



**Board of Directors Report for the Fiscal  
Year 2023  
Astra Industrial Group**

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**Dear Shareholders,**

On behalf of the Board of Directors of Astra Industrial Group, I am pleased to present the Board of Directors' report of the Group for the year ended 31 December 2023.

2023 was a remarkable year for the Group despite the regional challenges we have witnessed in 2023. The Saudi market was the main growth driver for our business specially in the Pharmaceutical and Steel sectors. With God blessings, in 2023 our Sales and Profitability have grown in private and public sectors, which permitted us to gain larger market share in these two sectors.

The Group's cumulative efforts in 2023 were successful to grow our sales, net profit and cash flows. The Group continues to expand its manufacturing footprints into new territories while also being in search for potential M&A targets with the objective to serve as nucleus of our future growth.

UAE and Morocco operations experienced growth in our manufacturing operation while our operations in Egypt, Sudan and Turkey witnessed a contraction due to challenges in these countries. The Group Board of Directors and Senior Management continuously review and update our Strategic plans for the different sectors we operate in to increase our investments in targeted sectors with adequate return and exit non targeted sectors with low returns.

I would like to sincerely thank the Group employees and the Board of Directors for their dedication and hard work during the year which were instrumental in driving unprecedented growth in revenues and operating profits. We ask God to enable us to continue this growth journey of Group and elevate our operation to remarkable levels.

I would like to express my appreciation to the leadership of the Kingdom for their wisdom and creating an investment environment that is an enabler for business growth and helped us achieve these remarkable results.

Warm regards,

**Sabih Masri**  
**Chairman of the Board**

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1) The provisions of the Governance Regulations, issued by the Authority, which were applied and reasons for not applying others.

The company applies all the mandatory provisions described in the Corporate Governance Regulations issued by the Capital Market Authority, with the exception of the following guiding provisions (not mandatory) noted in the following table:

Article / Section No.	Not Mandatory Article/Section text	Reasons for non-application
Article 7 Paragraph D	Article 7: Communications with shareholders: D / The company appoints a dedicated Investor relations manager guaranteeing fair and effective communication between the investors and the company.	Not Mandatory Article  The company complies with this article throughout assigning investor relations management to Investment departments.
Article 36	Article 36: Conditions for the Secretary: (Whole article)	Not Mandatory Article  The BOD appointed a Secretary as per Paragraph 4 of Article (23) of the Company's Articles of Association which provides that "The Board of Directors shall appoint a Secretary for the Board whether a Board Director or not, to be charged with recording the meetings and resolutions of the Board of Directors as well as recording and maintaining them in a special register. Remuneration for the Secretary shall be determined upon a resolution passed by the Board of Directors based on a recommendation of Nomination and Remuneration Committee. The term of the Board Chairman, the Managing Director, and the Secretary, who is Board Director member, shall not exceed the term of each of them in the Board, and they may be re-elected. The Board may, at any time, remove all or any of them without prejudice of the right for indemnification in case of removal for illegitimate reason or at any inappropriate time.
Article 37	Article 37: Training: (Whole article)	Not Mandatory Article  The Nomination and Remuneration Committee review the annual training needs for the members of Board of Directors.
Article 39	Article 39: Appraisal (Whole article)	Not Mandatory Article  The Nomination and Remuneration Committee regularly evaluates the Board, its members and Committees' performance.

Article / Section No.	Not Mandatory Article/Section text	Reasons for non-application
Article 51 Paragraph C and D	<p>Article 51: Establishing Audit Committee:</p> <p>C / the head of Audit Committee shall be an Independent Director.</p> <p>D / half of the Audit Committee members must be independent or to whom conditions of dependence mentioned in article 19 of the corporate governance regulations does not apply.</p>	<p>Not Mandatory Article</p> <p>The Audit Committee was formed by the General Assembly for the current session that started from 22/04/2022 to 21/04/2025, in addition to this 2 out of the 3 Audit committee members are not subject to conditions of dependence mentioned in article 19 of the corporate governance regulations and its headed by an Independent Director.</p>
Article 63 Paragraph B	<p>Article 63: candidacy procedures</p> <p>B / The number of candidates for the Board of Directors whose names are presented to the General Assembly shall exceed the number of vacant seats so that the General Assembly has the opportunity to choose from those candidates</p>	<p>Not Mandatory Article</p> <p>The company works through all possible means that the largest number of candidates apply when opening the door for election.</p>
Article 67	<p>Article 67: forming the Risk Committee. (whole article)</p>	<p>Not Mandatory Article</p>
Article 68	<p>Article 68: Terms of reference of the Risk Committee: (whole article)</p>	<p>The Audit Committee studies and reviews the company's internal and financial controls while the company's Governance, Risk &amp; Compliance (GRC) Department identifies, evaluates and monitors risk management processes and activities. The GRC Department updates the Audit Committee and the Board of Directors regularly with its findings and progress of its work.</p>
Article 69	<p>Article 69: Meetings of the Risk Management Committee (whole article)</p>	
Article 80	<p>Article 80: Organizing the relationship with stakeholders.  (whole article)</p>	<p>Not Mandatory Article</p> <p>The company's Article of Association, policies and procedures as approved by the Board of Directors, and the relevant regulations and bylaws ensures the protection and preservation of the company and its stakeholders rights.</p>
Article 82	<p>Article 82: Motivating employees (whole article)</p>	<p>Not Mandatory Article</p> <p>On the other hand, the company has and its policies include a number of employees' motivation schemes.</p>
Article 84	<p>Article 84: Social Responsibility The Ordinary General Assembly based on proposal from the Board of Directors - sets a policy that ensures a balance between its goals</p>	<p>Not Mandatory Article</p> <p>On the other hand, the company actively participates in many social responsibility initiatives.</p>

Article / Section No.	Not Mandatory Article/Section text	Reasons for non-application
	and those goals that the community aspires to achieve with the purpose of developing the social and economic conditions of the community.	
Article 85	Article 85: Social Responsibility Initiatives (whole article)	Not Mandatory Article The Board of Directors will study a number of social responsibility initiatives for the company and execute it, after obtaining necessary approvals.
Article 86 Section 3	Article 86: Disclosure policy and procedures 3) The company's website shall include all the information required to be disclosed, and any other data or information published through other means of disclosure.	Not Mandatory Article The company publishes any information and data that is required to be disclosed according to the applicable laws and regulations issued by the Capital Market Authority.
Article 92	Article 92: Forming the Governance Committee (whole article)	Not Mandatory Article The Board of Directors, through its Committees, monitors the implementation of the approved governance system, verifies its effectiveness, and amends it when necessary.

2) [Names of the Board of Directors, Committee members, and Senior management, and their current and former positions, qualifications, and experiences.](#)

3) [Names of companies inside or outside the Kingdom where a member of the Board of Director is currently or formerly was a member of its Board of Directors or management:](#)

[First: Board Directors:](#)

The company is managed by a Board of Directors composed of nine members who were re-elected by the Extraordinary General Assembly held on 21/04/2022 for a second consecutive session which began on 22/4/2022 for three years, where all the current Board members are holding same designations & duties with no changes, below are the key highlights on the Board members:

<b>1) Mr. Sabih Masri– Chairman – Non-Executive</b>
<b>Qualifications:</b>
<ul style="list-style-type: none"> <li>Bachelor's degree in Chemical Engineering – University of Texas, USA (1964)</li> </ul>
<b>Work Experiences:</b>
<ul style="list-style-type: none"> <li>Businessman.</li> <li>Founder and Chairman of Arab Supply &amp; Trading Company (Astra) (1966 - present)</li> </ul>
<b>Member of both the Current and the former Board of Directors:</b>

Company name	Position	Current / Previous	Inside / Outside KSA	legal entity
Arab Supply & Trading Company (Astra)	Founder and Chairman	Current	Inside	Limited liability company
Astra Industrial Group	Chairman	Current	Inside	Listed company
Astra Food Company	Chairman	Previous	Inside	Limited liability company
Arab Bank - Jordan	Chairman	Current	Outside	Listed company
Zara Investment Holding Co	Chairman	Current	Outside	Listed company
PALTEL	Chairman	Current	Outside	Listed company
PADICO	Board member	Current	Outside	Listed company
Cicon Building Materials	Chairman	Current	Outside	Limited liability company
Fahad bin Sultan University	Board of trustee	Current	Inside	Limited liability company

## 2) Mr. Khaled Masri– Deputy Chairman – Non-Executive

### Qualifications:

- MBA from Georgetown University, USA 1990
- B.Sc. in Computer Engineering from Massachusetts Institute of Technology (MIT) 1986

### Work Experiences:

- President of Arab Supply & Trading Company (Astra) (1994 - present)
- General Manager of Cairo Amman Bank (1999 - 2012)

### Member at both the Current and the former Board of Directors:

Company name	Position	Current / Previous	Inside / Outside KSA	legal entity
Astra Industrial Group	Deputy Chairman	Current	Inside	Listed company
Astra Food Company	Deputy Chairman	Previous	Inside	Limited liability company
Arab Supply & Trading Company (Astra)	Deputy Chairman	Current	Inside	Limited liability company
Arab Bank – Jordan	Deputy Chairman	Current	Outside	Listed company
Zara Investment Holding Co	Deputy Chairman	Current	Outside	Listed company
Cairo Amman Bank	Board of Director Member	Previous	Outside	Listed company
Ayla Oasis Development Company	Chairman	Current	Outside	Closed joint stock company
Prince Fahad Bin Sultan University	Board of Trustee	Current	Inside	Limited liability company



<b>3) Mr. Ali AISubaihin– Member of the Board of Directors – Independent</b>				
<b>Qualifications:</b>				
<ul style="list-style-type: none"> <li>• Bachelor's degree in Systems Engineering from King Fahd University of Petroleum and Minerals (Saudi Arabia).</li> <li>• Executive Education Program in Management and Cost Accounting from the University of Houston (USA).</li> <li>• Courses at Northwestern, Harvard, INSEAD universities, and International Institute for Management Development (IMD).</li> </ul>				
<b>Work Experiences:</b>				
<ul style="list-style-type: none"> <li>• Founding partner of Chedid Reinsurance Brokerage Company Ltd.</li> <li>• Member of the Business Advisory Council for the College of Business Administration, Alfaisal University.</li> <li>• Former CEO of the Cooperative Insurance Company (Tawuniya).</li> <li>• Former Director of Finance and Information Services at the Saudi Petrochemical Company.</li> </ul>				
<b>Member of both the Current and the former Board of Directors:</b>				
<b>Company name</b>	<b>Position</b>	<b>Current / Previous</b>	<b>Inside / Outside KSA</b>	<b>legal entity</b>
Astra Industrial Group	Board of Director Member	Current	Inside	Listed company
Arab Information Technology Company	Chairman	Current	Inside	Closed joint stock company
Middle East Financial Investment Company	Chairman	Current	Inside	Closed joint stock company
Etihad Etisalat Company	Board of Director Member	Previous	Inside	Listed company
Najm Insurance Services Company	Chairman	Previous	Inside	Closed joint stock company
United Insurance Company	Board of Director Member	Previous	Outside	Partnership
Cooperative Real Estate Investment Company (CREIC)	Board of Director Member	Previous	Inside	Limited liability company
Waseel Company for transfer of electronic information	Chairman	Previous	Inside	Limited liability company
The Company for Cooperative Insurance (Tawuniya)	Board of Director Member	Previous	Inside	Listed company
Council of cooperative health insurance	Board of Director Member	Previous	Inside	Government organization
Al Yusr Leasing & Financing	Board of Director Member	Previous	Inside	Closed joint stock company
Best Rent a Car	Board of Director Member	Previous	Inside	Closed joint stock company

