

**In the name of Allah
the compassionate
the most merciful**

Location map of the Company





His Majesty
Salman Bin Abdulaziz Al-Saud
The Custodian of the Two Holy Mosques



His Royal Highness
Prince Mohammed bin Salman bin Abdulaziz
The Crown Prince, Deputy Premier
and Minister of Defense



BROWN

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پلاسٹیکو
PLASTIQ

SCRAP BIN



His Royal Highness
Prince Saud bin Nayef bin Abdulaziz
Governor of the Eastern Province of the Kingdom of Saudi Arabia



His Royal Highness
Prince Ahmad bin Fahad bin Abdulaziz
Deputy Governor of the Eastern Province
of the Kingdom of Saudi Arabia



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Corporate Mission

Takween specializes in acquiring, developing and utilizing the latest polymer technology to produce high-quality packaging products as well as non-woven fabrics used in fast moving consumer goods and consumer products in the Middle East and worldwide. It is focused on becoming the chosen partner for the most renowned international brands.

Corporate Values

1. Integrity and Respect

Working with integrity and transparency and dealing with clients, partners, employees and management with utmost respect.

2. Quality and Excellence

Ensuring that production is in accordance with the highest quality standards and offering the best services to our customers in the Kingdom and overseas.

3. Teamwork

Hiring employees with high qualifications and securing a safe, sound and collaborative working environment.

4. Efficiency and Effectiveness

Utilizing our resources in the most efficient and effective way, to avoid waste and achieve the best results possible.

5. Social Responsibility

Applying all the rules and regulations in accordance with social responsibility standards and supporting community causes and activities.

6. Environment Responsibility

Adhering to environmental standards in all our operations and activities.

Corporate Vision

Takween Advanced Industries aims to become a major international producer of downstream polymer packaging products for the Fast Moving Consumer Goods (FMCG) and the consumer products' industries.

Board of Directors



Mr. Abdulmohsen M. Al-Othman
Chairman



Dr. Solaiman A. Al-Tawijri
Deputy Chairman



Mr. George Abraham
Member



Mr. Jameel Abdullah Al-Mulhem
Managing Director



Mr. Khalid Nasser Al-Moammar
Member



Mr. Saleh Hassan Al-Afaleq
Member




Mr. Hassan Esam Kabbani
Member



Mecmesin

بلاستيك
PLASTICO BPE

The image shows a clean, modern industrial facility. In the foreground, there are green-painted metal structures, possibly part of a conveyor system or a specialized production line. To the right, there are white metal walkways with railings. In the background, various pieces of industrial machinery are visible, including large cylindrical tanks and complex piping systems. The ceiling is high with recessed lighting. The overall atmosphere is one of a well-maintained and advanced manufacturing environment.

**Message from the
Chairman of the Board**

Report of the Board of Directors to the Shareholders

For the Fiscal Year ending on 31/12/2020.

Dear/ Shareholders of Takween Advanced Industries Company.

May the peace, mercy and blessings of God be upon you,
The Board of Directors members are pleased to present to you the Annual report of the Board of Directors which shows you the Company's activities and financial position for the Fiscal Year ending on 31/12/2020 G, and all factors affecting the Company's business as provided for under the applicable laws, in addition to the requirements of disclosure set forth under the laws and regulations issued by the Capital Market Authority, and as required by Companies Law.

Speech of the Chairman of the Board of Directors:

It's my pleaser to present to you the 9th Annual Report of the Board of Directors which shows you the company's activities and financial position for the Fiscal Year ending on 31/12/2020, which is one of the most important knowledge and information references to the Shareholders and Investors to know and understand the company's main Activities, the nature of its investments, the structure of its management and the level of performance in the Fiscal Year 2020G.

1. The importance of the Board of Directors report stems from the fact that it:

It is a planning and decision-making tool that enhances shareholder confidence and is the main source of disclosure and transparency of data and information. It is also the means of communicating with stakeholders who set the company's current situation and develop its business and future plans.

In early March 2020, the Kingdom of Saudi Arabia witnessed the large global pandemic due to the new Coronavirus (COVID-19). The outbreak, the quarantine decisions and precautionary measures taken by the Kingdom to control the pandemic have caused a fundamental change in all activities and an impact on the economy in general. These procedures constituted a major challenge for Takween and its subsidiary companies

during the year 2020. The company proactively took a set of preventive measures and changed the course of operation in response to the effects of the pandemic. Further, the Company modified some operations to comply with health and safety guidelines to protect employees, customers and suppliers, and smoothly secure the supply process to avoid any interruption in the business and take advantage of the announced supporting decisions taken by the government of Saudi Arabia for the private sector. Which, praise be to God, reduced the impact of the Covid-19 pandemic on the Company's results during the fiscal year of 2020, and due to the steps taken by the Company, the fast dealing with variables, and the diversity of the Company's products.

The Board of Directors spared no effort in fulfilling its mission to serve the goal to develop the Company's business in order to continue to maintain its leadership in the markets, and achieve the aspirations of its customers and Shareholders, raising the level of performance, entering new markets, and working to develop relationships with new clients inside and outside the Kingdom of Saudi Arabia in order to achieve a higher efficiency in in the management of the working and operational capital.

As a result, many positive aspects were achieved in the operational results, which were reflected positively in the financial results that included in this report.

One of the Board huge decisions is the approval of entering the Agreement with Textile Industry Ltd (a Chinese Company) to sell 70% of the shares Takween owns in the capital of Advanced Textile Factory Company (SAAF) on 12/30/2020G. The said Agreement will be executed on or after 31/03/2021G.

On behalf of me and on behalf of the rest of the members of the Board of Directors, I extend my thanks and gratitude to all the Shareholders for their confidence and supports to the Company' and the Company's journey, as well as the Executive Management team of Takween and its subsidiaries inside and outside the Kingdom and all our employees for their efforts to enhance the performane and the Company's journey.



Message from the
Chairman of the Board




**Historical Overview of
the Developments of
the Capital of Takween
Company**

Historical Overview of the Developments of the Capital of Takween Company:

The company began the journey of its industrial activity according to the legal form, capital, and stages of development as follows:

1. On 05/05/1414H (corresponding to 21/10/1993G), the Al-Othman Factory for Plastic Products was established, which was a branch of an establishment owned by Mr. Muhammad Abdullah Zaid Al-Othman. The factory's capital at that time reached (SAR. 1,000,000) million Saudi riyals.
2. On 06/02/1422H (corresponding to 30/04/2001G), the branch of Al-Othman Factory for Plastic Products was transformed into a limited liability company with a capital of (SAR. 32,000,000) thirty two million Saudi Riyals, and the name of Al-Othman Factory for Plastic Products was also modified in conjunction with transformation process to become Al-Othman Plastic Products Company - Limited Liability Company.
3. On 28/12/1431H (corresponding to 04/12/2010G) the Minister of Commerce issued Decision No. (391 / s) announcing the transformation of the company from a limited liability company to a closed joint stock company in the name of Takween Advanced Industries Company, under the commercial registration No. (2051044381) dated 09/01/1432 H (corresponding to 15/12/2010G) issued from the city of Khobar and the Company's capital at that time was (97,539,000) ninety-seven million five hundred thirty-nine thousand Saudi Riyals.
4. On 01/02/1432H (corresponding to 05/01/201G) the extraordinary General Assembly meeting of the Shareholders of the Company was held and approved raising the capital to (SAR. 300,000,000) three hundred million Saudi riyals, and the value of the increase was covered by capitalizing (SAR. 202,461,000) two hundred and two million Four hundred and sixty-one thousand Saudi Riyals from the items of the shareholders' contribution account, the statutory reserve and the remaining profits.
5. On 21/10/1431 H (corresponding to 30/09/2010G). The company listed (SAR 30,000,000) thirty million ordinary shares of its shares on Tadawul on 15/03/1433H (corresponding to 07/02/2012G), after obtaining the necessary regulatory approvals from the Authority, as 30% of the shares were offered to public subscription.
6. On 05/27/1434H (corresponding to 04/08/2013G) the extraordinary General Assembly meeting was held for the shareholders of the company and it was approved to raise the capital to (SAR. 350,000,000) three hundred and fifty million Saudi riyals, and the value of the increase was covered by capitalizing an amount of (50,000,000) Fifty million riyals from the account of the remaining profits as on 02/18/1434H (corresponding to 31/12/2012G).
7. On 20/12/1437H (corresponding to 21/09/2016G) the extraordinary General Assembly meeting of the shareholders of the company was held and it was approved to raise the capital to (950,000,000) nine hundred and fifty million Saudi riyals, and the value of the increase was covered by offering priority rights shares at the value of (SAR. 600,000,000) Six hundred million Saudi riyals.
8. The current capital of the company is (SAR. 950,000,000) nine hundred and fifty million Saudi riyals, divided into (95,000,000) ninety-five million ordinary shares with a fully paid nominal value of (10) ten Saudi Riyals per share.



**Overview of the Company's
Objectives and Activities**

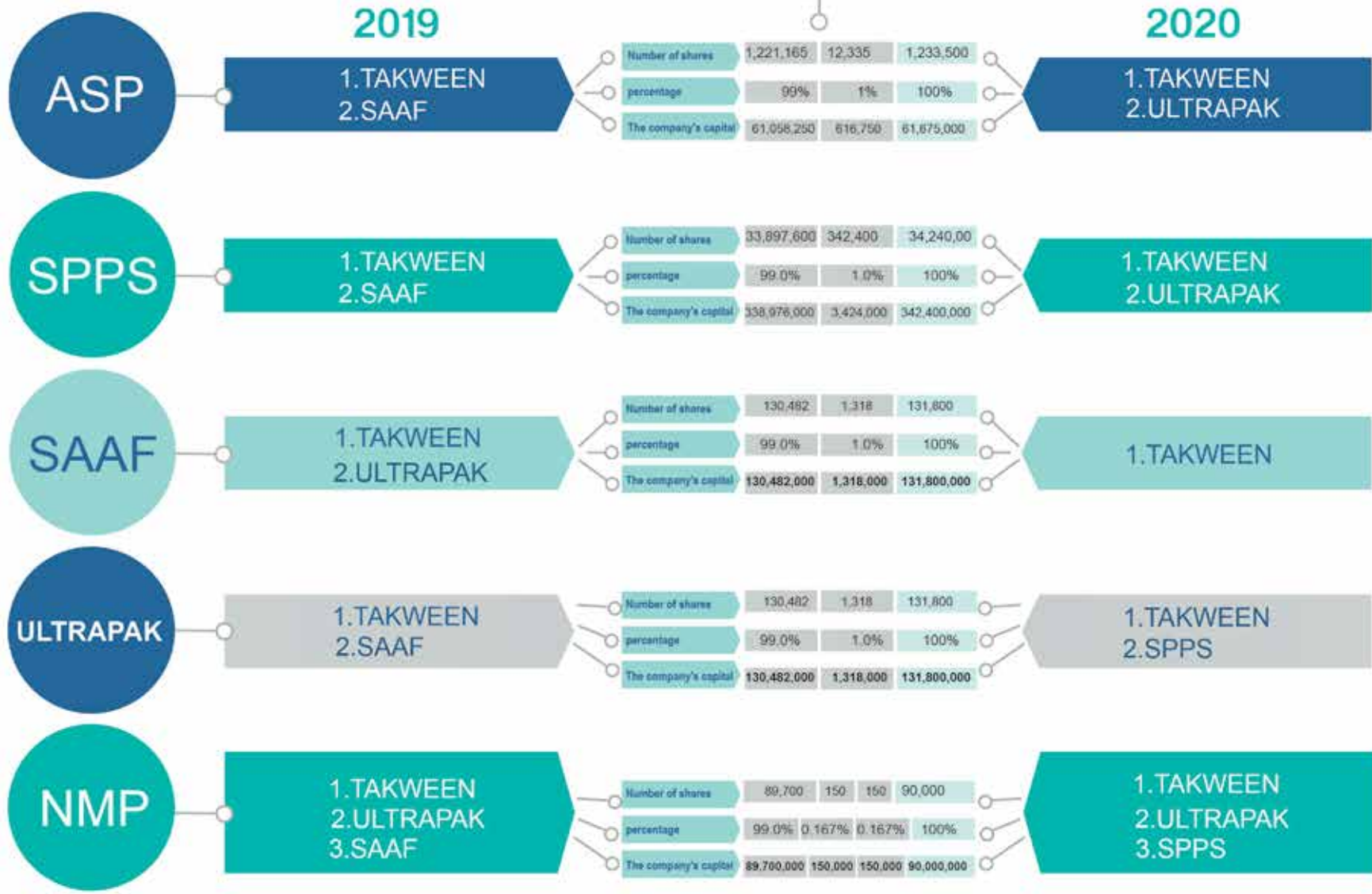
Overview of the Company's Objectives and Activities

The main objectives of the Company, in accordance with Company's Bylaws approved by the Extra Ordinary General Assembly, held on 26/03/1438H (corresponding to 25/12/2016G) can be summarized as follows:

1. Owning factories of various products, and factories of plastic packages and bottles, rolls of polypropylene, polystyrene and terephthalate polyethylene and factories of non-textile fabrics, and managing, operating and maintaining factories alone or in participation with other companies, organizations or individuals and to merge with any such entities.
2. Management and operation services, qualification and maintenance services for all industrial centers owned by companies, organizations or individuals, and residential and commercial cities, general and private facilities and firms.
3. Owning, managing and operating entities for the maintenance of devices and industrial equipment.
4. Owning plots of lands in order to build and develop factories, warehouses and residential projects, to sell, purchase and exploit plots of land and properties and to invest it in reselling or renting it to the benefit of company.
5. Establishing industrial institutes, to provide and coordinate training courses relating to the development of plastic products, of all kinds, and to provide accommodation for, and qualify, Saudi citizens in the field of the Company's industries.
6. Importing , exporting and trading, in whole sale and by retail, in the plastic products in all of its kinds, plastic packages and covers of all sizes, non-textile fabrics, of all kinds, plastic covers of all kinds and sizes, various plastic bottles and cups, rolls of polypropylene, rolls of polystyrene, rolls of terephthalate polyethylene, non-textile and manufactured fabrics of the polypropylene material, small bottles made of terephthalate polyethylene (PET), plastic cardboard and corrugated cardboard, plastic packages and barrels with covers and the various sodium silicates.
7. Owning, managing, operating and maintaining real properties and plots of land and to establish commercial and residential buildings thereon and to investing is by way of sale, purchasing and leasing for cash or by installments.
8. Owning hotels, educational, recreational and touristic facilities and investing, managing, operating and maintaining them.
9. Establishing warehouses for dry and cold materials, transport fleets, maintenance and repair workshops, fuel stations, and managing, operating and maintaining them.
10. Establishing, managing, operating and maintaining the various industrial projects, whether alone or in participation with other companies, organizations or individuals.
11. Undertaking commercial agencies.


The Company shall practice its activities in accordance with the applicable laws and after obtaining the necessary licenses from the competent authorities.

The company's and its subsidiaries updates and restructurers



Certifications that the company obtain as in 31/12/2020.



A photograph of a male worker in a factory or laboratory setting. He is wearing a blue hairnet, a light blue surgical mask, and tan work gloves. He is focused on working on a large, black, cylindrical container or piece of machinery. The background shows industrial equipment, including metal frames and various containers. The image is overlaid with a white hexagonal shape containing text, and there are decorative green and blue geometric shapes in the corners.

**Disclosures, Presentation
and Declaring Requirements
in the Report of the Board of
Directors for the Year 2020**

Disclosures, Presentation and Declaring Requirements in the Report of the Board of Directors for the Year 2020

The Board of Directors is pleased to present to the Shareholders the Disclosures, Presentation and Declaring in its Annual Report for the year 2020, which in it obtained all of the effective facts on the Company's activities according to the applicable or related laws and regulations on the Disclosures, Presentation and Declaring as in: (1. Companies law, 2. Regulatory Rules and 3. Procedures Issued pursuant to the Companies Law relating to Listed Joint Stock Companies, Corporate Governance Regulation, All circulars and decisions issued by the Capital Market Authority and all relevant official authorities during the year 2020).

The Presentation is presented through the following clauses and paragraphs:

(1) The applied and not applied provisions of the Companies' Governance Charters, along with the relevant reasons:

Takween Company acted in line with the developments and changes in relation to the laws and regulations issued by the Capital Market Authority. Takween Company shall carry out the necessary updates of the governance rules at the Company in order to be in line with all the updates affecting the Corporate Governance Regulations issued by the Board of the Capital Market Authority under its Resolution No. (8-16-2017), dated 16/05/1438 H, (corresponding to 13/02/2017G), and its revised version by the order of Board of the Capital Market Authority No. (1-7-2021), dated 01/06/1442 H, (corresponding to 14/01/2021G).

The Company committed itself to apply all obligatory Articles, provided for under the Corporate Governance Regulations. Further, the Company applies several Articles deemed to be constituting guiding Articles. However, there are a number of guiding Articles which the Company working to satisfy the requirements of as follows:

Guiding Articles which have not been Applied and the Reasons for Non-Application

Article/ Paragraph No.	Article Title	Provision	Reasons for Non-Application
Articles (70), (71) and (72)	Formation of the Risks Committee, its Functions and Meetings.	Under a resolution by the Company's Board of Directors, there shall be formed a committee to be named (Risks Management Committee), the Chairman and majority of members of which shall be from amongst the non- executive members of the Board of Directors. It is stipulated that a member of such committee shall have an appropriate level of knowledge of the risks and financial affairs management.	<p>The Company's formed a managing Internal Risks Committee, composed of the managing director, such committee shall send its report to the Audit Committee from time to time. The Company's Corporate Governance contains a charter of the Risk Committee approved by the General Assembly.</p> <p>If the circumstances so require, the Company shall form the Risks Committee, the Chairman and majority of the members of which shall be from amongst the members of the Board of Directors.</p>
Article (85)	Encouraging the Employees	<p>The Company shall set programs for developing and encouraging participation and performance by the employees at the Company, provided that this shall, in particular, include the following:</p> <ol style="list-style-type: none"> (1) Formation of committees or holding specialized workshops to hear the opinions of the Company's officers and to discuss with them the issues and subjects relating to important decisions. (2) Programs for grating shares to the employees at the Company, or a portion of the profits realized by the Company and pension programs, and establishing an independent funds to be spent on such programs. (3) Establishing social organizations for the employees of the Company. 	<p>This provision is applied partially, as the sub article No. 1 is currently applied, and sub article number 2 and 3 will be applied when the company is in need for it.</p>

Article/ Paragraph No.	Article Title	Provision	Reasons for Non-Application
Article (87)	Social Responsibility	Upon a proposal by the Board of Directors, the Ordinary General Assembly shall set a policy ensuring the balance between the Assembly's objectives and the objectives desired by the society in order to develop the social and economic conditions.	The company is working on developing multiple programs that include social responsibility program.
Article (88)	Social Activities Initiatives	The Board of Directors shall set programs and determine such means as necessary to announce the Company's initiatives in the field of social activities. This shall include the following: (1) Laying-down measuring indicators linking the Company's performance with the social initiatives it offers and comparing this with other companies having similar activities. (2) Disclosing the objectives of the social responsibility adopted by the Company for its employees and making them aware of the same. (3) Disclosing the plans for satisfying the social responsibility in the periodic reports relating to the Company's activities. (4) Setting awareness programs for the society to make the people aware of the Company's social responsibility.	It falls within the scope of development referred to in the application of Article (87) above.
Article (95)	Formation of the Company's Governance Committee	In case the Board of Directors forms a committee in charge of the Company's governance, then it shall vest in such committee the powers decided under Article (94) of such Regulation. The said Committee shall follow-up any matters relating to the governance applications and shall provide the Board of Directors, at least on a yearly basis, with the reports and recommendations it concludes.	The company has a corporate governance department affiliated with the Investor Relations and Legal Affairs Department that imply effective governance and reports to the Board of Directors periodically, and the company is prepared for this article requirement.

(2) and (3) Names and Full Details of Board of Directors, Committees and Executive Members.

Names of the members of the Board of Directors and names of the members of the Committees and Executive Management members as well as their current and previous positions, qualifications and experience. And the names of companies inside and outside the Kingdom where any member of the Company's Board of Directors is, or was in the past, a member of their respective boards of directors, or one of their executive managers according to clause 90 part (2), (3) from corporate governance regulation.



Abdulmohsen Bin Mohammed Al Othman

Current Position: Chairman of the Board of Directors of Takween

1. Education:

Degree: Bachelor, Major: Accounting, University: King Fahd University of Petroleum and Minerals, Dhahran, Kingdom of Saudi Arabia, Date of graduation: 1997

2. Current Experiences and positions:

Chief Executive Officer, Al-Othman Holding Group Company

Chairman of the Board of Directors, Takween Advanced Industries Company

Chairman of the Board of Directors, Al-Ahsa Hospital Company

Chairman of the Board of Directors, Al-Salam Medical Services Hospital Company

Chairman of the Board of Directors, Nada International School – Al-Ahsa province

Chairman of the Board of Directors, New Marina Plast– Egypt

Member of the Tourisms Development Board at Al-Ahsa Province, Saudi Tourisms Authority

Member of The National Committee of Dairy Produce, Council of Saudi Chambers

Member of Eastern Province Council, Emirate of Eastern Province

General Manager, Advanced Fabrics Company - SAAF

General Manager, Saudi Plastic Packaging Systems Company - Plastico

General Manager, Al - Sharq Plastics Industries Company – AL-SHARQ

General Manager, Al-Othman Industrial Marketing Company – IMCO

3. Previous Experiences:

a) Managing Director of the Board of Directors, Takween Advance Industries Company

b) Chief Executive Officer, Mohammed Al-Othman for Plastic Company

4. Committees Memberships:

Not a member in any of Takween's committees.

