

**Amlak International for Real Estate
Finance Company
Board of Directors Report
For the fiscal year Ended in 2021G**

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1. Chairman's Statement

Valued Shareholders of Amlak International for Real Estate Finance Company

Peace, mercy and blessings of Allah be upon you,

I am very pleased to present to you, on my behalf and on behalf of my fellow Board members, the annual report that includes all the results of Amlak International's business, along with its achievements during the year, including the financial statements for the fiscal year ending on 31/12/2021G.

Amlak International adopts a stable growth strategy in all of its financial, financing and regulatory activities. This strategy continues to prove its success year after year. The year 2021G witnessed several achievements of the Company at all levels. This complements the journey of the Company which has proven its excellence and leadership in the real estate finance industry. In this context, the Company continues to maintain a stable asset volume, which at the end of 2021G amounted to approximately SAR 3.5 billion, taking into account the sale of financing portfolios since 2016 that exceeded SAR 970 million. The Company's return on assets before Zakat exceeded 3.4%, and return on equity before Zakat exceeded 10.5% for the same year.

The Company has succeeded over the past years in expanding its customer base by improving and innovating Sharia-compliant solutions and financing facilities. This is in addition to expediting and streamlining our procedures that are periodically reviewed to ensure quality, and maintain competitive advantage, which enabled Amlak International to maintain its position as for the level of customer satisfaction. Amlak International has expressed interest in government housing programs represented by the Ministry of Housing and the Real Estate Development Fund to enhance its supportive role in harmony with the social and economic goals and objectives of the Kingdom, as targeted by Vision 2030.

In parallel with attending to the interests of its shareholders and customers, Amlak International has been keen, during the past year, to develop and strengthen its infrastructure, including operational systems, human resources, operations, and post-finance services. This resulted in restructuring the organizational structure whose main objective is to streamline and improve the customer experience and services, increase the Company's production capacity and adoption of competencies. Amlak International was keen to consolidate the concepts of governance, compliance, and cybersecurity for all its employees, and to develop plans to contribute to environmental and community activities.

In conclusion, I would like to express my great praise and thanks - on my own behalf and on behalf of the Board members - to the Custodian of the Two Holy Mosques and to His

Royal Highness, the Crown Prince, Deputy Prime Minister and Minister of Defense, may God preserve them, for the support and encouragement they provide to the real estate

finance sector, and to all Governmental agencies, primarily Ministry of Finance, Saudi Central Bank, Capital Market Authority, Ministry of Municipal and Rural Affairs and Housing, Real Estate Development Fund, Saudi Stock Exchange (Tadawul) and Saudi Refinancing Company for their support of this vital sector and promoting its role in the national economy. Also, thanks and gratitude are extended to our valued customers for their loyalty, and to all shareholders and employees of Amlak International for their loyalty, affiliation and efforts that stand behind the Company's achievements that help it to maintain its pioneering role in the Kingdom's real estate finance industry.

May Allah bless you all,

Abdullah bin Ibrahim Al-Howaish

Chairman

1.1. CEO's Statement

Valued Shareholders of Amlak International for Real Estate Finance Company

Peace, mercy, and blessings of Allah be upon you,

While many were still recovering from the repercussions of the Corona pandemic, "Amlak International" was able to record positive indicators, which were reflected in its financial results, levels of customer satisfaction, employee satisfaction, and its financial and operational infrastructure.

Over the past year, Amlak International has enhanced its infrastructure in line with the market situation and customer requirements. Relying on the balanced policies and standards practiced in its financing activities, the Company succeeded in stimulating annual growth and achieving financial gains. The net profit before Zakat exceeded SAR 123 million, the return on equity before Zakat was 10.5%, and the return on assets before Zakat was 3.4%. The Company was also keen on the continuity of the long-term growth of its financial returns. Since 2018, Amlak International has managed to record a compound annual growth of net profits before Zakat equal to 8.1%.

The Company was keen to continuously improve and develop the services and solutions provided to its customers. The team worked hard to develop and apply the best professional standards and practices to deal with customers, provide their financing needs, meet their requirements and answer their inquiries, which was positively reflected on customer satisfaction levels for the year 2021G. An independent survey showed an increase in the satisfaction level of Amlak International's customers by more than 89%.

The beginning of 2021G witnessed a change and improvement in the organizational and operational structure of the Company, including strengthening the work team with distinguished cadres and competencies. This improvement aimed to raise the efficiency of the infrastructure and operational structure and raise the production capacity of "Amlak International". This has strengthened the solidity of its base and provided it with sufficient flexibility to keep pace with changes and developments in the market and raise standards of governance and compliance. These improvements also contributed to enabling the Company to implement internal development and improvement projects focused on raising the efficiency of customer service and the financial management of Zakat and tax, and Risks, Credit and Collection Departments. The Company was also keen on training and developing its human resources and attracting distinguished national competencies, which contributed to enhancing the Saudization rate to reach 83%. As for the overall, the percentage of females reached 23% in Amlak International, believing in the empowerment

of women and their essential role. The success of these initiatives was translated into an improvement in the level of employee satisfaction to exceed 82% in the same year.

"Amlak International" has set a role for itself that goes beyond the traditional role, as much as we are keen to achieve financial gains, we look forward to stimulating the energies of our wealth of human capital as a strategic priority because this represents the backbone of our Company's components in addition to the long-term strategic vision and attractive business environment. This pushes our role as an active part of the process of economic and social transformation that the Kingdom is witnessing today, and a pioneering model for the future of the sector.

In this regard, many thanks and appreciation should be directed to the Custodian of the Two Holy Mosques, His Royal Highness, the Crown Prince, Deputy Prime Minister and Minister of Defense, may God preserve them, and to all our partners from government, semi-governmental and private agencies, headed by the Ministry of Finance, the Saudi Central Bank, the Ministry of Municipal and Rural Affairs and Housing, the Capital Market Authority, the Real Estate Development Fund, the Saudi Refinancing Company, and the Saudi Stock Exchange (Tadawul) for their continuous efforts to support this vital sector and stimulate its role in serving the national economy and for their permanent support and assistance.

Mercy and blessings of Allah be upon you;

Abdullah bin Turki Al-Sudairy

Chief Executive Officer

2. Amlak International ... A Journey of Excellence

Amlak International for Real Estate Finance Company is a Saudi company established in 2007G, and it has been listed on the Saudi Stock Exchange “Tadawul” since July 2020G. It was the first company to be licensed by the Saudi Central Bank “SAMA” to engage in real estate financing activity in the Saudi market in accordance with real estate finance regulations, and in compliance with the provisions of Islamic Shariah under the supervision of the Shariah Supervisory Board, which includes a number of scholars and sheikhs with great experience and knowledge of Sharia-compliant financing.

In 2021, Amlak International completed its fourteenth year as a leading company in the real estate finance sector. From the beginning, the Company adopted an integrated strategy for its business based on a package of core values focusing on innovation, mutual trust and efficiency in enhancing the added value and competitive advantages in its solutions, products and programs. Its main objectives are to serve the retail and corporate sectors based on a deep understanding of the market needs in the Kingdom of Saudi Arabia and also on a full awareness of the multiple challenges facing these needs through its departments, business sectors and branches in the Kingdom of Saudi Arabia, which makes the Company's leadership in the field of real estate financing is not limited to being the first to be established in the Saudi market, but also being a leader in providing innovative, pioneering, distinguished and integrated real estate financing solutions, products and programs.

In its quest to continue its leadership and leadership, Amlak International for Real Estate Finance Co. is committed to updating and developing its business and operational strategies to ensure its contribution to overcoming current and future obstacles and challenges facing the Saudi real estate finance market in order to meet the needs of customers and beneficiaries.

Among the most prominent achievements and developments realized by the Company since its establishment are the following:

Year	Most Notable Developments and Achievements
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2007G	<ul style="list-style-type: none"> • The Company was established as a joint stock company under the name "Amlak International for Real Estate Development and Finance Company" with a capital of one billion Saudi Riyals in the city of Riyadh. • Launching the retail Ijarah program. • Introducing the Ijarah program for corporate clients and high solvency businessmen. • Opening of the Riyadh branch.
2008G	<ul style="list-style-type: none"> • The Company's business expanded to include the Western and Eastern Regions. • The Company realized profits after one year of its establishment.
2009G	<ul style="list-style-type: none"> • Presenting the off-plan product as the first product of its kind in the Kingdom. • Growth of the financing portfolio by more than 40%.
2010G	<ul style="list-style-type: none"> • Growth of the financing portfolio by 35%. • Awarded prize for the best real estate financing and development program.
2011G	<ul style="list-style-type: none"> • Growth of the financing portfolio by 42%. • Awarded Developer Real Estate Finance Program Prize. • Reducing the capital from one billion Saudi Riyals to (SAR 877,500,000).
2012G	<ul style="list-style-type: none"> • Establishment of the Treasury Management Department. • The value of the financing portfolio amounted to Two Billion Saudi Riyals. • Amending the previous decision regarding reducing the capital from one billion Saudi Riyals to eight hundred and seventy-seven million and five hundred thousand Saudi Riyals (SAR 877,500,000), so that the reduction after amendment became from one billion Saudi Riyals to (SAR 900,000,000)
2013G	<ul style="list-style-type: none"> • Growth of the financing portfolio by 30%. • Obtaining a license from the Saudi Central Bank in December of 2013, being the first real estate finance company to obtain the license.
2014G	<ul style="list-style-type: none"> • Establishing a system to issue immediate approvals via the Internet, considered the first of its kind in the Kingdom of Saudi Arabia.

2015G	<ul style="list-style-type: none"> • Financing contracts reached more than (1,000) contracts. • Awarded prize for the best Corporate real estate finance program until 2014G.
2016G	<ul style="list-style-type: none"> • Implementing the first sale of a financing portfolio. • Awarded prize for the best Retail real estate finance program in Makkah Al-Mukarramah in 2015G for the corporate sector. • Awarded prize for the best Developer program in Makkah Al-Mukarramah in 2015G. • Awarded prize for the best financing program for real estate development projects in Riyadh in 2015G for the corporate sector. • The value of the financing portfolio reached three billion Riyals.
2017G	<ul style="list-style-type: none"> • Signing joint agreements with the Ministry of Housing and the Real Estate Development Fund. • Launching the subsidized loan product in cooperation with the Real Estate Development Fund and the Ministry of Housing. • Offering a share program for employees. Accordingly, the Company's capital was increased from (SAR 900,000,000) to (SAR 903,000,000) by issuing new shares registered for the benefit of some employees.
2018G	<ul style="list-style-type: none"> • Implementing the second sale of a financing portfolio with a value exceeding 104 million Saudi Riyals. • Signing the direct sale agreement for the off-plan product with the Real Estate Development Fund. • Make adjustments to the organizational structure according to regulatory requirements issued by the Saudi Central Bank "SAMA" so that: <ul style="list-style-type: none"> ○ An independent unit (for cyber security) has been established within the Risk and Credit Sector. ○ A customer complaints handling unit has been established, functionally linked to the Executive Director of the Retails Sector, and administratively linked to the CEO of Amlak International. • Increase in the number of contracts for retails for the year 2018G compared to 2017G, by more than 80%.

	<ul style="list-style-type: none"> Increasing the Company's capital from (SAR 903,000,000) to (SAR 906,000,000) by issuing new shares registered for the benefit of some employees within the employee shares program.
2019G	<ul style="list-style-type: none"> Launching the Islamic Finance Management System (Temenos 24) during the middle of the year. Implementing two sales of financing portfolios with a value exceeding 235 million Saudi Riyals. The Ministry of Housing honoring for Amlak International as the best real estate finance company for the third quarter of 2019G. Inauguration of the Corporate and Businessmen branch in Jeddah. The total growth in corporate financing amounts reached about 29%. The total growth in retail financing amounts exceeded 90%. Obtaining the approval of the Capital Market Authority on the request of Amlak International for Real Estate Finance Company to register and offer its shares for public subscription.
2020G	<ul style="list-style-type: none"> Inauguration of the Company's new headquarters in Riyadh. Listing of "Amlak International" in the Saudi Stock Exchange Market "Tadawul" in July 2020G. Implementing four portfolio sales with a value exceeded SAR 459. The rate of return on shareholders' equity before Zakat exceeded 10%.
2021G	<ul style="list-style-type: none"> Implementation of an internal restructuring of the Company in February 2021G. The rate of return on shareholders' equity before Zakat exceeded 10.5%. The rate of return on assets before Zakat exceeded 3.4%.

3. Our Strategy

3.1. Vision, Mission and Values

Our vision:

To be the real estate financier of choice .

Our mission:

Offer our customers innovative, value-added financial solutions; and a long-term relationship built on confidence and mutual remuneration.

Maximize the sustainable value of our shareholders' investments, by balancing economic rewards and risks.

Recognize our people as a treasured resource, and act as a catalyst to unlock their potential and expand personal horizons.

Engage constructively to meet the real estate ownership aspirations of society, to build and preserve household and private wealth.

Our values:

Innovation: Proactively changing, reinventing and evolving, to stay relevant in an ever-changing marketplace

Leadership: Being the standard-bearer in each of the business segments we operate in, offering an unsurpassed value proposition to meet and exceed customer needs

Trust: Building strong and enduring relationships with all stakeholders, based on candor, mutual respect and fair play

Competence: Developing market-leading capabilities by being professional, empowering, inclusive and meritocratic

Ownership: Being accountable to customers, shareholders, employees and societies, in pursuit of balanced and sustainable returns and growth

3.2. Our goals

Amlak International aims to continue its leadership in providing real estate financing services that comply with the provisions of Islamic Shariah and increase its returns in a balanced way and at a steady pace in a manner that consolidates its position and leadership role within the real estate finance industry in the Kingdom of Saudi Arabia. The company's success is also due to the availability of a team with extensive experience capable of implementing the company's operational strategy, which ensures maintaining the pace of performance and high productivity.

The company's operational strategy is based on the following initiatives:

Corporate business development

Given the increasing focus on supporting the private sector in the Kingdom, the company is currently increasing the target sectors of the corporate and high net worth segment, taking into consideration the developing sectors with acceptable levels of risk. This is in addition to targeting companies and investors who are looking to expand and increase the volumes of their real estate investments.

Retail business development

In view of the individual's income and the Kingdom's initiatives to overcome the difficulties of owning the first home for individuals, the company sees opportunities to contribute by developing new real estate financing products and developing its current financing products in line with the requirements of the real estate finance market, and the company also participates in subsidized financing programs provided by the Ministry of Finance. Amlak International is keen to expand and adapt its financing solutions to include self-employed and non-Saudis residing in the Kingdom.

