



Annual Report

2023

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



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

—God save him—

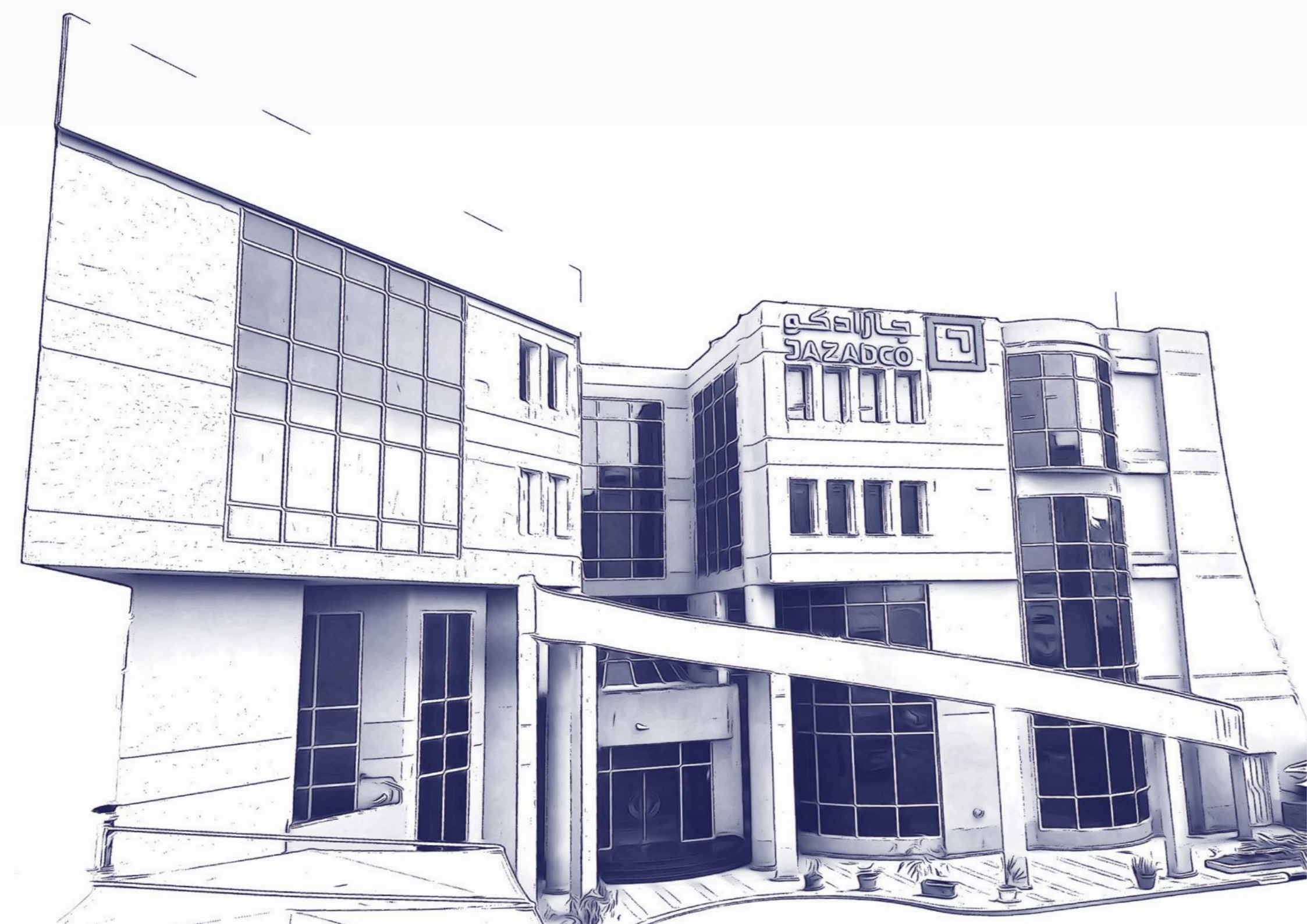
our ambition to build a thriving country in which all citizens can fulfill their dreams, hopes and ambitions.



His Royal Highness
Prince Mohammed bin Salman bin Abdulaziz Al Saud

Crown Prince, Prime Minister

—God save him—



About Jazadco

Jazan Development and Investment Company (JAZADCO) is a Saudi joint stock company established by His Excellency the Minister of Commerce Resolution No. 223 dated 07/02/1414 to 26/07/1993 with commercial registration no. 5900005403 on 19/02/1414 in the city of Jizan. Its current capital is 500,000,000 divided into fifty million shares, and the nominal value is ten riyals per share. The company's activities are characterized by its diversity in several vital areas, as JAZADCO has achieved great results and achievements in the field of aquaculture, agricultural, industrial, and real estate sectors. JAZADCO is also determined to multiple sources of income through the significant utilization of the company's resources, with a focus on investing in economically feasible projects that support its financial position and add value to its investment portfolio

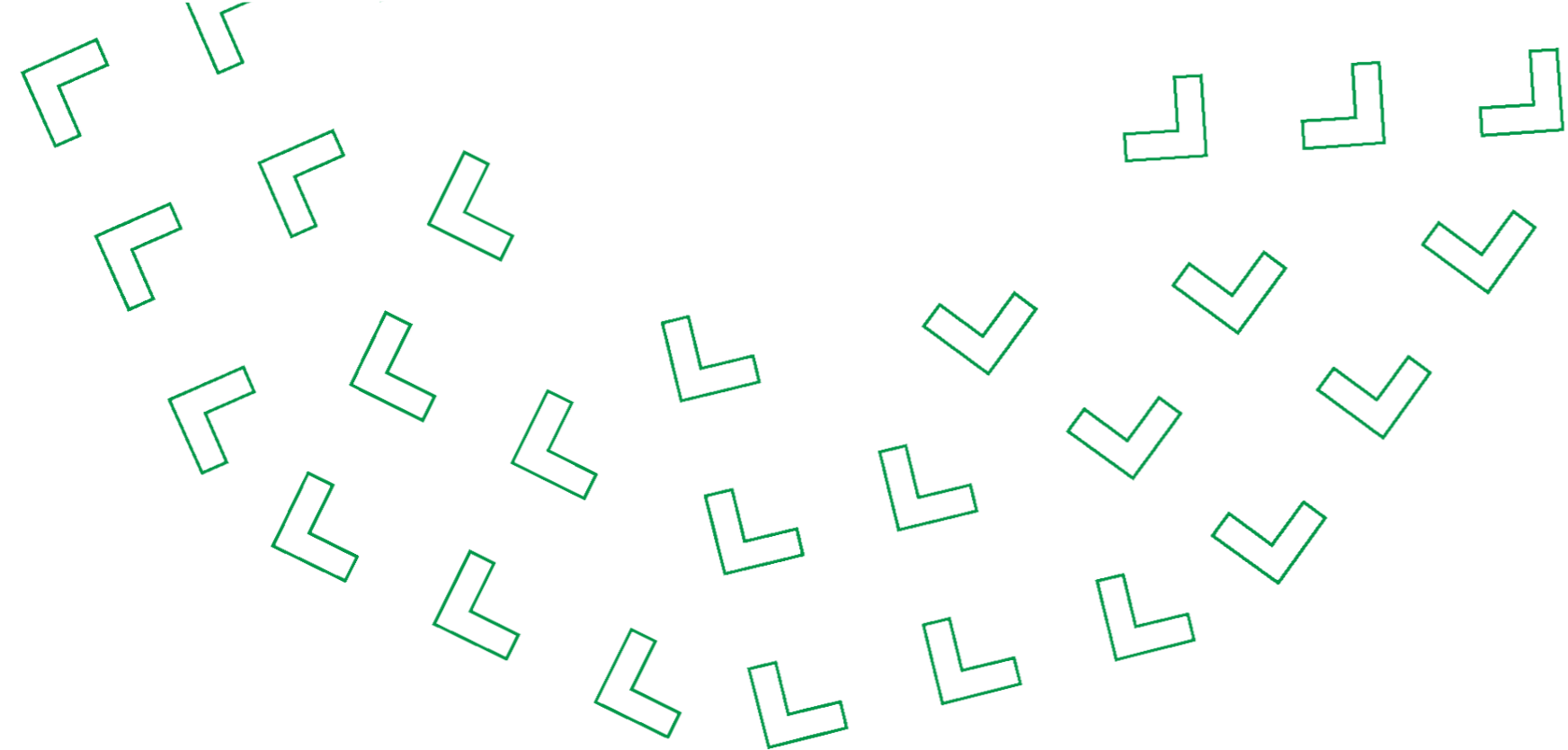
Our Vision

To be a world-leading company and pave the way to link local competencies and resources to the global market, and to contribute to advancing development in Jazan region, through our strategic investments and development projects

Preamble

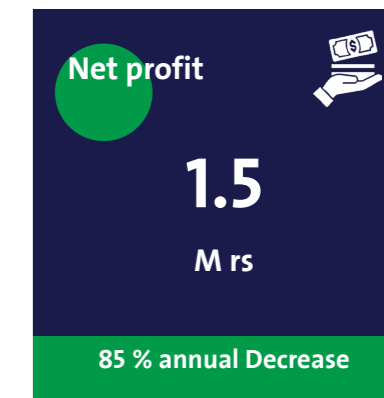
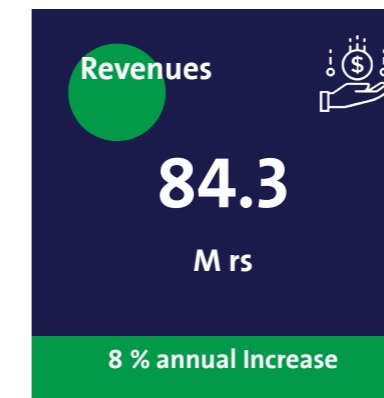
The Board of Directors of Jazan Development and Investment Company (Jazadco) is pleased to present its Report for the fiscal year ended on 31 December 2023 and its subsidiaries

Operational 2023 which contains information about the activities and businesses related to its and financial performance in addition to its annual financial statements, to enhance Jazadco communications with its shareholders and other stakeholders. The Report has been prepared in accordance with the disclosure requirements of the Companies Law, Capital Market Law the Corporate Governance Regulations, and the guidance issued by the Board of Directors of the Capital Market Authority. This Report is based on the regulatory disclosure requirements set out therein and the Board of Directors of Jazadco recommended this Report to the General Assembly to view it

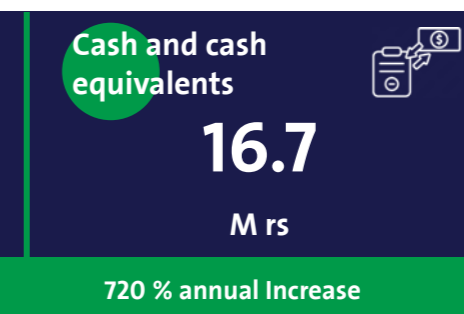


Facts and figures

The most prominent trends of 2023



Strong financial position and high liquidity levels



Board of Directors



Chairman of the board

Dr. Sultan Abdulaziz AlMubarak

Vice Chairman (Managing Director)

Mr. Firas Khaled Al-Bawardi



Board Member

Eng. Majid Abdullah Al-Issa



Board Member

Ms. Bedor Nasser Al-Rashoudi



Board Member

Mr. Mohammed Abdullah Alkhtaf



Board Member

Mr. Turki Ahmed Alobilan



Board Member

Mr. Abdul-Ilah Melhem Al-Mafeez



Executive Management



Managing Director
Mr. Firas Khaled Al-Bawardi



Chief Executive Officer
Mr. Mohammed Abdullah Al-Resheid



Director of Financial Affairs
Mr. Ehab Refaei Abdelsalam



Executive Director of HR and Administrative Affairs
Mr. Naif Dahwi Al-Anzi

Timeline

Jazan Agricultural Development Company

1993

-Jazan Agricultural Development Company

1995

- The opening of Jazadco fruit farm

2002

- Establishing Shrimp aquaculture project

2005

-New activities (real estate and industrial)
- Investing in Tabuk fish

2008

- The opening of the main building
- Operation of the water production plant
- Opening of Jazan Inn Hotel

2013

- Operating Jazadco compound
- Running trade fairs

2017

- Engaging in energy activities

2019

The acquisition of Mango Jazan
- The aquaculture project obtained the BAP certificate.

2020

- Jazadco Rebranding
- The acquisition of the fish day
-The fruit farm obtained the Saudi GAP certificate

2021

- Entering new markets (Russian, Korean)
- Participation in international exhibitions
- New agricultural crops such as papaya production
And the development of the coffee market by mountainous.

- Raising the shrimp production rate to 12%

2022

- Focus on the company's infrastructure
- The company's plans for the coming years to keep pace with expansion
- Facing global economic challenges

2023

- Advanced studies in shrimp farming
-Focus on the abundance of repeated fruits and their efficiency by increasing mango trees for varieties, in addition to experimenting with banana reproduction.

- The company cleans, packages, and sells its own agricultural products through its subsidiaries

Exporting

Exporting Jazadco products to more than 10 countries since its inception

Jordan
Qatar
Egypt
Thailand
Bahrain
China
Russia
South Korea



Total real estate areas

Residential complex

400 apartments of different sizes

Trade fairs

52 units in different locations and sizes

Head Office

10 offices of different sizes

Model plan

142 plots of land of different sizes

Production capacity

Water 
3,600,000
Cartoon

Shrimp 
3400 tons

Papaya 
450 tons

Mango 
2000 tons

 Age

30 years

 Capital

500 million riyals



Employees

400 M&F

 Projects

10 different sectors

Investments

الريف للسكر
AlReef Sugar
Refining | Trading | Packaging



Associate companies



Affiliated companies



جَبَلِيَّة
JABALIYAH

Projects



جازادكو
JAZADCO
| الكمبوند |





JAZADCO’s future strategy and vision

JAZADCO’s vision is to be a leading company globally and be the link between local competencies and resources in the local and international markets. And to contribute to advancing development in the Jizan region through strategic investments and development projects. JAZADCO’s growth strategy aims to enhance its revenues and position in the local and international markets. Also, profitability through activating the Organic Growth Strategy mainly depends on developing and improving the company’s existing sectors, raising its operational efficiency, and working on optimal utilization of available resources to ,achieve to achieve its ultimate goal and the aspirations of its shareholders.

Besides, the company is working to diversify its investment portfolio and access into viable and returnable projects and investments by implementing the strategy of growth and expansion through acquisition (Acquisitions Strategy) by seizing appropriate opportunities, expanding, and accessing into new markets and industries.

Here, the Board confirms that the company has taken steady and deliberate steps towards its current and future investments, making it safe from any risks it faces it may face, god frobid



Business of the company



Company Business

The business of the company is distinguished by its diversity and concentration in several vital sectors. JAZADCO has achieved an advanced level of growth and distinguished achievements in the agricultural, industrial and real estate fields. The company will continue to support this diversity, especially through the optimal investment of resources in these projects and reducing the operational cost, which helps improve performance and raise returns.

-  Operational Projects
-  Subsidiary
-  Associate Companies
-  Invested Companies



Business of the Company

Operational Projects/ Real Estate Activity

Residential Complex in Jazan

This complex, which is the first of its kind in Jazan, is established on an area of 81,000 square meters and includes 400 housing units that are leased to others. It is the first of its kind in the region, as it is equipped with asphalt roads, green spaces and a service area that includes a mosque at an area of 600 square meters, a leisure hall and a swimming pool, in addition to the existence of a commercial area. This complex is a distinctive addition and a prominent landmark in Jazan.