5. Names of Companies where he is, or was in the past, a member of the Board of Directors or one of their managers:

Current companies:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Al-Othman Holding Group Company	Inside	Private Joint Stock
Takween Advanced Industries Company	Inside	Public Joint Stock
Al-Salam Medical Services Hospital Company	Inside	Private Joint Stock
Al-Ahsa Medical Services Company	Inside	Private Joint Stock
New Marina Plast (NMP)– Egypt	Outside	Private Joint Stock
Al - Sharq Plastics Industries Company – AL-SHARQ	Inside	Limited Liability
Al-Othman Industrial Marketing Company – IMCO	Inside	Limited Liability
Al-Riadah Al-Oula Company	Inside	Limited Liability
Tazez Advanced Industrial Company	Inside	Limited Liability
Business Solution Systems Company	Inside	Limited Liability
Al-Othman Development Group Company	Inside	Limited Liability
Tilal Real Estate Company	Inside	Limited Liability
Saudi Plastic Packaging Systems Company -Plastico	Inside	Limited Liability
Al-Othman Advanced Group Company	Inside	Limited Liability
Advanced Fabrics Company - SAAF	Inside	Limited Liability
Al-Othman Agricultural Production and Processing Company.	Inside	Limited Liability

Previous companies:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Bayan Realty Company	Inside	Private Joint Stock
AYYAN Investment Company. SJSC	Inside	Public Joint Stock
Gulf Desert Chemical Company	Inside	Limited Liability



Dr. Solaiman Bin Abdulaziz Al-Twajjri

Current Position: Deputy Chairman of the Board of Directors of Takween

1. Education:

Degree: Ph.D., Major: Accounting, University: Case Western Reserve University, Cleveland, Ohio State, United States of America, Date of Graduation: 1998

Degree: Master Accounting, University: University of Illinois, Urbana-Champaign, Illinois State, United States of America, Date of Graduation: 1993

Degree: Bachelor, Major: Accounting, University: King Fahd University of Petroleum and Minerals, Dhahran, Kingdom of Saudi Arabia, Date of Graduation: 1990

2. Current Experiences and positions:

Member of The Board of Directors, National Agricultural Development Company (Nadec), Start date: 04/2018, End date: Present

Member of The Audit Committee, Saudi Electricity Company, Start Date: 02/2018, End Date: Present

Chief Executive Officer, Amiantit Group Company - Dammam, Start Date: 01/2018, End Date: Present

Member of The Board of Directors and Chairman of The Audit Committee Takween Advanced Industries Company – Al Khobar, Start Date: 11/2011 End Date: Present

Member of The Board of Directors and Member of The Executive Committee Saudi United Cooperative Assurance Company - (Walaa), Start Date: 2007, End Date: Present

3. Previous Experiences:

a) Member of The Audit Committee, Alawwal Bank, Start Date: 05/2018, End date: 2019

b) Member of The Board of Directors and Member of The Nomination and Governance Committee, Administrative Accounting Institute – U.S.A., Start Date: 06/2012, End Date: 2015

- c) Member of The Audit Committee Al Khozama Management Company, Start Date: 03/2009, End Date: 2012
- d) Managing Director and Chief Executive Officer Amiantit Group Company – Dammam, Start Date: 04/2018, End Date: 12/2017
- e) General Manager Al Othman Industrial and Agricultural Production Company (Nada) – Dammam, Start Date: 02/2005, End Date: 03/2008
- f) Joint Services Manager and Member of the Executive Committee Zajoul Advanced Telecommunications Technology Company, Start Date: 06/2003, End Date: 01/2005
- g) Secretary General The Higher Education Fund of Universities, Start Date: 02/2002, End Date: 05/2003
- h) Head of the Accounting Department King Fahd University of Petroleum and Minerals, Start Date: 12/2000, End Date: 10/2001
- i) Member of the Audit Committee GIB Capital – Bahrain, Start Date: 2012, End Date: 2013
- j) Member of the Board of Directors National Electricity Transfer Company – Riyadh, Start Date: 12/2010, End Date: 10/2012
- k) Member of the Audit Committee Higher Education Fund – Riyadh, Start Date: 02/2010, End Date: 12/2012
- l) Member of the Internal Audit Committee Saudi Organization for Certified Public Accountants – Riyadh, Start Date: 09/2009, End Date: 02/2012
- m) Member of the Audit Committee Riyadh Bank – Riyadh, Start Date: 04/2005, End Date: 12/2010
- n) Committee of Accounting standards Saudi Organization for Certified Public Accountants – Riyadh, Start Date: 05/2005, End Date: 05/2009
- o) Member of the Board of Directors of the Students Fund General Organization of Technical Education and Vocational Training, Start Date: 11/2002, End Date: 12/2003
- p) Member of the Board of Directors and Chairman of the Audit Committee. Chemical Development Al Khobar Company, Start Date: 12/2012, End Date: 2017
- r) Member of the Board of Directors and Chairman of Audit Committee. Mulkia Investments Company, Start Date: 2015, End Date: 2019

5. Names of Companies where he is, or was in the past, a member of the Board of Directors or one of their managers:

Current companies:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Takween Advanced Industries Company	Inside	Public Joint Stock
National Agricultural Development Company (Nadec)	Inside	Public Joint Stock
Alawwal Bank	Inside	Public Joint Stock
Saudi Electricity Company	Inside	Public Joint Stock
Saudi United Cooperative Assurance Company - (Walaa)	Inside	Public Joint Stock
Mulkia Investment Company	Inside	Limited Liability
Chemical Development Company	Inside	Private Joint Stock
Water Distribution International Company	Inside	Limited Liability
International Infrastructure Management and Operation Company	Inside	Limited liability
Amiantit Fiberglass Manufacture Company	Inside	Limited Liability
Amiantit Rubber Manufacture Company	Inside	Limited Liability
Ameron Saudi Arabia Company	Inside	Limited Liability
Bondstrand Company	Inside	Limited Liability
Saudi Arabian Manufacturer of Ductile Iron Pipes Company	Inside	Limited Liability
Saudi Arabian Concrete Products Company	Inside	Limited Liability
Saudi Amekon Company	Inside	Limited Liability

Current companies:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Amiantit Saudi Arabia Management Company	Inside	Limited Liability
Engineering Infrastructure Contracting Company	Inside	Limited Liability
Arabian Trading in Building Materials and Equipment Company	Inside	Limited Liability
Saudi BWT Company	Inside	Limited Liability
AMETEK – Morocco	Outside	Limited Liability
German BWT Company - Germany	Outside	Limited Liability
Amiantit Qatar Pipes Company	Outside	Limited Liability
Qatar Sarplast Company	Outside	Limited Liability
Ameron Egypt Company	Outside	Limited Liability
Amiantit Egypt for Fiberglass Company	Outside	Limited Liability
Ductile Technology Company, Bahrain	Outside	Limited Liability
Amiantit International Holding Company, Bahrain	Outside	Limited Liability
Ameblo Company – Austria	Outside	Limited Liability
Sobor Boro Industrial Company – Turkey	Outside	Limited Liability
Sobor Boro Gap Company, Turkey	Outside	Limited Liability

Previous companies:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Zajoul Advanced Telecommunications Technology Company	Inside	Limited Liability
Saudi Amiantit Company	Inside	Public Joint Stock
AMETEK Pipes Company - Romania	Outside	Limited Liability
National Electricity Transfer Company	Inside	Limited Liability
Al Othman Industrial Production Company	Inside	Limited Liability
Riyad Bank	Inside	Public Joint Stock
Al Khozama Management Company	Inside	Limited Liability
GIB Capital Company	Inside	Limited Liability
Flowtite Technology Company - Norway	Outside	Limited Liability
AMETEK Company – Spain	Outside	Limited liability
AMETEK Industrial Company - Spain	Outside	Limited Liability
Amiantit Company - Germany	Outside	Limited Liability
AMETEK Company - Poland	Outside	Limited Liability
Flowtite Technology Company - Bahrain	Outside	Limited Liability





Mr. George Antonius Abraham

Current Position: Member of the Board of Directors of Takween Advance Industries

1. Education:

Degree: Bachelor, Major: Financial Affairs and Business Administration: Saint Joseph University – Beirut - Lebanon, Date of graduation: 1981

2. Current Experiences and positions:

Businessman

Member of the Board of Directors

Company : Takween Advanced Industries Start: 2011.

3. Previous Experiences:

Senior Advisor, Al Othman Holding Company – Private Joint Stock Company, Start date: 2009, End date: 2018

Director General of the Plastic Department, Al Othman Holding Company – Private Joint Stock Company, Start date: 2000, End date: 2008

General Manager, Al Othman Agricultural Production and Manufacture Company- Limited Liability Company (Nada), Start date: 1993, End date: 2000

General Manager, Poly King Marketing Company - Limited Liability Company – Australia, Start date: 1993, End date: 1998

Projects Manager, Almutlaq Furniture Company - Limited Liability Company, Start date: 1983, End date: 1987

Accountant, Saudi Oger Company - Limited Liability Company, Start date: 1982, End date: 1983

4. Committees Memberships:

- A member of the Executive Committee from 2011/11 to 2018/12.
- Chairman of Executive committee from 2019/01 to 2020/06.

5. Names of Companies where he is, or was in the past, a member of the Board of Directors or oneness of their managers:

Current company:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Takween Advanced Industries Company	Inside	Public Joint Stock

Previous companies:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
New Marina Plastic Company	Outside	Private Joint Stock
Al Othman Holding Company	Inside	Private Joint Stock




SPS

HYBEL
GmbH







Mr. Jameel Bin Abdullah Al-Molhem

Current Position: Managing Director of the Board of Directors of Takween Advance Industries Company

1. Education:

Degree: Bachelor, Major: Marketing, University: King Fahd University for Petroleum and Minerals, Date of graduation: 1994

2. Current Experiences and positions:

Managing Director, Takween Advanced Industries Company, Start date: 09/2017, End date: present.

3. Previous Experiences:

Chief Executive Officer, Shaker Group (Al Hassan Ghazi Ibrahim Shaker), Start date: 2013, End date: 2017

Chief Executive Officer of Operations, Saudi Telecommunications Company, Start date: 2000, End date: 2013

Saudi British Bank (SABB), Start date: 1995, End date: 2000

4. Committees Memberships:

A member of the Executive Committee.

Current company:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Takween Advanced Industries Company	Inside	Public Joint Stock
Saudi United Cooperative Assurance Company - (Walaa)	Inside	Public Joint Stock
Electric Industries Company	Inside	Public Joint Stock
Newmarina Plastic Industries Company	Outside	Private Joint Stock
Al-essa Industrial Company	Inside	Privet Joint Stock

Previous companies:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Modern Vision Company	Outside	Limited Liability
Energy Services Company	Outside	Limited Liability
Al Hassan Ghazi Ibrahim Shaker Company	Inside	Public Joint Stock
SELCO Company	Inside	Limited Liability
Communication Centers Company	Inside	Limited Liability
VIVA Kuwait	Outside	Public Joint Stock
VIVA Bahrain	Outside	Limited Liability
Cell- C	Outside	Limited Liability
Avea	Outside	Limited Liability
Turk Telekom	Outside	Limited Liability
Intigral	Outside	Limited Liability



Mr. Khalid Bin Nasser Al Moammar

Current Position: A member of the Board of Directors of Takween Advanced Industries

1. Education:

Degree: Bachelor, Major: Accounting, University: King Fahd University for Petroleum and Minerals

2. Current Experiences and positions:

General Manager of Medium Companies, Medium and Small Establishments

3. Previous Experiences:

Customer Relations Director, Albank Alsaudi Alfransi, Start date: 1995

Chief Auditor, Arthur Andersen, Start date: 1997

Customer Relations Director and Director of Companies Banking Department, Albank Alsaudi Alhollandi, Start date: 2000

Director of Companies and Corporations Banking Management, Eastern

Province, Saudi British Bank, Start date: 2007

General Manager the Eastern Province, Albank Alsaudi Alhollandi, Start date: 2008

Chief Executive Officer, Albank Alsaudi Alhollandi Capital Company, Start date: 2012, End date: 2018

General Manager of Large Corporations Banking, Alawwal Bank, Start date: 2018, End date: 2019

4. Committees Memberships:

- A member of the Nomination and Remuneration Committee of Takween Since November 2016 to September 2018.
- Chairman of the Nomination and Remuneration committee since 2018/09/25.

Names of Companies where he is, or was in the past, a member of the Board of Directors or oneness of their managers:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Takween Advanced Industries Company	Inside	Public Joint Stock
Alawwal Invest Company	Inside	Private Joint Stock
Middle East Specialized Cables (MESC) Company	Inside	Public Joint Stock

Previous companies:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Advanced Petrochemical Company	Inside	Public Joint Stock
National Agricultural Development Company (NADEC)	Inside	Public Joint Stock



Mr. Saleh Bin Hassan Al-Afaleq

Current Position: A member of the Board of Directors of Takween

1. Education:

Degree: Master, Major: Human Recourses Development, University: Seattle Pacific University, the United States of America

Degree: Bachelor, Major: Administrative Science, University: King Faisal University, Saudi Arabia

2. Current Experiences and positions:

Partner and Board of Directors Member, Alkifah Holding Company, End date: Present

Board of Directors Member, Noor Capital Company, End date: Present

Board of Directors Member, Takween Advanced Industries Company, End date: Present

Managing Directorm Tamweel Aloula Company, End date: Present

3. Previous Experiences:

Vice Chairman of the Board of Directors, Arbah Capital Company

Board of the Directors Member, AYYAN Investment Company, SJSC

Chairman of the Board of Directors, Al-Ahsa Tourism Company

Board of the Directors Member, Ibdar Bank BSC(c)

4. Committees Memberships:

- Member of the Nomination and Remuneration Committee at Takween from January 2020 – present.

- A member of the Audit Committee of Takween from 2020/10/07G – present

Names of Companies where he is, or was in the past, a member of the Board of Directors or oneness of their managers:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Takween Advanced Industries Company	Inside	Public Joint Stock
Alkifah Holding Company	Inside	Limited Liability
Tamweel Aloula Company	Inside	Private Joint Stock

Previous companies:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
AYYAN Investment Company - SJSC	Inside	Public Joint Stock
Ibdar Bank BSC(c)	Outside	Private Joint Stock
Al-Ahsa Tourism Company	Inside	Private Joint Stock
Noor Capital Company	Outside	Private Joint Stock
Arbah Capital Company	Inside	Private Joint Stock



Mr. Hassan Essam Kabbani

Current Position: A member of the Board of Directors of Takween

1. Education:

High School Diploma

Degree: Courses Certificates, Major: Administrative Management, University: Pepperdine University, the United States of America

2. Current Experiences and positions:

Chairman of the Board of Directors, Kabbani Company, End date: Present.

3. Previous Experiences:

Chairman of the Board of Directors, Isam Kabbani & Partner's, Start date: 2015, End date: Present

Assigned Chairman of the Board of Directors, Isam Kabbani & Partner's, Start date: 2010, End date: 2015

Vice Chairman of the Board of Directors, Isam Kabbani & Partner's, Start date: 1999, End date: 2010

4. Committees Memberships:


- Member of the Nomination and Remuneration Committee of Takween Company from January 2020 – Present.

Current company:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Takween Advanced Industries Company	Inside	Public Joint Stock

Previous company:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Saudi United Cooperative Assurance Company - (Walaa)	Inside	Private Joint Stock

A photograph of a scientist in a blue lab coat, blue hairnet, and blue surgical mask. The scientist is wearing white gloves and is holding a small vial in their right hand, pouring its contents into a larger vial held in their left hand. The background shows a laboratory setting with a white wall and a row of lockers. The image is framed by a white and blue geometric design on the left side.

**Committee Members from
outside the Board**

Members of the Audit Committee from Outside the Members of the Board of Directors, as on 31/12/2020.



Dr. Solaiman Bin Abdullah Al Sakran

Office : Member of the Audit Committee at Takween Company, from November 2011, up to October 2020 , Audit Committee Consultant from October 2020 up to the date hereof

1. Education:

Degree: Ph.D., Major: Economics and statistics, University: Houston University, United States of America, Date of graduation: 1994

Degree: Master Major: Business Administration, University: King Fahd University for Petroleum and Minerals, Kingdom of Saudi Arabia, Date of graduation: 1993

Degree: Bachelor Major: Industrial Management, University: King Fahd University for Petroleum and Minerals, Kingdom of Saudi Arabia, Date of graduation: 1990

Degree: Bachelor Major: Third Honours Degree, University: King Fahd University for Petroleum and Minerals, Dhahran, Kingdom of Saudi Arabia

A Number of Merits Awards in Various Fields, Such as Teaching, Scientific Research and Community Service.

2. Previous Experiences:

- 1416–1424 H.: Head of the Financial Affairs and Economics Department, Faculty of Industrial Management, King Fahd University for Petroleum and Minerals, Dhahran, Kingdom of Saudi Arabia.
- 1422–1437 H.: Associate Professor of Financial Sciences, Financial

Affairs and Economics Department, Faculty of Industrial Management, King Fahd University for Petroleum and Minerals, Dhahran, Kingdom of Saudi Arabia.

- 1415–1422 H.: Assistant Professor, Financial Affairs and Economics Department, Faculty of Industrial Management, King Fahd University for Petroleum and Minerals, Dhahran, Kingdom of Saudi Arabia.
- 1411–1414 H.: Supervisor of the Cultural Direct Contact Office, Houston, of the Cultural Mission, Washington, Houston, Texas, United States of America.
- 1407–1408 H.: Lecturer at the Faculty of Industrial Management, King Fahd University for Petroleum and Minerals, Dhahran, Kingdom of Saudi Arabia.
- 1405–1407 H.: Teacher at the Faculty of Industrial Management, King Fahd University for Petroleum and Minerals, Dhahran, Kingdom of Saudi Arabia.
- 1404–1405 H.: Trainee, as part of graduation requirements, Saudi Bank, Paris, France. Works assigned included analysis of debts and preparing recommendations as to the feasibility thereof.
- 4/2004 to 12/2015.: Delegated to act as Secretary General of the University Higher Education Fund, Riyadh. Tasks assigned are full supervision and conduct of the Fund's works within the scope specified by the Board of

Directors, including the Financing Strategy of Universities and Investment of Funds for the Fund.

- Senior Member of the team for the study of the Strategy Report of the Saudi Electricity Sector – 1422 H.
- Part-Time Advisor – The General Investment Authority – Riyadh, 2002.
- Part-Time Advisor to Ma'aden Company – Ministry of Petroleum and Mineral Resources – Riyadh, 1997. to 1998.
- Various economic studies and consultancies for several companies and organizations.
- 1408–1410 H.: Vice President of the Saudi Students Club, Houston, Texas, United States of America.
- 1405–1408 H.: Supervisor of the Club of the Faculty of Industrial Management, King Fahd University for Petroleum and Minerals, Kingdom of Saudi Arabia.
- 1403–1408 H.: Active member at the Club of the Faculty of Industrial Management, King Fahd University for Petroleum and Minerals, Kingdom of Saudi Arabia.
- Representative of the University Higher Education Fund at the Board of Directors of Al Khozam Company (a closed joint stock Company), and Chairman of the Audit Committee.
- Representative of the University Higher Education Fund at the Board of Directors of Kirnaf Company (a closed joint stock Company), and Chairman of the Audit Committee.
- Representative of the University Higher Education Fund at the Board of Directors of the Chemical Development Company (c closed joint stock Company), Al Khobar.
- Member of the Investment Committee of Takaful Organization (a non-profit- aiming governmental organization), Riyadh.
- Member of the Board of Trustees of the Saudi Electronic University, Riyadh.
- Member of the Audit Committee at the Saudi Electricity Company (a trading joint stock Company), Riyadh.
- Member of the Board of Directors of the Arab Bank Funds, Riyadh.
- Member of the Board of Directors of the Real Estate Fund, the Saudi Stock Fund and the Murabaha Fund of the Middle East Financial Investment Company, Riyadh.
- Member of the Audit Committee of Energy Company (a trading joint stock Company), Riyadh.
- Member of the Board of Directors of SHUA'A Capital Funds, Riyadh.
- Member of the Committee for Deciding on the Violations of the Competition Law, Riyadh.
- Member of the Board of the Researches Institute at King Fahd University for Petroleum and Minerals, Dhahran.
- Member of the Board of the Faculty of Industrial Management at King Fahd University for Petroleum and Minerals, Dhahran.
- Assigned Dean of the Management Faculty at Alfaisal University, Riyadh.
- Member of the Board of Trustees at Prince Sultan University, Riyadh.
- Member of the Board of Trustees at Prince Sultan for Tourism and Hotels Sciences, Abha.
- Member of the Financial Committee at the Chamber of Commerce and Industry, Riyadh.
- Member of the Financial Committee at the Saudi Football Federation, Riyadh.
- Member of the Board of Directors of the Saudi Economic Society, Riyadh.
- Member of the Editors Team of the Saudi Economics Magazine, Riyadh.
- Member of the Scientific Committee of "SAIREC" Annual Conference, the Real Estate Conference, Riyadh.
- Chairman of the Professional Quality Committee, Saudi Organization for Certified Public Accountants, Riyadh.
- Member of the US Financing Organization, U.S.A.
- Member of the Founding Board of the Branch of the Saudi Management Society, Eastern Province, Dammam.
- Member of the Board of Directors of the University Schools, King Fahd University for Petroleum and Minerals, Dhahran.
- Member of the Board of Directors of the Kindergarten of the University, Dhahran.
- Chairman of the Board of Directors of the Saudi Society for Financial and Banking Sciences, Dhahran.

3. Names of Companies where he is, or was in the past, a member of the Board of Directors or oneness of their managers:

Current company:

Position	Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
A Member of the Audit Committee	Takween Advanced Industries Company	Inside	Public Joint Stock
A Member of the Board of Directors	National Agricultural Development Company (Nadec)	Inside	Public Joint Stock
A Member of the Audit Committee	Amiantit Company	Inside	Public Joint Stock
A Member of the Audit Committee	Fawaz Alhokair Company	Inside	Public Joint Stock
A Member of the Board of Trustees	Trustees "Waqf" of the Custodian of the Two Holy Mosques (King Abdullah Bin Abdulaziz)	Inside	Governmental Entity
A Member of the Board of Trustees	Trustees of Al-Yamamah University	Inside	Governmental Entity
A Member of the Board of Director	Fund for Supporting Education and Research Programs, King Fahd University for Petroleum	Inside	Governmental Entity
A Member of the Audit Committee	Comprehensive Internal Audit Committee at King Fahd University for Petroleum and Minerals	Inside	Governmental Entity
A Member of the Committee	Investment Committee at the Human Resources Fund "HDF"	Inside	Governmental Entity
Chairman of the Committee	Committee of the List of the Biggest 100 Saudi Companies	Inside	Media Organization
A Member	Saudi Economics Society	Inside	Governmental Entity
A Member	Organization of the US Financial Management	Outside	US Organization

Previous company:

Position	Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
A Member of the Audit Committee	Riyad Bank	Inside	Public Joint Stock
A Member of the Audit Committee	Tadawul Company	Inside	Private Joint Stock
A Member of the Investment Committee	Takaful Company	Inside	Governmental Entity
A Member of the Audit Committee	SCECO Company	Inside	Public Joint Stock
A Member of the Audit Committee	Salama Insurance Company, "IAC"	Inside	Public Joint Stock
A Member of the Audit Committee	Energy Company	Inside	Public Joint Stock
A Member of the Board of Directors	Chemical Development Company	Inside	Private Joint Stock
A Member of the Board of Directors – Chairman of the Audit Committee	Al Khozama Company	Inside	Private Joint Stock
	Kirnaf Company	Inside	Private Joint Stock



Dr. Waleed Bin Athaimin

Current Position : Member of the Audit Committee of Takween Company since January 2020G.

1. Education:

Degree: Bachelor, Major: Industrial Management (Specialty Accounting), University: King Fahd University for Petroleum and Minerals, Saudi Arabia, End date: 1989.

2. Previous Experiences:

Chef Executive Officer, SGCF Enagas

Head of Budget and Cost Control Department, Eastern Petrochemical Company - Sharq

Current companies:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Welson Middle East Pipes Company	Inside	Limited Liability
Mulkia Investment Company	Inside	Private Joint Stock
Education Fund	Inside	Private Fund
Saudi United Cooperative Assurance Company - (Walaa)	Inside	Public Joint Stock
SAICO Insurance Company	Inside	Public Joint Stock

Previous companies:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Al Khozama Management Company	Inside	Privet Joint Stock
SAICO Insurance.	Inside	Public Joint Stock
Chemical Development.	Inside	Privet Joint Stock

The Executive Committee Members from Outside the Members of the Board of Directors



Eng. Zuhair Al-Wadghiri Lafchoch

Current Position : Chairman of Executive Committee of Takween Company (External)

Since June 2020

1. Education:

- Bachelor Degree in Engineering from France.
- Master's Degree in Industrial Engineering from France.
- Executive Studies degree from INSEAD University, France.

2. Previous Experiences:

- Chief Executive Officer for Amrecani Food Group.
- Chief Operation Officer for Emaar Bulding Metterials Groupe.
- Chief Operation Officer for Mohammed Yusef Alnaghie Group.
- Chief Executive Officer for Safola Food's Group.

Names of Companies where he is, or was in the past, a member of the Board of Directors or oneness of their managers:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Al-Othman Holding Group Company	Inside	Privet Joint Stock
iKcon International Company	Outside	Limited Liability
FODEL Company	Outside	Limited Liability
NADA Food Company	Inside	Limited Liability
TAZEZ Industrial Company	Inside	Limited Liability

Previous company:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Amrecani Food Group.	Inside & Outside	Limited Liability.
Emaar Bulding Metterials Groupe	Inside & Outside	Limited Liability.
Mohammed Yusef Alnaghie Group	Inside	Limited Liability.
Safola Food's Group.	Inside & Outside	Limited Liability.



Mr. Azhar Mohiuddin Kanji

Current Position: Member of Executive Committee of Takween (External)

1. Education:

- Bachelor Degree in Industrial Engineering.

2. Previous Experiences:

- Managing Director Consultant at Takween Advanced Industries.
- Chief Executive Officer at Takween Advanced Industries.
- Chief Executive Officer for Plastic Sector at SAFOLA Co.

Names of Companies where he is, or was in the past, a member of the Board of Directors or oneness of their managers:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Saudi Cable Company	Inside	Public Joint Stock
AMS Baeshen & Company	Inside	Privet Joint Stock
New Marina Plastic Company	Outside	Privet Joint Stock
AL Salam Medical Services Company	Inside	Privet Joint Stock
Manafei Al Salam Medical Company	Inside	Limited Liability

Previous company:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
The SAFOLA Group	Inside	Public Joint Stock



A photograph of a factory worker in profile, wearing a blue hairnet, a blue face mask, and a light-colored polo shirt. The worker is standing in a factory setting with various pieces of machinery, including a large blue machine with the word 'SOFTAL' on it. The image is overlaid with a white hexagonal shape containing text, and there are blue and green geometric shapes at the bottom and right edges.

**Executive Management,
Senior Executives and the
company representatives
at the Capital Market
Authority**

Executive Management, Senior Executives and the company representatives at the Capital Market Authority

Mr. Jameel Bin Abdullah Al-Molhem

Current Position:

- Managing Director Member of the Board of Directors Since September 2017 up to the date hereof.
- Member of the Executive Committee Since September 2017 up to the date hereof.
- Representative of Takween at the Capital Market Authority, the Saudi Stock Exchange 'Tadawul', and the Securities Depository Center (Edaa).

For additional information about Mr. Jameel Bin Abdullah Al Molhem, kindly see the information of board members stated above.





Mr. Ali bin Hassan Al-Jamil

Current Position: Takween's Chief Executive Officer

1. Education:

- Master's Degree in Executive Administrative Management, from King Fahd University for Petroleum and Minerals, Saudi Arabia, 2007.
- Bachelor Degree in Mechanical Engineering, from King Fahd University for Petroleum and Minerals, Saudi Arabia, 1996.
- Maintenance program from the United States of America in 2001.
- Management program from the University of Crown field, United Kingdom, 2004.

2. Current Position:

- Takween's Chief Executive Officer Since 02/02/2020.

3. Previous Experiences and Positions:

- CEO - Al Rajhi Holding Group from June 2014 to January 2020.
- Chief Operating Officer - Takween Advanced Company - From June 2012 to May 2014.
- Chairman of Gulf Packaging Industries Company Ltd. - From February 2006 to May 2012.
- Director of The Operating and Production Department - SABIC Company - From September 1996 to January 2006.

4. Membership of committees:

- Member of the Executive Committee of Takween from 2 February 2020

The names of companies whose committees, board of directors are members of the executive board in the current or previous term or of their directors:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Takween Advanced Industries.	Inside	Public Joint Stock.

