



ANNUAL REPORT 2023





Dear Shareholders,

The Chairman and members of the Board of Directors of Sumou Real Estate Company are pleased to present the company's annual financial report ending 12/31/2023 , prepared in accordance with the governance list of the Capital Market Authority and the corporate system and policy of the company. The report includes information about the company's activities, performance and financial results.



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Crown Prince , his royal highness
Mohammed Bin Salman Bin Abdel Aziz



Custodian of the Two Holy Mosques
King Salman Bin Abdulaziz



1- Chairman Message



Chairman Message



Dr. Ayedh F. Al Qahtani

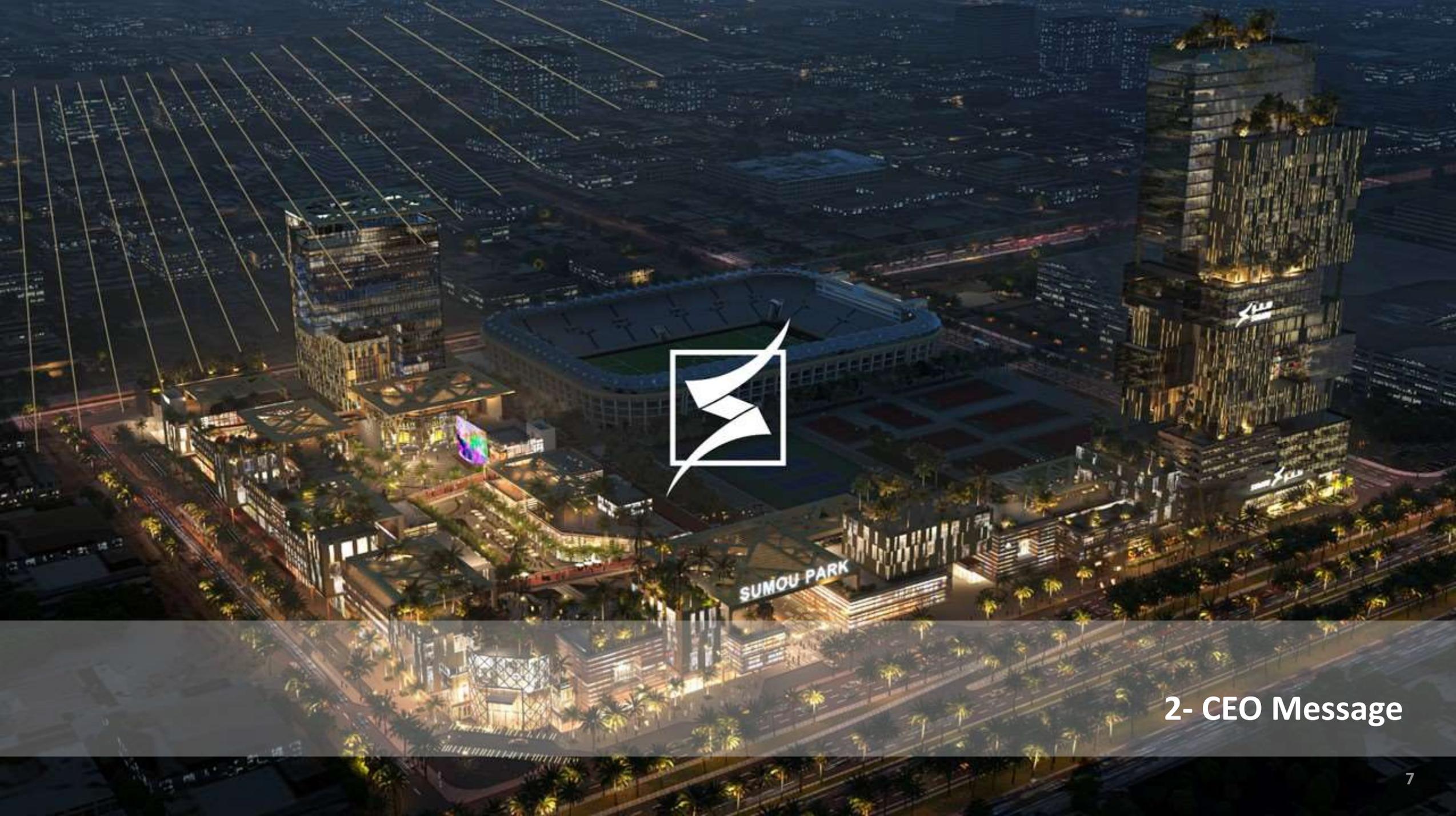
Chairman

During a year full of achievements, and in line with His Highness' rich history of success in the real estate development sector, and its material excellence in operations and projects, our continuous contributions have resulted in creating more promising opportunities, achieving the desired goals, and overcoming the challenges of the sector with strong and regular performance.

Benefiting from the generous support of the Kingdom, led by the Custodian of the Two Holy Mosques and His Crown Prince, we have taken the initiative to enhance quality and feasibility and improve the outputs of real estate and urban development with committed to our approach based on innovation and professionalism, which has resulted in sustaining our leadership and crystallizing the effectiveness of our capabilities in implementing quality projects. Our projects, whether completed or in progress, have demonstrated the depth and comprehensiveness of our expertise, which is a guarantee for beneficiaries and investors, towards achieving their aspirations and ambitions through our practical, diverse and integrated real estate solutions.

At Sumou Real Estate, we are going on to keep pace with the Kingdom's Vision 2030 to fulfill the requirements and meet societal needs in order to increase the percentage of citizens' ownership, and to provide prosperity and sustainable development in the sector, intensifying our efforts in developing concepts and improving the effectiveness of performance towards continuous constructive contribution to national development. The clear impact of the presence of the targets of this vision in our operations and projects is one of the most important factors in our progress in an upward line towards achieving our goals at all levels.

In conclusion, I would like to affirm our determination at Sumou Real Estate to continue working more effectively towards empowering the community, individuals and entities, by achieving more development achievements in the real estate sector. I take this opportunity to thank fellow members of the Board of Directors of Sumou Real Estate, the Executive Management and all the work team for their outstanding efforts in this field, I also thank all the shareholders of the Company, asking Allah Almighty for success and good luck.



SUMOUPARK

2- CEO Message



CEO Message



Eng. Jarallah M. Alamrah

CEO

With the beginning of a new year, and in light of the rising indicators of prosperity witnessed by the Kingdom, led by the Custodian of the Two Holy Mosques and his Crown Prince, may Allah protect them, Sumou continues its long journey of achievements and excellence in the national real estate industry with greater momentum. At Sumou, We look forward to achieving all these goals and more by exceeding the expectations of mastery and quality in our pioneering and effective performance in order to manage the development and implementation of various projects that meet the aspirations and ambitions of our investors, shareholders and customers. In this general context, we believe that our role is to develop quality projects that add a distinctive dimension to the real estate sector by adhering to the highest quality standards and innovating distinctive real estate concepts, keeping pace with the requirements of the national vision and supporting localization and the local product of the Kingdom. Hence, Sumou is moving towards embodying its vision to take the lead in real estate excellence and innovation, expanding its investments and businesses according to a strategy that intensifies its contributions to meet the requirements of the real estate and urban community.

These efforts and projects have resulted in achieving further objectives of the Kingdom's Vision 2030 in the residential field, with the support of the Ministry of Municipal and Rural Affairs and Housing, in cooperation with the National Housing Company and all concerned authorities. We are also currently developing major multi-use projects that serve various sectors, foremost of which is the housing sector, in order to achieve the development aspirations of the society and future generations and to contribute effectively to the provision of housing units in line with the expectations of various segments of society.

Sumou's pride in its sustainable approach based on planning accuracy and the innovation of rewarding real estate solutions and various housing options pushes it to add, through its development, more achievements that enhance the Company's position and pivotal role in the real estate sector. Our smooth and meaningful transition late last year from the parallel capital market, Nomu, to the main Saudi capital market - TASI, is one of the clear examples of this progress and escalating growth.

In conclusion, there are more achievements that we have planned or are working on to see come to life this year thanks to the constructive and continuous efforts of the Sumou Real Estate team. Therefore, I would like to extend my gratitude and appreciation to the shareholders for their confidence in the vision and team of Sumou Real Estate, and to the Board of Directors as well as the Company's team for the results and successes through which they proved that excellence is limitless.



سومو
SUMO U

3- About the company



3- Company Profile

3-1 Company Profile

Sumou Real Estate Company was established on 03/06/1428H (corresponding to 18/06/2007), then Changed from a limited liability company to a closed joint stock company on 04/02/1431H (corresponding to 19/01/2010), then turned into a public joint stock company. It was listed in the parallel market “Nomu” on 11/05/2020 under Commercial Registration No. (2051034841), then transferred to public market “TASI” on 07/09/2023, the company’s current capital is (375,000,000) three hundred and seventy-five million Saudi riyals, divided into (37,500,000) thirty-seven million five hundred thousand ordinary shares paid in full. The company works in the field of land and real estate development management, and it is a company approved as a qualified real estate developer by various authorities. It has also obtained all the necessary licenses and certificates for that.

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3-2 Company Activities

■ The purposes for which the company was established, according to what is stated in its articles of association, are:

- 1) Real estate activities
- 2) construction.

The company carries out these activities after obtaining the necessary licenses from the concerned competent authorities.

■ According to the commercial registry certificate, the company is authorized to do the following:

General construction of residential buildings, general construction of non-residential buildings, including (schools, hospitals, hotels), construction of airports and their facilities, construction of prefabricated buildings on sites, renovations of residential and non-residential buildings, purchase and sale of land and real estate and its division, and purchase and sale of land and real estate and their division, and sale activities on the map.

■ The company carries out its activities through its main headquarters in the city of Al-Khobar and its branch in the city of Jeddah.

■ As of the date of this report, the company does not carry out any activity outside the Kingdom and does not have any assets or properties outside the Kingdom.



3-3 Sumou main business model

The company conducts its work and provides its services through two business models, as follows:

▣ **Development Management**

Sumou Real Estate provides comprehensive development management services to its clients. Our offerings encompass the full spectrum of real estate development, including the preparation of initial feasibility studies and the generation of innovative development concepts. We excel in translating these concepts into tangible designs and overseeing their execution to ensure they align with our clients' objectives.

▣ **Development and Implementation**

Sumou Real Estate provides comprehensive development management services to its clients. Our offerings encompass the full spectrum of real estate development, including the preparation of initial feasibility studies and the generation of innovative development concepts. We excel in translating these concepts into tangible designs and overseeing their execution to ensure they align with our clients' objectives.



3-4 VISION, MISSION & VALUES

Values

Leadership, quality, client satisfaction, transparency, trust, and innovation.

Message

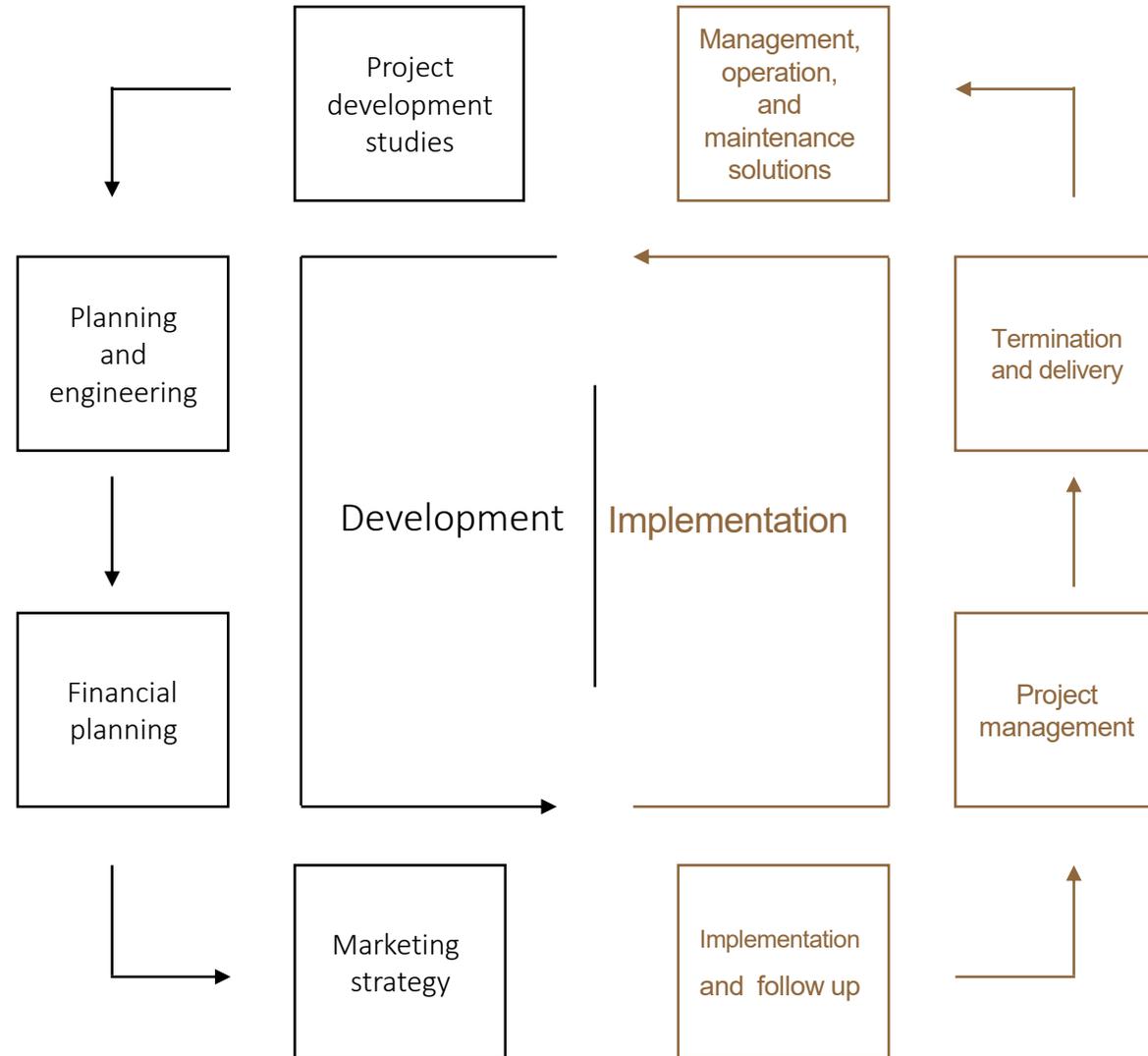
To develop real estate projects characterized by innovation and high quality. Projects that contribute to the development of communities and achieve satisfactory returns for the clients.

Vision

For Sumou Real Estate to become the most distinguished entity in real estate development management.



3-5 Sumou real estate development action plan





3-6 Strength Points and Competitive Advantages

1. A history of achievements and profits: During the past 17 years, the company has been developing and managing development projects more than 34 with a total area of (60) million square meters.
2. Efficiency of financial and business model: The company relies on providing management and implementation services for real estate projects. This is in addition to investment in the field of real estate development. It is considered the first company working as a real estate developer to put its name at the public market.
3. Portfolio of current and future mega projects: The company manages a portfolio of current projects with a total area of (50) million square meters. The company is expected to sign contracts for projects to develop and manage future real estate with a total area of (100) million square meters.
4. Stable growth at net profits: The company achieved profits with stable growth along the previous years.
5. Geographical diversity: The company has developed projects nationwide. Meanwhile, the company is currently managing projects in the eastern, central western and northern regions.
6. In-kind shares at real estate projects: The company owns shares at some of the projects under its management in exchange for its business in order to achieve lucrative returns and profits for the company through real estate investment.
7. Alliances with real estate development companies: Sumou Real Estate Company has signed agreements with several companies to develop and manage real estate projects such as Al-Inma Investment, Al-Balad Al-Amin Company, Jeddah Urban Development Company and Al-Riyadh Construction Company, and many others.
8. Providing support and expertise at implementing mega projects (value and quality): Similar to the Makkah Gate project in various cities along Kingdom of Saudi Arabia.



9. Covering all aspects of real estate development activity: by making the best use of the depth of the company's management experience (its leaders, consultants, and work team) at selecting profitable projects, selecting new sites for land, and taking advantage of the variables of real estate market.
10. The company equipped with the latest automated and high-tech Management Information Systems (MIS). And administrative offices equipped with all operating requirements and the capability of meeting the needs of customers.
11. Meeting all the requirements and aspirations of customers, investors and achieving the requirements of society and future generations.
12. Strategic Relationships and Partnerships: The company has managed to form strategic relationships, along the past years, that enable it to implement mega projects at real estate development sector.
13. Sumou owns a certified quality guide: It includes the company's policy to achieve the highest levels of quality at the field of business development management, planning, engineering and projects and to maintain the implementation of quality system, in accordance with the specifications ISO 9001: 2015 by providing all the necessary resources, competencies and providing the necessary training to raise the level of performance, in a manner exceeding expectations .
14. Sumou achieved Great Place To Work Award.
15. Qualifications : Sumou has been awarded a qualification certificate as a real estate developer, approved by Ministry of Housing and its programs/initiatives, Sumou Real Estate Company is classified and qualified as a real estate developer in many agencies within the Kingdom, including Saudi Aramco, NEOM, Qiddiya, Civil Aviation Authority (GACA) and others.
16. Sumou achieved Balady class "A" classification as a real estate development service provider.



4- Projects Summary



4-1 Completed Projects

Completed Projects



Location	Eastern Province, Dammam
Area	1,518,093 m ²
Usage	Industrial, Commercial, Warehouses and Staff Housing Complexes
Dev. Tasks	Studies, Design, Dev. Management, Marketing & Sale
Dev. Type	Infrastructure



Location	Eastern Province, Dammam
Area	455,250 m ²
Usage	Commercial, Investment, Residential
Dev. Tasks	Studies, Design, Dev. Management, Marketing and Sale
Dev. Type	Infrastructure



Location	Eastern Province, Dammam
Area	190,000 m ²
Usage	Commercial, Investment, Residential
Dev. Tasks	Studies, Design, Dev. Management, Marketing and Sale
Dev. Type	Infrastructure

Completed Projects



Location	Central Province, Riyadh
Area	2,989,642 m ²
Usage	Commercial, Investment, Residential
Dev. Tasks	Studies, Design, Marketing and Sale
Dev. Type	Infrastructure



Location	Eastern Province, Khobar
Area	92,493 m ²
Usage	Residential
Dev. Tasks	Studies, Design, Dev. Management, Marketing and Sale
Dev. Type	Infrastructure



Location	Eastern Province, Dammam
Area	333,590 m ²
Usage	Commercial and Business Center
Dev. Tasks	Studies, Design, Dev. Management, Marketing and Sale
Dev. Type	Infrastructure

Completed Projects



Location	Eastern Province, Dammam
Area	300,000 m ²
Usage	Commercial and Business Center
Dev. Tasks	Studies, Design, Dev. Management, Marketing and Sale
Dev. Type	Infrastructure



Location	Western Province, Makkah
Area	648,060 m ²
Usage	Residential, Commercial
Dev. Tasks	Studies, Design, Dev. Management, Marketing and Sale
Dev. Type	Infrastructure



Location	Central Province, Riyadh
Area	3,000,000 m ²
Usage	Residential, Commercial
Dev. Tasks	Studies, Design, Dev. Management, Execution
Dev. Type	Infrastructure

Completed Projects



Location	Western Province, Makkah
Area	973,198 m ²
Usage	Residential, Commercial
Dev. Tasks	Studies, Design, Dev. Management
Dev. Type	Infrastructure



Location	Western Province, Makkah
Area	946,979 m ²
Usage	Residential, Commercial
Dev. Tasks	Studies, Design, Dev. Management
Dev. Type	Infrastructure



Location	Northern Province, Arar
Area	588,134 m ²
Usage	Residential, Commercial
Dev. Tasks	Studies, Design, Dev. Management
Dev. Type	Infrastructure

Completed Projects



Location	Eastern Province, Khobar
Area	90,014 m ²
Usage	Residential
Dev. Tasks	Studies, Design, Dev. Management
Dev. Type	Superstructure



Location	Western Province, Jeddah
Area	33,399 m ²
Usage	Residential, Commercial
Dev. Tasks	Supervision and Technical services for Development
Dev. Type	Superstructure



4-2 Current Projects

Current Projects



Location	Western Province, Makkah
Area	1,609,575 m ²
Usage	Mixed use
Dev. Tasks	Studies, Design, Dev. Management
Dev. Type	Extensive Development (Full infrastructure, partial superstructure)



Location	Western Province, Makkah
Area	1,220,392 m ²
Usage	Residential, Commercial
Dev. Tasks	Studies, Design, Dev. Management
Dev. Type	Infrastructure



Location	Eastern Province, Khobar
Area	2,180,220 m ²
Usage	Residential, Commercial
Dev. Tasks	Development Management
Dev. Type	Infrastructure

Current Projects



Location	Western Province, Jeddah
Area	104,766 m ²
Usage	Residential
Dev. Tasks	Studies, Design, Dev. Management, Execution, Marketing and Sale
Dev. Type	Superstructure



