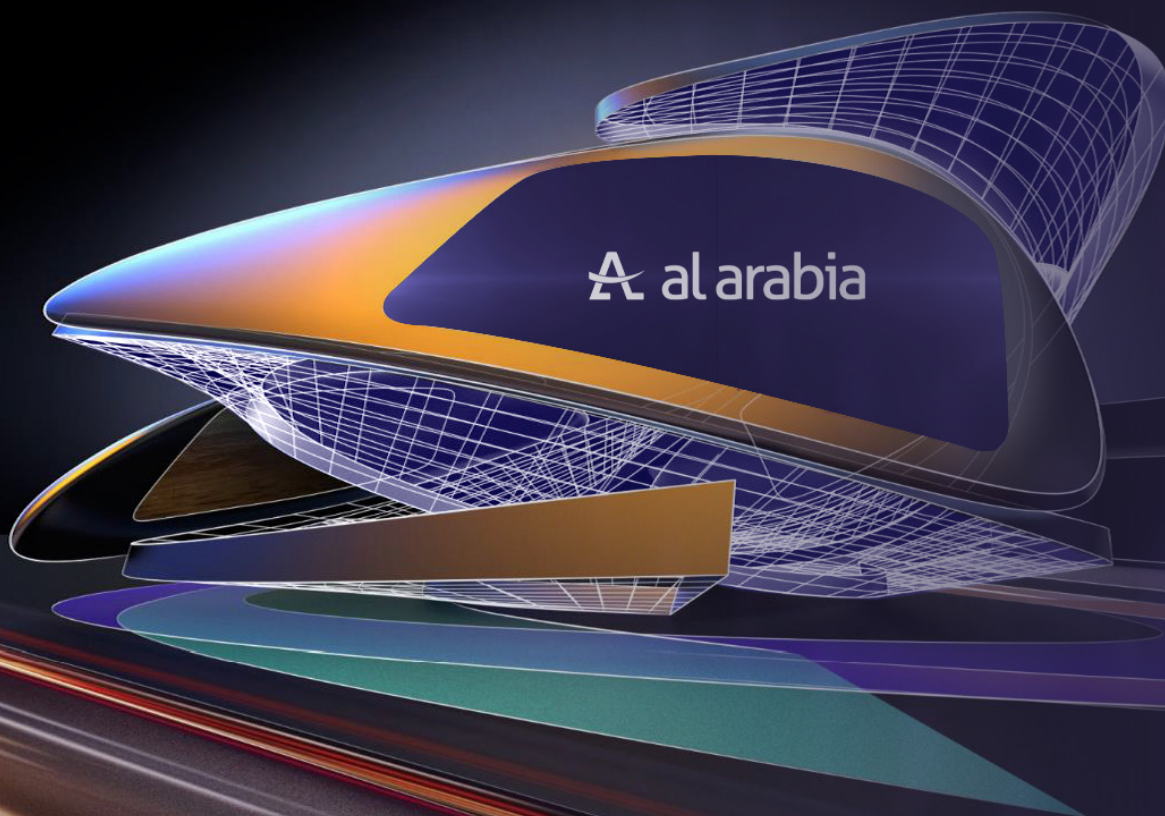

DIGITAL GROWTH
SUSTAINABLE VISIONS

Annual Report 2023



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

Table of Content

1

Overview

- At A Glance 8
- Our Vision & Mission 8
- al arabia and its subsidiary Companies 9
- Year 2023 in Review 10

2

Management Vision & Analysis

- Chairman Message 14
- CEO Message 16
- Strategy Objectives 18
- al arabia's Business Model 19
- Advertising Network 20
- Our Contribution to Kingdom's Vision 2030 22
- The Key 2023 Projects 24
- Investor Relations 32
- Investment Value & Competitive Advantage 36

3

Board Report

- Financial Performance 40
- Governance Report & Relevant Disclosures 47

YEARS 40 سنة

LOUIS VUITTON



al arabia Digital Gate
Riyadh - King Fahad Road
Special Operation - Celebrating 40 Years



The Guide
Riyadh - Tahlia Street



Overview

1

At A Glance 8

Our Vision & Mission 8

al arabia and its subsidiary Companies 9

Year 2023 in Review 10

At A Glance

al arabia is considered the leading company in providing outdoor advertising solutions since 1983, offering its clients the opportunity to engage in advertising experiences through various platforms it provides. Furthermore, it has invested in companies operating in different advertising fields to ensure quality from the beginning to delivery.

In the year 2018, al arabia started digitizing outdoor billboards and contributing to the building of smart cities in alignment with the inspiring Vision 2030. For the first time in the region, al arabia launched unique 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 digitally interconnected smart streets.

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

al arabia provides analytics services to its clients to make al arabia the first outdoor advertising company providing it in the region. This service enables planning before embarking on the campaign, following up the campaign closely, and measuring the success of the campaign accurately.

Arabian Contracting Services Co. has been listed in the Saudi Exchange (Tadawul) - the main Market on the 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 firms in the Saudi advertising sector through its strategy regarding developing its products and providing its services.

Our Vision & Mission

Vision

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

Mission

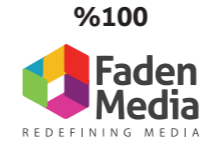
Provide cities and clients with top-notch advertising products, solutions based on data analysis, and world-class services using international standards and the latest technologies.



al arabia and its subsidiary Companies



Arabian Contracting Services Company (Listed Company)



Faden Media Company

Faden Media was acquired in 2023, Faden offering diverse media and advertising solutions. Its focus lies in digital advertising on iconic building facades and advertising within retail stores. Additionally, it specializes in designing, printing, and distributing posters and hanging banners, as well as executing and developing innovative advertising campaigns to meet client requirements.



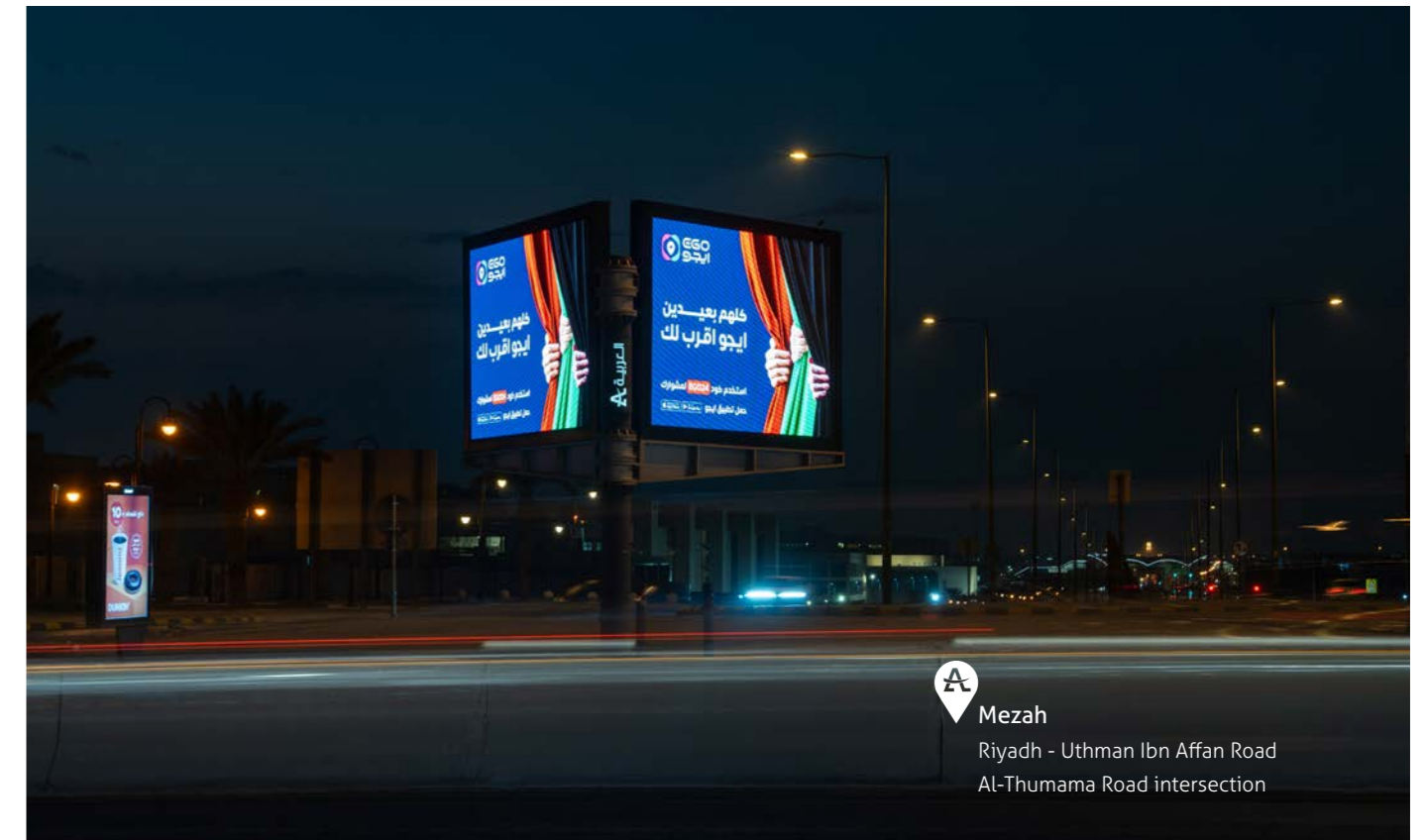
Al-Arabia Out of Home Advertising Company

Al-Arabia Out of Home Advertising Company was established in 2019 as a representative office for al arabia, and it is marketing advertising spaces to advertising agencies and media buyers in the United Arab Emirates.



Arabian United Company

Arabian United Company is an Egyptian joint stock company that was established in 2022 in partnership with the United Media Services Company, to make a quantum leap in the development of the regional advertising sector in Egypt. The partnership included the installation and operation of digital screens with the ability to measure and analyze audience access outcomes. Moreover, Arabian Contracting Servicing Co. supervises, manages, and operates all stages of the advertising process that enables the advertisers to reach their audience in Egypt, starting from installation to reaching advertisers until the AD appears on screens.



Year 2023 in Review

1

January

Platinum Sponsor for Municipal Investment Forum (Furas)

5

May

Signing a Memorandum of Cooperation with the Quality of Life Program

This memorandum aims to achieve common objectives, focusing on collaboration within program initiatives related to the humanization of cities and the treatment of visual distortion. This includes cooperation in adopting smart city technologies, and enhancing innovative projects, in addition to partnership in promoting the practice of hobbies and raising the level of awareness about them.

Signing a Consortium Agreement with Saudi Company for Artificial Intelligenc (SCAI)

al arabia has signed a consortium agreement with Saudi Company for Artificial Intelligenc SCAI to compete to win the project of "establishing, operating, and maintaining outdoor billboards" in Riyadh city, which was offered by Remat Al-Riyadh Development Company, as this consortium represents the beginning of a new phase in finding and developing new trends in the outdoor advertising sector and modernizing the field of road furnishings with outdoor billboards in smart cities.

Winning the Bid for "Construction and Operation of Billboards" at KKIA

al arabia aims to expand in the field of advertising and adopt the latest technologies of outdoor advertising in support of the objectives and vision of King Khalid International Airport, as an ambitious objective of Vision 2030 and the National Transformation Program. The company seeks through this project to set a new standard for the airports' designs, increase advertising sales, and enhance travelers' experiences.

7

July

Distribution of Cash Dividends to the Company's Shareholders for the Second Half of the Year 2022

9

September

Signing a Contract Through Arabian United Company

Signing a licensing contract for the exploitation of 24 in the North Coast (City of El Alamein) in Egypt. al arabia is working on expanding its current portfolio and increasing its advertising network in the region by entering into international partnerships to offer high-quality services and develop them by keeping up with the latest technologies in the advertising field.

Launching the First and Largest Indoor Display 3D Screen in the Kingdom of Saudi Arabia at the Clock Towers in Makkah.

10

October

Advertising Partner for the Financial Academy Forum 2023

Presenting Partner for Saudi Games 2023

Winning the Project for "Establishing, Operating, and Maintaining Outdoor Advertising Billboards" in Riyadh City

Signing a Contract With Remat Al-Riyadh Development Company for "Establishing, Operating, and Maintaining Outdoor Advertising Billboards" in Riyadh City

Signing a Contract With Riyadh Airports Company for "Construction and Operation of Billboards" at KKIA

Launching a Massive New 3D Screen in the Digital Zone Opposite the Kingdom Arena

Completion of the Procedures for the Full Acquisition of Faden Media Company

12

December

Signing a Contract with Jabal Omar Development Company for "Investing and Marketing Advertising Billboards" in the Jabal Omar Project in Makkah

The Jabal Omar project is considered one of the most significant integrated real estate development projects and investment projects currently being carried out in the central region. This strategic partnership with Jabal Omar Development Company is intended to enrich and create a renewed and distinctive experience that aligns with the requirements of investors and visitors to the Holy Mosque.

Signing Several Initiatives and Partnerships with Design Agencies and Experts.

Global ISO Certifications
al arabia has obtained 2 global ISO certifications: ISO 9001 for Quality Management System and ISO 45001 for Occupational Health and Safety Management System.

2

February

Election of Board Members for the New Session

The General Assembly of al arabia's shareholders has elected the members of the Board of Directors for the new session, which commenced on March 18, 2023, for a duration of three years.

Platinum Sponsor for Saudi Capital Market Forum 2023

11

November

Signing a Contract with Sela Company for "Investment, Sale, and Marketing of the Exclusive Advertising Rights for the Boulevard World Project" in Riyadh City

The Boulevard World area is an entertainment area that includes various experiences from 10 countries around the world, also includes the largest artificial lake, and it is one of the areas affiliated with the Riyadh Season activities with a capacity up to 3,000 visitors each hour.