<b>4) Mr. Farraj Abuthenain– Member of the Board of Directors – Non-Executive</b>				
<b>Qualifications:</b>				
<ul style="list-style-type: none"> <li>• Bachelor's degree in Industrial Engineering from Milwaukee University (USA) in 1981</li> <li>• Chase Manhattan Bank Program in Financial Analysis and Valuation for one year in New York (1982-1983)</li> </ul>				
<b>Work Experiences:</b>				
<ul style="list-style-type: none"> <li>• Saudi Industrial Development Fund (SIDF) (Credit Division Head, member of the Credit Committee, member of the Industrial Projects Performance review committee.</li> <li>• Vice President for Investment and Finance - Tasnee (1999-2008)</li> </ul>				

<b>Member of both the Current and the former Board of Directors:</b>				
<b>Company name</b>	<b>Position</b>	<b>Current / Previous</b>	<b>Inside / Outside KSA</b>	<b>legal entity</b>
Astra Industrial Group	Board of Director Member	Current	Inside	Listed company
Al Moammar Information Systems Company	Board of Director Member	Current	Inside	Listed company
Saudi Industrial Investment Group	Board of Director Member	Current	Inside	Listed company
Aljazira Capital	Board of Director Member	Previous	Inside	Closed joint stock company
Riyadh Region Council	Board of Director Member	Previous	Inside	Government Authority
Petrochem Company	Board of Director Member	Previous	Inside	Listed company
Bahri company	Board of Director Member	Previous	Inside	Listed company
Bawan Holding	Board of Director Member	Previous	Inside	Listed company

<b>5) Mr. Ghassan Akeel – Member of the Board of Directors – Non-Executive</b>				
<b>Qualifications:</b>				
<ul style="list-style-type: none"> <li>• MBA 1989</li> <li>• BA in Accounting 1988</li> <li>• CPA 1992</li> </ul>				
<b>Work Experiences:</b>				
<ul style="list-style-type: none"> <li>• CEO of the Arab Supply &amp; Trading Company (2015 till present)</li> <li>• Deputy General Manager, Arab Supply &amp; Trading Company (2002 - 2015)</li> <li>• CFO, Arab Supply &amp; Trading Company (1995-2002)</li> <li>• Manager of Audit and Financial advisory at Arthur Andersen for 6 years</li> </ul>				
<b>Member of both the Current and the former Board of Directors:</b>				
<b>Company name</b>	<b>Position</b>	<b>Current / Previous</b>	<b>Inside / Outside KSA</b>	<b>legal entity</b>
Astra Industrial Group	Board of Director Member	Current	Inside	Listed company
Arab Cooperative Insurance Company	Board of Director Member	Current	Inside	Listed company
Astra Food Company	Board of Director Member	Previous	Inside	Limited liability company
Tabuk Investment and Tourism	Board of Director Member	Current	Inside	Closed joint stock company
Saudi Mais Co. for Medical Products	Board of Director Member	Current	Inside	Limited liability company
National Air Ground Support	Board of Director Member	Current	Inside	Limited liability company
Cairo Amman Bank	Board of Director Member	Current	Outside	Listed company

VTEL Holdings Limited	Board of Director Member	Current	Outside	Limited liability company
Audacia Capital	Board of Director Member	Current	Outside	Limited liability company
<b>6) Mr. Kamil Sadeddin – Member of the Board of Directors – Non-Executive</b>				
<b>Qualifications:</b>				
<ul style="list-style-type: none"> <li>Higher Diploma in Engineering (Civil Engineering) 1976</li> <li>Advanced level in Abstract Mathematics, Applied Mathematics and Physics</li> <li>Practical training in building bases for offshore oil exploration</li> </ul>				
<b>Work Experiences:</b>				
<ul style="list-style-type: none"> <li>Chairman of Executive Committee of Ayla's Construction and Project Management</li> <li>CEO of the Arab Supply &amp; Trading Company (1998-2013)</li> <li>General Manager of the Astra construction branch of the Arab Supply &amp; Trading Company</li> </ul>				
<b>Member of both the Current and the former Board of Directors:</b>				
Company name	Position	Current / Previous	Inside / Outside KSA	legal entity
Arab Supply & Trading Company	Vice President	Current	Inside	Limited liability company
Astra Industrial Group	Board of Director Member	Current	Inside	Listed company
Tabuk Investment and Tourism	Board of Director Member	Previous	Inside	Closed joint stock company
Zara Investment Co	Board of Director Member	Current	Outside	Closed joint stock company
Ayla Oasis Development Company	Board of Director Member	Current	Outside	Closed joint stock company
Fahad bin Sultan University	General Manager	Current	Inside	Limited liability company
TADCO	Board of Director Member	Previous	Inside	Listed company

<b>7) Mr. Mohammad Al Utaibi – Member of the Board of Directors – Non-Executive</b>				
<b>Qualifications:</b>				
<ul style="list-style-type: none"> <li>Bachelor's degree in Industrial Management, 1984, King Fahd University of Petroleum and Minerals.</li> </ul>				
<b>Work Experiences:</b>				
<ul style="list-style-type: none"> <li>President of Plastbau Arab Company (2014-present)</li> <li>Director of Sales and Marketing Department of Plastic in Europe - SABIC - for 7 years</li> <li>Managing Director - Astra Polymer Compounding Company Limited - for 18 years</li> </ul>				
<b>Member of both the Current and the former Board of Directors:</b>				
Company name	Position	Current / Previous	Inside / Outside KSA	legal entity
Astra Industrial Group	Board of Director Member	Current	Inside	Listed company
Plastbau Arabia Co. Ltd	Director	Current	Inside	Limited liability company
Plastbau Arabia for Specialized Contracting	Director	Current	Inside	Limited liability company

Mohammed Najjar Al-Utaibi Trading Est (Mono Technology)	Manager	Current	Inside	Establishment
Mohammed Najjar Al-Utaibi Real Estate Development	Manager	Current	Inside	Establishment
Arab Cooperative Insurance Company	Board of Director Member	Previous	Inside	Listed company
Al-Jouf Agricultural Development Company	Board of Director Member	Previous	Inside	Listed company

<b>8) Mr. Abdul Karim Al-Nafie – Member of the Board of Directors – Independent</b>				
<b>Qualifications:</b>				
<ul style="list-style-type: none"> <li>• Bachelor's degree in Management and Accounting from Wentworth University, USA</li> <li>• An advanced course in Finance from Chase Manhattan Bank, USA</li> <li>• Financial and administrative courses from several international universities and institutes</li> </ul>				
<b>Work Experiences:</b>				
<ul style="list-style-type: none"> <li>• General Manager of Saudi Industrial Development Fund (SIDF)</li> <li>• CEO, Saudi Ceramic Company</li> </ul>				
<b>Member of both the Current and the former Board of Directors:</b>				
<b>Company name</b>	<b>Position</b>	<b>Current / Previous</b>	<b>Inside / Outside KSA</b>	<b>legal entity</b>
Astra Industrial Group	Board of Director Member	Current	Inside	Listed company
Bawan Company	Board of Director Member	Current	Inside	Listed company
United Cement Company	Board of Director Member	Current	Inside	Closed joint stock company
Ethad Telecommunications Company	Board of Director Member	Current	Inside	Listed company
Riyadh Steel Company	Board of Director Member	Current	Inside	Closed joint stock company
Maan Al-Jasser & Partners Co. for Cabinets	Board of Director Member	Current	Inside	Listed company
Al Moammar Information Systems Co	Board of Director Member	Current	Inside	Listed company
Foreign Trade Commission	Board of Director Member	Previous	Inside	Government organization
Gas Distribution Company	Board of Director Member	Previous	Inside	Listed company
Saudi Ceramic Company	Board of Director Member	Previous	Inside	Listed company
Industrial Cities and Technology Zones Commission	Board of Director Member	Previous	Inside	Government commission
Ceramic for pipes Company	Board of Director Member	Previous	Inside	Closed joint stock company
Industrial clusters	Board of Director Member	Previous	Inside	Government commission
SME Commission	Board of Director Member	Previous	Inside	Government commission
Montreal Group	Board of Director Member	Previous	Outside	International governmental funds Alliance
Bahri company	Board of Director Member	Previous	Inside	Listed company
The Syrian Saudi Company in Damascus	Board of Director Member	Previous	Outside	Government cooperative commission
Industrial Cluster in Riyadh Chamber of Commerce	Board of Director Member	Previous	Inside	Commercial Committee
Saudi Bahraini Business Council	Board of Director Member	Previous	Inside	Government commission

El Motaheda Juicers Company	Board of Director Member	Previous	Inside	Closed joint stock company
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<b>9) Mr. Khaled Al-Mana – Member of the Board of Directors – Independent</b>				
<b>Qualifications:</b>				
<ul style="list-style-type: none"> <li>• Master of Science in Engineering from National Taiwan University, China</li> <li>• Bachelor of Engineering from Meiji University, Japan</li> </ul>				
<b>Work Experiences:</b>				
<ul style="list-style-type: none"> <li>• Chairman of Al-Manea Group</li> <li>• Advisor - Public Investment Fund</li> <li>• Advisor to the Ministry of Energy</li> <li>• Vice President of SABIC KSA Previously</li> <li>• General Manager of the regional headquarters of SABIC Singapore previously</li> </ul>				
<b>Member of both the Current and the former Board of Directors:</b>				
<b>Company name</b>	<b>Position</b>	<b>Current / former</b>	<b>Inside / Outside KSA</b>	<b>legal entity</b>
Astra Industrial Group	Board of Director Member	Current	Inside	Listed company

### Second: Committee members from outside the Board of Directors:

<b>1) Mr. Ayman Yousef – Member of the Audit Committee from outside the Board of Directors</b>				
<b>Qualifications:</b>				
<ul style="list-style-type: none"> <li>• Bachelor of Accounting from the University of Jordan</li> </ul>				
<b>Work Experiences:</b>				
<ul style="list-style-type: none"> <li>• CFO of the Arab Supply &amp; Trading Company</li> <li>• Vice President of Finance at Mesk Company previously</li> <li>• Manager at Ernst &amp; Young Previously</li> <li>• Arab Bank in Jordan previously</li> </ul>				

<b>2) Mr. Ibrahim bin zaid Al Qumlas – Member of the Audit Committee from outside the Board of Directors**</b>				
<b>Qualifications:</b>				
<ul style="list-style-type: none"> <li>• Bachelor's degree in Computer Science from the University of Arkansas - USA in 1989.</li> </ul>				
<b>Work Experiences:</b>				
<ul style="list-style-type: none"> <li>• Assistant and Advisor to the Director of the Internal Audit Department - Bank Al-Jazira</li> <li>• Director of the Audit Department for the Operations and Retail Sectors - Bank Al-Jazira</li> <li>• Director of Quality and Compliance Department in the Corporate Sector - Samba Financial Group</li> <li>• Audit Manager – Samba Financial Group, previously</li> </ul>				

### Third: Executive Administration members

<b>1) Mr. Mohammed Al-Hagbani - CEO</b>				
<b>Education:</b>				
<ul style="list-style-type: none"> <li>• Holds a BA with Honors in Financial Management from Virginia Tech, USA.</li> </ul>				
<b>Experience and current and former jobs:</b>				
<ul style="list-style-type: none"> <li>• After graduation, he led a team to manage part of the investment fund of the University of Virginia. He was a member of the investment group at Al-Rajhi Bank. After that, he assumed the role of general manager of investments at GOSI for 7 years and currently he is the President of Astra Industrial Group since January 1 of 2014. He was a Board Director in companies within wide variety of sectors such as Al-Jazira Bank, Petrochem, Herfy Company, Al-Jazira Capital and a member of the Investment Committee at Tawuniya Insurance.</li> </ul>				

