

Annual Report 2024G

In the name of Allah, the Most Gracious, the Most Merciful

**The annual report of the Board of Directors of the United Wire
Factories Company to its valued shareholders**

For contact and more information, you can visit the website

<https://unitedwires.com.sa>

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Chapter One

The Board Chairman's Speech, the Company Formation Stages, Activities and Objectives

1.1 The Board Chairman's Speech

Dear Sirs / Respected shareholders of United Wire Factories Company

Peace, mercy and blessings of Allah be upon you,

On behalf of the Board of Directors and the Executive Management, I would like to express my sincere gratitude and appreciation to all our valued shareholders for their continued trust in the Company's leadership. I also extend my heartfelt thanks to our dedicated personnel, whose commitment and hard work have played a crucial role in enabling the Company to overcome the challenges encountered throughout 2024G.

In 2024G, the Company's performance was impacted by persistent weak demand for certain construction-related products. This was further compounded by recent shifts in the construction sector, including changes in the types of current and future projects, evolving market dynamics, and altered sales channels. Additionally, intense competition among manufacturers has placed significant pressure on sales margins, thereby impacting overall profitability. To address the shifting demand within the construction sector, the Company expanded its production capacity by opening a new factory in the Al-Kharj Industrial City. This factory commenced operations in the second half of the year and is projected to reach full capacity by early 2025G. The new factory introduces new products tailored to the construction sector, with plans to double its production capacity next year to meet the increasing demand from the industry.

The Company has also expanded the production capacity of its other products by introducing additional production lines and machinery, alongside automating certain processes to minimize reliance on manual labor and increase overall production. Furthermore, multiple factories across different regions have undergone upgrades and renovations to optimize the industrial environment and ensure compliance with environmental and regulatory standards. These enhancements position the Company for broader product accreditation among key consumers and facilitate entry into international markets.

At the beginning of the year, the Company implemented a new ERP system designed to integrate various operational processes, enhance efficiency, and provide real-time access to data across all functions. This initiative aims to improve decision-making speed, accuracy, and governance.

To support these advancements, the Company allocated approximately SR 30 million in capital investments during the year, reaffirming its commitment to innovation, business expansion, and long-term sustainable growth.

As part of the Company's strategy to diversify its revenue streams by investing in various industrial sectors—reducing reliance on its existing core business—and to enhance profitability through investments in financially stable and high-growth companies that maximize shareholder returns, the Company has signed a non-binding agreement to acquire a 40% stake in Al-Raeda Industrial Investment Company. Al-Raeda operates across multiple industries, including aluminum extrusion, chemical manufacturing, and paper product production, serving diverse industrial sectors both locally and internationally while generating strong and scalable returns.

In line with this strategy, the Company's decision to invest in and acquire a stake in A-One Arabia, a specialized provider of security fencing solutions, has started to deliver the expected returns, contributing to the Company's net profit for the year. This outcome underscores the success of the Company's strategic approach in executing the acquisition, with anticipated growth in returns and the continued expansion of A-One Arabia's operations in the future.

In alignment with the Board of Directors' dividend distribution policy, the Company distributed cash dividends to shareholders during the fiscal year 2024G at a rate of 7.5% of the share capital, equivalent to SR 0.75 per share. The total dividends distributed amounted to SR 21,060,000, covering the fourth quarter of 2023G and the nine-month period ending at the third quarter of 2024G.

In addition, the Company has successfully maintained its qualification status with different governmental bodies and major organizations for various products, along with its ISO certifications and a strong local rating for its operations. Furthermore, it has upheld its quality certifications and expanded its registration in major projects and with government entities, reinforcing its commitment to operational excellence and product quality.

In conclusion, I sincerely hope that 2025G will be a prosperous financial year, meeting the expectations and aspirations of the Company's shareholders and employees.

Allah is the Grantor of success.

Khaled Saad Al-Kanhal

Chairman of the Board of Directors

1.2 The stages of the company formation and the development of its capital

1990G – 2007G

Genesis and expansion

1990G: The establishment of the Gulf Tying Wire Company Ltd. - a limited liability company with a capital of (3,000,000) Saudi riyals, and the production of flannel wires as a main product, with a production capacity of (6000) tons annually.

1996G: Adding galvanizing wire production lines with galvanizing wires to reach the production capacity of (12,000) tons annually.

2006G: The merger of (Riyadh Factory for Tying Wire Co., Ltd., the Saudi Factory for Galvanized and Barbed Wire, Fence Mesh and Nails and its branches) with (Gulf Wire for Tying Co. Ltd.) and changing the name of the company to (United Wire Factories Company).

2007G: Acquisition of (Al-Saghir Garment Hangers) and (Al-Saghir Wire Drawing) factories owned by Al-Saghir Trading and Contracting Company by granting it in-kind shares and increasing the capital to (206,500,000) Saudi riyals.

2008G – 2011G

Transformation and insertion

2008G: The partners' decision to convert from a limited liability company to a closed joint stock company, and to add a production line of reinforcing steel and floor nets, with a production capacity of (300,000) tons annually.

2011G: The Capital Market Authority approved the offering of 30% of the company's shares for public subscription, and then the offering and trading of the company's shares within the construction sector with the symbol (1301).

2011G – 2014G

Capital increase

2011G: The approval of the extraordinary general assembly to raise the capital to (325,000,000) Saudi Riyals.

2013G: The approval of the Extraordinary General Assembly to raise the capital to (390,000,000) Saudi Riyals.

2014G: The approval of the Extraordinary General Assembly to raise the capital to (438,750,000) Saudi Riyals.

2020G

Capital reduction

2020G: The Extraordinary General Assembly agreed to reduce the capital to (351,000,000) Saudi riyals because there is no need, by canceling the shares in a corresponding manner, without this having any impact on the financial and regulatory obligations and operational performance.

2023G

Capital reduction

2023G: The Extraordinary General Assembly agreed to reduce the capital to (280,800,000) Saudi riyals because there is no need, by canceling the shares in a corresponding manner, without this having any impact on the financial and regulatory obligations and operational performance.

1.3 The main activities of the company

- Producing and marketing reinforcing steel bars, wire coils, sheets, rebar mesh, and block ladder.
- Bending, forming, straightening, and cutting rebar, iron smelting and rolling, and all materials related to the building materials industries and their accessories.
- Producing and marketing bonding wires, drain bonding wires and metal bonding wires for concrete.
- Producing and drawing of steel wires, galvanizing of wires, fencing nets, bed nets, barbed wire, clothes hangers, wood nails, screws, steel, corners, straighteners, iron hinges, epoxy steel reinforcement, straightening and cutting various sheet rolls.
- Import, export, trading and marketing of similar products, complementary products to the nature of work, and all construction materials.
- Buying real estate and land and using them for company purposes or to construct buildings on them and investing in them by selling or renting for the company.
- Import, export, trading in wood and all kinds of commercial iron, commercial services, commercial agencies, distribution agencies, third-party marketing services, shipping and transportation services.

1.4 Company vision

Leadership: in the field of manufacturing high quality metal products for commercial, construction and industrial uses.

Presence: In the local and foreign markets, serving a well-established group of local and international clients.

Sustainability: by designing products that have better specifications in terms of quality, durability and safe use.

Continuous Improvement: To manage our operations responsibly as one of the major producers of metal wire in the Kingdom.

1.5 Company mission

Principle: Maintaining a professional culture and creating a work environment characterized by trust and participation, while adhering to the highest standards of governance, professional competence and responsibility towards the environment.

Product: Building a diversified portfolio of constantly evolving products and striving to meet customer expectations in terms of quality, value and service.

Stakeholders: Seek to protect the interests of all our partners, including shareholders, employees, business partners and regulators.

Work procedures: Achieving comprehensive growth through raising efficiency, improving productivity, and continuous development by utilizing modern systems in the operational and administrative fields.

1.6 Company values

Integrity: By upholding the highest standards of integrity and ethics in our professional practice

Transparency: in our dealings and decisions and taking responsibility towards regulators, investors and financial institutions

Respect: to all our customers and employees, listening to them and meeting their requests and needs.

Cooperation: with our suppliers to advance, expand and grow together.



Chapter Two

Business results

2.1 Significant company plans, decisions, and future expectations of the company

2.1.1 Future plans

1. Expansion in the local market.
2. Presence in foreign markets.
3. Acquisition or merger to increase the company's profitability and diversify its activities.
4. Investing in various fields to maximize the company's profitability.
5. Diversify company's products to meet market demands.
6. Apply the concepts of total quality and efficient manufacturing.
7. Improving operating efficiency and the work environment.
8. Enhancing the role of middle management in the organizational structure.
9. Apply the safety and environmental standards.
10. Community participation.

2.1.2 Risks

1. **Raw materials:** The Company mainly deals with iron ore rolls, which represents one of the basic components of most of its products. Therefore, changes in iron ore prices may expose the company to risks of fluctuations in the prices of raw materials, and then the company monitors these changes by monitoring stock levels in line with price fluctuations of raw materials.
2. **Credit risk:** it is the disability of one party to fulfill its obligations, which leads to the other party incurring a financial loss. The financial assets that are likely to be exposed to concentration of credit risk mainly consist of cash with banks and customers, due from related parties and cash and the like that the company owns are in reputable banks, therefore credit risk is limited. The credit risk related to customers is also limited because the total customers are distributed among a number of clients with strong financial positions. Clients' balances are also shown in the financial statements according to their collectible balances. The company's management also monitors clients' balances to reduce any credit risk on them and takes any necessary procedures regarding them to preserve the company's rights.
3. **Liquidity risk:** It represents the risk that the company faces in providing funds to meet obligations related to financial instruments. Liquidity risk occurs when it is not possible to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring it regularly to ensure that sufficient liquidity is available to meet any future liabilities.
4. **Commission rate risk:** is the change in commission rates on the company's debt to banks, which is represented in credit facilities. To reduce these risks, the company's management is working to obtain the best available conditions in the market for credit facilities which represented mainly in letters of guarantee and documentary credits. It also reviews the prices of Commissions prevailing in the banking market periodically and takes the necessary procedures to reduce any risks that may arise from changing commission rates.
5. **Forward integration of major suppliers:** It's represented in any forward integration steps by primary suppliers that may lead to a company diminishing its market share. And the large size of suppliers makes this factor even more dangerous.

