

Date: 9 Mar 2022

The Audit Committee Report to General Assembly of SIIG for Fiscal Year 2021

The audit committee of Saudi Industrial Investment Group has held five meetings during the year 2021, its responsibilities included the following:

- Reviewing the interim financial statements, annual financial statements before approving and publishing them.
- Reviewing the external auditor observations and following upon them.
- Ensuring that, internal controls and related policies of the company are effective and have been applied, and that the company is in compliance with the related rules and regulations.
- Ensuring the independence of the internal auditor and reviewing the audit's plans.
- Reviewing the outcomes and results of the internal and external auditors.
- Recommended the external auditors for the year 2022, to the board of directors, after ensuring their independence and reviewing the audit scope.

The audit committee has not been aware of any major issue, in the design and implementation of the internal control system, and there were no restrictions nor limitations that may affect the company's ability to prepare its financial statements under IFRS standards, which are accredited in the Kingdom of Saudi Arabia, therefore Saudi Industrial Investment Group has issued its financial statements for the year ended 31st December 2021.

Committee Chairman
Saad Alrwaita

Committee Member
Khalid Alkhawaiter

Committee Member
Abdulrahman Alrajhi

Form No. (1) Resume

A) Personal Information of the Nominee									
Full Name:	Khalil Ibrahim AlWatban								
Nationality	Saudi	Date of Birth:	1961						
B) Academic Qualifications of the Nominee									
#	Degree	Major	Certificate Date	Name of Awarding Entity					
1	Bachelor	Mechanical Engineering	1983	ALBusra University					
2									
C) Work Experience of the Nominee									
Period		Areas of Experience							
2018 – present		Deputy Minister of Economy and Planning for Sectoral and Regional Development							
2009 – 2018		Taadin Company (Maadin) and its Companies							
2007 – 2009		Chief, Projects Development, Alfa Company							
2004 – 2007		Deputy Chief, Projects and Engineering, Marafiq Company for Electricity and Water							
1987 – 2004		Saudi Company for Basic Industry							
D) Current membership in any board and committees of other joint stock companies (listed or non-listed) or any other company, regardless of its legal form									
#	Name of the Company	Main Activity	Membership type*	Nature of membership**	Committees Membership	Legal Form of the Company			
1	Saudi Investment Company for Recycling	Investment	Executive	Personal		Limited			
2									

*Membership Type (executive, non-executive or independent)

**Nature of Membership (Personal capacity or representative of legal person)

PROPOSED AMENDMENTS TO SIIG'S BYLAWS

#	Article No.	Current Article in Accordance with the Bylaws	Proposed Amendment to the Article
	Article (1) Establishment	A Saudi Joint Stock Company (the “ Company ”) has been established in accordance with the provisions of the Companies Law, with the following	A Saudi Joint Stock Company (the “ Company ”) has been established in accordance with the provisions of the Companies Law, its regulations, and these Bylaws in accordance with the following:
	Article (2) Company’s name	Saudi Industrial Investment Group (Saudi Joint Stock Company)	Saudi Industrial Investment Group (a listed Saudi Joint Stock Company)
	Article (3) Company’s Objectives	<p>The Company conducts and implements the following objectives:</p> <ol style="list-style-type: none"> 1. The investment, development, establishment, operation, management, and maintenance of petrochemical factories, gas, petroleum, and other industries inside and outside of the kingdom; 2. Wholesale and Retail trade of Petrochemical materials, products, and their derivatives and marketing them inside and outside of the kingdom; and 3. Ownership of lands, real estates, and buildings for the Company. <p>The Company shall conduct its activities in accordance with the regulations that are in force, and after obtaining the required licenses from the competent authorities, if any.</p>	<p>The Company conducts and implements the following objectives:</p> <ol style="list-style-type: none"> 1. The investment, development, establishment, operation, management, and maintenance of petrochemical factories, gas, petroleum, and other industries inside and outside of the kingdom; 2. Wholesale and Retail trade of Petrochemical materials, products, and their derivatives and marketing them inside and outside of the kingdom; and 3. Ownership of lands, real estates, and buildings for the Company. <ol style="list-style-type: none"> 1. Manufacture of refined oil products; 2. Manufacture of basic chemical materials; 3. Manufacture of other chemical products that are unspecified in another position; 4. Wholesale of solid, liquid and gaseous fuels and related products; 5. Manufacture of plastics and synthetic rubber in primary forms; 6. Mining of chemical metals and mineral fertilizers; 7. Mining of non-ferrous metal ores; 8. Manufacture of batteries and accumulators; 9. Manufacturing; 10. Oil and natural gas extraction support activities; and 11. Construction work related to other civil engineering works. <p>The Company shall conduct its activities in accordance with the regulations that are in force, and after obtaining the required licenses from the competent authorities, if any.</p>
	Article (6) Company’s Duration	The duration of the Company shall be ninety-nine (99) Hijri years commencing from the date of the Minister of Commerce’s resolution of the Company’s establishment.	The duration of the Company shall be ninety-nine (99) Hijri years commencing from as of the date of the Minister of Commerce’s resolution of the Company’s establishment registration in the

