

**TABUK AGRICULTURAL DEVELOPMENT
COMPANY (TADCO)
SAUDI JOINT STOCK COMPANY
(Enlisted In Saudi Stock Exchange Market)**



BOD Report

For the company's shareholders in the fiscal year
ending on:
31/12/2020

2020

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Company message:

Actively contributing to achieving sustainable development for the Tabuk region through production and investment in companies that provide high-quality products with a national extension.

Vision:

For Tabuk Agriculture Development Company (TADCO) to become one of the leading holding groups in the agribusiness sector all over the Kingdom of Saudi Arabia in addition to provision of a significant contribution to the development of Tabuk region by 2023.

Shared values:

1. Passion for work
2. Focus on results
3. Integrity
4. Innovation
5. Teamwork

1) BOD chairperson's word

Honorable shareholders of Tabuk Agricultural Development Company

Peace, mercy and blessings of Allah be upon you all

Praise be to Allah, prayer and peace be upon the Messenger of Allah, to proceed....,

On principally for myself and on behalf of my colleagues in the Tabuk Agricultural Board of Directors, we hereby present to you the BOD annual report, which includes the results of the operational and financial performance of the company for the fiscal year ending on 31/12/2020 AD, in addition to all the disclosures required in the report of the Board of Directors in accordance with the requirements and directives of the Capital Market Authority.

The report also reviews the financial results of the company, as it achieved minimal losses. The reason for the decrease in losses is the decrease in stock valuation, achieving a return from restoring a decline in fellow companies, saving in the total annual expenditures in the budget, and achieving better selling prices than the budget despite the decrease in production resulting from the lack of liquidity.

Despite the losses incurred during this year and previous years, the Board of Directors assures the public of shareholders that the company, with its resources and capabilities, is able, with the help of Allah, to overcome these losses. The company will undertake many structural changes that will contribute to extinguishing losses, providing liquidity, reducing costs and excluding items that cause losses. The company is building new profitable sectors through

adding commercial products and changing the sales policy by increasing sales outlets and reaching the end consumer.

Finally, the BOD is honored to extend its deepest thanks and appreciation to the Custodian of the Two Holy Mosques King Salman bin Abdulaziz and his trustworthy Crown Prince His Royal Highness Prince Muhammad bin Salman and our wise government to continue support for the agricultural sector by launching Vision 2030.

The Board is also pleased to extend its sincere thanks and gratitude to His Royal Highness Prince Fahd bin Sultan bin Abdulaziz, Governor of Tabuk Region, Honorary Chairman of the Board of Directors of the Company for his follow-up and support for the company's work and appreciation for its contribution and role in the development and development of the region.

Thanks first and foremost to Allah, Lord of the Worlds.
Peace, mercy and blessings of Allah be upon you all.

Alwaleed Bin Khalid Alshathri
BOD Chairman

2) Presentation of the processes and factors affecting the company's performance during the year 2020

2-1) A description of the main types of activity of the company and its subsidiaries. In the event that two or more types of activity are described, a statement must be attached to each activity and its impact on the volume of the company's business and its contribution to the results:

Main activity (1) - Field Crops:

a. Wheat (grains and fodder):

- 18,105 tons of durum wheat (Yukuru Rojo) were produced.
- 7594 tons of (classic) soft wheat were produced.

Main activity (2) - Fruit:

The volume of fruit production from different types of trees (stone-core almonds - apricots, peaches, nectarines, plums, pears, grapes, dates and olives is: 5290 tons.

Main activity (3) - Nurseries and Honey:

- The production volume of the nurseries of ornamental plants and fruit seedlings reached 113447
- The production volume of various fruit seedlings reached 1,0245 seedlings, compared to 15,307 seedlings in the previous year
- Honey production reached 3.4 tons

Main activity (4) - Sheep Project:

Emphasis was focused on the sheep project and on increasing the number of mothers and stallions to be profitable sectors.

Main activity (5) - Trading:

This activity is comprised in the buying and selling operations carried out by the procurement, sales and marketing department in the company. It is the process done for trading in goods and services other than the company's production, with the aim of maintaining their availability in the market during the non-production seasons, in order to meet the needs of customers and increase revenues.

The impact of these main activities on the volume of the company's business and its contribution to the results was as follows:

Products	Volume	Percentage
Green fodder	80,696	51%
Vegetables	3,372	2%
Fruit	17,677	11%
Grains and seeds	25,437	16%
Other commercial products	4,119	3%
frozen meat	27,242	17%
total	158,543	100%

2-1) A description of the company's significant plans and decisions (including structural changes to the company, expansion of its business, or cessation of its operations) and future expectations of the company's business:

2-2-1 Structural Changes:

The restructuring process is a major means that contributes to achieving the strategic objectives of the Tabuk Agricultural Company, raising the efficiency of performance and removing the restrictions that limit productivity and impede the movement of natural interaction between the related variables at the company level, by bringing about effective radical changes in the prevailing conditions, methods and administrative concepts, and in every economic and social factors related to and interact with it:

- Devoting the concepts of decentralization and strengthening the administrative organization and strategic planning in order to achieve the transformation of the company into a strong and productive economic entity with greater effectiveness than before.
- Improving and rationalizing the use of available and potential human resources, and maximizing the rates of efficiency, effectiveness and productivity in the operational and administrative sectors
- The continuation of the company as a member of the Committee of Seed Producers (Wheat Seed) from among the three companies approved by the Ministry. The company has also obtained the SAUDI GAP Certificate for the application of Saudi standards for sound agricultural practices, and the company has obtained ISO 2015 and ISO 22000 certificates.
- Effective participation and close follow-up of the subsidiary companies to develop their performance, as some of these companies made profits for the year 2020
- Focusing and greatly enhancing some areas such as nurseries, sheep, and the commercial sector.

Our basic principle crystallized in working to stabilize the conditions and requirements of the administrative environment on the one hand, and exploring its potential and its own energies on the other hand through deepening the decentralization policy by delegating sufficient powers to each administrative level that is commensurate with the nature of the activities it carries out and the size of the responsibilities entrusted to it, as well as the redistribution of

powers Between departments, so that decision-making authority is concentrated at the appropriate organizational level.

Through the follow-up of the organizational development process that extended to the depth of the strategic administrative entity, some departments and units were canceled, merged and separated, other departments were created in addition to creating new job opportunities and increasing the percentage of nationalization, including without limitation:

1. The introduction of the supply chain sector.
2. Separation of the Marketing and Sales Department from both of them into separate departments.
3. Creating a common services sector to include human resources, information technology and administrative affairs
4. Reducing the volume of employment and resettlement.
5. The use of women in some administrative and technical jobs.
6. This has been activated based on global administrative principles and established and recognized scientific principles, and it is no longer improvisational matters that depend on personal diligence and individual skills, taking into account the administrative and behavioral nature as a basic approach .. which helped us in drawing a comprehensive policy for the formation of the workforce and the truth The needs of the departments of individuals in terms of quality and quantity in the long term with the necessity of using objective criteria in determining the size of employment regarding employment, which led to the reduction of the company's operational cost, and directing the savings towards increasing the effectiveness and production efficiency.

2-2-2 Change in the company's capital

- On March 18, 2020, the extraordinary general assembly of the company approved the recommendation of the Board of Directors to reduce the company's capital, as follows:

- A. The company's capital before the reduction is 450,000,000 Saudi riyals, the capital after the reduction is 241,767,000 Saudi riyals, with a reduction of 46.274% of the company's capital.
- B. The number of shares before the reduction is 45,000,000 shares, the number of shares after the reduction is 24,176,700 shares.
- C. The reason for reducing the capital: Amortizing the accumulated losses of 208,233,000 Saudi riyals
- D. Capital reduction method: To cancel 20,823,300 shares of the company's shares, 0.46274 shares will be reduced for each 1 share.
- E. The effect of reducing the capital on the company's liabilities: There is no significant effect of reducing the company's capital on its financial liabilities.
- F. The date of reduction: The decision to decrease will be enforceable on the shareholders of the company who own the shares on the day of the extraordinary general assembly who are registered in the company's shareholders' register at the Securities Depository Center Company (Depository Center) at the end of the second trading day following the date of the extraordinary general assembly in which it was decided to reduce the capital.

- The company's board of directors recommended an increase in the company's capital, as follows:

- The capital before the increase: Two hundred forty-one million seven hundred and sixty-seven thousand (241,767,000) Saudi riyals

- The capital after the increase: Three hundred and ninety-one million seven hundred and sixty-seven (391,767,000) Saudi riyals.
- The total amount of the increase: One hundred and fifty million (150,000,000) Saudi riyals.
- Number of shares before the increase: Twenty-four million one hundred seventy-six thousand seven hundred (24,176,700) shares.
- Number of shares after the increase: Thirty-nine million one hundred seventy-six thousand seven hundred (39,176,700) shares.
- The reason for the capital increase: Through increasing its capital by offering priority rights shares, the company aims to spend on operating and the agricultural plan (the agricultural plan is comprised in planting wheat and fruit seeds, and the operation is comprised in managing the agricultural process from operating and maintaining planting and harvesting equipment. irrigation and transportation of crops), repayment of company debts and loans, and the acquisition of income-generating real estate businesses.
- Method of increase: Offering and listing of priority rights shares valued for fifteen million (15,000,000) ordinary shares.
- Eligibility date: If this clause is approved, eligibility will be for the shareholders who own shares on the day of the extraordinary general assembly and who are registered in the company's shareholders' register at the Securities Depository Center Company (Depository Center) at the end of the second trading day following the date of the extraordinary general assembly.
- Amending Article Seven (7) of the Articles of Association of the company related to the capital.

2-3-2 Decision to own the company's land:

On 17/09/1441 corresponding to 10/05/2020 the company's received from the Ministry of Environment, Water and Agriculture decision to own the Tabuk Agricultural Development Company of agricultural land (the first site) and (the second site), which stipulates the following:

Based on Royal Decree No. (M / 50) dated 03/09/1405 and Cabinet Resolution No. (141) dated 07/18/1405 and based on Cabinet Resolution No. 288 dated 30/05/1440 regarding the ownership of the shareholding agricultural company (according to applicable regulatory procedures) equivalent to the revived area. In implementation of the approval of the High Commissioner, the company owning this land under deed No. 43448 dated 14/07/1441 and after reviewing the minutes of the Central Committee for the Distribution of Fallen Lands No. 2140 dated 25/08/1440, which recommended that Tabuk Agricultural Development Company own an area equivalent to the area that it revived from the allocated space according to the allocation decision No. 74911 dated 19/10/1405.

He resolves the following:

- The first site: Resolution No. 440/1057/693167 of 17/09/1441: The Tabuk Agricultural Development Company owns plot No. 1 of the land located 53 km north of Tabuk, west of the railway and Tabuk motor-way, Halat Ammar, whose area is 212487 310 dunams (two hundred and twelve million four hundred and eighty-seven thousand three hundred and ten square meters).
- The second site: Resolution No. 440/1057/693167 of 17/09/1441: Tabuk Agricultural Development Company owns plot No. 2 of the land located 53 km north of Tabuk east of the railway and west of Tabuk asphalt -

Halat Ammar, which has an area of 2259,580 dunums (two million two hundred fifty-nine thousand five hundred and eighty square meters).

- And that the resolution of the Ministry of Environment, Water and Agriculture stipulated the approval of the above resolution for it to be considered effective.
- In compliance with the corporate governance regulations and the Capital Market Authority regulations, which stipulate the necessity to disclose and announce any material news, this material news was disclosed on the Tadawul website on May 11, 2020, and the company will announce at a later time the financial impact resulting from the ownership resolution described above.

4-2-2 Future Expectations: -

- The company analyzed and studied the costs and profitability of each product as a basis for planning the agricultural program for the year 2021, which resulted in stopping the cultivation of some products and expanding into other products such as nurseries and sheep, with a focus on reducing costs and gradually increasing annual sales compared to previous years' sales with the application of performance indicators with specific and achievable goals It is linked to a schedule and linking performance with rewards.
- The company will start to diversify sales outlets and be present in the central retail markets to achieve better selling prices while starting to build a unified brand for all products instead of different product names.
- Restructuring and radical changes were made to improve and rationalize the use of available and potential human resources to raise efficiency and productivity rates by separating the Marketing Department with a department independent of sales and creating a common services sector to include human resources, information technology, administrative affairs

and supply chain units, which resulted in reducing the company's operational cost.

- The company has restructured the financial and that by reducing the capital so that the company is not exposed to greater risks with the start of capital raising procedures so that the company can complete its programs and there will be a noticeable improvement in the results of 2021 compared to previous years, God willing.

2-3) Information related to any risks that the company faces (whether it is operational risks, financing risks, or market risks) and the policy for managing and controlling these risks:

2-3-1 Risks:

I. Operational risks:

- a- In implementation of the Cabinet Resolution No. (39) dated 16/01/1438, the company stopped producing green fodder by the end of the year 2018 , as this activity represents the largest source of income and liquidity for the company.
- b- The company has stopped producing silage feed as one of the production lines that the company has recently developed to support the growth of revenues and profits.
- c- The lack of sufficient liquidity to complete the agricultural program, which led to the loss of a large amount of production

II. Financing risks:

- a- Difficulty in terms of availability of short-term financing obtained from commercial banks for the purpose of operational financing (working capital) represented by the short-term recovery and high cost.

- b- Slow procedures for obtaining financing loans from specialized development banks to cover the investment cost of new projects, in addition to insufficient financing available.

III. Market risks:

- a- The decrease in the demand for the company's products from customers in the food processing sector due to the weak purchasing power.
- b- The effect of similar imported products in the harvest season on selling prices
- c- The low market prices for vegetable products (potatoes and onions) after the cessation of green fodder production and the shifting of many farmers to vegetable production.
- d- The possibility of spoilage of products in the event of long waiting in the central markets before the completion of sales by the marketed merchants.
- e- The need to deal with middlemen without adequate financial cover or without cover at times.