Location	Eastern Province, Dhahran
Area	213,788 m ²
Usage	Residential, Commercial
Dev. Tasks	Dev. Management
Dev. Type	Infrastructure



Location	Eastern Province, Dammam
Area	300,000 m ²
Usage	Residential, Commercial
Dev. Tasks	Studies, Design, Dev. Management
Dev. Type	Infrastructure

Current Projects



Location	Western Province, Makkah
Area	1,321,750 m ²
Usage	Residential, Commercial
Dev. Tasks	Studies, Design, Dev. Management, Execution, Marketing and Leasing
Dev. Type	Infrastructure



Location	Central Province, Riyadh
Area	3,012,533 m ²
Usage	Residential, Commercial
Dev. Tasks	Dev. Management
Dev. Type	Infrastructure



Location	Western Province, Makkah
Area	1,070,198 m ²
Usage	Residential, Commercial
Dev. Tasks	Studies, Design, Dev. Management, Execution, Marketing and Sale
Dev. Type	Infrastructure

Current Projects



Location	Eastern Province, Dammam
Area	415,968 m ²
Usage	Residential, Commercial
Dev. Tasks	Dev. Management
Dev. Type	Infrastructure



السامية
ALSAMIA
تطوير العقارات

Location	Western Province, Al-Madinah
Area	128,741 m ²
Usage	Residential
Dev. Tasks	Studies, Design, Dev. Management, Execution, Marketing and Sale
Dev. Type	Superstructure



Location	Central Province, Riyadh
Area	82,483 m ²
Usage	Residential
Dev. Tasks	Studies, Design, Dev. Management, Execution, Marketing and Sale
Dev. Type	Superstructure

Current Projects



Location	Western Province, Jeddah
Area	36,600,000 m ²
Usage	Mixed use
Dev. Tasks	Studies, Design, Dev. Management, Marketing
Dev. Type	Extensive Development (Full infrastructure, partial superstructure)



Location	Eastern Province, Dammam
Area	72,924 m ²
Usage	Residential
Dev. Tasks	Studies, Design, Dev. Management, Execution, Marketing and Sale
Dev. Type	Superstructure



Location	Western Province, Makkah
Area	88,370 m ²
Usage	Residential
Dev. Tasks	Studies, Design, Dev. Management, Execution, Marketing and Sale
Dev. Type	Superstructure

Current Projects



Location	Eastern Province, Dammam
Area	59,584 m ²
Usage	Residential
Dev. Tasks	Dev. Management
Dev. Type	Extensive Development



جود الظهران
Jood AlDhahran

Location	Eastern Province, Dammam
Area	268,901 m ²
Usage	Residential, Commercial
Dev. Tasks	Dev. Management
Dev. Type	Extensive Development



Location	Eastern Province, Khobar
Area	1,000,000 m ²
Usage	Residential, Commercial
Dev. Tasks	Studies, Design, Dev. Management
Dev. Type	Extensive Development

Current Projects



Location	Central Province, Riyadh
Area	42,973 m ²
Usage	Commercial, Investment, Sprots
Dev. Tasks	Studies, Design, Dev. Management, Execution, Marketing and Leasing
Dev. Type	Extensive Development



صندوق رابية أجياد
Rabia Ajjad Fund

Location	Western Province, Makkah
Area	300,000 m ²
Usage	Residential, Commercial
Dev. Tasks	Dev. Management
Dev. Type	Infrastructure



4-3 Properties owned by Sumou Real Estate Company

- The company owns (18) plots of land as shown below, The table below shows the details of these lands:

#	lands	location	Uses	Area
1	Business Oasis (17) title deed	Dammam	Mix uses	48,177
2	Half moon land	Khobar	Residential	8,850

- Note: Part of lands was mortgaged in favor of Banque Saudi FRANSI as a guarantee for the bank facilities during 2020



4.4 Associate and Subsidiaries companies

4.4.1 Dhahiat Gharbia Company (Associate company)

- Dhahiat Gharbia Company is a limited liability company was established under CR No. (4030202037) dated 04/07/1431H (corresponding to 15/06/2010) with a capital of (100,000) one hundred thousand Saudi Riyal having its head office in Jeddah, K.S.A. Note that the main activity of the Western Suburb Company is the general construction of residential and non-residential buildings of all kinds, laying pipes of all kinds, buying and selling lands and real estate, dividing them, and off-plan sales activities.
- Sumou Real Estate owns 25% of the Dhahiat Gharbia Company.



The following is an analysis of the results of Dhahyat Gharbia Company, and Sumou Real Estate's share as of December 31, 2023:

	2022	2023
TOTAL ASSETS	1,186,298,675	1,092,246,784
TOTAL LIABILITIES	224,550	1,307,350
TOTAL SHAREHOLDERS' EQUITY	1,186,074,125	1,090,939,434
LOSSES	(3,389,918)	(22,318,029)
COMPREHENSIVE LOSS	84,183,542	(72,816,662)
SRE COMPANY'S SHARE OF YEAR'S LOSS	(847,480)	(5,579,507)
SRE COMPANY'S SHARE OF YEAR'S COMPREHENSIVE LOSS	21,045,885	(18,204,166)



4.4.2 TANAL Real Estate Company (Associate company)

- TANAL Real Estate Company is a limited liability company, was established under CR No. (1010580864) dated 22/09/1440H with a capital of (100,000 SR) one hundred thousand Saudi Riyal having its head office in Riyadh, K.S.A. Note that the main activity of Tanal Real Estate Investment and Development Company is real estate activities, building construction, arts, entertainment and entertainment.
- Sumou Real Estate owns 10% of TANAL Real Estate Company .



The following is an analysis of the results of TANAL Real Estate Company, and Sumou Real Estate's share as of December 31, 2023 :

	2022	2023
TOTAL ASSETS	355,833,444	352,294,129
TOTAL LIABILITIES	22,382,877	10,315,327
TOTAL SHAREHOLDERS' EQUITY	333,450,567	341,978,802
PROFIT	274,525,567	140,528,234
COMPREHENSIVE PROFIT	274,525,567	140,528,234
SRE COMPANY SHARE	27,452,557	14,052,823



4.4.3 ALMAHAFIL Trading And Contracting Company Ltd. (subsidiary company)

- ALMAHAFIL Trading And Contracting Company, is a limited liability company, was established under CR No. (4030127728) dated 15/04/1420H with a capital of (100,000) one hundred thousand Saudi Riyal having its head office in Jeddah, K.S.A. Note that the main activity of ALMAHAFIL Trading and Contracting Co. Ltd. is real estate activities and construction of buildings, roads, railways and various projects.
- Sumou Real Estate Company acquired an 80% stake in ALMAHAFIL Trading And Contracting Company Ltd., Al Mahafel Company invests and develops the land located in Makkah Al-Mukarramah, Asfan Municipality, on Al-Hijra Road, with an area of 1,321,749.48 square meters, which the Company leases on a long-term lease (25 years) - in order to establish a multi-purpose public benefit mall. Currently, Sumou Real Estate Company manages the development and implementation of the project.



The following is an analysis of the results of ALMAHAFIL Trading and Contracting Company Ltd., and Sumou Real Estate's share as of 31 December 2023 :

	2022	2023
TOTAL ASSETS	30,694,821	47,486,058
TOTAL LIABILITIES	21,123,658	23,349,828
TOTAL SHAREHOLDERS' EQUITY	9,571,163	24,136,230
LOSSES	(1,364,275)	(1,655,202)
SRE COMPANY SHARE	(1,091,420)	(1,324,162)

- There are no revenues during the year 2023 for ALMAHAFIL Trading and Contracting Company, and therefore there is no geographical analysis of the revenues, and there are no loans due from the company until December 31, 2023



4.4.4 Anara Development Company (Subsidiary)

- Anara Development Company is a limited liability company, established under Commercial Registration No. 4030534502 issued on 21/05/1445 AH with a capital of 100,000 one hundred thousand Saudi riyals, located in the city of Jeddah, Kingdom of Saudi Arabia, noting that the main activity of Anara Development Company is real estate activities and the construction of buildings, roads, railways and miscellaneous projects.
- Anara Development Company is fully owned by Sumou Real Estate Company, and since it is a new company, no financial statements have been issued and therefore there are no financial results.



5- Company Financial Results



5- Summary of the Financial Results of Sumou Real Estate Company for the Period from 2019 to 2023

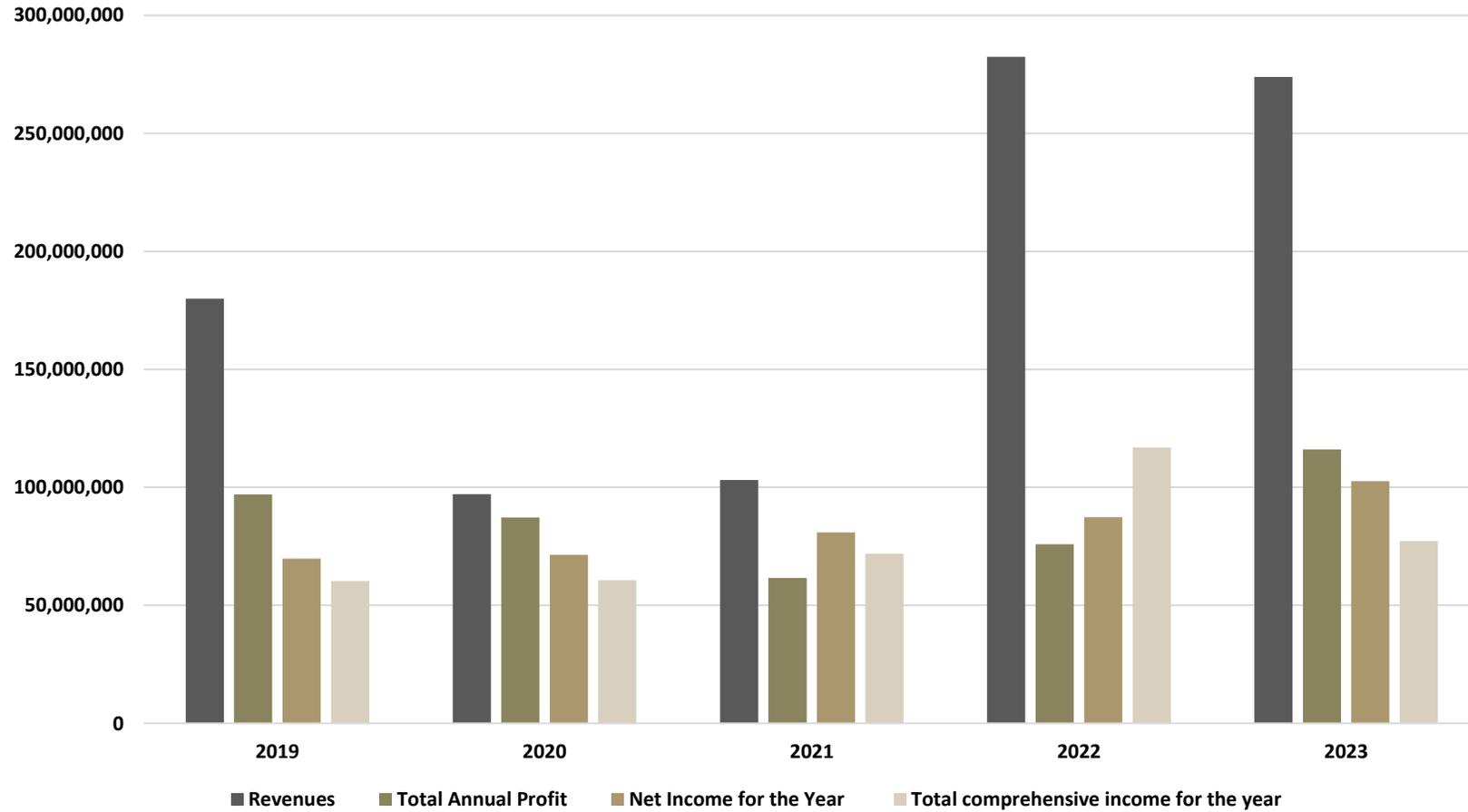
5.1 Comparison of Business Results of the Company

Statement of Income and Comprehensive Income (SAR)	31 December 2019	31 December 2020	31 December 2021 Consolidated *	31 December 2022 Consolidated *	31 December 2023 Consolidated *
Revenues	179,985,634	97,158,599	103,128,366	282,419,948	273,818,470
Revenue Cost	(82,934,668)	(9,883,438)	(41,538,609)	(205,723,997)	(157,766,254)
Total Gross Profit	97,050,966	87,275,161	61,589,757	76,695,951	116,052,216
Administrative and general expenses	(13,553,950)	(7,253,043)	(8,314,615)	(10,603,321)	(15,226,771)
Year Income from Operating Activities	83,497,016	80,022,118	53,275,142	66,092,630	100,825,445
Finance Costs	(11,306,557)	(7,406,596)	(1,561,427)	(1,021,832)	(1,245,461)
Share of Profit (Loss) from Corporate Investments	(591,251)	(345,449)	31,700,693	26,605,077	8,473,317
Other Revenues (Expenses)	16,000	964,677	(98,821)	645,631	592,016
Net Income for the Year before the Provision of Zakat	71,615,208	73,234,750	83,315,587	92,321,506	108,645,317
Provision of Sharia Zakat	(1,817,195)	(1,853,524)	(2,445,894)	(4,958,878)	(5,968,510)
Net Income for the Year	69,798,013	71,381,226	80,869,693	87,362,628	102,676,807
Net Loss for the Year for Non-Controlling Interests	---	---	(339,834)	(272,856)	(331,040)
Net Profit for the Year Attributable to Shareholders	69,798,013	71,381,226	81,209,527	87,635,484	103,007,847
Other Comprehensive Income (Loss)	(9,444,046)	(10,699,782)	(9,005,273)	29,480,924	(25,480,143)
Total comprehensive income for the year	60,353,967	60,681,444	71,864,420	116,843,552	77,196,664

- As a result of the acquisition by sumou Real Estate Company of 80% of the capital of Al-Mahafel Trading and Contracting Company in October 2021, the financial statements issued starting from 2021 are considered consolidated financial statements.



Comparison of Business Results of Sumou Real Estate Company





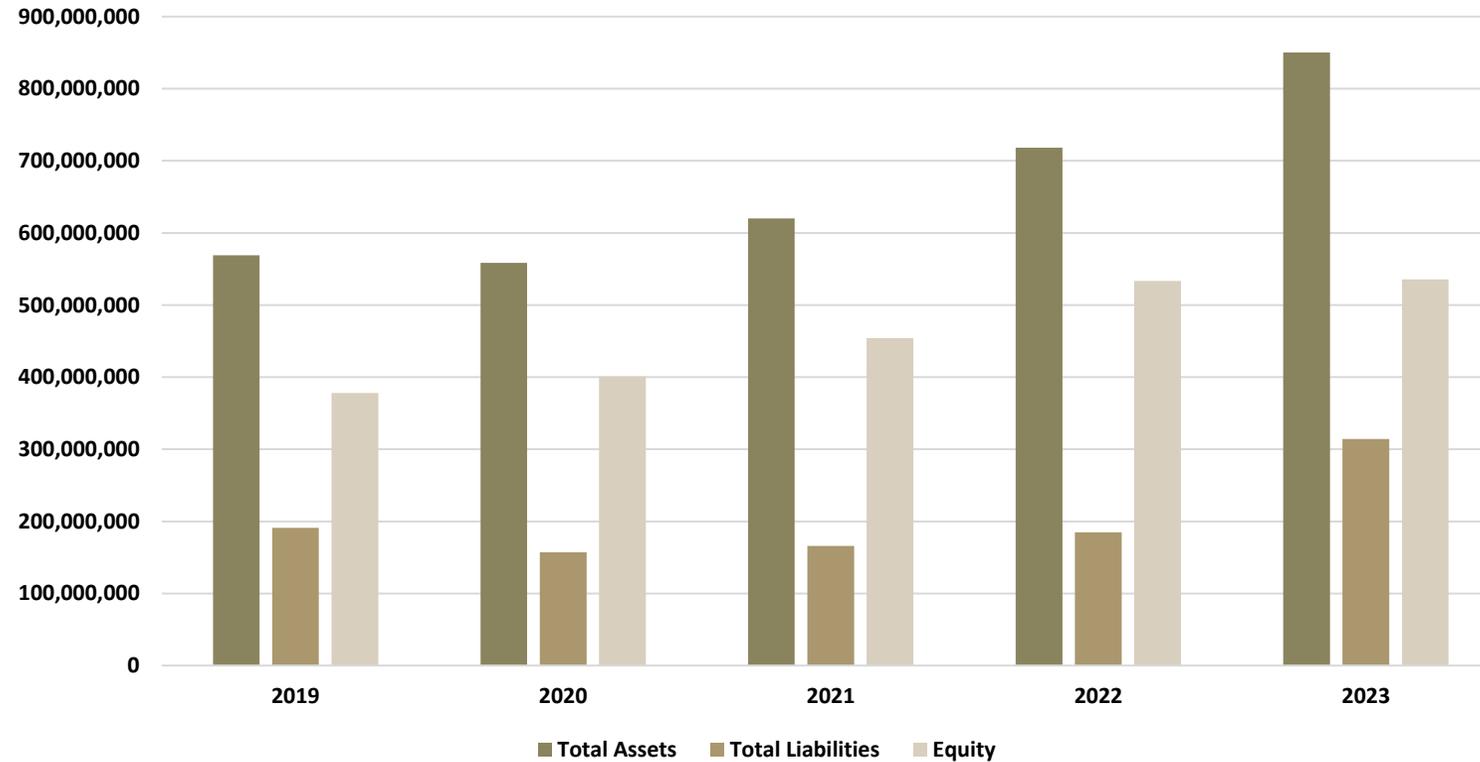
5-2 Comparison of Assets and Liabilities of the Company

Financial Position (SAR)	31 December 2019	31 December 2020	31 December 2021 Consolidated *	31 December 2022 Consolidated *	31 December 2023 Consolidated *
Total Current Assets	36,788,482	37,130,502	127,750,375	259,490,532	338,720,259
Total Non-Current Assets	532,293,725	521,306,927	492,269,176	458,760,121	511,393,159
Total Assets	569,082,207	558,437,429	620,019,551	718,250,653	850,113,418
Total Current Liabilities	24,776,022	154,425,834	54,785,104	146,716,942	272,993,322
Total Non-Current Liabilities	166,371,214	2,895,180	110,998,476	37,954,188	41,343,909
Total Liabilities	191,147,236	157,321,014	165,783,580	184,671,130	314,337,231
Equity	377,934,971	401,116,415	454,235,971	533,579,523	535,776,187
Minority Interests	---	---	(334,698)	(607,554)	(938,594)
Total Liabilities and Equity	569,082,207	558,437,429	620,019,551	718,250,653	850,113,418

- As a result of the acquisition by sumou Real Estate Company of 80% of the capital of Al-Mahafel Trading and Contracting Company in October 2021, the financial statements issued starting from 2021 are considered consolidated financial statements.



