

Annual Report

2021-2022

Board of Directors Report

To the Shareholders of Etihad Atheeb Telecom Company (GO)

For the fiscal year ending on March 31, 2022

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1- Establishment of the Company

Etihad Atheeb Telecom Company ("GO"), a Saudi joint-stock listed company, was established in accordance with Royal Decree No. M / 6, dated 19/2/1429 AH (corresponding to 26/02/2008 AD), announcing the establishment of the Company. The Company operates under Commercial Register No. 1010263273, issued in Riyadh on 30/02/1430 AH (corresponding to 25/02/2009 AD), and the license of the Communications and Information Technology Commission (CITC), dated 5/4/1430 AH (corresponding to 01/04/2009 AD).

This union is a strong partnership established with a capital of (1,000,000,000) one billion Saudi Riyals divided into (100,000,000) one hundred million shares, each of which is worth ten (10) Saudi Riyals, all of which are ordinary shares, fully paid. The union includes: "Atheeb Trading Company, its name was later changed to Bithar Trading Company, Nahla Trading and Contracting Company, Bahrain Telecommunications Company "Batelco", Traco Group Company, Atheeb Maintenance and Services Company, its name was later changed to Modern Reyadah for Environment Services, Saudi Internet Company, and Atheeb Company for the Computer and Communications, its name was later changed to Bithar Communications and Information Technology Company, and other partners".

The license obtained by "GO" includes the provision of the following: fixed (limited mobility) telecommunications services and wireless services such as telephone voice communications, data services, broadband services, and voice over Internet services; through 4G and 5G technologies and through fiber optic cables for all homes, business and government entities customers. This is in addition to the Information Technology (IT) services that the Company intends to implement in the future within its operations in the telecommunications sector in the Kingdom of Saudi Arabia. The Board of Directors recommended to the General Assembly held on 6/9/1432 AH (corresponding to 6/8/2011 AD) to reduce the capital from (1,000,000,000) one billion Saudi Riyals to (400,000,000) four hundred million Saudi Riyals by cancelling (60,000,000) sixty million of the Company's shares, at a reduction rate of 60% of the capital. After that, it was recommended to the General Assembly held on 20/02/1433 AH (corresponding to 14/01/2012 AD) to raise the capital by offering priority rights shares at a value of (1,175,000,000) one billion, one hundred and seventy-five million Saudi Riyals, so that the new capital becomes (1,575,000,000) one billion, five hundred and seventy-five million Saudi Riyals. "GO" called for an Extraordinary General Assembly meeting to approve and vote on the capital increase decision on 20/02/1433 AH (corresponding to 14/01/2012 AD), where the capital increase decision was approved and ratified. Accordingly, shares of the capital increase were offered at a value of (117,500,000) one hundred and seventeen million and five hundred thousand shares through the issuance of priority rights shares.

The Board of Directors also recommended to the Extraordinary General Assembly held on 13/07/1438 AH (corresponding to 04/10/2017 AD) to reduce the Company's capital by 60% in order to reduce the accumulated losses to below 50%, in line with the new Companies' Law so that the new capital, after the reduction, becomes (630,000,000) six hundred and thirty million Saudi Riyals. In response to the financial position of the Company, the Board of Directors recommended again to the Extraordinary General Assembly held on 27/05/1439 AH (corresponding to 13/02/2018 AD) to reduce the capital from (630,000,000) six hundred and thirty million Saudi Riyals to (472,500,000) four hundred and seventy-two million and five hundred thousand Saudi Riyals by cancelling (15,750,000) fifteen million and seven hundred and fifty thousand of the Company's shares, at a reduction rate of 25%. In view of the financial difficulties faced by the Company and the accumulated losses reaching half of the capital, and based on the recommendation of the Board of Directors, the shareholders of the Company agreed in the Extraordinary General Assembly held on 19/08/1440 AH (corresponding to 24/04/2019 AD) to reduce the Company's capital from (472,500,000) four hundred and seventy-two million and five hundred thousand Saudi Riyals to (350,529,000) three hundred and fifty million and five hundred and twenty-nine thousand Saudi Riyals by cancelling (12,197,100) twelve million, one hundred and ninety-seven thousand and one hundred of the Company's shares, with a capital reduction rate of 25.81%.

The Extraordinary General Assembly agreed, based on the results of the shareholders' vote on 03/07/1441 AH (corresponding to 27/02/2020 AD), to reduce the Company's capital from (350,529,000) three hundred and fifty million, five hundred and twenty-nine thousand Saudi Riyals to (228,529,000) two hundred and twenty-eight million, five hundred and twenty-nine thousand Saudi Riyals by cancelling (12,200,000) twelve million and two hundred thousand of the Company's shares, with a capital reduction rate of 34.80%.

Based on the recommendation of the Board of Directors, the Company's shareholders, in the Extraordinary General Assembly meeting held on 20/06/1443 AH (corresponding to 23/01/2022 AD), agreed to reduce the Company's capital by 60.62%, to reduce the accumulated losses to below 50%, in line with the new Companies' Law so that the new capital, after the reduction, becomes (89,999,000) eighty-nine million, nine hundred and ninety-nine thousand Saudi Riyals, by cancelling (13,853,000) thirteen million, eight hundred and fifty-three thousands of the Company's shares.

2- Company business and activities

"GO" provides the following services:

- Fixed telecommunications services in the Kingdom of Saudi Arabia.
- Fixed Broadband.
- Wired Internet services.
- Wired data services.
- Wireless Internet services.
- Wireless data services.
- Call center services.

3- Important Company news and decisions:

3-1 Approval of the appointment of an internal audit officer

On 08/04/2021 AD, the Board of Directors approved the appointment of Mr. Maher Abawi to work as the Internal Audit Officer at Etihad Atheeb Telecom Company (GO).

3-2 Formation of the Executive Committee

On 25/04/2021 AD, the Board of Directors approved the formation of an executive committee consisting of five members, as follows:

1. Dr. Eisa bin Yeslam Ba-Eisa – Chairman.
2. Dr. Yazeed bin Saleh AlSubaie – Deputy Chairman.
3. Mr. Hani bin Fahad Kattan – Member of the Board of Directors and Member of the Audit Committee.
4. Mr. Omar Sobhi Shanaa - Member of the Board of Directors and Member of the Audit Committee.
5. Mr. Saad bin Omar Albaiz - Member of the Board of Directors and Secretary of the Board.

3-3 Approval of the Executive Committee's Work Regulations

On 07/06/2021 AD, the Board of Directors approved the Executive Committee's Work Regulations in their final form.

3-4 Approval of the audited financial statements for the fiscal year ending on March 31, 2021 AD, and the annual report of the Board of Directors to the shareholders for 2020/2021 AD

On 29/06/2021 AD, the Board of Directors agreed to ratify the audited financial statements for the fiscal year ending on March 31, 2020, and the examination report, as received from the external auditor, and ratified the annual report of the Board of

Directors for 2020/2021 AD, and approved the data contained therein and the forms associated therewith in accordance with the instructions issued by the relevant authorities.

3-5 Approval of the appointment of financial and legal advisors to reduce or raise the Company's capital

On 05/07/2021 AD, the Board of Directors agreed to assign the Executive Management to appoint financial and legal advisors to reduce or raise the Company's capital.

3-6 Renewal of the agreement for the provision of internal audit services

On 07/07/2021 AD, the Board of Directors agreed, based on the Audit Committee's recommendation, to approve the renewal of the agreement for the provision of internal audit services with the internal audit services consultant, the office of Dr. Mohamed Al-Amri & Co. (BDO).

3-7 Approval of the remuneration policy for the members of the Board of Directors, the committees emanating from the Board and the Executive Management

On 28/07/2021 AD, the Board of Directors approved the remuneration policy for the members of the Board of Directors and the committees emanating from the Board and the Executive Management, provided that it is included in the agenda of the General Assembly at its first following meeting for ratification and final approval.

3-8 Adoption of a mechanism for disbursing allowance for attending the meetings of the Board of Directors, the committees emanating from the Board and the Executive Management

On 29/07/2021 AD, the Board of Directors approved the adoption of a mechanism for disbursing an allowance for attending the meetings of the Board of Directors, the committees emanating from the Board and the Executive Management.

3-9 Selecting and appointing an external auditor for the fiscal year 2021/2022

On 04/08/2021 AD, the Board of Directors approved the recommendation for the General Assembly to approve the selection and appointment of one of the two offices, Al Azem, Al Sudairy, Al Shaikh & Partners Legal Accountants and Auditors (Crowe), and Ibrahim Ahmed Al-Bassam & Co. (PKF) (Accountants and legal auditors), to carry out the quarterly audit work for the second, third and fourth quarters, and annual financial statements for the fiscal year 2021/2022 AD, as well as the first quarter of the fiscal year 2022/2023 AD, who submitted offers to the Company to carry out audit work.

3-10 Approving the financial statements for the first quarter ending on June 30, 2021 AD

On 19/08/2021 AD, the Board of Directors approved the financial statements for the first fiscal quarter, ending on June 30, 2021 AD, and the examination report prepared by the external auditor, M/s. Al Azem, Al Sudairy, Al Shaikh Legal Accountants and Auditors (Crowe) (the "Financial Statements").

3-11 Approval of the Executive Management's plan for the disposal of the towers

On 25/08/2021 AD, the Board of Directors agreed on the recommendation of the Audit Committee to approve the Executive Management's plan for the disposal of the towers.

3-12 Approval of the appointment of the consultant responsible for the IT transformation project

On 08/09/2021 AD, the Board of Directors approved the recommendation of the Executive Committee to select and appoint the consultant responsible for implementing the IT transformation project, M/s. Software Eskadenia Company.

3-13 Approval of the recommendation to the General Assembly to reduce the Company's capital

On 10/10/2021 AD, the Board of Directors agreed to recommend to the Company's General Assembly to approve the reduction of its capital by amortising (99.99%) of the total accumulated losses and to call for an Extraordinary General Assembly to approve the amortisation of losses by reducing the capital as soon as the Company obtains the approvals required by law from the relevant

authorities before the expiry of the statutory period specified for this, as stated in Article (150) of the Companies' Law issued by the Ministry of Commerce.

3-14 Authorising the Chairman of the Board of Directors to follow up and finalise the capital reduction

On 18/10/2021 AD, the Board of Directors agreed to authorise Dr. Eisa Ba-Eisa (Chairman) and Mr. Yahya Al Mansour (Chief Executive Officer) as representatives of the Company before the Capital Market Authority (the "Authority") for all purposes related to the Company's capital reduction ("capital reduction") and to sign and approve all documents related to the capital reduction.

3-15 Acceptance of the resignation of Mr. Omar Sobhi Abdel Karim Shanaa, a (non-executive) member from the membership of the Board of Directors, the Audit Committee and the Executive Committee

On 25/10/2021 AD, the Board of Directors agreed to accept the resignation of Mr. Omar Sobhi Abdel Karim Shanaa (non-executive member) from the membership of the Board of Directors, the Audit Committee and the Executive Committee for personal reasons.

3-16 Appointment of Mr. Ehsan Amanallah Makhdom to fill the vacancy in the membership of the Audit Committee

On 31/10/2021 AD, the Board of Directors approved the appointment of Mr. Ehsan Amanallah Makhdom as a member of the Audit Committee (an independent external member).

3-17 Approval of the interim condensed financial statements for the three- and six-month period ending on September 30, 2021 (second quarter) and the examination report

On 08/11/2021 AD, the Board of Directors agreed to approve the financial statements and the examination report for the period referred to above, provided that the Executive Management of the Company announces and publishes the financial results for the mentioned period on the official website of the Saudi Stock Exchange (Tadawul) within the specified period, and provides the Authority with copies of the financial statements according to the practice.

3-18 Acceptance of the resignation of Mr. Hani bin Fahad bin Jamil Kattan (Non-Executive Member) from the membership of the Executive Committee

On 10/11/2021 AD, the Board of Directors agreed to accept the resignation of Mr. Hani bin Fahad bin Jamil Kattan (Non-Executive Member) from the membership of the Executive Committee for personal reasons.

3-19 Approval of the appointment of Mr. Isa Abbas Isa Alsabea (Non-Executive) in the Executive Committee

On 10/11/2021 AD, the Board of Directors approved the appointment of a member of the Board of Directors representing the Bahrain Telecommunications Company (Batelco), Mr. Isa Abbas Isa Alsabea (Non-Executive), in the Executive Committee of Etihad Atheeb Telecom Company.

3-20 Approval of the grace period granted by the Communications and Information Technology Commission to fulfil the Company's obligations regarding the deployment of the frequency spectrum network

On 05/12/2021 AD, the Board of Directors approved the grace period granted by the Communications and Information Technology Commission to fulfil the Company's obligations regarding the deployment of the frequency spectrum network.

3-21 Approval of scheduling the rest of the CEO's remuneration for the second six-month period of the first year of the employment contract signed between him and the Company

On 05/12/2021 AD, the Board of Directors agreed to schedule the remainder of the CEO's remuneration for the second six-month period of the first year of the employment contract signed between him and the Company.

3-22 Approval of what has been reached regarding balance reconciliation between the Company and Bahrain Telecommunications Company (Batelco)

On 07/12/2021 AD, the Board of Directors approved what has been reached regarding balance reconciliation between the Company and the Bahrain Telecommunications Company (Batelco).

3-23 Approval to increase the Company's capital

On 19/12/2021 AD, the Board of Directors approved a recommendation to the Extraordinary General Assembly to increase the Company's capital through the issuance of rights issue shares are a value of (350,000,000) three hundred and fifty million Saudi Riyals, divided into (35,000,000) thirty-five million new ordinary shares at an offer price of (10) ten Saudi Riyals per share, after obtaining the required approvals from the competent authorities.

3-24 Approval of the financial statements for the third quarter ending on December 31, 2021 AD

On 06/02/2022 AD, the Board of Directors approved, based on the recommendation of the Audit Committee and the examination report prepared by the external auditor, Al Azem, Al Sudairy, Al Shaikh Legal Accountants and Auditors (Crowe), the financial statements for the third quarter, ending on December 31, 2021 AD.

3-25 Appointment of Mr. Faisal Mohammed Nazeeh Qamhiyah as a (non-executive) member in the Board of Directors representing the Bahrain Telecommunications Company (Batelco) in replacement of the member of the Board of Directors Shaikh. Mohamed bin Khalifa Al khalifa

On 06/03/2022 AD, the Board of Directors approved the appointment of Mr. Faisal Mohammed Nazeeh Qamhiyah as a (non-executive) member in the Board of Directors representing the Bahrain Telecommunications Company (Batelco) to replace the member, Sheikh. Mohammed bin Khalifa Al Khalifa, as of 01/03/2022 AD, provided that the new member completes the term of his predecessor until the end of the current (fourth) session.

3-26 Authorising Dr. Eisa Ba-Eisa, Mr. Isa Alsabea and Mr. Yahya Al Mansour as representatives of the Company to complete all procedures related to the issue of the frequency spectrum

On 28/03/2022 AD, the Board of Directors agreed that Dr. Eisa Ba-Eisa, Mr. Isa Alsabea and Mr. Yahya Al Mansour, be collectively authorised by the Company's Board of Directors to complete all procedures related to the issue of the frequency spectrum, to negotiate with other companies in this regard and reach a final agreement, to carry out all the necessary actions and procedures before all governmental, semi-governmental and private agencies, to sign all the required documents to finalise the issue of the frequency spectrum, and refer to the Board of Directors in the event of a fundamental change in what was presented to the Board.

3-27 Authorising the CEO of the Company, Mr. Yahya Al Mansour, as a representative of the Company, to complete all procedures related to the issue of towers with Tawal Company

On 28/03/2022 AD, the Board of Directors agreed to authorise Mr. Yahya Al Mansour, CEO of Etihad Atheeb Telecom Company, to negotiate and reach a final agreement and sign all the documents necessary to finalise the issue of the towers with Tawal Company in light of what was presented to the Board.

4- Plans, operations, and future expectations for the Company's business

4-1 Network and service delivery:

4-1.1 Network Deployment

"GO" has spread its network in thirteen cities of the Kingdom: Riyadh, Jeddah, Mecca, Rabigh, Madina, Yanbu, Khamis Mushait, Dammam, Al Jubail, Al Khobar, Al Hofuf, Al Qatif, and Hail. "GO" continued to expand its reach through partner networks by promoting trade agreements and modernizing its interconnection networks to meet the needs of corporate customers. In addition, being one of the main operators providing Internet services, the Company has contributed to the initiative of the

Communications and Information Technology Commission for the fixed broadband service. This enabled the Company to expand its presence throughout the Kingdom through fiber-optic networks owned by all fixed service operators. The Company has fulfilled all its obligations under this initiative which has been promoted by the Communications and Information Technology Commission, and has achieved full integration between its systems and the information technology systems of all other fixed line operators, which enabled the Company to provide fiber-optic service to individuals and corporates.

This step allowed to increase the spread of "GO" services to cover other regions in the Kingdom. Thus, it is able to provide fixed-line phone service and the Internet at high speeds to a larger segment of users. Furthermore, the Company has contributed to the "fixed number portability" initiative launched by the Communications and Information Technology Commission.

"GO" continued its services to its valued customers in the business sectors as well as individuals in homes. "GO" has also expanded its capacity and coverage in main business areas in Riyadh, Jeddah and Mecca region and provided the optical fiber network service to some industrial cities and zones such as (the second industrial city in Jeddah) and (the industrial zones in the cities of Riyadh, Jubail, Dammam and Khobar), and thus it has met the broadband service requirements of the customers.

"GO" continued to modernize and expand its international voice over Internet services (ISP, Voice Network) to fulfill its commitment to provide the best services to customers.

The significant growth in the demand for faster and larger data transmission and the strong increase in sales have resulted in a growth of 35% in the demand for international data transmission and the ISP network and subsystems.

Therefore, "GO" has strengthened and developed interconnection with new sites worldwide to provide better services to the individual and business sectors, including the global interconnection destinations of London, Paris, Marseille, Palermo, Frankfurt, Dubai and Bahrain.

"GO" has also expanded its content delivery network (CDN) by increasing the speeds of interconnection with global content delivery partners, such as Google, YouTube, Snapchat, Facebook, Netflix and Akamai, which had a very positive impact on the customer experience, resulting in lower operational costs due to the subsequent decrease in the demand for international connectivity.

In addition, "GO" has modernized the BNG and AAA systems used in broadband services provided to the individual and business sectors, by purchasing new equipment provided by one of the world's leading companies in this field.

"GO" has also implemented a new voice services network to increase the required capacities and provide new features.