Previous company:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Green Vision for Artificial Grass.	Inside	Limited Liability
Indoor and outdoor flooring tissue solutions company.	Inside	Private Joint Stock
Farabi Petrochemicals	Inside	Private Joint Stock
Gulf Packaging Industries	Inside	Private Joint Stock
Triomada Plastic International Co.	Inside	Private Joint Stock



Mr. Marwan Gerge

Current Position: Chief Financial Officer at Takween

1. Education:

- B.A. Business Administration - Holy Spirit University Kaslik, Lebanon.
- MBA - Holy Spirit University Kaslik - Lebanon

2. Current Position:

- Chief Financial Officer - Takween Advanced Industries since September 2019.

3. Previous Experiences and Positions:

- 2017-2019G President of Saudi Plastics Packaging Systems.
- 2015-2017G Chief Financial Officer of Takween Advanced Industries.
- 2012-2015G General Manager, Financial Sector of Food Industry Company Ulker
- 2007-2011G Finance Officer of Dabas, Lebanon.
- 2001-2007G Finance and Managing Director of Unipac S.A.L.
- Membership of the committees in A.K.A.
- Member of the Management Committee for Risk Control

4. Membership of the committees of Takween Company:

- Member of the Management Committee for Risk Control



Mr. Ahmed Ali Al Zayat

Current Position: Director of Investor Relations and Legal Affairs at Takween

1. Position:

- Director of Investor Relations and Legal Affairs at Takween.

2. Qualifications:

- Bachelor of Commerce and Business Management of Cairo University in Egypt 1979G.
- Certificate in Financial and Economic Analysis - Unido - Vienna - Austria in 2004G.

3. Current Positions:

- Director of Investor Relations and Legal Affairs of Takween Company (2013G-present).
- Secretary of the Board of Directors of Takween Company.
- Secretary-General of the Executive Committee of Takween Company.
- Secretary of the Nominations and Rewards Committee of Takween Company.

4. Previous Experiences and Positions:

- 1993- 2013G Chief Financial Officer and Comptroller of subsidiaries - Al-Ahsa

Development Company (Ian) - a listed joint stock company - engaged in the field of multiple investments (industrial, medical, real estate - investments in sister companies and financial investment).

- 1981-1993G Financial Controller, Internal Auditor, Cost Account manager, Head of Accounting, Accountant, Saudi Fish Company, Listed Contribution, engaged in fishing, fishing and marine products.
- 1979-1980G Assigned employee of the Industrial Technical Institute of the Egyptian Iron and Steel Company - an Egyptian government joint stock company - working in the field of iron industry in all its forms.

5. Membership of the committees of Takween Company:

- Member of the Reporting and Anti-Fraud Committee of Takween.
- Member of the Management Committee for Risk Control.
- Representative of Takween Company with the Saudi Capital Market Authority and Market Exchange " Tadawul", Depository Center and Saudi Industrial Development Fund

Current company:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Al-Othman Holding Co.	Inside	Privet Joint Stock.

Previous company:

Company Name	Inside or outside the Kingdom of Saudi Arabia	Legal Form
Al-Ahsa Food Industries Co.	Inside	Limited Liability.
Al-Ahsa Tourism Co.	Inside	Privet Joint Stock.

(4) The Formation of the Board of Directors and the classification of its members:

Classification of board members on the basis of (executive board member/non-executive board member/independent board member):

- The Company's Board of Directors under Article 17 of the Statute consists of seven members.
- The following is the statement of the members of the Board and the classification of the membership of the Board of Directors as on December 31, 2020G.

The Board of Directors and the classification of its members:

No.	Name of the Member	Position	Membership Status
1	Mr. Abdulmohsen Bin Mohammed Al-Othman	Chairman of the Board of Directors	Non-Executive
2	Sulaiman Bin Abdulaziz Al-Twajjri	Deputy Chairman of the Board of Directors	Non-Executive
3	Mr. George Antonius Abraham	Member of the Board of Directors	Non-Executive
4	Mr. Jameel Bin Abdullah Al Molhem	Managing Director of the Board of Directors	Executive
5	Mr. Khalid Bin Nasser Al Moammar	Member of the Board of Directors	Independent
6	Mr. Saleh Bin Hassan Al-Afaleq	Member of the Board of Directors.	Independent
7	Mr. Hassan Essam Al-Qabbani	Member of the Board of Directors	Independent

- Secretary of the Board of Directors: Mr. Ahmed Ali Al Zayat.



(5) Actions Taken by The Board of Directors to Make Its Members, particularly, the Non-Executive ones, Aware of the Proposals and Notes Raised by the Shareholders as to the Company and Its Performance:

- Members of the Board of Directors shall be informed about the proposals, notices and complaints of the Shareholders. During the year 2020G, the company has received (13) phone calls and e-mails which by, including suggestions and questions. The Department of Investor Relations has responded to shareholders within the scope of disclosure allowed, and as published on the Tadawul website.
- Most of the shareholders' questions during 2020G, were about the impact of COVID19 pandemic on the company's performance along with the questions about signing the memorandum of understanding with the Chinese Company. Further, the Company received questions about the improvement in the Company's share price during its trading at certain periods in 2020G.
- The Members of the Board of Directors are periodically notified of the communications and notes raised by the shareholders in respect of the Company's announcements on Tadawul. During the year 2020G, the Board was notified through the Board meetings were held in May and December 2020G.
- The Company called its Shareholders to interact, participate and attend the General Assemblies. The Company opens the way for discussion by the Shareholders, and the Board of Directors answers the Shareholders at the meeting of the Assembly, and it takes their notes into account, and all questions and answers are recorded in the minutes of the General Assembly to be published at the Company's website.
- All board members, including non-executives, are provided with information on Shareholders' proposals and notices about the company and its performance.

(6) Brief Description of the Functions and Tasks of the Committees, Statements of the Names of the Committees and their Chairman, Members, Number of Meetings and Dates of Holding the Same and Statements of Attendance of by the Members at each Meeting:

1. Executive Committee:

(a) The Executive Committee consists of the Following Members:

No.	Name of the Member	Position
1	Mr. George Antonius Abraham	Chairman until June 2020G
2	Eng. Zuhair Al-Wadghiri Lafchoch	Chairman since June 2020G
3	Mr. Jameel Bin Abdullah Al Molhem	Member
4	Mr. Azhar Mohiuddin Kanji	Member
5	Mr. Ali bin Hassan Al-Jamil	Member since February 02, 2020G.

- Secretary of the Executive Committee: Mr. Ahmed Ali Al Zayat.

Functions and Responsibilities of the Committee:

1. With regard to the Company' strategy and objectives, the Committee shall undertake the following:
 - 1.1. To review the Company's procedures and strategic planning operations.
 - 1.2. To ensure that the Company's strategic plans have been reflected on the acts and practical activities aiming at the realization of the Company's objectives.
 - 1.3. To review the Company's operational and capital budget before raising the same to the Board of Directors, which matter represents a part of the Company's plans, and to raise recommendations to the Board in that regard.
 - 1.4. To review the Board's recommendations with regard to the distribution of the Company's resources, which matter aims at realizing harmony between the Company's strategic plans and its operational objectives in the long term
 - 1.5. To carry out a periodic review of the strategic plans of the Company and its subsidiaries, as well as the operational objectives, in order to ensure compliance with the Company's mission and objectives.
2. With regard to the Company's operational priorities, the Committee shall review and prepare recommendations for the Board of Directors in respect of the strategic decisions relating to the operational priorities, including expansion to new markets and countries or withdrawal from current markets and countries.
3. With regard to the Company's financial planning and profits distribution policy, the Committee shall undertake the following:
 - 3.1. To prepare and review recommendations for the Board of Directors in connection with the annual and long-term objectives and financial strategies and also in respect of the relevant performance indicators.
 - 3.2. To review the major financial affairs affecting the Company and its subsidiaries, such as issues relating to the Company's capital, the Company's credit ranking, cash flows, borrowing activities and investment deposits.
 - 3.3. To prepare and review the recommendations brought before the Board of Directors, in relation to the Company's profits distribution policy and how to put the same into effect.
 - 3.4. To carry out periodic reviews of the actual capital expenditures and to review the same compared with the budgets pre-approved.
4. With regard to evaluating the Company's productivity activities in the long term and the effectiveness of the operational activities, the Committee reviews and prepares recommendations for the Board of Directors with regard to the strategic decisions affecting the opportunities available for the Company and aiming at improving the quality of products and services rendered by the Company and minimizing the costs in that respect.
5. With regard to the investment activities, the Committee shall undertake the following:
 - 5.1. To assist the Board of Directors in handling its tasks in relation to review of the investment policies and criteria.
 - 5.2. To study the investment opportunities and how far they are in line with the Company's strategy.
 - 5.3. To search for investment opportunities realizing high returns, for example, but not as limitation (to make contracts for the management of local shares portfolios – to purchase units in funds of local shares – to purchase units in real estate funds– to enter into subscriptions in new companies and initial offerings – to purchase and sell real estate etc.).
6. To follow-up and assess existing and potential investments of the Company, and to supervise the consultancies in relation to the Committee's activities.
7. The Committee shall approve any amendments in the balance sheet items and the final approval of the capital expenditure items in accordance with the Committee's powers provided for in the Table of Financial and Administrative Powers.
8. To approve the Company's work policies and procedures and to recommend raising the same to the Board of Directors.
9. To control the performance of the Executive Management and the Top Management, and to submit recommendation in that regard.
10. The Committee shall present a periodic report on its activities at each meeting of the Board of Directors, and shall notify the Board of Directors if there is any case of conflict of interest arising due to the decisions taken by the Committee.

(c) Executive Committee meetings through 2020:

No	Name	Position	Meeting (1)	Meeting (2)	Meeting (3)	Meeting (4)	Meeting (5)	Meeting (6)	Meeting (7)	Meeting (8)	Meeting (9)	Meeting (10)
			(54) Jan	(55) Feb	(56) Mar	(57) June	(58) July	(59) August	(60) Sept	(61) Oct	(62) Nov	(63) Dec
1	Mr. George Antonius Abraham	Chairman Until June 2020	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Mr. Zuhair Al-Wadghiri Lafchoch	Chairman Since June 2020	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3	Mr. Jameel Bin Abdullah Al-Molhem	Member	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4	Mr. Azhar Mohiuddin Kanji	Member	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
5	Mr. Ali bin Hassan Al-Jamil	Member	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

2. Audit Committee:

(a) The audit committee was appointed on 21/01/2020G by the Extraordinary General Assembly for the fourth term of the Board of Directors. The Audit Committee consists of the Following members:

No.	Name	Position	Notes
1	Dr. Sulaiman Abdul Aziz Al-Tuwaijri	Chairman	
2	Dr. Suleiman Abdullah Al-Sukran (Outside the board members and specialist in financial and accounting affairs)	Member	resigned in October 2020G from being a member in the Committee and was subsequently appointed as a consultant of the Committee
3	Mr. Walid bin Mohammed al-Athaimin	Member	
4	Mr. Saleh bin Hassan Al-Afaleq	Member	Appointed as a member since 21/01/2020G

• Secretary of the Audit Committee: Mr. Mohammad Faik Mostfa

(b) Functions and Responsibilities of the Committee:

The Review Committee shall be in charge of controlling the Company's works and shall ascertain the integrity and honesty of the reports, financial statements and internal control systems. The Committee's functions shall, in particular, include the following:

1. Financial Reports:

- 1.1 To study the Company's initial and Annual Financial Reports before raising the same to the Board of Directors and to express its opinion and give recommendation in that regard in order to ensure such reports' honesty, fairness and transparency.
- 1.2 To express a technical opinion, upon the Board of Directors' request, whether the Board of Directors' report and the Company's Financial Statements are fair, reasonable and understandable, and include such information as may be necessary to enable the Shareholders and investors to evaluate the Company's financial position, performance, work method and strategy.

- 1.3 To study any important unfamiliar issues involved in the Financial Reports.
- 1.4 To study carefully any issues raised by the Company's Financial Manager or whomever undertaking his job or the compliance officer in charge at the Company or the Auditor.
- 1.5 To verify the accounting estimates affecting material issues contained in the Financial Reports.
- 1.6 To study the accounting policies followed at the Company and to express the opinion and recommendation to the Board of Directors in that regard

2. Internal Audit:

- 2.1 To study and review the internal and financial control systems and risks management at the Company.
- 2.2 To study the internal review reports and to follow-up the implementation of the rectification procedures based on the notes set forth in such reports.

- 2.3 To control and supervise the performance and the activities of the internal auditor and the Internal Audit Department at the Company, if any, in order to verify the ability and effectiveness of the necessary resources for performing the works and tasks assigned thereto. If there is no internal auditor at the Company, then the Committee shall raise a recommendation to the Board in connection with how far there is a need to appoint an internal auditor.
- 2.4 To recommend to the Board of Directors the appointment of a unit manager or an Internal Audit Department or an internal auditor, and to propose its remuneration.

3. Auditor:

- 3.1 To recommend to the Board of Directors the nomination and dismissal of auditors, determining their fees and evaluating their performance, after verifying their independence and reviewing the scope of their work and conditions of contract to be made with them.
- 3.2 To verify the independence of the auditor and its being objective and fair, and how far the auditing performance is affective, taking into consideration the relevant rules and standards.
- 3.3 To review the plan and activities of the Company's auditor, to verify that he has not presented technical or administrative works outside the scope of auditing activities, and to express the opinion in that regard.
- 3.4 To answer the inquiries raised by the Company's auditor.
- 3.5 To study the Report and Notes of the Auditor as to the Financial Statements and to follow-up any actions taken in that regard.

4. Ensuring compliance:

- 4.1 To review the results of the Control Agencies Reports and to ascertain that the Company has taken the necessary actions in that regard.
- 4.2 To verify the Company's compliance with the relevant laws, regulations, policies and instructions.
- 4.3 To review the contracts and dealings proposed to be made by the Company with related parties, and to submit its opinions in that regard to the Board of Directors.

- 4.4 To raise to the Board of Directors any issues the Committee believes that an action should be taken in respect thereof, and to raise recommendations involving the procedures that should be taken.

5. Powers of the Committee:

The Committee shall have the following powers:

1. To request from the members of the Board of Directors, Executive Managers and other officers in charge at the Company to provide it with documents, records, reports, clarifications and any other appropriate information.
2. To call the Executive Managers, officers in charge and employees at the Company to meetings of the Committee in order to answer such inquires as may be raised by the Committee.
3. To request the Board of Directors to call the Company's General Assembly for a meeting if the Board of Directors obstructs its operation or if the Company is exposed to substantial damages or losses.
4. To seek the assistance of experts, advisors and professionals from outside the Company when performing its tasks.
5. To carry out any duties assigned thereto by the Board of Directors within the limits of the Committee's powers.
6. To carry out a review and evaluation of the provisions of the regulations, and to prepare recommendations to the Board of Directors with regard to amending any part thereof, if circumstances so require.
7. To prepare quarterly reports for the Board of Directors on a periodic basis, and the Committee shall submit such reports to the Board of Directors immediately upon concluding the meeting of the Committee.
8. To determine the monthly salaries, bonus and other remuneration of the Internal Review Department or the internal auditor in compliance with the Company's internal Charters as approved by the Board of Directors.

(d) Audit Committee meetings through 2020:

No	Name	Position	Meeting (1)	Meeting (2)	Meeting (3)	Meeting (4)
			(54) Jan	(55) Feb	(56) Mar	(57) June
1	Dr. Sulaiman Abdul Aziz Al-Tuwajiri	Chairman	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
2	Dr. Suleiman Abdullah Al-Sukran	Member	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3	Mr. Walid bin Mohammed al-Athaimin	Member	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4	Mr. Saleh bin Hassan Al Afaleq	Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>



3. Remuneration and Nomination Committee:

(a) The Remuneration and Nomination Committee consists of the following members:

No.	Name	Position
1	Mr. Khalid Bin Nasser Al Moammar.	Chairman of the Committee
2	Mr. Saleh bin Hassan Al-Afaleq.	Member
3	Mr. Hassan Essam Kabbani.	Member

- Secretary of the RNC Committee: Mr. Ahmed Ali Al Zayat

Committee's Functions and Responsibilities

1. Functions relating to nominations:

- 1.1. To propose clear policies and criteria of the membership of the Board of Directors and Executive Management.
- 1.2. To recommend to the Board of Directors nomination and re-nomination of its members pursuant to the approved policies and criteria, taking into consideration that there shall not be nominated any person convicted in a crime affecting honesty.
- 1.3. To prepare a description of the capabilities and qualifications required for the membership of the Board of Directors and occupying Executive Management positions.
- 1.4. To Determine the time that should be devoted by a member for the activities of the Board of Directors.
- 1.5. To carry out an annual review of the required needs of skills or appropriate experience for the membership of the Board of

Directors and the Executive Management positions.

- 1.6. To review the structure of the Board of Directors and the Executive Management and to present recommendations in connection with any changes that should be made.
- 1.7. To amend the starting date of the Board of directors' term in a way that make the Board responsible for the fiscal year and avoiding any overlap between two Boards Directors, provided that the such amendment to the term shall not extend the term for more than two months or decrease it for two months.
- 1.8. To determine the corresponding between the Board term to be in connection with the appointment of the Audit Committee in order for the Audit Committee power to be valid in approving the annual financial statements.
- 1.9. To review the announcement of the Board of Directors nomination and to determine the date of publish for such

announcement on Tadawul website and the period for accepting and receiving nomination requests, provided that such period shall not be less than 30 days. Further, to determine the date of the General Assembly meeting which shall contain the votes on the appointment of the nominees, whether before the period or after for not more than (60) days.

- 1.10. To submit all the old Board's decisions -taken during the extension term- to the new Board to approve them.
- 1.11. To verify annually the independence of the independent members and the non-existence of any conflict of interest if the member acts as member of the Board of Directors of another Company.
- 1.12. To set a job description for the executive and non-executive members, independent members and senior executive officers.
- 1.13. To set the special procedures in case the office of a member of the Board of Directors or a senior executive officer becomes vacant.
- 1.14. To determine the points of weakness and strength at the Board of Directors, and to propose solutions for handling the same in accordance with the Company's interest.

2. Functions relating to Remuneration:

To prepare a clear policy for the remuneration of the members of the Board of Directors, the Committees thereof and the Executive Management, and to raise such policy to the Board of Directors to consider it in preparation for having it approved by the General Assembly, provided

that, in such policy, there shall be observed the following performance-related criteria, disclosing the same and verifying the implementation thereof. The remuneration policy shall be prepared without prejudice to the provisions of the Companies Regulations, the Capital Market Law and the Implementing Rules thereof, so that it shall satisfy and include the following:

- 2.1. It shall be compliant with the Company's strategy and objectives.
- 2.2. Remuneration shall be given in order to urge the Board of Directors and the Executive Management to realize the Company's success and improvement in the long-term, e.g.: the policy shall link the variable part of the remuneration to performance in the long-term.
- 2.3. It shall determine the remuneration based on the office level, the tasks and responsibilities to be borne by the member, the educational qualifications, the practical experience, skills and performance level.
- 2.4. The policy shall be consistent with the risks volume, nature and level at the Company.
- 2.5. The policy shall take into account practices of other companies as to determining the remuneration, while avoiding any unnecessary increase in the remuneration and remuneration.
- 2.6. The policy shall target attracting, maintaining and encouraging the professional efficient members, without exaggeration.
- 2.7. The policy shall take into account the remuneration

provided for under the contracts of the senior executive officers when concluding new appointments.

- 2.8. The policy shall handle suspension or recovery of remuneration already paid if it is found that it has been decided based on inaccurate information provided by a member of the Board of Directors or the Executive Management, in order to prevent making use of the job position to gain undue remuneration.
- 2.9. The policy shall regulate granting shares in the Company to the members of the Board of Directors and the Executive Management, whether under new issues or in the form of shares purchased by the Company.

2.10. To clarify the link between the remuneration so granted and the remuneration policy in force, and to clarify any major deviation from such policy.

2.11. To carry out a periodic review of the remuneration policy and to evaluate how far it is effective in realizing the objectives thereof.

2.12. To recommend to the Board of Directors the remuneration of the members of the Board of Directors, the Committees thereof and the senior executive officers at the Company based on the approved policy.

(c) Nominations and Remuneration Committee meetings in 2020G:

No	Name	Position	Meeting (1)	Meeting (2)	Meeting (3)	Meeting (4)
			(21) May	(22) March	(23) Nov	(24) Dec
1	Mr. Khalid Bin Nasser Al Moammar.	Chairman	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
2	Mr. Saleh bin Hassan Al-Afaleq.	Member	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3	Mr. Hassan Essam Kabbani.	Member	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(7) Means Relied upon by the Board of Directors to evaluate its Performance and the Performance of its Committees and Members, and the External Body Undertaking the Evaluation, and its relationship with the Company:

- 7.1 Until the Date of this Report, the Board of Directors have been depending on evaluation forms for members of the Board and all other committees after such form were prepared under the supervision of the Nominations and Remuneration Committee and recommended to the Board by the same Committee. The Form was approved by the Board on 09/12/2020G to be executed and implemented as of the date of its approval.
- 7.2 There is no external body or entity that carries out the evaluation. Further, the Company believes that there is no need to seek an external assistance in the valuation, especially since all members of the Nomination and Remuneration Committee are independent members.
- 7.3 The Nominations and Remuneration Committee shall submit to the Board of Directors the procedures and policies for the annual remuneration of members of the Board in accordance with the remuneration policy for members of the Board of Directors, its committees and the Executive Management approved by the Company's General Assembly in subsequent events on 21/01/2020G, and the results of the annual evaluation shall be attached thereto.
- 7.4 The committee shall conduct the evaluation in according with the following mechanism:
 - a) Ensuring that the description of the capabilities and qualifications required for the Board membership and Executive Management positions are matched.
 - b) Ensuring that the time which should be devoted by the Board member is determined
 - c) Annually reviewing the necessary needs and requirements for skills or appropriate expertise for the Board membership and Executive Management functions.
 - d) Reviewing the structure of the Board of Director and the Executive Management, and submitting recommendations regarding any possible changes.
 - e) Annually verifying the independence of the independent members and the non-existence of any conflict of interest if the member acts as member of the Board of Directors of another Company.
 - f) Setting a job description for the executive and non-executive members, independent members and senior executive officers.
 - g) Setting the special procedures in case the office of a member of the Board of Directors or a senior executive officer becomes vacant.
 - h) Determining the points of weakness and strength at the Board of Directors, and to propose solutions for handling the same in accordance with the Company's interest.
 - i) Ensuring that the formation of all committees matches the requirements of the Corporate Governance regulations and Charters regarding their terms of membership and numbers of members.
 - j) Ensuring that each committee carries out the tasks and responsibilities assigned to it, as described in the Corporate Governance Regulations and Charter, The Companies Law and the Executive procedures of the Committees.

(8) Disclosure of Remuneration of the Members of the Board of Directors and the Executive Management (According clause 39 from corporate governance laws).

8.1 Disclosure of the Remuneration Policy:

This policy was approved by Board of Directors Resolution NO 281/34/2019 based on the recommendation of the Nominations Committee resolution 01/24/2019.

Then, It was approved by the General Assembly resolution in its meeting held on 21/01/2020G (corresponding to 26/05/1441H).

First: General introduction:

“The Policy of Remuneration of the Board of Directors., Committees, and the Executive Management of Takween Advanced Industries Company” (“Takween”) has been prepared in accordance with the Companies Law issued by the Royal Decree No. M/03 dated on 28/01/1437H, and in accordance with Takween’s Bylaws, and in accordance with requirements of Paragraph 1 of Article 62 of the Corporate Governance Regulation issued by the Board of the Capital Market Authority pursuant to its Resolution No. (8-16-8) dated on 6/05/1438H (Corresponding to 13/02/2017G) amended by the Resolution of the Capital Market Authority Board No. (3-57-2019) dated on 15/09/1440H (Corresponding to 20/05/2019G) which states that the Nomination and Remuneration Committee: “shall prepare a clear policy for the remuneration of the Board of Directors, and committees members, and submit such policy to the Board of Directors for its consideration in order to submit it to the General Assembly to approve it. Such procedure shall be in accordance Chapter Two of the Regulatory Procedures issued in implementation of the Companies Law for listed joint stock Companies, provided that this policy shall takes into consideration the standards related to performance, disclosure and verification of the implementation it.

Second: The Objective:

This policy aims to establish a clear criterion for remunerations of the Board of Director, committees, and the senior Executives, taking into consideration the requirements of the relevant laws and regulations issued by the supervisory bodies. The Board of Directors shall take into consideration in determining and issuing remunerations of the Board members shall be in accordance with relevant provisions stated in the Companies Law and Corporate Governance Regulation.

Further, this policy aims to attract persons with a degree of competence, capacity, and talent to have a seat and work as a member of the Board of Director, committees and positions in the Executive Management by adopting encouraged plans and pograms of remuneration and are linked to performance which results in improving the Company’s performance and achieving the interests of the Shareholders.

This Policy aims to clarify the link between the bonuses granted and the applicable remuneration, and to annually clarify any material deviation from such policy, provided that such deviation shall be disclosed in the Board of Directors’ report.

