

BATIC INVESTMENTS & LOGISTICS COMPANY

BOD Report for 2023 AD



2023 **بتيك** batic

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“Our nation holds strong investment capabilities, which we will harness to stimulate our economy and diversify our revenues”

“The kingdom endeavors to achieve a bright future privileged by its unique strategic location, a pioneering investment force, and profound Arab and Islamic heritage”

His Royal Highness Prince Mohammed bin Salman bin Abdulaziz, Crown Prince, Prime Minister, and Chairman of the Council of Economic and Development Affairs

«My primary goal is to be an exemplary and leading nation in all aspects, and I will work with you in achieving this endeavour.»

Custodian of the Two Holy Mosques King Salman Bin Abdulaziz Al-Saud

Managing Director's Message

Honorable shareholders of Batic Investment and Logistics Company

I am honored to present the annual report of Batic Investment and Logistics Company, which provides a comprehensive overview of our businesses, achievements, and progress made during the fiscal year 2023, where the group achieved tangible achievements, summarized in the following points

Increased revenue and profitability in the logistics sector:

The temperature-controlled transportation (refrigerated) segment accounts for 24% of the Group's total revenue. I am pleased to inform shareholders of an exceptional increase in logistics revenues through Mubarrad, with the company achieving exceptional year-on-year revenue growth of 26%, along with improved margins and positive operating cash flow.

This achievement is a testament to the hard work and effective strategic initiatives achieved by the Kingdom's Vision 2030, and a catalyst for us at the Group to increase investment in this promising sector and continue to increase the return on investment by entering into more profitable logistic services utilizing Mubarrad's assets and customer base.

Growth in the real estate portfolio :

Our real estate portfolio consists of distinctive and diversified real estate assets with an estimated value of approximately (SAR 372 million) - based on an independent valuation of Batic Real Estate's portfolio as of December 31, 2023 – currently, Batic Real Estate's executive team has studied the optimal utilization of the portfolio, which resulted in a strategic plan to target the residential sector, industrial sector, and commercial sector. I am pleased to inform shareholders of the 57% completion rate of the infrastructure development project for the residential plot of land in Madina, which is owned 100% by Batic Real Estate Company, and we expect to complete all development works associated with the project during the second half of 2024.

Chairman's Message

Honorable shareholders of Batic Investment and Logistics Company

I am pleased to share with you the annual report for the fiscal year 2023, which reflects the results achieved by BATIC and its subsidiaries during the past year.

At the start of this report, I would like to draw your attention to the enormous role played by the government through its Vision 2030, which resulted in a fundamental and positive transformation across all business sectors, which directly contributed to maximizing the value of our investments.

At the beginning of the last year, the Board of Directors was elected in April 2023, and since then, the Board has adopted a strategic and bold plan that would increase the «value» of BATIC investments through two main pillars. The first pillar concerns the expansion of viable businesses and increasing the investment in promising sectors (i.e. Logistics and real estate sectors). While the second pillar focused on increasing efficiency by structuring and optimizing operational expenses and reviewing all items, the review resulted in a notable decrease in the cost of revenue ratio (COGS %), thus improving the gross profit margin (%) of our businesses.

For the future of the Group and its shareholders, the main pillar of the Board's current and future decisions is the return on invested capital, as we strive to improve this ratio in our current business and on which future investment decisions are based. In conclusion, I would like to extend my sincere thanks and appreciation to our shareholders, to the members of the Board of Directors for their continuous guidance and efforts in determining the Group's business strategy, and to the executive management for their dedicated efforts and we look forward to further success in the coming years.

We thank you for your continued trust and cooperation.

May God bless you.



The restructuring of executive management and the formation of an ambitious strategy for the security, facilities management, and cash solutions business segments:

Recognizing the importance of adaptability and efficiency, we successfully implemented a comprehensive restructuring of AMNCO, which serves three main integrated segments: Security Solutions, which includes security guarding services and integrated security systems; Facilities Management; and Cash Solutions. This initiative is designed to enhance operational efficiency and capture the growing market opportunities in these segments. Our organizational structure has been strengthened and optimally aligned with our strategic objectives to exploit the significant transformation in the security solutions sector, as well as the company's commitment to achieving the Saudi Central Bank's vision and directions for the cash sector and its associated infrastructure. Within this scope, AMNCO's revenues totaled more than SAR 307 million, with a growth rate of 9% over 2022, and we aim over the next two years to increase our market share in these sectors to serve the growing projects across the Kingdom.

In conclusion, the Group is committed to retaining its talented workforce through the successful recruitment of skilled national and international professionals. We believe in the importance of investing in our talents, and their contributions continue to play a pivotal role in our organizational success. I would like to express my sincere gratitude to the Board of Directors for their valuable guidance and to our shareholders for their unwavering trust and support for the Group's business and expansion.

Looking ahead, we as the executive management of Batic Group will endeavor to achieve growth in the «value» of our businesses and companies, seize growing opportunities in the market and directly contribute to the realization of shareholders' goals and aspirations.

We thank you for your unwavering support and confidence in Batic.
May God bless you.

Continued growth in the Smart Cities Solutions segment:

The Smart Cities Solutions segment accounts for 13% of the Group's total revenues, and I am pleased to announce that for the second consecutive year, the company achieved business and revenue growth of 12% over 2022 and a positive operating cash flow. In 2023, the company started operating the parking project in Qassim (South Buraydah area), which achieved satisfactory results for its first year, bringing the total number of parking lots operated in all cities under the scope of the company's business to approximately 11,500 parking lots, including Dammam, Al Khobar, Dhahran, and Buraydah.

The company has achieved growth in the application (Thaki), where the number of users of the application reached more than 300,000 users (i.e. active users and one-time visitors). The application was developed to include all payment methods such as (Apple Pay), Mada, Visa, and MasterCard in addition to the usual payment methods such as direct cash and points of sale (POS) deployed on parking devices spread over more than 500 locations to achieve the aspirations of users and parking visitors and to be aligned with the targets of smart cities under the control and management of the Ministry of Municipal and Rural Affairs and Housing.

The concerted efforts of the company's executive team and the bold strategic measures that have been implemented, not only stabilized operations, but also put the company on a path of sustainable growth, the effects of which we expect to begin to see over the next two years.



About Batic

Batic Investments & Logistics Company was established as a limited liability company with the trade name “Saudi Refrigerated Transport Company.” Upon incorporation, the capital amounted to eighty million Saudi Riyals (80,000,000 SAR), divided into eight hundred thousand (800,000) equal cash shares, and the value of each share was one hundred (100) Saudi riyals, distributed among fifty partners. The company was registered with the Ministry of Commerce with registration certificate number (1010052902) issued from Riyadh on 131404/04/ AH (corresponding to 161984/01/ AD).

The company was converted from a limited liability company to a joint-stock company

«The company was converted from a limited liability company to a joint-stock company under the name “Saudi Land Transport Company” pursuant to Ministerial Resolution No. (861) dated 211411/10/ AH (corresponding to 051991/05/ AD), while retaining the commercial registration number and date. The company's headquarters is located in Riyadh - Al-Olaya District - Al-Arz Street – Batic Building, second floor - P.O. Box: 7939, Postal Code: 11472.

Please note that the commercial name of the company has been amended twice after its conversion to a joint-stock company.

In the first time, the previous trade name “Saudi Land Transport Company - Mubarrad” was amended to become “Saudi Transport and Investment Company - Mubarrad” based on the approval of the Extraordinary General Assembly held on 261429/01/ AH (corresponding to 042008/02/ AD).

In the second time, the previous trade name of the company “Saudi Transport and Investment Company – Mubarrad” was amended to become the current trade name “Batic Investments & Logistics Company” based on the approval of the Extraordinary General Assembly of Shareholders held on 071438/06/ AH (corresponding to 042017/03/ AD).

Also, the Extraordinary General Assembly of Shareholders, held on 121444/03/ AH (corresponding to 212023/06/ AD) approved on splitting of the nominal value per share from (10) SAR per share to (1) SAR per share. The number of shares before the amendment: 60,000,000 shares. The number of shares after Amendment: 600,000,000 shares.

The current capital of the company amounts to six hundred million (600,000,000) Saudi Riyals (full paid), divided into six hundred million (600,000,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share.



Batic Group, a company listed on the Saudi stock market, was established in 1984 AD. The company invests in various sectors including logistics, security services such as guarding, transportation, money transfer, etc., smart city solutions services, real estate development, and facilities management.

Batic Group has succeeded in becoming one of the leading companies contributing to driving economic growth in the Kingdom of Saudi Arabia. Today, Batic invests in a group of prominent companies, including «Mubarrad,» «Amnco,» «Smart City Solutions,» and «Batic Real Estate Co..»

Amendments to company capital				
Nature of the increase/reduction in the capital	No. of shares after amendment	Share nominal value/ SR	Company capital/ SR	Year
Company capital upon transformation	6,000,000	50	300,000,000	١٩٩١م
Capital reduction by (120,000,000) / SR	3,600,000	50	180,000,000	٢٠٠٣م
Reducing nominal value from (50) SR to (10) SR/ share	18,000,000	10	180,000,000	٢٠٠٦م
Increasing the company's capital by an amount of (60,000,000) SAR	24,000,000	10	240,000,000	٢٠١٦م
Increasing the capital by (60,000,000)/ SR	30,000,000	10	300,000,000	٢٠١٨م
Increasing the capital by (300,000,000)/ SR	60,000,000	10	600,000,000	٢٠٢١م
Split nominal share value	600,000,000	1	600,000,000	٢٠٢٣م



Group structure:

Subsidiary company	Country of incorporation	Direct investment ratio	Indirect investment ratio
Arabian Security & Safety Services Co. Ltd. (AMNCO)	Kingdom of Saudi Arabia	94.89%	
Saudi Transport and Investment Company (Mubarrad)	Kingdom of Saudi Arabia	100%	
Batic Real Estate Co.	Kingdom of Saudi Arabia	100%	
ABEEN Medical	Kingdom of Saudi Arabia	100%	
AMNCO Facility Management	Kingdom of Saudi Arabia		94.89%
Smart Cities Solutions Company	Kingdom of Saudi Arabia	80.4%	7.59%

Description of main activity of the company and its subsidiaries:

The main activity of subsidiaries: -

- 01 Saudi Transport and Investment Company (Mubarrad)**
It is a limited liability company operating under commercial registry issued from Riyadh. Batic owns 100% of its capital. Mubarrad's activity represented in transporting goods and supplies for a fee via land routes.
- 02 ABEEN Medical (formerly Al-Shifa Tech. LLC)**
It is a limited liability company that operates with commercial registry issued from Riyadh. Batic owns 100% of its capital. Its activity represented in wholesale sale of medical devices, equipment and supplies.
- 03 Batic Real Estate Co.**
It is a limited liability company that operates with a separate commercial registry issued from Riyadh. Batic owns 100% of its capital. Its activity represented in buying and selling land and real estate, subdividing properties, off-plan sales activities, management and leasing of owned or leased properties (residential and non-residential), constructing residential buildings and non-residential public constructions, managing and leasing residential and non-residential properties, and real estate management activities for a commission.
- 04 Arabian Security & Safety Services Co. Ltd. (AMNCO)**
It is a limited liability company that operates with commercial registry issued from Riyadh. Batic owns 100% of its capital. Its activity represented in wholesale and retail trade, surveillance and safety devices, security guard services, money transfer, sorting money and correspondences.
- 05 AMNCO Facility Management Limited (formerly Al-Hikma for Commercial & Industrial Investment Co.)**
It is a limited liability company that operates with a separate commercial registry issued from Riyadh. The subsidiary AMNCO owns 100% of its capital. The company's activity represented in cleaning of buildings.
- 06 Smart Cities Solutions Company (formerly the Rapid Parking Services Company)**
It is a limited liability company that operates with commercial registry issued from Riyadh. Batic owns 80.4% and indirectly 7.59% of its capital. The company's activity represented in establishing, developing, investing, and operating multi-storey car parks and smart parks in all cities of the Kingdom of Saudi Arabia.

Batic financial information & data

Assets, liabilities, and business results in the last five fiscal years

رقم	Statement	2023	2022	2021	2020	2019
1	Current assets	283,159,457	315,627,429	276,332,317	294,220,861	258,360,606
2	Other long-term assets	994,444,788	877,735,233	524,414,654	361,330,746	133,466,881
3	Fixed assets	197,940,063	161,035,744	172,321,834	198,165,641	169,239,434
4	Total Assets (1+2+3)	1,475,544,308	1,354,398,406	973,068,805	853,717,248	561,066,921
5	Current liabilities	222,978,695	183,075,688	281,587,779	139,043,198	98,719,821
6	Other liabilities	786,922,870	693,220,541	455,461,238	339,974,658	74,205,050
7	Total liabilities (5+6)	1,009,901,565	876,296,229	737,049,017	479,017,856	172,924,871
8	Capital	600,000,000	600,000,000	300,000,000	300,000,000	300,000,000
9	Statutory reserve	0	48,996,657	48,996,657	48,996,657	48,996,657
10	(Retained earnings (losses	2,881,200	(32,224,600)	3,788,049	13,437,313	25,066,150
11	Gains (losses) of employee benefits re-measurement	(2,063,087)	(7,689,152)	(4,204,758)	(3,152,209)	(464,952)
12	Business Combination Reserve	(144,687,468)	(143,926,868)	(122,747,412)	-	-
13	Shareholders' Equity (8+9+10+11+12)	456,130,645	465,156,037	225,832,536	359,281,761	373,597,855
14	Non-controlling Interest	9,512,098	12,946,140	10,187,252	15,417,631	14,544,195
15	Total liabilities and equity (7+13+14)	1,475,544,308	1,354,398,406	973,068,805	853,717,248	561,066,921

- Some numbers of the comparative year were re-tabulated to align with the financial statements of this year

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

Batic Real Estate Co.	Revenues	Percentage of total revenues
Real estate investment activity	5,436,531	1%

Mubarrad Co.	Revenues	Percentage of total revenues
Land transportation	112,894,311	24%

.AMNCO Co	Revenues	Percentage of total revenues
Activity (1) Security guards	127,975,547	27%
Activity (2) feed ATMs	82,724,134	17%
Activity (3) Transfer funds, correspondences and counting money	49,382,383	10%

AMNCO Facility Management	Revenues	Percentage of total revenues
Maintenance and operation activity	47,750,642	10%

Smart Cities Solutions Company	Revenues	Percentage of total revenues
Smart parking activity	63,056,967	13%

Others & Settlements	Revenues	Percentage of total revenues
% -2	(8,648,374)	-2%

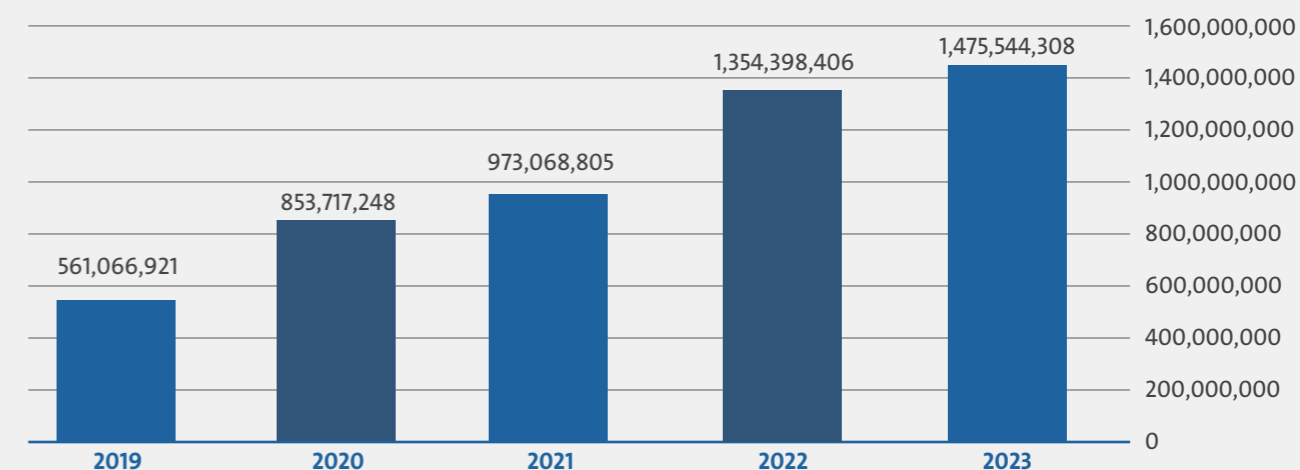
Total	480,572,141	100%
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A Comparison Of The Company's Business Results Over The Past Five Years

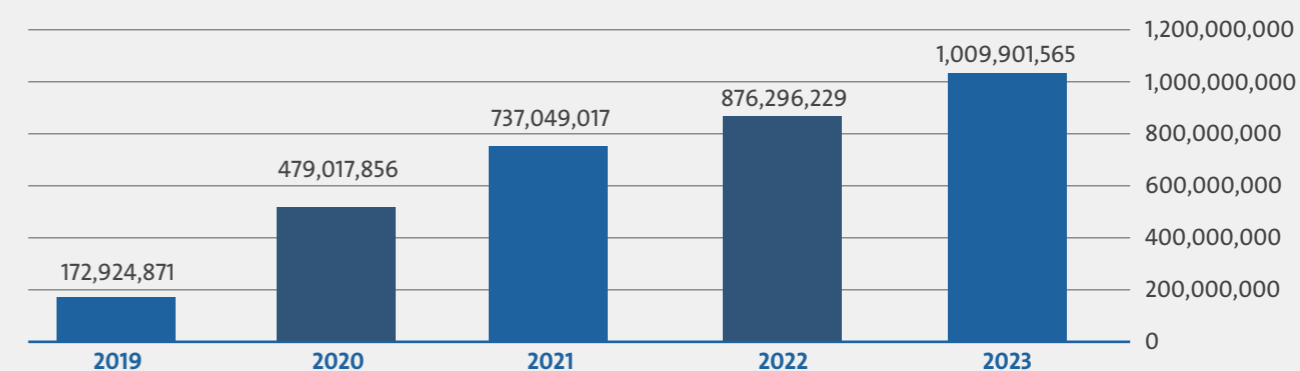
S	Statement	2023	2022	2021	2020	2019
1	Revenues	480,572,141	427,495,117	474,828,927	516,927,771	463,947,950
2	Cost Of Revenues	(423,138,672)	(384,340,887)	(426,418,478)	(456,571,140)	(403,826,535)
3	Gross profit	57,433,469	43,154,230	48,410,449	60,356,631	60,121,415
4	General and administrative expenses	(43,990,076)	(47,108,055)	(51,357,336)	(44,651,379)	(43,874,672)
5	Adjusted) / The decrease in financial assets value	(16,613,276)	(15,660,000)	1,606,180	(5,372,334)	(2,330,452)
6	Provision of Impairment of Financial Assets	(1,884,548)				
7	Operating Profit (Loss)	(5,054,431)	(19,613,825)	(1,340,707)	10,332,918	13,916,291
8	Financing costs	(18,155,651)	(12,682,818)	(10,588,845)	(4,695,531)	(2,476,697)
9	Other income (loss) (net)	14,632,795	5,127,694	1,289,967	(9,584,153)	(88,078)
10	Zakat expense	(6,133,821)	(4,782,397)	(6,426,404)	(6,265,582)	(4,507,555)
11	Net (loss) profit	(14,711,108)	(31,951,346)	(17,065,989)	(10,212,348)	6,843,961
12	Non-controlling Interest	(820,251)	(1,113,698)	(7,416,725)	1,406,463	(55,982)
13	Net (loss) profit	(13,890,857)	(30,837,648)	(9,649,264)	(11,618,811)	6,899,943

Some numbers of the comparative year were re-tabulated to align with the financial statements of this year