"GO" launched the new SD-WAN service to enhance its services in the market, as the SD-WAN service requires the use of software to implement and manage large networks, including virtualization (NFV) of routers, firewalls and network centralization technologies. We expect this initiative to open up a new revenue opportunity in the coming year as the Kingdom's business sector continues to grow.

"GO" has also initiated a comprehensive network modernization project for both the core network and the access networks, and it plans to cope with market trends and remain up to the level of its customers' expectations in the individual and business sectors.

The initial phase has been completed and the Company is preparing to initiate the second phase.

The first phase of GO's cloud services has been completed, and the second phase has already been initiated to provide greater capacity and integrated services, adding more flexibility and features to GO's cloud offerings.

4-1.2 Network Technology

"GO" expanded the capabilities of IP MPLS Layer 2 aggregation networks, and Internet service providers (ISP) for individual and business customers in order to provide the available broadband service through interconnection between optical fiber operators under the supervision of the Communications and Information Technology Commission. Meanwhile, "GO" continued to develop interconnection networks to provide LTE services in agreement with local partners.

The Company started to modernize the fixed voice call network for business and home sectors through SIP TRUNKS.

The Company continues to use PTP and PTM wireless access networks to serve business sector, and also continues to expand the reach of the optical fiber network to some business centers in Riyadh and Dammam to provide high-speed data and Internet service for business sector and, at the same time, it uses this infrastructure to add the needed flexibility and protection to GO's core network.

"GO" continues to follow up technological advancement in the field of fixed wireless networks (pre-5G and 5G) and is in a permanent contact with pioneering developers and manufacturers of equipment and systems in order to plan to modernize and upgrade its access network. It has reached the final stages of completion of the strategy that will be followed in this regard.

In addition to the above, "GO" has enhanced procedures in the area of operation and maintenance in order to provide the best services for business and individual sectors by maximizing the utilization of internal and external resources. This has been positively reflected in the network KPIs and the reduction of operational costs as well.

4-1.3 Network Development

"GO" has concentrated on network development in the fields of infrastructure and services. To this end, "GO" targeted the development of core networks and access networks to increase their ability to transfer data at faster speeds. In addition, access networks have been re-examined and all necessary updates have been made in view of the market's shift to providing broadband service.

"GO" continues to develop the Internet service provider (ISP) network at the local and international levels, and increase the speeds and capacities for data that can be provided to customers, in addition to improvements to the core network. Also, the coverage of the IP-MPLS network has been expanded from the core network to the access network by increasing the capacity and specifications of the core network equipment in certain areas, including the business sector.

"GO" also ensured to upgrade and update the specifications of equipment in currently-served cities and the access network services provided to its customers.

4-1.4 IT Equipment

"GO" continued its investments in expanding its main data center in Riyadh to host and meet the needs of customers.

It is considered the basis for providing distinguished services to the business sector, especially emergency services sector and centers for business continuity. The data center has been designed, built and implemented in accordance with Tier3 standards, which are considered among the highest levels of classification in the Kingdom and the region. In addition, "GO" has gone through a rigorous audit process by certified international consultants and auditors to verify the compliance of its data center with the TIER-III standards, and has obtained official certification.

"GO" has witnessed a continuous rise in business and government customers who have obtained shared hosting services at approved and certified data center locations. "GO" has also taken rapid steps towards growth through its dependence on highly-qualified Saudi and international workforce in information technology, which has taken upon itself the responsibilities of developing and maintaining systems.

4-1.5 Company's assigned frequency spectrum

"GO" has obtained frequencies in different bands from the Communications and Information Technology Commission to be used in wireless links to connect its towers and various network centers, in addition to frequencies for providing broadband data.

4-1.6 Optical fibers and international communication circuits

"Go" has previously leased high-capacity fiber-optic transmission (Lambda) circuits for a period of fifteen years for the so-called Irrevocable Right of Use (IRU) from Bayanat Al-Oula on the Optical Fiber Network (SNFN), in the form of two separate circuits that cover the cities of (Riyadh, Jeddah, Mecca, Madina, Dammam, Khobar) in order to link its operations in those cities.

To meet the ever-increasing and continuous demand in both the individual and business sectors, "GO" continues to lease the required capacities of interconnection through long-term and short-term contracts with local and international telecommunications companies. As a result, "GO" has achieved a growth in band usage by 70% compared to last year.

In addition to the existing national and international interconnection with various destinations, "GO" has strengthened its global and local interconnection capabilities by acquiring new long-term and short-term interconnection lines.

The interconnection infrastructure includes the following:

- Two high-capacity transmission (Lambda) circuits with an Irrevocable Right of Use (IRU) from Bayanat Al-Oula on the Optical Fiber Network (SNFN).
- High-capacity transmission between the central and western regions to increase flexibility and meet the requirements of high-speed transmission.
- Direct connection with the national interconnection and Internet exchange points.
- Connection with the Internet exchange point in Dubai by land.
- Direct connection with the Bahrain Internet exchange point, for direct interconnection with Amazon. "GO" made a direct connection with the Bahrain Internet exchange point for interconnection with Amazon.
- Increasing international interconnection capacity through a new high-capacity link to Frankfurt.
- National connection for primary and backup delivery services.

4-2 Commercial Operations:

4.2.1 Strategic partnership with the Saudi Telecom Company (STC)

This partnership has a great impact on the expansion of the Company's business in many directions, in terms of increasing the number of products and expanding the coverage area to include most regions of the Kingdom, and among the most important services provided within this partnership is the optical fiber service for individuals and homes and the fourth generation LTE services for individuals. "GO" also provides solutions to the business sector by providing Internet services and interconnection via optical fibers.

4.2.2 Company services

"GO" services to the individual sector have diversified over the past years to include broadband service via fiber optic home services (FTTH), broadband over the fourth generation LTE technology, in addition to WiMAX technology, which increased the diversity of the Company's services to its customers.

"GO" has also expanded its services to the business sector to include Internet solutions, interconnection, managed services, and information technology (ICT) solutions to serve companies and government agencies, such as dedicated Internet services, virtual private network, maintenance and operation services for local networks, and network installation and operation services. "GO" is entering into local and international partnerships with many companies to provide cloud services and hosting services, which will enable the Company to acquire a larger market share.

Voice services for the business sector have also varied from geographic numbers, standard numbers (9200xxxx), and toll-free numbers. The voice services for the business sector have received wide acceptance from customers in various private and government sectors. Currently, some branches of the government sectors rely on the voice services provided by "GO" completely.

"GO" has worked to develop the business sector and increase its workforce of sales teams, sales engineers and sales support teams, and has developed a set of distinct solutions for high-speed Internet services, local and international connectivity, and voice services, via wireless links and optical fiber technology, and expanded coverage to include most the regions of the Kingdom where these services are provided in record time and with high quality.

4.2.3 Points of sale and distribution

"GO" is keen to reach all segments of society and provide its services and products to individuals and the business sector alike. "GO" has concluded many agreements with leading companies with a number of large points of sale and companies based on the distribution of the Company's products to the points of sale of computers, communications and retail companies spread throughout the Kingdom. Thus, the number of points of sale for the Company's products reached more than (700) seven hundred points of sale.

In addition to the points of sale, the Company has created a telephone sales department that targets all potential customers and those wishing to subscribe by convincing them of products that suit their requirements through several options on offer. "GO" provides free delivery service to the location of the customer.

4.2.4 Customer Service

Customer service and after-sales services are considered one of the most important strategic pillars in the important development that "GO" is witnessing. In order to provide a service that meets the client's aspirations, "GO" has invested in restructuring and rehabilitating the customer service center, attracting and developing young and ambitious Saudi competencies capable of understanding the client's needs and dealing with them effectively and with quality. The role of the technologies used also had a major role in developing the level of service, as efforts were focused on using modern multi-channel technical media that ensure fast service and a smooth and coherent experience through all channels of communication with customers, whether through the call center, social media channels, or the Company's website.

4.2.5 Competition

It is no secret to any market follower the fierce competition in it, as price offers and discounts appear constantly by mobile services companies, and "GO" is keen to educate the customer that its services are home and stable to serve the whole family while highlighting audio services as an added value to Internet services.

The Communications and Information Technology Commission issued its decision to classify telecommunications companies according to the classified markets in the report on determining, classifying and controlling markets in the telecommunications sector (2017 AD/1439 AH). This decision aims to regulate competition in the markets specified in the aforementioned report. However, the delay in applying the regulatory procedures to companies classified according to the Report of the Commission for the Classification of Markets in the Telecommunications Sector (2017 AD/ 1439 AH) has resulted in difficult competition in the telecom market.

4.2.6 Community service and social development

Since its incorporation, "GO" has been keen to play its community role in various fields and circumstances. For example, the Company has played a positive role, in implementation of the vision of our rational government, by trying to mitigate the effects of the coronavirus pandemic by launching educational internet packages at affordable prices to all segments of society, which contributed greatly to helping male and female students to complete their educational path during the distance learning period. In addition, in order to support community participation, "GO", in cooperation with the Saudi German Hospital in Riyadh, has promoted the World Blood Donor Day, as the Hospital staff visited the headquarters of the Company in the city of Riyadh, and distributed awareness brochures about blood donation and its benefits to the Company's employees. The Company has also coordinated with the Hospital to facilitate blood donation by the Company's employees at any time.

4.3 Human Resources

As a continuation of "GO" strategy in previous years, the Human Resources Department has paid attention to the human element and attracted good human resources. The Human Resources Department has, until the end of the fiscal year 2021/2022,

employed 143 permanent employees, of whom approximately 69% are Saudis, in various departments and divisions of the Company. In light of the strong competition between companies in the Saudi labor market to attract qualified local and foreign human resources, and with the increasing demand for localizing jobs, attracting and retaining these resources has become one of the strongest challenges facing companies. This, in turn, caused high rates of salaries and benefits offered by major companies, which led the employee to move towards companies with higher salaries. The Human Resources Department focused in this period on raising the efficiency and productivity of the employee, benefiting from the human element and supporting work needs.

4.4 Future expectations for the Company's business:

4-4-1 Fixed connections

Studies indicate that the number of lines operating in the Kingdom for fixed Internet service by the end of 2020 amounted to about 2.19 million housing lines, which represents about 35.6% of the total lines operating during the year 2020. The broadband initiative was also launched, enabling the Company to grow, as the homes covered by fiber service reached 3.5 million.

As for the business sector, it may flourish with the prosperity of economic and commercial activity in the country and the achievement of Vision 2030. This means that "GO" has a great opportunity to expand its fixed-line services, and obtain a larger market share, by targeting the business sector with promotional offers and modern distinguished services, and targeting the individuals and homes sector at competitive call rates.

4-4-2 Broadband services over fixed telecommunications networks

The demand for broadband services has increased recently, compared to previous years. This is after many government procedures have become carried out through electronic transactions. This increase was also driven by the spread of the use of Internet services in society, as it became a major source of communication, access to information and business management, using many programs and applications that are downloaded; such as social networking applications, business applications, word processing, chat programs, games and others, and these applications require large download capacities and high speeds.

This is a promising opportunity for the Company's future to target the increasing demand for fiber-optic services and provide different speeds and packages to suit customers' requirements and wireless services. "GO" has not neglected the business sector in its future plans to expand the provision of modern technical solutions, fiber-optic connectivity services and wireless links. Whereas, "Go" Company carried out drilling operations for fiber optic service in the cities of Riyadh and Dammam, in order to reach a larger share of the business sector.

4.5 Products provided by the Company:

4-5-1 Individuals sector services

4-5-1-1 Fiber Broadband (FTTH)

The Company provides high-speed Internet service with multiple speed options of up to 500 Mbps via the fiber optic technology.

4-5-1-2 LTE Broadband

The Company offers broadband Internet service "LTE Broadband" which provides optimal speeds for sending and receiving data over the network, allowing the customer to enjoy a new Internet experience, whether for instant Internet surfing, downloading large files, playing online games, or watching live broadcasts at a constant speed.

4-5-2 Business sector services

4-5-2-1 Voice and fixed phone line solutions (GO Tel) SIP Trunk

This technology enables the integration of fixed voice services into a single network. GO Tel is designed to help customers optimize infrastructure costs and ensure that their employees can communicate easily and efficiently via voice-over-IP data communications. This technology also enables direct inward dialing (DID) and direct outward dialing (DOD), with the ability to use standard and toll-free numbers.

4-5-2-2 Virtual Private Network Solutions (VPN - GO Secure)

The VoIP VPN service enables the connection of two or more sites, buildings or branches through a single virtual private network that allows for a flexible and continuous exchange of data and applications between different users.

4-5-2-3 Dedicated Internet Access (DIA - GO Net)

This service provides dedicated Internet access to customers and ensures that data and applications are transmitted reliably, securely and without sharing, even during network peak times. This service is available with a variety of access speeds, including direct Internet access via microwave technology, or direct Internet access via fiber-optic technology.

4-5-2-4 Global Network Connectivity (GMPLS - GO Global Secure)

This service includes providing (i) international connectivity with any location in the world; (ii) high reliability of data transmission through direct connection; and (iii) support around the clock through a specialized team of customer support engineers working to ensure the optimal performance of network connections without any service interruptions around the clock, seven days a week.

4-5-2-5 Data Center Solutions (GO Co-Location)

The Company provides a space rental service in its data center to host servers and networking equipment for its customers. This service helps reduce costs and mitigate risks related to data centers, as the customers resort to the Company to host, operate and maintain their servers and network connectivity.

4-5-2-6 Protection against Distributed Denial-of-Service (DDoS) Attacks

This service includes cyber security services to protect customers' networking and equipment against Anti-DDoS attacks.

4-5-2-7 Managed Router Service (MRS)

The Company provides router management and maintenance services and solves router problems to ensure a continuous, effective and optimal operation of routers for customers. This service helps reduce operational costs and ensures service continuity and security, and thus business continuity for customers.

4-5-2-8 Cloud Computing Service (GO Cloud)

The Company provides a virtual data center service to customers, as it provides a cloud infrastructure with high flexibility and speed in operation at international standards that are consistent with the regulations of the Saudi market.

4.5.3 Wholesale services:

The Company provides wholesale options to operators and carriers inside and outside the Kingdom.

4-5-3-1 Passing international calls and interconnection services

"GO" made agreements with a number of local and international operators by passing voice calls to fixed and mobile communications. This makes interconnection services one of the sources of additional revenue that achieves an adequate profit margin.

5. Company assets and liabilities and annual business results

5.1 Statement of financial position

Description	March 31, 2018 (Audited) SAR	March 31, 2019 (Audited) SAR	March 31, 2020 (Audited) SAR	March 31, 2021 (Audited) SAR	March 31, 2022 (Audited) SAR	Clarifications
Current Assets	329,149,041	397,152,533	469,741,092	303,690,232	259,182,502	Decreased due to decrease in AR - customer accounts
Non-current Assets	1,064,107,142	992,230,890	1,183,168,388	731,455,063	586,265,525	Decreased due to decrease in intangible assets and rights of use assets
Total Assets	1,393,256,183	1,389,383,423	1,652,909,480	1,035,145,295	845,448,027	As mentioned above
Current Liabilities	806,340,009	980,531,920	1,090,366,566	450,023,421	441,756,477	Decreased due to decrease in lease liabilities and Zakat provision despite the increase in credit liabilities and other credit liabilities
Non-current Liabilities	302,967,079	186,613,615	411,801,066	473,382,514	329,695,734	Decreased due to decrease in credit liabilities and lease liabilities
Total Liabilities	1,109,307,088	1,167,145,535	1,502,167,632	923,405,935	771,452,211	As mentioned above
Shareholders' Equity	283,949,095	222,237,888	150,741,848	111,739,360	73,995,816	Decreased due to accumulated losses
Total Liabilities and Shareholders' Equity	1,393,256,183	1,389,383,423	1,652,909,480	1,035,145,295	845,448,027	As mentioned above

6. Company and subsidiaries' revenues

6.1 Subsidiaries and details of the shares and debt instruments issued for each of them:

There are no subsidiary companies at the present time and therefore "GO" does not own any shares in any subsidiary or associate company, and it has not issued any debt instruments related to this type of company since the date of incorporation until the date of this report. In the future, "GO" will disclose the data of the subsidiary companies and their activities and the countries where their main operations and their place of incorporation are, details of ownership of shares therein, and any details related to debt instruments if they acquire shares therein, Allah willing.

6.2 The main activities of the Company

Activity (1): Providing Internet service (broadband) to the individual and business sectors.

Activity (2): Providing audio services and interconnection for the individual and business sectors.

The impact of these main activities on the Company's business volume and their contribution to the results are as follows:

The main activities	Activity revenues (SAR)	Percentage
Activity (1): Internet service (broadband) to the individual and business sectors	300,457,599	79%
Activity (2): audio services and interconnection for the individual and business sectors	78,096,166	21%
Total	378,553,765	100%

6.3 The Company's total revenue analysis

Description	March 31, 2018	March 31, 2019	March 31, 2020	March 31, 2021	March 31, 2022	Clarifications
	Saudi Riyal	Saudi Riyal	Saudi Riyal	Saudi Riyal	Saudi Riyal	
Broadband	358,635,520	321,479,982	285,126,432	249,183,505	300,457,599	Increased as a result of higher LTE, FTTH and business sector revenue
Audio services and interconnection	121,185,293	99,610,958	54,474,622	32,916,164	78,096,166	Increased as a result of higher interconnection revenue
Total revenue	479,820,813	421,090,940	339,601,054	282,099,669	378,553,765	

The provision of the Company's main services (fixed and limited mobility communications, voice services and the Internet) resulted in achieving operating revenue of (378,553,765) three hundred and seventy-eight million, five hundred and fifty-three thousand, seven hundred and sixty-five Saudi Riyals, which represent the results of the Company's main activity until 31/3/2022.

