



A Trustworthy Experience

MOUWASAT MEDICAL SERVICES CO.

Annual Report for the Year 2022

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



**Custodian of the Two Holy Mosques
King Salman bin Abdulaziz Al Saud**

May Allah bless him



**His Royal Highness
Mohammed bin Salman bin Abdulaziz Al Saud**

The Crown Prince, Deputy Prime Minister and Minister of Defense

May Allah bless him

PROSPECTS

■ The main factors that make the healthcare market in the Kingdom attractive are:

The Framework

The healthcare framework in the Kingdom is designed to provide basic healthcare services for all with specialized treatment provided in both private and public hospitals.

Population Growth

With the World Bank expectation of the increase in the population of Saudi Arabia, the demand for healthcare services is expected to increase significantly.

Increased Private Sector Participation

As the public sector is gradually transferring to become more regulated, the investors of the private sector are being motivated to play a greater role in the healthcare sector. At the meantime, foreign investors can take up to 100% ownership in the healthcare sector.

Strong Public-Private Sector Partnerships

The government continues to invest in developing the healthcare infrastructure with various under-construction medical cities. The private sector is expected to act as an operator in the form of public-private partnerships.
Budget increase – The annual increase in budgetary allocations for social healthcare services in Saudi Arabia reflects a strong signal of potential demand as well as the government's willingness to increase growth and improvement within the sector.

■ Healthcare sector opportunities in Saudi Arabia.

Increasing Demand For Private Healthcare

Year by year, the proportion of the private sector is increasing.

Increasing Demand For The Quality Of Healthcare

generally, healthcare facilities in the Kingdom are accredited by international healthcare accreditation bodies such as JCI, ACHSI.

Long Term Care/ Rehabilitation

As human lifespan changes, Saudi Arabia needs a large number of long-term care facilities LTC.

DayCare Surgical Centers

Due to the rapid progress in healthcare technology and the increasing prevalence of lifestyle diseases, there is an increase in the demand for day care surgery centers.

Increasing Demand for Maternity and Childhood

The private health facilities in Saudi Arabia focus on maternity and childhood due to the increasing demand for these specialties.

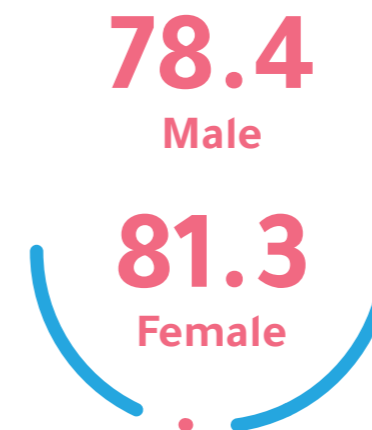
Increasing Demand for Specialized Services

It is expected for the centers of excellence that focus on some specializations to increase.

Population By 2050



Life Expectancy Is Expected To Increase By 2050



Laboratory and Diagnostic Center

There is an increasing need for independent laboratories and diagnostic centers in Saudi Arabia to support the expansion of outpatient facilities.

Primary Care

Due to the large population in the Kingdom and the high occupancy rates in hospitals, the country needs more healthcare clinics and medical centers to meet the increasing demand of the population.

Number Of Additional Beds by 2035



What Will Be Privatized By 2030



Source: Global Health Exhibition



Vision

Based on our belief in the right of all people to quality healthcare, we combine cutting-edge technology and medical techniques that have proven themselves both in theory and clinical practice, with the best practices in the medical field and in close collaboration with local and international medical organizations to provide excellent health centers both inside and outside the Kingdom.



Message

Providing our clients with sustainable, first-class medical services of the highest quality, with a constant commitment to continuously improve our medical services and to improve the skills and expertise of our employees, taking into account the desired future based on innovation and team spirit.



Values

The principles that guide us in fulfilling our mission and determines how we work in our organization.



Excellence

through quality, patient care and resource development.



Ethics

Integrity, honesty, honor, privacy and confidentiality.



Principles

trust and respect for the individual.



Team work

working cooperatively to achieve goals.



Responsibility

loyalty and commitment.



Safety

commitment to patient and environmental safety.



Accountability

effective work and financial responsibility.



Speech of the Vice Chairman and CEO

Four decades, during which we were keen to make a remarkable qualitative leap in the health sector, as we expanded in a deliberate manner to reflect the requirements of the stage, and we sought with all our capabilities to improve and enrich the patient's experience in a way Keeps pace with his hopes and aspirations.



Gentlemen / Shareholders of Mouwasat Medical Services Company,

The Board of Directors of your company is pleased to put in your hands its annual report for the financial period ending on 2022/12/31, explaining the company's activities, performance, business results and future plans. It is illustrated by a set of key metrics

A qualitative shift

We have gone through more than four decades in the Mouwasat Company, during which we were keen to make a remarkable quantum leap in the health sector, as we expanded in a deliberate manner to reflect the requirements of the stage, and we sought with all our capabilities to improve and enrich the patient's experience in a way that keeps pace with his hopes and his ambitions.

Global keeping up

From the experiences of the past and the inspiration of the future, we develop our tools until today, and equip our hospitals at the highest international levels, keeping pace with what science has achieved.

We did not panic throughout the journey and the difficult turns, but rather we worked hard to develop appropriate solutions, and we moved with passion, desire and determination to create medical edifices that mimic in their equipment and work methodology the greatest edifices in the world.

Pioneering approach

What the Mouwasat Company presented to the homeland and the citizens during its years of operation is the gift that we present to the homeland. And the binding promise remains to continue the pioneering and distinguished approach, to be a leading company in providing our medical services according to the highest international standards and the guidance of our wise leadership.

Nasser Sultan Al-Subaie
Vice Chairman and CEO

Speech of the Managing Director

We have spared no effort to obtain local and international accreditations with the aim of developing our performance By applying our best quality practices internationally.



Gentlemen / Shareholders of Mouwasat Medical Services Company

Numbers speak

In recent years, we have been able to achieve remarkable growth in the profits of the Mouwasat Company, due to the activation of the strategic plans that we followed as an integrated, inseparable and indivisible team. Health sector to stay within Elite medical service providers in the Kingdom of Saudi Arabia, as we live in our country an accelerated 2030 renaissance led by Vision

Promising opportunities

We are proud of the results and the numbers that increased our responsibility and raised the ceiling of our ambitions. As you know, in the coming years we await the addition of new hospitals in Jeddah, Yanbu and Riyadh. The %51 share of Jeddah Doctors Company The formal procedures for raising capital have been completed The company that owns a hospital under construction at a cost of 102 million riyals, and in Yanbu on an area of 40,000 thousand square meters, work is still ongoing to establish the eighth hospital of the group at a total cost of 500 One million riyals, and it is expected to be completed and operational by the end of 2024

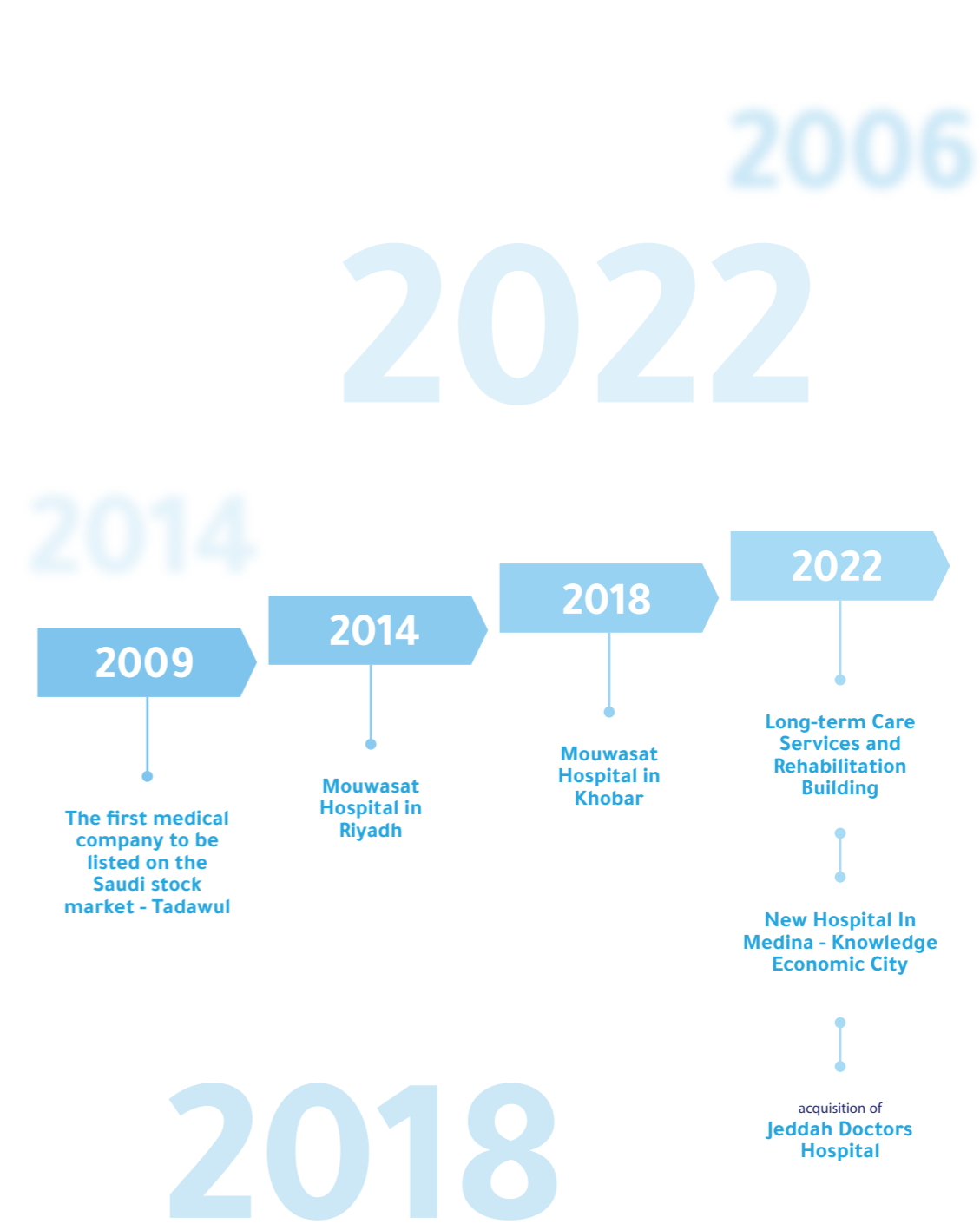
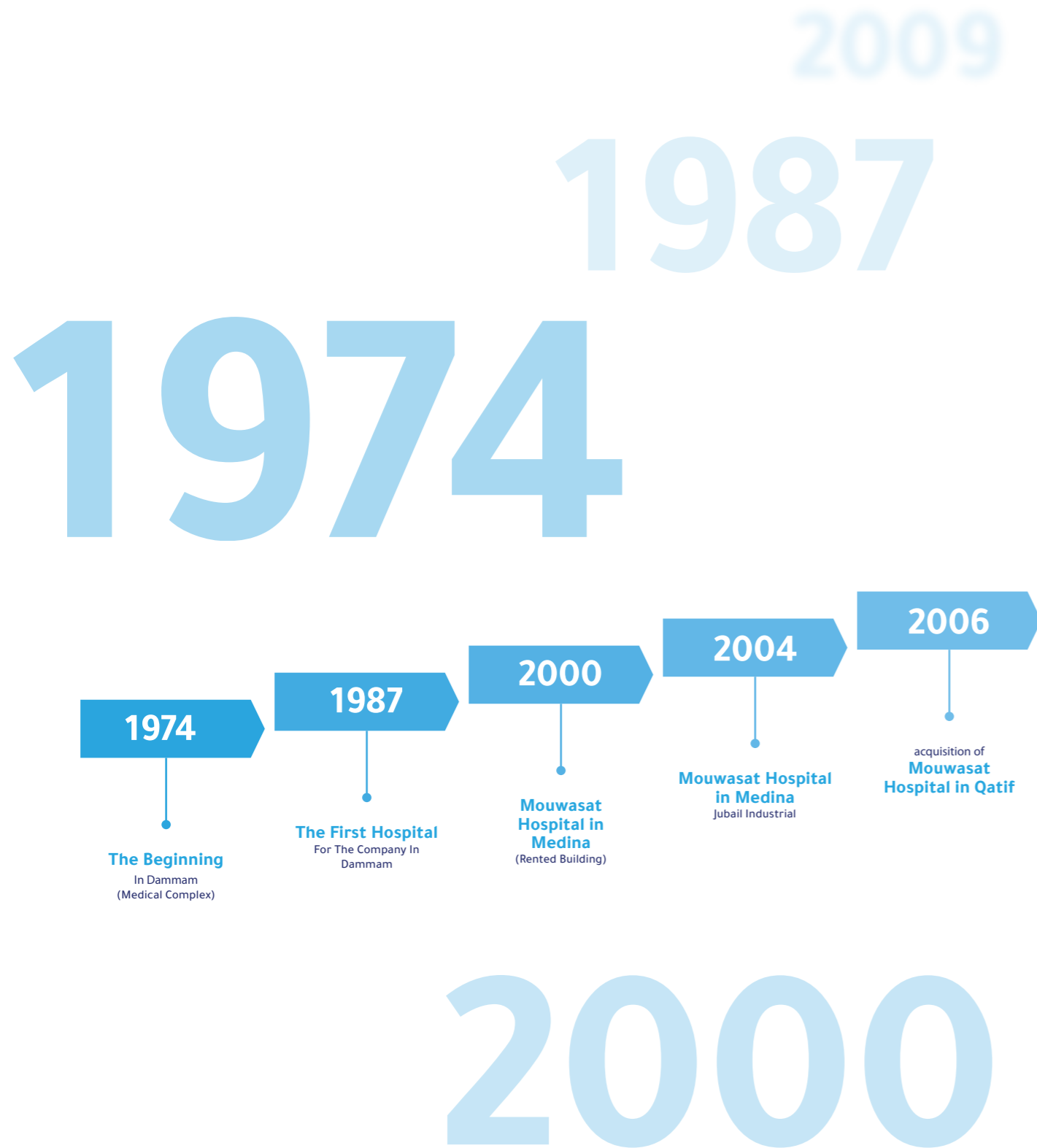
Governance & Local & international and credits

Mouwasat applies a system of governance in order to improve patient service and improve their treatment experiences, in order to reach the beneficiary with the quality of medical services that he aspires to. All of its hospitals have obtained more than 75 international and local accreditations, and thus they are winning more awards.

It offers many medical achievements. We are persistent and determined to move forward towards escalating growth and achieve more successes

Muhammad Suleiman Al-Saleem
Managing Director

OUR STORY





The Company's Main Activity



The company's main activity is based on providing medical services to patients through a network of hospitals that it owns %100 or has majority stakes in and rented medical facilities, as well as selling medicines through its pharmacies. The following is a summary of this medical network

Mouwasat Hospital Dammam

Opening Date:
1987



يشمل 200 سرير للرعاية الممتدة



The company's existing hospitals



Extended Care And Rehabilitation Services Building

Extended Care And Rehabilitation Services Building In Dammam

Services are provided in the extended care building and rehabilitation center in all medical specialties, using the latest artificial intelligence technologies



- **LINKED WITH THE MAIN BUILDING BY A BRIDGE**
- Robotic medical treatment
- Pain Therapy
- Social Care



- **20 Specialized Clinic**
- Spine Rehabilitation
- Rehabilitation using hydrotherapy
- Ulcer and wound care



- **32 Beds For The Intensive Care Unit**
- Neurorehabilitation
- Cardiac rehabilitation
- Rehabilitation of children



- **The Bed Capacity Is 200 Beds**
- Geriatrics
- Occupational medicine
- A specialized medical rehabilitation hall