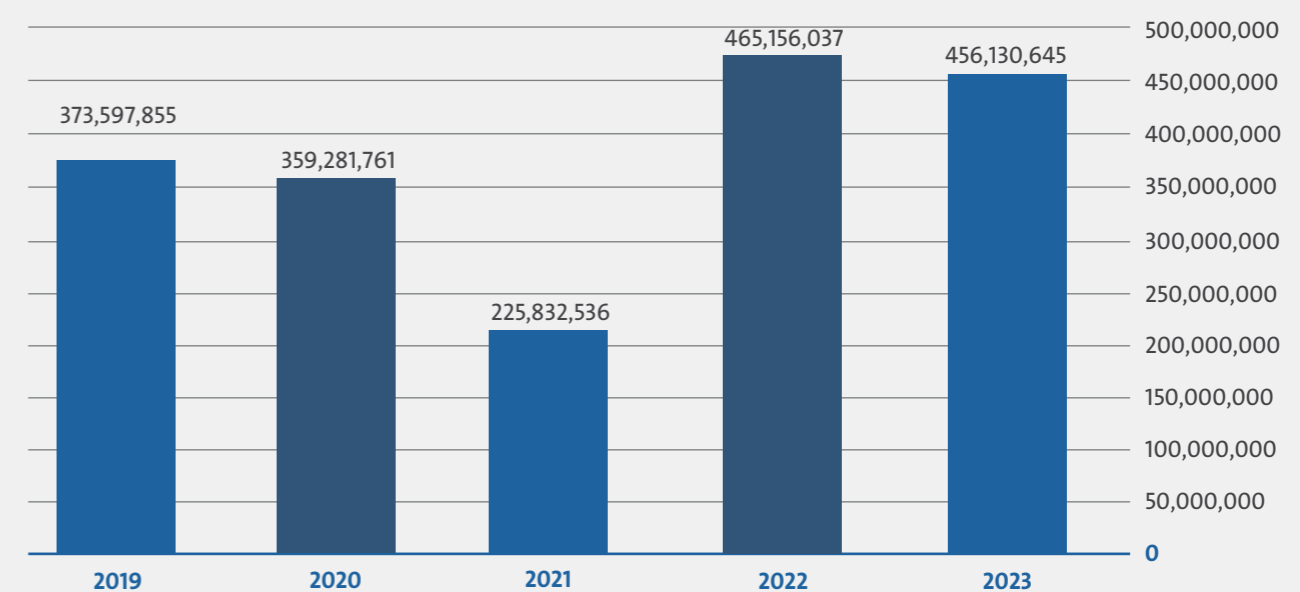
Total assets



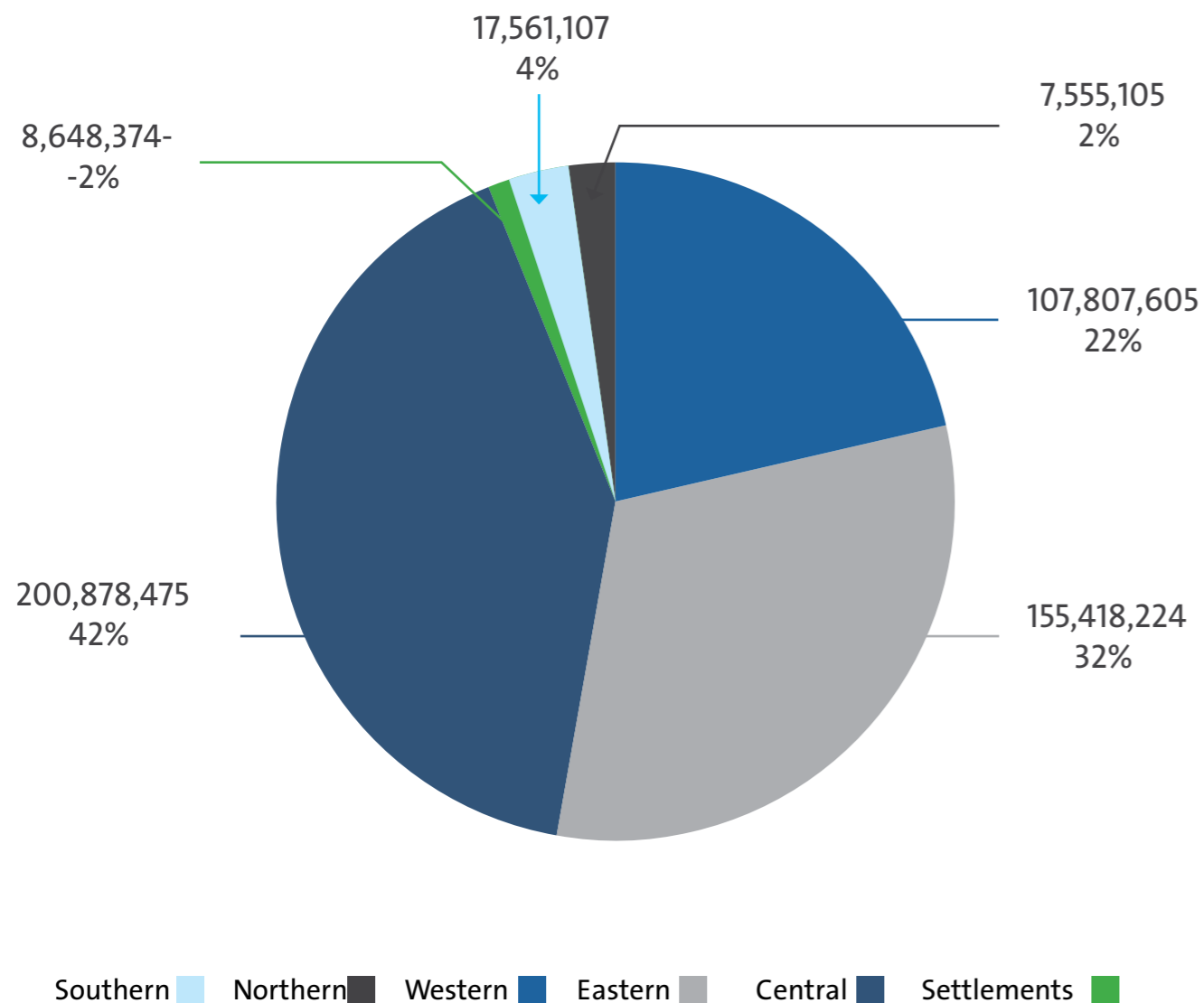
Total liabilities



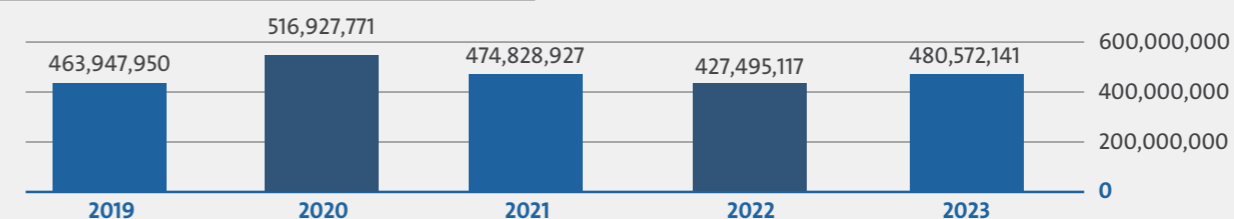
Shareholders' equity



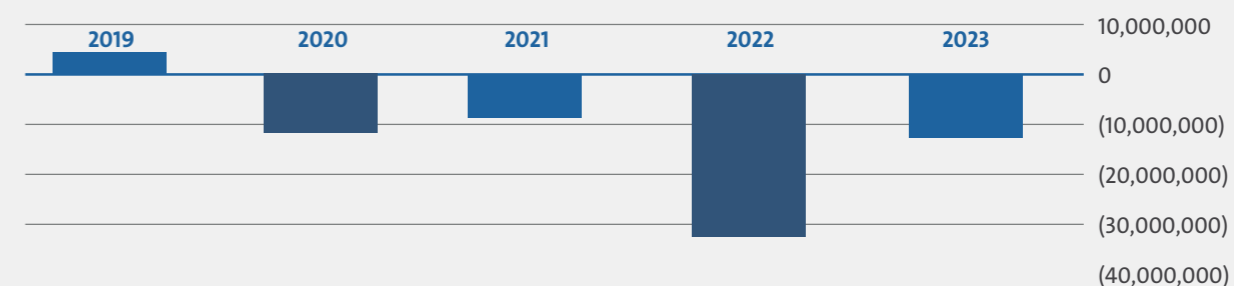
Revenues Distribution by geographic region



Revenues



Net (loss) profit



Company	Activity	Region	2023	2022
 Subsidiary company (Mubarrad)	Transport sector	central region	56,335,084	43,625,263
		Sharqia	32,720,082	25,235,212
		Western region	23,839,145	20,404,369
 Subsidiary company (ABEEN Medical and its companies)	Selling medical equipment and supplies, home medical services and physical therapy centers	central region	-	915,491
 Subsidiary company (AMNCO and its companies)	Security guards - transferring money - feeding ATMs - counting and sorting money, correspondence, and utility services	Central region	133,497,318	145,391,720
		Northern region	7,555,105	4,104,428
		Southern region	17,561,107	21,199,897
		Eastern region	65,250,716	51,898,705
 Subsidiary company (Smart City Solutions)	Smart parking	Western region	83,968,460	61,265,018
		Eastern	57,447,424	56,408,378
 (Batic Co. (Head Office)	Real Estate Investment	Central region	5,436,531	1,936,693
		Central region	-	1,936,693
 Batic Real Estate Co.	Real Estate Investment	Central region	5,436,531	1,936,693
Others & settlements	settlements		(8,648,374)	(6,837,640)
Total			480,572,141	427,495,117

Vital differences in financial results for the year 2023 compared to 2022

The reason for the increase (decrease) in sales/revenue during this year compared to the previous year is:

The 12% increase in 2023 compared to the previous year is mainly due to higher revenues across most operational sectors of the group. Revenue from the land transport sector increased by 26%, revenue from the security services sector increased by 15%, revenue from maintenance and operation increased by 16%, revenue from smart parking sector increased by 12%, revenue from transportation of money and precious metals increased by 10%, and revenue from real estate investment increased by 40%.

The main reason for the decrease in net loss for the current year compared to the previous year is primarily attributed to:

1. The increase in total profit by 33%, reaching a total profit of 57.4 million SAR during the current year compared to a total profit of 43.2 million SAR during the previous year, primarily attributed to the increase in operating revenues during the current year by 12% compared to the previous year, along with a decrease in the cost of revenues ratio, which reached 88% for the current year compared to 90% for the previous year.
2. The decrease in general and administrative expenses, where the ratio of general and administrative expenses during the current year was 9% compared to 11% during the previous year.
3. The increase in unrealized gains from fair value investments through profit or loss, with unrealized gains during the current year amounting to 10.1 million SAR compared to gains of 1.5 million SAR during the previous year.

Despite the increase in financing costs during the current year by 43%, in addition to the increase in zakat expenses by 28% compared to the previous year.

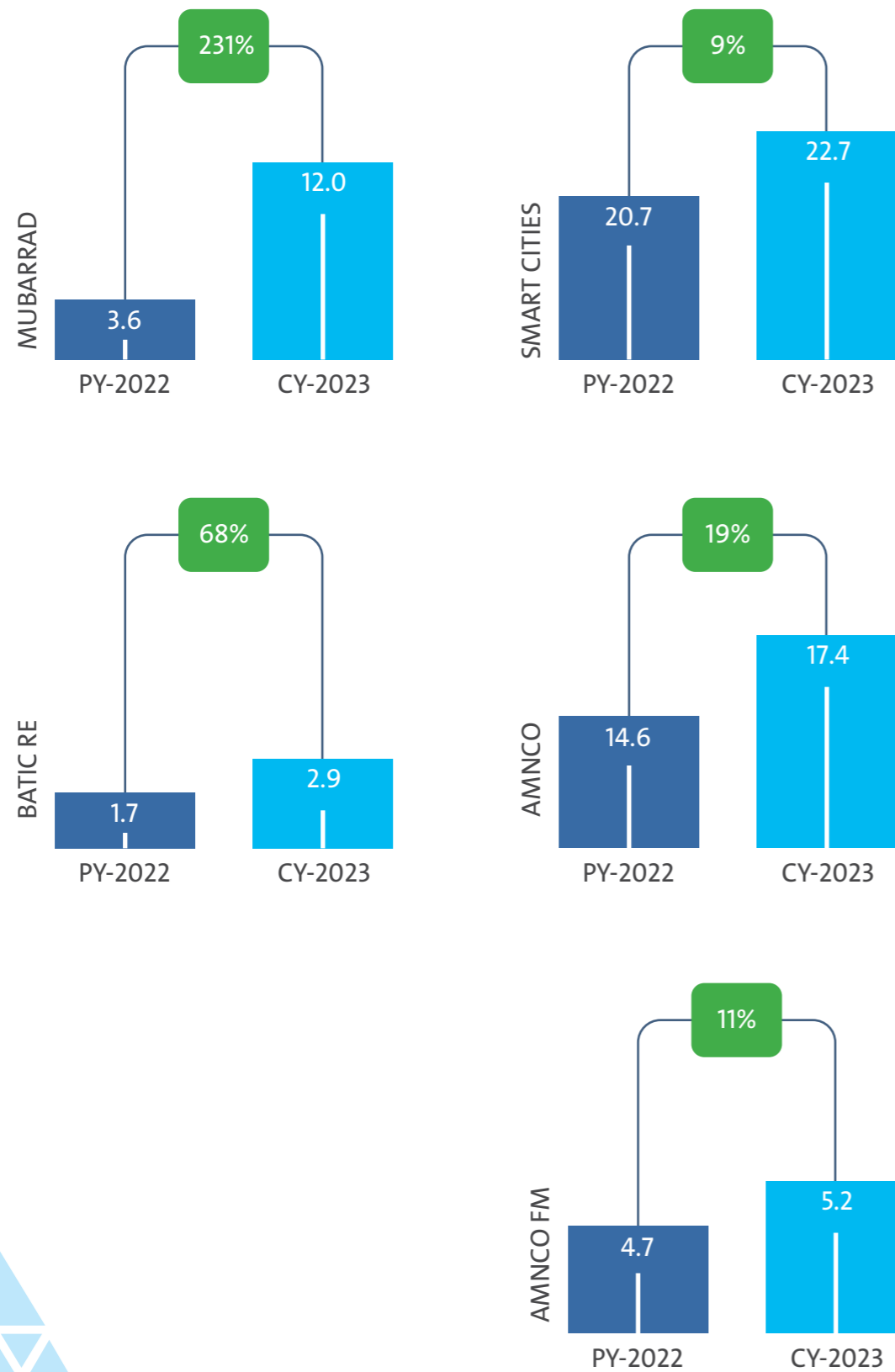
The group's profit before interest, taxes, depreciation, and amortization (EBITDA) increased by 57%, reaching 74.9 million riyals during 2023, compared to 47.8 million riyals for the previous year.

Vital differences in operating results comparing to last year

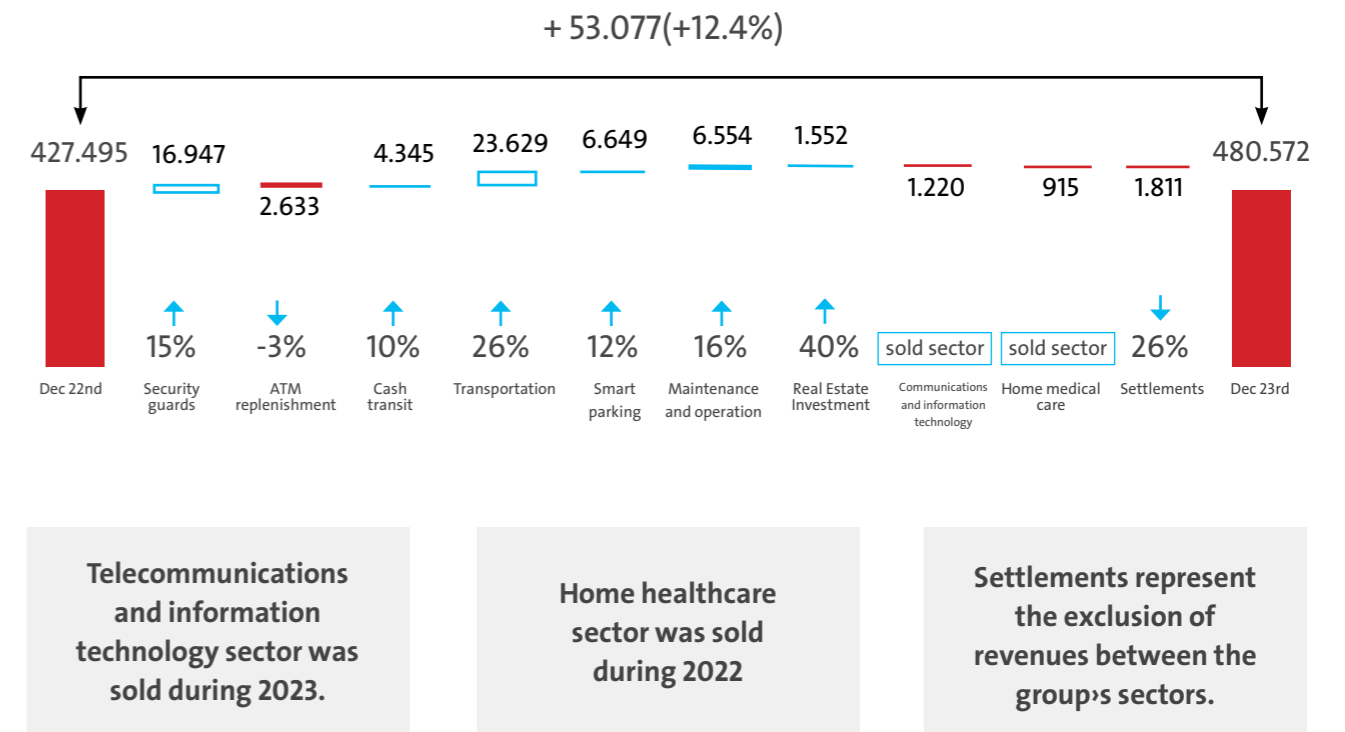
Statement	2023	2022
Revenues	480,572,141	427,495,117
Cost of Revenues	(423,138,672)	(384,340,887)
Gross profit	57,433,469	43,154,230
General and administrative expenses	(43,990,076)	(47,108,055)
Provision of Impairment of Financial Assets	(16,613,276)	(15,660,000)
Slow-moving inventory provision	(1,884,548)	
Operating loss	(5,054,431)	(19,613,825)
Financing costs	(18,155,653)	(12,682,818)
Dividends	150,000	150,000
Unrealized gains (losses) from fair value investments through profit or loss	10,115,838	1,553,209
Other net revenues	4,366,957	3,424,485
Net loss before zakat	(8,577,289)	(27,168,949)
Zakat expenses	(6,133,819)	(4,782,397)
Net loss for the year	(14,711,108)	(31,951,346)
Net (loss) attributable to		
company shareholders	(13,890,857)	(30,837,648)
Non-controlling interests	(820,251)	(1,113,698)
Basic and diluted loss per share from net loss	(0.02)	(0.05)

- Some numbers of the comparative year were re-tabulated to align with the financial statements of this year

Substantial differences in the financial results for the year 2023 compared to the previous year, 2022



Change in revenues during 2023 compared to 2022:



The movement of loans during the year		
	December 31, 2023	December 31, 2022
January 1	192,005,800	265,255,647
Received during the year	16,061,475	101,336,857
Paid during the year	(25,075,967)	(174,586,704)
December 31	182,991,308	192,005,800
Non-current portion	146,754,738	163,989,260
Current portion	36,236,570	28,016,540

:The loan maturity dates are as follows		
	December 31, 2023	December 31, 2022
Within one year	36,236,570	28,016,540
1-2 years	23,501,181	31,416,541
2-5 years	123,253,557	132,572,719
Total	182,991,308	192,005,800

Information regarding any loans on the company (whether repayable on demand or otherwise), a disclosure of the total indebtedness of the company and its subsidiaries, any amounts paid by the company in repayment of loans during the year, the principal amount of the loan, the name of the lending party, its duration, and the outstanding amount. If there are no loans on the company, a declaration to that effect must be provided.

Information related to any loans taken by the company (whether repayable on demand or otherwise), along with a disclosure of the total indebtedness of the company and its subsidiaries. Additionally, any amounts paid by the company towards loan repayments during the year, the principal amount of the loan, the name of the lending institution, its duration, and the outstanding balance should be provided. In the absence of any loans on the company, a declaration to that effect must be submitted.


Short-Term Loans:


The group has short-term Islamic financing facilities (Tawarruq) from local banks to finance the working capital requirements of the group. All facilities are compliant with Islamic Sharia principles and are secured by mortgages and promissory notes issued by the company. As of December 31, 2023, the outstanding balance amounted to SAR 15.6 million Saudi Riyals in the form of letters of guarantee only.


Long-term loans:

The group obtained facilities from local banks, all compliant with Islamic Sharia principles, in the form of medium-term loans and long-term project financing. The following table summarizes the details and outstanding balances of the group's facilities:

Bank	Facility	Currency	Maturity Date	December 31, 2023	December 31, 2022
Local bank	Batic	SR	June 30, 2024 AD	10,200,000	17,000,000
Local bank	Smart city solutions	SR	December 1, 2026 AD	46,302,748	55,306,060
Local bank	Mubarrad	SR	November 11, 2025 AD	4,995,061	7,740,422
Local bank	Mubarrad	SR	September 17, 2025 AD	7,841,244	11,959,318
Local bank	Mubarrad	SR	February 11, 2028 AD	13,652,255	-
Local bank	Batic Real Estate Co.	SR	May 9, 2025 AD	100,000,000	100,000,000
Total long-term loans				182,991,308	192,005,800
The current portion of long-term loans due for repayment during the year 2024				36,236,570	28,016,540
The non-current portion of long-term loans				146,754,738	163,989,260

Co	Statement	2023	2022
 Subsidiary (ABEEN Medical and its companies)	Paid Zakat	0	0
	Due Zakat	0	37,069
	Paid tax - VAT	0	0
	Due tax - VAT	0	0
	Paid social insurance	0	428,811
	payable social insurance	0	222
	Paid visa and passport costs	0	108,732
	Paid labor office fees	0	85,000

الشركة	البيان	2023	2022
 Subsidiary (AMNCO and its companies)	Paid Zakat	4,065,555	5,027,969
	Due Zakat	3,957,965	4,069,573
	Paid tax - VAT	36,550,165	37,466,203
	Due tax - VAT	2,983,128	3,994,700
	Paid social insurance	17,476,889	17,572,665
	payable social insurance	1,344,326	1,341,681
	Paid visa and passport costs	1,343,786	1,133,530
	Paid labor office fees	6,877,290	5,108,968

الشركة	البيان	2023	2022
 Subsidiary (Smart City Solutions)	Paid Zakat	43,264	0
	Due Zakat	0	48,003
	Paid tax - VAT	7,106,654	(5,774,122)
	Due tax - VAT	686,230	1,106,237
	Paid social insurance	1,126,531	897,559
	payable social insurance	91,785	76,328
	Paid visa and passport costs	182,700	143,641
	Paid labor office fees	1,172,850	570,627

The following table illustrates the total amounts of regular payments paid and due for the year 2023 compared to the year 2022


Company	Statement	2023	2022
Batic Group	The paid and due Zakat	10,241,644	11,673,344
	The paid and due - VAT	54,693,608	43,310,208
	The paid and due social insurance contributions	23,493,231	23,008,450
	The paid costs of visas, passports, and labor office fees	13,400,586	10,699,246


Statement of the value of regular payments made and due for payment for zakat, taxes, fees, or any other obligations that have not been settled by the end of the fiscal year, along with a brief description and explanation of their reasons.