6.4 A geographical analysis of the Company's revenues

NO.	Year	A geographical analysis of the Company's total revenues		
		Geographical area	Total revenue	Total
1	2020/2021	Abha	891,034	SAR 303,686,036
2		Al Ahsa	14,927	
3		Al Kharj	782,871	
4		Al Khobar	16,572,745	
5		Ar Rass	68,949	
6		Buraydah	887,812	
7		Dammam	5,079,721	
8		Hafar Al Batin	791,354	
9		Hail	439,746	
10		Al Hofuf	906,210	
11		Jazan	194,486	
12		Jeddah	24,165,587	
13		Al Jubail	1,509,587	
14		Khamis Mushait	796,891	
15		Medina	2,849,544	
16		Makkah	1,101,459	
17		Najran	379,446	
18		Unayzah	70,288	

19		Al Qatif	77,500
20		Riyadh	245,456,173
21		Tabuk	209,831
22		Taif	194,166
23		Yanbu	226,838
24		Abu Al-Rish	1,051
25		Al-Bahah	1,986
26		Hautat Sudair	1,013
27		Al Majma'ah	1,120
28		Muhayil Asir	4,447
29		Al Qunfudhah	1,145
30		Rabigh	1,480
31		Ras Tanura	2,184
32		Sharorah	2,231
33		Turaif	989
34		Al Wajh	1,223

6.5 Operational information of the Company's activities compared to the previous year (Saudi Riyals)

Description	The year ended on March 31, 2022	The year ended on March 31, 2021	Changes Positive or Negative	Percentage change (%)
Operational revenue	378,553,765	282,099,669	96,454,096	34%
Cost of services	(286,710,000)	-226,730,533	59,979,467	26%
Operating expenses	(136,690,984)	-190,089,864	-53,398,880	-28%
Other income	29,354,479	102,168,358	-72,813,879	-71%
Operating loss	(15,492,740)	(32,552,370)	-17,059,630	-52%
Gross profit (gross loss) for the year	(37,743,544)	(39,002,488)	-1,258,944	-3%

- Operational revenues increased by (96,454,096) ninety-six million and four fifty four hundred thousand and ninty Saudi Riyals compared to the previous year, mainly due to:
 - Increase in business sector revenues by (26,500,000) twenty-six million and five hundred thousand Saudi Riyals.
 - Increase in fiber optic service (FTTH) revenues by (10,500,000) ten million and five hundred thousand Saudi Riyals and increase in high-speed broadband (LTE) revenues by (20,100,000) twenty million and one hundred thousand Saudi Riyals.
 - In the same period, the revenues of the broadband (WIMAX) decreased by (440,000) four hundred and forty thousand Saudi Riyals.
 - Increase in interconnection revenues by (40,600,000) forty million and six hundred thousand Saudi Riyals, and wholesale sales (Dark Fiber) increased by (811,000) eight hundred and eleven thousand Saudi Riyals.

- The increase in service costs is due to the increase in costs of rented spaces, inventory and fixture costs, personnel costs and government fees.
- Operational expenses decreased by (53,400,000) fifty-three million and four hundred thousand Saudi Riyals, as a result of: a decrease in impairment loss on property and equipment by an amount of (93,400,000) ninety-three million and four hundred thousand Saudi Riyals, and an increase in administrative and general expenses by an amount of (37,300,000) thirty-seven million and three hundred thousand Saudi Riyals, and impairment losses in trade receivables decreased by an amount of (10,600,000) ten million and six hundred thousand Saudi Riyals, and selling and marketing expenses increased by (13,300,000) thirteen million and three hundred thousand Saudi Riyals.
- The decrease in the total comprehensive loss for the current year by an amount of (1,300,000) one million and three hundred thousand Saudi Riyals is due to the increase in income.

6.6 Compliance with the accounting standards issued by the Saudi Organization for Certified Public Accountants

"GO" is fully committed to applying all accounting standards issued by the Saudi Organization for Certified Public Accountants in all its operations and accounts and in preparing its financial statements, and making sure that there are no significant differences in this regard.

The annual financial statements have been prepared in accordance with the International Financial Reporting Standards approved in the Kingdom of Saudi Arabia and other standards and publications issued by the Saudi Organization for Certified Public Accountants.

7. Potential Company risks

It is clear that any economic sector has potential risks, and there is no doubt that "GO" has some risks that impede its operations according to the steady developments in the telecommunications sector inside and outside the Kingdom of Saudi Arabia, especially the entry of new competitors, the unified license granted to Zain and Mobily, the fixed license granted to Integrated Telecom Company, which is of the same core as "GO" license (fixed phones), the high intensity of competition, the tremendous technological development in communication technologies and the rise in their cost.

Also, one of the risks that exacerbate competition is the ability of Internet Service Providers (ISP) to sell the same telecommunications company's services to the business sector, which may cause a decrease in the profits of telecommunications companies, including "GO" Company.

On 02/12/2021 AD, the Company received a letter stating that the Commission's Board of Directors agreed to grant the Company an additional and final grace period of six months ending at the end of the second quarter of 2022 AD, for fulfillment of the Company's obligations and deployment of the network, according to the frequency spectrum license for providing fixed telecommunications services with infrastructure for broadband frequencies (3,500 MHz). The Commission will take the necessary legal actions against the Company if the grace period granted to the Company expires without fulfilling the network deployment obligations.

7.1 Regulatory environment risks

The regulatory environment within which "GO" operates continues to evolve towards liberalising the telecommunications sector and competing in it. In this context, the lack of development of the regulatory environment may limit its ability to implement its business strategies and limit flexibility in responding to changing market conditions, thus achieving its objectives and business

plans. There is no guarantee that the laws in force in the Kingdom will not be changed or interpreted in a way that could negatively affect the Company's business. Among these risks, but not limited to, the following regulatory challenges, which may lead to risks that may affect the revenues and profitability of the Company:

- Communications and Information Technology Commission issued Resolution No. 464/1442, dated 28/10/1442 AH, approving the document "Regulations on Saudization Obligations for Telecommunication Service Providers", whereby a company must comply with the following regulatory requirements:

- 1- The CEO must be a Saudi national.
- 2- Saudization of senior management employees (first level) in a percentage of no less than 75%.
- 3- Saudization of senior management employees (second level) in a percentage of no less than 80%.
- 4- An overall job Saudization of not less than 80% at the level of all employees of the company,

which requires an increase in operational expenses in order to achieve the mechanism contained in the approved documents.

- Communications and Information Technology Commission issued Resolution No. 466/1442, dated 12/12/1442 AH, "Removing cost of terminal connection for cost-sharing numbers services (9200 service) between service providers", which is expected to imply a decrease in the Company's revenues.
- Communications and Information Technology Commission issued Resolution No. 471/1443, dated 22/03/1443 AH, approving the document "Regulations for Exposure to Electromagnetic Fields", which requires an increase in operational expenses in order to achieve the mechanism contained in the approved documents.
- Communications and Information Technology Commission issued Resolution No. 474/1443, dated 29/05/1443 AH, approving the document "Wireless Local Area Networks (WLAN) Regulations", which requires an increase in operational expenses in order to achieve the mechanism contained in the approved documents.
- Communications and Information Technology Commission issued Resolution No. 475/1443, dated 08/06/1443 AH, approving the document "Fixed Wireless Links Regulations", which requires an increase in operational expenses in order to achieve the mechanism contained in the approved documents.
- Communications and Information Technology Commission issued Resolution No. 476/1443, dated 23/07/1443 AH, approving the document "Regulations for Licensing of Telecommunications and Information Technology Equipment", which requires an increase in operational expenses in order to achieve the mechanism contained in the approved documents.
- Competition rules have not been effectively applied to control abuse of control in the telecommunications sector, particularly in the retail market for Internet and prepaid cards for international calls, and this continues to affect the Company's revenue and profitability.
- Despite the commitment of the companies that control the Saudi National Fiber Network (SNFN) to government and regulatory agencies to enable new operators to participate in the use of this infrastructure, the Company has not yet been able to participate in the use, and the delay of regulators in implementing this commitment affects its ability to reduce operational costs.
- The regulations of the Communications and Information Technology Commission stipulate that providing the ability to choose the operator (Carrier Selection) will be implemented within 24 months of the first competitor in fixed communications obtaining the license, meaning that this possibility will be available in April 2011. However, the regulator has not started to activate its role so far, the dominant operator still refuses to provide this possibility despite the Company's repeated request for it, and therefore, the delay in providing the possibility of choosing the operator will negatively affect the Company's revenues and profitability.

7.2 Economic and operational risks

7-2-1 Sudden interruption in business or penetration of security measures

"GO" cannot provide services unless it is able to protect its infrastructure and network from disruption or interruption in operations due to restrictions that hinder its capacity, or as a result of bad weather conditions, war, earthquakes, fires, power outages, or defects in hardware and programmers, computer viruses, communication breakdowns, cutting of electrical cables, human errors, unauthorised access, or the like. Over the years, "GO" has demonstrated its ability to face such risks.

7-2-2 Dependence on suppliers

"GO" depends on suppliers of hardware, equipment, software and services. If a major supplier decides to end its relationship with it, it may find it difficult to secure an alternative supplier with suitable qualifications. "GO" competes with other companies to obtain the services of these suppliers, and this may raise the price it pays for their services. If "GO" is unable to maintain its relations with these major suppliers, or if the conditions under which it obtains goods and services from these suppliers increase, or if these suppliers are not able to adequately fulfil their obligations under the relevant agreements, or if the availability of products and services decreases, as this could negatively affect its business, financial position, operations' results and future prospects.

7-2-3 The competition

"GO" faces competition from fixed, mobile and satellite communications and managed data services providers over the Internet. The competition intensified as the companies that obtained licenses from the Communications and Information Technology Commission entered the market and started their work. Also, competition in the telecom sector affects the expected market share of "GO" and its ability to attract new subscribers, raises marketing costs and affects the Company's price structures, in addition to the factors that may significantly affect the Company's growth, business, financial position and future results of operations. In addition, the increasing competition for skilled workers in the region in general, and the Kingdom in particular, means that "GO" may face difficulties in attracting the appropriate competencies of human resources or may be forced to pay higher salaries than expected, which will be reflected in the increase in operational expenses.

7-2-4 New or emerging technology, new products and services

The telecommunications industry is experiencing rapid and dramatic changes in technology. Developments in the field of communications and information technology may affect competition in the telecommunications market in the Kingdom, noting that technological development has led to a number of new developments, including multiple types of mobile communications, telecommunications services or bundled services, local wireless access networks and telephone services that change the traditional price structure. There are also other technologies that are currently being developed or may be developed in the future, which could have an impact on competition in the telecommunications sector in the Kingdom in general. Since its inception, "GO" has deployed WiMAX-based products, and has not undergone any development to make it a strong competitor to the fourth-generation (4G) LTE and optical fiber system.

On the other hand, the development of new technologies may cause a loss of competitive advantage for some of "GO"'s services, and it may not be able to identify new opportunities at the right time and come to be in need of large additional investments, especially to develop new services and products, to obtain new licenses, or to establish the necessary infrastructure to remain in the circle of competition. The new technologies that "GO" chooses to invest in may affect its ability to achieve its strategic goals, which may result in the loss of existing customers, its inability to attract new customers, or having to incur high costs in order to

maintain its customer base, which may leave a negative impact on the Company's business, financial position, results of operations and prospects.

In order to expand the revenue base (attracting and retaining customers), "GO" must continue to successfully introduce new products and services, knowing that any strategic initiatives in this regard require a large amount of expenditures and human resources. "GO" may not be able to offer new products and services, such as advanced data service and broadband. The success of broadband connectivity depends to a large extent on the availability of content, applications and devices developed and made available by others. In addition, competitors may be able to offer new services before the Company can.

As a result of the foregoing, "GO" may lose a number of its customers and fail to attract new customers or incur large costs in order to maintain its customer base, which may result in a significant negative impact on its business, financial position and the results of its operations.

7.3 Financial risks:

7-3-1 Currency exchange rates

The risk of fluctuation in the value of securities as a result of changes in foreign exchange rates. Although all of "GO" assets, investments, revenues and liabilities are in the local currency (the Saudi Riyal), "GO" has entered into agreements with international companies that require these companies to pay their dues in US Dollars. In this case, large fluctuations in the exchange rate can have a significant negative impact on financial performance.

7-3-2 Insurance cover

"GO" maintains auto and property insurance, business interruption insurance, money insurance, breach of trust insurance, general liability insurance, and health insurance. These documents contain a number of major exceptions and environmental risks. Any losses or liabilities arising from uninsured risks may significantly reduce revenues or increase their costs and may have a significant negative impact on operations and/or financial position.

7-3-3 Liquidity

"GO" constantly monitors liquidity risks, especially in light of the funds available to it and in light of its current and future obligations, and also monitors cash flows and financial liabilities. "GO" considers that it is exposed to substantial liquidity risks, and "GO" is working to diversify and find new sources of income to support liquidity.

7-3-4 Credit

"GO" may be exposed, like its counterparts that provide fixed telecommunications (limited mobility) and the Internet services, to debt risks from clients' accounts or risks of difficult-to-collect debts due to several reasons, for example the deterioration of the economy in general, or the inability to assess credit quality of new or registered subscribers. These risks may contribute negatively to the position and business of the Company and its financial results and future expectations.

7-3-5 Force majeure

Like other companies, "GO" is affected when force majeure occurs beyond its control, such as the outbreak of wars and revolutions or workers' strikes, or the occurrence of natural disasters such as earthquakes or floods and the spread of epidemics. These circumstances may contribute negatively to the position and business of the Company and its financial results and future expectations.

In response to the spread of the Covid-19 virus resulting in disruptions to the social and economic activities in the markets around the world and in the Kingdom of Saudi Arabia, the Company's Management has proactively assessed its impacts on its operations and has taken a series of preventative measures. The wired and wireless telecommunications industry has been designated as an

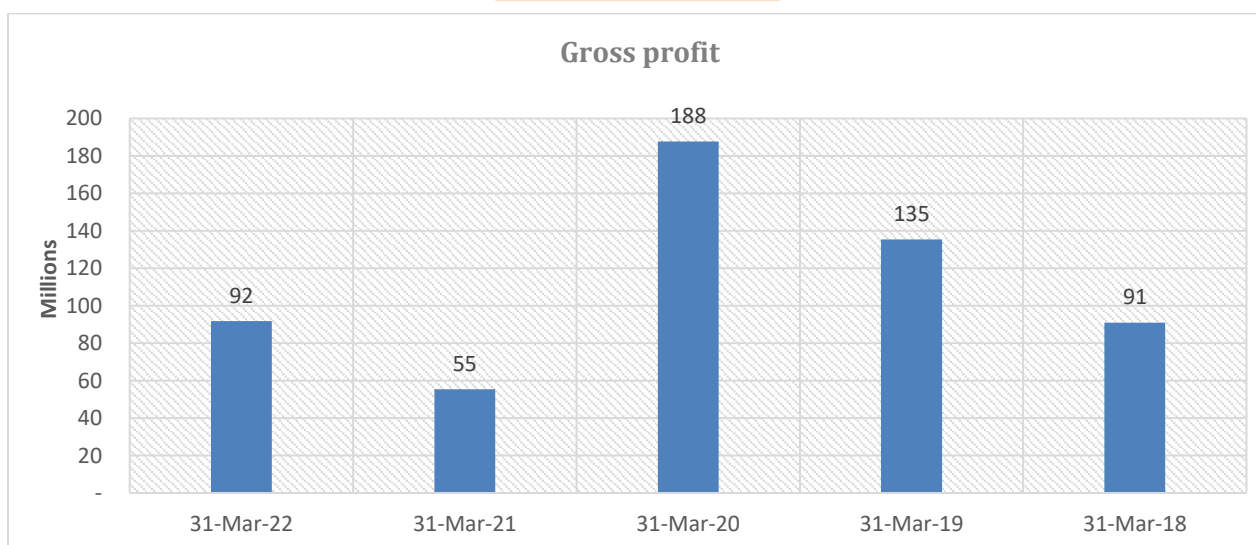
essential service by the Government of the Kingdom of Saudi Arabia and as such the Company continues to operate with the available services, while taking into account the health and safety of its workforce. The Management believes that Covid-19 epidemic has had a material impact on the Company's financial results for the year ended March 31, 2021 for the period from April 1, 2020 to May 31, 2020 (Lockdown period) as a result of the decrease in revenues from the consumer segment due to the inability to attract new customers, in addition to the unavailability of products and supplies used in the operations, and as a result of the decrease in revenues from the business sector due to the deterioration of the financial position of the Company's customers from small and medium-sized companies. In any case, the Management will continue to monitor the situation closely and will adjust any changes required in the future financial reporting periods.

8. Summary of the Company's consolidated financial results for the fiscal year ending on March 31, 2022 AD

8.1 Income statement:

Description	For the year ending on March 31, 2018	For the year ending on March 31, 2019	For the year ending on March 31, 2020	For the year ending on March 31, 2021	For the year ending on March 31, 2022
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
	SAR	SAR	SAR	SAR	SAR
Gross profit (loss)	90,934,823	135,386,636	187,616,247	160,051,833	91,843,765
Total operating expenses	(289,138,605)	(210,761,990)	(241,467,045)	(190,089,864)	(136,690,984)
Profit (loss) from major operations	(19,868,089)	(38,431,580)	(50,608,251)	(32,552,370)	(15,492,740)
Total comprehensive profit (loss) for the year	(36,647,362)	(52,215,075)	(71,496,040)	(39,002,488)	(37,743,544)

Total Profit



8.2 Initial cash flows statement:

Description	For the year ending on	For the year ending on	For the year ending on	For the year ending on	For the year ending on
	March 31, 2018	March 31, 2019	March 31, 2020	March 31, 2021	March 31, 2022
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
	SAR	SAR	SAR	SAR	SAR
Net profit (loss) for the year before Zakat	(40,261,565)	(53,291,075)	(71,608,040)	(13,558,894)	(34,615,191)
Net cash used in operating activities	49,608,894	77,303,470	68,901,963	(16,173,557)	65,188,762
Net cash used in investing activities	(67,354,039)	(2,541,440)	(2,731,078)	7,092,662	(23,281,366)
Net cash generated from financing activities	(31,068,132)	(31,068,059)	(41,214,808)	28,151,425	(29,763,511)
Increase in balances with banks and cash on hand during the year	(48,813,277)	43,693,971	24,956,077	(51,417,644)	12,143,885
Balances with banks and cash on hand at the end of the year	53,880,263	97,574,234	122,530,311	71,112,667	83,256,552
Significant non-cash transactions:					
Impact of applying IFRS 9	-	9,496,132			
Disposal of intangible assets				292,196,494	
Reduction in prepaid expenses and other current assets				97,800,000	
Extras in stock				(4,903,750)	
Clearing the current portion of lease liabilities				(18,000,000)	(48,018,765)
Reduction in accrued expenses and other current liabilities				(22,565,429)	(1,484,027)
Right-of-use asset additions and disposals			(21,621,998)	(26,435,307)	101,470,350
Reduction in accounts payable			-	(445,659,703)	35,502,607
Impact of applying IFRS 16			298,234,404		
Right-of-use asset exclusions			9,108,803		
Capital reduction			(243,971,000)		

8.3 Loans and liabilities:

There are no outstanding loans owed by the Company.

