

- > AL HAMMADI HOSPITAL - AL-OLAYA
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- > AL HAMMADI HOSPITAL - AL-NUZHA
- > MEDICAL SUPPORT SERVICES CO.LTD.
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2020 THE ANNUAL REPORT

OF THE BOARD OF DIRECTORS OF THE COMPANY
AL HAMMADI FOR DEVELOPMENT & INVESTMENT

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THE ADDRESS OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

DEAR SHAREHOLDERS

I am pleased to present the annual report of the Board of Directors for the fiscal year 2020 AD to the shareholders of Al Hammadi Company for Development and Investment, as our report contains the performance of the company, its activities, events and achievements that the company witnessed during the current year and also shows the financial performance for 2020.

I am pleased to demonstrate to you some of the achievements and results that were accomplished during the year 2020, which are as follows:

Al Hammadi Company seeks to achieve its vision and future goals, in order to be a pioneer in the field of medical services by diversifying its activities in various medical and supportive medical services. Our Company continues to pursue the aspirations of its shareholders to achieve them and continue to reach more achievements and successes thanks to God with the efforts of the medical and administrative team who spare no effort in serving customers and working to develop the service and its advancement.

I would like to conclude with more thanks and gratitude to our shareholders for the confidence they have placed in the Board of Directors, seeking and wishing the company more progress and success.

SALEH BIN MOHAMMED AL HAMMADI
THE CHAIRMAN OF BOARD OF DIRECTORS

Below we present the annual report for the financial year ending on 12/31/2020, as the report includes the introduction and achievements of the company and the changes that occurred in the financial performance during this year.

AN INTRODUCTION ABOUT THE COMPANY

Al-Hammadi Company for Development and Investment a Saudi joint stock company was established as a limited liability company under Commercial Registration No. (101096714) - and on (16 of Ramadan in 1429 H - corresponding to 16/ September 2008 G) . Ministry of Commerce and Investment Decision No. (316 / S) was issued approving the transformation of the company into a Saudi joint stock company, and it was listed in the financial market on (17 of Ramadan in 1435 H - corresponding to July 15, 2014 G) in the health sector under the symbol (4007) . The current company capital consists of (120) million shares, with a total value of (1.2 BILLION SAR) as at the end of (2020 G).

MAIN ACTIVITIES OF THE COMPANY

The company provides its medical services to patients in its three branches of hospitals in Riyadh, with a total clinical capacity of 1,328 beds. The main activities of the company are to manage and operate hospitals and medical centers and provide health services in all fields. The company is currently managing and operating Al Hammadi Hospital Olaya branch and Al Hammadi Hospital branch Al-Suwaidi and Al-Hammadi Hospital, Al-Nuzha Branch, in Riyadh, so the number of hospitals owned and operated by it (3 hospitals) and the provision of health services in all fields. The company has branches operating under separate commercial registrations and subsidiaries, which are as follows:

THE NAME OF THE BRANCH / COMPANY	COMMERCIAL REGISTRY	BED CAPACITY	STATUS
The Companies			
Medical Support Services Company Limited	1010203580	-	Operational
Al Hammadi for Hospitals Management and Operation Company Limited	1010374269	-	Operational
Pharmaceutical Services Company Ltd.	1010170194	-	Operational
MEDICAL INDUSTRIES COMPANY LIMITED	1010899779	-	Operational
The Branches			
Al-Hammadi Hospital - Al-Olaya branch	1010263026	(300 Bed)	Operational
Al-Hammadi Hospital - Al-Suwaidi Branch	1010934227	(428 Bed)	Operational
Al-Hammadi Hospital - Al-Nozha Branch	1010374270	(600 Bed)	Operational
Al-Hammadi for Maintenance & Operation	1010374273	-	Operational
Al-Deyafa Arabian Hospitality	1010610529	-	Operational
Medical Support Services Training Center	1010500366	-	Operational
Medical Support Services Female Training Center	1010651084	-	Operational
Bio and Pharmaceutical Industries Complex	1126105966	-	NO Operational

THE VISION ,MISSION, POLICY, AND FUTURE GOALS OF THE COMPANY

THE VISION

AL-HAMMADI HOSPITALS GROUP IS TO BE ONE OF THE BEST HEALTHCARE PROVIDERS IN THE PRIVATE SECTOR IN THE KINGDOM OF SAUDI ARABIA

THE VISION ,MISSION, POLICY, AND FUTURE GOALS OF THE COMPANY

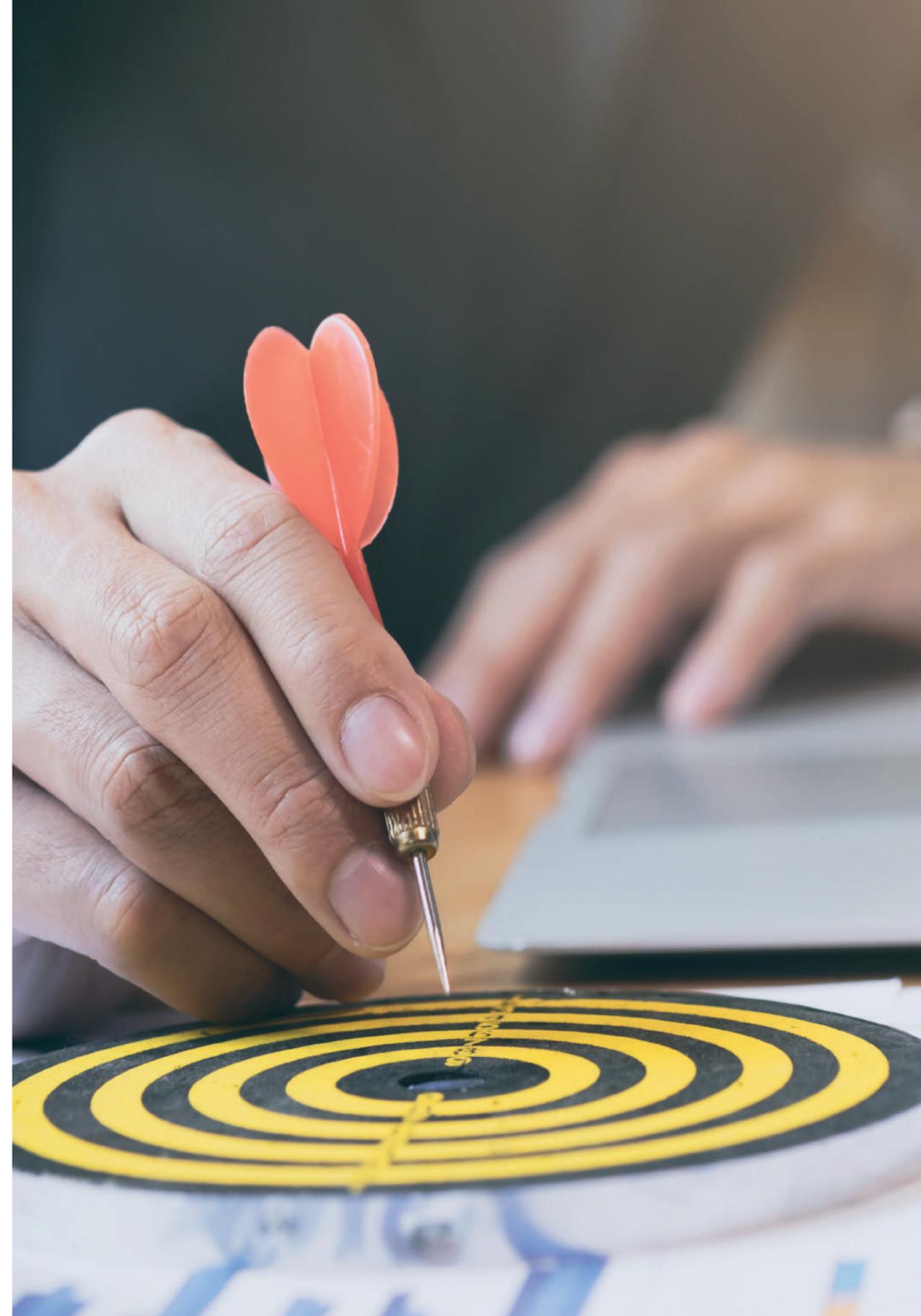
The Mission

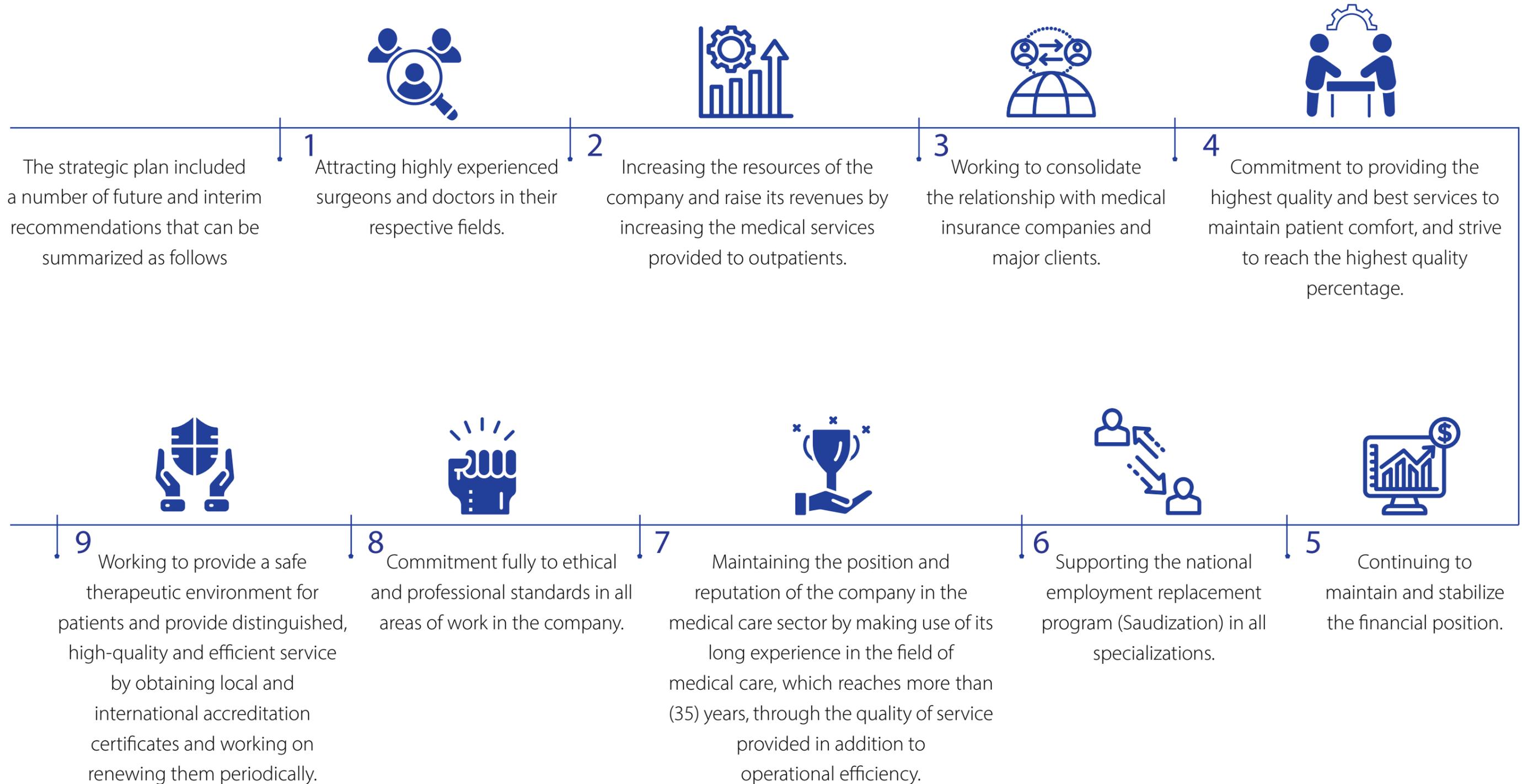
Commitment to continue developing quality standards for health care and fulfilling Our customers requirements through efficient management, competent staff, and high-tech medical equipment.

THE STRATEGY POLICY AND FUTURE GOALS OF THE COMPANY

The company works to exert more efforts to raise the level of medical service and provides distinguished services that take into account the level of quality and efficiency for patients in all its hospitals and strive to develop its services. Here are the policies pursued by the company in order to achieve these goals:

During the year 2020, the Board of Directors approved the Company's strategy for the next year, whereby opportunities available in the health sector market were studied by the executive management who focused on evaluating the opportunities available to the Company, taking into account the Kingdom's vision 2030 and the National Transformation Program 2020 and reviewing the strategic objectives according to the Company's achievements and actual indicators during the previous years. The Board recommended studying the available offers and delegated the executive management to study the final report and present it to the Board of Directors for discussion, voting and approval.





THE BRANCHES & THE SUBSIDIARIES

BRANCHES OF AL-HAMMADI COMPANY FOR DEVELOPMENT AND INVESTMENT AND ITS SUBSIDIARIES

Al-Hammadi Hospitals Group, with all its branches spread in the city of Riyadh, provides a wide range of medical services in its outpatient clinics and admission departments of various medical specialties, as well as emergency and ambulance services, medical laboratory, radiology, and outpatient pharmacies. The branches are listed below:



**AL-HAMMADI HOSPITAL
AL-OLAYA BRANCH**



**AL-HAMMADI HOSPITAL
AL-SUWAIDI BRANCH**



**AL-HAMMADI HOSPITAL
AL-NUZHA BRANCH**





AL-HAMMADI HOSPITAL AL-OLAYA BRANCH



Outpatient
Clinic

76



Floors

6



Bed

300



Al-Hammadi Hospital, Al-Olaya Branch, is located in the north of Riyadh, Al-Olaya Dist. - it was opened in the month (4/1985 G) - corresponding to (07/1405 H). The hospital consists of six adjacent buildings. The capacity of Al-Hammadi Hospital - Al-Olaya Branch is (300 beds) and (76 Outpatient clinic).