6. **Changes in industry regulation laws:** Changes in industry regulation sector have a direct impact on the company's operational operations.

2.2 Revenue and gross profit

2.2.1 Sales and gross profit distributed according to the company's sectors

Item	Industrial sector		Commercial sector		Total	
	2024	2023	2024	2023	2024	2023
Sales	358	448	349	345	707	793
Sales cost	(313)	(391)	(336)	(338)	(649)	(729)
Gross profit	45	57	13	7	58	64
To the nearest million riyals						

Table 1: Sales, cost of sales, and gross profit for each segment

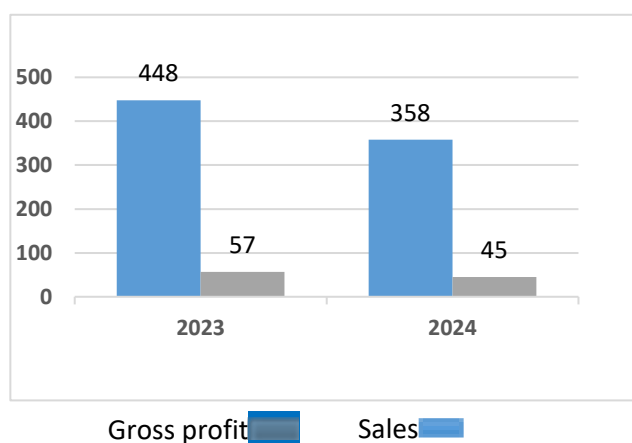


Diagram 1: Sales and gross profit of the Industrial sector
For the years 2023G and 2024G

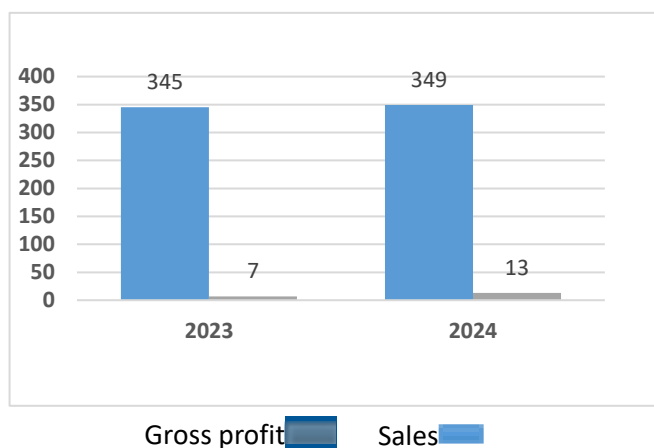


Diagram 2: Sales and gross profit of the Commercial sector
For the years 2023G and 2024G

2.2.2 Geographical analysis of the company's total sales

Regiones	2024	2023	2022	2021	2020
Central Region	507	547	691	543	492
Western Region	120	167	257	307	244
Eastern Region	80	79	78	71	41
Total	707	793	1,026	921	777

To the nearest million riyals

Table 2: Sales are distributed according to geographical regions

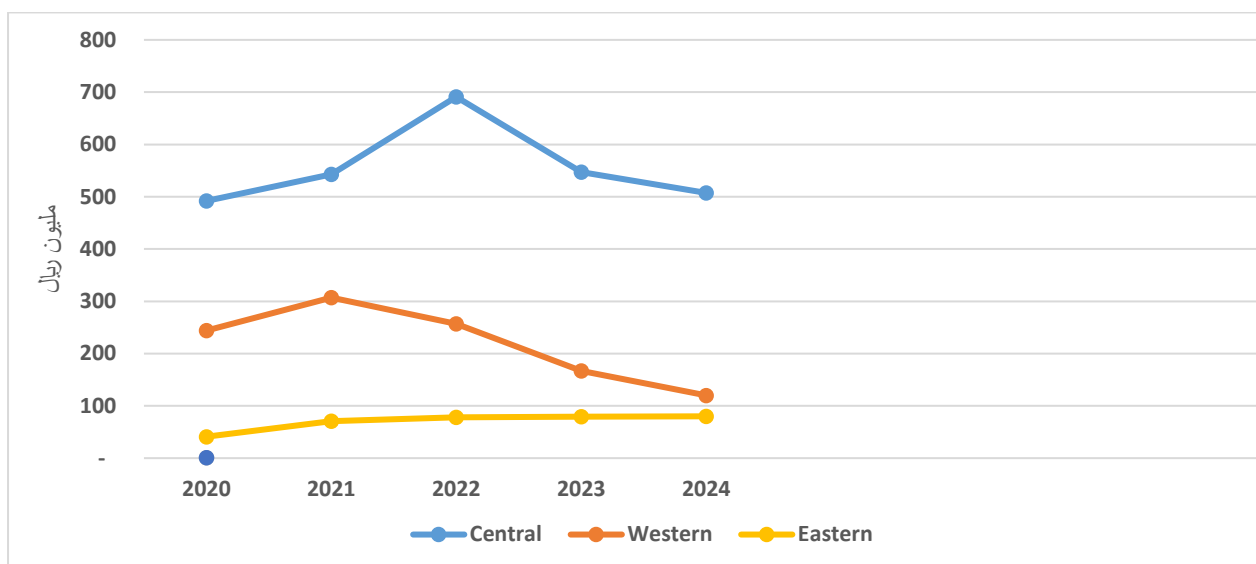


Diagram 3: Sales development according to geographical regions

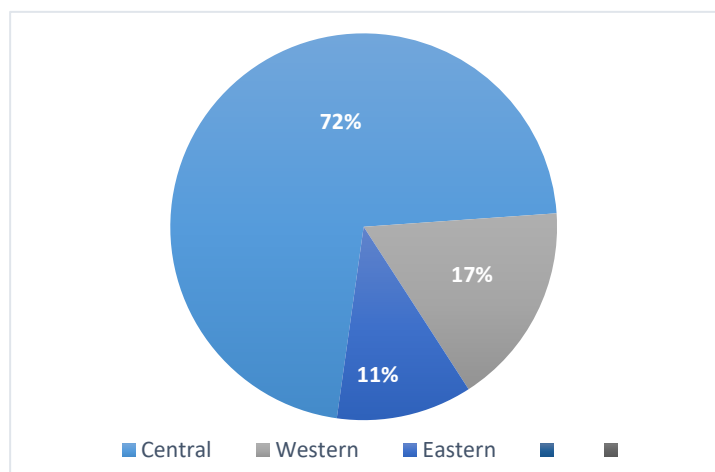


Diagram 4: Geographical sales distribution 2024G

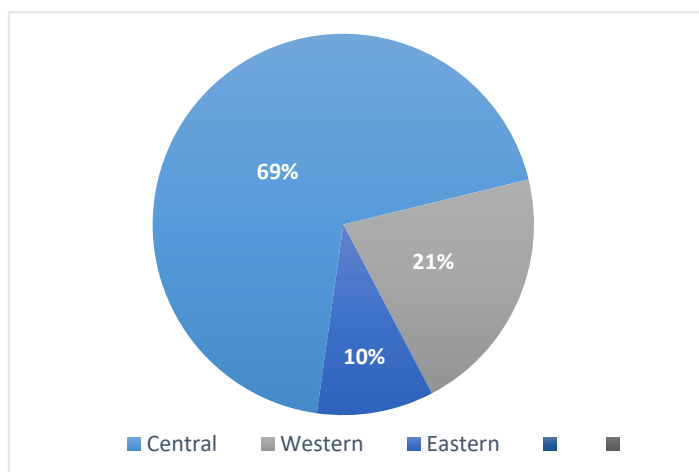


Diagram 5: Geographical sales distribution 2023G

2.3 Assets, liabilities and shareholders' equity

Item	2024	2023	2022	2021	2020
Current assets (other than stock)	158	180	280	291	289
Inventory	141	165	192	103	111
Total Current assets	299	345	472	394	400
Fixed assets (in net)	140	110	103	106	113
Total assets	439	455	575	500	513
Current liabilities	62	73	114	46	44
Non-current liabilities	10	11	11	11	11
Total liabilities	72	84	125	57	55
Total shareholders' equity	367	372	450	443	458
Total liabilities and shareholders' equity	439	455	575	500	513

To the nearest million riyals

Prepared according to international accounting standards approved in the Kingdom of Saudi Arabia

Table 3: Summary of assets, liabilities, and shareholders' equity for the last five years