600 m²

The area of the mosque



400

Housing units



81,000 m²

Total area



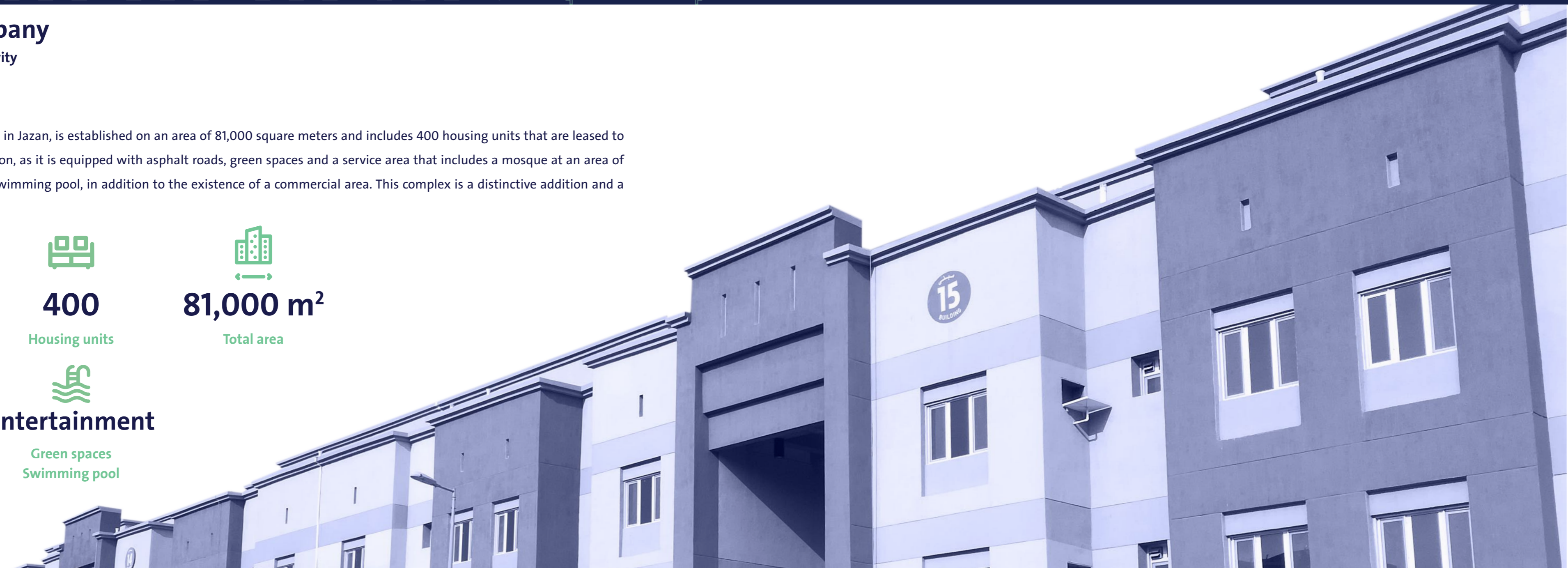
Services

Cleanliness, maintenance, water, Shops



Entertainment

Green spaces
Swimming pool



Commercial and residential plan

It is also a contribution from JAZADCO in the development of the area and the improvement of the urban movement in Jazan region. A typical residential and commercial plan is being developed on a plot owned by the company at an area of 146 thousand square meters. Work is underway to complete the infrastructure of the plan and sort the bonds during 2024.

Jazan Inn Hotel

Within the framework of tourism and real estate projects, the company has worked to establish a four-star hotel (JAZAN INN) leased to one of the national company specialized in operating hotels.

Trade Fairs in Al-Dhabi

These fairs (with 45 openings + 4 booths) were established at the location of the company’s marketing and food industry center on Jazan Sabya Main Road. They are leased and managed independently by the company.

Company’s Head Office

It is located on an area of 2,000 square meters on plot five at Prince Mohammed bin Nasser Road in Jazan and includes an investment part leased to others.



The Company Business

Industrial Activity

Mineral Water Production and Bottling Plant

It consists of two production lines, where the production capacity of the first production line is 18 thousand bottles per hour for 0,300 liters, 0,500 liters and 0,600 liters, which are marketed under the names of brands (Viva Mountains, Nuran and Wassen).

The plant was awarded the international quality certificate ISO 22000, which includes the HACCP certificate, as well as the ISO 9001 administrative quality certificate and the NSF international quality certificate. The product is marketed in the southern region in particular and the rest of the Kingdom in general.

Our Numbers


18,000
Bottle per hour


Different sizes
300, 500, 600 ml


10,000
Carton per day



The Company Business

Industrial Activity

Shrimp Farming Project

An integrated project that is the largest of its kind in the Southern region, at a total area of 1,600 hectares and a farming area of 440 hectares (water body) at an annual production capacity of 3,400 tons of Shrimp (Vanamei). Attached to the Shrimp's farm is a shrimp preparation and processing plant at a capacity of 22 tons / day, which allows the preparation and processing of high-quality shrimp products. Both the plant and the farm were awarded the ISO 22000 international quality certificate, which includes the Hazard Analysis Critical Control Points (HACCP) certificate and the Saudi Standards Conformity Certificate and SAMAQ certification.

The project has also obtained the Aquaculture Best Practices Certificate (BAP). It is currently working on developing the farm to international standards, in addition to obtaining a European export certificate for exporting shrimp, and work is underway to obtain a Chinese market certificate in order to open new sales outlets. where the product is currently exported at 15% and sold at approximately 85% in the local market.

Our Numbers



1600 Hectare
The total area



3400 Tons
Annual production



Agricultural Activity

Fruit Project in Al-Lakhbasiah

The project is built on an area of 481 hectares (4,812,000 m2) and includes a mango plantation of good varieties such as Tommy, Indian, Gilen and Sensation. The production of new products such as papaya, which was first in 2020 in trial quantities, and in 2021, production became official, as the amount of production exceeded 410 tons at the beginning of the fiscal year 2023. During the year 2023, the company continued to expand the process of planting mango seedlings to contribute to increasing the production of the mango farm for the coming years for high-quality varieties, in addition to replanting banana trees to enter the country production in 2024.

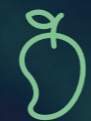


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Our Numbers

2000 tons

Annual production

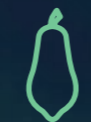
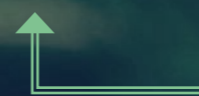


15,000

Mango tree

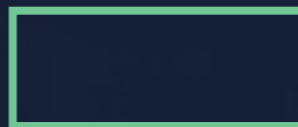
450 tons

Annual production



16,000

Papaya tree



481 Hectare

The total area



subsidiary

Believing of growth in the e-commerce sector in Saudi Arabia, the company worked to activate modern technologies and innovative marketing to achieve the rapid development and growth of the company. The company decided to enter the electronic commerce sector through the acquisition of shares exceeding 50% in pioneering national projects, as shown in the following:

Mango Jazan Company

The Jazan Development and Investment Company acquired 65% of the Mango Jazan Company at the end of 2019. The Mango Jazan store is considered one of the distinguished projects as it acts as a link between farmers who produce mangoes in Jazan and its lovers in all regions of the Kingdom. The application is characterized by providing various products at high quality and distinctive style. It has effectively contributed to placing the mango fruit produced by Jazan among the most sought agricultural products in the region. It also stimulates farmers to pay attention to and continue to produce mango fruits and develop good varieties of it. The Mango Jazan Company has also expanded its activities and launched in 2020 an online store (Jabaliyah) specialized in marketing and selling Khawlani coffee produced in the mountainous provinces of Jazan region.

Among the most notable developments in 2023, sales of Mango Jazan exceeded 50 thousand cartons for the first time since the acquisition, and wholesale operations were expanded to exceed 2 million riyals. As for Jabaliya, we issued additional products such as Saudi coffee envelopes and Saudi coffee gift boxes, and we created a warehouse in Riyadh which all logistical operations related to the store's orders were managed. By the end of the year, the company's sales target was achieved at an amount exceeding 7 million Saudi riyals.

Fish Day Company

Jazan Development and Investment Company acquired 80% of the Fish Day Company in mid-2020 . The online store provides more than 20 varieties of fresh fish, while ensuring product quality and clarifying the origin of products, in addition to providing a distinctive purchasing experience. The store also contributes to increasing awareness of the final consumer by providing all data related to fresh fish with recipes for cooking of several varieties. The scope of the store's business is currently located in the city of Riyadh, and work is underway to expand to other regions in the Kingdom.

Among the most prominent developments during 2023 is the completion of the preparation of the laboratory and utilizing is preparing new orders, as well as a new office for the company. Also obtaining the health certificates of the laboratory and workers and the British Boecker food safety certificate. In addition, a new application, website and payment gateway were launched, as well as the launch of the CRM program to manage communication with customers, and finally the launch of social media campaigns.

جَبَلِيَّة
JABALIYAH

مانجو
جازان

يوم السمك
FISH DAY

Associate Companies

Rakha Company for Agricultural Investment

It is a Saudi limited liability company headquartered in Egypt. It produces agricultural crops, such as wheat, alfalfa and corn on a 4,000-hectare land in East Owainat. Jannat Agricultural Investment Company owned 77.73% of the shares of Rakha Agricultural Investment Company. However, due to the default of Jannat Company and its being under liquidation, on January 2, 2020 , the ownership of 17,288 shares of Rakha Agricultural Investment Company was transferred to Jazan Development and Investment Company, so that the JAZADCO owns 21.6% of Rakha Agricultural Investment Company. During the year 2023, the company achieved remarkable success only in Android annually, 187 million Egyptian pounds, with a change rate of 356%.

The company is currently working on taking the necessary measures to float the Egyptian Stock Exchange and increase the capital from 80 million Egyptian pounds to 100 million Egyptian pounds. This step helps the company grow and expand, and enhances the ability to achieve more success in the future.

Advanced Aquaculture Company

It is a limited liability company established with a capital of 100,000 riyals with Tabuk Fisheries Company, Tharwat Al Bahar Company and Al Sharq Farms Aquaculture Company in accordance with the Saudi Companies Law. It operates in the aquaculture sector under the name of the Advanced Aquaculture Company. The share of JAZADCO is 25% of the new company. With the aim of merging into one entity according to the evaluation that will be agreed upon, in addition to negotiating with investors (local or foreign) and studying opportunities for obtaining financing from government development funds or any other agreed method for cooperation and progress in the integration plan. The new company will contribute to achieving the goals of "Vision 2030" in the aquaculture sector, and share the resources of the Red Sea with consumers all over the world in order to achieve the goals of food security in the Kingdom, through innovative and sustainable production systems, to become a world leader in the fields of fish and shrimp farming. By operating integrated farms according to the latest systems and technologies.

During the year 2024 , the Ministry of Commerce's approval was issued on 23/01/2024 , approving the publication of the decision of the partners of the advanced aquaculture company to liquidate the company and canceling the commercial register on 17/01/2024 , and taking all necessary measures for this purpose, as the company has not carried out any activity or work since its establishment and the purpose has not been fulfilled. From the founding of the company.



Invested Companies

Al-Reef Sugar Refining Company

A closed joint stock company with a capital of 300 million riyals divided into 30 million shares at a nominal value of 10 riyals per share. Its head office is in Jeddah. JAZADCO contributes by 15% of its capital, equivalent to 45 million riyals for 4.5 million shares. The company paid this entire amount of its own resources. The Industrial Development Fund agreed to provide a loan in the amount of 840 million Saudi riyals to finance this project.

Al-Reef Company aims to establish a sugar refinery project at an investment cost of 1.2 billion riyals and a refining capacity of up to one million tons of sugar per year for the local market and export to regional markets. Work is underway to implement the refinery project in Jazan for basic and transformational industries. Production is expected to start in 2024.



Tabuk Fish Company

This company was established as a closed joint stock company in 2005 and is headquartered in Riyadh. Its capital amounts to 200 million Saudi riyals (after reducing it in 2011 by 50%), distributed into 20 million shares of equal value and fully paid (the value of the share is 10 riyals). The company's main objectives are the cultivation of fish and other aquatic organisms and the marketing of marine products.

In 2022, Jazadco's ownership percentage decreased from 20% to 10% due to the increase in the capital of Tabuk Fish Company, as it increased its capital from 100 million Saudi riyals to 200 million Saudi riyals (the value of the share is 10 riyals).

It is worth noting that during the year 2024, a joint agreement was signed with NEOM Company and Tabuk Fish Company to establish the Tobyan Aquaculture Company. The project aims to achieve the goals of the National Program for the Development of the Livestock and Fisheries Sector by producing 600,000 tons of fish products annually by 2030. The project includes fish hatcheries that are expected to become the largest in the Middle East and North Africa region by the end of 2024.



Biodiesel Project (Methyl Ester)

The company is developing a project with a production capacity of 45,000 metric tons per year to produce biodiesel from waste edible oil and other raw materials that come from Saudi Arabia and neighboring countries, with the aim of exporting the biodiesel product to Europe and other markets. This project is still subject to further market, technical and financial studies and ensure the feasibility of the project

BiodieselProject (MethylEster)



A hand is pointing at a financial candlestick chart on a screen. The chart shows a series of white and black bars representing price movements over time. The background is dark blue. A large green L-shaped graphic is on the right side of the image.

Historical Growth of the Most Important Indicators for a Period of Five Years

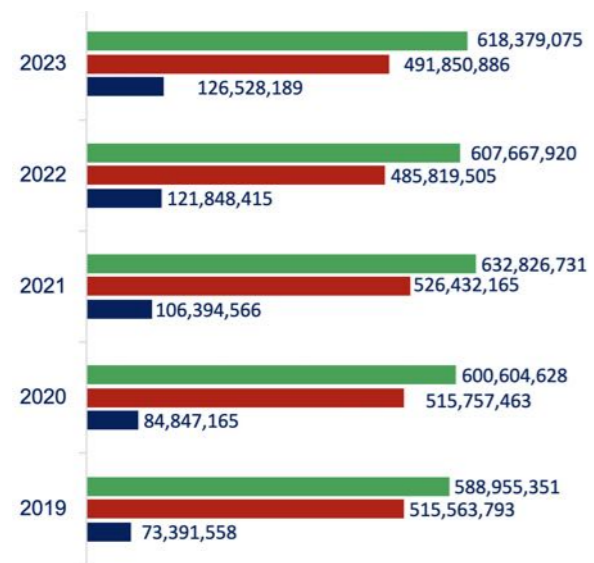
Assets

	2023	2022	2021	2020	2019
Current Assets	126,528,189	121,848,415	106,394,566	84,847,165	73,391,558
Non-Current Assets	491,850,886	485,819,505	526,432,165	515,757,463	515,563,793
Total Assets	618,379,075	607,667,920	632,826,731	600,604,628	588,955,351

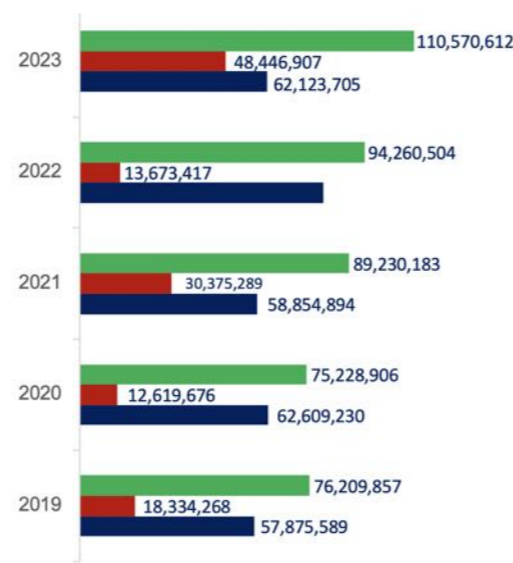
Liabilities

	2023	2022	2021	2020	2019
Current Liabilities	62,123,705	80,587,087	58,854,894	62,609,230	57,875,589
Non-Current Liabilities	48,446,907	13,673,417	30,375,289	12,619,676	18,334,268
Total Liabilities	110,570,612	94,260,504	89,230,183	75,228,906	76,209,857

