



Annual Report 2024

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Electronic Version of the Annual Report

This annual report covers the financial and operational aspects of Al Kathiri Holding Company. It has been issued in two versions, in Arabic and English

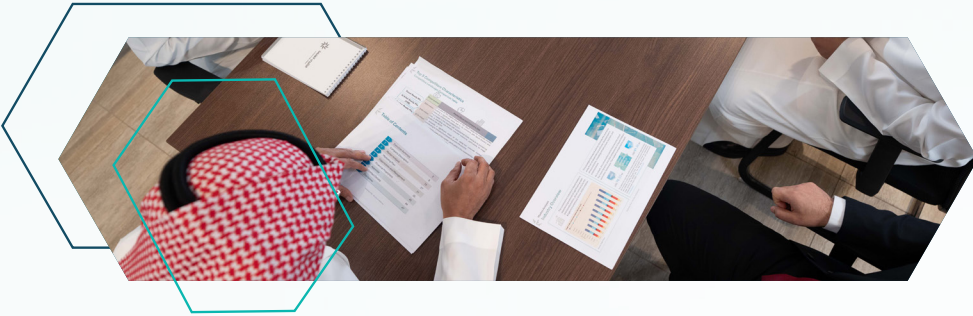
Overview

About Our Organization
16 Years of Success
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► About our organization



About Al Kathiri Holding

Al Kathiri Holding is one of the leading commercial and economic conglomerates in the Kingdom of Saudi Arabia, encompassing a wide range of entities that collaborate to achieve excellence across various fields. These include real estate development, contracting, industry, infrastructure, yacht and marine vessel manufacturing, transportation, logistics services, hospitality, and hotel management.

Al Kathiri Holding has successfully built distinguished relationships with major local and international companies, consistently directing its investments toward projects and businesses that enhance productivity and create a tangible positive impact on individuals and society. The company leverages its efforts and resources to maximize opportunities within a well-governed framework that ensures best practices, upholds core values, and protects investor interests.

Key facts and figures about the company



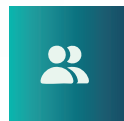
183

Million Total Revenue in 2024



2+

Countries across all continents



454+

person



16+

Years of experience in serving customers with efficiency, accuracy and integrity



Certified

by major organizations Internationa

Vision, Mission and Values

Vision



And the best in its class, through integration We expect to become the most diverse group. Enabling our capabilities for distinctive growth and development to make a difference in the sectors.

A new and diverse project that contributes to establishing the "pillars of life" and keeps pace with the Saudi vision 2030

Mission



The group's mission revolves around establishing profitable investments that provide great value and benefits to its partners, targeting sustainable and long-term opportunities.

Meet the needs of dynamic markets, while being careful about attractive businesses that At the same time, we must adhere to the highest standards of integrity, transparency and professional competence



values

We recognize that the quality, motivation, and performance of our employees are the key factors in achieving our success. Our values define Al Kathiri Holding's philosophy and reflect the best of our organizational character. These values define who we are and what makes us unique.

Our principles
Authentic

We believe in establishing a work environment based on trust and mutual respect, which enhances belonging and commitment.

Our commitment
is absolute

Our employees are partners in achieving our goals, committed to excellence in everything they do

Our growth
pace

We work to empower our employees and develop their skills to achieve their professional ambitions and enhance our innovations.

Our future is
sustainable

We place sustainability at the core of our practices, and strive to support the sustainable development of our employees and our community.

Al Kathiri Holding Activities

Al Kathiri Holding Company supervises its subsidiaries and provides the necessary support to ensure alignment with the company's vision and promote sustainable growth. Its activities include the following:



Subsidiary Management: Al Kathiri Holding oversees its subsidiaries to ensure smooth coordination and increased operational efficiency across all business units.

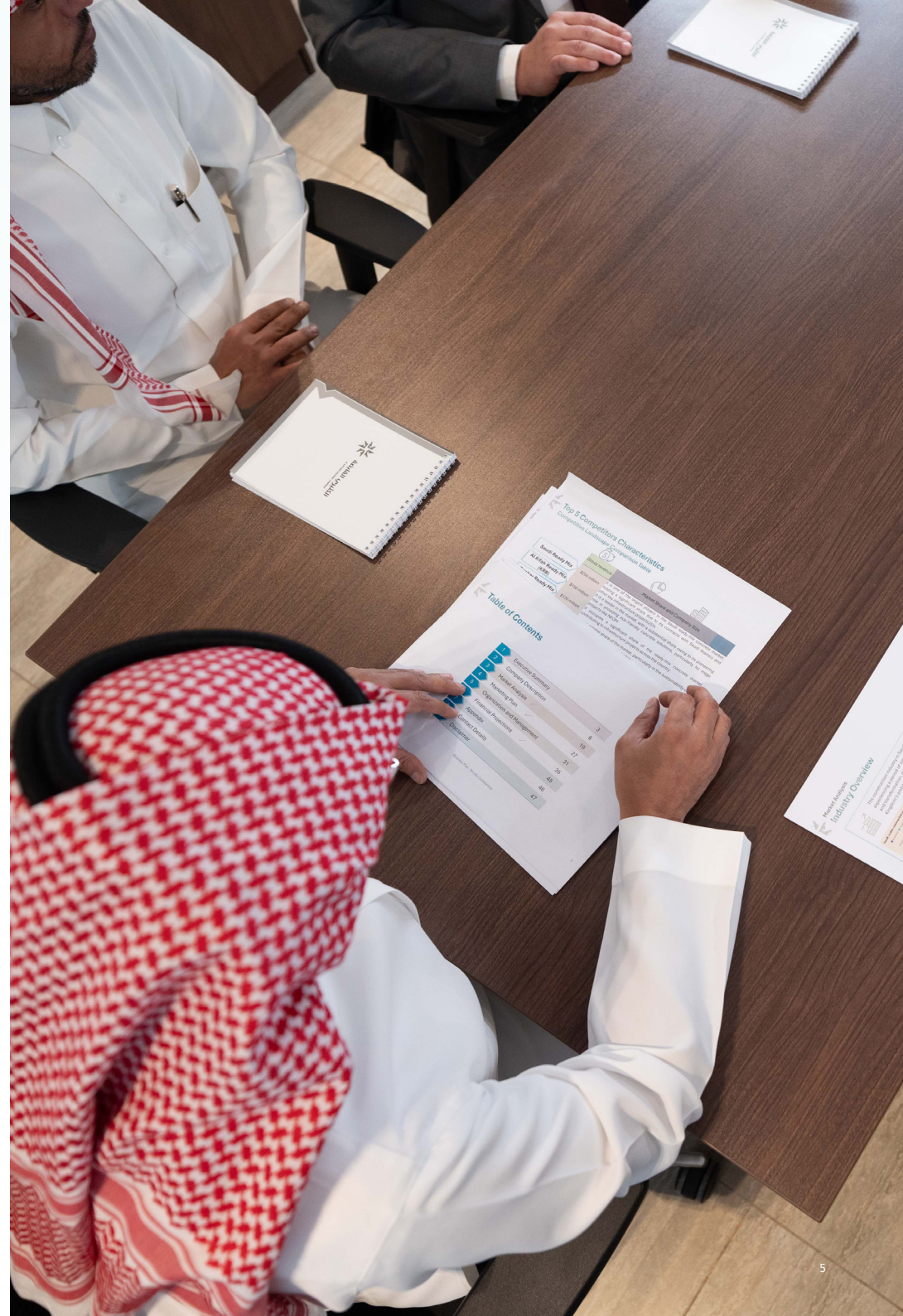


Ownership of Industrial Property Rights: Al Kathiri Holding owns the industrial property rights of its subsidiaries, which ensures the protection of its intellectual assets and ensures strategic compatibility.



Leasing Industrial Property Rights: Al Kathiri Holding leases industrial property rights to its subsidiaries, enabling efficient use of resources while maintaining control over vital assets.

Al Kathiri Holding is actively establishing new companies or participating in diverse investment opportunities, with the aim of expanding its business and achieving long-term growth.



16

A year of success



2008

Al Kathiri Holding was established in 2008, with its headquarters located in Riyadh. It began as a sole proprietorship under the name "Mohammed Nasser Al Kathiri Establishment", with an initial capital of 100,000 ٬ focusing on the sale and transportation of essential building materials.

2014

The company was converted into a limited liability company under the name "Al Kathiri Holding Company", and its capital was increased to 5,000,000 ٬.

2017

Al Kathiri Holding Company was transformed into a closed joint stock company, and its capital was raised to 27,300,000 ٬. In July, it was listed on the parallel market, and its capital was increased to 31,395,000 ٬.

2018

"Supply Support Limited" was established. To support logistics, construction, real estate development, and information technology services. In the same year, Al Kathiri Holding Company transformed its industrial branch into "Eliyan Industrial Company" to meet the demand for ready-mix concrete. Capital was increased to 37,674,000 ٬.

2019

The company moved to the main market under the code (3008) within the basic materials sector, becoming the first company to move from the parallel market. The capital was also increased to 45,208,800 ٬.

2020

The company increased its capital by issuing 4,520,880 ordinary shares through subscription to priority rights, bringing the total capital to 90,417,600 ٬.

2022

alian Industrial Company was transformed into a closed joint stock company and launched the Elian Modern Construction Factory in Sudair Industrial and Business City. Al Kathiri Company also increased its capital to 113,022,000 ٬ and obtained approval to issue sukuk worth 500 million ٬.

2023

The company issued and registered the first tranche of Sukuk worth 100 million ٬. It also conducted a share split, increasing the number of shares to 226,044,000 shares with a nominal value of 0.50 ٬. For each share. In November, Al Kathiri Holding established a company to manufacture yachts and marine boats with a capital of 10,000,000 ٬.

2024

The Ministry of Municipalities and Housing, represented by the Modern Building Initiative, and with the support of the Petroleum Demand Sustainability Program, has adopted and localized the first innovative building technology for modern construction methods from Al Kathiri Holding's subsidiary, alian Industries, in the Saudi Building Code for residential and commercial real estate uses in Saudi Arabia.

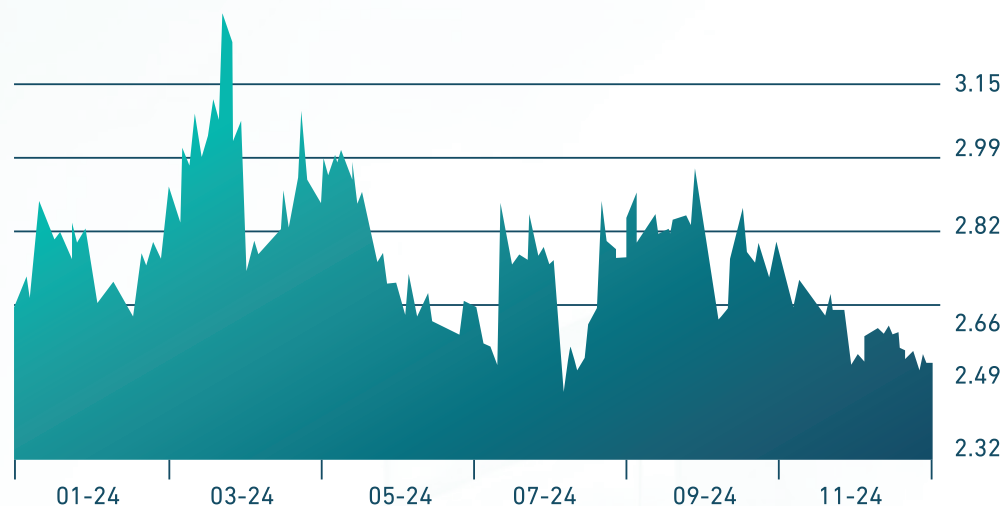
► Overview

Investors



During the year 2024, its prices ranged between 2.40 ﷲ as a minimum and 3.38 ﷲ as a maximum. Al Kathiri Holding Company's stock witnessed mixed performance as a maximum, with an annual closing of 2.58 ﷲ , which reflected a market value of 583,193,520 ﷲ.

Al Kathiri Holding stock performance during 2024



► Source: Saudi tadawul Exchange

Communication with the investment community

Al Kathiri Holding's Investor Relations Department communicates effectively with the investment community and applies the best international standards and practices to enhance its performance and achieve its goals and initiatives. This is based on the values of disclosure, transparency, and ease of communication that Al Kathiri Holding embodies, which have contributed to creating significant value for investors. Al Kathiri Holding is always keen to disclose all relevant information in a timely manner and to make this information available in a professional manner on its website. The company also held 18 meetings with analysts and investors during this year. Al Kathiri Holding paid great attention to investor conferences and promotional presentations, with the participation of executive management. The most prominent of these conferences are:

#	Conference name	the date	the site
1	Financial Market Forum (10 meetings with more	February 12-13, 2024	Riyadh - Kingdom of Saudi Arabia
2	Financial Market Forum (8 meetings with more than 22 investors and financial analysts)	May 9-10, 2024	Hong Kong - China

Investors

Company shareholders

The number of the company's shareholders reached 19,525 shareholders as of 12/31/2024. Institutional investment represented 5.8% of the total share ownership, while individuals represented 94.20%.

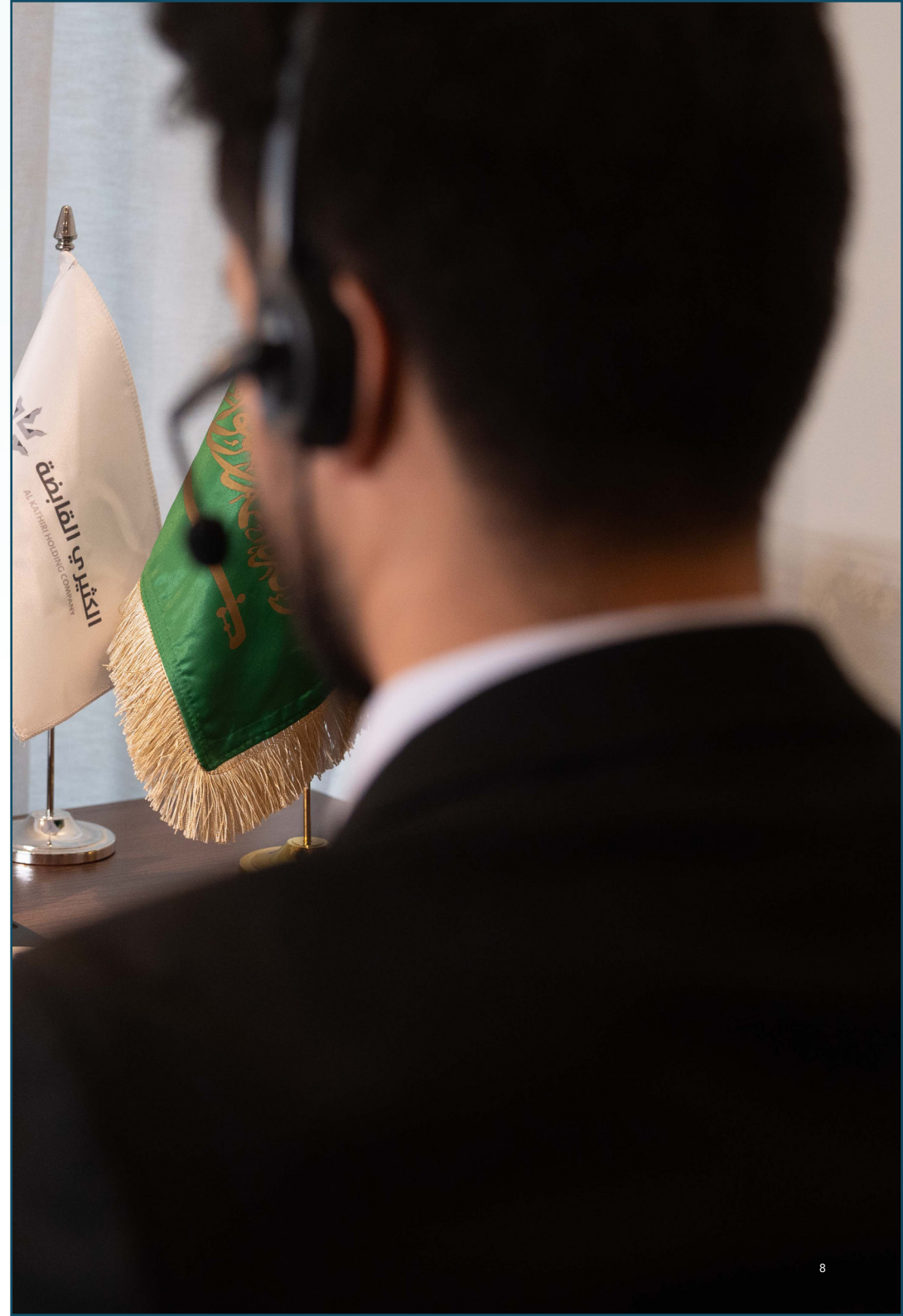
Company ownership structure

Company shareholders	Number of shares	percentage %
Meshal bin Mohammed Al Kathiri	87,199,060	38.58%
The audience	138,844,940	61.42%
the total	226,044,000	100%

► Overview

Company announcements on Tadawul

#	the date	Advertisement Title Text
1	28 / 02 /2024	Al Kathiri Holding Company announces the Board of Directors' approval to start the project of establishing a factory for building and manufacturing luxury yachts in the Third Industrial City in Jeddah.
2	31 /03 /2024	Al Kathiri Holding Company announces its annual financial results ending on 12 /31 /2023.
3	01 /04 /2024	Al Kathiri Holding Company announces the distribution date for the proceeds of the Al Kathiri Sukuk Series 1
4	142024/04/	Al Kathiri Holding Company announces the award of a project to Musanadah Al Imdad Limited (a subsidiary company) by the Presidency of State Security - General Investigations - worth 20,999,998 ﷲ (Including VAT)
5	022024/05/	The Board of Directors of Al Kathiri Holding Company invites shareholders to attend the Ordinary General Assembly Meeting (First Meeting)
6	16 /05 /2024	Al Kathiri Holding Company announces its preliminary financial results for the period ending on 03 /31 /2024 AD (Three months)
7	27 /05 /2024	Al Kathiri Holding Company announces the results of the Ordinary General Assembly Meeting (First Meeting)
8	08 /08 /2024	Al Kathiri Holding Company announces its preliminary financial results for the period ending on 06 /30 /2024 (six months)
9	01 /10 /2024	Al Kathiri Holding Company announces the distribution date for the proceeds of the Al Kathiri Sukuk Series 1
10	10 /10 /2024	Al Kathiri Holding Company announces the establishment of its subsidiary, "Support Supply Limited," a company called "Support Contracting" in the State of Qatar
11	06 /11 /2024	Al Kathiri Holding Company announces its preliminary financial results for the period ending on 09 /30 /2024 (nine months)
12	12 /11 /2024	Al Kathiri Holding signs a memorandum of understanding with the Asir Region Municipality to invest in the hospitality sector in Abha.



