



الشركة الوطنية لتصنيع وسبك المعادن  
National Metal Manufacturing & Casting Co.

# 2023

Board of Directors Report



خَادِمُ الْحَرَمَيْنِ الشَّرِيفَيْنِ

الْمَلِكِ وَسَيِّدِ الْمَلِكِ بْنِ عَبْدِ الْعَزِيزِ السَّعُودِي



صَاحِبِ السَّمَوَاتِ الْمَلِكِي الْأَمِيرِ

مُحَمَّدُ بْنُ سَيِّدِ الْمَلِكِ بْنِ عَبْدِ الْعَزِيزِ السَّعُودِي

وَلِيَّ الْعَهْدِ رَئِيسَ مَجْلِسِ الْوُزَرَاءِ





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# معدنيه MAADANIYAH



الشركة الوطنية لتصنيع وسبك المعادن  
National Metal Manufacturing & Casting Co.



Maadaniyah

## M/S. Shareholders of the National Metal Manufacturing and Casting Co. (Maadaniyah)

The Board of Directors of the National Metal Manufacturing and Casting Co. is pleased to submit to the shareholders of the Company its annual report on the work and performance of the Company for the fiscal year ended on 31/12/2023G, accompanied by the audited financial statements and the accompanying notes and the auditors' report for the fiscal year ended on 31/12/2023G.

**The Company's capital is SAR 354 million and the number of shares is 35.4 million shares.**



Maadaniyah

## Vision, mission and values

### Company Vision:

To be a pioneer in our industrial field and achieve competitive efficiency, continuous growth, leadership in the local market and presence in international markets.

### Company Mission:

Adhering to professional best practices, providing integrated products and services that achieve the satisfaction of our customers, and achieving the desired results for stakeholders.

### Company Value:

Applying best professional practices, adhering to governance, working to protect the interests of partners, including shareholders, regulators and employees, and maintaining an appropriate work environment.



Maadaniyah



### Chairman's Statement Eng. Mutlaq bin Hamad Al-Murished

I extend my deepest thanks and gratitude to the shareholders of the National Company for Manufacturing and Casting of Metals "Ma'adeniya" for their confidence in the company's performance, which contributes to its development and progress and strengthens its role in serving the national economy. I also express my thanks and appreciation to the company's management and employees for their outstanding efforts, dedication, commitment, and role in enhancing the company's path to success.

"Ma'adeniya" has worked on attracting more national talents by employing and training Saudi youth and enhancing Saudization programs. The company's results have shown a noticeable improvement during the year 2023, as it managed to reduce its losses compared to 2022, and it will continue to improve overall sales and reduce accumulated losses. It aims to expand the sales of its products domestically and internationally, enhance its competitiveness by improving the quality of its products, developing its after-sales services, and offering competitive prices.

The company has started establishing a factory for the production of special valves for the petroleum, gas, and petrochemical industries, a project that is 100% owned by the company, and is being established in King Salman Energy City in the Eastern Region. It will also begin constructing a specialized aluminum casting factory in partnership with IGL in the Second Industrial City of Dammam.

In conclusion, we renew our commitment to applying the best professional and industrial practices, adhering to governance, working to protect the interests of partners, and achieving the best for our shareholders, employees, contractors, and the community at large. I pray to God to maintain the blessings of security, stability, and prosperity in our country under the wise leadership of the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and his trustworthy Crown Prince, His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud - may God preserve them.



Maadaniyah



### Vice Chairman and CEO's Statement Eng. Shaker bin Nafel Al-Otaibi

Ma'adeniya was established over 30 years ago and has progressed and expanded based on clear and robust strategic plans, under a highly skilled board of directors, reaching global markets. Its factories and companies have become leaders locally and internationally in the industry due to their high-quality products with international specifications and local and international quality accreditations.

Despite all the economic challenges and crises that have occurred over the past years, with the continuous support of our wise government, the company has maintained its local and global position. Its specialized factory in the production of drawn wires is one of the largest manufacturers of drawn wires in the world. The Arab Axles Company, specialized in the production of trailer and truck axles of various sizes and shapes, is the only complete manufacturer in the Middle East in this field. Furthermore, the foundries and axles and spare parts factory is a leader in the metal castings industry.

The company persists with determination in its strong strategic plans to expand and diversify its activities. It has endeavored to establish other specialized factories in aluminum casting and in the production of valves for the oil, gas, energy, petrochemical, and water sectors, whose products we will soon see in the markets.

All this effort and perseverance, thanks to the facilities and initiatives introduced by the governmental bodies, the trust of the company's clients and suppliers, and the efforts of all the company's employees and its board of directors. The company will continue its serious journey to achieve its plans and objectives and to improve its financial performance.

We thank all the shareholders, suppliers, and contractors of the company for their trust in the company, and we thank our wise government, led by my lord and master, the Custodian of the Two Holy Mosques, and the trustworthy Crown Prince, for the attention and development that the Saudi industry is witnessing.

# 01

## Company Activity



الشركة الوطنية لتصنيع وسبك المعادن  
National Metal Manufacturing & Casting Co.



## 01. Company Activity

The National Metal Manufacturing and Casting Co. (Maadaniyah) was established pursuant to Ministerial Resolution No. (253) dated 13 Rabi 'Al-Awwal 1411H corresponding to 2 October 1990G, and was registered as a Saudi joint stock company under Commercial Register No. (2055002251) dated 16 Jumada Al-Awwal 1411H (3 December 1990G) issued in Jubail. The Company is engaged in the production and marketing of braided wires for pre-tensioned concrete, spring wires, reinforcing wires for cables, reinforcing wires for carrying electrical conductors, welding wires, various screws and nuts, reinforced

steel screws and screws of various shapes through the wire drawing factory and its products (wires) in Jubail Industrial City under industrial license No. (412) issued on 4/11/1405H.

The Company also owns two other factories in the Second Industrial Zone in Dammam under industrial license No. (360) issued on 29/10/1403H in the name of the factory of axles, foundries and spare parts – the first factory specializes in the production and marketing of axles and spare parts for trailers and trucks (trailers), and the second factory specializes in the production of all metal castings.

The following table shows the impact of each activity on the Company's business volume and sales:

**Note: Value in Thousand Riyals**

No.	Activity	2023	Percentage	2022	Percentage
1	Retracted wires and their products	123.282	54%	157.941	61%
2	Axles, Foundries and Spare Parts	106.040	46%	99.690	39%
	<b>Total</b>	<b>229.322</b>	<b>100%</b>	<b>257.631</b>	<b>100%</b>



# 02

## Future Plans and Risks



الشركة الوطنية لتصنيع وسبك المعادن  
National Metal Manufacturing & Casting Co.



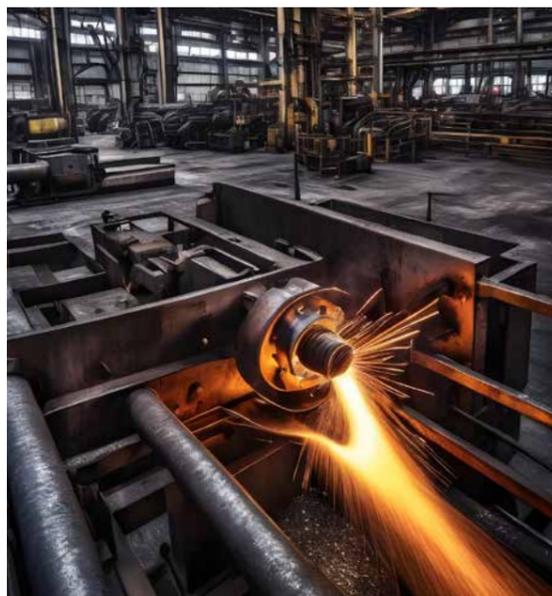
## 02. Future Plans and Risks

### Plans and Achievements:

1. The Company achieved sales of SAR (229) million, a decrease of about 11% from the sales of the previous year, due to the decrease in the average selling prices of drawn wire products and the decrease in sales in some export markets. Details of sales achieved by markets are contained in the item of geographical analysis of revenues.
2. The Company expects improved results during 2024 as a result of the expected improvement in demand for the Company's products in the local and export markets based on the projects announced in the budget of the Kingdom of Saudi Arabia and the indicators of demand growth in the target export markets.
3. Iron wire rolls represent the basic raw material for the main products and represent a large percentage of the cost. The Company works to reduce the effects of fluctuations in iron prices by carefully following prices, issuing purchase orders and fixing prices at the appropriate times, as well as making effective programs and plans to reduce other costs.
4. One of the Company's plans is to establish a factory for the production of special valves for the oil, gas and petrochemical sector, 100% owned by the Company, in King Salman Energy City in the Eastern Province. All the initial procedures for the establishment of the factory have been completed and the commercial registration of the project has been made in the name of Bas Gulf Industry Company. The construction contractor has also been contracted and purchase orders for machinery, equipment and

work is underway according to the plan. The Company expects to implement and install the factory by the end of the year 2024G. The factory enters into commercial production and sales at the beginning of 2025G. The cost of the project is about SAR 125 million. Funding is made from the Company's sources, the Industrial Development Fund and commercial banks. Specialized valves are considered a vertical expansion of the Company's products as they are homogeneous with the Company's current products and are characterized by the following:

- A. Products with high profit margins compared to the profit margins of wire drawn products.
- B. There is difficulty in getting into this area which reduces the potential influence of local competitors.
- C. The possibility of expanding vertically and horizontally by adding other types of valves according to market demand.



- D. The factory will provide products to the local market as an alternative to import.
5. Work is still underway to establish the Saudi Automotive Company, which specializes in the automotive industry and its parts. The Memorandum of Association was signed with the Saudi National Automotive Company (Sanam), and land was allocated for the establishment of the project in Jubail Industrial City, and the Company's contribution is 10% of the capital, where construction work began.
- 6- The commercial registration of a factory specialized in aluminum casting was issued under the name (Fair National Casting Company), the project is a partnership with IGL

7. The Company will continue to work on increasing its market share in key products through available production capacity, maintaining quality and enhancing after-sales services.
8. The Company will continue its plans to seek feasible industrial investment opportunities as well as the possibility of increasing the production capacity of its existing products.
9. The Company works to recruit and train Saudi youth, promote Saudization programs, and provide a suitable work environment to enhance job stability.





## Risks

### 1 Risks of raw materials:

Raw materials represent a large percentage of the cost components of the Company's products, and therefore, may expose the Company to the risks of fluctuations and swings in the prices of the main raw materials. To reduce these risks, the Company works hard to reduce their effects by carefully monitoring and following up on the fluctuations in iron prices in local and global markets.

### 2 Benefit Risks:

Electricity and water are components of the cost of production, and the increase in energy prices is one of the factors that affect the Company's ability to compete in foreign markets.

### 3 Marketing Risks:

The Company markets its products in the local market and neighboring markets. Due to the global economic conditions and the low demand in the markets of some major countries, it is expected that the target markets will witness intense competition from global producers. The Company is working to reduce its effects on the following:

- (a) Paying attention to the quality of the product.
- (b) Providing after-sales services.
- (c) Maintaining customers by providing appropriate prices and services.