Third: General Standards of Remuneration:

The Nomination and Remuneration Committee shall submit its recommendations to the Board of Directors regarding the remuneration of the Board members, all committees’ members, and senior executives of the Company in according with the following approved standards:

1. The policy and remuneration shall be compliant with the Company’s strategy, and objectives, and with the size, nature, and degree of risk that Takween has.
2. The policy shall be based on the recommendation of the Nomination and Remuneration Committee.
3. The policy shall be in accordance with the Company’s activity and the skills needed to manage the Company.
4. The policy shall Taking into consideration the sector in which the Company operates, the size of the Company, and the experience of the members of the Board of Directors.
5. The policy shall be reasonably sufficient to attract board members, senior executives with appropriate competence and experience, and motivate and retain them for the long-term success and development of the Company.
6. The policy shall Taking into consideration linking the variable part of the remuneration to performance in the long-term.
7. The policy shall determine the remuneration based on the office level, the tasks and responsibilities to be borne by the member, the educational qualifications, the practical experience, skills and performance level
8. The policy shall take into consideration the practices of other companies, and the prevalent remuneration in the market as to determining the remuneration, while avoiding any unnecessary increase in the remuneration.
9. The policy shall be fair and proportional to the competencies of the member of the Board of directors, functions and responsibilities undertaken by the Board and all committees’ members. Along with the objectives set by the Board to be achieved during the fiscal year.
10. The remuneration of the members of the Board may be varying magnitude in according with the members’ experience, competencies, tasks assigned to him/her, his/her independency, number of attended meetings, and other considerations.
11. The remuneration shall be suspended and refunded if it appears that such remuneration was approved or issued based on inaccurate

information provided by the member of the Board or by the executive management.

12. In case the company adopt a program of granting shares in the Company to the members of the Board of Directors and the Executive Management, whether under new issues or in the form of shares purchased by the Company, such program shall be under the supervision of the Nomination and Remuneration Committee and in accordance with the Companies Law, and laws and regulations issued by the Capital Market Authority.
13. Remuneration of the new appointed senior executives shall be prepared in coordination with Remuneration Committee if their contracts include a fixed or fixed percentage remuneration.

Fourth: Remuneration of the Board Members:

1. The remuneration of the Board of Directors of Takween may take the form of a fixed amount, a certain amount per meeting attended, in-kind benefits, a percentage of the net profit, or a combination thereof, provided that such remuneration shall not exceeds the total amount stated in the Companies Law and its regulations, and in accordance with remuneration articles stated in the remuneration policy and its amendments.
2. The Remuneration of independent Board members shall not be a percentage of the net profits that are realized by the company, nor shall it be based directly or indirectly on the Company's profitability.
3. The Remunerations of different Board members may vary in accordance with a policy issued by the Nomination and Remuneration Committee and approved by the General Assembly. The board report submitted to the ordinary general assembly shall include a detailed statement of all amounts received by board members during the fiscal year, including remuneration, expenses and other benefits. The report shall also include amounts received by board members in their capacity as employees or executives, or in consideration of technical, administrative or consultative services (if any). It shall also include a statement of the number of board meetings and number of meetings attended by each member from the date of the last general assembly meeting. The Board report shall include the remuneration of the managing director as an executive position in remuneration of the senior executives' section.
4. If the Board member remuneration is a percentage of the net profits, such remuneration shall be in accordance with paragraph (2) of Article (76) of the Companies Law, and in accordance with Article (20) of the Company's

Bylaws. Provided that in all cases, the total amount of remuneration received by a member, whether financial or otherwise, shall not exceed 500,000 riyals annually.

5. The allowance of expenses, travel expenses, and accommodation shall not be included in the (500,000) riyals total amount of remuneration obtained by the Board member or any of the committees' member.
6. The remuneration of the Audit Committee shall not be included in the (500,000) riyals total amount of the Board member remuneration.
7. Paragraph (8) shall contain the provisions of the remunerations stated in the Company's Bylaws.
8. A brief of the Board member remuneration:

8.1 Fixed remuneration:

- (a) A Fixed amount;
- (b) A certain amount per meetings attended;
- (c) Total amount per committees' meetings attended;
- (d) in-kind benefits;
- (e) compensation regarding any technical, administrative or consultative services;
- (f) the remunerations of the Chairman, Vice Chairman, and Board secretary (if he/she a board member).

8.2 Variable remuneration:

- (a) A percentage of the net profits;
- (b) Periodic remuneration;
- (c) Short term incentive plans;
- (d) Long term incentives plans.
- (e) Generated shares

Fifth: Remuneration of the Committee Members:

1. The Board of Directors shall determine and approve the remuneration of its committees along with meetings attendance allowances, and other benefits based on the recommendations of the Nominations and Remuneration Committee.
2. The remuneration of the committee's members may take the form of annual fixed amount, a certain amount per meetings attended, and other interests as described in the policy and in accordance with paragraph (8) of this policy.
3. The policy shall contain the remuneration of the Audit Committee members, such remuneration shall be approved by the General Assembly based on the Board of Directors recommendation in accordance with the

- applicable laws and regulations.
4. While the Committees are being formed, the number of Committees that a member may have a seat in at the same time shall be taken in consideration, provided that a member shall not receive total amount of remuneration in his capacity as a member of the Board and other committees shall exceed the maximum amount stated in the Companies Law, except his/her membership in the Audit Committee.
 5. A brief of the remuneration of the Committee:
 - 5.1 A Fixed amount (other than certain amount per meetings attended);
 - 5.2 certain amount per meetings attended.

Sixth: Remuneration of the Executive Management:

On annually basis, the Nominations and Remuneration Committee shall review the salary scale of all employees and senior executives, and the incentive program and plans, and approved them based on the Executive Management's recommendations. The Executive Management remuneration shall include:

1. The basic salary specified in the employment contract and shall be monthly paid at the end of each calendar month.
2. The bonuses stated in the human resources regulation and policy approved by the Nominations and Remuneration Committee and the Board of Directors. Such bonuses shall include but not limited to: Housing allowance, transportation allowance, children's education allowance, and phones allowance.
3. The medical insurance for the employee and his/her family in accordance with approved policy.
4. The insurance policy in accordance with the General Organization for Social Insurance (included work injuries, partial and total disability, and death).
5. The annual bonuses shall be linked to the performance and the annual evaluation in accordance to the approved policy regarding such matter.
6. The fixed bonuses specified in the employment contract.
7. The short-term incentive plans linked with the special performance, and the long-term incentive plans such as granting shares program (if any).
8. Other benefits including but not limited to: annual leave, annual tickets, airport services, end of service reward in accordance with the Saudi Labor Law, and the human resources policy approved by the Company.
9. Sale commissions or bonuses in accordance with the Company's programs (Hadaf) and (Kafaah)

10. Plans, programs, and general instructions of the remuneration of the senior executives shall be approved by the Nomination and Remuneration Committee.
11. The Managing Director shall apply the remuneration policy of the employees and senior executives in accordance with plans, programs, and general instructions of the Company approved by the Committee.
12. A brief of the remuneration of the senior executives:
 - 12.1 Fixed amount:
 - (a) Salary;
 - (b) Allowance;
 - (c) Fixed bonuses;
 - (d) Benefits in kind.
 - 12.2 Variable remuneration:
 - (a) Periodic reward;
 - (b) Profits;
 - (c) Short-term incentive plans;
 - (d) Long-term incentive plans;
 - (e) Granted shares.

Seventh: Additional limits for Remuneration and Method of Payment:

1. Board members shall not vote on the agenda item relating to the remuneration of Board members at the General Assembly's meeting.
2. A Board member may receive a Remuneration for his/her membership in the audit committee formed by the General Assembly, for any additional executive, technical, managerial or consultative – pursuant to a professional license- duties or positions carried out by the Board member, and such Remuneration should be in addition to the Remuneration he/she may receive in his/her capacity as a member in the Board and in the committees formed by the Board, pursuant to the Companies Law and the Company's Bylaws.
3. If the General Assembly decides to terminate the membership of any Board member who fails to attend three consecutive Board meetings without a legitimate excuse, then such Board member shall not be entitled to any Remuneration for the period starting from the last Board meeting he/she failed to attend, and he/she shall pay back any Remuneration he/she received for that period.
4. If it is evidenced to the audit committee or the Authority that the

remuneration paid to any Board member was based on false or misleading information presented to the General Assembly or included in the annual Board report, the Board member shall return such remuneration to the Company, and the Company may request such Board member to return such Remuneration.

5. The Board must disclose in its annual report details of the remuneration policies, and mechanisms for determining such Remuneration, including amounts in cash and in-kind benefits paid to each Board member in exchange for any executive, technical, managerial, or advisory work or positions in accordance with controls and directives issued under the Companies Law; and the laws and regulations issued by the Capital Market Authority.
6. A member shall be entitled to his/her remuneration as of the date he/she joined the Board or one of the Committees in according to his/her membership's term.
7. The procedure of payment of the Board and committees all remunerations shall be prepared by the manager of investors relationship and legal affairs/ Board secretary, provided that such payment shall be approved in according with the Company's financial and administrative authority matrix.
8. Payment of the allowance per meetings attended shall be after each meeting and based on the attendance record prepared by the Secretary. Remuneration of the Committees members shall be pay during the month of December of each year. However, they may be divided into installment at the end of each month of the year. The annual remuneration of the Board shall be fully paid after it is approved by the General Assembly and in according with Remuneration policy.

Eighth: Statement of Details of The Remunerations of the Board of Directors and its Committees:

1. For the services they provide, members of the Board of Directors shall be paid a lump sum amounting to Tow Hundred Thousand Saudi Riyals (SR. 200,000) for each member for every fiscal year, provided that the member shall be entitled to such remuneration in proportion to the number of meetings attended by the member in according with Article (20) of the Companies Law.
2. The Board of Directors shall be authorized to review the annual remuneration stated in Paragraph (1) of this Article (Eighth) in according with the variables related to the performance of the Company. Further,

the Board shall have the authority to suspend the payment of such remuneration or reduce it whenever is necessary.

3. The meetings attendance allowance shall be the amount of (SAR. 3000) Riyals per meeting for each member of the Board.
4. The secretary of the Board shall be entitled to the same amount of the meetings attendance allowance stated for the Board members.
5. Any Board member who is participating in one or more committees shall be paid the amount of (SAR. 75,000) Riyals and according to the number of meetings he/she attends.
6. Each committee member shall be paid the amount of (SAR. 3000) Riyals as an attendance allowance.
7. The secretary of the committee shall be entitled to the same amount of the meetings attendance allowance stated for the committee members.
8. The Board of Directors members shall be paid a remuneration of (10%) of the Company's net profits, provided that such payment shall be after deducting the reserves decided by the General Assembly and after distributing to the shareholders profits equals to not less than (5%) if the Company's paid capital.
9. In all cases, the total amount of remuneration received by a Board member, whether financial or otherwise, shall not exceed 500,000 riyals annually except the remuneration of the Audit Committee members.
10. The Company shall bear the expenses of accommodation and subsistence of the Board or committee nonresident member at the meeting place, along with his/her internal transportation and travel tickets expenses. Provided that such travel ticket shall be (round trip), and whether in first or business class. Such expenses shall not be included in the calculation of the total amount of remuneration.

Ninth: Provisions for the remuneration Payment:

1. The recommendation of the Nominations and Remuneration Committee on the remuneration of the Board and all committees' members and senior Executives of the Company shall be obtained and submitted to the Board of Directors prior to make any payment in according to the policy.
2. The Nomination and Remuneration Committee shall recommend the total annual remuneration amount of all employees raised by the Executive Committee, and submit tis recommendations to the Board of Directors.
3. The Nomination and Remuneration Committee shall prepare a report which clarify the link between the remuneration so granted and the remuneration policy in force, and to clarify any major deviation from such

policy. The managing director/ CEO shall provide the Committee with a periodic report includes all the paid remunerations whether to the Board or all other Committees member, or to the Company's employees.

Tenth: General Provisions (reviewing, amending, and publishing of this policy):

1. This Policy shall be effective and applied by the Company from the date of its approval by the General Assembly.

2. This Policy shall be published on the Company's website in order to enable the shareholders, stakeholders, and public to read.
3. This policy shall be periodically reviewed by – if needed- by the Nomination and Remuneration Committee. The Committee shall submit its proposed amendments to the Board of Directors to study, review, and recommend the approval of such amendments to the General Assembly.

8.2 Relation between the Remuneration so Granted and the Applicable Remuneration Policy, and statement of any Major Deviation from such Policy:

Takween shall comply with the remuneration policy in accordance with the laws and regulations, and ensure that there is no deviation from this policy as stated in the paid remuneration seclude in paragraph 8.3 below:

8.3 Paid to the Members of the Board of Directors, Members of Committees and Senior Executive Officers:

Remuneration and allowances of the members of the Board of Directors: Amount in Thousand Saudi Riyals:

	Fixed Remuneration						Variable Remuneration						End of Services Award	Aggregate Amount	Expenses Allowance	
	Specific amount	Allowance for attending Board meetings	Total Allowance for attending committee meetings	Remunerations for technical, managerial and consultative work	Remunerations of the Chairman, Managing Director or Secretary	Total	Percentage of the profits	Percentage of the profits	Periodic Remunerations	Short-term incentive plans	Long-term incentive plans	Granted shares (insert the value)				Total
First: Independent Directors																
Mr. Saleh Bin Hassan Al-Afaeq	-	12,000	-	-	-	12,000	-	-	125,000	-	-	-	-	-	137,000	-
Mr. Hassan Essam Al-Qabbani	-	12,000	-	-	-	12,000	-	-	125,000	-	-	-	-	-	137,000	8,000
Mr. Khalid Bin Nasser Al Moammar	-	12,000	-	-	-	12,000	-	-	125,000	-	-	-	-	-	137,000	8,000
Total	-	36,000	-	-	-	36,000	-	-	375,000	-	-	-	-	-	411,000	16,000
Second: Non-Executive Directors																
Mr. Abdulmohsen Bin Mohammed Al-Othman		12,000	-	-	-	12,000	-	-	125,000	-	-	-	-	-	137,000	-
Solaiman Bin Abdulaziz Al-Twaijri		12,000	-	-	-	12,000	-	-	125,000	-	-	-	-	-	137,000	-
Mr. George Antonius Abraham		12,000				12,000	-	-	125,000						137,000	
Total		36,000	-	-	-	36,000	-	-	375,000	-	-	-	-	-	411,000	-
Third: Executive Directors																
Mr. Jamil Bin Abdullah Al Melhem		12,000	-	-	-	12,000	-	-	125,000	-	-	-	-	-	137,000	-
Total		12,000	-	-	-	12,000	-	-	125,000	-	-	-	-	-	137,000	-

Notes:

1. Managed Director - Executive Member – dedicated to managing the Company and registered as an employee in the systems of wages and insurance. Accordingly, salary and benefit of the managing director were included among the senior executives by virtue of the position he held.
2. According to the Company's remuneration policy, and corporate governance regulation, the executive member or the chief executive shall not receive any remuneration and allowance for attending committees meetings which he is a member of.
3. The Board of Directors shall decide, in accordance with the Board competence granted by the General Assembly and in accordance with the remuneration policy approved by the General Assembly, pay a remuneration to the Board members in the amount of (125,000) Riyals for each member for the fiscal year ended in 2020G out of the remuneration amount (200,000) Riyals stated in Article (20) of the Company's Bylaws.

Bonuses and allowances of committee members: (amount in riyal)

	Fixed remuneration (except Attending meetings Allowance)	Attending meetings allowance	Expenses	Total
Audit Committees members				
Solaiman Bin Abdulaziz Al-Twajiri	75,000	12,000	-	87,000
Dr. Solaiman Bin Abdullah Al Sakran	75,000	12,000	4,000	91,000
Walid Mohammed bin Uthaymeen	75,000	12,000	-	87,000
Mr. Saleh Bin Hassan Al-Afaleq	-	3,000	-	3,000
Total	225,000	39,000	4,000	268,000
Nomination and Remuneration Committee members				
Mr. Khalid Bin Nasser Al Moammar	75,000	12,000	-	87,000
Mr. Saleh Bin Hassan Al-Afaleq	75,000	12,000	-	87,000
Mr. Hassan Essam Al-Qabbani	75,000	12,000	-	87,000
Total	225,000	36,000	-	261,000
Executive Committee members				
Mr. George Antonius Abraham	37,500	12,000	-	49,500
Eng. Zuhair Al-Wadghiri Lafouch	37,500	18,000	-	55,500
Mr. Jamil Bin Abdullah Al Melhem	-	-	-	-
Mr. Azhar Mohiuddin Kanji	75,000	30,000	-	105,000
Ali Hassan Al-Jamil	-	-	-	-
Total	150,000	60,000	-	210,000

Remunerations of Senior Executives

Senior Executives	Fixed remuneration				Variable remuneration					End of Service Award	Total remunerations for Board executives, if any	Aggregate Amount	
	Salaries	Allowances	In-kind benefits	Total	Periodic remunerations	Profits	Short-term incentive plans	Long-term incentive plans	Granted Shares				Total
Audit Committees members													
Managing Director	1,849,000	840,000		2,689,000	500,000					500,000	123,534	3,312,534	223,611
CEO	1,599,828	575,690		2,175,518	250,000					250,000	92,373	2,517,891	142,814
CFO	877,500	320,000		1,197,500	150,000					150,000	51,076	1,398,576	12,635
Total	4,326,328	1,735,690		6,062,018	900,000					900,000	266,983	7,229,001	379,060

- During 2020G finance year, and during the period of home quarantine due to the spread of the COVID19, the Board Managing Director has waived a part of his salaries in amount of (540,000) Riyals.

(9) Any punishment, penalty, precautionary measure or standby restriction imposed on the Company by the Authority or any other supervisory, regulatory or judicial body, and statement of the reasons of violation and the body imposing the penalty, together with the means of rectification and avoiding occurring of the same in future.

Herein below are the punishments and penalties imposed on Takween Company. in the Year 2020:

Penalty Amount	Reason of Penalty	Body Imposed the Penalty	Means of Rectification and Avoiding Occurrence of the Violation in Future
SAR 100,000	Termination of the services of employees during COVID 19 pandemic	Labor Office	Ensuring to understand and comply with all decisions made and issued by the Ministry of Human Resources during the period of COVID 19 pandemic



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(10) Results of the Annual Review of the Effectiveness of the Internal Control Procedures at the Company, in addition to the Opinion of the Review Committee as to the Efficiency of the Internal Control System at the Company:

First: Bases of Internal Control and Application of the Control System within the Company:

In the basic functions of the Board of Directors stated by the Corporate Governance regulation and the Company's corporate governance related to the internal control system, the Board of Directors has adopted the Company's internal control system which establishes the risk management policies and procedures, and applies the provisions of the Company's corporate governance in accordance with the related laws and regulations, establish a clear standards of responsibilities in all executive levels, and ensure that all transactions with related parties are made in accordance with related terms and provisions.

And in accordance with the provisions of the Companies Law, the Company's Bylaws, and the Company's corporate governance included the responsibilities of the Audit Committee. The Audit Committee shall review all the Company's activities and ensure the integrity of all reports, financial statement, and internal control systems. The Audit Committee shall in particular follow up and review the financial reports, internal audit, auditors, and the compliance systems.

In this context, the company has established independent units and departments responsible for the implementation of the internal control system which include the internal audit department, the governance department, the risk unit, and the compliance unit. Provided that the internal audit department shall evaluates the internal control, system and supervises the implementation of it. Further, the internal audit department shall ensure that the company's compliance with all applicable laws, regulation, instructions, and the Company's policies and

procedures. The Board of Directors, in order to achieve that, has approved and supervise on the internal controls system. Such system shall be updated in the light of any new amendments made to the regulations and instructions issued by the Capital Market Authority.

Implementation of the control system:

The internal control system and the control system shall be implemented by the following departments; (Internal Audit Department, Risk Department, Compliance Department, Governance department, and the Legal Affairs Department).

Review the implementation of the internal control system:

The Audit Committee shall review the internal control system regarding all of the Company's and the Company's subsidiaries activities in accordance with the its competences and responsibilities stated in the Corporate Governance regulation and the Company's corporate governance system, and in accordance with internal controls reports and in accordance to the following basis:

1. Studying the accounting policies used in the Company, and express opinion and recommendation to the Board of Directors;
2. Reviewing the accounting assessment in the fundamental issues contained in the financial reports;
3. Studying and reviewing the internal control and financial system and the risk management system.
4. Studying the internal audit reports and following up the implementing of the corrective action for the notes stated in such reports.

5. Ensuring that the Company comply with all applicable Laws, Regulations, policies, and related instructions.
6. Reviewing all contracts and transactions suggested to enter with any related parties, and express opinions on such matters to the Board of Directors.

Second: Results of Annual Review to the Internal Control System Effectiveness:

The Internal audit department at Takween Group renders independent and objective confirmation and consultancy services to the Company aiming at adding a value or developing certain operational processes and to assist the Company's management to achieve its strategic objectives through following a systematic way to evaluate and improve the effectiveness of the internal control operation and supervising on the implementation of such system. The Internal audit department shall be under the supervision of the audit committee, and shall submit all of its work results and report to the audit committee. The Internal audit Charter has been prepared pursuant to the best international practices which require the independence of the Company's Internal audit department and require that department does not undertake any executive activities, and has the right to obtain information and communicate with persons within the Company or its subsidiaries.

The scope of work of the Internal audit department covers all work centres and the various activities and operations of the Company and its subsidiaries, including any subsidiary outside the Kingdom of Saudi Arabia, and in such manner as may enable the internal audit department to evaluate the suitability and effectiveness of the internal control systems, risk management operations, governance and achievement of all tasks and responsibilities the department is charged with. The internal audit department shall mainly undertake the following:

1. To carry out a periodic review and auditing operations in accordance with the priorities of the auditing plan, which is based on risks, and as approved within its strategy which has been approved by the Audit Committee composed by the Board of Directors.
2. To carry out any special assignments or prepare consultancies in accordance with the instructions received from the Audit Committee or the Executive Management pursuant to the international auditing criteria and the best global practices in that regard.

In the year 2020 G., the Internal audit department carried out a number of review and audition operations, including the head office of the Company and its subsidiaries within and outside the Kingdom of Saudi Arabia in accordance with "the annual review plan, approved by the Audit Committee and within the targeted objectives". This included the following:

1. Evaluation of operations at some subsidiaries and giving a reasonable confirmation as to the sufficiency and efficiency of their administrative regulations in order to help realizing the Company's strategic objectives.
2. Evaluation of compliance by the Company and its subsidiaries with the laws and regulations in force and giving a reasonable confirmation as to the sufficiency and efficiency of the Company's internal regulations ensuring abiding by such compliance.
3. Evaluation of how far there are regulations ensuring protection of the Company's various assets and giving a reasonable confirmation as to the sufficiency and efficiency of such regulations.
4. Evaluation of the risk management operations at the

Company, and how far through such operations it is possible to determine the high risks faced by the Company through the procedures taken to define such risks and control the same, and giving a reasonable confirmation as to the sufficiency and efficiency of such operations.

5. Periodic follow-up with the main agencies and departments to verify the application and execution of corrective actions under agreement with such agencies and within the time limit set in that regard.

Third: Opinion of the Audit Committee as to the Sufficiency of the Internal Control System at the Company as of 31/12/2020:

The Audit Committee has reviewed the procedures of the internal control and audit system within the limited tasks and transactions adopted and approved by the internal audit department, and after discussions with the Company's external auditor and the Executive Managements about the results of the quarterly and annually transactions of 2020G. Accordingly, the Audit Committee can provide a reasonable confirmation of the internal control systems inside the Company. Further, the Audit Committee has not found anything that shall be referred to or believed to have any weakness or vulnerability in the internal control systems and policies. Provided that it is impossible to give a full confirmation on any control systems or policies.

(11) A Recommendation by the Audit Committee as to the Need to Appoint an Internal Auditor at the Company, in case an Internal Auditor is not in place:

Not applicable – the Company has an internal audit department.

(12) Recommendations of the Audit Committee which are in contradiction with Resolutions of the Board of

Directors, or which the Board refused to adopt with regard to appointing an auditor for the Company, as to the appointment, dismissal, determining the fees and evaluating the performance of the Company's auditor or appointment of an internal auditor, in addition to the reasons of such recommendations and the reasons for not applying them:

There is no contradiction between the recommendations of the Audit Committee and the Resolutions of the Board of Directors.

(13) Details of Social Contributions:

The social contributions of Takween are represented in the high-value professional partnership between the Takween Advanced Industries Company and the Institute of Plastic Industries, specialized training in plastic industries, with the aim of developing the skilled national workforce for the plastic manufacturing industries sector. Under the said partnership, Takween plays the following social role:

- 13.1 Training of trainees at the Higher Institute for Plastic Industries in accordance with SABIC's pioneering community service initiative.
- 13.2 Support and train Saudi youth and develop the level, efficiency and competence of the Saudi workforce directed to support local plastic manufacturing companies.
- 13.3 Contribute to increasing local content to achieve the goals of the Saudi Arabia Vision 2030.
- 13.4 Carrying out all training fees for all trainees included in the training contract.
- 13.5 Providing job opportunities for trainees in the factories of the Takween company specialized in plastic manufacturing industries.

The results of that partnership were reflected in the training and employment of thirty trainees within (24) months, and Takween participates in an active role in training Saudi youth. The company plans to take advantage of Tamheer program to train Saudi youth, including technicians and engineers, in order to achieve the Saudi Araiba Vision 2030.