Signing an Agreement with Majid El Futtaim Group Through Arabian United Company

Signing an agreement with Majid Al Futtaim Group in Egypt, for the supply, operation, installation, and maintenance of 595 advertising billboards in the commercial centers owned and operated by the group. These centers include City Centre Maadi, City Centre Alexandria, and Mall of Egypt located in Cairo and Alexandria.



Management Vision & Analysis



2

Chairman Message	14
CEO Message	16
Strategy Objectives	18
al arabia's Business Model	19
Advertising Network	20
Our Contribution to Kingdom's Vision 2030	22
The Key 2023 Projects	24
Investor Relations	32
Investment Value & Competitive Advantage	36

Chairman Message

“ We are dedicated to constant innovation and the pursuit of excellence in keeping abreast of the latest technological advancements that are shaping the future of this sector ”

Eng. Abdelelah Abdulrahman Alkhereiji



Dear Shareholders,

I extend my gratitude for your unwavering support and continuous trust in al arabia. It is with great pleasure that I present to you a glance at our board report for the year 2023, a year that has been marked by significant achievements and progress.

A Turning Point

The Kingdom of Saudi Arabia has experienced remarkable advancements in infrastructure and urban development. Monumental projects such as AL-Riyadh Project offered by Remat AL-Riyadh Development Company have adorned the capital's skyline and bolstered its economic and social standing.

The ambitious AL-Riyadh project represents a pivotal milestone in our journey towards expansion and infrastructure enhancement. Furthermore, this project, situated in the heart of the capital, serves as an exemplar of our dedication to providing innovative services and integrated solutions that cater to the needs of the local market and contribute to the development of the national economy.

Pioneering Status and Promising Future

In line with its continuous strategic evolution, al arabia has made a qualitative leap forward, heralding more successes that will set the stage for a new era of growth and prosperity. This adds value to our increasing leadership presence in the advertising sector, and our development path through which it seeks to enhance the quality of all advertising media, our in-depth market studies and ongoing research and our extensive knowledge and experience in the advertising sector enable us to offer the best advertising solutions and enrich the experience of advertisers with the latest standards of quality and efficiency, which surpass global benchmarks in this sector.

Digital Sustainability

Alongside these endeavors, al arabia has been making significant investments in the digital realm, particularly concerning outdoor advertising. The company places a strong emphasis on the digital transformation of billboards and the incorporation of advanced technological means in this domain. By converting traditional billboards to digital, the company enables the use of state-of-the-art interactive methods to efficiently update content, allowing us to deliver personalized content that resonates with the preferences of the target audience. This investment in technology helps ensure the delivery of sophisticated advertising solutions and enhances the effectiveness of advertising campaigns, reaffirming our commitment to continuous innovation and leadership in the era of digital advertising.

The company's investment in these high-tech facets is not only aimed at achieving leadership in outdoor advertising but also stems from our dedication to constant innovation and the pursuit of excellence in keeping abreast of the latest technological advancements that are shaping the future of this sector. This directly reflects on the campaigns of advertisers and the performance of the company.

Gratitude and Appreciation

We look forward to continuing our strong and sustainable growth in the coming years, supported by a clear vision and a solid foundation capable of facing challenges and seizing available opportunities. We assure you that we will continue to work diligently and with dedication to achieve our goals and enhance the value of your investments.

Eng. Abdelelah Abdulrahman Alkhereiji
The Chairman

CEO Message

Dear Shareholders

Greetings,

The year 2023 was another new year in which we continued to achieve new and tangible successes in the outdoor advertising sector. We were able to enhance our market share and maintain our position as a leading company in the sector through strategic expansion plans, innovative initiatives, and a strategic focus on sustainable growth and digital transformation in our assets and services provided to our clients and partners, success partners.

2023 Figures: Significant Growth, and Tangible Results

The financial figures for the year 2023 showed an increase compared to the previous year 2022, as al arabia achieved revenues of SAR 1.280 Billion compared to SAR 1.126 Billion in 2022, with a growth rate of 14%. Additionally, the company achieved a net profit of SAR 318.2 Million compared to SAR 274.7 Million in 2022, with a growth rate of 16%. The profit margins have been recorded in line with management's expectations and fall within the specified range outlined in the carefully planned guidelines.

These figures confirm the company's and its board of directors' commitment to the drawn financial strategic direction, and adherence to the guidelines and instructions provided to the shareholders during the IPO. These figures also highlight the company's continuity in maintaining its strong and effective financial position and readiness to capitalize on all emerging investment opportunities amidst developments in the outdoor advertising sector.

Shaping The Future of Outdoor Advertising

In the context of the initiatives and goals of Kingdom's Vision 2030, which aim to achieve a sustainable digital future, diversify the Saudi economy, create a balance between economic growth and environmental protection, and improve quality of life, al arabia Company has adopted the path of digital transformation for its advertising assets since 2018, as digitization has become one of the key elements in the outdoor advertising sector, which is adding to the company's suite of features. It is also a major factor in increasing the company's revenues, enhancing its profitability, and improving operational efficiency. This is achieved through the company's ability to accommodate advertising campaigns with up to five times for the digital face of the digital billboards compared to static ones. By the end of 2023, the digital transformation rate of advertising faces reached 89%.

During the year 2023, al arabia Company won the largest outdoor advertising contract worldwide, which was offered by Remat Al-Riyadh Development Company, in consortium with SCAI (a subsidiary of the Public Investment Fund) and supported by the Quality of Life Program. Through this project, al arabia Company aims to reshape the outdoor advertising sector and usher in a new era of innovation and smart services, starting from Al-Riyadh city. Additionally, al arabia Company will provide comprehensive solutions and sustainable technologies designed to contribute to the development of Al-Riyadh city, diversify income streams, enhance the experience of Al-Riyadh residents and visitors, and align with the identity and historical heritage of Al-Riyadh. This will be achieved through collaboration with renowned global design firms to introduce new creative elements that blend aesthetics with sustainability.

This confirms the efficiency of our strategy and our ambitious transformative vision toward creating smart digital leadership in the outdoor advertising sector supported by effective business feasibility. This contributes to attracting and engaging strategic consortiums and partnerships, which in turn enable us to develop our business and leverage the capabilities of our partners to achieve our future directions and initiatives aligned with the goals of Kingdom's Vision 2030.

“ al arabia seeks to reshape the outdoor advertising sector and usher in a new era of innovation and smart services ”

Mohamed Abdelelah Alkhereiji



Systematic Strategic Expansion in The Market Locally and Regionally

The strategy of expanding in the local and regional market is one of the key pillars of the strategic plan followed by al arabia Company, where this expansion is considered an opportunity to increase our market share, expand our advertising network and the scope of our operations. This will lead to entering new markets and building a diverse base of local and regional clients, contributing to enhancing growth and diversifying streams of income.

Achieving this strategy, al arabia Company entered the Egyptian advertising market in 2022 by establishing an Egyptian joint stock company, in partnership with the United Media Services Company. Additionally, the company signed its first contract for outdoor advertising billboards in the United Arab Emirates by establishing Al Arabia OOH Digital Company (Emirati Company) through one of its subsidiary companies Al-Arabia Out of Home Advertising Company (a subsidiary of al arabia Company).

In addition to expanding in regional markets, al arabia aims to increase its market share and strengthen its presence in various regions of the Kingdom. During the year 2023, the process of the full acquisition of Faden Media was completed. The decision to acquire Faden is one of the most important strategic decisions that will enable al arabia to increase its market share in the western region by entering the advertising markets on large building facades and inside retail stores. This, in turn, contributes to diversifying and targeting new segments of advertisers, building brand awareness, and enhancing its impact in the market.

al arabia - Sustainable Investment!

al arabia Company is one of the leading companies in the field of outdoor advertising on both local and regional levels. As it has a long history of successes and achievements, holding a prominent position in the sector. With its extensive experience and commitment to excellence, the company is a preferred destination for many advertisers, relying on a large client base and strong, established relationships. The company also aims to provide high-quality services, which has earned it a strong reputation and a significant market share in the advertising industry.

At al arabia, we are committed to achieving the best value for our shareholders, as it is one of the main objectives that we strive to achieve at al arabia. This reflects our commitment to meeting their expectations and fulfilling their aspirations by providing attractive financial returns and developing businesses in a way that reflects excellence and innovation. It embodies our dedication to creating meaningful and sustainable investment opportunities.

Due to our promising financial and operational performance, al arabia has successfully attracted the attention of both local and international investors. In a short period, the company has witnessed a significant increase in the percentage of foreign investment, rising from 4.40% to 10.73%. Moreover, the number of reports covering al arabia Company's shares has reached 7 reports issued by international and local entities recommending to "buy" al arabia's shares. This reflects analysts' confidence in the company's future and its ability to achieve profitable returns for investors.

Gratitude and Appreciation

In conclusion, al arabia takes pride in being one of the contributors to achieving Kingdom's Vision 2030, through digitizing the outdoor advertising sector, providing sustainable smart solutions, and being constantly prepared to face the rapid changes and challenges that the sector's evolution entails. This reflects the significant efforts that would not have been possible without your trust and continuous support.

We are proud of our achievements during the year 2023, and we will continue to lead and create added value for our shareholders and community. We eagerly look forward to more progress and success in the future.

Mohamed Abdelelah Alkhereiji
CEO

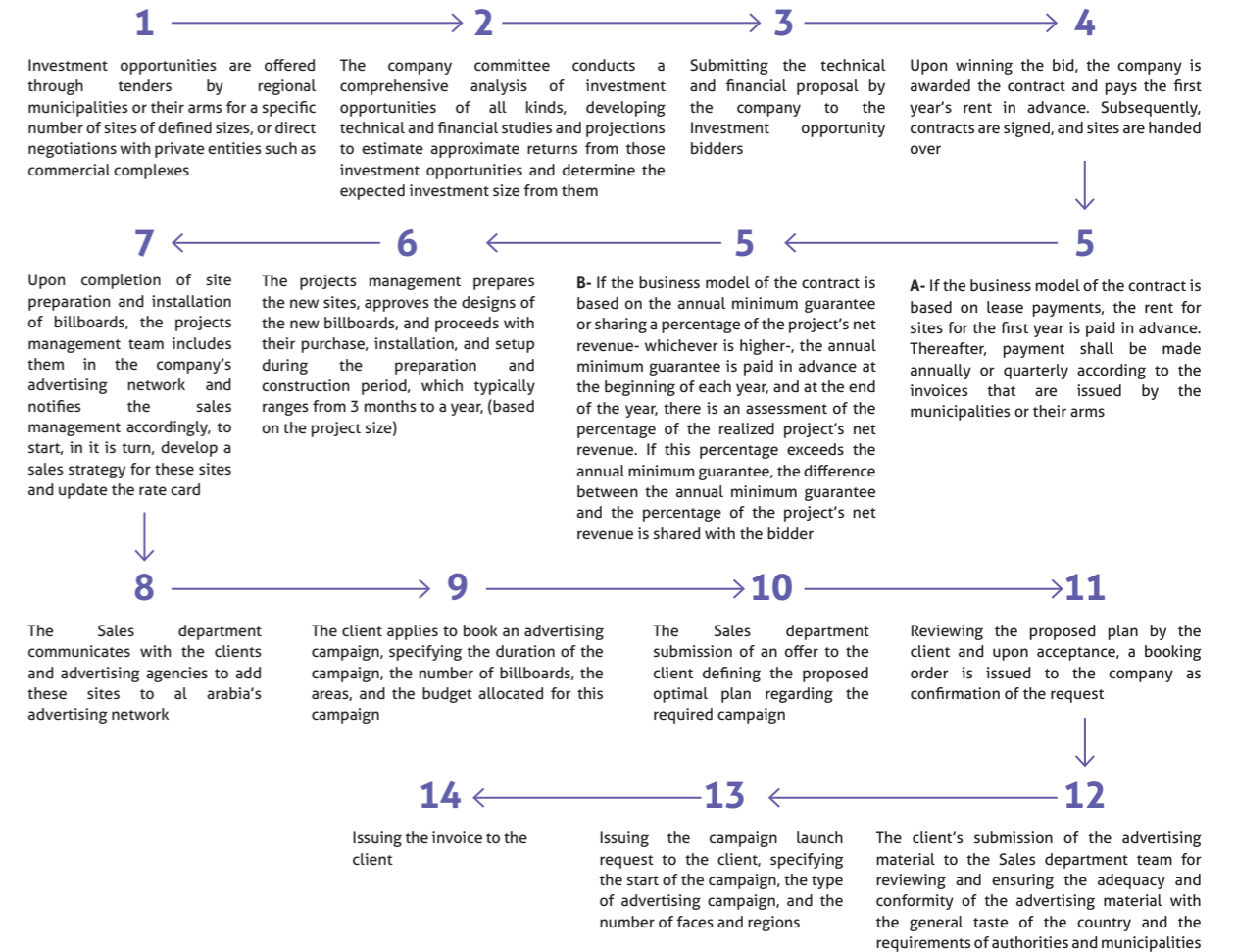
Strategic Objectives

In pursuit of achieving the company's strategic objectives, al arabia has been keen on adopting a clear framework that guides the company in planning and implementing its strategy and attaining its goals. This strategy revolves around several key pillars, including the development and innovation of new trends in the out-of-home advertising sector. As part of this direction, al arabia has taken the lead in digitizing billboards in the Kingdom since 2018. The investment in digital billboards serves as the cornerstone and key to expanding the use of information technology, contributing to providing effective digital solutions that cater to various client segments. This, in turn, enhances sustainable revenue growth and preserves the company's leading position and its strong competitiveness in the market.

