



Board of Directors report

SHARQIYAH DEVELOPMENT COMPANY

About the company's performance and results

for the financial year

2023



Board of Directors

Yasser bin Muhammad Al-Jarallah

Ali bin Yahya Al-Jaafari

Chairman of the Board of Directors

Vice Chairman of the Board of Directors

(Non-executive)

(Independent)

Fayez bin Saleh bin Mahfouz

Abdul Rahman bin Hassan Al Amoudi

Member of the Board of Directors

Member of the Board of Directors

(Executive)

(Independent)

Khalid bin Majid Al-Rasheed

Member of the Board of Directors

(Independent)



Gentlemen/Shareholders of the SHARQIYAH DEVELOPMENT COMPANY God bless you

Peace be upon you, God's mercy and his blessings,

The Chairman and members of the Board of Directors of the SHARQIYAH DEVELOPMENT COMPANY are pleased to present to the company's shareholders its annual report for the financial year ending on December 31, 2023 AD, in which we review the company's performance and achievements during the year and based on our conviction The Board of Directors of the Eastern Development Company sat downt his year will be considered a turning point and a real breakthrough that heralds a promising future for the company and its shareholders due to the positively influential events it witnessed, especially after the capital increase, through which the management seeks to put the company on the right path, including correcting the conditions that led to unsatisfactory results during the previous years. Thanks to the management's efforts and your continued support for the company.

Through this report, which was supervised by the Board of Directors of SHARQIYAH DEVELOPMENT COMPANY, the management aims to inform the company's shareholders with the utmost transparency about the measures that were taken during the year 2023 and to discuss the procedures and results. and approval of its contents as we review the strategy and future plans that the Council seeks to implement for the purpose to advance the company during the coming periods, which will be sufficient, with God's grace and strength, after raising the company's capital, to begin construction work for the projects for which the company has obtained approvals from the Ministry of Environment and Water for agriculture, and to move to the stage of operation and achieving profits, which the company's management has always sought to reach. This is also accompanied by the final accounts report of the Company, audited by the company's legal auditor, and its accompanying clarifications for the financial year 2023.

The company, represented by its Board of Directors, members of the emerging committees, the executive management and its employees, has their sights set on compensating and overcoming all failures during the previous years and working hard to restore and develop and diversify the activity and positioning the company among the distinguished companies in its field of activities In order to achieve the ambitions of the shareholders, we ask God to crown our efforts with success and success.

God bless



With sincere regards

Board of directors

SHARQIYAH DEVELOPMENT COMPANY

First: establishment and nature of activity_:

SHARQIYAH DEVELOPMENT COMPANY was established as a Saudi joint stock company pursuant to Ministerial Resolution No. 406 dated Dhul-Qi'dah 21, 1406 AH as a Saudi joint stock company under Commercial Registration No. 2050016477 issued by the city of Dammam on Muharram 19, 1407 AH corresponding to September 21, 1986, with a capital of 75 million Saudi riyals. On May 7, 2023, it was approved to increase the capital by 225 million riyals, becoming 300 million riyals instead of 75 million.

The authorized activities are:

- Growing vegetables in greenhouses and growing a variety of vegetables outdoors.
- Hydroponics for vegetable production.
- Mixed farming (mixed crop-animal production without specialized crop-animal production).
- Irrigation projects (operating irrigation systems for agricultural projects), and installing agricultural houses.
- Support activities for animal production.

Moreover, during the years following the founding of the company, the activity of animal and dairy production was practiced, but the company's activity faltered and it became unable to achieve any revenues during the years from 2018 to 2020.

Second: Obstacles and the company's results during previous years:

During the previous years SHARQIYAH DEVELOPMENT COMPANY suffered a financial turmoil resulting from the continued cessation of its operational processes, which resulted in not achieving any operating revenues that had a significant and clear negative impact on all levels related to the company, Despite all the difficulties and challenges that the company faced during the past periods, the most prominent of which was the lack of sources of income and the lack of liquidity, the company's management was able to withstand all difficulties or even commit and fulfill the financial dues that the company had accumulated to others for many years, the company's board of directors and executive management, despite all these challenges, are still trying and confronting with all their strength all the difficulties and obstacles that stand in the way of the company's direction in implementing its sustainable operational and strategic



plan, which is based on a group of development and income-generating projects. To this end, a set of corrective measures and decisions were taken, which we will review in this report.

Third: Corrective produres adopted by management to support the company in legal and organizational aspects:

During the financial year 2023 in continuation of the efforts made to restart the company's activities, the following produres were taken:

1. Based on the Board of Directors' conviction of the importance of having the necessary funding to revive and develop the company, it provides the necessary liquidity to achieve this. Therefore, On 12/24/2020 AD, the Board submitted a recommendation to the company's shareholders to raise the capital through the issuance of priority shares worth (225 million riyals), two hundred and twenty-five million Saudi riyals, so that the total capital of the company after the increase (300 million riyals), would be three hundred million riyals. Saudi, with an increase in the company's shares amounting to (22.5 million shares) twenty-two million five hundred thousand shares, so that the total number of company shares after the increase (30 million shares) is thirty million shares, with a nominal value per share of (10) ten Saudi riyals.
2. An extraordinary general assembly meeting was held on May 8, 2023, which approved an increase the capital to 225 million riyals to become 300 million riyals, and the full value of the increase was collected from shareholders, which provided the company with financing capacity to support the activity and pay previous dues, which represented a major obstacle to the company's activity.
3. The administration sought to develop plans and preparatory procedures to revive the project land, which was granted to the company according to the decision of the Ministry of Agriculture at the beginning of 2020, and approved by the Supreme Council, with an area of 72,178,700 square meters, the company obtained seven licenses from the Ministry of Environment, Water and Agriculture, qualifying it to implement a number of development projects that are commensurate with the company's activities..
4. On July 20, 2023, a new board of directors was appointed from experienced personnel in the field of activities similar to the company's activity and who have a distinct development vision in the Saudi market to manage the company during the next five years.
5. In conjunction with the formation of the Board of Directors, the formation of the committees emanating from the Board was completed (Executive Committee - Audit Committee - Remuneration and Nominations Committee....) which contributes to tightening control and governance of the company's transactions and strengthening its activities.
6. The decision was taken to move the company's headquarters to Riyadh, allowing a wider scope of activities and facilitating dealing with relevant government agencies.
7. The outstanding issues that directly affect the company's organization and operational capacity were studied, for example the zakat file, as the company is in the process of taking measures to correct the zakat situation, enabling it to obtain a zakat certificate for various important uses in the operational process.



8. A consulting office was hired to update the statute and executive regulations to allow granting powers to the Board of Directors to enable it to manage the company with sufficient flexibility. The completion of the executive regulations also achieved the establishment of the general framework and executive procedures for all of the company's financial and administrative transactions and reduces reliance on personal judgments.

Fourth: The Council's vision for the general objectives of the company's strategy:

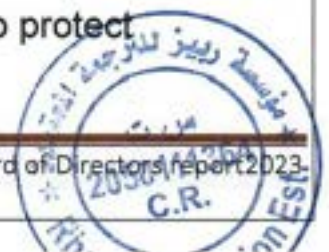
The general strategy essentially represents the general framework of the company's management vision, derived from the reasons for its establishment. It also represents a road map whose implementation achieves the company's basic and detailed objectives and maximizes returns to the company's shareholders. The most important main objectives are as follows:

1. Establishing a general framework and road map for the company's plans to implement its goals.
2. Restoring the company's activity after it stopped for previous years in order to ensure the company's continuity as a public joint stock company.
3. Reviving the project land granted to the company as a government grant, allowing it to be owned by making optimal use of it and creating projects that achieve a return for the company and its shareholders.
4. Diversifying the company's activities and projects through agricultural projects that suit the nature of the land, as well as projects for animal production, food manufacturing, fattening work, and related service and logistical activities.
5. The possibility of the company acquiring existing activities or companies or entering into various entities with them, according to the results of investment studies, so that the goal is to reach the degree of risks associated with the beginning of activities to a minimum.
6. Benefiting from government agencies' support for agricultural and food security projects through soft loans in order to bear the largest burden of financing.
7. Developing investment policies and plans and supporting them with distinguished competencies in the field of managing the company's investments and selecting investment vehicles that achieve the highest return within acceptable risk ratios.
8. Clarity of the company's general strategy, enabling it to be transformed into business plans and executive procedures.
9. Establishing a mechanism that enables those in charge of the company to follow up on the implementation of the strategy, evaluate performance, analyze deviations, if any, and develop solutions to address them.

Fifth: Activities and projects to be established:

Guided by the company's general strategy, the company's project management, after conducting numerous studies of both activities and markets, has developed a vision for the projects proposed to be implemented within the next five years, provided that detailed studies of the projects that are decided to start are completed. Therefore, the company is in the process of making major investments in six strategic areas within... The agricultural and poultry sector. These projects are carefully selected to be in line with the goals of sustainable growth and to benefit from the agricultural potential in the region. The following objectives are achieved:

Sustainability: Instilling sustainable practices in all operations to protect resources and reduce environmental impacts.



Quality Control: Establish strict quality control procedures to ensure that all products always meet the highest standards.

Risk Management: Establish robust risk management policies to mitigate market volatility, supply chain vulnerabilities, and environmental challenges.

Community Engagement: Strengthening community ties through job creation, corporate social responsibility programs, and strengthening local agricultural infrastructure

Below we review the most important features of these projects:

1) Investment in the field of broiler chicken production

Project goal:

The project aims to establish a large-scale broiler chicken project, distributed among eight farms in the Al-Fadhili region (Eastern Province), capable of raising up to 45 million birds annually..

Implementation plan:

The project implementation plan is to establish advanced poultry facilities that achieve the following:

- Strict climate control and biosecurity to ensure optimum growing conditions.
- Employing automated systems to simplify nutrition and health monitoring.
- Taking advantage of the company's market networks Sadu Al Arab distributes products regionally to support the self-sufficiency goals of Saudi Vision 2030.

