right to claim rental fees before ruling on the company's ownership of the land. The company objected to the decision on July 14, 2021.

The company's case against Al-Bundariya Group is a financial case with the claimed amount of 27,828,162 Saudi Riyals against Al-Bundariya Group. The case is being heard before the Commercial Court in Riyadh. A ruling was issued in the company's favor obliging the defendant to pay the aforementioned amount on 14/5/1439H corresponding to 31/1/2018. The ruling is final in the company's favor. The ruling deed was submitted as an executive bond before the Execution Court. The defendant filed a reconsideration petition against the ruling on 14/5/1440H, which was rejected. However, the plaintiff appealed the rejection ruling on 18/2/1442H, which was also rejected. The defendant filed another reconsideration petition on 11/8/1442H and a hearing was scheduled for 5/4/1443H corresponding to November 11, 2021. The Appeals Court issued a decision to suspend implementation of the ruling pending a decision on accepting or rejecting the reconsideration petition. A hearing was scheduled for 15/11/1443H. In its session on 28/2/1443H, after several hearings, the First Appeals Division issued its ruling suspending implementation of the ruling by the Second Commercial Division of the Commercial Court in Riyadh issued on 14/5/1439H, in which the judge obligated the jointly liable defendants to pay 27,828,162 Saudi Riyals to Al-Qassim Agricultural Company. After holding several pleading and deliberation sessions up until the session on 7/4/1444H, the First Appeals Division pronounced its ruling overturning the suspension of the Fifteenth Execution Court's decision contained in its ruling issued on 1/2/1443H mentioned above, and affirmed the ruling by the Second Commercial Division dated 19/1/1442H rejecting the reconsideration petition submitted by the defendant for reasons detailed in the grounds. The ruling was received on 15/04/1444H and is final in the company's favor. Work was undertaken to implement Article 46 of the Execution Regulations against the defendant Al-Bundariya Group.

On April 5, 2023, Fiqih Poultry Farms filed a case against Mr. Abdullah Al-Muhous, former Board Member of ALGASSIM INVESTMENT HOLDING CO., as the company had authorized and delegated the former Board Member (Abdullah Al-Muhous) to complete the procedures for issuing title deeds for ministerial agricultural decisions, which are the remaining title deeds to complete the sale of the company's agricultural project in Al-Jouf region to Fiqih Poultry Farms, provided that ALGASSIM INVESTMENT HOLDING CO. receive the remaining dues of 1,840,000 SAR in return for obtaining and registering the deed. The former Board Member (Abdullah Al-Muhous) obtained the deed and registered the land in his personal name, then refused to transfer the property to Fiqih Poultry Farms despite being authorized to do so by the company's Board of Directors. Accordingly, Al-Faqih Farms sought a ruling that it owns the land. ALGASSIM INVESTMENT HOLDING CO. was included in the case by court order, whereby Al-Qassim Holding Company confirmed the merits of the case and Al-Faqih Poultry Farms' ownership of the disputed land. The final ruling was issued on 18 Rabi Al-Thani 1445H corresponding to November 2, 2023 granting ownership of the land to Al-Faqih Poultry Farms and obliging the defendant to transfer the deed to Al-Faqih Poultry Farms. Accordingly, the company's management expects that ALGASSIM INVESTMENT HOLDING CO. will receive 1,840,000 SAR from Al-Faqih Poultry Farms upon transferring the deed in its name.

28. Affirmations:

The company affirms the following:

- a- The accounting records have been properly prepared.
- b- The internal control system has been designed on sound bases and implemented effectively.
- c- There are no significant doubts concerning the company's ability to continue its operations.

29. Does the external auditor's report contain any reservations on the annual financial statements?

There are no reservations, but an emphasis of matter paragraph states the following:

Notice:

We draw attention to Note 13 and Note 31, which refers to a legal dispute between the Company and a branch of the Ministry of Environment, Water and Agriculture (the "Ministry's branch") in Al-Qassim region, relating to the cancellation of the implicit refusal of the Ministry's branch to raise to the Supreme Authority the request to

grant the Company the full area it had cultivated from the land allotted to it. An approval was issued from the Supreme Authority to grant the company ownership of only 74 million square meters of the total land area of 116 million square meters. It is noted that assuming the company loses the case, it will significantly impact the company given the disputed land is tied to the rental income contracts the company entered into with third parties, which represents its main source of income, and expected losses can only be determined upon final ruling in the dispute. Our opinion has not been modified in respect of this matter.

Another matter:

The financial statements of the Company for the year ended December 31, 2022 were audited by another auditor who expressed an unmodified opinion on those financial statements dated 7 Ramadan 1444H corresponding to March 29, 2023.

30. Board of Directors' recommendation to change the external auditor before the end of the term:

None.

31. Corporate governance provisions implemented, not implemented, and reasons for not implementing:

The company implements all provisions in the Corporate Governance Regulations issued by the Capital Market Authority. Work is underway to update the below articles, noting that some are recommendatory articles.

SN.	Article/Paragraph No.	Article/Paragraph Text	Reasons for non-implementation
1	Article (37)	The company must give due attention to training and qualifying Board members and executive management.	Recommendatory article
2	Article (39) paragraphs (h) and (w)	The Board shall make the necessary arrangements to obtain an assessment of its performance from an external specialized party every three years. Non-executive Board members shall periodically evaluate the performance of the Chairman of the Board after soliciting the opinions of executive members without the Chairman present – identifying strengths and weaknesses and proposing remedies in line with the company's interests.	Recommendatory article
3	Articles (67), (68), (69)	Formation of the Risk Management Committee, its competencies and meetings.	Recommendatory article
4	Articles (73), (74), (75)	Establishment of the Internal Audit Unit, its plan and reports.	Recommendatory article
5	Article (82)	Incentivizing employees.	Recommendatory article
6	Article (92)	Formation of the Corporate Governance Committee.	Recommendatory article

