



# BAAN Holding Group

Annual Report 2024

## Table of Contents

- Letter from the Chairman of the Board of Directors
- Letter from the Chairman of the Group CEO and Board member

### First Pillar:

- About the Group
- Building a better future through innovation, driving sustainable growth ..... 9

### Second Pillar:

- Strategic Transformation Program ..... 19

### Third Pillar:

- Operational Performance ..... 26

### Fourth Pillar:

- Balanced management .. Sound Governance ..... 52

### Fifth Pillar:

- Our Shareholders, Responsibility and Commitment ..... 88

### Sixth Pillar:

- Sustainability and Social Responsibility, Towards a Sustainable Community ..... 93

### Seventh Pillar:

- Financial performance Back to profitability ..... 98

- Conclusion ..... 108

## Letter from the Chairman of the Board of Directors

Dear Valued Shareholders of BAAN Holding Group,



Dear Shareholders, on behalf of my colleagues on the Board of Directors and all employees at BAAN Holding Group, it is my privilege to present to you the company's Annual Report for 2024, which has been prepared in compliance with the Company's bylaws, the Saudi Companies Law, Corporate Governance regulations, and the Capital Market Authority (CMA)'s rules on the offering of securities and ongoing obligations. This report highlights the Group's performance and achievements during the year, as well as efforts exerted to enhance shareholders' rights and support their aspirations. Through this report, we showcase BAAN Holding Group's leading role in providing hotel, entertainment, and catering services, thus contributing to achieving the goals of the Kingdom's Vision 2030. Given that 2024 represented a significant turning point in our journey, we take pride in seeing the Group evolve from being solely a hospitality and entertainment company to a comprehensive platform aiming to develop these fields sustainably and innovatively. During the past year, the Group achieved many exceptional milestones, as we focused on restructuring our business to align with our sustainable growth and local expansion strategies. We also committed ourselves to enhancing our operational environment and adopting new standards aimed at excellence.

We continuously strive to deliver the highest quality of services to all customer segments. Despite the challenges faced in recent years and amid ongoing global economic shifts, our commitment to innovation, transparency, and operational efficiency enabled us to achieve stable growth and positive financial results. These accomplishments would not have been possible without the dedicated efforts of our executive team. As part of our ambitious strategy for the coming years, we aim to strengthen our presence in the local market, focusing on expansion into emerging sectors and developing strategic partnerships. Lastly, I wish to express my deepest gratitude and appreciation to our wise leadership, represented by the Custodian of the Two Holy Mosques and His Royal Highness the Crown Prince—may Allah protect them—for the continuous support provided by the government to various economic sectors. I also extend my sincere thanks to the Group's team and all shareholders for their confidence, which continues to inspire and motivate us to achieve our aspirations. We wish BAAN Holding Group further success and assure you that we will continue to work tirelessly to achieve the best possible results for our shareholders and customers alike.

**Sami bin Abdulmohsen Al Hokair**  
**BAAN Holding Group, Borad Chairman**

## Letter from the Chairman of the Group CEO and Board member

Dear Valued Shareholders of BAAN Holding Group,



Dear shareholders, It is my pleasure to share with you the most notable achievements of BAAN Holding Group during 2024, a milestone year in our journey towards growth and leadership. This year was filled with both challenges and accomplishments, through which we have reinforced our position as a key partner in the hospitality, entertainment, and catering sectors, while achieving significant transformation in our methods and service innovation. Since embarking on our new journey, we have succeeded in creating a distinctive mark that reflects our commitment to realizing our strategic vision and providing services that enhance the quality of life for the communities we serve. We have worked diligently to improve our operational environment and infrastructure, ensuring high efficiency and excellence in delivering exceptional services to all our clients.

Undoubtedly, these achievements would not have been possible without the extraordinary efforts of our dedicated team and the unwavering support of our partners and valued shareholders. Therefore, I would like to express my deep gratitude and appreciation to everyone who contributed to this success. These contributions have significantly helped achieve the Group's objectives this year. I would like to reassure our valued shareholders that we remain committed to implementing our ambitious strategy, aiming to strengthen our competitive position, expand into new sectors, and enhance operational efficiency to meet evolving market demands. We promise to continue working passionately and diligently to achieve further successes, enhance returns for shareholders, and advance steadily and sustainably towards an even brighter future.

**Fahad Bin Mohammed Al Obeilan**  
Group CEO and Board member

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



## First Pillar

About the Group  
Building a better future through  
innovation, driving sustainable growth

Content:

- 1-1 Our Story: Origins and Foundation
- 1-2 Vision, Mission, and Values
- 1-3 Core Business Activities
- 1-4 Our Journey
- 1 – 5 Success Partners
- 1 – 6 Key Brands
- 1 – 7 Subsidiaries



For over 45 years, BAAN Holding Group has been on a journey of dedication and success, driven by the commitment and expertise of its executive team. Their efforts, guided by a clear vision and strategic direction, have been instrumental in shaping the company's distinguished position today.

The group was established in 1978 as a sole proprietorship under the name Abdulmohsen Al Hokair Group for Trading and Industry, registered under Commercial Registration No. (1010014211) on July 22, 1978. With an initial capital of SAR 274,000, the company entered the entertainment industry by launching Al Rabwa Park in Riyadh.

Since its inception, BAAN Holding Group has continuously expanded and diversified its operations, ensuring synergy across its various business sectors. In the entertainment sector, the group has established a strong presence by managing and operating indoor entertainment centers and outdoor amusement parks across Saudi Arabia, the UAE, and Egypt.

The company's expansion into hospitality marked a pivotal milestone. It owns, operates, and manages hotels through direct ownership, franchise agreements, and partnerships with global hotel operators, cementing its reputation as an industry leader.

As part of its growth and diversification strategy, BAAN Holding Group ventured into the catering and food services sector, delivering high-quality catering solutions with operational excellence.

A landmark achievement in this field is the company's involvement in NEOM, where it manages one of the region's largest residential complexes, supporting Saudi Arabia's ambitious Vision 2030 projects.

Through this initiative, BAAN Holding Group provides comprehensive food service solutions, prioritizing innovation and sustainability to enhance the experience of its clients.

Despite evolving market challenges and economic shifts, the group remains steadfast in its commitment to delivering excellence to clients and partners. This resilience has strengthened its market position, ensuring a sustainable and positive impact for shareholders and investors alike.

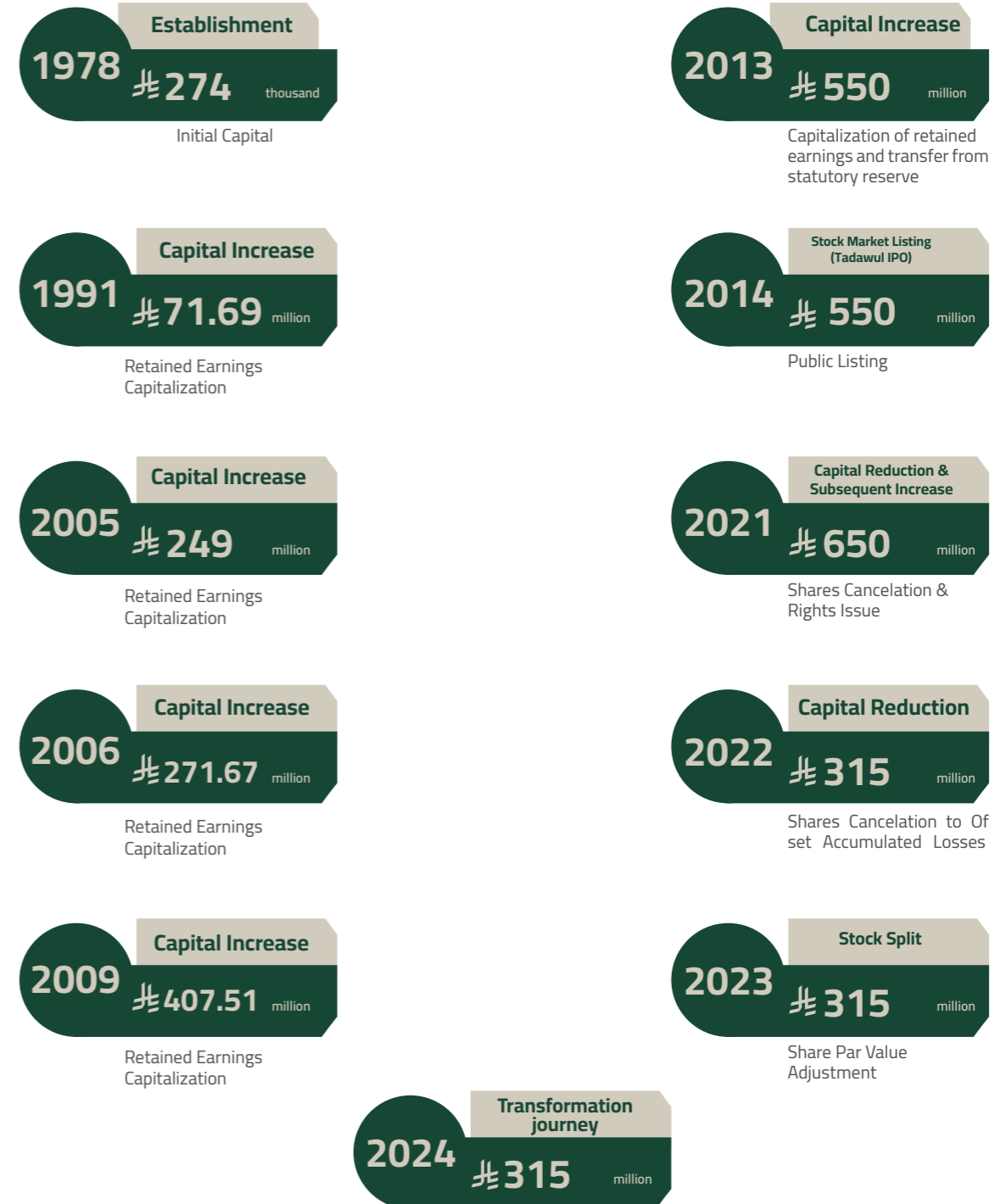
With a clear focus on operational efficiency and continuous improvement, BAAN Holding Group is confidently moving toward a future of sustainable growth, reinforcing its position as a key player in hospitality, entertainment, and catering across the region.



### Capital Growth of BAAN Holding Group (From Establishment to the End of 2024)

In 1991, BAAN Holding Group increased its capital from SAR 274,000 to SAR 71,674,000 through retained earnings capitalization. Over the following years, the company witnessed successive capital increases in 2005, 2006, 2009, and 2013, culminating in its public listing on the Saudi Stock Exchange (Tadawul) in 2014 with a capital of SAR 550 million.

#### Key Capital Developments



- Announcement of the commencement of food and catering operations in NEOM
- Formation of the new Board of Directors
- Appointment of the new CEO
- The transformation journey from Al Hokair to BAAN Holding

In 2021, the group underwent its first capital reduction, followed by an increase. On July 8, 2021, the Extraordinary General Assembly approved a capital reduction from SAR 550 million to SAR 343 million by canceling shares. This move aimed to restructure the group's capital and offset accumulated losses, which at the time amounted to SAR 207 million. On the same date, approval was granted to increase the capital to SAR 650 million through a rights issue.

On October 6, 2022, the Extraordinary General Assembly approved the Board of Directors' recommendation to reduce the capital from SAR 650 million to SAR 315 million. This reduction decreased the number of ordinary shares from 65 million to 31.5 million, canceling 33.5 million shares, representing a 51.54% reduction in the group's capital.

On June 21, 2023, the Extraordinary General Assembly approved a stock split, adjusting the number of shares to 315 million with a nominal value of SAR 1 per share, replacing the previous 31.5 million shares at a nominal value of SAR 10 per share. This adjustment did not alter the total capital of the group before or after the stock split.

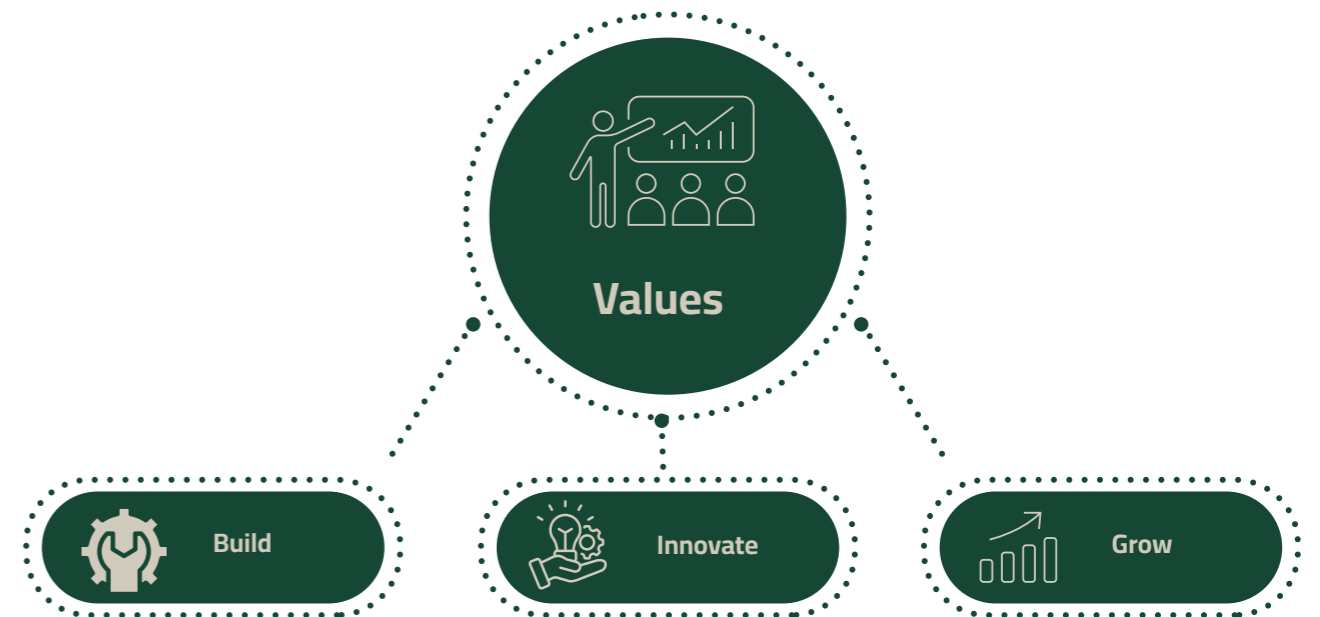


## Vision

Provide exceptional services and elevating experiences.

## Message

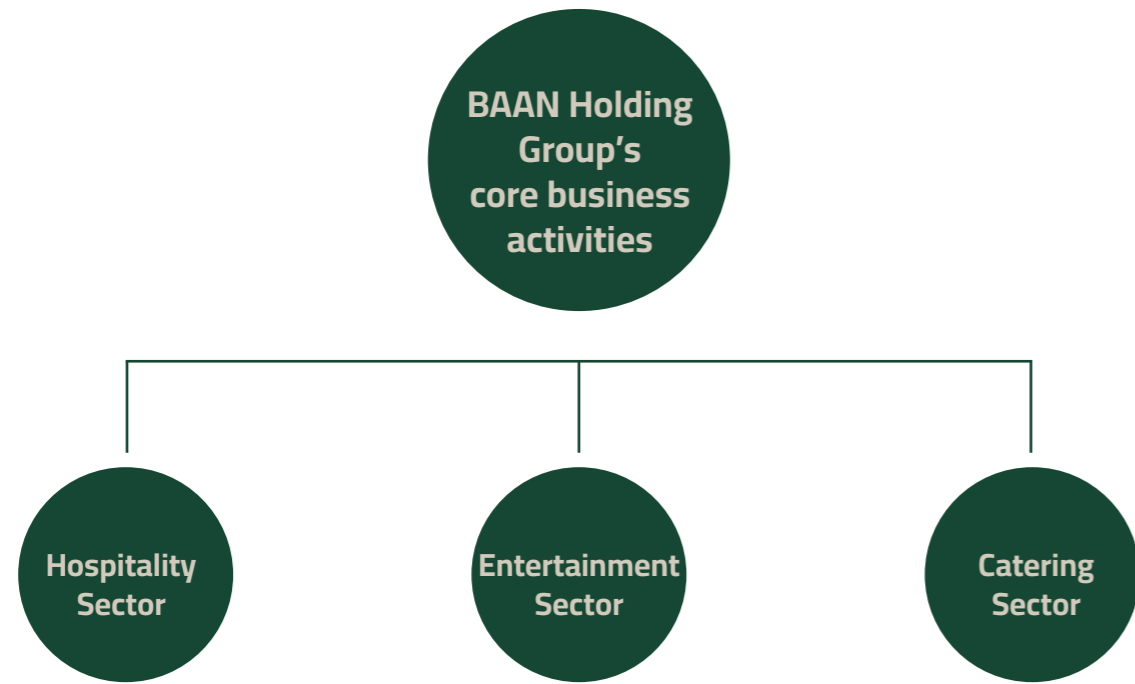
We are committed to delivering exceptional services and innovative solutions aimed at creating meaningful experiences, building strong relationships, and swiftly adapting to the evolving needs of our clients and community, all while maintaining a focus on continuous improvement and excellence in everything we do.



**Establish Strong Foundations** We believe that strong foundations are the key to long-term success, whether in relationships or corporate governance. We are committed to building trust and fostering strong connections with our clients, employees, and partners by upholding the highest standards of governance, transparency, and integrity in all our endeavors.

**Foster creativity** Innovation is the driving force behind our growth and sustainability. We cultivate a culture that values new ideas, encouraging creativity and out-of-the-box thinking across all aspects of our business. By embracing proactive strategies, we strive to develop cutting-edge solutions that keep us ahead of the curve.

**Drive continuous improvement** Continuous growth is fundamental to our vision. We focus on enhancing operational excellence, developing our skills, and working passionately toward progress. Our commitment is to expand our business footprint, increase market impact, and ensure long-term success through sustainable growth strategies.



The main activities of BAAN Group are centered around three key sectors: hospitality, entertainment, and catering. In the hospitality sector, the Group manages and operates hotels and restaurants across various regions in Saudi Arabia, the United Arab Emirates, and Egypt.

In the entertainment sector, the Group operates entertainment centers, including indoor entertainment venues and outdoor parks in multiple locations within Saudi Arabia, the UAE, and Egypt.

As for the catering sector, the Group provides comprehensive catering and accommodation services to various industries. It is a major partner in NEOM, contributing to the needs

of residential communities and large-scale projects, while maintaining the highest standards of quality and sustainability to ensure outstanding services aligned with Saudi Arabia's Vision 2030.

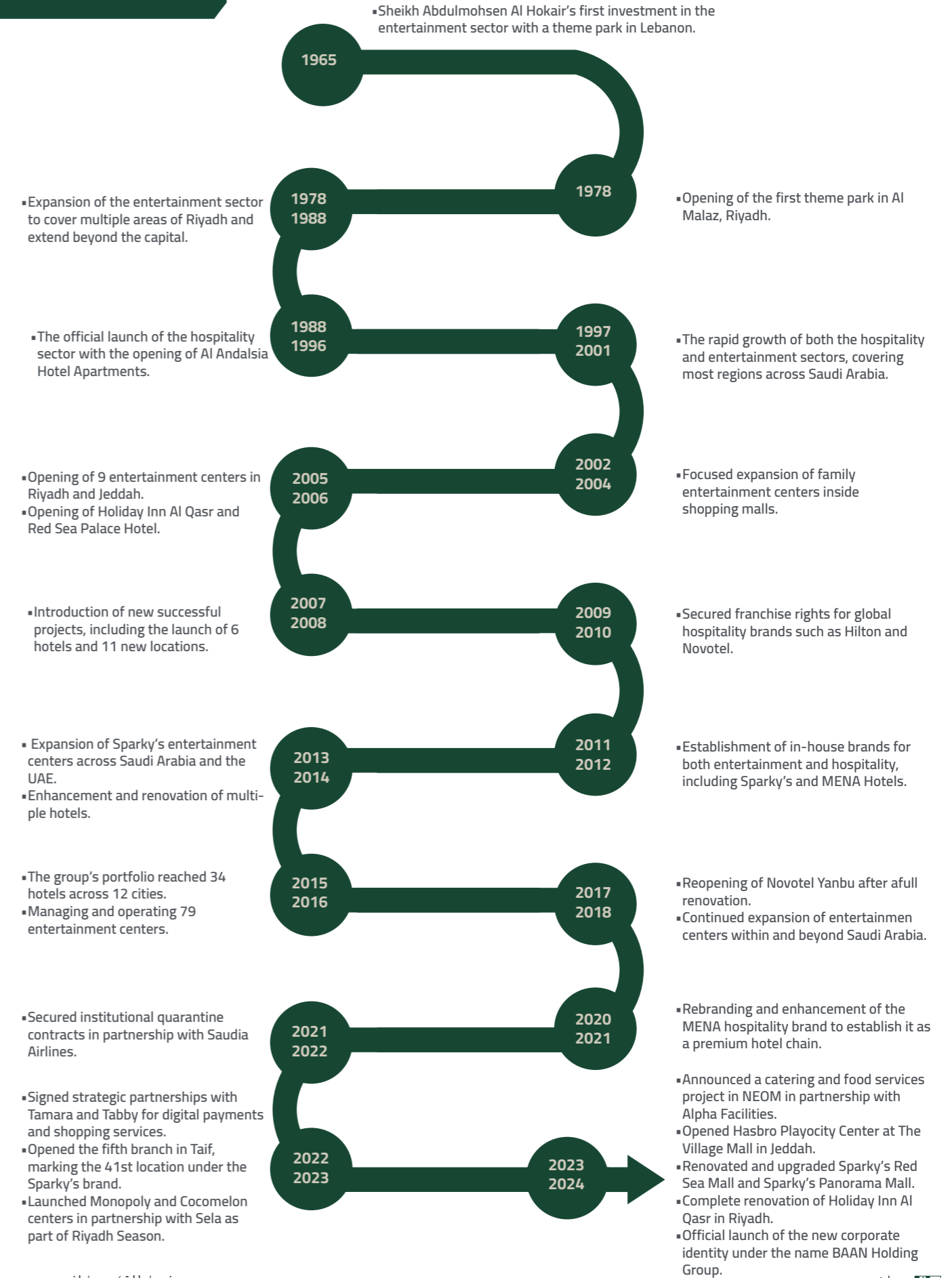
BAAN Group is considered one of the leading players in the hospitality and lodging industry, managing and operating numerous mid-scale international hotels, in addition to running several serviced apartments and tourist resorts. The Group continues to expand its presence across Saudi Arabia and the UAE in the fields of hospitality, hotel services, and entertainment facilities.

The entertainment sector stands as a key pillar of BAAN Group's operations, contributing

significantly to the Group's revenue due to the extensive geographical coverage of its entertainment centers across the Kingdom. The Group leases spaces in prominent shopping malls with the aim of opening new entertainment destinations.

In addition to its core activities, BAAN Group manages and operates several commercial plazas that include family entertainment centers, as well as operating and managing a number of restaurants. This includes Al-Nakheel Plaza in the Qassim region, owned by Qassim Entertainment and Commercial Projects Company, a sister company of the Group, in which BAAN holds a 50% stake.

## Our Journey



## Success Partners



### Hospitality Sector



### Entertainment Sector



### Catering Sector



BAAN Holding Group manages several distinguished global brands as part of its expansion and growth strategy, enhancing customer confidence in its services.

Recently, the group added the brands "CoComelon Playdate, which were featured in Riyadh Season – Boulevard World, with plans to expand into major cities. Also, the Group opened a new PlayOcity branch at The Village Mall in Jeddah, further strengthening its entertainment presence.

The following table presents the brands managed by the group:



### Entertainment Sector



A family entertainment center inspired by the concept of light, offering a wide range of games and tourist attractions.