### 4 Credit Risks:

It is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to fulfill its contractual obligations, arising primarily from the Group's receivables from customers. The Company has implemented procedures to manage credit risk exposure, including assessing creditworthiness, formal credit approvals, setting credit limits, monitoring existing accounts receivable, maintaining a detailed debt aging statement for receivables, and ensuring close follow-up. The Group measures the loss allowance for trade receivables at an amount equal to the lifetime expected credit loss. Expected credit losses are estimated on a collective basis on trade receivables using a provision matrix by reference to historical loss rates and adjusted for general economic conditions of the industry in which the debtors operate and assessing both the current trend as well as the expected trend of conditions at the reporting date based on management's best estimate. For details, please review Note No. 33 in the consolidated financial statements.



### 5 Risks of Other Financial Assets:

This item mainly includes deposits with banks and other receivables. The credit risk arising from these financial assets is limited. Recognized banks and financial institutions have high credit ratings awarded by international credit rating agencies.

### 6 Liquidity Risks:

Difficulties that the Group may face in providing cash to meet its obligations related to financial requirements that are settled by delivering cash or another financial asset. The Company's approach to liquidity management is to ensure as much as possible that it always has sufficient liquidity to meet its obligations when due in normal and difficult circumstances without incurring unacceptable losses or risking damage to the Company's reputation. The Company confirms that it has sufficient cash on demand to cover anticipated operating expenses, including servicing of financial obligations, excluding potential impact from extremely difficult circumstances that cannot be reasonably predicted and force majeure events such as natural disasters.

### 7 Market Risks:

Market risk is the risk related to changes in market prices, such as interest rates and foreign exchange rates, that could affect the Group's income or the value of its holdings of financial instruments. The goal of market risk management is to manage and control market risk exposure through acceptable transactions, while optimizing returns.

### 8 Currency Risks:

The Company's exposure to currency risk is insignificant because most transactions are denominated in the US dollar, which is historically linked to the Saudi riyal. With respect to other monetary assets and liabilities listed in foreign currencies, the Company confirms that its net exposure will remain at an acceptable level by buying or selling foreign currencies at spot prices when necessary to address short-term imbalances.

### 9 Interest Rate Risk:

Interest rate risk is the risk that the fair value of financial instruments or their associated cash flows will fluctuate due to changes in market commission rates. The Group does not have any significant interest-bearing assets as of 31 December 2022. The term deposits are at a fixed rate and are therefore not subject to interest rate risk. However, the Group's liabilities are subject to commission/ interest rate risks and the Group continues to monitor its exposure to those risks.

### 10 Capital Management:

The Company's objectives when managing capital are to protect the Group's ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits, and to maintain an optimal capital structure to minimize the cost of capital. To maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or obtain/ repay financing from/ to financial institutions. In line with others in the industry, the Group manages capital risk by monitoring debt and liquid asset levels, taking into account shareholder expectations.

# 03

The assets and liabilities of the Company and the results of its business for the last five fiscal years



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The assets and liabilities of the Company and the results of its business for the last five fiscal years

### 03. The assets and liabilities of the Company and the results of its business for the last five fiscal years

#### (A) Assets, liabilities and shareholders' equity

Thousand Riyals

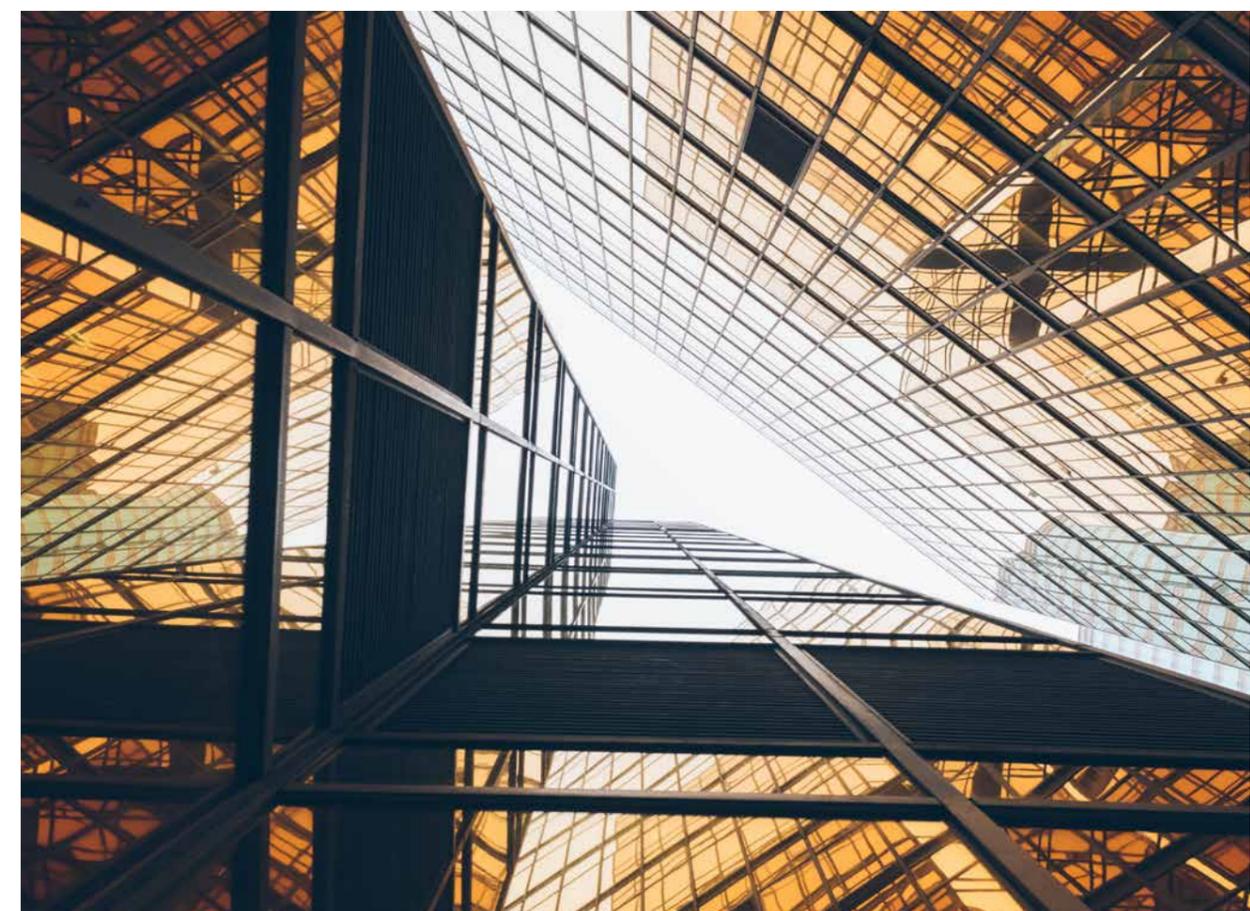
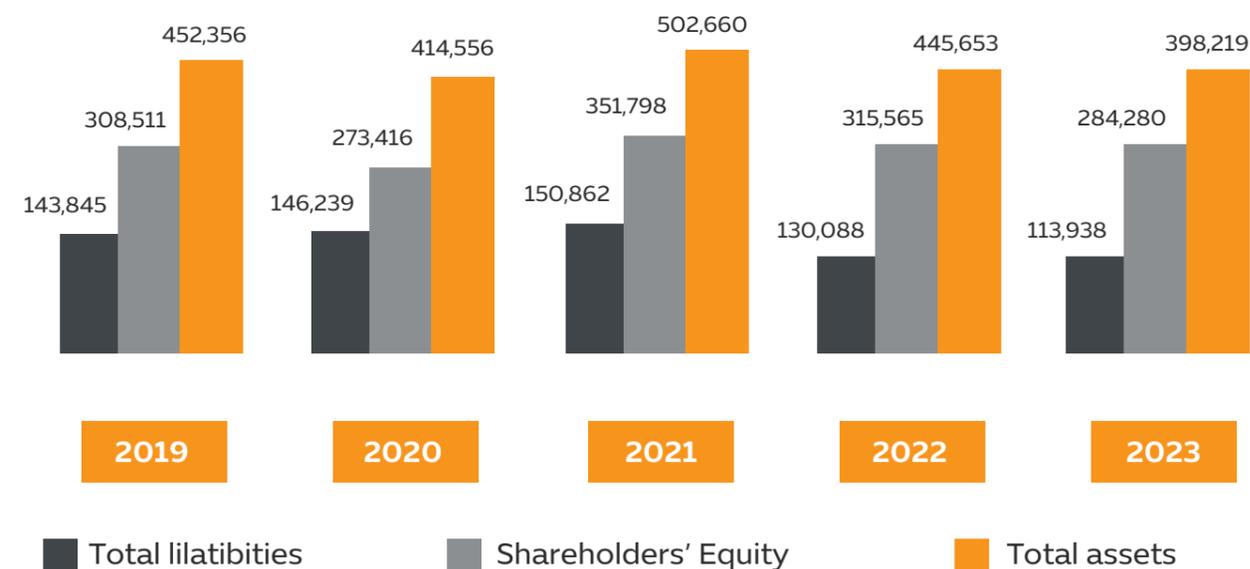
Statement	2023G	2022G	2021G	2020G	2019G
<b>Fixed Assets</b>	161,790	156,252	167,357	180,169	186,338
<b>Other long-term assets</b>	33,136	18,743	8,010	10,642	13,274
<b>Current Assets</b>	203,293	270,658	327,293	223,745	252,744
<b>Total Assets</b>	398,219	445,653	502,660	414,556	452,356
<b>Paid up Capital</b>	354,000	354,000	354,000	281,121	281,121
<b>Reserves</b>	27,173	27,173	27,173	27,173	27,173
<b>Accumulated profit (loss)</b>	(96,893)	(65,608)	(29,375)	(40,157)	217
<b>Shareholders' equity</b>	284,280	315,565	351,798	268,137	308,511
<b>Long-term loans</b>	4,522	11,619	16,815	47,167	53,324
<b>Other Liabilities</b>	41,293	33,846	37,079	31,573	30,900
<b>Current liabilities</b>	68,124	84,632	96,968	67,679	59,621
<b>Total Liabilities</b>	113,939	130,088	150,862	146,419	143,845
<b>Total liabilities and shareholders' equity</b>	398,219	445,635	502,660	414,556	452,356



The assets and liabilities of the Company and the results of its business for the last five fiscal years