Zakat

Social Insurance

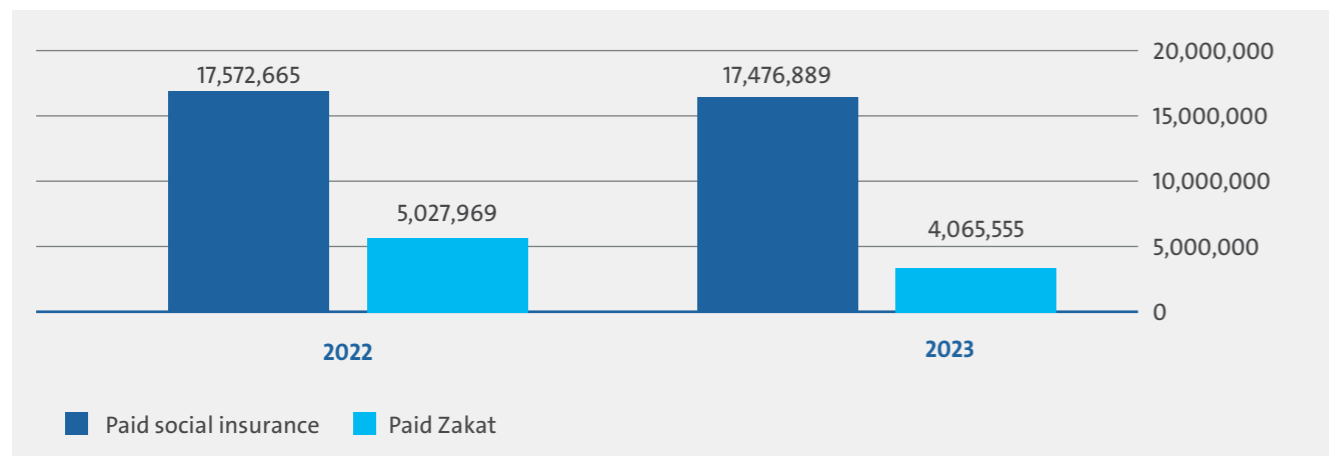
The following table shows the amounts of statutory payments paid and due for 2023 AD compared to 2022 AD

Co	Statement	2023	2022
 Batic	Paid Zakat	0	816,365
	Due Zakat	1,400,000	0
	Paid tax - VAT	0	260,735
	Due tax - VAT	(67,246)	(69,194)
	Paid social insurance	792,710	716,981
	payable social insurance	52,477	66,338
	Paid visa and passport costs	8,750	35,580
	Paid labor office fees	59,500	59,500

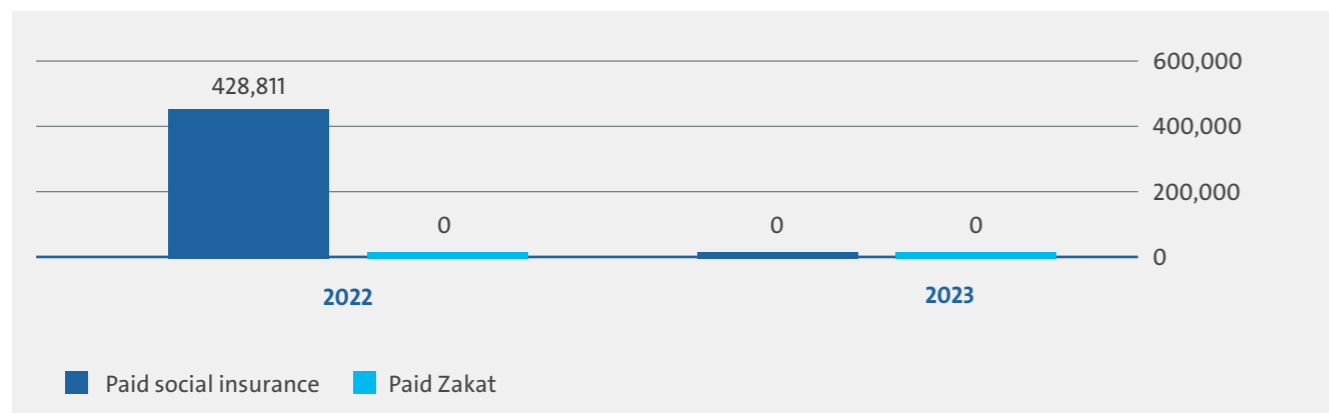
Co	Statement	2023	2022
 Batic Real Estate Co.	Paid Zakat	0	0
	Due Zakat	12,564	3,699
	Paid tax - VAT	354,748	60,122
	Due tax - VAT	19,452	(493,079)
	Paid social insurance	162,121	46,745
	payable social insurance	8,700	9,979
	Paid visa and passport costs	2,130	0
	Paid labor office fees	8,500	0

Co	Statement	2023	2022
 Subsidiary (Mubarrad)	Paid Zakat	0	735,220
	Due Zakat	762,296	935,446
	Paid tax - VAT	6,336,549	6,330,860
	Due tax - VAT	723,928	427,746
	Paid social insurance	2,216,448	1,696,960
	payable social insurance	221,244	154,182
	Paid visa and passport costs	511,863	454,117
	Paid labor office fees	3,233,217	2,999,550

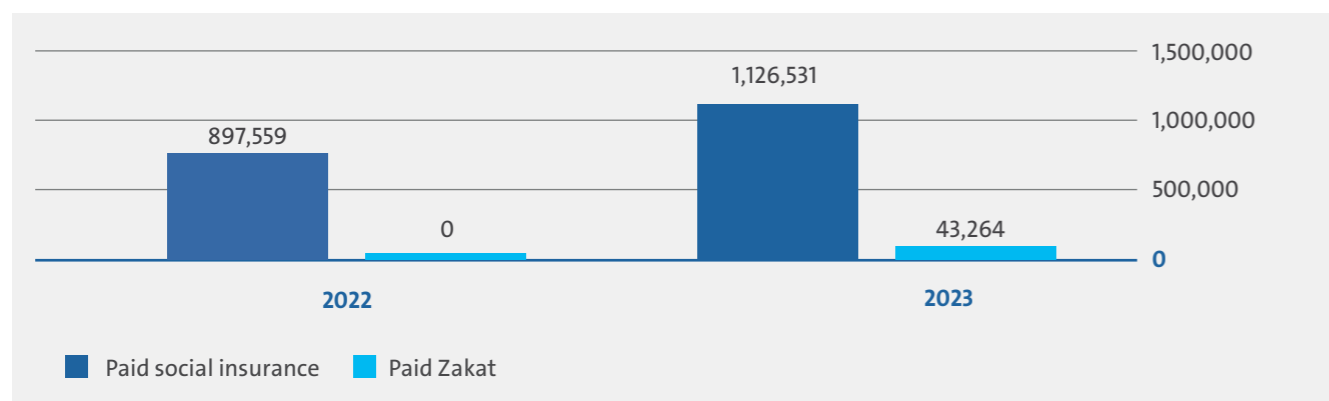
▶ A diagram reviewing the social insurance and zakat paid (Amnco subsidiary and its affiliated companies, Amnco Facilities and Response Indicators).



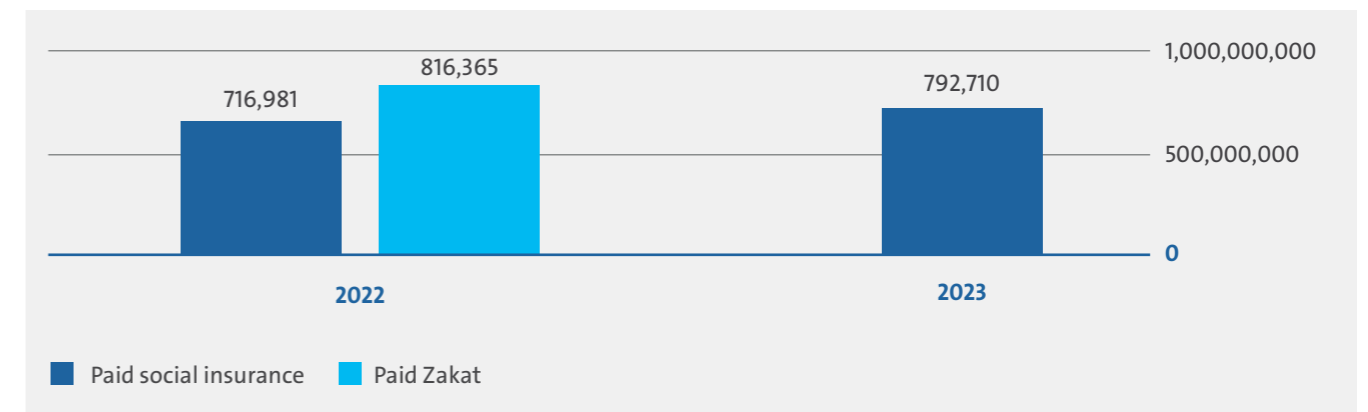
▶ A diagram reviewing the social insurance and zakat paid the subsidiary APEN Medical, and its subsidiary Jusoor Al-Taawoun



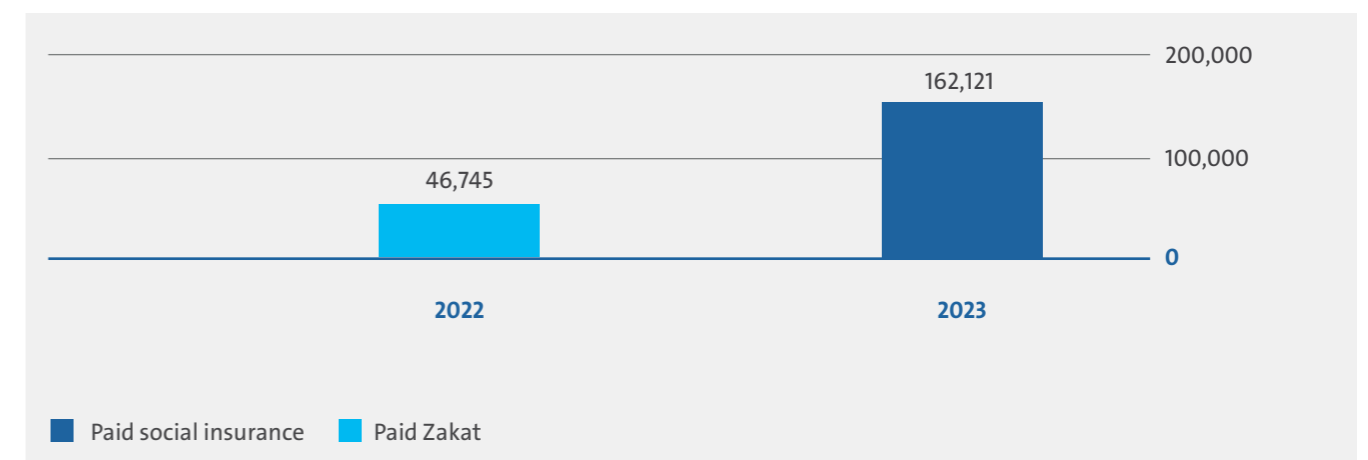
▶ A diagram reviewing the social insurance and zakat paid (Smart City Solutions Company)



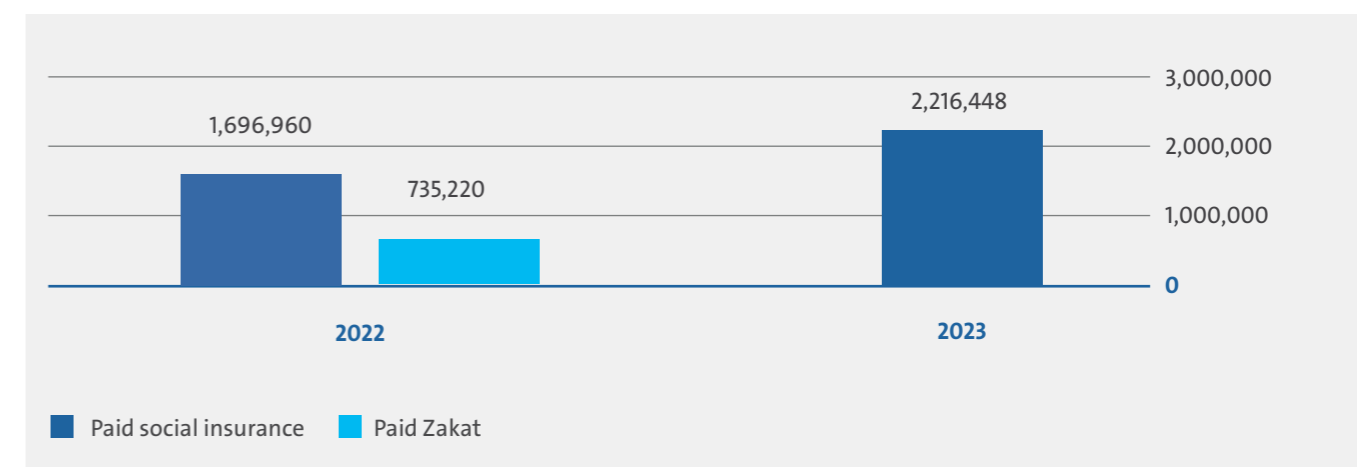
▶ A diagram reviewing the social insurance and zakat paid (Batic Co.)



▶ A diagram reviewing the social insurance and zakat paid (subsidiary – Batic Real estate Co.)



▶ A diagram reviewing the social insurance and zakat paid (subsidiary – Mubarrad)

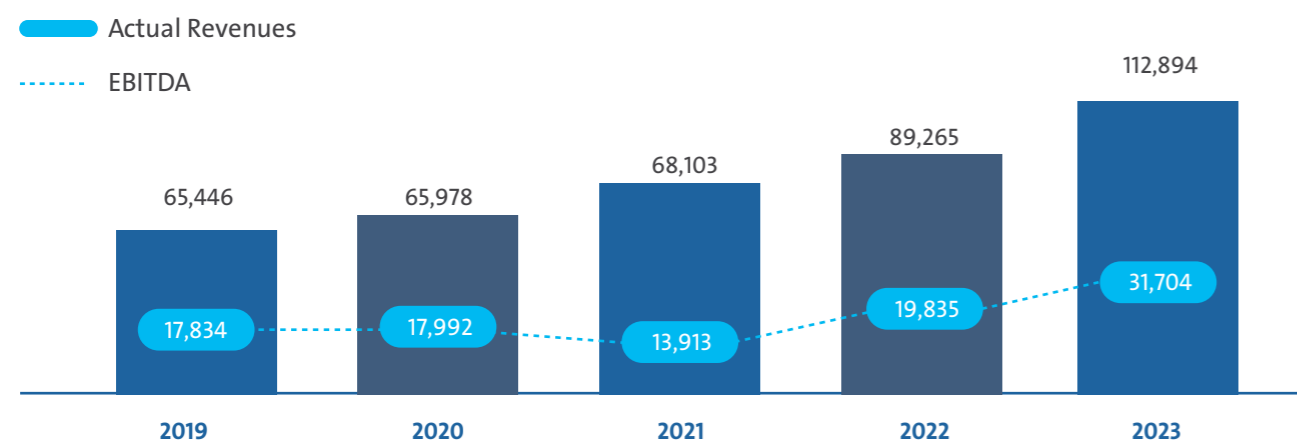


Saudi Transport and Investment Company - Mubarrad

The company recorded significant revenue growth in the land transport sector only, with a growth rate of 26% in the year 2023. The company is expected to achieve a growth rate of 57% in 2024 AD

The company recorded a remarkable growth in earnings before interest, taxes, depreciation and amortization, reaching 31.7 million riyals in 2023, a growth rate of 60% over the year 2022. The percentage of revenues relating to Mubarrad is 24% of the total revenues

The company traveled approximately more than 65 million square kilometers in KSA & Gulf countries in land transportation during 2023 to generate revenues of 112 million riyals



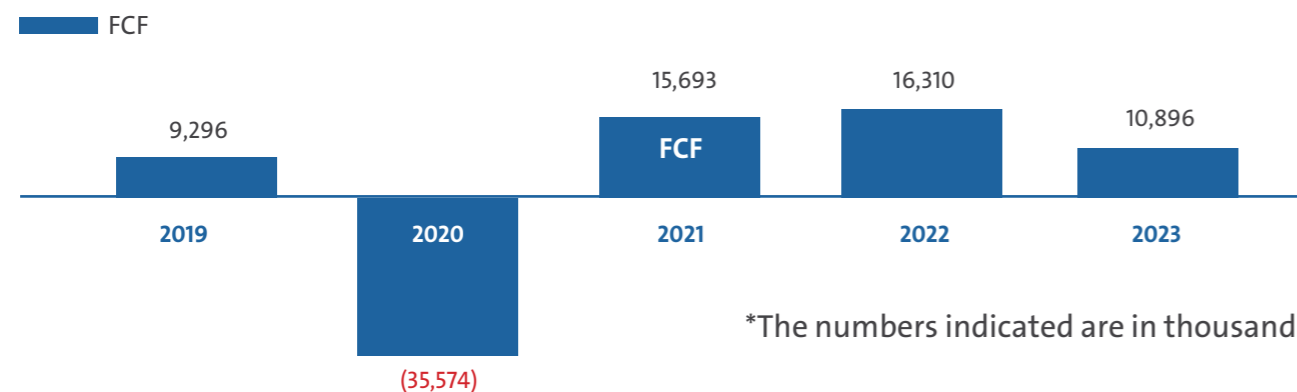
*The numbers indicated are in thousand

*The above mentioned figures relate only to the land transportation sector, "the company's current sector."

Mubarrad Co. is targeting entry into the cold and dry storage warehouses sector starting from the second half of 2024, alongside the addition of trucks and trailers to expand its operations in the land transport sector.

In 2024, Mubarrad Company aims to achieve a significant increase in free cash flow, targeting to enhance operational efficiency and the ability to generate strong operating profits to cover investment requirements.

Achieving Growth and Expansion: With enhanced financial performance, the company has commenced expansion initiatives and growth endeavors, whether through enlarging its current operations or venturing into new activities. This reflects a strong strategic vision and the ability to exploit opportunities.



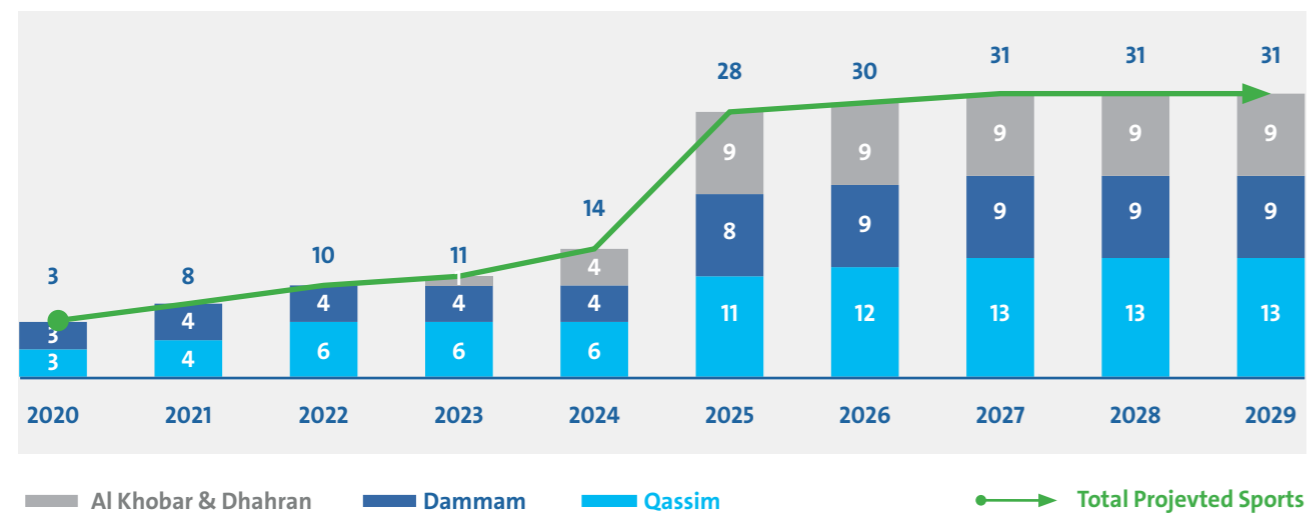
*The numbers indicated are in thousand



Description of significant plans and decisions

including structural changes, business expansions, or cessation of operations) and future expectations for company operations

The infrastructure of smart parking requires significant investments in technology and infrastructure, reflecting the costs of establishing and operating these modern facilities. However, this investment can lead to enhanced long-term returns by increasing operational efficiency and attracting more customers and users. The following is a summary of the number of smart parking lots operated and targeted for operation by Smart City Solutions Co. over recent years and the projections for the upcoming years (in thousands):



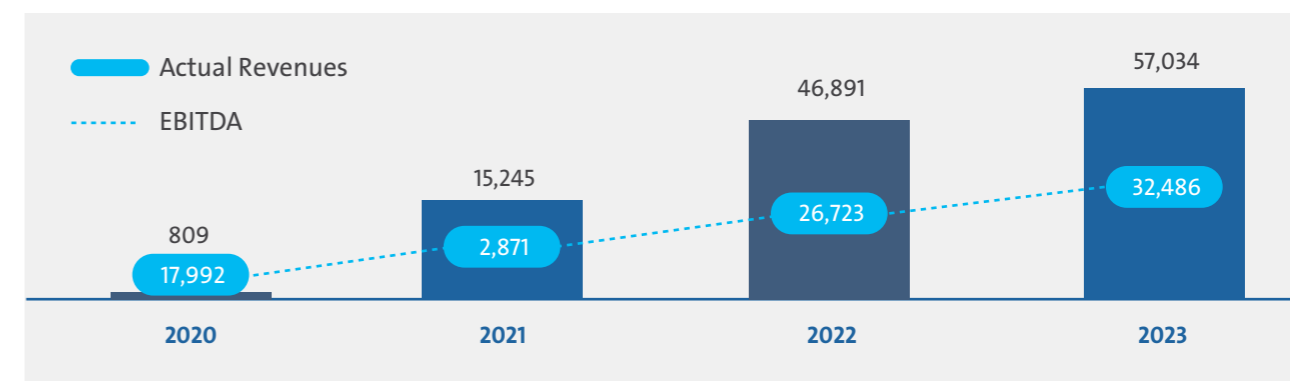
Subsidiary Smart City Solutions

The company recorded significant revenue growth in the smart parking sector only, as the growth rate in 2023 reached 22%, and the company is expected to achieve a growth rate of 129% in 2024.