<b>2) Mr. Samer Hendawi - Vice-president Finance and Investment</b>
<b>Education:</b>
<ul style="list-style-type: none"> <li>He holds a Bachelor's degree in Business Administration from the University of Maryland, and a Bachelor's degree in Accounting from Arizona. He is a member of the American Association of Certified Public Accountants, the New York State Society of Certified Accountants, the Institute of Internal Auditors, the Institute of Management Accountants, and the American Accountancy Association.</li> </ul>
<b>Experience and current and former jobs:</b>
<ul style="list-style-type: none"> <li>Mr. Hendawi has more than 28-year experience in the field of financial services and investments. His practical experience includes working for Andersen, Ernst &amp; Young, General Electric Company, and finally the Arab Supply and Trading Company (ASTRA) as Deputy CEO. Mr. Hendawi occupied several positions in these companies. He is currently Vice President for Finance and Investment at Astra Industrial Group. He is a member of the Board of Directors of a number of companies such as Tabuk Investment &amp; Tourism Company, Saudi Mais company for medical products, Astra Polymers Free Zone in Turkey, Astra Nova Company in Turkey, and Astra Specialty Compounds India Private Limited.</li> </ul>

**4) Form of the Board of Directors and classification of its Directors as follows: Executive Board Director - Non-Executive Board Director - Independent Board director.**

**The Board of Directors for the current session, which started on 22/04/2022 until 21/04/2025 AD, as follows:**

<b>Name</b>	<b>Classification</b>
Mr. Sabih Masri	Non-Executive
Mr. Khaled Masri	Non-Executive
Mr. Mohammad Al Utaibi	Non-Executive
Mr. Kamil Sadeddin	Non-Executive
Mr. Ghassan Akeel	Non-Executive
Mr. Farraj Abuthenain	Non-Executive
Mr. Ali AlSubaihin	Independent
Mr. Abdul Karim Al-Nafie	Independent
Mr. Khaled Al-Mana	Independent

**5) Actions Taken by the Board of Directors for Informing its Members – Especially Non-Executives - with the Suggestions and Remarks of the Shareholders Regarding the Company and its Performance.**

The Board of Directors has designated an email for receiving shareholders comments, opinions and suggestions. The investor relation officer supervises and reviews all messages received via this email. Then through the senior management of the Group, the Board of Directors is notified with the latest updates periodically to discuss such matters. In addition to that, open discussions and debates are conducted during the General Assembly meetings related to the company's performance and the future plans. There is always open access for shareholders to the investor relation through phone and e-mail.

**6) A brief description of the Committees' competencies and tasks, with mentioning of the Committees' members names, their Chairman and members, the number of their meetings, the dates of their meetings, and attendance data of the members in each meeting.**

The Board of Directors has three committees, Audit Committee, Nomination and Remuneration Committee and Performance and Investment Committee:

- **Audit Committee:**

The Audit Committee was formed in Extra-Ordinary General Assembly that was held on **21.04.2022G**. Current audit committee term started on **22.04.2022G** for a term of three years. The committee was formed in compliance with the bylaws of the company and Mr. Abdel-Kariem Al-Nafie was appointed as a Chair of the Committee while Mr. Ayman Yousef and Mr. Ibrahim Al Qumlas were nominated as members of the committee, while noting that all members are experienced and specialized in financial field.

- **Key Audit Committee functions and duties:**

- 1) Studying the accounting policies adopted by the company and submitting its recommendations to the Board of Directors.
- 2) Supervising the Internal Audit function at the company to ensure its competency in conducting its activities and execute the duties assigned by the Board of Directors.
- 3) Reviewing the Internal audit department's plan, procedures and reports.
- 4) Submitting recommendations to the Board of Directors in relation to the appointment and dismissal of external auditors along with setting their fees while ensuring their independency when submitting recommendations.
- 5) Overseeing the external auditor scope of work and reviewing their observations on the financial statements.
- 6) Discussing and reviewing the quarterly financial statements and submitting recommendations to the Board of Directors in relation to the annual audited financial statements.
- 7) Ensuring the effectiveness and efficacy of the Internal Control Systems and submitting recommendations to the Board of Directors in this regard.
- 8) The Audit Committee by laws details the scope of work of the committee along with its authorities and the committee's responsibilities, term and style of work.

**Details of committee members, number of its meetings, dates and attendance data of its members, are in the following table:**

S	Name	Nature of Membership	Classification of Membership	No. of Meetings within 2023, (6) Meetings					
				15/03/2023	15/05/2023	20/06/2023	02/08/2023	05/11/2023	29/11/2023
1	Abdel Kariem Al-Nafi	Chairman	Independent Board Member	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3	Ayman Yousef	Member	Member from outside the Board of Directors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4	Ibrahim Al-Ghamlas	Member	Member from outside the Board of Directors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

- **Nomination and Remuneration Committee**

The Board of Director formed the Nomination and Remuneration Committee by its resolution on **12.05.2022G** which appointed three members for the current term commenced on **22.04.2022G** for three years. Mr. Ali Al-Subaihin became the Chair of the Committee with the membership of each of: Mr. Khaled Masri and Mr. Farraj Abuthenain.

- **Key functions and duties:**

- 1) The Committee studies the topics related to its function or any other subject matter referred to it by the Board of Directors and submits its recommendation to the Board.
- 2) Developing a clear policy for the remunerations of the Board members, Committees of the Board and the Senior management and submitting it to the Board of Directors for review and recommendation to the General Assembly provided that such policies are linked to the performance and their execution is monitored.
- 3) Proposing clear policies and standards for nominating members of the Board and Senior management while ensuring that there is no nomination of any person who has past conviction related to ethics and trust worthiness.
- 4) Aligning the remunerations with the remuneration policy and identifying any significant deviation from such policy.
- 5) Preparing a job description that includes competencies and qualifications of the member of the Board of Directors and the Senior management functions including setting time allocation needed by the member for serving their duties and Board's responsibilities.
- 6) Periodical review of the remuneration policy of the Board of Directors, Board Committees and Senior management and assessing its effectiveness in achieving its objectives.
- 7) Recommending to the Board of Directors the proposed remunerations to the Board Members, Board Committees, and Senior management as per the approved policies.
- 8) Reviewing the structure of the Board of Directors and the Senior management, assessing weaknesses and strengths, submitting recommendations regarding changes which could be proposed to improve the company's performance.
- 9) Annually ensuring the independency of the Independent Members and ensuring non-existence of any conflicting interests between the members and the company.
- 10) Assigning a job description for the Senior Board members, non-executive and Independent Board Members and Senior management.
- 11) Prepare special procedures to deal with any vacancy in the Board of Directors or Senior management.

**Details of Committee members, number of its meetings, dates and attendance data of its members, according to the following table:**

S	Name	Nature of Membership	Classification of Membership	No. of Meetings within 2023, (3) Meetings		
				29/03/2023	19/05/2023	02/112023
1	Mr. Ali Al-Subaihin	Chairman	Board Member – Independent	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
2	Mr. Khaled Masri	Member	Board Member – Non-Executive	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3	Mr. Farraj Abuthenain	Member	Board Member – Non-Executive	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

- **Performance and Investment Committee**

The Board of Director formed the Performance and Investment Committee by its resolution issued on **12.05.2022G** which appointed five members for the current session commenced on **22.04.2022G** for three years. Mr. Khaled Sabih Masri became the Chair of the Committee with the membership of each of: Mr. Mohamed Al Utaibi, Mr. Farraj Abuthenain, Mr. Kamil Sadeddin and Mr. Ghassan Akeel.



**Key functions and duties:**

- 1) Preparing with the Nomination and Remuneration Committee (if necessary) suitable mechanisms for measuring performance in order to maintain and enhance the performance of the senior management at the company and its subsidiaries.
- 2) Reviewing the performance of senior management on a quarterly basis according the previously set objectives.
- 3) Reviewing the company's performance versus plan on a quarterly basis.
- 4) Approving the accepted methodologies and approaches for assessing new investment opportunities.
- 5) Reviewing and prioritizing new investments.
- 6) Approving new investment projects up to **SAR 25** Million per project. The maximum limit of new projects to be approved by the Committee within a year is **SAR 50** Million. As to the new investment projects exceeding an amount of **SAR 25** Million, the Committee will recommend them for approval by the Board of Directors.
- 7) Reviewing and recommending the company's strategic plans submitted by the senior management and recommend them for approval by the Board of Directors.
- 8) Reviewing and recommending the company's annual budget submitted by the senior management and recommend it for approval by the Board of Directors.

**Details of Committee members, number of its meetings, dates and attendance data of its members, as per below table:**

No.	Name	Type of membership	classification	Meetings for the year 2023 (4) meetings			
				14/03/2023	18/6/2023	12/09/2023	05&06/12/2023
1	Mr. Khaled Masri	Chairman	Member of the Board of Directors - Non-Executive	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
2	Mr. Mohammad Al Utaibi	Member	Member of the Board of Directors - Non-Executive	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3	Mr. Ghassan Akeel	Member	Member of the Board of Directors - Non-Executive	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4	Mr. Farraj Abuthenain	Member	Member of the Board of Directors - Non-Executive	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
5	Mr. Kamil Sadeddin	Member	Member of the Board of Directors - Non-Executive	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- 7) Where applicable, those means adopted by the Board of Directors in appraising its performance and the performance of its Committees and the Board Directors as well as the external body that performed such appraisal and its relationship with the company, if any. The report shall include such means adopted by the Board of Directors in appraising its performance and the performance of its Committees and Board Directors plus including such external body that performed such appraisal and its relationship with the company, if any.**

The Board of Directors performs regular appraisal, through the Nomination and Remuneration Committee, of its performance and the performance of its Committees and members.

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8) Disclose the remuneration of the Board Directors and the Senior management in accordance with provisions of the article 77 of the Governance Regulations issued by the Authority.

**A. Disclosure of the remuneration policy and how the remuneration for Board Directors, Committee members and Senior management are determined.**

1) Remuneration policy for Board Directors, Committee members and Senior management of the company:

The Extraordinary General Assembly approved, on 16/05/2017, a remuneration policy for Board Directors, Board Committees and the Senior management, which included a policy for determining the remuneration of both Board Directors, members of the Board Committees, and members of the Senior management according to the following:

- A. The policy is aligned with the company's strategy, objectives, and degree and nature of the company's risks it manages.
- B. The purpose of remuneration scheme is to motivate Board of Directors and the Senior management to make the company successful on the long term, such as linking the variable part of the remuneration with performance of the company on long term.
- C. Remuneration shall be determined based on employee grade, tasks and responsibilities, education, experience, skills and level of performance.
- D. To take into account the practices of other companies in determining remuneration avoiding the unjustified increase in remuneration and compensation.
- E. The policy shall aim at recruiting, maintaining and motivating professional competencies without exaggeration.
- F. The Nomination and Remuneration Committee may propose employees stock option plans to motivate Board Directors and the Senior management, whether through issuing new shares or purchase of treasury shares subject to the approval of the General Assembly and the regulatory bodies.

