

ANNUAL REPORT

For Al Wasail Industrial Company

2024

DELIVERING BETTER LIVING

www.alwasail.com



VISION رؤية
2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA



Custodian of the Two Holy Mosques
King Salman bin Abdulaziz Al Saud
King of the Kingdom of Saudi Arabia (may God protect him)



His Royal Highness
Prince Mohammed bin Salman bin Abdulaziz Al Saud
Crown Prince and Prime Minister (may God protect him)

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01

Chapter One

General Overview



Chapter One: General Overview

Chairman’s Message

In the name of Allah, the Most Gracious, the Most Merciful. Praise be to Allah, and peace and blessings be upon the noblest of all prophets and messengers, our Prophet Muhammad, and upon his family and companions.



In the name of Allah, the Most Gracious, the Most Merciful. Praise be to Allah, and peace and blessings be upon the noblest of all prophets and messengers, our Prophet Muhammad, and upon his family and companions.

On behalf of my esteemed colleagues on the Board of Directors, and in my own name, I am pleased to present to you our Seventeenth Annual Report, marking the forty-third year since the establishment of your esteemed company. In this report, we highlight the upward trajectory in performance and the development of various activities, as well as the remarkable achievements realized during the fiscal year 2024.

I would first like to point out the consistent and distinguished level of transparency and fairness that your esteemed company demonstrates on the Nomu - Parallel Market, reflecting our full commitment to governance principles and adherence to all related policies and regulations. This has rightfully positioned Al-Wasail as a governance-driven and industrially leading company, recognized as a key economic player in its field—contributing to the realization of our nation’s visionary goals.

Looking ahead to 2025, we remain confident in our capabilities and resources, and with your continued support, we aspire to take our rightful place among the top listed companies on the Tadawul Main Market (TASI).

We assure our valued shareholders that we are moving in the right strategic direction to achieve Al Wasail'S core objectives, despite the significant organizational and operational challenges we face. We reaffirm our exceptional ability to seize opportunities, overcome obstacles, and achieve success—thanks to Allah, and to our extensive experience in the industry, which we continue to enrich through research and development. This allows us to deliver the best solutions through the efficient use of our internal resources and by capitalizing on available opportunities that align with the needs and expectations of our key stakeholders.

What continues to distinguish the performance of Al-Wasail Industrial Company, as you may have observed, is its ongoing success in attracting and building sustainable partnerships, in line with its strategic objectives.

The Board of Directors reaffirms its dedication and sincere efforts toward achieving Al Wasail’s vision, objectives, and future aspirations. At the same time, we emphasize our commitment to fulfilling shareholders’ expectations and deeply value their trust. We pray to Almighty Allah to guide us all toward what is good for the advancement and prosperity of our beloved country.

Allah is the source of success.

Chairman of the Board of Directors
FEBRUARY 2025



1.02

Chapter One: General Overview

CEO's Message

Esteemed Shareholders of Al-Wasail Industrial Company,
Peace, mercy, and blessings of Allah be upon you,

It gives me great pleasure to present to you the Seventeenth Annual Report for the fiscal year 2024 of Al-Wasail Industrial Company. The forty-third fiscal year in the life of your esteemed company was filled with encouraging and promising challenges, continuing a journey of achievements supported by facts and figures clearly reflected in Al Wasail 's balance sheet for the year ending December 31, 2024. These results underscore our distinction and leadership in the polyethylene manufacturing sector in the Kingdom of Saudi Arabia for over forty years.

In this annual report, we highlight the key achievements made by the grace of Allah Almighty then through the guidance and support of the esteemed Board of Directors, the close follow-up of my dedicated colleagues, Al Wasail's employees, and the support of the Audit Committee. Together, these efforts enabled Al-Wasail to accomplish its most important goals both administratively by establishing an effective system of governance and compliance and technically by expanding production lines and increasing market share, positioning us as a leading company in the polyethylene industry across local and international markets. Despite the major challenges and fierce competition facing this sector, Al Wasail successfully achieved several significant milestones, including:

- Adding a new production line for plastic manholes (service chambers) in various sizes and specifications.
- Expanding production lines for corrugated pipes.
- Commissioning the B Injection plant for water fittings.
- Beginning the upgrade from ERP 12 to ERP 365, to digitize all production processes and cover all departments.
- Automating the product assembling process.
- Strengthening the logistics fleet with new pickup trucks and shipping trailers.
- Continuing professional training and qualification programs for 60 female trainees across various sectors.
- Maintaining active and consistent contributions to community service.

The year 2024 was remarkable in terms of Al Wasail 's expansion across a wide range of activities targeting strategic clients, in alignment with our production and marketing plans. This led to an increase in market share by penetrating new sectors that were previously out of reach an achievement made possible through the expansion and automation of several production lines. Al Wasail also continued to support its sustainability strategy, focusing on the localization of technical and administrative roles, improving the work environment, training and development, enhancing quality, and achieving operational excellence all in alignment with Saudi Vision 2030, inspired by the leadership of the Custodian of the Two Holy Mosques and His Royal Highness the Crown Prince. We extend our sincerest gratitude to the Board of Directors for their continued trust and support, which has significantly contributed to achieving the highest levels of excellence and efficiency across all administrative, production, and marketing departments. Special thanks are also due to all company employees and work teams at every level for their dedication and sincere efforts in applying management directives faithfully, under all circumstances and at all times.

**With Allah's guidance and success,
we move forward**

1.03

Chapter One: General Overview

Board of Directors members

Composition of the Board of Directors

The management of Al Wasail is entrusted to a Board of Directors composed of nine members with natural person status, elected by the General Assembly for a period of 3 years, starting from 21 / 06 / 1446 AH, corresponding to 22 December 2024 AD.



Dr. Abdulrahman bin Abdullah Abdulaziz Al-Mushaiqah

Position: Chairman of the Board
 Membership Classification: Non-Executive
 Date of Appointment: 21 / 06 / 1446 AH, corresponding to 22 December 2024 AD



Mr. Saleh bin Abdullah Abdulaziz Al-Mushaiqah

Position: Vice Chairman of the Board
 Membership Classification: Non-Executive
 Date of Appointment: 21 / 06 / 1446 AH, corresponding to 22 December 2024 AD



Mr. Abdulqader bin Abdullah Abdulaziz Al-Mushaiqah

Position: Board Member and CEO
 Membership Classification: Executive
 Date of Appointment: 21 / 06 / 1446 AH, corresponding to 22 December 2024 AD



Mr. Abdulaziz bin Abdullah Abdulaziz Al-Mushaiqah

Position: Board Member
 Membership Classification: Non-Executive
 Date of Appointment: 21 / 06 / 1446 AH, corresponding to 22 December 2024 AD



Mr. Nasser bin Abdullah Abdulaziz Al-Mushaiqah

Position: Board Member
 Membership Classification: Non-Executive
 Date of Appointment: 21 / 06 / 1446 AH, corresponding to 22 December 2024 AD



**Prof. Dr. Khaled bin Abdulaziz
Fahd Al-Rashidah**

Position: Board Member, Chairman of the
Compensation and Nominations Committee
Membership Classification: Independent
Date of Appointment: 21 / 06 / 1446 AH,
corresponding to 22 December 2024 AD



**Mr. Musaed bin Suleiman
Al-Abdullah Al-Awhali**

Position: Board Member
Membership Classification: Non-Executive
Date of Appointment: 21 / 06 / 1446 AH,
corresponding to 22 December 2024 AD



**Prof. Ibrahim bin Saeed
Mohammed Al Mubarak**

Position: Board Member, Chairman of the Audit
Committee
Membership classification: Independent
Date of appointment: 21 / 6 / 1446
corresponding to 22 / 12 / 2024



**Mr. Rakan bin Mohammed
Abdullah Abu Nayan**

Position: Board Member, Chairman of
the Investment Committee
Membership Classification: Independent
Date of Appointment: 21 / 06 / 1446 AH,
corresponding to 22 December 2024 AD

1.04

Chapter One: General Overview

Company Overview



Al Wasail Company is one of the largest manufacturers of polyethylene pipes and its derivatives in the Kingdom of Saudi Arabia. Its headquarters is located in the First Industrial Area in Qassim, Buraidah. Al Wasail plays a key role in the production of polyethylene pipes in various thicknesses, along with its complementary fittings for all activities related to this industry.

Since its inception, Al Wasail Company has been based on solid and fundamental values that define its unique identity in this industry, such as continuous development and improvement, with (quality) as its slogan and goal to achieve sustainability. This approach has placed

Al Wasail at the top of the industry, both locally and within the broader Middle East region, fulfilling the expectations and ambitions of its clients by providing high-quality products to serve their current and future projects.

Al Wasail is involved in various ambitious initiatives and programs aimed at localizing jobs and developing the skills of the national workforce through distinguished collaborations with the Institute of Plastic Technology and several specialized universities and colleges in the region. Furthermore, in its role as a pioneer in community development, Al Wasail places great importance on its social responsibility programs, establishing strategic partnerships with both the public and private sectors to implement community service programs.

1.05

Chapter One: General Overview

Establishment and History

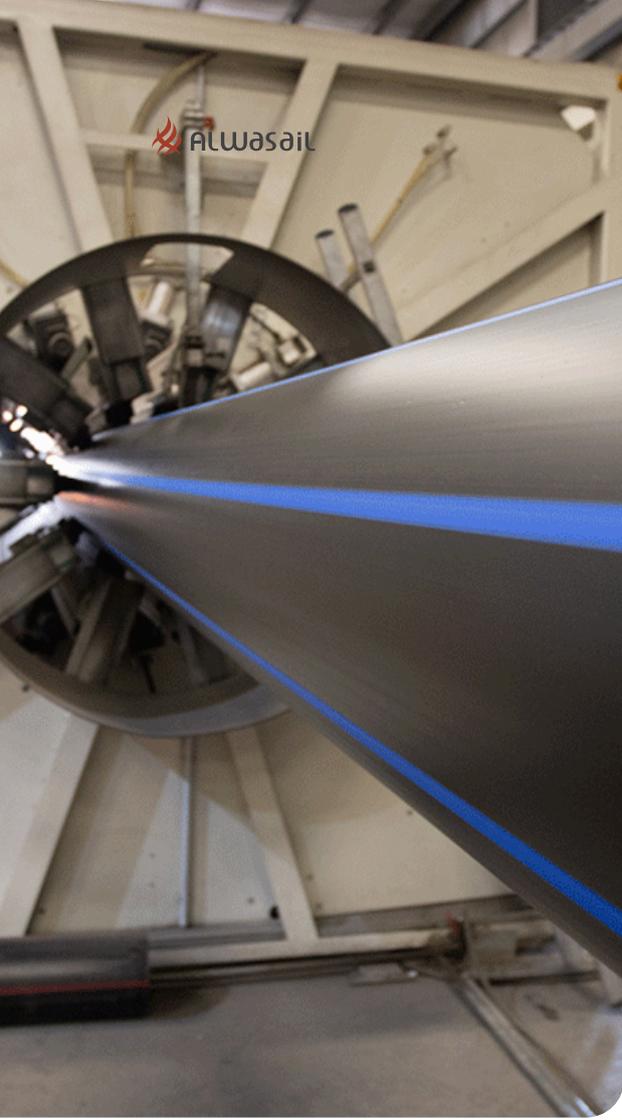


Al Wasail Company was established in 1979 in Buraidah, Qassim region, under the name AL Wasail Agricultural Solutions, specializing in drip irrigation and agricultural systems.

In 1979, **Al Wasail Company** was founded in Buraidah, Qassim region, as one of the industrial projects contributing to and enhancing the achievement of Saudi Arabia's Vision 2030 goals and local content programs, aiming to diversify the Kingdom's economy.

Al Wasail was registered as a joint-stock company under Ministerial Decision No. (216\Q) dated 20 \ 08 \ 1428 H (corresponding to 02\09\2007), and Ministerial Decision No. (269\Q) dated 29\10\1428 H (corresponding to 10\11\2007). It was registered in the commercial registry under No. (1131002483) on 29 / 03 /1400 H (corresponding to 16 / 02 / 1980), issued in Buraidah. Al Wasail has a capital of 250,000,000 Saudi Riyals, divided into 250,000,000 shares, with a nominal value of 1 Riyal per share





1.05.01

Chapter One: General Overview

Company Activity and Headquarters

Al Wasail Company is distinguished by its high-quality products, including medium and high-density polyethylene pipes, most of the components, and various network fittings. These products compete with major global manufacturers in the Middle East region. Al Wasail's products meet the needs of networks, including pipes and fittings for:

- › **Drip irrigation networks and garden irrigation systems**
- › **Drinking water pipes and accessories**
- › **Sanitary sewer pipes and stormwater pipes**
- › **Desalination water pipes**
- › **Firefighting networks**
- › **Oil and gas pipelines (metallic and non-metallic)**
- › **Communication ducts (Duct-Micro/Duct)**
- › **Rubber products specific to pipes**



Al Wasail's factories produce high-density polyethylene pipes, low-density polyethylene pipes, internal pipe lining products, corrugated pipes, and various network fittings. These products are manufactured under an industrial facility license issued by the Ministry of Industry and Mineral Resources with decision number (1001004960) on 05 / 01 / 1441H (corresponding to 04/ 09 / 2019). The production capacity of the factories reaches 80,885 tons annually, based on 330 working days per year.

The factories consist of over 100 production lines for pipes, connection equipment, pipe insulation, and assembly components. Additionally, there is another factory under Al Wasail's name (Saudi Rubber Products Factory), which manufactures rubber products, including pipe seals and thermal insulation pads (flat and circular) for pipe insulation. Al Wasail's factories are located in the first industrial area in Buraidah, with its headquarters situated along the Riyadh-Qassim-Madinah expressway in the Al-Yarmouk district.



1.06

Chapter One: General Overview

Development and Growth Stages



01

1979

Al-Wasail Industrial Company was established as a sole proprietorship under the name **(Al-Wasail Agricultural Corporation)** with a capital of 50 thousand riyals.

02

1989

An industrial license was issued to Al-Wasail Irrigation Systems Factory, specifically for the production of plastic pipes for drip irrigation systems (polyethylene).

1991

- Operation of the Wasail Irrigation Systems Factory
- The beginning of the production and manufacture of polyethylene pipes in the first industrial city in Qassim

03

1991



The Agricultural Tools Establishment was transformed into a partnership company under the name **(Al Wasail Agricultural Company)**, with an increased capital of 200,000 Saudi Riyals, owned by Abdulrahman bin Abdullah Al-Mishiqa and his brothers.

04

1995

The Saudi Rubber Products Factory was established and operated to meet Al Wasail's production needs for parts specific to irrigation systems.

05

1997

Al Wasail expanded internationally by establishing a sales and marketing office in **France** for the irrigation products manufactured in its factories in the Kingdom of Saudi Arabia.

06





2011

Al Wasail began producing high-density polyethylene pipes, up to a diameter of 1200mm.



07

2002

Al Wasail expanded to produce high-density polyethylene pipes up to 630mm in diameter in pipe hall (b).

11

2011

Al Wasail established and began operating pipe hall (c), completing the al wasail industrial complex over an area of 90,000 square meters.

10

2004

Al Wasail collaborated with the national housing company to produce high-density polyethylene pipes for the transportation and distribution of drinking water.

08

12

2013

Al Wasail's capital was increased to 250 million saudi riyals after the approval of the extraordinary general assembly.

09



2006

The partners agreed to convert Al Wasail from a partnership to a closed joint-stock company, and Al Wasail name was changed from (al wasail agricultural company) to (al wasail industrial company).

13

2015

The company launched high-pressure polyethylene pipes for fire extinguishing networks, which were approved by saudi aramco.





14

2015

Launching high-pressure polyethylene pipes for domestic gas networks and their approval by the National Gas Company in **the Arab Republic of Egypt**.



2023

Commencement of commercial production of thermoplastic pipes (RTP)

15

2021

The company has moved to its **new headquarters** in the Yarmouk neighborhood, north of the Buraidah industrial area.

17

2022

Purchase the **Ras Al Khaimah factory** and work to transfer all equipment and operate it in the Kingdom of Saudi Arabia.

18

16

2022

Listing the company on the Saudi Stock Exchange (**Nomu**)

19

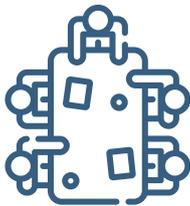
2023

Commencement of commercial production of **spiral pipes**, Spirally wound structural wall pipe (HDPE) with diameters ranging from 300 mm to 3400 mm

20

2023

The Board of Directors approved the company's move to **The main market**.





1.07

Chapter One: General Overview

Vision and Mission



Vision

To be the world's leading company Al Wasail Industrial Company in the manufacture of high-density polyethylene pipes and products to serve the production and service sectors and infrastructure projects, both domestically and internationally.



Mission

Achieving high quality in the manufacture and trade of polyethylene pipes and their derivatives to the degree that satisfies its customers in all areas served by the company's products.



Chapter One: General Overview

Our Core Values



Innovation and Creativity

We are always striving to innovate creative solutions that serve our customers and achieve sustainable growth. We develop our products and processes using the latest technologies to meet the needs of the future.



Growth

We are always working to develop our operations and expand the scope of our services to ensure sustainable growth without compromising our ability to achieve satisfactory financial results.



Quality

We are committed to adhering to global standards and specifications. We carefully examine every process to ensure we fulfill our promises.