2) Feed mill factory construction project

Project goal:

The project aims to establish a feed factory with a production capacity of 30 tons of specialized feed per hour.

Implementation plan:

The implementation plan is to establish a feed factory that achieves the following:

- Ensure a continuous flow of premium raw materials for consistent production.
- Creating a range of feed varieties to meet the diverse nutritional needs of livestock.
- Use advanced grinding technology to increase efficiency and reduce waste.

3) Fresh egg production partnership

Project goal:

The project aims to achieve the revival of part of the project land according to the company's general strategy by allocating part of the land (72 square kilometers)

to establish a modern facility for the production of fresh eggs through a strategic partnership..

Implementation plan:

The implementation plan is to attract a reliable and distinguished local company in the field of egg production for the purpose of forming a partnership to achieve the following:

- Integrating experiences and enhancing market penetration.
- Prioritizing the production of safe, high-quality eggs that exceed regulatory and consumer expectations. Explore environmentally friendly farming methods.
- Research the possibility of combining solar energy and waste recycling.

4) Cultivation of fodder crops and fattening livestock:

Project goal:

The project aims to revive part of the project land according to the company's general strategy by exploiting about 200 hectares to grow fodder crops and establish farms for fattening cows, sheep and camels..

Implementation plan:

The implementation plan is as follows

- Use water-saving agricultural techniques suitable for dry climates, such as drip irrigation.
- Establishing an integrated fattening operation to benefit from local fodder with the aim of achieving self-sufficiency.
- Marketing meat products as high quality, with an emphasis on quality and traceability to health-conscious consumers.

5) Water desalination project for the purposes of exploiting renewed water for irrigation:

Project goal:

The project aims to exploit the water renewed by the treatment plants of the National Water Company and use appropriate technologies and means for use in irrigating fodder crops.

Implementation plan:

The project implementation plan is to cooperate with local renewable water facilities to achieve the following:

- Ensure a constant supply of replenished water.
- Invest in irrigation infrastructure designed to use treated water.
- Continuously monitor the quality of soil and forage crops to ensure that the use of rejuvenated water enhances crop quality.

6) Cooperating with local farmers and establishing a service company



Project goal:

The project aims to:

- Partnering with local farmers to create a service company that manages the purchasing, storage, processing and marketing of field crops such as potatoes, onions and carrots.
- Establish direct purchasing alliances with local farmers and provide them with a stable market and fair pricing.
- Create a multi-functional facility for efficient storage, sorting, cleaning, grading and packaging.
- Enforce a strict quality management system for outstanding product standards.
- Launch a dynamic marketing plan to ensure manufactured goods reach local retailers effectively.
- Facilitating growth and knowledge exchange to enhance farming techniques and productivity among local farmers.

The steps and procedures that have been accomplished in order to implement the company's strategy:

As of the election of the Board of Directors, the formation of committees, and the structuring of the company according to the requirements of the stage, work has been done to transform the general strategy into action plans and executive procedures. We review below the most important of these achievements as follows:

1. Broiler chicken shed construction project:

As the company's strategy included, as one of the most important goals, exploiting the project land and reviving it in preparation for ownership, the management saw the possibility of studying the feasibility of establishing barns for the production of broiler chickens. To achieve this, the Projects Department undertook to study that option and the following was done:

- The suitability of the project land was studied in terms of location, surrounding environment and implementation requirements.
- The experience of a distinguished company in the field in the Eastern Province - Doha Poultry Company - was utilized for the purpose of cooperating with it to reduce the degree of risks associated with operation.
- The memorandum of understanding was signed on 12/14/2023, which included the general framework of cooperation between the Eastern Company and Doha Poultry Company. The memorandum of understanding was disclosed on the company's website at the Capital Market Authority.
- A working team was established between the two parties to reach a cooperation agreement, according to which the Eastern Development Company will establish broiler chicken sheds according to the requirements of the Doha Poultry Company on the company's project land in the Al-Fadhili area. The understandings between the two parties are moving in a good



direction to reach a formula that guarantees the success of the project. We reached a desire to reach a production capacity for the project equal to 30,240,000 birds/year as a first stage. AndThe company commissioned an engineering consulting office to design the project in all its engineering and technical aspects according to the desire of Doha Poultry Company, and a number of companies specialized in this field were contacted to obtain price offers and compare them. And understandings between the two partiesongoing.

- The project land was surveyed and its preparation work was agreed upon in preparation for establishing the project.

2. Establishing a company specialized in the field of food security:

By studying the requirements of local markets and being convinced of the feasibility of food security projectsA study is underway to establish a company owned by the company to invest in the field of logistics and distribution business.

Managing the company's financial investments:

According to what was previously mentioned in this report, and as a result of collecting the capital increase and the availability of liquidity, the management was keen to manage the available liquidity in investment areas that achieve a distinguished return in light of low risk rates.

Sixthly: Analysis of the company's financial statements for the fiscal year 2023

Regarding the statements for the fiscal year ending on 12/31/2023, we present in the following statement the most important data and comparisons between the results of previous fiscal years and their comparison with the current year, which appear as follows:

i- The assets, liabilities, and results of the company's business for the years (2019 – 2023)

First: Summary of the balance sheet

Before we present the balance sheet data, we hope that the following chart will show the most important differences and comparisons that occurred with the company's assets and liabilities for the last four fiscal years and compare them to the fiscal year 2023.

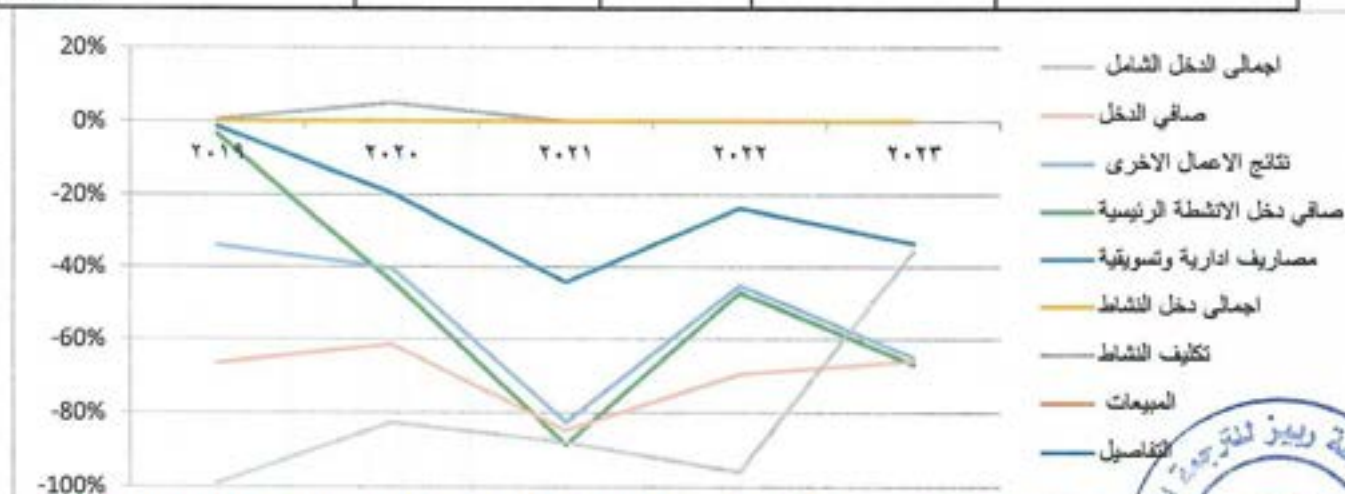


A detailed statement of the company's assets and liabilities during the last four financial years and their comparison with 2023-B

	2019	2020	2021	2022	2023
Current assets					
Non-current assets	1,469,600	211,310	356,721	725,813	204,844,652
Total assets	185,780,388	185,123,393	184,483,408	183,848,893	190,239,673
Current liabilities	187,249,988	185,334,703	184,840,129	184,574,706	395,084,325
Non-current liabilities	41,998,225	42,283,061	42,005,348	44,880,031	28,195,181
Total liabilities	17,854	47,097	168,024	506,075	1,033,542
Current assets	42,006,079	42,330,158	42,173,372	45,386,106	29,228,723

Second: An analytical statement of the income statements

the details	2019	2021	2022	2023
the sales	0	0	0	0
Activity assignment	935,993	0	0	0
Total activity income	-935,993	0	0	0
Administrative and marketing expenses	-3,159,419	-	-3,111,952	-6,096,588
Net income from main activities	-4,095,412	4,781,131	-3,111,952	-6,096,588
Other business results	-63,369,605	650,241	268,560	350,618
net income	-67,473,419	-237,361	-3,197,035	-185,743
Total comprehensive income	-67,470,162	-337,788	-3,478,157	5,511,137

