



البابطين للطاقة و الاتصالات
AL-BABTAIN POWER & TELECOM



**Board Annual Report
For Period ended 31-12-2021**





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Chairman Message

Dear Shareholders,

It is my pleasure to meet together again at our annual meeting to complete our plans together with confidence and steadfastness, based on your continuous support and confidence in our leadership, to be proud of what we have achieved due to the affirmation of our goals, vision and ambition to be a global leader in the energy and communications industry and our expansion in the fields of renewable energy in all its forms and types, which is fully consistent with the goals and vision of the Kingdom of Saudi Arabia 2030 and the steadfast steps of the development path in our country.

On behalf of the Board of Directors of Al-Babtain power and telecommunications Company and all the employees of the company, I would like to review with you the work and achievements of the company, especially in light of the challenges, competitions and the new economic environment during the year ending 12/31/2021 AD and what the economy suffered as a result of the emerging Corona virus pandemic and it had a severe negative impact on both levels Local and international and its impact on all sectors. Despite the difficulties that we faced as a result of this pandemic, we have the determination and ambition to overcome these difficult circumstances in order to achieve continuity in the development process of the company and to preserve our manpower. The difficult challenge and determination was to provide high-quality competitive products and solutions that satisfy Customers and fulfilling the expectations of the our shareholders and enabling workers to reach the highest levels of performance in light of the difficult circumstances and precautions taken, as well as contributing to the development and development of society and maintaining the confidence of those dealing with the company with the company's high quality of performance and production.

Despite the clarity of the negative impact of the Corona Virus pandemic, which extends from 2020 until the beginning of 2022, in addition to the intense competition in the various business fields of the company and the economic and political fluctuations that the Middle East is going through, which is clearly evident in the performance of the companies of the economic sector in the Saudi and regional market, it is thanks to God The company's performance will continue to be strong and coherent during 2021, achieving good results that challenge the current conditions, and global indicators that predict the Kingdom will continue in the medium term its policy to push the wheel of growth in the non-oil sectors through the planned economic diversification away from oil and hydrocarbon products, as the rating agency raised Credit S&P Global future expectations of the Kingdom from stable to positive level and confirming its credit assessment, which will be reflected on the operational work and makes us look with confidence and determination towards the future to achieve the challenges facing us to diversify investment in different sectors to achieve sustainable development for the company at a steady and strong pace, armed with our faith in God and then our confidence In the capabilities that the company possesses in terms of expertise and competencies The company's employees and those in charge of it support the development of our business and provide integrated solutions and services to customers, whether at the regional or global levels.

We always will be on the pledge and commitment with you that, God willing, we will continue, God willing, with full determination and strength to implement our plans and ambitions to increase our production capacity and market



share with its geographical extension, which is in line with the vision and ambition approved by the Kingdom and in the face of everything that hinders development and growth, taking all possible measures to maintain the efficiency of the company's diversified productivity as well as contribute to Domestic national income and increase the local content which satisfy our customers.

The company achieve financial results for the year 2021 AD resulted in revenues of (1,474) million riyals and achieving a total profit of (167) million riyals, and the operating profit reached a value of (98) million riyals, which contributed to achieving a net profit of (51) million riyals in the year 2021, despite the economic pressures in the region and the sharp competition in this sector, especially the impact of the Coronavirus pandemic on operational performance in some sectors in the last year.

The total equity in the year 2021 of the shareholders of the parent company amounted to (835) million riyals.

Among the reasons that contributed to achieving net profits during the year 2021 was the tight control of operating expenses, financial burdens, and diversification of its investments.

Through your confidence and support, we are looking confidently and steadily towards a better future, God willing, to maximize the benefits of the company as an expression of our commitment and responsibility towards the homeland and our shareholders.

At the end

In my name and on behalf of my colleagues, members of the Board of Directors, I would like to express my thanks and appreciation to the Custodian of the Two Holy Mosques and his faithful Crown Prince and his rational government for their continuous support and support for the wise directions and measures that have been directed to open the horizons of work in the Saudi market and the continuous partnership of the private sector that works to achieve growth and prosperity for the company and the Saudi society .

Also, I'm pleased to extend my sincere thanks and appreciation to our shareholders, who always support us and give us their confidence, and we promise everyone to remain loyal to this trust.

I also do not forget to extend my thanks and appreciation to all the employees of the company for the distinguished efforts they made during the year 2021 AD and are still submitting the bid in order to achieve their desired and sustainable development of our company and our society.

Ibrahim Hamad A. ABabtain

The Chairman



Gentlemen / shareholders of Al-Babtain Power and Telecommunication Company

Greetings;

The Board of Directors is pleased to present to you its annual report in which it reviews all the company's activities and investments inside and outside the Kingdom of Saudi Arabia at the level of the company's activities and at the level of geographical distribution of the period from 01.01.2020 to 31.12.2021. The annual report includes the consolidated audited financial statements, the income statement, cash flows, and changes in shareholders equity, and their explanations for the aforementioned financial period, which is an integral part of this report that complements each other, as well as the report of the auditor of the accounts Messrs. / Mr. Al Bassam and partners

(1) General Situation

- 1- There is no doubt that the financial tools and planes taken by the Kingdom to increase the state's revenues had a clear impact on the economic direction of the Kingdom, which was reflected in the projects offered in the Kingdom and in the Gulf region in addition to the orientation for renewable energy projects in future projects. Based on that it was rearranged the priorities for implementation of infrastructure projects in the Kingdom of Saudi Arabia, which led to a focus on projects of a special nature and new sectors, especially in the field of renewable energy and service sectors, which was reflected in the prices of the offers and the quality of the proposed projects that began to appear the aim of Kingdom to achieve the vision that is clear every year.
- 2- Although the year 2021 AD was and still had many challenges at the regional and global level as a result of the Corona pandemic, which led to slowing down in of growing of world economies in addition to intense competition, which resulted in great pressure on selling prices in the local and foreign markets as a result of entering projects with specifications with special qualities and technologies, but the company was able to face these effects and took many measures and was able to compete inside and outside the Kingdom and obtain projects as well as keep pace with economic changes, which was reflected in the total revenues achieved by the company.
- 3- Despite of the direct impact of political changes in the countries of the region on the economic environment in general and on some of the projects proposed in those countries, we expect that these countries will work to adopt national projects in accordance with the announced plans to promote development in those countries during the year 2022 AD, especially renewable energy projects and various projects with a technical and technological thought to keep pace with global developments, which will lead to demand for that type of these projects.
- 4- The company has succeeded in achieving good overall profits in light of the steady change in the domestic and foreign markets as a result of tight control of operating expenses, and diversification of its investments, in addition to the company continuing to adopt cost rationalization programs that contributed to raising the level of profits. The net with the aim of obtaining some supply orders at good prices in the presence of changes in the imports prices.

Although the company is facing intense competition and fluctuation in economic change as a result of Covid-19, and effect of this in the dispatch prices and import delay, the company use its technical capacity and global experience in its activity and management of its business and the programs it takes to confront this circumstances , as well as its good



commercial relations with its customers and suppliers, which makes us confident in achieving the plan set for the year 2022 emanating from the company's strategic plan.

(2) Board Members & Committee Members and Executives Management

Firstly; Board Members

The board members consists of (9) nine members as per the company article of association and its period ended on 26.07.2021 where the board members of previous period were as the following;

Sr.	Name	Current jobs	Previous jobs	Qualifications	Experiences
1	Ibrahim Hamad Abdullah ABabtain	Chairman of AL Babtain Power and Telecommunications company – have many private investments in real state fields.	Chairman of AL Babtain Power and Telecommunications company – worked in many leader position in al Babtain group	Have high diploma in commercial from Riyadh commercial institute at 1987- have English language diploma from united kingdom at 1988	33 year
2	Abdulaziz Ibrahim Abdullah Al Babtain	Deputy of chairman of Al Babtain Power and Telecommunications company-	Deputy of chairman of Al Babtain Power and Telecommunications company- worker as a deputy general Manager and general Manager of AL Babtain for trading company - founder and partner in Abdulaziz and Mansour for trading company	Have a bachelor degree in geographic science at 1977	44 year
3	Khaled Mohammed Abdullah Abdulrahman ABabtain	Board member and audit committee member of AL Babtain Power and Telecommunications company- General Manager of AL Babtain Al Arabia for Melamine	At 2003 he was a general Manager of AL Babtain Power and Telecommunications Company up to mid of year 2004 and he became board of member of same company for period 27.07.2009 to 26.07.2021	Have a bachelor degree in business administration , Marketing section at 1994 from King Saud University	45 year
4	Yassen Abdulrahman Hassan Al Jeffry	Chairman of Internal Audit Committee and Board Member of Al Babtain Power and Telecommunications company- and he is a chairman of AL Khaleej company for insurance brokers..	Professor in management at King Abdulaziz University for period 1985-1996 – Funder and deem of Sultan Prince college in Jeddah – Al Faisal University 2004 – consultant for Ministry of Finance 1998-2002	Philosophy degree in finance from Pennsylvania – USA 1985	46 year
5	Mohammed Hamad Mohammed Al Qunibet	Board Member of Al Babtain Power and Telecommunications company- professor in resources economic king Saud University	Member of the Shura Council from 1997 to 2009, where he served as Chairman of the Economic Affairs and Energy Committee of the Shura Council (1999-2005) and Vice-Chairman of the Economic Affairs and Energy Committee of the Shura Council (2005-2009)	Philosophy degree in resource economics from Orgin state at 1984	46 year
6	Abdulkareem Hamad Abdullah Al Babtain	Board Member and nomination committee member of Al Babtain Power and Telecommunications company	Worked as general Manager of AL Babtain for trading at 2000 – worked as Managing director of AL Babtain company for	Have master degree in Quality from Arabic Academy of maritime science at 2007.	31 year



			trading 2001 – worked as general manager of Tower and steel structure and test station sector up to 2003		
7	Khaled Mohammed Abdullah ABabtain	Board Member and nomination committee member of Al Babbtain Power and Telecommunications company	Worked in Tower Sales Department (1997-2000) and worked as General Manager of AL Babbtain Power and Telecommunication – Egypt (2000-2005) then deputy general Manager for commercial and management of AL Babbtain power and telecommunication Saudi (2005-2012)	Master degree in business administration from Arab Academy of maritime science at 2004	25 year
8	Mansour Mohammed Abdullah ABabtain	Board Member of Al Babbtain Power and Telecommunications company- General Manager of ACE company 2021	Worked as sales executive at al Babbtain for trading 1999 and in purchasing department at al Babbtain for industrial (1999-2002) and worked in marketing and sales at al Babbtain power and telecommunication then worked in export sales at same company (2002-2004) and have many management jobs up to reach to Sales manager at al Babbtain power and telecommunication (2005-2008) then transfer to work as deputy general manager then general manager of AL Babbtain LeBlanc company (2013-2018) - General Manager of Al Babbtain for contracting company 2018	Have bachelor degree in Art form King Saud University 1998	24 year
9	Khaled Soliman Abdulaziz AL Soliman	Board Member and member of Internal Audit committee of Al Babbtain Power and Telecommunications company- member of Internal Audit committee of Puba Company for medical insurance	Worked in internal audit department of Al Ahly Bank and finance control for companies division in the bank – worked as auditor for 4 years with Ernest and Young company – then worked in internal audit department at SAAB & Al Rabi Bank	Have a bachelor degree in account for king Saud University 1987 – have CPA certificate 1994 from American Board 1994.	34 year

The new board members were elected for the new board period started on 27.07.2021 up to 26.07.2024 by the assembly general meeting held on 27.05.2021. the meeting results of selected 09 board members from the nominates for the new period which start from 27.07.2021 up to 26.07.2024. as the following;

Sr.	Name	Current jobs	Previous jobs	Qualifications	Experiences
1	Ibrahim Hamad Abdullah ABabtain	Chairman of AL Babbtain Power and Telecommunications company – have many private investments in real state fields.	Chairman of AL Babbtain Power and Telecommunications company – worked in many leader position in al Babbtain group	Have high diploma in commercial from Riyadh commercial institute at 1987- have English language diploma from united kingdom at 1988	33 year



