



Annual Report for 2021

**Anaam International Holding
Group Company**



Board of Directors Speech

Gentlemen/Shareholders of Anaam International Holding Group

Peace be upon you and God's mercy and blessings and after:

The Board of Directors is pleased to present to your honorable presence at the 42nd meeting of the Ordinary General Assembly its annual report (38th) containing the consolidated financial statements and the auditor's report for the fiscal year ended December 31, 2021. The Board confirms that its report and the financial lists attached to it comply with the governance regulations issued by the Authority and the requirements of the regulations issued by the competent authorities, and the company is always working to develop, update and keep up with these regulations.

The report also shows a net loss of 16.7million riyals for the current year (2021) compared to the amount of 8.7 million riyals losses for the previous year, the Board confirms that despite the challenges and difficulties faced by the company, which is the impact of fluctuations in local prices and the suspension of the cultivation of green feed under the decision of the Committee of Ministers, and the formation of allocations for legitimate zakat and allocations for doubtful debts for previous periods, This reflects on the company's results, which led to the failure to achieve the hoped-for and planned results, but the Board and executive management always seek with efforts to develop performance and update strategic plans based on reality to avoid any pitfalls in the company's march, especially after the company received shareholder support by increasing capital in late 2020, which helped the company in Applying some of its plans that will keep up with developments and increase productivity in the possibilities and optimal exploitation of team and human resources development so that the company can take its leading role in development programs and support the economy and food security of our beloved country under the leadership of the custodian of the Two Holy Mosques and his Crown Prince Secretary and good government we ask Almighty God to help us to promote the company and meet the aspirations of its shareholders and investors.

We hope that you will see the details of the report, and the Board looks forward to your contributions and to respond to your inquiry and opinions in the report and your participation in the renaissance and progress of your company.



And God is the one who is successful

General activity:

Through its subsidiaries, the company engages in many licensed business activities that achieve its purposes, namely wholesale and retail trade in food, import, export and marketing work for others, feed and agricultural crops trade, vegetables, fruits and canned goods, wholesale and retail trade in building materials and sanitary materials, purchase and investment of land for buildings, establishment, management and maintenance of centers and facilities, shipping and storage services, as well as the establishment, management and operation of commercial centers and the establishment, management, operation and operation of buildings. Industrial projects, investing their funds in shares and other securities and owning real estate and transportation necessary to start their activities and provide loans, guarantees and financing to subsidiaries. Since the company stopped growing green feed under Cabinet Resolution 66, which calls for a halt to green feed cultivation, the company has changed some of its plans and strategies to conform to the new trend, as the group sold the entire al-Jouf agricultural project, including land, equipment, buildings and cars, in order to support the company's strategic plans aimed at exiting the agricultural sector, and focusing on entering and investing in other sectors that achieve sustainable and diverse returns for the company's shareholders.

The competitive advantages of the company:

- ☐ Anaam has great experience and presence in the main areas of the Kingdom.
- ☐ It has a fleet of refrigerated cars (refrigerators) and dry of various sizes and seeks to develop this fleet to serve its objectives.
- ☐ It has prepared cooling stores and in a healthy environment.
- ☐ It has specialized team with great experience in the field of work and has the ability to attract qualified team.
- ☐ The company owns plots of land close to the Islamic port of Jeddah that can be exploited to serve the interests of the company.



Company vision and message:

- To become the best and most successful joint stock company characterized by its investment expertise, executive capabilities and capabilities to develop and maximize its value.
- Its mission is to invest in sectors with significant growth opportunities and rewarding returns through effective management focused on adding value to shareholders, partners, employees and the community.

Company strategy:

The company has set strategic objectives of focusing on the industrial, logistics, medical, real estate, and financial investments with rewarding returns in the next five years in order to achieve its vision, and the financial objectives are focused on achieving sustainable growth in revenue and income and improving liquidity to increase the market value of the company and provide annual profits to shareholders, and in terms of operating diversification of investment portfolios and building a long relationship of business partners and achieving operational excellence and strengthening Effective governance, improving the company's image and fulfilling social responsibility.

The company's objectives:

- Building a successful and positively influential economic entity in the sectors in which it works and deals with it.
- Achieving an appropriate level of growth in the investment return of its shareholders coupled with balanced growth in equity.
- Improving and developing the business model in keeping with the external variables and internal capabilities of the company.
- Enhance and employ expertise in achieving positive growth in the livestock investment sector locally and regionally.
- Concluding internal and external alliances at the level of the sectors in which it works with successful facilities locally, regionally and internationally to convey experience and exchange experiences.
- Introducing technology in all areas.
- Integration with The Kingdom's Vision 2030 and its achievement programs mainly in terms of developing investments in various resources, food security and improving quality of life.



Details of activities:

Net loss in 2021 amounted to SAR 16.7 million against a loss of SAR 8.7 million for the previous year 2020 as a result of the following factors:

1- Main center:

Financial statements for 2021 indicate that the company achieved a net loss of 16.7 million compared to the net loss of 8.7 million for the year compared to the previous year due to the increase in net losses by 92% due to the increase in operating expenses by 98% resulting from the fees of studies and financial consultancy for the study of capital increase during the current year compared to the previous year and the execution of some doubtful debt as well as the costs of acquiring a subsidiary Also, work is still under way to complete the extraction of (Kuroki) regulatory and electronic instrument for the land of winery south of Jeddah, where the company was able to rent some of its spaces in the form of small spaces and warehouses to achieve additional income, and the company plans to build additional large warehouses once the extraction of the electronic instrument is completed.

2- Food trade:

Due to fluctuations in the prices of chicken and food frozen globally, the company has decided to stop all import and wholesale activities for frozen food and is in the process of looking for an opportunity in this sector to acquire it.

3- Logistics sector:

The company provides transportation and storage services to third parties within the Kingdom by renting its frozen warehouse in Jeddah.

4- Agricultural activity:

As mentioned in previous years reports, the agricultural sector faced difficulties as a result of the ministerial decision to suspend agriculture by the end of 2018 and the Board of Directors decided during 2020 to stop the cultivation of feed once and for all and the sale of agricultural machinery and equipment and irrigation equipment and the rehabilitation of wells by renting them to others or to enter into partnership and exploit the project in non-traditional agriculture such as aromatic plants used in the pharmaceutical and perfume industries, especially in light of the world's suffering with coronavirus and the high demand of Pharmaceutical factories and the search for natural sources for the production of medicines and vaccines, and this did not achieve the desired results, the company on 29 September 2021, and in support of the company's strategic plans to



exit the agricultural sector, and focus on entry and investment in other sectors achieve sustainable and diverse returns for the company's shareholders, by selling the land of the project including equipment and cars and capital return of 85 million riyals, achieved by cash flows to the company in addition to expected to contribute to contribute The sale will be used to finance the company's future plans, which aim to enter into other sectors that contribute to maximizing the return on the company's shareholders.

The company's plan and reform steps to turn it into profitability:

- ❖ Purchase of profitable real estate assets with fixed income in order to provide continuous income and liquidity to the company.
- ❖ Investing in the logistics sector by acquiring existing companies and building warehouses in the Khumra Land in Jeddah after obtaining the necessary licenses.
- ❖ Investing in income-generating real estate to achieve a rewarding annual return for shareholders.
- ❖ Investing in the industrial sector through acquisitions and subsequently putting it in a growth market.
- ❖ Investment in the medical sector of all kinds of clinics, hospitals and so on.
- ❖ Financial investments with lucrative returns.
- ❖ Focus on the company's manpower, improve the working environment, attract outstanding human competencies and energies, and work to improve the performance of the company and all its divisions and subsidiaries.

The company's important plans and decisions, including structural changes, expansion of its business, or suspension of its scientificity and future prospects for the company's business:

1. Using the proceeds of the sale of al-Jouf agricultural project to finance the company's future plans, which aim to enter into other sectors that contribute to maximizing the return on the company's shareholders.



2. Use the net proceeds of underwriting and offering to finance working capital and invest in income-generating real estate assets and own stakes in privately owned companies.
3. Building warehouses in the land of winery after obtaining the necessary licenses.
4. Increasing the efficiency of logistics services, developing them and investing in them.
5. Focusing on the distinguished manpower and attracting it and working to make the performance of the group in all its sections.

