Board of Directors' Report

for the year 2021

(Saudi Cable)

Contents

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

15. A description of the main scope of business of the Company and its affiliates. If there are two or more, a statement showing each activity and how it affects the Company businesses and results shall be attached

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

17. Information of any risks facing the Company (operational, financial or market related) and the policy of managing and monitoring these risks

18. A summary in a form of table or graph showing the company's assets, liabilities and results of the last five fiscal year or since the incorporation date, whichever is shorter

19. Geographical analysis of the company's and its affiliates' revenues

20. Any material differences in the operational results compared to the preceding year's results, along with any expectations announced by the Company

21. Any inconsistency with the standards approved by the Saudi Organizations for Certified Public Accountants

22. Name of each affiliate Company, its capital, the Company's ownership percentage, the main scope of business, country of operation and country of incorporation

23. Details of shares and debt instruments issued for each affiliate Company

24. A descriptions of the dividends distribution policy

25. A description of any Interest in a class of voting shares held by persons (other than the Company’s directors, Senior Executives and their relatives) who have notified the Company of their holdings pursuant to Article 68 of the Rules on the Offer of Securities and Continuing Obligations, together with any change to such interests during the last fiscal year

26. A description of any Interest, contractual securities or rights issue of the Board Members, Senior Executives and their relatives on shares or debt instruments of the Company or its affiliates, and any change on these interest or rights during the last fiscal year

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

28. A description of the class and number of any convertible debt instruments, contractual securities, preemptive right or similar rights issued or granted by the company during the fiscal year, as well as stating any compensation obtained by the company in this regard

29. A description of any conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights issued or granted by the Company

30. A description redemption, purchase or cancellation by the Company of any redeemable debt instruments and the value of such securities outstanding, distinguishing between those listed securities purchased by the Company and those purchased by its affiliates

31. The number of Board meetings held during the last financial year, their dates and the attendance record of each meeting listing the names of the attendees

32. Numbers of Company's requests of shareholders records, dates and reasons thereof

33. A description of any transactions between the Company and any Related Party

34. Information relating to any business or contract to which the Company is a party and in which a director of the Company, a Senior Executive or any person related to any of them is or was interested, including the names of persons in relation, the nature, conditions, durations and the amount of the business or contract, if there are no such businesses or contracts, the company must submit a statement thereof

35. A description of any arrangement or agreement under which a Director or a Senior Executive of the Company has waived any remuneration

36. A description of any arrangement or agreement under which a shareholder of the Company has waived any rights to dividends

37. A statement of the value of any paid and outstanding statutory payment on account of any zakat, taxes, fees or any other charges that have not been paid until the end of the annual financial period with a brief description and the reasons therefor

38. A statement of the value of any investments made or any reserves set up for the benefit of the employees of the Company

39. Declarations of the Board of Directors

40. If the external auditor's report contains reservations on the annual financial statements, the Board report shall highlight this mentioning the reasons and any relevant information

41. If the Board recommended replacing the external auditor before the end of its term, the report shall indicate this mentioning the reasons for the replacement recommendation

42. Treasury shares held by the Company and details of the uses of such shares

1. Implemented and non-implemented provisions of CMA's Corporate Governance Regulations, and justifications therefore

Saudi Cable Company implements all the provisions of the Corporate Governance Regulations issued by the Capital Market Authority.

2. Names, qualifications, and experience of the Board and committees' members and Executive Management Board Members

A. Previous Board Members

Note: Term of the Previous Board began from 01/01/2021 until the end of its term on 13/01/2021.

Name	Current position	Previous position	Qualifications	Experience
Meyassar A. Nowailati	Chairman Board of Directors	Chairman Board of Directors	Bachelor's Degree in Science in Finance	Corporate Banking & Financial analysis and Public administration
Khalid A. Alireza	Member Board of Directors	Member Board of Directors	Master's Degree in Industrial Engineering	Founded and Created many Industries, Companies and Chairman Boards of Directors and Executive departments.
Dr. Abdullah H. Masri	Member Board of Directors and Chairman of Nomination and Remuneration Committee	Member Board of Directors and Chairman of Nomination and Remuneration Committee	Doctorate in Humanities	Management and Executive experience, Presidency and Membership of many governmental and semi-governmental committees and participation in many international and regional conferences and Membership of the Boards of Directors and their Committees
Yousuf A. Alireza	Member Board of Directors and Member of Nomination & Remuneration Committee	Member Board of Directors and Member of Nomination & Remuneration Committee	Master's Degree in Business Administration	Experience in Business Administration and Membership of many Board of Directors and its Committees
Khalid A. Al Ajlan	Member Board of Directors & Chairman of Audit Committee	Member Board of Directors & Chairman of Audit Committee	Master's Degree in Business Administration	Certified Financial Advisor and Experience in Financial Management and Bank Credit
Raaid K. Alireza	Member Board of Directors	Member Board of Directors	Master's Degree in Construction Management	General Management experience and leadership of many Industrial and Commercial projects inside and outside the Kingdom and membership of the Board of Directors and its Committees
Mahmoud M. Abdulghafar	Member Board of Directors	Member Board of Directors	Bachelor's Degree in Industrial Safety	Executive and Administration experience and Membership of Board of Directors and its Committees
Azhar M. Kenji	Member Board of Directors	Member Board of Directors	Bachelor's Degree of Science in Industrial Engineering	Executive experience in the field of Public Administration and Membership of Board of Directors and its Committees

B. <u>Current Board Members</u>

Note: Term of the Current Board started from 14/01/2021 for the next three years.

Name	Current position	Previous position	Qualifications	Experience
Abdulrahman I. Al Khayal	Chairman Board of Directors & Member of Nomination and Remuneration Committee.	Member of Board of Directors & Nomination and Remuneration Committee.	Master's Degree in Business Administration	Experience in Business Administration and Membership of many Board of Directors and its Committees
Noha A. Sulaimani	V. Chairman of Board of Directors & Managing Director	Member of Board of Directors and Chairman of Audit Committee.	Master's Degree of Administrative Science - Finance & Investment.	Corporate Banking, Investment Analysis and Management of Conformity, Commitment, Anti-money Laundering and Terrorist Financing
Saleh A. Al Shathry	Member of Board of Directors and Chairman of Nomination and Remuneration Committee.	Member Board of Directors	Bachelor's Degree in Administrative Science	Corporate Laws and Executive Management
Abdulhadi A. Abulkhair	Member Board of Directors & CEO	Member Board of Directors & CEO	Bachelor's Degree of Science in Applied Chemical Engineering	Industrial and Corporate Management
Meyassar A. Nowailati	Member of Board of Directors & Nomination and Remuneration Committee.	Chairman Board of Directors	Bachelor's Degree in Science in Finance	Corporate Banking & Financial analysis and Public administration
Ali M. Al Attas	Member of Board of Directors & Nomination and Remuneration Committee.	Member of Board of Directors & Nomination and Remuneration Committee.	Master's Degree in Business Administration	Industrial and Commercial Marketing and Corporate Management
Azhar M. Kenji	Member Board of Directors & Audit Committee	Member Board of Directors & Audit Committee	Bachelor's Degree of Science in Industrial Engineering	Executive experience in the field of Public Administration and Membership of Board of Directors and its Committees
Nael Samir Fayez	Member Board of Directors & Audit Committee	Member Board of Directors & Audit Committee	Executive Master in Business Administration	Executive and Administration Experience
Mahmoud M. Abdulghafar*	Resigned*	Member Board of Directors & Chairman of Nomination and Remuneration Committee	Bachelor's Degree in Industrial Safety	Executive and Administration experience and Membership of Board of Directors and its Committees

* Mr. Mahmoud M. Abdulghafar resigned from SCC Board membership and all its related duties on 05/08/2021.

Committees Members

A. Previous Board Members

Note: Term of the Previous Committees began from 01/01/2021 until the end of its term on 13/01/2021.

