



# **Dur Hospitality Company**

**(Saudi Public Joint-Stock Company)**

## **Board of Directors Report For the Fiscal Year 2021**

# Table of Contents

- Board of Director's Speech
- Our Vision

## 1) Company Profile

- 1.1 Main Activity
- 1.2 Strategic Direction
- 1.3 Organizational Structure
- 1.4 2021 Highlights

## 2) Business Sectors

- 2.1 Company's Enterprises
- 2.2 Projects Sector
- 2.3 Hotel Operation
- 2.4 Dur Communities
- 2.5 Shada Hospitality Group
- 2.6 Human Resources
- 2.7 Information Technology (IT)
- 2.8 Corporate Social Responsibility

## 3) Financial Statements and Business Results

- 3.1 Business Results for the Previous Five Years
- 3.2 Comparison of the Current Year's Operating Results with the Previous Year
- 3.3 Assets and Liabilities for the Previous Five Years
- 3.4 Changes to the Shareholders' Equity for the Previous Five Years
- 3.5 Loans
- 3.6 Key Revenue-Contributing Activities
- 3.7 Revenues' Geographical Analysis
- 3.8 Entitled Statutory Payments
- 3.9 Profits Distribution Policy
- 3.10 Risks

## 4) Disclosure and Transparency

- 4.1 Application of the Provisions of the Corporate Governance Regulation
- 4.2 Board Members
- 4.3 Board Committees
- 4.4 Executive Management
- 4.5 Subsidiary Companies
- 4.6 Disclosures
- 4.7 Annual Audit Results for the Effectiveness of the Company's Internal Control Procedures
- 4.8 Dealings with the Relevant Parties
- 4.9 Senior Shareholders
- 4.10 Statement of the Number of the Company's Requests for the Shareholders' Register

## Board of Director's Speech

Honorable Shareholders of the Dur Hospitality Company,  
Greetings,

We are pleased to present you with the annual report of the Dur Hospitality Company and its financial statements for 2021.

If we can describe the year 2021, it will be the year for beginning the recovery, and hoping for a better tomorrow; as the hospitality and tourism industry around the world has seen positive signs of a gradual return to growth and an increase in the operation pace. This return was not only supported by the decline in the spread of the coronavirus pandemic, but also by the new operational model adopted by the industry, which redefined the guest experience to keep pace with the new requirements, both in terms of enhancing investment in contactless technologies or strengthening the health and safety protocols.

Pursuant from our national role in designing a Saudi hospitality experience that mixes the legacy of the past and its authenticity with the best international standards and practices, we focused in “Dur Hospitality” on another element to develop our operating model and enhance its co-existence with the new reality, i.e. the element of innovation. Together, these elements played a major role in stabilizing Dur’s pace in terms of growth and profitability; as its financial performance showed total revenues of SAR (473) million, i.e. an increase of 7%, compared to 2020.

In compliance with our approach to keep pace with the aspirations of our guests and the tourism activity in the Kingdom in general, we have launched many new, developmental and quality projects during 2021. A management and operation contract was signed with Accor; in order to open the Kingdom’s first luxury (RIXOS) resorts, and Dur will develop the Makarem Annakheel Village into an integrated tourist resort that will represent a milestone and added value for the Bride of the Red Sea; Jeddah.

In addition, the construction of the luxury residential “Darraq Al-Hada” project has commenced in Riyadh, close to the Diplomatic Quarter, which includes 75 luxury residential villas of a unique style built in accordance with the latest modern construction specifications and the smart villas, in line with the trends aimed at improving the quality of life in the Kingdom.

We have also added the “Nur” brand to our business portfolio under the management of the Makarem Hotels; in order to venture into a new hotel category through which we aim to qualify, operate and manage 3-star hotels in Makkah and Medina. We have also continued to enhance the hospitality market in the Kingdom with innovative and modern products through the Shada Hotels Company; which is one of the Dur Hospitality companies, and a number of new establishments have been launched with the "Dara" brand: Dara Cordoba Hotel and Dara Al Rayyan Hotel.

Furthermore, in 2021, we have completed the full renovation of the Makarem Ajyad Makkah Hotel and launched it in its new form, which included all the hotel’s rooms, suites and facilities.

These developments and achievements would not have been possible without the great attention paid by the Government of the Custodian of the Two Holy Mosques, may God support it, in this key vital sector, which is of strategic importance in the Saudi Vision 2030; and also the

continued support of His Highness the Crown Prince, HRH Prince Mohammed bin Salman, in developing and empowering the hospitality sector in the Kingdom and all the economic and development sectors. The credit also goes to the distinguished shareholders and their valuable trust and continued support to keep “Dur Hospitality” as a distinctive and leading brand, along with the efforts and dedication of the brothers and sisters working in the Company.

In conclusion, we would like to extend our deep thanks and gratitude for your trust and commitment to achieve the Dur Hospitality’s objectives, aspirations and strategy; and we hope, with God’s willing, that the future will bring us more success, excellence and achievements,

Board of Directors

# Board Members



**Mr. Musaab bin Suleiman  
Al-Muhaidib**  
Board Member



**Mr. Badr bin Abdullah  
Al-Issa**  
Board Member



**Mr. Asim bin Saad Al-Juraid**  
Board Member  
(General Organization for Social  
Insurance Representative)



**Mr. Jihad Bin Abdulrahman  
Al-Qadi**  
Board Member  
(Public Investment Fund Representative)



**Mr. Fahad Bin Abdullah  
Al-Kassim**  
Board Vice-Chairman



**Eng. Abdullah Bin Mohammed  
Al-Issa**  
Board Chairman



**Mr. Ibrahim bin Ali Al-Abboud**  
Board Member  
(Al Nefae Investment Group  
Representative)



**Mr. Talal Bin Abdul Mohsen  
Al-Malafekh**  
Board Member  
(Public Pension Agency Representative)



**Dr. Saleh Bin Ali Al-Hathloul**  
Board Member

## Our Vision

To be the preferable partner in the hospitality industry and in the hotel and real estate investment, development and operation field in the Kingdom; in accordance with the international standards and the local spirit.

### 1) Company Profile

Dur Hospitality Company is a leading public joint-stock company specialized in the hospitality field, founded in 1976 in Saudi Arabia. It is characterized by its track record and extensive experience gained over decades in the management, development and operation of hotels and residential compounds throughout Saudi Arabia, The Company's portfolio includes 32 facilities ranging from hotel facilities to residential compounds.

#### 1.1.The Company's Main Activity

Dur Hospitality Company was established in its former name (Saudi Hotels and Resort Areas Company) as a Saudi joint-stock company based on the Council of Ministers' Decision No. 1776 on the 18<sup>th</sup> of Dhu Al-Hijjah 1395 AH (Royal Decree No. 69 on the 28<sup>th</sup> of Rajab 1395 AH) under the Commercial Registration No. 1010010726 on the 6<sup>th</sup> of Muharram 1397 AH, registered in Riyadh with a capital of 1 billion Saudi Riyals. The Company's purposes according to the Statute are represented as follows:

- Construction, ownership, management, operation, investment, purchase, participation, rental, and lease of hotels, restaurants, hotel suites, rest houses, entertainment centers, travel and tourism agencies, and private beaches of all levels and sizes, in cities, highways and tourist areas.
- Ownership and purchase of lands, real estates and enterprises, as well as their development, division and sorting. Construction of residential, commercial and hotel buildings, in addition to their sale, conveyance, or lease, and their utilization by all means of utilization and real estate management, for the benefit of the Company or others; and performance of the operation and maintenance work.
- Provision of services to the Umrah pilgrims and the visitors of the Prophet's Mosque.
- Exercise of all the basic and intermediate work required to carry out, process and initiate the various aspects of the activities of the aforementioned work, in accordance with the purposes for which they are intended.
- Achievement of a high level of service, and the services provided in such locations, and their processing in accordance with their degree in a manner approved by the Board of Directors.

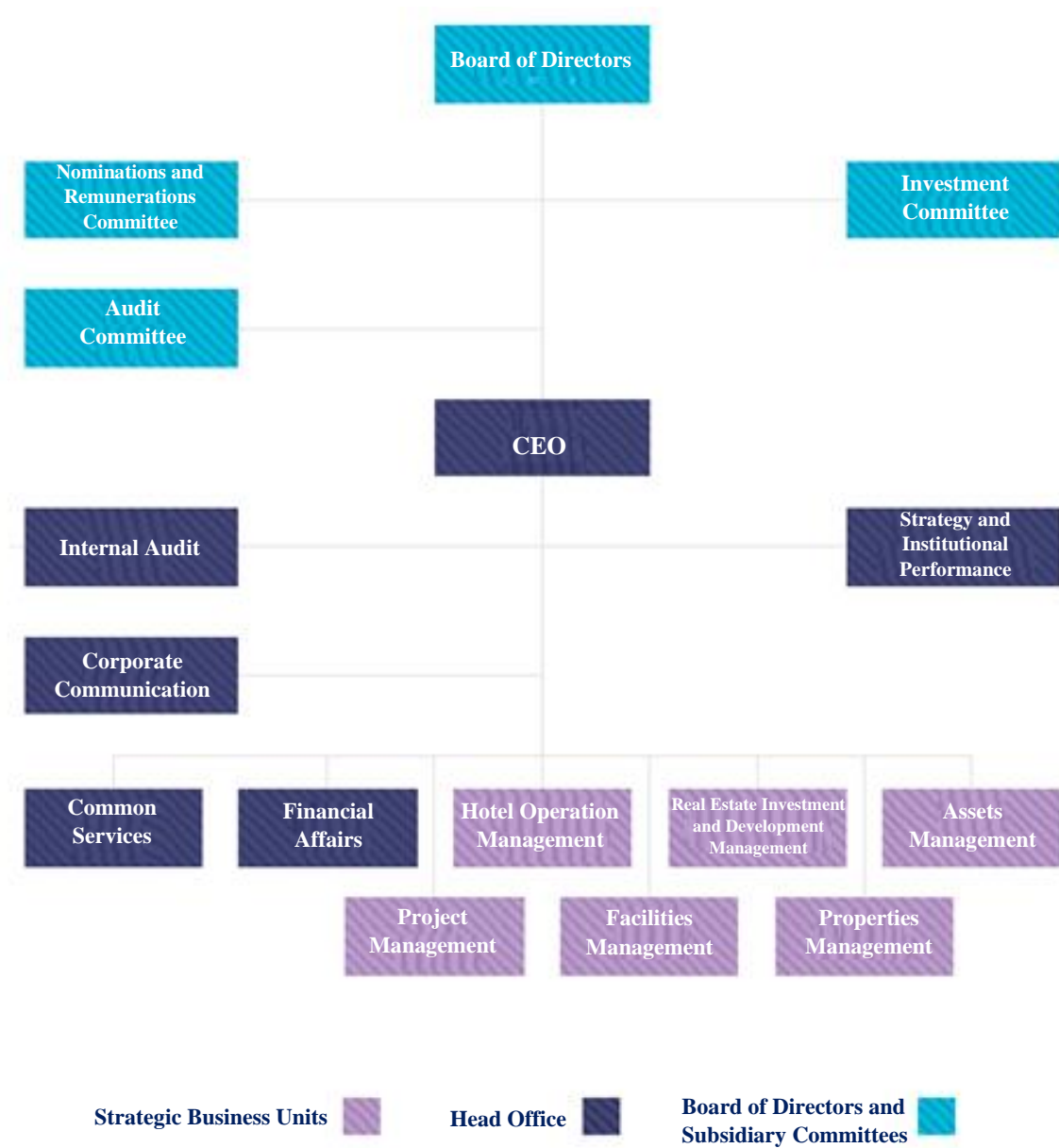
- The Company performs the above-mentioned work, directly or in partnership with others, and is entitled to conclude all the necessary contracts to ensure the proper execution of these works.

## **1.2. The Company's Strategic Direction**

The Company continued to implement its strategic direction, which includes the following:

- Follow-up with the implementation of the growth plan in the Company-owned enterprises' portfolio, which focuses on the development of a group of hotels that will be managed under international brands in a number of target cities; in addition to the expansion projects in a number of currently existing strategic enterprises; along with developing luxurious residential compounds in privileged locations.
- Expand the spread of the "Makarem" brand dedicated to the Makkah and Medina markets up to 10,000 rooms by 2028.
- Expand the spread of the "Shada" brands, which offer heritage hospitality experiences in a contemporary manner within the serviced apartments and medium-sized hotels sector; in addition to the "Dara" brand, which offers smart serviced apartments; to spread across the Kingdom's regions.
- The Company is currently reviewing its plans to develop the accommodation products targeting the expected tourism demand in a range of tourist destinations in the Kingdom; in addition to the studies related to the expansion of supply, in light of the start of the recovery phase and the emergence from the coronavirus crisis.
- Focus on developing a business model to raise the efficiency and build the capacities in a manner that serves the expansion plans and enhances the Company's profitability in light of changes in the business environment and the high operating costs; in addition to adopting the best technical standards and quality management systems, exploring the digitization opportunities, and activating the business intelligence systems within the business model in a manner that enhances the operations' performance and develops the guest and customer experiences.
- Study the opportunity to merge with the Taiba Company, and evaluate the opportunities for maximizing the strategic synergies; thereby enhancing strategic expansion directions.