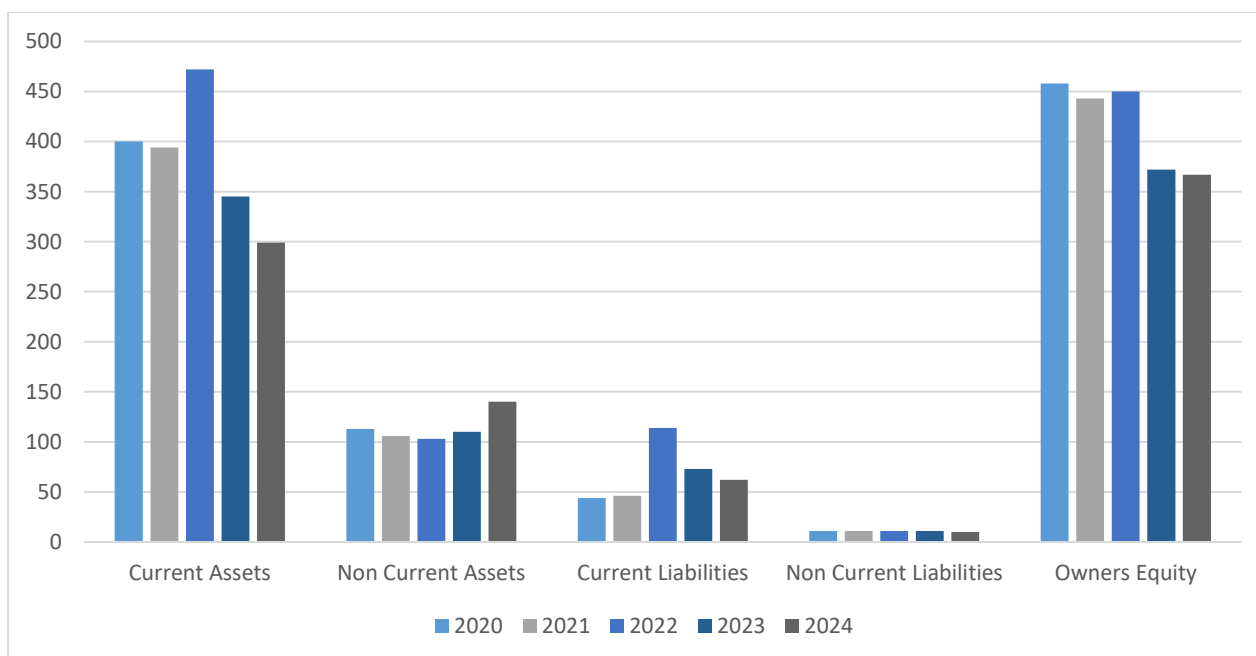


Diagram 6: Items of assets and liabilities for the last five years (Million Riyals)

2.4 Business results and the volume of change in results for five years

2.4.1 Company's business results for the last five years

2.4.1.1 Income statement (operational performance) for the last five years

Item	2024	2023	2022	2021	2020
Net sales	707	793	1026	921	777
Cost of sales	-649	-729	-919	-836	-664
Gross profit	58	64	107	85	113
Selling and distribution expenses	-20	-22	-21	-19	-19
General and administrative expenses	-17	-17	-18	-16	-16
Reverse (decreasing) in the value of debit trade receivables	-1	0	-1	0	0
Reversal of trade receivables and inventories (COVID-19)	0	0	0	6	-6
The company's share of investment in joint venture	3	1	0	0	0
other income (expenses) and Lease interest	-1	-1	0	0	0
Net profit before zakat and tax	22	26	67	56	72
Zakat and tax	-6	-6	-10	-10	-10
Net profit after zakat and tax	16	20	57	46	62

To the nearest Million Riyals

*Prepared according to IFRS approved in the Kingdom of Saudi Arabia

Table 4: Income statement for the last five years

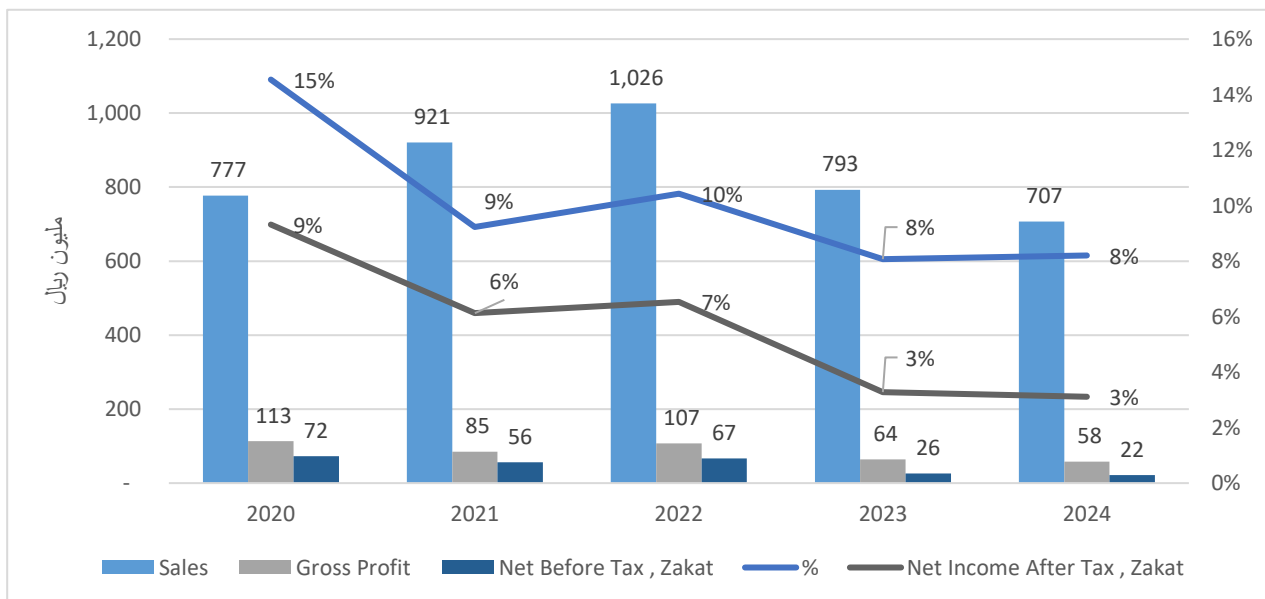


Diagram 7: Sales, gross and net income before and after zakat for five years

2.4.1.2 The Fundamental differences in the operational results between the two years 2023G and 2024G

Item	2024	2023	Diff.	%
Net sales	707	793	-86	-%11
Cost Of Sales	-649	-728	-79	-%11
Gross profit	58	65	-7	-%11
Selling and distribution expenses	-20	-22	-2	-%9
General and administrative expenses	-17	-17	0	%0
Reverse (decreasing) in the value of debit trade receivables	-1	0	1	%100
Add (deduct) other revenues (expenses)	0	0	0	%0
The company's share of investment in joint venture	3	1	2	%200
Other income (expenses)	-1	-1	0	%0
Net profit of principal operations	22	26	-4	-%15
Islamic Zakat	-6	-6	0	%0
Net profit after Zakat	16	20	-4	-%20
Other comprehensive income	1	1	0	%0
Net profit and other comprehensive income for the year	17	21	-4	-%20

To the nearest million riyals

*Prepared according to IFRS approved in the Kingdom of Saudi Arabia

Table 5: The fundamental differences in the operational results between the years 2023G and 2024G

2.4.1.3 The financial position for the last five years

Item	2024	2023	2022	2021	2020
Net working capital	237	272	358	348	356
Net fixed assets	133	105	99	102	109
Right of Use (Lease Rent IFRS 16)	2	3	4	4	4
Investing in an associate company	5	2	-	-	-
Net working assets	377	382	461	454	469
Commitment of defined benefits to employees (End of service indemnity)	8	8	8	8	8
Rental commitment (non-circulated standard 16)	2	2	3	3	3
Shareholders' equity	367	372	450	443	458
Total financial of net working assets	377	382	461	454	469

To the nearest million Riyals

*Prepared according to international accounting standards approved in the Kingdom of Saudi Arabia

Table 6: The financial position of the last five years

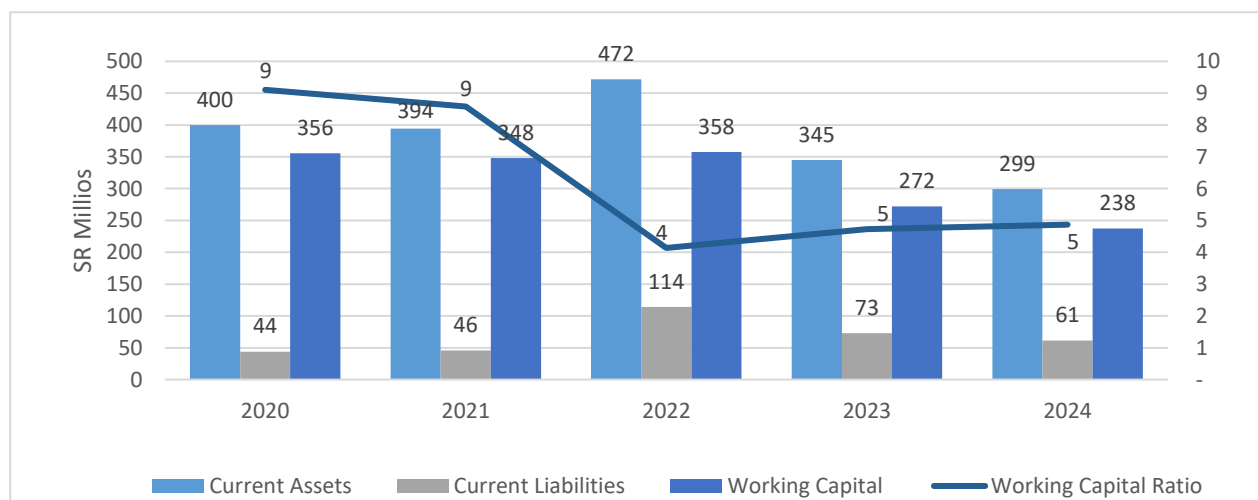


Diagram 8: The circulated assets and liabilities and working capital for the last five years

2.4.1.4 The profitability indicators for the last five years

Indicator	2024	2023	2022	2021	2020
Return on sales	%2	%3	%6	%5	%8
Return on shareholders' equity	%4	%5	%13	%10	%13
Current Ratio	5	5	4	9	9
EPS (As a percentage of the net profit for the period of its realization before Zakat)	0.80	0.81	1.91	1.61	1.75
Dividends Distributed (%)	%78	63%	100%	100%	%100

*Prepared according to international accounting standards approved in the Kingdom of Saudi Arabia