Name	Current position	Previous position	Qualifications	Experience
Khalid A. Al Ajlan	Chairman of Audit Committee	Chairman of Audit Committee.	Master's Degree in Business Administration	Certified Financial Advisor and Experience in Financial Management and Bank Credit
Mohammed A. Tumbi	Member of Audit Committee	Member of Audit Committee	Bachelor's Degree in Commerce	Financial Expert, Administrator and Financial Auditor
Ziad S. Tayara	Member of Audit Committee	Member of Audit Committee	Bachelor's Degree in Economics	Banking, Investments and Finance
Dr. Abdullah H. Masri.	Chairman of Nomination and Remuneration Committee.	Member of Board of Directors and Chairman of Nomination and Remuneration Committee.	Doctorate in Humanities	Management and Executive experience, Presidency and Membership of many governmental and semi-governmental committees and participation in many international and regional conferences and Membership of the Boards of Directors and their Committees
Yousuf A. Alireza.	Member of Nomination and Remuneration Committee.	Member of Board of Directors & Nomination and Remuneration Committee.	Master's Degree in Business Administration	Experience in Business Administration and Membership of many of Board of Directors and its Committees
Wadia A. Eshgi	Member of Nomination and Remuneration Committee.	--	Bachelor's Degree in Mechanical Engineering	Management and Executive experience and Preparation of Geostrategic Studies

B. Current Committees Members

Note: Term of the Current Committees started from 14/01/2021 for the next three years.

Name	Current position	Previous position	Qualifications	Experience
Noha A. Sulaimani[1]	V. Chairman of Board of Directors & Managing Director	Chairman of Audit Committee.	Master's Degree in Business Administration	Corporate Banking, Investment Analysis and Management of Conformity, Commitment, Anti-money Laundering and Terrorist Financing
Azhar M. Kenji	Member of Audit Committee	--	Bachelor's Degree of Science in Industrial Engineering	Executive experience in the field of Public Administration and Membership of Board of Directors and its Committees
Nael Samir Fayez	Member of Audit Committee	--	Executive Master in Business Administration	Executive and Administration Experience
Bassem T. Hijaz[2]	Chairman of Audit Committee	--	Master's Degree in Business Administration	Audit, Risk Management & Compliance
Mazen K. Al-Zayer[3]	Member of Audit Committee	--	Associate Degree in Accounting major	Internal Audit & Finance
Mahmoud M. Abdulghafar[4]	Chairman of Nomination and Remuneration Committee (Resigned)*	--	Bachelor's Degree in Industrial Safety	Executive and Administration experience and Membership of Board of Directors and its Committees

Saleh Al Shathry	Chairman of Nomination and Remuneration Committee	--	Bachelor's Degree in Administrative Science	Corporate Laws and Executive Management
Ali M. Al Attas	Member of Nomination and Remuneration Committee.	--	Master's Degree in Business Administration	Industrial and Commercial Marketing and Corporate Management
Meyassar A. Nowailati	Member of Nomination and Remuneration Committee.	--	Bachelor's Degree in Science in Finance	Corporate Banking & Financial analysis and Public administration
Abdulrahman I. Al Khayal	Member of Nomination and Remuneration Committee.	--	Master's Degree in Business Administration	Experience in Business Administration and Membership of many Board of Directors and its Committees

1. Ms. Noha A. Sulaimani was appointed as Chairman of the Audit Committee on 14/01/2021 and resigned from the Audit Committee on 02/09/2021 and was appointed as Managing Director.
2. Mr. Bassem T. Hijaz started as Chairman of the Audit Committee from 13/10/2021.
3. Mr. Mazen K. Al-Zayer started as Member of the Audit Committee form 13/10/2021.
4. Mr. Mahmoud M. Abdulghafar resigned from Nomination & Remuneration Committee on 05/08/2021 and Mr. Saleh Al Shathry was appointed as Chairman of the Committee.

Executive Management

Name	Current Position	Previous Position	Qualifications	Experience
NOHA A. SULAIMANI	V. CHAIRMAN & MANAGING DIRECTOR	Audit Committee Chairman	MASTER IN BUSINESS ADMINISTRATION	14 YEARS
ABDULHADI A. ABULKHAIR	BOARD MEMBER & CEO	BOARD MEMBER & CEO	BACHELOR'S DEGREE IN APPLIED CHEMICAL ENGINEERING	22 YEARS
ABDULLAH A. AL RASHEED (1)	VICE PRESIDENT OF SUPPLY CHAIN MANAGEMENT	SENIOR COMPLIANCE MANAGER	MASTER'S DEGREE IN INTEGRATED MARKETING COMMUNICATIONS – BACHELOR'S DEGREE IN BUSINESS ENGINEERING	22 YEARS
MUHAMMAD T. HAMDI (2)	OPERATIONS VICE PRESIDENT	OPERATIONS VICE PRESIDENT	BACHELOR AND MASTER'S DEGREE IN INDUSTRIAL ENGINEERING	20 YEARS
SAYID I. SAYID (3)	FINANCIAL AFFAIRS VICE PRESIDENT	FINANCIAL AFFAIRS VICE PRESIDENT	CERTIFIED GENERAL ACCOUNTANT	21 YEARS
AMAR R. QARI (4)	COMMERCIAL AFFAIRS VICE PRESIDENT (ASSIGNED)	GENERAL SALES MANAGER	BACHELOR'S DEGREE IN MECHANICAL ENGINEERING	16 YEARS

(1) Resigned on 31\07\2021
(2) Resigned on 22\07\2021
(3) Resigned on 07\07\2021
(4) Resigned on 09\08\2021

3. Names of the companies inside and outside the Kingdom in which a Board member is a member of their current or previous Board member or manager

A. <u>Previous Board Members</u>

Note: Term of the Previous Board began from 01/01/2021 until the end of its term on 13/01/2021.

Name	Names of the companies in which a Board member is a member of their current Board or manager	Inside / outside the Kingdom	Legal entity (listed/ unlisted/ limited liability)	Names of the companies in which a Board member is a member of their previous Board or manager	Inside / Outside the Kingdom	Legal entity (listed/ unlisted/ limited liability)
Azhar M. Kenji	New Marina Company	Inside the Kingdom.	Closed Joint Stock	Takween Company for Advanced Industries	Inside the Kingdom.	Closed Joint Stock
	Al Salam Company		Closed Joint Stock	Takween Company for Plastic Industries		Closed Joint Stock
	Takween Company		Public Joint Stock	-		-
	Ahmed Saleh Baeshen Company		Closed Joint Stock			
Mahmoud M. Abdulghafar	Strategic Sustainability Solutions Company	Inside the Kingdom.	Limited Liability	Savola Group Co.	Inside the Kingdom.	Public Joint Stock
	Kanan International Company		Closed Joint Stock			
	Alam Savola Establishment		Individual			
Khalid A. Alireza	Al Hidada Contracting Company	Inside the Kingdom.	Limited Liability	National Petrochemical Industrial Company	Inside the Kingdom.	Closed Joint Stock
	Xenel Industries Company		Limited Liability			
	Gulf Pearl Company		Limited Liability			
	Safra Co. Ltd		Limited Liability	Alujain Company		Public Joint Stock
Raaid K. Alireza	AECOM Arabia Company	Inside the Kingdom.	Limited Liability	National Petrochemical Industrial Company	Inside the Kingdom.	Closed Joint Stock
	Hidada Contracting Company		Limited Liability			
	Hidada Limited Company		Limited Liability	Natpet Schulman Company		Limited Liability
	Raqeem Technology Company		Limited Liability			
Meyassar A. Nowailati	Mazar International	Inside the Kingdom.	Closed Joint Stock			
	Fursan Industrial Company		Closed Joint Stock			
	Midal Cables Company	Outside the Kingdom.	Closed Joint Stock			
Yousuf A. Alireza	Imdad Company	Inside the Kingdom.	Limited Liability	National Petrochemical Industrial Company	Inside the Kingdom.	Closed Joint Stock
	Al Hidada Company		Limited Liability			
	Xenel Industries Company		Limited Liability			
	Safra Company		Limited Liability	Chemical Company	Outside the Kingdom.	Limited Liability

B. <u>Current Board Members</u>

Note: Term of the Current Board started from 14/01/2021 for the next three years.