2) Below is how to determine the remuneration given to the Board Directors and Members of the Committees as well as the members of the Senior management, in accordance with the provisions of the company's articles of association, the charters of each of the Board Committees, and the remuneration policy for Board Directors, the Board Committees and the Senior management:

• **Remuneration of Board of Directors**

The remuneration for the Board of Directors and the Board Committees for their membership in the Board - consist of a specific amount, or attendance allowances, or in-kind contribution or cash benefits or any combination of two or more. Such remuneration if in cash or in-kind given to a Board of Directors Member shall in no event exceed five hundred thousand Saudi Rials (SAR 500,000) per annum according to the company's laws. The Board of Directors' report submitted to the ordinary General Assembly shall include a comprehensive detail of all the salaries, profit shares, attendance allowances, expenses, and other benefits that Board Member got during the fiscal year. In addition, the report shall include details of any payments that Board Directors got as employees or attendance allowances or administrative jobs for the company or pay in remuneration for technical or

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administrative works or consultations done for the company. It shall, also, include the number of the Board meetings held and the number of meetings attended by each member from the date of the last General Assembly meeting.

- **Remuneration for Members of the Board Committees:**

- **Audit Committee**

On 16/05/2017 the Extraordinary General Assembly approved the updated charter of the Audit Committee, which determined the Remuneration of the Committee members according to the following:

1. The members of the Committee shall be awarded an annual remuneration determined by the Nomination and Remuneration Committee and approved by the Board of Directors.
2. Committee members are entitled for attendance allowances for each Committee meeting they attend, equivalent to such allowances awarded to Board of Directors' members for attending meetings.

- **Nomination and Remuneration Committee**

On 16/05/2017 the Extraordinary General Assembly approved the updated bylaws of the Nomination and Remuneration Committee, which determined the remuneration of the Committee members according to the following:

- Attendance allowances for each Committee meeting equivalent to such fees entitled for Board of Directors member attending meetings. An annual remuneration may be awarded upon the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors, provided that the same shall be included in the annual report of the Board of Directors submitted to shareholders, which is approved by the General Assembly.

- **Performance & Investment Committee:**

On 16/05/2017 the Extraordinary General Assembly approved the updated charter of the Performance and Investment Committee, which determined the remuneration of the Committee members according to the following:

- Attendance allowances for each Committee meeting equivalent to such attendance allowances earned by the Board of Directors for attending the Board meetings. An annual remuneration may be given upon the recommendation of the Nomination and Remuneration and the approval of the Board of Directors, provided that it is included in the annual report of the Board of Directors submitted to shareholders, which is approved by the General Assembly.

- **Remuneration for the Senior management:**

On 16/05/2017 the Extraordinary General Assembly approved the remuneration policy of the Board Directors, Board Committees and Senior management, which according to the following:

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1. In accordance with the variable and fixed incentive plans for the senior management, recommended by Nomination and Remuneration Committee and approved by the Board of Directors and in accordance with the meetings objectives set during each financial year.
  2. Based on performance and in light of the achieved objectives, the Nomination and Remuneration Committee recommends to the Board the amount of compensation given to the senior management in line with the approved remuneration policy.

**B. Clarify the relationship between the given remuneration and the approved policy as well as to indicate any material deviation from the policy.**

The Nomination and Remuneration Committee ensured that its recommendations are in line with the approved policies and regulations and are within the limits stipulated in the Companies bylaws and the Company's Articles of Association.

**C. A statement of the necessary details regarding the remuneration and compensation paid to each Board of Directors member and five senior executives who received the highest remuneration from the company, including the CEO and the CFO, and members of the Committees separately as follows:**

### First: Table of the remunerations for Board of Directors

	Fixed remunerations							Variable remunerations						termination emoluments	Grand Total (SAR)	Expense
	Certain amount*	Attending meetings allowances	Attending committee sessions allowances	Benefits in kind	Remunerations for technical, administrative and advisory works	Remuneration of the Chairman, Managing Director and Secretary	Total (SAR)	Percentage of profits	Periodic remunerations	Short-term incentive plans	Long-term incentive plans	Granted shares (write the value)	Total			
<b>First: independent members</b>																
1- Ali AlSubaihin	250,000	12,000	9,000	34,764	-	-	305,764	-	-	-	-	-	-	-	305,764	
2- Khaled Al-Mana	250,000	12,000	-	-	-	-	262,000	-	-	-	-	-	-	-	262,000	
3- Abdul Karim Al-Nafie	250,000	12,000	18,000	-	-	-	280,000	-	-	-	-	-	-	-	280,000	
<b>Total</b>	<b>750,000</b>	<b>36,000</b>	<b>27,000</b>	<b>34,764</b>	<b>-</b>	<b>-</b>	<b>847,764</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>847,764</b>	
<b>Second: Non – executive members</b>																
1- Sabih Masri	250,000	12,000	-	-	-	-	262,000	-	-	-	-	-	-	-	262,000	
2- Khaled Masri	250,000	12,000	21,000	-	-	-	283,000	-	-	-	-	-	-	-	283,000	
3- Ghassan Akeel	250,000	12,000	12,000	-	-	-	274,000	-	-	-	-	-	-	-	274,000	
4- Kamil Sadeddin	250,000	9,000	9,000	-	-	-	268,000	-	-	-	-	-	-	-	268,000	
5- Mohammad Al Utaibi	250,000	12,000	12,000	-	-	-	274,000	-	-	-	-	-	-	-	274,000	
6- Farraj Abuthenain	250,000	12,000	21,000	52,146	-	-	335,146	-	-	-	-	-	-	-	335,146	
<b>Total</b>	<b>1500,000</b>	<b>69,000</b>	<b>75,000</b>	<b>52,146</b>	<b>-</b>	<b>-</b>	<b>1,696,146</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,696,146</b>	
* These amounts were granted for the fiscal year 2022, after obtaining the approval of the ordinary General Assembly held on 28/05/2023.																

### Second: Table of the remunerations for members of the committees:

Fixed remunerations (except attending meetings allowances)	Fixed remuneration (except attending meetings allowances)	attending meetings allowances	Total (SAR)
<b>Members of the Audit Committee</b>			
<b>Name</b>	<b>2023</b>		
1- Abdul Karim Al-Nafie	100,000	18,000	118,000
2- Ayman Yousef	100,000	18,000	118,000
3- Ibrahim Al-Qumlas	100,000	18,000	118,000

<b>Total</b>	<b>300,000</b>	<b>54,000</b>	<b>354,000</b>
<b>Members of the Nomination and Remuneration</b>			
<b>Name</b>	<b>2023</b>		
1- Ali AlSubaihin	100,000	9,000	109,000
2- Khaled Masri	-	9,000	9,000
3- Farraj Abuthenain	100,000	9,000	109,000
<b>Total</b>	<b>200,000</b>	<b>27,000</b>	<b>227,000</b>
<b>Members of the Performance and Investment Follow-up Committee</b>			
<b>Name</b>	<b>2023</b>		
1- Khaled Masri	-	12,000	12,000
2- Ghassan Akeel	-	12,000	12,000
3- Kamil Sadeddin	-	9,000	9,000
4- Farraj Abuthenain	100,000	12,000	112,000
5- Mohammad Al Utaibi	-	12,000	12,000
<b>Total</b>	<b>100,000</b>	<b>57,000</b>	<b>157,000</b>

**Third: Table of five senior executives who received the highest remuneration from the company, including the CEO and CFO:**

senior executives	Fixed remunerations				Variable remunerations					termination emoluments	Total remuneration for the Board executives if any	Grand Total (SAR)	
	Salaries	Allowances	Benefits in kind	Total	Periodic remunerations	Profits	Short-term incentive plans	Long-term incentive plans	Granted shares				Total (SAR)
*Five senior executives including the CEO and CFO	3,581,595	2,125,828	-	5,707,423	10,295,399	-	-	-	-	16,002,822	417,701	-	16,420,523

\*The company has committed to disclose the remuneration of the executives in accordance with the statutory requirements mentioned in Article (87) of the Corporate Governance Regulations, and in accordance of Article (78) of the rules for offering securities and continuing obligations.

**9) Whatever penalty, sanction, precautionary measure, or precautionary restrictions imposed on the company by the Authority or from any supervisory, regulatory or judicial authority, with an explanation of the causes of the violation, the authority that applied the same, means of remediation and avoiding occurrence of the same in the future.**

None

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**10) The results of the annual review of the effectiveness of the company's internal audit procedures, in addition to the audit committee's opinion on the adequacy of the company's internal control system.**

- Part of the Group's senior management responsibilities is the implementation of the internal control systems, and ensuring that an appropriate and effective internal control system is in place, which includes the policies, procedures and processes that has been developed to achieve the group's objectives. A system of internal control has been established in line with the corporate governance regulation, laws and regulations, which defines the roles and responsibilities assigned to the Board of Directors and their related committees, in order to have an appropriate oversight over the group, in addition to that the group's management monitors the compliance with control procedures and corrects any deficiencies in the internal control system. Also, the management is currently working on updating the policies and procedures in order to enhance the group's internal control system.
- The Internal Audit is considered as an independent assurance function from the senior management and as part of their scope of work is the evaluation of the adequacy and effectiveness of the internal control system, including adherence to policies and procedures. In addition to that, the Internal Audit functions submits audit reports that include weaknesses in the internal control system and the corrective procedures to the senior management and the Audit Committee. The Audit Committee periodically submits the minutes of its meetings and their reports to the Board of Directors and the General Assembly.

**Internal audit evaluation:**

- Based on the above, the Audit Committee believes that the Group has reasonably effective internal control system in terms of design and implementation and there was no significant audit observation related to the system of internal control procedures in the Group with a recommendation to the Group's management to continue developing and improving the existing policies and procedures, in order to increase the efficiency and effectiveness of the internal control system in the Group.

**11) Recommendation of the Audit Committee regarding the need to appoint an Internal Auditor in the company, in case there is no internal auditor.**

The company has an effective Internal Audit Department.

**12) Recommendations of the Audit Committee that conflict with resolutions of the Board of Directors, or which the Board refused to adopt regarding the appointment and removal of the company's auditor, determining his fees and evaluating his performance or appointing the Internal Auditor as well as grounds of such recommendations, and the reasons for not adopting the same.**

There are no recommendations in this regard.

**13) Details of the company's social responsibility contributions.**

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Astra Industrial Group pays great importance to social responsibility through contributing to economic development and ensuring the safety and prosperity of its human resources. In 2023, the Group adopted important policies and strategic initiatives related to its social responsibility in supporting a group of humanitarian initiatives and enhancing safety standards for its employees and facilities, including without limitation:

- **Support objectives of the KSA 2030 Vision regarding Saudization**
- **Continuing to support woman as a key workforce in our company**
- **Supporting the development of Saudi university students**
- **Supporting the health culture enlightenment and enhancement among employees**

**14) A statement of the dates of the shareholders General Assemblies held during the last fiscal year and the names of the Board of Directors who attended such assemblies.**

During the fiscal year 2023, the company held one Ordinary General Assembly on 28/05/2023, which was attended by the Board of Directors, namely, Mr. Sabih Masri (Chairman of the General Assembly), Mr. Khaled Masri, Mr. Abdul Karim Al-Nafie, Mr. Ali Al-Subaihin, Mr. Ghassan Akeel, Mr. Mohammad Al Utaibi, Mr. Farraj Abuthenain, and Mr. Khaled Al Mana. Absent, Mr. Kamil Sadeddin.