AL-HAMMADI HOSPITAL AL-SUWAIDI BRANCH



Outpatient
Clinic

64



Floors

9



Bed

428



It is located in the southwest of the city of Riyadh, Al-Suwaidi district, and the main building of the hospital consists of (6 floors) above the ground and (3) underground floors, in addition to the number of (3) residential buildings for the employees, which were opened on (10/10/1436 H - corresponding to 08/01/2015 G), as it has a capacity of (428 beds) - and (64) outpatient clinics.



AL-HAMMADI HOSPITAL AL-NUZHA BRANCH



Outpatient
Clinic

64



Floors

8



Bed

600



Al-Hammadi Hospital - Al-Nuzha branch is located in the northeast of the city of Riyadh - Al-Nuzha district and was opened on (02/13/2018 G). The main building of the hospital consists of (6) floors above ground and two underground floors in addition to a multi-floor building for parking. The hospital capacity is (600 beds) and (64) outpatient clinics.

MEDICAL SUPPORT SERVICES COMPANY LTD.

Al-Hammadi Company for Development and Investment acquired on (01/31/2018 G) the full shares of the partners in Medical Support Services Company Ltd., which specializes in providing medical and non-medical logistics services to hospitals and medical centers such as contact medicine, providing medical and non-medical maintenance services, subsistence and cleaning , and selling and buying drugs. And medical supplies and marketing to others.

name of the company	The capital of the company	The Ownership Percentage	Its main activity	
MEDICAL SUPPORT SERVICES COMPANY LTD.	2,000,000 SAR	%100	Specializing in buying and selling medicines and medical supplies	Inside the Kingdom of Saudi Arabia Al-Riyadh

PHARMA SERV COMPANY LTD.

Al-Hammadi Company for Development and Investment acquired on (01/31/2018 G) the full shares of the partners in the Pharmaceutical Services Company Ltd. This company specializes in wholesale and retail trade in medical devices and products.

name of the company	The capital of the company	The Ownership Percentage	Its main activity	Its' headquarter
PHARMA SERV COMPANY LTD.	500,000 SAR	%100	Wholesale and retail trading in medical devices, supplies and medicines.	Inside the Kingdom of Saudi Arabia Al-Riyadh

THE QUALITY & ACCREDITATION CERTIFICATES FOR AL-HAMMADI HOSPITALS

The Accreditation certificates obtained by the company from international and local bodies, which had an important impact on the high level of service provided to patients.

THE SAUDI CENTRAL BOARD FOR ACCREDITATION OF HEALTHCARE INSTITUTIONS - CBAHI	THE UNITED INTERNATIONAL COMMITTEE FOR THE ACCREDITATION OF HEALTH ORGANIZATIONS	THE AMERICAN SOCIETY FOR HEALTH INFORMATION MANAGEMENT SYSTEMS ACCREDITATION	THE ACCREDITATION OF THE AMERICAN SOCIETY OF PATHOLOGY
Health Services Board Decision No. (8/58) was issued on (09/01/1433 H - corresponding to 12/05/2011 G), which stipulates that it is necessary to obtain the approval of the Saudi Central Board for accreditation of health facilities for all governmental and private health facilities, and it is valid.	It is one of the most important international organizations that specializes in providing innovative pioneering solutions to help global health care organizations in all locations to improve patient safety and quality in the field of health services.	It is an American organization dedicated to improving healthcare in terms of quality, safety, cost-effectiveness and accessibility through the best use of information technology and management systems.	The College of American Pathologists (CAP) is a medical facility that serves more than (17,000) physicians and laboratories around the world. It is the world's largest association consisting exclusively of pathologists and is widely recognized as a leader in the field of medical laboratory quality assurance.

AL-HAMMADI HOSPITAL AL-OLAYA BRANCH				
AL-HAMMADI HOSPITAL AL-SUWAIDI BRANCH				
AL-HAMMADI HOSPITAL AL-NUZHA BRANCH				

THE COMMUNITY SERVICE AND SOCIAL RESPONSIBILITY

The company strives to perform its business in the health care sector in a way that is not only limited to following regulations and achieving expectations, but also to reach the best. Taking into account that success can only be achieved with the participation of many relevant parties, we realize that our work cannot be based on one foundation, rather it should be based on more than one element, and we can provide our services to the relevant authorities in a better way, as follows:

First: Visiting many commercial centers to raise health awareness by publishing health leaflets.

Second: Participating in the health awareness month for cervical cancer and breast cancer.

Third: Training male and female students of colleges and social institutes.

Fourth: Contributing to the day of washing hands.

Fifth: Participating in global health events by addressing social aspects, including: World Asthma Day, AIDS Day, Diabetes Day, Nursing Day, Tuberculosis Day, Global Stress Day, Blood Donation Day, and World Malaria Day, Hepatitis Day, World Breastfeeding Week, Heart Disease Day, and World Health Day.

Sixth: Conducting field research with the aim of improving the level of services provided to patients, whether in the internal or external departments, and submitting proposals to the company's management for work development proposals.

Seventh: Participating in the periodic meetings organized by the social services departments in other hospitals with the aim of developing the services provided to patients.

Eighth: Holding seminars for company employees to introduce them to the role of the Social Services Department to achieve cooperation for patients' comfort and solving their problems.

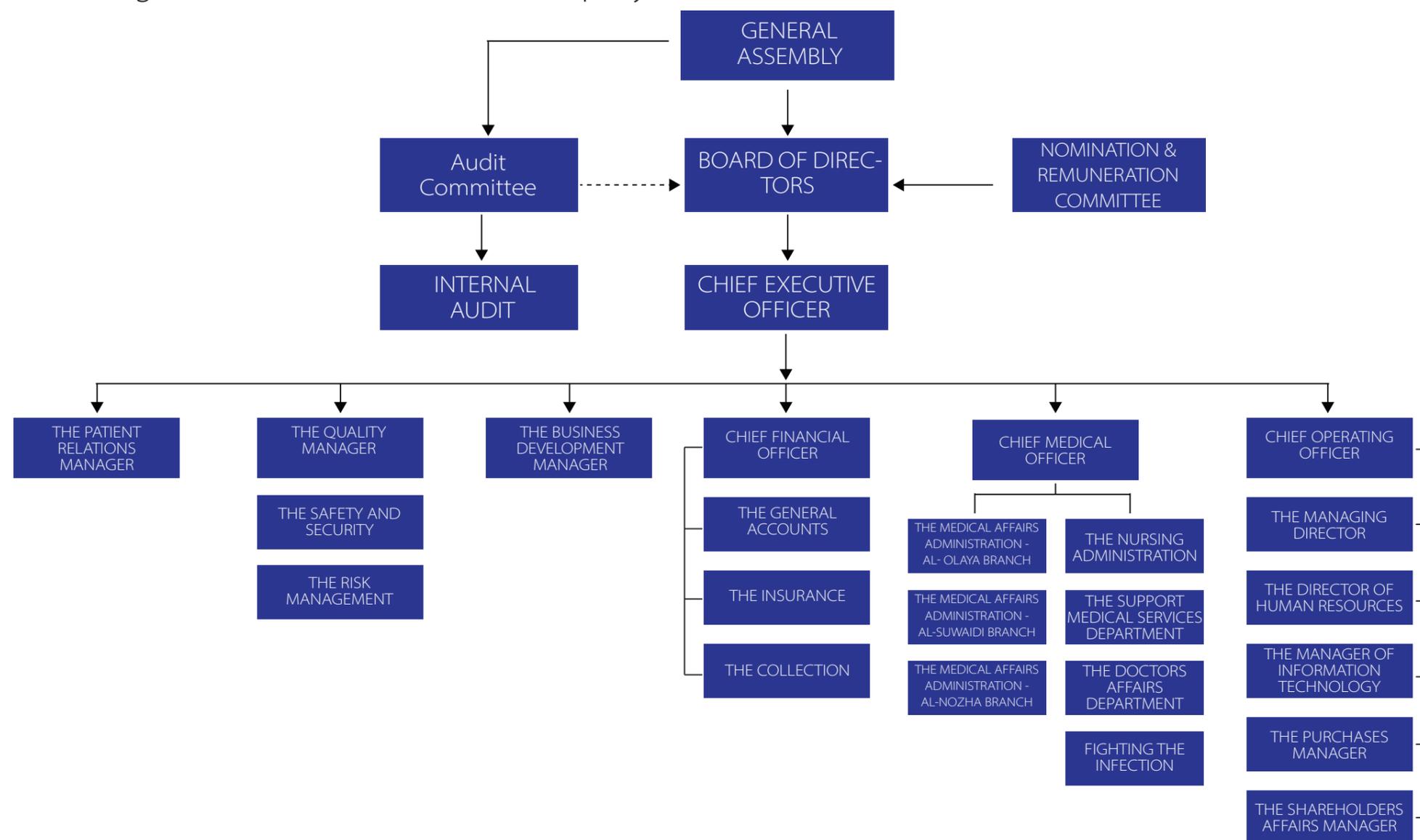
Ninth: Conducting social and economic studies of patients' cases on an individual basis and making use of them to provide an opportunity for the treating team to get acquainted with the patient's condition.

Tenth: Training the volunteer from social workers to prepare them to carry out their work tasks with the required competence.

THE ORGANIZATIONAL STRUCTURE OF THE COMPANY

The Board of Directors of Al Hammadi Company for Development and Investment consists of nine (9) members, the majority of whom are non-executive members, and five (5) of whom are independent members. The current board has the competencies and great experience to manage the company. The Board of Directors of the company formed a number of committees affiliated to it or the General Assembly, in order to follow up on the daily progress of work in a timely manner, namely the Audit Committee and the Nominations and Remuneration Committee. These committees have approved bylaws that form part of the company's corporate governance system. These regulations define the responsibilities and tasks of these committees. The company has an executive management consisting of a team with extensive bylaws and high management skills that enable it to manage the company with high efficiency within the framework of the directives issued by the Board of Directors. The CEO conducts the daily business of the company in accordance with the directives and policies of the Board of Directors to ensure that the company achieves its goals.

The following figure shows the organizational structure of the company:



THE BOARD OF DIRECTORS

Board of Directors formation and members classification

The Board of Directors of Al-Hammadi Company for Development and Investment consists of nine members, of whom five are independent members and two are executive, and the rest are non-executive members, These members are highly qualified and experienced, The current session of the Board of Directors has a duration for 3 years starting from 06/22/2019. according to the Article no (18) of the Company's Articles of Association.

Members of the Board of Directors and the classification of their membership in the Board in its current session

NAME	JOB TITLE ON THE COMPANY	MEMBERSHIP TITLES	DATE OF HIRING
Mr. / Saleh Mohammed Hamad Al-Hammadi	Chairman of Board of Directors	Non-executive member	06/22/2019
Dr./ Abdul Aziz Mohammed Hamad Al-Hammadi	Deputy Chairman of the Board	Non-executive member	06/22/2019
Mr. / Mohammed Saleh Mohammed Al-Hammadi	Managing Director and CEO	Executive member	06/22/2019
Dr. / Abdul Aziz Saleh Mohammad Al-Hammadi	Member of the Board of Directors	Executive member	06/22/2019
Dr. / Sami Abdullah Dakhel Allah Al-Saeed	Member of the Board of Directors	Independent member	06/22/2019
Dr. / Abdul Aziz Abdul Rahman Abdullah Al Fryan	Member of the Board of Directors	Independent member	06/22/2019
Mr. / Aziz Mohammed Al-Qahtani	Member of the Board of Directors	Independent member	06/22/2019
Mr. / Fahd Suleiman Abdul Rahman Al-Nahat	Member of the Board of Directors	Independent member	06/22/2019
Mr. / Saad Abdul Mohsen Al-Hamidi	Member of the Board of Directors	Independent member	06/22/2019

BOARD MEETINGS IN (2020 G)

The Board of Directors held (4) meetings during the year (G 2020) - and the attendance record of the members was as per the following table:

NAME	03/09/2020	06/18/2020	08/23/2020	11/08/2020	TOTAL
Mr. / Saleh Mohammed Hamad Al-Hammadi	✓	✓	✓	✓	4
Dr./ Abdul Aziz Mohammed Hamad Al-Hammadi	✓	✓	✓	✓	4
Mr. / Mohammed Saleh Mohammed Al-Hammadi	✓	✓	✓	✓	4
Dr. / Abdul Aziz Saleh Mohammad Al-Hammadi	✓	✓	✓	✓	4
Dr. / Sami Abdullah Dakhel Allah Al-Saeed	✓	✓	✓	✓	4
Dr. / Abdul Aziz Abdul Rahman Abdullah Al Fryan	✓	✓	✓	✓	4
Mr. / Aziz Mohammed Al-Qahtani	✓	✓	✓	✓	4
Mr. / Fahd Suleiman Abdul Rahman Al-Nahat	✓	✓	✓	✓	4
Mr. / Saad Abdul Mohsen Al-Hamidi	✓	✓	✓	✓	4

The Chairman and Secretary of the Board communicate with all members of the Board through modern technologies such as e-mail and telephone meetings in addition to discussions during the periodic meetings. The following table shows the rolling decisions of the Board of Directors, which are six (6) decisions .