#### Graph of total assets, liabilities and shareholders' equity:

Thousand Riyals

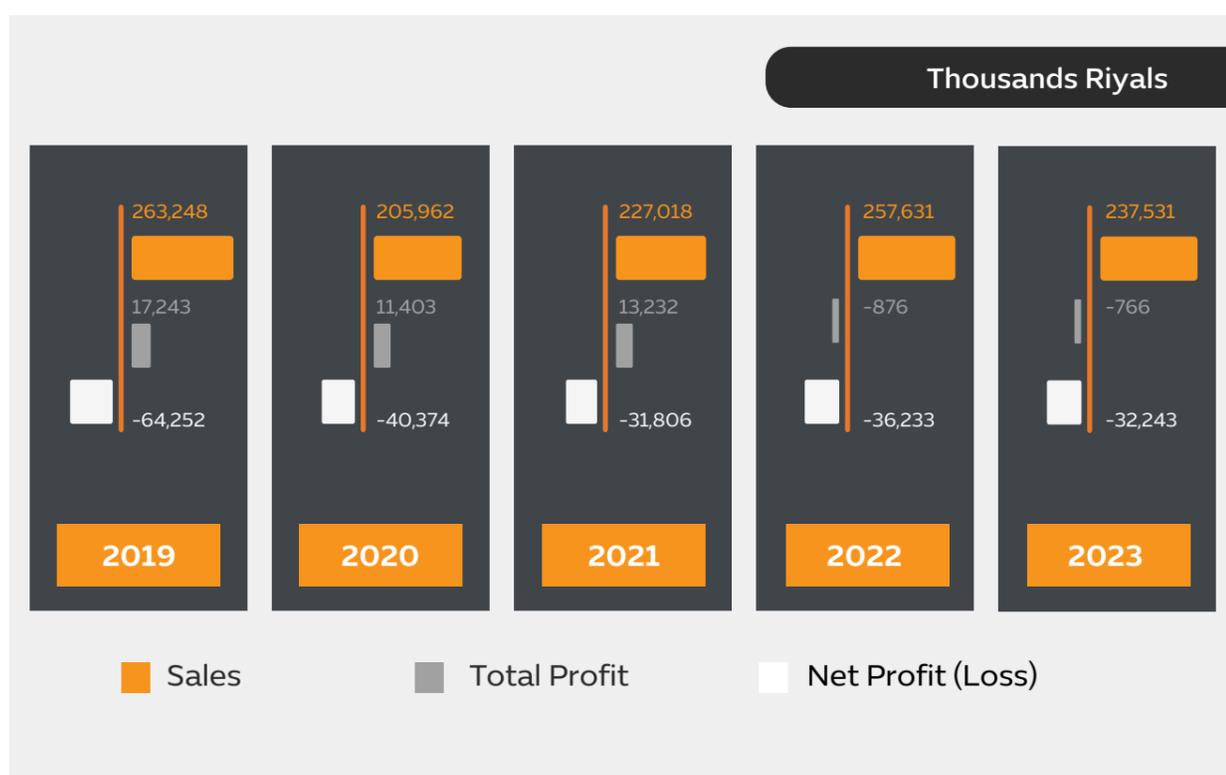


The assets and liabilities of the Company and the results of its business for the last five fiscal years

## (B) Income Statement Items

Statement	Thousand Riyals				
	2023G	2022G	2021G	2020G	2019G
Sales	229,322	257,361	227,018	205,962	263,248
Cost of Sales	(223,667)	(258,507)	(213,786)	(203,960)	246,005
Gross Profit (Loss)	5,655	(876)	13,232	2,002	17,243
Administrative and Marketing Expenses	32,697	35,222	31,078	31,565	33,049
(Expenses) Other Income – Net	800	5,172	(9,637)	(5,132)	(2,874)
Impairment of goodwill	00	00	00	00	40,085
Zakat	5,184	5,307	4,323	5,679	5,491
Net (Losses)	(31,426)	(36,233)	(31,806)	(40,374)	(64,256)

Graph showing sales, gross profit and net profit (loss): (value in thousand riyals)



The assets and liabilities of the Company and the results of its business for the last five fiscal years



# 04

## Geographical analysis of the total revenues of the Company



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National Metal Manufacturing & Casting Co.

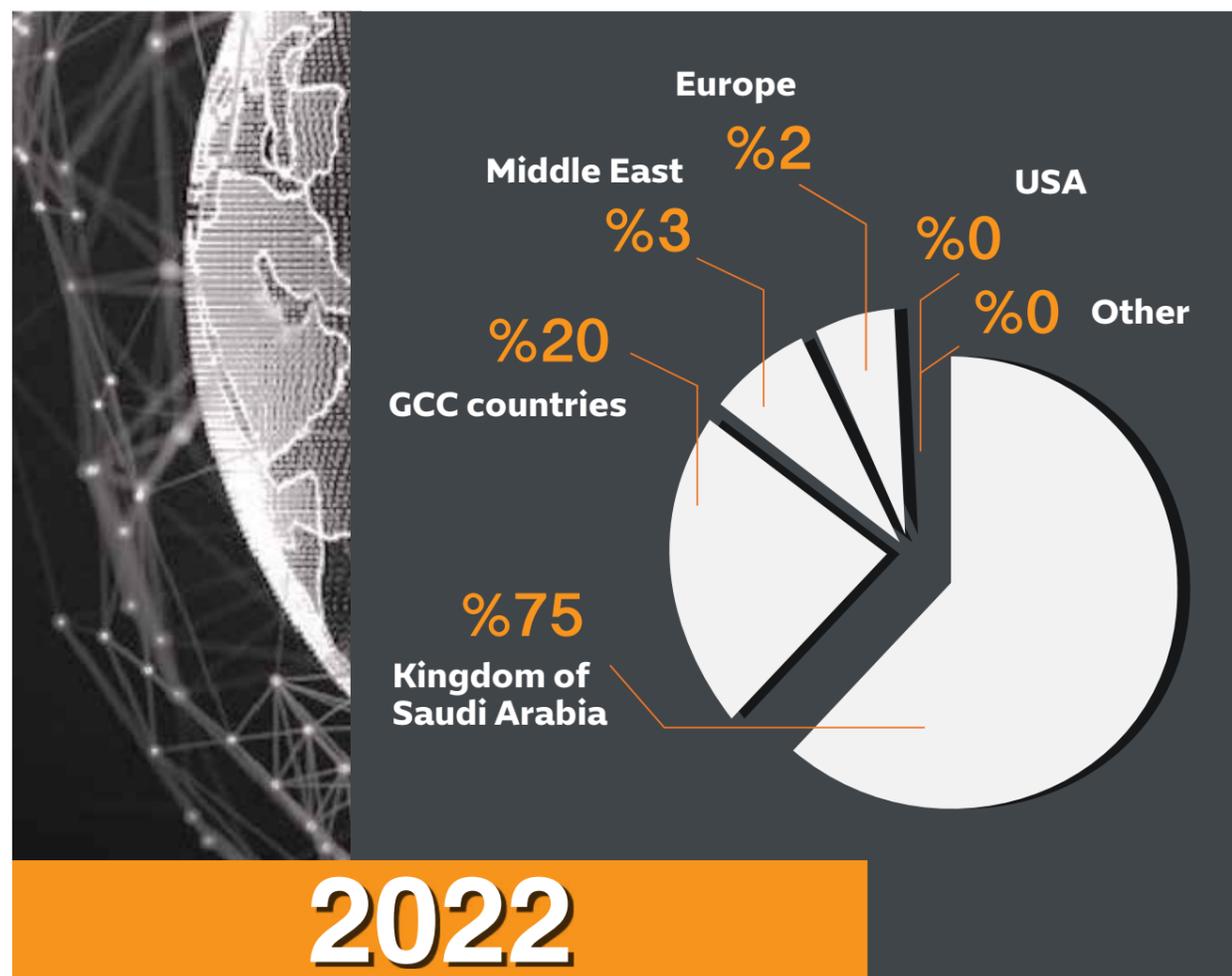
Geographical analysis of the total revenues of the Company

### 04. Geographical analysis of the total revenues of the Company

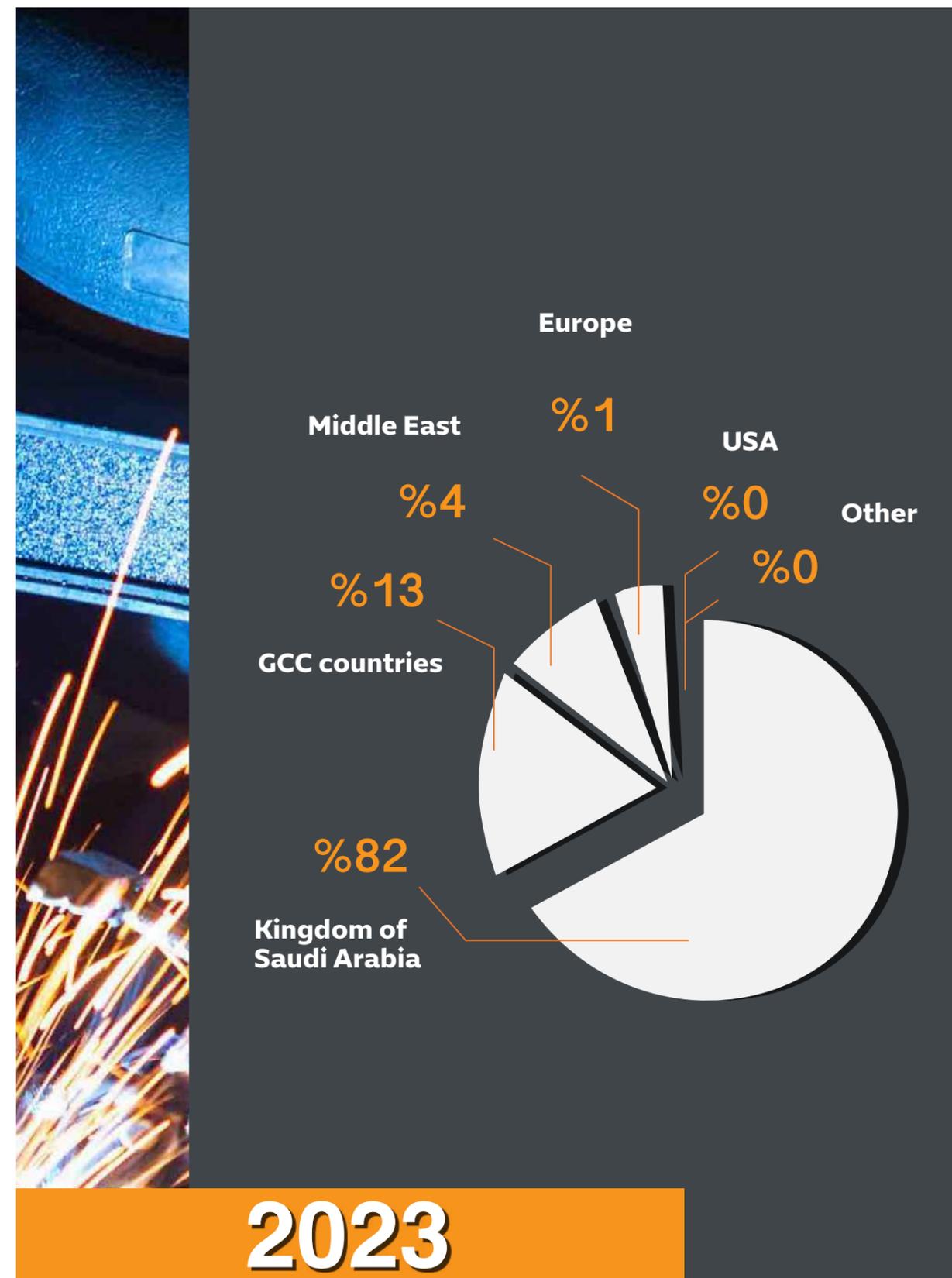
The Company achieves its wills by marketing its products in the local market and exporting. The following table shows the geographical distribution of the Company's sales of 2023 compared to the sales of 2022:

Thousand Riyals

Region Year	Kingdom of Saudi Arabia	GCC countries	Middle Eastern countries	United States of America	Europe	Other	Total
2023 Value	188,093	29,365	10,261	0	1,603	0	229,322
2022 Value	193,715	50,306	8,017	149	4,589	855	0



Geographical analysis of the total revenues of the Company



# 05

## Operational Results



الشركة الوطنية لتصنيع وسبك المعادن  
National Metal Manufacturing & Casting Co.