Name	Names of the companies in which a Board member is a member of their current Board or manager	Inside / outside the Kingdom	Legal entity (listed/ unlisted/ limited liability)	Names of the companies in which a Board member is a member of their previous Board or manager	Inside / Outside the Kingdom	Legal entity (listed/ unlisted/ limited liability)
Abdulrahman I. Al Khayal	Fast Form Manufacturing Industry	Inside the Kingdom.	Individual Institution	-	-	-
	Chemical Industries Association		Cooperative Association			
	Association of Construction Technologies and Real Estate Development		Cooperative Association			
Noha A. Sulaimani	-	-	-	-	-	-
Saleh A. Al Shathry	-	-	-	-	-	-
Abdulhadi A. Abulkhair	-	-	-	-	-	-
Meyassar A. Nowailati	Mazar International	Inside the Kingdom.	Limited Liability	-	-	-
	Fursan Industrial Company		Limited Liability			
	Midal Cables Company	Outside the Kingdom.	Closed Joint Stock			
Ali M. Al Attas	-	-	-	-	-	-
Nael S. Fayez	Strategic Sustainability Solutions	Inside the Kingdom	Limited liability	INJAZ – Saudi Arabia	Inside the Kingdom	A national not-for-profit initiative
Azhar M. Kenji	New Marina Company	Inside the Kingdom.	Closed Joint Stock	Takween Company for Advanced Industries	Inside the Kingdom.	Closed Joint Stock
	Al Salam Company		Closed Joint Stock	Takween Company for Plastic Industries		Closed Joint Stock
	Takween Company		Public Joint Stock	-		-
	Ahmed Saleh Baeshen Company		Closed Joint Stock			
Mahmoud M. Abdulghafar*	Strategic Sustainability Solutions Company	Inside the Kingdom	Limited Liability	Savola Group Co.	Inside the Kingdom.	iii Public Joint Stock
	Kanan International Company		Closed Joint Stock			
	Alam Savola Establishment		Individual			

* Mr. Mahmoud M. Abdulghafar resigned from SCC Board membership and all its related duties on 05/08/2021.

4. **Composition of the Board and classification of its members, as follows: Executive Director, Non-Executive Director, or Independent Director**

The Board of Directors currently consists of 8 members, and the following table shows the composition of previous and current Saudi Cable's Board of Directors including the Directors' names and their Board membership classifications:

A. Previous Board Members

Note: Term of the Previous Board began from 01/01/2021 until the end of its term on 13/01/2021.

Name	Membership classifications (Executive / Non-Executive / Independent)
Meyassar A. Nowailati	Non-Executive
Khalid A. Alireza	Non-Executive
Dr. Abdullah H. Masri	Independent
Yousuf A. Alireza	Non-Executive
Khalid A. Al Ajlan	Independent
Raaid K. Alireza	Non-Executive
Mahmoud M. Abdulgafar	Independent
Azhar M. Kenji	Independent

B. Current Board Members

Note: Term of the Current Board started from 14/01/2021 for the next three years.

Name	Membership classifications (Executive / Non-Executive / Independent)
Abdulrahman I. Al Khayal	Independent
Noha A. Sulaimani	Executive
Saleh A. Al Shathry	Independent
Abdulhadi A. Abulkhair	Executive
Meyassar A. Nowailati	Non-Executive
Ali M. Al Attas	Independent
Azhar M. Kenji	Independent
Nael S. Fayez	Independent
Mahmoud M. Abdulghafar (1)	Independent

(1) Mr. Mahmoud M. Abdulghafar resigned from SCC Board membership and all its related duties on 05/08/2021.

5. Procedure taken to the Board to inform its members, Non-Executive Directors in particular, of the shareholders' suggestions and remarks on the Company and its performance

In accordance with the procedures applied in the company, shareholders will give their opinions and suggestions at the General Assembly Meetings of Shareholders. Which will discuss with the attendees of the Board of Directors at the General Assembly Meetings and, in case of any new proposals, shall be present to first meeting of the Board of Directors following the General Assembly Meeting.

6. A brief description of the competencies and duties of the committees, such as the audit committee, the nomination committee and the remuneration committee indicating their names, names of their chairmen, names of their members, the number of their respective meetings, dates of those meetings and the members' attendance details of each meeting

Audit Committee

The Audit Committee is responsible for monitoring the company's work. Verifying the integrity, integrity of reports, internal audits and internal control systems. Examining and making technical opinions about them, examining any important or unusual issues, verifying accounting estimates and examining accounting policies in the company. Studying and reviewing the company's internal control and risk management systems. Recommend appointment of external auditors, segregation, neutralize their fees and check their independence, reviewing the results of the company's auditing and auditing regulations and supervision of relevant regulations, policies and relevant instructions.

The current audit committee formed on four members and all are the non-employees of the Saudi Cable Company which headed by Ms. Noha A. Sulaimani* and Mr. Bassem T. Hijaz**, the membership inclusive of Mr. Azhar M. Kenji, Mr. Nael S. Fayez, Mr. Mazen K. Al Zayer***. During the year 2021, the audit committee held fourteen meetings during which it discussed the quarterly reports prepared by the auditor and internal auditors, and informed the Board of Directors on appropriate procedures and recommendations, as well as met with the auditor, internal auditor and administrator.

Meetings Attended (2021)							
Meeting No.	Names	Noha A. Sulaimani (Chairman)*	Bassem T. Hijaz (Chairman)**	Azhar M. Kenji (Member)	Nael S. Fayez (Member)	Mazen K. Al Zayer (Member)***
Meeting # 001 18/02/2021		✓	--	✓	X	--
Meeting # 002 02/03/2021		✓	--	✓	✓	--
Meeting # 003 08/03/2021		✓	--	✓	✓	--
Meeting # 004 17/03/2021		✓	--	✓	✓	--
Meeting # 005 29/03/2021		✓	--	✓	X	--
Meeting # 006 01/04/2021		✓	--	✓	X	--
Meeting # 007 03/04/2021		✓	--	✓	X	--
Meeting # 008 15/04/2021		✓	--	✓	X	--
Meeting # 009 20/04/2021		✓	--	✓	X	--
Meeting # 010 19/05/2021		✓	--	✓	X	--
Meeting # 011 08/08/2021		✓	--	✓	✓	--
Meeting # 012 12/08/2021		✓	--	✓	✓	--
Meeting # 013 16/10/2021		--	✓	✓	✓	✓
Meeting # 014 31/10/2021		--	✓	✓	--	✓
Number of Attendance		12	2	14	6	2

* Ms. Noha A. Sulaimani worked as Audit Committee Chairman from 14/01/2021 and she resigned from the Audit Committee on 02/09/2021 and was appointed as Managing Director.
** Mr. Bassem T. Hijaz started as Chairman of Audit Committee from 13/10/2021.
*** Mr. Mazen K. Al-Zayer started as Member of the Audit Committee from 13/10/2021.

Note: Previous Audit Committee for the period from 01/01/2021 to 13/01/2021 had NO activities. Therefore their information was not provided hereof.

Nomination and Remuneration Committee:

The tasks of the Nominations and Remuneration Committee are to determine the general policies and criteria for the nomination to the Board of Directors with periodic review of the needs of the capabilities and skills required in the Board membership. Examine the strengths and weaknesses of the Board and propose appropriate procedures to ensure the independence of independent Board members and conflicts of interest in members of other corporate Boards, as well as to study or propose compensation policies and remuneration of Board members and senior executives.

The nominations and remuneration committee formed from the number of four non-employees of the Saudi Cable Company headed by Mr. Mahmoud M. Abdulghafar***** and Mr. Saleh A. Al Shathry******. The membership inclusive of Mr. Abdulrahman I. Al Khayal, Mr. Meyassar A. Nowailati and Mr. Ali M. Al Attas, During the year 2021, the Committee held seven meetings during which it began the tasks and responsibilities assigned to it under the relevant regulations.

Name	Meetings Attended (2021)							
	1st Meeting dated 24/01/2021	2nd Meeting dated 15/02/2021	3rd Meeting dated 21/03/2021	4th Meeting dated 19/04/2021	5th Meeting dated 30/05/2021	6th Meeting dated 22/08/2021	7th Meeting dated 29/09/2021	Number of Attendance
Mahmoud M. Abdulghafar* (Chairman)	✓	✓	✓	✓	✓	X	X	5
Saleh A. Al Shathry** (Chairman)	X	X	X	X	X	✓	✓	2
Abdulrahman I. Al Khayal (Member)	✓	✓	✓	✓	✓	✓	✓	7
Meyassar A. Nowailati (Member)	✓	✓	✓	✓	Proxy	✓	✓	6
Ali M. Al Attas (Member)	✓	✓	✓	✓	✓	✓	✓	7

* Mr. Mahmoud M. Abdulghafar resigned from SCC Board membership and all its related duties on 05/08/2021.
** Mr. Saleh A. Al Shathry started as a Member & Chairman of the Nomination & Remuneration Committee from 05/08/2021.

Note: Previous Nomination & Remuneration Committee for the period from 01/01/2021 to 13/01/2021 had NO activities. Therefore their information was not provided hereof.