Strategic Report

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► Chairman's Message

Dear Shareholders

The year 2024 witnessed many challenges that affected Al Kathiri Holding Company's performance, amid changing economic conditions and high operating costs. However, we at Al Kathiri Holding Company believe that every challenge carries an opportunity for growth and development. Over the past year, we worked hard to enhance our operational efficiency and expand our business scope to support the company's sustainability and achieve the aspirations of our shareholders



Expanding into New Sectors

As part of our strategy to diversify income sources and strengthen our presence in promising sectors, we entered the marine boat and yacht manufacturing sector – a significant opportunity for growth and innovation in both local and regional markets, contributing to our future revenue streams. Additionally, we have invested in the hospitality and hotel sector and are currently exploring suitable investment opportunities across the Kingdom in this area. This will allow us to benefit from the increasing demand for tourism and hospitality projects. We believe these expansion initiatives will bolster our competitive position in the long term.

Adapting to Challenges and Preparing for the Future

Despite the challenges we have encountered, we continue to develop strategies that ensure the sustainability of our business and enhance our financial and operational resilience. Our current focus lies in improving performance efficiency, strengthening our leadership role in the market, and leveraging modern technologies to boost productivity and reduce operational costs. Furthermore, we are working on deepening our relationships with partners and investors, which reinforces our ability to deliver long-term value to our shareholders.

Innovation and Business Sector Development

Our commitment to sustainability and innovation is a core element of our future vision. We are keen to integrate environmental and social practices into all our operations. In parallel, we are actively developing our business sectors in industry and infrastructure, contracting and real estate development, as well as transportation and logistics. This enables us to offer more efficient and sustainable solutions that further strengthen our market position.

Appreciation and Gratitude

I would like to extend my sincere appreciation to the dedicated team at Al Kathiri Holding for their relentless efforts and determination in overcoming challenges. I also thank our shareholders for their continued trust and support, which serve as our primary motivation to pursue ongoing development and growth. We believe the future holds promising opportunities, and we remain committed to working with diligence and determination to achieve our goals and solidify our position as a strong and sustainable company.



Mr. Khaled bin Abdul Mohsen Al Khayal

Chairman of the Board of Directors

► CEO's Message

Dear Shareholders

The year 2024 represents an important milestone in the journey of Al Kathiri Holding Co pany. We faced many challenges that were reflected in our financial performance. We are working to transform these challenges into opportunities to enhance our ability to adapt and grow. We are also focusing on developing clear strategies to improve the performance of our subsidiaries, raise their operational efficiency, and enhance their competitiveness in the markets in which they operate. We have also studied possible opportunities and expanded into new sectors that support the company's sustainable growth path, reflecting our commitment to creating long-term value for our shareholders.



Achieving Integration and Improving Performance

We are continuously analyzing the performance of our subsidiaries and developing customized **strategies for each sector to ensure the highest levels of operational efficiency and maximum** utilization of available resources. We also continue to enhance coordination between the company's various sectors to ensure integration and thoughtful expansion, enhancing our ability to achieve our strategic objectives

Investing in Promising Opportunities

Believing in the importance of innovation and sustainable growth, over the past year we entered new sectors such as the marine boat and yacht industry, and more recently, the hospitality and hotel sector. We also expanded our investments in the contracting sector and increased the volume of our investments during 2024, which we believe will benefit the company's financial results in the future, given the strong momentum and major projects the Kingdom of Saudi Arabia will enjoy in the coming years. This trend represents a fundamental step towards diversifying the company's business and exploring areas with high growth potential, enhancing our competitive position and providing new investment opportunities

Growth and Expansion Strategy

Our future strategy is based on focusing on promising opportunities in various sectors, leveraging modern technologies to enhance performance efficiency, and developing innovative solutions that contribute to improving our operational processes. We also continue to seek new opportunities that enhance our investment capabilities, whether through developing our current businesses or expanding into new areas that support the sustainability of our business

Our Commitment to the Future

We are confident that the efforts we are making today will yield positive results in the coming years, and we will continue to work to achieve the highest levels of efficiency and sustainable growth. We also affirm our commitment to providing sustainable value to our shareholders and enhancing the company's ability to achieve its strategic objectives and excel in the sectors in which we operate. Finally, I would like to express my sincere gratitude to all the teams at Al Kathiri Holding and its subsidiaries, who have made great efforts in facing challenges and working as one team to achieve the company's vision. I also thank our valued shareholders for their continued trust, and we look forward to a future full of promising opportunities and achievements.



Mr. Meshal bin Mohammed Al Kathiri

Chief Executive Officer

► Global Economic Outlook

Economic Developments and Prospects for 2025 and the Medium Term

The Global Economy

The global economy is improving despite the continuing escalating geopolitical conflicts that could create new challenges facing the global economy in the near term. The existing disputes between major economies and the turmoil in the Middle East, particularly in the field of trade, constitute a real burden on the global economy, creating a state of uncertainty. In addition, the tightening of monetary policy continues by most central banks, especially in developed countries, with the aim of containing inflation rates that have reached high levels in many countries around the world amid the rise in global debt levels and costs. Decisions to reduce interest rates could also enhance the recovery witnessed by the global economy, as the US Federal Reserve cut interest rates twice in a row: the first cut by 50 basis points during the third quarter of 2024, and the second cut in November 2024 by 25 basis points

Forecasts for global economic growth rates and inflation

Year	2023	2024	Forecasts 2025
Global Economy	3.2%	3.2%	3.3%
Economies of Developed Countries	1.8%	1.8%	1.7%
United States of America	2.2%	2.8%	2.9%
Eurozone	1.2%	0.8%	0.4%
Japan	1.1%	0.3%	1.7%
Emerging and Developing Markets Economies	4.2%	4.2%	4.4%
China	4.5%	4.8%	5.2%
India	6.5%	7.0%	8.2%
Saudi Arabia	4.6%	1.5%	8.0%

Global Inflation

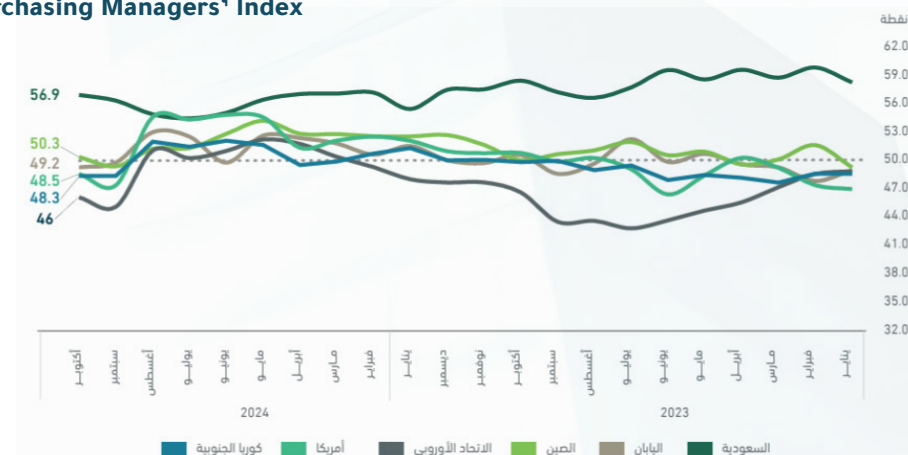
In its October 2024 World Economic Outlook, the International Monetary Fund (IMF) forecast global economic growth for 2024 and 2025 at 3.2%. Growth forecasts remained virtually unchanged from the July and April 2024 reports. Expectations also indicate a slowdown in global inflation rates for 2025, with continued uncertainty amid escalating geopolitical and trade tensions. The Fund's forecasts indicate a decline in inflation between 2024 and 2025, with inflation expected to decline from 5.8% to 4.3% globally, from 2.6% to 2.0% in advanced economies, and from 7.9% to 5.9% in emerging market and developing economies.

Year	2023	2024	Forecasts 2025
Global Inflation	6.7%	6.7%	4.3%
Inflation in advanced economies	4.6%	4.6%	2.0%
Inflation in emerging markets and developing countries	5.9%	5.9%	5.9%

Global Purchasing Managers' Index

The Purchasing Managers' Index (PMI) is one of the most important economic indicators tracking the movement of the non-oil private sector globally. The instability in global markets has significantly impacted industrial production around the world. Despite this, the index witnessed a slight improvement within the neutral level (50) points in many countries during 2024. The readings indicate that the Kingdom of Saudi Arabia recorded 56.0 points in the index's performance from the beginning of 2024 until October of the same year, topping the countries shown in the chart below, including the European Union countries and South Korea, which are witnessing fluctuations in their economic growth. This reflects the continued acceleration in the growth of the non-oil private sector in the Kingdom, the strength of its economy in light of Saudi Vision 2030, and its efforts to support and empower the private sector by raising the quality, efficiency, and digitization of government services provided to the sector.

Purchasing Managers' Index



► Economic Outlook in Saudi Arabia

Developments in the Local Economy - Real Sector

The Saudi economy has witnessed remarkable positive developments in recent years, with continued efforts to diversify sources of income and enhance the growth of the non-oil sector. These changes have had a positive impact on the labor market, contributing to reducing unemployment rates to their lowest levels in history, with higher employment rates directly contributing to higher average household incomes and growth in private consumption, in addition to accelerating economic transformation plans by expanding investment options and maximizing the role of the private sector.

Non-oil activities achieved positive growth of about 4.4% in 2023, reflecting the efficiency of ongoing efforts to enhance the growth of non-oil activities. This momentum continued from the beginning of 2024 until the third quarter of the same year, as non-oil activities accounted for about 52% of real GDP, compared to a contribution of about 47% in 2016. This structural transformation was achieved due to the expansion of promising sectors such as tourism and entertainment, transportation and logistics, and industry, in addition to the continued growth of promising sectors and the continued growth of the private sector's contribution to GDP. It also played an important role of these factors contributed to reducing the impact of oil market fluctuations on the Saudi economy, in strengthening the expectations of international organizations and credit rating agencies regarding the future of the Saudi economy, despite the challenges facing the global economy All.

Real GDP data from the beginning of 2024 to the end of the third quarter of the same year showed a growth of 0.2% compared to the same period of the previous year. This was driven by a 6.8% decline in oil activities as a result of the Kingdom's commitment to the voluntary reduction in oil production within the framework of the OPEC agreement. This comes within the context of the Kingdom's ongoing efforts to support the stability of global oil markets. However, non-oil activities recorded a significant increase of 4.2% during the same period, driven by the strong and sustainable performance of the private sector, which played a major role in promoting economic growth. In contrast, government activities witnessed a growth of 2.8% during the same period, confirming the government's commitment to achieving economic goals and advancing sustainable development.

Looking at the performance of the Saudi economy during the first three quarters, real GDP for non-oil activities for the first quarter of 2024 achieved an annual growth rate of 3.4%. It continued its positive performance during the second quarter, with a growth rate of 4.9%. According to rapid estimates for the third quarter, non-oil activities continued their positive performance, recording a growth rate of 4.2%. This continued growth in non-oil activities reflects the effectiveness of the policies adopted, which are based on strengthening partnerships with the private sector, empowering small and medium enterprises, and working to create an attractive investment environment, in addition to enhancing the competitiveness of the Saudi economy. This was positively reflected in the performance of a growth rate of 7.1%, while the wholesale and retail trade, restaurants, and hotels activity recorded a growth rate of 6.8%. The construction activity also recorded a growth rate of 5.7%.

Looking ahead to the entire year 2024, preliminary estimates indicate real GDP growth of approximately 0.8%, driven primarily by the rise in non-oil GDP. This growth is expected to reach 3.7%, reflecting the continued growth and expansion witnessed by most non-oil activities during 2024.



Inflation rates

According to actual data from the General Authority for Statistics, the average growth rate in the consumer price index (inflation rate) increased from the beginning of 2024 until October of the same year by 1.6% compared to the same period of the previous year. The "Housing, Water, Electricity, Gas, and Other Fuels" section recorded the highest increase among the main sections in the general price index, at 8.8%, followed by the "Restaurants and Hotels" section and the "Education" section, with rates of 2.2% and 1.3%, respectively. In contrast, the "Clothing and Footwear" section recorded the highest decrease among the main sections in the general price index, at a decrease of 3.6%, followed by the "Home Furnishing and Equipment" section and the "Transportation" section, with decrease rates of 3.5% and 2.4%, respectively. Looking at the average general wholesale price index, it recorded a 3.3% increase from the beginning of this year until October compared to the same period of the previous year. The largest increase was in the "other transportable goods except metal products, machinery and equipment" section, by 8.1%, and the "food products, beverages, tobacco, and textiles" section, by 1.3%. The real estate price index increased by 1.8% until the third quarter of 2024 compared to the same period of the previous year, as a result of a 6.4% increase in commercial real estate prices and a 1.0% increase in agricultural real estate prices. Meanwhile, residential real estate prices increased by 0.3%. Initial expectations indicate that the consumer price index for the whole of 2024 will reach approximately 1.7%, due to fiscal maintained relatively acceptable levels compared to global inflation. This is a result of the Kingdom's adoption of a set of monetary policies aimed at maintaining price stability and containing price increases. In addition, the Kingdom has continuous improvements in the Kingdom's economic conditions.

Foreign Direct Investment

The Kingdom has succeeded in strengthening its economic position by attracting foreign direct investment. Net foreign direct investment inflows reached 21.2 billion \$ during the first half of 2024. The number of investment licenses issued by the Ministry of Investment increased by approximately 71.5%, reaching approximately 9,695 licenses by the third quarter of 2024, compared to the same period of the previous year. The National Investment Strategy constitutes a fundamental and pivotal pillar for achieving the goals of Saudi Vision 2030. This is achieved by creating multiple and effective investment opportunities, enhancing the investment climate, addressing the challenges facing investors, and working to increase the contribution of total investments to the gross domestic product from 22% in 2019 to 30% in 2030.

► Source: State General Budget Statement - 2025

► Economic outlook on our business sectors

Yacht and marine boat manufacturing sector

The yacht and marine boat manufacturing sector in Saudi Arabia is experiencing rapid growth, driven by Vision 2030, which focuses on diversifying the economy and promoting marine tourism. With the launch of mega projects such as NEOM, the Red Sea Project, and Amaala, demand for boats and yachts is increasing, fostering the need for local manufacturing to reduce reliance on imports and create new investment opportunities. With continued government investment and private sector support, the yacht and marine boat manufacturing sector is expected to grow significantly, enhancing its contribution to the national economy and providing new opportunities for the manufacturing and logistics industries.

Transport and logistics sector

The cement transportation and logistics sector in Saudi Arabia is experiencing sustained growth, driven by mega infrastructure projects. The Kingdom's logistics market is estimated to be worth more than \$136.3 billion in 2024, with expectations of reaching \$198.9 billion by 2030, with 80% of investments in the sector coming from the private sector. Despite the expansion of construction projects, the cement sector faces challenges related to weak demand and accumulated inventory, prompting some companies to merge and improve operational efficiency by adopting more efficient logistics solutions. Investments are also focused on developing transportation networks, expanding ports, and improving logistics infrastructure to reduce costs and enhance competitiveness.

Hospitality and hotels sector

Saudi Arabia's hospitality, retail, and hotel sector is experiencing strong growth driven by major tourism projects, with the Kingdom targeting 150 million visitors annually by 2030. Demand for hotels, restaurants, and shopping malls has increased with the expansion of projects such as the Red Sea, AIUla, Qiddiya, and the Asir region, boosting the sector's contribution to GDP by 5.3%. The retail sector is also growing at a 7% annual rate, supported by the expansion of global brands and increased consumer spending.