A safe play area for children under eight, designed with cube-shaped sections, each featuring a digital-themed activity.



A unique entertainment space featuring bowling, video games, billiards, and live events.



A clean, safe, and eco-friendly venue designed for immersive fun for all ages, featuring the latest laser tag equipment for a globally popular group game.



Launched at Daren Mall in Dammam with an ocean-inspired design and laser lights, offering visitors an immersive underwater experience, water boat rides, and over 80 video games.



A family entertainment destination offering various physical activities, with large trampoline-covered areas, side walls, and slopes for safe family fun.



### Hospitality Sector



MENA Hotel is one of the hotels managed by BAAN Holding Group, offering a strategic location and premium hospitality services. The hotel features modern rooms equipped with the latest amenities, alongside various facilities such as restaurants and meeting halls. It reflects the group's commitment to delivering exceptional hospitality experiences that meet the highest international standards.



No.	Subsidiary Name	Capital	Company's Ownership Percentage	Main Activity	Country of Operations	Country of Incorporation	Issued Shares	Issued Debt Instruments
1	Sparky's Land for Recreational Games	150,000 AED	99%	Gaming & Entertainment	UAE	UAE	None	None
2	Asateer for Entertainment & Tourism	100,000 EGP	99%	Tourism & Entertainment	Egypt	Saudi Arabia	None	None
3	Osool Al-Mazaya Hospitality	100,000 SAR	85%	Tourism & Hospitality	Saudi Arabia	Saudi Arabia	None	None



## Second Pillar Strategic Transformation Program

Content:  
2-1 Our Strategy  
2-2 Future Vision  
2-3 Aspirations for 2025  
2-4 Challenges and Opportunities  
2-5 Current and Future Risks

Throughout the year, BAAN has achieved significant milestones in its continuous efforts to enhance performance across various levels. The company has steadily progressed towards achieving moderate business growth while accelerating activities, focusing on strategies aimed at optimizing operational performance and delivering balanced results that support business sustainability.

Guided by our core values, BAAN has prioritized performance improvement to restore profitability and achieve sustainable growth. This includes updating business strategies, strengthening internal capabilities, and forming strategic partnerships with both local and international entities to deliver outstanding services that meet evolving market needs. This strategic direction reflects our firm commitment to long-term success, benefiting all stakeholders.

### Strategic Values



**1 Build:**

We recognize that establishing a solid foundation is key to our success, whether through building strong relationships or adopting best governance practices. Our commitment to fostering trust and strengthening relationships with clients, employees, and partners is reflected in our dedication to maintaining the highest standards of governance, transparency, and credibility in all our activities.



**2 Innovate:**

Innovation is the driving force behind our growth and market sustainability. Throughout the year, we have cultivated a culture that values new ideas and fosters creativity across all areas of our business. By embracing forward-thinking strategies and cutting-edge solutions, we have enhanced operational efficiency and strengthened our competitive edge to meet the evolving needs of our clients.



**3 Grow:**

Sustainable growth is integral to our vision. We are dedicated to continuously improving the quality of our operations and developing our team's capabilities, driven by a passion for excellence. We actively expand our business horizons and strengthen our market presence, contributing to a successful and sustainable future for all stakeholders.



BAAN Holding Group is continuously focused on launching high-impact initiatives driven by three key objectives:

### Our Future Vision

**1**

**Strengthening the Group's Position as a Preferred Service Partner in Multiple Sectors at the Regional Level**

The group is actively evaluating and enhancing its portfolio in the hospitality and entertainment sectors, with a focus on major cities. Efforts are underway to modernize services in line with the latest market trends. Additionally, BAAN is expanding its catering operations to meet the diverse needs of its customers and improve competitiveness in target sectors.

**2**

**Establishing a Strong Infrastructure to Enable Growth**

The group is committed to accelerating its digital transformation and optimizing the use of data, while also enhancing corporate governance and operational efficiency. BAAN is further focused on addressing organizational weaknesses by clearly defining roles, strengthening internal control systems, and improving decision-making processes.

**3**

**Enhancing the Group's Operational and Financial Performance**

The group is implementing cost-control measures and improving cash flow management, complemented by an integrated performance monitoring system that includes key performance indicators (KPIs), dashboards, and accountability measures. This strategy aims to enhance financial efficiency and ensure sustainable profitability through data-driven decision-making and continuous performance tracking.

In 2025, our focus is on reinforcing and enhancing the operational and financial foundations across all departments. By improving human capital, technology, branding, governance, and supplier

partnerships, we aim to achieve tangible stability and sustainable growth. Additionally, we are committed to optimizing the performance of our hospitality, entertainment, and catering sectors to secure a

leading competitive position in the market. Our integrated approach aligns with our strategic vision, setting us on the path to future excellence.

### BAAN's 2025 Aspirations

 Achieving new financial milestones	 Developing an enhanced business model
 Expanding market share	 Improving profit margins
 Attracting more customers	 Adapting to market changes
 Investing in digital technology	 Enhancing products and services
 Increasing contributions to sustainability and CSR initiatives	 Continuing field studies

### The key objectives of the sectors are as follows:

1

The Entertainment Sector aims to strengthen leading entertainment locations to increase revenue and enhance overall profitability. This includes closely monitoring and evaluating under-performing sites and developing a strategic exit plan for locations that do not meet the desired profitability levels.

2

The Hospitality Sector aims to improve the overall performance of all hotels by increasing sales and enhancing operational efficiency. This includes conducting a comprehensive review of the current hotel portfolio to accurately identify target segments and develop effective marketing strategies, contributing to an optimal market position and improved guest engagement.

3

The Catering Sector aims to stabilize operations in the Group's NEOM projects in line with occupancy requirements, in addition to improving inventory management and enhancing supply chain efficiency to elevate overall performance. The Sector also seeks to expand its operations by targeting new catering opportunities and projects.

### The Group also intends to implement further enhancements to its infrastructure through the following initiatives:

1

Defining roles, responsibilities, and performance metrics clearly to strengthen accountability and improve collaboration across teams. The Group also aims to enhance employee engagement and retention through targeted training programs that support skill development and improve performance.

2

Restructuring and consolidating databases and implementing core systems such as ERP and CRM. This includes enhancing customer experience through digital solutions and improving data-driven decision-making processes.

3

Improving the market positioning of the Group's brands and unifying their identity across all platforms, while enhancing customer engagement and ensuring consistent brand representation across relevant sectors.

4

Strengthening internal compliance, risk management, and decision-making processes by establishing unified policies, creating an integrated financial reporting system, and applying strict cost-control measures.

5

Improving agreements with suppliers and partners to achieve greater cost savings and enhance service quality, while improving contract management and leveraging strategic alliances to strengthen the Group's service offerings.

Throughout 2024, BAAN navigated a complex economic landscape marked by rising interest rates and inflationary trends driven by market volatility. These shifts increased borrowing costs and higher expenses across goods and services.

### Challenges Faced by BAAN Holding Group in 2024



The company also witnessed an increase in interest rates and inflation rates due to market conditions, which affected borrowing costs and the production of goods and services, in addition to the rise in operating costs. The company also faced pressures on supply chains and financing, particularly with the ongoing effects of global conflicts on the supply of equipment and entertainment devices, in addition to losses borne by some of its sister companies.

Despite these challenges, the group managed to achieve balanced results, as the shift towards profitability and improving operational performance were priorities, with gradual improvement in quarterly results following the exit from some unprofitable projects.

BAAN Holding Group closely monitors potential risks arising from anticipated local competition due to the entry of new companies into the Saudi market and the expansion of existing competitors. The company conducts regular risk assessments and implements appropriate mitigation strategies to address these challenges. Below are the primary risks the company is currently aware of however, additional risks may emerge that are not yet identified or considered material.





# Third Pillar

## Operational Performance

- Content:
- 3-1 Our Business and Vision 2030
- 3-2 Activities and Sectors
- 3-3 Human Resources
- 3-4 Training and Employment
- 3-5 Infrastructure
- 3-6 Digital Transformation
- 3-7 Customer Reach
- 3-8 Achievements



The Kingdom of Saudi Arabia places great emphasis on tourism investment, channeling billions of dollars into large-scale tourism projects across the country. These investments span various sectors, including the development of resorts and hotels, as well as the construction and modernization of airports, among others. The government is striving to increase tourism's economic contribution from 3% to 10% of the national GDP by 2030 as part of Vision 2030. This goal is being pursued through the development of numerous tourism projects aimed at attracting approximately 100 million annual visitors.

To support these efforts, the Tourism Development Fund was established to empower the tourism sector by developing attractive destinations across the Kingdom and attracting tourism investments to stimulate sector growth and bolster the Saudi economy.

The Kingdom's substantial government spending on the tourism sector serves as a key driver for the growth of BAAN Holding Group, as it fosters the expansion and prosperity of the private sector.

The Kingdom's substantial government spending on the tourism sector serves as a key driver for the growth of BAAN Holding Group, as it fosters the expansion and prosperity of the private sector.

Moreover, data from the General Authority for Statistics indicates an improvement in the average length of guest stays, with the average hotel stay rising to 5.2 nights in the second quarter of 2024—marking a 17.6% year-on-year increase compared to the same period in 2023.

This increase reflects the growing appeal of Saudi Arabia as a leading tourism destination, contributing to higher revenues within the hospitality sector. (Sources: Tourism Development Fund & General Authority for Statistics)

The tourism sector has experienced rapid growth under Saudi Vision 2030, positioning itself as one of the country's key economic enablers while fostering greater global engagement.

Throughout 2023, the sector achieved several milestones, including the launch of a global campaign to promote Saudi Arabia as a top travel destination, further solidifying its international standing.

Additionally, in 2023, the sector saw a strong resurgence, driven by the continuation and completion of existing projects, the hosting of major events across the Kingdom, and the announcement of Riyadh's successful bids to host two major global events—the 2030 FIFA World Cup and Expo 2030. The tourism sector is expected to be one of the primary beneficiaries of these landmark events.



**BAAN Holding Group focuses on key sectors, reinforcing them with new investment arms that ensure a continuous revenue stream. This approach strengthens the group's financial position and safeguards it against potential risks.**

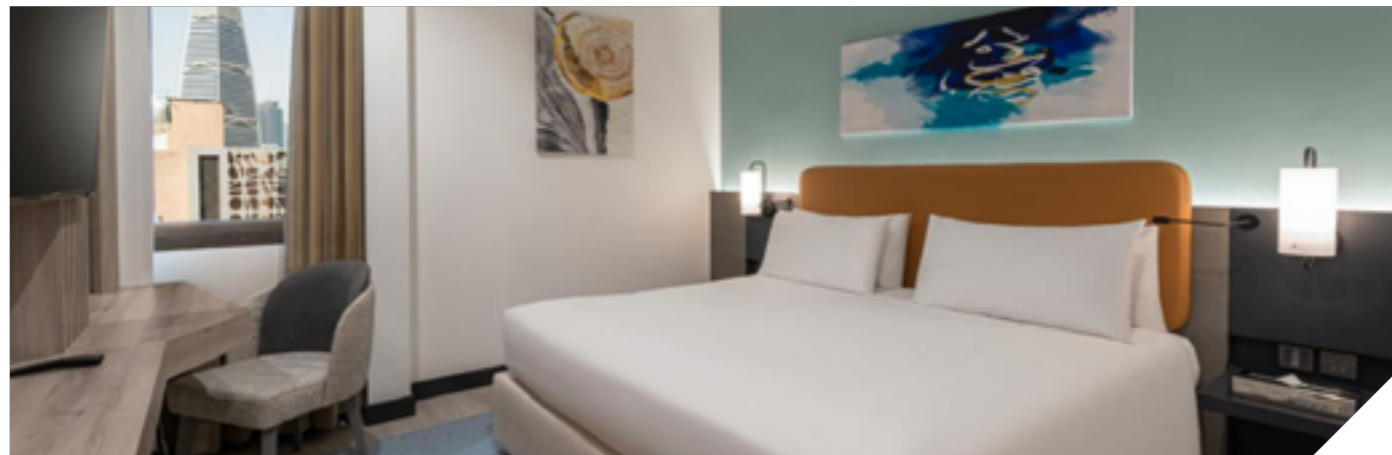
# 1

## Hospitality Sector

The group has established a distinguished presence in the hospitality sector across the Kingdom by adopting diverse approaches to hotel management and operations. It manages and operates a wide range of international hotels, spanning three-star, four-star, and five-star categories, in addition to managing several hotel apartments and tourist resorts. The hospitality sector is one of the group's largest revenue drivers.

**As of 2024, BAAN Holding Group operates 23 hotels, including 21 properties within Saudi Arabia and two hotels in Dubai, United Arab Emirates.**

The hotels operated and leased by the group are affiliated with renowned international hotel brands such as Holiday Inn, Hilton Garden Inn, Hilton DoubleTree, Novotel, Suite Novotel, Radisson Blu, Park Inn, Golden Tulip, and Tulip Inn. Additionally, the group owns and manages MENA Hotels & Resorts as one of its proprietary brands.



# 23

Hotels

## Geographical Distribution





**Key Achievements of the Hospitality Operations Sector:**

- In 2024, the hotels elevated their service standards to enhance guest experiences, resulting in a significant increase in repeat customers. As a result, Holiday Inn Jeddah Gateway and Novotel Yanbu secured the top ranking on TripAdvisor, while Holiday Inn Al Qasr ranked seventh out of 318 hotels in Riyadh. Additionally, Holiday Inn Al Qasr improved its Booking.com guest rating from 7.1 to 8.5. Moreover, Holiday Inn Jeddah Gateway was recognized as the top-performing IHG hotel in the Middle East, North Africa, and India.
- During the summer of 2024, the Saudi hospitality market faced an unexpected downturn compared to 2023. However, many hotels mitigated losses through proactive business strategies implemented in the fourth quarter (Q4).
- A strong focus was placed on wellness experiences, introducing curated spa treatments, personalized fitness sessions, and health-conscious dining options.
- The guest journey was optimized, strategically targeting key touchpoints before, during, and after their stay to provide a seamless and highly personalized experience.
- A strategic partnership with Costa Coffee was successfully implemented, integrating Costa outlets across all hotels.
- 40% of the room inventory at Novotel Suites Al Olaya Riyadh was renovated, while BAAN Holding Group acquired full ownership of the property from the local owner.
- Additionally, Holiday Inn Al Qasr completed renovations for 80% of its rooms, further enhancing guest comfort and satisfaction.



**2**

**Entertainment Sector**

The Entertainment Sector remains a cornerstone of BAAN Holding Group's operations. By 2024, the company's family entertainment venues expanded to 69 locations across 17 cities in Saudi Arabia and four cities in the UAE and Egypt.

In the UAE, the group expanded its entertainment network to 8 centers, while in Egypt, it operated 3 centers. These figures include both BAAN Holding Group's wholly owned centers and those operated through its subsidiaries.

Family entertainment centers are typically located within shopping malls in major cities such as Riyadh, Jeddah, and Makkah, as well as secondary cities like Madinah, Taif, and Jizan. They offer a diverse range of entertainment options for children and young adults, along with experiences tailored to broader age groups.



### Geographical Distribution

### Sparky's in Saudi Arabia

38

Entertainment centers



### Sparky's Outside Saudi Arabia

11

Entertainment Centers



Although the selection of rides and attractions varies across centers, family entertainment centers typically offer a diverse range of experiences, including arcade games and interactive activities such as ball pits, trains, kiddie rides, spinning rides, bumper cars, hydraulic rides, climbing walls, and water attractions.

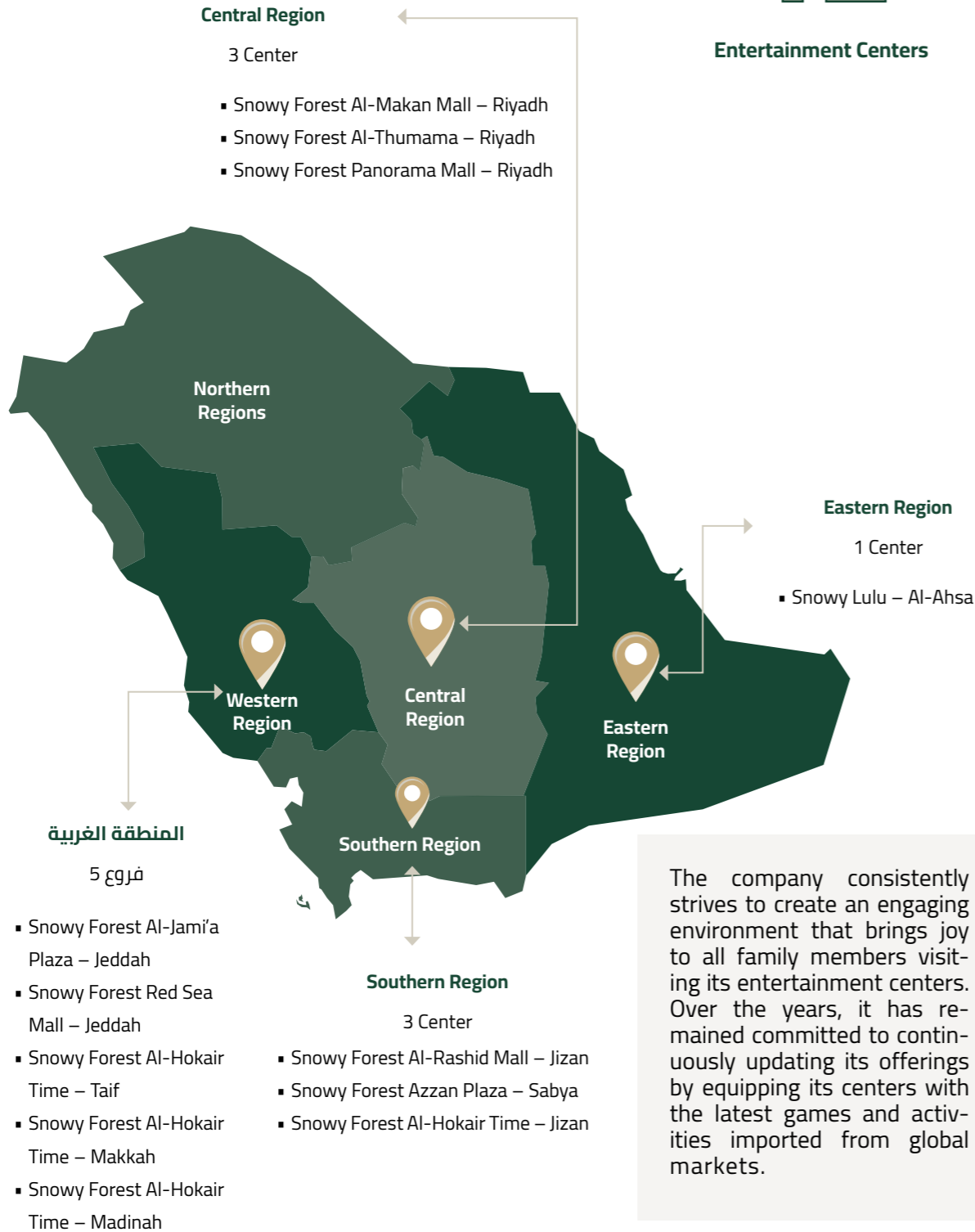
Snowy Forest in Saudi Arabia



12

Entertainment Centers

Geographical Distribution



The company consistently strives to create an engaging environment that brings joy to all family members visiting its entertainment centers. Over the years, it has remained committed to continuously updating its offerings by equipping its centers with the latest games and activities imported from global markets.

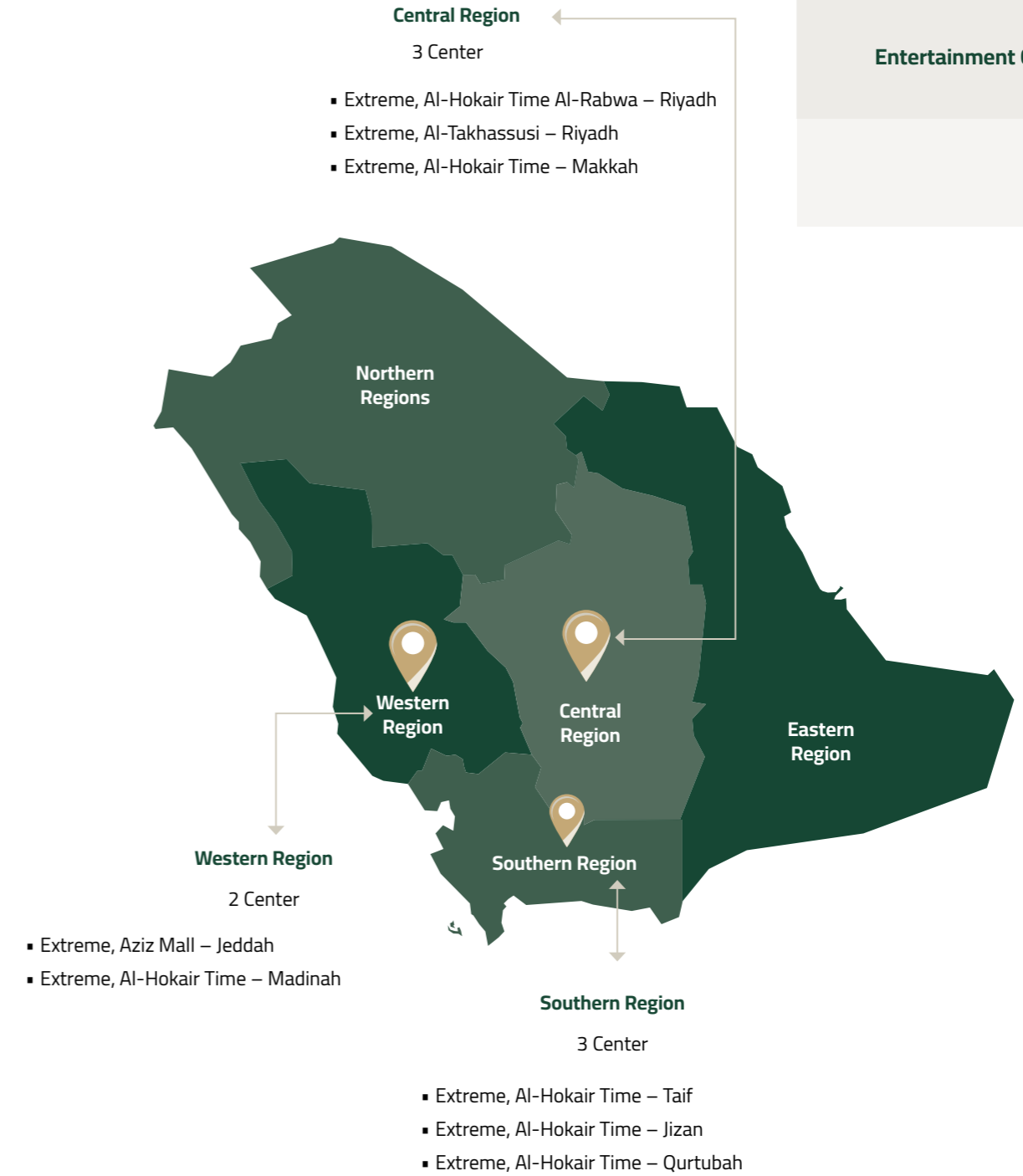
Extreme in Saudi Arabia



8

Entertainment Centers

Geographical Distribution





**Key Operational Achievements in the Entertainment Sector:**

- In 2024, entertainment centers were opened in partnership with Hasbro (USA), Mattel (USA), and Moonbug (UK), in addition to forming a partnership with Mubadala (UAE).
- New brands were introduced: Hasbro’s “Playocity, CoComelon Playdate,” and Mattel’s “Mission Play. Meanwhile, partnerships with Brass Monkey, Sky Zone, and IMPS were terminated.
- We developed an innovative concept of inflatable children’s play structures that can be easily installed at various locations without affecting current operations, providing a significant operational advantage in terms of substantially reduced costs.