32. Names of Board Members, Committee Members, Executive Management and their current and previous positions, qualifications and experiences:

A- Board Members:

SN.	Name	Current Positions	Previous Positions	Qualifications	Experiences
1	A) Abdulrahman	Self-employed	- Member of Commercial	Bachelor of Psychology	From 1996 to 2018 in the

	Saleh Al-Hadheef		Committee at Saudi Football Federation. Chairman of Board of National Agricultural Marketing Company. Regional Coordination Manager in Human Resources Department at Al Rajhi Bank. Ministry of Labor and Social Affairs.		following fields: 1- Ministry of Labor and Social Affairs. 2- Al Rajhi Bank. 3- Chairman of Board of National Agricultural Marketing Company (Thimar). 4- Member of Commercial Committee at Saudi Football Federation.
2	A) Mr. Rashid Suleiman Alrashid	Finance CEO/ Bank of New York Mellon Saudi Arabia.	Finance CEO and Risk Management/Ashmore Saudi Arabia Financial. Finance CEO - Deutsche Financial Saudi Arabia.	Bachelor of Business Administration - Accounting CME-1	Experiences in several fields. Financial Management, Risk Management, Financial Analysis, Financial Reporting and Accounting.
3	Mr. Badr Hamad Alqadi	General Manager of Support Centers, Events and Sponsorships at Munshaat.	Executive Director of Media and Sponsorships at Mobily. Team Leader of Sponsorships and Events at Zain.	Master of Public Relations and Communications Bachelor of English Language.	Marketing, Public Relations, Translation and Editing.
4	Mr. Waleed Khalid Alqusaibi	Board Member at: Ahmad Hamad Alqusaibi and Brothers Company. Takmo Arabia Company.	Assistant Vice President at Ahmad Hamad Alqusaibi and Brothers Company. Executive Director at Alqusaibi Food Company.	Bachelor of Business Administration.	Real estate, food industries, insulation materials and travel and tourism.

	Alqusaibi Food Company. Saudi Arabian Solar Energy Company.	General Manager of Alsharqia Insulation Company. General Manager of Tekmo Arabia Company. General Manager at Yousef Alqusaibi Travel and Tourism Agency. Head of Real Estate Department at Ahmad Hamad Alqusaibi and Brothers Company. Member of Industrial Committee at the Eastern Chamber of Commerce. Former Member of Executive Committee of the French Business Council at the Riyadh Chamber of Commerce.	
5	Dr. Faisal Abdulkarim Alkhamis Managing Director at ALGASSIM INVESTMENT HOLDING CO.	Staff Member in the College of Economics and Administration at Qassim University. Advisor to the President of the Heritage Commission.	35 years in the following fields: Teaching at the College of Economics and Administration at Qassim University. Advisor to the Emir of Qassim Region. Supervisor of Investment Development Committee in Qassim Region.
			Advisor to the President of the Heritage Commission.

		<p>Advisor to the President of the Association Support Fund. Supervising the national program for developing crafts and handicrafts. Dean of Faculty Affairs at Qassim University. Secretary General of the Chamber of Commerce and Industry in Qassim Region. Advisor at the Saudi Commission for Tourism and National Heritage. Member of the Municipal Council in Qassim Region.</p>
<p>6 Mr. Ahmed Sulaiman Almazaini</p>	<p>Executive Partner at Quality and Time Business Services Co. Executive Consultant and Transformation Project Manager at Madar Investment Company. Establishment Project Manager and CEO at Mulkiya Investment Company. Deputy CEO for Strategies and Risks at Manafe Holding Company. Deputy CFO at Cars and Equipment Services Company (SASCO). Deputy CFO at Arjan Projects Company. Founder and Manager of Financial Consulting and Business Development at Al-</p>	<p>Over 22 years of experience in various executive and advisory positions including: Business Transformation / Formulating operational and investment strategies and executing them. IPOs and private placements. Startup initiation and management. Feasibility studies / valuation of economic entities. Project management / developing financial systems and models. Developing governance environment and systems. Financial and accounting consulting. Risk management and compliance / financial analysis.</p>

Fareeq Al-Awal Company.
 Financial Accounting Manager and ERP system co-implementer at Al Bilad Bank.
 Organizational Development and Business Process Engineering project manager – Financial Operations Dept. – Saudi Commission for Tourism and National Heritage.
 Several consulting positions at Ernst & Young Global.

B- Committee Members:

SN.	Name	Current Positions	Previous Positions	Qualifications	Experiences
1	Mr. Abdulrahman Saleh Al-Hadheef	Self-employed	- Member of Commercial Committee at Saudi Football Federation. Chairman of Board of National Agricultural Marketing Company. Regional Coordination Manager in Human Resources Department at Al Rajhi Bank. Ministry of Labor and Social Affairs.	Bachelor of Psychology	From 1996 to 2018 in the following fields: 1- Ministry of Labor and Social Affairs. 2- Al Rajhi Bank. 3- Chairman of Board of National Agricultural Marketing Company (Thimar). 4- Member of Commercial Committee at Saudi Football Federation.