Environment

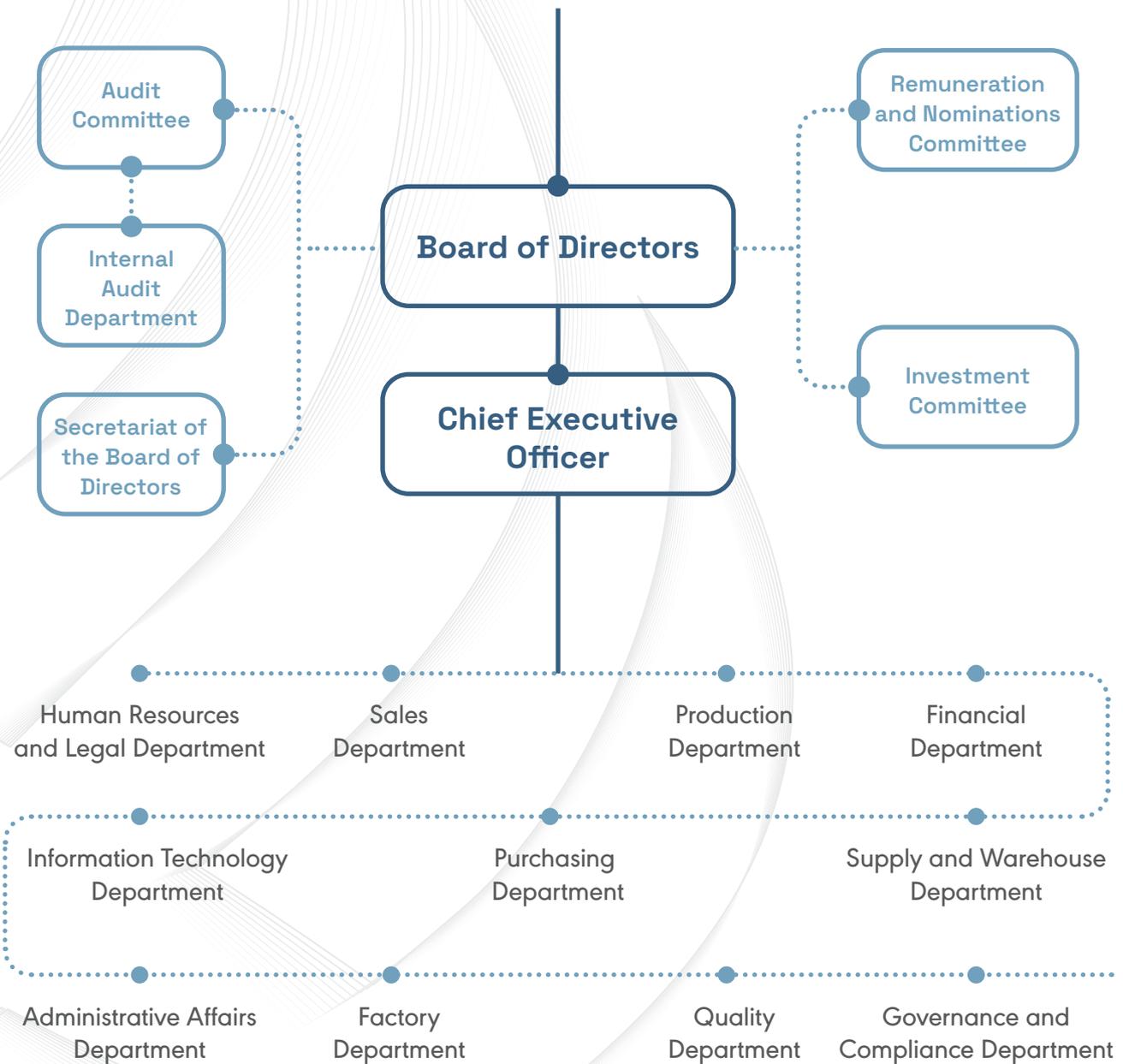
We aim to create a healthy and motivating work environment to enhance capabilities and develop skills, which positively reflects on the performance and efficiency of our employees. We also focus on attracting and motivating outstanding national talents.

1.09

Chapter One: General Overview

Al Wasail's organizational structure

General Assembly



1.10

Chapter One: General Overview

Assessment of Risks

Future Risks Related to the AI Wasail's Operations

Future Risks Related to the Company's Operations

AI Wasail faces various risks, such as dependency on a single major supplier (SABIC), labor-related risks, and fluctuations in labor costs. Additionally, there is a significant reliance on subcontractors to complete project deliveries for its major clients.

Other market risks include currency risks, price risks, credit risks, and liquidity risks. Risk management is overseen by the executive management in alignment with the guidance of the Board of Directors, aiming to minimize any potential negative impacts on the company's financial performance.

Risks AI Wasail may face and risk management policy and monitoring



1.10.01

Chapter One: General Overview \ Assessment of Risks

Risks Related to the Inability to Implement Strategies

AI Wasail’s ability to expand its operations in the future largely depends on the capability to continue implementing and improving its operational, financial, and administrative information systems efficiently and in a timely manner. It also depends on the ability to increase the trained and qualified workforce, which enables AI Wasail to boost sales and improve profitability by closely monitoring the execution of its business plans and successfully achieving its strategies. In turn, this will allow AI Wasail to improve its current production lines or expand by adding new production lines to increase its market share both locally and internationally.

Therefore, AI Wasail’s future expansion plans must be subject to financial estimates and planned timelines. In some cases, additional financing may be needed to accomplish these plans. If AI Wasail fails to execute its expansion plans according to the planned schedule or within the estimated costs, or if profitability expectations from these expansion plans are not met for any reason, including market changes at the time of implementation or discrepancies in applying the prior analytical and economic studies, it will negatively impact AI Wasail’s competitive environment, and consequently, its expected business outcomes and profitability based on its approved future strategy

1.10.02

Chapter One: General Overview \ Assessment of Risks

Risks Related to Potential Liabilities

There are risks associated with potential liabilities that AI Wasail may face at any given time, such as costs related to zakat, taxes, and legal claims, in addition to any other potential liabilities related to its activities.

Therefore, if these liabilities materialize, their negative impact will inevitably be reflected on AI Wasail’s financial position, financial standing, and business results, in accordance with its approved future strategy.



1.10.03

Chapter One: General Overview \ Assessment of Risks

Risks Related to Failure to Obtain or Renew Licenses, Permits and Certifications

Obtaining the necessary licenses, permits, and regulatory approvals is crucial for the continuity of Al Wasail's operations. These include, but are not limited to: industrial licenses issued by the Ministry of Industry and Mineral Resources, company registration certificates from the Ministry of Commerce, trademarks registration certificates, Saudization certificates, zakat certificates, VAT registration certificates, social insurance certificates, and environmental licenses from the General Authority for Meteorology and Environmental Protection.

If Al Wasail is unable to issue and/or renew its current licenses, permits, and certificates, or if any of its licenses are suspended, expired, or renewed under unfavorable terms, or if Al Wasail cannot obtain additional licenses, permits, and certifications that may be required in the future, this could lead to operational disruptions. These disruptions may include company closure, suspension of services, or financial penalties imposed by relevant regulatory bodies, which could result in operational delays and additional costs, negatively impacting Al Wasail's business, financial position, and future projections.



1.10.04

Chapter One: General Overview
 \ Assessment of Risks

Risks Related to Dependence on Key Employees and Executive Management

Al Wasail’s future success depends heavily on the expertise and capabilities of its executive management and key employees. Al Wasail aims to attract and hire qualified individuals to ensure the efficiency and quality of its operations through effective management and proper functioning. Additionally, Al Wasail will need to periodically increase the salaries of its employees according to Al Wasail’s internal policies to retain them or attract new talent with the necessary qualifications and experience. If Al Wasail loses any of its key executives or qualified employees and is unable to replace them with individuals of equal experience and qualifications at an appropriate cost, this could have a significant negative impact on Al Wasail’s operations, business outcomes, and future projections.



1.10.05

Chapter One: General Overview
 \ Assessment of Risks

Risks Related to Employee Misconduct or Human Mistakes

Al Wasail may face issues arising from employee mistakes or misconduct. Al Wasail cannot guarantee the prevention of misconduct such as fraud, intentional Mistakes, embezzlement, deception, theft, forgery, or misuse of its property, as well as actions taken on its behalf without the necessary administrative approvals. These actions could result in consequences or liabilities that Al Wasail must bear, including legal penalties, financial responsibility, and a negative impact on its reputation in the market. This could harm Al Wasail’s financial position, business operations, and future outlook.

1.10.06

Chapter One: General Overview
 \ Assessment of Risks

Risks Related to Availability of Financial Resources

Al Wasail may need to secure loans and banking facilities to finance its future expansion plans based on the expected strategic plan. The ability to obtain financing depends on Al Wasail’s capital, financial position, cash flow, guarantees provided, and its credit history.

Al Wasail does not provide any assurance or guarantee regarding the availability of appropriate financing if needed. If Al Wasail is unable to obtain the necessary funding from financing institutions, or if the financing terms are not favorable and do not align with Al Wasail’s capabilities, it could have a negative impact on its performance, operations, and future plans.

1.11

Chapter One: General Overview

Training and Qualification



As part of its ambitious training and qualification program, Al Wasail's Human Resources Department, during the 2024 fiscal year, contracted with the (Musta'doon Institute) to train 60 trainees in various fields according to their specializations, including marketing, sales, human resources, and accounting. Al Wasail also organized several specialized courses for its employees in fields such as transportation and logistics, finance and accounting, and cybersecurity (Cyber Security). Al Wasail achieved the set target for training hours for its employees in accordance with the regulations and policies approved by the Ministry of Human Resources for the year 2024.



1.12

Chapter One: General Overview

Occupational Health and Safety

Al Wasail Industrial Company is committed to providing a safe and healthy work environment for all its employees, It strives to achieve this through the following actions:

Prevention of workplace accidents and occupational diseases.

- Provision of appropriate personal protective equipment.
- Conducting regular risk assessments.
- Offering training programs on occupational health and safety.
- Implementing safe work systems and procedures.
- Organizing periodic awareness programs to promote the culture of health and safety among employees.
- Offering incentives to employees who achieve the best performance in occupational health and safety.
- Participating in activities and conferences related to health and safety.



Incident Response

- Providing emergency response plans to handle accidents.
- Offering trained medical teams to address injuries.
- Investigating incidents to identify causes and prevent recurrence.

1.13

Chapter One: General Overview

Social Responsibility

Al Wasail has been committed since its inception to contributing to and launching several social initiatives in collaboration with various governmental and private entities. These initiatives aim to enhance the social and awareness aspects for the local population through both material and moral support, as well as organizing diverse activities. Some of these initiatives during the year 2024 include:



Fields and Community Activities

Support for Applied Knowledge:

- Support and participation in career day programs at universities and institutes in the Qassim region.
- Practical training for students in Al Wasail's factories and departments, assisting them with their graduation projects.
- Planning and supporting student visits to Al Wasail's factories to gain industry knowledge and learn about Al Wasail' role.

Support for Health Programs:

- Support and participation in health and environmental campaigns, raising awareness about the importance of environmental health.
- Organizing health programs for Al Wasail's employees, such as vaccination against seasonal flu and infectious diseases.
- Hosting a health day on World Liver Day in coordination with the Saudi Liver Association in the city of Buraidah.

Support for Charitable and Voluntary Work:

- Contributing to charitable works for various associations in the Qassim region.
- Providing financial support for programs and plans of charitable and voluntary associations in different fields.

1.14

Chapter One: General Overview

Environment

The ideal work environment is achieved when several key factors are in place, creating a healthy and socially attractive environment. This includes an administrative relationship based on human values of credibility, transparency, fairness, and integrity.

Al Wasail has significantly contributed to creating an environment that aligns with these principles, transforming the workplace into a dynamic and competitive setting capable of attracting highly skilled professionals. Al Wasail has fostered an environment that encourages their continued engagement. Additionally, motivational systems have been designed to improve employee performance and stimulate creative thinking in their respective fields. This enhances loyalty, belonging, and highlights outstanding employees. Monthly recognition is given to top performers, and an annual celebration is held to motivate them both financially and morally



1.15

Chapter One: General Overview

Sustainability



» Environmental Sustainability

Reducing energy and resource consumption

- Use renewable energy.
- Improve energy efficiency.
- Reduce water consumption.
- Recycle waste

Reducing pollution:

- Using clean production technologies.
- Treating gas emissions.
- Wastewater treatment

» Economic Sustainability

- Use of modern production technologies.
- Improve management systems.
- Reduce costs.
- Develop new environmentally friendly products.
- Invest in research and development.

» Future plans

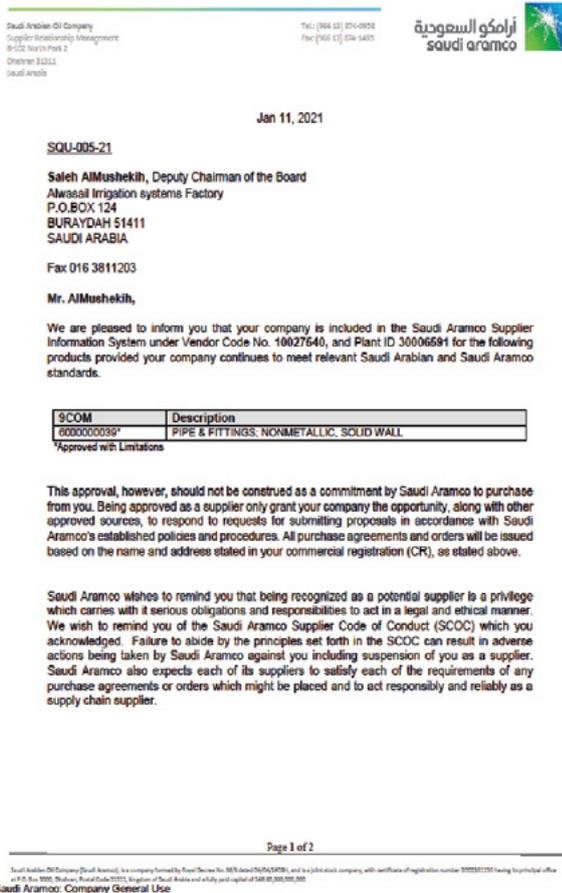
- Increase investment in sustainability.
- Develop awareness programs to spread the culture of sustainability among employees.
- Cooperate with relevant entities in the field of sustainability.

1.16

Chapter One: General Overview
Quality

Al-Wasail Industrial Company is committed to applying the highest quality standards at all stages of production and manufacturing. This is in line with Al Wasail's belief in the importance of quality in achieving customer satisfaction and developing its operations.

Al Wasail always aims to conduct both local and international tests to ensure and verify adherence to quality standards. Some of the key certifications include:





الهيئة السعودية للمواصفات والمقاييس والجودة
Saudi Standards, Metrology and Quality Org.

شهادة ترخيص باستخدام علامة الجودة

License No: 1-000001131002483-1435-13
رقم الترخيص:
SASO certifies that: تشهد الهيئة السعودية للمواصفات والمقاييس والجودة بأنها رخصت
فرع مصنع شركة الوصلان لصناعية
Address: القصيم - المدينة الصناعية الأولى
المكان:
Grant the right to use SASO quality mark on a following product: باستخدام علامة الجودة على منتجاتها التالية:
رمولات عمود الرفع لامتدادات المواد (PE100)، الصنف (SOR11)، الضغط لتحتوي (PN16)، المقاسات (20، 25، 32، 40، 50، 63، 75، 90، 110، 125، 140، 150، 180، 200، 225، 250، 280، 315، 355، 400، 450، 500، 560، 630) من عملة نحوية (AL WASAIL) قطر

After fulfilling the required requirements according to the normal S.S. documents: بعد استيفائها للمتطلبات اللازمة وفق المراجع القياسية التالية:

SASO ISO 4427-1,3/2009

Date of issue: 08/09/2019
تاريخ الإصدار:
Date of renewal: 13/03/2019
تاريخ التجديد:
Date of expiry: 12/03/2022
تاريخ الانتهاء:

نايب المحافظ للمواصفة والجودة
Vice Governor for Conformity & Quality



تم منح هذا الترخيص وفقاً لتطبيق الهيئة السعودية للمواصفات والمقاييس والجودة
المسماة بقرار مجلس الوزراء رقم 210 وتاريخ 2010/03/13م.

This license is granted according to the regulation of Saudi Standards, Metrology and Quality Organization that was issued based on the Council of Ministers' Resolution No. 216 dated 31-05-2010

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QMS-F-10-10
Issue 06 / Date 06 / C2/1434
Rev 03 / Date 08 / 08/1437

Issuance Date: 03.09.2023
CCC Reference Number: 09-1340-030923-H

Cybersecurity Compliance Certificate

This is to confirm that

Alwasail Industrail Company (ALWASAIL)

[Commercial Registration No. 1131002483]
Buraydah, KSA

Was subject to an assessment by RSM - Saudi Arabia to evaluate its compliance with Saudi Aramco Third Party Cybersecurity Standard (SACS-002). Based on the assessment carried out between 24 February 2023 and 09 March 2023, Alwasail Industrail Company (ALWASAIL) was found to be compliant with the Standard.

For the classification of: General Requirements, Type: CCC

This certificate is valid for a period of two years from the date of issuance.

Disclaimer:
This certificate is provided based on the information provided by Alwasail Industrail Company (ALWASAIL) that indicates their cybersecurity posture at the time of the assessment. RSM - Saudi Arabia has not evaluated the adequacy or appropriateness of the Standard complied by Saudi Aramco. RSM - Saudi Arabia evaluation was limited to assessment against Saudi Aramco Third Party Cybersecurity Standard (SACS-002) and should not be relied upon as an assurance beyond the areas covered by this Standard. RSM - Saudi Arabia shall not be liable for any loss, damages, costs or expenses directly or indirectly incurred by any third party, who may rely upon this certificate for whatsoever reason. This certificate is only for the purpose of meeting the requirements of Saudi Aramco and should not be published on any website or relied upon by anyone other than Saudi Aramco.

Authorized Signatory
By Audit Firm

Saudi Aramco: Company General Use

1.17

Chapter One: General Overview

Organizational Culture



Al-Wasail Industrial Company places great importance on providing a positive and motivating work environment for all its employees. This is based on the belief that a good work environment contributes to increased productivity and achieving the best results.