**Catering Sector:**

As part of BAAN Holding Group’s strategy to expand into new industries, the catering sector represents a key opportunity for growth and sustainable revenue generation. Leveraging our operational expertise and excellence in service delivery, we aim to provide comprehensive catering solutions that meet the needs of various industrial, commercial, and individual clients, ensuring the highest standards of quality, efficiency, and continuous innovation.

**Strategic Partnerships for Growth & Efficiency:**

BAAN Holding is currently managing catering services for two of the newest residential complexes in the city of the future, “NEOM,” under two contracts—one with Alfanar Company and the other with AREIC Company—with an estimated total value exceeding SAR 1.1 billion over seven years. The agreements involve providing three daily meals for over 20,000 individuals, amounting to more than 60,000 meals per day, while strictly adhering to the highest standards of food safety and security. This initiative contributes towards achieving the Kingdom’s Vision.

BAAN Holding is committed to strengthening its Human Resources sector both internally and externally by offering a comprehensive ecosystem of services that help supply the labor market with qualified national and international talent. This approach ensures employee rights, supports national workforce development, and enhances customer service.

In line with this vision and the HR department's belief in the potential of its workforce, a strategic plan was implemented in 2024 to train and develop employees in frontline roles while cultivating a positive work environment that supports sustainable growth.

### Strengthening Our Capabilities and Services to Align with the Company's Vision and Objectives

#### 1 Enhancing our capabilities and services to effectively achieve the company's objectives:

The Human Resources Department is dedicated to enhancing its capabilities and services to align with the company's strategic objectives and long-term vision. This includes implementing cutting-edge training programs and optimizing recruitment strategies to attract and nurture top talent. We are also committed to upgrading HR systems and integrating advanced technologies to streamline performance management and career development. These initiatives collectively foster a resilient and high-performing workforce, driving operational excellence and sustainable growth.

#### 2 Cultivating a Culture of Innovation Performance, and Strategic Alignment:

Shaping a forward-thinking corporate culture and fostering an innovative mindset among employees is essential for achieving exceptional performance and continuous progress. Through dynamic workshops and tailored development programs, we inspire creative thinking and break away from traditional work routines. By cultivating a proactive and accountable work environment, we empower employees to embrace change, drive innovation, and enhance their performance in alignment with the company's strategic direction. This cultural shift ensures that all team members' contributions propel the organization forward, fostering continuous improvement and long-term success.

#### 3 Optimizing Internal Processes for Greater Efficiency and Agility:

- We are committed to refining internal operations through a comprehensive approach designed to maximize efficiency and agility. Our strategy includes:
- Focusing on High-Impact Initiatives: Establishing clear benchmarks to concentrate resources on the processes that deliver the most significant results.
- Streamlining and Standardizing Procedures: Simplifying workflows to enhance consistency, eliminate inefficiencies, and improve overall productivity.
- Leveraging Automation: Implementing advanced digital solutions to optimize administrative processes, reducing manual work and increasing accuracy.
- Enhancing Cross-Departmental Collaboration: Strengthening communication channels between teams to ensure seamless coordination and knowledge sharing.
- Continuous Performance Evaluation and Adaptability: Regularly monitoring key performance indicators (KPIs) to identify areas for improvement and quickly adapt to market and operational changes.

BAAN Holding's Human Resources Department relies on key pillars focused on developing employee skills and expertise and investing these capabilities in enhancing and advancing the activities and services delivered by the Group across its various sectors.

### Key Focus Areas & Action Plan of the Human Resources Department in 2024

Talent Acquisition & Recruitment

Seamless Workplace Integration

Enhancing Efficiency & Productivity



Employee Training & Development

Motivation & Rewards

Ongoing System Enhancements

### Key Focus Areas & Action Plan of the Human Resources Department in 2024

#### 1 Talent Acquisition & Recruitment

At BAAN Holding Group, we prioritize internal recruitment, ensuring that qualified talent within the company has the first opportunity to fill open positions across various departments. In parallel, we actively seek external expertise to enrich our workforce with fresh perspectives and specialized skills. As part of our commitment to social responsibility, we focus on empowering national talents by giving priority to graduates from international universities, as well as orphans and the children of martyrs who possess the required qualifications.

#### 2 Employee Training & Development

Our dedicated training department delivers specialized programs across different regions, equipping employees with essential skills in customer service, after-sales support, safety and security in entertainment centers, first aid, and handling children with special needs. With the establishment of a specialized entertainment training institute, we have adopted a structured approach to learning. Employees who successfully complete their training and assessments earn a "Training Passport", a recognized certification that enhances their professional growth. In the hospitality sector, our training teams provide comprehensive digital learning programs that cover every aspect of operations. These include hospitality services and best practices for engaging with guests of all ages and backgrounds, ensuring an exceptional customer experience.

#### 3 Seamless Workplace Integration

Throughout 2024, we celebrated key national and social occasions with our employees, reinforcing a culture of unity and shared purpose. These celebrations included National Day, Founding Day, and the announcement of Saudi Arabia hosting the 2034 FIFA World Cup, along with festive gatherings for Eid Al-Fitr and Eid Al-Adha. Such initiatives play a vital role in strengthening our corporate identity and promoting community engagement.



### Key Focus Areas & Action Plan of the Human Resources Department in 2024

#### 4 Motivation & Rewards

We are committed to maintaining a fair and competitive compensation structure, ensuring our employees receive benefits that reflect their contributions. Currently, 1.44% of young Saudi employees benefit from educational support for their children through BAAN Group. Additionally, we provide comprehensive health insurance and competitive allowances that align with industry standards. We also take special initiatives to support the families of our top-performing employees, fostering a work environment where motivation and loyalty thrive. In 2024, we recognized over 750 employees with performance-based incentives and bonuses. Furthermore, we celebrated outstanding contributions by distributing awards and gifts during corporate events, including the prestigious Employee of the Year Award.

#### 5 Enhancing Efficiency & Productivity

As part of our commitment to talent development, we joined the "Waad Initiative", an ambitious program designed to encourage private-sector investment in workforce training. Our application was approved on February 27, 2023, and we pledged to train 50,000 Saudi professionals between 2023 and 2025. In 2023, we successfully conducted 21,031 training sessions, followed by 7,153 sessions in 2024, bringing our total number of training programs delivered to 28,184 sessions, a testament to our dedication to continuous learning and professional growth.

#### 6 Ongoing System Enhancement

Oracle Fusion is a cutting-edge cloud-based solution designed to optimize human resources operations by automating core functions such as payroll management, recruitment, and real-time data analysis to support informed decision-making. The system enhances the user experience while ensuring compliance with labor regulations through streamlined workflows. It also offers seamless integration with other business functions, remote accessibility, scalability, and enhanced security. Key users participated in simulation tests and specialized training sessions to ensure the system met business requirements before its official implementation.



BAAN Holding Group places great emphasis on human capital, playing a central role in training and developing its workforce, which enhances performance efficiency and ensures the sustainability of human resources.

The Group has also remained committed to nationalization, ensuring that the Saudization rate does not fall below 30%, in line with the mandated requirement, across all sectors in which it operates reaffirming its role in supporting national talent and empowering local professionals in the labor market.

**The group's human resource management policy is built on five key pillars in the employment sector:**



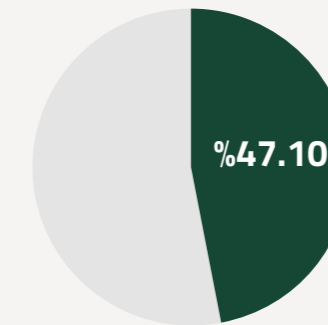
By the end of 2024, the total number of employees within BAAN Holding Group reached 1,858, including 780 Saudi nationals, representing approximately 42% of the workforce in the Kingdom. The strength and success of the group rely on the expertise and experience of its employees, making continuous investment in their development a strategic priority. Therefore, employees across various sectors undergo comprehensive training programs designed to enhance their knowledge and equip them with best practices in the group's industries.

BAAN Holding Group is currently classified under the Green (Medium) category for Saudi nationals, with a Saudization rate of 47.07% in the hospitality, entertainment, and tourism sector, exceeding the 41% requirement set by the Nitaqat program.

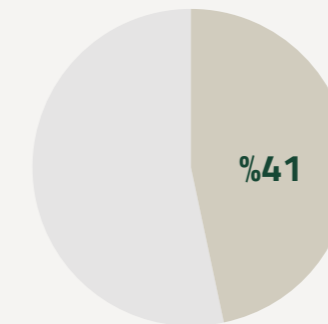
**The current Saudization rate at BAAN Holding Group compared to the required nationalization rate within the Kingdom**

**Hospitality, Tourism, and Entertainment Entity**

**The current percentage within the group:**



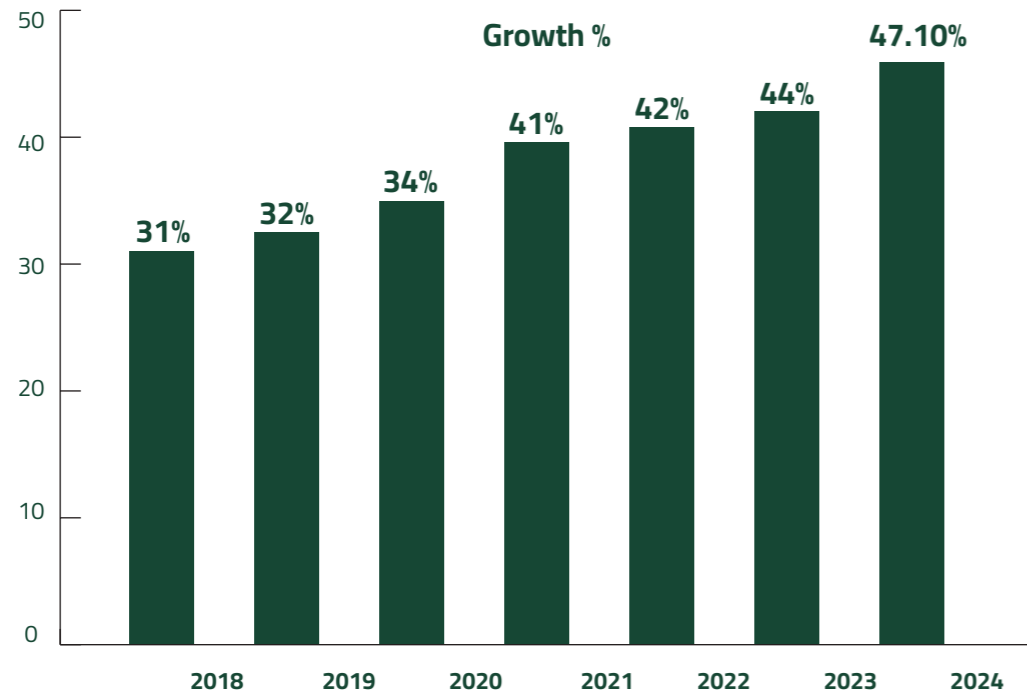
**The required percentage within the Kingdom:**



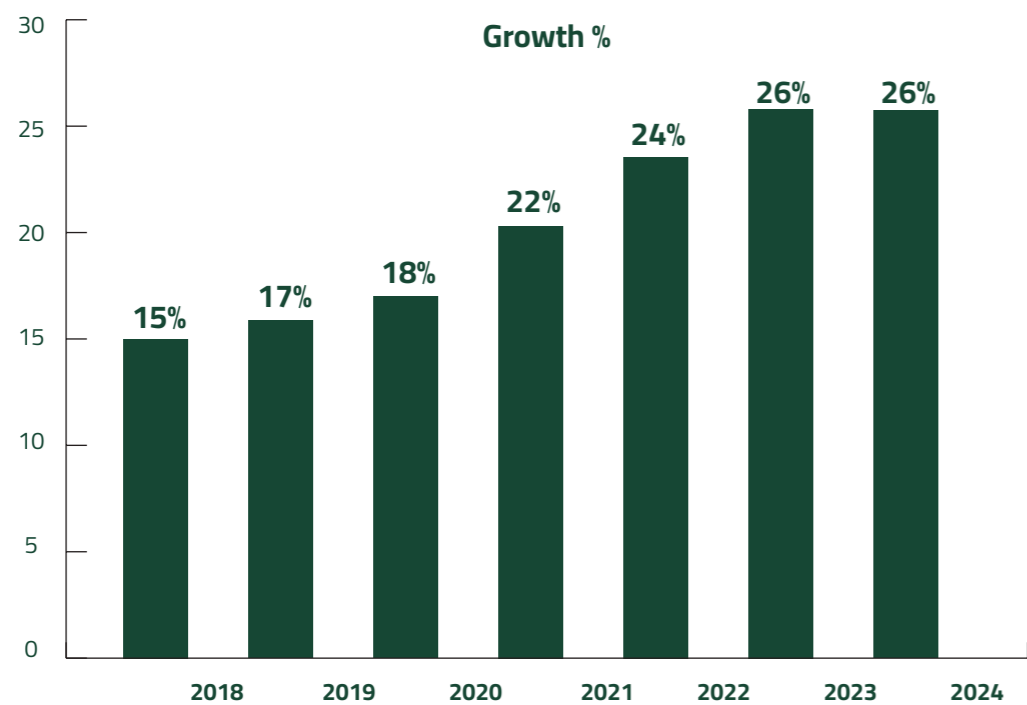
The company follows a comprehensive framework in collaboration with the Ministry of Human Resources and Social Development, utilizing **TAQAT centers**, **HRDF (Hadaf)**, and Tamkeen Clinics to provide necessary training, skill development, and employment opportunities for Saudi talent.

Additionally, the company contributes a percentage of employee salaries based on job roles, further enhancing Saudization rates within the organization.

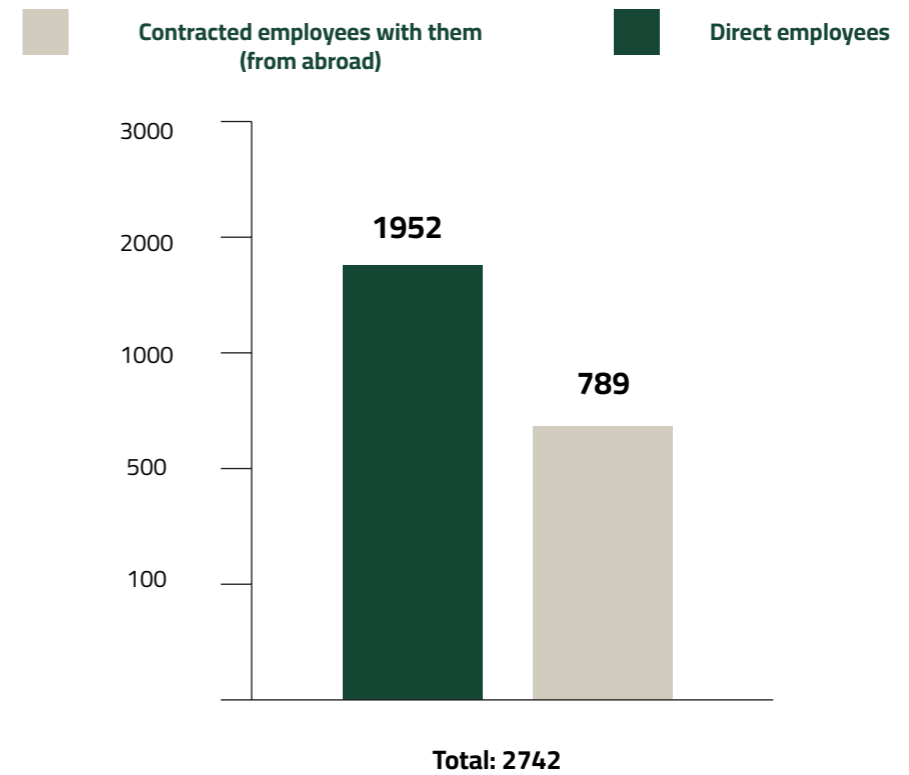
### Saudi Nationals as a Percentage of Total Employees



### Growth of Female Employees as a Percentage of Total Workforce



### Distribution of employees according to the type of employment



The company provides comprehensive training programs that include both theoretical and practical sessions. These sessions are conducted either at workplace locations or external facilities such as the Saudi German Hospital, the Red Crescent Hospital, and the Ministry of Tourism. These programs empower employees with advanced skills and enable them to apply theoretical knowledge in real-world scenarios, enhancing their efficiency and overall job performance.

**These initiatives reflect BAAN Holding Group's commitment to developing its human resources and preparing future leaders capable of driving the Group toward further growth and success."**

### Internal courses

Course Name	Conducting Department	Number of Employees
Skill & Redemption Games Training	Commercial Management	70
Evacuation Training	Safety Management	250
Site Evacuation Drill	Safety Management + Site Management	19

### External Training Courses

Course Name	Conducting Entity	Number of Employees
Crowd Management Course	General Entertainment Authority	43
First Aid	Saudi German Hospital	60
Conflict Resolution & Workplace Dispute Management	HADAF Center	12
Customer Service Course	King Saud University	97
First Aid	Umm Al-Qura University	75
Professional Sales Skills	Tamkeen + Umm Al-Qura University	24
Skills Course	Tamkeen	10
Crowd Management Course	Umm Al-Qura University	25
Workplace Etiquette & Professional Decorum	Ministry of Tourism	2
Hospitality Fundamentals	Ministry of Tourism	1
Hospitality Basics & Exceptional Guest Experience Innovation	Ministry of Tourism	1
Cleaning Service Program	Ministry of Tourism	1
Persuasive Selling Strategies	Ministry of Tourism	1
Strategic Planning for Individuals	Ministry of Tourism	1
Hospitality Management Training	Ministry of Tourism	1
Advanced Digital Marketing	Ministry of Tourism	2
Executive Development in Tourism & Hospitality	Ministry of Tourism	1
Food Safety & Hazard Analysis	Ministry of Tourism	1
Professional Leadership in Hospitality	Ministry of Tourism	1
Loyalty Excellence	Ministry of Tourism	1
Cleaning Service Program	Ministry of Tourism	1
Crowd Management Course	Ministry of Tourism	1
Registration Value Course	Ministry of Tourism	1
Rewards & Loyalty Value	Ministry of Tourism	2
Concierge Skills	Ministry of Tourism	3

Genuine Hospitality Service Skills	Ministry of Tourism	4
IHG Health & Safety Foundation	Ministry of Tourism	2
Health & Safety Management at IHG	Ministry of Tourism	10
Energy & Carbon Reduction Training	Ministry of Tourism	11
Secure Card Data Handling with PCI DSS Training	Ministry of Tourism	3
Introduction to Guest Satisfaction Index (GSI) Training	Ministry of Tourism	10
Way of Clean 5S Cleaning Program by IHG	Ministry of Tourism	20
Cleaning Program	Ministry of Tourism	24
Loyalty Training	Ministry of Tourism	7
Member Introduction	Ministry of Tourism	20
Primary CPR & AED First Aid	Ministry of Tourism	11
Problem Solving	Ministry of Tourism	1
Problem Identification & Resolution	Ministry of Tourism	3
Data Entry	Ministry of Tourism	15
Genuine Hospitality Service Skills	Ministry of Tourism	27
Global Hotel Group Welcome	Ministry of Tourism	3



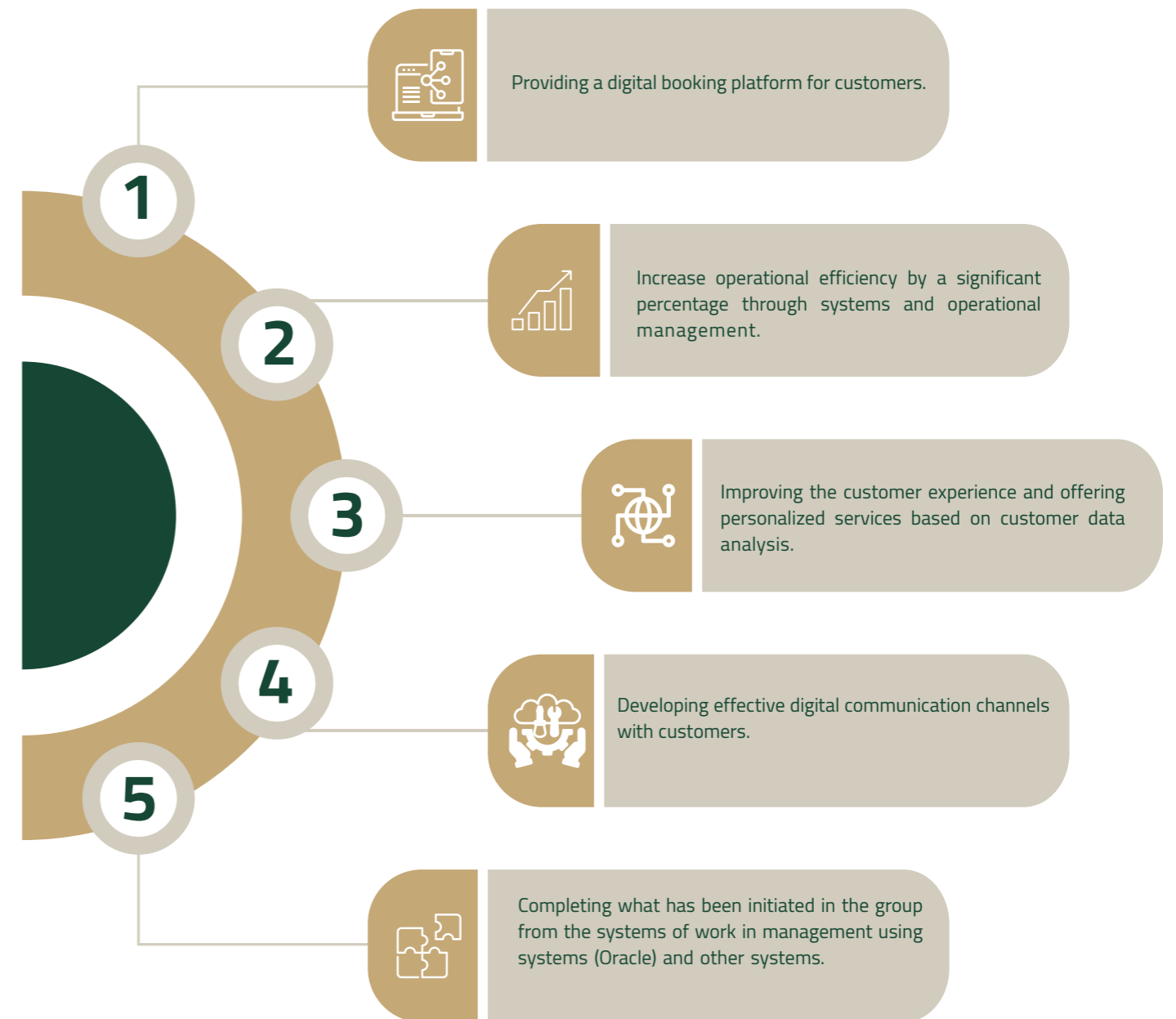


BAAN Holding Group has an extensive and advanced infrastructure covering all its core business sectors, forming a solid foundation for attracting clients and enhancing service quality. The group achieves this through modern facilities, diverse establishments, and cutting-edge technologies, in addition to optimal investment in its human resources.

The various departments within the group are committed to continuously improving this infrastructure, both within and beyond the Kingdom. This commitment spans from planning, supervision, and execution phases to providing support services and completing projects following the highest standards of quality and efficiency.

BAAN Holding Group is committed to advancing its IT strategy by transitioning most of its systems to cloud-based digital solutions. This transformation enables greater flexibility in access and management while ensuring enhanced scalability and security. The group has launched a comprehensive digital transformation program aimed at delivering outstanding and seamless customer experience by leveraging advanced digital technologies to optimize operational efficiency and drive innovation across hospitality, entertainment, and catering services.