## 05. Operational Results

During 2023, the Company achieved sales of SAR (229) million, a decrease of about (11%) from the sales achieved during the previous year. The following table shows the most important items that led to differences in the results of 2023 compared to the results of 2022:

Thousand Riyals

Statement	2023	2022	Changes + / (-)	Percentage change + / (-)
Sales	229.322	257,631	(28.309)	(11%)
Cost of Sales	223.667	258,507	(34.840)	(13%)
Total (Loss) Profit	5.655	(876)	6.531	NA
Main Business Expenses	32.697	35,222	(2.525)	(7%)
Other income	1.682	1,400	282	20%
Other Expenses	398	(1,920)	2.318	NA
(Loss) Profit from operations	(25.758)	(32.778)	7.020	(30%)
Profits from deposits and Murabaha	1.724	1.128	596	53%
Financial Expenses	2.393	2,041	352	17%
Zakat	5.184	5,306	(122)	(2%)
Net loss after Zakat	(31.611)	(38,997)	7.386	(19%)
Actuarial valuation gain (loss)	186	2,764	(2.578)	(93%)
(Loss) Comprehensive Income	(31.425)	(36,233)	4.708	(13%)

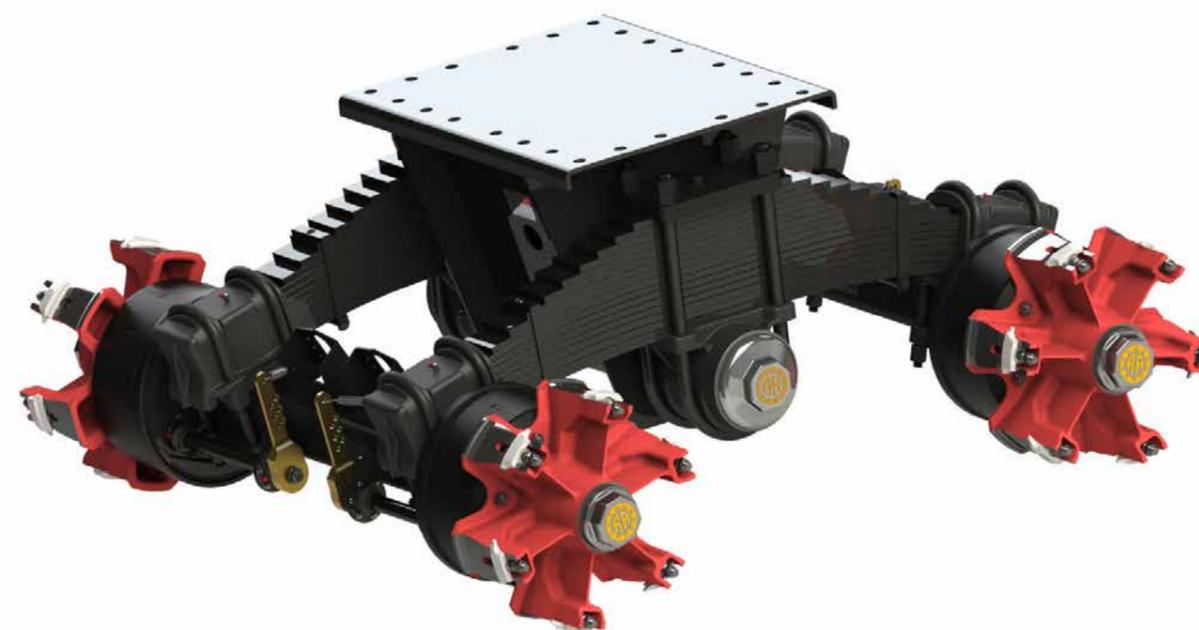


## The most important reasons for deviations and changes:

The Company's sales decreased by about 11% from the previous year as a result of the decrease in the average selling prices of drawn wire products and the decrease in the amount of sales in some export markets, as the sales of this sector decreased by about 22%, while the sales of castings, trailer axles and spare parts improved by 6% due to the improvement in demand for these products in the local market and export compared to the previous year. The value of the full production inventory revaluation of the drawn wire products to the verifiable value has also been addressed in the cost of sales. Sales, marketing, general and administrative expenses decreased by 7% compared to the previous year.

## 06. Accounting Standards

The quarterly summary financial statements and the financial statements for the financial year ended 31/12/2023 have been prepared in accordance with the international accounting standards approved by the Board of the Saudi Organization for Chartered and Professional Accountants.





## 07. Subsidiaries

The Company has a subsidiary in the Kingdom of Bahrain with commercial registration No. 149926 issued by Bahrain under the name of PC Strand Bahrain W.L.L. The Company's issued capital is BD20,000 (SAR200,000) and was paid in Q4 of 2022. The activities of this company will be in manufacturing/ trading of pre-tensioned concrete braided wire products. As of 31 December 2023, the Company has not yet commenced operations and has no assets and liabilities excluding capital and bank balance. The Company will establish a specialized factory in the field of stranded wiring at an estimated cost of SAR 28.5 million.

As of 31 December 2023, the Company has not yet commenced operations and has no assets and liabilities excluding capital and bank balance. The Company will establish a specialized factory in the field of stranded wiring at an estimated cost of SAR 28.5 million.



## 08. The Company's policy in the distribution of profits

The distribution of profits depends on several considerations, the most important of which is the achievement of net profits or the availability of a sufficient balance of profits, cash flows, future expectations and the vision of the Board of Directors based on the analysis of investment opportunities and the need for cash in capital expansions and the activities of the main company. The distribution process is recommended by the Board of Directors to the General Assembly for approval. If approved, the distribution shall be made on the dates specified by the Board of Directors in accordance with the instructions and regulations issued by the competent authorities.

According to the Articles of Association of the Company in Article No. (45), the Company forms a statutory reserve to set aside (10%) of the net profits, and the ordinary general assembly may stop this set aside whenever the reserve reaches 30% of the capital, and this reserve shall not be distributable. It is also possible to set aside (10%) of the net profits based on the proposal of the Board of Directors to form an agreement reserve and allocate it for a specific purpose or purposes. The Articles of Association of the Company stipulate the distribution of the rest of the profits after setting aside the reserve as follows:

- 1 Distribute a down payment to the shareholders equivalent to 5% (five percent) of the paid-up capital.
- 2 After the above, 5% (five percent) of the rest shall be allocated to the remuneration of the Board of Directors up to a maximum of SAR 500 thousand for each member, and the rest shall be distributed to the shareholders as an additional share in the profits.
- 3 The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, shall determine the remuneration of the members of the Board, the executive management and the employees in accordance with the organizational controls approved by the Board of Directors and the General Assembly of the Company. There is no deviation in the applicable policy from the approved policies.

# 09

**Distribution of  
dividends to the  
shareholders and  
payment of bonuses  
to the members of the  
BOD**



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Distribution of dividends to the shareholders and payment of bonuses to the members of the BOD

## 09. Distribution of dividends to the shareholders and payment of bonuses to the members of the BOD

1



The Board did not recommend to the General Assembly to distribute dividends to the Company's shareholders for the fiscal year ended on 31/12/2023 to spend on the announced projects included in the Company's plans and to improve and develop the existing production lines to raise their production efficiency.

2

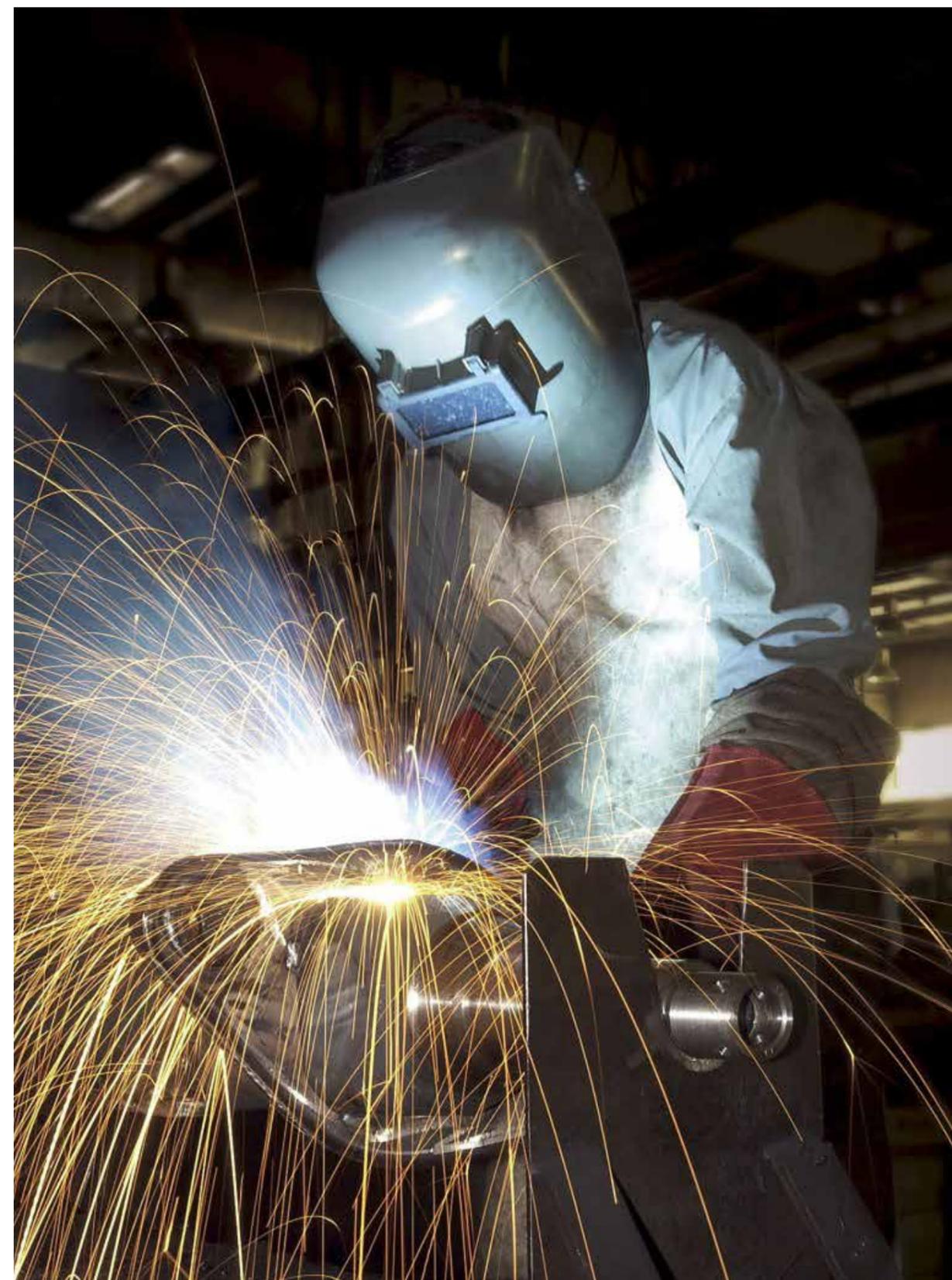
Based on the recommendation of the Nomination and Remuneration Committee at its meeting No. 26 held on 31/12/2023, a financial remuneration shall be paid to the members of the Board of Directors at a rate of SAR 200,000 for each member for the fiscal year 2023 for their management of the Company. In addition, a financial remuneration shall be paid to the members of the Audit Committee at a rate of Sar 50,000 for each member for the fiscal year 2023. The Board approved the recommendation at its meeting No. 168 held on 31/12/2023 and issued its resolution No. approving the recommendation and submitting it to the General Assembly for a vote.