### 1.3. Organizational Structure





## **1.4. 2021 Highlights**

Dur Hospitality Company continued its journey in implementing its strategic plan for investment and development in the hospitality sector, and the following is a brief overview of the highlights experienced by the Company in 2021:

### **1. Developing the Luxury Residential “Darraq Al-Hada” Compound**

In accordance with its expansion strategy in developing quality residential and hotel projects, while taking into account the high demand for luxury residential compounds in Riyadh, and in line with efforts to improve the quality of life in the Kingdom, the Company began the construction of a luxury residential compound under the “Darraq” brand in a strategic location on the King Khalid Road near the Diplomatic Quarter in Riyadh; with a total area of 30,000 m<sup>2</sup>. The project includes 75 high-end residential villas of various sizes; in addition to green spaces, and the project will be established according to the latest high-end specifications and the smart villas.

### **2. Signing a Management and Operation Contract for the Jeddah Rixos Resort with Accor**

Dur Hospitality Company announced that it had concluded an agreement with Accor, through which it will manage and operate a luxury tourist resort, under the Rixos brand specialized in luxury resorts. Through the agreement, Dur will develop the current Makarem Annakheel Village; in order to become an integrated tourist resort that has a luxurious 5-star hotel with a unique location on the Obhur Bay in the Red Sea in Jeddah; as it will consist of 247 housing units, including 174 rooms, 73 villas and a number of luxury facilities.

### **3. Launching the Specialized Hotel Brand in Makkah and Medina, “Nur by Makarem”**

Dur Hospitality launched its new hotel brand “Nur by Makarem” aimed at the 3-star hospitality sector. This new hotel brand comes under the umbrella of Dur’s Makarem Hotel Group, as part of the Company's strategy to establish and launch local hotel brands that work on introducing a new concept for the economic hospitality in the Kingdom. “Nur by Makarem” will operate and manage 3-star hotels in Makkah and Medina, while providing unprecedented opportunities for the hotel owners to transform any hotel based on the “Nur” model; resulting in the redesign of the entire hospitality experience, especially at the establishment, specifications and service level, all in record time.

### **4. Opening the “Dara Al-Rayan” Hotel Suites**

Shada Hotels Company, a subsidiary of Dur Hospitality Company, announced the opening of the Dara Al-Rayyan Hotel Suites in the Al-Rayyan District in Riyadh, bringing the number of Dara establishments managed and operated in the Kingdom to 5,

spread between Riyadh and Jeddah. Dara Al-Rayyan has 48 suites, a movie theater, a swimming pool, a restaurant, a gym and other various facilities. The building, which is developed based on one of the specifications, features a unique design that reflects Dara's concept based on modernity with an authentic local touch.

#### **5. Opening the “Dara Cordoba” Hotel Suites**

Shada Hotels Company, a subsidiary of Dur Hospitality Company, also announced the opening of the Dara Cordoba Hotel Suites. It is an innovative 59-room “boutique” hotel with a charming local touch. Dara's hospitality experience is based on unique foundations, with seamless integrated self-service technologies and elegant spaces filled with contemporary cultural artwork, thereby creating a diverse community experience.

#### **6. Opening the “Dur Al-Wadi” Residential Compound**

In 2021, the Company opened the Dur Al-Wadi Compound consisting of 66 luxury housing units on an area of more than 5,000 m<sup>2</sup>. It enjoys a privileged location in the Wadi Laban District overlooking Wadi Hanifa, which is only 5 minutes away from the Diplomatic Quarter of the capital Riyadh.

#### **7. Re-launching the “Makarem Ajjad Makkah” Hotel in its All-New Luxurious Look**

In 2021, the Company completed the comprehensive modernization process for all the rooms, suites and facilities of the Makarem Ajjad Hotel in Makkah. The hotel's renovation and development process was based on enriching the spiritual experience of the pilgrims and Umrah pilgrims through advanced and modern services. The launch of the Makarem Ajjad Makkah Hotel in its all-new luxurious look is in line with the journey of the long-standing and leading Makarem hotel brand in serving the pilgrims over the decades; and that is by employing expertise, knowledge and technology to serve the guests of the holy cities during their journey of faith in an integrated and smooth manner; where the luxurious accommodation meets with the hospitality's authenticity.

#### **8. Opening “The Coffee Table” in the Marriott Diplomatic Quarter**

This unique experience was created to offer a custom coffee experience in all its details in the Marriott Diplomatic Quarter Hotel Lobby. All the coffee drinks, whether espresso or handmade coffee, are prepared from the finest coffee crops by Saudi coffee specialists, who are passionate about serving them to the hotel guests from all over the world.

#### **9. Completing the Solar Panel Installation Project at the Marriott Riyadh Hotel**

#### **10. “Shada Hotels” signs Agreements to operate 121 Rooms in the Cities of Abha and Jeddah**

#### **11. “Shada Hotels” launches the “Raha” Restaurant and Café in Shada Al-Shati and “Raha” participation in the “Regal” Festival sponsored by the Ministry of Culture**

## **12. Dur Hospitality's Participation as a Platinum Sponsor for the Arabian Hotel Investment Conference (AHIC)**

As part of its commitment to support the growth of the Saudi hospitality industry and strengthen the Kingdom's position on the regional tourism and hospitality map, "Dur Hospitality" participated as a platinum sponsor for the 2021 Arabian Hotel Investment Conference (AHIC) held from the 20<sup>th</sup> to 22<sup>nd</sup> of September in the Jumeirah city Jumeirah City, Dubai.

## **13. Participation of Dur Hospitality Company and Makarem Hotels in the Arabian Travel Market**

Dur Hospitality and its brands Makarem, Dara and Shada participated in the Arabian Travel Market (ATM) Exhibition 2021, which was held live on the grounds of the Dubai World Trade Centre.

## **14. Dur Hospitality's Participation in the World Travel Market**

Dur Hospitality and Makarem Hotels participated in the events of the World Travel Market (WTM) 2021. Dur's participation in this global event comes under the umbrella of the Saudi Tourism Authority.

## **15. Makarem Hotels' Co-sponsoring the Umrah + Connect Events**

Makarem Hotels co-sponsored the 5<sup>th</sup> Umrah+ Connect event in London on 2<sup>nd</sup> of November 2021, along with a number of large authorities, companies and hotel groups related to the Hajj and Umrah services sector.

## **16. Receiving 10 Medals, 6 Certificates of Merit in the Culinary Category and 3 Awards from "HORECA 2021"**

A number of chefs from the Dur Company won 10 medals, 6 certificates of merit, and 3 awards from "Boecker" for the hygiene standards; as part of the awards ceremony of the Saudi International Food, Beverage and Hospitality Exhibition «SAUDI HORECA 2021» held from the 5<sup>th</sup> to the 7<sup>th</sup> of September at the Riyadh Front Exhibition and Conference Center (RFECC) in Riyadh. 14 chefs from four hotels affiliated to Dur Company participated in the competition: Crowne Plaza Riyadh Palace, Makarem Ajyad, Makarem Annakheel and Riyadh Airport Marriott Hotel.

## 2) Business Sectors

### 2.1 Company's Enterprises:

Dur Hospitality's enterprise sector consists of four main categories, namely:

**2.1.1** Enterprises owned by the Company, and managed by other operators.

**2.1.2** Owned or leased enterprises, managed by "Makarem", "Dur Communities" and "Shada Hotels" Company.

**2.1.3** Enterprises owned by others, and managed by "Makarem", "Dur Communities" and "Shada Hotels" Company.

**2.1.4** Enterprises invested by the Company, and managed by the Company and other operators.

These sectors are detailed below:

#### 2.1.1 Enterprises owned by the Company, and managed by Other Operators

<b>Riyadh Marriott Hotel</b>	<ul style="list-style-type: none"><li>- 418 5-star rooms and suites located in Riyadh</li><li>- Operator: Marriott International Company</li></ul>
<b>Marriott Hotel Apartments</b>	<ul style="list-style-type: none"><li>- 118 suites located in Riyadh</li><li>- Operator: Marriott International Company</li></ul>
<b>Courtyard Riyadh Hotel – Diplomatic Quarter</b>	<ul style="list-style-type: none"><li>- 286 rooms and suites located in Riyadh</li><li>- Operator: Marriott International Company</li></ul>

#### 2.1.2 Owned or Leased Enterprises, managed by "Makarem", "Dur Communities" and "Shada Hotels" Company

<b>Makarem Ajyad Makkah Hotel</b>	<ul style="list-style-type: none"><li>- 411 5-star rooms and suites, located in Makkah</li></ul>
<b>Makarem Annakheel Village</b>	<ul style="list-style-type: none"><li>- 83 villas, 21 hotel apartments, and 43 rooms and suites, located in Jeddah</li></ul>
<b>Holiday Inn Tabuk Hotel</b>	<ul style="list-style-type: none"><li>- 83 rooms and suites, located in Tabuk</li></ul>
<b>Riyadh Airport Marriott Hotel</b>	<ul style="list-style-type: none"><li>- 339 5-star rooms and suites, located in Riyadh</li></ul>
<b>Crowne Plaza Riyadh Palace Hotel</b>	<ul style="list-style-type: none"><li>- 304 4-star rooms and suites, located in Riyadh</li></ul>

<b>Darraq Homes – Diplomatic Quarter</b>	- 434 residential units, located in the Diplomatic Quarter in Riyadh
<b>Dur Al-Sharq Residential Compound</b>	- 35 villas and 259 rooms, located in Riyadh
<b>Dur Al-Wadi Residential Compound</b>	- 66 residential units, located in Riyadh
<b>Tuwaiq Residential Compound</b>	- 485 residential units, located in Riyadh
<b>Awal Plaza</b>	- A commercial center on 40,674 m <sup>2</sup> of rental space in Riyadh
<b>Shada Hotel – Al-Salamah</b>	- 88 residential units, located in Jeddah
<b>Dara Hotel Suites – Al-Salam</b>	- 50 residential units, located in Jeddah
<b>Dara Hotel Suites - Quraish</b>	- 28 residential units, located in Jeddah
<b>Dara Hotel Suites – Al-Hamra</b>	- 29 residential units, located in Jeddah
<b>Dara Hotel Suites– Cordoba</b>	- 59 rooms, located in Jeddah


### 2.1.3 Enterprises owned by others, and managed by “Makarem”, “Dur Communities” and “Shada Hotels” Company

<b>Makarem Umm Al-Qura Hotel</b>	- 336 5-star rooms and suites, located in Makkah
<b>Makarem Al-Bait Hotel</b>	- 270 4-star rooms and suites, located in Makkah
<b>Makarem Mina Hotel</b>	- 294 4-star rooms and suites, located in Makkah
<b>Makarem Al Shorofat Hotel</b>	- 104 3-star rooms and suites, located in Makkah
<b>Dur Al-Andalus Compound</b>	- 30 furnished residential villas, located in Jeddah
<b>Dur Al-Rawdah Compound</b>	- 28 furnished residential villas, located in Jeddah
<b>Dur Bader Compound</b>	- 40 furnished residential villas, located in Riyadh
<b>Dur Al-Maather Compound</b>	- 73 furnished residential villas, located in Riyadh
<b>Dur Al-Yasmin Compound</b>	- 171 furnished residential villas, located in Jeddah
<b>Shada Hotel – Al-Shati</b>	- 94 residential units, located in Jeddah
<b>Dara Hotel Suites – Al-Rayyan</b>	- 48 rooms, located in Riyadh




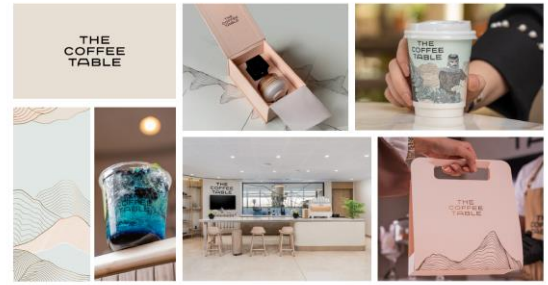
#### 2.1.4 Enterprises invested by the Company, and managed by the Company and Other Operators.