Real estate development and contracting sector

The real estate development and contracting sector in Saudi Arabia is showing sustained growth, driven by megaprojects such as NEOM and Qiddiya, and housing programs such as Sakani, contributing significantly to the GDP. Urban expansion in major cities and updates to the Saudi Building Code have enhanced quality and safety, while attracting foreign investment and REITS funds continues to stimulate the market.

The sector has witnessed significant technological transformations, such as the use of project management systems and artificial intelligence, along with modern construction techniques that have improved efficiency and reduced costs. Despite rising material costs and shortage of skilled labor, innovative solutions have helped adapt. With competition, the future holds an increased focus on sustainability, green buildings, and investment in emerging areas such as AIUla and East Riyadh, with a greater role for the private sector thanks to continued government support.

Industry and infrastructure sector

Saudi Arabia's industrial and infrastructure sector is witnessing sustained growth, supported by major project and government investments under Vision 2030. Its contribution to the GDP reached 366.7 billion SAR in 2024, with growth forecast at 3.7% annually until 2025. Ready-mix concrete is a key component of the construction boom, with a compound annual growth rate of over 6% driven by projects like NEOM and Qiddiya. The growing demand for infrastructure has also led to the adoption of new technologies to improve quality and reduce costs. With cement production responsible for 8% of global carbon emissions, companies are turning to sustainable solutions such as low-carbon cement. Reliance on modern construction technologies also rose to more than 70% by 2024, with the spread of prefabricated and modular buildings, which enhances efficiency and reduces resource consumption. New regulatory amendments have also led to improved thermal insulation and the adoption of smart construction, increasing energy efficiency and reducing operating costs.



► Al Kathiri Holding Strategy

Strengthening Al Kathiri Holding's Future Position

Al Kathiri Holding seeks to strengthen its leadership position in the market by adopting a comprehensive strategy aimed at achieving sustainable growth and expansion in vital and important sectors. This approach focuses on activating the role of subsidiaries and achieving excellence in all areas of business to ensure keeping pace with rapid market changes. Al Kathiri Holding's strategy is based on supporting and empowering its subsidiaries to grow and develop, especially with the increasing demand for the various services and products it provides in the Kingdom of Saudi Arabia and the Middle East. It also enables the company to enter into new projects by establishing viable investments that provide sustainable, long-term value that maximizes the benefits of its partners and enables growth over the years, or by entering into indirect investments by seizing profitable long-term investment opportunities and establishing strong partnerships and new strategic alliances with reputable local or international companies. Al Kathiri Holding also continues to achieve further reductions in greenhouse gas emissions across its industrial, transportation, and logistics businesses by investing in technologies and solutions that support the transition to a lower-carbon future. Al Kathiri Holding and its portfolio companies have taken significant steps toward employing sustainable practices across all sectors.

Al Kathiri Holding's Four Strategic Pillars:

Continuously Searching for Promising Opportunities and Quality Partnerships

Creating quality partnerships and a resilient, responsible approach to investing in diverse and promising sectors, particularly in markets that are rich in opportunities and open to new opportunities. Working closely with industry leaders from both the public and private sectors to develop partnerships that create new growth opportunities, we will continue to work to enhance our presence in the economic landscape, commit to our role as a transformative entity, and fulfill our economic and social role in line with the objectives of the Kingdom's Vision 2030.

Carbon Emission Reduction Initiatives

Al Kathiri Holding aims to reduce net carbon emissions from its subsidiaries' operations and support the Sustainable Development Goals to achieve a more sustainable future. Its efforts focus on emissions sectors such as the modern building materials industry, marine boats, and transportation and logistics, by investing in technologies that support the transition to lower emissions. It has also taken significant steps to adopt sustainable practices across all its businesses.

Supporting and Empowering Subsidiaries

Al Kathiri Holding has a diversified portfolio across leading and vital sectors through its wholly-owned subsidiaries. It works to support and enable its subsidiaries to grow and develop, especially with the increasing demand for the various services and products it offers in the Kingdom of Saudi Arabia and the Middle East. This is achieved by monitoring the performance of its subsidiaries and providing the necessary support to achieve the business growth and success they aspire to.

National Development

Localization is one of Al Kathiri Holding's primary strategic objectives. The company focuses on contributing to enhancing the competitiveness of the national economy by providing job opportunities for local cadres and supporting local industries in line with Saudi Vision 2030.

Key Strategy Enablers



Al Kathiri Holding's strategy requires several enablers to achieve success, including

Human Resources Support

Preparing the workforce to ensure its capabilities align with its strategic requirements. This includes upgrading technical and professional skills, improving commercial and leadership competencies, enhancing the localization process, and focusing on diversity and inclusion.

Supporting Innovation and Sustainability

Supporting its subsidiaries to provide enabling technology to develop new solutions for its businesses in the modern building materials industry, transportation and logistics, and the marine boat and luxury yacht industry. This will help deliver ideal solutions and products that contribute to sustainable business growth and achieve its ambition in supporting the United Nations Sustainable Development Goals.

Improving the Business Portfolio

Value creation, enhancing its capital structure, and reallocating capital to investments that generate higher growth rates and returns. Al Kathiri Holding also applies comprehensive and disciplined internal audit procedures regarding capital expenditures, new projects, and sukuk issuance.

Market Analysis

The continuous search for investment opportunities contributes to making informed strategic decisions for growth in target markets. Cooperation with the public and private sectors, as well as leading

Building Relationships and Partnerships Strategy

companies in the local and international sectors, helps accelerate the achievement of strategic objectives and expand business scope. These partnerships enable mutual benefit, exchange of expertise, and sharing of resources, enhancing the ability to overcome market challenges and exploit new growth opportunities.

► Al Kathiri Holding Strategy



Enablers for Success

Al Kathiri Holding's strategy requires several enablers to achieve success, including:

Diversified investment portfolio

Owning a wide range of subsidiaries in vital and essential sectors. This diversity enhances the company's ability to adapt to economic changes and respond to growing demand in the various markets it serves.

A leading market position

It is distinguished by a strong reputation and prominent presence in the Kingdom of Saudi Arabia and the Middle East, through its commitment to providing high-quality products and services that meet market expectations. In addition, its rich history of success and its contribution to major projects strengthen its position as an effective contributor to economic development.

Innovation and development approach

Its reliance on the latest technologies and solutions to increase efficiency across all business sectors, providing distinguished products and services that meet customer expectations.

Commitment to Sustainability

Its focus on achieving sustainability goals in line with Saudi Vision 2030 by adopting sustainable practices across all business activities to ensure reducing environmental impact and promoting social responsibility.

Strong strategic relationships

Establishing strong partnerships with reputable local and international entities that contribute to opening new horizons for growth and expansion and developing innovative solutions and sustainable investment projects that support its long-term vision.

Human Capital

Qualified and experienced cadres who contribute to achieving the company's future goals. It also focuses on attracting and developing talent through advanced training programs and educational opportunities that support professional and personal growth.

Value Creation Dimensions

It is distinguished by a strong reputation and prominent presence in the Kingdom of Saudi Arabia and the Middle East, through its commitment to providing high-quality products and services that meet market expectations. In addition, its rich history of success and its contribution to major projects strengthen its position as an effective contributor to economic development.



Profitability

Enhancing operational efficiency and increasing return on investment to achieve long-term financial sustainability.



Sustainability

Integrating sustainability principles into operations and reducing carbon emissions to support sustainable development and Vision 2030.



Flexibility

Adopting a flexible approach to respond quickly to market changes while ensuring business continuity and stability.



Growth

Expanding into promising sectors, both geographically and industry-wise, to strengthen its market position and achieve sustainable growth.



► Overview of Business Sectors

Overview of AI Kathiri Holding Sectors

AI Kathiri Holding works to lead innovation in all its business sectors, develop interconnected systems, and follow an active approach and sustainable practices in managing its subsidiaries. It then works to support their growth and harness their strength to keep pace with the requirements and aspirations for a better future. Its primary focus is on the real estate development and contracting, industry and infrastructure sectors, the yacht and marine boat manufacturing sector, transportation and logistics services, and hospitality and hotels. It also aspires to expand into other sectors that it believes will add value to its customers, shareholders, and all stakeholders.

The company's business model is based on five main sectors



**Transportation & Logistics
Sector**



**& Industry
Infrastructure Sector**



**Real Estate
Development &
Contracting Sector**



**Hospitality and
Hotels Sector**



**Yacht and Marine Boat
Manufacturing Sector**



► Business Sector Overview

Real Estate Development and Contracting

The real estate development and contracting sector plays a key role in adding value by

Supporting the national economy and stimulating growth

The sector contributes to creating job opportunities and promoting local investments, which supports the national economy and contributes to achieving the goals of Saudi Vision 2030.

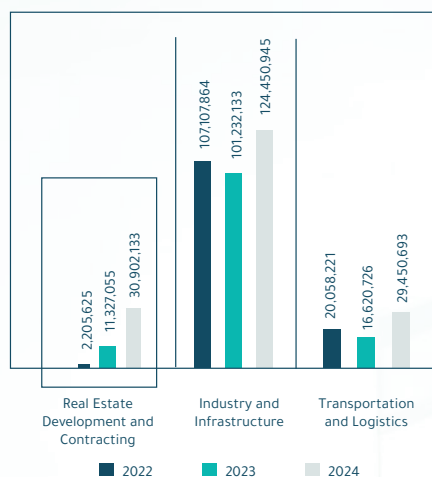
Meeting market needs and enhancing infrastructure

The sector provides integrated solutions to support residential and commercial projects while meeting the growing demand for high-quality facilities and infrastructure

Raising the Level of Quality and Sustainability

Focuses on delivering innovative and sustainable projects that combine high quality with environmental responsibility, enhancing the value and impact of projects in the long term

Real Estate Development and Contracting Sector Revenues



Sector Size in Al Kathiri Holding Portfolio

The contracting and real estate development sector's revenues for 2024 amounted to 30,902,133 ﷲ representing 17% of the total revenues of Al Kathiri Holding's investment portfolio. Revenues witnessed significant growth compared to 2023, rising from 11,327,055 ﷲ to 30,902,133 ﷲ reflecting a growth rate of 172.82%. This strong growth reflects the company's strategic expansion in the contracting and real estate development sector, along with the increased demand for construction projects in the Kingdom of Saudi Arabia, supported by the strong momentum and major projects the country is witnessing within Vision 2030.



► Business Sector Overview

Industry and Infrastructure

We are preferred partner in the industrial and infrastructure sector by producing and supplying precast concrete products and a comprehensive range of modern construction elements according to the highest standards of quality and efficiency. This ensures sustainability, reduces construction costs, and increases the speed of project implementation. Through its subsidiary, Elia Industries, Al Kathiri Holding adopts the latest advanced technologies as an enabler of solutions for various projects and schemes, with the aim of ensuring the highest levels of quality to build a more sustainable future.

The industrial and infrastructure sector plays a key role in adding value by:

Accelerating project implementation

Relying on advanced technologies that contribute to increasing the efficiency and speed of implementing schemes and projects, which supports meeting growing market needs.

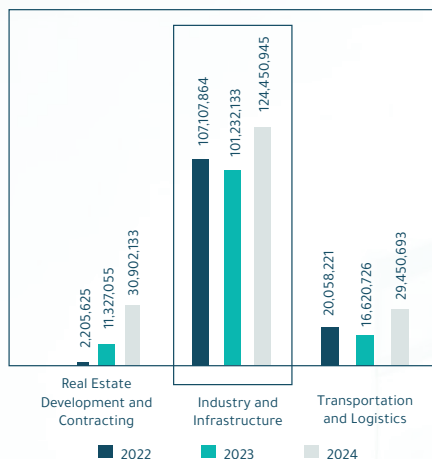
Enhancing sustainability and reducing costs

Providing innovative construction solutions using precast concrete products and modern construction elements that reduce project costs and contribute to achieving sustainability goals.

Ensuring high quality

Adhering to the highest standards of quality and efficiency in production and supply, which enhances customer confidence and contributes sustainable projects.

Industrial and Infrastructure Sector Revenues



The Industrial and Infrastructure sector's revenues for 2024 amounted to 124,450,945 ₪ representing 67% of Al Kathiri Holding Company's total investment portfolio. Revenues witnessed stable growth compared to 2023, increasing from 101,232,133 ₪ to 124,450,945 ₪ reflecting a growth rate of 22.94%. This growth reflects the continued strong demand for ready-mix concrete, green concrete, and modern construction materials, in addition to the increasing investments the company has made to enhance its production capabilities and improve operational efficiency, in line with economic developments and major projects in the Kingdom.



► Business Sector Overview

Transportation and Logistics

Al Kathiri Holding Company's investment in the transportation and logistics sector is an additional step toward achieving its vision of being a major contributor to sustainable economic and social progress. Its subsidiary, Musanada Al Emdad Limited, provides transportation and sales services for bulk and packaged cement and basic building materials, as well as logistics services for businesses of all sizes and specialties, serving local markets across all regions of the Kingdom and the Gulf Cooperation Countries (GCC). The company currently owns a fleet of modern trucks equipped with a GPRS/GPS tracking system, in addition to storage centers and warehouses.

The industrial and infrastructure sector plays a key role in adding value by:

Improving operational efficiency

Using modern technologies such as GPS/GPRS tracking systems to ensure the speed and accuracy of transportation operations, thus raising the level of services provided to customers

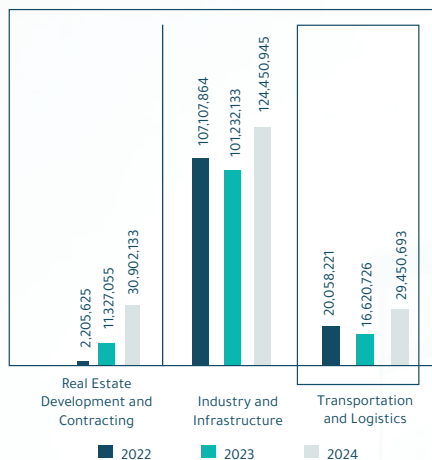
Supporting economic development

Providing efficient transportation and distribution services for basic building materials, which contributes to supporting infrastructure projects and developing the local and regional economy.

Expanding market scope

Meeting the needs of local markets in the Kingdom and the GCC, which enhances our presence and provides additional growth opportunities

Revenue Size of the Transportation and Logistics Sector



Sector Size in Al Kathiri Holding's Portfolio

Revenues from the cement transportation and logistics sector for 2024 amounted to 29,450,693 ٮ representing 16% of Al Kathiri Holding's total investment portfolio.

Revenues witnessed remarkable growth compared to 2023, rising from 16,620,726 ٮ to 29,450,693 ٮ reflecting a growth rate of 77.19%.

This strong growth reflects the continued expansion of transportation and logistics operations, along with the increased demand for cement transportation services in light of the increased activity in the construction sector in the Kingdom. Improving operational efficiency and enhancing the capabilities of the logistics fleet also contributed to achieving these positive results.



► Business Sector Overview

Yacht and Marine Boat Manufacturing

The marine industry, with its vast potential, is a key component of the Kingdom's Vision 2030. Therefore, Al Kathiri Holding continues to achieve excellence and diversify its investment portfolio by creating world-class masterpieces for the world's waters. It manufactures first-class hybrid yachts and recreational boats that combine luxury and unique designs through its subsidiary, Luxury Yacht. The company's annual production capacity reaches 150 units, distributed across six products: luxury yachts, pleasure and fishing boats, docks, marine stands, and jet skis, proudly bearing the slogan "Made in Saudi Arabia"

The yacht and boat manufacturing sector plays a key role in adding value by

Improving operational efficiency

By producing yachts, hybrid leisure boats, and innovative marine products, the sector contributes to providing high-quality products characterized by luxury and unique designs, enhancing Saudi Arabia's reputation locally and internationally

Supporting the Kingdom's Vision2030

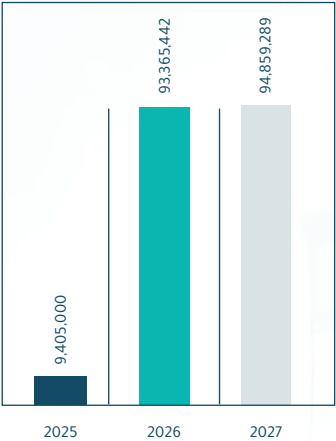
This sector enhances the Kingdom's drive towards economic diversification and contri utes to the development of a local marine industry in line with the objectives of Vision 2030, including promoting innovation and technological advancement in the marine sector

Creating new economic opportunities

The sector contributes to enhancing industrial diversification in the Kingdom by creating job opportunities and stimulating investments in the marine industry, enhancing the country's economic value and providing new markets .for marine products

Expected revenues during the first three years

The size of the sector in Al Kathiri Holding's portfolio



Al Kathiri Holding's recent entry into the luxury boat and yacht manufacturing sector representsa significant opportunity for growth and investment, supported by government trends toward promoting marine tourism. The expected revenues indicate significant potential success, with the need to implement expansion strategies to ensure sustainable growth and success in providing high-quality products in line with the growing demand for marine luxury



► Business Sector Overview

Hospitality and Hotels

Al Kathiri Holding Company has entered the hospitality and hotel investment sector, seeking to develop and manage distinguished projects that offer exceptional services and facilities that combine modern design with cultural authenticity. Its investments focus on providing unique hospitality experiences, while improving operational efficiency and supporting sustainable growth in the tourism sector. Through its new investment in the hospitality and hotel sector, Al Kathiri Holding aims to set new standards for quality and innovation and contribute to the creation of distinctive tourist destinations that meet the needs of local and international visitors, with a focus on promoting sustainable tourism development and adding value to the sector.