Capital Structure Management

The company's business model is to build efficient capital and maximize return on capital. From this standpoint, the company has been diversifying its sources of long-term financing, believing that one of the main success factors is owning a capital structure that relies on several financing channels. Therefore, the company began to focus on taking advantage of related initiatives, such as selling financing portfolios, to achieve its ambitions in sustainable development and reducing risks.

Risk Management

Sound credit portfolios are a vital driver of the company's success. Given the current economic difficulties and challenges, the continuous development and improvement of the risk management business model by investing in systems, infrastructure, human competencies, and developing risk management policies and procedures is a strategic necessity to maintain the credit strength of the portfolio.

Digital and technical transformation

Amlak International is investing in the development of information technology infrastructure to expand the capabilities of the existing systems and programs, and use the systems and programs necessary to raise the level of business efficiency in the company, so that the main target was in the areas of internal transactions and operations, customer service, risk management, governance, and last but not least, data and information management. Amlak International continues to invest and develop in the Islamic finance management system (Temenos 24), in addition to making appropriate improvements to the

company's business model on the system, in order to simplify and speed up the procedures for executing financing operations, enhance efficiency, quality and accuracy, and raise the level of customer satisfaction. This, combined with the development of fraud detection and money laundering practices, enables Amlak International to gain competitive and sustainable advantages in the real estate finance market.

Develop and support human resources

Finding, hiring and retaining talent is one of Amlak's global priorities. As the company invests in its human resources by providing a positive work environment, supporting career development opportunities, and supporting reward programs based on performance and merit, as the company is one of the first non-bank financial institutions to implement a stock grant program for employees.

Continuous development of customer service

Continuous development and improvement of customer services is one of the most important cornerstones of Amlak International and its products, because customer satisfaction is a major factor for the company's position among its competitors. According to the latest independent study in 2021, the company was able to pass 89.5% of the satisfaction of its customers from the individual and corporate sectors. To maintain this ratio, the company's focus will be on:

- Reducing the number of days for implementing financing operations.
- Developing and improving customer services.
- Developing and improving its electronic services.
- Improve handling of customer complaints.

4. An Overview of the Company's Divisions, Departments and Main Activities

4-1 Description of the Main Activities of the Company:

The main activity of the Company is to engage in real estate finance activity for companies and individuals by providing a number of financing products that are compatible with the provisions of Islamic Shariah (Murabaha, Ijarah, Ijarah described in the custody of retail, corporate and businessmen) and in accordance with the Companies Law, the Finance Companies Control Law and its Implementing Regulations, and the relevant regulations, rules and instructions issued by the competent authorities.

4-2 An Overview of the Most Important Divisions and Departments of the Company:

It is worth noting that the company carried out an internal restructuring of its sectors and divisions in February of 2021G, to be as follows:

Strategy and Marketing Department:

The role of the Strategy and Marketing Department focuses on supporting all segments of Amlak International Company by setting the Company's objectives and segments for the long and short term, building and following up optimal business plans to achieve such goals. Furthermore, the Department reviews and restructures the Company's policies and procedures, and aligns them with Amlak International's business strategies and plans.

This Department is also concerned with modifying and developing the Company's current products, and building new products in line with the developments of the real estate finance market and the target groups and segments. As a result, the Department starts to design, develop and manage marketing campaigns that aim to reach the relevant segments and groups, and increase recognition of Amlak International Company's brand in the Kingdom. Also, the Department has expanded its scope of business to provide a number of sales opportunities for retail and business sectors by directly targeting some segments and categories.

Corporate and High Net Worth Individual Department:

The Corporate Customers Department offers a wide variety of financing solutions and products that comply with the provisions of Islamic Sharia. It targets the requirements of clients with high financial capabilities from companies and investors. The value of the financing contracts for this segment usually starts from five million Saudi Riyals and reaches one hundred million Saudi Riyals with financing periods of more than of five years. The Corporate Department's strategy lies in establishing long-term relationships with small, medium and large-sized companies or businessmen with high financial solvency, in order to innovate and provide distinguished and appropriate financing solutions for them. The Department is also concerned with providing the highest standards of customer relationship management, as the satisfaction rate for corporate department customers reached 91% for the year 2021.

Retail Customer Department:

The Company's retail Department aims, through a distinguished team, to provide housing financing solutions and products that suit the needs of its retail clients. It also provides financing programs in cooperation with the Ministry of Housing and the Real Estate Development Fund, which aim to raise the percentage of housing ownership in the Kingdom. The retail sector is characterized by the presence of specialized employees in customer service using the best means of financing services, in order to make the customer's financing process clear and easy through the customer care center and the self-service website. The percentage of customer satisfaction with the financing services provided by the Company reached 85.9% for the year 2021.

Credit & Risk Management Department:

Amlak Co. pays great attention to the Credit and Risk Management Department, where a clear strategy has been developed and managed through the Board of Directors, the Board Risk Committee and other internal sub-committees that look at risks that would adversely affect the Company's goals and vision. In addition, they ensure the quality of the credit portfolio and the development of a mechanism to identify, measure and correct the risks that the Company may be exposed to during its activities, within an integrated framework that includes the management of operational, market, legal, reputational, liquidity and information security risks. This is performed under the supervision of the Board of Directors and its committees, in addition to the internal risk committees, in a way that contributes to achieving the objectives of the Company and meeting the requirements of regulatory and supervisory authorities.

The Credit and Risk Management Department in Amlak Company manages the credit risks of the corporate and retail sectors and the related issues in dealing with bad debts and collection from clients in order to maintain the quality of the Company's assets and thus achieve its objectives. The Department also pays attention to the security and protection of

information. It includes an independent cybersecurity unit that works around the clock to manage the basic controls of all the Company's systems and operations, and to reduce and minimize information risks.

Finance Department:

The Finance Department assumes a number of responsibilities, including managing credit facilities, making financing decisions, hedging operations, cash management, and implementing and matching the Company's financial procedures. The Department coordinates any operations related to the management of the Company's assets and liabilities. It also handles all Zakat and tax related obligations and ensures compliance.

At the procedural level, the Finance Department is working to achieve improvement in performance and quality of reports, develop control methods, and focus on automating the procedures for payments, reconciliations and bank accounts. It also prepares financial statements, planning budgets, and administrative and supervisory reports.

Operations and Joint Services Department:

The Operations and Joint Services Department consists of three main divisions:

Operations Division

The Operations Division is responsible for supporting the operations related to the registration, management and control of the Company's current and prospective customer information, and the implementation of after-sales services to customers, including analysis, review and update of customer and financing data. Operations Division relies on systems and procedures that contribute to following-up the operations related to the quality of inputs and outputs of customer data.

Information Technology Division

The Information Technology (IT) Division focuses on continuous development by updating the Company's systems with a commitment to adhere to and provide customer information protection standards, and keep abreast of the Company's needs in terms of reports and information necessary to run its business. It also periodically enhances the requirements of information security, which is one of the most important challenges facing business sectors around the world. The Information Technology Division also applies appropriate improvements to the Company's systems, which contribute to raising the effectiveness and efficiency of performance, enhancing the ability to obtain reports that support rapid decision-making, and facilitating the requirements of customers and beneficiaries for information.

Credit Control Division:

The Credit Control Division focuses on reviewing and implementing financing operations, whether retail or corporate, as well as ensuring credit approvals while keeping them in the designated places according to the approved policies and procedures. The Credit Control Division also plays more than one role in terms of issuing periodic reports, as well as the presence of a specialized team to complete and follow up on waiving processes with the Notary Public or through accredited Notaries.

Customer Care Department:

The Customer Care Department applies the highest standards in serving Amlak International clients. The Department receives complaints, inquiries and requests for support from customers, supervises them and follows up on them with the relevant departments until they are closed. The Department is also committed to handling all customer affairs clearly and in the shortest possible time.

Human Resources and Administrative Affairs Division:

The Human Resources and Administrative Affairs Division focuses on developing strategic and operational plans to attract, develop and maintain the appropriate talents, in addition to providing administrative support and assistance to all divisions of the Company. The Division also implements development programs and projects related to developing technical and leadership skills and motivating employees to achieve the highest results. The Division is also keen to achieve Saudization rates, which reached 83% at the end of 2021G, and to take the necessary initiatives to improve the work environment, raise level of job satisfaction, and set annual plans for training and development of employees. The Division is also concerned with the security and safety of employees, management of the Company's facilities, and the provision of support and administrative services, which include maintenance, cleaning, catering, government relations tasks and management of the Company's licenses and records.

Governance and Legal Affairs Division:

The Governance and Legal Affairs Division is concerned with the implementation of governance in Amlak International Company in line with the provisions of the Companies Law, regulations of the Capital Market Authority, and circulars, regulations and controls issued by the Saudi Central Bank (SAMA). The Governance Department is also concerned with implementing the approved Corporate Governance regulations in accordance with the relevant laws and regulations.

The Legal Department, which is organizationally under this Division, is entrusted with providing the necessary legal advice to all departments and sections of the Company according to the nature of the daily work. The Legal Department also manages the cases

assigned to it, follows up and represents the Company before the Judicial Authorities, which include issues of financing contracts and non-financing contracts.

The Legal Department is also concerned with presenting the work of the Shari'a Board's secretariat as a technical and administrative body established for the purpose of supporting the Shari'a Commission in achieving its objectives and performing its work, by thoroughly

studying the Company's transactions and activities, preparing the study for presentation to the Shari'a commission to issue what is necessary in its regard, and drafting what is decided by the Shari'a commission, following up and communicating that to the Company's Departments. Also, it is responsible for documenting and archiving that, and verifying that all the Company's activities and implementing procedures are in compliance with the provisions of the Islamic Shariah according to the decisions issued by the Shariah Commission.

Compliance and Anti-Money Laundering Department:

The Compliance and Anti-Money Laundering Department monitors all new laws or amendments thereto and translate these amendments and developments into the Company's internal policies and procedures, to ensure full compliance with the regulations and laws issued by legislative authorities for combating financial crimes, in particular anti-money laundering, terrorist financing and anti-fraud. During the year 2021G, the Company conducted a review of internal policies and procedures to enhance the compliance environment, and combating financial crimes in particular, in compliance with the changes that occurred in the regulations and laws governing Amlak International for Real Estate Finance Company.

In line with the supervisory requirements, the Compliance Department worked during the year to prepare reports showing the Company's compliance with the regulations and laws. These reports were submitted to the Audit Committee, and then to the Board of Directors. They included an assessment of the risks facing the Company related to compliance, anti-money laundering and terrorist financing, as well as the current processes and procedures, and suggestion of any amendments or changes thereto.

In order to upgrade and develop human cadres, the Company trains its employees on an annual basis in the areas of compliance, anti-money laundering and terrorist financing, which have had a positive impact in enhancing the culture of compliance among employees. Indicators of suspected money laundering and terrorist financing operations and indicators of suspected fraud were also reviewed, updated and circulated to the Company's employees to work accordingly.

The Internal Audit Department:

The Internal Audit Department is an integral part of the Company's internal control and governance framework, especially it has been entrusted with the tasks of reviewing the Company's works and procedures and evaluating their compatibility with the policies,

controls and procedures established by the Board of Directors and its committees. In addition, it evaluates their compatibility with the relevant legislation and regulations in force in the Kingdom of Saudi Arabia.

The Company's Internal Audit Department follows approved plans and policies to evaluate and improve the effectiveness of internal control, risk management and governance to ensure that all of them are in line with best practices and standards by providing advice and recommending a professional and objective framework, in order to enhance internal control and protect the Company's assets.

Based on the tasks entrusted to it, the Internal Audit Department submits periodic and annual reports to the Audit Committee that include observations and weaknesses related to the application of internal control procedures, in addition to studying the potential effects on the Company's work procedures and transactions, with highlights on activities with high and medium risks. Each report includes recommendations for a mechanism for dealing with these observations in order to add value to the Company and improve its operations, as well as to evaluate and improve the effectiveness of Governance and Risk Management processes.

5. Capital of Amlak International Company

Ownership of the main Shareholders of the company:

Shareholders	Number and percentage of shares	
	No. of Shares	Direct Ownership (%)
Saudi Investment Bank	20,300,000	%22.4
Amlak Finance Company	16,625,000	18.3 %
Dallah Al Baraka Investment Holding Company	8,879,500	9.8%
The rest of shareholders	44,795,500	49.4%
Total	90,600,000	100%

- The above data as on 31/12/2021G.

5-1 Financial Results and Highlight the of Performance Results of Business Sectors

The year 2021 witnessed global challenges to economic, social and financial sectors, reflecting the repercussions of facing Corona Pandemic. Due to the continued support of the Government of the Custodian of the Two Holy Mosques, may Allah protect him,

provided to the private sector, the Company has maintained its strong financial position and continued to provide finance solutions for various sectors. The Company has also

maintained its position as one of the largest non-banking companies licensed to provide mortgage products in the Kingdom. The Company plays a role of participation in the Ministry of Housing initiatives to increase the proportion of house ownership in the Kingdom in accordance with the strategic initiatives of the Government under the Kingdom's vision 2030. During 2021, Amlak International continued to appropriate its funding policy in line with the changes made by the supervisory authorities to expand the fair accessibility of customers to real estate financing. The Company has launched financing products to allow greater options for customers, and it will also continue to work with the Ministry of Housing and the Real Estate Development Fund over the coming years.

The results of balance sheet statement show growth in the finance portfolios to reach SAR 3,408.7 million in 2021G, compared to SAR 3,352.3 million in 2020G. It is worth mentioning that the Company has sold a finance portfolio to Saudi Real Estate Refinancing Co. amounting SAR 161.6 million during the year 2021G, and finance balances from banks including Saudi Central Bank deposits reached SAR 2,257.5 million compared to SAR 2,246.9 million in 2020G, which reflect the increased financing capacity. The equity has risen to SAR 1,191.0 million compared to SAR 1,148.4 million for last year. In 2021, cash dividends for the previous year 2020, amounting to SAR 72.5 million have been distributed, with average of 0.80 Halalah per share. In addition to that, the credit allocations amounted to SR 89.2 million, with a decrease of SAR 4.6 million.