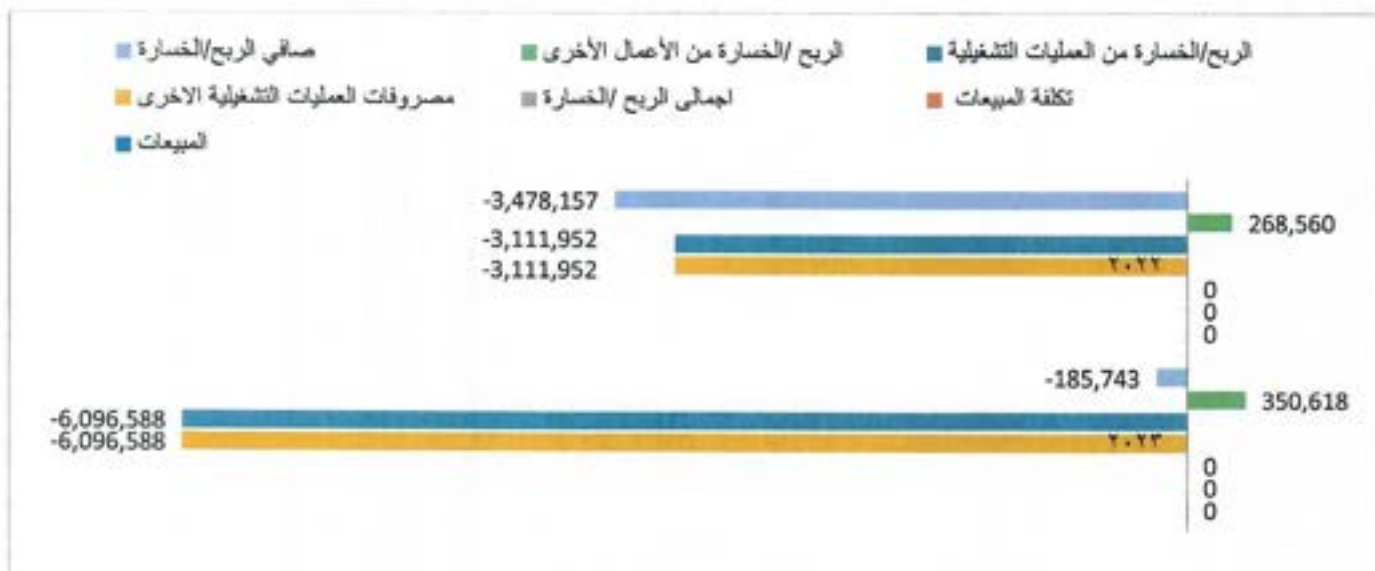


- Geographic analysis of the company's total revenues

All of the company's revenues are limited to local sales only (within the Eastern Region), and no revenues were achieved from the company's core activity during the fiscal year 2023 outside the scope of the local market.

Summary of the company's business results 2022- 2023

The statement	2022	2023	%
the sales	0	0	0
Sales cost	0	0	0
Total profit/loss	0	0	0
Other operating expenses	(3,111,952)	(6,096,588)	
Profit / Loss from operations	(3,111,952)	(6,096,588)	96%
Profit/loss from other businesses	(85,083)	6,063,845	96%
Net profit / lossReturn to owner	(3,478,157)	(185,743)	7227%
Other comprehensive income	(281,122)	5,696,880	95%



Comparisons of income statement items between fiscal year 2022 and 2023

1. Continuing to achieve no operating revenuesFor the years 2022 and 2023.
2. Achieving revenues from other business results amounting to 6,063,845 riyals, compared to losses amounting to (85,083 riyals) as a result of achieving deposit returns on available liquidity investments amounting to 6,111,871 riyals.
3. The net loss after Zakat - attributable to shareholders - decreased from (3,197,035 riyals) to (185,743 riyals), i.e. a decrease of 3,011,292 riyals.
4. Achieving a comprehensive net profit for the year amounting to 5,511,137 riyals for the year 2023, compared to comprehensive losses amounting to (3,478,157 riyals) as a result of re-evaluating the company's investments in investee companies, where the evaluation difference amounted to 5,591,449 riyals.



4- Conformity of the accounting standards used by the company with international accounting standards IFRS:

There is no difference between the accounting standards used in the company and the international accounting standards, which began to be applied in the company starting from January 2017, according to the directives of the Saudi Organization for Certified Public Accountants. The company is still operating in accordance with international accounting standards until 12/31/2023.

5- Details of shares and debt instruments of subsidiaries.

There are no subsidiaries to the Eastern Company as of December 31, 2023, and therefore there are no shares or debt instruments issued to any subsidiary company.

6- A description of the company's policy in distributing profits

- For the association the public Regular when to set share Stocks in Clear Profits that Decide formation reserves, And that By fate that He investigates an interest Company or He guarantees distribution earnings Fixed-Saucepan Possibility on Contributors. And for the association mentioned like that that Deducted from Clear Profits sums To achieve Stuff Social for my Company workers.

- Determine Association the public the ratio that He should Distribute it on Contributors from Profits Net after rival Reserves that Found.

- Distributable profits consist of the net income for the fiscal year, deducting all amounts that are set aside to the reserve allocated for specific purposes in the company's bylaws, if any, or that must be set aside to the reserves formed by the General Assembly, in addition to the retained profits and distributable reserves made up of profits.

- No Permissible Use item difference the value Nominalism within rights Contributors in distribution earnings Cash on Contributors.

- The shareholder is entitled to his share in the profits in accordance with the decision of the General Assembly issued in this regard. The decision shall indicate the entitlement date and the date of distribution. The entitlement to the dividends shall be to the owners of the shares registered in the shareholders' records at the end of the day specified for entitlement. The Board of Directors must implement the General Assembly's decision regarding the distribution of profits to shareholders, and the Assembly may The General Assembly may decide to distribute interim dividends to shareholders on a semi-annual or quarterly basis in accordance with the provisions stipulated in the Companies Law and Regulations and the Corporate Governance Regulations issued by the Board of the Capital Market Authority, provided that the Assembly authorizes the Board of Directors to do so, and it is renewed annually.

7 - The number of the company's requests for the shareholders' register, the dates and reasons for those requests.

Sequence of the company's applications for the shareholders' register	The date of application	Property file history	Reasons for requesting a shareholder register
1	02/07/2023	06/02/2023	Corporate procedures
2	03/27/2023	03/27/2023	Corporate procedures
3	04/04/2023	04/04/2023	Corporate procedures



4	04/09/2023	04/09/2023	Corporate procedures
5	04/11/2023	04/11/2023	General Assembly
6	01/05/2023	01/05/2023	Corporate procedures
7	05/07/2023	05/07/2023	General Assembly
8	10/05/2023	05/08/2023	Corporate procedures
9	05/15/2023	05/15/2023	Corporate procedures
10	05/25/2023	05/25/2023	Corporate procedures
11	06/08/2023	06/08/2023	Corporate procedures
12	06/19/2023	06/19/2023	General Assembly
13	04/07/2023	06/05/2023	Corporate procedures
14	07/13/2023	07/13/2023	Corporate procedures
15	07/17/2023	07/17/2023	General Assembly
16	07/31/2023	07/30/2023	Corporate procedures
17	05/10/2023	12/31/2002	Corporate procedures


8- A description of any interest in the class of shares entitled to vote

None during the fiscal year ending December 31/2023 Any interest in the class of voting shares belongs to persons (except members of the Board of Directors, senior executives, their spouses and minor children).

9- Data of members of the Board of Directors, members of committees and executive management:



A - Members of the Board of Directors:

experience	Qualifications	previous jobs	Current jobs	name
Current council				
<ul style="list-style-type: none"> - BE Finance - United States of America - Member of the Board of Methaq Takaful Insurance Company - United Arab Emirates - Member of the Board of Directors of Venture Capital Bank (Bahrain) - Chairman of the Board of Directors of United Cooperative Insurance Group (ACIG) - Member of the Board of Directors of the Saudi Investment Bank - Director of Investment Management, Bin Jarallah Group 	<p>-Master's & Bachelor's in Economics (University of Southern California - USA)</p> 	<ul style="list-style-type: none"> - BE Finance - United States of America - Member of the Board of Methaq Takaful Insurance Company - United Arab Emirates - Member of the Board of Directors of Venture Capital Bank (Bahrain) 	<ul style="list-style-type: none"> Chairman of Board of Directors Chairman of the Executive Committee Member of the Nominations and Remuneration Committee Chairman of the Board of Directors of United Cooperative Insurance Group (ACIG) Member of the Board of Directors of the Saudi Investment Bank - Director of Investment Management, Bin Jarallah Group 	<p>Yasser bin Muhammad Al Jar Allah</p>
<ul style="list-style-type: none"> -Chairman of the Board of Directors of the Eastern 	<ul style="list-style-type: none"> - Bachelor of Accounting 	<ul style="list-style-type: none"> -Chairman of the Board of Directors of the Eastern 	<ul style="list-style-type: none"> Deputy Chairman of the Board 	<p>Ali bin Yahya Al-Jaafari</p>


<p>Development Company</p> <ul style="list-style-type: none"> - Head of Accounts at the Saudi Arab Agricultural Bank - Director of Financial and Administrative Affairs, National Tourism Company - Director of Financial Affairs and Investment, Al-Jarallah Group <p>Al Moasher Center for Financial Consulting</p>		<p>Development Company</p> <ul style="list-style-type: none"> - Head of Accounts at the Saudi Arab Agricultural Bank - Director of Financial and Administrative Affairs, National Tourism Company - Director of Financial Affairs and Investment, Al-Jarallah Group <p>Al Moasher Center for Financial Consulting</p>	<p>Member of the Executive Committee</p> <p>Chairman of the Audit Committee</p> <p>Managing Director at United Cooperative Insurance Group (ACIG)</p> <p>Vice Chairman of the Board of Directors of United Dairy Company</p>	
<ul style="list-style-type: none"> -Investment Management, Riyad Bank -Banque Saudi Fransi Investment Management - Asila Investment Manager 	<p>Bachelor of Business Administration</p> 	<p>Investment Management Riyad Bank</p> <ul style="list-style-type: none"> -Banque Saudi Fransi Investment Management - Asila Investment Manager 	<p>Managing Director</p> <p>Chief Executive Officer (acting)</p> <p>Member of the Executive Committee</p> <p>Deputy Chairman of the Board of Directors of United Cooperative Insurance Group (ACIG)</p>	<p>Fayez bin Saleh bin Mahfouz</p>

<p>General Manager at Al Manawal Group</p>	<p>Bachelor's degree - Financial Management at Northeastern University in Boston - USA</p>	<p>General Manager at Al Manawal Group</p>	<p>Member of the Board of Directors</p> <p>Member of the Executive Committee</p> <p>Member of the Nominations and Remuneration Committee</p> <p>Member of the Board of Directors of ACIG Cooperative Insurance Company</p> <p>Deputy General Manager at APV Rock Group</p> <p>Owner of Saudi Builders Company</p>	<p>Abdul Rahman bin Hassan Al-Amoudi</p>
<p>Faculty member at the Higher Judicial Institute</p>	<p>Doctorate in Comparative Jurisprudence</p>	<p>Faculty member at the Higher Judicial Institute</p>	<p>Member of the Board of Directors</p> <p>Chairman of the Nominations and Remuneration Committee</p> <p>lawyer</p> <p>Chairman of the Board of</p>	<p>Khalid bin Majid Al-Rasheed</p>