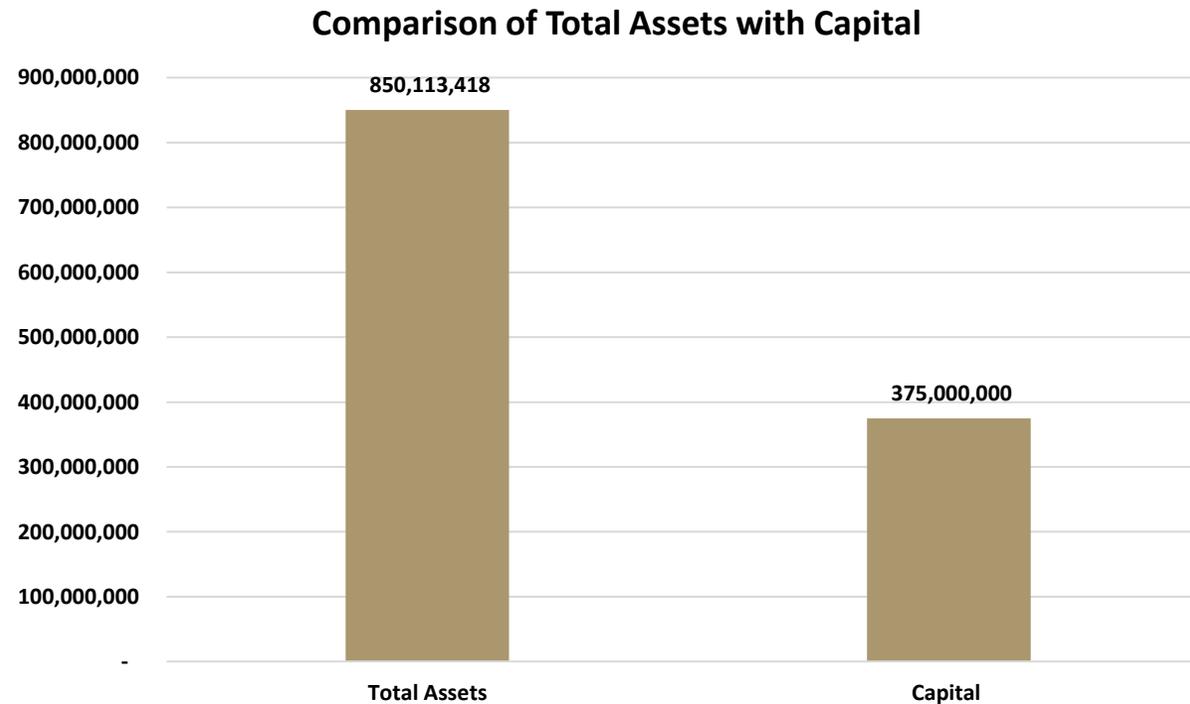
Comparison of Assets and Liabilities of Sumou Real Estate Company





Total assets

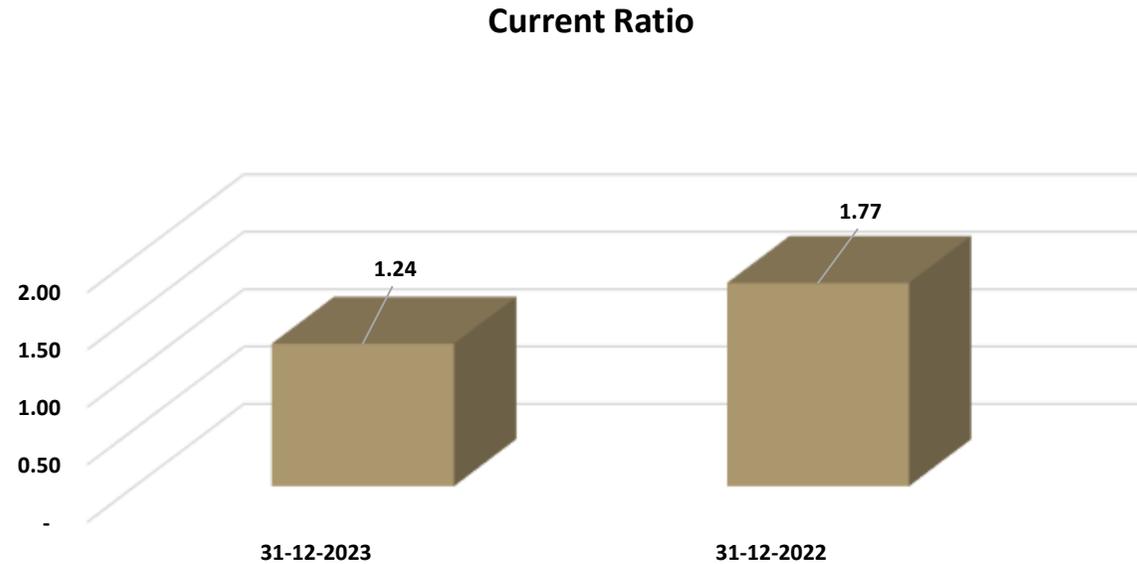
- Total assets as of 31/12/2023 amounted to 850 million Saudi riyals, or 227% of the capital of sumou Real Estate Company





Current Ratio

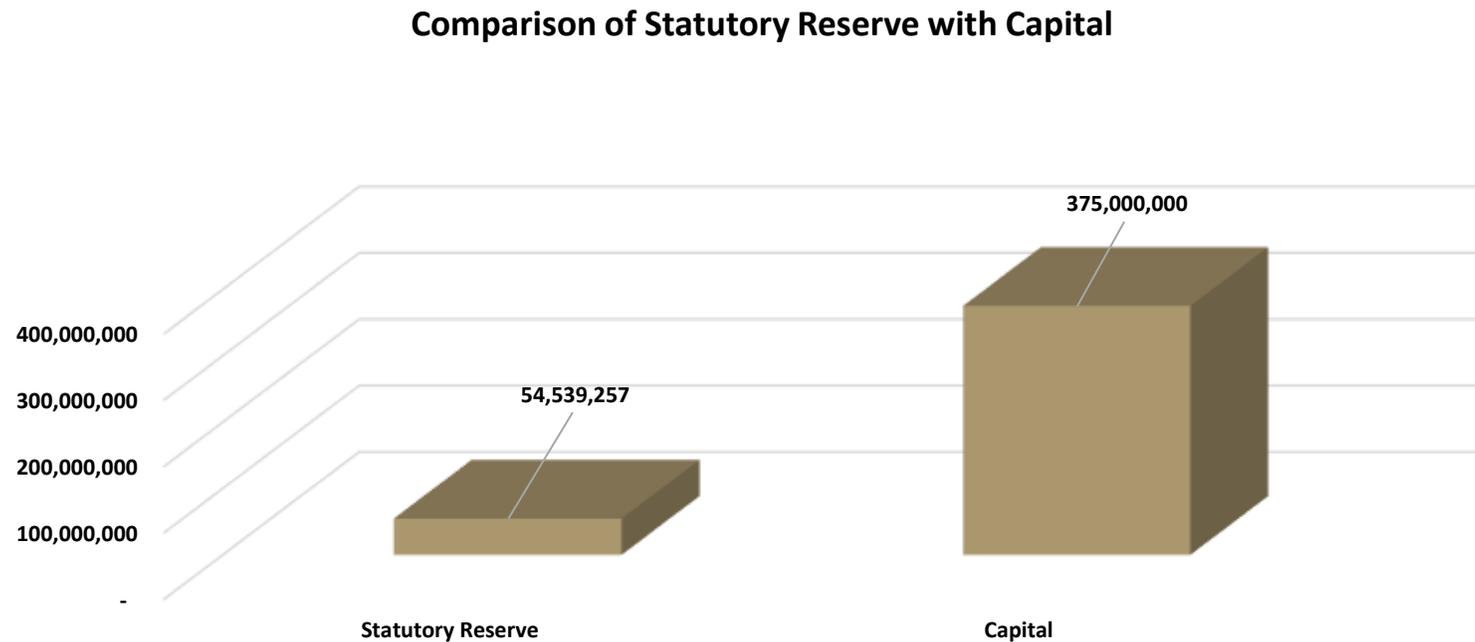
- The current ratio was 1.24 as of 31/12/2023 compared to 1.77 as of 31/12/2022





Comparison of Statutory Reserve with the Capital

- The statutory reserve as of 31/12/2023 amounted to 54,539,257 Saudi riyals, representing 15% of the capital of sumou Real Estate Company

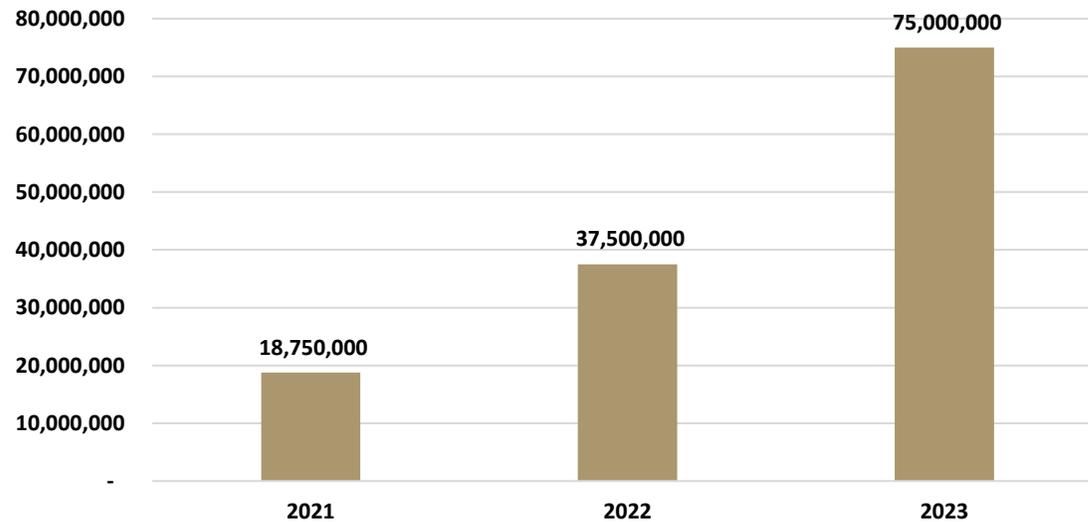




Dividends Distributed for the Last Three Years

- The total dividends for the last three years amounted to 131.25 million Saudi riyals, equivalent 35% of the capital of sumou Real Estate Company

Dividends for the Last Three Years



Financial Year	Distributed Profits
2021	18,750,000
2022	37,500,000
2023	75,000,000
Total	131,250,000

- Note:

In 2021, free shares were granted at the rate of one share for each two shares by increasing the capital of the Company from 250 million Saudi riyals to 375 million Saudi riyals. The increase was financed from the retained profits of the Company and the capital increase was approved by the Extraordinary General Assembly held on 05/05/2021.



5-3 Comparison of the Company's Cash Flows

Cash Flows (SAR)	31 December 2019	31 December 2020	31 December 2021 Consolidated *	31 December 2022 Consolidated *	31 December 2023 Consolidated *
Cash and Bank Balances at the Beginning of the Year	8,194,213	6,773,820	7,635,012	71,854,674	83,797,263
Net Cash Resulting from/ (Used in) Operating Activities	61,398,943	64,721,120	47,176,146	(13,230,316)	160,772,381
Net Cash Resulting from/ (Used in) Investment Activities	(27,819,336)	3,640,072	146,070,316	64,789,315	(53,671,134)
Net Cash Used in Financing Activities	(35,000,000)	(67,500,000)	(129,026,800)	(39,616,410)	(77,369,498)
Cash and Bank Balances at the End of the Year	6,773,820	7,635,012	*71,854,674	*83,797,263	113,529,012*

- As a result of the acquisition by sumou Real Estate Company of 80% of the capital of Al-Mahafel Trading and Contracting Company in October 2021, the financial statements issued starting from 2021 are considered consolidated financial statements.
- Cash balances with banks during 2023,2022 include the balances of bank accounts registered for off-plan sales projects (Wafi), whose use is limited to disbursement to those projects only. The cash proceeds from the sale are deposited in them. Therefore they are considered as cash and cash equivalents. The balances of these accounts amounted to 110,874,319 Saudi riyals at the end of 2023 and 38,895,177 Saudi riyals at the end of 2022.



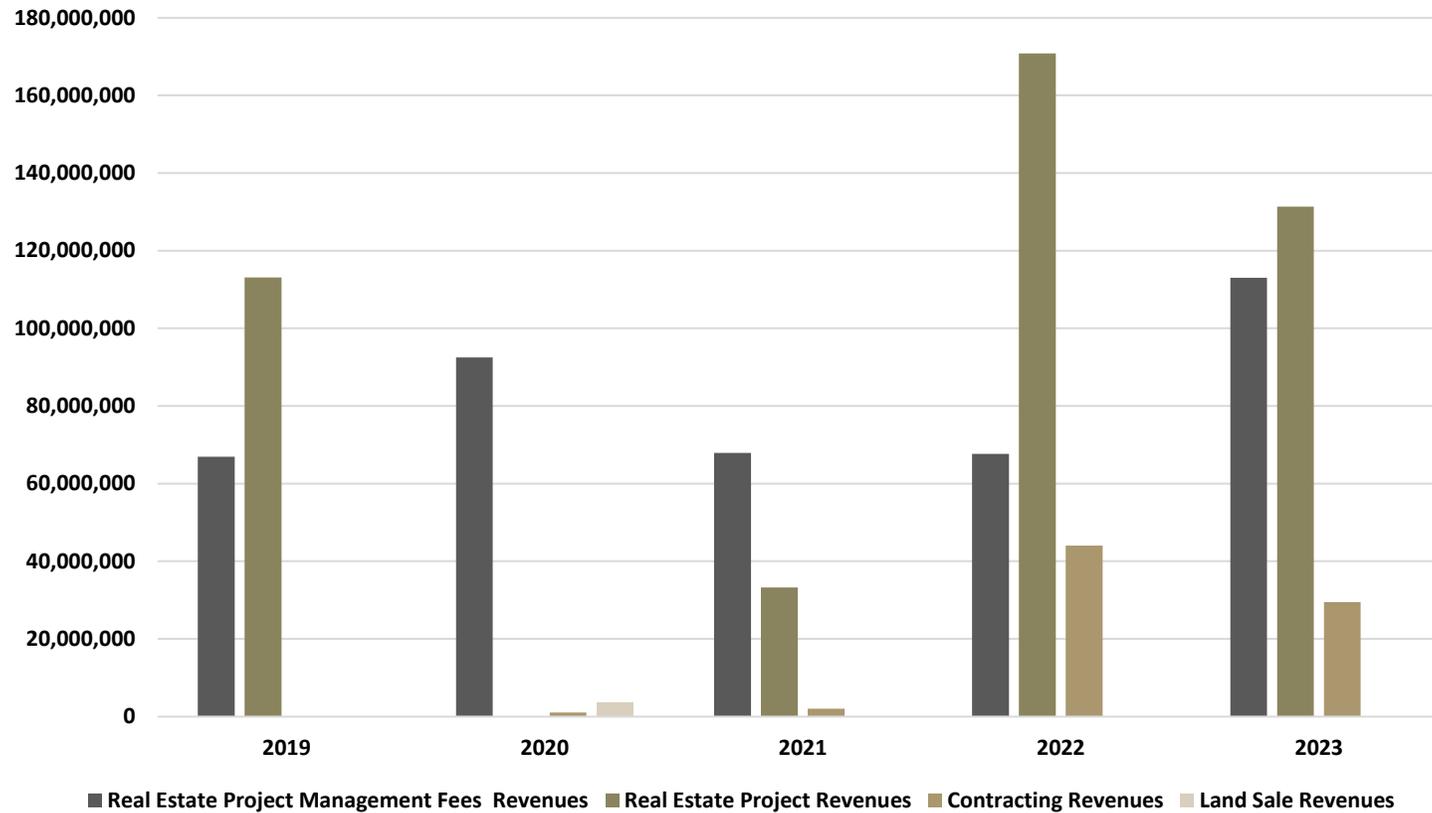
5-4 The Impact of the Main Activities on the Volume of the Company's Business and its Contribution to the Results of the Company's Business

- During the last five years, the Company's revenues are mainly represented in the fees due from the Development Management, which are calculated as a percentage of the development and contracting cost of the projects, which is represented in the receipt of the project by sumou Real Estate Company as a package contracting that includes all the various implementation works from the beginning of the project to its end. sumou Real Estate appoints contractors to carry out various tasks and performs the role of project management at the same time. Therefore, the Company's revenues from contracting projects are calculated by calculating the total project costs plus a specific profit margin. As for the Project Development Management, it is represented in carrying out the role of project development management only without carrying out any executive work, and the revenue of sumou Real Estate in which is calculated as a specific percentage of the total project cost to be agreed upon with the client.

Item	Revenues of 2019	Revenues of 2020	Revenues of 2021	Revenues of 2022	Revenues of 2023
Project Development Management Fees	66,897,831	92,518,527	67,910,738	67,632,837	113,033,809
Revenues from Real Estate Projects	113,087,803	---	33,217,628	170,787,111	131,316,095
Revenues from Contracting Works	---	1,000,000	2,000,000	44,000,000	29,468,566
Revenues from the Sale of Land	---	3,640,072	---	---	---
Total	179,985,634	97,158,599	103,128,366	282,419,948	273,818,470



Analysis of 5 Year Revenues of Sumou Real Estate Company





5-5 Substantial Differences in Operating Results from the Previous Year for the Company

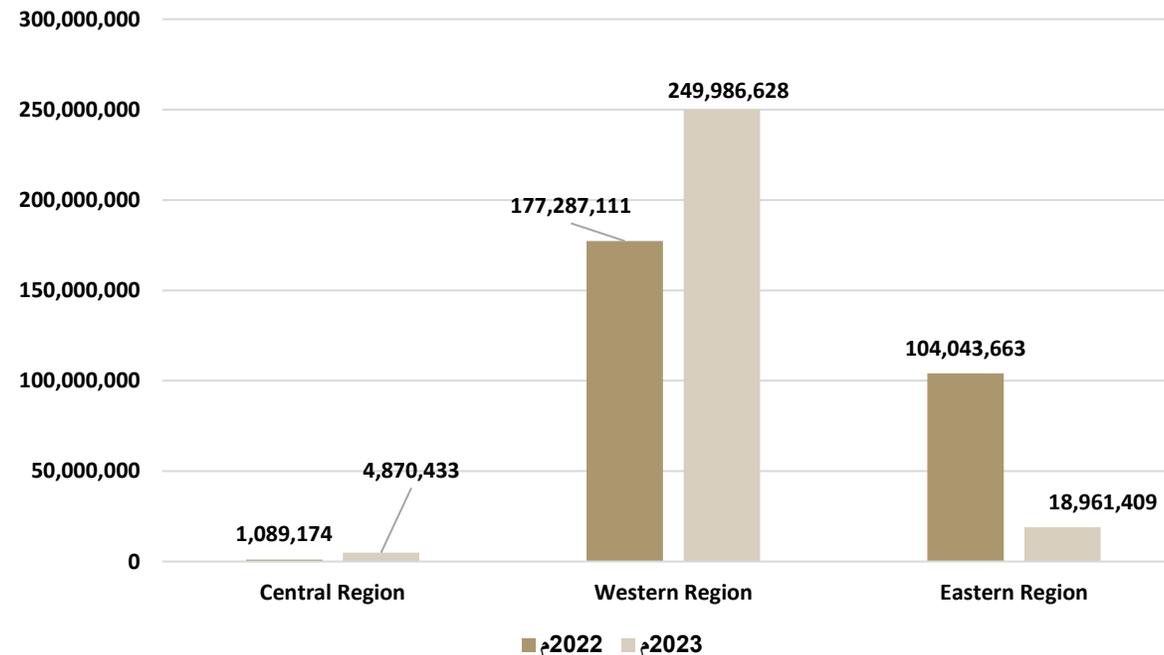
Item	2023	2022	Net Change	Percentage of Change	Causes of Deviation
Revenues	273,818,470	282,419,948	-8,601,478	-3%	The decrease in revenues as a result of the Company achieving higher completion rates in its existing projects in 2022 compared to the current period of 2023, noting that the Company will start new projects during 2023 and its revenues are expected to increase in subsequent years according to the expected completion rates.
Revenue Cost	-157,766,254	-205,723,997	47,957,743	-30%	During 2022, the Company implemented one of its contracting projects at a cost of 40 million Saudi riyals with a profit margin of 4 million Saudi riyals and it was completed during 2022.
Gross Profit	116,052,216	76,695,951	39,356,265	34%	The increase in the Company's total profit for 2023 compared to 2022 is attributed to the Company's achievement of revenues from real estate project management fees exceeding 2022 by 67%, which led to an increase in the Company's total profit for 2023 compared to 2022.
Administrative and general expenses	-15,226,771	-10,603,321	-4,623,450	30%	The increase in administrative and general expenses for 2023 compared to 2022 is due to two main factors: 1- Formation of a provision for impairment of investment properties in an amount of 2,035,606 Saudi riyals due to the decrease in the fair value of the investment properties owned by the Company. 2- Professional fees resulting from the transfer of sumou Real Estate Company from the parallel market (Nomu) to the main market (TASI) during 2023
Year Income from Operating Activities	100,825,445	66,092,630	34,732,815	34%	The increase in the year's income from the Company's operating activities for 2023 compared to 2022 is attributed to the Company's achievement of revenues from real estate project management fees exceeding 2022 by 67%, which led to an increase in the Company's total profit for 2023 compared to 2022.
Finance Costs	-1,245,461	-1,021,832	-223,629	-18%	During 2023, the Company issued letters of guarantee in favor of the Ministry of Housing in exchange for obtaining new projects for sale on the map, which led to an increase in financing costs during 2023 compared to the same period in 2022
Share of Profit (Loss) from Corporate Investments	8,473,317	26,605,077	-18,131,760	-214%	The decrease in the share of profit (loss) from investments in companies is attributed to the decrease in the profits of Tanal Investment and Real Estate Development Company for 2023 compared to 2022, in addition to the losses of Al Dahiya Al Gharbia Company for 2023 compared to 2022
Other Revenues (Expenses)	592,016	645,631	-53,615	9%	The decrease in other revenues is due to the decrease in revenues from investment Murabaha deposits
Net Income for the Year before the Provision of Sharia Zakat	108,645,317	92,321,506	16,323,811	15%	The increase in the net income for the year before Zakat provision for 2023 compared to 2022 is attributed to the Company's achievement of revenues from real estate project management fees exceeding 2022 by 67%, which led to an increase in the Company's total profit for 2023 compared to 2022.
Provision of Sharia Zakat	-5,968,510	-4,958,878	-1,009,632	17%	The increase in Zakat due for 2023 compared to 2022 is due to the increase in the components of the Zakat base for 2023 and the Company's achievement of a net profit before Zakat for 2023 compared to a net profit before Zakat for 2022
Net Income for the Year	102,676,807	87,362,628	15,314,179	15%	The increase in net income for 2023 compared to 2022 is attributed to the Company's achievement of revenues from real estate project management fees exceeding 2022 by 67%, which led to an increase in the Company's total profit for 2023 compared to 2022.
Net Loss for the Year for Non-Controlling Interests	-331,040	-272,856	-58,184	-18%	As a result of the subsidiary achieving more losses than last year
Net income attributed to the Company's shareholders	103,007,847	87,635,484	15,372,363	15%	The increase in net income for 2023 compared to 2022 is attributed to the Company's achievement of revenues from real estate project management fees exceeding 2022 by 67%, which led to an increase in the Company's total profit for 2023 compared to 2022.
Working Capital	65,726,937	112,773,590	-47,046,653	-72%	The reason for the increase in the Company's working capital for 2023 is due to the increase in current assets from cash collections from its projects in addition to paying a large part of its current liabilities in 2023
Equity	535,776,187	533,579,523	2,196,664	0%	No deviation.