Note that the remuneration granted and in force in the Company does not conflict with the Company's Articles of Association.



Distribution of dividends to the shareholders and payment of bonuses to the members of the BOD



## 10. Activities of Stocks and Debt Instruments

According to the disclosure requirements, the following table shows the shares owned by the members of the Board of Directors, their spouses and minor children, as well as the shares owned by the Company or the entity represented by the member of the Board of Directors as of 31/12/2023:

### Board of Directors

# 1

**Mutlaq bin Hamad Al-Muraishid**

**Representative of: National Manufacturing Company**

<b>Number of shares held</b>	Member of the Board of Directors	-	Change (%) from the Beginning till the End of the year <b>0%</b>
	of the Company represented by the member	12,367,124	
	Spouses and minor children of the member	-	

# 3

**Asim bin Abdulwahab Al-Issa**

**Representative of: Himself**

<b>Number of shares held</b>	Member of the Board of Directors	83	Change (%) from the Beginning till the End of the year <b>0%</b>
	of the Company represented by the member	-	
	Spouses and minor children of the member	-	

# 2

**Umar ibn Khalid al-Balali**

**Representative of: National International Industrial Development Company**

<b>Number of shares held</b>	Member of the Board of Directors	-	Change (%) from the Beginning till the End of the year <b>0%</b>
	of the Company represented by the member	1,430	
	Spouses and minor children of the member	-	

# 4

**Mansour bin Abdulrahman Al-Ghurairi**

**Representative of: Tasnee National Industrial Investments Co.**

<b>Number of shares held</b>	Member of the Board of Directors	-	Change (%) from the Beginning till the End of the year <b>0%</b>
	of the Company represented by the member	1,430	
	Spouses and minor children of the member	-	



5

Rayan bin Waddah Tarabzouni

Representative of: Himself

Number  
of shares  
held

Member of the Board of Directors 83

of the Company  
represented by the member -Spouses and minor children  
of the member -Change (%) from the  
Beginning till the End  
of the year

0%

6

Shaker bin Nafel Al-Otaibi

Representative of: Himself

Number  
of shares  
held

Member of the Board of Directors 50

of the Company  
represented by the member -Spouses and minor children  
of the member -Change (%) from the  
Beginning till the End  
of the year

100%





Loans

## 11. Loans

The Company has loans from commercial banks under an Islamic credit facility agreement that includes financing expenses according to SIBOR rates in addition to a profit margin. These facilities are guaranteed by promissory notes. The following table shows the source and movement of loans during 2023. For more details, please refer to Note No. (16 and 19) to the financial statements:

		Thousand Riyals					
Source	Classification	Loan Principal Amount	Loan Term	Balance on 1/1/2023G	Additions in 2023	Payments in 2023	Balance on 31/12/2023G
Saudi Industrial Development Fund	Long-term loans	26,500	7 years	17,450		5,800	11,650
First Saudi Bank	Short-term loans	18,354	3-6 months	0	18,354	18,354	0
Saudi National Bank	Long-term loans	13,000	3-6 months	13,000		13,000	0
Bank Al-Jazira	Short-term loans	31,000	3-6 months	0	31,000	23,000	8,000
<b>Total</b>		<b>88,854</b>		<b>30,450</b>	<b>49,354</b>	<b>60,154</b>	<b>19,650</b>



Loans

Thousand Riyals

The following table shows the maturity dates of the outstanding loans on 31/12/2023:

Statement	2023	In 2022
Less than 1 year	15,100	18,800
1-2 years	4,550	7,100
2-5 years	00	4,550
More than five years	00	00



# 12

## Board of Directors, its committees and senior executives



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## 12. Board of Directors, its committees and senior executives

The Board of Directors of the Company under the Articles of Association of the Company consists of (6) members and the Audit Committee consists of (3) members after the approval of the Ordinary General Assembly at its twenty-seventh meeting held on 23/5/2023, as well as the Nomination and Remuneration Committee consists of (3) members under Board of Directors Resolution No. 2/M/166/2023 issued at its meeting No. 166 held on 15/06/2023, and the number of senior executives is (5) employees shown as follows:

Directors	Audit Committee	Senior Executives
Eng. Mutlaq bin Hamad Al-Muraishid Chairman	Mr. Mansour bin Abdul Rahman Al-Ghurairi Chairman of the Committee	Eng. Shaker bin Nafel Al-Otaibi CEO
Eng. Shaker bin Nafel Al-Otaibi Vice Chairman	Eng. Rayan bin Waddah Tarabzouni Committee Member	Mr. Fatah Al-Rahman Abdullah Othman Chief Financial Officer
Mr. Asim bin Abdul Wahab Al-Issa Member of the Board	Mr. Waheed Hussein Khurais Committee Member	Eng. Faisal bin Dakhil Al-Dakhil General Manager of Foundry Factory
Mr. Mansour bin Abdul Rahman Al-Ghurairi Member of the Board		Eng./ Musa bin Mohammed Al-Harbi General Manager of the Arab Axes Factory and Spare Parts
Eng. Rayan bin Waddah Tarabzouni Member of the Board	<b>Nomination and Remuneration Committee</b> Mr. Asim bin Abdul Wahab Al-Issa Chairman of the Committee	Mr. Abdullah Hassan Suleiman Assistant General Manager of a wire factory
Eng. Omar bin Khalid Al-Balali Member of the Board	Eng. Omar bin Khalid Al-Balali Committee Member	
	Mr. Mansour bin Abdul Rahman Al-Ghurairi Committee Member	

## Board of Directors



01 Eng. Mutlaq bin Hamad Al-Muraishid

**Membership classification:** Chairman of the Board of Directors (non-executive).

**Current position:** CEO of the National Manufacturing Company.

**Qualifications:** Master of Business Administration - Bachelor of Engineering.

**Previous jobs/experiences:** (1982 AD - 2015 AD) He worked for SABIC's affiliated companies for various years as head of the Metals Group, and president of both the Iron and Sadaf Company until he assumed the position of Executive Vice President of Finance at SABB. K.

**Names of other companies in which it is a member:**

- Member of the Board of Directors (National Industrialization Company - listed joint stock company) inside Saudi Arabia.
- Member of the Board of Directors (Alinma Bank - listed joint stock) inside Saudi Arabia.
- Member of the Board of Directors (City Arabia Group - Closed Joint Stock) within Saudi Arabia.
- Member of the Board of Directors (Alba Company - not listed) outside Saudi Arabia.
- Member of the Board of Directors (Tronix Company - not listed), representative of manufacturing - outside Saudi Arabia.
- Member of the Board of Directors (Abdullah Muhammad Saedan and Sons Real Estate Company - not listed) inside Saudi Arabia.



02 Eng. Shaker bin Nafel Al-Otaibi

**Membership classification:** Vice Chairman of the Council (Executive).

**Current position:** CEO (mineral)

**Qualifications:** Bachelor of Architecture

**Previous jobs/experiences:** (2004AD - 2014AD) Deputy General Manager of the company.  
(2002 AD - 2004 AD) He worked as an engineer at Shaiban Contracting Company.  
(2000AD - 2002AD) He worked as an engineer at the Gulf Salt Industry Company.

(1996 AD - 2000 AD) He worked as an engineer at Alpco Aluminum Company.

(1994AD - 1996AD) He worked as an engineer at Sekico Company.

(1993AD - 1994AD) He worked as an engineer at the Saudi Industrial Development Fund.

**Names of other companies in which it is a member:**

None



03 Eng. Omar bin Khalid Al-Balali

**Membership classification:** Member of the Board of Directors (non-executive).

**Current job:** Head of Information Technology at the National Industrialization Company.

**Qualifications:** Master's degree in private law and Bachelor's degree in management information systems

**Previous jobs/experiences:**

(2015-2019) General Manager of Business Consulting Solutions at the National Industrialization Company.

(2012-2015) Director of Planning and Control at the National Industrialization Company.

**Names of other companies in which it is a member:**

None



05 Mr. Mansour bin Abdulrahman Al-Ghurairi

**Membership classification:** Chairman of the Board of Directors (Independent).

**Current position:** Chief Supply Chain Officer - Panda

**Previous jobs/experiences:**

1 Bachelor of Electrical Engineering

2 Harvard Business School Management Excellence Diploma

**Names of other companies in which it is a member:**

(2021-2022) CEO - Jeddah Airports Company

(2017-2021) Chief Executive Officer of Air Navigation

(2014 – 2017) General Manager of Development and Plastics Sector at the National Manufacturing Company, (2001 – 2014) and worked for Procter & Gamble as an operating manager until he reached the Regional Director of Supply and Logistics, (1997 – 2001) and worked as an electrical engineer and loss prevention in Saudi Aramco



04 Mr. Asim bin Abdul Wahab Al-Issa

**Membership classification:** Member of the Board of Directors (Non-executive).

**Current position:** Cash Manager - Treasury Manager (National Manufacturing)

**Qualifications:** 1. Master of Financial Business Administration 2. Bachelor of Finance

**Previous jobs/experiences:**

(2019-2022) Group Finance Manager at STC

(2014-2019) SABIC Financial Analyst

**Names of other companies in which it is a member:**

- Member of the Audit Committee (Independent) in Riyadh Cable Group Company in his personal capacity (inside Saudi Arabia)
- Member of the Audit Committee (Non-Executive) Napco National Company – Representative of a legal person (inside Saudi Arabia)
- Member of the Audit Committee (Independent) First Mills Company – in his personal capacity