Directors of a
companyKML

Previous council

<p>- Head of Accounts at the Saudi Arab Agricultural Bank</p> <p>- Director of Financial and Administrative Affairs, National Tourism Company</p> <p>- Director of Financial Affairs and Investment, Al-Jarallah Group</p> <p>Al Moasher Center for Financial Consulting</p>	<p>- Bachelor of Accounting</p>	<p>- Head of Accounts at the Saudi Arab Agricultural Bank</p> <p>- Director of Financial and Administrative Affairs, National Tourism Company</p> <p>- Director of Financial Affairs and Investment, Al-Jarallah Group</p> <p>-Al Moasher Center for Financial Consulting</p>	<p>Chairman of the Board of Directors and Chairman of the Executive Committee</p> <p>Managing Director of United Cooperative Insurance Group</p>	<p>Ali bin Yahya Al-Jaafari</p>
<p>- Vice President of Al-Hamrani Company Group</p> <p>- Chairman of Al-Hamrani Commercial Investment Company</p>	<p>- Bachelor's degree in production engineering and systems design</p> 	<p>- Vice President of Al-Hamrani Company Group</p> <p>- Chairman of Al-Hamrani Commercial Investment Company</p>	<p>Vice Chairman of the Board of Directors</p> <p>Chairman of the Audit Committee, member of the Nominations and Remuneration Committee, and member of the Executive Committee</p>	<p>Mansour bin Abdul Khaleq Al-Ghamdi</p>

<p>General Manager of Communications Solutions Company</p> <p>General Manager of Tijan Holding Company</p> <p>Managing Director and General Manager of SASCO</p>	<p>Bachelor's degree in Business Administration and Economics</p>	<p>General Manager of Tijan Holding Company</p> <p>Managing Director and General Manager of SASCO</p>	<p>Member of the Board of Directors, Member of the Executive Committee, Managing Director and CEO</p>	<p>Muhamma d bin Abdullah Al-Hujailan</p>
<p>-Director of Leasing, Operation and Collection Department, Retail Real Estate Company</p> <p>-Property Management Officer, Azizia Panda United Company, Savola Group</p> <p>-Leasing officer of Fawaz Abdulaziz Al Hokair and Partners Real Estate Company</p> <p>-Customer service at Arab National Bank</p>	<p>-Bachelor's degree in the Faculty of Economics and Administration, Department of Public Administration</p> <p>-Diploma in Communication s</p>	<p>-Director of Leasing, Operation and Collection Department, Retail Real Estate Company</p> <p>-Property Management Officer, Azizia Panda United Company, Savola Group</p> <p>-Leasing officer of Fawaz Abdulaziz Al Hokair and Partners Real Estate Company</p> <p>-Customer service at Arab National Bank</p>	<p>Member of the Board of Directors and Chairman of the Nominations and Remuneration Committee</p> <p>Director of Leasing, Operation and Collection Department, Retail Real Estate Company</p>	<p>Salman bin Ahmed Jassas</p>
<p>-General Director of Marketing and Animal Production, Al-</p>	<p>High school</p>	<p>-General Director of Marketing and Animal</p>	<p>Member of the Board of Directors and member of</p>	<p>Abdul Rahman bin</p>



<p>Nafood Al-Arabiya Company Limited</p> <p>-General Manager of Al-Rumaih Contracting Company</p> <p>-Customer Service Manager, Saudi Telecom Company</p> <p>-Customer Service Coordinator, Aldrees Petroleum Services Company</p>		<p>Production, Al-Nafood Al-Arabiya Company Limited</p> <p>-General Manager of Al-Rumaih Contracting Company</p> <p>-Customer Service Manager, Saudi Telecom Company</p> <p>-Customer Service Coordinator, Aldrees Petroleum Services Company</p>	<p>the Nominations and Remuneration Committee</p> <p>And General Manager of Marketing and Animal Production, Al-Nafood Al-Arabiya Company Limited</p>	<p>Muhamma d Al-Drees</p>
---	--	--	--	----------------------------------

B - Committee members:

Since all members of the committees emanating from the company's Board of Directors are members of the same board with the exception of the Audit Committee, and the data of the Board members has been clarified above, therefore, only the data of the Audit Committee members will be detailed.

- Review Committee :

experience	Qualifications	previous jobs	Current jobs	name
Current council				
<p>-Chairman of the Board of Directors of the Eastern Development Company</p> <p>- Head of Accounts at the Saudi Arab</p>	<p>- Bachelor of Accounting</p>	<p>-Chairman of the Board of Directors of the Eastern Development Company</p> <p>- Head of Accounts at the</p>	<p>Deputy Chairman of the Board</p> <p>Member of the Executive Committee</p>	<p>Ali bin Yahya Al-Jaafari</p>



<p>Agricultural Bank</p> <ul style="list-style-type: none"> - Director of Financial and Administrative Affairs, National Tourism Company - Director of Financial Affairs and Investment, Al-Jarallah Group <p>Al Moasher Center for Financial Consulting</p>		<p>Saudi Arab Agricultural Bank</p> <ul style="list-style-type: none"> - Director of Financial and Administrative Affairs, National Tourism Company - Director of Financial Affairs and Investment, Al-Jarallah Group <p>Al Moasher Center for Financial Consulting</p>	<p>Chairman of the Audit Committee</p> <p>Managing Director at United Cooperative Insurance Group (ACIG)</p> <p>Vice Chairman of the Board of Directors of United Dairy Company</p>	
<ul style="list-style-type: none"> -Faculty member and advisor to the Institute of Public Administration -Director of Investment Bank, Gulf International Bank, Investment Banking Department - Deputy General Manager and Secretary of the Board of Directors of Aseer Company 	<ul style="list-style-type: none"> -Bachelor of Accounting -Master of Accounting - bachelor of Law 	<ul style="list-style-type: none"> -Faculty member and advisor to the Institute of Public Administration -Director of Investment Bank, Gulf International Bank, Investment Banking Department - Deputy General Manager and Secretary of the Board of Directors of Aseer Company 	<ul style="list-style-type: none"> -Managing partner of Bassam Mohammed Al-Baqawi and his partners for professional consulting -Member of the audit committee 	<p>Bassam bin Muhammad Al-Baqawi</p> 
<ul style="list-style-type: none"> - Implementing more than thirty studies and consultations. 	<ul style="list-style-type: none"> - Bachelor of Accounting Master's degree in 	<ul style="list-style-type: none"> - Faculty member at the Institute of Public Administration. - Director of the Internal Audit Department, 	<ul style="list-style-type: none"> - Member of the training body at the Institute of Public Administration. 	<p>Saad bin Muhammad Al-Huwaimel</p>

<ul style="list-style-type: none"> - Writing three books on accounting. - Member of many audit and technical committees. - Professional certification training in the field of governance and (GRC). - Member of the research team for preparing governance standards in joint-stock companies (Al-Faisal University). - Implementing conferences: (internal audit, governance in public institutions). <p>Chairing the advisory team to prepare the national framework for organizing the departments of: (governance, internal audit, compliance, risk management), 1442 AH.</p>	<p>financial control</p>	<p>Institute of Public Administration.</p> <p>Financial Controller at the Institute of Public Administration.</p>	<p>Member of the audit committee</p>	
<ul style="list-style-type: none"> • Internal Audit Manager at Al Rajhi Bank • Internal auditor, Riyadh 	<p>Master of Accounting and Finance</p>	<ul style="list-style-type: none"> • Internal Audit Manager at Al Rajhi Bank • Internal auditor, Riyadh 	<p>Partner - Al-Awfi and Al-Harbi Company, certified</p>	<p>Abdullah Al-Harbi</p>

Investment Company		Investment Company	accountants and auditors	
Accounts Supervisor of the Food and Drug Authority		Accounts Supervisor of the Food and Drug Authority		
Previous council				
- Vice President of Al-Hamrani Company Group - Chairman of Al-Hamrani Commercial Investment Company	Bachelor's degree in Production and Systems Engineering	- Vice President of Al-Hamrani Company Group - Chairman of Al-Hamrani Commercial Investment Company	Vice Chairman of the Board of Directors, Chairman of the Audit Committee, Member of the Nominations and Remuneration Committee, and Member of the Executive Committee	Mansour bin Abdul Khaleq Al-Ghamdi
A retired university professor and full-time financial and administrative consultant Regional Director of the Arab Open University Branch in the Eastern Region CEO of Razen Knowledge Holding Company Head of organizational development	Bachelor's degree in Accounting Master in Accounting Doctorate in Accounting	A retired university professor and full-time financial and administrative consultant Regional Director of the Arab Open University Branch in the Eastern Region CEO of Razen Knowledge Holding Company Head of organizational development and administrative	Member of the Audit Committee - full-time consultant in the financial and administrative sectors	Jassim bin Shaheen Al Rumaihi



<p>and administrative affairs for Al-Shalawi International Trading and Contracting Holding Company</p> <p>Vice President of Finance and Administrative Affairs at Gulf Mazayat Company</p> <p>CEO of Saudi Consolidated Contracting Company</p> <p>Head of financial and administrative affairs for Faisal Al-Qahtani Sons Trading and Contracting Company</p> <p>Member of audit committees in many companies</p>		<p>affairs for Al-Shalawi International Trading and Contracting Holding Company</p> <p>Vice President of Finance and Administrative Affairs at Gulf Mazayat Company</p> <p>CEO of Saudi Consolidated Contracting Company</p> <p>Head of financial and administrative affairs for Faisal Al-Qahtani Sons Trading and Contracting Company</p> <p>Member of audit committees in many companies</p>		
<p>CEO of United Wire Factories Company (ASLAK)</p> <p>General Manager of the International Petroleum Derivatives Company</p> <p>CEO of Arabian Oud Company</p>	<p>Bachelor's degree in Accounting</p>	<p>CEO of United Wire Factories Company (ASLAK)</p> <p>General Manager of the International Petroleum Derivatives Company</p> <p>CEO of Arabian Oud Company</p>	<p>Member of the audit committee</p>	<p>Abdul Karim bin Abdullah Al Shamekh</p>