The hospitality and hotel sector plays a key role in adding value through:

Promoting Sustainable Tourism Development

The company's investments contribute to the creation of distinctive tourist destinations that contribute to the development of the local and international tourism sector, enhancing the sustainable growth of this sector and increasing the contribution of tourism to the national economy.

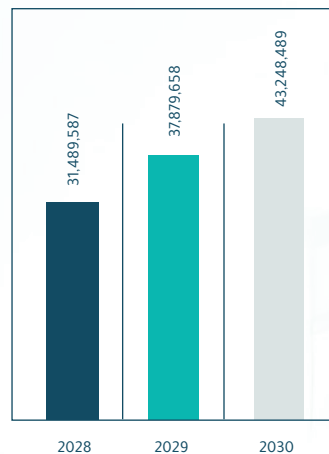
Raising standards of quality and innovation

By developing innovative hotel projects that combine modern design with cultural authenticity, the company contributes to raising the level of hotel services and facilities, providing an exceptional hospitality experience that meets the needs of local and international visitors.

Achieving added value to the sector

The company's investments contribute to creating distinctive tourist destinations that contribute to the development of the local and international tourism sector, enhancing the sustainable growth of this sector and increasing tourism's contribution to the national economy.

Expected revenues during the first three years



The size of the sector in Al Kathiri Holding's portfolio

Al Kathiri Holding's entry into the hospitality sector reflects a strong strategic vision for expansion and diversification. Expected revenues indicate healthy and sustainable growth, as the company can achieve a prominent position through thoughtful planning, service excellence, and smart market expansion.



► Overview of subsidiaries

Al Kathiri Holding's subsidiaries

Al Kathiri Holding's subsidiaries are the cornerstone of achieving its ambitious strategies and goals. These companies operate in diverse and vital sectors, enhancing the diversity of the business portfolio and its ability to meet changing market needs. Thanks to their innovative approach and focus on quality and sustainability, these companies contribute to driving economic development in line with the Kingdom's Vision 2030

Headquarters and Operations ●

Ownership ●

capital ●



10,000,000 ٮ

● 99% ● Riyadh Al-Malqa



1,000,000 ٮ

● 100% ● Riyadh Al-Malqa



1,000,000 ٮ

● 100% ● Jeddah Third Industrial City



1,000,000 ٮ

● 100% ● Riyadh Al-Malqa



سرايا الديار للاستثمار
SARAYA ALDYAR INVESTMENT

1,000,000 ٮ

● 100% ● difficult Abha



► 1.2 Msandh Alemdad

About the company

Msandh Alemdad is a multi-disciplinary company specializing in the construction and maintenance of residential, commercial, and industrial buildings, offering innovative solutions tailored to meet a diverse range of lifestyles. The company serves governmental, semi-governmental, and private sectors, with a commitment to delivering high-quality projects that maximize returns for clients and shareholders. This success is built on the strength of its skilled workforce and organizational excellence.

In addition to its expertise in construction, Msandh Alemdad owns a subsidiary—Msandh Contracting—based in Qatar, which expands its presence and services in the construction and contracting sectors across the region.

The company also excels in transportation and logistics services, with a focus on the sale and distribution of both bulk and packaged cement, alongside other essential construction materials. By providing reliable and value-added logistics solutions, Msandh Alemdad effectively meets the needs of businesses in local markets and across the GCC.

Main services and products



Transportation and Logistics

- Sale and transportation of bulk and packaged cement
- Transporting goods of various sizes and specializations
- Logistics services for building and construction
- materials Innovative solutions for land transportation and storage.



Construction

- Construction
- Construction works, finishing works, network
- extension works, landscape and
- garden works
- Road foundation works

Main markets



- Kingdom of Saudi Arabia
- Qatar Doha



Financial and functional performance and future plans

Future plans

- Continuing growth in the local and international markets through new investments in the construction and infrastructure sector.
- Achieving higher operational efficiency by using digital solutions and advanced logistics technologies, enabling the company to provide more efficient and reliable services.
- Expanding into qualitative projects that contribute to supporting the Kingdom's economic development in accordance with Vision 2030, through developing infrastructure and logistics services.
- Promoting innovation and sustainability by adopting strategies based on digital transformation and renewable energy to reduce environmental impact and increase Efficiency
- Increase geographical expansion by studying entry into new markets in the Gulf Cooperation Council countries, with a focus on developing the company's competitive capabilities.
- Developing human capabilities through training and qualification programs to enhance technical and administrative skills, which supports sustainable success and growth.

Financial and functional performance

- Total revenue increased from 32.44 million ٬ to 92.07 million ٬, driven by the expansion of projects in both the public and private sectors. Despite a decrease in gross profit from 3.34 million ٬ to 8.71 million ٬, the company continues its efforts to enhance financial sustainability and achieve higher growth in the upcoming period.
- Diversification of income sources through expansion into infrastructure and construction projects contributed to significant growth in total revenue.
- Expansion of operations in construction to include projects in both the Eastern and Western regions, which strengthened the company's market presence.
- Establishment of a subsidiary in Qatar to carry out construction projects, reflecting the company's success in regional expansion and strengthening its presence in the Gulf market.
- Support for innovation in the transportation and logistics sector by improving supply chains and enhancing operational efficiency.
- Strengthening strategic partnerships with both public and private sectors, which helped expand the customer base and increase investment opportunities.

Revenue and Profitability (Million ٬)



Balance Sheet (millions ٬)

years	2020	2021	2022	2023	2024
Assets	86.4	82.5	101.8	117.7	105.6
Obligations	64.7	74.4	96	109.7	105.3

2.2 Alian Industry

About the company

Alian Industries is one of the leading Saudi companies in the production and supply of ready-mix concrete and the manufacture of materials to the highest standards of modern construction methods, as it adopts the latest advanced technologies to create innovative and sustainable buildings in accordance with

As an enabling factor for solutions for various construction projects and schemes, with the aim of ensuring the highest levels of quality to build a more sustainable future

Alian Industries plays a major role in supporting the transition to modern construction and is committed to improving operations to increase energy efficiency and reduce carbon dioxide emissions by up to 40%

Through its advanced construction system, we aim to create safe and sustainable buildings that meet environmental standards and improve the quality of human life

Main services and products

Alian panels for modern construction

It is used to create sustainable projects that provide expanded polystyrene panels surrounded by a galvanized steel mesh. At a lower cost and faster time compared to traditional construction, thanks to its flexibility, durability and multiple uses

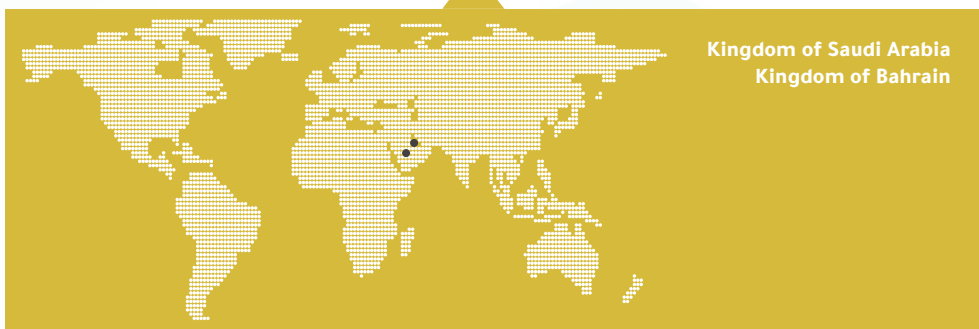
Ready-mix concrete

Strong and durable concrete products designed according to international standards to meet various construction needs and ensure the highest levels of quality and efficiency

green concrete

A low-carbon solution that reduces carbon dioxide emissions, suitable for sustainable projects, while maintaining high quality and performance to meet construction requirements and environmental responsibility.

Main markets



Kingdom of Saudi Arabia
Kingdom of Bahrain



Financial and functional performance and future plans 2.2 Alian Industry

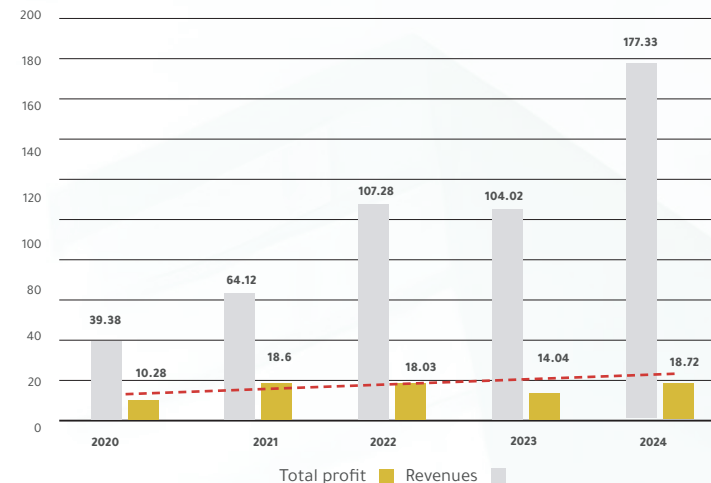
Future plans

- Alian aims to enhance cost efficiency and improve operational effectiveness by adopting innovative technological solutions and managing resources more efficiently, in order to reduce expenses and increase profitability.
- The company also seeks to export its "M2" technology to new international markets, which will contribute to expanding its business scope and increasing its global market share in the field of modern construction.
- Alian plans to make significant investments in expanding its production capacity to boost both efficiency and output. This expansion will help the company better meet market demands and strengthen its ability to deliver high-quality products with faster response times.
- The company is committed to contributing to the transition toward sustainable construction by offering products such as green concrete and promoting the use of environmentally low-impact technologies.

Financial and functional performance

- Total revenue increased from 104.02 million SAR to 177.33 million SAR, driven by the expansion of large-scale ready-mix concrete projects, product diversification, and the launch of low-carbon green concrete, which contributed to rising demand for the company's products. Additionally, the provision of modern construction materials and techniques supported this growth. Gross profit also rose from 14.04 million SAR to 18.72 million SAR, reflecting strong growth in operational performance and improved production efficiency.
- The company continues to invest in research and development to ensure ongoing improvement of its technologies and products, while offering innovative and sustainable construction solutions in ready-mix concrete and modern building methods.
- Alian Industrial has successfully localized the first innovative "M2" technology in Saudi Arabia within the Saudi Building Code, for residential and commercial real estate applications.
- The company manages its financial resources professionally to ensure sustainable growth and to enhance investments in new projects.

Revenue and Profitability (Million SAR)



Balance Sheet (millions SAR)

years	2020	2021	2022	2023	2024
Assets	96.4	146.5	171	182	42,159
Obligations	73.3	129.2	147.6	156.4	11,972



3.2 Terrace Town

About the company

Providing a diverse range of real estate services, including: Terrace Town is a subsidiary of Al Kathiri Holding Group. Responsible for the 28 contracting procedures, maintenance and safety of buildings and their occupants on behalf of clients to ensure the quality of the property is maintained. In addition to its distinction in providing real estate development and marketing services to study real estate opportunities in detail to arrive at the feasibility of investing in real estate opportunities at the individual and commercial levels, and working on developing and renovating real estate in accordance with real estate development and marketing strategies, with a focus on providing construction, building, architectural and interior design services. This includes property management and real estate brokerage by performing all functions.

Main services and products

- **Real estate development**
Study investment opportunities and develop residential and commercial projects to achieve sustainable returns
- **Real Estate Asset Management**
Supervising the operation, rental, and maintenance of real estate to increase its market value
- **Construction and architectural designs: Design**
and implementation of urban projects according to the latest engineering standards
- **Interior design**
Enhance interior spaces with modern designs that combine beauty and functionality
- **Construction and architectural designs: Design**
and implementation of urban projects according to the latest engineering standards

Main markets

Kingdom of Saudi Arabia

Financial and functional performance and future plans 3.2 Terrace Town

Future plans

- Geographic expansion: Entering new markets within the Kingdom of Saudi Arabia, especially in cities experiencing urban growth Strategic Partnerships: Cooperating with major real estate development companies and investors to expand the scope of work.
- Innovation in real estate design and development: Focusing on developing modern residential and commercial projects that meet changing market needs Promoting innovation and sustainability: by adopting strategies based on
- digital transformation and renewable energy to reduce environmental impact and increase efficiency
- Brand Enhancement: Investing in digital marketing and advertising campaigns to increase awareness of the company's brand in the real estate market. Improving internal operations: Using artificial intelligence and data management technologies to enhance operational efficiency and improve customer services.

Expected financial performance

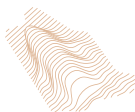
- Financial forecasts indicate a 28% compound annual revenue growth rate over the next five years. This growth depends on:
- Increased demand for real estate development services in the Kingdom.
- The company expands in providing innovative marketing solutions for real estate projects.
- Focus on property and real estate management services, which ensures revenue, constant flow
- Financial forecasts indicate a gradual improvement in the profit margin. To 30% by 2030, thanks to Improve operational efficiency and reduce costs.
- Relying on technology in project and real estate management. Diversifying revenue sources by offering new services

Revenue and Profitability (Million ﷲ)



(Balance Sheet (millions ﷲ)

years	2026	2027	2028	2029	2030
Assets	1.8	3.0	4.8	7.2	10.0
Obligations	0.8	1.5	2.5	3.5	4.5



► 4.2 The Luxury Yacht

About the company

Established in 2023 in Jeddah, Saudi Arabia, the Luxury Yacht Company specializes in the manufacture of luxury yachts and recreational boats, with an annual production capacity of 150 units across six diverse product lines. The company uses the latest technologies and finest materials under the slogan "Made in Saudi Arabia." The crews and ensure the highest levels of professionalism. company offers integrated services, including preventive maintenance, interior and exterior renovations, as well as yacht sales and charters and the organization of exclusive events. It also provides specialized training programs to qualify operating

Additional services

- The company offers comprehensive services, including preventative maintenance programs to keep yachts in the best condition, and renovation services to improve and renew interior and exterior designs. It also offers a variety of options for selling and chartering yachts, along with organizing exclusive events and special activities on board. In addition, it offers specialized training programs to qualify yacht crews and ensure the highest levels of professionalism.

Main services and products

- **boats**
OCB (Boat Cabin One)
- **boat**
(-72Y-LY :No Model (Boat Tender)
- **water taxi**
(TB-LY & -36TB-LY:No Model (Taxi Water
- **Yachts**
(-72Y-LY: No Model (Yacht Luxury).

Main markets

Kingdom of Saudi Arabia

Financial and functional performance and future plans

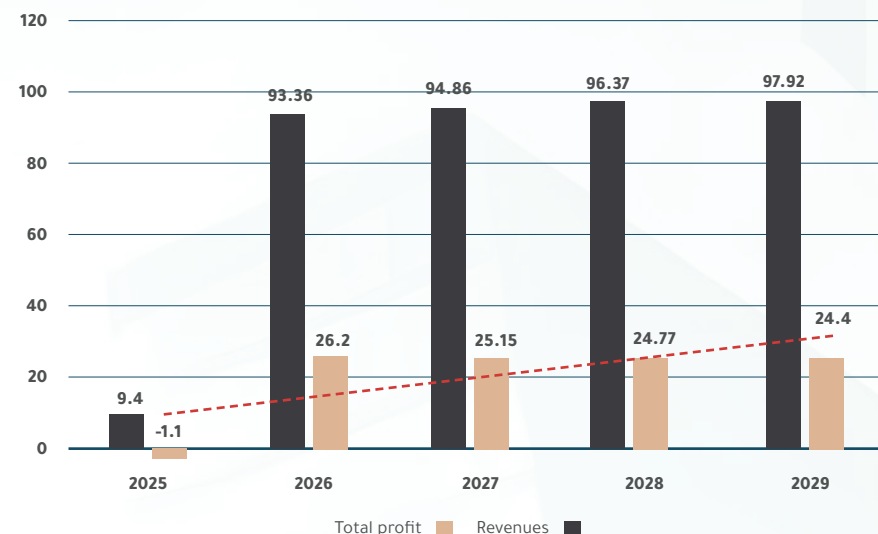
Future plans

- The company will focus on developing its leaders and employees through ongoing training programs. This will contribute to raising the level of innovation within teams, enhancing the company's competitiveness in local and international markets. There will also be a focus on improving communication and management skills in large and complex project
- By improving internal processes and increasing automation, the luxury yacht will enhance job performance and reduce human errors. This will result in improved productivity within the company's various departments, such as production and human resources. This will contribute to reducing operating costs and increasing product quality.

Expected financial performance

- Revenues are expected to continue to rise as the factory expands and demand for luxury boats and yachts increases.
- After overcoming the initial operating losses, the project will maintain a stable annual net profit between 24-26 million ﷻ in the coming years
- With stable revenues and profits, the rate of return on investment will rise to levels exceeding 90%.
- Liabilities are expected to remain low relative to assets, reducing financial risk.