Executive Committee

The Executive Committee is responsible for supervising the preparation and implementation of the Company's strategic plans, updating and reviewing them periodically, and authorizing the Board of Directors to set periodic reports from the Executive Management Including implementation and completion reports for major projects and expansion works in the company, setting its session, reviewing it, evaluting performance, reviewing investment plans for the company's liquidity, and make recommendations to the Board in finance operations, offerrings, raising capital, mergers, alliances and acquisitions, the Company's purchase for its shares, etc. Direct supervision of the CEO and Senior Management team and provide recommendations and final approvals for changes in delegations levels (including the CEO), as defined under the delegation of authority approved by the Board. Supervisie and follow-up the mechanism of disbursing the facilities and loans granted to the Company as approved by the Board of Directors, and ensure that the Company's administrive committees work effectively and carry out any other tasks assigned by the Board of Directors to the Committee.

The current Executive Committee was formed according to a Board Resolution No. (024) dated on 13\06\2021, and it consists of four members, headed by Eng. Ali M. Al Attas (1), Mr. Abdulrahman I. AlKhayal (2), and Mr. Saleh A. Al Shathry (3), Ammar Qari (4), and Mr. Faisal M. Al Attas was appointed as Secretary of the Committee.

During 2021, the Executive Committee held two meetings during which the CEO's quartry reports were discussed, informed the Board of appropriate procedures and recommendations, and met with the Executive Management to discuss matters related to the Company's business and activities

Name	Meetings Attended (2021)	
	1st Meeting dated 11/07/2021	2nd Meeting dated 25/08/2021
Ali M. Al Attas (Chairman)	✓	✓
Abdulrahman I. Alkhayal (Chairman)	✓	✓
Saleh A. Al Shathry (Member)	✓	✓
Ammar Qari (Member)	✓	✓
Faisal M. Al Attas (Secretary)	✓	✓

7. **Where applicable, the means used by the Board to assess its performance, the performance of its committees and members and the external body which conducted the assessment and its relation with the Company, if any**

Not applicable.

8. **Disclose the remuneration of the Board members and Executive Management as stated in Article (93) of Corporate Governance Regulations**

Board Members Remunerations Policies

The annual remunerations of the Board Members for the services they perform shall be determined in accordance with the provision of Article (43/5) of the Bylaws: (Subject to the provision of Article (19) of the Bylaws and Article (76) of Companies Law to preserve. Not more than (10%) of the remainder shall be distributed to Board members, provided that, the entitlement of such remunerations must be in accordance with the relevant regulations in this concern). In addition, a fee may be paid to each of the Directors for attending the Board Meetings in maximum amount of SAR (6000) - only six thousand Saudi Riyals - per Board meeting.

Board members: (In SAR Thousands)

Name	Fixed remunerations							remunerations Variable						End-of-service award	**Aggregate Amount**	Expenses Allowance
	Specific amount	Allowance for attending Board meetings	Total Allowance for attending committee meetings	In-kind benefits	Remunerations for technical, managerial and consultative work	Remunerations of the chairman, Managing Director or Secretary, if a member	**Total**	Percentage of the profits	Periodic remunerations	Short-term incentive plans	Long-term incentive plans	Granted shares (insert the value)	**Total**			
First: Independent Directors																
Abdulrahman I. Alkhayal		66	27				93								93	

Khalid A. Al Ajlan(1)		6			13		19								19	5
Azhar M. Kenji		72	42				114								114	
Saleh A. Al Shathry		66	12				78								78	
Ali M. Al Attas		66	27				93								93	
Nael S. Fayez		66	18				84								84	
Mahmoud M. Abdulghafar(2)		54	15				69								69	
Dr. Abdullah H. Al Masri(3)		6					6								6	
Total		402	141		13		556								556	5
Second: Non-Executive Directors																
Meyassar A. Nowailati		60	18		425	1,406	1,909								1,909	
Yousef A. Alireza(4)		6					6								6	
Raaid K. Alireza(5)		6					6								6	
Total		72	18		425	1,406	1,921								1,915	
Third: Executive Directors																
Noha A. Sulaimani		66	36			200	302								302	20
Abdulhadi A. Abulkhair		66			1,620	469	2,155								2,155	
Total		132	36		1,620	669	2,457								2,457	20
Grand Total		606	195		2,058	2,075	4,934								4,934	25

(1) Former member of the Board

(2) Resigned member on 05/08/2021

(3) Former member of the Board

(4) Former member of the Board

(5) Former member of the Board

Senior Executives : (In SAR Thousands)

Position	Fixed remunerations					Variable remunerations						End-of- service award (accrued 2021 only)	End-of- service award as of Dec. 2021	Total Executive remuneration for the Board, if any	Aggregate Amount
	Salaries	Allowances	In-kind benefits	Total	Total Salary (Yearly)	Periodic remunerations	Profits	Short-term incentive plans	Long-term incentive plans	Granted shares (insert the value)	Total				
1- Managing Director***	200			200											
2- CEO	1200	420		1620								67	241		
3- Vice Presedent of Supply Chain(1)	720	252		567								23	121		
4- Operations Vice Presedent(2)	600	210		454								38	223		

5- Financial Affairs Vice Presedent(3)	780	273		**789**								**33**	**144**		
Total	3,500	1,155		**3,630**								**161**	**729**		

1- Resigned date 31/07/2021
2- Resigned date 22/07/2021
3- Resigned date 07/07/2021

<u>Remarks:</u>

- We inserted a column to show only 2021 accrued ESB.
- Regarding the ESB, we updated with ESB of the concerned Executive accrued since hiring up to Dec. 2021.

*** The given amount is for 4 months (from Sept. to Dec. 2021).

Committees members: (In SAR Thousands)

	Fixed Remuneration (Except for the allowance for attending Board meetings)	Allowance for attending meetings	Total
Audit Committee Members			
1. Noha A. Sulaimani*	-	36	**36**
2. Azhar M. Kenji	-	42	**42**
3. Nail S. Fayez	-	18	**18**
4. Bassem T. Hijaz		6	**6**
5. Mazen K. Al Zayer	-	6	**6**
Total	-	108	108
Remuneration & Nomination Committee Members			
1. Saleh A. Al Shathry	-	6	**6**
2. Abdulrahman I. Al Khayal	-	21	**21**
3. Meyassar A. Nowailati	-	18	**18**
4. Ali M. Al Attas	-	21	**21**
5. Mahmoud M. Abdulghafar*	-	15	**15**
Total	-	81	81
Executive Committee Members			
1. Ali M. Al Attas	-	6	**6**
2. Abdulrahman I. Al Khayal	-	6	**6**
3. Saleh A. Al Shathry	-	6	**6**
4. Ammar R. Qari	-	6	**6**
Total	-	24	24

*resigned on 05\08\2021

9. Any Punishment, penalty, precautionary procedure or preventive measure imposed on the Company by the Capital Market Authority or any other supervisory, regulatory or judiciary authority, describing the reasons for non-compliance, the imposing authority and the measures undertaken to remedy and avoid such non-compliance in the future

The Punishment/Penalty/precautionary procedure/Preventive measure	Reasons for the non-compliance	Authority Imposing the Penalty	Measures taken to remedy and avoid such incompliance in the future
Capital Market Authority (CMA) announced at its website on 15/11/2021, that a decision has been passed by CMA's Board to impose a penalty of (30,000)-Thirty Thousand Saudi Riyals on Saudi Cable Company.	Violation of paragraph (a) of Article (30) of the Listing Rules, and paragraph (d) of the "General Instructions" of the Instructions for Companies announcements. Where the Company did not disclose to the Authority and the public, without delay, a new material development regarding previously announced material development, when the Company applied for bond execution to the Enforcement Court on 17/11/1442H, corresponding to 27/06/2021, and the Company did not disclose that on Saudi Stock Exchange (Tadawul) website until 12/08/2021.	Decision by the Board of Capital Market Authority (CMA)	The Company has taken all the necessary measures and controls in order to avoid recurrence and prevent imposition of such penalties

Suspension of trading Saudi Cable Company's shares in the market for one day trading session on Thursday, 19/08/1442H corresponding to 01/04/2021.	Due to the Company incompliance to announce its annual financial statements for the year 2020, within the specified period stipulated in the Rules on the Offer of Securities and Continuing Obligations.	Saudi Stock Exchange (Tadawul)	The Company has taken all the necessary measures and controls in order to avoid recurrence and prevent imposition of such penalties

10. Results of the annual review of the effectiveness of the internal control procedures of the Company and the opinion of the audit committee with respect to the adequacy of the Company's internal control system

Results & Findings:

- The current audit manual containing audit scope, functions of the Internal Audit Department, charter, procedures, code of ethics of the Department and Audit Plan was reviewed and found adequate and satisfactory.

