

## Annual Report

# 2025

بِسْمِ اللَّهِ  
الرَّحْمَنِ  
الرَّحِيمِ

**Board of Directors Annual Report  
Aldrees Petroleum & Transport Services Co. (Aldrees)  
& Closing Accounts for the Fiscal Year Ended on  
31 December 2025**



The Custodian of the Two Holy Mosques

**King Salman bin Abdulaziz Al Saud**



His Royal Highness

**Prince Mohammed bin Salman bin Abdulaziz Al Saud.**

The Crown Prince, Prime Minister

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## Board of Directors Report For

## The Fiscal Year Ended on 31 December 2025

### Shareholders of ALDREES Petroleum & Transport Services Co.

The Board of Directors is pleased to present the Annual Financial Report for the Fiscal Year (ended) 2025. We take great pride in the success of our company has achieved during this period, marked by a significant qualitative leap and outstanding performance. This report highlights our financial results, the various activities undertaken by the company, and the progressive strategies that have strengt ened our financial position for fiscal year (FY) ending 31 December 2025.

Continued growth, expansion, and development of our stations throughout our beloved Kingdom, reaching (1300) stations, and the use of technology services in our operational processes through the (WAIE) program, and the expansion in logistics and transportation services have enabled us to mai tain our leadership and increase our market share. This achievement is the fruit of the company's growth strategy and its continued pursuit of goals and maximizing returns for its shareholders, ALLAH willing.

Thanks to ALLAH and the dedicated efforts of the company's employees, In FY2025, the company delivered strong performance, achieving total sales of 25,760.8 million ﷲ , a %33.6 increase compared to 19,288.6 million ﷲ in FY 2024. Additionally, the company reported a net profit of 421.8 million ﷲ , reflecting a growth of %22.4 compared to 344.7 million ﷲ in FY 2024.

In closing, we extend our heartfelt gratitude for your trust in the company's management. As we approach the new year with optimism and a focus on continued success, we look forward to welcoing you to the Annual General Assembly of Shareholders, where we will gladly address your questions regarding the matters outlined in this report.

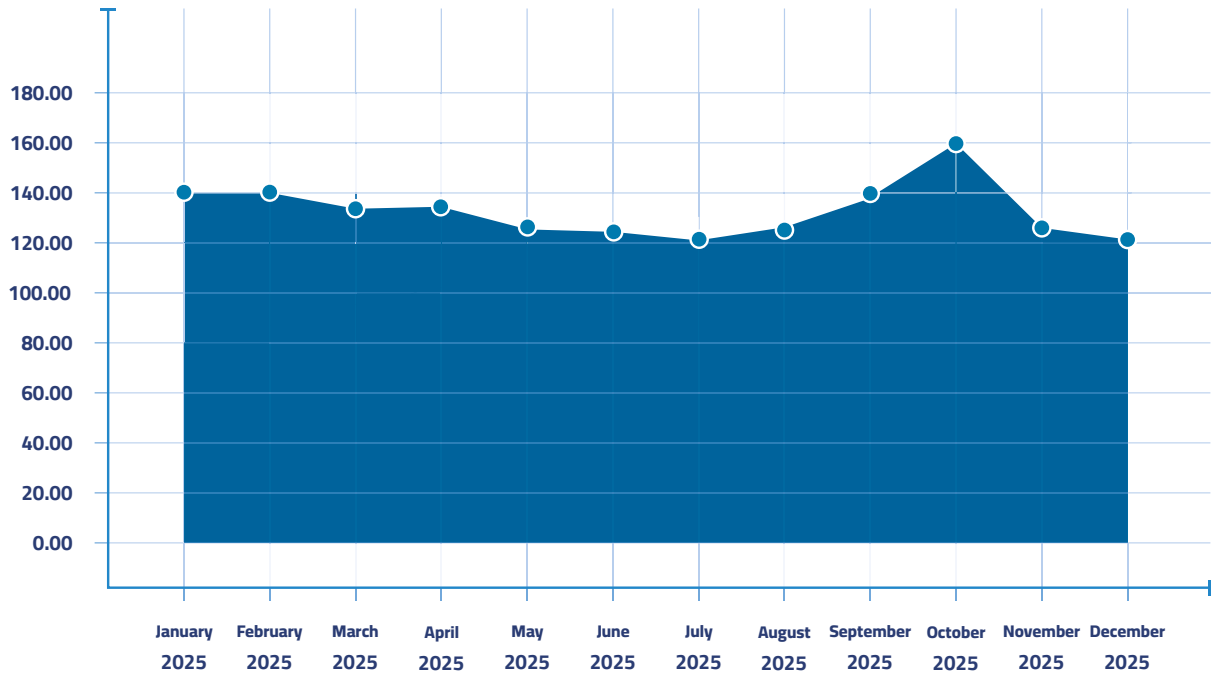




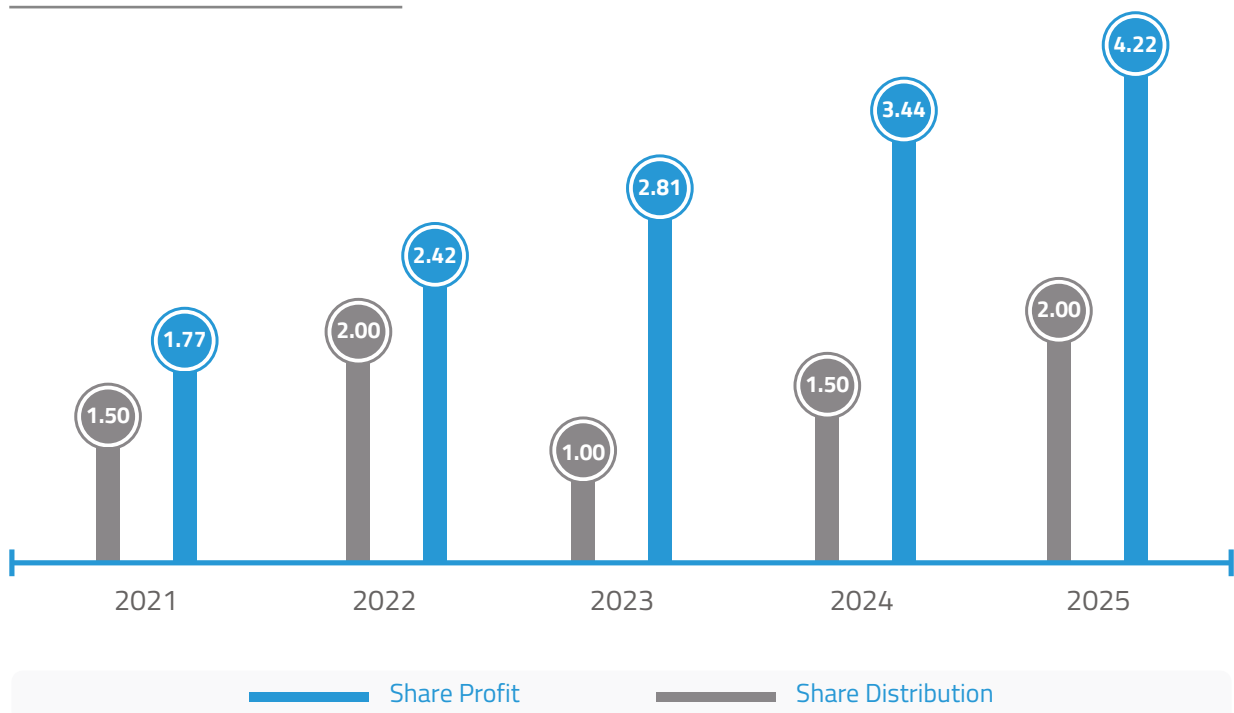


## Diagram - Share Performance during 2025

### Share Value



### Share Profit & Distribution ( ¢ )



# AL DREES



# VISION AND MISSION





## VISION AND MISSION

As the company's management seeks to keep up with the Kingdom's Vision 2030 aiming at developing all fields in KSA, ALDREES Petroleum & Transport Services Company has developed future vision for the upcoming five years that would help to further its services, exert all necessary efforts to improve performance and develop the working environment to achieve KSA's future vision.

By looking forward and recognizing the main drivers that will shape our business in the future would make our long-term goals at gaining interests for us, our partners and the stakeholders.



## Vision

Our vision is to become the most efficient company in terms of managing and operating fuel stations and logistics services in addition to transporting various goods with the assistance of qualified personnel with the application of latest technologies.



## Mission

Our mission is to take advantage of every possible opportunity to fulfill our actions and decisions:

1

Provide the best services to our clients.

2

Continue training and developing the skills of our staff.

3

Use the latest world class methods in our operational processes.

4

Achieve the best returns to our shareholders.

5

Community services.



## The Message

Achieving a leading position for the company in the field of operating, managing and maintaining petrol stations, service centers, logistics and transportation, raising the level of quality, and achieving customers and shareholders satisfaction and stakeholders in accordance with our social responsibility.



## Our Responsibility

Our commitment to our social and environmental responsibilities is reflected through the integrated methodology on which our work scope is based, as we are constantly keen to contribute effectively to achieving real and positive development within the society in which we work to contribute, thus advancing development throughout the Kingdom.





## Core Values:

It is the innate values that our company prides itself with our partners, customers, employees, and community. These values are consistent with our decisions and actions and are the bases for our relationships and commitments. The qualities that we would like to be known by outside the company.



## Quality

We are committed to quality and believe that it is the best way to develop our work and improve our performance and customer satisfaction.



## Safety

Safety comes first, and we take all preventive precautions against risks in our operations. Our goal is to completely avoid operational hazards.



## Community Service

We believe that we are part of the formation of the society in which we live and that we have a moral responsibility to support it, and that the development of society is the development of family of which we are part of.



## Commitment

We can fulfill our commitments toward our customers and our society and do what is required from us on time and in the right way.



## Honesty

Your service and goods are in safe hands. We take care your goods and fulfill our obligations.



## Professionalism

We work diligently to develop the skills and professional behavior of all our employees, to maintain the confidentiality and privacy of information, to carry out tasks in the correct manner and on time, and to evaluate what has been achieved.



## Innovation

We work to encourage creativity at all levels and take care of its elements and components.



## Teamwork

We unite our capabilities to achieve a common vision and together we can collectively succeed in any endeavors.



## Clarity and Transparency

We have an open-door policy and discourage barriers in the working environment. We reject methods that hinder communication in achieving the best service to our customers.



## Justice and Integrity

We value honesty and transparency in our business operations. Should negligence be in question in delivering services we disclose facts and always adhere to laws.





## Company Objective:

The company aims to achieve the best returns for shareholders, and to provide the best distinguished services to its customers through continuous development and raising the efficiency of human resources, as our business operations are supervised by a trained team of engineers, technicians and manpower, that guarantees the safety of trucks, devices, equipment and stations.





## Description of Company Activity, Sectors and Subsidiaries:

The company activities include, pursuant to the Commercial Registration thereof; Retail and wholesale trade of fuel, oil, gas, car spare parts, tires, batteries. Cargo services, hauling/ bulk transportation to all domestic routes in KSA and cross-borders of all kinds of goods and products, water, chemicals, etc. Land transport services, maritime and air passengers. Customs clearance of products and goods services, packaging, packing, and all Logistics and complementary services for all company purposes, inside and/or outside KSA by land, sea and air. Establishing workshop, mechanics, electricity, blacksmithing, painting, plumbing and car washrooms. Purchasing parcels of land and, build or develop and investment through sale or rent to company; Retail and wholesale trade of food products; establishing, managing, operating, renting, restaurants and fast food service centers (for hot and cold drinks and snacks). Subsistence services: Cooked and uncooked. Management, operating and maintenance of fuel stations, and carwash & polishing. Investment through purchasing commercial and residential buildings. Purchase, or owns medical centers for company. Import apparatus, equipment, spare parts, system automation, fuel pumps systems, tanks, and all the supplies needed to operate fuel stations. Building general contractor. Maintenance, cleaning, installation, restoration, demolition, gypsum, decoration, electrical and plumbing works roads, asphalt, lighting, extension of telephone networks, water, sanitation, carpentry, air conditioning and landscaping. The company carries out its activities in accordance with the established regulations and after obtaining the necessary licenses from the competent authorities, if any.





The below Report shows activity and revenue analyses of each sector separately as follows:

| Description                      | 2025              | 2024              | 2023              | 2022              | 2021             |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| Income statement (ﷲ in thousand) | ﷲ                 | ﷲ                 | ﷲ                 | ﷲ                 | ﷲ                |
| <b>Sales:</b>                    |                   |                   |                   |                   |                  |
| Petroleum                        | 25,196,634        | 18,879,471        | 14,438,986        | 12,047,728        | 8,842,138        |
| Transport                        | 564,194           | 409,082           | 395,073           | 308,351           | 267,477          |
| <b>Total</b>                     | <b>25,760,828</b> | <b>19,288,553</b> | <b>14,834,059</b> | <b>12,356,079</b> | <b>9,109,615</b> |
| <b>Sales Percentage:</b>         |                   |                   |                   |                   |                  |
| Petroleum                        | %97.81            | %97.88            | %97.34            | %97.50            | %97.06           |
| Transport                        | %2.19             | %2.12             | %2.66             | %2.50             | %2.94            |
| <b>Growth Percentage:</b>        |                   |                   |                   |                   |                  |
| Petroleum                        | %43.75            | %56.71            | %19.85            | %36.25            | %86.60           |
| Transport                        | %39.26            | %32.67            | %28.12            | %15.28            | %13.54           |
| <b>Total</b>                     | <b>%43.63</b>     | <b>%56.11</b>     | <b>%20.05</b>     | <b>%35.64</b>     | <b>%83.14</b>    |





## First: (Petroleum) Sector:

The Company applies state of the art technology; quality and safety standards, continuous improvement and development of our employees abilities along with the best international and scientific methods to our operations, so as to provide good services. This led for the Ministry of Municipal and Rural Affairs to certify operations high standard and qualified to receive the (adjusted) profit margin for the certified companies. As a result of the new requirements by the Official Authorities (economic and regulatory changes regarding the fuel stations), the rehabilitation and development of the stations inside the cities and in the highways, necessitate long-term investments, with the aim to achieve and sustain the level of profitability, that resulted to a network of (1300) stronghold Service Stations.





The following is a summary of the number of owned and leased service stations:

| Description               | 2025         | 2024         | 2023         | 2022         | 2021         |
|---------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Company owned</b>      |              |              |              |              |              |
| At start of year          | 21           | 20           | 19           | 17           | 17           |
| Additions during the year | -            | 1            | 1            | 2            | -            |
| Exclusions                | -            | -            | -            | -            | -            |
| At the end of year        | 21           | 21           | 20           | 19           | 17           |
| <b>Leased Rentals</b>     |              |              |              |              |              |
| At start of year          | 1029         | 830          | 721          | 623          | 527          |
| Additions during the year | 277          | 213          | 121          | 110          | 108          |
| Exclusions                | 27           | 14           | 12           | 12           | 12           |
| At the end of Year        | 1279         | 1029         | 830          | 721          | 623          |
| <b>Total stations</b>     | <b>1300</b>  | <b>1050</b>  | <b>850</b>   | <b>740</b>   | <b>640</b>   |
| <b>Growth Rate</b>        | <b>%23.8</b> | <b>%23.5</b> | <b>%14.9</b> | <b>%15.6</b> | <b>%17.6</b> |

# 1300

## STATIONS



## Second: (Logistics and Transportation Division)

The company provides the best transportation fleet using modern trucks and maintenance methods employing only high-quality spare parts, and continuous training & development in human resources efficiency. Maintenance works are managed by a competent technical team under the supervision of highly efficient engineers to ensure safety of the drivers, trucks and equipment. The highly reputed operation of transport fleet is well-known across the Gulf Cooperation Council Countries (GCC) and some of the neighboring Arab countries. The company decides to acquire additional trucks and trailer heads to meet the rising demands of company's hauling contracts servicing, and Logistics expansions.





The following is the company's fleet summary (number of trucks and transportation units):

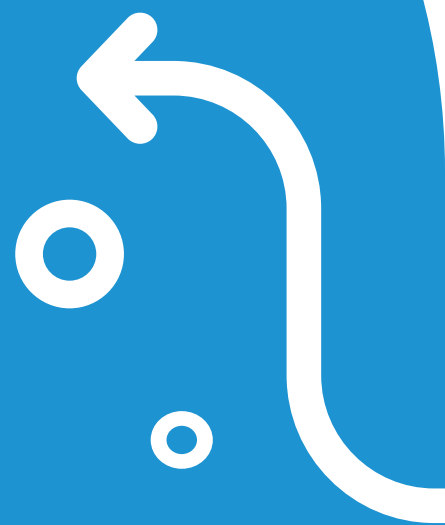
| Description                           | 2025        | 2024        | 2023        | 2022        | 2021        |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>Truck Head</b>                     |             |             |             |             |             |
| Year start                            | 1661        | 1594        | 1497        | 1265        | 1250        |
| Additions during the year             | 709         | 168         | 439         | 363         | 92          |
| Exclusions                            | 390         | 101         | 342         | 131         | 77          |
| Year end                              | 1980        | 1661        | 1594        | 1497        | 1265        |
| <b>Trailers</b>                       |             |             |             |             |             |
| Year start                            | 2886        | 2775        | 2651        | 2546        | 2444        |
| Additions during the year             | 390         | 296         | 325         | 118         | 115         |
| Exclusions                            | 294         | 185         | 201         | 13          | 13          |
| Year end                              | 2982        | 2886        | 2775        | 2651        | 2546        |
| <b>Total truck heads and trailers</b> | <b>4962</b> | <b>4547</b> | <b>4369</b> | <b>4148</b> | <b>3811</b> |

# 4962

## truck heads and trailers



# Description of Plans, Decisions and Future Expectations:





## Petroleum Services Division Strategy:

- ◆ Planning to expand ownership of service stations.
- ◆ Establishment of modern integrated fuel stations equip with distinct services.
- ◆ Lease station facilities to highly reputed companies with registered trade mark.
- ◆ Expansion on mega service stations on highways as integrated service stations to serve visitors.
- ◆ Integration of technologies by fuel filling automations as well as all operational and administrative processes.
- ◆ Maximising non-fuel revenue (other than sale of fuel) to increase company revenue.
- ◆ Supporting efficient human resources particularly the local talents in order to improve the operational level and competitiveness.
- ◆ Strategic partnership with respect to the operation of other services associated with gasoline sale.



## Logistics and Transportation Division Strategy:

- ◆ Capitalize on current assets for maximum profitability, as per the demand of business operations.
- ◆ Expand our activities in Total Supply Chain.
- ◆ Onsite & offsite logistics services (New JV).
- ◆ Invest in warehousing business.
- ◆ Engage in Retail logistic services.
- ◆ Expand Material Mgmt., Manpower & Eqpt. (MRO & Chemicals onsite).
- ◆ Container Yard Storage ( shipping lines).
- ◆ Container Yard port Operations.
- ◆ Local petrol distribution expansions.