Expected revenue and profits (million ﷻ)



(Balance Sheet (millions ﷻ)

years	2025	2026	2027	2028	2029
Assets	11,03	37,45	62,85	87,87	112,55
Obligations	0,138	0,355	0,593	0,844	1,106

► 5.2 Saraya Al Dyar Investment



سرايا الديار للاستثمار
SARAYA ALDYAR INVESTMENT

About the company

Saraya Al Dyar is a new subsidiary of Al Kathiri Holding Company, specializing in investments in the hospitality and hotel sector. The company aims to develop and manage high-quality hotel and hospitality projects that meet the growing demand for distinguished services in the Kingdom of Saudi Arabia. Through its upcoming project in Asir, which consists of establishing a hotel and retail and entertainment facilities, Saraya Al Dyar seeks to provide exceptional experiences for 30 local and international visitors, with its commitment to innovation, sustainability, and excellence

Main services and products

- **1. Developing hospitality projects**
Design and construct high-quality hotels and resorts that meet the needs of the local and international market.
- **2. Hotel management and operation**
Providing hotel operation and management services to ensure a unique guest experience.
- **3. Investing in tourism infrastructure**
Investment support and financing of tourism infrastructure projects that enhance the sector and provide opportunities New.
- **4. Development of retail and entertainment facilities.**
Creating shopping and entertainment destinations that complement hospitality projects to attract more visitors.
Innovative solutions for land transportation and storage

Main markets

Kingdom of Saudi Arabia



Financial and functional performance and future plans

General conclusion

- The investment demonstrates projected financial growth, with revenues and net profits improving significantly over the first five years. The decrease in liabilities compared to the increase in assets also indicates sound financial management and the ability to achieve long-term financial sustainability.
- The focus is on providing an exceptional customer experience and enhancing operational efficiency to support the achievement of long-term investment goals.

Expected financial performance

- **Revenue Realization:** The project is expected to begin generating revenue in 2028, with a steady annual growth rate. Profitability Realization: Net profits are expected to grow gradually, reflecting strong performance and operational efficiency.
- **Internal Rate of Return (IRR):** 7.7% over 25 years, reflecting the project's feasibility and ability to generate sustainable returns.
- **Return on Investment (ROI):** Returns on investment are showing continuous improvement, reflecting the effectiveness of operating strategies and financial management.
- **Capacity Utilization Rate:** The hotel facilities being developed are expected to be fully utilized, enhancing the project's financial performance.

Expected revenue and profits (million ﷲ)



Balance Sheet (millions ﷲ)

years	2028	2029	2030	2031	2032
Assets	72.7	82.6	125.0	131.5	178.0
Obligations	63.2	64.4	56.2	8.0	11.4

► CFO Overview

2024 Business Performance Overview - Al Kathiri Holding The year 2024 witnessed significant growth in the business activities of our sectors at Al Kathiri Holding, with total revenue increasing from 129,179,914 ١٢٩ to 183,872,514 ١٨٣, reflecting a growth rate of 42%. This was primarily driven by expansion in major contracting projects, in addition to higher sales in the ready-mix concrete sector. This strategic expansion has strengthened our market presence and contributed to diversifying the company's future income streams.

Despite this revenue growth, the cost of revenue rose from 106,427,577 ١٠٦ to 163,055,522 ١٦٣, which impacted the gross profit margin—bringing it to 11.3%, while the EBITDA margin stood at 3.3%. The company reported a net loss of 18,976,522 ١٨, mainly due to the costs associated with entering new projects and markets, as well as the initial investments in expansion sectors—investments expected to bear fruit in the upcoming periods.

We are actively working to enhance operational efficiency and strike a balance between expansion and financial sustainability, ensuring the creation of long-term value for our shareholders. We are confident that our ambitious strategy will contribute to improving financial performance and strengthening the company's competitive position in the future.



A. Basil bin Abdul Samee

Financial Director

The most prominent financial indicators for the year 2024

3.3 %

EBITDA margin Taxes depreciation and amortization

(16.8%)

Return on Equity

(6.6%)

Return on Assets

(8.3%)

Return on Invested Capital (ROIC)

11.3%

Gross profit margin

(10.3%)

net profit margin

(0,0839)

Earnings per share

CFO Overview

2 Summary of the consolidated statement of profit and loss

2020	2021	2022	Percentage (%) Change	2023	2024	Statement
104,438,855	128,777,194	129,371,710	42%	129,179,914	183,872,514	Revenues
77,472,448	88,560,636	101,052,769	53%	106,427,577	163,055,522	Cost of Revenue
26,966,407	40,216,558	28,318,941	8.5%	22,752,337	20,816,992	Revenue Costs
16,608,138	30,976,569	25,912,052	42%	29,226,093	41,507,056	Financing and expenses General, Administrative and Sales Marketing and Consumption
127,233	465,766	144,927	47%	3,234,521	1,713,542	Other revenues
825,750	968,944	777,991	0%	878,739		Zakat and income tax
9,659,752	8,736,811	1,773,825	360%	(4,117,974)	(18,976,522)	Net profit

0.0428	0.0387	0.0078	361.5%	(0.0182)	(0.0839)	Basic earnings per share
20.8%	25.3%	11.6%	35.8%	17.6%	11.3%	Gross profit margin
9.9%	9.1%	4.8%	92.3%	2.6%	(5%)	Operating income margin
9.2%	6.8%	1.4%	221.9%	(3.2%)	(10.3%)	net profit margin

AI Kathiri Holding Company achieved significant revenue growth in 2024, rising from 129.18 million ₪ in 2023 to 183.87 million ₪ in 2024, a 42.3% increase, driven by the expansion of major projects in the contracting sector and increased sales of ready-mix concrete.

However, cost of revenue increased from 106.43 million ₪ in 2023 to 163.06 million ₪ in 2024, a 53.3% increase, resulting in a decline in the gross profit margin from 17.6% to 11.3%. This decrease reflects operational pressures resulting from rising production costs and business expansion, which impacted the company's profitability.

Operating expenses (general and administrative expenses, selling and marketing expenses, depreciation, and financing expenses) also increased from 29.23 million ₪ in 2023 to 41.51 million ₪ in 2024, a 42% increase. This increase reflects higher administrative costs and investment in operational expansion, which led to a decline in operating income margin from 2.6% in 2023 to 5% in 2024.

As a result of these factors, the company recorded a net loss of 18.98 million ₪ in 2024, compared to a loss of 4.12 million ₪ in 2023. The net profit margin declined from 3.2% to 10.3%, reflecting the significant pressure resulting from higher operating costs and the expansion of new projects, which require time to achieve the desired returns.

3. Summary of the consolidated statement of financial position

2020	2021	2022	Percentage (%) Change	2023	2024	Statement
76,288,110	29,628,516	42,947,100	9%	152,735,026	137,740,023	Current assets
35,604,496	41,389,284	38,950,016	17%	49,123,972	57,771,796	Current liabilities
40,683,614	-11,760,768	3,997,084	22%	103,611,054	79,968,224	working capital
90,191,278	151,587,776	158,942,458	1%	148,236,385	149,673,751	Non-current assets
166,479,388	181,216,292	201,889,558	4%	300,971,411	287,413,774	Total assets
5,374,650	5,891,790	27,489,543	3%	120,560,610	117,234,468	Other liabilities - non-current
40,979,146	47,281,074	66,439,559	3%	169,684,582	175,006,264	Total liabilities
90,417,600	113,022,000	113,022,000	0%	113,022,000	113,022,000	Paid-up capital
27,271,721	13,181,137	14,633,724	0%	10,450,451	(8,459,084)	Reserves and retained earnings
125,500,242	133,762,220	135,214,807	14%	131,031,534	112,121,999	(Shareholders' Rights (No Minority Rights)
166,479,388	181,043,294	201,654,366	4%	300,716,116	287,413,774	Total liabilities and shareholders' equity

The balance of assets decreased slightly by 4% to 287.41 million ₪ by the end of 2024, compared to 300.97 million ₪ in 2023. The balance of liabilities increased from 169.68 million ₪ in 2023 to 175.01 million ₪ in 2024, a 3% increase. This increase was primarily due to the growth in current liabilities, including accounts payable and other liabilities, reflecting the company's continued expansion of operations and investments in new projects.

The balance of equity decreased from 131.03 million ₪ in 2023 to 112.12 million ₪ in 2024, a decrease of 14.5%. This was primarily due to losses recorded during the year, along with the impact of the company's investment expansion. However, the company's investments in new projects and sectors will contribute to improving financial performance in the coming periods and enhancing shareholders' rights in the long term.

CFO Overview

4. Summary of the statement of cash flows

2020	2021	2022	Percentage (%) Change	2023	2024	Statement
7,249,641	50,458,193	5,944,576	15%	(9,644,671)	(8,167,325)	Net cash generated from operating activities
(41,560,583)	(69,467,901)	(21,078,360)	385%	(3,159,579)	(15,342,060)	Net cash used in investing activities
(52,339,386)	5,098,433	8,169,917	75%	88,467,547	(21,489,271)	Net cash used in financing activities
22,851,485	8,940,210	2,720,350	57%	78,383,647	33,384,991	Cash and cash equivalents at the end of the year

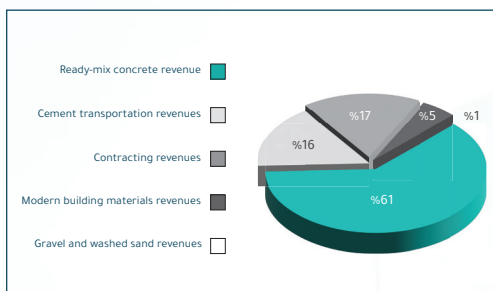
Operating cash flows improved during 2024, with net cash used reaching 8.17 million SAR compared to 9.64 million SAR in 2023. This relative improvement in operating cash reflects the company's efforts to improve working capital and reduce pressure on cash flows, despite the ongoing challenges associated with rising operating expenses and expansion investments.

Net cash used in investing activities increased significantly to 15.34 million SAR in 2024, compared to 3.16 million SAR in 2023. This increase reflects strategic expansion into new projects, including investments in the contracting, ready-mix concrete, hospitality, and yacht and marine manufacturing sectors, which require significant capital investments to drive future growth.

Net cash used in financing activities saw a significant shift, reaching 21.49 million SAR in 2024, compared to 88.47 million SAR in 2023.

Cash and cash equivalents decreased by the end of 2024 to 33.38 million SAR, compared to 78.38 million SAR in 2023, reflecting the impact of negative cash flows from investing and financing activities, which led to a decline in available liquidity.

Revenue by sector and geographical distribution of revenue



2024	statement
114,343,445	Contracting revenues
29,407,787	Ready-mix concrete revenue
30,554,298	Modern building materials revenues
9,524,078	Cement transportation revenues
42,906	Gravel and washed sand revenues
183,872,514	Total*

Note: All revenues were generated within the Kingdom of Saudi Arabia



► Risk management



1. Enterprise Risk Management

The global business landscape faces numerous challenges due to the rapid pace of innovative transformations and emerging technologies. Al Kathiri Holding's investment sectors in the markets of the Kingdom of Saudi Arabia are witnessing rapid development and greater competitiveness than ever before. Rapid transformations and advanced services that threaten stable revenue streams require enhanced flexibility, innovation, and excellence in service deliver Al Kathiri recognizes the critical role of risk management in protecting the interests of its clients, shareholders, and the communities it serves by effectively implementing its strategy to successfully achieve its goals and ensure its sustainable growth

The company is exposed to risks as a result of its use of the following financial instruments:

► Credit Risk Credit

risk represents the inability of one party to fulfill its obligations, resulting in the other party incurring a financial loss. The Company is committed to managing credit risks related to customers by setting credit limits for each customer and monitoring outstanding receivables.

► Special commission rate risks

Special commission rate risk relates to the risk resulting from the fluctuation in the value of a financial instrument as a result of changes in the prevailing commission rates in the market. The Company is subject to special commission rate risk on its assets linked to special commissions, represented by Murabaha deposits and credit facilities.

► Liquidity risk

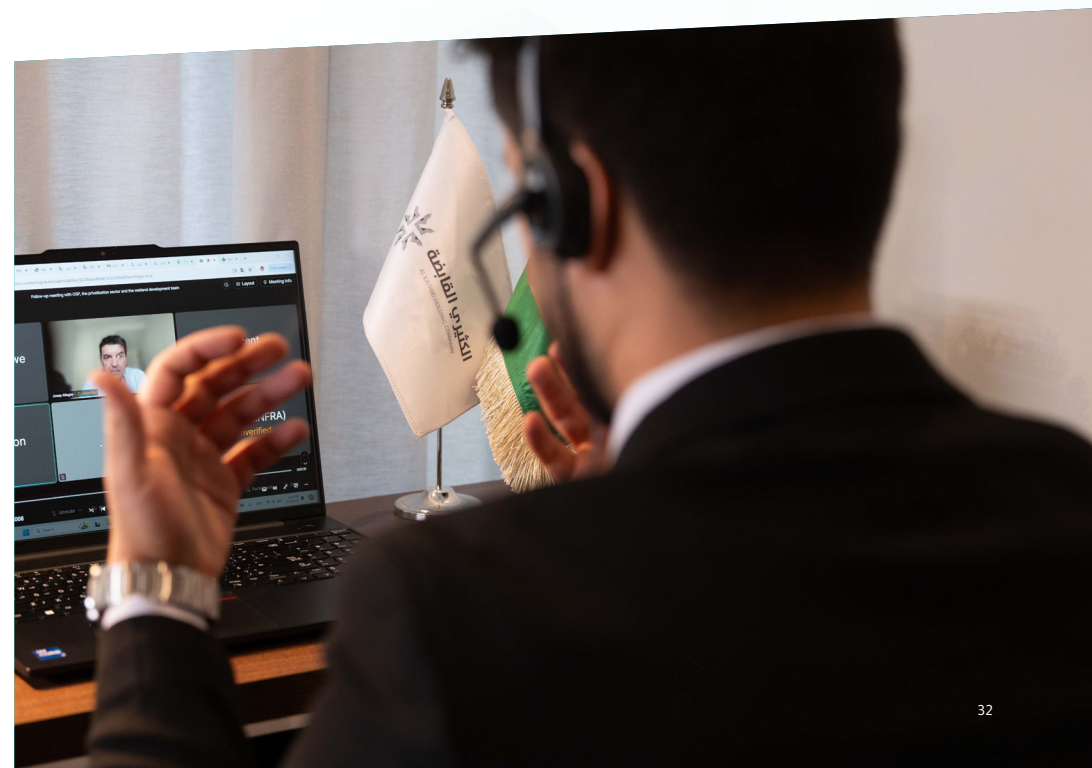
Liquidity risk represents the difficulty the company faces in raising the funds necessary to meet commitments related to financial instruments. Liquidity risk results from the inability to sell a financial asset quickly for an amount equal to its fair value. The company manages liquidity risk by maintaining cash balances with banks and ensuring that it can obtain sufficient facilities, if required, to cover its short-term obligations on an ongoing basis. From the date of sale and to be paid. The terms include collecting sales value within a period of 30 to 60 days. From the date of purchase. Value of purchases within a period of 30 to 60 days.

► Currency risks

Currency risk represents the risk of fluctuations in the value of financial instruments due to changes in foreign exchange rates. The Company is subject to fluctuations in foreign exchange rates during its normal business cycle. The Company did not undertake any significant transactions in currencies other than the Saudi Riyal, the US Dollar, and the Euro during the year.

Maintaining a risk culture in Al Kathiri

Al Kathiri emphasizes the importance of a strong risk culture that shapes behaviors related to risk awareness, risk-based decision-making, and management. All employees are responsible for managing risk, and a positive risk culture places ultimate accountability on the executive management and the board of directors. Effective communication between businesses and the functions of monitoring and ensuring controls are essential characteristics of risk governance at Al Kathiri. Al Kathiri ensures the continuous improvement and enhancement of risk governance and implementation.



► Risk management

Risk Management Strategy

The Board of Directors is responsible for managing risks, which is an integral part of achieving the strategic objectives. The Board of Directors is responsible for establishing a risk management system, determining the acceptable level of risk in the group, and maintaining an integrated and effective internal control system. The Group's Audit Committee oversees the risk management process and evaluates its effectiveness within the Group. Al Kathiri Holding takes multiple steps to manage these risks relating to its various investments as a challenge. Risks, including the use of external consultants to provide appropriate financial and legal advice for potential projects, in addition to financial and legal due diligence procedures, internal evaluations, and obtaining the necessary approvals before making any investments. Al Kathiri Holding adopts an integrated risk management strategy based on the principles of effective governance and internal control to ensure the flexible and safe achievement of its strategic objectives.

This strategy is based on four main axes

1. General framework for risk management

Al Kathiri Holding adopts an integrated risk management strategy based on the principles of effective governance and internal control to ensure the flexible and safe achievement of its strategic objectives. This strategy is based on four main axes:

1. Identification and assessment: Analyzing potential risks and classifying them based on their impact and likelihood of occurrence.
2. Mitigation and Response: Implementing proactive measures to reduce risks and their impact on operations.
3. Monitoring and development: periodically monitoring risks and updating strategies to deal with them.
4. Communication and transparency: ensuring clarity of responsibilities between the Board of Directors, sub-committees, and executive management.

2. The role of the Board of Directors and the Audit Committee

► Board of Directors:

A comprehensive risk management approach defines acceptable levels of risk. Establishes a system that ensures effective internal control to monitor financial, operational, and investment risks.

► Audit Committee:

Monitors the effectiveness of risk management policies and recommends necessary adjustments. Review risk reports regularly to ensure a quick and effective response.