<p>CEO of Al Shubaili Real Estate Investment Group</p> <p>Vice President of Packaging and Packaging Company (FIPCO)</p> <p>Financial analyst, Saudi Industrial Development Fund</p> <p>Auditor of the international company Price Waterhouse</p> <p>Arab Bank Accountant</p>		<p>CEO of Al Shubaili Real Estate Investment Group</p> <p>Vice President of Packaging and Packaging Company (FIPCO)</p> <p>Financial analyst, Saudi Industrial Development Fund</p> <p>Auditor of the international company Price Waterhouse</p> <p>Arab Bank Accountant</p>		
<p>-Faculty member and advisor to the Institute of Public Administration</p> <p>-Director of Investment Bank, Gulf International Bank, Investment Banking Department</p> <p>- Deputy General Manager and Secretary of the Board of Directors of Aseer Company</p>	<p>-Bachelor of Accounting</p> <p>-Master of Accounting</p> <p>- bachelor of Law</p>	<p>-Faculty member and advisor to the Institute of Public Administration</p> <p>-Director of Investment Bank, Gulf International Bank, Investment Banking Department</p> <p>- Deputy General Manager and Secretary of the Board of Directors of Aseer Company</p>	<p>-Managing partner of Bassam Mohammed Al-Baqawi and his partners for professional consulting</p> <p>-Member of the audit committee</p>	<p>Bassam bin Muhammad Al-Baqawi</p>



- **Nominations Committee:**

experience	Qualifications	previous jobs	Current jobs	name
Current council				
Faculty member at the Higher Judicial Institute	Doctorate in Comparative Jurisprudence	Faculty member at the Higher Judicial Institute	Member of the Board of Directors Chairman of the Nominations and Remuneration Committee	Khalid bin Majid Al-Rasheed
<ul style="list-style-type: none"> - BE Finance - United States of America - Member of the Board of Methaq Takaful Insurance Company - United Arab Emirates - Member of the Board of Directors of Venture Capital Bank (Bahrain) - Chairman of the Board of Directors of United Cooperative Insurance Group (ACIG) - Member of the Board of Directors of the Saudi 	<ul style="list-style-type: none"> -Master's & Bachelor's in Economics (University of Southern California - USA) 	<ul style="list-style-type: none"> - BE Finance - United States of America - Member of the Board of Methaq Takaful Insurance Company - United Arab Emirates - Member of the Board of Directors of Venture Capital Bank (Bahrain) 	<ul style="list-style-type: none"> Chairman of Board of Directors Chairman of the Executive Committee Member of the Nominations and Remuneration Committee Chairman of the Board of Directors of United Cooperative Insurance Group (ACIG) Member of the Board of Directors of the Saudi Investment Bank - Director of Investment 	Yasser bin Muhammad Al Jar Allah



<p>Investment Bank</p> <p>- Director of Investment Management, Bin Jarallah Group</p>			<p>Management, Bin Jarallah Group</p>	
<p>General Manager at Al Manawal Group</p>	<p>Bachelor's degree - Financial Management at Northeastern University in Boston - USA</p>	<p>General Manager at Al Manawal Group</p>	<p>Member of the Board of Directors</p> <p>Member of the Executive Committee</p> <p>Member of the Nominations and Remuneration Committee</p> <p>Member of the Board of Directors of ACIG Cooperative Insurance Company</p> <p>Deputy General Manager at APV Rock Group</p> <p>Owner of Saudi Builders Company</p>	<p>Abdul Rahman bin Hassan Al-Amoudi</p>
<p>Previous council</p>				



<p>-Director of Leasing, Operation and Collection Department, Retail Real Estate Company</p> <p>-Property Management Officer, Azizia Panda United Company, Savola Group</p> <p>-Leasing officer of Fawaz Abdulaziz Al Hokair and Partners Real Estate Company</p> <p>- Customer service at Arab National Bank</p>	<p>-Bachelor's degree in the Faculty of Economics and Administration, Department of Public Administration</p> <p>-Diploma in Communications</p>	<p>-Director of Leasing, Operation and Collection Department, Retail Real Estate Company</p> <p>-Property Management Officer, Azizia Panda United Company, Savola Group</p> <p>-Leasing officer of Fawaz Abdulaziz Al Hokair and Partners Real Estate Company</p> <p>-Customer service at Arab National Bank</p>	<p>Member of the Board of Directors and Chairman of the Nominations and Remuneration Committee</p> <p>Director of Leasing, Operation and Collection Department, Retail Real Estate Company</p>	<p>Salman bin Ahmed Jassas</p>
<p>- Vice President of Al-Hamrani Company Group</p> <p>- Chairman of Al-Hamrani Commercial Investment Company</p>	<p>Bachelor's degree in Production and Systems Engineering</p> 	<p>- Vice President of Al-Hamrani Company Group</p> <p>- Chairman of Al-Hamrani Commercial Investment Company</p>	<p>Deputy Chairman of the Board</p> <p>Chairman of the Audit Committee, member of the Nominations and Remuneration Committee, and member of the Executive Committee</p>	<p>Mansour bin Abdul Khaleq Al-Ghamdi</p>

			Vice Chairman of the Board of Directors of Alhamrani Group of Companies and CEO of Alhamrani Commercial Investment Company	
<p>-General Director of Marketing and Animal Production, Al-Nafood Al-Arabiya Company Limited</p> <p>-General Manager of Al-Rumaih Contracting Company</p> <p>-Customer Service Manager, Saudi Telecom Company</p> <p>-Customer Service Coordinator, Aldrees Petroleum Services Company</p>	High school	<p>-General Director of Marketing and Animal Production, Al-Nafood Al-Arabiya Company Limited</p> <p>-General Manager of Al-Rumaih Contracting Company</p> <p>-Customer Service Manager, Saudi Telecom Company</p> <p>-Customer Service Coordinator, Aldrees Petroleum Services Company</p>	<p>Member of the Board of Directors and member of the Nominations and Remuneration Committee</p> <p>And General Manager of Marketing and Animal Production, Al-Nafood Al-Arabiya Company Limited</p>	Abdul Rahman bin Muhammad Al-Drees



- executive committee :

experience	Qualifications	previous jobs	Current jobs	name
Current council				
<ul style="list-style-type: none"> - BE Finance - United States of America - Member of the Board of Methaq Takaful Insurance Company - United Arab Emirates - Member of the Board of Directors of Venture Capital Bank (Bahrain) - Chairman of the Board of Directors of United Cooperative Insurance Group (ACIG) - Member of the Board of Directors of the Saudi Investment Bank - Director of Investment Management, Bin Jarallah Group 	<p>-Master's & Bachelor's in Economics (University of Southern California - USA)</p>	<ul style="list-style-type: none"> - BE Finance - United States of America - Member of the Board of Methaq Takaful Insurance Company - United Arab Emirates - Member of the Board of Directors of Venture Capital Bank (Bahrain) 	<ul style="list-style-type: none"> Chairman of Board of Directors Chairman of the Executive Committee Member of the Nominations and Remuneration Committee Chairman of the Board of Directors of United Cooperative Insurance Group (ACIG) Member of the Board of Directors of the Saudi Investment Bank - Director of Investment Management, Bin Jarallah Group 	<p>Yasser bin Muhammad Al Jar Allah</p>
-Investment Management, Riyadh Bank	Bachelor of Business Administration	Investment Management Riyadh Bank	Managing Director	Fayez bin Saleh bin Mahfouz



<p>-Banque Saudi Fransi Investment Management</p> <p>- Asila Investment Manager</p>		<p>-Banque Saudi Fransi Investment Management</p> <p>- Asila Investment Manager</p>	<p>Chief Executive Officer (acting)</p> <p>Member of the Executive Committee</p> <p>Deputy Chairman of the Board of Directors of United Cooperative Insurance Group (ACIG)</p>	
<p>General Manager at Al Manawal Group</p>	<p>Bachelor's degree - Financial Management at Northeastern University in Boston - USA</p>	<p>General Manager at Al Manawal Group</p>	<p>Member of the Board of Directors</p> <p>Member of the Executive Committee</p> <p>Member of the Nominations and Remuneration Committee</p> <p>Member of the Board of Directors of ACIG Cooperative Insurance Company</p> <p>Deputy General Manager at APV Rock Group</p> <p>Owner of Saudi Builders Company</p>	<p>Abdul Rahman bin Hassan Al-Amoudi</p>



<p>-Chairman of the Board of Directors of the Eastern Development Company</p> <p>- Head of Accounts at the Saudi Arab Agricultural Bank</p> <p>- Director of Financial and Administrative Affairs, National Tourism Company</p> <p>- Director of Financial Affairs and Investment, Al-Jarallah Group</p> <p>Al Moasher Center for Financial Consulting</p>	<p>- Bachelor of Accounting</p>	<p>-Chairman of the Board of Directors of the Eastern Development Company</p> <p>- Head of Accounts at the Saudi Arab Agricultural Bank</p> <p>- Director of Financial and Administrative Affairs, National Tourism Company</p> <p>- Director of Financial Affairs and Investment, Al-Jarallah Group</p> <p>Al Moasher Center for Financial Consulting</p>	<p>Deputy Chairman of the Board</p> <p>Member of the Executive Committee</p> <p>Chairman of the Audit Committee</p> <p>Managing Director at United Cooperative Insurance Group (ACIG)</p> <p>Vice Chairman of the Board of Directors of United Dairy Company</p>	<p>Ali bin Yahya Al-Jaafari</p>
<p>Previous council Consulting</p>				
<p>- Head of Accounts at the Saudi Arab Agricultural Bank</p> <p>- Director of Financial and Administrative Affairs, National</p>	<p>Bachelor of Accounting</p>	<p>- Head of Accounts at the Saudi Arab Agricultural Bank</p> <p>- Director of Financial and Administrative Affairs, National</p>	<p>Chairman of the Board of Directors and Chairman of the Executive Committee</p> <p>Managing Director, United Cooperative</p>	<p>Ali bin Yahya Al-Jaafari</p>