2	Mr. Rashid Suleiman Alrashid	Finance CEO/ Bank of New York Mellon Saudi Arabia.	CEO/ Saudi Finance - Deutsche Financial Saudi Arabia.	Finance CEO and Risk Management/Ashmore Saudi Arabia Financial. CEO - Deutsche Financial Saudi Arabia.	Bachelor of Business Administration - Accounting CME-1	Experiences in several fields. Financial Management, Risk Management, Financial Analysis, Financial Reporting and Accounting.
3	Mr. Badr Hamad Alqadi	General Manager of Support Centers, Events and Sponsorships at Munshaat.	Executive Director of Media and Sponsorships at Mobily. Team Leader of Sponsorships and Events at Zain.	Executive Director of Media and Sponsorships at Mobily. Team Leader of Sponsorships and Events at Zain.	Master of Public Relations and Communications Bachelor of English Language.	Marketing, Public Relations, Translation and Editing.
4	Mr. Waleed Khalid Alqusaibi	Board Member at: Ahmad Hamad Alqusaibi and Brothers Company. Takmo Arabia Company. Alqusaibi Food Company. Saudi Arabian Solar Energy Company.	Assistant Vice President at Ahmad Hamad Alqusaibi and Brothers Company. Executive Director at Alqusaibi Food Company. General Manager of Alsharqia Insulation Company. General Manager of Tekmo Arabia Company. General Manager at Yousef Alqusaibi Travel and Tourism Agency. Head of Real Estate Department at Ahmad Hamad Alqusaibi and Brothers Company. Member of Industrial Committee at the Eastern Chamber of Commerce. Former Member of Executive Committee	Assistant Vice President at Ahmad Hamad Alqusaibi and Brothers Company. Executive Director at Alqusaibi Food Company. General Manager of Alsharqia Insulation Company. General Manager of Tekmo Arabia Company. General Manager at Yousef Alqusaibi Travel and Tourism Agency. Head of Real Estate Department at Ahmad Hamad Alqusaibi and Brothers Company. Member of Industrial Committee at the Eastern Chamber of Commerce. Former Member of Executive Committee	Bachelor of Business Administration.	Real estate, food industries, insulation materials and travel and tourism.

				of the French Business Council at the Riyadh Chamber of Commerce.
5	Dr. Faisal Abdulkarim Alkhamis	Managing Director at ALGASSIM INVESTMENT HOLDING CO.	Staff Member in the College of Economics and Administration at Qassim University. Advisor to the President of the Heritage Commission.	PhD in Management and Economics Master of Public Administration. Bachelor of Administrative Sciences. 35 years in the following fields: Teaching at the College of Economics and Administration at Qassim University. Advisor to the Emir of Qassim Region.
				Supervisor of Investment Development Committee in Qassim Region. Advisor to the President of the Heritage Commission. Advisor to the President of the Association Support Fund. Supervising the national program for developing crafts and handicrafts. Dean of Faculty Affairs at Qassim University. Secretary General of the Chamber of Commerce and Industry in Qassim Region. Advisor at the Saudi Commission for Tourism and National Heritage. Member of the Municipal Council in Qassim Region.
6	Mr. Ahmed Sulaiman Almazaini	CEO at Raseem Investment Company CEO at Al Quality and	Executive Partner at Quality and Time Business Services Co. Executive Consultant and Transformation	MBA with Honors. BBA in Business Administration and Economics – Accounting. Over 22 years of experience in various executive and advisory positions including: Business Transformation

Time Business Consulting Company.	Project Manager at Madar Investment Company. Establishment Project Manager and CEO at Mulkiya Investment Company. Deputy CEO for Strategies and Risks at Manafe Holding Company. Deputy CFO at Cars and Equipment Services Company (SASCO). Deputy CFO at Arjan Projects Company. Founder and Manager of Financial Consulting and Business Development at Al-Fareeq Al-Awal Company. Financial Accounting Manager and ERP system co-implementer at Al Bilad Bank. Organizational Development and Business Process Engineering project manager – Financial Operations Dept. – Saudi Commission for Tourism and National Heritage. Several consulting positions at Ernst & Young Global.	/Formulating operational and investment strategies and executing them. IPOs and private placements. Startup initiation and management. Feasibility studies / valuation of economic entities. Project management / developing financial systems and models. Developing governance environment and systems. Financial and accounting consulting. Risk management and compliance / financial analysis.
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C- Executive Management:

SN.	Name	Current Positions	Previous Positions	Qualifications	Experiences
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1	Dr. Faisal Abdulkarim Alkhamis	Managing Director at Al-Qassim Holding Investment Company from 01/11/2023.	Staff Member in the College of Economics and Administration at Qassim University. Advisor to the President of the Heritage Commission.	PhD in Management and Economics Master of Public Administration. Bachelor of Administrative Sciences.	35 years in the following fields: Teaching at the College of Economics and Administration at Qassim University. Advisor to the Emir of Qassim Region. Supervisor of Investment Development Committee in Qassim Region. Advisor to the President of the Heritage Commission. Advisor to the President of the Association Support Fund. Supervising the national program for developing crafts and handicrafts. Dean of Faculty Affairs at Qassim University. Secretary General of the Chamber of Commerce and Industry in Qassim Region. Advisor at the Saudi Commission for Tourism and National Heritage. Member of the Municipal Council in Qassim Region.
2	Mr. Mohammed Abdurrahman Alswaji	Acting CEO	Held several administrative positions in government and private entities. VP of the company. Acting CEO	Bachelor of Computer Science (Software Engineering). Diploma in Computer Science (Software).	Leadership, business development, restructuring, strategic planning and implementation. Software engineering, requirements analysis. Budgeting and costing, project scheduling, project planning and management, project monitoring, project

					implementation, effective communication.
3	Mr. Ahmed Mustafa Alshurbji	Acting CFO	Acting Chief Financial Officer - held several positions in the company.	BBA in Accounting	Over 34 years of experience in accounting and finance.