2	Abdulaziz Ibrahim Abdullah Al Babtain	Deputy of chairman of Al Babtain Power and Telecommunications company-	Deputy of chairman of Al Babtain Power and Telecommunications company- worker as a deputy general Manager and general Manager of AL Babtain for trading company - founder and partner in Abdulaziz and Mansour for trading company	Have a bachelor degree in geographic science at 1977	44 year
3	Khaled Mohammed Abdullah Abdulrahman ABabtain	Board member and audit committee member of AL Babtain Power and Telecommunications company- General Manager of AL Babtain Al Arabia for Melamine	At 2003 he was a general Manager of Al Babtain Power and Telecommunications Company up to mid of year 2004 and he became board of member of same company for period 27.07.2009 to 26.07.2021	Have a bachelor degree in business administration , Marketing section at 1994 from King Saud University	45 year
4	Abdulkareem Hamad Abdullah Al Babtain	Board Member and nomination committee member of Al Babtain Power and Telecommunications company	Worked as general Manager of AL Babtain for trading at 2000 – worked as Managing director of AL Babtain company for trading 2001 – worked as general manager of Tower and steel structure and test station sector up to 2003	Have master degree in Quality from Arabic Academy of maritime science at 2007.	31 year
5	Khaled Mohammed Abdullah ABabtain	Board Member and nomination committee member of Al Babtain Power and Telecommunications company	Worked in Tower Sales Department (1997-2000) and worked as General Manager of AL Babtain Power and Telecommunication – Egypt (2000-2005) then deputy general Manager for commercial and management of AL Babtain power and telecommunication Saudi (2005-2012)	Master degree in business administration from Arab Academy of maritime science at 2004	25 year
6	Sultan Hamad Abdullah Al Babtain	Board Member and member of nomination and remuneration Committee of Al Babtain Power and Telecommunication – and currently working as investor in Real State field.	Board Member of Al Babtain Power and Telecommunications company – member of nomination and remuneration committee of Al Babtain Power and Telecommunications company for period ended 2018	Have diploma in Marking form Administration institute at 2003	19
7	Abdullah Sagher Al Hussani	Dean of prince sultan university Riyadh city – teaching the accountants and auditing – consultant for Finance, Administration and Taxes	Financial Manager Financial Consultant, London Accountant and Internal Auditor	Doctor of Philosophy in Financial Accounting and Auditing, with distinction, University of Kent, U.K., July 2005. Master of Science in Accounting, College of Administrative Sciences, King Saud University, Saudi Arabia, 1997. Bachelor of Science in Accounting from the Faculty of Economics and Administration, King	32 year



				Abdulaziz University, Saudi Arabia, 1990	
8	Mohammed Abdullah Basher Al Rasheed	Manager of Budget and finance report department at the at general Authority of Social Insurance	Accounts supervisor -Senior Accountant – Accountant ant General Authority of Social Insurance	Fellow: Saudi Organization for Certified Public Accountants (SOCPA) - Master of Science in Accounting, of Wollongong - 2012 Bachelor of Science in Accounting from king Saud University, Saudi Arabia, 2006	13 year
9	Megren G. AlDalbahi	Risk Department manager at Development National Fund	Head of Risk & Performance Department, Raidah Investment Company (RIC) - Senior Investment Analyst, Tharawat Holding Company - Senior Investment Analyst – Risk & Strategy unit: Investment Department; Saudi Aramco	Master of Investments Science from The University of Birmingham – UK 2010- Bachelor of Finance Science from Prince Sultan University – SA 2008	13 year

The new board had held his first meeting on 05-08-2021 to select the chairman , deputy chairman and board secretariat and the board committee where they selected Mr. Ibrahim Hamad Abdullah ABabtain as Chairman and selected Mr. Abdulaziz Ibrahim Al Babtain as deputy chairman.

Secondly; Board Committees

The company's board create group of committees to perform special duties and tasks that will assist and support the board to do his duties and tasks for board session started on 27.07.2018 and ended on 26.07.2021 these committees were as the following;

(A) Internal Audit Committee Members;

Sr.	Name	Current jobs	Previous jobs	Qualifications	Experiences
1	Yassen Abdulrahman Hassan Al Jeffry	Chairman of Internal Audit Committee and Board Member of Al Babtain Power and Telecommunications company- and he is a chairman of AL Khaleej company for insurance brokers.	Professor in management at King Abdulaziz University for period 1985-1996 – Funder and deem of Sultan Prince college in Jeddah – Al Faisal University 2004 – consultant for Ministry of Finance 1998-2002	Philosophy degree in finance from Pennsylvania – USA 1985	46 year
2	Khaled Mohammed Abdullah Abdulrahman ABabtain	Board member of AL Babtain Power and Telecommunications company- General Manager of AL Babtain Al Arabia for Melamine	At 2003 he was a general Manager of Al Babtain Power and Telecommunications Company up to mid of year 2004 and he became board of member of same company for period 27.07.2009 to 26.07.2012	Have a bachelor degree in business administration , Marketing section at 1994 from King Saud University	45 year
3	Khaled Soliman Abdulaziz AL Soliman	Board Member and member of Internal Audit committee of Al Babtain Power and Telecommunications company- member of Internal Audit committee of Puba Company for medical insurance	Worked in internal audit department of Al Ahly Bank and finance control for companies division in the bank – worked as auditor for 4 years with Ernest and Young company – then worked in internal audit	Have a bachelor degree in account for king Saud University 1987 – have CPA certificate 1994 from American Board 1994.	34 year



			department at SAAB & Al Rabi Bank		
4	Sultan Hamad Abdullah Al Babtain	Member of Internal Audit Committee of Al Babtain Power and Telecommunication – and currently working as investor in Real State field.	Board Member of Al Babtain Power and Telecommunications company – member of nomination and remuneration committee of Al Babtain Power and Telecommunications company	Have diploma in Marking form Administration institute	19 year

(B) Nomination and Remuneration Committee Members;

Sr.	Name	Current jobs	Previous jobs	Qualifications	Experiences
1	Mohammed Hamad Mohammed Al Qunibet	Chairman of Nomination and remuneration committee and board Member of Al Babtain Power and Telecommunications company- professor in resources economic king Saud University	Member of the Shura Council from 1997 to 2009, where he served as Chairman of the Economic Affairs and Energy Committee of the Shura Council (1999-2005) and Vice-Chairman of the Economic Affairs and Energy Committee of the Shura Council (2005-2009)	Philosophy degree in resource economic from Orgin state at 1984	46 year
2	Abdulkareem Hamad Abdullah Al Babtain	Board Member and nomination committee member of Al Babtain Power and Telecommunications company	Worked as general Manager of AL Babtain for trading at 2000 – worked as Managing director of AL Babtain company for trading 2001 – worked as general manager of Tower and steal structure and test station sector up to 2003	Have master degree in Quality from Arabic Academy of maritime science at 2007.	31 year
3	Khaled Mohammed Abdullah ABabtain	Board Member and nomination committee member of Al Babtain Power and Telecommunications company	Worked in Tower Sales Department (1997-2000) and worked as General Manager of AL Babtain Power and Telecommunication – Egypt (2000-2005) then deputy general Manager for commercial and management of AL Babtain power and telecommunication Saudi (2005-2012)	Master degree in business administration from Arab Academy of maritime science at 2004	25 year
4	Sultan Hamad Abdullah Al Babtain	Member of Internal Audit Committee of Al Babtain Power and Telecommunication – and currently working as investor in Real State field.	Board Member of Al Babtain Power and Telecommunications company – member of nomination and remuneration committee of Al Babtain Power and Telecommunications company	Have diploma in Marking form Administration institute	19 year



(C) Investment Committee Members;

Sr.	Name	Current jobs	Previous jobs	Qualifications	Experiences
1	Mohammed Hamad Mohammed Al Qunibet	Board Member of Al Babbtain Power and Telecommunications company- chairman of nomination committee professor in resources economic king Saud University	Member of the Shura Council from 1997 to 2009, where he served as Chairman of the Economic Affairs and Energy Committee of the Shura Council (1999-2005) and Vice-Chairman of the Economic Affairs and Energy Committee of the Shura Council (2005-2009)	Philosophy degree in resource economics from Orgin state at 1984	46 year
2	Abdulaziz Ibrahim Abdullah Al Babbtain	Deputy of chairman of Al Babbtain Power and Telecommunications company- founder and partner in Abdulaziz and Mansour for trading company	Deputy of chairman of Al Babbtain Power and Telecommunications company- worker as a deputy general Manager and general Manager of AL Babbtain for trading company	Have a bachelor degree in geographic science at 1977	44 year
8	Mansour Mohammed Abdullah Ababbtain	Board Member of Al Babbtain Power and Telecommunications company- General Manager of Al Babbtain for contracting company 2018	Worked as sales executive at al Babbtain for trading 1999 and in purchasing department at al Babbtain for industrial (1999-2002) and worked in marketing and sales at al Babbtain power and telecommunication then worked in export sales at same company (2002-2004) and have many management jobs up to reach to Sales manager at al Babbtain power and telecommunication (2005-2008) then transfer to work as deputy general manager then general manager of AL Babbtain LeBlanc company (2013-2018)	Have bachelor degree in Art form King Saud University 1998	24 year
4	Mansour Ibrahim Abdullah ABabbtain	Member of investment committee – general manager of Abdulaziz and Mansour company for trading	Worked in Saudi Telecom. Company – worked as department manager in ministry of Education	Have a bachelor degree in social services from Imam Mohammed Bin Saud University 1409 H.	42 year

Then the committees of the Board of Directors were reconstituted for the session of the Board, which starts from 27/07/2021 AD up to 26/07/2024 AD for the members elected at the Ordinary General Assembly meeting held on 27/05/2021 AD, in the Board of Directors meeting on 05/08/2021 AD Where the committees that were formed were the Nominations and Remunerations Committee and the Investment Committee, and the Board of Directors recommended in the same meeting the formation of the Audit Committee for the Ordinary General Assembly, which was held on 09/02/2021 AD.

And the formation of committees for the new Board session, which starts from 27/07/2021 until 26/07/2024, with the exception of the Audit Committee, which starts from the date of the Ordinary General Assembly which approved it on 09/02/2021 until the end of the Board session on 07/26/2024 :



(A) Internal Audit Committee Members;

Sr.	Name	Current jobs	Previous jobs	Qualifications	Experiences
1	Abdullah Sagher Al Hussani	Dean of prince sultan university Riyadh city – teaching the accountants and auditing – consultant for Finance, Administration and Taxes	Financial Manager Financial Consultant, London Accountant and Internal Auditor	Doctor of Philosophy in Financial Accounting and Auditing, with distinction, University of Kent, U.K., July 2005. Master of Science in Accounting, College of Administrative Sciences, King Saud University, Saudi Arabia, 1997. Bachelor of Science in Accounting from the Faculty of Economics and Administration, King Abdulaziz University, Saudi Arabia, 1990	32 year
2	Khaled Mohammed Abdullah Abdulrahman ABabtain	Board member of AL Babtain Power and Telecommunications company- General Manager of AL Babtain Al Arabia for Melamine	At 2003 he was a general Manager of Al Babtain Power and Telecommunications Company up to mid of year 2004 and he became board of member of same company for period 27.07.2009 to 26.07.2012	Have a bachelor degree in business administration , Marketing section at 1994 from King Saud University	45 year
3	Abdulkareem Hamad Abdullah Al Babbtain	Board Member and nomination committee member of Al Babtain Power and Telecommunications company	Worked as general Manager of AL Babtain for trading at 2000 – worked as Managing director of AL Babtain company for trading 2001 – worked as general manager of Tower and steel structure and test station sector up to 2003	Have master degree in Quality from Arabic Academy of maritime science at 2007.	31 year

(B) Nomination and Remuneration Committee Members;

Sr.	Name	Current jobs	Previous jobs	Qualifications	Experiences
1	Abdullah Sagher Al Hussani	Dean of prince sultan university Riyadh city – teaching the accountants and auditing – consultant for Finance, Administration and Taxes	Financial Manager Financial Consultant, London Accountant and Internal Auditor	Doctor of Philosophy in Financial Accounting and Auditing, with distinction, University of Kent, U.K., July 2005. Master of Science in Accounting, College of Administrative Sciences, King Saud University, Saudi Arabia, 1997. Bachelor of Science in Accounting from the Faculty of Economics and Administration, King Abdulaziz University, Saudi Arabia, 1990	32 year
2	Khaled Mohammed Abdullah ABabtain	Board Member and nomination committee member of Al Babtain Power and Telecommunications company	Worked in Tower Sales Department (1997-2000) and worked as General Manager of AL Babtain Power and Telecommunication – Egypt (2000-2005) then deputy	Master degree in business administration from Arab Academy of maritime science at 2004	25 year



			general Manager for commercial and management of AL Babbain power and telecommunication Saudi (2005-2012)		
3	Sultan Hamad Abdullah Al Babbain	Member of Internal Audit Committee of Al Babbain Power and Telecommunication – and currently working as investor in Real State field.	Board Member of Al Babbain Power and Telecommunications company – member of nomination and remuneration committee of Al Babbain Power and Telecommunications company	Have diploma in Marking form Administration institute	19 year

(C) Investment Committee Members:

Sr.	Name	Current jobs	Previous jobs	Qualifications	Experiences
1	Abdulkareem Hamad Abdullah Al Babbain	Board Member and nomination committee member of Al Babbain Power and Telecommunications company	Worked as general Manager of AL Babbain for trading at 2000 – worked as Managing director of AL Babbain company for trading 2001 – worked as general manager of Tower and steel structure and test station sector up to 2003	Have master degree in Quality from Arabic Academy of maritime science at 2007.	31 year
2	Sultan Hamad Abdullah Al Babbain	Member of Internal Audit Committee of Al Babbain Power and Telecommunication – and currently working as investor in Real State field.	Board Member of Al Babbain Power and Telecommunications company – member of nomination and remuneration committee of Al Babbain Power and Telecommunications company	Have diploma in Marking form Administration institute	19 year
3	Jawad Jamel Ismail Abu Shehadah	Chief Executive officer of AL Babbain Power and telecommunication company	Worked as industrial division manager of AL Babbain Power and telecommunication company from 2013 and he was deputy general manager for development and planning 2005 after became deputy general manager of technical and commercial affair and was pole factory manager of the company- he stated in the company as production engineer from year 1986	Have bachelor degree in industrial engineering from Meddle East university – Turkey.	37 year
4	Mohammed Najah Tukhy	Chief finance Officer of Al Babbain Power and Telecommunication	Worked as finance Manager at AL Babbain company for trading then finance manager in Al Babbain power and telecommunication then upgrade to be CFO of company	Have a bachelor degree in account and business administration from Helwan University – Egypt 1987 – have certification in accredit finance consultant from consultant institute in USA 2006 – have internal auditor certificate from Canada 2007.	35 year
5	Tamer Adnan Kalo	Chief Operation Officer of AL Babbain Power and telecommunication company	Worked as marketing and sales manager from 2004 and before he was sales export for meddle east region at AL Babbain	Have bachelor degree in mechanical engineering from Aleppo university – Syria at 1990 – have many trainings in	31



			Company for trading and also was Manager of Carton company – at 1990 worked at a company work in petroleum field in Syria from 1990	marketing, sales, business development and strategic plan.	
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Thirdly; Executives Management Members;

Sr.	Name	Current jobs	Previous jobs	Qualifications	Experiences
1	Jawad Jamel Ismail Abu Shehadah	Chief Executive officer of AL Babtain Power and telecommunication company	Worked as industrial division manager of AL Babtain Power and telecommunication company from 2013 and he was deputy general manager for development and planning 2005 after became deputy general manager of technical and commercial affair and was pole factory manager of the company- he stated in the company as production engineer from year 1986	Have bachelor degree in industrial engineering from Meddle East university – Turkey.	37 year
2	Mohammed Najah Tukhy	Chief finance Officer of Al Babtain Power and Telecommunication	Worked as finance Manager at AL Babtain company for trading then finance manager in Al Babtain power and telecommunication then upgrade to be CFO of company	Have a bachelor degree in account and business administration from Helwan University – Egypt 1987 – have certification in accredit finance consultant from consultant institute in USA 2006 – have internal auditor certificate from Canada 2007.	35 year
3	Tamer Adnan Kalo	Chief Operation Officer of AL Babtain Power and telecommunication company	Worked as marketing and sales manager from 2004 and before he was sales export for meddle east region at AL Babtain Company for trading and also was Manager of Carton company – at 1990 worked at a company work in petroleum field in Syria from 1990	Have bachelor degree in mechanical engineering from Aleppo university – Syria at 1990 – have many trainings in marketing, sales, business development and strategic plan.	31

(3) The name of companies inside and outside KSA which the board member is a member in its current or previous board or he is a manage it.

Sr.	Member Name	The name of companies that board member is a member in current board or manage it	Inside / outside KSA	Legal form (listed /non-listed /Limited liabilities)	The name of companies that board member is a member in previous board or manage it	Inside/out side KSA	Legal form (listed /non-listed /Limited liabilities)
1	Ibrahim Hamad Abdullah ABabtain	AL Babtain Power and Telecommunication	Inside	Join stock company	AL Babtain Power and Telecommunication	Inside	Join stock company
		AL Babtain Holding Company	Inside	Unlisted joint stock	AL Babtain Holding Company	Inside	Unlisted joint stock
		J. Equity company	Outside	Limited liabilities	J. Equity company	Outside	Limited liabilities
2	Abdulaziz Ibrahim Abdullah Al Babtain	AL Babtain Power and Telecommunication	Inside	Join stock company	AL Babtain Power and Telecommunication	Inside	Join stock company



					Abdulaziz & Mansour company for trading	Inside	LLC
3	Abdulkareem Hamad Abdullah Al Babtain	AL Babtain Power and Telecommunication	Inside	Join stock company	AL Babtain Power and Telecommunication	Inside	Join stock company
		AL Babtain Holding Company	Inside	Unlisted joint stock	AL Babtain Holding Company	Inside	Unlisted joint stock
4	Khaled Mohammed Abdullah Abdulrahman ABabtain	AL Babtain Power and Telecommunication	Inside	Join stock company	AL Babtain Holding Company	Inside	Unlisted joint stock
					AL Babtain Holding Company	Inside	Unlisted joint stock
5	Khaled Mohammed Abdullah ABabtain	AL Babtain Power and Telecommunication	Inside	Join stock company	AL Babtain Power and Telecommunication	Inside	Join stock company
6	Sultan Hamad AL Babtain	AL Babtain Power and Telecommunication	Inside	Join stock company	AL Babtain Power and Telecommunication	Inside	Join stock company
7	Abdullah Sagher Al Hussani	AL Babtain Power and Telecommunication	Inside	Join stock company	-	-	-
8	Mohammed Abdullah Basher Al Rasheed (represented of General Authority of Social Insurance)	AL Babtain Power and Telecommunication	Inside	Join stock company	-	-	-
9	Megren G. AlDalbahi (represented of General Authority of Social Insurance)	AL Babtain Power and Telecommunication	Inside	Join stock company	-	-	-

(4) Board forming and its members classification

The Board members forming from (9) nine members according to company article of association with non-executives majority based on the selection in assembly general meeting dated 27.05.2021. for the board period that start on 27.07.2021 up to 26.07.2024 And the board formed and the classification of its members as the following;

Sr.	Member Name	Position	Membership type
1	Ibrahim Hamad Abdullah ABabtain	Chairman	Non-Executive
2	Abdulaziz Ibrahim Abdullah Al Babtain	Deputy Chairman	Non-Executive
3	Abdulkareem Hamad Abdullah Al Babtain	Board Member	Non-Executive
4	Khaled Mohammed Abdullah Abdulrahman ABabtain	Board Member	Non-Executive
5	Khaled Mohammed Abdullah ABabtain	Board Member	Non-Executive
6	Sultan Hamad AL Babtain	Board Member	Non-Executive
7	Abdullah Sagher Al Hussani	Board Member	Independent
8	Mohammed Abdullah Basher Al Rasheed (represented of General Authority of Social Insurance)	Board Member	Non-Executive *
9	Megren G. AlDalbahi (represented of General Authority of Social Insurance)	Board Member	Non-Executive *

* The two representative members of the Public Pension Agency were independent when they were selected for membership in the Board of Directors at the date of the assembly meeting on 27/05/2021. When the Public Pension Agency ("Pension") merges with the General Authority for Social Insurance, the direct and indirect ownership of the Corporation in the company has exceeded the percentage of ownership The Corporation (5%) of the company's head, and given that this procedure has affected the independence of the Corporation's



representatives in many companies, the Capital Market Authority has excluded the company from the requirements of Paragraph (2-C) of Article (20) of the Corporate Governance Regulations for the corporation's representative this exception until the end of the current session of the Board on 26/07/2024 AD.

(5) The procedures that had taken by the Board to inform its members of shareholders' suggestions inquiries, and their comments about the company and its performance

The Board Directors in every assembly general meeting discusses with the shareholders about the company's performance, what has been achieved, shareholders' proposals and comments are recorded in order to be discussed and follow-up work on them in Board meetings during the year. The company dedicated concerned employees and responsible to continual contact with shareholders within the year through direct contact or by e-mail: Investors@al-babtain.com.sa to respond to their inquiries and submit their proposals to the company. These questions and proposals are collected in a special record containing the required note or inquiry, and then it is presented to the Chairman of the Board of Directors, who present it to all members of the Board during board meetings, and taking appropriate recommendations and decisions.

(6) The Board Committees

when the new period of the Board started from date 27.07.2021 up to 26.07.2024, the board formed numbers of committees to working on study the subjects transfer to it form the board and raise its recommendations to board to take the suitable decision and also it could take a decision by itself base on the authorities granted by Board to it .

(A) Internal Audit Committee;

The Audit Committee was formed based on the proposal of the Board of Directors as per his meeting held in 05.08.2021 which recommended this to the Ordinary General Assembly which held on 02.09.2021, and the members of the Audit Committee, its work regulations, controls and procedures for the committee's work, the rules for selecting its members and their membership period, were approved in the Ordinary General Assembly meeting on 02.09.2021 up to the end of board period 26.07.2024. The Audit Committee supervises the internal audit, the control and risk system, and submits reports to the Board. It also studies the periodic review reports and the risk report and informs the Board of Directors about them and recommends the necessary proposals regarding these risks in terms of their degree of importance. The committee also recommends to the Board the appointment of the auditor, determining his fees and studying the audit plan. With him, discuss his notes, study the initial and annual financial statements before presenting to the Council, study the accounting policies used, and give opinion and recommendations to the Council regarding them. The committee held four meetings during the year 2021 AD, and the meetings were in attendance as well as by means of modern technology online through the Zoom program as follows:



Sr.	Member name	Position	Member classified	Date of committee meeting on 2021				Attendance %
				2021/03/29	2021/10/21	2021/11/11	2021/12/29	
1	Yassen Abdulrahman Hassan Al Jeffry*	Chairman	Independent	√	×	×	×	100 %
2	Khaled Mohammed Abdullah Abdulrahman ABabtain	Member	Non- Executive	√	√	√	√	100 %
3	Khaled Soliman Abdulaziz AL Soliman *	Member	Independent	√	×	×	×	100 %
4	Sultan Hamad Abdullah Al Babtain *	Member	Non- Executive	√	×	×	×	100 %
5	Abdullah Sagher Al Hussani ★	Chairman	Independent	×	√	√	√	100 %
6	Abdulkareem Hamad Abdullah Al Babtain ★	Member	Non- Executive	×	√	√	√	100 %
	Number of attendances			4	3	3	3	100 %

* Exited from the formation of the audit committee which are recommended by the Board of Directors to the General Assembly, which was held on 02/09/2021 AD

★ He was appointed as a member of the Audit Committee that was formed based on the recommendation of the Board of Directors in its meeting on 05/08/2021 AD, and the assembly held on 09/02/2021 approved the selection

(B) Nomination and remuneration committee;

The Board of Directors has formed the Nominations Committee and the Remuneration Committee as one committee in the name of the Nominations and Remuneration Committee, in his meeting was held on 05.08.2021 so that the remuneration committee and the nomination committee are included in its tasks, characteristics and work policy, since it was formed at the beginning of the current period on 27.07.2021 until 26.07.2024 AD. The committee's work regulations, controls and procedures for the committee's work, the rules for selecting its members and their membership period, were approved in the Ordinary General Assembly meeting on 24.04.2019. The Nominations and Remuneration Committee recommends to the Board the nomination for Board membership in accordance with the approved policies and standards, the annual review of the required skills needs of all members, the determination of the time that the member should allocate to the work of the Board of Directors, the review of the Board of Directors' structure, and the recommendations of the possible changes with identifying the strengths and weaknesses of the Board and proposing appropriate treatments whether by training or with the help of consultants, as well as verifying and ensuring annually the independence of independent members and that there is no conflict of interests with setting a policy for compensation and bonuses for members of the board and senior executives. The relationships such as the new company's law, the corporate governance system, the rules for offering securities, and continuing commitments. The committee held (two meetings) during the year 2021 AD as follows:

Sr.	Member name	Position	Member classified	Date of committee meeting on 2021		Attendance %
				29/3/2021	29/12/2021	
1	Mohammed Hamad Mohammed Al Qunibet *	Chairman	Independent	√	×	100 %
2	Abdulkareem Hamad Abdullah Al babtain *	Member	Non- Executive	√	×	100 %
3	Khaled Mohammed Abdullah Ababtain	Member	Non- Executive	√	√	100 %
4	Sultan Hamad Abdullah Al Babtain	Member	Non- Executive	√	√	100 %
5	Abdullah Sagher Al Hussani ★	Chairman	Independent	×	√	100 %
	Number of attendances			4	3	100 %

* Exited from the formation of the Nominations and Remunerations Committee that was formed on 05/08/2021 AD

★ He was appointed as a member of the Nominations and Remunerations Committee that was formed on 05/08/2021AD



(C) Investments Committee;

The Investment Committee studies the available investment opportunities presented to the company and works to create and develop an investment policy in order to compatible with the economic variables in the Kingdom and MENA. It also helps search for alternative opportunities that by it, the company's revenues are raised and risks are reduced, and then it submits the final reports and its views to the Board of Directors. The Investment Committee discussed some of the issues that were assigned to it by the Board of Directors to express an opinion during the year 2021 AD as follows table: -