In the income statement, the total revenue has risen to SAR 286.4 million compared to SAR 274.1 million in the fiscal year 2020G to reflect 4.5% rise in revenue, mainly due to growth by 45% in fees and commission income and the high capital profits from the sale of financing portfolio properties. The cost of credit facilities also fell to SAR 54.2 million compared to the cost of credit facilities last year 2020, which amounted to SAR 65.1 million, as a result of reflecting some obligations that are no longer payable, the low price of SIBOR, improvement of the borrowing cost margin that have been carried out during the year, and the deposits received from the Central Bank under the defer payment program. Operating expenses (including allocation of credit losses and expected write-offs) rose to SAR 108.8 million at the end of 2021G compared to SAR 93.6 million in 2020, with an increase of SAR 15.2 million. The Company achieved a net income before Zakat amounting SAR 123.3 million compared to SAR 115.4 million in 2020G. The net income was SAR 107.8 million compared to SAR 98.9 million for 2020G.

5-2 Comparison of financial results:

Statement (SAR'000)	2017G	2018G	2019G	2020G	2021G
	<u>Audited</u>	<u>Audited</u>	<u>Audited</u>	<u>Audited</u>	<u>Audited</u>
Activity revenues	275,403	265,756	292,626	274,073	286,352
Banking charges	91,755	88,087	93,767	65,100	54,219
Total profit of the activity	183,648	177,669	198,859	208,973	232,133
Total operating expenses (including provisions and write-offs)	80,394	80,056	96,800	93,579	108,798
Net Income - before Zakat	103,254	97,613	102,059	115,394	123,335
Net Income - after Zakat	99,813	61,155	70,010	98,900	107,753
Net income - before Zakat and after excluding investment income	93,843	97,359	102,935	117,408	119,602

(*) In 2017, Zakat was not calculated in the income statement according to accounting standards at the time, but was calculated in equity. The calculation method was changed in 2019 according to the Central Bank circular in cooperation with the Saudi Organization for Certified Public Accountants, and accordingly 2018 was amended for the sake of financial comparison.

5-3 Comparison of assets and liabilities

Statement (SAR'000)	2017G	2018G	2019G	2020G	2021G
	<u>Audited</u>	<u>Audited</u>	<u>Audited</u>	<u>Audited</u>	<u>Audited</u>
Funding Portfolio	3,121,866	3,090,740	3,197,628	3,352,267	3,408,699
Other assets	205,214	172,796	207,577	228,092	158,772
Total assets	3,327,080	3,263,536	3,405,205	3,580,359	3,567,471
Total bank loans and the Central Bank program to defer payments	2,072,175	1,994,132	2,080,432	2,246,851	2,257,468
Other Liabilities	85,609	142,494	199,496	185,081	118,982
Total Liabilities	2,157,784	2,136,626	2,279,928	2,431,932	2,376,450
Equity	1,169,296	1,126,910	1,125,277	1,148,427	1,191,021
Total Liabilities and Equity	3,327,080	3,263,536	3,405,205	3,580,359	3,567,471

5-4 Differences in operational results from the previous year's results:

Statement (SAR'000)	2020G	2021G	The change	%
	<u>Audited</u>	<u>Audited</u>		

Activity revenues	286,352	274,073	12,279	4.5%
Cost of revenue (credit facilities)	54,219	65,100	(10,881)	(16.7%)
Gross profit	232,133	208,973	23,160	11.1%
Total operating expenses (including provisions and write-offs)	108,798	93,579	15,219	16.3%
Profits for the year - before Zakat	123,335	115,394	7,941	6.9%
Profits for the year - after Zakat	107,753	98,900	8,853	9.0%

The following statement shows the most important financial indicators:

Financial indicators	2017G	2018G	2019G	2020G	2021G
Earning per share before Zakat (SAR)	1.14	1.08	1.13	1.27	1.36
Earning per share after Zakat (SAR)*	1.11	0.68	0.77	1.09	1.19
Return on equity before Zakat %	8.97%	8.50%	9.06%	10.15%	10.54%
Return on Assets before Zakat %	3.12%	2.96%	3.06%	3.30%	3.45%
Return on equity after Zakat %	8.67%	5.33%	6.22%	8.70%	9.21%
Return on assets after Zakat %	3.02%	1.86%	2.10%	2.83%	3.01%

(*) In 2017, Zakat was not calculated in the income statement according to accounting standards at the time but was calculated in equity. The calculation method was changed in 2019 according to the Central Bank circular in cooperation with the Saudi Organization for Certified Public Accountants and accordingly 2018 was amended for the sake of financial comparison

5-5 Turnover of the main activities of the company

Statement (SAR'000)	Retail Sector	Corporate Sector	Head Office	Total
Assets	1,029,331	2,483,084	55,056	3,567,471
Liabilities	651,353	1,594,440	130,657	2,376,450
Activity Income *	84,661	201,691	-	286,352

(*) Activity income consists of financing contracts income and transaction processing fees from administrative fees, real estate appraisal fees for properties (minus appraisal expenses), early settlement fees, early partial payment fees or early total payments, and management fees for sold portfolios.

Activity name	Activity Revenues (SAR'000)	%
Income from Murabaha contracts	12,743	4.45%
Income from lease contracts	240,741	84.07%
Income of lease contracts described in the disclosure	7,949	2.78%
Transaction processing and valuation fees, net (*)	21,186	7.40%
Investments	3,733	1.30%
Total	286,352	100%

(*) Transaction processing fees consist of management fees, real estate appraisal fees for property (minus appraisal expenses), early settlement fees, early partial or full early settlement fees, and management fees for sold portfolios.

5-6 Geographical analysis of the company's total revenue

Statement (SAR'000)	Geographical analysis of the company's total revenue			
year	Total revenue	Central Region	Western Region	Eastern Region
2020G	274,073	147,249	95,964	30,859
2021G	286,352	157,555	95,194	33,603

5-7 A clarification of any deviation from accounting standards approved by the Saudi Organization for Certified Public Accountants

None.

5-8 Subsidiaries

Amlak International Real Estate Development Company

Amlak International Real Estate Development Company was established on 05/11/1432H (corresponding to 03/10/2011G) as a limited liability company registered in Commercial Register No. 1010317413 dated 06/11/1432H (corresponding to 04/10/2011G) with its head office in Riyadh.

The following table summarizes the ownership structure of Amlak International for Real Estate Development as on 31-12- 2021G:

Ownership Structure of Amlak International Real Estate Development Company

Name of the Subsidiary	Capital	Percentage of the Company's Ownership	Activity	Country is of its Main Operations	Country of Incorporation
Amlak International Real Estate Development Company	SAR 500,000	100%	Buying, selling and leasing real estate and land in order to preserve real estate financing instruments	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia

The main activities of Amlak International Real Estate Development Company include selling, buying and leasing real estate and land for the purpose of maintaining and keeping real estate financing instruments (title deeds), while making sure that the company does not currently practice any commercial activity and does not have employees.

Details of shares and debt instruments issued for each subsidiary company.

All loans are granted to Amlak International Real Estate Finance Company. There are no loans or instruments for the subsidiary company.

5-9 Information related to the company loans

S/N	Name of the Lender	Opening Balance of Financing	Repaid Amounts of Financing during the year	Additional Financing Amount	Remaining Amount of Financing	Total Indebtedness of the Company and its Subsidiaries
1	Saudi Investment Bank	451,182,759	296,951,991	295,000,000	177,769,231	449,230,768
2	Saudi British Bank	247,376,593	84,751,593	260,000,000	202,375,000	422,625,000
3	Bank Aljazira	302,954,958	464,204,958	470,000,000	141,250,000	308,750,000
4	AlBilad Bank	119,958,000	86,953,809	142,000,000	24,995,808	175,004,191
5	Samba Financial Group	304,071,161	289,071,160	140,000,000	320,000,000	155,000,001
6	Gulf International Bank	257,416,307	247,416,307	135,000,000	271,250,000	145,000,000
7	National Commercial Bank	194,583,269	62,083,269	-	247,500,000	132,500,000
8	Saudi Refinance Company	75,000,000	75,000,000	127,500,000	147,500,000	127,500,000
9	Arab National Bank	-	-	100,000,000	100,000,000	100,000,000
10	Al Rajhi Bank	60,360,831	42,860,795	-	232,499,965	17,500,036

11	Alawwal Bank**	72,782,923	72,782,923	-	-	-
12	The Central Bank's program for deferring payments	157,070,937	138,460,914	204,972,592	-	223,582,615

(*)data shows the movement of facilities during the year 2021

(**) Alawwal Bank was merged with the Saudi British Bank, which resulted in the entire balances under the name of Saudi British Bank.

5-10 A statement of the value of the regulatory payments paid and due for payment and not paid until the end of the annual financial period

The statutory payments payable by the company for the year 2021G mostly consist of the due Zakat, tax and amounts due to the General Organization for Social Insurance in exchange for the employees' social insurance contributions. The following table shows the data of those payments:

Statement (SAR'000)	2021G		Brief Description Payments	Reasons
	Paid during the year	Due until the end of the annual financial period but not paid		
General Authority of Zakat and Income (Zakat - for the year 2021)	-	15,582	What is paid or charged for the period in accordance with the provisions and rules of Zakat obligation, income tax law, and the fees of the SADAD system in the Kingdom of Saudi Arabia.	-
General Authority of Zakat, Tax and Customs (Zakat - for previous years)	22,315	10,778	What is paid or charged for the period in accordance with the provisions and rules of Zakat obligation, income tax law, and the fees of the SADAD system in the Kingdom of Saudi Arabia.	-

General Authority of Zakat, Tax and Customs (Value added tax)	2,306	(9,929)	The balance due to the company with the Authority (adjustments and purchase invoices for previous periods) and what was paid over the period in accordance with the provisions and rules of value-added tax in the Kingdom of Saudi Arabia.	Statutory Requirement
General Authority of Zakat, Tax and Customs (VAT - Claims Settlement)	-	-	Based on the agreement with the General Authority of Zakat and Income to settle Zakat claims	Statutory Requirement
General Authority of Zakat, Tax and Customs (Withholding tax)	819	17	What is paid or charged for the period in accordance with the provisions and rules of Zakat obligation, income tax law, and the fees of the SADAD system in the Kingdom of Saudi Arabia.	Statutory Requirement
General Organization for Social Insurance	5,315	-	What is paid or charged over the period in accordance with the provisions of the Labor Law in the Kingdom of Saudi Arabia	Statutory Requirement
Visa and passport costs	14	-	What is paid or charged for the period in accordance with the provisions of the licenses granted to the company in return for providing the service commercially	Statutory Requirement
Labor office fees	110	-	What is paid or charged for the period in accordance with the provisions of the licenses granted to the company in return for providing the service commercially	Statutory Requirement

6. Risk Management

6-1 Credit Risks

Since the real estate mortgage is the main activity of Amlak International, credit risk is one of the most important major risks that may face the Company and its finance portfolio. The Company is seeking to reduce these risks by committing to policies and procedures adopted by its Board of Directors within the framework of the Saudi Central Bank's instructions and ensuring their application by activating the role of the Risk Committee and Credit Management for retails and Credit Management for companies and businessmen segments.

6-2 Risks related to Financing Prices and Cash Liquidity

Amlak International depends on borrowing from banking institutions and lending to the beneficiaries of customers, companies and businessmen as a major business model for the Company. Since bank financing prices are constantly fluctuating, this model has included risks that may adversely affect the Company's business and its financial liquidity and profits. Therefore, Amlak International, through its Treasury Department, seeks to diversify borrowing portfolios and hedges against fluctuations in financing prices to reduce their risks. The Company has also expanded its main framework to include cooperation with government and private bodies in their initiatives and programs directed at housing and real estate sectors, as part of its efforts to diversify cash liquidity resources and increase profits.

6-3 Market Risks

The mortgage market has large expansive features and a catalytic environment, which may attract more finance companies, whether interior or external, to work in this area. This is in addition to any acquisition and integration processes that may occur between companies

operating in the area of the Company, which may increase their market share and the level of competition among Companies operating in the mortgage market. The occurrence of such developments is beyond the Company's control and is difficult to predict.

The occurrence of any such possibilities mean that the Company may face competition with other financial institutions with greater resources at their disposal or possessing other advantages that are hard or impossible to compete with by the Company. The institution, which has a large financial resources or big client network, may exceed the Company in the advertising costs and attract members of key persons of the Company by offering them financial rewards and incentives more than what the Company could give them. It may allocate more resources to develop its products and expand its work coverage. For example, there is a competition in the commission rates and profits by other financing institutions. This may lead to negative impacts, most importantly is that the Company may lose clients or segment of the market, which will reduce profit margins or increase the cost. The

Company may have to obtain additional financing or capital that may not be available at attractive prices or may not be available at all.

One of the most important reasons for increasing demand for housing is the support programs provided by the Ministry of Housing. The Company may face the risk of stopping or reducing these programs, which would reduce the demand in real estate market.

6-4 Risks of Interest Rate Volatility

The Company is keen to obtain Shariah compliant financing based on competitive profit margins. However, this depends significantly on liquidity available with lenders and bank interest rates associated with the SIBOR index. For example, the arrangement of financing loans to the Company's clients and retails may depend on that the profit margin is based on fixing the cost of borrowing price for a long period exceeding the period of financing granted to the Company, which may result in risks of change in SIBOR prices. The Company is also keen to have the periods of lending and borrowing for more than one year close to each other to reduce the impact of interest rate fluctuations on the Company's results, by using hedge transactions against fluctuations in financing prices to reduce the aforementioned risks.

6-5 Risks related to Low Value of Real Estate Guarantees

Where real estate assets are generally long-term investments, it is difficult to quickly liquidate them without affecting the real estate price. The Company maintains a portfolio of real estate assets, which is a guarantee for its financing products. If the Company's clients are, suddenly or collectively, stalled as a result of general economic conditions, it may be difficult for the Company to liquidate its real estates associated with the contracts with such stalled clients at appropriate prices and within a short period of time. This will adversely affect the Company's business, expectations, financial conditions and future prospects.

6-6 Risks of Operations

The Company is vulnerable to operational risks that may result in material losses, including, but not limited to, employee mistakes in not documenting the transactions correctly and according to the Company's approved models, failure to take the necessary legal advice on non-typical operations which are not within the framework of Company's operations models, fraud (internal or external) or misuse of powers or mandates. This may include non-compliance of the Company's employees with the regulatory requirements, work practice rules, malfunction of systems and equipment, natural disasters or failure of external systems. The Company cannot totally eliminate these risks of operations, and the

occurrence of any of these incidents will adversely and materially impact the Company's business, financial condition, results of operations or future prospects.