**15) A description of the types of the main activities of the company and its subsidiaries. In the event that two or more types of activity are described, a statement must be attached to each activity and the impact of the same on the volume of the company's business and the contribution of the same to the results.**

**A. A description of the types of the main activities of the company and its subsidiaries as follows:**

**Astra Industrial Group (AIG):**

The company's activities: establishing, managing, operating and investing in industrial facilities. The main activities of the subsidiaries are as follow: producing, marketing and distribution of medicines and pharmaceuticals, production of chemical compounds, plastic additives, colors and other plastic products, production of liquid chemical fertilizers, agricultural pesticides, wholesale and retail trade, agrochemicals and pesticides, steel constructions of industrial buildings and building structures. In addition, the Group is, also, involved in mining and setting up necessary plants to process industrial minerals. Except for the last activity, the companies of the Group carry out their activities inside and outside the Kingdom of Saudi Arabia.

**1) Tabuk Pharmaceuticals (a subsidiary)**



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It is a limited liability company formed in 1994 in the Kingdom of Saudi Arabia. The company capital is SAR 103 million. The company's main activity consists of developing and producing medicines and medical supplies and products; marketing and distributing such products inside and outside the Kingdom of Saudi Arabia.

The company produces a wide range of pharmaceutical formulations, whether medicines that are chemically or biologically identical to medicines with expired patents (generic drugs) or licensed by those companies that are owners of patents and valid registered trademarks (licensed drugs). These medical formulations are produced in solid, semi-solid, liquid and injection forms. Tabuk Pharmaceuticals is the second largest local pharmaceutical company in the Kingdom.

Tabuk Pharmaceuticals has its own brands/ trademarks for its generic products. Under licensed products are produced carrying the medicine originator brand/ trademark. Tabuk Pharmaceutical Company has strong trade brands in Saudi Arabia, the Middle East and North Africa Regions mainly due to the strong reputation of Tabuk Pharmaceuticals, in addition to the high quality of its pharmaceutical products and its local and regional marketing network. Tabuk Pharmaceutical through its two factories located in the Kingdom of Saudi Arabia in addition to the factory in the Republic of Sudan and the factory in Algeria.

## **2) Astra Polymers Compounding Company (Astra Polymers) (a subsidiary)**

It is a limited liability company formed in 1993 in the Kingdom of Saudi Arabia, its principal place of business. The company capital is SAR 20.4 million. Its main activity is to produce polymer compounds, colors and other additives.

Astra Polymers is one of the most important producers in the Middle East Region of high-quality colors and additives which improve the properties of plastic products. This is in addition to Composite Thermoplastics (CTP) that are manufactured according to the requirements and specifications of customers. Astra Polymers produces through its factories located in the Kingdom of Saudi Arabia (Dammam and Rabigh), the United Arab Emirates, Turkey and India.

## **3) Astra Industrial Complex for Fertilizers and Agrochemicals – (ASTRACHEM) (a subsidiary)**

It is a limited liability company formed in 1995 in the Kingdom of Saudi Arabia. The company capital is SAR 68 million. The company produces and markets agrochemicals and chemical fertilizers.

For the purpose of performing its business, the company depends on the marketing and distribution network that covers all parts of the Kingdom of Saudi Arabia. Its sales also extend to most countries of the Middle East and North Africa through a specialized network. ASTRACHEM produces from its factories located in the Kingdom of Saudi Arabia and Turkey. In addition to the new factory that was acquired during 2022 year in Germany.

## **4) The International Building Systems Plan (IBSF) (a subsidiary)**

It is a limited liability company formed in 1993 in the Kingdom of Saudi Arabia. The company capital is SAR 90 million. The main activity of the company is the design, manufacture and construction of steel buildings and industrial structures. In addition to the marketing and sales network that covers all parts of the Kingdom of Saudi Arabia, its sales also extend to most countries in the Middle East and North Africa. The company

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designs and installs steel structures for oil and gas, petrochemical, electricity, water desalination, entertainment and industrial projects.

In addition to its primary activity which is providing its customers with steel structures, IBSF provides value-added services especially in the field of construction, which services include erection, installation, supervision, civil works, and coordination with contractors and suppliers who may seek consultation of the company for the optimum integration of their projects. IBSF produces its steel from its plants located in Riyadh and Jubail.

#### **5) Astra Mining Co. (a subsidiary)**

It is a limited liability company established in 2011 in the Kingdom of Saudi Arabia. The company's capital is SAR 45.9 million. Astra Industrial Group owns 77.3%, while Tharawat Mining Company owns 22.7%. The company activity is to explore raw materials and industrial minerals in the Kingdom and setting up necessary plants for processing the minerals. The company commenced its commercial activity in 2017 through its factory in the industrial zone of Al-Kharj for the production of Hydrated lime and Quicklime.

#### **6) Al Tanmiya for Steel Industries Co. (a subsidiary)**

It is a limited liability company established in 2005 in Jordan. The Company's capital is 5,000 Jordanian Dinars (JOD). Astra Industrial Group owns 65% of the company. The company used to own a subsidiary, Enmaa, which owned a plant in Basra, Iraq to produce steel billets and rebar, Al Tanmiya share in Enmaa was completely sold in April 2022, for more details please refer to FY 2022 Financial Statements note 33.

#### **7) Astra Energy Co. (a subsidiary)**

It is a limited liability company established in 2010 in Jordan with a capital of USD 2,821.2. The company activity is to setup, buy, sell and lease power plants. The company principal place of business is in Jordan.

#### **8) Astra Arabia Real Estate Developments Company (a subsidiary)**

It is a limited liability company established in 2022 in the Kingdom of Saudi Arabia with a capital of SAR 100,000, The company activity is mainly in the real-estate development and construction.

**B. A statement of each activity and its impact on the company volume of business and contribution of such activities at results according to the following table:**

Activity (million SAR)	Revenues	Ratio	Net Profit (Loss)	Ratio
Pharmaceuticals	1,303	46%	348	73%
Specialty chemical	1,057	37%	107	22%
Steel Industries	460	16%	22	5%
Holding Company & others	39	1%	-2	-0%
<b>Total</b>	<b>2,859</b>	<b>100%</b>	<b>475</b>	<b>100%</b>

**16) A description of the company's significant plans and resolutions (including structural changes, expansion of its business, or suspension of its operations) and future expectations of the company's business.**

**The company succeeded in achieving important milestones during the year 2023 and below are the most important developments:**

- Maintaining the profitable growth momentum despite the global and regional challenges we faced such as:

A number of countries where we operate witnessed a surge in interest and inflation rates in addition to tight liquidity and control over foreign currency limiting importation of raw materials in many other countries.

- Our operations witnessed growth in KSA, UAE, Iraq and Algeria on the other hand we witnessed a slowdown in Sudan, Egypt, and Turkey.
- Global demand slow-down impacted our Specialty Chemicals Sector.
- Pharmaceuticals and Steel sectors witnessed topline and bottom-line growth mainly driven by KSA market growth.
- Our Assets and Shareholders equity continued to grow in 2023 supported by strong cash flows.
- Overcome the supply chain challenges and availed all required raw materials to our factories.
- Implement the Saudization program for a number of vital jobs including the medical promotion representative.
- Margin enhancement vs PY via cost optimization.
- Growing operational cash flows of the group.

**17) Information related to any risks the company faces (whether operational risks, financing risks, or market risks) and the policy for managing and monitoring such risks.**

The risk management policy identifies the principles and elements of the risk management system, the methods of risk management, the maintenance and control of the effectiveness of the risk management system, the individuals responsible for the risk management system and the disclosure of information. The company believes that risk management is one of the most important strategic elements that helps the company achieve its strategic goals. The risk management process is the procedure that the company uses on a regular basis in order to identify, evaluate and manage the risks it faces. The company adjusts and develops its operations in order to reduce the level of such risks. This policy is not only limited to protecting the interests of investors, but also is based on protecting the interests of all stakeholders.

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### **Risk Management Methods:**

- 1) The company prepares methods and solutions to deal with every significant risk and reduce potential losses.
- 2) When choosing risk management technique, the company applies cost benefit analysis.
- 3) The main risk management methods applied by the company are:
  - A. Acceptance of risk based on the company's level of risk-taking.
  - B. Sharing the risk with other parties.
  - C. Termination of risk (such as canceling a specific project).
  - D. Manage risk by directing policies and procedures to limit its impact
  - E. Risk mitigation.

The potential risk factors related to the company include the information below and it should be taken into account diligently by the investors / shareholders, noting that the management makes all necessary efforts to manage and avoid the impact of such risks related to the company or the risk factors related to the market and the various industries in which the group operates whenever possible. Below is a summary of risks that faces the Company and its subsidiaries:

### **PANDEMICS:**

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The companies of the group encountered significant challenges and risks resulting from the recent pandemics. The most important of such risks are related to the continuity of production, working remotely, ban on export and the availability of raw materials for production as a result of challenges encountered by the global supply chains. The group has in place plans for dealing with such risks, but the group does not guarantee the ability of its subsidiaries to continue production profitably within various sectors in case the pandemics continues for a longer period or in case of exposure to other health pandemics.

### **COMPETITION**

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The companies of the group operate in different sectors and such companies succeeded in reaching pioneering positions in their markets capitalizing on their competitive advantages, whether in quality or prices. Although the subsidiaries are keen on continuing market developments and to maintain their pioneering positions, the company does not guarantee the ability of such subsidiaries to maintain their positions in light of the strong competition with local and foreign manufacturers.

### **GEOGRAPHIC EXPANSION (REGULATIONS)**

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The activities of the subsidiaries spreads over more than 40 countries whether having factories in countries such as Egypt, Sudan, Turkey, United Arab Emirates, Algeria and India or exporting to other countries, thus, the group is susceptible to political and economic risks related to these countries such as imposing new restrictions on foreign companies in terms of manufacturing or importing, or a change in policies in favor of the local producer, consequently, if such risks materialize, they may adversely affect the profitability of the group.

### **FOREIGN EXCHANGE FLUCTUATIONS**

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Despite the company's efforts to mitigate the severe impact of foreign exchange against the Saudi Riyal, the company does not guarantee the group's ability to manage such risks, especially in case of significant fluctuations in the exchange rate of such foreign currencies. Such risks include products that are sold in foreign

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currencies, raw material sourcing, capital investments and operating expenses that are paid in currencies other than the Saudi Riyal.

#### **AVAILABILITY OF RAW MATERIALS:**

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Despite the diversification of the group's business, the project for the production of steel buildings and the lime and quicklime project in Al-Kharj increased the group's exposure to risks related to the manufacture of raw materials, especially iron, which is currently witnessing higher risks than others as a result of the great influence of China in this industry as it is the largest producer and consumer of these raw materials and the Russian-Ukrainian war. Despite the group's keenness to deal with these risks realistically, the group does not guarantee the ability of its subsidiaries to produce profitably in these areas in the event of a continued decline in raw materials for a long period, which may affect the profitability of the group.

#### **POWER AVAILABILITY**

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The activities of the companies of the group are based on manufacturing their products in their own factories, a matter that necessitates availability of power for operation. Consequently, availability of such power for operation at reasonable prices is a fundamental factor in the success of the company. The group does not guarantee the ability of its subsidiaries to continue obtaining power on timely and at appropriate prices, thus affecting the profitability of the group.

#### **REGULATORY ENVIROMENT**

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Most products of our subsidiaries are subject to strict regulations of registration rules, especially in pharmaceutical and chemical sector, such regulations are subject for continuous change, which may pose a risk to companies cope with recent changes in regulations, thus affecting the profitability of the group.

