



The Board of Directors of Middle East Specialized Cables Co. (MESC)
The 14th Annual Report for The Fiscal Year 2020.

In the Name of God, the Merciful

1) Board of Directors:

Our Esteemed Shareholders

Peace, Mercy and Blessings of God be upon you,

The Board of Directors of the Middle East Specialized Cables Company (MESC) is delighted to submit to the shareholders of the company the year-ended fiscal report on December 31, 2020.

The Report includes all of financial performance businesses during the fiscal year and the auditors' report in accordance with the approved international financial standards in the Kingdom of Saudi Arabia, also reviews the future outlines of the company and factors influencing on processes.

Our company became one of the leaders of specialized cables industries whether inside or outside Kingdom of Saudi Arabia as result of a continuous work and synergy of our employees, and now we are seeking to more profitability in the coming period throughout a long-term strategy which aims to the best use of all of our productions lines and the continued excellence in the quality of products and more export to other markets to keep on track, and to contribute to the realization of the 2030 vision programs, in order to contribute to the development of the industrial renaissance of the Kingdom and to enhance its economic position on the local and international arenas.

In conclusion,

All of our sincere thanks and appreciation for your confidence in the Board of Directors. also thanks to our fellow board members and the executive management for their guidance and efforts to achieve the company's goals.

We are pleased to respond to any inquiries about the information submitted in the report, through the next general assembly meeting.

Broad of Directors

2) Description of MESC's Activities

- Middle East Specialized Cables Company (MESC).

The Middle East Specialized Cables Company is established as a Saudi limited liability company registered in Riyadh with Commercial Registration No. 1010102402 on 10/05/1413 (4\11\1992), his Excellency the Minister of Commerce and Industry has approved to convert the company into a Saudi joint stock company according to Ministerial Resolution No. 195 issued on 21/07/1428 (4\8\2007), with a capital is 40 million riyals, divided into 10 million shares, with a nominal value of 10 riyals per share.

The company's main activity is the production and sale of specialized (industrial) cables, flexible electric cables, coaxial cables, rubber cables and cables, nylon-coated electrical cables, telephone cables for internal installations, computer cables, fire-resistant cables, control and information transmission cables, low voltage cables, building cables, and reinforcing cables.

3) MESC's Products and its Subsidiaries.

A wide variety of cables with various specifications, as the number of subcategories of its products at the present time increases more than five thousand varieties, and these products can generally be classified into four main groups, which are as follows:

3.1- Industrial Specialized Cables.

A Petrochemical Cables, oil and gas, energy, and heavy industries projects. This is the largest category of cables produced by the manufactured in its factories in Saudi Arabia and the UAE.

3.2- Low Current Cables.

Used in transmission of audio and video signals, surveillance and alarm, and applications of these cables include their use in fire alarms, local networks and telephone devices; They are therefore widely used in commercial centres, hotels, hospitals, markets and commercial buildings and are manufactured in the company's factories in Saudi Arabia.

3.3- Low Voltage Cables.

Electric power transmission in most commercial and industrial enterprises and are manufactured in the company's factories in both Saudi Arabia and the Emirates.

3.4- Flexible Cables & Building Wires.

Mainly in residential buildings and are manufactured in the company's factories in both Saudi Arabia and the Emirates.

3.5- Solar Cables.

Transfer power from solar panels.

3.6- Cathodic Protection Cables.

The cathodic protection cable consists of a copper conductor insulated with a high quality plastic compound that is resistant to oxidation and corrosion and is used in oil pipeline projects, water towers, and coastal projects.

4) Local and Regional Presence of MESC

MESC was able to establish a significant status in the local and regional market through various expansions in its industrial facilities over the past years, besides, owing the largest specialized cable base in the Middle East becoming one of the leaders of a wide variety specialized cables industries.

Also, MESC's long experience in market enabled it to make a strong reputation for as it accredited by the largest project contractors and companies that implement mega projects in Saudi Arabia and GCC Countries around the world.

MESC has a strong-willed to become ready for any future competition to increase its sales of specialized cables to the countries of the Gulf Cooperation Council, the Middle East and North Africa, and to continue its regional sales of low-voltage cables which encouraged MESC to enter developing and neighbouring markets, while it intends to continue this strategy towards further expansion in order to increase its sales volume in all markets, in the field of specialized cables.

5) Company Managements

5.1 – Processes Department

Includes the largest and most numerous departments, which include the following departments and sections:

Technical Section - Planning and Control Section - Procurement Department- Warehouse and Material Management - Production Department in Saudi Arabia and the Emirates - Maintenance Section - Quality Control Section - Factory Department (PVC).

- **Technical Section**

Reviewing the technical specifications of clients' requests, issuing cable designs, and calculating the quantities of materials according to international standards on which the cables are manufactured. With the follow-up of international agencies concerned with issuing and approving international standards.

- **Planning and Control Section**

Making a monthly and annual plan for production processes according instructions for running received from the sales department after coordinating with the materials department to ensure the availability of raw materials based on the production capacity of the factory and the date of delivery to the customer.

- **Section of Supply Chain Management**

Operates under two Sections:

- 1) The procurement department in charge of managing the needs of consumables, raw materials and spare parts according to the requests of the departments, whether they are provided by direct purchase or contracting with local or global suppliers.
- 2) The Materials Department in charge of managing warehouses, transporting manufactured materials and supervising inventory management, in addition to managing the new "SABER" system.

- **Production Section**

It's the largest section of the company in terms of manpower, where it's concerned with managing and implementing productive processes through specialized engineers and supervisors, machine operators, and planning and logistical Sections within the factory, throughout the day by three shifts.

The production process takes place in several phases, namely, heavy drawing - multiple drawing - stranding - insulation - assembly - reinforcement - final insulation - with full adherence to the standard specifications required for each manufacturing process.

- **Maintenance Section**

Ensuring and Managing the manufacturing processes continuity through regular mechanical and electrical maintenance of machines, repairing faults, and carrying out maintenance for manufacturing support services such as refrigeration and forklifts.

- **Quality Control Section:**

Ensuring the enforcement and guarantee of quality standards of the required specifications by inspecting the incoming raw materials (before manufacturing, then checking during the manufacturing process (quality control), and then final product inspection (after manufacturing).

- **Management of MESC for Plastic Pellets (PVC)**

MESC owns a premium factory of polyvinyl chloride compounds (PVC) in Riyadh. Kingdom of Saudi Arabia which is equipped with the newest technologies for manufacturing of PVCs, which began production at the beginning of April, 2012, with a production capacity of 36,000 metric tons per year.

The factory produces high-quality PVCs of various types of cables and premium quality raw materials which all meets the ISO standards, for many applications of electrical cables, monitoring cables and devices, winding wires for submersible pump motors, three basic flat cables, instrument wires, also other uses both internal and external insulation of cables and wires, home installations, communication cables, automobile cables, etc.

One of our most important strengths lies in our ability to formulate compounds according to the specifications required by our customers. Our factory has fully equipped laboratories with the latest equipment and highly experienced competencies, which made MESC possess the tools and knowledge to focus on customers' needs and their statuses.

5.2 Marketing and Sales Management

The Company's Marketing and Sales Department is an important and efficient department as it is the interface between the company and its clients and aims to increase the effectiveness and efficiency of all operations related to the company's clients from major project contractors, government, companies and institutions.

The company has several marketing and sales offices, including local ones such as (the central region - the eastern region - the western region) and a regional office in the Emirates to cover the Arab Gulf region and North Africa, also agents and representatives for it in each of: (Korea - Japan - GCC countries - Egypt).

It includes the Following Departments:

- 1- Marketing Department
- 2- Sales Department in Saudi Arabia
- 3- Sales Department in

5.3 – The Financial Department

The financial department is considered one of the important departments in the company as it audits, records, classifies and analyses operations and financial data, prepares periodic financial reports for all related parties, assists the management in short, medium and strategic financial planning, manages the company's fixed and current assets structure in an appropriate and effective manner, uses the appropriate and effective financial structure, applies internal control systems, as well as measures the actual performance of other departments compared to what is planned, coordination with other departments of the company to work effectively, and coordination with the external auditor regarding the review of the financial statements.