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		The Company's term may always be extended by a resolution adopted by the Extraordinary General Assembly of shareholders, at least one year prior to the expiration of the original term.	Commercial Registrar . The Company's term may always be extended by a resolution adopted by the Extraordinary General Assembly of shareholders, at least one year prior to the expiration of the original term.
	Article (21) The Board's Powers	<p>Without prejudice to the powers conferred on the General Assembly, the Board shall be vested with full powers to manage the Company, supervise its business and funds, conduct its business inside and outside the Kingdom, and establish the general policy to achieve its objectives.</p> <p>The Board of Directors shall have the right to participate in any type of company, take action of their assets, property and real estate, including the increasing and decreasing the shares Capital of those companies. The Board of Directors may provide financial support to any of the companies, ensure the credit facilities are obtained by any of the companies as well as subsidiaries or sister companies, provided that the partners in such companies provide financial support according to their ownership ratio in the company.</p> <p>The Board also has the right to enter into contracts, obligations and commitments on behalf of the Company, and on its behalf, to enter into bids, invest in shares, portfolios and bonds, carry out all actions, and sign all types of contracts, papers and documents, including without limitation the contracts for the establishment of companies in which the Company participates in, including all its modifications, supplements and amendment decisions, and signing agreements and instruments before the notary and official bodies, as well as loan agreements, guarantees, warranties and sponsorships, and issuance of Power of Attorneys on behalf of the company, sale, purchase, emptying, acceptance, receipt and delivery, rental and lease, receiving payments and making payments, mortgage and de-mortgage, opening accounts and credits, withdrawal and deposit with banks, issuing guarantees to banks, funds and governmental financing institutions, and signing all papers, documents, cheques and all banking transactions.</p>	<p>Without prejudice to the powers conferred on the General Assembly, the Board shall be vested with full powers to manage the Company, supervise its business and funds, conduct its business inside and outside the Kingdom, and establish the general policy to achieve its objectives-, including without limitation the following:</p> <p>The Board of Directors shall have the right to participate in any type of company, take action of their assets, property and real estate, including the increasing and decreasing the shares Capital of those companies. The Board of Directors may provide financial support to any of the companies, ensure the credit facilities are obtained by any of the companies as well as subsidiaries or sister companies, provided that the partners in such companies provide financial support according to their ownership ratio in the company.</p> <p>The Board also has the right to enter into contracts, obligations and commitments on behalf of the Company, and on its behalf, to enter into bids, invest in shares, portfolios and bonds, carry out all actions, and sign all types of contracts, papers and documents, including without limitation the contracts for the establishment of companies in which the Company participates in, including all its modifications, supplements and amendment decisions, and signing agreements and instruments before the notary and official bodies, as well as loan agreements, guarantees, warranties and sponsorships, and issuance of Power of Attorneys on behalf of the company, sale, purchase, emptying, acceptance, receipt and delivery, rental and lease, receiving payments and making payments, mortgage and de-mortgage, opening accounts and credits, withdrawal and deposit with banks, issuing guarantees to banks, funds and governmental financing institutions, and signing all papers, documents, cheques and all banking transactions.</p> <p><u>1. The Board also has the right to buy or sell or mortgage the Company's real property and assets</u>Represent the Company before all third parties and government authorities including, the Ministry of Commerce, the Ministry of Investment, the Capital Market Authority, the Saudi Stock Exchange, the</p>

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		<p>The Board also has the right to buy or sell or mortgage the Company's real property and assets; provided however that the minutes of the meeting of the Board state the reasons for its decision the following:</p> <ol style="list-style-type: none"> 1. The reasons and justifications of its decisions to sell; 2. That the sale price is equivalent to the usual price; 3. That the sale shall be a spot sale, except in certain circumstances determined by the board and with sufficient guarantees in the Board's absolute discretion; and 4. That such disposition shall not result in the suspension of certain Company activities or its encumbrance with other obligations. <p>The Board may contract loans, whatever is the duration, with government financing funds and financial institutions, commercial credits, given that their duration does not exceed the end of the Company's term, provided that:</p> <ol style="list-style-type: none"> 1. The Board's resolution shall define the aspects of application of loan funds and method of repayment; and 2. Terms and conditions of the loan agreement and related securities shall not be detrimental to the Company's and Shareholders' interests. <p>The Board shall have, in cases determined at its discretion, the right to discharge the Company's debtors of their obligation, provided, however, that the minutes of the meeting of the Board and its decision shall take into consideration the following conditions:</p> <ol style="list-style-type: none"> 1. the discharge shall take effect after the lapse of one full year from the effective start of debt as a minimum; 2. the discharge shall be restricted to a certain maximum amount annually per each debtor; and 3. the discharge is a right of the Board that cannot be delegated. 	<p><u>Zakat, Tax and Customs Authority, public notaries, and before the Judiciary, Sharia courts, administrative courts (Board of Grievance), all judicial and arbitration committees and agencies, Labor and Employment Offices, civil rights, police departments, chambers of commerce and chambers of industry, private bodies, as well as other companies and establishments inside and outside of the Kingdom.</u></p> <ol style="list-style-type: none"> 2. <u>Do all actions in relation to claims and courts, including without limitation, file lawsuit, plead and defend, hear the claim and challenge it, deny, request the taking of, and reject oath, present witnesses and evidences and impeach them, contest, impeach and vouch for witnesses, allege forgery, deny the stamps, style of writing and signatures, request the ban of traveling and cancel the request, follow up with the confiscation and enforcement circuits, request confiscation and enforcement, request arbitration, appoint experts and arbitrators, challenge the reports of the experts and arbitrators, remove and replace them, challenge and appeal judgments, receive judgments' deeds, conclude whatever is necessary, attend hearings in relation to all cases before all the courts, including without limitation, Shari'ah courts, administrative courts (the Board of Grievances) and all committees.</u> 3. <u>Do all actions in relation to companies in which the Company participates in, including, but not limited to, agreeing to establish, incorporate, acquire, manage, operate, terminate, liquidate, finance, guarantee, and participate in any type of company, institution, fund, or branch with others or alone inside or outside the Kingdom, and determining the tasks and budgets of branches and companies, and determining the value of shares in which the Company will participate, increase or decrease the share capital of those companies, or the company's withdrawal from the companies in which it participates, the sale, purchase, mortgage, redemption, assignment and disposal of the company's shares or shares in other companies and receive amounts, and converting the corporate structure of those companies either to a joint stock company or a limited liability company or otherwise, sign articles of association and amendments thereof before the notary public, cancel articles of association and amendments</u>