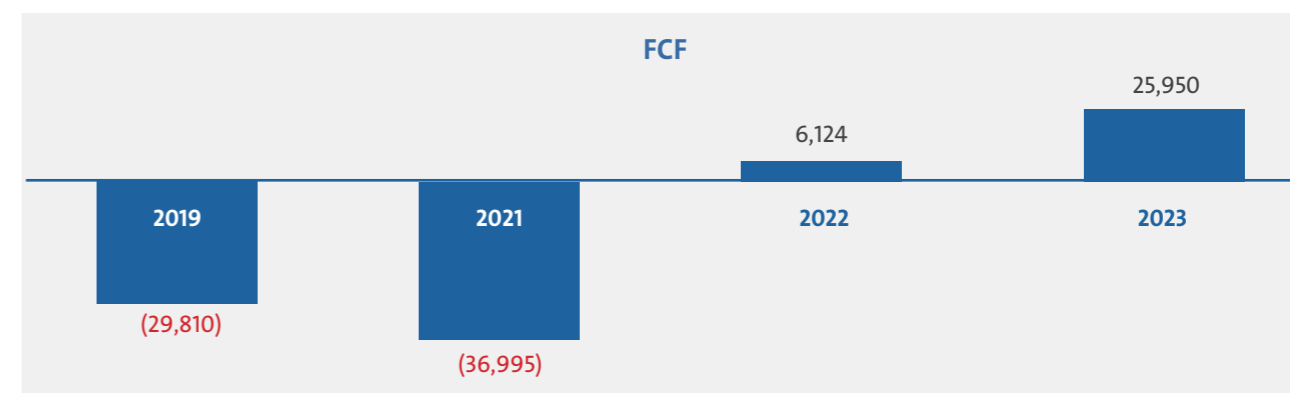
The company recorded significant growth in earnings before interest, taxes, depreciation and amortization, reaching 32.5 million riyals in 2023, a growth rate of 22% over the year 2022, and it is expected to achieve a growth rate of 42% in 2024.

We anticipate an increase in revenues for city solutions starting in 2024, which is due to the increase in the number of parking lots created, especially during 2024 and 2025, to approach the full parking

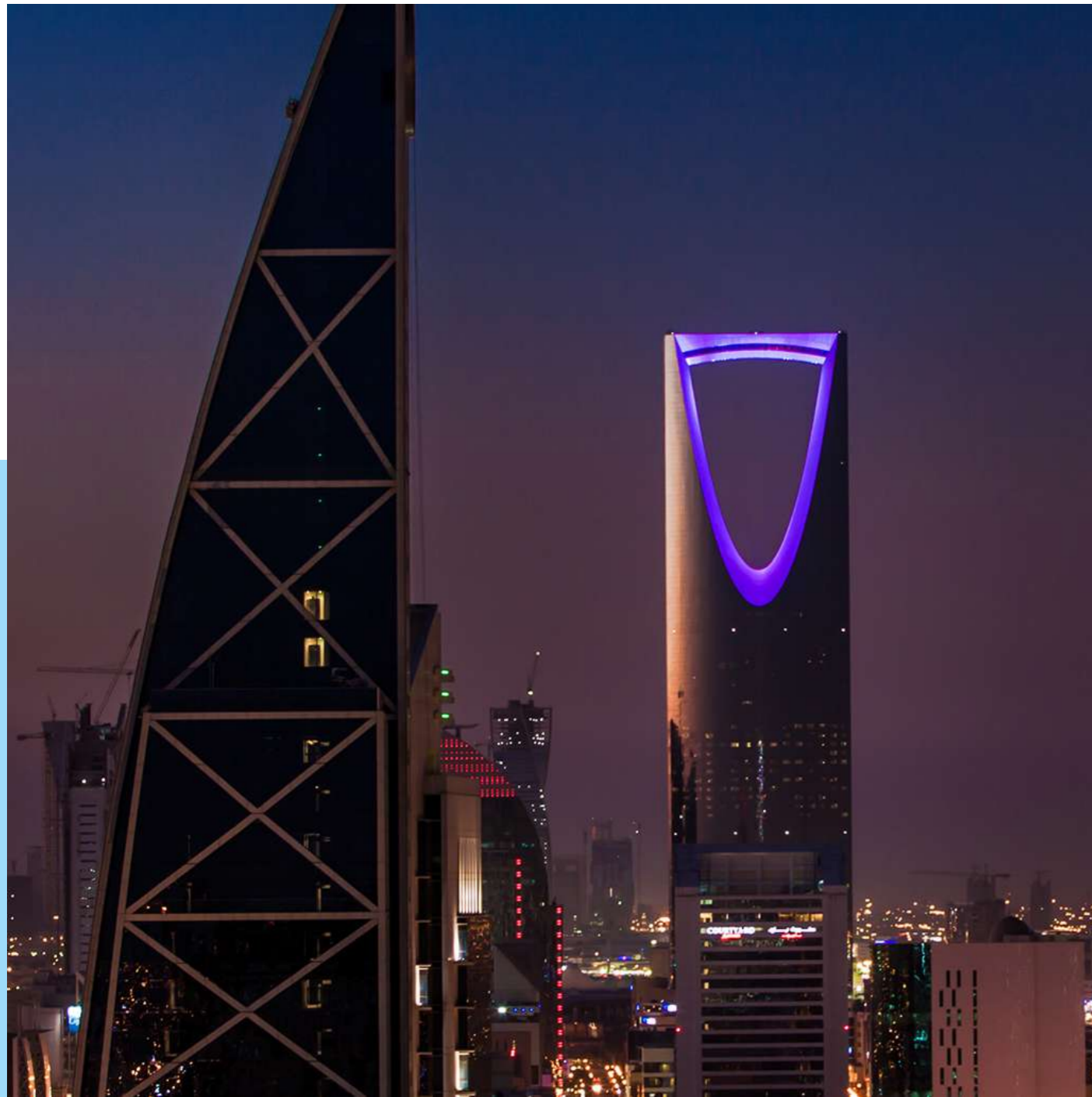
The increase in earnings before interest, taxes, depreciation, and amortization (EBITDA) starting from 2024 is attributed to both revenue growth and an increase in depreciation and amortization resulting from the expansion of the number of parking facilities.



*The numbers indicated are in thousand
In 2023, Smart City Solutions Co. achieved a positive turnaround by significantly increasing its free cash flow, indicating improved operational efficiency and the ability to generate strong operating profits to cover investment requirements.



*The numbers indicated are in thousand



The subsidiary company - Batic Real Estate Company.

Batic Real Estate Company's portfolio consists of distinguished and diverse properties in the residential, commercial, and industrial sectors, with an estimated fair value of approximately 365 million Saudi Riyals – based on an independent assessment of Batic Real Estate Company's properties as of December 31, 2023. The executive team of Batic Real Estate Company intends to study the optimal utilization of these properties, resulting in the formulation of a strategic development plan for the portfolio, aiming to meet the growing demand in the ..residential, industrial, and commercial sectors

Al Khuzama Plan in Al Madinah:

Located near the Noble Sanctuary, within Madinah, the Al Khuzama Plan, owned by Batek Real Estate Company, features 409 residential plots spread over 229,000 square meters. Building heights can reach up to four floors. The project enjoys a strategic location near the Second Ring Road. With completion expected by the second half of .2024, it promises competitive investment returns, supporting Batek Real Estate Company's operations

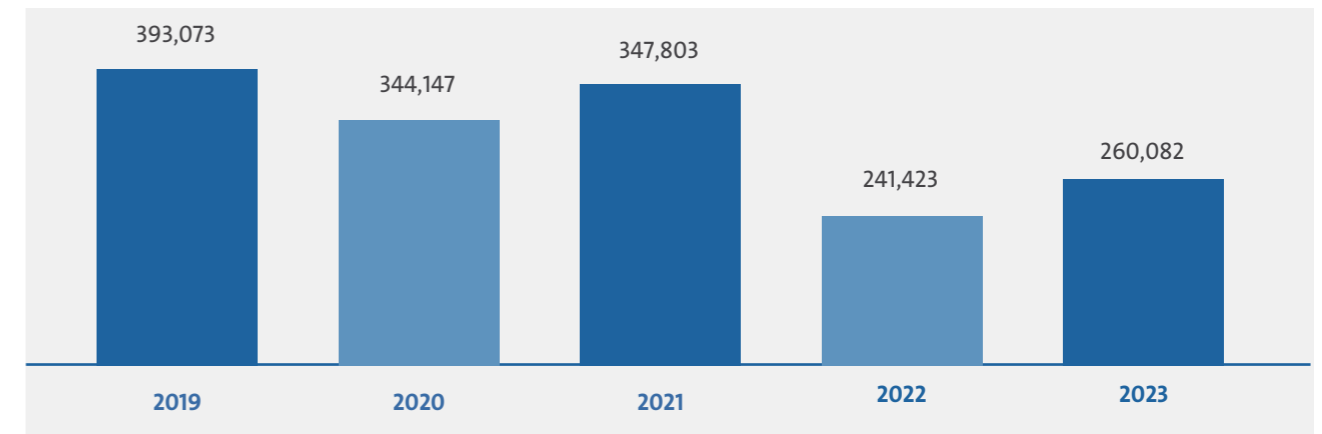




The subsidiary “Amnco Co.”

- The company recorded revenues growth, as the growth rate in 2023 reached 8 % compared to 2022.
- The company restructured the company's departments. - The company directed its full energy into the most profitable projects. In 2023, the company made strategic investments to generate revenues in the coming years with an expected growth rate of 20% in 2024.
- The company established a total of 10 Multi-Brand Customer Centers (MBCC) to serve its customers, with the completion and licensing of 6 centers during the year 2023. It is expected that the remaining centers will be completed during the year 2024.

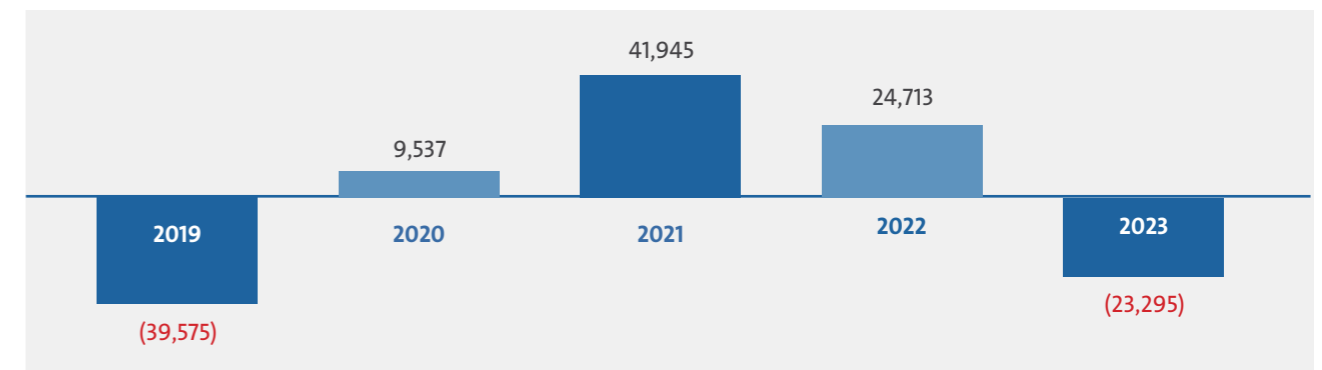
Actual Revenues



*The numbers indicated are in thousand

*All amounts in Saudi Riyal

Free Cash Flow



*The numbers indicated are in thousand

This information provides an overview of the risks faced by the company and the policy employed to manage and monitor these risks effectively

Through its activities, the group is exposed to various financial risks, including market risks (such as foreign exchange risks, price risks, interest rate risks for cash flows and fair value risks), as well as credit and liquidity risks. Management evaluates the risks associated with each of these financial risks. The risk management program, in general, focuses on the unpredictability of financial market conditions and aims to mitigate the potential negative impacts of these risks on the group's financial performance.

Market risk

The market risks are those risks resulting from fluctuations in the fair value or future cash flows of a financial instrument due to changes in prevailing market prices. The company is exposed to two types of market risks: commission price risks and foreign currency risks. Financial instruments affected by market risk include short-term loans and receivables denominated in a foreign currency. There were no changes in these conditions from the previous year.

Foreign currency risks

The company does not face significant exposure to foreign currency exchange risks, as the majority of its transactions are conducted in Saudi Riyals.

Interest rate risks

Financial instruments are exposed to the risk of changes in value as a result of changes in the commission rates for their variable interest financial assets and liabilities.

Commission rate risk

Commission rate risks refer to the risks arising from fluctuations in the value of a financial instrument due to changes in prevailing commission rates in the market. The company's short-term loans typically have a short duration and carry a variable commission rate, which is recorded at the amortized cost. Therefore, the management believes that the company is not exposed to any significant commission rate risks because it is the company's policy to settle all short-term debt obligations on their maturity date, which is typically one month.

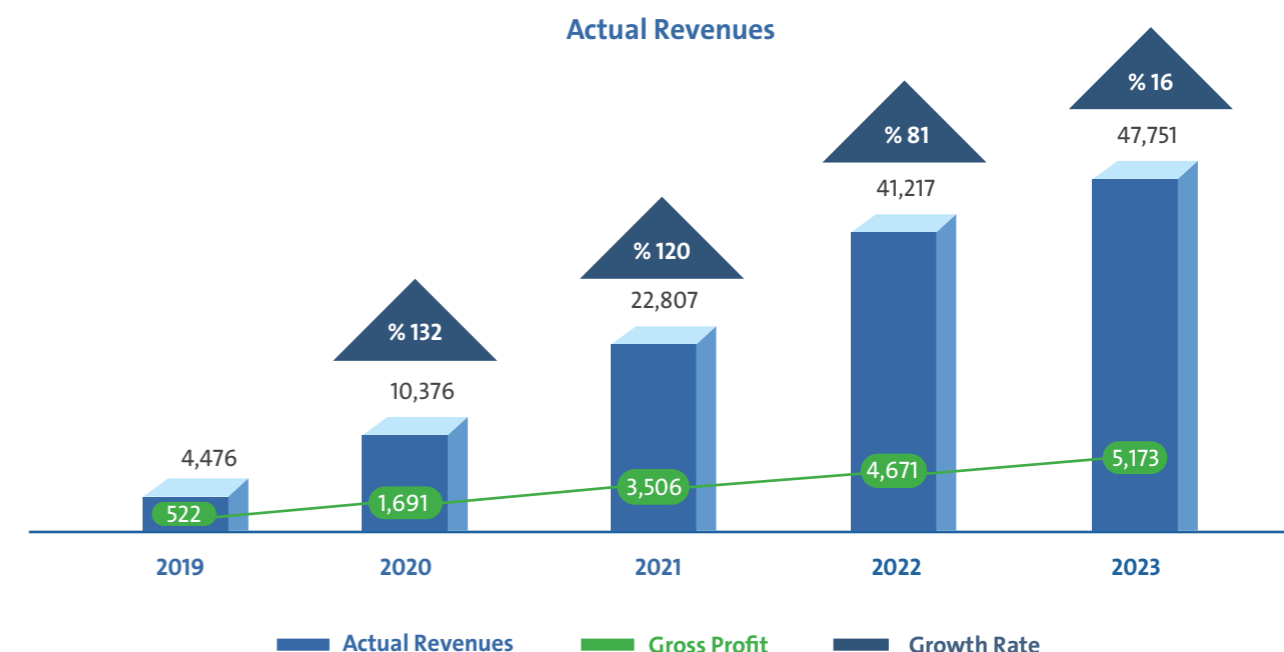
Commission rate sensitivity

The following table illustrates the potential reasonable impact of changes in commission rates on the portion of loans and advances affected by such changes. With all other variables remaining constant, the group's profit before zakat was affected by the effect on loans linked to a variable commission, as follows:

Decrease by 45 basis points	Increase by 45 basis points	
(864,026)	864,026	AD 2023
(1,193,650)	1,193,650	AD 2023

Subsidiary Amnco Facilities Management Co (affiliate to the Subsidiary Co. "Amnco")

The company recorded a remarkable growth in revenues from the maintenance and operation sector, as the growth rate in 2023 reached 16% compared to 2022.



*The numbers indicated are in thousand





Credit risk

Credit risk are the risks arising from the counterparty's failure to fulfill its obligations towards a financial instrument or client contract, resulting in financial loss. The company is exposed to credit risks from its business activities (primarily trade receivables and other financial assets) and its financing activities, including balances with banks

Trade receivables credit risk

The average credit period granted is 90 days, and no commissions are charged on outstanding trade receivables

An impairment analysis is performed at each financial reporting date using a provision matrix to measure expected credit losses. Provision rates are determined based on the number of days past due for various customer segments with similar loss patterns. The calculation process reflects probability-weighted outcomes, the time value of money, receivables, and reasonable and supportable information available at the reporting date regarding past, current, and future economic conditions. The maximum exposure to credit risk in the financial statements is represented by the book value of each category of financial assets

Fair value risk

The fair value of financial instruments traded in active markets is based on market prices as of the date of the consolidated Financial Statements. The market is considered active if quoted prices are readily and regularly available from financial markets, brokers, industry associations, pricing service providers, or regulatory agencies, and those prices represent actual and regularly occurring transactions in the market conducted on a commercial basis. The quoted market prices used for financial assets owned by the Company are current ask prices. These tools are included within the first level

The fair value of non-traded financial instruments in active markets is based on valuation methods. These methods aim to maximize the use of relevant market data and rely on the least amount of assumptions provided by the entity. If all significant inputs required to measure the fair value of instruments are observable, these instruments are categorized within Level 2. However, if one or more significant inputs are not based on observable market data, the instruments are categorized within Level 3

Level 1 : Unadjusted market prices prevailing in active markets for identical assets or liabilities

Level 2 : Other observable data besides quoted prices included in Level 1, that are noteworthy regarding the (assets or liabilities, whether direct (which are the prices) or indirect (which are derived from the prices

Level 3 : Valuation techniques where all inputs used have a significant effect on the recorded fair value, but are (not based on observable market data (unobservable inputs





Dividend Distribution Policy

Based on the company's bylaws, as adopted by the Extraordinary General Assembly of the company :AD, which stipulates the following 2023/06/held on 21

:Reserves Formation

The General Assembly determines .2 the percentage to be distributed to the shareholders from the net profits after .deducting the reserves, if any

For the Ordinary General Assembly - when determining the .1 share of stocks in net profits - to decide on the formation of reserves, to the extent that it serves the interest of the company or ensures the distribution of fixed dividends - as much as possible - to the shareholders. The aforementioned assembly may also deduct amounts from the net profits to achieve social .purposes for the company's employees

:Dividend entitlement

The shareholder is entitled to his share of profits in accordance with the General Assembly's decision issued in this regard. The decision shall indicate the due date and distribution date. The entitlement to dividends is to the shareholders registered in the shareholders' registers at the end of the day specified for entitlement. The Board of .Directors must implement the General Assembly's decision regarding the distribution of profits to shareholders

:Distribution of Dividends for Preferred Shares

If the company fails to pay the specified percentage for the holders of preferred shares from the net profits of the company after deducting reserves - if any - for three consecutive years, the special assembly for the holders of these shares, convened in accordance with the provisions of the Companies Law, may decide to attend the general assembly meetings of the company and participate in voting until the company is able to pay all the dividends allocated to the holders of these shares for those years. Each preferred share has one vote in the general assembly meeting, and the holder of the preferred share in this case has the right to vote on all items on the agenda of the .ordinary general assembly meeting without exception

«Liquidity Risk» and «Continuity Principle»

It refers to the risk of the group facing difficulties in obtaining funds to meet the obligations associated with financial instruments.

Liquidity is managed by regularly ensuring its availability in sufficient quantities to meet any future obligations.

Liquidity risk is managed by maintaining sufficient cash and securities in circulation, the availability of financing through sufficient committed credit facilities, and the ability to liquidate market positions. Given the nature of the Group's business, the Group aims to maintain the flexibility of the financing process by providing binding credit channels

Management believes that the group is able to fulfill its obligations as:

- The group's current assets exceed its current liabilities.
- The group limits liquidity risks by ensuring the availability of bank loan facilities from many banks
- The group operates in various sectors.

Management has conducted an evaluation of the group's ability to continue as a going concern and is confident that the group has the resources and loan facilities from multiple banks to sustain its operations in the foreseeable future. Furthermore, management is not aware of any material uncertainty that may cast significant doubt on the group's ability to continue as a going concern.

Clarification of any deviation from the accounting standards approved by the Saudi Organization for Certified Public Accountants.

There is no deviation as these financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted in the Kingdom of Saudi Arabia, as well as other standards and pronouncements approved by the Saudi Organization for Certified Public Accountants.