2-3-2 Policy of risk management and control.

The company has developed a risk management system that includes a risk management record and an internal risk-based review by gradually applying the Enterprise Risk Management system. The system is to identify and define risks, set standards and procedures to manage and reduce them, and to submit periodic reports on the efficiency of the system's performance against the background of the rule "there is no material return and compensation without risk". Whereas the high risks may lead to failure to achieve the desired results, this system aims to effectively manage risks by creating a balance between accepting risks and minimizing them and limiting their effects, so that the outcome of the application of the system is to protect the capital base and the

income of the company without negatively affecting growth rates, As well as reducing or eliminating risks in the long term.

2-4) A summary in the form of a table or a graph of the company's assets, liabilities, and results of its business in the latest five financial years (2015-2019) or since incorporation, whichever is shorter:

A summary in the form of a table or a graph of the company's assets, liabilities, and results of its business in the last five financial years (2016-2020) or since incorporation, whichever is shorter:

It is noted that the financial statements for the years 2019 and 2020 are consolidated statements, while the financial statements for the years 2018, 2017 and 2016 are separate statements for Tabuk Company alone.

2-4-1 Comparison in the form of a table for the statement of income and the statement of financial position:

a) Statement of income (in thousand riyals) during the period from 2016-2020:

Statement	2020	2019	2018	2017	2016
A) Statement of Income : (in thousand riyals):					
Revenue, net	158,543	146,517	98,977	107,177	93,004
Cost of revenue	(135,392)	(141,230)	(84,892)	(80,695)	(74,825)
Decline in the value of crop stocks	(8,866)	(35,495)	10,456	4,175	
A write-off of vital assets	-	(4,387)	-	-	-
Total profit / loss	14,285	(34,595)	24,541	30,657	18,180
Expenses and burdens during the period.	-	-	-	-	-

Selling and distribution expenses	(27,280)	(40,747)	(40,513)	(38,449)	(36,565)
General and administrative expenses	(24,196)	(29,646)	(20,198)	(18,384)	(23,331)
Net profit (loss) of activity	(37,191)	(104,987)	(36,170)	(26,176)	(41,716)
Decline in the value of capital projects	-	(44,351)	(9,600)	-	-
Provision for loan and liability guarantee from associates	(1,345)	(18,850)	(13,000)	-	-
Losses of assets disposal	(24,879)	-			
Provision of removal and transfer	(2,150)	-			
Returning a decline in associates and subsidiaries and investments in equity instruments	16,701	(4,652)		(842)	(464)
The company's share of the results of the business of an associate	-	(4,038)	(776)	-	-
Profits from short-term murabaha investments	102	755	1,027	4,008	4,597
Finance costs	(1,772)	(2,647)	(1,018)	(259)	(283)
Other revenue, net	3,062	-	156	1,711	2,959
Losses of clearing trees and damaging crops	1,772	3,841		(4,240)	(1,629)
Net loss of the year before zakat	(45,700)	(174,930)	(59,381)	(25,798)	(36,537)
Zakat	(6,385)	(6,338)	(2,719)	(4,496)	(5,688)
Net loss of the year	(52,085)	(181,269)	(62,099)	(30,294)	(42,225)
0	-	-			
Items of other comprehensive income	0	-			
Items that will not be reclassified subsequently to profit or loss:	-	-			
Actuarial gain on re-measurement of employees' end of service benefits liabilities	(1,512)	2,531			
Total comprehensive loss for the year	(53,597)	(178,738)			
Basic loss per share from the net loss for the year	(1.86)	(6.30)			
Loss of the year attributable to:		-			
Shareholders of the parent company					
Shareholders of the parent company	(53,190)	(179,785)			

Non-controlling property rights	(1,105)	(1,484)			
0	(54,294)	(181,269)			
Comprehensive loss attributable to:					
Shareholders of the parent company		-			
Shareholders of the parent company	(54,702)	(177,254)			
Non-controlling property rights	1,105	(1,484)			
0	(53,597)	(178,738)			

B) Statement of financial position (in thousand riyals) during the period from 2016-2020:

The Assets	2020	2019	2018	2017	2016
Total non-current assets	353,791	353,708	365,060	393,011	394,829
Total current assets	111,784	135,198	220,121	252,795	298,601
Total assets	465,575	488,906	585,181	645,805	693,430
Shareholders' equity	-	-	-	-	-
Capital	241,767	450,000	450,000	450,000	450,000
Statutory reserve	68,020	68,020	68,020	68,020	68,020
Other reserves	1,859	1,859	1,859	1,859	1,859
Cumulative changes in other comprehensive income items	1,019	2,531		-	-
Accumulated profits / losses	(86,545)	(243,079)	(61,708)	2,759	33,053
Non-controlling property rights	13,150	10,674	(61,708)	2,759	33,053
Total equity	239,269	290,004	458,171	522,638	552,931
Total non-current liabilities	24,483	15,054	22,002	19,111	22,260
Total current liabilities	201,823	183,848	105,008	104,057	118,239
Total liabilities	226,306	198,902	127,010	123,168	140,499
Total shareholders' equity and liabilities	465,575	488,906	585,181	645,805	693,430

2-5 Geographical analysis for the total revenues of the company and its subsidiaries:

The agricultural activity represents the main source of the company's revenue, and Table No. 2-5-1 shows the distribution of sales by country and products for the year 2020 compared to the year 2019. Table No. 2-5-2 shows the geographical distribution of sales for the year 2020 according to the areas of sale (regions of the Kingdom in addition to the total sales distributed in the countries of the Gulf Cooperation Council).

2-5-1 Distribution of sales for the year 2020 compared to the year 2019 according to countries and products (in thousand riyals):

Year	Statement	KSA	Kuwait	UAE	Bahrain	Qatar	Oman	Total
2020	157,657	803	82	-	-	-	158,543	157,657
	25,437	-	-	-	-	-	25,437	25,437
	80,696	-	-	-	-	-	80,696	80,696
	3,372	-	-	-	-	-	3,372	3,372
	16,792	803	82	-	-	-	17,677	16,792
	4,119	-	-	-	-	-	4,119	4,119
	27,242	-	-	-	-	-	27,242	27,242
	0	0	0	0	0	0	0	0
2019	Total sales revenue 2019	146,126	-	264	127	-	-	146,517
	Grains and seeds	20,661	-	-	-	-	-	20,661
	Green fodder	68,447	-	-	-	-	-	68,447
	Vegetables	13,402	-	-	-	-	-	13,402
	The fruit	19,788	-	264	127	-	-	20,179
	Other commercial products *	1,097	-	-	-	-	-	1,097
	Frozen meat	22,730	-	-	-	-	-	22,730

2-5-2 Distribution of sales for the year 2020 compared to the year 2019 according to the regions of the Kingdom and GCC countries (in thousand riyals):

Year	Products	Eastern province	Central region	Weatern region	Southern region	Northern region	GCC countries	Total
2020	Total sales revenue 2020	29,874	6,774	58,831	1,838	60,341	885	158,544
	Grains and seeds	-	-	-	-	25,437	-	25,437
	Green fodder	-	-	53,169	-	27,528	-	27,528
	Vegetables	302	832	1,085	162	990	-	3,372
	The fruit	2,330	5,878	4,569	1,675	2,056	885	17,394
	Other commercial products *	-	64	9	-	4,330	-	2,156
	Frozen meat	27,242	-	-	-	-	-	27,242
		-	-	-	-	-	-	

Year	Products	Eastern province	Central region	Weatern region	Southern region	Northern region	GCC countries	Total
2019	Total sales revenue 2019	25,727	8,953	54,578	1,783	55,085	391	146,517
	Grains and seeds	-	-	-	-	20,661	-	20,661
	Green fodder	3	8	42,763	-	25,673	-	68,447
	Vegetables	4	1,680	4,718	226	6,774	-	13,402
	The fruit	2,989	7,237	7,085	1,557	920	391	20,179
	Other commercial products *	-	28	12	-	1,057	-	1,097
	Frozen meat	22,730	-	-	-	-	-	22,730

2-6 A note on any material variatables in the operating results compared to the results of the previous year or any expectations announced by the company:

<u>Statement</u>	<u>2020</u>	<u>2019</u>	<u>Variable</u>	<u>Percentage</u>
A) Statement of Income : (in thousand riyals):				
Revenue, net	158,543	146,517	12,026	8%
Cost of revenue	(135,392)	(141,230)	5,838	-4%
Decline in the value of crop stocks	(8,866)	(35,495)	26,630	-75%
A write-off of vital assets	-	(4,387)	4,387	-100%
Total profit / loss	14,285	(34,595)	48,880	-141%
Expenses and burdens during the period.				
Selling and distribution expenses	(27,280)	(40,747)	13,467	-33%
General and administrative expenses	(24,196)	(29,646)	5,449	-18%
Net loss from operation	(37,191)	(104,987)	67,796	-65%
Decline in the value of capital projects	-	(44,351)	44,351	-100%
Provision for loan and liability guarantee from associates	(1,345)	(18,850)	17,505	-93%
	(24,879)	-	(24,879)	100%
Decline in the value of capital projects	(2,150)	-	(2,150)	100%
Provision for loan and liability guarantee from associates	16,701	(4,652)	21,353	-459%
Returning a decline in associates and subsidiaries and investments in equity instruments	-	(4,038)	4,038	-100%
The company's share of the results of the business of an associate	102	755	(652)	-86%
Profits from short-term murabaha investments	(1,772)	(2,647)	876	-33%
Finance costs	3,062	-	3,062	100%
Revenues from settling balances with a related party	1,772	3,841	(2,069)	-54%
Net lossof the year before zakat	(45,700)	(174,930)	129,231	-74%
Zakat	(6,385)	(6,338)	(47)	1%
Net loss of the year	(52,085)	(181,269)	129,184	-71%

Items of other comprehensive income	0	-	-	-
Items that will be reclassified subsequently to profit or loss:	-	-	-	-
Actuarial gain on re-measurement of employees' EOS benefits liabilities	(1,512)	2,531	(4,043)	-160%
Total comprehensive loss for the year	(53,597)	(178,738)	125,141	-70%
Basic loss per share from the net loss for the year	(1.860)	(6.30)	4.44	-70%
Loss of the year attributable to:				
Shareholders of the parent company	(53,190)	(179,785)	126,595	-70%
Non-controlling property rights	1,105	(1,484)	2,589	-174%
0	(52,085)	(181,269)	129,184	-71%
Comprehensive loss attributable to:				
Shareholders of the parent company				
Non-controlling property rights	(54,702)	(177,254)	122,552	-69%
Total comprehensive loss for the year	1,105	(1,484)	2,589	-174%
0	(53,597)	(178,738)	125,141	-70%

The above table reflects the material differences in the operating results of the company between 2019 and 2020

Where it is noticed that the volume of sales increased by 8% compared to the previous year due to the increase in sales of fodder, grains and foodstuffs, and it is also noticed that the cost of sales decreased by -4% from the previous year and achieved a total profit of 41 million riyals compared to the previous year, which recorded a total loss resulting from reducing the cost of sales And a reduction in the evaluation and decline in the value of stocks and crops at the point of harvest, and no decrease in the value of vital assets, in accordance with international accounting standards.

It is also noted that the marketing expenses have decreased by 33% due to the decrease in salary, wages, freight, transportation, packaging, rents, fuel and energy expenses. We also note the decrease in administrative expenses by 18% due to the decrease in remuneration for members of the Board of Directors, the failure to record credit losses, the decrease in public relations and exhibitions expenses, donations, licenses, fuel, energy, consumables, banking and other expenses.

It is also noticeable that the zakat provision has decreased by -26% as a result, and it concerns only the current years 2020 without making any zakat allocations for the previous years compared to the previous year 2019, in which an additional provision was made for the zakat differences for the years 2005 to 2012 in addition to the zakat for the year 2019.

2-7 A note on any difference from the accounting standards approved by the Saudi Organization for Certified Public Accountants:

There is no difference between the accounting standards used in the company and those issued by the Saudi Organization for Saudi Accountants.

It should be noted here that the company has completed and implemented the transformation plan for high-quality international financial standards (IFRS) in accordance with the decision of the Board of Directors of the Saudi Organization of Accountants to fully implement it as of 01/01/2017.