Sr.	Member name	Position	Member classified	Date of committee meeting on 2021	
				2021/10/26	Attendance %
1	Mohammed Hamad Mohammed Al Qunibet *	Chairman	Independent	×	-
2	Abdulaziz Ibrahim Abdullah Al Babtain *	Member	Non- Executive	×	-
3	Mansour Ibrahim Abdullah Al Babtain *	Member	Non- Executive	×	-
4	Mansour Mohammed Abdullah Al Babtain *	Member	Non- Executive	×	-
5	Abdulkareem Hamad Abdullah Al Babtain ★	Chairman	Independent	√	100 %
6	Sultan Hamad Abdullah Al Babtain ★	Member	Non- Executive	√	100 %
7	Jawad Jamel Ismail Abu Shehadah ★	Member	Executive	√	100 %
8	Mohammed Najah Tukhy ★	Member	Executive	√	100 %
9	Tamer Adnan Kalo ★	Member	Executive	√	100 %
	Number of attendances			5	100 %

* Exited from the formation of the Nominations and Remunerations Committee that was formed on 05/08/2021 AD

★ He was appointed as a member of the Nominations and Remunerations Committee that was formed on 05/08/2021AD

(7) Board and Committee's performance Evaluation:-

In spite of this recommendation is guiding process but the board of director based on the recommendation by nomination and remuneration committee keen to evaluate the board director performance and its committees also, based on some evaluation factors emanating from the board directors responsibilities and authorities as per the corporate governance regulations and the global index of the responsibilities And duties of board of directors. These factors are annually periodical reviewed to develop, update and be compatible with the essential requirements in board period especial in this condition that face the Kingdom and all world resulted from Covid-19, and that need to raise the effectiveness of the board to face this pandemic and how could they deal with crises. Board approved self-evaluation with regard to the year 2021, members of the Board of Directors were elected for the period of the Board, which starts from 27/07/2021 up to 26/07/2024AD. The Nominations and Remunerations Committee has decided that the evaluation process should be postponed for the next year to let the board consume one year complete in his responsibilities and duties, through which an evaluation can appear, and the Committee has updated the evaluation factors to be in line with the current requirements as well as the changes in the economic environment, and regarding the evaluation mechanism, the evaluation is conducted in the end of every year and evaluation results be saved in special registration book to presented to board in the next meeting to know the level of the board and request to develop and increase the extra procedures of need to increase the board effectiveness.



(8) Dividend Policy and the procedures of Board benefits;

Based on the Ministerial Decree issued on 11/14/1413 AH from the Ministry of Commerce regarding the Companies Law and the New Governance Regulations, the Board Resolution, and the approval of the Ordinary General Assembly at its meeting on 24/04/2019 AD on the work bylaw of the Nominations and Remuneration Committee, in which the remuneration policy for members of the Board of Directors is determined and the amount remunerations and attendance allowances for members of the Board of Directors and its committees so that the total of what a member of the Board of Directors gets from rewards or financial or in-kind benefits does not exceed an amount of five hundred riyals annually. The company has ensured that the compensation and remuneration of the members of the Board of Directors and the committees emanating from it shall be in accordance with the following controls:

1. The remuneration is fair and appropriate with the member's competencies, works and responsibilities he performs in addition to the objectives set by the board of directors to be achieved during the year.
2. Remuneration shall be paid upon the recommendation of the Nomination and Remuneration Committee.
3. The remuneration set for the board of directors is proportional to the company's activity and the skill needed to manage it.
4. Remuneration is appropriate for the sector in which the company operates, size and experience of board members.
5. The remuneration and attendance allowances shall be proportional to the percentage of the member's attendance of the total meetings of the Board of Directors.

A) Remuneration and compensation table of the board directors which paid in year 2021

	Fixed remunerations						Variable remunerations						End-of-service award	Aggregate Amount	Expenses allowances
	Specific amount	Allowance for attending Board meetings	Total Allowance for attending committee meetings committee	In-kind benefits	Remunerations for technical, managerial and consultative work	Remunerations of the chairman, Managing	Total	Percentage of the profits	Periodic remunerations	Short-term incentive plans Long-term incentive plans	Long-term incentive plans Granted shares (insert the value)	Granted shares (insert the value)			
First: Independent Directors															
Yassen Abdulrahman Hassan Al Jeffry*	-	3000	3000	--	--	--	6,000	-	476,000	--	--	--	--	--	482,000
Mohammed Hamad Mohammed Al Qunibet *	-	3000	3000	-	-	-	6,000	-	482,000	-	-	-	-	-	488,000
Khaled Soliman Abdulaziz AL Soliman *	-	3000	3000	-	-	-	6,000	-	476,000	-	-	-	-	-	482,000
Abdullah Sagher Al Hussani ★		9,000	9,000				18,000		-						18,000
Second: Non-Executive Directors															
Ibrahim Hamad Abdullah ABabtain	-	12,000	-	--	--	--	12,000	-	488,000	--	--	--	--	--	500,000
Abdulaziz Ibrahim Abdullah Al Babtain	-	12,000	-	-	-	-	12,000	-	488,000	-	-	-	-	-	500,000
Abdulkareem Hamad Abdullah Al Babtain	-	12,000	12,000	-	-	-	24,000	-	482,000	-	-	-	-	-	506,000
Khaled Mohammed Abdullah ABabtain	-	12,000	6,000	-	-	-	18,000	-	482,000	-	-	-	-	-	500,000
Mansour Mohammed Abdullah Al Babtain *	-	3000	-	-	-	-	3000	-	488,000	-	-	-	-	-	491,000
Khaled Mohammed Abdullah Abdulrahman ABabtain	-	12,000	12,000	-	-	-	24,000	-	476,000	-	-	-	-	-	500,000



Sultan Hamad Abdullah AL Babtain ★		9,000				9,000						9,000
Mohammed Abdullah Basher Al Rasheed ★		9,000	-			9,000		-				9,000
Megren G. AlDalbahi ★		6,000	-			6,000		-				6,000
Total		105,000	48,000			153,000	-	4,338,000				4,491,000

The remunerations that paid for year 2020, but the attendance allowance that paid for year 2021

★ They were selected for membership in the Board of Directors at the Ordinary General Assembly meeting on 27/05/2021 for the Board session starting from 27/07/2021 until 26/07/2024

* His membership in the Board of Directors ended at the end of the Board's term on 07/26/2021

B) Remunerations of Senior Executives whom received the highest remunerations in company included CEO & CFO* for year 2021

Fixed remunerations				Variable remunerations						End-of service award	End-of service award	Aggregate Amount
Salaries	Allowances	In-kind benefits	Total	Periodic remunerations	Profits	Short-term incentive plans	Long-term incentive plans	Granted shares (insert the	Total			
2,364,000	726,348		3,090,348	830,000					830,000	257,529		4,177,877

* The company is committed to disclosing the elements of executive salaries, benefits and bonuses largely in accordance with the requirements of the regulations that stipulated in subparagraph (b) of the main paragraph (4) of the article No. (93) of the corporate governance regulation and in order to protect their interests, their companies and their employees to prevent any harm resulting from the disclosure in detail according to the position of Senior Executives The details are not presented as follows from Appendix No. (1) for Senior Executives of the Corporate Governance Regulations.

All remunerations granted to the members and senior executives shown in the above table do not contain any material deviation from the approved policy.

C) Remuneration and compensation table of the board committee's members which paid in year 2021

Sr.		Fixed Remuneration (Except for the allowance for attending Board meetings)	Allowance for attending Board meetings	Total
Audit Committee Members				
1	Yassen Abdulrahman Hassan Al Jeffry *	-	3,000	3,000
2	Khaled Mohammed Abdullah Abdulrahman ABabtain	-	12,000	12,000
3	Khaled Soliman Abdulaziz AL Soliman *	-	3,000	3,000
4	Sultan Hamad Abdullah Al Babtain *	150,000	3,000	153,000
5	Abdullah Sagher Al Hussani ★		9,000	9,000
6	Abdulkareem Hamad Abdullah Al Babtain ★		9,000	9,000
Nomination and remunerations Committee Members				
1	Mohammed Hamad Mohammed Al Qunibet *	-	3,000	3,000
2	Abdulkareem Hamad Abdullah Al Babtain *	-	3,000	3,000
3	Khaled Mohammed Abdullah ABabtain ★	-	6,000	6,000
4	Sultan Hamad Abdullah Al Babtain ★	50,000	6,000	56,000
5	Abdullah Sagher Al Hussani ★		3,000	3,000
Investment Committee				
1	Mohammed Hamad Mohammed Al Qunibet *	-	-	-
2	Abdulaziz Ibrahim Abdullah Al Babtain *	-	-	-



3	Mansour Mohammed Abdullah ABabtain *	-	-	-
4	Abdulkareem Hamad Abdullah Al Babtain ★			
5	Sultan Hamad Abdullah Al Babtain ★			
6	Jawad Jamel Ismail Abu Shehadah ★			
7	Mohammed Najah Tukhy ★			
8	Tamer Adnan Kalo ★			
	Total	200,000	60,000	260,000

★They were selected for membership in the committee at the meeting of the Board of Directors on 05/08/2021 for the board session starting from 27/07/2021 AD until 26/07/2024AD. With regard to the Audit Committee, the selection of its members was approved at the Ordinary General Assembly meeting held on 02 /09/2021AD

* His membership in the committees expired at the end of the Council's session on 07/26/2021

(9) Punishment, penalty, precautionary procedure or preventive measure imposed on the Company :-

There were no penalties, punishments, or reserve restrictions imposed on the company by any supervisory, regulatory or judicial authority during the year 2021 AD, and there were no observations from any supervisory or regulatory authority except for the inquiries and questions sent by the Capital Market Authority and a Tadawul company to all the public Joint stock companies, and these inquiries are answered and sent to the Authority and Tadawul company. It is worth noting that the company is constantly updating the corporate governance systems, policies and procedures to comply with the updates in the corporate governance regulation and the corporate system, the recommendations are submitted regarding the approval of the audit committee's policy and the amended policy of nominations and remuneration to the ordinary general assembly to comply with the developed procedures and requirements issued by the relevant authorities.

(10) Results of the annual audits of the effectiveness of the internal control procedures of the Company:-

The company's internal audit team (Dr. Mohamed Abdel Aziz Hegazy' office) appointed by the board of directors based on the recommendation of the audit committee reviewed the company's operations according to the approved plan for year 2021-2022 by the audit committee and submitted its report on the company's performance to the audit committee emanating from the board of directors, and the committee found that it In the year 2021 AD, there are no observations that have a material impact on the results of the annual review that may affect the company's business and its operations, or production effects, as the internal review team emphasized the precautionary measures and procedures taken by all companies in the face of the Coronavirus pandemic, as it was found through the audit reports that the companies have taken all precautions in order to do its business safely. Likewise, there are no observations on the effectiveness of the company's internal control systems, and the workflow of the company has been ascertained in accordance with the regulations and controls regulating the work, and this was indicated by a management letter issued by the company's external auditor who initiated his opinion on the internal audit system and the risk system. After reviewing the report, the committee found that the company's internal control system achieves sufficient effectiveness required to tighten control over all operations and is compatible with all legal requirements.



The Internal Audit Committee also met with the internal auditor to review the audit plan for year 2022 which based on the risk register according to the changes in the economic current situation and in the future, and discuss the audit report and the risk report at the level of the parent company and its subsidiaries in Saudi Arabia, the United Arab Emirates and the Arab Republic of Egypt for the year 2021. After reviewing the risk factors that may face the company in the future and which are controlled continuously, it was decided to disclose them to the shareholders so that they are constantly and diligently informed with the Board of Directors on all the factors and circumstances surrounding the company's work environment, which are as follows:

- The impact on the continuation of industrial and commercial operations (business plan) as a result of a natural disaster as global epidemic impacts such as Covid-19
- Continuous price pressure with competitors due to the entry of many new manufacturers and suppliers to the market.
- Inappropriate fluctuation in raw material prices, especially during the Corona pandemic.
- Failure of supplier credit terms and customer credit terms.
- Non-compliance or continuous and adequate monitoring of the legal and legislative requirements and their updates such as (the Financial Market Authority, the Department of Zakat and Income, the wages protection system, financial policies, accounting standards, the requirements of secretariats and municipalities, etc.)
- Failure to identify and manage unwanted foreign exchange fluctuations related to financial assets and liabilities and foreign investments, i.e. the euro, the British pound, the Egyptian pound, etc.
- The change in the work system and the imposition of a mandatory specific percentage for certain professions that must be present in companies, in addition to the new workforce transfer legislation that is likely to have an impact on the efficient workforce and thus affect productivity.
- Changes in the labors law or taxes system in the countries that the company's subsidiaries held their or company's branches.