The most important events and activities that were implemented or announced during the year 2021:

Event (capital increase)	Date
Announcing the board's recommendation to increase the company's capital by offering priority rights with the aim of financing and implementing its future plans and projects, expanding its various activities, acquiring profitable assets and buying or investing income-generating companies and assets, the application file was submitted to the CMA on 14/07/2021.	09/02/2021

Event (acquisition of 51% of Wasit Entertainment and Beauty Systems shares)	Date
Announcement of the signing of the buy-and-sell agreement in connection with the acquisition of 51% of Wasit Entertainment and Beauty Systems' shares with a total value of SAR 24,480,000, which represents 51% of Wasit. On 08/08/2021, the company announced that it had completed all transaction procedures and completed it.	01/07/2021

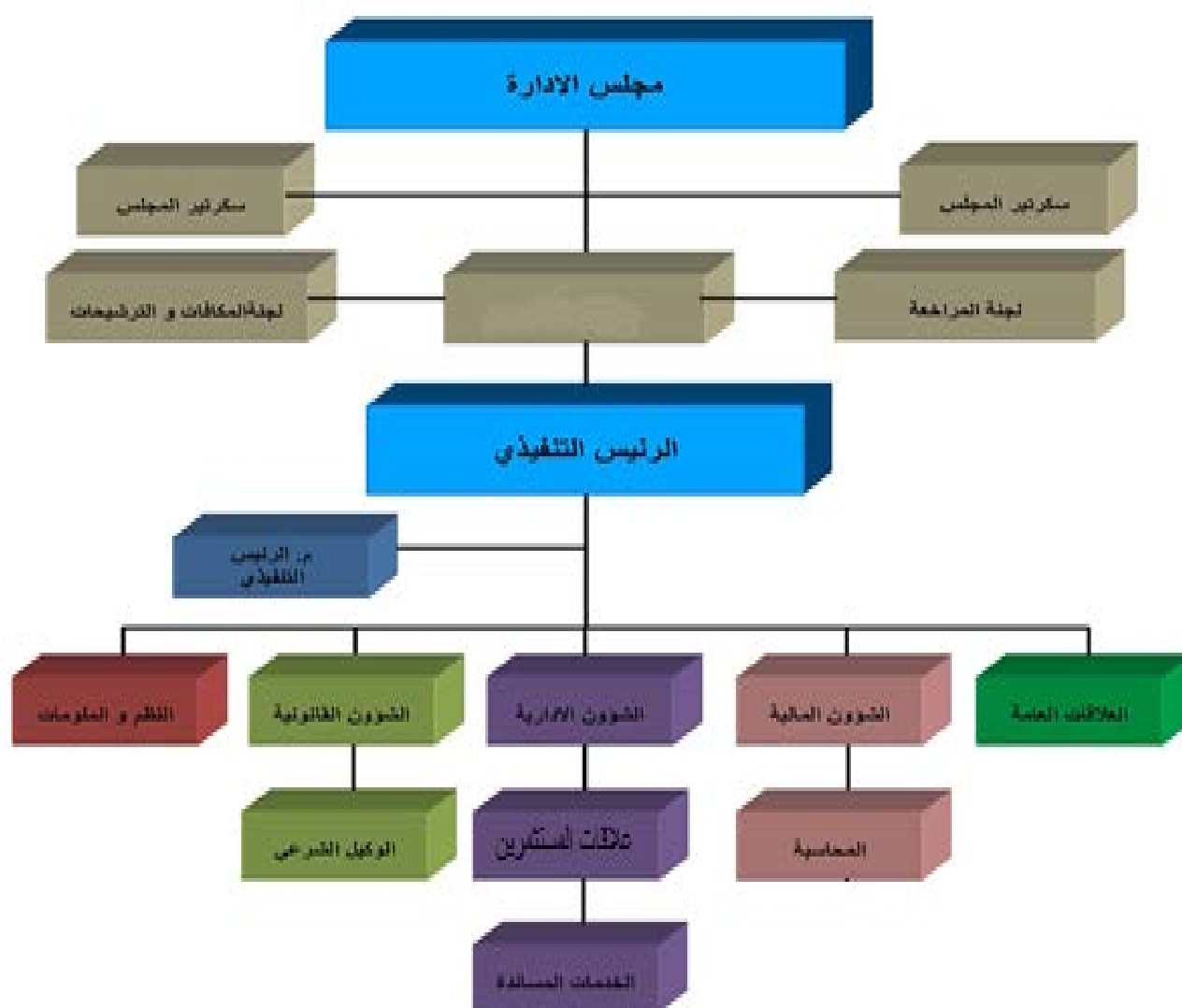
Event (appointment of Wasatah Capital as financial advisor for the IPO process in the parallel market of Wasit)	Date
Announcement of the establishment of one of its subsidiaries on 21/09/2021 (Wasit Saudi Company), whose main activity is in the manufacture and marketing of games and entertainment equipment and accessories parks, rides and water sports, and that the Anaam Holding Group owns 51% share of its capital, has appointed Wasatah Capital as their financial advisor for the parallel market offering (Nomu) in accordance with the registration and listing rules applicable as part of the efforts of Anaam Holding Group Company to urge and push the affiliated companies to list their shares in the stock market whenever possible, because of its positive impact on shareholders' equity and company's financial position.	22/09/2021



Event (Agreement on the Sale of Al-Jouf Project Land)	Date
The announcement of the signing of an agreement to sell the land of al-Jouf agricultural project including equipment, machinery, buildings and cars as part of supporting the company's strategic plans aimed at exiting the agricultural sector after the suspension of feed cultivation, and focusing on entry and investment in other sectors achieve sustainable returns and the deal has had a positive capital impact that will be used to finance the company's future plans.	29/09/2021
Event (election of board members)	Date
Announcement of the election of board members and the review committee for the start-up session on 28 November 2021 for a period of three years ending on 27 November 2024.	23/11/2021
Event (signing of a memorandum of understanding)	Date
The announcement of the signing of a memorandum of understanding with Arrow Industry in connection with the possible acquisition of 55% of the shares of Arrow Industrial Company with an initial purchase amount of (23,500,000) Saudi Riyals, the acquisition aims to diversify the company's business and enter the medical sector.	27/12/2021

Organizational structure and human resources:

The company always seeks to improve performance and development of human resources and contribute to attracting and providing qualified team and selecting, recruiting and motivating excellent workers and preparing training programs and developing the capacity and skills of employees, as the company prepared the organizational structure to serve its interests based on the latest circumstances and establish the principle of compliance with the laws and improve the percentages of Saudization of the company by replacing with Saudi team in addition to providing job opportunities for women in various management of the company, and by implementing latest Enterprise Resources Planning (ERP) project, which is an information system project designed to coordinate all resources, information and activities needed to complete operational needs, for example accounting, human resources, finance, projects and customer base management within a unified database.





Equity and Investor Relations Department:

Sufficient information was provided to shareholders and how to communicate with them and provided them with answers to their inquiries through the company's website and through the stock and advertising department trading.

Saudization:

Saudization as it was on 31 December 2021 for the group's companies reached 18.23%, thus classifying the group in the platinum range within the scope program of the scopes of the labor office, and the company seeks to raise its rating to a higher scale by employing more Saudi citizens and training them to fill different positions in all sectors of the company.

International Financial Reporting Standards:

The company applies international accounting standards for its financial reports after all accounting policies crisis to prepare lists were adopted in accordance with the international standards of the financial report from the Board of Directors and prepared its initial and annual financial lists for fiscal year 2021 accordingly and during the specified regular periods.

VAT:

The company applies VAT in line with the regulations in force in the Kingdom and the company was registered in VAT with the General Authority for Zakat and Income and pays its due monthly to the holding company and quarterly to the subsidiaries and the amount received at the end of the year was 193 thousand riyals.

Financial position:

The attached financial statements show fairly the results of the fiscal year ended December 31, 2021 in accordance with the standard accounting standards appropriate to the company's activity, accounting concepts, presentation standards and general disclosure issued by the Saudi Authority of Chartered Accountants in Saudi Arabia.



External Auditor's Report:

The company's auditor issued a report (drawing attention) to the annual financial statements for 2021 and the paragraph was as follows:

As indicated in the note no. (27) of the consolidated financial statements, that the Group suffered an accumulated loss of SAR 10.1 million during the year ended December 31, 2021 (2020: SAR 16 million) and by this date the group's current liabilities exceeded with its current assets at SAR 24.8 million. (2020: SAR 29.3 million), also mentioned in the note no. (27) that there is no alternative operations to plant green feed to cover the Group's current obligations and expenses until the end of 2021, which was suspended during 2018. These were representing about 80% of the group's total revenues. Those events or circumstances, along with other matters referred to in note no. 27, indicate that there is doubt about the group's ability to continue as ongoing concern. Our opinion has not been modified in respect of this matter. To draw attention, we would like to pay attention to the following:

As shown in note no. (5) of consolidated financial statements, property, machinery and equipment include land and building worth SAR 20 million that is not registered in the name of the group.

As shown in note no. (6) of the consolidated financial statement, investment properties include land of SAR 26 million that has no title deed and is not registered in the name of the group.

Clarification of the Board of Directors with attention-drawing paragraphs:

The Group's management believes that despite these difficulties, the Group is able to continue as an ongoing enterprise by restructuring its business activities and entering into new businesses. Because the group's viability depends on adequate funding and lucrative future operations, the group sold the entire Al Jouf project during the year. Furthermore, the Group's Board of Directors has proposed plans to increase the group's share capital.