2-8 The name of a subsidiary company, its capital, the percentage of the company's ownership in it and its main activity, and the state that is the principal place of its operations, and the country of its incorporation:

#	Name of subsidiary	Capital (SAR)	Shares ownership percentage	Main activity	State of its Principal operation	State of its incorporation
1	RAKHAA Agricultural Investment Company (Limited Liability Company)	17.287 million	21.6 %	Investing in activities producing feed, grains and strategic food commodities	Saudi Arabia / Egypt	Egypt
2	East Asia Agricultural Investment Company (Closed Stock Company)	70 million	%28.57	Investing in activities of grain production, olive and citrus products, crop trade, and others	Saudi Arabia and abroad	Saudi Arabia
3	Gulf Tech for Sustainable Energy Company (LLC under liquidation)	500,000	%50,00	Technology, uninterruptible and sustainable energy, electrical, wholesale and retail trade in all types of energy	Saudi Arabia	Saudi Arabia
4	Food Horizons	31,089,480	%50	Food manufacturing,	Saudi Arabia	Saudi Arabia

	Company (Limited Liability Company)			catering services and chain of restaurants		
5	MASADER AGRI. FEED MILL LTD CO. (Limited Liability Company)	1,250,000	%60	Flour and compound feed mills	Saudi Arabia	Saudi Arabia

2-9 Details of shares and debt instruments issued for each subsidiary:

Subsidiary name	Date of incorporation	Capital as on 31/12/2020 SAR	Number of shares in subsidiary	Nominal value of share (SAR)	Total value of share (SAR)	Total of fair value of share (SAR)
Food Horizons Company	November 2018	31.089.480	1.554.474	10	15.544,740	15.544,740
MASADER AGRI. FEED MILL LTD CO.	28/02/2019	1.250.000	75.000	10	750,000	750.000

2-10 Information related to any loans on the company (whether they are payable on demand or otherwise), a disclosure of the total debt of the company and its subsidiaries, 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 is no For loans to the company, it must submit a statement:

SN	Name of lending entity	مبلغ أصل القرض (ريال)	مدة القرض	المبلغ المدفوع سداداً للقرض خلال السنة	المبلغ المتبقى من القرض	المديونية الإجمالية للشركة وشركاتها التابعة
(1)	Agricultural Development Fund	19,999	10 years	-	6,718	6,718
(2)	Agricultural Development Fund	10,000	2 years	-	10,000	10,000
(3)	Riyadh Bank	5612	6 months	Paid	0	0
(4)	Arab National Bank	18.062	2 years	Paid	0	0

2-11 A statement of the value of the regular payments paid and due to pay 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 their reasons:

The following table shows the details of the statutory payments paid and due by the company for the year 2019, which include the amounts of Sharia Zakat, the installments of the General Organization for Social Insurance, the costs of visas, passports, customs duties and other fees, noting that all dues have been paid in full except for the amount of zakat.

Statement	Amount in SAR thousands		Abstract description	Reasons
	Paid (SAR)	Payable until end of the annual financial period		
Zakat	2718515	11,773,160	-	-
Tax	336628	4,822,673	-	-
customs fees		-		
The General Organization of Social Insurance	1,380,334	985,634	-	-
Costs of visas, passports, and labor office fees	1,389,597	5,332,000	-	-
Other	-	-	-	-
Total	6,025,864	22,913,467	-	-

2-12 A statement of the value of any investments or reserves created for benefit of the company's employees:

The company did not create any investments or reserves for the benefit of the company's employees during the fiscal year ending on December 31, 2020.

It should also be noted that the company did not issue any treasury shares for the benefit of its employees.

2-13 Details of the company's social contributions:

SN	Entity	Amount (SAR)
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2	King Abdulaziz Charity Society	200,000
3	General Directorate of Health Affairs in Tabuk	40,000
4	HH Prince Fahd Bin Sultant Award for the Ideal Farm	25,000
		265,000

2-14 Any penalty, sanction, precautionary measure, or precautionary restriction imposed on the company by the Authority or any supervisory, regulatory or judicial authority, with an explanation of the causes of the violation, the entity imposing it, and the means of remedying and avoiding its occurrence in the future:

Penalty, sanction, precautionary measure, or precautionary restriction	Caue of violation	Entity imposing it	Means of remedying and avoiding its occurrence in the future

2-15 If the auditor's report includes reservations on the annual financial statements, the board of directors' report must clarify those reservations, their reasons, and any information related to them:

Conservative opinion

We have audited the consolidated financial statements of the Tabuk Agricultural Development Company "TADCO" which is a Saudi joint stock company ("the company" or "the parent company") and its subsidiaries (together referred to as the "group") which include the consolidated balance sheet as on December 31, 2020 And each of the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, as well as the notes attached to the consolidated financial statements from No. (1) to No. (33), including the summary of accounting policies. Significant financial statements which are an integral part of these consolidated financial statements.

In our opinion, with the exception of the effect of potential adjustments, which could have been necessary for us to determine the extent of their necessity if we were able to obtain the data and information referred to in the Basis for

Qualified Opinion paragraph below, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as in December 31, 2020 and its consolidated financial performance and cash flows for the year ended on that date, in accordance with the International Financial Reporting Standards approved in the Kingdom of Saudi Arabia and other standards and publications approved by the Saudi Organization for Certified Public Accountants.

Basis for conservative opinion

As indicated in Note No. (8) about the consolidated financial statements related to investments in associate companies, we did not obtain the financial statements for each of (East Asia Agricultural Investment Company - Gulf Company for Sustainable Energy Technology).

As a result of all these matters above, we were not able to determine whether there were any amendments that might have been necessary to be made to both the consolidated balance sheet as on December 31, 2020 AD and the consolidated financial statements for the fiscal year ending on December 31, 2020 AD for each of the consolidated profits or losses and other comprehensive income. The change in consolidated equity and consolidated cash flows.

We conducted our audit in accordance with the international standards of auditing adopted in the Kingdom of Saudi Arabia. Our responsibility under those standards is further explained in this report under the section "Auditor's responsibilities for reviewing the consolidated financial statements". We are independent of the Group in accordance with the requirements of professional ethics and behavior approved in the Kingdom of Saudi Arabia related to our audit of the financial statements, and we have also fulfilled the responsibilities of other professional conduct and ethics in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Draw the attention of

As indicated in Note No. (2) about the consolidated financial statements, the financial statements of the group include the financial statements of the Agricultural Fodder Sources Company "a subsidiary company" and the formal procedures for transferring ownership of assets and all operational operations to the company are being completed according to the assignment agreement signed between the owner of the establishment (one of the partners) and the company. Our opinion has not been modified with respect to this matter, as the total assets of the Agricultural Fodder Sources Company included in these consolidated financial statements amounted to 58 million Saudi riyals, and its total liabilities

amounted to 12.4 million Saudi riyals, and its net ownership rights amounted to 45.6 million Saudi riyals and its revenues amounted to 53.2 million Saudi riyals, and the total expenses are 54.5 million Saudi riyals.

2-16) In the event that the Board of Directors recommends changing the auditor before the end of the period for which he is designated, the report must contain that, with an explanation of the reasons for the recommendation to change:

None

2-17) Description of the company's policy for distributing dividends:

According to the text of Articles 43, 44 and 45 of the articles of association, the company's policy for distributing profits is as follows:

Article 43 - Distribution of profits: The annual net profits of the company are distributable after deducting general expenses and other costs as follows:

- i. Ten percent (10%) of the net profits are set aside to form a statutory reserve, and the Ordinary General Assembly may stop this deduction when the aforementioned reserve reaches 30% of the capital, and the statutory reserve may be used to cover the company's losses or increase the capital, and if the reserve exceeds 30% of the capital Money paid The Ordinary General Assembly may decide to distribute to shareholders.
- ii. The Ordinary General Assembly may set aside a certain percentage of the net profits to form a consensual reserve to be allocated for a specific purpose or purposes, and it is not permissible to use the consensual reserve except by a decision of the extraordinary general assembly. The management may decide to spend it for the benefit of the company or the shareholders.
- iii. The remaining or carried forward profits from previous years shall be distributed according to what the board of directors recommends to the general assembly, provided that the percentage that it proposes as dividends to shareholders is not less than 3% of the net profits of the company.
- iv. The Ordinary General Assembly may decide to send forward the remainder of the profits (if any) or part thereof as another share for shareholders or to account for the retained earnings or any of the reserves.

- v. After fulfilling the controls set by the competent authorities, the company may distribute semi-annual or quarterly profits.

Article 44 - Entitlement for profits: The shareholder is entitled to his share in the profits in accordance with the decision of the General Assembly issued in this regard, and the decision specifies the date of entitlement and the date of distribution. The Board of Directors may implement the decision of the Ordinary General Assembly regarding the distribution of profits to the shareholders.

Article 45 - Distribution of preference shares dividends: In the event that profits are not distributed for any financial year, it is not permissible to distribute profits for the following years except after paying the percentage specified in accordance with the provisions of Article (114) of the Companies Law for the owners of preference shares for that year. If the company fails to pay this percentage of the profits for a period of three consecutive years, then the private assembly of the owners of these shares held in accordance with the provisions of Article (89) of the Companies Law may decide whether they attend the company's general assembly and participate in the vote or appoint representatives for them in the Board of Directors as appropriate. With the value of their shares in the capital until the company is able to pay the full dividends allocated to the owners of these shares in previous years.

As the following table shows, no profits were distributed during or at the end of the fiscal year 2020.

	Percentages of profits distributed during the year			Percentages of profits distributable by end of the year	Total of profits
	31/03/2020	30/06/2020	30/09/2020		
Percentage	%0	%0	%0	%0	%0
Total	0	0	0	0	0

2-18 Declarations: The company declares that:

- That the account records have been properly prepared.
- That the internal control system was prepared on sound basis and has been effectively implemented.
- There is no doubt about the ability of the company to continue its activity.

3) The Board of Directors, its Committees and Executive Management:

3-1) The names of the BOD members, the members of the committees, the executive management, their current and previous positions, qualifications and experiences:

A) Members of the Board of Directors:

#	Name	Current position	Previous position	Qualifications	Experiences
1	Waleed Khalid Saleh Alshathri	- Deputy General Manager of Khaled Al Shetra Trading Est - Chairman of the Board of Directors of the Tabuk Agricultural Development Company, a member of the Nominations and Remuneration Committee, and a member of the Company's Executive Committee.	Deputy General Manager of Khaled Al-Shathry Trading Est. Banking services advisor for corporate employees at the Saudi British Bank - SAP., Work in the management of international and Gulf stocks in Jadwa Investment Company. Head of Senior Client Services at Emirates Dubai Investment Company	- High School -BA in International Business Administration - Gonzaga University, America (the rest of the last term) -	Experience in general administration
2	Yousuf Abdullah Abdulaziz Alrajhi	Vice Chairman of the Board of Directors of Tabuk Agricultural Company and Chairman of the Executive Committee. Member of the Board of Directors of Al-Rajhi Company for Industry - Member of the Board of	- General Manager of Al-Rajhi Company for Industry and Commerce - Financial Manager at Al-Rajhi Investment Bank - Branch manager at Al-Rajhi Bank for Investment - Bank transfer officer - Riyadh Bank - Member of the Board of Directors of Shurooq Packing	BA in Economics and Political Science - King Saud University (1986 AD) - Master of Development Management - West Michigan University - United States (1991)	More than 30 years of experience in leadership and public administration positions in the banking sector and managing private and public companies in the industrial, commercial, financial and agricultural sectors

		Directors of Al-Rajhi Company for Human Resources, Education and Training - Member of the Board of Directors of Al-Rajhi Hotels Company - Member of the Board of Directors of the Gulf Technology Company - General Manager of Abdullah Abdul Aziz Al-Rajhi and Sons Company - President of Reyada International Hotels President of the Arabasas Travel and Tourism Agency - Head of Al-Rajhi Industrial Center Vice President of the Bangladesh Islamic Bank - Director of Al-Rajhi Factory for Cement Products - President of Kool Steel Products Factory Member of the Board of Directors of Budget Saudi Arabia.	and Food Company (Kuwait) -		
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3	Abdulaziz Ahmed Abdullatif Bin Dayel *				
4	Khalid Saad Mohammed Almurshid	Member of the Board of Directors of Tabuk Agricultural Development Company	<p>A full-time advisor at the Food and Drug General Authority and the executive director for the control of imported food at the level of the Kingdom. He also worked as a faculty member at the College of Applied Medical Sciences at King Saud University</p> <p>Part-time consultant in many government agencies (General Organization for Technical Education And vocational training, environmental health in the secretariat of the Riyadh region, folding services of the armed forces).</p>	<p>- PhD in nutrition from the state of Kansas, USA, 1999. - Master degree in nutrition from the University of Nebraska, USA, 1990. Bachelor of Agricultural Sciences from King Saud University in 1984</p>	<p>- 6 years experience in regulatory work in the Food and Drug Authority. - Experience as a faculty member for about 20 years. Participate in many training courses in management, leadership, project management and organizing work procedures.</p>
5	Mohammed Abdulaziz Abdullah Alshatwi **	<p>- CFO of the Fund of Funds Company.</p> <p>-Member of the Board of Directors of the Tabuk Agricultural Development Company</p>	<p>-Adviser and Head of the Financial Settlements Unit - Ministry of Finance</p> <p>- Assistant President of the General Civil Aviation Authority for Financial Affairs - General Civil Aviation Authority</p> <p>- Director of Investment and Cash Management - Saudi</p>	<p>Master of MBA University MIT2016</p> <p>MSc in Financial Engineering, New York University 2008</p> <p>- Diploma in credit analysis, GB Morgan Bank, New York, 2014</p> <p>Bachelor's degree in Administrative Sciences, Financial Management, King Saud University, 2005</p>	<p>Experience of more than 15 years in investment, cash, financial and accounting affairs and financial consulting</p>