About company management, committees and executive management

Board of Directors

The Board of Directors of the company is the highest authority responsible for setting comprehensive plans, strategies, and main objectives, and for providing guidance and oversight of the executive management's performance. It also proposes appropriate decisions on matters and business within the authority of the General Assembly of Shareholders. The Board of Directors of Batik Company consists of eight (8) members, elected by the General Assembly of Shareholders convened in April 2023 for a term of three (3) years. The Board has fulfilled all its responsibilities and basic functions, including the distribution of authorities, tasks, and the separation of roles, as well as effectively supervising the executive management.

Board formation

In accordance with Article Fifteen (15) of its Articles of Association, the Company is managed by a Board of Directors consisting of eight (8) members elected by the Ordinary General Assembly of Shareholders for a period AD, the Ordinary General Assembly of Shareholders elected 2023/03/not exceeding three (3) years. On 04 AD for a period of three years ending 2023/03/members of the Board of Directors for a new session starting on 04 AD. The majority of the board members are non-executive, with the exception of the managing 2026/02/on 04 director. Three (3) non-executive members were elected, and there are four (4) independent members on the board.

Board of Directors and classification of its members

Membership status	title	Name	٢
Nonexecutive	Chairman of the Committee	Mr. Turki bin Ibrahim Al Rajhi	1
Nonexecutive	Vice President	Mr. Firas bin Khaled Al Bawardi	2
Independent	Committee Member	Eng. Mohammed bin Saud Al Zamil	3
Independent	Committee Member	Dr. Sami Abdullah Dakhil Allah AlSaeed	4
Nonexecutive	Committee Member	Mr. Turki bin Ahmed Al-Obailan	5
Independent	Committee Member	Mr. Abdul Mohsen Abdullah Abdul Rahman Al Rajhi	6
Independent	Committee Member	Mr. Saud bin Nasser Al-Rayes	7
Independent	Committee Member	Mr. Muhammad bin Abdullah AlRashid	8
	Secretary General	Mr. Muhammad bin Saleh ElMazeed	9

Mr. Bassel Bin Fahad Al Sultan resigned from the Board of Directors on 27/09/2023 AD.
Mr. Turki Al- Obailan was appointed as a member of the Board of Directors on 28/09/2023 AD.

Dividends distributed during 2023

.Batic Investments & Logistics Company did not distribute dividends to shareholders during 2023

:The company acknowledges the following

- .The account records were prepared correctly -
- .The internal control system was prepared on sound foundations and implemented effectively -
- .There is no doubt about the company's ability to continue its activity -

:Also, it acknowledged the following

- .There are no tradable shares or debt instruments issued by the subsidiaries-
- The company did not issue or grant any transferable debt instruments, any contractual securities, subscription -
- rights memorandums, or similar rights during the fiscal year
- Convertible Debt Instruments and No Rights Options or Subscription Rights or Similar Rights Issued or Granted-
- by the Company during 2023
- The company did not issue or grant any transfer or subscription rights under transferable debt instruments,-
- contractual securities, subscription rights memorandums, or similar rights

Debt instruments convertible into shares, nor any option rights, subscription rights memorandums, or similar rights issued or granted by the company during 2023 AD

The Company and its subsidiaries have not made any redemption, purchase or cancellation of any redeemable debt instruments

Debt instruments convertible into shares, nor any option rights, subscription rights memorandums, or similar rights issued or granted by the company during 2023 AD

There are no redemption, repurchase, or cancellation arrangements by the Company for any redeemable debt instruments

Based on the information available, there have been no significant transactions or deals entered into by the company with related parties that violate the provisions of the Companies Law, the Capital Market Law, or the regulations of the executive authority. Additionally, there have been no significant transactions or contracts in which the company was a party or in which there was an interest for any member of the Board of Directors, the CEO, the CFO, or any related person

- .None of the company's board members or senior executives has waived any salary or compensation
- .None of the company's board members or senior executives has waived any salary or compensation
- .There are no investments or reserves established for the benefit of the company's employees
- .The certified public accountant's report did not include any reservations on the annual financial statements
- .There are no treasury shares held by the company



Members of the Board of Directors, their current

their current and previous positions, their expertise, qualifications, and statements of their memberships in the boards of companies or their management positions both inside and outside the Kingdom

Mr. Turki bin Ibrahim Al-Rajhi ◀

Chairman of the Board of Directors (non-executive)
Chairman of the Executive and Investment Committee



Current board memberships of companies or their directors

Within the Kingdom

- «Batic Investment and Logistics Company “listed
- .”Dkhoun National Trading Company “Closed Joint Stock
- .Smart Cities Solutions “Limited Liability Company
- .«Batic Real Estate Co «Limited Liability
- ”Saudi Transport and Investment Company (Mubarrad) “Limited Liability Company

Out-Kingdom

- None

Previous board memberships of companies or their directors

- None

Current Positions

- Chairman of the Board of Directors of Batic Investment and Logistics Company
- (Chairman of the Board of Directors of the Saudi Transport and Investment Company (Mubarrad
- .Chairman of the Board of Directors of Smart Cities Solutions Company
- Chairman of the Board of Directors of Batic Real Estate Co
- Vice Chairman of the Board of Directors of Dokhoun Company

Previous Positions

- Credit Analyst - Alinma Bank

Qualifications

- Master of Finance: Regent University
- Bachelor's degree in Finance: Prince Sultan University

Experiences

- Companies and investment committees chairmanship and management. Investor in local and .global markets

Mr. Firas bin Khaled Al Bawardi ◀

Vice Chairman of the Board of Directors (non-executive)
and member of the Executive and Investment Committee



Current board memberships of companies or their directors

Inside the Kingdom

- Batic Investment and Logistics Company - listed joint stock
- Jazan Energy and Development Company (Jazadco) - listed joint stock
- Al-Reef Sugar Refining Company Closed Joint Stock Company
- Al-Jouf Municipality Company closed joint stock company under incorporation
- Alwafa Global Manufacturing Company Ltd - Limited Liability
- Arabian Security & Safety Services Co. Ltd - Limited Liability Company
- Smart City Solutions Co. - Limited Liability Company

Outside the Kingdom

- TRAKEN Company Limited Liability Company

Previous board memberships of companies or their directors

Inside the Kingdom

- AMNCO Facility Management - Limited Liability Company
- Saudi Transport and Investment Company (Mubarrad) - Limited Liability Company
- Jazil Investment Company - closed joint stock company
- Jasara Holding Company - Limited Liability Company
- Taqat Technical Contracting Company Limited Liability Company
- Axis Inspection Contracting - Closed Joint Stock Company
- Performance Minerals Factory for Chemicals Limited Liability Company

Current Positions

- Managing Director of Jazan Development and Investment Company

Previous Positions

- CEO of Jazil Investment Company
- CEO of Jasara Holding Company
- Director of Real Estate Management - Estedama Company
- Project Manager - Council of Economic and Development Affairs
- Local and international equity analyst in treasury Samba Bank

Qualifications

- Bachelor's degree in Financial Management from the University of Oregon, USA, in 2011

Experiences

- The field of investment, financial analysis, and local and international stocks

Eng. Mohammed bin Saud Al Zamil ◀

Managing Director (Executive)



Current board memberships of companies or their directors

Inside the Kingdom

- "Batic Investment and Logistics Company "listed
- "Al Saif Stores Development and Investment Company "listed
- "Arabian Security & Safety Services Co. Ltd "Limited Liability Company
- "Saudi Transport and Investment Company (Mubarrad) - "Limited Liability Company
- "Smart City Solutions Co. for Communications and Information Technology "Limited Liability Company
- «Batic Real Estate Co «Limited Liability Company
- «AMNCO Facility Management - "Limited Liability Company
- «APPEN Medical - "Limited Liability Company
- Member of the Investment Committee of AlYamamah National Association

Out-Kingdom

- None

Previous board memberships of companies or their directors

Inside the Kingdom

- Jazil Investment Company - closed joint stock company
- Axis Inspection Contracting - Closed Joint Stock Company
- (Al-Wafa International Factory for Industries Limited - (Limited Liability Company

Current Positions

- Managing Director of Batic Investment and Logistics Company
- Chairman of the Board of Directors of Arabian Security & Safety Services Co. Ltd
- (Member of the Board of Directors of Saudi Transport and Investment Company (Mubarrad
- .Member of the Board of Directors of Smart City Solutions Co
- Member of the Board of Directors of Batic Real Estate Co
- .Director of AMNCO Facility Management Ltd
- Director of APEN Medical

Previous Positions

- CEO of Jazil Investment Company
- General Manager of Alwafa Global Manufacturing Co. Ltd
- Senior advisor in the office of the Assistant Director General for Credit and Project Study at the Saudi Industrial Development Fund

Qualifications

- .Master of Manufacturing Systems Engineering and Management, University of Warwick, United Kingdom
- .Bachelor of Chemical Engineering, King Saud University
- .Certified Management Accountant (CMA) license
- .Passing the Management Acceleration Program (MAP) from INSEAD Business School France
- .Attend Venture Capital Executive USA Program UC Berkeley, Haas School of Business
- .(PMP professional certification license from the Project Management Institute (PMI-USA
- (Strategic and Comparative Analysis License (CSCA

Experiences

- Multiple experiences in the field of executive management resulted in obtaining several awards, including the award for the best CEO of investment management in the logistics sector for the year 2023, .presented by International Finance
- Experience in the field of board membership, corporate management and investment

Dr/ Sami bin Abdullah AlSaeed ◀
(Member of Board of Directors (Independent



Current board memberships of companies or their directors

Inside the Kingdom

- Member of the Board of Directors of Batic Investment and Logistics Company
- Member of the Board of Directors of Towa Development Company
- Member of the Board of Directors of Miral Dental Center

Out-Kingdom

- None

Previous board memberships of companies or their directors

Inside the Kingdom

- Member of the Board of Directors of Al Hammadi Holding Company
- Member of the Board of Directors of the Saudi National Maritime Transport Company
- Member of the Board of Directors of the Saudi Dental Association

Current Positions

- CEO and Director of Miral Dental Centre

Previous Positions

- Executive Director of Rawan Development and Commercial Investment Company Limited
- Faculty member at the Prince Abdul Rahman bin Abdulaziz Institute for Postgraduate Dental Studies
- Consultant physician at Prince Sultan Military Medical City

Qualifications

- Bachelor's degree in dentistry from King Saud University
- A diploma in pediatric dentistry from New York University
- A Master's degree in dentistry from New York University
- American Board of Pediatric Dentistry

Experience

- Pediatric Dentistry, in Executive Management, and membership in the Boards of Directors of facilities

Mr. Turki bin Ahmed Al-Obailan ◀

(Board Member (Non-Executive
Member of the Audit Committee



Current board memberships of companies or their directors

Inside the Kingdom

- Batic Investment and Logistics Company Listed Joint Stock Company
- Jazan Energy and Development Company (Jazadco) - listed joint stock
- Al-Marqab Markets Trading Company

Out-Kingdom

- None

Previous board memberships of companies or their directors

- None

Current Positions

- Member of the Board of Directors of Batic Investment and Logistics Company and member of the Audit Committee
- Member of the Board of Directors at Jazan Development and Investment Company (Jazadco), Chairman of the Audit Committee and Chairman of the Nominations and Remuneration Committee
- Member of the Audit Committee at Gulf Insurance Group
- Member of the Board of Directors at Al-Marqab Commercial Markets Company

Previous Positions

- CEO of Batic Real Estate Co
- Head of the Local Banks Examination Department at the Central Bank of Saudi Arabia
- Banking supervision at the Central Bank of Saudi Arabia
- Banking Inspection Department at the Central Bank of Saudi Arabia

Qualifications

- Master of Business Administration (MBA) from the University of Hull in 2008, and a Bachelor of Business Administration in Finance from King Saud University in 2001

Experience

- Examining and reviewing local banks in the areas of credit, risk management, corporate governance, and compliance
- Experience in the field of real estate investment and development

Mr. Saud bin Nasser AlRayes ◀

Board Member (Independent)



Current board memberships of companies or their directors

Inside the kingdom

- Member of the Board of Directors of Batic Investment and Logistics Company •

Out-Kingdom

- None •

Previous board memberships of companies or their directors

- None •

Current positions

- Chief Investment Officer - Capital Markets and Investment - at Derayah Financial •

Previous Positions

- Head of Asset Management Investment Capital •
- Head of Portfolio Management – Fransi Capital •
- Special Portfolio Manager - HSBC Saudi Arabia •

Qualifications

- Master of Science in Investment Management, University of Reading, United Kingdom
- Bachelor of Science in Financial Management, Prince Sultan University

Experiences

- Investment field asset and portfolio management •

Mr. Abdul Mohsen bin Abdullah Al Rajhi ◀

(Board Member (Independent



Previous board memberships of companies or their directors

Inside the kingdom

- "Batic Investment and Logistics Business Company" listed
- Arabian Security & Safety Services Co. Ltd - AMNCO
- Dakhoun National Trading Company, "a closed Saudi joint stock company," member of the Audit Committee

Out-Kingdom

- None

Previous board memberships of companies or their directors

- None

Current positions

- Project and property management at Al Rajhi Group (oneperson company working in the field of .real estate development) from 2017 AD until now

Previous Positions

- Property management and development supervisor at Raj Real Estate Company (a limited liability company .working in the field of real estate activities) from 2014 AD to 2016 AD

Qualifications

- Bachelor's degree in English Language

Experiences

- real estate property management, real estate development and project management

Mr. Muhammad bin Abdullah Al-Rashid ◀

Board Member (Independent)



Current board memberships of companies or their directors

Inside the kingdom

- "Batic Investment and Logistics Company" listed
- "Jazan Development and Investment Company (JAZADCO)" listed
- "Jazan Mango Trading Company" Limited Liability
- "Fish Day Fish Sales Company" Limited Liability
- "Vera Financial Company" Closed Joint Stock Company

Out-Kingdom

- None

Current board memberships of companies or their directors

- None

Current positions

- CEO of Jazan Development and Investment Company

Previous Positions

- Director of strategic planning for the International Company for Transformative Industries
- (Collaborating lecturer at King Saud University for the course (Entrepreneurship

Qualifications

- Master of Project Management, The Catholic University of America
- Bachelor's degree in Financial Management from King Saud University

Experiences

- Collaborating lecturer at King Saud University
- Participation in establishing a number of pioneering projects in the field of sweets and personal care

Numbers of shares of members and their relatives

Interests and rights of the members of the Board of Directors, senior executives, and their close relatives in the company's shares and debt instruments and any changes :during the year 2023

Board of Directors					
Net change	No. of shares/ ending of the year	No. of shares/be- ginning of the year	Position	Name	
65000000	65000000	0	Chairman of the Committee	Mr. Turki bin Ibrahim Al Rajhi	1
1800	2000	200	Vice President	Mr. Firas bin Khaled Al Bawardi	2
60000	60000	0	Managing Director	Eng. Mohammed bin Saud Al Zamil	3
5493129	6550000	1056871	Committee Mem- ber	Dr. Sami Abdullah Dakhil Allah AlSaeed	4
13225536	14682890	1457354	Committee Mem- ber	Mr. Turki bin Ahmed Al-Obailan	5
828310	974980	146670	Committee Mem- ber	Mr. Abdul Mohsen Abdullah Abdul Rahman Al Rajhi	6
0	0	0	Committee Mem- ber	Mr. Saud bin Nasser Al-Rayes	7
20000	20000	0	Committee Mem- ber	Mr. Muhammad bin Abdullah AlRashid	8

Executive management					
Net change	No. of shares/ ending of the year	No. of shares/be- ginning of the year	Position	Name	
60000	60000	0	Managing Director	Eng. Mohammed bin Saud Al Zamil	1
54	60	6	The Secretary -General and CEO for Governance and Public Affairs	Mr. Muhammad bin Saleh El- Mazeed	2
1800	1800	0	Financial Officer	Mr. Mohamed Mahmoud Tan- tawi	3

* The share was split from 10 riyals to 1 riyal



The procedures adopted by the Board of Directors to inform its members, especially non-executive members, of the shareholders' proposals and comments regarding :the company and its performance

The Investor Affairs Department prepares a report on all comments and suggestions, if any, from the company's shareholders and presents them to the Chairman of the Board of Directors and the Managing Director, who in turn notify the members of the Board of Directors .through Board of Directors meetings and the appropriate taken action

**Statement of the meetings of the current elected council in April 2023
(number of meetings 3)**

3 rd meeting 09/20/2023 AD	2 nd meeting 04/12/2023 AD	1 st meeting 04/05/2023 AD	Name	
Attendant	Attendant	Attendant	Mr. Turki bin Ibrahim Al Rajhi	1
Attendant	Attendant	Attendant	Mr. Firas bin Khaled Al Bawardi	2
Attendant	Attendant	Attendant	Eng. Mohammed bin Saud Al Zamil	3
Attendant	Attendant	Attendant	Dr. Sami Abdullah Dakhil Allah Al-Saeed	4
Attendant	Attendant	Attendant	Mr. Basil bin Fahd Al-Sultan	5
Attendant	Attendant	Attendant	Mr. Abdul Mohsen Abdullah Abdul Rahman Al Rajhi	6
Attendant	Attendant	Attendant	Mr. Saud bin Nasser Al-Rayes	7

*Mr. Bassel Bin Fahad Al Sultan resigned from the Board of Directors on 27/09/2023 AD

*Mr. Turki Al- Obailan was appointed as a member of the Board of Directors on 28/09/2023 AD

**Statement of the board meetings ending in April 2023
(number of meetings 1)**

1 st meeting 01/17/2023 AD	Name	
Attendant	Mr. Ahmed bin Muhammad Al-Sanea	1
Attendant	Mr. Fahd Mubarak Al-Qathami	2
Attendant	Mr. Firas bin Khaled Al Bawardi	3
Attendant	Eng. Mohammed bin Saud Al Zamil	4
Attendant	Dr. Sultan bin Abdulaziz Al-Mubarak	5
Attendant	Mr. Fahd bin Muhammad Al-Obailan	6
Apologized	Mr. Taha bin Muhammad Azhari	7



Board meetings

In 2023, the Board of Directors held four meetings during the year, with one meeting of the previous Board of Directors, whose term ended in April 2023 AD, and three meetings of the current and elected Board in April 2023 AD, as follows



The responsibilities and tasks of the Executive and Investment Committee are as follows:

- 01** Studying the comprehensive strategy of the company, major and interim business plans, investment policies and mechanisms, finance, risk management, and contingency management plans pursuant to the proposal of the executive management
- 02** Reviewing the optimal capital structure of the company, along with its strategies and financial objectives
- 03** Reviewing the company's major capital expenditures, asset ownership, and management, as well as reviewing various types of budget estimates.
- 04** Recommendation on entering into new investment projects, partnerships, or acquiring companies related to the company's operations, or for the vertical and horizontal growth and development of current activities
- 05** Conducting the necessary studies for the company's new investments and submitting the necessary recommendations regarding them.



Company Committees

Executive and Investment Committee

In accordance with the requirements of the Companies Act and the company's Executive and Investment Committee policy, the Board of Directors constituted the Executive and Investment Committee. This committee consists of at least three (3) members appointed by the Board of Directors based on Nominations from the Compensation and Nomination Committee. These members can be either board members or external individuals. The Current Executive and Investment Committee consists of four (4) members, in addition to the Secretary of the Committee (Mohamed Al-Mazyad). The Executive and Investment Committee was constituted at the Board of Directors meeting held on 05/04/2024, with the new session of the Committee starting on 03/04/2023) and ends at the end of the current Board of Directors term on (02/04/2026).

12

Reviewing the company's organizational and functional structures and submitting them to the Board of Directors to consider their approval based on the proposal of the Executive Management.

13

Reviewing and developing the internal regulations related to the company's work, including defining the tasks, competencies and responsibilities assigned to the various organizational levels and proposing their amendment when needed.

14

Reviewing the policy of delegating work to the executive management and the method of its implementation.

15

Reviewing the powers delegated to the executive management, decision-making procedures and the duration of delegation, and studying periodic reports on the executive management's exercise of those powers.

16

Study the policy and types of rewards granted to employees, such as fixed rewards, performance-related rewards, and rewards in the form of shares.

17

Reviewing draft financial and non-financial periodic reports on the progress achieved in the company's activity in light of the company's strategic plans and objectives, and presenting those reports to the Board of Directors.

18

Reviewing the reports and information of the company's executive management that are submitted to members of the Board of Directors, non-executive and independent members in particular, and the committees emanating from the Board of Directors, and all necessary information, data, documents and records, and ensuring that they are sufficient, accurate and timely, to enable them to properly perform their duties.

06

Submitting a recommendation to the Board of Directors to take its decision regarding the following:

- A. Increasing or decreasing the company's capital.
- B. Dissolving the company before the term specified in its article of association or continuation report.
- C. Using the company's contractual reserve if it is formed by the extraordinary general assembly and is not allocated for a specific purpose.
- D. Creating additional financial reserves or allocations for the company.
- E. The method of distributing the company's net profits.

07

7. Review the implementation of internal control systems and controls, including:

- A. Implementing a conflict-of-interest policy.
- B. Implementing appropriate control systems for measuring and managing risks by outlining a general overview of the risks that the company may face and establishing an environment knowledgeable in risk mitigation culture throughout the company. This should be presented transparently to the board of directors and other stakeholders and parties related to the company.

08

Reviewing the implementation of internal control and risk management systems, verifying the effectiveness and adequacy of those systems, and ensuring compliance with the level of risks approved by the Board of Directors.

09

Follow up and review all important issues related to cases brought before the judiciary, emergency cases, and claims that require to appear in the accounting statements.