Salaries and Benefits

Al Wasail offers competitive salaries that align with qualifications and experience. Additionally, a range of benefits is provided, including:

- Health insurance
- Social insurance
- Housing allowance
- Transportation allowance
- Maternity leave

And other benefits.



Training and Development

- Al Wasail offers specialized training programs to enhance the skills of its employees.
- It also provides opportunities for learning and professional development through scholarship programs and internal training initiatives.



Communication and Collaboration

- Al Wasail offers programs to promote a culture of diversity and inclusion in the workplace.
- Al Wasail encourages communication and collaboration among employees from different departments and fosters a culture of teamwork. .
- Al Wasail provides channels for communication between management and employees, such as a suggestion box and regular meetings with employees.



Occupational Health and Safety

- Al Wasail places great importance on the health and safety of its employees and provides a safe and healthy work environment.
- Al Wasail offers awareness and training programs on occupational health and safety.



Job Satisfaction

Industrial Means Company is keen to measure job satisfaction among its employees on a regular basis, through opinion polls and personal interviews.



02

Chapter Two
Our Business

www.alwasail.com

2.01

Chapter Two: Our Business

Factories & Production Lines

Al Wasail's factories specialize in the production of high-density polyethylene pipes, low-density polyethylene pipes, internal pipe lining products, corrugated pipes, and fittings and network accessories, all under an industrial facility license issued by the Ministry of Industry and Mineral Resources, with decision number (1001004960) dated 05/01/1441H (corresponding to 04/09/2019). The production capacity of the factories (excluding the rubber factory) reaches 80,885 tons annually, based on 330 working days per year.

The factories consist of more than 100 production lines for pipes, fittings, pipe insulation, and assembly. Additionally, there is another factory under the name (Saudi Rubber Products Factory), which is part of Al Wasail. The following table summarizes Al Wasail's factories.

Production Unit	Products	Feeding System
Pipe Production Unit (A)	<ul style="list-style-type: none"> — Irrigation, communication, and water network pipes — Self-drip irrigation pipes — Project pipe rolls up to 2,000 meters 	Automatic raw material feeding system
Pipe Production Unit (B)	<ul style="list-style-type: none"> — Irrigation, communications, water, and gas network pipes. — Telecommunications project pipes equipped with cable pull ropes. — Pipe rolls for projects up to 2,000 meters. 	Automatic material feeding system.
Pipe Production Unit (C)	<ul style="list-style-type: none"> — Water, sewage, and gas network pipes. — Special pipes for drainage, communications, and power lines. — Pipes up to (200) millimeters long, (100) meters per roll or more 	Automatic raw material feeding system for production lines
Injection molding unit for parts production	Parts, connectors, and networking supplies of all kinds.	Automatic material feeding system
Saudi Rubber Products Factory	Rubber Products Manufacturing "Sealants and Insulating Foam"	Mixed material feeding system
Production unit (D) *	Parts and connections for irrigation networks	Automatic material feeding system
RTP Production Unit *	High pressure pipes for wells and oil	Automatic material feeding system
Spiral Production Unit *	Flood drainage pipes for major countries	Automatic material feeding system
Electrofusion Production Unit *	Parts and connections for irrigation networks	Manual material feeding system

* Newly added units still in trial production

2.02

Chapter Two: Our Business

Production & sales

Production and sales	460 million
Pipe Sales	338 million
Fittings Sales	75 million
Rubber Sales	17 million
Supplies Sales	14 million
Recycling Sales	9 million
Electrical Branch	5 million
Other Materials Sales	2 million



2.03

Chapter Two: Our Business

Company Strategy & Future Operational Plans

Our vision is for Al Wasail Industrial Company to become a leader in the production and marketing of polyethylene pipes and their accessories across all vital sectors of life, and to be recognized globally as a pioneering company in its field. One of Al Wasail's top priorities is to continuously enhance its success rates by focusing on two key pillars: strategic investments and the development of its workforce. This dual focus will drive business growth, expansion, and long-term success. Al Wasail's strategy revolves around the following pillars:

- Reaching the largest possible customer base by effectively marketing the company's brands through its widespread branches across the Kingdom, while working to increase Al Wasail's market share throughout the Middle East and in its other branches abroad.
- Maintaining a long-term commitment to continuous improvement and development, while preserving manufacturing and technological advancement to enhance operational efficiency and maintain the highest standards of product quality
- Implementing a policy for employee development by sponsoring students for relevant training and qualification programs to prepare them for roles within the company, and by attracting recent graduates and talented professionals to leverage their skills in advancing the fields of engineering and business management. The company's past and future success depends primarily on employee competence and effective teamwork.

- Increasing production and reducing manufacturing waste by improving production structure, applying the highest safety and environmental standards, and enhancing both factory and energy efficiency all of which contribute to lowering operational costs and increasing the company's profitability.
- Protecting and promoting the company's brand by increasing awareness and marketing efforts through participation in local and international exhibitions, and launching impactful advertising campaigns that reflect the company's commitment to social responsibility.



A leading company at production and marketing polyethylene pipes

2.04

Chapter Two: Our Business

Business Projects

Al Wasail Industrial Company distributes its products through a wide network of branches across all regions of the Kingdom, aiming to stay close to its customers and facilitate the execution of major projects that serve their needs. Al Wasail operates 24 branches within the Kingdom, with the largest located in Riyadh, Jeddah, and Dammam, which support large and medium-scale projects. Additionally, Al Wasail has one international branch in the Sultanate of Oman, a representative office in Cairo, and an exclusive agent in the United Arab Emirates.

2.05

Chapter Two: Our Business

Subsidiaries & Affiliates**Subsidiaries, Affiliates and Main Activities – Country of Incorporation:**

Al Wasail Industrial Company affirms that its current operations are limited to its ongoing projects in the city of Buraidah and its branches spread across various regions of the Kingdom, as well as its international branches in the United Arab Emirates, the Sultanate of Oman, and its representative office in the Arab Republic of Egypt. The company confirms that it does not have any subsidiaries or affiliated companies, and that it does not engage in any other activities or investments. Additional details regarding the company's activities and its affiliated branches are included in the accompanying notes to the financial statements attached to this report.



2.06

Chapter Two: Our Business

Achievements & Decisions

— Adding a new production line for manufacturing plastic manholes (service chambers) in various sizes and dimensions, which will contribute to increasing the company's sales and market share in this sector.

— Operating the water fittings injection molding plant B Injection(Nawakhidh).

— Enhancing the logistics fleet with new light trucks and trailers for improved distribution and delivery capabilities.

— Expanding the production lines for corrugated pipes of various sizes.





— A glimpse of our participation in **Saudi Construct Big 5**, the largest construction event in the Kingdom held at the Riyadh Front Exhibition & Conference Center. During the event, Al Wasail Industrial Company showcased its latest products and innovative solutions in the construction sector, reflecting its commitment to delivering the best technologies and services to its clients.

03

Chapter Three

Financial & Operational Performance

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3.01

Chapter Three: Financial & Operational Performance

Financial Analysis & Results for the Year 2024

Al Wasail Industrial Company Performance Summary and Financial Analysis and Results for the Fiscal Year 2024

Financial Analysis Summary:

With reference to Al Wasail's performance during the fiscal year 2024, the company achieved a profit of 39,137 ₪ thousand, compared to a profit of 33,589 ₪ thousand in the previous year, 2023. The increase in profit compared to the previous year is due to a 3% increase in sales, which led to a 16.5% increase in gross income, as well as a decrease in the cost of sales by 5%.



3.02

Chapter Three: Financial & Operational Performance

Production Volumes Produced During 2024

Pipe	132,275 meters
Fittings	31,854 pieces
SRP	16,330 pieces



3.03

Chapter Three: Financial & Operational Performance

Geographical Analysis

Al Wasail's total revenues by geographical segment represent the sales generated from its operations in a specific economic environment that is subject to distinct risks and returns, as detailed in the following table.

Statement (in thousand SAR)	2024	2023	2022	2021	2020
Central Region	191,191	190,506	194,193	140,352	127,998
Eastern Region	90,763	97,672	58,602	43,720	37,266
Western Region	85,734	60,200	43,986	38,798	21,029
Southern Region	53,684	31,268	23,863	18,352	42,464
Northern Region	19,665	36,336	26,969	17,232	22,400
Outside the Kingdom (Export)	19,069	30,022	38,977	45,297	49,905
Total	460,106	446,004	386,591	303,751	301,062



The company's main revenues are derived from:

Manufacture and sale of polyethylene pipes and its derivatives.

In 2024, Al Wasail achieved sales totaling 460,106 thousand, of which 338,867 thousand were generated from pipe sales, and 75,330 thousand from the sale of fittings. Meanwhile, sales of other products amounted to 45,909 thousand. The following table shows the net sales compared to costs for the current year in comparison with previous years.

Statement (in thousand SAR)	2024	2023	2022	2021	2020
Total sales	460,106	446,004	386,591	303,751	301,062
Total cost of sales	(336,450)	(338,066)	(288,703)	(222,113)	(218,838)

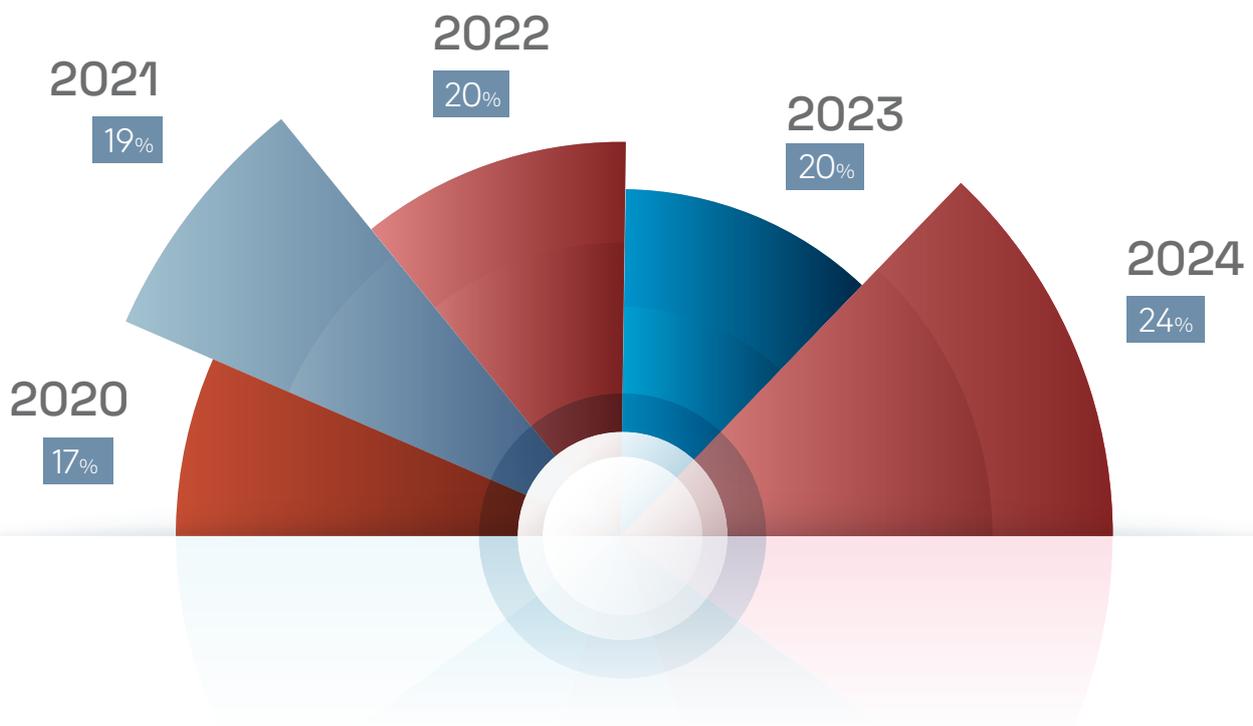
The reasons for the change in revenue are explained in the income statement comparison table for the fiscal year 2024 with the previous year .05

Export of polyethylene pipes and their derivatives.

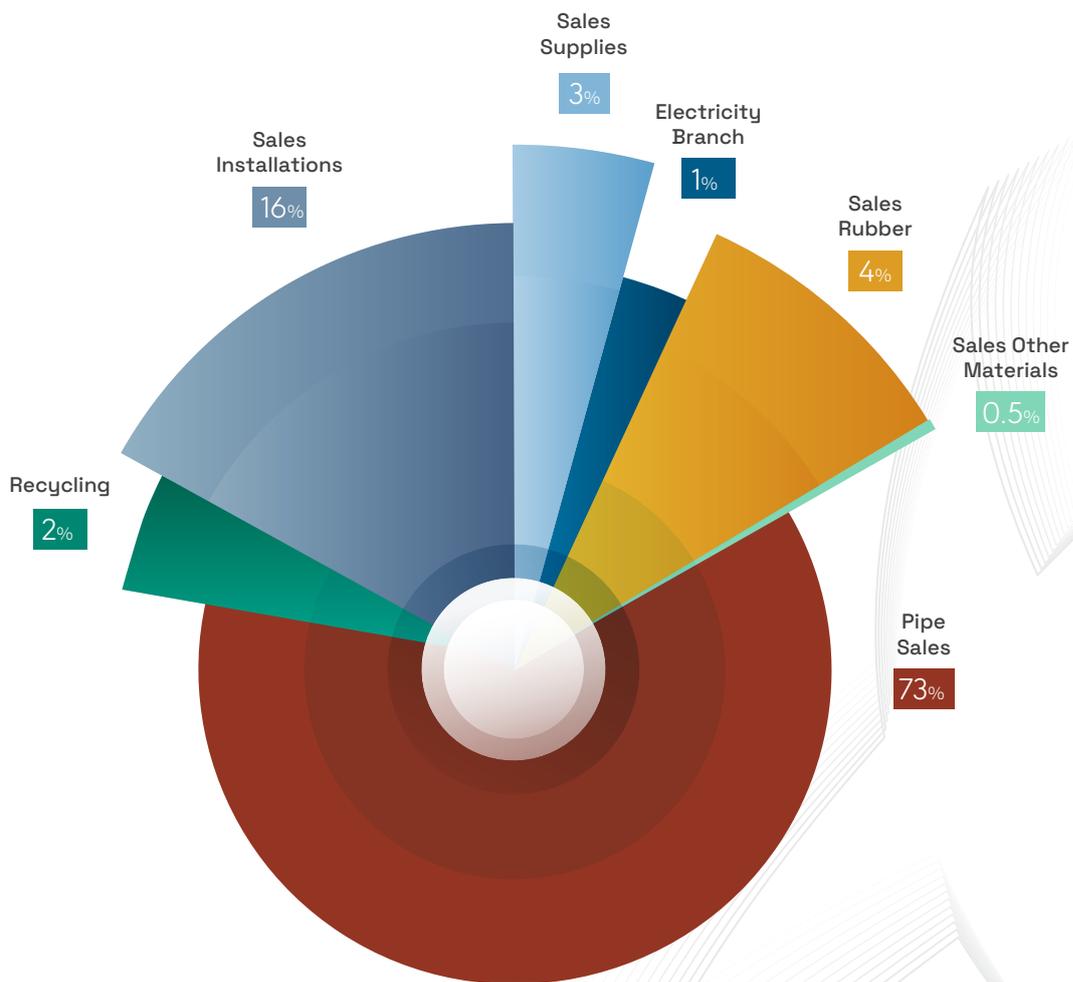
Export represents a strategic objective for Al Wasail, as it contributes to the local content value and helps increase non-oil exports from the Kingdom. In 2024, Al Wasail exported products worth 19,069 thousand, which represents 4.2% of total sales for the year. The following statement shows the export volume outside the Kingdom for the current year in comparison with previous years.

Statement (in thousand SAR)	2024	2023	2022	2021	2020
Export to the Republic of Egypt	8,864	11,446	24,486	33,425	38,626
Export to Gulf countries	5,560	11,258	9,963	7,577	7,194
Export to the rest of the world	4,645	13,924	4,528	4,295	4,085

— Graph of net income (loss) for the fiscal year 2024 compared to previous years as a percentage for each year.



A chart of company sales by product type for fiscal year 2024 compared to previous years, with a percentage for each product.



3.04

Chapter Three: Financial & Operational Performance

Net Income and Loss

Summary of Consolidated Financial Results for the Fiscal Year 2024 Compared to Previous Years.

1) Income Statement Comparison table of the income statement for the fiscal year 2024 and the previous year (2023) (in thousand ₪)

Statement	Percentage change from the previous year	Change from the previous year	2024	2023	2022	2021	2020
Sales	3%	14,102	460,106	446,004	386,591	303,751	301,062
Cost of Sales	0.5%-	1,616-	(336,450)	(338,066)	(288,703)	(222,113)	(204,957)
Gross Profit	15%	15,718	123,656	107,938	97,888	81,638	96,105
Selling and Distribution Expenses	19%	8,283	(51,729)	(43,446)	(37,931)	(31,282)	(30,915)
General and Administrative Expenses	20%	3,219	19,392-	(16,173)	(14,003)	(12,813)	(13,087)
Provision for Related Party Receivables	100%	738	1703-	(965)	-	-	(4,939)
Provision for Contingent Liabilities	100%	585	1085-	(500)	-	-	(3,200)
Provision for Obsolete Inventory	0%	-	-	-	(1,500)	-	(6,387)
Provision for Impairment of Accounts Receivable	337%	8,919	(11,563)	(2,644)	(3,087)	(1,550)	(3,000)
Board of Directors and Subcommittees' Remuneration	2%-	45-	(2,115)	(2,160)	(1,925)	(1,970)	(1,235)
Operating Profit	14%-	5,982-	36,068	42,050	39,442	34,023	33,242
Finance Costs	61%-	765-	(486)	(1,251)	(626)	(173)	(1,156)
Other Income / (Expenses) - Net	2908%	9,510	9,837	327	222	2,873	421
Net Profit / (Loss) Before Zakat	11%	4,294	45,420	41,126	39,038	36,723	32,507
Zakat	17%-	1,254-	(6,283)	(7,537)	(6,771)	(6,331)	(4,850)
Net Profit / (Loss) for the Period	17%	5,548	39,137	33,589	32,267	30,392	27,657
Actuarial Gains (Re-measurement of Employee Benefits)	51%-	482	(472)	(954)	137	36	43
Total Comprehensive Income for the Period	18%	6,030	38,665	32,635	32,404	30,428	27,700

(1) The reason for the increase in profits is due to the increase in sales, the decrease in the cost of sales, and the capital gains, compared to the previous year.