23. Names of companies inside/outside KSA where the board member is a current board member or manager

Member Name	Names of companies where the board member is a current board member or manager	Inside Saudi Arabia - Outside Saudi Arabia	Legal Entity (Listed Joint Stock / Unlisted Joint Stock) / Limited Liability / ...)	Names of companies where the board member is a previous board member or manager	Inside Saudi Arabia - Outside Saudi Arabia	Legal Entity (Listed Joint Stock / Unlisted Joint Stock) / Limited Liability / ...)
Mr. Abdulrahman Saleh Al-Hadheef	-	-	-	National Agricultural Marketing Company - Thimar	Inside Saudi Arabia	Listed Joint Stock
Mr. Rashid Suleiman Alrashid	Tourism Project Company - Shams Naseej International Company	Inside Saudi Arabia Inside Saudi Arabia	Listed Joint Stock Listed Joint Stock	-	-	-

	Abdullah Abdurrahman Al Rajhi and Sons Holding Company	Inside Saudi Arabia	Closed Joint Stock			
Dr. Faisal Abdulkarim Alkhamis	-	-	-	-	-	-
Mr. Ahmed Sulaiman Almazaini	Tunisian Saudi Bank. Gulf Union Cooperative Insurance Company.	Outside Saudi Arabia Inside Saudi Arabia	Joint Stock Listed Joint Stock Closed Joint Stock	Quality and Time Business Services Co. Thakher Development Company.	Inside Saudi Arabia Inside Saudi Arabia	Limited Liability Closed Joint Stock Limited Liability

Mr. Waleed Khalid Alqusaibi	Board Member at Ahmad Hamad Alqusaibi and Brothers Company. Board Member at Takmo Arabia Company.	Inside Saudi Arabia Inside Saudi Arabia	General Partnership Limited Liability	-	-	-
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	Board Member at Saudi Arabian Solar Energy Company. Member of Saudi Turkish Business Council. Member of Saudi Chinese Business Council.	Inside Saudi Arabia Inside Saudi Arabia Inside Saudi Arabia	Limited Liability Business Council Business Council			
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34. Composition of the Board of Directors and classification of its members:

A- Board Members for the term from 22/02/2023 to 21/02/2026:

SN.	Member Name	Position	Membership Classification (Executive/Non-Executive/Independent)		
			Executive	Non-Executive	Independent
1	Mr. Abdulrahman Saleh Al-Hadheef	Board Chairman			✓
2	Mr. Rashid Suleiman Alrashid	Chairman Deputy			✓
3	Mr. Badr Hamad Alqadi	Board Member		✓	
4	Mr. Waleed Khalid Alqusaibi	Board Member			✓
5	Dr. Faisal Abdulkarim Al-Khamis	Board Member	✓		
6	Mr. Ahmed Sulaiman Almazaini	Board Member			✓

35. Number of Board Meetings held during the last fiscal year and their dates, attendance record specifying names of attendees:

The Board held 8 meetings in 2023, attendance details are as follows:

Previous Board Term (22/02/2020 - 21/02/2023): 1 meeting, attendance details:

Member Name	Number of Meetings (1) Meeting	
	Meeting No. 293	TOTAL

	21/01/ 2023	
Mr. Saad Mohammed Ibrahim Saeed	✓	1
Mr. Badr Hamad Abdullah Alqadi	✓	1
Mr. Fahad Yahya Alyahya	✓	1
Mr. Waleed Khalid Ahmed Alqusaibi	✓	1
Mr. Humaid Abdullah Mohamed Alhumaid	✗	0
Mr. Abdullah Ibrahim Sulaiman Almahous	✓	1
Date of Last General Assembly Meeting: 16/02/ 2023		

Current Board Term (22/02/2023 - 21/02/2026): 7 meetings, attendance details:

Member Name	Number of Meetings (7) Meetings							TOTAL
	Meeting No. 294 26/02/ 2023	Meeting No. 295 29/03/ 2023	Meeting No. 296 22/05/ 2023	Meeting No. 297 13/08/ 2023	Meeting No. 298 04/10/ 2023	Meeting No. 299 08/11/ 2023	Meeting No. 300 10/12/ 2023	
Mr. Abdulrahman Saleh Al-Hadheef	✓	✓	✗	✓	✓	✓	✓	6
Mr. Rashid Suleiman Al-Rashid	✓	✓	✓	✓	✓	✓	✓	7
Dr. Faisal Abdulkarim Al-Khamis	✓	✓	✗	✓	✓	✓	✓	6
Mr. Ahmed Suleiman Al-Muzaini	✓	✓	✓	✓	✓	✓	✓	7
Mr. Badr Hamad Abdullah Alqadi	✗	✓	✓	✓	✓	✓	✓	6
Mr. Waleed Khalid Ahmed Alqusaibi	✓	✓	✓	✓	✓	✓	✓	7
Date of Last General Assembly Meeting: 19/10/ 2023								

36. Remuneration of Board Members:

Remuneration of Board Members (for previous term 22/02/2020 - 21/02/2023):

Statement	Fixed Remuneration							Total
	Specific amount	Attendance Allowance	Total Attendance Allowance	In-kind benefits	Amounts received by board members as employees or administrators or for technical, administrative or consulting work	Remuneration of Chairman of Board, Managing Director or Secretary, if a board member		
First: Independent Members								
Saad Mohammed Ibrahim Saeed	0	500	0	0	0	0	0	500
Badr Hamad Al-Qadi	0	500	0	0	0	0	0	500
Fahad Yahya Alyahya	0	500	0	0	0	0	0	500
Total	0	1500	0	0	0	0	0	1500
Second: Non-Executive Members								
Abdullah Ibrahim Sulaiman Almahous	0	500	0	0	0	0	0	500
Waleed Khalid Ahmed Alqusaibi	0	500	0	0	0	0	0	500
Humaid Abdullah Mohamed Alhumaid	0	0	0	0	0	0	0	0
Total	0	1000	0	0	0	0	0	1000

Statement	Variable Remuneration						End-of-service	Total	Expenses allowance
	Percentage of profits	Periodic bonuses	Short-term	Long-term	Granted shares	Total			

			incentiv e plans	incentiv e plans	(value entered)		e award		
First: Independent Members									
Saad Mohammed Ibrahim Saeed	0	0	0	0	0	0	0	5000	0
Badr Hamad Al- Qadi	0	0	0	0	0	0	0	5000	0
Fahad Yahya Alyahya	0	0	0	0	0	0	0	5000	0
Total	0	0	0	0	0	0	0	15000	0
Second: Non-Executive Members									
Abdullah Ibrahim Sulaiman Almahous	0	0	0	0	0	0	0	5000	0
Waleed Khalid Ahmed Alqusaibi	0	0	0	0	0	0	0	5000	0
Humaid Abdullah Mohamed Alhumaid	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	1000	0