Description	31 March 2022	31 March 2021
Loans	0	0
Liabilities payable and accrued expenses	397,780,927	413,128,068
Deferred revenue	43,975,550	36,895,353
Other liabilities	329,695,734	473,382,514
Total in Saudi Riyals	771,452,211	923,405,935

8-4 Debt instruments, guarantees, transfer and subscription rights, and similar transferable rights

“GO” has not issued or granted any debt instruments, options, subscription rights, or any similar rights that are convertible into shares or option rights from the date of incorporation until the date of this report.

8-5 Transfer rights and redeemable debt instruments

“GO” has not depreciated, purchased, redeemed or canceled any redeemable debt instruments from the date of incorporation until the date of this report.

9 Zakat and income tax

Zakat and taxes are calculated in accordance with the financial regulations in force in the Kingdom of Saudi Arabia, and are a liability of shareholders, and the zakat and income tax provision is charged to the list of changes in shareholders' equity at the end of the year.

9-1 Zakat charged for the year / period

	2022	2021
Adjusted loss:		
Loss for the period	<u>(34,615,191)</u>	(13,558,894)
Adjustments: Provisions and others	<u>(4,761,675)</u>	112,909,156
Adjusted profit/Adjusted loss for the year	<u>(39,376,866)</u>	99,350,262
Saudi shareholders' share of adjusted profit/loss 96%	<u>(19,242,399)</u>	99,101,886
Additives:		
Share capital	<u>228,529,000</u>	228,529,000
Long-term accounts payable	<u>196,833,647</u>	299,286,826
Provisions	<u>221,517,621</u>	105,930,591
Lease liabilities	<u>188,147,170</u>	344,796,051
Total	<u>835,027,438</u>	981,241,426
Deductions:		
Accumulated losses at beginning of year	<u>(116,789,639)</u>	(77,787,152)
Net book value of property and equipment at end of year	<u>(586,265,525)</u>	(824,824,085)
	<u>131,972,274</u>	78,630,189
Share of Saudi shareholders 96%	<u>126,693,383</u>	78,433,614
Saudi shareholders' share of adjusted profit / (adjusted loss)	<u>130,630,183</u>	99,101,886
Zakat base	<u>111,387,783</u>	177,535,500
Zakat charged for the year	<u>2,784,695</u>	4,504,856

9-2 Income tax charged for the period

There is no income tax payable due to the loss incurred during the year / period.

9-3 Zakat and tax assessments

"GO" submitted the zakat and tax returns to the Department of Zakat and Income Tax for the period ending on March 31, 2020 AD, and the assessment has not yet been made.

10 Distribution of profit policy and the recommendations of the Board of Directors

10-1 Distribution of profit policy

It should be noted that the Company's fiscal year begins on the first of April and ends on March 31 of the following calendar year.

The Bylaws - Chapter Eight have clarified the mechanism for distributing annual profits. The Board of Directors has adopted a

policy for distributing profits in a manner that does not conflict with the Companies' Law and its Bylaws. The distribution policy aims at maximising shareholder wealth, as the ideal distribution policy balances current dividends with future growth that maximises the share price.

The distribution of the annual net profit after deducting all general expenses and other costs is as follows:

- a. (10%) of the net profit is set aside to form the statutory reserve of the Company, the Ordinary General Assembly may decide to stop this retainer when the said reserve reaches (30%) of the paid-up capital.
- b. The Ordinary General Assembly may, based on the proposal of the Board of Directors, set aside a percentage of annual profits to form a consensual reserve to be allocated for the purpose or purposes to be decided by the General Assembly.
- c. 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. The aforementioned Assembly may also deduct sums from the net profits for the establishment of social institutions for the Company's employees or to assist the existing ones.
- d. The Ordinary General Assembly may, based on the proposal of the Board of Directors, decide to distribute a down payment to shareholders from the remainder (if any) equal to (5%) of the Company's paid-up capital.
- e. Subject to the provisions stipulated in Article (Twenty-one) hereof and Article (Seventy-six) of the Companies' Law, the General Assembly may, after the above, allocate remuneration for the members of the Board of Directors, provided that the entitlement to this remuneration is proportional to the number of sessions attended by the member.
- f. The Ordinary General Assembly may, based on the proposal of the Board of Directors, decide to distribute the remainder after the above (if any) to the shareholders as an additional share of profits.
- g. The Company may distribute interim dividends to its shareholders on a semi-annual or quarterly basis in accordance with the regulations issued by the competent authority, based on an authorisation issued by the Ordinary General Assembly of the Board of Directors to distribute interim dividends.

The shareholder is entitled to his share of the profits, in accordance with the resolution of the General Assembly issued in this regard which indicates the maturity date and the date of distribution. The eligibility for profits is to the owners of shares registered in the shareholders' records at the end of the day specified for entitlement, or upon a decision of the Board of Directors to distribute interim dividends which indicates the maturity date and distribution date, provided that the decision is implemented in accordance with what is stipulated in the regulatory controls and procedures issued in implementation of the Companies Law for a listed joint stock company. The profits to be distributed to the shareholders shall be paid at the place, dates and mechanisms determined by the Board of Directors in accordance with the instructions issued by the competent authorities.

If no dividends are distributed for any fiscal year, then no dividends may be distributed for the following years until after paying the specified percentage in accordance with the provision of Article (One Hundred and Fourteen) of the Companies' Law for Preferred Shareholders for this year. If the Company fails to pay the specified percentage in accordance with the provisions of Article (One Hundred and Fourteen) of the Companies' Law of profits for a period of three consecutive years, then the special assembly of the owners of these shares, held in accordance with the provisions of Article (Eighty-nine) of the Companies' Law, may decide either that they attend the meetings of the Company's General Assembly and participate in voting, or appoint representatives thereof on the Board of Directors in proportion to the value of their shares in the capital, until the Company is able to pay all the priority dividends allocated to the owners of these shares for the previous years.

10-2 Board of Directors' recommendations for dividend distribution for the fiscal year 2021/2022

In light of the current financial situation and the accumulated losses incurred by the Company, the Company will not be able to disburse any profits for the past year.

11 Members of the Board of Directors and members of committees, Executive Management, current and previous jobs, qualifications and experiences

11-1 Members of the Board of Directors as on March 31, 2022

No.	Name	Current Occupation	Previous Occupation	Academic Qualifications	Vocational Experience
1	Dr. Eisa bin Yeslam Ba-Eisa	<ul style="list-style-type: none"> Chairman of the Board of Directors of Etihad Atheeb Telecom Company. Founder and partner of Bait Al Balak Company. Consultant / Trader 	<ul style="list-style-type: none"> Member of the Board of Directors, and Chairman of the Remuneration and Nomination Committee - Etihad Atheeb Telecom Company 2020. General Manager - AL JOUF Cement Company. General Manager – Tabuk Cement Company Strategic Projects Manager - Arabian Cement Company Technical Services Manager - Arabian Cement Company 	<ul style="list-style-type: none"> Bachelor of Mining Engineering in 1997. MBA 2008 Certified Consultant Engineer – Saudi Council of Engineers in 2012 PhD in Business Administration in 2013. 	<ul style="list-style-type: none"> More than 20 years in the field of cement industry and construction materials. 10 years in executive positions and in joint-stock companies. Extensive experience in management improvement and development and strategic projects. Member of the executive committees and audit committees in joint-stock companies.
2	Dr. Yazeed bin Saleh AlSubaie	<ul style="list-style-type: none"> Vice Chairman of the Board of Directors of Etihad Atheeb Telecom Company. Member of the Remuneration and Nomination Committee at Etihad Atheeb Telecom Company. 	<ul style="list-style-type: none"> Head of the commercial sector – Taqnia Space. Head of the commercial sector – Holool Aloula Company- Mobily. Vice President for Regulatory Affairs and Wholesale Sales at Etihad Atheeb Telecom Company. General Manager of Network and Information Systems at Saudi Telecom Company. 	<ul style="list-style-type: none"> Master of Computer Science in 1997. PhD in the field of machine learning and artificial intelligence in 2020. 	<ul style="list-style-type: none"> More than 20 years of experience in the field of communications and informatics.
3	Mr. Khalid bin Abdulrahman Alkhudairi	<ul style="list-style-type: none"> Member of the Board of Directors - Etihad Atheeb Telecom Company. Chairman of the Remuneration and Nomination Committee - Etihad Atheeb Telecom Company Founder / Partner – Gulf Elite Consultancy. Member of the Board of Directors – Maharah Human Resources Company, since May 2021 AD. Chairman of the Remuneration and Nomination Committee – Maharah Human Resources Company. Member of the Nominations Committee - Mawten Real Estate Company. Executive Vice President of Shared Services - National Center for Privatization. 	<ul style="list-style-type: none"> Member of the Board of Directors – Tabuk Agricultural Development Company. Chairman of the Remuneration and Nomination Committee – GlobeMed Saudi Company. Advisor to the Chairman of the Volkswagen Group Saudi Arabia. Member of the Board of Directors / Partner in Rafad Business for Corporate Services. Partner – Horizon Alliance Limited. General Director of the Human Resources of the National Housing Company. CEO of the Modern Gates Corporation for Information Technology. Director of Talent Management and Organisational Development for Al Safi Company. Director of Human Resources Department in the Modern Electronic Company. Member of the Saudi Business Group Committee at the Saudi Institute of Electronics and Home Appliances. 	<ul style="list-style-type: none"> Executive MBA in 2019. Bachelor of Human Resource Management in 2014. Higher Diploma in Human Resource Development in 2011. Executive Program for Human Resource in 2018. 	<ul style="list-style-type: none"> More than 15 years of experience in the field of human resources, institutional transformation and shared services. Experience in executive management of more than 10 years in a number of different sectors, local and international companies.

No.	Name	Current Occupation	Previous Occupation	Academic Qualifications	Vocational Experience
4	Mr. Isa Abbas Alsabea	<ul style="list-style-type: none"> Member of the Board of Directors - Etihad Atheeb Telecom Company. Director of mergers and acquisitions - Batelco 	<ul style="list-style-type: none"> Investment Banking, UBS Group Investment, Arcapita Corporation 	<ul style="list-style-type: none"> Bachelor of Philosophy, Politics and Economics in 2007. Master in Economics in 2008. 	<ul style="list-style-type: none"> More than 12 years in the economic, banking and investment field..
5	Mr. Hani bin Fahad Kattan	<ul style="list-style-type: none"> Member of the Board of Directors and Member of the Audit Committee - Etihad Atheeb Telecom Company. Active Investments Officer – Alnahla Group. 	<ul style="list-style-type: none"> Commercial Attaché in Washington, DC. Corporate Relationship Manager at Arab National Bank. 	<ul style="list-style-type: none"> Master of Business Administration in 2016. Bachelor of Business Administration in 2009. 	<ul style="list-style-type: none"> More than 10 years in the economic, banking and investment field.
6	Mr. Ayman bin Hilal Aljaber	<ul style="list-style-type: none"> Member of the Board of Directors and Chairman of the Audit Committee - Etihad Atheeb Telecom Company. Member of the Audit Committee - Tamweel Al-Oula Company. Chairman of the Internal Audit Committee - Halala Trading Company. 	<ul style="list-style-type: none"> Director of the Internal Audit Department – Saudi Real Estate Company. Director of Accounts and Financial Reports Department – Customs. Chairman of the Internal Audit Committee – Yosr Leasing & Finance. Senior Director of Internal Audit at the Saudi British Bank. Chief Internal Auditor at Mobily. Chief Auditor at PricewaterhouseCoopers. 	<ul style="list-style-type: none"> Bachelor of Accounting in 2010. Certified Information Systems Auditor in 2014. Certified Internal Auditor in 2019. 	<ul style="list-style-type: none"> More than 14 years in the audit field in various sectors, including oil and gas, telecommunications, banks, finance and real estate.
7	Mr. Faisal Mohammed Nazeeh Qamhiyah	<ul style="list-style-type: none"> Member of the Board of Directors - Etihad Atheeb Telecom Company. Chief Financial Officer - Batelco. 	<ul style="list-style-type: none"> Chief Financial Officer - Umniah. Chief Financial Officer and Chief Operating Officer - Zain Jordan. Investments Manager - ERN Capital. 	<ul style="list-style-type: none"> Bachelor's degree in Economics and Accounting, Yarmouk University, Jordan. Passed the American Institute of Certified Public Accountants (AICPA) exams in Delaware, United States. 	<ul style="list-style-type: none"> Long and diversified experience in commercial and financial divisions in many sectors, including the financial sector and the telecommunications sector.
8	Mr. Saad bin Omar Albaiz	<ul style="list-style-type: none"> Member of the Board of Directors and Member of the Remuneration and Nomination Committee, Secretary of the Board and Committee - Etihad Atheeb Telecom Company. Member of the Board of Directors of Nesma & Partners. CEO – Atheeb Holding Company. Member of the Board of Directors of Atheeb Group's subsidiaries in the Kingdom of Saudi Arabia. Member of the Board of Directors of Atheeb Group's subsidiaries outside the Kingdom (in the United Kingdom and Cayman Islands). 	<ul style="list-style-type: none"> Vice President of Administration and Human Resources for Bithar Trading Co. Ltd. Deputy General Manager for Business Development and Projects – Atheeb Trading Company. Fighter Pilot, Fighter Squadron Commander, Flight Wing Commander, Aircrew Training Director and Director of Air Force Programs Department (Royal Saudi Air Force) from 1973 to 2005. 	<ul style="list-style-type: none"> Bachelor of Aviation Science from King Faisal Air Academy in 1973. 	<ul style="list-style-type: none"> Long and diversified experience in the fields of: aviation, management and leadership, pilot training, project and program management, administrative affairs and human resources..

11-2 Board members who resigned during the fiscal year ending on March 31, 2021

No.	Name	Current Occupation	Previous Occupation	Academic Qualifications	Vocational Experience
4	Mr. Omar Subhi Shanaah	<ul style="list-style-type: none"> ▪ Executive Vice President of Finance – Atheeb Holding Company. ▪ Member of the Board of Directors and Member of the Audit Committee - Etihad Atheeb Telecom Company. ▪ Member of the Audit Committee – Gulf Stevedoring Contracting Company. ▪ Member of the Audit Committee – Ithraa Capital. ▪ Member of the Audit Committee – Nesma & Partners Contracting Co. Ltd. 	<ul style="list-style-type: none"> ▪ Financial Manager and Owners Representative – Al Nassar Trading and Contracting Company (Khobar). ▪ Financial Advisor - A Plus Consulting Company (Jordan). ▪ Financial and Administrative Director – Barak Al-Mutair Sons Holding Company (Kuwait). ▪ Assistant Financial Manager – Jordan Kuwait Bank (Jordan). ▪ Cost Accountant – Arab Factory for Packing Materials (Jordan). 	<ul style="list-style-type: none"> ▪ Bachelor of Accounting in 1998. ▪ Master of Banking Financial Sciences in 2000. ▪ Certified Financial Analyst, Institute of Banking Studies / Central Bank of Jordan since 2004. 	<ul style="list-style-type: none"> ▪ 23 years in the field of accounting, financial management, banking, and various financial consultancies in Jordan, Kuwait and Saudi Arabia.
2	Shaikh Mohamed bin Khalifa Al Khalifa	<ul style="list-style-type: none"> ▪ Member of the Board of Directors - Etihad Atheeb Telecom Company. ▪ Chief Digital Growth Officer – Batelco. ▪ Member of the Board of Directors – Bahrain Internet Exchange. ▪ Ambassador of the Global Blockchain Business Council – GBBC. ▪ Vice Chairman of the Advisory Board - Bahrain Fintech Bay. ▪ Chairman of the Board of Directors - Batelco Financial Services. ▪ Chairman of the Board of Directors - Arc Solutions. ▪ Chairman of the Board of Directors – Public 2. ▪ Member of the Board of Directors - Ummiah (Jordan). ▪ Member of the Board of Trustees - Bahrain Polytechnic. 	<ul style="list-style-type: none"> ▪ Second Secretary, Office of the Bahraini Minister of Foreign Affairs. ▪ Director of Communications and Information Technology, Economic Development Board. 	<ul style="list-style-type: none"> ▪ Bachelor of Political Science in 2008. ▪ Master of Politics in the Middle East region in 2011. 	<ul style="list-style-type: none"> ▪ More than 10 years in the economic field.