(2) The decrease in the cost of sales for the year 2024 compared to the previous year is due to the introduction of new, lower-cost, higher-margin products during the current year compared to the previous year.

3.05

Chapter Three: Financial & Operational Performance

Assets & Liabilities of Al Wasail

As of 31 December 2024, Al Wasail’s total assets amounted to 516,518 ₪ thousand, compared to 507,088 ₪ thousand as of 31 December 2023. Of this total, **68.5%** represents current assets valued at 351,104 ₪ thousand, against current liabilities amounting to 123,996 ₪ thousand, which represent 24% of total assets reflecting the company's **ability to meet its short-term obligations**.

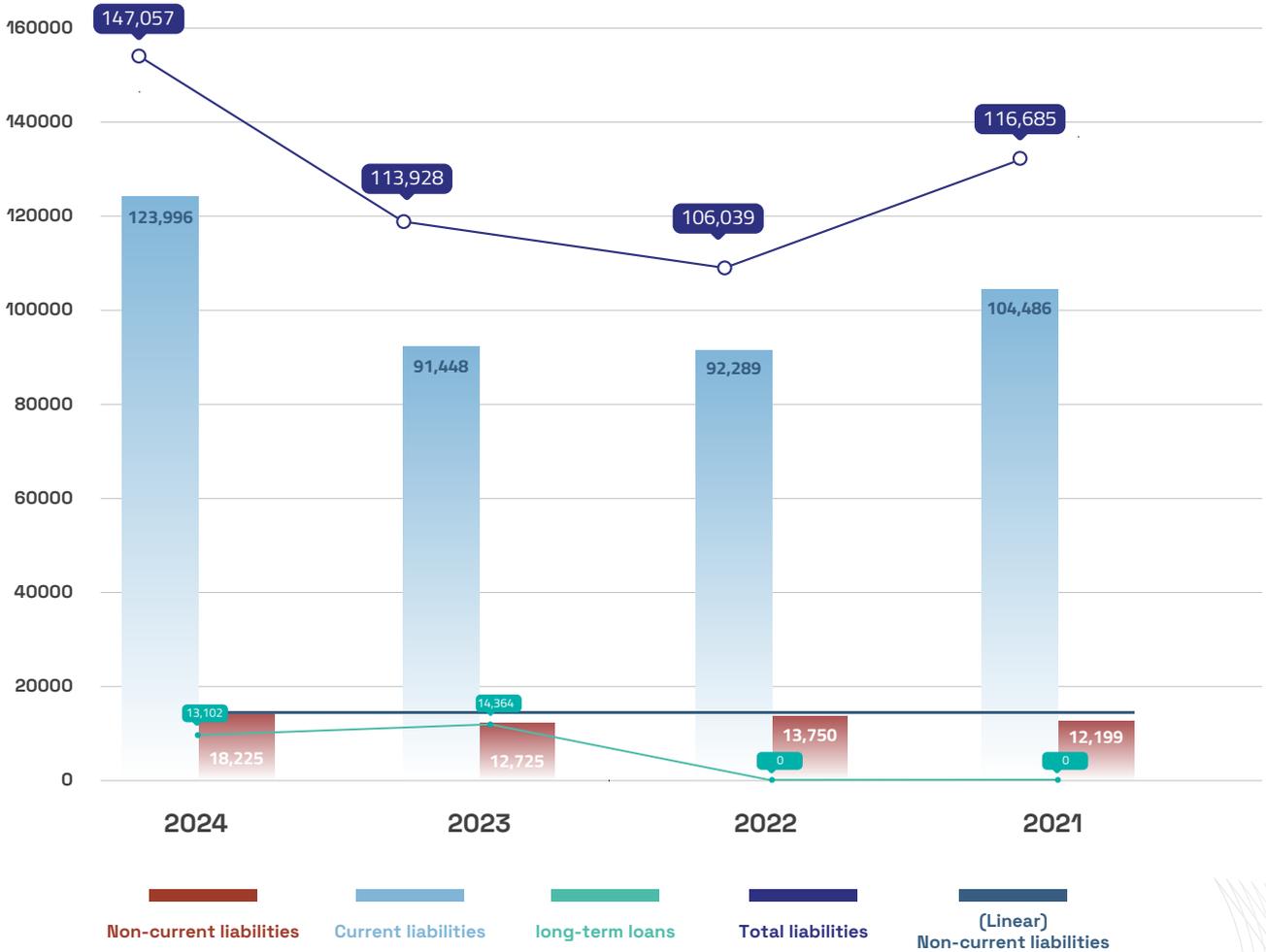
Total liabilities amounted to 155,322 ₪ thousand at the end of 2024, compared to 147,057 ₪ thousand at the end of 2023, representing 30.3% of total assets and 43% of total shareholders' equity.

Al Wasail also reports having an approved loan from the Industrial Development Fund amounting to 34.9 ₪ million, of which 18.3 ₪ million had been utilized by the end of the fiscal year 2024.

A chart showing the change in the company’s assets for the fiscal year 2024 compared to previous years (in Thousands of Riyals)



A chart showing the change in the company's liabilities for the fiscal year 2024 compared to previous years (in thousands of riyals)



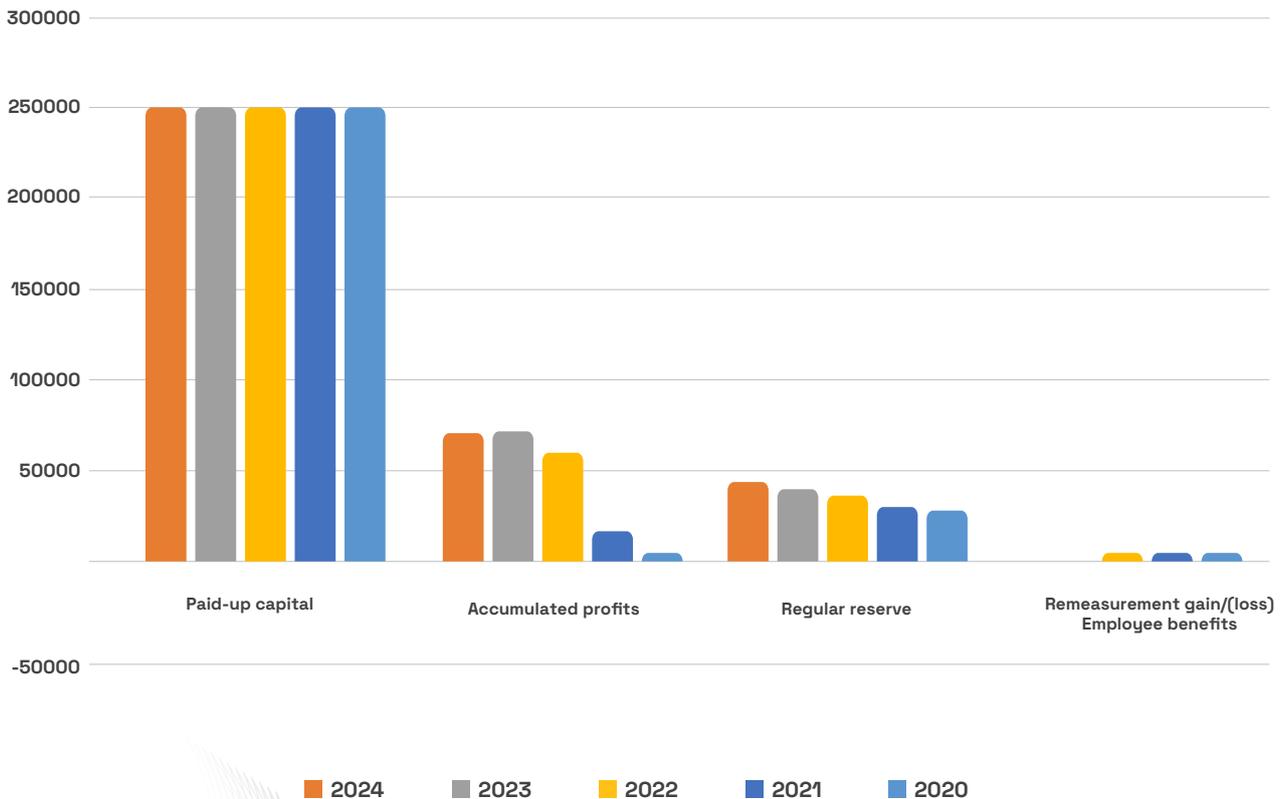
The value of a company's assets ensures that its short-term liabilities are covered.

3.06

Chapter Three: Financial & Operational Performance

Change in Shareholder's Equity and Company Assets

The following chart illustrates the change in shareholders' equity for the year 2024 compared to previous years (in thousand £).



3.07

Chapter Three: Financial & Operational Performance

Statement of Financial Position

Table of the company's statement of financial position for the fiscal year ended 31 December 2024, compared to previous years.

Statement (one thousand Saudi riyals)	2024	2023	2022	2021	2020
Statement of financial position					
Current Assets	351,104	345,635	312,832	287,788	266,558
Non-Current Assets	165,414	161,453	146,646	144,493	145,941
Total Assets	516,518	507,088	459,479	432,281	412,499
Current Liabilities	123,996	117,040	91,448	92,289	104,486
Non-Current Liabilities	18,225	15,653	12,130	13,750	12,199
Long-Term Loans	13,102	14,364	9,755	-	-
Total Liabilities	155,323	147,057	113,333	106,040	116,685
Shareholders' Equity					
Paid-up Capital	250,000	250,000	250,000	250,000	250,000
Retained Earnings	68,221	70,498	59,018	42,478	15,125
Statutory Reserve	43,486	39,573	36,214	32,987	29,948
Actuarial Gain / (Loss) from Re-measurement of Employee Benefits	512	40	914	777	741
Total Shareholders' Equity	361,196	360,031	346,146	326,242	295,814
Total Liabilities and Shareholders' Equity	516,518	507,088	459,479	432,281	412,499

3.08

Chapter Three: Financial and Operational Performance

Cash Flows Statement

Statement (one thousand Saudi riyals)	2024	2023	2022	2021	2020
Net cash available from (used in) operating activities	35,281	25,650	35,737	4,266	55,713
Net cash (used in) investing activities	(2,885)	(25,572)	(12,583)	(4,848)	(6,610)
Net cash (used in) financing activities	(39,398)	(12,121)	(4,382)	(7,469)	(39,104)
Cash and cash equivalents at the end of the period	8,525	15,528	27,572	8,800	16,852

3.09

Chapter Three: Financial & Operational Performance

Details of the company’s long and short-term loans and amounts owed to government entities.



Loans for development and keeping pace with the accelerating demand for the company’s products.

Purpose of the loan	Donor	Loan amount in riyals	Loan term	Loan payment	The remaining amount of the loan
Financing factory development	Industrial Fund	34,900,00	7 years	21,502,472.50	13,397,527.50
Financing the purchase of a car fleet	Bank of the country	1,586,000	2 years	1,586,000	-

Fiscal year	Balance on January 1	Withdrawals	Installments paid	Fees paid	Balance on December 31
2022	-	10,339,537.95	-	584,202	9,755,335.95
2023	9,755,335.95	9,123,801.86	-	515,507	18,363,629.81
2024	18,363,629.81	4,912,813.50	4,594,750	187,970.81	18,493,722.50

Saudi Industrial Development Fund Loan

In 2022, Al Wasail obtained a Shariah-compliant long-term financing facility from the Saudi Industrial Development Fund (SIDF) in the amount of 34.9 million, for the purpose of financing the company’s branch factory located in the First Industrial City in Qassim. The loan is secured by mortgaging the assets and is to be repaid in 13 semi-annual installments starting from the beginning of 2024. As of December 2024, an amount of 21,502,472.50 has been disbursed.

SAB Bank Facility Agreements:

Al Wasail also entered into a credit facility agreement with Alawwal Bank to support its operating activities, including opening domestic and international letters of credit and financing the issuance of letters of guarantee, with a total limit of 47 million. There are no loans utilized or outstanding under this facility as of the end of 2024.

Bank Albilad Facility Agreements:

During the fiscal year 2024, Al Wasail entered into a credit facility agreement with Bank Albilad to obtain financing for its operational activities, inventory funding, and the development of its vehicle fleet, with a total value of 16.5 million. In 2024, the company withdrew 1,586,000 and repaid 594,750 within the same year.

3.10

Chapter Three: Financial & Operational Performance

Statutory Payments Due Government Entities

The following table presents the amounts paid to the Zakat, Tax and Customs Authority, the General Organization for Social Insurance (GOSI) for employee-related contributions, as well as other governmental fees. It also highlights the company's contributions to corporate social responsibility (CSR) over the past five years.

Statement (one thousand Saudi riyals)	2024	2023	2022	2021	2020
Zakat	7,537	6,771	6,331	5,845	3,909
Tax	12,073	10,006	6,845	7,796	6,052
Social responsibility	250	224	218	817	30
General Organization for Social Insurance	5,486	3,870	2,538	2,899	1,936
Government fees: Labor, Passports and Traffic Office	2,724	2,192	2,181	2,137	3,017
Total	28,070	23,063	18,113	19,494	14,944

3.11

 Chapter Three: Financial
& Operational Performance

Selling Expenses

Selling and Marketing Expenses

Statement (one thousand Saudi riyals)	2024	2023	2022	2021	2020
Selling and marketing expenses					
Salaries, Wages, and Related Benefits	11,762	11,559	13,360	12,303	12,146
Shipping and deportation	18,594	13,461	9,576	7,263	7,617
Maintenance, Repairs, and Fuel	1,848	1,940	4,630	3,113	2,323
Rents and consumption	3,118	2,377	2,604	2,370	2,653
Other	18,110	14,109	7,761	6,233	6,176
Total	53,432	43,446	37,931	31,282	30,915

3.12

 Chapter Three: Financial
& Operational Performance

Administrative Expenses

Statement (one thousand Saudi riyals)	2024	2023	2022	2021	2020
Salaries, Wages, and Related Benefits	9,070	8,471	6,801	6,792	7,415
Professional fees	1,971	410	498	1,469	524
Depreciation	988	1,142	962	815	952
Governmental Fees and Charges	2,145	1,543	1,333	938	774
Board of Directors and Subcommittee Expenses	2,115	2,160	1,925	219	42
Provision for Doubtful Debts	1,085	1,021	1,500	-	-
Bad Debts	-	348	273	-	-
Travel and Transportation	1,658	1,515	758	357	561
Others	3,560	3,188	3,379	2,223	2,819
Total	22,592	19,798	17,429	12,813	13,087

Certain comparative information has been reclassified to conform to the presentation adopted by the auditor's office for the current year.

3.13

Chapter Three: Financial
& Operational Performance

Operating Costs

The operating costs were included within the cost of sales for the fiscal year 2024. The total operating costs for 2024 amounted to 62[₪] million, primarily comprising labor costs, machinery depreciation, maintenance, electricity and water expenses, and any other related production and operational costs.

»» Operating Costs for the Year 2024 Amounted to 62[₪] million.

»»

Treasury Shares

1. Approval of the Employee Stock Program and authorization of the Board of Directors to determine the terms and conditions of the program, including the allocation price per share offered to employees, if applicable.
2. Approval for Al Wasail to purchase up to 500,000 of its own shares for the purpose of allocating them to employees under the Employee Stock Program. The purchase will be funded from Al Wasail's available cash, and the Board of Directors is authorized to complete the purchase within a maximum period of twelve (12) months from the date of the Extraordinary General Assembly resolution. Al Wasail will retain the purchased shares for a period not exceeding five (5) years from the date of the Extraordinary General Assembly's approval, as a maximum, until they are allocated to eligible employees. After this period, Al Wasail will follow the procedures and regulations stipulated in the applicable laws and relevant regulatory frameworks. In 2024, based on Board Resolution No. (09/05/2024 M/J) dated May 20, 2024, Al Wasail distributed stock grants to each employee category through their respective share portfolios in accordance with the company's internal regulatory policies.

3.14

Chapter Three: Financial & Operational Performance

Debt Instruments, Guarantees, Convertible Rights, Subscriptions, and Similar Convertible Rights

»» Not applicable

04

Chapter Four
Governance

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4.01

Chapter Four: Governance

Duties of The Board of Directors

Considering the powers assigned to the General Assembly, the primary duties of the Board of Directors are focused on setting the strategic directions and goals, establishing internal control systems and regulations for the company's operations, overseeing them, and approving the main budgets, financial policies, and policies that govern the relationship with stakeholders, all of which serve the best interests of the company and its investors.

In addition, the Board of Directors is responsible for other tasks outlined in the Company's Articles of Association.

The following are the names of the Board members, their membership classifications, their qualifications, and the companies where they continue to hold board memberships:



Board of Directors Attendance Record



The Board of Directors of Al Wasail held 7 meetings during the year 2024.