NAME	03/09/2020	08/23/2020	11/08/2020	11/08/2020	11/08/2020	11/08/2020
Mr. / Saleh Mohammed Hamad Al-Hammadi	✓	✓	✓	✓	✓	✓
Dr./ Abdul Aziz Mohammed Hamad Al-Hammadi	✓	✓	✓	✓	✓	✓
Mr. / Mohammed Saleh Mohammed Al-Hammadi	✓	✓	✓	✓	✓	✓
Dr. / Abdul Aziz Saleh Mohammad Al-Hammadi	✓	✓	✓	✓	✓	✓
Dr. / Sami Abdullah Dakhel Allah Al-Saeed	✓	✓	✓	✓	✓	✓
Dr. / Abdul Aziz Abdul Rahman Abdullah Al Fryan	✓	✓	✓	✓	✓	✓
Mr. / Aziz Mohammed Al-Qahtani	✓	✓	✓	✓	✓	✓
Mr. / Fahd Suleiman Abdul Rahman Al-Nahat	✓	✓	✓	✓	✓	✓
Mr. / Saad Abdul Mohsen Al-Hamidi	✓	✓	✓	✓	✓	✓

THE CVS OF THE MEMBERS OF THE COMPANY'S BOARD OF DIRECTORS

NAME	MR. / SALEH MOHAMMED HAMAD AL-HAMMADI
CURRENT POSITION	Chairman of Board of Directors
NATIONALITY	Saudi
DATE OF HIRING	(2019/22/06 G)
QUALIFICATIONS	High School
PRACTICAL EXPERIENCES	Chairman of the Board of Directors of Aziz Company Contracting and Industrial Investment
MEMBERSHIPS IN OTHER BOARDS OF DIRECTORS	Chairman of the Board of Directors of Aziz Company Contracting and Industrial Investment

NAME	DR./ ABDUL AZIZ MOHAMMED HAMAD AL-HAMMADI
CURRENT POSITION	Member of the Board of Directors
NATIONALITY	Saudi
DATE OF HIRING	(2019/22/06 G)
QUALIFICATIONS	Bachelor of Medicine from the Faculty of Medicine - KASR AL-AINI - CAIRO UNIVERSITY
PRACTICAL EXPERIENCES	Riyadh Central Hospital / Ministry of Health (1979 - 1982)
MEMBERSHIPS IN OTHER BOARDS OF DIRECTORS	None

NAME	DR. / ABDUL AZIZ SALEH MOHAMMAD AL-HAMMADI
CURRENT POSITION	Member of the Board of Directors and Chief Operating Officer of the company
NATIONALITY	Saudi
DATE OF HIRING	(2019/22/06 G)
QUALIFICATIONS	Bachelor of Medicine and General Surgery from Al-Azhar University
PRACTICAL EXPERIENCES	Worked at King Khalid University Hospital (2004 G - 2005 G) Worked at King Saud University Hospital for Chest Diseases (2005G - 2008G)
MEMBERSHIPS IN OTHER BOARDS OF DIRECTORS	Member of the Board of Directors of Al-Baha Investment and Development Company Member of the Board of Directors of Aziz Company Contracting and Industrial Investment

NAME	MR. / MOHAMMED SALEH MOHAMMED AL-HAMMADI
CURRENT POSITION	Managing Director and CEO of the company
NATIONALITY	Saudi
DATE OF HIRING	(2019/22/06 G)
QUALIFICATIONS	BA in Business Administration from Weber University in the United States of America (1996 G) Bachelor of Marketing from Weber University, USA (1996 G)
PRACTICAL EXPERIENCES	Chairman of the Board of Directors of Al-Baha Investment and Development Company
MEMBERSHIPS IN OTHER BOARDS OF DIRECTORS	Member of the Board of Directors of Aziz Company Contracting and Industrial Investment Member of the Board of Directors of Al-Baha Investment and Development Company Member of the Board of Directors of WELLSBON Middle East Pipes Industry Company in Dammam, Kingdom of Saudi Arabia, since (G 2010) to date.

THE CVS OF THE MEMBERS OF THE COMPANY'S BOARD OF DIRECTORS

NAME	DR. / ABDUL AZIZ ABDUL RAHMAN ABDULLAH AL-FRYAN
CURRENT POSITION	An Arbitrator / lawyer / Legal advisor
NATIONALITY	Saudi
DATE OF HIRING	(2019/22/06 G)
QUALIFICATIONS	PhD in the Sharia policy department at the Higher Judicial Institute Master of Justice / Naif Arab University for Security Sciences - dated (1427 H) Bachelor of Sharia, Imam Muhammad bin Saud University (1420 H)
PRACTICAL EXPERIENCES	Business partner and member of the Board of Directors of QAYMAH International Company Head of the Litigation Department at the Office of Mohammed AL-DABAAN and Partners Worked at the General Court in Riyadh - General (1416 H)
MEMBERSHIPS IN OTHER BOARDS OF DIRECTORS	None

NAME	MR. / FAHD SULEIMAN ABDUL RAHMAN AL-NAHAT
CURRENT POSITION	The General Manager of Finance - NEOM Company
NATIONALITY	Saudi
DATE OF HIRING	(2019/22/06 G)
QUALIFICATIONS	Leadership Development Program from Harvard University Certified Financial Analyst - CFA institute Master of Financial Sciences majoring in Finance from Newcastle University Bachelor's degree in Business Administration from King Saud University
PRACTICAL EXPERIENCES	The General Manager of Investment - Saudi Arabian Industrial Investment Company - (2017 G - 2019 G) The Investment Team Leader - The Arab Investment Company from (2011 G - 2017 G)
MEMBERSHIPS IN OTHER BOARDS OF DIRECTORS	None

NAME	MR. / AZIZ BIN MOHAMMED BIN MUBARAK AL-QAHTANI
CURRENT POSITION	Financial and administrative advisor to TAKAMOL Holding Company
NATIONALITY	Saudi
DATE OF HIRING	(2019/22/06 G)
QUALIFICATIONS	Master of Accounting / King Fahd University of Petroleum and Minerals - General (2000 G) Bachelor of Accounting / King Fahd University of Petroleum and Minerals (1994G)
PRACTICAL EXPERIENCES	Previous Chief Audit Executive in the Saudi Company for Technical Development and Investment and subsidiaries Vice President for Internal Auditing at Petroleum, Chemicals and Mining Company - previously Formerly the Chief Financial Officer of Business Triangle Company (BTC) Former Executive Director of Internal Audit at the Saudi Research and Marketing Group Executive Director of the Internal Audit of the National Development Company - NADEC - previously Audit Manager at Saudi Telecom Company - previously An internal auditor in Saudi Aramco - previously Member of the Audit Committee - Middle East Cables Company - MISK Member of the Audit Committee - Saudi Real Estate Company Member of the Audit Committee - MOUWASAT Medical Services Company Member of the Audit Committee - JAZAN Energy and Development Company Member of the Audit Committee - Basic Chemical Industries Company - previously Member of the Audit Committee - Yanbu Cement Company - previously
MEMBERSHIPS IN OTHER BOARDS OF DIRECTORS	ALUJAIN Holding Company

THE CVS OF THE MEMBERS OF THE COMPANY'S BOARD OF DIRECTORS

NAME	SAAD ABDUL MOHSEN ABDULAZIZ AL-HAMIDI
CURRENT POSITION	General Manager - Al-Zaman Al-MUTAMTOR Company
NATIONALITY	Saudi
DATE OF HIRING	(2019/22/06 G)
QUALIFICATIONS	Bachelor's degree in Accounting from North Colorado University, USA
PRACTICAL EXPERIENCES	Al-Zaman Al-MUTAMTOR Investment Company - General Manager (2014 G - until now) AMANA INSURANCE COMPANY - Director of Compliance and Secretary of the Board of Directors (2009 G - 2014 G) ERNST & YOUNG - Assistant Business Risk Team Leader (2007G - 2009G) AL-RAJHI BANK - Credit Officer (2006G - 2007G) PRICEWATERHOUSE Company - External Auditor (2005G - 2006G)
MEMBERSHIPS IN OTHER BOARDS OF DIRECTORS	None

NAME	DR. / SAMI BIN ABDULLAH AL-SAEED
CURRENT POSITION	Dental consultant
NATIONALITY	Saudi
DATE OF HIRING	(2019/22/06 G)
QUALIFICATIONS	American Board in Pediatric Dentistry - General (2003 G) Master of Dental Sciences - New York University - General (2001 G) Bachelor of Dental Surgery King Saud University - General (1996 G)
PRACTICAL EXPERIENCES	The Executive Director of Rawan Company for Development and Investment - (2007 G - 2012 G) Faculty member at Prince Abdul Rahman Institute of Dental Medicine - (2001G - 2007G) The Consultant pediatric dentistry at the Military Hospital (1992 G - 2007 G)
MEMBERSHIPS IN OTHER BOARDS OF DIRECTORS	None

The MEMBERSHIP OF BOARD MEMBERS IN OTHER COMPANIES

Names of companies inside or outside the Kingdom of which a member of the board of directors is a member of their current and previous boards of directors or of their managers:

	NAME	COMPANIES THAT ARE MEMBERS OF THEIR BOARDS OF DIRECTORS OR OF THEIR DIRECTORS	HEADQUARTER	LEGAL ENTITY	CURRENTLY / PREVIOUSLY
1	Saleh Mohammed Al-Hammadi	Aziz Company for Contracting and Industrial Investment	Inside the kingdom	A Closed joint-stock	Currently
2	Dr. / Abdul Aziz Saleh Hamad Al-Hammadi	None	None	None	None
3	Mr. / Mohammed Saleh Mohammed Al-Hammadi	Al-Baha Investment and Development Company	Inside the kingdom	Listed	Currently
		WELLSBON Middle East Pipes Manufacturing Company Ltd.	Inside the kingdom	A Limited liability	Currently
		Aziz Company for Contracting and Industrial Investment	Inside the kingdom	A Closed joint-stock	Currently
		Saudi Automotive Services and Equipment Company - SASCO	Inside the kingdom	Listed	Previously
		Saudi Chemical Company	Inside the kingdom	Listed	Previously
4	Dr. / Abdul Aziz Saleh Mohammad Al-Hammadi	Al-Baha Investment and Development Company	Inside the kingdom	Listed	Currently
		Aziz Company for Contracting and Industrial Investment	Inside the kingdom	Listed	Currently
5	Dr./ Aziz Mohammed Al-Qahtani	ALUJAIN Company - Holding	Inside the kingdom	Listed	Currently
6	Dr./ Sami Abdullah Dakhel Allah Al-Saeed	Member of the Board of Directors of the Saudi Shipping Company	Inside the kingdom	Listed	Previously

The MEMBERSHIP OF BOARD MEMBERS IN OTHER COMPANIES

	NAME	COMPANIES THAT ARE MEMBERS OF THEIR BOARDS OF DIRECTORS OR OF THEIR DIRECTORS	HEADQUARTER	LEGAL ENTITY	CURRENTLY / PREVIOUSLY
7	Fahd Suleiman Abdul Rahman Al-Nahat	A Member of the Board of Directors of BEDAYA Company	Inside the kingdom	A Closed joint-stock	Currently
		A Member of the Board of Directors of POWERFEST Energy Fund Samba Capital	Inside the kingdom	An investment funds	Currently
		A Member of the Advisory Board of the International Finance Corporation Fund for Investment in the Middle East and North Africa	United States of America	An investment funds	Currently
		A Member of the Board of Directors of the Middle East Financial Investment Company - MEFIC CAPITAL	Inside the kingdom	A Closed joint-stock	Currently
		The International Company for Finance Leases	Egypt	A Public joint stock company	Currently
		The Egyptian Company for the production of propylene and polypropylene	Egypt	A Public joint stock company	Currently
8	Saad Abdul Mohsen Al-Hamidi	Al-Baha Investment and Development Company	Inside the kingdom	Listed	Currently
		Al-Zaman Al-MUTAMTOR Investment Company	Inside the kingdom	Limited Liability	Previously
9	Abdul Aziz Abdul Rahman Abdullah Al-Fryan	None	None	None	None

BOARD COMMITTEES

In order to ensure the optimal performance of the company's management, the Board of Directors has formed the Audit Committee and the Nomination and Remuneration Committee, and has defined approved rules that define the tasks and responsibilities assigned to each of them, and the duration of their work in accordance with Article no. (17) of the Articles of Association for a period of three years and the termination of membership according to Article no.(19) where membership ends. The board membership end by completion of its term, resignation, death or expiration of the member if it is ruled to declare bankruptcy or insolvency or submit a settlement request his with his creditors or stop paying its debts. The committees submit reports and recommendations to the Board of Directors. The Board of Directors conducts an annual review of the committees rules based on the recommendations as per the Audit Committee's bylaw and the Nominations and Remuneration Committee bylaw in accordance with the Company's Governance System, which was approved by the General Assembly of shareholders on 12/26/2017 G corresponding to 8/4/1439 H. Any shareholder can view such bylaws at the Company's headquarters.

AUDIT COMMITTEE

The audit committee consists of three members, and the following table shows the classification of members in the committee. To ensure neutrality, the committee consists of a member outside the board and two independent members as follows:

NAME	MEMBERSHIP STATUS IN THE BOARD	POSITION ON THE COMMITTEE
Dr. / Aziz Mohammed Al-Qahtani	An Independent member	The Chairman of the Committee
Dr. / Abdul Aziz Abdul Rahman Al Fryan	Independent member	A member
Dr. / Nasser bin Hamad Al-Saif	Member outside the Board	A member

The following table shows the audit committee's attendance record for the year (G 2020) - and the committee held (6) meetings as follows:

THE NAME	(03/09/2020 G)	(06/16/2020 G)	(06/28/2020 G)	(08/23/2020 G)	(11/08/2020 G)	(12/28/2020 G)	TOTAL
Dr. / Aziz Mohammed Al-Qahtani	✓	✓	✓	✓	✓	✓	6
Dr. / Abdul Aziz Abdul Rahman Al Fryan	✓	✓	✓	✓	✓	✓	6
Dr. / Nasser bin Hamad Al-Saif	✓	✓	✓	✓	✓	✓	6

FINANCIAL REPORTS

First: Studying the initial and annual financial statements of the company before submitting it to the Board of Directors and expressing its opinion and recommendation regarding them to ensure their integrity, fairness and transparency.

Second: To express a technical opinion - according to the board of directors' request - on whether the report of the board of directors and the financial statements of the company are fair, balanced and understandable, and include information that allows shareholders and investors to evaluate the financial position of the company, its performance, business model and strategy.

Third: Examine any important or unusual issues included in the financial reports.

Fourth: Researching carefully about any issues raised by the company's financial manager, whoever assumes his duties, the company's compliance officer, or the auditor.

Fifth: Verifying the accounting estimates in the essential issues mentioned in the financial reports.

Sixth: Studying the accounting policies followed in the company and giving opinion and recommendation to the Board of Directors in this regard.

COMMITMENT GUARANTEE

First: Reviewing the results of the reports of the regulatory authorities and verifying that the company has taken the necessary actions in this regard.

Second: Verifying the company's compliance with the relevant laws, regulations, policies and instructions.

Third: Reviewing the contracts and transactions proposed to be conducted by the company with related parties, and submit its views on this to the Board of Directors.

Fourth: Raising whatever issues it deems necessary to take action in their regard to the board of directors and to express its recommendations.