11-3 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

Members of the Board of Directors as at the end of the fiscal year on March 31, 2022

Member	Names of the companies Board members are currently board members or managers in	Location		Legal Entity (Listed, unlisted joint stock company, LLC/....)	Names of the companies Board members were previously board members or managers in	Location		Legal Entity (Listed, unlisted joint stock company, LLC/....)
		KSA	Aboard			KSA	Aboard	
Dr. Eisa bin Yeslam Ba-Eisa	Etihad Atheeb Telecom Company	✓		Listed joint stock company	AL JOUF Cement Company	✓		Listed joint stock company
	Bait Al Balak Company	✓		Limited liability	Tabuk Cement Company	✓		Listed joint stock company
					Arabian Cement Company	✓		Listed joint stock company
Dr. Yazeed bin Saleh AlSubaie	Etihad Atheeb Telecom Company	✓		Listed joint stock company	Sanad Insurance Company	✓		Listed joint stock company
	Taqnia Space Co.	✓		Limited liability	Hoolool Aloula Company			Limited liability
Mr. Saad bin Omar Albaiz	Etihad Atheeb Telecom Company	✓		Listed joint stock company				
	Ithraa Capital	✓		Closed joint stock				
	Atheeb Holding Company	✓		Limited liability company				
	Abdulaziz Ahmad Abdulaziz Humanitarian Foundation	✓		Charity				
	Atheeb Holding	✓		Limited liability company				
	Atheeb Intergraph Saudi Company	✓		Limited liability company				
	Atheeb for Catering Co. Ltd.	✓		Limited liability company				
	Atheeb Netsol Saudi Company	✓		Limited liability company				
	Etihad Shams Co.	✓		Limited liability company				
	Nesma & Partners Contracting Co. Ltd.	✓		Limited liability company				
	Pannesma Co. Ltd.	✓		Limited liability company				
	Nokhbat Almaarefa Co. Ltd.	✓		Limited liability company				
	Ithraa Medical Services Co. Ltd.	✓		Limited liability company				
	Ithraa for Investment and Real Estate Development Co. Ltd.	✓		Limited liability company				
	Ithraa Sport Center & Gyms Co.	✓		Limited liability company				
	Bithar Al-Amal Co. Ltd.	✓		Limited liability company				
	Bithar Alaqaria for Real Estate Co. Ltd.	✓		Limited liability company				
	Maarif Alhayat Co. Ltd.	✓		Limited liability company				
	Almunsha'at Almutakamila Contracting Co. Ltd.	✓		Limited liability company				
	Ataa' Almutagadema Co. Ltd.	✓		Limited liability company				
Saudi Sport Technology Trading Co.	✓		Limited liability company					

Member	Names of the companies Board members are currently board members or managers in	Location		Legal Entity (Listed, unlisted joint stock company, LLC/....)	Names of the companies Board members were previously board members or managers in	Location		Legal Entity (Listed, unlisted joint stock company, LLC/....)
		KSA	Aboard			KSA	Aboard	
	Al-Riyadh Al-Mutaqademah Co. Ltd.	✓		Limited liability company				
	Nurash Design Co. Ltd.	✓		Limited liability company				
	Saudi Kidney Center	✓		Limited liability company				
	Ajeer Investment Co.	✓		Limited liability company				
	Viva Fit Investment Co.	✓		Limited liability company				
	Viva Saudi Company for Commercial Services	✓		Limited liability company				
	Da'am Aljawad Alarbi Co. Ltd.	✓		Limited liability company				
	Athba Stud (UK)		✓	Limited liability company				
	Atheeb (UK)		✓	Limited liability company				
	Athbah Stud (Cayman)		✓	Limited liability company				
	Arabian Horse Services		✓	Limited liability company				
	Equine International		✓	Limited liability company				
	Training Volunteers		✓	Limited liability company				
	Telecom Investments		✓	Limited liability company				
	Wavelength		✓	Limited liability company				
	Kensington Property		✓	Limited liability company				
	North Star Investment Company		✓	Limited liability company				
	Park Holdings		✓	Limited liability company				
	Starpoint		✓	Limited liability company				
	Rock Castle Properties		✓	Limited liability company				
	Two Stars Holdings		✓	Limited liability company				
Mr. Khalid bin Abdulrahman Alkhdairi	Etihad Atheeb Telecom Company	✓		Listed joint stock company	Horizon Alliance Company Limited	✓		Limited liability company
	Maharah Human Resources Company	✓		Listed joint stock company	Tabuk Agricultural Development Company	✓		Listed joint stock company
	Mawten Real Estate Company	✓		Closed joint stock company				
	Gulf Elite Consultancy	✓		Limited liability company	CEO of the Modern Gates Foundation for Information Technology	✓		Foundation

Member	Names of the companies Board members are currently board members or managers in	Location		Legal Entity (Listed, unlisted joint stock company, LLC/....)	Names of the companies Board members were previously board members or managers in	Location		Legal Entity (Listed, unlisted joint stock company, LLC/....)
		KSA	Aboard			KSA	Aboard	
Mr. Ayman bin Hilal Aljaber	Etihad Atheeb Telecom Company	✓		Listed joint stock company	Saudi Real Estate Company	✓		Listed joint stock company
	Tamweel Al-Oula Company			Unlisted joint stock company	Customs Authority	✓		Governmental
	Halala Company	✓		Unlisted joint stock company	British Saudi Bank	✓		Listed joint stock company
		✓			Mobily Company	✓		Listed joint stock company
					PricewaterhouseCoopers Company	✓		Limited liability company
Mr. Faisal Mohammed Nazeeh Qamhiyah	Etihad Atheeb Telecom Company	✓		Listed joint stock company	Zain Jordan		✓	Closed joint stock company
	Batelco Company		✓	Listed joint stock company				
	Dhivehi Raajjeyge Gulhun Plc (Dhiraagu)		✓	Listed joint stock company				
	Sabafon		✓	Closed joint stock company				
	BTC Sure Group		✓	Limited liability company				
	BEYON Solutions		✓	Limited liability company				
	Batelco Financial Services (BFS)		✓	Closed joint stock company				
	Dhivehi Raajjeyge Gulhun Plc (Dhiraagu)		✓	Listed joint stock company				
Mr. Isa Abbas Alsabea	Etihad Atheeb Telecom Company	✓		Listed joint stock company	UBS Group (Dubai Branch)		✓	Listed joint stock company
	Batelco Company		✓	Listed joint stock company	Dhivehi Raajjeyge Gulhun Plc (Dhiraagu)		✓	Listed joint stock company
	ARC Solutions		✓	Limited liability company				
	BEYON Connect		✓	Closed joint stock company				
	Batelco International Group Holding Limited		✓	Limited liability company				
	Batelco Financial Services (BFS)		✓	Closed joint stock company				
	Batelco Middle East Holding Company		✓	Closed joint stock company				
Mr. Hani bin Fahad Kattan	Etihad Atheeb Telecom Company	✓		Listed joint stock company	The Commercial Attaché in Washington, D.C		✓	
	Al Nahla Group	✓		Limited liability company				

Board members who resigned during the fiscal year ending on March 31, 2022

Member	Names of the companies Board members are currently board members or managers in	Location		Legal Entity (Listed, unlisted joint stock company, LLC/....)	Names of the companies Board members were previously board members or managers in	Location		Legal Entity (Listed, unlisted joint stock company, LLC/....)
		KSA	Aboard			KSA	Aboard	
Mr. Omar Subhi Shanaah	Atheeb Holding Company	✓		Limited liability company	Al-Nassar Trading & Contracting Company	✓		Closed joint stock company
					Barak Al-Mutair Sons Holding Company		✓	Limited liability company
					Etihad Atheeb Telecom Company	✓		
Shaikh Mohamed bin Khalifa Al Khalifa	Etihad Atheeb Telecom Company	✓		Listed joint stock company				
	Bahrain Internet Exchange		✓	Governmental joint stock				
	Batelco Company		✓	Listed joint stock company				
	Bahrain Fintech Bay		✓	Limited liability company				
	-Batelco Financial Services (BFS)		✓	Closed joint stock company				
	Public 2		✓	Closed joint stock company				
	Arc Solutions		✓	Limited liability company				
	Umniah (Jordan)		✓	Closed joint stock company				
	Bahrain Polytechnic		✓	Governmental institution				

Members of Board Committees (from outside the Board) during the fiscal year ending on March 31, 2022

Member	Names of the companies Board members are currently board members, committee members or managers in	Location		Legal Entity (Listed, unlisted joint stock company, LLC/....)	Previous Occupation	Academic Qualifications	Vocational Experience
		KSA	Aboard				
Mr. Ehsan Amanallah Makhdom	Etihad Atheeb Telecom Company	✓		Listed joint stock company	Partner - Deloitte & Touche	- (Diploma in Board Directorship) from (Board Directors Institute)/the Financial Academy -B.A. in Accounting from King Fahd University of Petroleum & Minerals (KFUPM) - Dhahran - Fellowship of the Saudi Organization for Chartered and Professional Accountants (SOCPA) - American Fellowship of Certified Public Accountants (CPA)	More than 20 years of experience in the field of auditing and accounting. Inside the Kingdom: Deloitte & Touche - Saudi Arabia Outside the Kingdom: Deloitte & Touche - USA
	Cooperative Insurance Company - Member of the Audit Committee	✓		Listed joint stock company			
	Saudi Downtown Company - Member of the Audit Committee	✓		Unlisted joint stock company			
	Milling Company 3 - Member of the Audit Committee	✓		Unlisted joint stock company			
	Roshn Real Estate Company - Member of the Audit Committee	✓		Unlisted joint stock company			
	Saudi Lime Industries Company - Member of the Audit Committee	✓		Unlisted joint stock company			
	Crédit Agricole CIB Arabia Financial Company - Board Member and Chairman of the Audit Committee	✓		Unlisted joint stock company			

Member	Names of the companies Board members are currently board members, committee members or managers in	Location		Legal Entity (Listed, unlisted joint stock company, LLC/....)	Previous Occupation	Academic Qualifications	Vocational Experience
		KSA	Aboard				
	Al Wadi Development Company - Member of the Audit Committee	✓		Unlisted joint stock company			

Members of the Executive Management

No.	Name	Current Occupation	Previous Occupation	Academic Qualifications	Vocational Experience
1	Mr. Yahya bin Saleh AlMansour	Chief Executive Officer (CEO)	CEO of Consumer Sales at Zain	- Bachelor of Business Administration - Master of Business Administration	Practical experience of more than 21 years, during which he worked in several companies including Zain and the Saudi Telecom Company, and other leading companies in the Kingdom of Saudi Arabia.
2	Mr. Mahmoud Hamdan Al Abdullah	Acting Chief Financial Officer (CFO)	GM, Budget, Planning and Reporting	- Bachelor of Accounting - MBA Finance	Practical experience of more than 30 years in financial management and in the field of communications and information technology, during which he worked in several companies, including Orange Company and Saudi Telecom Company.
3	Dr. Saleh bin Khalaf AlHarthi	Chief Business Support Officer	CEO of Aon Hewitt Saudi Arabia	- Bachelor of Electrical Engineering - Master of Electrical Engineering - PhD in electrical and communication engineering	More than 21 years of practical experience in the field of public administration, communications and information technology, in which he held several positions in various companies, including the Saudi Telecom Company and Aon Hewitt Saudi Arabia.
4	Eng. Mohammed bin Saed Alshamrani*	Chief Technology Officer	Vice President of Projects and Products, Tatweer for Educational Technologies Company (TETCO)	- Bachelor's degree in Computer and Communications Engineering - Higher Diploma in Communications	More than 25 years of practical experience in the field of communications, during which he worked in many companies including Lucent, Saudi Ericsson, and STC
5	Eng. Turki bin Ramadan Al-Enezi**	Chief Technology Officer	Advisor to the Vice President of the Business Operations Sector at STC	- Bachelor of Engineering and Computer Science	More than 18 years of practical experience in the field of communications and information technology. He held many positions in the communications sector, the most recent of which was the position of the Advisor to the Senior Vice President of Business Operations at Saudi Telecom Company for the implementation of the NEOM communications network. He also held the position of Chief Officer of Customers and Business Operations Department at Mobily.
6	Eng. Fahad bin Abdulrahman Albawardy	Executive Assistant to the CEO for Technical and Strategic Affairs	Acting Chief Executive Officer (CEO)	- Master's in Computer Science	More than 32 years in several technical and administrative positions in the field of communications and information technology, where he held several positions in a number of telecommunications companies.
7	Eng. Mohammed Khalil Qaoud	VP, B2C, carriers and operators	Director of International Trade Department	- Bachelor of Electrical Engineering	More than 26 years of practical experience in the field of communications and information technology, in which he held many positions in

				-Master of Computer Engineering	various companies, including Integrated Telecom Company, Palestinian Telecommunications Company, Verizon and T-Mobile
8	Eng. Ibrahim bin Waleed Al Obaida	VP, Regulatory Affairs	GM, Regulatory and Legal Affairs	-Bachelor of Electrical Engineering -Master's in communications engineering	More than 19 years of practical experience in the field of communications and information technology, in which he held many positions in various companies, including the Integrated Telecom Company.
9	Eng. Mostafa Mohammed Elamin	VP, Marketing	Business Marketing Manager at Zain	-Bachelor of Electronics Engineering -Master of Business Administration	More than 17 years of practical experience, during which he held several positions, including director of business sector marketing at Zain, pricing advisor at Saudi Telecom Company, and pricing manager at Zain Sudan and other leading companies in the Kingdom of Saudi Arabia.
10	Mr. Mohammed Mansour Kerhan	VP, Business Sales	GM of Corporate Sales at Mobily	-Bachelor of Public Administration	More than 14 years of practical experience in the telecommunications field, during which he held several positions in Zain and Mobily, and held other positions in leading companies in the Kingdom of Saudi Arabia.
11	Mr. Bashar Sameer Shinawi	VP of Information Technology Sector	VP of Information Sector at "Jawwy" from STC	-Bachelor of Computer -Master in Information Systems	More than 22 years of practical experience in the field of communications and information technology, in which he held many positions in various companies, including the Saudi Telecom Company, Etihad Etisalat Company "Mobily" and Ericsson.
12	Mr. Ayedh bin Saleh AlShehri	Vice President of Logistics Support Division	VP of Support Services, Ajayel Company	-Bachelor of Business Administration -Master of Business Administration	Practical experience of more than 19 years, during which he worked in many companies such as Al-Ayuni Investment and Contracting Company, Saudi Pan Kingdom Company (SAPAC) and other leading companies in the Kingdom of Saudi Arabia.
13	Eng. Radwan Abbas	VP, Network Engineering	Acting GM of Network Engineering	-Bachelor of Electrical Engineering	More than 22 years of practical experience in the field of communications and information technology, in which he held many positions in various companies, including the Warid Telecom Pakistan (Abu Dhabi Group).
Remarks: * Eng. Mohammed bin Saed Alshamrani resigned as of 22/08/2021 AD. ** Eng. Turki bin Ramadan Al-Enezi was appointed as of 07/11/2021 AD.					

12- Composition of the Board of Directors and classification of its members

The Company's Bylaws set the number of the Company's Board of Directors at (9) nine members, and 9 members were appointed and elected for the current (fourth) session of the Board of Directors, which began on 26/10/2020 AD and extending for a period of three years (ending on 25/10/2023), by the General Assembly held on 25/10/2020 AD.

The following table shows the list of members of the Board of Directors at the end of the fiscal year ending on March 31, 2022 AD:

Members of the Board of Directors as at the end of the fiscal year ending on March 31, 2022 AD			
No.	Name	Membership Type (Executive / Non-Executive / Independent)	Representative
1	Dr. Eisa bin Yeslam bin Farag BaEisa	Independent	The Public
2	Dr. Yazeed bin Saleh bin Mirzam AlSubaie	Independent	The Public
3	Mr. Khalid bin Abdulrahman bin Ali Alkhudairi	Independent	The Public
4	Mr. Ayman bin Hilal bin Ali Aljaber	Independent	The Public
5	Mr. Hani bin Fahad bin Jamil Kattan	Non- Executive	AlNahla Group
6	Mr. Isa Abbas Isa Alsabea	Non- Executive	Bahrain Telecommunications Company (Batelco)
7	Mr. Faisal Mohammed Nazeeh Qamhiyah*	Non- Executive	Bahrain Telecommunications Company (Batelco)
8	Mr. Saad bin Omar bin Saad Albaiz	Non- Executive	Bithar Trading Company

*Mr. Faisal Mohammed Nazeeh Qamhiyah was appointed to the Board of Directors as of 01/03/2022 AD.

Board members who resigned during the fiscal year ending on March 31, 2022 AD			
No.	Name	Membership Type (Executive / Non-Executive / Independent)	Representative
1	Mr. Omar Subhi Shanaah	Non- Executive	Saudi Internet Company
2	Shaikh Mohamed bin Khalifa Al Khalifa	Non- Executive	Bahrain Telecommunications Company (Batelco)

Acceptance of the resignation of Mr. Omar Subhi Abdel Karim Shanaah from the Board of Directors as of 25/10/2021 AD.
Expiry of the membership of Shaikh Mohamed bin Khalifa Al Khalifa in the Board of Directors as of 01/03/2022 AD.

13- Board meetings

The following table shows the number of Board meetings and the attendance of members in those meetings during the fiscal year ending on 31/3/2022 AD. The failure of some members to attend some meetings of the Board of Directors and the sub-committees is due to special circumstances or travels. It should be noted that an emergency extraordinary meeting of the Board of Directors was called during the fiscal year ending on March 31, 2022, which is the tenth (10) meeting of the Board of Directors - the fourth session, held on 05/12/2021 AD, to discuss the message received from H.E. the Governor of the Communications and Information Technology Commission, Dr. Muhammad bin Saud Al-Tamimi, regarding the deployment of the frequency spectrum network, and the latest developments regarding the balance reconciliation between the Company and the Bahrain Telecommunications Company (Batelco) were also discussed. The Chairman of the Board of Directors did not receive any written request to hold any emergency meetings from any of the Board members or the External Auditor during the fiscal year ending on March 31, 2022 AD. During its sessions, the Board is keen to discuss strategic and important matters, as well as shareholders' proposals and observations about the Company and its performance in the presence of the majority of members.

Attendance record of current Board members

No.	Name / Member	Number of meetings (6) meetings					
		2022					
		1 st Meeting 25 April	2 nd Meeting 05 July	3 rd Meeting 10 October	4 th Meeting 08 November	5 th Meeting 05 December	6 th Meeting 28 March
1	Dr. Eisa bin Yeslam BaEisa	✓	✓	✓	✓	✓	✓
2	Shaikh Mohamed bin Khalifa Al Khalifa*	✓	✓	✓	✓	✓	
3	Mr. Isa Abbas Alsabea	✓	✓	✓	✓	✓	✓
4	Mr. Ayman bin Hilal Aljaber	✓	✓	✓	✓	✓	✓
5	Dr. Yazeed bin Saleh AlSubaie	✓	✓	✓	✓	✓	✓
6	Mr. Omar Subhi Shanaah**	✓	✓	✓			
7	Mr. Hani bin Fahad Kattan	✓	✓	✓	✓	✓	✓
8	Mr. Khalid bin Abdulrahman Alkhudairi	✓	✓	✓	✓	✓	✓
9	Mr. Saad bin Omar Albaiz	✓	✓	✓	✓	✓	✓
10	Mr. Faisal Mohammed Nazeeh Qamhiyah*						✓

* Mr. Faisal Mohammed Nazeeh Qamhiyah was appointed to succeed Shaikh Mohamed bin Khalifa Al Khalifa as a representative of Batelco on 01/03/2022.

** Expiry of the membership of Mr. Omar Subhi Shanaah in the Board of Directors on 25/10/2021.

Attendance record of resigned Board members

No.	Name / Member	Number of meetings (6) meetings					
		2021-2022					
		1 st Meeting 25 April	2 nd Meeting 23 05 June	3 rd Meeting 10 October	4 th Meeting 08 November	5 th Meeting 05 December	6 th Meeting 28 March
2	Mr. Omar Subhi Shanaah	✓	✓	✓			
3	Shaikh Mohamed bin Khalifa Al Khalifa	✓	✓	✓	✓	✓	

*Acceptance of the resignation of Mr. Omar Subhi Shanaah from the Board of Directors as of 14/10/2021 AD.

**Expiry of the membership of Shaikh Mohamed bin Khalifa Al Khalifa in the Board of Directors as of 01/03/2022 AD.

14- Board Committees

During the current fiscal year (2021-2022), the fourth session, the Board of Directors formed three committees, and the following is a list of the names, members, tasks and meetings of these committees:

Audit Committee:														
The Audit Committee was formed and its members were appointed for the fourth session of the Board of Directors with the approval of the General Assembly held on 26/10/2020 AD, and the Audit Committee was formed for the fourth session with the approval of the General Assembly held on 01/12/2020 AD. The Audit Committee performs its work according to the executive regulations issued by the official competent authorities and the work regulations of the Audit Committee approved by the General Assembly on 26/10/2017 AD.														
Members and meetings of the Audit Committee, the fourth session														
No	Name	Membership rating	Number of meetings of the fourth session (13)											
			2022											
			14 April	20 May	23 June	08 August	17 August	08 September	04 November	10 November	08 December	15 December	31 January	08 March
1	Mr. Ayman bin Hilal Aljaber	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Mr. Omar Subhi Shanaah	Member	✓	✓	✓	✓	✓	✓						
3	Mr. Hani bin Fahad Kattan	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Mr. Ehsan Amanallah Makhdom	Member								✓	✓	✓	✓	✓
- Acceptance of the resignation of Mr. Omar Subhi Shanaah from the Audit Committee as of 25/10/2021 AD.														
- Mr. Ehsan Amanallah Makhdom was appointed to the Audit Committee (outside the Board of Directors) as of 31/10/2021 AD.														