<b>Marriott Diplomatic Quarter Hotel</b>	<ul style="list-style-type: none"><li>- 80 rooms and suites, located in the Diplomatic Quarter in Riyadh</li><li>- Operator: Marriott International Company</li></ul>
<b>Marriott Hotel Apartments – Diplomatic Quarter</b>	<ul style="list-style-type: none"><li>- 140 hotel apartments, located in the Diplomatic Quarter in Riyadh</li><li>- Operator: Marriott International Company</li></ul>
<b>Holiday Inn &amp; Suites Al Jubail</b>	<ul style="list-style-type: none"><li>- 144 rooms and suites, located in Al Jubail</li><li>- Operator: Dur Hospitality Company</li></ul>



## 2.2 Company's Brands

<p><b>Makarem Hotels</b> A hotel brand dedicated to serving the guests at the Two Holy Mosques</p>	
<p><b>“Nur by Makarem”</b> Title of the Economic Hospitality at the Two Holy Mosques</p>	
<p><b>Shada Hotels</b> <b>Authentic Saudi Hospitality Brand</b></p>	
<p><b>Dara</b> <b>Innovative Residential Apartments</b></p>	



<p>Darraq</p> <p>Luxury Residential Community</p>	
<p>Dur Communities</p> <p>The operational arm of Dur Hospitality in the management of facilities and real estate properties</p>	
<p>Awal Plaza</p> <p>Shopping Mall</p>	
<p>“The Coffee Table”</p> <p>Custom Coffee</p>	



10:10 Restaurant and Lounge	
AltaVola Restaurant	

## 2.2 Projects Sector

The hotel and real estate development sector is the main and vital focus of the Company's projects; as it is responsible for the planning, the studies, the design and the implementation; in addition to developing and modernizing the existing projects and facilities, by using Dur's experience to keep up with the modern methods and the local and international technologies in the development and implementation field. The following is a breakdown of the projects completed during the year, in addition to the projects under development and implementation; along with the projects that are still under study and design:

<b>Completed Projects</b>	<ol style="list-style-type: none"> <li>1. Development of the Holiday Inn &amp; Suites Al Jubail.</li> <li>2. Expansion of the Holiday Inn Tabuk Hotel.</li> <li>3. Renovation of the Makarem Ajyad Makkah Hotel.</li> </ol>
<b>Projects under Development and Implementation</b>	<ol style="list-style-type: none"> <li>1. Establishment of the Darraq Al-Hada (King Khaled Road Land)</li> <li>2. Development of an Events Hall at the Holiday Inn Tabuk Hotel.</li> <li>3. Development of the Jeddah Rixos Resort (formerly known as Makarem Annakheel Village).</li> <li>4. Development of the Makarem Al-Madinah Hotel.</li> </ol>

## Projects under Study and Design

1. Expansion of the Makarem Ajyad Makkah Hotel
2. Development of Jeddah Courtyard Hotel and Residence Inn.
3. Development of Yanbu Courtyard Hotel and Residence Inn.
4. Development of Al-Ahsa Courtyard Hotel and Residence Inn.

## 2.3 Hotel Operation

The Hotel Operation Management represents the administrative and operational arm for the hotels in Dur Hospitality Company, through which the Company created the Saudi brand "Makarem", and its new hotel brand "Nur by Makarem" specialized in serving the guests in Makkah and Medina. It was keen on adhering to the global standards; along with establishing strong partnerships with the top global hotel operators such as: Intercontinental Hotels Group (IHG), Marriott International, and Accor Hotels, which was added to its list of partners from the global hotel operators in 2021.



### 2.3.1 Strategic Expansion:

In 2021, despite the challenges posed by the coronavirus pandemic, the Hotel Operation Management continued to develop its portfolio of Makarem hotels by completing the full renovation of Makarem Ajyad and launching the new hotel brand "Nur by Makarem"; in order to improve the accommodation experience of the guests in Makkah and Medina to reach the international standards. In addition, Accor signed an agreement with Rixos; in order to transform and operate the Makarem Annakheel Village to become the first comprehensive hospitality resort in Saudi Arabia located on the shores of Jeddah Obhur, and is expected to be opened by the end of 2023. The "Joud" brand was also launched as a fast-food store and café inside the Makarem Ajyad Hotel; and in 2021 the Hotel Operation Management sought to develop its portfolio of the Makarem hotels in the holy cities by entering the Medina market through adding 400 rooms in the central region close to the Prophet's Mosque.

Number of Current Rooms: 2428 rooms      Number of Rooms under Development: 400 rooms

S.N	Current Enterprises	Number of Rooms
1	Makarem Ajyad Hotel (Makkah)	411
2	Makarem Annakheel Resort (Jeddah)	143
3	Makarem Umm Al-Qura Hotel (Makkah)	336
4	Makarem Al-Bait Hotel (Makkah)	270
5	Makarem Mina Hotel (Makkah)	294
6	Makarem Al Shorofat Hotel (Makkah)	104
7	Riyadh Airport Marriott Hotel	339
8	Crowne Plaza Riyadh Palace Hotel	304
9	Holiday Inn Tabuk Hotel	83
10	Holiday Inn & Suites Al Jubail	144
<b>Total Number of Units</b>		<b>2428 Rooms</b>

S.N	Enterprises under Development	Number of Rooms
1	Development of Makarem Hotel Project with the General Authority of Endowments (Medina)	400
<b>Total Number of Units</b>		<b>400 Rooms</b>

### **2.3.2 Operational Excellence**

In 2021, the Hotel Operation Management continued to strengthen and develop the bonding with its guests, along with improving the efficiency and profitability despite the increased competition and the economic challenges. The latest technology systems and applications were used in the hospitality sector; in order to contribute in raising the operational efficiency and improving the revenues; along with raising the satisfaction level for both guests and employees. The following is a summary of the main indicators that are relied upon to achieve operational excellence:

#### **A. Energy Conservation Systems**

Through the control and monitoring systems and raising awareness on the energy and water consumption, the Hotel Operation Management was able to achieve energy and water conservation rate; so that the cost of an occupied room is SAR 39.7 compared to SAR 41.0 last year.

#### **B. Guest Service and Performance Measurement Systems**

The Hotel Operation Management works on measuring the performance of its services by applying indicators and systems that help in raising the guests' experience level; and the following is a summary for such systems:

		
Guest Delight International Quality Check	The GuestBook Loyalty Program	Fairmas Revenue Management System
		
OTA Insight Smart Revenue Management Database	IdeaS Revenue Solutions Resources Management Solutions	IcePortal Distribution Solutions
		
Winnow Food Surplus Management Solutions	ReviewPro Guests Experience Development Program	Peakon Employee Engagement Index

## 2.4 Dur Communities

Dur Communities represents the administrative and operational arm of Dur Hospitality's residential real estate and facilities; through which operation, maintenance, cleanliness and security services are provided; in addition to the marketing, sales and leasing services, the support services, and the quality control for residential compounds; as it harnesses its extensive experience in the hospitality and asset management field by providing operational and management solutions to the investors in the real estate sector.

Dur Hospitality designed its brand “Dur Communities” to manage and operate the residential projects; in order to provide an innovative and integrated residential product. Dur Communities includes 9 residential compounds spread across key areas in Saudi Arabia; as they include 1,621 residential units of various categories and sizes, green spaces, and sports and recreational facilities managed in high professionalism.

One of the most prominent residential projects is "Darraq Homes", which is a high-end integrated residential project that contains luxury residential units of modern villas and fully furnished apartments of various spaces. Darraq, whose name is derived from the high-end house, provides its residents with privileges, pleasure and welfare in the Diplomatic Quarter in Riyadh; in addition to taking advantage of the public facilities, the parks, the model schools, the sports clubs and the private recreation and entertainment centers.

S.N	Compound	Number of Units
1	Darraq Homes – Diplomatic Quarter	434 Residential Units
2	Dur Bader Compound	40 Residential Units
3	Dur Al-Sharq Compound	35 Villas and 259 Residential Units
4	Dur Al-Andalus Compound	30 Residential Units
5	Dur Al-Rawdah Compound	28 Residential Units
6	Dur Al-Yasmin Compound	171 Residential Units
7	Dur Al-Maather Compound	73 Residential Units
8	Dur Al-Wadi Compound	66 Residential Units
9	Dur Twaiq Compound	485 Residential Units
Total Number of Units		1,621 Residential Units

## 2.5 Shada Hospitality Group

60% of the Shada Hotels Company has been acquired, which will strengthen Dur's position, and that is after expanding its investment portfolio in the hotel apartments category.

S.N	Current Enterprises		Number of Units
1	Shada Hotel – Al-Salamah	Jeddah	88 Keys
2	Dara Hotel Suites – Al-Salam	Jeddah	50 Keys
3	Shada Hotel – Al-Shati	Jeddah	94 Keys
4	Dara Hotel Suites - Quraish	Jeddah	28 Keys
5	Dara Hotel Suites – Al-Hamra	Jeddah	29 Keys
6	Dara Hotel Suites– Cordoba	Riyadh	59 Keys
7	Dara Hotel Suites – Al-Rayyan	Riyadh	48 Keys
Total Number of Units			396 Keys

S.N	Enterprises under Design and Implementation		Number of Units
1	Shada Hotel - Jumeirah Park	UAE	104 Keys
2	Shada Hotel – Al-Khalidiyah	Jeddah	110 Keys
3	Shada Hotel – Al-Tahlia	Jeddah	80 Keys
4	Dara Hotel Suites – Al-Areen	Abha	106 Keys
5	Dara Hotel Suites – Hira	Jeddah	44 Keys
6	Dara Hotel Suites – Corniche King	Jeddah	140 Keys
7	Dara Hotel Suites – Al-Shifa	Abha	67 Keys
Total Number of Units			651 Keys

## 2.6 Human Resources

Innovation and quality in productivity are key factors to achieve the Company's ambitions, which is represented in preparing an attractive business environment.

### **2.6.1 Saudization and Support Initiatives**

To develop the national competencies and raise the Saudization rates, the Company started developing its strategies to attract talent based on the need, which contributes in raising the productivity and increasing the Saudization rate to nearly 39%.

### **2.6.2 Training and Development**

Improve the employees' skills and raise their professional competencies by training more than 3,140 trainees for about 6,750 hours; and that is by implementing more than 550 training programs via e-platforms such as Marriott HUB, IHG Merlin and Edraak; as well as attendance programs through the Dur Hospitality Academy; in order to develop the practical and leadership skills for the Company's employees.

### **2.6.3 Work Environment Development**

- Measure more than 15 performance indicators; in order to develop the Human Resources' quality and sustainability in the fields of Human Resources Operations, Talent Acquisition, and Organization and Knowledge Development, through the data analysis and presentation program (Power PI).
- Implement the employee's engagement questionnaire in regards to his work with the company, its values, policies and initiatives, and obtain an average of 4.24 out of 5; along with approving the employees' proposals regarding the development of the work environment, and working on its implementation.
- Raise the quality of the employees' annual assessment program through the continuous training of managers and employees on the assessment mechanism and the principles of setting annual objectives; along with developing the e-performance system to include clear procedures and a guideline that contributes in facilitating the system's use and reaching the target.

## **2.7 Information Technology (IT)**

Through the IT Management, the Company made several achievements in activating and launching important initiatives, most notably:

1. Updating the entire IT systems and devices at the Head Office by installing the latest devices and technologies available in this field, such as the sixth generation (6G) of wireless network and the newest generation in the local network devices; in addition to updating the telephone communication system.

2. Completing the first phase for the adoption of the Power BI business and data analysis program, and its adoption of interactive reporting on the operations management and the enterprise performance.
3. Digital transformation in the meeting rooms by installing and operating smart screens, which includes advanced video meeting systems as well as a number of other smart business services on the screen; as they played a key role in supporting the business in line with the global trend that adopts the teleconferences.
4. Success in holding the meetings of the Board of Directors and the general shareholders assemblies remotely, in line with the recommendation of the Capital Market Authority (CMA) in this regard.
5. Applying the advanced level of the national encryption standard to all the network systems and services provided in the Company, in accordance with the recommendations of the National Cybersecurity Authority.
6. Applying a number of advanced cybersecurity systems in accordance with the phase requirements.
7. Improving the collection efficiency and increasing the customer satisfaction by developing a number of the Company's internal systems, such as the activation of e-notices to the customers by email and SMS; in order to renew the contracts and pay the financial dues; along with activating the automated system to communicate with the Dur Communities' customers.
8. Launching flight schedule monitoring screens in the lobby and the guest rooms at the Airport Marriott Hotel, by developing the system and linking it with the systems of King Khalid International Airport in Riyadh.
9. Providing new enterprises with the latest systems and programs.
10. Applying the electronic invoice to all the Company's systems and hotels in record time; as recommended by the Zakat, Tax and Customs Authority.
11. Rationalizing the IT operating expenses, in accordance with the occupancy percentages and the needs in the Company's enterprises.

## 2.8 Corporate Social Responsibility

Dur Hospitality Company takes pride in being one of the leaders in the corporate social responsibility field in Saudi Arabia.

The basic premise of all the corporate social responsibility initiatives is to utilize the Company's resources, enterprises, expertise, and human potential, and direct them to serve the community under the "Athar" brand. Three key fields were identified in the social responsibility strategy, namely:

- **First Field: Environment Protection and Natural Resources Conservation**
- **Second Field: National Cadres Empowerment**
- **Third Field: Social Activities Support**



The following is an overview of the corporate social responsibility initiatives (Athar) achieved during 2021:

### 2.8.1 5<sup>th</sup> Warmth Campaign

For the third consecutive year, the Corporate Social Responsibility Committee (Athar) collected more than 7,900 pieces of linen, curtains, pillows and towels from a number of the Company's hotels last year.

### 2.8.2 "Support an Orphan with your Old Device" Initiative

In cooperation with the Charity Committee of Orphans Care "Ensan" and "Tadweer" for the recycling of electronic and electrical devices, the Dur Hospitality Company contributed in supporting the "Support an Orphan with your Old Device" Initiative. This Initiative aims to preserve the environment and protect the community from the harmful effects of the electronic and electrical waste; as the Company was able to collect 1.8 tons of waste electronic and electrical devices from the Head Office and a number of the Company's hotels.

### 2.8.3 4<sup>th</sup> Blessing Box Campaign

300 food boxes were donated to the Imam Mohammed Bin Saud Society, weighing 18 kilograms each. The Corporate Social Responsibility Committee (Athar) supervised their preparation and processing, in cooperation with the Dur Hospitality's employees.