Table 7: The profitability indicators for the last five years

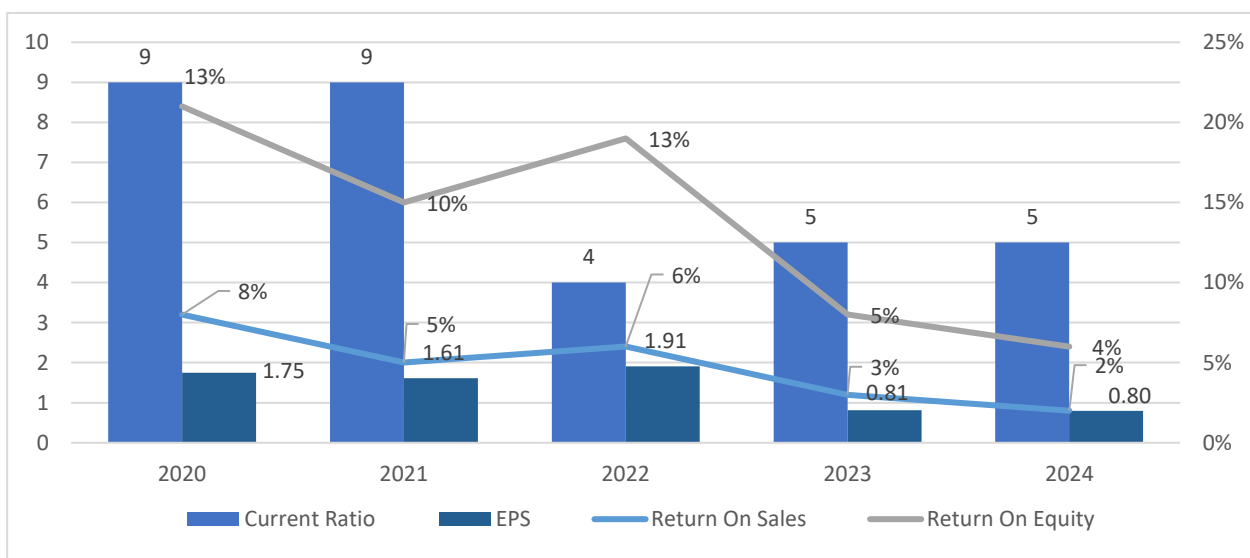


Diagram 9: The profitability Ratios for the last five years

2.4.2 Cash flows

2.4.2.1 Summary of cash flows

Net cash flow:	2024	2023	2022	2021	2020
Received from operating activities	79	4	81	32	5
Used in investing activities	(39)	(17)	(8)	(5)	(3)
Used in financing activities	(33)	(99)	(51)	(61)	(123)
Increasing / decreasing in cash	7	(112)	22	(35)	(121)
The cash balance at the beginning of the year	37	150	128	163	283
The cash balance at the end of the year	44	38	150	128	163

2.4.2.2 Cash flows from the operating activities

Item	2024	2023	2022	2021	2020
Net profit before Zakat and tax	22	26	67	56	73
Depreciations and amortizations	11	10	11	12	13
End of service expense	1	1	1	1	(1)
Working capital net changes	45	(70)	2	(37)	(80)
Net Cash from operating activities	79	4	81	32	5
SR Million *Prepared according to international accounting standards approved in the Kingdom of Saudi Arabia					

2.4.2.3 Cash flows from the investing activities

Item	2024	2023	2022	2021	2020
Property and equipment additions	(39)	(17)	(8)	(5)	(3)
Proceeds from the properties' exclusion	-	0	0	0	0
Investing in an associate company	0	0	0	0	0
Net cash to investing activities	(39)	(17)	(8)	(5)	(3)
SR Million *Prepared according to IFRS approved in the Kingdom of Saudi Arabia					

2.4.2.4 Cash flows from financing activities

Item	2024	2023	2022	2021	2020
Capital Reduction	-	(70)	-	-	(88)
Related parties	(11)	-	-	-	-
Lease rent	(1)	(1)	-	-	-
Dividends	(21)	(28)	(51)	(61)	(35)
Net Cash to Financing Activities	(33)	(99)	(51)	(61)	(123)
SR Million					
*Prepared according to IFRS approved in the Kingdom of Saudi Arabia					

Table 8: Cash flows Activities

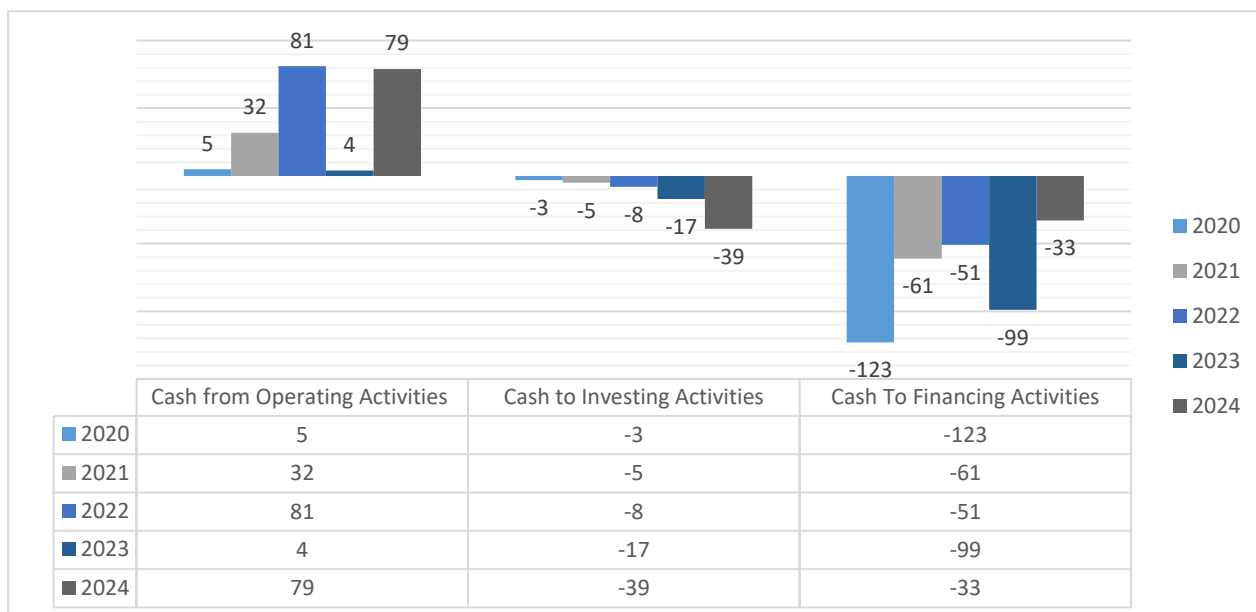


Diagram 10: The change in the main elements of the cash flow statement

2.4.3 Net profit

The net profit after zakat amounted to about (16.3) Million Riyals for the year 2024G, this compares to (20.4) Million Saudi Riyals for the year 2023G.

2.4.4 Applying the accounting standards issued by the Saudi Organization for Certified Public Accountants (SOCPA)

The financial statements for the fiscal year ending on December 31, 2024G have been prepared in accordance with the IFRS recognized in the Kingdom of Saudi Arabia issued by the Saudi Organization for Certified Public Accountants without any difference.

2.4.5 Subsidiary companies and associated of the United Wire Factories Company

Union Wire Factories Company has no subsidiaries inside or outside the Kingdom of Saudi Arabia. During the year 2024G, the United Wire Factories Company signed a non-binding memorandum of understanding to acquire (40.0%) of the shares of Al Raeda Industrial Investment Company (an associated company).

2.4.6 Shares and debt instruments issued for each subsidiary company

There are no shares or debt instruments issued for any subsidiary company.



Chapter Three

Distributing profits

3.1 Profit distribution policy

The company distributes profits to shareholders according to the Articles of Association after deducting all general expenses and other costs and creating the necessary reserves as follows:

1. The Ordinary General Assembly determines the percentage that must be distributed to shareholders from the net profits after deducting reserves, if any.
2. The company may distribute interim dividends to its shareholders on a semi-annual or quarterly basis after fulfilling the controls set by the competent authority.

Note that the amounts necessary to pay the zakat imposed on shareholders are calculated, and the company pays the amounts to the competent authorities.

3.2 Distributed Profit during the year 2024G

During the third quarter of 2024G, and based on the decision of the Board of Directors held on 28 Rabi' al-Thani 1446H corresponding to 31 October 2024G, the company approved the distribution of interim cash dividends in the amount of SR (21,060,000) at SR (0.75) per share (for the fourth quarter of the year 2023G and for The period until the end of the third quarter 2024G) and the distribution was made on November 24, 2024G.



Chapter Four

Board and General Assembly Meetings, Interests and rights of
Board Members and Senior Executives in the
Company

4.1 Interests and rights of Board Members and Senior Executives in the company

4.1.1 Interests and rights

There is no interest for any persons from the shares category with eligibility to vote for persons (except for board members, senior executives, and their relatives) who informed the company of these rights and any change in those rights during the fiscal year.

4.1.2 Change in ownership

The change in the ownership of the board members and senior executives in the company shares from 31/12/2023G till 31/12/2024G were as the following:

Serial	Name	Shares number on 31/12/2023G	Shares number on 31/12/2024G	Change percentage between the beginning and end of the year*
Members of the Board of Directors				
1	Khaled Saad Al-Kanhal	1,965,600	1,965,600	(00%)
2	Abdullah Saad Al-Dossary	142,832	175,575	(23%)
3	Rasheed Rashed Bin Oween	128,000	128,000	(00%)
4	Khaled Muhammad Al-Khowaiter	61,371	61,371	(00%)
5	Faisal Musaed Al-Hokair	517	517	(00%)
6	Youssef Abdullah Al-Mutlaq	0	0	(0%)
7	Turki Muhammad Al-Qurini	0	0	(0%)
Executive management				
1	Nabeel Hassan Al-Ameer	0	0	(%0)
2	Abdulhameed Hosny Ibrahim	0	0	(%0)
3	Ibrahim Abdullal salam	0	0	(0%)

Table 9: Change in shares ownership of board members and senior executives

4.1.3 Loans and banking facilities

Based on the policies and instructions of the Board of Directors, there is no dealing with any loans in 2024G. The company also has banking facilities in compliance with the provisions of Islamic Sharia from local banks with a total amount of (105) Million Saudi Riyals in the form of credits by sight and letters of guarantee of payment that do not entail any loans or Benefits.

