

شركة إتحاد مصانع الأسلاك
United Wire Factories Company

Annual Report 2025

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

Distinguished Gentlemen / Esteemed Shareholders of United Wire Factories Company,
Peace, mercy, and blessings of God be upon you.

On behalf of the Board of Directors and the Executive Management, it is my pleasure to extend our sincerest gratitude and appreciation to the esteemed shareholders of United Wire Factories Company for their continued trust and unwavering support of the Company's management. I also wish to convey our deepest thanks to all Company employees for the commitment, sincere efforts, and dedication they have demonstrated in carrying out their responsibilities — contributions that have enabled the Company to overcome the difficulties and challenges encountered during 2025, represented by the structural shifts witnessed in the construction sector over recent years and the decline in demand, the intensification of competition among manufacturers, as well as rising production input costs and operating expenses, which exerted additional pressure on profitability. Nevertheless, the Company succeeded in improving its revenues and continuing to advance its strategic objectives, reinforcing its journey toward sustainable growth and value creation for its shareholders.

The Company worked to strengthen its operational processes and enhance production efficiency, while improving the utilization of its new productive assets — enabling it to achieve high capacity utilization rates that resulted in revenue growth of 9% compared to the year 2024. This reflects the effectiveness of the measures taken to boost revenues through the improvement of operational processes and the development of various organizational aspects. The Company looks forward to capitalizing on the growing opportunities in the construction and building sector in the years ahead, drawing on a solid operational foundation and accumulated expertise that support the expansion of its business scope and the reinforcement of its presence in future projects.

The Company also worked to enhance its profitability through the development of sales and marketing strategies in line with cost developments and prevailing market conditions, alongside improving the product mix by focusing efforts on higher-margin products. Measures were taken to raise the efficiency of customer relationship management and to reassess sales agreements in a manner that supports the achievement of better returns, in addition to developing the capabilities of the sales team and incentivizing performance in line with targeted profitability levels — all of which contributed to raising sales performance efficiency and maximizing value generated from commercial operations.

Within the framework of enhancing operational efficiency, the Company implemented a number of initiatives aimed at supporting profitability, encompassing waste reduction, improvement of production line efficiency, the application of preventive maintenance programs, and the maximization of asset utilization. Costs were further controlled through improvements in supply chain efficiency and the rationalization of energy consumption.

These efforts contributed to productivity gains through the development of employee skills and the enhancement of the work environment, thereby strengthening planning, monitoring, and decision-making efficiency. The Company also worked to improve work procedures and redesign processes, alongside the adoption of digital transformation technologies — including the automation of certain production lines, production management systems, and operational data analytics — in support of achieving sustainable performance aligned with modern industrial trends.

The Company firmly believes that investing in the development of its employees is not merely an option, but an imperative necessity for maintaining competitiveness — one that directly reflects on increased productive efficiency, innovation, and adaptability to change. In this regard, several training programs were conducted for employees across various fields of work, in line with evolving business requirements.

The Company embraces a number of corporate social responsibility programs to promote sustainable development. Contributions have included support for charitable organizations and various humanitarian initiatives, all aimed at improving quality of life and serving the community.

The Company continues its pursuit of diversifying income streams, increasing returns, and maximizing long-term shareholder value through mergers and acquisitions across various industrial sectors. In this context, a sale and purchase agreement was signed for the potential acquisition of a 40% ownership stake in Al-Raeda Industrial Investment Company at the end of the year, with the remaining procedures required to complete the acquisition — in accordance with applicable regulations — to be finalized during the coming year.

In line with the Board of Directors' dividend distribution policy, cash dividends were distributed to shareholders during the financial year 2025 at a rate of 5% of share capital, equivalent to SAR 0.50 per share, with total dividends distributed amounting to SAR 14,040,000 — covering the nine-month period of 2025 and the balance of retained earnings through the end of 2024.

In closing, we look forward to 2026 being a successful and fruitful financial year — one that fulfills the Company's aspirations, enhances value for its shareholders and employees, and represents a continuation of an uninterrupted journey of growth and progress.

May God grant us all success.

Khaled Mohammed Al-Khuwaiter
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

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

Item	Industrial sector		Commercial sector		Total	
	2025	2024	2025	2024	2025	2024
Sales	454	358	316	349	770	707
Sales cost	(417)	(313)	(304)	(336)	(721)	(649)
Gross profit	37	45	12	13	49	58

To the nearest million riyals

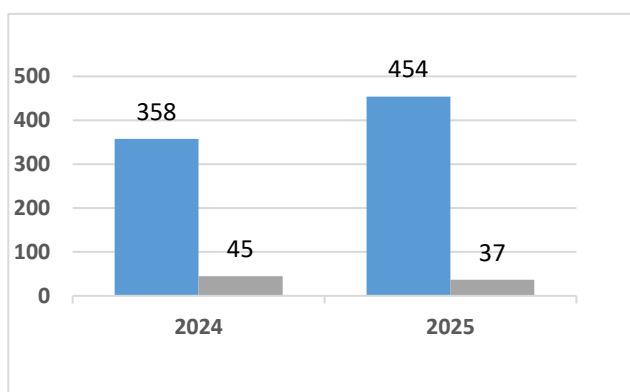


Diagram 1: Sales and gross profit of the Industrial sector
For the years 2024D and 2025D

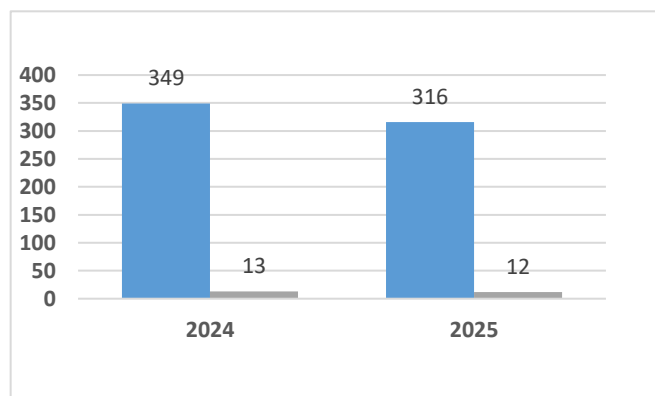


Diagram 2: Sales and gross profit of the Commercial sector
For the years 2024D and 2025D

2.2.2 Geographical analysis of the company's total sales

Regiones	2025	2024	2023	2022	2021
Central Region	540	507	547	691	543
Western Region	141	120	167	257	307
Eastern Region	89	80	79	78	71
Total	770	707	793	1,026	921