### 2.8.4 Blood Donation Campaigns

As usual, Dur organized blood donation campaigns, in collaboration with King Faisal Specialist Hospital, at the Company's Head Office and in a number of the Company's hotels.

## 3) Financial Statements and Business Results

### 3.1 Business Results for the Previous Five Years

The statement below shows a summary of the business results for the last five years:

Statement (in Thousands Saudi Riyals)	2017	2018	2019	2020	2021
<b>Total Revenue</b>	483,604	454,062	553,846	442,319	473,150
<b>Revenue Cost</b>	(353,093)	(345,981)	(434,669)	(381,495)	(413,652)
<b>Gross Profit</b>	130,511	108,081	119,177	60,824	59,498
<b>Operating Profit</b>	95,344	69,532	78,725	5,754	26,226
<b>Net Profit/Loss</b>	90,631	57,462	53,004	(49,494)	(15,184)

### 3.2 Comparison of the Current Year's Operating Results with the Previous Year

The statement below shows the fundamental differences in the operating results compared to the previous year's results:

Statement (in Thousands Saudi Riyals)	2020	2021	Change	Change Percentage
Total Revenue	442,319	473,150	30,831	7
Revenue Cost	(381,495)	(413,652)	(32,157)	8%
<b>Total Profit</b>	<b>60,824</b>	<b>59,498</b>	(1,326)	(2%)
Sales and Marketing Expenses	(1,474)	(1,980)	(506)	34%
General and Administrative Expenses	(53,596)	(31,292)	22,304	(42%)
<b>Operating Profit</b>	<b>5,754</b>	<b>26,226</b>	20,472	356%
Financial Burdens	(33,241)	(23,145)	10,096	(30%)
Financial Burdens of Lease Contract Liabilities	(15,758)	(13,742)	2,016	(13%)
Finance Revenue	324	38	(286)	(88%)
Other Net Revenue	630	10,053	9,423	1496%
Share in the Results of the Companies restricted by the Equity Method	(1,739)	(4,290)	(2,551)	147%
Additional Burdens from Legal Obligations	-	-	-	-
<b>Profit/Loss before Zakat</b>	<b>(44,030)</b>	<b>(4,860)</b>	39,170	(89%)
Zakat	(7,579)	(9,312)	(1,733)	23%
<b>Net Profit</b>	<b>(51,609)</b>	<b>(14,172)</b>	37,437	(73%)
<b>Company's Shareholders</b>	<b>(49,494)</b>	<b>(15,185)</b>	34,309	<b>(69%)</b>
Non-Controlling Equity	(2,115)	1,013	3,128	(148%)
	<b>(51,609)</b>	<b>(14,172)</b>	37,437	<b>(73%)</b>

- The Company's financial results for 2021 showed that the total revenue amounted to SAR (473) million; i.e. an increase of SAR (30.8) million with a rate of (7%) compared to 2020; due to the improvement in the revenue of the Company's enterprises; given the return to the business after the decline of the novel coronavirus pandemic (COVID-19) and the operation of the new enterprises.

The Company's operating profit amounted to SAR (26.2) million; i.e. an increase of SAR (20.4) million with a rate of (356%) compared to the previous year 2020, and the Company's net losses for 2021 amounted to SAR (15.2) million, i.e. a decline from the previous year's losses amounting to SAR (34.3) million with a rate of (69%).

### 3.3 Assets and Liabilities for the Previous Five Years

The following statement represents the assets and liabilities for the previous five years:

Statement (in Thousands Saudi Riyals)	2017	2018	2019	2020	2021
Total Current Assets	302,941	312,333	356,150	361,312	349,097
Total Non-Current Assets	416,830	717,612	679,195	418,867	344,593
Properties and Equipment	1,886,311	1,894,298	2,492,482	2,698,425	2,711,490
<b>Total Assets</b>	<b>2,606,082</b>	<b>2,924,243</b>	<b>3,527,827</b>	<b>3,478,604</b>	<b>3,405,180</b>
Total Current Liabilities	294,409	401,239	475,210	510,144	612,781
Total Non-Current Liabilities	486,442	712,006	1,260,869	1,240,730	1,109,418
<b>Total Liabilities</b>	<b>780,851</b>	<b>1,113,245</b>	<b>1,736,079</b>	<b>1,780,874</b>	<b>1,722,199</b>
Total Shareholders' Equity	1,787,621	1,774,665	1,741,401	1,639,330	1,623,593
Non-Controlling Equity	37,610	36,333	50,347	58,400	59,388
<b>Total Liabilities and Shareholders' Equity</b>	<b>2,606,082</b>	<b>2,924,243</b>	<b>3,527,827</b>	<b>3,478,604</b>	<b>3,405,180</b>
Shareholders' Equity to Assets Ratio	69%	61%	49%	47%	48%

### 3.4 Changes to the Shareholders' Equity for the Previous Five Years

The following statement illustrates the changes in the shareholders' equity over the past five years:

Year	Shareholders' Equity (in Thousands Saudi Riyals)	Increase (Decline)	Change Percentage (%)
2021	1,623,593	(15,737)	(0.95%)
2020	1,639,330	(102,072)	(5.9%)
2019	1,741,402	(33,263)	(1.9%)
2018	1,774,665	(12,956)	(0.7%)
2017	1,787,621	9,163	0.5%

### 3.5 Conventional Reserve

At its meeting held on the 5<sup>th</sup> of December 2021, the Extraordinary General Assembly agreed to transfer the conventional reserve balance of SAR 143,002,490 to the retained earnings.

### 3.6 Loans

The Company received several loans to finance various projects as follows:

Loan Grantor Name	Loan Principal Amount	Loan Term	Total Amount Withdrawn from the Loan	Paid Amounts during the Year	Total paid Amounts	Company's Total Indebtedness by the End of 2021
Riyad Bank*	838,400,000	5-7 Years	615,213,008	70,435,192	78,768,526	536,444,483
Banque Saudi Fransi** (BSF)	296,900,000	5 Years	266,900,000	33,767,429	148,977,429	117,922,571
SABB Bank	171,679,000	5 Years	138,315,177	1,930,000	8,379,724	129,935,453
Arab	400,000,000	1-7	296,470,305	63,500,000	63,500,000	232,970,305

National Bank (ANB)		Years				
<b>Total</b>	<b>1,706,979,000</b>		<b>1,316,898,490</b>	<b>169,632,621</b>	<b>299,625,679</b>	<b>1,017,272,812</b>

It should be noted that:

\* Eng. Abdullah Mohammed Al-Issa is considered a relevant party; as he is the Chairman of the Board of Directors of the Riyad Bank.

\*\* Mr. Badr bin Abdullah Al-Issa is considered a relevant party; due to his membership at the Board of Directors of the Banque Saudi Fransi.

### 3.7 Key Revenue-Contributing Activities

The following statement represents the contribution of the Company's three key activities to its revenues for 2021:

Sector	Sector Revenue (in Thousand Riyals)	Percentage (%)
Hospitality	348,383	73%
Rental	123,246	27%
Management Fees	1,521	0%
<b>Total</b>	<b>473,150</b>	<b>100%</b>

### 3.8 Revenues' Geographical Analysis

Dur Hospitality's revenues are distributed in four major geographical areas within the Kingdom: Riyadh, Makkah, Tabuk, and the Eastern Province, and the revenues of each region during the fiscal year 2021 were as follows:

Region (In Thousands of Saudi Riyals)	Revenues
Riyadh	356,556
Makkah	63,800
Tabuk	43,787
Eastern Province	9,007
<b>Total</b>	<b>473,150</b>

### 3.9 Entitled Statutory Payments

The statutory payments entitled to the Company and its subsidiary companies until the end of the fiscal year 2021 were as follows:

Statement	Entitled Amount by the End of the Year (Saudi Riyal)
Social Insurance Subscriptions	976,731
Zakat	9,312,287
Value-Added Tax (VAT)	3,259,377

### 3.10 Profits Distribution Policy

(1) The Company's annual net profits are distributed after deducting all the general expenses and the other costs, as stipulated in Article (42) of its Statute, according to the following:

- The legally imposed zakat will be retained.
- (10%) of the net profit will be retained; in order to form a statutory reserve; and the Ordinary General Assembly may suspend this retention when the aforementioned reserve reaches (30%) of the capital.
- Afterwards, a down-payment will be distributed to the shareholders from the remainder equivalent to (5%) of the paid-up capital.
- The Ordinary General Assembly may then form other reserves to the extent that achieves the Company's interest or ensures fixed profits to the shareholders.
- Afterwards, the remainder will be wholly or partially distributed to the shareholders as an additional share of profits or to be carried over to the coming years, as decided by the Shareholder's Ordinary General Assembly.

The Board of Directors, with the authorization of the Shareholders' Ordinary General Assembly, which is renewed each year, may distribute interim profits on a semi-annual or quarterly basis, in accordance with the controls issued by the competent authority.

- (2) If it was decided to distribute profits from the Company, the shareholder will be entitled to his share of the profits in accordance with the General Assembly's decision issued in this regard, and the decision will indicate the entitlement date and the distribution date; furthermore, the profits will be eligible to the shareholders registered in the shareholders' registers at the end of the specified entitlement date. The competent authority will determine the maximum period during which the Board of Directors must implement the Ordinary General Assembly's decision on the distribution of the profits to the shareholders.
- (3) At its meeting held on the 25<sup>th</sup> of May 2021, the Board of Directors recommended that no cash profits will be distributed to the shareholders for the fiscal year ended on the 31<sup>st</sup> of December 2020; in order to support the Company's financial position and cash flow; as no profits were realized in 2020, due to the repercussions of the coronavirus pandemic.

### **3.11 Risks**

The potential risks that the Company may face are as follows:

#### **Market Risk and the Nature of the Business Activity**

The potential market risks and the risks associated with the Company's business activity are as follows:

1. The Hajj and Umrah seasons are affected by the external organizational conditions or factors.
2. The increased competition in the hotel market in Riyadh and Makkah, which may affect the performance of the Company's hotels in these two cities.
3. The change in the policies and systems of the relevant government agencies, especially the labor office systems and the jobs saudization rate.
4. The rise in the basic services' fees and prices, such as energy, water, consumables and other new fees.
5. The external and economic factors that may affect the projects' development and completion, such as the different exchange rate in the target markets.
6. The economic conditions and the low oil prices that may lead to a reduction in the public spending.
7. The outbreak of epidemics, whether internally or globally, which affect the global economies; thus negatively affecting the Company's various activities, such as the outbreak of the novel coronavirus epidemic (COVID-19).

#### **Credit Risks**

These are the risks resulting from the failure of one party in fulfilling its financial obligations when they are due; thereby causing financial losses to the other party; as the risks related to financial assets that are likely to be exposed to credit risk concentration are mainly concentrated on the banks' cash and the trade receivables. The cash owned by the Company is deposited in local banks with a good credit rating; therefore, the credit risk associated with the cash deposits is limited, and the credit risk related to the trade receivables is limited; because most of the Company's dealings are concentrated with customers with strong financial positions. The Company's Management monitors and follows up with the balances of the trade receivables; in order to reduce any credit risks associated thereto, follow up with their collection, and take any necessary measures to maintain the Company's rights.

#### **Currency Risks**

It is represented by the fluctuation in the monetary value of the assets and the financial obligations in foreign currencies, and since all the Company's essential dealings are made in Saudi riyals, the currency and exchange rate risks, to which the Company is exposed, are very limited.

#### **Commission Rate's Fair Value Price and Cash Flows Risks**

It is the exposure to various risks associated with the impact of the prevailing commission rate fluctuations on the Company's financial position and cash flows. The Company's commission rate risk arises from Islamic murabaha, short-term bank loans, and long-term debts, which are at floating

commission rates. All debts and deposits are subject to repricing on a regular basis. The Management monitors the changes in the commission rates and it believes that the commission rate's fair value and cash flows risks are not significant for the Company.

### **Liquidity Risks**

They are risks regarding the Company's inability to provide the funds needed to meet its financial instruments' obligations; as the liquidity risks arise from the inability to sell a financial asset quickly at a sum close to its fair value. Liquidity risks are managed by monitoring them on a regular basis; in order to ensure that there is sufficient liquidity by following the expected collection schedules for the receivables from the customers; in addition to the bank financing instruments available to the Company; in order to meet its future obligations as they arise.

## **4) Disclosure and Transparency**

Pursuant from the keenness of Dur Hospitality's Board of Directors on its relationship with the shareholders, the partners, the investors and the stakeholders, and in its belief in the importance of disclosure and transparency and its commitment thereto, the Board of Directors is pleased to provide you with the main disclosures; in addition to the financial results, which were previously explained according to the Corporate Governance Regulation issued by the esteemed Saudi Capital Market Authority, and the other relevant regulations as follows:

### **4.1 Application of the Provisions of the Corporate Governance Regulation**

The Company applies all the mandatory provisions of the Corporate Governance Regulation, except for the "Guidance Articles", for the following reasons:

Article	Paragraph	Content	Non-Application Reasons
41	-	Develop the necessary mechanisms to assess the performance of the Board, its members, committees and executive management annually by the Board of Directors – based on the Nominations Committee's suggestion.	The Company is currently completing the procedures to achieve this matter.
70	-	Form a Risk Management Committee.	The Company currently applies the tasks and competencies related to this Committee through the Board of Directors and the Audit Committee.
71	1	Develop the Risk Management Committee's specializations and tasks.	
72	-	Risk Management Committee's meetings	
83	1-4	Develop clear and written policies and procedures to regulate the relationship with the stakeholders; in order to protect them and maintain their rights by the Board of Directors.	Work is under way to develop the required policy.