INTERNAL AUDIT

First: Studying and reviewing the company's internal and financial control and risk management systems.

Second: Examining the internal audit reports and following up on the implementation of corrective measures for the observations contained therein.

Third: Controlling and supervising the performance and activities of the internal audit department in the company to verify the availability of the necessary resources and their effectiveness in performing the work and tasks assigned to it.

Fourth: Recommending to the Board of Directors to appoint the Chief Audit Executive and suggesting his remuneration.

EXTERNAL AUDITOR

First: Recommending to the board of directors the nomination and dismissal of External Auditor, determining their fees and evaluating their performance, and this is done after verifying their independence and reviewing the scope of their work and the terms of contracting with them.

Second: Verifying the auditor's independence, objectivity, fairness, and effectiveness of the audit work, taking into account the relevant rules and standards.

Third: Reviewing the company's auditor's plan and business, verifying that no technical or administrative work has been submitted outside the scope of the audit work, and expressing its technical opinions regarding that matter.

Fourth: Answering about the company's auditor's inquiries.

Fifth: Studying the auditor's report and his notes on the financial statements and following up on what has been taken in their regard.

NOMINATION & REMUNERATION COMMITTEE

The Nominations and Remuneration Committee is responsible for reviewing the structure of the Board of Directors and making recommendations regarding the changes that can be made and developing policies for Remunerations and incentives for members of the Board of Directors and the executive management of the company, which aims to increase productivity and assesses the personal efforts of each member and executive director applied to the strategic plan of the company. The committee consists of (3) The following members are independent members as shown in the following table, and the committee held during the year (2020 G) - two meetings attended by all members on (11/08/2020 G) - and on (12/31/2020 G)

NAME	MEMBERSHIP STATUS IN THE BOARD	POSITION ON THE COMMITTEE
Dr. / Sami Abdullah Dakhel Allah Al-Saeed	An Independent member	The Chairman of the Committee
Mr. / Fahd Suleiman Abdul Rahman Al-Nahat	An Independent member	A member
Mr. / Saad Abdul Mohsen Al-Hamidi	An Independent member	A member

Its main tasks are, but are not limited to:

First: Preparing a clear policy for remuneration for members of the Board of Directors and the committees emanating from the Board and the Executive Management and submitting them to the Board of Directors for consideration in preparation for approval by the General Assembly, provided that this policy takes into account the following standards related to performance, disclosure and verification of their implementation.

Second: Clarifying the relationship between the Remunerations granted and the applicable remuneration policy, and stating any material deviation from this policy.

Third: Periodic reviewing the remuneration policy, and evaluation of its effectiveness in achieving the objectives sought from it.

Fourth: Recommending to the board of directors the remuneration of members of the board of directors, the committees emanating from it, and the company's senior executives, in accordance with the approved policy.

Fifth: Suggesting a clear policies and standards for membership in the Board of Directors and executive management.

Sixth: Recommending to the Board of Directors to nominate its members and re-nominate them in accordance with the approved policies and standards, taking into account not to nominate any person previously convicted of a breach of trust.

Seventh: Preparing a description of the capabilities and qualifications required for membership in the Board of Directors and occupying executive management positions.

Eighth: Determining the time that the member should allocate to the work of the board of directors.

Ninth: The annual review of the necessary needs of skills or appropriate expertise for board membership and executive management functions.

Tenth: Reviewing the structure of the Board of Directors and executive management and make recommendations regarding the changes that can be made.

Eleventh: Verifying an annual basis the independence of independent members and the absence of any conflict of interest if the member is a member of the board of directors of another company.

Twelfth: Establishing a job description for executive members, non-executive members, independent members and senior executives.

Thirteenth: Establishing a special procedure in case the position of a member of the board of directors or a senior executive is vacant.

Fourteenth: Identifying the weaknesses and strengths in the board of directors, and proposing solutions to address them in line with the company's interest.

OWNERSHIP OF MEMBERS OF THE BOARD OF DIRECTORS AND SENIOR EXECUTIVES IN THE SHARES AND DEBT INSTRUMENTS OF THE COMPANY

The following table shows the percentage of ownership by members of the Board of Directors and senior executives, including their wives and minor children, in the shares and debt instruments of the company, and any change in that interest during the fiscal year (2020 G).

Share ownership of board members

NAME	MEMBERSHIP STATUS	(01/01/2020 G)	(12/31/2020 G)	(CHANGES IN SHARES +/-)	(THE PERCENTAGE %)
Mr./ Saleh Mohammed Hamad Al-Hammadi and his wife	The Chairman of Board of Directors	15,787,800	15,787,800	None	% 0
Dr./ Abdul Aziz Mohammed Hamad Al-Hammadi and his wife	A Non-executive member	21,060,200	17,880,000	3,180,200	(% 15.1-)
Mr. / Mohammed Saleh Mohammed Al-Hammadi	An Executive member	5,880,000	5,880,000	None	% 0
Dr. / Abdul Aziz Saleh Mohammed Al-Hammadi	An Executive member	5,880,000	5,880,000	None	% 0
Dr. / Sami Abdullah Dakhel Allah Al-Saeed	An Independent member	2000	2000	None	% 0
Dr. / Abdul Aziz Abdul Rahman Abdullah Al-Fryan	An Independent member	-	-	None	% 0
Mr. / Aziz Mohammed Al-Qahtani	An Independent member	-	-	None	% 0
Mr. / Fahd Suleiman Abdul Rahman Al-Nahat	An Independent member	15	15	None	% 0
Mr. / Saad Abdul Mohsen Al-Hamidi	An Independent member	1000	1009	9	% 0.99 +

Share ownership of board members

NAME	MEMBERSHIP STATUS	(01/01/2020 G)	(12/31/2020 G)	(CHANGES IN SHARES +/-)	(THE PERCENTAGE %)
Mr. / Mohammed Saleh Mohammed Al-Hammadi	An Executive member	5,880,000	5,880,000	None	%0
Dr. / Abdul Aziz Saleh Mohammed Al-Hammadi	An Executive member	5,880,000	5,880,000	None	%0
Mohammed Saeed Suleiman Alsaafin	Chief Financial Officer	0.0	0.0	None	%0
Dr. / Walid Fathi Abdel Khaleq Al-Kawamleh	Director of Marketing	0.0	0.0	None	%0
Majid Salem Saeed Al-Nahdi	Director of Human Resources	0.0	0.0	None	%0

THE MEMBER REMUNERATIONS BOARD OF DIRECTORS

REMUNERATION AND ALLOWANCES POLICY FOR MEMBERS OF THE BOARD OF DIRECTORS AND THE SECRETARY

REMUNERATION AND ALLOWANCES POLICY FOR MEMBERS OF THE AUDIT COMMITTEE AND THE SECRETARY

REMUNERATION AND ALLOWANCES POLICY FOR MEMBERS OF THE REMUNERATION AND NOMINATION COMMITTEE AND THE SECRETARY

POLICY OF EXECUTIVE MANAGEMENT REMUNERATION AND ALLOWANCES



THE REMUNERATION AND ALLOWANCES POLICY FOR MEMBERS OF THE BOARD OF DIRECTORS AND THE SECRETARY

In accordance with the Companies Law and the Company's Articles of Association, the remuneration of the members of the Board of Directors will be as estimated by the Ordinary General Assembly in accordance with the official decisions and instructions issued by the Ministry of Commerce in this regard and within the limits of what is stipulated in the Companies Law or any other complementary regulations. And the executive management, in accordance with the requirements of the Corporate Governance Regulations in the Kingdom of Saudi Arabia issued by the Board of the Capital Market Authority under Resolution No. (08/16/2017) - on (05/16/1438 H - corresponding to 02/13/2017 G) based on the Companies Law issued With Royal Decree No. (M / 3) dated - (01/28/1437 H)

- 1** The remuneration of a member of the board of directors shall be made within the limits stipulated in the articles of association of the company and the companies' bylaw and in accordance with the official decisions and instructions issued in this regard, provided that the total of what a member of the board of directors receives in return for his membership in the board of directors does not exceed an amount of (500,000 SAR). (Five hundred thousand Saudi) in terms of remunerations and financial and in-kind benefits
- 2** The entitlement to the remuneration is proportional to the number of meetings the member attended during the year
- 3** An attendance allowance for each of the Board meetings of (5,000 SAR) (five thousand SAR) and an attendance allowance for each committee meeting in an amount of (5,000 SAR) (five thousand SAR) for each member and secretary.
- 4** A first-class air ticket, transportation and accommodation, for the non-resident member in the city in which the meeting is scheduled to take place.
- 5** The Board of Directors determines the annual remuneration of the Board Secretary, and the company shall bear all his expenses related to his attendance, such as tickets, accommodation, transportation and others in connection with the affairs of the Board of Directors.
- 6** The Remuneration, attendance allowance and other allowances are paid at the end of the fiscal year, and in case that the membership of any member of the board ends before the end of the fiscal year, it is paid immediately upon the end of his membership.

THE NOMINATION & REMUNERATION COMMITTEE

- 1 An annual bonus of (50,000 SAR) - (fifty thousand SAR) for the head of the audit committee and for each member from among the committee members.
- 2 The entitlement to the remuneration is proportional to the number of meetings the member attended during the year.
- 3 The Attendance allowance for each committee meeting of (5,000 SAR) - (five thousand SAR) for the head of the committee and for each member of the committee and the secretary.
- 4 A business-class travel ticket, transportation and accommodation for a non-resident member in the city of the meeting
- 5 The committee recommends to the board of directors the annual remuneration of the secretary. The company also bears all his expenses related to the committee's meetings, such as tickets, accommodation, transportation and other things related to the committee's work.
- 6 Remunerations, attendance allowances and other allowances are paid at the end of the fiscal year, and in the event that the membership of any member of the committee ends before the end of the fiscal year, it shall be disbursed upon the end of his membership of the committee.

REMUNERATION AND ALLOWANCES POLICY FOR MEMBERS OF THE REMUNERATION AND NOMINATION COMMITTEE AND THE SECRETARY

- 1 An annual bonus of (50,000 SAR) (fifty thousand SAR) for each of the Chairman of the Remuneration and Nominations Committee and for each member from among the members of the committee.
- 2 The entitlement to the remuneration is proportional to the number of meetings the member attended during the year.
- 3 Attendance allowance for each committee meeting of (5,000 SAR) (five thousand SAR) for each of the head of the remuneration and nomination committee and for each member from among the committee members.
- 4 A business-class travel ticket, transportation and accommodation for a non-resident member in the city of the meeting
- 5 The committee recommends to the board of directors the annual remuneration of the secretary. The company also bears all his expenses related to the committee's meetings, such as tickets, accommodation, transportation and other things related to the committee's work.
- 6 Remunerations, attendance allowances and other allowances are paid at the end of the fiscal year, and in the event that the membership of any member of the committee ends before the end of the fiscal year, it shall be disbursed upon the end of his membership of the committee.

THE NOMINATION & REMUNERATION COMMITTEE

Share ownership of board members



A basic salary paid monthly



Allowances these're including - but aren't limited to - The housing allowance - The car allowance - The phone allowance



Insurance benefits - for example, but not limited to - (medical insurance for him and his family - life insurance that includes work injuries, partial and total disability, and death at work)



Benefits including annual leave - annual travel tickets - private driver – The Indemnity



Remuneration linked to performance indicators according to the evaluation made in this regard



The plans and programs for the remuneration of the Senior Executives are approved by the Nomination & Remuneration Committee.



The CEO implements the remuneration policy for employees and senior executives in light of the plans and programs approved by the Remuneration and Nomination Committee

OF THE BOARD OF DIRECTORS REMUNERATIONS

name	Fixed Remunerations							Variable Remunerations					Grand total in SAR	Expense allowances	Indemnity
	Certain amount	Allowance for attending the board Meetings	Total allowance for attending the committee sessions	Non-monetary Benefits	administrative , technical and Innerhtml Remunerations	chairman , delegate member and secretary remuneration	total is in SAR	percentage of profits	Periodic Remunerations	Short-term incentive plans	Long-term incentive plans	Shares granted			
Independent members															
Dr. / Sami Abdullah Dakhel Allah Al-Saeed	-	200,000	10,000	-	-	-	210,000					-	210,000	-	-
Dr. / Abdul Aziz Abdul Rahman Abdullah Al-Fryan	-	200,000	30,000	-	-	-	230,000					-	230,000	-	-
Mr. / Aziz Mohammed Al-Qahtani	-	200,000	30,000	-	-	-	230,000					-	230,000	-	-
Mr. / Fahd Suleiman Abdul Rahman Al-Nahat	-	200,000	10,000	-	-	-	210,000					-	210,000	-	-
Mr. / Saad Abdul Mohsen Al-Hamidi	-	200,000	10,000	-	-	-	210,000					-	210,000	-	-
Non-executive members															
Mr. / Saleh Mohammed Hamad Al-Hammadi							-					-	-	-	-
Dr./ Abdul Aziz Mohammed Hamad Al-Hammadi							-					-	-	-	-
Executive members															
Mr. / Mohammed Saleh Mohammed Al-Hammadi							-					-	-	-	-
Dr. / Abdul Aziz Saleh Mohammed Al-Hammadi							-					-	-	-	-

SENIOR EXECUTIVES REMUNERATIONS

Senior Executive Jobs	Fixed Rewards				Variable Remunerations								Total
	Salaries	Allowances	Benefits in kind	Total	Periodic Reward	Percentage of Profit	Short-term incentive plans	Long-term incentive plans	Granted shares	Total fixed and variable Remunerations	End of Service Benefits	Total executives' remuneration for the Board	
Five senior executives, including the Chief Executive Officer and the Chief Financial officer	3,893,328 SAR	1,658,221 SAR		5,551,549 SAR	1,839,316 SAR					7,390,865 SAR	350,000 SAR		7,740,865 SAR

REMUNERATION OF COMMITTEES MEMBERS

NAME	FIXED REMUNERATIONS (EXCEPT FOR THE ALLOWANCE FOR ATTENDING MEETINGS)	ALLOWANCE TO ATTEND MEETINGS	TOTAL
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Members of the Audit Committee

Aziz Mohammed Al-Qahtani	50,000	30,000	80,000
Dr. / Abdul Aziz Abdul Rahman Al Fryan	50,000	30,000	80,000
Dr. / Nasser bin Hamad Al-Saif	50,000	30,000	80,000

NAME	FIXED REMUNERATIONS (EXCEPT FOR THE ALLOWANCE FOR ATTENDING MEETINGS)	ALLOWANCE TO ATTEND MEETINGS	TOTAL
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MEMBERS OF NOMINATIONS AND REMUNERATION COMMITTEE

Dr. / Sami Abdullah Dakheelullah AlSaeed	50,000	10,000	60,000
Fahd Suleiman Abdul Rahman Al-Nahit	50,000	10,000	60,000
Saad Abdul Mohsen Abdul Aziz Al-Hamidi	50,000	10,000	60,000

PENALTIES, RESTRICTIONS AND PENALTIES

PUNISHMENT / PENALTY AND PRECAUTIONARY MEASURE RESERVE ENROLLMENT	REASONS FOR THE VIOLATION	THE SIGNATORY OF THE VIOLATION	WAYS TO TREAT IT
NONE	NONE	NONE	NONE

EXTERNAL AUDITOR'S OPINION OF THE COMPANY ON THE ANNUAL FINANCIAL STATEMENTS

According to what was stated in the report of the external auditor of the company, Mr. ALAZEM & ALSUDAIRY who reported the outcome of the audit after auditing the annual consolidated financial statements of the group for the fiscal year ending on (12/31/2020 G) as follows:

The consolidated financial statements of the group present fairly, in all material respects, the consolidated financial position of the group as on (12/31/2020 G) - and its consolidated financial performance and its consolidated cash flows for the year ended on that date in accordance with the International Financial Reporting Standards approved in the Kingdom of Saudi Arabia and standards, and other publications approved by the Saudi Organization for Certified Public Accountants.