06 Eng. Rayan bin Waddah Tarabzouni

**Membership classification:** Vice Chairman of the Council (Executive).

**Current position:** CEO (Maadaniyah)

**Qualifications:** Bachelor of Architecture

**Previous jobs/experiences:**

(2004 – 2014) Deputy General Manager in a company. (2002-2004) Worked as an engineer in Shiban Contracting Company. (2000G – 2002G) Worked as an engineer in the Gulf Salt Industry Company. (1996-2000) Worked as an engineer in Alpco Aluminum Company. (1994 – 1996) Worked as an engineer in Skiko Company. (1993 – 1994) Worked as an engineer for the Saudi Industrial Development Fund

**Names of other companies in which it is a member:**

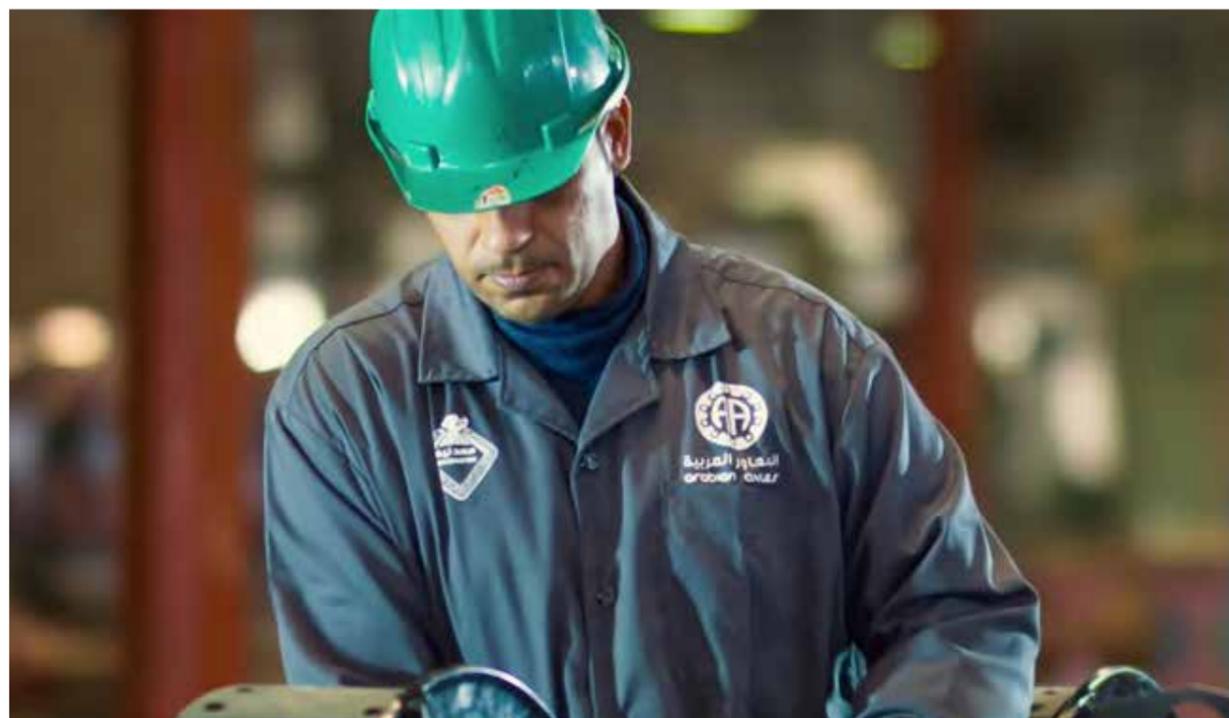
None

The total number of Board of Directors meetings during the year 2023 was (4), according to the following table:

No.	Member	First meeting 28/3/2023G	Second Meeting 15/6/2023G	Third Meeting 23/10/2023G	Fourth Meeting 31/12/2023G	Total number of Attendance at Sessions
1	Eng. Mutlaq bin Hamad Al-Muraishid	✓	✓	✓	✓	4
2	Eng. Shaker bin Nafel Al-Otaibi	✓	✓	✓	✓	4
3	Eng. Rayan bin Waddah Tarabzouni	✓	✓	✓	✓	4
4	Mr. Mansour bin Abdulrahman Al-Ghurairi*	x	✓	✓	✓	3
5	Mr. Asim bin Abdul Wahab Al-Issa	✓	✓	✓	✓	4
6	Eng. Omar bin Khalid Al-Balali	✓	✓	✓	✓	4
7	Mr. Talal bin Abdul Karim Al-Nafi**	✓	x	x	x	1

\* New member of the new session that started on May 24, 2023

\*\* Former member of the previous session



## B. Audit Committee:

The members of the Audit Committee were formed by virtue of the General Assembly resolution held on 23/5/2023, and they are as follows:



01 Mr. Mansour bin Abdul Rahman Al-Ghurairi

**Nature of Membership:** Chairman of the Committee

**Current Jobs:** Treasury Manager (National Manufacturing Company)

**Qualifications:** 1. Master of Financial Business Administration  
2. Bachelor of Finance

**Previous Jobs/ Experience:** (2019-2022) Group Finance Manager at STC  
(2014-2019) SABIC Financial Analyst



02 Eng. Rayan bin Waddah Tarabzouni

**Nature of Membership:** Committee Member

**Current Jobs:** Chief Supply Chain Officer - Panda

**Qualifications:** Bachelor of Electrical Engineering

**Previous Jobs/ Experience:** (2021-2022) CEO of Jeddah Airports Company  
(2017-2021) Chief Executive Officer of Air Navigation

(2014 – 2017) General Manager of Development and Plastics Sector at the National Manufacturing Company, (2001 – 2014) and worked for Procter & Gamble as an operating manager until he reached the Regional Director of Supply and Logistics, (1997 – 2001) and worked as an electrical engineer and loss prevention in Saudi Aramco



03 Mr. Waheed Hussein Harissi

**Nature of Membership:** Committee Member

**Current Jobs:** Preparer and auditor of financial statements (National Manufacturing)

**Qualifications:** Bachelor of Accounting

**Previous Jobs/ Experience:** (2014-2022) Working in the field of preparing financial statements, budget management and governance at SABIC

The Audit Committee performs its duties in accordance with the scope of work included in the company's governance and in accordance with what is stated in the Corporate Governance Regulations in the Kingdom of Saudi Arabia issued by the Council of the Capital Market Authority.

The main competencies of the Audit Committee are to ensure the adequacy and effectiveness of internal control procedures

and systems, verify the integrity and validity of the financial statements, recommend the selection of the external accountant according to specific controls, and study the reports, observations and suggestions submitted by both the external accountant and the internal control department.

The number of committee meetings during the year 2023 was (4) according to the following table:

No.	Member	First Meeting 15/3/2023G	Second Meeting 17/5/2023G	Third Meeting 7/8/2023G	Fourth Meeting 1/11/2023G	Total number of Attendance at meetings
1	Mansour bin Abdul-rahman Al Ghurairi** Eng. Rayan bin Waddah Tarabzouni	x	x	✓	✓	2
2	Waheed Hussain Harissi** Mr. Talal bin Abdul Karim Al-Nafi*	✓	✓	x	x	2
3	Mr. Abdul Aziz bin Saif Al-Ardi*	✓	✓	x	x	2

\*A new member in the new session that began on May 25, 2023 AD

\*\* Former member of the previous session

Results of the annual review of the effectiveness of internal control procedures: Since 2020, the office of Baker Tilly (independent legal auditor) has been contracted to carry out the internal audit work of the Company. The internal control system and procedures are verified in protecting the assets and property of the Company, assessing work risks and measuring the adequacy of performance efficiency. In addition to what the external auditor does to evaluate the system through his review of the final accounts, the results of the audit referred to during 2021 did not show a fundamental weakness in the internal control system and procedures. This confirms

the conviction of the Audit Committee on the effectiveness of the internal control system and procedures of the Company.



### C. Nomination and Remuneration Committee:

The members of the Nomination and Remuneration Committee were formed from the members of the Board of Directors (mentioned in more detail in paragraph (a) of this clause) by virtue of Board of Directors Resolution No. 2/M/166/2023 issued at its meeting No. 166 held on 15/6/2023, and they are as follows:



01 Mr. Asim bin Abdul Wahab Al-Issa

**Membership classification:** Member of the Board of Directors (Non-executive).

**Current position:** Cash Manager - Treasury Manager (National Manufacturing)

**Qualifications:** 1. Master of Financial Business Administration 2. Bachelor of Finance

**Previous jobs/experiences:**

(2019-2022) Group Finance Manager at STC  
(2014-2019) SABIC Financial Analyst



02 Eng. Omar bin Khalid Al-Balali

**Membership classification:** Member of the Board of Directors (non-executive).

**Current job:** Head of Information Technology at the National Industrialization Company.

**Qualifications:** Master's degree in private law and Bachelor's degree in management information systems

**Previous jobs/experiences:**

(2015-2019) General Manager of Business Consulting Solutions at the National Industrialization Company.  
(2012-2015) Director of Planning and Control at the National Industrialization Company.



03 Mr. Mansour bin Abdulrahman Al-Ghurairi

**Nature of Membership:** Chairman of the Committee

**Current Jobs:** Treasury Manager (National Manufacturing Company)

**Qualifications:** 1. Master of Financial Business Administration  
2. Bachelor of Finance

**Previous Jobs/ Experience:** (2019-2022) Group Finance Manager at STC  
(2014-2019) SABIC Financial Analyst

## The main tasks and responsibilities of the Nomination and Remuneration Committee include:

1. Recommending the Board of Directors to nominate for membership of the Board in accordance with the approved policies and standards.
2. Reviewing the required needs of the appropriate skills for the membership of the Board of Directors.
3. Reviewing the structure of the Board of Directors and making recommendations on changes that can be made.
4. Identifying weaknesses and strengths in the Board of Directors and propose to address them in accordance with the interest of the Company.
5. Ensuring on an annual basis the independence of independent members and the absence of any conflict of interest.
6. Establishing clear policies for compensation and remuneration of directors and senior executives.

The number of meetings of the Committee during the year was (3) meetings according to the following table:

No.	Name	First Meeting 27/3/2023G	Second Meeting 15/6/2023G	Third Meeting 31/12/2023G	Total number of Attendance at meetings
1	Mr. Asim bin Abdul Wahab Al-Issa	✓	✓	✓	3
2	Eng. Omar bin Khalid Al-Balali	✓	✓	✓	3
3	Mr. Mansour bin Abdulrahman Al-Ghurairi*	x	✓	✓	2
4	Eng. Rayan bin Waddah Tarab- zouni**	✓	x	x	1

\*A new member of the committee after the new session as of May 15, 2023

\*\*Not selected for committee membership after the new session



## D. Senior Executives:



01 Shaker bin Nafel Al Otaibi

**Current position:** CEO

**Qualifications:** Bachelor of Architecture

**Previous jobs/experiences:**

(2004AD - 2014AD) Deputy General Manager of the company.

(2002 AD - 2004 AD) He worked as an engineer at Shaiban Contracting Company.

(2000AD - 2002AD) He worked as an engineer at the Gulf Salt Industry Company.

(1996 AD - 2000 AD) He worked as an engineer at Alpco Aluminum Company.