5.4 – Human Resources Management “H.R”

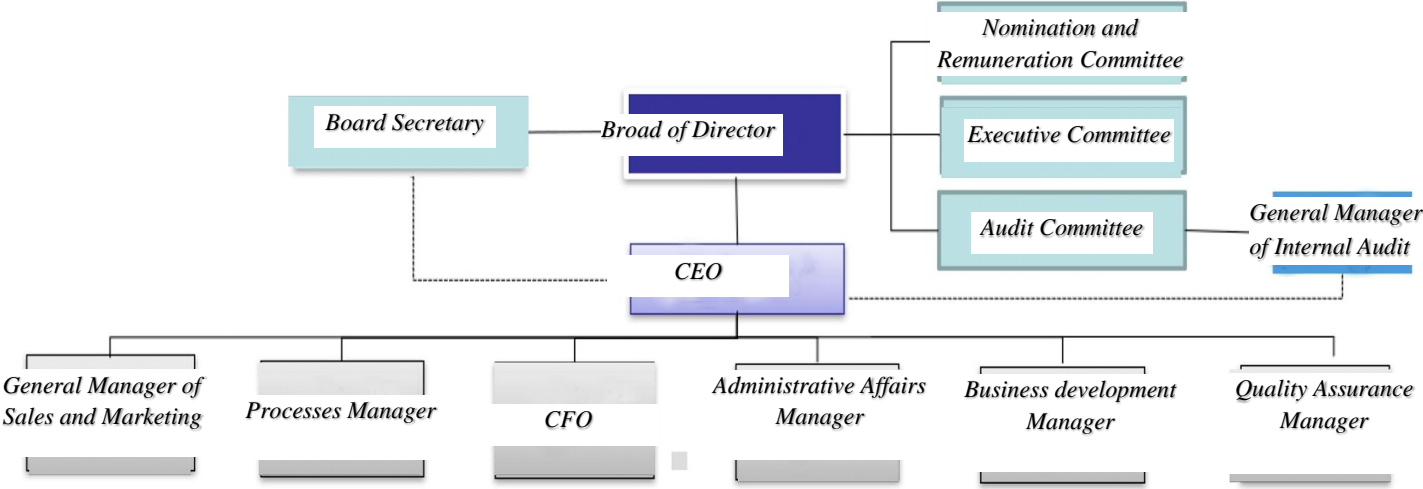
Human Resources Management is a key partner with other corporate departments for human capital within the company, by providing the required manpower with a focus on qualified national elements.

The qualifying and training of employees is also carried out in cooperation with the Ministry of Human Resources, as well as the fulfilment of the requirements for maintaining Saudization's ratios, keeping pace with developments, with a programme of capacity, the calculation of Saudi Saudization's ratios by declared professions and the achievement of a ratio of 36% platinum scales.

5.5 – Information Technology Management “IT”

The Information Systems Service is one of the vital departments in MESC, where projects carried out in the previous two years are considered to be an essential pillar in keeping with technical developments for modern information, such as VxRial and Firewall systems.

6) The Organizational Chart of MESC



7) **The Applied and non-Applied provisions of the Corporate Governance Regulations, and the reasons of non-applied.**

The company applies all the provisions contained in the Corporate Governance Regulations issued by the Financial Market Authority, with the exception of the guiding provisions listed below:

Article / paragraph number	Article / paragraph Text	Reasons for not applying
C / 20	Spending a period of 9 years, continuous or separate, as a member of the Board of Directors.	The paragraph is indicative
87	Social responsibility policy	The Article is indicative
95	Formation of a corporate governance committee.	The Article is indicative
70	Formation of a risk management committee.	The Article is indicative

8) Names of the members of the Board, their current and previous positions, qualifications and experiences:

No.	Names	Current pos.	Previous pos.	Qualifications, Experiences
1	Abdul Aziz bin Mohammed Al-Namlah	Businessman	Military	Master of General Administration, Bachelor's in Civil Engineering, 21 years of experience in the military corps, 27 years of experience in the industrial field and in the cable industry.
2	Yahiya bin Ibrahim Al-Qunaibit	Businessman	-	Bachelor of Economics, 13 years of experience in the cable industry, 12 years in banking and investment
3	Saad bin Saleh Al-Azwari	Businessman	Managing Director of MESC	Master of Business Administration, 33 years of experience in the industrial field, operations, printing and cable industries
4	Suliman bin Mohammed the Al-Namlah	Businessman	-	Bachelor of Science in Civil Engineering, Master of Business Administration, 19 years of experience in the cable industry, 19 years of experience in the industrial field
5	Mohammed bin Abdulaziz Al-Namlah	Managing Director of Abdul Aziz Mohammed Al-Namlah Holding Group Company	Director of the Development Department of the Mohammed Abdul-Aziz Al-Namlah Holding Group Company	Bachelor of Mechanical Engineering, with 18 years of experience in the industrial, administrative and financial field.
6	Saad bin Amash Al Shammari	Vice Chairman of the Board of Directors of Ayan Investment Company	Managing Director of Al-Ahsa Development Company	Bachelor of Science in Chemical Engineering, Master of Advanced Operations Control, 9 years' experience in project

				Management and 6 years in strategic planning, 6 years in the field of investment.
7	Ali bin Abdul Razzaq Al-Ghamdi	Businessman	CEO of Takween	Bachelor of Chemical Engineering with 28 years of experience in the field of industrial and operations
8	Mousa bin Abdullah Al-Ruwaili	CEO of Digital Medicine Company	Managing Director of Value Capital	Master of Business Administration, 15 years of experience in the financial & investment field
9	Ammar bin Abdul Rahim Khadi	President of Hauzen Arabia Company	President of Al-Hamd Engineering Company	Bachelor of Science in Architectural Engineering, 14 years in military field,& 18 years of experience in Administration & investment field.

9) Names of companies within or outside the Kingdom of which a member of the company's board of directors is a member of its Current and Previous boards of directors or one of its directors.

Names	Names of companies in which a member of the board of directors is a member of their current boards of directors or one of their directors	Inside\outside Kingdom	Legal entity
Abdul Aziz bin Mohammed Al-Namla	1) Natural Gas Distribution Company 2) Abdulaziz Mohammed Al-Namlah Group Company 3) Middle East Fiber Optic Cables Company 4) MESC Ras Al Khaimah	1) Saudi Arabia 2) Saudi Arabia 3) Saudi Arabia 4) Emirates	Locked
Ali bin Abdul Razzaq Al-Ghamdi	1) Sahara Petrochemical Company 2) Al-Khair Industries Company for Inorganic Chemicals	Saudi Arabia	1) locked 2) Locked
Yahiya bin Ibrahim Al-Qunaibit	Al-Musk Company for Medium and High Voltage Cables (Under Liquidation)	Jordan	Locked
Saad bin Saleh Al- Azwari	1) The Saudi Company for Developed Industries 2) Al-Salam Aircraft Maintenance Company 3) Advanced Industrial Projects Company 4) Obeikan Glass Company	Saudi Arabia	1) Listed 2) locked 3) locked 4) locked

Suliman bin Mohammed Al-Namlah	Al-Musk Company for Medium and High Voltage Cables (Under Liquidation)	Jordan	Locked
Mousa bin Abdullah Al-Ruwaili	1) Digital Medicine Company 2) Al Murshid Company for Health Training 3) Hisas Financial Company	Saudi Arabia	1) Limited 2) Limited 3) Limited
Mohammed bin Abdul Aziz Al-Namlah	1)Malaz Insurance Company 2) Abdul Aziz Mohammed Al Namlah Group Company 3) Gulf Insulation Group Company 4) Emirates Pipe Insulation Company Ltd.	1) Saudi Arabia 2) Saudi Arabia 3) Saudi Arabia 4) Emirates	1) Listed 2) Locked 3) Locked 4) locked
Saad bin Amash Al Shammari	1) Ayaan Investment Company 2) Al-Jouf Cement Company 3) Cutting edge company 4) Kassb Finance company 5) Rawasi Al-Binaa Investment Company 6) Dutcha Gulf Finance Company 7) Al-Obikan Glass Company 8) Afaq Computer Company	Saudi Arabia	1) Listed 2) Listed 3) Listed 4) Locked 5) Locked 6) Locked 7) Locked 8) locked
Ammar bin Abdul Rahim Khadi	1) Al Khadi Poultry Company 2) Al Jazeera Poultry Company 3) Huzen Arabia Company	Saudi Arabia	Limited
Names	Names of companies in which a member of the board of directors is a member of their Previous boards of directors or one of their directors	Inside\outside Kingdom	Legal entity
Abdul Aziz bin Mohammed Al-Namlah	Saudi Company for Developed Industries	Saudi Arabia	Listed
Ali bin Abdul Razzaq Al-Ghamdi	1) Almajdouie Industries Company 2) Fiberglass WAHA Company 3) Falcon Plastic Products Company	Saudi Arabia	1) Limited 2) Locked 3) Limited
Yahiya bin Ibrahim Al-Qunaibit	-	-	-
Saad bin Saleh Al- Azwari	1) Saudi Printing and Packaging Company 2) Al-Obikan Group Company	Saudi Arabia	1) Listed 2) Locked 3) Locked