Key objectives of this strategy include the launch of an integrated digital booking platform by the end of 2025, improving operational efficiency through system automation and process management, and enhancing customer experiences through personalized services powered by data analytics. Additionally, the group continues to implement its administrative system automation project, utilizing Oracle and other advanced solutions.





BAAN Holding Group boasts a broad geographic presence both within the Kingdom and internationally, enabling direct access to its customers and the ability to meet their diverse needs with exceptional quality. With a strong presence in key markets across Saudi Arabia, as well as in the United

Arab Emirates and Egypt, the group offers a comprehensive range of hospitality and entertainment services, in addition to premium shopping centers and distinguished dining experiences that cater to a wide customer base.

The group remains committed to continuously enhancing its service standards and strengthening customer trust, reinforcing its market position, and ensuring long-term profitability.



### Awards

1. Best Store Productivity Award for 2024 – awarded to Sparky's, Red Sea Mall branch.
2. Legacy and Excellence Award for 2024 – also awarded to the Sparky's, Red Sea Mall branch.
3. The Group was honored by His Excellency the Minister of Human Resources, Eng. Ahmed Al-Rajhi, as one of 14 companies recognized with the "Waad" Trophy as part of the second edition of the National Training Campaign.



BAAN Holding Group is working toward achieving several milestones in 2025, with a focus on enhancing operational efficiency, optimizing expenditures, and improving

procedural flexibility across all its business sectors. The Group is committed to applying the highest international standards in operations management to ensure

maximum efficiency and long-term sustainability. It also aims to compete for several prestigious awards.



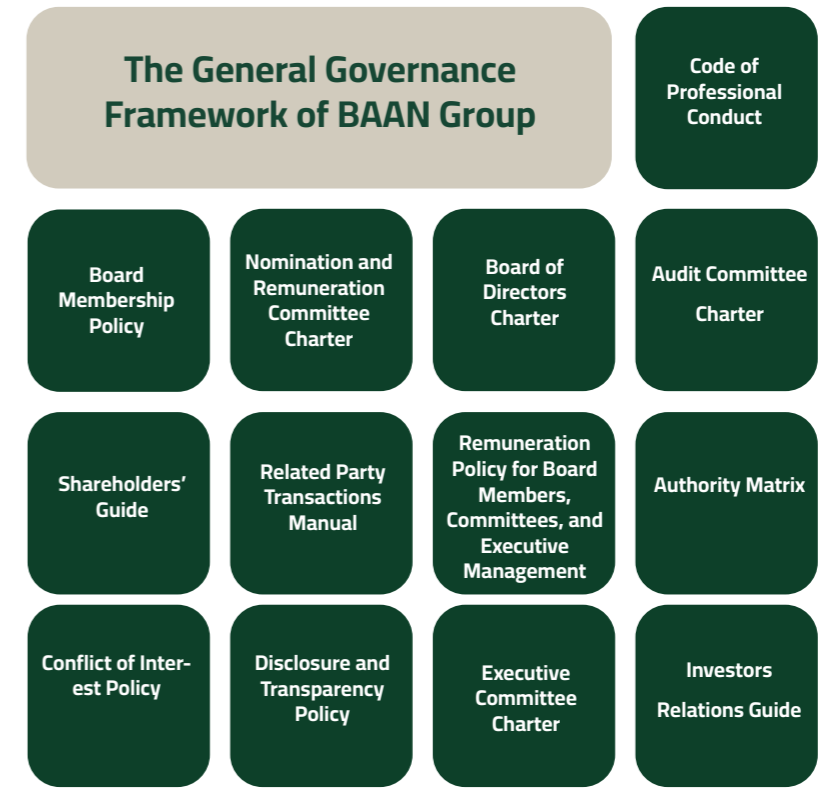
# Fourth Pillar Corporate Governance

(Balanced management .. Sound Governance)

- Content:**
- 4 – 1 Governance Framework
  - 4 – 2 Governance Pillars
  - 4 – 3 Regulations & Compliance Level
  - 4 – 4 Providing Legal Protection
  - 4 – 5 Group Organizational Structure
  - 4 – 6 Board of Directors Meetings
  - 4 – 7 Executive Management Members
  - 4 – 8 Board Committees and Their Responsibilities
  - 4 – 9 Evaluation of the Performance of the Board, Committees, and Executives
  - 4 – 10 Remuneration and Compensation
  - 4 – 11 Penalties and Sanctions
  - 4 – 12 Articles of Association of BAAN Holding Group
  - 4 – 13 Results of the Annual Review of the Effectiveness of Internal Control Procedures
  - 4 – 14 Stakeholders and Related Parties
  - 4 – 15 Competition Business
  - 4 – 16 General Assemblies of Shareholders and Board Members' Attendance Records

## 4 - 1 Governance Framework

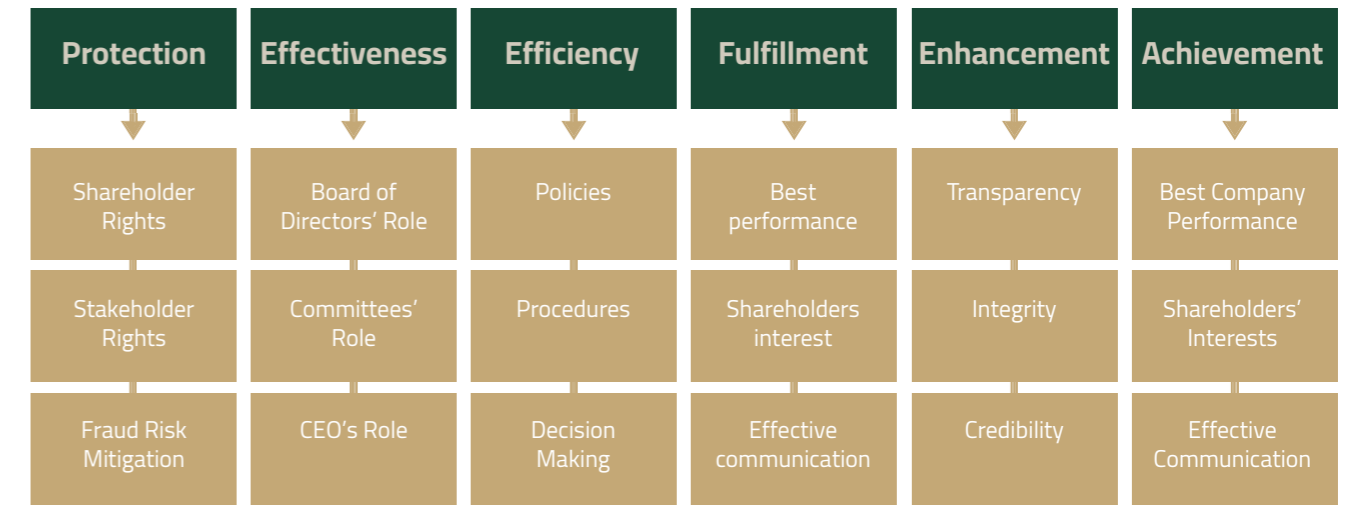
BAAN Holding Group has established a governance quality, operational efficiency, creation and supports the implementation of sustainable growth strategies across principles and best practices to enhance competitiveness, and credibility. This framework fosters long-term value the group.



## 4 - 2 Governance Pillars

BAAN Holding Group has adopted core governance principles that form the legal foundation of its governance structure, ensuring alignment with best practices followed by publicly listed companies in the financial market.

### Key Governance Principles in BAAN Holding Group



BAAN Holding Group has developed a governance framework to regulate the relationships between the Board of Directors, executive management, shareholders, and stakeholders. This framework establishes transparent decision-making mechanisms that protect shareholder rights, ensure fairness, and enhance market competitiveness. BAAN applies to all governance

provisions except for the following advisory articles The group adheres to the Corporate Governance Regulations issued by the Capital Market Authority (CMA) and ensures the disclosure of compliance levels with these regulations. Any non-compliance is explained in the Board's annual report, along with the reasons. The Governance and Market

Commitments Department, in coordination with the executive management and executive committees, continuously reviews and updates governance policies and practices to enhance integrity, transparency, and compliance.

Article/Clause Number	Title	Article/Clause Content	Implementation Status	Reason for non-implementation
37 / 2	Training	Establishing the necessary mechanisms for both the members of the Board of Directors and the Executive Management to continuously receive training programs and courses to develop their skills and knowledge in fields related to the Group's activities.	Not Implemented	The Group only has a program for newly appointed members of the Board of Directors and Executive Management to familiarize them with the Company's workflow and activities.
67	Risk Management Committee Formation	Forming a committee by a resolution of the Group's Board of Directors, named the Risk Management Committee, whose chairman and the majority of its members shall be Non-Executive Directors of the Board. It is required that its members possess an appropriate level of knowledge of risk management and financial affairs.	Not Implemented	Advisory Article
68	Risk Management Committee Responsibilities	<ol style="list-style-type: none"> <li>1. Establishing a comprehensive strategy and policies for risk management commensurate with the nature and size of the Company's activities, and verifying their implementation, review, and update based on the Group's internal and external changes.</li> <li>2. Defining an acceptable level of risk that the Group may be exposed to and maintaining it, and verifying that the Company does not exceed it.</li> <li>3. Verifying the feasibility of the Group's continuation and successful operations, while identifying risks that threaten its continuity during the next twelve months.</li> <li>4. Overseeing the Group's risk management system and evaluating the effectiveness of the systems and mechanisms for identifying, valuing, and monitoring risks that the Group may be exposed to, in order to identify shortcomings.</li> <li>5. Periodically re-evaluating the Group's risk tolerance capacity and exposure to risks, for example, by conducting stress tests.</li> <li>6. Preparing detailed reports on risk exposure and the proposed steps for managing these risks, and submitting them to the Board of Directors.</li> <li>7. Submitting recommendations to the Board regarding issues related to risk management.</li> <li>8. Ensuring the availability of sufficient resources and systems for risk management.</li> <li>9. Reviewing the organizational structure of risk management and submitting recommendations regarding it before its approval by the Board of Directors.</li> <li>10. Verifying the independence of risk management employees from activities that may lead to the Group's exposure to risks.</li> <li>11. Verifying that risk management employees comprehend the risks surrounding the Group, and working to increase awareness of the risk culture.</li> <li>12. Reviewing matters raised by the Audit Committee that may affect risk management in the Company.</li> </ol>	Not Implemented	Advisory Article

Article/Clause Number	Title	Article/Clause Content	Implementation Status	Reason for non-implementation
69	Risk Committee Meetings	The Risk Management Committee shall meet periodically every six months and whenever the need arises.	Not Implemented	Advisory Article
82 / 2	Employee Incentives	Programs to grant employees company shares or a share of the profits achieved, contracting programs, and establishing an independent fund to spend on those programs.	Not Implemented	Advisory Article
82 / 3	Employee Incentives	Establishing social institutions for company employees.	Not Implemented	Advisory Article
84	Social Responsibility	The Ordinary General Assembly shall – based on a proposal from the Board of Directors – set a policy that ensures a balance between its objectives and the objectives the community seeks to achieve, by presenting the development of the social and economic conditions of the community.	Not Implemented	Advisory Article. The Group has a social responsibility as mentioned above in this report.

4 – 4 Provision of Legal Protection

The Group's focus is not only on expansion, growth, and achieving profitability. "Baan" also works to provide legal protection and ensure a suitable working environment that guarantees the workforce their full rights. This is achieved through an effective Legal Affairs Management.

The Legal Affairs Department plays its role in supporting the Group's various departments, starting with providing the necessary legal consultations and contributing positively to the development and organization of the workflow, within a legislative framework that adheres to the procedures

and regulations in force within and outside the Kingdom. The Legal Affairs Department is also responsible for representing the Group before judicial authorities of various degrees and jurisdictions, in addition to conducting friendly settlements with the workforce and the Group's clients.

### Board Composition

The Board of Directors of BAAN Holding Group consists of seven (7) members, elected by the Ordinary General Assembly of Shareholders for a term not exceeding four years. A Board member's term ends either upon completion of their tenure or upon the expiration of their eligibility, in accordance with the laws and regulations in force in the Kingdom. However, the Ordinary General Assembly has the right to dismiss

all or some Board members at any time, without prejudice to the dismissed member's right to seek compensation if the dismissal occurs for an unjustified reason or at an inappropriate time. A Board member may also resign if it is done at an appropriate time; otherwise, they may be held liable by the Group for any damages resulting from their resignation.

### Board Member Classification

No.	Board Member	Position	Membership Status		
			Independent	Executive	Non-Executive
1	Mr. Sami bin Abdulmohsen Al Hokair	Chairman of the Board	-	-	√
2	Mr. Faisal Mohammed Ibrahim Al Malik	Vice Chairman of the Board	-	-	√
3	Mr. Fahad Mohammed Saleh Al Obeilan	Group CEO and Board member	-	√	-
4	Mr. Yanal Mowaffaq Sadiq Al Saudi	Board Member	√	-	-
5	Mr. Salem Ali Al Shahrani	Board Member	-	-	√
6	Mr. Meshal Ibrahim Suleiman Al Shunaifi	Board Member	√	-	-
7	Mr. Nabil Dawood Al Houshan	Board Member	√	-	-

### Members of the Board of Directors



Mr. Sami bin Abdulmohsen Al Hokair  
Chairman of the Board



Mr. Fahad Mohammed Saleh Al Obeilan  
Group CEO and Board member



Mr. Faisal Bin Mohammed Al-Malek  
Vice Chairman of the Board



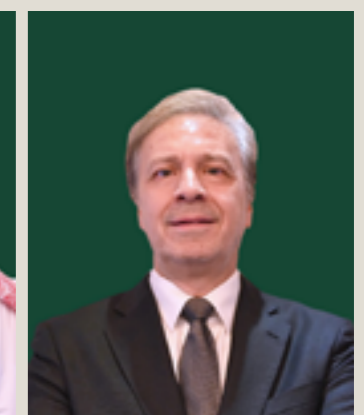
Mr. Salem Ali Al-Shahrani  
Board Member



Mishaal bin Ibrahim Al-Shenaifi  
Board Member



Mr. Nabil bin Dawood Al-Hoshan  
Board Member



Mr. Yanal bin Mufawq Al-Saudi  
Board Member



### Mr. Sami bin Abdulmohsen Al Hokair

- Position: Chairman of the Board
- Membership Type: Non-Executive

#### Current Positions:

- Chairman of the Board – BAAN Holding Group (Public Joint Stock Co.) (April 2024 – Present)
- Chairman of the Executive Committee – BAAN Holding Group (Public Joint Stock Co.) (April 2024 – Present)
- Vice Chairman – Tanami Arabia (Closed Joint Stock Co.) (December 2023 – Present)
- Vice Chairman – Medad for Office Solutions (Closed Joint Stock Co.) (December 2023 – Present)
- Chairman of the Board of Managers – Madinah Pearl Hotel Company (LLC) (October 2018 – Present)
- Board Member – Abdulmohsen AlHokair Holding Group (LLC) (March 2016 – Present)
- Board Member – Abdulmohsen AlHokair & Sons Co. Ltd. (LLC) (July 2018 – Present)
- Board Member – Fine Foods Company (LLC) (January 2023 – Present)
- Board Member – European Company for Tourism and Hotel Investment (Private Shareholding Co., Jordan) (2008 – Present)
- Board Member – Mama Noura for Meals (LLC) (November 2024 – Present)
- Board Member – Abar Al Tawasul for Meals (LLC) (November 2024 – Present)
- Manager – Sami Abdulmohsen AlHokair Ltd. (LLC) (July 2014 – Present)
- Manager – Bait Al-Eqtisad Holding Ltd. (LLC) (March 2015 – Present)
- Manager – Al-Osool Al-Mubadara Hotel Co. (One Person Company) (2015 – Present)
- Manager – Asateer for Entertainment and Tourism (LLC, Egypt) (2013 – Present)
- Manager – Aayan Real Estate Development Ltd. (GCC Capital LLC) (2006 – Present)
- General Manager – Half Moon Beach Resort Co. (LLC) (2001 – Present)
- General Manager – Sparky's Land Entertainment (LLC) (2013 – Present)
- General Manager – Sparky's Oceanica Entertainment (LLC) (2013 – Present)
- General Manager – Digital Land – Ras Al Khaimah (LLC) (2013 – Present)

#### Previous Positions:

- Executive Leadership Positions – Abdulmohsen AlHokair Group for Tourism and Development (Public Joint Stock Co.) (2006 – 2024) Held key executive roles including Deputy CEO, Chief Executive Officer (CEO), Managing Director (MD), and Chairman of the Executive Committee, in addition to Board Membership. These roles culminated in extensive expertise in executive management and corporate governance.
- Board Member – Saudi Airlines Catering Company (Public Joint Stock Co.) (2008 – 2023)
- Board Member – Strategic Catering Company (Mixed LLC) (2007 – 2024)
- Board Member – Marine Tourism Company
- Board Member – Al-Batinah Company (Sultanate of Oman)
- Board Member – Tunisian Tourism Company
- Board Member – Eastern Province Orphans Association (Tamkeen)
- Vice Chairman – Tourism Committee, Asharqia Chamber (Eastern Province Chamber of Commerce and Industry)
- Member – International Association of Amusement Parks and Attractions (IAAPA), USA
- Member – European Association of Amusement Supplier Industry (EAASI)
- Member – American Hotel & Motel Association (AHMA)
- Member – Themed Entertainment Association (TEA)
- Member – International Miniature Parks Association

#### Qualifications:

- Bachelor's degree in business administration from King Saud University (1990).
- Completed specialized English language courses under the British Council and in the United States.
- Two-month military training program.
- Extensive experience in tourism and hospitality investment, including participation in training programs, specialized exhibitions, conferences, and international forums.

#### Experience:

- A visionary leader in tourism and entertainment, serving as the Chairman of BAAN Holding Group and managing entertainment businesses in Saudi Arabia, Turkey, and Egypt.
- Previously executive leadership positions held and contributed to international organizations, playing a key role in regional and global tourism development.



### Mr. Faisal Bin Mohammed Al-Malek

- Vice Chairman of the Board
- Membership Type: Non-Executive

#### Current Positions:

- Vice Chairman & Executive Committee Member – BAAN Holding Group (Public Joint Stock Co.) (April 2024 – Present)
- Board Member – Abdulmohsen AlHokair Holding Group (LLC) (March 2016 – Present)
- Chief Executive Officer (CEO) – Abdulmohsen AlHokair Holding Group (LLC) (November 2018 – Present)
- Executive Director – Abdulmohsen AlHokair & Sons Co. Ltd. (LLC) (September 2021 – Present)
- Board Member – Aster Arabia (LLC) (March 2023 – Present)
- Board Member – Tourism and Real Estate Development Co. (TURESCO) (Public Joint Stock Co.) (March 2023 – Present)
- Board Member – Fine Foods Company (LLC) (June 2024 – Present)
- Board Member – Saudi Supply and Technical Services Co. (LLC) (September 2024 – Present)
- Fund Board Member – Jadwa Real Estate Investment Fund, Jadwa Investment (September 2020 – Present)
- Board Member – Mama Noura for Meals (LLC) (November 2024 – Present)
- Board Member – Abar Al Tawasul for Meals (LLC) (November 2024 – Present)

#### Previous Positions:

- Board Member, ANBl Economic Gate Fund – anb capital (until 2024)
- Senior Relationship Manager – Corporate Banking, The National Commercial Bank (NCB) (January 2004 – October 2005)

#### Qualifications:

Faisal holds a bachelor's degree in industrial engineering from King Saud University, obtained in 1998. He also earned a Credit Analysis Certification from Chase Manhattan Bank in New York, USA, during his tenure at the Saudi Industrial Development Fund in Riyadh. Throughout his career, he has participated in numerous international exhibitions specializing in hotels and restaurants, in addition to attending global conferences and seminars in the tourism and entertainment sectors, further enriching his industry expertise.

#### Experience:

Faisal has extensive professional experience across multiple sectors. He currently serves as the Vice Chairman of the Board at BAAN Holding Group and has been the CEO of Abdulmohsen Al-Hokair Holding Group since 2018. Additionally, he holds board memberships in several companies and investment funds, including Real Estate & Tourism Development Company, Luxury Foods Company, and Aster Arabia.

He began his career at the Saudi Industrial Development Fund (1998–2003) before moving to corporate banking at the National Commercial Bank (NCB). Over the years, he has provided strategic advisory and leadership in investment, tourism, and real estate development.



### Mr. Fahad Mohammed Saleh Al Obailan

- Position: CEO and Board Member
- Membership Status: Executive Member

#### Current Positions:

- Board Member, Executive Committee Member & CEO – BAAN Holding Group (Public Joint Stock Co.) (April 2024 – Present)
- Board Member – Altanafeethi Company (LLC) (December 2024 – Present)
- Board Member – Middle East and North Africa Leisure and Attractions Council (MENALAC) (Non-Profit Organization) (July 2024 – Present)
- Board Member – Malahi Entertainment Company (LLC) (December 2024 – Present)
- Board Member – Tourism and Real Estate Development Co. (TURESCO) (LLC) (November 2024 – Present)
- Board Member – Qassim Projects and Entertainment Co. (LLC) (December 2024 – Present)
- Board Member – Osool Al Mazaya Hotel Company (LLC) (January 2025 – Present)
- Vice Chairman – Tatweer Industries Co. (Closed Joint Stock Co.) (July 2024 – Present)
- Chairman of the Board – Mansat Al Musafir for Travel and Tourism (LLC) (June 2023 – Present)
- Member of the Nomination and Remuneration Committee – Lumi Rental Co. (Listed Joint Stock Co.) (July 2021 – Present)
- Board Member – Princess Nourah bint Abdulrahman University (October 2023 – Present)
- Member of the Tourism and Entertainment Committee – Riyadh Chamber of Commerce (February 2025 – Present)

#### Previous Positions:

- CEO of Tourism – Almosafer for Travel and Tourism (Closed Joint Stock Co.) (January 2022 – February 2024)
- Executive Vice President (EVP), Trel & Tourism – Seera Holding Group (Listed Joint Stock Co.) (January 2021 – February 2022)
- Executive Vice President (EVP), Retail – Seera Holding Group (Listed Joint Stock Co.) (January 2019 – January 2021)
- Head of Lexus (Riyadh) – Abdul Latif Jameel Company (LLC) (November 2016 – January 2019)
- Vice Chairman of the Tourism and Entertainment Committee – Riyadh Chamber of Commerce (May 2019 – February 2025)
- Board Member – Lumi Rental Co. (Listed Joint Stock Co.) (July 2021 – April 2022)
- Board Member – Batic Investments and Logistics Company (Listed Joint Stock Co.) (April 2022 – April 2023)
- Board Member – Najm for Insurance Services (Closed Joint Stock Co.) (December 2020 – July 2024)

#### Qualifications:

Mr. Fahad holds a master's degree in business administration from Thunderbird School of Global Management (2012) and a bachelor's in business administration – Marketing from King Saud University (2003). He further enhanced his expertise with studies at London Business School (2013) and a specialized luxury brand management program at ESSEC Business School (2021) and INSEAD (2024)

#### Experience:

With a strong leadership background, Mr. Fahad has held key roles at Seera Group, including Vice President of Sales & Discover Saudi and Vice President of the Retail Sector. He also led Lexus Riyadh as Head of the Agency and General Manager at Abdul Latif Jameel Group. Since April 2024, he has been the Chief Executive Officer of BAAN Holding Group, serving as a Board Member and Executive Committee Member. Additionally, he sits on the boards of Al-Tanfeethi, Saudi Development & Investment Company (TDF), Malahi, Tourisco, and Lumi Rental.