			Electricity Company -		
6	Tariq Abdulaziz Ibrahim Alhamad **	<p>- Director of Operation Magrabi Hospital in Riyadh</p> <p>- Member of the Board of Directors of the Tabuk Agricultural Development Company</p> <p>Collaborating academic researcher with the University of Cardiff in the United Kingdom</p> <p>-</p>	<p>- Adviser to the Ministry of Education and Director of Quality and Planning Department</p> <p>Vice Dean of the College of Applied Medical Sciences</p> <p>- University professor - Qassim University</p> <p>- General Manager of Al-Hamad Real Estate Investment Corporation</p> <p>Head of Department at King Khalid Eye Specialist Hospital</p> <p>-</p>	<p>- PhD in Cornea and Clinical Optometry, University of Cardiff, 2012</p> <p>- Research master's degree in vision sciences, Cardiff University, 2009</p> <p>- Bachelor of Optometry and Vision Sciences, King Saud University, 2006</p>	<p>A doctor and academic researcher for more than 15 years and director of operation at Maghribi Hospital in Riyadh</p>
7	Khalid Abdulrahman Ali Alkhudhairi ***	<p>Founder / Non-Executive Member / Gulf Elite for Consulting and Human Resources</p> <p>Partner / Non-Executive Member / Horizon Alliance Ltd.</p> <p>Executive Director of Shared Services</p> <p>- National Center for Privatization</p> <p>Chairman of the Nomination and Remuneration Committee - GlobeMed Saudi Arabia</p>	<p>- Advisor to the Chairman of the Board of Directors of Volkswagen Saudi Arabia 2017-2018</p> <p>Member of the Board of Directors / Partner / Refad Business Company for Institutional Services</p> <p>General Director of Human Resources, National Housing Company 2017-2019</p> <p>General</p>	<p>- Executive MBA, IE Business University, Madrid, Spain, 2019)</p> <p>Bachelor's degree from King Abdulaziz University in Human Resources Management, College of Business Administration. (2014)</p> <p>- Diploma in Human Resources Development from (British Institute of Personnel and Development - CIPD) in 2014</p> <p>* On 03/18/2020, the General Assembly approved the increase in the</p>	<p>Various experiences in managing strategic and operational functions such as human and financial resources, information technology and support services, in addition to his work as an advisor to the chairman of the board of directors of a major company, and he is currently a member of the board of directors of one of the listed joint stock companies, as well as membership of some limited liability companies</p>

		<p>- Member of the Board of Directors, Chairman of the Nomination and Remuneration Committee - Atath Atheeb Telecom Company (GO)</p> <p>- Member of the Board of Directors of the Tabuk Agricultural Development Company.</p> <p>-</p>	<p>Director of Human Resources and Administration Affairs for Volkswagen Saudi Arabia 2015-2017</p> <p>Founder / CEO of the Modern Gates Foundation for Information Technology (a family enterprise) Information Technology 2009-2019</p> <p>Member of the Human Resources and Labor Market Committee at the Riyadh Chamber of Commerce 2014-2018</p> <p>- Director of Talent Management, Development and Organization Development - Al Safi Danone (one of the group companies) for a period of six months</p> <p>Responsible for the change and transformation programs of the company 2014-2015</p> <p>Director of Human Resources Department at the Modern Electronic Company - Sony (one of the</p>	<p>number of seats of the members of the Audit Committee from (3) to (4) seats to make the number of members of the Audit Committee (4) members, by appointing (Mr. / Abdulaziz bin Ahmed bin Abdul Latif bin Dale - Independent Board Member) to become a member of the Audit Committee, starting from the date of the association's approval until the end of the current committee's term of office on 06/30/2021.</p> <p>-</p>	<p>in the Kingdom of Saudi Arabia.</p>
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			<p>group companies) from 2011-2014</p> <p>Member of the Saudi Business Group Committee at the Saudi Institute of Electronics and Home Appliances (Sihai), represented</p> <ul style="list-style-type: none"> - For Sony, where the committee supervises the institute's development programs and curriculum development and discusses them with the Japanese side - Represented by (the Japanese Cooperative Center for the Middle East), as well as discussing the employment and development programs for Saudis for companies Contribution to the institute. <p>2011-2014</p> <p>-</p>		
	<p>Ahmed Abdulaziz Abdullah Alsammari ****</p>	<ul style="list-style-type: none"> - Head of the Ahmed Abdul Aziz Al-Sammari Office for Agricultural Studies and Consultations - Member of the Board of Directors of Tabuk Agriculture - Member of the Agricultural 	<ul style="list-style-type: none"> - General Manager of Sales of Meat and Food Products at Nadec Company - General Manager of the National Company for Agricultural Marketing (Thimmar) - Member of the 	<p>BA in Agricultural Economics - King Saud University (1984)</p>	<p>Long experience extending to 30 years in managing agricultural companies, agricultural marketing and agricultural consultancy</p>

		Committee of the Chamber of Industry and Commerce (Riyadh)	Board of Directors of the National Agricultural Marketing Company (Thimmar). Chairman of the National Agricultural Committee of the Council of Saudi Chambers - Member of the initiative team for Marketing and Handling of Agricultural Crops (Agricultural Development Fund) - General Manager of Metara Trading Corporation Director of Sales and Marketing (Al-Fanar Company) - Director of the Riyadh branch of the Arab Company for Agriculture and Dairy Production (Al-Safi Dairy) Sales and Distribution Manager at the Arab Company for Agriculture and Dairy Production (Al Safi Dairy) Sales supervisor at the Arab Company for Agriculture and Dairy Production (Al Safi Dairy)		
	Mohammed Abdullah Abdulaziz Alrajhi	- Chairman of the Board of Directors of Tabuk Agricultural, then a member of the Board of Directors - Member of the	President of Al-Rajhi Chemical Group Member of the Audit and Compliance Committee of Al Rajhi Bank - Member of the	Bachelor of Administrative Sciences - Alexandria University (1976)	More than 45 years of experience in managing the agricultural, commercial, financial and real estate sectors

		Board of Directors of East Asia Agricultural Development and Investment Company (closed joint stock)	Board of Directors of Tabuk Agriculture Vice Chairman of Tabuk Agricultural Board - Chairman of the Board of Directors of Jannat Investment Company - Chairman of the Board of Directors of Rakha Agricultural Investment Company		
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** The Board of Directors approved 12/05/2020 to appoint each of: Mr. Muhammad bin Abdulaziz Abdullah Al-Shtwi as a member of the Board of Directors (independent) and Dr. Tariq bin Abdul Aziz Ibrahim Al-Hamad as a member of the Board of Directors (independent) as of 13/05/2020 to fill the two vacant seats in the board of directors after the resignation of Mr. Suleiman bin Saleh Al-Sarraf at the end of 2019 and the resignation of Ahmed Abdel Aziz Al-Sammari at the beginning of 2020 and the Ordinary General Assembly approved this on 17/06/2020 until the end of the current session of the Board of Directors on 30/06/2021.

*** On 13/12/2020, the Board of Directors decided to appoint Mr. Khalid bin Abdul Rahman bin Ali Al-Khudairi as a member of the Board of Directors as of 12/12/2020 to fill the vacant seat after the resignation of the Board member, Mr. Muhammad Abdullah Abdul Aziz Al-Rajhi. Publication on the Tadawul site in this regard will be presented to the first General Assembly for approval.

**** On 22/01/2020, the Board of Directors approved the resignation of Mr. Ahmed Abdel Aziz Al-Sammari from the Board of Directors due to his health and special conditions, and the Board of Directors approved on 12/09/2020 the resignation of Mr. Muhammad Abdullah Abdul Aziz Al-Rajhi from the Board of Directors due to his circumstances And it was published on the trading site at the time in this regard.

A) Committee members:

Executive committee

#	Name	Current position	Previous position	Qualifications	Experiences
1	Yousuf Abdullah Abdulaziz Alrajhi	Vice Chairman of the Board of Directors of Tabuk Agricultural Company and Chairman of the Executive Committee. Member of the	- General Manager of Al-Rajhi Company for Industry and Commerce - Financial Manager at Al-Rajhi Investment Bank - Branch manager at Al-Rajhi Bank for Investment	BA in Economics and Political Science - King Saud University (1986 AD) - Master of Development Management - West Michigan University - United States (1991)	More than 30 years of experience in leadership and public administration positions in the banking sector and managing private and public

		<p>Board of Directors of Al-Rajhi Company for Industry</p> <p>- Member of the Board of Directors of Al-Rajhi Company for Human Resources, Education and Training</p> <p>- Member of the Board of Directors of Al-Rajhi Hotels Company</p> <p>- Member of the Board of Directors of the Gulf Technology Company</p> <p>- General Manager of Abdullah Abdul Aziz Al-Rajhi and Sons Company</p> <p>- President of Reyada International Hotels</p> <p>President of the Arabasas Travel and Tourism Agency</p> <p>- Head of Al-Rajhi Industrial Center</p> <p>Vice President of the Bangladesh Islamic Bank</p> <p>- Director of Al-Rajhi Factory for Cement Products</p>	<p>- Bank transfer officer - Riyad Bank</p> <p>- Member of the Board of Directors of Shurooq Packing and Food Company (Kuwait)</p> <p>-</p>		<p>companies in the industrial, commercial, financial and agricultural sectors</p>
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		- President of Kool Steel Products Factory Member of the Board of Directors of Budget Saudi Arabia.			
2	Waleed Khalid Saleh Alshathri	- Deputy General Manager of Khaled Al Shetra Trading Est - Chairman of the Board of Directors of the Tabuk Agricultural Development Company, a member of the Nominations and Remuneration Committee, and a member of the Company's Executive Committee.	Deputy General Manager of Khaled Al-Shathry Trading Est. Banking services advisor for corporate employees at the Saudi British Bank - SAP. Work in the management of international and Gulf stocks in Jadwa Investment Company. Head of Senior Client Services at Emirates Dubai Investment Company	- High School -BA in International Business Administration - Gonzaga University, America (the rest of the last term) -	Experience in general administration
3	Fahd Abdullah Alsameeh	CEO of Tabuk Agricultural Development Company-	CEO of the Saudi Fish Company -Many leadership positions at SABIC, the last of which is General Director of Special Projects Research and Development	Bachelor's degree in chemistry from King Saud University in 1989G.	More than 27 years of experience in leadership positions in SABIC and Saudi Fisheries
4	Ahmed Ibrahim Alsenaidi *	Director of Financial Department at the General Authority for Ports (Mawani) from 2020 Member of the Audit Committee of Tabuk Agricultural	- Director of the Special Purpose Companies Consolidation Division - Saudi Telecom Company - Legal Reporter - National Industrialization Company (Tasnee)	Bachelor's degree in Accounting (2008 AD), King Saud University - Master of Accounting and Financial Management (2013 AD), Bagner University, United	More than 12 years of experience in accounting, financial management, financial analysis and auditing

		Development Company	Financial Reports Analyst - Industrial Development Fund	Kingdom	
			Financial Analyst - Industrial Development Fund	- Certificate of the Saudi Organization for Certified Public Accountants (2015 AD)	
			Senior Financial Analyst - Industrial Development Fund		
			Associate Accountant - KPMG		
			Assistant Financial Analyst - Industrial Development Fund		

*Mr. Ahmed bin Ibrahim Al-Sunaidi submitted his resignation to the Executive Committee and the Board approved the resignation on 02/26/2020

The audit committee

#	Name	Current position	Previous position	Qualifications	Experiences
1	Waleed Ahmed Ba Maarouf	- Partner and chartered accountant, resident and licensed bankruptcy trustee - Talal Abu Ghazaleh & Co. (CPA) Chairman of the Audit Committee of Tabuk Agricultural Development Company	Chief Financial Officer (CFO) at Al-Ahly Takaful Company	BA in Accounting - King Fahd University of Petroleum and Minerals (1995) - Master of Executive Business Administration - King Abdulaziz University (2009 AD) Fellowship of the American Institute of Certified Public Accountants (CPA) (1997) CMA Certified Management Accountant (2001) Fellowship of the Saudi Organization for Certified Public Accountants (SOCPA) (2005 AD) CIA Certified Internal Auditor (2012) - Certified Economic	25 years of experience in accounting, internal and external auditing, compliance, membership of boards of directors and audit committees in agricultural and industrial sector companies

				Facilities Valuator (ABV)	
2	Abdulrahman Alsultan	- Director General of Internal Audit - General Authority for Statistics Secretary of the Audit Committee - General Authority for Statistics Member of the Audit Committee of Tabuk Agricultural Development Company	- Planning and Quality Audit Specialist - General Organization for Social Insurance - Internal auditor - The General Organization for Social Insurance - Financial Controller - The General Organization for Social Insurance An employee of the Saudi Dutch Bank (Financial Control and Treasury departments) - Member of the review committee of the Arab Cooperative Insurance Company	BA in Accounting (1999 AD), King Saud University - Master of Science in Layout Finance (2009), University of Newcastle, Australia Certificate of Fundamentals of Insurance - Financial Academy	More than 20 years of experience in the field of accounting, auditing, financial management and insurance
3	Ahmed Ibrahim Alsenaidi	Director of Financial Department at the General Authority for Ports (Mawani) from 2020 Member of the Audit Committee of Tabuk Agricultural Development Company	- Director of the Special Purpose Companies Consolidation Division - Saudi Telecom Company - Legal Reporter - National Industrialization Company (Tasnee) Financial Reports Analyst - Industrial	Bachelor's degree in Accounting (2008 AD), King Saud University - Master of Accounting and Financial Management (2013 AD), Bagner University, United Kingdom - Certificate of the Saudi Organization for Certified Public Accountants (2015)	More than 12 years of experience in accounting, financial management, financial analysis and auditing

			Development Fund Financial Analyst - Industrial Development Fund Senior Financial Analyst - Industrial Development Fund Associate Accountant - KPMG Assistant Financial Analyst - Industrial Development Fund	AD)	
4	Abdulaziz Ahmed Abdullatif Bin Dayel *	- Secretary General of the Board of the Public Pension Agency - The financial advisor to the governor of the Public Pension Agency Member of the Board of Directors of Tabuk Agricultural Development Company, Chairman of the Nominations and Remuneration Committee, and a member of the Audit Committee. - Member of the Board of Directors of Sahara International	Executive Director of Self Ltd., one of the Al Munjam Group companies - Executive Director of Sales and Marketing - MEED Trading Company - one of Mawared Group companies Managing Director and Member of the Board of Directors of Tuhama Advertising, Public Relations and Marketing Company - Central Region Manager - Private Banking and Gold Service (Riyad Bank)	Bachelor of Business Administration - King Saud University (1998 AD)	More than 20 years of experience in executive management and membership of the boards of directors of public and private joint-stock companies in the banking, commercial, Petrochemicals and agricultural fields.