	3) Al-Obikan MDF Company 4) AL-Mustaqbal Investment Company 5) AL-Mustaqbal Plastic Company 6) Emirates National Plastic Group Company		4) Locked 5) Locked 6) Locked
Suliman bin Mohammed Al-Namlah	-	-	-
Mousa bin Abdullah Al-Ruwaili	1) Triple Crest Real Estate Company 2) Value Capital Investment Company	Saudi Arabia	1) Limited 2) Locked
Mohammed bin Abdul Aziz Al-Namlah	Iskan Development and Investment Company	Saudi Arabia	Locked
Saad bin Amash Al-Shammari	1) Saudi Company for Developed Industries 2) Saudi Paper Manufacturing Company 3) Al-Samaani Company 4) Manufacturing and developing polyol 5) Al Salam Aircraft Maintenance Company 6) Gulf Salt Company	Saudi Arabia	1) Listed 2) Listed 3) Listed 4) Locked 5) Locked 6) Locked
Ammar bin Abdul Rahim Khadi	Al Hamad Engineering Company	Qatar	Limited

10) Actions taken by the Board of Directors to inform its members - especially non-executives - of shareholder proposals - and their observations on the company and its performance.

The Chairman of the Board shall, through meetings, inform all members of the Board of Directors, in particular non-executives, of the shareholders' proposals and observations about the company and its performance, which shall reach the Company by meeting with the shareholders of the Executive Department or the public shareholders' associations or by e-mail the Company's investor relations: IR@mesccables.com which is one of communication means.

11) A Brief description of The Committee's terms of reference and tasks.

- 1- **The Executive Committee:** The Executive Committee consists of three members: Engineer Ali Abdul Razzaq Al-Ghamdi (Chairman of the Committee), Engineer Saad Saleh Al-Azwari and Engineer Mohammed Abdulaziz Al-Namlah.

The committee performs the following tasks: -

- Reviewing plans and strategies prepared by the executive management of the company and its subsidiaries, and submitting appropriate recommendations to the Board of Directors.
- Ensuring the strategic plans of the company have been translated into actual actions aimed to achieve the company goals.
- Discussing and reviewing the reports submitted by the executive management.

The Executive Committee held (8) meetings during 2020.

The table below shows the attendance of members at these meetings.

Meetings	Names		
	Engineer Ali Abdul Razzaq Al-Ghamdi. (Chairman)	Saad Saleh Al-Azwari (Member)	Mohammed Abdulaziz Al-Namlah. (Member)
1 st 22\1\2020	√	√	√
2 nd 25\1\2020	√	√	√
3 rd 12\4\2020	√	√	√
4 th 7\5\2020	√	√	√
5 th 23\6\2020	√	√	√
6 th 5\10\2020	√	√	√

7 th 10\12\2020	√	√	√
8 th 16\12\2020	√	√	√

2- Audit Committee:

The audit committee consists of four members, they are: Engineer Ammar Abdul Rahim Khadi (Chairman of the Committee) Mr. Yahya Ibrahim Al-Qunaibit, Eng. Suliman Mohammed Al-Namlah, and Mr. Aziz Mohammed Al-Qahtani (external member - independent).

The committee performs the following tasks:

- Supervision of the internal audit department of the company; In order to verify its efficiency in carrying out the work and tasks assigned to it by the Board of Directors.
- Study the internal control system and prepare a written report on its opinion and recommendations.
- Study of internal audit reports and follow-up on the implementation of corrective actions for the notes and observations contained therein.
- Recommend to the Board of Directors that chartered accountants be appointed, determined their fees, and that their independence be ensured in the recommendation of the appointment.
- Follow-up of the work of chartered accountants and the accreditation of any work outside the scope of their audit work.
- Study the audit plan with the chartered accountant and make observations on it.
- Study the chartered accountant's observations on the financial statements and follow up on what has been done.
- Study the preliminary and annual financial statements before they are submitted to the Board of Directors and to express an opinion and recommendation thereon.
- Study the accounting policies used and give opinion and recommendation to the Board of Directors in this regard.

The Audit Committee held (9) meetings during 2020.

The table below shows the attendance of members at these meetings:

Meetings	Names			
	Ammar Abdul Rahim Khadi (Chairman)	Yahya Al-Qunaibit (Member)	Suliman Mohammed al-Namlah (Member)	Aziz Mohammed Al-Qahtani (Member)
1 st 24\3\2020	√	√	√	√

2 nd 12\5\2020	√	√	√	√
3 rd 17\6\2020	√	√	√	√
4 th 9\8\2020	√	√	√	√
5 th 24\8\2020	√	√	√	√
6 th 1\9\2020	√	√	√	√
7 th 5\11\2020	√	√	√	√
8 th 14\12\2020	√	√	√	√
9 th 29\12\2020	√	√	√	√

3- Remuneration and Nomination Committee

The Remuneration and Nomination Committee consists of three members: Mr. Mousa Abdullah Al-Ruwaili (Chairman of the Committee), Eng. Abdulaziz Mohammed Al-Namlah, and Eng. Saad Amash Al-Shammari. The committee performs the following tasks:

- Recommend to the Board of Directors to nominate a member of the Board in accordance with the policies and criteria adopted, bearing in mind that no person who has previously been convicted of a crime against honour and honesty shall be nominated.
- An annual review of the appropriate skill requirements for membership of Board of Directors and the preparation of a description of the capabilities and qualifications required for membership of Board, including the determination of the time that a member needs to devote to the work of the Board of Directors.
- Review The Organizational Chart and make recommendations on possible changes.
- Determine the strengths and weaknesses of the board of directors, and propose suitable solutions.
- Ensure, on an annual basis, the independence of the independent members, and the absence of any conflict of interest if the member holds the board of directors of another company.
- Establishing clear compensation and remuneration policies for members of the Board of Directors and senior executives, taking into account when developing these policies, the use of performance-related criteria.

Remuneration and Nomination Committee held (6) meetings during 2020.

The table below shows the attendance of members at these meetings:

Meetings	Names		
	Mousa Abdullah Al-Ruwaili (Chairman)	Saad bin Amash al-Shammari (Member)	Abdul Al-Aziz Mohammed Al-Namlah (Member)
1 st 9\2\2020	√	√	√
2 nd 2\4\2020	√	√	√
3 rd 8\4\2020	√	√	√
4 th 7\5\2020	√	√	√
5 th 20\5\2020	√	√	√
6 th 19\10\2020	√	√	√

12) The Assessment Tools adopted by the Board of Directors.

There is assessment and evaluation periodically by the Remuneration and Nominations Committee through special tools and forms that clarify their strengths and weaknesses and also ensure their independence.

13) Results of the annual review of the effectiveness of the company's internal control procedures, in addition to the audit committee's opinion on the adequacy of the company's internal control system.

The audit committee supervises the internal audit work as the annual plan for the risk-based internal audit department is approved and followed up on a regular basis, in order to verify the adequacy and effectiveness of the internal control system and procedures and to validate the financial statements.

During 2020, the Audit Committee examined the periodic reports prepared by the company's Internal Audit Department, discussed the observations reached, and met with the Department to follow up the work of the External Auditor, and to ensure the independence of the external auditor, it was discussed about the financial performance of the company, including the annual and quarterly financial statements and the accompanying clarifications, before submitting them to the Board of Directors.

Accordingly, bearing in mind that any internal control system provides reasonable and not absolute safeguards, the results of these audits did not show any fundamental or affecting defect on the efficiency of the company's internal control system and procedures.