The company's existing hospitals

Mouwasat Hospital Jubail Industrial

Opening Date:
2004



City
Jubail Industrial



Region
Eastern



80 Clinics
200 Beds



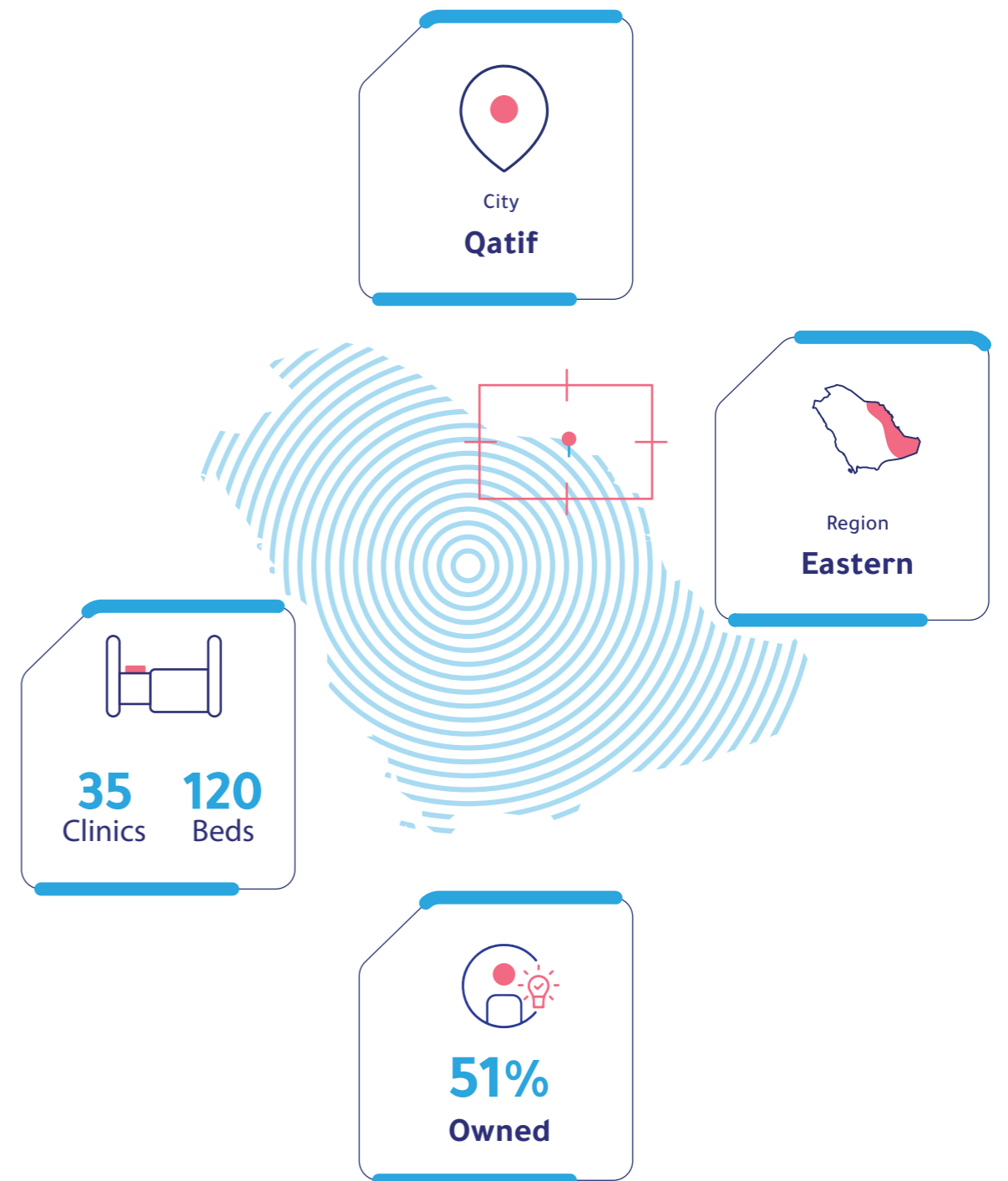
100%
Owned



The company's existing hospitals

Mouwasat Hospital Qatif

Opening Date:
2006





The company's existing hospitals

Mouwasat Hospital Riyadh

Opening Date:
2014

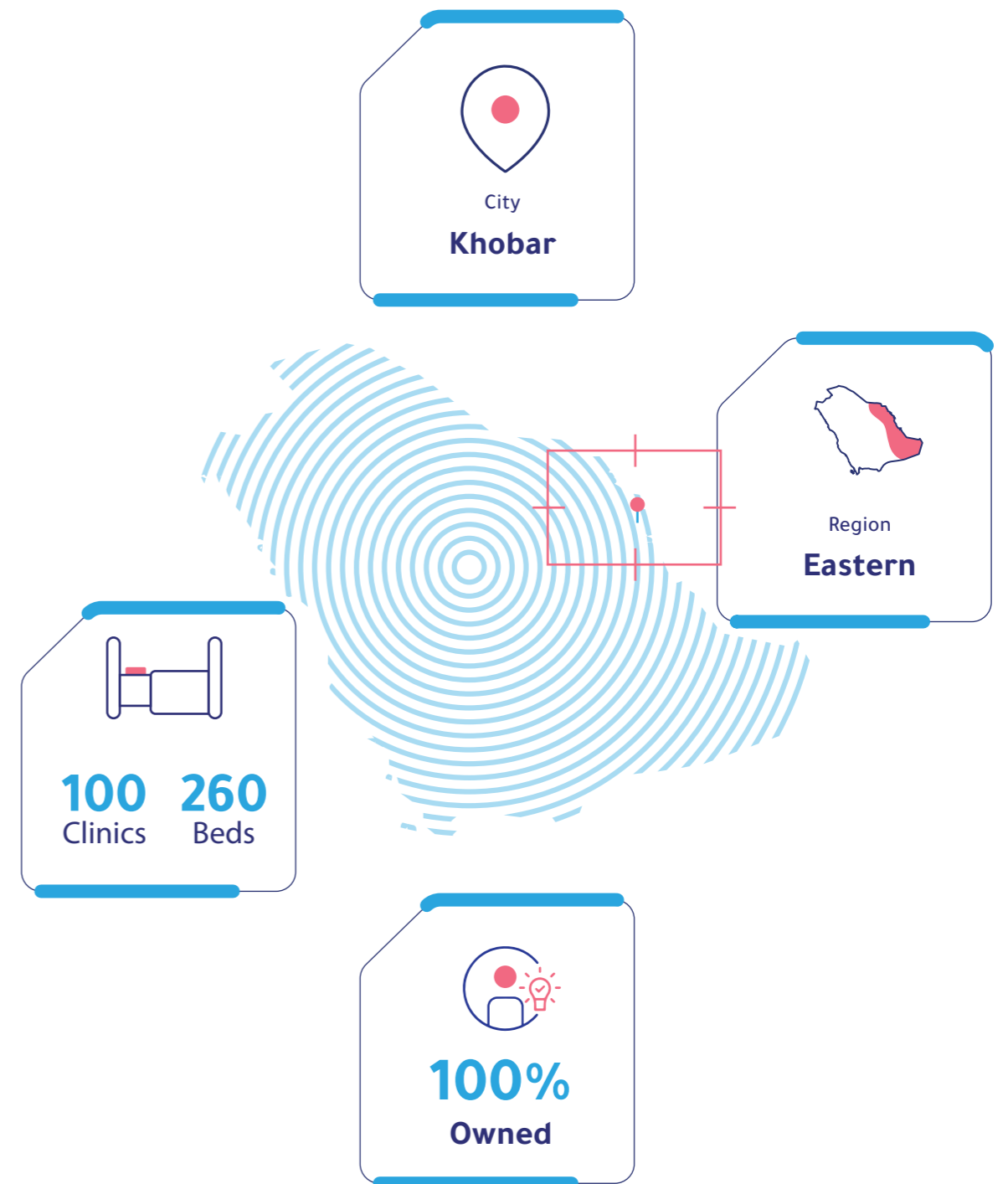




The company's existing hospitals

Mouwasat Hospital Khobar

Opening Date:
2018





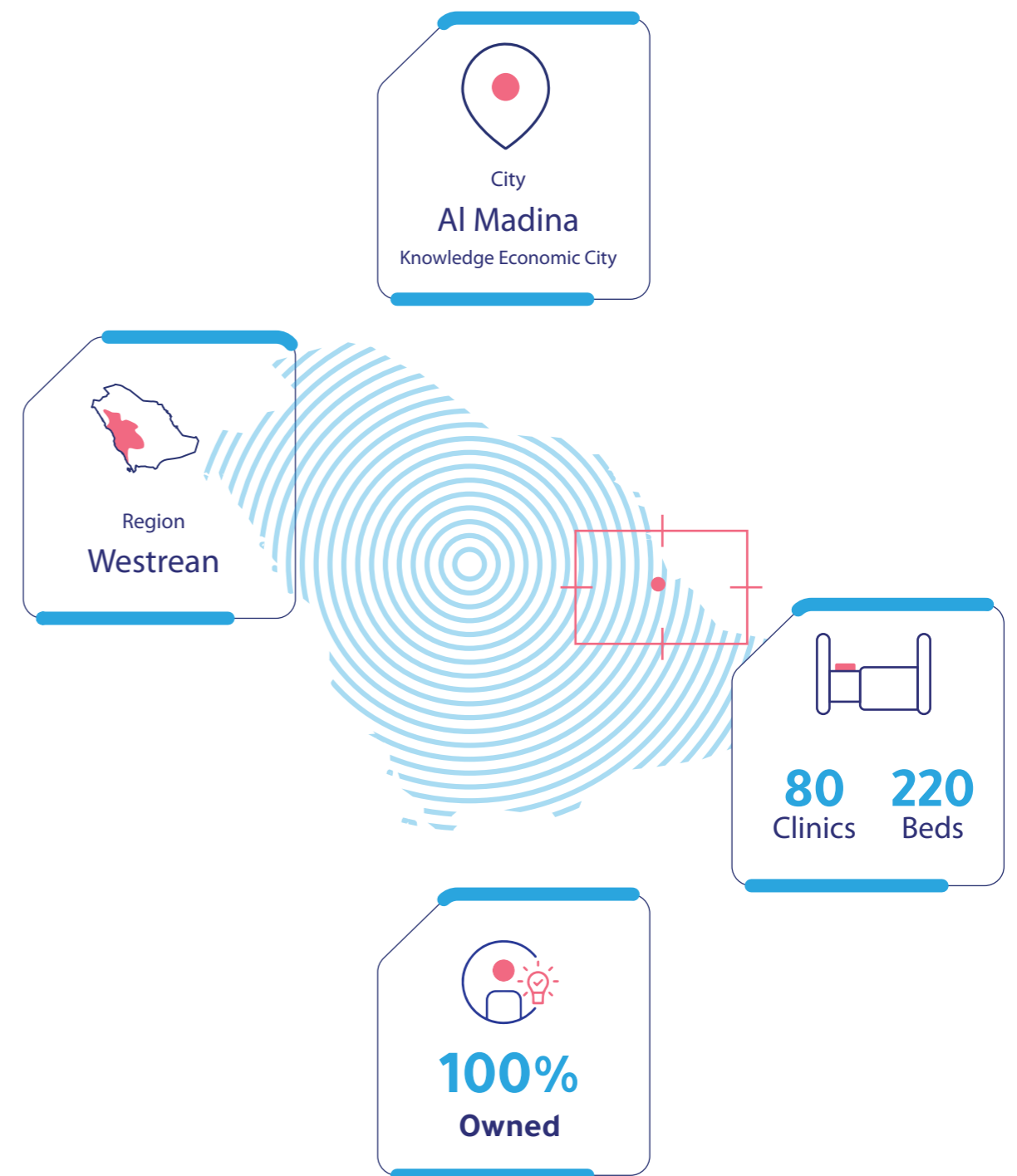
The company's existing hospitals

Mowasat Hospital Al Madinah Almunawrah

Knowledge Economic City

Opening Date:

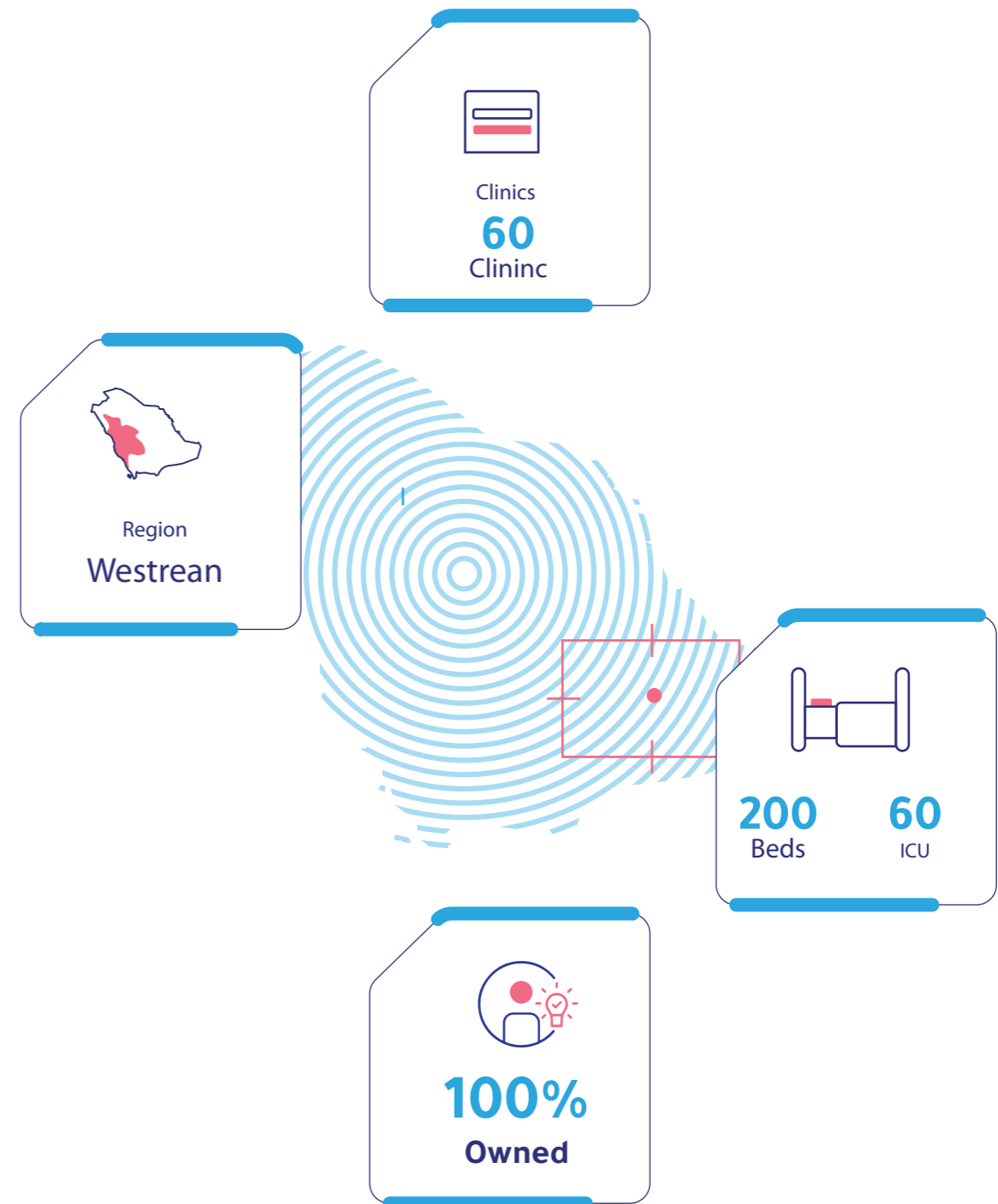
2022





The company's future expansion projects

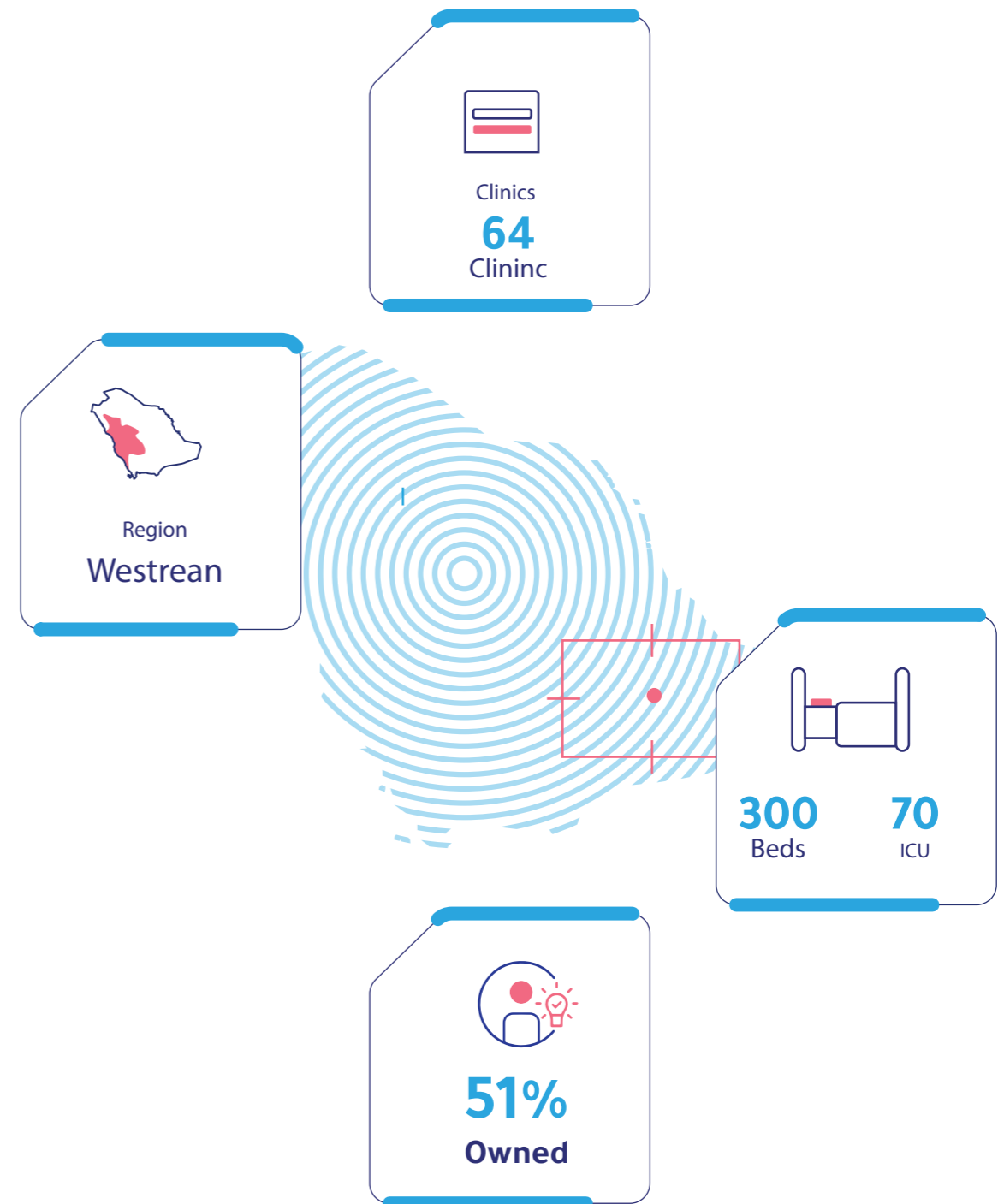
Mowasat Hospital in Yanbu Industrial City





The company's future expansion projects

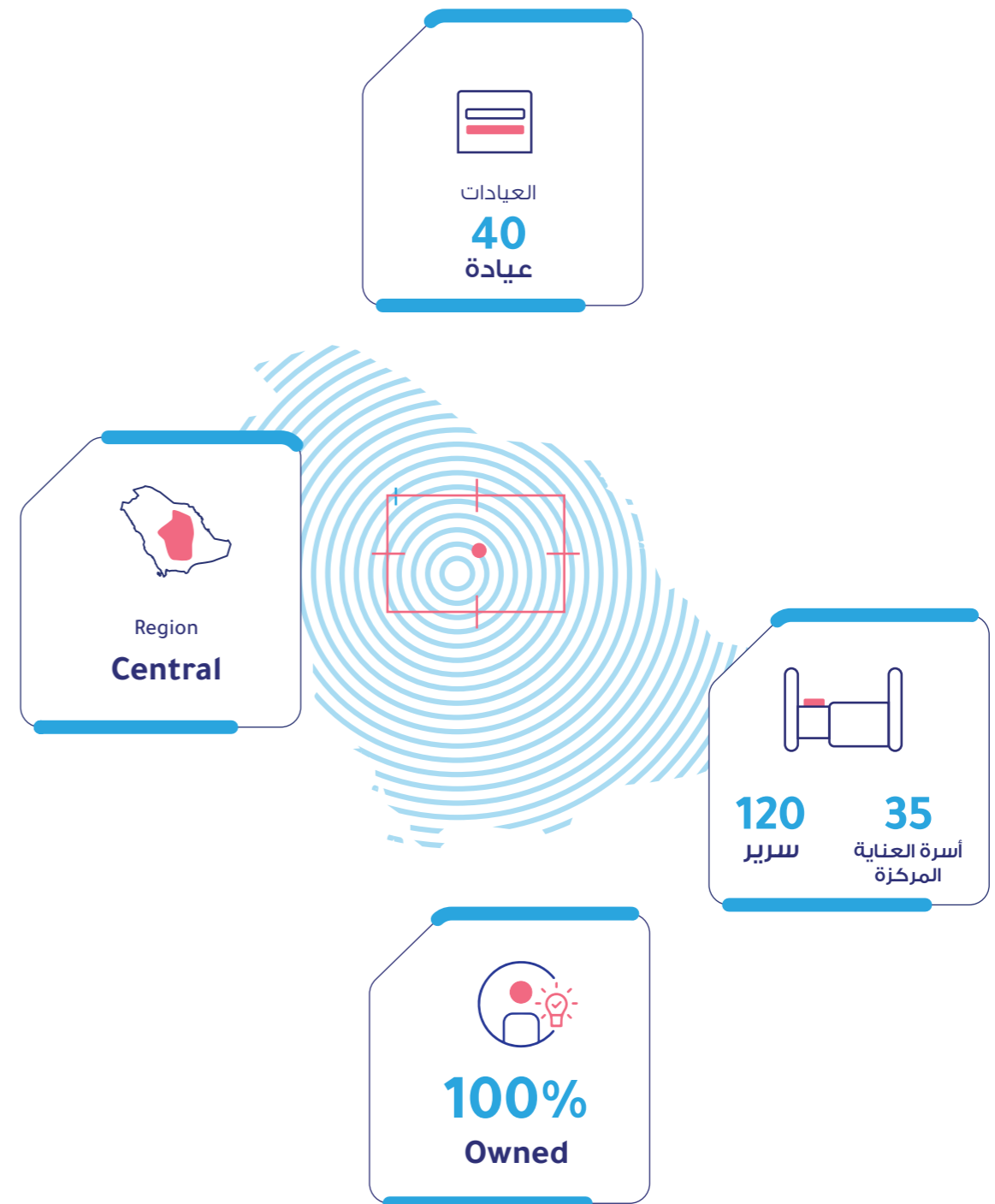
Mowasat Hospital in Jeddah





The company's future expansion projects

New Mowasat Hospital, Riyadh Al-Qadisiyah





Subsidiaries And Associates

2- Subsidiaries and Associates

2-1 Subsidiaries

Eastern Company for Medical Services Limited:

It is a Saudi company of limited liability with a capital of 60 million riyals and its head office is in the city of Al-Khobar in the Eastern Province - Saudi Arabia. The main activity of the company is based on the establishment of hospitals, clinics and private medical centers.