Remuneration of Board Members (for current term 22/02/2023 - 21/02/2026):

Statement	Fixed Remuneration						
	Specific amount	Attendance Allowance	Total Attendance Allowance	In-kind benefits	Amounts received by board members as employees or administrators or for technical, administrative or consulting work	Remuneration of Chairman of Board, Managing Director or Secretary, if a board member	Total
First: Independent Members							
Mr. Abdulrahman Saleh Al-Hadheef	0	30000	25000	0	0	0	55000
Mr. Rashid Suleiman Al-Rashid	0	35000	65000	0	0	0	100000
Mr. Ahmed Suleiman Al-Muzaini	0	35000	10000	0	0	0	45000
Mr. Waleed Khalid Ahmed Alqusaibi	0	35000	55000				90000
Total	0	135000	155000	0	0	0	290000
Second: Non-Executive Members							
Mr. Badr Hamad Al-Qadi	0	35000	60000	0	0	0	95000
Total	0	35000	60000	0	0	0	95000
Third: Executive Members							
Dr. Faisal Abdulkarim Al-Khamis	0	30000	5000	0	0	0	35000
Total	0	30000	5000	0	0	0	35000

Statement	Variable Remuneration						End-of-service award	Total	Expenses allowance
	Percentage of profits	Periodic bonuses	Short-term incentive plans	Long-term incentive plans	Granted shares (value)	Total			

					entered)					
First: Independent Members										
Mr. Abdulrahman Saleh Al-Hadheef	0	0	0	0	0	0	0	0	55000	0
Mr. Rashid Suleiman Al-Rashid	0	0	0	0	0	0	0	0	10000 0	0
Mr. Ahmed Suleiman Al-Muzaini	0	0	0	0	0	0	0	0	45000	5000
Mr. Waleed Khalid Ahmed Alqusaibi	0	0	0	0	0	0	0	0	90000	2500
Total	0	0	0	0	0	0	0	0	29000 0	7500
Second: Non-Executive Members										
Mr. Badr Hamad Al-Qadi	0	0	0	0	0	0	0	0	95000	2500
Total	0	0	0	0	0	0	0	0	95000	2500
Third: Executive Members										
Dr. Faisal Abdulkarim Al-Khamis	0	0	0	0	0	0	0	0	35000	0
Total	0	0	0	0	0	0	0	0	35000	0

Committee Members Remuneration:

Statement	(Fixed rewards) except for the allowance for attending sessions	Attendance Allowance	Total
Members of the Audit Committee			
Mr. Rashid Suleiman Al-Rashid	-	45.000	45.000
Mr. Badr Hamad Al-Qadi	-	40.000	40.000
Mr. Waleed Khalid Al-Qusaibi	-	45.000	45.000
Total	-	130.000	130.000
Members of the Nominations and Remuneration Committee			
Dr. Faisal Abdulkarim Al-Khamis	-	5.000	5.000

Mr. Ahmed Suleiman Al-Muzaini	-	10.000	10.000
Mr. Waleed Khalid Al-Qusaibi	-	10.000	10.000
Mr. Abdulrahman Saleh Al-Hadheef	-	5.000	5.000
Total	-	30.000	30.000
Members of the Investment Committee			
Mr. Abdulrahman Saleh Al-Hadheef	-	20.000	20.000
Mr. Rashid Suleiman Al-Rashid	-	20.000	20.000
Mr. Badr Hamad Alqadi	-	20.000	20.000
Total	-	60.000	60.000

37. Payments to top executives during 2023 (including CEO, CFO):

Total compensation paid to top executives, namely the Managing Director for the period from 1 November 2023 to 31 December 2023, the Acting CEO, and the Acting CFO during 2023 is as follows:

Statement	Fixed Remuneration			
	Salaries	Allowances	In-kind benefits	Total
Total	567.600	353.748	0	921.348

• The company is committed to disclose compensation elements of top executives in aggregate as per regulatory requirements under paragraph (b) of Article 93 of the Corporate Governance Regulations, in order to protect the interests of the company, its shareholders and employees, and to avoid any harm that may result from detailed disclosure of titles and positions. Details have not been presented as stipulated in Appendix 1 related to top executives of the Corporate Governance Regulations.

38. Measures taken by the Board to inform its members, especially non-executives, of shareholders' proposals and remarks regarding the company and its performance:

The Chairman of the Board and CEO inform the Board members of shareholders' proposals and remarks regarding the company and its performance in the first Board meeting after receiving the proposal or remark. In urgent matters, the remark is circulated to Board members. Proposals and remarks of shareholders presented in General Assembly meetings are also discussed in the meeting of the Assembly.

39. A brief description of the committees' specializations and tasks

Audit Committee

The Committee shall have the following powers and authorities:

The Audit Committee is specialized in monitoring the company's operations and activities and verifying the integrity and fairness of the financial reports and internal control and financial systems of the company. The Committee's tasks include in particular the following:

• **Financial Reports:**

- Reviewing the company's interim and annual financial statements before presenting them to the Board and recommending their fairness, integrity and transparency.
- Expressing a technical opinion - at the request of the Board - on whether the Board of Directors' report and the company's financial statements are fair, balanced, understandable and contain information that allows

shareholders and investors to assess the company's financial position, performance, business model and strategy.

- Studying any important or unusual matters contained in the financial reports.
- Carefully examining any issues raised by the company's CFO or person undertaking his duties or the compliance officer or the external auditor of the company.
- Verifying the accounting estimates in material matters contained in the financial reports.
- Studying the accounting policy followed in the company and giving opinion and recommendation to the Board in this regard.