10

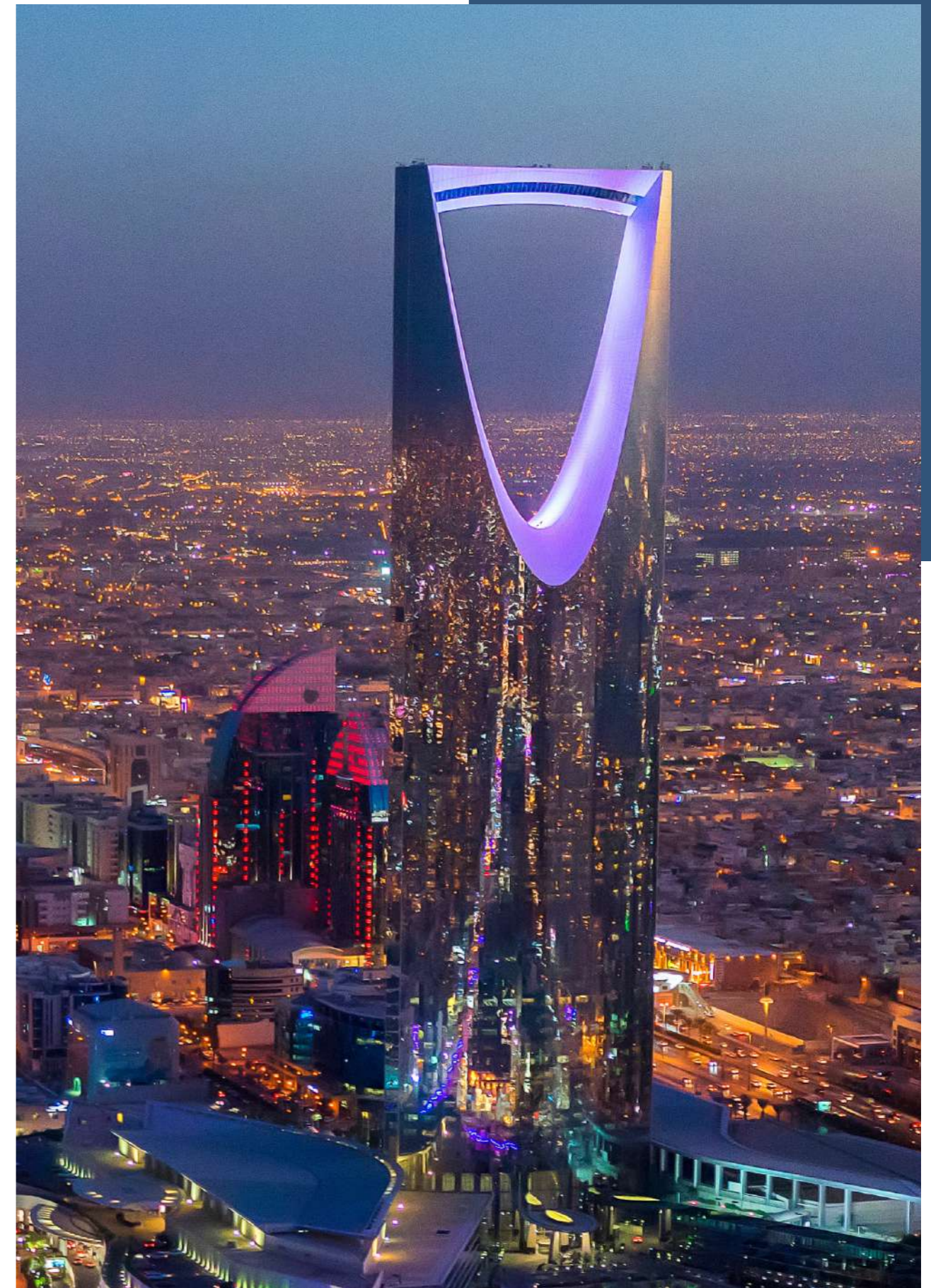
Follow up on important recommendations submitted by the internal auditor and chartered accountant.

11

Active participation in building and nurturing an ethical values culture within the company.

▶▶ It consists of the following members:

Membership Class	Job Title	Name	
Non-executive	Chairman of the Committee	Mr. Turki bin Ibrahim Al Rajhi	1
Non-executive	Committee Member	Mr. Firas bin Khaled Al Bawardi	2
Executive	Committee Member	Eng. Mohammed bin Saud Al Zamil	3
Independent.	Committee Member	Dr. Sami Abdullah Dakhil Allah Al-Saeed	4
	Secretary of the Committee	Mr. Muhammad bin Saleh El- Mazed	5



▶ Mr. Turki bin Ibrahim Al-Rajhi

Chairman of the Board of Directors (non-executive) Chairman of the Executive and Investment Committee



Current board memberships of companies or their directors

Inside the Kingdom

- Batic Investment and Logistics Company “listed”.
- Dkhoun National Trading Company “Closed Joint Stock”.
- Smart Cities Solutions “Limited Liability Company.
- Batic Real Estate Co «Limited Liability».
- Saudi Transport and Investment Company (Mubarrad) “Limited Liability Company”

Outside the Kingdom

- None

Previous board memberships of companies or their directors

- None

Current Positions

- Chairman of the Board of Directors of Batic Investment and Logistics Company.
- Chairman of the Board of Directors of the Saudi Transport and Investment Company (Mubarrad)
- Chairman of the Board of Directors of Smart City Solutions Co.
- Chairman of the Board of Directors of Batic Real Estate Co.
- Vice Chairman of the Board of Directors of Dokhoon Company.

Previous Positions

- Credit Analyst - Alinma Bank

Qualifications

- Master of Finance: Regent University.
- Bachelor's degree in Finance: Prince Sultan University

Experiences

- Companies and investment committees chairmanship and management.
- Investor in local and global markets.

▶ Mr. Firas bin Khaled Al Bawardi

Vice Chairman of the Board of Directors (non-executive) and member of the Executive and Investment Committee



Current board memberships of companies or their directors

Inside the Kingdom

- Batic Investment and Logistics Company - listed joint stock
- Jazan Energy and Development Company (Jazadco) - listed joint stock
- Al-Reef Sugar refinery Company - Closed Joint Stock Company
- Al-Jouf Municipality Company - closed joint stock company under incorporation
- Alwafa Global Manufacturing Company Ltd - Limited Liability
- Arabian Security & Safety Services Co. Ltd - Limited Liability Company
- Smart City Solutions Co. - Limited Liability Company.

Outside the Kingdom

- TRAKEN Company - Limited Liability Company

Previous board memberships of companies or their directors

Inside the Kingdom

- AMNCO Facility Management - Limited Liability Company.
- Saudi Transport and Investment Company (Mubarrad) - Limited Liability Company.
- Jazil Investment Company - closed joint stock company.
- Jasara Holding Company - Limited Liability Company.
- Taqat Technical Contracting Company - Limited Liability Company.
- Axis Inspection Contracting - Closed Joint Stock Company.
- Performance Minerals Factory for Chemicals- Limited Liability Company.

Current Positions

- Managing Director of Jazan Development and Investment Company

Previous Positions

- CEO of Jazil Investment Company.
- CEO of Jasara Holding Company.
- Director of Real Estate Management - Estedama Company.
- Project Manager - Council of Economic and Development Affairs.
- Local and international equity analyst in treasury - Samba Bank

Qualifications

- Bachelor's degree in Financial Management from the University of Oregon, USA, in 2011

Experiences

- The field of investment, financial analysis, and local and international stocks

Eng. Mohammed bin Saud Al Zamil

Managing Director (Executive)



Current board memberships of companies or their directors

Inside the Kingdom

- Batic Investment and Logistics Company “listed”.
- Al Saif Stores Development and Investment Company “listed”.
- Arabian Security & Safety Services Co. Ltd “Limited Liability Company”.
- Saudi Transport and Investment Company (Mubarrad) - “Limited Liability Company”.
- Smart City Solutions Co. for Communications and Information Technology “Limited Liability Company”.
- Batic Real Estate Co «Limited Liability Company».
- AMNCO Facility Management - “Limited Liability Company”.
- APEN Medical - “Limited Liability Company”.
- Member of the Investment Committee of Al-Yamamah National Association

Outside the Kingdom

- None

Previous board memberships of companies or their directors

Inside the Kingdom

- Jazil Investment Company - closed joint stock company
- Axis Inspection Contracting - Closed Joint Stock Company
- Al-Wafa International Factory for Industries Limited - (Limited Liability Company)

Current Positions

- Managing Director of Batic Investment and Logistics Company
- Chairman of the Board of Directors of Arabian Security & Safety Services Co. Ltd
- Member of the Board of Directors of Saudi Transport and Investment Company (Mubarrad)
- Member of the Board of Directors of Smart City Solutions Co.
- Member of the Board of Directors of Batic Real Estate Co
- Director of AMNCO Facility Management Ltd.
- Director of APEN Medical

Previous Positions

- CEO of Jazil Investment Company
- General Manager of Alwafa Global Manufacturing Co. Ltd
- Senior advisor in the office of the Assistant Director General for Credit and Project Study at the Saudi Industrial Development Fund

Qualifications

- Master of Manufacturing Systems Engineering and Management, University of Warwick, United Kingdom.
- Bachelor of Chemical Engineering, King Saud University.
- Certified Management Accountant (CMA) license.
- Passing the Management Acceleration Program (MAP) from INSEAD Business School France.
- Attend Venture Capital Executive USA Program UC Berkeley, Haas School of Business.
- PMP professional certification license from the Project Management Institute (PMI-USA).
- Strategic and Comparative Analysis License (CSCA)

Experiences

- Multiple experiences in the field of executive management resulted in obtaining several awards, including the award for the best CEO of investment management in the logistics sector for the year 2023, presented by International Finance.
- Experience in the field of board membership, corporate management and investment

▶ Dr/ Sami bin Abdullah Al-Saeed

Member of Board of Directors - (Independent)



Current board memberships of companies or their directors

Inside the Kingdom

- Member of the Board of Directors of Batic Investment and Logistics Company
- Member of the Board of Directors of Towa Development Company
- Member of the Board of Directors of Miral Dental Center

Outside the Kingdom

- None

Previous board memberships of companies or their directors

Inside the Kingdom

- Member of the Board of Directors of Al Hammadi Holding Company.
- Member of the Board of Directors of the Saudi National Maritime Transport Company.
- Member of the Board of Directors of the Saudi Dental Association
-

Current Positions

- CEO and Director of Miral Dental Centre

Previous Positions

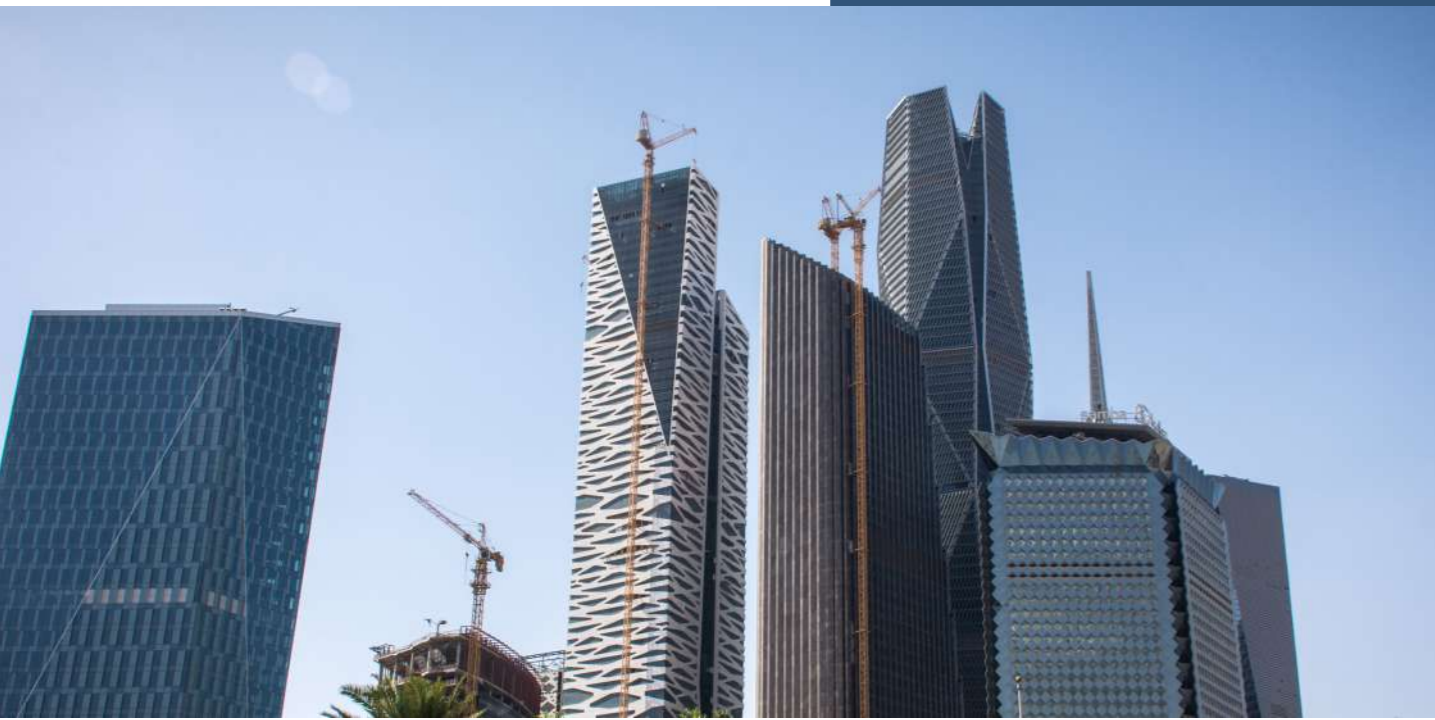
- Executive Director of Rawan Development and Commercial Investment Company Limited
- Faculty member at the Prince Abdul Rahman bin Abdulaziz Institute for Postgraduate Dental Studies
- Consultant physician at Prince Sultan Military Medical City

Qualifications

- Bachelor's degree in dentistry from King Saud University.
- A diploma in pediatric dentistry from New York University.
- A Master's degree in dentistry from New York University.
- American Board of Pediatric Dentistry.

Experience

- Pediatric Dentistry, in Executive Management, and membership in the Boards of Directors of facilities



Audit Committee

The Board of Directors has formed the Audit Committee in accordance with Article Thirty-Five (35) of the Company's Articles of Association and Paragraph One (1) of Article Two (2) of the Company's Audit Committee Regulations, and accordingly this committee must consist of a number of members not less than three (3) Not more than five (5) members who are not members of the Executive Board of Directors, whether shareholders or others, and the number of current committee members is three (3) members in addition to the Committee Secretary (Hossam Al-Afra'). The members of the Audit Committee have been appointed by the General Assembly Ordinary session held on 03/04/2023, for a new session starting on 03/04/2023 and ending with the end of the current Board of Directors session on 02/04/2026). The role of the Audit Committee is summarized in supervising the company's auditing and review activities, overseeing and managing them in accordance with the company's policies and programs that comply with regulatory requirements. It strengthens and activates them to provide the highest level of assurance for all the company's commercial operations. Additionally, it supports executive management in understanding business risks and controlling them to protect shareholders' rights, and assists the board of directors in efficiently and effectively carrying out its supervisory duties.

Record of attendance at the Executive and Investment Committee meetings for the year 2023

First meeting 19/09/2023	Name	
Attendant	Mr. Turki bin Ibrahim Al Rajhi	1
Attendant	Mr. Firas bin Khaled Al Bawardi	2
Attendant	Eng. Mohammed bin Saud Al Zamil	3
Attendant	Dr. Sami Abdullah Dakhil Allah Al-Saeed	4
Attendant	Mr. Mohammed Bin Saleh Almazyad	5

➤ Financial Reports

Study the company's initial and annual financial statements and announcements related to its financial performance before presenting them to the Board of Directors, to ensure their integrity, fairness and transparency, and express its opinion.

Providing a technical opinion, upon the request of the Board of Directors, as to whether the Board's report and the company's financial statements are fair, balanced, and understandable and include information that allows shareholders and investors to evaluate the company's financial position or condition, its performance, business model, and strategy.

Study any important or unusual issues included in the financial reports.

Thoroughly research any issues raised by the company's financial director, whoever assumes his duties, the company's compliance officer, or the auditor.

Verifying accounting estimates on material matters contained in financial reports.

Study the accounting policies followed in the company and express an opinion and recommendation to the Board of Directors regarding them.

➤ Internal Audit

Study and review the company's internal control, financial, and risk management systems, and prepare a written report that includes its recommendations and opinion on the adequacy of these systems and the work it has performed that falls within the scope of its jurisdiction, provided that the Board of Directors deposits sufficient copies of this report at the company's main office before the date of the General Assembly. At least ten days; To provide any shareholders who wish with a copy thereof. The report will be read out during the assembly.

Study internal audit reports and follow up on the implementation of corrective measures for the observations contained therein.

Monitoring and supervising 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 work and tasks assigned to them. If the company does not have an internal auditor, the committee must submit its recommendation to the Council regarding the need to appoint one.

➤ Terms of reference, powers and responsibilities of the Committee

The Audit Committee is responsible for monitoring the company's work and verifying the integrity and integrity of its reports, financial statements, and internal control systems. The committee's tasks include, in particular, the following:

Request documents, reports, clarifications and other appropriate information from the company's executives and officials.

Inviting the company's executives, officials and employees to committee meetings to ask them questions and to request clarifications and explanations from them.

Seeking the assistance of experts, consultants and specialists from outside the company.

Performing any duties assigned to them by the Board of Directors within the limits of the powers of the Audit Committee.

Conduct annual review and evaluation of its regulations and prepare recommendations to the Board of Directors regarding amending part of it (if required).

Preparing reports on a periodic basis for the Board of Directors, to be submitted to the Board immediately upon completion of the committee meeting.

Dealing with the information available to the committee as a result of carrying out its work with complete confidentiality.

Informing the Board of Directors of developments that affect its independence or of conflicts of interest related to the decisions taken by the Audit Committee.

Preparing an annual evaluation and review of the activities of the Audit Committee and its members, including the degree of the committee's compliance with its regulations.

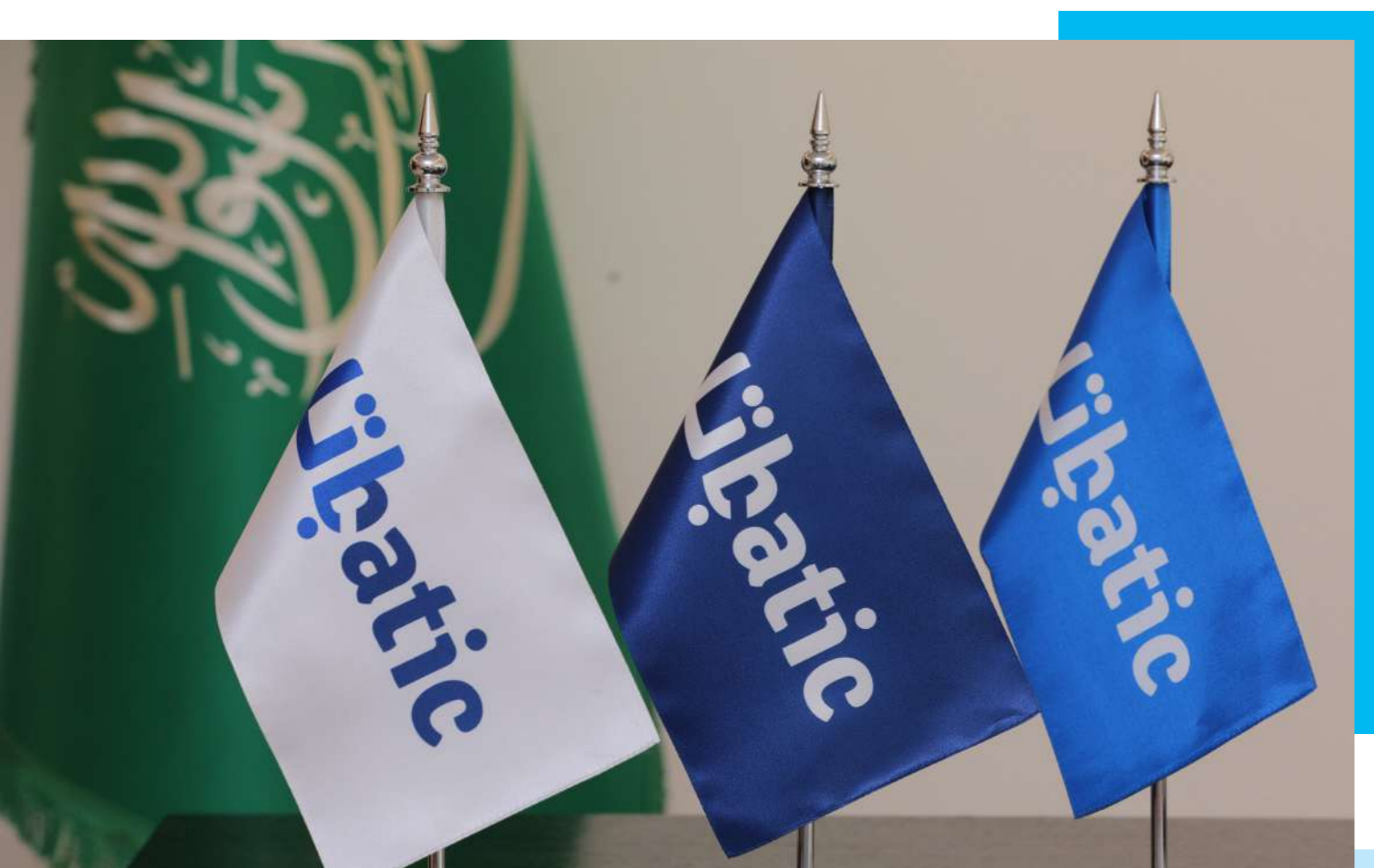


It consists of the following members:

Membership Class	Job Title	Name	
Independent (from outside the Board)	Chairman of the Committee	Mr. Taha bin Muhammad Azhari	1
Independent.	Former Chairman of the Committee	Mr. Basil bin Fahd Al-Sultan	2
Independent.	Committee Member	Mr. Turki bin Ahmed Al-Obailan	3
Independent (from outside the Board)	Committee Member	Mr. Turki bin Abdullah Al-Hammad	4
	Secretary of the Committee	Mr. Hossam Al-Aqraa	5

* Mr. Basil bin Fahd Al-Sultan resigned from the membership of the Audit Committee on 27/09/2023

*Mr. Turki Al-Obailan was appointed as a member of the Audit Committee on: 28/09/2023



Auditor

▶ Recommending to the Board of Directors to appoint or dismiss auditors, determine their fees, and evaluate their performance, after ensuring their independence and reviewing the scope of their work and the terms of their contract

▶ Verifying the independence and objectivity of the auditor, and the effectiveness of the audit work, taking into account the relevant rules and standards.

