

GROWING BEYOND

Annual Report 2022

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



King Salman bin Abdulaziz Al Saud
The Custodian of the Two Holy Mosques



**His Royal Highness Prince Mohammed bin
Salman bin Abdulaziz Al-Saud**
Crown Prince and Prime Minister



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Overview

1

Our Vision & Mission

At A Glance

Investment Value & Competitive Advantages

2022 Achievements

Vision

To cement our position as the leading Saudi company in out-of-home advertising and to become the catalyst of the national economy, in the media sector, by expanding our leadership in the Middle East.

Mission

To provide cities and clients with top-notch advertising products, data driven solutions and world-class services using international standards and the latest technologies.

At A Glance

Al Arabia is a leading company in the Middle East for more than 40 years, contributes to providing a smart advertising solutions and road furnishings with the latest technologies and international designs.

Investment Value & Competitive Advantages

Investment Value

Continued growth Amount of Revenues	Positive outcomes & growth in line with the Vision 2030 Net profit	Earnings per share
1.126 Billion SAR	274.7 Million SAR	5.49 SAR\Share
Disclosure and Transparency	Leadership Market share	The ratio of foreign investment until March 2023
31 Announcements in 2022 4 Earnings releases reports 4 Investor's earnings presentations +250 Investors meetings 4 Investors international & local conferences	%62.30	%6.80+



In 2018 Al Arabia launched the Digital Transformation in order to contribute in beautifying the side-roads and smart cities following the inspiring 2030 vision, For the first time in the Middle East, Al Arabia created unique smart billboards to place the Kingdom's cities as one of the top smart cities worldwide through transforming roads into a highly correlated network of dynamic and digital smart streets.

In early 2019, Al Arabia has launched Ain Al Arabia- the branch-, which specialized in advertising of the complexes and shopping centers. Ain Al Arabia has brought a revolution in advertising market since its establishment, as it provides a smart digital screens and networks with universal characteristics, which designed by Zaha Hadid for the first time in Saudi Arabia.

Al Arabia provides analytics service to its customers to introduce it to the area as the first out-of-home advertising company. This service enables planning before embarking the campaign, follow up the campaign closely and measure the success of the campaign accurately.

Arabian Contracting Services Co. has been listed in the Saudi Stock Exchange (Tadawul) - the main Market on 15th of November 2021 - to become a Saudi joint-stock company with a capital of SAR 500 million. Al Arabia has succeeded in leading the out-of-home advertising market in the Kingdom for the past 40 years, as it introduced the latest technology and advertising methods to the local market. Furthermore, it is also considered one of the major influence in the Saudi advertising market through its strategy regarding developing its products and providing its services.



Competitive Advantages

Al Arabia operates in the largest economy in the Middle East and North Africa (MENA) in addition to a supported by stable macroeconomic factors following the Kingdom's 2030 vision.

Al Arabia specialized in out-of-home advertising market, which has unique characteristics that fundamentally distinguish it from all other methods of advertising.

Al Arabia is leading the major transitions in out-of-home advertising market through digital transformation to benefit from the latest technologies in the out of home market sector.

The most prominent competitive advantages of Al Arabia



Key Highlights and Achievements of 2022





Strategic Report

2

Chairman Message

CEO's Message

Our Strategy & Business Model

Digital Transformation & Network

Environment, Social & Governance (ESG)

Chairman's Message

Dear Shareholders, Partners of Success:

I am pleased to present to you Al Arabia's Board of Directors report of the year 2022, which contained a detailed information regarding Al Arabia's financial performance, its strategies and achievements during the year and previous years, in addition to the accurately planned objectives by Al Arabia management, to achieve our plan efficiently and effectively.

Global Out-of-Home advertising market

Al Arabia aims to adopt the latest technologies continuously and keep up with international development in the field of the out-of-home advertising market to provide various cities and clients with superior quality advertising tools, smart solutions based on data collection and analysis and high-quality services through applying the best international standards.

Al Arabia further aims to provide the latest in the road furnishings by unique billboards, with the implementation of a full supply-chain including design, manufacturing and maintenance in order to meet our clients requirements, and contribute to adding an aesthetic dimension to the Kingdom's roads by using billboards with unique designs reflecting the cultural style and keeping up with the development witnessed in the Kingdom of Saudi Arabia.

One of the main accomplishments by Al Arabia is the exclusive partnership with Seventh Decimal FZLLC presenting Streach Platform. Which is the first smart platform in the Kingdom that provide information related to customers behavior, categories and competitor analysis complying with intellectual property rights to review the statistics and views figures through smart devices. This service will enable the advertisers to implement effective advertising campaigns with measurable effectiveness and prevalence.

Analyzing number of views transfer this feature to the out-of-home advertisement market in order to increase the value of the sector.

“ We follow a sustainable development path to proceed our achievement journey ”

Eng. Abdelelah Abdulrahman Alkhereiji



Supporting the kingdom's 2030 vision, Objectives and aspirations

Vision 2030's initiatives include but not limited to the following: Promoting the retail sector, raising the tourism sector's contribution to GDP to 10% and increasing spending on cultural and entertainment activities from 3% to 6%. All of these initiatives support the Kingdom's economy in general, including the advertising sector, as we have witnessed during 2022. The Government of Saudi Arabia has prioritized the wellbeing of Saudi Arabia's citizens within Vision 2030, emphasizing the support of culture and entertainment as they considered as components of quality of life that harmonized with the flourishing economic climate of Saudi Arabia. Since 2019, initiatives have been launched within 11 entertainment seasons across the Kingdom with an end goal of transforming Saudi Arabia into one of the most important tourism and entertainment destinations in the world. Al Arabia has a distinguished fingerprint through its premium billboards, as they enrich the experience of life in the Kingdom's cities by providing the latest technologies and digital advertising methods introduced by Al Arabia to the local markets. In Riyadh, Saudi Capital, there are 82 digital screens in the Boulevard area. For a duration of ten years, Al Arabia also holds exclusive rights to the Riyadh and Jeddah Season. The increase in the number of advertising and the clients base have both been impacted by the Kingdom's growing tourist industry as a result of the fact that Al-Arabia has the biggest advertising network in the Kingdom, allowing it to provide its clients with distinctive and high-quality services due to the wide range through which advertising campaigns can be made in line with the goals of advertisers. Al Arabia's advertising network represents a competitive advantage to quickly and broadly reach as many audience as possible, generating a direct return on advertising campaigns.

Al Arabia continues to meet its commitment to support Vision 2030's objectives and aspirations. As extension of Capital Market Authority and Tadawul efforts to promote the attractiveness of Saudi market for all local and international investors, Al Arabia, as a listed company in the market, has been actively playing a vital role to improve the standards of transparency, disclosure and compliance with the rules of the related authorities, and adopting the best practices in the local and global markets. Al Arabia formed the Investor Relations Department, which participated in and attended four national and international conferences in 2022. The Department also met with more than 200 investors during the year and conducted 4 earnings calls. Al Arabia further supported the analysts in order to publish reports including detailed information about the company and the market, leading to publishing four equity research reports from local and international analysts during the first year after the listing. As a result, the foreign investors' ownership has increased from 0.60% to 5.20% during one year showing the investor's confidence in Al Arabia's performance, its financial results and good prospects for the expansion of Al Arabia, in addition to the abundant information, level of disclosure and transparency in Al Arabia, which enabled the investor to clearly assess Al Arabia and make the investment decision.

Our Social Responsibility

Al Arabia believes that the social responsibility is a national and humanitarian duty to society. Consequently, Al Arabia promotes the concept of the real community work and participates therein based on commitment to society through effectively and seriously participate in the social responsibility's programs and activities. This may serve citizens and charitable, humanitarian, social and development institutions. On that basis, Al Arabia has supported and participated in many charitable, social, humanitarian and development initiatives in the Kingdom of Saudi Arabia since it was founded. This report will also include initiatives driven by Al Arabia during 2022 in detail.

Al Arabia developed and approved "Social Responsibility Policy" by its general assembly, pursuant to a recommendation by the Board of Directors, for balancing company objectives and the goals that society is working to achieve in order to enhance the socio-economic prosperity in the society.

Gratitude and Appreciation

On behalf of my colleagues in the Board of Directors, please accept my sincere appreciation and gratitude to our valued shareholders for their confidence, my thanks go also to the executive management team and all of our team for their efficient part in putting our vision into practice, and for establishing a positive and unique work environment that led to extraordinary results this year. Today, we keep focusing on establishing leadership and excellence standards for the advertising sector, we follow a sustainable development path to proceed our achievement journey.

Eng. Abdelelah Abdulrahman Alkhereiji
The Chairman

CEO's Message

Dear Shareholders,

Greetings,

Al Arabia had continued to promote its outstanding performance and achieve strong financial results during 2022. We focused on our strategic objectives and continuous expansion, which have contributed towards this record-breaking and distinctive growth in Al Arabia's performance.

Al Arabia's Results, Exceeded Expectations!

At the IPO phase, the management provided investors with expectations and guidance for the results of 2022 during investor meetings and roadshows, carrying remove a commitment to exert maximum efforts and fully benefit of all available opportunities in order to maximizing value to our shareholders by developing a strategic expansion plans, innovative initiatives and fast-expanding clients base to continue being the market leaders. Due to our outstanding financial and operational performance, the actual results for 2022 have exceeded the expectations as Al Arabia recorded a total revenue of SAR 1.126 Billion in 2022 against to SAR 720.6 Million in 2021 with an increase of 56%. The total comprehensive income for 2022 amounts to SAR 276.6 Million against SAR 204.9 Million of 2021 with an increase of 35%.

Achieving such results confirms that Al Arabia follows the planned directions by the Management and the Board of Directors. We expect further growth in the local and international market in the out-of-home advertising sector.

“**The outdoor advertising market is expanding in a positive trend, which will lead to several investment opportunities, considering Al Arabia's prominence in the outdoor advertising sector, therefore, we will benefit from the numerous and significant opportunities presented by Vision 2030**”

Mr. Mohamed Abdelelah Alkhereiji



Accelerating Digitalization

Al Arabia was the pioneer in developing a new digital transformation strategy in 2018 through which competitive advantages can be achieved by benefiting from digital and technical solutions. The digitalization was the key factor in growing Al Arabia profitability through increasing its efficiency to receive campaigns more than static billboards by five times more!. Through this strategy, we seek to achieve sustainability and support sustainable growth with a flexible infrastructure that support our expansion plans locally and across the region.

Digital billboards has made a tremendous development in the presentation of outdoor advertisements due to the flexibility it provides for the advertisers. As for Al Arabia, this type of screens enabled it to center control through a main control room to broadcast, follow up and collect all data related to campaigns such as viewing figures, viewers impressions and viewers demographics. Beyond a shadow of a doubt, this data is the most important for advertisers through which they can effectively design their target markets to meet their interests. The digitalization strategy has enabled Al Arabia form improving operational efficiency, boosting the revenue and reducing costs significantly in 2022.

Today, 66% of Al Arabia's total faces are provided by smart digital screens, knowing that its strategy aims to digitize 80% of its faces by the end of 2025.

Rewarding Strategic Partnerships

Al Arabia intends to strengthen its collaboration with the key players such as the buyers of advertising spaces and the out-of-home advertising's most experienced agencies locally and internationally, thereby enhancing its extensive ability through its expertise acquired in operating mega projects in both private and public sectors. Beyond a doubt, all of Al Arabia's recent investments (such the digital billboards) are in line with the same objective. Following the announcement of the Kingdom's Vision 2030 in 2016, the vision of Al Arabia management has demonstrated that it is the best capable among its competitors to achieve the objectives of the Vision in this crucial sector.

Since launching into strategic partnership is one of the most important pillars of our strategic plan, Al Arabia has entered into Egypt market in 2022 through its investment arm "United Media Services". Al Arabia is also present in the advertising markets of the United Arab Emirates and Qatar through exclusive agency agreements. The raise in MBC Group Holding LTD shares from 5% to 20% was another advantage of this strategy, this shows how confident MBC Holding is in the performance of Al Arabia, its financial outcomes and the strong aspirations of Al Arabia's growth.

Al Arabia - Distinctive Investment Opportunities!

Al Arabia is the largest locally and regionally, and one of the largest globally in the outdoor advertising market which is expanding in a positive trend, which will lead to several investment opportunities, considering Al Arabia's prominence in the outdoor advertising sector, therefore, we will benefit from the numerous and significant opportunities presented by Vision 2030.

Al Arabia continues to achieve the best value for its investors, supported with thoughtful expansion plans and innovative initiatives. Investors from both local and international markets have shown interest in Al Arabia as a result of our strong financial and operational performance, where the foreign investors ownership percentage in Al Arabia increased from 0.6% to 5.2% with an increase of 767% within just one year.

A recommendation to "purchase" Al Arabia's share by four reports from (GIB Capital, Aljazira Capital, CI Capital, and Al Rajhi Capital) were published. Moreover, the Board of Directors suggested that SAR 95 million in cash dividends to be paid out at SAR 1.90 per share for the first half of 2022. Therefore, the aspirations of Al Arabia are highly positive and supported with approved and deliberate dividend policies.

Gratitude and Appreciation

In conclusion, we are grateful for your trust and support, we're proud of the reputation we've earned over past four decades in your service, we believe in our ability to continue to achieve an outstanding leadership. As we continue to our journey towards a sustainable future, we are constantly seeking new phase of growth and development in our business to be able to achieve a leading role and place our company in the list of distinguished sectors in the Kingdom. We all in Al Arabia look forward to an outstanding year filled with many success stories and thoughtful strategic steps and promoting Al Arabia in the advertising sector locally and internationally by uniting our efforts and excellence in our services.

Mr. Mohamed Abdelelah Alkhereiji
CEO

Our Strategic Objectives and Business Model

Our Strategic Objectives

To achieve our strategic objectives, Al Arabia has endorsed a clear framework defining how Al Arabia should plan to put its strategy into practice and achieve its goals.