<p>Tourism Company</p> <p>- Director of Financial Affairs and Investment, Al-Jarallah Group</p> <p>Al Moasher Center for Financial Consulting</p>		<p>Tourism Company</p> <p>- Director of Financial Affairs and Investment, Al-Jarallah Group</p> <p>Al Moasher Center for Financial Consulting</p>	<p>Insurance Group (ACIG)</p>	
<p>General Manager of Communications Solutions Company</p> <p>General Manager of Tijan Holding Company</p> <p>Managing Director and General Manager of SASCO</p>	<p>Bachelor's degree in Business Administration and Economics</p>	<p>General Manager of Tijan Holding Company</p> <p>Managing Director and General Manager of SASCO</p>	<p>Member of the Board of Directors, Member of the Executive Committee, Managing Director and CEO</p>	<p>Muhammad bin Abdullah Al-Hujailan</p>
<p>- Vice President of Al-Hamrani Company Group</p> <p>- Chairman of Al-Hamrani Commercial Investment Company</p>	<p>Bachelor's degree in Production and Systems Engineering</p>	<p>- Vice President of Al-Hamrani Company Group</p> <p>- Chairman of Al-Hamrani Commercial Investment Company</p>	<p>Vice Chairman of the Board of Directors</p> <p>Chairman of the Audit Committee, member of the Nominations and Remuneration Committee, and member of the Executive Committee</p> <p>Vice Chairman of the Board of Directors of Alhamrani Group of Companies and CEO of Alhamrani</p>	<p>Mansour bin Abdul Khaleq Al-Ghamdi</p>



Commercial
Investment
Company

C - Executive Management:

experience	Qualifications	previous jobs	Current jobs	name
<p>-Investment Management, Riyadh Bank</p> <p>-Banque Saudi Fransi Investment Management</p> <p>- Asila Investment Manager</p>	<p>Bachelor of Business Administration</p>	<p>Investment Management Riyadh Bank</p> <p>-Banque Saudi Fransi Investment Management</p> <p>- Asila Investment Manager</p>	<p>Acting CEO (currently)</p>	<p>Fayez bin Saleh bin Mahfouz</p>
<p>General Manager of Communications Solutions Company</p> <p>General Manager of Tijan Holding Company</p> <p>Managing Director and General Manager of SASCO</p>	<p>Bachelor's degree in Business Administration and Economics</p>	<p>General Manager of Tijan Holding Company</p> <p>Managing Director and General Manager of SASCO</p>	<p>CEO (formerly)</p>	<p>Muhammad bin Abdullah Al-Hujailan</p>
<p>Reviewing and auditing accounts and providing financial consultations to Joint stock companies</p>	<p>Bachelor of Commerce - Accounting</p>	<p>Audit manager and consultant in a chartered accountant's office</p>	<p>Finance Manager (currently)</p>	<p>Reda Labib Hafez Abu Al-Naga</p>



- Financial and development manager Administrative - Gulf Group Company	Bachelor of Accounting	Financial and administrative development manager	Finance Manager (formerly)	Youssef Kamal Zidane
---	------------------------	--	----------------------------	----------------------

10- Percentages of ownership of shares by members of the Board of Directors and senior executives Company

The following table shows the percentages of ownership of board members in the company's shares and any change in that interest during 2023

Ownership percentage at the end of the year	Total number of shares at the end of the year	Percentage of change during the year	Net stock change during the year	Ownership percentage at the beginning of the year	Total number of shares at the beginning of the year	Names of board members and senior executives	SN.
Current council							
%4.99	1,495,000	%4.99	1,495,000	-	-	Yasser bin Muhammad Al Jar Allah	1
0.004%	1200	0	0	0.004%	300	Ali bin Yahya Al-Jaafari	2
-	-	-	-	-	-	Fayez bin Saleh bin Mahfouz	3
-	-	-	-	-	-	Abdul Rahman bin Hassan Al-Amoudi	4
-	-	-	-	-	-	Khalid bin Majid Al-Rasheed	5
Previous council							
0.004%	1200	0	0	0.004%	300	Ali bin Yahya Al-Jaafari	1



-	-	-	-	-	-	Mansour bin Abdul Khaleq Al-Ghamdi	2
0.0032533%	244	0	0	0.0032533%	244	Muhammad bin Abdullah Al-Hujailan	3
-	-	-	-	-	-	Salman bin Ahmed Jassas	4
-	-	-	-	-	-	Abdul Rahman bin Muhammad Al-Drees	5

11- Information related to loans:-

During the year 2018, the company obtained approval from the Saudi Investment Bank to finance it in an amount with a maximum ceiling of ten million Saudi riyals only and with a Murabaha rate of 3% plus the SAIB rate at the time of obtaining the financing. The company's management withdrew the entire financing amount and used it to pay the receivables and dues resulting from the financing. The company during previous periods.

During the year 2022, the company raised the financing ceiling agreed upon with the Saudi Investment Bank to

(20,500,000) through the provision of new personal guarantees by a member of the company's board of directors. However, the company did not withdraw the full amount of financing and only part of it. Note that the company repaid the loan in full on 6/7/2023.

12- A description of the categories and numbers of any convertible debt instruments and any contractual securities Subscription right memorandums or similar rights issued:

- There are no debt instruments convertible into shares, any contractual securities, subscription rights memorandums, or similar rights issued or granted by the company during the fiscal year ending on December 31, 2023 AD.

13- A description of any conversion or subscription rights under debt instruments convertible into shares Awarded by the company

- There are no debt instruments convertible into shares, contractual securities, subscription rights memorandums, or similar rights issued or granted by the company during the fiscal year ending on December 31, 2023 AD.

14- A description of any redemption, purchase or cancellation of any debt instruments redeemable by Company

- During the fiscal year ending on December 31, 2023 AD, there is no recovery or cancellation by the company of any recoverable debt instruments.



15- A statement of the general assembly meetings of shareholders and attending board members

Ordinary General Assembly meeting on 07/17/2023	Ordinary General Assembly meeting on 06/19/2023	Extraordinary General Assembly meeting on 05/07/2023	Extraordinary General Assembly meeting on 04/11/2023 It did not take place	name
Current council				
No general assemblies were held from the beginning of the new session of the Council, 07/20/2023, until 12/31/2023.				Yasser bin Muhammad Al Jar Allah
				Ali bin Yahya Al-Jaafari
				Fayez bin Saleh bin Mahfouz
				Abdul Rahman bin Hassan Al-Amoudi
				Khalid bin Majid Al-Rasheed
The previous Council until the end of the Council session on 07/19/2023				
✓	✓	✓	✓	Ali bin Yahya Al-Jaafari
x	✓	✓	✓	Mansour bin Abdul Khaleq Al-Ghamdi
✓	✓	✓	✓	Muhammad bin Abdullah Al-Hujailan
✓	✓	✓	✓	Salman bin Ahmed Jassas
✓	✓	✓	✓	Abdul Rahman bin Muhammad Al-Drees

16 - The number of Board of Directors meetings held during the fiscal year and attendance records

The new council

Total	date 11/15/2023 By scroll	date 9/27/2023	date 10/8/2023	date 7/27/2023	date 7/20/2023	name	SN.
5	✓	✓	✓	✓	✓	Yasser Al-Jarallah	1
5	✓	✓	✓	✓	✓	Ali Al-Jaafari	2
5	✓	✓	✓	✓	✓	Fayez bin Mahfouz	3

The councilformer



5	✓	✓	✓	✓	✓	✓	Abdul Rahman Al-Amoudi	4	
5	✓	✓	✓	✓	✓	✓	Khaled Al-Drees	5	
Total	date 7/17/2023 By scrolling	date 16/7/2023 By scrolling	date 5/21/2023	date 3/29/2023	date 3/13/2023	date 12/2/2023 By scrolling	date 02/6/2023	name	SN.
7	✓	✓	✓	✓	✓	✓	✓	Ali Al-Jaafari	1
5	✓	✓	✓	✓	✓	✓	✓	Mansour Al-Ghamdi	2
7	✓	✓	✓	✓	✓	✓	✓	Muhammad Al-Hujailan	3
7	✓	✓	✓	✓	✓	✓	✓	Salman Jassas	4
7	✓	✓	✓	✓	✓	✓	✓	Abdul Rahman Al-Drees	5

17- Data for any deal between the company's management and related parties:

The company acknowledges that there are no transactions between the company and any related parties during the fiscal year 2023.

18- Information relating to any contracts to which the company is a party and which exists or has existed A material interest of a board member, CEO, or CFO Or anyone related to any of them

There are no contracts between the company and a member of the Board of Directors, the CEO, the CFO, or any person related to any of them during the fiscal year 2023.

19- A statement of any arrangements or agreement under which a member of the Board of Directors or a senior member waived Executives for any salary or compensation

No member of the Board of Directors waived any remuneration allocated to them during the year 2023.

20- A statement of any arrangements or agreement under which a shareholder waived any rights to profits

- During the year ending 12/31/2023, there were no arrangements or agreements under which any shareholder waived any rights to profits.

21-A statement of the value of the statutory payments due to pay any zakat, taxes, fees or other dues

The following table shows the values of the statutory payments due by the company for the year 2023, which include passport fees, Sharia zakat, General Organization for Social Insurance premiums, and labor office fees.