#### **PRODUCTION CONTINUITY & HIGH UTILIZATION**

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Despite the currently high utilization of most production lines, such utilization may decrease in the event of suspension of any such lines for long periods, whether as a result of technical breakdowns, shortage in raw materials, lack of power, or the inability to sell, or change in regulation. The group does not guarantee the ability of its subsidiaries to maintain high productivity, thus affecting the profitability of the group.

#### **WORK IN PROGRESS**

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The group may have projects under establishment or suspended projects, inside or outside the kingdom, whether in the groups existing sectors or new segments industries. Such projects entail a higher risk than operating factories, as they may experience delay in execution, difficulty in operations or obtaining licenses or in availability of both raw materials and manpower at the reasonable price and time. Although such projects were setup based on specialized studies that are based on reasonable basis, future results may differ from projected results thus affecting the profitability of the group.

#### **INSURANCE COVERAGE**

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The company took all necessary measures to reduce any potential losses as the subsidiaries bought insurance policies to cover the general liability for their various

activities, factories and equipment. The company's net income, operating results and financial position may be affected as a result of future losses out of accidents not covered by insurance, such as terrorist acts, and other risks that may result from dealing with hazardous and toxic materials that may cause harm to the environment or humans.

## **RELIANCE ON HUMAN CAPITAL**

The company and its subsidiaries depend on the efficiency and experience of the senior management and the crucial manpower employed by the company. Although the company is keen on setting permanent plans to maintain such cadres or smoothly replace the same when necessary, the company does not guarantee the possibility of retaining such qualified manpower or finding alternatives with the same level of qualification, thus affecting the profitability of the group.

## **AUTOMATION AND INFORMATION TECHNOLOGY:**

The company always seeks to develop automation applicable whether at the company or its subsidiaries through keeping up with modern technology and adopting the state of the art information systems such as planning resource systems in companies. Although such systems are effective, any defect in the same, whether in terms of design or application, may affect the profitability of the company.

## **DIVIDENDS**

Dividends depend on the company's profitability, financial position, working capital needs, and short and long term investment requirements. Accordingly, the company does not guarantee, whether toward current or future shareholders, declaring dividends or amount of such dividends, if any.

## **COMPLIANCE WITH THE FINANCIAL REQUIREMENTS**

The company seeks to maintain an adequate level of liquidity to be able to meet its short and long term financial obligations. However, the company does not guarantee its ability to continue to fulfill its obligations in the event of a sudden increase in interest rates, annulment of the facilities given to the company, decrease in the exchange rate of certain markets, or increase in credit risk and the company's inability to collect its dues from the market. In such cases, the company is exposed to adjustment risks and security risks, which may affect the profitability of the company and the ongoing of its activities.

### **18) A conclusion in the form of a schedule or a chart showing the company's assets and liabilities and its annual profit for the last five years or since formation, whichever shorter.**

#### **Comparative of income statements for the last five years, as follow:**

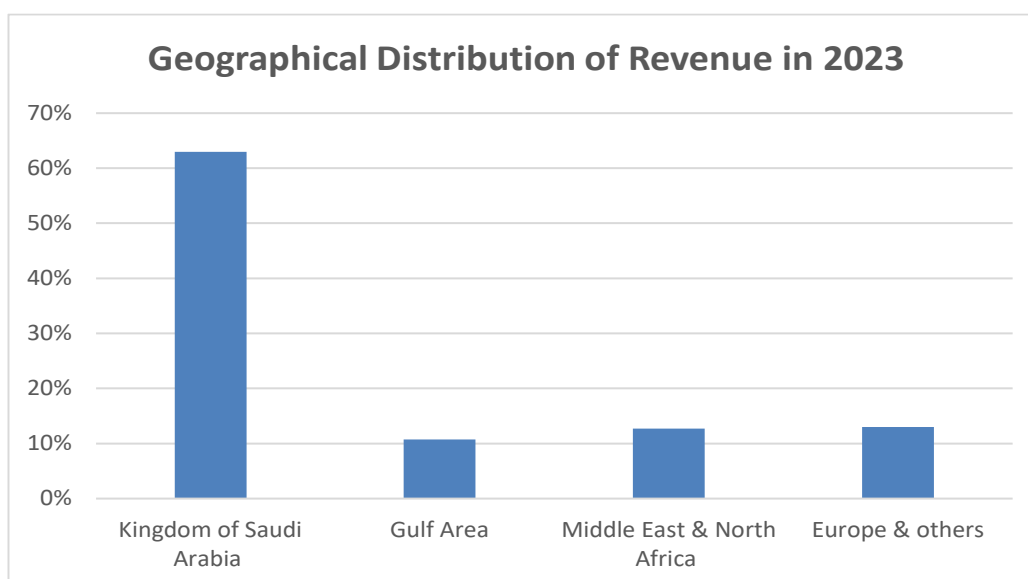
	<b>All figures are in (million) SAR</b>				
<b>Statement</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Sales</b>	1,867	2,048	2,330	2,594	2,859
<b>Cost of Sales</b>	1,129	1,245	1,436	1,554	1,672
<b>Gross Profit</b>	738	803	894	1,040	1,187
<b>Net Income</b>	30	115	202	474	475

- **External auditor's remuneration for the Group including overseas subsidiaries for the year 2023 amounted to SR2.9M (2022 amounted to SR2.7M)**

**The difference between assets and liabilities in the last five fiscal years is as follows:**

All figures are in (million) SAR					
Statement / year	2019	2020	2021	2022	2023
Current assets	1,547	1,671	1,698	2,658	3,432
Non-current assets	1,274	1,230	1,190	867	840
Total assets	2,821	2,901	2,888	3,525	4,272
Current liabilities	1,261	1,319	1,210	1,374	1,836
Non-current liabilities	356	195	174	238	305
Equity	1,203	1,387	1,504	1,913	2,131
Total liabilities and equity	2,821	2,901	2,888	3,525	4,272

**19) Geographical analysis of the total revenues of the company and its subsidiaries.**



**20) Notes to the material differences in the operating results compared to the results of the previous year or any expectations announced by the company.**

The Company does not issue forecasts. The growth in operating profit in the current year as compared to prior year are mainly generated by the Pharmaceuticals and Steel sectors in the Kingdom of Saudi Arabia.

All figures are in (million) SAR				
Statement	2023	2022	Changes (+) or (-)	%
Sales (revenues)	2,859	2,594	265	10%
Cost of Sales	(1,672)	(1,554)	(118)	8%
Gross profit	1,187	1,040	147	14%
Other operating expenses	(656)	(6544)	(12)	2%
Operating income	531	396	135	34%

**21) Notes to the difference from the accounting standards approved by the SOCPA.**

as it appears in the audited financial statements for the fiscal year 2023.

22) Name of each subsidiary company, its capital, company's ownership ratio, main activity, and the country where it is main center of its operation and the country place of incorporation,

Subsidiary company	Incorporation and Operations Country	Capital (SAR)	Actual ownership percentage
Tabuk Pharmaceutical Manufacturing Company	Saudi Arabia	103,000,000	100%
<b>Main activity: Production, marketing and distribution of medicine and pharmaceutical products.</b>			
<b>Tabuk Pharmaceutical Manufacturing Company owns the following subsidiaries:</b>			
Tabuk Pharmaceutical Research Company	Jordan	264,950	100%
Tabuk Pharmaceutical Company Limited	Sudan	8,039,227	100%
Eurl Societe Tabuk Algerie	Algeria	71,193,034	100%
Tabuk Pharmaceutical Manufacturing Company	Egypt	43,452,004	100%
Subsidiary company	Incorporation and Operations Country	Capital (SAR)	Actual ownership percentage
Astra Polymer Compounding Company Limited	Saudi Arabia	20,400,000	100%
<b>Main activity: Production of polymer compounds, plastic additives, color concentrates and other plastic products.</b>			
<b>Astra Polymer Compounding Company Limited owns the following subsidiaries:</b>			
Astra Polymers free zone Imalat Sanayi Ve Ticaret Anonim Sirketi	Turkey	5,007,905	100%
Astra Polymer Pazarlama San. Ve Tic. A.Ş	Turkey	707,790	100%
Astra Specialty Compounds India Private Limited	India	19,824,536	100%
Subsidiary company	Incorporation and Operations Country	Capital (SAR)	Actual ownership percentage
Astra Mining Company Limited	Saudi Arabia	45,900,000	77.3%
<b>Main activity: Operating plant for processing of minerals and production of industrial mineral.</b>			
Subsidiary company	Incorporation and Operations Country	Capital (SAR)	Actual ownership percentage
International Building Systems Factory Company Limited	Saudi Arabia	90,000,000	100%
<b>Main activity: Metal based construction of buildings, building frames, and productions of steel products.</b>			

Subsidiary company	Incorporation and Operations Country	Capital (SAR)	Actual ownership percentage
Astra Industrial Complex Co. Ltd. for Fertilizer and Agrochemicals	Saudi Arabia	68,000,000	100%
<b>Main activity: Production of compounded fertilizers and agriculture pesticides and wholesale and retail trading of fertilizers, fungicides and insecticides.</b>			
<b>Astra Industrial Complex Co. Ltd. for Fertilizer and Agrochemicals owns the following subsidiaries:</b>			
Astra Agricultural Company Limited	Saudi Arabia	100,000	100%
AstraChem Saudia	Algeria	698,000	100%
AstraChem Morocco	Morocco	759,579	100%
Aggis International Limited	British Virgin Islands	3,750	100%



Chemidor Tarim Ticaret Limited Sirketi, formally (AstraChem Turkey)	Turkey	64,345	100%
AstraChem Syria	Syria	472,551	100%
AstraChem Tashqand	Uzbekistan	291,376	100%
Astra Industrial Complex Co. Ltd. for Fertilizer and Agrochemicals, Jordan	Jordan	526,971	100%
Astra Nova Co. Turkey	Turkey	96,907,769	100%
AstraChem Ukraine Ltd	Ukraine	2,864,389	100%
Astra Industrial Complex Company Egypt	Egypt	253,352	100%
AstraChem Agricultural Saudi Jordan Co	Egypt	253,352	100%
Astra Industrial Complex for Fertilizers and Agrochemicals and Investments	Oman	970,810	100%
Al Hadaba Al Khadra ("Al Hadaba") Company Limited – Jordan	Jordan	409,314	100%
AstraChem Agricultural Ltd. Co.	UAE	203,929	100%
Universal United Chemicals Co. Ltd.	China	150,000	100%
CHEMNOVA Limited Liability Company	Algeria	556,761	49%
Agrostulln GmbH	Germany	325,251	100%
<b>Subsidiary company</b>	<b>Incorporation and Operations Country</b>	<b>Capital (SAR)</b>	<b>Actual ownership percentage</b>
Astra Energy LLC	Jordan	10,578	76%
<b>Main activity: Producing energy</b>			
<b>Astra Energy LLC owns:</b>			
Fertile Crescent for Electricity Generation Company	Iraq	3,250	76%
<b>Subsidiary company</b>	<b>Incorporation and Operations Country</b>	<b>Capital</b>	<b>Actual ownership percentage</b>
Astra Agricultural Co.	Egypt	2,000,000 (Egyptian Pound)	49%
<b>Main Activity: Agricultural Marketing</b>			
Astra Agricultural Co. Ltd.	Yemen	5,000,000 (Yemeni riyal)	49%
<b>Main Activity: Agricultural Marketing</b>			
Astra Tamron Co.	India	41,000,000) Indian Rupee)	47.5%
<b>Main activity: Production of liquid chemical fertilizers and agricultural pesticides</b>			
<b>Subsidiary company</b>	<b>Incorporation and Operations Country</b>	<b>Capital (SAR)</b>	<b>Actual ownership percentage</b>
Al-Tanmiya Company for Steel Manufacturing	Jordan	26,483	65%
<b>Main activity: Investment in other companies.</b>			
<b>Subsidiary company</b>	<b>Incorporation and Operations Country</b>	<b>Capital (SAR)</b>	<b>Actual ownership percentage</b>
Astra Arabia Real-estate Developments Company	Saudi	100,000	100%
<b>Main activity: Real-estate Development and Construction.</b>			