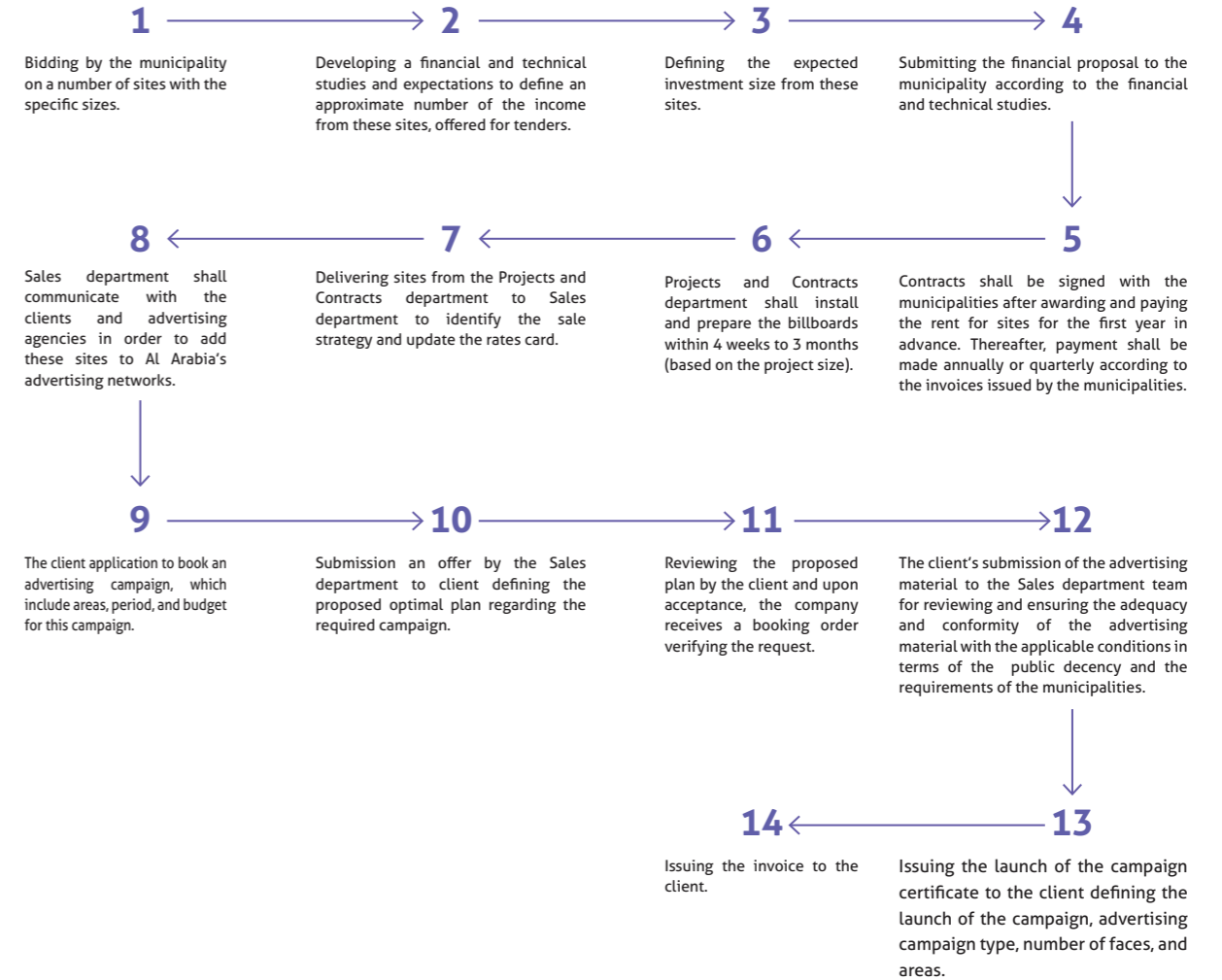
The strategy of developing the out-of-home advertising inside the Saudi cities covers different aspects including focus on beauties of the city, the number of the billboards, the contract term and integrating smart city elements in addition to transforming the billboards to key sites.

Al Arabia is optimally placed to benefit from all of these directions to achieve it's long-term vision. For example, Al Arabia is the market leader due to its leadership and converts its billboards into digital billboards, where it started this investment 4 years ago.

Key Pillars of Al Arabia Strategy

	Leadership	Maintaining its leadership position in the market to be at the forefront in this sector.
	Market share	Maintaining the market share and increase it to promote the growth in the revenue and profits.
	Operational efficiency	Promoting the operational efficiency for the integrated work system adopted in Al Arabia and increasing the revenue from the support services within this system.
	Offered services	Maintaining and developing the services quality through providing the cutting-edge technologies in out-of-home advertising.
	Sales	Increasing direct sales through the direct marketing to the strategic clients.
	Company's financial position	Maintaining Al Arabia's distinguished financial position and establishing resistance factors to recession phases in the economic cycles through the proper prior planning.
	Digitization	Expansion in the field of IT using the data for developing Al Arabia's operations and with a view to provide effective information solutions to the clients that serves their objectives, helping them to reach their audience scientifically, and analyzing the available data related to the consumers.
	Strategic Partnerships	Studying the rewarding alliances and partnerships that allow geographical expansion with a view to enhance Al Arabia's position, maintain its leadership locally and regionally and benefit from the global expertise in this sector.

Business Model



Inputs

1. Full supply-chain with activities include providing the advertising sites, installing the billboards, marketing and printing in addition to maintenance and operation.
2. Al Arabia's management team is a professional and remove competent with a high level of knowledge and experience in the field of publicity, advertising and printing.
3. Integrated advertising network compatible with the latest technology in all Kingdom's cities and areas.



Outcomes

1. Achieving added value:
To clients: Over 40 years, Al Arabia have provided the clients with excellent advertising services.
To shareholders: Al Arabia's commitment to achieve strong and sustainable returns for investors on the long-term as well as dividends.
2. Submitting statistics supported by views ratio in order to measure the effective and spread of the campaign.
3. Consolidating and increasing the clients base and increasing the market share.
4. Experience and knowledge gained through working in several regional markets.
5. Annual positives results and strong financial position.

Digital Transformation and Network

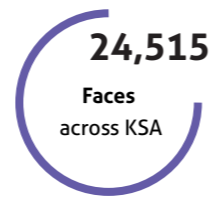
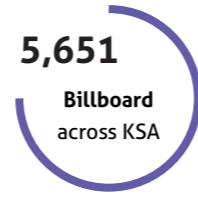
Investing in Digital Transformation

The major development in advertising market lies in fast transformation and adopting the digital options for out-of-home advertising. Which is growing much faster than the traditional out-of-home advertising methods. It is expected that the global expenditure on out-of-home advertising will continue in the near term and in the future. Globally, there are enormous potential arisen from the digital out-of-home advertising sites that are strategically placed, especially within the interior spaces such as shopping centers, gyms and retail stores. In that regard, spending on digital out-of-home advertising will be the main factor to drive the growth of the out-of-home advertising in the future.

Al Arabia was and still a pioneer in the introduction of new trends in the out-of-home advertising market. It also was the first in Saudi Arabia to launch smart digital billboards. This type of billboards made a great achievement in advertising display methods and techniques alongside roads due to the flexibility offered to advertisers. As for Al Arabia, this type of screens enabled it to center control through a main control room to broadcast, follow up and collect all data related to advertisements such as views figures, viewers impressions. Beyond doubt, this data is the most important for advertisers through which they can effectively design their target markets to meet their interests.

One of the main accomplishments by Al Arabia is the exclusive partnership with Seventh Decimal FZLLC presenting Streach Platform. Which is the first smart platform in the Kingdom that provide information related to customers behavior, categories and competitor analysis complying with intellectual property rights to review the statistics and views figures through smart devices. This service will enable the advertisers to implement effective advertising campaigns with measurable effectiveness and prevalence through data that can be collected on the viewers characteristics and behaviors.

Given the digitalization of the billboards and investment in technology, long-term contract will help us to increase the investment revenue to the broadest extent. The increase in the contract term average will result in creating a direct value to the shareholders and promoting business sustainability and leadership.



In 2020	In 2021	In 2022
digital advertising faces were	digital advertising faces were	digital advertising faces were
47%	55%	66%

We aim to continue in this direction and planning to reach 80% of the total percentage of the digital faces as it has many advantages including show more ads at the same site (excess advertising spaces), the ability to charge higher rates and control the billboards through the central control room and analyzing the audience data.



Geographical distribution, number of billboards, contracts, panels and prevalence

Integrated advertising network and strong presence in the main cities

Regardless of Al Arabia's position in the market and in the main cities such as Riyadh, Jeddah and Dammam, Al Arabia has the highest coverage of the out-of-home advertising inventory across the Kingdom of Saudi Arabia. Al Arabia boasts its 5,651 internal and external advertising billboards in 28 different regions across the Kingdom. Therefore, it has a strong impression inside the market and gains reputation as the premier provider in the market for everything related to the out-of-home advertising

The following tables show the number of the contracts during 2022.

First: Kingdom of Saudi Arabia

A-Outdoor Advertising:

Region	Number of Contracts	Number of Billboards	Contracts Value (All Figures are in Thousands SAR)
Central Region	8	233	38,413
Western Region	3	516	1,331,521
Eastern Region	1	1	193
Northern Region	2	120	8,141
Southern Region	1	2	498
Total	15	872	1,378,766

B- Indoor Advertising

Region	Number of Contracts	Number of Billboards	Contracts Value (All Figures are in Thousands SAR)
Central Region	3	69	35,400
Western Region	3	109	14,750
Eastern Region	-	-	-
Northern Region	-	-	-
Southern Region	-	-	-
Total	6	178	50,150

Distribution of billboards to the place of advertisement:

Place of Advertisement	Number of Billboards
Outdoor	872
Indoor	178

Distribution of billboards according to the method of operation:

Method of Operation	Number of Billboards
Digital	474
Static	576

Geographical distribution, number of billboards, contracts, panels and prevalence (continued)

Second: Egypt

Arabian Contracting Services Co. also owns a few billboard contracts concluded through its arm, the Arabian United Company in The Egyptian Arab Republic during 2022, as follows:

Region	Number of Contracts	Number of Billboards	Contracts Value (All Figures are in Thousands SAR)
Cairo	9	34	59,157
Giza	1	1	1,013
The North Coast (City of El Alamein)	1	12	4,092
Total	11	47	64,262

Distribution of billboards to the place of advertisement:

Place of Advertisement	Number of Billboards
Outdoor	47
Indoor	0

Distribution of billboards according to the method of operation:

Method of Operation	Number of Billboards
Digital	38
Static	9

Geographical Distribution

First: Saudi Arabia:

	OOH	Number of Billboards	Number of Faces
Digital	Digital Mupi	223	2,230
	Digital Mega	30	300
	Mezah	273	2,730
	Portrait	26	260
	Dohkon	14	140
	Super Mega	1	10
	Mezahpole	15	150
	LED screens	35	350
	Gantry	8	80
	Bridge LED screen	34	340
Static	Mupi	1749	3,498
	Static Mezhapole	19	38
	Mega (Backlit)	978	1,956
	Piza	29	232
	Scaffolding	1	1

Geographical Distribution (continued)

First: Saudi Arabia:

In Malls	Number of Billboards	Number of Faces
Digital Mupi	295	2,950
Hanging Mupi	54	540
Totem	21	210
LED screen	28	280
Bulkhead screen	7	70
Façade	2	20
Lift shaft	3	30
Mini pole	4	40
Parking light box (static)	1	1
Column wrap	7	70
Lamppost	4	40
Fence screen	5	50
Octicity	1	10
3D screen	1	10
Sky Bridges screen	4	40

Second: Egypt

	OOH	Number of Billboards	Number of Faces
Gantry	6	60	
Mezahpole	3	30	
Bridge LED screen	3	30	
LED screens	10	100	

Environment, Social & Governance (ESG)

AlArabia's board of directors and executive management are fully aware of the importance of non-financial parameters such as issues related to environmental protection, social responsibility and effective governance. The board of directors diligently work on measuring and assessing the tangible and intangible ESG issues associated with our business to identify, ascertain and prioritize material issues. This section has been immensely helpful to identify risks or opportunities that are of prime concern to stakeholders regarding our business and are also relevant to build a long-term growth plan based on sustainability.

This section also helps in risk mitigation to ensure that AlArabia is prepared for different scenarios. The themes with potential impact on the business and engagement with various stakeholders are strongly linked to our sustainable growth. It is with continued interactions, active discussions and exchange of idea, that we as a company have been able to operate sustainably and meet the expectations & concerns of all the stakeholders including customers, shareholders, lenders, business partners, suppliers, employees, Government authorities, industry participants, and society at large. The Management constantly in search for improvement in every aspect of the organization, from processes to end results.

AlArabia invested in companies across the entire media funnel to ensure quality from inception to delivery. Since beginning, one of the key pillars of the business strategy has been driving sustainable growth through initiatives which focus on operational excellence, optimized processes and making an overall positive impact on all stakeholders. AlArabia deeply cares about the environment and all our installations are done according to regulations and specification. The company strongly believe that for businesses, growth should be based on protecting environment, it should be inclusive and sustainable.

The management always adhere to international quality control safety and environmental management system. AlArabia is recognized for the quality of its services available 24/7 and work hand in hand with the official authorities to deliver the best and safest experience for the community. Al Arabia is proud of its tracking record of high-quality services and an enhanced stakeholder experience. In order to meet the goal, the company is responsible of all maintenance internally ensuring the delivery of the best outcome for the company, partners and direct or indirect stakeholders. Al Arabia understand the importance of world class professional talent and for our team, the guiding principles are always based on a relentless focus on optimizing productivity, efficiency and sustainability.

Moreover, The Board of Directors of AlArabia is committed to effective corporate governance practices and a governance structure. The Company is focused on adhering to highest standards of ethical principles, following the bylaws and regulations. Al Arabia achieve this through, a) effective control by board which allows flexibility with accountability, b) full compliance with laws, c) transparent and timely disclosures of financial information, d) performance monitoring of executive team with guidance and support, and, e) balanced approach on participation of independent vs. non-independent and executive vs. non-executive directors.

AlArabia takes a holistic view of sustainability issues that encompasses the environmental, social and governance and aspects of an organization. With this update which is a small step in disclosing our progress on relevant issues and engaging with stakeholders, Al Arabia wish to reiterate our ESG approach – ranging from progressive reduction of energy consumption and energy intensity, safety practices at the sites and all the locations. The health, safety and well-being of all our stakeholders is always accorded the highest priority. With each business decision Al Arabia focus on a tangible and sustainable benefit for all the stakeholders.

Environmental

AlArabia acknowledges the company's responsibility to the environment, and commit towards implementing business practices which will promote environmental sustainability.

Optimization of resource consumption

Al Arabia focused on the minimization of resource consumption through reduction, reuse, recycling using safe and environmentally sustainable methods.

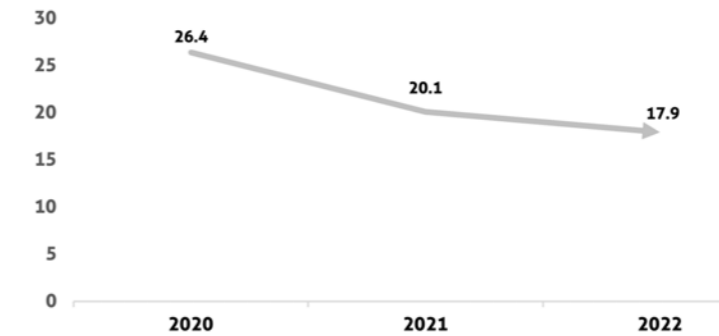
Setting environmental targets

As the company move forward, it intend to establish environmental targets, evaluation of the performance as per setting targets.

Total Energy Consumption (kwh) Per Employee

Al Arabia consistently working on reducing our energy intensity i.e. consumption of energy on a per unit basis. For example, the total energy consumption has declined approximately 24% and 11% in 2021 and 2022, respectively. This is an important measure to reflect how collectively as an organization are optimizing the consumption of resources.

Year	KW-H	Number of Employees	Total Energy Consumption (kwh) Per Employee
2020	5761.4	218	26.4
2021	5026.6	250	20.1
2022	5276.9	295	17.9



Compliance with government regulation

Net zero emission targets

The Kingdom has a target to achieve net zero emissions by 2060. AlArabia is supportive of net zero target focused initiatives and is in the process of aligning itself with these targets.

Renewable Energy

The Kingdom is committed to have 50% of its power generated from renewable sources by 2030. AlArabia is in the process of exploring options to contribute in this and align itself with these goals, gradually.

Other initiatives

The proposed steps for protecting environment in the Kingdom include investing in new energy sources and improving energy efficiency. AlArabia will support these steps to meet the collective environmental goals and ensure a sustainable future for the future generations. At AlArabia, some of the prominent initiatives related to the environmental issues are as follows.