Mouwasat Company owns a 51% stake in Eastern Company for Medical Services, which in return owns Mouwasat Hospital in the city of Qatif in the Eastern Province, which is operated by the medical network of the Mouwasat Company.

Below is a table summarizing the subsidiary's data:

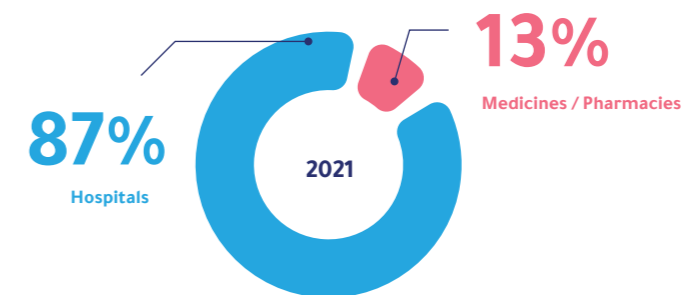
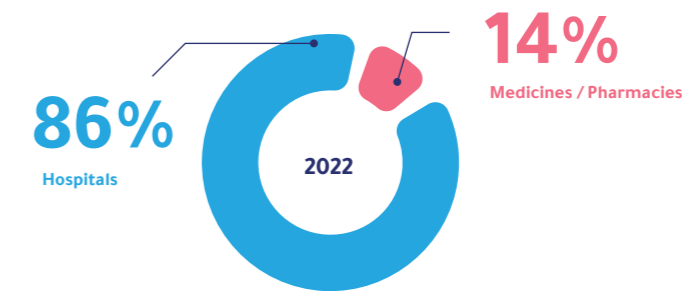
| Subsidiary name | Its capital | The company's ownership percentage | Its main activity | Country that is the main place of its operations | Country of establishment |
|--|-------------------|------------------------------------|---|--|--------------------------|
| Eastern Company for Medical Services Ltd | 60 million riyals | 51% | Establishment of hospitals, clinics and private medical centers | Saudi Arabia | Saudi Arabia |

Description of the main types of activity of the company "Group" and its subsidiaries

The main types of activity of the company "Group"

| Main Types Of Activity | 2022 | | 2021 | |
|------------------------------|----------------|-------------------------|----------------|-------------------------|
| | Million Riyals | Contribution Percentage | Million Riyals | Contribution Percentage |
| Medical Services (Hospitals) | 2.014 | 86% | 1.866 | 87% |
| Medicines / Pharmacies | 320 | 14% | 278 | 13% |
| Total | 2.334 | 100% | 2.144 | 100% |

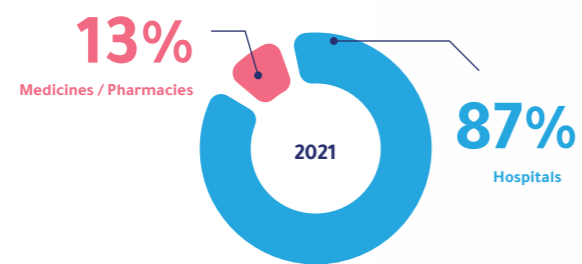
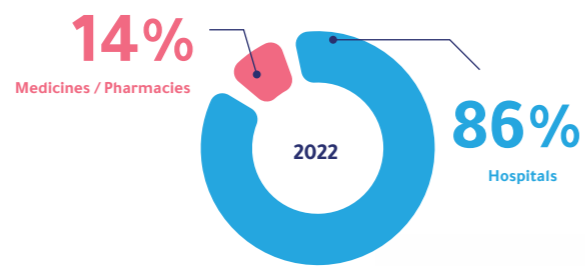
Review the proportions of the main activities



Description of the main types of activity of the Eastern Company for Medical Services (subsidiaries)

| Main Types Of Activity | 2022 | | 2021 | |
|------------------------------|----------------|-------------------------|----------------|-------------------------|
| | Million Riyals | Contribution Percentage | Million Riyals | Contribution Percentage |
| Medical Services (Hospitals) | 221 | 86% | 211 | 87% |
| Medicines / Pharmacies | 36 | 14% | 31 | 13% |
| Total | 257 | 100% | 242 | 100% |

Review The Proportions Of The Main Activities



2-2 associate companies

Advanced Medical Complexes Limited:

It is a Saudi company of limited liability with a capital of 10 million riyals and its head office is in the city of Dammam in the Eastern Province - Saudi Arabia. The main activity of the company is based on wholesale and retail trade in medical and surgical devices, equipment and tools. Mouwasat owns a 50% stake in the Advanced Medical Complexes Company, which in return owns a center specialized in eye treatment and surgery in the name of Magrabi Eye Center located next to Mouwasat Hospital in Dammam.

%50
stake owned by Mouwasat
in the Advanced Medical
Complexes Company



10
Million



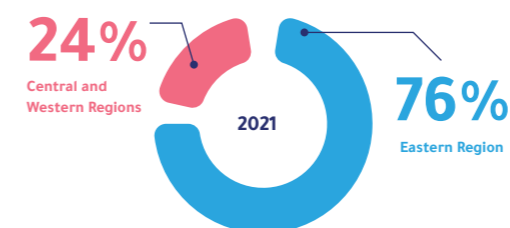
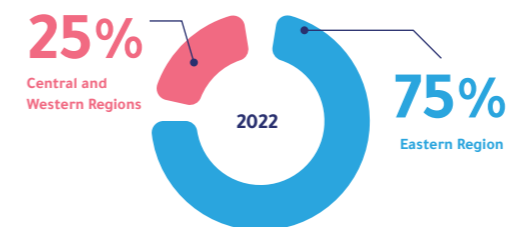


Geographical analysis Total revenues of the company and its subsidiaries

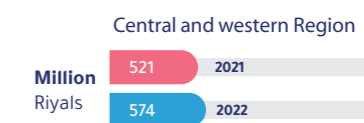
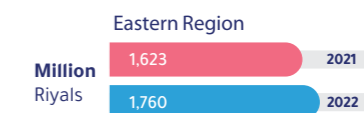
3- Geographical analysis of the total revenues of the company and its subsidiaries:

The following tables show the geographical distribution in the Kingdom of Saudi Arabia of the total revenues of the company and its subsidiaries:
Geographical analysis of group revenue

| Statement | 2022 | | 2021 | |
|-----------------------------|----------------|-------------|----------------|-------------|
| | Million Riyals | Percentage | Million Riyals | Percentage |
| Eastern Region | 1,760 | 75% | 1,623 | 76% |
| Central and Western Regions | 574 | 25% | 521 | 24% |
| Total | 2,334 | 100% | 2,144 | 100% |



التحليل الجغرافي لإجمالي إيرادات "المجموعة"



Geographical analysis of the total revenues of Eastern Company for Medical Services Ltd.

| Statement | 2022 | | 2021 | |
|----------------|----------------|-------------|----------------|-------------|
| | Million Riyals | Percentage | Million Riyals | Percentage |
| Eastern Region | 257 | 100% | 242 | 100% |
| Total | 257 | 100% | 242 | 100% |

4

Summary Of Business Results

4- Summary Of Business Results

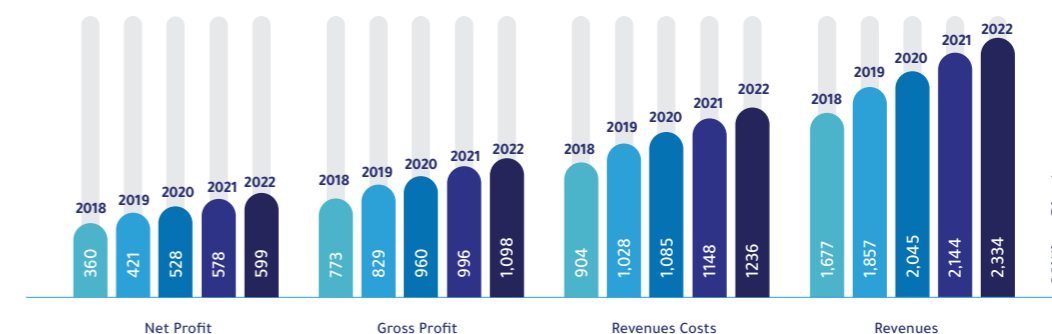
A review of the company's operations results for the last five fiscal years :

| Statement | Million Riyals | | | | |
|---------------|----------------|-------|-------|-------|-------|
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| Revenues | 2,334 | 2,144 | 2,045 | 1,857 | 1,677 |
| Revenue costs | 1,236 | 1,148 | 1,085 | 1,028 | 904 |
| Gross profit | 1,098 | 996 | 960 | 829 | 773 |
| Net profit | 599 | 578 | 528 | 421 | 360 |

The company's revenues have grown steadily over the past five years from 1,677 million riyals in 2018 to 2,334 million riyals in 2022, while net profits increased from 360 million riyals in 2018 to 599 million riyals in 2022. The reasons behind this continuous growth are due to the continuous expansion of the operational capacity in line with the company's strategic plan for growth, the continued efficiency in operating the available assets, the continuous development of the medical systems operating in the service of the patients, the expansion of the services provided to them, and the improvement of some contractual terms with the company's clients.

In this context, it is noteworthy that despite the increase in the company's profits for the year 2022 compared to the year 2021, the increase in operating expenses the Dammam Hospital expansion project as well as the new Mouwasat Hospital project in Madinah has put pressure on profit margins on a temporary basis that fades with the high operating levels of these two projects in the coming quarters.

A review of the results of operations for the period from 2018 to 2022



A clarification of any differences in the operating results from the results of the previous year

| Statement | Million Riyals | | | Percentage Change |
|--------------------------|----------------|-------|------------|-------------------|
| | 2022 | 2021 | The Change | |
| Revenue/sales | 2,334 | 2,144 | 190 | 8.9% |
| Direct costs | 1,236 | 1,148 | 88 | 7.7% |
| Gross profit | 1,098 | 996 | 102 | 10.2% |
| Other operating income | - | - | - | - |
| Other operating expenses | 436 | 374 | 62 | 16.6% |
| Operating profit | 662 | 622 | 40 | 6.4% |

The reason for the increase in operating profit during the year 2022 compared to the year 2021 is due to revenue growth as a result of:

- A. The Acheived increase in visit numbers of the outpatient clinics sector and high occupancy rate in the internal departments.
- B. Continued improvement in the performance of the new specialized departments in the company's hospitals.
- C. The continuous increasing of the efficiency of the operation of available resources.



The Company's Assets And Liabilities For The Last Five Fiscal Years:

5- The company's assets and liabilities for the last five fiscal years:

| Statement | Million Riyals | | | | |
|--------------------------|----------------|--------------|--------------|--------------|--------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| Current Assets | 1,571 | 1,315 | 1,196 | 1,066 | 1,040 |
| Non-current Assets | 3,093 | 2,744 | 2,453 | 2,262 | 2,013 |
| Total Assets | 4,664 | 4,059 | 3,649 | 3,328 | 3,053 |
| Current Liabilities | 798 | 640 | 551 | 543 | 565 |
| Non-current Liabilities | 790 | 717 | 718 | 733 | 681 |
| Total Liabilities | 1,588 | 1,357 | 1,269 | 1,276 | 1,246 |
| Shareholders' Equity | 2,923 | 2,604 | 2,279 | 1,955 | 1,713 |
| Non-controlling Equity | 153 | 98 | 101 | 97 | 94 |

During the past five years, the company's assets witnessed a steady growth from 3,053 million riyals in 2018 to 4,664 million riyals in 2022 in line with the company's strategic plan, through which it aspires to acquire a larger share of the expected increase in demand for medical services. The company's financial statements showed a growth in shareholders' equity over the past five years, from 1,713 million riyals in 2018 to 2,923 million riyals in 2022.

Review of the company's assets and liabilities for the last five fiscal years





Possible Challenges And Risks

6- Possible Challenges And Risks

The company's management continues with great care to diagnose and study potential challenges and risks and to measure their impact on achieving strategic goals, and considers them to be summarized as follows:

First: Challenges

- The lack of qualified medical and technical staff.
- The continuous increase in the cost of qualified medical and technical staff to work in the health sector.
- The need to attract foreign expertise and the difficulty that this poses in establishing a legal, operational and financial environment that supports the growth of the private sector and reduces future risks facing its investments.
- The continuous increase in operating costs for medical facilities that aspire to achieve the high level of quality hoped for in providing their medical services.
- Harmful and negative behaviors that may be pushed by competition factors and severe pressures on medical service providers.

Second: Risks

- The lack manpower, especially doctors, nurses and technicians.
The increase in the costs of attracting skilled and trained workers, which is a constant challenge for the company to reach the required quality levels.
 - The high costs of high-tech medical systems and the low life span of their use in particular
 - Given the rapid pace of innovation and technological developments in an evolving digital world.
Price competition, which is considered one of the serious risks facing the company.
- To overcome these challenges and potential risks, the company adopts a dynamic model represented by the following:**
- Continuing the implementation of programs to qualify and develop the company's workforce and create an attractive environment for employment that helps to retaining employees, especially national ones, for longer periods and reducing the dropout rate so that this does not pose a challenge to the management and does not negatively affect the future expansion of the company.
 - Continuing to expand the company's customer base, increase its share in the private medical services sector, and create a strategic

relationship with all relevant parties of patients and insurance companies in this sector, whether medical, the Council of Cooperative Health Insurance, the General Directorates of Health Affairs and the position of the Ministry.

- Continuing to accept only the first and second levels of the classification of beneficiaries in the cooperative health insurance program to limit price competition with other medical service providers.
- Continuing to develop the operational performance indicators of all available resources in the company and activating the control and oversight tools on the direct and indirect operational burdens, as well as continuing to develop and automate the administrative, medical, technical and financial systems in order to enhance the competitiveness of the company and reduce future risks that may arise from negative competition.
- To continue to increase the efficiency of operating the available resources in order to overcome the rise in the costs of bringing in skilled and trained workers and the rise in the costs of high-tech medical systems.
- Work on establishing programs to measure the quality of the services provided by the company to its clients and the level of satisfaction with these services to enable it to work continuously to create attractive service features for the company's customers, whether on the direct service level for the patient or the technical level.
- Reliance on computer technologies and the best use of interrelated programs, and the continuous development of computer hardware technologies, main servers and networks used in all the company's facilities to ensure the upgrading of its operating system and the continuity of its success and achieving the highest benefit available from it, as the company took it upon itself to rely on operating its resources on these modern and developed applications Since 2014, all its operational processes have become automated and allow data exchange with all relevant stakeholders.
- Obtaining accreditation certificates from local and international bodies, as the company obtained 76 quality marks in the company's various hospitals, which led to a high technical level of the operational performance of the medical network, and subsequently a number of accreditation certificates and a number of quality marks obtained by the group.

Accreditation of hospitals, centers and specialized services

14

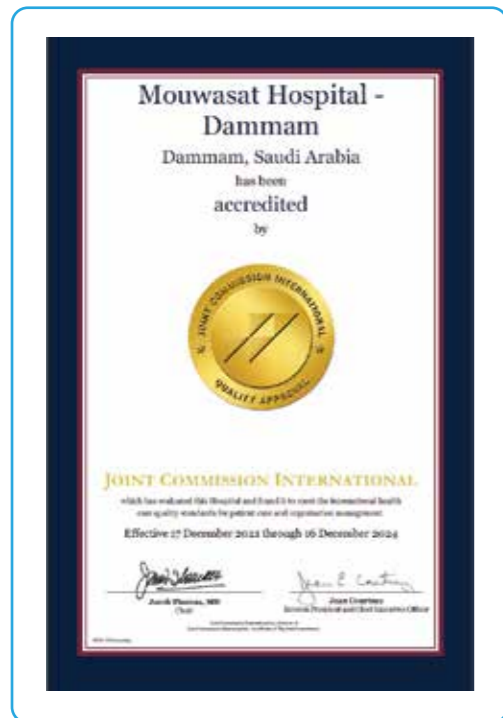
accreditation body
Local and international

180

Certification visit for all
Company hospitals

75

Approval for departments
and specialized services



ACCREDITATIONS:



COLLEGE of AMERICAN
PATHOLOGISTS



Joint commission international



Saudi Central Board for Accreditation of
Healthcare Institutions



American association for blood
banks



Healthcare Information And Management
Systems Society



American College Of Cardiology



Centre Of Excellence Of The Surgery
Of Obesity And Metabolic Disorders



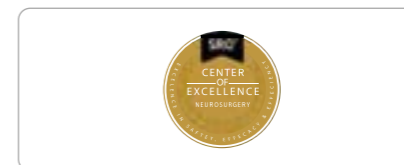
Hazard Analysis Critical Control Points



CARDIAC CATH LAB ACCREDITATION



Src Master Endoscopist In
Interventional And Advanced
Endoscopy



Center Of Excellence
Neurosurgery



Center Of Excellence
Minimally Invasive Surgery

ACCREDITATIONS:

| | | |
|---|---|---|
|  |  |  |
| CENTER OF EXCELLENCE ORTHOPEdic SURGERY | CENTER OF EXCELLENCE MINIMALLY INVASIVE GYNECOLOGY | CENTER OF EXCELLENCE KIDNEY STONE MANAGEMENT |
|  |  |  |
| center of Excellence of Urology | center of excellence ENDOSCOPY | American collage of Radiology - PET scan |
|  |  |  |
| American collage of Radiology | American collage of Radiology | American collage of Radiology |
|  |  |  |
| American collage of Radiology | American collage of Radiology - Nuclear Medicine | ASHP |
|  | |  |
| National cardiovascular Data Registry | | American Commission on Rehabilitation Facilities (CARF) accreditation certificate |

International awards

American Newsweek magazine

| | | |
|--|--|--|
|  |  |  |
| Mowasat Hospital, Al-Khobar | Mouwasat Hospital in Dammam | Mowasat Hospital, Al-Khobar |

Ranked among the top 250 smart hospitals in the world



7

General Directions And Strategic Plan Of The Company

7- General directions and strategic plan of the company

Mouwasat Hospital in Medina Knowledge Economic City

The company insists on continuing to confirm its presence as one of the main providers of medical services in the private sector in the Kingdom of Saudi Arabia and on continuing with the highest degree of diligence in implementing its plans and achieving its strategic oals represented in the following:

Ensuring continued growth in the company's revenues through the implementation of vertical and horizontal expansion programs for the operational capacity.

Achieving the highest operational rates for all the company's resources and assets, in order to achieve the best rates of return 3for its shareholders.

Continuing to achieve the highest levels of quality to ensure the provision of a safe treatment environment for patients.

Reaching the highest satisfaction rate for all those dealing with the company and the eneficiaries of its services.

Continuing to support national labor replacement programs at all administrative and technical levels to achieve the highest rates of job stability..

Key Acheivements at Mouwasat during 2022

- Starting the construction work for the new Mouwasat Hospital project in Al-Sawari district in Yanbu Industrial City after the company's board of directors approved the amendments to this project in its meeting held on 28/03/2022. These amendments include increasing the estimated cost to 465 million riyals instead of 325 million riyals due to an increase in building areas by 25% according to final engineering plans and an increase in construction materials and equipment prices compared to what they were at the time of project approval on 17/12/2018.
- On 26/06/2022, the company signed a contract for executing all architectural, construction, electrical, health and mechanical works for the entire project with a contract period of 910 days.
- Starting the actual operation of the company's new hospital project in Medina after completing the trial operation phase, which included conducting all necessary tests for construction and medical systems and providing necessary medical and administrative staff. The company announced in its announcement published on Tadawul website on 16/06/2022 that it will start receiving visitors at its new hospital at the end of June 2022.
- In the context of implementing horizontal expansion

programs for operating capacity, during fiscal year 2022, the company conducted a number of following agreements and decisions:

1- On 26/04/2022, the company signed a non-binding memorandum of understanding to purchase 51% of all ownership shares of Jeddah Doctors Company (a Saudi closed joint stock company that owns a hospital still under construction under the name Jeddah Doctors Hospital). On 30/06/2022, the company announced on Tadawul website that it has signed a final agreement for participation and purchase of shares by 51%, including management and operation for an amount of SAR 102 million. On 02/10/2022, it was announced that the capital increase process for Jeddah Doctors Company has been completed along with participation and purchase of shares by 51%, including management and operation.