85	2 and 3	2) Create programs that grant employees shares in the Company or a share of the profits they made; in addition to pension programs; and establish an independent fund to spend on these programs. 3) Establish social institutions for the Company's employees.	The Company is currently studying the status of these programs.
87	-	Based on the Board's suggestion, the Ordinary General Assembly develops a policy to ensure a balance between its objectives and those that the society aspires to achieve; in order to develop the society's social and economic conditions.	The Company is currently carrying out initiatives that support the objective of this policy, and the Board of Directors will study its status as a proposal to be submitted to the General Assembly.
88	4-1	Develop programs and identify the means necessary to launch the Company's initiatives in the social work field.	The Company is currently implementing some of the programs mentioned in this Article.
95	-	Form a competent Corporate Governance Committee.	All that is stated in the Article will be taken into account when forming the Committee.

## 4.2 Board Members

### 4.2.1 Formation of the Board of Directors and its Members' Ownership in the Company

The Board of Directors consists of (9) members, and the following table shows the formation of the Company's Board of Directors, their membership capacity and their ownership in the Company at the beginning and end of 2021:

Name	Membership Capacity	Number of Shares at the Beginning of the Year	Number of Shares at the End of the Year	Change
Eng. Abdullah Bin Mohammed Al- Issa (Board Chairman)	Non-Executive	1,449	1,449	-
Mr. Fahad Bin Abdullah Al-Kassim (Board Vice-Chairman)	Non-Executive	1,100	1,100	-
Dr. Saleh Bin Ali Al-Hathloul	Non-Executive	1,000	1,000	-
Mr. Jihad Bin Abdulrahman Al-Qadi (Public Investment Fund Representative)	Non-Executive	16,628,458	16,628,458	-
**Mr. Talal Bin Abdul Mohsen Al-Malafekh (Public Pension Agency Representative)	Independent	1,743,215	6,693,806	-
**Mr. Asim bin Saad Al Juraid (General Organization for Social Insurance Representative)	Non-Executive	-		-
**Mr. Abdullah bin Abdulrahman Al Shamrani (General Organization for Social Insurance Representative)	Non-Executive	4,950,591		-
Mr. Badr bin Abdullah Al- Issa	Non-Executive	1,485	1,485	-
Mr. Musaab bin Suleiman Al-Muhaidib	Independent	1,000	1,000	-
Mr. Ibrahim bin Ali Al Abboud	Independent	1,000	1,000	-

\*\* At the request of the Hassana Investment Company (investment arm) to the General Organization for Social Insurance, its representative in the Board of Directors of the Dur Hospitality Company was changed to Mr. Asim bin Saad Al-Juraid (non-executive) as of 17/11/1442 AH, corresponding to 27/06/2021, in place of Mr. Abdullah bin Abdulrahman Al-Shamrani (non-executive); due to his resignation from the Organization.

\*\*On 22/12/1442 AH, corresponding to 1/8/2021, the “Public Pension Agency” was merged into the “General Organization for Social Insurance”, thereby merging the two shares owned by each of them to form 6,693,806 shares at the end of the year.

- The Board of Directors acknowledges that, with the exception of the Company's shares owned by the Board members stated in the table above, there are no special interests, option rights, subscription rights, or associations for the Board members, or their spouses or minor children in the Company or its subsidiaries, whether in the Company's shares, or any associations with direct or indirect employment contracts, etc.
- There are no shares owned by the Board members' spouses and their minor children in the Company, and there are no shares owned by representatives of the legal persons in the Board of Directors, their spouses and minor children.

#### 4.2.2 The Names of the Companies inside or outside the Kingdom, where the Company's Board Member is a member of its Current and Former Board or one of its Directors:

S.N	Name	Current Companies	Legal Entity	Former Companies	Legal Entity
1	Eng. Abdullah Bin Mohammed Al- Issa	1. Riyadh Bank	Listed Joint-Stock Company	1. Arabian Cement Company	Listed Joint-Stock Company
		2. Saudi Basic Industries Company (SABIC)		2. National Medical Care Company (Care)	
		3. Etihad Etisalat Company (Mobily)		3. National Shipping Company of Saudi Arabia (NSCSA)	
				4. Saudi Arabian Mining Company (Ma'aden)	
		1. Assila Investment Company	Closed Joint-Stock Company	1. Jadwa Investment Company	Non-Listed Joint-Stock Company
				2. Cement Products Industries Company	
		1. Clariant Company	Non-Saudi Public Joint-Stock Company	3. National Chemical Carriers Company	
2	Mr. Fahad Bin Abdullah Al-Kassim	1. Dallah Healthcare Company	Listed Joint-Stock Company	1. Bank Albilad	Listed Joint-Stock Company
		2. Jarir Marketing Company		1. Abdullatif Alissa Group Holding	Non-Listed Joint-Stock Company
		3. Savola Group		2. Naqel Company	
		4. Arriyadh Development Company		1. Al Rajhi Alpha Investment Holding	Limited Liability Company
		1. Dr. Mohammed Rashid Al Faqih & Partners Company	Non-Listed Joint-Stock Company	2. Raj Real Estate Company	
		2. Al-Rajhi United Real Estate Investments Company		3. National General Automotive Company	Government Institution
		3. Alargan Projects Company		4. Amwal Financial Consulting Company	
		4. Mohammed Abdulaziz Al Habib & Sons Holding Company		1. General Saudi Post Corporation	
		5. Abdullah Al Subeaei Holding Company (AIMS)			
		1. Fincorp Investment Holding Company	Non-Saudi Closed Joint-Stock Company		
		1. Ariz for Commercial Investment Company Ltd	Limited Liability		

		2. Gulf Basqat Investment Company	Company		
		1. Century 21 & Co. for Real Estate Valuation	Professional Company		
		1. Fahad Abdullah Al-Kassim Office for Review and Auditing	Professional Office		
		1. Savola World Foundation	Non-Profit Organization		
3	Dr. Saleh Bin Ali Al-Hathloul	1. Saleh Al-Hathloul Development Company Ltd.	Limited Liability Company	1. Rua Al Madinah Company	Closed Joint-Stock Company
4	Mr. Jihad Bin Abdulrahman Al-Qadi	1. Hotel Management Company	Closed Joint-Stock Company	N/A	
		2. Saudi Egyptian Investment and Finance Company (SEIG)			
		1. ASMA Capital Company	Financial companies - licensed by the Central Bank of Bahrain		
		2. Islamic Development Bank Infrastructure Fund			
5	Mr. Talal Bin Abdul Mohsen Al-Malafekh	N/A		National Company for Tourism - Syahya	Non-Listed Joint-Stock Company
6	**Mr. Abdullah bin Abdulrahman Al Shamrani	N/A			
7	Mr. Badr bin Abdullah Al- Issa	1. Savola Group	Listed Joint-Stock Company	1. Knowledge Economic City	Listed Joint-Stock Company
		2. Banque Saudi Fransi		1. Saudi Fransi Capital Company	Non-Listed Joint-Stock Company
		3. Almarai Company		2. MASIC Holding Company	
		1. Savola Foods Company	Non-Listed Joint-Stock Company	3. Savola Packaging Systems	
		2. United Sugar Company (USC)		4. Kanan International Real Estate Development Company	
		3. Panda Retail Company		5. Alaqeeq Real Estate Company	
		4. Afia International Company		6. Sukoon International Company	
				7. Asilah Investment Company	
8	Mr. Musaab bin Suleiman Al-Muhaidib	1. Al-Hassan Ghazi Ibrahim Shaker Company	Listed Joint-Stock Company		
		2. Middle East Paper Company (MEPCO)			
		3. National Manufacturing Company			
		1. Goldman Sachs Saudi Arabia	Non-Listed Joint-Stock Company	1. Al Rayan Company	Non-Listed Joint-Stock Company
		2. Masdar Building Materials		2. Al-Badia Cement Company	
		3. Al Muhaidib Group for Entertainment Sector		3. Al-Latifia Contracting Company	
		4. Sidra Investment Company		4. Thabat Contracting Company	
		5. Ebdaa Entertainment Company		5. World Youth Presidency Organization, Saudi Section	
		6. Endeavor Saudi Arabia		6. Al Muhaidib Social Foundation	
		7. Saudi Crafts and Handicrafts Co.		7. INSEAD French University Association, Saudi Section	

		8. Daily Meals Company		8. Saudi Shooting Federation	
		9. Sabbar Company			
		10. Family Business Council – Gulf (FBCG)			
		11. Hoshan Company			
		12. Saudi JLL Company			
		1. Riyadh Chamber	Business Sector		
9	Mr. Ibrahim bin Ali Al Abboud	1. Al-Nefae Investment Group	Closed Joint-Stock Company	N/A	
10	**Mr. Asim bin Saad Al Juraid	N/A			

Note: All the companies mentioned in the table above are Saudi companies, except otherwise mentioned in front of them.

#### 4.2.3 Board Members' Names, Current and Former Positions, Qualifications and Expertise:

S.N	Name	Current Position	Former Position	Qualifications	Expertise
1	Eng. Abdullah Bin Mohammed Al- Issa	Businessman – Board Chairman of Assila Investment Company	CEO of the Assila Investment Company	He holds a Master's Degree in Engineering Management and a Bachelor's Degree in Industrial Engineering from Southern Methodist University, USA.	He has long practical experience in the banking, real estate, food and hospitality fields since 1981.
2	Mr. Fahad Bin Abdullah Al-Kassim	Businessman – Founder, Partner, and Board Chairman of the Amwal Financial Consultants Company	CEO of the Amwal Financial Consultants Company	He holds a Bachelor's Degree in Management Sciences specializing in Accounting at the King Saud University, and completed the Management and Leadership Program at Oxford University.	He has more than 28 years of practical experience in the financial and management consultancy, auditing, real estate activities, wholesale, and health fields
3	Dr. Saleh Bin Ali Al-Hathloul	Businessman - Board Chairman of the Saleh Al-Hathloul Development Company Ltd.	Undersecretary of the Ministry of Municipal and Rural Affairs.	He holds a Ph.D. in Architecture and Environmental Studies from the Massachusetts Institute of Technology in the United States, and a Master's degree in Urban Design Architecture from Harvard University and a Bachelor's degree in Architecture from King Saud University.	He held several positions, most notably Professor and Head of the Architecture Department at the King Saud University, and the Undersecretary of the Ministry of Municipal and Rural Affairs.
4	Mr. Jihad Bin Abdulrahman Al-Qadi	Senior Department Manager – General Administration of Local Real Estate	Head of Business Development - Saudi Economics and Development	He holds a Master's Degree in Business Administration from the Hult International Business School and a Bachelor's Degree in Economics from the King Saud University, and has	He has practical experience in the banking and investment sector since 2003, which includes working in the Investment Management at the NCB Capital Company, along with working in the Wealth Management at the Jadwa Investment Company,

		Investments in the Public Investment Fund	Securities Company (SEDCO)	received a number of executive programs from several prestigious universities.	and in the Treasury Management at the NCB Capital Company, and at the Saudi Economics and Development Securities Company, up until reaching his current position at the Public Investment Fund.
5	Mr. Talal Bin Abdul Mohsen Al-Malafekh	Director General of Administrative Services at the Public Pension Agency	Director General of the Finance and Budget Affairs at the Public Pension Agency	He received a Master's Degree in Financial Management from the Curtin University in Australia in 2008, and also received a number of leadership and executive programs from prestigious universities.	He has more than 27 years of practical experience in the private and government sectors, and in the financial and administrative work through developing the financial and economic policies; along with developing financial plans and strategies, participating in many committees specialized in financial policies and strategic planning, and attending many financial and administrative development programs and workshops.
6	** Mr. Abdullah bin Abdulrahman Al Shamrani	Executive Partner at the Gartner Company	Digital Development Director at the General Organization for Social Insurance	He holds a Master's Degree in the Information Systems Management and a Master's Degree in Financial Accounting from Monash University in Australia, along with a Bachelor's Degree in Computer Science from the Colorado State University in the United States; and he completed several executive and leadership programs in various fields and from global leading entities. He is currently participating in the Misk Leaders 2030 Program in the 2022 batch organized by the Misk Foundation with a number of partners.	He has more than 15 years of practical experience, in which he moved between several leadership roles in the public and private sectors.
7	Mr. Badr bin Abdullah Al-Issa	CEO of the Assila Investment Company	CEO of the Amyas Holding Company, and CFO of the Assila Investment Company	He holds a Master's degree in Business Administration from the Rice University in the United States and he is a Certified Financial Analyst (CFA).	He has practical experience in the analysis, financial investment and business leadership fields since 2001 (J.P Morgan - UK, SABIC America, Savage Design Group, HSBC Saudi Arabia Limited, Amyas Holding, and Assila Investment Company).
8	Mr. Musaab bin Suleiman Al-Muhaidib	CEO of the Al Muhaidb Group for the Entertainment Sector, Board Chairman of the Sidra Investment Company, Board Chairman of the Ebdar Entertainment Company, and Board	General Manager of Masdar Building Materials	He holds a Master's degree of Business Administration from the University of Liverpool in the United Kingdom and a Bachelor's Degree in Business Administration (major in Finance) from the University of Miami, Florida, USA; along with attending the scientific program on business development and venture capital, London Business School, UK.	He has more than 19 years of practical experience in the strategic business development and growth, mergers and acquisitions, project leadership and real estate operations fields. He held many leadership and executive positions in several government positions, and public and private commercial and industrial companies. He also has extensive experience in the presidency and membership of the board of directors of major companies; along with experience in business development, strategic insights, venture capital

		Chairman of the Masdar Building Materials Group			development, and sales and marketing in many fields. He has the ability to identify and invest business opportunities and effective communication leadership skills.
9	Mr. Ibrahim bin Ali Al-Abboud	Acting CEO of the Al-Nefaie Investment Group	Sales and Marketing Manager at the Al-Nefaie Investment Group	He holds a Bachelor's Degree in Accounting from King Saud University.	He has more than 19 years of experience, starting with the Al Rajhi Financial Company in the Brokerage Management, after which he moved to Al-Nefaie Investment Group and was promoted to being the CEO of the Company.
10	**Mr. Asim bin Saad Al Juraid	Director of the Registration and Subscription Solutions Management at the General Organization for Social Insurance	Director of the Digital Quality Management at the General Organization for Social Insurance	He holds a Master's Degree in Information Technology Management from St. Ambrose University and a Bachelor's Degree in Computer Science from the King Saud University	He has more than 16 years of practical experience, in which he moved between several technical and management roles in the General Organization for Social Insurance.