- The digital transformation contributes significantly in reducing the usage of printing paper used in static billboards. This is an important initiative in making AlArabia progress faster towards more environment friendly technologies. AlArabia, as of now has reached 66% digitalization of its faces. The thought process behind a digital billboard displaying digital images is driven by technological advancements making the end product more attractive to users and simultaneously, making a significant positive impact on consumption of paper and other printing material. This is an important achievement and we are confident that this initiative will gain further momentum in coming years.
- In recent years, AlArabia has focused on increasing the use of LEDs in the displays. They are not only versatile and flexible enhancing the user experience, they are environment friendly in several different and meaningful ways. One of the most significant benefits of an LED display is that it consumes 15-25% less energy vis-à-vis comparable options. In addition, they are lightweight and produced with lesser material. Hence, they become easier to handle and much more efficient in recycling. The LEDs have a longer life span with need for lower maintenance. The LEDs are also better on emission of heat and harmful ultraviolet or infrared radiations. In addition, an LED screen is characterized by less strain to users' eyes because of a flicker-free image and hence, lowering the eye strain and fatigue.

Social

The Board of Directors recently developed a Social Responsibility policy, the initiatives strongly focus on social responsibility and aim at giving back to the society through various programs and initiatives.

Growth in employment opportunities for the right talent

AlArabia has increased the headcount 18% yoy between 2021 and 2022. The company is focused on hiring the right talent and offering the career opportunities to qualified professionals.

Employee count 2021	250
Turnover	20
New hires	43
Employee count 2022	295



Note: The employee turnover does not include the resignations numbers only. Rather, it includes terminating contracts and transferring employees to other subsidiaries, so it is considered an approximate number.

Gender mix for employees

Al Arabia provide the optimal career opportunities for women according to the role and appropriate responsibility. As of 31st December 2022, the company have more than 10% female employees.

Female employees	30
Male employees*	265
Total Employee count	295

*265 employees including the number of maintenance department employees and workers in all regions of KSA.

The number of employees at the company's headquarters in Riyadh City

Female employees	28
Male employees	70
Total Employee count	98



Gender gap in salary

Female employees are paid 84% more than our male employees. While the roles and responsibilities differ on a case-by-case basis, we strongly advocate gender parity in compensation.

Average salary for Female employees (SAR)	15,485.93
Average salary for Male employees (SAR)	8,378.84



Learning and Development initiatives for employees

- More than 8500 educational courses in all specialties providing education for all levels and positions are available and these could be applied depending on the needs of the employee.
- For employees, educational tools that help the learner to increase the acquisition of educational content are available and learners can benefit from this.
- The LMS (Learning Management System) available for employees also offers an integration feature with any other educational platform. The employees can benefit from this.
- Arranging training workshops to users every three on the platform after subscription. This provides an opportunity to users to use the platform more effectively. Technical support for the duration of the subscription is also available.
- For employees, the system creates seven learning paths up to the highest skills required in the labor market when activating the platform. The users can choose the pace of their learning.

Governance

AlArabia is committed to strict adherence to all applicable regulations related to effective corporate governance practices and transparency.

Role for the Board of Directors

Board of Directors is responsible for guiding the corporate governance strategy of the company. The directors are responsible for strategic decision making on important aspects related to governance. The Board assists the management team through continual guidance and evaluation of strategy with independent feedback. All the directors have exceptional expertise in their own areas of expertise.

Separation of responsibilities between the Company Board and Executive Management

AlArabia has an authority matrix to separate the responsibilities and to ensure unambiguous delegation of tasks for management team. While the board and management team operates in a harmonious environment, the accountability of each member is clearly defined, which helps in efficient operations. Al Arabia have an effective governance system and board policies which comply with the regulator.

Code of conduct

AlArabia has a Code of Conduct which is applicable to the Members of the Board and Senior Management of the Company. It lays down the standard of behavior which is expected to be followed by the Directors and the Key Management Personnel in their business dealings and in particular on matters relating to integrity in the workplace, in business practices and in dealing with all the stakeholders.

Whistleblowing Mechanism

For internal and external stakeholders, the Company has Whistleblowing mechanism for reporting any unethical behavior, fraud or violation of the Company's code of conduct or guidelines/policies. The mechanism provides for adequate safeguards against victimization of employees who use such mechanism to highlight any wrongdoings. Al Arabia did not have any such incidents or reporting ever.

Human Rights

For AlArabia, zero tolerance for any deviation from ethics or any violation of human rights are central to the company's belief. Al Arabia treat people with dignity and respect. AlArabia follows a policy of not employing child labor, adolescent labor, forced labor or any form of involuntary labor, paid or unpaid.





Board Report

3

Financial Performance

Corporate Governance Report & Relevant Disclosures

A Glance of the Financial Performance of 2022

Annual Financial Results of 2022



Revenues
1.126 Billion SAR



Net Profit
274.7 Million SAR



EPS
5.49 SAR / Share



Total Assets
2.6 Billion SAR

The Financial Performance Summary for the Year 2022

In 2022, Arabian Contracting Services Co. proved the strength of its financial position and its ability to create sustainability in profitability, as the financial results during the year 2022 witnessed qualitative leaps and systematic growth that exceeded the expectations that were mentioned in the IPO.

Many main priorities of Al Arabia had a tangible impact on achieving these positive financial results during the year 2022, including: Al Arabiya's focus on the company's approach and strategy and continuing to geographically expand locally and regionally, in addition to seizing the increasing opportunities in light of the abundant initiatives of Vision 2030, which resulted in entering into new partnerships and projects that support the company's marketing and advertising plans and achieve sustainable growth in all the company's operational sectors.

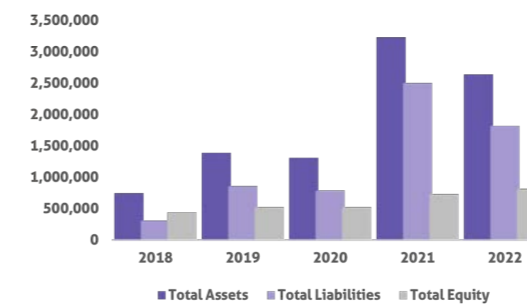
The continuation of the digital transformation processes contributed to the increase in the advertising spaces available to the company, which increased the capacity in order to accommodate more advertising campaigns.

Consolidated Statement of Financial Position Summary

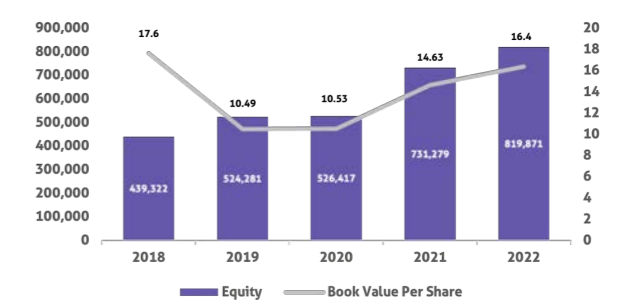
All Figures are in (Thousands) SAR

	2018	2019	2020	2021	2022
Assets					
Non-current assets	105,727	899,545	849,291	2,220,124	1,645,534
Current assets	642,756	489,517	465,579	1,019,609	992,224
Assets from discontinued operations	-	-	-	-	4,485
Total assets	748,483	1,389,062	1,314,870	3,239,733	2,642,243
Equity and liabilities					
Total equity attributable to equity holders of the parent company	439,322	524,281	526,417	731,279	819,871
Non-controlling interests	-	-	-	-	1,089
Total equity	439,322	524,281	526,417	731,279	820,960
Liabilities					
Non-current liabilities	12,139	329,646	328,935	1,601,777	1,033,639
Current liabilities	297,022	535,135	459,518	906,677	785,753
Liabilities from discontinued operations	-	-	-	-	1,891
Total liabilities	309,161	864,781	788,453	2,508,454	1,821,283
Total liabilities and equity	748,483	1,389,062	1,314,870	3,239,733	2,642,243

Comparative Chart of the Financial Position Statement Items for the Past Five Years:



Comparative Chart of Equity Gradation and Book Value Per Share for the Past Five Years:

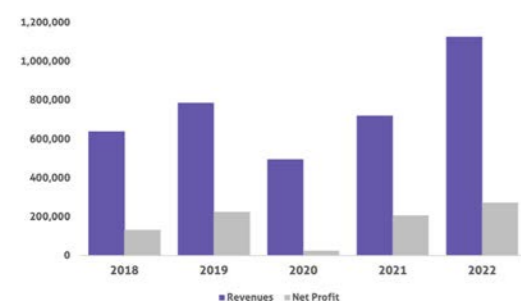


Consolidated Statement of Comprehensive Income Summary

All Figures are in (Thousands) SAR

	2018	2019	2020	2021	2022
Revenues	639,157	787,499	497,586	720,632	1,126,182
Cost of revenues	(449,023)	(451,075)	(398,540)	(390,348)	(639,193)
Gross profit	190,134	336,424	99,046	330,284	486,989
Net profit from discontinued operations	133,686	225,346	25,201	206,247	283,789
Loss from discontinued operations	-	-	-	-	(9,089)
Net profit*	133,686	225,346	25,201	206,247	274,700
Total comprehensive income	133,000	224,660	26,136	204,862	276,592
EPS*	5.35	4.51	0.50	4.12	5.49

Comparative Chart of the Financial Results for the Past Five Years:



Operating Profit

All Figures are in (Thousands) SAR

	2022	% of Revenues 2022	2021	% of Revenues 2021	% Growth
Revenues	1,126,182	-	720,632	-	%56
Operation costs					
Cost of revenues	(639,193)	%57	(390,348)	%54	%64
Selling & marketing expenses	(46,324)	%4	(31,163)	%4	%49
(impairment) / reversal of expected credit losses	(7,302)	%0.6	2,686	%0.4	-
General & administrative expenses	(49,403)	%4	(40,477)	%6	%22
Total operating expenses	(742,222)	%66	(459,302)	%64	%62
Operating profit	383,960	%34	261,330	%36	%47

* The net profit for the shareholders of Arabian Contracting Services Co. excluding non-controlling interests.

* EPS is calculated by dividing the profit attributable to the shareholders of the Arabian Contracting Services Co. excluding non-controlling interests by the average number of shares of 50 million shares and 25 million shares for the year of 2018.

Consolidated Statement of Cash Flow Summary

All Figures are in (Thousands) SAR

	2018	2019	2020	2021	2022
Net operating cash flow	352,015	526,706	348,655	207,869	500,596
Net investing cash flow	(47,391)	(43,862)	(56,753)	(77,774)	(48,944)
Net financing cash flow	(330,824)	(465,278)	(301,405)	33,229	(525,664)
Net change in cash and cash equivalents during the year	(26,200)	17,566	(9,503)	163,324	(74,012)

Key Performance Indicators for the Past Five Years

Revenues growth rate		Debit to equity ratio		ROAA		ROAE	
2022	%56	2022	%43	2022	%9.35	2022	%35
2021	%45	2021	%61	2021	%9.05	2021	%33
2020	%-37	2020	%25	2020	%1.86	2020	%4.80
2019	%23	2019	%46	2019	%21	2019	%47
2018	%4.39	2018	%32	2018	%15	2018	%25
Earnings per share		Interest coverage ratio		Gross profit margin		Net profit Margin	
2022	5.49 SAR	2022	6.4 Time	2022	%43	2022	%24
2021	4.12	2021	7.7	2021	%46	2021	%29
2020	0.50	2020	2.4	2020	%20	2020	%5.06
2019	4.51	2019	8.4	2019	%43	2019	%29
2018	5.35	2018	31.7	2018	%30	2018	%21



The Revenues Analysis By Sector

All Figures are in (Thousands) SAR

	2022	% of Revenues 2022	2021	% of Revenues 2021	% Growth
Outdoor advertising	1,046,428	%93	678,821	%94	%54
Indoor advertising	59,784	%5	28,123	%4	%113
Printing	19,970	%2	13,688	%2	%46
Total Revenues	1,126,182	%100	720,632	%100	%56

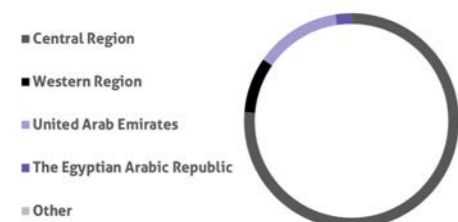
Grographical Distribution of Advertising Revenues (Based on clients base)

All Figures are in (Thousands) SAR

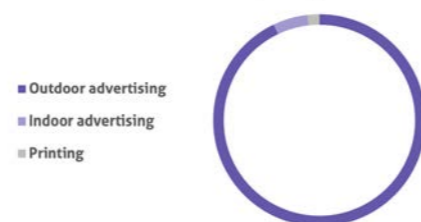
	2022	2021
Central Region	844,185	506,250
Western Region	92,352	146,787
United Arab Emirates	142,927	48,515
The Egyptian Arabic Republic	26,748	-
Other	-	5,392
Total Revenues	1,106,212	706,944

Revenues do not include printing for others which amount to SAR 20.0 million in 2022, and amount SAR 13.7 million in 2021.

Grographical Distribution of Advertising Revenues (Based on clients base)



The Revenues Analysis By Sector



Details and Balance of Loan Movements from Local Banks as of 31 Dec 2022

All Figures are in (Thousands) SAR

Name of the bank	Opening Balance 2022					Closing Balance 2022				
	Credit limit	Principal of the loan	Interests due	Opening balance	Additions during 2022	Payments during 2022	Principal of the loan	Interests due	Closing balance	Duration of the loan
SABB	245,000	70,432	1,305	71,737	74,866	71,737	74,866	3,891	78,757	9 months
Banque Saudi Fransi	380,000	324,340	8,601	332,941	122,360	332,941	122,360	4,302	126,662	12 months
Saudi Investment Bank	175,500	38,372	684	39,056	-	39,056	-	-	-	-
Riyad Bank	210,000	14,722	353	15,074	151,690	15,074	151,690	8,382	160,072	12 months
Total balance	1,010,500	447,866	10,943	458,808	348,916	458,808	348,916	16,575	365,491	-

Outstanding Loans from Local Banks

All Figures are in (Thousands) SAR

	2022	2021	% Change
Less than one year	348,916	447,867	%22-
From one year to two years	-	-	-
From two to five years	-	-	-
More than five years	-	-	-
Total balance	348,916	447,867	%22-

Statutory Payments for the Year 2022

All Figures are in (Thousands) SAR

Description	Paid	Due until the end of the annual financial period and are not paid	Brief	Statement of Reasons
Visas, passports, labor office and municipal fees	3,375	-	Visas, labor office fees, residency renewals, and municipal fees during 2022	-
Value Added Tax	69,440	(7,901)	Value added tax paid during 2022	The balance is debit, due to advance payment of rental invoices for contracts with municipalities
Zakat and Withholding Tax	12,066	16	The accrued Zakat for the year 2022 is SAR 11,286, Zakat paid for the year 2021 is SAR 11,390, withholding tax due at the end of the year 2022 is SAR 16	-
Social Insurance	2,483	-	Social insurance paid during 2022	-
Customs duties	71	-	Customs duties paid during 2022	-
Total	87,435	(7,885)	-	-

Governance Report

Arabian Contracting Services Co. possesses an approved governance system, which is in line with the Corporate Governance Regulations issued by the Capital Market Authority (CMA). It includes criteria, frameworks, and determinants regulating the company management to ensure compliance with the best practices, through which the shareholders and stakeholders' rights will be maintained.