To the nearest million riyals

Table 2: Sales are distributed according to geographical regions

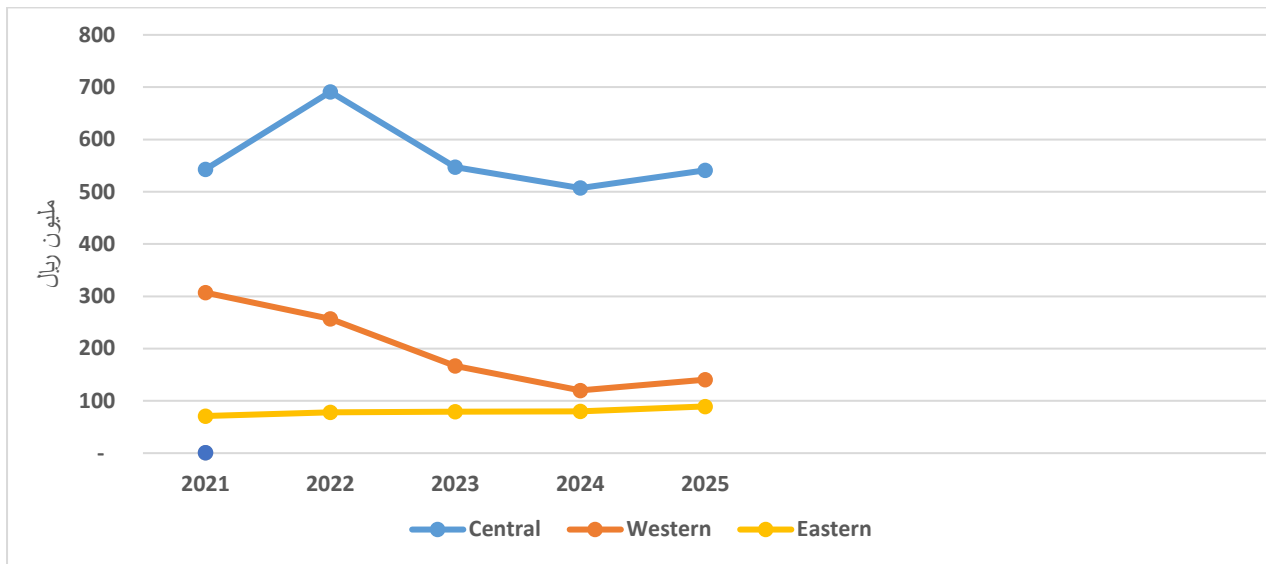


Diagram 3: Sales development according to geographical regions

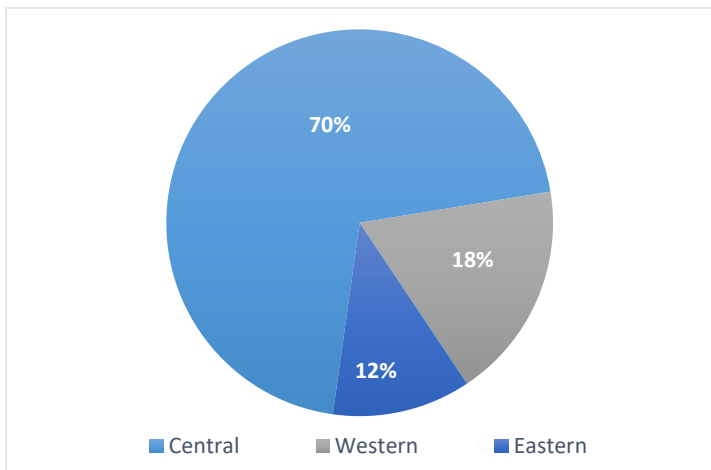


Diagram 4: Geographical sales distribution 2025D

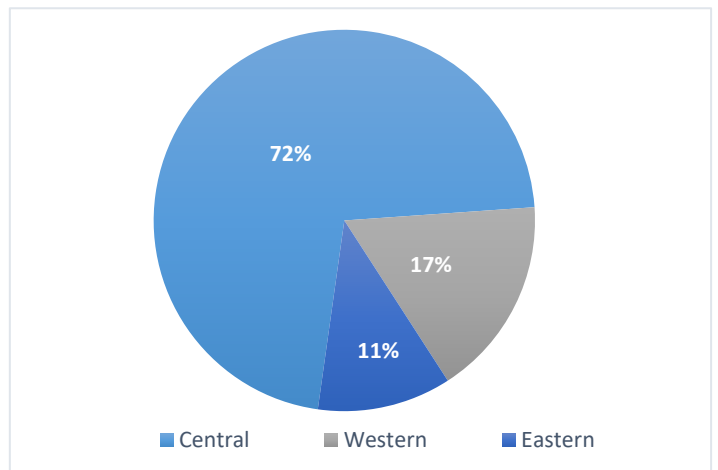


Diagram 5: Geographical sales distribution 2024D

2.3 Assets, liabilities and shareholders' equity

Item	2025	2024	2023	2022	2021
Current assets (other than stock)	220	154	180	280	291
Inventory	136	135	165	192	103
Total Current assets	356	289	345	472	394
Fixed assets (in net)	157	158	110	103	106
Total assets	513	447	455	575	500
Current liabilities	142	69	73	114	46
Non-current liabilities	15	10	11	11	11
Total liabilities	157	79	84	125	57
Total shareholders' equity	356	368	372	450	443
Total liabilities and shareholders' equity	513	447	455	575	500

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

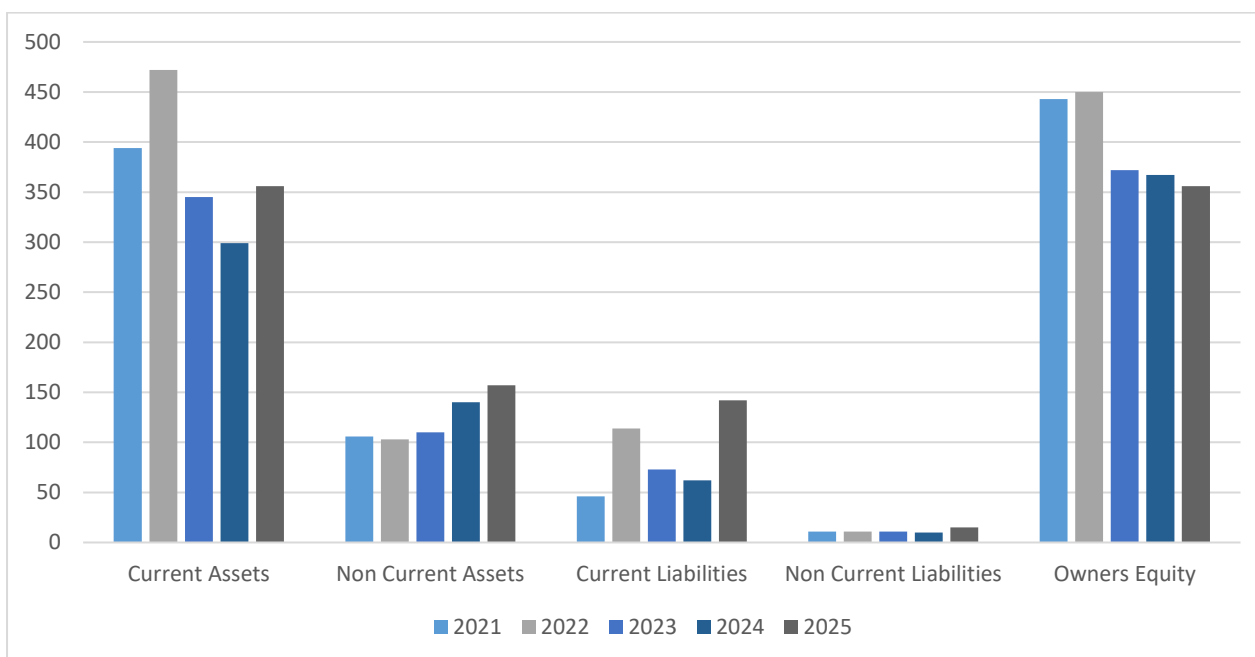


Diagram 6: Items of assets and liabilities for the last five years (Million Riyals)

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	2025	2024	2023	2022	2021
Net sales	770	707	793	1026	921
Cost of sales	-721	-649	-729	-919	-836
Gross profit	49	58	64	107	85
Selling and distribution expenses	-24	-20	-22	-21	-19
General and administrative expenses	-18	-17	-17	-18	-16
Reverse (decreasing) in the value of debit trade receivables	-2	-1	0	-1	0
Reversal of trade receivables and inventories (COVID-19)	0	0	0	0	6
The company's share of investment in joint venture	3	3	1	0	0
other income (expenses) and Lease interest	2	-1	-1	0	0
Net profit before zakat and tax	10	22	26	67	56
Zakat and tax	-5	-6	-6	-10	-10
Net profit after zakat and tax	5	16	20	57	46