6-7 Legal Risks

Amlak International is seeking to deal with legal risks, resulting from the financing and non-financing Company contracts, according to all procedures, policies and administrative and regulatory resolutions within the company, through an integrated framework, which is periodically updated in accordance with the Company's activities. It identifies current and future legal risks, analyze and assess them, then gives the recommendations and procedures to deal with and reduce them to the relevant sections and departments. Sometimes, the Company faces legal risks and challenges with judicial authorities, including non-concur with decisions of the Shariah Committee of the Financing Party when any conflict arises between the financing party and the client and forwarding that to the jurisdiction. Also, the risk of jurisdiction conflict between the Public Court and the Financing Disputes and Violations Settlement Committee, as well as nonevidence of deed's ownership. Amlak's Risk Management Section also generates quarterly reports to the Risk Committee and internal subcommittees of the Company, containing the proposed recommendations and procedures to address existing legal risks.

6-8 Risks Related to Reputation

The Company has a good reputation in the field of its business and it is important to maintain this reputation, including its strong financial capacity and integrity, in order to enhance its ability to attract new clients, retain them and establish strong relationships with counterparties. In this regard, the Company's reputation may be adversely affected due to several factors, including, but not limited to, deterioration of its financial results, exposure of the Company or its management members to lawsuits or unfavorable legal procedures, which may result from non-compliance with certain legal requirements, or staff misconduct

that leads to a breach by the Company of the applicable statutory requirements. The damages to the Company's reputation would adversely and materially affect the Company's business, financial condition, results of operations or future prospects.

6-9 Risks Related to Information Technology (IT) Systems

The Company is developing its IT systems as the nature of its business and the regulatory requirements require it to rely heavily on the optimal use of these technologies. Its internal controls related to risk control and compliance with relevant laws and regulations, including financial matters, increase the Company's need to rely on modern information technology in carrying out many of its works and maintaining its level of activity and quality. Therefore, any failure of the Company's technical systems, which may occur for several reasons, including, but not limited to, natural disasters, prolonged power outages, computer viruses and other external electronic attacks. Although the Company takes measures that reduce risks of such events, they still pose a threat to the Company's information, customers and continuity of its activities during periods of outage to the electronic network. The proper functioning of the Company's IT systems depends on accurate and reliable data and other system inputs which are subject to human errors.

6-10 Strategic Risks

Amlak International strives to achieve its long-term goals. The Company is keen to pursue the optimal paths and business conducts in order to achieve its goals. Therefore, Amlak International has formulated a five-year plan that covers all its objectives, whether they are financial, operational, organizational and administrative projects, and even its systems and human and non-human resources. The Company annually develops a balanced scorecard that contains work plans, projects and annual performance indicators that serve it in achieving long-term goals. In order to reduce risks and overcome obstacles that may adversely affect the achievement of its objectives, Amlak International, based on the balanced scorecard, holds a monthly meeting dedicated to studying and determining the level of performance and taking corrective actions and measures if necessary.

6-11 Risks Covered by Insurance

The Company secures insurance coverage related to the risks that the Company may face in addition to those that may be required by law to cover the risks associated with financing operations. Among the risks that are covered by insurance are:

- Life insurance for Amlak International customers.
- Partial and total disability insurance for Amlak International customers.
- Insurance on financed real estate against potential risks.
- Insurance of information security and privacy protection.

- Insurance of the responsibility of the Board members and senior management members.
- Health insurance for employees.
- Also, in some cases, insurance may not cover death certificates and errors of clients' acknowledgment of their health conditions.

6-12 Risks related to the Company's Zakat and Tax Position

The Company was a party to Zakat disputes related to the Company's objection to additional Zakat amounts imposed by the General Authority for Zakat, Tax and Customs (GAZT) for the period from 2007G to 2017G. A settlement agreement was signed on 03/03/2019G for the period from 2013G to 2017G for an amount of SAR 33,680,095. The decision of the Zakat and Tax Dispute Settlement Committee at GAZT was approved on 11/04/2019G to settle Zakat disputes from 2007G to 2012G for an amount of (SAR 12,601,875), including income tax and a fine of SAR 20,000 for failure to submit a tax return. The impact of the settlements was reflected in the Company's financial statements, and all settlement amounts were paid except for amounts agreed with GAZT to be rescheduled, totaling SAR 21.6 million as at the end of 2019G. This amount is paid on payments of SR 5.4 million due on 1st December of each year and the last payment will be on 1/12/2023G, relating to the settlement of Zakat amounts for the period from 2013G to 2017G. The Company does not expect any additional claims not included in the settlement or other Zakat claims not mentioned.

GAZT has issued rules for calculating Zakat related to financing activities, which apply to banks and finance companies licensed by the Saudi Central Bank. These rules were published on 08/07/1440H (corresponding to 15/03/2019G) in Um Al-Qura newspaper, Issue No. 4771. These rules will be followed in calculating Zakat as of 2019G. Based on such rules, Zakat pool will have a minimum and maximum amount for the companies

realizing net profit, ranging at four (4) times the net income before Zakat at the end of the Zakat year as a minimum amount, and eight (8) times the net income before Zakat at the end of the Zakat year as a maximum amount.

The Value Added Tax (VAT) Law came into effect on 01/01/2018G. VAT is a new tax added to the system of taxes and other fees on specific sectors in the Kingdom. The relatively recent application of real estate disposition tax and VAT lacks clarity in some cases and the Company has to interpret the application method in certain cases. However, GAZT may not agree with the Company's conclusions, which may result from differences in their interpretation. If this happens, the Company may incur additional costs, which will adversely affect the Company's business and financial results.

7. The company's Board of Directors and committees

According to the company's articles of association, the company is managed by a Board of Directors consisting of nine members appointed by the ordinary General Assembly for a period of three years. The General Assembly Meeting No. (2021/01) was held on Monday 12/10/1442H corresponding to 24/05/2021G, during which the members of the Board of Directors were elected according to the cumulative voting method for a three-year term starting from 04/06/2021G.

The Board of Directors undertakes the duties described in the company's articles of association and governance regulations for Amlak International Real Estate Finance Company, the most prominent of which are:

- Approval of the strategic plans and main objectives of the company and the mechanisms for their application.
- Evaluating the general operational performance compared to the approved strategic plans and objectives.
- Approval of the quarterly financial statements and the final financial statements.
- Establishing and supervising the rules of internal control systems, and approving policies and procedures to ensure compliance with laws and regulations.

The statement below shows the names of the members of the Board of Directors and the classification of their memberships:

S/N	Name	Membership	Membership Classification
1	Abdullah bin Ibrahim Al Howaish	Board Chairman	Non-Executive
2	Mansour bin Abdul Aziz Al-Bosaily	Deputy Chairman	Independent
3	Amr Mohamed Kamel	Member	Independent
4	Mohammed Abdul Aziz Alshaya	Member	Independent
5	Majed Abdulghani Fakh	Member	Non-Executive
6	Khaled Abdulaziz Al Rayes	Member	Non-Executive
7	Naser Yousef Al-Marzooqi	Member	Non-Executive
8	Ali Mohammed Alshamali	Member	Non-Executive
9	Abdullah Turki Alsudairy	Member	Executive

A. Board of Directors Meetings

During the year 2120G, the Board of Directors held (4) meetings. The following statement explains the Board's meetings and the attendance record of each meeting:

Member name	No. of meetings: 4				Total attendance	Attendance (%)
	First meeting 29/03/202G	Second meeting 02/06/2021	Third meeting 22/09/2021	Fourth meeting December 22/12/2021		
Mr. Abdullah Ibrahim Al-Howaish	√	√	√	√	4	100%
Mr. Mansour Aziz Rashid Al-Bosaily	√	√	√	√	4	100%
Mr. Mohammed Abdul Aziz Alshaya*	NA	NA	√	√	2	50%
Mr. Khaled Abdulaziz Al Rayes	√	√	√	√	4	100%
Mr. Amr Mohamed Kamel	√	√	√	√	4	100%
Mr. Majed Abdulghani Fakih	√	√	√	√	4	100%
Mr. Naser Yousef Al-Marzooqi	√	√	√	√	4	100%
Mr. Abdullah Turki Alsudairy*	NA	NA	√	√	2	50%
Mr. Ali Mohammed Alshamali*	NA	NA	√	√	2	50%
Mr. Thamer Abdul Qader Jan**	√	√	NA	NA	2	50%
Mr. Faisal Abdullah Al-Omran**	√	X	NA	NA	1	25%
Mr. Sultan Fawaz Al Hukair**	√	X	NA	NA	1	25%

**Former Board Member Thamer Abdul Qader Jan: His term of membership in the Board of Directors expired as a result of the end of the previous term on 03-06-2021G.

**Former Board Member Faisal Abdullah Al-Omran: His term of membership in the Board of Directors expired as a result of the end of the previous term on 03-06-2021G.

**Former Board Member Sultan Fawaz Al Hukair: His term of membership in the Board of Directors expired as a result of the end of the previous term on 03-06-2021G.

* Board Member Mohammed Abdulaziz Al-Shaya joined the membership of the Board of Directors in the new term that was formed on 04-06-2021G.

* Board Member Abdullah Turki Al-Sudairi joined the membership of the Board of Directors in the new term that was formed on 04-06-2021G.

* Board member Ali Mohammed Al-Shamali joined the membership of the Board of Directors in the new term that was formed on 04-06-2021G

B. Shareholder's General Assemblies

During the year 2021G, the Company held an ordinary General Assembly according to the following:

a) The Ordinary General Assembly's meeting was held on 24/05/2021G, and its agenda included the following topics:

1. Voting on the report of the Board of Directors for the financial year ended 31/12/2020G.
2. Voting on the report of the auditor for the financial year ended 31/12/2020G.
3. Voting on financial statements for the financial year ended 31/12/2020G.
4. Voting on the recommendation of the Board of Directors to distribute cash dividends of SAR 72,480,000 for the financial period ended 31 December 2020G, being SAR 0.80 per share, which represents 8% of the share par value. The eligibility will be for shareholders who own the shares by the end of trading day during which the General Assembly was held and they were registered in the company's shareholders registrar at the Securities Depository Center at the end of the second trading day subsequent the maturity day. The date for dividend distribution will be announced later.
5. Voting on discharging the Board members for their performance during the financial year ended 31/12/2020G.
6. Voting on the appointment of the Company's auditor from among candidates based on the recommendation of the Audit Committee, in order to examine, review and audit the financial statements for the 2nd and 3rd Quarter and for the year 2021G and the 1st Quarter of 2022G, and specifying its charges.
7. Voting on the disbursement of SAR 2,328,000 as remuneration to the members of the Board for the fiscal year ended 31/12/2020G.
8. Voting on the disbursement of SAR 376,000 as remuneration to members of the Audit Committee for the fiscal year ended 31/12/2020G.
9. Voting on the recommendation of the Board of Directors for appointment of Mr. Naser Youssef Al-Marzouki is a (non-executive) Board member from the date of his appointment on 07/01/2201G to complete the Board's term until the end of the

- current term on 03/06/2021, as a successor to the former member (Adel Hussein Ahmed) (non-executive). (Attached is the curriculum vitae (CV).
10. Voting on the election of the Board members for the next term, starting 04/06/2008G for three years ending on 03/06/2024G.
 11. Voting on the formation of the Audit Committee, identifying its tasks, work controls and rewards for its members for the new term, from the date of 04/06/2021 and until the end of the term on 03/06/2824, noting that nominees are:
 - 1- Nominee / Mansour Abdulaziz Al-Basili
 - 2- Nominee / Mr. Mohamed Abdulaziz Alshaya
 - 3- Nominee/ Mr. Khaled Abdulaziz Al Rayes
 - 4- Nominee / Mr. Naser Sehaj Al-Shibani
 12. Voting on businesses and contracts between Amlak International and Saudi Investment Bank, in which the Board members: Mr. Faisal bin Abdullah Al-Omran, Mr. Majed Abdul Ghani Fakeeh, and Mr. Khalid bin Abdulaziz Al-Rayes have indirect interest. The Saudi Investment Bank owns 22.40% of the shares represented at Amlak International, which are renewal of credit facilities with the Bank for one year for a total value of SAR 664,500,000, noting that the value of the facilities made in 2020G amounted to SAR 451,182,759 and without preferential conditions. (attached)
 13. Voting on participation of the Board member Mr. Majed Abdul Ghani Fakeeh in a competing activity to the Company's business. (attached)
 14. Voting on participation of the Board member Mr. Naser Yousef Al-Marzouki in a competing activity to the Company's business. (attached)
 15. Voting on the amendment of the remunerations to the Board of Directors, its committees and the Executive Management. (attached)
 16. Voting on the amendment of policies, standards and procedures for the Board's membership. (attached)

The following statement illustrates the Board's members data and attendance roster for each meeting:

Attendance Roster	
Meeting of the Ordinary General Assembly held on 24/05/2021G	
1.	Abdullah Ibrahim Al-Howaish
2.	Mansour Abdulaziz Al-Bosaili
3.	Amr Mohammed Kamel
4.	Naser Yousef Al-Marzouki
5.	Majid Abdul Ghani Abdul Hadi Fakeeh
6.	Khaled Abdulaziz Al-Rayes

C. Procedures taken by the Board of Directors to keep its members updated on the shareholders' proposals and observations.

The Board of Directors has established a specialized Governance and Legal Affairs Department. A number of specialists have been appointed to assume the tasks and responsibilities of receiving suggestions and observations of the shareholders through various means of communication. There were no suggestions or observation by the shareholders on the Company and its performance during 2021G.

D. Company requests for Shareholders' Record

Number of the Company's Requests for Shareholders' Record	Request Date	Request Reasons
(1)	05/05/2021G	Company's Procedures
(2)	24/05/2021G	Ordinary General Assembly
(3)	26/05/2021G	Dividends Distribution

E. Names and data of the Board's Members, Committees' Members, and Executive Management

Members of the Board of Directors and its emerged Committees as at

31 -12-2021G:

No.	Name	Membership of Committees within the Company	Current Positions	Previous Position	Qualifications	Experience
1	Abdullah Ibrahim Sulaiman Al-Howaish	Chairman of the Executive Committee	- Managing Director and CEO - Aseer Trading, Tourism, Industry, Agriculture, Real Estate and Contracting; from January 2019 to present.	- Managing Director - Amlak International for Real Estate Finance Company; from July 2006 until May 2018. - Senior Director General / Head of the Credit and Risk Group of Arab National Bank; from June 2001 to June 2006.	Bachelor of Economics, King Abdulaziz University, KSA, 1985	More than 35 years of experience, during which he occupied leadership positions in a number of banks, companies, Board of Directors and committees for local and international companies in different sectors (banks, finance, investment, transportation, trading, and industry).