#### 4.2.4 The Committee Members' Names, Current and Former Positions, Qualifications and Expertise (outside the Board and the Executive Management)

S. N	Name	Current Position	Former Position	Qualifications	Expertise
1	Mr. Ibrahim Bin Salem Al-Ruwais	Currently retired, member of several boards of directors and joint-stock committees.	Financial Advisor, and Internal Auditor of the Public Pension Agency	He holds a Bachelor's Degree in Accounting from the Faculty of Administrative Science at the King Saud University in 1982, and he received many study courses and seminars in his work field within and outside the Kingdom.	Mr. Ibrahim moved between a number of important jobs and positions during his career; as he started in the General Accounting Department at the Ministry of Finance in 1402 AH, and he graduated in many jobs and positions until he moved to work at the Public Pension Agency from 1424 AH until his retirement on 20/02/1439 AH.
2	Mr. Abdulrahman bin Abdullah Dehaim (from outside the Board)	Member of several boards of directors in joint stock companies	Executive Deputy Chairman in the Dur Hospitality Company	He holds a Bachelor's Degree in Accounting from the Faculty of Administrative Science at the King Saud University in 1982, and he received many study courses and seminars in the accounting, management and leadership fields from within and outside the Kingdom.	Mr. Abdulrahman moved between a number of important jobs and positions during his career; as he joined the General Organization of Social Insurance, the Saudi House of Advisory Services, and the Dur Hospitality Company, in which he worked from 1986 to 2014.
3	Mr. Fawzi Bin Abdulrahman Bubshait (Outside the Board)	Vice President of Human Resources at the Ma'aden Company	Acting Vice President of Human Resources at the Ma'aden Company	He holds three Master's degrees, one in the Human Resources Management from Mays Business School in Texas, one in Education from the University of Minnesota, and the last in Computer Engineering from King Fahd University of Petroleum and Minerals (KFUPM), from which he obtained a Bachelor's Degree in Computer Engineering.	He has more than 30 years of practical experience in the human resources management and development field; as he worked in the human resources sector in the leading oil and industrial companies, such as Saudi Aramco and Chevron, before joining the Ma'aden Company in January 2012 as the Director of the Talent Management, the Organization's Design and the Change Management. In 2013, he was promoted to Acting Vice President of the Human Resources, and then he became the Vice President of Human

					Resources in 2016. He is a member of the Board of Directors of the Saudi Technical Institute for Mining.
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#### **4.2.5 The Actions taken by the Board of Directors to inform its Members, particularly Non-Executives, of the Shareholders' Suggestions and Observations about the Company and its Performance:**

The Board of Directors authorized the Company to take the necessary measures to enable shareholders to **communicate** their suggestions and observations through the communication channels available at the “Investor Relations Management” which are as follows:

- Tel: 011/4816666, Extension No. (500)
- Mobile: 0504277630
- Fax: 011/4801666
- Email: [IR@Dur.SA](mailto:IR@Dur.SA)



#### 4.2.6 Board Meetings' Attendance Record for 2021

The following statement indicates the record of the Board members' attendance of its meetings in 2021:

Name	Number of Meetings: 5 Meetings					Total
	First Meeting 25/03/2021	Second Meeting 25/05/2021	Third Meeting 12/06/2021	Fourth Meeting 07/09/2021	Fifth Meeting 05/12/2021	
Eng. Abdullah Bin Mohammed Al-Issa	✓	✓	✓	✓	✓	5
Mr. Fahad Bin Abdullah Al-Kassim	✓	✓	✓	✓	✓	5
Dr. Saleh Bin Ali Al-Hathloul	✓	✓	✓	✓	✓	5
Mr. Jihad Bin Abdulrahman Al-Qadi	✓	✓	✓	✓	✓	5
Mr. Talal Bin Abdul Mohsen Al-Malafekh	✓	✓	✓	✓	✓	5
** Mr. Abdullah bin Abdulrahman Al Shamrani	✓	✓	✓	-	-	3
**Mr. Asim bin Saad Al Juraid	-	-	-	✓	✓	2
Mr. Badr bin Abdullah Al-Issa	✓	✓	✓	✓	-	5
Mr. Msaab bin Suleiman Al-Muhaidib	✓	✓	✓	✓	✓	5
Mr. Ibrahim bin Ali Al-Abboud	✓	✓	✓	✓	✓	5
First General Assembly Meeting Date: 25/05/2021, Second General Assembly Meeting Date: 05/12/2021						

#### 4.2.7 A Statement of the Dates of the Shareholders' General Assemblies held during fiscal year 2021 and the Names of the Board Members present for these Meetings:

Name	Number of Assemblies: 2 Meetings	
	The 52 <sup>nd</sup> Ordinary General Assembly Meeting on 25/05/2021	13 <sup>th</sup> Extraordinary General Assembly Meeting on 05/12/2021
Eng. Abdullah Bin Mohammed Al-Issa	✓	✓
Mr. Fahad Bin Abdullah Al-Kassim	✓	✓
Dr. Saleh Bin Ali Al-Hathloul	✓	✓
Mr. Jihad Bin Abdulrahman Al-Qadi	✓	✓
Mr. Talal Bin Abdul Mohsen	✓	✓

Al-Malafekh		
Mr. Abdullah bin Abdulrahman Al Shamrani	✓	-
**Mr. Asim bin Saad Al Juraid	-	✓
Mr. Badr bin Abdullah Al- Issa	✓	✓
Mr. Musaab bin Suleiman Al-Muhaidib	✓	✓
Mr. Ibrahim bin Ali Al-Abboud	✓	✓

#### 4.2.8 Remunerations and Compensations allocated to the Board Members

In 2021, the Board members received the following remunerations and allowances:

	Fixed Remunerations			Variable Remunerations	Overall Total
	Certain Amount	Board Meeting Attendance Allowance	Total	Periodic Remunerations	
First: Independent Members					
Mr. Talal Bin Abdul Mohsen Al-Malafekh	200,000	15,000	215,000	-	215,000
Mr. Musaab bin Suleiman Al-Muhaidib	200,000	15,000	215,000	-	215,000
Mr. Ibrahim bin Ali Al-Abboud	200,000	15,000	215,000	-	215,000
Total	600,000	45,000	645,000	-	645,000
Second: Non-Executive Members					
Eng. Abdullah Bin Mohammed Al- Issa	200,000	15,000	215,000	200,000	415,000
Mr. Fahad Bin Abdullah Al-Kassim	200,000	15,000	215,000	-	215,000
Mr. Jihad Bin Abdulrahman Al-Qadi	200,000	15,000	215,000	-	215,000
Mr. Abdullah bin Abdulrahman Al Shamrani	200,000	9,000	209,000	-	209,000
**Mr. Asim bin Saad Al Juraid	-	6,000	6,000	-	6,000
Dr. Saleh Bin Ali Al-Hathloul	200,000	15,000	215,000	-	215,000
Mr. Badr bin Abdullah Al- Issa	200,000	15,000	215,000	-	215,000
Total	1,200,000	90,000	1,290,000	200,000	1,490,000
Total	1,800,000	135,000	1,935,000	200,000	2,135,000

Note that the remunerations mentioned in the table above represent the remuneration of the Board members for 2020, which was disbursed in 2021 after the approval of the Shareholders' General Assembly. As for the meetings attendance allowances, they are in the form of allowances for attending the Board members' meetings for 2021.

#### 4.2.9 Merger with the Taiba Company

On the 12<sup>th</sup> of June 2021, the Board of Directors announced the start of preliminary discussions with the Taiba Investment Company; in order to study the merger of the two companies; and therefore decided to form a steering committee emanating from the Board of Directors, which includes:

- Mr. Fahad Bin Abdullah Al-Kassim                      Chairman
- Mr. Jihad Bin Abdulrahman Al-Qadi                      Member
- Mr. Ibrahim bin Ali Al-Abboud                      Member

#### 4.2.10 Committee Members Remunerations

	*Fixed Remunerations (Except the Meetings Attendance Allowance)	Meetings Attendance Allowance	Total
<b>Audit Committee Members</b>			
Mr. Talal Bin Abdul Mohsen Al- Malafekh (Committee Chairman)	75,000	15,000	90,000
Mr. Jihad Bin Abdulrahman Al-Qadi	75,000	15,000	90,000
Mr. Ibrahim Bin Salem Al-Ruwais (from outside the Board)	75,000	15,000	90,000
Mr. Abdulrahman bin Abdullah Dehaim (from outside the Board)	75,000	15,000	90,000
<b>Total</b>	<b>300,000</b>	<b>60,000</b>	<b>360,000</b>
<b>Nominations and Remunerations Committee's Members</b>			
Mr. Musaab bin Suleiman Al-Muhaidib (Committee Chairman)	75,000	6,000	81,000
Mr. Abdullah bin Abdulrahman Al Shamrani	75,000	3,000	78,000
Mr. Ibrahim bin Ali Al-Abboud	75,000	6,000	81,000
Mr. Fawzi Bin Abdulrahman Bubshait (From outside the Board)	75,000	6,000	81,000
<b>Total</b>	<b>300,000</b>	<b>21,000</b>	<b>321,000</b>
<b>Investment Committee Members</b>			
Mr. Fahad Bin Abdullah Al-Kassim	75,000	15,000	90,000
Dr. Saleh Bin Ali Al-Hathloul	75,000	15,000	90,000
Mr. Badr bin Abdullah Al- Issa	75,000	15,000	90,000
Mr. Jihad Bin Abdulrahman Al-Qadi	75,000	15,000	90,000
<b>Total</b>	<b>300,000</b>	<b>60,000</b>	<b>360,000</b>
<b>Merger Steering Committee</b>			
Mr. Fahad Bin Abdullah Al-Kassim	-	87,000	87,000
Mr. Jihad Bin Abdulrahman Al-Qadi	-	84,000	84,000
Mr. Ibrahim bin Ali Al-Abboud	-	87,000	87,000
<b>Total</b>	<b>-</b>	<b>258,000</b>	<b>258,000</b>
<b>Total</b>	<b>900,000</b>	<b>399,000</b>	<b>1,299,000</b>

Note that the remunerations mentioned in the table above represent the remuneration of the Board Committee members for 2020, which was disbursed in 2021. As for the attendance allowances, they are in the form of allowances for attending the Committee members' meetings for 2021.

#### 4.2.11 Board of Directors for the Next Session:

Given the conclusion of the current Board session on 31/12/2021, the Extraordinary General Assembly held on 05/12/2021 elected the Board members for the next session, which will begin on 01/01/2022 till 31/12/2024.

The elected Board consists of the following members:

1. Mr. Badr bin Abdullah Al- Issa (Non-Executive Member)
2. Mr. Jihad Bin Abdulrahman Al-Qadi (Independent Member)
3. Mr. Mashari Bin Naji Al Ibrahim (Non-Executive Member) (Public Investment Fund Representative)
4. Mr. Fahad Bin Abdullah Al-Kassim (Non-Executive Member)
5. Mr. Fahad bin Abdullah Al-Issa (Non-Executive Member)
6. Mr. Abdullah Bin Tariq Al-Qassabi (Independent Member)
7. Dr. Saleh Bin Ali Al-Hathloul (Non-Executive Member)
8. Mr. Fares bin Ibrahim Al Rashid Al Humaid (Independent Member)
9. Mr. Talal Bin Abdul Mohsen Al- Malafekh (Non-Executive Member) (General Organization for Social Insurance Representative)

#### **4.2.12 Remuneration Policy for the Board and Emerging Committees Members**

The Company's disbursement of the remunerations described above is based on the following:

- 1) In exchange of his membership, the Board member will be entitled to an annual remuneration of no more than SAR 200,000 per member, in accordance with the controls established by the competent authorities.
- 2) The Board and Emerging Committees member will be entitled to an attendance allowance of SAR 3,000 for each meeting he attends; and the Company will bear the travel, accommodation and transportation expenses when any member of the Board of Directors and its emerging committees attend one of the Board or committees meetings held outside the city of his residence.
- 3) The Board of Directors may approve other remunerations, whether periodically or annually, for the members of the Board of Directors and its emerging committees.
- 4) The Members of the emerging committees are entitled to an annual remuneration of no more than SAR 100,000; provided that the Committee member is not a Company employee.