5-6 Geographical Analysis of the Total Revenues of the Company and its Subsidiaries for 2022 and 2023

Year	Central Region	Western Region	Eastern Region	Total
2022	1,089,174	177,287,111	104,043,663	282,419,948
2023	4,870,433	249,986,628	18,961,409	273,818,470

Geographical Analysis of Revenues





5-7 Key Financial Indicators:

Financial Indicators	31 December 2019	31 December 2020	31 December 2021	31 December 2022	31 December 2023
Revenue Growth Rate	(30,17%)	(46%)	6%	174%	-3%
Growth Rate in Net Income of Shareholders of the Company	3%	2%	14%	8%	18%
Gross Profit Margin	54%	90%	60%	27%	42%
Income Margin Attributable to Shareholders of the Company	39%	73%	79%	31%	38%
Current Ratio (Time)	1.48	24%	2.33	1.77	1.24
Revenue/ Total Assets	32%	17%	17%	39%	32%
Debt Ratio/ Equity	51%	39%	36.5%	35%	59%
Debt Ratio/ Total Assets	34%	28%	26.7%	26%	37%
Return on Assets to Shareholders of the Company	13%	13%	13%	12%	12%
Return on Equity of the Company	18%	18%	18%	16%	19%



5-8 Loans and Bank Facilities

5-8-1 Bank Loans

- This item represents an expired loan granted by Bank Al-Jazira with a value of 200 million Saud riyals in 2014. The financial position of this loan was as follows: -

Financial Year	Balance as of January 1	Received during the Financial Year	Payments during the Year	Balance as of December 31,
2014	-----	200,000,000	---	200,000,000
2015	200,000,000	60,000,000	---	260,000,000
2016	260,000,000	146,498,252	---	406,498,252
2017	406,498,252	---	(206,498,252)	200,000,000
2018	200,000,000	---	(30,000,000)	170,000,000
2019	170,000,000	---	(30,000,000)	140,000,000
2020	140,000,000	---	(30,000,000)	110,000,000
2021	110,000,000	---	(110,000,000)	---
2022	---	---	---	---
2023	---	---	---	---

Acknowledgment: sumou Real Estate Company acknowledges that the Company does not have any outstanding loans until the date of this report.



5-8-2 Facilities from Banque Saudi Fransi:

During the year 2020, a letter of guarantee was issued in favor of the National Housing Company with a value of 30.9 million Saudi riyals and was recovered on 15/2/2022.

On October 10, 2021, the limit of credit facilities with Banque Saudi Fransi compliant with Islamic Sharia was increased, bringing the total value of the facilities to 114,020,000 Saudi riyals in exchange for a bond for a full amount in favor of the financing entity in addition to a mortgage. The aim of the agreement is to finance the Company's projects.

On February 5, 2023, the agreement was renewed and the credit facility limit was reduced to 80,020,000 Saudi riyals.

Financial Year	Total value of facilities from Banque Saudi Fransi	Used during the Year	Balance of Unused Facilities at the End of the Year
2020	64,000,000	31,000,000	33,000,000
2021	114,020,000	31,020,000	83,000,000
2022	114,020,000	20,000	114,000,000
2023	80,020,000	3,038,695	76,981,305



5-8-3 Facilities from Riyadh Bank:

- On 01/06/2022, a credit facility (Sharia-compliant) agreement with a value of 50,000,000 Saudi riyals was signed with Riyadh Bank, to cover the issuance of letters of guarantee of all kinds for housing projects, in exchange for a bond for a full amount in favor of the financing entity.
- On 13/11/2022, the credit limit of the facility agreement signed with Riyadh Bank was increased from 50 million Saudi riyals to 286 million Saudi riyals, in exchange for a bond for a full amount in favor of the financing entity, noting that this agreement is effective from the date of the execution thereof and expires on 01/06/2025.
- During the year 2022, letters of guarantee were issued in favor of the National Housing Company with a total of 124.9 million Saudi riyals valid until the date of this report (Abyar Ali project with a value of 54.1 million Saudi riyals, Al-Fursan Suburb project in Riyadh with a value of 40.3 million Saudi riyals and the northern Dahiyat Al Wajihah project in Dammam with a value of 30.5 million Saudi riyals).
- During 2023, the letter of guarantee for the Abyar Ali project was extended with a value of 54.1 million Saudi riyals, and all the terms of the agreement remained the same.

Financial Year	Total Value of the Facilities from Riyadh Bank	Used during the Year	Balance of Unused Facilities at the End of the Year
2020	---	---	---
2021	---	---	---
2022	286,043,000	124,976,860	161,066,140
2023	286,043,000	124,976,860	161,066,140



5-9 Zakat and Tax Position of sumou Real Estate Company and its Subsidiaries

5-9-1 Zakat Status of sumou Real Estate Company

Description	Due for the Year 2023	Payment in Progress for th Year 2023	Due for the Year 2022	Paid for the Year 2022	Brief Description	Causes
Zakat based on the declarations submitted to the Authority	5,968,510	5,968,510	4,958,878	4,958,878	Sharia Zakat due from sumou Real Estate Company for the year 2023	The increase in the Zakat due for the year 2023 compared to 2022 is due to the increase in the components of the Zakat base for the year 2023 and the Company's achievement of a net profit before Zakat for the year 2023 compared to the net profit before Zakat for the year 2022

Status of Zakat Assessments for sumou Real Estate Company: -

- On July 16, 2020, the Company received letters of amendment for the years 2016 to 2018 with regard to an amount of 21,998,593 Saudi riyals. The Company paid an amount of 5,668,558 Saudi riyals and objected to the Zakat, Tax and Customs Authority on 25/01/1442H corresponding to September 13, 2020G. On November 8, 2020, a lawsuit was filed with the General Secretariat of Tax Committees regarding the amount of 16,330,035 Saudi riyals, and a judgment was issued in the lawsuit in favor of the Company. The decision of the Zakat, Tax and Customs Authority was canceled, and the decision was implemented by the Zakat, Tax and Customs Authority and the amount of 16,330,035 Saudi riyals objected to by both the Zakat, Tax and Customs Authority and the General Secretariat of Tax Committees was deleted.
- On October 12, 2021, the Company received letters of amendment for the years 2019 and 2020 regarding an amount of 12,119,787 Saudi riyals. The Company paid an amount of 3,670,719 Saudi riyals. On December 9, 2021, the Company objected with the Zakat, Tax and Customs Authority to the amount of 8,449,068 Saudi riyals. According to the Zakat advisor, a judgment was made in favor of the Company in the First Instance Committee, and the Zakat, Tax and Customs Authority appealed the decision. The appeal decision has not been issued to date.
- Based on the opinion of the Zakat advisor of the Company, it has not been found necessary to form an provision during the current period against the commitment for the above-mentioned years.



5-9-2 Tax Status of sumou Real Estate Company (Statutory Payments)

Year	Tax Due through Tax Returns	Tax Paid to the Authority through Acknowledgments	Tax Due for Refund	Refunded to date	Credit Balance of Refunds	Causes
2022	—	—	12,695,400	11,569,502	1,125,898	All VAT receivables due to the Company for the year 2022 amounting to SAR 1,125,898 were collected during the period following the preparation of the financial statements for the year 2022
2023	4,131,415	4,131,415	14,586,427	14,586,427	---	All VAT receivables due to the Company for the year 2023 amounting to SAR 14,586,427 were collected during the period following the preparation of the financial statements for the year 2023

- ❑ The VAT returns for the year 2023 of sumou Real Estate Company were submitted on the legal dates and accompanied by payment until 31/12/2023
- ❑ Withholding tax returns of sumou Real Estate Company were submitted in due periods and accompanied by payment.
- ❑ There is no real estate disposal tax owed by the Company until 31/12/2023



5-9-3 Zakat and Tax Status of Subsidiaries (Al-Mahafel Trading and Contracting Company Ltd. and Anara Development Company)

Description	Due during 2023	Paid during 2023	Due for 2022	Paid for 2022
Zakat	Zero	Zero	37,566	37,566

- Al-Mahafel Trading and Contracting Company Ltd. submitted the Zakat return for the period ending on 31/12/2022 and obtained a Zakat certificate valid until 30/04/2024.
- There is no Zakat due from Anara Development Company for the year 2023 because it has not practiced the activity to date.
- The VAT returns for 2023 were submitted to Al-Mahafel Company on the legal dates and accompanied by payment until 31/12/2023



5-10 Employees Provisions (End of Service Benefit)

- ❑ The actuarial valuation was performed by Opal Actuarial Services and performed using the projected credit module
- ❑ The key assumptions used for actuarial valuation purposes were as follows:

Movement of Employee Benefits Liabilities	31 December 2023	31 December 2022
Balance at the beginning of the year	3,550,667	3,500,903
Interest Cost	149,569	81,667
Current service cost	606,566	565,469
Actuarial Losses for Employee Benefit Liabilities	199,566	(128,945)
Transfer from End of Service Benefit during the Year	---	---
Employee Benefit Obligations Paid during the Year	(62,800)	(468,427)
Balance at end of the year	4,443,568	3,550,667



5-11 Application of International Financial Reporting Standards

- The financial statements for the year ended 31 December 2023 are the financial statements of the Company prepared in accordance with the International Financial Reporting Standards adopted in the Kingdom of Saudi Arabia. It is worth mentioning that the company follows the International Accounting Standards (IFRS) since the beginning of 2017 as approved by the Saudi Organization for Chartered and Professional Accountants. Therefore, there is no material difference from the approved accounting standards. The Company has evaluated the impact resulting from the transition from the recognized accounting standards issued by the Saudi Organization for Chartered and Professional Accountants to the International Financial Reporting Standards adopted in the Kingdom of Saudi Arabia and made the necessary adjustments in the financial statements of the Company as of 1 January 2017 and 31 December 2017.
- Please note that as of the financial year ended 31/12/2021, two financial statements are issued, which are non-consolidated financial statements and consolidated financial statements, in accordance with International Financial Statements Standard IFRS No.10, which results from the control of Al-Mahafel Trading and Contracting Company Ltd. by 80%, as well as the establishment of Anara Development Company in late 2023.
- sumou Real Estate Company also acknowledges that the auditor's report on the financial statements for the year ending 31/12/2023 does not include any reservations.



6- Risks



A. Risk management policy and supervision

The company pays attention to potential risks, and the company periodically reviews these risks and develops appropriate measures to overcome them. The following risks are the main ones and do not include all the risks that the company may face. Rather, it is possible that there are additional risks that are not known to the company at the present time or may seem immaterial for the company to be prepared for:

Based on the company's awareness of the importance of effectively managing the risks to which the company is exposed in the context of its business in order to protect the company's assets and ensure their sustainability and the achievement of its strategic objectives, as well as to avoid any potential losses, the Governing Council has adopted policies to manage operational, financial and real estate development risks; Risk management policy is present when making decisions for the company, as the company strives to balance risks and gains while implementing the company's strategy. The company identifies, analyses, evaluates, addresses, monitors and reports risks as they arise in order to allow the company to make appropriate decisions in a timely manner and to interact with the risk brain in order to reduce its chances of occurring, while allowing the company to acquire appropriate opportunities that benefit shareholders. It is known that risks by their nature may lead to unexpected results and the implementation of risk management procedures is not a sufficient safeguard to manage or reduce all risks to the extent that they do not adversely affect the company's business and activities.

B. Risk Policy Objectives:

- Aligning the basic elements of risk management with the vision, mission and objectives of the company.
- Align the company's level of risk susceptibility with its strategy.
- Establishing a culture of risk within the company and inculcating the principles of risk management in its processes, systems and employees.
- Enhancing risk management capabilities and implementing the risk management process in a highly effective manner.
- Facilitating risk-based decision-making, improving risk governance and accountability.

C. Protecting the company's assets and ensuring its ability to continue to achieve its goals and aspirations.

With regard to the company's commitment to disclose the risks facing the company in the annual report of the Board of Directors, we present below a statement of the main risks that the company is exposed to, noting that they do not include all the risks that the company may face, as it is possible that additional risks are added that are not known at present or that the Company may consider as immaterial.



6-1 Risks related to the company's activity and operations

1- Risks of developing and implementing the company's projects

The real estate development projects implemented by the company are subject to potential risks represented by the possibility of delay in obtaining the necessary government approvals and permits for the implementation of projects and other required government approvals and permits, which might entail delays in completing the works in a timely manner, in addition to the possibility of exceeding the previously expected specified costs. The company considers this when preparing feasibility studies and estimating the expected costs.

2- Risks related to the failure of the company to collect its dues

If one of the parties contracting with the company fails to pay its dues, because of its financial insolvency, the disruption of its operations, procrastination, or bankruptcy, it will adversely affect the financial position of the company, its cash flows, and the results of its operations. Also, in the case of the projects executed by Sumou Real Estate Company as an integrated contractor, if a contracting party is insolvent or delays paying the dues of the company, the company will be forced to delay the payment of the dues of the sub-contractors, which will adversely affect the company's revenues, outcomes and operations.



3- Risks associated with the contracts and transactions of related parties

The company has dealings and contracts with the related parties which are made on strictly commercial grounds. These contracts and transactions are subject to the approval of the Board of Directors and the approval of the Ordinary General Assembly of the company. Therefore, in the event that the company's Ordinary General Assembly votes not to agree on dealing with related parties for any reason, the company's revenues will be affected.

4- Risks related to lawsuits and fines

The company is exposed to the risks of filing lawsuits from many parties, including customers, partners in the company, suppliers, employees, regulatory bodies, or landowners from whom the company leases to conduct projects on their land, in addition to the company sometimes having to file lawsuits against some procrastinators to collect its debts., This involves costs that the company will incur, and the judgments issued in those lawsuits, when they are against the interest of the company, will have an impact on the company's business, results of its operations, financial position and future expectations. The company deals with these risks through internal legal advisors and qualified external lawyers to face such risks and protect the rights and interests of the company.

5- Credit risks

Credit risks are represented by the failure of one of the parties to the financial instrument contracts to fulfill its contractual obligations towards the other party, which leads to the company incurring financial losses, or other debtor parties to fulfill their obligations towards the company or others. In the event that the debtors fail to pay what they owe to the company on time or are not committed at all to pay in part or in full, this will negatively and materially affect the results of the company's operations, financial position and cash flows.



6- Risks related to operating systems and information technology

The company relies on information technology systems to manage its business. Therefore, the company's failure to maintain and develop information technology systems, or the existence of any malfunctions in its functions will negatively affect the company's business and financial results.

The company's information technology systems may be damaged due to natural disasters, viruses, attempts to penetrate the company's network, security breaches, loss, data corruption, human errors and other similar events, and therefore in the event that the company's information systems fail to work as expected, or in the event of loss of Information or in the event of misuse of the information of the company or its customers, this will lead to disruption of the company's business, which will negatively affect the company's business, financial position and results of its operations.

7- Liquidity risk

Liquidity risk is the difficulty that the company encounters in raising funds to meet commitments associated with financial instruments. Liquidity risk can result from the inability to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring it regularly to ensure that the necessary funds are available to meet the future obligations of the company.



6-2 Risks related to the market and the sector

1- Risks related to the competitive environment

The main activity of the company is the management and execution of real estate development, and this field is characterized by high competition. Consequently, in the event that current or potential competitors offer competitive prices or terms, or better solutions than those offered by the company, this will lead to a decrease in its profit margins and cause the company to lose or reduce its market share.

2- Risks of change in the relevant laws and regulations

Like other companies operating in the Kingdom of Saudi Arabia, the company is subject to a number of laws and regulations that may be changed or updated by the competent authorities, and new laws and regulations may also be issued by the relevant official authorities from time to time.

3- Risks related to imposing other fees and taxes

The company's business is currently subject to VAT, real estate disposition tax, and other fees and taxes that are also likely to be imposed on companies by the government in the future. If new taxes or fees are imposed on companies besides the ones currently applied, this will adversely and substantially affect the company's net profits.



4- Difficulty to monetize real estate investments

Real estate investments are, by nature, long-term investments that are difficult to sell compared to other investments, especially in light of the slowing demand for land and real estate in the Kingdom. Therefore, the changing nature of market conditions may put the company's real estate portfolio and commercial properties in an unfavorable position at any time in the future, which will make it more difficult to monetize the company's real estate investments.

5- Risk of interest rate fluctuations

Interest rates may vary depending on economic, political, or organizational changes at the local or global level, whether for fixed or variable interest rates that are due to the financiers of the company, which will therefore lead to an increase in the financing costs needed for the company.



7- Deals and Contracts with related parties



The Company acknowledges that there are no valid contracts, transactions or arrangements for the Company's business in which the Chairman of the Board of Directors, a member of the Board of Directors, the Chief Executive Officer or the Director of the Financial Department have a material interest, except as mentioned below. They do not affect in any way negatively the business and revenues of the Company and do not include any preferential terms or transactions. The Company also has the following transactions that are considered contracts with related parties:-

1. An agreement between Sumou Real Estate Company and Asmou Real Estate Development Company, in which there is an indirect interest of the Chairman of the Board of Directors, Mr. Ayed bin Farhan Al-Qahtani, in its capacity as one of its subsidiaries, the Deputy Chairman Mr. Saeed Salem Al-Nahdi, in his capacity as a director and Board Member and Eng. Issam Kalthoum, in his capacity as a director, for the purpose of providing development management services for Asmou Towers Project located in Jeddah. The agreement was signed on 01/10/2023G. The Company's revenues resulting from the agreement during the year 2023 amounted to (15,000,000 SAR) fifteen million Saudi riyals. The agreement does not contain preferential conditions or advantages.
2. An agreement between sumou Real Estate Company and sumou Holding Company, in which the Chairman of the Board of Directors, Mr. Ayed bin Farhan Al-Qahtani, and the member of the Board of Directors, Mr. Saeed Salem Al-Nahdi, have an indirect interest, as Mr. Ayed bin Farhan Al-Qahtani is its Chairman of the Board of Directors and Mr. Saeed Salem Al-Nahdi is a member of its Board of Directors, for the purpose of managing the development of the land of Al-Khobar Corniche located in Al-Nawras district, east of Petromin Plan, which is owned by sumou Holding Company and other partners. The agreement was signed on 23/03/2021G. The Company's revenues from the agreement for the year 2023 amounted to (4,834,856 SAR) four million eight hundred and thirty-four thousand eight hundred and fifty-six Saudi riyals. The agreement does not contain preferential conditions or advantages.
3. An agreement between sumou Real Estate Company and Adeer Asar Real Estate Company, in which there is an indirect interest of the Chairman of the Board of Directors, Mr. Ayed bin Farhan Al-Qahtani, in his capacity as its Chairman of the Board of Directors, and the Deputy Chairman, Mr. Saeed Salem Al-Nahdi, in his capacity as a member of its Board of Directors, for the purpose of managing the development of the infrastructure of the Company's land in Riyadh with an area of more than 3 million meters. The agreement was signed on 2/10/2022G. The Company's revenues from the agreement during 2023 amounted to (4,870,433 SAR) four million eight hundred and seventy thousand four hundred and thirty-three Saudi riyals. The agreement does not contain preferential conditions or advantages.