● **Internal Audit:**

- Studying and reviewing internal control and financial and risk management systems in the company.
- Studying internal audit reports and following up implementation of corrective procedures for observations contained therein.
- Overseeing and supervising the performance of the internal auditor and the internal audit department, if any, to ensure availability of necessary resources and their effectiveness in performing assigned tasks and duties.
- Recommending to the Board appointment of head of internal audit unit or internal auditor and proposing his remuneration.

● **External Auditor:**

- Recommending to the Board nomination of external auditors, their dismissal, determining their fees and assessing their performance after verifying their independence and reviewing scope of work and terms of contract with them.
- Verifying independence of the external auditor, his objectivity, fairness and effectiveness of audit activities while taking relevant rules and standards into consideration.
- Reviewing the external auditor's plan, work and ensuring he does not provide any technical or administrative works beyond audit work scope and expressing views thereon.
- Answering external auditor's inquiries.
- Studying external auditor's report and notes on financial statements and following up actions taken in their respect.

● **Compliance Guarantee:**

- Reviewing results of supervisory authorities' reports and ensuring the company takes necessary actions in their regard.
- Ensuring the company's compliance with relevant regulations, rules, policies and instructions.
- Reviewing contracts and transactions the company proposes to conduct with related parties and expressing views to the Board in their regard.
- Raising any matters it deems necessary for action to the Board and making recommendations on actions that should be taken.
- Reviewing Committee charter and assessing duties and controls periodically and recommending any amendments to the Board for study and recommendation to the General Assembly for approval.

The Audit Committee was formed from the following members for the new Board term and was approved by the General Assembly on 27/03/2023:

- Mr. Rashid Suleiman Alrashid Vice Chairman of the Board Committee Chairman

- Mr. Badr Hamad Alqadi Board Member Committee Member
- Mr. Waleed Khalid Alqusaibi Board Member Committee Member

Below are the name of Committee Chairman, members, number of meetings held during 2023, their dates and members' attendance of each meeting:

Name	Nature of Membership	Number of Meetings (9) Meetings									Total Attendance
		1 28/03/ 2023	2 16/04/ 2023	3 17/05/ 2023	4 12/08/ 2023	5 24/08/ 2023	6 21/09/ 2023	7 01/11/ 2023	8 08/11/ 2023	9 26/12/201 2023	
Mr. Rashid Suleiman Al-Rashid	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Mr. Badr Hamad Al-Qadi	Board Membe	✓	✓	✓	✓	x	✓	✓	✓	✓	8
Mr. Waleed Khalid Al-Qusaibi	Board Membe	✓	✓	✓	✓	✓	✓	✓	✓	✓	9

2- Nomination and Remuneration Committee:

Nomination and Remuneration Committee duties include:

- 1- Developing a clear policy for remuneration of Board members, Board committees and executive management to retain distinguished cadres and incentivize the company's management. Raising to the Board for review prior to approval by the General Assembly, provided that the policy follows performance-linked criteria with disclosure and verification of implementation.
- 2- Clarifying relationship between awarded remuneration and applied remuneration policies and stating any material deviation from those policies.
- 3- Periodic review when needed of remuneration policy and assessing its effectiveness in achieving its objectives.
- 4- Recommending to the Board remuneration of Board members, committees and top executives of the company pursuant to approved policy.
- 5- Proposing clear policies and standards for Board membership and executive management positions.
- 6- Recommending to the Board nomination of members and their renomination pursuant to approved policies and standards, provided no person previously convicted of breach of honesty is nominated.
- 7- Preparing job description of required capabilities and qualifications for Board membership and assuming executive management positions.
- 8- Periodic review when required of required skills or appropriate expertise for Board membership and executive management positions.
- 9- Reviewing structure of the Board and executive management and making recommendations on changes that could be made.
- 10- Annual verification of independence of independent members and absence of conflict of interest if the member holds board membership of other companies.
- 11- Developing special procedures in case of vacancy of a Board member or top executive position.
- 12- Identifying aspects of weakness in the Board, if any, and proposing solutions to address them in line with the company's interest.

13- Studying and reviewing CEO recommendations on appointment and termination of top executives.

14- Overseeing succession planning of the Board, CEO and top executives.

The Nomination and Remuneration Committee was formed for the new term in Board Meeting No. 294 dated 26/02/2023 as follows:

- 1- Dr. Faisal Abdulkarim Alkhamis Board Member Committee Chairman
- 2- Mr. Ahmed Suleiman Almazaini Board Member Committee Member
- 3- Mr. Waleed Khalid Alqusaibi Board Member Committee Member

The committee was reconstituted in Board Meeting No. 298 dated 04/10/2023 as follows:

- 1- Mr. Ahmed Suleiman Almazaini Board Member Committee Chairman
- 2- Mr. Abdulrahman Saleh Alhadheef Chairman of the Board Committee Member
- 3- Mr. Waleed Khalid Alqusaibi Board Member Committee Member

Below are name of Committee Chairman, members, number of meetings, their dates and members' attendance of each meeting:

SN.	Name	Nature of Membership	Number of Meetings (2) Meeting		
			First Meeting 18/04/ 2023	Second Meeting 25/12/ 2023	Total Attendants
1	Dr. Faisal Abdulkarim Al-Khamis	Chairman (until 04/10/2023)	✓	-	1
2	Mr. Ahmed Suleiman Al-Muzaini	Committee Member (Committee Chairman from 04/10/2023)	✓	✓	2
3	Mr. Abdulrahman Saleh Al-Hadheef	Member (from 04/10/2023)	-	✓	1
4	Mr. Waleed Khalid Al-Qusaibi	Board Member	✓	✓	2

3- Investment Committee:

The Investment Committee is specialized in the following:

- 1- Developing investment strategy and policy in the company commensurate with its business nature, activities and risks exposure and recommending to the Board for annual approval.
- 2- Periodic review of investment strategy and policy in the company to ensure suitability to changes that may occur in external environment where the company operates or laws regulating its operations or strategic objectives and recommending to Board regarding proposed changes to these plans, strategies and policies.
- 3- General oversight and evaluation of performance of domestic and foreign investment activities undertaken by the company and ensuring they do not breach the approved investment strategy and policy.
- 4- Developing appropriate procedures to measure investment performance of domestic and foreign investment activities undertaken by the company and evaluate it.
- 5- Reviewing company performance in light of operating model as an investment holding company.