				<ul style="list-style-type: none"> - Senior Credit Officer of National Commercial Bank (NCB) from July 1999 until June 2001. - Director General of Corporate Banking at Saudi British Bank; from September 1992 to July 1999. - Different positions in NCB from July 1985 until September 1992. 		
2	Mansour Abdulaziz Rashid Albusaily	<ul style="list-style-type: none"> - Chairman of Remuneration & Nomination Committee - Member of the Audit Committee 	-	Executive Director of Legal Affairs and Secretary-General of Saudi British Bank from 1990 to 2014	Bachelor of Law, King Saud University, KSA, 1984	More than 30 years of experience, in the banking and legal sector
3	Naser Yousef Al Marzouki	<ul style="list-style-type: none"> Member of the Executive Committee Member of the Remuneration & Nomination Committee 	CEO of Emirates NBD, from 2019 to present	<ul style="list-style-type: none"> Officer, National Bank of Dubai (NBD), from 1995 to 1999 Senior Officer, Corporate Banking Unit in NBD, from 1999 to 2007. Head of the Corporate Banking Unit in Umm Al Quwain Bank, from 2008 to 2009. Assistant General Manager of Emirates NBD, from 2009 to 2014. Assistant Director of International Business at Emirates NBD, from 2015 to 2019. 	Bachelor of Accounting and Finance from University of Franklin, USA, 1995.	More than 23 years of experience in the banking and financial sector
4	Khaled Abdulaziz	Member of the Audit Committee	Chief Executive Officer of Securities	Investment Manager at Aseer Company, from 2014 to 2018.	Bachelor of Business Administration	More than 18 years of experience in the banking,

	Abdulrahman Al Rayes	Member of the Executive Committee	Investment and Mediation Co. from 2018 to present.	Director of Corporate Finance at Al Rajhi Financial Company, from 2010 to 2014.	from King Saud University, KSA, 2002G. MA in Finance, University of Denver, USA, 2006G MBA, University of Denver, USA, 2006G. Certified Financial Analyst (CFA), USA, 2011G	financial and investment sector
5	Amr Mohamed Abdullah Kamel	Member of the Remuneration & Nomination Committee Member of the Risk Committee	CEO Assistant, Dallah Albaraka Holding Company.	-	Bachelor of Business Administration, King Saud University- Financial Management Section, Saudi Arabia, 1997	-
6	Majid Abdul Ghani Abdul Hadi Fakeeh	Chairman of the Risk Committee Member of the Executive Committee	General Manager of Corporate Banking, the Saudi Investment Bank, from 2012 to present.	Customer Relations Manager – Corporate Banking, the Saudi Investment Bank, from 1995G to 2000G. Senior Corporate Bankers - Government and public institutions, NCB, from 2000G to 2012G	Bachelor of Business Administration, King Saud University, KSA, 1995	More than 25 years of experience in the banking, financial and financing sector
7	Ali Mohammed Al Shamali	Member of the Risk Committee	-	Executive analyst and advisor in Emirates Bank, from 1999 to 2000. Accounts Manager, Emirates Bank, from 1996 to 2001G. Director of Operations and Technology, Executive Officer	Bachelor of Computer Science, Seattle University, USA, 1994 Master of Business Administration, Wollongong University, Australia, 2010G.	More than 26 years of experience in Operations and Technology Sector.

				of Operations, Vice President of Credit and Risk, Director of Credit and Risk in Amlak Finance Co, from 2001G to July 2021G.		
8	Mohammed Abdul Aziz Alshaya	Chairman of the Audit Committee Member of the Risk Committee	Director of Mohammed Abdul Aziz Alshaya Financial Consulting Office, from 2014G to present	Chief Executive Officer of Medgulf, from 2016G to 2017G Director General of Finance Companies Control, the Saudi Central Bank, from 2012G to 2014G Director General of Insurance Companies Control, the Saudi Central Bank, from 2007G to 2012G. Director of Bank Inspection, the Saudi Central Bank, from 2004G to 2007G.	Bachelor of Accounting from Imam Mohammed Bin Saud University, Saudi Arabia, 1990G Master of Accounting from University of Illinois at Urbana-Champaign, USA, 1998G	More than 31 years of experience in the field of financial consultancy, control, audit and review.
9	Abdullah Turki Al-Sudairy	Member of the Executive Committee Member of the Risk Committee	CEO of Amlak International for Real Estate Finance Company, from 2013G to present	- Deputy Chief Executive Officer, Amlak International for Real Estate Finance Company, from 2011G to 2013G - Executive Director of Credit and Risk in Amlak International for Real Estate Finance Company, from 2007G to 2011G - Several tasks, the last was Assistant Director General of Corporate Department at Samba Financial Group, from 1999G to 2007G	- Bachelor of Accounting, King Saud University, Saudi Arabia, 1996G - Master's degree of Global Management, Thunderbird School of Global Management-Postgraduate Studies, USA, 1998G	More than 22 years of experience in finance, credit and risk management.

Committee Members from Outside the Board of Directors

/N	Name	Committee membership inside the Company	Current Positions	Previous Positions	Qualifications	Experiences
1	Naser Sehaj Al Shaibani	Member of the Audit Committee	- Financial and Administrative Consultant	- Consultant, Al Rashed Office for Chartered Accountants - Consultant, Harf Information Technology Company - Consultant, Gulf Training Company - Lecturer, Technical College, Riyadh	Bachelor's Degree in accounting, King Saud University, 1992G Master's degree in accounting - University of Denver, USA, 2000G	- broad expertise in the field of financial services and consulting and the development of administrative systems for more than 20 years - Membership of a group of Audit Committees

Executive Management

	Name	Current Position	Previous Positions	Qualifications	Experiences
1	Abdullah Turki Sudairy	CEO	Deputy Chief Executive Officer- Executive Director of Strategic Development at Amlak International for Real Estate Finance Company from 2011G to 2013G Executive Director of Credit and Risk at Amlak International for Real Estate Finance Company, from	- Master Degree of Global Management, Thunderbird School of Global Management- Postgraduate Studies, USA, 1998G - Bachelor of Accounting, King Saud University, Saudi Arabia, 1996G	Member of the Board of Directors, Amlak International for Real Estate Finance, from 2021G to present Member of the Executive Committee, Amlak International for Real Estate Finance Company, from 2012G to present Member of the Risk Committee, Amlak International for Real Estate Finance Company, from 2016G to present Member of the Board of Directors, Saudi Ceramic Company, from 2016G to present Chairman of the Nominations Committee, Saudi Ceramic

			2007G to 2011G Assistant General Manager of Corporate Department, Samba Financial Group, from 1999G to 2007G		Company, 2018G to present Member of the Board of Directors, Dallah Health Company, from 2019G to present Member of the Audit Committee, Dallah Health Company, from 2019G to present
2	Tawfiq Yahya Maafa	Chairman of Operations and Support Services Group	Executive Director of Retail Sector, Amlak International for Real Estate Finance Company, from 2015G to 2020G Executive Director of Operations and Information Technology, Amlak International for Real Estate Finance Company, from 2011G to 2014G Senior Manager of Operations, Amlak International for Real Estate Finance Company, from 2007G to 2011G	Bachelor of Physical Education, King Saud University, Saudi Arabia, 1999.	Chairman of Mortgage Finance Subcommittee for Financing Companies in the Saudi Central Bank, from 2017G to 2020G

			Several jobs at Arab Bank from 1999G to 2007G		
3	Saud bin Abdullah Al Shathri	Chairman of Human Resources and Administrative Affairs Group.	Director General – Administrative Affairs and Human Resources Group.	Bachelor of Business Administration, Arizona State University	<ul style="list-style-type: none"> - Head of Human Resources and Administrative Affairs Group. - Secretary of the Remuneration and Nomination Committee, Amlak International. - Member of the Remuneration and Nomination Committee- SABB Takaful - General Manager, Administrative Affairs and Human Resources Group
4	Turki bin Otaibi Al Zahrani	Chairman of the Risk and Credit Group	<p>Executive Director of Strategy and Marketing Group, from 2017G to 2020G</p> <p>Senior Manager of Strategy, Amlak International for Real Estate Finance Company, from 2014G to 2017G</p> <p>Director of Retail Credit Department, Amlak International for Real Estate Finance Company, from 2010G to 2014G</p>	Bachelor of Quantity Method Allocation, King Saud University, Saudi Arabia, 2002G	-

			Credit Analyst, Arab National Bank, from 2003G to 2010G		
5	Omar bin Sulaiman Abanmi,	Chairman of the Legal and Governance Group.	Director of Compliance and Anti- money Laundering Dept, Amlak International for Real Estate Finance Company, a Closed Joint Stock Company, real estate finance sector, from 2017G to 2019G Senior Manager, Compliance Department, Al Rajhi Bank, from 2016G to 2017G Head of Compliance, Bank Muscat, from 2013G to 2016G Deputy Head of Compliance,	Bachelor of Business Administration, Accounting Specialty, King Saud University, Saudi Arabia, 2008G Master of Business Administration, Middle Tennessee State University, USA, 2011G	Secretary of the Board of Directors and the Executive Committee, Amlak International for Real Estate Finance Company, from 2019G to present

			Bank Muscat, from 2013G to 2013G Anti-money laundering Officer, Arab National Bank, from 2012G to 2013G Anti-money Laundering Officer, Samba Bank, from 2008G to 2009G		
6	Abdullah Mohammed Al Shehri	Head of Internal Audit Dept.	<p>Senior Manager- Internal Audit Department, Samba Financial Group Director, Internal Audit Department, Bank Al Jazira</p> <p>Director - SME Finance Group, Bank Al Jazira,</p> <p>Director of Mortgage Finance Operations, Bank Al Jazira</p> <p>Assistant Director of Mortgage Finance Operations, Bank Al Jazira</p> <p>Officer of Credit Risks, Banque Saudi Fransi</p>	<p>Certified Internal Auditor Part I and II from the American Institute for Internal Auditors (CIA 1 & 2)</p> <p>Certified Internal Auditing Practice from the American Society of Internal Auditors</p> <p>Bachelor of Biochemistry, King Saud University</p>	<p>Secretary of Audit Committee, Amlak International for Real Estate Finance</p> <p>Member of the American Society for Internal Auditors IIA-USA</p> <p>Member of the Saudi Society for Internal Auditors IIA-KSA</p>

7	Raji Mohammed Abdullah	General Manager of Corporate Finance Group	<ul style="list-style-type: none"> - Head of Corporate Banking Corporations (Acting) at Emirates NBD - Saudi Arabia. - Regional Manager of Corporate Banking, Western Region and Eastern Region, Emirates NBD, Saudi Arabia. - Head of Business Banking Group in the Central Region (Acting for the Western and Eastern Region), SABB Bank. - Director of Large and SME Financing Relations, Alawwal Bank formerly Saudi Hollandi Bank) 	<ul style="list-style-type: none"> - Bachelor of Computer Science, King Fahd University of Petroleum and Minerals. - Certificate of bank diploma from the Banking Institute (currently the Financial Academy), the Saudi Central Bank. - Holds a certified management license from Harvard. 	More than 14 years of experience in banking and financing of small and medium enterprises (SME) and large companies
8	Murad Ahmed Sadiq	Head of Finance Group	<p>Head of Finance Group JPMorgan Chesbank NA, Riyadh Branch (March 2019G- July 2021G)</p> <p>Director of Financial Management, MUFG Bank Branch (April 2018G - March 2019G)</p> <p>Number of tasks, the last of which was Senior Manager of Assets,</p>	<p>Bachelor of Business Administration- Finance</p> <p>Bachelor of Business Administration- Information Systems Management, Arkansas University, USA, 2004G</p>	-

			Liabilities and Capital in SABB (March 2005G-December 2017G)		
9	Abdulrahman bin Mohammed Al-Azzaz	Director General, Retail Finance Group	<p>Director General, Retail Finance Group, Amlak Co., from November 2021G to present.</p> <p>- Director of Products and Business Development in Bidaya Home Finance Co., from 2018G to November 2021G</p> <p>- Financial Analyst, Ministry of Housing, from 2017G to 2018G</p> <p>- Product Manager, Mortgage Finance Contract Guarantees Scheme, from 2016G to 2017G</p> <p>- Manager of Residential Real Estate Development, from 2003G to 2021G</p> <p>- Management of Small Enterprise Acquisition, from 2020G to present</p>	<p>- Master of Financial Sciences, Niaqara University, USA, 2016G</p> <p>- Master of Business Administration-Accounting, Niaqara University, USA, 2016G</p> <p>- Bachelor of Financial Management, Boise State University, 2014G</p>	<p>- Representative of the Ministry of Housing in the National Plan for Savings, Financial Sector Development Program under the supervision of the Central Bank</p> <p>- Organize the need for mortgage sector in Eskin Program</p> <p>- Representative of the Minister of Housing in the Off-plan Sale Committee; Treatment and Solving Problems of Financiers in the Off-plan Sale System</p>

			- Management of Portfolios in the Saudi stock market, from 2000G to present.		
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Names of Companies, inside or outside the Kingdom, that the Board member is a member in its current and previous Board or one of its directors

#	Member's Name	Names of Companies that the Board member is in its current Board or is Director in it	Inside/outside the Kingdom	Legal Entity listed/unlisted joint stock company/limited liability company.	Names of Companies that the Board member was in its previous Board or was Director in it	Inside/outside the Kingdom	Legal Entity listed/unlisted joint stock company/limited liability company.
1	Abdullah bin Ibrahim Alhowaish	Chairman, Amlak International for Real Estate Finance Company, from June 2018 to present.	Inside the Kingdom	Listed joint stock company	Member of the Board of Directors of Al-Tawfiq Financial Group (currently Etqan Capital), from 2008G to 2013G.	Inside the Kingdom	Unlisted joint stock company
		Managing Director and CEO - Aseer Trading, Tourism, Industry, Agriculture, Real Estate and Contracting, from January 2019 to present.	Inside the Kingdom	Listed joint stock company	Member of the Board, SABB Takaful Co., from 2010G to 2014G	Inside the Kingdom	Listed joint stock company
		Member of the Board of Directors, Emaar Economic City, since	Inside the Kingdom	Listed joint stock company	Member of the Board of Directors, Saudi Ground Services	Inside the Kingdom	Listed joint stock company