Key Pillars of al arabia's Strategy

	Leadership	Maintaining its leadership position in the market to be at the forefront in this sector.
	Market share	Maintaining the market share and increasing it to promote growth in revenue and profits.
	Operational efficiency	Promoting the operational efficiency of 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 quality of the services through providing cutting-edge technologies in the out-of-home advertising sector.
	Sales	Increasing sales through direct marketing to 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 proper prior planning.
	Digitization	Expansion in the field of IT using the data for developing al arabia's operations and to provide effective information solutions to the clients that serve their objectives, helping them to reach their audience scientifically, and analyzing the available data related to the consumers.
	Strategic Partnerships	Studying the rewarding consortiums and partnerships that allow geographical expansion intending to enhance al arabia's position, maintain its leadership locally and regionally and benefit from the global expertise in this sector.

al arabia's 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 highly skilled, professional, knowledgeable, and experienced in the fields of advertising, marketing, and printing.
3. Integrated advertising network compatible with the latest technology in all Kingdom's cities and areas.



Outcomes

1. Achieving an added value:
To clients: For over 40 years, al arabia has provided clients with excellent advertising services.
To shareholders: al arabia's commitment to achieve strong and sustainable returns for investors in the long term as well as dividends.
2. Submitting statistics supported by views ratio to measure the effectiveness and spread of the campaign.
3. Consolidating and increasing the client base and the market share.
4. Experience and knowledge gained through working in several local markets and in the region.
5. Annual positive results and strong financial position.

Advertising Network

Integrated Advertising Network and Strong Presence

al arabia excels in owning the largest road advertising network in the Kingdom, enabling it to provide exceptional and high-quality services to various client segments. The company's integrated advertising network serves as a prominent competitive advantage, with the widespread distribution of billboards throughout the Kingdom being a key element of this competitive edge.

As of 31 December 2023, al arabia owns 6,154 advertising billboards of various forms and types distributed among the major cities in the Kingdom of Saudi Arabia, in addition to the Arab Republic of Egypt and the United Arab Emirates.

The following tables show the details about the number of new contracts that were signed during 2023:

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	2	1,447	14,479,520
Western Region	1	25	1,782
Eastern Region	3	6	51,610
Northern Region	2	21	1,957
Total	8	1,499	14,534,869

B- Indoor Advertising

Region	Number of Contracts	Number of Billboards	Contracts Value (All Figures are in Thousands SAR)
Central Region	1	525	1,822,463
Western Region	5	179	16,000
Total	6	704	1,838,463

Second: The Arab Republic of Egypt

al arabia has several contracts in Egypt concluded through Arabian United Company in 2023, as follows:

A- Outdoor Advertising

Region	Number of Contracts	Number of Billboards	Contracts Value (All Figures are in Thousands EGP)
Cairo	9	54	482,850
Giza	1	1	8,253
The North Coast (City of El Alamein)	1	12	33,350
Total	11	67	524,453

* As of 31 December 2022, with some amendments on the number of billboards in the contracts during the year 2023.

B- Indoor Advertising

Region	Number of Contracts	Number of Billboards	Contracts Value (All Figures are in Thousands EGP)
Cairo		6	2,250
Giza	1	578	6,000
Alexandria		11	3,750
Total	1	595	12,000

Third: The United Arab Emirates

A- Outdoor Advertising

Region	Number of Contracts	Number of Billboards	Contracts Value (All Figures are in Thousands AED)
Dubai	1	75	5,508
Total	1	75	5,508

No Indoor advertising contracts were concluded in 2023.

Number of Advertising Billboards and Faces (As Contracts)

As of 31 December 2023, the number of advertising billboards is 6,154 billboard and 39,911 face, distributed as follows:

First: Kingdom of Saudi Arabia

Method of Operation	Number of Billboards	Number of Faces	Place of Advertisement	Number of Billboards	Number of Faces
Digital	3,306	33,060	Outdoor	4,157	25,434
Static	2,111	4,222	Indoor	1,260	11,848
Total	5,417	37,282	Total	5,417	37,282

Second: The Arab Republic of Egypt

Method of Operation	Number of Billboards	Number of Faces	Place of Advertisement	Number of Billboards	Number of Faces
Digital	60	600	Outdoor	67	390
Static	602	1,204	Indoor	595	1,414
Total	662	1,804	Total	662	1,804

Third: The United Arab Emirates

Method of Operation	Number of Billboards	Number of Faces	Place of Advertisement	Number of Billboards	Number of Faces
Digital	75	750	Outdoor	75	825
Static	75	75	Indoor	-	-
Total	75	825	Total	75	825

*The contract includes 75 billboards, which billboard have two screens, one digital and the other static.

Our Contribution to Kingdom's Vision 2030

Digital Transformation

The major development in the advertising market lies in the fast transformation and adoption of 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 the future. Globally, there is enormous potential arising from the digital out-of-home advertising sites that are strategically placed, especially within 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 out-of-home advertising in the future.

Due to the digital transformation being one of the main pillars to achieve Kingdom's Vision 2030, al arabia was and still is 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 billboard made a great achievement in advertising display methods and techniques alongside roads due to the flexibility offered to advertisers and the company.

One of the most important milestones led by the company is the cooperation with digital transformation partners to accelerate and enable digital transformation in the Kingdom, including the exclusive partnership with Seventh Decimal FZLLC presenting the Streach Platform, which is the first smart platform in the Kingdom that provides information related to clients' behavior, categories, and competitor analysis complying with intellectual property rights to review the statistics and view figures through smart devices. This service will enable advertisers to implement effective advertising campaigns with measurable effectiveness and prevalence through data that can be collected on the viewer's characteristics and behaviors.

Also, al arabia signed a consortium agreement with the Saudi Company for Artificial Intelligence (SCAI) which is one of the Public Investment Fund companies specializing in the field of artificial intelligence and modern technologies, the agreement seeks to adopt the latest smart city technologies and improve the urban landscape to achieve the objectives of the Quality of Life Program, it is also part of the smart city initiatives in the city of Riyadh, and an extension of the authorities' efforts through the use of advanced technologies in improving the ranking of Saudi cities in various sub-indicators. Among those efforts is the national platform for smart cities launched by the Saudi Authority for Data and Artificial Intelligence (SDAIA).

This consortium represents the beginning of a new phase in finding and developing new trends in the outdoor advertising sector and modernizing the field of road furnishings with outdoor billboards in smart cities, which rely on modern technologies such as artificial intelligence, the internet of things, and cloud computing; to improve the services provided to citizens and visitors, and to create a modern, and digital environment that accommodates the population density, in addition to contributing to improving the quality of life in a modern way by raising the level of public services and facilitating human communication, as well as providing an environment that is the most developed and innovative to make these cities environment friendly.

Data & Artificial Intelligence Partner



Owned by إحدى شركات صندوق الاستثمارات العامة
Public Investment Fund

5,417

Billboard
across KSA

38,282

Faces
across KSA

%89

of advertising
faces are
digital

Local Content

al arabia company is committed to supporting local content, exceeding 71% in the outdoor advertising sector, thereby contributing to the achievement of the goals of Kingdom's Vision 2030 to diversify the economy and enhance national production. The company works on localizing expertise and strengthening Saudi competencies, which stimulates local industries, reinforces national identity, and creates new job opportunities, thus supporting the journey towards a prosperous future for the Kingdom.

The Foreign Investment

Supporting the diversification of the Saudi economy, foreign investors play a crucial role, as outlined in Vision 2030. The primary objectives of Vision 2030 are to enhance the economic level and expand streams of income. The Saudi Exchange (Tadawul) plays a significant role in achieving these goals and has collaborated closely with the Capital Market Authority (CMA). Together, they have worked towards making the Saudi market more appealing to international investors by enhancing market functionality and efficiency, broadening access opportunities, improving corporate governance practices, and increasing transparency.

With a strong financial and operational performance, al arabia has successfully attracted both local and international investors. In a short period, foreign investment has increased significantly from 4.40% to 10.73%. Seven reports from reputable international and local entities recommend buying al arabia's shares, demonstrating analysts' confidence in the company's future and its ability to generate profitable returns for investors.

Collaboration with the Public Sector

Given that Kingdom's Vision 2030 emphasizes the importance of collaboration between the public sector, the private sector, and international partners to achieve its ambitious goals, and since achieving a "Thriving Economy" is one of its three main pillars, the vision focuses on diversifying the economy, supporting local content, and developing innovative opportunities for the future by creating an attractive environment for both local and foreign investments. Since the start of Vision 2030, efforts have been made to understand the challenges facing the private sector, and joint efforts have been exerted to remove obstacles, ensuring that the private sector plays a vital role in enhancing the economy. The company also prioritizes collaboration with the public sector and municipalities to improve infrastructure and beautify cities, and it has signed agreements with the Quality of Life Program, as this cooperation is one of the initiatives that contribute to supporting Kingdom's Vision 2030.

The company's scope of work revolves around developing squares and vibrant areas in the Kingdom's cities. al arabia builds bridges and designs distinctive billboards that reflect the city's identity and operates these areas to transform them into key landmarks in the cities. The company also seeks to adopt the latest smart city technologies and improve the urban landscape to achieve the targets set by the Quality of Life program adopted in Kingdom's Vision 2030.

Social Responsibility

Social responsibility is considered a national and humanitarian duty towards society, and the company aims to enhance genuine community work and actively participate in social responsibility programs and activities. The company also seeks to serve citizens and numerous non-profit sector institutions by participating in and supporting various community and humanitarian initiatives in the Kingdom of Saudi Arabia.

During the year 2023, the company carried out a wide range of free campaigns, totaling 26 campaigns, estimated at SAR 39 Million. These initiatives also include health and environmental awareness campaigns, as well as participation in sustainable development programs.

The Key 2023 Projects



Establishing, Operating, & Maintaining OOH Billboards

Riyadh – Kingdom of Saudi Arabia

"Al-Riyadh Project," one of the largest outdoor advertising contracts worldwide, was offered by Remat Al-Riyadh Development Company -which serves as the development arm of the Riyadh Municipality and is responsible for managing the outdoor advertising portfolio- to invest in specific sites within Riyadh City for the establishment of various advertising mediums. This project includes all forms of outdoor advertising in municipal sites. The project's objectives are geared towards transforming the capital into a digital, smart, and sustainable city, ranking among the top 10 cities globally, and this is through a consortium between al arabia and the Saudi Company for Artificial Intelligence Saudi Company for Artificial Intelligenc (SCAI) which is owned by the Public Investment Fund.

Through this project and with the consortium with SCAI, al arabia aims to redefine the concept of outdoor advertising in Riyadh City by elevating the quality standards of models, the artificial intelligence techniques used, and enhancing the management of advertising assets and sites, which contributes directly to providing an innovative digital advertising industry that enhance the quality of life for the city's residents and participation in the environment surrounding them. Additionally, the project works on enhancing financial sustainability and establishing a simplified and efficient system to provide innovative and highly efficient advertising solutions, within the framework of Kingdom's Vision 2030 goals.

The contract's duration is 10 years, based on either net revenue sharing or the annual minimum guarantee- whichever is higher-. The total number of advertising billboards is 1,325 comprising various types and mediums, with an estimated total advertising space of (25,700) square meters, with the ability to increase and modify the number of billboards and sites to reach 3,000 billboards, with doubling the advertising space.

To enhance and facilitate data collection and expand the database size, all billboards in the project will be equipped with data collection technologies and share these data with our consortium the Saudi Company for Artificial Intelligence (SCAI) while adhering to regulations and instructions and ensuring the privacy of the data.

The advertising sites also contain four digital zones, where al arabia will undertake the design, development, and operation of these zones to transform them into one of the prominent landmarks of Riyadh City, according to the agreed specifications. Each of these zones will encompass a range of digital billboards distributed across a cluster of buildings to form a network of screens displaying fixed or animated advertisements throughout the day.

Construction and Operation of Advertising Billboards at KKIA

Riyadh – Kingdom of Saudi Arabia

Through this project, al arabia aims to expand in the field of advertising and adopt the latest technologies of outdoor advertising in support of the objectives and vision of King Khalid International Airport, to provide a unique model for digital outdoor advertisements worldwide by leveraging the latest smart technologies in line with the Quality of Life Program goals. al arabia will collaborate with Riyadh Airports Company to set a new standard for billboard designs, aiming to increase advertising sales and enhance travelers' experiences through interactive services and innovative advertising solutions by using artificial intelligence.

King Khalid International Airport is one of the most active airports in the region and is considered one of the largest airports in terms of area in the world, where the airport's land area is about (370) square kilometers and more than 50 international and local airlines operate through the airport and serving about 24 million travelers annually.

It is worth mentioning that Airports play a key role in attracting direct and indirect economic and investment activities and developing airports have a positive impact on economic, social, cultural, and touristic development indicators, contributing to the achievement of the goals of Vision 2030 and the National Transformation Program. Moreover, airports are among the most important strategic locations for advertisers.

The contract's duration is 10 years, based on either net revenue sharing or the annual minimum guarantee -whichever is higher-, and the total number of billboards is 525 and they are fully digital billboards, 90 billboards are located on the highway leading to King Khalid International Airport, and 435 billboards are positioned inside the airport. These billboards will be strategically distributed among various international and domestic terminals, as well as private aviation.





The Full Acquisition of Faden Media

Kingdom of Saudi Arabia

In the year 2022, al arabia Company entered into a purchase agreement with Faden Media, to fully acquire it for a value of one billion and fifty million Saudi Riyals (SAR 1,050,000,000). In 2023, the procedures for the full acquisition of the mentioned company were completed.

Faden specializes in advertising on large building screens and inside retail stores, and by focusing on these areas, it provides effective and impactful advertising solutions to clients, to ensure that their messages reach the targeted audience.

This acquisition represents an extension of al arabia Company's strategy to expand its operations and enhance its position in the market by entering into lucrative local and regional consortiums and partnerships, aiming to strengthen its leadership position and increase its market share.

Investment, Sale, and Marketing of the Exclusive Advertising Rights for the Boulevard World Project

Riyadh – Kingdom of Saudi Arabia

Arabian Contracting Services Co. has signed a contract for investment, sale, and marketing of exclusive advertising rights for the Boulevard World project in Riyadh with Sela Company, which is owned by the Saudi Public Investment Fund (PIF). Sela Company has developed entertainment facilities across the Kingdom of Saudi Arabia, in addition to being a Saudi company that owns and operates a number of locations including Via Riyadh, Boulevard Riyadh City, Boulevard World, Riyadh Exhibition, Conference Center, and other locations in Jeddah City.