4.1.4 Loans instruments

There are no categories and numbers of any transferable debt instruments, any contractual securities, subscription right notes, or any similar rights issued or granted by the company (the source) during the fiscal year 2024G, and there is no compensation that the company (the source) obtained for that. In addition, there are no transfer or subscription rights under convertible debt instruments, contractual securities, subscription right notes, or similar rights issued or granted by the company (the source). In addition, there is no refund, purchase or cancellation by the company of any refundable debt instruments and the value of the remaining securities, with a distinction between the listed securities purchased by the companies and those which were purchased by their subsidiaries.

4.2 Board and general assemblies' meetings

4.2.1 Board meetings

The Board held four meetings during the fiscal year 2024G as following:

1. First meeting: 25/03/2024G.
2. Second meeting: 16/09/2024G.
3. Third meeting: 30/10/2024G.
4. Fourth meeting: 24/12/2024G.

The following table shows the attendance record of the Board members for the meetings.

S	Member names	Position	category	Meetings' attendance				%
				1	2	3	4	
1	Khaled Saad Al-Kanhal	Chairman	Non-Executive	✓	✓	✓	✓	100%
2	Rasheed Rashed Bin Oween	Vice Chairman	Non-executive	✓	✓	✓	✓	100%
3	Khaled Mohammed Al-Khowiter	member	Independent	✓	✓	✓	✓	100%
4	Youssef Abdullah Al-Mutlaq	member	Independent	✓	✓	✓	✓	100%
5	Turki Muhammad Al-Qurini	member	Independent	✓	✓	✓	✓	100%
6	Faisal Musaied Al-Hokair	member	Independent	✓	✓	✓	✓	100%
7	Abdullah Saad Al-Dossary	member	Executive	✓	✓	✓	✓	100%

Table 10: Members' attendance record of the Board meetings 2024G

* The Council also took three decisions by circulation during this year.

4.2.2 Record of Shareholders' requests

The following table shows the number of the company's requests for shareholders' record during the year, the dates of those requests, and their reasons.

Serial	Date of request	Reasons of request
1	16/01/2024G	Corporate Action
2	24/04/2024G	EGM
3	05/11/2024G	Dividend Entitlement
4	25/11/2024G	Dividend Entitlement

Table 11: Record of shareholders' requests

4.2.3 General assembly meetings

1-The seventeenth extraordinary general assembly.

The seventeenth Extraordinary General Assembly (first meeting) was held at 08:30 pm on Monday 20/10/1445H, corresponding to 29/04/2024G, where the quorum for the meeting was completed with an attendance rate of (50.44%)

The assembly was held through modern technological means, that enable shareholders to participate in its deliberations and vote on its agenda remotely, within the framework of supporting efforts. And preventive measures to combat the Corona virus. The table below shows the attendance of Council members for the fifth session of this Assembly.

S	Member names	Position	Attendance The Seventeenth ordinary general assembly
1	Khaled Saad Al-Kanhal	Chairman of the Board	✓
2	Rasheed Rashed Bin Oween	Vice Chairman of the Board	✓
3	Khaled Mohammed Al-Khowiter	member of the Board	✓
4	Youssef Abdullah Al-Mutlaq	member of the Board	✓
5	Turki Muhammad Al-Qurini	member of the Board	✓
6	Faisal Musaed Al-Hokair	member of the Board	X
7	Abdullah Saad Al-Dossary	member of the Board	✓

Table 12: Record of attendance of Council members for the General Assembly meetings during the year 2024G

4.3 Data details of the Board members and executive management

4.3.1 Board members

The Board of Directors was formed for the current (fifth) session pursuant to the decision of the Fourteenth Ordinary General Assembly on 28/07/1443H corresponding to 01/03/2022G, and the Chairman of the Board was chosen by a decision of the members 10/09/1443H corresponding to 11/04/2022G. The table below represents their membership details.

S	Member names for the fifth session	Position	category
1	Khaled Saad Al-Kanhal	Chairman of the Board	Non- executive
2	Rasheed Rashed Bin Oween	Vice Chairman of the Board	Non- executive
3	Khaled Mohammed Al-Khowiter	member of the Board	Independent
4	Youssef Abdullah Al-Mutlaq	member of the Board	Independent
5	Turki Muhammad Al-Qurini	member of the Board	Independent
6	Faisal Musaed Al-Hokair	member of the Board	Independent
7	Abdullah Saad Al-Dossary	member of the Board	executive

Table 13: Board members for the fifth session

4.3.2 CV of the Board members

Khaled Saad Abdul-Rahman Al-Kanhal

The Chairman of the Board

Mr. Khaled Al-Kanhal holds the position of Chairman of the Company's Board of Directors for the fifth term, in addition to being the Chairman of the Executive Committee and a member of the Remuneration and Nominations Committee. He also has the following experiences:

- Member of the Board of Directors of the Petroleum Products Company for more than ten years.
- He rose in several positions in the Arab National Bank until he became a branch manager with an experience of eight years.
- Mainly contributed to the process of merging a group of factories under the name (United Wire Factories Company).
- General Manager of the company during the period 2006G to 2008G.

Rasheed Rashed Bin Owein

The Vice Chairman of the Board

Dr. Rasheed bin Owein is a member of the company's Board of Directors for the fifth term, in addition to being the Chairman of the Nominations and Remunerations Committee. He also holds a Ph.D. in Nuclear Engineering from the University of Arizona, a master's degree in Nuclear Engineering from King Saud University, as well as a bachelor's degree in electrical engineering from King Saud University, in addition to the following experiences:

- Member of the Board of Directors of Al-Jouf Agricultural Company for more than ten years, and currently a member of the Executive Committee.
- Member of the Board of Directors of the National Petrochemical Company for more than two years, and the Chairman of the Remuneration and Nominations Committee.
- Member of the company's Board of Directors since 2013G.
- Member of the Board of Directors of Al Munif Company for Trade, Industry, Agriculture and Contracting.

Khaled Muhammad AL Khwaiter

Board Member

Mr. Khaled Al-Khuwaiter holds the position of Chairman of the Audit Committee and board member in the company in the fifth term. He holds a bachelor's degree in accounting from King Saud University and holds a Fellowship (CPA) from the American Institute of Certified Accountants. He also has extensive experience in several fields as follows:

- Chief Financial Officer of the Advanced Electronics Company.
- Member of the committees of the Saudi Organization for Certified Public Accountants to prepare standards and supervise the quality of application.
- Work in the financial department of the Hotels and Tourist Zones Company.
- Member of the Board of Directors of Jadwa Investment Company.

- Member of the Audit Committee at Aldrees Company.
- Member of the Audit Committee at Mawten Company.
- Member of the Audit Committee of the Saudi Industrial Investment Group.
- Member of the Audit Committee at Care International.
- Member of the Audit Committee at Al Jazeera Takaful Company.

Youssef Abdullah Ibrahim Al-Mutlaq

Board Member

Mr. Yusef Al-Mutlaq is a member of the company's Board of Directors for the fifth term, in addition to being a member of the Audit Committee. He also holds a master's degree in business administration from King Saud University, a bachelor's degree in mechanical engineering from the same university, and a diploma in industrial management, and has the following experiences:

- CEO and co-founder of Qudra Energy Company.
- CEO of Rezayat Group.
- CEO of Al-Essa Industries Company.
- Chairman of the Board of Directors of Hunter Arabia Company.
- President of the Company (CMC).
- Member of the Board of Directors of Al-Jazirah Electrical Appliances Company.
- Managing Director of Tamkeen Company.
- Member of the Board of Directors of ACWA Power.
- Planning & Development Director of Omar G. Alesayie Company.
- Manufacturing Operations Manager of Advanced Electronics Company.

Turki Mohammed Fahid Al-Quraini

Board Member

Mr. Turki Al-Quraini is a member of the company's board of directors for the fifth term, in addition to being a member of the Nomination and Remuneration Committee. He also holds a master's degree in finance from the University of Technology in Sydney and a bachelor's degree in accounting from King Saud University, and has the following experience:

- Director of Compliance with Corporate Governance Rules and Director of Corporate Governance Standards at the Capital Market Authority.
- General Manager of Governance and Secretary of the Board of Directors of Jabal Omar Development Company.
- General Manager of the Governance, Risks and Compliance Department of the National Housing Company.
- General Manager of the Governance, Risks and Compliance Department of the Human Resources Development Fund (Hadaaf).

- Director of the Corporate Governance Department at the National Water Company.
- Head of the Audit Committee in the Value Partners Company.
- Chairman of the Audit Committee at Zawaya Real Estate Company.
- Member of the Audit Committee at Etihad Al-Rajhi Company.
- Member of the Board of Directors of Shamail Development and Development Company.
- Deputy Secretary-General of the Board of Directors of the Royal Commission for the City of Riyadh.

Faisal Musaed Abdul Mohsen Al Hokair

Board Member

Mr. Faisal Al-Hokair is a member of the Company's Board of Directors for the fifth term, in addition to membership in the Nominations and Remuneration Committee. He also holds a master's degree in business administration from the London Business School and a bachelor's degree in industrial science and systems engineering from King Fahd University of Petroleum and Minerals. He has the following experience:

- Chief Executive Officer and Board Member of Al Hokair Holding Company.
- Leader of the credit teams and the petrochemicals and building materials team in the Saudi Industrial Development Fund.
- Analyst at Charles International Consulting.
- Member of the Board of Directors of Cosmo plast Riyadh.
- Member of the Board of Directors of the Saudi Supply and Technical Services Company.
- Member of the Board of Directors of Aster Arabia Trading Company.
- Member of the Board of Directors of Ask Gypsum Factory Company Limited.