		October 2020.			Co., from 2016G to 2019G		
		Vice Chairman, Halawani Brothers Co., Saudi Arabia, from April 2019G to present.	Inside the Kingdom	Listed joint stock company	Member of the Board of Directors, Riyadh Airports Company, from 2016G to 2017G	Inside the Kingdom	Unlisted joint stock company
		Vice Chairman, Halawani Brothers Co., Egypt, from April 2019G to present.	Inside the Kingdom	Unlisted joint stock company	Member of the Board of Directors, Saudi Ground Services Co. from 2014G to 2015G	Inside the Kingdom	Listed joint stock company
		Vice Chairman, Alissa Industries Co., from September 2019G to present.	Inside the Kingdom	Unlisted joint stock company	Member of the Board and Managing Director, Amlak International for Real Estate Finance Company, from June 2006G to 2018G.	Inside the Kingdom	Listed joint stock company
		Member of the Board of Directors, SEDCO Capital, from June 2019G to present.	Inside the Kingdom	Unlisted joint stock company	Chairman, Saudi Amad Airport Services and Transport Support Company, from January 2016G to February 2019G.	Inside the Kingdom	Unlisted joint stock company
					Chairman, Standard Chartered Capital-Saudi	Inside the Kingdom	Unlisted joint stock company

					Arabia, from February 2018G to June 2019G.		
					Member of the Board, Fawaz Al Hukair & Partners Group, from January 2007G to April 2008G.	Inside the Kingdom	Listed joint stock company
		Member of the Board of Directors, Al Khozama Company, from March 2021G to present.	Inside the Kingdom	Unlisted joint stock company	Chairman, Simah Saudi Credit Bureau, from May 2004G to March 2006G.	Inside the Kingdom	Unlisted joint stock company
					Member of the Board, Simah Saudi Credit Bureau, from May 2002G to April 2004G.		Unlisted joint stock company
		Member of the Board of Directors, Al Rabie Saudi Foods Co., from May 2021G to present.	Inside the Kingdom	Limited Liability Company	Member of the Board, Ittefaq Steel Products Company, from 2011G to December 2020G	Inside the Kingdom	Unlisted joint stock company
	2	Chairman HSBC (HSBC) Saudi Arabia, from 2015G to present.	Inside the Kingdom	Unlisted joint stock company	Executive Director of Legal Affairs and Secretary-General of the Saudi British Bank, from 1990G to 2014G.	Inside the Kingdom	Listed joint stock company
		Jaz Arabia Services Company.	Inside the Kingdom	Unlisted joint stock company			
		Member of the Board of	Inside the Kingdom	Listed joint stock company	Member of the Board,	Inside the Kingdom	Listed joint stock company

		Directors of Saudi Ground Services Co.			Jabal Omar Company, from 2018G to 2020G.		
		Member of the Board of Directors of Extra Electronics Co., from 2016G to present.	Inside the Kingdom	Listed joint stock company	Member of the Board, the Saudi Cooperative Reinsurance Company (Saudi Re), until the end of 2019G.	Inside the Kingdom	Listed joint stock company
		Member of the Board of Directors of Aseer Trading, Tourism and Industry Co.	Inside the Kingdom	Listed joint stock company	Member of the Board, SABB Takaful Co.	Inside the Kingdom	Listed joint stock company
3	Mohammed Abdul Aziz Al Shaya	Member of the Board of Directors, HSBC Saudi Arabia	Inside the Kingdom	Unlisted joint stock company	Member of the Board, Tunisian Saudi Bank (2008G-2013G).	Inside the Kingdom	Unlisted joint stock company
		Member of the Board of Directors, Alissa Industries Company.	Inside the Kingdom	Unlisted joint stock company	Member of the Board, Ground Services Company (2015G-2019G). to 2018.	Inside the Kingdom	Listed joint stock company
		Chairman, SABB Takaful.	Inside the Kingdom	Listed joint stock company	CEO Medgulf Insurance (from 2/2016G to 4/2017G)	Inside the Kingdom	Listed joint stock company
		Member of the Board of Directors, Amlak International for Real Estate Finance Co.	Inside the Kingdom	Listed joint stock company	Member of the Board, Najm Insurance Services Company (2016G-2019G).	Inside the Kingdom	Unlisted joint stock company
					Member of the Board, Coca Cola of Saudi	Inside the Kingdom	Limited Liability Company

					Arabia, (2017G-2019G).		
4	Khalid bin Abdulaziz Al Rayes	Chief Executive Officer, Alistithmar Capital, since 2018.	Inside the Kingdom	Unlisted joint stock company	Member of the Board of Directors, Al Rabie Saudi Foods Co., from 2014G to 2019G	Inside the Kingdom	Limited Liability Company
		Member of the Board, Amlak International for Real Estate Finance Co., since 2018G.	Inside the Kingdom	Listed joint stock company	Member of the Board, Al-Josour Holding Company, from 2015G to 2017G.	Inside the Kingdom	Limited Liability Company
		Member of the Board of Directors, Alistithmar Capital, since 2021G.	Inside the Kingdom	Unlisted joint stock company	Member of the Board of Directors, Al Khuzama Management Company, from 2017G to 2018G	Inside the Kingdom	Unlisted joint stock company
5	Amr bin Mohammed bin Abdullah Kamel	Member of the Board of Directors, Dallah Health Company.	Inside the Kingdom	Public Shareholding Company	-	-	-
		Member of the Board of Directors, Aseer Trading and Tourism Co.	Inside the Kingdom	Public Shareholding Company			
		Chairman of the National Environmental Preservation Company (BeeA'h)	Inside the Kingdom	Limited Liability Company			
		Member of the Board of Directors of Al-Khozama Management Company.	Inside the Kingdom	Limited Liability Company			
		Member of the Board of	Inside the Kingdom	Limited Liability Company			

		Directors of Maad Construction Holding Co.					
		Member of the Board of Directors of the Shams Union Company	Inside the Kingdom	Limited Liability Company			
		Member of the Board of Directors of the Free Survey Company.	Inside the Kingdom	Closed joint stock company			
6	Majid bin Abdul Ghani Fakeeh	General Manager, Corporate Finance Group, Saudi Investment Bank, from 2012G to present.	Inside the Kingdom	Listed joint stock company	Member of the Board, Saudi ORIX Leasing Company, from 2012G to 2015G.	Inside the Kingdom	Unlisted joint stock company
		Member of the Board of Directors of Alistithmar Capital, since 2021G.	Inside the Kingdom	Unlisted joint stock company			
7	Naser Yousef Al-Marzouki	CEO, Emirates NBD.	Inside the Kingdom	Listed joint stock company	-	-	-
		Member of the Board, Amlak International for Real Estate Finance Company.	Inside the Kingdom	Listed joint stock company			
		Saudi Financial Lease Registration Company (Sijil).	Inside the Kingdom	Unlisted joint stock company			

8	Abdullah Turki Al Sudairy	CEO, Amlak International for Real Estate Finance Company	Inside the Kingdom	Listed joint stock company	Member of the Board, Riyadh Airports Company.	Inside the Kingdom	Unlisted joint stock company
		Member of the Board, Amlak International for Real Estate Finance Company.	Inside the Kingdom	Listed joint stock company			
		Member of the Board, Saudi Ceramic Company.	Inside the Kingdom	Listed joint stock company			
		Member of the Board, Dallah Health Services Company.	Inside the Kingdom	Listed joint stock company			
9	Ali Mohammed Al Shamali	Member of the Board, Alpha Electrical Company.	Outside the Kingdom	Limited Liability Company	-	-	-

F. Board of Directors Committees

According to the Company's Articles of Association and the Company's Governance Regulation, an appropriate number of sub-committees emanating from the Board, will be formed according to the Company's needs, circumstances and activities, to assist the Board of Directors to effectively perform its tasks in accordance with general procedures established by the Board, including the specification of the committee's task, duration, powers granted to it during its term and how the Board controls it. The committees submit their reports to the Board of Directors, which follows up their work periodically to verify that they carry out the works entrusted to them. The Board also approves the work regulations of all the emanating committees, while the General Assembly approves the Audit Committee and the "Remuneration & Nomination Committee". The following Board committees were formed:

1. Executive Committee.
2. Risk Committee.
3. Remuneration and Nomination Committee.
4. Audit Committee.

Review of the tasks and responsibilities of these committees and their meetings during 2021G:

A. Executive Committee

The Executive Committee consists of (5) members, and the list below shows the names of the members of the Committee as at December 31, 2021G:

- | | |
|---------------------------------------|----------|
| 1. Abdullah Ibrahim Al-Howaish | Chairman |
| 2. Naser Yousef Al-Marzooqi | Member |
| 3. Khaled Abdulaziz Al-Rayes | Member |
| 4. Majid Abdulghani Abdul Hadi Fakihi | Member |
| 5. Abdullah Turki Alsudairy | Member |

The following table shows the names of the committee members and the attendance record of the meetings held during the fiscal year 2021G:

	Name	Nature of Membership	Number of meetings (4) meetings				Total Attendees	Attendance rate
			First meeting 09/03/2021G	Second meeting 30/05/2021G	Third meeting 08/09/2021	Fourth meeting 15/12/2021G		
1	Abdullah Howaish	Chairman	√	√	√	√	4	100%
2	Abdullah Alsudairy	Member	√	√	√	√	4	100%
3	Majed Fakihi	Member	√	√	√	√	4	100%
4	Khaled Al Rayes	Member	√	√	√	√	4	100%
5	Naser Marzooqi	Member	√	√	√	√	4	100%

Brief description of the executive committee's competencies and tasks:

- Reviewing the company's strategies and objectives, presenting its recommendations to the Board in this regard, and reviewing the operations budget and capital expenditure budget.
- Reviewing the proposed business plans, operations and financial plans and submitting its recommendations to the board in this regard.
- Supervising and receiving strategic project reports and reviewing the company's work policies and procedures except for the accounting policies and procedures.
- Approving the company's annual operating plans and estimated financial budgets before submitting them to the Board of Directors for approval.

- Approving all additional operational and capital expenses in excess of 25% of the approved budgets.
- The Executive Committee is given the powers to approve borrowing to finance the company's financing and investment activity, not exceeding four billion Saudi riyals.

B. Risk Committee

Risk Management Committee consists of (5) members. The List below shows the names of the members of the Committee as on December 31, 2021:

- | | |
|---------------------------------------|-----------------|
| 1. Majed Abdulghani Fakih | Chairman |
| 2. Mohammed Abdul Aziz Alshaya | Member |
| 3. Abdullah Turki Alsudairy | Member |
| 4. Ali Mohammed Alshamali | Member |
| 5. Amr Mohamed Kamel | Member |

The following table shows the names of the committee members and the attendance record of the meetings held during the fiscal year 2120:

	Name	Nature of Membership	Number of meetings (4) meetings					Attendance rate
			First meeting 09/03/2021G	Second meeting 30/05/2021G	Third meeting 08/09/2021	Fourth meeting 15/12/2021G	Total Attendees	
1	Majed Fakih	Chairman	√	√	√	√	4	100%
2	Abdullah Alsudairy	Member	√	√	√	√	4	100%
3	Amr Kamel	Member	√	√	√	√	4	100%
4	Mohammed Alshaya	Member	√	X	√	√	3	75%
5	Ali Alshamali *	Member	NA	NA	√	√	2	%50
6	**Thamer Jan**	Member	√	√	NA	NA	2	%50

* Committee member Ali Al-Shamali joined the risk committee in the new term that was formed on June 21-2021

**Former Committee member Thamer Jan: His term of membership in the Risk Committee expired as a result of the end of the previous term on 03-06-2021G.

Brief description of the Competencies and tasks of the Risk Committee:

- Develop a clear and written business strategy and policies to manage risks and identify all types of underlying risks and the way to deal with them.
- Setting appropriate procedures for early and comprehensive detection of risks, evaluating, managing, monitoring and preparing reports in this regard.
- Discussing the risks report on a quarterly basis and submitting it to the Board of Directors, including the decisions taken in this regard.
- Reviewing policies and regulations related to risk management activities.
- Reviewing the company's general provisions and setting an upper limit for large exposures.
- Studying the appropriate treatment of overdue accounts.
- Evaluating and monitoring the adequacy and effectiveness of the risk management framework in the company and supervising it to ensure the identification, measurement and reporting of risks effectively, including determining the appetite for risk and the ability to accept risks.
- Reviewing policies and regulations related to information security management activities.
- Overseeing the existing and potential risks, including credit risk, market risk, liquidity risk, operation risk, legal risk, strategic risk, reputation risk, credit concentration risk in the portfolio and the risks associated with the Board of Directors within the framework and information security guidance.

C. Remuneration and Nominations Committee

The Remuneration and Nominations Committee consists of 4 members. The list below shows the names of the members of the Committee as at December 31, 2021G.

1. Mansour Aziz Rashid Al-Bosaily	Chairman
2. Khaled Abdulaziz Al Rayes	Member
3. Naser Yousef Al-Marzooqi	Member
4. Amr Mohammed Kamel	Member

The following table shows the names of the committee members and the attendance record of the meetings held during the fiscal year 2021G:

	Name	Nature of Membership	Number of meetings (4) meetings				Total Attendees	Attendance rate
			First meeting 04/01/2021G	Second meeting 11/02/2021G	Third meeting 04/03/2021G	Fourth meeting 24/06/2021G		
1	Mansour Bosaily	Chairman	√	√	√	√	4	100%
2	Majed Fakih **	Member	√	√	√	NA	3	75%
3	Amr Kamel	Member	√	√	√	√	4	100%
4	Sultan Al Hukair**	Member	√	√	X	NA	2	50%
5	Khaled Al Rayes*	Member	NA	NA	NA	√	1	25%
6	Naser Marzooqi*	Member	NA	NA	NA	√	1	25%

**Former Committee Member Majid Fakih: His term of membership in the Remuneration and Nominations Committee expired as a result of the end of the previous term on 03-06-2021G.

**Former Committee Member Sultan Al Hukair: His term of membership in the Remuneration and Nominations Committee expired as a result of the end of the previous term on 03-06-2021G.

* Committee member Khaled Al Rayes joined the membership of the Remuneration and Nominations Committee in the new term that was formed on June 21, 2021G.

* Committee member Naser Al-Marzouqi joined the membership of the Remuneration and Nominations Committee in the new term that was formed on 21-06-2021G.