14) Details of the company's social contributions

Based on the company's role in participating in the initiatives presented to the community, the company has provided support to some charities for the year, namely:

- Disabled Children's Association
- Human Association
- KELLANA Association
- KAYAN Association for Orphans
- KAFEEF Association
- INAYA Patient Care Association
- Saudi Cancer Society Association
- Bunyan Women's Charitable Association
- Down Syndrome Charitable Association (DSCA)
- Saudi Alzheimer's Disease Association.

15) A statement of the dates of the general assemblies of shareholders held during the last fiscal year and the names of the members of the board of directors present for these associations

No.	Board members attend	type	date
1	Abdul Aziz bin Mohammed Al-Namlah	Regular	22/04/2020
2	Yahya bin Ibrahim Al-Qunaibit		
3	Saad bin Saleh Al-Azwari		
4	Saad bin Amash al-Shammari		
5	Mohammed bin Abdul Aziz Al-Namlah		
6	Ali bin Abdul Razzaq Al-Ghamdi		
7	Mousa bin Abdullah Al-Ruwaili		
8	Ammar bin Abdul Rahim Khadi		

No.	Board members attend	type	Date
1	Yahya bin Ibrahim Al-Qunaibit	Regular	23/12/2020
2	Saad bin Amash al-Shammari		
3	Suliman bin Mohammed al-Namlah		
4	Saad bin Saleh Al-Azouri		
5	Mohammed bin Abdul Aziz Al-Namlah		
6	Ali bin Abdul Razzaq Al-Ghamdi		
7	Mousa bin Abdullah Al-Ruwaili		
8	Ammar bin Abdul Rahim Khadi		

16) The organizational chart of the members of the Board of Directors and its committees

No	Name	Job description	Classification	Executive Committee	Remuneration and Nomination Committee	Audit Committee
1	Abdul Aziz bin Mohammed Al-Namlah	Chairman	Non-executive	-	Member	-
2	Yahya bin Ibrahim Al-Qunaibit	Vice Chairman	Non-executive	-	-	Member
3	Ali bin Abdul Razzaq Al-Ghamdi	Member	Non-executive	Chairman	-	-
4	Mousa bin Abdullah Al-Ruwaili	Member	Non-executive	-	Chairman	-
5	Suliman bin Mohammed al-Namlah	Member	Non-executive	-	-	Member
6	Mohammed bin Abdul Aziz Al-Namlah	Member	independent	Member	-	-
7	Saad bin Amash al-Shammari	Member	independent	-	Member	-
8	Ammar bin Abdul Rahim Khadi	Member	independent	-	-	Chairman
9	Saad bin Saleh Al-Azwari	Member	independent	Member	-	-

17) Description of the company's significant plans and decisions (including Organizational Chart changes, expansions, or suspend) and future expectations of the company's business.

The company works to improve performance in all aspects of profitability, sales growth, financial performance, product development and creating opportunities in the local and foreign markets within several steps as follows:

- Completing the performance enhancement program for the fourth year, as prepared in advance from the year 2014, which gives the company flexibility and

dynamism of performance, which serves the local market and the markets concerned with export.

- Activate involvement of the specialized cable industry in other industries, such as the military, aviation industry, and it is among the outputs of the National Transformation Program 2020 and the 2030 Vision.
- The Participation in the National Transformation Program 2020 and Vision 2030 due to their significant impact on the local content of national industries.
- Continue to expand sales in the Middle East and Africa, creating greater export opportunities for the company's products.
- MESC continues to attract national talent and work to develop them and create growth opportunities within the company.
- MESC applies a resource planning system to improve performance efficiency and rationalize expenses.

18) Statement of the remuneration of members of the Board and the executive management in accordance with what is stipulated in Article 93 of the Corporate Governance Regulations.

- The Board of Directors is committed to the following:
 - 1) Statement of the remuneration policy and how determine the remuneration of board members and the executive management in the company.
 - 2) Accurate, transparent and detailed statement in the report of the board about the remunerations granted, directly or indirectly, without concealment or misleading, whether they are sums, benefits or advantages, regardless of their nature and name, and if the advantages are shares in the company, So the input value of the shares is the market value on the due date.
 - 3) Clarify the relationship between the remuneration and its policy, and indicate any substantial deviation from this policy.
 - 4) Statement of the necessary details regarding the remuneration and compensation paid for each of the following separately:
 - A) Board of Directors.
 - B) Members of the committees.
 - C) Five senior executives who received the highest remuneration from the company, including the CEO and CFO.
 - 5) Statement of what board members have received as employees or administrators, or what they have received in return for technical or administrative work or consultations. Statement of remuneration in the report shall be according to the following tables:

19) Remunerations of Board Members (in Riyals).

A) Independent Members	Ali Abdul Razzaq Al- Ghamdi	Mousa Abdullah Al- Ruwaili	Ammar Abdul Rahim Khadi	Saad Amash Al-Shammari	Total	B) Non- Executive Members	Abdul Aziz Mohammed Al-Namlah	Yahya Ibrahim Al-Qunaibit	Suliman Mohammed al- Namlah	Mohammed Abdul Aziz Al-Namlah	Saad Saleh Al-Azwari	Total
Certain amount	0	0	0	0	0		0	0	0	0	0	0
Allowance for attending broad sessions	24,000	21,000	21,000	24,000	90,000		24,000	24,000	21,000	18,000	24,000	111,000
Total allowance for attending committee sessions	33,000	24,000	45,000	24,000	126,000		24,000	42,000	42,000	36,000	30,000	174,000
Benefits in kind	-	-	-	-	-	-	-	-	-	-	-	-
Statement of what board members have received as employees or administrators, or what they have received in return for technical or administrative work or consultations.	-	-	-	-	-	-	-	-	-	-	-	-

Remuneration for the Chairman of the Board, the Managing Director or the Secretary, if he is a member.												
Total	57,000	45,000	66,000	48,000	216,000		48,000	66,000	63,000	54,000	54,000	285,000
percentage of profits												
Periodic bonuses	350,000	350,000	350,000	450,000	1,500,000		450,000	450,000	462,500	420,000	450,000	2,232,500
Short-term incentive plans												
Long-term incentive plans												
Shares awarded (value to be entered)												
Total	350,000	350,000	350,000	450,000	1,500,000		450,000	450,000	462,500	420,000	450,000	2,232,500
Severance pay												
Total sum.	407,000	395,000	416,000	498,000	1,716,000		498,000	516,000	525,500	474,000	504,000	2,517,500
Expense allowance												
The amount of the remuneration mentioned in the above table includes what was paid to the members of the Board of Directors during the year as participation allowance for the years 2019 and 2020.												

20) Remunerations of committee members (in Riyals).

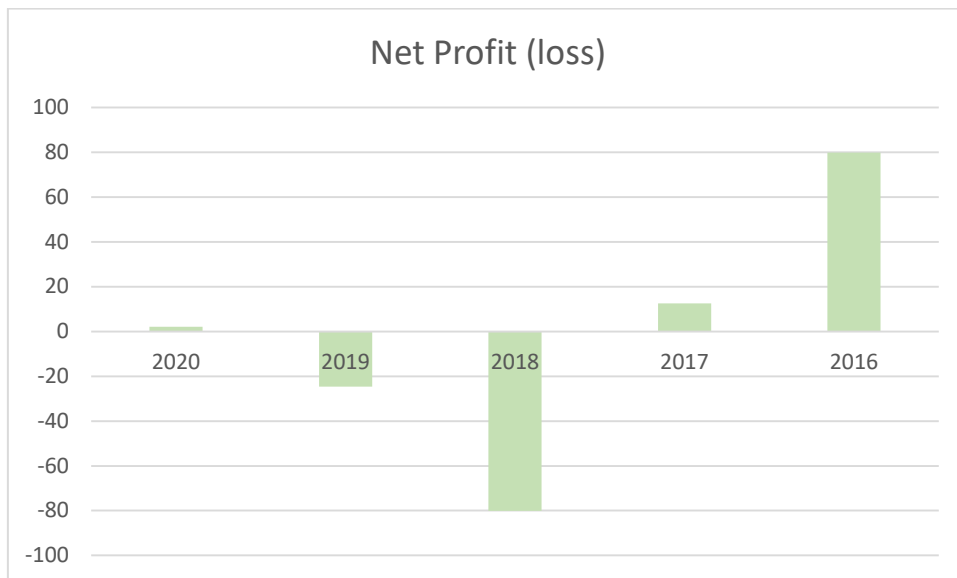
Name	Fixed Remunerations (except the allowance for attending sessions)	Allowance for attending sessions	Total
Audit Committee Members			
Yahiya bin Ibrahim Al- Qunaibit	100,000	42,000	142,000
Suliman bin Mohammed the Al-Namlah	112,500	42,000	154,500
Ammar bin Abdul Rahim Khadi	75,0000	45,000	120,000
Aziz Mohammed AL Qahtani	175,000	39,000	214,000