### 23) Shares and Debt Instruments details issued for each affiliated Co.

Subsidiary Co.	Shares / Stocks	Debit instruments
Tabuk Pharmaceuticals Co. Ltd.	No. of shares (10,300) share, amount per share (1,000) SAR	0
Astra Polymers Co. Ltd.	No. of shares (204,000) share, amount per share (100) SAR	0
Astra Mining Co. Ltd.	No. of shares (45,900) share, amount per share (1,000) SAR	0
International Building Systems Factory CO. LTD. IBSF	No. of shares (90,000) share, amount per share (1,000) SAR	0
Astra Industrial Complex Co. for Fertilizers and pesticides Ltd.	No. of shares (68,000) share, amount per share (1,000) SAR	0
Astra Energy Co. Ltd.	No. of shares (1,000) share, amount per share (1) JD	0
Astra Agricultural Co. Ltd.	No. of shares (100) share, amount per share (1,000) SAR	0
Al Tanmiya Steel Industry Co. Ltd.	No. of shares (5,000) share, amount per share (1) JD	0
Astra Arabia Real-estate Developments	No. of shares (100) share, amount per share (1,000) SAR	0

### 24) A description of the company's policy for dividend distribution, distributed dividends and dividend declaration proposal.

According to the provisions of the article (50) of the company's Articles of Association, the policy of distributing the net annual profits of the company is according to the following:

- 10% of the net profits shall allocated to form a statutory reserve and the Ordinary General Assembly may suspend such deduction when such statutory reserve reaches 30% of the paid-up capital.
- The Ordinary General Assembly may, based on the proposal of the Board of Directors, allocate a percent not exceeding (10) % of the net profits to form an optional reserve for one or more specific purposes.
- The remainder will be distributed to the shareholders in such manner proposed by the Board of Directors and decided by the General Assembly.
- The Ordinary General Assembly may resolve to create other reserves to the extent that achieves the interest of the company or ensures the distribution of fixed profits as possible to the shareholders. The Ordinary General Assembly may, also, deduct sums from the net profits to establish employees stock options plan for the company's employees or use it to grant the company's employees stocks in the company as remuneration.
- The remaining part is then distributed to the shareholders as an additional share in profits or carried forward to the following years.
- The company may, after fulfilling the controls set by the competent authorities, distribute semi-annual and quarterly profits.

#### **Profits of the fiscal year 2022:**

On 15/03/2023 AD, the Board of Directors of Astra Industrial Group recommended to the General Assembly the distribution of cash dividends to the company's shareholders for the fiscal year 2022, at SAR 2.5 per share amounting 25% of the company's capital, with a total amount of 200 million Saudi riyals. On 28/05/2023, this decision was issued in accordance with the Council's recommendation.

#### **Profits suggested to be distributed for the fiscal year 2023:**

On 26/03/2024 AD, the Board of Directors of Astra Industrial Group recommended to the General Assembly the distribution of cash dividends to the company's shareholders for the fiscal year 2023, at SAR 2.5 per share amounting 25% of the company's capital, with a total amount of 200 million Saudi riyals, eligibility date will be for the shareholder as of the date of holding the General Assembly who are recorded in the Securities Depository

Center as of the next trading day after holding the General Assembly which will be announced after getting approvals from the relevant authorities.

**25) A description of any interest in the class of shares carrying voting rights belonging to persons (other than the company's Board of Directors and senior management and their relatives) who informed the company with such rights under the article 45 of the registration and listing rules, and any change in such rights during the last fiscal year.**

The company did not issue any preferred shares

**26) A description of any interest, contractual securities and subscription rights belonging to the company's Board of Directors, senior management and their relatives in the shares or debt instruments of the company or any of its subsidiaries, and any change in that interest or such rights during the last fiscal year.**

• The following table shows the number of shares owned directly by members of the Board of Directors, senior management, their wives and minor children, as on December 31, 2022:

Name	No. of shares as on 01/01/2023	Amendment	No. of Shares as on 31/12/2023
Sabih Masri	811,999	0	811,999
Khaled Masri	811,999	0	811,999
Mohammad Al Utaibi	6,443,158	- 2,438,462	4,000,000
Ghassan Akeel	140,317	-39,317	101,000
Farraj Abuthenain	10,793	0	10,793
Kamil Sadeddin	2,000	0	2,000
Ali Al-Subaihin	1,000	0	1,000
Khaled Al Mana	0	0	0
Abdul Karim Al-Nafie	1000	0	1000
Mohammed Al Hagbani	0	0	0
Samer Hendawi	0	0	0

Below is a list of those shareholders that holds more than 5% of the Group capital as on 31/12/2023.

Shareholder	Direct shares	Non-direct shares	Total direct and non-direct shares	Total acquisition
Arab Supply and Trading Company (ASTRA)	37,716,000	-	37,716,000	%47.14
Mohammad Al Utaibi	4,000,000	-	4,000,000	%5.0
Sabih Masri	811,999	3,478,361.6*	4,290,360.6	%5.3
Khaled Masri	811,999	34,280,086.4*	35,092,085.4	%43.8

\*includes ASTRA and Desert Peak ownership

**27) Information related to any loans given to the company (whether such loans are payable on demand or otherwise), a statement of the total debt of the company and its subsidiaries, any amounts paid by the company in repayment of loans during the year, the principal amount of the loan, the name of the lending body, the loan term and the remaining amount, and in case there are no loans given to the company, a statement disclosing that shall be submitted.**

The group and its subsidiaries have banking facilities from local and foreign banks to finance the company's current activities and future expansions. The following table shows a statement of the movement of short and long-term murabahas for the group and its subsidiaries during the fiscal year 2023 as follows:

Company	Donor	Loan period	Principal amount of the loan	Balance at the beginning of 01/01/2023	Withdrawals during the year (Net)	Paid during the year	Balance at the end of 31/12/2023
Astra Industrial Group	Financial Institutions	year	400,000,000	0	400,000,000	0	400,000,000
Astra Industrial Complex Co. For Fertilizers		year	4,407,900	3,326,409	0	-3,326,409	0
Astra Industrial Complex Co. For Fertilizers		year	2,329,890	1,748,379	0	-1,748,379	0
Astra Industrial Complex Co. For Fertilizers		year	2,329,890	1,534,382	0	-1,534,382	0
Astra Industrial Complex Co. For Fertilizers		year	44,492,083	32,854,928	49679531.68	-45457107.62	37,077,352
Astra Industrial Complex Co. For Fertilizers		year	2,518,800	1,076,636	2,825,902	-3552732.156	349,806
Astra Industrial Complex Co. For Fertilizers		year	1,259,400	1,207,738	266,912	-1,474,649	1
Astra Industrial Complex Co. For Fertilizers		year	5,667,300	3,088,483	9,398,279	-7,980,891	4,505,871
Astra Industrial Complex Co. For Fertilizers		year	3,148,500	3,153,076	0	-3,153,077	-1
Astra Industrial Complex Co. For Fertilizers		year	17,890,507	0	17,890,507	-3,785,227	14,105,280
Astra Industrial Complex Co. For Fertilizers		year	35,263,200	24,436,843	57,677,195	-60,529,986	21,584,052
Astra Industrial Complex Co. For Fertilizers		year	2,967,255		5,681,902	-2,714,647	2,967,255
Astra Industrial Complex Co. For Fertilizers		year	2,902,176	1,773,258	1,131,545	-2,628	2,902,176
Astra Industrial Complex Co. For Fertilizers		year	18,933,741	0	5,000,000	-5,000,000	0
Astra Industrial Complex Co. For Fertilizers		year	14,609,040		75,000,000	-75,000,000	0
Astra Industrial Complex Co. For Fertilizers		year	100,000,000	0	75,000,000	-75,000,000	0
Astra Industrial Complex Co. For Fertilizers		year	7,620,299	2,036,967	12,396,477	-6,813,145	7,620,299
Astra Industrial Complex Co. For Fertilizers		year	39,671,320	10,531,949	100,390,395	-88,369,967	22,552,377
International building systems factory LTD.		year	165,000,000	0	49,981,000	-49,981,000	0
International building systems factory LTD.		year	15,000,000	0	12,688,363	-12,688,363	0
International building systems factory LTD.		year	34,000,000	0	75,000,000	-75,000,000	0
Astra Mining Company Limited		year	4,350,000	3,600,000	750,000	0	4,350,000
Astra Mining Company Limited		year	125,200,000	119,700,000	5,750,000	-250,000	125,200,000
Astra Polymer Compounding Company Limited		year	3,778,200	1,800,270	3,885,900	-1,983,534	3,702,636
Astra Polymer Compounding Company Limited		year	517,865	776,732	264,474	-1,041,206	0
Astra Polymer Compounding Company Limited		year	21,036,851	0	0	0	0
Astra Polymer Compounding Company Limited		year	3,970,637	1,839,080	7,072,697	-7,670,953	1,240,824
Astra Polymer Compounding Company Limited		year	6,654,880	4,052,554	15,395,383	-13,673,273	5,774,665
Astra Polymer Compounding Company Limited.		year	8,769,150	5,204,900	23,204,520	-21,439,070	6,970,350
Astra Polymer Compounding Company Limited		year	517,865	22,006,684	73,035,052	-81,910,496	13,131,240
Astra Polymer Compounding Company Limited		year	21,036,851	0	13013175.99	-5,107,565	7,905,611
Tabuk Pharmaceutical Manufacturing Company		year	1,450,279	2,365,487	97,680	-1,929,279	533,888
Tabuk Pharmaceutical Manufacturing Company		year	1,533,293	1,392,625	736,081	-1,317,901	810,805
Tabuk Pharmaceutical Manufacturing Company		year	20,000,000	0	4,082,161	0	4,082,161
Tabuk Pharmaceutical Manufacturing Company		year	100,000,000	0	495,000,000	-495,000,000	0
Tabuk Pharmaceutical Manufacturing Company		year	140,000,000	121,458,770	222,119,251	-343,578,021	0
Tabuk Pharmaceutical Manufacturing Company		year	12,139,000	8,957,030	383,665	-7,515,013	1,825,682
Tabuk Pharmaceutical Manufacturing Company		year	4,855,600	0	6,818,774	-5,194,282	1,624,492
Tabuk Pharmaceutical Manufacturing Company		year	10,014,675	8,117,674	3,542,121	-7,775,499	3,884,297
Tabuk Pharmaceutical Manufacturing Company		year	13,900,000	0	12,194,170	-1704435.504	10,489,734
Tabuk Pharmaceutical Manufacturing Company		year	44,341,000	29,525,096	53,402,223	-55062715.55	27,864,603
Astra Industrial Complex Co. For Fertilizers		7 years	44,018,374	44,018,374	0	0	44,018,374
Astra Industrial Complex Co. For Fertilizers		2 years	1,215,867	0	1,215,867	-257249.9089	958,617
Astra Polymer Compounding Company Limited	5 years	4,038,587	0	4,020,064	18522.85	4,038,586	
Astra Polymer Compounding Company Limited	3 years	4,507,493	5,586,216	0	-1078722.5	4,507,493	
Tabuk Pharmaceutical Manufacturing Company	2 years	7,228,000	4,179,237	954,850	-3794815.667	1,339,272	
Tabuk Pharmaceutical Manufacturing Company	2 years	140,000,000	0	140,000,000	0	140,000,000	
<b>Total debt of the group and its subsidiaries companies (SAR)</b>							<b>927,917,798</b>

28) A description of the categories and numbers of any convertible debt instruments and any contractual securities, subscription right notes or similar rights issued or given by the company during the fiscal year with an explanation of any remuneration obtained by the company.