3. Financial and investment risk management

Integrated Financial Evaluation: Conducting a thorough financial analysis of each investment to ensure its alignment with strategic objectives.

Due Diligence: Conducting comprehensive financial and legal studies for each project to ensure its feasibility and reduce risks. Diversification of investments: distributing assets across different sectors to reduce the impact of risk on overall performance.

Use of financial hedging tools: such as insurance and protection strategies against market volatility.

4. Operational and administrative risk management

Improve operational efficiency: Adopt advanced management systems (such as Odoo) to control operational processes.

Business Continuity Procedures: Develop contingency plans to ensure continued operations in unexpected situations.

Staff training: Raising employee awareness of potential risks and how to deal with them.

5. Environmental Risk Management and Sustainability

Reducing carbon emissions: Investing in sustainable technologies to reduce the environmental footprint.

Compliance with environmental regulations: Adherence to local and international sustainability standards.

Cooperation with relevant authorities: Working with the public and private sectors to promote environmental practices. Sustainable

6. Implementation and follow-up mechanism

Establishing a specialized risk management unit to monitor performance and update policies. Periodic review of financial and operational reports to control risks in a timely manner. For economic and market developments. Continuously update the strategy according to



Employees and Corporate Culture

Attracting talents and competencies

Human talent and competencies are considered a fundamental pillar of success at AI Kathiri Holding. Attracting and retaining unique and distinguished talents is not only a factor .tal An important investment in its future.In enhancing the company's competitive performance, it is also Our focus on attracting and developing exceptional talent forms a solid foundation. Sustainable growth and long-term profitability AI Kathiri Holding seeks to attract talented competencies by employing many recruitment strategies, as it possesses the necessary resources to search for competencies. (HR sourcing), attracting and retaining them; some of these strategies are as follows:



Employee localization program

AI Kathiri Holding is committed to fostering a professional and sustainable work environment and welcomes employee recommendations regarding competencies within their knowledge. However, we emphasize that all recommended candidates are subject to the same recruitment procedures and criteria, ensuring a fair and transparent process for all. We place great importance on selecting the right people for available positions based on the competencies and experience that meet the company's needs and strategic objectives

In this context, we present to you some statistics related to employees at AI Kathiri Holding and its subsidiaries:

Number of employees	Saudization Rate	Scope of the Company	Company Name
9	55%	High green	AI Kathiri Holding Company
94	20%	High green	Msanda Al-Emdad Company Limited
14	35%	Platini	Luxury Yacht Company
332	31%	medium green	Alyan Industrial Company
5	40%	Small green (Class A)	Terrace Town Real Estate Company
454	Total number of employees for the company and its subsidiaries		

Corporate environment and culture

At AI Kathiri Holding, we believe that a positive work environment and a strong corporate culture are the foundation for success and sustainability. We strive to provide a stimulating work environment based on innovation, collaboration, and continuous development, where employees are given the opportunity to grow and realize their potential

Our corporate culture reflects the values of integrity, excellence, and responsibility, contributing to building a cohesive team working together to achieve our ambitious goals. We are also committed to adopting best practices that enhance the quality of professional life, support diversity and inclusion, and ensure a fair and transparent work environment for all

► Comprehensive care and support for employees

Attracting talents and competencies

The successful work culture and environment at Al Kathiri Holding is a reflection of our deep commitment to the well-being of our employees and our belief that they are the true capital of the company.

We pay attention to the smallest details to ensure a comprehensive work experience, from health and well-being, to training and continuous development. We always strive to Providing a stimulating work environment that supports the professional and personal growth of our employees, enhancing creativity, productivity, and belonging

At Al Kathiri Holding, we believe that our success begins with our employees. That's why we strive to build a corporate culture based on excellence, appreciation, and innovation to ensure a unique and sustainable work experience.

Functional Integration

We work to enhance the sense of belonging through interactive programs, development workshops, and internal events that strengthen communication between teams and encourage cooperation and innovation



work-life balance

We offer flexible policies that include generous annual leave, health and wellness support, and well-being initiatives, to ensure an environment that helps employees balance their professional and personal demands

Employee Voice

We provide open channels for communication and listening, such as regular meetings, surveys, and suggestion boxes, to ensure that every employee has the opportunity to express their opinions and contribute to improving the work environment.



Celebrations and events

Al Kathiri Holding offers a wide range of activities and events that contribute to building a stimulating and interconnected work environment, including the following:

Management Lunch

We strive to create a friendly atmosphere away from the pressures of work, along with a variety of celebrations and events throughout the year, which enhances team spirit and creates a positive and stimulating work environment.



Competitive games

Competitive games are a great way to enhance team spirit and interaction among employees. We organize a range of recreational activities that encourage friendly competition and contribute to building relationships.

Celebrating national occasions

National occasions are an important part of Al Kathiri Holding's culture, and we are keen to celebrate them with enthusiasm and pride through special events. It brings employees together and enhances the spirit of belonging and loyalty to the country.



► Sustainability



Al Kathiri Holding's commitment to sustainability through its financial and operational approach

Al Kathiri Holding adopts an integrated approach to sustainability, focusing on enhancing the efficiency of its operations and reducing the impact. The company is committed to implementing circular economy models and achieving the highest standards of business ethics and safety, to ensure a balance between economic growth and environmental responsibility and social.

Sustainability practices in operational processes



Natural Resources Management

Through recycling, reducing waste, and utilizing sustainable materials that ensure optimal use of resources.



Reducing carbon footprint

Through the use of innovative materials and production techniques that reduce emissions and enhance energy efficiency.



Sustainable water use

By implementing solutions that reduce water consumption and ensure its responsible reuse.



Transport and logistics efficiency

Adopting smart transportation systems that reduce fuel consumption and carbon emissions, and enhance operational efficiency.



Energy-saving designs and technologies

Improving the efficiency of products and structures by developing solutions that reduce energy consumption and limit the environmental impact.



Reliance on renewable energy

By integrating clean energy solutions into production and operating processes, which contributes to reducing dependence on fossil fuels.

These efforts contribute to enhancing sustainability across the various sectors in which Al Kathiri Holding operates, achieving a positive impact on the environment and society while enhancing operational and economic efficiency.

Supporting Sustainable Development Goals

number of the United The company's sustainability efforts align with a Nations Sustainable Development Goals, including:

Goal 7: Promote the use of clean and sustainable energy.

Goal 9: Support innovation and sustainability in industrial processes and infrastructure.

Goal 11: Develop practices that enhance the sustainability of urban communities.

Goal 12: Adopting responsible patterns of production and consumption.

Goal 13: Contribute to mitigating climate change by reducing carbon emissions.

Goal 14: Preserve ecosystems Marine by reducing industrial pollutants



An ongoing commitment to a more sustainable future

Al Kathiri Holding believes that sustainability is not just an obligation, but a responsibility that extends across all aspects of its business. By strengthening strategic partnerships, adopting innovation in manufacturing and operations, and adopting smart solutions, the company continues its efforts to create a long-term positive impact that contributes to building a greener and more sustainable future for all.

Governance

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03



► Governance

Governance

AI Kathiri Holding Company and its subsidiaries are committed to the highest standards of corporate governance. The company has established a governance framework that includes regulations and policies aimed at enhancing transparency, accountability, and competence. Driven by its belief in working towards a better future and its desire to create sustainable investment value, AI Kathiri Holding remains committed to building long-term relationships with all its shareholders and other stakeholders through:

- **Adhering to the company's policies, procedures, and Articles of Association.**
- **Providing reliable and transparent reports.**
- **Complying with all local laws, regulations, and best international practices.**

The company's leadership team, consisting of the Board of Directors, its committees, and the executive management, plays a fundamental role in the company's success and excellence by implementing governance policies and leveraging their diverse skills, expertise, and attributes to lead the company professionally as a unified governing body.

Commitment to the Corporate Governance Regulations

AI Kathiri Holding recognizes the importance of modern developments in corporate governance. Therefore, the company continuously reviews and updates its governance framework as needed, based on any amendments to local regulations, laws, or global best practices.

The company has developed and adopted written policies approved by the Board of Directors and the General Assembly of Shareholders to ensure compliance with sound governance principles and practices while enhancing its readiness to achieve targeted growth and development.

AI Kathiri Holding is committed to implementing all provisions of the Corporate Governance Regulations issued by the Capital Market Authority, except for the guiding provisions outlined below:

Reasons for Non-Implementation	Article / Clause Text	Article Number - Clause
The article is advisory	Training - Training of Board Members	37
The article is advisory	Evaluation	39
The article is advisory	Formation of the Risk Management Committee	67
The article is advisory	Responsibilities of the Risk Management Committee	68
The article is advisory	Meetings of the Risk Management Committee	69
The article is advisory	Employee Incentives	82
The article is advisory	Social Responsibility	84
The article is advisory	Social Work Initiatives	85
The article is advisory	Formation of the Corporate Governance Committee	92

► Board of Directors

Board Member

The company's Articles of Association have set the number of Board members at four (4). The current Board term began on **12/4/2023** for a period of three years and will end on **11/4/2026**

Mr. Khalid bin Abdulmohsen Al-Khuyal

Chairman of the Board

Non-Executive Member



Mr. Abdullah bin Abdurrahman Al-Sheikh

Board Member and CEO
Board Member



Mr. Meshal bin Mohammed Al-Khafiri

Board Member and CEO
(Executive Member)



Mr. Saud bin Mohammed Al-Shuraim

Vice Chairman
Board Member

Summary of the CVs of the Board of Directors



A. Khaled bin Abdul Mohsen Al-Khayal
Chairman of the Board of Directors

Qualifications
› Master of Business Administration, Ambassador University, Dominican Republic, 2006 › Bachelor of Business Administration, Ambassador University, Dominican Republic, 2005
Most notable previous professional experience
› Most notable previous professional experience › Founder and General Manager of Anwar Al Kayan for Commercial Services, Senior Management and Logistics Services
Current Memberships
› Al Kathiri Holding - Listed Joint Stock Company - Inside the Kingdom Red Sea Cables Company - Closed Joint Stock Company - Inside the Kingdom
Previous memberships
› Elian Industrial Company - Closed Joint Stock Company - Inside the Kingdom Madinah Cement Company - a listed joint stock company - within the Kingdom › Bait Al Wasil Company - Closed Joint Stock Company - Inside the Kingdom



Mr. Saud bin Mohammed Al Shuraim,
Vice Chairman of the Board of Directors

Qualifications
› Diploma in Business Administration, King Saud University, Kingdom of Saudi Arabia, 2005 › Diploma in Electricity, Saudi Electricity Company, Kingdom of Saudi Arabia, 2004
Most notable previous professional experience
› General Manager of Taqaddom International Company › General Manager of Al-Fuda Al-Mumtaz Company General Manager of Innovation Union Company
Current Memberships
› Al Kathiri Holding - Listed Joint Stock Company - Inside the Kingdom Leen Al Khair Trading - Listed Joint Stock Company - Inside the Kingdom › Agricultural Platform - Closed Joint Stock Company - Inside the Kingdom › Arsan Al-Awwal Contracting Company - Limited Liability Company - Inside the Kingdom › Taqaddom International Company for Communications and Information Technology - a listed joint stock company - within the Kingdom › Al Kathiri Sukuk Facility - Special Purpose Facility - Inside the Kingdom Udayd Holding Company - Limited Liability Company - Inside the Kingdom › Harf Al Kaf Company - Limited Liability Company - Inside the Kingdom › Lin Al Khair Trading Company - Limited Liability Company - Outside the Kingdom Future Destination Company - Limited Liability Company - Inside the Kingdom
Previous memberships
› Special Food Company - Limited Liability Company - Inside the Kingdom



A. Meshal bin Mohammed Al-Kathiri
Managing Director and Chief Executive Officer

Qualifications
› Bachelor of Naval and Military Sciences, King Fahd Naval College, Kingdom of Saudi Arabia, 2005
Most notable previous professional experience
General Manager of Al Kathiri Holding Command of the Naval Forces and promotion from the rank of Liaison Officer to Platoon Commander in the Fifth Battalion of the Eastern Fleet General Manager of the Innovation Union Company
Current Memberships
› Al Kathiri Holding Company - a listed joint stock company - within the Kingdom Lin Al Khair Trading Company - a listed joint stock company - within the Kingdom Al Manassa Agricultural Company, a closed Saudi joint stock company - within the Kingdom Supply Support Company Limited is a one-person limited liability company within the Kingdom. › Al-Yan Industrial Company is a closed joint-stock company in the Kingdom. Taqaddom International Company for Communications and Information Technology - a joint stock company listed in the Kingdom › Al Kathiri Sukuk Facility - Special Purpose Establishment - Inside the Kingdom Al Bab Industrial Company - Limited Liability Company - Inside the Kingdom Luxury Yacht Manufacturing Company - Limited Liability Company - Inside the Kingdom Masanda Contracting Company - Limited Liability - Outside the Kingdom Tras Town Real Estate Development Company - Limited Liability - Inside the Kingdom Saraya Al Diyar Investment Company - Limited Liability Company - Inside the Kingdom
Previous memberships
› There is no



A. Abdullah bin Abdulrahman Al Sheikh
Member of the Board of Directors

Qualifications
› Master of Accounting and Management, University of Aberdeen, United Kingdom, 1992 › Bachelor of Accounting, King Saud University, Saudi Arabia, 1990
Most notable previous professional experience
Abdullah bin Abdulaziz Al Rajhi Director General of Financial Affairs at the Abdul Waqf from 2021 AD until 2024 AD General Manager of Financial Affairs at the Saudi Healthcare Group from 2019 to 2021 Director General of Financial Affairs at the General Organization of King Faisal Specialist Hospital and Research Center from 2008 to 2019 Executive Director of Internal Audit at the Saudi Stock Exchange (Tadawul) from 2006 to 2008. Executive Director of Internal Audit at the National Guard Health Affairs Hospital Operations Program (IMI/Gamma) since 2001 Until 2006 AD.
Current Memberships
Al Maneef Agriculture and Trading Company - Listed Joint Stock Company - Inside the Kingdom Enmaa Al Rawabi Company - Listed Joint Stock Company - Inside the Kingdom United Cooperative Insurance Group (ACIG) - Listed Joint Stock Company - Inside the Kingdom Al Kathiri Holding Company - a listed joint stock company - within the Kingdom
Previous memberships
Al Salem Medical Group - Closed Joint Stock Company - Inside the Kingdom Al- Takhassusi Holding Company - Limited Liability Company - Inside the Kingdom

► Governance

Board Meetings and Members' Attendance Record

The Board of Directors held four meetings during the year 2024. Below are the meeting dates and members' attendance records:

Total	Number and Date of Meetings Attendance Record				Name
	Fourth Meeting 31/12/2024	Third Meeting 05/11/2024	Second Meeting 06/08/2024	First Meeting 30/03/2024	
4	✓	✓	✓	✓	Khalid bin Abdulmohsen Al-Khuyal
4	✓	✓	✓	✓	Saud bin Mohammed Al-Shuraim
4	✓	✓	✓	✓	Meshal bin Mohammed Al-Kathiri
4	✓	✓	✓	✓	Abdullah bin Abdulrahman Al-Sheikh

Evaluation of the Board of Directors, Its Committees, and Members' Performance

The Board of Directors has adopted an internal evaluation model for assessing the performance of its members, which was developed by the Nomination and Remuneration Committee. Board members participate in the evaluation process by providing their opinions and feedback. The evaluation results are analyzed under the supervision of the Nomination and Remuneration Committee and then presented to the Board of Directors. It is worth noting that no external party was engaged to conduct the evaluation process.

► Board Committees

The Board of Directors is the primary authority responsible for overseeing the company's operations and managing its affairs. Subject to the powers reserved for the General Assembly, the Board holds full authority to manage the company and make the necessary decisions to achieve its objectives.

The subcommittees formed by the Board serve as supporting bodies, tasked with executing specific responsibilities on behalf of the Board while submitting regular reports containing their findings and recommendations. The company ensures that the Board committees function in an advisory capacity, possessing the necessary efficiency and effectiveness to support transparent and objective decision-making. The Board establishes an appropriate number of committees based on the company's needs and operational conditions, ensuring the appointment of a sufficient number of non-executive members in these committees. Accordingly, the following committees have been established: Audit Committee Nomination and Remuneration Committee



Governance

Audit Committee

The committee consists of three (3) members and was formed on April 17, 2023, following the reformation of the Board of Directors. The current committee term ends with the board term on April 11, 2026.



Ahmed bin Nasser Al-Sayegh

Membership
› Committee Chairman
Current Position:
› Director of the Retail Sector in the Riyadh Region at The Saudi National Bank (SNB)
Key Previous Professional Experience:
› Operations Manager at Samba Financial Group
Qualifications:
Bachelor's Degree in Business Administration from King Abdulaziz University



Saud bin Mohammed Al-Shuraim

Membership
› Committee Member
Current Position:
Managing Director & CEO of < Taqaddam International Company
Key Previous Professional Experience
General Manager of Taqaddam International Company
Qualifications
Diploma in Business Administration - King (Saud University, Saudi Arabia (2005) Diploma in Electrical Studies - Saudi Electricity Company, Saudi Arabia (2004)



Adel bin Ibrahim Al-Kathiri

Membership
Committee Member
Current Position
Director of Planning and Business Division at Saudi Telecom Company (STC)
Key Previous Professional Experience
Executive Assistant and Vice President of Business Sector Regulations at Saudi Telecom Company (STC)
Qualifications
Bachelor's Degree in Management and Accounting Information Systems from Osaka University, Japan

Roles and Responsibilities

- ✓ The Audit Committee ensures the integrity of the company's internal procedures and is responsible for overseeing internal control systems, internal and external audits, financial reports, and professional and ethical compliance. The committee undertakes the following tasks: Reviewing preliminary financial
- ✓ statements, providing technical opinions, and recommending them to the Board of Directors. Assessing and reviewing internal control systems, internal audit reports, and the company's risk management framework, along with recommending the appointment of an internal auditor.
- ✓ Recommending the appointment of an external auditor to the Board, ensuring their independence and objectivity, discussing their findings, addressing inquiries, and reviewing their audit report.
- ✓ Ensuring the company's compliance with regulations, policies, and supervisory guidelines, as well as reviewing contracts and transactions involving related parties.