- A review of the Company's financial and operational policies and procedures and internal control system shows that policies and procedures and internal control system are satisfactory. The audit of the effectiveness of internal control for the year 2021 showed no substantial or material weakness in the Company. However, with the complete transformation to/ and implementation of IFRS effective 2018, the Committee has suggested to update the existing SCC Accounting Policy accordingly, which is in process of implementation.

- The Committee convened several meetings during the year 2021 to review the financial and operational statements, internal control system, management's reports and reports of the internal auditor. The result of internal audit showed that the internal control system and procedures were effective throughout the Group. Examination and review of the books of account, financial transactions, reports, data and operational activities, and verification of Company's assets and properties were carried out and did not show any violation to the relevant procedures. It has been suggested to the Management to update the fixed assets record and conduct 100% actual physical verification at least once in a two year time.

- The Annual review of the effectiveness of the Internal Control System has not shown any intrinsic weakness in the company.

- The Committee held several meetings with the external auditor to review and discuss in detail the periodical and the annual financials reports prepared by them, and remarks and qualifications raised therein.

- The Audit Committee and Board of Directors have confirmed the effectiveness of the internal control procedures that the Company's objectives have been achieved, and the published financial statements have been prepared in reliable and dependable manner in accordance with the accounting standards and related regulations and laws.

11. The audit committee's recommendation on the need for appointing an internal auditor for the Company, if there is no internal auditor

Not applicable.

12. The audit committee's recommendation with conflict with Board resolution or those which the Board disregards relating to the appointment, dismissal, assessment or determining the remuneration of an external auditor, as well as justifications for those recommendations and reasons for disregarding them

Not applicable.

13. Details of the Company's Social Contributions, if any

Saudi Cable Company lends greater importance to the social responsibility, so in this respect the Company has contributed to train through the Year 2021, more than 21 Saudi young graduates. Where, a training plan has been set out in the various sections of the Company; included the maintenance, production and quality sections. The training comprised of 1200 training hours, and the Company has ensured to provide the trainees with an addendum training courses in Safety and First Aid in order to be maximally benefiting from the training program.

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

Ordinary General Assembly Meeting, held on Wednesday, 29/05/1442H, corresponding to 13/01/2021:-

Names of the Board members	Attendance details
Meyassar A. Nowailati	Attended
Khalid A. Alireza	Attended
Raaid Khalid A. Alireza	Attended
Yousef A. Alireza	Did not attend
Abdullah H. Masri	Attended
Khalid A. Al Ajlan	Attended
Mahmoud M. Abdulgafar	Attended
Azhar Medo M. Kenji	Attended

Ordinary General Assembly Meeting, held on Wednesday, 05/07/1442H, corresponding to 17/02/2021:-

Names of the Board members	Attendance details
Meyassar A. Nowailati	Attended
Mahmoud M. Abdulgafar	Attended
Abdulhadi Abulkhair	Attended
Abdulrahman I. Alkhayal	Attended
Noha A. Sulaimani	Attended
Ali M. Al Attas	Attended
Nael S. Fayez	Attended
Saleh A. Al Shathry	Attended
Azhar Medo M. Kenji	Attended

Ordinary General Assembly Meeting, held on Monday, 18/11/1442H, corresponding to 28/06/2021:-

Names of the Board members	Attendance details
Abdulrahman I. Alkhayal	Attended
Noha A. Sulaimani	Attended
Abdulhadi Abulkhair	Attended
Meyassar A. Nowailati	Attended
Saleh A. Al Shathry	Attended
Ali M. Al Attas	Attended
Nael S. Fayez	Attended
Mahmoud M. Abdulgafar	Attended
Azhar Medo M. Kenji	Attended

Ordinary General Assembly Meeting, held on Wednesday, 07/03/1443H, corresponding to 13/10/2021:-

Names of the Board members	Attendance details
Abdulrahman I. Alkhayal	Attended
Noha A. Sulaimani	Attended
Abdulhadi Abulkhair	Attended
Meyassar A. Nowailati	Attended
Saleh A. Al Shathry	Attended
Ali M. Al Attas	Attended
Nael S. Fayez	Attended
Azhar Medo M. Kenji	Attended

15. A description of the main scope of business of the company and its affiliates. If there are two or more, a statement showing each activity and how it affects the company businesses and results shall be attached

Main activities of the Company

Activity (1) Cables & wires
Activity (2) Contracts
Activity (3) Switchgears & accessories

The effect of these main activities on the volume of the Company's business, and their contribution on the results, as shown below:

	Activity's Revenues IN SR'000	Percentage %
Activity (1) Cables & wires	134,267	84%
Activity (2) Contracts	17,441	11%
Activity (3) Switchgears & accessories	8,845	6%
Total	**160,553**	**100%**

Main activities of a Subsidiary company (1): Mass Projects for Power & Telecom

Activity (1): Supply of cables & accessories
Activity (2): Installation of Joints & Terminations
Activity (3): Testing & Commissioning

The effect of these main activities on the volume of the Subsidiary's business, and its contribution on the results, as shown:

	Activity's Revenues	Percentage %
Activity (1) Supply of cables & accessories	14,454	83%
Activity (2) Installation of Joints & Terminations	2,876	16%
Activity (3) Testing & Commissioning	111	1%
Total	**17,441**	**100%**

Main activities of a Subsidiary company (2): Elimsan
Activity (1): Manufacturing of cable accessories.

The effect of these main activities on the volume of the Subsidiary's business, and its contribution on the results, as shown:

	Activity's Revenues	Percentage %
Activity (1) Switchgears & accessories	8,845	100%
Total	**8,845**	**100%**

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

The Board of Directors recommended in its meeting held on 12/07/1442H (corresponding to February 24, 2021) to increase the company's capital by an amount of 360 million Saudi riyals. The proceeds will be used to enhance working capital in order to increase operational capabilities and future support activities.
In its meeting held on 19/11/1442H (corresponding to June 29, 2021), the Board of Directors recommended a capital reduction by 27.26%, and then increasing it through a rights issue of 500 million Saudi riyals.

17. Information on any risks facing the company (operational, financial or market related) and the policy of managing and monitoring these risks

The Group's activities expose it to a variety of credit risk, financial risks, liquidity risk and market price risk.

Credit risk

Credit risk is the risk that one party to financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. To reduce exposure to credit risk, the Group has developed a formal approval process whereby credit limits are applied to its customers. The management also continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery. To mitigate the risk, the Group has a system of assigning credit limits to its customers based on an extensive evaluation based on customer profile and payment history.

Foreign currency risk

Foreign Currency risk represents the risks resulting from the fluctuation of the value of financial instruments as a result of changes in foreign exchange rates. The group's transactions are mainly in Saudi riyals, UAE dirhams, Bahraini dinars, US dollars and Turkish lira. Transactions and balances in other currencies are immaterial for currencies with a fixed rate against the US dollar, The Group's management believes that its exposure of the risks are limited, but the functional currency of the group's operations in Turkey is in the US dollar. However, it exposes it to currency risks as a result of the exposure of the Turkish lira to currency risks. Currency risks are managed regularly for each facility in the group individually, and exchange rate fluctuations are monitored on an ongoing basis.

Interest rate risk

Interest rate risk is the exposure to various risks associated with the effect of fluctuations in the prevailing interest rates on the Group's financial position and cash flows. Majority of the Group's borrowings are at floating rate of interest and are subject to re-pricing on a regular basis except for Saudi Industrial Development Fund which is, instead of interest or profit, charge the Group a biannually fee. These changes exposes the Group to cash flow risks but it regularly monitors the changes in interest rates.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments and discharge liabilities as they fall due. Liquidity risk may result from the inability to sell a financial asset quickly at an amount close to its fair value.