(14) Statement of the dates of meetings of the Shareholders General Assembly, held in the Year 2020 G, and names of the members of the Board of Directors attending such Assemblies:

Takween's General Assembly meetings in 2020

No	Name	Position	First Meeting	Second Meeting
			Ninth Ordinary General Assembly 21/01/2020	Tenth Extraordinary General Assembly 03/05/2020
1	Mr. Abdulmohsen Bin Mohammed Al-Othman	Chairman of the Board of Directors	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2	Solaiman Bin Abdulaziz Al-Twajiri	Vice Chairman of the Board of Directors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3	Mr. George Antonius Abraham	Member of the Board of Directors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4	Mr. Jamil Bin Abdullah Al Melhem	Managing Director of the Board of Directors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
5	Mr. Khalid Bin Nasser Al Moammar	Member of the Board of Directors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
6	Mr. Saleh Bin Hassan Al-Afaleq	Member of the Board of Directors	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7	Mr. Hassan Essam Al-Qabbani	Member of the Board of Directors	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Attended Board of Directors members from its third terms				
1	Khalid bin Abdulrahman Al-Rajhi	Chairman of the Board of Directors "Third Term"	<input type="checkbox"/>	<input type="checkbox"/>
2	Raed Abdulrahman Al-Mousa	Member of the Board of Directors "Third Term"	<input type="checkbox"/>	<input type="checkbox"/>

(15) Description of the Types of Main Activities Practiced by the Company and its Subsidiaries, and Statement of each Activity and its Impact on the Volume of the Company's Commercial Transactions and the Contribution thereof in the Results:

Takween Company is classified among the basic materials companies. The Company's activity is focused on two main industrial sectors, through five subsidiaries, four of which are in the Kingdom of Saudi Arabia, and only one is outside the Kingdom at Borj El Arab Industrial City, Alexandria, Arabic Republic of Egypt. Herein below is a description of the subsidiaries' types of form and percentage of Takween ownership in their capitals.

Takween has signed a sale purchase agreement with JOFO Non-Woven Co. LDT (Chinese Company) to sell 70% of the shares Takween owns on SAAF's Capital on (30/12/2020G). Provided that the agreement shall be executed on or after (31/03/2021G).



First: Illustrative Chart Showing the Structure of Takween Companies Group:

Takween advanced industries and its subsidiaries:



Second: Brief on the Company's Projects:

1) **Plastic Sector (manufacture of plastic packages, small bottles, containers and pallets) in that sector, there are operating three main companies as follows:**

A. Saudi Plastic Packaging Systems Company. (Plastico) SPPS:

Legal Form: Limited Liability Company

Takween Role: One of Plastico's Partners (Owners).
The head office of Saudi Plastic Packaging Systems Co. (Plastico) is located at Jarn, Al Ahsa. Products of the Company are sold to customers within and outside the Kingdom. The Company undertakes manufacturing for the major packaging companies of soft drinks, including mineral water, gaseous drinks, dairy products and juices companies and the major companies of oils in the Kingdom of Saudi Arabia, Middle East and North Africa. The Company's sales benefitted by the end consumer's tendency and preference to use transparent and non-transparent plastic packaging materials, of light weight, and which preserve the products for a longer time. The Company has four (4) branches, each with its own Commercial Register as follows:

1. **Branch of the Saudi Plastic Packaging Systems Co. – Plastic Packaging Factory at Jarn, Al Ahsa:**
The Factory produces polystyrene sheets, thermoplastic polystyrene containers, together with the covers thereof, high density polyethylene bottles (blow molding) (HDPE) and covers and injection – molded membranes. Products of this Factory include glasses, packages, covers, bottles, membranes and sheet rolls used for packing dairy products, juices, foodstuffs, water and soft drinks and IML container.
2. **Branch of the Saudi Plastic Packaging Systems Co. –**

Plastic Packaging Factory at Al Oyun, Al Ahsa:

This Factory is deemed one of the biggest owned by the Company for manufacturing plastic packages, small bottles of terephthalate polyethylene material with capacities ranging between 330 milliliter and 2.25 liters in the Kingdom of Saudi Arabia. Products of this Company include glasses, packages, covers, bottles, membranes, sheet rolls used for packing dairy products, juices, foodstuff, water and soft drinks.

3. **Branch of the Saudi Plastic Packaging Systems Co. – Plastic Packaging Factory in Jeddah:**

This Factory is specialized in producing packages, barrels, bottles, covers, plastic glasses, small bottles, plastic membranes and rolls, sheets, and the import and export of plastic products of all kinds.

4. **Branch of the Saudi Plastic Packaging Systems Co. – Plastic Packaging Factory in Riyadh:**

This Factory is specialized in producing packages, barrels, bottles, covers, plastic glasses, small bottles, plastic membranes and rolls, sheets, and the import and export of plastic products of all kinds.

B. Al Sharq Plastic Industries Co. (Al Sharq) ASP:

Legal Form: Limited Liability Company.

Takween Role: One of Al Sharq's Partners (Owners).
The head office of Al Sharq Plastic Industries Co. is located in Riyadh. The Company's products are sold to customers in the Kingdom of Saudi Arabia and the countries of the Middle East. The Company's Factory is located in the Second Industrial City, Al Kharj – Riyadh Road. This Factory is specialized in producing packaging membranes, plastic rolls, disposable bags, glasses, packages, dishes and tools, and containers, barrels, household various utensils, heavy duty bags made of polyethylene, garbage containers, boxes, hygienic tools, plastic sheets, platforms,

pallets, dumpsters, chairs, plastic tables, and import and export of all the Company's plastic products of all kinds.

C. New Marina Plastic Industries Co. (New Marina Plast) NMP– Egypt:

Legal Form: Egyptian joint stock company, under the supervision of the Egyptian Capital Market Authority and the Investment Authority.

Takween Role Major Shareholders of NMP.

The head office of New Marian Plast Co. is located in Borg El Al Arab, New Industrial City, Alexandria, Arab Republic of Egypt. Products of the Company are sold to customers in the Arab Republic of Egypt and North and Central Africa. This Factory is specialized in manufacturing and selling the plastic products, of all kinds, and manufacturing spare parts and exporting the same.

2) Non–Textile Fabric Sector (Hygienic and Medical Products):

Advanced Fabric Company (SAAF).

Legal Form: Limited Liability Company.

Takween has signed a sale purchase agreement with JOFO Non-Woven Co. LDT (Chinese Company) to sell 70% of the shares Takween owns on SAAF's Capital on (30/12/2020G). Provided that the agreement shall be executed on or after (31/03/2021G) after obtaining required approval from the related authorities. SAAF's head office is located at Al Ahsa, and it owns two (2) main factories as follows:

A.The Non–Textile Fabrics Factory at Al Ahsa (SAAF) –The First and Second Production Lines;

The Non–Textile Fabrics Factory of SAAF, produces synthetics for use in the Health and Medical Sector, in addition to anti-

alcohol and anti-static electricity fabrics which are used for surgical covers, medical clothes, protective clothes and fabrics made for hygienic uses, such as baby diapers, adult diapers and feminine pads as well as processing lines.

B.The Non–Textile Fabrics Factory in Rabigh (SAAF Branch) – The Third Production Line:

The Non–Textile Fabrics Factory, of SAAF, produces synthetics for use in the Health, Industrial and Medical Sector, in addition to anti-alcohol and anti-static electricity fabrics which are used for surgical covers, medical clothes, protective clothes and fabrics made for hygienic uses, such as baby diapers, adult diapers and feminine pads as well as treatment lines.

3) The Commercial Branch of Takween Company. at the Free Zone in Dubai (Takween Advanced Industries Co. – DMCC Branch):

The Branch of Takween Company. in Dubai represents an important commercial centre for all subsidiaries (Plastico – Al Sharq – New Marina – SAAF) in connection with export to foreign countries and finding new marketing outlets through international exhibitions which are held in Dubai and the United Arab Emirates, and moving towards new markets in Africa and East of Asia.

4) Ultrapacks Company (Ultrapak):

Legal Form: Limited Liability Company

Takween Role: One of Ultrapak's Partners (Owners).

Ultrapak's head office is located at Jeddah City. However, Ultrapak's article of association was amended by changing the activities of the company to be an investment and services company and canceled the industrial license of the Company.

Third: Summary Description of the Impact of each Activity on the Company's Volume of Work and the Contribution thereof in the Results of the Year 2020G:

(a) Sectors of Activities:

No.	Sector	Production Capacity—in Thousand Tons		Impact on the Volume of Works		Impact on Results	
		Annual production	Percentage	Revenues	Percentage	Profit from activity	Percentage
1.	Plastic products sector	133,446	78,3%	754,176	%67,7	(66,342)	1103,3%
2.	Non-textile fabric sector	37,000	21,7%	359,953	%32,3	60,329	1003,3%
3.	Total	170,446	100%	1,114,129	%100	(6,013)	100%

(b) Sectors According to Geographic Areas:

No.	Sector	Production Capacity—in Thousand Tons		Impact on the Volume of Works		Impact on Results	
		Annual production	Percentage	Revenues	Percentage	Profit from activity	Percentage
1.	Kingdom of Saudi Arabia	163,186	95,7%	1,076,747	96,6%	167	2.8%.
2.	The Egyptian Arabic Republic	7,260	4,3%	37,382	3,4%	(6,180)	-102.8 %
3.	Total	170,446	100%	1,114,129	100%	(6,013)	100%

On 30/12/2020 Takween has signed a share purchase agreement with JOFO Chinese Co. under which Takween agreed to sell 92,260 shares representing 70% of the capital of Advanced Fabrics Factory Company ("SAAF"),.As per IFRS 5 was followed for Non-current assets held for sale and discontinued operations to be presented separately in the statement of financial position, and separately the net profit for the year from discontinued operations in the income statement, and disclosed separately the Assets & Liabilities held for sales in the balance sheet.

16. Description of the Company's Important Plans and Decisions (including the Company's Structural Changes, Expansion of its Activities or Suspension of its Operations and Future Forecasts Affecting the Company's Works:

First: The Company's Future Plans and Strategy:

1. Takween seeks to develop the company's current strategy aimed at focusing and expanding the plastics sector both inside and outside Saudi Arabia in the countries where the activities of the Company are being operated in.
2. Takween plans to cooperate with international companies in the non-woven fabric sector to expand operations and be internationally in the lead of the sector after reached the locally leadership.
3. The Company plans to complete the sale of 70% of its shares in SAAF Company to one of the world's leading companies in this field during the second quarter of 2021G.
4. Takween seeks to benefit greatly from its leadership position in the various market sectors, locally and internationally, and its prestigious reputation with major customers in the field of plastic industries to implement further expansions by opening new marketing outlets outside the Kingdom in the region's most demanding for the Company's products in the East Asia and in African countries. Further, Takween is moving towards to manufacturing value-added products in implementation of this strategy and in line with the needs of major customers and global markets.
5. Takween enjoys high experience that enables the Company to achieve operational efficiency and continuously and continuously develop its capabilities in the field of plastic industries. The Company also aims to increase its share in the local and international markets and enhance its financial results, including the interest of its shareholders and the national economy.
6. To achieve the objectives of its strategy, Takween continually focuses on research and development activities, which are the cornerstone of all innovations that have enhanced its reputation in the market.
7. Takween also seeks to develop its projects and factories to keep pace with the latest developments in the field of its industry which leads to create new job opportunities and achieve the largest percentage of localization of jobs. As the Company always develops safe business and focus on

managing risks and benefiting from global experiences in its field of business to become one of the companies developed in its field. Takween is developing its projects in the Kingdom and abroad as a strategic option for its long-term growth for the benefit of its shareholders.

8. Takween's policies in dealing with its employees, customers, and suppliers are the first factor for its success, and these dealings are based on the principle of transparency, honesty, mutual interest, teamwork, professional conduct rules and other basic pillars on which the Company's strategic goals and plans and future expectations are based.
9. Takween develops its internal administrative systems, technology programs, and governance systems to raise the level of control, achieve transparency, ensure non conflict of interests, preserve rights, raise the Company's work efficiency, sustainability and continuity, and enhance trust between the Board of Directors, stakeholders, shareholders and investors.

Second: Important decisions and future expectations:

1. After the completion of the sale of 70% of the share of Takween in SAAF company, Takween is working on developing the procedures for the administrative restructuring of the Company and its subsidiaries, in order to help develop the operational performance of the factories and the mechanism for providing joint services with SAAF in the new legal form, and work to raise the efficiency of the Company's employees; and continue to improve the level of costs.
2. Working to improve the work environment to be an attracting environment, reduce the turnover of highly qualified employees, and update the rules of professional behavior, in order to achieve the social goals of the company's employees and create a spirit of teamwork and loyalty to the company and credibility in dealing and mastery of work.
3. Continuing to take a number of proactive measures to face the changes related to the labor market, studying expectations and the impact of the initiative to improve the contractual relationship between the employees and the employer expected to start in March 2021G. As well as Saudization

decisions and decisions to exempt factories from annual expenses in exchange for non-Saudi Employees, and work to activate the regulatory rules for Saudization Jobs and training of human resources to raise the level of performance.

4. Continuing to take a number of measures to reduce direct and indirect costs.
5. Administrative support for the success of the continuity in obtaining Takween an advanced position, to be always among the top ten in the corporate governance index, among the companies listed in the Saudi Stock Exchange "Tadawul", and after choosing Takween among the top ten companies for the year 2019 in the Kingdom of Saudi Arabia at the Second World Conference For governance, which was held by Alfaisal University under the supervision of the General Investment Authority (SAGIA) and the Capital Market Authority (CMA).
6. Working on developing the investor relations website, enhancing the role of communicating with investors, and opening paths that connect the investor to the Board of Directors through the Investor Relations and Legal Affairs Department. And strive to implement the best practices guide in the field of investor relations issued by the Exchange (Tadawul), and the Capital Market Authority's announcement stated the need of applying such guide in listed companies.
7. Developing the internal control systems and procedures by developing internal audit, compliance, risk and legal affairs departments and units in order to enhance the role of governance inside the Company.

Third: The Strengths and Competitive Advantages of the Company:

The company has the following strengths and competitive advantages:

1. Strong opportunities to keep pace with economic growth;
2. long-term attractions;
3. a management team with extensive experience;
4. business diversity;
5. strong and stable relationships with major suppliers inside and outside the Kingdom;
6. mutual benefit and interconnection between companies;
7. using the latest equipment and equipment which enhances product quality and operating efficiency;
8. leading the markets in plastic packaging products in the Kingdom and in a number of international markets;
9. long and stable relationships with major clients and signing long-term supply contracts;
10. government support for industrial development;
11. government funding through the Saudi Industrial Development Fund;
12. export support financing to the Company by the Saudi Export Authority.

17. Information Relating to Risks faced by the Company (Whether Operational Risks, Financing Risks or Market risks) and the Policy for Managing and Controlling such Risks:

Due to the outside circumstances and changes, and taking into account that Takween Company. is a listed industrial investment Company, therefore the Company's activity, financial position, results of operations and cash flows may materially and negatively be affected in case any of the risk factors referred to in this Report occurs or if there occurs any one of the other risks which could not be identified, or such risks which are not deemed material, or if the latter ones become material risks. Herein below are the kinds of risks which may be faced by the Company as a result of its operational activities and nature of such activities, including operational risks, financial risks and market risks. The Report also includes the policy of the Company's management as to such risks and controlling the same.

First: Information Related to any Risks Faced by the Company:

A. Risks Related to the Company's Activities and Operations:

1) Risks Associated with Inability of the Group to Implement its Strategy as to Expansion and Works Execution:

Performance of the Group in future relies on effective implementation of its work plans and growth strategies, including the manufacture of new products, expansion of the products basis made by the Group through setting-up, preparing and developing production lines. The failure of the Group to implement the work plans, growth strategies and setting-up the necessary production lines, as appropriate, or the withdrawal or negligence by the supervising companies shall adversely and materially affect the Group's operations and financial position.

2) Lack of Capital Required to Finance the Company's Plans, Works and Investments:

The financing needs of the Group depend on its capital, financial position, results of its operations, cash flows and the finance it obtains from banks and financing institutions. The Group may bear capital expenditure in order to carry out maintenance works and ongoing improvement of its assets and equipment. Failure to obtain the necessary finance, at appropriate time and under acceptable conditions, if the Group's needs so require, may adversely affect execution by the Group of its activities.

3) Reliance on Financing and Credit Facilities:

The Company relies on financing and credit facilities for its expansion activities and operation of its structures, through obtaining short- and long-term loans from various financial institutions. The Company applies such loans for various objectives, including to finance the operating capital and the projects undertaken by the Company or its subsidiaries. The breach on the part of the Company of its obligations toward any financial institutions, or in case such institutions are not ready to renew the facilities, then this may affect the availability of liquid money necessary for the Company's activities, the production development plans and the expansion plans, which matter will be negatively reflected on the expected profits.

4) Risks Related to Transport:

The Company does not have its own transport fleet to transport its products to its clients, and consequently this task is assigned to specialized transport companies. Any amendment or variation in the transport regulations and conditions applied for the transport of the Company's products shall affect its ability to supply products to markets and clients and this, in turn, shall negatively affect the Company's results, operations, future expectations and financial position.

5) Risks Related to Clients Concentration:

The Group's works largely depend on sales to a small number of main clients, and any fall in the demand by such main clients results in decrease in the sales, which matter negatively affect the net profits realized by the Company, and this, in turn, negatively impacts the future status of the Group, its financial results, expectations, financial status and prices of its shares.

6) Risks Related to Reliance on Main Suppliers:

The Group often relies on certain set of main suppliers to provide raw materials (such as polypropylene, polystyrene, polyethylene and terephthalate polyethylene). Such reliance on main suppliers to provide raw materials negatively affects the Group, whether in terms of prices or in terms of

the Company's ability to manufacture its products in case such suppliers discontinue providing the necessary raw materials.

7) Risks Related to Failure of Third Parties to Satisfy their Contractual Obligations:

The Company concluded a number of contracts and agreements with several bodies, as required to cover the needs of its activities and services. Such bodies include suppliers, service providers and contractors. Therefore, the Company is exposed to the risk of such bodies' inability to satisfy their respective obligations or their non-desire to satisfy their contractual obligations. The failure by such bodies to satisfy their obligations, for any reasons whatsoever, shall increase the potentiality of risks that may arise from dealing with them, under difficult market conditions increasing the possibility of non-satisfaction of contractual obligations towards the Company.

8) Risks Related to Machinery and Equipment:

The Group's industrial structure consists of several highly complicated production lines and machinery for manufacturing plastic materials and non-textile fabrics. In case of any failure, breakdown or sudden suspension in the work of such lines or machinery, there shall be a negative impact on the Company's production throughout the term of failure, breakdown or suspension. Accordingly, there shall be a negative impact on the Company's activities, forecasts and results of operations throughout the term of suspension of production. Such impact shall be material if it continues for a long time or if more than one production line is suspended at the same time.

9) Risks Related to the Company's Inability to Proceed in Line with the Technology Developments:

The Company applies developed and costly technologies and systems in manufacture. In order to proceed in line with the developments in the industrial sector, there should be carried out repeated improvements in the products and use of developed technologies. The Company has in place policies in respect of ongoing researches, development and programmes aiming at developing the products and improving the quality thereof. The Company does not guarantee that such technologies shall be made available in a speedy fashion and the systems thereof shall be

applied in due course. Furthermore, the Company may incur high costs as a result in this regard, which matter shall affect the manufacture of the products requested by clients at the times specified, and this, in turn, shall negatively impact the Company's results of operations and future expectations.

10) Risks Related to Instability of the Prices of Raw Materials, Energy and Water Relied on by the Company:

The Company depends in its sales and profits on the cost of raw materials that are subject to price fluctuations and their availability, and since the rise in prices will lead to an increase in the costs of raw materials, the performance of the Company will depend in part on its ability to include these changes in costs within the selling prices of the products. The Company does not guarantee that the prices of raw materials will be fixed or not increased, and in the event that this occurs, it will negatively affect its business, future expectations, financial position and results of its operations.

11) Risks Related to the Operational Systems and Information Technology:

The Company relies on information technology systems to support its operations. However, the Company may be exposed to risks involved in the failure of such systems. In case of such breakdown or repeated failure, the Company's revenues shall be materially and negatively affected, and the Group shall not be able to issue its periodic financial reports in due course.

12) Risks Related to the Increase of Doubtful Debts:

The company continuously makes provisions for bad and doubtful debts according to the approved IFRS and credit policy approved by the Board of Directors of Takween. Whereas it is possible for other balances to appear higher than the provision for bad or doubtful debts, the company will, in the future, amend the amount of the debt provision that it must set aside to cover the value of doubtful debts, which may affect the company's profits.

13) Risks Related to Cancellation or Suspension of the Governmental Incentives Supporting the Industrial Sector in the Kingdom:

Historically, the Group benefited by the incentives provided by the Government to investors in order to support industry in the Kingdom, including providing finance through the Saudi Industrial Development Fund, which gives loans in support of the industrial sector, support of the infrastructure and making available plots of land, power and water at discounted prices in the Industrial Cities. Any cancellation or suspension of such incentives shall adversely impact the Company's works, future expectations, financial position and results of its operations.

14) Risks Related to Differences in the Amounts of due Zakat and Taxes:

Pursuant to the Regulations of the General Authority of Zakat and Income, the Group is subject to zakat in the Kingdom in respect of the shareholding of its Shareholders. Zakat and income tax are payable, and they shall be charged to the Statement of Changes in Equities, and there shall be calculated any due additional amounts, if any, upon completion of assessment and determination of such amounts. The Company cannot guarantee that the Regulations of the General Authority of Zakat and Income shall remain the same in future, and any increase in the income tax percentage or the value added tax percentage shall affect the Company's profitability. Further, the Company cannot guarantee that there shall be no Zakat differences that shall be claimed by the General Authority of Zakat and Income. In case such differences are substantial, then they shall negatively impact the Company's activities, financial position and results of operations.

15) Risks Related to Relying on Dealings with Related Parties:

The Company is currently engaged under a number of agreements made with related parties, including for the purchase of products from the Company's factories. Also, there are agreements in respect of information technology works, services, supply of industrial equipment, consultancies, land and building leases. The Company may be exposed to risks in connection with the non-availability of replacement for such contracts and agreements in a speedy fashion and under the same conditions, which matter may negatively impact the Company's activities and financial and operational performance, particularly as it relies on such agreements for conducting some of its works.

16) Risks Related to the Insurance Coverage Sufficiency:

The inability of the Group to arrange sufficient insurance coverage may

limit its ability to properly practice its activities, which matter, in turn, impacts the Company's activities. Also, it is possible that the Company, its operations or industrial structures be exposed to several accidents beyond its control, which matter may affect the progress of its works, including natural disasters, accidents, devastation acts and war-related events for which no sufficient insurance coverage is available, or such coverage is not available at commercially reasonable conditions. Moreover, the repetition of other various accidents, such as sudden breakdowns, work suspensions or potential damages to the Group's facilities, properties and natural disasters arising from bad conditions, human errors, pollution, labour disputes or natural disaster, all of these shall result in causing the Company substantial damages or expose it to obligations exceeding the insurance coverage available.

B. Risks Related to the Market:

1) Risks of Fluctuations in the Rates of Exchange:

The results of the Subsidiary (New Marina) in the Arab Republic of Egypt may be negatively affected if the value of the Egyptian currency falls down after the Egyptian Pound floating decision taken by the Egyptian Government in November 2016 G. While there was stability in previous years, and the levels of the US. Dollar availability at the Egyptian banks and companies improved and there was some improvement in the dealings in U.S. Dollar, still if there is a change in the monetary policy, due to the political developments in the area, this shall increase the difficulty of maintaining the Company's ability to purchase the necessary imported materials for the production operations (paid in U.S. Dollar) or completing commercial transactions easily and in a speedy fashion, which matter shall negatively affect the Company's profitability and results of operations.

2) Risks Related to the Saudi and International Economics:

Most of the company's assets are located in the Kingdom of Saudi Arabia, and as a result, the company's operations and its ability to grow its business are affected by the financial and general economic developments affecting the Kingdom's economy. Just as the company exports some of its products outside the Kingdom, the performance of the company also depends on the economic conditions in the countries to which it exports its products.

3) Risks Related to Changes in the Plastic Industries Market:

The fluctuations in a number of the market factors may negatively impact the results achieved by the Company. Such factors include the local economy conditions and the consumption models. Particularly, periods of economic stress or sustainable growth weakness may lead to a fall in the demand for foodstuff products, juices or dairy products, which matter, in turn, shall limit demand on the plastic packaging products at the Company, and this shall result in a negative effect on the Company's sales and results and/or the value of shares.

4) Risks Related to Competition:

The Company operates in a competitive environment and faces a fierce competition with other companies in the market, in addition to the impact of the Group's pricing policies on its financial performance, taking into consideration the prices offered by competitors. Furthermore, the increase in the offer of the products manufactured by the Group, compared with the demand thereon, may result in negative pressure on its prices, and consequently this shall negatively impact the Company's activities, future expectations, results of operations and its financial position in general. The Company's ability to compete relies on the excellence of the products of its subsidiaries compared with the other products offered in the market, through making available high-quality products at reasonable prices. The Company cannot guarantee that it shall become quickly in line with the trends of the advanced industries or the variable market requirements, which matter shall negatively impact the Company's financial results and profits.

C. Risks Related to the Legislative, Control and Legal Environment:

1) Risks Involved in Amending the Laws and Regulations:

The Company's operations are subject to the laws of the countries where Company operate. The most important two countries are the Kingdom of Saudi Arabia and the Arab Republic of Egypt. Taking into the consideration that the legal environment, where the Company operates, may be exposed to regulatory changes which may affect the Company's operations and limit its development and the development of its activities. In case the new laws and regulations impose additional requirements, and

the Company or its subsidiaries have to amend its products or operations in order to comply with such laws, then this shall cause an increase in the cost of the products, which matter, in turn, shall negatively impact the Company's profits, cash flow, operations, expectations, results of operations, financial position and value of its shares.