Executive Committee :										
The Executive Committee was formed and its members were appointed by the Board of Directors on 25/04/2021 AD. The Committee periodically reviews matters related to operation and financial programs before the Board of Directors meeting. It may also carry out some emergency tasks that cannot wait for the Board of Directors to convene. The Executive Committee submits its reports to the Board of Directors. The Executive Committee also supports the Board of Directors in the performance of its responsibilities, and provides the Executive Management with direction and guidance towards the best practices of the Company's Management, and emphasizes the necessity of achieving the Company's plans and objectives. The main objective of the Committee is to raise the level of the Company's performance, set goals for the Company's senior management and coordinate on the Company's strategies, business objectives and activities.										
Members and meetings of the Executive Committee										
No.	Name	Membership rating	Number of meetings (7)							
			18 May	04 July	24 August	19 September	28 November	05 January	20 March	
1	Dr. Yazeed bin Saleh AlSubaie	Chairman	✓	✓	✓	✓	✓	✓	✓	✓
2	Dr. Eisa bin Yeslam Ba-Eisa	Member	✓	✓	✓	✓	✓	✓	✓	✓
3	Mr. Hani bin Fahad Kattan*	Member	✓	✓	✓	✓				
4	Mr. Omar Subhi Shanaah*	Member	✓	✓	✓	✓				
5	Mr. Saad bin Omar Albaiz	Member	✓	✓	✓	✓	✓	✓	✓	✓
6	Mr. Isa Abbas Alsabea**	Member						✓	✓	✓
* Acceptance of the resignation of Mr. Omar Subhi Shanaah from the Executive Committee on 14/10/2021 AD.										
* Acceptance of the resignation of Mr. Hani bin Fahad Kattan from the Executive Committee on 10/11/2021 AD.										
** Mr. Isa Abbas Alsabea was appointed to the Executive Committee on 10/11/2021 AD.										

Remuneration and Nomination Committee:

The Remuneration and Nomination Committee shall recommend to the Board of Directors the nomination for membership of the Board in accordance with the approved policies and standards, conduct an annual review of the required needs of the appropriate skills for membership of the Board of Directors, review the structure of the Board of Directors and make recommendations regarding changes that can be made, as well as identifying weaknesses and strengths in the Board of Directors, and suggesting them to be addressed in line with the interest of the Company, and also ensuring on an annual basis the independence of the independent members and setting clear policies for the compensation and remuneration of the members of the Board of Directors and senior executives.

Members and meetings of the Remuneration and Nomination Committee

No	Name	Membership rating	Number of meetings (10) meetings									
			22 April	25 April	23 May	24 June	07 September	29 September	11 November	14 December	10 February	29 March
1	Mr. Khalid bin Abdulrahman Alkhudairi	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Dr. Yazeed bin Saleh AlSubaie	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Mr. Saad bin Omar Albaiz	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

15- Remuneration policy for members of the Board of Directors and committees emanating from the Board and the Executive Management

On 28/07/2021 AD, the Board of Directors approved the policy of the remuneration of members of the Board of Directors, committees emanating from the Board and executive management, and the mechanism for disbursement. This policy was put in place from the date of its approval by the General Assembly of the Company on 25/08/2021 AD, in compliance with the rules and provisions of the Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. (8-2017-16) dated 16/05/1438 AH and in accordance with the requirements of the Companies Law issued by Royal Decree No. M/3, dated 28/01/1437 AH.

The Remuneration and Nomination Committee is concerned with recommending to the Board of Directors the remuneration of the members of the Board of Directors and members of the committees emanating from the Board, in addition to the remuneration of the Company's senior executives in accordance with the provisions of this policy, provided that the Committee observes the following criteria:

- Its compatibility with the Company's strategy and objectives.
- The remunerations are offered for the purpose of urging the members of the Board of Directors and the Executive Management to make the Company successful and ensure its long-term development, such as linking the variable part of the remunerations to long-term performance.
- That the remuneration be determined based on the job level, the tasks and responsibilities assigned to the incumbent, educational qualifications, practical experience, skills, and the level of performance.
- Compatibility with the size, nature and degree of risks with the Company.
- Taking into consideration the practices of other companies, especially those operating in the same field that engage in the same activities, in determining remuneration, while avoiding the unjustified rise in remuneration and compensation that might result from that.
- The remunerations should aim to attract, maintain and motivate professional competencies to work in the Company, without exaggerating them.

- g. If the Company wishes to adopt a program to grant shares in the Company to members of the Board of Directors and the Executive Management, whether it is a new issue or shares purchased by the Company, this must be done under the supervision of the Remuneration and Nomination Committee in accordance with the Company's Articles of Association, the Companies Law, and the Capital Market Authority Regulations and related Executive Regulations .
- h. Meeting attendance allowances and other benefits or expenses related to the meetings of the Board, its committees, general assemblies and other official meetings shall be paid immediately after each meeting, provided that all the amounts paid to the members of the Board and the committees are disclosed in the Board's annual report according to the item referred to in the Board's annual report, based on the instructions of the Capital Market Authority.

15-1 Criteria and mechanism for disbursing the remuneration of members of the Board of Directors and members of the committees emanating from the Board:

- a. The remuneration of the members of the Board of Directors and members of the committees emanating from the Board shall consist of an attendance allowance for meetings, benefits in kind, a flat rate or a certain percentage of the Company's net profits, and two or more of these benefits may be combined.
- b. The remuneration of the members of the Board of Directors may be a percentage of the profits achieved by the Company, or it may be based directly or indirectly on the profitability of the Company.
- c. If the remuneration is a certain percentage of the Company's profits, then this percentage may not exceed (10%) of the net profits, after deducting the reserves decided by the General Assembly to apply the provisions of the Companies Law and the Company's Articles of Association, and after distributing a profit to shareholders not less than (5%) of the Company's paid-up capital, provided that the entitlement to this remuneration is proportional to the number of sessions attended by the member, and any assessment to the contrary is void.
- d. The remuneration allocated to the members may be of varying amount and its value varies from one member to another according to the number of times the member attends meetings as a proportion. The value of the remuneration for each member is estimated at the recommendation of the Remuneration and Nomination Committee and the approval of the Board of Directors.
- e. The remuneration of the executive and non-executive members of the Board shall be paid based on the recommendation of the Board of Directors and subject to the approval of the General Assembly..
- f. The remuneration of the independent members of the Board shall be paid by a decision of the Board of Directors according to the classification shown in the table below, based on the recommendation of the Remuneration and Nomination Committee.
- g. The remunerations of all members of the committees emanating from the Board shall be paid by a decision of the Board of Directors based on the recommendation of the Remuneration and Nomination Committee.
- h. The maximum amount that a member may receive as allowance for attending meetings of the Board of Directors, sub-committees and assemblies shall not exceed SAR 72,000 in one fiscal year.
- i. The maximum amount that a member may receive as remuneration for membership in Board committees, if he is a member of more than one committee, shall not exceed SAR 100,000 in one fiscal year.
- j. The minimum annual remuneration for the Chairman of the Board shall be (200,000) two hundred thousand Saudi Riyals, and the minimum annual remuneration for members of the Board shall be (150,000) one hundred and fifty thousand Saudi Riyals, provided that the maximum annual remuneration does not exceed the amount shown in the table below.
- k. At the end of each fiscal year, the Remuneration and Nomination Committee shall recommend the payment of a financial reward to the members of the Board of Directors and the committees emanating from the Board, taking into account the attendance rate, as follows:

Remuneration Classification	Chairman of the Board of Directors	Member of the Board of Directors	Board Committees	Audit Committee	Attendance Allowance	Maximum Amount
Minimum Amount When no profits are) (made	200,000	150,000	50,000	75,000	3,000	300,000
Maximum Amount (When profits are made)	250,000	200,000	50,000	75,000	3,000	400,000

- l. The Company bears the costs of first-class travel tickets, transportation, food and accommodation in a five-star hotel for members residing outside the city of the meeting location. In the event that none of these facilities and services is secured by the Company, the members shall be compensated for these actual expenses after submitting the invoices and documents supporting the amounts disbursed, and in accordance with the policy of attending the meetings of the Board of Directors and committees emanating from the Board and assemblies and paying the travel expenses and expenses approved by the Board in this regard.
- m. In all cases; the sum of what a member of the Board of Directors receives in terms of financial or in-kind remunerations and benefits shall not exceed the amounts shown in the table above, in accordance with the provisions of the Companies Law and its Executive Regulations and the controls set by the competent authority.

15-2 Remunerations of the Chairman, Vice-Chairman, Board Secretary, and Board Committee Secretaries:

Taking into account what is stated in Article (5) above, the Board of Directors may approve the payment of an additional remuneration other than what is stipulated in Paragraph (5) above to the Chairman and Vice-Chairman upon the recommendation of the Remuneration and Nomination Committee. The Board of Directors also approves the remuneration of the Secretary of the Board and the secretaries of the committees emanating from the Board appointed from outside the Board on the recommendation of the Remuneration and Nomination Committee, provided that the remuneration paid thereto does not exceed the maximum limit stated above.

15-3 Remuneration of the Executive Management:

Remuneration aims to provide the competitive position required to attract and retain qualified and competent employees and maintain the high level of skills that the Company needs. The Board of Directors determines the types of remunerations granted to senior executives in the Company - based on the recommendation of the Remuneration and Nomination Committee - such as fixed remuneration, remuneration related to performance and incentive remuneration, in a manner that does not conflict with the controls and procedures governing this in joint stock companies. The following matters are taken into account when disbursing remuneration to the Executive Management team:

- a. The Remuneration and Nomination Committee shall periodically review the approved salary scale for all employees, including senior executives, and recommend plans and programs to motivate employees whenever the need arises.
- b. The appointment of the CEO shall be recommended by the Remuneration and Nomination Committee, and a proposal for the term of the employment contract with him/her and his/her compensation with the proposed remuneration provision for him/her shall be recommended and disbursed by the Committee. The final approval and consent shall be given by the Board of Directors.
- c. The performance standards for the CEO are determined and linked to remuneration by the Remuneration and Nomination Committee. The final approval and consent shall be given by the Board of Directors.

- d. The performance standards for senior executives are determined by the CEO, which are related to the Company's general directives and take into account the objectives required of the CEO. The final approval and consent shall be given by the Remuneration and Nomination Committee.
- e. The Remuneration and Nomination Committee shall discuss the recommendations of the Executive Management to disburse annual or exceptional rewards for performance and present them to the Board of Directors for approval.
The Remuneration and Nomination Committee reviews the incentive plans for senior executives on an ongoing basis, and also reviews the employment contracts concluded with them regarding annual remunerations (if any) and makes recommendations in this regard to the Board of Directors for approval.
- f. Rewards are determined based on the job level, tasks, responsibilities, educational qualifications, practical experience, skills and level of performance.
- g. Travel and assignment allowances are paid to all employees according to grades, job levels, employment contracts and in accordance with the internal policies approved by the Board of Directors based on the recommendations of the Remuneration and Nomination Committee in this regard.

15-4 Suspension of the Disbursement of Rewards and Cases of Claiming Compensation and Refund:

Taking into account the Company's financial conditions and work requirements, the Remuneration and Nomination Committee may recommend to the Board of Directors to stop disbursing the rewards to all beneficiaries and demand their refund in certain cases (including, but not limited to the employee or member committing an act of dishonor or dishonesty or forgery and/or breaching his/her responsibilities or duties resulting in harm to the interests of the Company and/or terminating his/her membership by a decision of the general assembly if he fails to attend three consecutive sessions without a legitimate excuse accepted by the Board, the member must return all the rewards that were spent for the period following the last meeting he/she attended) or deduct them in any appropriate way, if it appears that they were decided based on inaccurate information provided by a member of the Board of Directors or the Executive Management, in order to prevent the exploitation of the job position to obtain undue rewards. It is worth noting that the remuneration policy for members of the Board of Directors and committees emanating from the Board and the Executive Management was approved by the General Assembly of the Company on 25/08/2021 AD, and is effective as of the date of its approval by the General Assembly and applicable as of the fourth session of the Board of Directors.

16 Remunerations and compensations of members of the Board of Directors, members of committees and senior executives:

Remuneration of members of the Board of Directors during the fiscal year ending on March 31, 2022

Members	Fixed Remunerations							Variable Remunerations					End of service award	Total	Expense Allowance (*)	
	Specific amount	Allowance for attending Board meetings	Total allowance for attending committees meetings	In-kind benefits	Remuneration for technical, managerial and consultative work	Remuneration of the Chairman and the Secretary	Total	Percentage of profits	Periodic remuneration	Short term incentive plans	Long term incentive plans	Granted shares				Total
First: Independent members																
1	Eisa bin Yeslam BaEisa	0	15	27,000	0	0	0	42,000	0	0	0	0	0	0	42,000	18,173
2	Yazeed bin Saleh AlSubaie	0	18,000	54,000	0	0	0	72,000	0	0	0	0	0	0	72,000	0
3	Ayman bin Hilal Aljaber	0	30,000	51,000	0	0	0	81,000	0	0	0	0	0	0	81,000	0

4	Khalid bin Abdulrahman Alkhudairi	0	15,000	33,000	0	0	0	48,000	0	0	0	0	0	0	48,000	0
Total		0	78,000	165,000	0	0	0	243,000	0	0	0	0	0	0	243,000	18,173
Second: Non-executive members																
1	Saad bin Omar Albaiz	0	15,000	57,000	0	0	0	72,000	0	0	0	0	0	0	72,000	0
2	Mohamed bin Khalifa Al Khalifa	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Isa Abbas Alsabea	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Omar Subhi Shanaah	0	9,000	33,000	0	0	0	42,000	0	0	0	0	0	0	42,000	0
5	Hani bin Fahad Kattan	0	18,000	60,000	0	0	0	78,000	0	0	0	0	0	0	78,000	3,583.03
Total		0	42,000	150,000	0	0	0	192,000	0	0	0	0	0	0	192,000	21,756.03
Third: Executive members																
-	None	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

* Note: [1] Expense allowance includes (compensation for actual expenses incurred by members and/or the value of airfare and/or hotel accommodation costs provided by the Company).

* Note: [2] In addition to the bonuses and allowances shown in the above table, the allowance for attending the meetings of the (ordinary and extraordinary) General Assembly held during the fiscal year ending on March 31, 2021 was disbursed at 3,000 Riyals per assembly.

Remuneration of members of sub-committees during the fiscal year ending on March 31, 2022

Members	Fixed remunerations	Meeting attendance allowance	Expense Allowance (*)	Total
Audit Committee Members				
1	Ayman bin Hilal Aljaber	0	45000	45000
2	Hani bin Fahad Kattan	0	42000	42000
3	Ehsan Amanallah Makhdom*	0	18,000	18,000
4	Omar Subhi Shanaah**	0	18000	18000
Total		0	123000	123000
*Mr. Ehsan Amanallah Makhdom (a member from outside the Board of Directors) was appointed to the Audit Committee as of 31/10/2021 AD. ** Acceptance of the resignation of Mr. Omar Subhi Shanaah from the Audit Committee as of 14/10/2021 AD.				
Executive Committee Members				
1	Yazeed bin Saleh AlSubaie	0	21,000	21,000
2	Eisa bin Yeslam BaEisa	0	21000	21000
3	Saad bin Omar Albaiz	0	24,000	24,000
4	Isa Abbas Alsabea*	0	0	0
5	Hani bin Fahad Kattan**	0	12000	12000
6	Omar Subhi Shanaah**	0	12000	12000
Total		0	90000	90000
*Mr. Isa Abbas Alsabea was appointed to the Executive Committee as of 10/11/2021 AD. ** Acceptance of the resignation of Mr. Omar Subhi Shanaah from the Executive Committee as of 14/10/2021 AD. ** Acceptance of the resignation of Mr. Hani bin Fahad Kattan from the Executive Committee as of 10/11/2021 AD.				
Remuneration and Nomination Committee Members				
1	Khalid bin Abdulrahman Alkhudairi	0	27,000	27,000
2	Yazeed bin Saleh AlSubaie	0	27000	27000
3	Saad bin Omar Albaiz	0	30000	30000
Total		-	84000	84000

* Note: [1] Expense allowance includes (compensation for actual expenses of members incurred by members and/or the value of airfare and/or hotel accommodation costs provided by the Company).

Remuneration of the Top Five Senior Executives (Including the CEO and CFO)
during the fiscal year ending on March 31, 2022

Senior Executive Positions					Fixed Remunerations						Variable Remunerations	End of service award	Senior Executive Positions	
Salaries	Salaries	Allowances	In-kind benefits	Total	Periodic remunerations	Earnings	Short-term incentive	Long-term incentive plans	Shares Granted	Total				
1	Chief Executive Officer (CEO)	1998000	162000		2,160,000	7242750	-	-	-	-	7242750	0	-	9,402,750
2	Acting Chief Financial Officer (CFO)	480000	480000		960,000	280000					280000	590823		1,830,823
3	Chief Business Support Officer	1158000	162000		1,320,000	675500					675500	0		1,995,500
4	Chief Technology Officer Mohammed Alshamrani *	366000	54000		420,000	89639					89639	0		509,639
5	Chief Technology Officer Turki Al-Enezi **	463200	64800		528,000	228705					228705	0		756,705
6	Executive Assistant to the CEO for Technical and Strategic Affairs	606000	285000		891,000	50500					50500	815839		1,757,339
Total		5,071,200	1,207,800		6,279,000	8,567,094					8,567,094	1,406,662		16,252,756
note:- * Eng. Muhammad bin Saeed Al-Shamrani resigned as of 08/22/2021 AD. ** Eng. Turki bin Ramadan Al-Anzi was appointed as of 07/11/2021 AD.														

16-1 Relationship between the granted remuneration and the applicable remuneration policy

It is worth noting that the remuneration policy described in item (15) above was approved by the Board of Directors on the recommendation of the Remuneration and Nomination Committee on 28/07/2021 AD, and it was included in the agenda of the 14th Ordinary General Assembly meeting held on 25/08/2021 AD, and according to the results of the shareholders' vote, this policy was approved. The relationship between the granted remuneration and the applicable remuneration policy, and any substantial deviation from this policy, will be clarified.