- 6- Reviewing costs and advantages of the company's investments in light of planned strategy and associated risks.
- 7- Studying and evaluating investment opportunities proposed by company management related to company operations or developing and enhancing current activities regarding the following transactions and recommending them:
 - a- Merger, acquisition of companies, businesses or assets.
 - b- Any termination, sale, transfer of ownership or exit from an existing investment or disposal thereof.
 - c- Joint ventures under partnership agreements.
 - d- Investment in new, existing projects or expansion of projects where the company has an interest.
 - e- Any investment opportunity company management wishes to undertake.
 - f- Studying financing possibilities for abovementioned transactions.
- 8- Raising recommendations to the Board on divestment or liquidation of existing investment.
- 9- Continual analysis of investment risks and working to minimize risks.
- 10- Reviewing matters raised by Risk Management Committee that may impact performance of investment activities in the company.
- 11- Approving investment management policies and procedures manual and any amendments thereof.

The Investment Committee was formed for the new term in Board Meeting No. 294 dated 26/02/2020 as follows:

- 1- Mr. Abdulrahman Saleh Alhadheef Chairman of the Board Committee Chairman
- 2- Mr. Rashid Suleiman Alrashid Vice Chairman of the Board Committee Member
- 3- Mr. Badr Hamad Alqadi Board Member Committee Member

Below are the Committee Chairman name, members, number of meetings, their dates and members attendance of each meeting:

SN.	Name	Nature of Membership	Number of Meetings (4) Meetings				Total Attendants
			First Meeting 04/04/ 2023	Second Meeting 10/07/ 2023	Third Meeting 30/08/ 2023	Fourth Meeting 31/12/ 2023	
1	Mr. Abdulrahman Saleh Al-Hadheef	Chairman	✓	✓	✓	✓	4
2	Mr. Rashid Suleiman Al-Rashid	Board Member	✓	✓	✓	✓	4
3	Mr. Badr Hamad Al-Qadi	Board Member	✓	✓	✓	✓	4

40. As applicable, means used by the Board to assess its performance and that of its committees and members, and external body that conducted the assessment and its relationship with the company, if any.

N/A.

41. Any penalty, precautionary procedure or preventive restriction imposed on the company by the Authority or any other supervisory, regulatory or judicial body:

Penalty

None.

42. Results of the annual review of effectiveness of internal control procedures:

The Audit Committee verifies adequacy and effectiveness of the company's internal control system and procedures through overseeing work of the internal auditor. The external auditor also evaluates the company's internal control system by reviewing its operations and activities. The Audit Committee raises its recommendations to the Board regarding the company's operations. The Audit Committee did not note any material matters in the company's internal control system and procedures that necessitate notifying the Board.

43. Audit Committee recommendation on the need to appoint an internal auditor for the company:

There is no recommendation from the Audit Committee as there is an internal audit officer for the company who is overseen by the Audit Committee.

44. Audit Committee recommendations that conflict with Board decisions:

None.

45. Details of company's social contributions, if any:

None.

46. Dates of General Assembly meetings held during the last fiscal year and names of Board members attending those meetings:

Dates of meetings held during 2023 and names of attending Board members – Previous term (22/02/2020 – 21/02/2023):

SN.	Statement	Mr. Saad Mohammed Ibrahim Saeed	Mr. Fahad Yahya Alyahya	Mr. Badr Hamad Alqadi	Mr. Waleed Khalid Alqusaibi	Mr. Abdullah Ibrahim Almahous	Mr. Hamid Abdullah Alhumaid
1	1 First Ordinary General Assembly Meeting on 16/02/2023	Attended	-	Attended	Attended	Attended	Attended

Dates of meetings held during 2023 and names of attending Board members – Current term (22/02/2023 – 21/02/2026):

SN.	Statement	Mr. Abdulrahman Saleh Alhadheef	Mr. Rashid Suleiman Alrashid	Dr. Faisal Abdulkarim Alkhamis	Mr. Ahmed Suleiman Almazaini	Mr. Badr Hamad Alqadi	Mr. Waleed Khalid Alqusaibi
1	First Ordinary General Assembly Meeting on 27/03/2023	Attended	Attended	Attended	Attended	Attended	Attended

2	<u>Second</u> Ordinary General Assembly Meeting on 27/03/2023	Attended	Attended	Attended	Attended	Attended	Attended
3	1 First Ordinary General Assembly Meeting on 04/06/2023	Attended	Attended	-	Attended	Attended	Attended
4	2 Second Ordinary General Assembly Meeting on 04/06/2023	Attended	Attended	-	Attended	Attended	Attended
5	First Extraordinary General Assembly Meeting on 14/09/2023	Attended	Attended	-	Attended	Attended	Attended
6	<u>Second</u> Extraordinary General Assembly Meeting on 14/09/2023	Attended	Attended	-	Attended	Attended	Attended
7	<u>Third</u> Extraordinary General Assembly Meeting on 19/10/2023	-	Attended	Attended	Attended	Attended	Attended

47. Number of company requests for shareholder register and dates and reasons thereof:

Number of company requests for shareholder register	Date of request	Reason for request
(1)	30/01/ 2023	Company Procedures
(2)	30/01/ 2023	Company Procedures
(3)	14/02/ 2023	Company Procedures
(4)	16/02/ 2023	General Assembly
(5)	27/03/ 2023	General Assembly
(6)	04/06/ 2023	General Assembly
(7)	17/08/ 2023	Company Procedures
(8)	14/09/ 2023	General Assembly
(9)	19/10/ 2023	General Assembly
(10)	31/12/ 2023	Company Procedures