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		<p>The Board within the limits of its powers, may delegate or authorize one or more of its members or a third party to carry out certain activities, or assume a certain function or certain functions, and to cancel such authorization or delegation, partially or in full</p> <p>The Board may also authorize the audit committee to approve the unaudited quarterly financial statements, while the annual audited financial statements shall continue to be approved by the Board.</p>	<p><u>thereof, sign shareholders' resolutions in the Company's capacity as a shareholder, sign contracts for the company with third parties or resolutions in respect of companies, including contracts to buy, sell, mortgage, mortgage removal, assign or dispose of shares, meetings of the shareholders, attend and vote on behalf of the Company in the meetings of the shareholders in the companies in which the Company participates in including constituent assemblies, ordinary and extra-ordinary assemblies, take all decisions and vote on any decisions in these companies, appoint and remove managers or members of the board of directors.</u></p> <p>4. <u>4. Buy or sell or mortgage the Company's real property and assets, physical or otherwise, its monies, and shares in other companies, as well as other movable and immovable assets, which shall include conveying lands are buildings by deed, sale, purchase, investment, mortgage or release of mortgage, and marginalization of bonds by merging, sorting, endowing, payment of price, receipt of payment, transferring the right of attachment and signing before the notary public or any other government authority in this regard;</u> provided however that the minutes of the meeting of the Board state the reasons for its decision the following:</p> <ol style="list-style-type: none"> The<u>the</u> reasons and justifications of its decisions to sell<u>decision</u>; That<u>the</u> sale price is<u>shall be</u> equivalent to the usual price<u>prices of similar property or acceptable to the Board in its absolute discretion</u>; That<u>the</u> sale shall be a spot sale, except in certain circumstances determined by the board and with sufficient guarantees in the Board's<u>Board's</u> absolute discretion; and That<u>such</u> disposition shall not result in the suspension of certain Company activities or its encumbrance with other obligations. <p>The Board may contract loans, whatever is the duration, with government financing funds and financial institutions, commercial credits, given that their duration does not exceed the end of the Company's term, provided that:</p> <p><u>5. Represent the company in its relations with companies, banks, money houses and all government financing funds and financial institutions of all kinds and other lenders, opening,</u></p>

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			<p><u>managing, operating and closing bank accounts of any kind, in any country and conduct all transactions on these accounts in connection with the Company's activities, including withdrawals from, deposits and transfers from, receiving and disbursing funds, claiming its rights, signing any documents or contracts related thereto, obtaining loans and other facilities of all kinds for any period or amount, and to issue guarantees for the benefit of any entity whatsoever when the Board - according to its absolute discretion - deems that this serves the interest of the Company, signing, writing and accepting checks, promissory notes and other commercial papers, and entering into financial lease arrangements, financing operations, financial derivatives operations, treasury operations, financial hedging, hedging against currency exchange rates, granting credits, and carrying out all actions necessary for the conclusion of all agreements and banking transactions, in the form and terms the Board deems appropriate at its absolute discretion. The Board shall observe the following conditions for contracting loans with terms exceeding three (3) years:</u></p> <p><u>the</u></p> <p>e.a. The Board's resolution<u>decision</u> shall define the aspects of application of loan funds and method of repayment; and</p> <p>f.b. Terms<u>terms</u> and conditions of the loan agreement and related securities shall not be detrimental to the Company's and Shareholders' interests-</p> <p>6. <u>Entering into contracts, commitments, and association in the name of and on behalf of the Company, entering into tenders, investing in shares, portfolios and bonds, and signing all types of contracts and documents, including memoranda of understanding, and carrying out all acts, including negotiation, contracting, commitment, engagement, conciliation, assignment, termination, signature, delivery, modification, replacement, and addition to any contracts and obligations with others that would achieve the Company's objectives, including, but not limited to, licensing, marketing, future purchase, purchase, sale, lease and rental contracts, agencies, concessions, insurance contracts, compensation contracts, and guarantees, all in the form, terms, and amounts</u></p>

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			<p><u>that the Board deems appropriate in accordance with to its absolute discretion.</u></p> <p>2.7. The Board shall have, in cases determined at its discretion, the right to discharge the Company's debtors of their obligation, provided, however, that the minutes of the meeting of the Board and its decision shall take into consideration the following conditions:</p> <ol style="list-style-type: none"> the discharge shall take effect after the lapse of one full year from the effective start of debt as a minimum; the discharge shall be restricted to a certain maximum amount annually per each debtor; and the discharge is a right of the Board that cannot be delegated. <p>8. The Board within the limits of its powers,<u>Making decisions regarding the company's financial plan and policies for setting aside the statutory reserve, as well as – and with the authorization of the Ordinary General Assembly – declaring and distributing the Company's annual, semi-annual, and quarterly profits.</u></p> <p><u>9. Issuing any type of debt instruments that are tradable inside or outside the Kingdom in accordance with the applicable laws and regulations.</u></p> <p><u>10. Approving the Company's internal financial, administrative, and technical bylaws, and the policies and regulations for its employees.</u></p> <p><u>11. Appointing the Company's employees, agents, and consultants, on the terms the Board deems appropriate, dismissing them, determining their powers and duties, and promoting or transferring them, determining the necessary allowances, salaries, and bonuses, paying their salaries and compensations, requesting visas, and recruiting employees and workers from abroad, issuance of residency and work permits, transfer, termination and assignment of sponsorships.</u></p>