2- On 22/05/2022, the company signed a non-binding memorandum of understanding to reach a final agreement to purchase 100% ownership shares of Al-Marasem International Hospital Company (an Egyptian company) for a cash consideration to be determined after completion of due diligence.

On 24/11/2022, the company announced on Tadawul's website that it had decided to suspend the memorandum of understanding as of 3:00 pm on Thursday, November 24, 2022, due to the failure to complete due diligence because the seller did not comply with the terms of the memorandum of understanding and his desire not to complete the transaction while retaining all legal rights for Al-Mouwasat company against the seller through official channels.

3- On 27/06/2022, the company's board of directors decided to approve a project to establish its new hospital in Al-Qadisiyah district in Riyadh at a cost of SAR 335 million.

-To enhance its strategic growth plan in its assets and expand its medical network and confirm its financial adequacy and strength, the company's board of directors recommended in its extraordinary general meeting held on 22/12/2022 to increase the company's capital after obtaining approval from official authorities from SAR 1 billion to SAR 2 billion by capitalizing SAR 1 billion from retained earnings. This will increase the number of shares from 100 million shares to 200 million shares by an increase rate of 100%, by granting free shares to shareholders with one share for each share owned on the day of the meeting and registered in the company's shareholders' register at the end of the second trading day following the date of the meeting which will be announced later. The Capital Market Authority announced on Tadawul's website on 14/02/2023 that it had issued its decision approving Al-Mouwasat Company's request to increase its capital.

- Continuing to develop programs for services provided to company clients.
- Continuing to develop continuous education and training programs in cooperation with many international organizations.

Leadership

Mouwasat Hospital in Khobar has been selected among the world's **250** best smart digital hospitals according to Newsweek rating.

The first smart intensive care unit and the Middle East and North Africa region (Tele-ICU) to support intensive care units in the Kingdom is in Mouwasat Hospitals according to Philips.

The first pediatric emergency separate from the adult emergency in the Eastern Province is at Mouwasat Hospital in Dammam.

The first center of excellence for Urology in the Kingdom was accredited at Mouwasat Hospital in Dammam according to the American Board of Surgical Specialties (SRC).

The first hospital group outside the United States to receive accreditation from American Society of Health-System Pharmacists according to the American Board of Pharmaceutical Health Regulations.

The Heart Center at Mouwasat Hospital in Dammam is the first hospital that obtained accreditation from American Heart Association outside the USA according to the Heart Association American (ACC).

- Mouwasat Medical Services Company is the **First public joint stock company** to be listed on the stock market "Tadawul" in Saudi healthcare sector

- Mouwasat Hospital in Khobar was **The First hospital in the Kingdom to obtain the seventh level classification from the American Society** as the highest classification for hospitals regarding the application of clinical information technology. Mouwasat Medical Services has obtained this classification in all its hospitals in the Kingdom.



Mouwasat Medical Services Company was ranked among

100 The Most Powerful

Companies in the Middle East in 2021



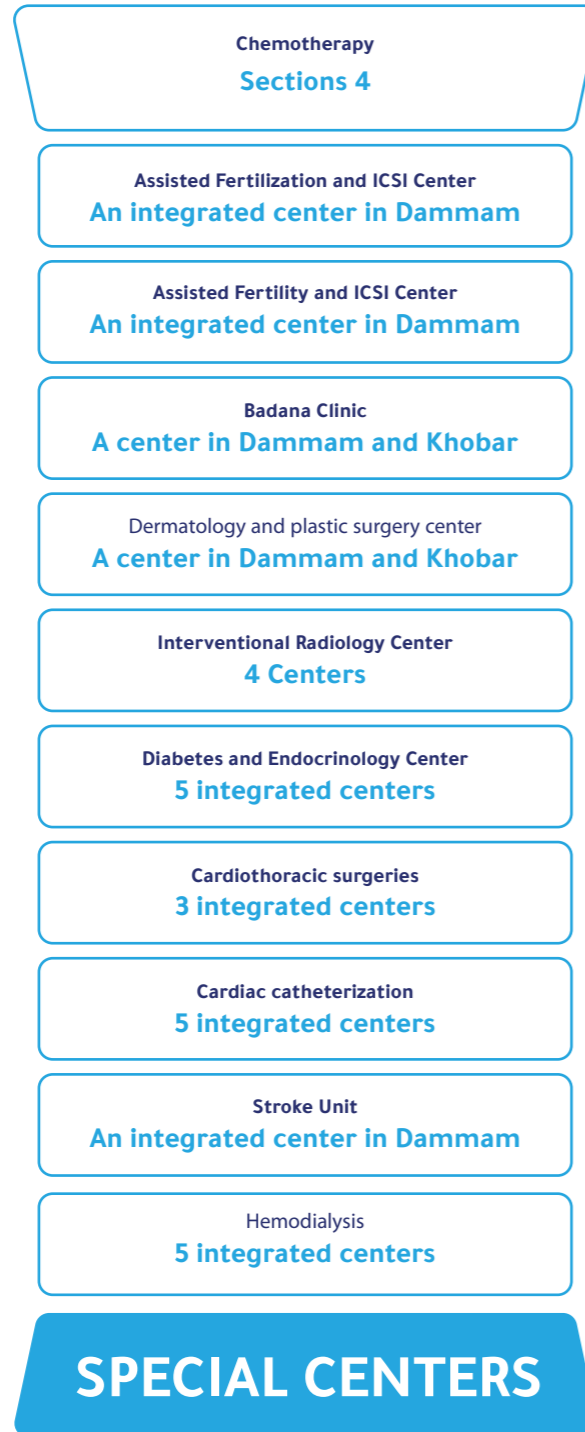
The number of scientific researches published by the company's employees reached

450 Scientific Researches in various fields

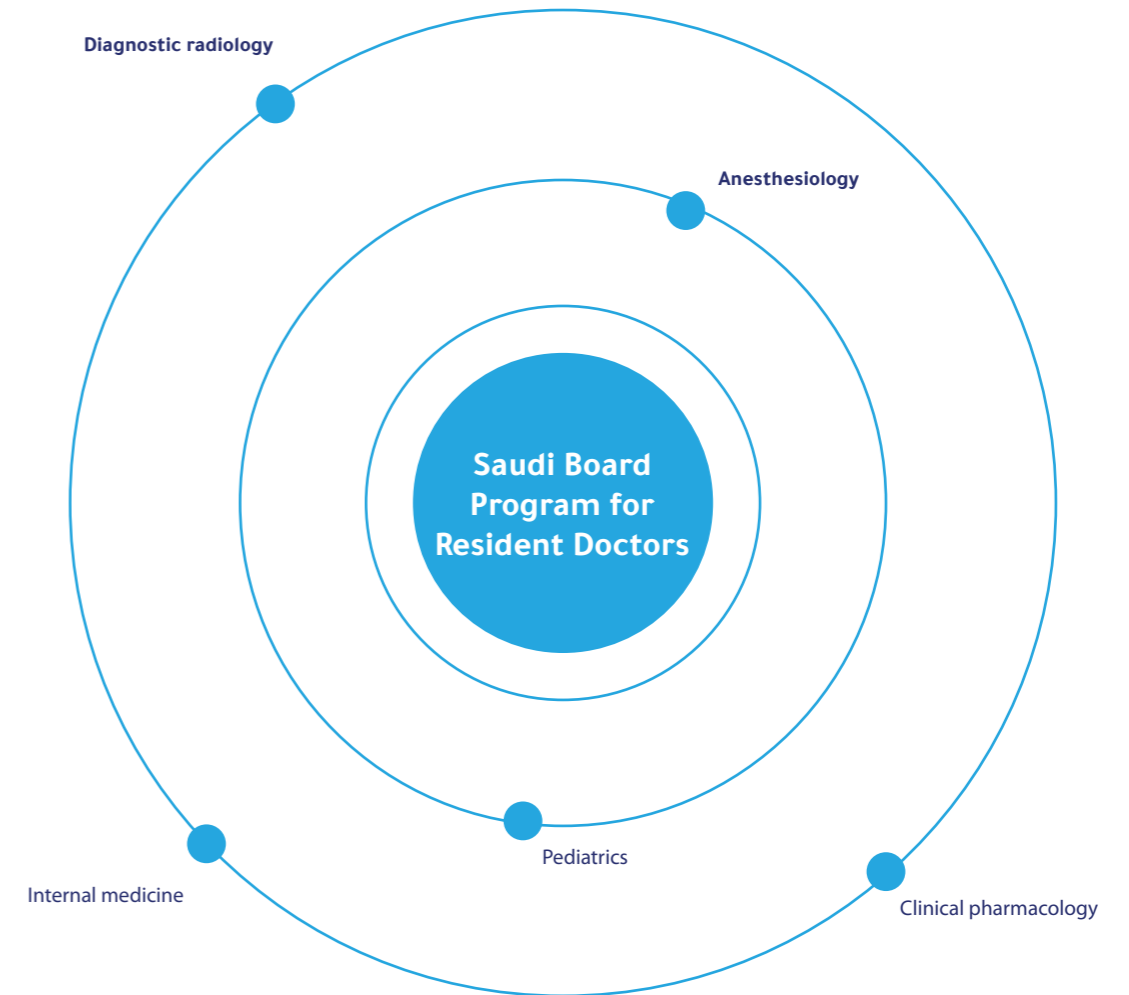


His Royal Highness Prince Faisal bin Salman bin Abdulaziz, Governor of Medina Region, inaugurated Al-Mouwasat Medical Services Company's projects in the region in the presence of His Excellency the Deputy Minister of Health for Planning and Development Engineer Abdulaziz Al-Rumaih to open Mouwasat Hospital in Medina at the Knowledge Economic City. The total area of the hospital is 55,000 square meters with a height of five floors and parking for 500 cars and a bed capacity of up to 220 beds.

Specialized Centers



Continuing education programs and academic affairs



Knee Replacement Using Automated Robot Technology At Mowasat Hospital In Khobar

Technology Advantages

- Reducing joint pain after the operation compared to routine surgeries
- Increased joint movement rate compared to routine operations
- Repairing distortions and defects with a greater success rate



Customer Service And Patient Experience



Website



Mouwasat App for smart phones



Call Center works 24/7



A dedicated client services and patient experience team interviews reviewers and addresses their feedback



A specialized complaints handling unit



Social media platforms

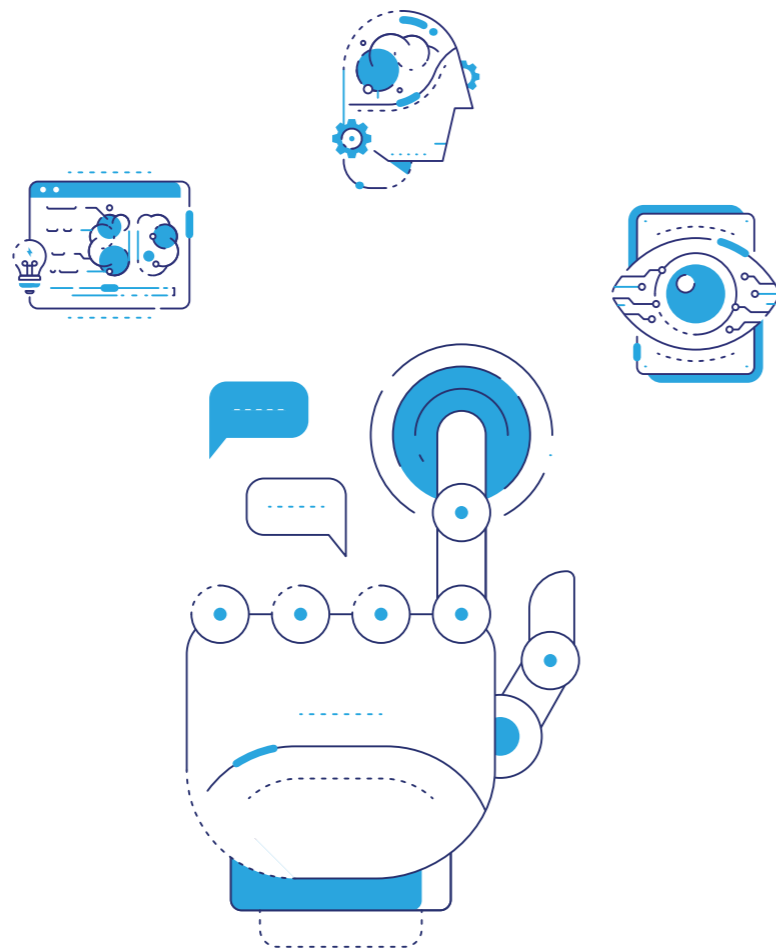


Customer satisfaction program in partnership with Press Ganey International Company

7- The general directions and strategic plan of the company

Artificial Intelligence

Being up to date with the technological development became a necessity by investing in technology systems in all our hospitals. Therefore, we started using artificial intelligence, which enhanced our professionalism to achieve the best medical outcomes and create a unique patient experience thus ensuring his safety. and we will continue to expand that based on our belief in quality, which we will achieve through implementing the best international standards



7- The general directions and strategic plan of the company

Mouwasat Control & Command Center of Intensive Care Units (Tele-ICU) using Tele-Medicine and Artificial Intelligence

TELE-ICU Benefits:

- Reducing the length of stay in the intensive care unit.
- Reducing the cost of patient care.
- Take advantage of the artificial intelligence program that alerts the treating doctor about the risks that the patient may be exposed to.
- Unifying medical procedures based on scientifically proven references such as:
 - Certified Clinical Practice Protocols, Implementation of procedures related to the best medical practices globally.
 - Improving the quality of care, patient safety, and patient medical outcomes.
 - Giving priority treatment based on the level of severity of the patient's condition.

Mouwasat Control & Command Center of Intensive Care Units (Tele-ICU) using Tele-Medicine and Artificial Intelligence

In line with Mouwasat Medical Services' strategy and vision to invest in advanced technology and artificial intelligence programs in order to improve medical services, this center was launched as the first smart intensive care center in the Kingdom called Tele-ICU to support intensive care units in Mouwasat hospitals, as a continuation of the artificial intelligence and medicine projects Tele-ICU as an extension of the agreement concluded with Philips International, which was signed at the Ministry of Health pavilion in Dubai during Arab Health Conference in the year 2020.

This project, which has been implemented in AI-Mouwasat Medical Services Company, aims to

- Standardization of treatment plans and performance standards.
- Quality improvement.
- Reducing patient length of stay in intensive care departments and reducing treatment costs.
- Standardizing medical care for patients and providing best treatment practices.

TELE-ICU Smart Intensive Care Center functionality :

Clinical pathways and care plans:

Monitoring and supervision of clinical cases and patient data including laboratory, radiology, and any other examinations performed on the patient.

Artificial Intelligence

Warns the treating physician of the risks of complications that the patient may develop based on the collection of electronic patient data.

Evidence - based Medicine :

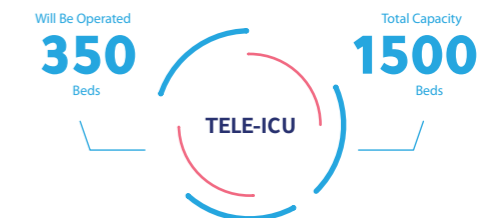
Implementation of physicians' requests in addition to the medical and nursing care plan in accordance with international best practices.

Calculating ratios and outcomes:

Utilizing the scoring system to identify symptom risk.

The capabilities of the TELE-ICU smart intensive .care center

- The total bed capacity of the project is 1500 beds, of which 350 beds will be operated.
- Availability of an intensive care specialist, an integrated team of nursing, and specialized medical staff around the clock.
- Communication between the command center and the intensive care unit through audio-visual technology.
- Integration of services of health information system, laboratory information system and cardiac archiving and communication system.





7- The general directions and strategic plan of the company

Robotic Pharmacy

Mouwasat Medical Services Company has started its project for Smart Robotic Outpatient Pharmacy at Mouwasat Hospital - Khobar, Jubail & Madinah Mouwasat Hospital - Khobar is the first private hospital in the kingdom to implement this project and it will be implemented subsequently in all other Mouwasat Hospitals in Riyadh, Dammam and Qatif.

The new smart robotic outpatient pharmacy is using the latest German technology that is based on product unique identifier (GTIN - Global Trade Item Number) and the 2-dimensional (2D) barcode which guarantee high accuracy in medications dispensing, inventory/stock management, and automatic checking for medications validity/expiry dates.

The use of Smart Robotic Outpatient Pharmacy in healthcare sector which has many added values



Less waiting times



Can serve up to 6000 customers per day.



Automatic preparation of medications with a dispensing speed that can reach up to 4000 packs per hour.



More time will be available for patient consulting and drug therapy education.



High accuracy in medication dispensing.



Enhance customer experience.

7- The general directions and strategic plan of the company

Building Management System (BMS)

Building Management System (BMS) is a computer based system

Installed in buildings and used to control and monitor mechanical and electrical plants, including heating, ventilation and air conditioning (HVAC), and lighting.

And energy systems, fire systems and security systems.

Effective and well used Building Management Systems provide the essential management tool required by building managers to ensure effective energy monitoring and management and user comfort. In addition, it enables building managers to provide an optimal working environment while reducing costs. Efficient use of the building management system allows achieving optimal building performance by extending the operating life of equipment and systems by reducing loads and operating hours. Therefore, maintenance and capital costs are reduced, and less combined energy is consumed through equipment replacement and upgrade.

BMS will show increases in energy use due to equipment failures or modifications to operating parameters. For example, heating valves open when a building needs cooling. The BMS may also indicate that the air conditioning starts hours before the building is fully occupied due to the activities of security personnel. With this information in hand, the Engineering Director may correct these problems through consultation or engineering solutions.

In the absence of a building management system, the impact of such events can be masked by seasonal changes, changes in occupancy levels or the development of technology. A BMS if properly configured with a sufficient number of well-defined control points is the only way the building manager can be aware of issues that may remain undetected until annual inspections or external audits are carried out.

A BMS is also an essential tool for identifying opportunities to improve energy intensity, for example, improving the volume and number of lighting slots, providing meaningful reporting to the Care Environment Committee on problems and opportunities and enabling the identification of breakdowns and the planning of energy-efficient maintenance and upgrades.

A smart building is one in which essential equipment and assets, such as air handlers, chillers, boilers, lighting, etc., can communicate with other machines. Where there is a detailed management system to control and improve all parts

The smart building aims to provide useful services that help make its users more productive and safe, at the lowest cost and with the least impact on the environment. A smart building optimizes and reduces energy use and can operate using clean energy sources and puts occupant security and quality of life as a top priority. These priorities mean not only physical safety, such as fire suppression and alarm systems, but also health safety - high-quality air and water, and so on.

The equipment and systems in a smart building must be connected and able to communicate from one machine to another. For example, a building chiller can receive weather data from the outside and occupancy information from the inside, so it only operates when needed to maintain the optimum temperature for its occupants.