1) Corporate Governance Regulations

The Company shall apply all the provisions contained in the Corporate Governance Regulations issued by CMA, except for the provisions hereinafter:

Article/Paragraph No.*	Article/Paragraph Text	Non-Application Reasons
41	Evaluation	Indicative Article - The Company is studying the selection of best practices in terms of evaluating the board of directors and executive management.
70	Formation of a Risk Management Committee	Indicative Article - Duties of the Risk Committee are entrusted to other committees and departments, such as the Audit Committee and the Compliance Department.
71	Functions of a Risk Management Committee	Not Applicable - As no Risk Management Committee was formed
72	Meetings of a Risk Management Committee	Not Applicable - As no Risk Management Committee was formed
95	Formation of a Corporate Governance Committee	Indicative Article - The Board of Directors considers that there is no need for an independent committee, as its duty is entrusted to other committees and departments.

Some of the regulations' paragraphs that have not been implemented are still indicative, and some or all paragraphs will be implemented in the future or when they became mandatory upon a decision from the Capital Market Authority, or the Ministry of Commerce.

*Articles are numbered according to the Governance Regulations (before the amendment).

2) Formation of Board of Directors

The Company shall be managed by a board of directors consisting of six members elected by the Ordinary General Assembly of shareholders for a period not exceeding three years.

3) Election of Board of Directors

The Extraordinary General Assembly held on March 18, 2020G, elected the current Board of Directors as of the same day of the Assembly meeting and for a period of three years. The following tables show the names of the members of the Board of Directors and members of the committees, their positions, membership description, and their membership in other companies.



Names of the members of the Board of Directors, members of the committees, and the executive management, and their current and previous positions and qualifications:

A- Members of the Board of Directors



Abdelallah Abdulrahman Alkhereiji
Chairman of the Board (Non-Executive)

Current Jobs	General Manager of ALKHEREIJI Consulting Office and ALKHEREIJI Soil Analysis Lab - a sole Saudi institution operating in the engineering and professional sector (1990 – to date).
Previous Jobs	Assistant Director General at Rasheed Engineering Office - (1978 G-1986 G) General Manager of Raweyah Printing press - (1985 G - 2006 G) General Manager of Arabian Contracting Services Co - (1984 G - 2006 G) General Manager of Road Advertising Agency for Advertising - Branch of Beit Al Khabrah Trading and Contracting Company operating in the advertising sector (1992 G - 2014 G) General Manager of the Elegant Hotels Company - (2008 G - 2009 G) General Manager of Beit Al Khabrah Trading and Contracting Company - (1990 G - 1995 G) CEO and Managing Director of the Arabian Contracting Services Co - (2010 G - 2015 G)
Qualifications and Experience	Holds a Bachelor's degree in Architectural Engineering from Cairo University - Egypt in 1977 G



Abdel Mohsen Abdulrahman Alkhereiji
Vice Chairman of the Board (Non-Executive)

Current Jobs	General Manager of the Elegant Restaurants Company - a Saudi limited liability company operating in the food sector (2000 G – to date).
Previous Jobs	General Manager of Makhsous Company for Wholesale, Retail and Clothes - (2003 G - 2010 G) General Manager of Musharabia Contracting Company - (1980 G - 1998 G) General Manager of Khalid Abdulrahman Alkhereiji Trading and Contracting Corporation - (1978 G - 1980 G) Assistant to CEO of Kanoo Co. in Riyadh - (1976 G -1978 G)
Qualifications and Experience	Holds a Bachelor's degree in Architectural Engineering from Helwan University - Egypt in 1974 G

Names of the members of the Board of Directors, members of the committees, and the executive management, and their current and previous positions and qualifications:

A- Members of the Board of Directors (continued)



Mohamed Abdelallah Alkhereiji
CEO (Executive Member)

Current Jobs	General Manager of the Elegant Hotels Company - (2009 G – to date) General Manager of Beit Al Khabrah Trading and Contracting Company - (2009 G - to date) CEO of the Arabian Contracting Services Co. - (2015 G - to date)
Previous Jobs	Executive Vice President of the Arabian Contracting Services Co - (2009 G -2015 G) Director of Development Department at the Arabian Contracting Services Co. - (2006 G -2009 G) Founder of the Saudi Media Co. – (2019 G) Financial Analyst at Deutsche Bank - (2006 G - 2007 G) Associate Employee at Deutsche Bank - (2007 G - 2009 G)
Qualifications and Experience	Holds a Bachelor's degree in Financial Management from Prince Sultan University in Riyadh - Kingdom of Saudi Arabia in 2006 G Holds an Executive Master of Business Administration (EMBA) from City University - London - United Kingdom in 2013 G



Samuel James Kilion Barnett
Board Member (Non-Executive)

Current Jobs	CEO, MBC Group Limited - (2021 G – to date)
Previous Jobs	Chief Operating Officer (COO) at MBC Group 2005-2011 Director of operations at MBC Group 2002-2005 Senior Manager at Arthur Anderson Company - (2000 G - 2002 G) Manager at Pricewaterhouse Coopers PWC - (1997 G -2000 G) Assistant at Kalchas Co. - (1993-1996)
Qualifications and Experience	Holds a Bachelor's degree in Economics - University of Cambridge - United Kingdom in 1993 G Holds a Master's degree in business administration from INSEAD - France 1997 G

Names of the members of the Board of Directors, members of the committees, and the executive management, and their current and previous positions and qualifications:

A- Members of the Board of Directors (continued)



Munaji Fouad Zamakhshari
Board Member (Independent)

Current Jobs	Managing Director of Munaji Fouad Zamakhshari & Salah Fawaz Al Harbi Advocates And Legal Consultants Company (2012 G - to date)
Previous Jobs	Private work as a licensed lawyer and legal advisor in multiple international law firms
Qualifications and Experience	Holds a Bachelor of Science degree with honors in Ship Operations Command - Warzach Naval Academy - United Kingdom in 2003 G Holds a Bachelor of Laws - Nottingham Law School - United Kingdom in 2007 G Holds a Master's degree in International Law - University of Wales - United Kingdom in 2008 G



Muhammad Abdullah AlNimr
Board Member (Independent)

Current Jobs	CEO of Morood Holding Company - (2012 G – to date)
Previous Jobs	Held multiple executive positions in several companies
Qualifications and Experience	Holds a Bachelor's degree in Management Sciences and Information Systems - King Fahd University of Petroleum and Minerals - Kingdom of Saudi Arabia in 2005 G Holds a master's degree in management sciences - City University - United Kingdom in 2007 G

Names of the members of the Board of Directors, members of the committees, and the executive management, and their current and previous positions and qualifications:

B- Committee Members from within the Board

Abdelellah Abdulrahman Alkhereiji Chairman of the Board (Non-Executive) - Nomination & Remuneration Committee Member

Current Jobs	General Manager of ALKHEREIJI Consulting Office and ALKHEREIJI Soil Analysis Lab - a sole Saudi institution operating in the engineering and professional sector (1990 – to date).
Previous Jobs	Assistant Director General at Rasheed Engineering Office - (1978 G-1986 G) General Manager of Raweyah Printing press - (1985 G - 2006 G) General Manager of Arabian Contracting Services Co - (1984 G - 2006 G) General Manager of Road Advertising Agency for Advertising - Branch of Beit Al Khabrah Trading and Contracting Company operating in the advertising sector (1992 G - 2014 G) General Manager of the Elegant Hotels Company - (2008 G - 2009 G) General Manager of Beit Al Khabrah Trading and Contracting Company - (1990 G - 1995 G) CEO and Managing Director of the Arabian Contracting Services Co - (2010 G - 2015 G)
Qualifications and Experience	Holds a Bachelor's degree in Architectural Engineering from Cairo University - Egypt in 1977 G

Abdel Mohsen Abdulrahman Alkhereiji Vice Chairman of the Board (Non-Executive) - Audit Committee Member

Current Jobs	General Manager of the Elegant Restaurants Company - a Saudi limited liability company operating in the food sector (2000 G – to date).
Previous Jobs	General Manager of Makhsous Company for Wholesale, Retail and Clothes - (2003 G - 2010 G) General Manager of Musharabia Contracting Company - (1980 G - 1998 G) General Manager of Khalid Abdulrahman Alkhereiji Trading and Contracting Corporation - (1978 G - 1980 G) Assistant to CEO of Kanoo Co. in Riyadh - (1976 G -1978 G)
Qualifications and Experience	Holds a Bachelor's degree in Architectural Engineering from Helwan University - Egypt in 1974 G

Munaji Fouad Zamakhshari Board Member (Independent) - Nomination & Remuneration Committee Chair

Current Jobs	Managing Director of Munaji Fouad Zamakhshari & Salah Fawaz Al Harbi Advocates And Legal Consultants Company (2012 G - to date)
Previous Jobs	Private work as a licensed lawyer and legal advisor in multiple international law firms
Qualifications and Experience	Holds a Bachelor of Science degree with honors in Ship Operations Command - Warzach Naval Academy - United Kingdom in 2003 G Holds a Bachelor of Laws - Nottingham Law School - United Kingdom in 2007 G Holds a Master's degree in International Law - University of Wales - United Kingdom in 2008 G

Muhammad Abdullah AlNimr Board Member (Independent) - Audit Committee Chair

Current Jobs	CEO of Morood Holding Company - (2012 G – to date)
Previous Jobs	Held multiple executive positions in several companies
Qualifications and Experience	Holds a Bachelor's degree in Management Sciences and Information Systems - King Fahd University of Petroleum and Minerals - Kingdom of Saudi Arabia in 2005 G Holds a master's degree in management sciences - City University - United Kingdom in 2007 G

Names of the members of the Board of Directors, members of the committees, and the executive management, and their current and previous positions and qualifications:

C- Committee Members outside the Board

Fatima Abdelillah Alkhereiji Nomination & Remuneration Committee - Audit Committee

Current Jobs	Projects Manager at the Elegant Hotels Company - (2010 G – to date) Owner and Director of Green Cans Company - (2019 G - to date)
Previous Jobs	Co-founder of Advanced Communications & Electronic Systems Company (ACES)
Qualifications and Experience	Holds a Bachelor of Science in Interior Design Engineering - Faculty of Engineering - Prince Sultan University - Saudi Arabia in 2017 G.



Names of the members of the Board of Directors, members of the committees, and the executive management, and their current and previous positions and qualifications:

D- Executive Management



Saad Abdullah Al-Qaftani
Vice CEO for Contracts and Projects Management

Previous Jobs	Head of maintenance & operations department at Arabian Contracting Services Co. (1999 G - 2016 G). Administrative affairs manager at Arabian Contracting Services Co (1992 G - 1998 G). Government relations manager at Resource Sciences Arabia Limited (RSAL) (1989 G - 1993 G).
Qualifications and Experience	Holds a high school certificate, Abha, Saudi Arabia, in 1985.



Jalal Georgi Khanfour
Chief Commercial Officer

Previous Jobs	Sales manager at Arabian Outdoor Co. - Dubai, UAE (2005 G - 2012 G). Accounting manager at Electricité De Zahlé EDZ - (2002 G - 2004 G).
Qualifications and Experience	Holds a bachelor's degree in business administration from the Saint Joseph University - Lebanon in 2001. Holds a master's degree in business administration from the Saint Joseph University - Lebanon in 2003.



Hend Sabah Al-Bassam
Head of Investor Relations, Governance and Compliance

Previous Jobs	Investor Relations Manager – NADEC (2020-2022) Head of Investor Relations – Saudi Ceramics (2019-2020) Associate Director of Strategic Planning and Development Center – Prince Sultan University (2017-2018) Member of the Advisory Board for the MBA Program – Prince Sultan University (2020-Present) Accounting and Finance Lecturer – Prince Sultan University (2015-2019) Guest Lecturer, Zakat and Tax Course – Alfaisal University (2019) Assistant Manager, Treasury Islamic Desk – Riyadh Bank (2011-2014)
Qualifications and Experience	Holds a Bachelor's in Accounting – King Saud University 2010 Holds a Master's degree in Finance, MBA – Prince Sultan University 2013

Names of the members of the Board of Directors, members of the committees, and the executive management, and their current and previous positions and qualifications:

D- Executive Management (continued)



Mohamed Salah El-Din Albazz
Director of Financial Department

Previous Jobs

Financial Director at the Saudi Manpower Solutions Co. "SMASCO" (2012 G - 2020 G)
Head of the Financial Operations Department at the AL Khaleejiah Advertising & Public Relations Co. Ltd (2009 G - 2012 G).
Senior Auditor at Talal Abu-Ghazaleh & Co. International (2006 G - 2009 G).

Qualifications and Experience

Holds a Bachelor's degree in Accounting from the University of Jordan – Jordan, in 2006 G.



Sami Ahmed Al-Babtain
Head of Internal Audit

Previous Jobs

AlKhair Capital / Internal Audit Manager 2021 G
AlRajhi Bank / Internal Audit Team Leader (2012 G - 2021 G)
Samba Financial Group / Internal Auditor (2013 G - 2018 G)

Qualifications and Experience

Holds a bachelor's degree in Finance – Prince Sultan University 2012 G



Zainab Maghrabi
Human Resources Director

Previous Jobs

Chief Human Resources Officer / Board Member –Emkan Holding (2020 G – 2021 G)
Country Human Capital Director –AlJabr KIA (2018 G – 2019 G)
Group Human Resource Director –AlSaad General Contracting Co. (2015 G – 2018 G)
HR Director – Masarat Holding Co. (2014 G)
HR Business Partner – Maersk Line Co. (2012 G – 2014 G)
HR Supervisor – Haji Hussain Reza & Co.LTD (2011 G – 2012 G)
Social worker – Human resources / Business relations - Saudi German Hospital (2005 G – 2006 G)

Qualifications and Experience

Holds a Master Degree MBA in Human Resources Management – Multimedia University 2010 G
Holds a Bachelor's Degree in psychology – KAU 2002 G

Names of the members of the Board of Directors, members of the committees, and the executive management, and their current and previous positions and qualifications:

D- Executive Management (continued)



Noura Majed AlArji
Head of Marketing Department

Previous Jobs

Communication manager at Estee Lauder - UAE limited liability company operating in the retail sector (2013 G - 2014 G).
Accounts senior executive officer at Asdaa Burson - Marsteller Co. - (2011 G - 2013 G).
Coordinator assistant at Art Dubai Co. (2011 G)
PR trainee at Abar Al-Khaleg Co. (2010 G)

Qualifications and Experience

Holds a bachelor of arts in international studies from the American University of Sharjah in 2011 G.
Holds a master of arts in communications from Zayed University, UAE, in 2017 G.



Alikoya Peediakkal
IT Manager

Previous Jobs

Implementation Manager - Console ERP Solutions, (2016 – 2017)
Senior Implementation Consultant - Focus Software Solutions (2015 - 2016)
IT Manager - AL ARIF Trading & Contracting Company 2013 - 2015
Technical Team Leader - New Era Technology, (1999 - 2012)

Qualifications and Experience

Holds BSc Physics (1990), University of Calicut, Kerala, India
Holds a Diploma in Computer Management - DCM [1993], DATAPRO Information Technology, Calicut, Kerala, India.