(1994AD - 1996AD) He worked as an engineer at Sekico Company.

(1993AD - 1994AD) He worked as an engineer at the Saudi Industrial Development Fund.



02 Fath al-Rahman Abdullah Othman

**Current position:** Chief Financial Officer

**Qualifications:** Bachelor of Economics and Administrative Sciences majoring in accounting

**Previous jobs/experiences:**

Experience of more than 25 years where he worked as (accountant) in banks outside Saudi Arabia and (auditor) in audit offices and (account manager) in Maadaniyah



03 Faisal bin Dakhil Al-Dakhil

**Current position:** General Manager of Foundry Factory

**Qualifications:** Bachelor of Engineering

**Previous jobs/experiences:**

Worked for more than 10 years, Consultant – Local Sales Department - at Aramco, Regional Sales Manager Nalco. Technical Customer Service Engineer and up to SABIC Head of Scheduling and Production Planning



04 Musa bin Mohammed Al-Harbi

**Current position:** Plant Manager Axles & Spare Parts

**Qualifications:** Bachelor of Engineering

**Previous jobs/experiences:**

(2006-2009) Operating Technician – Sadaf Company (one of SABIC companies)

(2015-2021) Production Engineer – Axes and Spare Parts Factory



05 Abdullah Hassan Suleiman

**Current position:** Assistant General Manager of a wire factory

**Qualifications:** Diplomas in English Language and Accounting - USA

**Previous jobs/experiences:**

(1997 – 2021) Sales Manager – Wire Factory, Metal Company Branch

(1993 – 1997) Sales Executive – Xerox Saudi Arabia

(1991 – 1993) Director – Multi-Purpose Cooperative Society

(1986 – 1990) Production Supervisor – Several Printing Presses Companies in America

(1980 – 1984) Payroll Officer – SABIC Iron Company

(1979 – 1980) Firefighting Technician – Saudi Aramco



### Actions taken by the Board of Directors to inform members of shareholders' suggestions and observations:

The Board of Directors takes a number of measures to inform its members of the shareholders' observations and proposals through the periodic meetings of the Board of Directors, where inquiries and proposals are received in the discussions that take place during the General Assembly meeting, in addition to receiving the shareholders' inquiries and proposals by the Shareholders' Affairs Officer and presenting them to the Board through the Executive Management. The Company did not use a specialized third

party to carry out the tasks of evaluating the performance of its board of directors and its committees. One of the tasks of the Nomination and Remuneration Committee is to evaluate the performance of the Board of Directors by reviewing the structure of the Board and making recommendations on the changes that can be made, as well as identifying weaknesses and strengths in the Board of Directors and addressing them in accordance with the interest of the Company.



# 13

**Financial payments  
and bonuses  
to members of  
the Board, its  
committees, and  
senior executives**



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### 13. Financial payments and bonuses to members of the Board, its committees and senior executives:

The total remuneration and compensation paid during 2023 to the members of the Board of Directors, the Board Committees and senior executives, including the Chief Executive Officer and the Chief Financial Officer, was as follows:

#### Remuneration of members of the Board of Directors:

Thousand Riyals

	Fixed Rewards						End of Service Benefit	Expense Allowance	Grand Total
	Specific amount	Allowance to attend the meetings of the Council	Committee Sessions Attendance Allowance	Statement of what the members of the Board have received as workers or administrators or what they received for their work Technical, administrative or consultancy	Remuneration of the Chairman of the Board or Managing Director, Directors or Secretary	Total			
<b>Independent members</b>									
Eng. Rayan bin Waddah Tarabzouni		12	18		200		4	234	
Mr. Asim bin Abdul Wahab Al-Issa		12	6		200		3	221	
<b>Total</b>		<b>24</b>	<b>24</b>		<b>400</b>		<b>7</b>	<b>455</b>	
<b>Non-executive members</b>									
Eng. Mutlaq bin Hamad Al-Muraishid		12			200		5	217	
Mr. Talal bin Abdul Karim Al-Nafi*		3	6		200		0	209	
Eng. Omar bin Khalid Al-Balali		12	6		200		2	220	
Eng. Mansour bin Abdul Rahman Al-Ghurairi		9	6				4	19	
<b>Total</b>		<b>36</b>	<b>18</b>		<b>600</b>		<b>11</b>	<b>665</b>	
<b>Executive Member</b>									
Shaker bin Nafel Al-Otaibi		12			200		2	214	

\*The remuneration for the previous session of the Board of Directors is represented by the attendance rate

#### Remuneration of Senior Executives:

Thousand Riyals

	Fixed Rewards				Variable Rewards					End of Service Benefit*	Total Bonus Executives About the Council If any	Grand Total
	Salaries	Suits	In-kind benefits	Total	Periodic Bonus Earnings	Short-Term Incentive Plans	Long-Term Incentive Plans	Awarded Shares	Total			
CEO	1,260	752		2,012						131	214	2,357
Chief Financial Officer	546	284		830						213		1,043
General Manager of Foundry Factory	536	348		884						90		974
General Manager of the Axes Factory	304	209		513						53		566
Assistant General Manager of a wire factory	621	354		975						180		1,155
<b>Total</b>	<b>3,267</b>	<b>1,947</b>		<b>5,214</b>						<b>667</b>	<b>214</b>	<b>6,095</b>

\*The end of service gratuity is charged to the expenses of the fiscal year 2023

Financial payments and bonuses to members of the Board, its committees, and senior executives

## Remuneration of committee members:

Thousand Riyals

	Fixed Rewards	Attendance fees and other expenses	Total
<b>Audit Committee Members</b>			
Mansour bin Abdulrahman Al-Ghurairi	00	6	6
Rayan bin Waddah Tarabzouni	50	12	62
Waheed bin Hussein Harissi		6	6
Talal bin Abdul Karim Al-Nafi*	50	6	56
Abdulaziz bin Saif Al Masaood*	50	6	56

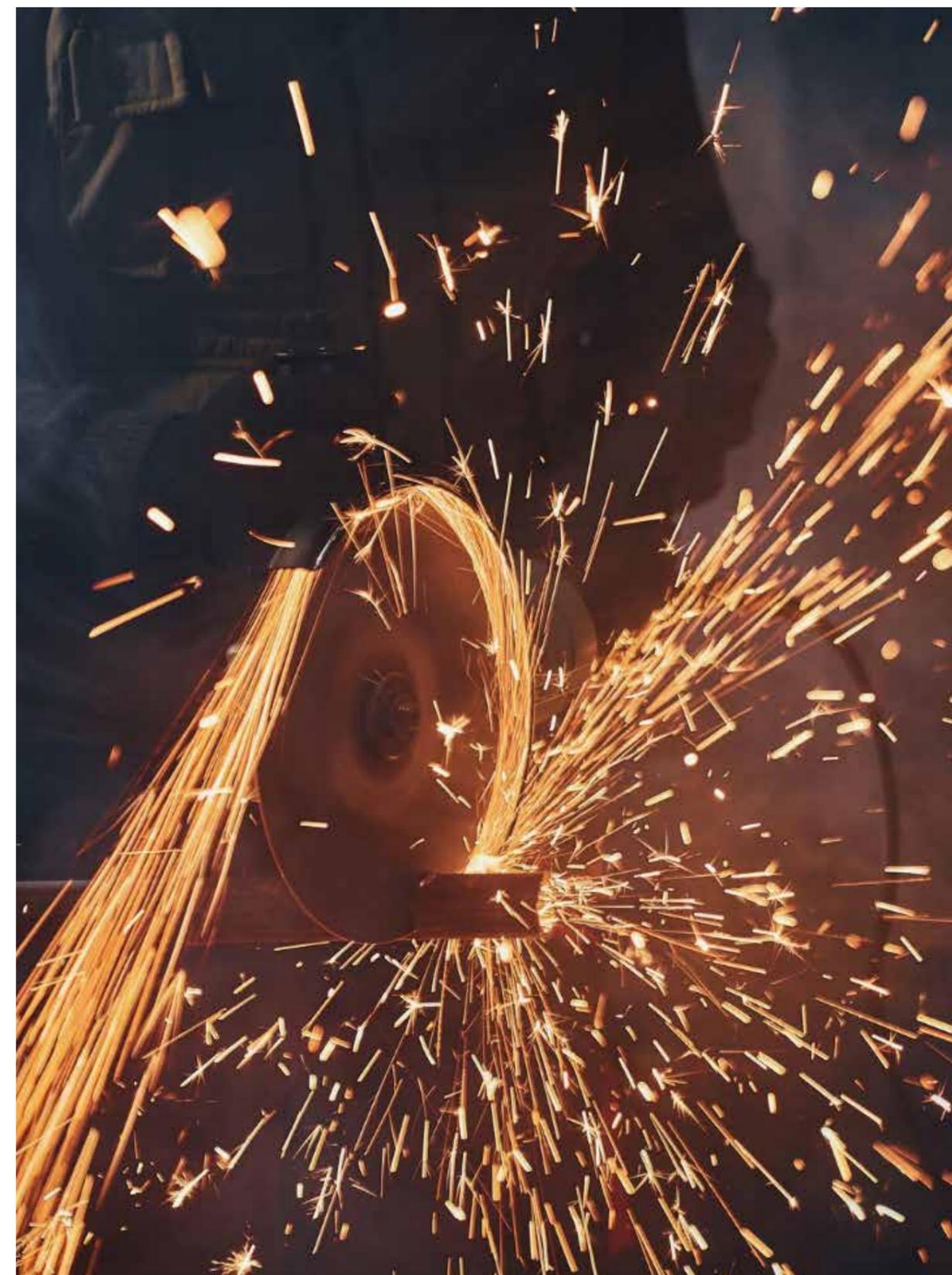
\*The remuneration and attendance allowance is set for the previous session of the Committee.

	Fixed Rewards	Attendance fees and other expenses	Total
<b>Members of the Nomination and Remuneration Committee</b>			
Asim bin Abdulwahab Al-Issa	00	6	6
Omar bin Khalid Al-Balali	00	6	6
Rayan bin Waddah Tarabzouni*	00	6	6

\*The remuneration and attendance allowance is for the previous session of the Committee.



Financial payments and bonuses to members of the Board, its committees, and senior executives



# 14

**Contracts that include interest for Board members, senior executives and their families and violations of the Corporate Governance Regulations**



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Contracts that include interest for Board members, senior executives and their families and violations of the Corporate Governance Regulations

#### 14. Contracts that include interest for Board members, senior executives and their families and violations of the Corporate Governance Regulations:

With reference to the Registration and Listing Rules and the Corporate Governance Regulations, the Board of Directors would like to clarify the following:

- There are no contracts with the Company that include the interest of one of the board members, the general manager, the financial manager, or their first-degree relatives, Noting that no member has a business that competes with the company or its branches.
- There is also no penalty, attention or violation against the Company from any supervisory, regulatory or judicial authority during the year 2023.