Commodity price risk

The Group purchases metals on an ongoing basis for its operating activities. To safeguard itself from the frequent variations of the metal prices, the group enter into commodity forward contracts, hedging the price volatility of forecast copper purchases is in accordance with the risk management strategy of the Group. There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange and commodity forward contracts match the terms of the expected highly probable forecast transactions (i.e., notional amount and expected payment date). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange and commodity forward contracts are identical to the hedged risk components. The Group compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks

18. A summary in a form of table or graph showing the company's assets, liabilities and results of the last five fiscal year or since the incorporation date, whichever is shorter

Condensed Statement of Financial Position (5 Years)

Description	As of 31 December (SR'000)				
	2017	2018	2019	2020	2021
Current Assets	892,923	631,484	521,638	489,357	427,460
Non - Current Assets	1,061,193	765,106	725,898	746,142	615,365
Total Assets	**1,954,116**	**1,396,590**	**1,247,536**	**1,235,499**	**1,042,825**
LIABILITIES AND SHAREHOLDERS' EQUITY:					
Current liabilities	1,197,083	1,001,384	708,733	524,002	1,028,057
Non - Current liabilities	541,583	233,409	447,038	426,075	130,362
Total Liabilities	**1,738,666**	**1,234,793**	**1,155,771**	**950,077**	**1,158,419**
Shareholders' Equity	209,854	162,152	94,308	288,684	(112,902)
Minority Interest	(5,596)	(355)	(2,543)	(3,262)	(2,692)
Total Liabilities and Shareholders' Equity	**1,954,116**	**1,396,590**	**1,247,536**	**1,235,499**	**1,042,825**

Condensed Statement of Comprehensive income (5 Years)

DESCRIPTION	Year ended 31 December (SR'000)				
	2017	2018	2019	2020	2021
Revenue	1,342,477	865,023	381,274	368,779	160,553
Costs and Expenses	(1,387,190)	(836,076)	(431,860)	(417,585)	(301,156)
Net Profit/(Loss) before equity share of Profit/(Loss) from Associates and zakat	**(44,713)**	**28,947**	**(50,586)**	**(48,806)**	**(140,604)**
Equity Share of Profit/(Loss) from Associates	(23,238)	(86,490)	395	1,524	(20,020)
Net Profit/(Loss) before Zakat	**(67,951)**	**(57,543)**	**(50,191)**	**(47,282)**	**(160,623)**
Zakat & Income Tax	(12,362)	(5,409)	(11,640)	(7,730)	(230,386)
Net Profit/(Loss)	**(80,313)**	**(62,952)**	**(61,831)**	**(55,012)**	**(391,009)**

19. Geographical analysis of the company's and its affiliates' revenues

The Group's revenue in 2021 was SAR 161 million as compared to SAR 369 million in 2020.

The Group's consolidated revenues include sales from its Turkish and UAE subsidiaries, but do not include the revenues of Midal Cables, which is 50% owned by SCC. Midal Cables recorded revenue of SR 3,418.5 million in 2021.

The Geographical distribution of the revenue was:

Region	SR Million	
	2021	2020
Kingdom of Saudi Arabia (KSA) & GCC	152	363
Rest of the World	9	6
TOTAL REVENUE	**161**	**369**

Revenue was generated from the following segments:

Revenue From	SR Million	
	2021	2020
Product Sales	144	311
Projects & Contracting	17	58
TOTAL REVENUE	161	369

Geographical distribution of net profit / (loss):

Region	SR Million	
	2021	2020
Kingdom of Saudi Arabia and the Gulf region	(345)	(146)
Gulf Corporation Council Countries (GCC)	(22)	0
The rest of the world	(24)	91
TOTAL	(391)	(55)

20. Any material differences in the operational results compared to the preceding year's results, along with any expectations announced by the company

The Group made a net loss of SAR 391.0 million as compared to the net loss of SR 55.0 million last year and the change in net losses of the current year compared with net loss of the previous year are mainly due to following impacts:

- Lower volumes and margins in 2021 as compared to 2020 due to severe working capital constraints resulted in heavy unutilized capacity and thereby unrecovered fixed costs.
- Increased finance cost of the Group during 2021, as most significant restructurings of debt took place mid-year 2020 and thereby were impacted only partially last year, alongside fair value gains of restructured borrowings with a commercial lender and former supplier in 2020.
- Reductions in other income which mainly consisted of foreign currency exchange gains during 2021 as opposed to significant reversal in legal and other provisions in 2020.
- Impairment of deferred tax assets considering the expiry of claimable losses in accordance with tax regulations of Turkey.
- Increased provisions for zakat and income tax which also includes partial impacts as a result of zakat and tax assessments.
- Impacts of the above were partly compensated through decreased selling, general & administrative expenses during 2021.

21. Any Inconsistency with the standards approved by the Saudi Organizations for Certified Public Accountant

The Consolidated financial position of the Group as of December 31, 2021, and its financial performance for the year ended are in accordance with the International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Certified Public Accountants.

22. Name of each affiliate company, its capital, the company's ownership percentage, the main scope of business, country of operation and country of incorporation

<u>Subsidiaries and associates of the Saudi Cable Company Group:</u>

Subsidiaries	Principal Field of Activities	Country of Incorporation	% of Capital held Directly or Indirectly	Capital as per Nominal Share Value in SR Million
Domestic				
Saudi Cable Company for Marketing Limited	Purchase and sale of electrical cables and related products	Saudi Arabia	100%	10.0
Mass Projects for Power and Telecommunications Limited	Turnkey power and telecommunication projects	Saudi Arabia	100%	10.0
Mass Centers for Distribution of Electrical Products Limited	Electrical & telecommunication distribution services	Saudi Arabia	100%	44.5
International				
Mass Kablo Yatirim Ve Ticaret Anonim Sirketi (Previously Mass Holding Anonim Sirketi)	Holding Company	Turkey	100%	477.3
Mass International Trading Company Limited (dormant)	International trade	Ireland	100%	0.6
Fairhaven Holdings Ltd.	Holding Company	Seychelles	100%	0.2
Kablat Holding Limited	Holding Company	Malta	100%	0.01
Gozo Gayrimenkul Anonim	Holding Company	Turkey	100%	0.03
Valleta Gayrimenkul Anonim Sirketi	Holding Company	Turkey	100%	0.03
Saudi Cable Company (U.A.E) L.L.C.	Sale of cables and related products	United Arab Emirates	100%	1.0
Elimsan Group of Companies	Manufacturer of Switch Gears, Transformers and related accessories	Turkey	94.4%	216.9
Midal Cables W.L.L.	Conductors, Rods & related products	Bahrain	50%	124.3
XECA International Information Technology	Implementation of Information Systems and Network Services	Saudi Arabia	25%	13.2

<u>Midal Cables W.L.L. (Associate Company):</u>

The Company owns 50% of Midal Cables Limited – Bahrain, which is engaged in manufacture and supply of Aluminum alloy rods, wires, conductors and related products. Midal Cables having its main office in Bahrain with subsidiary companies in other countries.

Midal Cables form of the shareholding, its main scope of business activities and subsidiaries:

Subsidiary	Country of Incorporation	Share-holding %	Principal activities
Aluminum Wheel Company S.P.C (Aluwheel)	Bahrain	100%	Manufacturing and supply of fabricated metal product, alloy and aluminium wires.
Bahrain Welding Wire Products Manufacturing Company W.L.L	Bahrain	80%	Manufacturing of aluminum rods.
Metal Form S.P.C	Bahrain	100%	Manufacturing of alloy wires, aluminum clad steel wire, core and conform products and providing processing services.
Midal Kablo Sanayi ve Ticaret A.Ş	Turkey	100%	Manufacturing and supply of aluminum alloy rods, wires and conductors.
Midal Cables International Pty Ltd.	Australia	90%	Manufacturing and supply of aluminum and aluminum alloy rods, wires and conductors.
Midal Cables Private Ltd.	India	100%	The commercial operations have not commenced yet.
Midal Cables International Limited	Mozambique	100%	Manufacturing and supply of aluminum and aluminum alloy rods, wires and conductors.
Midal Cables International FZE	UAE	100%	Provision of engineering and management services.
Midal Cables International Limited	UK	100%	Marketing the products of Midal in Europe and Turkey.
Midal Cables International SDN. BHD.	Malaysia	100%	Marketing the products of Midal in Asia, Australia and New Zealand.
Midal Cables Marketing Ltd.	Kenya	100%	Dormant.
Midal Cable International Ltd.	Canada	100%	Marketing the products of Midal in America and Canada.
Midal Cables Saudi Arabia Limited	Saudi Arabia	100%	Provide commercial services and produce rods, wires, cables and conductors.
Midal Electrics Company	Bahrain	100%	Dormant.
Tunaverken Sweden A.B. (owned by Aluwheel)	Sweden	100%	Managing shares and other securities, manufacturing and trading of parts for motor vehicles and runs consultancy business.