Total	462,500	168,000	630,500
Remuneration and Nomination Committee Members			
Mousa bin Abdullah Al-Ruwaili	75,000	24,000	99,000
Abdul Aziz bin Mohammed Al-Namlah	100,000	24,000	124,000
Saad bin Amash Al Shammari	100,000	24,000	124,000
Total	275,000	72,000	347,000
Executive Committee members			
Mohammed bin Abdulaziz Al-Namlah	100,000	36,000	136,000
Saad bin Saleh Al-Azwari	100,000	30,000	130,000
Ali bin Abdul Razzaq Al-Ghamdi	75,000	33,000	108,000
Total	275,000	99,000	374,000

21) Senior Executives Remunerations (in Riyals)

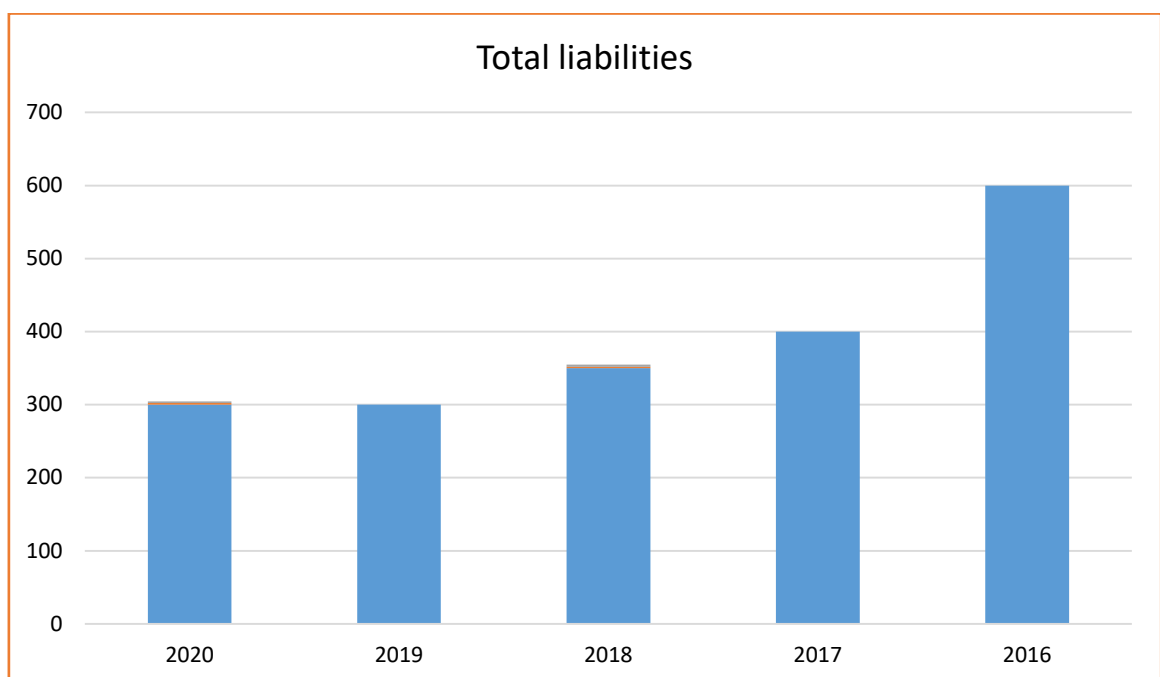
Statement	Senior executives
Salaries	2,568,351
Allowances	882,093
Annual periodic bonus	775,970
Committees participation allowance	0
Any monthly or annual compensation or benefits in kind	492,956
Total	4,719,370
• Senior executives (five), including the CEO and CFO.	

22) A summary in the form of a table or a chart of the company's assets, liabilities, and results of its operations in the last five financial years. Comparison of business results and company liabilities in the form of a chart:



- Comparison of business results in tabular form (in millions of riyals):

Statement	2020	2019	2018	2017	2016
Revenue	525,6	468,2	591,9	675,1	759,4
Revenue costs	-445	-414,8	-543,7	-585,4	637,2
Gross profit	80,6	53,4	48,1	89,7	122,2
Net profit	2,1	-24,6	-80,1	12,5	79,9

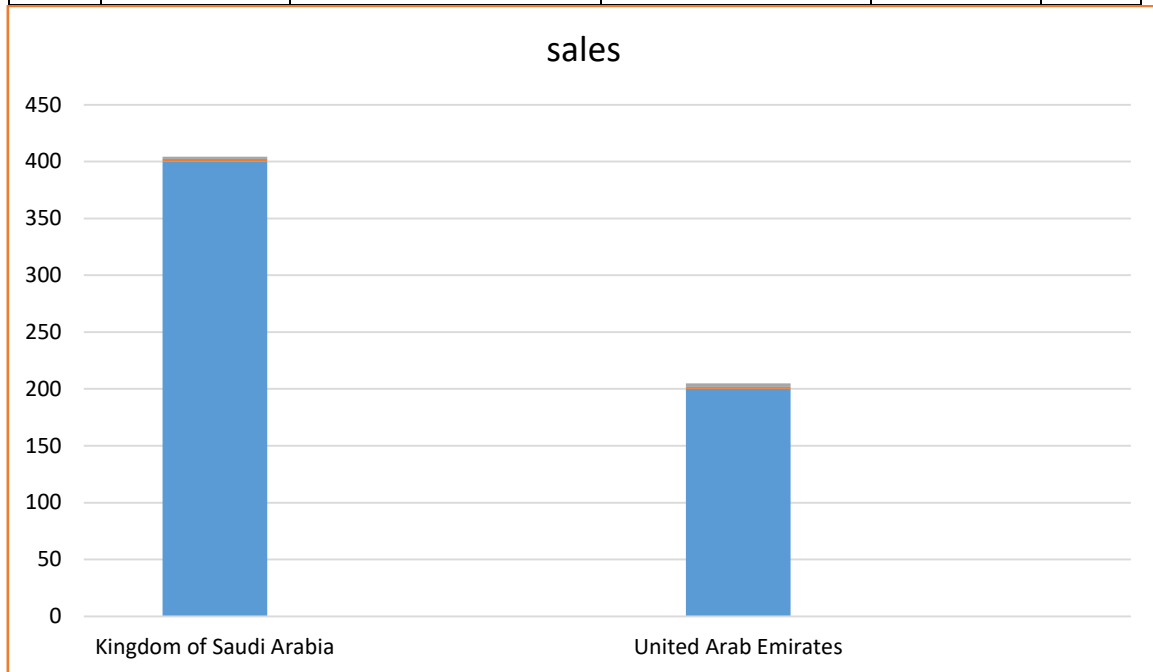


- Table comparison of assets and liabilities (in millions of riyals):

Statement	2020	2019	2018	2017	2016
Assets	482,9	451,7	513,1	601,8	666,6
Non-current assets	190,8	222,6	234,6	255,6	374,7
Total assets	673,8	674,3	747,8	857,4	1041,2
Current Liabilities	208,4	192,7	306	365,7	499,3
Non-current liabilities	104,3	122	56,9	26,4	97,7
Total liabilities	312,7	314,7	362,9	392,1	597

23) Geographical analysis of the total revenues of the company and its subsidiaries.

Year	Geographical analysis				
	Total revenue	Kingdom of Saudi Arabia	United Arab Emirates	Exclusions	Total
2020	525,6	400	204,5	-78,9	525,6



24) Statement of any differences in the operating results compared to the results of the previous year or any expectations announced by the company.