Contracts that include interest for Board members, senior executives and their families and violations of the Corporate Governance Regulations





Statutory Payments

## 15. Statutory Payments

With reference to the Registration and Listing Rules and the Corporate Governance Regulations, the Board of Directors would like to clarify the following:

There are no contracts with the Company that include the interest of one of the board members, the general manager, the financial manager, or their first-degree relatives.

There is also no penalty, attention or violation against the Company from any supervisory, regulatory or judicial authority during the year 2023.

### Zakat

The Company is subject to the regulations of the Zakat, Tax and Customs Authority in the Kingdom of Saudi Arabia, where Zakat is recorded according to the accrual basis. During the year 2023G, the Company submitted the Zakat declaration for the fiscal year ending on December 31, 2022G, paid the Zakat due according to the declaration, and obtained the Zakat certificate for the fiscal year 2022G.

The Company ended its Zakat status with the Authority until the end of 2020.

During 2023, the initial declaration was received from the Authority for the years 2021 and 2022, where it was reviewed and addressed to the Authority to exclude the amount of the surplus from the subscription to raise the Company's capital at the end of 2021 from the Zakat base, as well as the addition of the accumulated losses for 2021 in the item of deductions and other items, and the Zakat assessment for the years referred to is still under study at the time of preparing this report.

### Social Insurance

The Company is subject to the social insurance law and the social insurance fees are recorded according to the accrual basis, and the social insurance is paid monthly on the basis of the accrual for the previous month.

### Customs duties

The exemption of customs duties on the main raw materials of the Company's products (iron wire rolls) has been renewed for a period of 5 years starting from 2021.

The following table shows the amounts paid to the statutory authorities during 2023, as well as the outstanding balances as at 31/12/2023:

Thousand Riyals

Statement	2023	
	Payer	Due at the end of the year and not paid
Zakat, Tax and Customs Authority	31.978	6.594
General Organization for Social Insurance	4.057	327
Fees for work permits and renewal of Iqamas	416	0
<b>Total</b>	<b>36.451</b>	<b>6921</b>



Statutory Payments

### VAT

Subject to the law and the executive regulations of the Zakat, Tax and Customs Authority, the Company was registered in the value added tax law under No. 300461302600003. During 2020, the Kingdom of Saudi Arabia amended the value added tax rate to 15% starting from the contracts concluded on 1/7/2020, and

the Company shall comply with the executive regulations of the law. Accordingly, the Company raises the value added tax declaration monthly and paid the tax dues until November according to the declarations submitted by the Company. The following table shows the value added tax for the year 2023:

Items	Amount (SAR '000)
Declaration of December 2022	2.353
VAT on sales	28.556
VAT on purchases	6.379
VAT (Paid)	22.936
Declaration of December 2023	1.594

Regarding the status of VAT, during 2023, the Company received some observations on the declarations that were submitted in the General Zakat, Tax and Customs law for the years 2018, 2019, 2020, 2021 and 2022, resulting in differences that were reviewed, approved and paid a total amount of SAR 129 thousand as clearance for VAT for the mentioned years.



# 16

## Dealing with related parties



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## 16. Dealing with related parties

The Company follows a unified policy in its dealings without any preference for related parties and there are no transactions with related parties during 2023.

## 17. Meetings of the General Assembly and Request for Shareholders' Register

During the year 2023, the Company held (1) ordinary general assembly meeting for shareholders was held on 23/5/2023 under the chairmanship of the Chairman of the Board, Eng. Mutlaq bin Hamad Al-Marish. The meeting was also attended by the following members of the Board:

1. Mr. Talal bin Abdul Karim Al-Nafi
2. Eng. Shaker bin Nafel Al-Otaibi
3. Eng. Rayan bin Waddah Trabzon
4. Mr. Asim bin Abdul Wahab Al-Issa
5. Eng. Omar bin Khalid Al-Balali

## 18. Number of requests for a shareholder register

The number of applications for the Company's shareholders register 9 times during the year 2023 is as follows:

1. (1) request on 12/1/2023 for the purpose of the Company's procedures.
2. (3) applications on 22/3/2023 for the purpose of the Company's procedures.
3. (1) request on 11/4/2023 for the purpose of the Company's procedures.
4. (1) Request on 22/5/2023 for the purpose of the General Assembly procedures.
5. (1) request on 10/7/2023 for the purpose of the Company's procedures.
6. (1) request on 13/8/2023 for the purpose of the Company's procedures.
7. (1) request on 10/10/2021 for the purpose of the Company's procedures.



## 19. Application of the Corporate Governance Regulation

The Company shall apply all the mandatory provisions contained in the Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. (8-16-2017) dated 16/5/1438H corresponding to 13/2/2017G, subject to the Companies Law issued by Royal Decree No. M/3 dated 28/1/1437H amended on 18/1/2023G in accordance with the Company's Articles of Association, except for some guiding provisions as in the following table:

No.	Paragraph	Reasons for not applying
36	Secretary's Terms	The article is indicative, noting that the Secretary of the Council holds a Bachelor of Engineering and has administrative and leadership experience.
37, 39	Training, Evaluation	The articles are indicative. A member of the Board of Directors attends workshops with the Capital Market Authority or any other approved bodies if needed. Evaluation: One of the tasks of the Nomination and Remuneration Committee is to review the structure of the Board of Directors, identify weaknesses and strengths, and provide suggestions to address them.
67, 68, 69	Composition, Terms of Reference and Meetings of the Risk Committee	The article is indicative, and the Board did not form the Risk Committee, noting that the Audit Committee performs most of these tasks, and there are procedures and policies in place in the Company to reduce risks or reduce their effects
92	Formation of Corporate Governance Committee	The article is indicative, and the governance requirements are covered by the Office of the Chief Executive Officer, Financial Management and Shareholder Relations.



# 20

## Social Contributions



الشركة الوطنية لتصنيع وسبك المعادن  
National Metal Manufacturing & Casting Co.



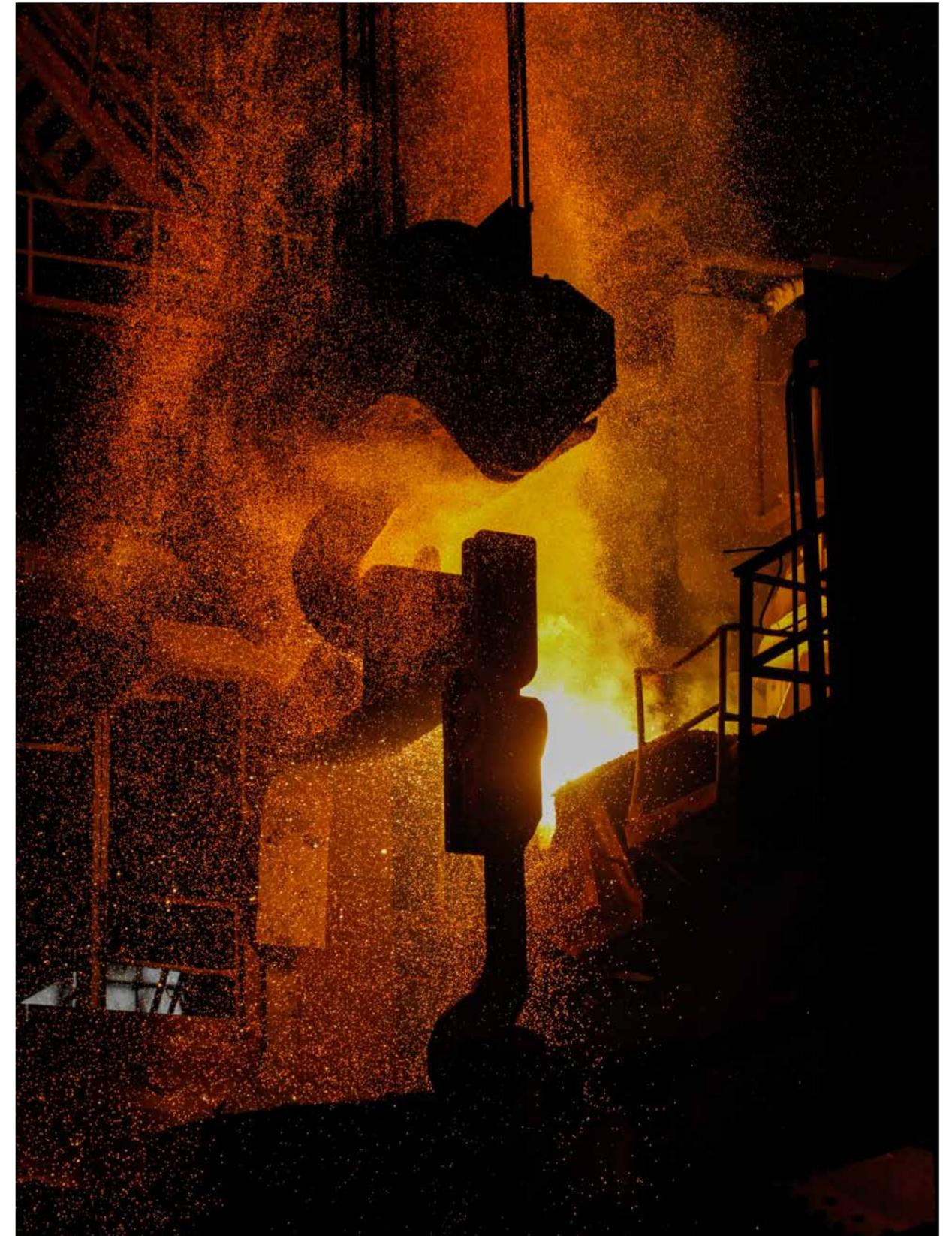
## 20. Social Contributions

The Company believes in the importance of social responsibility and social work initiatives. Therefore, the Company contributed to a voluntary partnership with non-profit organizations by providing them with employees. The Company also contributed an amount of SAR 20,000 in support of a furnishing association.

## 21. Declarations of the Board of Directors

According to the information that has come to our attention and based on the auditor's report free of any reservations, current market data and future indicators, we acknowledge the following:

1. That the books of account have been properly prepared.
2. The internal control system has been properly developed and effectively implemented.
3. That there is little doubt as to the Company's ability to continue its activity.



# Conclusion



الشركة الوطنية لتصنيع وسبك المعادن  
National Metal Manufacturing & Casting Co.



Conclusion

## Conclusion

The Board of Directors extends its sincere thanks and appreciation to the Custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud and his Crown Prince, His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud, and to all government agencies for what they have provided in order to preserve the safety of citizens and residents and the development of the national economy, as well as thanks to all other government sectors that contribute to maintaining human safety first, and secondly in preserving the Saudi economy and supporting and developing the national industry to achieve Vision 2030. We also thank government agencies and some other sectors for their valuable initiatives that have helped the private sector in managing its cash flows and continuing its activities. The Board is also pleased to record its deep thanks to the Company's shareholders and customers for their trust in the Company and its products, as well as to the Company's employees for their sincere efforts to develop, improve performance and achieve the Company's objectives.

Sincerely,

Board of Directors of the National Metal Manufacturing  
and Casting Co. (Maadaniyah)



Conclusion





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National Metal Manufacturing & Casting Co.

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