The future plan of the group after the sale of the al-Jouf project is as follows:

- Increase the company's capital after the reduction by issuing priority rights shares using the proceeds of the subscription to purchase income-generating real estate assets to provide a source of income and liquidity to the company continuously.
- Improving and developing the group's transport fleet and increasing its efficiency to increase the efficiency of the logistics services provided by the group to its customers maintenance of central refrigerators by replacing some of the current (old) refrigeration devices with modern and high-tech ones.



- Work to reschedule and settle the remaining company's debts and increase the effort to collect the group's debts with others focusing on the outstanding workforce and working to improve the performance of the group in all its divisions.

The group has land in al-Khumra district in Jeddah with an area of 197,000 meters worth 23 million Saudi riyals that was acquired by the group at the time of the merger in 1995 under the merger documents and the land is under the possession of the company and has no dispute and is being used by the company. In a sale and lease back arrangement the property of cold store amounting to 20 million Saudi riyals was pledged as a guarantee in accordance with the financing agreement with the Karnaf Investment and Installment Company, the instrument was registered in the name of the Karnaf and Installment Company. The lease obligation is fully settled and arrangements are being made to transfer the property back in Company's name.

Results of the activity and their respective ratios in the last five years:

Results of the last five years ' work (amount in thousands of riyals)		
General	Profitability	Percentage of sales
2017	(10,369,628)	(24%)
2018	(15,379,523)	(37.8%)
2019	(19,324,481)	(229.7%)
2020	(8,714,874)	(106.4%)
2021	(17,050,982)	(220%)

First: Revenues and business results by activities:

Statement	2021	2020	Changes +/-	Rate of change
Sales	7,737,793	8,192,783	(454,990)	-6%
Cost of sales	(5,129,717)	(6,958,556)	(1,828,839)	-26%
Total profit	2,608,076	1,234,227	1,373,849	111%
Operating business expenses	(19,659,058)	(9,949,101)	9,709,957	98%
Other revenues (expenses)	644,140	9,300	634,840	6826%
Operating profit (loss) before zakat	(17,050,982)	(8,714,874)	(8,336,108)	96%
Deducted: Zakat and income tax	0	0	0	0%
Net profit of the year after zakat	(16,723,677)	(8,705,574)	(8,018,103)	92%

- There is no revenue for subsidiaries outside the Kingdom.



Clarification of the most fundamental differences in the operating results for 2021:

- The company achieved a net loss of 16.7 million compared to the net loss of 8.7 million for the year compared to the previous year, mainly due to a 92% increase in net losses due to a 98% increase in operating expenses due to the fees of studies and financial consultancy for the study of capital increase during the current year compared to the previous year and the execution of some doubtful debts as well as the costs of acquiring a subsidiary.
- The company achieved a 111% increase in overall profit this year compared to the previous year mainly as a result of a 26% decrease in sales costs and a 6% decrease in sales.

Revenues are distributed according to the geographical areas within the Kingdom as shown in the table below:

Statement	Geographical area	Revenue/ Sales	Operating profit (loss)
Anaam Holding (General Administration)	Western Region - Jeddah	764,171	(16,983,197)
Anaam International Food Company (Leasing and Storage)	Western Region - Jeddah	6,973,622	155,943
Saudi Wasit (Entertainment and beauty products)	Central Region - Riyadh	-	1,856,387

Second: Statement of the company's assets and liabilities for the last five years:

Assets and liabilities for the last five years (amount in thousands of riyals)						
General	Current Assets	Non-current Assets	Total Assets	Current liabilities	Non-current liabilities	Total liabilities
2017	17.080	171.308	188.388	52.108	5.580	57.688
2018	10.318	151.830	162.148	45.499	2.903	48.403
2019	6.144	144.927	151.071	132.218	3.063	135.281
2020 AD	102.97	123.063	226.033	4.857	132.230	137.087
2021 AD	113.395	144.638	258.033	17.563	138.245	155.808



Regular payments due

1- Loans and total indebtedness to the company: -

The following are the details of total loans with total repayments and related information during fiscal year 2021:

Sequence	Loan donors	Value of the principal of the loan	Loan duration	Paid in 2021	Remaining amount of the loan	Total indebtedness of the company and its subsidiaries
1	Saudi Industrial Development Fund	16,870,000	7 years	0	16,870,000	16,870,000

2- Regular payments: -

Statement	2021 AD	
	The payer	Due until the end of the annual financial period and not paid
Zakat	0	6,172,143
General Social Insurance Corporation	242,733	-
Visa and passport costs	593,684	-
Office fees	162,872	-



The situation:

The holding company received a letter from the Zakat, Tax and Customs Authority on February 25, 2019 demanding payment of zakat differences of SAR 106,927,278 for the years 1995 to 2011. Consolidated financial statements of SAR 88,552,906 during 2019, plus the amount of allocation recorded in the consolidated financial statements for the fiscal year ended December 31, 2018 at SAR 18,374,372, so the total amount of the allocation recorded in the consolidated financial statements is SAR 106,927,278. The company submitted its false statements to the Zakat, Tax and Customs Authority for the years 1995 to 2018 on the basis of consolidated financial statements and obtained a restricted certificate. The company submitted its zakat declaration for the year ended December 31, 2020 to the Zakat, Tax and Customs Authority and obtained a restricted certificate. The company submitted its zakat declaration for the year ended December 31, 2020 to the Zakat, Tax and Customs Authority and obtained a restricted certificate valid until April 30, 2022. On November 17, 2019, the Group provided an assessment of the years mentioned, the objection is still under review by the Authority, and a final Zakat estimate for the years 2012 to 2018 was issued, resulting in additional zakat teams claiming an additional 7 million. An objection to this deposit was filed with the General Secretariat of the Tax Committees on October 15, 2020.

1- Equity activities and debt instruments:

During 2021, there are no debt instruments or treasury permits issued by the company, there is no interest in the category of shares entitled to vote for any persons and there is no interest, option rights and subscription rights of board members, senior executives or family members in the company's shares, nor are there any debt instruments convertible into shares or any option rights, IPO warrants or similar rights issued or granted by the Company. During the fiscal year ending that date, there are also no transfer or underwriting rights under debt instruments convertible into shares, option rights or similar rights certificates issued or granted by the Company during 2021, nor is there any refund, purchase or cancellation by the Company for any recoverable debt instruments as well as no arrangements or agreement under which any shareholders waive dividend rights.



Subsidiaries and sister companies:

Company name (Share capital)	Main activity	State of Incorporation	Equity contribution ratio
Saudi Cold Store Co. (19.5 million riyals)	Food trade	Saudi Arabia/ Jeddah	90%
Anaam International Agricultural Co. (1.95 million riyals)	Agricultural crops	Saudi Arabia/ Al-Jouf	100%
Anaam International Financial Co. (1 million riyals)	Wholesale trade	Saudi Arabia/ Jeddah	100%
Anaam International Investment Co. (1 million riyals)	Real estate and services	Saudi Arabia/ Jeddah	100%
Anaam International Food Co. (500,000 riyals)	Food trade	Saudi Arabia/ Jeddah	100%
Wasit Saudi Co. (17 million riyals)	Manufacturing and marketing of games and entertainment equipment	Saudi Arabia / Sudair	51%



Board of Directors:

The company's statutes include detailed tasks of the Board of Directors, the most important of which is to adopt strategic directions and the main objectives of the company and supervise its implementation and to develop regulations and controls for control, in addition to adopting key budgets, directives and financial policies, and ensuring the application of policies that regulate the relationship with stakeholders in order to protect them and preserve their rights and ensure the application of policies and tools that ensure respect for regulations and regulations and commitment to disclosure to the public, shareholders, creditors and other stakeholders. The Board also plays other roles through its committees in following up the application of modern regulations, resource planning and connecting the company to society within the possibilities available to the company as well as seeking to rehabilitate and maintain Saudi elements and provide training programs, loans and assistance as possible.