**The future plans aim in sustaining the company's growth and development in transport/hauling & logistics services taking the existing operations to new heights and higher profitability.**

# Human Resources:



Delivering the best services to customers is the primary goal of the company. For this purpose the company continues to train and develop the competency of its employees through in-house training center to raise the marketing and supervisory culture and awareness, and to promote skills in the area of Petroleum Services through (Petrol Training Centers) as well as the services provided to customers via Logistics and Transportation Division.

The company is one of the leading companies in achieving quality and safety standards at work, the company has sought in the last years to obtain international certificates in the quality, safety and the environment and was one of the first companies to obtain the recognition of international organizations in implementing the quality and safety standards.

The Company is the first ever in Saudi Arabia to get (ISO 2008 :9001) certificate of quality and the first to receive the latest version thereof. (SAI GLOBAL) awarded the company (ISO 2008 :9001) Quality Management System Certification on 25 February 2009, after complying with all the necessary certification's requirements. The said Certificate covers management services related to fuel stations and land transport services.

The quality certificate has been obtained with its new version (ISO 2015 :9001) for a period of three years until 2027/02/18, including periodical reviews to make sure of Company's adherence to the global standards it gained. This showed our continuous hard work towards competency and fair business practices that the valuable consuming public is well-deserved.

These efforts culminated in the company obtaining the Occupational Health and Safety Certificate in which became a global standard within the ISO group, its new version and standard 45001:2018. The company has developed its safety system and work environment to meet international safety standards, and obtained the Occupational Health and Safety Certificate on January 29, 2010. This was achieved without difficulty due to the strength of the existing safety system, and the certificate has been renewed until January 24, 2029.

The third certificate is Safety and Quality Assessment System (SQAS) awarded by (GPCA). This certificate proves the application of quality and safety standards by another global body. The said certificate has been renewed until 17 February 2027.

The company got a new certificate in Responsible Care (RC 14001:2015) in compliance of transporting and handling methods of hazardous chemicals. This certificate is valid until October 21, 2027.

The company also obtained an Environmental Management System (ISO 14001: 2015) in its commitment to protect and care the environment, the certificate is valid until 09/01/2028.

The company got the coveted qualification certificate in Management, Operation and Maintenance of Gas Stations and Service Centers on Regional Highways. This was granted after the Ministry of Energy the evaluations on company's file and application as per the provisions and standards of the list of fuel stations and service centers Ministry's rehabilitation approval. The certificate is valid until August 2, 2027.

Mowaamah Certificate IS: Supportive work environment for disabilities people certificate certification Body: Ministry of Human Resources and Social Development The certificate is valid until G: 22/01/2026 .

Local Content Certification : The Local Content & Government Procurement Authority certifies that the Local Content Score for [ALDREES FOR PETROLEUM AND TRANSPORT CO (ALDREES)] Commercial Registration No. (1010002475) for the year ended 21/10/2027, is %59.61. This certificate expires on 19/01/2028



The company's obtaining this certificate has a significant impact on obtaining new investment opportunities through the acquisition of new and distinctive service station sites.

The company has strong commitment in applying the highest environmental safety standard, parallel with global standard practices and in line with the Kingdom's Vision 2030.

The company is keen in Saudizing all jobs. At present, there are many technical positions occupied by citizens who are provided with theoretical and field training courses. The company employs strategic Human Resourcing processes to get the best cadres of talent pools among the locals to replace foreign employees.





## Company Board of Directors recommends the following:

- ❖ Distribution of dividends for FY 2025 amounting (200) ﷲ Millions, (2) per share equivalent to %20 of shares eligible for dividends.  
The cash dividends shall be paid to eligible shareholders registered in the Securities. The eligibility of the dividends shall be for shareholders owning shares by the end of trading day of the General Assembly meeting date (which will be announced later) and are registered at Depository Center at the end of the second trading day following the General Assembly Meeting date. The distribution date will be determined later.
- ❖ Distribution bonus of (6) ﷲ Million, the total fees of the BOD for the FY 2025, so that the total of rewards and benefits for the member of the board will be in accordance with the controls set by the Ministry of Trade and the Capital Market Authority.
- ❖ Distribution of bonus to the members of the (4) members of Audit Committee, each by the amount of (150) ﷲ thousand each for the year 2025.
- ❖ Allocation of a maximum amount of (3) ﷲ Million to be disbursed during 2025 for community service and the delegation of the CEO of the company to disburse it during the year 2026 according to practice.
- ❖ Approve the recommendation of audit committee during their meeting no. 6 regarding the selection of External Auditor from among the candidates nominated to review and audit the quarterly and the annual financial statements of the company for the FY2026 and the 1st quarter of the FY2027 and the corresponding audit fees.
- ❖ Approval of the Board of Directors Report for the financial year ended 31 December 2025.

- ❖ Approval of the External Auditor report for the financial year ended 31 December 2025.
- ❖ Approval of the financial statements for the financial year ending on 31 December 2025.
- ❖ Clearance of the Chairman and members of the Board of Directors with respect to the management of the company for the year ended 31 December 2025
- ❖ Approval of the contracts and businesses that took place between the company and the companies owned by some of the members of the Board of Directors as related parties and authorizing such transactions and contracts until the end of the fiscal year which ends on 31 December 2025 noting that the contracts do not have any preferential conditions and these transactions include the following:
  - Aldrees Industrial and Trading Company (ALITCO)
  - Seven Orbit Trading Co.
  - Hamad Mohammed Aldrees – owner of Al Manakh station.
  - Abdulmohsen Mohammed Aldrees - owner of Jizan Property that is being Leased for the workshop, office, and accommodation of transport sector.
  - Hamad Mohammed Aldrees & Partners Company For industries & mining.





## RISK MANAGEMENT:

### POLICY:

To structure and formalize the risk management activities across the business units, the company has developed a risk management framework. The company business units are required to implement and use this common risk management framework.

The company treats risk inherent to its strategy to achieve its corporate and business units' objectives and to deliver superior shareholder returns. It is developing and implementing a common and systematic approach for managing risk across the company. This approach increases risk awareness, ensures the appropriate management of risk, and makes the business unit risk profiles transparent, thus enabling risk to be compared and aggregated and allowing one to take a portfolio approach to risk management.

The company business units are expected to actively anticipate and manage risk, taking advantage of opportunities and containing potential hazards in line with their risk tolerance. The external and internal risk facing the company business units are changing constantly and the business units are expected to proactively:



- Utilize experience through knowledge sharing.
- Deal with ambiguity, uncertainty and increasing complexity.
- Prioritize, make decisions, and implement solutions on a timely basis.
- Recognize and act on opportunities as they occur.
- Ensure results despite a changing business unit environment.





## Objectives of RM (Risk Management)

**The primary objectives of RM in the Company are:**

- “Keep the Company out of Trouble,” by ensuring effective and efficient management of risk and thereby, minimizing the likelihood of occurrence and the impact of risk incidents.
- “Make the Company’s Business Better,” by assisting the management in managing risk and leveraging risk opportunities.
- Foster a culture of risk awareness where management embraces Risk Management and accept ownership of risk and accountability for the management of those risks.
- Embed an efficient Risk Management process at the Company by optimizing the cost of managing business risk.
- Maintain a current and accurate assessment of all significant business risks at the company and ensure that appropriate risk treatment plans are in place.
- Provide required assurance to the Board and senior management with regards to the «Risk Management Process.”
- “Risk Management” is embedded in the management decision-making and strategic planning process.





## DEFINITIONS:

- Risk Management Policy - The present policy document summarizing the objectives and requirements for risk management.
- Risk Management Process - A common four-step process for identifying, assessing, responding to, and monitoring business unit risks.
- Roles and Responsibilities - Clearly defined responsibilities for managing and reporting on risks within line management and separately for supporting and auditing the risk management process.
- Risk Reporting - Common terminology, formats, and frequencies for reporting on key business unit risks.
- Risk Measurement - Common scales for measuring the likelihood and potential impact of risks.
- Risk Categorization - Common categories for risks, allowing risk consolidation and identification of key risk areas.
- Assurance Structure - An accompanying assurance structure, including a risk compliance auditor, which monitors and assures the application of the risk management framework within the business units.
- Support Structure - A dedicated support function (Risk Support Officer) and a set of common user-friendly tools that allow the business units to implement and apply the elements of the risk management framework.



## PROCEDURES:

### Risk Strategy and Risk Tolerance

Risk is part of doing business and risk management is therefore part of day-to-day business management. The company aims to formalize risk management to the extent that business units will be able to apply best-practice techniques, to share knowledge and experience, and to make the key risks to the shareholders transparent.

The company aims to be risk aware, but not overly risk averse, and to actively manage business unit risks to protect and grow the business units. To achieve its business unit objectives, it recognizes that it will take on certain business unit risks.

It aims to take risks in an informed and proactive manner, such that the level of risk is consistent with the potential business unit rewards and that the company understands and can manage or absorb the impact of the risk if it materializes. The Management will establish such risk responses as required to achieve the business unit objectives in accordance with the acceptability of the risk. Quantified business unit risk tolerances will be formulated and regularly updated by management at group.



**Divisional and business-unit level, and likewise aim to actively avoid risks that could:**

- Negatively affect the safety of our employees or other stakeholders, such as customers.
- Negatively affect our reputation.
- Lead to laws or regulations being breached and legislation.
- Endanger the future existence of the company.





## Risk Management Requirements

To formalize risk management across company, and to set a common level of transparency and risk management performance, several requirements have been defined for the business units. The company group, divisions and business units are obliged to address the following requirements about risk management:

- Develop and review, at least annually, a statement on the risk tolerance of the group/division/business unit.
- Conduct a formalized risk assessment at least annually, this assessment to include the identification, prioritization, measurement, and categorization of all key risks that could potentially affect the business unit's objectives.
- Report annually on the key business unit risks as identified in company's risk reporting formats.
- Continuously monitor key risks and controls and implement appropriate risk responses where necessary.
- Formalize responsibilities for managing risk and for sustaining the company's risk management framework within the business unit.
- Monitor and review the application of the risk management framework.





## Assurance

The company has a corporate internal audit function that conducts a systematic program of operational and financial audits across the business units. Through the risk management process, the business units themselves are responsible for assessing their risks, for implementing appropriate controls, for monitoring risks and controls, and for gaining assurance that the risks are being managed as intended. Formalized assurance from a corporate level focuses on auditing how the business units apply the risk management framework. Operational and financial audits will be executed on a regular basis from corporate level. The outcome of the risk assessment process will be used as input for the audit planning by corporate audit.



## Risk Management Roles and Responsibilities

Risk management is primarily the responsibility of line management. Specific responsibilities for applying, supporting, and auditing the risk management processes are detailed in this section.





## Business Unit Management (Risk Management Officers of Divisions and HO Department)

Risk management is a normal part of day-to-day management practice. The specific responsibilities of business unit management with respect to structured risk management are to:

- Implement the risk management framework within the business unit.
- Develop and review the business unit's risk tolerance.
- Identify and assess the risks faced, and report material risk information annually as part of the budget and ad-hoc in the case of significant new risks arising.
- Manage the material risks within the business unit and ensure the actual risk profile is consistent with the risk tolerance.
- Develop and maintain an appropriate organization to facilitate the application of the risk management framework.





## Risk Management Committee

- Formulate and update the company's Risk Management Policy.
- Formulate the corporate risk tolerance; review and approve the business unit risk tolerance statements.
- Determine, communicate, and support the company's risk management approach to the business units.
- Review business unit risk reporting critically and provide feedback to the business units as part of the Three-year Planning process.
- Ensure that the appropriate structure, processes, and competences are in place across company to address the requirements set out in this policy.
- Report to the Supervisory Board and the Audit Committee on material risks.





## Audit Committee/Supervisory Board of Directors (BOD)

- Review and approve the risk management policy insofar as it is consistent with the company's corporate objectives.
- Review and approve the corporate risk tolerance (risk appetite).
- Be aware of the most significant risks across the business units and of whether management is responding appropriately.
- Review the portfolio of risks and consider it in the light of the corporate risk tolerance.
- Monitor and ensure the appropriate application of the risk management framework within the business units.



## Risk Support Officer

The Risk Support Officer ensures that risk management is conducted in a structured, systematic, and continuous manner across the company business units.

### **The Risk Support Officer's specific responsibilities are to:**

- Maintain company's risk management framework (tools and methodologies).
- Support business units in their use of these tools and methodologies.
- Maintain risk management communication within the company organization.
- If requested by a business unit, facilitate a risk assessment as part of the Three-year Plan and as part of support for key decisions.
- Provide an annual risk report for Company Holding, as well as a consolidated risk report.
- Coordinate and supply training in risk management.



## Risk Compliance Auditor

The Risk Compliance Auditor is responsible for reviewing and reporting on how well the business units are addressing the requirements set out in company's Risk Management Policy. The Risk Compliance Auditor is generally externally resourced and reports directly to the Audit and Compliance Committee.

**The Risk Compliance Auditor's specific responsibilities are to:**

- Evaluate and report on the compliance of the business units with company's Risk Management Policy.
- Evaluate controls in key risk areas on an ad-hoc basis.
- Evaluate compliance with other company policies on an ad-hoc basis.
- Review and report on the extent to which management has applied company's riskmanagementframework.

Each one who has a desire for investment shall carefully study all information stated in this Report, including risk factors indicated below. The company activity, financial position, business results and cash flows may be adversely and materially affected in the event of occurrence of a risk factor that company management (Management) believes at.

The present time is important or any other risks that the Management could not identify or believes they are immaterial, or if the latter become significant. The occurrence of one or some of these risks may lead to a decline in the share price in the market; hence, the investor may lose the whole or part of its investment in company shares.



## Risks related to Company Activity:



## I. Risks associated with legislations and regulations:

Petroleum and Transport services in Saudi Arabia shall be subject to specific instructions and rules to be complied with by the company, such as renewal of Transport License by the Ministry of Transport; a license to be regularly renewed before expiry thereof. Although the company renews the said license and did not previously face any obstacles in this regard, there is no guarantee for future renewal in the future, which may significantly influence the company's ability to continue transport activity.

A license must also be obtained for each station from the Ministry of Municipal and Rural Affairs and Civil Defense and the National Center for Environmental Compliance Monitoring to carry out the activity of fuel stations (each station separately), and the company's business may be affected if it is unable in the future to obtain these licenses for new stations or renew their existing ones.

A large number of the company's employees are non-Saudis (fuel station workers and trailer drivers). If more stringent requirements for Saudization are applied, the company may be adversely affected. It may be difficult to obtain visas for the purpose of labor recruitment. This will in turn cause inability to operate the stations and transport.

In general, any amendment to the regulations and instructions relating to company's business, including transport, loading, unloading and storage of petroleum products as well as hazardous and flammable substances, and to the requirements of environment protection and cafe licensing would materially increase the costs and burdens of the company, which may be negatively reflected on the company's financial position, business results and cash flows.

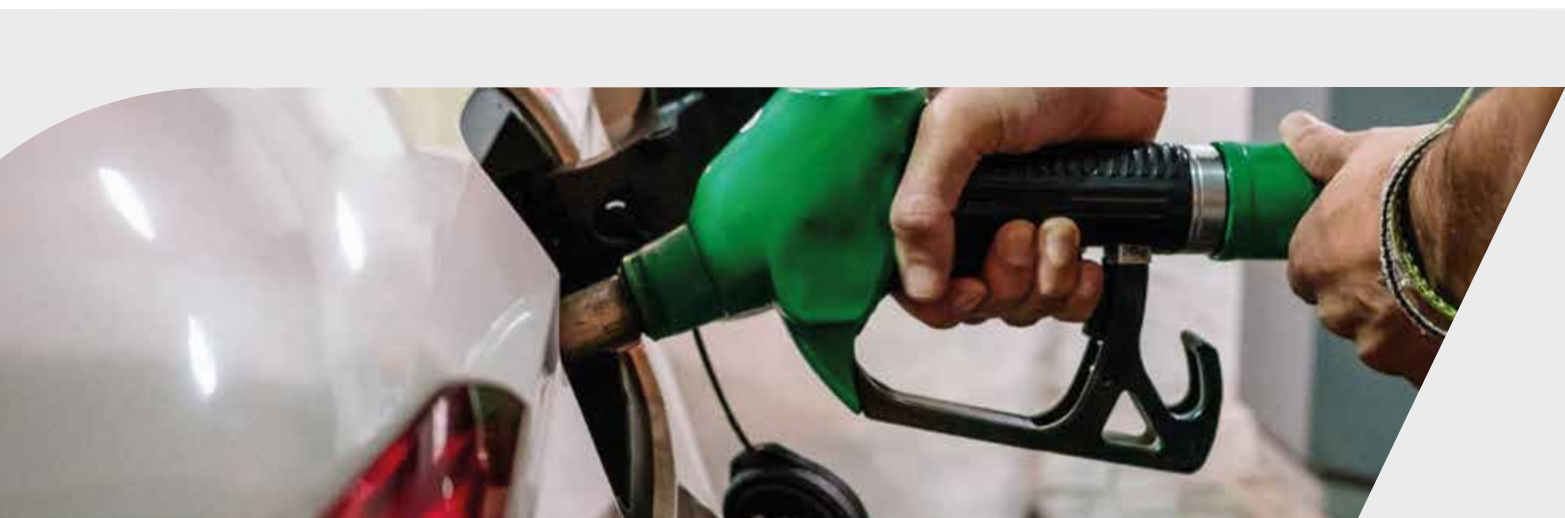
## 2. Reliance on Customers by Governmental Agencies and Companies:

The percentage of revenues earned from contracts signed with the governmental agencies and private companies in 2025 were about %9.5 of the Petroleum Services total revenues, while Transport Sector revenues depend on companies. Whereas the contracts are renewed through open tenders, but there is no guarantee that the same will be renewed in the future. In case of inability to renew these contracts, the company's financial position, business results and cash flows thereof may be adversely affected.

## 3. Risks associated with fuels availability and prices:

The company, like others engaged in the provision of petroleum services, relies on Saudi Aramco to obtain fuels. Therefore, any delay in the supplies received from Aramco or any change in the terms of contracts signed therewith in this regard may adversely affect the company's activity.

Any significant change in fuel prices by the official bodies will have a negative effect on profit margin and may adversely affect the company's main activities, business results and cash flows. Moreover, the company's financial position may be affected in general, in case of inability to keep up with any potential rise in fuel prices by increasing the prices of its services or reducing the operating costs.



#### 4. Risks associated with Insurance Coverage:

The company took all necessary measures to minimize any potential losses by purchasing insurance policies for Petroleum Services Division, covering public liability, vehicle accidents, fire and crime. The insurance policies for Logistics and Transportation Division cover vehicles, land transport services, liability against third party, fire and crime. The company net income, operation results and financial position may be affected as a result of any future losses pertaining to accidents or damages not covered by these policies or to accidents not covered by insurance such as terrorist acts and risks that may result from handling hazardous and toxic substances which may harm the environment or human beings.

#### 5. Reliance on Important Human Cadres:

The company depends on the efficiency and expertise of the Executive Management as well as important human cadres. It took several measures to reduce loss of such cadres or inability to find suitable alternatives in case of losing the same. The company does not guarantee the possibility to keep the working qualified human cadres or to find alternatives with the same degree of qualifications in case the same are lost; which may be negatively reflected on the company's revenues, business results and financial position.