Audit Committee Attendance Table

The Audit Committee held four meetings during the year 2024, as outlined in the table below:

Total	Number and Date of Meetings and Attendance Record				Member Role	Member Name
	Meeting (2024/10/31)	Third Meeting (2024/08/06)	Second Meeting (2024/05/15)	First Meeting (2024/03/30)		
4	✓	✓	✓	✓	Committee Chairman	Ahmed bin Nasser Al-Sayegh
4	✓	✓	✓	✓	Member	Saud bin Mohammed Al-Shuraim
4	✓	✓	✓	✓	Member	Adel bin Ibrahim Al-Kathiri

Results of the Annual Internal Audit Procedures

The Audit Committee at Al Kathiri Holding aims to support the Board of Directors in ensuring the efficiency and effectiveness of the company's internal control system by providing recommendations for its enhancement and development. This ensures the company's objectives are met while safeguarding the interests of shareholders. The committee also assists the Board in fulfilling its supervisory responsibilities by overseeing the company's financial, operational, and information systems, ensuring compliance with best practices and approved standards. As part of this role, the Audit Committee has overseen the review of the effectiveness of internal control procedures in collaboration with the Board of Directors. The review aimed to assess their adequacy and efficiency in safeguarding company assets, evaluating business risks, and measuring performance efficiency. The results of the internal audit confirmed that no significant weaknesses were found in the company's internal control system.

Key Activities of the Audit Committee

During the 2024 fiscal year, the Audit Committee held four meetings, during which it discussed several key topics related to its responsibilities. These meetings were attended by the company's external auditor, internal audit team, and relevant business sectors. Some of the key topics discussed included: Reviewing the company's overall operations to ensure the accuracy and integrity of financial reports, internal control systems, and risk management while assessing compliance with professional and ethical standards. Verifying significant accounting estimates in financial reports and monitoring the implementation of corrective measures based on regulatory audit findings and internal audit reports. Supervising the performance and activities of the Internal Audit Department, ensuring its independence and resource adequacy for effective operation. Annually evaluating the performance of the external auditor and recommending to the Board of Directors their appointment, dismissal, and compensation, ensuring their independence and adherence to professional ethics, as well as assessing the scope of their work and contractual terms. Reviewing the audit plan to ensure that the auditor does not engage in any administrative or technical activities beyond the audit scope while following up on their observations on financial statements and necessary corrective actions. Examining reports from regulatory authorities to ensure the company's compliance with relevant laws, regulations, policies, and instructions, and taking necessary measures accordingly.

The Audit Committee's Opinion on the Adequacy of Internal Control, Financial Systems, and Risk Management

Based on the information provided by the company's management and the internal auditor, the Audit Committee concluded that the control and compliance processes did not indicate any material weaknesses in the internal control system, financial management, and risk management. The committee also ensured that the Board of Directors' report and financial statements were prepared in accordance with regulatory requirements.

Governance

Nominations and Remuneration Committee

Formation

The committee consists of three (3) members and was formed on 17/04/2023 after the reformation of the current Board of Directors. The committee's term will end at the conclusion of the current board's term on 11/04/2026.



Saud bin Mohammed Al Shuraim



Ahmed bin Nasser Al-Sayegh



Mr. Khalid bin Abdulmohsen Al-Khayyal

Membership
Chairman of the Committee
Current Position
Managing Director and CEO of Taqaddum International Company
Key Previous Experience
General Manager of Taqaddum International Company
Qualifications
Diploma in Business Administration, King Saud University, Kingdom of Saudi Arabia, 2005 Diploma in Electricity, Saudi Electricity Company, Kingdom of Saudi Arabia, 2004

Membership
Committee Member
Current Position
Director of the Retail Sector in the Riyadh Region at the Saudi National Bank
Key Previous Experience
Operations Manager at Samba Financial Group
Qualifications
Bachelor's Degree in Business Administration, King Abdulaziz University, Kingdom of Saudi Arabia

Membership
Committee Member
Current Position
Chairman of the Board of Directors of Al Kathiri Holding
Key Previous Experience
General Manager of Osool Brokerage for Commercial Services Founder and General Manager of Anwar Al-Kayan for Commercial Services, Senior Management, and Logistics Services
Qualifications
Master's Degree in Business Administration, Ambassador University, Dominican Republic, 2006 Bachelor's Degree in Business Administration, Ambassador University, Dominican Republic, 2005

Tasks and Responsibilities

The Nomination and Remuneration Committee aims to assist the Board of Directors in performing its supervisory and oversight duties efficiently and effectively. Its key responsibilities include:

Establishing a clear policy for the remuneration of the Board of Directors, its subcommittees, and the executive management of the company, and submitting it to the Board for review before approval by the General Assembly, ensuring that performance-related criteria are followed, disclosed, and properly implemented. Conducting periodic reviews of the remuneration policy and evaluating its effectiveness in achieving its intended objectives. Recommending to the Board of Directors the remuneration of Board members, its subcommittees, and senior executives in accordance with the approved policy. Reviewing the principles for distributing annual bonuses as determined by the Board of Directors and providing recommendations accordingly. Proposing clear policies and criteria for membership in the Board of Directors and executive management. Developing a description of the necessary skills and qualifications required for Board membership and executive positions. Annually reviewing the required skills and expertise needed for Board membership and executive management positions.

Board of Directors Meetings and Member's Attendance Record

The Board of Directors held four meetings during 2024. The dates of the Board meetings and attendance record are as follows:

Member name	Member nature	Attendance record		Total
		First meeting 2024/12/01	Second meeting 2024/01/02	
Mr. Saud bin Mohammed Al-Shuraim	Chairman	✓	✓	2
Mr. Ahmed bin Nasser Al-Sayegh	Member	✓	✓	2
Mr. Khalid bin Abdulmohsen Al-Khayyal	Member	✓	✓	2



► Governance

Executive Management



Meshal bin Mohammed Al Kathiri,
CEO

Most notable previous professional experience
General Manager of Al Kathiri Holding Command of the Naval Forces and promotion from the rank of Liaison Officer to Platoon Commander in the Fifth Battalion of the Eastern Fleet General Manager of the Innovation Union Company
Qualifications
Bachelor of Naval and Military Sciences, King Fahd Naval College, Saudi Arabia, 2005



Basil Abdel Samee Youssef,
Financial Director

Most notable previous professional experience
Head of Accounts for Al Katheer Holding Company Accountant at Al Kayed Brothers Company
Qualifications
Bachelor of Administrative Sciences, Jerash Private University, Jordan, 2013



Samia Nina Hajjo
Strategy Director

Most notable previous professional experience
Consultant at DEVOTEAM Project Manager at Covea Project Manager at DEVOTEAM
Qualifications
Master of Project Management, University of Central Paris, France, 2017 Master's degree in Aeronautical Engineering and Space Sciences, France, 2019



Sobhi Gamal Ibrahim
GRC Manager

Most notable previous professional experience
Shareholder Relations Manager at Al Kathiri Holding Company Senior Auditor at United Accountants Company
Qualifications
Master of Business Administration, Entrepreneurship University, USA, 2022 Bachelor of Accounting, Suez Canal University, Arab Republic of Egypt, 2010



Abdulaziz bin Suleiman Al-Nasser
Internal Audit Manager

Most notable previous professional experience
Business Development Manager at Al Kathiri Holding Company and its subsidiaries Customer Service Officer at Al-Bilad and Al Rajhi Bank Sales Specialist at Rashid Abdulrahman Al- Rashed and Sons Company
Qualifications
Bachelor of Business Administration, King Faisal bin Abdulaziz University, Kingdom of Saudi Arabia, 2014 Diploma in Business Administration, King Saud University, Kingdom of Saudi Arabia, 2013

Executive Sector Directors



Ahmed Abdel Sattar Ismail
Ready-Mix Concrete Sector Manager

Most notable previous professional experience
Assistant Financial Manager at Al Arabiya Ready Mix Concrete Factory Financial Manager at Al Arabiya Ready Mix Concrete Factory Head of the Emergency Food Security Project at CARE International Financial Director of Al Kathiri Holding Company
Qualifications
Bachelor of Accounting, Tanta University, Egypt, 2019



Ahmed Ismail Abdel Qader
Director of the Contracting and Real Estate Development Sector

Most notable previous professional experience
Project Engineer at Al-Daf'a Trading and Contracting Company Project Engineer at Siwa Contracting Company
Qualifications
Bachelor of Engineering, Alexandria University, Egypt, 2009



Hussein Zenon
Director of Modern Construction Methods Sector

Most notable previous professional experience
Head of the Technical Department at Al-Quraishi Holding Company Structural Designer at Al-Shibl Engineering Consulting Office
Qualifications
Bachelor of Civil Engineering, Prince Fahd bin Sultan University, Kingdom of Saudi Arabia, 2019



Rabah Sabri Abu Shaqir
Director of the Transportation and Logistics Sector

Most notable previous professional experience
Sales and Marketing Manager at Elite Trading Company Export and Logistics Manager at Al Sharq Flexible Packaging Factory, Head of the Emergency Food Security Project at CARE International
Qualifications
Bachelor of Science in Marketing, Arab American University, Palestine, 2005



Thomas Oswald
Director of the Yacht and Marine Boat Industry Sector

Most notable previous professional experience
CEO of Military Industries, Project Manager of Atlas Electronics, Shipbuilding Project Manager - Germany
Qualifications
Master's Diploma in Mechatronics

Governance

Duties of the Executive Management at Al Kathiri Holding Company

The executive management is the primary driver for achieving Al Kathiri Holding's strategic goals, as it works on implementing operational plans and overseeing the performance of subsidiary companies to ensure sustainable growth and enhance share-holder value. Its key responsibilities include:

01.	Developing and Implementing the General Strategy	
	Enhancing the Performance of Subsidiary Companies	.02
03.	Exploring Investment and Expansion Opportunities	
	Financial Management and Profitability Enhancement	.04
05.	Developing Competencies and Human Resources	
	Achieving Sustainability in All Company and Subsidiaries' Operations	.06
07.	Risk Management and Compliance Assurance	
	Strengthening Relationships with Investors and Partners	.08
09.	Supporting Innovation and Digital Transformation	

The executive management at Al Kathiri Holding Company serves as a fundamental pillar for achieving success and sustainable growth. By focusing on strategic expansion, enhancing operational performance, and promoting innovation and sustainability, the management aims to lead the company toward a brighter future and create lasting value for all stakeholders.



Governance

Rewards and Compensation

Policy on Rewards for Board Members, Its Subcommittees, and Executive Management

Rewards for Board Members and Subcommittee Members:

1. The remuneration of a Board member for their work on the Board is determined by a specific amount and an attendance allowance for meetings, as stipulated in this policy, in addition to any in-kind benefits or a specified percentage of net profits. It is permissible to combine two or more of these benefits. However, the remuneration of independent Board members may not be based on a percentage of the company's profits or be directly or indirectly linked to profitability.
2. The rewards received by a Board member should be fair and proportionate to their competencies, the tasks and responsibilities they undertake, and the objectives set by the Board of Directors to be achieved during the financial year.
3. A Board member may receive compensation for any additional executive, technical, administrative, or advisory roles (under a professional license) assigned within the company, alongside the remuneration for their Board membership and participation in its subcommittees, in accordance with the Companies Law and the company's Articles of Association.
4. The remuneration of Board members, subcommittee members, and executive management must comply with the relevant laws and regulations.

Executive Management Rewards:

The annual bonus for the executive management at AI Kathiri Holding is calculated based on the approved policy and mechanism for annual rewards. This is determined by clear and specific performance criteria that take into account the achievement of the company's strategic objectives, financial and operational performance, as well as contributions to enhancing operational efficiency and sustainable growth. This policy aims to incentivize outstanding performance and ensure alignment of interests between executive management and shareholders.

1- Board Members' Rewards

The following table outlines the Board Members' rewards for the year 2024.

Member Name	Specific Amount	Attendance Allowance	Total Committee Meeting Attendance Allowance	In-Kind Benefits	Technical Work and Advisory Management Compensation	Compensation for the Chairman, Managing Director, or Secretary (If a Board Member)	Total	Percentage of Profits	Periodic Rewards	Short-Term Incentive Plans	Long-Term Incentive Plans	Granted Shares	Total	End-of-Services Compensation	Total Sum	Expense Allowance
First: Independent Members																
Abdullah bin Abdulrahman Al-Sheikh	40,000	8,000	0	0	0	0	48,000	0	0	0	0	0	0	0	48,000	0
Saud bin Mohammed Al-Shuraim	40,000	8,000	12,000	0	0	0	60,000	0	0	0	0	0	0	0	60,000	0
Total	80,000	16,000	12,000	0	0	0	108,000	0	0	0	0	0	0	0	108,000	0
Second: Non-Executive Members																
Khalid bin Abdulmohsen Al-Khayal	40,000	8,000	4,000	0	0	0	52,000	0	0	0	0	0	0	0	52,000	0
Total	40,000	8,000	4,000	0	0	0	52,000	0	0	0	0	0	0	0	52,000	0
Third: Executive Members																
Mishal bin Mohammed Al-Kathiri	40,000	8,000	0	0	0	0	48,000	0	0	0	0	0	0	0	48,000	0
Total	40,000	8,000	0	0	0	0	48,000	0	0	0	0	0	0	0	48,000	0
Total Sum	160,000	32,000	16,000	0	0	0	192,000	0	0	0	0	0	0	0	208,000	0

The total rewards and compensations due to the Board members have been calculated based on the Policy on Rewards for Board Members, Subcommittee Members, and Executive Management. There are no material deviations from this policy.

2- Rewards for Board Committee Members

The following table outlines the rewards for committee members for the year 2024.

A- Audit Committee Members

Name	Fixed Rewards (Excluding Attendance Allowance)	Attendance Allowance	Total
Adel bin Ibrahim Al-Kathiri	25,000	8,000	33,000
Ahmed bin Nasser Al-Sayegh	25,000	8,000	33,000
Saud bin Mohammed Al-Shuraim	25,000	8,000	33,000
Total	75,000	24,000	99,000

Governance

B- Nomination and Remuneration Committee Members

Name	Fixed Rewards(Excluding Attendance Allowance)	Attendance Allowance	Total
Saud bin Mohammed Al-Shuraim	25,000	4,000	29,000
Ahmed bin Nasser Al-Sayegh	25,000	4,000	29,000
Khalid bin Abdulmohsen Al-Khayal	25,000	4,000	29,000
Total	75,000	12,000	87,000

3- Senior Executive Rewards

The following table outlines the rewards for the top five (5) senior executives for the year 2024.

Senior Executive Positions	Salaries	Allowances	In-Kind Benefits	Total	Periodic Rewards	Profits	Short-Term Incentive Plans	Long-Term Incentive Plans	Granted Shares	Total	End-of-Service Compensation	Total Executive Compensation for Board Membership (if Applicable)	Total Sum
Details of Compensation for the Top Five (5) Senior Executives, including the CEO and CFO, who received the highest rewards.	1,079,850	862,492	0	1,942,342	37,000	0	0	0	0	37,000	0	48,000	2,027,342

Note: The company has complied with the disclosure of senior executive compensation elements in aggregate, in accordance with the regulatory requirements stated in subparagraph (b) of paragraph (4) of Article 90 of the Corporate Governance Regulations. However, to protect the interests of the company, its shareholders, and employees, and to avoid any potential harm resulting from detailed disclosure, the specific details have not been presented as outlined in Annex 1 of the Corporate Governance Regulations for senior executives.

Ownership of Company Shares by Board Members and Senior Executives

1 – Members' Ownership:

Name	Position	Notes	Beginning of the Year		End of the Year		Clear change	
			Number of shares	Ownership percentage	Number of shares	Ownership percentage	Number of shares	Ownership percentage
Mishal bin Mohammed Al-Kathiri	CEO - Board Member	His shares	87,199,060	38.5761%	87,199,060	38.5761%	0	0%

2 – Ownership of Senior Executives, Their Spouses, and Minor Children:

Name	Position	Notes	Beginning of the Year		End of the Year		Clear change	
			Number of shares	Ownership percentage	Number of shares	Ownership percentage	Number of shares	Ownership percentage
Mishal bin Mohammed Al-Kathiri	CEO - Board Member	His shares	87,199,060	38.5761%	87,199,060	38.5761%	0	0%



► Governance

Dividend Distribution Policy

General Dividend Distribution Policy

In accordance with Article 43 of the Company's Articles of Association, the company's profits shall be distributed as follows:

1. The Ordinary General Assembly, when determining the share of net profits for distribution, may decide to allocate reserves to the extent that serves the company's interests or ensures, as much as possible, a stable dividend distribution to shareholders. The Assembly may also deduct amounts from net profits for social purposes benefiting the company's employees.