### Mishaal bin Ibrahim Al-Shenaifi

- Position: Board Member
- Membership Status: Independent

#### Current Positions:

- Board Member & Executive Committee Member – BAAN Holding Group (Public Joint Stock Co.) (April 2024 – Present)
- Executive Council Member – Applied College, Princess Nourah bint Abdulrahman University (Public University) (March 2025 – Present)
- Board Member, Chairman of the Nomination and Remuneration Committee (NRC) & Audit Committee Member – Mawjah Al Asr for Advertising (Joint Stock Co.) (March 2024 – Present)
- Board Member & NRC Member – Al Maqar Development Company (Joint Stock Co.) (October 2023 – Present)
- Founder & General Manager – Soun Al Oula for Transport and Storage (One Person Company) (December 2023 – Present)
- Chairman of the Fund Board & Independent Member – Al Rajhi REIT Fund (Traded Real Estate Fund) (December 2018 – Present)
- Founder & Chief Executive Officer (CEO) – FL Development (LLC) (July 2017 – Present)
- Founder & General Manager – BAM United Contracting Co. (LLC) (March 2012 – Present)

#### Previous Positions:

- General Manager – Dar Al Tanmiyat Company (LLC) (December 2012 – December 2024)

#### Qualifications:

Bachelor's degree in financial management from King Saud University, 2003.  
 Master's degree in financial engineering from New York University, USA, 2008.

#### Experience:

Mr. Mishaal Al-Shenaifi has extensive experience in investment, management, and real estate development. He has served as Chairman of Al Rajhi REIT Fund since 2018. He is also a Board Member and Member of the Nomination Committee at AIMqar Development Company. Additionally, he is a Board Member, Chairman of the Nomination Committee, and Member of the Audit Committee at Modern Wave Company. He founded and managed several companies, including Land of Furniture Ltd, BAM United Contracting Company, Dar Al Tanmiyat Real Estate Development, Entrepreneurship Company, and Soun Aloula Transportation and Storage Company.



### Mr. Nabil bin Dawood Al-Hoshan

- Position: Board Member
- Membership Status: Independent

#### Current Positions:

- Board Member, Chairman of the Nomination and Remuneration Committee & Audit Committee Member – BAAN Holding Group (Public Joint Stock Co.) (April 2024 – Present)
- Board Member & Chairman of the Executive Committee – Social Development Bank (SDB) (Government Developmental Entity) (June 2020 – Present).
- Board Member – Sahara Company (Closed Joint Stock Co.)

#### Previous Positions:

- Board Member – Bank AlJazira (Public Joint Stock Co.)
- Board Member & Vice Chairman – AlJazira Capital (Public Joint Stock Co.)
- Board Member – SABB Takaful (Public Joint Stock Co.)
- Managing Director & CEO – Bank AlJazira (Public Joint Stock Co.) (2010 – 2020)
- Head of Retail Banking Group – The Saudi British Bank (SABB) / AlAwwal Bank (Public Joint Stock Co.) (2006 – 2010)
- Head of Retail Banking Group – Arab National Bank (anb) (Joint Stock Co.) (2001 – 2006)
- Head of Retail Banking Group (Eastern Region) – Samba Financial Group (Public Joint Stock Co.) (1998 – 2001)
- Head of Branch Network – The Saudi British Bank (SABB) / AlAwwal Bank (Public Joint Stock Co.) (1984 – 1998)

#### Experience:

Mr. Nabil Al-Hoshan has extensive experience in the banking sector, holding notable leadership roles such as Managing Director and CEO at Bank AlJazira (2010-2020), Head of Retail Banking at Saudi British Bank (SABB), and Arab National Bank (ANB). He currently serves on the boards of several entities, including Social Development Bank, Bank AlJazira, and SABB Takaful Company. He is also a Board Member and Chairman of the Nomination and Remuneration Committee at BAAN Holding Group since April 2024.

#### Qualifications:

Bachelor's degree in accounting from King Saud University, 1984



### Mr. Salem Ali Al-Shahrani

- Position: Board Member
- Membership Type: Independent

#### Current Positions:

- Board Member & Member of the Nomination and Remuneration Committee – BAAN Holding Group (Public Joint Stock Co.) (April 2024 – Present)
- Board Member – Aseer Investment Company (LLC) (December 2022 – Present)
- Executive Director – Accor Hotels Group, Makkah Clock Towers (LLC) (October 2021 – Present)

#### Previous Positions:

- Director General of Special Affairs for the Custodian of the Two Holy Mosques – Royal Palaces, Royal Court (September 2019 – October 2021)
- Lecturer / Chief Executive Officer (CEO) – Faculty of Tourism, King Abdulaziz University (September 2017 – September 2019)
- Advisor, Chairman of the Travel Committee & Director General of Royal Palaces – Royal Court (May 2015 – September 2017)
- General Manager – InterContinental Hotels Group (IHG) (August 2013 – May 2015)

#### Experience:

Mr. Salem has extensive experience in the hospitality sector, having held prominent leadership positions such as General Manager of Royal Palaces – Royal Affairs for the Custodian of the Two Holy Mosques, CEO of the Tourism Consulting Office at King Abdulaziz University, and General Manager of InterContinental Hotels Group (IHG). Currently, he serves as a Board Member and a Member of the Nomination & Remuneration Committee at BAAN Holding Group, in addition to being a Member of the Shura Council (9th Term).

#### Qualifications:

- Master's degree in international hospitality management from École Hôtelière de Lausanne, 2022.
- Executive MBA from King Abdulaziz University, 2014.
- Bachelor's degree in engineering from King Abdulaziz University, 1999.



**Mr. Yanal bin Mufawq Al-Saudi**

- Position: Board Member
- Membership Status: Independent

**Current Positions:**

- Board Member & Chairman of the Audit Committee – BAAN Holding Group (Public Joint Stock Co.) (April 2024 – Present)
- Audit Committee Member – Arabian Centres Company (Cenomi Centers) (Public Joint Stock Co.) (June 2025 – Present)
- Audit Committee Member & Executive Committee Member – Magrabi Hospitals and Centers (Closed Joint Stock Co.) (September 2023 – Present)
- Audit Committee Member & Member of the Nomination and Remuneration Committee – Middle East Pharmaceutical Industries Co. (Avalon Pharma) (Public Joint Stock Co.) (February 2023 – Present)
- Audit Committee Member – Saudi Reinsurance Company (Saudi Re) (Public Joint Stock Co.) (May 2023 – Present)
- Chairman of the Audit Committee – National Finance Company (Closed Joint Stock Co.) (December 2022 – Present)

**Previous Positions:**

- Senior Audit Manager – Ernst & Young Professional Services (EY) (LLC) (July 2001 – June 2022)
- Audit Manager – Arthur Andersen & Co., Amman, Jordan (1996 – 2001)
- Senior Auditor – Arthur Andersen & Co., Amman, Jordan (1989 – 1995)

**Qualifications:**

- Bachelor's degree in business administration from Oklahoma State University, USA, 1985.
- Certified Public Accountant (CPA) from the American Institute of Certified Public Accountants, 1992.

**Experience:**

Mr. Yanal Al-Saudi began his professional career as a Senior Auditor, then Audit Manager at Arthur Andersen, Amman, Jordan. He subsequently held several leadership positions at Ernst & Young (EY) until 2022, including Senior Audit Manager, Head of Audit Department – Riyadh Office, Head of Independence & Risk Management – Middle East & North Africa, and Head of Financial Advisory Services – Riyadh Office. Currently, he serves as a Board Member and Chairman of the Audit Committee at BAAN Holding Group since April 2024.

**Members of the Board of Directors (Current Term)**

The table below outlines the number of board meetings held during the fiscal year 2024, along with the attendance record for each board member since their election by the General Assembly of the company:

No.	Board Member Name	Position / Membership Type	Membership Classification	Meeting 1	Meeting 2	Meeting 3	Meeting 4	Total	Attendance Percentage
				April 22	June 10	Sept 9	Dec 23		
1	Mr. Sami bin Abdulmohsen AlHokair	Chairman of the Board	Non-Executive	Present	Present	Present	Present	4	100 %
2	Mr. Faisal bin Mohammed Al-Malek	Vice Chairman of the Board	Non-Executive	Present	Present	Present	Present	4	100 %
3	Mr. Fahad bin Mohammed AlObailan	Board Member / CEO	Executive	Present	Present	Present	Present	4	100 %
4	Mr. Yanal bin Mufawq Al-Saudi	Board Member	Independent	Present	Present	Present	Present	4	100 %
5	Mr. Salem bin Ali Al-Shahrani	Board Member	Non-Executive	Present	Absent	Present	Present	3	75 %
6	Mr. Mishaal bin Ibrahim Al-Shunaifi	Board Member	Independent	Present	Present	Present	Present	4	100 %
7	Mr. Nabil bin Dawood Al-Hoshan	Board Member	Independent	Present	Present	Present	Present	4	100 %
<b>Average Attendance Percentage of Board Members for Board Meetings:</b>									<b>96 %</b>

**Members of the Board of Directors ( Previous Term)**

The following section sets out the number of Board meetings held during the last fiscal year, their dates, and attendance records for each meeting, indicating the number of Board members for the Previous Term. This covers the period from 01/01/2024 to 18/04/2024, the term of which concluded on 18 April 2024.

No.	Board Member Name	Position / Membership Type	Membership Classification	Meeting 1	Meeting 2	Total	Attendance Percentage
				January 9	March 24		
1	Mr. Majed bin Abdulmohsen AlHokair	Chairman of the Board	Non-Executive	Present	Present	2	100 %
2	Mr. Amr bin Abdulaziz AlJallal	Vice Chairman	Non-Executive	Present	Present	2	100 %
3	Mr. Khalid Anib	Board Member	Independent	Present	Present	2	100 %
4	Mr. Ramzi bin Kanaan Abu Khadra	Board Member	Independent	Present	Present	2	100 %
5	Mr. Faisal bin Mohammed Shaker	Board Member	Independent	Present	Present	2	100 %
6	Eng. Raed bin Abdulaziz Abu Zinada	Board Member	Independent	Present	Absent	1	50 %
7	Eng. Eyad bin Abdulrahman AlBunyan	Board Member	Independent	Absent	Present	1	50 %
8	Mr. Sami bin Abdulmohsen AlHokair	Board Member	Executive	Present	Present	2	100 %
9	Mr. Bandar bin Khalid AlHokair	Board Member	Non-Executive	Present	Present	2	100 %
<b>Average Attendance Percentage of Board Members for Board Meetings:</b>							<b>90 %</b>

On February 25, 2024, the Board of Directors approved by circulation the appointment of Mr. Fahad bin Mohammed AIObailan as CEO, effective March 3, 2024. Accordingly, Mr. Sami bin Abdulmohsen and a Board Member. AlHokair concluded his role as CEO but continues to serve as Managing Director and a Board Member.

**Below are the profiles of the Executive Management Team:**



**Mr. Fahad bin Mohammed AIObailan**

- CEO and Board Member
- Membership Status: Executive

Full profile listed in section No (60)



**Mr. Ahmed Aly Ebid**

- Position : CFO

<p><b>Current Positions:</b></p> <ul style="list-style-type: none"> <li>▪ Group Chief Financial Officer (CFO), BAAN Holding Group</li> <li>▪ Member of the Executive Committee, Malahi Entertainment (a joint venture of BAAN Holding Group)</li> </ul>	<p><b>Experience</b></p> <p>Over 18 years of extensive experience across various managerial and operational roles, combining financial and operational expertise particularly within the entertainment and hospitality sectors, including family entertainment centers and hospitality management.</p>
<p><b>Previous Positions:</b></p> <ul style="list-style-type: none"> <li>▪ Chief Entertainment Officer Abdulmohsen Al Hokair Group</li> <li>▪ Finance General Manager Abdulmohsen Al Hokair Group Headquarters</li> <li>▪ Deputy Entertainment General Manager and Finance Director Abdulmohsen Al Hokair Group</li> <li>▪ Finance Manager, Entertainment Sector – Abdulmohsen Al Hokair Group</li> <li>▪ Financial Controller – Abdulmohsen Al Hokair Group Headquarters</li> <li>▪ Senior Accountant / Financial Analyst EgyptAir Maintenance &amp; Engineering Services</li> </ul>	<p><b>Qualifications</b></p> <p>Bachelor’s degree in accounting, Tanta University, Egypt, 1999.                  Certified Management Accountant CMA - IMA institute 2010</p>

The Board of Directors has established three committees to assist in carrying out its responsibilities. These committees are the Executive Committee, the Audit Committee, and the Nomination and Remuneration Committee. The Board regularly monitors the committee’s activities, ensuring they fulfill their assigned duties. Each committee transparently reports its activities, findings, and decisions to the Board, which retains ultimate authority for final approval.

**BAAN Board Committees**



**1 Executive Committee**

**Committee Responsibilities and Duties**

The Board of Directors formed the Executive Committee, and the guidelines for committee selection, membership duration, working methods, and responsibilities were approved in the board meeting held on April 22, 2024.

The committee has the following authorities, tasks, and responsibilities:

- Approving the group’s strategy before the final endorsement by the Board.
- Reviewing governance policies and procedures adopted by the group, including essential governance documents such as internal regulations, and providing recommendations to the Board.
- Approving related-party transactions and recommending Board approval for transactions exceeding the committee’s authority.
- Reviewing periodic management reports, performance evaluations, new investments, and reinvestments, approving them within its delegated authority limits before submission to the Board for final approval.
- Reviewing annual budgets and plans and investigating significant budget variances, if any, before presenting them to the Board.
- Monitoring and receiving reports on the execution and completion of major projects and key expansion activities of the group.
- Assisting the Board in fulfilling its responsibilities, particularly tasks delegated by the Board when timing is critical,
- excluding matters reserved specifically for the Board as outlined in the Board’s working regulations.
- Recommending or approving transactions or other matters according to the authorities defined in the delegation of authority structure and recommending amendments to the group’s Articles of Association.
- Reviewing investment plans related to the group’s surplus liquidity.
- Receiving regular reports from the company’s management concerning the group’s risk management processes, including risk assessments.

### Executive Committee Members (Current Term)

The Executive Committee consists of four members, chaired by Mr. Sami Abdulmohsen Al Hokair, along with the Committee Secretary, Mr. Khalid Al Ali. During 2024, the committee convened four meetings. The table below details the members, their positions, membership classifications, and attendance records for the year.

No.	Executive Committee Member	Position / Membership Type	Membership Classification	Meeting 1	Meeting 2	Meeting 3	Meeting 4	Attendance Percentage
				August 27	October 16	November 20	December 16	
1	Mr. Sami Abdulmohsen Al Hokair	Committee Chairman	Non-Executive	Present	Present	Present	Present	100 %
2	Mr. Faisal Mohammed Al Malik	Member	Non-Executive	Present	Present	Present	Present	100 %
3	Mr. Fahad Mohammed Al Obailan	Member	Executive	Present	Present	Present	Present	100 %
4	Mr. Meshal Ibrahim Sulaiman Al Shunaifi	Member	Independent	Present	Present	Present	Present	100 %
<b>Average Attendance Percentage of Board Members for Board Meetings:</b>								100 %

### Committee Members' Profiles

- Mr. Sami Abdulmohsen Al Hokair (Full profile listed in section No. (59))
- Mr. Faisal Mohammed Al Malik (Full profile listed in section No. (60))
- Mr. Fahad Mohammed Al Obailan (Full profile listed in section No. (61))
- Mr. Meshal Ibrahim Sulaiman Al Shunaif (Full profile listed in section No. (62))

## 2

### Audit Committee

#### Committee Roles and Responsibilities:

The Audit Committee was established by the Board of Directors, with its member selection criteria, membership duration, operational procedures, and responsibilities formally approved during the Board meeting held on 22/04/2024.

#### To effectively fulfill its duties, the Audit Committee has the authority to:

- Engage experts and specialists, both within and outside the company, within its scope of authority. The engagement must be recorded in the committee's meeting minutes, including the expert's name and any relationship with the company or executive management.
- Conduct or delegate investigations into matters within its scope of responsibility.
- Make decisions on matters delegated to it by the Board.
- Access company records and documents
- Request clarifications from the Board of Directors or executive management.
- Request the Board of Directors to convene a General Assembly if the Board impedes its work or if the company faces significant harm or substantial losses.

#### The Audit Committee's main duties and responsibilities include:

- [A] Reviewing the company's interim and annual financial statements before submission to the Board of Directors, providing opinions and recommendations.
- [B] Supervising the performance and activities of the internal audit department, reviewing internal audit reports, and monitoring corrective actions on noted observations.
- [C] Recommending external auditors to Board of Directors and setting their fees.
- [D] Reviewing the external auditor's report, their remarks on financial statements, and monitoring related actions taken.
- [E] Ensuring the company's compliance with relevant regulations, bylaws, policies, and instructions.
- [F] Reviewing proposed contracts and transactions with related parties and submitting recommendations to the Board.
- [G] The Audit Committee Charter details the committee's functions, authorities, and working procedures.

### Audit Committee Members (Previous Term)

The Audit Committee consists of three members, chaired by Mr. Yanal Mowafaq Sadeq Al-Saudi, along with Committee Secretary Mr. Khalid Jamal. In 2024, the committee held seven meetings. The following table provides details on the members, their positions, membership classification, and meeting attendance records for the year:

No.	Audit Committee (Previous Session)*	Position / Membership Type	Membership Classification	Meeting 1	Meeting 2	Attendance Percentage
				25 Mar 2024	26 Mar 2024	
1	Mr. Ramzi Kanaan Abu Khadra	Committee Chairman	Independent	Present	Present	100 %
2	Mr. Amr Abdulaziz Al Jalal	Member	Non-Executive	Present	Present	100 %
3	Mr. Sulaiman Alquhidan	Member	Independent	Present	Present	100 %
<b>Average Attendance Rate for Audit Committee Members:</b>						100 %

### Audit Committee Members (Current Term)

No	Audit Committee	Position / Membership Type	Membership Classification	Meeting 1	Meeting 2	Meeting 3	Meeting 4	Meeting 5	Attendance Percentage
1	Mr. Yanal Mowafaq Sadeq Al-Saudi	Chairman	Independent	15 May 2024	4 Aug 2024	28 Aug 2024	6 Nov 2024	2 Dec 2024	100 %
2	Mr. Nabil Dawood Al Hoshan	Member	Independent	Present	Present	Present	Present	Present	100 %
3	Mr. Adel Ahmed Al Ghamdi	Member	Independent	Present	Present	Present	Present	Present	100 %
<b>Average Attendance Rate for Audit Committee Members:</b>									100 %

### Committee Members' Profiles:

- Mr. Yanal Mowafaq Sadeq Al-Saudi Full profile listed in section No (64)
- Mr. Nabil Dawood Al Hoshan Full profile listed in section No (62)



**Mr. Adel Ahmed Al Ghamdi**

### Current Positions:

- Audit Committee Member – BAAN Holding Group (Public Joint Stock Co.) (April 2024 – Present)
- Board Member – Middle East Food Solutions Company (LLC)
- Audit Committee Member – Dhahran Valley Holding Company
- Audit Committee Member – Al Fadhli Housing Real Estate Company
- Chief Financial Officer (CFO) – ARASCO (Joint Stock Co.) (2022 – Present)

### Previous Positions:

- Held various positions in Financial Management – Saudi Aramco (Saudi Joint Stock Co.) (2003 – 2013)
- Group Chief Financial Officer (Group CFO) – ARASCO (Joint Stock Co.) (2013 – 2016)
- Chief Financial Officer (CFO) – Air Liquide Arabia (Joint Venture) (2016 – 2019)
- Chief Financial Officer (CFO) – AlHokair Group (Public Joint Stock Co.) (2019 – 2021)
- Chief Financial Officer (CFO) – Zamil Industrial (Joint Stock Co.) (2021 – 2022)

### Qualifications and Experience:

MBA, University of Liverpool

## 3

### Nomination and Remuneration Committee

### Committee Roles and Responsibilities

The Board of Directors formed the Nomination and Remuneration Committee, approving the criteria for selecting committee members, membership duration, operational procedures, and responsibilities during the Board meeting held on 22/04/2024.

The responsibilities and duties of this committee include:

- Proposing clear policies and standards for membership in the Board of Directors and executive management.
- Recommending nominations and re-nominations to the Board of Directors according to the approved policies and standards.
- Preparing descriptions of the capabilities and qualifications required for Board membership and executive management positions.
- Advising the Board of Directors regarding the selection of senior executives possessing qualifications suitable for operational activities within the group.
- Verifying annually the independence of independent board members and ensuring there are no conflicts of interest if a member also serves on the board of another company.
- Conducting an annual review of skills and experience required for Board membership and executive management positions.
- Identifying strengths and weaknesses within the Board of Directors and proposing solutions in line with the company's interests.
- Developing a clear remuneration policy for Board members, board committees, and executive management, and submitting it to the Board of Directors for consideration and subsequent approval by the General Assembly.
- Periodically reviewing the remuneration policy and assessing its effectiveness in achieving intended objectives.
- Recommending remuneration for Board members, board committees, and senior executives in accordance with the approved remuneration policy.
- Submitting recommendations to the Board regarding the appointment, dismissal, or acceptance of resignation of the CEO.

### Nomination and Remuneration Committee Members (Previous Term)

The Nomination and Remuneration Committee comprises three members chaired by Mr. Nabil Dawood Al Hoshan, with Mr. Mohammed Al Taifi serving as Committee Secretary. The committee held three meetings during 2024. The following table shows the committee members, their positions, membership classification, and meeting attendance records for the year

No	Nomination and Remuneration Committee (Previous Session)*	Position / Membership Type	Membership Classification	Meeting 1	Attendance Percentage
				27 Feb 2024	
1	Eng. Iyad Al Bunyan	Committee Chairman	Independent	Present	100 %
2	Eng. Faisal Shaker	Member	Independent	Present	100 %
3	Mr. Faisal Al Malek	Member	Independent	Present	100 %
<b>Average Attendance Rate for Nomination and Remuneration Committee Members:</b>					100 %

\* Note: Committee meetings in the previous term were held during 2024.

### Nomination and Remuneration Committee Members (Current Term)

No	Nomination and Remuneration Committee	Position / Membership Type	Membership Classification	Meeting 1	
				8 Jul 2024	Attendance Percentage
1	Mr. Nabil Dawood Al Hoshan	Committee Chairman	Independent	Attended	100 %
2	Mr. Salem Ali Al Shahrani	Member	Non-Executive	Attended	100 %
3	Mr. Sakher Al Rabiaan	Member	Independent	Attended	100 %
<b>Average Attendance Rate for Nomination and Remuneration Committee Members:</b>					100 %

#### Committee Members' Profiles:

- Mr. Nabil Dawood Al Hoshan Full profile listed in section No 62
- Mr. Salem Ali Al Shahrani Full profile listed in section No 63



**Mr. Sakher Al Rabiaan**

#### Current Positions:

- Head of Human Capital Management – Public Investment Fund (PIF)
- Member, Nomination and Remuneration Committee – AlAhi Capital
- Member, Nomination and Remuneration Committee – Saudi Space Company
- Member, Nomination and Remuneration Committee – Al Saif Contracting and Projects Company
- Member, Nomination and Remuneration Committee – Najm for Insurance Services
- Member, Nomination and Remuneration Committee – Saudi Venture Capital Company
- Member, Nomination and Remuneration Committee – Aircraft Leasing Company

#### Previous Positions:

- Deputy CEO for Human Resources – Saudi National Bank (SNB)
- Group Head of Human Resources – Samba Financial Group
- Head of Recruitment and Employee Development – Samba Financial Group

#### Qualifications and Experience:

Bachelor of Business Administration – Arab Open University

BAAN Holding Group's Board of Directors conducted a self-assessment for the year 2024. Each board member independently completes this annual assessment to ensure continued compliance with the group's membership criteria and

procedures, as well as all regulations and directives issued by the Ministry of Commerce and the Capital Market Authority (CMA). Following the self-assessment, the Chairman of the Board may review the results, highlighting areas for

improvement. Alternatively, the assessment may be conducted collectively under the Chairman's supervision or with the involvement of an external party.