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			<p><u>12. Forming committees of all kinds (except for the audit committee), determining their powers, appointing their members from among the members of the Board or otherwise, dismissing them, and determining their compensation.</u></p> <p><u>13. Approving the Company's business plan and its annual capital budget and operational plans.</u></p> <p><u>14. Signing and ratifying all licenses, records, certificates, necessary authorizations, forms and documents, receiving and delivering them in the name and on behalf of the Company, register signatures and seals with the Chambers of Commerce and Chambers of Industry, and issue, renew and amend the Company's certificates and licenses.</u></p> <p><u>15. Conduct all actions in relation to commercial registers and chambers of commerce, including without limitation, follow up with registers' department, issue and renew registers, reserve commercial names, register trademarks, register and renew the registration with the Chamber of Commerce, sign all documents before Chamber of Commerce, manage registers, amend registers, add activities, open branch registers and cancel registers.</u></p> <p><u>16. Register trademarks and other intellectual property rights inside or outside the Kingdom</u></p> <p><u>3-17. Within the limits of its powers, the Board may delegate or authorize one or more of its members or a third party to carry out certain activities, or assume a certain function or certain functions, and to cancel such authorization or delegation, partially or in full.</u></p> <p>The Board may also authorize the audit committee to approve the unaudited quarterly financial statements, while the annual audited financial statements shall continue to be approved by the Board.</p>
	Article (23)	The Board of Directors shall appoint a Chairman and a Vice Chairman from among its members and may appoint a Managing Director. A single member may not concurrently	The Board of Directors shall appoint a Chairman and a Vice Chairman from among its members and may appoint a Managing Director. A single member may not concurrently hold the post of Chairman and

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	Powers of President, Vice President, Managing Director, and Secretary	<p>hold the post of Chairman and any other executive position at the Company, including that of Chief Executive Officer, Managing Director, or General Manager.</p> <p>The Chairman shall have the power to invite the Board to convene for a Board Meeting. The Chairman, if asked by two Board members, shall invite the Board to convene.</p> <p>The Chairman of the Board of Directors shall have the power to represent the Company before all third parties, the Judiciary, government authorities including, and private entities, and before Sharia courts, administrative courts (Board of Grievance), public notaries and courts, Labor and Employment Offices, preliminary and supreme committees, commercial papers committees, all other judicial committees, all dispute resolution committees, arbitration committees and agencies, civil rights, police departments, chambers of commerce and chambers of industry, private bodies, as well as other companies and establishments, all ministers and Authority General of Zakat and Tax, Capital Market Authority, and issuing power of attorneys, arbitrating on behalf of the Company, receipt and delivery on behalf of the Company, appointing attorneys and lawyers dismissing them, claim, litigate, defend, plead, settle, consent and arbitrate, receive judgment deeds, deny it, appeal, accepting, and withdrawing claims, signing arbitration clause, requesting the implementation of judgments, and challenge it, collect the implementation amounts, and challenge it, signing all agreements, papers and documents, modifying the Company's name, including but limited to, incorporation contracts in which the Company purchased with all amendments and annexes, signing partners decisions, increase or decrease the share capital of subsidiaries, purchase and sale of shares, modification of the Company's objective, signing deeds and Sukuks before a notary public and official and private bodies inside and outside the Kingdom of Saudi Arabia, loan/fund agreement, guarantees and warranties, mortgages and releasing it, collection of the Company's rights and pay off its obligations, sell and purchase, emptying and acceptance, receipt and delivery, leasing, receiving and paying payments, entering into tenders, opening accounts, granting</p>	<p>any other executive position at the Company, including that of Chief Executive Officer, Managing Director, or General Manager.</p> <p><u>The Board of Directors shall appoint a Chief Executive Officer from among its members or otherwise, who shall be tasked with conducting the daily business of the company.</u></p> <p><u>In addition to the powers given to the Chairman and the Chief Executive Officer mentioned in these bylaws, the Board of Directors may, by resolution, define the authorities and powers of each of the Chairman and the Chief Executive Officer.</u></p> <p><u>The Board of Directors shall determine the compensation of the Chairman and Chief Executive Officer, as well as the remuneration given to Board members, within the limits set out in the Companies' Law, its Implementing Regulations, and the Company's internal procedures and regulations.</u></p> <p><u>The term of office of the Chairman and Vice Chairman shall not exceed their respective terms of membership on the Board. They may be reelected for additional terms and the Board may, at any time, dismiss one or both of them without prejudice to their right to seek compensation if dismissal were not properly justified or occurred at an inappropriate time.</u></p> <p><u>The term of office Chief Executive Officer and Secretary - if he is a Board member, respectively - shall not exceed their respective terms of membership on the Board. They may be reelected for additional terms. The Board may, at any time, dismiss one or both of them.</u></p> <p>The Chairman shall have the power to invite following authorities:</p> <ol style="list-style-type: none"> <u>Inviting</u> the Board to convene for a Board Meeting. The Chairman, if asked by two Board members, shall invite the Board to convene. <u>Do all that is necessary with regard to companies established or is participated in by the Company - including but not limited to - agreeing to establish, purchase, manage, operate, terminate, liquidate, finance, guarantee, and participate in any type of companies, institutions, funds or branches, with others or alone, in any percentage, whether inside or outside the Kingdom of Saudi Arabia, and determining the branches and companies' responsibilities and budget, determining the amounts and values of the shares or stocks in which the Company will participate, increasing or decreasing the capital of those companies, or withdrawing the Company from those companies participated in, buying, selling, mortgaging,</u>