The table below shows the attendance record of the Board members at the meetings during the year:

No.	Member name Date of meeting	Meeting date						
		27/03/ 2024	20/05/ 2024	27/06/ 2024	24/08/ 2024	26/10/ 2024	01/12/ 2024	22/12/ 2024
1.	Dr. Abdulrahman bin Abdullah Abdulaziz Al-Musheiqeh	present						
2.	Mr. Nasser bin Abdullah Abdulaziz Al-Musheiqeh	present						
3.	Mr. Abdulaziz bin Abdullah Abdulaziz Al-Musheiqeh	present						
4.	Mr. Saleh bin Abdullah Abdulaziz Al-Musheiqeh	present						
5.	Mr. Abdulqader bin Abdullah Abdulaziz Al-Musheiqeh	present						
6.	Dr. Suleiman bin Saleh Suleiman Al-Rashudi	present	present	present	present	present	present	The Council's term ended on 12/21/2024.
7.	Mr. Abdulhamid bin Fahd Abdullah Al-Odaib	present	present	present	present	present	present	The Council's term ended on 12/21/2024.
8.	Dr. Khalid bin Abdulaziz Fahd Al-Shurayda *	-	-	-	-	-	-	present
9.	Mr. Musa'ad bin Suleiman Abdullah Al-Owhael *	-	-	-	-	-	-	present
10.	Mr. Ibrahim bin Said Muhammad Al-Mubarak *	-	-	-	-	-	-	present
11.	Mr. Rakan bin Muhammad Abdullah Abu Nyan *	-	-	-	-	-	-	present

* New members were elected on 25 / 11 / 2024 and their registration council term began on 22 / 12 / 2024 for a period of three years.

4.02

Chapter Four: Governance

Biographies of The Esteemed Board Members

Composition of the Board of Directors, Their Duties, Membership Classifications, and the Contributing Companies Where They Hold Board Memberships

The Board of Directors of the company consists of 9 members appointed by the General Assembly for a period of three (3) years. A shareholder or more, representing at least 10% of the company's shares, may request to add one or more items to the agenda when preparing it.



We provide a better life ▲





Dr. Abdulrahman bin Abdullah Abdulaziz Al-Mushaikh

Chairman of the Board of Directors

Membership Classification: (Non-Executive)

Date of Appointment: 21/06/1446H (22/12/2024)

Academic Qualifications:

- Doctorate in Education from University of Western Ontario, Canada 1989.
- Master's degree in Science Teaching Methods from Indiana University, USA 1976.
- Bachelor's degree in Science from King Saud University, Saudi Arabia, 1971.

Professional Experience:

- Chairman of the Board of Directors of Al Wasail Industrial Company since its establishment.
- Chairman of the Board of Directors of Qassim Private Colleges for Boys and Girls since its establishment.
- Chairman of the Board of Directors of Al Wasail Industrial Company (operating in the manufacturing sector) from 1991 to 2007.
- Member of the Shura Council in its third, fourth, and fifth sessions.
- Chairman of the Qassim Chamber of Commerce and Industry for sessions 5, 6, and 7 (from 1417H to 1425H).
- Chairman of the Board of Directors of the Qassim Industrial City from 1416H to 1424H.

Membership in Other Board of Directors:

- Chairman of the Board of Directors of Future University Company (operating in higher education) since 2003.
- Chairman of the Board of Directors of Qassim Real Estate and Development Company (operating in real estate development) since 2009.
- Chairman of the Board of Directors of Saudi Grains and Animal Feed Company (operating in the purchase and sale of grains and animal feed) since 2017.



Mr. Saleh bin Abdullah Abdulaziz Al-Mushaikh

Vice Chairman of the Board of Directors
Membership Classification: Non-Executive
Date of Appointment: 21 / 06 / 1446H (22 / 12 / 2024)

Academic Qualifications:

Holds a General Secondary Education Certificate from Buraidah Secondary School in the city of Buraidah, obtained in 1980.

Professional Experience:

- Served as a Member of the Board of Managers at Al Wasail Industrial Company (operating in the manufacturing sector) from 1991 to 2007.
- Served as a Member of the Agricultural Committee at the Riyadh Chamber of Commerce (a governmental body) from 1995 to 1999.

Membership in Other Boards of Directors:

None.



Mr. Abdulqader bin Abdullah Abdulaziz Al-Mushaikh

Member of the Board of Directors and Chief Executive Officer
Membership Classification: Executive
Date of Appointment: 21 / 06 / 1446H (22 / 12 / 2024)

Academic Qualifications:

- Bachelor's degree in Business Administration from Qassim University, Kingdom of Saudi Arabia, obtained in 1989.

Professional Experience:

- Chief Executive Officer of Al Wasail Industrial Company (operating in the manufacturing sector) since 2017 to present.
- General Manager of Ladaen Company (a limited liability company specializing in the treatment and recycling of damaged polyethylene pipe waste) from 2017 to present.
Member of the Board of Managers at Al Wasail Industrial Company (operating in the manufacturing sector) from 1991 to 2007.
- Over 35 years of experience in the industrial sector as an executive manager.

Membership in Other Boards of Directors:

None.



Mr. Nasser bin Abdullah Abdulaziz Al-Mushaikh

Member of the Board of Directors
 Membership Classification: Non-Executive
 Date of Appointment: 21 / 06 / 1446H (22 / 12 / 2024)

Academic Qualifications:

Holds a General Secondary Education Certificate from Buraidah Secondary School in the city of Buraidah, obtained in 1972.

Professional Experience:

Served as a Member of the Board of Managers at Al Wasail Industrial Company (operating in the manufacturing sector) from 1991 to 2007.

Membership in Other Boards of Directors:

None.



Mr. Abdulaziz bin Abdullah Abdulaziz Al-Mushaikh

Member of the Board of Directors
 Membership Classification: Non-Executive
 Date of Appointment: 21/06/1446H (22 / 12 / 2024)

Academic Qualifications:

Holds a General Secondary Education Certificate from Buraidah Secondary School in the city of Buraidah, obtained in 1976.

Professional Experience:

Served as a Member of the Board of Managers at Al Wasail Industrial Company (operating in the manufacturing sector) from 1991 to 2007.

Membership in Other Boards of Directors:

None.



Prof. Dr. Khalid bin Abdulaziz Fahad Al-Rasheedah

Member of the Board of Directors, Chairman of the
Compensation and Nominations Committee
Membership Classification: Independent
Date of Appointment: 21 / 06 / 1446H (22 / 12 / 2024)

Academic Qualifications:

Professor of Sociology at Qassim University since 1438H.

Professional Experience:

- Dean of Student Affairs and Chairman of the Community Service Development Committee at Qassim University from 1431H to 1437H.
- Dean of the Community Service Deanship at Qassim University from 1425H to 1431H.
- Appointed as a Lecturer in the Sociology Department at Qassim University in 1410H.
- Held the rank of Assistant Professor at Qassim University in 1419H.
- Served as Associate Professor at the College of Arabic Language and Social Studies at Qassim University in 1426H.
- Appointed Professor of Sociology at the College of Arabic Language and Social Studies at Qassim University in 1438H.

Membership in Other Boards of Directors:

None.



Mr. Ibrahim bin Saeed Dhamham Al-Mubarak

Member of the Board of Directors
Chairman of the Audit Committee
Membership Classification: Independent
Date of Appointment: 21 / 06 / 1446H (22 / 12 / 2024)

Academic Qualifications:

Bachelor's degree in Accounting from King Khalid University, Kingdom of Saudi Arabia, obtained in 2012.

Professional Experience:

- Served as Executive Director at SFAI International – Rami Al-Khudair Certified Public Accountants.
- Served as Audit Manager at Crowe Global – Sandy & Batarjee Certified Public Accountants.
- Served as Audit Supervisor at PKF Al Bassam & Co. Certified Public Accountants.
- Served as Senior Auditor at Talal Abu-Ghazaleh & Co
- Served as Auditor at Grant Thornton – Al Dar for Auditing.

Membership in Other Boards of Directors:

None.





Mr. Rakan bin Mohammed Abdullah Abunayyan

Member of the Board of Directors
Chairman of the Investment Committee
Membership Classification: Independent
Date of Appointment: 21 / 06 / 1446H (22 / 12 / 2024)

Academic Qualifications:

Bachelor of Science in Entrepreneurship from
Suffolk University, obtained in 2016.

Professional Experience:

- General Manager at Mohammed Abunayyan Investment Company from 2023 to present.
- Chief Executive Officer at Afaq Express from 2021 to 2023.
- Asset Management Analyst at Ru'ya Investment Company from 2020 to 2021.
- Investment Analyst at Abunayyan Holding Company from 2019 to 2020.
- Private Equity Analyst at Abraaj Group (United Arab Emirates) from 2017 to 2018.
- Private Equity Analyst at Fund Search Accelerator (USA) in 2017.

Membership in Other Boards of Directors:

- Chairman of the Board of Directors at Afaq Express since 2023.
- Chairman of the Board of Directors at Afaq Al-Ghitha Food Trading Company since 2021.
- Member of the Board of Directors at Advanced Piping Solutions Company from 2021 to 2023.
- Member of the Board of Directors at Middle East Paper Company since 2022.



Mr. Musad bin Suleiman Abdullah Al-Owheili

Member of the Board of Directors

Membership Classification: Non-Executive

Date of Appointment: 21 / 06 / 1446H (22 / 12 / 2024)

Academic Qualifications:

Master's degree in Chemical Engineering from King Fahd University of Petroleum and Minerals with the highest honors.

Professional Experience:

- Held several positions at Saudi Petrochemical Company (SADAF) – a joint venture between SABIC and Shell, producing over 4 million tons of petrochemical products, from 1984 to 2004.
- Vice President of Strategic Business Units for Fertilizers at SABIC, responsible for global sales of \$2 billion in the fertilizer sector, from 2004 to 2008.
- Vice President responsible for the creation of the Specialty Chemicals Strategic Business Unit, aimed at supporting growth ambitions in the Kingdom's transformation industries, from 2006 to 2008.
- Head of Operations and Managing Director of Chemicals and Polymers at SABIC Europe, responsible for operations across Netherlands, Belgium, Germany, the UK, and Europe's pipeline network, producing around 7.5 million tons of output, from 2008 to 2009.
- Executive Vice President of Manufacturing at SABIC, overseeing the creation of the Global Manufacturing Division, responsible for the majority of SABIC's plants across Jubail, Yanbu, Europe, and China, producing 65 million tons and employing over 17,000 people, from 2009 to 2013.
- Vice President of Polymers at SABIC, responsible for polymer sales with revenues around \$20 billion, from 2014.



- First Chairman of the World Plastics Council, which includes major global plastic producers, from 2013 to 2015.
- Executive Vice President and Chief Financial Officer at SABIC Group, responsible for \$40 billion in revenues and a 30% EBITDA margin. Led the transition to IFRS accounting standards and the restructuring of loss-making subsidiaries, from 2015 to 2018.
- Senior Executive Advisor to the CEO and Member of the Executive Committee at SABIC, overseeing major company projects like separating the Specialty Products Unit and merging some of SABIC's large companies, from 2018 to 2020.
- CEO of Ma'aden, leading numerous performance improvement projects, including establishing an internal governance system and updating the company's Oracle-EPR systems, from 2020 to 2021.
- Investment Management and Private Business and member of several boards and committees, from 2021 to the present.

Membership in Other Boards of Directors:

- Member of the Board of Directors at Ben Laden Global Holding Group (operating in construction), from 2024 to the present.
- Member of the Board of Directors at Sahara International Petrochemicals (SABIC), operating in the manufacturing and marketing of petrochemicals.
- Member of the Board of Directors at National Industrial Company, operating in the production of packaging materials.





Dr. Suleiman bin Saleh bin Suleiman Al-Rashoudi

Member of the Board of Directors

Academic Qualifications:

- Ph.D. in Mechanical Engineering from Cranfield Institute of Technology, United Kingdom, 1991.
- Master's degree in Nuclear Engineering from the University of London, United Kingdom, 1987.
- Bachelor's degree in Physics from King Saud University, Riyadh, 1985.
- Executive MBA from King Fahd University of Petroleum and Minerals, 2008.

Professional Experience:

- He held a past position at King Abdulaziz City for Science and Technology (a government agency working in the field of science) in Riyadh from 1988 to 1991.
- He held the position of Assistant Supervisor of the Atomic Energy Research Institute (an institute affiliated with King Abdulaziz City for Science and Technology) in Riyadh from 1993 to 1995.
- He served as Head of the Science and Technology Department at the Atomic Energy Research Institute (an institute affiliated with King Abdulaziz City for Science and Technology) in Riyadh from 1995 to 1997.
- He served as General Manager of Gulf Union Food Company (working in the field of food production) from 1997 to 2003.
- He served as a member of the Riyadh Municipal Council from 2006 to 2012.
- He served as a member of the Board of Directors of the Arab Atomic Energy Agency (AAEA), a specialized Arab scientific organization operating within the League of Arab States and concerned with nuclear sciences and their peaceful applications. Based in Tunis, the organization served from 1992 to 1994.
- He served as a member of the Board of Directors of the Radioisotope Center (a specialized radioisotope center for Arab countries), headquartered in Cairo, from 1991 to 1995.

- He served as a member of the Facilities Committee at the Second Industrial City (an industrial city affiliated with the Saudi Industrial Property Authority) from 2001 to 2003.
- He also served as Chairman of the Board of Directors of Gulf Union Food Company from 2001 to 2003.
- Chairman of the Board of Directors of Gulf Union Food Company from 2003 to present in Europe (approximately 7.5 million tons of production). From 2008 to 2009
- He served as Executive Vice President of Manufacturing at SABIC, responsible for establishing SABIC's Global Manufacturing Department to manage the vast majority of SABIC's plants in Jubail, Yanbu, Europe, and China (65 million tons of production and a total workforce of more than 17,000) from 2009 to 2013.

Membership in Other Boards of Directors:

Chairman of the Board of Directors of Gulf Union Food Company, operating in the food production sector, since 2003 until now.

**

The membership term ended with the conclusion of the board's term on 21 / 12 / 2024.





Mr. Abdulhamid bin Fahd Abdullah Al-Othaib

Board Member

Academic Qualifications:

Holds a Bachelor's degree in Sharia from Imam Muhammad bin Saud University, Kingdom of Saudi Arabia.

Professional Experience:

- Previously worked in the education sector.
- Previously worked at the Public Prosecution.
- Currently engaged in private sector business.

Board Memberships in Other Companies:

None.

**

The membership term ended with the conclusion of the board's term on 21 / 12 / 2024.

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Chapter Four: Governance

Statement of Board Members' Interests & Changes During the Year 2024

Name	Number of shares Beginning of 2024	Number of shares End of 2024	Net change during the year	Dividends distributed for the year 2024	Relative ownership beginning in 2024	Relative ownership at the end of 2024	Net change in ownership of relatives during the year
Dr. Abdulrahman bin Abdullah Abdulaziz Al-Mushaikh	33,318,640.00	27,484,896.00	(5,833,744.00)	4,976,188.70	3,588,546.00	698,178.00	(2,890,368)
Saleh bin Abdullah Abdulaziz Al-Mushaikh	38,908,000.00	38,908,000.00	-	5,786,200.00	6,684,850.00	4,010,170.00	(2,674,680)
Nasser bin Abdullah Abdulaziz Al-Mushaikh	29,207,740.00	22,629,815.00	(6,577,925.00)	4,298,069.25	11,127,942.00	673,064.00	(10,454,878)
Abdulaziz bin Abdullah Abdulaziz Al-Mushaikh	32,165,998.00	30,097,136.00	(2,068,862.00)	4,631,604.20	5,412,273.00	551,452.00	(4,860,821)
Abdulqader bin Abdullah Abdulaziz Al-Mushaikh	31,083,917.00	23,500,000.00	(7,583,917.00)	4,581,259.00	207,450.00	447,042.00	239,592
Abdulhamid bin Fahad Abdullah Al-Othaib	11,131,444.00	5,791,676.00	(5,339,768.00)	1,460,494.25	-	-	-
Dr. Suleiman bin Saleh bin Suleiman Al-Rushaidi	-	-	-	-	-	-	-
Prof. Dr. Khaled bin Abdulaziz Fahad Al-Shuraidi	-	-	-	-	-	-	-
Musaed bin Suleiman Al-Abdullah Al-Owhali	-	-	-	-	-	-	-
Ibrahim bin Saeed Mohammed Al-Mubarak	-	-	-	-	-	-	-
Rakan bin Mohammed Abdullah Abunayyan	-	-	-	-	-	11000000	11,000,000
Total	175,815,739.00	148,411,523.00	(27,404,216.00)	25,733,815.40	27,021,061.00	17,379,906.00	(9,641,155)

** No direct or indirect interest was found for the Board members, except as mentioned above and in the related party transactions included in this report.

Statement on the Dates of Ordinary and Extraordinary General Assemblies of Shareholders Held During the Fiscal Year 2024, and the Names of Board Members Attending the Assemblies

No.	Name	Ordinary general assembly		Extraordinary General	
		05/05/2024	25/11/2024	29/01/2024	24/09/2024
1	Dr. Abdulrahman bin Abdullah Abdulaziz Al-Mushaikh	Present	Present	Present	Present
2	Mr. Nasser bin Abdullah Abdulaziz Al-Mushaikh	Present	Present	Present	Present
3	Mr. Abdulaziz bin Abdullah Abdulaziz Al-Mushaikh	Present	Present	Present	Present
4	Mr. Saleh bin Abdullah Abdulaziz Al-Mushaikh	Present	Present	Present	Present
5	Mr. Abdulqader bin Abdullah Abdulaziz Al-Mushaikh	Present	Present	Present	Present
6	Dr. Suleiman bin Saleh Suleiman Al-Rushaidi	Present	Absentee	Present	Present
7	Mr. Abdulhamid bin Fahd Abdullah Al-Othaib	Present	Present	Present	Present
8	Dr. Khalid bin Abdulaziz Fahd Al-Shareeda *	-	-	-	-
9	Mr. Musaad bin Suleiman Al-Abdullah Al-Owhali *	-	-	-	-
10	Mr. Ibrahim bin Saeed Mohammed Al-Mubarak *	-	-	-	-
11	Mr. Rakan bin Mohammed Abdullah Abunayyan *	-	-	-	-

* Newly elected members as of 25/11/2024. Their Board term begins on 22/12/2024 for a duration of three years.