It is worth mentioning that the Boulevard World area is an entertainment area that includes various experiences from 10 countries around the world, also includes the largest artificial lake, and it is one of the areas affiliated with the Riyadh Season activities with a capacity up to 3,000 visitors each hour.

The duration of the contract is 3 years, and the business model is based on sharing a percentage of the value of the financial returns (net revenue and marketing). Also, The total number of billboards is 99 digital advertising screens of various types, including Sphere billboard with innovative spherical design, 26 Mupi billboards designed creatively inspired by various cities around the world, and 51 wall billboards. Additionally, there are 5 promotional spaces distributed within the corridors of the Boulevard World area. The total advertising size of these billboards is (8,779) square meters.





Investing and Marketing of the Advertising Billboards in the Jabal Omar project

Makkah – Kingdom of Saudi Arabia

This strategic partnership with Jabal Omar Development Company aims to enrich and create a renewed and distinctive experience that meets the needs of investors and visitors to the Holy Mosque. It also aims to achieve social and economic dimensions that benefit the community members and the parties involved in this strategic partnership.

Jabal Omar Development Company is one of the largest real estate development companies in the Middle East and Jabal Omar project is considered one of the most important integrated real estate development projects and investment projects currently being undertaken in the central region, which is located steps away from the Holy Mosque in Makkah. The project aims to develop and manage the areas overlooking the Holy Mosque and to embody the efforts and continuous endeavors of the Kingdom to increase the capacity to accommodate visitors to the Holy Mosque, including pilgrims and Umrah performers, to provide a unique living and spiritual experience.

The contract's duration is 5 years, based on sharing a percentage of the income generated from billboards and promotional spaces. The total number of advertising billboards is 45 fully digital billboards, in addition to 5 promotional spaces, distributed across various locations in the project.

The Geographical Expansion in the Market Locally and Regionally

Arabian Contracting Services Co. is working on expanding its current portfolio and deepening its advertising network by establishing strategic partnerships with key players in the outdoor advertising industry at both local and regional levels and deepening cooperation with experienced stakeholders such as media space buyers and agencies to leverage their expertise in outdoor advertising, this is aim to benefit from global experiences in this field to provide and enhance high-quality services by keeping pace with the latest technologies in advertising. This, in turn, contributes to elevating the company's status, strengthening its leading position, and expanding its sphere of influence.

This falls within the strategic direction pursued by al arabia Company to achieve growth and expansion in the Middle East region, following its success in the IPO on the Saudi exchange (Tadawul), as the company aims to take a leading position in providing outdoor advertising services in the Middle East, in addition to striving to make its screens artistic masterpieces that enhance the beauty of cities and serve their residents and visitors.





The United Arab Emirates

During the year 2023, Arabian Contracting Services Co. started expanding its operations and completing its advertising network and solutions by entering the outdoor advertising market in the United Arab Emirates. By the end of the year 2023, the number of advertising billboards in Dubai reached approximately 75 billboards. It's worth mentioning that al arabia Company has a wholly owned subsidiary in the United Arab Emirates called "Al-Arabia Out of Home Advertising" which operates as a representative office for al arabia Company. The activities of this company involve marketing the advertising spaces of al arabia Company to advertising agencies and media buyers in UAE, without entering into contracts with any of these parties directly, as all the contracts are conducted directly through al arabia Company.

The Arab Republic of Egypt

During the year 2022, Arabian Contracting Services Co. entered its first regional partnership outside the Kingdom, collaborating with United Media Services Company to establish an Egyptian joint stock company, to create a qualitative leap in the outdoor advertising sector in Egypt.

Through this partnership, Arabian Contracting Services Co. has signed several contracts with government entities and the private sector in Egypt. Approximately 662 advertising billboards of various types have been distributed in various areas in Egypt, including Cairo, Alexandria, Giza, and the North Coast (City of EL-Alamein).



Head of Investor Relations Message

“We believe that the key to unlocking our vibrant market for foreign investors lies in exemplary disclosure practices and continuous communication, which are fundamental pillars of our strategy.”

Hend Al-Bassam

Dear Valued Investors,

As we contemplate our achievements over the past year and set our sights on future milestones, we wish to extend our sincere appreciation for your unwavering trust and commitment to al arabia. The essence of our corporate ethos is to cultivate a relationship with investors that is not only transparent but also proactive, responsive, and adopting the best practices in the market.

al arabia is on an ambitious path to align with Kingdom's Vision 2030, which includes opening our vibrant market to qualified foreign investors. We believe that the key to achieving this lies in exemplary disclosure practices and excellent and continued communication, which are fundamental pillars of our investor relations strategy.

Our team has been vigorously engaged in fostering global partnerships through our active participation in over 300 meetings and attendance at 6 conferences around the world, these interactions are instrumental in demonstrating our commitment to a healthy, open market that is attractive to a diverse group of investors.

We are poised to build on this momentum, and with your continued support and feedback, we are confident that together we

will realize remarkable achievements and contribute significantly to a market that is globally competitive and appealing to international investors.

Warmest regards,

Hend Al-Bassam
Head of Investor Relations Department



Investor Relations

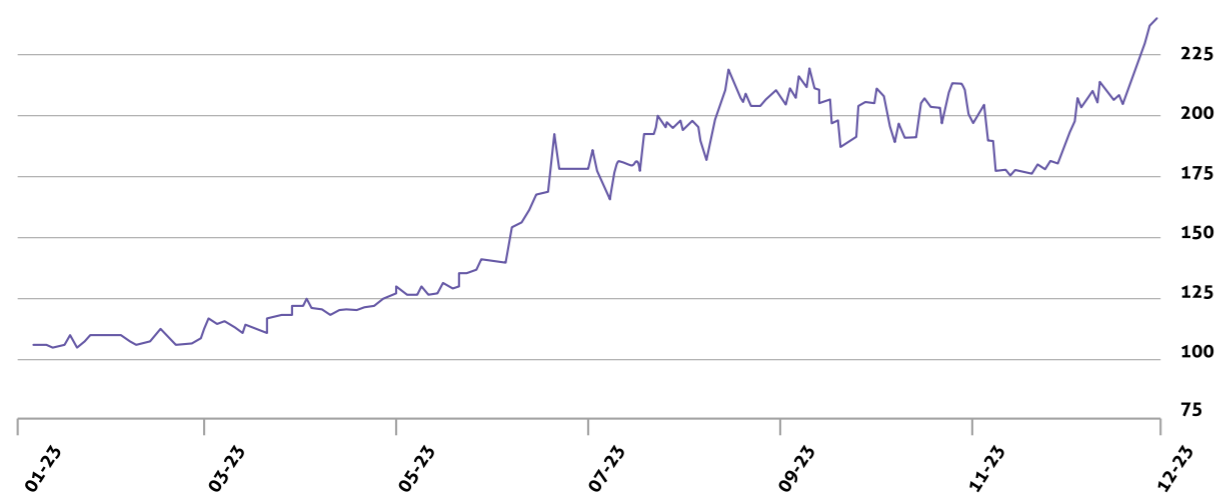
During the year 2023, the main axes of the Investor Relations Department revolved around continuing to adopt an approach of effective and clear communication with the investment community. This was achieved by providing investors with identical access to high-quality, clear, concise, consistent, and complete information. Additionally, it involved converting the most important events and fundamental developments into comprehensive messages that are easy to read and understand. This is in accordance with regulatory and supervisory requirements and disclosure regulations, maintaining and committing to trust and transparency.

The commitment of al arabia Company to its investors remains ongoing, where the company continues to serve as a communication channel between the company's board of directors and the senior executive management on one side and the investors on the other side, to convey the perspectives and inquiries of the investment community. Also, al arabia has hosted various tangible activities, including periodic conference calls, meetings, and individual calls with investors, in addition to participation in numerous local and international conferences.

2023 Metrics

Number of Conference Earnings Calls 2	Number of Analysts Covering al arabia's Share 7
Number of Investor Meetings & Calls +300	The Highest Foreign Ownership 10.73%
Local and International Investor Conferences Attended 6	Financial Reports 6
Announcements on Tadawul Website 29	Earnings Presentations 4

Share Price Performance



Investor Information

Investor Structure (by Substantial Investor)	Number of Shares	Ownership %
Engineer Holding Group	25,000,000	50%
MBC Group Co.	10,000,000	20%

Investor Structure (by Category)	Number of Shares	Ownership %
Corporate / Institutional	45,510,787	91%
Individual	4,489,213	9%
Total	50,000,000	100%

Investor Structure (by Size of Ownership)	Number of Shares	Ownership %
Greater than 1,000,000	35,000,000	70%
500,000 - 1,000,000	752,578	2%
100,000 - 499,999	5,348,539	11%
50,000 - 99,999	2,831,781	6%
10,000 - 49,999	3,573,248	7%
5,000 - 9,999	1,085,594	2%
1,000 - 4,999	863,719	1%
Less than 1,000	544,541	1%
Total	50,000,000	100%

Shareholders Register Requests

#	Request date	Reasons for request
1	01/01/2023	Corporate Action
2	05/02/2023	Corporate Action
3	19/02/2023	General Assembly
4	01/03/2023	Corporate Action
5	08/03/2023	General Assembly
6	02/04/2023	Corporate Action
7	07/05/2023	Corporate Action
8	03/06/2023	Corporate Action
9	11/06/2023	Corporate Action
10	21/06/2023	General Assembly
11	02/08/2023	Corporate Action

Investment Value and Competitive Advantages

Investment Value

We continue our commitment to enhance our market share and maintain our leadership in the outdoor advertising sector. These are achieved through providing a widely distributed advertising network, supported by the latest technological advancements and smart solutions to execute highly efficient advertising campaigns and provide exceptional services to diverse client segments, and this fosters confidence in our ability to achieve sustainable growth returns and creating a unique investment experience and a strategic partnership for our investors.

Continued growth Amount of Revenue	Positive outcomes & growth in line with 2030 Net profit
1.280 Billion SAR	318.2 Million SAR
Earnings Per Share Net profit	Highest Foreign Ownership During 2023
6.36 SAR\Share	%10.73
Disclosure and Transparency	Leadership Market share
29 Announcements in 2023 6 Financial Reports 4 Investor Presentations +300 Investor Meetings & Calls 6 Local & International Investor Conferences	%62.30

Competitive Advantages

- al arabia operates in the largest economy in the Middle East and North Africa (MENA), in addition to a developing market supported by stable economic factors and Kingdom's Vision 2030.
- al arabia specializes in OOH advertising sector, which has unique characteristics that fundamentally distinguish it from all other methods of advertising, locally and regionally
- al arabia leads the major transformations in OOH advertising sector by creating technical methods to benefit from the latest technologies in the OOH advertising sector.
- The company's financial performance and sustained profits over several decades, and its strong financial position and profit.
- The company's management team and their exceptional expertise in the OOH advertising sector.

The most prominent competitive advantages of al arabia



Effective communication with investors



Future growth opportunities



Strategic partnership locally and regionally



Digitalization & keeping up with the latest technologies



Outstanding administrative experience



Leadership in OOH advertising



Strong financial performance



DAO

Jeddah - Sari Street



Board Report

3

Financial Performance 40

Governance Report & Relevant Disclosures 47

Financial Performance

Annual Financial Results of 2023



Revenues
1.280 Billion SAR



Net Profit
318.2 Million SAR



EPS
6.36 SAR / Share



Total Assets
4.5 Billion SAR

The Financial Performance Summary for the Year 2023

The financial results of al arabia Company witnessed significant growth and remarkable leaps in numbers during the year 2023, reflecting the effective strength of the company's financial position and its ability to maintain targeted profit margins, along with its capacity to achieve sustainability in cash flow generation and effectively enhance returns.

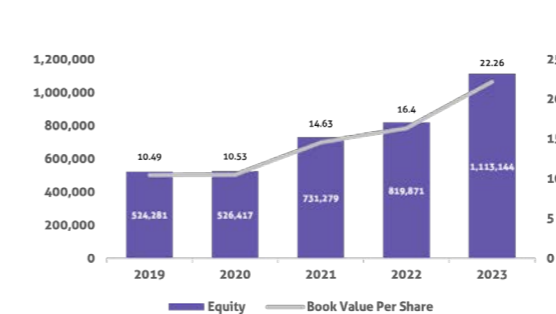
Many of al arabia Company's key priorities played a vital role in achieving positive financial results during the year 2023. Among these priorities, a significant emphasis was placed on the company's commitment to a digital transformation strategy and continued geographical expansion, both locally and regionally. Additionally, seizing the growing opportunities amidst the initiatives of Kingdom Vision 2030 has led to engaging in partnerships, winning new contracts, and projects that support the company's marketing and advertising plans. This has been accomplished by delivering distinguished and effective services to various client segments, contributing to sustainable growth across all operational sectors of the company.