17- Annual evaluation of the Board of Directors

The Board of Directors conducts an annual internal evaluation based on the self-evaluation and review/evaluation processes by the heads of the committees, where the strengths and weaknesses are identified and ways to address them are suggested in line with the Company's interest. There is no external body that has evaluated the performance of the Board of Directors and the performance of its committees. It is worth noting that the Remuneration and Nomination Committee is in the process of preparing a mechanism and a comprehensive policy for the annual evaluation process for the performance of the Board of Directors, members, committees and Executive Management, and final improvement procedures are underway in preparation for approval by the Board of Directors and commencement of implementation. The Company will be keen to fully comply with what is stated in the guiding Article No. (41) of the Corporate Governance Regulations in the future and disclose this in the upcoming reports, God willing.

18- The interests of the members of the Board of Directors and senior executives or their spouses or minor children

18-1 Description of the interests in a class of voting shares (Notification of Ownership of Significant Numbers of Shares)

The Executive Management of the Company or the shareholders' relations department did not receive any reports or notifications from any natural or legal person who owns (5%) or more of the issued shares of the Company, or reports of any interest in the class of shares entitled to vote, whether from related persons or from the Capital Market Authority in accordance with Article 30 of the registration and listing rules from the date of incorporation until the date of this report. Therefore, there are no interests in the class of voting shares from the shareholders, members of the Board of Directors, senior executives, their spouses and their minor children.

18-2 Interest, option rights and subscription rights for Board members and senior executives, or their spouses or minor children

There are no interests, option rights, or subscription rights belonging to any of the Board members or senior executives of the Company, or their spouses or minor children in the shares or debt instruments of the Company.

18-3 The interests of Board members, senior executives and their relatives in the contracts concluded with Etihad Atheeb Telecom Company

The Board of Directors acknowledges that none of the members of the Board, the Chief Executive Officer, the Chief Financial Officer or their relatives have any personal interests in the contracts concluded by the Company other than the contracts shown in the table below:

No	Nature of work/contract	Amount of work/contract	Duration of work/contract	Terms of work/contract	Name of the member/senior executives or any person related to any of them
1	Voice Interconnection agreement with Batelco	The value of the calls is calculated according to the prices for each country and the duration of the call for each call separately, at variable rates	This agreement was signed in February 2009. It is renewed annually	This agreement is part of the interconnection agreement with Batelco (Technical Partner) that was signed and agreed upon in February 2009.	Batelco Company (Corporate Board Member and Founder) represented on the Board of Directors by: Sheikh Mohammed bin Khalifa Al Khalifa (in succession to Mr. Raed Abdullah Fakhry), and Mr./ Issa Abbas Al-Sabaa (in succession to Mr./ Ehab Hinnawi)
2	Data (international access circuits) Interconnection agreement with Batelco	Each circuit is calculated separately at a competitive price	This agreement was signed on 10/11/2016 and renewed on a monthly basis	A linking circuit for the international access circuits for high-capacity information that is used by both Batelco and "GO" customers to benefit from the service.	Batelco Company (Corporate Board Member and Founder) represented on the Board of Directors by: Sheikh Mohammed bin Khalifa Al Khalifa (in succession to Mr. Raed Abdullah Fakhry), and Mr./ Issa Abbas Al-Sabaa (in succession to Mr./ Ehab Hinnawi)
3	Dark fiber optics agreement with Batelco	Estimated value: 5 million Saudi Riyals	This agreement was signed on February 26, 2018 and has a term of 15 years	Using a specific part of the dark fiber optics purchased from the GCC Interconnection Authority, which connects several different points in the Arab Gulf countries	Batelco Company (Corporate Board Member and Founder) represented on the Board of Directors by: Sheikh Mohammed bin Khalifa Al Khalifa (in succession to Mr. Raed Abdullah Fakhry), and Mr./ Issa Abbas Al-Sabaa (in succession to Mr./ Ehab Hinnawi)

In addition to what was mentioned in the above table, the Company provides its services for telecommunications, data and internet solutions to some of the legal Board members and the companies related to them in exchange for subscription fees like the rest of the Company's other clients without any preferential benefits, and they are disclosed within the transactions with

related parties in the financial statements according to the practice, and reported at the annual general assembly meeting. For more information on related party transactions, please see paragraph (19) below.

19- Related Parties transactions:

The transactions with related parties were based on agreed terms and prices that represent the usual business dealings with customers or suppliers. The details are as follows:

Related Party	Relationship	Type of Deal / Operation	Duration	Value (SAR)	
				2022	2021
Bahrain Telecommunications Company (Batelco)	Founding Shareholder	data revenue	From January 2010	1,082,090	3,895,043
		interconnection revenue	From February 2009	189,140	3,046,516
		interconnection cost	From February 2009	4,418,193	1,123,594
		Settlement expenses	December 2021	3,652,886	
Saudi Arabian Marketing And Agencies Company Ltd. (SAMACO)	A sister company of Al-Nahla Group	data revenue	From October 2012	56,464	643,662
Bithar Trading Co. Ltd.	Founding Shareholder	data revenue	From November 2009	66,051	276,919
Etihad Shams Co.	A sister company of Bithar Trading Co. Ltd.	data revenue	From January 2011	5,947	30,141
Atheeb Maintenance & Services Ltd., whose name was later modified to Modern Riyada Environmental Services Co.	Founding Shareholder	data revenue	From September 2015	-	20,160
Atheeb Intergraph Saudi Company	A sister company of Bithar Trading Co. Ltd.	data revenue	From June 2012	58,296	189,660
- Bithar Trading Co. Ltd. - Bahrain Telecommunications Company (Batelco) - ALNAHLA for Trading & Contracting Co. Ltd. - Traco Trading & Contracting Co. Ltd. - Bithar Communications and Information Technology Co. Ltd. - Saudi Internet Co. Ltd. - Atheeb Maintenance & Service Ltd., whose name was later modified to Modern Riyada Environmental Services Co.	Founding Shareholders	Compensating the founding shareholders for the commission charged and paid by them to Banque Saudi Fransi (amounting to 0.5%) against the letters of guarantee issued by the founding shareholders on behalf of the Company for a total amount of 1,592,000,000.00 (one billion, five hundred and ninety-two million Saudi Riyals), in respect of the proportion of the general shareholders only and on a proportional basis according to the shares owned by each founding shareholder	From April 2009, commissions are paid at the end of each Gregorian year for the warranties to remain in effect		18,915

19-1 Dues from related parties

No.	Names of the parties or any person related to any of them	Relationship	Type of Operation	2022 (SAR)	2021 (SAR)
1	Bahrain Telecommunications Company (Batelco) represented by Board Members Sheikh/ Mohammed bin Khalifa Al Khalifa and Mr. Issa Abbas Al-Sabaa (in place of Mr. Ihab Hinnawi).	Founding Shareholder	business dealing	841,493	42,556,016
2	Bithar Trading Co. Ltd. represented by the Board Member, Mr. Saad Bin Omar Albaiz.	Founding Shareholder	business dealing		735,148
3	Saudi Arabian Marketing And Agencies Company Ltd. (SAMACO)	A sister company of Al-Nahla Group	business dealing		4,460,352
4	Atheeb Intergraph Saudi Company because of the interest of the two Board members, Mr. Fahad bin Abdulaziz Al-Sanea and Mr. Saad bin Omar Albaiz, as they are both members of the Board of Directors of Atheeb Intergraph Saudi Company.	A sister company of Bithar Trading Co. Ltd.	business dealing		94,930
5	Atheeb Maintenance & Services Ltd., whose name was later modified to Modern Riyadh Environmental Services Co, represented by the Board Member, Mr. Saad bin Omar Albaiz.	Founding Shareholder	business dealing		86,068
6	Etihad Shams Company because of the interest of the Board member, Mr. Saad bin Omar Albaiz, being a member of the Board of Directors of Etihad Shams Company.	A sister company of Bithar Trading Co. Ltd.	business dealing		11,978

19-2 Dues to related parties

No.	Names of the parties or any person related to any of them	Relationship	Type of Operation	2022 (SAR)	2021 (SAR)
1	Bahrain Telecommunications Company (Batelco) represented by Board Members Sheikh/ Mohammed bin Khalifa Al Khalifa and Mr. Issa Abbas Al-Sabaa (in place of Mr. Ihab Hinnawi).	Founding Shareholder	Commercial Dealing /Guarantee Fees		29,710,737

2	Bithar Trading Co. Ltd. represented by the Board Member, Mr. Saad Bin Omar Albaiz, in place of Mr. Fahad bin Abdulaziz ALSanea.	Founding Shareholder	Guarantee Fees		53,381
3	Traco Group because of the interest of being a former founding shareholder. The Company has no representative on the Board of Directors.	Founding Shareholder	Guarantee Fees		924,988
4	Saudi Internet Co. represented by the Board Member, Mr. Omar Subhi Shanaa.	Founding Shareholder	Guarantee Fees		213,216
5	Bithar Communications and Information Technology Co. Ltd. represented by the Board Member, Mr. Omar Subhi Shanaa.	Founding Shareholder	Guarantee Fees		265,716
6	Atheeb Maintenance & Services Ltd., whose name was later modified to Modern Riyada Environmental Services Co, represented by the Board Member, Mr. Saad bin Omar Albaiz.	Founding Shareholder	Guarantee Fees		265,716
7	ALNAHLA for Trading & Contracting Co. Ltd. represented on the Board of Directors by Mr. Hani bin Fahad Kattan.	Founding Shareholder	Guarantee Fees		172,280

20- Waiver of compensation and bonuses

No compensation or bonus was waived by the Company's senior executives.

21- Shares owned by members of the Board of Directors and senior executives of the Company

21-1 Shares owned by members of the Board of Directors

21-1.1 Shares owned by members of the Board of Directors (Corporate Members)

No.	Member name	Shares owned at the beginning of the year 1/4/2021	Shares owned at the end of the year 31/3/2022	Net change	Percentage change (%)
1	Bithar Trading Co. Ltd. represented by the Board Member, Mr. Saad Bin Omar Albaiz.	687,683 shares	0 shares	(687,683) shares	-100%
2	Bahrain Telecommunications Company (Batelco) represented by Board Members Sheikh/ Mohammed bin Khalifa Al Khalifa and Mr. Issa Abbas Al-Sabaa.	3,427,943 shares	1,349,988 shares	2,077,955 shares	-60.62%

3	ALNAHLA for Trading & Contracting Co. Ltd. represented by the Board Member, Mr. Hani bin Fahad Kattan.	2,031,373 shares	0 shares	(2,031,373) shares	-100%
4	Saudi Internet Co. represented by the Board Member, Mr. Omar Subhi Shanaa.	0 shares	0 shares	(255,952) shares	-100%

21-1.2 Shares owned by the natural/personal members of the Board, and their spouses and minor children

No.	Member name	Shares owned at the beginning of the year 1/4/2021	Shares owned at the end of the year 31/3/2022	Net change	Percentage change (%)
1	Dr. Eisa bin Yeslam BaEisa	0 shares	0 shares	0 shares	0%
2	Dr. Yazeed bin Saleh AlSubaie	0 shares	0 shares	0 shares	0%
3	Shaikh Mohamed bin Khalifa Al Khalifa	0 shares	0 shares	0 shares	0%
4	Mr. Isa Abbas Alsabea	0 shares	0 shares	0 shares	0%
5	Mr. Saad bin Omar Albaiz	149 shares	58 shares	91 shares	86.4%
6	Mr. Hani bin Fahad Kattan	0 shares	0 shares	0 shares	0%
7	Mr. Ayman bin Hilal Aljaber	0 shares	0 shares	0 shares	0%
8	Mr. Khalid bin Abdulrahman Alkhudairi	0 shares	0 shares	0 shares	0%
9	Mr. Omar Subhi Shanaah	0 shares	0 shares	0 shares	0%

* Note: The wives of the members of the Board of Directors or their minor children do not own any personal shares in the Company until the date of preparing this report.

21-1.3 Shares owned by senior executives, their spouses and their minor children (Executive Management)

No.	Member name	Position	Shares owned at the beginning of the year 1/4/2021	Shares owned at the end of the year 31/3/2022	Net change	Percentage change (%)
1	Mr. Yahya bin Saleh AlMansour	Chief Executive Officer (CEO)	None	None	0	0%
2	Mr. Mahmoud Hamdan Abdullah	Acting Chief Financial Officer (CFO)	None	None	0	0%
3	Dr. Saleh bin Khalaf AlHarthi	Chief Business Support Officer	None	None	0	0%
4	Eng. Mohammed bin Saed Alshamrani*	Chief Technology Officer	None	None	0	0%
5	Eng. Turki bin Ramadan Al-Enezi**	Chief Technology Officer	None	None	0	0%
6	Eng. Fahad bin Abdulrahman Albawardy	Executive Assistant to the CEO for Technical and Strategic Affairs	None	None	0	0%

* Eng. Mohammed bin Saed Alshamrani resigned as of 22/08/2021 AD.

** Eng. Turki bin Ramadan Al-Enezi was appointed as of 07/11/2021 AD.

* Note: None of the current senior executives, their wives or their minor children own any personal shares in the Company until the date of preparing this report.

21-2 Waiver of dividends

There are no agreements or arrangements under which any of the shareholders of the Company has waived any rights to profits.

22 Statutory dues and payments

Statement	Paid amount (Saudi Riyals)	Due unpaid amount until the end of the fiscal period	Description	Reasons
Government fees/license	25,307,065	11,574,741	Communications and Information Technology Commission fees for the use of the frequency spectrum	Statutory requirement
Customs fees	54,185		Customs clearance fee	Statutory requirement
General Organization for Social Insurance	2,331,315		Social insurance for employees	Statutory requirement
Zakat and taxes	18,039,447		Taxes on foreign purchases and zakat	Statutory requirement
Labor office fees and passports	1,020,322		Fees for issuing and renewing work licenses and visas	Statutory requirement
Total amounts owed and paid to governmental and semi-governmental entities	46,752,334	11,574,741	Represent the statutory amounts owed and paid to the Government of the Kingdom of Saudi Arabia	

23 Penalties, fines or preventive restrictions and existing lawsuits

Punishment / penalty / fine / precautionary measure / preventive restriction	Causes of the violation	Violation entity	Ways to remedy the violation and prevent its occurrence in the future
50,000	The Company's failure to submit reports as requested by the Commission within the periods specified by it	Communications and Information Technology Commission	Studying the Company's position on the violation and implementing its statutory right to object to it, and setting accurate standards in following up the performance of the departments concerned in responding to the Communications and Information Technology Commission's requests. In order to preserve the legal and statutory right of the Company, the violation was objected to before the judicial authorities.
15,000	The Company's failure to achieve the required indicators within the period specified by the Commission.	Communications and Information Technology Commission	Studying the Company's position on the violation and implementing its statutory right to object to it, and setting accurate standards in following up the performance of the departments concerned in responding to the Communications and Information Technology Commission's requests.

			In order to preserve the legal and statutory right of the Company, the violation was objected to before the judicial authorities.
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The Company has a number of pending lawsuits, including lawsuits between it and the Communications and Information Technology Commission at the Administrative Court (Board of Grievances) related to the frequencies allocated to the Company, decisions and licenses. When resorting to the competent judicial authorities, the Company is keen that the authority's decisions regarding the Company are fair in accordance with the laws and regulations applicable in the Kingdom of Saudi Arabia. It is not possible to predict the final outcome of the aforementioned lawsuits, but the Company will take all legitimate means to protect its rights.

24 Employees' end of service benefits

The balance of the total end-of-service benefits for the Company's employees amounted to **(8,332,000)** eight million, three hundred and thirty-two thousand Saudi Riyals as on 31/03/2022 AD.

25 Investments and reserves created for the benefit of the Company's employees

"GO" has not created any investments or reserves for the benefit of its employees since the date of incorporation and until the date of this report.