Statement of the Company’s Requests for the Shareholders’ Register, Including the Dates and Reasons for Each Request.

No.	Request Date	Ownership File Date	Reason for Request
1	14/01/2024	29/01/2024	General Assembly
2	02/05/2024	05/05/2024	General Assembly
3	02/05/2024	07/05/2024	Dividends File
4	26/05/2024	26/05/2024	Corporate Procedures
5	29/05/2024	30/05/2024	Corporate Procedures
6	11/06/2024	11/06/2024	Corporate Procedures
7	05/09/2024	24/09/2024	General Assembly
8	05/09/2024	26/09/2024	Dividends File
9	24/11/2024	25/11/2024	General Assembly
10	24/12/2024	31/12/2024	Corporate Procedures

Actions Taken by the Board of Directors to Inform Its Members Especially Non-Executive Members of Shareholders’ Suggestions and Remarks Regarding the Company and Its Performance:

The Board of Directors did not receive any remarks from the esteemed shareholders regarding the company or its performance. It is worth noting that all shareholder inquiries and questions were addressed during the General Assembly meetings, and all questions and responses are documented in the minutes of those meetings.

Where applicable

The Methods Adopted by the Board of Directors in Evaluating Its Own Performance, the Performance of Its Committees, and Its Members, and the External Party Conducting the Evaluation (if any), and Its Relationship with the Company:

The Company's Board of Directors adopted an internal evaluation model to assess the performance of its members. Board members participated in the evaluation process by providing their feedback. The results of the evaluation are analyzed under the supervision of the Development and Planning Department and the Administrative Affairs Department. These results are then submitted to the Nomination and Remuneration Committee, which in turn makes recommendations to the Board of Directors regarding the final evaluation outcomes.

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Chapter Four: Governance

Disclosure of Remunerations

1. The annual Board of Directors' report submitted to the General Assembly must include a detailed statement of remuneration and compensation policies, including:
 - Details of amounts paid to each of the members of the Board of Directors, committees, and executive management.
 - A statement of the number of meetings attended by each member.
 - Disclosure of any special arrangements regarding additional remunerations or benefits outside the scope of the employment contract.
2. All details must be presented in accordance with the templates approved by the Capital Market Authority.

➤ Remuneration Standards

The remunerations of members of the Board of Directors, its committees, and executive management are subject to the following standards, without prejudice to regulatory requirements and the company's Articles of Association:

1. **Alignment with Company Strategy:** Remunerations must reflect the company's objectives and strategy.
2. **Long-Term Motivation and Development:** Remunerations are granted to encourage the Board members and executive management to achieve success and growth for the company.
3. **Correlation with Job Level and Performance:** Remunerations are determined based on the level of tasks, responsibilities, academic qualifications, professional experience, skills, and performance level.
4. **Proportionality to Risk Nature:** Remunerations must take into account the nature and magnitude of risks facing the company.
5. **Benchmarking with Similar Practices:** Remunerations are compared with the practices of similar companies in line with the approved remuneration and compensation policy.
6. **Attracting and Retaining Talent:** Remunerations are set to attract and retain experienced and competent Board and executive management members.
7. **Granting Shares:** Shares (or shares in exchange for converting debt instruments) may be granted to Board members and executive management in accordance with approved procedures.
8. **Proportionality with Member's Duties:** Remunerations must be fair and proportionate to the duties and responsibilities of each member, considering the number of meetings attended.
9. **No Direct Link for Independent Board Members:** The remunerations of independent members must not be directly or indirectly tied to the company's profitability.
10. **Compliance with the Updated Profit Distribution Policy:** If the remuneration is calculated as a percentage of the company's profits, it must be based on distributable profits in accordance with the updated Articles of Association, without exceeding the maximum limit specified therein.

Remuneration of Board Members and Committees

1. The remunerations of Board members, committee members, and all benefits they receive are determined in accordance with what has been approved by the General Assembly.
2. Remunerations may be granted in the form of a fixed amount, meeting attendance allowance, cash reward, in-kind benefits, or a certain percentage of distributable profits; combining more than one form is permitted under this policy.
3. If the remuneration is calculated as a percentage of the company's profits, it must comply with the current Articles of Association and not contradict applicable laws and regulations.
4. This policy must not lead to exceeding the maximum remuneration limits for members as per the Articles of Association and approved governance regulations.
5. Remunerations of Board members and executive management must be determined in a way that does not tie the direct remunerations of independent Board members to company profits and are not calculated based on direct profitability.
6. Board members' and committees' remunerations are detailed as follows:

Table of Remunerations and Benefits for Board Members and Committees	
Meeting Attendance Allowance for the Board	<ul style="list-style-type: none"> •The Chairman of the Board and each Board member (or their representative) shall receive an attendance allowance of SAR 5,000 per meeting. •The Secretary of the Board shall receive an attendance allowance of SAR 1,000 per meeting. •Travel tickets and accommodation are provided when meetings are held outside the head office.
Annual Remuneration for Board Members	<ul style="list-style-type: none"> •A fixed annual remuneration is paid to Board members, determined and approved by the General Assembly. •Details of remunerations and compensations are disclosed in the annual reports submitted to the General Assembly.
Payment Schedule for Board Membership Remunerations	<ul style="list-style-type: none"> •Annual remunerations for Board membership are paid to members periodically at the end of each fiscal year.
Meeting Attendance Allowance for Committees	<ul style="list-style-type: none"> •Committee chairpersons and members shall receive an attendance allowance of SAR 3,000 per meeting. •Transportation and accommodation are provided when necessary.
Annual Remuneration for Committee Members	<ul style="list-style-type: none"> •A fixed annual remuneration, not exceeding SAR 50,000, is paid to committee members, linked to the number of committee meetings held. •Annual remunerations are paid in accordance with the approved remuneration policy and disclosed in the Board of Directors' report. •Details of remunerations and compensations are disclosed in the annual reports submitted to the General Assembly.
Effective Date of the Remuneration and Benefits Policy for the Board Members and Committees	<ul style="list-style-type: none"> •The remuneration and benefits policy for the Board and its committees shall take effect from the date of its approval by the General Assembly and shall not apply retroactively.

Non-Entitlement or Recovery of Remuneration

1. If a Board member's membership is terminated due to continuous absence (three consecutive meetings or five separate meetings without a valid excuse), the member shall not be entitled to remuneration for the period following the last meeting attended, and must return any remuneration paid for that period.
2. If it is found that remunerations were paid based on incorrect or misleading information, the company has the right to request the member to return the paid remunerations.
3. The same conditions apply to committee members according to the terms of each committee.

Non-Entitlement or Recovery of Remuneration

1. Executive management (senior executives) shall receive financial and in-kind benefits in accordance with procedures and standards approved by the Board of Directors, determined based on the approved salary scale and related policies.
2. Executive management remunerations include:
 - A certain number of monthly salaries per year.
 - Periodic bonuses linked to performance indicators (paid quarterly).
 Any other benefits or allowances approved by the Board of Directors based on the recommendation of the Remuneration and Nominations Committee.

Relationship Between Granted Remunerations and the Applicable Remuneration Policy

Based on the remuneration policy for Board members, committees, and executive management, and in light of the remunerations paid to the Board, committees, and executive management, there is no material deviation from the remuneration policy.

Statement of Remunerations for the Chairman and Members of the Board of Directors During the Year 2024

Members of the Board of Directors	Fixed rewards						Variable rewards						End of Service Bonus	Grand total	Expenses allowance	
	Specific Amount	Meeting Attendance Allowance - Board	Total Committee Attendance Allowance	In-kind Benefits	Technical, Administrative & Advisory Allowance	Remuneration of the Chairman of the Board, the Managing Director and the Secretary, if he is a member	Total	Profit-based Remuneration	Periodic Bonuses	Short-term incentive plans	Long-term incentive plans	Value of granted shares				Total
First: Independent Members																
Dr. Suleiman bin Saleh Suleiman Al-Rashoudi	100,000	25,000	12,000	-	-	-	137,000	-	-	-	-	-	-	-	137,000	-
Mr. Abdulhamid bin Fahd Abdullah Al-Odayb	100,000	25,000	12,000	-	-	-	137,000	-	-	-	-	-	-	-	137,000	-
Prof. Khaled bin Abdulaziz Fahd Al-Sharida	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Ibrahim bin Saeed Mohamed Al-Mubarak	-	-	15,000	-	-	-	15,000	-	-	-	-	-	-	-	15,000	-
Mr. Rakan bin Mohamed Abdullah Abu Nayan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Second: Non-Executive Members																
Dr. Abdulrahman bin Abdullah Abdulaziz Al-Mushaikh	100,000	25,000	-	-	-	-	125,000	-	-	-	-	-	-	-	125,000	-
Mr. Saleh bin Abdullah Abdulaziz Al-Mushaikh	100,000	25,000	-	-	-	-	125,000	-	-	-	-	-	-	-	125,000	-
Mr. Nasser bin Abdullah Abdulaziz Al-Mushaikh	100,000	25,000	-	-	-	-	125,000	-	-	-	-	-	-	-	125,000	-
Mr. Abdulaziz bin Abdullah Abdulaziz Al-Mushaikh	100,000	25,000	-	-	-	-	125,000	-	-	-	-	-	-	-	125,000	-
Mr. Musaed bin Suleiman Abdullah Al-Owaheli	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Third: Executive Members																
Mr. Abdulqader bin Abdullah Abdulaziz Al-Mushaikh	100,000	25,000	-	-	-	-	125,000	-	-	-	-	-	-	-	125,000	-
TOTAL:	700,000	175,000	39,000	-	-	-	914,000	-	-	-	-	-	-	-	914,000	-

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Chapter Four: Governance

Board Committees

The company has three subcommittees stemming from the Board of Directors. These committees have been formed by members of the Board, as well as external and executive members with relevant expertise and specializations. Their names, objectives, responsibilities, and general framework of operation are outlined in the company’s approved Articles of Association. Each of these committees has its own set of bylaws approved by the Board of Directors and the General Assembly of shareholders, which define their authorities and procedures. These committees are as follows.



Audit Committee

The Audit Committee consists of three (3) non-executive members, including specialists in financial and accounting affairs. In 2024, the committee held five (5) meetings.

It plays a fundamental and vital role in assisting the Board of Directors in fulfilling its statutory duties. During the year 2024, the committee oversaw and coordinated both internal and external audit operations with the aim of verifying the effectiveness and efficiency of the company’s internal control systems and procedures.

Below are the names of the Audit Committee members, their attendance record at committee meetings, and a summary of its key responsibilities:

No.	Member name	Position	Meeting date				
			26/3/2024	29/07/2024	22/08/2024	29/10/2024	03/12/2024
1.	Mr. Ibrahim bin Saeed Mohammed Al-Mubarak	Chairman of the Committee Independent Board Member	Present	Present	Present	Present	Present
2.	Mr. Omar bin Abdulrahman Abdullah	Committee Member External (Non-Board Member)	Present	Present	Present	Present	Present
3.	Mr. Suleiman bin Saleh Abdulrahman Al-Dakheel	Committee Member External (Non-Board Member)	Present	Present	Present	Present	Present

Audit Committee Members

Mr. Ibrahim bin Saeed Mohammed Al-Mubarak Chairman of the Audit Committee

Qualifications:

Holds a Bachelor's degree in Accounting from King Khalid University, Kingdom of Saudi Arabia (2012)

Professional Experience:

- Served as Executive Director at SFAI International – Rami Al-Khodar Certified Public Accountants
 - Served as Audit Manager at Kreston International – Sendi & Batarjee Certified Public Accountants
 - Served as Audit Supervisor at PKF Al-Bassam & Co. Certified Public Accountants
 - Served as Senior Auditor at Talal Abu-Ghazaleh & Co.
 - Served as Auditor at Grant Thornton – Al-Dar for Auditing Accounts – Rami Al-Khodar Certified Public Accountants
-

Mr. Omar bin Abdulrahman Abdullah Al-Mushaikh Audit Committee Member

Qualifications:

- Bachelor's degree in Law from Al-Mustaqbal University, Kingdom of Saudi Arabia (2014)
- English Language Diploma from Indiana University, United States (2000)

Professional Experience:

- Chairman of the Board, Arkan Development Company (Closed Joint-Stock Company)
- Executive Director, Silkeen Information Technology Company
- General Manager, Arkan Med Industrial Company
- General Manager, Al-Qassim Development and Construction Company
- Factory Manager, Saudi Rubber Products Factory – Al Wasail Industrial Company
- IT Manager and ERP Project Manager – Al Wasail Industrial Company
- General Manager of Projects and Business Development, Shada Saudi for Development and Construction
- Audit Supervisor, Talal Abu-Ghazaleh & Co.
- Auditor, Al-Dar Auditing Firm (Grant Thornton)

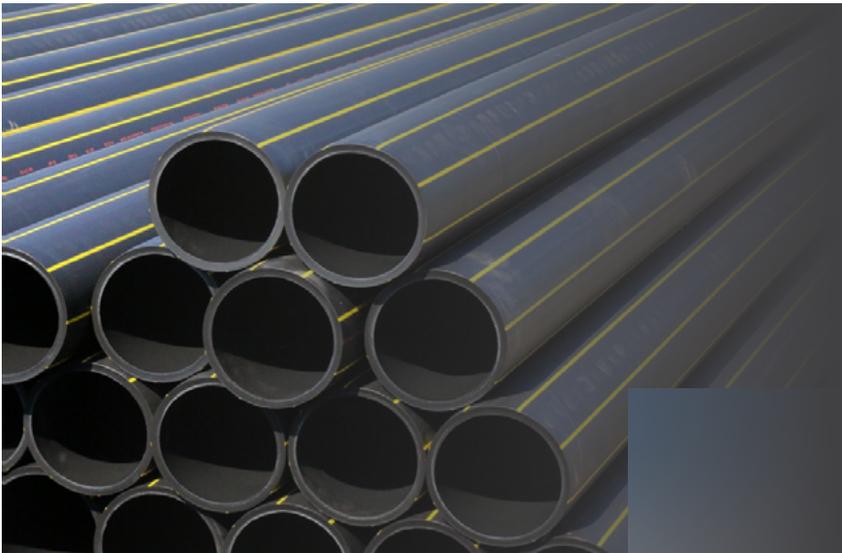
Mr. Suleiman bin Saleh Abdulrahman Al-Dakheel
Audit Committee Member

Qualifications:

- Bachelor's degree in Accounting from Qassim University, Kingdom of Saudi Arabia (2008)
- Master's degree in Accounting and Finance from Bangor University, United Kingdom (2011)

Professional Experience:

- Owner of Suleiman Saleh Al-Dakheel Office for Accounting and Auditing
- Former Audit Manager at Al-Bassam & Co. Certified Public Accountants
- Former Financial Supervisor at the Saudi Central Bank
- Former Assistant Auditor at KPMG
- Former Accountant at Limited Cement Industries Company



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Summary of the Committee’s Key Responsibilities

1. Supervising the internal audit function within the company to ensure its effectiveness in carrying out the tasks and responsibilities assigned by the Board of Directors.
2. Reviewing the internal control system and providing a written report with opinions and recommendations regarding it.
3. Studying internal audit reports and following up on the implementation of corrective actions related to the observations contained therein.
4. Recommending to the Board of Directors the appointment, dismissal, and remuneration of external auditors.
5. Monitoring the work of external auditors.
6. Reviewing the semi-annual and annual financial statements before submission to the Board of Directors, and providing opinions and recommendations in this regard.
7. Reviewing the audit plan with the external auditor, discussing their observations on the financial statements, and reviewing the applied accounting policies, with recommendations to the Board of Directors.

** The total remuneration and meeting attendance allowances for committee members in the year 2024 amounted to 195,000 SAR detailed as follows:

Name	Fixed Remunerations (excluding meeting attendance allowance)	Attendance Allowance or Meetings	Total
Mr. Ibrahim bin Saeed Mohammed Al-Mubarak	50,000	15,000	65,000
Mr. Omar bin Abdulrahman Abdullah Al-Mushaikh	50,000	15,000	65,000
Mr. Suleiman bin Saleh Abdulrahman Al-Dakheel	50,000	15,000	65,000

Annual Review Results of the Effectiveness of Internal Control Procedures and the Audit Committee’s Opinion on the Sufficiency of the Internal Control System



The Internal Audit Department in the company carries out continuous operational processes to assess the effectiveness and efficiency of the internal control system and procedures in protecting the company’s assets. The department also evaluates risks related to the internal control system and provides recommendations to the Board of Directors to develop the system in a way that has a positive impact on the company, ensuring high levels of protection for the company’s interests. The results of the review indicated that there are no significant deficiencies in the internal control systems, as evidenced by the internal audit processes aimed at ensuring the effectiveness of the internal control systems. These processes include reviewing financial and administrative policies, procedures for preparing financial reports, and their outputs to ensure the protection of the company’s assets. Additionally, the company continuously makes efforts on a regular basis to develop systems and policies to enhance the efficiency and effectiveness of its monitoring activities and risk management, under the guidance of the Board of Director and the supervision of the Audit Committee.