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		<p>credits , withdrawal and deposits at local and international banks and close it, issuing promissory notes, cheques, and guarantees for banks, funds, and state finance institutions, Conduct all actions in relation to commercial registers and agencies, signing all papers, documents, cheques, and all banking transactions, contracting loans and banking facilities, and signing all the required documents in regard, appointing, heiring, setting salaries, and terminating the service of the employees, applying for visas, recruitment of staff and employees out of the Kingdom, issuance of work and resident's permits, transfer and waiver of sponsorship, the Chairman may delegate and appoint others within his jurisdiction, in taking any particular action or any particular duty or work, and partially or entirely abolishing the delegation, the Chairman also may assign a member of the Board, employees of the company or third parties to a particular business, and has the right to grant a power of attorney right to third parties.</p> <p>The Board of Directors may choose among its members a managing director, and the resolution shall determine the powers of the managing director, and conducts the day-to-day business of the company, including the acceptance and de-mortgage of the properties taken as grantee for the company's rights to third parties, including without limiting the loans to the wages provided to the company's employees within the company's housing program. With the right to power of attorney and delegate any person with his powers and may revoke this power of attorney or delegation in whole or in part.</p> <p>The Board of Directors shall determine the remuneration of the Chairman and managing director, as well as the remuneration given to Board members as addressed in the bylaws, and within the limits set out in the Companies' Law, its Implementing Regulations.</p> <p>The Board of Directors shall appoint a Secretary from among its members or others, to record the minutes to the Board Meetings, resolution resulting for such meeting, and storing these, in addition to any other responsibility the</p>	<p><u>removing a mortgage, redeeming, transferring, assigning, disposing, and acting for the Company in relation to those shares or stocks in those companies participated in and receiving the value, transferring the entities of these companies, whether to a joint stock company, a limited liability company, or any other form, and signing the articles of association of those companies, and any amendment or annex to them, before a notary public or any other government agencies, or cancelling them, and signing any documents, contracts, resolution or other decisions issued by the Company in its capacity as a partner or shareholder in those companies and in relation to those companies, including contracts of purchase, sale, pledge, release of pledge, assignment or disposal of shares or stocks, minutes of general assemblies, permits, requests, notices, powers of attorney, resolutions, lease contracts or any other document that may be necessary or required, appoint managers and members of the boards of directors and board of managers these companies and the Company's representatives at shareholder or partners meetings and attend and vote, on behalf of the Company, at meetings of partners, including the regular and extraordinary constituent and general assemblies, or amend the purposes of those companies.</u></p> <p><u>3. The Chairman has the right to delegate any of his powers – within the limits of his powers and authority – to one or more members of the Board or any other person, to take any action or conduct or perform certain work or actions on his behalf as Chairman, and he may also cancel this power of attorney or delegation in whole or in part, and the Chairman may also grant the delegate or agent the right to delegate or five power of attorney to another.</u></p> <p>TheThe Chairman of the Board of Directors shall have the power to represent the Company before all third parties, the Judiciary, government authorities including, and private entities, and before Sharia courts, administrative courts (Board of Grievance), public notaries and courts, Labor and Employment Offices, preliminary and supreme committees, commercial papers committees, all other judicial committees, all dispute resolution committees, arbitration committees and agencies, civil rights, police departments, chambers of commerce and chambers of industry, private bodies, as well as other companies</p>

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		<p>Board of Directors assign to the Secretary. The Board of Directors shall determine the Secretary's remuneration.</p> <p>The term of office of the Chairman, Vice Chairman, Managing Director, Secretary - if he is a Board member, respectively - shall not exceed their respective terms of membership on the Board. They may be reelected for additional terms and the Board may, at any time, dismiss one or both of them without prejudice to their right to seek compensation if dismissal were not properly justified or occurred at an inappropriate time.</p>	<p>and establishments, all ministers and Authority General of Zakat and Tax, Capital Market Authority, and issuing power of attorneys, arbitrating on behalf of the Company, receipt and delivery on behalf of the Company, appointing attorneys and lawyers dismissing them, claim, litigate, defend, plead, settle, consent and arbitrate, receive judgment deeds, deny it, appeal, accepting, and withdrawing claims, signing arbitration clause, requesting the implementation of judgments, and challenge it, collect the implementation amounts, and challenge it, signing all agreements, papers and documents, modifying the Company's name, including but limited to, incorporation contracts in which the Company purchased with all amendments and annexes, signing partners decisions, increase or decrease the share capital of subsidiaries, purchase and sale of shares, modification of the Company's objective, signing deeds and Sukuks before a notary public and official and private bodies inside and outside the Kingdom of Saudi Arabia, loan/fund agreement, guarantees and warranties, mortgages and releasing it, collection of the Company's rights and pay off its obligations, sell and purchase, emptying and acceptance, receipt and delivery, leasing, receiving and paying payments, entering into tenders, opening accounts, granting credits, withdrawal and deposits at local and international banks and close it, issuing promissory notes, cheques, and guarantees for banks, funds, and state finance institutions, Conduct all actions in relation to commercial registers and agencies, signing all papers, documents, cheques, and all banking transactions, contracting loans and banking facilities, and signing all the required documents in regard, appointing, heiring, setting salaries, and terminating the service of the employees, applying for visas, recruitment of staff and employees out of the Kingdom, issuance of work and resident's permits, transfer and waiver of sponsorship, the Chairman may delegate and appoint others within his jurisdiction, in taking any particular action or any particular duty or work, and partially or entirely abolishing the delegation, the Chairman also may assign a member of the Board, employees of the company or third parties to a particular business, and has the right to grant a power of attorney right to third parties.</p> <p>The Board of Directors may choose among its members a managing director, and the resolution shall determine the powers of the managing director, and conducts the day to day business of the company, including the acceptance and de mortgage of the properties taken as grantee for the company's rights to third parties, including without</p>