Brief description of the functions and duties of the Remuneration and Nomination Committee:

- Evaluating the performance of the Board of Directors and its committees. The committee also evaluates the strengths and weaknesses of the Board and its committees and proposes addressing any shortcomings.
- Recommending to the Board of Directors a policy for the nomination and election of members of the Board of Directors and the procedures for obtaining the approval of the Central Bank of Saudi Arabia regarding the candidates.
- Adopting a policy to ascertain the eligibility and suitability of all candidates for appointment to leadership positions. The requirements should include at least the requirements of the Central Bank of Saudi Arabia, procedures for assessing merit and suitability, procedures to be taken in the absence of the appropriateness factors for the appointed person, and procedures for reviewing and developing the said policy.

- Follow up on the continuity of the members' independence on an annual basis and ensure that there is no conflict of interest if the member is a member of the board of Directors of another company.
- Ensure the development of an induction program for new members of the Board of directors and its committees.
- Review and approve the company's policies for remuneration and benefits. The committee also reviews and recommends all forms of remuneration for members and secretaries of the board and committees.
- Develop criteria for evaluating the CEO to be notified in advance, evaluate him on an annual basis, and approve his salary and increments, and other rewards, including the employee stock program.
- Recommend to the Board of Directors to approve or reject any transaction of a Board member with another company that may involve a conflict of interest.
- Review human resources policies and procedures, including administrative development programs, job replacement plans for executives, and development goals that include performance indicators to be achieved within incentive and reward programs.
- Review and approve all appointments at the level of executive directors in the company after making sure that the suitability requirements are met and obtaining the Central Bank of Saudi Arabia's no-objection before the appointment.

4. Audit Committee

The Audit Committee consists of 4 members of the Board of Directors or others, and the statement below shows the names of the members of the Committee as at December 31, 2021:

- 1. Mr. Mohammed Al-Shaya (Chairman of the Audit Committee - Independent Board Member)**
- 2. Mr. Mansour Al-Bosaily (Member of the Audit Committee - Independent Board Member)**
- 3. Mr. Naser Al Shaibani (Member of the Audit Committee - From outside the Board)**
- 4. Mr. Khaled Abdulaziz Al-Rayes (Member of the Audit Committee - Non-Executive Board Member)**

Brief description of the audit committee's competencies and tasks:

- Recommending the Board of Directors to approve the appointment or reappointment of the external auditors and their fees. The scope of the committee's work includes ensuring that the nominated external auditors have the necessary expertise to review the business of financial companies, and to exercise their work impartially and independently.
- Ensuring the independence of the company's external auditors, members of the Board of Directors and senior management in the company.
- Supervising the Internal Audit and Compliance departments, ensuring their independence in the performance of their duties, and ensuring that there are no restrictions on their work or the existence of anything that could negatively affect their activities.
- reviewing the preliminary annual financial statements with the external auditor and the company's senior management before recommending them to the Board of Directors. In addition to reviewing the interim financial statements and discussing them with senior management before recommending them to the Board of Directors.
- Studying and approving the internal audit plan and charter.
- Studying the internal audit department's policies and procedures manual and submitting recommendations to the Board of Directors for approval.
- Reviewing the effectiveness of the internal audit activities in terms of their compatibility with the standards of the Institute of Internal Auditors.
- Reviewing the reports of the internal and external auditors and their comments, and the reports of the Compliance Department, expressing an opinion on them, and submitting recommendations to the Board of Directors.
- Reviewing the effectiveness of compliance with laws and legislation and the results of the Compliance Department's research and following up on any cases of non-compliance with those laws and regulations.
- Reviewing the work charter of the Audit Committee and raising recommendations to the Board of Directors for approval by the General Assembly that includes the rules, responsibilities, and obligations of the committee.
- Examine all records and documents necessary to perform its work and seek the assistance of any consulting body from outside the company to carry out specific tasks in order to assist it in performing its work.
- Determining the effectiveness of the company's internal controls, including procedures for protecting and controlling information.
- Recommending the appointment or dismissal of the manager of the Internal Audit Department and the manager of the Compliance Department, and submitting a recommendation in this regard to the Board of Directors.

The following table shows the names of the committee members and the attendance record of the meetings held during the fiscal year 2021G:

	Name	Nature of Membership	Number of meetings (7) meetings							Attendance rate
			First meeting 2021/02/16	Second meeting 25/02/21021G	Third meeting 21/04/2021G	Fourth meeting 28/06/2021G	Fifth meeting 02/08/2121G	Sixth meeting 24/10/2021G	Seventh meeting 22/12/2021G	
1	Member / Mohammed Alshaya	Chairman	√	√	√	√	√	√	√	7
2	Member / Mansour Bosaily	Member	√	√	√	√	√	√	√	7
3	Member / Khaled Al Rayes	Member	√	√	√	√	√	√	√	7
4	Member/ Mohammed Al-Obeid *	Member	√	√	√	X	X	X	X	3
5	Member/ Naser Al Shaibani**	Member	X	X	X	√	√	√	√	4

** Committee member Naser Al-Shaibani joined the membership of the Audit Committee in the new term that was formed by the General Assembly on 04-06-2021G.

*Former Committee Member Mohammed Al-Obeid: His term of membership in the Audit Committee expired as a result of the end of the previous term on 03-06-2021G.

A. Opinion of the Audit Committee

The company pursues an internal control framework based on three lines of defense:

First: Policies and procedures that are compatible with regulations and legislation.

Second: Internal control (compliance and risk management).

Third: Internal audit.

The various departments of the company are harmonizing their activities in accordance with the rules and regulations established and approved by the competent authorities as a first line of defense, while the internal control departments represented by Compliance, Risk, Information Security and Confidentiality Department play the role of the second line of defense and are concerned with evaluating, measuring and monitoring different levels of risks at the level of daily operations and as well as credit and information security operations to ensure compliance with the regulations that have been enacted to ensure the company's compliance with the regulatory requirements. These departments submit periodic reports to the company's various committees, the most important of which are Audit Committee, Risk Committee and the Cyber Security Committee. The Internal Audit Department performs the tasks of the third line of defense, which is concerned with conducting the necessary checks and reviews to ensure that the company and its employees adhere to the company's approved policies based on the work of the Internal Audit Department.

In general, the effectiveness of the internal control procedures and systems has been reasonably assured in terms of covering the important control aspects that fundamentally affect the company's smooth and easy access to its objectives, including but not limited to:

- Procedures for segregation of key tasks in various departments of the company,
- Procedures for handling conflict of interest.
- Procedures for maintaining important documents.
- procedures for bank account reconciliation.
- Procedures for settlement of customer accounts and receivables.
- Procedures for control of management of information security and confidentiality.
- Procedures for recognition of revenue and recording it.
- Procedures for expense recording.
- Procedures for preparing the estimated budget and verifying the effectiveness of other procedures.

Audit Committee supervises the implementation of the company's internal audit department's of the annual risk-based audit plan approved by the Audit Committee to assess the efficiency of the applied internal control with a focus on evaluating the environment, control activities, organizational structure, risks, policies and procedures, segregation of tasks, and conflict of interest, security and confidentiality of information, and accuracy of financial reports, by taking a random sample of the activities planned to be reviewed in order to examine them to ensure the effectiveness and adequacy of the designed and applied internal control systems, and to obtain reasonable assurances about the effectiveness and efficiency of internal control during the year. Also, the Audit Committee examines, reviews and discusses the work of the external auditor, which includes planning and implementation of audit work to obtain a reasonable degree of conviction that the financial statements are free from material errors and in accordance with international audit standards recognized in the Kingdom of Saudi Arabia. Based on the annual examination of the internal control procedures being tested during the period by the Audit Committee, the external auditor, Internal Audit Department and Compliance Department of the company, the results of this examination provided reasonable assurance regarding the effectiveness and efficiency of the operations, preparations and fair presentation of financial reports as well as compliance with applicable laws and regulations issued by the relevant regulatory authorities, with a number of observations provided to the executive management. It was agreed on the necessary corrective measures, along with setting the time period for correction, and submission of periodic reports to the Audit Committee. We also note that it is not possible to absolutely confirm the comprehensiveness of the examination and evaluation processes that are carried out for internal control procedures, because the audit process in essence is based on random sampling, especially since the Internal Audit Department works closely with the company's executive management to continue to ensure a reasonable and effective level of efficiency of the company's internal control system and procedures.

B. Recommendation of the Audit Committee regarding the appointment of an internal auditor in the company



التاريخ: 16 02 1441 هـ
الموافق: 15 10 2019 م

توصية لجنة المراجعة بتعيين مدير إدارة المراجعة الداخلية بالشركة

وفقاً لما تضمنه محضر إجتماع لجنة المراجعة رقم 4 2019 والمنعقد بتاريخ 29 يوليو 2019 م ، الموافق 26 ذو القعدة 1440 هـ ، وتمتثياً مع الأحكام التي تضمنتها توجيهات الجهات التنظيمية، وميثاق لجنة المراجعة بالشركة والمتعلقة بمتطلبات تعيين مدير إدارة المراجعة الداخلية، وبما يتوافق مع ميثاق لجنة المراجعة المعتمد فقد أوصت اللجنة لمجلس الإدارة - ضمن صلاحياتهم - بالموافقة على تعيين السيد/ عبدالله بن محمد الشهري كمدير أول لإدارة المراجعة الداخلية بشركة أملاك العالمية.

Reviewed and recommended By Board Audit Committee		
Date: 15/10/2019	Signature	Date
Chairman		15 - 10 - 2019
Member		15 - 10 - 2019
Member		15 - 10 - 2019

شركة أملاك العالمية للتمويل العقاري - رأس المال المصرح به ٩٠٦ مليون ريال - رقم العضوية في الغرفة التجارية ١٨٣٧٧٧
س.ت ١٠٢٣٤٣٥٦ ص.ب ٢٨٠٨٨ الرياض ١١٤٣٧ المملكة العربية السعودية - هاتف ٠٩٦٦ ١١ ٢٩٩ ٨٧٠٠ فاكس: ٠٩٦٦ ١١ ٤٦٣ ٥٢٠٠
AMLAK International for Real Estate Finance Co. Fully paid-up Capital 906 Million Riyals - Chamber of Commerce Membership
Number 182777 C.R. 1010234356 - P.O. Box 28088 Riyadh 11437 - Kingdom of Saudi Arabia - Tel.: +966 11 299 8700, Fax: +966 11 463 5300

9. Shariah Committee

Since Amlak International Real Estate Finance Company is keen to comply with the provisions of Islamic Shariah law; It has established a Shariah Committee that includes in its membership three scholars specialized in the jurisprudence of financial transactions and Islamic economics. The Committee attends to studying, issuing fatwas, approving products, setting legal controls for them, and issuing decisions regarding them. The Committee is independent of the company's management, and all company transactions are subject to its approval and control, and its decisions are binding on the entire company.

Meetings of the Shariah Committee for the year 2021G:-

	Name	Nature of Membership	Number of meetings (3) meetings		
			First meeting 13/07/2021G	Second meeting 13/09/2021G	Third meeting 06/12/2021G
1	Dr. Mohammed Al-Qari	Chairman	√	√	√
2	Prof. Yousef Al-Shubaili	Deputy Chairman of the Committee	√	√	√
3	Rashid Al-Ghunaim	Member	√	X	√

Brief description of the committee's competencies and tasks:

- Demonstrating Shariah provisions in all the company's transactions
- Verifying the company's compliance with the provisions of Islamic Sharia
- Contributing to what serves the development of the Shariah performance of the company and the preservation of its shariah identity in the policies, standards, procedures, etc.
- Enhancing the company's participation in introducing Islamic finance and contributing to its development

9. Assessment of the Board of Directors

In line with the governance applications pursued by the company, and in implementation of the policy and mechanisms for evaluating the work of the Board of Directors and the board committees and evaluating its approved members, it was taken into account during the year 2021G to complete the evaluation of the board and committees according to the annual evaluation models, contents and mechanisms, where the evaluation was divided into seven sections, which are:

- Evaluating the effectiveness of the members of the Board of Directors.
- Evaluating the effectiveness of the Board of Directors.
- Evaluating the effectiveness of the audit committee.
- Evaluating the effectiveness of the risk committee.
- Evaluating the effectiveness of the remuneration and nominations committee
- Evaluating the effectiveness of the executive committee.
- Evaluating the effectiveness of the Shariah Committee.

And based on the evaluation of the performance of the board, the sub-committees and members of the Board of Directors, which took place in 2021, the remuneration and nominations committee recommended that the necessary training be provided to the members of the Board of Directors in the following areas:

1. The laws and regulations regulating the work of real estate finance.
2. Aspects of corporate governance and its developments.
3. Accounting and financial aspects.

9.1. Remuneration of Board Members for the year 2021G:

The remuneration policy for members of the Board of Directors determines the remuneration of members of the Board of Directors and members from outside the board for attending the board's meetings and carrying out their duties in accordance with the supervisory instructions. During the year 2021G, none of the members of the Board of Directors or the sub-committees did any work of a technical or advisory nature, and they did not receive any compensation or special benefits outside the scope of the approved remuneration policy

The following table shows the remuneration data for the members of the Board of Directors and members of its committees in accordance with the approved remuneration policy, as well as the remuneration and compensation paid to the company's senior executives during the year:

Remuneration for board members

	Fixed Remuneration							Variable Remuneration				End of Service Indemnity			Grand Total (3)
	Specified Amount	Board Sessions Attendance Fees	Total allowance for attending committee sessions	In-Kind Benefits	A statement of what the board members received in their capacity as workers or managers, or what they received in return for technical, managerial or consultancy work	Remuneration of Chairman, Managing Director Or the Secretary if he is a member	Total	A Percentage of Profits	Periodic Remuneration	Short Term Incentive Plans	Long Term Incentive Plans	Granted Shares (Value is entered)	Total	Indemnity	
First: Independent Members															
Mansour Abdulaziz Al-Bosaili	250,000	12,000	16,500	-	-	-	278,500	-	-	-	-	-	-	-	278,500
Thamer Abdel Qader Jan*	125,000	6,000	3,000	-	-	-	134,000	-	-	-	-	-	-	-	134,000
Amr Mohamed Kamel	250,000	12,000	12,000	-	-	-	274,000	-	-	-	-	-	-	-	274,000
Mohamed Abdulaziz Alshaya	125,000	6,000	15,000	-	-	-	146,000	-	-	-	-	-	-	-	146,000
Second: The non-executive and non-independent members															
Abdullah Ibrahim Al-Howaish	300,000	12,000	6,000	-	-	-	318,000	-	-	-	-	-	-	-	318,000
Faisal Abdullah Al-Omran**	62,500	3,000	-	-	-	-	65,500	-	-	-	-	-	-	-	65,500
Khaled Abdulaziz Al Rayes	250,000	12,000	18,000	-	-	-	280,000	-	-	-	-	-	-	-	280,000
Majed Abdulghani Fakihi	250,000	12,000	16,500	-	-	-	278,500	-	-	-	-	-	-	-	278,500
Sultan Fawaz Al Hukair*	62,500	3,000	3,000	-	-	-	68,500	-	-	-	-	-	-	-	68,500
Ali Mohammed Alshamali	125,000	6,000	3,000	-	-	-	134,000	-	-	-	-	-	-	-	134,000
Nasser Yousef Al-Marzouki	250,000	12,000	7,500	-	-	-	269,500	-	-	-	-	-	-	-	269,500
Third: Executive members															
Abdullah Turki Alsudairy	125,000	6,000	12,000	-	-	-	143,000	-	-	-	-	-	-	-	143,000

* The former committee member, Thamer Jan, ended his membership in the Board of Directors as a result of the end of the previous session on 03-06-2021G.