Rabih Saeed Al-Abed
Manager of Printing Press Sector Department

Previous Jobs

Technical country manager at Agfa Graphics Co. (2010 G - 2012 G).
Engineer in digital printing at Fujifilm Sericol Co. (2007 G - 2010 G).
Service engineers team leader at EFI Vutek Co. - (2002 G - 2007 G).
Assistant at data management section at City Bank (2001 G - 2002 G).
Production and printing management supervisor at Printech Co. - (1998 G - 2001 G).

Qualifications and Experience

Holds a diploma in accounting and auditing from the American University of Beirut - Lebanon, in 1997 G.
Holds a systems engineering degree from Microsoft in USA in 2000 G.

4) Formation and Classification of the Board of Directors

Member Name	Capacity	Executive	Non-Executive	Independent
Abdelellah Abdulrahman Alkhereiji	Chairman		✓	
Abdel Mohsen Abdulrahman Alkhereiji	Vice Chairman		✓	
Mohamed Abdelellah Alkhereiji	Member / CEO	✓		
Samuel James Kilion Barnett	Member		✓	
Munaji Fouad Zamakhshari	Member			✓
Muhammad Abdullah AlNimr	Member			✓



5) Names of Companies Inside and Outside the Kingdom

Member Name	Membership Classification	Current Companies		Inside/Outside the Kingdom	Legal Entity	Previous Companies		Inside/Outside the Kingdom	Legal Entity	
		Member	Senior Executives			Member	Senior Executives			
Abdelellah Abdulrahman Alkhereiji	Non-Executive	Arablan Contracting Services Company		Inside	Listed	Chamber of Commerce		Inside	Government Entity	
		Engineer Holding Group	Al khrajji Consulting Office & Al Khrajji Soil Analysis Lab.	Inside	Not Listed	Chamber of Commerce & Industry		Inside	Government Entity	
							Elegant Hotels Company		Inside	Not Listed
							Company Rawayah Printing press		Inside	Not Listed
							Arablan Contracting Services Company		Inside	Listed
							House of Skills Company		Inside	Not Listed
Abdel Mohsen Abdulrahman Alkhereiji	Non-Executive	Arablan Contracting Services Company		Inside	Listed	Arablan Contracting Services Company		Inside	Listed	
		Elegant Restaurants Company	Upscale Brands Company	Inside	Not Listed	Makhsous Company for Wholesale, Retail & Clothes		Inside	Not Listed	
						Musharaba Contracting Company		Inside	Not Listed	
						Khalid Abdulrahman Alkhereiji Trading & Contracting Corporation		Inside	Not Listed	
						Kanoo Co.		Inside	Not Listed	
Mohamed Abdelellah Alkhereiji	Executive	Arablan Contracting Services Company		Inside	Listed	Arablan Contracting Services Company		Inside	Listed	
		Saudi Media	Elegant Hotels Company	Inside	Not Listed					
		MBC Media	House of Skills Company	Inside	Not Listed					
		Chairman of the Advertising Committee Riyadh Chamber		Inside	Government Entity					
		Member of the Marketing Committee Riyadh Chamber		Inside	Government Entity					
		Engineer Holding Group		Inside	Not Listed					
Samuel James Kilion Barnett	Non-Executive	Arablan Contracting Services Company		Inside	Listed	Arthur Andersen		Outside	Not Listed	
			MBC Group	Outside	Not Listed	Price Waterhouse Coopers PWC		Outside	Not Listed	

5) Names of Companies Inside and Outside the Kingdom (continued)

Member Name	Membership Classification	Current Companies		Inside/Outside the Kingdom	Legal Entity	Previous Companies		Inside/Outside the Kingdom	Legal Entity
		Member	Senior Executives			Member	Senior Executives		
Munaji Fouad Zamakhshari	Independent								
			Monaji Foad Zamakhshary & Salah Fawzy Al-Harby Legal Advisory Company	Inside	Not Listed				
			KLD Management Training	Inside	Not Listed				
		Arabian Contracting Services Company	Inside	Listed					
Muhammad Abdullah AlNimr	Independent		Arabian Contracting Services Company	Inside	Listed				
			Morood Holding Company	Inside	Not Listed				
			Osoul Entertainment Company	Inside	Not Listed				
			Development House Company	Inside	Not Listed				
			Ana Adeer Company	Inside	Not Listed				
			Arab Wabel Investment Company	Inside	Not Listed				
			Jood Arabia Investment Company	Inside	Not Listed				
	Asateer Entertainment Company	Inside	Not Listed						

6) Board of Directors Meetings

The Board of Directors held four meeting during 2022, in the presence of members, and nine resolutions passed by circulation.

Member's Name	Membership	1st Meeting 03/03/2022	2nd Meeting 22/08/2022	3rd Meeting 08/11/2022	4th Meeting 29/12/2022
Abdelellah Abdulrahman Alkhereiji	Chairman	Present	Present	Present	Present
Abdel Mohsen Abdulrahman Alkhereiji	Vice Chairman	Present	Present	Present	Present
Mohamed Abdelellah Alkhereiji	Member/ CEO	Present	Present	Present	Present
Samuel James Kilion Barnett	Member	Present	Present	Absent	Present
Muhammad Abdullah AlNimr	Member	Present	Present	Present	Present
Munaji Fouad Zamakhshari	Member	Present	Absent	Present	Absent

Resolutions passed by circulation for 2022 was

Member's Name	1st Resolution 06/03	2nd Resolution 21/03	3rd Resolution 27/03	4th Resolution 03/04	5th Resolution 18/05	6th Resolution 04/09	7th Resolution 11/09	8th Resolution 11/10	9th Resolution 26/10
Abdelellah Abdulrahman Alkhereiji	✓	✓	✓	✓	✓	✓	✓	✓	✓
Abdel Mohsen Abdulrahman Alkhereiji	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mohamed Abdelellah Alkhereiji	✓	✓	✓	✓	✓	✓	✓	✓	✓
Samuel James Kilion Barnett	✓	✓	✓	✓	✓	✓	✓	✓	✓
Muhammad Abdullah AlNimr	✓	✓	✓	✓	✓	✓	✓	✓	✓
Munaji Fouad Zamakhshari	✓	✓	✓	✓	✓	✓	✓	✓	✓

7) Board of Directors Remunerations and Allowances

All Figures are in (Thousands) SAR

Description	Executives	Non-Executives	Independent	Committee Members	Total
Meeting Attendance Allowance	-	-	-	-	-
Board Remunerations	-	120	120	-	240
Committee Attendance Allowance	-	-	-	-	-
Committees Remunerations	-	-	-	-	-
Total	-	120	120	-	240



8) Remuneration Policy

Adequate remunerations shall be planned to attract, retain and motivate qualified staff to realize the quality required to successfully manage the Company, avoiding paying more than the necessary, provided that such remunerations shall not exceed the amount determined by the relevant Laws and Regulations. Executives' remunerations shall also be associated to the Company's performance. No manager is allowed to decide the personal compensation.

In accordance with Article 76 of Companies law, the Company's articles of association shall specify the manner of remunerating board members. Such remuneration may take the form of a fixed amount, a certain amount per meeting attended, in-kind benefits, a percentage of the net profit, or a combination thereof. If remuneration is a percentage of the profit, it shall not exceed 10% of the net profit, after the deduction of reserves determined by the general assembly pursuant to the provisions of the Law or the company's articles of association, and after distribution of a dividend of not less than 5% of the company's capital. A member's remuneration shall be proportionate with the number of meetings attended. Any remuneration made in violation of this provision shall be null and void. In all cases, the total amount of remuneration received by a member, whether money or otherwise, shall not exceed 500,000 riyals annually.

In accordance with article 20 of the Company's articles of association, the board members remuneration may take the form of a fixed amount, a certain amount per meeting attended, in-kind benefits, a percentage of the net profit, or a combination thereof. If remuneration is a percentage of the profit, it shall be the percentage specified in article (46.5) of the Company's articles of association. Remuneration shall be as per the provisions of the Companies law, any other laws, declarations or other complementary instructions thereto. In all cases, the Nomination and Remuneration Committee shall forward its recommendation in respect of remunerations to the Board of Directors. The Chairman and the Board of Directors shall obtain a certain amount per meeting attended of SAR 3,000. A transportation allowance equivalent to the value of a business class flight on SAUDIA, and an accommodation allowance of SAR 2,000 per day of the meeting for the traveling member. The Board's report submitted to the Ordinary General Assembly shall include a comprehensive statement of all remunerations, allowances and other benefits received by the Board members during the fiscal year, a statement of the amounts received by the members as employees, administrators or amounts received for technical or administrative works or consultation and a statement of the Board meetings and the meetings attended by each member from the date of the last meeting of the General Assembly.

Subject to other relevant laws and regulations issued by other regulators, the Board of Directors shall, in determining and disbursing the remunerations received by each of its members, consider the relevant provisions of the Companies law and its Implementing Regulations, as well as the following criteria:

- Remunerations shall be fair and proportionate to the member functions, roles and responsibilities, and the objectives set by the Board of Directors to be realized during the fiscal year.
- Remunerations shall be based on a recommendation by the Nomination and Remuneration Committee.
- Remuneration shall be proportionate with the Company's business and the skills required for management.
- The sector in which the Company is operating, its size and the Board members' experience shall be considered.
- Remunerations shall be reasonably adequate to attract, motivate and retain competent and experienced Board members.

9) Board of Directors Remunerations

In accordance with the Company's articles of association, the remuneration of Board members shall be determined in accordance with the official decisions and instructions issued by the Ministry of Commerce in this context the provisions of the Companies law, any other relevant complementary laws and the Company's articles of association. Meeting attendance and transportation allowances shall be determined by the Board of Directors in accordance with laws, decisions and directives applicable in the Kingdom and as specified by the relevant authorities.

10) Remunerations of Committees Stemming from the Board of Directors

- 1- The Board of Directors shall determine and approve the membership remunerations of committees stemming therefrom, except for the audit committee, attendance allowances and other benefits based on the recommendation of the Nomination and Remuneration Committee.
- 2- Membership remunerations of committees stemming from Board of Directors shall consist of an annual remuneration, meeting attendance allowances and other benefits. The bylaw of each committee shall include remuneration of its members.
- 3- The audit committee membership remuneration shall be approved by the General Assembly of Shareholders based on the recommendation of the Board of Directors, in accordance with the law.
- 4- Upon designing the membership of the committees stemming from the Board of Directors, the number of committees that a Board member can occupy shall be considered, so that the total remuneration received by the member for its membership of the Board and the committees shall not exceed the maximum limit provided for in the Companies law.

11) Executive Management Remunerations

The Nomination and Remuneration Committee shall periodically review and recommend remunerations and incentives programs and plans of senior executives to the Board of Directors. Executive management remunerations shall include:

- 1- The monthly basic salary.
- 2- Allowances, including, but not limited to: housing, transportation, telephone and children education allowance.
- 3- Medical insurance benefits for the members and their families.
- 4- Short-term incentive plans with respect to individual and company performance, and long-term incentive plans.
- 5- Other benefits, including annual leave, tickets, travel allowance and end of service award.

12) Relationship between the Remunerations Given and Applicable Remunerations Policy

The Nomination and Remuneration Committee found no material deviations from the approved remuneration policy.

13) Board of Directors Remunerations

All figures are in (Thousands) SR	Fixed Remuneration							Variable Remuneration					End of service award	Total	Expense allowance
	A certain amount	Meetings attendance allowance	Committees meetings attendance total allowance	In-kind benefits	Technical and administrative works & consultation	Chairman, managing director or secretary, if it is a member, remuneration	Total	Profit percentage	Periodical remunerations	Short-term incentive plans	Long-term incentive plans	Granted shares			
I: Independent															
Muhammad Alnimr	60	-	-	-	-	-	60	-	-	-	-	-	-	60	-
Munaji Zamalkshari	60	-	-	-	-	-	60	-	-	-	-	-	-	60	-
II: Non-Executives															
Abdelellah Alkhereiji	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Abdel Mohsen Alkhereiji	60	-	-	-	-	-	60	-	-	-	-	-	-	60	-
Samuel Barnett	60	-	-	-	-	-	60	-	-	-	-	-	-	60	-
III: Executives															
Mohamed Alkhereiji	-	-	-	-	-	-	-	-	450	8,280	-	-	8,730	225	8,955
Total	240	-	-	-	-	-	240	-	450	8,280	-	-	8,730	225	9,195

14) Remunerations and Compensations for Committees' Members

No compensation was paid to committees' members during 2022.



15) Remunerations and Compensations for Top 5 Senior Executives

The remunerations paid for the top 5 senior executives, including CEO and Financial Director, in 2022 are as follows:

All Figures are in (Thousands) SAR

Remuneration type	Title	Total
Fixed Remunerations	Salaries	4,647
	Allowances	2,653
	In-kind benefits	-
	Total	7,300
Variable Remunerations	Periodical remunerations	1,277
	Profits	-
	Short-term incentive plans	10,280
	Long-term incentive plans	-
	Granted shares	-
	Total	11,557
Total	End-of-service award	517
	Board executives total remuneration	-
	Total	19,374

16) Board Members and Executive Management members Interest in the Company's Shares

A- The interest of Board members, their spouses and minors in the Company's shares

There is no interest neither for Board members, nor for their spouses or minors in the Company's shares

B- The interest of Executive Management members, their spouses and minors in the Company's shares

There is no interest neither for Executive Management members, nor for their spouses or minors in the Company's shares

17) Board of Directors Committees

The Company has two committees: the Audit Committee and the Nomination and Remuneration committee. The following are the names and functions of their members:

A- Audit Committee:

Functions of the Audit Committee:

The main function of the audit committee is to verify the adequacy of internal controls, making sure that the internal controls are implemented effectively, and to make any recommendations to the Board of Directors that will activate and develop controls to achieve the Company's purposes and protect the interests of shareholders and investors at a high efficiency and reasonable cost. The Committee shall also be responsible for reviewing risk management policies, annual risk report and plans to reduce the impact of such risks prior to submitting the same to the Board of Directors. It shall also be responsible for confirming compliance with the CMA's corporate governance rules and practices and the Company's governance manual and policy. The scope of the committee's work shall include all work that will enable it to achieve its tasks, including:

1. Studying the Company's initial and annual financial statements before submitting it to the Board of Directors and expressing their opinion and recommendation regarding the same to ensure their integrity, fairness and transparency.
2. Expressing a technical opinion, at the request of the Board of Directors, as to whether the Board's report and the Company's financial statements are fair, balanced and understandable, as well as including information that allows shareholders and investors to evaluate the Company's financial position, performance, business model and strategy.
3. Studying any important or unusual issues contained in financial reports.
4. Examining any issues raised by the Company's Financial Director, or the Company's compliance officer or the External Auditor.
5. Verifying accounting estimates in material issues contained in financial reports.
6. Studying the Company's accounting policies and expressing an opinion and recommendation regarding the same to the Board of Directors.
7. Studying and reviewing the Company's internal and financial controls and risk management systems.
8. Studying internal audit reports and following up on the implementation of corrective actions for observations contained therein.
9. Monitoring and supervising the performance and activities of the internal auditor and the internal audit department in the Company, if any, to verify the availability and effectiveness of the necessary resources in the performance of the work and the tasks assigned thereto. If the Company have no internal auditor, the Committee shall recommend to the Board on the need for an internal auditor.
10. Recommending to the Board of Directors to appoint accountants, a head of internal audit unit or department or an internal auditor, proposing its remunerations.
11. Recommending the Board of Directors to nominate and dismiss auditors, and to determine their fees and assess their performance, after verifying their independence and reviewing their scope of work and the terms for contracting with them.
12. Verifying the independence, objectivity and fairness of the auditor and the effectiveness of the audit work, taking into account the relevant rules and criteria.
13. Reviewing the Company's auditor plan and work, verifying that it has not submitted technical or administrative work that are outside the scope of the audit and submitting its views on it.
14. Answering the Company's auditor inquiries.
15. Studying the auditor report and observations on the financial statements and following up on actions taken in this regard.
16. Reviewing the findings of regulators' reports and verifying that the Company has taken the necessary action.
17. Verifying the Company's compliance with relevant laws, regulations, policies and instructions.
18. Reviewing contracts and deals proposed by the Company with the relevant parties, and submitting views on the same to the Board of Directors.
19. Submitting issues it deems necessary to take action on to the Board of Directors and making recommendations for action to be taken.