Based on these potential risks, a plan has been approved for the internal review for the years 2022 to review all operations of all units of the parent company and its subsidiaries, to control the probability of risks and stop its effects.

(11) Internal Audit of the Company:-

The Board of Directors decided to appoint a manager of an internal audit department from a specialized company (Dr. Muhammad Abdel Aziz Hegazy Office) based on the recommendation of the audit committee to carry out the tasks and characteristics of the internal audit units and risks by evaluating risks and creating an internal audit plan and following up avoiding the observations made to the parent company and its subsidiaries. Its direct report to the Audit Committee independently and appointed within the parent company and its subsidiaries in various countries, in accordance with Paragraph No. (4) of Clause No. (B) in Article (55) of the Corporate Governance Regulations.

(12) Recommendations of internal Audit Committee and Internal Auditor:-

The committee confirms that there is no contradiction between the recommendations and decisions of the audit committee and the decisions of the board of directors. Where the audit committee has met with three auditing offices



that submitted offers to conduct an auditing process of the company's financial statements for the year 2021 AD and the committee decided to recommend to the board of directors the selection of the company of Mr. Ibrahim Ahmad AL Bassam and his partners, accountants and legal auditors for the following reasons :

- He is among the list of approved by the Capital Market Authority, and therefore he meets the necessary criteria for conducting the external audit of the listed joint stock companies.
- Ibrahim Al-Bassam Company has extensive experience in the Kingdom of Saudi Arabia
- He has an experienced team who is familiar with the new amendments approved by the Capital Market Authority in the International Accounting Standards IFSR.
- The cost of Al-Bassam Company's fees is considered a competitive price among the applicants.
- The office audits many companies in different specializations in the Kingdom of Saudi Arabia, which burdens its experience in conducting the audit in a professional manner.

The shareholders agreed at the Ordinary General Assembly meeting held on 27.05.2021 AD to choose Mr. Ibrahim Ahmad AL Bassam and his partners, accountants and legal auditors to review the company's financial statements for the second, third quarters of 2021 and the first quarter of 2022. The company's internal auditor (the office of Dr. Mohamed Abdel Aziz Hegazy) is continues to carry out the work of the internal audit manager and the tasks and characteristics of the internal audit units and risks, through assessing risks, creating an internal audit plan, following up on avoiding observations that are found for the parent company and its subsidiaries.

(13) Details of the Company's social contributions

One of the Company aims and its vision to achieve a balance between the company's goals and the goals that society aspires to, the company follows many programs and procedures that achieve goals at the employee level in the work environment and at the level of the social environment outside the work environment in addition to the social responsibilities brough by kingdom, where the company adopts the following programs and their details as follows:-

(a) Manpower and Training:

- The incentive programs for the employees and company stem from a system related to the growth of shareholders' rights and realized profits, which was prepared by the Nominations and Remuneration Committee and then approved by the Board of Directors.
- The company adopts continuous development and motivation for Saudi employees to raise their efficiency, develop their skills and imitate leadership positions in the company.
- The company is constantly developing a succession plan for the company's tiers and second-level leadership employees to develop them and work on the continuity of the company's work and growth, diversifying the company's manpower sources, and ensuring that the company's managers are promising young people who can assume responsibility and move forward in the company, especially the Saudis.
- The company has implemented training programs during the year 2021 AD in cooperation with some external and internal training providers, with the aim of raising the efficiency of administrative and technical workers, enhancing their functional capabilities, and standing up to the latest requirements of laws and regulations so



that the company's employees are aware and informed of what these systems and regulations require. Emphasis has been placed on development programs to confront crises, especially in light of the Corona virus pandemic, as well as industrial safety programs to work in light of this pandemic without affecting human efficiency. The company always works on educating its employees with all quality requirements and the developments taking place in it, which enriches the culture of the company's employees and workers on the importance of achieving quality, which is reflected in the company's products, which is the main gateway to customer satisfaction.

- The company confirms the effectiveness of implementing on-the-job training programs that are continuously side by side to work in order to raise the skills of employees. This training contributes to implementing job rotation programs and thus exploring the latent capabilities of employees and increasing their ability to bear workloads in different areas of the company's activities.
- The company has specialized programs to train Saudi students to obtain practical training to complete the requirements for academic graduation and to mix theoretical studies with the practical aspect, especially in technical fields for students of the College of Engineering and technical institutes from various universities in the Kingdom of Saudi Arabia in the company's factories in Riyadh and Dammam. In addition to assisting graduate students in their research for a master's and doctoral degree.

(B) Social Responsibilities and the social initiative toward the company Saudi employees and citizen:

The company provides practical support and development for Saudi students during their studies in the practical college in the industrial fields. The company has conducted training at a rate of no less than 8 weeks practical training for each student who is trained for the benefit of those coming from one of the Saudi universities or colleges of technology, in addition to contributing and supervising graduation projects for some Students obtaining academic degrees, either a bachelor's degree or a master's degree, and supervision also extends to cover other projects related to the curriculum.

The company also always receives industrial engineering students from King Saud University with them professors supervising as one of the study programs at the university (called Factory Visit), which is supported by Al-Babtain power and Telecommunication Company by opening its doors to science and education. In addition to training them in the administrative field by supporting and supervising their own graduation research projects, as well as conducting development research for students of the College of Engineering from King Saud University regarding the company's activity and how to contribute to the development of products and mechanisms of production processes.

The company did not hesitate to support the Health Endowment Fund, which was established by the Ministry of Health to confront the emerging coronavirus-19 pandemic, to join hands with society to protect the people of the nation, overcome this epidemic and limit its spread.

(C) Mowaamah Program:

The company promotes the Mowaamah program by urging its employees to prepare a work environment commensurate with the people of the country with special needs (handicapped) , and to ensure the formation of means to assist in the completion of their work according to the type of situation in this regard, the company obtained a certificate of compatibility, to open its doors to people of the country with special capabilities (handicapped).



(D) Local Content program:

The company continues and keen to participate in an iktva program with the Saudi Aramco, a program that enhances the capacity and credibility of Aramco's local suppliers and works to develop and enhance the local content. The program works to enhance the localization and training of Saudi pioneer in private sector companies that contribute to the development of the local product. The program also urges companies to adopt a research and development project in order to develop companies' businesses, develop their products and diversify them.

The company is also working on increasing the local content of products in the Kingdom of Saudi Arabia to contribute to the realization of the Kingdom's Vision 2030, which can enhance the national product and meet customer demands for local products.

(E) Environment and community service:

Among the company's duties and vision is the need to pay attention to the welfare and health of society, and it carries out many initiatives in this field, the most prominent of which is to control the outputs of industrial processes to levels better than those permitted in the relevant standards. (ISO14001-2015) and that culminated in the company obtaining an environmental approval certificate from the Saudi Presidency of Meteorology and Environmental Protection for all the company's factories, which indicates that all the company's products and the processes involved in manufacturing these products are environmentally friendly.

(F) Occupational safety and health:

Occupational safety and health is one of the pillars that the company always strives to apply firmly and seriously in order to protect workers from occupational and health hazards, and to complement this, the company has been applying the occupational safety and health management system since 2009 and in conformity with international standards (ISO45001-2018) until the date of preparing this report and the company continues to develop and modernization of occupational safety and health systems in line with and in line with the latest requirements of the concerned regulations.

(L) career path planning:

Based on the company's vision of preserving its manpower, the company adopts a career path planning project for its employees, which gives them the opportunity to assume positions and enrich their ambition to plan their career path with the company and give the middle management an opportunity to take its role in leadership for the future of the company and its subsidiaries. The company saw the necessity of pumping new young blood to be trained and qualified to lead the company in the future and take responsibility.

(M) Ihsan Platform:

Since the Crown Prince launched the Ihsan platform, the company has been among the first to pay attention and support to the platform's effective and comprehensive contribution to members of society in an organized and accurate manner. The ranks of the platform's major donors.



(14) A list of the dates of the General Assembly meetings held during the last fiscal year ended 31.12.2021 and the names of the Board members who attended them.

The company held two assembly general meetings during the last fiscal year one on 05/27/2021 AD, in which the members of the Board of Directors were elected from the nominates for new Board member starting from 07/27/2021 AD and ending on 07/26/2024 AD. The second meeting was on 02/09/ 2021 AD to vote on appointing the members of the Audit Committee based on the recommendation of the Board of Directors which start the tasks of the Committee from the date of the assembly meeting until the end of the Board session on 07/26/2024 AD. The two meetings were by means of modern technology through the Zoom program, and the attendance of the members of the Board of Directors was as follows:

Sr.	Board Member Name	Attendance Register	Board Member Name	Attendance Register
		Ordinary AGM dated 27.05.2021		Ordinary AGM dated 02.09.2021
1	Ibrahim Hamad Abdullah ABabtain	Attended	Ibrahim Hamad Abdullah ABabtain	Attended
2	Abdulaziz Ibrahim Abdullah Al Babsain	Attended	Abdulaziz Ibrahim Abdullah Al Babsain	Attended
3	Khaled Mohammed Abdullah Abdulrahman ABabtain	Attended	Khaled Mohammed Abdullah Abdulrahman ABabtain	Attended
4	Abdulkareem Hamad Abdullah Al Babsain	Attended	Abdulkareem Hamad Abdullah Al Babsain	Attended
5	Khaled Mohammed Abdullah ABabtain	Attended	Khaled Mohammed Abdullah ABabtain	Attended
6	Mansour Mohammed Abdullah ABabtain	Attended	Sultan Hamad AL Babsain	Attended
7	Yassen Abdulrahman Hassan Al Jeffry	Attended	Abdullah Sagher Al Hussani	Attended
8	Mohammed Hamad Mohammed Al Qunibet	Attended	Mohammed Abdullah Basher Al Rasheed (represented of General Authority of Social Insurance)	Attended
9	Khaled Soliman Abdulaziz AL Soliman	Attended	Megren G. AlDalbahi (represented of General Authority of Social Insurance)	Attended
Sum of attendances		9		9

(15) Main Scope of Business: -

The main core business of the company is concentrate in the power and communications sectors, through marketing, selling, designing and manufacturing products for the transmission and distribution of electrical power. In addition, the company provides solutions for the company's activities related to outdoor lighting, power transmission and distribution, and the communication activity through the design, supply, installation and maintenance of communication systems. In addition to solar energy activities, the company also galvanizes steel products for its products as well as for third party products. The power sector is the largest contributor to the company's results.

The following table shows the contribution of each sector of the company's activities to the company's net sales revenue.

Figures by millions riyals

Business activity	Revenue	Percentage
Pole & Lighting activities	624	42,33
Tower & Tower Testing activities	449	30,42
Designing , suppling and installing activities	295	20,06
Solar Energy activities	106	7,19
Sum	1,474	100 %



As well as the activities of the subsidiary companies of the mother company is concentrate in both the Kingdom of Saudi Arabia, the Arab Republic of Egypt and the United Arab Emirates, all of them work on marketing, selling, designing and manufacturing products for the transmission and distribution of electrical power and solar energy activities. The following table shows the contribution of the subsidiaries of the parent company to the revenues.

Figures by millions riyals

Company Name	Country of activity	Revenue	Percentage
Al Babtain Power and Telecommunication company – Riyadh	Saudi Arabia	915,1	62.1
Al Babtain Power and Telecommunication company – Egypt	Egypt	66,1	4.5
Al Babtain for Power and lighting solution	Egypt	50,8	3.4
Al Babtain Le Blanc for Engineering Telecommunication	Saudi Arabia	109,6	7.4
Al Babtain Le Blanc Emirate for Engineering Telecommunication	UAE	122,7	8.3
Al Babtain Le Blanc Egypt for Engineering Telecommunication	Egypt	38,9	2.6
Al Babtain Qatar for Contracting	Qatar	-	-
Integrated lighting company	Saudi Arabia	40,16	2.7
Al Babtain International Wind Power	Saudi Arabia	-	-
Al Babtain Meddle East for installing telecommunication systems	UAE	24,5	1.7
Al Babtain Metalogalva	Saudi Arabia	106	7.2
Sum		1,474	%100

(16) A description of the company's significant plans and decisions (including changes to the structure, expanding the company's operations or halting them) and the future expectations.

A- Plans and important decision

The decisions that the company taken and announces on an ongoing basis are the result of long-term strategic planning to achieve the vision and goals of the company, so the company has formed multiple alliances that feed into the company's main activity in order to enhance and strengthen the company's durability in competition, as it formed a partnership with European (Portuguese) companies to work together in the field of Renewable energy projects with the establishment of Al-Babtain Metalogalva Company specializing in the field of renewable energy. Thus, the company is looking towards the industrial future in the field of renewable energy. This area is to enhance its industrial capacity and diversify its products, and that works to maximize the role of the private sector in the national domestic income product. The company did not stop at the borders of the Kingdom, but always looks forward to penetrating foreign markets, whether in the Middle East, European markets, or North African markets, so it enters into renewable energy projects in African markets through the company's factories in the Arab Republic of Egypt, and all this in order to maximize the company's profitability and maximize Shareholders' rights at the same time reduce potential risks.