2) Risks Related to Regulations and Environmental Criteria:

The Group's activities connected with the manufacturing industries require compliance with the environmental legislations, laws and instructions regulating a number of aspects, including the environmental and vocational health criteria and the safety of the industrial firms and those working thereat. The operations of the Group's factories may result in a number of wastes and contaminated materials which may, if not controlled, cause the danger of pollution of water sources and may affect the quality of air, and this results in damage to the environment and health of human beings. The failure to fully comply with such environmental legislations and laws may expose the Group to penalties or fines imposed by the control agencies, which matter may negatively impact the Group's operations, limit its revenues or cause suspension of its work or licenses.

3) Risks of Withdrawing the Industrial License:

The Group practices its industrial activity through its factories which manufacture plastics products and non-textile fabrics in its licensed factories in the kingdom of Saudi Arabia and the Arab Republic of Egypt. The Company practices its industrial activities under industrial licenses issued for each factory. If the factories of the Group do not comply with the conditions and instructions imposed by authorised bodies, it might lead to withdrawing the industrial licenses and suspension of the Company's business.

4) Risks of Non-Compliance with the New Laws and Procedures:

The current Companies Regulations impose some new requirements that should be complied with by the Group. The Company amended its Bylaws in order to be in compliance with the requirements of such Regulations. The Capital Market Authority and the Ministry of Commerce are issuing new Regulations for Governance of Companies in addition to some procedures affecting General Assemblies and Boards of Directors. Failure or delay in compliance may expose the company to penalties for

violating the mandatory provisions and rules issued by the regulatory authorities, which would negatively and materially affect the group's business and financial and the results of its operations.

5) Risks of Non-Effectiveness of Internal Controls Fighting Dishonesty, robbery and Fraud:

The Company faces a number of risks arising from dishonesty, robbery, fraud and abuse of job position in spite of the internal policies and procedures preventing such acts. However, the Company cannot guarantee the non-violation of such policies and procedures, which matter gives rise to such kind of risks.

6) Risks Related to Import and Export:

The imposition of new legal or regulatory requirements, such as the anti-dumping charges or compensatory arrangement, import shares, custom duties, penalties, boycott and other measures approved by the governmental authorities, all these shall affect the competitive position of the products manufactured by the Group or may preclude selling such products in such countries, which matter shall negatively and materially impact the Company's results, operations, future expectations and financial position.

7) Risks of Inability to Comply with the Saudization Requirements:

In the last years the Government imposed a requirement on the Private Sector Companies providing that each Company should employ a certain percentage of Saudi citizens "Saudization". Compliance with the Saudization requirements is deemed obligatory at the current time. the Saudization rate has been imposed according to the type of activity the company is practicing under the electronic "Nitaqat" system, and the Ministry of Human Recourses suspends the services of companies that exceed the Saudization percentage of the rates determined in the "Nitaqat" system. Ministry of Human Recourses also issued a decision requiring the minimum wage for a Saudi worker registered in the General Organization for Social Insurance to be no less than four thousand riyals (basic salary + housing allowance), and the Ministry of Human Recourses may decide to impose stricter Saudization policies in the future. There is no guarantee that Ministry of Human Recourses will not impose higher financial penalties or more stringent regulations, and there is no

guarantee that the number of qualified Saudi employees in the company will not decrease, which will negatively affect the company's business and its financial and operational performance. Consequently, the company's ability to fulfill its obligations and request government loans, its financial performance and its ability to attract additional necessary numbers of foreign employees will be affected in the event that the company does not adhere to the policies and rates of Saudization as issued by Ministry of Human Recourses.

8) Risk of the impact of the initiative to improve the contractual relationship between the employees and the employer:

During November 2020G, the Saudi Council of Ministers issued decisions referring to work on abolishing the sponsorship system and limit the relationship between the employer and the employee to the employment contract, which defines the rights and duties between the two parties." According to what was announced, the new rules will come into effect on March 14, 2021G. It will apply to all foreign workers in the private sector, regardless of salaries, and this may lead to the transfer of a number of technical and skilled employees (Saudi or non-Saudi) to other companies on the date of their contract expiration without the permission of the Company's management, and the Company may not be able to replace alternatives (Saudi or non-Saudi) in a timely manner, which may negatively affect the company's production, sales, and financial performance.

9) Claims and Disputes:

In the course of practicing its activities, the Group may be exposed to lawsuits and claims affecting its operations. The Company cannot guarantee the non-occurrence of disputes between it and other parties it deals with, such as suppliers, distributors, clients and others. This may result in raising legal actions at the competent courts. Therefore, the Group is exposed to claims at judicial and quasi-judicial committees. Naturally, the Company cannot expect the results of such claims once they occur, and also the Company cannot guarantee that such claims shall have no material impact on its works, financial position and results of operations. the Group cannot accurately expect the volume of cost of such claims or judicial proceedings which it may file, or which may be filed against it,

nor the final results of such claims or the judgment that may be passed in connection therewith, as well as the compensation and penalties involved therein. Consequently, any negative results of such cases shall adversely impact the Company.

10) Risks in Connection with Agreements Subject to Foreign Laws and Jurisdiction of Foreign Courts or International Arbitration:

In the course of its works, the Group concluded several agreements which are subject, in terms of the interpretation thereof, to foreign non-Saudi laws. Such agreements further provide that any dispute be referred for resolution by foreign courts or through foreign arbitration. In case any dispute arises with one of the parties contracted with, and a foreign court judgment is issued or an arbitration award is given against the Company or its subsidiaries, based on such foreign law that should be applicable, then the legal and financial consequences of such judgment or award to which the Company shall be exposed may be more serious compared with any judgment issued by a Saudi court, in accordance with the applicable Saudi law, which matter shall negatively impact the Company's results of operations and financial position.

D. Risks related to Covid 19 Pandemic:

During the first months of 2020G, the world faced the pandemic of the new Corona virus, COVID 19. This pandemic forced most of the countries of the world to close on themselves, including the application of home quarantine, the ban on movement and stopping the appearances and activities of most businesses and companies, which created real crises in various aspects of life. The crisis has caused a decrease in the number of employees in government sectors and private companies, and the closure of schools, universities, shops, cafes and most social aspects as a result. There are also fundamental changes that have already taken place, such as closing the land, sea and air borders, as evidenced by the travel ban for citizens and residents between all countries. In fact, there have been cases of disconnections between cities in the same country.

A crisis of this size has many risks that can rearrange societies according to what will be based in the future on methods of dealing with risks and the variables that this crisis will create, which may materially affect the business and results of the company.

The following are the risks related to the pandemic and that have an impact on the activities of Takween:

1) Risks related to individual employees:

The risk of infection and the consequences of such matters as home quarantine have altered employees' psychological responses to their normal interactions, and the control of the idea of fear of the risk of disease transmission as a result of direct social contact. Accordingly, the continuation of Covid 19 with these psychological pressures may negatively affect the performance and productivity of the employees in all fields and have immediate effects on the company's financial results.

2) Risks related to product marketing:

The closure of the land borders between neighbouring countries from time to time due to the increase in the spread of Covid 19 may cause products not to reach customers on time and may put the company in non-compliance with the terms of the contracts, despite the force majeure circumstances that the customer may not admit because of his loss due to failure to supply at the specified dates. The continuation of Covid 19 with these closures and the company's failure to adhere to the supply schedules may negatively affect the marketing performance and the failure to achieve the targeted sales and affects the Company's financial results.

3) Risks related to information technology:

The spread of the pandemic and the increasing dependence on the Internet, will increase many reservations and regulatory measures that prevent penetration of the Company information and its employees. It will also increase the development of high-level information security methods and increase additional costs to resist those breaches. However, the Company may not guarantee the innovations of hackers for professional methods that may lead to penetration of the Company's direct systems or of companies that provide technology systems to the Company, which may cause financial losses to the company.

4) Risks related to economic conditions:

It may be difficult at present to predict the extent of the impact of the spread of the new Corona virus on the economic conditions in the Kingdom

and the world. However, several related factors can be mentioned which have been affected by the spread of the pandemic, including (the amendment to consumer culture, especially since many companies have exploited the situation in favour of reducing salaries of employees, and amendment of bonuses systems - restricting imports and exports due to the large restrictions imposed by countries on borders and customs ports with closing ports and airports). This may lead Takween to serious negative effects on its financial results as a result of decreasing sales of the Company's clients. Further, the continuation and increase of the epidemic may cause great harm in sectors Industry in general.

Also, the outbreak of the virus and the reduction of costs created double pressure on companies to balance work efficiency and returns, which will appear in waves of employment reduction that might lead to increase unemployment. The continuation of pandemic and the uncertainty of its causes, will possibly affect Takween sector, despite taking all precautionary measures as part of the local and global economy.

The Company may face difficulties in collecting from its customers due to market turmoil and the stumbling of many companies, which may cause an increase in doubtful debts, which necessitates the company to reconsider the credit policy and reschedule the debts to prevent losing its customers and money.

Second: Company's Policy as to Managing and Controlling Risks:

Due to the paramount importance of risks management, and as the Board of Directors and its Committees do understand the importance of this process, the Board of Directors, through the Executive Committee, approved the establishment of the Risks Management Department in order to approve subsequently the necessary policies and procedures for the management of risks at the Company by the Board of Directors.

The Risks Management Department has prepared the necessary plan and procedures in order to apply the process of risks management at the Company, and these were approved by the Executive Management of the Company.

The objectives of the Risk Management Department transparently are to

transparently highlight the risks, to ensure their clarity and understanding, to make recommendations to determine the size and type of each of the main risks accepted by the Board of Directors, and to ensure the compatibility of the existing risks with the planned. The process of identifying, assessing and managing risks is a joint responsibility that begins with the various departments and units of the Company according to their location and tasks, which is considered the first line of defence. The Risks Management Department evaluates and controls risks, recommends ways to mitigate them, and submits the necessary reports in this regard to the Risk Committee which is the second line of defence.

The tasks of the risk department are summarized as follows:

- (a) Reviewing the risk management framework before the approval by the board.
- (b) Implementing the risk management strategy, in addition to developing policies and work procedures to authorize all types of risks.
- (c) Developing methodologies for identifying, measuring, monitoring and controlling each type of risk.
- (d) Studying and analysing all types of risks that the Company faces.
- (e) Raising awareness of risks among the employees of the company and its subsidiaries.

There shall be coordination between the Risks Management Department and the Internal Control Department in connection with the risks set forth under the Internal audit Report.

The Risks Management Policy is deemed an integral part of the Governance Rules followed at the Company. The Company has updated Governance Regulations conforming to the requirements of the laws and regulations of the Capital Market Authority, which Regulations are approved by the Company's General Assembly, and such Regulations include, in addition to the Risks Management Policy the Internal Review Guide the following:

(The Disclosure Policy, The Reporting Procedures Policy, The Conflict-of-Interest Policy, The Anti-Fraud Policy and Procedures, The Guide and Charter of Ethical Conduct, and Relation with Interested Parties).

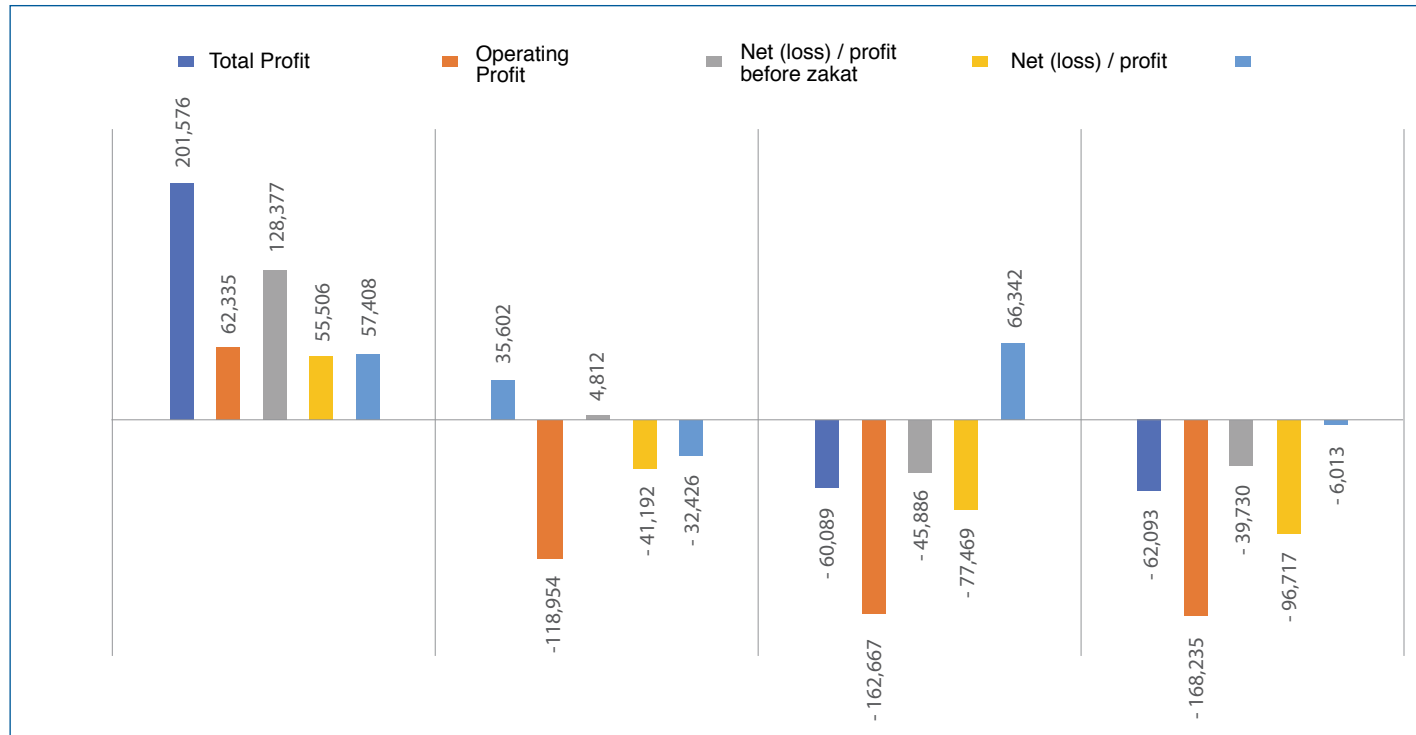
18. Conclusion in the Form of Table or Diagram of the Company's Assets and Liabilities and Results of its Operations in the Last Five Years:

Herein below is the Company's Statement of Assets and Liabilities and the Financial Results for the Last Five (5) Years:

Currency: By thousand riyals	2016	2017	2018	2019	2020
Sales revenue	1,415,596	1,230,492	1,343,760	923,778	754,176
Cost of revenue	(1,214,020)	(1,168,157)	(1,215,383)	(868,272)	(696,768)
Gross Profit	201,576	62,335	128,377	55,506	57,408
General and Administrative Expenses	(90,512)	(90,740)	(61,591)	(54,764)	(49,244)
Sales and Marketing Expenses	(73,863)	(89,200)	(60,403)	(41,934)	(40,030)
Research and Related Expenses	(1,599)	(1,349)	(1,571)	-	-
Operating Profit	35,602	(118,954)	4,812	(41,192)	(31,866)
Financing Expenses	(83,961)	(51,666)	(59,372)	(50,922)	(35,078)
(Other (Expenses) Revenues - Net	(11,730)	7,953	8,674	14,645	1,152
Loss before zakat and income tax	(60089)	(162667)	(45886)	(77469)	(65792)
Zakat and income tax	(2,004)	(5,568)	6,156	-	(550)
Net Profit (Loss) for the year from discontinued operations				(19,248)	60,329
Net (Loss) / Profit Before Zakat	(62,093)	(168,235)	(39,730)	(96,717)	(6,013)

On 30/12/2020 Takween has signed a share purchase agreement with JOFO Chinese Co. under which Takween agreed to sell 92,260 shares representing 70% of the capital of Advanced Fabrics Factory Company ("SAAF"). As per IFRS 5 was followed for Non-current assets held for sale and discontinued operations to be presented separately in the statement of financial position, and separately the net profit for the year from discontinued operations in the income statement, and disclosed separately the Assets & Liabilities held for sales in the balance sheet.

The consolidated statement of income of the company during the period from 2016 to 2020



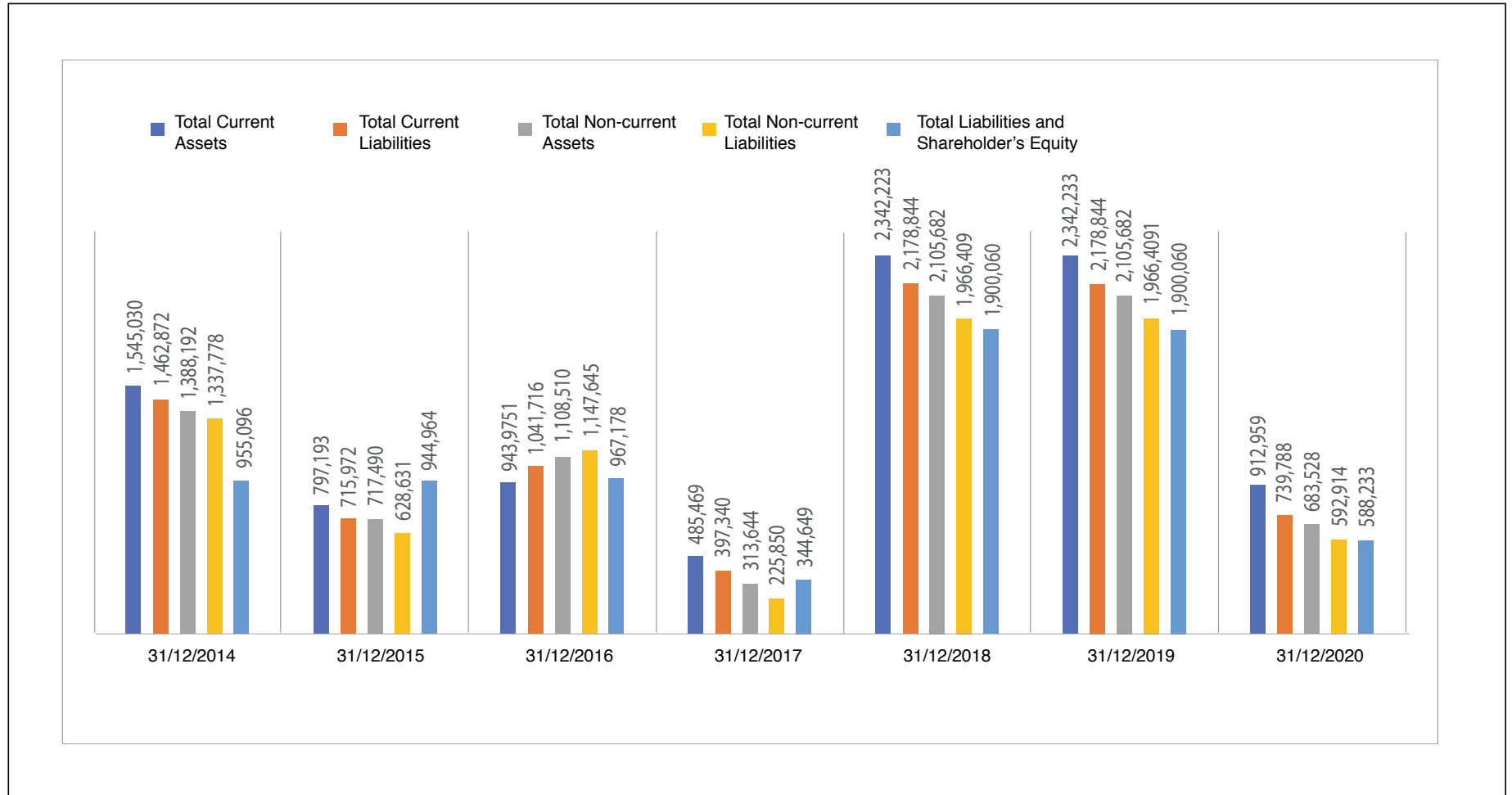
Summary of the Consolidated Statement of Financial Position

The Company's Consolidated Statement of Financial Position as at the End of the Last Five Years (2016 G. To 2020 G.)

Amounts: In Thousand Saudi Riyals	31/12/2016	31/12/2017	31/12/2018	31/12/2019	31/12/2020
Assets					
Non-Current Assets					
Fixed Assets	1,207,616	1,126,325	1,059,509	1,009,262	629,150
Intangible Assets	13,832	12,965	5,101	4,934	2,364
Goodwill	323,582	323,582	323,582	323,582	323,582
Total Non-Current Assets	1,545,030	1,462,872	1,388,192	1,337,778	955,096
Current Assets					
Cash and Cash Equivalents	43,269	41,583	9,943	40,274	40,040
Investment Retained for Trading	-	6,958	-	7,016	14,283
Receivable, Net	343,835	293,450	355,505	289,316	214,320
Stock, Net	332,312	315,522	282,400	240,863	163,242
Advance Payments and Other Current Assets	77,777	58,459	69,642	51,162	42,875
Assets held for sale	-	-	-	-	470,344
Total Current Assets	797,193	715,972	717,490	628,631	945,104
Total Assets	2,342,223	2,178,844	2,105,682	1,966,409	1,900,200
Liabilities and Shareholders' Equity					
Shareholders' Equity					
Capital	950,000	950,000	950,000	950,000	950,000
Statutory Reserve	29,419	29,419	-	-	-
Retained Earnings (Losses)	(17,981)	(186,216)	(216,977)	(313,694)	(319,707)
Other Reserves	(48,479)	(53,415)	(49,495)	(43,392)	(42,060)
Total Equity	912,959	739,788	683,528	592,914	588,233
Non-Current Liabilities					
Medium- And Long-Term Loans	447,304	356,822	277,215	173,934	309,295
Long-Term Lease Commitments	-	-	-	16,147	5,996
End of Service Remuneration	38,165	40,518	36,429	35,769	29,358
Total Non-Current Liabilities	485,469	397,340	313,644	225,850	344,649
Current Liabilities					
Short Term Loans	610,452	698,788	575,671	695,313	489,727
The Current Portion of Medium and Long-Term Loans	83,502	96,684	223,370	174,420	82,823
Accounts Payable and Other Liabilities	239,383	246,244	309,469	276,503	263,484
Short-Term Rental Obligations	-	-	-	1,409	498
Zakat Due	10,458	-	-	-	-
Liabilities directly associated with assets held for sale	-	-	-	-	130,786
Total Current Liabilities	943,751	1,041,716	1,108,510	1,147,645	967,318
Total Liabilities	1,429,220	1,439,056	1,422,154	1,373,495	1,311,967
Total Liabilities and Shareholders' Equity	2,342,223	2,178,844	2,105,682	1,966,409	1,900,200

On 30/12/2020 Takween has signed a share purchase agreement with JOFO Chinese Co. under which Takween agreed to sell 92,260 shares representing 70% of the capital of Advanced Fabrics Factory Company ("SAAF"). As per IFRS 5 was followed for Non-current assets held for sale and discontinued operations to be presented separately in the statement of financial position, and separately the net profit for the year from discontinued operations in the income statement, and disclosed separately the Assets & Liabilities held for sales in the balance sheet.

List of consolidated financial position of the company as at the end of the last five years (2016 to 2020)



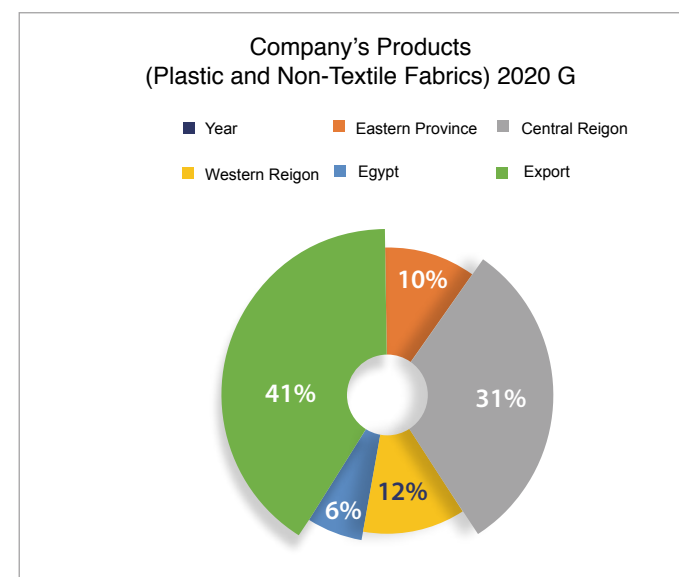
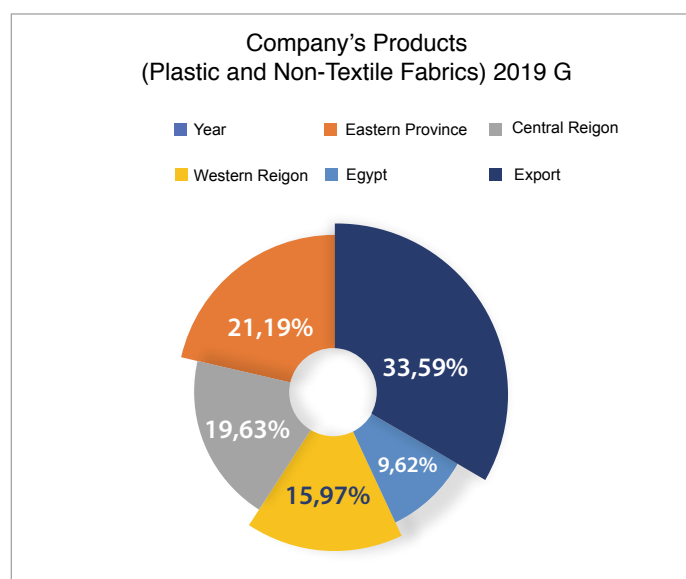
19. Geographic Analysis of the Total Revenues of the Company and its Subsidiaries:

A. Company's Consolidated Total Sales for the Year 2020 G

(Value in thousands of riyals)

On 30/12/2020 Takween has signed a share purchase agreement with JOFO Chinese Co. under which Takween agreed to sell 92,260 shares representing 70% of the capital of Advanced Fabrics Factory Company ("SAAF"). As per IFRS 5 was followed for Non-current assets held for sale and discontinued operations to be presented separately in the statement of financial position, and separately the net profit for the year from discontinued operations in the income statement, and disclosed separately the Assets & Liabilities held for sales in the balance sheet.