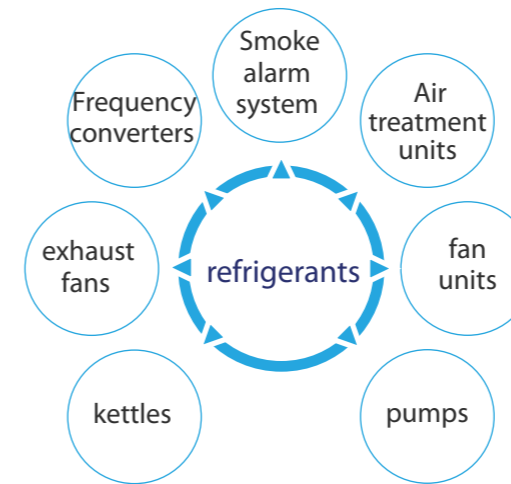
What makes all of the above work? The availability of small, sophisticated and affordable sensors connected through the building management system allows it to analyze and use the data generated by these sensors to manage and improve operations. Smart building systems can use the data generated to monitor performance, track the location of equipment and assets, detect potential operating problems and improve preventative maintenance efforts.

Buildings today are complex chains of structures, systems, and technology. Over time, every component within the building has been developed and improved, allowing us to independently select lighting, security and HVAC systems. Today, we seek to build, work in, and live in smart buildings as the right thing to do. Many governments and industry regulators set standards for the construction and management of facilities to meet environmental, safety and sustainability requirements. Leadership in energy engineering and design

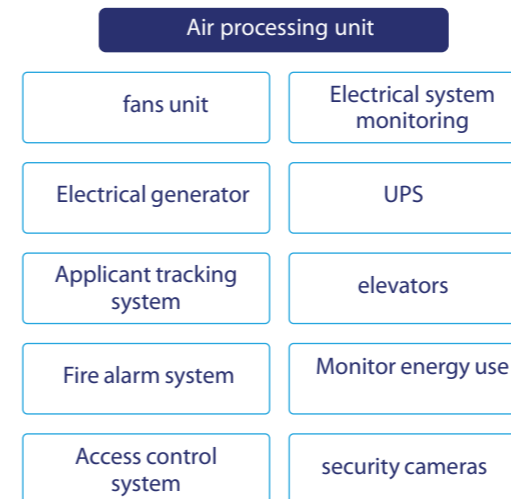
LEED is a certification program approved by building owners and managers to certify compliance with government and self-requirements.

Smart buildings are expected to account for 7% of the total global smart city market in 2025. Smart cities are cities that monitor all conditions of critical infrastructure, including bridges, streets, water, electrical systems and more, as this percentage is increasing fast too. Frost & Sullivan estimates that by 2025, there will be more than 26 of them worldwide.

Monitor and control heating, ventilation and air conditioning HVAC operating building management system on positioning and simplifying



Indoor air quality monitoring and control.



Benefits of a Building Management System: System security

Prevent unauthorized use

- Password protection.
- Operator access.
- Operator log summary
- **automatic registration for:**
- Operator activities and orders.
- Operations related to connected devices, workstations, etc.

The interface of man and machine

- Interacts with connected technical construction equipment.
- easy to use.
- Coordinate the flow of information through the system by implementing custom graphics Floor plans of the building.
- Graphical representation of the equipment.

Alarm management

The alarms are organized in sequence of importance and time

- Potentially dangerous situations.
- process value deviations.

Directing the operator to take the appropriate measures through:

- Audible and visual indicators.
- Mobile alerts
- A mobile application to alert engineers of critical and high-priority warnings.





The Company's Policy In Distributing Dividends:

8- The Company's Policy In Distributing Dividends:

In accordance with Article 45 of the company's bylaws, the annual net profit distribution policy is summarized as follows:

- Ten percent (%10) of the net profits shall be set aside to form a statutory reserve, and the Ordinary General Assembly may discontinue this set-up when the said reserve reaches thirty percent (%30) of the paid-up capital.
- The Ordinary General Assembly may decide to form other reserves to the extent that achieves the interest of the company or ensures the distribution of fixed profits as much as possible to the shareholders.
- After that, a percentage representing five percent (%5) of the paid-up capital shall be distributed to the shareholders.
- Subject to the provisions stipulated in Article Eighteen (18) of the company's articles of association, and Article seventy-six (76) of the Companies Law, if the remuneration of the members of the board of directors is a certain percentage of the company's profits, this percentage may not exceed (%10) of the company's net profits after deducting the reserves decided by the company's general assembly, and after distributing a profit to shareholders of no less than (%5) of the company's paid-up capital, provided that the entitlement to this reward is proportional to the number of sessions attended by the member.
- The remainder is then distributed to the shareholders as an additional share in the profits.

The company may, after fulfilling the regulations set by the competent authorities, distribute semi-annual and quarterly profits.

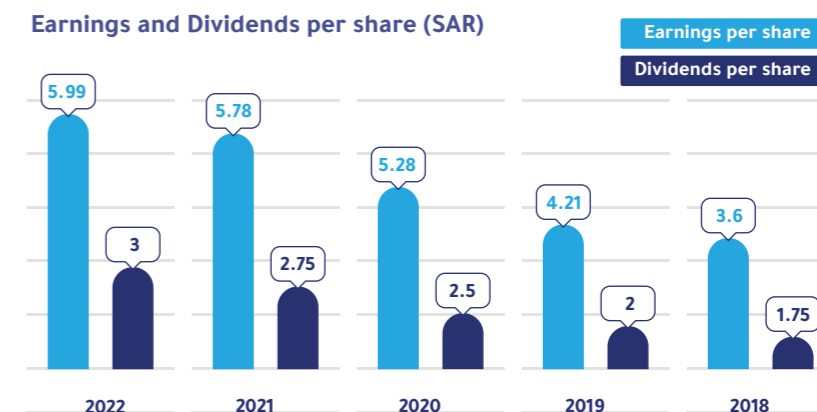
Regarding the fiscal year 2022, the Board of Directors recommended in its session held on 28/05/1444 - 22/12/2022 the distribution of cash dividends to the company's shareholders as follows:

- The total amount distributed is 300 million riyals.
- The number of shares entitled to dividends is 100 million shares.
- Each share of the distribution is 3 riyals. - Dividend ratio to nominal share value is %30.
- The date of eligibility for profits will be for the shareholders owning shares on the day of the company's general assembly and who are registered in the company's shareholders register with the Securities Depository Center Company (Depository Center) at the end of the second trading day following the date of the company's general assembly, which will be announced later after obtaining the approval of the authorities competent.
- The distribution date will be announced after the company's general assembly.

Note that cash dividends were distributed during 2022 in the amount of 275 million riyals at 2.75 riyals per share, equivalent to %27.5 of the paid-up capital (1,000 million riyals) for the financial year ending on 31 December 2021.

Earnings per share for the last five fiscal years:

Earnings per share continued to grow during the last five fiscal years, as earnings per share increased from 3.6 riyals in 2018 to 5.99 riyals in 2022



9

Information related to any loans on the company:

9- Information related to any loans on the company:

For the purposes of financing the strategic growth plan in the company's assets and expanding its medical network, the company obtained facilities Loans from the Ministry of Finance, the balances of which at the end of the year 2022 AD amounted to 82.1 million riyals.

The company also obtained loan facilities compatible with the Islamic law with local banks, the balances of which amounted to 780.3 million riyals by the end of 2022.

A table showing the loans granted to the Mouwasat Medical Services Company (in millions of riyals)

| N | Name of the loan donor | Original loan amount | Loan period | | What has been paid during 2022 | As on 31 December 2022 |
|--|---|----------------------|-------------|-------|--------------------------------|------------------------|
| | | | From | To | | |
| 1 Ministry of Finance | | | | | | |
| 1-1 | Loan from the Ministry of Finance Medical Tower in Dammam | 10.3 | ρ2011 | ρ2026 | 0.6 | 2.6 |
| 2-1 | Loan from the Ministry of Finance Mouwasat Hospital, Riyadh | 106.0 | ρ2018 | ρ2036 | 5.3 | 79.5 |
| Total loans from the Ministry of Finance | | 116.3 | | | 5.9 | 82.1 |
| 2 Arab National Bank | | | | | | |
| 2-1 | Arab National Bank loan No12 | 103.4 | ρ2020 | ρ2025 | 20.7 | 48.2 |
| Total lones from Arab National Bank | | 103.4 | | | 20.7 | 48.2 |
| 3 Samba Financial Group | | | | | | |
| 1-3 | Samba Group Loan No. 2 | 150.0 | ρ2018 | ρ2023 | 30.0 | 20.0 |
| Total lones from Samba Financial Group | | 150.0 | | | 30.0 | 20.0 |
| 4 British Saudi Bank | | | | | | |
| 4-1 | Saudi British Loan No. 8 | 210.0 | ρ2019 | ρ2022 | 60.0 | 0 |
| 4-2 | Saudi British Loan No. 11 | 150.0 | ρ2021 | ρ2024 | 47.4 | 71.1 |
| 4-3 | Saudi British Loan No. 12 | 70.0 | ρ2022 | ρ2028 | 7.8 | 62.2 |
| 4-4 | Saudi British Loan No. 13 | 185.0 | ρ2022 | ρ2027 | 11.8 | 173.2 |
| 4-5 | Saudi British Loan No. 14 | 40.0 | ρ2022 | ρ2025 | 1.3 | 38.7 |
| 4-6 | Saudi British Loan No. 15 | 105.0 | ρ2023 | ρ2029 | 0.0 | 105.0 |
| Total lones from British Saudi Bank | | 760.0 | | | 128.3 | 450.2 |
| 5 National Commercial Bank | | | | | | |
| 5-1 | National Commercial Bank loan No3 | 205.0 | ρ2021 | ρ2026 | 41.0 | 133.2 |
| Total loans of the National Commercial Bank | | 205.0 | | | 41.0 | 133.2 |
| 6 Bank Albilad | | | | | | |
| 6-1 | Bank Albilad Loan No. 1 | 40.0 | ρ2021 | ρ2026 | 8.0 | 28.7 |
| 6-2 | Bank Albilad Loan No. 2 | 30.0 | ρ2023 | ρ2028 | 0.0 | 30.0 |
| 6-3 | Bank Albilad Loan No. 3 | 70.0 | ρ2023 | ρ2028 | 0.0 | 70.0 |
| Total loans from Bank Albilad | | 140.0 | | | 8.0 | 128.7 |
| Total | | 1474.7 | | | 233.9 | 862.4 |

The current portion of long-term loans as at 31 December 2022 amounted to SAR 234.7 million, and thee long term loan amounted to SAR 627.7 million.

10

Board of Directors

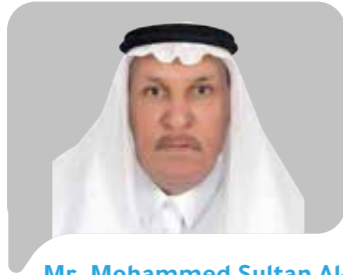
10- Board of Directors

In accordance with Article 13 of the company's articles of association, the company's board of directors consists of 7 members elected by the ordinary general assembly for a period of three years. The General Assembly, in its meeting on 22/12/2022, elected the members of the Board of Directors for its new session, which started on 04/01/2023. The following are the names of the members who were elected using the cumulative voting method:

| Member name | Membership Classification |
|-----------------------------------|---------------------------|
| Mr. Mohammed Sultan Al-Subaie | Non-executive |
| Mr. Nasser Sultan Al-Subaie | Executive |
| Mr. Mohammed Suleiman Al-Saleem | Executive |
| Mr. Khaled Suleiman Al-Saleem | Executive |
| Dr. Sami Abdulkarim Al-Abdulkarim | Independent |
| Mr. Fahd Ayed Alshammari | Independent |
| Dr. Mohammad Hamad Al-Kathiri | Independent |

Qualifications and experience of the members of the Board of Directors

And their current and previous positions



Mr. Mohammed Sultan Al-Subaie

Chairman of the Board of Directors of Mouwasat Medical Services Company

Current Jobs

- Chairman of the Board of Directors of Mouwasat Medical Services Company
- Chairman of the Board of Directors of the Mouwasat International Company

Previous jobs

- Chairman of the Board of Directors of Mouwasat Medical Services Company
- Chairman of the Board of Directors of the Mouwasat International Company

Qualifications

- Specialized courses in business administration
- High school education

Experiences

- Self-employment and establishment of Mouwasat clinic in Dammam in 1394
- Chairman of the Board of Directors of Mouwasat Medical Services Company
- Chairman of the Board of Directors of the Mouwasat International Company



Mr. Nasser Sultan Al-Subaie

Vice Chairman of the Board of Directors of Mouwasat Medical Services Company CEO of Mouwasat Medical Services Company

Current Jobs

- Vice Chairman of the Board of Directors of Mouwasat Medical Services Company
- CEO of Mouwasat Medical Services Company
- Chairman of the Executive Committee of Mouwasat Medical Services Company
- Chairman of the Board of Directors of the Advanced Medical Projects Company
- Executive Director of Eastern Medical Services Company
- Member of the Board of Directors of the Mouwasat International Company
- Vice-President of Kanaf Charitable Association

Previous jobs

- Director General of Health Services for project of managing and operating neighborhood clinics in Jubail Industrial City
- General Manager of Mouwasat Medical Services Company
- Chairman of Health Committee of Chamber of Commerce and Industry in Eastern Region
- Vice Chairman of the Health Committee of the Council of Chambers of Commerce and Industry in Riyadh
- Member of Health Insurance Council in accordance with the Council of Ministers decision, to represent private health sector
- Member of the Investment Committee of the Health Insurance Council
- Member of Medical Services Council representing the private sector in accordance with the decision of Council of Ministers
- Member of the Saudi Health Council according to the decision of His Excellency the Minister the health

Qualifications

- Diploma in Medical Services Management
- Intensive training courses in the management of health services inside and outside the Kingdom.
- Participation in many scientific conferences in the health field

Experiences

- Management and operation in the medical services sector
- Membership and chairmanship of boards of directors in the medical services sector
- Membership and presidency of health committees in chambers of commerce and industry
- Membership of the Health Insurance Council and its Investment Committee
- Membership of the Medical Services Council
- Management and operation in the medical services sector



Mr. Mohammed Suleiman Al-Saleem

Managing Director of Mouwasat Medical Services Company

Current Jobs

- Managing Director of Mouwasat Medical Services Co
- Member of Executive Committee of Mouwasat Medical Services Co.
- Board Member of Mouwasat Medical Services Company
- Member of Board of Directors of Mouwasat International Co
- Member of Board of Directors of Advanced Medical Projects Co

Previous jobs

- Administrator Manager of the United Medical Services Co
- Administrator Manager of Mouwasat Medical Services Co
- Executive Manager of Mouwasat Medical Services Company
- Member of Board of Trustees of Arab Society for Hospital Management - Sharjah - UAE

Qualifications

- Bachelor of Administrative Sciences, Accounting Division

Experiences

- Management and operation in the medical services sector
- Membership of boards of directors in the medical services sector
- Membership of Board of Trustees of Arab Society for Hospital Management - Sharjah - UAE



Mr. Khaled Suleiman Al-Saleem

Member of the Board of Directors and Deputy Managing Director of Mouwasat Medical Services Company

Current Jobs

- Member of Board of Directors & Deputy Managing Director of Mouwasat Medical Services Co
- Member of Executive Committee of Mouwasat Medical Services Co
- Member of Health Committee of Chamber of Commerce and Industry in the Eastern Region
- Member of the Strategic Committee for Insurance (Insurance Council)
- Member of the Board of Directors of the Council of Cooperative Health Insurance
- Chairman of the Private Hospitals Committee of the Council of Saudi Chambers of Commerce
- Member of the Saudi Health Council

Previous jobs

- Deputy Administrator Manager of the United Medical Services Company
- Deputy Administrator Manager of Mouwasat Medical Services Company
- Deputy Executive Manager of Mouwasat Medical Services Company
- Member of the Hospitals Committee of the Chamber of Commerce and Industry in Riyadh
- Founding member of the Arab Association for Hospital Management (Sharjah - UAE)
- Member of the Board of Directors of the Council of Cooperative Health Insurance

Qualifications

- Diploma in English from Rice University - Houston - USA
- King Saud University (Public Administration) 1987 - 1985
- Comprehensive High School (Business Administration)

Experiences

- Management and operation in the medical services sector
- Membership of boards of directors in the medical services sector
- Membership and chairmanship of health committees at the Saudi Chambers of Commerce
- Membership of the Board of Directors of the Cooperative Health Insurance Council

Qualifications and experience of the members of the Board of Directors

And their current and previous positions



Dr. Sami Abdulkarim Al-Abdulkarim

Board Member & Chairman of Remuneration and Nominations Committee of the Mouwasat Medical Services Co

Current Jobs

- CEO and Managing Director of the Care & Medical Sciences Company
- Chairman of Board of Trustees - Inaya Medical University
- Member of Board of Directors of Royal Investment Company
- Chairman of the Remuneration and Nominations Committee of the Royal Investment Company
- Member of Board of Directors of Mouwasat Medical Services
- Member of Audit Committee of Mouwasat Medical Services Company
- Member of the Executive Committee of Mouwasat Medical Services Company
- Chairman of Remuneration and Nominations Committee of the Mouwasat Medical Services Co
- Member of Board of Directors of Al-Irtiqaa Medical Services Co
- Member of the Board of Directors of Al-Ratqaa Medical Services Company
- Chairman of the Board of Directors of Smart Solutions Company

Previous jobs

- Vice Chairman of the Board of Directors of the Chamber of Commerce in Riyadh
- Chairman of the National Health Committee in the Council of Chambers
- Chairman of the Medical Committee of the Riyadh Chamber
- Member of the Saudi Health Council
- Member of the Health Insurance Board of Directors
- Member of the Board of Trustees of the Health Specialties Authority
- Head of the Dental Department - Al Yamama Hospital
- Part-time work in the Ministry of Health - Responsible for medical licenses for private dental centers
- Head of the Dental Department - Riyadh Medical Complex - Outpatient Clinics
- Deputy Director of the Dental Center - Riyadh Medical Complex
- Member of the Board of Directors of Mulkiya Investment Company

Qualifications

- Master of Dental Implants Prosthodontics (International Commission for Dental Implants - USA)
- Fellowship in Dental Implantology (International Commission for Dental Implants - USA)
- Fellowship in Maxillofacial Surgery (American College of Maxillofacial Surgery)
- Bachelor of Dental Medicine & Surgery (Sindh University - Pakistan)

Experiences

- Dental medicine and surgery
- Business Administration
- Membership of boards of directors in the medical services sector
- Membership of the board of directors and chairing of medical committees at the Saudi Chambers of Commerce
- Memberships with (Saudi Health Council, Cooperative Health Insurance, Board of Trustees of the Health Specialties Authority)



Mr. Fahad Ayed Al-Shammari

Member of the Board of Directors of Mouwasat Medical Services Company

Current Jobs

- Chief Financial Officer Of The Saudi Real Estate Company.
- Member Of The Board Of Directors Of Mouwasat Medical Services Company.
- Member Of The Nominations And Rewards Committee - Mouwasat Medical Services Company.
- Member Of The Board Of Directors Of Sico Reit Fund.
- Member Of The Board Of Directors Of Wedyan Real Estate Company.
- Member Of The Board Of Directors Of The Saudi Real Estate Construction Company.
- Member Of The Review Committee Of The Saudi Real Estate Construction Company.

Previous jobs

- Financial Director of the Saudi Pharmaceutical Industries and Medical Appliances Company (Spimaco Pharmaceutical).
- Director of the Accounting Department at Ma'aden for Aluminum Company.
- Director of Accounting Services for SATORP Company.
- Project manager, financial specialist, accountant) at the Saudi Telecom Company.
- Chief Financial Officer at the National Housing Company.
- Chairman of the Audit Committee of Solidarity Takaful Company.
- A Member of the Board of Trustees of the Development Housing Corporation, representing the National Housing Company.