Abdullah Saad Abdullah Al-Dossary

Board Member and General Manager Sales

Mr. Abdullah Al-Dosari holds the position of a member of the company's board of directors for the fifth session, in addition to being a member of the Executive Committee and General Manager of Sales and Marketing. He also has the following experiences:

- Worked in the Riyadh factory for tying wires and grading from the sales and production department until he became the Deputy General Manager of the factory, and in 1997G he was transferred to a company and served as its General Manager for a period of nine years.
- Member of the company's Board of Directors since 2007G.

4.3.3 Curriculum Vitae of the Senior Executives

Nabeel Hassan Muhammad Al-Ameer

Chief Executive Officer

Mr. Nabil Al-Amir has been the CEO of the company since 2018G. He holds a bachelor's degree in marketing from King Fahd University of Petroleum and Minerals with honors, and has various experiences in several fields as follows:

- CEO of Akl for Trade and Industry.
- Executive Vice President of Corporate Services in Alwatania for Industries Company.
- President of the National Factory for Food Products - Al-Waha (Alwatania for Industries Company).
- Director of the Logistics and Supply Department at Almunajem Cold Stores Company.
- Assistant General Manager at Gulf Catering Company (Almunajem Group).
- Head of the trade and marketing sector in Jazan Agricultural Development Company.
- Director of Marketing at Reza Food Services Company (McDonald's).
- Petroleum products marketing specialist in the Saudi Arabian Marketing and Refining Company (SAMAREC).

Abdel Hamid Hosni Abdel Hamid Ibrahim

The Financial Director

Mr. Abdel Hamid Ibrahim has held the position of Financial Director of the United Wire Factories Company since January 1, 2019G. He obtained a Bachelor of Commerce in 1991G and a Postgraduate Diploma in Accounting and Auditing in 1996G from the Faculty of Commerce - Cairo University. He also passed the (CMA) Certified Management Accountant Fellowship from the (IMA) Institute for Management Accountants in the United States of America in December 2017G. He has also completed many courses and professional forums in internal control, risk study, analysis and financial planning and has various scientific and practical experiences in many Industrial and service sectors. Through his practical experience which exceeds 32 years, he held various positions in financial and internal auditing management, then as a financial manager in many of the major companies affiliated with Amer Group and Moamen Group in Egypt and Almunajem Group in the Kingdom of Saudi Arabia

Abdullah Saad Abdullah Al-Dossary

General Manager, Sales and Marketing

Mr. Abdullah Al-Dosari holds the position of a member of the company's board of directors for the fifth session, in addition to being a member of the Executive Committee and General Manager of Sales and Marketing. He also has the following experiences:

- Worked in the Riyadh factory for tying wires and grading from the sales and production department until he became the Deputy General Manager of the factory, and in 1997G he was transferred to a company and served as its general manager for a period of nine years.
- Member of the company's Board of Directors since 2007G.

Ibrahim Abdel-Aal Salam

Manufacturing Director

Eng. Ibrahim Salam has held the position of Manufacturing Director for the company since 2020G. He holds a bachelor's degree in mechanical engineering in addition to a number of certificates in the fields of management and operation of power plant systems, firefighting systems, and the application of the quality control system and internal control over it. A number of from courses in Italy, Germany, Denmark, China and Turkey for wire drawing machines.

He has more than 19 years' experience in steel wire and galvanized industries. He held many positions in big industrial companies. The last one is Manufacturing Director in BRC company. He is a member of Egyptian Engineers Syndicate, Saudi Council of Engineers, and American Galvanized Society.

4.3.4 Actions taken by the Board of Directors to inform its members of shareholders 'proposals and comments about the company and its performance.

Shareholders have the full right to direct their inquiries and request information in a manner that does not conflict with the interests of the company in accordance with the disclosure policies and procedures approved by the laws and regulations, and in the event of any proposals or observations towards the company, the Chairman of the Board informs the members of them in the first meeting, specifically the non-executive members.

The Board of Directors' work regulations also stipulate that the members must attend the general assembly meeting in order to receive inquiries and suggestions from the shareholders who are guaranteed by the regulations the right to participate in the deliberations and discussions of the assembly.

4.3.5 Memberships of board members in the boards of directors and their managerial positions in other companies inside and outside the Kingdom

S	Member name	Company name	Inside/outside Kingdom	Legal entity
1	Khaled Saad Al-Kanhal	There is no one		
2	Rasheed Rashid Bin Owien	Al-Jouf Agricultural Development Company	Inside Kingdom	listed shareholding company
		Al Munif Company for Trade, Industry, Agriculture and Contracting	Inside Kingdom	listed shareholding company
		Argaam Investment Company	Inside Kingdom	A limited liability company
		Jadwa Investment Company	Inside Kingdom	Unlisted shareholding company
		Saudi Binlading Group	Inside Kingdom	Unlisted shareholding company
3	Khaled Mohammed Al-Khowiter	Keir International Company	Inside Kingdom	listed shareholding company
		ALDREES Company	Inside Kingdom	listed shareholding company
		Mawten Company	Inside Kingdom	Unlisted shareholding company
		Aljazira Takaful Company	Inside Kingdom	listed shareholding company
		Rezayat Holding Group	Inside Kingdom	Unlisted shareholding company
4	Youssef Abdullah Al-Mutlaq	Al Ayuni Investment & Contracting Company	Inside Kingdom	Unlisted shareholding company
5	Turki Mohammed Al-Quraini	Shamael Development and Development Company	Inside Kingdom	Unlisted shareholding company
		Cosmoplast Riyadh	Inside Kingdom	A limited liability company
6	Faisal Musaad Al-Hokair	Saudi Technical Supply and Services Company	Inside Kingdom	A limited liability company
		Alghader Technical Supply and Services Company	Inside Kingdom	A limited liability company
7	Abdullah Saad Al-Dossary	A-1 Fence Arabia Company	Inside Kingdom	A limited liability company

Table14: Memberships of board members in the boards of directors and their managerial positions in other companies inside and outside the Kingdom



Chapter Five

Board Committees

5.1 Audit Committee

5.1.1 Committee Formation

The Auditing Committee was formed in accordance with the decision of the fourteenth Ordinary General Assembly held on 01/03/2022G for the fifth session of the Board, which started on 10/4/2022G.

The Auditing Committee is responsible for supervising the internal audit of the company in order to verify its effectiveness in implementing the work and tasks set by the board and studying the internal monitoring system and putting a written report of its opinion and recommendations regarding it.

And studying the internal monitoring reports and following-up the implementation of corrective measures for the notes contained therein and recommend to the Board the appointment of legal accountants and their dismissal and determine their fees, taking into account the assurance of their independence and following up the work of the legal accountants and approving any work outside the scope of the auditing work which they are assigned to while carrying out the auditing work and studying the auditing plan with the legal accountant and make their observations on it and study the notes of the legal accountant on the financial statements, and following up what has been done about them, also studying the preliminary and annual financial statements before submitting them to the Board, giving opinions and recommendations about them, studying the accounting policies followed, and giving opinion and recommendation to the Board regarding them. The company's internal auditor submitted his reports to the auditing committee on the effectiveness of the company's internal control.

The Auditing Committee held fourth meetings during this year as following:

- 1- The first meeting: 20/03/2024G.
- 2- The second meeting: 24/03/2024G.
- 3- The third meeting: 29/04/2024G.
- 4- The fourth meeting: 13/05/2024G.
- 5- The fifth meeting: 06/08/2024G.
- 6- The sixth meeting: 28/10/2024G.

The following table includes a statement of the members of the auditing committee and their attendance of the meetings held during the year 2024G:

S	Member names	Position	Meeting attendance						%
			1	2	3	4	5	6	
1	Khaled Muhammad Al-Khowaiter	Chairman	✓	✓	✓	✓	✓	✓	% 100
2	Youssef Abdullah Al-Mutlaq	Member	✓	✓	✓	✓	✓	✓	% 100
3	Abdullah Saud Al-Orefi	Member	✓	✓	✓	✓	✓	✓	% 100

Table 15: A statement of the auditing committee members and their attendance at the meetings held during the year 2024G.

5.1.2 Internal monitoring

The company's Board acknowledges that the accounts 'records have been prepared in the correct manner, and there is no doubt about the company's ability to continue its activity. And the Board acknowledges that the internal controlling system has been prepared on right bases and its procedures have been implemented effectively and works effectively and appropriately. The Auditing Committee emanating from the Board supervises the internal auditing work, which periodically checks the adequacy and effectiveness of the internal controlling system in order to provide a continuous evaluation of the internal controlling system and its effectiveness.

This comes within the objectives of the Board to obtain reasonable conviction about the soundness of the design and the effectiveness of the performance of the company internal controlling system, as the auditing committee in this way and during the fiscal year held five meetings and discussed issues related to the work of the committee, including, for example, auditing financial statements and business units in the company,

in the presence of the officials in the internal auditing sector and related sectors of the company, in addition to other issues related to the company workflow from all aspects.

5.1.3 Internal auditing

Internal audit is an objective and independent assurance and advisory activity for the purpose of adding value and improving the company's operations. The internal audit assists the company in achieving its objectives by providing a regular entry point to improve the effectiveness of risk management, controlling, and processes involved in the supervisory performance of the company. The internal audit carried out many periodic and special reviewing processes, focusing on activities and jobs with high risks to work on rising the effectiveness, efficiency and profitability of the company's operations, which included, for example, reviewing policies and procedures that related to procurement, information technology and business units in addition to the financial sector. The necessary procedures to follow up on most of the observations contained in the audit reports in order to verify that the necessary corrective actions have been taken. In addition to contributing in auditing of the initial and final financial statements. There are no important observations on the internal controlling system based on the audit committee's report. The audit committee also considers the adequacy of the company's internal controlling system.