Subject to the conditions of the Audit Committee members, the Audit Committee shall be formed for a period of three (3) years under a decision of the Company's Ordinary General Assembly. The Board of Directors shall take the necessary actions to enable the Committee to carry out its tasks, including informing the Committee, without any restrictions, of all data, information, reports, records, correspondence, or other matters that the Committee deems necessary to access.

The following members were appointed in the Audit Committee of the Extraordinary General Assembly held on 23/07/1441 (corresponding to 18/03/2020)

Audit Committee Members

Name	Membership type
Muhammad Abdullah AlNimr	Committee Chair
Abdel Mohsen Abdulrahman Alkhereiji	Committee Vice Chair
Fatima Abdelellah Alkhereiji	Member

Meetings of the Audit Committee:

Member's Name	Membership	1st Meeting 28/02/2022	2nd Meeting 15/08/2022	3rd Meeting 03/11/2022	4th Meeting 21/12/2022
Muhammad Abdullah AlNimr	Committee Chair	Present	Present	Present	Present
Abdel Mohsen Abdulrahman Alkhereiji	Vice Chairman	Present	Present	Present	Present
Fatima Abdelellah Alkhereiji	Member	Present	Present	Present	Present

B- Nominations and Remunerations Committee:

Functions of the Nomination and Remuneration Committee:

The main function of the Nomination and Remuneration Committee is to identify qualified individuals and candidates to join the Board of Directors, as well as to assist the Board of Directors in establishing a sound governance system and developing the necessary policies and procedures for such system. The scope of the committee's work includes carrying out all works to achieve its tasks, including:

- 1- Identifying qualified members and their nomination for membership in the Board of Directors.
- 2- Annual reviewing of Board membership requirements, which include capabilities, expertise and availability for Board activities.
- 3- Reviewing the Board of Directors structure and suggesting the required amendments in light of the Company's interest.
- 4- Identifying strengths and weaknesses of the Board of Directors and proposing the required amendments in light of the Company's interest.
- 5- Nominating for the Company's CEO and Managing Director, and nominating committee members for approval by the Board of Directors or the General Assembly.
- 6- Reviewing the policies and procedures for approval by the Board of Directors prior to their application to the General Assembly.
- 7- Annually monitoring the independence of the independent members of the Board of Directors as well as the existence of any conflict of interest.
- 8- Reviewing the preparatory materials and training courses for new board members.
- 9- Establishing clear policies regarding the remuneration of directors and senior executives.
- 10- Reviewing and proposing plans for key executive positions.
- 11- Reviewing and approving the remunerations and benefits structure for the company as a whole, which includes job grades, salary and benefits structure, and performance-related remunerations and incentives.
- 12- Approving changes to the remuneration of the CEO, and recommending changes to the remuneration of the Managing Director, members of the Board of Directors, and members of the various committees of the Board of Directors.
- 13- Approving unusual remuneration (employment or performance remuneration) for the CEO and senior positions.

The Nominations and Remunerations Committee shall be consisted of at least three (3) members to be appointed by the Company's Board of Directors for a period of three (3) years. Subject to the conditions to of the members of the Nominations and Remunerations Committee, the Board of Directors shall appoint the members of the Committee for a period of three (3) years. The Board of Directors shall take the necessary actions to enable the Committee to carry out its tasks, including informing the Committee, without any restrictions, of all data, information, reports, records, correspondence, or other matters that the Committee deems necessary to access.

The following members were appointed to the Nominations and Remunerations Committee by the Extraordinary General Assembly held on 23/07/1441 AH (corresponding to 18/03/2020)

Nomination and Remuneration Committee Members:

Name	Title
Munaji Fouad Zamakhshari	Committee Chair
Abdelellah Abdulrahman Alkhereiji	Committee Vice Chair
Fatima Abdelellah Alkhereiji	Member

Meetings of the Nomination and Remuneration Committee:

Member's Name	Membership	1st Meeting 03/04/2022	2nd Meeting 26/12/2022
Munaji Fouad Zamakhshari	Committee Chair	Present	Present
Abdelellah Abdulrahman Alkhereiji	Vice Chairman	Present	Present
Fatima Abdelellah Alkhereiji	Member	Present	Present

18) Company's Policy on Dividends

Subject to Article 110 of the Companies Law, all share-related rights shall be recorded to the shareholder, including in particular the right to receive a share of the net profits to be distributed. The Board shall recommend the distribution of any dividends prior to their approval by the shareholders at the General Assembly meeting. The Company shall not be obligated to announce any profits. Any decision in relation to the profits distribution shall depend on a number of factors including, Company's previous and expected profits and cash flows, financing and capital requirements, market data and economic factors in general, zakat, as well as other legal and regulatory considerations. Despite the Company's intention to distribute annual dividends to its shareholders, there are no guarantees of an actual distribution of dividends, nor is there any guarantee about the amounts that will be paid in any year.

Profits will be distributed in Saudi Riyals.

The Company's annual net profits shall be distributed following the deduction of all general expenses and other costs as follows:

- 1- 10% of the net profits shall be set aside to form a statutory reserve, and the Ordinary General Assembly may discontinue the set-up process once the said reserve reaches 30% of the paid-up capital.
 - 2- Based on the proposal of the Board of Directors, the Ordinary General Assembly may set aside a portion of the net profits to form a consensual reserve and allocate such consensual reserve for a specific purpose or purposes determined by the Board of Directors.
 - 3- The Ordinary General Assembly may decide to form additional reserves, to the extent that achieves the interest of the Company or ensures the distribution of fixed profits as much as possible to the shareholders. The aforementioned Assembly may also deduct sums from the net profits to establish social institutions for the Company's employees or to assist the existing entities of such institutions.
 - 4- Then, a first payment to the shareholders representing 5% of the Company's paid-up capital shall be distributed from the remaining net profits.
 - 5- Subject to the provisions stipulated in Article 20 of the Company's Articles of Association and Article 76 of the Companies Law, following the provision the 5% as a remuneration to the Board. However, the entitlement to such remuneration is proportional to the number of sessions attended by the member, the remaining net profits shall be allocated and distributed to the shareholders as an additional share in the profits.
- Noteworthy the dividend policy may be changed from time to time.

Dividends distributed during the year 2022:

- The General Assembly decided, based on the recommendation of the Board of Directors of the Arabian Contracting Services Co., to distribute cash dividends for the fiscal year 2021, and the total distributed dividends amounted to 93,000,000 Saudi riyals, and the share of the distribution amounted to 1.86 Saudi riyals per share.
- The General Assembly decided, based on the recommendation of the Board of Directors of the Arabian Contracting Services Co, to distribute cash dividends for the first half of the fiscal year 2022, and the total distributed dividends amounted to 95,000,000 Saudi riyals, and the share of the distribution amounted to 1.90 Saudi riyals per share.

19) Transactions with Related Parties

The Chairman (Abdelellah Abdulrahman Alkhereiji), the CEO (Mohamed Abdelellah Alkhereiji) and Board member (Samuel James Kilion Barnett) have relations with the company (purchase and sale) as members of the boards of companies of such cooperation. No amendment has been made in such contracts during 2022 and that such relations were established in periods prior to their memberships as shown in the financial statements. Knowing that the other members and the financial director have submitted declarations that they have no interests in the business or contracts with the company.

All Figures are in (Thousands) SAR

Company	Transaction / Contract Nature	Transaction / Contract Amount	Transaction / Contract Duration	Transaction / Contract Condition	Transaction / Name Nature
Saudi Media Company for Advertising and Publicity	Sales	63,438	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Saudi Media Company for Advertising and Publicity	Purchases	(5,534)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Saudi Media Company for Advertising and Publicity	Collections	(26,282)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Saudi Media Company for Advertising and Publicity	Bills payment	1,663	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
National Signage Industrial Company	Bills payment	26,600	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
National Signage Industrial Company	Advertising billboards cost	(32,509)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
National Signage Industrial Company	Sales	2,525	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
National Signage Industrial Company	Collections	(1,112)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
National Signage Industrial Company	Advance payments	10,024	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Engineer Holding Group Company	Expenses paid on behalf	(2,698)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji

19) Transactions with Related Parties (continued)

All Figures are in (Thousands) SAR

Company	Transaction / Contract Nature	Transaction / Contract Amount	Transaction / Contract Duration	Transaction / Contract Condition	Transaction / Name Nature
Engineer Holding Group Company	Bills payment	5	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Engineer Holding Group Company	Dividends paid	31,750	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Engineer Holding Group Company	Dividends	(61,750)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
House of Skill Company for Contracting and Trading	Sales	170	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
House of Skill Company for Contracting and Trading	Collections	(9)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
House of Skill Company for Contracting and Trading	Purchases	(552)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
House of Skill Company for Contracting and Trading	Bills payment	132	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Elegant Restaurants Company	Collections	(47)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Elegant Restaurants Company	Expenses paid on behalf	(7)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Elegant Restaurants Company	Sales	69	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Multaqa Al Zad Company for Tourism	Sales	4	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Multaqa Al Zad Company for Tourism	Collections	(1)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji

19) Transactions with Related Parties (continued)

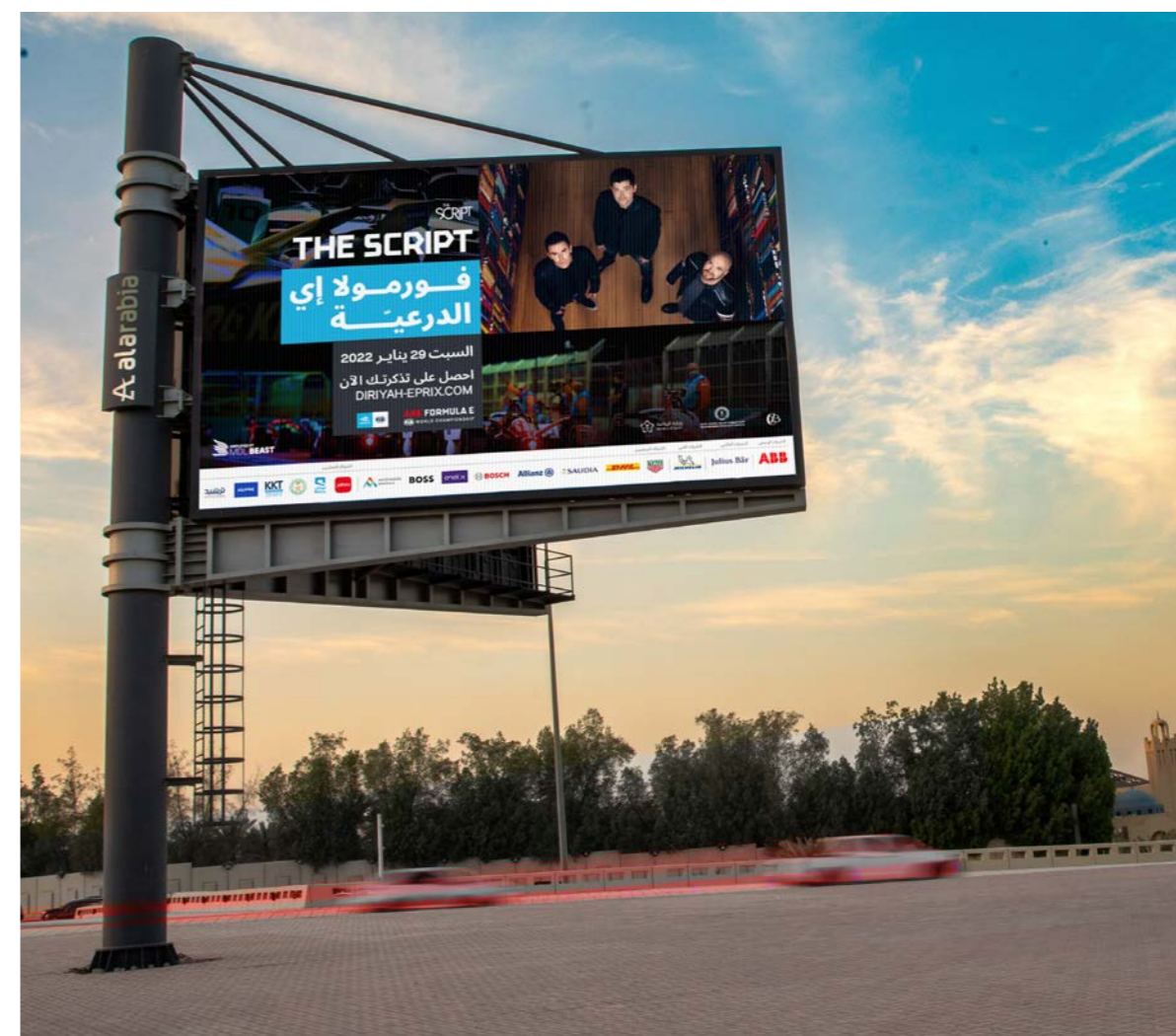
All Figures are in (Thousands) SAR

Company	Transaction / Contract Nature	Transaction / Contract Amount	Transaction / Contract Duration	Transaction / Contract Condition	Transaction / Name Nature
Elegant Hotel Company for Tourism and Hotels	Sales	54	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Elegant Hotel Company for Tourism and Hotels	Collections	4	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
MBC Holding Limited Group	Sales	8,750	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji Board Member Samuel Barnett
MBC Holding Limited Group	Expenses paid on behalf	(2,826)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji Board Member Samuel Barnett
MBC Holding Limited Group	Collections	(10,696)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji Board Member Samuel Barnett
MBC Holding Limited Group	Dividends paid	(9,149)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji Board Member Samuel Barnett
MBC Media Solutions Limited	Purchases	(17,775)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji Board Member Samuel Barnett
MBC Media Solutions Limited	Sales	28,070	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji Board Member Samuel Barnett
MBC Media Solutions Limited	Bills payment	8,720	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji Board Member Samuel Barnett
Upscale Brands Food Company	Sales	72	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Upscale Brands Food Company	Collections	(50)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji

19) Transactions with Related Parties (continued)

All Figures are in (Thousands) SAR

Company	Transaction / Contract Nature	Transaction / Contract Amount	Transaction / Contract Duration	Transaction / Contract Condition	Transaction / Name Nature
Alarabi Investment Company	Purchases	107	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Alarabi Investment Company	Payments	(107)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
SMC Advertising FZ - LLC	Purchases	(1,954)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji



20) Statutory Payments

During 2022, the following amounts were paid:

All Figures are in (Thousands) SAR

Description	Paid	Due until the end of the annual financial period and are not paid	Brief	Statement of Reasons
Visas, passports, labor office and municipal fees	3,375	-	Visas, labor office fees, residency renewals, and municipal fees during 2022	-
Value Added Tax	69,440	(7,901)	Value added tax paid during 2022	The balance is debit, due to advance payment of rental invoices for contracts with municipalities
Zakat and Withholding Tax	12,066	16	The accrued Zakat for the year 2022 is SAR 11,286, Zakat paid for the year 2021 is SAR 11,390, withholding tax due at the end of the year 2022 is SAR 16	-
Social Insurance	2,483	-	Social insurance paid during 2022	-
Customs duties	71	-	Customs duties paid during 2022	-
Total	87,435	(7,885)		



21) Company's Main Activity and Subsidiaries

Activity (1): Advertising

Activity (2): Printing

The impact of such main activities on the Company's business volume and its contribution to the results are as follows:

All Figures are in (Thousands) SAR

Activity	Activity revenues	Percentage (%)
Advertising including the advertisement printing	1,106,212	%98
Printing	19,970	%2
Total revenues	1,126,182	%100

Description of the main activities of the subsidiary (1):

Al Arabia OOH

Activity (1): Advertising

The impact of such main activities on the Company's business volume and its contribution to the results are as follows:

All Figures are in (Thousands) SAR

Activity	Activity revenues	Percentage (%)
Advertising	0	%0
Total revenues	0	%0

Al Arabia OOH is a representative office of Arabian Contracting Services Company in the United Arab Emirates.