Assets



Liabilities

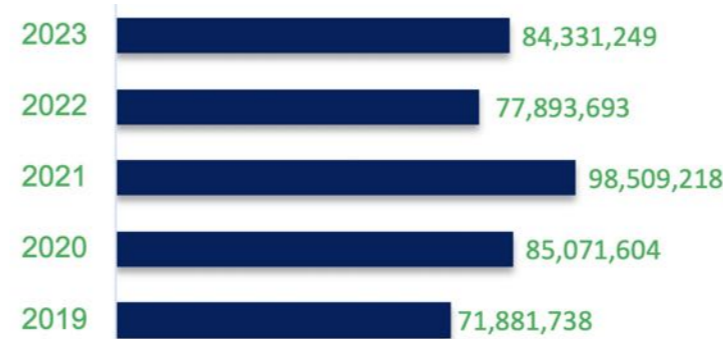


Total Assets ■ Current Assets ■ Non-Current Assets ■

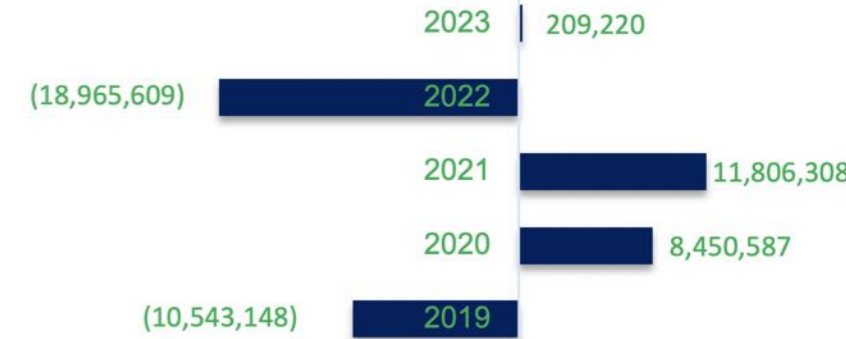
Total Liabilities ■ Current Liabilities ■ Non-Current Liabilities ■

	2023	2022	2021	2020	2019
Revenues	84,331,249	77,893,693	98,509,218	85,071,604	71,881,738
Operating Profit / Loss	209,220	(18,965,609)	11,806,308	8,450,587	(10,543,148)
Net Profit / Loss	1,523,667	9,868,072	11,661,289	10,783,359	(12,903,931)
Shareholder Equity	507,808,463	513,407,416	543,596,548	525,375,722	512,745,494

Revenue



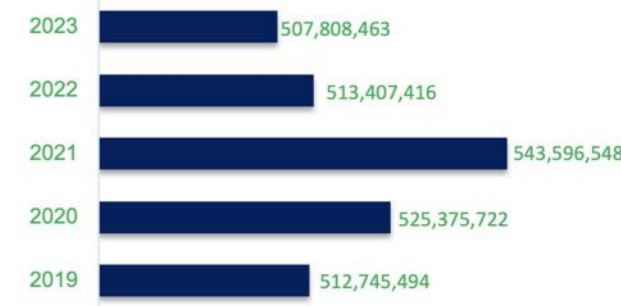
Operating Profit / Loss



Net Profit / Loss



Shareholder Equity





Financial Performance



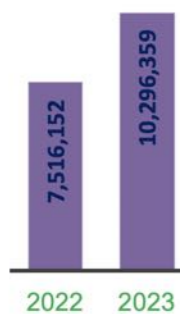
Financial Performance

Contribution of each Activity to the Company's Results

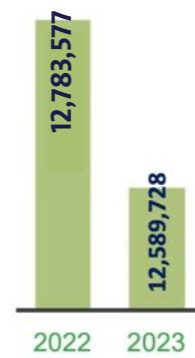
The contribution of each Sector to the total revenues of the main sectors of the company and its subsidiaries on 31/12/2023 compared to 2022 is as follows:

Statement	Activity revenues for 2023		Activity revenues for 2022		Change Percentage
	Amount	Ratio	Amount	Ratio	
Agricultural activity	47,268,659	56%	37,718,825	48%	25%
Industrial activity	14,176,503	17%	19,875,138	26%	-29%
Real estate activity	12,589,728	15%	12,783,577	16%	-2%
Commercial activities	10,296,359	12%	7,516,152	10%	37%
Total	84,331,249	100%	77,893,693	100%	8%

Commercial activities



Real estate activity



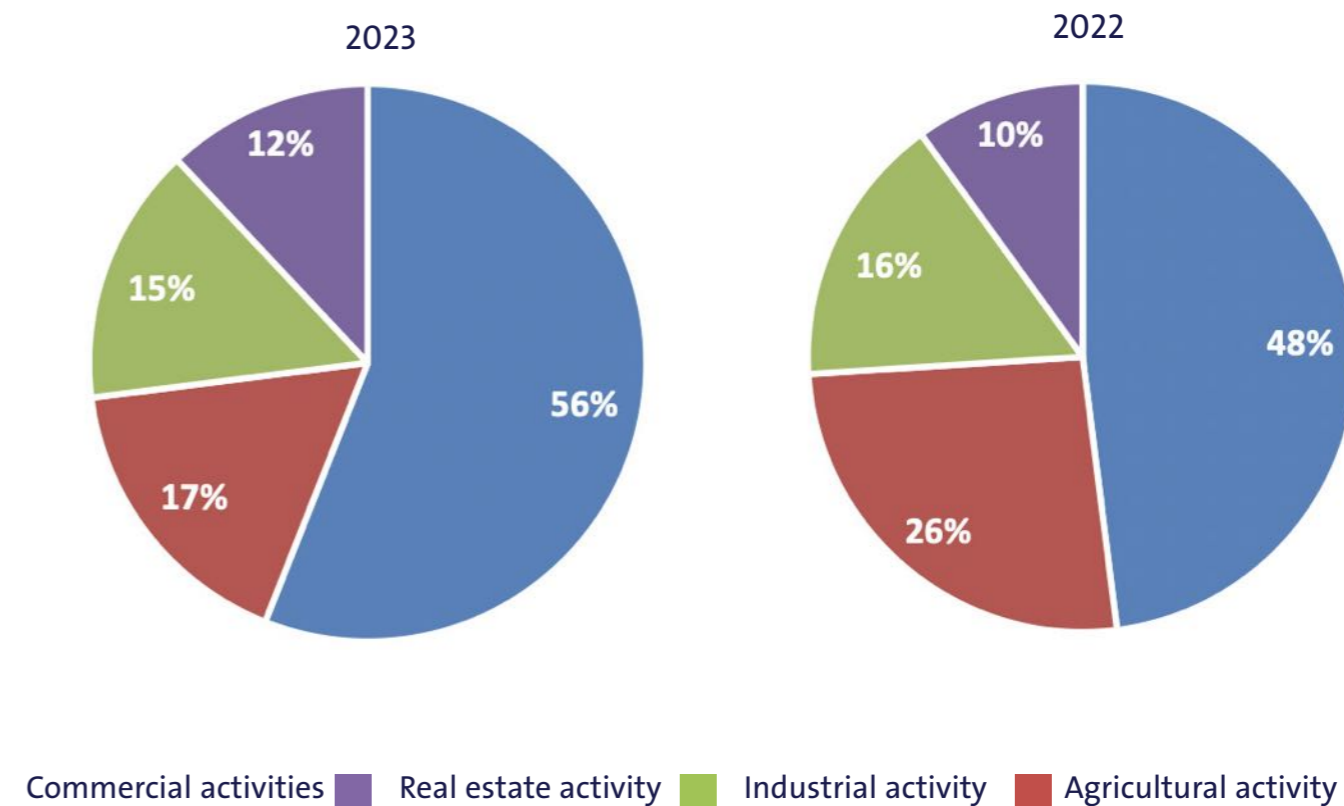
Industrial activity



Agricultural activity



Sectors Contribution to the total revenues of



Revenue according to the company's main and subsidiary activities

Revenues according to the company's main activities

Statement	2023	Change Percentage
Fruit Product Sales Revenue	933,907	1%
Shrimp Product Sales Revenue	46,334,752	63%
Water Products Sales Revenue	14,176,503	19%
Real Estate Lease Income	12,589,728	17%
Total	74,034,890	100%

Revenues according to the activities of the subsidiary (Mango Jazan Company)

Statement	2023	Change Percentage
Mangoes Sales (Jazan Mango app)	5,382,525	73%
Coffee Sales (Jabaliyah app)	1,949,775	27%
Total	7,332,300	100%

Revenues according to the activities of the subsidiary company (Fish Day Company)

Statement	2023	Change Percentage
Retail Fish Sales Revenue	1,362,513	46%
Wholesale fish sales revenue	1,601,546	54%
Total	2,964,059	100%

Geographical analysis of revenues according to the company’s main activities

Geographical analysis of the total revenue of the main company

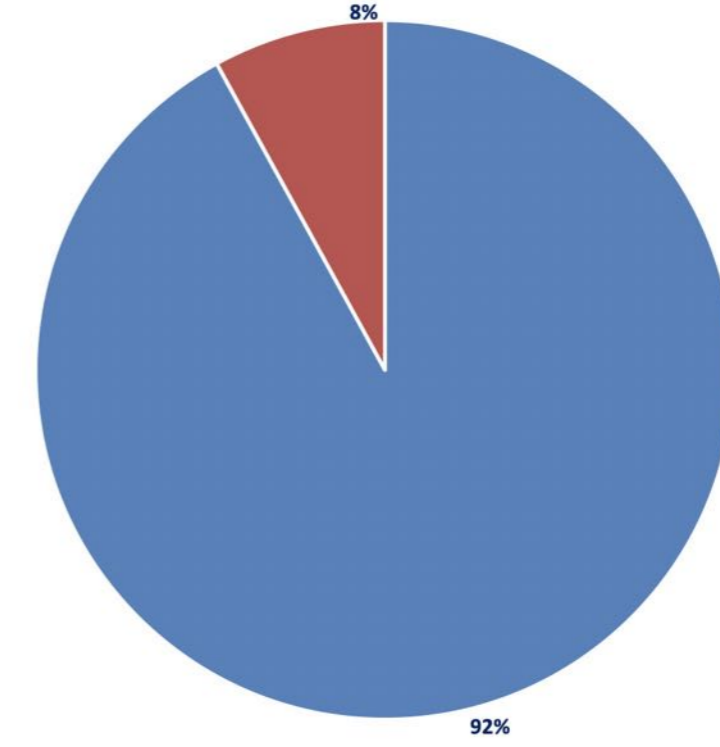
Statement	2023	Change Percentage
Kingdom of Saudi Arabia	77,218,927	92%
Russia	7,112,322	8%
Total	84,331,249	100%

The geographical analysis of the total revenues of the subsidiary company (Mango Jazan Company)

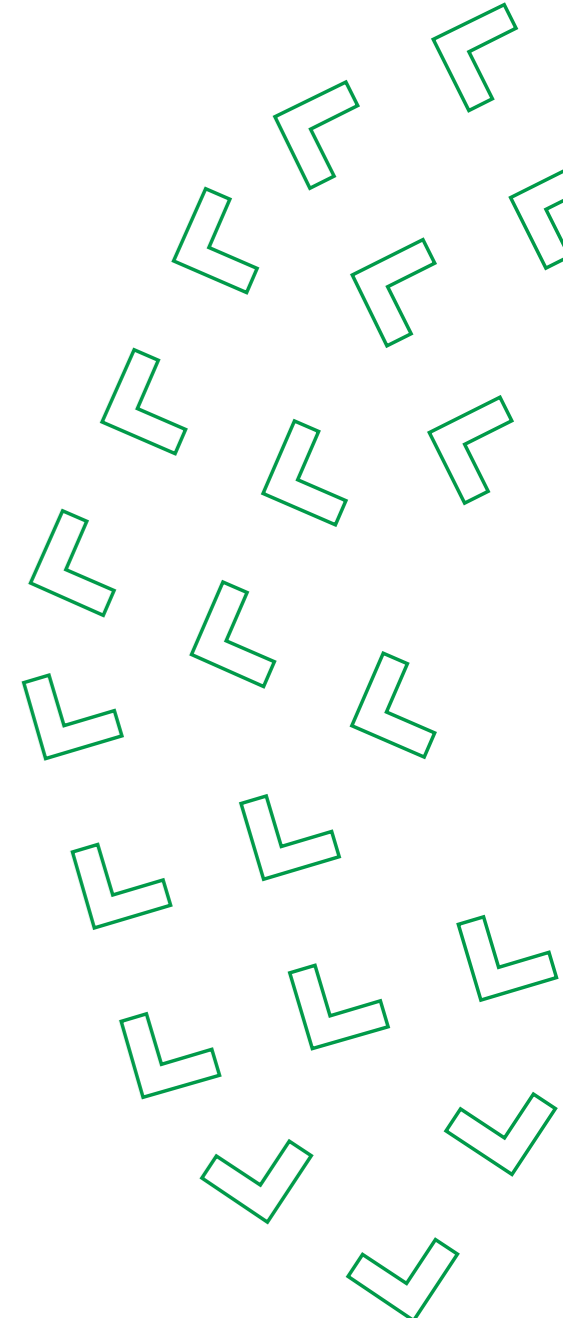
Statement	2023	Change Percentage
Kingdom of Saudi Arabia	7,332,300	9%

The geographical analysis of the total revenue of the subsidiary (Fish Day Company)

Statement	2023	Change Percentage
Kingdom of Saudi Arabia	2,964,059	4%



Kingdom of Saudi Arabia Russia



Major differences in operating results

Comparison of operating results with that of previous year

The material differences in the operating results for the fiscal year ending on December 2023 ,31 reflect the impact of the steps taken by the company, which included restructuring the company and its sectors, initiatives to reduce and control costs, in addition to adopting new mechanisms in sales and marketing that were achieved in 2023, which contributed to the material differences of the income statement items.

Changes in Revenue and Gross Profit

Statement	2023	2022	Change	Change Percentage
Sales	84,331,249	77,893,693	6,437,556	8%
Gains on proof of biological assets at fair value	11,915,372	4,325,578	7,589,794	175%
Sales cost	(73,979,148)	(66,427,892)	7,551,256	11%
Gross profit	22,267,473	15,791,379	6,476,094	41%

Revenues during the year 2023 amounted to 84,331,249 Saudi riyals, compared to revenues amounting to 77,893,693 Saudi riyals for the previous year, an increase of 6,437,556 Saudi riyals, with an increase rate of 8%, to reflect the impact of the changes as follows:

- The company increased its focus on selling in the local market due to the difficulties and challenges facing the company in the process of exporting to strategic markets due to global events.

Material Differences in Operating Profit Results

Statement	2023	2022	Change	Change Percentage
Gross profit	22,267,473	15,791,379	6,476,094	41%
General and administrative expenses	(21,997,564)	(20,424,454)	1,573,110	8%
Selling and distribution expenses	(7,001,862)	(7,486,957)	(485,095)	-6%
Regained/(increase) of an allowance for ECL	1,465,082	(7,223,017)	(8,688,099)	-120%
Regained/(increase) of Provision for advance payments to suppliers	291,984	(2,990,677)	(3,282,661)	-110%
Other income	3,872,162	3,368,117	504,045	15%
(loss) from main operations	(1,102,725)	(18,965,609)	(17,862,884)	-94%

The company decreased operating loss during the year 2023 amounting to (1,102,725) Saudi riyals, compared to an operating loss of (18,965,609) Saudi riyals for the previous year, a reduction of (17,862,884) Saudi riyals, with an increase rate of 94%, which is essentially represented in each of the following:

- As a result of the decrease in selling and distribution expenses, the regain of the provision for expected credit losses, the provision for advance payments to suppliers, and the increase in other income.