Reasons for non-payment	Brief description of it	Due at the end of the year	Paid during the year	Statement
Due to an objection to the zakat assessments issued by the General Authority of Zakat	Zakat allocation for the fiscal years from 1991 to 2014	72728.93	22450.13	Zakat
Due to the company from the General Authority of Zakat		(814720.92)	0	Added tax
		0	0	Withholding tax
The invoice will be issued in January 2024	It is the bill for December 2023	19861.28	0	Social Security
		Fees for renewing residence permits and transferring employee sponsorship	9763	Visa and passport costs
		Fees for renewing employees' work licenses	36425	Labor office fees
			0	Fines and regulatory violations



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

The company did not create any investments or any reserves for the benefit of the company's employees during the year ending 12/31/2023.

23- Approval by the Board of Directors

The company's Board of Directors acknowledges that the company's records and accounts for the financial year ending on 12/31/2023 have been prepared in a systematic manner and reflect the true results of the company's business with full transparency and clarity.

24- Auditor

Al-Kharashi Certified Public Accountants Office was appointed as the company's external auditor, through the vote and nomination of the company's shareholders in the General Assembly, for a full fiscal year starting from the second quarter of 2023 until the end of the first quarter of 2024, based on the governance systems of joint-stock companies, which regulates the process of appointing the auditor.

25- Disclosure and transparency

The company is working to establish the necessary foundations and procedures that are compatible with the provisions of corporate governance issued by the Capital Market Authority. A governance regulation for the company has been approved, guided by the Corporate Governance Regulations issued by the Saudi Capital Market Authority. In practice, the company implements the majority of what is stated in the regulations, completely and partially, through the system of articles of association, internal regulations and procedures, and relevant rules and regulations, in addition to its application of international accounting standards. IFRS The company always works to complete the policies and procedures regulating the application and works to develop this on an ongoing basis and ensure that all provisions have been implemented.

26-Provisions that were not implemented and the reasons for non-application:

- 1 - M. 22/1: Develop the company's main plans, policies, strategies and objectives, supervise their implementation and review them periodically, and ensure the availability of the human and financial resources necessary to achieve them.
- 2 - M. 22/2: Establish systems and controls for internal control and general supervision thereof.
- 3 - Article 22/4: Develop a written policy that regulates the relationship with stakeholders.



- 4 - Article 22/5: Establish policies and procedures that ensure the company's compliance with the laws and regulations and its commitment to disclosing essential information to shareholders and stakeholders, and verifying the executive management's compliance with them.
- 5 - Article 23/2: Adopting a written and detailed policy specifying the powers delegated to the executive management and a table showing all the powers, the method of implementation and the duration of the delegation. The Board of Directors must request the executive management to submit periodic reports regarding its practices of the delegated powers.
- 6 - Article 26/5: Raising the company's organizational and functional structures for approval.
- 7- M 28/10: Propose a policy and types of rewards granted to employees, such as fixed rewards, performance-related rewards, and rewards in the form of shares.
- 8- Article 43: The Board of Directors shall establish a clear written policy to deal with cases of actual or potential conflicts of interest that could affect the performance of members of the Board of Directors, the executive management, or other employees working in the company. The company when dealing with the company or with other stakeholders.
- 9 - Article 61/1: Prepare a clear policy for the remuneration of members of the Board of Directors and the committees emanating from the Board and Executive Management, and submit it to the Board of Directors for consideration in preparation for its approval by the General Assembly.
- 10 - Article 65/3: Preparing a description of the capabilities and qualifications required for membership in the Board of Directors and filling executive management positions.
- 11 - Article 84: Establish the necessary policies or procedures for stakeholders to follow in submitting their complaints or reporting violating practices.
- 12 - Article 86: Establish a policy for professional conduct and ethical values in the company.
- 13 - Article 89: Written disclosure policies, procedures and supervisory systems in accordance with the disclosure requirements contained in the Companies Law and the Financial Market Law.
- 14 - Article 91: Publish the audit committee's report on the company's website and the market's website when the invitation to convene the general assembly is published; To enable any shareholders who wish to obtain a copy of it.

The reasons for the company not implementing or committing to all of the above-mentioned items are that the company, as a result of its financial faltering and low liquidity rate in previous periods, where the company followed a policy of rationalizing expenses as much as possible, whereby it terminated the services of more than 95%

of its employees and froze most of the company's departments as a result of stopping The company's operations and the lack of operational sources of income, in addition to the company's inability to appoint qualified specialists in the governance committees to control all matters, but thanks to God Almighty, the capital was increased in mid-2023 AD. A consulting office was contracted to update the statute and all executive regulations, and their implementation has been completed and is in the process of being presented to the Board in preparation for approval by the Shareholders' Assembly.

27- Names of joint stock companies in which a member of the Board of Directors is a member of its Board of Directors

Current membership in the boards of directors of companies or their directors locally and abroad	Function	name	SN.
Current council			
The Saudi Investment Bank United Cooperative Insurance Group - ACIG	Chairman of Board of Directors	Yasser bin Muhammad Al Jar Allah	1
United Cooperative Insurance Group - ACIG Vice Chairman of the Board of Directors of United Dairy Company	Vice President of the Council	Ali bin Yahya Al-Jaafari	2
United Cooperative Insurance Group - ACIG	Managing Director and Acting CEO	Fayez bin Saleh bin Mahfouz	3
United Cooperative Insurance Group - ACIG	Member of the Board of Directors	Abdul Rahman bin Hassan Al-Amoudi	4
United Cooperative Insurance Group - ACIG	Member of the Board of Directors	Khalid bin Majid Al- Rasheed	5
Previous council			
United Cooperative Insurance Group - ACIG	Chairman of Board of Directors	Ali bin Yahya Al-Jaafari	1
National Gypsum Company	Vice President of the Council	Mansour bin Abdul Khaleq Al-Ghamdi	2



nothing	Managing Director and CEO	Muhammad bin Abdullah Al-Hujailan	3
nothing	Member of the Board of Directors	Salman bin Ahmed Jassas	4
nothing	Member of the Board of Directors	Abdul Rahman bin Muhammad Al-Drees	5

28- Formation of the Board of Directors and classification of its members

Membership status	Function	the name	SN.
The current council begins on 07/20/2023			
Non-executive	Chairman of Board of Directors	Yasser bin Muhammad Al Jar Allah	1
Independent	Deputy Chairman of the Board	Ali bin Yahya Al-Jaafari	2
executive	Managing Director and Acting CEO	Fayez bin Saleh bin Mahfouz	3
Independent	Member of the Board of Directors	Abdul Rahman bin Hassan Al-Amoudi	4
Independent	Member of the Board of Directors	Khalid bin Majid Al-Rasheed	5
The previous Council until the end of the Council session on 07/19/2023			
Non-executive	Chairman of Board of Directors	Ali bin Yahya Al-Jaafari	1
Independent	Deputy Chairman of the Board	Mansour bin Abdul Khaleq Al-Ghamdi	2
executive	Managing Director and CEO	Muhammad bin Abdullah Al-Hujailan	3
Independent	Member of the Board of Directors	Salman bin Ahmed Jassas	4
Independent	Member of the Board of Directors	Abdul Rahman bin Muhammad Al-Drees	5

29-A brief description of the terms of reference of the main Board of Directors committees, their tasks, chairmen, members, and number its meetings

(1) Audit Committee:

The committee supervises the company's internal audit, studies the periodic financial reports, internal and external audit reports, and their efficiency, verifies the efficiency of the internal control systems, nominates the external auditor, follows up on his work, verifies the adequacy and effectiveness of the company's oversight activities, and evaluates the effectiveness of the company's assessment of potential risks and how to monitor and confront these risks. The Audit Committee consists of the following members:

The current council begins on 07/20/2023 AD

date 10/31/2023	date 09/17/2023	date 09/08/2023	date 01/08/2023	Number of meetings	Adjective	Member	SN.
✓	✓	✓	✓	4	Chairman of the Committee	Ali bin Yahya Al- Jaafari	1
✓	✓	✓	✓	4	member	Bassam bin Muhammad Al-Baqawi	2
✓	✓	✓	✓	4	member	Saad bin Muhammad Al- Huwaimel	3
x	✓	✓	✓	3	member	Abdullah Al-Harbi	4

The previous Council until the end of the Council session on 07/19/2023 AD

date 05/25/2023 By scrolling	date 05/23/2023 By scrolling	date 05/20/2023	date 03/28/2023	Number of meetings	Adjective	Member	SN.
✓	✓	✓	✓	4	Chairman of the Committee	Mansour bin Abdul Khaleq Al- Ghamdi	1
✓	✓	✓	✓	4	member	Abdul Karim bin Abdullah Al Shamekh	2
✓	✓	✓	✓	4	member	Bassam bin Muhammad Al-Baqawi	3
His membership in the committee expired on 2/12/2023				0	member	Gus son Shaheen Al-Rumaihi	4

(2) Nominations and Remuneration Committee:

The committee annually reviews the requirements required for membership of the Board of Directors in accordance with the approved policies and standards, reviews the structure of the Board of Directors, makes recommendations regarding changes that can be made, sets clear policies for compensation and rewards for members of the Board of Directors and senior executives, and annually ensures the independence of independent members and that there is no conflict of interests of the member if he constitutes membership. Other councils. The Nominations and Remuneration Committee consists of the following members:



The current council begins on 07/20/2023

date 12/21/2023 By scrolling	date 11/28/2023	date 09/27/2023	date 10/08/2023	Number of meetings	Adjective	Member	SN.
✓	✓	✓	✓	4	Chairman of the Committee	Khalid bin Majid Al- Rasheed	1
✓	✓	✓	✓	4	member	Yasser bin Muhammad Al Jar Allah	2
✓	✓	✓	✓	4	member	Abdul Rahman bin Hassan Al-Amoudi	3

The previous Council until the end of the Council session on 07/19/2023

date 07/17/2023	date 08/13/2023	date 08/30/2023 By scrolling	date 11/04/2023	date 02/12/2023 By scrolling	Number of meetings	Adjective	Member	SN.
✓	✓	✓	✓	✓	5	Chairman of the Committee	Salman bin Ahmed Jassas	1
x	x	x	✓	✓	2	member	Mansour bin Abdul Khaleq Al-Ghamdi	2
✓	✓	✓	✓	✓	5	member	Abdul Rahman bin Muhammad Al- Drees	3

(3) Executive Committee:

The committee carries out all the tasks assigned to it by the Board of Directors to study and make decisions regarding them. It also reviews the transactions of related persons.