Consolidated Statement of Financial Position Summary

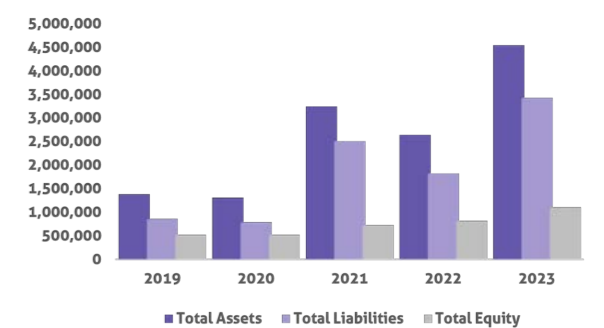
All Figures are in (Thousands) SAR

	2023	2022	2021	2020	2019
Assets					
Non-current assets	2,968,426	1,645,534	2,220,124	849,291	899,545
Current assets	1,576,564	992,224	1,019,609	465,579	489,517
Assets from discontinued operations	383	4,485	-	-	-
Total assets	4,545,373	2,642,243	3,239,733	1,314,870	1,389,062
Equity and liabilities					
Total equity attributable to equity holders of the parent company	1,113,144	819,871	731,279	526,417	524,281
Non-controlling interests	3,569	1,089	-	-	-
Total equity	1,116,713	820,960	731,279	526,417	524,281
Liabilities					
Non-current liabilities	2,297,114	1,033,639	1,601,777	328,935	329,646
Current liabilities	1,131,502	785,753	906,677	459,518	535,135
Liabilities from discontinued operations	44	1,891	-	-	-
Total liabilities	3,428,660	1,821,283	2,508,454	788,453	864,781
Total equity and liabilities	4,545,373	2,642,243	3,239,733	1,314,870	1,389,062

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



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



Consolidated Statement of Comprehensive Income Summary

All Figures are in (Thousands) SAR

	2023	2022	2021	2020	2019
Revenues	1,279,860	1,126,182	720,632	497,586	787,499
Cost of revenues	(681,689)	(639,193)	(390,348)	(398,540)	(451,075)
Gross profit	598,171	486,989	330,284	99,046	336,424
Net profit from discontinued operations	320,451	283,789	206,247	25,201	225,346
Loss from discontinued operations	(2,213)	(9,089)	-	-	-
Net profit*	318,238	274,700	206,247	25,201	225,346
Total comprehensive income**	313,273	276,592	204,862	26,136	224,660
EPS*	6.36	5.49	4.12	0.50	4.51

Operating Profit

All Figures are in (Thousands) SAR

	2023	% of Revenues 2023	2022	% of Revenues 2022	% Growth
Revenues	1,279,860	-	1,126,182	-	%14
Operation costs					
Cost of revenues	(681,689)	%53	(639,193)	%57	%7
Selling & marketing expenses	(54,600)	%4	(46,324)	%4	%18
(impairment) / reversal of expected credit losses	(10,754)	%0.8	(7,302)	%0.6	%47
Genral & administrative expenses	(81,050)	%6	(49,403)	%4	%64
Total operating expenses	(828,093)	%65	(742,222)	%66	%12
Operating profit	451,767	%35	383,960	%34	%18

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

** The total comprehensive income for the shareholders of Arabian Contracting Services Co. excluding non-controlling interests.

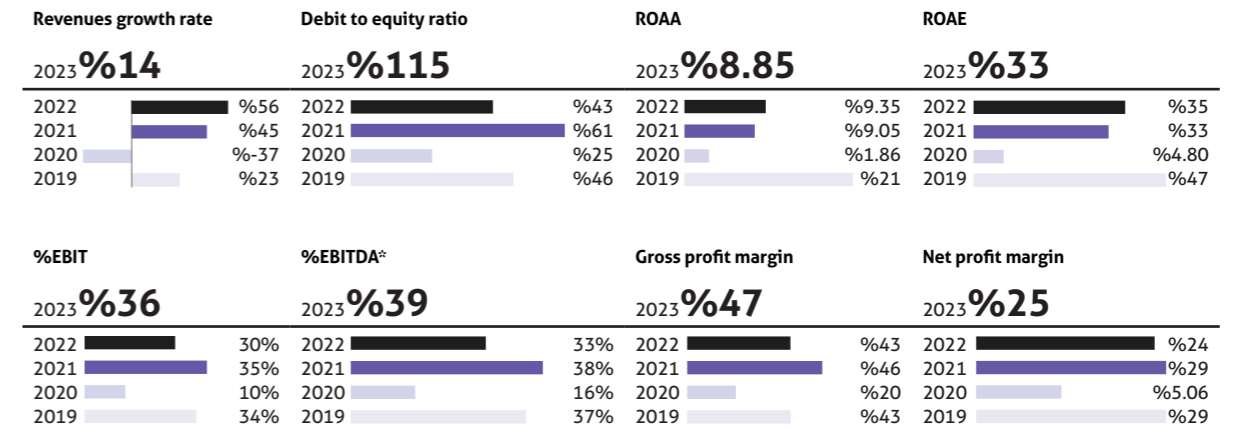
* EPS is calculated by dividing the profit attributable to the shareholders of the Arabian Contracting Services Co. excluding non-controlling interests by the weighted average number of shares which are 50 million shares.

Consolidated Statement of Cash Flow Summary

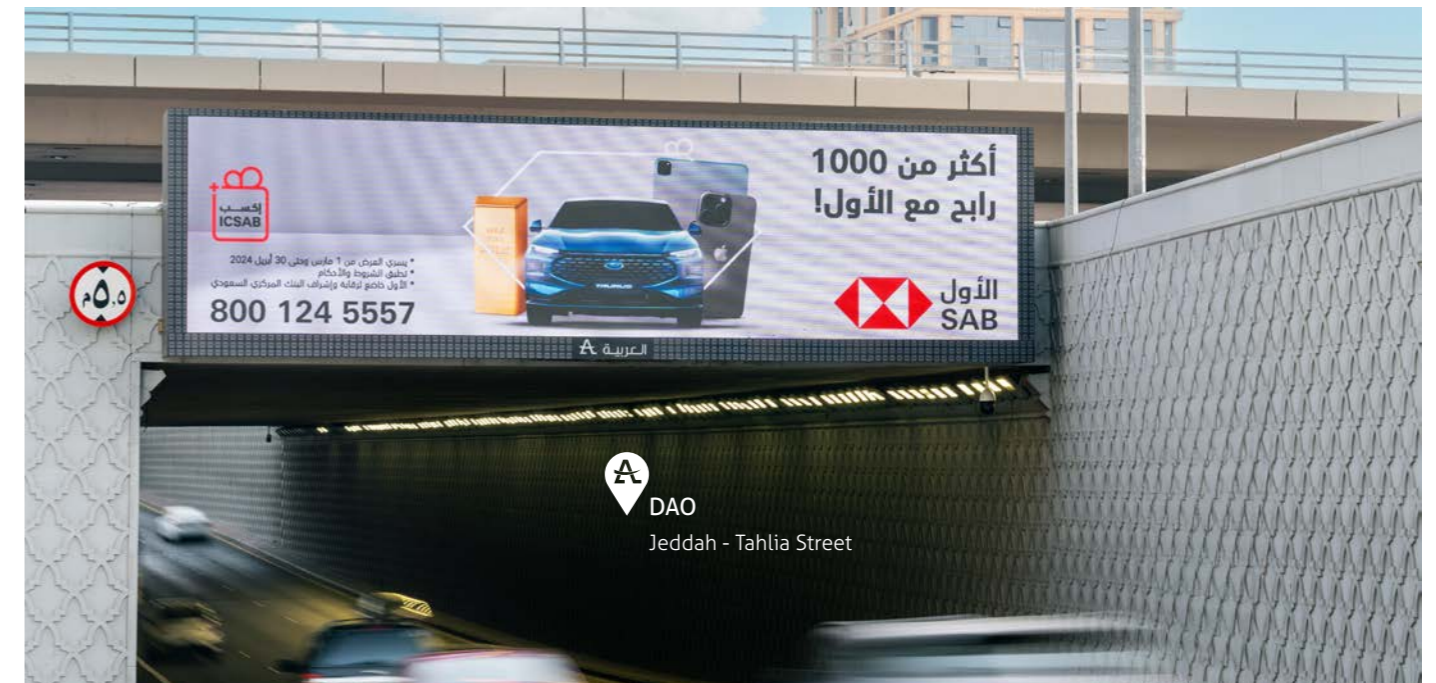
All Figures are in (Thousands) SAR

	2023	2022	2021	2020	2019
Net operating cash flow	347,960	500,596	207,869	348,655	526,706
Net investing cash flow	(1,117,975)	(48,944)	(77,774)	(56,753)	(43,862)
Net financing cash flow	831,729	(525,664)	33,229	(301,405)	(465,278)
Net change in cash and cash equivalents during the year	61,714	(74,012)	163,324	(9,503)	17,566

Key Performance Indicators for the Past Five Years



*Not include Right of Use Depreciation.



The Revenues Analysis By Sector

All Figures are in (Thousands) SAR

	2023	% of Revenues 2023	2022	% of Revenues 2022	% Growth
Outdoor advertising	1,163,933	%91	1,046,428	%93	%11
Indoor advertising	89,328	%7	59,784	%5	%49
Printing	26,599	%2	19,970	%2	%33
Total Revenues	1,279,860	%100	1,126,182	%100	%14

Grographical Distribution of Advertising Revenues (Based on clients base)

All Figures are in (Thousands) SAR

	2023	2022
Central Region	876,085	844,185
Western Region	133,977	92,352
United Arab Emirates	209,173	142,927
The Egyptian Arabic Republic	34,027	26,748
Total Revenues	1,253,262	1,106,212

Revenues do not include printing for others which amount to SAR 27 million in 2023, and amount SAR 20 million in 2022.

Details and Balance of Loan Movements from Local Banks as of 31 Dec 2023

All Figures are in (Thousands) SAR

Name of the bank	Opening Balance 2023						Closing Balance 2023			
	Credit limit	Principal of the loan	Interests due	Opening balance	Additions during 2023	Payments during 2023	Principal of the loan	Interests due	Closing balance	Duration of the loan
Riyad Bank	210,000	151,690	2,345	154,035	6,037	(160,072)	-	-	-	12 months
Banque Saudi Fransi	372,000	122,360	1,203	123,563	177,591	(130,093)	169,000	2,061	171,061	6 months
SAB	732,100	74,866	1,089	75,955	253,515	(78,329)	249,000	2,141	251,141	9 months
Joint Loan	1,050,000	-	-	-	1,064,444	-	1,050,000	14,444	1,064,444	7.5 Years
Total balance	2,364,100	348,916	4,637	353,553	1,501,587	(368,494)	1,468,000	18,646	1,486,646	-

Outstanding Loans from Local Banks

All Figures are in (Thousands) SAR

	2023	2022	% Change
Less than one year	496,750	348,916	%42
From one year to two years	105,000	-	%100
From two to five years	315,000	-	%100
More than five years	551,250	-	%100
Total balance	1,468,000	348,916	%320.7

Statutory Payments for the Year 2023

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	2,391	-	labor office fees and residency	-
Value Added Tax	100,269	-	Value added tax	-
Zakat and Withholding Tax	13,141	23,834	- The withholding tax paid amounts to SAR 1,154 - The 2022 zakat paid is SAR 11,988	- The 2023 zakat allocation is SAR 23,799 - The income tax of Arabian United Company (Egypt) is SAR 735,716
Social Insurance	2,255	-	Social insurance	-
Customs duties	117	-	Customs duties	-
Total	118,173	23,834	-	-

Governance Report & Relevant Disclosures

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. On June 21, 2023, al arabia updated its Article of Association and other related policies in accordance with the new corporate law issued by the Ministry of Commerce. As a result, al arabia is among the first companies to implement this update, reflecting our commitment to comply with regulations and standards set by regulatory authorities. This demonstrates the company's dedication to adhering to the guidelines and regulations set forth by supervisory entities..

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
39	The Assessment	Indicative Article - The Company is studying the selection of best practices in terms of evaluating the board of directors and executive management.
67	Composition of the Risk Management Committee	Indicative Article - Works of the Risk Committee are entrusted to other committees and departments, such as the Audit Committee and the Compliance Department.
68	Competencies of the Risk Management Committee	Not Applicable - As no Risk Management Committee was formed
69	Meetings of the Risk Management Committee	Not Applicable - As no Risk Management Committee was formed
92	Formation of a Corporate Governance Committee	Indicative Article - The Board of Directors considers that there is no need for an independent committee, as its work 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.

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 four years.

3) Election of Board of Directors

The Ordinary General Assembly elected the members of the Board of Directors for its current three-year session at its meeting held on February 19, 2023, for the current session that started on March 18, 2023 and extends until March 17, 2026. The following tables show the names of members of the Board of Directors and members of the committees emanating from it, their positions, their membership status, and their memberships in other companies, regardless of their legal form.