Note that these remunerations did not deviate from the approved remuneration policy's controls.

#### **4.3 Board Committees**

##### **First: Remunerations and Nominations Committee**

The Committee held (2) meetings in 2021 and submitted its reports to the Board of Directors. The Remunerations and Nominations Committee consists of the following:

S.N	Name	First Meeting 22/03/2021	Second Meeting 03/11/2021	Total
1	Mr. Musaab bin Suleiman Al-Muhaidib (Chairman)	✓	✓	2
2	**Mr. Abdullah bin Abdulrahman Al Shamrani	✓	-	1
3	Mr. Ibrahim bin Ali Al-Abboud	✓	✓	2
4	Mr. Fawzi Bin Abdulrahman Bubshait	✓	✓	2

## Remunerations and Nominations Committee's Tasks and Specializations

### A) Remunerations

- 1) Prepare a remuneration policy for the Board and Committees members and the Senior Executives, and make a recommendation for it to the Board of Directors; in order to be approved by the Ordinary General Assembly.
- 2) Audit the Remuneration Policy on a periodic basis; in order to ensure that it is suitable to the changes that may occur to the relevant legislations and regulations, the Company's strategic objectives, the skills and qualifications needed to achieve it; and make a recommendation to the Board of Directors regarding the proposed changes to this Policy.
- 3) Make a recommendation to the Board of Directors regarding the remunerations of its Board and Committees members and the Senior Executives; in accordance with the Policy approved by the Company's Ordinary General Assembly.
- 4) Prepare an annual report on the remunerations granted to the Board and Committees members and the Senior Executives.
- 5) Identify the types of remunerations granted to the Company's employees and make a recommendation for them.

### B) Board of Directors

- 1) Prepare a policy and criteria for the membership of the Board of Directors, and make a recommendation to the Board on them; in order to be approved by the Company's Ordinary General Assembly.
- 2) Recommend the Board of Directors to be nominated for the Board's membership, in accordance with the approved membership policy.
- 3) Conduct an annual review for the needed requirements from suitable skills for the Board's membership.
- 4) Prepare a description of the capabilities and qualifications required for the Board's membership and the assumption of executive management positions.
- 5) Determine the period that the member must allocate for the Board's work.
- 6) Review the Board Membership Policy to ensure that it is suitable for the changes that may occur to the relevant legislations and regulations, the Company's strategic objectives, the skills and qualifications needed to achieve it; and make a recommendation to the Board of Directors regarding the proposed changes to this Policy.

- 7) Study the conflicts of interest cases for those wishing to run for the Board's membership and make a recommendation on them.
- 8) Study the Board's structure and make recommendations regarding the changes that can be made.
- 9) Identify the weaknesses and strengths in the Board of Directors, and propose solutions to address them; in accordance with the Company's interest.
- 10) Establish procedures in the event of the vacancy in the Board or Emerging Committees member position, and make a recommendation on them.
- 11) Recommend the Board of Directors to use the performance standards; in order to assess the work of the Board of Directors, its members and its emerging committees.

**C) Board Members:**

- 1) Determine the time the member must allocate for the Board's work.
- 2) Ensure the independence of the independent members on an annual basis, and the absence of any conflict of interests if the member serves as a board member in another company.
- 3) Develop a job description of the executive, non-executive and independent members.
- 4) Recommend the Board of Directors to re-nominate or dismiss a Board member or members of its committees.

**D) Induction Program for New Members**

Recommend the Board of Directors to develop an induction program for the new Board members; in order to cover the Company's activity, the nature of its business and its financial and legal aspects.

**E) Senior Executives**

- 1) Recommend the Board of Directors to develop suitable policies and standards for the appointment of senior executives; along with identifying the required capabilities and skills and auditing them on a periodic basis; in order to ensure that they are suitable for the changes that may occur to the Company's strategic objectives, and the skills and qualifications needed to achieve them.
- 2) Develop a job description of the Senior Executives, audit the Company's organizational structure, and make recommendations regarding the changes that can be made.
- 3) Develop the job succession procedures in the event of a vacancy in one of the senior executives' positions and make a recommendation on them.

## **Second: Audit Committee**

In 2021, the Audit Committee held (5) meetings and the Audit Committee consists of the following:

Name	Number of Meetings: 5 Meetings					Total
	First Meeting 23/03/2021	Second Meeting 03/05/2021	Third Meeting 11/08/2021	Fourth Meeting 07/11/2021	Fifth Meeting 30/11/2021	
Mr. Talal Al-Malafekh (Chairman)	√	√	√	√	√	5
Mr. Jihad Al-Qadi	√	√	√	√	√	5
Mr. Ibrahim Al-Ruwais	√	√	√	√	√	5
Mr. Abdulrahman Dehaim	√	√	√	√	√	5

### **Audit Committee's Tasks and Specializations**

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

#### **A) Financial Reports:**

- 1) Audit the Company's financial statements and announcements regarding its financial performance and make a recommendation to the Board of Directors on them.
- 2) Provide a technical opinion on whether the Board report and the Company's financial statements were prepared in accordance with the statutory requirements specifying their preparation and submission method.
- 3) Study the unusual issues contained in the financial statements and make a recommendation on them, if necessary.
- 4) Look into any matters raised by the Company's CFO, his deputy, the Company's Compliance Officer or the Auditor.
- 5) Audit the accounting estimates in the core issues contained in the financial reports.
- 6) Audit the Company's financial and accounting policies, give an opinion thereon, and make a recommendation to the Board of Directors on them.

#### **B) Study of the Internal Control Systems:**

- 1) Audit the internal and financial control systems and the risk management systems, and ensure their effectiveness through periodic reports submitted from the Internal Audit Management or others on the adequacy and effectiveness of internal and financial control systems and the risk management systems; along with following up with the implementation of the recommendations and the corrective actions for the observations contained therein.
- 2) Prepare a report to the Board of Directors that includes its opinion on the adequacy of these systems and its recommendations to address the fundamental issues and any recommendations for the development of these systems in regards to their other work within their specialization.

**C) Internal Audit Management:**

- 1) Study and audit the periodic reports provided by the Internal Audit Management, and follow up with the implementation of the corrective actions for the observations therein.
- 2) Supervise and monitor the Internal Audit Management's work, along with verifying its effectiveness in performing its tasks and responsibilities.
- 3) Recommend to the Board of Directors to appoint or dismiss the Internal Audit Management's Director and assess his performance on an annual basis.
- 4) Recommend to the Board of Directors to adopt the organizational structure and job description of the Internal Audit Management, and to ensure its independence in the Company's organizational structure.
- 5) Study the annual audit plan with the Internal Audit Management and adopt it.

**D) Auditor:**

- 1) Recommend to the Board of Directors to nominate and dismiss auditors, determine their fees, assess their performance, and audit their scope of work and contract terms.
- 2) Verify the Auditor's independence and effectiveness of his work, in the light of the statutory controls governing it.
- 3) Audit the plan and work of the Company's Auditor, and verify his compliance with the statutory controls his work.
- 4) Answer the inquiries of the Company's Auditor and provide the necessary support to enable him to perform his tasks.
- 5) Study the Auditor's reports and observations on the financial statements and follow up with what has been taken thereon.

**E) Compliance Assurance:**

- 1) Audit the regulatory bodies' reports on the Company's compliance with the regulations and instructions, and ensure that the necessary actions are taken.
- 2) Verify the Company's compliance with relevant systems, regulations, policies and instructions.
- 3) Audit the contracts and dealings proposed to be conducted by the Company with the relevant parties, and submit its views in this matter to the Board of Directors.
- 4) Submit and recommend to the Board of Directors the necessary actions to be taken in the matters that the Board deems necessary to take action thereon.

**F) Observations Provision Arrangements:**

- 1) Develop the appropriate mechanism through which the Company's employees are able to provide their observations on any violation of the Company's internal regulations, including those related to the preparation of the Company's financial statements; provided that this mechanism ensures that the observation provider's rights will not be violated due to its submission.
- 2) Develop the appropriate procedures to carry out and follow up with the observations made by the Company's employees, and ensure the independence of these procedures.



### **Third: Investment Committee**

In 2021, the Investment Committee held (5) meetings and submitted its reports to the Board of Directors. The Committee consists of the following:

S.N	Name	First Meeting 01/02/2021	Second Meeting 18/03/2021	Third Meeting 23/05/2021	Fourth Meeting 25/08/2021	Fifth Meeting 21/11/2021	Total
1	Mr. Fahad Bin Abdullah Al-Kassim (Chairman)	✓	✓	✓	✓	✓	5
2	Dr. Saleh Bin Ali Al-Hathloul	✓	✓	✓	✓	✓	5
3	Mr. Badr bin Abdullah Al- Issa	✓	✓	✓	✓	✓	5
4	Mr. Jihad Bin Abdulrahman Al-Qadi	✓	✓	✓	✓	✓	5

### **Investment Committee's Tasks and Specializations**

- 1) Work with the Executive Management to develop the Company's investment strategy and policy, in accordance with the nature of its work, activities and risks, and make a recommendation on them.
- 2) Review the investment strategy and policy on a periodic basis; in order to ensure their suitability to the changes that may occur to the external environment in which the Company operates, or the legislations governing its business or its strategic objectives, or others, and make a recommendation to the Board of Directors regarding the changes proposed for this policy.
- 3) Conduct a general supervision for the Company's investment activities and develop appropriate procedures to measure and assess the investment performance.
- 4) Study and assess the investment opportunities proposed by the Company's management in regards to the following dealings and make a recommendation on them:
  - A. Mergers or acquisitions of companies, businesses or assets.
  - B. Termination, sale, transfer of ownership or exit from or dispose of an existing investment.
  - C. Joint projects under a partnership agreement or joint ventures.
  - D. Investment in new or existing projects or expansion projects and the projects' expansions in which the Company has an interest.
  - E. Investment opportunities that the Company's management wishes to enter into.
  - F. Study the financing possibilities of the above-mentioned dealings.
- 5) Ensure that the proposed investment opportunities comply with the relevant systems, regulations and instructions.
- 6) Identify and prioritize the proposed investment offers.
- 7) Study the periodic reports from the Executive Management on the progress of the approved investment opportunities.

#### **Fourth: Merger Steering Committee**

The Board of Directors decided to form a steering committee emanating from the Board members; in order to follow up on the merger with the Taiba Company.

In 2021, the Merger Steering Committee held (29) meetings on a weekly basis, and this Committee consists of the following:

S.N	Name	Number of Meetings in 2021	Total
1	Mr. Fahad Bin Abdullah Al-Kassim	29	29
2	Mr. Jihad Bin Abdulrahman Al-Qadi	28	28
3	Mr. Ibrahim bin Ali Al-Abboud	29	29

#### **Merger Steering Committee's Tasks and Specializations**

- 1) Ensure the smooth running of the merger process.
- 2) Find the appropriate consultants for the merger process, determine their scope of work, and recommend their appointment.
- 3) Support the consultants appointed for the merger process; in order to facilitate their business in a manner that achieves the desired results from the merger process.
- 4) Communicate with the Taiba Company; in order to regulate the merger process.
- 5) Negotiate the merger process; in order to obtain the best value and terms for the benefit of the Company's shareholders.
- 6) Communicate with the Board of Directors and provide it with periodic reports on the Committee's work progress.
- 7) Make decisions regarding the deal.

#### **Completed Work:**

A number of works related to the merger project have been carried, most notably:

- Appointing a number of consultants; in order to conduct the necessary studies.
- Completing the due diligence financial studies and inspection works.
- Preparing the budget, the executive plan, the project schedule and its detailed operations.
- Submitting recommendations to the Board of Directors regarding the deal's future.

## 4.4 Executive Management

The Company's Executive Management, which is delegated by the Board of Directors, manages the Company's business; represented by the CEO and assisted by its deputies, heads of sectors and subsidiary companies. This Management assumes all the executive responsibilities of the Company's activities including the operational, financial, administrative, technical, informatics, risk management aspects, and all the activities related to the Company's work. Furthermore, the Management assists in the follow-up of some of the exceptional works and tasks and implements committees formed by the Company's Executive Management when needed.

### 4.4.1 Statement of the Company's Senior Executives in 2021:

Name	Capacity
Mr. Sultan bin Badr Al-Otaibi	CEO
Mr. Amin Bin Abdullah Al Bukhari	CFO
Mr. Abdulaziz Bin Munir Al-Qadi	Chief Human Resources Officer (CHRO)
Mr. Ahmed bin Mubarak Baharethah	Accounting Management Director and Board Secretary

### 4.4.2 Statement of Ownership of the Senior Executives, their Spouses and Minor Children in the Company's Shares during 2021\*:

\*There are no shares owned by the Senior Executives' spouses and their minor children in the Company.