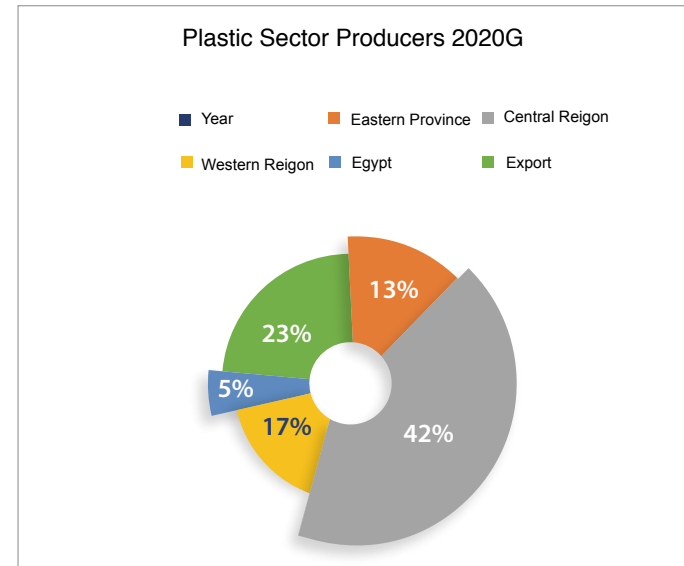
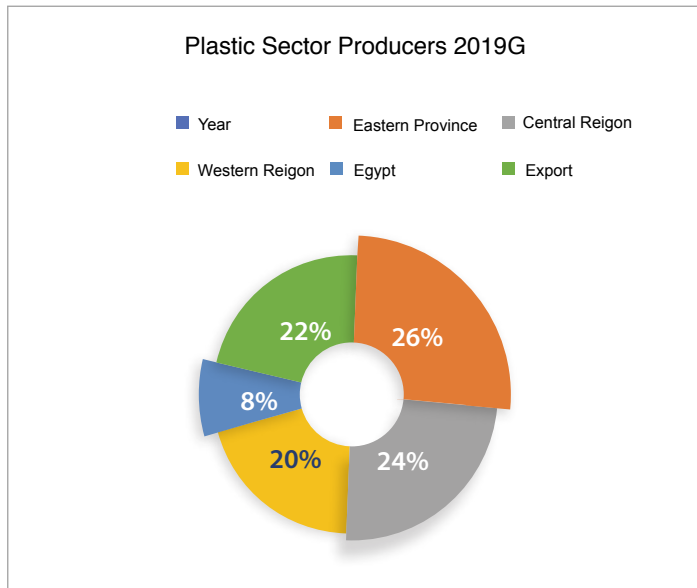
Product	Year	Total Sales	Geographical Distribution				
			Eastern Region	Central Region	Western Region	Egypt	Export
Company Sales	2020	1,114,129	106,628	345,550	140,103	67,618	454,230
	2019	1,189,450	252,036	233,510	189,969	114,437	399,498



B. Subsidiaries - Sales of plastics products for the year 2020 G:

(Value in thousands of riyals)

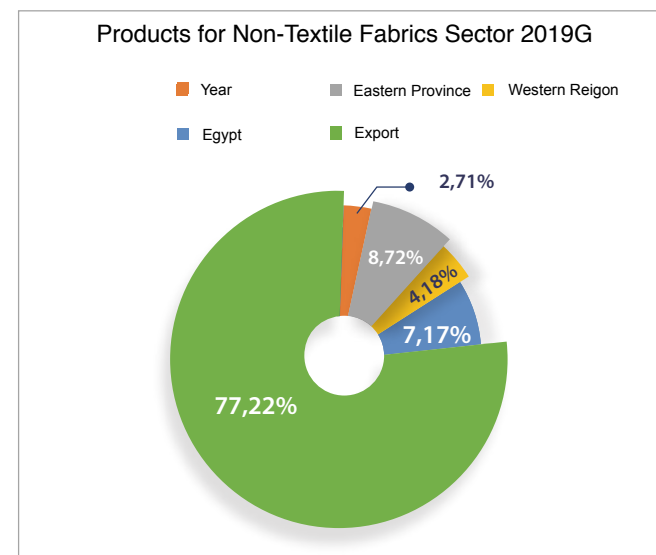
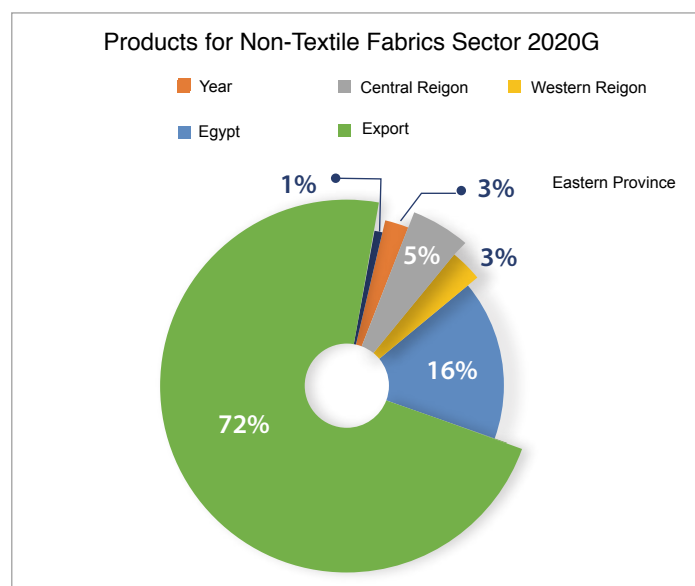
Product	Year	Total Sales	Geographical Distribution				
			Eastern Region	Central Region	Western Region	Egypt	Export
Plastic Sector Products	2020	754,176	96,893	314,150	125,059	41,795	176,278
	2019	923,778	243,703	219,587	181,591	73,022	205,875



C.Subsidiaries - Non-Textile Sector Fabrics:

(Value in thousands of riyals)

Product	Year	Total Sales	Geographical Distribution				
			Eastern Region	Central Region	Western Region	Egypt	Export
Non-Textile Sector Fabrics	2020	359,953	9,734	31,400	15,044	25,823	277,952
	2019	265,672	8,334	13,923	8,378	41,415	193,624



20. Major Differences of the Operational Results from the Results of the Former Year, or Any Forecasts Announced by the Company:

Operational results for the year 2020G compared with the former year

Currency: By thousand riyals	2019	2020	Change + or-	Change %
Sales	923,778	754,176	169,602-	-36.18%
Sales Cost	(868,272)	(696,768)	171,504 -	-19.75%
Gross Profit	55,506	57,408	1,902	3.43%
General and Administrative Expenses	(54,764)	(49,244)	5,520 -	-10.08%
Sale and Marketing Expenses	(41,934)	(40,030)	1,904-	-4.54%
Research and Related Expenses				
Operational (Loss) Profit	(41,192)	(31,866)	9,326-	-26.64%
Financing Expenses	(50,922)	(35,078)	15,844-	-31.11%
Other (Expenses) Revenues, Net	14,645	1,152	13,493-	-91.80%
Net (Loss) / Profit Before Zakat	(77,469)	(65,792)	11,677-	-15.07%
Zakat	-	(550)	550	100%
Net profit / (loss) for the yeara from discontinued operations	(19,248)	60,329	79,577-	413.43%
Net (Loss) / Profit	(96,717)	(6,013)	90,704	-93.78%

The reason of the decrease in the net loss for the year 2020 compared to the net losses for the year 2019 is due to the decrease in cost of revenue, the decrease in general and administrative expense, the decrease in selling and distribution expenses, the decrease in financial charges and the increase in net profit for the year from discontinued operations, despite the decrease in sales revenue, and other income.

The decrease in revenue is a decrease in sales value not sales quantity given that the decrease in selling price is related to the decrease in raw material prices.

On 30/12/2020 Takween has signed a share purchase agreement with JOFO under which Takween agreed to sell 92,260 shares in one of its subsidiaries, Advanced Fabrics Factory Company ("SAAF"), representing 70% of the share capital of SAAF (the "Transaction").

IFRS 5 was followed for Non-current assets held for sale and discontinued operations to be presented separately in the statement of financial position,

So Takween disclosed separately the net profit for the year from discontinued operations in the income statement, and disclosed separately the Assets & Liabilities held for sales in the balance sheet.

2-The loss per share for the year 2020 was calculated by dividing the net loss of SAR(6,103 million) on the weighted average number of shares 95 million therefor loss per share is (0,063), and for the year 2019 was calculated by dividing the net loss of SAR(96,7 million) on the weighted average number of shares 95 million therefor loss per share is (1.02).

The accumulated losses as of 31/12/2020 has reached SAR (319,7 million), equal to 33.65% of the company's capital of SAR 950 million. The accumulated losses as of 31/12/2019 has reached SAR (313,7 million), equal to 33.02% of the company's capital. Noting that the company is applying the procedures and instructions issued by the capital market authority of the listed companies in the Saudi Stock Exchange, which has accumulated losses of 20% or more of its capital.

21. Clarification of any Deviation from the Accounting Standards Approved by the Saudi Organization for Certified Public Accountants:

There is no deviation, in the Company's procedures for preparing the Financial Statements, from the accounting principles approved by the Saudi Organization for Certified Public Accountants. When preparing the Financial Statements for the Year ending on 31/12/2020 G., the Company complied with the Saudi Organization for Certified Public Accountants Standards.

22. Name and Capital of each Subsidiary, and the Company's Ownership Percentage thereof, its Main Activity and the Country where the Head Office of its Operations is Located and Country of Incorporation:

Takween has five subsidiaries as follows:

Company's Name	Company's Capital	Ownership Percentage		Company's Main Activity	Country of Main Operations	Country of Incorporation
		2019	2020			
Saudi Plastic Company for Packing Systems (Plastico)	342.4 Million Saudi Riyals	99%	99%	To produce all types of plastic bottles, plastic covers and rolls	Saudi Arabia	Saudi Plastic Company for Packing Systems (Plastico)
Al Sharq Plastic Industries Company	61.7 Million Saudi Riyals	99%	99%	To produce polyethylene bags and rolls, disposable glasses, containers and dishes of polystyrene, jerrycans, containers, barrels and heavy-duty bags, garbage baskets and containers and plastic boxes	Saudi Arabia Riyadh	Saudi Arabia Riyadh
New Marina Plastic Industries Co.	90 Million Egyptian Pounds	99.6%	99.6%	To produce all kinds of plastic containers and small bottles	Egypt Alexandria	Egypt Alexandria
Advanced Factory Company (SAAF)	131.8 Million Saudi Riyals	99%	100%	To produce fabrics/non-textile and made of polypropylene material	Saudi Arabia Al Ahsa/ Rabigh	Saudi Arabia Al Ahsa/ Rabigh
Ultrapak Manufacturing Company (Ultrapak)	25 Million Saudi Riyals	99%	99%	To invest in sister companies	Saudi Arabia Jeddah	Saudi Arabia Jeddah

23. Details of Shares and Debt Instruments Issued for each Subsidiary:

Subsidiaries of Takween did not make, in the Fiscal Year 2020G any issues or shares and debt instruments.

24. Description of the Company's Policy as to the Distribution of Profits:

Articles (46) and (47) of the Company's Bylaws provide for the following:

A. After deduction of all general expenditures and other costs, the Company's annual net profits shall be distributed as follows:

1. Ten percent (10%) of the net profits shall be set aside in order to form a statutory reserve. However, the Ordinary General Assembly may discontinue such setting aside when the said reserve totals (30%) of the paid-up capital.
2. Upon a resolution by the General Assembly approving the distribution of profits, the remainder shall be distributed as a first payment to the Shareholders at no less than (2.5%) of the paid-up capital.
3. A compensation shall be paid to the members of the Board Directors at (10%) of the net profits, after deducting such reserves as may be decided by the General Assembly and after distribution of profits to the Shareholders at no less than (5%) of the Company's paid-up capital, provided that such compensation shall be so paid to the Board Members in proportion to the number of meetings attended by each member. In all cases, the total amount received by each member of the Board of Directors, including compensation and financial or in-kind benefits, shall not exceed Five Hundred Thousand Saudi Riyals (SR. 500,000).
4. The Company may set aside a certain percentage of the net profits as random reserve to be allocated for purposes to be approved by the General Assembly.
5. The General Assembly may withhold from the net profits certain amounts to establish Social Organizations of the Company, or to support such organizations, if existent.

B. Profits decided to be distributed to the Shareholders shall be paid at such place and such times as may be determined by the Board of Directors, pursuant to the instructions issued by the Ministry of Commerce and Investment and the Capital Market of Authority

25. Description of any Interest in a Class of Shares Having the Right to Vote, Belonging to Persons (other than the Members of the Company's Board of Directors, the Senior Executive Officers and Their Relatives), which Rights are Reported to the Company Under Article (67) of the Registration and Listing Rules and any Change in such Rights in the Last Fiscal Year:

None During the 2020G Fiscal year

26. Description of any Interest, Contractual Securities and Subscription Rights held by the Company's members of the Board of Directors, Chief Executive Officers and their Relatives, in connection with Shares or Debt Instruments of the Company or any of its Subsidiaries and any Change in such Rights in the last Fiscal Year:

The following Table shows the number of shares held by the Company's members of the Board of Directors, Chief Executive Officers and their Relatives:

Board and Senior Executives' members:						
Name	The number of shares at the beginning of the period	The ownership percentage at the beginning of the period	Net change during the period	The percentage change during the period	The number of shares at the end of the period	Ownership percentage at the end of the period
Mr. Abdulmohsen Bin Mohammed Al-Othman	5,738,548	6.0406%			5,738,548	6.0406%
Mr. George Antonius Abraham	1,166	0.001227%	-	-	1,166	0.001227%
Solaiman Bin Abdulaziz Al-Twajjri	1,000	0.001053%	-	-	1,000	0.001053%
Mr. Jamil Bin Abdullah Al Melhem	2,500	0.002632%	-	-	2,500	0.002632%
Mr. Khalid Bin Nasser Al Moammar	1,000	0.001053%	-	-	1,000	0.001053%
Mr. Saleh Bin Hassan Al-Afaleq						
Mr. Hassan Essam Al-Qabbani						

The following table shows the number of shares held by relatives of board members and relatives of senior executives:

Board and Senior Executives' members:						
Name	The number of shares at the beginning of the period	The ownership percentage at the beginning of the period	Net change during the period	The percentage change during the period	The number of shares at the end of the period	Ownership percentage at the end of the period
Abdullah bin Mohammed Al-Othman (Brother to the Chairman)	6,598,428	6,9457%			6,598,428	6,9457%
Abdullah bin Mohammed Al-Othman (Brother to the Chairman)	2,375,000	2.5%	-	-	2,375,000	2.5%

Except as stated above, there are no interests, contractual securities or subscription rights held by the Company's members of the Board of Directors, Chief Executive Officers and their relatives, in shares or debt instruments of the Company or any of its subsidiaries in the Year 2020 G.



27. Information relating to any loans to the Company (whether payable on request or otherwise) and disclosure of the total indebtedness of the company and its affiliates and any payments made by the company in repayment of loans during the year, the amount of the principal of the loan, the name and duration of the donor, and the remaining amount:

On 30/12/2020 Takween has signed a share purchase agreement with JOFO under which Takween agreed to sell 92,260 shares in one of its subsidiaries, Advanced Fabrics Factory Company (“SAAF”), representing 70% of the share capital of SAAF (the “Transaction”).

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2- The loss per share for the year 2020 was calculated by dividing the net loss of SAR(6,103 million) on the weighted average number of shares 95 million therefor loss per share is (0,063), and for the year 2019 was calculated by dividing the net loss of SAR(96,7 million) on the weighted average number of shares 95 million therefor loss per share is (1.02).

The accumulated losses as of 31/12/2020 has reached SAR (319,7 million), equal to 33.65% of the company’s capital of SAR 950 million. The accumulated losses as of 31/12/2019 has reached SAR (313,7 million), equal to 33.02% of the company’s capital. Noting that the company is applying the procedures and instructions issued by the capital market authority of the listed companies in the Saudi Stock Exchange, which has accumulated losses of 20% or more of its capital.

First: Table showing a Summary of the Outstanding Loans and Payments, as on 31/12/2020G - Amount in thousands of riyals

Name of Loan Grantor	Principal Amount of Loan	Term of Loan	Amounts paid of the Loan within the Year	Amounts paid of the Loan within the Year	Loan Remaining Amount	Total of the Indebtedness of the Company and its Subsidiaries
International Islamic Trade Finance Corporation	150,000	50,000	6 Months	50,000	0	0
Saudi Industrial Development Fund (SIDF)	125,700	67,365	7 Years	0	67,365	67,365
Arab National Bank (ANB)	1,300,000	429,391	4 Years	29,029	400,362	400,362
Al Rajhi Bank	98,400	98,397	6 Months	12,768	85,629	85,629
Banque Saudi Fransi	83,000	82,400	5 Months	320	82,080	82,080
National Commercial Bank	157,000	145,619	6 Months	3,278	142,341	142,341
Riyad Bank	75,000	74,386	4 Months	1,049	73,337	73,337
SAAB Bank	45,000	36,303	4 Months	-	37,800	37,800
Samba Bank	60,000	95,805	6 Months	-	60,392	60,392
New Marina	27,023	-	One Year	-	-	-
					949,306	949,306

Second: Statement of the Loans and Facilities Obtained by Takween and its Subsidiaries:

1. A Statement of the loans from the Industrial Development Fund obtained by Takween:

Industrial Development Fund Loan to Advanced Factory Company SAAF No. (2471):

On 11/11/1434H. (Corresponding to 17/09/2013G.), the Advanced Fabrics Company (SAAF) concluded a Loan Agreement with SIDF at a value of One Hundred Twenty-Five Million Seven Hundred Thousand Saudi Riyals (SAR. 125,700,000), for establishing a factory in Rabigh for producing non- textile fabrics. Herein below is a summary of the major conditions of such agreement:

On 30/12/2020 Takween has signed a share purchase agreement with JOFO Chinese Co. under which Takween agreed to sell 92,260 shares representing 70% of the capital of Advanced Fabrics Factory Company ("SAAF"),.As per IFRS 5 was followed for Non-current assets held for sale and discontinued operations to be presented separately in the statement of financial position, and separately the net profit for the year from discontinued operations in the income statement, and disclosed separately the Assets & Liabilities held for sales in the balance sheet.

Description	Explanation
Total Instalments	One Hundred Twenty-Five Million Seven Hundred Thousand Saudi Riyals (SR. 125,700,000)
Term of Payment	29/12/1435 H. (corresponding to 24/10/2014G)
Special Conditions	<ul style="list-style-type: none"> The participation of the private capital shall not be less than (25%) of the cost of the Project, when releasing any payment of the Loan amount. There shall be presented an Industrial License specifying the actual production capacity of the Project, ownership structure, legal entity and location, prior to releasing any payment of the Loan amount. There shall be submitted a marketing plan covering export, acceptable to the officers in charge at SIDF, prior to releasing any payment of the Loan amount. No amendment shall be made in the legal entity of the Company or the shareholding without SIDF's approval. There shall be compliance with the recommendations relating to safety and protection against risks and other necessary requirements for the environmental protection, in a way acceptable to SIDF prior to releasing the final one-fifth [twenty percent (20%)] of the Loan amount. There shall be carried out an inventory of the assets of SAAF, and there shall be prepared a statement including the type, description, number and source to be signed by SAF and the Credit Consultant in charge at SIDF, prior to releasing the final one-fifth [twenty percent (20%)] of the Loan amount. During the last quarter of the year 2019G, the company submitted a request to reschedule the loan, and the company was exempted from payment during the year 2020G, and a temporary schedule was prepared for the remaining installments as follows: January 2021 Installment of: SAR11,500,000 (was be paid on January 28, 2021) May 2021, installment of:

2. Statement of the Consolidated Loan Agreement Made with the Arab Bank and other Banks, in connection with the Acquisition in the Year 2015 G:

(a) On 20/05/1436H, (corresponding to 11/03/2015G), the Company obtained an Islamic Consolidated Loan in the form of (Murabaha), compliant with the rulings of Islamic Sharia, from the following three banks:

1. The Arab National Bank (the main bank acting on behalf of the participants in the Murabaha facilities ("Arab National Bank").
2. Samba financial Group ("Samba").
3. Al Bilad Bank.

(b) The maximum limit of such facilities amounted to One Billion Three Hundred Million Saudi Riyals (SAR. 1,300,000,000). The Loan was used for the following purposes:

1. A sum of Nine Hundred Ten Million Saudi Riyals (SAR. 910,000,000) was used to finance the acquisition of Plastico (and its subsidiaries, Al Sharq Co. and New Marina Co.). The amount was divided among the banks as follows:
 - Arab Bank: A sum of Three Hundred Five Million Saudi Riyals (SAR. 305,000,000).
 - Samba: A sum of Three Hundred Five Million Saudi Riyals (SAR. 305,000,000).
 - Al Bilad Bank: A sum of Three Hundred Million Saudi Riyals (SAR. 300,000,000).

- A sum of Three Hundred Ninety Million Saudi Riyals (SAR. 390,000,000) was used to finance the working capital of the Company. The amount was divided among the banks as follows:
- Arab Bank: A sum of One Hundred Ninety-Five Million Saudi Riyals (SAR. 195,000,000).
- Samba: A sum of One Hundred Ninety-Five Million Saudi Riyals (SR. 195,000,000).