## 6. Reliance on Certain Important Computer Programs:

The company relies effectively on Enterprise Resource Planning (ERP) System, which provides integrated results for the company's operations and facilitates information flow among departments. Any malfunction, failure or dispute regarding the property rights of this System may adversely affect the company's operations.

## 7. Risks associated with Market:

### A. Competitive Environment

There is no guarantee for the Company's ability to continue effective competition against existing or new companies in the market. Changes in the competitive environment may result in reduction of prices and profit margins as well as loss of the market share partially, which would adversely affect the company's profits.

### B. Excellence of Services

The provision of excellent services at reasonable prices is one of the most important factors that have made the company a strong competitor in the market. It cannot guarantee the inability of existing or potential competitors to provide services that might be better and more distinctive than those offered by the company, which may adversely affect the operating results.

### C. Mergers and Alliances

It is possible to merge or unite companies engaged in petroleum and transport services in order to constitute rapidly evolving competitive consortiums, which could enable the same to get a larger share in the market on the company's account.

## 8. Distribution of Profits:

The company's resolution on the distribution of any future profits depends on several factors, including profit realization, financial position, working capital requirements, distributable profits, credit limits available for company along with the general economic situation. It also relies on many other factors to be evaluated by the Board of Directors. Accordingly, the company does not assure the existing or prospective shareholders that any profits will be distributed in the future or confirm the amount of profits to be distributed in case of distribution approval.



## 9. Financial Risk:

Financial risk can occur if the company fails to provide adequate liquidity to meet the firm's obligations or manages financial risks in a manner that is inconsistent with the firm's business objectives. Its severity depends on several factors, which include the firm's size, industry, financial position (e.g., public/private, advantage, free cash flow to equity, etc.), and the direction of the market.

### 1-Price Risk:

The exposure of earnings or net worth to changes in market factors (e.g., interest rates, currency rates), which affect income, expense, or balance sheet value.

#### a. Interest Rate Risk

The risk that interest rates deviate from their expected value, resulting in lower-than-expected investment yields, higher-than-expected borrowing or product costs, or deterioration of the firm's competitive position in its industry.

#### b. Currency Risk

The exposure to fluctuations in exchange rates may arise as a result of business activity in foreign markets and investment in securities, which are issued by overseas entities or are denominated in a foreign currency.

#### c. Equity Risk

The exposure to fluctuations in the income stream and/or value of equity ownership in an incorporated entity.





## 2-Liquidity Risk:

The exposure to loss because of the inability to meet cash flow obligations in a timely and cost-effective manner. Liquidity risk often arises because of an investment portfolio with a cash flow and/or maturity profile, which differs from the underlying cash flows dictated by the company's operating requirements and other obligations.

### a.Cash Flow Risk

Actual losses incurred because of the inability to fund the operational or financial obligations of the business.

### b. Opportunity Cost Risk

The use of funds in a manner that leads to the loss of economic value, including time value losses, transaction costs due to inappropriate or inefficient management of cash flows, and other causes of loss of value.

### c. Concentration Risk

Exposure to loss because of the inability to access cash in a timely manner due to the inability to liquidate exposures without moving the market, unusual market conditions, use of "proprietary" financial products, or excessive reliance on a small number of funding sources.



### 3-Credit Risk:

The exposure to actual loss or opportunity cost because of default (or other failure to perform) by an economic or legal entity (the debtor) with which the company does business.

#### a. Default Risk

A counter party will be unable to fulfill its obligations.

#### b. Concentration Risk

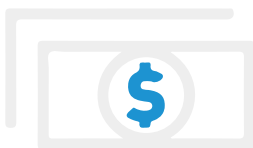
Inappropriate emphasis of sales volume or revenues on a single customer, industry sector, or other economic segment leads to exposure to excessive loss.

#### c. Settlement Risk

In financial terms, this risk arises when financial counterparties effect their payments to each other at different times or in different locations. In a non-financial context, settlement risk describes the risk of unexpected costs and/or administrative inconvenience, associated with the failure to deliver payment in the right place at the right time.

#### d. Collateral Risk

This is the risk that the value of an asset is provided as collateral for a loan, receivable, or commitment to perform may be partially or totally lost.



## 10- Information for Decision-Making Risk:

The risk that information used to support strategic, operational, and financial decisions is not relevant or reliable. This risk relates to the usability and timeliness of information that is either created or summarized by processes and application systems or a failure to understand information needs.

### 1-Operational Risk

- **Budget and Planning Risk:** Budgets and business plans are not realistic, based on appropriate assumptions, based on cost drivers and performance measures, accepted by key managers, or used as a monitoring tool.
- **Product/Service Pricing Risk:** The Company's price is more than customers are willing to pay or does not cover production and distribution costs.
- **Contract Commitment Risk:** The Company does not have information that effectively tracks contractual commitments outstanding at a point in time, so that the financial implications of decisions to enter to incremental commitments can be appropriately considered by decision-makers.
- **Measurement (Operations) Risk:** Process performance measures do not provide a reliable portrayal of operating performance and do not accurately reflect reality. The measures do not provide relevant information for decision-making because they are not informative, understandable, believable, actionable, or indicators of change.
- **Alignment Risk:** The objectives and performance measures of the company's business processes are not aligned with its overall business objectives and strategies. The objectives and measures do not focus people on the right things and lead to conflicting, uncoordinated activities.
- **Accounting Information Risk:** Financial accounting information used to manage business processes should be properly integrated with non-financial information focused on customer satisfaction, measuring quality, reducing cycle time, and increasing efficiency. To avoid myopic result, short-term fixation on manipulating the outputs of business processes to achieve financial targets, rather than fulfilling customer expectations by controlling and improving processes.

## 2-Public Reporting:

- **Financial Reporting Evaluation Risk:** Financial reports issued to existing and prospective investors and lenders include material misstatements or omit material facts, making them misleading.
- **Internal Control Evaluation Risk:** Failure to accumulate sufficient relevant and reliable information to assess the design and operating effectiveness of internal control over financial reporting, resulting in inaccurate assertions by management in the internal control report.
- **Executive Certification Risk:** Failure to accumulate sufficient, relevant, and reliable information to assess the design and operating effectiveness of disclosure controls and procedures, resulting in material information not being disclosed timely to certifying officers and in public reports.
- **Taxation Risk:** Significant transactions of the company have adverse tax consequences that could have been avoided had they been structured differently. Failure to comply with all tax regulations (e.g. payment and filing requirements) creates risks.
- **Regulatory Reporting Risk:** Reports of operating and financial information required by regulatory agencies are incomplete, inaccurate, or untimely, exposing the company to fines, penalties and sanctions.



### 3-Strategic Risk:

- **Environmental Scan Risk:** The failure to monitor and stay in touch with a rapidly changing environment, resulting in obsolete business strategies.
- **Business Model Risk:** The organization has an obsolete business model and does not recognize it and/or lacks the information needed to make an up-to-date assessment of its current model and build a compelling business case for modifying that model on a timely basis.
- **Business Portfolio Risk:** The risk that a firm will not maximize business performance by effectively prioritizing its products or balancing its businesses in a strategic context.
- **Investment Valuation/Evaluation Risk:** Management does not have sufficient financial information to make informed short-term and long-term investment decisions and link the risks accepted to the capital at risk. Management and key decision-makers are unable to reliably measure the value of a specific business or any of its significant segments in a strategic context.
- **Organization Structure Risk:** The Company's organizational structure does not support change or the company's business strategies.
- **Measurement (Strategy) Risk:** Occurs when overall organizational performance measures focus primarily on near-term financial results or are not consistent with and do not support business strategies.
- **Resource Allocation Risk:** The Company's resource allocation process does not establish and sustain competitive advantage or maximize returns for shareholders.
- **Planning Risk:** The Company's business strategies are not driven by creative and intuitive input or based on current assumptions about the external environment, resulting in strategies that are out-of-date and unfocused.

- **Lifecycle Risk:** An organization's approach to managing the movement of its product lines and evolution of its industry along the lifecycle (e.g., start-up, growth, maturity, and decline) threatens the ultimate success of its business strategies.
- **Compliance risk:** The objectives and performance procedures of the company's business operations are not consistent with the overall objectives and strategies. Objectives and actions do not focus on the right things and lead to inconsistent and conflicting activities.
- **Accounting information risk:** The financial accounting information used in managing business operations is not integrated with non-financial information focused on customer satisfaction, measuring quality, reducing cycle time, and increasing effectiveness. The result is a short look and a short-term fix in dealing with business process outputs to accomplish financial goals rather than meeting client expectations by controlling process improvement.





## Financial Results and Profits:

The following figures summarize the statement of financial position, statement of income, statement of cash flows for the fiscal years ended on 31 December 2025, 2024, 2023, 2022, 2021.



**Table - Items of Assets, Liabilities and Equity**

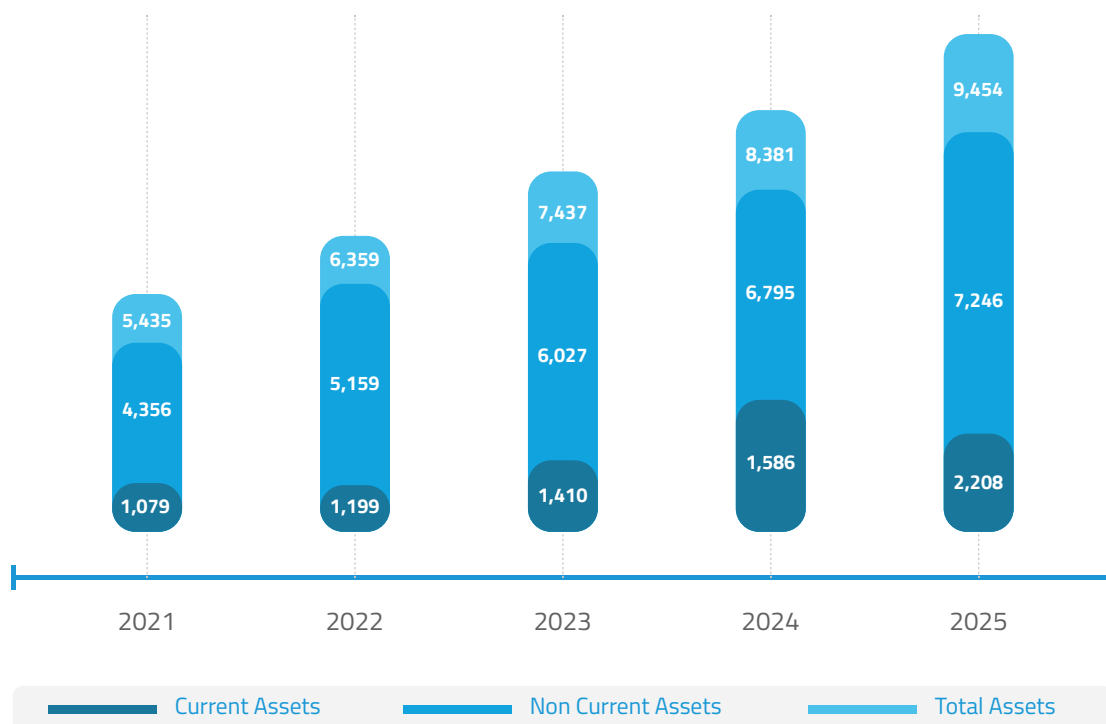
| Statement                                         | 2025             | 2024             | 2023             | 2022             | 2021             |
|---------------------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Financial Position (In Thousand)                  | ﷲ                | ﷲ                | ﷲ                | ﷲ                | ﷲ                |
| Current asset                                     | 2,208,424        | 1,585,658        | 1,410,367        | 1,199,383        | 1,078,831        |
| Current liabilities                               | 3,659,827        | 3,177,075        | 2,606,882        | 2,227,618        | 1,702,400        |
| Working capital                                   | (1,451,403)      | (1,591,416)      | (1,196,515)      | (1,028,235)      | (623,569)        |
| Other long-term assets                            | 4,999,719        | 4,672,986        | 4,136,831        | 3,602,033        | 3,059,463        |
| Fixed assets                                      | 2,245,833        | 2,121,989        | 1,889,638        | 1,557,278        | 1,297,099        |
| <b>Total assets</b>                               | <b>9,453,977</b> | <b>8,380,633</b> | <b>7,436,836</b> | <b>6,358,694</b> | <b>5,435,393</b> |
| Current liabilities                               | 3,659,827        | 3,177,075        | 2,606,882        | 2,227,618        | 1,702,400        |
| Long-term loans                                   | 0                | 50,000           | 75,000           | 10,286           | 48,500           |
| Other liabilities                                 | 4,105,660        | 3,736,761        | 3,588,329        | 3,011,446        | 2,689,343        |
| <b>Total liabilities</b>                          | <b>7,765,487</b> | <b>6,963,836</b> | <b>6,270,211</b> | <b>5,249,350</b> | <b>4,440,243</b> |
| Paid capital                                      | 1,000,000        | 1,000,000        | 750,000          | 750,000          | 750,000          |
| Reserves and retained earnings                    | 688,489          | 416,797          | 416,626          | 359,344          | 245,150          |
| <b>Shareholders' equity</b>                       | <b>1,688,489</b> | <b>1,416,797</b> | <b>1,166,626</b> | <b>1,109,344</b> | <b>995,150</b>   |
| <b>Total liabilities and shareholders' equity</b> | <b>9,453,977</b> | <b>8,380,633</b> | <b>7,436,836</b> | <b>6,358,694</b> | <b>5,435,393</b> |





Figure - Items of Assets, Liabilities and Equity

Growth of Total Current and Fixed Assets (In Million ﷻ )



Company assets continued to grow through the past five years from 5,435 million Saudi ﷻ in 2021 to 9,454 million Saudi ﷻ in 2025



Growth of Liabilities and Equity (In Million ﷻ )



Equity also continued its growth during the past five years from 995 million Saudi ﷻ in 2021 to 1,688 million Saudi ﷻ in 2025



Table - Statement of Income

| Statement                                          | 2025           | 2024           | 2023           | 2022           | 2021           |
|----------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Income statement (in Thousands)                    | ﷲ              | ﷲ              | ﷲ              | ﷲ              | ﷲ              |
| Sales                                              | 25,760,828     | 19,288,553     | 14,834,059     | 12,356,079     | 9,109,615      |
| Cost of sales                                      | 24,825,911     | 18,470,730     | 14,153,205     | 11,761,517     | 8,658,172      |
| Total Profit                                       | 934,917        | 817,823        | 680,854        | 594,562        | 451,443        |
| Sale expenses                                      | 7,425          | 4,700          | 4,981          | 7,417          | 4,897          |
| General and administrative expenses                | 334,949        | 293,185        | 254,717        | 224,123        | 163,189        |
| Income from main activities                        | 592,544        | 519,938        | 421,156        | 363,022        | 283,357        |
| Financing expenses                                 | 237,962        | 210,188        | 161,109        | 124,399        | 106,029        |
| Other revenues                                     | 5,703          | 538            | 6,790          | 6,970          | 1,446          |
| Profit (loss) of joint investment                  | 1,804          | 2,401          | 975            | 1,477          | 3,912          |
| Finance income                                     | 42,134         | 20,666         | 9,020          | 850            | 0              |
| Interest income from investment at amortised cost  | 28,860         | 19,635         | 8,982          | 1,549          | 0              |
| Income before Zakat                                | 433,083        | 352,990        | 285,814        | 249,469        | 182,686        |
| Zakat                                              | 11,237         | 8,339          | 5,000          | 7,641          | 5,880          |
| Net income                                         | 421,846        | 344,651        | 280,814        | 241,828        | 176,806        |
| (loss) Re-measurement for employees end of service | 154            | 19,479         | 4,239          | 15,132         | 14,137         |
| <b>Net Comprehensive Income</b>                    | <b>421,692</b> | <b>325,172</b> | <b>276,575</b> | <b>226,696</b> | <b>162,669</b> |





Figure - Statement of Income (In Thousand ل.س.)

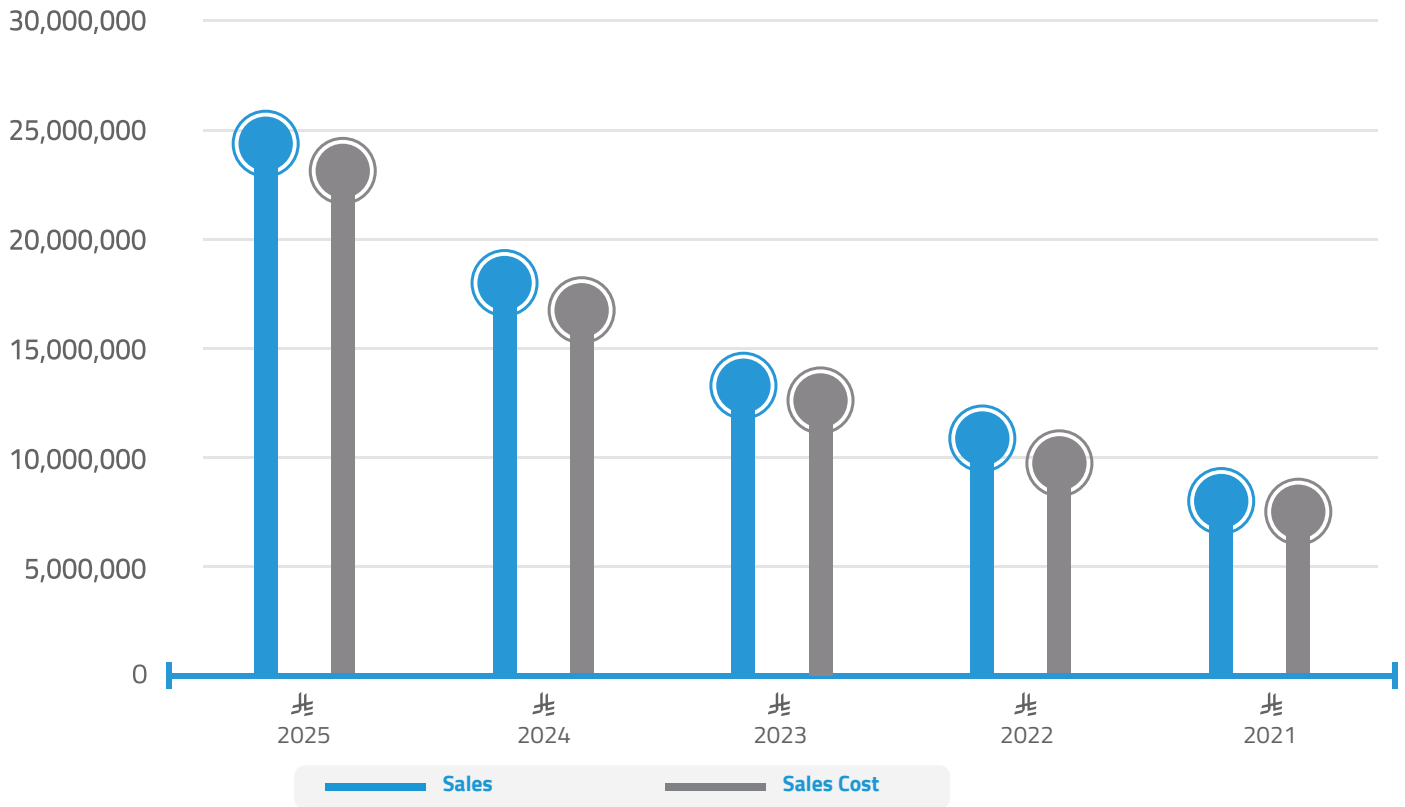




Figure - Statement of Income (In Thousand ١٠٠٠)