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			<p>limiting the loans to the Chief Executive Officer shall have the following authorities:</p> <ol style="list-style-type: none"> 1. The Chief Executive Officer shall represent the Company in its relationship with others and before governmental and private bodies, including with the Ministry of Commerce, Ministry of Investment, Capital Market Authority, Saudi Exchange, the Zakat, Tax, and Customs Authority, public notaries, in judicial proceedings, Sharia courts, judicial committees, administrative courts, Labor and Employment Offices, civil rights, police departments, chambers of commerce and industry, private and public authorities, companies, establishments, in different forms inside and outside the Kingdom of Saudi Arabia and all governmental and private entities. 2. Do all actions in relation to claims and courts, including without limitation, file lawsuit, plead and defend, hear the claim and challenge it, deny, request the taking of, abstain, and reject oaths, present witnesses and evidences and impeach them, contest, impeach and vouch for witnesses, allege forgery, deny the stamps, style of writing and signatures, request the ban of traveling and cancel the request, follow up with the confiscation and enforcement circuits, request confiscation and enforcement, request arbitration, appoint experts and arbitrators, challenge the reports of the experts and arbitrators, remove and replace them, challenge and appeal judgments, receive judgments' deeds, conclude whatever is necessary, attend hearings in relation to all cases before all the courts, including without limitation, Shari'ah courts, administrative courts (the Board of Grievances) and all committees. 3. Entering into contracts, commitments, and association in the name of and on behalf of the Company, entering into tenders, investing in shares, portfolios and bonds, and signing all types of contracts and documents, including memoranda of understanding, and carrying out all acts, including negotiation, contracting, commitment, engagement, conciliation, assignment, termination, signature, delivery, modification, replacement, and addition to any contracts and obligations with others that would achieve the Company's objectives, including, but not limited to, licensing, marketing,

#	Article No.	Current Article in Accordance with the Bylaws	Proposed Amendment to the Article
			<p><u>future purchase, purchase, sale, lease and rental contracts, agencies, concessions, insurance contracts, compensation contracts, and guarantees, on the condition that none of these contracts shall exceed ten million (SAR 10,000,000.00) Saudi Riyals.</u></p> <p><u>4. Represent the Company in its relations with companies, banks, money houses and all government financing funds and financial institutions of all kinds and other lenders, opening, managing, operating and closing bank accounts of any kind, in any country and conduct all transactions on these accounts in connection with the Company's activities, including withdrawals from, deposits and transfers from, receiving and disbursing funds, and claiming its rights, use electronic services relating to these and any in country on behalf of the Company, signing, writing and accepting checks, promissory notes and other commercial papers.</u></p> <p><u>5. After obtaining the Board's approval, obtaining loans and other facilities of all kinds for any period or amount, from funds, governmental financial institutions, commercial banks, money houses, insurance companies, and any other insurance entity, and to issue guarantees for the benefit of any entity whatsoever and entering into financial lease arrangements, financing operations, financial derivatives operations, treasury operations, financial hedging, hedging against currency exchange rates, granting credits, and carrying out all actions necessary for the conclusion of all agreements and banking transaction, and sign any document or contract relating to this.</u></p> <p><u>6. Signing deeds and Sukuks before a notary public and official and private bodies inside and outside the Kingdom of Saudi Arabia.</u></p> <p><u>7. Appointing the Company's employees, agents, and consultants, dismissing them, determining their powers and duties, and promoting or transferring them, determining the necessary allowances, salaries, and bonuses, paying their salaries and compensations, requesting visas, and recruiting employees and workers from abroad, issuance of residency</u></p>

#	Article No.	Current Article in Accordance with the Bylaws	Proposed Amendment to the Article
			<p><u>and work permits, transfer, termination and assignment of sponsorships.</u></p> <p><u>8. Signing and ratifying all licenses, records, certificates, necessary authorizations, forms and documents, receiving and delivering them in the name and on behalf of the Company, register signatures and seals with the Chambers of Commerce and Chambers of Industry, and issue, renew and amend the Company's certificates and licenses.</u></p> <p><u>9. Conduct all actions in relation to commercial registers and chambers of commerce, including, but not limited to, follow up with registers' department, issue and renew registers, reserve commercial names, register trademarks, register and renew the registration with the Chamber of Commerce, sign all documents before Chamber of Commerce, manage registers, amend registers, add activities, open branch registers and cancel registers.</u></p> <p><u>10. Register trademarks and other intellectual property rights inside or outside the Kingdom of Saudi Arabia.</u></p> <p><u>11. Accepting and removing mortgages on real estate taken as security for the Company's rights owed to third parties, including, but not limited to, advances on wages provided to the company'sCompany's employees within the company'sCompany's housing program.</u>With</p> <p><u>12. Receiving and delivering on behalf of the Company.</u></p> <p>13.<u>13. The Chief Executive Officer has the right to power of attorney and delegate any person withof his powers – within the limits of his powers and authority – to another, to take any action or conduct or perform certain work or actions on his behalf as Chief Executive Officer, and he may revokealso cancel this power of attorney or delegation in whole or in part.</u></p> <p>The Board of Directors shall determine the remuneration of the Chairman and managing director, as well as the remuneration given to Board members as addressed in the bylaws, and within the limits set out in the Companies' Law, its Implementing Regulations.</p>