		Petrochemical Company (Sipchem), member of the Nomination and Remuneration Committee, and Chairman of the Governance Committee	Branch Manager (Samba Financial Group) Diamond Services Manager (Samba Financial Group) Member of the Board of Directors of AD Art Median Member of the Board of Directors of Al-Mawared Foods Company - Member of the Board of Directors of Intermarkets Member of the Board of Directors of JWT Member of the Board of Directors of Ogel V.		
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* On 18/03/2020 AD, the General Assembly approved the increase in the number of seats of the members of the Audit Committee from (3) to (4) seats to make the number of members of the Audit Committee (4) members, by appointing (Mr. / Abdulaziz bin Ahmed bin Abdul Latif bin Dale - Independent Board Member) to become a member of the Audit Committee, starting from the date of the association's approval until the end of the current committee's term of office on 30/06/2021

Nominations and remunerations committee

#	Name	Current position	Previous position	Qualifications	Experiences
1	Abdulaziz Ahmed Abdullatif Bin Dayel *	- Secretary General of the Board of the Public Pension Agency - The financial advisor to the governor of the Public Pension Agency Member of the Board of Directors of	Executive Director of Self Ltd., one of the Al Munjam Group companies - Executive Director of Sales and Marketing - MEED Trading Company - one of Mawared Group companies Managing	Bachelor of Business Administration - King Saud University (1998 AD)	More than 20 years of experience in executive management and membership of the boards of directors of public and private joint-stock companies in the banking, commercial,

		<p>Tabuk Agricultural Development Company, Chairman of the Nominations and Remuneration Committee, and a member of the Audit Committee.</p> <p>- Member of the Board of Directors of Sahara International Petrochemical Company (Sipchem), member of the Nomination and Remuneration Committee, and Chairman of the Governance Committee</p>	<p>Director and Member of the Board of Directors of Tuhama Advertising, Public Relations and Marketing Company</p> <p>- Central Region Manager - Private Banking and Gold Service (Riyad Bank) Branch Manager (Samba Financial Group) Diamond Services Manager (Samba Financial Group)</p> <p>Member of the Board of Directors of AD Art Median</p> <p>Member of the Board of Directors of Al-Mawared Foods Company</p> <p>- Member of the Board of Directors of Intermarkets</p> <p>Member of the Board of Directors of JWT</p> <p>Member of the Board of Directors of Ogel V.</p>		Petrochemicals and agricultural fields.
2	Waleed Khalid Saleh Alshathri	<p>- Deputy General Manager of Khaled Al Shetra Trading Est</p> <p>- Chairman of the Board of Directors of the Tabuk Agricultural Development Company, a member of the Nominations and</p>	<p>Deputy General Manager of Khaled Al-Shathry Trading Est.</p> <p>Banking services advisor for corporate employees at the Saudi British Bank - SAP,.</p> <p>Work in the management of international and Gulf stocks in Jadwa Investment</p>	- High School	Experience in general administration

		Remuneration Committee, and a member of the Company's Executive Committee.	Company. Head of Senior Client Services at Emirates Dubai Investment Company		
3	Aljawhara Sulaiman Alayed	<p>Director of Culture and Affiliation</p> <p>Twal is one of the Saudi Telecom Company companies</p>	<p>Senior human resources specialist in a leading investment company</p> <p>Human Resources Team Leader - Olayan Financial Company HR Operations Analyst - Saudi Agricultural and Livestock Investment Company - Salik</p>	<p>- Master of Human Resources - Al Yamamah University 2016</p> <p>BA in English Translation - King Saud University 2013</p> <p>CIPD level 3 & 5 Certification</p>	<p>Experience in human resources and administrative positions for more than 6 years in major companies</p> <p>In addition to many specialized training courses in management skills</p>
4	Hatim Mohammed Hamid Imam	Head of the Shared Services Sector at Tabuk Agricultural Development Company	<p>- General Manager of Human Resources and Administrative Affairs - SAMACO Automotive Company - Jeddah., Human Resources Manager - Al Muftah Car Rentals, Jeddah.</p> <p>Head of Human Resources and Administrative Affairs - Almarai Western Bakeries Company (Lusine), Jeddah.</p> <p>- Regional Director of Human Resources - Saudi Arabia and the Gulf - Attia Group, Jeddah.</p>	<p>Master's degree in human resources - University of Washington 2004</p> <p>Bachelor's degree in Computer Science - University of Washington 2003</p> <p>Bachelor's degree in Business Administration - University of Washington, 2001</p> <p>- Higher Technical Diploma in Aircraft Structures and Engines, University of Washington, 1999</p>	<p>More than 20 years of experience in corporate restructuring and human resource leadership, setting strategies, policies, procedures and effective development programs, extensive experience in performance evaluation, change management, career counseling and information technology.</p> <p>Member of the Nominations Committee (NRC)</p>

Governance, abidance & risks committee

#	Name	Current position	Previous position	Qualifications	Experiences
1	Murea Saad Habbash	Chairman of the Governance, Compliance and Risk Committee of the Tabuk Agricultural Development Company. -Chairman of the Board of Directors of the Center for Corporate Governance - King Khalid University - Kingdom of Saudi Arabia -Member of the Board of Directors of Salama Insurance Company	Dean of Student Affairs - King Khalid University Head of the Accounting Department, King Khalid University Accountant at the Saudi Telecom Company Assistant Auditor of Pharoky & Partners Co., Ltd. Lecturer at the University of Durham College, United Kingdom	Bachelor's degree in Accounting (2002 AD), King Khalid University MA in Accounting and Finance (2006 AD), University of Birmingham -PhD in Accounting and Finance (2010), University of Durham - United Kingdom - Saudi Fellowship for Certified Public Accountants SOCPA	12years of experience in accounting, finance, corporate governance, financial markets, real estate valuation, training, arbitration and international conciliation.
2	Samah Hamad Ali Alsubaie	Director of Corporate Governance, Telecom Towers Company	Corporate Governance Expert, Zain Saudi Arabia Corporate Governance Supervisor, Saudi Corporate Governance Index project Management and development of projects for a number of companies	- Master of Business Administration, Alfaisal University BA in International Business Administration, King Abdulaziz University Diploma in Computer Science, Institute of Public Administration - Certificate of Governance, Risk Management and Compliance, London School of Business and Finance	Diverse experience of more than 10 years in business administration and corporate governance specialization
3	Mashari Faisal Shalhoob *	General Director of Legal Affairs and Acting Director of the General Department of	Director of Board Affairs and Committees Affiliate - Public Pension Agency. - A lawyer	- Master of Commerce and International Law - Sydney, Australia, 2008 - Bachelor of	More than 12 years of practical experience in financial systems, law

		Governance, Compliance, Risk and Cybersecurity - Public Pension Agency	licensed to practice law in the Kingdom of Saudi Arabia - Ministry of Justice Legal Adviser and Board Secretary, Middle East Financial Investment Company - Head of the inspection team - Capital Market Authority - Legal specialist in the Secretariat of Committees for Resolution of Securities Disputes - Capital Market Authority Legal advisor at Prima Advocates and Legal Consultants	Sharia - Imam Muhammad bin Saud University 2006 Diploma in Compliance and Financial Crime - University of Reading - Britain 2014 - The Global Certificate Program for Stock Market Regulators, 2017 IOSCO, Madrid, Spain - International Financial Systems Program - Harvard Law - Boston USA 2017	and governance
4	Khalid Mahmoud Mohammed Alnajjar**	Legal Advisor and Director of Legal Affairs for the Tabuk Agricultural Development Company (TADCO) Member of the Governance, Compliance and Risk Committee	Legal advisor and director of legal affairs for Rukn Al-Falak Trading Company 2015-2019 Legal advisor and director of legal affairs for the Dar Al Mastour Group Company for Trade from 2009-2015 Since 1997, a lawyer in the office of Professor Bushra Abbas Asfour, the lawyer at the Supreme Administrative Court and the Supreme Constitutional Court, and the former representative of the Egyptian Bar Association, and a lawyer in the office of the	Bachelor of Laws with a good grade in May 3551 AD from Mansoura University Diploma in Criminal Law, October session, 3551 AD from Mansoura University -	Practical experience of more than 23 years in advocacy and legal affairs

			Counselor / Said Abal Wahab Shehata, the office of his legal advisor. In Cairo 04 Sharif Amara Imobilia St. Judgments and a lawyer at the office of Mr. Tariq Al Serkal, a lawyer in the city of Abu Dhabi, in the United Arab Emirates, then a legal advisor for an institution, and he worked as a lawyer at the Al Shabaka Commercial Services office in Abu Dhabi, United Arab Emirates.		
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* Mr. Mishari Faisal Fahd Shalhoub resigned from the committee, and the committee approved the resignation on 20/08/2020.

** The Board of Directors approved the membership of Mr. Khaled Al-Najjar in the committee as of 20/09/2020 as a substitute for the resigned member Mishary Shalhoub.

C) Executive Management:

#	Name	Current position	Previous position	Qualifications	Experiences
1	Fahd Abdullah Alsameeh	CEO of Tabuk Agricultural Development Company-	CEO of the Saudi Fish Company -Many leadership positions at SABIC, the last of which is General Director of Special Projects Research and Development	Bachelor's degree in chemistry from King Saud University in 1989G.	More than 27 years of experience in leadership positions in SABIC and Saudi Fisheries
2	Yahya Ahmed Mubarak	Chief Operating Officer COO	Director of the Tabuk Agricultural Field Crops Business Unit Director of the Field Crops Department in Tabuk Agricultural	Bachelor of Agricultural Sciences - King Saud University (2002 AD)	15 years experience in crop management and agricultural projects

			Agricultural Supervisor at Tabuk Agricultural Company		
3	Hatim Mohammed Hamid Imam	Head of the Shared Services Sector at Tabuk Agricultural Development Company	- General Manager of Human Resources and Administrative Affairs - SAMACO Automotive Company - Jeddah., Human Resources Manager - Al Muftah Car Rentals, Jeddah. Head of Human Resources and Administrative Affairs - Almarai Western Bakeries Company (Lusine), Jeddah. - Regional Director of Human Resources - Saudi Arabia and the Gulf - Attia Group, Jeddah.	Master's degree in human resources - University of Washington 2004 Bachelor's degree in Computer Science - University of Washington 2003 Bachelor's degree in Business Administration - University of Washington, 2001 - Higher Technical Diploma in Aircraft Structures and Engines, University of Washington, 1999	More than 20 years of experience in corporate restructuring and human resource leadership, setting strategies, policies, procedures and effective development programs, extensive experience in performance evaluation, change management, career counseling and information technology. Member of the Nominations Committee (NRC)
4	Hashim Farid Asaad Aburrah	General Manager of Marketing and Sales	General Manager of Sales of Mohammed Ba Wazir Company. Executive Director of Al Qasr Foodstuff Company. Sales Manager at Al Muhaideb Company General Manager of Procurement and Marketing at Danube Company. Sales Manager at Al-Sunbulah Company	Master of Career Guidance Psychology (Administrative Guidance) University of Algiers 1998 BA in Professional Guidance Psychology - University of Algiers, 1985	Diverse experience of more than 30 years in the field of sales and marketing of food products in the markets of major customers in the Kingdom of Saudi Arabia
5	Husamuddin Abdulbaqi Othman Mukhtar*	Acting CFO	- Financial Director and then Mashco Group Treasury	Bachelor of Commerce - Accounting 1988 Cairo University	30 years of experience in accounting, financial

			Manager - Saudi Arabia - Financial Manager - Al Mashal Group - Saudi Arabia Internal Audit Manager, Abdullah Al-Othaim Markets Company - Saudi Arabia Auditor, then head of the audit team of Saleh and Barsoum, and Abdulaziz Legal Accountants - BDO - Egypt -	Member of the Egyptian Association of Accountants and Auditors. Certified Public Accountant for Joint Stock Companies - Ministry of Finance - Egypt	management, treasury management and internal auditing
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* The company's financial director, in charge of the duties of the head of the finance sector.