4. A framework agreement between Sumou Real Estate Company and Adeer Holding Company, in which there is an indirect interest of the Chairman of the Board of Directors, Mr. Ayed bin Farhan Al-Qahtani, in its capacity as one of his subsidiaries and the Deputy Chairman Mr. Saeed Salem Al-Nahdi, in his capacity as a director therein, for the purpose of providing real estates services for the the projectd of Adeer Holding. The agreement was signed on 01/07/2022G. The Company's revenues resulting from the agreement for the year 2023^{٢٠٢٣} amounted to (41,000,000 SAR) forty-one million Saudi riyals. The agreement does not contain preferential conditions or advantages.
5. An agreement between sumou Real Estate Company and Riyadh Gulf Management Company, in which there is an indirect interest of the Chairman of the Board of Directors, Mr. Ayed bin Farhan Al Qahtani, in its capacity as one of his subsidiaries, and the Deputy Chairman, Mr. Saeed Salem Al Nahdi, in his capacity as a director therein, concluded on 01/01/2022G, whereby Riyadh Gulf Management Company obtains an amount of (1,200,000 SAR) one million two hundred thousand Saudi riyals in exchange for Riyadh Gulf Management providing consulting and administrative services to sumou Real Estate Company. Expenses of Sumou Real Estate Company amounted to (1,200,000 SAR) one million two hundred thousand riyals from this agreement for the year 2023G. The agreement does not contain preferential conditions or advantages.
6. Administrative offices lease contract between Sumou Real Estate Company and Adeer Holding Company, in which there is an indirect interest of the Chairman of the Board of Directors, Mr. Ayed bin Farhan Al-Qahtani, in its capacity as one of his subsidiaries, and the Deputy Chairman, Mr. Saeed Salem Al-Nahdi, in his capacity as a director therein, under which Adeer Holding Company leases the administrative offices to Sumou Real Estate Company under the contract signed on 01/01/2021G. The value of the rents paid to Adeer Holding Company for the year 2023 amounted to (249,725 SAR) two hundred and forty-nine thousand seven hundred and twenty-five Saudi riyals. The contract does not contain preferential conditions or advantages.
7. Administrative offices lease contract between Sumou Real Estate Company and Adeer Holding Company, in which there is an indirect interest of the Chairman of the Board of Directors, Mr. Ayed bin Farhan Al-Qahtani, in its capacity as one of his subsidiaries, and the Deputy Chairman, Mr. Saeed Salem Al-Nahdi, in his capacity as a director therein, under which Adeer Holding Company leases administrative offices to Sumou Real Estate Company under the contract signed on 01/01/2022G. The value of the rents paid to Adeer Holding Company for the year 2023 amounted to (147,840 SAR) one hundred and forty-seven thousand eight hundred and forty Saudi riyals. The contract does not contain preferential conditions or advantages.



8. Administrative offices lease contract between Sumou Real Estate Company and Adeer Holding Company, in which there is an indirect interest of the Chairman of the Board of Directors, Mr. Ayed bin Farhan Al-Qahtani, in its capacity as one of his subsidiaries, and the Deputy Chairman, Mr. Saeed Salem Al-Nahdi, in his capacity as a director therein, under which Adeer Holding Company leases administrative offices to Sumou Real Estate Company under the contract signed on 01/07/2022. The value of the rents paid to Adeer Holding Company for the year 2023 amounted to (112,000 SAR) one hundred and twelve thousand Saudi riyals. The contract does not contain preferential conditions or advantages.
9. An agreement between Sumou Real Estate Company and Sumou Holding Company, in which there is an indirect interest for the Chairman of the Board of Directors, Mr. Ayed bin Farhan Al-Qahtani, in his capacity as its Chairman of the Board of Directors, and the Deputy Chairman, Mr. Saeed Salem Al-Nahdi, in his capacity as its Deputy Chairman of the Board of Directors, to manage the development and marketing of the raw land located Dammam with an area of (415,967) m². The agreement was signed on 15/03/2022G. The Company's revenues from the agreement during the year 2023 amounted to (3,891,351 SAR) three million eight hundred and ninety-one thousand three hundred and fifty-one Saudi riyals. The agreement does not contain preferential conditions or advantages.
10. A contracting contract between Sumou Real Estate Company and Buna Al-Jazira Contracting Company, in which there is an indirect interest of the Chairman of the Board of Directors, Mr. Ayed bin Farhan Al-Qahtani, in its capacity as one of his subsidiaries, and the Deputy Chairman, Mr. Saeed Salem Al-Nahdi, in his capacity as a director therein, to carry out cleaning, leveling, cutting, backfilling, roads, infrastructure networks and surveying for Al-Rehab Plan approved under No. (1-32-54). The contract was signed on 16/4/2020, and the costs incurred by the Company amounted to (21,230,693 SAR) twenty-one million, two hundred and thirty-three thousand six hundred and ninety-three Saudi riyals during 2023, and there are no preferential conditions or advantages in the contract.



11. An agreement between Sumou Real Estate Company and Sumou Holding Company in which the Chairman of the Board of Directors, Mr. Ayed bin Farhan Al-Qahtani and Member of the Board of Directors, Mr. Saeed Salem Al-Nahdi, has an indirect interest in it, as Mr. Ayed Bin Farhan Al-Qahtani is Chairman of the Board of Directors and Mr. Saeed Salem Al-Nahdi is a member of the Board of Directors, for the purpose of managing the development, marketing and implementation of the infrastructure of the land located on the Abqaiq-Dhahran Road for Hattin Project. The agreement was signed on 26/09/2021G. The Company's revenues from the agreement during the year 2023 amounted to (10,235,202 SAR) ten million two hundred and thirty-five thousand two hundred and two Saudi riyals. The agreement does not contain preferential conditions or advantages.
12. An agreement between Sumou Real Estate Company and Alinma Investment Company, the manager of the Dahiyat Sumou Fund, in which the Chairman of the Board of Directors, Mr. Ayed bin Farhan Al-Qahtani, and Mr. Saeed Salem Al-Nahdi, have an indirect interest as Mr. Ayed bin Farhan Al-Qahtani is the Chairman of the Board of Directors of the Fund and Mr. Saeed Salem Al-Nahdi is a member of its Board of Directors, for the purpose of developing the entire infrastructure of Dahiyat Sumou project and the superstructure of part of the project. The agreement was signed on 29/11/1437H corresponding to 1/9/2016G. The Company's revenues from this project during the year 2023 amounted to (18,000,000 SAR) eighteen million Saudi riyals from the Fund and there are no preferential conditions or advantages.
13. An agreement between Sumou Real Estate Company and Alinma Investment Company, the manager of Al Taif Real Estate Development Fund, in which there is an indirect interest of the Chairman of the Board of Directors, Mr. Ayed Farhan Al-Qahtani, through the presence of his son Abdul Rahman bin Ayed Al-Qahtani as a member of the board of directors of the Fund. The purpose of the agreement is acquiring raw land in Saiysad District in Taif (the project land) with an area of 2,147,000 m², completing the design and approval of the master plan for the project land, working to develop the infrastructure of the project land, selling the developed plots, and then exiting at the end of the fund's life. The fund was established on 26/07/2023G. According to completion phases, Sumou Real Estate Company shall receive in-kind revenues of (21,470,000 SAR) twenty-one million four hundred and seventy thousand Saudi riyals in the form of in-kind units in the fund. There is no financial result from the agreement during the year 2023, and there are no preferential conditions or advantages.



14. An agreement between Sumou Real Estate Company and Alinma Investment Company, Manager of Alinma Ajjad Real Estate Fund, in which there is an indirect interest of the Chairman of the Board of Directors, Mr. Ayed Farhan Al-Qahtani, through the presence of his son Abdul Rahman bin Ayed Al-Qahtani as a member of the Board of Directors of the Fund, for the purpose of acquiring raw land located in the Reea Bakhsh District in Makkah (the project land) with an area of 300,000 m², completing the design and approval of the master plan for the project land, working to develop the infrastructure of the project land, selling the developed plots, and then exiting at the end of the fund's life. The Fund was established on 10/01/2023G. According to completion phases, Sumou Real Estate Company shall receive in-kind revenues of (30,000,0000 SAR) thirty million Saudi riyals in the form of in-kind units in the Fund. There is no financial result from the agreement during the year 2023, and there are no preferential conditions or advantages.
15. An agreement between Sumou Real Estate Company and Alinma Investment Company, the manager of Alinma Al Madinah Real Estate Fund, in which there is an indirect interest of the Chairman of the Board of Directors, Mr. Ayed Farhan Al-Qahtani, as a member of the Board of Directors of the Fund, and the Deputy Chairman Mr. Saeed Salem Al-Nahdi, as a member of the Board of Directors of the Fund, for the purpose of acquiring raw land located in the King Fahd District in Al Madinah (the project land) with an area of 4,071,314 m², completing the design and approval of the master plan for the project lands, working to develop part of the four raw squares and the infrastructure of the project land, selling the developed plots and then exiting at the end of the Fund's life. The Fund was established on 23/05/2023G. According to completion phases, Sumou Real Estate Company shall receive in-kind revenues of (19,427,660 SAR) nineteen million four hundred and twenty-seven thousand six hundred and sixty Saudi riyals in the form of in-kind units in the Fund. There is no financial result from the agreement during the year 2023, and there are no preferential conditions or advantages.
16. It is a number of transactions that took place during the year 2023. Under which, Sumou Holding Company (the largest shareholder), in which the Chairman of the Board of Directors, Mr. Ayed bin Farhan Al-Qahtani, and the member of the Board of Directors, Mr. Saeed Salem Al-Nahdi, have an indirect interest in it, as Mr. Ayed bin Farhan Al-Qahtan is its Chairman and Mr. Saeed Salem Al-Nahdi is a member of the Board of Directors, paid some expenses on behalf of Sumou Real Estate Company. The expenses paid on behalf of Sumou Real Estate Company for the year 2023 amounted to (1,358,542 SAR) one million three hundred and fifty-eight thousand five hundred and forty-two Saudi riyals, and there are no preferential conditions or advantages.



17. An agreement between Sumou Real Estate Company and Alinma Investment Company, the manager of the Dahiyat Sumou Fund, in which the Chairman of the Board of Directors, Mr. Ayed bin Farhan Al-Qahtani, and Mr. Saeed Salem Al-Nahdi, have an indirect interest as Mr. Ayed bin Farhan Al-Qahtani is the Chairman of the Board of Directors of the Fund and Mr. Saeed Salem Al-Nahdi is a member of its Board of Directors, for the purpose of developing the entire infrastructure of the Dahiyat Sumou Project and the superstructure of part of the project. The agreement was signed on 29/11/1437H corresponding to 01/09/2016G. The Company's revenues from this project during the year 2023 amounted to (15,201,967) fifteen million two hundred and one thousand nine hundred and sixty-seven Saudi riyals as in-kind units from Al Dahiya Al Gharbia Company (direct owner of the Fund). The agreement does not contain preferential conditions or advantages.
18. An agreement between sumou Real Estate Company and Adeer Asar Real Estate Company, in which there is an indirect interest of the Chairman of the Board of Directors, Mr. Ayed bin Farhan Al-Qahtani, in his capacity as its Chairman of the Board of Directors, and the Deputy Chairman, Mr. Saeed Salem Al-Nahdi, in his capacity as a member of its Board of Directors, for the purpose of managing the development of the infrastructure of the Company's land in Riyadh with an area of more than 3 million square meters. The agreement was signed on 2/10/2022G. The Company's revenues from the agreement during 2023 amounted to (6,547,060 SAR) six million five hundred and forty-seven thousand and sixty Saudi riyals. The agreement does not contain preferential conditions or advantages.



8- Competition business



List of businesses that compete with the businesses of Chairman of the Board of Directors/ Ayedh bin Farhan Al-Qahtani in his capacity as owner or manager.

Company Name	Activities
Bissan Company for Commercial and Real Estate Investment / Closed Joint Stock Company	Buying and selling land and real estate, dividing it, off-plan sales activities, and owning stakes in real estate companies
Sumou Holding Company	A holding company that invests in and owns stakes in real estate companies
Adeer Real Estate Company / Closed Joint Stock Company	Buying and selling lands and real estate, dividing them, and off-plan sales activities
Adeer Real Estate Assets Management Company	Buying and selling lands and real estate, dividing them, and off-plan sales activities
Adeer Holding Company	A holding company that invests in and owns stakes in real estate companies
Aldahia Western Company	General construction of residential buildings Buying and selling lands and real estate, dividing them, and off-plan sales activities
Dahiat Sumou Real Estate Development Company	A company with a special purpose for the Sumou suburb project
Asmo Real Estate Development Company	A company with a special purpose for the towers of Asmo Company
Dahiat Murooj Jeddah Company Limited	A special purpose company to develop the Murooj Jeddah project
Lynn Real Estate Company	Buying and selling lands and real estate, dividing them, and off-plan sales activities
Tanal Real Estate Development and Investment Company	A special purpose company for the development of the Tanal project
Ruba Buildings Real Estate Company	A subsidiary of Tanal Company, which has a special purpose for the development of the Tanal project
Razeen Real Estate Company	General construction of residential buildings Buying and selling lands and real estate, dividing them, and off-plan sales activities
Adl Sumou Real Estate Company	Buying and selling lands and real estate, dividing them, and off-plan sales activities
Adeer Asar Real Estate Company	Buying and selling lands and real estate, dividing them, and off-plan sales activities
Rua United Real Estate Company	Buying and selling lands and real estate, dividing them, and off-plan sales activities



List of businesses that compete with the businesses of Deputy Chairman of the Board of Directors/ Saeed Salem AL Nahdi in his capacity as owner or manager.

Company Name	Activities
Sumou Holding Company	A holding company that invests in and owns stakes in real estate companies
Adeer Holding Company	A holding company that invests in and owns stakes in real estate companies
Aldhahia Western Company	General construction of residential buildings Buying and selling lands and real estate, dividing them, and off-plan sales activities
Adeer Real estate Asset management company	Buying and selling lands and real estate, dividing them, and Sales activities on the map
Dhahiat Sumou Real Estate Development Company	A company with a special purpose for the Samou suburb project
Asmo Real Estate Development Company	A company with a special purpose for the towers of Asmo Company
Dhahiat Murooj Jeddah Company Limited	A special purpose company to develop the Murooj Jeddah project
Lynn Real Estate Company	Buying and selling lands and real estate, dividing them, and off-plan sales activities
Tanal Real Estate Development and Investment Company	A special purpose company for the development of the Tanal project
Ruba Buildings Real Estate Company	A subsidiary of Tanal Company, which has a special purpose for the development of the Tanal project
Razeen Real Estate Company	General construction of residential buildings Buying and selling lands and real estate, dividing them, and off-plan sales activities
Adl Sumou Real Estate Company	Buying and selling lands and real estate, dividing them, and off-plan sales activities
Adeer Asar Real Estate Company	Buying and selling lands and real estate, dividing them, and off-plan sales activities General construction of residential buildings Renovations of residential and non-residential buildings Public construction of non-residential buildings such as schools, etc.
Bona Al Jazeera Contracting Company	Contracting and general construction of residential and non-residential buildings

List of businesses that compete with the businesses of Board member of the Board of Directors/ Essam Ahmed Kalthoum in his capacity as owner or manager.



Company Name	Activities
Bona Al Khaleej Contracting Company	General construction of residential buildings
Daman Arabia Company for Trade and Contracting	Renovations of residential and non-residential buildings
Tam Construction and Development Company Limited	General construction of residential buildings Renovations of residential and non-residential buildings
Asmo Real Estate Development Company	A company with a special purpose for the towers of Asmo Company



9- The company's Board of Directors, committees and executive management

Board Members



Saeed Salem AL Nahdi
Deputy chairman



Ayedh Farhan Al Qahtani
Chairman



Essam Ahmed Kalthoum
Board member



Khalid Saleh AL Aqeel
Board member



Faisal Abdullah Al Khaldi
Board member



9- The company's Board of Directors, committees and executive management

The company is managed by a Board of Directors consisting of (5) five members elected by the Ordinary General Assembly of shareholders for a period not exceeding (3) three years.

The members of the Board of Directors were appointed by the Ordinary General Assembly, which was held on 04/05/1443 AH (corresponding to 08/12/2021 AD)

9-1 Members of the company's Board of Directors

9-1-1 The composition of the members of the Board of Directors, the classification of its members, and the date of beginning and end of membership are as follows:

Name	Position	Nationality	Membership status			Date of membership	End of membership
			Executive	None-Executive	Independent		
Ayedh Farhan Al-Qahtani	Chairman	Saudi	No	Yes	No	24-12-2021	23-12-2024
Saeed Salem AL Nahdi	Deputy chairman	Bahraini	No	Yes	No	24-12-2021	23-12-2024
Faisal Abdullah Alkhaldi	Board member	Saudi	No	No	Yes	24-12-2021	23-12-2024
Khalid Saleh AL Aqeel	Board member	Saudi	No	No	Yes	24-12-2021	23-12-2024
Essam Ahmed Kalthoum	Board member	Saudi	No	Yes	No	24-12-2021	23-12-2024



9-1-2 Board members names, their current and previous positions, qualifications and experience

Name	Ayedh Farhan Al Qahtani
Nationality	Saudi
Position	Chairman of the Board of Directors
Education	Bachelor's degree in industrial management - King Fahad University of Petroleum and Minerals, Dhahran - Saudi Arabia-1999.
Experiences	<ul style="list-style-type: none">- Member of the Board of Directors of the Dahiyat Sumou Fund from 2017 until the date of this report.- Chairman of the Board of Directors of Musharaka Financial Company from 2013 until the date of this report.- Chairman of the Board of Directors of Dahiat Sumou Real Estate Development Company from 2012 until the date of this report.- Chairman of the Real Estate Committee in the Asharqia Chamber from 2010 until 2012.- Chairman of the Board of Directors of Tanal Real Estate Development and Investment Company from 2019 until the date of this report.- Member of the Board of Directors of Iktifa Agricultural Company from 2009 until the date of this report.- Chairman of the Board of Trustees of the Ibn Mubarak Foundation for Community Service from 2008 to 2009 .- Chairman of the Board of Directors of Sumou Holding Company from 2007 until the date of this report.- Chairman of the Board of Directors of Sumou Real Estate Company from 2007 until the date of this report.- Chairman of the Board of Directors of Adeer Real Estate Company from 2021 to End of 2023.- Chairman of the Board of Directors of Adeer Asar Real Estate Company from 2023 until the date of this report.- Vice Chairman of the Board of Directors of Rua United Real Estate Company from 2023 until the date of this report.- Member of the Board of Directors of the Eastern Chamber of Commerce from 2006 until 2009.- Member of the Board of Directors of Riyadh Development Company from 2010 until 2015- Member of the Board of Directors and one of the founders of the First Company for Real Estate Development from 2002 to 2008.- Chairman of the Board of Directors of Murooj Jeddah Co., Ltd., from 2013 until the date of this report.- Chairman of the Board of Directors of Bissan Company for Commercial and Real Estate Investment from 2020 until the date of this report- Member of the Board of Directors of Al-Bayt and More Trading Company from 2008 until the date of this report.- Member of the Board of Directors of Ruby Real Estate Building Company from 2013 until the date of this report.



Name	Saeed Salem Mohammed Al Nahdi
Nationality	Bahraini
Position	Deputy Chairman
Education	Bachelor's degree in business administration - University of Bahrain, Manama - Kingdom of Bahrain- 1993.
Experiences	<ul style="list-style-type: none">- CEO of Sumou Holding Company from 2015 until the date of this report.- Member of the Board of Directors of Sumou Holding Company from 2022 until the date of this report.- Vice Chairman of the Board of Directors of Sumou Real Estate Company from 2020 until the date of this report.- Vice Chairman of the Board of Directors of Adeer Real Estate Company from 2021 to end of 2023.- Director of Awj Energy Co., Ltd., from 2014 to date.- Member of the Board of Directors of Dahiat Murooj Jeddah Company from 2013 until the date of this report.- Member of the Board of Directors of Dahiat Sumou Real Estate Development Company, from 2012 until the date of this report.- Member of the Board of Directors of Iktifa Agricultural Company from 2009 until the date of this report.- Chairman of the Board of Directors of Ajar Investment Company from 2020 until the date of this report.- General Manager of the Bahrain Flour Mills Company from 2004 to 2008 .- Executive Director of Unilever for the Gulf region, Yemen and North Africa from 1992 until 2004.- Member of the Board of Directors of Tanal Real Estate Development and Investment Company from 2019 until the date of this report.- Chairman of the Board of Directors of Sharek Knowledge Company for Business Incubators and Accelerators from 2019 until the date of this report.- To be continued..



Name	Saeed Salem Mohammed Al Nahdi
Nationality	Bahraini
Position	Deputy Chairman
Education	Bachelor's degree in business administration - University of Bahrain, Manama - Kingdom of Bahrain- 1993.
Experiences	<ul style="list-style-type: none">- Chairman of the Board of Directors of Khairat Ala'alaf Company, from 2019 until the date of this report.- Member of the Board of Directors of Ruby Real Estate Building Company from 2019 until the date of this report.- Chairman of the Board of Directors of Secor Arabia Company from 2017 until the date of this report.- Member of the Board of Directors of Adir Asar Real Estate Company, from 2022 until the date of this report.- Director of Adel Samou Company from 2022 until the date of this report.- Director of Derna Facilities Management Company from 2017 until the date of this report.- Director of the Adeer Asset Management Company since 2015 until the date of this report.- Director of Riyada Al-Khaleej Administrative Company from 2021 until the date of this report.- Director of the Food Security Company from 2016 until the date of this report.- Director of Al Dahia Al-Gharbia Company from 2013 until the date of this report.- Director of Atar Holding Company from 2016 until the date of this report.- Director of Asmo Real Estate Development Company, from 2021 until the date of this report.- Director of Lynn Real Estate Company from 2018 until the date of this report.