Appointment of executive directors. Following up on the company's operation and investments, and following up on the procedures for the company's ownership of the Al-Fadhili Project land with government agencies. The Executive Committee consists of the following members:



12/26/2023	12/11/2023	06/12/2023	11/20/2023	11/14/2023	06/11/2023	10/31/2023	10/17/2023	10/11/2023	03/10/2023	09/19/2023	10/09/2023	03/09/2023	08/30/2023	10/08/2023	Number of meetings	Adjective	Member	SN.
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	15	Chairman of the Committee	Yasser bin Muhammad Al Jar Allah	1
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	15	member	Ali bin Yahya Al-Jaafari	2
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	15	member	Abdul Rahman bin Hassan Al-Amoudi	3
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	15	member	Fayez bin Saleh bin Mahfouz	4

30-Any penalty, penalty or precautionary restriction imposed on the company by the Authority or any other supervisory, regulatory or judicial body

During the fiscal year 2023, the Authority or any supervisory or regulatory body did not issue any fines, penalties, penalties, or even a precautionary restriction against the company.

31-Details of remuneration and compensation for members of the Board of Directors, senior executives, and committee members

(a) Remuneration of members of the Board of Directors:

Board remuneration 2023

Total summation	Expense allowance	Indemnity	Variable rewards					Fixed rewards							
			the total	Granted shares (value of shares)	Long-term incentive plans	Short-term incentive plans	Periodic bonuses	percentage of profits	the total	Rewarding the Chairman of the Council	A statement of what council members received in their council sessions	Benefits in kind	Total allowance for attending committee sessions	Allowance for attending council meetings	A certain amount
32,361		0						32,361				10,000		22,361	Saad bin Muhammad

																			Al-Huwaimeel	
65,000									65,000					15,000			50,000		Bassam bin Muhammad Al-Baqawi	
29,861									29,861					7,500			22,361		Abdullah bin Saleh Al-Harbi	
32,639									32,639					5,000			27,639		Abdul Karim bin Abdullah Al-Shamekh	
Second: Independent members - the current council																				
150,889									150,889					47,500	24,000		79,389		Ali bin Yahya Al-Jaafari	
62,556									62,556					37,500	12,000		13,056		Fayez bin Saleh bin Mahfouz	
83,112									83,112					45,000	12,000		26,112		Abdul Rahman bin Al-Amoudi	
46,333									46,333					7,500	12,000		26,833		Khalid bin Majid Al-Rasheed	
Second: Independent members - the old council																				
94,500									94,500					7,500	12,000		75,000		Mansour bin Abdul Khaleq Al-Ghamdi	
22,000									22,000					10,000	12,000				Abdul Rahman Al-Drees	
55,167									55,167					10,000	12,000		33,167		Salman bin Ahmed Jassas	
Third: Non-executive members																				
123,723									123,723					45,000	12,000		66,723		Yasser bin Muhammad Al-Jarallah - Current Council	
Fourth: Executive members																				
12,000									12,000								12,000		Muhammad bin Abdullah Al-Hujailan	
																	Fifth: Secretary of the Council			
123,167									123,167					70,000	24,000		29,167		Ibrahim Al-Khalifa	
933,308	0	0	0	0	0	0	0	0	933,308	0	0	0	0	317,500	144,000		471,808		Total	



(b) Rewards and allowances for the attendance of committee members

Remuneration for committee members 2023

the total	Allowance value	Number of meetings attended	Fixed rewards	Names
First: Members of the Audit Committee in the current Council				
43,542	2,500	4	33,542	Ali bin Yahya Al-Jaafari
32,361	2,500	4	22,361	Saad bin Muhammad Al-Huwaimel
29,861	2,500	3	22,361	Abdullah bin Saleh Al-Harbi
32,361	2,500	4	22,361	Bassam bin Muhammad Al-Baqawi
10,000	2,500	4	0	Ibrahim Al-Khalifa (Secretary)
First: Members of the Audit Committee in the old Council				
46,458	2,500	2	41,458	Mansour bin Abdul Khaleq Al-Ghamdi
32,639	2,500	2	27,639	Abdul Karim bin Abdullah Al Shamekh
32,639	2,500	2	27,639	Bassam bin Muhammad Al-Baqawi
5,000	2,500	2	0	Ibrahim Al-Khalifa (Secretary)
Second: The Nominations and Remuneration Committee of the current council				
34,333	2,500	3	26,833	Khalid bin Majid Al-Rasheed
20,556	2,500	3	13,056	Yasser bin Nasser Al Jar Allah
20,556	2,500	3	13,056	Abdul Rahman bin Hassan Al-Amoudi
7,500	2,500	3	0	Ibrahim Al-Khalifa (Secretary)
Second: The Nominations and Remuneration Committee of the Old Council				
43,167	2,500	4	33,167	Salman bin Ahmed Jassas
2,500	2,500	1	0	Mansour bin Abdul Khaleq Al-Ghamdi
10,000	2,500	4	0	Abdul Rahman bin Muhammad Al-Drees
10,000	2,500	4	0	Ibrahim Al-Khalifa (Secretary)
Fourth: The Executive Committee				
91,167	2,500	15	53,667	Yasser bin Nasser Al Jar Allah
50,556	2,500	15	13,056	Fayez bin Saleh bin Mahfouz
116,889	2,500	15	79,389	Ali bin Yahya Al-Jaafari
50,556	2500	15	13,056	Abdul Rahman bin Hassan Al-Amoudi
37,500	2,500	15	0	Ibrahim Al-Khalifa (Secretary)
760,141			442,641	Total



(c) Rewards and allowances for senior executives:

Senior executive bonuses 2023

Total summation	Total executive remuneration for the Indemnity		Variable rewards						Fixed rewards				Job title	the name
			the total	Granted shares (value of shares)	Long-term incentive plans	Short-term incentive plans	Periodic bonuses	percentage of profits	the total	Benefits in kind	Suits	payroll		
652,050								652,050		169,050	483,000	Managing Director	FAiz Saleh Abdullah bin Mahfouz	
800,004	0							800,004	0	200,004	600,000	Chief Executive Officer (Acting)	Muhammad bin Abdullah Al-Hujailan	
136,350	0							136,350		35,350	101,000	CFO-Current	Reda Labib Hafez	
146,500	0							146,500		31,500	115,000	CFO-Former	Youssef Kamal Zidane	
1,734,904	0	0	0	0	0	0	0	1,734,904	0	435,904	1,299,000		Total	

32-Results of the annual review of the effectiveness of the company's internal control procedures

The Audit Committee studies periodic reports on the evaluation of internal control procedures, follows up on the operation of internal control, and submits recommendations for observations and shortcomings in the internal control system to the Board of Directors to be addressed, as the most important shortcomings and weaknesses in the internal control system applied in the company are as follows:



- 1- Lack of a department concerned with internal control and risk managementThe company is in the process of contracting with a specialized office to carry out internal audit work.
- 2- There is a weakness in the established governance system and the company's lack of basic regulations that define the powers of executive managementThe governance system will be activated with the company's structure and the regulations, including the powers matrix, will be updated and approved by the Council and the Shareholders Assembly.
- 3- IncompletenessDocumentary sessionBecause there is no operation, the documentary cycles for all the company's transactions will be documented, while the rules and regulations will be updated.
- 4- The absence of a recent zakat certificate due to the presence of claims and objections to the estimated zakat for previous yearsThe company is in the process of taking all measures to end the zakat status and obtain the zakat certificate.

33- Performance evaluation of employees

One of the company's goals is to conduct a quarterly evaluation of each sector, department, and employee to maintain increased effectiveness and raise the level of performance in order to achieve the desired goals.

34- Evaluating the performance of the Board of Directors and its committees

In evaluating the performance of its members and all committees emanating from it during the year, the Board of Directors depends on the material results achieved that have a clear impact that is reflected in the company's financial results. Although the company did not seek the help of external statutory bodies in evaluating the performance of its Board of Directors and the committees emanating from it, the The Council constantly follows up and monitors the comments and opinions of the company's shareholders and interested parties.

35 - Social responsibility activities (community service)

The company's management is always keen to contribute to social events, in recognition of the company's role in serving the community at the local and national levels. The company has proven over the past years by bearing its responsibility towards social activities and the public interest and effective contribution to the state's plans aimed at achieving sustainable development, as this is clearly represented in the following: -

- 1- Commitment to the decisions of the state's agricultural and water policy through rationalization of irrigation water.
- 2- Commitment to preserving the environment and public health by reducing the use of pesticides.
- 3- Cooperating with the security authorities by reporting any illegal logging activities that may harm the environment.

36 – Continuity:

The company acknowledges that, based on what was mentioned in this report, its ability to continue practicing its available activities in addition to attempts to develop new operational activities by raising the company's capital and providing sufficient liquidity to implement the company's strategic plan and starting to implement projects within the framework of the company's general strategy to ensure its continuity and stability and implement its future plans in the field of investment development and improve the level of performance, which is reflected in the results of the company's work in supporting the development of the national economy.

37- Board of Directors' proposals

First: Approval of what was stated in the Board of Directors' report for the year 2023

Second: Approval of the external auditor's report for the period ending on 12/31/2023

Third: Approval of the company's balance sheet and income statement ending on 12/31/2023.

Fourth: Discharge the members of the Board of Directors for the current session for their work during the period ending on 12/31/2023.

In conclusion, the Chairman and members of the Board of Directors of the Eastern Development Company extend their thanks, appreciation and gratitude to the Custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud, and to His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince, Deputy Prime Minister and Minister of Defense, and to the wise government. For continuous support and encouragement, to support the food security strategy, which the company seeks to participate in during the next phase.

The report is finished, and God is the Grantor of success