1- Names of board members, committee members and executive management:

First: Board members

- The number of board members in accordance with the company's statutes is five members, and the members of the start-up session on 28/11/2018 ending on 27/11/2021 are:

M	Name	Membership rating (Executive- Non-Executive - Independent)
1	Engineer Hassan Saad Al-Yamani	Executive member
2	Prince Nawaf bin Abdullah bin Turki Al Saud	Non-executive member
3	Dr. Walid Jamil Mohammed Ali Qattan	Independent
4	Mr. Mohammed Abdulrahman Saleh Attar	Independent
5	Mr. Raed Mohammed Abdullah Katie	Independent

- The members for the new term, which began on November 28, 2021 and ended on November 27, 2024, are:



M	Name	Membership rating (Executive- Non-Executive - Independent)
1	Engineer Hassan Saad Al-Yamani	Executive member
2	Dr. Khalid Bin Wahib Mohammed Maqlid	Independent
3	Dr. Walid Jamil Mohammed Ali Qattan	Non-executive member
4	Mr. Mohammed Abdulrahman Saleh Attar	Independent
5	Mr. Raed Mohammed Abdullah Katie	Non-executive member

M	Name	Current position	Previous job	Qualifications
1	Mohammed Abdulrahman Saleh Attar	Chairman - Member of the Committee of Rewards and Nominations Director and owner of Al-Sayed Trading Corporation and works in the field of wholesale and retail trade in fresh fish - individual enterprise - Jeddah	Businessman	Bachelor of Economics - Study of Fish science and maritime affairs 1980 - University of Washington, USA
2	Dr. Walid Jamil Qattan	Light of the Committee Chairman of the Remuneration and Nominations Committee Member of the Review Committee Chairman of Qattan Media (Limited Liability) within the Kingdom	Director General of Okaz Press Foundation	Ph.D. Quality Press Facilities 2009 Master of Media quality and environment 2007 AD Bachelor of Economics and Science, Cairo University 1978
3	A. Raed Mohammed Abdullah Kati	Committeeman Chairman of the Review Committee and Member of the Rewards Committee And nominations. Member of the Board of Directors of Wasit Saudi Arabia Entertainment and Beauty Systems Industry - A Closed Joint Stock Company - Within the Kingdom	General Manager of Senior Clients and Sales Development Industrial Building Group Administrative advisor	Master of Information Systems Engineering Management George Washington University America 1998 Bachelor of Law of King Abdulaziz University in Jeddah 1994 AD
4	M/ Hassan Saad Farhan Al-Yamani	Committeeman CEO Chairman of Wasit Saudi Entertainment and Beauty Systems - Joint Stock Company	CEO	MBA from the University of Pennsylvania - Wurton School of Business, USA 1983 AD
5	Prince Nawaf Bin Abdullah Al Saud	Businessman Board Member	Businessman	Bachelor of Political Science from the University of California, USA in 1987
6	Dr. Khalid Bin Wahib Mohammed Maqlid	Board member of the junior course on 28 November 2021	University Professor	Ph.D. in Networking and Analysis of Information Systems and Applications from the University of Bradford, UK, 2007.
7	Saeed A. Siddiqui	Chief Financial Officer		Bachelor accounting Karachi University 1992



Name	Experiences
Mohammed Abdulrahman Saleh Attar	36 years old Private business producing and marketing fish. <ul style="list-style-type: none"> Member of the Agricultural Committee of the Chamber of Commerce 1997-2006 Attend many relevant workshops and seminars and give lectures on them.
Dr. Walid Jamil Qattan	10 years: Member of the Board of Directors and member of the Review Committee And the rewards and nominations. 35 years old: Great experience in various fields economic, commercial and administrative and specializes in marketing, advertising, distribution and management. Member of many professional institutions, bodies, chambers of commerce and specialized associations.
A. Raed Mohammed Abdullah Kati	7 years: Board Member Member of the Review Committee, Member of the Remuneration and Nominations Committee 12 years: Experience Extensive in sales and banking management Administrative Advisor - License 14,850 Ministry of Commerce
M/ Hassan Saad Farhat Al-Yamani	2010 onwards: Anaam Holding Group CEO 9 years: Managing Director of Saudi Leasing Company 10 years: Managing Director, Tamlik Ltd. 3 years: Middle East Second Ment Member of Crescent Point Investment Company
Prince Nawaf Bin Abdullah Al Saud	30 years working in his own business and property. Member of the Board of Directors of Anaam for the 2009-2012 session Member of the Review Committee of the Anaam Group in the session in which he served as a member of the Committee
Dr. Khalid Bin Wahib Mohammed Maqlid	2019 And his history, part-time consultant Agency for Development and Sustainable Development - Jeddah University. 2016-2019 Dean of Knowledge Sources at Jeddah University From 2010 to 2015, from 2007 to 2010, the Undersecretary of the Faculty of Computers and Information Technology for Higher Studies and Scientific Research and from 1987-1994 was a systems analyst, assistant and programmer at the Computer Center at King Abdulaziz University.
Saeed A. Siddiqui	28 years. Diversified experiences in the field of financial management and accounts.



The Board of Directors held seven (7) meetings during 2021 details of its presence as follows:

Name	Meeting The first 08/2/2021	Meeting Second 30/03/2021	Meeting Third 08/5/2021	Fourth Meeting 21/8/2021	Fifth meeting 26/9/2021	Sixth Meeting 11/11/2021	Seventh Meeting 28/11/2021	Attendance for the period
Mr. Mohammed Abdulrahman Saleh Attar	√	√	√	√	√	√	√	100%
Engineer/ Hassan Saad Farhan Al-Yamani	√	√	√	√	√	√	√	100%
Dr. Walid Jamil Mohammed Ali Qattan	√	√	√	√	√	√	√	100%
Prince Nawaf bin Abdullah bin Turki Al Saud	√	√	√	√	-	-	++	67%
Mr. Raed Mohammed Abdullah Katie	√	√	√	√	√	√	√	100%
Dr. Khalid Bin Wahib Mohammed Maqlid *							√	100%

- Dr. Khaled Maqlid joined the Board of Directors and its committees in the new junior board session on 28 November 2021.
- The number of requests of the company for the shareholders' register and the dates and reasons for those requests:

No. of company requests for shareholders' register	Application date	Reasons for request
1	January 25, 2021	For the purpose of the company's procedures (update records)
2	April 5, 2021	For the purpose of corporate procedures.
3	May 19, 2021	For the purpose of preparing for the AGM.
4	May 24, 2021	For the purpose of the General Assembly
5	13Julai 2021	For corporate procedures
6	August 18, 2021	For corporate procedures
7	August 24, 2021	For corporate procedures
8	September 8, 2021	For corporate procedures
9	October 12, 2021	For corporate procedures
10	November 2, 2021	For the purpose of preparing for the General Assembly
11	November 18, 2021	For the purpose of the General Assembly



M	Name	Current position	Previous job	Qualifications
1	Mohammed Abdulrahman Saleh Attar	Chairman - Member of the Committee of Rewards and Nominations Director and owner of Al-Sayed Trading Corporation and works in the field of wholesale and retail trade in fresh fish - individual enterprise - Jeddah	Businessman	Bachelor of Economics - Study of Fish science and maritime affairs 1980 - University of Washington, USA
2	Dr. Walid Jamil Qattan	Light of the Committee Chairman of the Remuneration and Nominations Committee Member of the Review Committee Chairman of Qattan Media (Limited Liability) within the Kingdom	Director General of Okaz Press Foundation	Ph.D. Quality Press Facilities 2009 Master of Media quality and environment 2007 AD Bachelor of Economics and Science, Cairo University 1978
3	A. Raed Mohammed Abdullah Kati	Committeeman Chairman of the Review Committee and Member of the Rewards Committee And nominations. Member of the Board of Directors of Wasit Saudi Arabia Entertainment and Beauty Systems Industry - A Closed Joint Stock Company - Within the Kingdom	General Manager of Senior Clients and Sales Development Industrial Building Group Administrative advisor	Master of Information Systems Engineering Management George Washington University America 1998 Bachelor of Law of King Abdulaziz University in Jeddah 1994 AD
4	M/ Hassan Saad Farhan Al-Yamani	Committeeman CEO Chairman of Wasit Saudi Entertainment and Beauty Systems - Joint Stock Company	CEO	MBA from the University of Pennsylvania - Wurton School of Business, USA 1983 AD
5	Prince Nawaf Bin Abdullah Al Saud	Businessman Board Member	Businessman	Bachelor of Political Science from the University of California, USA in 1987
6	Dr. Khalid Bin Wahib Mohammed Maqlid	Board member of the junior course on 28 November 2021	University Professor	Ph.D. in Networking and Analysis of Information Systems and Applications from the University of Bradford, UK, 2007.
8	Saeed A. Siddiqui	Chief Financial Officer		Bachelor accounting Karachi University 1992



The names and expertise of the board members:

Name	Experiences
Mohammed Abdulrahman Saleh Attar	36 years old Private business producing and marketing fish. <ul style="list-style-type: none"> Member of the Agricultural Committee of the Chamber of Commerce 1997-2006 Attend many relevant workshops and seminars and give lectures on them.
Dr. Walid Jamil Qattan	10 years: Member of the Board of Directors and member of the Review Committee And the rewards and nominations. 35 years old: Great experience in various fields economic, commercial and administrative and specializes in marketing, advertising, distribution and management. Member of many professional institutions, bodies, chambers of commerce and specialized associations.
A. Raed Mohammed Abdullah Kati	7 years: Board Member Member of the Review Committee, Member of the Remuneration and Nominations Committee 12 years: Experience Extensive in sales and banking management Administrative Advisor - License 14,850 Ministry of Commerce
M/ Hassan Saad Farhan Al-Yamani	2010 onwards: Anaam Holding Group CEO 9 years: Managing Director of Saudi Leasing Company 10 years: Managing Director, Tamlik Ltd. 3 years: Middle East Second Ment Member of Crescent Point Investment Company
Prince Nawaf Bin Abdullah Al Saud	30 years working in his own business and property. Member of the Board of Directors of Anaam for the 2009-2012 session Member of the Review Committee of the Anaam Group in the session in which he served as a member of the Committee
Dr. Khalid Bin Wahib Mohammed Maqlid	2019 And his history, part-time consultant Agency for Development and Sustainable Development - Jeddah University. 2016-2019 Dean of Knowledge Sources at Jeddah University From 2010 to 2015, from 2007 to 2010, the Undersecretary of the Faculty of Computers and Information Technology for Higher Studies and Scientific Research and from 1987-1994 was a systems analyst, assistant and programmer at the Computer Center at King Abdulaziz University.
Saeed A. Siddiqui	28 years. Diversified experiences in the field of financial management and accounts.