INTERNAL AUDIT DEPARTMENT

Internal audit is an objective and independent assurance and advisory activity for the purpose of improving the company's operations and adding value to them. The internal audit assists the company in achieving its objectives by providing a regular feedback to evaluate and improve the effectiveness of risk management, control, and processes involved in the supervisory performance of the company. The company's internal audit department has carried out many periodic and special review processes, focusing on activities and jobs with high risks to increase the efficiency and effectiveness of the company's operations, noting that the necessary measures have been taken to follow up most of the observations included in the internal audit reports in order to verify that the necessary corrective measures have been taken.

RESULTS OF THE ANNUAL REVIEW OF THE EFFECTIVENESS OF THE COMPANY'S INTERNAL CONTROL PROCEDURES

The internal control system aims to ensure the achievement of the company's goals effectively and efficiently and includes the issuance of reliable financial reports, compliance with laws, regulations and policies, as well as the management of potential risks to reduce the effects of risks on achieving the goals of the company, and the control system plays an important role in detecting and preventing fraud and protecting the company's resources. The management of the company is responsible for preparing a comprehensive and effective control system commensurate with the level of risks that the company may be exposed to and with a reasonable amount of cost, which gives acceptable assurances to avoid material errors and losses that may result from them. The Audit Committee is continuously reviewing the periodic reports prepared by the internal and external auditors and the various departments of the company related to internal control, and based on what the results of the annual reviews have shown, the internal control system in the company needs some development and modernization in terms of automated systems and control procedures related to operational processes to keep pace with the rapid developments in the market environment, in addition to keeping abreast of the new regulations in the supervisory bodies regulating the company's activities, the company will continue under the supervision of the Audit Committee to evaluate and periodically review the control system to ensure the achievement of the internal control objectives of improving the efficiency of operations and raising their effectiveness while adhering to the relevant laws and regulations.

THE EXTERNAL AUDITOR'S QUALIFICATIONS ON THE ANNUAL FINANCIAL STATEMENTS

The external auditor, Mr. / ALAZEM & ALSUDAIRY has no qualifications about the annual consolidated financial statements of the Group for the fiscal year ending on (31 December 2020 G).

GENERAL ASSEMBLY ATTENDANCE DURING THE FISCAL YEAR (2020 G):

NAME	JOB TITLE IN THE COMPANY	ATTENDANCE RECORD / ORDINARY GENERAL ASSEMBLY MEETING 3/05/2020
Mr. / Saleh Mohammed Hamad Al-Hammadi	Chairman of Board of Directors	✓
Dr./ Abdul Aziz Mohammed Hamad Al-Hammadi	Deputy Chairman of the Board	✓
Mr. / Mohammed Saleh Mohammed Al-Hammadi	Managing Director and CEO	✓
Dr. / Abdul Aziz Saleh Mohammed Al-Hammadi	Member of the Board of Directors	✓
Dr. / Sami Abdullah Dakhel Allah Al-Saeed	Member of the Board of Directors	✓
Dr. / Abdul Aziz Abdul Rahman Abdullah Al Fryan	Member of the Board of Directors	✓
Mr. / Aziz Mohammed Al-Qahtani	Member of the Board of Directors	✓
Mr. / Fahd Suleiman Abdul Rahman Al-Nahat	Member of the Board of Directors	✓
Mr. / Saad Abdul Mohsen Al-Hamidi	Member of the Board of Directors	✓

NUMBER OF COMPANY REQUESTS FOR SHAREHOLDER REGISTER

DATE OF APPLICATION	REASONS FOR THE REQUEST
01/11/2020	Corporate procedures
02/18/2020	Corporate procedures
02/18/2020	Corporate procedures
05/03/2020	General Assembly

CORPORATE GOVERNANCE

Al Hammadi Company for Development and Investment implements its corporate governance system and all the articles contained therein approved by the General Assembly of Shareholders (12/26/2017 G) and believes that adherence to it is a fundamental factor for its success, which aims to improve and regulate the company's financial and operational performance and ensure the rights of all shareholders. And present the financial results with a high degree of transparency and disclosure by developing the following:

First: Administrative performance based on increasing the value of the company and the possibility of accountability for it.

Second: Implementing an effective supervisory role in cooperation with executive persons in order to achieve the interests of the company and shareholders, including small investors, and seek to increase the rights of shareholders in appropriate ways.

Third: Disclosure of information with full transparency and the existence of an effective internal control system and risk management.

Fourth: The company proves that the shareholders have all the rights related to the share, including the following:

- A. The right to receive a share of the Profits to be distributed.
- B. The right to obtain a share of the company's assets upon liquidation.
- C. The right to attend shareholders 'assemblies and participate in their deliberations and vote on them.
- D. the right to dispose of shares.
- E. The right to monitor the activities of the board of directors and file a liability lawsuit against the members of the board.
- F. The right to inquire and request information in a way that does not harm the interests of the company and does not conflict with the Capital Market Authority regulations

:The corporate governance system consists of the following

First: Corporate Governance Bylaw.

Second: Bylaw of the general assembly of shareholders.

Third: Bylaw of the Board of Directors.

Fourth: Audit Committee Bylaw.

Fifth: Bylaw of the Nomination and Remuneration Committee.

Sixth: Disclosure of information Policy .

Seventh: Internal Control Policy.

Eighth: Risk Management Policy.

Ninth: Profits Distribution Policy.

Tenth: Relations with Stakeholders Policy.

Eleventh: Conflict of Interest Policy.

IMPLEMENTED PROVISIONS OF THE CORPORATE GOVERNANCE REGULATIONS, THE INTERNAL GOVERNANCE REGULATIONS, AND THE PROVISIONS THAT HAVE NOT BEEN IMPLEMENTED, AND THE REASONS FOR THAT

The company applies all the provisions mentioned in the Corporate Governance Regulations issued by the Capital Market Authority - with the exception of the provisions listed below .

ARTICLE / PARAGRAPH NUMBER	TEXT OF THE ARTICLE / PARAGRAPH	REASONS FOR NOT APPLYING
32/B	The Board of Directors holds at least four meetings a year - no less than one meeting every three [3] months	This Paragraph is an Indicative Paragraph This paragraph contradicts what is stated in Article (24) of the company's articles of association
38	Determining the qualifications that must be met by the secretary	This Article is an Indicative Article The secretary is appointed in accordance with Article (23) of the company's articles of association
39	Training the board members and executive management	This Article is an Indicative Article
41	Training the board members and executive management	This Article is an Indicative Article
66/B	The number of candidates for the Board of Directors	This Paragraph is an Indicative Paragraph
70	Formation of the Risk Management Committee	These Articles are Indicative Articles The company's management continuously reviews the company's policies related to risk management to ensure that the approved policies and programs are implemented in order to reduce the risks that the company may face. The senior management of the company also ensures that the risk management processes and the followed systems operate efficiently at all levels of the company.
71	Terms of reference of the Risk Management Committee	
72	Meetings of the Risk Management Committee	
74/A	Establishing an independent unit or department to assess and manage risks	The company is currently searching for the necessary competencies at the appropriate cost to establish this unit as soon as possible, taking into account the comment mentioned on the above articles.
3/89	That the company's website includes all the information required to be disclosed, and any data or other information published through other means of disclosure	This Paragraph is an Indicative Paragraph The company shall publish any information and data required to be disclosed in accordance with the laws and regulations in the manner specified by the Capital Market Authority.
95	Forming the Corporate Governance Committee	This Article is an Indicative Article The company develops corporate governance rules, monitors their implementation, verifies their effectiveness, and modifies them when needed.

GROUP MAIN OPERATING (THE COMPANY AND ITS SUBSIDIARIES)

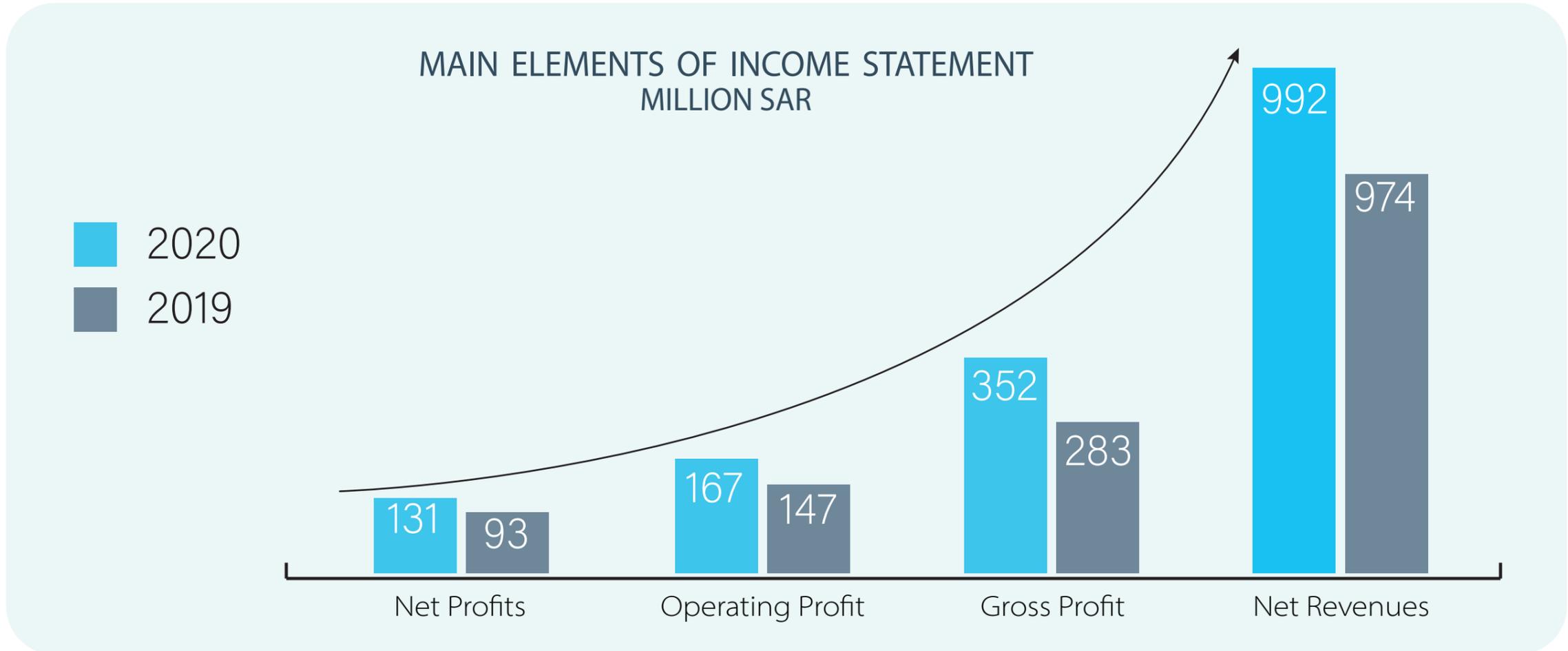
THE COMPANY REVENUE - MILLION SAR	2020	THE PERCENTAGE OF TOTAL REVENUE	2019	THE PERCENTAGE OF TOTAL REVENUE
medical services	761	%76.7	625	%64.2
Pharmacies and medicines	231	%23.3	349	%35.8
Total	992	%100	974	%100

THE REVENUE OF THE SUBSIDIARY - MILLION SAR	2020	THE PERCENTAGE OF TOTAL REVENUE	2019	THE PERCENTAGE OF TOTAL REVENUE
Pharmaceutical products and medicines	69	%100	188	%100
Total	69	%100	188	%100

THE GEOGRAPHICAL ANALYSIS OF GROUP REVENUE

The group's Operations is concentrated in the city of Riyadh, and there are no branches of the group in other regions in the Kingdom or abroad.