Recommendations of the Audit Committee

- » Audit Committee recommendations that conflict with the Board of Directors' decisions, or that the Board has refused to adopt, with regard to the appointment and dismissal of the Company's auditor, determining his fees, evaluating his performance, or appointing the internal auditor, and the reasons supporting these recommendations and the reasons for not adopting them
- **There is no conflict or rejection between the recommendations of the Audit Committee and the decisions of the Board of Directors.**
- » The Committee studies the annual and semi-annual financial statements with the external auditor, internal auditor, senior management, and the financial management of the company before recommending them to the Board of Directors. The Committee discusses the management report issued by the external auditor, recommends corrective actions for the points raised, and discusses with senior management, financial management, and auditors about the adequacy of provisions, accounting estimates, and the appropriateness of accounting policies.
- » The Committee reviews the proposals of the external auditors and recommends to the Board of Directors the appointment or reappointment of external auditors, as well as their fees, ensuring that the nominated auditors have the necessary experience to audit the company's work while performing their duties with impartiality and independence.
- » The Committee reviews the plan and work of the external auditors, ensuring that they do not perform technical or administrative work outside the scope of the audit, and provides feedback on this matter, responding to the external auditors' inquiries. The Committee also reviews the reports and observations of the external auditors on the financial statements and follows up on actions taken in response.
- » The Committee reviews and discusses the internal audit reports submitted by the internal audit department, with the internal auditor, senior management, and the relevant management responsible for the areas covered by the internal audit reports, before recommending them to the Board of Directors. The Committee also recommends corrective actions to senior management and auditors based on the findings.
- » The Committee reviews essential reports and communications from regulatory bodies that need to be reported to the Committee, ensuring that the company complies with internal systems, regulations, and policies. It also reviews important and substantial contracts and transactions carried out by the company with related parties.
- » The Committee reviews all necessary records and documents to perform its duties and may consult with any external advisory entity if required to assist in specific tasks.
- » The Committee reviews all necessary records and documents to perform its duties and may consult with any external advisory entity if required to assist in specific tasks.



Members of the Nomination and Remuneration Committee

The committee consists of (3) members, and its membership was formed from independent members of the board and members from outside the board. The committee held (4) meetings during the year 2024 . The following are the names of the committee members, the attendance record for the committee meetings (as of 12 / 31 / 2024), and a summary of its most prominent tasks.

Name	Position	Meeting date			
		29/4/2024	24/6/2024	23/7/2024	26/10/2024
Mr. Abdulhamid bin Fahd Abdullah Al-Odheib *	Chairman of the Committee Independent Board Member	Present	Present	Present	Present
Mr. Abdualtawab bin Mohammed Ali Al-Mushaikhah	Committee Membe External to the Board	Present	Present	Present	Present
Mr. Jalal bin Ali Mohammed Al-Juraifani	Committee Member External to the Board	Present	Present	Present	Present

* Members whose term ended on 21 / 12 / 2024.

The Remuneration and Nomination Committee was reconstituted by a decision of the Board of Directors on 22 / 12 / 2024 to consist of four (4) members as follow

Name	Position
Dr. Khaled bin Abdulaziz Fahd Al-Rashidah	Chairman of the Committee - Independent Board Member
Mr. Abdulrahman bin Saleh Fahd Al-Suqabi **	Committee Member - External to the Board
Mr. Abdualtawab bin Mohammed Ali Al-Mushaikhah	Committee Member - External to the Board
Mr. Jalal bin Ali Mohammed Al-Juraifani	Committee Member - External to the Board

** New members have been approved for nomination and their term will begin with the term of the Board of Directors, starting from 12 / 22 / 2024, for a period of three years.

Summary of the Committee's Key Responsibilities:

1. Recommending nominations for Board membership to the Board of Directors in accordance with approved policies and criteria.
2. Conducting an annual review of the required needs and appropriate skills for Board membership
3. Ensuring that no individual convicted of a crime involving dishonor or breach of trust is nominated.
4. Identifying strengths and weaknesses within the Board and its committees.
5. Annually verifying the independence of independent members and reviewing potential conflict of interest situations involving Board members
6. Continuously monitoring compliance with the Corporate Governance Regulations issued by the Capital Market Authority.
7. Establishing clear policies for remuneration and compensation of Board members and senior executives, linking them to performance.

** The meeting attendance allowance and remuneration for committee members amounted to 36,000 thousand riyals for the year 2024 AD, according to the following details:

Name	Fixed Remunerations (excluding meeting attendance allowance)	Attendance Allowance for Meetings	Total
Abdulhamid bin Fahd Abdullah Al-Odheib	-	12,000	12,000
Abdualtawab bin Mohammed Ali Al-Mushaikhah	-	12,000	12,000
Jalal bin Ali Mohammed Al-Juraifani	-	12,000	12,000

4.06

Chapter Four: Governance

Members of the Nomination & Remuneration Committee

Dr. Khaled bin Abdulaziz Fahd Al-Rashidah**Chairman of the Remuneration and Nominations Committee****Qualifications:**

As mentioned previously.

Professional Experience:

As mentioned previously.

Mr. Jalal bin Ali Mohammed Al-Juraifani**Committee Member – Remuneration and Nomination Committee****Qualifications:**

- Bachelor's degree in English Language from King Faisal University.
- Diploma in Industrial Electronics and Control from the Technical College in the Kingdom of Saudi Arabia in 2011.
- Diploma in English Language from the University of Saint Thomas, Minnesota, USA in 2007.

Professional Experience:

- Currently serving as the Director of Governance and Compliance at Al Wasail Industrial Company (a listed joint-stock company in the manufacturing industry) since 2024.
- Served as the Investor Relations Officer at Al Wasail Industrial Company from 2022 to 2024.
- Served as the Administrative Auditor at Al Wasail Industrial Company from 2019 to 2022.
- Served as the Director of the Small and Medium Enterprises Department at the Qassim Chamber of Commerce (a government entity serving the private sector) from 2015 to 2018.
- Served as the Director of the Information Center at the Qassim Chamber of Commerce (a government entity serving the private sector) from 2012 to 2015.

Mr. Abdualtawab bin Mohammed Ali Al-Mushaikah**Committee Member – Remuneration and Nomination Committee****Qualifications:**

- Bachelor's degree in Business Administration
- Diploma in Human Resources from the Think Support Center (affiliated with the Ministry of Education) in 2016.

Professional Experience:

- Currently serving as the Director of the Legal Department at Al Wasail Industrial Company (a listed joint-stock company in the manufacturing industry) since 2022.
 - Served as the Director of Human Resources and Administration at Al Wasail Industrial Company from 2015 to 2022.
 - Served as a Human Resources Specialist at Al Wasail Industrial Company from 2012 to 2015.
 - Served as an Administrative Officer for Employee Affairs at Fajr Al-Ma'amar for Urban Development (a partnership company in the construction and contracting sector) from 2010 to 2012.
 - Served as an Administrative Officer for Employee Affairs at Shubra Trading and Contracting Establishment (a limited liability company in the trade and contracting sector) from 2009 to 2010.
-

Mr. Abdulrahman bin Saleh Fahd Al-Suqabi**Committee Member – Remuneration and Nomination Committee****Qualifications:**

Master's degree in Management and Leadership from the University of Al-Qairan, USA, in 2011.

Professional Experience:

- Served as the Branch Manager of the Human Resources Development Fund in the Qassim Region from 2014 to 2017.
 - Served as the Executive Director of the Young Entrepreneur Award in the Qassim Region from 2018 to 2022.
 - Served as the Training Department Manager at the Qassim Branch of the Human Resources Development Fund from 2012 to 2014.
 - Worked as a part-time academic instructor at the Colleges of Buraidah and Qassim from 2012 to 2015.
-

Mr. Abdulhamid bin Fahd Abdullah Al-Odheib**Chairman of the Remuneration and Nomination Committee****Qualifications:**

As mentioned previously.

Professional Experience:

As mentioned previously.

Membership Status:

Membership ended with the conclusion of the Board's term on 21 / 12 / 2024.

Investment Committee

The committee consists of three (3) members, with its membership formed by independent members of the Board and members external to the Board. The committee held four (4) meetings during the year 2024. Below are the names of the committee members, their attendance record for committee meetings (as of 31 / 12 / 2024), and a summary of its key responsibilities.

Name	Title	Meeting Date			
		13/02/2024	2024/05/19	2024/08/25	2024/11/05
Dr. Suleiman bin Saleh Suleiman Al-Rashudi *	Chairman of the Committee Independent Board Member	Present	Present	Present	Present
Mr. Mohammed bin Saleh Abdullah Al-Mushaikah	Committee Member External to the Board	Present	Present	Present	Present
Mr. Mohammed Mandour Abduh Zayed	Committee Member External to the Board	Present	Present	Present	Present

* Members whose membership ended on 21 / 12 / 2024.

The Investment Committee was also reconstituted by a decision of the Board of Directors on 22 / 12 / 2024, with the committee to consist of (4) members, as follows:

Name	Position
Mr. Rakan bin Mohammed Abdullah Abu Nayan **	Chairman of the Committee - Independent Board Member
Dr. Hisham bin Abdulkarim Abdullah Al-Mushaikah **	Committee Member - External to the Board
Mr. Firas bin Samir Alwan Al-Bayyat **	Committee Member - External to the Board
Mr. Mohammed bin Saleh Abdullah Al-Mushaikah	Committee Member - External to the Board

** New members have been approved for appointment. Their term will begin with the Board of Directors' term, starting on 22 / 12 / 2024, for a period of three years.

Summary of The Key Responsibilities of the Committee:

- 1- Working with the Executive Management to develop an investment strategy and policy for the company, in line with its business nature, activities, and the risks it faces, and making recommendations accordingly.
- 2- Reviewing the investment strategy and policy periodically to ensure their suitability for changes in the external environment in which the company operates, regulatory changes, or its strategic objectives, and providing recommendations to the Board of Directors.
- 3- Overseeing the company's investment activities and establishing appropriate procedures for measuring and evaluating investment performance.
- 4- Studying and evaluating proposed investment opportunities from the company's management and making recommendations regarding them.
- 5- Ensuring that proposed investment opportunities comply with relevant laws, regulations, and instructions.
- 6- Determining and prioritizing proposed investment opportunities based on their potential and alignment with the company's strategy.
- 7- Reviewing periodic reports from executive management regarding the progress of approved investment opportunities.

** The attendance fees and the remuneration for the committee members amounted to 36,000₪ for the year 2024, as detailed below:

Name	Fixed Remunerations (excluding meeting attendance allowance)	Attendance Allowance for Meetings	Total
Dr. Suleiman bin Saleh Suleiman Al-Rashudi	-	12,000	12,000
Mr. Mohammed bin Saleh Abdullah Al-Mushaikah	-	12,000	12,000
Mr. Mohammed Mandour Abduh Zayed	-	12,000	12,000

Members of the Investment Committee

Mr. Rakan bin Mohammed Abdullah Abu Nayan Chairman of the Investment Committee

Qualifications:

- Bachelor of Science in Entrepreneurship from Suffolk University, 2016.

Professional Experience:

- Currently serving as General Manager at Mohammed Abu Nayan Investment Company since 2023.
- Served as CEO at Afaq Express from 2021 to 2023.
- Served as Asset Management Analyst at Vision Investment Company from 2020 to 2021.
- Served as Investment Analyst at Abu Nayan Holding Company from 2019 to 2020.
- Served as Private Equity Analyst at The Abraaj Group (UAE) from 2017 to 2018.
- Served as Private Equity Analyst at Accelerator Fund Search (USA) in 2017.

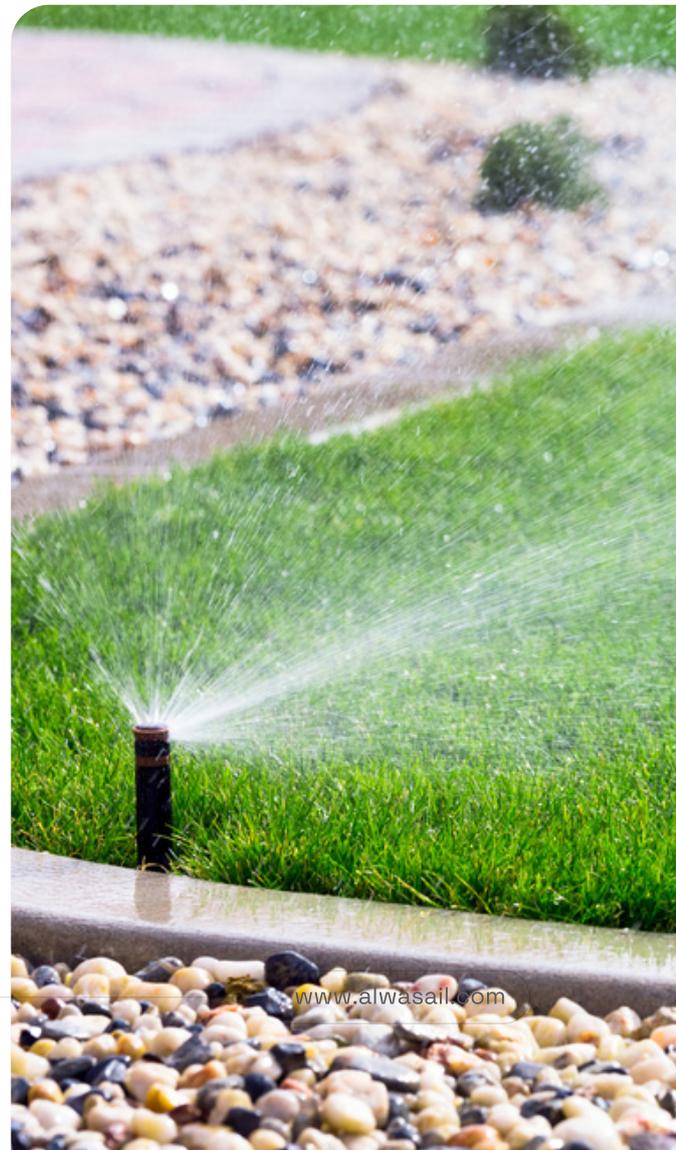
Dr. Hisham bin Abdulkarim Abdullah Al-Mushaikah Member of the Investment Committee

Qualifications:

- PhD in Education from the Islamic Academy of Malaysia, University of Malaya, Kuala Lumpur, Malaysia, 2023.
- Master's in Comparative Jurisprudence from Al-Azhar University, Cairo, 2013.

Professional Experience:

- Currently serving as General Manager at Future University Company.
- Serving as a Board Member at Al-Oula for Education and Training, Al-Ahsa
- Worked as a teacher of Islamic Education and Arabic Language in Riyadh and Qassim from 1992 to 2001.
- Served as a lecturer at Qassim Private Colleges in the Department of Sharia and Law from 2011 to 2013.
- Served as Executive Director at United Investors Trading Company for 4 years until 2017.
- Served as a Board Member at Qassim Private College in 2017.
- Served as Deputy General Manager at Future University Company from 2018 to 2023.



Mr. Feras bin Samir Alwan Al-Bayat

Member of the Investment Committee

Qualifications:

- Master's in Business Administration from London Business School, 2011.
- Bachelor's in Electrical Engineering from Colorado College, United States, 2003.

Professional Experience:

- Currently serving as Vice President of Al-Muheeb Holding Group for Industrial Materials and Construction.
- Worked as part of a team of scientific advisors for the company (COMPANY & BOOZ) from 2011 to 2013.
- Served as Life Cycle Project Engineer, from conceptualization, design, and construction at Saudi Aramco from 2004 to 2010.

Mr. Mohammed bin Saleh Abdullah Al-Mushaiqih

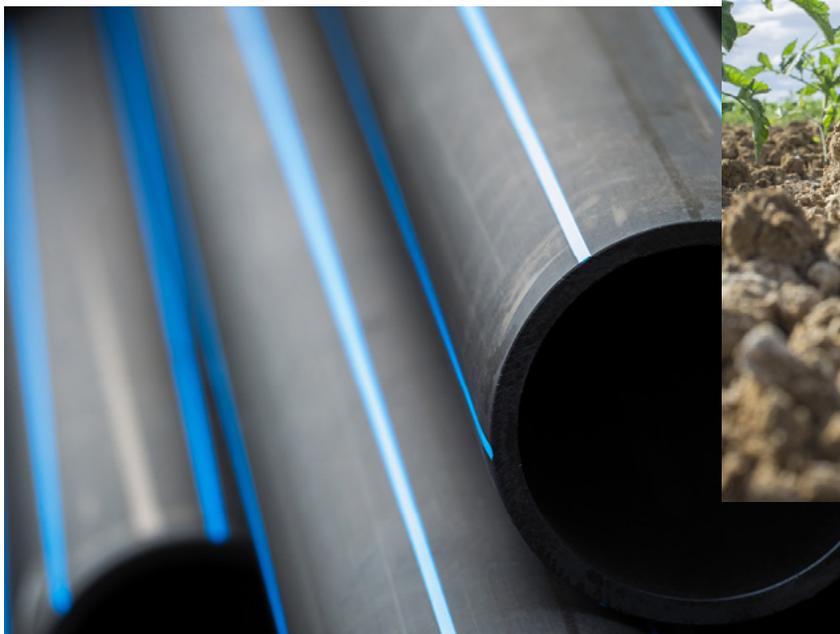
Member of the Investment Committee

Qualifications:

- Master's in Business Administration from Mohammed bin Salman College of Business and Entrepreneurship, 2022.
- Bachelor's in Business Administration from King Saud University, 2017.

Professional Experience:

- Currently serving as Head of Research and Development at Al Wasail Industrial Company since 2020.
- Previously worked as a Bank Inspector at Saudi Arabian Monetary Authority from 2018 to 2020.
- Held the position of Financial Products Specialist at the Real Estate Development Fund from 2017 to 2018.



Dr. Suleiman bin Saleh Suleiman Al-Rashoudi
Chairman of the Investment Committee

Qualifications:

Previously mentioned.

Professional Experience:

Previously mentioned.

** Membership ended with the conclusion of the Board's term on 21 / 12 / 2024.

Mr. Mohammed Mandour Abdu Zayed
Member of the Investment Committee

Qualifications:

- Bachelor's degree in Engineering from Helwan University, Egypt.