(c) Pursuant to the Murabaha Contract, Al Othman Holding Co. submitted a surety of the value of that Loan as security for the repayment of the Loan. In addition to that, the following mortgages were registered on the Group in the Kingdom at the Consolidated Center for Registration of Mortgages at the General Investment Authority, according to the following table:

Mortgages Registered at the Consolidated Center for Registration of Loans, in connection with the Consolidated Murabaha Loan

Mortgagee	Mortgagor	Mortgage Registration No.	Registration Date	Mortgage Description
Arab National Bank	Takween	487	2015/04/28G	Mortgage of Takween's Dividends Accounts pursuant to the Waiver and Dividends Mortgage Contract, dated 2015/03/11G
Arab National Bank	Takween	485	28/04/2015G	Transfer of the proceeds of the Sale Contract made between Takween and Al Othman for Agricultural Production and Manufacturing (Nada)
Arab National Bank	Takween	522	01/09/2015G	Mortgage of (33,897,600) shares owned by Takween in the share capital of Plastico Co., in accordance with the Mortgage Agreement signed on 05/05/2015G
Arab National Bank	SAAF	523	2015/09/01G	Mortgage of (342,400) shares owned by SAAF in Plastico Co., pursuant to the Mortgage Agreement, signed on 2015/05/05G
Arab National Bank	SAAF	477	2015/04/26G	Mortgage of the Dividends Accounts of SAF, pursuant to the Waiver and Dividends Mortgage Contract, dated 2015/03/11G
Arab National Bank	Al Sharq	571	2015/08/27G	Mortgage of the Dividends Accounts of Al Sharq Plastic Company, pursuant to the Waiver and Dividends Mortgage Contract, dated 2015/05/05G
Arab National Bank	Ultra Pak	486	2015/04/26G	Mortgage of the Dividends Accounts of Ultra Pak, pursuant to the Waiver and Dividends Mortgage Contract, dated 2015/03/11G
Arab National Bank	Plastico	570	2015/08/27G	Mortgage of the Dividends Accounts of Plastico, pursuant to the Waiver and Dividends Mortgage Contract, dated 2015/05/05G
Arab National Bank	Plastico	578	2015/10/20G	Transfer of the dividends of the Supply Contracts of Plastico, pursuant to the Contracts Transfer Agreement, made on 2015/05/05G

- (d) Pursuant to the Murabaha Loan, an Investment Agency Contract was signed, whereby Takween appointed the Arab National Bank as an investment agent acting on its behalf for the purchase of certain commodities in accordance with the Murabaha Contract. The Arab National Bank was also appointed as agent for Al Bilad Bank and Samba to sell the commodities.
- (e) The Contract term is seven and one-half (7.5) years, and the Loan shall be paid over twelve (12) instalments, the first of which falls due one (1) year after the signing date. The Company paid the first instalment, at a sum of Forty-Five Million Saudi Riyals (SAR. 45,000,000) in March 2016G. Under the Morabaha consolidated loan agreement, the Company undertook to comply with the following:
1. To register the loans at the Consolidated Center for Registration of Mortgages at the General Investment Authority.
 2. To notify Arab Bank of any amendments made in the Company's Bylaws and Commercial Register.
 3. To notify Arab Bank of any violation or contravention of the undertakings and confirmations agreed to by the Company under the signed contracts. In case of any violation, then the Company shall present a time plan to reinstate the situation.
 4. Al Othman Holding Company and Abdulrhman Saleh Al Rajhi and Partners Company Ltd. shall maintain at least 51% of Takween's capital.
 5. Mohammed Abdullah Al Othman, Abdullah Mohammed Al Othman and Abdul-Muhsin Mohammed Al Othman shall maintain at least 51% of the share capital of Al Othman Holding Co. (Guarantor of Takween Company).
- (f) The Company's Shareholders Ordinary General Assembly held a meeting on 10/05/1436 H. (corresponding to 01/03/2015G.), and approved such facilities. Results of the General Assembly were announced on (Tadawul) website on 11/05/1436 H. (corresponding to 02/03/2015G.).
- (g) After issuing pre-emptive rights shares, at a sum of 600 Million Saudi Riyals, the Company paid a sum of Five Hundred Eighty-One Million and Five Hundred Thousand Saudi Riyals (SAR. 581,500,000) to the creditor banks up to the end of September 2016 G., and accordingly, the Company's indebtedness was reduced by the net value of the pre-emptive rights shares.
- (h) On 05/11/2020G, Takween announced that it had signed an agreement to reschedule the remaining portion of 429.4 million riyals from the murabaha facility agreement totaling 1.3 billion Saudi riyals, which was previously signed on March 11, 2015 with a few Saudi Banks; the Arab National Bank, The Samba Financial Group and Bank Al-Bilad. The reasons for rescheduling is to improve cash flows and the Company's balance sheet. The total financing value is 1.3 billion Saudi riyals, and the rescheduled financing value is 429.4 million Saudi riyals, and the financing period before rescheduling was seven Years in semi-annual installments starting 09/11/2015 and ending on 09/11/2021. The financing period after rescheduling is five years, starting from 05/12/2024 AD and ending on 09/11/2024 AD, and the payment is made in semi-annual installments. The guarantees provided in return for rescheduling are the continuity of the existing guarantees represented in pledging the shares of the Saudi Plastic Packaging Systems Company (Savola Packaging Systems previously), the income account and the mortgage of the income account for the subsidiaries of the Takween Company and the continuity of the signed bond order, and the continuity of the legal guarantee provided by Al-Othman Holding Company, which represents the related parties. The Ordinary General Assembly of Takween on 03/01/2015G and the Board of Directors approved the rescheduling and the signing of the agreement on 05/11/2020G (Corresponding to Ramadan 18, 1441H).

28. Description of the Classes and Numbers of any Convertible Debt Instruments, Contractual Securities, Subscription Rights Memoranda or Other Similar Rights, Issued or Granted by the Company in the Fiscal Year ending on 31/12/2020G, and Statement of any Compensation Received by the Company in that Regard:

Except as disclosed by the Company, the Company did not grant or issue, in the Year 2020G, any Convertible Debt Instruments, Contractual Securities, Subscription Rights Memoranda or other similar rights, and the Company did not receive any compensation in that regard.

29. Description of any Conversion Rights, Subscription under Debt Instruments, Contractual Securities, Subscription Rights Memoranda or Similar Rights, Issued or Granted by the Company:

Except as disclosed by the Company, the Company did not grant or issue, in the Year 2020G, except as disclosed by the Company, the Company did not grant or issue, in the Year 2020G, any Convertible Debt Instruments, Contractual Securities, Subscription Rights Memoranda or other similar rights.

30. Description of any Redemption, Purchase or Cancelation by the Company of any Convertible Debt Instruments, Value of Remaining Securities, while Differentiating Between the Listed Securities Purchased by the Company and those Purchased by its Subsidiaries:

There were no recovery, purchase or cancelation operations by the Company or its subsidiaries of any convertible debt instruments in the year 2020G.

31. Number of Meetings of the Board of Directors, held in the Year 2020G, dates of Holding such Meetings, Register of Attending Members at each Meeting, and Statement of the Names of Attendants:

No.	Members of the Board of Directors	Frist Meeting 35 2020/01/22	Second Meeting 36 2020/03/23	Third Meeting 37 2020/05/03	Forth Meeting 38 2020/12/09	Attending Percentage
1.	Mr. Abdulmohsen Bin Mohammed Al-Othman	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
2.	Mr. George Antonius Abraham	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
3.	Sulaiman Bin Abdulaziz Al-Twajri	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
4.	Mr. Jameel Bin Abdullah Almolhem	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
5.	Mr. Khalid Bin Nasser Al Moammar	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
6.	Mr. Saleh Bin Hassan Al-Afaleq	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
7.	Mr. Hassan Essam Al-Qabbani	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%

It is worth mentioning that due to the Corona pandemic, the second and third meetings were held remotely via Zoom. And The first and fourth meetings were in present.

32. Number of Requests by the Company for the Shareholders Register, and Dates and Reasons for such Requests:

Number of Company's Requests for the Shareholders Register	Request Date	Request Reasons
1	21/01/2020	Holding a meeting of the General Assembly
2	08/04/2020	Company's procedures
3	03/05/2020	Holding a meeting of the General Assembly
4	07/12/2020	Company's procedures
5	23/12/2020	Company's procedures



33. Description of any Transaction between the Company and Related Parties:

Herein below is description of the transactions of related parties, where the Company is a party, and in respect of which the auditor presented a report to the 9h Meeting of the Ordinary General Assembly, held on 03/05/2020G, pursuant to the provisions of Article (71) of the Companies Law, and this was approved, and such contracts are licensed on an annual basis by the General Assembly:

Table of transactions between the Company and Related Parties – in Thousands Saudi Riyals

Contracting Party	Related Party	Nature of Transactions	Term of Contracts and Transactions	Total of Contracts	Amount paid in the year 2020	Balance as on 31/12/2020
1) Al Othman Company, for Agricultural Production and Manufacturing (Nada)	A subsidiary of Al Othman Holding Company, one of the major Shareholders of the Company.	Agreement of purchase of bottles and packing containers (annually approved by the General Assembly)	Commencement Date: 2020/01/01G Expiry Date: 2020/12/31G	64,094	66,181	99
2) Strategic Work Solutions Systems Company	A subsidiary of Al Othman Holding Co., one of the major Shareholders of the Company.	Contract for rendering technology management services and purchase of information technology equipment (annually approved by the General Assembly)	Commencement Date: 01/01/2019G Expiry Date: 2021/12/31G	6,155	4,781	3,226
3) Al Othman for Agricultural Production and Manufacturing Company (Nada)	A subsidiary of Al Othman Holding Co., one of the major Shareholders of the Company.	Agreement of employees' accommodation services related to support, general maintenance and fighting insects and reptiles (annually approved by the General Assembly)	Commencement Date: 01/01/2017G Expiry Date: 31/12/2021	3,628	397	7,534
4) Al Othman Holding Company	A major shareholder of Takween Company.	Land Lease Agreement of SAAF and Plastico two factories at Jarn (annually approved by the General Assembly)	Commencement Date: 01/04/2005G Expiry Date: 2025/02/04G	597	0	597
5) Mohammed Al Othman Travel and Tourism Agency Company	A subsidiary of Al Othman Holding Co., one of the major Shareholders of the Company.	Issuing travel tickets for the Company's use (annually approved by the General)	Commencement Date: 01/01/2016G Expiry Date: 2020/12/31G	1,318	2,238	486
6) Al Othman Holding Company	A major shareholder of the Company	Payment of the rental value of SAAF Office in China, in addition to administrative services expenses paid on behalf of Takween Company. (annually)	Commencement Date: 01/01/2020G Expiry Date: 2020/12/31G	-	-	17
7) Al Othman Industrial Marketing Company (IMCO)	A subsidiary of Al Othman Holding Co., one of the major Shareholders of the Company.	Supply of industrial accessories and sales of plastic products from Takween (annually approved by the General Assembly)	Commencement Date: 2020/01/01G Contract Ended on: 2020/12/31G	19,6	231.8	0

Contracting Party	Related Party	Nature of Transactions	Term of Contracts and Transactions	Total of Contracts	Amount paid in the year 2020	Balance as on 31/12/2020
8) Environment Cleaning Technologies for Environmental Consultancies and Studies Company	A subsidiary of Al Othman Holding Co., one of the major Shareholders of the Company	Issuing a report on the environmental conditions in order to complete the procedures for obtaining an Environmental License for the Company's factories (annually approved by the General Assembly)	Commencement Date: 31/05/2016G Expiry Date: 30/06/2020G	180,5	180,5	-
9) Al Othman Holding Company	A major shareholder of the Company	Lease Contract of the head office of Takween Company, Al Othman Tower, and maintenance expenses (annually approved by the General Assembly)	Commencement Date: 01/03/2020G Expiry Date: 28/02/2020G	1,106	1,121	33.4
10) Kempinski Al Othman Hotel	A subsidiary of Al Othman Holding Co., one of the major Shareholders of the Company.	Accommodation of the Company's guests and holding events (annually approved by the General Assembly)	Commencement Date: 01/05/2020G Expiry Date: 30/04/2021G	95	99,5	8,08
11) Mohamed Abdullah Al Othman Contracting company	A Company owned by the Chairman of Board of the Directors, a major shareholder (Al Othman Holding Co.), based on a competitive price of the Company, determined for each purchase order	Undertaking construction and decoration works for the Company's factories, under specific purchase orders, and after obtaining competitive quotations (annually approved by the General Assembly)	Commencement Date: 2019/05/01G Expiry Date: 2020/04/30G	22,08	37,8	-
12) Gulf Desert Chemical	A company in which a major shareholder contributes (Al-Othman Holding Company)	Supplying chemicals to the company's factories	Commencement Date: 01/01/2020G Expiry Date: 31/12/2020G	1,350	1,872	-
13) Saudi United Cooperative Assurance Company - (Walaa)	Two members of the Board of Directors of Takween Company are members of the Board of Directors of Walaa Company, namely (Dr. Solaiman Al-Tuwaijri and Professor / Jamil Al-Melhem)	Medical insurance for the employees of Takween during the year 2021	Date of the contract Start: 2020/12/30G Contract Expiry Date: 2021/12/29G	3,370	970	2,400
14) Al-Ahsa Company for medical services	A company in which a major shareholder contributes (Al-Othman Holding Company & AMSC Chairman same takween Chairman	Medical Inspection for new labor	Date: 01/01/2020G Expiry Date: 31/12/2020G	35,41	42,25	2,03
15) Nadec	a member of the Board of Directors of Takween namely (Dr. Sulaiman Al-Tuwaijri)	Agreement of purchase of bottles and packing containers (annually approved by the General Assembly)	Date: 01/01/2020G Expiry Date: 31/12/2020G	32,896	35,135	11,328

It should be noted that such dealings and contracts with related parties have no material negative impacts on the Company's profits. The Company further affirms that, as on the date of this Report, there are no agreements or dealings that have taken place in the year 2020G, with related parties, and which are not stated in this Report and that there are no discussions or negotiations with related parties with regard to new or potential agreements or dealings that are not stated in this Report. The Company has no intention to cancel or amend the agreements or dealings which shall be existent with related parties in the year 2021G. The Company and the members of the Board of Directors affirm that all the dealings with related parties have been conducted on regular and legal basis, and on commercial principles, and that no related party has been awarded any dealing on a preference basis. It should be noted that all dealings and contracts between the Company and related parties were brought for approval at the General Assembly held on 03/05/2020G, and further the Company complied with the provisions of Articles from (42) to (49) of the companies Corporate Governance, in respect of the conflict of interest. Furthermore, the Company list the item of contracts and dealings with related parties as an item of the agenda of the General Assembly on annual basis for voting thereon.



34. Information on any Transactions or Contracts where the Company is a Party, and in which there is, or was, an Interest of One of the Members of the Board of Directors of the Company, Senior Executives or any Person Related to any of them, including the Names of those Concerned with the Transactions or Contracts, Nature of such Transactions or Contracts and the Conditions, Terms and Amounts thereof:

The Company concluded a set of contracts and transactions with parties, where there was an interest for some of the members of the Board of Directors. Herein below is the table showing the value of such transactions and total values of such contracts signed between the Company and such parties:

Transactions of Interested Members of the Board of Directors and Senior Executives – in Thousands Saudi Riyals

Contracting/ Related Party	Transaction or Contract Conditions	Nature of Transaction or Contract	Term of Transaction or Contract	Amount of Transaction or Contract	Name of Board Member/Chief Executive (Interested Party)
1) Al Othman Co. for Agricultural Production and Manufacturing (Nada) A subsidiary of a major investor	Contracting Party shall purchase bottles and packing containers from Takween (annually approved by the General Assembly)	Agreement of purchase of bottles and packing containers	Commencement Date: 2020/01/01G Expiry Date: 2020/12/31G	64,094	Abdulmohsen bin Mohammed Al-Othman Chairman of the Board
2) Strategic Work Solutions Systems Company, a subsidiary of a major investor	The contracting party renders all technical services and computer supply and maintenance (annually approved by the General Assembly)	A contract for the provision of technology management services and the supply of computers	Commencement Date: 01/01/2019G Expiry Date: 31/12/2021G	6,155	Abdulmohsen bin Mohammed Al-Othman Chairman of the Board
3) Al Othman for Agricultural Production and Manufacturing Company (Nada), a subsidiary of a major investor	The contracting party renders services of providing accommodation for employees and services related to support, general maintenance and fighting insects and reptiles for the Company's factories (annually approved by the General Assembly)	Agreement of employees' accommodation, services related to support, general maintenance and fighting insects and reptiles	Commencement Date: 01/01/2017G Expiry Date: 31/12/2021G	3,628	Abdulmohsen bin Mohammed Al-Othman Chairman of the Board
4) Al Othman Holding Company a subsidiary of a major investor	Land Lease Contract, within the boundaries owned by Al Othman Holding Co. at Al Jarn, Al Ahsa, for the Plastic Factory Co. and SAF Factory (annually approved by the General Assembly)	Land lease agreement of the Factory of Saudi Plastic Co, for Packing Systems and the Factory of SAAF Company at Al Jarn	Commencement Date: 01/04/2005G Expiry Date: 04/02/2025G	597	Abdulmohsen bin Mohammed Al-Othman Chairman of the Board

Contracting/ Related Party	Transaction or Contract Conditions	Nature of Transaction or Contract	Term of Transaction or Contract	Amount of Transaction or Contract	Name of Board Member/Chief Executive (Interested Party)
5) Mohammed Al Othman for Travel and Tourism Agency company a subsidiary of a major investor	The Agency provides services related to the issue of travel tickets and reservations, whether for the Company's employees or its guests, and the prices are matched at the time of requesting the service	A transaction for issuing travel tickets for the use of the companies and individuals	Commencement Date: 2016/01/01G Expiry Date: 2020/12/31G	1,318	Abdulmohsen bin Mohammed Al-Othman Chairman of the Board
6) Al Othman Holding company one of the major investors	There is a joint office in China for the works of Al Othman Company and of SAAF Company, provided that such office carries out its activities through the employees of SAAF in China (annually approved by the General Assembly)	Payment of the rental value of SAAF Office in China, in addition to administrative services expenses	Commencement Date: 01/01/2020G Expiry Date: 31/12/2020G	6,155	Abdulmohsen bin Mohammed Al-Othman Chairman of the Board
7) Al Othman Industrial Marketing company (IMCO) a subsidiary of a major investor	Providing the requirements of the Company's factories, of pipes and steal accessorise, based on purchase orders, on demand, after matching the prices of materials at the time of ordering (annually approved by the General Assembly)	Supply of industrial accessorises	Commencement Date: 01/01/2020G Contract Ended on: 31/12/2020	19,6	Abdulmohsen bin Mohammed Al-Othman Chairman of the Board
8) Environment Cleaning Technologies Co. for Environmental Consultancies and Studies, a subsidiary of a major investor	Preparing studies and ensuring the application of specifications in accordance with the environmental conditions, including obtaining the Environmental Licenses (annually approved by the General Assembly)	Issuing a report on the environmental conditions in order to complete the procedures for obtaining an Environmental License	Commencement Date: 31/05/2016G Expiry Date: 30/06/2020G	180,5	Abdulmohsen bin Mohammed Al-Othman Chairman of the Board
9) Al Othman Holding Company a major Shareholder	Takween takes on lease a complete floor at Al Othman Tower, Al Khobar, in accordance with the market-prevailing prices, including maintenance (annually approved by the General Assembly)	Lease Contract of the head office of Takween, Al Othman Tower	Commencement Date: 2020/03/01G Expiry Date: 2021/02/28G	1,106	Abdulmohsen bin Mohammed Al-Othman Chairman of the Board
10) Kempinski Al Othman Hotel, a subsidiary of a major investor	Accommodation of the Company's guests and holding events, based on a competitive special price for the Company in consideration of rooms and services (annually approved by the General Assembly)	Contract for Rendering Hotel Services and Holding Conferences	Commencement Date: 2020/05/01G Expiry Date: 2021/04/30G	95	Abdulmohsen bin Mohammed Al-Othman Chairman of the Board
11) Mohamed Abdullah Al Othman Contracting Company, a company owned by the Chairman of the Board of the Directors of a major Shareholder (Al Othman Holding Company)	Undertaking construction and decoration works for the Company's factories, under specific purchase orders, and after obtaining competitive quotations (annually approved by the General Assembly)	A contract providing for issuing purchase orders based on competitive quotations of the Company, to be fixed for each purchase order	Commencement Date: 2019/05/01G Expiry Date: 2020/04/30G	22,08	Abdulmohsen bin Mohammed Al-Othman Chairman of the Board

Contracting/ Related Party	Transaction or Contract Conditions	Nature of Transaction or Contract	Term of Transaction or Contract	Amount of Transaction or Contract	Name of Board Member/Chief Executive (Interested Party)
12) Gulf Desert Chemical, A Company which a major shareholder invests in (Al Othman Holding Company)	Supplying chemicals to the company's factories	Supplying chemicals to the company's factories	Commencement Date: 01/01/2020G Expiry Date: 31/12/2020G	1,350	Abdulmohsen bin Mohammed Al-Othman Chairman of Board
13) Saudi United Cooperative Assurance Company - (Walaa).	Two Board of Directors of Takween are board member of Walaa (Dr. Solaiman Bin Abdulaziz Al-Twajiri and Mr. Jamil Al-Melhem).	Medical insurance for the employees of Takween	Date of the contract Start: 31/12/2020G Contract Expiry Date: 29/12/2021G	3,370	Dr. Solaiman Bin Abdulaziz Al-Twajiri Vice Chairman of the Board Jamil Abdullah Al-Melhem Managing Director
14) Al-Ahsa Company for medical services	A company in which a major shareholder contributes (Al-Othman Holding Company & AMSC Chairman same takween Chairman	Medical Inspection for new labor	Date: 01/01/2020G Expiry Date: 31/12/2020G	35,41	Abdulmohsen Mohammed Al-Othman Board Chairman
15) Nadec	a member of the Board of Directors of Takween namely (Dr. Sulaiman Al-Tuwajiri)	Agreement of purchase of bottles and packing containers (annually approved by the General Assembly)	Date: 01/01/2020G Expiry Date: 31/12/2020G	32,896	Dr. Sulaiman Al-Twajiri Deputy Chairman

Other than the forgoing, at the time being there are no commercial transactions with any members of the Board of Directors or the Company's Executives Officers nor are they any person owning a share of 5% or more of the Company's shares, and also there are no relatives of the Board member or the Executive Officers who own a direct or indirect interest of any such transactions. There are no powers granting any of them the right to vote on such transactions. Under the provisions of Articles (71 and 72) of Companies Law, and in line with the policy of disclosure of any conflict of interest, adopted by the Company in connection with regulating the relationship between the Company, its members of the Board of Directors and Senior Executives, as clarified under Article (7) of the conflict of interest charter and the policy approved by Takween, the members of the Board of Directors (related parties) notified the Board of any personal interest they have in the dealings carried out for the Company's account. Such notifications were recorded in the Minutes of Meeting of the Board of Directors No. (35), which meeting was held on 22/03/2021G.

35. Statement of any Arrangements or Wavier Agreement under which a Member of the Board of Directors or One of the Chief Executive Officers Waived his Salaries or Remunerations:

1. Article (20) of the Company's Bylaws provides for the following:
"Members of the Board of Directors, shall receive, for their services, a lump sum fixed at Two Hundred Thousand Saudi Riyals (SAR. 200,000) for each member for any given Fiscal Year, provided that such compensation shall be payable in proportion to the number of Board meetings attended by the member...."
2. And based on the powers granted to the Board of Directors under the policy of remuneration of the Board members and committees, and the executive management approved by the General Assembly of the Company on 01/21/2020G, the Board decided in its meeting held on 03/22/2021G to approve the payment of a periodic reward for the year 2020G in the amount of one hundred and twenty-five thousand riyals (SAR.125,000) for each member out of the determined amount of two hundred thousand riyals (SAR. 200,000).
3. During the year 2020, and the home quarantine period due to the spread of the Covid 19, the Managing Director of the Board has waived a part of his remunerations. The total amount waived is (SAR. 540,000), along with the amount of (SAR450,000) of his contractual bonus.
4. During the year 2020, and during the home quarantine period due to the spread of the Covid 19, a number of employees have waived the transportation allowance due to them, and the total amount waived was (SAR556.000).

36. Statement of any Arrangements or Wavier Agreement under which a Shareholder of the Company waived his/her Right in the Profits:

There are no arrangements or waivers agreement in the year2020G.

37. Statement of the Value of Regular Payments made and due for the Settlement of any Zakat, Taxes, Charges or any Other Dues which are not Paid as at the end of the Annual Financial Period, in addition to a Brief Description thereof and the Reasons Therefor:

There are no arrangements or waiver agreements in 2020.

Statement	2020G		Brief Description	Statement of the Reasons
	Paid	Amount due up to 31/12/2020		Statement of the Reasons
Zakat	-	-	No due Zakat	There is no Zakat due for the financial results realized in the Year 2020.
Tax	1,939,705	-	Value Added Tax	Withholding Tax for the Year 2020.
General Organization for Social Insurances	7,032,316	847,553	Employees' subscriptions in the social insurances	Pension and vocational risks for the Year 2020.
Visas and Passports Charges	148,128	-	Recruitment/visas/transfer of sponsorship	Governmental Charges
Labor Office Charges	2,069,481	-	Consolidated Bill and Charges for Employees	Governmental Charges
Saudi Capital Market–Tadawul	174,443	-	Charges for keeping the Shareholders Register	Services charges under the Saudi Market Regulations
Saudi Industrial Development Fund (SIDF)	573,000	-	Payment of Instalments of Loans and Follow- Up Charges	Dues arising from the Fund' Loan
Saudi Customs	6,669,041	-	Payment of custom duties	Charges imposed on import

38. Statement of the Value of any Investments or Reserves Established for the Benefit of the Company's Employees:

There are no investments or reserves established for the benefit of the employees in the Year 2020G.

39. Company's Declarations::

The Board of Directors of Takween Advanced Industries Co. declares as follows:

- (a) The Accounts Records have been properly prepared.
- (b) The Internal Control System has been prepared on proper basis and implemented effectively.
- (c) There is no doubt whatsoever as to the ability of the Issuer to continue its activity.

40. The Auditor's Report did not include any reservations nor notes as to the Annual Financial Statements for the Facial Year, ending on 31/12/2020 G:

The Auditor's Report did not include any reservations nor notes as to the Annual Financial Statements for the Facial Year, ending on 31/12/2020G. However, the Report has noted the following:

"we drew attention to note No. (8) about the consolidated financial statements indicating that the management has carried out an assessment of the annual goodwill decline of 323.58 million Saudi riyals as on December 31, 2020. The evaluation that is reviewed by an independent party to demonstrate the reasonableness of the methodology used by management. This evaluation includes assumptions about future sales volume, prices, operating assets, growth rates, terminal value growth rates, and other relevant factors. The outcome of these assumptions is fundamentally dependent on the success of the group's future operations and market conditions in accordance with management's estimates and the realization of its plans for the future. Management considers these assumptions realistic and achievable in light of the operating plan and is confident of its ability to realize these future plans. Management believes that the carrying value of its cash-generating assets including goodwill will not exceed its recoverable amount. Consequently, no impairment was recorded in the goodwill as at December 31, 2020G.

41. There is no recommendation by the Board of Directors to replace the Auditor prior to the expiry of the term of its assignment:

There is no recommendation by the Board of Directors to replace the Auditor prior to the expiry of the term of its assignment.

In Conclusion:

The Board of Directors would like to extend its thanks and appreciation to the Custodian of the Two Holy Mosques and The Crown Prince, our Prudent Government and all of the States Departments which affectively contribute to the economic development of our beloved Kingdom, through the support of the manufacturing industrial projects, one of which is Takween Advanced Industrial Company.

The Board of Directors would like also to express its thanks to all the Shareholders of the Company and the investors in it for the trust and confidence they put in us for the service of the Company, also our thanks are for all the officers and employees at the Company for the sincere efforts they exerted in performing their tasks and duties.

God bless!