(B) Continual Expectations

The company is working continuously in search for promising investment opportunities and strategic expansions, by the company skills, capabilities and its varieties uses, which are among the features and objectives of Al-Babtain Power



and Communications Company, by studying the feasibility of these opportunities in a way that helps to achieve the goals of the company and develop the rights of its shareholders, at the same time the company continues to focus on marketing its products and services. Core markets in its main markets and focus on opening new markets in line with the parent company's strategy for geographical expansion.

The company has adopted research and work in the fields of renewable energy as one of the promising future projects that are in line with the vision of the Kingdom, and the company continues to promote and develop the company's industrial products, working on joint cooperation and exchange of experiences with local and international designers, manufacturers and developers in different countries to enter and contribute to these projects that will contribute In increasing the company's market share, in addition to enhancing the presence of the company's products in those countries and the diversity of the company's product patterns, as was explained in the previous paragraph on the plans and decisions taken by the company.

(17) Information on any risks facing the company

Firstly; Strategic Risks represented by ;

(1) The events resulting from the spreading of global pandemics:

One of the most severe risks that is expected to have a severe impact on the economic situation and the acceleration of production is the outbreak of global epidemics, especially the emerging corona virus, Covid-19, as its impact has extended to the whole world within continual two years, which has led to a near-halt in economic activities, which led to high potential risks of Industrial companies. The company faced this risk by adopting a business continuity plan, alternative means, and the precautionary measures and measures it contained to avoid stopping industrial and commercial activities.

(2) Economic and political Events;

The outbreak of war between Russia and Akronia will have a strong impact on many sectors, whether the industrial productive sector or even the service sector, both of which affect the other, which will lead to the possibility of the cost of raw materials as a result of high oil prices and the suspension of gas supplies to Europe, consequently it will increase the prices of products and will increase the value of the freight as a result of the cessation of traffic through the warring countries and the disruption at the ports. There is no doubt that the war will have a negative impact on the economy of European countries and thus will be reflected in the Arab countries.

In addition to the continuation of the frequent political events and economic changes that some Arab countries in the Middle East are going through, in addition to the possibility of delaying plans and projects as a result of tense and sudden events, and thus it is expected to affect the level of spending on infrastructure projects, leading to potential risks resulting from the increased intensity of competition in markets.

(3) Human Resource Risks

The company is facing some difficulties in localizing the jobs of workers, welders and manufacturers of steal parts due to the nature of the company's products and the nature of its manufacture of galvanized steel materials, as well as the



issuance of government decisions and circulars related to nationalization and foreign labor, defining a specific scope for some jobs, and the system for transferring workers between companies will form pressures to provide skilled labor and preserve in addition to the escalating fees imposed by the Ministry of Labor on expatriate workers, which constitutes an increasing financial burden and pressure on the company, despite all of this and the difficulties faced by the company, it falls in the green band, and the company is working continuously to attract qualified and distinguished human pioneer of national pioneer and work on their training, development, and leadership in the management positions in the company replacing expatriates through substitution plan to decrease the effect of this action.

Also, the change in regulations and laws, whether labor laws or tax regulations of the countries in which the company's branches or subsidiaries are located, is likely to have an impact on the income of these companies and the synchronization between the parent company and its subsidiary company in that country, so the company sets an internal policy applied between companies to counter that Change in line with the new regulations in those countries.

(4) Material Prices Risks

Despite the expectation that the prices of raw materials will start to stabilize at the end of 2021 AD and oil prices have started to reach normal rates, the Russian-Ukrainian war upset the scales and led to a shortage of some products, which led to an increase in the prices of raw materials starting from the end of 2021 AD. The company is likely to face risks of fluctuations Prices for raw materials as a result of global economic pressures in addition to credit risks, currency exchange fluctuations and the increased demand for raw materials after the outbreak of the Russia-Ukrainian war.

(5) Market risk

As a result of the war, it is likely that European markets will be affected and competition will become more intense, and thus this pressure will be reflected on the Middle East markets. It is possible that competition in the market share will be increasing at a high and steady pace, and tensions on the borders in neighboring countries or the other country in North Africa, which It has political tension, which affects the risk of entering these markets.

(6) Dispatch risk for import and export

Dispatch prices have increased sequentially as a result of the Corona virus and then as a result of the Russian-Ukrainian war, and thus this rise was reflected in the prices of raw materials and then reflected on the price of the product. It is likely to make competition very intense and what is likely to reduce the profit margin. It may not be excluded that the production of some products will be delayed as a result of the delay in raw materials, which will lead to an impact on profitability in the long run as a result of the increase in operating costs.

Secondly: Compliance Risks

As a result of the ongoing amendments and circulars in the governance systems issued by the Capital Market Authority on joint stock companies in addition to the companies' system and regulations issued in its regard, failure to adhere to the rules and regulations and adherence to them will pose the risk of imposing penalties and fines on the company and pending its requirements and transactions with the relevant authorities. In compliance with this, the company keeps abreast of all the variables and instructions issued by the relevant authorities continuously, which allows the company to always be fully aware of all the requirements of governance and always in contact with the Capital Market Authority to avoid any reservations or inquiries that the company may need in addition to continuous communication. And talk



to the environmental and industrial bodies, agencies and organizations that have a close relationship with the company's products and the issuance of industrial licenses, which does not affect the continuation of the company's productivity.

Thirdly: Financial risks

The fluctuation of European and Arab currencies rates against the US dollar, especially as a result of changing the interest rates of the dollar based on the meeting of the Federal Reserve at infrequent periods, as well as after the liberalization of the exchange rate of the Egyptian pound against the US dollar in 2016, and followed by the decrease of Egyptian pound against US dollar in 1st quarter of 2022 which led to a change in the price of the pound at different times as well as the exit of the United Kingdom The European Union and the fluctuation of the euro's price against the dollar also, there is no doubt that there is an impact on the exchange rate of these currencies against the riyal, which has a clear effect on the currency differences of the subsidiary companies. The company is working on developing plans and possibilities to reduce these risks and adopting financial policies between the parent company and its subsidiaries to reduce risks currency fluctuation, as well as agreements in dealings with local banks in the countries in which the subsidiary companies operate.

Fourthly: Operations risks

The company may face risks of lower operating results in some of its companies, especially in countries where the outbreak of the Corona virus epidemic is increasing and the global economic impact on the economic activity of those countries, but the company is working on preparing alternative plans to avoid a decrease in the level of operation and to take many safety measures to maintain the level of operational operations. However, the risk remains until the epidemic is brought under control and all workers receive the anti-virus vaccine.

Fifth: the company's policy in management the risks

The company usually doing an analysis of potential risks, the company has put in place a strict control system for all procedures and processes and follow up step by step to ensure that it limits the impact of these risks. Rather, the system can prevent these risks from occurring before they occur and work continuously through internal audit plans for all operations of the company whether the parent company or its subsidiary companies, in addition to forming a specialized team to monitor and control these risks and measure the extent of the company's compliance with the provisions of the relevant laws and regulations in cooperation with the company's internal auditor, the office of Dr. Muhammad Abdel Aziz Hegazy, who specializes in internal auditing and risks, and the audit committee reviews the effectiveness of the audit and risk system every year and it evaluates the performance of external companies that have been appointed to carry out the functions and tasks of the internal audit and risk management department. The company has designed policies, regulations and procedures that work to reduce risks, monitor them and avoid them in some cases, and reports are periodically presented to the audit committee to study them and recommend to the board of directors the necessary solutions proposed by the internal auditor to study them and take them in some cases.



(18) Summary of the company's assets, liabilities and results

Figures by millions riyals

Statement	2017	Modified - 2018	2019	2020	2021
Total Assets	1,650	1620,4	1965,7	2062,4	2485,6
Liabilities	850,2	857,6	1159,3	1270,7	1634,9
Sales	1,275.9	913,2	1348,6	1387,1	1474,5
Operation Profits	142,2	61	107,7	99,1	97,6
Net Profits	147,2	69,7	86	80,3	51,2
Earnings per share	3,45	1,64	2,02	1,88	1,2
Total Equity	799,6	759,9	799	776,5	835,2

The company's shares began trading in the Saudi Stock Exchange on 12/12/2006

(19) geographical analysis of the company's and its affiliates' revenues.

(a) according to sectors

Figures by millions riyals

Statement	2017	Modified – 2018	2019	2020	2021
Pole and lighting sector	599,9	383,1	608	501.1	624,1
Tower & Tower Station Sector	356,9	280,6	354,7	483.4	488,5
Designing , suppling and installing Sector	.3191	249,5	282,8	297.4	295,6
Solar Energy Sector	0	0	103,1	105.2	106

According to Geographical Distribution;

Figures by millions riyals

Statement	2017	Modified – 2018	2019	2020	2021
Activities from inside KSA	847	598	988,5	1070,3	1209
Activities from outside KSA	428,9	315,2	360,1	316,8	265

The following is the statement details of year 2021 for subsidiaries companies that clear the revenue by geographical wise.

Figures by millions riyals

Statement	Country of Activity	Sales
Al Babtain Power and Telecommunication company – Riyadh	Saudi Arabia	915,1
Al Babtain Power and Telecommunication company – Egypt	Egypt	66,1
Al Babtain for Power and lighting solution	Egypt	50,8
Al Babtain Le Blanc for Engineering Telecommunication	Saudi Arabia	109,6
Al Babtain Le Blanc Emirate for Engineering Telecommunication	UAE	122,7
Al Babtain Le Blanc Egypt for Engineering Telecommunication	Egypt	38,9
Al Babtain Qatar for Contracting	Qatar	-
Integrated lighting company	Saudi Arabia	40,16



Al Babtain International Wind Power	Saudi Arabia	-
Al Babtain Meddle East for installing telecommunication systems	UAE	24,5
Al Babtain Metalogalva	Saudi Arabia	106
Total Sum		1,474

(20) any material differences in the operational results (Equal or more than 10%). The following detail statement about the changes in the operational results of the company comparing with previous year

Figures by millions riyals

Statement	Year 2021	Year 2020	Changes (+) or (-)	Percent of Change
Revenue	1474,4	1387,1	87,3	% 6
Revenue Cost	1307,3	1184,8	122,7	% 10
Total Profit	167,1	202,6	35,5-	% 18-
Other operational expenses	105,5	103,5	2	% 1
Operational Profits (Losses)	101	99,1	45.3-	% 32-

(21) There is no difference from the approved accounting standards issued by the Saudi Organization for Certified Public Accountants (SOCPA). The company started issuing the quarterly financial statements for the year 2017 in accordance with the International Finance Report Standards (IFRS) for the parent company and all its subsidiaries, in addition to the consolidated financial statements.

(22) Company and its subsidiaries

AL Babtain Power and Telecommunication Company (The Mother Company) its headquarter in Kingdom of Saudi Arabia (Riyadh) owns full or controlled stakes at its subsidiaries direct and indirect own as shown in the below table;

Company Name ⁽¹⁾	Country of incorporation / the main location of operation s	Capital by the currency of established county	Ownership percentage	Core Business
Direct owned by company				
(1) Al Babtain Power and Telecommunication	Egypt	EGP 125,000,000	% 100	Galvanizing Pole and Tower manufacturing
(2) Al Babtain LeBlanc for engineering communication	KSA	SR 10, 000,000	% 100	Design, supply, and communication system installation
(3) AL Babtain for operation & Maintenance	KSA	SR 500,000	% 100	
(4) Al Babtain Qatar for Contracting	Qatar	QR 200,000	%100	
(5) Integrated Lighting Company – limited	<u>KSA</u>	SR 26,800,000	% 100	Manufacturing, sale, and marketing the decorative pole and LED lighting
(6) Al Babtain International Wind Power	<u>KSA</u>	SR 5,000,000	% 100	Installing, maintaining and repairing wind energy networks and generating electrical energy
In- direct owned by company				
(7) Al Babtain LeBlanc Egypt for engineering communication	Egypt	EGP 2,000,000	% 95	Design, supply, and communication system installation
(8) Al Babtain LeBlanc UAE for engineering communication	UAE	UAD 11,000,000	%100	
(9)Al Babtain Meddle East for installing telecommunication systems	UAE	UAD 1,000,000	%70	Installation and maintenance of communications systems equipment - Contracting - oil and gas field services activity



Company Name ⁽¹⁾	Country of incorporation / the main location of operation s	Capital by the currency of established county	Ownership percentage	Core Business
(10)Al Babbain for Power and lighting solution	Egypt	EGP 95,272,000	%100	Production and marketing of poles, masts, galvanized metal structures and solar lighting
Partnership with foreign companies				
(11) ABabbain Metalgalva	KSA	SR 18,000,000	%60	Production of metal moving components for single and biaxial solar PV tracking systems and fixed metal components for solar PV system

(1) The legal form of subsidiary companies inside and outside the Kingdom are limited liability companies except for Al-Babbain Power and Communications Company - Egypt, which is a closed joint stock company consisting of 125,000,000 shares and the value of the share is 1 Egyptian pounds. There are also no stock issues or debt instruments for these companies.