Professional Experience:

- Currently serves as the Supply and Warehouse Manager at Al Wasail Industrial Company since 2024.
- Previously worked as Planning Manager at Americana Saudi Arabia from 2015 to 2024.
- Held the position of Planning and Logistics Manager at Menlo Group, Egypt from 2012 to 2015.
- Worked as Fleet Manager and Distribution at Moemen Group, Egypt from 2011 to 2012.
- Served as Planning Manager at Hero Food Industries, Egypt from 2004 to 2009.

** Membership ended with the conclusion of the Board's term on 21 / 12 / 2024.



4.07

Chapter Four: Governance

Company Executive Team

The executive team implements the strategies and plans approved by the company's Board of Directors and Executive Committee.

Members of the company's executive team

**Mr. Abdulqader bin Abdullah
Abdulaziz Al-Mishiqah**

Chief Executive Officer

Professional Experience:

As previously mentioned.

Academic Qualifications:

As previously mentioned.

**Mr. Al-Bukhari Abu Bakr
Mohammed Abu Bakr**

Director of Financial Affairs

Academic Qualifications:

Bachelor's degree in Accounting from the University of Sudan for Science and Technology in 1990

Professional Experience:

Director of Financial Affairs at Taiba Holding Company (Public Joint Stock Company)
 Director of Financial Affairs at Knowledge Economic City Company (Public Joint Stock Company)
 Budgeting Planning Officer - Local Banking - Riyad Bank (Public Joint Stock Company)
 Director of Financial Affairs at Jeddah Real Estate Development Company (Limited Liability Company)
 Director of Enjaz Taba for Financial and Administrative Consulting (Sole Proprietorship)

**Mr. Khalid bin Abdullah
Abdulrahman Al-Rumayhi**

Sales and Marketing Manager

Academic Qualifications:

Bachelor's degree in Chemical Engineering from King Saud University, 1998.
 Master's degree in Chemical Engineering from King Saud University, 2008.

Professional Experience:

Local Content Development and Investment Manager at SABIC.
 Supply Chain Leader, SABIC America.
 Financial Supervisor at Saudi Arabian Monetary Authority (SAMA).
 General Manager, SABIC Kenya.
 General Manager, SABIC Petrochemicals, South Africa.
 Senior Client Sales Manager at SABIC.

4.08

Chapter Four: Governance

Experience and Qualifications of the Factory Manager

Eng. Ahmed Sobhi Mohammed Farag Production Manager

Academic Qualifications:

Bachelor's degree in Mechanical Power Engineering from Helwan University, 1999.

Professional Experience:

Production Manager at Jossor Construction Factory.
Research and Development Manager at Bilal Pack Factory.
Production Manager at Khabir Factory.
Design and Manufacturing Engineer at International Electronics Company.



Mr. Saleh bin Fahd Ali Al-Mashiqah Factory Manager

Academic Qualifications:

Diploma in Commerce from Ain Shams University, Cairo, 1984.

Professional Experience:

Factory Manager at Al Wasail Industrial Company (publicly listed company operating in the manufacturing sector) since 1995.

Accountant at the Ministry of Environment, Water, and Agriculture (government entity responsible for environmental, water, and agricultural affairs) from 1993 to 1995.

Branch Supervisor at Riyadh Bank (publicly listed company operating in banking services) from 1987 to 1993.

4.09

Chapter Four: Governance

Statement of Senior Executives' Interests and Their Changes During 2024

This statement reflects Al Wasail Industrial Company's commitment to ensuring that there are no conflicts of interest among its senior executives. During the year 2024, steps were taken to reinforce this commitment, such as reviewing the company's approach to managing senior executives' interests and ensuring their compliance with it. The company affirms its ongoing dedication to preventing any conflicts of interest for senior executives at all times.

Shareholding and Debt Instruments

- None of the senior executives or their relatives held any shares or debt instruments in the company during 2024, except as indicated in the statement of remunerations and allocations of the company's senior executives.
- The accuracy of this information has been verified through a review of the company's records.

Other Interests

- Senior executives have no other direct or indirect interests in the company, except as stated earlier in this report.
- The accuracy of this information was confirmed through a questionnaire distributed to senior executives.

Commitments to the Company:

- Senior executives are committed to acting in the best interests of the company and its shareholders.
- Their commitment was verified through annual performance evaluations.

Changes in the Interests of Senior Executives during 2024

- There were no changes in the interests of senior executives during the year 2024, except as previously mentioned in this report.
- The company's policy regarding senior executives' interests was reviewed in 2024 to ensure alignment with best practices.
- Compliance with this policy by senior executives was verified during the year 2024.

4.10

Chapter Four: Governance

Remunerations & Allowances for Senior Executives for Fiscal Year 2024

Statement of Rewards and Compensation Paid to Senior Executives:

Senior Executives Positions	Fixed Remunerations				Variable Remunerations						End-of-Service Award	Total Executive Remunerations for the Board (if any)	Total
	Salaries	Allowances	In-Kind Benefits	Total	Periodic Bonuses	Profits	Short-Term Incentive Plans	Long-Term Incentive Plans	Granted Shares	Total			
Chief Executive Officer	600,000	-	-	600,000	-	4,581,259	-	-	-	4,581,259	-	100,000	5,281,259
Chief Financial Officer	300,000	105,000	-	405,000	-	-	-	-	-	-	-	-	405,000
Sales and Marketing Manager	456,000	159,600	-	615,600	-	-	-	-	-	-	-	-	615,600
Plant Manager	194,676	63,060	-	257,736	-	-	-	-	24,000	24,000	-	-	281,736
Production Manager	144,900	50,700	-	195,600	-	-	-	-	2,400	2,400.00	-	-	198,000
Total	1,695,576	378,360	-	2,073,936	-	4,581,259	-	-	26,400	4,607,659	-	100,000	6,781,595

4.11

Chapter Four: Governance

Related Party Transactions

There are transactions with a related party in the form of a contract for the supply of materials to Al Wasail Construction Company and a contract for the purchase of crushed materials from Thaqeb Company. These transactions were approved during the general assembly meeting of the company's shareholders, held on 081447/03/H corresponding to 312025/08/, as follows:

Related Party Name	Company /Member Name	Nature of the transaction	Transaction Amount During Fiscal Year 2024	Balance as of December 2024 ,31
Dr.Abdulrahman bin Abdullah Al-Mushaiqah	Al Wasail Construction Company Ltd.	Supply of plastic products and materials for the company	7,607,747	37,654
Mr. Nasser bin Abdullah Al-Mushaiqah				
Mr. Abdulaziz bin Abdullah Al-Mushaiqah	Thaqib Plastic Company Ltd.	Crushing of damaged plastic materials for the company	12,452,018	823,061
Mr. Saleh bin Abdullah Al-Mushaiqah				
Mr. Abdulqader bin Abdullah Al-Mushaiqah	Mr. Saleh bin Abdullah Al-Mushaiqah	Warehouse rent	206,644	-

↘ Description of Any Transaction Between the Company and a Related Party There is no information related to any competitive activities for the company or any branch of its business that is or was engaged in by any member of the Board of Directors. This includes the names of those involved in competitive activities, the nature of these activities, and their terms. If no such activities exist, the company is required to provide a declaration stating this.

↘ Not Applicable.

4.12

Chapter Four: Governance

Employee Provisions (End-of-Service Benefits) in Saudi Riyals

Statement	December 31, 2024	December 31, 2023	December 31, 2022
Balance at the Beginning of the Period	12,972,827	9,981,126	9,682,330
Current Service Cost	2,371,336	2,051,731	336,935
Finance Cost	518,913	449,151	152,319
Total	15,863,076	12,482,008	10,171,584
Actuarial Loss	471,632	953,757	(137,239)
Benefits Paid	(874,272)	(462,938)	(53,219)
Balance at the End of the Period	15,460,436	12,972,827	9,981,126

4.13

Chapter Four: Governance

Governance Regulation Compliance & Non-Compliance During 2024

The Board of Directors of the company would like to note that the company has disclosed in this report the requirements that apply to it and has implemented them from the Corporate Governance Regulations issued by the Capital Market Authority. However, there are certain items that do not apply to it. Based on the principle of commitment to governance requirements or the explanation for non-compliance, the following are the required declarations according to the governance system regarding the applicable and non-applicable items, along with the reasons for non-implementation:

No.	Article Number	Article Text	Article Status	Reasons
1	37	Training	Not applied	Guidance material
2	67	Formation of a Risk Management Committee	Not applied	Guidance material
3	68	Functions of the Risk Management Committee	Not applied	Guidance material
4	69	Meetings of the Risk Management Committee	Not applied	Guidance material
5	84	Social Responsibility	Not applied	Guidance material
6	85	Social Work Initiatives	Not applied	Guidance material
7	92	Formation of a Corporate Governance Committee	Not applied	Guidance material

4.14

Chapter Four: Governance

Chartered Accountant

The General Assembly of the company's shareholders, held on 21 / 03 / 1446 H corresponding to 24 / 09 / 2024, approved the appointment of Al-Kharashi Certified Public Accountants (MAZARS) as the Chartered Accountant for the company's activities for the fiscal year 2024, the quarterly reviews for 2024, the annual audit for 2025, and the first quarter of 2026.

The Chartered Accountant's report was issued without any reservation.

4.15

Chapter Four: Governance

Shareholders' Rights Dividend Distribution Policy

As part of the General Rights of Shareholders Guaranteed by the Company's Articles of Association, including the disclosure of necessary information, the company follows a defined policy for profit distribution. According to its Articles of Association, the company distributes its annual net profits after deducting all general and other expenses as follows:

1. The company may distribute interim dividends semi-annually or quarterly to shareholders, provided the following conditions are met:
 - a. The General Assembly must authorize the Board of Directors to distribute interim dividends through a resolution issued annually.
 - b. The company must have reasonable liquidity and be able to reasonably forecast its profit levels.
 - c. The company must have distributable profits, according to the latest financial statements, sufficient to cover the proposed dividends after deducting any profits that have already been distributed or capitalized since the date of those statements.

Distributable profits consist of the retained earnings balance shown in the statement of financial position prepared at the end of the period immediately preceding the period in which the dividend distribution decision is made, in addition to the balance of any reserves eligible for distribution

2. Reserves are considered distributable if they are formed from profits and have not been allocated for specific purposes, or if the original purpose for which they were allocated has been cancelled.
3. The Board of Directors must include in its annual report to the General Assembly the percentages of profits that were distributed to shareholders during the various periods of the fiscal year, in addition to the percentage of profits proposed for distribution at the end of the fiscal year, along with the total of such profits.

4. When making a decision to distribute interim dividends, the company is required to immediately disclose and announce the decision and provide the Authority with a copy upon its issuance if the company is listed in the financial market.

Dividend distributions during 2024

Payment Date	15/5/2024	03/10/2024
Percentage of Capital	10%	5 %
Amount	25,000,000 ټ	12,500,000
Earnings per Share (EPS)	0.10 per share ټ	0.05 per share ټ

4.16

Chapter Four: Governance

Company's Balance Sheet

The company's balance sheet and its accompanying notes, presented to you in the form of the statement of financial position, income statement, and statement of changes in equity for the fiscal year ending on 31 / 12 / 2024 , are as follows:

- 1- The total non-current assets, after deducting depreciation until that date, amounted to 165,414 ₪ thousand.
- 2-The total equity of the shareholders, after deducting reserves and profits distributed to the shareholders, amounted to 361,196 ₪ thousand.
- 3- A long-term loan granted by the Industrial Development Fund, with a repayment period of seven years, amounted to 34,900 ₪ thousand, with 21.5 ₪ million received by the company up to the date of the financial statements. The company has no other obligations with banks or any other financing entities, other than what has been mentioned.
- 4-The net profit for the year 2024, as shown in the income statement, amounted to (39,137 ₪ thousand).

4.17

Chapter Four: Governance

Board of Directors' Declarations

- 01 - The accounting records have been prepared correctly.
- 02 - The internal control system has been established on sound principles and implemented effectively.
- 03 - There is no doubt about the company's ability to continue its operations.
- 04 - The General Assembly of Shareholders did not recommend replacing the company's legal auditor during the 2024 fiscal year. The appointment of Al-Kharashi & Partners, Accountants and Legal Auditors (MAZARA) has been renewed for one year.
- 05 - None of the Board members own shares in the capital of subsidiary companies, and the company has not entered into any transactions or contracts that involve a material interest for Board members or senior executives, including the CEO or the CFO, or any person related to them. There are no interests or financial instruments or subscription rights related to Board members, senior executives, or their relatives in the company's shares, or any changes in such interests or rights during the last fiscal year, unless disclosed concerning the company's dealings with Board members and senior executives, which were detailed above.
- 06 - The company has not provided any cash loans of any kind to its Board members, nor has it included any loans concluded by any of them with third parties.
- 07 - The company does not have any convertible debt instruments into shares.
- 08 - No agreements or waivers have been made with any shareholders, executives, employees, or Board members under which they would waive their rights to profits or any other material interest.
- 09 - No penalties, sanctions, or precautionary measures have been imposed on the company by the Capital Market Authority, any supervisory, regulatory, or judicial entity.

- 10 - The company does not have preferred shares or shares with special voting rights whether for shareholders, board members, or employees. All of the company's shares are ordinary shares with equal nominal value and equal voting rights and other rights according to the company's bylaws.
- 11 - The company is subject to Zakat and taxes according to the regulations of the Zakat and Income Authority in the Kingdom of Saudi Arabia. The company records the annual Zakat provision and charges it to the income statement. Adjustments arising during the final Zakat settlement, if any, are recorded in the period in which the settlement occurs.
- 12 - There have been no material changes in the company's management structure.
- 13 - No request has been received from the company's legal auditor to convene the General Assembly during the fiscal year.
- 14 - No request has been received from shareholders owning more than 5% of the capital to convene the General Assembly during the fiscal year.
- 15 - No written request for an emergency meeting has been received from two or more Board members during the fiscal year.
- 16 - The company has not put in place any measures that would hinder shareholders from exercising their voting rights.
- 17 - There are no rights associated with a class of shares with voting privileges belonging to individuals (other than Board members, senior executives, their spouses, and minor children) who have informed the company about such rights under Article 43 of the Listing and Registration Rules or any changes to those rights during the last fiscal year.
- 18 - The company does not have any convertible debt instruments into shares, or any subscription rights or similar rights issued or granted by the company during the fiscal year.
- 19 - The company has not redeemed, purchased, or cancelled any redeemable debt instruments, with the value of remaining securities.
- 20 - The company has a long-term loan of seven years from the Industrial Development Fund valued at 34.9 million Riyals, with a grace period of one and a half years starting from 01/07/2022. A total of 21.5 million Riyals was utilized by the end of the fiscal year 2024, as mentioned in item 6 above. Additionally, the company has repaid 4 million Riyals in loan installments during the fiscal year 2024.
- 21 - There is no deviation from the accounting standards adopted by the Saudi Organization for Certified Public Accountants (SOCPA).
- 22 - There are no investments or reserves created for the benefit of the company's employees, nor any contracts concluded for their benefit, except for treasury shares allocated for employees.

4.18

Chapter Four: Governance

Board of Directors' Recommendations

In light of the above, the Board of Directors proposes the following for your discussion:

1. Discuss the contents of the Board of Directors' report.
2. Discuss the balance sheet and the profit and loss account.
3. Discharge the Board members from liability for their management during the financial period ending on 31 / 12 / 2024.
4. Approve the Board's proposal to distribute profits to shareholders for the second half of 2024, amounting to 5% of the capital, totaling 12,500 thousand Riyals, at 0.05 Riyals per share, to be paid within two weeks from the date of the General Assembly meeting. This will bring the total distributed for the fiscal year 2024 to 10% of the capital, totaling 25,000 thousand Riyals, at 0.10 Riyals per share for both the first and second halves of 2024.
5. Approve the distribution of a reward to the members of the Board whose term ended on 21 December 2024, at a value of 100,000 Riyals for each member.





Thanks and Appreciation

The Board of Directors of Al Wasail Industrial Company is pleased to take this opportunity to extend its sincere thanks and appreciation to the esteemed shareholders for their kind support in achieving the company's aspirations and realizing its goals. The Board also expresses its deep gratitude to the Government of the Custodian of the Two Holy Mosques for its continued support and care for private industrial sector companies. On this occasion, the Board would also like to extend its heartfelt thanks and appreciation to the company's shareholders for their trust and generous support, praying to Almighty Allah that this trust and support lead to further growth and prosperity for the company. The Board also extends its thanks to the company's management and employees for their sincere efforts and outstanding performance during the fiscal year 2024.

MAY ALLAH GRANT SUCCESS.

Board of Directors

Al Wasail Industrial Company

February 2025



Conclusion

The results achieved by Al Wasail Industrial Company in 2024 stand as a testament to its ability to adapt and thrive in a highly competitive and rapidly changing business environment.

Through the implementation of sound governance practices, the adoption of a prudent investment strategy, and continued investment in human capital, the company has succeeded in delivering positive financial results that reinforce shareholder confidence and confirm its ability to maintain growth and success.

The company is fully aware of the challenges it faces, such as fluctuations in raw material prices and intense market competition. Therefore, it reaffirms its commitment to continuously improving its products and services, strengthening relationships with clients and suppliers, and focusing on innovation as a key driver of growth.

Al Wasail looks to the future with confidence and optimism, backed by a clear vision, an effective strategy, and a dedicated, qualified team.

The company extends its gratitude to everyone who contributed to achieving these positive results from members of the Board of Directors and senior executives to employees and shareholders whose trust and continued support remain invaluable.

In conclusion, Al Wasail Industrial Company reaffirms its unwavering commitment to working diligently and efficiently to solidify its position as a leading company in its field and to achieve even greater accomplishments and success in the future.

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