26 Compliance with the Corporate Governance Regulations

The Company has committed to implementing all the provisions contained in the Corporate Governance Regulations issued by the Capital Market Authority, except for the mandatory and indicative provisions listed below:

No.	Article / paragraph number	Text of Article / paragraph	Reasons for non-application
1	Article 25: Supervising the Executive Management	8) Develop succession plans on the management of the company.	The Company complied with Article (25) except for Paragraph (8), where succession plans have not been formally developed in writing, but the Company's internally available cadres are used, or they search for potential candidates in the labor market through the considered channels. The Company is working on developing succession plans for the Executive Management, starting from 2022-2025.
2	Article 39: Training	The company shall pay adequate attention to training and qualifying the members of the Board of Directors and the Executive Management, and developing the necessary programs for this.	This Article is indicative, and the members of the Board of Directors and the Executive Management are fully qualified and have sufficient experience to manage the Company, and the Board is convinced that it is not necessary to retrain and rehabilitate them, taking into account the financial situation of the Company at the present time. Training plans will be developed for all management levels as an essential part of the Company's strategic plan.
3	Article 41: Evaluation	a) The Board of Directors shall, based on the proposal of the Nomination Committee, establish the necessary mechanisms for annually evaluating the performance of the Board, its members, committees and the Executive Management. This is done through appropriate performance measurement indicators related to the extent to which the company's strategic objectives are	This is an indicative Article. The Board conducts an internal evaluation, and the performance of the Board or the Executive Management has not been evaluated by any external party. The Company is in the process of developing a

No.	Article / paragraph number	Text of Article / paragraph	Reasons for non-application
		<p>achieved, the quality of risk management, the adequacy of internal control systems and others, provided that the strengths and weaknesses are identified and a proposal to address them in line with the company's interest is made.</p> <p>e) The Board of Directors shall make the necessary arrangements to obtain an evaluation of its performance by a competent third party every three years.</p>	<p>mechanism and a comprehensive policy for the process of evaluating the performance of the Board of Directors, members, committees and Executive Management after the Company's financial conditions improve.</p>
4	Article 70: Formation of a risk management committee	<p>By a decision of the company's board of directors, a committee called (Risk Management Committee) will be formed, with its chairman and the majority of its members being non-executive board members. Its members are required to have an appropriate level of knowledge of risk management and financial affairs.</p>	<p>This Article is indicative, and the Board did not see the need to form a committee specialized in risk management currently and is satisfied with the reports prepared by the Audit Committee.</p> <p>The Company will ensure to adhere to it in the future, according to the needs of the business and in accordance with the rules and regulations approved by the relevant authorities.</p>
5	Article 71: Terms of Reference of the Risk Management Committee	<p>The Risk Management Committee is responsible for the following:</p> <ol style="list-style-type: none"> 1) Developing a comprehensive risk management strategy and policies in line with the nature and size of the company's activities, and verifying their implementation, review and update based on the company's internal and external variables. 2) Determining and maintaining an acceptable level of risks to which the company may be exposed, and ensuring that the company does not exceed it. 3) Verifying the feasibility of the company's continuation and its successful continuation of its activity, with identification of the risks that threaten its continuity during the next twelve months. 4) Supervising the company's risk management system and evaluating the effectiveness of the systems and mechanisms for identifying, measuring and following up on the risks that the company may be exposed to; so as to identify its shortcomings. 5) Periodically reassess the company's ability to take risks and be exposed to them (for example, by conducting stress tests). 6) Preparing detailed reports on exposure to risks and the proposed steps to manage these risks, and submitting them to the Board of Directors. 7) Make recommendations to the Board on issues related to risk management. 8) Ensure the availability of adequate resources and systems to manage risks. 9) Reviewing the organizational structure of risk management and making recommendations in this regard before it is approved by the Board of Directors. 10) Verify the independence of risk management personnel from activities that may expose the company to risks. 11) Verify that the risk management staff understand the risks surrounding the company, and work to raise awareness of the culture of risks. 12) Reviewing issues raised by the Audit Committee that may affect risk management in the company. 	<p>This Article is indicative, and the Company will ensure to adhere to it in the future in accordance with the needs of the work and in accordance with the rules and regulations approved by the relevant authorities.</p> <p>The Company's Board of Directors approved a risk management policy and a mechanism for dealing with it, under the supervision of the Audit Committee on 30/01/2018 AD.</p>
7	Article 72: Risk Management Committee Meetings	<p>The Risk Management Committee shall meet at least every six months, and whenever the need arises.</p>	<p>This Article is indicative, and the Company will be ensure to adhere to it in the future according to the business needs when forming a risk committee.</p>
8	Article 85: Motivating the staff	<p>The company shall set programs to develop and motivate the participation and performance of employees in the company</p>	<p>This is an indicative Article. The Company makes questionnaires to take the Company's employees' views on some issues that are the subject of important decisions. The Company has also developed a policy and other incentive programs to develop and disburse performance rewards to Company's employees, but not</p>

No.	Article / paragraph number	Text of Article / paragraph	Reasons for non-application
			including granting employees shares in the Company or a share in profits, as well as establishing social institutions. The Company will ensure to take this into account in the future.
9	Article 87: Social Responsibility	The Ordinary General Assembly, based on a proposal from the Board of Directors, shall set a policy that ensures a balance between its goals and the goals that society aspires to achieve, for the purpose of developing the social and economic conditions of society.	This Article is indicative, and the Company seeks to participate in social events and activities as much as possible according to the budget allocated for that. The Board of Directors has also set an internal policy for the Company's social responsibility, which is being updated, and then this policy is approved by the General Assembly.
10	Article 88: Social Action Initiatives	The Board of Directors shall set the programs and determine the necessary means to present the company's initiatives in the field of social work	This Article is indicative. The Company's initiatives in the field of social work are currently entrusted to the Executive Management, and this Article will be considered in the future.
11	Article 95: Formation of the Corporate Governance Committee	In the event that the Board of Directors forms a committee specialized in corporate governance, it must delegate to it the functions stipulated in Article Ninety-four of these Regulations. This committee must follow up on any issues related to corporate governance applications, and provide the Board of Directors, at least annually, with the reports and recommendations it reaches.	This Article is indicative, and the Company will ensure to adhere to it in the future in accordance with the needs of the work and in accordance with the rules and regulations approved by the relevant authorities.

27- Shareholders' Assemblies

27-1 General Assemblies of the shareholders held during the fiscal year 2021/2022 and the names of the members of the Board of Directors present in these assembly meetings:

No.	General Assembly meetings	Attendance record of Board members
1	14 th Ordinary General Assembly (2 nd meeting) held on 25/08/2021 AD	<ul style="list-style-type: none"> - Dr. Eisa bin Yeslam BaEisa - Dr. Yazeed bin Saleh AlSubaie - Mr. Ayman bin Hilal Aljaber - Mr. Khalid bin Abdulrahman Alkhudairi - Mr. Hani bin Fahad Kattan - Shaikh Mohamed bin Khalifa Al Khalifa - Mr. Isa Abbas Alsabea - Mr. Omar Subhi Shanaah - Mr. Saad bin Omar Albaiz -
2	13 th Extraordinary General Assembly (2 nd Meeting) held on 23/01/2022 AD	<ul style="list-style-type: none"> - Dr. Eisa bin Yeslam BaEisa - Dr. Yazeed bin Saleh AlSubaie - Mr. Ayman bin Hilal Aljaber - Mr. Khalid bin Abdulrahman Alkhudairi - Mr. Hani bin Fahad Kattan - Shaikh Mohamed bin Khalifa Al Khalifa - Mr. Isa Abbas Alsabea - Mr. Saad bin Omar Albaiz -

27-2 Shareholders' Register

The Company obtains a periodic report every month for the shareholder register from the Saudi Stock Exchange (Tadawul). The Company has applied for the shareholder register (17) seventeen times during the past fiscal year. The following is a statement of the dates of these requests and the reasons for them:

Number of the Company's requests for Shareholders' register	Request date	Reasons for request
1	29/04/2021 AD	Corporate Actions
2	31/05/2021 AD	Corporate Actions
3	21/06/2021 AD	Corporate Actions
4	30/06/2021 AD	Corporate Actions
5	31/07/2021 AD	Corporate Actions
6	25/08/2021 AD	Ordinary General Assembly
7	31/08/2021 AD	Corporate Actions
8	30/09/2021 AD	Corporate Actions
9	31/10/2021 AD	Corporate Actions
10	09/11/2021 AD	Corporate Actions
11	30/11/2021 AD	Corporate Actions
12	30/12/2021 AD	Corporate Actions
13	18/01/2022 AD	Corporate Actions
14	23/01/2022 AD	Extraordinary General Assembly
15	31/01/2022 AD	Corporate Actions
16	28/02/2022 AD	Corporate Actions
17	31/03/2022 AD	Corporate Actions

27-3 Informing the members of the Board of Directors of the shareholders' proposals and their comments regarding the Company and its performance:

The Company's Shareholders Relations Department is responsible for meeting investors' requests, responding to their inquiries, and taking their comments and suggestions. The Company's Executive Management informs the Board of Directors of the shareholders' suggestions and questions. The Company has also allocated several means to receive shareholders' comments and suggestions, including telephone calls, postal correspondence, and e-mail communication.

27-4 Recommendations of the Board of Directors to the Annual General Assembly

The Board of Directors recommends to the General Assembly of the Company the following:

1. Voting on the report of the Board of Directors for the fiscal year ending on 31/03/2022 AD.
2. Voting on the auditors' report for the fiscal year ending on 31/03/2022 AD.
3. Ratification of the Company's financial statements as at 31/03/2022 AD.
4. Vote for the selection of the auditor from among the candidates based on the recommendation of the Audit Committee, in order to examine, review and audit the quarterly financial statements for the second, third and fourth quarters and the annual financial statements for the year 2021/2022 AD and the first quarter of 2022/2023 AD, and to determine his fees.
5. Voting on the transactions that took place with related parties as indicated in Note No. (31) of the annual financial statements for the fiscal year ending on 31/03/2022 AD.
6. Any other business.

28 Internal Control and Audit Committee

28-1 Internal Control

Internal control is an objective and independent assurance and advisory activity for the purpose of adding value and improving the Company's operations. The internal control also plays a major role in the Company's achievement of its objectives by securing and providing a regular approach to evaluating and improving the effectiveness of risk management and control and the work involved in the control performance in the Company. Ensuring the existence of a comprehensive and effective internal control system in proportion to the level of risks that the Company may be exposed to, and including work policies and procedures prepared under the supervision of the Board of Directors, is one of the responsibilities of the Executive Management. Also, the existence of an effective internal control system is considered one of the Board's responsibilities to achieve the strategic objectives of the Company. The Audit Committee monitors the Company's business and reasonably verifies the integrity of its reports, financial statements and internal control systems through direct and periodic meetings and contacts with the Executive Management and the Board of Directors, as well as through what is submitted to it by the internal audit department and the external auditor, each in his own business.

Based on the results of the work that the Committee was briefed on during the year, whether the internal audit work with the internal audit consultant's team, the internal control questionnaire according to the Committee of Sponsoring Organizations of the Treadway Commission (COSO) that was done with the departments or what the external auditor has done within the scope of his work, it became clear to us that there are several observations regarding the automated systems, policies, procedures and operational processes in the Company, in which the Executive Management and the Board of Directors were engaged. The Audit Committee periodically follows up on the implementation of recommendations to address these observations with the Company's Executive Management and the Board of Directors. Accordingly, the Audit Committee considers that the current internal control system needs to develop and improve performance to ensure raising the level of control procedures in the Company, and it has not found out that there are fundamental issues that can be mentioned in this the report.

In addition to the above, it should be noted that the Department is currently implementing several different transformation projects in the fields of governance, telecommunications and information technology network infrastructure, and human and financial resources in order to develop the internal control system and mitigate related risks, according to the transformation strategy of Etihad Atheeb Telecom Company.

28-2 Audit Committee

The Audit Committee emanating from the Board of Directors supervises the internal control work of the Company, which periodically checks the adequacy and effectiveness of the internal control system, which helps to evaluate the internal control system on an ongoing basis and ensure its effectiveness, in addition to reviewing the (initial and final) financial statements and coordinating with the concerned authorities and supervising the work of chartered accountants. The Audit Committee held meetings with certified public accountants, internal auditors and the Company's Executive Management to discuss financial and legal matters and other obligations related to the Company's workflow.

The Committee reviewed the annual financial statements as at March 31, 2021 AD, and the quarterly statements, and made recommendations to the Board regarding them, as well as reviewing the "management letter" issued by the external auditors, reviewing the reports received from the Company's Management on legal and regulatory requirements and following up on the implementation of the recommendations included in the reports. The Committee informs the Board of Directors on the activities of the Committee by submitting the minutes of its meetings to the Board. It is worth noting that there has not been, and has not been proven that there is, any conflict during the past fiscal year ending on March 31, 2022 AD between the recommendations

of the Audit Committee and the decisions of the Board of Directors or regarding the appointment of the external auditor or the internal auditor and determining their fees.

29 External Auditor (Chartered Accountant)

M/s. Al Azem, Al Sudairy, Al Shaikh & Partners CPA's & Consultants (Crowe) was selected and appointed at the Ordinary General Assembly meeting held on 25/08/2021 AD as an external auditor for the fiscal year 2021/2022 AD to provide annual and quarterly audit services (second, third and fourth quarters) for the fiscal year 2021/2022 AD, as well as the first quarter of the fiscal year 2022/2023 AD. The Board of Directors did not recommend changing the external auditor before the end of the period for which it was appointed.

The examination report on the annual financial statements ending on March 31, 2022 AD, prepared by the external auditor, was issued and included the following:

Qualified Opinion

We have audited the financial statements of **Etihad Atheeb Telecommunication Company (the "Company")**, which comprise the statement of financial position as of March 31, 2022, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the "Basis for Qualified Opinion" section, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2022, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Chartered and Professional Accountants (SOCPA).

Basis for Qualified Opinion

As shown in Note (1), the Company received a letter from the Communications and Information Technology Commission (CITC) on May 26, 2022, notifying the Company of its intention to revoke the frequency spectrum license related to providing fixed telecommunications services with an infrastructure of band frequencies (3500 MHz) in the event of passing the stipulated deadline on June 30, 2022 related to network deployment obligations for the frequency. As this event is uncertain and related to future events, the management was unable to determine the amount of financial impact on its financial statements ended March 31, 2022. We were unable to obtain sufficient appropriate audit evidence as to whether there was an impairment of the frequency spectrum license as on March 31, 2022 mentioned in Note (6) under the licenses category related to intangible assets.

We conducted our audit in accordance with International Standards on Auditing ("ISAs") that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements section" of our report. We are independent of the Company in accordance with the professional code of conduct and ethics that are endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note (1) to the accompanying financial statements, which indicates that, as of March 31, 2022, the accumulated losses of the Company amounted to SR 16 million, which represents 17.8% of its share capital, and the Company's current liabilities exceeded its current assets by SR 182.57 million and it incurred a loss by SR 37.74 million for the year then ended. These conditions indicate the existence of a material uncertainty, which may cast significant doubt about the Company's ability to continue as a going concern. As stated in Note (1), the management has made an assessment of the Company's ability to continue as a going concern, and as

result, the accompanying financial statements has been prepared on a going concern basis. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section and the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue Recognition	
Key audit matter	How the matter was addressed in our audit
<p>There is an inherent risk relating to the completeness, existence and accuracy of recorded revenue given the complexity of the systems, the high volumes of data and the combination of different services into different products which are sold at varying prices. Significant management judgment is required in determining the appropriate measurement and timing of recognition of different elements of revenue within bundled products. Due to the estimates and judgment involved in the application of the revenue recognition standard and the complexity of the related IT systems and processes, we have identified this matter as a key audit matter.</p>	<p>Our audit procedures included testing of relevant controls and substantive procedures. In particular:</p> <ul style="list-style-type: none"> Assessing the appropriateness of the revenue recognition policy that is applied to different products and combination of products to assess whether it is in accordance with the applicable accounting framework; Assessing, with the assistance of our internal IT specialists, the design, implementation and operating effectiveness of management's key internal controls over the IT environment in which the business systems operate, including access controls, program change controls, program development controls and IT operation controls; Assessing, with the assistance of our internal IT specialists, the design, implementation and operating effectiveness of management's key internal IT controls over the completeness and accuracy of rating and bill generation and the end to end reconciliation controls from the rating and billing systems to the accounting system; Performing tests on the accuracy of customer invoice generation on a sample basis and testing the credits and discounts applied; Performing analytical reviews of significant revenue streams; Performing specific procedures to test the completeness and accuracy of adjustments relating to contracts containing multiple performance obligations.
<p>Refer to note (3.10) for the accounting policy and note (19) for related disclosures.</p>	

Key Audit Matters (Continued)

Capitalization of assets and the assessment of useful lives and residual values for property and equipment	
Key audit matter	How the matter was addressed in our audit
<p>Property and equipment represent a significant proportion of the Company's asset base. The estimates and assumptions made to determine the carrying amounts, including whether and when to capitalize or expense certain costs, and the determination of depreciation charges are material to the</p>	<p>We obtained an understanding of the relevant management controls relating to the capitalization of property and equipment.</p>

<p>Company's financial position and performance. The charges in respect of periodic depreciation are derived after estimating an asset's expected useful life and the expected residual value. Changes to assets' carrying amounts, expected useful lives or residual values could result in a material impact on the financial statements and is a matter of significance to our audit. We considered this matter to be a key audit matter due to the extent of judgment and assumptions involved in the assessment of useful lives and residual values.</p>	<p>We evaluated the capitalization policies and assessed the timeliness of the transfer of assets under construction by agreeing the date that depreciation commenced to the date that the asset is ready for use.</p> <p>Our substantive testing of the determination of estimated useful lives and residual values included the following:</p> <ul style="list-style-type: none"> • Considering management's judgments, including the appropriateness of the useful life assumptions and residual values applied in the calculation of depreciation. • Testing on a sample basis the accuracy of the cost capitalization and capex accrual.
<p>Refer to notes (3.1) for the accounting policy and note (5) for related disclosures.</p>	

Allowance for impairment of trade receivable

Key audit matter	How the matter was addressed in our audit
<p>The Company's trade receivables amounted to SR 229.2 million against which an impairment allowance of SR 111.5 million is maintained as at March 31, 2022.</p> <p>The Company uses the expected credit loss model (ECL) as required by International Financial Reporting Standard 9 (Financial Instrument) (IFRS 9) to calculate allowance for impairment in trade receivable. Further, the Company perform an assessment based on a set of relevant qualitative factors for some of the customers' categories.</p> <p>We considered this as a key audit matter as it involves complex calculations and use of assumptions by management in addition to the materiality of the amounts involved.</p>	<p>Our audit procedures performed included, among others, the following:</p> <ul style="list-style-type: none"> • Assessed the design, implementation, and operating effectiveness of the key controls over the recording of trade receivables and settlements, and trade receivables aging reports. • Tested a sample of trade receivables to assess whether ECL has been recorded on a timely manner. • Assessed significant assumptions that are used to calculate the expected credit loss. • Tested the mathematical accuracy of the ECL model. • Assessed the appropriateness of the relevant disclosures included in the financial statements.
<p>Refer to notes (3.5) for the accounting policy and note (9) for related disclosures.</p>	

Impairment of non-financial assets

Key audit matter	How the matter was addressed in our audit
<p>As at March 31, 2022, the Company's financial position included non-financial assets amounting to SR 586,265,525.</p> <p>At each reporting date, the Company's management assesses whether there is any indication that non-financial assets may be impaired. If any indication exists, an assessment of the recoverable amounts for the non-financials assets is performed. The management has carried out an exercise to determine the recoverable amount of Cash Generating Units ("CGU").</p>	<p>Our audit procedures performed included, among others, the following:</p> <ul style="list-style-type: none"> • Reviewed the management's process in identifying impairment indicators for non-financial assets; • Evaluated the reasonableness of management's assumptions and estimates in determining the recoverable amounts of the Company's CGUs, including those relating to projected revenue, projected costs, growth rates and discount rate, etc. This included involvement of our internal specialists in evaluating

<p>We identified the impairment of non-financial assets as a key audit matter, as the impairment assessment involves a significant degree of management judgement in determining the key assumptions of recoverable amounts; such as; projected revenue, projected costs, growth rates, discount rate, etc.</p>	<p>these assumptions against external benchmarks and knowledge of the Company and its industry;</p> <ul style="list-style-type: none"> Validated the mathematical accuracy of impairment models and agreed relevant data to the latest business plans and budgets; and Assessed the adequacy of the Company's disclosures in respect of underlying assumptions, estimates used to determine carrying values and impairment losses of the respective CGUs.
<p>Refer to notes (3.4) for the accounting policy and note (5) for related disclosures.</p>	

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report and conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, Regulations for Companies and Company's By-laws, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, the Company's Board of Directors, are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Al Azem, Al Sudairy, Al Shaikh & Partners
For Professional Consulting

30 Reclassification

Certain comparative figures for the year ended on March 31, 2021 AD have been reclassified to conform to the classification used for the year ended on March 31, 2022 AD.

31 Acknowledgments of the Board of Directors

The Board of Directors acknowledges the following:

- The records of accounts were prepared correctly.
- 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.