Qualifications

- Fellowship of Saudi Accountants SOCPA.
- Fellowship of (Certified Management Accountant) CMA.
- Executive Diploma in Islamic Finance.
- CFA Charter.
- Executive Financial Managers Program ECFO.
- Oxford real estate programme.
- International Directors Program (IDP).
- Enterprise Risk Management Certificate COSO.
- Stanford Business Leadership Series (SBSLS).
- INSEAD Corporate Governance Certificate.
- Certificate Governance Corporate INSEAD.
- Bachelor of Administrative Sciences, Accounting, Imam Muhammad bin Saud Islamic University.

Experiences

- Accounting and Finance.
- Project management.
- Investment.
- Membership of boards of trustees.



Dr. Mohammad Hamad Al Kathiri

Member of the Board of Directors of Mouwasat Medical Services Company

Current Jobs

- CEO of Dr. Muhammad Al-Kathiri Consulting Center.
- Member of the Board of Directors of the National Gas and Industrialization Company
- Member of the Executive Committee of the National Gas and Industrialization Company
- Member of the Board of Directors of Makana Company for Commercial and Industrial Investment
- Member of the Board of Directors of Mouwasat Medical Services Company
- Member of the Audit Committee of Al-Mouwasat Medical Services Company
- Member of the Remuneration and Nominations Committee of Mouwasat Medical Services Co

Previous jobs

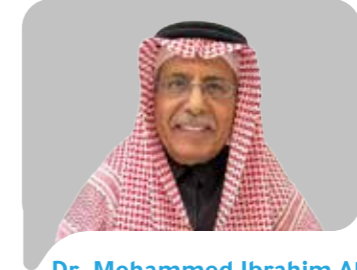
- Secretary General of the Chamber of Commerce and Industry in Riyadh
- Undersecretary of the Ministry of Commerce and Industry for Foreign Trade (currently trade)

Qualifications

- PhD in Business Administration - Strategic Management - University of Manchester - United Kingdom
- Master of Business Administration - University of Ottawa - Canada
- Bachelor of Business Administration - King Saud University
- INSEAD/IOE/BDI/IMD

Experiences

- Secretary General of the Chamber of Commerce and Industry in Riyadh
- Undersecretary of the Ministry of Commerce and Industry for Foreign Trade (currently trade)



Dr. Mohammed Ibrahim Al-Tuwajri

Chairman of Audit Committee of Mouwasat Medical Services Co (Not A Board member)

Current Jobs

- Chairman of the Audit Committee of Mouwasat Medical Services Company.
- Head of Al-Medra Training Center.

Previous jobs

- General Assistant Secretary of the League of Arab States for Economic Affairs.
- Member of the Board of Directors of Mouwasat Medical Services Company.
- Member of the Nominations and Rewards Committee for Mouwasat Medical Services Company.
- Head of Al Madari office for administrative and financial consulting.

Qualifications

- Doctor of Philosophy - Business Administration - Arizona State University - USA.
- Master of Business Administration - Finance - University of Denver - Colorado - USA.
- Bachelor of Science - Business Administration - University of Denver - Colorado - USA.

Experiences

- In the field of procurement and movement of goods.
- Saudi Aramco.
- Teaching, education, university research and consulting.
- In the field of administrative development in the Arab Organization for Administrative Development in the field of Arab economy at the League of Arab States.
- Board membership.

Qualifications and experience of the members of the Board of Directors and their current and previous positions

Names of the companies in which the board member is a member of their current and previous boards of directors or one of their managers

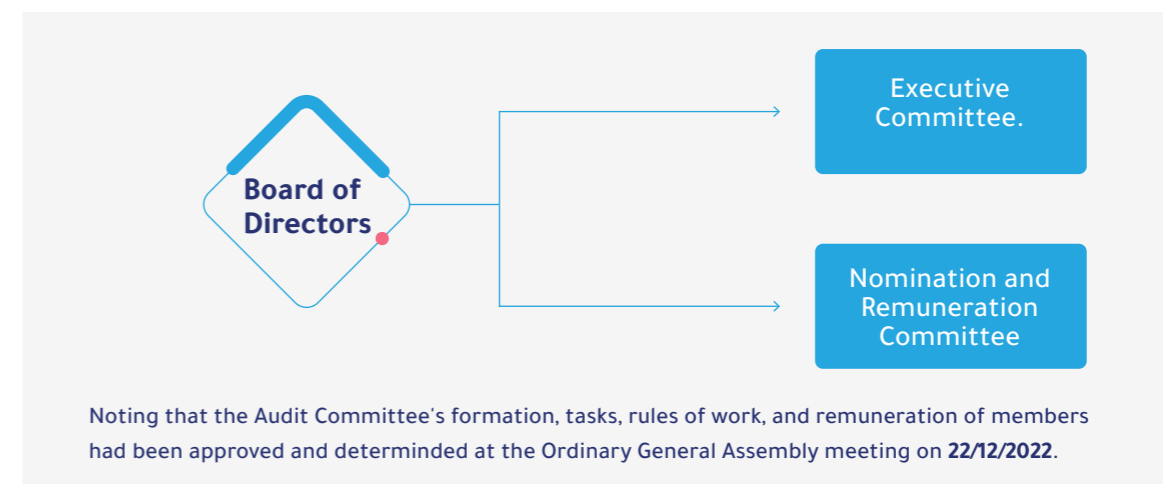
| Member name | Current Companies | | | Pervious Companies | | |
|-----------------------------------|--|-----------------------------|---|--|-----------------------------|--------------------|
| | Company Name | Inside/ Outside the kingdom | Legal Entity | Company Name | Inside/ Outside the kingdom | Legal Entity |
| Mr. Mohammed Sultan Al-Subaie | - Mouwasat Medical Services Co. - Mouwasat International Co. | Inside the kingdom | Public joint stock Limited liability | | | |
| Mr. Nasser Sultan Al-Subaie | - Mouwasat Medical Services Co. - Advanced Medical Projects Co. - Mouwasat International Co. - Eastern Medical Services Co. | Inside the kingdom | Public joint stock Limited liability Limited liability Limited liability | | | |
| Mr. Mohammed Suleiman Al-Saleem | - Mouwasat Medical Services Co. - Advanced Medical Projects Co. - Mouwasat international Co. | Inside the kingdom | Public joint stock Limited liability Limited liability | | | |
| Mr. Khaled Suleiman Al-Saleem | - Mouwasat Medical Services Co. | Inside the kingdom | Public joint stock | | | |
| Dr. Sami Abdulkarim Al-Abdulkarim | - Mouwasat Medical Services Co. - Care & Medical Sciences Company - Smart Solution Company - Al-Ertiqa Medical Services Co. | Inside the kingdom | Public joint stock Closed joint stock Limited liability Limited liability | - Royal Investment Company | Inside the kingdom | Closed joint stock |
| Mr. Fahad Ayed Al-Shammari | - Mouwasat Medical Services Co. - SICO Saudi Reit Fund - Saudi Real Estate Construction Co. - Wedyan Real Estate Co. | Inside the kingdom | Public joint stock Public joint stock Closed joint stock Closed joint stock | - National Developmental Housing Corporation | Inside the kingdom | Private foundation |
| Dr. Muhammad Hamad AlKathiri | - GASCO - MAKANA Trading & industrial Investement Co. - Mouwasat Medical Co. | Inside the kingdom | Public joint stock Closed joint stock Closed joint stock | | | |

On 2023/01/05, the elected company's board of directors decided the following for its new session:

1. Assigning:

Mr. Mohammed Sultan Al-Subaie, as Chairman of the Board of Directors
Mr. Nasser Sultan Al-Subaie, as Vice Chairman of the Council
Mr. Mohammed Suleiman Al-Saleem, as Managing Director
Mr. Khaled Suleiman Al-Saleem, as Deputy Managing Director.

2. Assigning the members of the main committees emanating from the board of directors, which are:



The most important activities of the board of directors:

- Formulating the company's comprehensive strategy and its main objectives.
- Determining the powers delegated to the executive management and the procedures for making decisions.
- Setting policies and procedures that ensure the company's implementation of all laws and regulations.
- Setting policies and regulations for internal control systems and supervising the compliance.
- Reviewing the performance of the Executive Committee.
- Approval of annual budgets.
- Approval of the company's interim and annual financial statements.
- Preparing the Board of Directors' report that is attached to the company's annual financial statements.
- Supervising the procedures related to the preparation and management of the general assembly of shareholders.

Qualifications and experience of the members of the Board of Directors and their current and previous positions

Number of scheduled board meetings held during fiscal year 2022, and member attendance record

| Member name | First meeting ρ2022/01/17 | Second meeting ρ2022/03/28 | Third meeting ρ2022/06/27 | Fourth meeting ρ2022/10/24 | Fifth meeting ρ2022/12/22 | Total |
|-----------------------------------|------------------------------|-------------------------------|------------------------------|-------------------------------|------------------------------|-------|
| Mr. Mohammed Sultan Al-Subaie | ✓ | ✗ | ✗ | ✓ | ✓ | 3 |
| Mr. Nasser Sultan Al-Subaie | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Mr. Mohammed Suleiman Al-Saleem | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Mr. Khaled Suleiman Al-Saleem | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Dr. Mohammed Ibrahim Al-Tuwaijri | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Dr. Sami Abdulkarim Al-Abdulkarim | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Mr. Fahad Ayed Al-Shammari | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |

Number of unscheduled board meetings held during fiscal year 2022, and member attendance record

| Member name | First meeting ρ2022/03/16 | Second meeting ρ2022/04/19 | Third meeting ρ2022/05/12 | Fourth meeting ρ2022/08/11 | Fifth meeting ρ2022/11/03 | Total |
|-----------------------------------|------------------------------|-------------------------------|------------------------------|-------------------------------|------------------------------|-------|
| Mr. Mohammed Sultan Al-Subaie | ✓ | ✗ | ✓ | ✓ | ✓ | 4 |
| Mr. Nasser Sultan Al-Subaie | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Mr. Mohammed Suleiman Al-Saleem | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Mr. Khaled Suleiman Al-Saleem | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Dr. Mohammed Ibrahim Al-Tuwaijri | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Dr. Sami Abdulkarim Al-Abdulkarim | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Mr. Fahad Ayed Al-Shammari | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |

Number of shareholders' general assembly meetings held during fiscal year 2022, and member attendance record

| Member name | Number of meetings (2) | |
|-----------------------------------|--|--|
| | Ordinary General Assembly Meeting ρ2022/05/09 | Ordinary General Assembly Meeting ρ2022/12/22 |
| Mr. Mohammed Sultan Al-Subaie | ✗ | ✓ |
| Mr. Nasser Sultan Al-Subaie | ✓ | ✓ |
| Mr. Mohammed Suleiman Al-Saleem | ✓ | ✓ |
| Mr. Khaled Suleiman Al-Saleem | ✓ | ✓ |
| Dr. Mohammed Ibrahim Al-Tuwaijri | ✓ | ✓ |
| Dr. Sami Abdulkarim Al-Abdulkarim | ✓ | ✓ |
| Mr. Fahad Ayed Al-Shammari | ✗ | ✓ |

Board Of Directors

A table showing the interest of members of the Board of Directors and their relatives in company's shares for fiscal year ending on December 31, 2022

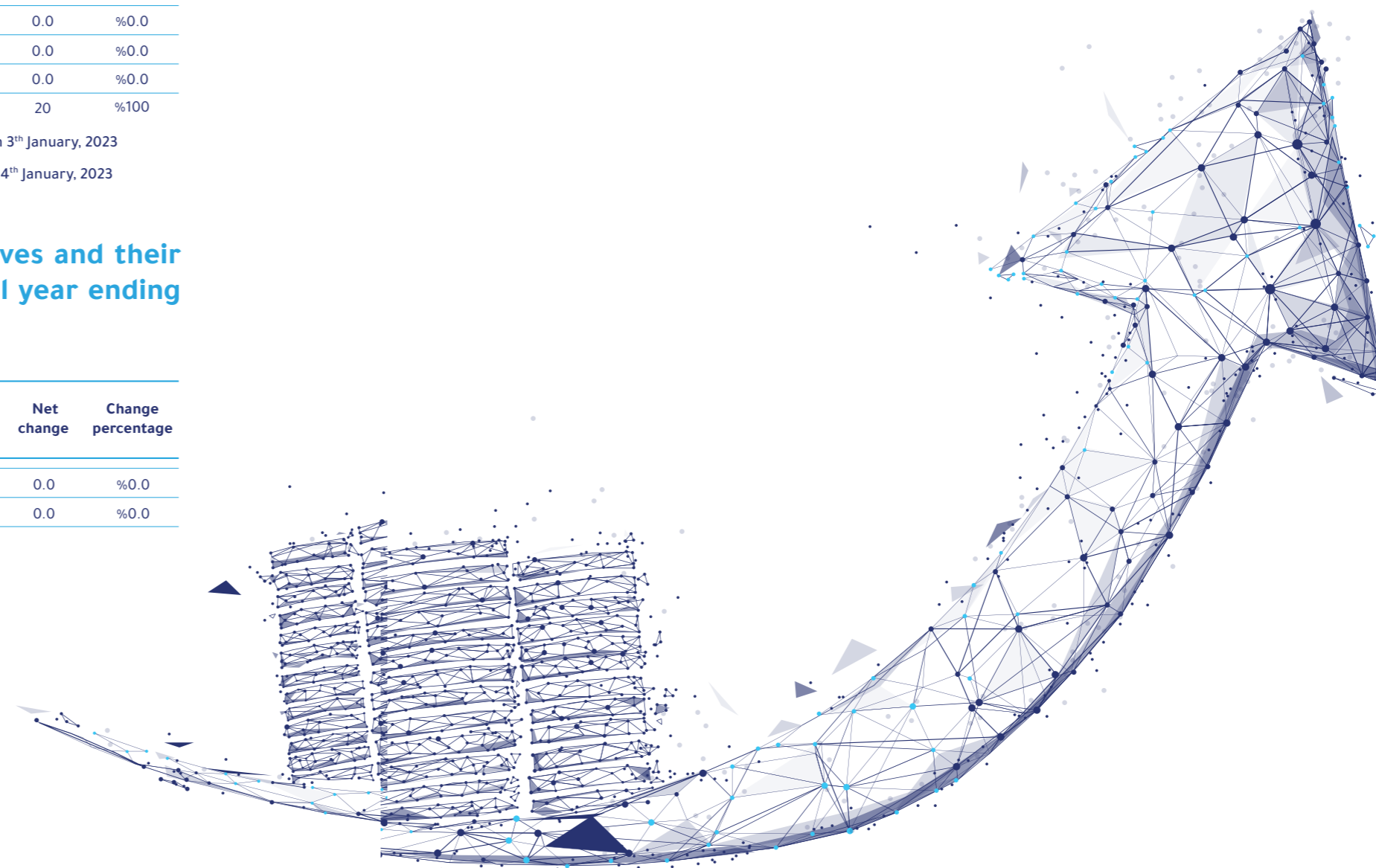
| N | The name of the person who has the interest | Beginning of the year | | End of the year | | Net change | Change percentage |
|---|---|-----------------------|------------------|-----------------|------------------|------------|-------------------|
| | | No. of Shares | Debt instruments | No. of Shares | Debt instruments | | |
| 1 | Mr. Mohammed Sultan Al-Subaie | 17,500,000 | - | 17,500,000 | - | 0.0 | %0.0 |
| 2 | Mr. Nasser Sultan Al-Subaie | 17,500,000 | - | 17,500,000 | - | 0.0 | %0.0 |
| 3 | Mr. Mohammed Suleiman Al-Saleem | 4,760 | - | 4,760 | - | 0.0 | %0.0 |
| 4 | Mr. Khaled Suleiman Al-Saleem | 4,760 | - | 4,760 | - | 0.0 | %0.0 |
| 5 | Dr. Mohammed Ibrahim Al-Tuwaijri (1) | 2,000 | - | 2,000 | - | 0.0 | %0.0 |
| 6 | Dr. Sami Abdulkarim Al-Abdulkarim | 3,933 | - | 3,933 | - | 0.0 | %0.0 |
| 7 | Mr. Fahad Ayed Al-Shammari | 0.0 | - | 0.0 | - | 0.0 | %0.0 |
| 8 | Dr. Mohammad Hamad Al Kathiri (2) | 0.0 | - | 20 | - | 20 | %100 |

(1) Dr. Mohammed Ibrahim Al-Tuwaijri membership in the Board of Directors has ended on 3th January, 2023

(2) Dr. Mohammad Hamad Al Kathiri membership in the Board of Directors has started on 4th January, 2023

A table showing the interest of senior executives and their relatives in the company's shares for the fiscal year ending on December 31, 2022

| N | The name of the person who has the interest | Beginning of the year | | End of the year | | Net change | Change percentage |
|---|---|-----------------------|------------------|-----------------|------------------|------------|-------------------|
| | | No. of Shares | Debt instruments | No. of Shares | Debt instruments | | |
| 1 | Dr. Amin Mahmoud Al-Nimr | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | %0.0 |
| 2 | Mr. Youssef Ahmed Suleiman | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | %0.0 |





Committees originating from the Board:

11- Committees originating from the Board

A- Executive Committee

A- Executive Committee

The Executive Committee was formed according to what was stipulated in the regulations of this committee and citing the best regulations and practices applicable in the health sector locally and globally. The Executive Committee uses all the powers and bears the duties of the Board of Directors during the period between the meetings of the Board in cooperation with the Vice Chairman and Managing Director regarding the distribution of company's resources that aims to achieve alignment between the company's strategic plans and its long-term operational objectives.

The Executive Committee reviews and prepares recommendations to the Board of Directors regarding strategic decisions related to operational priorities, financial planning, the company's credit rating, cash flows, borrowing activities and investment deposits, in cooperation with the company's executive management and audit committee.

The Executive Committee includes four members of the Board of Directors, that its term began on January 4, 2023, as shown in the table below.

| N | Member name | Membership type |
|---|-----------------------------------|--------------------|
| 1 | Mr. Nasser Sultan Al-Subaie | Committee Chairman |
| 2 | Mr. Mohammed Suleiman Al-Saleem | Member |
| 3 | Mr. Khaled Suleiman Al-Saleem | Member |
| 4 | Dr. Sami Abdulkarim Al-Abdulkarim | Member |

The number of Executive Committee meetings during the fiscal year 2022 and the attendance record of members

| N | Member name | Membership type | Number of meetings (3) | | |
|---|-----------------------------------|--------------------|------------------------|------------|------------|
| | | | 03/03/2022 | 17/04/2022 | 26/06/2022 |
| 1 | Mr. Nasser Sultan Al-Subaie | Committee Chairman | ✓ | ✓ | ✓ |
| 2 | Mr. Mohammed Suleiman Al-Saleem | Member | ✓ | ✓ | ✓ |
| 3 | Mr. Khaled Suleiman Al-Saleem | Member | ✓ | ✓ | ✓ |
| 4 | Dr. Sami Abdulkarim Al-Abdulkarim | Member | ✓ | ✓ | ✓ |

Among the most important topics on the agenda of the Executive Committee meetings were the following:

Studying and discussing the best ways and opportunities regarding the company's future expansion projects in order to achieve added value for the company in light of the great competition in the medical services market in general and the cities in which the company's hospitals are located in particular.

- Periodic review of actual capital expenditures and reviewing them with the approved budgets.
- Review the risk report and material events that may affect the expected operational performance of the company .
- Preparing recommendations for the Board of Directors related to annual and long-term financial goals and strategies, and preparing performance indicators associated with them.
- Reviewing and discussing all new items on JCI international re-accreditation programs and accreditation from the Central Board for Accreditation of Healthcare Facilities (CBAHI) in all hospitals affiliated to the medical network owned and operated by the company.