3-2) Names of companies inside 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 of its managers:

Name of member	Company names Which is Council member The administration is a member In the boards Its current administrations Or from its managers	Within the Kingdom/ Outside the kingdom	Legal entity (Input Included / Contribution Unlisted/ Responsible Limited) /	Company names To be a member Board of Directors A member of Its boards of directors Previous or from Its managers	Within the Kingdom/ Outside the kingdom	Legal entity (Input Included / Contribution Unlisted/ Responsible) / Limited
Member (1) Alwaleed Khalid Alshathri	Khalid Alshathri Trading Est.	Within KSA	LLC	None	None	None
Member (2) Yousuf	United International Transportation	inside the Kingdom	listed joint stock company	- General Manager of Al-Rajhi Company for	Inside the kingdom	Unlisted company, LLC

Alabdullah Alrajhi	Company - Budget Saudi Arabia			Industry and Commerce - Member of the Board of Directors of Shurooq Packing and Food Company (Kuwait) - Member of the Board of Directors of Al-Rajhi Company for Human Resources, Education and Training - Member of the Board of Directors of Al-Rajhi Hotels Company - Member of the Board of Directors of the Gulf Technology Company - General Manager of Abdullah Abdul Aziz Al-Rajhi and Sons Company	- Outside the kingdom Inside the Kingdom Inside the Kingdom Inside the Kingdom Inside the Kingdom	- Unlisted company LLC - Unlisted company LLC - Unlisted company LLC - Unlisted company LLC - Unlisted company LLC
				- CEO of Self Ltd., one of the Al Munjam Group companies Managing Director and Member of the Board of Directors of Tuhama Advertising, Public Relations and Marketing Company Member of the Board of Directors of AD Art Median Member of the Board of Directors of Al-Mawared Foods Company - Member of the Board of Directors of Intermarkets Member of the Board of Directors of JWT - Member of the Board of Directors of Ogel V - inside the Kingdom	Inside the kingdom Inside the kingdom Inside the kingdom Inside the kingdom Inside the kingdom Unlisted company LLC	Unlisted company LLC listed joint Stock Unlisted joint Stock Unlisted joint stock Unlisted company LLC Unlisted company LLC
Member (3) Abdulaziz Ahmed Abdullatif Bin Dayel	Sahara International Petrochemical Company (Sipchem),	inside the Kingdom	a listed joint stock			
Member (4) Mohammed Abdullah Alrajhi	- East Asia Agricultural Investment Company	inside the Kingdom	(unlisted joint stock company)	- Head of Al-Rajhi Chemical Group - Member of the Board of Directors of Tabuk Agriculture - Member of the Board of Directors of Tabuk Agriculture - Member of the Board of Directors of Tabuk Agriculture	Inside the kingdom Inside the kingdom Inside the kingdom	- Listed company LLC - Listed company - Listed company - Unlisted company

				of Jannat Investment Company Member of the Board of Directors of Rakhaa for Agricultural Investment	Inside the kingdom - Outside the kingdom	- Unlisted company
Member (5) Khalid Saad Almurshid	-	-	-	-	-	-
Member (6) Ahmed Abdulaziz Alsammari						
Member (7) Tariq Abdulaziz Alhamad	-	-	-	-	-	-
Member (8) Mohammed Abdulaziz Alshatwi	Advanced solutions	Inside KSA	Closed stock company	-	-	-
Member (9) Khalid Abdulrahman Ali Alkhudhairi	Atheeb Union Telecom. (GO)	Inside KSA	LLC	-	-	-
	Horizon Alliance Co.	Inside KSA	LLC	-	-	-
	Gulf Elite Company	Inside KSA	LLC	-	-	-
	Globemed Saudi Co.	Inside KSA	LLC	-	-	-

3-3) Formation of the Board of Directors and classification of its members as follows: Executive Board Member, Non-Executive Board Member, Independent Board Member:

Name of member	Classification of membership (executive / Non-executive/ independent)
Member (1) Alwaleed Khalid Alshethry	Non-executive
Member (2) Yousif Abdullah Alrajhi*	Non-executive
Member (3) Abdulaziz Ahmed Bin Dayel	Independent
Member (4) Khaled Saad Almarshad**	Independent

Member (5) Tariq Abdulaziz Alhamad**	Independent
Member (6) Khalid Abdulrahman Alkhudairi ***	Independent
Member (7) Mohammed Abdulaziz AlShetwy ***	Independent
Member (8) Ahmed Abdulaziz Abdullah Alsammari ****	Independent
Member (9) Mohammed Abdullah Abdulaziz Alrajhi ****	Non-executive

*

* On 18/03/2020 AD, the General Assembly approved the increase in the number of seats of the members of the Audit Committee from (3) to (4) seats to make the number of members of the Audit Committee (4) members, by appointing (Mr. / Abdulaziz bin Ahmed bin Abdul Latif bin Dale - Independent Board Member) to become a member of the Audit Committee, starting from the date of the association's approval until the end of the current committee's term of office on 30/06/2021.

** The Board of Directors approved 12/05/2020 to appoint each of: Mr. Muhammad bin Abdulaziz Abdullah Al-Shtwi as a member of the Board of Directors (independent) and Dr. Tariq bin Abdul Aziz Ibrahim Al-Hamad as a member of the Board of Directors (independent) as of 13/05/ 2020 to fill the two vacant seats in the board of directors after the resignation of Mr. Suleiman bin Saleh Al-Sarraf at the end of 2019 and the resignation of Ahmed Abdel Aziz Al-Sammari at the beginning of 2020 AD and the Ordinary General Assembly approved this on 17/06/2020 until the end of the current session of the Board of Directors on 30/06/2020.

*** On 13/12/2020, the Board of Directors decided to appoint Mr. Khalid bin Abdul Rahman bin Ali Al-Khudairi as a member of the Board of Directors as of 12/12/2020 to fill the vacant seat after the resignation of the Board member, Mr. Muhammad Abdullah Abdul Aziz Al-Rajhi. Publication on the Tadawul site in this regard will be presented to the first General Assembly for approval.

**** On 22/01/2020, the Board of Directors approved the resignation of Mr. Ahmed Abdel Aziz Al-Sammari from the Board of Directors due to his health and special conditions, and the Board of Directors approved on 12/09/2020 the resignation of Mr. Muhammad Abdullah Abdul Aziz Al-Rajhi from the Board of Directors due to his circumstances And it was published on the trading site at the time in this regard.

3-4) Actions taken by the Board of Directors to inform its members - especially non-executives - of shareholders 'proposals and comments about the company and its performance:

Usually, the board includes and presents the proposals and notes that it receives from the shareholders about the company and their performance on its members within the agenda of the periodic meetings of the board, and during the year 2020 the board did not receive anything in this regard.

3-5) The number of board meetings that were held during the last fiscal year, their dates, and the attendance record for each meeting indicating the names of those present:

Name	Potision	Number of meetings (8)								الاجمالي
		1 st meeting 22/01/2020	2 nd meeting 26/02/2020	3 rd meeting 26/03/2020	4 th meeting 12/05/2020	5 th meeting 11/06/2020	6 th meeting 20/08/2020	7 th meeting 09/11/2020	8 th meeting 13/12/2020	
Member (1) Alwaleed Khalid Alshethry	BOD chairman	1	1	1	1	1	1	1	1	8
Member (2) Yousif Abdullah Alrajhi*	BOD VP	1	1	1	1	1	1	1	1	8
Member (3) Abdulaziz Ahmed Bin Dayel	BOD member	1	1	1	1	1	1	1	1	8
Member (4) Khaled Saad Almarshad**	BOD member	1	1	1	1	1	1	1	1	8
Member (5) Tariq Abdulaziz Alhamad**	BOD member	-	-	-	-	1	1	1	1	4
Member (6) Khalid Abdulrahman Alkhudairi ***	BOD member	-	-	-	-	1	1	1	1	4
Member (7) Mohammed Abdulaziz AlShetwy ***	BOD member	-	-	-	-	-	-	-	-	-
Member (8) Ahmed Abdulaziz Abdullah Alammari ****	BOD member	-	-	-	-	-	-	-	-	-
Meber (9) Mohammed Abdulaziz Alrajhi ****	BOD member	1	1	1	1	1	1	0	0	6

*The board of directors has been joined by: Mr. Muhammad bin Abdulaziz Abdullah Al-Shetwi and Dr. Tariq bin Abdul Aziz Ibrahim Al-Hamad as of 13/05/2020 to occupy the two vacant seats in the board of directors.

**Mr. Khalid bin Abdul Rahman bin Ali Al-Khudairi joined the Board of Directors as of 14/12/2020 and did not attend any meetings of the Board of Directors because no Board meetings were held after this date.

***On 22/01/2020, the Board of Directors approved the resignation of Mr. Ahmed Abdel Aziz Al-Sammari from the Board of Directors due to his health and special conditions, and he did not attend any meetings of the Board of Directors to submit his resignation before the first meeting during the year 2020.

****On 12/09/2020, the Board of Directors approved the resignation of Mr. Muhammad Abdullah Abdul Aziz Al-Rajhi from the Board of Directors for his special circumstances.

3-6) A brief description of the committees' specialties and tasks, such as: the Audit Committee, the Nomination Committee and the Remuneration Committee, with mentioning the names of the committees, their chairmen and members, the number of their meetings, dates of their meetings, and the attendance data of the members for each meeting.

3-6-1 Executive Committee:

A) A brief description of the committee's functions and functions:

The committee is aware of the responsibilities of the board of directors related to managing the company's business during the periods between the regular meetings scheduled for the board, or when it is not possible to hold the board meetings for any urgent reasons or beyond control, and it makes recommendations to the board of directors on various topics related to the preparation and implementation of the company's strategy and investment in partnership projects And acquisitions, and the council authorizes the committee to discharge some of its tasks, such as approving investment policies, appointing senior leaders, and procurement (with less than two million riyals).

B) Committee Meetings :

#	Name	Position	Number of meetings (4)						
			1 st meeting 25/02/2020	2 nd meeting 05/06/2020	3 rd meeting 14/07/2020	4 th meeting 20/10/2020	5 th meeting 18/11/2020	6 th meeting 31/12/2020	Total
1	Member (1) Yousif Abdullah Alrajhi*	Committee chairman	1	1	1	1	1	1	6
2	Member (2) Alwaleed Khalid Alshethry	Committee Vice-chairman	1	1	1	1	1	1	6
3	Member (3) Ahmed Ibrahim Alsunaidi *	Committee member	1	-	-	-			1
4	Member (4) Fahd Abdullah Alsemaih	Committee member	1	1	1	1	1	1	6

*Mr. Ahmed Ibrahim Al-Sunaidi resigned from the membership of the committee, and it was approved by the Board of Directors on 02/26/2020 AD

3-6-2) Audit Committee:

A) A brief description of the committee's functions and functions:

Supervising the company's internal audit department in order to verify its effectiveness in carrying out the work and tasks set by the board of directors. Study the internal control system and draw up a written report on its opinion and recommendations regarding it. Study the internal audit reports and follow up the implementation of corrective actions for the observations contained therein. Recommending the appointment of statutory accountants and their dismissal and determining their fees. When recommending appointment, it is taken into consideration to ensure their independence. And following up on the work of chartered accountants, and approving any work outside the scope of the audit work that they are assigned to do while performing the audit work. Study the audit plan with the chartered accountant and make her observations on it. And study the chartered accountant's notes on the financial statements and follow up on what has been done about them. Study the initial and annual financial statements before submitting them to the Board of Directors and express opinion and recommendation in this regard. Study the accounting policies used and give opinion and recommendation to the Board of Directors in this regard.

B) Committee meetings:

#	Name	Position	Number of meetings (5)					Total
			1 st meeting 12/03/2020	2 nd meeting 08/05/2020	3 rd meeting 03/06/2020	4 th meeting 13/08/2020	5 th meeting 29/10/2020	
1	Member (1) Waleed Ahmed Ba Maarouf	Chairman	1	1	1	1	1	5
2	Member (2) Abdulrahman Alsultan	Member	1	1	1	1	1	5
3	Member (3) Ahmed Alsenaidi	Member	1	1	1	1	1	5
4	Member (4) Abdulaziz Ahmed Bin Dayel	Member	-	1	1	1	1	4

*On 18/03/2020, the General Assembly approved the increase in the number of seats of the members of the Audit Committee from (3) to (4) seats to make the number of members of the Audit Committee (4) members, by appointing (Mr. / Abdulaziz bin Ahmed bin Abdul Latif bin Dale - Independent Board Member) to become a member of the Audit Committee, starting from the date of the association's approval until the end of the current committee's term of office on 30/06/2021

3-6-3) The Nomination and Remuneration Committee:

A) A brief description of the committee's functions and functions:

The committee is concerned with recommending to the Board of Directors the nomination for membership of the Board in accordance with the approved policies and standards, taking into account not to nominate any person previously convicted of a crime involving breach of honor and trust. And the annual review of the required needs of appropriate skills for membership of the Board of Directors and the preparation of a description of the capabilities and qualifications required for membership of the Board of Directors, including determining the time that the member must devote to the work of the Board of Directors. Review the structure of the Board of Directors and make recommendations regarding changes that can be made. Determine the strengths and weaknesses of the board of directors, and propose solutions that are consistent with the interest of the company. And to make sure on an annual basis that the independent members are independent, and that there is no conflict of interest if the member is a member of the board of directors of another company. And the development of clear policies for compensation and bonuses of members of the Board of Directors and senior executives, and take into account when developing these policies the use of standards related to performance.

B) Committee Meetings :

#	Name	Position	Number of meetings (7)							الاجمالي
			1 st meting 21/01/2020	2 nd meeting 15/04/2020	3 rd meeting 28/04/2020	4 th meeting 13/08/2020	5 th meeting 26/05/2020	6 th meting 12/11/2020	7 th meeting 23/11/2020	
1	Member 1 Abdulaziz Ahmed Bin Dayel	Chairman	1	1	1	1	1	1	1	7
2	Member 2: Alwaleed Alshathri	Member	1	1	1	1	1	1	1	7
3	Member 3: Muria Saad Alhabbash	Member	1	1	1	1	1	1	1	7
4	Member 4: Aljawhara Sulaiman Alayed	Member	1	1	1	1	1	1	1	7
5	Member 5:	Member	1	1	0	1	1	1	1	6

3-6-4) Governance, Compliance and Risk Committee:

A) A brief description of the committee's functions and functions:

The committee is responsible for verifying the company's compliance with the corporate governance regulations and its annexes, the corporate governance regulation, and any governance-related laws and regulations issued by the competent authorities, and informing the members of the Board of Directors of developments in the field of corporate governance and best practices. Emphasis on the company's commitment that its disclosures to shareholders, the public and the Capital Market Authority be clear, correct and not misleading, and that the disclosure be made based on the instructions and regulations issued by the Capital Market Authority and Tadawul. And overseeing the development of a comprehensive risk management strategy and policies commensurate with the nature and size of the company's activities, verifying their implementation, reviewing and updating them based on the internal and external variables of the company. And submit recommendations to the Council in that.

B) Committee meetings

#	Name	Position	Number of meetings (4)				Total
			1 st meeting 22/09/2020	2 nd meeting 14/10/2020	3 rd meeting 15/11/2020	4 th meeting 20/12/2020	
1	Member 1: Muria Saad Alhabbash	Chairman	1	1	1	1	4
2	Member 2: MAshari Faisal Shalhoub*	Member	-	-	-	-	-
3	Member 3: Samah Hamad Alsubaie	Member	1	1	1	1	4
4	Member 4: Khalid Mahmoud Alnajjar**	Member	1	1	1	1	4

* Mr. Mishari Faisal Fahad Shalhoub resigned from the committee membership, and the committee approved his resignation on 20/08/2020 and did not attend any meetings during the year 2020 AD because no committee meeting was held before this date.