▶ Reviewing the company's auditor's plan and work, verifying that he is not submitting technical or administrative work that falls outside the scope of audit work, and expressing his views on that.

▶ Answering company auditors' inquiries.

▶ Studying the auditor's reports and observations on the financial statements and following up on what has been taken regarding them.

Ensuring Commitment

▶ Reviewing the results of the regulatory authorities' reports and verifying that the company has taken the necessary measures regarding them.

▶ Verifying the company's compliance with relevant laws, regulations, policies and instructions.

▶ Review the contracts and transactions proposed to be conducted by the company with related parties, and present what it deems appropriate regarding them to the Board of Directors.

▶ Presenting to the board of directors any issues deemed necessary to take action upon and providing recommendations on the necessary steps to be taken.

▶ Mr/ Taha bin Muhammad Azhari

Member of the Audit Committee

Current board memberships of companies or their directors

Inside the Kingdom

- Zahrat Al Waha Company
- Hana Food Industries Company
- Digital platform company
- Nami company

Outside the Kingdom

- None

Previous board memberships of companies or their directors

Inside the Kingdom

- Batic Investment and Logistics Company
- Arabian Shield Insurance Company

Current Positions

- Member of the Audit Committee Batic Investment and Logistics Company
- Member of the Risk Committee and the Nominations and Rewards Committee, Arabian Shield Insurance Company

Previous Positions

- CEO Advisor, Head of Internal Audit, Chief Financial Officer, MATARAT Holding Company
- Economic Advisor to the CEO, Chief Business Excellence Officer, Chief Financial Officer
- General Manager of Finance, Saudi Arabian Stores Company

Qualifications

- Bachelor of Accounting - King Saud University

Experience

- He held many leadership positions in finance and internal auditing and has multiple experiences and specializes in financial and accounting affairs.
- He held many positions, including (Chief Financial Director and Head of Internal Audit) at the Saudi Civil Aviation Company
- He held many positions, including (financial director, economic advisor to the CEO, business development director) at the National Water Company
- General Manager of Finance - Saudi Department Stores Company.
- Leadership in finance and internal auditing, with multiple experiences, and a specialist in financial and accounting affairs

▶ Mr. Turki bin Ahmed Al-Obailan

Board Member (Non-Executive)

Member of the Audit Committee

Current board memberships of companies or their directors

Inside the Kingdom

- Batic Investment and Logistics Company - Listed Joint Stock Company.
- Jazan Energy and Development Company (Jazadco) - listed joint stock.
- Al-Marqab Markets Trading Company.

Outside the Kingdom

- None

Previous board memberships of companies or their directors

- None

Current Positions

- Member of the Board of Directors of Batic Investment and Logistics Company and member of the Audit Committee.
- Member of the Board of Directors at Jazan Development and Investment Company (Jazadco), Chairman of the Audit Committee and Chairman of the Nominations and Remuneration Committee.
- Member of the Audit Committee at Gulf Insurance Group
- Member of the Board of Directors at Al-Marqab Commercial Markets Company.

Previous Positions

- CEO of Batic Real Estate Co
- Head of the Local Banks Examination Department at the Central Bank of Saudi Arabia
- Banking supervision at the Central Bank of Saudi Arabia
- Banking Inspection Department at the Central Bank of Saudi Arabia

Qualifications

- Master of Business Administration (MBA) from the University of Hull in 2008, and a Bachelor of Business Administration in Finance from King Saud University in 2001.

Experience

- Examining and reviewing local banks in the areas of credit, risk management, corporate governance, and compliance.
- Experience in the field of real estate investment and development.

▶ **Mr. Turki bin Abdullah Al-Hammad**
Member of the Audit Committee

■ **Current board memberships of companies or their directors**

▶ **Inside the Kingdom**

- None

▶ **Outside the Kingdom**

- None

■ **Previous board memberships of companies or their directors**

▶ **Inside the Kingdom**

- None

▶ **Current Positions**

- Financial Control Director - Tabadul Company

▶ **Previous Positions**

- Accounting and Treasury Director - Tabadul Company
- Acting Department Manager, Budgeting and Financial Reporting - Tabadul Company
- Department Manager, Budgeting and Financial Reporting - (HRDF)
- Chief Accountant - (HRDF)

▶ **Qualifications**

- Bachelor's degree in Accounting from King Saud University

▶ **Experience**

- In financial control, accounting, treasury, budgeting and financial reporting



Record of attendance at the Audit Committee meetings for the session that began its work in April 2023

Fourth meeting 12/12/2023	Third meeting 01/11/2023	Second meeting 02/08/2023	First meeting 16/05/2023	Name	
Attendant	Attendant	Attendant	Attendant	Mr. Taha bin Muhammad Azhari	1
		Attendant	Attendant	Mr. Basil bin Fahd Al-Sultan**	2
Attendant	Attendant			Mr. Turki bin Ahmed Al-Obailan	3
Attendant	Attendant	Apologize for attendance	Attendant	Mr. Turki bin Abdullah Al-Hammad	4
Attendant	Attendant	Attendant	Attendant	Mr. Hossam Al-Aqraa	5

*Mr. Basil bin Fahd Al-Sultan resigned from the membership of the Audit Committee on 27/09/2023.

*Mr. Turki Al-Obailan was appointed as a member of the Audit Committee on: 28/09/2023

Record of attendance at the Audit Committee meetings for the session that ended in April 2023

First meeting 16/05/2023	Name	
Attendant	Mr. Taha bin Muhammad Azhari	1
Attendant	Mr. Basil bin Fahd Al-Sultan	2
Attendant	Mr. Musa bin Abdul Aziz bin Akarsh	3
Attendant	Mr. Abdul Rahman bin Khalid Al-Sultan	4
Attendant	Mr. Hossam Al-Aqraa	5

➤ Its specializations are particularly summarized as follows:

➤ Prepare a clear policy for remuneration for members of the Board of Directors and committees emanating from the Board and Executive Management, and submit it to the Board of Directors.

➤ Submit recommendations and reports as follows:

➤ Recommending to the Board of Directors the remuneration of members of the Board of Directors, its committees, and senior executives in accordance with the approved policy.

➤ Reviewing the contracts of the CEO or General Manager and the annual financial compensation plans for employees in subsidiaries.

➤ Proposing clear policies and standards for membership in the Board of Directors and executive management.

➤ Recommending to the Board of Directors to nominate members.

➤ Preparing a description of the capabilities and qualifications required for membership in the Board of Directors and filling executive management positions.

➤ Determine the time that a member must devote to the work of the Board of Directors.

➤ Annual review of the necessary skills requirements suitable for membership in the Board of Directors and executive management functions.

➤ Reviewing the structure of the Board of Directors and Executive Management and making recommendations regarding changes that can be made.

➤ Ensure annually the independence of independent members

➤ Develop job descriptions for executive members, non-executive members, independent members, members of executive management, and senior executives

➤ Developing special procedures in the event that the position of a member of the Board of Directors or senior executives becomes vacant.

➤ Identifying the weaknesses and strengths of the Board of Directors, and proposing solutions to address them in a way that is consistent with the company's interest.



Nomination and Remuneration Committee

The Compensation and Nomination Committee was formed in accordance with the requirements of the governance regulations issued by the Capital Market Authority and the regulations of the Compensation and Nomination Committee. It is composed, by decision of the board of directors, of three (3) members who are not executive board members, whether shareholders or others, with at least one independent member among them. The current Nominations and Remuneration Committee consists of three (3) members in addition to the Secretary of the Committee (Mohamed Al-Mazyad). The Nominations and Remuneration Committee was formed at the Board of Directors meeting held on 05/04/2024, the new session of the committee starting on (03/04/2023). It ends at the end of the current Board of Directors term on (02/04/2026).



It consists of the following members:

	Name	Job Title	Membership Class
1	Dr. Sami Abdullah Dakhil Allah Al-Saeed	Chairman of the Committee	Independent
2	Mr. Abdul Mohsen Abdullah Abdul Rahman Al Rajhi	Committee Member	Independent
3	Mr. Muhammad bin Abdullah Al-Rashid	Committee Member	Independent
4	Mr. Muhammad bin Saleh El- Mazed	Secretary of the Committee	----

Dr/ Sami bin Abdullah Al-Saeed ◀

Member of Board of Directors - Independent



Current board memberships of companies or their directors

Inside the Kingdom

- Member of the Board of Directors of Batic Investment and Logistics Company
- Member of the Board of Directors of Towa Development Company
- Member of the Board of Directors of Miral Dental Center

Outside the Kingdom

- None

Previous board memberships of companies or their directors

Inside the Kingdom

- Member of the Board of Directors of Al Hammadi Holding Company
- Member of the Board of Directors of the Saudi National Maritime Transport Company
- Member of the Board of Directors of the Saudi Dental Association

Current Positions

- CEO and Director of Miral Dental Centre

Previous Positions

- Executive Director of Rawan Development and Commercial Investment Company Limited
- Faculty member at the Prince Abdul Rahman bin Abdulaziz Institute for Postgraduate Dental Studies
- Consultant physician at Prince Sultan Military Medical City

Qualifications

- Bachelor's degree in dentistry from King Saud
- A diploma in pediatric dentistry from New York
- A Master's degree in dentistry from New York University
- American Board of Pediatric Dentistry

Experience

- In Pediatric Dentistry, in Executive Management, and membership in the Boards of Directors of facilities

Mr. Abdul Mohsen bin Abdullah Al Rajhi ◀

Member of Board of Directors - Independent



Current board memberships of companies or their directors

Inside the Kingdom

- Batic Investment and Logistics Company "listed"
- Arabian Security & Safety Services Co. Ltd "Limited Liability Company"
- DKHOUN National Trading Company, a Saudi closed joint stock company, member of the Audit Committee

Outside the Kingdom

- None

Previous board memberships of companies or their directors

- None

Current Positions

- Project and property management in Al Rajhi Group (a one-person company working in the field of real estate development) from 2017 until now

Previous Positions

- Property management and development supervisor at Raj Real Estate Company (a limited liability company working in the field of real estate activities) from 2014 to 2016

Qualifications

- Bachelor's degree in English Language

Experience

- In the field of real estate property management, real estate development and project management

MR. Muhammad bin Abdullah Al-Rashid ◀

Member of Board of Directors - Independent



Current board memberships of companies or their directors

Inside the Kingdom

- Batic Investment and Logistics Company "listed"
- Jazan Development and Investment Company "listed"
- Mango Jazan Trading Company "Limited Liability Company"
- Fish Day Fish Sales Company "Limited Liability Company"
- Vera Financial Company "Closed Joint Stock"

Outside the Kingdom

- None

Previous board memberships of companies or their directors

- None

Current Positions

- CEO of Jazan Development and Investment Company

Previous Positions

- Director of strategic planning for the International Company for Transformative Industries
- Collaborating lecturer at King Saud University for the course - Entrepreneurship

Qualifications

- Master of Project Management, The Catholic University of America
- Bachelor's degree in Financial Management from King Saud University

Experience

- Collaborating lecturer at King Saud University
- Participation in establishing a number of pioneering projects in the field of sweets and personal care

Mr. Muhammad bin Saleh El- Mazed

The Secretary-General

Chief Governance and Public Affairs Officer

Mr. Al-Mazyad has extensive experience in systems, regulations, and corporate governance, as well as mergers and acquisitions, strategic consulting, and restructuring, which he acquired through his work in the field of business and management since 1997. He currently holds the position of Secretary General of the Board of Directors of BATEC Investment and Logistics Company and CEO of Governance and Public Affairs. He has held the position He has held a number of executive positions in the company since he joined it in 2010. He is also a member of a number of associations, including the Chartered Institute of Management (United Kingdom), the Saudi Systems Society, and the Saudi Management Society. He also studied at the College of Law at King Saud University, and is qualified in many market programs. Finance from the Institute of Finance.

Mr. Muhammad Mahmoud Tantawi

Chief Financial Officer

He holds a bachelor's degree in accounting from Benha University and holds several certificates in accounting, the most important of which are the Saudi Fellowship Certificate for Certified Public Accountants (SOCPA) and the International Financial Reporting Standards Certificate. He is a core member of the Saudi Organization for Auditors and Accountants. He holds the Best Financial CEO Award for the years 2022 and 2023 for the sector. Logistician in Saudi Arabia, he has more than 17 years of experience in all areas of accounting, managing company budgets, analyzing financial data and information, managing cash flows, and helping to improve efficiencies and reduce costs.

Mr. Hossam Al-Aqraa

Director of Internal Audit Department

Mr. Hossam has more than 16 years of diverse experience in the field of accounting, internal control, financial and operational auditing, and risks. He has worked in a group of major companies such as Abdul Latif Jameel Company (ALI) as an executive auditor, and Arab Radio and Television Company ART, where he worked in the financial management of the channels and the company. Academy affiliated with the Council of Arab Economic Unity as an internal auditor, in addition to obtaining many training courses specialized in governance, internal control and risk management. He holds a bachelor's degree in accounting from Zarqa University in Jordan. He also holds the Certified Internal Auditor (CIA) certification from the American Institute of Internal Auditors (IIA).

Record of attendance at the meetings of the Nominations and Remuneration Committee for the session that began its work in April 2023

Name		First meeting 07/09/2023	Second meeting 08/01/2024
1	Dr. Sami Abdullah Dakhil Allah Al-Saeed	Attendant	Attendant
2	Mr. Abdul Mohsen Abdullah Abdul Rahman Al Rajhi	Attendant	Attendant
3	Mr. Muhammad bin Abdullah Al-Rashid	Attendant	Attendant
4	Mr. Muhammad bin Saleh El- Mazed	Attendant	Attendant

Record of attendance at the meetings of the Nominations and Remuneration Committee for the session that ended in April 2023

Name		First meeting 03/01/2023	Second meeting 11/03/2023
1	Dr. Sultan Al Mubarak	Attendant	Attendant
2	Mr. Taha Azhari	Attendant	Attendant
3	Mr. Musa bin Akarsh	Attendant	Attendant
4	Mr. Muhammad bin Saleh El- Mazed	Attendant	Attendant

A statement of the remuneration of board members that were approved during the year 2023

Expense Allowance	Gross Total	End of Service Gratuity	Variable Rewards						Fixed Rewards						'Board Members Remuneration	
			Total	Granted shares (value is entered)	Long-term incentive plans	Short-term incentive plans	Periodic Bonuses	Percentage of profits	Total	Remuneration of the Chairman, Managing Director, or Secretary, if he is a member	A statement of what council members received in their capacity as workers or administrators, or what they received in exchange for technical, administrative, or consulting work.	Total allowance for attending committee sessions	Allowance for attending Board's sessions	Specific amount		
Board of Directors																
First: Independent Members																
	90,000		75,000		75,000		75,000		15,000			6,000	9,000		9,000	Sami Al-Saeed
	84,000		75,000		75,000		75,000		9,000				9,000		9,000	Saud Al-Rayes
	87,000		75,000		75,000		75,000		12,000			3,000	9,000		9,000	Abdul Mohsen Al Rajhi
	87,000		75,000		75,000		75,000		12,000			3,000	9,000		9,000	Muhammad Al-Rashid
	65,000		50,000		50,000		50,000		15,000			6,000	9,000		9,000	Basil El- Sultan*
	413,000		350,000		350,000		350,000		63,000			18,000	45,000		45,000	Total
Second: Non-executive members																
	87,000		75,000		75,000		75,000		12,000			3,000	9,000		9,000	Turki Al Rajhi
	87,000		75,000		75,000		75,000		12,000			3,000	9,000		9,000	Firas Al Bawardi
	6,000		-		-		-		6,000			6,000	-		-	Turki Al-Obailan
	180,000		150,000		150,000		150,000		30,000			12,000	18,000		18,000	Total
Third: Executive members																
	1,764,581	57,375	75,000		75,000		75,000		1,632,206			3,000	9,000		9,000	Muhammad Al-Zam
	1,764,581	57,375	75,000		75,000		75,000		1,632,206			3,000	9,000		9,000	Total

Mr. Basil bin Fahd Al-Sultan resigned from membership in the Board of Directors on 27/2023/09/

Mr. Turki Al-Obailan was appointed to the Board of Directors on: 28/2023/09/

Remuneration policy for members of the Board of Directors, its committees and members of its executive management

Based on the company's bylaws, which were approved by the (Extraordinary) General Assembly of the company's shareholders, held on: 21 / 06 / 2023 AD, which stipulates the following:

Board Member Remuneration:

The remuneration for members of the Board of Directors consists of a specific amount, an attendance allowance for sessions, an allowance for expenses, benefits in kind, or a percentage of profits. It is permissible to combine two or more of these benefits, and the remuneration for members of the Board of Directors may be of varying amounts. In light of a policy issued by the Remuneration and Nominations Committee and approved by the Assembly,

The Board of Directors' report to the General Assembly must include a comprehensive statement of all that the members of the Board of Directors received during the financial year in terms of bonuses, expense allowances, and other benefits. It must also include a statement of what the members of the Board of Directors received in their capacity as workers or administrators, or what they received in return for their work. Technical, administrative, or consulting, and it should also include a statement of the number of council meetings and the number of sessions attended by each member.

Work is underway to update the rewards and incentives policies to be consistent with the company's bylaws.

Statement of details of committee members' remuneration

Total	Allowance for attending sessions	Fixed remuneration (except session attendance allowance)		
Members of the Audit Committee and the Secretary				
62,000	12,000	50,000	Mr. Taha bin Muhammad Azhari	1
6,000	6,000	-	Mr. Turki Al-Obailan	2
59,000	9,000	50,000	Mr. Turki Al Hammad	3
6,000	6,000		Mr. Basil El- Sultan	4
12,000	12,000		Mr. Hossam Al-Aqraa	5
145,000	45,000	100,000	Total	

Members of the Remuneration and Nominations Committee and the Secretary				
3,000	3,000		Dr. Sami Al-Saeed	1
3,000	3,000		Mr. Abdul Mohsen Al Rajhi	2
3,000	3,000		Mr. Muhammad Al-Rashid	3
3,000	3,000		Mr. Muhammad Al-Elmazeed	4
12,000	12,000		Total	

Members of the Executive Committee and the Secretary				
3,000	3,000		Mr. Turki Al-Rajhi	1
3,000	3,000		Engineer - Mohammed Saud Al-Zamil	2
3,000	3,000		Mr. Firas bin Khaled Al Bawardi	3
3,000	3,000		Dr. Sami Al- Saeed	4
3,000	3,000		Mr. Muhammad Al-Elmazeed	5
15,000	15,000		Total	

Clarifying the relationship between the rewards granted and the applicable remuneration policy, and indicating any material deviation from this policy.

None

A detailed statement of the remuneration of 5 senior executives, including the company's CEO and the CFO

		5 senior executives, including the CEO and CFO
Fixed Rewards	Salaries	2,871,152
	Allowances	1,825,058
Variable Rewards	Benefits in kind	
	Total	4,696,210
	Periodic Bonuses	294,714
	Profits	
	Short-term incentive plans	
	Long-term incentive plans	
	Granted shares (value is entered)	
Total	354,714	
End of Service Gratuity	245,029	
Total executive remuneration for the Board, if any	90,000	
Gross Total	5,295,953	

The above amounts include the salaries and allowances of the Managing Director, although they were included in the previous statement as he is a member of the Board of Directors.

A description of any interest in the class of voting shares belonging to persons other than board members, senior executives, and their relatives

Note that there is no interest in the class of shares with the right to vote belonging to persons (except members of the company's board of directors, senior executives and their relatives) who informed the company of those rights in accordance with Article 67 of the Registration and Listing Rules, and of any change in those rights during the last fiscal year.