11- Committees originating from the Board

B- Audit Committee

B- Audit Committee

On December 22, 2022, the Ordinary General Assembly approved the formation of the audit committee, defining its tasks, work controls, and the remuneration of its members, as stipulated in the internal governance regulations and policies and the company's articles of association, and in accordance with the requirements of the corporate governance regulations issued by the Capital Market Authority for the Board session for the period from 04/01/2023 to 03/01/2026. the Audit Committee includes two independent members of the Board and a member from outside the Board, as shown in the table below:

| N | Member Name | Member of the Board of Directors from outside the Board of Directors | Membership type |
|---|-----------------------------------|--|--------------------|
| 1 | Dr. Mohammed Ibrahim Al-Tuwajri | member from outside the board of directors | Committee Chairman |
| 2 | Dr. Sami Abdulkarim Al-Abdulkarim | Independent board member | Member |
| 3 | Dr. Mohammed Hamad Al Kathiri | Independent board member | Member |

Number of audit committee meetings during the fiscal year 2022 and member attendance record

| Member Name | Meeting 1 17/01/2022 | Meeting 2 16/03/2022 | Meeting 3 06/04/2022 | Meeting 4 12/05/2022 | Meeting 5 29/05/2022 | Meeting 6 11/08/2022 | Meeting 7 18/10/2022 | Meeting 8 03/11/2022 | Meeting 9 13/12/2022 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Committee Chairman Dr. Mohammed Ibrahim Al-Tuwajri | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Member Dr. Sami Abdulkarim Al-Abdulkarim | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Member Mr. Aziz Mohammed Al-Qahtani (3) | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

(3) Dr. Mr. Aziz Mohammed Al-Qahtani membership in the Audit Committee has ended on 3rd January, 2023

Among the most important actions of the Audit Committee during the past year were:

- Analyzing and studying the main risks facing the company, including financial, technical and operational risks, and reviewing the policies applied by the management related to the processes of identifying, evaluating and treating those risks.
- Supervising the Internal Control Department and reviewing its systems to verify its effectiveness in carrying out the tasks and works set by the Board of Directors, and preparing reports and recommendations regarding it.
- Studying the internal audit reports and following up on the implementation of the corrective measures for the observations contained in these reports.
- Studying the preliminary and annual financial statements and the accounting policies followed, expressing an opinion on them and making recommendations to the Board of Directors in this regard.
- Ensuring the independence of chartered accountants, following up on their work, and studying and evaluating audit plans with them.

Results of the annual review of the effectiveness of the company's internal control procedures Audit committee report:

The following is the report of the Audit Committee for the fiscal year ending on December 31, 2022

The Audit Committee is responsible for monitoring the company's business and verifying the integrity of its financial reports, internal control systems, and risk management. The committee's tasks include, in particular, the following:

Tasks related to the activities of the internal audit department:

The Internal Audit Department is responsible for evaluating the internal control system and its effectiveness, supervising its application, and verifying the extent to which the company and its employees comply with the applicable laws, regulations and instructions, and the company's policies. It also evaluates the company's procedures to face financial, operational and legal risks and all its activities, and submits its report to the Audit Committee of the Board of Directors that was approved by the General Assembly on a quarterly basis. The Audit Committee of the Board of Directors in turn supervises and evaluates the activities of the Internal Audit Department and reviews its annual plan, methods of implementation and corrective actions taken by the executive management regarding the observations contained in its report, in order to ensure that they are not repeated and to reinforce the opinion of the audit committee's conviction. Then the Audit Committee discusses the notes and important matters (of relative importance - if any) at the Board of Directors meeting. The scope of the Internal Audit Department includes the following:

- Preparing the annual audit plan and approving it by the audit committee.
- Preparing a general written report and submitting it to the Board of Directors and the Audit Committee regarding the audits conducted during the financial year and comparing them with the approved plan, clarifying the reasons for any breach or deviation from the plan, if any, and evaluating the effectiveness of the executive management towards it during the quarter following the end of the financial year.
- Assessing the development of risk factors in the company and the existing systems to face drastic or unexpected changes in the financial market.
- Evaluating workflow procedures and submitting proposals to verify the adequacy of those procedures to ensure the effectiveness of the internal control systems.
- Verifying that the internal control system is in line with the company's corporate governance regulations and internal control systems to protect the company's assets and properties.

6. Permanent and continuous interaction with all departments to verify the level of full compliance with the approved internal regulations and the laws governing the activity.

7. Submitting proposals regarding the development of the internal control system and raising awareness of the importance of the role of internal control and its improvement.

8. Preparing audit reports and their results with their recommendations, following up their implementation, and submitting them to the Board of Directors and the Audit Committee.

- Tasks related to the activities of the external auditor of the company:

The Audit Committee is responsible for verifying the independence and objectivity of the auditor and the effectiveness of the audit work and reviewing his work plan. It also studies the company's initial and annual financial statements before presenting them to the Board of Directors and expresses its opinion and recommendation in it to ensure its integrity, fairness and transparency.

Duties related to ensuring compliance:

The Audit Committee is responsible for studying the legislation of the regulatory authorities, verifying that the company has taken the necessary measures in this regard, verifying the company's compliance with the rules, regulations and policies, submitting the issues it deems necessary to take action on to the Board of Directors, and making its recommendations regarding the actions to be taken.

It is worth noting that through the audit committee carrying out its tasks and continuous work with the internal audit department, the external auditor and the executive management, the audit committee emphasizes:

- That the internal control systems are effectively applied based on an evaluation of workflow procedures and a general assessment of the risks facing the company, and that there were no matters of big impact during 2022 that required disclosure regarding the applications of financial systems and special reports on them, as well as the level of compliance with the company's governance rules.
- The financial statements and the Board of Directors' report as of December 31, 2022 include information that allows shareholders and investors to assess the company's financial position, performance, business model and strategy.

- The findings of the board of directors:

In light of what was achieved by the Board of Directors during 2022 to verify the efficiency and effectiveness of the internal control procedures, and based on the reports and recommendations received from the Audit Committee, the Company's Board of Directors confirms the following:

- The control systems are working effectively and enabling the development of a general perception of the risks that the company may face.
- That there is no shortcoming or any fundamental change in the internal control systems and that the internal control procedures are implemented efficiently and effectively to discover errors and prevent them from occurring, and that no breaches of the internal control systems occurred during 2022.

11- Committees originating from the Board

C- Nomination and Remuneration Committee

C- Nomination and Remuneration Committee

The Company's Nominations and Remunerations Committee assists the Board of Directors in performing its supervisory duties efficiently and effectively. The Committee is concerned with nominating members of the Board of Directors and executive managers, studying their qualifications, ensuring their capabilities, conducting an annual review of the Board's performance in accordance with the guidelines issued and approved by the Board of Directors, conducting a periodic review of the Board's structure and the required needs for membership, setting standards to determine the independence of members, ensuring that the member does not lose his independence, ensuring the absence of any conflict of interests, making recommendations regarding changes that can be made, and setting policies for salaries, rewards and incentives programs for members of the Board of Directors and executives in the company, which aims to maximize the value of the company and evaluate the personal efforts made by each Board member and executive director in achieving the company's strategic goals.

| N | Member name | Member of the Board of Directors\ from outside the Board of Directors | Membership type |
|---|-----------------------------------|--|--------------------|
| 1 | Dr. Sami Abdulkarim Al-Abdulkarim | Independent board member | Committee Chairman |
| 2 | Mr. Fahad Ayed Al-Shammari | Independent board member | Member |
| 3 | Dr. Mohammed Hamad Al Kathiri | Independent board member | Member |

Number of meetings of the Nomination and Remuneration Committee during the fiscal year 2022 and the member attendance record

| Member name | Membership type | Meeting 1 24/4/2022 | Meeting 2 19/10/2022 | Meeting 3 23/10/2022 |
|--------------------------------------|--------------------|------------------------|-------------------------|-------------------------|
| Dr. Sami Abdulkarim Al-Abdulkarim | Committee Chairman | ✓ | ✓ | ✓ |
| Dr. Mohammed Ibrahim Al-Tuwaijri (1) | Member | ✓ | ✓ | ✓ |
| Mr. Fahad Ayed Al-Shammari | Member | ✓ | ✓ | ✓ |

(1) Dr. Mohammed Ibrahim Al-Tuwaijri membership in the Nomination and Remuneration Committee has ended on 3rd January, 2023

Among the most important matters that were discussed in the meetings of this committee during the year 2022 were the following:

1. Discussing the structure of the board of directors.
2. Verifying the independence of the independent members, looking into whether any symptoms of independence occurred in any of them, and making sure that no member of the board of directors has any business that competes with the company's business, contrary to what was approved by the extraordinary general assembly in its meeting on 08/10/1443 - 09/05/2022.
3. Discussing the company's need for executive jobs.
4. Sorting and approving the applications of candidates for membership of the Board of Directors in its new session and for the membership of the Audit Committee and recommending the acceptance of all applications with completed documents



12

Remuneration policy for members of the Board of Directors and Executive Management

12- Remuneration policy for members of the board of directors and executive management:

The remunerations of the members of the Board of Directors are determined in accordance with the recommendations of the Nominations and Remunerations Committee, taking into account that they are in accordance with the statutory rules and within the limits of the Companies Law or any other complementary systems, and that they are consistent with the company's strategy and objectives. It should also take into account the need to attract the best members to the Board of Directors, maintain them, and motivate them to perform their duties professionally and efficiently, taking into account the sector in which the company operates and the performance indicators.

In addition to the fixed salaries and job allowances that senior executives receive, the board of directors determines the remunerations of senior executives based on the recommendation of the Nomination and Remuneration Committee which is based on the annual evaluation carried out in this regard. It also takes into account that they are compatible with the company's objectives, appropriate to the nature of its business, activity and size, consistent with the company's need to attract those with the necessary capabilities, qualifications and skills and consistent with the job level, tasks and responsibilities.

The following are tables that show details of bonuses, allowances, and compensation paid to members of the Board of Directors, members of committees emanating from the Board, and five senior executives during 2022 .

Table of remuneration of members of the Board of Directors

| Board of Directors | Fixed remuneration | | | | | | Variable remuneration | | | | | | End of Service Reward | Grand total | Expenses allowance |
|--------------------------------------|--------------------|--|--|----------------|--|---|-----------------------|-----------------------|---------------|-------------------------------|------------------------------|----------------|-----------------------|------------------|--------------------|
| | Certain amount | Allowance for attending Board meetings | Allowance for attending committee meetings | n-kind rewards | Allowance for what board members received as workers or administrators | Remuneration of the Chairman, Managing Director or Secretary, if he is a member | Total | Percentage of profits | Regular bonus | Short term motivational plans | Long term motivational plans | Granted shares | | | |
| First: Independent members | | | | | | | | | | | | | | | |
| Dr. Mohammed Ibrahim Al-Tuwajri | 450,000 | 15,000 | 34,500 | - | - | - | 499,500 | - | - | - | - | - | - | 499,500 | - |
| Dr. Sami Abdulkarim Al-Abdulkarim | 450,000 | 15,000 | 43,500 | - | - | - | 508,500 | - | - | - | - | - | - | 508,500 | - |
| Mr. Fahad Ayed Al-Shammari | 450,000 | 15,000 | 9,000 | - | - | - | 474,000 | - | - | - | - | - | - | 474,000 | - |
| Total | 1,350,000 | 45,000 | 87,000 | - | - | - | 1,482,000 | - | - | - | - | - | - | 1,482,000 | - |
| Second: Non-executive members | | | | | | | | | | | | | | | |
| Mr. Mohamed Sultan El Subaie | 450,000 | 9,000 | - | - | - | - | 459,000 | - | - | - | - | - | - | 459,000 | - |
| Total | 450,000 | 9,000 | - | - | - | - | 459,000 | - | - | - | - | - | - | 459,000 | - |
| Third: Executive members | | | | | | | | | | | | | | | |
| Mr. Nasser Sultan Al-Subaie | 450,000 | 7,500 | - | - | - | - | 457,500 | - | - | - | - | - | - | 457,500 | - |
| Mr. Mohammed Suleiman Al-Saleem | 450,000 | 7,500 | - | - | - | - | 457,500 | - | - | - | - | - | - | 457,500 | - |
| Mr. Khaled Suleiman Al-Saleem | 450,000 | 7,500 | - | - | - | - | 457,500 | - | - | - | - | - | - | 457,500 | - |
| Total | 1,350,000 | 22,500 | - | - | - | - | 1,372,500 | - | - | - | - | - | - | 1,372,500 | - |

12- Remuneration policy for members of the Board of Directors and Executive Management

Senior Executives Remuneration Table:

| Remuneration and compensation paid to five senior executives who received the highest remuneration, including the CEO and CFO | Fixed remuneration | | | | Variable remuneration | | | | | End of Service Reward | Total executive remuneration for the board | Grand total | |
|---|--------------------|------------|-----------------|------------|-----------------------|-----------------------|-------------------------------|------------------------------|----------------|-----------------------|--|-------------|------------|
| | Salaries | Allowances | In-kind rewards | Total | Regular bonus | Percentage of profits | Short-term motivational plans | Long-term motivational plans | Granted shares | | | | Total |
| 2022 | 12,420,000 | 3,370,000 | 229,500 | 16,019,500 | 16,388,978 | - | - | - | - | 16,388,978 | - | 9,000 | 32,417,478 |

The company has committed to disclose the remuneration of senior executives in total in accordance with the statutory requirements contained in sub-paragraph (4/b) of Paragraph (a) of Article (90) of the Corporate Governance Regulations without disclosing it in detail as contained in Annex (1) regarding remuneration Senior executives, in order to protect the interests of the company, its shareholders and employees, and to avoid any harm that may be caused to the company as a result of detailed disclosure.

Committee member remuneration:

| Member name | Fixed remuneration (except for the allowance for attending sessions) | Allowance for attending sessions | Total |
|---|--|----------------------------------|----------------|
| Audit Committee Members | | | |
| Dr. Mohammed Ibrahim Al-Tuwajri | 500,000 | 25,500 | 525,500 |
| Dr. Sami Abdulkarim Al-Abdulkarim | 150,000 | 25,500 | 175,500 |
| Mr. Aziz Mohammed Al-Qahtani ⁽³⁾ | 150,000 | 27,000 | 177,000 |
| Total | 800,000 | 78,000 | 878,000 |
| Remuneration and Nominations Committee Members | | | |
| Dr. Sami Abdulkarim Al-Abdulkarim | - | 9,000 | 9,000 |
| Dr. Mohammed Ibrahim Al-Tuwajri | - | 9,000 | 9,000 |
| Mr. Fahad Ayed Al-Shammari | - | 9,000 | 9,000 |
| Total | 0 | 27,000 | 27,000 |
| Executive Committee Members | | | |
| Mr. Nasser Sultan Al-Subaie | - | - | - |
| Mr. Mohammed Suleiman Al-Saleem | - | - | - |
| Mr. Khaled Suleiman Al-Saleem | - | - | - |
| Dr. Sami Abdulkarim Al-Abdulkarim | 0 | 9,000 | 9,000 |
| Total | 0 | 9,000 | 9,000 |

⁽³⁾ Mr. Aziz Mohammed Al-Qahtani's membership in the Audit Committee ended on 03/01/2023



13- Shareholder relations

and the actions taken by the Board of Directors to inform its members of their suggestions and comments regarding the company and its performance:

The Corporate Governance Regulations stipulate that the general assembly meetings must be attended by the heads of the committees emanating from the board or their representatives from the members of the committees to answer the shareholders' inquiries and directly review the proposals and notes about the company and its performance. In the event that any proposal or any note is received during the deliberations and discussions, it should be included in the minutes of the assembly meetings, where these minutes are viewed by all members of the board of directors, in addition to the fact that the company's management intends, during the upcoming general assembly meetings, to distribute cards to the shareholders to express their opinion and submit proposals about the company's performance or any other observations to be taken into account and to inform the members of the board of directors.

As a link between the company and the shareholders and external stakeholders outside the times of the company's general assembly, the managing director of the company, assisted by the Secretary of the Board of Directors, undertakes to communicate in two directions, with the current shareholders, potential investors and external stakeholders on the one hand, and with the executive management and members of the Board of Directors on the other hand. With this communication, opinions, inquiries, complaints, proposals and remarks of the aforementioned parties are received through multiple means, and they are shared with the executive management and members of the Board of Directors to interact with them quickly. In order to see the latest developments surrounding the company, those in charge of investor relations are keen to attend conferences and events related to current shareholders and potential investors, as well as host special visits for analysts. During its periodic meetings, the board of directors is informed of all developments in the investor relations file.

14- The company's requests for the shareholders' register

During the fiscal year 2022, the company requested the shareholders' register 7 times, and the following table shows the number and dates of the company's requests to the shareholders' register and their reasons:

| Number of requests | Request date | Property profile date | Reasons for request |
|--------------------|--------------|-----------------------|---|
| 1 | 17/01/2022 | 2022/01/16 | Shareholder relations procedures |
| 2 | 13/02/2022 | 2021/12/31 | Updating the shareholder file with restrictions |
| 3 | 13/02/2022 | 2021/12/31 | The company's procedures for the end of the fiscal year and the preparation of the Board of Directors' report |
| 4 | 25/04/2022 | 2022/05/09 | Preparing for the Ordinary General Assembly meeting held on 2022/05/09 |
| 5 | 04/10/2022 | 2022/09/30 | Shareholder relations procedures |
| 6 | 07/12/2022 | 2022/12/22 | Preparing for the Ordinary General Assembly meeting held on 2022/12/22 |
| 7 | 14/12/2022 | 2022/12/15 | Shareholder relations procedures |

15- The company's commitments to corporate governance regulations:

The company is committed to implementing the provisions of the Corporate Governance Regulations issued by the Board of the Capital Market Authority. The Board of Directors supervises the compliance of the concerned company's departments with the corporate governance standards and regulations issued by the Capital Market Authority. It also conducts a continuous review of the company's corporate governance regulations to update them through the committees emanating from the Board, which saw that provisions, policies and standards compliance has been achieved, except for the following:

| Article / paragraph number | Article/paragraph text | Reasons for not applying |
|--|---|---|
| Article Seven: Paragraph (d) | The company appoints an official specialized in the tasks related to investor relations in the company in order to achieve effective and fair communication between the company and the shareholders | The managing director of the company, assisted by the secretary of the board of directors, is responsible for communicating with existing shareholders, potential investors and external stakeholders. Paragraph of Guidance Article |
| Article Thirty Nine: Evaluation Paragraph (b) Paragraph (e) | b) The performance appraisal procedures must be written and clear and disclosed to the members of the board of directors and the persons concerned with the evaluation. e) The board of directors shall make the necessary arrangements to obtain A competent third party evaluates its performance every three years | In accordance with what was stipulated in the corporate governance regulations regarding the tasks entrusted to the Nominations and Remunerations Committee, including but not limited to: Conducting a periodic review For the structure of the Board of Directors, and the development of policies for salaries, bonus programs and incentives for members of the Board of Directors and executives of the company, to ensure this, it is necessary to evaluate the work carried out by the Board of Directors and the executive management internally, and work is underway to select an external party competent. Paragraphs from the guiding article |
| Article sixty-seven | Formation of the Risk Management Committee | The Internal Audit Department covers the field of work of this committee and prepares reports with its views on the risks that the company may face and how to manage these risks, while presenting its recommendations and discussing them with the audit committee during its regular meetings. Guidance materials |
| Article sixty eight | Terms of reference of the Risk Committee | |
| Article sixty nine | Meetings of the Risk Committee | |
| Article 82: Motivating Employees Paragraph (2) Paragraph (3) | 2) Programs for granting workers shares in the company or a share of the profits it achieves, and retirement programs, and the establishment of an independent fund to spend on those programs. 3) Establishment of social institutions for the employees of the company | Under study / paragraphs of the guiding material |
| Article Eighty Four Social Responsibility: | The Ordinary General Assembly - based on a proposal from the Board of Directors - sets a policy that ensures the establishment of a balance between its objectives and those that the community aspires to achieve in order to develop the social and economic conditions of the community. | Under study / guiding material |
| Article Eighty Five: Social Work Initiatives | The Board of Directors sets the programs and determines the necessary means to launch the company's initiatives in the field of social work, including the following: 1) Developing measurement indicators linking the company's performance with the initiatives it offers in social work, and comparing that with other companies with similar activity. 4 (2) Disclosure of the objectives of social responsibility adopted by the company to its employees, and educate them about it. 3) Disclosure of plans to achieve social responsibility in periodic reports related to the company's activities. | Under study / guiding material |
| Article Ninety-five | The Audit Committee monitors the implementation of the provisions of the corporate governance regulations and follows up on their updates guidance material | The Audit Committee monitors the implementation of the provisions of the corporate governance regulations and follows up on their updates. A guiding article |

16- Reasons for not applying:

The company applies an approved regulation for disclosure and transparency of information in the company in accordance with the requirements of the corporate governance regulations issued by the Capital Market Authority and in accordance with the companies' system, the rules for offering securities, continuing obligations, and the company's articles of association, and through a system followed by the company to classify information in terms of its nature and the necessity and periodicity of its disclosure. Mouwasat Company is keen to provide updated and accurate information regularly to all related parties without discrimination through the website of the Saudi Stock Exchange (Tadawul) and the company's website www.mouwasat.com, taking into account the need to respond in a reasonable manner to periodic questions from all stakeholders and the media without prejudice to the requirements of laws and regulations and in a manner that does not constitute a breach of legal professionalism or a source of serious damage to the company's market or competitive position.