### 4.4.3 Statement of the Compensations and Remunerations for the Senior Executives during 2021\*:

Name	Fixed Remunerations				Variable Remunerations						End of Service Gratuity	Total Executives' Remuneration for the Board, if any	**Grand Total
	Salaries	Allowances	In-kind Benefits	Total	Periodic Remunerations	Profits	Short-term Incentive Plans	Long-term Incentive Plans	Awarded Shares	Total			
Total	3,453,744	1,343,488.90	-	4,797,233	204,000	-	-	-	-	-	-	-	5,001,233

\* The CEO and CFO are among the list of the senior executives.

#### 4.4.4 Statement of the Senior Executives' CVs on 31/12/2021:

S. N	Name	Current Position	Former Position	Qualifications	Expertise
1	Mr. Sultan bin Badr Al-Otaibi	CEO of the Company	Vice-President of Properties and Assets	He holds a Master's Degree in Hotel Hospitality from the Emirates Academy of Hospitality Management, in partnership with the University of Lausanne, Switzerland, and a Bachelor's Degree in Accounting from the King Saud University in Riyadh, and he took three specialized courses in the Cornell University	He has more than (21) years of experience in the finance and business leadership fields in the hotel and real estate sectors.
2	Mr. Amin Bin Abdullah Al Bukhari	CFO	CFO – Yanbu Cement	He holds a Master's Degree in Accounting from the Stetson University in Florida, USA, and a Bachelor's Degree in Accounting from the King Fahd University of Petroleum and Minerals (KFUPM) in Dhahran.	He has more than (16) years of experience in the finance field; as he served as the CFO of the Yanbu Cement and the CFO of several companies including Savola, SEDCO Holding, King Abdullah Science and Technology City and the National Bank (NCB).
3	Mr. Abdulaziz Bin Munir Al-Qadi	Chief Human Resources Officer (CHRO)	Vice President of the Joint Services at the National Company for the Unified Procurement of Medicines, Devices and Medical Supplies (NUPCO)	He holds a Master's Degree in Human Resources Management from the Central Michigan University (CMU), USA in 2011, and a Bachelor's Degree in Marketing from the King Fahd University of Petroleum and Minerals (KFUPM) in 2007; along with receiving an advanced certificate in Strategic Human Resources Management - Cornell University, USA in 2013.	He has more than (14) years of practical experience in the human resources field; as he served as the Vice President of Joint Services at NUPCO, and has held several previous positions in recruitment for several companies, such as Al-Faisaliah Group (JSC), the Saudi British Bank (SABB), and KPMG International.
4	Mr. Ahmed bin Mubarak Baharethah	Accounting Management Director and Board Secretary	Head of Accounts Department	He holds a Bachelor's Degree in Accounting from the King Saud University in Riyadh	He has more than (31) years of experience in the accounting and business leadership fields in the hotel sector.

## 4.5 Subsidiary Companies

The number of subsidiaries and other companies invested by Dur Hospitality Company reached (16) limited liability companies (except for the “Saudi Heritage Hospitality Company”, which is a closed joint-stock company), established and operated all its activities within the Kingdom of Saudi Arabia. Its purposes are concentrated on the hotel and real estate activities as follows:

S.N	Subsidiary Company	Main Activity	Establishment Year	Capital (SAR)	Enterprise owned by the Subsidiary Company	Dur's Contribution Rate (%)	Company's Total Revenue for 2020 (SAR)
1	Makkah Hotels Company	Accommodation	1982	165,600,000	Makarem Ajyad Makkah Hotel	99.44%	12,311,378
2	Annakheel for Tourist Areas Company	Accommodation – Real Estate	1992	59,250,000	Makarem Annakheel Village in Jeddah	98.73%	33,937,761
3	Tabuk Hotels Company	Accommodation	1985	27,300,000	Holiday Inn Tabuk Hotel	97.14%	43,786,571
4	Saudi Hotels Services Company	Accommodation	1976	70,000,000	Riyadh Palace Hotel in Riyadh	70%	22,250,681
5	Shada Hotels Company	Accommodation – Real Estate	2019	40,000,000	A number of enterprises in Makkah and Medina Regions	60%	19,254,746
6	Real Estate City Tower Company	Accommodation – Real Estate	2020	25,000	Construction of a hotel building in Medina	49%	Activity has not started
7	National Company for Tourism (Syahya)	Accommodation – Real Estate	1989	422,000,000	A number of enterprises in the Asir Region	1.65%	-
8	Saudi Heritage Hospitality Company (Nuzul)	Accommodation	2015	62,500,000	Under Liquidation	25%	(1,785,161)
9	Security Source Company	Safety and Security	2015	100,000	-	95%	These subsidiary companies have not registered any revenues yet
10	Jude Alia Company	Building and Construction	2014	100,000	-	100%	
11	Al Sawaed Al Kareemah Company	Support Services Provision	2015	100,000	-	95%	
12	Ambassadors Hotel Accommodation Company	Accommodation	2018	100,000	Marriott Hotel and the Marriott Hotel Apartments in the Diplomatic Quarter	100%	
13	Waha Dara Company Ltd.	Accommodation	2018	100,000	-	100%	
14	Medina Hotels Company	Hotel – Real Estate	1983	1,000,000	-	50%	
15	Dur Makarem Company	Visas and Visits Services	2018	100,000	-	100%	

16	Dur Communities Company	Real Estate	2019	100,000	-	100%	
17	Al-Sarh Al-Aneek Company	Operation and Maintenance	2019	100,000	-	100%	

We would like to note that there are no debt instruments issued to any of the above subsidiary companies.

#### 4.6 Disclosures

For these disclosures:

- The Company's Board of Directors acknowledges the following:
  - The account records were prepared in a proper manner.
  - The internal control system was properly developed and effectively implemented.
  - There is no shred of doubt about the Company's ability to continue its activities.
- There are no differences from the accounting standards issued by the Saudi Organization for Certified Public Accountants.
- The Company did not receive any communication of any interest in the voting rights category belonging to persons (except the Company's Board members, the Senior Executives and their relatives) who have informed the Company of these rights under Article (45) of the CMA's Registration and Listing Rules.
- The Company does not have any categories, transferable debt instruments, contractual securities, subscription right memoranda or similar rights issued or granted by the Company during the fiscal year.
- The Company has no transfer or subscription rights under transferable debt instruments, contractual securities, subscription right memoranda or similar rights issued or granted by the Company.
- There is no refund, purchase or cancellation by the Company or its subsidiaries of any refundable debt instruments.
- There are no arrangements or agreements under which a member of the Company's Board of Directors or a senior executive waives any salary or compensation.
- There are no arrangements or agreements under which one of the Company's shareholders waives any rights in the profits.
- There are no specific investments or set-aside reserves established for the benefit of the Company's employees, except the incentive remunerations provisions and the end-of-service gratuity provided by the Saudi Labor System; as the end-of-service gratuity for the employees of Dur Hospitality Company amounted to SAR (61,597,789) as on the 31<sup>st</sup> of December 2021.
- There is a reservation made by the Chartered Accountant on the annual financial statements; given the inability to predict the final outcome of the lawsuit filed by the Company against one of the financial institutions; and it was not accounted for in the Company's records, according to what was stated in the Clarification No. 28 of the 2021 Financial Statements.

- The Board of Directors did not recommend the replacement of the Chartered Accountant before the end of the period for which he was assigned.
- There are no penalties, sanctions or precautionary restrictions imposed on the Company by the regulatory, statutory, supervisory or judicial authorities during the fiscal year 2021.

#### **4.7 Annual Audit Results for the Effectiveness of the Company's Internal Control Procedures**

The Company is constantly working on the development of the internal control system and its effective implementation; as the Company has an Internal Audit Management that ensures the application of the appropriate control systems, determines the general perception of the risks facing the Company and deals with them with transparency, and it also audits the Company's various operations according to the approved audit plan, views all the documents and dealings, and submits its reports periodically to the Audit Committee and the Board of Directors.

The Internal Audit Management submitted reports during the year on the results of its work and its recommendations; as it became clear that there were no substantive observations requiring any corrective action, and the observations contained therein were being followed up and avoided.

#### 4.8 Dealings with the Relevant Parties

There are no new contracts in which the Company is a party therein, and has an interest for some Board members, the CEO, the CFO or anyone associated with any of them, with the exception of the following:

- A) The 10-year management and operation contracts that are automatically renewed for the Al-Andalus Residence Compound, Makarem Umm Al-Qura Hotel, Makarem Al-Bait Hotel, Al-Rawdah Residence Compound, Al Jazira Badr Compound, and Al-Yasmin Residential Compound owned by Assila Investment Company, which is managed by the Chairman Eng. Abdullah Bin Mohammed Al-Issa and the Board Member Mr. Badr Bin Abdullah Al-Issa.

It is worth mentioning that these contracts are management and operating contracts under which the Company operates these enterprises in exchange for a specified percentage of the total revenue and a specified percentage of the total operating profit for each enterprise.

The Company received a total fee of SAR (990,947) during 2021 compared to SAR (1,049,957) in the previous year 2020 for the management and operation of these enterprises.

The following statement illustrates the breakdown of these fees:

Statement (SAR)	Contract Year	2021	2020
Dur Al-Andalus Compound	1995	161,654	190,352
Makarem Umm Al-Qura Hotel	2008	105,339	71,385
Dur Al-Rawdah Compound	2010	172,142	259,225
Makarem Al-Bait Hotel	2008	1,631	2,954
Dur Bader Compound	1998	146,588	116,348
Dur Al-Yasmin Compound	2014	403,593	409,693
<b>Total</b>		<b>990,947</b>	<b>1,049,957</b>

- B) Since the “Assila Investment Company” and the “Abdullah Bin Mohammed Al-Issa & Sons” Company are among the shareholders of Dur Hospitality Company, it should be noted that Eng. Abdullah bin Mohammed Al-Issa (Chairman) and Mr. Badr Bin Abdullah Al-Issa (Board Member) have an interest in the Assila Investment Company; while they also have an interest in the “Abdullah Bin Mohammed Al-Issa & Sons Company”. The statement below explains the change in the ownership of the shares of these companies during 2021:

Name	Number of Shares at the Beginning of the Year	Number of Shares at the End of the Year	Change	Ownership Rate at the End of the Year
Assila Investment Company	27,143,784	27,143,784	-	27.1%
Abdullah Bin Mohammed Al-Issa & Sons	28,982	28,982	-	0.03%

- C) On 10/06/2015, a contract was signed between the Dur Hospitality Company and the Assila Investment Company, which is managed by the Board Chairman Eng. Abdullah Bin Mohammed Al-Issa and the Board Member Mr. Badr Bin Abdullah Al-Issa, under which the Assila Company rents an office space of (400 m<sup>2</sup>) at the Courtyard Marriott Hotel owned by Dur Hospitality



Company for an annual rent of SAR (400,000) for a period of three calendar years, renewed automatically.

- D) The following is a statement for the amounts of the dealings with the relevant parties and the resulting balance during the two fiscal years ended on the 31<sup>st</sup> of December 2020 and 2021:

**First: Amount entitled from the Relevant Parties**

	Nature of the Dealings	Dealings Amounts		Balance	
		2021	2020	2021	2020
Dur Al-Yasmin Compound	Technical and Administrative Fees	403,593	409,693	1,814,605	1,371,199
Makarem Al-Bait Hotel		1,432	2,599	133,937	94,378
Makarem Umm Al-Qura Hotel		94,721	70,552	555,508	206,596
Dur Al-Maather Compound		598,342	552,977	1,072,468	490,654
Others		167,849	945,050	134,381	204,982
Total				3,710,899	2,367,809

**Second: Amount entitled to the Relevant Parties**

	Nature of the Dealings	Dealings Amounts		Balance	
		2021	2020	2021	2020
Al-Jazira and Al-Daoudia Compounds	Technical and Administrative Fees	-	-	18,460,369	18,460,369
Al-Madina Hotels Company Ltd.		-	-	14,651,496	14,651,496
Dur Al-Rawdah Compound		172,143	259,225	2,085,678	2,336,959
Makarem Mina Hotel		8,961	7,146	935,308	1,016,133
Dur Al-Andalus Compound		161,654	190,352	434,024	849,258
Others		115,946	472,406	591,872	660,001
Total				37,158,747	37,974,216

#### 4.9 Senior Shareholders

Dur Hospitality did not receive any notice of ownership during 2021, in accordance with Article (45) of the Registration and Listing Rules. In any case, the following shareholders owned at least 5% of the Company's capital by the end of 2021:

Shareholder	Shared owned at the Beginning of the Year	Shared owned at the End of Year	Ownership Rate at the End of the Year
Assila Investment Company	27,143,784	27,143,784	27.1%
Public Investment Fund	16,628,458	16,628,458	16.6%
Sheikh Mohammed bin Ibrahim Al-Issa	12,001,449	12,001,449	12%

#### 4.10 Statement of the Number of the Company's Requests for the Shareholders' Register, and the Dates and Reasons for such Requests:

Number of the Company's Requests for the Shareholders' Register	Request Date	Request Reasons
1	3/01/2021	Companies' Procedures
2	14/02/2021	Companies' Procedures
3	01/03/2021	Companies' Procedures
4	20/04/2021	Companies' Procedures
5	17/05/2021	General Assembly
6	28/09/2021	Companies' Procedures
7	28/09/2021	Companies' Procedures
8	13/10/2021	Companies' Procedures
9	18/10/2021	Companies' Procedures
10	01/12/2021	General Assembly
11	05/12/2021	Companies' Procedures