Mezapole

Riyadh - King Fahad Road

Special Operation - Celebrating 40 Years



Names of the members of the Board of Directors and 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)



Mohamed Abdelallah Alkhereiji
Vice Chairman of the Board - 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)

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

A- Members of the Board of Directors



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)



Mashor Mohammad Al Obikan
Board Member (Independent)

Current Jobs	CEO, Distinguished Unit Holding - (2021 G – to date)
Previous Jobs	CEO – Sawaeed Business Services (2019-2021) Deputy GM of Shared Services – HRDF (2011-2019) Credit Manager – Riyadh Bank (2005-2010) Marketing Manager – Aljazira Bank (2002-2004)
Qualifications and Experience	Holds a Bachelor's degree in Industrial Engineering from King Saud University – Kingdom of Saudi Arabia (2002)

Names of the members of the Board of Directors and 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	Founder of Morood Holding Company Relationship Manager (Corporate) - Saudi British Bank (2008-2018)
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 and 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) - Remuneration & Nomination Committee Vice Chair

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)

Samuel James Kilion Barnett Board Member (Non-Executive) - Remuneration & Nomination Committee Member

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)

Mashor Mohammad Al Obikan Board Member (Independent) - Audit Committee Chair

Current Jobs	CEO, Distinguished Unit Holding - (2021 G – to date)
Previous Jobs	CEO – Sawaeed Business Services (2019-2021) Deputy GM of Shared Services – HRDF (2011-2019) Credit Manager – Riyadh Bank (2005-2010) Marketing Manager – Aljazeera Bank (2002-2004)
Qualifications and Experience	Holds a Bachelor's degree in Industrial Engineering from King Saud University – Kingdom of Saudi Arabia (2002)

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

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

B- Committee Members from within the Board

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

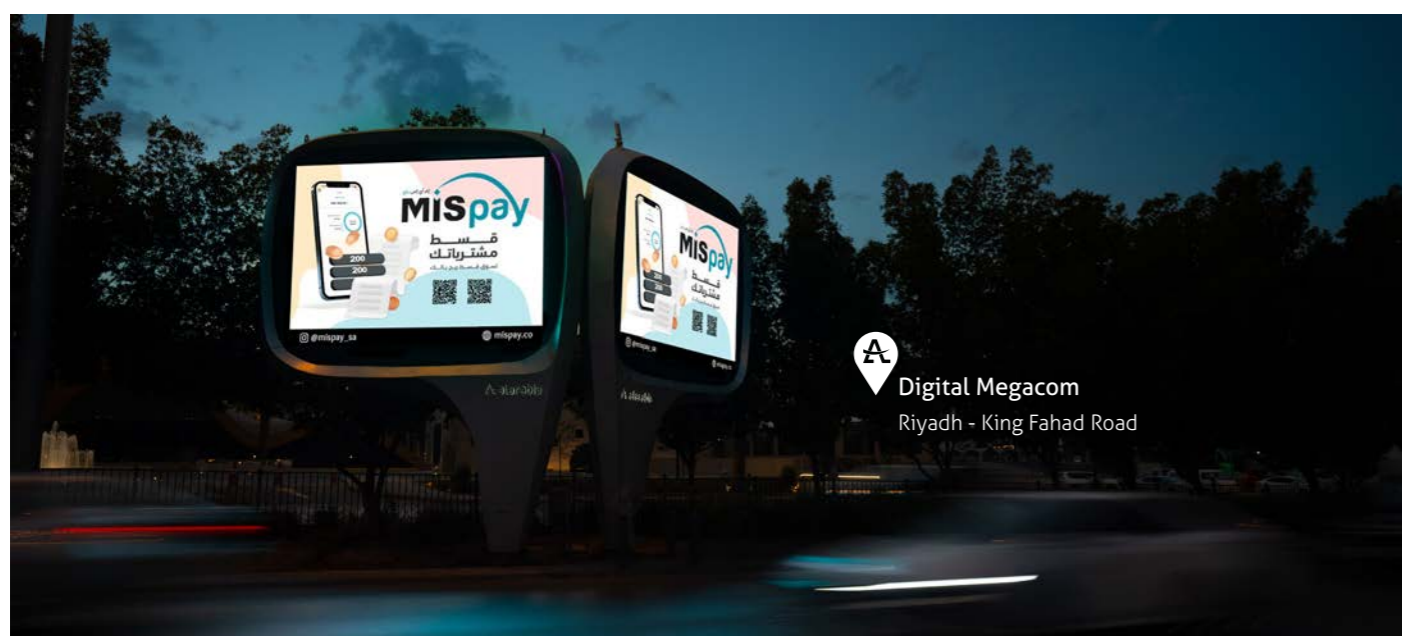
Current Jobs	CEO of Morood Holding Company - (2012 G – to date)
Previous Jobs	Founder of Morood Holding Company Relationship Manager (Corporate) - Saudi British Bank (2008-2018)
Qualifications and Experience	Holds a Bachelor's degree in Management Sciences and Information Systems - King Fahd University 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

Dr. Waleed Mohammed Albassam Audit Committee Member

Current Jobs	Financial Manager of Saudi Ceramic Company – (2019-to date)
Previous Jobs	Faculty Member in Al-Imam Muhammad Ibn Saud University (2015-2019) Partner in Al-Kharashi & Co. Certified Accountants and Auditors (2013-2015) Financial Manager in The National Company for Glass Industries (Zoujaj) (2006-2009) Auditor in The General Organization for Social Insurance (2003-2006)
Qualifications and Experience	Holds a PhD in Accounting and Finance - University of Glasgow - United Kingdom, (2014) Obtained the Fellowship of Certified Public Accountants "SOCPA" - Organization of Accountants, (2010)



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)



Sultan Ziad Abuznada
Chief Humann Resources Officer

Previous Jobs Chief Human Resources Officer – CHRO at SMC (2023 G)
Director Of People & Culture at SMC (2022 G -2023 G).
Talent Acquisition & People Manager at Lendo (2021 G -2022 G)
Senior Manager, Talent Acquisition at Riyad Bank (2021 G – 2022 G)
Asistant Manager - Talent Acquisition Dept at Riyad Bank (2019 G – 2021 G)

Qualifications and Experience Clark Atlanta University Bachelor of Business Administration - BBA, Management (2018)

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)



Roa'a Al-Rifaie
Head of Marketing & Innovation Department

Previous Jobs Creative Director at Sofa Ltd. (2021 G)
Chief Creative Officer at Think Tank Future Innovation Co (2013 G - 2021 G)

Qualifications and Experience Holds a bachelor of Visual Communication from Dar Al-Hekma University in (2013 G)



Alikoya Peediakkal
Head of IT Department

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.



Roht Dharshert Satpotty
Head of Procurement and Logistics Department

Previous Jobs Engineer in inventory materials section at Salqakar Co. - India (1999 G - 2001 G).
Inventory and warehouses officer at Ariane Earth Moversney Co. - (2001 G - 2003 G).
Materials department manager at Alawal Company for Plastic Manufacturing and Export - India (2003 G - 2016 G).

Qualifications and Experience Holds a bachelor's degree in production from the University of Pune - India, in (1996 G)

4) Formation and Classification of the Board of Directors

Member Name	Capacity	Executive	Non-Executive	Independent
Abdelellah Abdulrahman Alkhereiji	Chairman		✓	
Mohamed Abdelellah Alkhereiji	Vice Chairman	✓		
Samuel James Kilion Barnett	Member		✓	
Mashor Mohammad Al Obikan	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						
Mashor Mohammad Al Obikan	Independent	Arabian Contracting Services Company		Inside	Listed	National Glass Industries Company (Zujaj)		Inside	Listed
		Distinguished Unit Holding	Distinguished Unit Holding	Inside	Not Listed	National Medical Care Company (Reaya)		Inside	Listed
		Al Dhaleea Investment		Inside	Not Listed	Alrajhi Development and Education		Inside	Not Listed
		Al Saedan Real Estate Company		Inside	Not Listed				

6) Board of Directors Meetings

The Board of Directors held five meetings during 2023, in the presence of members, and four resolutions passed by circulation.

Member's Name	Membership	1st Meeting 16/03/2023	2nd Meeting 27/03/2023	3rd Meeting 22/05/2023	4th Meeting 10/08/2023	5th Meeting 08/11/2023
Abdelellah Abdulrahman Alkhereiji	Chairman	Absent	Present	Present	Present	Absent
Abdel Mohsen Abdulrahman Alkhereiji	Member	Present	Membership ended on 17/03/2023			
Mohamed Abdelellah Alkhereiji	Vice Chairman	Present	Present	Present	Present	Present
Samuel James Kilion Barnett	Member	Present	Present	Present	Present	Present
Mashor Mohammad Al Obikan	Member	Present	Present	Present	Present	Present
Munaji Fouad Zamakhshari	Member	Present	Present	Present	Present	Present
Muhammad Abdullah AlNimr	Member	Membership started on 18/03/2023	Present	Present	Present	Present

Resolutions passed by circulation for 2023 was

Member's Name	1st Resolution	2nd Resolution	3rd Resolution	4th Resolution
	05/03	28/03	21/05	20/11
Abdelellah Abdulrahman Alkhereiji	✓	✓	✓	✓
Mohamed Abdelellah Alkhereiji	✓	✓	✓	✓
Samuel James Kilion Barnett	✓	✓	✓	✓
Mashor Mohammad Al Obikan	-	✓	✓	✓
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	12	24	36	-	72
Board Remunerations	100	250	300	-	650
Committee Attendance Allowance	-	12	30	12	54
Committees Remunerations	-	30	135	55	220
Total	112	316	501	67	996

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.

- Its consistency with the company's strategy and objectives.
- Remunerations shall be based on a recommendation by the Remuneration and Nomination 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.
- Members of the Board of Directors may not vote on the remuneration item for members of the Board of Directors at the General Assembly meetings.
- A member of the Board of Directors may obtain a reward for his membership in the committees emanating from the Board, or for any additional work or executive, technical, administrative, or advisory positions - under a professional license - assigned to him in the company, in addition to the reward that may be to obtain it in his capacity as a member of the Board of Directors and in the committees formed by the Board of Directors, in accordance with the Companies Law and the Company's Bylaws.
- The remuneration of members of the Board of Directors may be of varying amounts to reflect the extent of the member's experience, his specializations, the tasks assigned to him, his independence, the number of sessions he attends, and other considerations.
- The remuneration of independent directors must not be a percentage of the profits achieved by the company or be based directly or indirectly on the company's profitability.
- If the General Assembly decides to terminate the membership of a member of the Board of Directors who is absent due to his failure to attend three consecutive Board meetings or five separate Board meetings without a legitimate excuse, this member is not entitled to any remuneration for the period following the last meeting he attended, and he must return all the remuneration that was disbursed to him for that period.
- If it becomes clear to the Audit Committee or the CMA that the remuneration paid to any member of the Board of Directors is based on incorrect or misleading information that was presented to the General Assembly or included in the annual report of the Board of Directors, he must return them to the company, and the company has the right to demand that they be returned.

9) Board of Directors Remunerations

• According to Article 76 of the Companies Law, the company's bylaws must specify the method of remunerating members of the Board of Directors. This reward may be a specific amount, an attendance allowance for sessions, tangible benefits, or a specific percentage of profits, and it is permissible to combine two or more of these benefits, and it is determined The General Assembly determines the amount of these rewards, taking into account that the rewards are fair, motivating, and commensurate with the member's performance and the company's performance.

• The Board of Directors' report submitted to the Ordinary General Assembly must include a comprehensive statement of all that the members of the Board of Directors received during the fiscal year in terms of salaries, share of profits, attendance allowance, expenses, and other benefits. The Board's report must also include a statement of what the members of the Board received. As employees or administrators, or what they received in exchange for technical, administrative, or consulting work for the company that had previously been approved by the company's general assembly.

10) Remunerations of Committees Stemming from the Board of Directors

The Board of Directors determines and approves membership remuneration for its committees, attendance allowances and other entitlements based on the recommendation of the Remuneration and Nominations Committee.

11) Executive Management Remunerations

The Remuneration and Nominations Committee periodically reviews the remuneration plans, programs and incentives for senior executives and recommends them to the Board of Directors, including remuneration The following executive management:

- 1- Basic salary.
- 2- Allowances include, but are not limited to, housing allowance and transportation allowance.
- 3- Medical insurance benefits for the member and his family.
- 4- An annual bonus linked to performance indicators according to the annual evaluation.

12) Relationship between the Remunerations Given and Applicable Remunerations Policy

The Remuneration and Nomination 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, secretary, if it is a member, remuneration	Total	Profit percentage	Periodical remunerations	Short-term incentive plans	Long-term incentive plans	Granted shares			
I: Independent															
Mashor Al obikan	160	12	12	-	-	-	184	-	-	-	-	-	-	184	-
Munaji Zamakhshari	120	12	6	-	-	-	138	-	-	-	-	-	-	138	-
Muhammad Alnimr	155	12	12	-	-	-	179	-	-	-	-	-	-	179	-
II: Non-Executives															
Abdelillah Alkhereiji	165	12	6	-	-	-	183	-	-	-	-	-	-	138	-
Samuel Barnett	115	12	6	-	-	-	133	-	-	-	-	-	-	133	-
III: Executives															
Mohamed Alkhereiji	100	12	-	-	-	-	112	-	-	-	-	-	225	337	-
Total	815	72	42	-	-	-	929	-	-	-	-	-	225	1,154	-

14) Remunerations and Compensations for Committees' Members

No compensation was paid for the year 2023.



15) Remunerations and Compensations for Top 5 Senior Executives

The remunerations paid for the top 5 senior executives, including CEO and Financial Director, in 2023 are as follows:

All Figures are in (Thousands) SAR

Remuneration type	Title	Total
Fixed Remunerations	Salaries	6,243
	Allowances	1,937
	In-kind benefits	-
	Total	8,180
Variable Remunerations	Periodical remunerations	-
	Profits	-
	Short-term incentive plans	11,500
	Long-term incentive plans	-
	Granted shares	-
	Total	11,500
Total	End-of-service award	569
	Board executives total remuneration	-
	Total	20,249

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

Name	Starting Year - March 2023		Ending Year - December 2023		Net Change	Change %
	Number of Shares	Debt Instruments	Number of Shares	Debt Instruments		
Mashor Al obikan	108	-	108	-	-	-

* Mashor Mohammad Al-Obikan's membership in the Board of Directors began on March 18, 2023

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 Remuneration and Nomination 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 Ordinary General Assembly held on 28/07/1444 (corresponding to 19/02/2023)

Audit Committee Members

Name	Membership type
Mshhor Mohammed ALObaikan	Committee Chair
Muhammad Abdullah AlNimr	Member
Waleed Mohammed AlBassam	Member

Meetings of the Audit Committee:

Member's Name	Membership	1st Meeting 08/03/2023	2nd Meeting 08/05/2023	3rd Meeting 16/05/2023	4th Meeting 07/08/2023	5th Meeting 30/08/2023	6th Meeting 01/11/2023
Mshhor ALObaikan	Committee Chair	Membership started on 18/03/2023 Present	Present	Present	Present	Present	Present
Muhammad AlNimr	Member	Present	Present	Present	Present	Present	Present
Waleed AlBassam	Member	Present	Present	Present	Present	Present	Present
Abdel Mohsen Alkhereiji	Vice Chair	Present		Membership ended on 17/03/2023			
Fatima Alkhereiji	Member	Present		Membership ended on 17/03/2023			

B- Remunerations and Nominations Committee:

Functions of the Remuneration and Nomination Committee:

The main function of the Remuneration and Nomination 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 Remuneration and Nomination 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 Remuneration and Nomination 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 Remuneration and Nomination Committee by a decision of the Board of Directors on 05/09/1444H (corresponding to 27/03/2023), for the current Board of Directors session which started from 18/03/2023 till 17/03/2026.