Significant Differences in Net Profit / (Loss) for the Year

Statement	2023	2022	Change	Change Percentage
(loss) from main operations	(1,102,725)	(18,965,609)	(17,862,884)	-94%
Finance expenses	(1,407,529)	(1,348,283)	59,246	4%
Group's share in the profit of the associate	5,442,346	2,157,797	3,284,549	152%
Unrealized gains from financial investments at fair value through profit or loss	213,644	257,325	(43,681)	-17%
Re-establish the investment in the associate company after closing the losses	-	3,248,741	(3,248,741)	-100%
Fair value difference in the investment in the associate	-	2,191,211	(2,191,211)	-100%
revenue from government grants	1,735,650	-	1,735,650	100%
(Loss) / Gains on sale of property, plant and equipment, net	(85,365)	25,396,769	(25,482,134)	-100%
Zakat	(3,272,354)	(3,069,879)	202,475	7%
Net profit after Zakat	1,523,667	9,868,072	(8,344,405)	-85%
Other comprehensive (loss) for the year	(7,122,620)	(3,111,720)	(4,010,901)	-129%
Total comprehensive (loss) / income for the period	(5,598,953)	6,756,352	(12,355,306)	-183%

The company's net profit decreased during the year ending on 31 December 2023, as it achieved an amount of 1,523,667 Saudi riyals compared to a net profit of 9,868,072 Saudi riyals, and the total comprehensive loss for the fiscal year 2023 amounted to (5,598,953) riyals compared to a total comprehensive income 6,756,353 Saudi riyals in 2022.

- The reason for the increase in net profit is due to the profits in the previous year resulting from the sale of a fixed asset (land in the Khabt Al-Falaq region in Jazan) with a profit of 31 million Saud riyals.

Earnings / (Loss) per share during the year

Statement	2023	2022	Change	Change Percentage
Earnings / (Loss) per share	0.04	0.21	(0.17)	-81%

The company's earnings per share decreased to 0.04 halalas from the net profit for the year ending on 31 December 2023, compared to 0.21 halalas on 31 December 2022 (a decrease of 0.17 halalas) to reflect the impact of changes in income statement items.

Loans

Agricultural Development Fund

Loan Start Date	Loan Term	Loan Value	Balance at the beginning of 2023	Paid during the year	End-of-year balance
03/09/1442	4 Years	15,000,000	-	-	15,000,000
21/12/1442	10 years	5,902,781	-	-	5,902,781
21/06/1445	2 Years	21,000,000	-	-	21,000,000

- On 8 Shaban 1442 H (21 March 2021), Jazan Development and Investment Company (formerly: Jazan Energy and Development Company (JAZADCO)) signed a long-term loan agreement with the Saudi Agricultural Development Fund in the amount of 15,000,000 Saudi riyals for the purpose of financing the operating costs of shrimp farming. The loan is guaranteed. By mortgaging the title deeds of the included project assets (equipment and machinery), the agreement included a pledge by Jazan Development and Investment Company (formerly: Jazan Energy and Development Company (Jazadco)) not to dispose of the areas that exist on the land on which the loan was granted or in which the operation of the farm or project stops. It is obligated to dispose of it in any way, whether these areas were previously lent or not, except after written approval from the Fund along with some other conditions and pledges contained in the contract. During the first quarter of 2023, the company obtained final approval to postpone payment of the loan installment for two years, provided that the total loan amount is paid in one installment on 1 Shawwal 1446 H (corresponding to 31 March 2025).

- On 8 Shaban 1442 H (21 March 2021), Jazan Development and Investment Company (formerly: Jazan Energy and Development Company (JAZADCO)) signed a long-term loan agreement with the Saudi Agricultural Development Fund in the amount of 5,902,781 Saudi riyals for the purpose of contributing to a shrimp breeding project. The loan is guaranteed. By mortgaging title deeds to mortgage the included project assets (equipment and machinery), the agreement included a pledge by Jazan Development and Investment Company (formerly: Jazan Energy and Development Company (Jazadco)) not to dispose of the areas that exist on the land on which the loan was granted or in which the operation of the farm or The project is subject to any form of disposal, whether these areas were previously lent or not, except after written approval from the Fund along with some other conditions and pledges contained in the contract, provided that payment is made in equal annual installments, each of which is 590,278 Saudi riyals, provided that the installment is due. The first is dated 21 March 2024.
- On 21 Jumada Al-Ula 1445 H (16 November 2023), Jazan Development and Investment Company (formerly: Jazan Energy and Development Company (JAZADCO)) signed a long-term loan agreement with the Saudi Agricultural Development Fund in the amount of 21,000,000 Saudi riyals, and the full amount was received in December 2023. For the purpose of contributing to an operational loan for a shrimp farming project, the loan is guaranteed by mortgaging title deeds to mortgage the included project assets (equipment and machinery). The agreement included a pledge by Jazan Development and Investment Company (formerly: Jazan Energy and Development Company (Jazadco)) not to dispose of the areas located on The land on which the loan was granted or on which the operation of the farm or project depends in any form of disposal, whether these areas were previously lent or not, except after written approval from the Fund along with some other conditions and pledges contained in the contract, provided that the loan is repaid in one installment. On 25 Jumada al-Ula 1447 H (corresponding to 16 November 2025).

Islamic financing system facilities from Al Rajhi Bank (in Saudi Riyals)

Loan Start Date	Loan Term	Loan Value	Balance at the beginning of 2023	Paid during the year	End-of-year balance
2017/08/14	5 Years	14,996,712	4,074,975	4,074,975	-

On 17 Shawwal 1438 H (corresponding to 11 July 2017), Jazan Development and Investment Company (formerly: Jazan Energy and Development Company (Jazadco)) signed a facilities agreement with Al Rajhi Bank. The value of these facilities amounted to 40,000,000 Saudi riyals. An amount of 14,996,712 Saudi riyals was received for the purpose of financing The group's projects are in exchange for mortgaging buildings included in real estate investments and waiving annual rents for mortgaged buildings, in addition to promissory notes and fine and performance bonds signed by the group's main shareholders. The loan agreement included conditions regarding Jazan Development and Investment Company's commitment to certain financial ratios and conditions. The Al Rajhi Bank loan was repaid on 29 Muharram 1445 H (corresponding to 16 August 2023), and accordingly the mortgage was released

Review of changes in cash flows

The company achieved a net change in the balances of cash and cash equivalents amounting to 16,774,263 Saudi riyals resulting from changes in the terms of cash flow statement, as follows:

Statement	2023	2022
Cash flows (used in) operating activities	(9,676,401)	(6,574,110)
Cash flows generated from / (used in) investing activities	7,991,050	(3,840,478)
Cash flows generated from / (used in) financing activities	16,413,805	(2,903,752)
Net change in cash and cash equivalents	16,774,263	2,045,809

The most prominent changes in the items of cash flows are mainly due to:

- Increased cash flows resulting from financing activities, as a result of obtaining a loan from the Agricultural Development Fund worth 21 million Saudi riyals.

Zakat and Statutory Payments and related party transactions

The following are the statutory payments made during the fiscal year ending on December 31, 2023

Statement	Paid	Outstanding until the end of the year and not paid	Brief description	Statement of reasons
Sharia Zakat	2,424,754	3,272,354	Due for the fiscal year 2023	To be paid in 2024
Social Security	2,045,654	-	-	-
Visas, passports and employment office	1,601,866	-	-	-
Saudi Stock Exchange Company (Tadawul)	461,637	-	-	-

Zakat provision

The main elements of the holding company's zakat base are as follows:

Description	2023	2022
Equity at the beginning of the period	513,407,417	575,416,764
Beginning provisions and non-current liabilities	13,673,417	72,064,548
Non-current assets	(491,850,886)	(558,819,236)
Profit for the year before zakat	1,574,178	28,252,633

The movement of the zakat provision is as follows:

Description	2023	2022
Balance at the beginning of the year	13,942,251	12,651,496
Compounded during the year	3,272,354	3,069,879
Paid during the year	(2,424,754)	(1,779,124)
Balance at the end of the year	14,789,851	13,942,251

The Zakat position

- **The years from 2006 to 2010** : The Zakat, Tax and Customs Authority issued the amended zakat assessment by imposing an additional zakat in the amount of 11,844,023 Saudi riyals and a withholding tax (paid in excess) in the amount of 1,134,079 Saudi riyals. A request was made to settle the dispute before the Zakat Tax Disputes Settlement Committee of the Authority, but a satisfactory result was not reached for the company. Claims were registered before the Authority. Tax zakat settlement committees.
- **The years from 2014 to 2018** : The Zakat, Tax and Customs Authority issued a zakat assessment on the group for those years by imposing an additional zakat in the amount of 4,434,244 Saudi riyals. The zakat differences requested by the authority in the initial assessment were reduced, and the final additional difference was objected to. The objection was escalated before the tax adjudication committees and the adjudication committee's decision was issued for the years. From 2015 until 2018, the land rebate clause was accepted - which is one of the clauses affecting the differences - and the rest of the clauses were appealed, and as for the year 2014, they are still before the primary adjudication committees.
- **The years 2019 to 2020** : The Zakat, Tax and Customs Authority issued the zakat assessment imposing additional zakat in the amount of 1,426,660 Saudi riyals for the year 2019, and the amount of 1,920,951 Saudi riyals for the year 2020. An objection was submitted to the additional amounts, and a decision was issued by the authority to reject the 2019 objection. The objection was escalated before the tax adjudication committees, and is awaiting a decision. The Authority regarding the 2020 objection.

The objections submitted by the group are based on the Zakat system and the executive regulations.

- **Years 2021 to 2022** : The company submitted zakat returns for the year ending 2021 and 2022.
- **Fish Day Company (Subsidiary Company)** : The company submitted zakat returns for the year ending on December 31, 2022, and obtained a valid zakat certificate until April 30, 2024. The company did not obtain the zakat assessment from the Zakat, Tax and Customs Authority.
- **Mango Jazan Company (Subsidiary Company)** : The company submitted zakat returns for the year ending on December 31, 2022, and obtained a valid zakat certificate until April 30, 2024. The company did not obtain the zakat assessment from the Zakat, Tax and Customs Authority.

Punishments and penalties

Penalty \ Precautionary Measures	Violation reasons	Authority that placed the violation	Treatment & future prevention methods	Amount	Payment date
financial penalty	Problems with the Nutrition Facts Label.	Saudi Food and Drug Authority	The modification was made according to the Authority's specifications	500,000	An objection has been raised to the authority

Transactions with related parties

During its normal activities, the company deals with parties that are related parties, and the material dealings with these parties were as follows: (in Saudi Riyals)

- The most important transactions with related parties are as follows:

Related Party	Type of relationship with the company	Nature of dealing	31 December 2023		31 December 2022	
			indebted	Credit	indebted	Credit
Mrs. Sarah Al-Humaidi Rabie Al-Harbi	Partner in a subsidiary	financing	15,000	-	-	-
Mr. Suleiman bin Ahmed Al-Ismail	Executive Director	Payment of expenses on behalf of the group	130,927	144,846	94,263	104,578
	Sister Company	Collector	-	863,210	-	-
Rakhaa Agricultural Investment Company	Subsidiary	Capital increase through current balance Acting expenses	-	4,678,345	-	-
Total			145,927	5,686,401	94,263	104,578

- The balances payable from a related party are as follows:

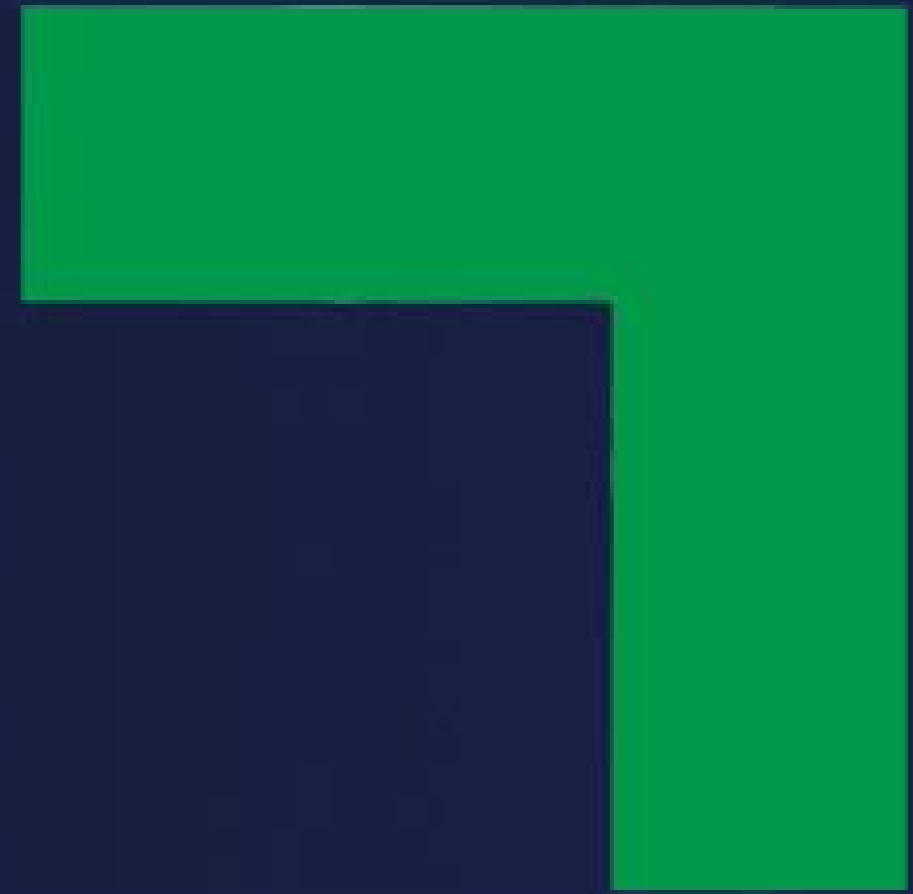
Related Party	31 December 2023	31 December, 2022	1 January 2022
Rakhaa Agricultural Investment Company	-	5,541,555	5,541,555

- The balances required to related parties are as follows:

Related Party	31 December 2023	31 December, 2022	1 January 2022
Mrs. Sarah Al-Humaidi Rabie Al-Harbi	-	15,000	15,000
Mr. Suleiman bin Ahmed Al-Ismail	24,234	10,315	-
Total	24,234	25,315	15,000



Social Responsibility



The company's Ordinary General Assembly held on 04/18/2018 , approved the social responsibility policy, its objectives, scope of work and controls to develop society's social and economic conditions. It aims to define the general framework for the work and programs of social responsibility organized by the company and determine the controls that govern it to ensure the achievement of the required goals.

Fields

1

Cooperation and interaction with social actors and organizations

2

Supporting community programs and sectors

3

Paying attention to everything that contributes to supporting activities and programs and sponsoring events and occasions of value and benefit to the individual and society

4

Environmental preservation

5

Supporting the youth group in a way that serves their interests and develops their awareness by adopting training programs for Saudi youth with educational institutions and attracting competencies to create job opportunities

6

Supporting people with special needs

7

Establishing the concept of social responsibility in the region as a symbol of loyalty to the homeland and its citizens



Changes in Global Economy



That negatively affects product prices especially shrimp exports. The company continuously monitors the changes in global economy and works to diversify sources of revenue by diversifying the company's activities.

Competition Risks



The company sells its fish products of shrimp, water products and fruits products in a competitive domestic and overseas markets. The company's management works to reduce competition risks by diversifying investments and maintaining competitive prices and quality.