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

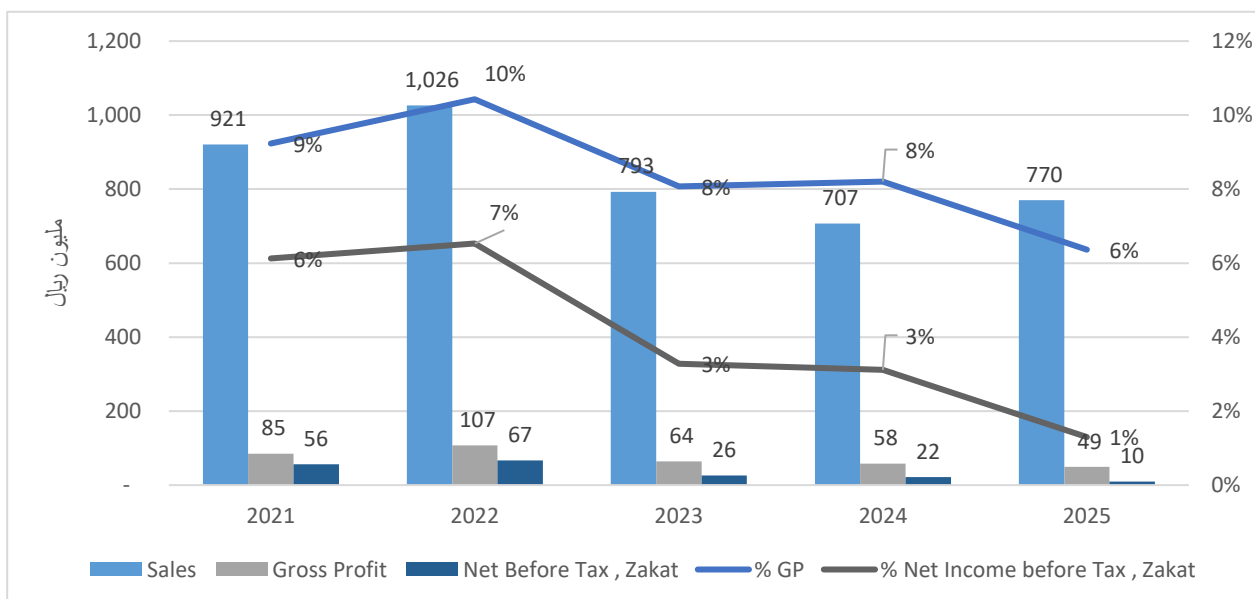


Diagram 7: Sales, gross and net income before and after zakat for five years

2.4.1.2 The Fundamental differences in the operational results between the two years 2024G and 2025G

Item	2025	2024	Diff.	%
Net sales	770	707	63	%9
Cost Of Sales	-721	-649	72	%11
Gross profit	49	58	-9	-%16
Selling and distribution expenses	-24	-20	4	%20
General and administrative expenses	-18	-17	1	%6
Reverse (decreasing) in the value of debit trade receivables	-2	-1	1	%100
The company's share of investment in joint venture	3	3	0	%0
Other income (expenses)	2	-1	3	%300
Net profit of principal operations	10	22	-12	-%54
Islamic Zakat	-5	-6	-1	-%17
Net profit after Zakat	5	16	-11	-%69
Other comprehensive income	-3	1	-4	-%400
Net profit and other comprehensive income for the year	2	17	-15	-%88
To the nearest million riyals				
*Prepared according to IFRS approved in the Kingdom of Saudi Arabia				
Item				

Table 5: The fundamental differences in the operational results between the years 2025G and 2024G

2.4.1.3 The financial position for the last five years

Item	2025	2024	2023	2022	2021
Net working capital	217	229	272	358	348
Net fixed assets	138	140	105	99	102
Intangible assets	2	0	0	0	0
Right of Use (Lease Rent IFRS 16)	4	2	3	4	4
Investing in an associate company	10	7	2	-	-
Net working assets	371	378	382	461	454
Commitment of defined benefits to employees (End of service indemnity)	12	8	8	8	8
Rental commitment (non-circulated standard 16)	3	2	2	3	3
Shareholders' equity	356	368	372	450	443
Total financial of net working assets	371	378	382	461	454

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

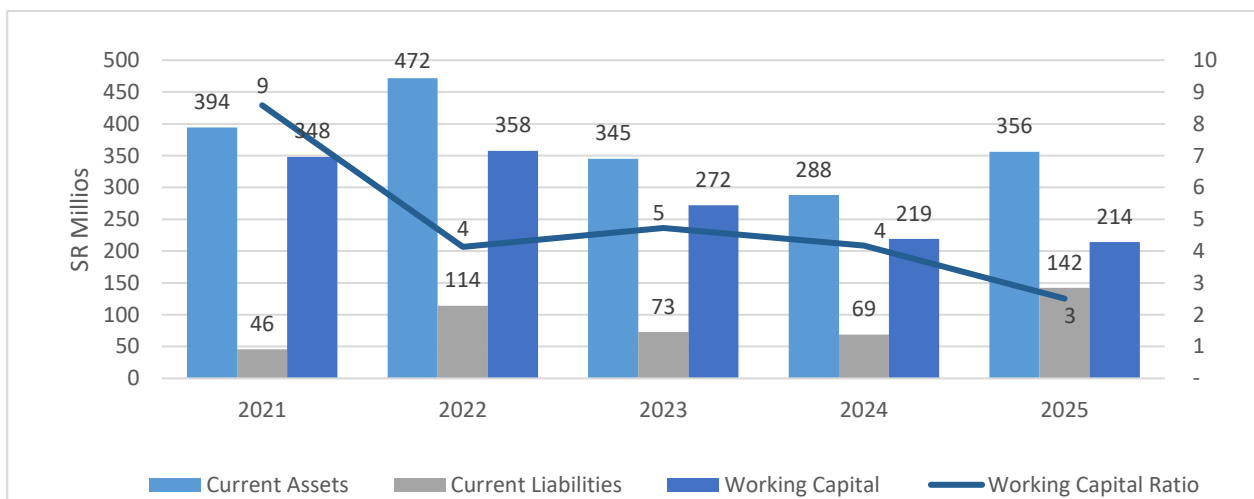


Diagram 8: The circulated assets and liabilities and working capital for the last five years

2.4.1.4 The profitability indicators for the last five years

Indicator	2025	2024	2023	2022	2021
Return on sales	%1	%2	%3	%6	%5
Return on shareholders' equity	%4	%4	5%	%13	%10
Current Ratio	3	4	5	4	9
EPS (As a percentage of the net profit for the period of its realization before Zakat)	0.38	0.80	0.81	1.91	1.61
Dividends Distributed %	%77	%100	%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

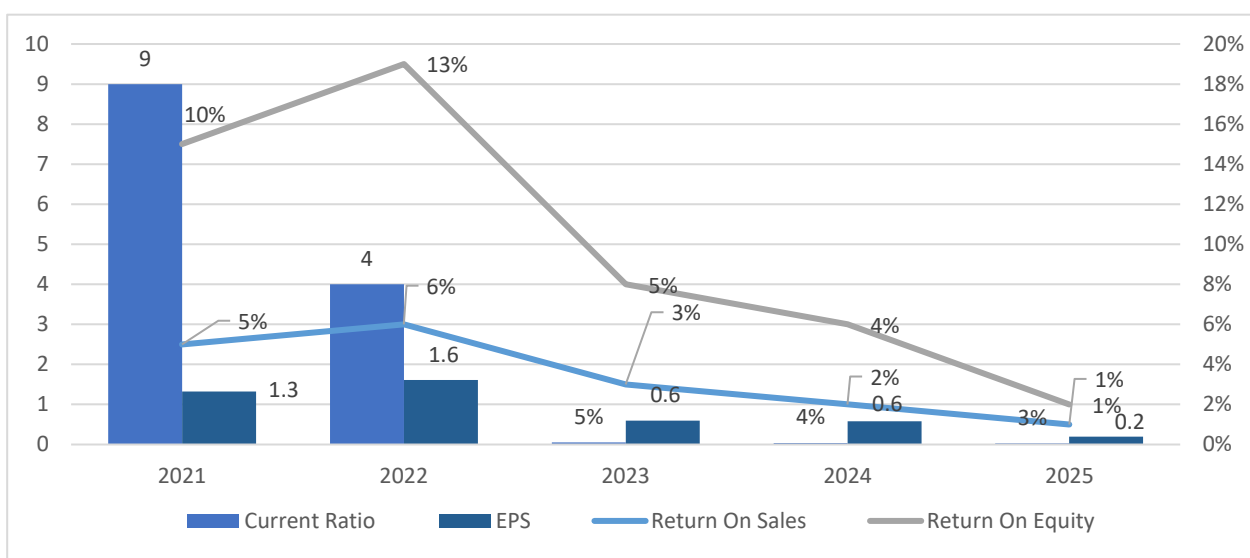


Diagram 9: The profitability Ratios for the last five years

2.4.2 Cash flows

2.4.2.1 Summary of cash flows

2.4.2.1 Summary of cash flows

Net cash flow:	2025	2024	2023	2022	2021
Received from operating activities	30	68	4	81	32
Used in investing activities	(11)	(39)	(17)	(8)	(5)
Used in financing activities	(15)	(22)	(99)	(51)	(61)
Increasing / decreasing in cash	4	7	(112)	22	(35)
The cash balance at the beginning of the year	44	37	150	128	163
The cash balance at the end of the year	48	44	38	150	128