* Former committee member Faisal Al-Omran: His term of membership in the Board of Directors expired as a result of the end of the previous session on 03-06-2021G.

*Former committee member Sultan AlHukair: His term of membership in the Board of Directors expired as a result of the end of the previous session on 03-06-2021G.

Committee member rewards

Remuneration in Saudi Riyals	Fixed remuneration (Other than allowance for session attendance)	Allowance for session attendance	Total
Executive Committee Members			
Abdullah Ibrahim Al-Howaish	80,000	6,000	86,000
Majed Abdulghani Fakh	60,000	6,000	66,000
Khaled Abdulaziz Al Rayes	60,000	6,000	66,000
Abdullah Turki Alsudairy	30,000	6,000	36,000
Naser Yousef Al-Marzooqi	60,000	6,000	66,000
Risk Committee Members			
Majed Abdulghani Fakh	80,000	6,000	86,000
Mohammed Abdul Aziz Alshaya	55,000	4,500	59,500
Amr Mohamed Kamel	60,000	6,000	66,000
Abdullah Turki Alsudairy	30,000	6,000	36,000
Ali Mohammed Alshamali	30,000	3,000	33,000
Thamer Abdul Qader Jan	30,000	3,000	33,000
Members of the Remuneration and Nominations Committee			
Mansour Abdulaziz Al-Basili	80,000	6,000	86,000
Majed Abdulghani Fakh	45,000	4,500	49,500
Amr Mohamed Kamel	60,000	6,000	66,000
Sultan Fawaz Al Hukair	30,000	3,000	33,000
Naser Yousef Al-Marzooqi	15,000	1,500	16,500
Khaled Abdulaziz Al Rayes	15,000	1,500	16,500
Members of the Audit Committee			

Mohammed Abdul Aziz Alshaya	97,143	10,500	107,643
Mohammed Ibrahim Al-Obaid	42,857	4,500	47,357
Khaled Abdulaziz Al Rayes	60,000	10,500	70,500
Mansour Abdulaziz Al-Basili	60,000	10,500	70,500
Naser Sehaj Al-Shibani	57,143	6,000	63,143

The company also pays all the actual expenses incurred by each member of the board of directors and the board committees to attend the meetings of the board and committees.

Remuneration of the executive management of the company

The company has a policy for executive management remunerations approved by the Remuneration and Nominations Committee, and they are given salaries, allowances and compensation within the company's approved human resources policy and according to the employment contracts concluded with them.

Executive Management Remuneration

	Fixed Remuneration				Variable Remuneration						End of Service Indemnity	Total Remuneration of executive for the boards, if any	Expenses Allowance
	Salaries	Allowances	In-Kind Benefits	Total	Periodic Remuneration	Profits	Short Term Incentive Plans	Long Term Incentive Plans	Granted Shares	Total			
Total*	4,065,640	1,974,367	-	6,040,007	139,671	-	4,090,000	-	-	4,229,671	-	131,000	10,400,678

*Total remunerations for five senior executives who received highest remunerations from the company have been disclosed. The company believed that the disclosure of the details of the Executive Management remunerations and compensation may be harmful, in relation to fair competition in the financing sector, as Amlak in particular is one of two listed companies from the 42 financing companies.

10. Fines and Sanctions

Subject of the Violation	Previous fiscal year		Current fiscal year	
	Number of decisions	Total fine amount	Number of decisions	Total fine amount
1- Violation of the Central Bank's instructions on customer protection	-	-	3	-

*The company conducts its business in accordance with the rules and regulations, and confirms its commitment to them. In the year 2021, the company received one observation regarding Customer Service Department. Noting that no penalties were imposed against the company and at that time, the necessary measures were taken to ensure that this would not be repeated in the future.

11. The company's dividend policy

Without prejudice to the provisions of Article (twenty-six) * of the Implementing Regulations of the Finance Companies Control Law, the profits of shareholders shall be distributed after deducting all expenses as follows:

1. (10%) of the net profits shall be set aside to form a statutory reserve, and it is permissible by a decision of the Ordinary General Assembly to stop this set-up when the said reserve reaches 30% of the paid-up capital.
2. The General Assembly, based on a proposal of the board of directors, may distribute a percentage of no less than (5%) of the company's paid-up capital to the shareholders.
3. By a decision of the Board of Directors, interim dividends may be distributed to the company's shareholders, to be deducted from the profits specified in paragraph (2) of this Article in accordance with the regulating rules issued by the competent authorities.

Dividend distribution is subject to the restrictions stipulated in the Implementing Regulations of the Finance Companies Control Law, which stipulates that a letter must be obtained from the Saudi Central Bank indicating its no objection to any distribution of profits or any other distributions or its announcement.

Following is a summary of the profits distributed and announced by the company:

Declared and distributed dividends in 2021

The dividends distributed during the year 2021 are summarized by a decision of the General Assembly of shareholders, which was held on 24/05/2021, as follows:

Number of shares entitled to dividends	Dividend per share (SAR)	Total Dividends (SAR)	Dividend Percentage (%)	Eligibility and due date	Distribution date
90,600,000	SAR 0.80	72,480,000 million	73.2% of net profit	Eligibility of profits is for the company's shareholders who own shares on the eligibility date who are registered in the company's shareholders register at the Depository Center at the end of the second trading day following the day of the company's General Assembly meeting 24/05/2021G	01/06/2021G

12. Related parties

In its normal course of business, the company deals with a number of related parties, and the arrangement of these relationships is governed by the provisions of the Companies Law in line with

the company's governance and policies. During the year 2021G, new contracts were signed with related parties, and the following is a summary of the nature of those transactions.

Name of the member/senior executives or any person related to any of them	Terms of business or contract	Duration of work or contract	Amount of work or contract	Nature of the work or contract
Faisal bin Abdullah Al-Omran	The company confirms that the agreement took place in the ordinary course of business and did not grant any preferential benefits.	One year	SAR 664,500,000	Credit Facility Renewal Agreement
Majed bin Abdulghani Fakih	The company confirms that the agreement took place in the ordinary course of business and did not grant any preferential benefits.	One year	SAR 664,500,000	Credit Facility Renewal Agreement
Khaled bin Abdulaziz Al-Rayes	The company confirms that the agreement took place in the ordinary course of business and did not grant any preferential benefits.	One year	SAR 664,500,000	Credit Facility Renewal Agreement
Mohammed bin Abdul Aziz Alshaya	The company confirms that the agreement took place in the ordinary course of business and did not grant any preferential benefits.	One year	SAR 467,852*	Insurance contract

*The gross premium of contract is 467,852 SAR, and Total sum covered is 1,409,393,718 SAR.

13. Transactions with Related Parties

Related Party	Type of relationship with the company	Type of Contract	duration	Value
Faisal bin Abdullah Al-Omran	Board Member	Credit Facility Renewal Agreement	One year	SAR 664,500,000
Majed bin Abdulghani Fakih	Board Member	Credit Facility Renewal Agreement	One year	SAR 664,500,000
Khaled bin Abdulaziz Al-Rayes	Board Member	Credit Facility Renewal Agreement	One year	SAR 664,500,000
Mohammed bin Abdul Aziz Alshaya	Board Member	Insurance contract	One year	SAR 467,852*

*The gross premium of the contract is 467,852 SAR, and Total sum covered is 1,409,393,718 SAR.

14. Declarations

The Board of Directors, based on the information available to it in all material respects, acknowledges the following:

- The account records are properly prepared
- The internal control system was prepared on sound foundations and implemented effectively
- There is no doubt about the company's ability to continue its activity
- According to the best information available to the Board in all material respects, there are no business or contracts in which the company is a party, or in which there is an interest for a member of the company's board of directors, executive management, or any person related to any of them (except within the limits of what is stipulated in Article No. 56 of the Implementing Regulations of the Finance Companies Control Law issued by the Saudi Central Bank or what has been disclosed in the financial statements and this report).
- During the year 2021G, there were no recommendations of the Audit Committee related to the existence of a conflict between it and the decisions of the Board of Directors, or related to the Board's refusal to adopt them regarding the appointment and dismissal of the company's auditor, determining his fees, evaluating his performance or appointing the internal auditor.
- There were no arrangements or agreements under which any of the company's shareholders has waived any rights to profits.
- There were no arrangements or agreements under which a member of the company's board of directors or a senior executive has waived any remuneration.
- The Board of Directors did not issue a recommendation to change the auditor before the end of the period for which he was appointed, nor was it recommended by the Audit Committee.
- There is no conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors, regarding the appointment and dismissal of the company's auditor, determining his fees, evaluating his performance, or appointing the internal auditor.
- There are no shares or debt instruments issued to any subsidiary company.
- During the year 2021G, there were no social contributions for the company.
- There are no treasury shares held by the company.
- There are no investments or reserves established for the benefit of the company's employees during the year 2021G.
- There is no redemption, purchase or cancellation by the company of any redeemable debt instruments, and the value of the remaining securities.
- There are no transfer or subscription rights under convertible debt instruments or contractual securities, or subscription right memoranda, or similar rights issued or granted by the company.

- There are no categories and numbers of any convertible debt instruments and any contractual securities or memoranda of subscription right or similar rights issued or granted by the company during the fiscal year 2021G.
- There is no interest, contractual securities and subscription rights belonging to the members of the company's board of directors, senior executives and their relatives in the shares or debt instruments of the company or any of its subsidiaries, and any change in that interest or those rights during the fiscal year 2021G.
- There is no interest in the class of voting shares that belongs to persons (other than members of the company's board of directors, senior executives and their relatives) who have informed the company of these rights, and any change in those rights during the fiscal year 2021G.
- The financial statements have been prepared in accordance with international accounting standards and in accordance with the directives of the supervisory authorities, and the Board of Directors acknowledges that there is no material difference from the accounting standards approved by the Saudi Organization for Certified Public Accountants.

15. Applied and non-applied provisions of the Corporate Governance Regulations, and the reasons for that:

Applied and non-applied provisions of the Corporate Governance Regulations, and the reasons for that				
No	Article/paragraph number	Article text	Reasons for non-compliance	Notes
1	Article forty-one paragraphs (f, e)	<p>The Assessment:</p> <p>f) Non-Executive Directors shall carry out a periodic assessment of the performance of the chairman of the Board after getting the opinions of the Executive Directors, without the presence of the chairman of the Board in the discussion on this matter, provided that weaknesses and strengths shall be identified and a solution shall be proposed for the same in the best interests of the Company.</p> <p>e) The Board shall carry out the necessary arrangements to obtain an assessment of its performance from a competent third party every three years.</p>	(Indicative Article)	The assessment is carried out internally and on an annual basis.

2	Eighty-seven	<p>Article 87: Social Responsibility:</p> <p>The Ordinary General Assembly, based on the Board recommendation, shall establish a policy that guarantees a balance between its objectives and those of the community for purposes of developing the social and economic conditions of the community.</p>	(Indicative Article)	-
3	Eighty-eight	<p>Article 88: Social Initiatives</p> <p>The Board shall establish programmes and determine the necessary methods for proposing social initiatives by the Company, which include:</p> <p>1) establishing indicators that link the Company's performance with its social initiatives and comparing it with other companies that engage in similar activities;</p> <p>2) disclosing the objectives of the Company's social responsibility to its employees and raising their awareness and knowledge of social responsibility;</p> <p>3) disclosing plans for achieving social responsibility in the periodical reports on the activities of the Company's; and</p> <p>4) establishing awareness programmes to the community to familiarise them with the Company's social responsibility.</p>	(Indicative Article)	-

4	Ninety-three	<p>a description of the necessary details with respect to the remunerations and compensations granted to each of the following, separately</p> <p>b. five Senior Executives who have received the highest remuneration from the Company, provided that the chief executive officer and chief financial officer are among them.</p>	A total of five senior executives who received the highest remuneration from the company were disclosed.	-
5	Ninety five	<p>Article 95: Formation of a Corporate Governance Committee</p> <p>If the Board forms a corporate governance committee, it shall assign to it the competences stipulated in Article (94) of these Regulations. Such committee shall oversee any matters relating to the implementation of governance, and shall provide the Board with its reports and recommendations at least annually.</p>	(Indicative Article)	<p>There is a governance department specialized in managing governance in Amlak International for Real Estate Finance and Shareholder Relations.</p>

16.Appointment and reports of the auditor

The company's General Assembly, which was held on 24/05/2021, approved the selection of Messer's KPMG from the list of candidates as auditors for the company based on the audit committee's recommendation to audit the financial statements for the second and third quarters and the annual statements of 2021 and the first quarter of the fiscal year 2022G

Conclusion:

The Board of Directors is pleased to express its gratitude once again to the government of the Custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud and his Crown Prince Mohammed bin Salman bin Abdulaziz Al Saud, may God protect them, with special thanks to the Ministry of Finance, Central Bank of Saudi Arabia, Saudi Capital Market Authority, Ministry of Commerce, Ministry of Housing, Real Estate Development Fund and the Saudi Refinancing Company for their continuous and constructive support.

The Board would also like to extend its thanks and appreciation to all the company's shareholders and customers for their support and confidence that drives it to achieve more. The Board also expresses its appreciation for the efforts of the company's officers and employees for their sincerity and loyalty to develop and improve performance and to achieve the company's strategic goals.