Risks of Biodiseases



They have a direct impact on production, especially shrimp. The company takes measures to prevent these diseases in accordance with standards, procedures and conditions determined by the Ministry of Environment, Water and Agriculture to reduce these diseases.

Risks of Price Changes



This is in the prices of production inputs and selling prices, which affects the profit margin. This risk is addressed by working to diversify investments and reduce operating, selling and distribution costs.

Credit Risk



Financial assets that are likely to be exposed to credit risk mainly from cash, cash equivalents, receivables and other assets. Cash is deposited in banks with high credit capacities and thus credit risk is limited. As for credit risk for receivables, it is limited for not accepting any client before determining and analyzing his credit capacity and dealing with him according to the authorities, as net receivables and other debit balances represent only about 7% of the total assets of the company.

Interest Rate Risk



Interest rate risk arises from the possibility that fluctuation in interest rates will affect the future profitability or fair value of financial instruments due to the change in interest rate in the market. The company is subject to interest rate risk on its commission-related assets and liabilities. The company deals with interest-free financing funds and Islamic finance in addition to diversifying sources of financing.

Foreign Currency Risk



It is the risk resulting from a change in foreign currency exchange that affects the value of assets, foreign investments and operating activities and fluctuation of the fair value of future cash flows. The company's management monitors the fluctuations in foreign exchange rates on a continuous basis. It also believes that it is not necessary to cover against foreign currency risks at the present time. When the company's management determines the existence of these risks, financial commitments will be formed to reduce the risk of change in foreign currencies.

Capital risk management



The company’s capital includes common shares owned by ordinary shareholders. The company aims mainly through capital management to maintain strong capital ratios in order to support projects and maximize shareholder value. The company manages its capital structure in light of changes in economic conditions and the requirements of financial agreements. In order to maintain and adjust the companys capital structure, a company may adjust dividends to shareholders, return capital to shareholders, or issue new shares

Liquidity Risk



those that the Group may face in providing the liquidity necessary to meet its commitments on financial instruments for the benefit of third parties. To reduce liquidity risks and associated losses on the group’s business, the group retains, where possible, sufficient high-liquidity traded assets in all working conditions. The Group is moving away from financing long-term capital requirements through short-term borrowing. Long-term projects are now funded through long-term loans only. The Group also had a highly dynamic cash flow assessment policy and a system through which to estimate the entitlement dates of its liabilities and develop appropriate plans to provide the resources required to meet those liabilities in a timely manner.

Equity Price Risk

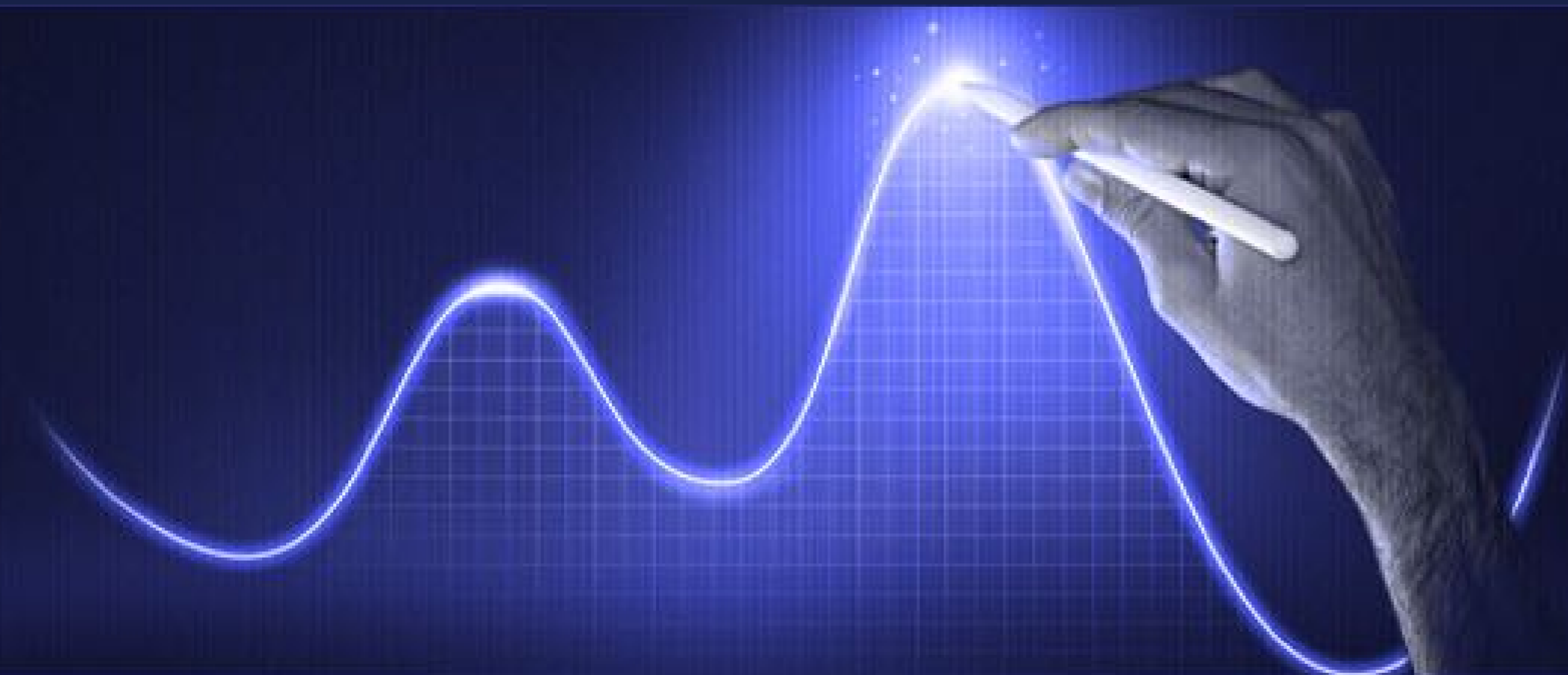


The listed and unlisted securities of the company are exposed to market price risk arising from the uncertainty of the future values of investment in securities. The company manages equity price risk by diversifying investments.

Climate hazards and agricultural diseases



These risks are due to climatic conditions and agricultural epidemics affecting crops. The ability to cope with climatic conditions may be limited, but as far as epidemics are concerned, the actions available to the company to deal with them depend on its accumulated experience and the possible requirements for prevention and control



**Governance
Regulations**



The governance regulation is defined as the system by which the company's business is directed and monitored in a way that serves the interests of shareholders in order to sustain the value of the company and promote rights of shareholders. It defines the governance structure and the distribution of powers and responsibilities among the various parties related to the company, such as members of the board of directors, committees of the board, executive management and shareholders. The regulations clarify the rules and procedures for taking decisions regarding company affairs

Company Governance

The company applies all the provisions mentioned in the Corporate Governance Regulations issued by the Capital Market Authority (CMA), except for the following:

Article Number	Paragraph	Article Requirements	Reasons for not Applying
Thirty-seventh	2	Training Develop the necessary mechanisms for both the members of the Board of Directors and the Executive Management to obtain programs and courses on an ongoing basis in order to develop their skills and knowledge in the fields related to the company's activities.	Guidance material
Forty-first	H	Evaluation The Board of Directors shall make the necessary arrangements to obtain an evaluation of its performance by a competent external party every three years.	Guidance material to be applied in the future
	F	Non-executive members of the Board of Directors shall periodically evaluate the performance of the Chairman of the Board	Guidance material to be applied in the future
Forty-fourth	3	Company Competition Controls Competition standards issued by the company's general assembly upon the proposal of the board of directors and published on the company's website	The company has worked on updating the company's corporate governance regulations to comply with the corporate governance regulations issued by the Capital Market Authority, and the board approved in February 2024 to approve the policy and submit it to the next assembly for approval to be published on the company's website
Seventieth	-	Formation of the Risk Management Committee A committee called (Risk Management Committee) shall be formed by a decision of the company's board of directors	Guidance material The Board of Directors does not consider it necessary to form it as an independent committee at this time and has assigned the Executive and Investment Committee with its tasks
Eighty-fifth	2	Motivate employees Programs that give employees shares in the company or nipa from the profits they make and retirement programs, and establish an independent fund to spend on those programs	Guidance material
	3	Establishing social institutions for employees of the company	Guidance material
Eighty-eighth	1	Social Work Initiatives Clarify measurement indicators linking the company's performance to its initiatives in social work and compare it with other companies with similar activity	Guidance material
	4	Clarify awareness programs for the community to introduce the company's social responsibility	Guidance material
Ninety-fifth	-	Formation of the Corporate Governance Committee Forms a specialized committee on corporate governance	Guidance material The Board of Directors does not consider it necessary to form it as an independent committee at this time and has assigned the Audit Committee its tasks

Board of Directors

Board of Directors

The Board of Directors consists of (7) members appointed at the General Assembly meeting for a period of (3) years in accordance with Article (14) of the Company's Articles of Association, and (7) members were appointed in the General Assembly held on 11/04/2022 according to the cumulative voting method, and the Board of Directors was formed in accordance with the instructions contained in Article (16) of the Corporate Governance Regulations issued by the Capital Market Authority, and the Board assumes all the necessary powers to manage the company specified in the Articles of Association, and the Policies Regulations. The criteria and procedures for membership clearly defined the responsibilities of the Board.

Member Name	Membership Status	Position
Sultan Abdulaziz AlMubarak	Independent	Chairman
Feras Khalid Albawardi	Executive	Vice Chairman & Managing Director
Abdulelah Mulhem Al-Mofeez	Non-executive	Board Member
Turki Ahmed Alobilan	Independent	Board Member
Mohammed Abdullah Alkhtaf	Independent	Board Member
Bedor Nasser Al-Rashoudi	Non-executive	Board Member
Majed Abdullah Alissa	Independent	Board Member



Dr.

Sultan Abdulaziz AlMubarak

Chairman of the Board

Current Positions

- Executive Director of Innovation and Knowledge Translation at the National Health Research Institute of the National Transformation Program
- Chairman of the board, Jazan Development and Investment Company (JAZADCO).
- Active Participant, Riyadh Economic Forum
- Board Member, QMEL Company.

Former Positions

- Senior Clinical Scientist/Consultant, Biostatistics, Epidemiology, and Science Computing Department (BESC)/Main Hospital, King Faisal Specialist Hospital & Research Centre.
- Advisory Board Member, Technopolicy Network, The Netherlands.
- Consultant, King Abdulaziz City for Science and Technology (KACST), Riyadh Saudi Arabia Supporting and implementing the National, Science, Technology, and Innovation Plan.
- Vice Chair, The Committee of Scientific Research Support, of the Saudi National Science Technology and Innovation Plan NSTIP (Maarifah 2).
- Referee member, Ibticar competition for Innovation, Mawhiba, Saudi Arabia
- Director, BADIR Program for Biotechnology Business Incubator, (KACST), Riyadh, Saudi Arabia
- Other positions, Partial listing: Multiple posts, involvement and trainer in the fields of Business Incubation Process and Management, Virtual Services, Establishing Mentoring programs, Patent Searches and evaluation, and Ambitious Entrepreneurs.

Qualifications

- Stanford Research Institute, Disciplines of Innovation, USA 2012
- Office of Technology Transfer, National Institute of Health, USA 2010.
- PhD in Periodontology State University of New York at Buffalo New York USA, 2000.
- Bachelor of Dental Surgery King Saud University, Riyadh, KSA. 1989

Experience

- Dr. AlMubarak worked in a number of organizations as a motivating and inspiring leader who can achieve positive results in demanding work environments. He also possesses many interpersonal and management skills. He is also able to cooperate in managing diverse and complex issues related to operational aspects and improving the financial position of the transformation of the leading innovative enterprises. He has a comprehensive, high-level network of communication in the public and private sectors, has research and scientific publications including books on innovation in health. He frequently participates as a guest speaker in international and local conferences about incubators, innovation, and technology transfer. Participated as an international researcher and lecturer in many conferences.

Current Corporate Board Members or their Directors

Within the Kingdom

- Jazan Development and Investment Company (JAZADCO) - Listed Joint Stock Company
- QMEL Company- Closed Joint Stock Company

Former Corporate Board Members or their Directors

Within the Kingdom

- Board member, at BATIC Investments & Logistics Services CO.
- Chairman of Nomination & Remuneration Committee (NRC).



Mr.

Firas Khaled Al-Bawardi

Vice Chairman of the Board Member

Current Positions

- Managing Director of Jazan Development & Investment Company
- Chairman - Mango Jazan Company
- Chairman - Fish Day Company

Former Positions

- CEO - Jazil Investment Company
- CEO - Jasara Holding Company
- Real Estate dep. Director - Istedamah
- Project Manager - Council of Economic and Development Affairs
- Local and International Equity Analyst at Samba Bank

Qualifications

- Bachelor of Finance Management, University of Oregon, USA in 2011

Experience

- Investment, financial analysis, local and international stocks

Current Corporate Board Members or their Directors**Within the Kingdom**

- BATIC Investment and Logistics Company (BATIC) - Listed Joint Stock
- Jazan Development and Investment Company (JAZADCO) - Listed Joint Stock Company
- Al Reef Sugar Refining Company - Closed Joint Stock
- Mango Jazan Company - LLC
- Fish Day Company - LLC
- ALWAFI International Factory Co. – LLC
- AMNCO Security Company – LLC
- Smart City Solutions Company – LLC

Outside the Kingdom

- Traken Company - LLC

Former Corporate Board Members or their Directors**Within the Kingdom**

- AMNCO Facility Management Company – LLC
- Saudi Transport & Investment Co. – LLC
- Jazil Investment Company – Closed Joint Stock
- Jassara Holding Company - LLC
- TAAQAAT Technical Services Company – LLC
- AXIS Contracting Company – LLC
- Performance Minerals Factory – LLC



Mr.

Abdul-Ilah Melhem Al-Mafeez

Board Member

Current Positions

- CFO of AlSaif Stores for Development and Investment Company

Former Positions

- CFO of Jazan Development and Investment Company
- Credit Consultant at the Industrial Fund
- Consultant for the investments and strategic partnerships of Elm Information Security Company

Qualifications

- CFA Certified Financial Analyst
- Master degree of Business Administration
- Bachelor's degree in Finance

Experience

- He worked as a legal and real estate consultant for a number of institutions and companies

Current Corporate Board Members or their Directors**Within the Kingdom**

- Jazan Development and Investment Company (JAZADCO) - Listed Joint Stock Company
- Tabuk Fish Company - Closed Joint Stock

Outside the Kingdom

- Rakha For Agricultural Investment Company - Closed Joint Stock

**Former Corporate Board Members or their Directors
Within the Kingdom**

- Mango Jazan Company - LLC
- Al Reef Sugar Refining Company - Closed Joint Stock
- Fish Day Company - LLC



Mr.

Turki Ahmed Alobilan

Board Member

Current Positions

- Board Member at Batic Investment and Logistics company (Batic and Audit committee member.
- Board member at Almarqab commercial markets company.
- Audit Committee member (GIG)

Former Positions

- CEO of Batic Real Estate Company
- Head of Local Bank Inspection at the Saudi Central Bank
- Banking supervision at the Saudi Central Bank
- Banking Inspection Department at the Saudi Central Bank

Qualifications

- Master of Business Administration (MBA) from (Hull) University in 2008 AD, and Bachelor of Financial Business Administration from King Saud University in 2001 AD

Experience

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



Mr.

Mohammed Abdullah Alkhtaf

Board Member

Current Positions

- Chief of Strategy and Business Development Officer at Batic Investments and Logistics Company

Former Positions

- Manager of the Public Investment Department at Government Expenditure & Projects Efficiency Authority
- Investment Climate Specialist at the General Investment Authority – Tayseer Committee Member

Qualifications

- Management Acceleration Program (MAP), INSEAD, Fontainebleau, France 2022
- Bachelor of Commerce (Management & International Business), Concordia University, Montreal, Canada 2016

Experience

- A career focused on developing Strategies, Businesses, and Investment Planning of transformational projects across public and private sectors.