None

29) A description of any transfer or subscription rights under convertible debt instruments, contractual securities, subscription right notes, or similar rights issued or given by the company.

None

30) A description of any redemption, purchase or annulment by the company of any redeemable debt instruments, and the value of the remaining securities, with a distinction between the listed securities purchased by the company and those purchased by its subsidiaries.

None

31) The number of Board meetings held during the last fiscal year, their dates, and a register indicating the names of those present.

The number of Board meetings held during the fiscal year 2023 was (4) meetings. Below is a table showing the present of each meeting:

	Name	No. of meetings (4) Meetings				Attendance
		15/03/2023	20/06/2023	13/09/2023	07/12/2023	
1	Sabih Masri	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
2	Khaled Masri	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
8	Kamil Sadeddin	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	80%
9	Mohammad Al Utaibi	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
5	Ali Al-Subaihin	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
6	Ghassan Akeel	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
7	Farraj Abuthenain	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
8	Abdul Karim Al-Nafie	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
9	Khaled Al Mana	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%

32) No. of the company's request for shareholders registry and dates of such requests and its reasons:

No. of requests for shareholders registry	Request's date	Properties file date	Requests reasons
1	31/12/2023	31/12/2023	Company procedures
2	11/12/2023	30/11/2023	Company procedures
3	08/11/2023	30/09/2023	Company procedures
4	29/05/2023	30/05/2023	Dividend file
5	28/05/2023	28/05/2023	General Assembly
6	08/05/2023	07/05/2023	Company procedures
7	04/01/2023	31/12/2022	Company procedures

**33) Description for any deal between the company and related parties and the balance due from or to related parties:**

The balances due from or to related parties of the Board Members and senior management (SAR)

A. The balances due from the related parties of the Board Members and senior management as on 31 Dec. 2023 as following:

Company/Entity	Name of the Board Member / Related Senior Manager	2022	2023
Astra Farms Co.	Messrs. Sabih Masri, Khaled Masri, Kamil Sadeddin, Ghassan Akeel, and Samer Hendawi (Senior Management) and Ayman Yousef (Audit Committee Member)	1,982,702	1,923,564
Prince Fahd Bin Sultan Hospital	Messrs. Sabih Masri, Khaled Masri, Kamil Sadeddin, Ghassan Akeel, and Samer Hendawi (Senior Management) and Ayman Yousef (Audit committee member)	1,490,024	634,685
Arab Supply and Trading Co.	Messrs. Sabih Masri, Khaled Masri, Kamil Sadeddin, Ghassan Akeel, and Samer Hendawi (Senior Management) and Ayman Yousef (Audit committee member)	751,579	-
Maseera International Co. (Partner at affiliated Co.)	Messrs. Sabih Masri, Khaled Masri, Kamil Sadeddin, Ghassan Akeel, and Samer Hendawi (Senior Management) and Ayman Yousef (Audit committee member)	27,247,612	-
<b>Total</b>		<b>31,471,918</b>	<b>2,558,249</b>

B. The balances due to the related parties of the Board members and Senior Management as in 31st of Dec. 2023 A.D as following:

Company/Entity	Name of the Board Member / Related Senior Manager	2022	2023
Noor Communication Co.	Messrs. Sabih Masri, Khaled Masri, Kamil Sadeddin, Ghassan Akeel, and Samer Hendawi (Senior Management) and Ayman Yousef (Audit Committee member)	415,163	492,885
Astra Food Co. – Commercial Branch	Messrs. Sabih Masri, Khaled Masri, Kamil Sadeddin, Ghassan Akeel, and Samer Hendawi (Senior Management) and Ayman Yousef (Audit Committee member)	39,504	206,047
Maseera International Co. (Partner at affiliated Co.)	Messrs. Sabih Masri, Khaled Masri, Kamil Sadeddin, Ghassan Akeel, and Samer Hendawi (Senior Management) and Ayman Yousef (Audit Committee member)	-	31,206,234
<b>Total</b>		<b>454,667</b>	<b>31,905,166</b>

Current		
Related party`s name	2022	2023
Tharawat Mining Co. (Partner at affiliated Co.)	(15,946)	-
Total	(15,946)	-

**34) Information related to any business or contracts in which the company is a party, or in which a Board of Director, senior manager or a related person has an interest as such information shall include the names of those involved in business or contracts, the nature of such works or contracts as well as the terms, duration**

and value of the same. If there are no such actions or contracts, then, the company shall submit a declaration in that regard.

These transactions arose as a result of normal course of business during the year 2023. Such transactions take place according to the prevailing commercial terms with other parties. Below is a summary of such transactions indicating the revenues and expenses out of the same: -

<b>A- Revenue from these transactions:</b>				
<b>Name of entity</b>	<b>Revenue type</b>	<b>Name of the Board Member / Related Senior Manager</b>	<b>Value (SAR)</b>	<b>Term</b>
Prince Fahd Bin Sultan Hospital	Medicines Sales	Messrs. Sabih Masri, Khaled Masri, Kamil Sadeddin, Ghassan Akeel, Samer Hendawi (Senior Management) and Ayman Yousef (Audit Committee member)	3,041,201	Direct sales
Astra Farms Co.	Fertilizers Sales	Messrs. Sabih Masri, Khaled Masri, Kamil Sadeddin, Ghassan Akeel, Samer Hendawi (Senior Management) and Ayman Yousef (Audit Committee member)	886,570	Direct sales
Arab Supply & Trading Company (ASTRA) - construction branch	Steel construction installation and repair	Messrs. Sabih Masri, Khaled Masri, Kamil Sadeddin, Ghassan Akeel, Samer Hendawi (Senior Management) and Ayman Yousef (Audit Committee member)	1,423,100	Direct sales
<b>Total</b>			<b>5,350,871</b>	
<b>B- Expenses from these transactions:</b>				
<b>Name of entity</b>	<b>Revenue type</b>	<b>Name of the Board Member / Related Senior Manager</b>	<b>Value (SAR)</b>	<b>Term</b>
Noor Communication Co.	Internet Services	Messrs. Sabih Masri, Khaled Masri, Kamil Sadeddin, Ghassan Akeel, Samer Hendawi (Senior Management) and Ayman Yousef (Audit Committee member)	851,712	Direct purchase
Astra Farms Co.	Transporting good	Messrs. Sabih Masri, Khaled Masri, Kamil Sadeddin, Ghassan Akeel, Samer Hendawi (Senior Management) and Ayman Yousef (Audit Committee member)	414,749	Direct purchase
Astra Food Co. – Commercial Branch	Purchasing Food products	Messrs. Sabih Masri, Khaled Masri, Kamil Sadeddin, Ghassan Akeel, Samer Hendawi (Senior Management) and Ayman Yousef (Audit Committee member)	1,487,124	Direct purchase
Arab Supply & Trading Company (ASTRA) - construction branch	Steel constructions installation and repair	Messrs. Sabih Masri, Khaled Masri, Kamil Sadeddin, Ghassan Akeel, Samer Hendawi (Senior Management) and Ayman Yousef (Audit Committee member)	761,167	Direct purchase
<b>Total</b>			<b>3,514,752</b>	
<b>C. Dividends – Non cash transaction</b>				
<b>Name of entity</b>	<b>Type of Transaction</b>	<b>Name of the Board Member / Related Senior Manager</b>	<b>Value (SAR)</b>	
Maseera International Co.	<b>Dividends – Non cash transaction</b>	Messrs. Sabih Masri, Khaled Masri, Kamil Sadeddin, Ghassan Akeel, Samer Hendawi (Senior Management) and Ayman Yousef (Audit Committee member)	58,453,853	

**35) A statement of any arrangements or agreement as per which a Board of Director or a senior manager waived any remuneration.**

None

**36) A statement of any arrangements or agreement as per which a shareholder of the company waived any rights to profits.**

None

**37) A statement of the value of the statutory payments made and due for any zakat, taxes, fees or any other dues that were not paid until the end of the annual financial period, with a brief description of such payments and reasons thereof.**

Statement of statutory payments	2023		Brief Description	Reasons
	Paid	Due until end of the fiscal annual period and not paid		
<b>Saudi Stock Exchange (Tadawul)</b>	787,406	-	Payments during the fiscal year, fees for continuous listing on the main market, basic fees for stock records, and fees for a data distribution license.	Payable by companies registered on the Saudi Stock Exchange
<b>General Authority of Zakat and Tax</b>	34,943,718	132,999,159	Payments made or recognized at the fiscal year in accordance with the provisions and rules issued by the General Authority of Zakat and Tax in the Kingdom of Saudi Arabia as well as the relevant regulatory authorities outside the Kingdom.	Statutory dues
<b>Visas &amp; Passports</b>	7,468,048	-	Amounts paid during the fiscal year as fees for visas and passports	Statutory fees
<b>Social Insurance</b>	21,487,663	2,000,737	Payments made or recognized at the fiscal year in accordance with the provisions and rules issued by the Ministry of Labor and the Social Insurance Office in the Kingdom of Saudi Arabia.	Statutory subscription fees
<b>Municipality License</b>	1,484,737	-	Payments made during the fiscal year as municipality licensing fees	Statutory licensing fees
<b>Expenses &amp; certification expenses</b>	5,659,785	-	Payments made during the fiscal year as fees for certification, subscription at the chamber of commerce and registration fees	Statutory certification fees
<b>Total (SAR)</b>	<b>71,831,356</b>	<b>134,999,896</b>		

\* For more clarification, kindly refer to the financial statements for the fiscal year 2023, explanatory Note (18)

**38) A statement of the value of any investments or reserves formed for the benefit of the company's employees.**

None

**39) The Board of Directors' declarations as below:**

- The accounting records were properly made.
- The internal control system was prepared on proper bases and was effectively implemented.
- There is no doubt that the company is able to continue in its activity.



**40) If the auditor's report includes qualification of the annual financial statements, the Board of Directors' report shall clarify such qualification, reasons of the same and any information related to such qualification.**

The company auditor's report did not contain qualification of the annual financial statements.

**41) In the event that the Board of Directors recommends replacing the auditor before the end of the period for which such auditor is appointed, then the report shall include such recommendation along with the reasons for such recommendation.**

No recommendation was issued by the Board of Directors in that regard.

**42) Any competing activities to the company or any of its branches being or were conducted by any of the Board members.**

<b>Board member name</b>	<b>Member title</b>	<b>Company Name</b>	<b>Company Activity</b>
Sabih Masri	Partner	Al-Kindi company - Algeria	Production of Human pharmaceutical products
Khaled Masri	Partner		
Ghassan Akeel	Board Member		

**43) Treasury shares held by the company and details of the uses of such shares.**

There are no treasury shares held by the company.

**44) Conclusion**

The Board of Directors seizes this opportunity to express its sincere thanks and appreciation to all employees of the company for their sincere efforts through the year 2023, shareholders, customers, suppliers and government bodies for their support, and confidence in the Group.

**Board of Directors**