Midal Cable Marketing Ltd. Nigeria	Nigeria	100%	Marketing the products of Midal in Africa.
Leader Makina San. Ve Tic. A.S.	Turkey	100%	Manufacture and distribution of drums, machine (trailer/silobas), container and construction.
Midal Solar W.L.L	Bahrain	100%	Construction of utility project, specialized constructions activities, electrical installation.
Joint Venture Madem Gulf Industries W.L.L	Bahrain	40%	Manufacturing, marketing, import and export of wooden cable drums and other related products
Associate Asahi Tec M.E. W.L.L	Bahrain	40%	Manufacture of aluminum automotive wheels

<u>XECA International Information Technology</u>

The Company currently owns 25% of XECA. XECA was engaged in the supporting of Information Systems and Network Services to many companies within and outside the Group, including SCC. In 2016, a decision was made to discontinue XECA'S operations and as of December 31, 2021, XECA is under the process of liquidation.

23. Details of shares and debt instruments issued for each affiliate company

Not applicable.

24. A description of the dividends distribution policy

- A sum of (10%) of the net profits shall be set aside to form the Company's Statutory Reserve. The Ordinary General Assembly may stop such saving when the said reserve equals (30%) of the Company's paid-up Capital.
- The Ordinary General Assembly upon recommendation passed by the Board of Directors may set aside (10%) of the net profits to form an agreed reserve that shall be allocated for a certain purpose(s).
- The Ordinary General Assembly may decide to form other reserves, to the extent that shall realize the Company's interests or guarantees distribution of fixed profits as much as possible, for the shareholders.
- Then the remaining amount shall be distributed to the Shareholders representing (5%) at least of the Company's paid-up Capital.

Subject to the provisions set in Article (19) of the Company's Bylaws and Article (76) of the Companies' Law, after the aforesaid, no more than (10%) of the remaining shall be allocated as remuneration for the Board of Directors, and the entitlement for this remuneration shall be in accordance with the applicable regulations in this respect.

25. A description of any interest in a class of voting shares held by persons (other than the company's directors, Senior Executives and their relatives) who have notified the company of their holdings pursuant to Article 68 of the Rules on the Offer of Securities and Continuing Obligations, together with any change to such interests during the last fiscal year

Not applicable.

26. A description of any interest, contractual securities or rights issue of the Board members, Senior Executives and their relatives on shares or debt instruments of the company or its affiliates, and any change on these interest or rights during the last fiscal year

Shares ownership of the Board Members and their first degree relatives from

Name	Position	Period Start		Period End		Net Change	Change %	Ownership of first degree relatives
		Stocks	Debt Instruments	Stocks	Debt Instruments			
Meyassar A. Nowailati	Chairman	10	-	10	-	-	-	-
Khalid A. Alireza	Board Member - Non-Executive	98.317	-	98.317	-	-	-	Included
Abdullah H. Masri	Board Member - Non-Executive	932	-	932		-	-	-
Yousuf A. Alireza	Board Member - Non-Executive	145	-	145	-	-	-	-
Raaid K. Alireza	Member, Vice Chairman (Non-Executive)	14.554	-	14.554	-	-	-	-

Shares ownership of the Board Members and their first degree relatives 14 January 2021 to 31 December 2021:

Name	Position	Period Start		Period End		Net Change	Change %	Ownership of first degree relatives
		Stocks	Debt Instruments	Stocks	Debt Instruments			
Abdulrahman I. Alkhayal	Chairman - Independent member	-	-	-	-	-	-	-
Noha A. Sulaimani	Vice Chairman - Managing Director	-	-	-	-	-	-	-
Abdulhadi Abulkhair	Board Member - Executive	10	-	-	-	-	-	-
Meyassar A. Nowailati	Board member	10	-	-	-	-	-	-
Saleh A. Al Shathry	Board member - Independent	100	-	-	-	-	-	-
Nael S. Fayez	Board member - Independent	-	-	-	-	-	-	-
Ali M. Al Attas	Board member - Independent	500	-	-	-	-	-	-
Azhar M. Kenji	Board member - Independent	-	-	-	-	-	-	-

27. Information on any loans (payable upon request or not), a statement of the total indebtedness of the company and its affiliates, any amounts paid by the company in repayments of loans during the year, the amount of the

principal debts, the creditor name, the loan term and remaining amount. In case there is no debts, a declaration thereof shall be presented

Borrowing Company	Lender	Loan Tender (Years)	Principle Loan	Balance on December 31, 2020	New loans / additions / Capitalization	Repayment	Balance on December 31, 2021
SHORT TERM LOAN							
Saudi Cable Company	Saudi British Bank	2 months	15,233	700	2,743	(3,443)	-
Total Saudi Cable Co.			15,233	700	2,743	(3,443)	-
ELIMSAN	Kuveyt Turk Katilim Bankasi A.S	1 Year	1,039	248	-	-	248
Total Elimsan			1,039	248	-	-	248
Total Short Term Loans			**25,647**	**948**	**2,743**	**(3,443)**	**248**
LONG TERM LOANS							
Saudi Cable Company	Saudi Industrial Development Fund	5 Years	191,460	105,290	(1,000)	-	104,290
	Total SIDF	**-**	**191,460**	**105,290**	**(1,000)**	**-**	**104,290**
Restructured bank loans	Al Rajhi Bank – Faciility – A	2 Years	159,988	47,319	(19,433)	(5,200)	22,686
	Al Rajhi Bank – Facility – B	6 Years	31,578	198,294	(1,000)	-	197,294
	Total Comercial Banks	**-**	**191,566**	**245,613**	**(20,433)**	**(5,200)**	**219,980**
Suppliers Financing	Noble Resources International Pte Ltd.	-	-	119,656	(22,916)	3,087	99,827
	Total Noble Resources International Pte Ltd.	**-**	**-**	**119,656**	**(22,916)**	**3,087**	**99,827**
Total Saudi Cable Co.			**383,026**	**470,559**	**(44,349)**	**(2,113)**	**424,097**
ELIMSAN	Yapi ve Kredi Banskasi A.S.	5 Years	7,136	7,689	(394)	(1,545)	5,750
	Turkiye Is Bankasi	5 Years	9,540	8,335	(242)	120	8,213
	Kuveyt Turk Katilim Bankasi A.S	5 Years	6,551	6,580	(429)	1,323	7,474
	Deniz Bank A.S						
	Vakif Bank	5 Years	8,929	9,170	(281)	(636)	8,253
	Asya Katilim Bankasi A.S	5 Years	6,375	5,107	(173)	357	5,291
		-	-	1,889	-	1,006	2,895
Total Elimsan			**38,531**	**38,770**	**(1,519)**	**625**	**37,876**
Total			**421,557**	**509,329**	**(45,868)**	**(1,488)**	**461,973**

Less : Current Portion	Saudi Industrial Development Fund			(30,000)		(29,000)	(59,000)
	Comercial Bank			(35,915)		(211,975)	(247,890)
	Supplier Financing			(89,767)		(10,060)	(99,827)
Total Long Term Loans			421,557	353,647	(45,868)	(252,523)	55,256

28. **A description of the class and number of any convertible debt instruments, contractual securities, preemptive right or similar rights issued or granted by the company during the fiscal year, as well as stating any compensation obtained by the company in this regard**
    Not applicable.

29. **A description of any conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights issued or granted by the company**
    Not applicable

30. **description of any redemption, purchase or cancellation by the company of any redeemable debt instruments and the value of such securities outstanding, distinguishing between those listed securities purchased by the company and those purchased by its affiliates**
    Not applicable.

31. **The number of Board meetings held during the last financial year, their dates and the attendance record of each meeting listing the names of the attendees**

A. Previous Board Members

Note: Term of the Previous Board was continue from 01/01/2021 until the end of its term on 13/01/2021.

Name	Title	181 Meeting dated 12/01/2021	Total Meetings Attended
Meyassar A. Nowailati	Chairman	✓	1
Khalid A. Alireza	Member	✓	1
Abdullah H. Masri	Member	✓	1
Yousuf A. Alireza	Member	✓	1
Khalid A. Al Ajlan	Member	✓	1
Raaid K. Alireza	Member	✓	1
Mahmoud M. Abdulghafar	Member	✓	1
Azhar M. Kenji	Member	✓	1

B. Current Board Members

Note: Term of the Current Board started from 14/01/2021 for the next three years.