Statement	2020	2019	Changes +/-	Percentage change
Sales / revenue	525.6	468.2	57.4	12%
Cost of sales / revenue	-445	-414.8	-30.2	7%
Gross profit	80.6	53.4	27.2	51%

Other Operating expenses	-49.7	-62.1	12.4	-20%
Operating profit (loss)	30.9	-8.7	39.6	-455%

- The reason for achieving a net profit during the current year compared to a net loss during the previous year is due to the high volume of sales and the decrease in expenses during the current year, with the exception of zakat provision.

25) Information about any loans on the company (whether they are payable upon request or otherwise), a statement of the total debt of the company and its subsidiary companies, any amounts paid by the company in repayment of loans during the year, the principal amount of the loan, the name of the donor, its duration and the remaining amount, and in case there are no Loans to the company, a statement must be submitted.

- Long-term Loans to the Parent Company (Middle East Specialized Cables Company - Saudi MESC).

No.	Lender Name	The principal amount of the loan	Loan term	The amounts paid in repayment of the loan during the year	The remaining amount of the loan
1	The Saudi National Bank - joint loan	94,088,797	4	0	94,088,797
1	Industrial Development Fund Loan (Expansion 9)	6,538,000	2	3,538,000	3,000,000
(No long-term loans for subsidiaries)					

- Short-term Loans

No.	Lender Name	Amount	Borrower Name
1	Riyadh Bank	9,579,426	MESC-Saudi Arabia

26) Information related to any works or contracts to which the company is a party, in which there was an interest for a member of the company's board of directors, or for senior executives in it, or for any person related to any of them, including the names of those involved in the business or contracts, the nature of these

works or contracts and their terms, duration and amount, if there are no such works or contracts, the company must submit a Statement of this.

Company's name	Contract \Work nature	Work\ Contract amount	Terms	Name of the member / senior executives or any person related to any of them
Middle East Fiber Optic Cables Company Ltd.	Providing services and works	51,481	Purchase orders	Abdul Aziz Mohammed Al-Namlah Suliman Mohammed al-Namlah Mohammed Abdul Aziz Al-Namlah
Middle East Fiber Optic Cables Company Ltd.	Buy goods	125,013	Purchase orders	Abdul Aziz Mohammed Al-Namlah Suliman Mohammed al-Namlah Mohammed Abdul Aziz Al-Namlah
Contractors Business Company	Sell cables	1,052,385	Purchase orders	Abdul Aziz Mohammed Al-Namlah Mohammed Abdul Aziz Al-Namlah

(Note that these dealings are without any preferential terms)

27) Statement of the value of the regular payments paid and due for the payment of any zakat, taxes, fees, or any other dues that were not paid until the end of the annual financial period, with a brief description of them and a statement of their reasons.

Statement	2020		A Brief.	Reasons.
	Paid	Due until the end of the annual financial period and has not been paid		

Zakat	7,922,432	23,854,874	Regular payments made and due in accordance with the provisions and rules of the Zakat duty and the instructions of the General Authority for Zakat and Income in the Kingdom	A regulatory requirement
Value added tax	11,828,612	2,644,070	Regular payments made and due in accordance with the provisions, rules and instructions of the General Authority for Zakat and Income in the Kingdom	A regulatory requirement
The Public Institution for Social Security	3,058,017	273,899	Regular payments paid and due in accordance with the provisions and rules of the General Organization for Social Security in the Kingdom	A regulatory requirement
Costs of visas and passports	821,340	-	Regular payments paid and due in accordance with the provisions and rules of the Ministry of Interior	A regulatory requirement

28) Information related to any risks faced by the company (whether operational, financial, or market-related risks) and the policy for managing and monitoring these risks.

The company's management undertakes a clear methodology for facing risks on an ongoing basis that aims to identify the various risks it may face, the impact of these risks on its operations and the likelihood of their realization, whether these risks are related to the company's operations or to the market. Through the above, the risks are ranked according to their importance in order to determine the priorities for dealing with them and the means to be followed in order to reach an acceptable level of risks. The main risks of the company are summarized in:

- Fluctuations in raw material prices.
- Equipment risks, operational costs and business downtime.
- Fiduciary risks.
- Relying on the main clients.
- Funding risks.
- Relying on the main suppliers.
- Risks related to licenses and permits.

- Relying on main raw materials.
- Risks related to the spread of diseases and epidemics such as Coronavirus (COVID-19) and other diseases, God forbid.
- The state of the global economy, which may affect the decrease in the demand for the company's products.
- Risks related to anti-dumping laws in the company's foreign markets.

29) The name of each subsidiary company, its capital, percentage of the company's ownership in it, its main activity, in addition to the state, the principal place of its operations, and the country of incorporation.

The name of the subsidiary company	Its capital	The percentage of ownership of the company	Its main activity	The state is the principal place of its operations	State of incorporation
Al-MESC Co. for Medium and High Voltage Cables (under liquidation)	35 million Jordanian dinars	57.5%	Production of low, medium and high voltage cables	Jordan	Jordan
Middle East Specialized Cables - Ras Al Khaimah	50 million dirhams	100%	Production of low-voltage power, control, data transmission and power cables	United Arab Emirates	United Arab Emirates

30) Details of shares and debt instruments issued for each subsidiary are as follows:

1. The capital of Al-MESC for medium and high voltage cables (under liquidation): 35 million Jordanian dinars (equivalent to 185.1 million Saudi riyals) The number of shares is 35 million.
2. The capital of MESC-Ras Al Khaimah Company: 50 million UAE dirhams (equivalent to 51 million Saudi riyals).

31) Description of the company policy in distributing dividends:

When the company achieves profits, the distribution of dividends is based on a recommendation from the company's board of directors to the general assembly

according to the profits made during the year, in addition to studying the status of cash flows and future commitments to achieve the company's goals and the aspirations of its shareholders.

Article (48) of the company's articles of association states that the profits shall be disturbed as follows:

1. A (10%) of the net profits shall be set aside to form the statutory reserve of the company, and the Ordinary General Assembly may decide to stop this deduction when the said reserve reaches (30%) of the paid-up capital.
2. The Ordinary General Assembly, based on the proposal of the Board of Directors, may set aside (5%) of the net profits to form a consensual reserve to be allocated.
3. The Ordinary General Assembly may decide to create other reserves, to the extent that it serves the interest of the company or guarantees the distribution of fixed profits as possible to the shareholders.

The aforementioned association may also deduct amounts from the net profits to establish social institutions for the company's employees or to assist what may be existing of these institutions.

4. After that, a percentage representing (5%) of the company's paid-up capital is distributed to the shareholders. ... taking into account the provisions stipulated in Article (21) of this Law, and Article 76 of the Companies Law. After the aforementioned, a percentage (5%) of the remainder shall be allocated to the remuneration of the Board of Directors, provided that the entitlement of this remuneration is proportional to the number of sessions attended by the member.

32) Remunerations Policy:

1. Without prejudice to the provisions of the Companies Law, the capital market law and their implementing regulations, the remuneration policy shall consider the following:
2. Its consistency with the company's strategy and objectives.
3. Rewards are presented in order to motivate the members of the Board of Directors and the executive management for the success and development of the company in the long term, such as linking the variable part of the remuneration with performance in the long term.
4. Remuneration is determined based on position, the tasks and responsibilities of the occupant, academic qualifications, work experience, skills, and level of performance.
5. Its consistency with the size, nature and degree of risks of the company.
6. Taking into account the practices of other companies in determining rewards, while avoiding the unjustified increase in rewards and compensation that may result from that.

7. Aiming to attract, maintain and motivate professional competencies, while not exaggerating them.
8. These remunerations shall be clarified, in coordination with the Remuneration and Nominations Committee, for new appointments.
9. Clarifying the cases of stopping the payment of a bonus or refunding it, if it appears that the bonus was decided based on inaccurate information provided by a member of the board of directors or the executive management; this is to prevent the employment situation being exploited for undue rewards.
10. Organizing the award of shares of the company to members of the Board of Directors and the executive management, whether they are shares or purchased by the company.