48. Remuneration Policy for Board Members and Executive Management:

In light of the provisions regulating remuneration and the requirements of the Corporate Governance Regulations and the Company's Articles of Association, the Regulations of the Remuneration Policy for Board Members, committees emanating from it, and executive management of the company, approved by the General Assembly of Shareholders, have specified the following objectives:

- Establishing the general framework for the remuneration and compensation policy for Board and committee members and management, and the controls for disbursing and recovering them.
- Clarifying the specific policies for remuneration and linking them to performance and verifying their implementation.
- Clarifying the mechanism for determining, approving and modifying remuneration for Board members, committee members and top executives.
- Attracting appropriate competencies and required expertise to accomplish the tasks and responsibilities of the Board and committees commensurate with the company's activity, strategy and objectives, which contributes to improving the company's performance and achieving the interests of its shareholders.
- Retaining current competencies through the organizational framework for remuneration of top executives in the company.
- Achieving full compliance with applied regulations and regulations issued by competent regulatory authorities and ensuring continuity in applying and adhering to them.
- Working on a clear basis in accordance with the principle of full transparency, commitment and disclosure of remuneration.
- The Regulations also specified the general policies for remuneration as follows:
- Remuneration should be based on a recommendation from the Nomination and Remuneration Committee.
- Remuneration should be commensurate with the company's activity, and skills and expertise required to manage it.
- Remuneration should be aligned with the company's strategy and objectives.
- Remuneration should be provided to encourage Board members and management to succeed and develop the company in the long run. Link the variable portion of remuneration to long-term performance.
- Determine remuneration based on position level, assigned tasks and responsibilities, academic qualifications, practical experience, skills and performance level.

- Remuneration should be fair and commensurate with member's experience, specialization, independence, tasks and responsibilities undertaken by Board members, in addition to objectives specified by the Board to be achieved during the year.
- Remuneration should be aligned with the size, nature and degree of risks at the company.
- Take into account practices of other companies in determining remuneration while avoiding any unjustified rise in remuneration and compensation.
- Remuneration should be reasonably sufficient to attract and incentivize competencies and appropriate expertise and retain them, achieving balance between providing advantages to attract professional competencies and retaining them, and not overestimating their value.
- Board members' remuneration should vary in amount to reflect member's extent of experience, specialization, assigned tasks and independence, number of meetings attended and other considerations.
- It should be prepared in coordination with the Committee for new appointments.
- Cases of suspending or recovering remuneration if it was decided based on inaccurate information provided by a Board or management member, to prevent misuse of position to obtain undue remuneration.
- Organizing granting company shares to Board and management members whether new issuance or shares purchased by the company.

The Regulations have clarified the general framework for the remuneration and compensation policy as follows:

- The company should coordinate remuneration and compensation paid to Board members, provided these compensations do not exceed the maximum set by regulatory controls.
- In all cases, total remuneration and financial or in-kind benefits received by a Board member should not exceed SAR 500,000 annually, according to controls set by the competent authority.
- This remuneration may be a specified amount, meeting attendance allowance, in-kind benefits, or a certain percentage of net profits, and a combination of two or more of these benefits is permissible, provided entitlement to this remuneration is commensurate with number of meetings attended by the member.
- If the remuneration is a certain percentage of company profits, this percentage may not exceed 10% of net profits, after deducting provisions decided by the General Assembly pursuant to Companies Law and Articles of Association. After distribution of profits to shareholders of no less than 5% of paid capital, provided entitlement to this remuneration is commensurate with number of meetings attended by the member.
- The company may not pay the fixed annual remuneration to Board and committee members if it does not achieve annual profits, and therefore only meeting and attendance benefits and allowances of the Board and committees such as attendance allowance, airfare allowance and delegation allowance may be paid.
- The Board's report to the Ordinary General Assembly must include a comprehensive statement of all remuneration, expense allowance and other benefits received by Board members during the fiscal year. It should also include a statement of amounts received by Board members as employees, administrators or for technical, administrative or consulting work, and should also include a statement of number of Board meetings attended by each member since the last General Assembly meeting.
- Remuneration and compensation structure should be aligned with company objectives.
- Remuneration and compensation should be fair in return for the effort made to deserve them.
- Remuneration and compensation structure should not cause any conflict of interest that could adversely affect the company's performance.

- A member is entitled to remuneration from date of joining the Board or committee and according to membership duration.

49. Relationship between granted remuneration and applied remuneration policy, and statement of any material deviation:

None.

50. Recommendations:

The Board hereby recommends the following to your esteemed General Assembly:

- 1- Review and discuss the Board of Directors' report for the fiscal year ended 31 December 2023.
- 2- Review and discuss the financial statements for the fiscal year ended 31 December 2023.
- 3- Vote on the report of the company's external auditor for the fiscal year ended 31 December 2023 after discussing it.
- 4- Vote to discharge Board members from liability for the fiscal year ended 31 December 2023.

Date and venue of the General Assembly meeting and any other items on the agenda will be announced at a later date, God willing.

Conclusion:

The Board of Directors of ALGASSIM INVESTMENT HOLDING CO. extends its utmost thanks and appreciation to the Custodian of the Two Holy Mosques and His Crown Prince, may God preserve them, and our wise government for their continued support to enhance all state sectors including the private sector.

The Board of Directors also extends its sincere thanks to the company's shareholders for the trust they have granted the Board, and the Board hopes to always be up to their expectation.

The Board of Directors of ALGASSIM INVESTMENT HOLDING CO. also thanks the company's clients and employees for their continued hard work to achieve the company's objectives and their care for its gains and interests.

Board of Directors