GROUP LAST FIVE YEARS FINANCIAL RESULTS

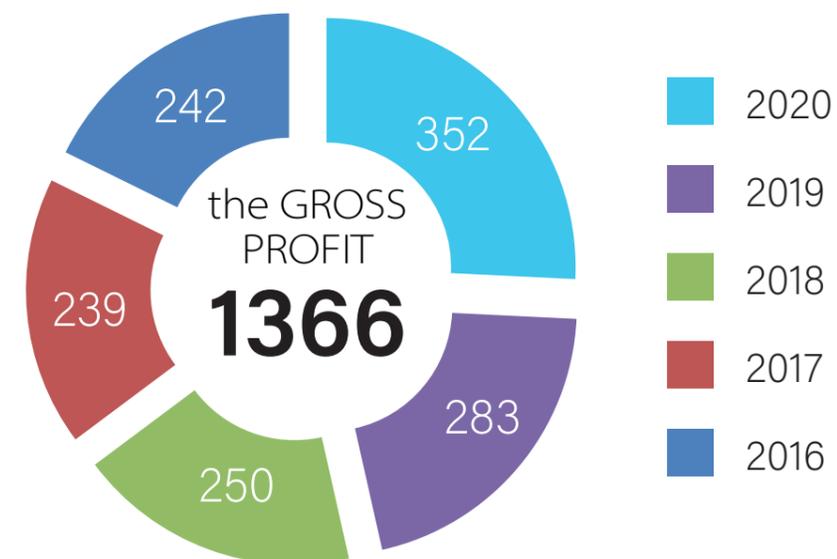
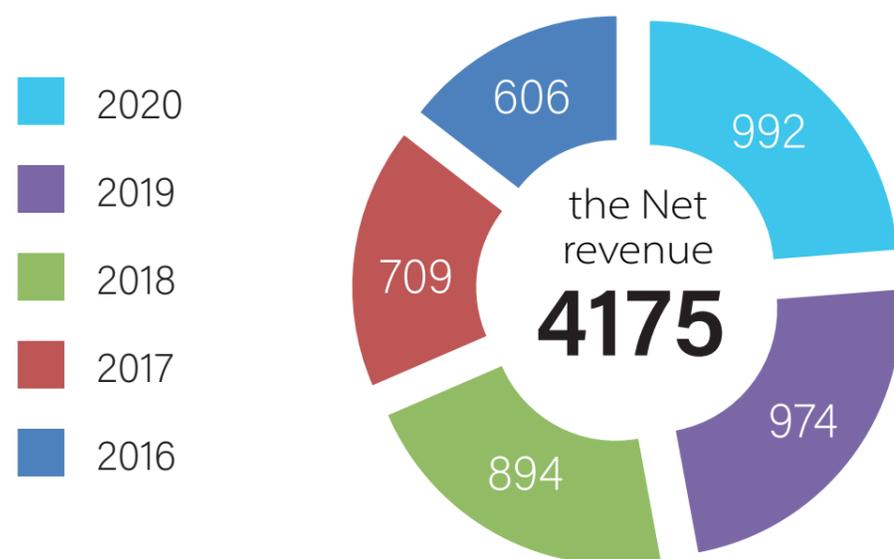


The group's net revenues in the year (2020) amounted to (992 Million SAR) compared to (974 Million SAR) in 2019, with a growth of 18 million (1.8%) This is due to the improvement of the performance and efficiency of operating the Nozha Hospital and the increase in hospitalization revenues as a result of the increase in patients admission transferred from the Ministry of Health. The net Profit for the current year increased by (38 Million SAR) and by (40.9%) compared to the previous year.

The following table and graph show a summary of the total assets, liabilities and shareholders' equity for the fiscal year ending (12/31/2020) and the previous four years - Million SAR

ITEM / YEAR	2020	2019	2018	2017	2016
Net revenue	992	974	894	709	606
Gross Profit	352	283	250	239	242
Operating Profit	176	147	138	143	98
Profit before zakat	151	109	105	123	86
Net Profit	131	93	90	108	75

Million SAR



GROUP LAST FIVE YEARS FINANCIAL RESULTS

Group revenues have grown upwardly during the last five years in line with the group's expansion strategy to establish new hospitals and acquire companies that enhance the integration of the group's activities.

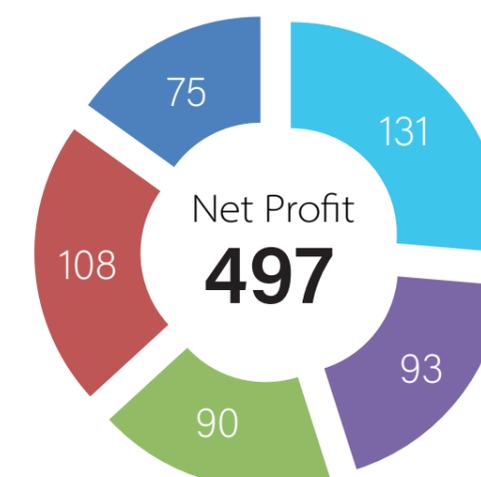
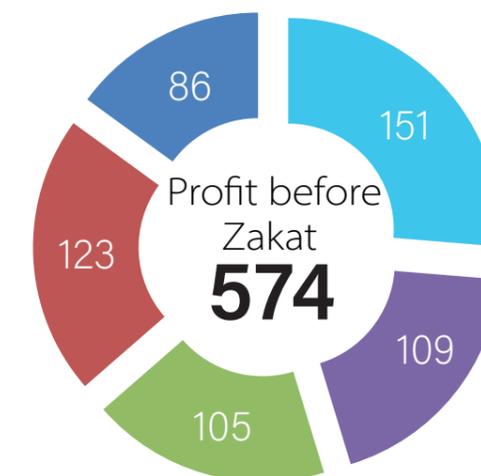
- The decline in net Profits in the year 2016 is due to the interruption of operations of Al Hammadi Hospital, Olaya Branch, for a period of six months in that year, as a result of the electrical contact Accident, which was disclosed on its date.

- The reason for the decrease in net Profits in 2018 is due to the increase in operating expenses incurred by the opening of Al Hammadi Hospital, Al Nuzha Branch, including depreciation and financial expenses.

- The increase in the group's net Profit for the year 2020 - (as previously stated) is due to the improvement in the performance and efficiency of the operations of Al-Nuzha Hospital and the increase in inpatients revenues as a result of the increase in patients admissions transferred from the Ministry of Health.



MILLION SAR

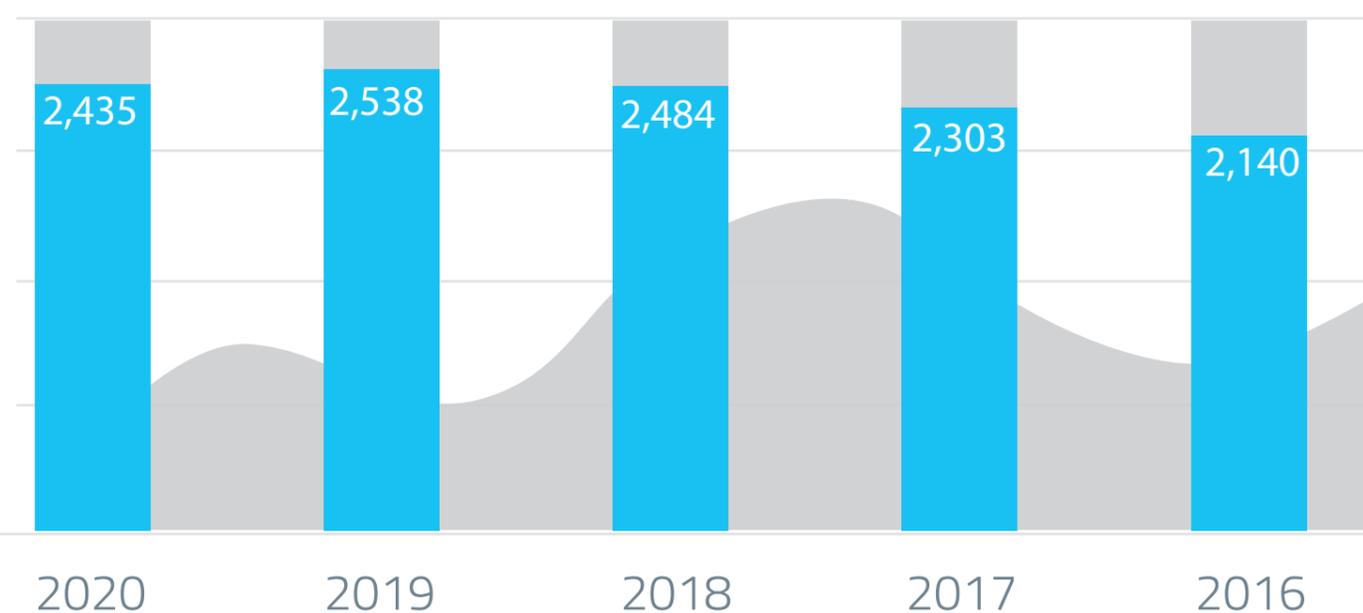


GROUP LAST FIVE YEARS FINANCIAL RESULTS

MILLION SAR

ITEM / YEAR	2020	2019	2018	2017	2016
TOTAL ASSETS	2,435	2,538	2,484	2,303	2,140
TOTAL LIABILITIES	736	972	1,006	916	769
TOTAL SHAREHOLDERS' EQUITY	1,699	1,566	1,478	1,387	1,371
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,435	2,538	2,484	2,303	2,140