** The Board of Directors approved the membership of Mr. Khaled Al-Najjar in the committee as of 20/09/2020 as a substitute for the resigned member Mishary Shalhoub.

3-7) Where applicable, the means adopted by the Board of Directors in evaluating its performance and the performance of its committees and members, and the external body that performed the evaluation and its relationship to the company, if any:

The Board conducts two types of evaluation for its members using models borrowed from the literature and experiences of global governance: one of them is a self-evaluation in which each member evaluates his performance from the perspective of the duties and duties of the board and the results achieved by the council's policies and actions in developing and growing the business, revenues and profits of the company, and the amount of the member's personal contribution to that. In addition, the members of the Board shall together evaluate the performance of the Board within the framework of the aforementioned perspective.

There is no external body that supervises the evaluation of the Board, but the evaluation is carried out under the supervision of the Nomination, Remuneration and Governance Committee, based on its responsibility for this, as stipulated in the committee's work regulations.

3-8) Disclosure of the remuneration of members of the Board of Directors and the Executive Management in accordance with what is stipulated in Article 93 of the Corporate Governance Regulations:

In accordance with the provisions of Article (19) of the Articles of Association - Remuneration for Board Members - the Nomination, Remuneration and Governance Committee of the company, based on its work regulations, recommends to the Board of Directors an annual amount that constitutes the annual remuneration of the Board members, and it may be combined with the attendance allowances for each session and other benefits provided that it does not exceed Total remuneration and financial and in-kind benefits for a member is five hundred thousand (500,000) Saudi riyals.

3-8-1 Remuneration for Board Members:

#	Name	Fixed remunerations							Variable remunerations							Finance allowance	total summation	End of service benefits
		Total	awarded (value is entered) Long-term incentive plans	incentive plans	incentive plans	periodic bonuses	percentage of profits	Total	Chairman of the Board or members have received as	attending committee	auditing council	Specific amount *	Total					
	First: Independent members																	
1	Abdulaziz Ahmed Bin Dayel	250000	24000	22000				296,000								296,000		
2	Khalid Saad Almurshid	250000	24000	0				274,000								274,000		
3	Mohammed Abdulaziz Alshatwi **	0	12000	0				12,000								12,000		
4	Tariq Abdulaziz Alhamad **	0	12000	0				12,000								12,000		
5	Khalid Abdulrahman Alkhudiri ***	0	0	0				-								-		
6	Ahmed Abdulaziz Alsammari ****	250000	0	0				250,000								250,000		
	Total (first)	750,000	72,000	22,000				844,000								844,000		
	Second: Non-executive members																	
1	Alwaleed Khalid Alshathri	250000	24000	26000				300,000								300,000		
2	Yousuf Abdullah Alrajhi	250000	24000	12000				286,000								286,000		
3	Mohammed Abdullah Alrajhi****	208333	18000	0				226,333								226,333		
	Total (second)	708,333	66,000	38,000				812,333								812,333		
	Third: Executive members																	
	None	-	-	-				-								-		
	Total (third)	-	-	-				-								-		
	Gross Total	1,458,333	138000	60000				1,656,333								1,656,333		

* Based on the approval of the Board of Directors of the remuneration provision for the Board of Directors in the report of the Board of Directors and the financial statements for the year 2019; And the decision of the Board of Directors on 12/18/2019 in the same regard, and based on the policy of remuneration and entitlements of members of the Board of Directors and its committees .. The Board of Directors approved the recommendation of the Nominations and Remuneration Committee on 24/08/2020 to pay the remuneration of the members of the Board of Directors for the year 2019 AD at the r//ae of 250,000 riyals per member One of the board members and calculating the amount of the

remuneration based on the minimum attendance sessions according to the company's basic system, and their number is (6) sessions. These bonuses were disbursed during the year 2020.

** The Board of Directors approved 05/12/2020 to appoint each of: Mr. Muhammad bin Abdulaziz Abdullah Al-Shtwi as a member of the Board of Directors (independent) and Dr. Tariq bin Abdul Aziz Ibrahim Al-Hamad as a member of the Board of Directors (independent) as of 13/05 / 2020 to fill the two vacant seats in the board of directors after the resignation of Mr. Suleiman bin Saleh Al-Sarraf at the end of 2019 and the resignation of Ahmed Abdel Aziz Al-Sammari at the beginning of 2020 and the Ordinary General Assembly approved this on 17/06/2020 until the end of the current session of the Board of Directors on 30/06 / 2021.

*** On 13/12/2020, the Board of Directors decided to appoint Mr. Khalid bin Abdul Rahman bin Ali Al-Khudairi as a member of the Board of Directors as of 12/12/2020 to fill the vacant seat after the resignation of the Board member, Mr. Muhammad Abdullah Abdul Aziz Al-Rajhi. Publication on the Tadawul site in this regard will be presented to the first General Assembly for approval.

**** On 22/01/2020, the Board of Directors approved the resignation of Mr. Ahmed Abdel Aziz Al-Sammari from the Board of Directors due to his health and special conditions, and the Board of Directors approved on 12/09/2020 the resignation of Mr. Muhammad Abdullah Abdul Aziz Al-Rajhi from the Board of Directors due to his circumstances And it was published on the trading site at the time in this regard.

3-8-2 Remuneration of committee members:

Members of the committees shall receive an allowance for attending the sessions at the rate of two thousand (2000) Saudi riyals for each session in addition to the annual remuneration approved by the Board of Directors.

	Fixed remunerations (except sessions attendance allowance)	sessions attendance allowance	Total
Audit committee members			
1- Waleed Ahmed Bammarouf	150000	10000	160000
2- Abdulrahman Alsultan	100000	10000	110000
3- Ahmed Ibrahim Alsunaidi	100000	10000	110000
4- Abdulaziz Bin Dayel	0	8000	8000
Total	350000	38000	388000

Nominations and remuneration committee members			
1- Abdulaziz Ahmed	150000	14000	164000
2- Alwaleed Khalid Alshathri	100000	14000	114000
3- Aljawharah Sulaiman	80000	14000	94000
4-Hatim Mohammed Imam	40000	12000	52000
Total	370000	54000	424000
Executive committee members			
1- Yousuf Abdullah	150000	12000	162000
2- Alwaleed Khalid Alshathri	100000	12000	112000
3- Fahd Abdullah Alsameeh	0	12000	12000
4- Ahmed Ibrahim Alsunaidi	50000	2000	52000
Total	300000	38000	338000
Governance, abidance and risks committee members			

1- Muria Saad Alhabbash	150000	8000	158000
2- Mashari Faisal Shalhoub	100000	0	100000
3- Samah Hamad	100000	8,000	108000
4- Khalid Mahmoud Alnajjar	0	8,000	8000
Total	350000	24000	374000
Gross total	1,370,000	154,000	1,524,000

* The remuneration of the Board committees was paid during the year 2020 for the fiscal year 2019, noting that the remuneration of the member is 100,000 riyals in addition to 50,000 riyals for the chairman of the committee.

Based on the recommendation of the Nominations and Remuneration Committee, the Board of Directors decided to include an allowance for Board and Committee members 'remuneration for the fiscal year 2020 in the amount of 2566667 riyals, at a rate of 150,000 riyals for each member of the board, including the chairman, and 100,000 riyals for each member of the council's committees in addition to an amount of 50,000 for each committee chairperson. Board committees, provided that those remuneration shall be disbursed during the year 2021, based on the policy of paying remunerations and entitlements to members of the Board of Directors and its committees.

3-8-3 Remuneration of committee members:

Members of the committees shall receive an allowance for attending the sessions at the rate of two thousand (2000) Saudi riyals for each session in addition to the annual remuneration approved by the Board of Directors.

	Fixed remunerations				Variable remunerations								Gross total
	Salaries	Allowances	Material awards	Total	Periodic remuneration	Profits	Short-term incentive	Long-term incentive	Awarded shares (insert)	Total	EOS	remuneration for the	
1. The CEO	1,080,000	2,400	534,000	1,616,400	.	.	.	.	.	.	.	248,000	1,864,400
2. Head of the Financial Sector	221,112	2,400	60,805	284,317	.	.	.	.	.	.	.	.	284,317
3. Director of Marketing and Sales	468,000	2,400	135,000	605,400	.	.	.	.	.	.	.	.	605,400

4. Head of the operating sector	540,000	240	153,000	685,400	.	.	4500	.	.	4500	.	.	740,400
5. Head of the Shared Services	540,000	240	153,000	685,400	.	.	4500	175500	.	22500	.	.	815,400
Total	2,849,112	12,000	1,035,000	3,086,917	.	.	9000	175500	.	30000	.	240,000	4,410,417

3-9) 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 attending these assemblies:

	Name	Attendance record				
		1 st General Assembly meeting* 18/03/2020	2 nd General Assembly meeting** 29/04/2020	3 rd General Assembly meeting*** 13/05/2020	4 th General Assembly meeting**** 17/06/2020	5 th General Assembly meeting***** 19/08/2020
1	Alwaleed Khalid Alshathri	1	1	1	1	1
2	Yousuf Abdullah Alrajhi	1	1	1	1	1
3	Abdulaziz Ahmed bin Dayel	1	1	1	1	1
4	Khalid Saad Almurshid	1	1	1	1	1
5	Mohammed Abdullah Alrajhi	1	1	1	1	1
6	Mohammed Abdulaziz Alshatwi	-	-	1	1	1
7	Tariq Abdulaziz Alhamad	-	-	1	1	1

* The Nineteenth Extraordinary General Assembly (the third meeting).

** The 32nd Ordinary General Assembly (the second meeting).

*** The Twentieth Extraordinary General Assembly (Third Meeting).

**** The 33rd Ordinary General Assembly (second meeting).

***** Twenty-first extraordinary general assembly (third meeting).

3-10) The number of the company's requests for the shareholders' register, the dates and reasons for those requests:

Number of the company's requests for shareholders record	Date of request	Reasons for request
1	17/02/2020	To hold the general assmebly
2	19/02/2020	To hold the general assmebly
3	17/03/2020	To hold the general assmebly
4	22/03/2020	Others (BOD report)

5	16/04/2020	To hold the general assmebly
6	16/04/2020	To hold the general assmebly
7	26/04/2020	To hold the general assmebly
8	16/05/2020	To hold the general assmebly
9	22/07/2020	To hold the general assmebly
10	27/07/2020	To hold the general assmebly
11	14/09/2020	Others (increase in capital)
12	08/12/2020	Others (increase in capital)

3-11) A statement of any arrangements or agreement under which a member of the company's board of directors or a senior executive waived any remuneration:

During the fiscal year ending on December 31, 2020, there were no arrangements or agreements whereby any of the members of the Board of Directors or a senior executive waived any salary or compensation; There are also no board members or senior executives who did not receive any allowances for attending board meetings or any travel or transportation expenses or any other allowances or waived their remuneration and compensation during the aforementioned year.

3-12) A statement of any arrangements or agreement under which a shareholder of the company waived any rights to profits:

During the fiscal year ending on December 31, 2020, there were no arrangements or agreements whereby any of the shareholders of the company waived their rights to profits.

4) Shares, Rights and Debt Instruments:

4-1) A description of any interest, contractual securities and subscription rights of the company's board members, senior executives and their relatives in the shares or debt instruments of the company or any of its subsidiaries, and any change in that interest or those rights during the last fiscal year:

#	Name of person to whom interest or contractual instruments or subscription rights refer	Start of year		End of year		Net change	Change %
		Number of shares	Debt tools	Number of shares	Debt tools		

First: BOD members							
1	Alwaleed Khalid Alshathri	2000	0	1074	0	0	-%46
2	Yousuf Abdullah Alrajhi	159362	0	17461	0	0	-%159
3	Abdulaziz Ahmed bin Dayel	0	0	0	0	0	0
4	Ahmed Abdulaziz Alsammari	2250	0	1208	0	-1042	-%46
5	Mohammed Abdullah Alrajhi	50000	0	0	0	-	-
6	Khalid Saad Almurshid	0	0	100	0	100	%100
7	Mohammed Abdulaziz Alshatwi	0	0	0	0	0	0
8	Tariq Abdulaziz Alhamad	0	0	0	0	0	0
9	Khalid Abdulrahman Alkhudhairi	0	0	0	0	0	0
Second: BOD members' relatives							
1	Khalid Saleh Alshathri (Father of Alwaleed Khalid Alshathri)	3758500	0	0	0	-3758500	-%100
2	Abdullah Abdulaziz Alrajhi (Father of both Mohammed and Yousuf Abdullah Alrajhi)	3000000	0	1611785	0	0	-%46

* The company's capital was reduced by 46% on 18/03/2020

** Mr. Muhammad Abdullah Al-Rajhi resigned from the Board of Directors on 12/09/2020

4-2) A description of any interest in the category of shares eligible to vote belonging to persons (other than members of the company's board of directors, senior executives and their relatives) who informed the company of those rights under Article 45 of the Registration and Listing Rules, and any change in these rights during the last fiscal year:

There was no notification of any interest or change in the category of shares eligible to vote belonging to the concerned persons during the fiscal year ending on December 31, 2020.

4-3) A description of the categories and numbers of any convertible debt instruments and any contractual securities, subscription right notes, or similar rights issued or granted by the company during the

fiscal year, with an explanation of any compensation obtained by the company for that:

There were no transfer or subscription rights under convertible debt instruments, contractual securities, subscription right notes, or similar rights issued or granted by the company during the year ending on December 31, 2020.