Current Corporate Board Members or their Directors

Within the Kingdom

- Jazan Development and Investment Company (JAZADCO) - Listed Joint Stock Company
- Board Member at Batic Investment and Logistics company (Batic and Audit committee member.
- LCC member at Almarqab commercial markets company

None

Former Corporate Board Members or their Directors

Current Corporate Board Members or their Directors

Within the Kingdom

- Jazan Development and Investment Company (JAZADCO) - Listed Joint Stock Company

None

Former Corporate Board Members or their Directors



Ms.

Bedor Nasser Al-Rashoudi

Board Member

Current Positions

- Saudi Spanish Business Council member - Executive Committee Member
- Saudi Management Consultants Association – Founding board member

Former Positions

- Chairwomen at Mango Jazan Company
- Chairwomen at fish day Company
- CEO of Jazan Development and Investment Company
- Executive Director of Strategic Management in the Ministry of Interior Development Program
- Executive Director of the Empowerment and Capacity Building Sector at the National Center for Performance Measurement (Aadaa)
- Director in the Strategy Sector in Consulting Services in the Middle East and North Africa, Ernst & Young (EY)

Qualifications

- Master of Business Administration from IE Business School, Madrid, Spain
- Bachelor's degree in Computer Science from King Saud University

Experience

- Designing and implementing strategies
- Performance Management
- Developing procedures
- Business analysis
- Management of change
- Designing operational models
- Business transformation management
- Program and project management

Current Corporate Board Members or their Directors**Within the Kingdom**

- Jazan Development and Investment Company (JAZADCO) - Listed Joint Stock Company
- OCEANX for Business Solutions– LLC
- Saudi Spanish Business Council - Foreign Trade Authority
- Saudi Management Consultants Association –Professional association

**Former Corporate Board Members or their Directors
Inside the Kingdom**

- Mango Jazan Company - LLC
- Tabuk Fish Company - Closed Joint Stock
- Al Reef Sugar Refining Company - Closed Joint Stock
- Fish Day Company - Limited Liability

Outside the Kingdom

- Rakha For Agricultural Investment Company - Closed Joint Stock



Eng.

Majid Abdullah Al-Issa

Board Member

Current Positions

- CEO of the Sadr Logistics Company

Former Positions

- CEO of the Saudi Ceramic Company
- CEO of the Sadr Logistics Company
- Head of the SABIC Mergers and Acquisitions Fund
- CEO of the National Gypsum Company Ltd.

Qualifications

- Bachelor's degree in Chemical Engineering from King Saud University
- Higher Diploma in Industrial Management from the University of Cambridge
- Certified Management Accountant Professional Certificate (Fellowship of Certified Management Accountants of America).
- Certified Merger and Acquisition Expert Certificate (Fellowship of the American Association of Acquisition and Merger Experts)

Experience

- Evaluation of industrial projects.
- Evaluating opportunities for mergers and acquisitions.
- Corporate management and investment.
- Membership of boards of directors and executive committees.

Current Corporate Board Members or their Directors**Within the Kingdom**

- Jazan Development and Investment Company (JAZADCO) - Listed Joint Stock Company
- Saudi Ceramic Company - Listed Joint Stock Company
- National Distribution Gas Company - Listed Joint Stock Company
- Meshari Alshithri Engineering Consultancy Company - closed joint stock company.
- Ceramic Pipes Company - closed joint stock company

Former Corporate Board Members or their Directors**Within the Kingdom**

- BATIC Investment and Logistics Company (BATIC) - Listed Joint Stock Company

Board Meetings

The members of the Board of Directors allocated sufficient time to be informed and well prepared for the meetings of the Board and its committees and their keenness to attend them. No member had previously submitted a written request to hold emergency meetings of the Board during the fiscal year ending on December 31, 2023 AD . No member had previously objected to the Board's agenda and its decisions. The Board was keen to schedule its sessions on specific dates and to constantly prepare for the Board's meetings before meetings, to ensure that all members of the Board attend the meetings, discuss all the agenda items put forward in the meeting, record the results of the meeting in the minutes entrusted to the Secretary of the Board and follow up the implementation of what is included in the minutes with the executive management of the company. The Board was keen to follow up on the tasks assigned to each of its members, to ensure that they are implemented in accordance with what was decided by the Board in its meetings, to follow up on the Board's committees and their periodic meetings, to ensure that their members carries out their duties and responsibilities and to implement what was included in the minutes of sessions.

In order to facilitate the workflow, the Articles of Association have authorized the Board to take decisions by circulation in urgent matters, provided that they are presented to the Board of Directors at its first subsequent meeting to be recorded in the minutes, and a number of decisions taken by circulation were issued during the year 2023 and presented to the Board of Directors.

Means adopted by the Board of Directors in evaluating its performance and the performance of its committees and members

The Nominations and Remuneration Committee determines the strengths and weaknesses of the Board of Directors and proposes to address them in accordance with the interests of the company. The committees of the Board of Directors are also evaluated during the period of their commitment to the tasks assigned to them by the Board of Directors.

No external entity has assessed the performance of the Board and its committees during the year 2023.

Attendance

Attendance Record of board meetings during 2023, a total of (6) meetings:

Name	Board Meeting Dates						Total Attendance
	05/31	07/20	08/31	11/05	11/13	12/31	
Sultan Abdulaziz AlMubarak	√	√	√	√	√	√	6
Feras Khalid Albawardi	√	√	√	√	√	√	6
Abdulelah Mulhem Al-Mofeez	√	√	√	√	√	√	6
Turki Ahmed Alobilan	√	√	√	√	√	√	6
Mohammed Abdullah Alkhttaf	√	√	√	√	√	√	6
Bedor Nasser Al-Rashoudi	√	√	√	√	√	√	6
Majed Abdullah Alissa	√	√	√	√	√	√	6
Date of the last meeting of the General Assembly 26/12/2023							

(√) Attendance

(X) Non-attendance

Executive management

A statement of the names of the positions, qualifications and experiences of senior executives in the executive management:



Managing Director

Mr. Firas Khaled Al-Bawardi

Please see the previous section for biographies of board members



Mr. Mohammed Abdullah Al-Resheid
Chief Executive Officer

Current Positions

- Strategic Planning Manager at the Global Company for Downstream industries
- Business Development Specialist at the Global Company for Downstream industries
- Visiting Lecturer in the King Saud University

Former Positions

- Master of Science in Engineering Management, Projects and Systems form Catholic University of America
- Business Administration and Management, Finance from King Saud University
- Engineering Management Professional Certificate from Catholic University of America
- Management of Information Technology Professional from Catholic University of America

Qualifications

- 15 years of experience in entrepreneurship, industries, and setting up new projects



Mr. Ehab Refaei abdeslam
Director of Financial Affairs

Former Positions

- financial Controller of Jazan Development and Investment Company
- Chief Accountant for Jazan Development and Investment Company
- Head of accounts for Wadi Al-Nahil Company
- Head of accounts for Hi-Tech International Import and Export

Experience

- Experience in corporate evaluation, strategic investments, feasibility studies and financial analysis

Qualifications

- Master's degree in Financial Accounting and Auditing.
- Diploma in Financial Accounting and Auditing
- Bachelor's degree, faculty of Commerce

In 2023, some administrative changes took place as follows

- On 31/05/2023, the Board of Directors decided to appoint Mr. Firas bin Khaled Al Bawardi as Managing Director of the company to begin work on 06/01/2023.
- On 31/12/2023, the Board of Directors decided to terminate the appointment of Mr. Ihab Rifai Abdel Salam and appoint a financial director for the company, with the appointment starting on 01/01/2024.



Mr. Naif Dahwi Al-Anzi

Executive Director of Human Resources and Administration

Former Positions

- Human Resources Director, Gazelle Investment

Experience

- More than 20 years of experience in human resources management and administrative affairs in many companies operating in the fields of contracting, industry and investment

Qualifications

- Bachelor's degree in Business Administration

committees

The committees formed by the Board of Directors and emanating from it in compliance with the Articles of Association of the company and the regulations for governance and optimum management consist of three committees, as follows:

**Executive and Investment
Committee**

Audit Committee

**Nomination and
Remuneration Committee**

Executive and Investment Committee

Committee Composition

The Executive and Investment Committee consists of four members as follows:



Mr. Firas Khaled Al-Bawardi
Head of the Executive and Investment Committee

Please refer to the previous section of board members biographies



Mr. Abdulelah Mulhem Al-Mofeez
Member of the Executive and Investment Committee

Please refer to the previous section of board members biographies



Mr. Mohammed Abdullah Alkhtaf
Member of the Executive and Investment Committee

Please refer to the previous section of board members biographies



Mr. Mohammed Abdullah Al-Resheid
Member of the Executive and Investment Committee (External)

Please refer to the previous section of the Executive Management biographies

Duties and competence of the Commission

The Executive and Investment Committee prepares and supervises the implementation of plans, policies, strategies and main objectives of the company in order to achieve its objectives. It falls within the competencies of the Executive and Investment Committee the functions represented in the following points:

- Studying the company's comprehensive strategy, main and interim work plans, investment policies and mechanisms, financing, risk management, and emergency administrative conditions management plans, based on the proposal of the executive management.
- Reviewing the optimal capital structure of the company, its financial strategies and objectives.
- Reviewing the main capital expenditures of the company, owning and disposing of assets, and reviewing the estimated budgets of all kinds.
- Recommending to enter into investment projects and new partnerships, to acquire companies related to the company's work, or to develop existing activities vertically and horizontally.
- Conducting the necessary studies for the new investments of the company and submitting the necessary recommendations regarding them.
- Submit the recommendation to the Board of Directors to take its decision regarding the following:
 - Increasing or decreasing the company's capital.
 - Dissolving the company before the term specified in its Articles of Association or deciding its continuation
 - Using the company's agreement reserve in the event that it is formed by the extraordinary General Assembly and not allocated for a specific purpose
 - Forming additional financial reserves or allocations for the company
 - Method of distributing the net profits of the company.
- Follow up the implementation of internal control systems and general supervision over them, including:
 - Implementing the conflict of interest policy.
 - Implementing 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 reduction at the company level, and presenting it transparently to the Board of Directors and other stakeholders and parties related to the company.

- Supervising the implementation of internal control and risk management systems, verifying the effectiveness and adequacy of these systems, and ensuring compliance with the level of risks approved by the Board of Directors.
- Follow-up and review of all important issues related to cases filed before judiciary, emergency cases and claims that require them to appear in the accounting statements
- Follow up on the important recommendations made by the internal auditor and the chartered accountant.
- Active participation in building and developing a culture of moral values within the company.
- Reviewing the organizational and functional structures of the company and submitting them to the Board of Directors for approval based on the proposal of the Executive Management
- Reviewing the internal regulations related to the work of the company and developing it, including defining the tasks, competencies and responsibilities assigned to the various organizational levels and proposing to amend them when needed.
- Reviewing the policy of delegating business to the executive management and the method of implementing it.
- Reviewing the powers that are delegated to the executive management, the decision-making procedures and the duration of mandate, and studying the periodic reports on the executive management's exercise of those powers.
- Studying the policy and types of remunerations granted to employees, such as fixed remuneration, performance-related bonuses, and bonuses in the form of shares.
- Reviewing draft financial and non-financial periodic reports regarding the progress made in the company's activity in light of the company's strategic plans and objectives, and presenting these reports to the Board of Directors.
- Reviewing the reports and information of the executive management of the company that are submitted to the Board members, the non-executive and independent members in particular and the committees emanating from the Board of Directors and all the necessary information, data, documents and records, and ensuring that they are complete, accurate and timely, to enable them to perform their duties and tasks well.
- The committee may request the relevant departments to attend its meetings or provide additional information and documents.
- The committee may, when needed, assign one of its members or one employee of the company to others to study one of the topics presented to it and provide the committee with the results of the study.
- Any other duties assigned to the committee by the Board of Directors

Additional Tasks

The Board of Directors assigned the Executive and Investment Committee the duties of the Risk Committee on 12/04/2022 and the terms of reference established under Article (71) of the Corporate Governance Regulations issued by the Board of the Capital Market Authority as follows:

- Developing a comprehensive risk management strategy and policies commensurate with the nature and size of the company's activities, verifying their implementation, reviewing and updating them based on the internal and external variables of the company.
- Determining and maintaining an acceptable level of risks that the company may be exposed to, and verifying that the company does not exceed it.
- Verifying the feasibility of the company continuation and the successful continuation of activity, while identifying the risks that threaten its continuation during the next twelve months.
- Supervising the company's risk management system and evaluating the effectiveness of systems and mechanisms for identifying, measuring and following up the risks that the company may be exposed to, in order to determine its deficiencies.
- Periodically re-evaluate the company's ability to withstand risks and exposure to them (by conducting stress tests, for example).
- Preparing detailed reports on exposure to risks and the proposed steps for managing these risks, and submitting them to the Board of Directors.
- Submitting recommendations to the Board on issues related to risk management.
- Ensuring the availability of adequate resources and systems for risk management.
- Reviewing the organizational structure of risk management and making recommendations regarding it before approval by the Board of Directors.
- Verifying the independence of the risk management personnel from the activities that may result in exposing the company to risks.
- Verifying that the risk management personnel understand the risks surrounding the company, and work to increase awareness of risk culture.
- Reviewing the issues raised by the audit committee that may affect the risk management in the company.

Attendance

The Committee held nine meetings during 2023 as follows:

Committee Members	Position	Meeting Date									Total Attendance
		04/04	28/05	05/06	13/07	07/08	22/08	24/08	02/11	24/12	
Firas Khaled Al-Bawardi	Chairman	√	√	√	√	√	√	√	√	√	9
Abdulah Mulhem Al-Mofeez	Member	√	√	√	√	√	√	√	√	√	9
Mohammed Abdullah Alkhhtaf	Member	√	√	√	√	√	√	√	√	√	9
Mohammed Abdullah Al-Resheid	Member	√	√	√	√	√	√	√	√	√	9

(√) Attendance

(X) Non-attendance

Please refer to the previous section of board members biographies

Audit committee

The Audit Committee is composed of three independent members specialized in financial and accounting affairs as follows



Mr. Turki Ahmed Alobilan
Head of the Audit Committee

Please refer to the previous section of board members biographies



Mr. Abdulmajeed Sulaiman Aldakhil
External Audit Committee Member

Please see the next section for a CV



Mr. Abdulaziz Sulaiman Aldukhail
External Audit Committee Member

Please see the next section for a CV



Mr.

Abdulmajeed Sulaiman Aldakhil

External Audit Committee Member

Former Positions

- Partner at ValuHub

Experience

- External Auditor and Financial Advisor at BKF & Al-Bassam
- External Auditor and Financial Advisor at Ernst & Young

Qualifications

- Fellowship of the Saudi Authority for Accredited Valuers (Taqeem)
- Fellowship of the Saudi Organization for Accountants and Auditors
- American Accounting Fellowship
- Bachelor Accounting from Southern Utah University

Experience

- Having experience of more than 10 years in advising on growth strategies, capital structure, funding needs. Moreover, having leading M&A transactions and conducting business valuations for many purposes. Having board memberships and committees memberships in public companies.

Qualifications

- Bachelor of Finance and Investment Concordia University in 2015

Experience

- Distinguished practical experience for more than 10 years in the field of investment and strategy in several private companies and semi-governmental entities.
- Establishing and offering several companies and holding leadership positions in several entities, in addition to working as a consultant in several private companies.



Mr.