THE ASSETS
2,435

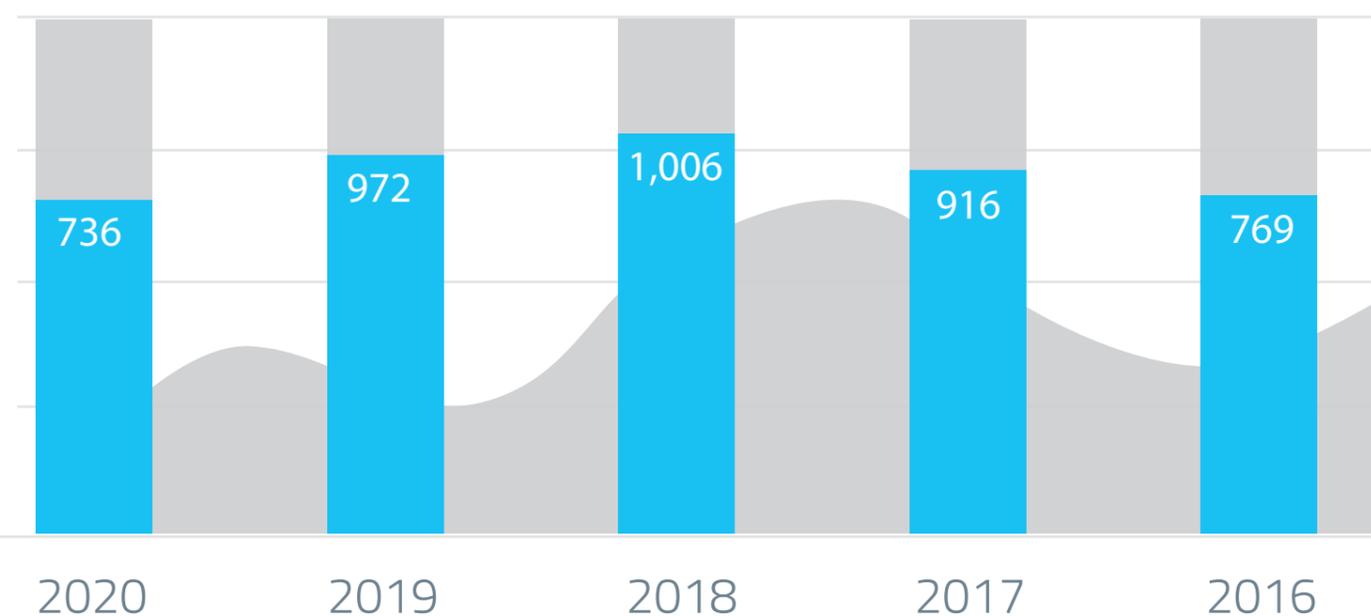


GROUP LAST FIVE YEARS FINANCIAL RESULTS

MILLION SAR

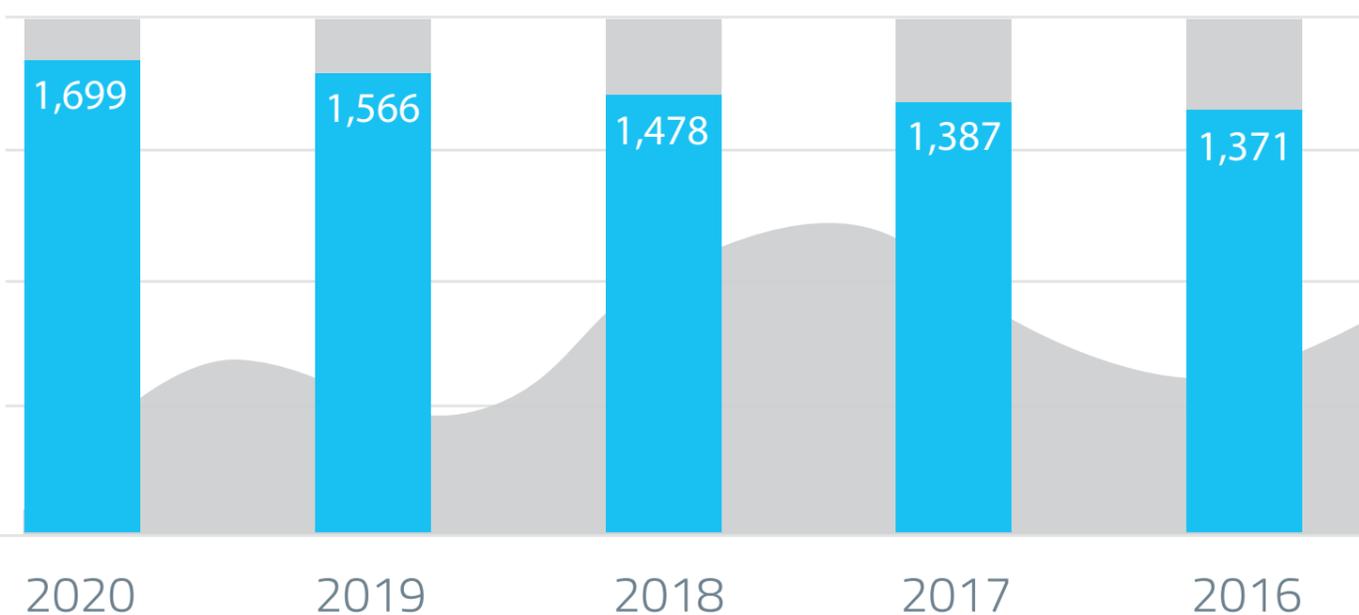
THE LIABILITIES

736



THE SHAREHOLDERS' EQUITY

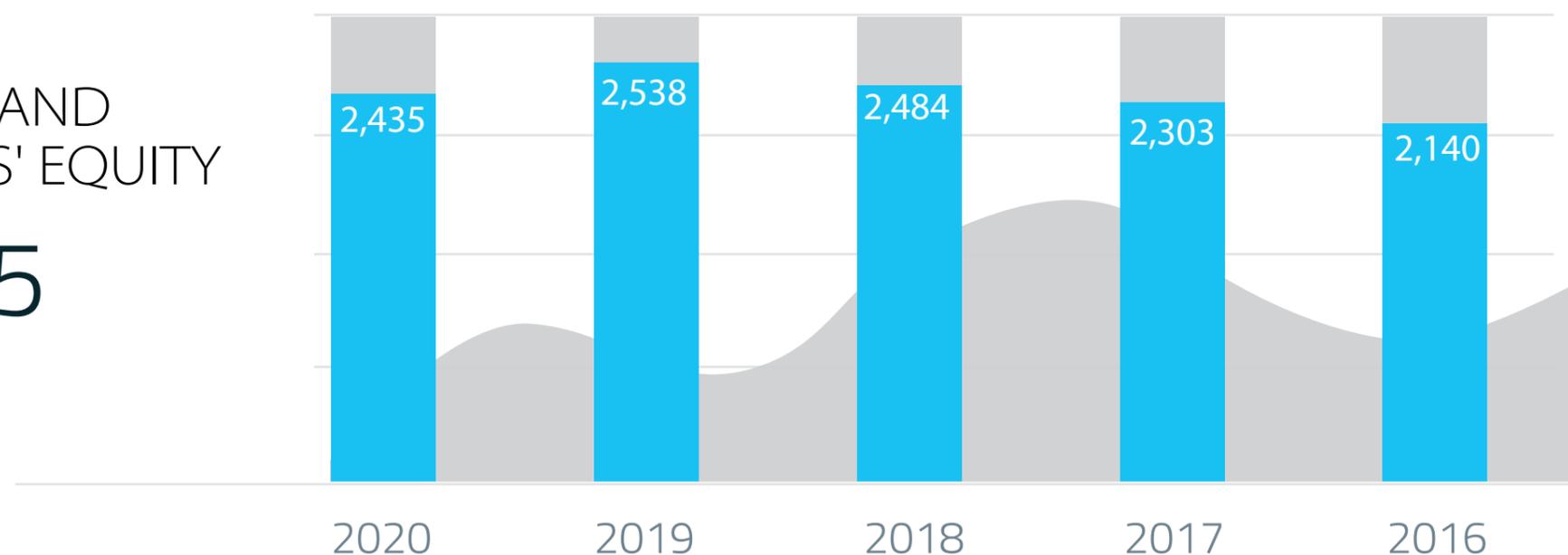
1,699



GROUP LAST FIVE YEARS FINANCIAL RESULTS

MILLION SAR

LIABILITIES AND
SHAREHOLDERS' EQUITY
2,435



The group assets is growing in line with the group's expansion strategy to establish new hospitals, where Al-Hammadi Hospital in Al-Suwaidi area was Opened in 2015 and Al Hammadi Hospital in Al-Nuzha area was opened in 2018 in addition to the acquisition of the Medical Support Services Company. Ltd. and its subsidiary Company Pharmaceutical Services Limited in 2018.

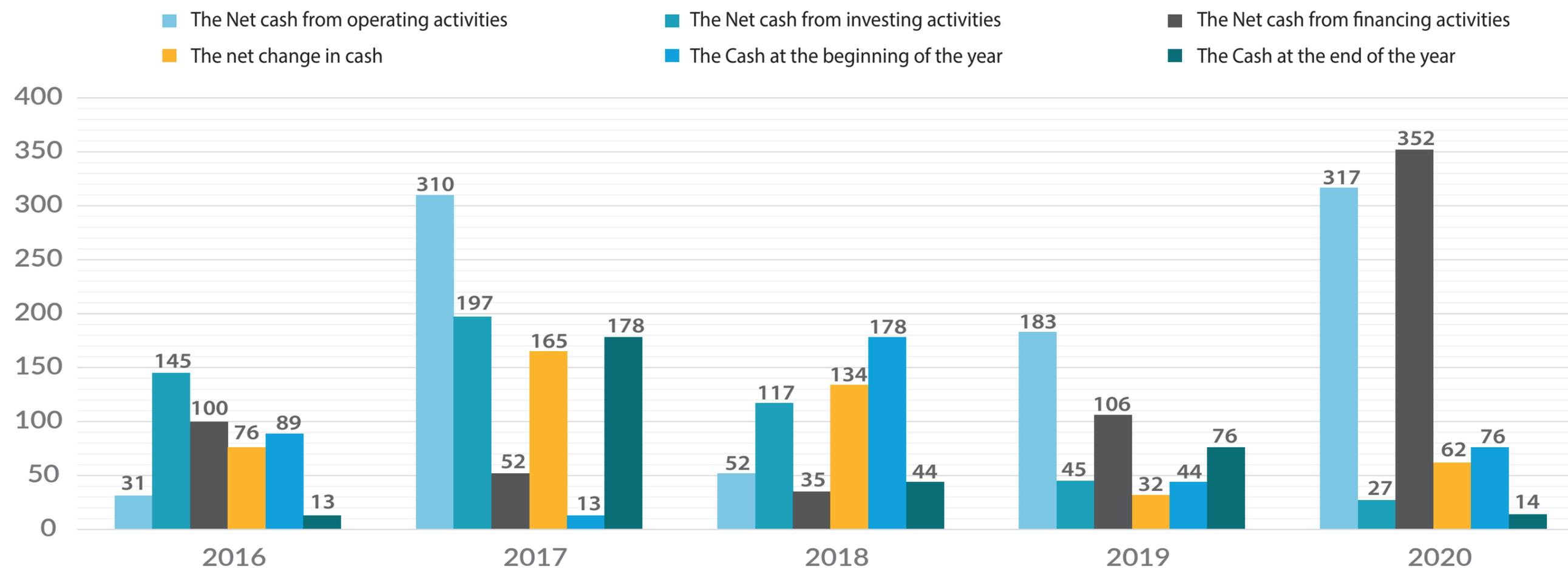
It is also noted that the shareholders' equity has increased from (1,371 million SAR) in 2016 - to (1,699 million SAR) in 2020, with a rate of (24%) approximately, with taking into consideration that the company has distributed Profits of (90 million SAR) for the year 2017.

GROUP LAST FIVE YEARS FINANCIAL RESULTS

The following table summarizes the cash flows for the year ended 12/31/2020 and the previous five years:

MILLION SAR

ITEM / YEAR	2020	2019	2018	2017	2016
NET CASH FROM OPERATING ACTIVITIES	317	183	(52)	310	(31)
NET CASH FROM INVESTING ACTIVITIES	(27)	(45)	(117)	(197)	(145)
NET CASH FROM FINANCING ACTIVITIES	(352)	(106)	35	52	100
NET CHANGE IN CASH	(62)	32	(134)	165	(76)
CASH AT THE BEGINNING OF THE YEAR	76	44	178	13	89
CASH AT THE END OF THE YEAR	14	76	44	178	13



THE PROFIT DISTRIBUTION POLICY

In accordance with the company's articles of association and the regulations for the distribution of profits in the internal corporate governance , the distribution of cash dividends is subject to the approval of the General Assembly based on the recommendations of the Board of Directors, taking into account various factors in this such as the company's financial position and its pledges that restrict the distribution of cash dividends according to the credit facilities agreements concluded by the company With its financing banks, as well as its current and expected business results, cash requirements and expansion plans. According to Articles no. (44) and (45) of the company's articles of association, the dividend policy, the place and date of the exchange, has been defined as follows:

ARTICLE (44) THE DISTRIBUTION OF PROFITS

The annual net profits of the company are distributed after deducting all general and other expenses as follows:

Ten percent (10%) of the net profits are appropriated to the statutory reserve. The Ordinary General Assembly may stop this exception when the said reserve reaches half of the capital.

- The Ordinary General Assembly may, upon the proposal of the Board of Directors, set aside a percentage of the net profits to form other reserves.
- From the remainder, a first payment equal to (5%) of the paid-up capital shall be distributed to the shareholders, based on the recommendation of the board of directors and the approval of the general assembly.
- The remainder is then distributed to the shareholders as an additional share in the profits, according to the recommendation of the Board of Directors and approval of the General Assembly.

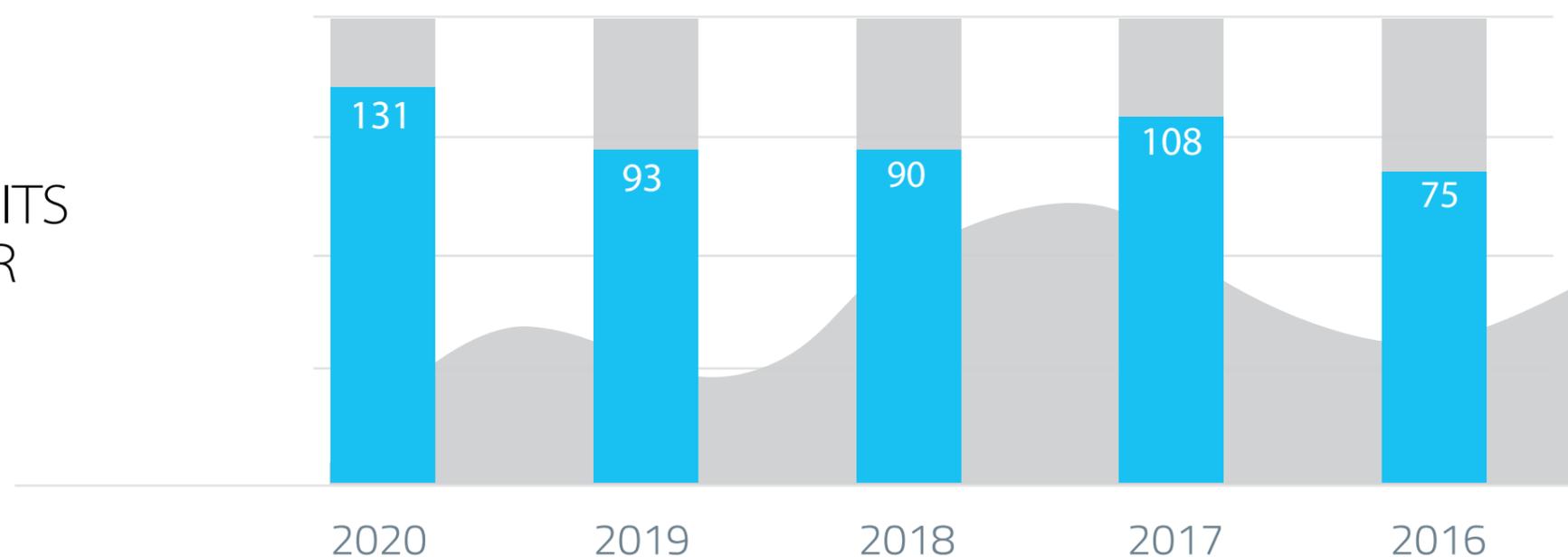
ARTICLE NO. (45) IT DETERMINED THE PLACE AND DATE FOR THE DIVIDENDS TO BE PAID

The Profits to be distributed to shareholders shall be paid at the place and dates specified by the Board of Directors, in accordance with the instructions issued by the Ministry of Commerce and Industry.

HISTORICAL CASH DIVIDENDS - MILLION (SAR)

	MILLION SAR				
THE STATEMENT	2020	2019	2018	2017	2016
NET PROFITS	131	93	90	108	75
AVERAGE NUMBER OF SHARES	120	120	120	120	120
TOTAL AMOUNT DISTRIBUTED	-	-	-	90	0
DIVIDEND RATIO TO NET PROFIT	%0	%0	%0	%83	%0

THE NET PROFITS
MILLION SAR



EQUITY AND DEBT INSTRUMENTS ACTIVITIES

- The company has not issued shares or debt instruments to any of its subsidiaries.

During the fiscal year ending on 12/31/2020 There was No interest belonging to persons other than (board members, senior executives, their spouses and minor children) in the category of shares eligible to vote.
- During the year (2020 G) - the company did not issue or grant any debt instruments convertible into shares or any contractual securities, subscription right notes, or similar rights, and There is No compensation the company obtained in return for that.
- During the year (2020 G) - the company did not issue or grant any transfer or subscription rights under debt instruments convertible into shares, any contractual securities, subscription right notes, or similar rights.
- The company or any of its subsidiaries did not purchase, refund or cancel any refundable debt instruments.
- The company has not made any arrangements or assignment agreement whereby any of the shareholders of the company waives his rights in the Profits.
- The company has not made any arrangements or assignment agreement whereby a member of the board of directors or a senior executive waives a salary or compensation.
- During the year (2020 G), the company did not make any investments or create other reserves for the benefit of the company's employees.

THE GROUP LOANS

Information related to any loans on the group (whether they are payable on demand or otherwise) and disclosure of the total debt of the company and its subsidiaries, any amounts paid by the company in repayment of loans during the year, the principal amount of the loan, the name of the Lender, its duration and the remaining amount:

Loans Provided by Commercial Banks

LENDER	PRINCIPAL OF THE LOAN	STARTING BALANCE OF THE LOAN	ADDED DURING THE YEAR	PRINCIPAL OF THE LOAN	PAID AMOUNT DURING THE YEAR	REMAINING AMOUNT
Arab Bank	362,500,000	5 years	312,500,000	-	302,500,000	10,000,000
SABB Bank	150,000,000	3 years	38,400,000	-	38,400,000	-
Samba Bank	115,000,000	Renewable Murabaha facility	-	73,200,000	73,200,000	-
Total	627,500,000	-	350,900,000	73,200,000	414,100,000	10,000,000

Loans provided by the Ministry of Finance

LENDER	PRINCIPAL OF THE LOAN	STARTING BALANCE OF THE LOAN	ADDED DURING THE YEAR	PRINCIPAL OF THE LOAN	PAID AMOUNT DURING THE YEAR	REMAINING AMOUNT
Ministry of Finance	374,300,000	20 years	358,000,000	-	-	358,000,000

This amount represents the balance of the loans granted by the Ministry of Finance, which is divided into government loans and grants in the consolidated financial statements and is processed according to the accounting policies stipulated in International Financial Reporting Standard No. (20).