#	Article No.	Current Article in Accordance with the Bylaws	Proposed Amendment to the Article
			<p>The Board of Directors shall appoint a Secretary from among its members or others, to record the minutes to the Board Meetings, resolution resulting for such meeting, and storing these, in addition to any other responsibility the Board of Directors assign to the Secretary. The Board of Directors shall determine the Secretary's remuneration.</p> <p>The term of office of the Chairman, Vice Chairman, Managing Director, Secretary if he is a Board member, respectively shall not exceed their respective terms of membership on the Board. They may be reelected for additional terms and the Board may, at any time, dismiss one or both of them without prejudice to their right to seek compensation if dismissal were not properly justified or occurred at an inappropriate time.</p>

PROPOSED AMENDMENTS TO SIIG'S BYLAWS RELATED TO THE ACQUISITION TRANSACTION

#	Article No.	Current Article in Accordance with the Bylaws	Proposed Amendment to the Article
	Article (7) Capital	The capital of the Company shall be four thousand and five hundred million Saudi Riyals (SAR 4,500,000,000), divided into four hundred and fifty million (450,000,000) nominal shares of an equal value of ten (10) Saudi Riyals each, which are paid in full.	The capital of the Company shall be four thousand and seven billion <u>and eighty-four</u> million Saudi Riyals (SAR 4,500 <u>7,548</u> ,000,000), divided into four <u>seven</u> hundred and fifty-four million (450,000) <u>and eight hundred thousand (754,800)</u> ,000) nominal shares of an equal value of ten (10) Saudi Riyals each, which are paid in full.
	Article (8) Subscription	The shareholders subscribed to all the share capital representing four hundred and fifty million Saudi Riyals (450,000,000), four thousand and five hundred million Saudi Riyals (SAR 4,500,000,000), which are paid in full.	The shareholders subscribed to all the share capital representing four hundred and fifty million Saudi Riyals (450,000,000), four thousand and seven billion five hundred <u>and eighty four</u> million Saudi Riyals (SAR 4,500,000 <u>7,548,000</u> ,000), <u>seven hundred fifty four million and eight hundred thousand (754,800)</u> ,000), which are paid in full.
	Article (18) Managing the Company	The Company shall be managed by a Board of Directors composed of nine (9) members to be elected by the Shareholders' Ordinary General Assembly for a period of three (3) years, as an exception, the founders appointed in the first board of directors for a period of five (5) years, as of the Ministerial resolution of establishing the Company.	The Company shall be managed by a Board of Directors (<u>the "Board" or the "Board of Directors"</u>) composed of nine (9) <u>ten (10)</u> members to be elected by the Shareholders' Ordinary General Assembly for a period of three (3) years, as an exception, the founders appointed in the first board of directors for a period of five (5) years, as of the Ministerial resolution of establishing the Company.
	Article (25) Board meeting quorum	<p>A Board meeting shall be quorate only if attended by a majority of members in person or by proxy, provided that the number of attendees in principle be no less than five (5). Board members may delegate other Board members to represent them in meetings pursuant to the following:</p> <ol style="list-style-type: none"> 1. a member of the Board may not act on behalf of more than one Board member during the same meeting; 2. a proxy shall be made in writing and delivered to the Company by hand or through email; and 3. a Board member acting by proxy may not vote on resolutions on which his principal is prohibited from voting on. <p>The Board may adopt resolutions by circulation to all Board members unless one Board member submits a request that a meeting be convened for deliberations. Such resolutions shall be adopted by an absolute majority of Board members and presented to the Board at its first subsequent meeting.</p>	<p>A Board meeting shall be quorate only if attended by a majority of members in person or by proxy, provided that the number of attendees in principle be no less than five (5)<u>six</u>. Board members may delegate other Board members to represent them in meetings pursuant to the following:</p> <ol style="list-style-type: none"> 1. a member of the Board may not act on behalf of more than one Board member during the same meeting; 2. a proxy shall be made in writing and delivered to the Company by hand or through email; and 3. a Board member acting by proxy may not vote on resolutions on which his principal is prohibited from voting on. <p>The Board may adopt resolutions by circulation to all Board members unless one Board member submits a request that a meeting be convened for deliberations. Such resolutions shall be adopted by an absolute majority of Board members and presented to the Board at its first subsequent meeting.</p>

Date: 28/06/1443
Corresponding to: 31/01/2022

Dear Esteemed shareholders of the Saudi Industrial Investment Group,

Greetings,

In compliance with Article (71) of the Companies Law issued by Royal Decree No. (M/3) dated 28/01/1437H and amended pursuant to Royal Decree No. (M/79) dated 25/07/1439H, which states that a member of the Board of Directors may not have any direct or indirect interest in the business and contracts that are executed for the company's account except with authorization from the General Assembly, and in reference to the signed binding implementation agreement between the Saudi Industrial Investment Group (herein referred to as "SIIG") and the National Petrochemical Company (referred to as "Petrochem") signed on 21/03/1443H (corresponding to 27/10/2021G) (herein referred to as the "Implementation Agreement") under which SIIG and Petrochem have agreed that SIIG will make an offer to acquire all shares issued in Petrochem which are not owned by SIIG in exchange for the issuance of new shares in SIIG to Petrochem's shareholders in accordance with Article (26) of the Merger and Acquisition Regulations and the Rules on the Offer of Securities and Continuing Obligations issued by the board of the Capital Market Authority, as well as the terms and conditions set out in the Implementation Agreement (the "Transaction").