Remuneration Regulations:

1. The company's basic system defines the method of remuneration for the members of the board of directors. This reward may be a specific amount of money, attendance allowance for sessions, benefits in kind, or a certain percentage of net profits, and it is permissible to combine two or more of these benefits.
2. The company provides an annual bonus to the members of the Board of Directors at a rate not exceeding (10%) of the net profits, after deducting the reserves decided by the General Assembly, and after distributing a profit to the shareholders of not less than (5%) of the paid capital, provided that the entitlement of this bonus is Proportional to the number of sessions a member attends.
3. The total remuneration and financial and in-kind benefits that a member of the Board of Directors and the committees deriving from it receives not exceeding (500,000) riyals annually according to the controls laid down by the competent authority, and in accordance with the stipulations of Article (21) and Article (48) of the Company's Articles of association as well as Article (76) of the corporation system.
4. The remuneration shall be fair and proportional to the member's competencies, work, and responsibilities that he, and the members of the board of director's bear. In addition to the goals set by the Board of Directors to be achieved during the fiscal year.
5. Remuneration shall be based on the recommendation of the Remuneration and Nomination Committee.
6. Remuneration shall be in proportion to the company's activity and the skill needed to manage it.
7. Taking into consideration the sector in which the company operates, its size, and the experience of the members of the Board of Directors.
8. Remuneration shall be reasonably sufficient to attract, motivate and retain board members of appropriate competence and experience.
9. Board members shall not have the right to vote on the board members remuneration at the general assembly meeting.

10. Any member of the Board of Directors may obtain a remuneration in return for his membership in the audit committee formed by the General Assembly, or for any additional business, executive, technical, administrative or advisory positions, under a professional license, assigned to him in the company. In addition to the bonus that can be obtained as a member of the Board of Directors and in the committees formed by the Board of Directors, in accordance with the Companies Law and the Company's Articles of Association.
11. The remuneration of the members of the Board of Directors may be of varying magnitude according to the member's experience, competencies, tasks entrusted to him and his independence, the number of sessions he attends, and other considerations.
12. The remuneration of independent members of the board of directors should not be a percentage of the profits achieved by the company or be based, directly or indirectly, on the profitability of the company.

Remuneration and compensation:

1. The Board of Directors shall determine, by a decision issued by it, the amount of remuneration of the members of the Board of Directors, within the limits of what is stipulated in the Companies Law and its regulations.
2. Any member of the Board of Directors is granted an annual remuneration of a maximum of (200,000) Saudi riyals annually, provided that his attendance shall not be less than 75% of the number of meetings, and if it is less, the remuneration will be calculated according to the percentage of his attendance.
3. Any member of the committees emanating from the board of directors is granted an annual bonus of up to a maximum of 100,000 Saudi riyals annually, provided that his attendance is not less than 20% of the number of meetings, and if it is less, the remuneration is calculated according to the percentage of his attendance.
4. Each member from outside the board of directors is granted a fixed annual bonus of (100,000) Saudi riyals annually, provided that his attendance shall not be less than 75% of the number of meetings. If it is less, the remuneration is calculated according to his attendance rate.
5. The company provides each member with an amount of (3000 riyals) as an attendance allowance for every meeting of the board of directors and the committees emanating from the board he attends.
6. The company provides accommodation for each member of the board of directors or the committees emanating from the council in the city in which the session is held, whether inside or outside the Kingdom. If the member is from outside the city in which the meeting is held, then the stay is in an executive room in five-star hotels contracted with. If it is not possible to provide these hotels, an alternative is provided through the travel and tourism agent who is approved according to the agreement concluded with him, and the company also provides business class

tickets for each member of the board of directors and committees of the council if the member's headquarters are outside the city in which the meeting is held.

7. If the meeting or the general assembly takes place outside the city in which the member resides, and the company does not provide accommodation and transportation, or if the member prefers to make reservations according to his knowledge, then an amount of (1,500 riyals) for domestic trips and (3,000 riyals) for foreign trips will be disbursed as residence allowances, transfers and subsistence with a passenger order being disbursed.
8. The session allowances and other allowances are paid to each member on a semi-annual basis.
9. If a member of the board is assigned exceptional work, his remuneration shall be presented to the board of directors and the general assembly for approval.

33) A description of any interest in the voting-eligible shares category actually belongs to persons (other than members of the company's board of directors and senior executives and their relatives) who informed the company of those rights according to Article (45) of the Registration and Listing Rules, and any change in those rights during the last fiscal year.

N.	The name of the person who has the interest	The number of shares at the beginning of the year	The number of shares at the end of the year	Net change	Percentage change
1	Mansour bin Abdul Aziz Kaki	2,562,500	2,562,500	-	-

34) A description of any interest, contractual securities and subscription rights of the members of the company's board of directors, senior executives and their relatives in the shares or debt instruments of the company or any of its subsidiaries, in addition to any change in interests or those rights during the last fiscal year.

35) A description of any interest, contractual securities and subscription rights of

N	The name of person who has the interest, contractual papers, or subscription rights	Beginning of the year		End of the year		Net change	Percentage change
		Number of Shares	Debt instruments	Number of Shares	Debt instruments		
1	Abdul Aziz Bin Mohammed Al Namlah	284,666	-	284,666	-	-	-
2	Yahya bin Ibrahim al-Qunaibit	1,252	-	1,252	-	-	-
3	Suliman bin Mohammed Al-Namlah	383,333	-	383,333	-	-	-
4	Ali bin Abdul Razzaq Al-Ghamdi	1000	-	500	-	500	50%
5	Saad bin Saleh Al-Azouri	733	-	733	-	-	-
6	Mousa bin Abdul Ruwaili	65	-	849	-	-	-
7	Mohammed bin Abdul Aziz Al-Namlah	1,477,424	-	1,477,424	-	784	1206%
8	Saad bin Amash Al-Shammari	666	-	666	-	-	-
9	Ammar bin Abdul Rahim Khadi	1000	-	1000	-	-	-

the members of the company's board of directors, senior executives and their relatives in the shares or debt instruments of the company

Name	Beginning of the year		End of the year		Net change	Percentage change
	Number of shares	Debt instruments	Number of shares	Debt instrument		
Fawwaz bin Mubarak Al Muqbel	0	0	0	0	-	-
Hassan Rahmouni	0	0	0	0	-	-
Mohammed Munzer Al-Nono	0	0	0	0	-	-
Mohammed bin Badr Al-Otaibi	0	0	0	0	-	-
Nawaf bin Dahi Al-Anazi	0	0	0	0	-	-

36) The number of board meetings held during the last fiscal year, their dates, and the attendance record for each meeting indicating the names of the attendees.

Member's name	Number of meetings (5)					Total
	The first one dated 29/1/2020	The second one dated 26/2/2020	The third one, dated 1/6/2020	The forth one, dated 19/10/2020	The fifth one, dated 16/12/2020	
Abdul Aziz Bin Mohammed Al Namlah	✓	✓	✓	✓	✓	5/5
Yahya bin Ibrahim al-Qunaibit	✓	✓	✓	✓	✓	5/5
Suliman bin Mohammed Al-Namlah	×	✓	✓	✓	✓	4/5

Mohammed bin Abdul Aziz Al-Namlah	x	✓	✓	✓	✓	4/5
Saad bin Amash Al-Shammari	✓	✓	✓	✓	✓	5/5
Saad bin Saleh Al-Azwari	✓	✓	✓	✓	✓	5/5
Ali bin Abdul Razzaq Al-Ghamdi	✓	✓	✓	✓	✓	5/5
Mousa bin Abdul Ruwaili	✓	x	✓	✓	✓	4/5
Ammar bin Abdul Rahim Khadi	x	✓	✓	✓	✓	4/5

37) The number of the company's requests for the shareholders' register, the dates and the reasons for those requests.