Committees of the Board of Directors:

Review Committee:

On 22 November 2018, the General Assembly of the company was convened and elected a new board of directors for the start-up session on 28 November 2018 for a period of three years, and adopted the formation of the review committee for the start-up session on 28/11/2018 and 27 On 06/01/2019, he also joined the committee on the basis of the decision of the Board of Directors, Mr. Ahmed Tariq Abdul Rahman Murad, a member from outside the Committee, and the General Assembly adopted this appointment on 25/06/2019, and therefore the members of the committee are:

- 1- Mr. Raed Mohammed Abdullah Katie - Chairman of the Committee
- 2- Dr. Walid Jamil Mohammed Ali Qattan - Member
- 3- Mr. Tarek Abdulrahman Murad, Member of the Ahmed

Name	Current position	Previous job	Qualifications	Experiences
A. Raed Mohammed Abdullah Katie	Chairman of the Review Committee and Member of the Remuneration and Nominations Committee	Member of the review committees, equivalents and nominations	Master of Information Systems and Management Bakalorius Law	3 years member of the review committee and the committee of rewards and nominations Ten years of experience in sales and banking management.
Dr. Walid Jamil Qattan	Committee member	Member of the Review Committee	Ph.D. Quality Press Facilities Master of Media and Environment Bachelor of Economics and Science	9 years member of the Board of Directors and member of the review committee and member of the committee of rewards and nominations Great experience in various economic, commercial and administrative fields and specializes in marketing, advertising, distribution and management.
A. Ahmed Tariq Abdulrahman Murad	Member of the review committee from outside the Board		Master of Business Administration from the University of San Francisco, USA - 1988 Bachelor of Science in Civil Engineering, Worcester Institute, USA, 1984	Consultant Engineer Murad Engineering Consulting - Senior Executives Corporate Finance Department Comprehensive Bank Bahrain - Executive Director of Asset Management and Research Development expert for financial consulting vice chairman and financial investment broker Saudi Fertilizer Company



Dr. Khalid Bin Wahib Mohammed Maqlid	Board member of the junior course on 28 November 2021	University Professor	Ph.D. in Networking and Analysis of Information Systems and Applications from the University of Bradford, UK, 2007. Master of Computer, University of Detroit, USA, 1994 Bacalorius Computer - Metropolitan State University USA 1986.	2019 And his history, part-time consultant Agency for Development and Sustainable Development - Jeddah University. 2016-2019 Dean of Knowledge Sources at Jeddah University From 2010 to 2015, from 2007 to 2010, the Undersecretary of the Faculty of Computers and Information Technology for Higher Studies and Scientific Research and from 1987-1994 was a systems analyst, assistant and programmer at the Computer Center at King Abdulaziz University.
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On 22 December 2021, the General Assembly of the company was convened and elected a new board of directors for the start-up session on 28 November 2021 for a period of three years, and adopted the formation of the review committee for the junior session on 28/11/2021 and to 27/11/2024, and its members are:

- 1- Ahmed Tariq Abdulrahman Murad (member from outside the Committee)
- 2- Raed Mohammed Abdullah Katie.
- 3- Dr. Khalid Bin Wahib Mohammed Maqlid

The functions of the review committee:

The audit committee is responsible for monitoring the company's work and verifying the integrity and integrity of its reports, financial lists and internal control systems, and the commission's functions include:

- 1- Study the company's initial and annual financial statements before submitting them to the Board of Directors and expressing their opinion and recommendation to ensure its integrity, fairness and transparency.
- 2- Expressing the technical opinion at the request of the Board of Directors as to whether the report of the Board of Directors and company's financial statements are fair, balanced and understandable and include information that allows shareholders and Investors shall assess the company's financial position, performance, business model and strategy.



- 3- Study any important or unusual issues contained in financial reports.
- 4- Thoroughly examine any issues raised by the company's chief financial officer, person in charge or official Commitment in the company or auditor.
- 5- Verifying accounting estimates in the core issues contained in the financial reports.
- 6- Study the accounting policies followed and express the opinion and recommendation of the Board of Directors.
- 7- Study and review the company's internal, financial and risk management systems.
- 8- Studying internal review reports and following up on the implementation of corrective actions for the archives contained in it.
- 9- Control and supervision of the performance and activities of internal references and internal audit management in the company - if any - to verify the availability of the necessary resources and their effectiveness in the performance of the business. If the company does not have internal references, the Committee should make its recommendations to the Committee on the need for his appointment.
- 10- Recommendation to the Board of Directors to appoint a unit manager, internal audit department or internal auditor and propose his reward.
- 11- Recommending the Board of Directors to nominate and dismiss auditors, determine their fees and evaluate their performance after verifying their independence and reviewing the scope of their work and the conditions of contracting with them.
- 12- Verifying the independence, objectivity, fairness and effectiveness of the auditor's work taking into account the relevant rules and standards.
- 13- Review the company's auditor's plan and work and verify that it is not provided with technical depths or Administrative is outside the scope of the review work and shows its views on it.
- 14- Answering the inquiries of the company's auditor.
- 15- Study the auditor's report and observations on the financial statements and follow up on what has been taken about them.
- 16- Review the results of regulatory reports and verify that the company has taken the necessary measures about the company.
- 17- Verifying the company's compliance with the relevant regulations, regulations, policies and instructions.
- 18- Review the contracts and transactions proposed to be conducted by the company with the relevant parties and provide her views on it to the board of directors.



19- Submit what it considers necessary to take action to the Board of Directors and to express its recommendations for the actions to be taken.

20- Establish a mechanism that allows the employees of the company to provide their notice on any violation in the financial reports or other confidential reports. The Commission should verify the application of this mechanism by conducting an independent investigation commensurate with the magnitude of the error or overtaking and adopting appropriate follow-up procedures.

The Review Committee (5) held meetings during 2020 in which it examined the company's initial and annual financial statements and made its observations and recommendations to the Board and studied the accounting policies followed, and carried out all its tasks stipulated in the regulations governing its work.

The review committee held five (5) meetings during 2021 details of its presence as follows:

Name	First meeting 29/3/2021	Second meeting 21/4/2021	Third Meeting 06/5/2021	Fourth Meeting 19/8/2021	Fifth meeting 11/11/2021	Attendance
Mr. Raed Katie	√	√	√	√	√	100%
Dr. Walid Qattan	√	√	√	√	√	100%
Mr. Ahmed Murad	√	√	√	√	√	100%

Committee of Rewards and Nominations:

The committee for the start-up course on 28 November 2018, which ends on 27 November 2021, consists of:

- Dr. Walid Jamil Mohammed Ali Qattan as President
- Mr. Mohammed Abdul Rahman Saleh Attar member
- Mr. Raed Mohammed Abdullah Katy member

On 28 November 2021, the Board of Directors decided to form a committee of rewards and nominations for the junior session on 28 November 2021 and to 27/11/2024 from:

- 1- Dr. Khalid Bin Wahib Mohammed Maqlid
- 2- Mohammed Abdulrahman Saleh Attar



3- Dr. Walid Jamil Mohammed Ali Qattan

Name	Current position	Previous job	Qualifications	Experiences
Dr. Walid Jamil Qattan	Board Member Chairman of the Remuneration and Nominations Committee Member of the Review Committee	Committeeman	Ph.D. Quality Press Facilities Master of Media and Environment Bachelor of Economics and Science	9 Board member, review committee member and member of the Remuneration and Nominations Committee 30 years of great experience in various economic fields and commercial and administrative fields and specializes in marketing, advertising, distribution and management.
Mohammed Abdulrahman Saleh Attar	Chairman of the Board and member of the Remuneration Committee	Businessman	Bachelor of Economics, Study of Fish science and marine affairs, 1980, University of Washington, USA	35 years old Private business producing and marketing fish. Member of the Agricultural Committee of the Chamber of Commerce Attend many relevant workshops and seminars and give lectures on them.
A. Raed Mohammed Abdullah Kati	Committeeman Chairman of the Review Committee Member of the Remuneration and Nominations Committee	Committeeman Member of the Review and Reward Committees	Master of Information Systems and Management Bakalorius Law	6 years board member 4 years member of the committee Review and 3 years member of the Remuneration and Nominations Committee
Dr. Khalid Bin Wahib Mohammed Maqlid	Board member of the junior course on 28 November 2021	University Professor	Ph.D. in Networking and Analysis of Information Systems and Applications from the University of Bradford, UK, 2007. Master of Computer, University of Detroit, USA, 1994 Bacalorius Computer - Metropolitan State University USA 1986.	2019 And his history, part- time consultant Agency for Development and Sustainable Development - Jeddah University. 2016-2019 Dean of Knowledge Sources at Jeddah University From 2010 to 2015, from 2007 to 2010, the Undersecretary of the Faculty of Computers and Information Technology for Higher Studies and Scientific Research and from 1987-1994 was a systems analyst, assistant and programmer at the Computer Center at King Abdulaziz University.