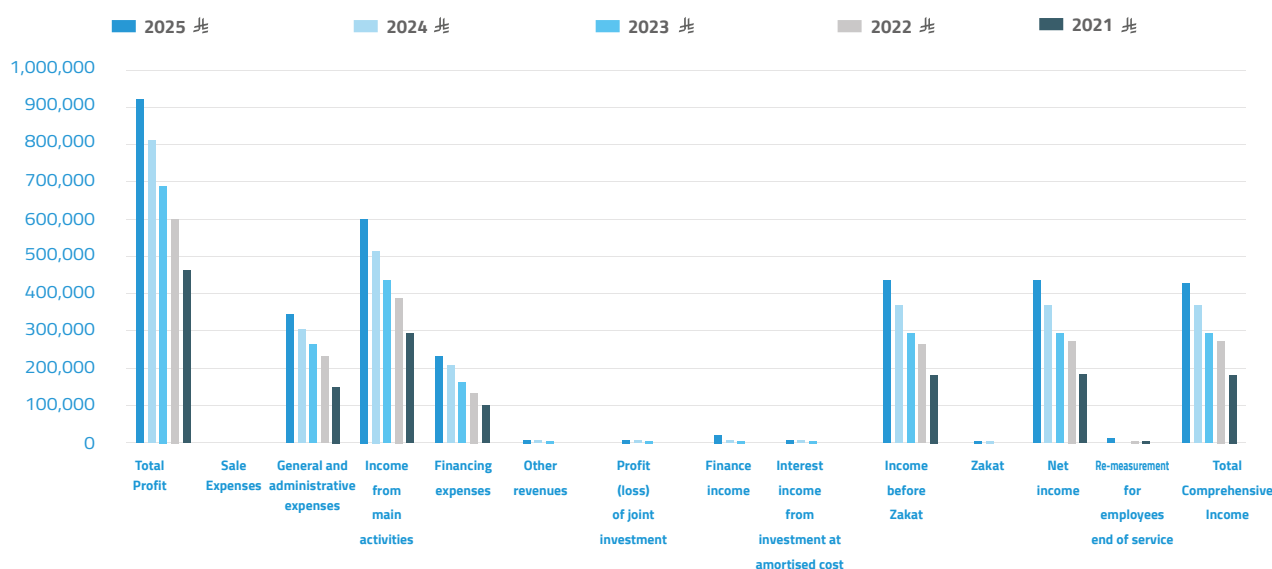


Table - Statement of Income as a percentage of Revenues

| Statement                                         | 2025         | 2024         | 2023         | 2022         | 2021         |
|---------------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Income statement (in Thousands)                   | ١٠٠٠         | ١٠٠٠         | ١٠٠٠         | ١٠٠٠         | ١٠٠٠         |
| Sales                                             | %100.00      | %100.00      | %100.00      | %100.00      | %100.00      |
| Cost of sales                                     | %96.33       | %95.79       | %95.41       | %95.19       | %95.04       |
| Gross Profit                                      | %3.63        | %4.24        | %4.59        | %4.81        | %4.96        |
| Sale expenses                                     | %0.03        | %0.02        | %0.03        | %0.06        | %0.05        |
| General and administrative expenses               | %1.30        | %1.52        | %1.72        | %1.81        | %1.79        |
| Income From Operations                            | %2.30        | %2.70        | %2.84        | %2.94        | %3.11        |
| Financing expenses                                | %0.92        | %1.09        | %1.09        | %1.01        | %1.16        |
| Other revenues                                    | %0.02        | %0.00        | %0.05        | %0.06        | %0.02        |
| Profit (loss) of joint investment                 | %0.01        | %0.01        | %0.01        | %0.01        | %0.04        |
| Finance income                                    | %0.16        | %0.11        | %0.06        | %0.01        | %0.00        |
| Interest income from investment at amortised cost | %0.11        | %0.10        | %0.06        | %0.01        | %0.00        |
| Income before Zakat                               | %1.68        | %1.83        | %1.93        | %2.02        | %2.01        |
| Zakat                                             | %0.04        | %0.04        | %0.03        | %0.06        | %0.06        |
| Net income                                        | %1.64        | %1.79        | %1.89        | %1.96        | %1.94        |
| Re-measurement for employees end of service       | %0.00        | %0.10        | %0.03        | %0.12        | %0.16        |
| <b>NET COMPREHENSIVE INCOME</b>                   | <b>%1.64</b> | <b>%1.69</b> | <b>%1.86</b> | <b>%1.83</b> | <b>%1.79</b> |



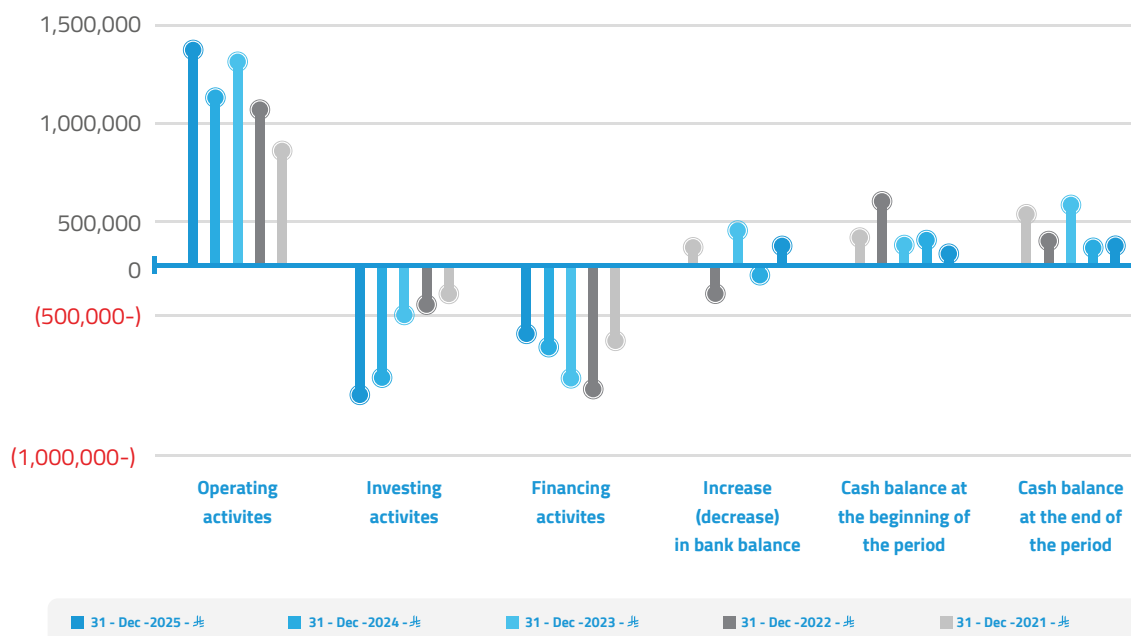
## Cash flows:

Cash flows from operating activities are the main source for funding the company activities, profit distribution and capital expansions:

| Cash flows                                  | 31-12-25  | 31-12-24  | 31-12-23  | 31-12-22  | 31-12-21  |
|---------------------------------------------|-----------|-----------|-----------|-----------|-----------|
| Cash flows (In Thousands)                   | ﷲ         | ﷲ         | ﷲ         | ﷲ         | ﷲ         |
| Operating activities                        | 1,096,505 | 1,379,151 | 974,086   | 772,759   | 899,288   |
| Investing activities                        | (274,381) | (634,455) | (573,417) | (516,254) | (241,731) |
| financing activities                        | (774,667) | (734,564) | (316,985) | (382,302) | (460,552) |
| Increase (decrease) in bank balance         | 47,457    | 10,132    | 83,684    | (125,798) | 197,005   |
| Cash balance at the beginning of the period | 241,982   | 231,850   | 148,166   | 273,964   | 76,959    |
| Cash balance at the end of the period       | 289,438   | 241,982   | 231,850   | 148,166   | 273,964   |



Figure - Cash Flows (Thousands ﷲ)





## Total Geographical Analysis of Company Revenues and Subsidiaries

| Year                               | Statement                             | Central Region | Eastern Region | Western Region | Qassim and Hail Region | Southern Region | Northern Region | Road Stations  | Total           |
|------------------------------------|---------------------------------------|----------------|----------------|----------------|------------------------|-----------------|-----------------|----------------|-----------------|
| Geographical Analysis (In Million) |                                       | ﷲ              | ﷲ              | ﷲ              | ﷲ                      | ﷲ               | ﷲ               | ﷲ              | ﷲ               |
| 2025                               | Revenues                              |                |                |                |                        |                 |                 |                |                 |
|                                    | Fuel Sales                            | 7,144.2        | 4,110.1        | 7,613.2        | 1,214.3                | 1,965.8         | 770.9           | 2,378.2        | 25,196.6        |
|                                    | Chemicals transport revenues          | 0.0            | 26.2           | 25.1           | 0.0                    | 0.0             | 236.9           | 0.0            | 288.2           |
|                                    | Foodstuff transport revenues          | 0.0            | 0.0            | 56.87          | 0.0                    | 0.0             | 0.0             | 0.0            | 56.87           |
|                                    | Revenues of fuel transport and others | 46.8           | 79.6           | 71.2           | 2.2                    | 5.8             | 12.0            | 0.0            | 219.2           |
|                                    | <b>Total</b>                          | <b>7,191.0</b> | <b>4,216.0</b> | <b>7,766.3</b> | <b>1,218.0</b>         | <b>1,971.7</b>  | <b>1,019.7</b>  | <b>2,378.2</b> | <b>25,760.8</b> |
| 2024                               | Revenues                              |                |                |                |                        |                 |                 |                |                 |
| Geographical Analysis (In Million) |                                       | ﷲ              | ﷲ              | ﷲ              | ﷲ                      | ﷲ               | ﷲ               | ﷲ              | ﷲ               |
|                                    | Fuel Sales                            | 5,604.5        | 3,291.8        | 5,593.3        | 866.2                  | 1,317.3         | 413.0           | 1,793.3        | 18,879.5        |
|                                    | Chemicals transport revenues          | 0.0            | 19.9           | 75.0           | 0.0                    | 0.0             | 79.4            | 0.0            | 174.3           |
|                                    | Foodstuff transport revenues          | 0.0            | 0.0            | 47.61          | 0.0                    | 0.0             | 0.0             | 0.0            | 47.61           |
|                                    | Revenues of fuel transport and others | 20.2           | 50.6           | 88.6           | 2.2                    | 2.5             | 23.0            | 0.0            | 187.1           |
|                                    | <b>Total</b>                          | <b>5,624.7</b> | <b>3,362.3</b> | <b>5,804.6</b> | <b>868.4</b>           | <b>1,319.9</b>  | <b>515.4</b>    | <b>1,793.3</b> | <b>19,288.6</b> |



## Operation Results:

| Statement                       | 2025       | 2024       | Changes (-) or (+) | Percentage change |
|---------------------------------|------------|------------|--------------------|-------------------|
| Income statement (In Thousands) | ﷲ          | ﷲ          |                    |                   |
| Sales                           | 25,760,828 | 19,288,553 | 6,472,275          | %33.6             |
| Cost of sales                   | 24,825,911 | 18,470,730 | 6,355,181          | %34.4             |
| Gross profit                    | 934,917    | 817,823    | 117,094            | %14.3             |
| Financing expenses others       | 237,962    | 210,188    | 27,774             | %13.2             |
| Income from main activities     | 592,544    | 519,938    | 72,606             | %14.0             |
| Other revenues                  | 78,501     | 43,240     | 35,261             | %81.5             |
| Net Profit                      | 421,846    | 344,651    | 77,195             | %22.8             |

Based on the foregoing, the Statement of Income for the year ended on 31 December 2025 compared to 2024 was increase. In 2025, Company revenues amounted to 25,760,8 million Saudi ﷲ , while the same were 19,288,6 million Saudi ﷲ in 2024 by a increase rate of %33.6. This was due to the increase in the number of operating stations and the improvement of transportation rates. Revenues, gained from Petroleum Sector and Transport Sector, represent %97.81 and %2.19 of Company revenues for 2025 respectively. The operating profit generated from Company main business was 592.5 million Saudi ﷲ in 2025, while the same amounted to 519.9 million Saudi ﷲ in the previous year by the increase rate of %14.0. Further, the net profit for 2025 was 421.8 million Saudi ﷲ while the same amounted to 344.7 million Saudi ﷲ in the previous year by the increase rate of %22.4.

The reason for the increase in sales for the current period compared with the same period last year is due to the expansion in the number of operating service stations and the improved Transport rates.

The reason for the increase in net profit for the current period compared with the same period last year is due to the increase in Petrol and Transport Division sales, increase in income of bank deposit, other income and SUKUK. Although there is an increase in Selling, General, Administrative, and financial expenses and decrease in the profit of the joint venture project and the increase in ZAKAT expenses.

Total comprehensive income increased during the current period compared to the same period of the previous year is due to the remeasurement losses of employees defined benefits obligations

The figures for the corresponding quarter and the corresponding period of the previous year were adjusted due to the inclusion of fees for issuing and renewing employee residency permits. As a result, the company has retrospectively reflected the effect of this adjustment on its financial statements by adjusting to prior years, in accordance with International Accounting Standard 8, "Accounting Policies." And the changes in accounting estimates and errors.

The effect of the above-mentioned readjustment on the affected items is reflected in the financial statements of prior years.

- **There is no difference to the accounting standards approved by the Saudi Organization for Chartered and Professional Accountants - SOCPA.**



# Subsidiaries:

## Investment in Joint Ventures:

On 21 Shaaban 1434 A.H. (corresponding to 30 June 2013), has extracted incorporation and commercial registration number 1010433172 Company concluded a joint venture agreement with Bertschi AG to establish a jointly managed firm with a capital of one million Saudi owned equally by both companies, %50- %50, regarding the capital, investments, and profits. The duration of the Agreement shall be twenty-four (24) months and shall end upon the establishment of jointly managed firm and when the joint venture agreement forms an integral part of the future partner agreements. The new Company will be managed by an independent team comprising the two companies inside Saudi Arabia. Company will be engaged in providing services related to management of logistics and storage operations of chemical, industrial and service facilities as well as containers, and of chemicals transport tankers cleaning stations, taking into account that Bertschi is a Swiss Company engaged in the field of logistic and chemical transport services through land and sea tankers together with trains in Europe, China and Singapore.

On the 10th of Rajab 1436 AH, corresponding to (April 29, 2015 AD), the procedures for the incorporation contract and the extraction of the certificate were completed. CR No. 1010433172 for Al-Drees Birchi Logistics Services Limited Liability Company Limited by capital (One ٥ million) divided equally between the two companies. The balance shown in the statement of financial position for the year ended 31 December 2025 The amount of 676 ٥ (2024: 2,317,722 ٥) belongs to the Swiss company Drees Berchi AG.



The following is the movement in the investments account.

The movement in the Company's investment account during the year was as follows:

|                                                  | Bertschi AG | Bertschi AG |
|--------------------------------------------------|-------------|-------------|
|                                                  | 2025<br>٥   | 2024<br>٥   |
| At the beginning of the year                     | 19,069,961  | 16,668,969  |
| The Company's share of the joint venture results | 1,803,985   | 2,400,992   |
| Dividends paid                                   | (2,500,000) | -           |
| At the end of the year                           | 18,373,946  | 19,069,961  |

## INVESTMENT IN FINANCIAL ASSETS

The Company invested in sukuk inside the Kingdom of Saudi Arabia with an amount of ﷲ 520.1 million (31 December 2024: 468.9 million), and these sukuk carry fixed interest returns between %5.25 to %6.40, and investment in Sukuk SAB carries SIBOR + %1.25. The Company's management classified investments in sukuk at amortized cost as it passes solely payments of principal and interest (SPPI) based on the business model prepared by the Company's management.



Investments in financial assets consist of the following:

|                                                                       | 2025               | 2024               |
|-----------------------------------------------------------------------|--------------------|--------------------|
|                                                                       | ﷲ                  | ﷲ                  |
| <b>Long-term investments at amortised cost:</b>                       |                    |                    |
| Investments in Sukuk Riyadh Capital (fixed interest return of %5.50)  | 223,875,000        | 223,875,000        |
| Investment in Sukuk SAB (fixed interest return of SIBOR + %1.25)      | 100,000,000        | 100,000,000        |
| Investment in Sukuk Riyadh Bank (fixed interest return of %5.25)      | 100,000,000        | 100,000,000        |
| Investment in Sukuk Al-Rajhi Bank (fixed interest return of %5.50)    | 45,000,000         | 45,000,000         |
| Investments in Sukuk Riyadh Bank Tier 1 (fixed interest return of %6) | 31,250,000         | -                  |
| Investment in Sukuk BSF Bank Tier 1 (fixed interest return of %6.40)  | 20,000,000         | -                  |
|                                                                       | <b>520,125,000</b> | <b>468,875,000</b> |

The Company did not hold any (SUKUK) short term investment in 2025 (2024: The company has investment in short term sukuk inside the Kingdom of Saudi Arabia with an amount 30 million and this sukuk carried fixed interest returns of %5.10 annually).

|                                                                             | 2025     | 2024              |
|-----------------------------------------------------------------------------|----------|-------------------|
|                                                                             | ﷲ        | ﷲ                 |
| <b>Short-term investment at amortised cost:</b>                             |          |                   |
| Investment in Sukuk Al-Rajhi Emkan Finance (fixed interest return of 5.10%) | -        | 30,000,000        |
|                                                                             | <b>-</b> | <b>30,000,000</b> |

The movement in interest receivable from the investment during the year as follows:

|                                        | 2025         | 2024         |
|----------------------------------------|--------------|--------------|
|                                        | ﷲ            | ﷲ            |
| At the beginning of the year           | 5,796,354    | 2,805,826    |
| Interest income earned during the year | 28,860,123   | 19,634,627   |
| Amounts received                       | (28,463,680) | (16,644,099) |
| At the end of the year                 | 6,192,797    | 5,796,354    |



# 520.1

Million Saudi



## Profit Distribution Policy Description:

Company annual net profits are distributed as follows:

1. Ten percent (%10) of the net profits shall be retained to form statutory reserve.
2. The Ordinary General Assembly may stop such retention when the said reserve reaches %20 of the capital.
3. The Ordinary General Assembly may, upon the Board of Directors proposal, set aside a certain percentage of the net profits to form eventual reserve and assign the same for a certain purpose or purposes to the extent that it serves the interests of the Company or ensures the distribution of fixed profits - to the extent possible - to the shareholders.
4. The Ordinary General Assembly may decide to deduct amounts from the net profits for the establishment of social institutions for the employees of the company or to help the existing ones.
5. After that, a first payment, equivalent to (%5) of the paid capital, from the remaining profits shall be distributed to shareholders.
6. A percent not exceeding (%10) of the remaining profits shall be assigned to reward the Board of Directors, provided that the same shall not, in all cases, exceed the maximum limits allowed according to the decisions and instructions issued by the official authorities.