4-4) A description of any transfer or subscription rights under convertible debt instruments, contractual securities, subscription right notes, or similar rights issued or granted by the company:

There were no convertible debt instruments, contractual securities, subscription right notes, or similar rights issued or granted by the company during the year ending on December 31, 2020, and therefore there is no compensation obtained by the company in this regard.

4-5) A description of any redemption, purchase or cancellation by the company of any redeemable debt instruments, and the value of the remaining securities, with a distinction between the listed securities purchased by the company and those purchased by its subsidiaries:

During the fiscal year ending on December 31, 2020, there were no refunds, purchases or cancellations by the company of any recoverable debt instruments.

4-6) A description of any transaction between the company and a related party:

Tabuk Agricultural Company sold fodder to the Feed Source Company (a related party) for an amount of 130,460 riyals, excluding tax, during the year 2020.

4-7) Information related to any business or contracts in which the company is a party or in which there is an interest for a member of the company's board of directors or for its senior executives or for any person related to any of them, as it includes the names of those involved in business or contracts, the nature of these business or

contracts and their terms and duration And its amount, and if there are no such works or contracts, the company must submit a declaration of that:

The company's management acknowledges that it does not have any business or contracts concluded during the year 2020 in it, or there was an interest in it for a member of the board of directors, the CEO, the head of the finance sector, or any person related to any of them.

5) The company's internal control:

5-1) 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:

Realizing the importance of internal control and its role in protecting the company's assets and supporting it in achieving its objectives, the Board of Directors verifies on an annual basis the effectiveness of internal control procedures for financial and administrative transactions and operational operations through an annual review of them in order to reduce the risks of misuse of the company's assets and the negative impact on its business.

5-1-1) Annual review of the effectiveness of internal control procedures and their results:

The Internal Audit Department, in accordance with the powers and powers granted to it and pursuant to the company's internal audit manual approved by the Audit Committee, implements the internal audit plan based on risks facing the company's business, and the internal audit department reviews and verifies the extent of the company's compliance with the systems and laws issued by the various state agencies and the Financial Market Authority Relevant to the business and governance of the company.

First: The internal audit plan for the year 2020 included the following for the purpose of verifying compliance and verifying the effectiveness of internal control procedures:

- A) Review and audit of materials management: with regard to conformity of the suppliers record to the standards and standard specifications, the efficiency of the procurement cycle and bidding procedures, work procedures and their compliance with the ISO

system, conformity of the VAT collection procedures to the requirements of the system, the period of the credit accounts turnover, the inventory cycle and the movement of inventory consumption, stagnant stock And expired.

- B) Review and audit of irrigation management: to verify the effectiveness of the pivot irrigation system with its components represented in wells, pumps, irrigation machines, and the operating and maintenance systems of sprinklers, as well as verify the effectiveness of the drip irrigation system used in the fruit project and some vegetable crops.
- C) Review and audit of the vegetable production department: to verify the effectiveness of potato and onion production programs under different irrigation systems and to implement their engineering agricultural operations according to the time periods specified for them within the approved agricultural program.

Second: During the second half of 2020 AD, the company contracted with an internal audit office (Osama El-Khuraiji Company and his partner, chartered accountants and business consultants - a member of the Prime Global Group), to carry out the internal audit work as an independent body.

In coordination with the executive management, sectors and departments through the company's internal audit coordinator, the tasks were assigned according to the contract concluded on 06/21/2020 as follows:

- 1) Providing advisory services to assess high-level risks that may affect the achievement of the company's objectives. The risk report was submitted to the audit committee, and the internal audit plan based on risks 2020-2021 has been submitted.
- 2) The internal audit plan was approved by the Audit Committee on October 29, 2020, and the 6 tasks were assigned to audit as shown below.

Tasks	Period
-------	--------

1- Horticultural department	4 th quarter 2020
2- Maintenance Dept.	
3- Human resources	1 st quarter 2021
4- Finance division.	2 nd quarter 2021
5- Sales division.	2 nd quarter 2021
6- Procurements department	

3) The implementation of the audit tasks has been started according to the approved audit plan for the fourth quarter of 2020 for the Orchards and Maintenance Departments as follows: -

A) Review and audit of orchard management: Verify the efficiency and effectiveness of procedures for implementing plans and programs for agricultural operations in the orchards of almonds, grapes and olives, according to the time periods specified for them within the framework of the approved agricultural program, and assess whether the control controls are appropriately designed and operate effectively and efficiently in order to ensure compliance The policies and procedures and the achievement of the company's goals.

B) Review and audit the maintenance department: verify the efficiency and effectiveness of maintenance procedures, verify the efficiency of implementation of (preventive and periodic) maintenance programs for machinery and equipment, irrigation machines and irrigation well pumps, and evaluate the rates of completion of repair work and the rates of equipment utilization, in accordance with the 2020 agricultural program.

In terms of the effectiveness of internal control procedures, the Internal Audit Department provides the various departments of the company with the results and recommendations of the risk-based audit reports that are carried out separately for each of the departments described above with an action plan to implement the recommendations in order to address deficiencies and avoid risks. The Internal Audit Department monitors the implementation of the audit plan recommendations in a salary and regular manner and submits weekly and monthly follow-up reports to the CEO, and quarterly reports to the Audit Committee.

In order to verify the effectiveness of the internal control procedures, the Internal Audit Department shares and discusses its reports with the company's external auditor, who in turn verifies the results achieved from the auditing processes and their effectiveness within the framework of the external audits that it conducts for the company's financial reports.

5-1-2) The audit committee's opinion on the adequacy of the company's internal control system:

The company's internal auditor submits periodic reports to the audit committee on operational, administrative and financial processes to verify the effectiveness of internal control, as the periodic reports did not show any fundamental weakness in the company's internal control system as on December 31, 2020. The external auditor also evaluates the internal control procedures as part of the company's audit tasks, as they were allowed to review all the minutes of the meetings of the Board of Directors and the committees emanating from the Board and the internal audit reports.

5-2) Recommendation of the Audit Committee regarding the need to appoint an internal auditor in the company in the absence of one:

- The company has an independent internal audit department that has qualified and supported human cadres with the necessary powers and performs their work tasks according to an internal audit manual approved by the audit committee.
- During the year 2020, the company contracted with an internal audit office (Osama Al-Khuraji Company) to carry out internal audit work as an independent body.

5-3) The recommendations of the audit committee that are inconsistent with the decisions of the board of directors, or which the board refused to take into account regarding the appointment and dismissal of the company's auditor, determining his fees, evaluating his performance or appointing the internal auditor, the rationale for those recommendations, and the reasons for not taking them into account:

None

6) Implementing effective governance:

6-1) The provisions of the Corporate Governance Regulations have been implemented and what has not been implemented, and the reasons for that:

The company applies all the provisions mentioned in the Corporate Governance Regulations issued by the Capital Market Authority, without exception.

6-2) Corporate Governance Regulations:

The Board of Directors has established corporate governance rules that do not conflict with the mandatory provisions in the Corporate Governance Regulations issued by the Capital Market Authority. Conflict of interest, succession plan for the Board of Directors and the Executive Management. The Board has authorized the Nomination, Remuneration and Governance Committee to monitor its implementation, verify its effectiveness, and amend it when needed. It has also established a compliance unit under the umbrella of the Internal Audit Department for the report to the committee on the following:

During the year 2020, the Governance, Compliance and Risk Committee studied updating the corporate governance regulation to be in line with the updates of the corporate governance regulation issued by the Capital Market Authority as well as the Companies Law, and the amended draft was presented to the company's Board of Directors, and the Board directed to present the internal regulations and policies included in the Corporate Governance Regulations to the General Assembly To be approved, as it is within the authority of the association, and the board will then approve the updated version of the corporate governance regulation.

7) Farms plan:

The following is a review of the progress of work in the farm plan:

7-1 Introduction of new field crops (under the pivot irrigation system):

In light of the company's commitment to the decisions and directions of the country's agricultural policy aimed at preserving groundwater resources and rationalizing its consumption represented in the decision to stop the production of green fodder, which came into effect at the end of the year 2018, coordination has been made with the Ministry of Environment, Water and Agriculture to experiment with the cultivation of Egyptian fodder and ray grass on small areas to study water consumption.

7-2 Fruit project development (under drip irrigation system):

This project is considered one of the largest fruit projects in the Kingdom of Saudi Arabia with an area of more than a thousand hectares and many types and varieties of almond trees (apricots, peaches, nectarines, and plums), grapes,

apples, pomegranates and olives, which are close to a million trees, and this size represents the biggest strength of the company, where work is being done in a manner. Regular and continuous replacement of trees whose useful life has expired and whose productivity has deteriorated below the economic limit and cultivate new varieties and varieties that meet the renewable needs in the internal markets of the Kingdom.

7-3 Sheep Breeding and Fattening Project:

Based on the positive results achieved, this activity has been developed by increasing the number of mothers, as this project will lead to the creation of agricultural animal integration in Tabuk agricultural farms, which enables the company's farms to achieve the targeted operational excellence in its strategic plan.

8) Social Responsibility Programs and Events:

Tabuk Agriculture's commitment to its social responsibility contributions stems from the company's mission of contributing actively. The following is a review of the most important social responsibility activities and programs that took place during the year 2020:

8.1 Application of Effective Governance:

The Board of Directors, and through the Corporate Governance Regulations, is obligated to monitor the implementation of the governance rules, verify their effectiveness, and amend them when needed. The Governance, Compliance and Risk Committee undertakes this role with authorization from the Board and exercises the functions established under Article 94 of the Corporate Governance Regulations issued by the Capital Market Authority and the aforementioned committee handles the Issues related to corporate governance applications, and provide the Board of Directors with periodic and annual reports on the position of implementing effective corporate governance, together with the necessary recommendations.

8-2 Sponsoring the Model Farms Award in the region and providing extension services to the area's farmers:

The company sponsors and organizes annually, and since its first founding, the annual festival for the Model Farms Award in the region organized by the region's emirate. Starting with the provision of agricultural and extension services to the farmers of Tabuk and the surrounding areas, this effort contributes to the continuous development of agriculture in the Tabuk region

and culminates in the farmers' competition for the prize for the model farm in the region .

8-3 Annual participation in the Tabuk Flowers and Fruits Festival:

Since 2015, the company has been participating annually in the Festival of Flowers and Fruits, which highlights the identity of the city of Tabuk, which is characterized by the production of flowers and Middle Eastern fruit varieties, which is organized by the branch of the General Authority for Tourism and National Heritage in Tabuk region. In addition to participating in displaying its products of flowers, roses, fruits, honey and olive oil at the festival and training children, schoolchildren and schoolchildren to learn about safe natural food and ways to preserve the environment, the company contributes to the financial sponsorship of the festival.

8-4 Localization of jobs:

Despite the increase in Saudi labor turnover, the company continued during the year 2020 to implement its Emiratisation policies with the aim of enhancing the percentage of citizens among its employees, as the number of Saudi employees reached by the end of 2019 (106) employees, the number of women (44) employees, and this number represents 17.4% Of the total number of the company's employees, Tabuk Agricultural Company has been classified within the platinum range in the Saudi Ministry of Labor's Nationalization Program (Nitaqat).

8-5 Financial support for charities and festivals:

The company provides material support to charitable societies and public festivals in the Tabuk region, such as the Prince Fahd Bin Sultan Bin Abdulaziz Social Program Association, the King Abdulaziz Charitable Society, and the Tabuk Heritage Village in the Janadriyah Festival.

8-6 Cooperative and summer training programs:

Through cooperative training agreements with government agencies and authorities such as the Ministry of Environment, Water and Agriculture and the Agricultural Development Fund, the company provides training programs aimed at building capacities and increasing the skills of the employees of these

agencies. The company also opens summer training opportunities for students of schools, universities and higher institutes.

9) Recommendations:

Based on what has been presented in this report, the Council recommends to your esteemed society the following:

1.	Voting on the Board of Directors' report for the year ending 31/12/2020
2.	Voting on the auditor's report for the year ending 31/12/2020
3.	Voting on the company's financial statements for the year ending 31/12/2020
4.	Voting to absolve the members of the Board of Directors from liability for the year ending 31/12/2020
5.	Voting to appoint the company's auditor from among the candidates, based on the recommendation of the audit committee, to examine, review and audit the financial statements for the second, third and annual quarters of the fiscal year 2021 and the first of 2022, and determine their fees.
6.	Voting on the election of members of the Board of Directors from among the candidates for the next session, which starts on 01/07/2021, and has a duration of three years, ending on 30/06/2024 (CVs of the candidates are attached)
7.	Voting on forming the Audit Committee, defining its tasks, working controls and remuneration for its members for the next session, which starts on 01/07/2021, and has a duration of three years, ending on 30/06/2024 (Candidates CVs are attached)

لَا يُكَلِّفُ اللَّهُ نَفْسًا إِلَّا وُسْعَهَا ۚ لَهَا مَا كَسَبَتْ وَعَلَيْهَا مَا اكْتَسَبَتْ ۗ رَبَّنَا لَا تُؤَاخِذْنَا إِن نَّسِينَا أَوْ أَخْطَأْنَا ۚ رَبَّنَا وَلَا تَحْمِلْ عَلَيْنَا إصْرًا كَمَا حَمَلْتَهُ عَلَى الَّذِينَ مِن قَبْلِنَا ۚ رَبَّنَا وَلَا تُحَمِّلْنَا مَا لَا طَاقَةَ لَنَا بِهِ ۚ وَاعْفُ عَنَّا وَاعْفِرْ لَنَا وَارْحَمْنَا ۚ أَنْتَ مَوْلَانَا فَانصُرْنَا عَلَى الْقَوْمِ الْكَافِرِينَ ... الآية (286) البقرة.