Name	Faisal Abdullah Al-Khaldi
Nationality	Saudi
Position	Member of the Board of Directors.
Education	Bachelor of Engineering in Applied Civil Engineering - King Fahad University of Petroleum and Minerals, Dhahran - Saudi Arabia-1990.
Experiences	<ul style="list-style-type: none">- Chairman of the Board of Directors of Ekmal Trading Company since 2023 until the date of this report.- General Manager of Faz Investment Company since 2022 until the date of this report.- General Manager of Control Contracting Company since 2024 until the date of this report.- General Manager of Tanami Construction Company since 2008 until the date of this report.- Vice Chairman of Saudi Baytur Construction Company- 2008- 2018.- Vice Chairman and Managing Director of Tanami Holding Company since 2007 until the date of this report.- Managing Director of Zohour Alreef Trading Company since 2014 until the date of this report.- Managing Director of Al-Hindi Holding Company since 2008 until the date of this report.- Member of the Board of Directors of Al-Nasban Holding Company from 2022 until the date of this report.



Name	Khaled Saleh AL Aqeel
Nationality	Saudi
Position	Member of the Board of Directors.
Education	Bachelor's degree in accounting - King Saud University, Riyadh - Kingdom of Saudi Arabia- 1987.
Experiences	<ul style="list-style-type: none">- Chairman of the Board of Directors of the Saudi Equity Fund of the Gulf Securities Company from 2017 until date of this report.- Adviser to the Saudi British Bank (SABB) for all banking activities from 2016 to June 2020.- Member of the Audit Committee of Musharaka Capital Company from 2014 until 2019.- Head of the Audit Committee of Musharaka Capital Company from 2019 until until date of this report.- Member of the Board of Directors of Musharaka Capital Company from 2014 until the date of this report.- Chairman of the Islamic Banking Committee at the Saudi Arabian Monetary Agency for all Saudi banks 2012- 2013 and member of the committee-2012-2016.- Head of Islamic Banking Services at the Saudi British Bank (SABB) – 2011 - 2016.- Global Head of HSBC Islamic Bank products from 2010 until the end of 2011.- Director General of Treasury, Bank Al-Bilad-2007-2010.- Executive Director of Corporate Banking Services (Islamic Banking Services) at SABB Bank -2002-2007.- Director of the International Corporate Sector at Al-Rajhi Bank 2000- 2002.



Name	Essam Ahmed Kalthoum
Nationality	Saudi
Position	Member of the Board of Directors.
Education	Bachelor's degree in civil engineering - King Fahad University of Petroleum and Minerals, Dhahran - Saudi Arabia- 1982.
Experiences	<p>Member of the Board of Directors of Wadi Makkah Company from 2022 until the date of this report.</p> <p>CEO of Asmo Real Estate Development Company from 2022 until the date of this report.</p> <p>Member of the Board of Directors of Bona Al-Khaleej Company from 2022 until the date of this report.</p> <p>Member of the Board of Directors of the Murooj Jeddah Company from 2019 until the date of this report.</p> <p>Founder and Chairman of the Board of Directors of Natijah Real Estate and Business Services Company from 2018 until the date of this report.</p> <p>Member of the Board of Directors of the Real Estate Development Fund in Makkah to finance the Jabal Omar project from 2017 to 2022 .</p> <p>Consultant Director of the Rouah Al-Haram Project at the Public Investment Fund from 2016 to 2020 .</p> <p>Managing Director of Makkah Gate Company from 2011 until 2017 .</p> <p>Executive Director of Al-Shamiyah Group for Real Estate Development from 2007 to 2011 .</p> <p>Advisor to the Vice President of Al-Thumamah Group from 2005 to 2007.</p> <p>Advisor to the Vice President of the Seif Group Company from 2004 until 2005.</p> <p>Deputy Director General of General Services and Investment at the Royal Commission for Jubail and Yanbu from 1999 until 2004.</p> <p>President of Crystal Industrial Company from 1990 until 1999.</p> <p>Member of the Board of Directors of Tam Construction and Development Company from 2022 to date.</p> <p>Member of the Board of Directors of Daman Arabia Trading and Contracting Company from 2022 to date.</p>



9-1-3 Names of companies inside and outside the Kingdom in which a member of the company's Board of Directors is a member of its current or previous Board of Directors or one of its managers

1- Ayedh Farhan Al-Qahtani - Chairman of the Board of Directors

Names of companies in which a member of the Board of Directors is a member of its current Board of Directors or one of its managers	Inside the Kingdom / Outside the Kingdom	Legal entity (listed joint stock / unlisted joint stock company / limited liability company /...)	Names of companies in which a member of the Board of Directors is a member of its current Board of Directors or one of its managers	Inside the Kingdom / Outside the Kingdom	Legal entity (listed joint stock / unlisted joint stock company / limited liability company /...)
Sumou Real Estate Company	within the Kingdom	Public joint stock company	Dahiat Sumou Real Estate Development Company	within the Kingdom	Limited liability
Musharaka Financial Company	within the Kingdom	Closed joint stock company	Dahiat Sumou Fund	within the Kingdom	investment fund
Sumou Holding Company	within the Kingdom	Closed joint stock company	Iktifa Agricultural Company	within the Kingdom	Limited liability
Sumou Society Company	within the Kingdom	Limited liability	House and more trading company	within the Kingdom	Limited liability
Bissan Investment Company	within the Kingdom	Closed joint stock company	Tanal Real Estate Development and Investment Company	within the Kingdom	Limited liability
Dahiat Murooj Jeddah Company Limited	within the Kingdom	Limited liability	Ruby Buildings Real Estate Company	within the Kingdom	Limited liability
Aldahia Western Company	within the Kingdom	Limited liability			



2- Saeed Salem AL Nahdi - Deputy chairman of the Board of Directors

Names of companies in which a member of the Board of Directors is a member of its current Board of Directors or one of its managers	Inside the Kingdom / Outside the Kingdom	Legal entity (listed joint stock / unlisted joint stock company / limited liability company /...)	Names of companies in which a member of the Board of Directors is a member of its current Board of Directors or one of its managers	Inside the Kingdom / Outside the Kingdom	Legal entity (listed joint stock / unlisted joint stock company / limited liability company /...)
Sumou Holding Company	within the Kingdom	Closed joint stock company	Asmo Real Estate Development Company	within the Kingdom	Limited liability
Ajar Investment Company/ closed joint stock	within the Kingdom	Closed joint stock company	Dahiat Murooj Jeddah Company Limited	within the Kingdom	Limited liability
Sumou Real Estate Company/ Public Shareholding	within the Kingdom	Public joint stock company	Lynn Real Estate Company	within the Kingdom	Limited liability
Tam Construction and Development Company Limited	within the Kingdom	Limited liability	Tanal Real Estate Development and Investment Company	within the Kingdom	Limited liability
Adeer Holding Company	within the Kingdom	Limited liability	Ruby Buildings Real Estate Company	within the Kingdom	Limited liability
Bona Al Mamlaka Building Company	within the Kingdom	Limited liability	Bona Al Khaleej Contracting Company	within the Kingdom	Limited liability
Aldahia Western Company	within the Kingdom	Limited liability	Daman Arabia Contracting Company	within the Kingdom	Limited liability
Technyat Specific Construction Techniques Company	within the Kingdom	Limited liability	Iktifa Agricultural Company	within the Kingdom	Limited liability
					To be continued..



2- Saeed Salem AL Nahdi - Deputy chairman of the Board of Directors

Names of companies in which a member of the Board of Directors is a member of its current Board of Directors or one of its managers	Inside the Kingdom / Outside the Kingdom	Legal entity (listed joint stock / unlisted joint stock company / limited liability company /...)	Names of companies in which a member of the Board of Directors is a member of its current Board of Directors or one of its managers	Inside the Kingdom / Outside the Kingdom	Legal entity (listed joint stock / unlisted joint stock company / limited liability company /...)
Adeer Tower Limited Company	within the Kingdom	Limited liability	Knowledge Share Company for business incubators and accelerators	within the Kingdom	Limited liability
Adeer Real estate Asset management company	within the Kingdom	Limited liability	Ghaslani Mobile Car Company	within the Kingdom	Limited liability
Morouj Adeer Real Estate Company	within the Kingdom	Limited liability	Menassa Maksab Financial company	within the Kingdom	Limited liability
Dahyet Sumou Real Estate Development Company	within the Kingdom	Limited liability	Khairat for feeds Company	within the Kingdom	Limited liability
Mamsha Al Riyadh Real Estate Company	within the Kingdom	Limited liability	Irfaa Tourism Company	within the Kingdom	Limited liability
Adeer Community management real estate company	within the Kingdom	Limited liability	Food Assurance Company	within the Kingdom	Limited liability
Arab Score Company	within the Kingdom	Limited liability	Adeer Asar Real Estate Company	within the Kingdom	Limited liability
Adeer Real Estate Company	within the Kingdom	Closed joint stock company	Adl Sumou Real Estate Company	within the Kingdom	Limited liability
Riyada Gulf Management Company	within the Kingdom	Limited liability	Bona Al Jazeera Contracting Company	within the Kingdom	Limited liability
					To be continued..



2- Saeed Salem AL Nahdi - Deputy chairman of the Board of Directors

Names of companies in which a member of the Board of Directors is a member of its current Board of Directors or one of its managers	Inside the Kingdom / Outside the Kingdom	Legal entity (listed joint stock / unlisted joint stock company / limited liability company /...)	Names of companies in which a member of the Board of Directors is a member of its current Board of Directors or one of its managers	Inside the Kingdom / Outside the Kingdom	Legal entity (listed joint stock / unlisted joint stock company / limited liability company /...)
Arab House Investment	within the Kingdom	Limited liability	Future Houses Investment	within the Kingdom	Limited liability
Anara Mining	within the Kingdom	Limited liability	Derna facility management	within the Kingdom	Limited liability
Atar holding	within the Kingdom	Limited liability	Fast Service Contracting Company	within the Kingdom	Limited liability
Adeer Property Management	within the Kingdom	Limited liability	Sumou Taibah Real Estate	within the Kingdom	Limited liability
Awj limited Energy	within the Kingdom	Limited liability	Gulf Taqat energy	within the Kingdom	Limited liability
Sumou Holding Group	within the Kingdom	Limited liability	Beach Front Real Estate Development	within the Kingdom	Limited liability
Manzelak Arab Company for Information Technology	within the Kingdom	Limited liability			



3- Faisal Abdullah Al-Khaldi - Member of the Board of Directors

Names of companies in which a member of the Board of Directors is a member of its current Board of Directors or one of its managers	Inside the Kingdom / Outside the Kingdom	Legal entity (listed joint stock / unlisted joint stock company / limited liability company /...)
Sumou Real Estate Company	within the Kingdom	Public joint stock company
Al Hindi Holding Company	within the Kingdom	Closed joint stock company
Tanami Holding Company	within the Kingdom	Limited liability
Saudi Baytour Construction Company	within the Kingdom	Limited liability
Ikmal Trading Company	within the Kingdom	Limited liability
Zhour Al Reif company	within the Kingdom	Closed joint stock company
Vaz Investment Company	within the Kingdom	Limited liability
Controlling Contracting Company	within the Kingdom	Limited liability
Tanami Constructions Company	within the Kingdom	Limited liability
Annasban Group	within the Kingdom	Closed joint stock company



4- Khaled Saleh Abdullah Al-Aqeel - Member of the Board of Directors

Names of companies in which a member of the Board of Directors is a member of its current Board of Directors or one of its managers	Inside the Kingdom / Outside the Kingdom	Legal entity (listed joint stock / unlisted joint stock company / limited liability company /...)
The Saudi Equity Fund of the Gulf Securities Company	within the Kingdom	investment fund
Musharaka Financial Company	within the Kingdom	Closed joint stock company
Sumou Real Estate Company	within the Kingdom	Public joint stock company



5- Essam Ahmed Mohamed Kalthoum - Member of the Board of Directors

Names of companies in which a member of the Board of Directors is a member of its current Board of Directors or one of its managers	Inside the Kingdom / Outside the Kingdom	Legal entity (listed joint stock / unlisted joint stock company / limited liability company /...)
Murooj Jeddah Company	within the Kingdom	Limited liability
Sumou Real Estate Company	within the Kingdom	Public joint stock company
Wadi Makkah Company	within the Kingdom	Limited liability
Asmou Real Estate Development Company	within the Kingdom	Limited liability
Buna Al-Khaleej Company	within the Kingdom	Limited liability
Taam Construction and Development Company	within the Kingdom	Limited liability
Daman Arabia Company for Trade and Contracting	within the Kingdom	Limited liability



9-1-4 The number of Board of Directors meetings during the year 2023, the dates these were held, and the attendance record of each meeting

#	Name	Member Status	First Meeting 22-03-2023	Second Meeting 23-08-2023	Third Meeting 12-10-2023	Fourth Meeting 21-12-2023	Total
1	Ayedh Farhan Al-Qahtani	None-Executive	✓	✓	✓	✓	4
2	Saeed Salem AL Nahdi	None-Executive	✓	✓	✓	✓	4
3	Faisal Abdullah Alkhalidi	Independent	✓	✓	✓	✓	4
4	Khalid Saleh AL Aqeel	Independent	✓	✓	✓	✓	4
5	Essam Ahmed Kalthoum	None-Executive	✓	✓	✓	✓	4



9-1-5 Change in ownership and interests of board members, senior executives and their relatives

#	Member name	Position	The number of shares at the beginning of the year	% Ownership at the beginning of the year	Net change in the number of shares during the year	Total shares at the end of the year	Total % ownership at the end of the year	Type of ownership	Debt instruments
			1/1/2023	1/1/2023		31/12/2023			
1	Ayedh Farhan Al-Qahtani	chairman	19,549,337	52.13%	4,362,938	23,912,275	63.77%	direct / indirect	N/A
2	Saeed Salem Al-Nahdi	Deputy Chairman of the Board	0	0.00%	0	0	0.00%		N/A
3	Faisal Abdullah Al-Khaldi	Member of the Board of Directors	0	0.00%	0	0	0.00%		N/A
4	Khaled Saleh Abdullah Al-Aqeel	Member of the Board of Directors	0	0.00%	0	0	0.00%		N/A
5	Essam Ahmed Mohamed Kulthoum	Member of the Board of Directors	0	0.00%	0	0	0.00%		N/A
6	Jarallah bin Muhammad Al Omar	Chief Executive Officer	0	0.00%	0	0	0.00%		N/A
7	Asim bin Adel Abu Al-Faraj	Chief Operating Officer	0	0.00%	0	0	0.00%		N/A
8	Mohsen Gamal El-Din El-Hefnawi	Director of the Financial Department	0	0.00%	0	0	0.00%		N/A
9	Khaled Kamal Khattab	Head of Business Development Department	0	0.00%	0	0	0.00%		N/A
10	Ahmed Khan Alhashmi	Head of Engineering Department	0	0.00%	0	0	0.00%		N/A
11	Abdul Rahman Ayedh Al-Qahtani	Chairman's Son	576,553	1.54%	-532,053	44,500	0.12%	direct	N/A
12	Abdullah Ayedh Al-Qahtani	Chairman's Son	576,553	1.54%	-576,553	0	0.00%	direct	N/A
13	Salman Ayedh Al-Qahtani	Chairman's Son	576,553	1.54%	-532,053	44,500	0.12%	direct	N/A
14	Duha Ayedh Al-Qahtani	Chairman's Daughter	576,553	1.54%	-532,053	44,500	0.12%	direct	N/A
15	Hind Ayedh Al-Qahtani	Chairman's Daughter	576,553	1.54%	-532,053	44,500	0.12%	direct	N/A
16	Lina Ayedh Al-Qahtani	Chairman's Daughter	576,553	1.54%	-532,053	44,500	0.12%	direct	N/A
17	Binah Hasan Al-Qahtani	Chairman's Wife	1,647,283	4.39%	-1,064,107	583,176	1.56%	direct	N/A
18	Fares bin Muhammad Al Omar	Brother of CEO	10,100	0.03%	-3,050	7,050	0.02%	direct	N/A

- The company confirms that none of the members of the Board of Directors, senior executives and their relatives owns any shares in the subsidiaries.
- The company confirms that the senior executives do not own any shares in Sumou Real Estate Company.



Explanation of the details of the direct and indirect ownership of Ayedh Al-Qahtani, Chairman of the Board of Directors, and his family on 31-12-2023

1. Details of the ownership of the Chairman of the Board of Directors – Mr. Ayed Farhan Al-Qahtani directly on 31/12/2023 as follows:

Mr. Ayed Al-Qahtani directly owns 0.12% in Sumou Real Estate Company

2. Details of the ownership of the Chairman of the Board of Directors – Mr. Ayed Farhan Al-Qahtani indirectly on 31/12/2023 as follows:

Mr. Ayed Al-Qahtani owns 100% in Sumou Society Company, which directly owns 0.23% of Sumou Real Estate Company

Therefore, the percentage of Mr. Ayed Al-Qahtani indirectly in Sumou Real Estate Company through his ownership in Sumou Society Company is 0.23%.

Mr. Ayed Al-Qahtani owns 100% of Bisan Commercial and Real Estate Investment Company, which directly owns 0.44% of Sumou Real Estate Company.

Therefore, the percentage of Mr. Ayed Al-Qahtani indirectly in Sumou Real Estate Company through his ownership in Bisan Commercial and Real Estate Investment Company is 0.44%

Mr. Ayed Al-Qahtani indirectly owns shares in Sumou Real Estate Company through his ownership in Sumou Holding Company, which owns 62.98% of Sumou Real Estate Company as Bisan Commercial and Real Estate Investment Company (wholly owned by Mr. Ayed Al-Qahtani) owns 45% of Sumou Holding Company

Therefore, the percentage of Mr. Ayed Al-Qahtani indirectly in Sumou Holding Company through Bisan Commercial and Real Estate Investment Company is 45%.

Sumou Society Company (wholly owned by Mr. Ayedh Al-Qahtani) owns 45% of Sumou Holding Company

Therefore, the percentage of Mr. Ayed Al-Qahtani indirectly in Sumou Holding Company through Sumou Society Company is 45%

Mr. Ayed Al-Qahtani directly owns 10% in Sumou Holding Company

Therefore, the ownership of Mr. Ayed Al-Qahtani in Sumou Holding Company (45% +45% +10% = 100%). Whereas Sumou Holding Company owns 62.98% in Sumou Real Estate Company,

the percentage of Mr. Ayed Al-Qahtani indirectly in Sumou Real Estate Company through his ownership in Sumou Society Company is $(100\% \times 62.98 = 62.98\%)$.

Therefore, Ayed Al-Qahtani's ownership indirectly in Sumou Real Estate Company through his ownership in Sumou Society Company, Bisan Commercial and Real Estate Investment Company and Sumou Holding Company is $(0.23 + 0.44 + 62.98) = 63.65\%$

Therefore, the ownership of Ayed Al-Qahtani directly and indirectly in Sumou Real Estate Company is $0.12\% + 63.65\% = 63.77\%$



Explanation of the details of the direct and indirect ownership of Ayedh Al-Qahtani, Chairman of the Board of Directors, and his family on 31-12-2023

3. Details of the ownership of the wife of the Chairman of the Board of Directors – Ms. Bina Hassan Abdul Karim Al-Qahtani on 31/12/2023 as follows:

The direct ownership of Ms. Bina Al-Qahtani changed from 4.39% to 1.56% and there is no indirect ownership.

4. Details of the ownership of the sons and daughters of the Chairman of the Board of Directors – Mr. Ayed Al-Qahtani on 31/12/2023 as follows:

The direct ownership of Abdulrahman, Salman, Duha, Hind and Lina, sons of the Chairman of the Board of Directors, Ayed Al-Qahtani, changed from 1.54% to 0.12% in addition to the exit of Mr. Abdullah Ayed Al-Qahtani from the shares of Sumou Real Estate Company and changed from 1.54% to zero%. Sons of the Chairman of the Board of Directors, Mr. Ayed Al-Qahtani, do not have any indirect ownership.



9-1-6 List of principal owners at 31-12-2023

A statement of the names, number and percentage of ownership of shareholders who own 5% or more and its change during the fiscal year 2023, with the exception of members of the Board of Directors and senior executives

#	Name	The number of shares at the offering 11/5/2020	%	The change in the number of shares for the year 2023 AD						Type of ownership
				The number of shares at the beginning of the year 1/1/2023	%	The change in the number of shares during the year 2023	%	The number of shares at the end of the year 12/31/2023	%	
1	Sumou Holding Company*	34,666,158	92.44%	23,617,265	62.980%	0	0%	23,617,265	62.980%	direct
2	Fawaz Suleiman Al-Rajhi			1,874,500	4.999%	0	0%	1,874,500	4.999%	direct

- On 11/5/2020 , Sumou Holding Company owns a number of shares of 23,110,772 shares. The company's capital was increased by granting bonus shares, one for every two shares, on 05/05/2021. Thus, the number of shares of the company after the capital increase became 37,500,000 shares. The number of shares item was calculated when offering, based on the number of shares after adjustment, to facilitate comparison with 2023.