Cash dividends were distributed for the fiscal year 2024 with a total amount of 150 Million Saudi ﷲ, 1.5 Saudi ﷲ per (share distributed). These dividends represent %15 of a share nominal value

Recommendation of cash dividends for (the fiscal year 2025) with a total amount of 200 Million Saudi ﷲ 2 Saudi ﷲ per share shall be distributed. These distributed dividends represent %20 of a share nominal value



## Payment of Profits:

Company annual net profits are distributed as follows:

The shareholder is entitled to his share of the profits according to the decision of the General Assembly issued in this regard. The eligibility of the dividends shall be for shareholders owning shares by the end of trading day of the General Assembly meeting date (which will be announced later) and are registered at Depository Center at the end of the second trading day following the General Assembly Meeting date. The distribution date to be announced accordingly.

The Board of Directors shall implement the resolution of the Ordinary General Assembly on the distribution of profits within the period specified for that purpose.

- There are no shares or debt instruments issued to each subsidiary.
- Description of any interest, contractual papers, and subscription rights belonging to members of the board of directors and their relatives in the company's shares or debt instruments.
- Description of any interest in voting shares of persons (other than directors and senior executives as well as their relatives) and any change in such rights during the fiscal year.

| SR.<br>No | Stakeholder Name | Beginning of Year |                  | End of Year      |                  | Net Change | Change Ratio |
|-----------|------------------|-------------------|------------------|------------------|------------------|------------|--------------|
|           |                  | Number of shares  | Debt instruments | Number of shares | Debt instruments |            |              |
|           |                  |                   | —                |                  | —                |            |              |



- Description of any interest, contract papers, and underwriting rights belonging to members of the Board of Directors and their relatives in the shares or debt instruments of the company or any of its subsidiaries, and any change in those rights during the year.
- Description of any interest, contract papers, and underwriting rights belonging to members of the Board of Directors and their relatives in the shares or debt instruments of the company

|   | Stakeholder Name                      | Beginning of Year |                 | End of Year      |                 | Net Change | Change Ratio |
|---|---------------------------------------|-------------------|-----------------|------------------|-----------------|------------|--------------|
|   |                                       | Number of shares  | Debt instrument | Number of Shares | Debt instrument |            |              |
| 1 | Mr. Hamad bin Mohammed Aldrees        | 3780079           | -               | 3764079          | -               | (16,000)   | (0.0160)     |
| 2 | Eng. Abdulmohsen bin Mohammed Aldrees | 4560              | -               | 27102            | -               | 22542      | 0.0225       |
| 3 | Mr. Eid bin Falih Alshamri            | 8066              | -               | 8066             | -               | -          | -            |
| 4 | Eng. Abdulelah bin Saad Aldrees       | 4000              | -               | 4000             | -               | -          | -            |
| 5 | Mr. Mohamad Abdullatif Al-Omair       | 133               | -               | 133              | -               | -          | -            |
| 6 | Mr. Farraj Saad Al-Qabbani            | 133               | -               | 133              | -               | -          | -            |
| 7 | Mr. Basil Ali Al Faris                | -                 | -               | -                | -               | -          | -            |
| 8 | Mr. Mohamad Salem Ali Musa            | -                 | -               | -                | -               | -          | -            |

- Description of any interest, contract papers, and underwriting rights of the senior executives and their relatives in the shares or debt instruments of the company

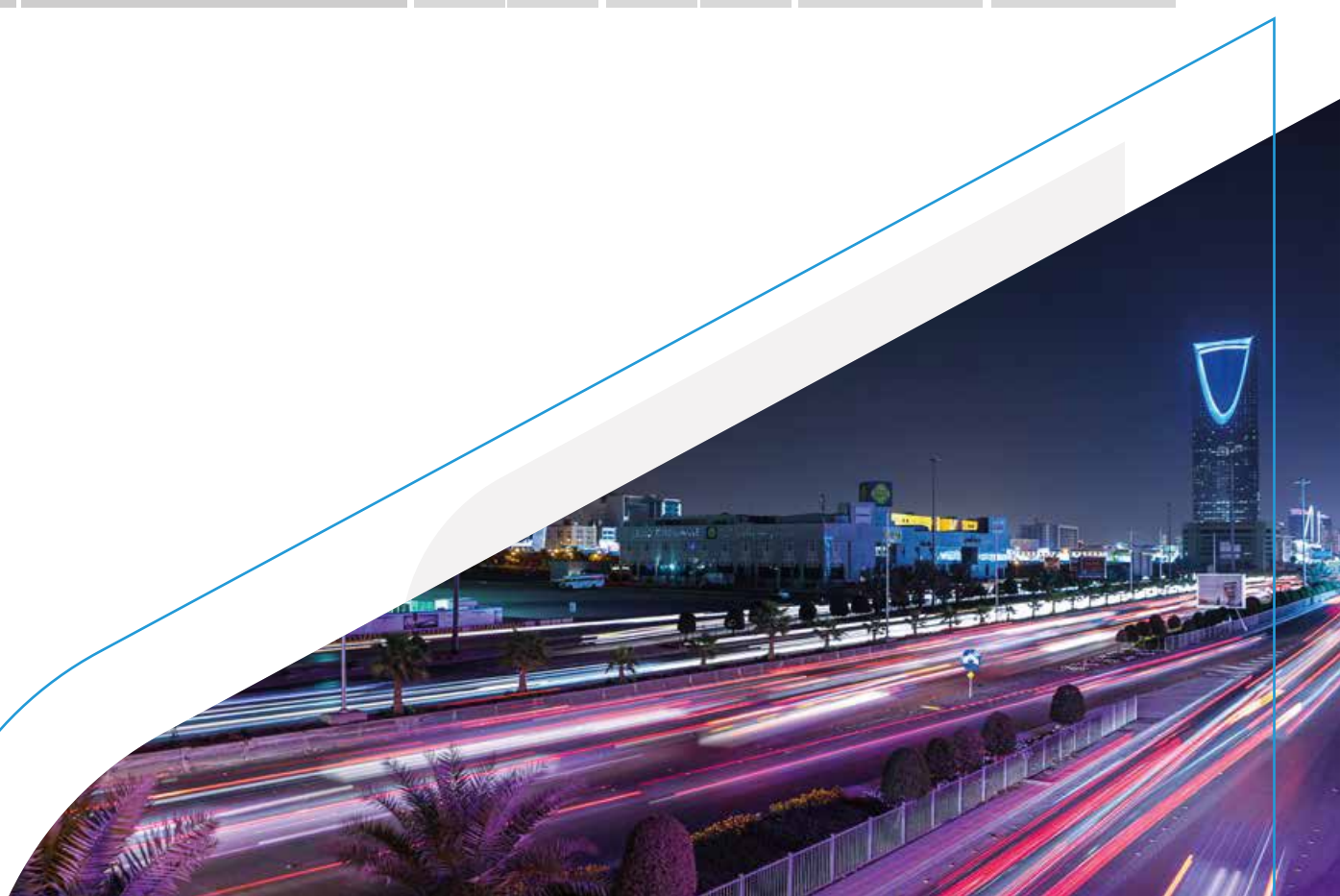
|   | Stakeholder Name                     | Beginning of Year |                 | End of Year      |                 | Net Change | Change Ratio |
|---|--------------------------------------|-------------------|-----------------|------------------|-----------------|------------|--------------|
|   |                                      | Number of shares  | Debt instrument | Number of Shares | Debt instrument |            |              |
| 1 | Eng. Abdulelah Bin Saad Aldrees      | 4000              | -               | 4000             | -               | -          | -            |
| 2 | Mr. Khalid Bin Abdulmohsen Aldrees   | -                 | -               | -                | -               | -          | -            |
| 3 | Mr. Khalid Bin Abdulrahman Al Saheim | -                 | -               | -                | -               | -          | -            |
| 4 | Mr. Amro Mahmoud Abouelmaaty Siam    | -                 | -               | -                | -               | -          | -            |
| 5 | Salama Bin Mufreh Al-Daghish         | -                 | -               | -                | -               | -          | -            |

- There is no description of any interest, contract papers, and underwriting rights belonging to members of the Board of Directors and their relatives in the shares or debt instruments of the subsidiaries company.

|   | Stakeholder Name | Beginning of Year |               | End of Year      |               | Net Change | Change Ratio |
|---|------------------|-------------------|---------------|------------------|---------------|------------|--------------|
|   |                  | Number of shares  | Debt instrume | Number of Shares | Debt instrume |            |              |
| 1 |                  | –                 | –             | –                | –             | –          | –            |
| 2 |                  | –                 | –             | –                | –             | –          | –            |

- There is no description of any interest, contract papers, and underwriting rights of the senior executives and their relatives in the shares or debt instruments of the subsidiaries company.

|   | Stakeholder Name | Beginning of Year |               | End of Year      |               | Net Change | Change Ratio |
|---|------------------|-------------------|---------------|------------------|---------------|------------|--------------|
|   |                  | Number of shares  | Debt instrume | Number of Shares | Debt instrume |            |              |
| 1 |                  | –                 | –             | –                | –             | –          | –            |
| 2 |                  | –                 | –             | –                | –             | –          | –            |





Detailed table indicating ownership of directors, Senior executives as well as their spouses and minor children of Company shares

| Name                                  | Number of shares at the beginning of year | Ownership ratio at the beginning of year | Net change of shares number during the year | change ratio during the year | Total shares at the end of year | Total ownership ratio at the end of year |
|---------------------------------------|-------------------------------------------|------------------------------------------|---------------------------------------------|------------------------------|---------------------------------|------------------------------------------|
| Mr. Hamad Mohammed Aldrees            | 3,780,079                                 | 3.7601                                   | (16,000)                                    | (0.0160)                     | 3764079                         | 3.7641                                   |
| Eng. Abdulmohsen bin Mohammed Aldrees | 4,560                                     | 0.0046                                   | 22,542                                      | 0.0225                       | 27102                           | 0.0271                                   |
| Mr. Eid bin Fali Alshamri             | 8,066                                     | 0.0081                                   | -                                           | -                            | 8066                            | 0.0081                                   |
| Eng. Abdullelah bin Saad Aldrees      | 4,000                                     | 0.0040                                   | -                                           | -                            | 4000                            | 0.0040                                   |
| Mr. Mohamad Abdullatif Al-Omair       | 133                                       | 0.0001                                   | -                                           | -                            | 133                             | 0.0001                                   |
| Mr. Farraj Saad Al-Qabbani            | 133                                       | 0.0001                                   | -                                           | -                            | 133                             | 0.0001                                   |
| Mr. Basil Ali Al Faris                | -                                         | -                                        | -                                           | -                            | -                               | -                                        |
| Mr. Mohamad Salem Ali Musa            | -                                         | -                                        | -                                           | -                            | -                               | -                                        |
| Mr. Khalid bin Abdulmohsin Aldrees    | -                                         | -                                        | -                                           | -                            | -                               | -                                        |
| Mr. Khalid Bin Abdulrahman Al Saheim  | -                                         | -                                        | -                                           | -                            | -                               | -                                        |
| Mr. Amro Mahmoud Abouelmaaty Siam     | -                                         | -                                        | -                                           | -                            | -                               | -                                        |
| Mr. Salama bin Mufreh AlDaghish       | -                                         | -                                        | -                                           | -                            | -                               | -                                        |

- There is no description of categories and numbers of any transferable debt instruments and any contractual securities or memorandums of subscription right or similar rights issued or granted by Company during the current year. Moreover, there is no consideration obtained by Company against the same.
- There is no transfer or subscription rights under transferable debt instruments and any contractual securities or memorandums of subscription right or similar rights issued or granted by Company.
- There is no recovery, purchase, or cancellation on the part of Company regarding any recoverable debt instruments as well as the remaining securities value, provided that the listed securities purchased by Company shall be differentiated from those purchased by the subsidiaries thereof.
- There are no treasury shares held by the Company.

# Rewards of Board Directors 2025

## Remuneration for Members of the Board Directors and Senior Executives for the Year 2025

The Nomination, Reward & Governance Committee has ongoing review of salaries, bonuses, and benefits of the members, in accordance with the official decisions and instructions issued in this regard and the main article of the company, and the achieved results in the performance of the operating company, then submit its recommendations to the BOD. The members are entitled to get attendance allowance in case the BOD decides to grant this allowance to all members who attend the meetings, and the BOD acknowledges based on the recommendations of the Nomination, Reward & Governance Committee the allowances earned by members of the Board for their services (as employees or administrators or technical works, or consultant). There is no material deviation from the rewards awarded and the applicable remuneration policy.





## Compensations and awards of board members and executives

|                                 |                                       | Fixed Compensations |                              |                                          |                    |                                                                                 |                                                            |         | Senior Executive Compensations |                  |                            |                           |                              |           | End of service | Grand total | Expenses allowance |
|---------------------------------|---------------------------------------|---------------------|------------------------------|------------------------------------------|--------------------|---------------------------------------------------------------------------------|------------------------------------------------------------|---------|--------------------------------|------------------|----------------------------|---------------------------|------------------------------|-----------|----------------|-------------|--------------------|
|                                 |                                       | Certain amount      | Meeting attendance allowance | Total allowance for attending committees | In - kind benefits | Administrative officers or for technical administrative or consultancy services | Awards for chairman, CEO or secretary if from board member | Total   | Percentage of profits          | Periodic rewards | Short term incentive plans | Long term incentive plans | Granted shares, insert value | Total     |                |             |                    |
| First : Independent Member      |                                       |                     |                              |                                          |                    |                                                                                 |                                                            |         |                                |                  |                            |                           |                              |           |                |             |                    |
| 1                               | MR.Mohammed Abdullatif Al Omair       | -                   | 20,000                       | 30,000                                   | -                  | -                                                                               | -                                                          | 50,000  | -                              | 750,000          | -                          | -                         | -                            | 750,000   | -              | 800,000     | -                  |
| 2                               | MR.Faraj Saad Al-Gabani               | 150,000             | 20,000                       | 25,000                                   | -                  | -                                                                               | -                                                          | 195,000 | -                              | 750,000          | -                          | -                         | -                            | 750,000   | -              | 945,000     | -                  |
| 3                               | MR.Basel Ali Ahmed Al-Faris           | -                   | 20,000                       | 20,000                                   | -                  | -                                                                               | -                                                          | 40,000  | -                              | 750,000          | -                          | -                         | -                            | 750,000   | -              | 790,000     | -                  |
| 4                               | MR.Mohammed Salem Ali Mussa           | -                   | 15,000                       | 25,000                                   | -                  | -                                                                               | -                                                          | 40,000  | -                              | 750,000          | -                          | -                         | -                            | 750,000   | -              | 790,000     | -                  |
| Total                           |                                       | 150,000             | 75,000                       | 100,000                                  | -                  | -                                                                               | -                                                          | 325,000 | -                              | 3,000,000        | -                          | -                         | -                            | 3,000,000 | -              | 3,325,000   | -                  |
| Second: Non - Executive Members |                                       |                     |                              |                                          |                    |                                                                                 |                                                            |         |                                |                  |                            |                           |                              |           |                |             |                    |
| 1                               | Mr. Hamad bin Mohammed Aldrees        | -                   | 20,000                       | -                                        | -                  | -                                                                               | -                                                          | 20,000  | -                              | 750,000          | -                          | -                         | -                            | 750,000   | -              | 770,000     | -                  |
| 2                               | Eng. Abdulmohsen bin Mohammed Aldrees | -                   | 20,000                       | 25,000                                   | -                  | -                                                                               | -                                                          | 45,000  | -                              | 750,000          | -                          | -                         | -                            | 750,000   | -              | 795,000     | -                  |
| 3                               | Mr. Eid Fali Alshamri                 | 150,000             | 20,000                       | 70,000                                   | -                  | -                                                                               | -                                                          | 240,000 | -                              | 750,000          | -                          | -                         | -                            | 750,000   | -              | 990,000     | -                  |
| Total                           |                                       | 150,000             | 60,000                       | 95,000                                   | -                  | -                                                                               | -                                                          | 305,000 | -                              | 2,250,000        | -                          | -                         | -                            | 2,250,000 | -              | 2,555,000   | -                  |
| Third: Executive Member         |                                       |                     |                              |                                          |                    |                                                                                 |                                                            |         |                                |                  |                            |                           |                              |           |                |             |                    |
| 1                               | Eng. Abdulelah bin Saad Aldrees       | -                   | 20,000                       | 55,000                                   | -                  | -                                                                               | -                                                          | 75,000  | -                              | 750,000          | -                          | -                         | -                            | 750,000   | -              | 825,000     | -                  |
| Total                           |                                       | -                   | 20,000                       | 55,000                                   | -                  | -                                                                               | -                                                          | 75,000  | -                              | 750,000          | -                          | -                         | -                            | 750,000   | -              | 825,000     | -                  |



## Senior Executive Compensations

| Five of the senior executives who received the highest rewards and compensations plus the Chief Executive Officer and Chief Financial Officer | Fixed Compensations |            |                    |            | Variable Compensations |                       |                            |                           |                             |            | End of service Award | Total compensations of executive members, if any | Gross      |
|-----------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------|--------------------|------------|------------------------|-----------------------|----------------------------|---------------------------|-----------------------------|------------|----------------------|--------------------------------------------------|------------|
|                                                                                                                                               | Salaries            | Allowances | In - kind benefits | Total      | Periodic rewards       | Percentage of profits | Short term incentive plans | Long term incentive plans | Granted shares insert value | Total      |                      |                                                  |            |
|                                                                                                                                               | 7,080,000           | 4,184,900  | -                  | 11,264,900 | 29,710,541             | -                     | -                          | -                         | -                           | 29,710,541 | 1,290,922            | 750,000                                          | 43,016,363 |