Abdulziz Sulaiman Aldukhail

External Audit Committee Member

Former Positions

- Head of Private & Alternative Investments at Investcorp Export

Experience

- Member of the National Committee for Investment Promotion “Invest in Saudi Arabia”
- Investment Management at The Red Sea Development Company (Vision 2030 Projects) for the Public Investment Fund
- Private Investment Department of Samba Financial Group

Committee’s Duties and Competencies

The Audit Committee, based on the approved bylaws and without prejudice to the tasks and responsibilities contained in the Companies Law, the Company’s Articles of Association and the Corporate Governance Regulations, shall monitor the Company’s business and verify the integrity and integrity of the reports, financial statements and internal control systems therein, and the Committee’s tasks include, in particular, the following:

Financial Reports

- Study the company’s interim and annual financial statements and related announcements before presenting them to the Board and expressing its opinion and recommendation thereon, to ensure their integrity, fairness and transparency, and to ensure that they are prepared in accordance with the accounting standards adopted in the Kingdom and the provisions of the Companies Law and the Company’s Articles of Association and in line with the instructions issued by the supervisory authorities.
- Provide technical opinion - at the request of the Board - on whether the Board report and the financial statements of the company are fair, balanced and understandable and include information that allows shareholders and investors to evaluate the company’s financial position, performance, business model and strategy.
- Study any important or unusual issues contained in financial reports.
- Thoroughly research any issues raised by the company’s financial director, his assume, the company’s compliance officer, the internal auditor or the auditor.
- Verification of accounting estimates in 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 in this regard.

Internal Audit

- Studying and reviewing the company’s internal and financial control and risk management systems, and preparing a written report that includes its recommendations and opinion on the adequacy of these systems and the work they have performed within the scope of its competence, provided that the Board of Directors deposits sufficient copies of this report in the company’s headquarters (twenty one) days before the date of the General Assembly to provide the shareholders a copy thereof. The report shall be read during the assembly.
- Studying the internal audit reports and follow up the implementation of corrective measures for the notes contained therein.
- Studying the internal audit reports and follow up the implementation of corrective measures for the observations contained therein.
- Control and supervise the performance and activities of the internal auditor and the Internal Audit Department in the company, if any, to verify the availability of the necessary resources and their effectiveness in performing the work and tasks assigned to it. If the company does not have an internal auditor, the committee must submit its recommendation to the Board regarding the extent of the need to appoint him.
- Recommending to the Board of Directors to appoint a director of an internal audit unit or department or the internal auditor and suggesting his remuneration.

Auditor

- Recommending to the Board of Directors the nomination of auditors, dismissing them, determining their fees and evaluating their performance, after verifying their independence and reviewing the scope of their work and the terms of their contract.
- Verify the independence, objectivity and fairness of the auditor, and the effectiveness of the audit work, taking into account the relevant rules and standards.audit work, taking into account the relevant rules and standards.
- Review the company's auditor's plan and work, verify that he has not submitted technical or administrative work outside the scope of audit work, and express its views thereon. Responding to the inquiries of the companies' auditor.
- Answering the inquiries of the company's auditorStudying the auditor's report and his notes on the financial statements and follow up on what has been taken in their regard.
- Study the auditor's report and observations on the financial statements and follow up on what has been taken in this regard.

Ensuring Commitment

- Review the results of the reports of the regulatory authorities and verify that the company has taken the necessary measures in this regard.
- Verifying the company's compliance with the relevant laws, regulations, policies and instructions.
- Review the contracts and transactions proposed to be conducted by the company with the relevant parties, and submit its views thereon to the Board.
- Submit any matters it deems necessary to take action to the Board of Directors, and make recommendations on the actions to be taken.

Arrangements for submission of observations

- The Audit Committee shall establish a mechanism that allows employees of the company to submit their observations on any violation in financial or other reports confidentially. The committee shall verify the application of this mechanism by conducting an independent investigation commensurate with the magnitude of the error or transgression and adopting appropriate follow-up procedures.
- Propose to the Board to develop policies or procedures for stakeholders to submit their complaints or report violating practices

Additional Tasks

The Board of Directors relied on the Governance Duties Review Committee on 12/04/2022. The terms of reference are established under Article (49) of the Corporate Governance Regulations issued by the Board of the Capital Market Authority as follows:

- Verifying that the company adheres to these rules.
- Reviewing and updating the rules in accordance with legal requirements and best practices.
- Reviewing and developing the rules of professional conduct that represent the values of the company, and other internal policies and procedures to meet the needs of the company and conform to best practices.
- Keep members of the Board of Directors informed of developments in the field of corporate governance and best practices, or delegate this to the Audit Committee or any other committee or management.
- The committee should follow up on any issues related to governance applications and provide the Board of Directors at least annually with the reports and recommendations it concluded.

Attendance

The committee held eleven meetings during the fiscal year 2023, and the attendees are as follows:

Committee Members	Position	Meeting Date								Total Attendance
		01/10	03/23	05/17	08/08	08/30	11/01	11/04	12/20	
Turki Ahmed Alobilan	Chairman	√	√	√	√	√	√	√	√	8
Abdulmajeed Sulaiman Aldakhil	Member	√	√	√	√	√	√	√	√	8
Abdulaziz Sulaiman Aldukhail	Member	√	√	√	√	√	√	√	√	8

(√) Attendance

(X) Non-attendance

Results of Internal Audit, Evaluation of Internal Control Effectiveness and Audit Committee Opinion

The company follows an internal control framework based on the three defense lines. (Different business sectors, internal control departments, internal audit department), where the different business sectors, the company's first line of defense, align their activities in accordance with the company's rules and regulations, while the internal control departments, the second line of defense, assess, measure and control the different levels of risk at the operational and business levels and the extent to which they conform to the controls and procedures adopted to ensure that the company meets the statutory requirements.

The Audit Committee shall verify the adequacy of the company's internal control by monitoring and studying the reports issued by the Internal Auditor and External Auditor and ensuring their independence . The executive management is responsible for providing internal control procedures that reasonably assurance the effectiveness and efficiency of the company's operations and control procedures, including the credibility and integrity of financial reports, and compliance with the company's regulations, laws and policies. The company's internal audit department implements the annual audit plan approved by the Audit Committee to assess the applicable internal control status, focusing on the assess of the control environment, organizational structure, risks, policies and procedures and the Segregation of duties and the efficiency of information systems, through random sampling of activities planned for review with a view to verifying the effectiveness and efficiency of the internal control systems applied and obtaining reasonable assurance of the effectiveness and efficiency of internal control procedures during the year. The Audit Committee shall ensure that the External Auditor carries out his responsibilities to the company by following up the plans and carrying out the audit work in order to obtain a reasonable assurance of conviction that the international accounting standards (IFRS) adopted in Saudi Arabia have been applied.

Based on the work of the Audit Committee during the year, a number of observations have been found and most of them have been addressed , the Committee maintains continuous liaison with the Executive Directorate to follow up on the implementation of the recommendations contained in the internal audit reports.

It is also not absolutely possible to emphasize the comprehensiveness of the verification and assessment , as The audit process is essentially based on random sampling of the audits, noting that the development processes are ongoing to obtain the effectiveness and efficiency of the company's internal control .

Nomination and Remuneration Committee

Composition

The Nomination and Remuneration Committee was formed of three independent members as follows:



Mr.
Turki Ahmed Alobilan
Head of the Nomination and
Remuneration Committee

Please refer to the previous section of board members biographies



Mr.
Abdulelah Mulhem Al-Mofeez
Member of the Executive and
Investment Committee

Please refer to the previous section of board members biographies



Mr.
Mohammed Abdullah Alkhtaf
Member of the Executive and
Investment Committee

Please refer to the previous section of board members biographies

Tasks and Functions of the Committee

The Nomination and Remuneration Committee, based on the regulations shall apply the provisions of Articles (60) and (64) of the Corporate Governance Regulations issued by the Capital Market Authority regarding the following:

Regarding Nominations

- Proposing clear policies and criteria for membership in the Board and the executive management.
- Recommending to the Council the nomination and renomination of its members in accordance with the approved policies and standards, taking into account the non-nomination of those who have previously been convicted of a crime against trust.
- Prepare a description of the capabilities and qualifications necessary for membership of the Board and fill the positions of executive management.
- Determine the time that the member must devote to the work of the Council.
- Annual review of the necessary needs of skills or experience appropriate to the membership of the Board and executive management functions.
- Review the structure of the Board and Executive Management and make the necessary recommendations on making any changes to it.
- Verify on an annual basis the independence of independent members, and the absence of any conflict of interest if the member is a member of the board of directors of another company.
- Statement of job descriptions for executive members, non-executive members, independent members and senior executives.
- Determine the procedures to be followed in the event of a vacancy in the position of a member of the Board of Directors or senior executives.
- Identify the weaknesses and strengths of the Board, and propose solutions to address the weaknesses in accordance with the interest of the Company.

Regarding Remuneration

- Prepare a clear policy for the remuneration of the members of the Council, the committees emanating from it and the executive management, and submit it to the Council for consideration in preparation for approval by the General Assembly, taking into account the adoption of standards related to performance, disclosure thereof, and verification of their implementation.
- Clarify the relationship between the bonuses granted and the approved remuneration policy, and indicate any material breach of this policy.
- Periodically review the remuneration policy, and evaluate its effectiveness in achieving its objectives.
- Recommending to the Board the remuneration of the members of the Board and the committees emanating from it and seniorexecutives of the company in accordance with the approved policy.

Attendance

The Committee held three meetings during the fiscal year 2023, and the attendance is as follows:

Committee Members	Position	Meeting Date			Total Attendance
		04/06	20/06	12/12	
Turki Ahmed Alobilan	Chairman	√	√	√	3
Abdulelah Mulhem Al-Mofeez	Member	√	√	√	3
Mohammed Abdullah Alkhttaf	Member	√	√	√	3

(√) Attendance

(X) Non-attendance

Policy related to the Remuneration and Compensation of Board members, Committees, and Executive Management

This policy aims to set clear standards, controls and procedures to determine the remuneration of the members of the Board of Directors, its committees and the executive management to comply with the relevant laws and regulations .

During 2023 , the association approved the amendment of the remuneration and compensation policy.

Reward policies include:

Remuneration of the members of the Board of Directors:

- The remuneration of the members of the Board for the work of the Board shall consist of a certain amount, attendance allowance for meetings, benefits in kind, a certain percentage of net profits or a combination of two or more.
- Attendance allowance for one meeting of the Board of Directors in the amount of SAR 3,000 per member.
- The remuneration of the members of the Board shall be paid after the approval of the General Assembly.
- Allowances for attending the meetings of the Council shall be paid at the end of each Gregorian quarter.

Remuneration of committee members:

- The remuneration of committee members for the work of the committees consists of a certain amount and attendance allowance for sessions.
- Attendance allowance for one session of the committee's meetings in the amount of SAR 3,000 per member.
- The annual committees' remuneration and attendance allowances shall be paid at the end of each calendar quarter.

Remuneration for Technical, Administrative and Consulting Works

Based on a recommendation from the Remuneration and Nominations Committee and approval of the Board of Directors, a member of the Board of Directors may be granted funds for the technical, administrative or advisory work assigned to him in addition to the remuneration determined for the members of the Board of Directors.

Special remuneration of the Chairman and/or Managing Director

Upon the recommendation of the Remuneration and Nomination Committee and with the approval of the Board of Directors and at its discretion, the following may:

- Granting the Chairman of the Board a special remuneration in addition to the remuneration prescribed for his membership in the Board of Directors or the committees emanating from it.
- Granting the Managing Director, in the event of his appointment, the remuneration and benefits commensurate with the tasks and responsibilities entrusted to him, in addition to the remuneration prescribed for his membership in the Board of Directors or the committees emanating from it.

Remuneration for technical, administrative and consulting work

- member of the Board of Directors may receive remuneration for any additional executive, technical, administrative or advisory work or positions
- assigned to him by the Company , in addition to the remuneration that he may receive as a member of the Board of Directors or in the committees emanating from it in accordance with the Companies Law and the Company's Articles of Association

Executive Management Remuneration

- The Nomination and Remuneration Committee shall review the salary scale set for the Executive Management and the incentive program and plans on an ongoing basis and approve them by the Board of Directors, based on the recommendation of the Executive Management.

Basic salary (paid at the end of each calendar month and on a monthly basis); allowances including, but not limited to: housing allowance, transportation allowance, etc.

- Other benefits include but are not limited to: medical insurance, annual leave, social insurance contributions paid in accordance with the regulations, and others
- End of service gratuity in accordance with the work system and the company's regulations and policies.
- An annual bonus, if any, linked to performance indicators according to the annual evaluation carried out in this regard.
- Short-term incentive plans, if any, associated with exceptional performance
- Long-term stimulus plans, if any, such as stock options programs.

- The CEO shall implement the remuneration policy for the various levels of employees in the company in light of the plans and programs recommended by the Remuneration and Nomination Committee and approved by the Board of Directors, and submit the required reports thereon.

The Committee is of the view that there is no material deviation between the remuneration granted and the applicable remuneration policy.

Remuneration of the Members of the Board of Directors

Details of remuneration paid to members of the Board of Directors during the fiscal year 2023 (in their capacity as members of the Board): (amounts are in thousand riyals)

Statement	Fixed Remuneration							Variable Remuneration			Grand Total	Expense Allowance	
	A certain amount (Annual Remuneration)	Allowance for attending board of directors sessions	Committee Sessions		Benefits in kind	Technical, Administrative and Advisory Work Remuneration	Remuneration for the Chairman of the Board, the Managing Director or the Secretary, if he is a member	Total Fixed Remuneration	Percentage of Profits	Periodic Remuneration			Total variable Remunerations
First: Independent Members													
Sultan Abdulaziz AlMubarak	100	18	0	0				118				118	
Turki Ahmed Alobilan	100	18	50	33				201				201	
Mohammed Abdullah Alkhtaf	100	18	0	36				154				154	
Abdulelah Mulhem Al-Mofeez	100	18	0	36				154				154	
Majed Abdullah Alissa	100	18	0	0				118				118	
Total	500	90	50	105	0	0	0	745	0	0	0	745	0
Second: Non-Executive Members													
Bedor Nasser Al-Rashoudi	100	18	0	0				118				118	
Total	100	81	0	3	0	0	0	118	0	0	0	118	0
Third: Executive Members													
Feras Khalid Albawardi	100	18	0	27			490	635				635	
Total	100	28	0	27	0	0	490	635	0	0	0	635	0
Total Complex	700	126	50	132	0	0	490	1498	0	0	0	1498	0

The amount of the annual remuneration of the Board of Directors is linked to the approval of the General Assembly

Remuneration for Members of Committees

A breakdown of the remuneration paid to committee members during the fiscal year 2023: (amounts are in thousand riyals)

Member Name	Fixed Remuneration (Except for Allowance of Session Attendance)	Session Attendance Allowance	Total	
Members of the Audit Committee				
Turki Ahmed Alobilan	Current Membership	50	24	74
Abdulmajeed Sulaiman Aldakhil	Current Membership	50	24	74
Abdulaziz Sulaiman Aldukhail	Current Membership	50	24	74
Total		150	72	222
Members of the Remuneration and Nomination Committee				
Turki Ahmed Alobilan	Current Membership	-	9	9
Abdulelah Mulhem Al-Mofeez	Current Membership	-	9	9
Mohammed Abdullah Alkhtaf	Current Membership	-	9	9
Total		0	27	27
Members of the Executive and Investment Committee				
Firas Khaled Al-Bawardi	Current Membership	-	27	27
Abdulelah Mulhem Al-Mofeez	Current Membership	-	27	27
Mohammed Abdullah Alkhtaf	Current Membership	-	27	27
Mohammed Abdullah Al-Resheid	Current Membership	-	27	27
Total		0	108	108
Grand Total		150	207	357