17- Interests of Board Members and Related Parties:

Contracts and transactions executed by the company with related parties during the year 2022

Following the Article (2) of the Mouwasat Company's Transparency and Disclosure Policy and Article (87) of the Corporate Governance Regulations, the Mouwasat Company's management confirms the following:

1. That during 2022, there were no business or contracts in which the company was a party and in which there is a direct or indirect interest for any of the chairman and members of the board or the executive directors of the company or the financial manager, except for what was approved by the General Assembly in its meeting on 08/10/1443 - 09/05/2022 including:

- Supply contracts, rent and annual travel tickets between Mouwasat Medical Services Company and Mouwasat International Company Ltd. owned by and linked to an interest with some members of the Board of Directors (Mr. Mohammed Sultan Al-Subaie, Mr. Nasser Sultan Al-Subaie and Mr. Mohammed Sulaiman Al-Saleem), where the executed value amounted to these contracts during 2022 reached 37.9 million riyals, and the company's management estimates the value of the supply, rent and travel tickets contracts expected to be implemented during 2023 at an amount of 44.9 million riyals, which will be contracted according to the company's procurement system without preferential terms and for a period of one year.

- Contracts for the implementation and supply of work related to advertising and marketing between Mouwasat Medical Services Company and Advision Media solution for Trade, which has an interest with one of the members of the Board of Directors (Mr. Khaled Sulaiman Al-Saleem), where the executed value of these contracts during the year 2022 amounted to 28.2 million riyals, and the company's management estimates the value of contracts for the supply of works related to advertising and marketing expected to be implemented during the year 2023 at an amount of 31 million riyals, which will be contracted according to the company's procurement system without preferential terms and for a period of one year.

The independent auditor (KPMG Al Fozan & Partners) has been assigned to carry out agreed procedures to study these transactions and make any observations on them, and their report on this matter is attached.

The following table summarizes the transactions that took place with related 2022 parties during the fiscal year

| Related Party | Nature Of Relationship | Nature of contracts | Contract Duration | Transaction value |
|--------------------------------|--|--|-------------------|---------------------|
| | Owned by Mr. Mohammed Sultan Al-Subaie | | | |
| Mouwasat International Company | Owned by Mr. Nasser Sultan Al-Subaie | supply contracts and rent and travel tickets | One year | 37.9 million riyal |
| | Linked to an interest with Mr. Mohammed Suleiman Al-Saleem | | | |
| Advision Media solution | Linked to an interest with Mr. Khaled Suleiman Al-Saleem | Supplying advertising and marketing works | One year | 28.2 million riyals |

2. No member of the Board of Directors has any business that competes with the work of the Mouwasat Medical Services Company, contrary to what was approved by the General Assembly in its meeting on 08/10/1443 - 09/05/2022.

3. The company did not provide any cash loan for any of the members of its board of directors, nor did it provide any guarantees for the loans that any of the members of its board of directors concluded with third parties.

4. During the fiscal year 2022, the legal auditor did not provide any advisory services of an nature and did not receive any other fees in this regard.

18- Approved Accounting Standards:

Based on what was stated in the circular of the Capital Market Authority No. p./1/12231/15 dated 2015/08/12 regarding approving the application of international accounting standards in the Kingdom of Saudi Arabia to financial statements prepared for financial periods beginning on 2017/01/01, the company has prepared its consolidated financial statements for the fiscal year 2022 in accordance with these standards, noting that the application of the new international standards No. 9, 15 and 16 has started from the effective date, and accordingly, there are no differences from the standards for preparing the financial statements as approved in the Kingdom.

19- Regular Payments Paid And Due:

It was agreed with the General Authority of Zakat and Income on the company's final zakat assessments for all years until the year 2016. The company also submitted its zakat declaration for the fiscal year 2021, and an amount of 25.3 million riyals was paid during the fiscal year 2022 for the due to the General Authority of Zakat and Income.

A statement of the value of paid and due regular payments (in millions of riyals):

| Statement | 2022 | | Brief description | Reasons for not applying |
|---|-------|-----------------------------------|---|---|
| | Paid | Due until end of financial period | | |
| Zakat | 25.3 | 26.0 | Estimated zakat base until 2022 | Payment is to made with the submission of the zakat declaration during the following year |
| Value added tax | 233.9 | 25.6 | The tax calculated on the services provided is submitted to the General Authority for Zakat and Income on a monthly basis | Payment is made during the month following the calculation month |
| Withholding Tax | 2.6 | 0.13 | For services provided by foreign and non-resident entities, as well as for dividends to non-resident shareholders | Payment is made during the month following the deduction month |
| General Organization for Social Insurance | 30.9 | 2.6 | Monthly insurance premiums payable for employees | Payment is made during the month following the deduction month |

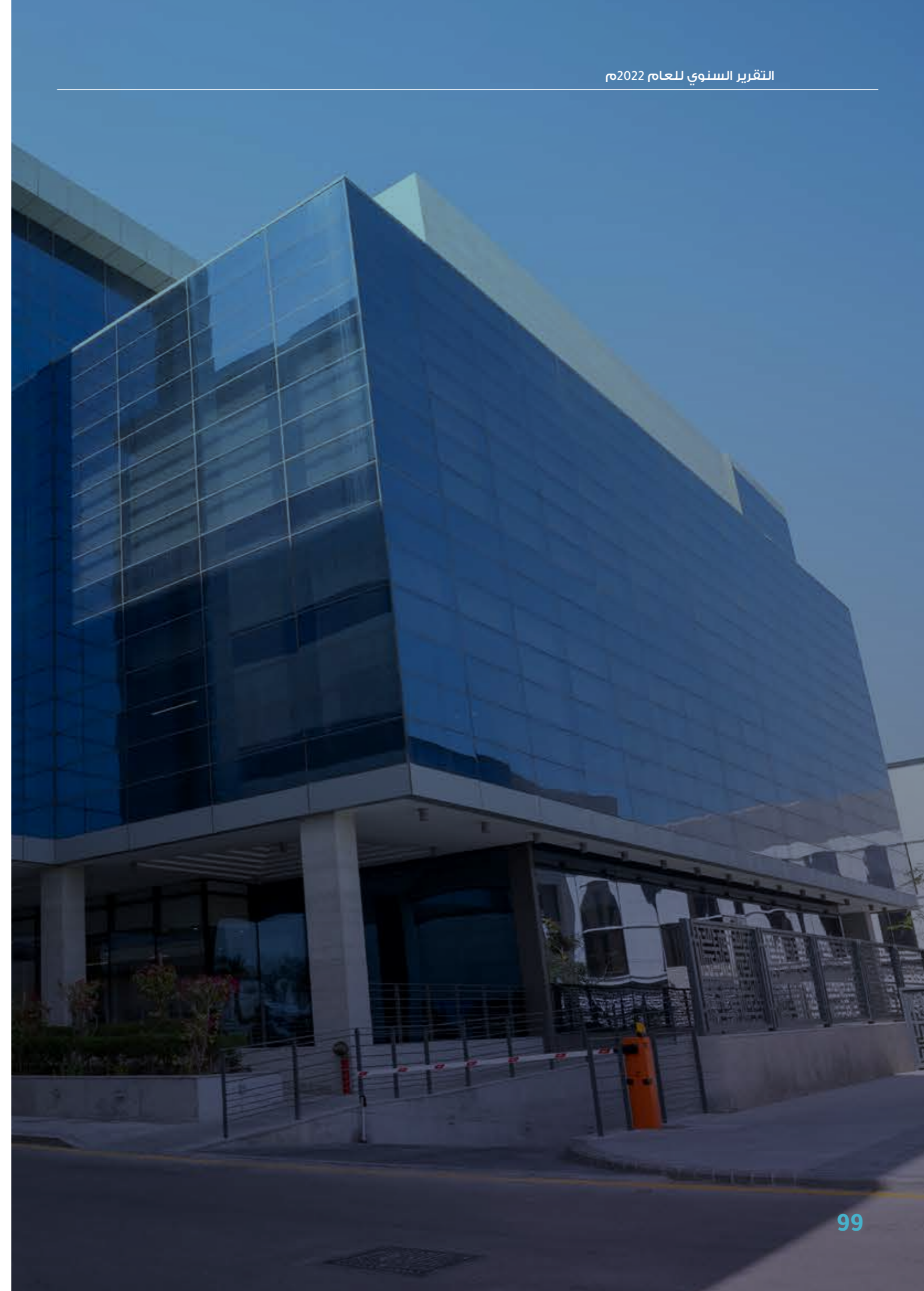
20- Board Declarations:

The company's board of directors declares the following:

- That the account records are properly prepared.
- The internal control system was prepared on sound foundations and implemented effectively.
- There is no doubt about the company's ability to continue its activity.

The Board of Directors also declares the following:

- There are no shares or debt instruments issued by the subsidiaries.
- No one has informed the company of any class of voting shares.
- There are no convertible debt instruments, contractual securities, subscription right memoranda, or similar rights issued by the company during the fiscal year 2022.
- There are no transfer or subscription rights under convertible debt instruments, contractual securities, subscription right memoranda, or similar rights issued or granted by the company.
- There is no refund, purchase or cancellation by the Company of any redeemable debt instruments.
- There are no arrangements or agreements under which a member of the company's board of directors or a senior executive has waived any remuneration.
- There are no arrangements or agreements under which any of the company's shareholders has waived any rights to profits.
- There are no treasury shares held by the company.
- There is no penalty, material penalty or reserve restriction imposed on the company during the year 2022.
- The auditor's report does not include any reservations on the annual financial statements during the fiscal year 2022.
- No recommendation was made by the Board of Directors to change the auditor before the expiry of the period for which he was appointed.
- There are no investments or reserves created for the benefit of the company's employees.



21- Social Contributions Details:

For the company's board of directors believes in social responsibility, the company has played its role by actively contributing to community service by participating in many activities and events in a number of cities in the Kingdom where the company's hospitals are located. Among its most important contributions in 2022 are the following:

Participation in sponsoring some events with a number of official and civil authorities, including:

- The participation with the Asharqia Chamber in the Eastern Region, with platinum sponsorship, for the Waqf Practices Forum on September 2022 ,28.
- The participation with the Ministry of Health in the Eastern Region in sponsoring an Infection Control Campaign in SciTech from October 20 to 2022 ,24.
- The participation with the Asharqia Chamber with platinum sponsorship, for a job exhibition in the Eastern Province, from October 24 to October 2022 ,27
- The participation with Asharqia Chamber with platinum sponsorship, for the Training Forum in light of digital transformation on November 2022 ,9
- The participation with Asharqia Chamber with Platinum Sponsorship of the Women's Economic Forum virtually, on November 2022 ,16.
- The participation with Asharqia Chamber with the Platinum Sponsorship of the Small and Medium Enterprises Forum on November 2022 ,27.
- The participation with Asharqia Chamber in strategic Sponsorship in the chamber's annual ceremony on December 2022 ,6.
- The participation of Asharqia Chamber with diamond sponsorship for the National Forum for the Sustainability of Family Businesses on December 2022 ,14.

Conducting many educational and awareness activities, the most important of which are:

- A lecture on developments in cardiac treatments at Al Mowasat Hospital in Qatif on January 2022 ,13 .
- Holding a conference in a hospital dealing with developments in the treatment of geriatric diseases and extended care on January 2022 ,25.
- Participating in the Arab Health Conference in Dubai on January 2022 ,26.
- Lecture on developments in dental prosthodontics without surgery at the Sheraton Hotel on January ,26 2022.
- Lecture by Dr. Nada Al-Sheikh, consultant nose and ear. and laryngology on developments in the treatment of sinus problems with laparoscopy at Al Mowasat Hospital in Qatif on January 2022 ,27.
- Lecture by Dr. Hossam Fahmy, Consultant Interventional Radiologist, about what is new in the treatment of varicose veins without surgery at Al-Mowasat Hospital in Jubail on January 2022 ,31.
- On the occasion of World Cancer Day, Mowasat Hospitals held an awareness campaign on February 2022 ,5.
- A lecture by Dr. Muhammad Sharaf, Consultant Pediatric Nephrologist, about developments in pediatric treatments at Mowasat Hospital in Qatif on February 2022 ,24.
- Mowasat Hospitals organized an awareness campaign on the occasion of World Oral and Dental Health Day on March 2022 ,20.
- Intercontinental Jubail to Dr. Nayef Al-Asiri, a cardiac catheterization consultant, on developments in cardiac

treatments on March 2022 ,28.

- Community participation with the support of the Retirees Association in the Eastern Province, with the Eid clothing program and the greeting program in the blessed month of Ramadan, on April 2022 ,7 .
- Mowasat Hospitals organized an awareness campaign about diabetes and fasting, on April 2022 ,16.
- Mowasat Hospitals held an International Nursing Day campaign on May 2022 ,22.
- Mowasat Hospital, Dammam, participated in the Saudi Postal Authority in holding an awareness campaign on the World Blood Donor Day on June 2022 ,14.
- A lecture by Dr. Ahmed Fahmy, a dental implant consultant, on developments in dental implants without surgery. The lecture was held at Al Mowasat Hospital in Jubail Industrial on September 2022 ,18 .
- A lecture by Dr. Ahmed Fahmy, a dental implant consultant, on developments in dental implants without surgery. The lecture was held at Al Mowasat Hospital in Qatif on September 2022 ,19 .
- Holding an awareness campaign on International Patient Safety Day at Mowasat Hospitals on September 2022 ,19.
- Holding an awareness campaign about heart diseases, with the participation of Mowasat Hospitals for the World Heart Day on September 2022 ,29 .
- Holding an awareness campaign on World Patient Safety Day at the Directorate of Health Affairs in the Eastern Region, September 2022 ,29.
- On the occasion of World Breast Cancer Day, Mowasat Hospitals launched awareness campaigns on October 2022 ,18.
- Community participation by organizing an awareness campaign to maintain oral and dental health and combat infection at New World School In the city of Khobar, over a period of three days, from 1 to 3 November 2022 .
- The participation of the Saudi Post Authority in Dammam in holding a diabetes awareness campaign on November 2022 ,15.
- Zamil Company's participation in organizing a diabetes awareness campaign at the company's headquarters on November 2022 ,20.
- Holding an awareness campaign about diabetes at Al Mowasat Hospitals during the month of November 2022, on the occasion of World Diabetes Day.
- A lecture on developments in dental implants without surgery at the Sheraton Hotel by Dr. Ahmed Fahmy, a dental implant consultant, on the 6th of December 2022.
- A lecture at Al-Mowasat Hospital in Qatif by Dr. Augustin Ozan, Consultant Interventional Radiologist, about developments in the treatment of Catheter clots on December 2022 ,18.
- The participation of the Arab Organization for Administrative Development under the auspices of the twenty-first Arab Conference in Cairo on modern methods of hospital management held on December 2022 ,20-19.

Participation in educational and awareness-raising television programs on:

- Developments in the treatment of diabetes in an interview with Dr. Muhammad Al-Rawas, a consultant endocrinologist, on the Sabah Al-Khair Ya Arab program, on mbc1 channel, on December 2022 ,5.
- Updates in the treatment of eye diseases in an interview with Dr. Amr Odeh, a consultant ophthalmologist, on the Good Morning Arab program on mbc1 on December 2022 ,12.
- Heart attacks and methods of treating them through catheterization, in an interview with Dr. Nayef Al-Asiri, a consultant cardiologist and interventional cardiac catheter, on the Good Morning Arabs program on mbc1 on December 2022 ,14.

22- Recommendations of the Council and closing speech

The Board of Directors is pleased to express its pride in the results that were reviewed in this report and illustrated through the consolidated financial statements for the fiscal year ending on December 31, 2022 AD, and as the company turns a new page of achievements during the fiscal year 2022 AD, the Board of Directors recommends the following :

Approval of the Board of Directors' report for the fiscal year ending on 2022/12/31.

Approval of the company's auditor's report for the fiscal year ending on 2022/12/31.

Approval of the financial statements for the fiscal year ending on 2022/12/31.

Approving the appointment of the auditor for the company from among the candidates based on the recommendation of the Audit Committee, in order to examine, review and audit the financial statements for the second, third and annual quarters of the fiscal year 2023 AD and the first quarter of the fiscal year 2024 AD, and determine his fees.

Approving the recommendation of the Board of Directors to distribute cash dividends to shareholders for the fiscal year ending on 2022/12/31, with an amount of 300 million riyals, at 3 riyals per share, equivalent to %30 of the capital, provided that the eligibility of the profits is for the shareholders who own the shares The day of the company's general assembly meeting and those registered in the company's shareholder register with the Securities Depository Center Company (the Depository Center) at the end of the second trading day following the date of the company's general assembly meeting.

Approval of the business and contracts that will take place between the company and the Mouwasat International Company Limited, in which the members of the Board of Directors, Mr. Muhammad Sultan Al-Subaie and Mr. Nasser Sultan Al-Subaie have a direct interest in them, and the member of the Board of Directors, Mr. Muhammad Suleiman Al-Saleem has an indirect interest in it, which is supply contracts, rents and travel tickets according to the company's procurement system without preferential conditions. It is known that the value of what was executed during the year 2022 of supply contracts, rents and travel tickets amounted to 37.9 million riyals.

Approval of the business and contracts that will take place between the company and Al-Nazra Al-Anniyah Trading Est., in which a member of the Board of Directors, Mr. Khaled Suleiman Al-Saleem, has an indirect interest. According to the company's procurement system without preferential conditions, it was learned that the value of what was executed during the year 2022 in terms of implementation and supply contracts for advertising and marketing amounted to 28.2 million riyals.

Approval of absolving the members of the Board of Directors from liability for the period ending on 2022/12/31.

Approving the disbursement of an amount of 450,000 riyals as a reward for each member of the Board of Directors for the year ending on 2022/12/31 for their membership in the Board.

Closing Word

The company's board of directors seizes the opportunity through this report to extend its heartfelt thanks to the shareholders, clients of the company, banks, and government agencies for their trust, support and cooperation. It also extends its thanks to all the company's employees for their great efforts in performing their tasks. It confirms that your company will continue with the help of God Moving forward to maximize the value of its shareholders' investments tirelessly and with the highest degree of diligence and efficiency.

May God bless you

On behalf of the company's board of directors

Managing Director

Mohammed Suleiman Al-Saleem

Vice Chairman and CEO

Nasser Sultan Al-Subaie