## Compensations Of Committees' Members

|                                                                |                                   | Fixed bonus Except attendance allowance | Allowance for attending Board Meetings | Total   |
|----------------------------------------------------------------|-----------------------------------|-----------------------------------------|----------------------------------------|---------|
| <b>Members of Audit Committee</b>                              |                                   |                                         |                                        |         |
| 1.                                                             | Mr. Eid Falih Alshamri            | 150,000                                 | 25,000                                 | 175,000 |
| 2.                                                             | MR.Faraj Saad Al-Gabani           | 150,000                                 | 25,000                                 | 175,000 |
| 3.                                                             | Mr. Khalid Mohammed Al Khuater    | 150,000                                 | 20,000                                 | 170,000 |
| 4.                                                             | Mr. Saad Hamad Aldrees            | 150,000                                 | 25,000                                 | 175,000 |
| Total                                                          |                                   | 600,000                                 | 95,000                                 | 695,000 |
| <b>Member of Nomination, Reward &amp; Governance Committee</b> |                                   |                                         |                                        |         |
| 1.                                                             | MR.Basel Ali Ahmed Al-Faris       | -                                       | 20,000                                 | 20,000  |
| 2.                                                             | Mr. Eid Falih Alshamri            | -                                       | 20,000                                 | 20,000  |
| 3.                                                             | Mr. Adil bin Faris Alotaybi       | -                                       | 20,000                                 | 20,000  |
| Total                                                          |                                   | -                                       | 60,000                                 | 60,000  |
| <b>Member of Executive Committee</b>                           |                                   |                                         |                                        |         |
| 1.                                                             | Eng. Abdulmohsen Mohammed Aldrees | -                                       | 25,000                                 | 25,000  |
| 2.                                                             | Eng.Mohammed Abdullatif Al Omair  | -                                       | 30,000                                 | 30,000  |
| 3.                                                             | Eng. Abdulelah Saad Aldrees       | -                                       | 30,000                                 | 30,000  |
| 4.                                                             | MR.Mohammed Salem Ali Mussa       | -                                       | 25,000                                 | 25,000  |
| Total                                                          |                                   | -                                       | 110,000                                | 110,000 |

# \$ Loans

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## Loans

Company obtains Islamic banking facilities from local banks on down payments in the current account as follows:



Table - Loans

| Statement    | 2025 | 2024               |
|--------------|------|--------------------|
| Loan No. 1   | -    | 75,000,000         |
| Loan No. 2   | -    | 100,000,000        |
| <b>Total</b> | -    | <b>175,000,000</b> |



Loan Maturities

| Statement             | In Thousands ₪ | In Thousands ₪     |
|-----------------------|----------------|--------------------|
|                       | 2025           | 2024               |
| Less than a year      | -              | 125,000,000        |
| From one to two years | -              | 50,000,000         |
| <b>Total</b>          |                | <b>175,000,000</b> |



Table - Movement of Loans for 2025 (In Million ﷲ)

| Donator       | Principal       | Due part   | Duration  | Balance at the beginning of the year | Amount paid during the year | Issue Date | Maturity Date |
|---------------|-----------------|------------|-----------|--------------------------------------|-----------------------------|------------|---------------|
| Riyad Bank    | 100             | Long term  | 48 months | 75                                   | 75                          | 27/12/2023 | 26/12/2027    |
| National Bank | 100             | Short term | 12 days   | 100                                  | 100                         | 29/12/2024 | 05/01/2025    |
| National Bank | 200             | Short term | 11 days   | 0                                    | 200                         | 27/03/2025 | 06/04/2025    |
| National Bank | 230             | Short term | 8 days    | 0                                    | 230                         | 29/04/2025 | 06/05/2025    |
| National Bank | 240             | Short term | 8 days    | 0                                    | 240                         | 28/05/2025 | 04/06/2025    |
| National Bank | 210             | Short term | 8 days    | 0                                    | 210                         | 29/06/2025 | 06/07/2025    |
| EMIRATES BANK | 150             | Short term | 9 days    | 0                                    | 150                         | 26/03/2025 | 03/04/2025    |
| <b>Total</b>  | <b>1,230.00</b> | <b>-</b>   | <b>-</b>  | <b>175.0</b>                         | <b>1205.0</b>               | <b>-</b>   | <b>-</b>      |





Table - Movement of Loans for 2024 (In Million ﷲ)

| Donator       | Principal     | Due part   | Duration  | Balance at the beginning of the year | Amount paid during the year | Issue Date | Maturity Date |
|---------------|---------------|------------|-----------|--------------------------------------|-----------------------------|------------|---------------|
| Samba Bank    | 72            | Long term  | 48 months | 10.3                                 | 10.3                        | 9/6/2020   | 19/5/2024     |
| Riyad Bank    | 100           | Long term  | 48 months | 100                                  | 25                          | 27/12/2023 | 26/12/2027    |
| Riyad Bank    | 100           | short term | 8 days    | 100                                  | 100                         | 27/12/2023 | 3/1/2024      |
| Riyad Bank    | 75            | short term | 8 days    | 0                                    | 75                          | 29/1/2024  | 6/2/2024      |
| Riyad Bank    | 100           | Short term | 8 days    | 0                                    | 100                         | 1/10/2024  | 8/10/2024     |
| National Bank | 60            | Short term | 14 days   | 60                                   | 60                          | 27/12/2023 | 9/1/2024      |
| National Bank | 150           | Short term | 8 days    | 0                                    | 150                         | 27/11/2024 | 4/12/2025     |
| National Bank | 100           | Short term | 12 days   | 0                                    | 0                           | 29/12/2024 | 5/1/2025      |
| SAB BANK      | 200           | Short term | 13 days   | 200                                  | 200                         | 12/27/2023 | 1/8/2024      |
| SAB BANK      | 250           | Short term | 8 days    | 0                                    | 250                         | 2/28/2024  | 3/6/2024      |
| SAB BANK      | 150           | Short term | 9 days    | 0                                    | 150                         | 3/27/2024  | 4/4/2024      |
| SAB BANK      | 150           | Short term | 19 days   | 0                                    | 150                         | 3/27/2024  | 4/14/2024     |
| SAB BANK      | 240           | Short term | 8 days    | 0                                    | 240                         | 4/29/2024  | 5/6/2024      |
| SAB BANK      | 200           | Short term | 8 days    | 0                                    | 200                         | 5/29/2024  | 6/5/2024      |
| SAB BANK      | 250           | Short term | 13 days   | 0                                    | 250                         | 6/27/2024  | 7/9/2024      |
| SAB BANK      | 160           | Short term | 11 days   | 0                                    | 160                         | 7/29/2024  | 8/8/2024      |
| SAB BANK      | 100           | Short term | 8 days    | 0                                    | 100                         | 8/28/2024  | 9/4/2024      |
| SAB BANK      | 130           | Short term | 8 days    | 0                                    | 130                         | 10/29/2024 | 11/5/2024     |
| SAB BANK      | 150           | Short term | 8 days    | 0                                    | 150                         | 11/27/2024 | 12/4/2024     |
| EMIRATES BANK | 200           | Short term | 8 days    | 0                                    | 200                         | 1/29/2024  | 2/5/2024      |
| EMIRATES BANK | 130           | Short term | 12 days   | 0                                    | 130                         | 2/28/2024  | 3/10/2024     |
| EMIRATES BANK | 200           | Short term | 8 days    | 0                                    | 200                         | 3/27/2024  | 4/3/2024      |
| EMIRATES BANK | 200           | Short term | 14 days   | 0                                    | 200                         | 4/29/2024  | 5/12/2024     |
| EMIRATES BANK | 145           | Short term | 15 days   | 0                                    | 145                         | 5/29/2024  | 6/9/2024      |
| EMIRATES BANK | 200           | Short term | 8 days    | 0                                    | 200                         | 6/27/2024  | 7/4/2024      |
| EMIRATES BANK | 200           | Short term | 8 days    | 0                                    | 200                         | 7/29/2024  | 8/5/2024      |
| EMIRATES BANK | 100           | Short term | 8 days    | 0                                    | 100                         | 8/28/2024  | 9/4/2024      |
| EMIRATES BANK | 120           | Short term | 8 days    | 0                                    | 120                         | 9/26/2024  | 10/3/2024     |
| EMIRATES BANK | 150           | Short term | 8 days    | 0                                    | 150                         | 10/27/2024 | 11/3/2024     |
| EMIRATES BANK | 100           | Short term | 9 days    | 0                                    | 100                         | 11/27/2024 | 12/4/2024     |
| <b>Total</b>  | <b>4245.3</b> |            |           | <b>470.3</b>                         | <b>4,482.00</b>             |            |               |





# Board of Directors Meetings





## Board of Directors Meetings:

- During the year 2025, the Board of Directors held Four meetings. The following table includes the relevant attendance sheet

| NO. | Name                                  | Dates of the Board of Directors Meetings |      |      |       |
|-----|---------------------------------------|------------------------------------------|------|------|-------|
|     |                                       | 21/1                                     | 21/4 | 17/7 | 19/10 |
| 1.  | Hamad bin Mohammed Aldrees            | ■                                        | ■    | ■    | ■     |
| 2.  | Eng. Abdulmohsen bin Mohammed Aldrees | ■                                        | ■    | ■    | ■     |
| 3.  | Eid bin Falih Alshamri                | ■                                        | ■    | ■    | ■     |
| 4.  | Eng. Abdulelah bin Saad Aldress       | ■                                        | ■    | ■    | ■     |
| 5.  | Eng. Mohamad Abdullatif Al-Omair      | ■                                        | ■    | ■    | ■     |
| 6.  | Mr. Farraj Saad Al-Qabbani            | ■                                        | ■    | ■    | ■     |
| 7.  | Mr. Basil Ali Al Faris                | ■                                        | ■    | ■    | ■     |
| 8.  | Mr. Mohamad Salem Ali Musa            | ■                                        | ■    | ■    | ■     |

■ Attendance in person
 ■ Attendance by proxy through another director
 ■ Apology



Record the Company's applications for the register of shareholders, the dates of such applications, and their reasons

| Number of the company's applications for the register of shareholders | The date of application | Reasons for the request |
|-----------------------------------------------------------------------|-------------------------|-------------------------|
| (1)                                                                   | 2025/01/16              | Other                   |
| (2)                                                                   | 2025/02/19              | Other                   |
| (3)                                                                   | 2025/03/03              | Profits file            |



A list of the dates of the General Assembly of shareholders held during the fiscal year 2025

And the names of the members of the Board of Directors present those meetings

|    | Name                                  | Attendance Record              |
|----|---------------------------------------|--------------------------------|
|    |                                       | Assembly meeting<br>27/02/2025 |
| 1. | Hamad bin Mohammed Aldrees            | ■                              |
| 2. | Eng. Abdulmohsen bin Mohammed Aldrees | ■                              |
| 3. | Eid bin Falih Alshamri                | ■                              |
| 4. | Eng. Abdulelah bin Saad Aldress       | ■                              |
| 5. | Eng. Mohamad Abdullatif Al-Omair      | ■                              |
| 6. | Mr. Farraj Saad Al-Qabbani            | ■                              |
| 7. | Mr. Basil Ali Al Faris                | ■                              |
| 8. | Mr. Mohamad Salem Ali Musa            | ■                              |

■ Attendance in person ■ Attendance by proxy through another director ■ Apology

The Board of Directors acknowledges that there are no competing businesses for the company's activity or its branches and which any member of the Board of Directors is or was engaged in.



Transactions with related parties during the FY2025 continued for some contracts in which Aldrees was a party and in which there was an interest for some members of the Board of Directors and some of these contracts were agreed upon from previous years and come as an extension of continuous relations and there is an interest in members of the Board of Directors in the company's private contracts:

Directors have interest in Company contracts:

|    | The name of the member / senior executive or any person related to any of them                   | Name of the related party                                                             | Terms of the contract                | Nature of the contract                                                                                                                                                                                   | Duration of the contract            | Contract value is in million  |
|----|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|------------------------------------------------------------------------------------------------------------------|
| 1. | Engineer / Abdul-Mohsen bin Muhammad Al-Drees                                                    | Aldrees Industry and Trade Company (ALITCO) tools and equipment sector                | There are no preferential conditions | Buying gasoline pumps, who is the agent of Dressroen pumps (American / Brazilian), noting that the prices are competitive during the year and there is no specific contract for a period of (renewable). | Annual                              | 18,3                                                                                                             |
| 2. | Mr / Hamad bin Muhammad Al-Drees Chairman of Board of Directors                                  | Mr. Hamad bin Muhammad Al-Drees - Chairman of the Board of Directors                  | There are no preferential conditions | Al-Manakh station rent                                                                                                                                                                                   | 16 years and the remaining 10 years | 1,450                                                                                                            |
| 3. | Mr. Hamad bin Muhammad Al-Drees / The Seven Orbits Engineer / Abdul-Mohsen bin Muhammad Al-Drees | Seven Orbits 50% investment with Aldrees Industry and Trade (ALITCO)                  | There are no preferential conditions | Rent Al-Noor station, Dhahran, in the Eastern Province                                                                                                                                                   | 17 years remaining 11 years         | 0,650                                                                                                            |
| 4. | Mr. Hamad bin Muhammad Al-Drees / The Seven Orbits Engineer / Abdul-Mohsen bin Muhammad Al-Drees | Seven Orbits %50 investment with Aldrees Industry and Trade (ALITCO)                  | There are no preferential conditions | Rent the modern light station in the eastern region                                                                                                                                                      | 15 years The remaining 9 years      | 0,450                                                                                                            |
| 5. | Engineer / Abdul Mohsen bin Muhammad Al-Drees, Deputy Chairman of the Board of Directors         | Engineer Abdul Mohsen bin Muhammad Al Drees - Vice Chairman of the Board of Directors | There are no preferential conditions | Rent a site in Jizan for the conveyor sector as workshop, management and housing                                                                                                                         | Annual                              | 0,200                                                                                                            |

Refer to the company's financial statements, note No. (16), balances and transactions with related parties.

Note that these transactions with the relevant authorities were approved by the Board of Directors and a declaration of approval was obtained from the Eighth Ordinary General Assembly held on 27/02/2025 on these transactions, noting that there are no preferential conditions for these transactions.

The Board of Directors acknowledges that no such deal or contracts have not been submitted. A statement will be taken from the General Assembly on related transactions according to the approved conditions for the year 2026.

The Board of Directors acknowledges that there are no Deal or contracts that have not been submitted.

Permission will be obtained from the general assembly regarding the relevant transactions according to the conditions approved for the year 2026.

- There is no arrangement or agreement whereby a director or a senior executive waives any salary or compensation.
- There is no arrangement or agreement whereby a Company shareholder waives any rights pertaining to profits.

Table - Accrued Regular Payments:

| Statement                                 | 2025                        |                                                              | Description                                            | Reasons |
|-------------------------------------------|-----------------------------|--------------------------------------------------------------|--------------------------------------------------------|---------|
|                                           | Amount paid during the year | The end of the annual financial period has not yet been paid |                                                        |         |
| Zakat                                     | 9,107,472                   | 10,896,870                                                   | These are dues for the year                            | -       |
| General Organization for Social Insurance | 36,996,910                  | 2,263,623                                                    | December 2025 balance                                  | -       |
| Value-Added tax                           | 176,362,774                 | 31,305,866                                                   | December 2025 balance                                  | -       |
| Exit reentry fees renewal visas           | 9,015,000                   | -                                                            | Costs of employment and exit, return and renewal visas | -       |
| Labor License Fees                        | 112,246,766                 | -                                                            | Labor License Fees                                     | -       |
| Customs                                   | 15,585,938                  | -                                                            | Customs duties for the company's imports               | -       |

There are no investments or reserves established for the benefit of Company employees.

## We acknowledge the following:

1

The account records were properly prepared.

2

The internal control system was prepared according to sound bases and implemented effectively.

3

There is no doubt to be mentioned as to Company ability to continue the activity thereof.

## Similarly, Company Board of Directors confirms the following:

- All listed financial information was extracted from the audited financial statements of Company, without any material amendment thereto. The financial statements were also prepared and audited in accordance with the accounting standards issued by the Saudi Organization for Certified Public Accountants.
- There is no material or negative change in the financial and commercial positions of Company during the year ended on 31 December 2025.

**The auditor's report does not include any reservations to the annual financial statements for the period ended 31/12/2025.**

**There is no recommendation from the Board of Directors to change the auditor before the end of the period designated for it**

### Corporate Governance Regulation:

It has been approved and Accreditation by your Assembly, which is not contrary to the guiding governance issued by the Capital Market Authority and the regulations in force, which the objectives of the company and how to achieve them and methods of monitoring performance.

Corporate Governance means the set of procedures, laws, standards, regulations, and decisions ensuring transparency and fairness with a view to realizing quality and excellent performance. This could be done through the rationalization of Management actions to exploit the available economic resources in a manner realizing the best possible benefits for all interested parties by developing strategies, plans, policies, control, and follow-up regarding all works related to Company affairs. Interested parties include employees, suppliers, customers, banks, third party lenders, legislators, work climate and the entire community, On November 01, 2023, the General Assembly approved the update of the Company's Corporate Governance Regulation and Policies, which include the policies of the Company's Board of Directors, its remuneration, its committees, and the Audit Committee's Rules.

## The following is a summary of the provisions that have been applied along with the provisions that have not been applied and reasons, therefore.

Company adhered to all regulations of the governance.