Remuneration for Senior Executives

A breakdown of the remuneration paid to five senior executives who received the highest remuneration, including the CEO and the Chief Financial Officer, during the fiscal year 2023: (amounts are in thousand riyals)

Name	Fixed Remuneration				Variable Remuneration					End of Service Indemnity	Total Remuneration forw Board Executives	Grand Total	
	Salaries	Allowances	Benefits in kind	Total Fixed Remunera- tion	Periodic Remuneration	Profits	Short-term incentive plans	Long-term incentive plans	Granted shares				Total variable rewards
Five senior executives, including the current CEO and CFO	1,999	760	-	2,759	-	-	-	-	-	-	749	54	3,562

Related Parties

Transactions in which the company is a party and in which a member of the board of directors, senior executives, or any related person has an interest

The company's written policy on conflict of interest deals with any potential conflict of interest situations for members of the Board of Directors and its senior executives or for any person related to any of them, and any potential conflict of interest is informed to the General Assembly for approval

Party to Contracts	Contract Nature	Transaction Amount During the Year	Contract Term	Terms of Contract	Member Name	Date of Assembly Approval
-	-	-	-	-	-	-
During the year 2023, there are no transactions with related parties						

Subsidiary Company

Name of the Subsidiary	Activity Type	Capital (SAR)	Ownership Percentage	Main Activity	Headquarters	State of Incorporation	Principal State of its Operations	Debt Instruments
Mango Jazan Trading Company	Limited Liability Company	10,000	65%	Retail online	Jazan	Kingdom	Kingdom	None
Fish Day Company for Fish Sale	Limited Liability Company	15,000	80%	Retail sale of fish	Riyadh	Kingdom	Kingdom	None

Associate Company

Name of the Subsidiary	Activity Type	Capital	Ownership Percentage	Main Activity	Headquarters	State of Incorporation	Principal State of its Operations	Debt Instruments
Rakha For Agricultural Investment Company	Closed joint stock	80,000,000 EGP	21.6%	Wheat, fodder and barley cultivation	Cairo	Egypt	Egypt	None

Investments

Name of the Subsidiary	Activity Type	Capital (SAR)	Ownership Percentage	Main Activity	Headquarters	State of Incorporation	Principal State of its Operations	Debt Instruments
Al-Reef Sugar Refining Company	Closed joint stock company	300,000,000	15%	Transformative Industries	Jeddah	Kingdom	Kingdom	None
Tabuk Fish Company	Closed joint stock	200,000,000	10%	Fish farming	Tabuk	Kingdom	Kingdom	None

Capital

The company's capital is 500 million Saudi riyals, and the number of its shares is 50 million, at a par value of 10 riyals per share.

Shares ownership percentages and the change therein during the fiscal year 2023

Members of the company's Board of Directors, their spouses and minor children

SN	Member Name	Number of Shares		Change during the year	Change Percentage	Debt Instruments
		Beginning of 2023	End of 2023			
Members of the Board of Directors						
1	Sultan Abdulaziz AlMubarak	151,183	151,183	0	0%	None
2	Feras Khalid Albawardi	0	0	0	0%	None
3	Abdulelah Mulhem Al-Mofeez	0	0	0	0%	None
4	Turki Ahmed Alobilan	0	0	0	0%	None
5	Mohammed Abdullah Alkhtaf	0	0	0	0%	None
6	Bedor Nasser Al-Rashoudi	0	0	0	0%	None
7	Majed Abdullah Alissa	0	4,359	0	0%	None
Relatives of the members of the Board of Directors (their wives and minor children)						
1	Aljoharah Fahad Bindekhyal (Mr. Feras Albawardi's wife)	1,965,000	650,000	(1,315,000)	(67%)	None

Senior executives and their spouses and minor children:

According to the detailed report from the Depository Center as on 31/12/2023 senior executives, their wives or their minor children do not own shares in the company.

SN	Member Name	Number of Shares		Change during the year	Change Percentage	Debt Instruments
		Beginning of 2023	End of 2023			
Senior Executives						
1	Mohammed Abdullah Al-Resheid	-	-	-	-	None
2	Ihab Refei Abdelsalam	-	-	-	-	None
3	Naif Dahwi Al-Anzi	-	-	-	-	None

Relatives of senior executives: (their wives and minor children)

According to the detailed report from the Depository Center as on 31/12/2023, there are no relatives of any senior executives who own shares or debt instruments.

Change in Ownership Shares of Major Shareholders

The following table shows the changes in the ownership shares of major shareholders who own an impact of 5% of the company's capital.

Member Name	Beginning of 2023		End of 2023	
	Shares	Percentage	Shares	Percentage
Muhammad Abdullah Saleh Al-Othaim	1,450,175	2.90%	5,000,000	10%

Contributions and Rights of Shareholder.

The main decisions taken by the Board of Directors and important events related to the year that were announced through Tadawul or published on the company's website.

SN	Date	Decision / Announcement Subject Matter
1	01/01/2023	Jazan Development and Investment Company announces the suspension of the second production line for the 12 liters bottle size of its Drinking Water Bottling Factory permanently
2	02/01/2023	Addendum Announcement from Jazan Energy and Development Co. in regards to the suspension of the second production line for the 12 liters bottle size of its Drinking Water Bottling Factory permanently
3	29/03/2023	Jazan Energy and Development Co. announces its Annual Financial Results for the Period Ending on 2022-12-31
4	21/05/2023	Jazan Energy and Development Co. announces its Interim Financial Results for the Period Ending on 2023-03-31 (Three Months)
5	29/05/2023	Jazan Energy and Development Co. announces to invites its shareholders to attend the Ordinary General assembly meeting (first meeting) Virtual meeting
6	01/06/2023	Jazan Energy and Development Co. Announces the appointment of the Vice Chairman of the Board as Managing Director of the company
7	18/06/2023	Jazan Energy and Development Co. Announces the start of electronic voting on the Ordinary General Assembly Meeting Agenda (First Meeting) Virtual meeting
8	02/07/2023	Jazan Energy and Development Co. Announces the Results of the Ordinary General Assembly Meeting, (Second Meeting)
9	23/07/2023	Jazan Development and Investment Company announces the recommendation of the Board of Directors to the General Assembly of Shareholders
10	09/08/2023	Jazan Development and Investment Company announces the latest developments on the participation and development agreement for its model scheme in Jazan with Salman bin Saedan Real Estate Group
11	13/08/2023	Jazan Energy and Development Co. announces its Interim Financial Results for the Period Ending on 2023-06-30 (Six Months)
12	08/11/2023	Jazan Energy and Development Co. announces its Interim Financial Results for the Period Ending on 2023-09-30 (Nine Months)
13	05/12/2023	Jazan Energy and Development Co. announces to invites its shareholders to attend the Extraordinary General assembly meeting (first meeting) Virtual meeting
14	05/12/2023	Jazan Energy and Development Co. Announces Obtaining a financing loan from Agricultural Development Fund
15	07/12/2023	Addendum Announcement from Jazan Energy and Development Co. in regards to its announces to Invites its Shareholders to Attend the (First Meeting) Extraordinary General Assembly Meeting "via modern technology."
16	21/12/2023	Jazan Energy and Development Co. announces the start date of electronic voting on the items of the Extraordinary General Assembly Meeting Agenda (First Meeting) Virtual meeting
17	27/12/2023	Jazan Energy and Development Co. Announces the Results of the Extraordinary General Assembly Meeting (Second Meeting)

A statement of the dates of shareholders 'general assemblies and the attendance record of Board members held

SN	Name	Attendance Record	
		Ordinary General Assembly 22/06/2023	Ordinary Extraordinary General Assembly 26/12/2023
1	Sultan Abdulaziz AlMubarak	√	√
2	Feras Khalid Albawardi	√	√
3	Abdulelah Mulhem Al-Mofeez	√	√
4	Turki Ahmed Alobilan	√	√
5	Mohammed Abdullah Alkhtaf	√	√
6	Bedor Nasser Al-Rashoudi	√	√
7	Majed Abdullah Alissa	X	√

(√) Attendance

(X) Non-attendance

The results of the two ordinary general assemblies resulted in the voting by the shareholders on all the items presented as follows:

Ordinary General Assembly on 22/06/2023

- 1) The report of the Board of Directors for the fiscal year ending on 31-12-2022 was viewed and discussed.
- 2) Approve the auditor's report for the fiscal year ending on 31-12-2022.
- 3) The financial statements for the fiscal year ending on 31-12-2022, was viewed and discussed.
- 4) Approve the appointment of Ibrahim Ahmed Albassam & Co. as External Auditor for the Company from among the candidates nominated based on the recommendation of Audit Committee, review and audit the financial statements for the second, third, and annual quarters of the fiscal year 2023 and the first quarter of the fiscal year 2024 and determine his fees.
- 5) Approve of delegating the Board of Directors with the powers of the Ordinary General Assembly, with the license mentioned in Paragraph (1) of Article 27 of the Companies Law, for a period of one year from the date of approval of the General Assembly or until the end of the session of the delegated Board of Directors, whichever is earlier, in accordance with the conditions stipulated in the executive regulations. The corporate system for listed joint stock companies.

Ordinary Extraordinary General Assembly on 26/12/2023

- 1) Approved on the amendment of the Audit Committee's Regulations.
- 2) Approved on the amendment of the Nominations and Remuneration Committee's Regulation.
- 3) Approved on amending the list of policies, standards, and procedures for membership in the Board of Directors.
- 4) Approved on amending the remuneration and compensation policy regulation.
- 5) Approved on amending Article No. (2) of the company's bylaws relating to the company's name.
- 6) Approved on the amendment to article (3) of the company's bylaws on the business and purpose of the company.
- 7) Approved on the amendment to article (6) of the company's bylaws concerning the term of the company.
- 8) Non-Approved on dividing the company's shares according to the following:
 - Nominal value per share before amending: (10 SAR)
 - Nominal value of the share after amendment: (1 SAR).
 - Number of shares before amendment: (50,000,000 shares).
 - Number of shares after amendment: (500,000,000 shares).
 - There is no change in the company's capital before and after the division of the shares.
 - In the event of approval of the item, the division resolution will be effective on all the shareholders of the company who own the shares on the day of the extraordinary general assembly and who are registered in the company's shareholders register at the Securities Depository Center Company (Edaa) at the end of the second trading day following the date of the extraordinary general assembly in which the division of shares was decided. The effect of the resolution on the share price will be applied starting from the working day following the General Assembly, provided that the number of shares will be applied in the shareholders portfolios at the end of the second trading day following the date of the Extraordinary General Assembly in which the division of the shares was decided.
 - Amending Article (7) of the company's bylaws relating to the company's capital.
- 9) Approved on the amendment to article (17) of the company's bylaws related to company management.
- 10) Approved on the amendment to article (20) of the company's bylaws related to the power of the council.
- 11) Approved on the amendment to article (22) of the company's bylaws concerning the powers of the Chairman, the deputy, the managing director, and the secretary.
- 12) Approved on the amendment to article (47) of the company's bylaws relating to the distribution of the profits.
- 13) Approved on amending the company's system in line with the new company system rearranging the articles of the system and numbering them to comply with the proposed amendments.
- 14) Approved on the recommendation of the Board of Directors to use part of the statutory reserve of (85,409,994 SAR) to amortize the company's accumulated losses of (29,724,136 SAR), representing 5.94% of the capital as in the financial statements for the year ended 31-12-2022, and transfer the remaining amounts of (55,686,858 SAR) to the retained earnings account.

Actions taken by the Board of Directors to inform its members of shareholder's proposals and comments on the company's performance

The company has designated the Shareholders Relations Department to receive all shareholders' notes and suggestions, if any, and present them to the Chairman and CEO of the company, who in turn notify the Company's Board of Directors members to be discussed during the first meeting of the Board of Directors to take those comments into consideration and take action

Company's Requests for a Record of Shareholders

In 2023 through the My Trading Service, the company requested eight registrations for shareholders, according to the following data:

Date of Request	Ownership File Date	Reasons for Request
24/05/2023	24/05/2023	
13/08/2023	13/08/2023	Company Procedures
30/11/2023	29/11/2023	
26/12/2023	31/12/2023	
18/06/2023	22/06/2023	General Assembly
20/12/2023	26/12/2023	
21/06/2023	21/06/2023	Other
29/10/2023	17/10/2023	

Profit Distribution Policy

The company distributes profits according to the company's Articles of Association within the competence of the Ordinary General Assembly based on the recommendation of the company's Board of Directors. The distribution mainly depends on the amount of net profits achieved each year and the size of expected spending on future investment projects and expected cash flows. According to the provisions of Article (38) of the Articles of Association, the annual net profits of the company are distributed after deducting all general expenses and other costs as follows:

1- The Ordinary General Assembly may, when determining the share of shares in the net profits, decide to form reserves to the extent that it is in the interest of the company or ensures the distribution of fixed dividends, to the extent possible, to the shareholders. The said association may also deduct from the net profits sums for the social purposes of the company's employees.

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

3- The company may distribute interim dividends to its shareholders on a semi-annual or quarterly basis and may authorize the Board of Directors to do so after fulfilling the controls set by the competent authorities

Implemented decisions and proposed recommendations for the fiscal year 2023 in the distribution of profits:

- There are no profits distributed to shareholders during the fiscal year, nor at the end of the fiscal year 2023.

Declarations of the Board of Directors

Whereas, the Corporate Governance Regulations issued by the Capital Market Authority confirm the necessity of disclosing in the annual report of the Board of Directors all the items required in accordance with the annual report form, the Board is obligated to disclose them whenever they apply to the company:

SN	Declaration / Confirmation
1	There is no penalty (of material effect), sanction, precautionary measure, or precautionary restriction imposed on the company by the Capital Market Authority or any other supervisory, regulatory or judicial authority during the year 2023 , except for what was mentioned in this report
2	The statements have been prepared in accordance with the accounting standards approved for international reports issued by the Saudi Organization for Certified Public Accountants.
3	There are no shares or debt instruments issued by the company to a subsidiary.
4	There is no interest in the voting-eligible shares category belonging to persons (other than members of the board of directors, senior executives, their spouses and minor children) who informed the company of those rights or any change in those rights during the fiscal year 2023 , except for what was mentioned in this report
5	There is no interest, contractual securities and subscription rights belonging to the members of the company's board of directors, senior executives and their relatives in the shares or debt instruments of the company or its subsidiaries, during the fiscal year ending on 31/12/2023 , except for what was mentioned in this report.
6	There are no classes and numbers of any transferable debt instruments and any contractual securities or memoranda of subscription right or similar rights issued or granted by the company during the fiscal year ending on 31/12/2023
7	There are no transfer or subscription rights under convertible debt instruments, contractual securities, subscription right notes, or similar rights issued or granted by the company.
8	There is no refund, purchase or cancellation by the company of any recoverable debt instruments, and the value of the remaining securities, with a distinction between the listed securities purchased by the company, and those purchased by its subsidiaries.
9	There are no businesses or contracts in which the company is a party, nor there is an interest in one of them for the members of the board of directors, chief executive officer, director, or any person related to any of them, except for what is mentioned in this report.
10	There is no arrangement or agreement under which a member of the board of directors or a senior executive waived any remuneration.
11	There is no arrangement or agreement whereby any of the shareholders waived any rights to profits.
12	There were no investments or other reserves established for the benefit of the company's employees.
13	The auditor's report on the annual financial statements for the fiscal year 2023 did not include any comments or reservations.
14	No recommendation was made by the Board of Directors to change the company's auditor before the end of the period for which he was appointed.
15	The company has no treasury shares held.

The company's board of directors, according to the information available to it and based on the company's auditor's report, current market data, as well as future indicators, approves the following:

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

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