Remuneration and Nomination Committee Members:

Name	Title
Munaji Fouad Zamakhshari	Committee Chair
Abdelellah Abdulrahman Alkhereiji	Committee Vice Chair
Samuel James Barnett	Member

Meetings of the Remuneration and Nomination Committee:

Member's Name	Membership	1st Meeting 05/03/2023
Munaji Fouad Zamakhshari	Committee Chair	Present
Abdelellah Abdulrahman Alkhereiji	Committee Vice Chair	Present
Samuel James Barnett	Member	Present

18) Company's Policy on Dividends

Subject to Article 107 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, and the Board shall recommend the distribution of any dividends before 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. Noteworthy the dividend policy may be changed from time to time.

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.

As per Article (46) of the Company's bylaws, the Company's annual net profits shall be distributed following the deduction reserves, and other costs as follows:

- 1-The Ordinary General Assembly -when determining dividends from the net profit- may decide to create other 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 for the establishment of social institutions for the company's employees or to assist the existing ones of these institutions.
- 2-The General Assembly shall determine the percentage of the net profit to be distributed to the shareholders after deducting the reserves, if any.
- 3-The General Assembly determines the distribution of reserves that the shareholders previously decided to set aside, including any reserves set aside in accordance with any statutory requirements prior to the date of adoption of this bylaw.
- 4-The company may distribute interim dividends on a semi-annual or quarterly basis, and the assembly may authorize the board of directors to do so by virtue of a resolution that is renewed annually.
- 5-The Board must implement the General Assembly resolution with respect to dividend distribution to the Registered Shareholders within fifteen (15) business days from the date they become entitled to such dividends as determined in such resolution or the Board's resolution for the distribution of interim dividends.

Dividends distributed during the year 2023

Statement	Total Distribution (SAR Thousand)	Earnings Per Share (SAR)	Announced Date	Eligibility Date	Distribution Date
Cash dividends for the second half of 2022	20,000	0.40	21-05-2023	21-06-2023	13-07-2023

19) Transactions with Related Parties

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	190,163	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Saudi Media Company for Advertising and Publicity	Purchases	(1,918)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Saudi Media Company for Advertising and Publicity	Collections	(76,713)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
National Signage Industrial Company	Bills payment	23,340	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
National Signage Industrial Company	Advertising billboards cost	(45,858)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
National Signage Industrial Company	Sales	48	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
National Signage Industrial Company	Collections	(1,000)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Engineer Holding Group Company	Expenses paid on behalf	1,190	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Engineer Holding Group Company	Collection in behalf	4,258	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Engineer Holding Group Company	Dividends Paid	35,500	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Engineer Holding Group Company	Collections	(15)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Engineer Holding Group Company	Sales	29	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
Engineer Holding Group Company	Dividends	(10,000)	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
East Bridge Capital	Bills payment	506	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
East Bridge Capital	Purchases	(7,314)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji
MBC Media Solutions Limited	Purchases	(2,382)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji Board Member Samuel Barnett
MBC Media Solutions Limited	Sales	22,434	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji Board Member Samuel Barnett
MBC Media Solutions Limited	Bills payment	3,709	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji Board Member Samuel Barnett
MBC Media Solutions Limited	Collections	(21,000)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji Board Member Samuel Barnett
MBC Holding Limited Group	Dividends	(4,000)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji Board Member Samuel Barnett
MBC – FZ LLC	Collections	(13,201)	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji Board Member Samuel Barnett
MBC – FZ LLC	Sales	17,364	Annual	N/A	The Chairman Abdelellah Alkhereiji CEO Mohamed Alkhereiji Board Member Samuel Barnett
Mawaqie Advertising Company	Payments	20,700	Annual	N/A	-
Mawaqie Advertising Company	Purchases	(5,750)	Annual	N/A	-
Mawaqie Advertising Company	Leases	(18,400)	Annual	N/A	-

20) Statutory Payments

During 2023, 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	2,391	-	labor office fees and residency	-
Value Added Tax	100,269	-	Value added tax	-
Zakat and Withholding Tax	13,141	23,834	- The withholding tax paid amounts to SAR 1,154 - The 2022 zakat paid is SAR 11,988	- The 2023 zakat allocation is SAR 23,799 - The income tax of Arabian United Company (Egypt) is SAR 735,716
Social Insurance	2,255	-	Social insurance	-
Customs duties	117	-	Customs duties	-
Total	118,173	23,834	-	-

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	1,253,261	%98
Printing	26,599	%2
Total revenues	1,279,860	%100

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

Al-Arabia Out of Home Advertising Company

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	32	%100
Total revenues	32	%100

Al-Arabia Out of Home Advertising Company is a representative office of al arabia in UAE. On 09-07-2023, Al Arabia OOH Digital Company was established and registered with the commercial register on 16-08-2023. Al Arabia OOH Digital Company is a subsidiary of Al-Arabia Out of Home Advertising Company with a 60% ownership. During the year 2023, Al Arabia OOH Digital Company did not generate any revenue as it is a newly established company.

21) Company's Main Activity and Subsidiaries

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	0	%0
Total revenues	0	%0

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

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	34,027	%100
Total revenues	34,027	%100

Description of the main activities of the subsidiary (4):

Faden Media Company

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	24,113	%100
Total revenues	24,113	%100



3D LED Screen

Riyadh - Prince Turki Bin Abdulaziz Al Awwal Road

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

All Figures are in (Thousands) SAR

	2023	2022	2021	2020	2019
Non-current assets	2,968,426	1,645,534	2,220,124	849,291	899,545
Current assets	1,576,564	992,224	1,019,609	465,579	489,517
Assets from discontinued operations	383	4,485	-	-	-
Total assets	4,545,373	2,642,243	3,239,733	1,314,870	1,389,062
Non-current liabilities	2,297,114	1,033,639	1,601,777	328,935	329,646
Current liabilities	1,131,502	785,753	906,677	459,518	535,135
Liabilities from discontinued operations	44	1,891	-	-	-
Total liabilities	3,428,660	1,821,283	2,508,454	788,453	864,781

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

All Figures are in (Thousands) SAR

	2023	2022	2021	2020	2019
Revenues	1,279,860	1,126,182	720,632	497,586	787,499
Cost of Revenues	(681,689)	(639,193)	(390,348)	(398,540)	(451,075)
Gross Profit	598,171	486,989	330,284	99,046	336,424
Net Profit from Discontinued Operations	320,451	283,789	206,247	25,201	225,346
Loss from Discontinued Operations	(2,213)	(9,089)	-	-	-
Net Profit	318,238	274,700	206,247	25,201	225,346

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

All Figures are in (Thousands) SAR

	2023	2022
Central Region	876,085	844,185
Western Region	133,977	92,352
United Arab Emirates	209,173	142,927
The Egyptian Arabic Republic	34,027	26,748
Total Revenues	1,253,262	1,106,212

Revenues do not include printing for others which amount to SAR 27 million in 2023, and amount SAR 20 million in 2022.

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 Out of Home Advertising	AED 100,000	%100	Advertising	United Arab Emirates	United Arab Emirates
Al-Taer Al-Arabi Trading Company (under liquidation)	SAR 50,000	%100	E-Commerce	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Faden Media Company	SAR 25,000,000	%100	Advertising	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Arabian United Company	EGP 30,000,000	%49.99	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	Riyad Bank	45,000	12 Months	45,000	0	0
2	Riyad Bank	5,000	12 Months	5,000	0	0
3	Riyad Bank	31,625	12 Months	31,625	0	0
4	Riyad Bank	70,065	12 Months	70,065	0	0
5	Banque Saudi Fransi	122,360	12 Months	122,360	0	0
6	SAB	34,300	9 Months	34,300	0	0
7	SAB	40,566	9 Months	40,566	0	0
8	Joint loan	1,050,000	7.5 Years	0	1,050,000	1,050,000
9	Banque Saudi Fransi	169,000	6 Months	0	169,000	169,000
10	SAB	169,000	6 Months	0	169,000	169,000
11	SAB	15,000	6 Months	0	15,000	15,000
12	SAB	50,000	9 Months	0	50,000	50,000
13	SAB	15,000	9 Months	0	15,000	15,000

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 (SOCPA)

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

28) Announcements made by Al Arabia on Tadawul's website during 2023

Announcement Title	Announcement Details	Date
Arabian Contracting Services Co. Conducted a Conference Call to Discuss the Financial Results for 3rd Quarter and Nine Months of the Fiscal Year 2023 with Investors and Financial Analysts.	Desiring to enhance transparency and disclosure levels, Arabian Contracting Services Co. organized a conference call on Wednesday 06-12-2023, corresponding to 22-05-1445 from 3:30 pm to 4:30 pm. The call was attended by investors, financial analysts, and representatives from various investment entities to discuss the operational performance, 3rd quarter, and the nine months results of the fiscal year 2023. Al Arabia senior management discussed the company's results and performance during the 3rd quarter, and nine months of 2023 and addressed the queries of the attendees, and more than 100 analysts participated in the call from inside and outside the kingdom. The Q3, 2023 earnings presentation will be uploaded to the company's official website.	07/12/2023
Arabian Contracting Services Co. announces the latest updates regarding the previous announcement regarding issuance of a preliminary judgment in its favor and issued in the case filed by the company against Jeddah Municipality.	The company would like to announce to the shareholders that the Administrative Appeal Circuit in Riyadh ruled to cancel the preliminary judgment and reject the lawsuit of Al Arabia company against the Jeddah Municipality, and the appeal judgment was received on 14-11-2023 corresponding to 30-04-1445, the judgment included objective reasons related to the contract extension letter that led to the cancellation of the preliminary judgment.	15/11/2023
Addendum Announcement from Arabian Contracting Services Co. in regards to Signing a Contract with Sela Company for "Investment, Sale and Marketing of the Exclusive Advertising Rights for the Boulevard World Project in Riyadh City".	The company seeks to clarify that it is currently unfeasible to ascertain the specific percentage of returns' value due to their association with various segments of the project's actual sales. It's important to note that the financial impact will begin to manifest in the results of the fourth quarter of the fiscal year 2023.	09/11/2023
Arabian Contracting Services Co. Announces its Interim Financial Results for the Period Ending on 30-09-2023 (Nine Months).	Announcing the financial results for the third quarter of the year 2023	08/11/2023
Arabian Contracting Services Co. Announces Signing a Contract with Sela Company for "Investment, Sale and Marketing of the Exclusive Advertising Rights for the Boulevard World Project in Riyadh City".	On Tuesday, 07-11-2023 corresponding to 23-04-1445, Arabian Contracting Services Co. signing a contract with Sela Company for investment, sale and marketing of the exclusive advertising rights for the Boulevard World Project in Riyadh City. The duration of the contract is 3 years, renewable after approval of both parties in accordance with the terms and conditions of the contract, this contract is based on sharing a percentage of the value of the financial returns (net revenue and marketing).	08/11/2023
Arabian Contracting Services Co. announces the completion of the procedures for the full acquisition of Faden Media.	Arabian Contracting Services Co. would like to announce that on 31-10-2023 corresponding to 16-04-1445, the acquisition deal has successfully undergone all necessary processes, and the company is now diligently working to meet all the conditions set forth by the General Authority for Competition within the given statutory timeframe of 6 months.	31/10/2023
Arabian Contracting Services Co. Announces Signing a Contract with Riyadh Airports Company for Purpose of "Construction and Operation of Advertising Billboards at King Khalid International Airport in Riyadh City".	Arabian Contracting Services Co. would like to announce signing of a contract on Thursday 26-10-2023 corresponding to 11-04-1445 for construction and operation of advertising billboards at King Khalid International Airport in Riyadh City with Riyadh Airports Company for a duration of 10 years, commencing on 01-01-2024 and renewable for another period or similar periods, subject to a written agreement of both parties. This contract is based on net revenue sharing model or the annual minimum guarantee -which is higher.	29/10/2023
Arabian Contracting Services Co. Announces Signing a contract with Remat Al-Riyadh Development Company for purpose of "Establishing, Operating, and Maintaining Outdoor Advertising Billboards in Riyadh City".	Arabian Contracting Services Co. would like to announce signing of a contract on Wednesday 25-10-2023 corresponding to 10-04-1445 for establishing, operating, and maintaining outdoor advertising billboards in Riyadh City with Remat Al-Riyadh Development Company - that serves as the development arm of the Riyadh Municipality and is responsible for managing the outdoor advertising portfolio- in order to invest in specific sites within Riyadh City for the establishment of various advertising mediums. This project includes all forms of outdoor advertising in municipal sites for a period of 10 years, where the contract includes a preparation period of up to 12 months and an investment period of 9 years. This project is based on Revenue sharing model.	26/10/2023

28) Announcements made by Al Arabia on Tadawul's website during 2023 (continued)