The names of the companies inside or outside the Kingdom of which the board member is a member of its current and previous boards of directors or its director.

| Name of the member                 | Names of companies in which a member of the board of directors is a member of their current boards of directors or of their managers | Inside the Kingdom / Outside the Kingdom | Legal Entity (Listed Contribution / Unlisted Contribution / Limited Liability / 000) | Names of companies in which a member of the board of directors was a member of their previous boards of directors or of their managers | Inside the Kingdom / Outside the Kingdom | Legal Entity (Listed Contribution / Unlisted Contribution / Limited Liability / 000) |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|--------------------------------------------------------------------------------------|
| Mr / Hamad Mohammed Aldrees        | Hamad Mohammed Al Drees & Partners Company for Industry and Mining                                                                   | Inside the Kingdom                       | Joint stock company Unregistered                                                     | Hamad Mohammed Al Drees & Partners Company for Industry and Mining                                                                     | Inside the Kingdom                       | Joint stock company Unregistered                                                     |
| Engr. Abdulmohsen Mohammed Aldrees | Aldrees Industry and Trade Company (ALITCO)                                                                                          | Inside the Kingdom                       | Joint stock company Unregistered                                                     | Aldrees Industry and Trade Company (ALITCO)                                                                                            | Inside the Kingdom                       | Joint stock company Unregistered                                                     |
|                                    | Group Communications Company                                                                                                         | Inside the Kingdom                       | LLC                                                                                  | -                                                                                                                                      | -                                        | -                                                                                    |
| Mr. Eid Faleh Al Shamari           | Al Hassan Ghazi Ibrahim Shaker Co.                                                                                                   | Inside the Kingdom                       | Joint stock company                                                                  | Al Hassan Ghazi Ibrahim Shaker Co.                                                                                                     | Inside the Kingdom                       | Joint stock company                                                                  |
|                                    | Almarai Co. Audit committee                                                                                                          | Inside the Kingdom                       | Joint stock company                                                                  | Almarai Co. Audit committee                                                                                                            | Inside the Kingdom                       | Joint stock company                                                                  |
|                                    | Taiba Investments Co. Audit committee                                                                                                | Inside the Kingdom                       | Joint stock company                                                                  | Taiba Investments Co. Audit committee                                                                                                  | Inside the Kingdom                       | Joint stock company                                                                  |
|                                    | Riyad Bank Audit committee member                                                                                                    | Inside the Kingdom                       | Joint stock company                                                                  | Riyad Bank Audit committee member                                                                                                      | Inside the Kingdom                       | Joint stock company                                                                  |
|                                    | Sports Boulevard Foundation Audit committee member                                                                                   | Inside the Kingdom                       | Governmental institution                                                             | Sports Boulevard Foundation Audit committee member                                                                                     | Inside the Kingdom                       | Governmental institution                                                             |
|                                    | King Salman Park Foundation Audit committee member                                                                                   | Inside the Kingdom                       | Governmental institution                                                             | King Salman Park Foundation Audit committee member                                                                                     | Inside the Kingdom                       | Governmental institution                                                             |
|                                    | Seera Holding Group BOD MEMBER Chairman of the Remuneration and Nominations Committee                                                | Inside the Kingdom                       | Joint stock company                                                                  | Seera Holding Group BOD MEMBER Chairman of the Remuneration and Nominations Committee                                                  | Inside the Kingdom                       | Joint stock company                                                                  |
|                                    | Nayifat Finance Company BOD MEMBER Head of Audit committee                                                                           | Inside the Kingdom                       | Credit-finance-companies                                                             | -                                                                                                                                      | -                                        | -                                                                                    |
| Engr. Abdulalah Saad Aldrees       | Arab Club Company                                                                                                                    | Inside the Kingdom                       | Joint stock company                                                                  | Arab Club Company                                                                                                                      | Inside the Kingdom                       | Joint stock company Unregistered                                                     |
|                                    | Food Gate Co.                                                                                                                        | Inside the Kingdom                       | Joint stock company                                                                  | Food Gate Co.                                                                                                                          | Inside the Kingdom                       | Joint stock company                                                                  |
| Engr. Mohammed Abdullatif Al Omair |                                                                                                                                      |                                          |                                                                                      | Rabigh Refining & Petrochemical Company BOD MEMBER                                                                                     | Inside the Kingdom                       | Joint stock company                                                                  |
|                                    | Rabigh Refining & Petrochemical Company Audit committee member, Head of marketing committee                                          | Inside the Kingdom                       | Joint stock company                                                                  | Rabigh Refining & Petrochemical Company Audit committee member, Head of marketing committee                                            | Inside the Kingdom                       | Joint stock company                                                                  |
|                                    |                                                                                                                                      |                                          |                                                                                      | Marafiq BOD MEMBER / CEO                                                                                                               | Inside the Kingdom                       | Joint stock company                                                                  |
|                                    |                                                                                                                                      |                                          |                                                                                      | Marafiq - Jubail BOD MEMBER                                                                                                            | Inside the Kingdom                       | LLC                                                                                  |
|                                    |                                                                                                                                      |                                          |                                                                                      | SATORP - Jubail BOD MEMBER                                                                                                             | Inside the Kingdom                       | LLC                                                                                  |
|                                    | National Medical Care Company Audit committee member                                                                                 |                                          |                                                                                      | SASREF - Jubail BOD MEMBER / CEO                                                                                                       | Inside the Kingdom                       | LLC                                                                                  |
| Mr. Faraj Saad Al-Gabani           |                                                                                                                                      |                                          |                                                                                      | SAMREF - Yanbu Chairman                                                                                                                | Inside the Kingdom                       | LLC                                                                                  |
|                                    | National Medical Care Company Audit committee member Member of the Executive committee                                               | Inside the Kingdom                       | Joint stock company                                                                  | National Medical Care Company Audit committee member Member of the Executive committee                                                 | Inside the Kingdom                       | Joint stock company                                                                  |
|                                    | -                                                                                                                                    | -                                        | -                                                                                    | Watheer Real Estate Development Co. Audit committee member                                                                             | Inside the Kingdom                       | Joint stock company Unregistered                                                     |
| Mr. Basel Ali Ahmed Al-Faris       | YAMAMA Cement Company Audit committee memebr                                                                                         | Inside the Kingdom                       | Joint stock company                                                                  | YAMAMA Cement Company Audit committee memebr                                                                                           | Inside the Kingdom                       | Joint stock company Unregistered                                                     |
|                                    | Advanced Aircraft Technology Company                                                                                                 | Inside the Kingdom                       | LCC                                                                                  | -                                                                                                                                      | -                                        | -                                                                                    |
| Mr. Mohammed Salem Ali Mussa       | Falcon First Specialized Activities Company                                                                                          | Inside the Kingdom                       | LLC                                                                                  | -                                                                                                                                      | -                                        | -                                                                                    |
|                                    | -                                                                                                                                    | -                                        | -                                                                                    | Maarif Holding                                                                                                                         | Inside the Kingdom                       | LLC                                                                                  |
| Mr. Mohammed Salem Ali Mussa       | -                                                                                                                                    | -                                        | -                                                                                    | Maarif Education                                                                                                                       | Inside the Kingdom                       | LLC                                                                                  |
|                                    | Saudi Investment Bank Board Member - Member of the Remuneration and Nominations Committee - Member of the Risk Committee             | Inside the Kingdom                       | Joint stock company                                                                  | -                                                                                                                                      | -                                        | -                                                                                    |
|                                    | Najm Al-Marzam Investment Company (Official - Portfolio Manager)                                                                     | Inside the Kingdom                       | LCC                                                                                  | -                                                                                                                                      | -                                        | -                                                                                    |





List of the Members of the Board of Directors, Members of the Committees, and the Executive Management. Their current and past positions, qualifications, and experience

## First Members Board of Directors

| S | Member Name                           | Current position                                                                             | Previous position                                                                            | Qualifications                                                             | Experience                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---|---------------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Mr. Hamad bin Mohammed Aldrees        | Businessman Chairman of the Board of Directors                                               | Businessman Chairman of the Board of Directors                                               | ----                                                                       | <ul style="list-style-type: none"> <li>45 Chairman of Mohamed Saad Aldrees and Sons Company</li> <li>20 yrs as Chairman of the Board of Directors of Aldrees Petroleum &amp;Transport Services Co.</li> <li>3 yrs as Chairman of the Board of Directors Aldrees Industrial &amp; Trading Company (ALITCO)</li> <li>32 Hamad M. Aldrees &amp; Partners Co</li> </ul>                                                                                                                                                                                                                                                                                                                           |
| 2 | Eng. Abdulmohsen bin Mohammed Aldrees | Businessman Chairman of the Board of Directors Aldrees Industrial & Trading Company (ALITCO) | Businessman Chairman of the Board of Directors Aldrees Industrial & Trading Company (ALITCO) | Master of Mechanical Engineering                                           | <ul style="list-style-type: none"> <li>45 yrs as Deputy Chairman of the Board of Directors of Mohamed Saad Aldrees and Sons Company</li> <li>20 yrs as Deputy Chairman of the Board of Directors of Aldrees Petroleum &amp;Transport Services Co.</li> <li>20 yrs as Chief of Executive Committee of Aldrees Petroleum &amp;Transport Services Co.</li> <li>15 yrs as Chief of Governance Committee of Aldrees Petroleum &amp;Transport Services Co</li> <li>14 years Chairman of the Board of Directors of Al-Drees Industrial and Trading Company (Alitco)</li> <li>13 years Chairman of the Nominations and Rewards Committee, Al-Drees Company For Industry and Trade (Alitco)</li> </ul> |
| 3 | Mr. Eid bin Falih Alshamri            | Businessman Chief Executive Officer                                                          | Businessman Chief Executive Officer                                                          | Bachelor of Science Management of the American Accountants Association CPA | <ul style="list-style-type: none"> <li>20 yrs as Member of the Board of Directors of Aldrees Petroleum &amp;Transport Services Co.</li> <li>19 yrs as Chief of Audit (Member ) Committee of Aldrees Petroleum &amp;Transport Services Co.</li> <li>20 yrs as Member of Governance Committee of Aldrees Petroleum &amp;Transport Services Co.</li> <li>9 yrs as Member of the Board of Directors Aldrees Industrial &amp; Trading Company (ALITCO)</li> <li>9 yrs as Chief of Audit Committee of Aldrees Industrial &amp; Trading Company (ALITCO)</li> <li>9 yrs as Member of Governance Committee of Aldrees Industrial &amp; Trading Company (ALITCO)</li> </ul>                            |
| 4 | Eng. Abdulelah bin Saad Aldrees       | Chief Executive Officer - Aldrees Petroleum &Transport Services Co.                          | Deputy General Manager of Mohamed Saad Al Drees and Sons Company                             | Bachelor of Civil Engineering                                              | <ul style="list-style-type: none"> <li>29 yrs Deputy Managing Director of Mohamed Saad Al Drees and Sons Company</li> <li>20 yrs as Member of the Board of Directors of Aldrees Petroleum &amp;Transport Services Co.</li> <li>20 yrs as Member of Executive Committee of Aldrees Petroleum &amp;Transport Services Co.</li> <li>21 yrs as Chief Executive Officer (CEO) of Aldrees Petroleum &amp;Transport Services Co.</li> </ul>                                                                                                                                                                                                                                                          |
| 5 | Eng. Mohamad Abdullatif Al-Omair      | Retired                                                                                      | Retired                                                                                      | Bachelor of Civil Engineering                                              | <ul style="list-style-type: none"> <li>2001 - 1998 President of Motor Oil Hellas Refinery and Avene Distribution Company in Greece.</li> <li>2001AD – 2008 AD President and Managing Director of Saudi Aramco Jubail Refinery Company (SASREF).</li> <li>2012-2008 Vice-President of the Refineries and Gas Liquids Fractionation Sector at Saudi Aramco.</li> <li>2015 - 2012 Vice President of Distribution and Piping Business at Saudi Aramco.</li> </ul>                                                                                                                                                                                                                                 |

| S | Member Name                | Current position                                                                   | Previous position                                                               | Qualifications                                                 | Experience                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---|----------------------------|------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6 | Mr. Farraj Saad Al-Qabbani | Acting CEO<br>Saudi Medical<br>Care Group                                          | Head of Strategic<br>Management Affairs<br>Saudi Medical<br>Care Group          | Master's Degree -<br>Accounting -<br>Information<br>Technology | <ul style="list-style-type: none"> <li>2008 - 1999 Accounting Lecturer - College of Technology.</li> <li>2007 - 2004 Director of Financial and Administrative Affairs - Harf Information Technology Company.</li> <li>2011 - 2007 Director of Financial and Administrative Affairs - Riyadh Holding.</li> <li>2016 - 2011 Senior Vice President - Riyadh Capital.</li> <li>2019 - 2016 Head of Operations Management Affairs - Riyadh Capital.</li> <li>2020 - 2019 Head of the Executive Office - Ministry of Human Resources and Social Development.</li> <li>2021 - 2020 Head of Strategy Management Affairs - Saudi Medical Care Group.</li> <li>2021AD - now the acting CEO Saudi Medical Care Group.</li> </ul> |
| 7 | Mr. Basil Ali Al Faris     | Director of Alternative<br>Investments Department<br>Hassana Investment<br>Company | Director of<br>International<br>Listed Markets<br>Hassana Investment<br>Company | Bachelor<br>of Finance                                         | <ul style="list-style-type: none"> <li>2013 Researcher - General Organization for Social Insurance.</li> <li>2014 - 2016 Analyst - Hassana Investment Company.</li> <li>2016 - 2019 Senior Analyst - Hassana Investment Company.</li> <li>2019 - 2021 Director - Hassana Investment Company.</li> <li>2021 - 2022 Director of International Listed Markets - Hassana Investment Company.</li> <li>2022 - until now, Director of Alternative Investments Department - Hassana Investment Company.</li> </ul>                                                                                                                                                                                                           |
| 8 | Mr. Mohamad Salem Ali Musa | Portfolio Manager<br>Hassana Investment<br>Company                                 | Senior analyst<br>Hassana Investment<br>Company                                 | Bachelor<br>of Finance                                         | <ul style="list-style-type: none"> <li>2017 - 2019 Analyst - Hassana Investment Company.</li> <li>2019 - 2021 Senior Analyst - Hassana Investment Company</li> <li>2021 - until now, portfolio manager - Hassana Investment Company.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

## Second Members Committee

| S | Member Name                                 | Current position                                                                                         | Previous position                                                                                   | Qualifications                                                                | Experience                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---|---------------------------------------------|----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Eng. Abdulmohsen bin Mohammed Aldrees       | Businessman<br>Chairman of the Board of Directors<br>Aldrees Industrial & Trading Company                | Businessman<br>Chairman of the Board of Directors<br>Aldrees Industrial & Trading Company           | Master of Mechanical Engineering                                              | <ul style="list-style-type: none"> <li>45 yrs as Deputy Chairman of the Board of Directors of Mohamed Saad Aldrees and Sons Company</li> <li>20 yrs as Deputy Chairman of the Board of Directors of Aldrees Petroleum &amp;Transport Services Co.</li> <li>20 yrs as Chief of Executive Committee of Aldrees Petroleum &amp;Transport Services Co.</li> <li>15 yrs as Chief of Governance Committee of Aldrees Petroleum &amp;Transport Services Co</li> <li>14 yrs as Chairman of the Board of Directors Aldrees Industrial &amp; Trading Company (ALITCO)</li> <li>13 yrs as Chief of Governance Committee of Aldrees Industrial &amp; Trading Company (ALITCO)</li> </ul> |
| 2 | Mr. Eid bin Falih Alshamri                  | Businessman<br>Chief Executive Officer                                                                   | Businessman<br>Chief Executive Officer                                                              | Bachelor of Science<br>Management of the American Accountants Association CPA | <ul style="list-style-type: none"> <li>20 years as a member of the board of directors of Al-Drees Petroleum Services Company Transportation</li> <li>20 yrs as Chief of Audit (Member ) Committee of Aldrees Petroleum &amp;Transport Services Co.</li> <li>20 yrs as Member of Governance Committee of Aldrees Petroleum &amp;Transport Services Co.</li> <li>9 yrs as Member of the Board of Directors Aldrees Industrial &amp; Trading Company (ALITCO)</li> <li>9 yrs as Chief of Audit Committee of Aldrees Industrial &amp; Trading Company (ALITCO)</li> <li>9 yrs as Member of Governance Committee of Aldrees Industrial &amp; Trading Company (ALITCO)</li> </ul>  |
| 3 | Eng. Abdulalah bin Saad Aldrees             | Chief Executive Officer<br>Aldrees Petroleum & Transport Services Co.                                    | Deputy General Manager of<br>Mohamed Saad Aldrees and Sons Company                                  | Bachelor of Civil Engineering                                                 | <ul style="list-style-type: none"> <li>29 yrs Deputy Managing Director of Mohamed Saad Al Drees and Sons Company</li> <li>20 yrs as Member of the Board of Directors of Aldrees Petroleum &amp;Transport Services Co.</li> <li>20 yrs as Member of Executive Committee of Aldrees Petroleum &amp;Transport Services Co.</li> <li>21 yrs as CEO of Aldrees Petroleum &amp;Transport Services Co.</li> </ul>                                                                                                                                                                                                                                                                   |
| 4 | Mr. Adil bin Faris Alotaybi (Former Member) | Director of Operations<br>Department<br>General Organization for Social Insurance                        | Director of Registration<br>Department<br>Organization for Social Insurance GOSI                    | Master of Science in Finance and Protection Policy                            | <ul style="list-style-type: none"> <li>9 years Director of Registration and Subscriptions at the General Organization Social Security</li> <li>7 yrs Insurance Researcher at the General Organization for Social Insurance</li> <li>2 yrs Auditor in the General Organization for Social Insurance</li> <li>9 yrs as Member of the Board of Directors of Aldrees Petroleum &amp;Transport Services Co.</li> <li>9 yrs as Member of Chief of Audit (Member) Committee of Aldrees Petroleum &amp; Transport Services Co.</li> <li>5 yr as Chief of Governance Committee of Aldrees Petroleum &amp;Transport Services CoTransport Services Co.</li> </ul>                       |
| 5 | Khalid Mohammed Alkhwaiter                  | Chairman of the Professional Monitoring Committee<br>Saudi Organization for Certified Public Accountants | Finance Manager                                                                                     | Bachelor of Accounting CPA                                                    | <ul style="list-style-type: none"> <li>Chairman of the Executive Committee for Accounting Standards.</li> <li>Deputy Chairman of the Executive Committee for Accounting Standards.</li> <li>Member of Audit Committee of STC</li> <li>Member of the Board of Directors of Saudi Air Navigation Services</li> <li>Chairman of the Advance Arabian Simulation Co (AASC)</li> <li>8 yrs Member of Audit Committee of Aldrees Petroleum &amp;Transport Services Co. (currently)</li> </ul>                                                                                                                                                                                       |
| 6 | Saad Hamad Aldrees                          | General Manager<br>Directors Hamad Muhammad Aldrees and Partners<br>Company for Industry and Mining      | General Manager<br>Directors Hamad Muhammad Aldrees and Partners<br>Company for Industry and Mining | Bachelor of Administrative Sciences - Marketing                               | <ul style="list-style-type: none"> <li>Several administrative and financial positions at Riyad Bank</li> <li>Assistant Finance Manager of Mohammed Al-Saad Al-Drees &amp; Sons Company</li> <li>8 yrs Member of Audit Committee of Aldrees Petroleum &amp;Transport Services Co. (currently)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                      |

| S  | Member Name                     | Current position                                                          | Previous position                                                   | Qualifications                | Experience                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----|---------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7  | Eng. Mohamad Abdullatif Al-Omar | Retired                                                                   | Retired                                                             | Bachelor of Civil Engineering | <ul style="list-style-type: none"> <li>1998 - 2001 President of Motor Oil Hellas Refinery and Avene Distribution Company in Greece.</li> <li>2001AD – 2008 AD President and Managing Director of Saudi Aramco Jubail Refinery Company (SASREF).</li> <li>2008-2012 Vice-President of the Refineries and Gas Liquids Fractionation Sector at Saudi Aramco.</li> <li>2012 - 2015 Vice President of Distribution and Piping Business at Saudi Aramco.</li> </ul>                                                                                                                                                                                                                                                         |
| 8  | Mr. Farraj Saad Al-Qabbani      | Acting CEO Saudi Medical Care Group                                       | Head of Strategic Management Affairs Saudi Medical Care Group       | Bachelor of Accounting - CPA  | <ul style="list-style-type: none"> <li>1999 - 2008 Accounting Lecturer - College of Technology.</li> <li>2004 - 2007 Director of Financial and Administrative Affairs - Harf Information Technology Company.</li> <li>2007 - 2011 Director of Financial and Administrative Affairs - Riyadh Holding.</li> <li>2011 - 2016 Senior Vice President - Riyadh Capital.</li> <li>2016 - 2019 Head of Operations Management Affairs - Riyadh Capital.</li> <li>2019 - 2020 Head of the Executive Office - Ministry of Human Resources and Social Development.</li> <li>2020 - 2021 Head of Strategy Management Affairs - Saudi Medical Care Group.</li> <li>2021AD - now the acting CEO Saudi Medical Care Group.</li> </ul> |
| 9  | Mr. Basil Ali Al Faris          | Director of Alternative Investments Department Hassana Investment Company | Director of International Listed Markets Hassana Investment Company | Bachelor of Finance           | <ul style="list-style-type: none"> <li>2013 Researcher - General Organization for Social Insurance.</li> <li>2014 - 2016 Analyst - Hassana Investment Company.</li> <li>2016 - 2019 Senior Analyst - Hassana Investment Company.</li> <li>2019 - 2021 Director - Hassana Investment Company.</li> <li>2021 - 2022 Director of International Listed Markets - Hassana Investment Company.</li> <li>2022 - until now, Director of Alternative Investments Department - Hassana Investment Company.</li> </ul>                                                                                                                                                                                                           |
| 10 | Mr. Mohamad Salem Ali Musa      | Portfolio Manager Hassana Investment Company                              | Senior analyst Hassana Investment Company                           | Bachelor of Finance           | <ul style="list-style-type: none"> <li>2017 - 2019 Analyst - Hassana Investment Company.</li> <li>2019 - 2021 Senior Analyst - Hassana Investment Company.</li> <li>2021 - until now, portfolio manager - Hassana Investment Company.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