Description of the main activities of the subsidiary (2):

Al-Taer Al-Arabi Trading Company (Sindebaad)

Activity (1): E-Commerce

The impact of such main activities on the Company's business volume and its contribution to the results are as follows:

All Figures are in (Thousands) SAR

Activity	Activity revenues	Percentage (%)
E-Commerce	176	%100
Total revenues	176	%100

On Wednesday 26/10/2022, the board of directors decided to liquidate the Al-Taer Al-Arabi Trading Company (Sindebaad) and it is under liquidation processes.

Description of the main activities of the subsidiary (3):

Arabian United Company for Advertising Services

Activity (1): Advertising

The impact of such main activities on the Company's business volume and its contribution to the results are as follows:

All Figures are in (Thousands) SAR

Activity	Activity revenues	Percentage (%)
Advertising	26,747	%100
Total revenues	26,747	%100

22) Company's Assets and Liabilities for the Last Five Years (1)

All Figures are in (Thousands) SAR

	2018	2019	2020	2021	2022
Non-current assets	105,727	899,545	849,291	2,220,124	1,645,534
Current assets	642,756	489,517	465,579	1,019,609	992,224
Assets from discontinued operations	-	-	-	-	4,485
Total assets	748,483	1,389,062	1,314,870	3,239,733	2,642,243
Non-current liabilities	12,139	329,646	328,935	1,601,777	1,033,639
Current liabilities	297,022	535,135	459,518	906,677	785,753
Liabilities from discontinued operations	-	-	-	-	1,891
Total liabilities	309,161	864,781	788,453	2,508,454	1,821,283

22) Company's Business Results for the Last Five Years (2)

All Figures are in (Thousands) SAR

	2018	2019	2020	2021	2022
Revenues	639,157	787,499	497,586	720,632	1,126,182
Cost of Revenues	(449,023)	(451,075)	(398,540)	(390,348)	(639,193)
Gross Profit	190,134	336,424	99,046	330,284	486,989
Net Profit from Discontinued Operations	133,686	225,346	25,201	206,247	283,789
Loss from Discontinued Operations	-	-	-	-	(9,089)
Net Profit	133,686	225,346	25,201	206,247	274,700

23) Geographical Distribution of Advertising Revenues (Base on clients base)

All Figures are in (Thousands) SAR

	2022	2021
Central Region	844,185	506,250
Western Region	92,352	146,787
United Arab Emirates	142,927	48,515
The Egyptian Arabic Republic	26,748	-
Other	-	5,392
Total Revenues	1,106,212	706,944

Revenues do not include printing for others which amount to SAR 20.0 million in 2022, and amount SAR 13.7 million in 2021.

24) Each Subsidiary, Capital, the Percentage of Al Arabia's Ownership, Its Main Activity, the Main Place of Operations, and the Country of Incorporation

Subsidiary Name	Capital	Al Arabia's Equity Ration	Main Activity	Main Country of Operations	Place of Incorporation
Al Arabia OOH	AED 100,000	%100	Advertising	United Arab Emirates	United Arab Emirates
Al Taer Al Arabi Trading Compang (under liquidation)	SAR 50,000	%100	E-Commerce	Kingdom Saudi Arabia	Kingdom Saudi Arabia
Arabian United Company for Advertising Services	EGP 30,000,000	%49.9	Advertising	The Egyptian Arabic Republic	The Egyptian Arabic Republic

25) Information Related to Any Loans on Al Arabia, Whether Payable on Demand or Otherwise, and a Statement of the Total Indebtedness of Al Arabia and Subsidiaries, and Any Amounts Paid By the Company in Repayment of Loans During the Year, the Amount of Loan Principal, the Lender, Duration and the Remaining Amount. In the Absence of Loans on the Company, the Company Shall Submit an Acknowledgment Thereof.

All Figures are in (Thousands) SAR

	Entity Name Lender	Principal	Duration	Advance Payments of the Loan during the Year	Remaining Amount of the Loan	The Total Debt of Company and Its Subsidiaries
1	Banque Saudi Fransi	92,000	12 Months	92,000	-	-
2	Banque Saudi Fransi	18,000	12 Months	18,000	-	-
3	Banque Saudi Fransi	30,000	12 Months	30,000	-	-
4	SABB	70,432	9 Months	70,432	-	-
5	Banque Saudi Fransi	30,000	15 Months	30,000	-	-
6	Saudi Investment Bank	38,372	9 Months	38,372	-	-
7	Riyad Bank	14,722	12 Months	14,722	-	-
8	Banque Saudi Fransi	30,000	18 Months	30,000	-	-
9	Banque Saudi Fransi	94,340	12 Months	94,340	-	-
10	Banque Saudi Fransi	30,000	19 Months	30,000	-	-
11	Riyad Bank	50,000	12 Months	-	50,000	50,000
12	Banque Saudi Fransi	122,360	12 Months	-	122,360	122,360
13	SABB	34,300	9 Months	-	34,300	34,300
14	Riyad Bank	31,625	12 Months	-	31,625	31,625
15	SABB	40,566	9 Months	-	40,566	40,566
16	Riyad Bank	70,065	12 Months	-	70,065	70,065

26) A description of the categories and numbers of any convertible debt instruments and any contractual securities or memoranda of subscription right or similar rights issued or granted by the Company during the fiscal year, with an explanation of any compensation obtained by the Company in exchange for the same.

No subscriptions or similar rights were issued by the Company during the fiscal year.

27) Clarification of any difference from the accounting standards approved by the Saudi Organization for Chartered and Professional Accountants (SCOPA)

No differences from the accounting standards approved by SCOPA were found.

28) Announcements made by Al Arabia on Tadawul's website during 2022

Announcement Title	Announcement Details	Date
Arabian Contracting Services Co. Announces an update on Contract award through its arm Arabiya United for Advertising Service (an associate company), to rent sites for the installation of billboards with a coverage of 89% of the bridge's sites on the North Coast (City of El Alamein) in Egypt.	An update on contract award.	29/12/2022
Arabian Contracting Services Co. Conducted its earnings conference call to discuss 3rd Quarter and nine months of 2022 financial results with financial analysts and Investors representatives.	Conducting earnings conference call to discuss 3rd Quarter of 2022 financial results with financial analysts and Investors representatives.	07/12/2022
Arabian Contracting Services Co. Announces the Opening of The Nomination Period for The Board of Directors Membership for the next term	Opening the nomination period for the Board of Directors membership for the next term starting from 18/03/2023 until 17/03/2026	22/11/2022
Arabian Contracting Services Co. announces the signing of an agreement with Al Bait Development and Constructions LLC. to become the exclusive agent for advertisements in the Clock Towers Centre in Makkah Al-Mukarramah for a period of 5 years.	On Monday 21/11/2022 corresponding to 27/04/1444H, Arabian Contracting Services Co. concluded an exclusive agent agreement with Al Bait Development and Constructions LLC. for media and advertising services in The Clock Towers Shopping Centre in Makkah Al-Mukarramah, which is part of the Islamic architecture icon (The Clock Towers Complex) that hosts 20 million visitors annually.	21/11/2022
Arabian Contracting Services Co. announces its Interim Financial Results for the Period Ending on 30-09-2022 (Nine Months)	Announcing the 3rd quarter financial results.	08/11/2022
Arabian Contracting Services Co. Announces the decision of its board of directors to liquidate its subsidiary (voluntarily).	Arabian Contracting Services Co. announces that within the framework of reviewing the company's plans and business strategy, and with the purpose of focusing on investing in promising opportunities locally and globally and avoiding any future obstacles that may limit the company's approach in achieving the best results, and After discussions and preparation of the necessary studies, the company's board of directors issued on Wednesday corresponding to 26/10/2022 a decision to voluntarily liquidate the Arabian Bird Trading Company (Sindebaad), which is a subsidiary and 100% owned by Arabian Contracting Services Co., and its paid-in capital is 50,000 Saudi Riyals.	26/10/2022
Arabian Contracting Services Co. Announces the signing of a purchase agreement (the "Agreement") with Faden Media (the "Company") for the full acquisition of the company in the value of One billion and fifty million (1,050,000,000) Saudi Riyals.	Arabian Contracting Services Co. has entered a purchase agreement (the "Agreement") to acquire the entire shares of Faden Media (the "Company") -a limited liability company "one person company"- with a capital of twenty-five million (25,000,000) Saudi Riyals, thus, Faden Media (the "Company") will be fully owned by 100% to Arabian Contracting Services Co.	12/10/2022
Arabian Contracting Services Co. Announces the Results of the Ordinary General Assembly Meeting (First Meeting).	Results of the Ordinary General Assembly	05/10/2022
Arabian Contracting Services Co. Announces the date of starting the electronic voting on the Ordinary General Assembly Meeting Agenda (First Meeting) Via Modern Technology Means (Reminder Announcement).	Reminding shareholders to vote on the Ordinary General Assembly agenda.	29/09/2022
Addendum Announcement from Arabian Contracting Services Co. Regarding exercising MBC Group Holdings Ltd. (one of the substantial shareholders) its purchase option to increase its ownership percentage by 15% of al arabia shares bringing their total ownership percentage in the company to become 20%.	Announcing the details of the agreement.	21/09/2022
Arabian Contracting Services Co. announces that MBC Group Holdings Ltd. (one of the substantial shareholders) has exercised its purchase option to increase its ownership percentage by 15% of al arabia shares bringing their total ownership percentage in the company to become 20%.	Arabian Contracting Services Co. announces that MBC Group Holdings Ltd. (one of the substantial shareholders) has exercised its purchase option to 15% of al arabia shares owned by Engineer Holding Group (on of the substantial shareholder). This will increase MBC Group Holdings Ltd. ownership percentage in al arabia shares to 20% and the ownership percentage of Engineer Holding Group to be 50% instead of 65% of al arabia shares.	18/09/2022
Arabian Contracting Services Co. Conducted its earnings conference call to discuss 2nd Quarter and first six months of 2022 financial results with financial analysts and Investors representatives.	Conducting earnings conference call to discuss 2nd Quarter of 2022 financial results with financial analysts and Investors representatives.	15/09/2022
Arabian Contracting Services Co. announces to Invites its Shareholders to Attend the Ordinary General Assembly Meeting (First meeting) via modern technology means.	Inviting shareholders to attend the ordinary general assembly on 04/10/2022	13/09/2022
Arabian Contracting Services Co. Announces the Recommendation of Its Board of Directors to Distribute Cash Dividends to its Shareholders for the first half of the year 2022	Distributing cash dividends to the shareholders for the first half of 2022 and the distributed amounted to 1.90 Saudi Riyal per share.	04/09/2022

28) Announcements made by Al Arabia on Tadawul's website during 2022 (continued)

Announcement Title	Announcement Details	Date
Arabian Contracting Services Co. Announces an update on Contract award through its arm Arabiya United for Advertising Service (an associate company), to rent sites for the installation of billboards with a coverage of 89% of the bridge's sites on the North Coast (City of El Alamein) in Egypt.	An update on contract award.	04/09/2022
Arabian Contracting Services Co. announces its Interim Financial Results for the Period Ending on 2022-06-30 (Six Months)	Announcing the 2nd quarter financial results.	22/08/2022
Arabian Contracting Services Co. Announces a contract award through its arm Arabiya United for Advertising Service (an associate company), to rent sites for the installation of billboards with a coverage of 89% of the bridge's sites on the North Coast (City of El Alamein) in Egypt.	Arabian Contracting Services Co. announces the award of licensing contract through its arm Arabiya United for Advertising Service for the exploitation of 17 sites in the northern coast of Egypt for the installation of 174 billboards including 6 sites to install digital billboards on bridges in where the value of the contract is 46,790,000 Egyptian Pounds which equivalent to 9,264,420 Saudi Riyals and the duration of the contract is one year and it is automatically renewed annually as stipulated in the contract.	03/08/2022
Arabian Contracting Services Co. announces the signing of an agreement with Elevison Media (which owns the full advertising rights of the Dubai International Financial Centre-DIFC) to become the exclusive agent for advertisements in DIFC and its affiliated areas for a period of 7 years.	On Sunday, 06/19/2022 corresponding to 20/11/1443, Arabian Contracting Services Co. has entered with Elevison Media, a leading digital advertising company for residential and office complexes (which owns the full advertising rights of the Dubai International Financial Center-DIFC) into an exclusive agent agreement for advertising services to appoint Al arabia as an exclusive agent for advertising in Dubai International Financial Center and its affiliated areas.	20/06/2022
Arabian Contracting Services Co. announces the signing of an agreement with Elan Media Advertising LLC. to become the exclusive agent for advertisements in the FIFA World Cup 2022, which is held in Qatar.	Signing an exclusive agent agreement with Elan Media Advertising, a leading media group that owns and operates various outdoor and indoor advertising and media platforms in Qatar, to appoint the Arabian Contracting Services as its exclusive representative in the (external) advertising portfolios and acquires exclusive rights under the agreement and that's to locate and attract customers and businesses in the local market in Kingdom of Saudi Arabia, Egypt, Bahrain, and Kuwait during the FIFA World Cup 2022 held in Qatar.	19/06/2022
Arabian Contracting Services Co. Conducted its earnings conference call to discuss 1st Quarter of 2022 financial results with financial analysts and representatives of Investment agencies.	Conducting earnings conference call to discuss 1st Quarter of 2022 financial results with financial analysts and Investors representatives.	16/06/2022
Arabian Contracting Services Co. announces its Interim Financial Results for the Period Ending on 2022-03-31 (Three Months)	Announcing the 1st quarter financial results.	18/05/2022
Arabian Contracting Services Co. Announces the Results of the Extraordinary General Assembly Meeting, (First Meeting)	Results of the Extraordinary General Assembly	11/05/2022
Arabian Contracting Services Co. announces the date of starting the electronic voting on the Extraordinary General Assembly Meeting Agenda (First Meeting) Via Modern Technology Means (Reminder Announcement).	Reminding shareholders to vote on the Extraordinary General Assembly agenda.	28/04/2022
Arabian Contracting Services Co. announces to Invites its Shareholders to Attend the Extraordinary General Assembly Meeting (First meeting) via modern technology means	Inviting shareholders to attend the Extraordinary general assembly on 10/05/2022	10/04/2022
Arabian Contracting Services Co. Conducted its annual financial result for the year ended 31 December 2021 earnings conference call with financial analysts and representatives of Investment agencies	Conducting earnings conference call to discuss 2021 financial results with financial analysts and Investors representatives.	29/03/2022
Arabian Contracting Services Co. announces signing sites lease contract for 40 (digital) billboards to be installed on bridges and tunnels in Jeddah City.	Signing sites lease contract for 40 digital billboards to be installed on bridges and tunnels in Jeddah City.	16/03/2022
Arabian Contracting Services Co. Announces the Recommendation of Its Board of Directors to Distribute Cash Dividends to its Shareholders for the Year 2021	Distributing cash dividends to the shareholders for the year 2021 and the distributed amounted to 1.86 Saudi Riyal per share.	07/03/2022
Arabian Contracting Services Co. announces its Annual Financial Results for the Period Ending on 2021-12-31	Announcing the 2021 financial results.	03/03/2022
Arabian Contracting Services Co. announces the establishment of a subsidiary L.L.C 100% owned.	Arabian Contracting Services Co. announces the completion of establishing (Sindebaad) ,100% owned Subsidiary L.L.C. Based on the approval of the Board of Director's decision in its meeting held on 14/07/2021 AD, which was the establishment of the Arabian Bird Trading Company (Sindebaad), headquartered in Riyadh, with a capital of 50,000 Saudi riyals, specialized in providing Multi-vendor B2C with categories in -Fashion, Cosmetics, Perfumes & Home.	27/02/2022
Arabian Contracting Services Co. announces winning the bid for 40 Digital Billboards to be installed on bridges and tunnels in Jeddah City.	Arabian Contracting Services Co. announces on Tuesday 14/7/1443 AH corresponding to 15/2/2022 that it has won a bid to rent 40 billboards of the type (digital) billboards to be installed on bridges and tunnels in Jeddah City, with a total amount of 1,000,160,000 SAR for a period of 10 years.	15/02/2022
Arabian Contracting Services Co. announces receiving 211 sites for billboards installation in Tabuk, Hail and Al-Kharj.	Arabian Contracting Services Co. announces on Monday 6/7/1443 H corresponding to 7/02/2022 receiving 211 sites for billboards installation in Tabuk, Hail and Al-Kharj, with lease contracts totaling 48,163,500 SAR to expand its geographical scope and continue to distinguish its services according to the highest modern design and operational standards, in addition to enhancing its market share.	07/02/2022