Announcement Title	Announcement Details	Date
Arabian Contracting Services Co. announces winning the project of "Establishing, Operating, and Maintaining Outdoor Advertising Billboards in Riyadh City" which was offered by Remat Al-Riyadh Development Company.	Arabian Contracting Services Co. announces winning the project of "Establishing, Operating, and Maintaining Outdoor Advertising Billboards in Riyadh City" which was offered by Remat Al-Riyadh Development Company - that serves as the development arm of the Riyadh Municipality and is responsible for managing the outdoor advertising portfolio- in order to invest in specific sites within Riyadh City for the establishment of various advertising mediums. This project includes all forms of outdoor advertising in municipal sites for a period of 10 years, based on Revenue sharing model.	25/10/2023
Arabian Contracting Services Co. announces the latest updates regarding the previous announcement regarding issuance of a preliminary judgment in its favor and issued in the case filed by the company against Jeddah Municipality.	The company would like to announce to the shareholders that the appeal session held on Monday 16-10-2023 corresponding to 01-04-1445 was attended, and accordingly, the court decided to postpone the session and set the date of the next session on Monday 30-10-2023 corresponding to 15-04-1445	16/10/2023
Arabian Contracting Services Co. Announces signing a long-term Murabaha Facilities Agreement in compliance with Islamic Sharia through several banks amounting to SAR 1,050,000,000.	Arabian Contracting Services Co. announces that on Sunday 30-03-1445 corresponding to 15-10-2023, Al Arabia signed a long-term Murabaha Facilities agreement in compliance with Islamic Sharia in the amount of SAR 1,050,000,000 to finance the procedures of the full acquisition of Faden Media.	16/10/2023
Arabian Contracting Services Co. Announces Signing a contract 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. would like to announce that on Thursday 21-09-2023 corresponding to 06-03-1445, signing licensing contract for the exploitation of 24 sites on the North Coast in Egypt, including 12 sites to install 64 billboards on roads, and 6 sites to install digital billboards on bridges, in addition to 6 sites to install unipole billboards. The value of the contract is 50,476,400 Egyptian Pounds which is equivalent to SAR 6,155,660 and the duration of the contract is one year and it is automatically renewed annually as stipulated in the contract.	25/09/2023
Arabian Contracting Services Co. announces the latest updates regarding the previous announcement regarding issuance of a preliminary judgment in its favor and issued in the case filed by the company against Jeddah Municipality.	Jeddah Municipality submitting an appeal against the judgment, within the statutory period specified for submitting the appeal. Accordingly, the date for the appeal session has been set at the Administrative Court of Appeal in Riyadh Region on Monday 16-10-2023 corresponding to 01-04-1445.	11/09/2023
Arabian Contracting Services Co. Announces an update on the company's announcement regarding 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.	Al Arabia received a conditional approval from the General Authority for Competition regarding the completion of the economic concentration transaction involving full acquisition of Faden Media.	21/08/2023
Arabian Contracting Services Co. announces its Interim Financial Results for the Period Ending on 30-06-2023 (Six Months).	Announcing the financial results for the second quarter of the year 2023	10/08/2023
Arabian Contracting Services Co. announces the issuance of a preliminary judgment in its favor and issued in the case filed by the company against Jeddah Municipality.	the issuance of a preliminary judgment from the Thirteenth Administrative Circuit in Jeddah in favor of the company on Tuesday, 30-12-1444 H, corresponding to 18-07-2023, which obliged Jeddah Municipality to pay an amount of SAR 75,891,328 as compensation for the rental costs that were paid to Jeddah Municipality for sites that were not delivered to the company in the contract of billboards of the type Megacom, in addition to obliging it to pay an amount of SAR 1,000,000 as compensation for the attorney fees that the company incurred in this case	19/07/2023
Arabian Contracting Services Co. Announces the Results of the Extraordinary General Assembly Meeting (First Meeting).	The result of the Ordinary General Assembly held on 21 June 2023.	22/06/2023
Arabian Contracting Services Co. announces winning the bid for "the establish, operate, maintain and install billboards in Dammam Metropolitan (Dammam, Khobar and Dhahran) in the Eastern Province"	Winning the bid for "the establish, operate, maintain and install billboards in Dammam Metropolitan (Dammam, Khobar and Dhahran) in the Eastern Province" for a period of 10 years.	07/06/2023
Arabian Contracting Services Co. Invites its Shareholders to Attend the Extraordinary General Assembly Meeting (First Meeting) Via Modern Technology Means.	Invite the Company's shareholders to attend the Extraordinary General Assembly on 21-06-2023.	31/05/2023
Arabian Contracting Services Co. announces its Interim Financial Results for the Period Ending on 31-03-2023 (Three Months).	Announcing the financial results for the first quarter of the year 2023	22/05/2023
Arabian Contracting Services Co. announces winning the bid for the construction and operation of billboards at King Khalid International Airport in Riyadh City.	Winning the bid for the construction and operation of billboards at King Khalid International Airport in Riyadh City on Monday, 22 May 2023, which was offered by Riyadh Airports Company, and the duration of the contract is 10 years.	22/05/2023
Arabian Contracting Services Co. announces the distribution of cash dividends for the Second Half of the Year 2022.	Announcing the recommendation of the Board of Directors to distribute cash dividends to shareholders for the second half of 2022, the dividend per share is 0.40 Saudi Riyals.	21/05/2023
Arabian Contracting Services Co. Announces the signing of a consortium agreement with the Saudi Company for Artificial Intelligence (SCAI) for the purpose of competing to win the project of constructing, operating, and maintaining outdoor billboards in the city of Riyadh, which is offered by Remat Al-Riyadh Development Company.	Signing a consortium agreement with the Saudi Company for Artificial Intelligence (SCAI) for the purpose of competing to win the project of constructing, operating, and maintaining outdoor billboards in the city of Riyadh which is offered by Remat Riyadh Development Company.	17/05/2023

28) Announcements made by Al Arabia on Tadawul's website during 2023 (continued)

Announcement Title	Announcement Details	Date
Arabian Contracting Services Co. Announces the Results of the Ordinary General Assembly Meeting (First Meeting).	The result of the Ordinary General Assembly held on 28 March 2023.	29/03/2023
Arabian Contracting Services Co. Announces the appointment of the Chairman of the Board of Directors, Vice Chairman, and the formation of committees emanating from the Board of Directors.	The Board of Directors resolution on 27-03-2023, which included the appointment of the Chairman of the Board of Directors, Vice Chairman, and the formation of Nomination and Remuneration Committee emanating from the Board of Directors. In addition, the appointment of the Board's secretary and Company's representatives with respect to the Capital Market Authority and the Saudi Exchange (Tadawul).	27/03/2023
Arabian Contracting Services Co. announces its Annual Financial Results for the Period Ending on 31-12-2022	Announcing the financial results for the fiscal year 2022	16/03/2023
Arabian Contracting Services Co. announces to Invites its Shareholders to Attend the Ordinary General Assembly Meeting (First meeting) via modern technology means.	Invite the Company's shareholders to attend the Ordinary General Assembly on 28-03-2023.	07/03/2023
Arabian Contracting Services Co. Announces the Results of the Ordinary General Assembly Meeting (First Meeting).	The result of the Ordinary General Assembly held on 19 February 2023.	20/02/2023
Arabian Contracting Services Co. announces to Invites its Shareholders to Attend the Ordinary General Assembly Meeting (First meeting) via modern technology means.	Invite the Company's shareholders to attend the Ordinary General Assembly on 19-02-2023.	26/01/2023

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	2023	2022	Differences (+) or (-)	Difference %
Revenues	1,279,860	1,126,182	153,678	%14
Revenues Costs	(681,689)	(639,193)	42,496	%7
Gross Profit	598,171	486,989	111,182	%23
Operating Revenue – Other	-	-	-	-
Operating Expenses – Other	(146,404)	(103,029)	43,375	%42
Operating Profit	451,767	383,960	67,807	%18

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 2023.

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	Ordinary General Assembly 19/02/2023	Ordinary General Assembly 29/03/2023	Extraordinary General Assembly 21/06/2023
Abdelellah Abdulrahman Alkhereiji	Present	Present	Present
Abdel Mohsen Abdulrahman Alkhereiji	Absent	-	-
Mohamed Abdelellah Alkhereiji	Present	Present	Present
Samuel James Kilion Barnett	Absent	Present	Present
Mashhor Mohammed Alobaikan	-	Present	Present
Muhammad Abdullah AlNimr	Present	Present	Present
Munaji Fouad Zamakhshari	Present	Present	Present

*The new session began on 18/03/2023, in which Abdel Mohsen AlKhereiji was not a member.

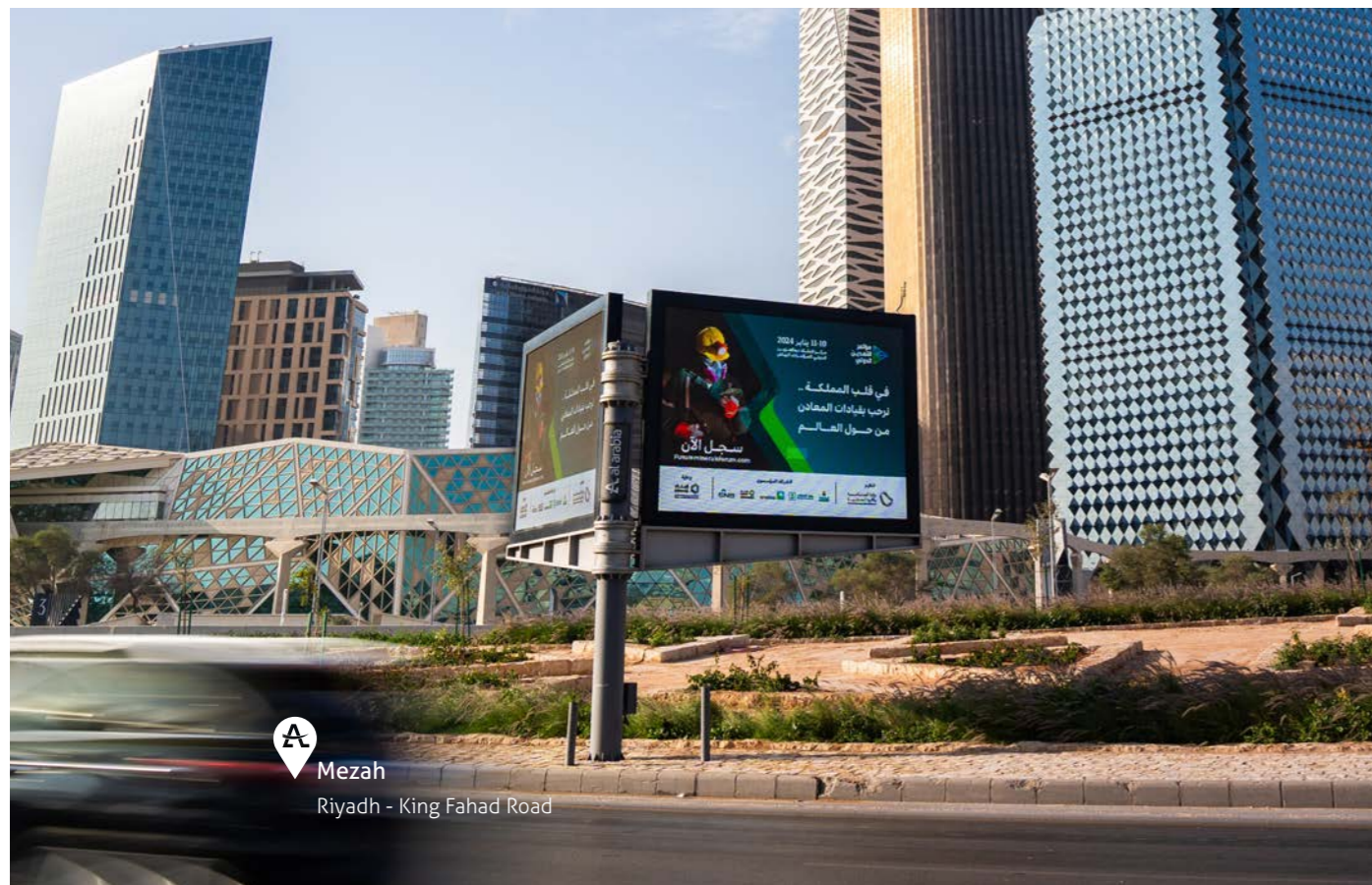
*Membership of Mashhor Mohammed Alobaikan started on 18/03/2023

35) Shareholders Register Requests

#	Request date	Reasons for request
1	01/01/2023	Corporate Action
2	05/02/2023	Corporate Action
3	19/02/2023	General Assembly
4	01/03/2023	Corporate Action
5	08/03/2023	General Assembly
6	02/04/2023	Corporate Action
7	07/05/2023	Corporate Action
8	03/06/2023	Corporate Action
9	11/06/2023	Corporate Action
10	21/06/2023	General Assembly
11	02/08/2023	Corporate Action

36) Social Contributions Details

Entity	Campaign	Campaign Date
Zahra Association	khaliji waei	01/02/2023 – 07/02/2023
Sanad Association	Sanad for children	10/02/2023 – 16/02/2023
CWDA	Their dreams are possible	01/03/2023 – 31/03/2023
Joodeskan	Eskan	19/03/2023 – 25/03/2023
al arabia	Mother's Day	21/03/2023
al arabia	Ramadan	22/03/2023 – 19/04/2023
al arabia & Joodeskan	Joodeskan IPO	25/03/2023 – 26/03/2023
Alzheimer's Association	Bab alrifqa	11/04/2023 – 20/04/2023
al arabia	Ehsan	11/04/2023
MOI	Forijat	15/04/2023 – 21/04/2023
al arabia	Eid AlFitr	21/04/2023
al arabia	War Against Drugs	30/04/2023 – 06/05/2023
PV Gov - Jazan	Fajtaneboh	15/05/2023 – 21/05/2023
al arabia	World Blood Donor Day	12/06/2023 – 14/06/2023
al arabia	Father's Day	15/06/2023 – 18/06/2023
Ayadi almustaqbal	Tegdar Tegal La	20/06/2023 – 26/06/2023
al arabia	Hajj season	20/06/2023 – 01/07/2023
al arabia	New Hijri Year	19/07/2023
Alzheimer's Association	Ahtajik	10/09/2023 – 23/09/2023
al arabia	Alzheimer's	21/09/2023
Zahra Association	Zahra	01/10/2023 – 31/10/2023
Sdaia	Athka	02/10/2023 – 04/10/2023
al arabia	Pink Month	01/10/2023 – 31/10/2023
MOMRAH	Aghla Balad	17/10/2023 – 23/10/2023
al arabia	Blue Month	01/11/2023 – 30/11/2023
al arabia	World Diabetes Day	13/11/2023



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.

54) Information regarding any competitive activities of the company or any of its branches, performed or previously performed by any member of the board of directors, including the names of individuals involved in these competitive activities, the nature of these activities, and their conditions.

Not applicable.