The functions and competences of the Committee:

1) With regard to rewards:

- a. Preparing a clear policy for the rewards of the members of the Board of Directors and the committees that originate from the Board and executive management enhances the motivation of the company's administrative body and the preservation of distinguished team, and submit it to the Board of Directors for consideration in preparation for its adoption by the General Assembly, taking into account in that policy the following criteria related to performance and disclosure and ensuring its implementation.
- b. Clarify the relationship between the rewards granted and the applicable rewards policy and indicate any fundamental deviation from this policy.
- c. Periodic review of the rewards policy and assess its effectiveness in achieving its objectives.
- d. Recommend to the Board of Directors the rewards of the members of the Board of Directors and the committees emanating from it and senior executives of the company in accordance with the approved policy.
- e. Review the CEO's financial rewards, including long- and short-term incentives, as well as cap the expected results from the CEO and make recommendations to the Board of Directors.
- f. Review the CEO's recommendations on the general guidelines and standards of financial rewards and other benefits for senior executives that the CEO implements in light of the policies adopted.
- g. To ensure that the company complies with the remuneration policy of the members of the Board of Directors and members of the committees emanating from the Board of Directors and the executive management approved by the General Assembly of Shareholders.

2) With regard to nominations:

- a. Propose clear policies and criteria for membership in the Board of Directors and executive management.
- b. Recommending the committee to nominate its members and committees and re-nominate them in accordance with the policies and standards adopted, taking into account the non-nomination of any person convicted of a crime against the secretariat.



- c. Preparing a description of the capabilities and qualifications required for membership of the Board and filling the positions of executive management.
- d. Determine the time that the member must specialize in the work of the Committee.
- e. Annual review of the necessary needs of skills and expertise appropriate for board membership and executive management functions while identifying weaknesses and strengths in the Board and executive management and proposing to address them in accordance with the interests of the company.
- f. Review the structure of the Board and executive management and make recommendations on changes that can be made.
- g. Annual verification of 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.
- h. Develop a functional description of independent members, executive, non-executive and senior executives.
- i. Special procedures in the event of vacancy of the status of a board member or senior executive
- j. Identify weaknesses and strengths in the Board and propose solutions to address them in accordance with the company's interests.
- k. Provide an appropriate level of training and introduce new board members to the company's tasks and achievements so that they can perform their work with the required efficiency.
- l. Study and review the performance of the executive department.
- m. Study and review the company's career replacement plans in general and the Board, CEO and senior executives.
- n. Study and review the CEO's recommendations for the appointment and termination of senior executives.
- o. Assist the Board and the Executive Department in developing and reviewing the organizational structure of the company and the operational model that regulates the relationship between the parent company and its subsidiaries.
- p. Monitoring the implementation of the employee grievance policy and ensuring its effectiveness.



The committee held three meetings in 2021 in the presence of its members in which it exercised its tasks assigned to it.

Name	First meeting 15/04/2021	Second meeting 11/10/2021	The threeth meeting 21/12/2021	Attendance
Dr. Walid Qattan	√	√	√	100%
Mr. Mohammed Attar	√	√	√	100%
Professor Raed Kathy	√	√	-	100%
Dr. Khaled Maqlid*	-	-	√	100%

- Dr. Khaled Maqlid joined the Board of Directors and its committees in the junior session on 28 November 2021.



Interest of board members, spouses and minor children in the company's shares

The following list shows the change in equity ownership of board members, spouses and minor children during 2021.

Name	Beginning of 2021		Net change (+ or -) During the year	End of 2021	
	Number of shares	Ownership ratio		Number of shares	Ownership ratio
Hassan Saad Farhan Al Yamani	532	0.0050666	+5508%	29837	0.2841619
Walid Jamil Mohammed Ali Qattan	1603	0.0152666	-	1603	0.0152666
Raed Mohammed Abdullah Kati	532	0.0050666	75%-	132	0.0012571
Prince Nawaf Bin Abdullah Bin Turki	76	0.0007238	-	76	0.0007238
Mohammed Abdulrahman Saleh Attar	532	0.0050666	+1170%	6759	0.0643714
Khaled Bin Wahib Mohammed Maqlid*	-	-	-	25	0.0002380

* Taking over the board's membership in the new junior session on 28 November 2021.

- ** There is currently no interest in senior executives, their spouses and minor children in the company's debt shares or instruments.
- ** There are no arrangements or agreements under which a member of the Board of Directors or a senior executive of the company will be waived from any salary or compensation.
- ** The review committee did not recommend the need to appoint an internal reviewer in the company.
- ** The review committee did not recommend a conflict between it and the decisions of the Board of Directors or which the Board refused to take about appointing the company's auditor and isolating him and determining his fees and evaluating his performance or appointing the internal auditor for not that's applicable.
- ** Details of the company's social contributions do not apply because the company has not made a social contribution this year.



Details of policies relating to the remuneration of board members, committee members, senior executives and mechanisms for determining them:

1. The remuneration of board members consists of a certain amount, attendance allowance for meetings, in-kind benefits or a certain percentage of net profit and two or more of these benefits may be combined.
2. In determining and disbursing the rewards received by each of its members, the Board of Directors takes into account the relevant provisions of the corporate system, the corporate governance regulations and the following criteria:
 - The reward should be based on the recommendation of the Nominations and Rewards Committee.
 - The reward must be commensurate with the company's activity and the skill needed to manage it.
 - The sector in which the company operates, its size and the experience of the board members are taken into account.
 - The reward should be reasonably sufficient to attract, motivate and retain competent and experienced Committee members.
3. Board members may not vote on the board member bonus clause at the General Assembly meeting.
4. A member of the Board of Directors may receive a reward for his membership in the review committee formed by the General Assembly or in exchange for work, executive or technical positions or advisory management under an additional professional license assigned to the company in addition to the reward he can receive as a member of the Board of Directors and in committees formed by the Board of Directors in accordance with the corporate system and the company's base system.
5. The remuneration of board members may vary in amount to reflect the member's experience, competences, tasks, independence, number of meetings he attended and other considerations.
6. The bonus of the members of the Board of Directors for previous years is calculated on the allowance for attending board sessions by 3,000 riyals for each session of the Board and for the board committees. The Board of Directors has approved the recommendation of the Committee of Rewards and Nominations to grant rewards to board members for a total of SAR 1,000,000 for the year 2021 and will be submitted to the General Assembly for approval.



7. The CEO's reward is determined in accordance with his contract, in addition to his rewards as a board member in accordance with the decision to recommend rewards, as well as the rewards of the Chief Financial Officer and senior executives as determined by the senior management after the recommendation of the Nominations and Rewards Committee, and explain below what the CEO and senior executives receive during 2021.
8. The Nominations and Rewards Committee should oversee the implementation of the reward policy for employees and senior executives in light of the plans, programs and directions approved by the Board of Directors.

Senior Executive Awards:

Total	Total executive bonus for the Board, if any.	End-of-service benefits	Rewards Change						Fixed rewards				Senior executive positions
			Total	Shares granted (value is entered)	Preparatory plans (long-term)	Preparatory plans (short-term)	Profits	Periodic	Total	Benefits	Allowances	Salaries	
3,071,250		236,250							2,835,000			2,835,000	1. CEO
345,000									345,000			345,000	2. CFO
62,612									62,612			62,612	3. Human Resources Manager
25,480									25,480			25,480	4. Head of Accounts
398,937		154,737							244,200			244,200	5. Head of Management



Rewards for board members:

Expense allowance	Grand Total	End of Services Benefits	Changing rewards						For Fixed Bonus							
			Total	Awarded shares (value is entered)	Long-term incentive plans	Short-term incentive plans	Regular rewards	Percentage of profits	Total	Reward the Chairman, Managing Director or Secretary if he is a member	Reward for technical, administrative and advisory work	Benefits	Total allowance for attending committee sessions	Allowance for attending committee sessions		Fixed Amount
															1. Independent Members	
									21,000				21,000			Mohammed Abdulrahman Attar-
									3,000				3,000			Dr. Khalid Bin Wahib Mohammed Maqlid
									21,000				21,000			Walid Jamil Mohammed Qattan
									21,000				21,000			Raed Mohammed Abdullah Kati
									66,000				66,000			Total
															2. Non-Executive Members	
									12,000				12,000			Prince Nawaf Bin Turki
									12,000				12,000			Total
															3. Executive Members	
									2,125,000		2,125,000					Engr. Hassan Al Yamani
									2,125,000		2,125,000					Total



Committee members' rewards

	Fixed rewards (excluding session allowance)	Instead of attending sessions	Total
Members of the Review Committee			
Walid Jamil Mohammed Qattan		15,000	15,000
Raed Mohammed Abdullah Kati		15,000	15,000
Ahmed Murad		15,000	15,000
Total		45,000	45,000
Members of the Remuneration and Nominations Committee			
Dr. Khalid Bin Wahib Mohammed Maqlid		5,000	5,000
Raed Mohammed Abdullah Kati		9,000	9,000
Walid Jamil Mohammed Qattan		9,000	9,000
Total		23,000	23,000



Governance regulation:

The Board of Directors has established company-specific governance rules that do not conflict with the mandatory provisions of the Corporate Governance Regulations, with the obligation to monitor their application, verify their effectiveness and modify them when needed and in order to do so:

- Check the company's compliance with these rules.
- Review and update the rules in accordance with the regular requirements and best practices.
- Review and development of professional conduct rules 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.
- To always inform the members of the Board of Directors about developments in the field of corporate governance and best practices, or delegate this to the review committee or any other committee or department.