2.4.2.2 Cash flows from the operating activities

Item	2025	2024	2023	2022	2021
Net profit before Zakat and tax	11	22	26	67	56
Depreciations and amortizations	13	12	10	11	12
End of service expense	1	1	1	1	1
Working capital net changes	5	33	(70)	2	(37)
Net Cash from operating activities	30	68	4	81	32

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	2025	2024	2023	2022	2021
Property and equipment additions	(11)	(39)	(17)	(8)	(5)
Proceeds from the properties' exclusion	-	-	0	0	0
Investing in an associate company	0	0	0	0	0
Net cash to investing activities	(11)	(39)	(17)	(8)	(5)

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

2.4.2.4 Cash flows from financing activities

Item	2025	2024	2023	2022	2021
Capital Reduction	-	-	(70)	-	-
Related parties		(0)	-	-	-
Lease rent	(1)	(1)	(1)	-	-
Dividends	(14)	(21)	(28)	(51)	(61)
Net Cash to Financing Activities	(15)	(22)	(99)	(51)	(61)

SR Million

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

Table 8: Cash flows Activities

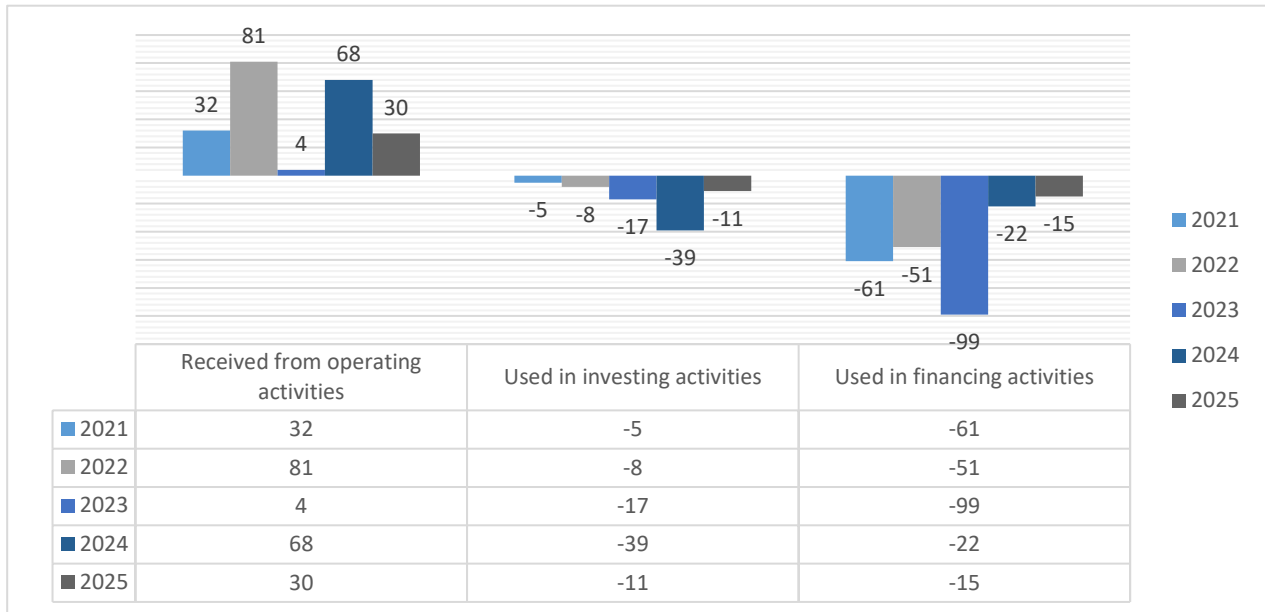


Diagram 10: The change in the main elements of the cash flow statement

2.4.3 Net profit

The net profit after zakat amounted to about (5.2) million riyals for the year 2025D, this compares to (16.2) million Saudi riyals for the year 2024D.

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, 2025D 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

United Wire Factories Company has no subsidiaries inside or outside the Kingdom of Saudi Arabia. In 2025, United Wire Factories Company signed a share purchase agreement to acquire 40% of the capital of Al-Ra'idah Industrial Investment Company. Completion of this transaction is subject to several conditions, including obtaining the necessary approvals from the Capital Market Authority and the company's Extraordinary General Assembly, and completing all related procedures in accordance with the Companies Law, the Rules for Offering Securities, and Continuing Obligations, as well as any other procedures or approvals required to finalize the acquisition. Furthermore, on March 1, 2026, the company announced that it had received a No Objection Certificate from the General Authority for Competition as part of the procedures necessary to complete the acquisition.

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 2025G

During the third quarter of 2025, based on the decision of the Board of Directors held on 20 Jumada Al-Awwal 1447 AH, corresponding to 11 November 2025, the company approved the distribution of interim cash dividends in the amount of (14,040,000) Saudi Riyals, 50 halalas per share for the nine months of 2025 and from the retained earnings balance until the end of 2024. The distribution was made on 22 Jumada Al-Awwal 1447 AH (corresponding to 24 November 2025) compared to (21,060,000) distributed in 2024.

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 31/12/2024D till 31/12/2025D were as the following:

Serial	Name	Shares number on 31/12/2024G	Shares number on 31/12/2025G	Change percentage between the beginning and end of the year*
<u>Members of the Board of Directors</u>				
1	Khaled Muhammad Al-Khuwaiter	61,371	61,371	(0%)
2	Abdullah Saad Al-Dossary	175,575	175,575	(0%)
3	Rasheed Rashed Bin Oween	128,000	128,000	(0%)
4	Abdulaziz Nasser Al-Surayie	0	0	(0%)
5	Nabeel Hassan Al-Ameer	0	0	(0%)
6	Youssef Abdullah Al-Mutlaq	0	0	(0%)
7	Turki Muhammad Al-Qurini	0	0	(0%)
-	Khaled Saad Al-Kanhal (previous BOD session)	1,965,600	1,965,600	(0%)
-	Faisal Musaed Al-Hokair (previous BOD session)	517	517	(0%)
<u>Executive management</u>				
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 2025D. The company also has banking facilities in compliance with the provisions of Islamic Sharia from local banks with a total amount of (104) Million Saudi Riyals in the form of credits by sight and letters of guarantee of payment that do not entail any loans or Benefits.

During 2025, the company provided a joint guarantee in favor of a local bank against banking facilities granted to A-1 Fence Arabia (an affiliate company) in the amount of 25 million riyals.

4.1.4 Loans instruments

There are no classes or numbers of any convertible debt instruments, contractual securities, subscription notes, or similar rights issued or granted by the company during this year, nor any consideration received in return.

Furthermore, there are no convertible or subscription rights under any convertible debt instruments, contractual securities, subscription notes, or similar rights issued or granted by the company. In addition, the company has not redeemed, purchased, or cancelled any redeemable debt instruments.

4.2 Board and general assemblies' meetings

4.2.1 Board meetings

The Board of Directors held six meetings during this year as follows:

1. First meeting: 18/02/2025G.
2. Second meeting: 13/04/2025G.
3. Third meeting: 13/05/2025G.
4. Fourth meeting: 23/07/2025G.
5. Fifth meeting: 11/11/2025G.
6. Sixth meeting: 30/12/2025G.

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

No.	Member Name	Position	Classification	1	2	3	4	5	6	%
Members of the council in the current session (Sixth):										
1	Khaled Mohammed Al-Khuwaiter	Chairman	Non-Executive	✓	✓	✓	✓	✓	✓	100%
2	Rasheed Rashed Bin Owein	Vice-Chairman	Non-Executive	✓	✓	✓	✓	✓	✓	100%
3	Abdulaziz Nasser Al-Surayie	Member	Independent	X	✓	✓	✓	✓	✓	85%
4	Yousef Abdullah Al-Mutlaq	Member	Independent	✓	✓	✓	✓	✓	✓	100%
5	Turki Mohammed Al-Quraini	Member	Independent	✓	✓	✓	✓	✓	✓	100%
6	Abdullah Saad Al-Dossari	Member	Executive	✓	✓	✓	✓	✓	✓	100%
7	Nabeel Hassan Al-Ameer	Member	CEO	X	✓	✓	✓	✓	✓	85%
Members of the council in the previous session (Fifth):										
1	Khaled Saad Al-Kanhal	Chairman	Non-Executive	✓	x	x	x	x	x	The final meeting of the fifth session
2	Faisal Musaed Al-Hokair	Member	Independent	✓	x	x	x	x	x	

Table 10: Members' attendance record of the Board meetings 2025G

* The Board also adopted eleven resolutions passed by circulation during this year.