Since a number of members of the Board of Directors have an indirect interest in the Implementation Agreement, we set out below the nature of the interests of the members of the Board of Directors, hoping to obtain an authorization from the shareholders in this regard.

Name	Nature of Interest
Mr. Khalil bin Ibrahim Al-Watban	a representative of GOSI on the Board of Directors of SIIG, which is a substantial shareholder in Petrochem.
Mr. Thamer bin Abdullah Al-Hamoud	a representative of GOSI on the Board of Directors of SIIG, which is a substantial shareholder in Petrochem.

The members of the Board of Directors (as set out above) have declared their interest in the Implementation Agreement to the Board of Directors. Such declaration has been incorporated in the resolution of the Board of Directors approving the Implementation Agreement.

We also attach the special report issued by the auditors of SIIG, PricewaterhouseCoopers, Public Accountants.

Best regards,



Mr. Khalil bin Ibrahim Al-Watban
Chairman of SIIG



To the Shareholders
Saudi Industrial Investment Group Company

Limited assurance report on declaration submitted by the Chairman of the Board of Directors to the shareholders of Saudi Industrial Investment Group Company

We have undertaken a limited assurance engagement in respect of the accompanying declaration of statement of work and contracts concluded between Saudi Industrial Investment Group Company (the "Company") and related parties of the directors of the Company (the "Declaration") for the year ended 31 December 2021 to be submitted by the Chairman of the Board of Directors (the "Board") of the Company in accordance with the applicable criteria mentioned below so as to comply with the requirements of Article 71 of the Regulations for Companies.

Subject matter

The Subject Matter for our limited assurance engagement is the Declaration prepared by the management of the Company and approved by the Chairman of the Board as attached to this report and submitted to us.

Criteria

The applicable Criteria is the requirement of Article 71 of Regulations for Companies issued by the Ministry of Commerce (2015-1437H) which states that any member of the Board with any interest, both directly or indirectly, in the work or contracts made for the account of the Company shall declare such interests for the approval of the general assembly of the Company. The Board member must notify the Board of such interest and refrain from voting in the vote by the Board to approve such work or contracts. The Chairman of the Board will notify the general assembly of work and contracts in which a member of the Board has a direct or indirect interest.

Management's responsibility

The management of the Company is responsible for the preparation of the Declaration in accordance with the Criteria and ensuring its completeness. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of the Declaration that is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence requirements of the code of professional conduct and ethics, endorsed in the Kingdom of Saudi Arabia, and the ethical requirements that are relevant to our limited assurance engagement in the Kingdom of Saudi Arabia, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1, as endorsed in the Kingdom of Saudi Arabia, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Declaration based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information', as endorsed in the Kingdom of Saudi Arabia. This standard requires that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention that causes us to believe that the Company has not complied with the applicable requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration, for the year ended 31 December 2021.

The procedures selected depend on our judgment, including the assessment of risks such as failure of systems and controls, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the Company's compliance with the requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration. Our procedures included examining, on a test basis, evidence supporting systems and controls in respect of the preparation of the Declaration in accordance with the requirements of Article 71 of the Regulations for Companies.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Summary of work performed

We have planned and performed the following procedures to obtain limited assurance over the Company's compliance with the requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration:

- Discussed with the management the process for obtaining business and contracts by any of the Board members, either directly or indirectly, with the Company.
- Obtained the accompanying Declaration that includes the lists of all transactions and contracts entered into by any of the Board members of the Company, either directly or indirectly, with the Company during the year ended 31 December 2021.
- Reviewed the minutes of the Board meetings that indicates Board members notified the Board on the transactions and contracts entered into by the Board members during the year ended 31 December 2021; and further that the concerned Board members did not vote on the resolution issued in this regard at the meetings of the Board.
- Reviewed confirmation from the concerned Board members on the transactions and contracts performed by the Board members during the year and in the case of those Board members who had no transactions a confirmation that there were no transactions during the year.

Inherent limitations

Our procedures regarding systems and controls relating to the preparation of the Declaration in accordance with the requirements of the Article 71 of the Regulations for Companies, are subject to inherent limitations and, accordingly, errors or irregularities may occur and not be detected. Furthermore, such procedures may not be relied upon as evidence of the effectiveness of the systems and controls against fraudulent collusion, especially on the part of those holding positions of authority or trust.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 (Revised) as endorsed in the Kingdom of Saudi Arabia. Consequently, the nature, timing and extent of the procedures outlined above for gathering sufficient appropriate evidence were deliberately limited relative to a reasonable assurance engagement, and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

Our procedures did not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, as endorsed in the Kingdom of Saudi Arabia, and accordingly we do not express an audit or a review opinion in relation to the adequacy of systems and controls.

This conclusion relates only to the Declaration for the year ended 31 December 2021, and should not be seen as providing assurance as to any future dates or periods, as changes to systems or controls may alter the validity of our conclusion.

Limited assurance conclusion

Based on our work described in this report, nothing has come to our attention that causes us to believe that the Company has not complied, in all material respects, with the applicable requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration of related party transactions for the year ended 31 December 2021.

Restriction of use

This report, including our conclusion, has been prepared solely upon the request of the management of the Company, to assist the Company and its Chairman of the Board in fulfilling its reporting obligations to the general assembly in accordance with Article 71 of the Regulations for Companies. The report should not be used for any other purpose or to be distributed to or otherwise quoted or referred to, without our prior consent to any other parties other than the Ministry of Commerce, Capital Market Authority and the shareholders of the Company.

PricewaterhouseCoopers



Ali A. Alotaibi
License Number 379

15 March 2022