The parent company in Saudi Arabia and its subsidiaries in Egypt and the Gulf states market and export its products to many countries around the world. The aforementioned productive sectors, thank God, were able to operate our factories during the year 2021 AD according to the company's production plans as planned.

The parent company is still determined to offer part of the shares of Al-Babbain Power and Telecom Egypt and its subsidiaries (one of its subsidiaries in the Arab Republic of Egypt) for IPO in the Egyptian financial market, after the subsidiary stopped discussions with the Saudi Egyptian Company for industrial Investments to subscribe to a capital increase the money for the Egyptian company is agreed upon between the two parties, as the discussions and agreements on the legal formulations of the shareholders' agreement and the purchase and sale agreement were not accepted by both parties. The company closely monitors the country's economic situation to choose the appropriate time for the offering. It also works on a continuous study of the company's internal and external environment to assess the situation. This step comes from the standpoint of working to strengthen the company's financial position and reduce risks, in addition to the possibility of the company's expansion of its business..

(23) details of shares and debt instruments issued for each affiliate company

The number of equity shares reached (42,631,312) million fully listed shares in the Saudi stock market. In addition, there are no interest, option rights, subscription rights, or similar rights issued or granted by the company during the year 2021. There are no transfer or subscription rights under convertible debt instruments into shares, option rights, or similar rights certificates issued or granted by the company. There is also no refund or cancellation by the company of any recoverable debt instruments or any arrangements or agreement under which any of the shareholders waived any rights to profits.

There are also no restrictions on the company's shares according to what is stated in each of the rules governing the investment of listed financial organized and the instructions that regulate foreign strategic investors owning strategic stakes in listed companies in accordance with the company's articles of association and instructions issued by the supervisory and supervisory authorities to which the company is subject.

The following table shows the share details of the subsidiary companies as follows:



Company Name	Country of incorporation / the main location of operations	Capital by the currency of established county	Number of Shares
(1) Al Babtain Power and Telecommunication Egypt	Egypt	EGP 125,000,000	125,000,000
(2) Al Babtain LeBlanc for engineering communication	KSA	SR 10,000,000	100,000
(3) Al Babtain for operation & Maintenance	KSA	SR 500,000	5000
(4) Al Babtain Qatar for Contracting	Qatar	QR 200,000	1
(5) Integrated Lighting Company – limited	KSA	SR 26,800,000	268,000
(6) Al Babtain International Wind Power	KSA	SR 5,000,000	5,000
(7) Al Babtain LeBlanc Egypt for engineering communication	Egypt	EGP 200,000	200,000
(8) Al Babtain UAE LeBlanc for engineering communication	UAE	UAD 11,000,000	11,000
(9) Al Babtain Meddle East for installing telecommunication systems	UAE	UAD 1,000,000	10,000
(10) Al Babtain for Power and lighting solution	Egypt	EGP 95,272,000	9,527,200
(11) ABabtain Metalgalva	KSA	SR 18,000,000	18,000

(24) Dividends Distribution Policy

The company adopts an annual dividend policy in proportion to the profits achieved and its financial position and according to the opportunities available for investment and expansion in front of the company, which provides it with the necessary financial liquidity to achieve its goals and achieve shareholder satisfaction.

The annual net profits of the company shall be distributed after deducting all general expenses and other costs in accordance with Article (44) of the company's articles of association as follows:

- (10%) of the net profits shall be set aside to form the statutory reserve of the company, and the Ordinary General Assembly may decide to stop this deduction when the said reserve reaches (30%) of the paid capital.
- The extraordinary general assembly based on the proposal of the board of directors to avoid a percentage (10%) of the net profits to form a consensual reserve.
- The Ordinary General Assembly, based on the proposal of the Board of Directors, may decide to disburse the agreement reserve for the benefit of the company or the shareholders.
- The Ordinary General Assembly may decide to create other reserves, to the extent that it serves the interest of the company or ensures that fixed profits are distributed as much as possible to the shareholders, and the aforementioned association may also deduct from the net profits amounts for the establishment of social institutions for the company's employees or to assist what may exist from these institutions.
- From the remainder, a percentage representing (5%) of the paid-up capital shall be distributed to the shareholders.
- Subject to the provisions stipulated in Article (20) of the Articles of Association and Article (76) of the Companies Law, after the aforementioned a percentage (10%) of the remainder shall be allocated to the remuneration of the Board of Directors, provided that the entitlement of this remuneration is proportional to the number of sessions attended by the member.
- After that, the remainder shall be distributed to the shareholders as an additional share of the profits or carried forward to the coming years as approved by the general assembly.



- The statutory reserve is used to cover the company's losses, increase the capital, or distribute profits to shareholders in the years in which the company does not achieve net profits that are sufficient to distribute the share determined to them.

With regard to the fiscal year 2021 AD, the Board of Directors obtained the approval of the Ordinary General Assembly that was held on 27.05.2021 AD to distribute interim cash dividends to the shareholders for the year 2021 AD in accordance with the provisions of Article (39) of the regulatory controls and procedures issued in implementation of the Companies Law for Joint Stock Companies Issued by the Capital Market Authority, provided that the assembly authorizes the Board of Directors to do so and is renewed annually, and the following table clarify the percentage of dividends will distributed for year 2021:

Figures by millions riyals	The dividends that will distributed for year 2021	
	Total dividends distributed for year 2021	For Fiscal year Period ended 31.12.2021
Percentage	05 % from the capital	05 % from the Capital
Total	21,3	21,3

The following is a statement showing the total distributions and reserves made by the company until 12/31/2021

Statement	Saudi Riyals
Retained earnings from 2020	374,596,224
Other adjustments	(5,226,853)
Statutory reserve (10% of 2021 net profit)	(0)
Net profit for the year 2021	51,029,030
Net profit after adjustments and distributable statutory reserve	420,398,401
Distributed dividends during the year 2021	(42,632,312)
Net retained earnings carried forward for 2022	377,767,089
Earnings per share from net income for the year (SAR)	1,2

(25) A description of any interest in a class of voting shares held by persons (other than the company's directors, Senior Executives and their relatives):-

The company has not issued any voting-eligible shares, and accordingly, there is no interest in a class of voting-eligible shares belonging to persons (except for members of the Board of Directors, senior executives and their relatives).

(26) A description of any interest, contractual securities or rights issue of the Board members, Senior Executives and their relatives:-

The company did not issue any convertible debt instruments into shares, and the company did not grant any option rights, subscription rights, or any similar rights to members of the board of directors, senior executives and their families during the fiscal year ending at 31.12.2021 AD. The following table shows the members of the board of directors and the number of shares owned by them, their spouses and children.



Member Name	Shares No. on 31.12.2020	Shares No. on 31.12.2021	Changes in shares	The percent of change
Ibrahim Hamad Abdullah ABabtain	715,853	715,853	0	0
Abdulaziz Ibrahim Abdullah Al babtain	590,625	590,625	0	0
Khaled Mohammed Abdullah Abdulrahman Ababtain	856,859	856,859	0	0
Khaled Mohammed Abdullah Ababtain	100,000	100,000	0	0
Abdulkareem Hamad Abdullah Al babtain	682,200	682,200	0	0
Sultan Hamad AL Babtain	796,035	796,035	0	0
Abdullah Sagher Al Hussani	0	0	0	0
Mohammed Abdullah Basher Al Rasheed (represented of General Authority of Social Insurance)	0	0	0	0
Megren G. AlDalbahi (represented of General Authority of Social Insurance)	0	0	0	0

The following table identify the shares owned by executive managers and their spouses and children

Member Name	Shares No. on 31.12.2020	Shares No. on 31.12.2021	Changes in shares	The percent of change
Jawad Jamel Ismail Abu Shehadah	1000	1000	0	0
Mohammad Najah Tukhy	0	0	0	0
Tamer Adnan Kalo	0	0	0	0

(27) Information on any loans (payable upon request or not), a statement of the total indebtedness of the company and its affiliates, any amounts paid by the company in repayments of loans during the year, the amount of the principal debts, the creditor name, the loan term and remaining amount. In case there is no debts, a declaration thereof shall be presented.

Figures by millions riyals

Statement	Debts in 31.12.2020	Withdraw during year	Paid during year	Debts in 31.12.2021	Principal debts	Period
Long Term debts	271.7	716.8	294.2	694.4	844	From 3 to 5 years
Short term debts and tawarruq	640.6	4121.4	4189.4	572.6	863.9	Less than year
Total	912.3	4838.2	4483.6	1266.9	1707.9	

The following table clarify the loans of the mother company and its subsidiaries as the following:

Figures by millions riyals

Company name	Period	Debts in 31.12.2020	Withdraw during year	Paid during year	Debts in 31.12.2021	Principal debts
Al Babtain Power and Telecommunication company - Saudi	Long	271.7	702.5	290.8	683.4	829.7
	Short	608.6	3901.6	4011.8	498.4	612.4
Al Babtain Power and Telecommunication company – Egypt	Short	11.4	83.8	86.6	8.6	95.2
AL Babtain for lighting solution	Short	8.3	54	41	21.3	62.3
AL Babtain LeBlanc – KSA	Short	0	1.8	0	1.8	1.8
Integrated Lighting Company	Long	0	14.3	3.3	11	14.3



Company name	Period	Debts in 31.12.2020	Withdraw during year	Paid during year	Debts in 31.12.2021	Principal debts
	Short	8.2	79.8	48.4	39.6	88
AL Babtain LeBlanc – UAE	Short	0	0	0	0	0
AL Babtain LeBlanc – Egypt	Short	4.2	0	1.4	2.8	4.2

*The period of short-term loans is less than a year, and the period of long-term loans ranges between three to five years

The following table clarify the donors of long term loans

Figures by millions riyals	2020	2021
Saudi Industrial Development Fund loan	27,3	35.9
Long Term Tawarruq Loans - Domestic and Foreign Commercial Banks *	244,4	658.4
Total	271,7	694.3

Piraeus Bank - Egypt in the Arab Republic of Egypt, Riyadh Bank, Saudi Hollandi Bank, Alinma Bank and Gulf Investment Bank in the Kingdom of Saudi Arabia.

The current portion of long-term loans as on December 31, 2021 amounted to (228) million Saudi riyals compared to 2021, which amounted to (124) million riyals.

The tawarruq loans from the above commercial banks are secured against the issuance of bonds for an order and the company forfeiting some of the proceeds from the contracts in which the associated business is financed.

The banking agreements related to the tawarruq loans above include financial restrictions and pledges on the company related to dividends and net equity, in addition to some other financial ratios specified in these agreements.

(28) Debt instruments, securities and IPOs

The company did not issue any convertible debt instruments into shares, and the company did not grant any option or subscription rights or any similar rights to members of the Board of Directors, senior executives and their families during the fiscal year ending on December 31, 2021.

(29) The company did not issue any conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights issued or granted by the company;.

(30) There are no any redemption, purchase or cancellation by the company of any redeemable debt instruments.

(31) Minutes of Board Meetings:

The Main Board Activities

- (1) Review and update the strategic plan.
- (2) Review the company's strategy and approve the new organizational structure and authority matrix
- (3) Adoption of the succession plan
- (4) Approving the results of the quarterly and annual business plan
- (5) Follow up on the implementation of the 2021 budget and approve the 2022 budget



- (6) Study investment opportunities and take decisions regarding them.
- (7) Establishing and supervising internal control systems and controls.
- (8) Recommending to the General Assembly the most important decisions and statements
- (9) Supervising the executive management.
- (10) Review and approve the policies and procedures of the Board of Directors related to the relevant approved relatives.
- (11) Review and approve the company's corporate governance policies and procedures related to the Capital Market Authority in accordance with the updates issued by the Capital Market Authority and present them to the nearest meeting of the General Assembly for approval.