### Third : Executive Management

| S | Member Name                     | Current position                                                      | Previous position                                                     | Qualifications                      | Experience                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---|---------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Eng. Abdulelah bin Saad Aldrees | Chief Executive Officer<br>Aldrees Petroleum & Transport Services Co. | Chief Executive Officer<br>Aldrees Petroleum & Transport Services Co. | Bachelor of Civil Engineering       | <ul style="list-style-type: none"> <li>29 yrs Deputy Managing Director of Mohamed Saad Al Drees and Sons Company</li> <li>20 yrs as Member of the Board of Directors of Aldrees Petroleum &amp; Transport Services Co.</li> <li>20 yrs as Member of Executive Committee of Aldrees Petroleum &amp; Transport Services Co.</li> <li>21 yrs as CEO of Aldrees Petroleum &amp; Transport Services Co.</li> </ul>                                                                                                                                                                                                                                                                                                                     |
| 2 | Khalid Abdulmohsen Aldrees      | GM- Petroleum Division                                                | Personnel Manager                                                     | Bachelor of Business Administration | <ul style="list-style-type: none"> <li>5 yrs Admin. in Mohammed Saad Aldrees &amp; Sons Company</li> <li>4 yrs Assistant Human Resources Manager</li> <li>2 years General Manager of Personnel Affairs</li> <li>9 yrs Human Resources Manager and Public relations From 2004 to date Secretary of the Board of Directors of Aldrees Petroleum &amp; Transport Services Co.</li> <li>15 yrs as Member of Executive Committee of Aldrees Petroleum &amp; Transport Services Co.</li> <li>15 years General Manager of Human Resources</li> <li>7 yrs general manager of a petroleum sector in Al-Drees Petroleum and Transport Services</li> </ul>                                                                                   |
| 3 | Khalid Abdulrahman Bin Saheim   | GM- Transport Division                                                | Manager Global Sourcing and Contracting - SABIC                       | ----                                | <ul style="list-style-type: none"> <li>27 yrs experience in SABIC, which includes many positions and sections</li> <li>8 yrs general manager of a transport sector in Al-Drees Petroleum and Transport Services</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 4 | Amro Mahmoud Abo El Maaty       | CFO                                                                   | GM- Finance Petrol Division                                           | Bachelor of Accounting              | <ul style="list-style-type: none"> <li>3 yrs Auditor of Aldrees Petroleum &amp; Transport Services Co.</li> <li>3 yrs Accountant – Petrol Division of Aldrees Petroleum &amp; Transport Services Co.</li> <li>4 yrs Senior Accountant – Petrol Division of Aldrees Petroleum &amp; Transport Services Co.</li> <li>6 yrs Chief Accountant – Petrol Division of Aldrees Petroleum &amp; Transport Services Co.</li> <li>4 yrs Member of the Management Committee of United Fuel Company (UNFCO)</li> <li>12 yrs Finance Manager– Petrol Division of Aldrees Petroleum &amp; Transport Services Co.</li> <li>From May 05, 2017 to date – Chief Financial Officer (CFO) of Aldrees Petroleum &amp; Transport Services Co.</li> </ul> |
| 5 | Salamah Bin Mufreh Al-Daghish   | GM- Human Resources                                                   | Deputy GM- Human Resources                                            | Master of Business Administration   | <ul style="list-style-type: none"> <li>3 yrs, the Administrative Affairs Coordinator at Muhammad Saad Al Drees and Sons Company</li> <li>3 yrs, Deputy Director of Special Projects for Muhammad Saad Al-Drees and Sons Company</li> <li>16 yrs, Deputy General Manager for Human Resources at Aldrees Petroleum and Transport Services Company</li> <li>4 yrs, General Manager of Investor Relations at Aldrees Petroleum and Transport Services Company</li> <li>7 yrs, General Manager of Human Resources at Aldrees Petroleum and Transport Services Company</li> </ul>                                                                                                                                                       |



## Board of Directors Composition and Classification of its Directors

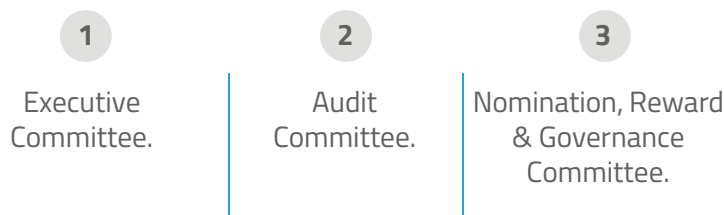
Composition of the Board of Directors and the classification of its members.

| S | Name                               | Position        | Classification  |
|---|------------------------------------|-----------------|-----------------|
| 1 | Hamad Mohammed Aldrees             | Chairman        | Non – Executive |
| 2 | Engr. Abdulmohsen Mohammed Aldrees | Deputy Chairman | Non – Executive |
| 3 | Eid Faleh Al Shamari               | Member          | Non – Executive |
| 4 | Engr. Abdulelah Saad Aldrees       | Member- CEO     | Executive       |
| 5 | Mohammed Abdullatif Al Omair       | Member          | Independent     |
| 6 | Faraj Saad Al-Gabani               | Member          | Independent     |
| 7 | Basel Ali Ahmed Al-Faris           | Member          | Independent     |
| 8 | Mohammed Salem Ali Mussa           | Member          | Independent     |

Actions taken by the Board of Directors to inform its members, especially non-executives of shareholders proposals and their remarks about the Company and its performance by including them in the agenda of the following Board Meeting after the Assembly, to discuss and take the proper position.

# Board of Directors Committees:

Three committees emerge from the Board of Directors, namely:



The said committees comprise the directors, Board Secretary and members who are not Board Directors as per the regulating instructions and procedures. A description of each committee is provided for hereinafter:

## First: Executive Committee:

Responsibilities and tasks of the Executive Committee are as follows:



The Executive Committee for the new session was formed by four members:

|    |                                   |          |
|----|-----------------------------------|----------|
| 1. | Eng. Abdulmohsen Mohammed Aldrees | Chairman |
| 2. | Eng. Mohammed Abdullatif Al Omair | Member   |
| 3. | Eng. Abdulelah Saad Aldrees       | Member   |
| 4. | Mohammed Salem Ali Mussa          | Member   |



The following table includes an attendance sheet of Executive Committee.  
Meetings during 2025:

| No. | Name                              | Dates of Executive Committee Meetings 2025 |      |      |       |       |       |
|-----|-----------------------------------|--------------------------------------------|------|------|-------|-------|-------|
|     |                                   | 20/1                                       | 20/4 | 13/7 | 16/10 | 27/10 | 31/12 |
| 1.  | Eng. Abdulmohsen Mohammed Aldrees | ■                                          | ■    | ■    | ■     | ■     | ■     |
| 2.  | Eng. Mohammed Abdullatif Al Omair | ■                                          | ■    | ■    | ■     | ■     | ■     |
| 3.  | Eng. Abdulelah Saad Aldrees       | ■                                          | ■    | ■    | ■     | ■     | ■     |
| 4.  | Mohammed Salem Ali Mussa          | ■                                          | ■    | ■    | ■     | ■     | ■     |

■ Attendance in person   ■ Attendance by proxy through another Director   ■ Apology



## Second: Audit Committee:

**Audit Committee assists the Company Board of Directors in undertaking its responsibility for supervising the following matters entrusted to the Audit Committee:**

1. Enabling the Board of Directors to conduct an annual audit of the work and referred to powers delegated to the Audit Committee and presenting its recommendations to Company Board of Directors for the purpose of ensuring that the said Committee properly and efficiently performs its duties.
2. Studying the effect of internal control system soundness on preparing financial reports and controlling the efficiency of the said systems.
3. Obtaining reports on the most important results, recommendations and corrective action plans that intended to be implemented by the management and checking the adequacy of the corrective procedures as to the findings of internal audit.
4. Submitting recommendations to the Board of Directors on appointing, retaining, and dismissing of the chartered accountants.
5. Exercising all the powers related to the recommendations of appointing the external auditor, determining the fees due thereto, and supervising the work of the said external audit.
6. Ensuring the independence of Internal Audit Department.
7. Following up the works of the chartered accountants and approving any work outside the scope of audit works entrusted to the said chartered accountants during audit works.
8. Reviewing the maintenance of coordination between the tasks entrusted to internal and external auditors.
9. Studying auditor's remarks on the financial statements and following up procedures taken regarding the same.
10. Auditing the annual revised financial reports and ensuring its quality together with auditing press statements issued in this regard and results of auditing Company fiscal year in coordination with the external auditors and appropriate representatives of the Management.
11. Studying all transactions of the related parties as determined by the applicable laws, rules and regulations.
12. Auditing Company policies and practices as related to the financial and accounting reports, including any significant changes to such policies and practices, and discussing the same with Company Chief Financial Officer and external auditor.
13. Studying, evaluating and reporting the efficiency of determining risks significant to Company activity and method therein Company manages such risks, and submitting suitable recommendations in this regard to the Board of Directors.
14. Assuming the responsibility for implementing any other tasks entrusted thereto by the Board of Directors, and submitting to the Board a periodical report on audits performed by Audit Committee and its recommendations regarding the same.

The composition of the Audit Committee and its functions and controls and the remuneration of its members for the new session of the Council, which started on 22/12/2023 and for three years as follows:

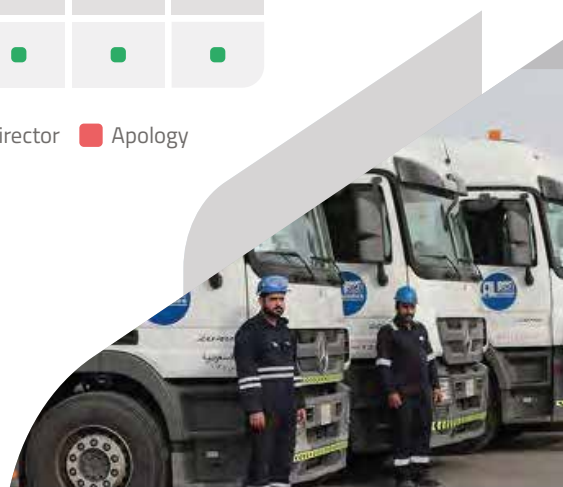
|    |                                |          |
|----|--------------------------------|----------|
| 1. | Mr. Eid Falih Alshamri         | Chairman |
| 2. | Mr. Faraj Saad Al-Gabani       | Member   |
| 3. | Mr. Khalid Mohammed Alkhwaiter | Member   |
| 4. | Mr. Saad Hamad Aldrees         | Member   |



The following table includes an attendance sheet of Audit Committee meetings during 2025:

| No. | Name                           | Dates of Audit Committee Meetings |      |      |       |       |
|-----|--------------------------------|-----------------------------------|------|------|-------|-------|
|     |                                | 21/1                              | 21/4 | 17/7 | 19/10 | 21/10 |
| 1.  | Mr. Eid Falih Alshamri         | ■                                 | ■    | ■    | ■     | ■     |
| 2.  | Mr. Faraj Saad Al-Gabani       | ■                                 | ■    | ■    | ■     | ■     |
| 3.  | Mr. Khalid Mohammed Alkhwaiter | ■                                 | ■    | ■    | ■     | ■     |
| 4.  | Mr. Saad Hamad Aldrees         | ■                                 | ■    | ■    | ■     | ■     |

■ Attendance in person ■ Attendance by proxy through another Director ■ Apology



### **Third: Nomination, Reward Committee:**

**Nomination, Reward & Governance Committee performs its duties as a governance, reward, and nomination committee.**

**The purpose of Nomination, Reward & Governance Committee is to assist the Board of Directors in the following tasks entrusted to the said Committee:**

1. Looking for qualified individuals to elect them as Board directors for the purpose of ensuring that the Board includes members having appropriate skills and experience, selecting the said individuals based on the standards of membership set forth in the principles and rules of corporate governance, and making sure that any person previously convicted of a crime involving a breach of honor is not nominated for the membership of the Board.
2. Studying and evaluating the independency of each nominee for the Board membership, considering the instructions of Company on independency and standards determined by the «Capital Market Authority» by virtue of registration and listing rules.
3. Auditing the principles, policies and procedures of Company governance once annually at least, and submitting recommendations to the Board of Director so as for the Board to make any changes to the same, if appropriate.
4. Supervising the evaluation of Company Board of Directors and its organizational management in the light of the rules of corporate governance.
5. Submitting the recommendations of Governance Committee on the suitable composition of the Board and its efficiency in meeting its obligations towards Company and its shareholders.
6. Developing and applying Company policies and programs on rewards and salaries due to the chief executive officers and Board directors.
7. Auditing, approving and following up Company Professional and Ethical Code of Conduct.
8. Ensuring that there is no conflict of interests in case that a Board director serves as a member of the board of directors of another company.
9. Auditing the classification of each Board director as an independent director once annually at least. In order to determine whether the Board directors are qualified to be independent or not, each director shall fill in a questionnaire to be audited by the Governance Committee.

|    |                              |          |
|----|------------------------------|----------|
| 1. | Mr. Basel Ali Ahmed Al-Faris | Chairman |
| 2. | Mr. Eid bin Faleh Al-Shamri  | Member   |
| 3. | Mr. Adel bin Faris Al-Otaibi | Member   |



The following table includes an attendance sheet of Audit Committee meetings during 2025: (previous)

| No. | Name                         | Governance Committee Meetings 2025 |      |       |       |
|-----|------------------------------|------------------------------------|------|-------|-------|
|     |                              | 20/1                               | 15/7 | 16/10 | 23/12 |
| 1.  | Mr. Basel Ali Ahmed Al-Faris | ■                                  | ■    | ■     | ■     |
| 2.  | Mr. Eid bin Faleh Al-Shamri  | ■                                  | ■    | ■     | ■     |
| 3.  | Mr. Adel bin Faris Al-Otaibi | ■                                  | ■    | ■     | ■     |

■ Attendance in person
 ■ Attendance by proxy through another Director
 ■ Apology

**Where the methods used by the Board of Directors to assess its performance and the performance of its committees and members and the external entity that has evaluated and its relationship with the Company (if any):**

The Board as a whole ensures periodic self-evaluation under the supervision of the award and remuneration committee.

#### **Details of the company's social contributions**

The maximum amount of  $\text{AED}$  2.5 Million to be disbursed during the year to serve the community and the delegation of the CEO of the company to dispose them.



**Sanction, penalty or reserve provision imposed on Company by Capital Market Authority (CMA) or any other supervisory, regulatory or judicial entity. Other than the below list:**

| Punishment / Penalty / Precautionary measure/ restriction the reserve" | Reasons the offense                         | The signatory for offense"                              | Ways to treat it" and avoid it In the future" |
|------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|-----------------------------------------------|
| 21,250                                                                 | Enter trucks at prohibited times            | Traffic                                                 | The situation is being corrected              |
| 228,666                                                                | Traffic Violation                           | Traffic                                                 | The situation is being corrected              |
| 320,800                                                                | Weight gain                                 | Ministry of transportaion & Logistice                   | The situation is being corrected              |
| 4,040,000                                                              | Number of violations: 202, valued at 20,000 | National Center for Environmental Compliance Monitoring | The situation is being corrected              |



## Annual audit of the efficiency of controlling procedures & results of auditing the internal control system:

The company has an internal autonomous audit department directly reporting to the Board of Directors and Audit Committee. The Internal Audit Department performs its duties in accordance with the Audit Regulation approved by Company board of directors. In addition, Internal Audit Department provides autonomous advisory and substantive services for the purpose of assisting the Board of Directors, Audit Committee and Executive Management in performing their responsibilities. Furthermore, the Executive Management has no influence over the Internal Audit Department. Internal Audit Department is entitled to exercise the full unrestricted powers of accessing any documents in accordance with the requirements of its work. To perform its works, Internal Audit Department adopted a regular approach of evaluating and improving the efficiency of internal control system; enabling the company to achieve its goals and safeguard assets thereof. Internal Audit Department work scope included checking the efficiency and adequacy of company's bylaws for the purpose of verifying whether they (bylaws) are accurately applied, as necessary, and are as required for ensuring the realization of the company goals or not. There are no remarks or material events during the period of the annual audit performed to evaluate the efficiency of the internal control procedures. In addition, the work scope of Internal Control Department included the following:

1. Most of the company's divisions and departments are being checked and audited periodically, conditional on giving internal priority to the activities and functions of high risks.
2. Officers of different departments, whose works are being audited, are notified of findings discovered during the above-mentioned audit, and Management recommends in addressing such findings.
3. Review and evaluate the procedural frameworks by different departments for the purpose of addressing the concerns if any, evaluate and recommend if found that the taken procedures are not adequate. The same was discussed with the officers of different departments to ensure that taken procedures are adequate and efficient.

Audit Committee studied and followed up the implementation of the approved audit plan for 2025, in cooperation with Internal Audit Department, and further followed up the implementation of recommendations provided for in the reports of internal audit. The Audit Committee seeks to preserve the assets of the company and provide reasonable assurance of the safety of financial reports prepared from the records of accounting, and it examines the company's internal control system frequently to ensure its efficiency and effectiveness and to carry out financial and administrative and operational audits to evaluate the work of the company and this in coordination, and under the supervision of the Committee Review.

### Revisers & Auditors:

- As there is no conflict between the Audit Committee and the Board of Directors' decisions regarding the appointment of the Company's auditor, its dismissal, the identification of its fees, the evaluation of its performance and the evaluation of the internal auditor.

The new external auditor will be selected from among the candidates by the Audit Committee to review the company's financial statements for the fiscal year 2026 (quarterly and annually) financial statements and determine its fees as per regulation.



# Conclusion

## Management

Discussion and Analysis of Company Financial Position and Business Results was prepared by the Management and Audit Committee and approved by the Board of Directors. The Management attests that no changes (having material impact) on the financial statements or future expectations. In addition, Company Management shall be fully responsible for the accuracy and credibility of what provided information and financial analysis therein. Furthermore, Management confirms that it has taken all required procedures and fairly and fully disclosed such data, and there are no other documents or information whose omission may result in realizing financial data and information received as misleading in any way or whatsoever.

## Finally,

the Board of Directors of Aldrees Company would like to thank and show its appreciation to all the company's employees, shareholders, banks, and all the governmental authorities for their continued support and cooperation. The company is going to continue achieving its intended goals and future aimed plans. We confidently look forward to a new year and aspire to meet and exceed the expectations of the Company's shareholders during the coming year.



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**Hamad bin Mohammed Aldrees**  
Chairman Board of Directors



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**Khalid Abdulmohsen Aldrees**  
Secretary Board of Directors

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