* During 2025, the fifth session of the previous Board ended on 9/4/2025, and the sixth session began on 10/4/2025. The previous council held one meeting until the end of the fifth session with all members.

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	08/04/2025G	General Assembly
2	03/06/2025G	General Assembly
3	16/11/2025G	Corporate procedures
4	19/11/2025G	Earnings file

Table11: Record of shareholders' requests

4.2.3 General assembly meetings

1. The Eighteenth Ordinary General Assembly

The Eighteenth Ordinary General Assembly (first session) was held as announced on the Saudi Stock Exchange (Tadawul) website on 10/10/1446 AH, corresponding to 08/04/2025 AD, at 8:30 PM. A quorum was reached with shareholders attending at a rate exceeding 33.06%.

The Ordinary General Assembly was held using modern technology, enabling shareholders to participate in discussions and vote on the agenda remotely. The table below details the attendance of Board members at the General Assembly meetings.

S	Member names	Position	Attendance The Eighteenth ordinary general assembly
1	Khaled Saad Al-Kanhal	Chairman of the Board	✓
2	Rasheed Rashed Bin Owein	Vice Chairman of the Board	✓
3	Khaled Mohammed Al-Khuwaiter	member of the Board	✓
4	Yousef Abdullah Al-Mutlaq	member of the Board	✓
5	Turki Muhammad Al-Quraini	member of the Board	✓
6	Faisal Musaed Al-Hokair	member of the Board	✓
7	Abdullah Saad Al-Dossary	member of the Board	✓

Table No. 12: Record of attendance of Council members for the fifth session of the General Assembly meetings during the year 2025G

2. The Nineteenth Ordinary General Assembly

The Nineteenth Ordinary General Assembly (first session) was held at 8:30 PM on Monday, 20/12/1446 AH corresponding to 16/6/2025. A quorum was reached with the attendance of shareholders representing more than 49.29% of the total shareholders.

The Ordinary General Assembly was conducted using modern technology, enabling shareholders to participate in discussions and vote on the agenda remotely. The table below details the attendance of Board members at the Assembly sessions.

S	Member names	Position	Attendance The Nineteenth ordinary general assembly
1	Khaled Mohammed Al-Khuwaiter	Chairman of the Board	✓
2	Rasheed Rashed Bin Owein	Vice Chairman of the Board	✓
3	Abdulaziz Nasser Al-Sari	member of the Board	✓
4	Yousef Abdullah Al-Mutlaq	member of the Board	✓
5	Turki Muhammad Al-Quraini	member of the Board	✓
6	Abdullah Saad Al-Dossary	member of the Board	✓
7	Nabeel Hassan Al-Ameer	member of the Board	✓

Table No. 12: Record of attendance of Council members at the sixth session of the General Assembly meetings during the year 2025G

4.3 Data details of the Board members and executive management

4.3.1 Board members

The Board of Directors for the current (sixth) term was formed by a resolution of the eighteenth Ordinary General Assembly dated 10/10/1446 G, corresponding to 08/04/2025 G, and the Chairman of the Board was elected by a resolution of the members dated 15/10/1446 G, corresponding to 13/04/2025 G. The table below shows the details of their membership.

S	Member names for the fifth session	Position	category
1	Khaled Mohammed Al-Khuwaiter	Chairman of the Board	Non- executive
2	Rasheed Rashed Bin Owein	Vice Chairman of the Board	Non- executive
3	Abdulaziz Nasser Al-Surayie	member of the Board	Independent
4	Yousef Abdullah Al-Mutlaq	member of the Board	Independent
5	Turki Muhammad Al-Quraini	member of the Board	Independent
6	Abdullah Saad Al-Dossary	member of the Board	Executive
7	Nabeel Hassan Al-Ameer	member of the Board	Executive

Table No. 13: Members of the Board of Directors for the Sixth Session

4.3.2 CV of the Board members

Khaled Mohammed Al-Khuwaiter

The Chairman of the Board

Mr. Khaled Al-Khuwaiter serves as Chairman of the Board of Directors for the sixth term and is also a member of the company's Nominations and Remuneration Committee. He holds a Bachelor's degree in Accounting from King Saud University and is a Certified Public Accountant (CPA) from the American Institute of Certified Public Accountants. He has extensive experience in several fields, including:

- Chief Financial Officer of Advanced Electronics Company
- Member of the Saudi Organization for Certified Public Accountants' committees responsible for setting standards and overseeing their implementation
- Working in the Finance Department of Hotels and Resorts Company
- Member of the Board of Directors of Jadwa Investment Company
- Member of the Audit Committee of Al-Drees Company
- Member of the Audit Committee of Mawten Company
- Member of the Audit Committee of the Saudi Industrial Investment Group
- Member of the Audit Committee of Al-Jazira Takaful Company

Rasheed Rashed Bin Owein

The Vice Chairman of the Board

Dr. Rasheed Bin Owein serves as Vice Chairman of the Board of Directors for the sixth term. He holds a PhD in Nuclear Engineering from the University of Arizona, a Master's degree in Nuclear Engineering from King Saud University, and a Bachelor's degree in Electrical Engineering, also from King Saud University. His experience includes:

- Member of the Board of Directors of Al-Jouf Agricultural Development Company for over ten years, and a member of its Executive Committee
- Member of the Board of Directors of the National Petrochemical Company for over two years, and Chairman of the Nominations and Remuneration Committee
- Member of the Board of Directors of the company since 2013
- Member of the Board of Directors of Al-Munif Trading, Industry, Agriculture, and Contracting Company

Yousef Abdullah Ibrahim Al-Mutlaq

Board Member

Eng. Yousef Al-Mutlaq serves as a member of the company's Board of Directors for its sixth term, in addition to being a member of the Audit Committee and the Executive Committee. He holds a Master of Business Administration (MBA) and a Bachelor of Science in Mechanical Engineering from King Saud University, both also from the same university, as well as a Diploma in Industrial Management. His experience includes:

- CEO of Al-Ayuni Investment & Contracting Company

- CEO and Founding Partner of Qudra Energy Company
- CEO of Rezayat Group
- CEO of Al-Essa Industries Company
- Chairman of the Board of Directors of Hunter Arabia Company
- Chairman of CMC Company
- Board Member of Al-Jazira Electrical Appliances Company
- Managing Director of Tamkeen Company
- Board Member of ACWA Power Company
- Director of Planning and Development at Omar Qasim Al-Esayi Company
- Manufacturing Operations Manager at Advanced Electronics Company

Turki Mohammed Fahid Al-Quraini

Board Member

Mr. Turki Al-Quraini serves as a member of the company's Board of Directors for its sixth term, in addition to being a member of the Nominations and Remuneration Committee. He holds a Master's degree in Finance from the University of Technology Sydney and a Bachelor's degree in Accounting from King Saud University. His experience includes:

- Director of Corporate Governance Compliance and Director of Corporate Governance Standards at the Capital Market Authority.
- General Manager of Governance and Secretary of the Board of Directors at Jabal Omar Development Company
- General Manager of Governance, Risk, and Compliance at the National Housing Company
- General Manager of Governance, Risk, and Compliance at the Human Resources Development Fund (HRDF).
- Director of Governance at the National Water Company
- Member of the Audit Committee at Mawten Real Estate Company
- Chairman of the Audit Committee at Artal Financial Company
- Member of the Audit Committee at Al Rajhi Union Company
- Member of the Board of Directors of Shamil Development and Investment Company
- Deputy Secretary General of the Board of Directors of the Royal Commission for Riyadh City