Company requests for shareholder register

Reason for request	Request Date
Corporate Procedures	2023/01/24
Corporate Procedures	2023/03/27
Corporate Procedures	2023/03/28
The General Meeting	2023/04/03
Other	2023/05/03
Corporate Procedures	2023/05/10
Corporate Procedures	2023/05/22
The General Meeting	2023/06/21
Corporate Procedures	2023/09/11
Other	2023/11/13

Statement of the dates of the general assemblies of the company's shareholders and the attendance of the assemblies by members

Names of attending members of the Board of Directors	Date of the meeting	Assembly type
<p>The following members of the Board of Directors attended the meeting:</p> <p>1- Mr. Fahd bin Mubarak Al Qathami (Deputy Chairman of the Board of Directors)</p> <p>2- Engineer Mohammed bin Saud Al Zamil (Managing Director)</p> <p>3- Dr. Sultan bin Abdulaziz Al-Mubarak</p> <p>4- Mr. Firas bin Khalid bin Abdullah Al Bawardi</p> <p>5- Mr. aha bin Muhammad bin Abdul Wahid Al-Azhari</p> <p>6- Mr. Musa bin Abdul Aziz bin Akarsh</p> <p>7- Mr. Fahd bin Muhammad Al-Obailan</p> <p>The Chairman of the Board of Directors, Mr. Ahmed bin Mohammed Al-Sanea, apologized for his absence</p>	2023-04-03	Results of the Ordinary General Assembly Meeting
<p>1- Mr. Turki bin Ibrahim Al Rajhi (Chairman of the Board of Directors)</p> <p>2- Mr. Firas bin Khalid Al Bawardi (Deputy Chairman of the Board of Directors)</p> <p>3- Mr. Mohammed bin Saud Al Zamil (Managing Director)</p> <p>4- Mr. Basil bin Fahd Al-Sultan</p> <p>5- Dr. Sami bin Abdullah Al-Saeed</p> <p>6- Mr. Saud bin Nasser Al-Rayes</p> <p>7- Mr. Abdul Mohsen bin Abdullah Al Rajhi</p> <p>8- Mr. Muhammad bin Abdullah Al-Rasheed</p>	2023-06-21	Results of the Extraordinary General Assembly Meeting

A summary of the most important provisions of the corporate governance regulations to which the company has adhered

Comment	Responsible Authority	Details	Article
Committed - The updated dividend distribution policy was approved by the General Assembly of Shareholders held on 27/04/1439 AH (corresponding to 14/01/2018) based on Board of Directors Resolution No. (13/17) dated 09/04/1439 AH (corresponding to 27/12/2017).	Board of Directors	The Board of Directors must develop a clear policy regarding the distribution of stock dividends in a way that achieves the interests of shareholders and the company in accordance with the company's bylaws.	B/9
Committed – through the company's website	Board of Directors	Providing a copy of the information about candidates for Board of Directors membership on the company's website.Board of Directors	8/A
Committed - Appointed by the Ordinary General Assembly held on 09/08/1441 AH (corresponding to 02/04/2020).	General Assembly of Shareholders	Formation of the Audit Committee.	12/5 and 54
Committed– The updated Audit Committee work regulations were approved by the Ordinary General Assembly held on 03/04/2023)	General Assembly of Shareholders	The General Assembly of the Company shall issue, upon a proposal from the Board of Directors, the Audit Committee's work regulations, provided that these regulations include the rules and procedures of the Committee's work, its tasks, the rules for selecting its members, the method of nominating them, the duration of their membership, their remuneration, and the mechanism for appointing its members temporarily in the event of a vacancy in one of the Committee's seats.	54/C
Committed - The financial statements for the fiscal year 2022 were approved by the Ordinary General Assembly held on 21/06/2023.	General Assembly of Shareholders	Approval of the financial statements for the year 2022.	12/6
Committed - The Board of Directors' report for the fiscal year 2022 was approved by the Ordinary General Assembly held on 21/06/2023.	General Assembly of Shareholders	Approval of the Board of Directors' annual report for the year 2022.	12/7

What governance regulations have been applied and what has not been implemented



Comment	Responsible Authority	Details	Article
Committed - The updated list of policies and standards for membership in the Board of Directors was approved by the General Assembly held on 27/04/1439 AH (corresponding to 14/01/2018) based on Board of Directors Resolution No. (17/13) held on 09/04/1439 AH (Corresponding to 27/12/2017).	General Assembly of Shareholders	Establishing clear and specific policies, standards and procedures for membership in the Board of Directors, and putting them into effect after their approval by the General Assembly.	22/3
Committed – There is no independent regulation stipulated in the company's governance regulations	Board of Directors	Develop a written policy that regulates the relationship with stakeholders in accordance with the provisions of the Governance Regulations, and it must cover - in particular - as follows Mechanisms for compensating stakeholders in the event of a violation of their rights recognized by regulations and protected by contracts And mechanisms for settling complaints or disputes that may arise between the company and stakeholders Appropriate mechanisms for establishing good relationships with customers and suppliers and maintaining the confidentiality of information related to them	22/4
Committed - The disclosure and transparency policy was approved by the Board of Directors pursuant to its Resolution No. (31/13) dated 01/09/1439 AH (corresponding to 17/05/2018).	Board of Directors	Establishing policies and procedures that ensure the company's compliance with laws and regulations and its commitment to disclosing essential information to shareholders and stakeholders, and verifying the executive management's compliance with them.	22/5
Committed - The company has three (3) main committees: Audit Committee - appointed by the Ordinary General Assembly held on 03/04/2023). Nominations and Remuneration Committee - appointed pursuant to a decision of the Board of Directors held on 05/04/2023). Executive and Investment Committee - appointed pursuant to a decision of the Board of Directors held on 05/04/2023).	Board of Directors	Forming specialized committees emanating from it through decisions specifying the duration of the committee, its powers and responsibilities, and how the Council will monitor it, provided that the formation decision includes naming the members and specifying their tasks, rights and duties, along with an evaluation of the performance and work of these committees and their members.	22/13, 50, 60, 60/A and 64

Comment	Responsible Authority	Details	Article
Committed - The Ordinary General Assembly, held on April 3, 2023, voted to appoint an auditor for the company (Ernst and Young Certified Public Accountants) based on the recommendation of the Audit Committee, to examine and review the financial statements for the second, third, fourth, and annual quarters of the fiscal year 2023 and the first quarter. From the year 2024 and determining his fees.	General Assembly of Shareholders	Appointing the company's auditors, determining their remuneration, reappointing them, changing them, and approving their reports.	12/9 and 81
Committed – through the Tadawul website.	Board of Directors	Publish the announcement of the date, location and agenda of the General Assembly at least twenty-one days before the date on the company's website.	13/D
Committed – through the Tadawul website.	Board of Directors	Providing shareholders, through the company's website, with access to information related to the agenda items of the General Assembly when announcing the invitation to convene the General Assembly. This includes, in particular, the report of the Board of Directors, Auditors' Reports, financial statements, and the report of the Audit Committee.	14/C
Committed - The policy for regulating conflicts of interest and addressing potential and actual conflicts of interest for both members of the Board of Directors, Executive Management and shareholders has been approved based on Board of Directors Resolution No. (31/13) held on 01/09/1439 AH (corresponding to 17/05/2018).	Board of Directors	Establishing systems and controls for internal control and general supervision thereof, including: Develop a written policy to address actual and potential "conflicts of interest" cases for each of the members of the Board of Directors, Executive Management, and shareholders, including misuse of the company's assets and facilities, and misconduct resulting from dealings with related persons. Ensure the soundness of financial and accounting systems, including systems related to preparing financial reports. Ensure the implementation of appropriate control systems to measure and manage risks, by developing a general perception of the risks that the company may face, creating an environment familiar with the culture of risk management at the company level, and presenting it transparently with stakeholders and parties related to the company. Annual review of the effectiveness of the company's internal control procedures.	22/2

Comment	Responsible Authority	Details	Article
Committed - Hossam Raif Al-Aqraa was appointed as Director of the Internal Audit Department pursuant to Board of Directors Resolution No. 14/225 held on 13/08/1441 AH (corresponding to 06/04/2020).	Board of Directors	Appointing the director of the internal audit unit or department or the internal auditor and proposing his remuneration.	55/B/4 and 74
Committed - The updated work regulations of the Remuneration and Nominations Committee were approved by the General Assembly held on 27/04/1439 AH (corresponding to 14/01/2018).	General Assembly of Shareholders	The General Assembly of the company shall issue, upon a proposal from the Board of Directors, a working regulation for the Compensation and Nomination Committee. This regulation shall include the committee's working guidelines, procedures, and action plan, its tasks, the criteria for selecting its members, the nomination process, the duration of their membership, their compensation, and the procedure for temporarily appointing members in case of a vacancy in any of the committee seats.	60/B and 64/B
Committed - The updated remuneration policy for members of the Board of Directors, the emerging committees, and the executive management was approved by the General Assembly held on (02/04/2020).	General Assembly of Shareholders	The Remuneration and Nominations Committee prepares a clear policy for the remuneration of members of the Board of Directors and the committees emanating from the Board and Executive Management, and submits it to the Board of Directors for consideration in preparation for its approval by the General Assembly, provided that this policy takes into account following standards related to performance, disclosing them, and verifying their implementation.	61/1
Committed - The updated policies and standards for membership in the Board of Directors were approved by the General Assembly held on 06/04/2020 Committed - announced on Tadawul website on (12/01/2023).	Remuneration and Nominations Committee	Preparing a description of the capabilities and qualifications required for membership in the Board of Directors and filling executive management positions.	65/3
Committed - announced on Tadawul website on (12/01/2023).	Board of Directors	Publish the nomination announcement for membership of the Board of Directors on the company's website.	68

Comment	Responsible Authority	Details	Article
Approving internal policies related to the company's work and development, including defining the tasks, competencies, and responsibilities assigned to the various organizational levels.	Board of Directors	Approving internal policies related to the company's work and development, including defining the tasks, competencies, and responsibilities assigned to the various organizational levels.	23/1
Committed - The system of powers (executive management powers) was approved pursuant to Board of Directors Resolution No. (31/13) held on 01/09/1439 AH (corresponding to 17/05/2018).	Board of Directors	Adopting a written and detailed policy specifying the powers delegated to the executive management and a schedule showing those powers, the method of implementation and the duration of the delegation. The Board of Directors may request the executive management to submit periodic reports regarding its practices of the delegated powers.	23/2
Committed - Mohammed bin Saud Al Zamil was appointed as of 15/12/1441 AH (corresponding to 05/08/2020) in accordance with the Board of Directors' decision dated 14/12/1441 AH (corresponding to 04/08/2020).	Board of Directors	Appointment of Managing Director	25
Committed - The company's organizational structure was approved pursuant to Board of Directors Resolution No. (16/14) held on 12/01/1442 AH (corresponding to 31/08/2020).	Board of Directors	Developing the organizational and functional structures of the company and presenting them to the board of directors for consideration and approval.	26/5
Committed - The policy and procedures for the scale of grades, salaries and benefits were approved in accordance with Board of Directors Resolution No. (31/13) held on 01/09/1439 AH (corresponding to 17/05/2018).	Board of Directors	Proposing a policy and types of rewards to be granted to employees, such as fixed rewards, performance-related rewards, and rewards in the form of shares.	26/10
Committed - The policy for regulating conflicts of interest and addressing potential and actual conflicts of interest for both members of the Board of Directors, Executive Management and shareholders has been approved based on Board of Directors Resolution No. (31/13) held on 01/09/1439 AH	Board of Directors	A clear, written policy for dealing with actual or potential conflicts of interest that could affect the performance of members of the Board of Directors, executive management, or other employees of the company when they deal with the company or with other stakeholders.	43

The annual report of the audit committee emanating from the Board of Directors of BATEC Investment and Logistics Company for the year ending December 31, 2023.



Comment	Responsible Authority
Committed - The policy for reporting violating practices was approved pursuant to Board of Directors Resolution No. (31/13) held on 01/09/1439 AH (corresponding to 17/05/2018).	Board of Directors
Committed - The policy of professional conduct and ethical values was approved pursuant to Board of Directors Resolution No. (31/13) held on 01/09/1439 AH (corresponding to 17/05/2018).	Board of Directors
Committed - The disclosure and transparency policy was approved pursuant to Board of Directors Resolution No. (31/13) held on 01/09/1439 AH (corresponding to 17/05/2018).	Board of Directors
Publish the audit committee's report on the company's website	Board of Directors
Committed - The updated governance bylaw was approved by the General Assembly held on 27/04/1439 AH (corresponding to 14/01/2018).	Board of Directors

Details	Article
Policies or procedures followed by stakeholders in submitting complaints or reporting violating practices	84
A policy of professional conduct and ethical values	86
Written disclosure policies, procedures and supervisory systems in accordance with the disclosure requirements contained in the Companies Law and the Financial Market Law	89
Publish the audit committee's report on the company's website	B/91
Corporate governance rules that do not conflict with mandatory provisions	94

Second: Internal Audit:

- The independence of the internal auditors was ensured and the availability and adequacy of the resources and capabilities necessary to carry out their duties to the fullest extent.
- The committee reviewed and approved the risk-based internal audit plan and ensured the availability of the necessary resources to implement it appropriately.
- Meeting was held periodically with the Internal Audit Manager of Batic Investment and Logistics Company.

Third: The Audit Committee's opinion on the adequacy of internal control systems:

Based on the reports of the results of the audit operations submitted to the Audit Committee during the fiscal year ending 2023 by the external auditor and internal audit, within the limits of the tasks and work included in the approved internal audit plan, the committee found that there are no fundamental deficiencies in the internal control systems or the company's business that would affect the integrity of the financial statements requires their disclosure, and therefore, in the Committee's opinion, the internal control systems are considered to have good effectiveness, noting that any internal control system, regardless of the soundness of its design and the effectiveness of its application, cannot provide absolute assurance, but rather a reasonable basis for expressing an opinion.

About Audit Committee

Mr. Taha Azhari

Chairman of the Audit Committee

Dear shareholders of Batic Investment and Logistics Company, May the peace, blessings, and mercy of Allah be upon you,

The Audit Committee is one of the committees emanating from the Board of Directors of BATEC Investment and Logistics Company. The members of the current committee were elected by the General Assembly on 03/2023/04/ and its current members are:

Chairman of the Audit Committee	Mr. Taha bin Muhammad Azhari
Member of the Audit Committee	Mr. Turki Ahmed Al-Obailan
Member of the Audit Committee	Mr. Turki bin Abdullah Al-Hammad

Batic Investment and Logistics Company's Audit Committee oversees the reporting of the company's financial statements on behalf of the Board of Directors. The company's management has primary responsibility for the financial statements, for maintaining an effective internal control system over financial reporting, and for evaluating the effectiveness of internal control over financial reporting.

During the year 2023, the committee met five times at the company's main headquarters and via remote audio-visual communication technology. The following is a summary of the tasks and work of the committee during the year ending on December 31, 2023.

First: External Audit and Financial Reports:

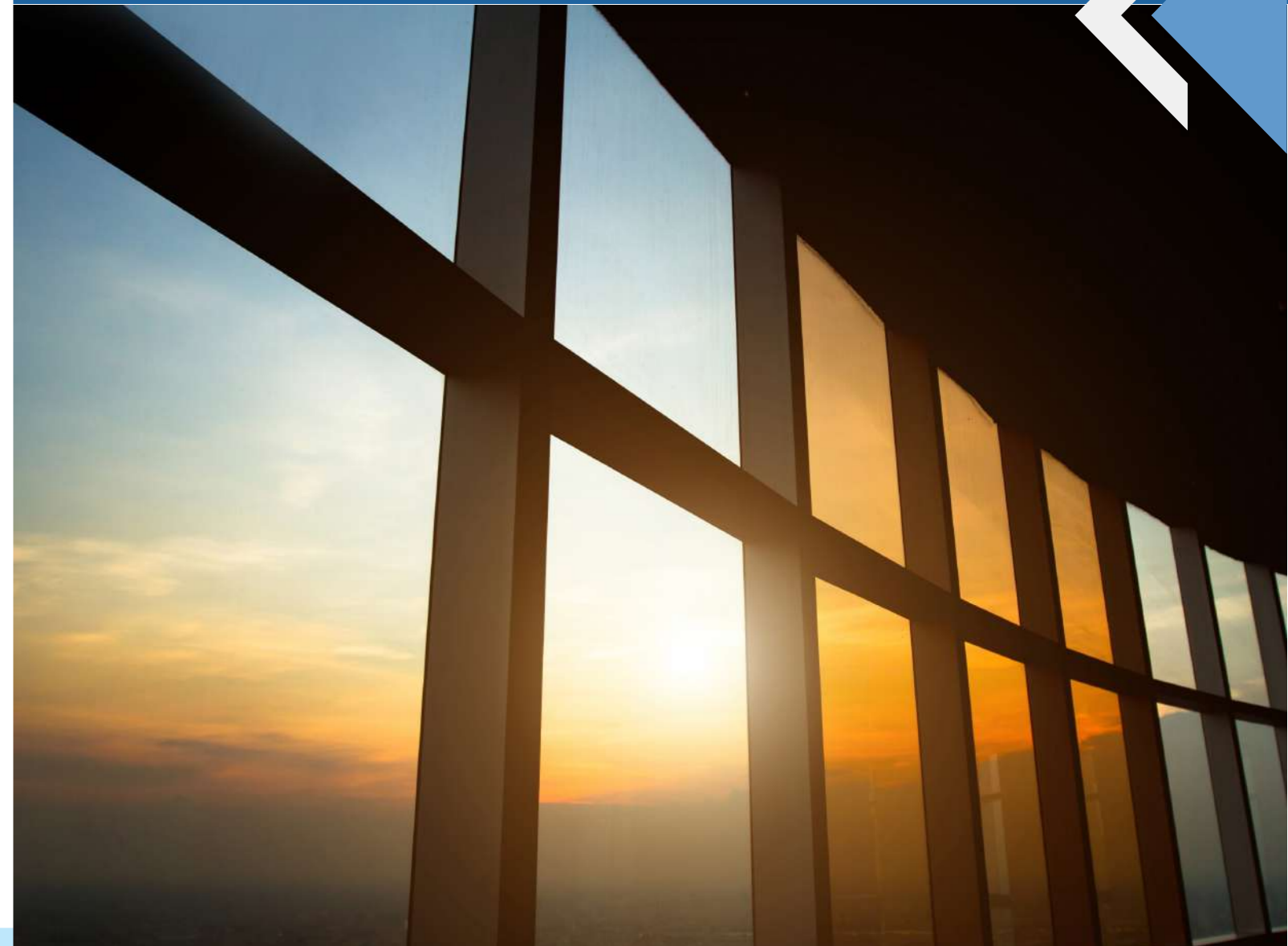
- The independence and objectivity of the auditor, and the effectiveness of the audit work, were verified, taking into account the relevant rules and standards.
- The Audit plan submitted by the Auditor was studied.
- The committee reviewed the results of the company's operations and financial position as they appeared in the initial and annual financial statements and reports.
- The External Auditor's Reports and observations on the financial statements were studied and what was taken regarding them was followed up.

Social Responsibility

Social responsibility is one of the necessary pillars of societal life, for the sake of individual and social progress. Indeed, the true value of an individual in his society is measured by the extent to which he bears responsibility towards himself and towards others. Social responsibility is the continuous commitment by companies and institutions to contribute to achieving economic development and working to improve the quality of living conditions for the workforce and their families, the local community and society as a whole. Social responsibility is not a charitable act, but rather a moral obligation to contribute to the development and development of society. As the progress of societies is measured by the extent of the growth and social maturity of individuals and the extent of their sense of that responsibility that imposes cooperation, solidarity, respect, love, good treatment and serious participation, and from this standpoint, Batic Investment and Logistics Company and its subsidiaries seek to do their part towards social responsibility in a way that ensures the support of all individuals. Society for its goals and development mission, recognizing its existence, and contributing to the success of its goals, as BATEC Investment and Logistics Business Company and its subsidiaries believe in the importance of contributing to community service and assisting in the process of social development. Batic Investment and Logistics Company and its subsidiaries adopt a social message aimed at enriching its contribution to service. Society is aware that this society has rights and duties on its members, whether they are individuals or companies. This was achieved through several channels according to the following:

1. Contributing to meeting the needs of society in the field of Saudization of employees, various donations, and cooperation with government and private agencies on national occasions.
2. Creating new and innovative job opportunities through the products and services that the company provides to the people of this community.
3. Providing many training programs for the company's employees to develop them and raise their efficiency and skills.
4. Providing a safe and stable work environment for all employees in the various branches of the company to provide them with the opportunity for job stability.
5. Achieving high rates of Saudization of jobs in order to provide the opportunity for graduates from this country to obtain suitable work for them and to support them with special training and development programs to advance them to the highest job levels.
6. Continuous support for many charitable and civic associations and institutions.

Social Responsibility





Therefore, the success of Batic Investment and Logistics Company and its subsidiaries in playing their role in social responsibility depended mainly on their commitment to three main standards, which are:

First: Respect and responsibility, meaning the company's respect for the internal environment (employees) and the external environment (community members).

Second: Supporting and assisting the community.

Third: Environmental protection, in terms of commitment to the compatibility of the product that the company provides to society with the environment.

The company continues its efforts to adopt and implement many community service programs that are consistent with the company's mission and values, and reflect its absolute commitment to improving the social and living conditions of needy groups and providing for their needs by developing programs, policies and management for social responsibility aimed at helping the largest possible segment of society, and it works to establishing strong relationships with segments of society that contribute to advancing comprehensive development in this dear country. The motivation behind the company's adoption of these programs and policies is its endeavor to make a significant difference, not only by providing assistance, but by encouraging and enabling the sons and daughters of the nation to employ their skills and experience in developing their society.

The concept of social responsibility is represented by the contribution of Batic Investment and Logistics Company and its subsidiaries in achieving a balance between multiple but interconnected parties, represented by the interests of its employees, shareholders, the external environment and society, while acting responsibly with national and ethical motives, to enhance its competitive position in its field of activity, and from this standpoint it is committed to Batic Investment and Logistics Company and its subsidiaries aim to achieve sustainable development for society in general and for the company's employees in particular, by working to improve the living, social and economic conditions of the workforce and their families, in addition to society as a whole, and contributing to reducing levels of unemployment in society, and making optimal use of its available resources. Based on this, the key to the success and growth of companies and economic institutions can be linked to the extent of the importance and awareness of social responsibility linked to a number of lofty moral and humanitarian values and standards, such as solidarity and a sense of patriotism towards everything related to Batic Investment and Logistics Company and its subsidiaries, whether an employee, shareholder, customer, Or an individual from the community. Therefore, the more Batic Investment and Logistics Company and its subsidiaries understand and give importance and value to this conscientious process, the greater the process of development, prosperity and advancement of the company in the homeland, which increases its profits and improves its reputation.



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