9-1-7 Shareholders' associations

- Assemblies held during the year 2023 and the attendance record of the members of the Board of Directors for the general assemblies of shareholders held during 2023

#	Member name	Extraordinary General Assembly on 02-05-2023	Total
1	Ayedh Farhan Al-Qahtani	1	1
2	Saeed Salem Al-Nahdi	1	1
3	Faisal Abdullah Al-Khaldi	1	1
4	Khaled Saleh Abdullah Al-Aqeel	1	1
5	Essam Ahmed Mohamed Kulthoum	1	1

- Shareholder records requests during the year 2023

Reasons for the request	The date of application
Dividends	2023-1-2 2023-4-3 2023-9-27 2023-7-4
General Assembly	2-5-2023
Company procedures	2023-5-14 2023-5-18 2023-5-31 2023-6-8 2023-5-28 2023-6-21 2023-7-3 2023-9-5 2023-9-13



9-2 Board Committees

The company's policy is to adopt advanced standards in corporate governance, including separation of the responsibilities and tasks of the board of directors, executive management, and policies that It ensures the work of the company's board of directors to achieve the interests of shareholders. the company will abide by all the provisions mentioned in the Corporate Governance Regulations issued by CMA in a manner that guarantees the company's adherence to all its provisions. Note that the corporate governance regulations have been approved by the company's general assembly. Board committees consist of :

1. Audit Committee
2. Nomination and Remuneration Committee



1- Audit Committee

Description of the terms of reference and duties of the Audit Committee

The Audit Committee was established in accordance with Article (51) of the Corporate Governance Regulations issued by the Capital Market Authority in force and in accordance with Article No. 2 of the Audit Committee's work regulations approved by the General Assembly of the company in its meeting held on 05/17/2022. Its duties and responsibilities are summarized as follows:

■ Financial reports:

1. Studying the company's initial and annual financial statements before presenting them to the Board of Directors and expressing their opinion and recommendation in their regard to ensure their integrity, fairness and transparency.
2. Expressing a technical opinion, at the request of the Board of Directors, whether the report of the Board of Directors and the financial statements of the company are fair, balanced, and understandable, and include information that allows shareholders and investors to evaluate the company's financial position, performance, business model, and strategy.
3. Examining any important or unusual issues contained in the financial reports.
4. Examining carefully any issues raised by the company's financial manager or whoever assumes his duties, the company's compliance officer, or the auditor.
5. Verification of accounting estimates in material matters contained in the financial reports.
6. Studying the accounting policies followed in the company and expressing an opinion and recommendation to the Board of Directors in this regard.



■ Internal audit

1. Studying and reviewing the company's internal and financial control and risk management systems.
2. Studying the internal audit reports and following up the implementation of corrective actions according to the notes contained therein.
3. Control and supervise the performance and activities of the internal auditor and the internal audit department in the company, if any, to verify the availability of the necessary resources and their effectiveness in performing the tasks and tasks entrusted to them. If the company does not have an internal auditor, the committee shall submit its recommendation to the Board regarding the need to appoint one.
4. Recommend to the Board of Directors to hire a unit manager, internal audit department, or internal auditor, and suggest his remuneration.

■ Auditor

1. Recommend to the Board of Directors the nomination and dismissal of auditors, determine their fees and evaluate their performance after verifying their independence and reviewing the scope of their work and the terms of their contacts.
2. Verifying the auditor's independence, objectivity and fairness, and the effectiveness of the audit work, taking into account the relevant rules and standards.
3. Reviewing the company's auditor's plan and work and verifying that he does not submit technical or administrative work that is outside the scope of the audit work and expressing its opinions in this regard.
4. Answering the inquiries of the company's auditor and providing the necessary support to enable him to perform his duties.
5. Studying the auditor's report and his observations on the financial statements and following up on what steps have been taken in their regard.

■ Commitment Guarantee

1. Reviewing the results of the regulatory authorities' reports and verifying that the company has taken the necessary measures in this regard.
2. Verifying the company's compliance with relevant regulations, policies and instructions.
3. Reviewing contracts and transactions proposed to be conducted by the company with related parties and submitting its views in this regard to the Board of Directors.
4. Raising the issues, it deems necessary to take action on to the Board of Directors and make recommendations for the actions to be taken.



2- Names and descriptions of members of the audit committee

#	Name	Position
1	Khaled Saleh Al-Aqeel	Head of the Committee
2	Faisal Abdullah Al-Khalidi	member
3	Saeed Salem Mohammed Al-Nahdi	member
4	Ziad Bassam Al-Bassam	member



3- Names of Audit Committee members, their current and previous positions, qualifications and experience

Name	Ziad Bassam Mohammed Al-Bassam
Nationality	Saudi
Position	Member of the Audit Committee
Qualifications	<ul style="list-style-type: none"> - Holds a Bachelor's degree in Business Administration - Holds training in financial management, investment and advanced programs in senior management and strategic planning
Practical experience	<ul style="list-style-type: none"> - CEO of Al Bassam Group (2004 - until the date of this report). - Member of the Board of Directors of Borouge (a public joint stock company) (2009 - until the date of this report). - Member of the Board of Directors of Makkah Reconstruction and Development Company (a public joint stock company) (2010 - until the date of this report). - Chairman of the Board of Directors of the Orange Blossom Company "Orange Bed and Bath" (a joint stock company) (2020 - until the date of this report). - Chairman of the Board of Directors of Imkan Arabia (a joint stock company) (2020 - until the date of this report). - Chairman of the Board of Directors of Al Bassam Real Estate Group Company (Joint Stock Company) (2021 - until the date of this report). - Vice Chairman of the Board of Directors of Jarham Development and Development Company (a joint stock company) (2015 - until the date of this report). - Member of the Board of Directors of Spacatoon Media Company (2003 - until the date of this report). - Member of the Board of Directors of Makin Saudi Company (a joint stock company) (2009 - until the date of this report). - Member of the Board of Directors of Musharaka Financial Company (Joint Stock Company) (2020 - until the date of this report). - Member of the Board of Directors of the Distinguished Pioneer Food House Trading Company (a joint stock company) (2021 - until the date of this report). - Member of the Board of Directors of Wahet Makkah Company (2010 - until the date of this report). - Member of the Board of Directors of the Murooj Jeddah Company (2013 - until the date of this report). - Member of the Board of Directors of Wahat Al-Joud Company (2014 - until the date of this report). - Member of the Board of Directors of Dahiat Sumou Company (2019 - until the date of this report). - Chairman of the Audit Committee of Makkah Reconstruction and Development Company (a public shareholding company) (2015 - until the date of this report). - Chairman of the Board of Directors of the Entrepreneurs Association (2022 - until the date of this report). - Member of the Al-Bir Charity Association in Jeddah (1991 - until the date of this report). - Member of the Nominations and Rewards Committee of Makkah Reconstruction and Development Company (a public joint stock company) (2013 - 2020). - Chairman of the Audit Committee of Borouge Company (a public joint stock company) (2009 – 2017). - Chairman of the Audit Committee of Jarham Development and Development Company (a joint stock company) (2015 - 2022).

The CVs of the committee members, Messrs. Eng. Faisal Al-Khaldi, A. Saeed Al-Nahdi, A. Khaled Saleh Al-Aqeel are included in the biographies of the members of the Board of Directors.



The number of meetings of the Audit Committee during the year 2023 , the dates these were held, and the attendance record of each meeting

#	Member name	First meeting	Second meeting	Third meeting	Fourth meeting	Total
		21/03/2023	22/08/2023	03/10/2023	21/12/2023	
1	Khaled Saleh Al-Aqeel	✓	✓	✓	✓	4
2	Faisal Abdullah Al-Khaldi	✓	✓	✓	✓	4
3	Saeed Salem Mohammed Al-Nahdi	✓	✓	✓	✓	4
4	Ziad Bassam Al-Bassam	✓	✓	✓	✓	4



9-2-2 Nominations and Rewards Committee

1- A description of the terms of reference and duties of the Remuneration and Nomination Committee

A - Competences related to nominations:

- Suggesting clear policies and criteria for membership in the Board of Directors and executive management.
- Recommend to the Board of Directors the nomination of its members and re-nomination in accordance with the approved policies and standards, with due consideration not to nominate any person previously convicted of a breach of trust.
- Preparing a description of the capabilities and qualifications required for membership of the Board of Directors and for occupying executive management positions.
- Determine the time that the member should allocate for the work of the Board of Directors.
- Annual review of the necessary requirements of appropriate skills or experience for membership of the Board of Directors and executive management positions.
- Reviewing the structure of the Board of Directors and executive management and making recommendations regarding changes that can be made.
- Annual verification of the independence of the independent members, and the absence of any conflict of interest if the member is a member of the board of directors of another company.
- Develop job descriptions for executive members, non-executive members, independent members and senior executives.
- Establishing special procedures in the event of a vacancy in the position of a member of the Board of Directors or a senior executive.
- Make an annual evaluation of the performance of the Board of Directors, its committees, and the executive management, and submit its results to the Board of Directors, along with a plan recommending how to address aspects that need improvement.
- Determining strengths and weaknesses in the Board of Directors and proposing solutions to address the latter in line with the interest of the company.



B- Competences related to remuneration:

- Preparing a clear policy for the remuneration of members of the Board of Directors, the committees emanating from the Board, and the executive management, and submitting it to the Board of Directors for consideration in preparation for approval by the General Assembly, provided that the policy follows standards related to performance, discloses them, and verifies their implementation.
- Clarify the relationship between the granted remuneration and the applicable rewards policy and indicate any material deviation from this policy.
- Periodic review of the remuneration policy, and evaluation of its effectiveness in achieving the objectives set for it.
- Recommending to the Board of Directors the remuneration of the members of the Board of Directors, its committees and senior executives of the company in accordance with the approved policy.



2- Names of the Nominations and Rewards Committee members

#	Name	Position
1	Faisal Abdullah Al-Khaldi	Head of the Committee
2	Saeed Salem Mohammed Al-Nahdi	member
3	Essam Ahmed Mohamed Kulthoum	member

The CVs of the committee members included in the CVs of the members of the Board of Directors.

3- The number of meetings of the Nominations and Rewards Committee during the year 2023 AD, the dates these were held, and the attendance record of each meeting

#	Member name	Type of membership	First meeting	Second meeting	Total
			01/02/2023	31/12/2023	
1	Faisal Abdullah Al-Khaldi	Head of the Committee	✓	✓	2
2	Saeed Salem Mohammed Al-Nahdi	member	✓	✓	2
3	Essam Ahmed Mohamed Kulthoum	member	✓	✓	2



9-3 Remuneration

1- Remuneration policy

The company has adopted the remuneration policy before the General Assembly of the Company. As the company takes into account this policy when determining and disbursing the remunerations received by each member of the Board of Directors or a member of the committees of the Board or the executive management of the company, the relevant provisions contained in the Companies Law and the regulatory controls issued in implementation thereof and related to the listed joint stock companies, and the corporate governance regulations issued by the Capital Market Authority, in accordance with the following compensation and compensation policy issued by the company, follow the following criteria:

1. Its consistency with the company's strategy and objectives and the size, nature and degree of risks it entails.
2. That the rewards be based on a recommendation from the Nominations and Remunerations Committee.
3. The remuneration should be reasonably sufficient to attract, motivate and retain qualified and experienced board members.
4. Remunerations are provided for the purpose of urging the members of the Board of Directors and the executive management to succeed and develop the company in the long run, taking into consideration linking the variable part of the remunerations to performance in the long term.
5. The fairness of remunerations and their proportionality with the member's competencies, in addition to the responsibilities and duties entrusted to him and borne by the members of the Board of Directors, and the objectives set by the Board to be achieved during the fiscal year.
6. It shall be prepared in coordination with the Nominations and Remunerations Committee regarding new appointments.
7. Taking into account the practices of other companies in determining remuneration, while avoiding what may result from unjustified increase in remuneration and compensation.
8. In the event that a program has been developed to grant shares in the company to the members of the Board, the executive management and its employees, whether it is a new issue or shares purchased by the company, this will be done in coordination with the Nomination and Remuneration Committee and in accordance with the relevant regulations, as well as according to the following criterion:
 - shall be suspended or refunded if the General Assembly does not approve its disbursement.



2 - Controls for determining and disbursing bonuses received by the Board of Directors and the executive management:

1. In the event that a member of any of the committees is a member of the Board of Directors, he receives a remuneration for his membership in the Board of Directors only, and he may not receive a remuneration for his membership in the committees, except that he is paid an allowance for attending the meetings of that committee.
2. The remuneration of the members of the Board of Directors may vary in amount to reflect the member's experience, specialization, tasks entrusted to him, independence, the number of sessions he attends and other considerations.
3. The remuneration of the independent members of the Board of Directors shall not be a percentage of the profits achieved by the company or be based directly or indirectly on the profitability of the company.
4. If the Audit Committee or the Authority finds that the remunerations paid to any of the members of the Board of Directors are based on incorrect or misleading information that was presented to the General Assembly or included in the annual report of the Board of Directors, then he must return them to the company, and the company has the right to ask him to return them.
5. The total bonus amounts may not exceed 10% of the company's annual net profits.
6. In all cases, the annual remuneration or any financial or in-kind benefits that a member of the Board of Directors receives in his capacity as a member of the Board, or its committees may not exceed the amount of 500,000 Saudi riyals.
7. The Remuneration and Nomination Committee of the Board of Directors recommends the remuneration of the members of the Board of Directors and its committees, the secretary and senior executives of the company in accordance with this policy.
8. The member is paid an allowance for attending the meetings of the Board and committees, and these amounts are not included in the annual remuneration.
9. To be entitled to the annual bonus, the member must attend at least two-thirds of the meetings held during the year.
10. The amount of the annual bonus is estimated based on the date of enrollment and departure of the member, provided that the attendance of the specified minimum of two-thirds of the meetings held between the date of joining and leaving during the period is achieved.



10. The amount of the annual bonus is estimated based on the date of enrollment and departure of the member, provided that the attendance of the specified minimum of two-thirds of the meetings held between the date of joining and leaving during the period is achieved.
11. It is not permissible to combine the remuneration for membership in the Board and the remuneration for chairing or membership of one of the committees emanating from the Board or the Audit Committee, in a manner that does not contradict the general controls of the remuneration policy.
12. The fixed annual bonus amount does not include travel costs and related costs, and these will be compensated based on the fair allowances recommended by the committee.
13. The remuneration of the members of the Board of Directors and the committees emanating from it and their compensation for the year 2023 was determined at the meeting of the Remuneration and Nomination Committee No. 1 held on March 12, 2024. The members of the Board of Directors and the committees are entitled to remuneration and attendance allowances as follows:
 - ❑ The Chairman and the directors of the Board of Directors shall receive an annual bonus for the year 2023, amounting to 150 thousand Riyals for each member.
 - ❑ The chairman or a director of any committee of the Board of Directors shall receive an annual bonus for the year 2023 which amounts to 40 thousand Riyals, noting that it may not be permissible to combine the bonus for membership in the Board of Directors and the bonus for chairing or being a member in one of its subcommittees from the Board of directors or the audit committee.
 - ❑ Board members shall be entitled to an attendance allowance of 3 thousand Riyals for each session attended by the member.
 - ❑ Committee members shall be entitled to an attendance allowance of 3 thousand Riyals for each session attended by the member.
 - ❑ The annual bonus shall be disbursed after the approval of the General Assembly.
 - ❑ The fixed annual bonus amount shall not include travel and related costs and is reimbursed as follows:
 - Travel costs and airline tickets
 - Hotel accommodation
 - Reimbursement for the said costs shall be made after receiving the actual invoices



3 - Executive management remuneration

1. The Nominations and Remuneration Committee reviews the job benefits of the executive management, incentive programs and plans on an ongoing basis. After obtaining the recommendations of the executive management, the committee reviews them and submits its final recommendations to the Board of Directors for approval, taking into account the annual budget, the company's capabilities and the available cash liquidity. The executive management's rewards include the following:
 2. The basic salary that is paid at the end of each calendar month.
 3. Housing allowance, transportation allowance, and any other allowances approved by the Board of Directors.
 4. Benefits of medical insurance for the employee and his family.
 5. Annual remuneration if approved by the Board of Directors.
 6. End of service gratuity.
 7. Any allowances or other benefits given to the employee under his employment contract.



4- Disclosure of the board members' remuneration for their membership in the company's Board of Directors during 2023 Starting from January 01, 2023, until December 31, 2023.

	Fixed rewards							Variable rewards								
	Specific amount	Allowance for attending sessions	Total allowance for attending committee sessions	In-kind allowances	Allowance for what the members of the Board have received in their capacity as administrative workers and for technical, management or consulting work	Remunerations of the chairman, managing director, or secretary, if he is a member	Total	Profit percentage	Periodic rewards	Short term incentive plans	Long term incentive plans	Granted shares (the value is entered)	Total	End of service benefits	Total sum up	Expense allowance
First: the independent members																
Khaled Saleh Al-Aqeel	150,000	12,000	12,000				174,000									
Faisal Al-Khaldi	150,000	12,000	18,000				180,000									3247.75
Second: Non-executive members																
Ayedh Farhan Al-Qahtani	150,000	12,000					162,000									
Saeed Salem Al Nahdi	150,000	12,000	18,000				180,000									
Essam Ahmed Kulthoum	150,000	12,000	6,000				168,000									
Total	750,000	60,000	54,000				864,000									3247.75

Note: The amounts mentioned in the field (a specific amount) of the fixed bonuses above are for the fiscal year 2023 and will be disbursed during the year 2024 after the approval by the General Assembly. There are no bonuses or allowances paid to members of the Board other than what was mentioned above.



5- Remunerations of audit committee members

Member name	Fixed rewards (except for attendance fees)	Allowance for attending sessions	Total
Khaled Saleh Al-Aqeel	-----	12,000	12,000
Faisal Abdullah Al-Khaldi	-----	12,000	12,000
Saeed Salem Mohammed Al-Nahdi	-----	12,000	12,000
Ziad Bassam Al-Bassam	40,000	12,000	52,000
Total	40,000	48,000	88,000

6- Remunerations of the members of the Remuneration and Nominations Committee

Member name	Fixed rewards (except for attendance fees)	Allowance for attending sessions	Total
Faisal Abdullah Al-Khaldi	-----	6,000	6,000
Saeed Salem Al-Nahdi	-----	6,000	6,000
Essam Ahmed Mohamed Kulthoum	-----	6,000	6,000
Total		18,000	18,000

The relationship between the rewards awarded and the applicable rewards policy and any deviation from this policy

The Board of Directors of the company and the Remuneration and Nominations Committee have complied with the controls and policy of remuneration and nominations issued by the company with regard to the Board of Directors, committees and executive management, and the Board confirms that there is no deviation from this policy.



9-4 Executive management of the company

1- Names of the executive management of the company, job title and date of appointment

#	Name	Nationality	Job title	Date of hiring	Direct ownership	Indirect ownership
1	Jarallah Muhammad Al Amra	Saudi	Chief Executive Officer	20/08/2008	-	-
2	Asem Adel Abu Al-Faraj	Saudi	Chief Operating Officer	18/10/2020	-	-
3	Mohsen Gamal El-Din El-Hefnawi	Egyptian	Director of the Financial Department	17-10-2021	-	-
4	Khaled Kamal Khattab	Jordanian	Head of Business Development Department	03/03/2015	-	-
5	Ahmed Alhashmi	Saudi	Head of Engineering Department	05/01/2023	-	-



2- An overview of the executive management, their current and previous jobs, and their qualifications and experience

Name	Jarallah Mohammed Al Amrah
Nationality	Saudi
Position	CEO
Education	Bachelor's Degree in Urban Planning and Design - College of Architecture and Planning, King Saud University, Riyadh - Saudi Arabia, 2002
Experiences	<ul style="list-style-type: none">- General Manager of Anara construction Company (2023 - until the date of this report).- General Manager of Almahafil Trading & Contracting Company Ltd. (2021 - until the date of this report).- Member of the Board of Directors of Khairat Ala'alaf Company (2013 - until the date of this report).- Member of the Board of Directors of Dhahiat Murooj Jeddah Company (2013 - until the date of this report).- Member of the Board of Directors of Dhahiat Sumou Company (2012 - until the date of this report).- Chief Operating Officer - Sumou Real Estate Company from May 2015 - December 2015.- Vice President of Projects - Sumou Real Estate Company 2012- 2015.- General Manager of Projects - Sumou Real Estate Company from 2008- 2012.- Regional Director for the Central Region - Edar Company 2007- 2008.- Regional Director for the Central Region - Al-Oula Real Estate Development Company 2006- 2007.- Real estate investment advisor - Saleh Al Duraibi Real Estate Development Group 2005 - 2006.- Assistant Planning Engineer- City Planning Agency - Ministry of Municipal and Rural Affairs – 2033 - 2004.- Planning Engineer - Spatial Information Corporation- 2002- 2003.