### Criteria and Rules Governing Remuneration

The Nomination and Remuneration Committee at BAAN Holding Group developed a remuneration policy for Board members, board committees, and sen-

ior executives, approved by the General Assembly in its meeting on 15/12/2021. The policy is reviewed annually in compliance with the Companies Law,

Capital Market Authority regulations, and the company's Articles of Association, considering:

- Remuneration should align with the company's operations and required management skills.
- The variable amount of remuneration should be linked to long-term performance.
- Remuneration must reflect alignment with the company's strategy, goals, size, nature, and risk levels.
- The company considers remuneration practices prevailing in the market and avoids excessively high compensation.
- Remuneration is coordinated with the Nomination and Remuneration Committee for new appointments.
- Remuneration is determined based on the job level, responsibilities, qualifications, experience, skills, and performance level.
- Remuneration should be fair and proportional to the responsibilities and tasks assigned to board and committee members, aligned with goals set by the board for the financial year.
- Sector, company size, and board members' experience are considered.
- Remuneration should reasonably attract, retain, and motivate competent and experienced board members.
- Remuneration may vary among board members, reflecting each member's experience, competencies, independence, attendance, and responsibilities.
- Remuneration payment can be suspended or reclaimed if it is based on inaccurate information provided by any board committee member or executive management, preventing misuse of the position for undue benefits.
- Any stock-granting program developed for board members, executives, and employees, either new issuances or repurchased shares supervised by the Nomination and Remuneration Committee, aligned with the company's Articles of Association and relevant CMA regulations.

### Remuneration Policy for Board Members, Committees and Executive Management:



Fixed annual remuneration: SAR 200,000 per member.

Attendance allowance: SAR 3,000 per meeting, with transportation, accommodation, and travel expenses provided for members attending meetings from outside the city.

Regarding modifications to Board members' remuneration and payment mechanisms, the fixed annual remuneration amount mentioned in item (1) above may be periodically reviewed based on recommendations from the Nomination and Remuneration Committee, considering performance-related changes, and subsequently obtaining approval from the General Assembly of Shareholders. Additionally, attendance allowances for meetings and extra attendance allowances are paid quarterly, while the fixed annual remunerations are paid after approval by the General Assembly.

Fixed annual remuneration: SAR 50,000 per committee member.

Attendance allowance: SAR 3,000 per meeting, payable quarterly.

Board members serving on multiple committees receive a fixed remuneration of SAR 50,000 total for all committees.

Committee members who are not board members receive SAR 100,000 per committee membership.

The Nomination and Remuneration Committee annually reviews and approves executive remuneration according to established criteria, comprising:

Monthly basic salary

Allowances (housing, transportation)

Medical insurance for executives and their families

Life insurance covering work-related injuries, partial/total disability, and death during work

Performance-based annual incentives aligned with company policies

Additional benefits such as annual leave, travel tickets, and end-of-service gratuity as per labor regulations and company HR policy

The CEO implements the remuneration policy for employees and senior executives based on committee recommendations and board approval.

The company covers travel and accommodation costs for the board, committee members, and executive management attending meetings outside the host city. Round-trip tickets for board and committee members are provided in First or Business Class, subject to availability.

### Previous Board of Directors Remunerations for the Year 2024

No	Name	Fixed Remunerations						Variable Remunerations									
		Specific Amount	Board Meeting Attendance Allowance	Total Committee Meetings Attendance Allowance	In-kind Benefits	Technical and Administrative Workers' Bonus	Bonus for Board Chairman, Managing Director, or Secretary (if a Board member)	Total	Percentage of Profits	Periodic Bonuses	Short-Term Incentive Plans	Long-Term Incentive Plans	Granted Shares (value entered)	Total	End-of-Service Benefit	Grand Total	Expense Allowance
<b>First: Independent Members</b>																	
1	Faisal bin Mohammed Shaker	60,275	6,000	3,000	-	-	-	69,275	-	-	-	-	-	-	-	69,275	-
2	Khalid Anib	60,275	6,000	-	-	-	-	66,275	-	-	-	-	-	-	-	66,275	-
3	Eiad bin Abdulrahman	60,275	3,000	3,000	-	-	-	66,275	-	-	-	-	-	-	-	66,275	-
4	Raed bin Abdulaziz Abu Zinadah	60,275	3,000	-	-	-	-	63,275	-	-	-	-	-	-	-	63,275	-
5	Ramzi bin Othman Abu Khadra	60,275	6,000	6,000	-	-	-	72,275	-	-	-	-	-	-	-	72,275	-
<b>Total</b>		<b>301,375</b>	<b>24,000</b>	<b>12,000</b>	-	-	-	<b>337,375</b>	-	-	-	-	-	-	-	<b>337,375</b>	-
<b>Second: Non-Executive Members</b>																	
6	Majid bin Abdulmohsen Alhokair	60,275	6,000	-	0	0	0	66,275	-	-	-	-	-	-	-	66,275	-
7	Amr Abdulaziz Aljallal	60,275	6,000	6,000	0	0	0	72,275	-	-	-	-	-	-	-	72,275	-
8	Bandar Khalid Al Hokair	60,275	6,000	-	-	-	-	66,275	-	-	-	-	-	-	-	66,275	-
<b>Total</b>		<b>180,825</b>	<b>18,000</b>	<b>6,000</b>	-	-	-	<b>204,825</b>	-	-	-	-	-	-	-	<b>204,825</b>	-
<b>Third: Executive Members</b>																	
9	Mr. Sami bin Abdulmohsen Alhokair	60,275	6,000	-	-	-	-	66,275	-	-	-	-	-	-	-	66,275	-
<b>Total</b>		<b>60,275</b>	<b>6,000</b>	-	-	-	-	<b>66,275</b>	-	-	-	-	-	-	-	<b>66,275</b>	-
<b>Grand Total</b>		<b>542,475</b>	<b>48,000</b>	<b>18,000</b>	-	-	-	<b>608,475</b>	-	-	-	-	-	-	-	<b>608,475</b>	-

### Remuneration of the Current Board of Directors and its Committees (Term Commencing 19 April 2024)

No	Name	Fixed Remunerations						Variable Remunerations										
		Specific Amount	Board Meeting Attendance Allowance	Total Committee Meetings Attendance Allowance	In-kind Benefits	Technical and Administrative Workers' Bonus	Bonus for Board Chairman, Managing Director, or Secretary (if a Board member)	Total	Percentage of Profits	Periodic Bonuses	Short-Term Incentive Plans	Long-Term Incentive Plans	Granted Shares (value entered)	Total	End-of-Service Benefit	Grand Total	Expense Allowance	Arrangements or Agreements Waiving Any Remuneration
<b>First: Independent Members</b>																		
1	Mr. Nabil Dawood Al Houshan	139,725	12,000	18,000	-	-	-	169,725	-	-	-	-	-	-	-	169,725	-	-
2	Mr. Meshal Ibrahim Suleiman Al Shunaifi	139,725	12,000	12,000	-	-	-	163,725	-	-	-	-	-	-	-	163,725	-	-
3	Mr. Salem Ali Al Shahrani	139,725	9,000	3,000	-	-	-	151,725	-	-	-	-	-	-	-	151,725	-	-
4	Mr. Yanal Mowaffaq Sadiq Al Saudi	139,725	12,000	15,000	-	-	-	166,725	-	-	-	-	-	-	-	166,725	-	-
<b>Total</b>		<b>558,900</b>	<b>45,000</b>	<b>48,000</b>	-	-	-	<b>651,900</b>	-	-	-	-	-	-	-	<b>651,900</b>	-	-
<b>Second: Non-Executive Members</b>																		
5	Mr. Sami bin Abdulmohsen Al Hokair	139,725	12,000	12,000	-	-	-	163,725	-	-	-	-	-	-	-	163,725	-	-
6	Mr. Faisal Mohammed Ibrahim Al Malik	139,725	12,000	12,000	-	-	-	163,725	-	-	-	-	-	-	-	163,725	-	-
<b>Total</b>		<b>279,450</b>	<b>24,000</b>	<b>24,000</b>	-	-	-	<b>327,450</b>	-	-	-	-	-	-	-	<b>327,450</b>	-	-
<b>Third: Executive Members</b>																		
7	Mr. Fahad Mohammed Saleh Al Obeilan	139,725	12,000	12,000	-	-	-	163,725	-	-	-	-	-	-	-	163,725	-	-
<b>Total</b>		<b>139,725</b>	<b>12,000</b>	<b>12,000</b>	-	-	-	<b>163,725</b>	-	-	-	-	-	-	-	<b>163,725</b>	-	-
<b>Grand Total</b>		<b>978,075</b>	<b>81,000</b>	<b>84,000</b>	-	-	-	<b>1,143,075</b>	-	-	-	-	-	-	-	<b>1,143,075</b>	-	-

### Remuneration of Members of the Previous Committees and their Subcommittees whose Term of Office Ended on April 18, 2024

No	Members	Position	Fixed Remunerations	Total Allowances for Meeting Attendance	Total
<b>Audit Committee Members*</b>					
1	Mr. Ramzi bin Othman Abu Khadra	Committee Chairman	-	6,000	6,000
2	Mr. Omar bin Abdulaziz Aljalal	Member	-	6,000	6,000
3	Mr. Suleiman bin Mohammed Al-Qahtani	Member	30,137	6,000	36,137
<b>Total</b>			<b>30,137</b>	<b>18,000</b>	<b>48,137</b>
<b>Executive Committee Members*</b>					
1	Mr. Sami bin Abdulmohsen Alhokair	Committee Chairman	-	-	-
2	Mr. Khalid Anib	Member	-	-	-
3	Mr. Raed bin Abdulaziz Abu Zinadah	Member	-	-	-
4	Mr. Faisal bin Mohammed Shaker	Member	-	-	-
5	Mr. Mishaal bin Abdulmohsen Alhokair	Member	15,068	-	15,068
<b>Total</b>			<b>15,068</b>	<b>0</b>	<b>15,068</b>
<b>Nomination and Remuneration Committee Members*</b>					
1	Mr. Ziad bin Abdulrahman Al-Bunyan	Committee Chairman	-	3,000	3,000
2	Mr. Badr bin Mohammed Al-Malik	Member	15,068	3,000	18,068
3	Mr. Faisal bin Mohammed Shaker	Member	-	3,000	3,000
<b>Total</b>			<b>15,068</b>	<b>9,000</b>	<b>24,068</b>
<b>Grand Total</b>			<b>60,237</b>	<b>27,000</b>	<b>87,237</b>

**Remuneration of Current Committee Members (Term Commencing 19 April 2024)**

No	Members	Position	Fixed Remunerations	Total Allowances for Meeting Attendance	Total
<b>Audit Committee Members*</b>					
1	Mr. Yanal Mowaffaq Sadiq Al Saudi	Committee Chairman	-	15,000	15,000
2	Mr. Nabil Dawood Al Houshan	Member	-	15,000	15,000
3	Mr. Adel Ahmed Al Ghamdi	Member	69,863	15,000	84,863
<b>Total</b>			<b>69,863</b>	<b>45,000</b>	<b>114,863</b>
<b>Executive Committee Members*</b>					
1	Mr. Sami bin Abdulmohsen Al Hokair	Committee Chairman	-	12,000	12,000
2	Mr. Faisal Mohammed Ibrahim Al Malik	Member	-	12,000	12,000
3	Mr. Fahad Mohammed Saleh Al Obeilan	Member	-	12,000	12,000
4	Mr. Meshal Ibrahim Suleiman Al Shunaifi	Member	-	12,000	12,000
<b>Total</b>			<b>0</b>	<b>48,000</b>	<b>48,000</b>
<b>Nomination and Remuneration Committee Members*</b>					
1	Mr. Nabil Dawood Al Houshan	Committee Chairman	-	3,000	3,000
2	Mr. Salem Ali Al Shaharani	Member	-	3,000	3,000
3	Mr. Sakher Al Rabiaan	Member	34,932	3,000	37,932
<b>Total</b>			<b>34,932</b>	<b>9,000</b>	<b>43,932</b>
<b>Grand Total</b>			<b>104,795</b>	<b>102,000</b>	<b>206,795</b>

**(C) Details of the Remuneration of the Five Highest-Paid Senior Executives, Including the Chief Executive Officer and the Chief Financial Officer, During the Fiscal Year 2024**

Senior Executives	Fixed Remuneration				Variable Remuneration					End-of-Service Benefit	Total Executive Remuneration for the Board	Grand Total	
	Salaries	Allowances	In-kind Benefits	Total	Periodic Bonuses	Profits	Short-Term Incentive Plans	Long-Term Incentive Plans	Granted Shares (value entered)				
<b>Total</b>	<b>4,129,265</b>	<b>1,636,094</b>	<b>0</b>	<b>5,765,359</b>	<b>883,333</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>883,333</b>	<b>760,432</b>	<b>369,725</b>	<b>7,778,849</b>

\* The company has ensured compliance with the disclosure of total executive remuneration in alignment with the requirements of Article 93 (4-b) of the Corporate Governance Regulations. In line with the company's commitment to protecting its interests, as well as those of its shareholders and employees, and to avoid any potential harm that may arise from detailed disclosure based on job titles, the details have not been provided as outlined in Annex (1) of the Corporate Governance Regulations regarding senior executives.

Below is a statement of penalties, sanctions, and fines imposed by various government entities within the Kingdom on the Group. This statement does not include any penalties or violations imposed by the Capital Market Authority (CMA).

**Penalties and Sanctions Imposed by Regulatory, Supervisory, or Judicial Authorities:**

No	Penalty / Restriction Disciplinary Measure	Reason for Violation	Issuing Authority	Corrective Actions & Preventive Measures	Financial Impact in 2024
1	Financial	Lack of licensing for employee accommodation	Riyadh Municipality	License renewed	Low
2	Financial	Violation of bank transfer regulations	Ministry of Commerce	Issuance of bank cards for purchasing employees	Low
3	Financial	Transport truck without a tracking device	Ministry of Interior	Issue resolved, tracking devices installed on transport trucks	Low
4	Financial	Employment of a foreign worker in positions designated for Saudis	Ministry of Labor	Issue resolved	Low
5	Financial	Violation of health regulations	Ministry of Municipal and Rural Affairs	Issue resolved	Low

4 – 12 Articles of Association of BAAN Holding Group

The Articles of Association of BAAN Holding Group serve as the primary legal document defining the Group's objectives, operational guidelines, and governance framework. They establish the Group's identity, organizational structure, and compliance requirements in accordance with Saudi Companies Law and corporate governance regulations. Currently, BAAN Holding Group's Articles of Association comprise 8 chapters and 56 articles, forming the regulatory foundation for internal and external relationships and Following approval by the Extraordinary General Assembly on 21 June 2023, the Group amended Articles (3), (7), and (8) to align with the new Companies Law. The most recent amendment, approved on 5 November 2024, revised Article (2).



BAAN Holding Group maintains an independent Internal Audit Department that reports directly to the Audit Committee. This department operates under the

Internal Audit Charter, approved by the Board of Directors, ensuring compliance with regulations set by competent authorities and the Group's internal policies.

It also supports the Board in overseeing the effectiveness of the internal control system.

Internal Auditor's Report:	Audit Committee's Opinion:	Audit Committee's Recommendation Regarding the Need for an Internal Auditor (if not present):

During the year, the Internal Audit Department conducted various internal audits based on a risk-based audit plan approved by the Audit Committee, focusing on high-risk operations. These audits assessed the adequacy and effectiveness of internal controls, with findings communicated to relevant departments for corrective action and ongoing monitoring. Periodic updates were provided to the Audit Committee.

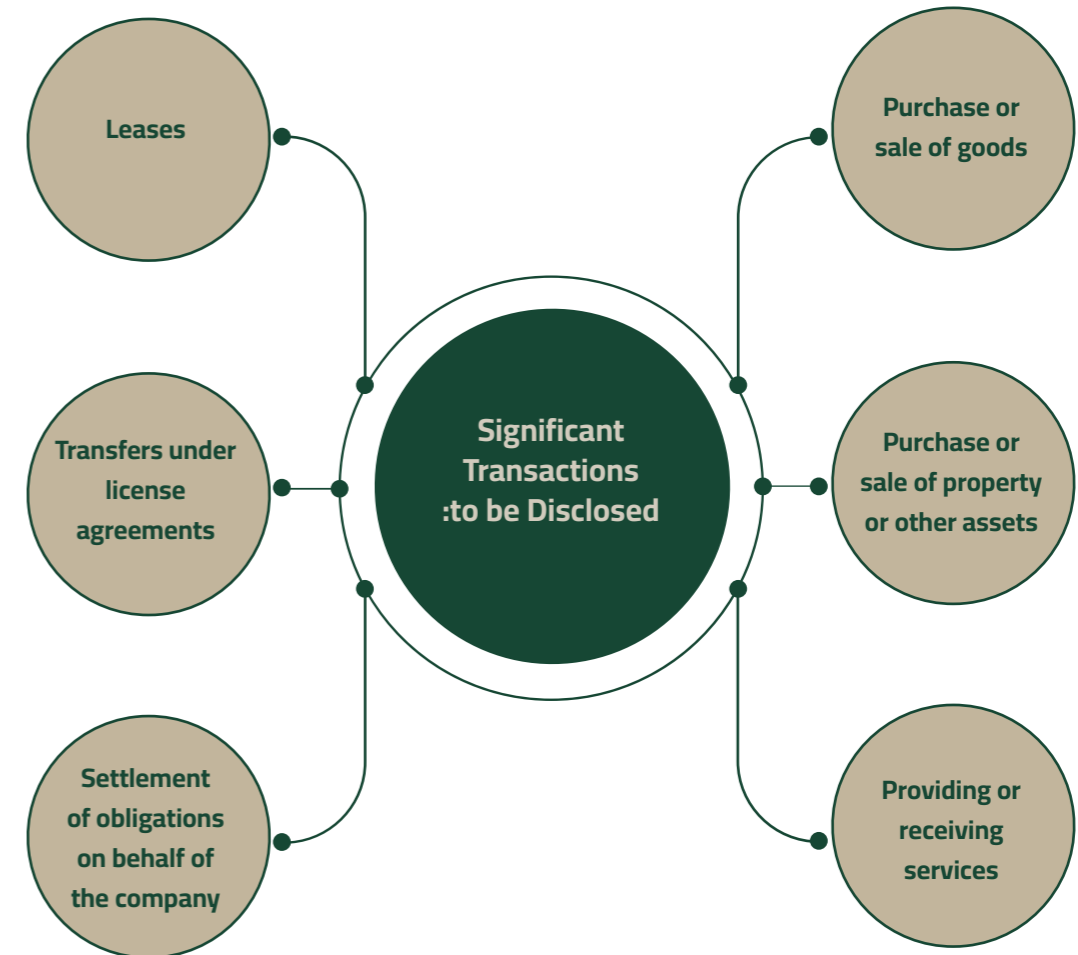
Based on the results of internal audit activities, as well as discussions with external auditors and executive management regarding BAAN Holding Group's annual and interim financial statements for 2024, the Audit Committee did not identify any significant deficiencies in the internal control environment. However, no internal control system can provide absolute assurance of effectiveness.

BAAN Holding Group currently maintains an Internal Audit Department. The Audit Committee oversees internal audit activities, approves the annual risk-based audit plan, and reviews periodic audit reports highlighting critical observations. It also monitors corrective actions to enhance internal controls. Meanwhile, management remains responsible for designing, implementing, and continuously improving internal control procedures to enhance operational efficiency and effectiveness.

BAAN Holding Group establishes clear policies and procedures governing relationships with all relevant stakeholders, including employees, shareholders, suppliers, customers, guests, and others, ensuring the rights of both the

Group and all stakeholders. Laws, regulations, and contractual agreements constitute the primary sources defining stakeholders' rights and obligations. The Group ensures these contracts clearly define and outline contractual parties'

rights, responsibilities, performance methods, consequences of non-performance, liability limits, and mechanisms for resolving disputes arising from contract execution, thereby safeguarding stakeholder interests.



**Below are the contracts entered into with related parties, as well as the interests of Board members and senior executives in these contracts:**

No	Related Party	Nature of Contract	Relationship with the Company	Key Contract Terms	Duration	Value (SAR)
1	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Lease contract for MENA Hotel Dammam	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Rent represents 20% of revenues*	20 years	750,000
2	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Staff lease agreement in Al-Khobar	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Fixed annual lease of SAR 100,000	10 years	100,000
3	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Lease of Marhaba Residence – Staff Housing	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Fixed annual lease of SAR 800,000	5 years	800,000
4	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Staff accommodation lease	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Fixed annual lease of SAR 200,000	5 years	200,000
5	Abdul Mohsen Abdulaziz Al Hokair Holding Group	MENA Andalusia Riyadh Lease Agreement	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Rent represents 20% of revenues.*	26 years	1,000,000
6	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Lease contract for Holiday Inn Hotel Al Khobar	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Rent represents 20% of revenues.*	26 years	2,717,891
7	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Hilton DoubleTree Al Muruj Riyadh – Lease Agreement	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Rent represents 20% of revenues.*	20 years	8,000,000
8	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Holiday Inn Jeddah Gateway – Lease Agreement	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Rent represents 20% of revenues.*	20 years	5,408,772
9	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Radisson Blu Plaza Jeddah – Lease Agreement	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Rent represents 20% of revenues.*	20 years	3,354,568
10	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Radisson Blu Corniche Jeddah – Lease Agreement	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Rent represents 20% of revenues.*	20 years	6,389,399

No	Related Party	Nature of Contract	Relationship with the Company	Key Contract Terms	Duration	Value (SAR)
11	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Lease financing contract (Novotel Riyadh)	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Rent represents 20% of revenues*	21 years	700,000
12	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Golden Tulip Al Nasiriyah Riyadh – Lease Agreement	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Fixed annual lease of SAR 2,165,000	20 years	2,165,000
13	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Lease contract for MENA Hotel Taif	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Fixed annual lease of SAR 400,000	20 years	400,000
14	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Lease contract for Golden Tulip Hotel Al Khobar	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Rent represents 20% of revenues.*	25 years	2,000,000
15	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Sales Exhibition Hall (Al Jamiah Riyadh) – Lease Agreement	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Annual fixed lease: SAR 50,000	26 years	50,000
16	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Developed Hangar Building Jazan – Lease Agreement	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Annual fixed lease: SAR 1,200,000	13 years	1,200,000
17	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Lease contract for Commercial Complex (Sahari Al Khobar)	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Rent represents 20% of revenues.*	20 years	534,671
18	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Lease contract for Entertainment Center (Al Rabwah Riyadh)	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	The company operates and manages the site for an annual investment return of SAR 4,500,000	5 years	4,500,000
19	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Lease contract for Management Offices (General Administration Riyadh)	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Annual fixed lease: SAR 1,500,000	10 years	1,500,000
20	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Contract for Maintenance, Operations, and Cleaning Services	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Monthly invoices based on prevailing market rates.	Annual	5,440,135
21	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Lease contract for Holiday Inn Al Khobar (Corniche)	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Rent represents 20% of revenues.*	8 years	3,000,000