5.1.4 The current and previous positions, qualifications and experiences of the members of the audit committee

Khaled Muhammad AL Khwaiter

Chairman's of audit committee

Mr. Khaled Al-Khuwaiter holds the position of Chairman of the Audit Committee and board member in the company. He holds a bachelor's degree in accounting from King Saud University and holds a Fellowship (CPA) from the American Institute of Certified Accountants. He also has extensive experience in several fields as follows:

- Chief Financial Officer of the Advanced Electronics Company.
- Member of the committees of the Saudi Organization for Certified Public Accountants to prepare standards and supervise the quality of application.
- Work in the financial department of the Hotels and Tourist Zones Company.
- Member of the Board of Directors of Jadwa Investment Company.
- Member of the Audit Committee at Aldrees Company.
- Member of the Audit Committee at Mawten Company.
- Member of the Audit Committee of the Saudi Industrial Investment Group.
- Member of the Audit Committee at Care International.
- Member of the Audit Committee at Al Jazeera Takaful Company.

Youssef Abdullah Al-Mutlaq

Member of the Audit Committee

Mr. Youssef Al-Mutlaq is a member of the audit committee and board member in the fifth session. He holds a master's degree in business administration from King Saud University, a bachelor's degree in mechanical engineering from the same university, and a diploma in industrial management. He has the following experience:

- CEO and co-founder of Qudra Energy Company.
- CEO of Rezayat Group.
- CEO of Al-Essa Industries Company.
- Chairman of the Board of Directors of Hunter Arabia Company.
- President of the Company (CMC).
- Member of the Board of Directors of Al-Jazirah Electrical Appliances Company.
- Managing Director of Tamkeen Company.
- Member of the Board of Directors of ACWA Power.

Abdullah Saud Al-Orifi**Member of the Audit Committee**

Mr. Abdullah Al-Arifi is a member of the audit committee in the company. He holds a master's degree in business administration from King Saud University, and a bachelor's degree in industrial management from King Fahd University of Petroleum and Minerals. He has the following experience:

- Member of the Audit Committee in the Human Resources Development Fund (HRDF).
- Member of the Audit and Risk Committee in the International Water and Energy Works Company.
- Member of the Audit Committee in the Endowments of Abdulaziz Al-Rajhi Sons Charitable Endowment.
- Member of the Audit Committee at Mawten Real Estate Company.
- Vice Chairman of the Supervisory Board of the Financial Sustainability Fund.
- Department of Loan Coordination and Services at the Saudi Industrial Development Fund.
- Credit Department of the Saudi Industrial Development Fund.
- Project

5.2 Nomination and Remuneration Committee

5.2.1 Formation of the committee

The Nomination and Remuneration Committee for the fifth session was formed in accordance with the decision of the Board on 11/04/2022G for the fifth session of the Council, which started on 10/04/2022G.

The Nominations and Remuneration Committee recommends nomination for membership of the Board in accordance with the approved policies and standards, taking into account not to nominate any person previously convicted in a crime involving breach of trust and honesty. The committee also reviews the annual needs of the required skills for the membership of the Board and prepares a description of the capabilities and qualifications required for membership of the Board, including the determination of the time that a member should allocate to the work of the Board, and the committee reviews the structure of the Board and makes recommendations regarding the changes that can be made.

The committee also identifies weaknesses and strengths in the Board and proposes remedying them in accordance with the interest of the company. The committee checks on an annual basis that the independent members are independent, and that there is no conflict of interest if the member is a member of the board of directors of another company. The committee's tasks also include setting clear policies to reward members of the Board and senior executives and using performance-related criteria in determining such remuneration.

The Nomination and Remuneration Committee held two meetings during this year as following:

1- First Meeting: 20/03/2024G

2- Second Meeting: 30/10/2024G

م	Name Members	Position	Meeting attendance		%
			1	2	
1	Rasheed Rashed Bin Owein	Chairman	✓	✓	%100
2	Khaled Saad Al-Kanhal	Member	✓	✓	%100
3	Turki Muhammad Al-Qurini	Member	✓	✓	%100

Table 16: A statement of the members of the Nomination and Remuneration Committee and their attendance at the meetings held during the year 2024G.

5.3 The Executive Committee

5.3.1 Formation of the committee

The Executive Committee for the fifth session was formed in accordance with the decision of the Board on 11/04/2022G, For the fifth session of the Council, which started on 10/04/2022G.

The committee specializes in assisting the board of directors and the management of the company to take executive decisions according to the powers granted to it based on its regulations to ensure the flexibility of workflow and timely decision-making. It also participates in setting the strategy and the main objectives of the company and submitting recommendations thereof to the Board of Directors, reviews and follows up the implementation of all the company's projects and takes related decisions according to the powers delegated to it and follows up the implementation and development of the company's organizational structures and decisions that ensure the speedy implementation and development of it.

It also reviews the administrative regulations with the management of the company and takes decisions that enable the management to put them into practice. It studies the proposals submitted by the company's management that are related to achieving the objectives of the company or its administrative, financial and operational work and takes the decision that enables the executive management to speed up implementation or submit it to the board if it deems Necessity of it. It reviews the strategic plans and expresses an opinion on them. It also works on all tasks referred to it by the Board or its Chairman, in addition to doing everything that advances the work and achieves the company's objectives within the limits of the rules, regulations and decisions issued by the Board.

The Executive Committee held six meetings during the year 2024G as following:

- 1- The first meeting: 18/03/2024G.
- 2- The second meeting: 08/05/2024G.
- 3- The third meeting: 06/08/2024G.
- 4- The fourth meeting: 11/09/2024G.
- 5- The fifth meeting: 23/10/2024G.
- 6- The sixth meeting: 18/12/2024G.

The following table includes a statement of the members of the Executive Committee and their attendance at the meetings held during this year:

S	Member names	Position	Meeting attendance						%
			1	2	3	4	5	6	
1	Khaled Saad Al-Kanhal	Chairman	✓	✓	✓	✓	✓	✓	100%
2	Abdullah Saad Al-Dossary	Member	✓	✓	✓	✓	✓	✓	100%
3	Yossif Abdullah Almutlaq	Member	✓	✓	✓	✓	✓	✓	100%
4	Nabeel Hassan Al-Ameer	Member	✓	✓	✓	✓	✓	✓	100%

Table 17: A statement of the members of the Executive Committee and their attendance at the meetings held during the year 2024G

5.4 Methods for evaluating the performance of the Board and the performance of its committees, members, and executive management

The Nomination and Remuneration Committee has put the means related to evaluating the performance of the Board Committees and the Executive Management, while the Board of Directors has not appointed an external body to evaluate the performance of its members, as the evaluation process is indicative.

5.5 Remuneration of Board Members, Senior Executives and Committee Members

5.5.1 Remuneration system for board members and senior executives

- The remuneration of the members of the Board of Directors shall be determined according to what is contained in the Saudi corporate law, the company's articles of association, the remuneration policy approved by the company's general assembly on 14 May 2018G, and the rules and regulations of the Capital Market Authority, and as shown in Chapter Three, the first item of this report, and the value of the remuneration is approved. By the general assembly of the company before disbursement, and there is no material deviation from this policy.
- The Chief Executive Officer's remuneration shall be determined according to the concluded contract - shown in the table of what senior executives received.
- The financial director receives remuneration in the event that it is disbursed to the company's employees - shown in the table of what the senior executives received.
- There are no arrangements or agreements under which one of the company's shareholders waived any rights to profits.
- The Executive Committee members waived allowances for attending Executive Committee meetings.

5.5.2 Remuneration for members of the Board of Directors 2024G

Name	Fixed Bo nus (Tho us ands)									Variable Bo nus (Tho us ands)								
	Fixed amount	Attendance Remuneration BOD	Total - Attendance Remuneration BOD	Committee Membership	For Committees Attendance Remunerations	Other	Technical & Admin	Remuneration Of the Chairman Managing Director or Secretary	Total	Of Profit %	Other Bonus	Short Term Plans	Long Term Plans	Shares Dividends	Total	End Of Service	Grand Total	Expense Allowance
1st: Independent Members																		
Khaled Muhammad AL Khwaiter	150	12	162	75	18	0	0	0	255	0	0	0	0	0	0	0	255	-
Youssef Abdullah Al Mutlaq	150	12	162	50	18	0	0	0	230	0	0	0	0	0	0	0	230	-
Turki Muhammad Al Kurani	150	12	162	0	3	0	0	0	165	0	0	0	0	0	0	0	165	-
Faisal Musaad Al-Hokair	150	12	162	0	0	0	0	0	162	0	0	0	0	0	0	0	162	-
Total	600	48	648	125	39	0	0	0	812	0	0	0	0	0	0	0	812	
2nd: Non-Executive Members																		
Khaled Saad Al-Kanhal	150	12	162	0	3	0	0	200	365	0	0	0	0	0	0	0	365	-
Rasheed Rashid Bin Owien	150	12	162	0	3	0	0	0	165	0	0	0	0	0	0	0	165	-
Total	300	24	324	0	6	0	0	200	530	0	0	0	0	0	0	0	530	
3rd: Executive Members																		
Abdullah Saad Al Dossary	150	12	162	0	0	0	902	0	1,064	0	70	0	0	0	70	70	1,134	-
Total	150	12	162	0	0	0	902	0	1,064	0	70	0	0	0	70	70	1,134	-
Grand Total	1,050	84	1,134	125	45	0	902	200	2,406	0	70	0	0	0	70	70	2,476	-

Table 18: Remuneration for members of the Board of Directors 2024G

- Mr. Abdullah Al-Dossary remunerations include what he received as a Sales General Manager (Executive member) for 2024G.

5.5.3 Remuneration of committees' members

Statement	Fixed remunerations (Except the allowance for attending the sessions)	Allowance for attending the sessions	Total
The Auditing Committee			
Khaled Muhammad Al-Khowaiter	75	18	93
Youssef Abdullah Al-Mutlaq	50	18	68
Abdullah Saud Al-Orefi	50	18	68
Total	175	54	229
The Nomination and Remuneration Committee			
Rasheed Rashed Bin Owein	0	3	3
Khaled Saad Al-Kanhal	0	3	3
Turki Muhammad Al-Kurani	0	3	3
Total	0	9	9
The Executive committee			
Khaled Saad Al-Kanhal*	0	0	0
Youssef Abdullah Al-Mutlaq	0	0	0
Abdullah Saad Al-Dossary*	0	0	0
Nabeel Hassan Al-Ameer*	0	0	0
Total	0	0	0

Table 19: the remuneration details of the committee members

- * The members of the Executive Committee waived the allowances to attend the Executive Committee meeting.