2. From the remaining profits, a first payment shall be distributed to shareholders, amounting to at least 1% of the paid-up capital.

3. In accordance with the Companies Law and its regulations, up to 5% of the remaining profits may be allocated as compensation for Board members, with a maximum limit of 100,000 AED per member for their service on the Board. This compensation must be proportionate to the number of meetings attended by each member.

4. The remaining profits shall then be either distributed to shareholders as an additional dividend share or transferred to the retained earnings account. Annual or interim dividends may be distributed from distributable profits to shareholders in accordance with the regulations set forth in the Executive Regulations of the Companies Law for listed joint-stock companies.

Dividend Entitlement:

A shareholder is entitled to their share of the dividends as per the resolution issued by the General Assembly in this regard. The resolution specifies the entitlement date and the distribution date. Dividend entitlement applies to shareholders registered in the company's shareholder records at the end of the specified entitlement date. The Board of Directors must implement the General Assembly's resolution on dividend distribution within the timeframe specified by the Executive Regulations of the Companies Law for listed joint-stock companies.

Dividend Distributions in 2024:

No arrangements have been made regarding dividend distributions during 2024. No dividends were distributed to the shareholders of Al Kathiri Holding Company during 2024.

Statement on Any Arrangements or Waiver Agreements:

There are no arrangements or agreements under which any shareholder of the company has waived their rights to dividends.



Governance

General assemblies

In 2024, the company held one ordinary general assembly meeting. Below are the date of this meeting and the members of the board of directors who attended:

Member's name	Attendance record	Total
	The first meeting 2024/05/26	
Khaled Abdul Mohsen Abdul Rahman Al-Khayal	✓	1
Saud Mohammed Abdullah Al-Shuraim	✓	1
Mishal Mohammed Nasser Al-Kathiri	✓	1
Abdullah Abdul Rahman Abdullah Al-Sheikh	✓	1

Results of the ordinary general assembly meeting held on May 26, 2024.

- The Board of Directors' report for the fiscal year ending on December 31, 2023, was reviewed and discussed.
- Approval of the company's auditor's report for the fiscal year ending on December 31, 2023.
- The company's financial statements for the fiscal year ending on December 31, 2023, were reviewed and discussed.
- Approval of the appointment of Suleiman Abdullah Al-Kharashi & Partners (Accountants and Legal Auditors) as the company's auditor from the candidates recommended by the Audit Committee. They will audit the financial statements for Q2, Q3, and the annual financial statements for the fiscal year 2024, as well as Q1 of the fiscal year 2025, with a fee of 490,000 AED excluding VAT.
- Approval of the transactions and contracts to be made between Musanadah Al-Emdad Limited, a subsidiary owned by the parent company (AI-Kathiri Holding), and Al-Yan Industrial Company. Board members Mr. Mishal Al-Kathiri and Mr. Khaled Al-Khayal have a direct interest in these transactions. The transactions during the period ending December 31, 2024, amounted to 17,749,546 AED , which were purchases and mutual transactions conducted in the ordinary course of business and according to prevailing commercial terms without any preferential terms.
- Approval of the transactions and contracts to be made between the company and Al-Yan Industrial Company, in which Board members Mr. Mishal Al-Kathiri and Mr. Khaled Al-Khayal have a direct interest. The transactions during the period ending December 31, 2023, amounted to 20,562,769 AED , which were ordinary transactions conducted between the company and its subsidiary in accordance with the company's policies and without preferential terms.
- Approval of authorizing the Board of Directors with the authority granted to the ordinary general assembly in paragraph (1) of Article 27 of the Companies Law, for a period of one year from the date of the general assembly's approval, or until the end of the term of the authorized Board of Directors, whichever is earlier, in accordance with the regulations of the Companies Law for listed joint-stock companies.

Shareholders

Shareholders' proposals

The Board of Directors and executive management give great attention to shareholders' proposals and opinions. The Board of Directors has authorized the company to take the necessary actions to enable shareholders to submit their proposals and remarks through the Investor Relations Department and various communication channels such as email, direct phone, and the company's website.

The Investor Relations Department regularly reviews shareholders' proposals and informs the Board of Directors about them. Additionally, shareholders can directly communicate with the members of the Board of Directors during the company's general assembly meetings, where sufficient time is allocated to respond to all questions.

During 2024, the Board of Directors did not receive any comments from shareholders regarding the company and its performance. The Board of Directors always ensures the attendance of the majority of its members, especially the non-executive members, at the general assembly meetings to listen to shareholders' questions and proposals related to the company and its performance, respond to them, and document them in the assembly minutes. AI-Kathiri Holding also ensures the disclosure of all relevant information at the appropriate time and makes it available through its website.

Shareholder register

Three (3) shareholder registers were requested from the Securities Depository Center during 2024. Below are the dates of the requests and the reasons:

#	Date of the request	Date of the share ownership file	Reasons for the request
1	2024/01/14	2023/12/31	Corporate procedures
2	2024/05/26	2024/05/26	General assembly
3	2024/12/30	2024/12/31	Others

Investments or reserves created for the benefit of employees

The company allocated an amount of 4,272,476 AED as a provision for end-of-service benefits and did not create any other investments or reserves for its employees.

Governance

Regulatory payments

The value of regulatory payments paid and due for the payment of any zakat, taxes, fees, or any other dues that have not been settled by the end of the annual financial period, along with a brief description and the reasons for them, is provided in the table below:

Statement	total paid during 2024	Due until the end of the annual financial period and not paid	A brief description of it	Statement
Zakat	878,738.78	-	Regular payments paid and due in accordance with the provisions and rules of Zakat and the instructions of the General Authority for Zakat and Income in the Kingdom of Saudi Arabia.	Regulatory requirement
Zakat reassessment	-	-	Regular payments paid and due in accordance with the provisions and rules of Zakat and the instructions of the General Authority for Zakat and Income in the Kingdom of Saudi Arabia.	Regulatory requirement
Value Added Tax (VAT)	2,685,296.60	700,159.68	The company is subject to the value-added tax system issued under Council of Ministers Resolution No. 654 dated 01/11/1438 AH, where the company prepares monthly returns from the beginning of 2018 AD, and pays them monthly within the statutory period based on the due amount from the previous month.	Regulatory requirement
General Organization for Social Insurance	1,161,049.09	-	Regular payments paid and due in accordance with the provisions and rules of the General Organization for Social Insurance in the Kingdom of Saudi Arabia	Regulatory requirement
Visa, passport, and residency costs	1,011,543.54	-	Regular payments paid and due in accordance with the provisions and rules of the Ministry of Interior and the Ministry of Labor	Regulatory requirement

Company competition

There is no description of any information regarding any business competing with the company or any of its branches of activity that is or was practiced by any member of the board of directors, including the names of those involved in the competing businesses, the nature of these businesses, and their terms.

Transactions and contracts with related parties

Transactions with related parties include business and contracts in which Al Kathiri Holding is a party, and which involve a direct or indirect interest for any member of the board of directors, senior executives, or any person related to any of them. The following is a statement of these transactions:

Contracting party	Related party	Nature of the contract	Value of transactions in Saudi Riyals
Aliaan Industry Company & Al Kathiri Holding Company	Mr. Meshal Al Kathiri - Board member of both companies	Mutual transactions	11,453,151
Msandh Alemdad Limited Company & Alyaan Industry Company	Mr. Meshal Al Kathiri - Board member of Alyaan Industry Company and Al Kathiri Holding Company - the company that owns Musanadah Al Emdad Limited Company 100%	Purchases and mutual transactions during the year	41,411,966
Luxury Yacht Company & Alyaan Industry Company	Mr. Meshal Al Kathiri - Board member of Alyaan Industry Company and Al Kathiri Holding Company - the company that owns Luxury Yacht Industry Company 100%	Mutual transactions	19,483

Sharia Zakat provision

The company has formed a provision for Sharia Zakat in the amount of Zero Riyal for Zakat due for the year 2024. During the year 2020, the Zakat and Income Authority approved the company's request to submit consolidated accounts for the company and its subsidiaries starting from the year 2020, provided that a separate information return is submitted for each subsidiary individually.

Shares and debt instruments issued for each subsidiary

Al Kathiri Sukuk Establishment (Al Kathiri Holding is the sponsor) offered 100,000 Sukuk worth 100,000,000 ﷲ within a local Sukuk program listed on the Saudi market and compliant with Sharia provisions during the year 2023, redeemable after 5 years

Governance

Loans and banking facilities

The company has entered into Sharia-compliant credit facility agreements with local banks that include current account facilities, short-term loans, participation and Murabaha contract financing, documentary credit facilities, and letters of guarantee, to finance the purchase of raw materials during the period at agreed-upon variable Islamic Murabaha rates with the bank.

The company signed an Industrial Development Fund loan agreement on 02/10/2019 for an amount of 23,200,000 ﷲ, from which 1,160,000 ﷲ is deducted as a promissory note guarantee and a mortgage of all factory assets in favor of the fund. The company received 23,200,000 ﷲ from the loan, which includes study costs and full evaluation costs, and the loan is repaid in 12 installments, starting from 16/05/2022 and ending on 16/09/2027.

The following is a detailed statement of the loans and credit facilities that were signed until 31/12/2024

Loans and credit facilities

#	Lender's name	Amount or limits (facilities - loans)	Duration of facilities - loan	Amounts used	Loan repayments made during the year	Remaining loan amount	The total debt of the company and its subsidiaries
A - Short-term credit facilities							
1	Riyad Bank	4,521,000	Facilities repaid every 6 months	3,551,913	3,418,245	1,750,100	1,750,100
2	National Bank	5,000,000	Facilities repaid every 6 months	7,383,986	8,441,453	4,218,215	4,218,215
3	Arab Bank	7,000,000	Facilities repaid every 6 months	11,962,532	10,589,199	5,326,666	5,326,666
4	Riyad Bank - Alian Industry Company	8,000,000	Facilities repaid every 6 months	26,921,412	21,884,883	5,036,530	5,036,530
B- Loans - Long-term loans							
1	Saudi Industrial Development Fund	23,200,000	Installments payable over 7 years	23,200,000	4,000,000	16,200,000	16,200,000

Interests of Board Members in the Company's and Its Subsidiaries' Debt Instruments

AI Kathiri Sukuk Entity (sponsored by AI Kathiri Holding) issued 100,000 sukuk worth 100,000,000 ﷲ as part of a locally listed sukuk program in the Saudi market, compliant with Shariah principles, during the fiscal year ending on 31/12/2024.

Below is a statement of the debt instruments owned by Mr. Mishaal AI Kathiri in his capacity as a Board Member of AI Kathiri Holding and AI Kathiri Sukuk Entity, as well as the CEO of AI Kathiri Holding:

Name	Position	Notes	Beginning of the year		End of the year		Net change	
			Ownership Percentage	Number of Sukuk	Ownership Percentage	Number of Sukuk	Ownership Percentage	Number of Sukuk
Mr. Meshal bin Mohammed AI Kathiri	Chief Executive Officer - Board Member	AI Kathiri Sukuk - A Special Purpose Entity	13.30%	7,695	-	-	(13.30%)	(7,695)

Board of Directors' Declarations

The Board of Directors declares the following:

- The accounting records have been properly prepared.
- The internal control system has been properly established and effectively implemented.
- There is no significant doubt regarding the company's ability to continue its operations.

Key Plans and Decisions During the Year 2024

- On October 9, 2024, AI Kathiri Holding announced that its subsidiary, "Musnadah Al-Imdad Limited," established a limited liability company with a capital of 500,000 Qatari riyals, fully owned (100%) under the name "Musnadah Contracting." The company's headquarters is located in Doha, Qatar.
- On November 12, 2024, AI Kathiri Holding signed a Memorandum of Understanding with the Aseer Region Municipality to invest in a long-term project involving the utilization of municipal real estate for the development and operation of a commercial and hotel project ("mixed-use activity"). The project will be established on a 53,300 square meter plot owned by the Aseer Region Municipality in Ard Al-Dhabaab, Abha, and will include a hotel, retail facilities, and entertainment amenities.
- AI Kathiri Holding announced that its Board of Directors, in its meeting held on December 31, 2024, approved the establishment of a new subsidiary under the name "Saraya Al-Diyar Investment Company." The company is a limited liability entity with a capital of 1,000,000 ﷲ, fully owned by AI Kathiri Holding, subject to obtaining the necessary approvals and licenses from the relevant authorities.

Board of Directors' Recommendation to the General Assembly

The Board of Directors, after reviewing the company's achievements for the fiscal year ended 31/12/2024, as well as the financial statements, recommends including the following items on the agenda of the General Assembly meeting:

- Voting on the company's auditor's report for the fiscal year ended 31/12/2024, after discussion.
- Reviewing and discussing the company's financial statements for the fiscal year ended 31/12/2024.
- Reviewing and discussing the Board of Directors' report for the fiscal year ended 31/12/2024.
- Voting on the appointment of the company's auditor from among the nominated candidates, based on the recommendation of the Audit Committee, to examine, review, and audit the financial statements for the second and third quarters, as well as the annual financial statements of the current year 2025 and the first quarter of 2026, and determining their fees.

► Governance

Board of Directors' Confirmations

The Corporate Governance Regulations issued by the Capital Market Authority emphasize the necessity of disclosing all required items in the Board of Directors' annual report in accordance with the annual report template. The Board is committed to disclosing these items whenever they apply to the company. Accordingly, the Board of Directors of Al Kathiri Holding confirms the following:

#	Confirmation
1	The company consistently strives to meet and implement the requirements of the Corporate Governance Regulations, including policies and procedures related to disclosure and transparency.
2	The company has not received any request from the legal auditor to convene the General Assembly during the fiscal year ended.
3	The Chairman of the Board has not received any written request to hold emergency meetings from two or more members during the fiscal year ended.
4	The company has not received any request from shareholders owning 5% or more of the capital to convene the General Assembly during the fiscal year ended.
5	Shareholders owning 5% or more of the company's shares did not request the addition of any topics to the agenda of the General Assembly during its preparation.
6	The Board of Directors did not release any of the company's debtors from their obligations to the company during the year 1446.
7	The financial position and company performance confirm the company's ability to continue its operations.
8	There are no material obstacles that may affect the company's ability to prepare its financial statements in accordance with international standards.
9	The auditor did not provide any advisory services to the company and did not receive any fees in this regard during the fiscal year 2024.
10	The company does not have any preferred shares or shares with special voting privileges (whether for shareholders, board members, or employees). All company shares are ordinary shares with equal nominal value and equal voting rights and other rights in accordance with the regulations.
11	There is no interest in any class of shares with voting rights held by individuals (other than Board members, senior executives, their spouses, and minor children) who have notified the company of such rights or any changes in those rights during the fiscal year 2024, except as stated in this report.
12	There is no interest, contractual securities, or subscription rights held by the company's Board members, senior executives, or their relatives in the company's shares or debt instruments, or those of its subsidiaries, during the fiscal year ended 31/2024/12/, except as stated in this report.
13	There are no categories or quantities of any convertible debt instruments, contractual securities, subscription warrants, or similar rights issued or granted by the company during the fiscal year.
14	There has been no redemption, repurchase, or cancellation by the company or any of its subsidiaries of any redeemable debt instruments.

#	Confirmation
15	There has been no redemption, repurchase, or cancellation of any redeemable debt instruments by the company or any of its subsidiaries.
16	There are no penalties (with a material impact), sanctions, precautionary measures, or restrictive provisions imposed on the company by the Capital Market Authority or any other regulatory, supervisory, or judicial authority during the year 2024, except as stated in this report.
17	There are no transactions between the company and any related party.
18	There are no arrangements or agreements under which any Board member, executive management member, or company employee has waived any rewards.
19	There are no arrangements or agreements under which any shareholder of the company has waived their right to dividends.
20	The company did not make any social contributions during the fiscal year.
21	The company does not hold any treasury shares.
22	There were no recommendations from the Audit Committee that conflicted with the decisions of the Board of Directors or recommendations that the Board refused to adopt.
23	The company has not provided any cash loans or credit facilities of any kind to its Board members, nor has it guaranteed any loan entered into by any of them with a third party.
24	The company has not received any comments from shareholders during the fiscal year ended 31/2024/12/.
25	There are no procedures that may hinder shareholders' voting rights.
26	There were no significant events affecting the company's financial position that require disclosure, other than the available and announced information.
27	The Audit Committee has not issued any recommendations to dismiss the company's auditor or change their fees.
28	The Board of Directors has not issued any recommendation to dismiss or replace the company's auditor before the end of their appointed term.
29	The company's consolidated annual financial statements and the standalone annual financial statements of its subsidiaries have been prepared in accordance with the International Financial Reporting Standards (IFRS) and other standards and pronouncements adopted by the Saudi Organization for Chartered and Professional Accountants (SOCPA) in the Kingdom of Saudi Arabia for financial reporting.
30	The auditor's report did not include any reservations or material observations on the annual financial statements for the fiscal year 2024.
31	The company's internal audit management submits its periodic reports and presents them to the Audit Committee.



الكثيري القابضة
AL KATHIRI HOLDING