Name	Title	1st Meeting dated 20/01/2021	2nd Meeting dated 24/02/2021	3rd Meeting dated 10/03/2021	4th Meeting dated 25/03/2021	5th Meeting dated 04/04/2021	6th Meeting dated 23/05/2021
Abdulrahman I. Al Khayal	Chairman	✓	✓	✓	✓	✓	✓
Noha A. Sulaimani	V. Chairman & MD	✓	✓	✓	✓	✓	✓
Saleh A. Alshathry	Member	✓	✓	✓	✓	✓	✓
Abdulhadi A. Abulkhair	Member	✓	✓	✓	✓	✓	✓
Meyassar A. Nowailati	Member	✓	✓	✓	✓	✓	X
Ali A. Al Attas	Member	✓	✓	✓	✓	✓	✓
Azhar M. Kenji	Member	✓	✓	✓	✓	✓	✓

Nael S. Fayez	Member	✓	✓	✓	✓	✓	✓
Mahmoud M. Abdulghfar*	Member	✓	✓	✓	✓	✓	✓

Continued : B. Current Board Members

Name	Title	7th Meeting dated 13/06/2021	8th Meeting dated 29/06/2021	9th Meeting dated 18/08/2021	10th Meeting dated 08/11/2021	11th Meeting dated 30/12/2021	Total Meetings Attended
Abdulrahman I. Al Khayal	Chairman	✓	✓	✓	✓	✓	11
Noha A. Sulaimani	V. Chairman & MD	✓	✓	✓	✓	✓	11
Saleh A. Alshathry	Member	✓	✓	✓	✓	✓	11
Abdulhadi A. Abulkhair	Member	✓	✓	✓	✓	✓	11
Meyassar A. Nowailati	Member	✓	✓	✓	✓	✓	10
Ali A. Al Attas	Member	✓	✓	✓	✓	✓	11
Azhar M. Kenji	Member	✓	✓	✓	✓	✓	11
Nael S. Fayez	Member	✓	✓	✓	✓	✓	11
Mahmoud M. Abdulghafar*	Member	✓	✓	X	X	X	8

* Mr. Mahmoud M. Abdulghafar resigned from SCC Board membership and all its related duties on 05/08/2021.

32. Numbers of Company's requests of shareholders records, dates and reasons thereof

12 records were requested for the shareholders of the Company during the year 2021 as shown in the following table:

No.	Date of request	Reason
1	05/01/2021	For Company Procedures
2	11/01/2021	
3	13/01/2021	For General Assembly
4	15/02/2021	
5	09/05/2021	Other
6	20/05/2021	
7	27/06/2021	For General Assembly
8	15/07/2021	For Company Procedures
9	10/08/2021	
10	02/09/2021	Other
11	11/10/2021	For General Assembly
12	29/12/2021	For Company Procedures

33. A description of any transaction between the company and any Related Party

Name of Board Member	**Contractor's Name**	**Nature of business and contracts**	**Terms of business and contracts**	**Duration of business and contracts**	**Price of business and contracts (In SAR Thousands)**
The Board of Directors of Medal Cable		Purchases of raw materials			12,255

Company consists of SIX members, THREE of whom are appointed by the Board of Saudi Cable Company: Mr. Abdulrahman I. Alkhayal Mr. Abdulhadi Abu Alkhair	Medal Cable Company	Board of Directors Remunerations	Normal business without any conditions or preferential advantages	Annual Contracts	938
		Distribution of profits			17,826
		Other			1,626

34. **Information relating to any business or contract to which the company is a party and in which a director of the company, a Senior Executive or any person related to any of them is or was interested, including the names of persons in relation, the nature, conditions, durations and the amount of the business or contract. If there are no such businesses or contracts, the company must submit a statement thereof**

The Board of Directors of the Company declare that except for the information mentioned in the table above (item#33), there are no businesses or contracts to which the Company is a party, and in which a Director of the Company or its senior executives or any person related to any of them is or was interested.

35. **A description of any arrangement or agreement under which a director or a Senior Executive of the company has waived any remuneration**

Not applicable.

36. **A description of any arrangement or agreement under which a shareholder of the company has waived any rights to dividends**

Not applicable.

37. **A statement of the value of any paid and outstanding statutory payment on account of any zakat, taxes, fees or any other charges that have not been paid until the end of the annual financial period with a brief description and the reasons therefor**

	2021			
	Paid SAR ('000s)	Charges that have not been paid until the end of the annual financial period SAR ('000s)	Brief description	Reasons
Zakat	19,133	Nil	During the year 2021, the Company filed its Zakat and Tax Return relating to year ended 31 December 2020, with General Authority of Zakat and Tax (GAZT) and paid Zakat amounting to SAR 19,597 thousands.	Zakat payable as at 31 Dec 2021 will be paid when Zakat and Tax Return for 2021 will be filed in the Year 2022.
Tax	-	Nil	Nil	Nil

General Organization for Social Insurance	8,093	Nil	During the year 2021, the amount of annual subscription	-
Costs of visas and passports	371	Nil	Paid to Ministry of Interior (MOI).	Renewal of Iqamas, Passports and Visas.
Labor Office Fees	53	Nil	Paid to Ministry Labor Office (MOL).	Renewal of the work permits.

38. A statement as to the value of any investments made or any reserves set up for the benefit of the employees of the company

- Support from (Human Resource Development Fund (HRDF).
- Ongoing training support to all employees.
- Employee fines Fund.

39. Declarations of the Board of Directors

The Board of Directors declares the following:

- Proper books of account have been maintained.
- The system of internal control is sound in design and has been effectively implemented.
- There are no significant doubts concerning the company's ability to continue its activity.
- The company's financial statements are prepared in accordance with generally accepted accounting rules in Saudi Arabia and these accounting rules are consistently applied.
- The company has not issued any securities such as options shares or rights that can be converted into shares.
- There are no major contracts awarded to relevant entities other than those disclosed in the advanced section of this report and included in the financial statements.
- There are no existing loans or loans to Board members during the year and no repayment of the loans been done?
- There are no loans granted to any Board member.
- The company has not entered into any transaction relating to its shares.
- Bank loans and their movements were disclosed in this report and in the financial statements.
- There were no transactions in the company's shares with any member of the Board of Directors or any member of their family other than those mentioned above.
- The Company has not received any waiver of rights from any shareholder.
- Te external auditor has expressed his opinion on the financial statements conservatively.

40. If the external auditor's report contains reservations on the annual financial statements, the Board report shall highlight this mentioning the reasons and any relevant information

Disclaimer of Opinion

We were engaged to audit the consolidated financial statements of **Saudi Cable Company ("The Company") and its subsidiaries (collectively with the Company, referred to as "The Group")**, which comprise the consolidated statement of financial position as at December 31, 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and the accompanying notes to the consolidated financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

Basis for Disclaimer of Opinion

- The Group incurred a net loss of SAR 390.4 million for the year ended December 31, 2021 (2020: SAR 55.7 million), and as of that date, the Group's accumulated losses have reached SAR 453.4 million, representing 125.74% of the share capital and current liabilities exceeded its current assets by SAR 600.6 million as at December 31, 2021 (December 31, 2020: SAR 34.64 million). These events or conditions, along with other matters, indicate a significant doubt about Group's ability to continue as a going concern and its ability to meet its obligations when it becomes due. The Group has been and still in the process of restructuring its liabilities to its creditors and plan to reduce its payables with future cash flows from its current projects. The Group's management is aware of the risks related to going concern but has prepared the consolidated financial statements under going concern basis. Accordingly, we were unable to obtain a sufficient appropriate audit evidence to satisfy ourselves that the Group will be able to continue its operations in the future and whether using going concern basis in preparing the consolidated financial statements is still appropriate.

- The Group has property, plant and equipment amounted of SAR 276.3 million as at December 31, 2021 and there are some indicators that the recoverable value of them is less than the book value, we were unable to obtain sufficient audit evidence regarding the recoverable amount of them as the Group's management hasn't provided us with sufficient data related to the recoverable amount of the property, plant and equipment and the extent to recognize any impairment losses the book value of property, plant and equipment as at December 31, 2021. The Group's management will prepare a future studies to determine the recoverable value subsequently after approval date of the consolidated financial statements of the Group.

Other Matter

The consolidated financial statements of the Group for the year ended December 31, 2020 were audited by another auditor who expressed a modified opinion (qualified) on those consolidated financial statements on April 06, 2021.

41. If the Board recommended replacing the external auditor before the end of its term, the report shall indicate this mentioning the reasons for the replacement recommendation

Not applicable.

42. Treasury shares held by the Company and details of the uses of such shares

Not applicable.

Note: The BOD's has approved this report through a circulated resolution on 28/04/2022