The company is committed to establishing a rational governance policy that provides a strong basis for an effective relationship between the company, its board of directors, shareholders and other relevant entities. The general framework of this policy works on the fair treatment of all shareholders, and recognizes the fixed legal rights of all shareholders regardless of their contributions, in addition to the fact that the general framework of the company's governance policy works to provide accurate and timely information on all matters of substance related to the company, as well as establishing frameworks for accountability to the company and shareholders.

This policy provides and states the basis for the policies and practices of corporate governance that should be implemented and followed in the company. The Board of Directors and its members, individually or collectively, must implement them optimally and as they should. The policy is approved by the Board of Directors, and the Board of Directors must annually review the compliance to the policy and make all decisions that would ensure adherence to good governance practices

The Board of Directors and Executive Management of the company seeks to be guided by the best principles and practices that promote governance, and the company is doing its best to establish governance principles, which are a necessary element to help manage the right business and ensure the best governance policies are exercised.



The company also seeks to implement a strong and effective governance system, by establishing the roles of the company's shareholders, board of directors, chairman, vice president, CEO of the company, committees emanating from the Board of Directors, external auditors, internal auditors and executive management of the company.

A- Shareholders

The governance system seeks to protect shareholders' rights in order to ensure justice and equality between them and protect their interests by communicating with them through meetings of shareholders' associations and through direct communication, and the Board of Directors should do its utmost to communicate with shareholders and clarify everything related to shareholders and answer their inquiries and providing them with all reports that make it clear and understandable to them, as shareholders have the right to communicate with external references during associations and others.

The company also ensures that all shareholders exercise their regular rights to obtain a share of the profits to be distributed and the share of the company's assets in the event of liquidation, the presence of associations, participation in deliberations, voting on decisions, conducting shares, monitoring the work of the Board, filing a claim of responsibility on the members of the Board, inquiring and requesting information in a manner that does not harm the company and does not conflict with the financial market system and regulations and in line with the provisions of the company's governance regulations.

B-Board of Directors

The Board assumes full responsibilities related to the company and guarantees the interests of shareholders, creditors, employees and stakeholders, the Board ensures the management of the company conducts its business wisely within the framework of applicable laws and regulations and the policies of the private company. The Board of Directors determines the strategic objectives of the company and oversees the implementation of the policies established and the day-to-day operations of the company, as well as the Board of Directors

Ensure that the company's internal control systems are effective and that the company's activities comply with the strategy adopted by the Board as stipulated in the applicable laws and regulations.

The company must prepare and update the company's governance policies and standards and implement them leading to support and achieve its objectives and objectives, the most important of which is to provide the best services to shareholders and customers taking into account compliance with the laws, regulations and regulations established.

The company has provided the members of the Board of Directors and non-executive members in particular and the committees of the company with all the necessary information, data,



documents and records, which are clear and are correct and not misleading and in a timely manner so that members can perform their duties and tasks as they have been trained and prepared to hold responsibility and learn about the progress of the company's business and activities and all that includes the company's strategy and financial and operational aspects and the obligations of the members of the Board and the tasks of its committees and competences, as well as discussions in general assemblies and suggestions of the shareholders and minutes of the General Assembly held in fiscal year.

The company adheres to most of the governance materials that have been developed in line with the CMA's Corporate Governance Regulations, such as applicable regulations, regulations and regulations, which include policies, standards and procedures for board membership, mechanisms for compensation of stakeholders, complaint mechanisms and disputes that arise between the company and stakeholders, and the General Assembly's issuance of rules for selecting members of the Nominations and Rewards Committee, the review committee, the duration of membership of these committees, the modus operandi and the evidence of the scope of work. The general rights of shareholders, facilitating the exercise of shareholders' rights and access to information, the right to monitor the work of the Board and file a claim of responsibility on the members of the Board, their rights related to the meeting of general assemblies, voting rights, shareholders' rights in dividends, disclosure policies and procedures in the board report, and all matters relating to the rights contained by shareholders and the General Assembly in Article III of the List of Corporate Governance. The regulations were authorized by the General Assembly of the company at its meeting on 14/06/2010, and the company is reviewing the regulations

It has always been updated to comply with the Stock Market Authority's Corporate Governance Regulations, where the list of the Board was last updated on 07/02/2018.



General Assembly meetings of shareholders:

The General Assembly of the company meets annually to approve its agenda items including the annual report and annual financial statements, so that the company takes into account all available means to facilitate the task of shareholders from taking their rights

Provided for in articles 3, 4, 5, 6, 7 of the List of Corporate Governance, the Company's Statute, the Company's Governance Regulations and all regulations on this, where the General Assembly of Shareholders held two meetings during 2021 detailing the attendance of its members these meetings as follows:

Presence of board members of associations	General Assembly on 24/05/2021	General Assembly on 22 November 2021
1-	A/ Mohammed Abdulrahman Saleh Attar	A/ Mohammed Abdulrahman Saleh Attar
2-	M/ Hassan Saad Al-Yamani	M/ Hassan Saad Al-Yamani
3-	A/ Raed Mohammed Abdullah Katy	A/ Raed Mohammed Abdullah Katy
4-	Dr. Walid Jamil Mohammed Ali Qattan	Dr. Walid Jamil Qattan

Shareholders had the opportunity to exercise their rights under the regulations mentioned above with ease, to obtain the required information, to discuss and communicate with the annual report, and to vote on the terms of the meeting by electronic vote from a distance, and the company shall also apply the provisions contained in the regulations.

The measures taken by the Board to inform its members, particularly non-executives, of shareholders' proposals and observations about the company and its performance:

The company's law at general assembly meetings ensure that shareholders participate in deliberations and discussions freely in a way that does not harm the interests of the company, as stated in the Board's functional regulations, disclosure regulations and a statement of procedures.

The company's governance must attend the general assembly meetings, especially the heads and members of the board committees to answer the shareholders' inquiries and observations and exchange ideas and opinions with them regarding the company and receives their proposals to work with it if it complies with the company's directions and plans. The Board also discusses what



is stated in the general assemblies of the company after its completion and in its subsequent sessions and enlightens the members of all shareholder proposals, opinions and requirements and implements what is possible from these proposals and communicate with shareholders in this regard. The company also receives suggestions and feedback from its shareholders by email as well as shareholder complaints and responses by communicating with the Complaints Department of the Stock Market Authority.

The means on which the Board of Directors has relied in assessing its performance and the performance of its committees, members and executive management:

The board's work list, board regulations and the working regulations of the board's committees have included action measures to help assess the performance of the Board and its committees periodically and continuously, and the Nominations and Rewards Committee evaluates the performance of the board committees and executive management and works to address weaknesses and enhance the strengths. The Board has not appointed a third party to assess the performance of its members.

Waiver of bonuses:

None of the board members or senior executives have waived annual bonuses for the fiscal year Ended December 31, 2021.

Waiver of profits:

The Company did not distribute any dividends to its shareholders for the fiscal year ended December 31, 2021.

Contracts in which board members and senior executives have an interest:

The company has not entered into any contracts with any of its board members or senior executives and there is no personal interest of one of them or anyone involved with them.

Statement of the value of any investments or reserves placed for the benefit of the company's employees:

There are no investments or reserves placed for the benefit of the company's employees except the end-of-service reward.



What has been applied to the provisions of the Corporate Governance Regulations and what has not been applied and the reasons for this:

The company applies all provisions in the CMA Corporate Governance Regulation except for some guidelines:

Article/paragraph number	Article/paragraph text	Reasons for not applying
Article 41	At the suggestion of the Nominations Committee, the Board of Directors shall establish the necessary mechanisms to evaluate the performance of the Board, its members, committees and executive management annually through appropriate performance measurement indicators related to the extent to which the company's strategic objectives are achieved, the quality of risk management and the adequacy of internal and other regulatory systems, to identify strengths and weaknesses and propose to address them in accordance with the interests of the company.	The Committee follows some methods and methods through it and its committees to evaluate and measure performance and through internal control systems and the Board takes into account observations in this regard, knowing that work is under way to apply the article as stated in the governance regulations
Evaluation		
Evaluation	e) The Board of Directors makes arrangements to obtain a competent third party's assessment of its performance every three years	Being observed
	f) Non-executive board members periodically assess the performance of the Chairman after taking the views of the executive members - without the Chairman attending the dedicated debate to identify the strengths and weaknesses and propose to address them in accordance with the interests of the company	Being observed
Article 70	A Risk Management Committee is formed by the company's board of directors, whose chairman and majority of its members are non-executive board members and whose members are required to have an appropriate level of knowledge of risk management and finance.	The company intends to work on the application of this article after increasing the members of the Board due to the limited number of current members.