The number of the company's requests for the shareholders' register	The date of application	Reasons for the request
1	3/2/2020	Partnership procedures
2	19/4/2020	General Assembly
3	21/6/2020	Partnership procedures
4	20/8/2020	Partnership procedures
5	23/12/2020	General Assembly

38) Company announcements on the Tadawul website during the year 2020 (company code 2370):

No.	Date	Details
1.	24/03/2020	Middle East Specialized Cables announces the annual financial results ending 12-31-2019
2.	01/04/2020	The Middle East Specialized Cables Company announces its invitation to its shareholders to attend the Ordinary General Assembly meeting (first meeting)
3.	19/04/2020	The Middle East Specialized Cables Company (MESC) announces to its shareholders the date of the start of electronic voting on the items of the Ordinary General Assembly meeting (first meeting)
4.	20/04/2020	The Middle East Specialized Cables Company (MESC) announces that its business has been affected by the precautionary measures taken to confront the emerging corona virus (COVID19), and the effect of government support in limiting the effects of these measures
5.	23/04/2020	The Middle East Specialized Cables Company announces the results of the Ordinary General Assembly meeting (second meeting)
6.	12/05/2020	The Middle East Specialized Cables Company announces the interim financial results for the period ending on 31 - 03 - 2020 (three months)
7.	29/06/2020	The Middle East Specialized Cables Company announces that it has obtained funding from the Ministry of Finance
8.	19/07/2020	The Middle East Specialized Cables Company (MESC) announces that a lawsuit has been filed against a major customer
9.	24/08/2020	The Middle East Specialized Cables Company announces the interim financial results for the period ending in 30- 06- 2020 (six months)

10.	14/10/2020	The Middle East Specialized Cables Company announces the latest developments, and the Middle East Specialized Cables Company (MESC) announces the filing of a lawsuit against a major customer
11.	05/11/2020	The Middle East Specialized Cables Company announces the interim financial results for the period ending 30- 09- 2020 (nine months)
12.	02/12/2020	The Middle East Specialized Cables Company (MESC) announces inviting its shareholders to attend the Ordinary General Assembly meeting (first meeting) through modern technology
13.	17/12/2020	Middle East Specialized Cables Company (MESC) announces the resignation of the Chairman of the Board of Directors
14.	17/12/2020	Corrective announcement from the Middle East Specialized Cables Company regarding the resignation of the Chairman of the Board of Directors
15.	20/12/2020	The Middle East Specialized Cables Company (MESC) announces the date of the start of electronic voting on the items of the Ordinary General Assembly meeting (first meeting)
16.	24/12/2020	The Middle East Specialized Cables Company announces the results of the Ordinary General Assembly meeting (second meeting)
17.	24/12/2020	The Middle East Specialized Cables Company (MESC) announces the appointment of the Chairman and his Deputy Chairman
18.	24/12/2020	Supplementary announcement from the Middle East Specialized Cables Company regarding the results of the Ordinary General Assembly and the Second Meeting, which was published on the Tadawul website on 24- 12- 2020
19.	06/10/2019	The Middle East Specialized Cables Company announces that it has received letters from the General Authority for Zakat and Income amending the zakat declarations for the years 2014 to 2018 and the withholding tax for the year 2018 and demanding additional payments.
20.	30/12/2020	The Middle East Specialized Cables Company announces the resignation of the audit committee member

39) Current and previous executive management positions, qualifications and experiences:

Senior executives	Current job	Previous position	Qualifications and experiences
Fawwaz bin Mubarak Al-Muqbel	Group Chief Executive Officer. (Group CEO)	General Manager of Rawabet Consulting Business Office.	Master of Business Administration, 26 years of experience in the field of industrial, operations and economic consultancy.
Hassan Rahmouni	Vice President of Marketing and Sales.	General Manager of Nass Electric Company.	Bachelor of Economics, Diploma in Electrical Engineering, 19 years of experience in Sales and Marketing.
Mohammed Munzer Al-Nono	Acting current manager.	Director of Financial Control.	Bachelor of Accounting, Fellowship of the American Institute of Management Accountants, 16 years of experience in the financial field.
Mohammed Bin Badr Al-Otaibi	Vice President of Operations	Director of Al-Gawda Cables Company.	Bachelor of Economics, with 24 years of experience in the industrial field , operations, and cable industry.
Nawaf Bin Dahy Al-Anazi	Secretary of the Board of Directors	Director of Shareholder Affairs.	Bachelor of Business Administration, 18 years of experience in investor relations, corporate governance, and the Secretariat of the Board of Directors.

40) Statements:

1. There are no arrangements or agreements whereby a member of the company's board of directors or a senior executive waived any salary or compensation.
2. During the year 2020, the company did not report any change in the rights of shareholders except for members of the Board of Directors and senior executives.

3. There are no arrangements or agreements whereby any of the shareholders of the company waived his rights in the profits.
4. There are no other investments or reserves created for the benefit of the company's employees.
5. The auditor's report did not contain any reservations about the annual financial statements.
6. The Board of Directors did not recommend changing the auditor before the end of the period for which he was appointed.
7. There are no treasury shares held by the company.
8. There is no explanation for any difference from the accounting standards approved by the Saudi Organization for Certified Public Accountants.
9. There is no penalty, sanction, precautionary measure or precautionary restriction imposed on the company by the Authority or any supervisory, regulatory or judicial authority.

41) Board Recommendations:

The Board of Directors of the Middle East Specialized Cables Company (MESC) recommends to your esteemed association the following:-

1. Voting on the Board of Directors' report for the financial year that ended on 31/12/2020.
2. Voting on the company's financial statements for the financial year ending on 31/12/2020.
3. Voting on the auditors' report for the financial year ending 31/12/2020.
4. Voting on selecting the company's auditors, from the candidates nominated by the Audit Committee, to review the financial statements for the financial year 2021 and the financial statements and determine their fees.
5. Voting on the Discharge of the members of the Board of Directors of their responsibilities for the year 2020.
6. Voting on the business and contracts that will be concluded between the company and the Middle East Fiber Optic Cables Company, which the Chairman of the Board of Directors, Engineer / Abdul-Aziz bin Mohammed Al-Namlah (a non-executive member), and for the members of the Board of Directors, Engineer / Suliman Mohammed Al-Namlah (a non-executive member) and Engineer / Mohammed bin Abdul-Aziz Al-Namlah (Non-executive member) have direct interest in it, which consists of providing services and business and licensing them

for the next year, noting that the transactions for the past year 2020 amounted to (51,481) riyals. There are no preferential terms in dealing. (attached)

7. Voting on the business and contracts that will be concluded between the company and the Middle East Fiber Optic Cables Company, which the Chairman of the Board of Directors, Engineer / Abdul-Aziz bin Mohammed Al-Namlah (a non-executive member), and for the members of the Board of Directors, Engineer / Suliman Mohammed Al-Namlah (a non-executive member) and Engineer / Mohammed bin Abdul-Aziz Al-Namlah (Non-executive member) have direct interest in it, which consists of purchasing fiber optic cables and licensing them for the next year, noting that the transactions for the past year 2020 amounted to (125,013) riyals, and there are no preferential conditions in dealing. (attached)
8. Voting on the business and contracts that will be concluded between the company and the Contracting Works Company, which the Chairman of the Board of Directors Eng. / Abdul-Aziz bin Mohammed Al-Namlah (a non-executive member), and a member of the Board of Directors, Engineer / Mohammed bin Abdul-Aziz Al-Namlah (a non-executive member), have a direct interest in, which is about selling cables and licensing them for the next year, noting that the transactions for the last year, 2020, amounted to (1,052,385) riyals. There are no preferential terms in dealing. (attached)

42) Declarations of the following:

- A. That the account records were prepared correctly.
- B. That the internal control system was prepared on a sound basis and was effectively implemented.
- C. That there is no little doubt about the company's ability to continue its activities.

43) Implementing Effective Governance:

The Board of Directors sets corporate governance rules that do not conflict with the mandatory provisions of these regulations, and it must monitor their implementation, verify their effectiveness, and amend them when needed, and in order to do so, it must do the following:

1. Verify the company's commitment to these rules.
2. Review and update the rules in accordance with regulatory requirements and best practices.

3. Review and develop the rules of professional conduct that represent the company's values, and other internal policies and procedures to meet the needs of the company and conform to best practices.
4. Keep members of the Board of Directors informed of the developments in the field of corporate governance and best practices, or undermine it to the audit committee or any committee or other management.

Conclusion

In conclusion, the Board of Directors and all the employees of the company raised their thanks and appreciation to the Custodian of the Two Holy Mosques King Salman bin Abdul-Aziz Al Saud and His Royal Highness Prince Mohammed bin Salman bin Abdul-Aziz, may God preserve them, for the great services and great efforts that they provide to the homeland and the citizen, and the Board of Directors also thanks the shareholders of the company, and the supervisory and regulatory authorities for their contribution to achieving the company's goals, and thanks are extended to all the company's customers and suppliers for their confidence in the products and services of the company.

God grants success,

Board of Directors