5.5.4 What senior executives earned for the year 2024G.

Statement	Fixed remunerations				Variable remunerations		End service remuneration	Total
	Salaries	Allowances	Benefits in kind	Total	Annual remunerations	total		
what senior executives earned, including the Chief Executive Officer and the Financial Director	2,294	935	221	3,450	540	3,990	268	4,258
All numbers are in thousand Saudi Riyals								

Table 20: remuneration details of the senior executives for the year 2024G.

* Remunerations of senior executives in the previous table include what was received by Mr. Abdullah Al-Dossary, a member of the Board of Directors (executive), where it included what he received for his executive work as General Manager of Sales among the remuneration of members of the Board of Directors (in Table No.18).

* The annual bonus represents the payment for the year 2023G through the year 2024G.



Chapter Six

Items to be disclosed under the Corporate Governance Regulations

6.1 Sanctions and penalties

S	The signatory of the violation	The violation value in riyal	The violation Reasons	Methods of treatment to avoid their occurrence in the future
1	Ministry of Municipal and Rural Affairs	15,000	Safety and Security	Comments have been processed and instructions are adhered to
2	Ministry of Interior - Traffic	7,000	Traffic violations	Comments have been processed and instructions are adhered to

Table 21: Penalties and penalties during the year 2024G

6.2 Transactions between the company and related parties

S	Company Name	Relationship type	Type of transaction	The total value of the transaction during the fiscal year 2024G / SR	Balance as of 31/12/2024G / SR
1	A1 Fence Arabia Company for Industry	Aslak owned 30% of A1 Fance Share Capital, they are a member of its Board of Directors, Mr. Abdullah Saad Aldosari (member of the Board of Directors of Aslak) and Mr. Nabeel Hassan Alameer (CEO of Aslak).	Sales	8,959,903	Due to related party (956,566)
2	A1 Fence Arabia Company for Industry	Aslak owned 30% of A1 Fance Share Capital, they are a member of its Board of Directors, Mr. Abdullah Saad Aldosari (member of the Board of Directors of Aslak) and Mr. Nabeel Hassan Alameer (CEO of Aslak).	Purchases	58,554,242	
3	A1 Fence Arabia Company for Industry	Aslak owned 30% of A1 Fance Share Capital, they are a member of its Board of Directors, Mr. Abdullah Saad Aldosari (member of the Board of Directors of Aslak) and Mr. Nabeel Hassan Alameer (CEO of Aslak).	Loan	11,250,000	Due from related party (11,250,000)
4	Rumooz Alfakherah for Trading Company	A company in which two of Aslak biggest shareholder own in Rumooz share capital: Mr. Muhammed Alrasheed and Mr. Ahmed Alrasheed	Sales	4,458,345	Due from related party (642,776)

6.3 Business and contracts between the company, members of the board of directors and senior executives

There are no business or contracts between the company and members of the board of directors, senior executives, or any person related to any of them. There is also no contract to which the company was a party, in which there is or was a fundamental interest for members of the Board of Directors or senior executives or for any person related to any of them.

6.4 Competition works

There is no business competing with the company or any of its branches of activity that any member of the Board of Directors is practicing or has been practicing.

6.5 Due and paid statutory payments

6.5.1 Paid statutory payments during the year 2024G

S	Paid statutory payments to government agencies	Value in riyal
1	Zakat	7,250,188
2	Value added tax	20,296,926
3	Social insurance	2,248,041
4	Government fees, customs, residence and visas	2,979,612
	Total	32,747,767
The amount of zakat and value-added tax includes what is related to the year 2023G and was paid during the year 2024G.		

Table No. 23: Regular payments made during the year 2024G

6.5.2 Due to statutory payments during the year 2024G.

S	Due statutory payments to government agencies	Value in riyal
1	Zakat	6,277,468
2	Value added tax	1,361,459
3	Social insurance	287,485
	Total	7,926,412
The amount of this year and will be paid during the year 2025G		

Table 24: The statutory payments during the year 2024G

6.6 Investments and reserves for the benefit of company employees

No investment or savings program has been created for the benefit of the company's employees so, their rights with the source are limited to the legally imposed end of service provision.

6.7 Acknowledgments

1. Correctly prepared account records.
2. The internal control system was prepared on a sound basis and was effectively implemented.
3. There is no doubt about the ability of the company to continue its activity

6.8 The auditor's reservations about the financial statements

There are no reservations on the External Auditor report for the annual financial statements.

6.9 Recommendations of the Board regarding the auditor

There is no recommendation for the Board to replace the External Auditor before the end of the period for which he is appointed.

6.10 The social contributions of the company

In support of the Kingdom's strategy in activating the rights of persons with disabilities and enabling them to obtain appropriate job opportunities with their wasted skills, abilities and energies, and in order to activate the Mowamah program launched by the Ministry of Human Resources and Social Development, the company has obtained a Mowaamah Certificate for the fourth year in a row from the Ministry.

This certificate comes as part of the company's efforts to develop its work environment and make it more inclusive and supportive of persons with disabilities by providing the best methods and practices to support them.

6.11 Information to be disclosed under the Corporate Governance Regulations

The company sets standards and controls to comply with the Corporate Governance Regulations, which cover the necessary requirements and practices, which focus in their entirety on the rights of shareholders, the General Assembly, and define roles and tasks at the level of shareholders, the Board of Directors, Executive Management, and related parties.

The company has implemented the governance regulation, except for the following:

Article Paragraph	No./ Article text/ Paragraph	Reasons for not applying
Article 37	"Developing the necessary mechanisms for each member of the Board of Directors and Executive Management to obtain training programs and courses on an ongoing basis for the purpose of developing their skills and knowledge in areas related to the company's activities."	The article is indicative during the year 2024G, and its implementation is being studied
Article 39	"A) The Board of Directors, based on the proposal of the Nominations Committee, shall establish the necessary	The material is indicative and the evaluation is carried out

	<p>mechanisms to evaluate the performance of the Board, its members, committees, and executive management annually, through appropriate performance measurement indicators linked to the extent of achieving the company's strategic objectives, the quality of risk management, and the adequacy of internal control systems, etc., provided that the strengths and weaknesses are identified and a proposal is made to address them. In accordance with the company's interest.</p> <p>b) Performance evaluation procedures must be written, clear, and disclosed to members of the Board of Directors and persons concerned with the evaluation.</p> <p>C) The performance evaluation must include the skills and experience possessed by the Council, and identify its strengths and weaknesses, while working to address the weaknesses in possible ways, such as nominating professional competencies that can develop the Council's performance. The performance evaluation must also include an evaluation of the Council's work mechanisms in general.</p> <p>D) The individual evaluation of members of the Board of Directors takes into account the extent of the member's effective participation and commitment to performing his duties and responsibilities, including attending the meetings of the Board and its committees and allocating the necessary time to them.</p> <p>e) The Board of Directors shall make the necessary arrangements to obtain an evaluation of its performance from a competent third party every three years.</p> <p>f) The non-executive members of the Board of Directors conduct a periodic evaluation of the performance of the Chairman of the Board after taking the views of the executive members - without the Chairman of the Board attending the discussion designated for this purpose - provided that the strengths and weaknesses are identified and a proposal to address them is consistent with the interest of the company.</p>	without establishing performance measurement indicators
Article 67	"A committee shall be formed by a decision of the company's Board of Directors called (Risk Management Committee), the Chairman of which and the majority of its members shall be non-executive members of the Board of Directors. Its members shall have an appropriate level of knowledge of risk management and financial affairs."	The article is indicative, and the company has specialists in risk management, and there is no need to form this committee currently
Article 73	"The internal audit unit or department shall consist of at least one internal auditor whose appointment shall be recommended by the Audit Committee and who shall be accountable to it."	The company uses a specialized audit office to perform internal audit work, and its application is also being studied
Article 85-2	"Programs for granting employees shares in the company or a share of the profits it achieves, retirement programs, and establishing an independent fund to spend on these programs."	The article is indicative and its application is being studied
Article 85-3	"Creating social institutions for company employees"	The article is indicative and its application is being studied
Article 84	"The Ordinary General Assembly - based on the proposal of the Board of Directors - shall establish a policy that ensures a balance between its objectives and the objectives that society aspires to achieve for the purpose of developing the social and economic conditions of society."	The article is indicative and its application is being studied

Article 85	“The Board of Directors sets programs and determines the necessary means to launch the company’s initiatives in the field of social work.”	The article is indicative and its application is being studied
Article 92	“If the Board of Directors forms a committee specialized in corporate governance, it must delegate to it the powers stipulated in accordance with Article Ninety-Four of these regulations, and this committee must follow up on any issues related to the application of governance and provide the Board of Directors at least annually with the reports and recommendations it reaches.”	The article is indicative, and the company has specialists in governance, and there is no need to form this committee currently

Table 24: Governance Regulations Not Applied Paragraphs with Reasons

6.12 Applying the standards of international accounting

The transition from the accounting standards issued by the Saudi Organization for Certified Legal Accountants to the International Financial Reporting Standards was completed, as the resulting impact was calculated from the date of the transition January 1, 2016G, when preparing the financial statements for the fiscal year ending on December 31, 2018G, in accordance with the guidelines issued by the Saudi Organization for Certified Legal Accountants to apply the International Financial Reporting Standards, and the company has applied International Standard No. (9) related to debt instruments, and the company has also applied International Standard No. (16) for leases with effect from January 1, 2019G.

6.13 Others

- During the year 2023G, the Board of Directors did not sell or mortgage the company's real estate.
- The Board has issued necessary authorizations to manage the company's various businesses, bearing in mind that these authorizations are of limited duration.