Abdulaziz Nasser Al-Surayie

Board Member

Mr. Abdulaziz Al-Surayie serves as a member of the company's Board of Directors for its sixth term. He holds a Master's degree from King Faisal University and a Bachelor's degree in Business Administration from Ashwood University in the United States. His experience includes:

- Chairman of the Board of Directors of Golden Holding Group
- Chairman of the Board of Directors of Arab Textile Factory
- Chairman of the Board of Directors of Masira Trading Company
- Chairman of the Board of Directors of Al-Raeda Industrial Group
- Chairman of the Board of Directors of Al-Raya Al-Mutamayyiza for Industry

Abdullah Saad Abdullah Al-Dossary

Board Member

Mr. Abdullah Al-Dossary serves as a member of the company's Board of Directors for its fifth term, in addition to being a member of the Executive Committee and the General Manager of Sales and Marketing. His experience includes:

- Working at the Riyadh Binding Wire Factory, progressing from the Sales and Production departments to becoming the Deputy General Manager. In 1997, the factory transitioned to a company, where he served as General Manager for nine years
- Member of the company's Board of Directors since 2007
- Member of the Board of Directors of A-1 Fence Arabia for Industry

Nabeel Hassan Mohammed Al-Ameer

Board Member & CEO

Mr. Nabeel Al-Ameer serves as a member of the company's Board of Directors for the sixth term, in addition to being a member of the Executive Committee, CEO, and a board member of A-1 Fence Arabia for Industry. He holds a Bachelor of Science degree in Marketing with honors from King Fahd University of Petroleum and Minerals and has the following experience:

- CEO of United Wire Factories Company
- CEO of Akl Trading and Industry Company
- Executive Vice President of Corporate Services at Alwatania for Industries Company
- President of the National Food Products Factory - Al-Waha (for Alwatania for Industries Company)
- Logistics and Supply Chain Director at Al-Munajem Refrigeration Company
- Assistant General Manager at Gulf Catering Company (Al-Munajem Group)
- Head of Trade and Marketing at Jazan Agricultural Development Company
- Marketing Manager at Reza Food Services Company (McDonald's)
- Petroleum Products Marketing Specialist at Saudi Refining and Marketing Company (SAMAREC)

4.3.3 Curriculum Vitae of the Senior Executives

Nabeel Hassan Muhammad Al-Ameer

Chief Executive Officer

Mr. Nabeel Al-Ameer serves as member of the company's Board of Directors for the sixth term, in addition to being a member of the Executive Committee, CEO, and a board member of A-1 Fence Arabia for Industry. He holds a Bachelor of Science degree in Marketing with honors from King Fahd University of Petroleum and Minerals and has the following experience:

- CEO of United Wire Factories Company
- CEO of Akl Trading and Industry Company
- Executive Vice President of Corporate Services at Alwatania for Industries Company
- President of the National Food Products Factory - Al-Waha (for Alwatania for Industries Company)
- Logistics and Supply Chain Director at Al-Munajem Refrigeration Company
- Assistant General Manager at Gulf Catering Company (Al-Munajem Group)
- Head of Trade and Marketing at Jazan Agricultural Development Company
- Marketing Manager at Reza Food Services Company (McDonald's)
- Petroleum Products Marketing Specialist at Saudi Refining and Marketing Company (SAMAREC)

Abdel Hamid Hosni Abdel Hamid Ibrahim

Financial Director

Mr. Abdulhamied Ibrahim has been serving as the Financial Director of the Company since 2019. He holds a bachelor's degree in commerce, in addition to a Postgraduate Diploma in Accounting and Auditing from the Faculty of Commerce – Cairo University.

He is a Certified Management Accountant (CMA) accredited by the Institute of Management Accountants (IMA), USA, and holds the Governance, Risk and Compliance Professional (GRCP) certification from the Open Compliance and Ethics Group (OCEG).

He has completed numerous advanced professional programs in internal control, risk management, financial analysis, and financial planning, and possesses diverse academic and practical experience across both industrial and service sectors.

He brings over 33 years of professional experience, during which he held several leadership roles in financial management and internal audit, ultimately serving as CFO for a number of major companies, including entities affiliated with Amer Group and Momen Group in Egypt, as well as Almunajem Group in the Kingdom of Saudi Arabia.

Abdullah Saad Abdullah Al-Dossary

General Manager, Sales and Marketing

Mr. Abdullah Al-Dossary serves as a member of the company's Board of Directors for its sixth term, in addition to being a member of the Executive Committee and the General Manager of Sales and Marketing. His experience includes:

- Working at the Riyadh Binding Wire Factory, progressing from the Sales and Production departments to becoming the Deputy General Manager. In 1997, the factory transitioned to a company, where he served as General Manager for nine years
- Member of the company's Board of Directors since 2007
- Member of the Board of Directors of A-1 Fence Arabia for Industry

Ibrahim Abdel-Aal Salam

Manufacturing Director

Eng. Ibrahim Salam has served as the Manufacturing Manager since 2020. He possesses over 20 years of experience leading multi-factory manufacturing operations in the fields of steel wire, galvanized steel, fencing systems, and steel products.

He currently leads an integrated operations system encompassing several factories within the Kingdom of Saudi Arabia, with direct responsibility for production, maintenance, quality, safety, projects, and digital transformation. He participates in executive and investment committees (CAPEX), contributing to operational excellence, increased production efficiency, and cost reduction.

Throughout his career, he has achieved numerous accomplishments, most notably improving productivity, reducing waste, expanding production capacities, and implementing digital transformation solutions and smart factory systems. He has also secured certifications and approvals from major entities such as Saudi Aramco, the Saudi Electricity Company, and the Saudi Standards, Metrology and Quality Organization (SASO).

He holds a Bachelor's degree in Mechanical Engineering and completed a specialized program in Operations Management at Alfaisal University in Saudi Arabia. He also holds several certifications and has completed specialized courses in industrial systems management and operation, project management, Six Sigma, Lean Manufacturing, Industry 4.0, and quality and maintenance systems. He has completed numerous advanced executive programs in strategic planning and change management, as well as internationally accredited leadership and organizational development programs. He is currently pursuing an MBA, which will enhance his leadership skills and support his ambition for senior executive positions.

He has also participated in advanced training programs and technical visits to several industrial countries, including Italy, Germany, Denmark, China, and Turkey, focusing on wire drawing machinery and galvanizing technologies. He previously held several leadership positions in major industrial companies, most notably as Manufacturing Manager for the Wire & Fence Division at BRC Industrial Saudia Co., where he led the expansion and development of factories and production lines.

He is a member of:

- The Saudi Council of Engineers
- The Egyptian Engineers Syndicate

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

M	Member Name	Company Name	Inside / Outside the Kingdom	Legal Entity
1	Khaled Mohammed Al-Khuwaiter	Jadwa Investment Company	Inside Kingdom	Unlisted shareholding company
		Aldrees Company	Inside Kingdom	Listed shareholding company
		Mawten Company	Inside Kingdom	Unlisted shareholding company
		Al Jazeera Takaful Company	Inside Kingdom	Listed shareholding company
2	Rasheed Rashed Bin Owein	Al-Jouf Agricultural Development Company	Inside Kingdom	Listed shareholding company
		Al Munif Company for Tarde, Industry, Agriculture and Contracting	Inside Kingdom	Listed shareholding company
		Arqaam Investment Company	Inside Kingdom	Limited Liability company
3	Yousef Abdullah Al-Mutlaq	Razayat Holding Group	Inside Kingdom	Unlisted shareholding company
		Al-Oyouni Investment & Contracting Company	Inside Kingdom	Unlisted shareholding company
4	Turki Mohammed Al-Quraini	Artal Financial Company	Inside Kingdom	Unlisted shareholding Company
		Shamayel Development & Development Company	Inside Kingdom	Unlisted shareholding company
		Mawten company	Inside Kingdom	Unlisted shareholding company
		Alrajhi United Real Estate	Inside Kingdom	Listed shareholding company
5	Abdullah Saad Abdullah Al-Dossari	A-1 Fence Arabia Company for Industry	Inside Kingdom	Limited Liability company
6	Abdulaziz Nasser Al-Surayie	Golden Group Holding	Inside Kingdom	Listed shareholding company
		Arab Textil Factory	Inside Kingdom	Unlisted shareholding company
		Masira Trading Company	Inside Kingdom	Limited Liability company
		Al-Raeda Industrial Group	Inside Kingdom	Listed shareholding company
		Al-Raya Al-Mutamayyiza for Industry	Inside Kingdom	Listed shareholding company
7	Nabeel Hassan Al-Ameer	A-1 Fence Arabia Company for Industry	Inside Kingdom	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 Audit Committee was formed pursuant to the Board of Directors' decision dated 15/10/1446 AH corresponding to 13/04/2025 AD for the sixth term of the Board, which began on 12/10/1446 AH corresponding to 10/04/2025 AD.