Name	Assem Adel Abo Alfaraj
Nationality	Saudi
Position	COO
Education	Bachelor's degree in Architecture and Building Sciences - College of Architecture and Planning, King Saud University, Riyadh - Kingdom of Saudi Arabia, in 2000 AD.
Experiences	<ul style="list-style-type: none">- Chief Operating Officer - Sumou Real Estate Company since October 2020 until the date of this report.- CEO - Murooj Jeddah Company from 2014 until 2020- Director of Projects Department - Sumou Real Estate Company from 2012 until 2014- Director of Projects Programs Department - Al-Aqiq Real Estate Development Company since 2008 until 2010.- Director of Tourism and Real Estate Department - Taiba Holding Company since 2007 until 2007.- Regional Director in the Western Region - Al-Duraibi Real Estate Development and Investment Company from 2004 until 2006.- Urban Planning Engineer - Ministry of Municipal and Rural Affairs from 2001 until 2004.- Planning Engineer - Spatial Information Corporation since 2000 to 2001.



Name	Mohsen Gamal El-Din El-Hefnawi
Nationality	Egypt
Position	Director of the Financial Department
Qualifications	<ul style="list-style-type: none">- A training course on banking business at the National Bank of Egypt in 1987.- Bachelor of Commerce (Financial Accounting) Cairo University - Egypt in 1988.- A training course for wage systems and work incentives program at the Arab Organization for Consultation and Development (ACAD) in Cairo in 1995.- A qualification course for the CMA Fellowship Certificate in the Excellence Group in cooperation with the Accounting House (SCADA) in 2006.- A distance training course (financial accounting) from Cambridge Academy, Florida, USA, in 2006.- Member of the Saudi Organization for Certified Public Accountants since 2019.- Passed the professional test for disclosure - the Saudi Stock Exchange (Tadawul) in September 2021
Experiences	<ul style="list-style-type: none">- Financial Director of Sumou Real Estate Company from 2021 until the date of this report.- Chief Accountant at Adele Ambrosiana Company in Jeddah and Medina from 2015 until 2021.- Senior Auditor at Al-Muhaisen Group of Companies in Madinah and Jeddah from 2011 until 2015.- Financial Manager at Regal Real Estate Company LLC in the UAE from 2008 until 2010.- Head of Accounts of Aris Hotel Group in Medina from 2002 to 2007.- Accountant and then Account Manager at the International Development and Development Group (IDG) from 1995 until 2001.- Financial accountant at the Egyptian Company for Salts and Minerals (EMISAL) from 1990 until 1995.



Name	Khaled Kamal Khattab
Nationality	Jordanian
Position	Head of Business Development Department
Education	Bachelor of Engineering: Civil Engineering, Al-Balqa' Applied University –Jordan, 2008 Master of Engineering: Project Management, University Of Calgary Canada -Alberta, Canada, 2011
Experiences	<ul style="list-style-type: none">- Head of Engineering Department - Sumou Real Estate Company from 2015 until the date of this report- Project Manager, PMO, Marwan Nazer Consulting, Jeddah, from 2012 until 2015- Technical Engineer, AlBassami Group for Contracting, Jeddah, from 2010 until 2012- Technical Engineer, Marwan AlKurdi & Partner Contracting, Jordan, from 2008 until 2010



Name	Ahmed Khan Alhashmi
Nationality	Saudi
Position	Head of Engineering Department
Education	<ul style="list-style-type: none">- Bachelor's degree in Architecture, 2006, King Abdulaziz University.- Master's in Engineering (Environment and Comfort in Architecture and Urbanism), 2008-2010, University of Bordeaux, France.- Ph.D. in Mechanical Engineering (Sustainable Housing), 2011-2015, University of Bordeaux, France.- Leadership Management Institute Diploma, 2017-2019, LMI - Texas.
Experiences	<ul style="list-style-type: none">- Director of Engineering Management at Sumu Real Estate since January 2023.- Technical Advisor at a Government Entity since December 2023.- Member of the Audit Committee at Sultan Delight Company (a listed company on Numou) since 2023.- Vice Dean for Development and Quality at the College of Architecture and Planning in KAU from March 2021 to October 2022.- Chair of the Architecture Department at the College of Architecture and Planning, King Abdulaziz University, from July 2017 to July 2021.- Assistant Professor in the Architecture Department at King Abdulaziz University from 2015 to November 2022.- Member of the Recruitment and Appointment Committee at King Abdulaziz University from September 2021 to October 2022.- Consultant on demand at the Royal Commission in AIUla from February 2021 to January 2022.- Lecturer at the University of Bordeaux, France, and a member of the GRECAU Research Center since 2011.- Ph.D. Thesis Examiner in the fields of Architecture and Urban Planning: University of Bordeaux (France), University of Lyon (France), Delft University (Netherlands).- Architect-Urban Designer Partner at POLY RYTHMIC Architecture, France.- Founder of POLY MANNERS Architecture, a multidisciplinary architectural firm, in Saudi Arabia since 2019.- Teaching Assistant in the Architecture Department at King Abdulaziz University from 2006 to 2015.



3- The salaries and bonuses of senior executives for the year 2023

A breakdown of the remunerations paid to Five senior executives who received the highest remunerations, including the CEO and the CFO during the fiscal year 2023

Grand Total	Total executive remuneration for the board	End of service benefits	Variable rewards						Fixed rewards				Top Management
			Total	Granted shares (the value is entered)	Long term incentive plans	Short term incentive plans	Profit	Periodic rewards	Total	In-kind allowances	Allowance	Salary	
1,980,000	0	0	600,000	0	0	600,000	0	0	1,380,000	0	366,672	1,013,328	CEO
1,605,556	0	0	202,778	0	0	120,000	0	82,778	1,402,778	0	346,668	1,056,110	COO
262,056	0	0	22,056	0	0	0	0	22,056	240,000	0	63,552	176,448	Financial Manager
760,000	0	0	0	0	0	0	0	0	760,000	0	201,480	558,520	Head of Engineering Dept.
639,279	0	0	44,279	0	0	0	0	44,279	595,000	0	155,603	439,397	Head of Business Dev. Dept.
5,246,891	0	0	869,113	0	0	720,000	0	149,113	4,377,778	0	1,133,975	3,243,803	Total



10- General disclosures during the year 2023



General Disclosures during the year 2023

#	Announcement	Date
1	Sumou Real Estate Co. announces its Annual Financial Results for the Period Ending on 2022-12-31	23-3-2023
2	Sumou Real Estate Co. announces the distribution of cash dividend for Second half of the fiscal year ending 31 December 2022	23-3-2023
3	Sumou Real Estate company announces the fundamental developments with respect to development agreement for Al-Aali residential project with the National Housing Company in Dammam City	2/4/2023
4	Sumou Real Estate Co. Announces the publication of the Board of Directors' report	3/4/2023
5	Sumou Real Estate Co. announces to Invites its Shareholders to Attend the (First Meeting) Ordinary General Assembly Meeting	11/4/2023
6	Sumou Real Estate Co. Announces the Results of the Ordinary General Assembly Meeting, (First Meeting)	3/5/2023
7	Sumou Real Estate company announces the fundamental developments with respect to development and marketing agreement for a land located in Dammam City with an area of 415,967 m2 (Sahab project)	22-5-2023
8	Sumou Real Estate Company Announces Submitting a transition request to the main market	24-5-2023
9	Sumou Real Estate Company announces signing of selling and marketing agreement for Areem project on the lands allocated to Sumou Real Estate Company, area no 8 within Makkah Gate project in Makkah City with adeer real estate company (a related party)	19-6-2023
10	Sumou Real Estate Company announces the decision of Board of Directors To form the Audit Committee	16-8-2023
11	Sumou Real Estate Company Announces the Publication of the Transition Document	21-8-2023
12	Sumou Real Estate Co. announces its Condensed Consolidated Interim Financial Results for the Period Ending on 2023-06-30 (Six Months)	24-8-2023



General Disclosures during the year 2023

#	Announcement	Date
13	Sumou Real Estate Co. announces the distribution of cash dividend for the First half of 2023.	24-8-2023
14	Reminder Announcement from Sumou Real Estate Company in reference to Inspection Period for the transition Document	31-8-2023
15	Sumou Real Estate Company announces signing of selling and marketing agreement for Ajwan project in Khobar City with Adeer Real Estate Company (a related party)	12/9/2023
16	Sumou Real Estate Co. announces signing a Memorandum of Understanding with Emaar - King Abdalla Economic City	14-9-2023
17	Sumou Real Estate Company announces the signing of development management agreement to Alinma Ajjad Real Estate Fund project in Mecca with Al-Inma Ajjad Real Estate Company	20-9-2023
18	Sumou Real Estate Company announces signing of development management agreement for mixed-use high-rise towers in Jeddah, amounting to SR 120M with Asmou Real Estate Development Company	2/10/2023
19	Sumou Real Estate Co. announces its Interim Financial Results for the Period Ending on 2023-09-30 (Nine Months)	5/11/2023
20	Sumou Real Estate Company announces the fundamental developments for the development of the Ajwan project in Al-Khobar city	19-11-2023



11- Results of the annual review of the effectiveness of internal control procedures



1- Results of the annual review of the effectiveness of internal control procedures:

The company's operations were reviewed during the fiscal year ending on 12/31/2023 by the company's internal audit under the supervision of the Audit Committee emanating from the Board of Directors for the purpose of verifying the effectiveness of the internal control system and procedures, reviewing and evaluating the financial and administrative policies and procedures, and the procedures for preparing financial reports and their outputs.

Accordingly, the Committee confirms that the Company's internal control system has been prepared on sound foundations and is being implemented effectively, and that there are no significant observations that the Committee reached during its review.

2- According to the results achieved from the implementation of the audit plan, the Audit Committee concluded the following:

There are no fundamental deficiencies in the internal control systems, which are effective in preventing and detecting errors, and no major breach of the internal control systems occurred during the year, noting that the necessary measures were taken to follow up on the observations included in the internal audit reports in order to verify that the necessary corrective measures were taken, and the company makes a continued effort on a regular basis to develop systems and policies in order to improve the company's business, and to develop administrative control methods to ensure the efficiency and effectiveness of control activities and risk management in the company, in accordance with the guidance of the Board of Directors and under the supervision of the Audit Committee.

3- The Audit Committee confirms that there was no any conflict between its recommendations and the decisions of the Board of Directors during the year 2023 .

4- Recommendation of the Audit Committee to appoint an internal auditor in the Company

The Audit Committee made a recommendation to the Board of Directors to appoint an internal auditor for the Company, in its meeting No. (1) held on 3/7/2022 AD. The internal auditor was appointed & approved from board of directory meeting No. 1 at 12/03/2022 AD. The Committee focused on increasing the transparency factors in the Company's internal control system. It suggested contracting with an external office specialized in internal audit work to carry out the Company's internal audit work, as well as review the Company's internal audit work policies and procedures and update its work. After obtaining quotations submitted by companies specialized in internal audit work, the Committee recommended, in its meeting No. (4) held on 12/8/2022 AD, to choose Talal Abu-Ghazaleh Company for internal audit work. The Board of Directors approved the appointment in a decision by circulation on 1-1-2023 . Talal Abu-Ghazaleh Company was appointed to carry out the internal audit work, with its contact beginning on 1 January 2023 AD until the end of December 2024 .



12- Dividend policy



The Company's Articles of Association stipulate in Article (48), forty-eight, the policy for distributing profits, and the Board of Directors issued a policy for distributing profits as follows:

1. 10% of the net profits shall be set aside to form the company's statutory reserve. The Ordinary General Assembly may decide to stop this setting aside when the aforementioned reserve reaches 30% of the paid-up capital.
2. The Ordinary General Assembly, based on a proposal by the Board of Directors, may set aside an equal percentage of the net profits to form other reserves, to the extent that it is in the interest of the company or ensures the distribution of fixed profits to the shareholders as much as possible, as well as to assist the existing institutions.
3. After that, the remainder shall be distributed among the shareholders, at least 5% of the paid-up capital of the company, according to what is decided by the General Assembly and according to what is required by the interest of the company.
4. Taking into account the provisions stipulated in Article (20), twenty, of the company's Articles of Association, and Article (76), seventy-sixth of the companies' system, the remuneration of the Board of Directors shall be allocated not exceeding the sum of what a member of the Board of Directors receives in terms of financial or in-kind rewards and benefits, i.e. an amount of five hundred thousand riyals annually. The entitlement to this reward is commensurate with the number of sessions attended by the member.
5. The company may distribute interim profits to its shareholders on a semi-annual or quarterly basis in accordance with the controls and procedures issued by the Capital Market Authority, based on an authorization from the Ordinary General Assembly of the Board of Directors to distribute interim profits.
6. Timing of dividend payment: The General Assembly's decision regarding the distribution of profits to registered shareholders is implemented within 15 days from the date of maturity of these profits specified in the General Assembly's decision, or in the Board of Directors' decision to distribute interim earnings.
7. When a decision is made to distribute interim earnings, the company shall disclose and announce that immediately and provide the Authority with a copy thereof as soon as it is issued.
8. The shareholder is entitled to his share of the profits in accordance with the decision of the General Assembly issued regarding the distribution of profits to shareholders, or the decision of the Board of Directors to distribute interim profits, and the decision indicates the date of maturity and the date of distribution, the entitlement to the profits shall be to the owners of the names registered in the names records that return at the end of the day specified for the entitlement. The decision is in accordance with what is stipulated in the regulatory controls and procedures issued for the implementation of the Companies Law for listed joint stock companies.



13- Profits distributed during the fiscal year

Profits distributed during the fiscal year 2023



	The percentage of profits distributed during the fiscal year 2023	
	Annual profits for the fiscal year 2022	Interim profits for the first half of the fiscal year 2023
The ratio	10%	10%
Announcement date	23/03/2023	24/08/2023
Due date	30/03/2023	25/09/2023
Distribution date	13/04/2023	09/10/2023
Profits amount	37,500,000	37,500,000



14- Corporate governance



1-Review the independence of members and cases of conflict of interest during the fiscal year 2023

In accordance with the tasks of the Remuneration and Nomination Committee, the committee has evaluated the independence of the independent members, who are:

1. Eng. Faisal Abdullah Al-Khaldi
2. Mr. Khaled Saleh Al-Aqeel

The committee did not find any cases of conflict of interest or any of the symptoms of independence stipulated in Article 19 of the Governance Regulations.

2- Actions taken by the Board of Directors regarding the shareholders' proposals:

The Board of Directors has approved the disclosure and transparency policy, which are the shareholders' right to request guarantee information and the right to inquire and answer their inquiries. The membership policy of the Board of Directors also guarantees the presence of the chairs and members of the Board of Directors in the shareholders' general assemblies to answer the shareholders' proposals and inquiries, and to include these questions and their answers in the minutes of the general assemblies. The company is also keen to announce any material developments related to the activities and work of the company. Also, the Board of Directors informed its non-executive members during the year 2023 of any inquiries or suggestions from shareholders received at the meetings of the general assemblies. The company has established an investor relations department to receive complaints and suggestions from shareholders via the electronic system for that, and shareholders can refer to the company's website <https://www.sumou.com.sa> or call the investor relations phone number 0508598080 or write to the company at investor.relations@sumou.com.sa in this respect.



Sumou Real Estate Company has issued its corporate governance rules based on the governance system issued by the Capital Market Authority and the company's articles of association and related regulations. These policies have been approved by the company's General Assembly and the Board of Directors. Sumou continuously reviews and updates these policies in accordance with the relevant laws and regulations.

The approved governance regulations are as follows:

- ❑ The work list of the audit committee.
- ❑ Bylaws of the Remuneration and Nomination Committee.
- ❑ Policies, standards and procedures for membership in the Board of Directors.
- ❑ Remuneration and compensation policy for the Board of Directors, committees and executive management.
- ❑ Dividend policy.
- ❑ Disclosure and transparency policy.
- ❑ Conflict of interest policy.
- ❑ Code of Professional Conduct.
- ❑ The policy of reporting the violation of practices and organizing the relationship with stakeholders.
- ❑ Risk management policy
- ❑ Sumou Governance Guide.



Sumou applies all provisions of the Corporate Governance Regulations issued by the Capital Market Authority, except for the following:

Article/paragraph number	Article text/paragraph	Reasons for non-application
37	Training	The Board of Directors will work on preparing the relevant policies
39	Evaluation	The article is still indicative, and the company is evaluating without setting performance indicators.
67	Establishment of the risk committee	The article is still indicative, and the company will be committed to forming a risk committee when the article is mandatory, noting that the company has a risk management policy approved by the Board of Directors
68	Terms of reference of the Risk Management Committee	The article is still indicative, and the company will apply it as soon as it is required
69	Risk Management Committee meetings	The article is still indicative, and the company will apply it as soon as it is required
82	Motivate employees	The article is still indicative, and the company plans to develop a special program in this regard.
84	Social responsibility	The article is still indicative, and the company will apply it as soon as it is required
85	Social work initiatives	The article is still indicative, and the company will apply it as soon as it is required
92	Establishment of the corporate governance committee	The article is still indicative, and the company will apply it as soon as it is required



15- Board declarations



The Board of Directors acknowledges the following:

- The account records have been properly prepared.
- The internal control system has been designed on sound foundations and has been effectively implemented.
- There is no doubt about the company's ability to continue its activities.



16- Disclosure



1. The company confirms that there are no shares and debt instruments issued to subsidiaries.
2. The company confirms that the company has no transferable debt instruments, no contractual securities, subscription right memorandums, or similar rights issued or granted by the company during the fiscal year.
3. The company confirms that the company has no transfer or subscription rights under transferable debt instruments, contractual securities, subscription right notes or similar rights issued or granted by the company.
4. The company confirms that there is no recovery, purchase or cancellation by the company of any recoverable 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.
5. The company confirms that there are no arrangements or agreements under which a member of the company's Board of Directors or a senior executive waived any remuneration.
6. The company confirms that there are no arrangements or agreements under which one of the company's shareholders waives any rights to profits.
7. The company confirms that there are no other investments or reserves created for the benefit of any of the company's employees.
8. The company confirms that there is no interest, contractual securities and subscription rights belonging to the members of the company's board of directors, senior executives and their relatives in the shares or debt instruments of the company or any of its subsidiaries, and that there is no change in that interest or those rights during the last fiscal year.
9. The company confirms that there is no interest in the class of shares with the right to vote belonging to persons (other than members of the company's board of directors and senior executives and their relatives) who informed the company of these rights, and that there is no change in those rights during the last fiscal year.



10. The company confirms that it has not received any penalty, precautionary measure or precautionary restriction imposed on the company by the Authority or any supervisory, regulatory or judicial authority.
11. The company confirms that There are no treasury shares held by the company.
12. The company confirms that it does not have any social contributions.
13. With regard to the means relied upon by the Board of Directors in evaluating its performance, evaluating its committees and members, and the entity that carries out the evaluation, the Board confirms that several options will be studied to choose an independent entity to develop the required evaluation mechanisms, taking into account that the evaluation process is still indicative according to Article (41) of the Governance Regulations
14. Other than what was clarified in the Board's report, the company acknowledges that none of the members of the Board of Directors, the CEO, the Financial Manager, or any person related to them has any direct or indirect interest in the business and contracts that are made for the company's account, and no member of the Board of Directors has any participation in any loan. It is also not the case that the company guarantees for any of the members of the Board of Directors in exchange for a loan or commitment of any kind.
15. Sumou Real Estate Company is subject to zakat in accordance with the regulations of the General Authority for Zakat and Income in the Kingdom of Saudi Arabia. It records the annual zakat provision and uploads it to the income statement. Amendments that occur upon the final assessment of zakat - if any - are recorded in the period in which the assessment is made.
16. During the fiscal year 2023, the company's external auditor did not provide any services of an advisory nature to the company and did not receive any fees in this regard.



17. There is no recommendation from the Board of Directors during the year 2023 to change the auditor before the end of the period for which it was appointed, as Al-Azm, Al-Sudairy, Al-Sheikh and their partners were appointed to audit the company's accounts for the year 2023, and the appointment period was not completed during the year.
18. The company confirms that there are no reservations from the external auditor on the company's financial statements according to its report for the year 2023 .
19. The company confirms that there are no recommendations from the Audit Committee that conflicted with the decisions of the Board of Directors, and the Board did not refuse to take any recommendations regarding the appointment of the company's auditor, dismissing him, determining his fees, evaluating his performance, or appointing the internal auditor.
20. The company confirms that the company does not have any outstanding loans until the date of issuance of this report.
21. The company confirms the commitment of the Board and the Remuneration and Nominations Committee to the controls and policy of rewards and nominations issued by the company, and therefore there is no deviation from this policy.
22. There are no structural changes or suspensions in the contracted company's projects during 2023.