Article 87	At the suggestion of the Board of Directors, the AGM develops a policy to ensure that its objectives and those of society are balanced with those that society aspires to achieve in order to develop the social and economic conditions of society.	This article is being implemented
Article 85 Motivating Workers	<p>1) Forming committees or holding specialized workshops to listen to the opinions of the employees of the company and discuss them in matters and topics in place of important decisions.</p> <p>2) Programs to give employees shares in the company or share of the profits you make and retirement programs and establish an independent fund to spend on those programs</p> <p>3) Establishing social institutions for employees of the company</p>	<p>Being observed</p> <p>Being implemented</p> <p>Being observed</p>
Article 95 Formation of the Corporate Governance Committee	In the event that the Board of Directors forms a committee specialized in corporate governance, it should delegate to it the terms of reference established under Article 94 of this regulation, and this committee should follow up on any topics on governance applications, and provide the Board of Directors at least annually with the reports and recommendations it reaches.	Being observed

Restrictions and sanctions:

There is no penalty, sanctions or other precautionary restrictions imposed on the company by the CMA or any other supervisory, regulatory or judicial body for fiscal year 2021.

The company's ability to continue its activities:

The Board of Directors makes great efforts to establish strong foundations to support the company in carrying out its work and developing its resources and expanding its activities, and therefore the control system is taken care of and confirm the tasks, responsibilities and decisions and achieve the maximum degree of control and independence of internal and external review



and ensure that it is dealt with and provide continuous evaluation to ensure the safety and protection of the company's assets. Hence, according to the information available, the Board of Directors confirms that it has no doubt about the company's ability to continue its activities, God willing.

Shareholders' equity:

Some articles in the Company's Articles of Association stipulate the right of shareholders to participate in attending general assemblies and how to participate in decision-making, as well as the right to dispose of shares, the right to obtain a percentage of the prescribed profits and the priority of redeeming the value of the shares in the capital at the time of liquidation and obtaining a certain percentage of the liquidation output. The company's articles of association and internal regulations also included the right to monitor the work of the Board of Directors, inquire and request information in a way that does not harm the company's interests.

Risk management:

- 1- Develop a comprehensive risk management strategy and policies in accordance with the nature and size of the company's activities and verify the implementation of this policy, review and update it based on the company's internal and external variables.
- 2- Determine an acceptable level of risk to which the company may be exposed and maintain it and verify that the company does not exceed it.
- 3- To verify the feasibility of continuing the company and continuing its activities successfully while identifying the risks to its continuation.
- 4- Supervising the company's risk management system and assessing the effectiveness of systems and mechanisms for identifying, measuring and monitoring the risks to which the company may be exposed in order to determine its shortcomings.
- 5- Re-evaluate the company's ability to risk and expose it periodically through endurance tests as a matter of course.
- 6- Prepare detailed reports on exposure to risks and proposed steps to manage these risks and submit them to the Board of Directors.
- 7- Make recommendations to the Board on risk management issues.
- 8- Ensure adequate resources and systems for risk management.
- 9- Review the risk management structure and make recommendations on it before it is adopted by the Board of Directors.



- 10- To verify the independence of risk management staff from activities that may arise in public exposing the company to risk.
- 11- Check risk management's understanding of the risks surrounding the company and work to raise awareness of the risk culture.
- 12- Review the issues raised by the review committee that may affect the company's risk management.



Risk Management Committee:

The Risk Management Committee aims to establish and supervise a framework for identifying, managing and reviewing risks, including agreeing on the size and tolerance of risks, identifying major risks arising within the company's business, ensuring the implementation of appropriate systems for managing those risks, contributing to the review and evaluation of the strategic risks mentioned above, and identifying policies and procedures on all issues that may create significant financial risks for the company or other risks while proactively clarifying the company's strategy and ability to proactively identify and manage risks which the company may face when achieving their goals through strategies and action plans.

Statement of the risks faced by the company and the policies of its monitoring:

In the context of reducing and addressing the risks it faces, the company studies the impact of risks on its activities and develops plans to avoid these risks and minimize the potential negative effects of them and uses all possible means to avoid the effects of risks in accordance with modern systems and technology. The most important risks facing the company are:

- Fluctuating prices of goods and food domestically and globally.
- Commodities subject to global indicators
- Intense competition in the field of food trade and the large number of companies and individuals working in this field.
- Increasing dependency on others
- Food shelf life is limited to a short period
- The technology of the food industry is very variable and must be kept up with.
- Climate changes for agricultural activity
- Change in product prices and production inputs for agricultural materials.

The company works to market and sell its products in various markets of the Kingdom and expand its customer base by opening new markets and multiple sales windows as it retains a financial reserve to avoid lack of liquidity and thus avoid change in commodity prices, while ensuring the safety of financial and accounting systems and the effectiveness of internal control procedures as well as improving the quality of its products to be able to compete in the market.



Board of Directors statements:

The Board of Directors therefore approves:

- ☐ The account records were properly prepared.
- ☐ The internal control system has been properly established and effectively implemented.
- ☐ There is little doubt about the source's ability to continue its activity.
- ☐ The Company has no information regarding any contracts to which the company is a party and which exists or has a direct or indirect interest in a member of the Company's Board of Directors, the CEO, the CFO or any person involved in any of them. There are also no other investments or reserves created for the benefit of the company's employees.
- ☐ No member of the Board participated in any work that would compete with the company or trade in any of the branches of the company's activities.
- ☐ The company did not provide a cash loan of any kind and did not guarantee any loan with third parties to any of the board members.
- ☐ The company did not receive from the chartered accountant a request to convene the General Assembly during the fiscal year ending and did not take place.
- ☐ The company has never received from shareholders who own 5% of the capital or more requested to convene the General Assembly during the fiscal year ended and has not been held.

The results of the annual review of the effectiveness of internal control procedures and the company's ability to continue its activities:

The executive management of the company has developed internal regulations that govern the administrative, technical and financial aspects, and the internal audit department and the department of regular supervision under the direct supervision of the audit committee to ensure the effectiveness of the internal review and the company's compliance with the regular requirements, and they submit periodic reports to the audit committee, which they see and provide any assistance in the event of difficulties in the implementation of their tasks. The regular control also provided its assurances on the application of the new instructions issued by the Saudi Arabian Monetary Agency. The company's internal control system has been well established and implemented efficiently and effectively.



Auditors:

The AGM No. (40) held on 12/10/1442 corresponding to 24/05/2021, approved the appointment of Mr. RSM (Allied Accountants Professional Services) as legal reviewers to examine, review and audit the financial statements for the second, third, fourth and annual quarters of fiscal year 2021 and the first quarter of 2022.

The company's dividend policy:

According to Article (47) of the Company's Statute, annual net profits are distributed after deducting all general expenses and other costs, including zakat, which is legally imposed as follows:

1. 10% of the net profits shall be set aside to form a statutory reserve, General Assembly may discontinue this deduction when the said reserve reaches half of the capital.
2. The rest is then distributed as a payment to shareholders equivalent to 5% of the paid-up capital.
3. A sum not exceeding 10% of the remainder shall be allocated to the Board of Directors' remuneration, after that, and the remainder shall be distributed to the shareholders as an additional share in the profits.

Voting:

Based on the foregoing, the committee hopes that the members will discuss what is on the agenda and vote on the items on the voting cards as follows:

1. Vote on the Board's report for the fiscal year ended December 31, 2021.
2. Vote on the company's auditor's report for the fiscal year ended December 31, 2021.
3. Vote on consolidated financial statements for the fiscal year ended December 31, 2021.
4. Vote on the discharge of board members for the year ended December 31, 2021.
5. Vote to spend SR 1,000,000 bonus to board members for the year ended December 31, 2021.
6. Vote on the appointment of the auditor of the company among the candidates by the audit committee, in order to examine, review and audit the financial statements, quarterly statements and balance sheet for the current year 2022 and the first quarter of 2023 and determine its fees.



In conclusion, the Board of Directors of Anaam International Holding Group on this occasion is pleased to thank and gratitude for the residence of the Capital Market Authority and the Saudi Stock Exchange (Tadawul), the Ministry of Commerce and Investment and the relevant government departments for their constant cooperation, and to the distinguished shareholders for their precious trust and we thank the members of the Board of Directors and executive management and all employees for their continued support, efforts, dedication and dedication in the work.

Peace be upon you and God's mercy and blessings

Board of Directors