THE STATEMENT OF INDEBTEDNESS ON THE GROUP

As OF 12/31/2020

ITEM	Mollion SAR SAR
Long-term loans and government grants	334,191,184
Short-term loans and government grants	55,042,077
Accrued expenses and other liabilities	192,586,690
Employees' end of service benefits	63,684,084
Trade payables	53,053,218
Zakat payable	19,883,931
The Lease contracts liabilities	17,911,223
Total	736,352,407

THE RISKS THAT THE GROUP COULD FACE

The risks faced by the Group have been divided into three main sections, which are as follows:

Risks related to activities and operations - but not limited to

The development in medical devices and technologies and the need to update them periodically

The health sector is characterized by rapid progress in medical devices and equipment and technical developments, so the group must constantly update its devices despite the high value in order to be able to provide distinguished and fast service to its customers, which may affect the company's business due to technological obsolescence.

Risks of high costs of attracting doctors, nursing staff, and medical personnel

Attracting and employing qualified medical and nursing staff to work in the group is among the difficulties it faces due to the limited number of medical personnel available in the Saudi market. Therefore, the failure of the group to attract and employ the best Medical Professionals experience to work in hospitals will affect the operational process and its achievement of occupational and financial goals.

The risk of medical errors

The group is exposed to medical errors that may be committed by its medical staff, and therefore the group cannot guarantee that such errors will not occur by its medical staff in the future despite its continuous procedures in monitoring the quality of the medical services provided.

Accordingly, the group is obligated (according to Article 41) of the Law on the Practice of Health services to bear the financial compensation that must be paid to the affected patient as a result of the medical error committed by one of its health practitioners' affiliates, and it is also possible that the group will not succeed in proving the basis of its claim to the insurance company for any reason. This could negatively affect the group and its financial position.

The Risks of price competition and maintenance of the contractual relationship

Competition has become the concern of everyone, and the market has many medical service providers, and the group strives to acquire the largest segment of customers by providing distinctive medical and treatment services that are not available to others and achieving a degree of competitive advantage and distinction over its competitors in order to achieve the highest levels of return.

The risks related to new projects in terms of location and cost

The real and final cost of these projects is considered to be more than the cost estimated by the group according to the studies that have been approved in this regard, and if this cost exceeds the expected cost, the group may have to resort to obtaining new financing to cover this increase, which leads to incurring the group new financing costs in addition to the potential impact on Profits.

Risks related to activities and operations - but not limited to

First: The competitive environment in general in terms of the services provided and comparing it to its counterparts in other entities.

Second: Restructuring of the medical care market in the Kingdom of Saudi Arabia.

Third: The Saudization, as the group exerts a lot of effort to implement the percentage determined by the Ministry of Labor despite the lack of national health Staff in the field of health care.

Risks which are related to common stocks

Distributing the Profits or not, which depends on the financial position of the group and other factors. Those factors may not be available that help the group to distribute Profits to its shareholders.

The company applies its internal governance regulations to implement more disclosure and transparency of the company's information. The company has adopted a governance system and internal governance regulations based on shareholders approval in the Ordinary General Assembly held on (12/26/2017 - 08/04/1439 H and the disclosure policy regulations about the information is an integral part of the corporate governance system and the internal governance regulations, and any shareholder can view it at the company's headquarters, and from these financial statements the following:

First: The company is committed to making the preliminary and annual financial results announcements on the dates specified by the authority.

Second: The company held an ordinary general assembly for shareholders on the date (05/03/2020 G - corresponding to 09/10/1441 H) in accordance with the requirements of the Capital Market "Tadawul" and the Capital Market Authority in terms of announcing the company's website on the "Tadawul" website and making an electronic vote on TADAWULATI site to vote on the items of each of them:

A. Approval of the Board of Directors' report for the fiscal year ending on (12/31/2019).

B. Approval of the auditor's report for the fiscal year ending on (12/31/2019).

C. Approval of the financial statements for the fiscal year ending on (12/31/2019).

D. W - Discharging the members of the Board of Directors from liability for the fiscal year ending on (12/31/2019).

E. Approval of the appointment of the AL-AZEM & SUDAIRI Accountants and Auditors to examine, review and audit the financial statements for the second, third, fourth quarters and the annual of the year (2020G) and the first quarter of the year (2021).

F. Approval of the business and contracts that will be concluded between the company and the Chairman of the Board of Directors, Mr. / Saleh Mohammed Al-Hammadi, in a direct interest, noting that the nature of the transaction consists of renting residential buildings for doctors and administrators, as the value of the deal for the previous year (2019G) was (8,239,000 SAR) note that there are no Preferential conditions .

G. Approval of the business and contracts that will be concluded between the company and the member of the Board of Directors, Mr. Mohammed Saleh Mohammed Al-Hammadi, a direct interest, noting that the nature of the transaction is Google services, messages and applications, and the transaction value for the previous year was (2019 G) - (367,915 SAR), noting that There are no preferential conditions.

H. Approval of the payment of remuneration to the independent members of the Board of Directors for the year ending (12/31/2019 G) in a total amount of (1,000,000.00 SAR)

Third: The company shall apply and abide by the corporate governance regulations issued by the Capital Market Authority, the corporate governance system, and the internal governance regulations.

Fourth: The company also provided all means to make information available and to provide it to the shareholders whenever requested.

IMPORTANT CONTRACTS AND AGREEMENTS WITH RELATED PARTIES

First: The members of the company's board of directors confirm that all the agreements concluded with the related parties do not include any preferential conditions, and that these contracts are renewed annually by the general assembly of shareholders for approval.

Second: During the year 2020 there are no contracts to which the company was a party and in which there is a substantial interest for any of the chairman and members of the board, the company's executive directors, the financial manager, the man administrative manager, or any person with a relationship other than what is mentioned in the report.

Third: Members of the Board of Directors confirm that it is not permissible for any member of the Board without a license from the General Assembly, to be renewed every year, to participate in any business that would compete with the company or to trade in any of the branches of the activity that it engages in.

Fourth: The following table shows corporate and lease contracts with related parties.

ITEM	SAR	DESCRIBING THE NATURE OF THE CONTRACT
Saleh Al-Hammadi and Abdulaziz Al-Hammadi	10,003,000	Residential rent
* Al Hammadi Company for Information Technology	1,645,928	SMS Short messages and technical support
** Aziz Company for Contracting and Industrial Investment	827,348	Support services and supplies
Shareholders' relatives	630,000	Residential rent
Total	13,106,276	

* Al-Hammadi Information Technology Company is owned by a member of the board of directors, Mr. Mohammed Saleh Al-Hammadi, and Internet technical support SMS (executive member), and the nature of dealing is with Google messages and applications.

** Mr. / Saleh Mohammed Hamad Al-Hammadi - The Chairman of the Board of Directors, is a major shareholder in the company and the nature of the dealings is support services and supply

ITEM	SAR	Nature of Dealing
The Major shareholders	679,887	medical services

Fifth: The following table shows the accounts receivable balances with related parties.

RECEIVABLES	SAR
Major shareholders	185,852
Key management personnel	24,254
Total	210,106

PAYABLES	SAR
Major shareholders	82,062

DUE AND PAID STATUTORY PAYMENTS (ZAKAT , VAT , GOSL , GOVERNMENT FEES)

The measures taken by the Board to communicate with shareholders the company is subject to the rules and regulations of the Department of Zakat and Income and Zakat is paid according to the instructions indicated by the Department for the fiscal year (2020G) .

Zakat provision Movement during the year 2020 (Million SAR)

ITEM	2020
The Balance as of (January 1)	16,6
Zakat provision for the year	14,9
Previous year's adjustments	4,9
Paid	(16,6)
Balance (December 31)	19,8

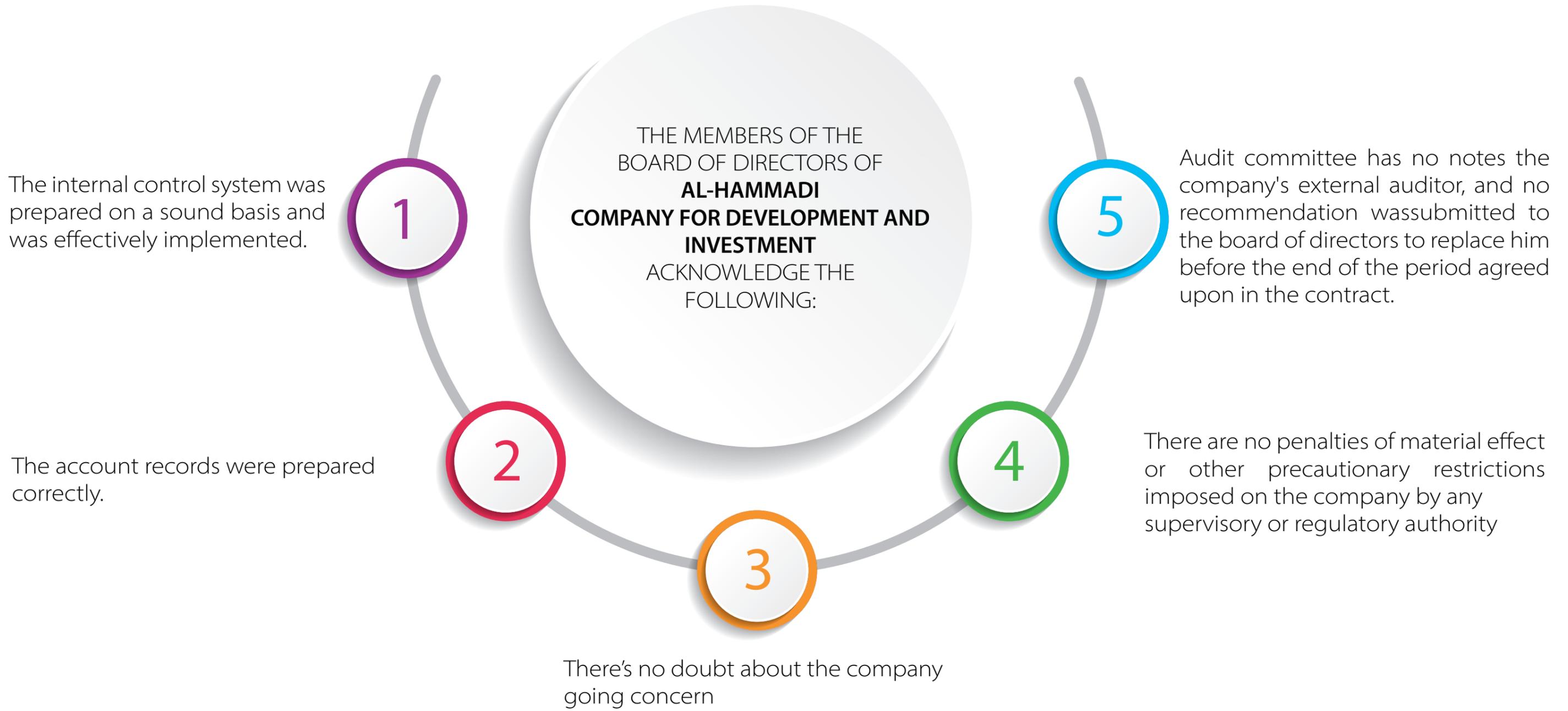
Statutory Pay mats during 2020

ITEM	2020
Al-Zakat	16,6
The Value added taxes	91,9
The Social insurance	12,6
The Government fees	21,8
Total	142,9

Actions taken by the Board to communicate with shareholders

The Board has appointed the Department of Shareholders Affairs in order to answer any inquiries of the shareholders on the qualifying numbers: (phone no./ 0112329999) - (fax no. / 0112319999)

BOARD OF DIRECTORS MEMBERS DECLARATIONS



THE BOARD DECISIONS AND RECOMMENDATIONS

There are no recommendations from the Board of Directors until preparing the report for the fiscal year 2020.

Investors according to the size of the ownership

OWNERSHIP SIZE - SHARE	NUMBER OF INVESTORS	NUMBER OF SHARES	OWNERSHIP PERCENTAGE (%)
More than a million	18	70,482,759	% 58.7
From (500 thousand) - less than a million	16	11,247,812	% 9.4
From (100 thousand) - less than (500 thousand)	98	17,763,171	% 14.8
From (50 thousand) - less than (100 thousand)	62	4,135,156	% 3.4
From (10 thousand) - less than (50 thousand)	412	8,582,700	% 7.2
From (5 thousand) - less than (10 thousand)	337	2,254,961	% 1.9
From (thousand) - less than (5 thousand)	1,531	3,103,628	% 2.6
Less than a thousand	44,322	2,429,813	% 2.0
Total	46,796	12,000,000	% 100.0

The Type of Investor

Type	NUMBER OF INVESTORS	NUMBER OF SHARES	OWNERSHIP PERCENTAGE (%)
Companies and institutions	241	39,821,088	% 33.2
Individuals	46,555	80,178,912	% 66.8
Total	46,796	120,000,000	% 100

The Conclusion

The Board of Directors of Al Hammadi Company for Development and Investment extends sincere thanks to our valued customers and shareholders for the trust granted to our company, and the Board affirms the company's endeavor always to develop its business and provide the highest medical levels to achieve everyone's aspirations.

The Board would like to thank all the company's employees for their continuous effort to develop performance, improve service, and provide health care services to our community with excellent quality in order to maintain the company's leadership position in the health sector.

Finally, the board extends its thanks and appreciation to the partners and makers of this success from governmental entities, insurance sector, civil authorities and everyone who contributed and participated in this mission.

May Allah's peace, mercy and blessings be upon you

**MR. / SALEH MOHAMMED HAMAD AL-HAMMADI
THE CHAIRMAN OF BOARD OF DIRECTORS**

**MR. / MOHAMMED SALEH MOHAMMED AL-HAMMADI
CEO**