No	Related Party	Nature of Contract	Relationship with the Company	Key Contract Terms	Duration	Value (SAR)
22	Abdul Mohsen Abdulaziz Al Hokair Holding Group	DoubleTree Dhahran – Hotel Management Agreement	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Monthly fee of SAR 92,000	98 months	1,104,000
23	Abdul Mohsen Abdulaziz Al Hokair Holding Group	Hotel management contract for "Reeson" Hotel, Jazan	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Monthly fee of SAR 55,826	125 months	669,912
24	Abdulmohsen Abdulaziz Alhokair (Related Party)	Lease agreement for Mina Alsharq Hotel, Dubai	Related Party and Indirect Interest for Board Members Mr. Majid Al-Hokair and Mr. Sami Al-Hokair	Management fees are set at 2% of total sales, with incentive fees at 6% of the gross operating profit, and marketing and advertising fees at 2% of room revenue.	10 years	467,615
25	Abdulmohsen Abdulaziz Alhokair (Related Party)	Lease agreement for MENA Plaza Hotel, Dubai	Related Party and Indirect Interest for Board Members Mr. Majid Al-Hokair and Mr. Sami Al-Hokair	Management fees are set at 2% of total sales, with incentive fees at 6% of the gross operating profit, and marketing and advertising fees at 2% of room revenue.	10 years	417,030
26	Majid Abdulmohsen Alhokair (Related Party)	Majid Al Hokair Printing Press	There is an indirect interest for Board Member Mr. Sami Al-Hokair, and a direct interest for Board Member Mr. Majid Al-Hokair.	Based on competitively submitted quotations, the company reserves the right to contract with any other supplier.	3 years	12,156
27	Musaed Bin Abdulmohsen Alhokair	Hilton DoubleTree Riyadh – Staff Housing Lease Agreement	There is an indirect interest for Board Members Mr. Majid Al-Hokair and Mr. Sami Al-Hokair.	Fixed annual rental of SAR 900,000	5 years	900,000
28	Borouge Acquisition Company Ltd. is one of the subsidiaries of Hamat Holding Group	Leasing a location at Park Inn Taif	There is an indirect interest for Board Member Mr. Amro bin Abdulaziz Al-Jallal, as he holds the position of a Board Member in Hamat Holding Company.	Fixed annual rental with two bank guarantees	15 years	1,853,500
29	Al-Aswaq Al-Mutatawira Company, a subsidiary of Hamat Holding Group	Leasing a location at Dareen Mall	There is an indirect interest for Board Member Mr. Amro bin Abdulaziz Al-Jallal, as he holds the position of a Board Member in Hamat Holding Company.	Fixed annual rental with two bank guarantees	10 years	2,005,850
30	Al Hokair Toys Manufacturing Co.	Games maintenance contract for all branches	There is a direct interest for Board Members Mr. Majid Al-Hokair and Mr. Sami Al-Hokair.	Contract without binding conditions	Annually	Undefined
31	Future Markets Co, a subsidiary of Hamat Holding Group	Leasing a location at Panorama Mall	There is an indirect interest for Board Member Mr. Amro bin Abdulaziz Al-Jallal, as he holds the position of a Board Member in Hamat Holding Company.	Fixed annual rental with two bank guarantees	5 years	4,395,000

No	Related Party	Nature of Contract	Relationship with the Company	Key Contract Terms	Duration	Value (SAR)
32	Tanami Al Arabia Co.	Hotel management agreement for "Novotel" Hotel, Dammam	There is an indirect interest for Board Members Mr. Majid Al-Hokair and Mr. Sami Al-Hokair.	The rental value represents 20% of the revenues.*	20 years	3,071,733
33	Tanami Al Arabia Co. Lumi Rental Company	Vehicle leasing contract	There is an indirect interest for Board Member Mr. Fahad Al-Abailan.	4-month agreement	4 months	21,958
34	Half Moon Beach Resort Company	Lease Agreement for Half Moon Beach Hotel	There is an indirect interest for Board Members Mr. Majid Al-Hokair and Mr. Sami Al-Hokair.	Monthly rental of SAR 50,000	10 years	600,000
35	Half Moon Beach Resort Company	An investment and operation agreement for Half Moon Beach Hotel.	There is an indirect interest for Board Members Mr. Majid Al-Hokair and Mr. Sami Al-Hokair.	Revenue-sharing contract: 3% of total revenue, 7% of total profit	10 years	139,756
36	Azan Sabya Company, a subsidiary of Hamat Holding Group	Lease agreement for a retail space in "Azan Mall"	There is an indirect interest for Board Member Mr. Amro bin Abdulaziz Al-Jallal, as he holds the position of a Board Member in Hamat Holding Company.	A fixed rent is payable in two installments annually	10 سنوات	1,128,400
37	Fayd Al Madinah Real Estate Company, a subsidiary of Hamat Holding Group	Lease agreement for a retail space in "Manar Mall"	There is an indirect interest for Board Member Mr. Amro bin Abdulaziz Al-Jallal, as he holds the position of a Board Member in Hamat Holding Company.	Fixed annual rental with two bank guarantees	7 years	1,215,600
38	Al Argan Projects for Real Estate Investment Company	Leasing a location at Al Waha Al Khadra Mall in Al Thumama, Riyadh.	There is an indirect interest for Board Member Mr. Iyad Abdulrahman Al-Bunyan.	Fixed annual rental paid for one installment	10 years	786,250
39	Riyadh Plastic Factory Company	Procurement contract for maintenance supplies	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Payment based on market value	5 years	199,166
40	Riyadh Plastic Factory Company	Leasing agreement for 5 warehouses, Riyadh	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	Annual rental of SAR 200,000	10 years	200,000
41	Meena Education & Training Co.	Training contract for employees in a vocational training center	There is an indirect interest for Board Members Mr. Majid Al-Hokair, Mr. Sami Al-Hokair, and Mr. Faisal Al-Malik.	SAR 2,000 per employee per training session	Annually	286,500

4 – 14 Stakeholders and Related Parties

No	Related Party	Nature of Contract	Relationship with the Company	Key Contract Terms	Duration	Value (SAR)
42	Majid Abdulmohsen Alhokair & Family	Land lease agreement in Riyadh	There is a Related Party and a direct interest for Board Member Mr. Majid Al-Hokair, and an indirect interest for Board Member Mr. Sami Al-Hokair.	Commitment to develop warehouses for commercial use within the lease period	10 years	Undefined
43	Sami Abdulmohsen Alhokair Foundation	Employee housing rental agreement for hotel staff	There is a Related Party and a direct interest for Board Member Mr. Sami Al-Hokair, and an indirect interest for Board Member Mr. Majid Al-Hokair.	Fixed annual rental of SAR 65,790	5 years	65,790
43	Faisal Al-Malik	Lease Agreement	Related Party and a direct interest for Board Member Mr. Faisal Al-Malik.	Fixed Rent	5 years	200000

4 - 15 Competition Business

• **Mr. Sami bin Abdulmohsen Al-Hokair**

No.	Name of Competing Legal Entity	Type of Competing Legal Entity	Competing Business and Activities	Your Capacity/Position in the Competing Legal Entity
1	Abdulmohsen Al-Hokair Holding Group	Company	Hospitality (Hotel Operations)	Partner and Manager
2	Tanami Al-Arabiah Limited Company	Company	Hospitality (Hotel Operations)	Manager
3	Half Moon Beach Resort Company	Company	Hospitality	Manager
4	Osoul Al-Mubadarah Al-Handasiyah Company	Company	Hospitality (Hotel Operations)	Manager
5	Real Estate and Tourism Development Company	Company	Hospitality (Hotel Operations)	Owens 0.5%
6	Luluat Al Madinah Hotel Company	Company	Hospitality (Hotel Operations)	Manager

• **Mr. Faisal bin Mohammed Al-Malik**

No.	Name of Competing Legal Entity	Type of Competing Legal Entity	Competing Business and Activities	Your Capacity/Position in the Competing Legal Entity
1	Abdulmohsen Al-Hokair Holding Group	Company	Hospitality (Hotel Operation)	Chief Executive Officer

• **Mr. Salim bin Ali Al-Shahrani**

No.	Name of Competing Legal Entity	Type of Competing Legal Entity	Competing Business and Activities	Your Capacity/Position in the Competing Legal Entity
1	Accor Hotels (Fairmont Makkah Clock Royal Tower, Raffles Hotel, Swissôtel, Swissôtel Al Maqam Makkah), Makkah Al-Mukarramah	Company	Hospitality (Hotel Operation)	Executive Director

4 – 16 General Assemblies of Shareholders and Board Members' Attendance Records

In 2024, BAAN Holding Group held three General Assembly meetings for 2024, with attendance by (6) shareholders based on invitations issued by the Board of Directors. The first meeting was held on 18 April 2024, with attendance by (6) members and the absence of (3) members. The second meeting took place on 25 June 2024, and the third meeting was on 5 November 2024, both attended by (7) members of the Board.

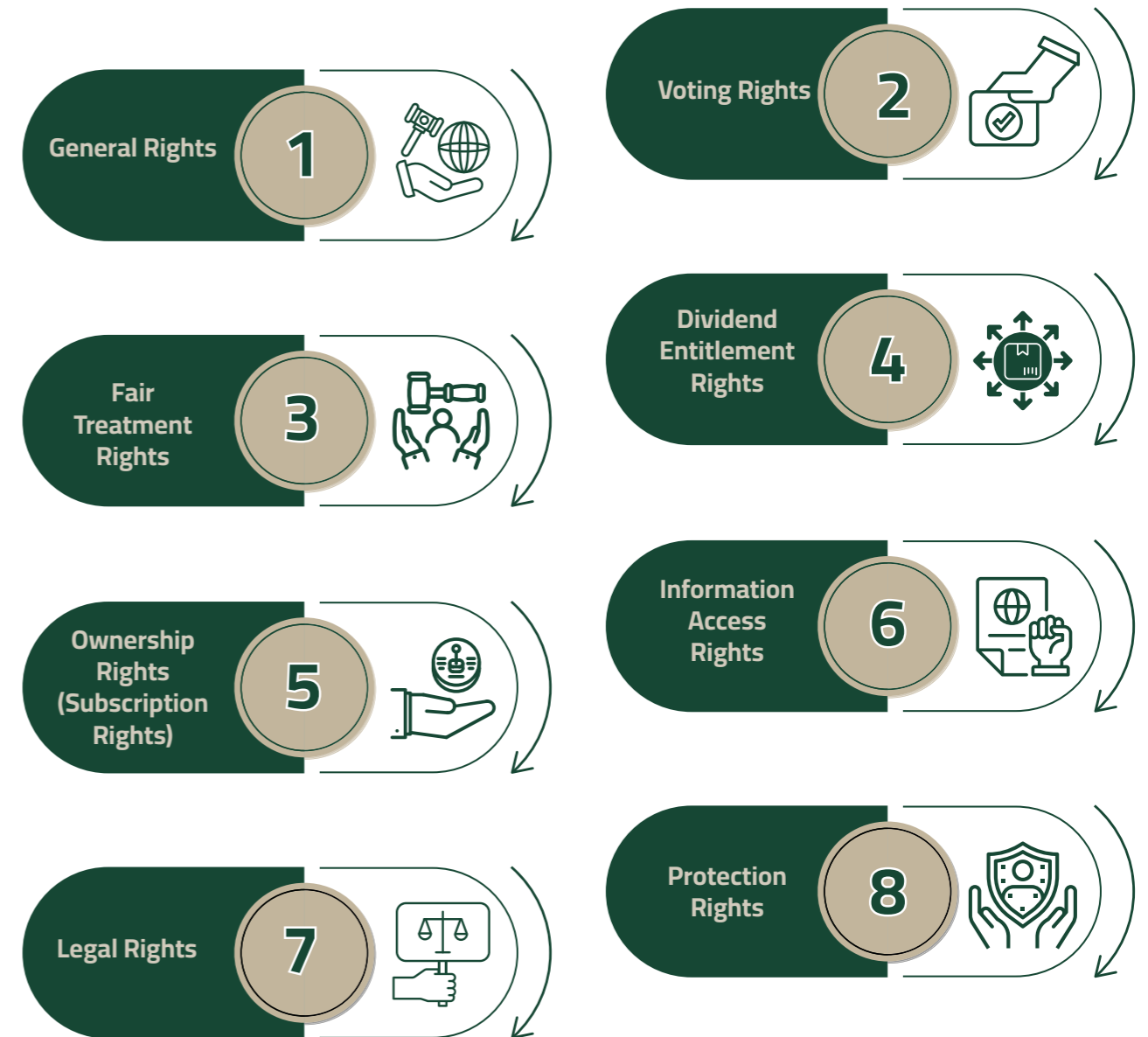
Attendance Record			
No	Name	Position	1st Meeting Extraordinary General Assembly 18/04/2024
1	Mr. Majid Abdulmohsen Al Hokair	Chairman of the Board	Apologized (Absent)
2	Mr. Amr Abdulaziz Al Jalal	Vice Chairman of the Board	Attended
3	Mr. Sami Abdulmohsen Al Hokair	Managing Board Member	Attended
4	Mr. Khaled Anib	Board Member	Attended
5	Mr. Ramzi Kanaan Abu Khadra	Board Member	Apologized (Absent)
6	Eng. Raed Abdulaziz Abu Zenaidah	Board Member	Apologized (Absent)
7	Mr. Faisal Mohammed Shaker	Board Member	Attended
8	Eng. Iyad Abdulrahman Al Bunyan	Board Member	Attended
9	Mr. Bandar Khaled Abdul mohsen Al Hokair	Board Member	Attended
<b>Total Attendance</b>			<b>6</b>

Attendance Record				
No	Name	Position	1st Meeting Extraordinary General Assembly 25/06/2024	2nd Meeting Extraordinary General Assembly 05\11\2024
1	Mr. Sami Abdulmohsen Al Hokair	Chairman of the Board	Attended	Attended
2	Mr. Faisal Mohammed Al Malik	Vice Chairman of the Board	Attended	Attended
3	Mr. Fahad Mohammed Al Obailan	Board Member / Chief Executive Officer (CEO)	Attended	Attended
4	Mr. Yanal Mowafaq Sadeq Al-Saudi	Board Member	Attended	Attended
5	Mr. Salem Ali Al Shahrani	Board Member	Attended	Attended
6	Eng. Meshal Ibrahim Sulaiman Al Shunaifi	Board Member	Attended	Attended
7	Mr. Nabil Dawood Al Hoshan	Board Member	Attended	Attended
<b>Total Attendance</b>			<b>7</b>	<b>7</b>



BAAN Holding Group consistently prioritizes the interests of its shareholders and the protection of their rights. This commitment is demonstrated through adherence to integrity, transparency, and credibility in interactions with shareholders, ensuring fairness, and equality, and prioritizing the public over private ones. Therefore, the Group implements effective and prudent policies, with the Board of Directors taking necessary actions and decisions to safeguard shareholders' rights without any discrimination for any reason.

### Shareholders' Rights at BAAN Group



## Fifth Pillar

Our Shareholders

Responsibility and Commitment

- Content:
- 5-1 Shareholders' Rights
  - 5-2 Capital and Ownership Structure
  - 5-3 Company's Requests for Shareholders Register
  - 5-4 Dividend Distribution
  - 5-5 Board of Directors Declarations

The authorized, issued, and fully paid-up capital of BAAN Holding Group amounts to SAR 315,000,000, divided into 315,000,000 ordinary shares with a nominal value of SAR 1 per share. The table below shows the names, number of shares, and ownership percentage of major shareholders who own 5% or more, along with the changes in ownership in 2023:

Owner	Previous Ownership %	Current Ownership %	Change %
Abdulmohsen Abdulaziz Fahad Al Hokair	12.467 %	12.467%	0
Abdulmohsen Al Hokair Holding Group	31.50 %	31.50%	0

During the year 2024, BAAN Holding Group requested shareholder records ten (10) times from the Securities Depository Center ("Edaa").

Below is a list detailing the dates and reasons for these requests:

No.	Date of Request	Reason for Request
1	26/02/2024	Corporate Procedures
2	14/04/2024	Corporate Procedures
3	18/04/2024	General Assembly
4	24/06/2024	Other
5	25/06/2024*	General Assembly
6	06/10/2024	Corporate Procedures
7	04/11/2024*	General Assembly
8	05/11/2024	General Assembly

\* The shareholder record was requested twice on the same date.

BAAN Holding Group's Board of Directors of shareholders and the Group. Assembly meetings and highlights the policy has established a clear policy regarding The Group ensures shareholders are in the Board of Directors' report. dividend distributions to balance the interests informed of this policy during the General

### Dividend Distribution Policy

Article (49) of the company's Articles of Association stipulates that the annual net profits of the company shall be distributed as follows:

- 1 Ten percent (10%) of net profits shall be set aside to form the statutory reserve. The Ordinary General Assembly may cease this allocation when the reserve reaches thirty percent (30%) of the paid-up capital.
- 2 The Ordinary General Assembly, based on a recommendation from the Board of Directors, may allocate ten percent (10%) of net profits to form a general voluntary reserve.
- 3 The Ordinary General Assembly may decide to create additional reserves to serve the company's interests or ensure a stable dividend payout to shareholders. It may also deduct sums from net profits to establish social welfare institutions for the company's employees or to support existing institutions.
- 4 At least one percent (1%) of the paid-up capital shall be distributed to shareholders from the remaining net profits. The company may also distribute interim dividends to shareholders semi-annually or quarterly, following the regulations issued by the Capital Market Authority (CMA) and based on annual authorization by the Ordinary General Assembly granted to the Board of Directors.
- 5 The company is permitted to distribute interim dividends to its shareholders on a semi-annual or quarterly basis in accordance with the regulations of the CMA.
- 6 The General Assembly approves the dividends proposed by the Board and the method of their distribution.
- 7 Declared cash dividends shall be deposited into the shareholders' accounts linked to their investment portfolios. Granted shares shall also be deposited into shareholders' investment portfolios after being announced on both the market's website and the company's official website.



**The Board of Directors of BAAN Holding Group declares the following:**

- Accounting records have been properly updated and accurately prepared.
- The internal control system has been developed on sound principles and effectively implemented.
- The Board has no significant doubts regarding BAAN Group’s ability to continue its operations as a going concern.



## Sixth Pillar

### Sustainability and Social Responsibility

### Towards a Sustainable Community

Content:

- 6-1 Group perspective of Sustainability
- 6-2 General framework of Sustainability
- 6-3 Pillars of Sustainability
- 6-4 Approach of Sustainability
- 6-5 Objectives of Sustainability
- 6-6 Efforts of Sustainability
- 6-7 Social responsibility

BAAN Group incorporates sustainability into its overall strategy, embedding sustainable practices in decision-making processes to ensure long-term profitability.

The vision emphasizes a balance between tourism development, cultural and environmental preservation, and enhancing the well-being of local communities.

**Key components of this vision include:**

<p><b>Sustainable Development:</b></p> <p>Focusing on sustainable tourism through responsible management of natural resources, promotion of local culture, and job creation for local communities.</p>	<p><b>Cultural Interaction:</b></p> <p>Encouraging interaction between visitors and local communities through tourism offerings such as cultural tours and traditional events.</p>
<p><b>Innovation and Technology:</b></p> <p>Leveraging technology to enhance visitor experiences and streamline services such as bookings and communications.</p>	<p><b>Partnerships and Collaboration:</b></p> <p>Establishing strategic partnerships with local institutions and organizations to achieve sustainable development of tourist destinations.</p>

The group aims to balance economic, environmental, and social dimensions through sustainable management.

Sustainability Framework in 2024		Next year Goals	
1	Environmental preservation.	1	Increasing education, training, and employment opportunities.
2	Engagement and partnerships with various stakeholders.	2	Expanding the scope of social and developmental projects.
3	Education and awareness through organized campaigns and educational programs.	3	Innovation and development in products and services.
4	Investment in local communities by creating job opportunities and training local talent.	4	Increasing investment in the Saudi community
5	Social responsibility by supporting initiatives in education, training, employment, and cultural, sports, and social projects.		

<p><b>Social Pillar</b></p> <p>Social justice and care for employees and local communities.</p>	<p><b>Environmental Pillar</b></p> <p>Commitment to identifying optimal solutions to minimize the environmental impact of operations as much as possible.</p>	<p><b>Economic Pillar</b></p> <p>Achieving profitability through sustainability and fostering a healthy economic environment.</p>
---	---	---

BAAN Group is committed to setting sustainability objectives, striving to achieve them, and maximizing the added value of its business for all stakeholders.

The group aims to enhance its positive societal footprint, fulfill its responsibility towards social, environmental, and economic issues, and consider the needs of future generations.

**Key aspects of the Group's Sustainability Policy:**



**Objectives vary from environmental conservation and enhancing local community satisfaction to competitiveness and financial sustainability.**

**Positive outcomes include increased profitability, reduced costs, enhanced reputation, and achieving environmental sustainability**

**The Group's initiatives include:**

- Environmental protection,
- Enhancing occupational health and safety, and
- Supporting the national economy by creating job opportunities and increasing tourism revenue

**Community initiatives include:**

Supporting families through community partnerships and training local workforce. The Group participated in the national "Wa'ad" pledge initiative launched by the Ministry of Human Resources and Social Development, training 50,000 Saudi nationals to stimulate workforce training and enhance employee skills in the labor market

At BAAN Holding Group, social responsibility focuses on addressing community needs, protecting the environment, promoting public health, empowering employees, and contributing to national economic growth.

Social responsibility is a fundamental part of the company's strategy aimed at achieving sustainability across all business aspects.

**Key areas of social responsibility at BAAN Group include:**



Through these initiatives, BAAN Holding Group aims to build robust relationships with the community and environment, contributing to sustainable development and prosperity for all stakeholders involved

BAAN Holding Group strives for comprehensive sustainability by fostering sustainable development, supporting local communities, preserving the environment, and strengthening the economy.



# Seventh Pillar

Financial performance

Back to profitability

**Content:**

- 7-1 Development of Financial Statements over Five Years
- 7-2 Prominent Financial Ratios
- 7-3 Analysis of Annual Results in Lines
- 7-4 An Outlook on Quarterly Results
- 7-5 Revenues of Main Activities
- 7-6 Property and Equipment
- 7-7 Investments in Joint Ventures
- 7-8 Contribution of Subsidiaries and Affiliates Companies in Results
- 7-9 Stakeholders and Related Parties Transactions
- 7-10 Loan Analysis
- 7-11 Regulatory payment

BAAN Holding Group achieved steady revenue growth from 2020 to 2023; however, net profit growth did not match the same rate. Therefore, the Group initiated a strategic transformation plan, which included exiting unprofitable revenue streams. This resulted in lower revenues in 2024.

Nevertheless, this exit strategy impacted the operating profit positively, leading to significant growth in net profit, supported by improved operational performance and the introduction of new projects and revenue streams.

## Summary of Financial Statements Development

(Amounts in million SAR)

Item / Financial Year	2020	2021	2022	2023	2024
<b>Operating Results</b>					
Revenues	613.11	708.42	720.89	742.14	678.70
Cost of Revenues	567.15 -	604.65 -	584.87 -	554.58 -	493.62 -
Gross Profit	45.96	103.77	136.02	187.56	185.08
Operating Profit/Loss	159.34 -	101.04 -	23.09 -	1.90 -	61.99
Net Profit/Loss	200.16 -	172.52 -	81.49 -	89.82 -	5.20
Earnings/Loss per Share (SAR)	3.64 -	2.97 -	2.59 -	0.29 -	0.02
<b>Balance Sheet</b>					
Current Assets	244.99	325.06	304.27	257.74	194.26
Current Liabilities	778.32	535.03	533.44	569.00	527.45
Non-current Assets	1,960.32	1,833.09	1,762.66	1,787.62	1,729.35
Non-current Liabilities	1,179.57	1,251.08	1,243.33	1,274.66	1,191.36
Total Assets	2,205.31	2,158.15	2,066.94	2,045.36	1,923.61
Total Liabilities	1,957.88	1,786.11	1,776.77	1,843.66	1,718.81
Shareholders' Equity	247.42	372.04	290.17	201.70	204.80
Total Liabilities & Shareholders' Equity	2,205.31	2,158.15	2,066.94	2,045.36	1,923.61
Cash and Cash Equivalents	67.77	171.46	45.21	37.69	38.10
Total Loans	702.82	554.25	508.97	483.35	442.50
<b>Cash Flow Statement</b>					
Operating Activities	81.35	149.28	109.22	262.24	319.45
Investing Activities	52.56 -	28.29 -	58.03 -	(92.42)	(106.39)
Financing Activities	5.05	17.30 -	183.99 -	(177.54)	(212.64)
Cash at the beginning of the year	33.83	67.77	171.46	45.21	37.69
Cash at the end of the year	33.83	67.77	171.46	37.69	38.10

The following table presents the trends in key financial ratios that reflect BAAN Holding Group's performance and financial position over the past five years.