The Board of Directors held four sessions during the year 2021 AD, and the attendance of the members was as shown in the following table:

Sr.	Member Name	The number of board meeting during year 2021 was (4) meetings				Attendance (%)
		2021/03/29	2021/08/05	2021/08/18	2021/12/30	
1	Ibrahim Hamad Abdullah ABabtain					
2	Abdulaziz Ibrahim Abdullah Al babtain	✓	✓	✓	✓	100 %
3	Khaled Mohammed Abdullah Abdulrahman Ababtain	✓	✓	✓	✓	100 %
4	Abdulkareem Hamad Abdullah Al babtain	✓	✓	✓	✓	100 %
5	Khaled Mohammed Abdullah Ababtain	✓	✓	✓	✓	100 %
6	Mansour Moahmmed Abdullah Ababtain*	✓	×	×	×	100 %
7	Yassen Abdulrahman Hassan Al Jeffry*	✓	×	×	×	100 %
8	Mohammed Hamad Mohammed Al Qunibet*	✓	×	×	×	100 %
9	Khaled Soliman Abdulaziz AL Soliman*	✓	×	×	×	100 %
10	Sultan Hamad AL Babtain ★	×	✓	✓	✓	100 %
11	Abdullah Sagher Al Hussani ★	×	✓	✓	✓	100 %
12	Mohammed Abdullah Basher Al Rasheed ★	×	✓	✓	✓	100 %
13	Megren G. AlDalbahi ★	×	✓	×	✓	70 %
	Total	9	9	8	9	100%
	The date of the last general assembly meeting	The last meeting of general assembly meeting was 02.09.2021				

★ They were selected for membership in the Board of Directors at the Ordinary General Assembly meeting on 27/05/2021 for the Board session starting from 27/07/2021 until 26/07/2024

* His membership in the Board of Directors ended at the end of the Board's term on 07/26/2021

(32) Numbers of company's requests of shareholders records, dates and reasons thereof

Number	Request Date	The date of owned file	Reasons
1	19/01/2021	25/01/2021	Profits file
1	24/05/2021	23/05/2021	Company procedures
1	27/05/2021	27/05/2021	Assembly meeting
1	05/08/2021	04/08/2021	Company procedures



(33) The transaction between the company and any Related Party

There are transactions with related parties to the company (subsidiary companies), as shown in the following table

Related parties	Type of relation	Type of contract	The period	The amount (Million Riyals)
Al Babtain Power and Telecommunication company – Egypt	Subsidiary company	Sales	Transaction during the year	1,4
Al Babtain Le Blanc for Engineering Telecommunication	Subsidiary company	Sales & Purchasing		30,6
Al Babtain Le Blanc Emirate for Engineering Telecommunication	Subsidiary company	Sales		21,2
Al Babtain Le Blanc Egypt for Engineering Telecommunication	Subsidiary company	Sales		0,2
Integrated lighting company	Subsidiary company	Sales & Purchasing		138,4
Al Babtain Qatar for Contracting	Subsidiary company	Sales & Finance		0,04
Al Babtain for Lighting Solutions – Egypt	Subsidiary company	Finance		0,3
Al Babtain Meddle East for installing telecommunication systems	Subsidiary company	Sales		3,8
Al Babtain Metalogalva	Subsidiary company	Finance		50,8
Al Babtain international Wind Power	Subsidiary company			0,02
AL Babtain for Advanced Solution	Subsidiary company	Finance		-
Total				248,6

(34) Information relating to any business or contract to which the company is a party and in which a director of the company, a Senior Executive or any person related to any of them is or was interested.

Based on the role and responsibilities of the board of directors, and in accordance with the requirements of transparency and disclosure, the board of directors confirms, according to the information available to it, that in 2021 AD there were contracts for the company to be party to and in which there is a fundamental interest for the chairman and some members of the board, and the following table explains Related parties, volume of transactions and balances resulting from transactions with related companies with the Board of Directors.

(1) Related party

	Ibrahim Hamad Abdullah ABabtain	Abdulaziz Ibrahim Abdullah Al Babtain	Abdulkareem Hamad Abdullah Al Babtain	Khaled Mohammed Abdallah Abdul Rahman ABabtain
AL Babtain Contracting Company LLC	Board Member	Board Member	Board Member	Board Member
AL Babtain for Trading LLC	Board Member	Board Member	Board Member	Board Member
AL Babtain for Engineering	Board Member	Board Member	Board Member	Board Member

(2) Business and Contracts

Sr.	Types of business & contract	Contract volume (By million riyals)	Contract period	Contracting condition	Related party
1	Sales & Finance	3,1	Interactivity transaction during the year	The company follows in its contracts with related parties the same terms that it follows with	AL Babtain Contracting Company LLC
2	Purchasing & Finance	0,1			AL Babtain for Trading LLC
3	Purchasing & Finance	0,2			AL Babtain for Engineering
	Total	3,4			



All these transactions are presented to the ordinary general assembly annually, and do not include any loans or balances due for payment after more than one fiscal year, and all of them are considered current balances.

(35) There is no any arrangement or agreement under which a director or a Senior Executive of the company has waived any remuneration

(36) there is no any arrangement or agreement under which a shareholder of the company has waived any rights to dividends.

(37) A statement of the value of any paid and outstanding statutory payment on account of any zakat, taxes, fees or any other charges

Statement	31.12.2020	31.12.2021
Zakat & Taxes	13,236,134	12,198,723
Social Insurance	575,637	311,148
Total	13,811,771	12,509,871

- The Zakat status with the Zakat, Tax and Customs Authority (the authority) was terminated until the fiscal year ended on December 31, 2013.
- The Zakat bell has been issued for the fiscal year ending on December 31, 2014, which resulted in a zakat difference of 1,138,648 Saudi riyals.
- The company filed a lawsuit with the General Secretariat of the Tax Committees, and the Committee for Adjudication of Tax Violations and Disputes issued its decision in favor of the company, but the Authority appealed the decision to the General Secretariat of the Tax Committees, and the appeal is still under study.
- The Authority issued an amended zakat assessment on the company for the fiscal years 2015 to 2018, which resulted in a zakat difference of 32,040,281 Saudi riyals. The company objected to this assessment with the General Secretariat of the Tax Committees, and the objection is still under study.
- Based on the examination of the external auditor, he saw that the company has a fair opportunity to obtain decisions in support of a destination that we show from the objection and appeal committees regarding the objection to the zakat assessment for the fiscal years from 2014 to 2018.

(38) There is no any investments made or any reserves set up for the benefit of the employees of the company.

(39) declarations that

- (A) The company confirms that the account records have been prepared correctly.
- (B) The company also confirms that the internal control system has been prepared on sound basis and has been effectively implemented. The Audit Committee reviews the results of the reports and informs the Board of them.



Note that in 2020 AD there are no material observations regarding the results of the annual review of the effectiveness of the company's internal control systems.

(C) The company also confirms its ability to continue its activity and there is no doubt about the company's ability to continue its activity.

(40) Information related to disclosure of the external auditor's report of the company

There are no reservations about the annual financial statements audited for the year 2021 AD by the company's external auditor, mentioned in his independent report.

The financial statements and clarifications contained in the auditor's report are complementary to that stated in the report of the Board of Directors and are an integral and original part of this report.

(41) Governance

(A) In accordance with the Corporate Governance Regulations issued by the Capital Market Authority under Resolution No. (8-16-2017) dated 16/05/1438 AH corresponding to 13/02/2017 AD, as amended by Resolution of the Capital Market Authority Board No. (1- 7-2021) dated 01/06/ 1442 AH corresponding to 14/01/2021 AD, the company has prepared a corporate governance system that includes the items mentioned in the Corporate Governance Regulations issued by the Capital Market Authority, whether they are mandatory or guiding, in a manner that does not violate the regulations and rules issued by the relevant authorities. The company has complied with the governance regulation issued by Financial Market Authority.

(B) A statement of the provisions of the Corporate Governance Regulations that have been implemented and what have not been implemented, and the reasons for that.

The company applies all the provisions mentioned in the amended Corporate Governance Regulations issued by the Capital Market Authority on 21/01/2021, with the exception of the provisions listed below as follows:

Article No.	The statement	The reasons of didn't comply
Paragraph (2-C) of Article (20)	To be a representative of a legal person who owns five percent or more of the company's shares or of the shares of another company from its group.	The two representative members of the Public Pension Agency were independent when they were selected for membership in the Board of Directors at the date of the assembly meeting on 27/05/2021. When the Public Pension Agency ("Pension") merges with the General Authority for Social Insurance, the direct and indirect ownership of the Corporation in the company has exceeded the percentage of ownership The Corporation (5%) of the company's head, and given that this procedure has affected the independence of the Corporation's representatives in many companies, the Capital Market Authority has excluded the company from the requirements of Paragraph (2-C) of Article (20) of the



Article No.	The statement	The reasons of didn't comply
		Corporate Governance Regulations for the corporation's representative this exception until the end of the current session of the Board on 26/07/2024 AD.
Article (60)	Forming Remuneration committee	The Board of Directors decided to merge the remuneration and nomination committees into one committee that performs all the tasks of the two committees and was approved by the General Assembly on 04/24/2019
Article (64)	Forming Nomination committee	
Article (70)	Forming Risk Management Committee	Where the article is indicative, the Board of Directors decided to merge the functions of the Risk Management Committee with the Internal Audit Department (as the indicative article, the company has been allocated by a decision of the Board of Directors the assistance of an external party (the office of Dr. Muhammad Abdul Aziz Hegazy) to carry out the tasks and functions of risk management and internal audit.)
Article (72)	Risk management committee meetings	Whereas, this article is guiding bur there are meetings between the persons assigned to the risk management and audit department of the company with the audit committee emanating from the board of directors every six months to discuss and study the activities of the internal audit and the risks to which the company is exposed.
Article (85)	Employees Motivation	The company has an internal system to evaluate and motivate employees based on productivity and performance
Article (87)	Social Responsibility	Whereas the article is indicative, the company plays its social role as it works on: 1- Implementing a system for preserving the environment. 2- It trains and develops Saudis in order to achieve the Kingdom's vision 2030 3- It develops and supports its Saudi employees in obtaining the appropriate academic qualifications for their specialization. 4- Adopting the Moamah project for people with special abilities (Handicapped). 5- Adopting career development plans for Saudis
Article (88)	Social work initiatives	The company works on social contribution to society through training and supervision of Saudi students from Saudi universities to gain practical experience with the company The company also participates in seminars and introductory and educational events with the General Directorate of Civil Defense and charitable societies, as well as participation and support for humanitarian and social societies, and sharing in the Ihsan platform for social activities.
Article (95)	Forming Governance Committee	Whereas, this article is guiding, and as per the importance of the issue of corporate governance, the secretary of the board of directors carries out all the responsibilities, works, tasks and functions of the Governance Committee under the supervision of the Board of Directors.



42) The essential events announced by the company on the Tadawul website

- Al-Babtain Power and Telecommunication Company announced the latest progress for the signing of a memorandum of understanding between the Saudi Egyptian Industrials Investments Company and Al-Babtain power and Telecom Egypt (a subsidiary of the Arab Republic of Egypt) on 31/01/2021 AD.
- Al-Babtain Power and Telecommunication Company announced the opening of elections for membership of the Board of Directors for the new period starting from 27/07/2021 to 26/07/2024 on 07/03/2021
- Al-Babtain Power and Telecommunication Company announced an invitation to its shareholders to attend the Ordinary General Assembly meeting (the first meeting) through modern technology on 22/04/2021 AD, which was one of the items on the agenda to select the members of the Board of Directors for the new Board session.
- Al-Babtain Power and Telecommunication Company announced the latest progress for the signing of a memorandum of understanding between the Saudi Egyptian Industrial Investments Company and Al-Babtain Energy and Communications Company Egypt (one of the subsidiaries in the Arab Republic of Egypt) on 25/04/2021 AD, whereby negotiations with the Saudi Egyptian Industrial Investments Company over the deal were stopped. This is due to the unstable economic changes due to the Corona virus pandemic and the lack of clarity in market trends. Whereas the discussions and agreements on the legal formulations of the Shareholders Agreement and the Sale and Purchase Agreement were not accepted by both parties.
- Al-Babtain Power and Telecommunication Company announced the results of the Ordinary General Assembly meeting (first meeting) on 30/05/2021 AD, in which it announced the formation of the new board of directors for the period from 27/07/2021 to 07/26/2024.
- Al-Babtain Power and Telecommunication Company announced the appointment of the Chairman and Vice Chairman of the Board of Directors, the formation of the Board's committees, the appointment of the company's representatives to the Saudi Stock Exchange and Financial Market Authority (Tadawul), and the appointment of the Board's Secretary on 05/08/2021
- Al-Babtain Power and Telecommunication Company announced the invitation to its shareholders to attend the Ordinary General Assembly meeting (the first meeting) via modern technology on 09/08/2021 AD to select the members of the Audit Committee.
- Al-Babtain Power and Telecommunication Company announced the results of the Ordinary General Assembly meeting (the second meeting) on 05/09/2021 AD, in which it announced the formation of the Audit Committee for the period from the date of the Assembly on 02/09/2021 AD until the end of the Board session 26/07/2024 AD.
- Al-Babtain Power and Telecommunication Company announced that it had obtained medium-term bank financing with an Islamic Murabaha financing system from Banque Saudi Fransi on 11/10/2021 AD.
- Al-Babtain Power and Telecommunication Company announced that it had obtained medium-term bank financing with an Islamic Murabaha financing system from Al-Rajhi Bank on 21/10/2021 AD.

We ask the Lord to reconcile everyone to what is good

**Board of Directors
Al babtain Power and Telecommunication Company**