The Committee is responsible for overseeing the company's internal audit to ensure its effectiveness in carrying out the tasks and duties assigned by the Board of Directors. It also reviews the internal control system, prepares a written report outlining its opinion and recommendations, and examines internal audit reports, monitoring the implementation of corrective actions for any identified deficiencies.

It is also responsible for recommending to the Board of Directors the appointment and dismissal of auditors and determining their fees, while ensuring their independence; monitoring the work of auditors and approving any work outside the scope of their assigned audit duties; reviewing the audit plan with the auditor and providing feedback; reviewing the auditor's comments on the financial statements and following up on their implementation; reviewing the preliminary and annual financial statements before their presentation to the Board of Directors and providing opinions and recommendations; and reviewing the accounting policies in place and providing opinions and recommendations to the Board of Directors. The company's internal auditor also submitted reports to the Audit Committee on the effectiveness of the company's internal controls.

The committee held four meetings this year, in addition to one resolution passed by circulation, as follows:

1. First meeting: February 17, 2025
2. Second meeting: May 11, 2025
3. Third meeting: August 7, 2025
4. Fourth meeting: November 6, 2025

Resolution passed by circulation: March 12, 2025

The following table includes a statement of the members of the auditing committee and their attendance of the meetings held during the year 2025D::

S	Member names	Position	Meeting attendance				%
			1	2	3	4	
Current BOD round							
1	Mohammed Saleh Al-Sulaiman	Chairman	X	✓	✓	✓	% 75
2	Yousef Abdullah Al-Mutlaq	Member	✓	✓	✓	✓	%100
3	Abdullah Saud Al-Arifi	Member	✓	✓	✓	✓	%100
Previous BOD round							
1	Khaled Mohammed Al-Khuwaiter	Chairman	✓	X	X	X	%25

Table 15: A statement of the auditing committee members and their attendance at the meetings held during the year 2025D.

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

Mohammed Saleh Abdulaziz Al-Sulaiman

Chairman's of audit committee

Mr. Mohammed Al-Sulaiman serves as Chairman of the Audit Committee for the sixth term. He holds a Master of Business Administration (MBA) from Middle Tennessee State University in the United States, a Bachelor of Science in Accounting from King Saud University, and is a Certified Public Accountant (CPA) from the American Institute of Certified Public Accountants (AICPA). He is also a member of the Saudi Organization for Certified Public Accountants (SOCPA). His extensive experience includes:

- Director of the General Department of Internal Audit and Secretary of the Audit Committee at the Tourism Development Fund
- Executive Audit Manager at Al Rajhi Bank
- Director of Internal Audit at King Faisal University – King Faisal Foundation
- Acting General Manager of Internal Audit, Acting Secretary of the Audit Committee, and Financial and Operational Audit Manager at Bank Albilad
- Manager of Financial Unit at the Saudi Industrial Development Company
- Member of the Audit Committee at Almar Food Company
- Member of the Audit Committee at Derayah Financial Company
- Member of the Audit Committee at Bedaia Financial Company

Yousef Abdullah Al-Mutlaq**Member of the Audit Committee**

Eng. Yousef Al-Mutlaq serves as a member of the company's Board of Directors for its sixth term, in addition to being a member of the Audit Committee and the Executive Committee. He holds a Master of Business Administration (MBA) and a Bachelor of Science in Mechanical Engineering from King Saud University, both also from the same university, as well as a Diploma in Industrial Management. His experience includes:

- CEO of Al-Ayuni Investment & Contracting Company
- CEO and Founding Partner of Qudra Energy Company
- CEO of Rezayat Group
- CEO of Al-Essa Industries Company
- Chairman of the Board of Directors of Hunter Arabia Company
- Chairman of CMC Company
- Board Member of Al-Jazira Electrical Appliances Company
- Managing Director of Tamkeen Company
- Board Member of ACWA Power Company
- Director of Planning and Development at Omar Qasim Al-Essa Company
- Manufacturing Operations Manager at Advanced Electronics Company

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

Mr. Abdullah Al-Arifi serves as a member of the company's Audit Committee for its sixth term. He holds a Master of Business Administration degree from King Saud University and a Bachelor of Science degree in Industrial Management from King Fahd University of Petroleum and Minerals. His experience includes:

- Former member of the Audit Committee at the Human Resources Development Fund (HRDF)
- Former member of the Audit and Risk Committee at International Water and Energy Business Company
- Former member of the Audit Committee at the Abdul Aziz Al Rajhi Sons Charitable Endowment
- Current member of the Audit Committee at Mawten Real Estate Company
- Current Vice Chairman of the Supervisory Board at the Financial Sustainability Fund (an initiative of Sulaiman Al Rajhi Development Finance Foundation)
- Former Director of the Loan Coordination and Services Department at the Saudi Industrial Development Fund
- Former Officer in the Credit Department at the Saudi Industrial Development Fund
- Former Officer in the Projects Department at the Saudi Industrial Development Fund

5.2 Nominations and Remuneration Committee

5.2.1 Formation of the committee

The Nominations and Remuneration Committee was formed by a Board of Directors resolution dated 15/10/1446 G (corresponding to 13/04/2025 G) for the sixth Board term, which commenced on 12/10/1446 G (corresponding to 10/04/2025 G).

The Committee is responsible for recommending nominations for Board membership in accordance with the policies and standards approved by the General Assembly. It also conducts an annual review of the skills required for Board membership and prepares a description of the necessary abilities and qualifications, including specifying the time commitment required of each member.

Furthermore, the Committee reviews the Board's structure and submits recommendations regarding potential changes. It identifies the Board's strengths and weaknesses and proposes solutions that align with the company's best interests. The Committee also annually verifies the independence of independent members and ensures there is no conflict of interest if a member serves on the board of another company. The Committee's responsibilities also include developing clear policies for remunerating Board members and senior executives, utilizing performance-based criteria to determine such remuneration.

The Committee's responsibilities also include establishing clear policies for remunerating Board members and senior executives, utilizing performance-related criteria to determine such remuneration. The committee held four meetings during this year as follows:

- 1- First Meeting: 18/02/2025G
- 2- Second Meeting: 06/05/2025G
- 3- Third Meeting: 26/08/2025G
- 4- Fourth Meeting: 02/12/2025G

S	Name Members	Position	Meeting attendance				%
			1	2	3	4	
Members of the committee for the current (sixth) session:							
1	Abdulaziz Hamoud Al-Owais	Chairman	X	✓	✓	✓	%75
2	Khaled Mohammad Al-Khuwaiter	Member	X	✓	✓	✓	%75
3	Turki Mohammed Al-Quraini	Member	✓	✓	✓	✓	%100
Members of the committee in the previous (fifth) session:							
1	Rasheed Rashed Bin Owein	Chairman	✓	X	X	X	%25
2	Khaled Saad Al-Kanhal	Member	✓	X	X	X	%25

Table 16: A statement of the members of the Nomination and Remuneration Committee and their attendance at the meetings held during the year 2025G.

5.3 The Executive Committee

5.3.1 Formation of the committee

The Executive Committee was formed by a Board of Directors resolution dated 15/10/1446 G (corresponding to 13/04/2025G) for the sixth Board term, which commenced on 12/10/1446 G (corresponding to 10/04/2025G).

The Committee is responsible for assisting the Board of Directors and the company's management in making executive decisions, within the powers granted to it according to its bylaws, to ensure smooth workflow and timely decision-making. It also participates in setting the company's strategy and main objectives and submits recommendations to the Board of Directors. Furthermore, it reviews and monitors the implementation of all company projects and makes related decisions within its delegated powers. It also monitors the implementation and development of the company's organizational structures and makes decisions that ensure their rapid implementation and improvement.