29) Clarification of any material differences in the operating results between the previous year or any expectations announced by Al Arabia

All Figures are in (Thousands) SAR

Description	2022	2021	Differences (+) or (-)	Difference %
Revenues	1,126,182	720,632	405,550	%56
Revenues Costs	(639,193)	(390,348)	248,845	%64
Gross Profit	486,989	330,284	156,705	%47
Operating Revenue – Other	-	-	-	-
Operating Expenses – Other	(103,029)	(68,954)	34,075	%49
Operating Profit	383,960	261,330	122,630	%47

30) Any punishment, penalty, precautionary procedure, or preventive measure imposed on the Company by the Authority or any other supervisory, regulatory or judiciary authority, describing the reasons for non-compliance, the imposing authority and the measures undertaken to remedy and avoid such non-compliance in the future

Neither CMA nor any other related authority imposed any penalties or fines during 2022.

31) Audit Committee Opinion on Internal Control

The Committee expressed its opinion on the internal control in Al Arabia based on the periodic reports submitted by the Board, and through supervisory role by following up on the work and reports of IAD, which verify the effectiveness of Al Arabia's internal controls and procedures. In addition, Al Arabia expressed its opinion through the evaluation of the control system by the external auditor through its periodic review. Accordingly, the Committee did not find out any material deficiencies in the internal controls that requires drawing General Assembly's attention.

32) Audit Committee Recommendations in conflict with the Board Resolutions

There are no recommendations of the Audit Committee conflicting with the resolutions of the Board, or refused by the Board to be adopted regarding the appointment, dismissal, determination of the fees and evaluation of the performance of the company's auditor, or the appointment of the internal auditor.

33) Procedures taken by the Board to inform its members – especially non-executives – of the shareholders' proposals and observations regarding AlArabia and its performance

The Chairman of the Board of Directors, at the first meeting of the Board, shall inform its members – especially non-executives – of the shareholders' proposals and observations regarding Al Arabia and its performance, if any.

34) General Assembly Meetings

Member Name	Extraordinary General Assembly	Ordinary General Assembly
	10/05/2022	04/10/2022
Abdelellah Abdulrahman Alkhereiji	Present	Present
Abdel Mohsen Abdulrahman Alkhereiji	Present	Present
Mohamed Abdelellah Alkhereiji	Present	Present
Samuel James Kilion Barnett	Present	Present
Muhammad Abdullah AlNimr	Present	Present
Munaji Fouad Zamakhshari	Absent	Present

35) Shareholders Register

Number of shareholders register requests	Request date	Reasons for request
1	05/12/2022	Companies Procedures
2	08/11/2022	Companies Procedures
3	02/10/2022	General Assembly
4	04/09/2022	Companies Procedures
5	02/08/2022	Companies Procedures
6	03/07/2022	Other
7	05/06/2022	Other
8	08/05/2022	Companies Procedures
9	08/05/2022	General Assembly
10	08/02/2022	Companies Procedures
11	17/01/2022	Other



36) Social Contributions Details

Entity	Campaign	Campaign Date
AlArabia	World Cancer Day	04/02/2022
Saned	Saned Association for children with cancer	10/02/2022 - 16/02/2022
Saned	Saned Association for children with cancer	10/02/2022 - 20/02/2022
AlArabia	Foundation Day	18/02/2022 - 22/02/2022
Civil Defense	World civil defence day	27/02/2022 - 05/03/2022
AlArabia	Women's Day	08/03/2022
AlArabia	Ramadan / Why hurry?	01/04/2022
MOI	Road Safety week	04/05/2022 - 10/05/2022
Riyadh Municipality	Hear Me out	11/05/2022 - 17/05/2022
Almawaddah	Our home is fine	17/05/2022
MOI	Anti-beggary	04/06/2022 - 10/06/2022
MOI	وطن بلا مخالف	09/06/2022 - 11/06/2022
AlArabia	Blood Donation Day	14/06/2022
AlArabia	Father's Day	19/06/2022
AlArabia	10th Hajj Campaign	01/07/2022 - 07/07/2022
AlArabia	Arafa	07/07/2022
AlArabia	Eid Greeting & Hajj Season	08/07/2022 - 13/07/2022
AlArabia	Jeddah Security & Development Summit	16/07/2022
AlArabia	The Line	25/07/2022
AlArabia	Back To School	25/08/2022 - 31/08/2022
Alzheimer	ذلك أقرب بحسهم	02/09/2022 - 08/09/2022
MOI	The Unified Security Operations Center (911) in the Eastern Province	05/09/2022 - 11/09/2022
Steam Cells	Stem Cell donation Campaign	15/09/2022 - 17/09/2022
Darkom	Darkom campaign for the mentally ill and the homeless	18/09/2022 - 01/10/2022
Zahra Association	رايتك وردية	01/10/2022 - 21/10/2022
AlArabia	Pink Month	01/10/2022 - 31/10/2022
Creative Industry Sumit	Creative Industry Sumit	25/10/2022 - 31/10/2022
AlArabia	King Salman Bae'aa	28/10/2022
Catmosphere	Catmosphere	30/10/2022 - 05/11/2022
AlArabia	Blue Month	01/11/2022 - 30/11/2022
AlArabia	Oman National Day	18/11/2022
AlArabia	International Men's Day	19/11/2022
AlArabia	Green Falcons - Win	22/11/2022
AlArabia	International Day for the Elimination of Violence Against Women	25/11/2022
AlArabia	Green Falcons - Hard Luck	26/11/2022
King Salman Center for Disability	King Salman Center for Disability	25/11/2022 - 06/12/2022
AlArabia	Green Falcons Qidam	29/11/2022 - 01/12/2022
AlArabia	UAE National Day	02/12/2022
Masha'el AlObaidan Baja Race	Masha'el AlObaidan Baja Race	08/12/2022 - 10/12/2022
AlArabia	Bahrain National Day	16/12/2022
AlArabia	Qatar National Day	18/12/2022
Masha'el Al Obaidan Dakar	Masha'el Al Obaidan Dakar	20/12/2022 - 20/01/2023

37) Future Plans

Expansion and geographical spread in the region, taking the lead in providing external advertising services in the Middle East through:

- 1- Expansion in the field of information technology through the use of data to develop the company's business and with the aim of providing effective information solutions to customers that serve their goals and help them reach their customers in a scientific manner and analyze the available data related to consumers.
- 2- Studying entering into win-win alliances and partnerships that allow geographic expansion in order to advance the company's position, maintain its leading position locally and regionally, and benefit from global expertise in this field.

38) Risks

All businesses are fraught with many risks that vary in terms of their quality and impact. The Board approves the assessment of risks based on the results of the internal audit. Upon its resolution, the Board considered that the Audit Committee and Department shall continue to assume the most important part of the assessment and supervision process of risks.

A- Credit Risks

Credit risk is the risk resulting from the other party non-fulfillment of its obligations under a financial instrument or business contract. This will result in a financial loss, and the Company is exposed to a credit risk from its operating (principally to trade receivables) and financing activities.

B- Risks of Signboards Exposure to Damage or Destruction

Most of Company's signboards and advertising structures are located in open places close to streets and roads. Accordingly, such signboards and advertising structures are exposed to damage or destruction as a result of sandstorms, lightning and other extreme weather conditions during certain periods of the year. The signboards are also subject to damage as a result of vehicle collision accidents. In the event of damage of a large number of Company's signboards or advertising structures as a result of any of the above reasons, the Company will lose a large part of its assets. Consequently, its revenues will decrease, which will have a negative and material impact on its business, financial position, results of operations and future prospects.

C- Risks associated to Company's Operations affected by Economic Risks in KSA

All of the Company's operations are centered and all of its assets are located in the Kingdom, which is considered an emerging market. The Company has no substantial assets or operations with its subsidiary. Although the Kingdom continues to implement a policy of diversifying the economy to increase the contributions of the non-oil sectors, it still depends on its income from the oil sector to implement and develop its economic plan.

Therefore, any decrease in oil prices may lead to an economic slowdown or significantly reduce government spending, which will negatively affect the Kingdom's economy and all existing sectors and businesses. This will negatively and materially affect company's business, financial position, results of operations and future prospects.

D- Risks associated to competition

Al Arabia carries out its business in a competitive environment and is subject to competition from existing and new competitors in the Saudi market. Companies operating in the field of outdoor advertising (including Al Arabia) compete with companies relying on other advertising media such as television, newspapers and other media.

Further, Al Arabia competes with a variety of outdoor advertising means such as models and billboards in shopping centers, malls, economic centers, airports, stadiums, supermarkets and universities, which, by virtue of their display locations, target specific segments of the customers (such as ads in universities and sports clubs that target the youth groups). In addition, Al Arabia expects that projects for the development of public transportation within and between the main cities in the Kingdom (such as the Riyadh metro project, the bus transportation network development project in Riyadh, public transport projects in Jeddah, Mecca and Madinah, such as the Al-Haramain train project.) will be accompanied by the emergence of outdoor ads with new models, which will lead to an increase in outdoor advertising spaces in the Kingdom. It will further lead to an increase in competition in the field of outdoor advertising, and a decrease in the percentage of company's ownership of outdoor ads in the Kingdom. There may be a development in the technologies used in the advertising sector in a manner leading to the emergence of new advertising media that negatively affects the level of advertising companies' demand for outdoor ads. The outdoor advertising provided by Al Arabia may not be able to compete with other means of advertising, whether existing or future ones. The direction of customers to a large part of their advertising expenditures to other advertising media will have a negative and material impact on Company's business, future prospects, results of operations and financial position.

For more details about the company's risks, please see the prospectus.

39) Challenges

According to the World Bank, the population of the Kingdom of Saudi Arabia in 2021 is estimated to be approximately 34.81 million individual. This is an increase of 1.97% of 2021, when the population was 34.14 million.

However, there is a huge gap between the skills required by the private sector and the same of current Saudi graduates. This gap will remain a challenge for the Saudi economy in the short term until educational outputs are developed to suit the needs of the workplace, where there are a large number of Saudis in the labor market who are either unemployed or illegible to market requirements. This gap, as well as the Kingdom's decisions regarding the cost of hiring non-Saudis in various jobs, are among the current challenges facing economic growth.

40) Aspirations

- Maintaining the leading position in the market to keep the company at the forefront of the companies operating in its field.
- Maintaining and increasing market share in order to enhance growth in revenues and profits.
- Enhancing the operational efficiency of the company's integrated work system and increasing revenues from support services within that system.
- Maintaining and developing the quality of services by providing the latest technologies in the field of outdoor advertising.
- Increase sales through direct marketing to strategic customers.
- Preserving the company's distinguished financial position and establishing factors o resist the stages of recession in the economic cycles through proper prior planning.

41) Board of Directors Declarations

- 1) Proper books of account have been maintained.
- 2) The system of internal control is sound in design and has been effectively implemented.
- 3) There are no significant doubts concerning the company's ability to continue its activity.
- 4) There was no competing business with the Company or any of its activities that any member of the Board is engaging in or was engaging in such competing businesses.

42) The means used by the BOD to assess its performance of its committees and members and the external body which conducted the assessment and its relation with company

None - Indicative article - The company is working on studying the selection of best practices regarding the evaluation of the Board of Directors and the Executive Management.

43) Results of the annual review of the effectiveness of the internal control procedures of the company and the opinion of the audit committee with respect to the adequacy of the company's internal control system

The committee presented its opinion on the company's internal control, according to the periodic reports submitted by the company, as well as through its supervisory role related to following up on the work and reports of the internal audit department. Which verify the effectiveness of the company's internal control system, and the external auditor performs an evaluation of the control system through its periodic review. Accordingly, it was not clear to the committee that there are fundamental deficiencies in the company's internal control system, which requires drawing the attention of the general assembly in this regard.

44) The audit committees recommendation on the need for appointing an internal auditor for the company

Not applicable, as the company has appointed an internal auditor.

45) Details of shares and debt instruments issued for each affiliate company

Not applicable

46) A description of any conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights issued or granted by the company

Not applicable

47) Description of any redemption, purchase or cancellation by the company of any redeemable debt instrument and the value of such securities outstanding, distinguishing between those listed securities purchased by the company and those purchased by its affiliates

Not applicable

48) A description of any arrangement or agreement under which a director or a senior executive of the company has waived any remuneration

Not applicable

49) A description of any arrangement or agreement under which a shareholder of the company has waived any rights to dividend

Not applicable

50) A statement as to the value of any investments made or any reserves set up for the benefit of the employees of the company

Not applicable

51) If the external auditor's report contains reservations on the annual financial statements the board report shall highlight this mentioning the reasons and any relevant information

Not applicable

52) If the board recommended replacing the external auditor before the end of its term, the report shall indicate this mentioning the reasons for the replacement recommendation

Not applicable

53) Details of the treasury shares held by the company and details of the uses of these shares.

Not applicable