These ratios provide insight into the Group's operational efficiency, profitability, liquidity, and solvency.

Item / Financial Year	2020	2021	2022	2023	2024
<b>Liquidity Ratios</b>					
Working Capital (SAR million)	-533.3	-210.0	-229.2	311.3-	333.2-
Current Ratio (%)	31.5	60.8	57.0	45.3	36.8
Cash Ratio (%)	8.7	32.0	8.5	6.6	7.2
Equity Ratio (%)	11.2	17.2	14.0	9.9	10.6
<b>Debt Ratios</b>					
Debt-to-Assets Ratio (%)	88.8	82.8	86.0	90.1	89.4
Assets-to-Equity Ratio (Times)	8.9	5.8	7.1	10.1	9.4
Liabilities-to-Equity Ratio (%)	791.3	480.1	612.3	914.0	839.2
Loans-to-Total Assets Ratio (%)	31.9	25.7	24.6	23.6	23.0
<b>Profitability Ratios</b>					
Gross Profit Margin (%)	7.5	14.6	18.9	25.3	27.3
Net Profit Margin (%)	-32.6	-24.4	-11.3	12.1-	0.8
Return on Assets (ROA %)	-9.1	-8.0	-3.9	4.4-	0.3
Return on Equity (ROE %)	-80.9	-46.4	-28.1	44.5-	2.5

#### Analysis of Selected Financial Ratios:

- Current Ratio:** The current ratio reflects the company's ability to cover its short-term obligations using current assets. Over the past five years, this ratio has fluctuated notably, particularly impacted by the COVID-19 pandemic in 2020. However, it saw a strong improvement in 2021, surpassing 60%, before stabilizing at 57% in 2022, then declining to 45.3% in 2023 and further to 36.8% in 2024.
- Debt-to-Assets Ratio:** The total debt ratio indicates the extent to which the company relies on liabilities, of various types, to finance its assets. This ratio significantly increased in 2020, decreased in 2021 to 82.76%, then rose again in 2022 to reach 86%. It further increased to 90% in 2023 before slightly declining to 89.4% in 2024. BAAN Holding Group aims to reduce this ratio below 50% as the pace of business activity grows, projects are successfully completed, and outstanding debts are settled.
- Gross Profit Margin:** Since 2021, the company's gross profit margin has notably improved, reaching 25.3% in 2023 and continuing to rise to 27.3% in 2024, reflecting the company's increasing capability to generate profits in the near future. This improvement coincided with positive developments in the net profit/loss margin, as the company significantly reduced its loss margins over previous years, ultimately achieving a net profit margin of 0.8% in 2024. This achievement indicates the company's enhanced ability to improve operational efficiency and maintain effective control over operational activities and their resulting revenues.
- Return on Assets (ROA) and Return on Equity (ROE):** Both the return on assets (ROA) and the return on equity (ROE) ratios improved, reaching 0.3% and 2.5%, respectively, turning positive compared to the previous four years. This improvement indicates that the Group is on the right track towards profitability, representing a pivotal step out of a challenging phase and marking the transition towards positive performance in the upcoming years.

### Income Statement

BAAN Holding Group recorded an increase in its net profit in 2024, reaching a profit of SAR 5.2 million at year-end, compared to a loss of SAR 89.82 million in 2023, reflecting a year-on-year increase of SAR 95.02 million.

- The company achieved revenues of SAR 678.70 million in 2024, compared to SAR 742.14 million in the previous year, representing a decline of SAR 63.44 million (9% year-over-year).
- Hospitality sector revenues decreased by SAR 39.55 million, primarily due to the strategic divestment during 2023 of several consistently loss-making hotels. This exit strategy aims to positively impact the company's financial performance.
- Additionally, revenues were negatively impacted by operational disruption at one of the hotels in Riyadh due to a fire incident in the fourth quarter of 2023.
- Conversely, increased occupancy rates and higher average room rates at the group's hotels during the first and fourth quarters of the current year, driven by increased events and exhibitions, particularly in Riyadh, had a positive effect on revenues.
- Entertainment sector revenues declined by SAR 40.86 million, mainly because revenues from constructing and developing third-party projects reached SAR 54 million in 2023, compared to only SAR 4.5 million in 2024. However, it's noteworthy that the completion of renovation and redevelopment projects for two major entertainment centers in Riyadh and Jeddah, along with the opening of a new entertainment center in Jeddah, significantly contributed to improving and enhancing sector revenues.
- Other revenues increased by SAR 16.97 million, mainly due to the Group's entry into the catering and food services sector, with operations commencing in 2024, one of the areas in which the Group seeks to expand.
- Cost of revenue decreased as a percentage of total revenues, reaching 73% in 2024 compared to 75% in 2023, amounting to SAR 493.62 million compared to SAR 554.58 million in the previous year. This improvement primarily resulted from reducing direct costs in the hospitality sector by 16% year-on-year, and direct costs in the entertainment sector by 15% year-on-year.
- Gross profit slightly decreased in 2024, reaching SAR 185.08 million compared to SAR 187.56 million in 2023, a reduction of SAR 2.48 million or 1% year-on-year. This was due to a 3% year-on-year increase in gross profit in the hospitality sector, offset by a 4% year-on-year decline in the entertainment sector.
- Operating profit significantly increased, reaching SAR 61.99 million at the end of 2024, compared to an operating loss of SAR 1.90 million in 2023, a substantial improvement of SAR 63.89 million.

(All amounts in million SAR)

Operating Results	2023	2024	Change	Change (%)
Revenues	742.14	678.70	63.44 -	8.5% -
Cost of Revenues	554.58 -	493.62 -	60.96	11.0% -
Gross Profit	187.56	185.08	2.48 -	1.3% -
Operating Profit/Loss	1.90 -	61.99	63.80	NA
Net Profit/Loss	89.82 -	5.20	95.02	NA
Earnings/Loss per Share (SAR)	0.29 -	0.02	0.31	NA

### Balance Sheet

- The Group's balance sheet experienced a decline in total assets by 6% year-on-year, reaching SAR 1,923.61 million at the end of 2024, compared to SAR 2,045.36 million in 2023. This decrease was primarily due to a 3% reduction in non-current assets, driven mainly by a decrease in the value of Right-of-Use assets from SAR 903.83 million in 2023 to SAR 809.78 million in 2024, reflecting a 10% year-on-year decline.
- The liabilities side of the Group's balance sheet witnessed an annual decrease of 7%, reaching SAR 1,718.80 million by the end of 2024, compared to SAR 1,843.66 million in 2023. This decline was mainly driven by a 7% reduction in non-current liabilities, which fell to SAR 1,191.36 million, compared to SAR 1,274.66 million in the previous year.
- The shareholders' equity of the Group increased by 1.5% year-on-year in 2024, reaching SAR 204.80 million by year-end, compared to SAR 201.71 million at the end of 2023.

(All amounts in million SAR)

Statement	2023	2024	Change	Change (%)
Current Assets	257.74	194.26	63.48 -	24.6% -
Non-Current Assets	1,787.62	1,729.35	58.27 -	3.3% -
Total Assets	2,045.36	1,923.61	121.76 -	6.0% -
Current Liabilities	569.00	527.45	41.55 -	7.3% -
Non-Current Liabilities	1,274.66	1,191.36	83.31 -	6.5% -
Total Liabilities	1,843.66	1,718.81	124.85 -	6.8% -
Total Equity	201.70	204.80	3.10	1.5%
Total Liabilities and Equity	2,045.36	1,923.61	121.76 -	6.0% -

7-4 An Outlook on Quarterly Results

BAAN Holding Group achieved a notable improvement in its quarterly financial results during 2024, with quarterly net profits surpassing those of the corresponding quarters in 2023 for the first, second, and third quarters. Additionally, losses in the fourth quarter of 2024 were significantly reduced compared to the same period in 2023. As a result, the Group turned to a net profit of SAR 5.20 million by the end of 2024, compared to a net loss of SAR 89.82 million in 2023. The comparative profit and loss figures across the four quarters of 2024 versus the corresponding periods in 2023 are positive. In the first quarter of 2024, the Group recorded profits of SAR 4.22 million compared to a loss of SAR 34.34 million in the same

quarter of 2023. In the second quarter of 2024, quarterly profits increased by 24%, reaching SAR 6.12 million compared to SAR 4.94 million in the corresponding quarter of 2023. In the third quarter of 2024, quarterly profits rose by 2%, reaching SAR 7.27 million compared to SAR 7.15 million in the same quarter of 2023. By the fourth quarter of 2024, quarterly revenues increased by 6% to reach SAR 172.99 million compared to SAR 163.83 million in the fourth quarter of 2023. This contributed to significantly reducing quarterly losses to SAR 12.41 million, compared to SAR 67.57 million in 2023.

(All amounts in SAR million)

Item/Period	Q1		Q2		Q3		Q4		Total	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Total Revenues	163.39	158.11	201.08	186.49	213.39	161.10	163.60	172.99	742.14	678.70
Gross Profit	25.22	44.59	56.02	57.95	59.94	44.28	46.48	38.27	187.56	185.08
Operating Profit/Loss	17.20 -	5.90	20.05	21.62	28.88	25.63	33.63 -	8.85	1.902 -	61.99
Net Profit/Loss	34.34 -	4.22	4.94	6.12	7.15	7.27	67.57 -	12.41 -	89.82 -	5.20

The main activities of Baan Holding Group Company are concentrated in Hospitality and Entertainment, in addition to some other activities. The degree of contribution of these activities to the Group's revenues varies, and the cost differs from one activity

to another depending on this contribution. This is consequently reflected in the gross profit of each activity, as illustrated in the following table:

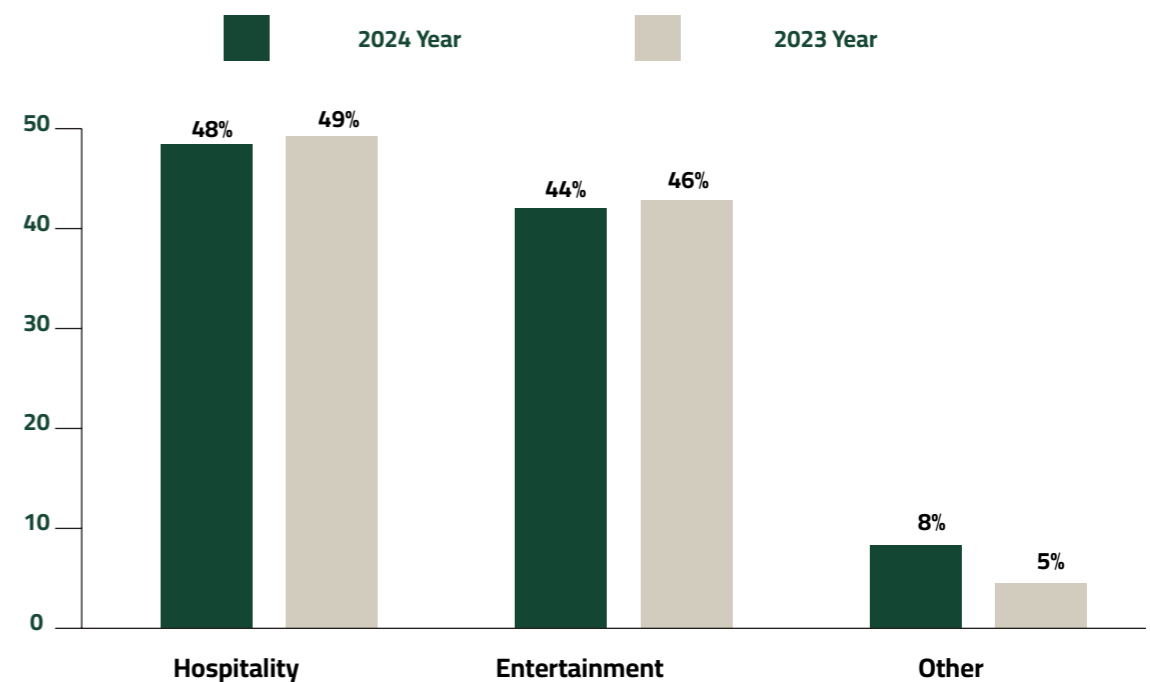
(All amounts in million SAR)

Sector	Revenue		Direct Costs		Gross Profit	
	2023	2024	2023	2024	2023	2024
Hospitality	364,94	325,39	259,46 -	217,18 -	105,49	108,21
Entertainment	337,80	296,95	260,82 -	222,71 -	76,98	74,24
Others	39,39	56,36	34,30 -	53,73 -	5.09	2.63
Total	742,14	678,70	554,58 -	493,62 -	187.56	185.08

The Hospitality sector contributed a 48% share to the Group's revenues in 2024, with total revenues amounting to SAR 325.39 million. This sector's contribution rate decreased compared to 2023, when it reached SAR 364.94 million, representing 49% of revenues. Similarly, the contribution rate of the Entertainment sector to the Group's revenues declined in 2024 to 44%, valued at SAR 296.95 million. In contrast, the sector's contribution in 2023 was approximately SAR 337.80 million, representing a 46%

contribution rate. Other sectors contributed an 8% share to the Group's revenues in 2024, with total revenues amounting to SAR 56.36 million. This represents an increase compared to the contribution rate of these sectors in 2023, which was 5% with revenues of SAR 39.39 million. This increase is primarily due to revenues related to catering and accommodation services.

Evolution of the Contribution Rate of Main Activities to the Group's Revenues Between 2023 and 2024



7-6 Property and Equipment

The following table illustrates the company's properties and equipment located on leased lands and buildings, highlighting changes in their value over the past five years after considering annual depreciation. Depreciation rates and periods vary according to the type and use of each asset:

(All amounts in million SAR)

Item / Year	2020	2021	2022	2023	2024
Buildings and Improvements	716.29	615.43	553.90	538.14	586.41
Entertainment Equipment	180.36	141.60	111.85	123.05	116.72
Furniture and Fixtures	66.74	49.32	33.30	26.66	28.30
Vehicles	0.18	0.26	0.48	0.62	0.40
Air Conditioning Equipment	29.39	26.78	19.86	19.52	23.64
Computers	13.90	5.86	3.18	3.53	5.09
Tools	52.92	40.67	30.05	26.99	33.99
Projects Under Construction	-	7.69	27.19	56.38	4.60
Lands	-	-	-	-	18.76
<b>Net Book Value (End of Year)</b>	<b>1,059.78</b>	<b>887.61</b>	<b>779.81</b>	<b>794.89</b>	<b>817.91</b>

7-7 Investments in Joint Ventures

The company invests in joint ventures, which are entities in which BAAN Holding Group holds varying ownership stakes, with these ownership percentages experiencing some changes over the past five years.

Joint Ventures	Ownership Percentage (%)				
	2020	2021	2022	2023	2024
Tourism & Real Estate Development Company	48.5	48.5	48.5	48.5	48.5
Asateer Entertainment Projects Ltd	50	50	50	41.15	41.15
Luxury Entertainment	31	31	31	31	31
Tarfeeh Tourism & Projects Ltd	50	50	50	50	50
Al Qassim Trading Ltd	50	50	50	50	50
Asateer Al Khaleej Sports Ltd	-	-	33.33	33.33	33.33
Newrest catering Ltd	-	-	-	-	50

BAAN Holding Group exited its investment in Newrest Catering Ltd. during the first quarter of 2025. Moving forward, the Group will directly manage its catering and food services operations, rather than through a joint venture. Additionally, Luxury Entertainment Company, previously specialized in managing and operating cinema theaters, is currently under liquidation.

7-8 Contribution of Subsidiaries and Affiliates Companies in Results

Geographical Analysis of the Company's Total Revenues

(All amounts in Saudi Riyals - SAR)

Year	Saudi Arabia	United Arab Emirates	Egypt	Total Revenues
2023	708.90	31.24	2.00	742.14
2024	637.25	40.43	1.02	678.70

Geographical Analysis of Subsidiaries' Total Revenues

(All amounts in million SAR)

	Saudi Arabia		United Arab Emirates		Egypt		Total Revenues	
	2023	2024	2023	2024	2023	2024	2023	2024
Sparky's Land for Entertainment			31.24	40.43			31.24	40.43
Asateer for Entertainment & Tourism					2.00	1.02	2.00	1.02
Osoul Al Mazaya Hospitality	1.56	1.58					1.56	1.58

7-9 Stakeholders and Related Parties Transactions

Description of any Interests, Contractual Securities, and Subscription Rights belonging to Board Members and their Relatives in Shares or Debt Instruments of the Company

No	Name of Interested Party / Holder of Contractual Securities or Subscription Rights	Beginning of Year		End of Year		Net Change	% Change
		Number of Shares	Type of Ownership	Number of Shares	Type of Ownership		
1	Sami Al Hokair	7,441,875	Indirect own through Abdulmohsen Al Hokair and Sons Holding Company	7,441,875	Indirect own through Abdulmohsen Al Hokair & Sons Holding Company	0	0
2	Fahad Al Obailan	0		74,430	Direct ownership	74,430	100%

Description of any Interests, Contractual Securities, and Subscription Rights belonging to Senior Executives and their Relatives in Shares or Debt Instruments of the Company

No	Name of Interested Party / Holder of Contractual Securities or Subscription Rights	Beginning of Year		End of Year		Net Change	% Change
		Number of Shares	Type of Ownership	Number of Shares	Type of Ownership		
2	Fahad Al Obailan	0		74,430	Direct ownership	74,430	100%

The following table provides details related to loans outstanding for BAAN Holding Group as of the end of 2024:

(All amounts in Saudi Riyals - SAR)

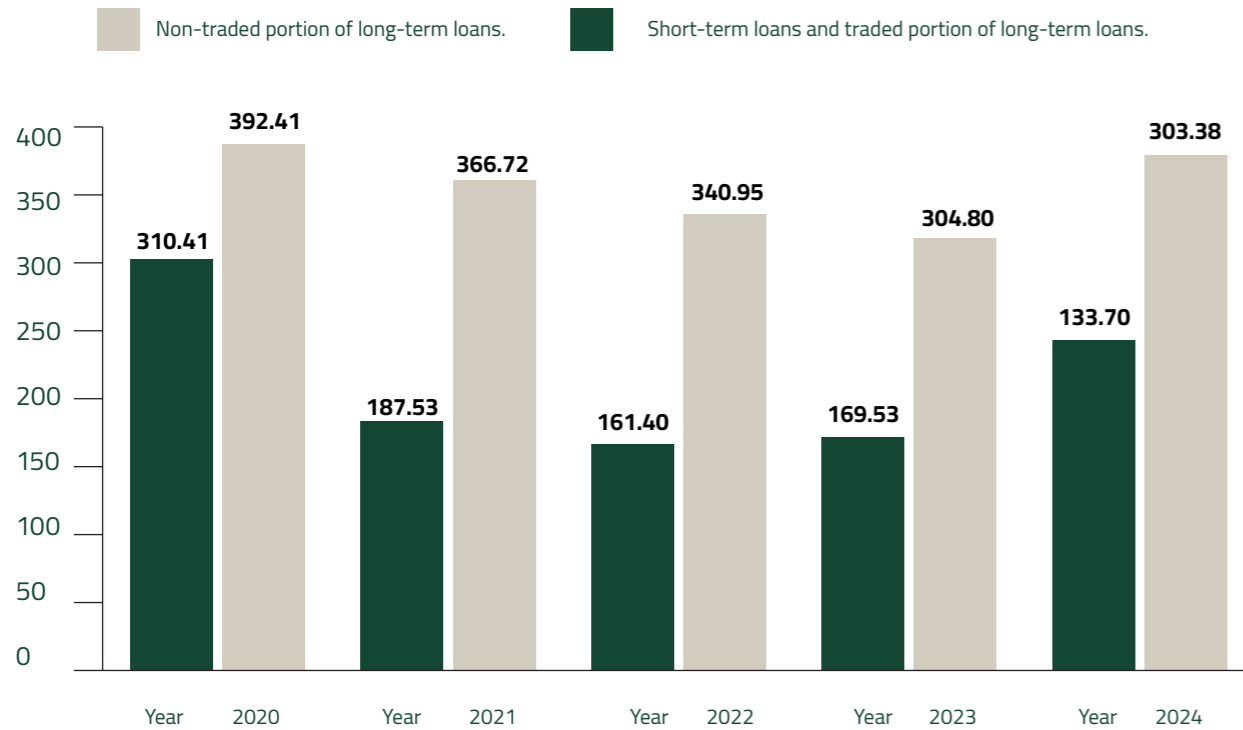
No	Lending Entity	Principal Loan Amount	Loan Duration (Years)	Amounts Paid During the Year	Amounts Drawn During the Year	Loan Balance at Year-end
1	Bank 1	65,745,271	4	30,479,907	16,322,818	51,588,181
2	Bank 2	100,851,075	5,10	55,664,164	87,714,924	132,901,835
3	Bank 3	179,080,603	5	76,450,335	52,591,438	155,221,706
4	Bank 4	103,151,515	7	25,787,879	-	77,363,636
5	Bank 5	5,500,000	3	5,500,000	-	0
6	Bank 6	20,000,000.00	1	20,000,000	20,000,000	20,000,000.00

In general, BAAN Holding Group has actively reduced its dependence on loans over the past years. This shift became evident after the COVID-19 pandemic year (2020), when loan balances reached their highest level in the past five years.

From 2021 through the end of 2024, loan balances have significantly declined as the Group increasingly relied on internal resources and operational activities to finance expansion and growth, minimizing the use of external loans

Group Loans Development Over Five Years

(All amounts in million riyals)



The following statement shows the amounts paid and outstanding payments related to zakat, taxes, fees, or other dues payable by the company and not settled as of the end of the year 2024:

(All amounts are in Saudi Riyals - SAR)

Description	2024		Brief description	Reasons for Outstanding Amounts
	Paid during	Outstanding as of year-end		
Zakat, Tax and Customs Authority	51,540,787.08	4,279,109.86	Value Added Tax (VAT)	
Zakat, Tax and Customs Authority	3,216,649.09	-	Withholding tax for foreign remittances	
General Organization for Social Insurance (GOSI)	13,360,678.98	1,090,356.56	Monthly employee contributions	
Visa and Passport Fees	877,916.5	-	Annual passport-related fees	
Ministry of Labor Fees	6,912,733	-	Annual fees payable to the Ministry of Labor	
Others	1,236,539.77	-	Commercial and governmental licenses renewal fees	



## Conclusion

At the conclusion of our report, the Board of Directors of BAAN Holding Group, after thanking Allah Almighty for His grace and guidance, extends its deepest gratitude and appreciation to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and His Royal Highness, Crown Prince Mohammed bin Salman bin Abdulaziz Al Saud, as well as to our wise government for their unwavering support and ambitious vision, which enhance the strength of our national economy and reinforce the Kingdom's global leadership.

Driven by its firm commitment to excellence and innovation, BAAN Holding Group continues to develop its operations in line with the highest global standards, aiming to meet customer expectations, maximize shareholder value, and actively contribute to the development of the

communities it serves. This enhances its position as a prominent force in Saudi Arabia's consumer services sector.

The Board also expresses sincere gratitude to the Group's valued customers and shareholders for their continued trust, and commends the efforts of all BAAN Holding Group employees, whose dedication and loyalty are central to its success.

Finally, we extend our appreciation to all those who engage with the Group and contribute to its distinguished journey.

بان  
BAAN



بناء | ابتكار | نمو  
BUILD | INNOVATE | GROW