The Committee also reviews administrative regulations with the company's management and makes decisions that enable management to implement them. It studies proposals submitted by the company's management related to achieving the company's objectives or its administrative, financial, and operational activities and makes decisions that enable the executive management to implement them quickly, or refers them to the Board if deemed necessary. The committee reviews and provides feedback on strategic plans, undertakes all tasks referred to it by the board or its chairman, and performs all actions necessary to advance the company's operations and achieve its objectives within the framework of the regulations, bylaws, and resolutions issued by the board.

The committee held four meetings this year, as follows:

- 1- First Meeting: 07/05/2025G.
- 2- Second Meeting: 16/07/2025G.
- 3- Third Meeting: 22/10/2025G.
- 4- Fourth Meeting: 28/12/2025G.

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	
1	Yousef Abdullah Al-Mutlaq	Chairman	✓	✓	✓	✓	100%
2	Khaled Saad Al-Kanhal	Member	✓	✓	✓	✓	100%
3	Abdullah Al-Dossary	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 2025G

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 Board of Directors is determined in accordance with the Saudi Companies Law, the company's Articles of Association, the Remuneration Policy approved by the company's General Assembly on June 16, 2025, and the regulations of the Capital Market Authority, as detailed in Chapter Three, Item One of this report. The remuneration amount is subject to approval by the company's General Assembly before disbursement, and there is no material deviation from this policy.
- The CEO's remuneration is determined according to the signed contract (detailed in the table of compensation for senior executives).
- The Chief Financial Officer receives a bonus if it is distributed to company employees – detailed in the table of compensation for senior executives.
- There are no arrangements or agreements whereby any of the company's shareholders have waived any rights to profits.
- The members of the Executive Committee have waived their allowances for attending Executive Committee meetings.

5.5.2 Remunerations for members of the Board of Directors 2025G

Name	Fixed Bonus (Thousand)									Variable Bonus (Thousand)							Expense Allowance	
	Fixed amount	Attendance	Total - Attendance Remunerations	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
1st: Independent Members																		
Abdulaziz Nasser Al-Surayie	-	12	12	0	0	0	0	0	12								12	-
Youssef Abdullah Al Mutlaq	150	15	165	50	24	0	0	0	239								239	-
Turki Mohammed Al-Quraini	150	15	165	0	15	0	0	0	180								180	-
Faisal Musaed Al-Hokair (Previous BOD round)	150	3	153	0	0	0	0	0	153								153	-
Total	450	45	495	50	39	0	0	0	584								584	
2nd: Non-Executive Members																		
Khaled Mohammed Al-Khuwaiter	150	15	165	75	12	0	0	0	252								252	-
Rasheed Rashed Bin Owien	150	15	165	0	6	0	0	0	171								171	-
Khaled Saad Al-Kanhal (Previous Round)	150	3	153	0	18	0	0	200	371								371	-
Total	450	33	483	75	36	0	0	200	794								794	
3rd: Executive Members																		
Nabeel Hassan Al-Ameer*	-	15	15	0	12	0	1,863	0	1,890	0	300					156	2,346	-
Abdullah Saad Al-Dossary**	150	15	165	0	15	0	851.4	0	1,028.4	0	60					70	1,158.4	-
Total	150	12	180	0	24	0	2,714.4	0	2,918.4	0	360					226	3,504.4	-
Grand Total	1,050	108	1,158	125	99	0	2,714.4	200	4,296.4	0	360					226	4,882.4	-

Table 18: Remuneration for members of the Board of Directors 2025D

* Mr. Nabeel Hassan Al-Ameer holds the position of Chief Executive Officer, and the amounts mentioned, including in-kind benefits, rewards for technical and administrative work, and periodic bonuses, represent his compensation for his executive duties during 2025.

** Mr. Abdullah Saad Al-Dossary holds the position of Director of Sales and Marketing, and the amounts mentioned, including in-kind benefits, rewards for technical and administrative work, and periodic bonuses, represent his compensation for his executive duties during 2025.

5.5.3 Remuneration of committees' members

Statement	Fixed remunerations (Except the allowance for attending the sessions)	Allowance to attend the sessions	Total
The Auditing Committee			
Khaled M. Al-Khuwaiter (Previous Round)	75	3	78
Mohammed Saleh Al-Sulaiman (Current Round)	-	9	9
Yousef Abdullah Al-Mutlaq	50	12	62
Abdullah Saud Al-Arifi	50	12	62
Total	175	36	211
The Nomination and Remuneration Committee			
Rasheed Bin Owein (Previous round)	0	6	6
Khaled Saad Al-Kanhal (Previous round)	0	6	6
Abdulaziz Hamoud Al-Owais (Current round)	0	9	9
Khaled Mohammed Al-Khuwaiter (Current round)	0	9	9
Turki Muhammed Al-Quraini	0	15	15
Total	0	33	33
The Executive committee			
Khaled Saad Al-Kanhal	0	12	12
Yousef Abdullah Al-Mutlaq	0	12	12
Abdullah Saad Al-Dossary	0	12	12
Nabeel Hassan Al-Ameer	0	12	12
Total	0	48	48

Table No. 19: Details of Committee Members' Remuneration

5.5.4 What senior executives earned for the year 2025G.

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	2,318	1,242	-	3,560	455	4,015	283	4,298

All numbers are in thousand Saudi riyals

Table 20: remuneration details of the senior executives for the year 2025D.

* The senior executive earned in the previous table include what was received by Mr. Nabeel Hassan Al-Ameer, Board Member (Executive), for his executive work as Chief Executive Officer, and Mr. Abdullah Al-Dossary, Board Member (Executive), for his executive work as General Manager of Sales and Marketing, and were previously included in what was received by the Board Members (in Table No. 18).

** The annual bonus represents the payment for the year 2024D through the year 2025D.



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	Riyadh Municipality	50,000	Construction Permit	Comments have been processed and instructions are adhered to
2	Modun	2,300	Operating license	Comments have been processed and instructions are adhered to
3	Ministry of Interior – Traffic	19,843	Traffic violation	Comments have been processed and instructions are adhered to
4	Social Insurance	371,011	Social insurance Violation	Comments have been processed and instructions are adhered to

Table 21: Penalties and penalties during the year 2025G

6.2 Transactions between the company and related parties

S	name	Type of relationship	Type of dealing	Total value of transactions during the fiscal year 2025/	Balance as of 31/12/2025
1	A-1 Fence Arabia for Industry Company	Aslak owns (30%) of its capital, and its board of directors includes Mr. Nabeel Hassan Al-Ameer (BOD member and CEO of Aslak Company), and Mr. Abdullah Saad Al-Dossary (board member of Aslak Company)	Sales	17,322,025	8,932,503 CR
			Purchases	38,196,160	
			Loans	-	10,596,691 DR
2	Romoz Alfakhera for Trading Company	A company owned by Mr. Mohammed Al-Rashid and Mr. Ahmed Al-Rashid, who hold shares in Aslak.	Sales	3,256,220	687,469 DR

Table No. 22: Transactions between the company and related parties during the year 2025

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 2025G

S	Paid statutory payments to government agencies	Value in riyal
1	Zakat	6,049,437
2	Value added tax	9,059,397
3	Social insurance	2,471,157
4	Government fees, customs, residence and visas	2,273,902
	Total	19,853,893

The amount of zakat and value-added tax includes what is related to the year 2024 and was paid during the year 2025D.

Table No. 23: Regular payments made during the year 2025

6.5.2 Due to statutory payments during the year 2025D.

S	Due statutory payments to government agencies	Value in riyal
1	Zakat	5,669,110
2	Value added tax	1,434,885
3	Social insurance	210,272
	Total	7,314,267

The amount of 2025 and will be paid during the year 2026

Table 24: The statutory payments during the year 2025

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 fifth 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.

As part of its social responsibility, the company contributed by donating SAR 41,850 to the Friends of Blood Banks Association, which also aims to improve the quality of life and serve the community.

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 2025G, and its implementation is being studied

Article 39	<p>“A) The Board of Directors, based on the proposal of the Nominations Committee, shall establish the necessary 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>	The material is indicative and the evaluation is carried out 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	The article is indicative and its application is being studied

	of developing the social and economic conditions of society.”	
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 2025D, 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.

