

GRC *Management*





Governance, Risk, and Compliance

Introduction

Sustainability is a fundamental pillar of urban development, ensuring sustainable growth that promotes long-term success. In this context, governance, risk, and compliance (GRC) management is key in enhancing operational efficiency and building trust among shareholders and stakeholders.

This GRC Report outlines our firm commitment to high standards across all aspects of our operations. It highlights our dedication to implementing effective governance policies that ensure compliance with local and international laws and regulations.

This report aims to provide a comprehensive overview of the measures taken by Retal in the areas of governance, risk management, and compliance and how these efforts

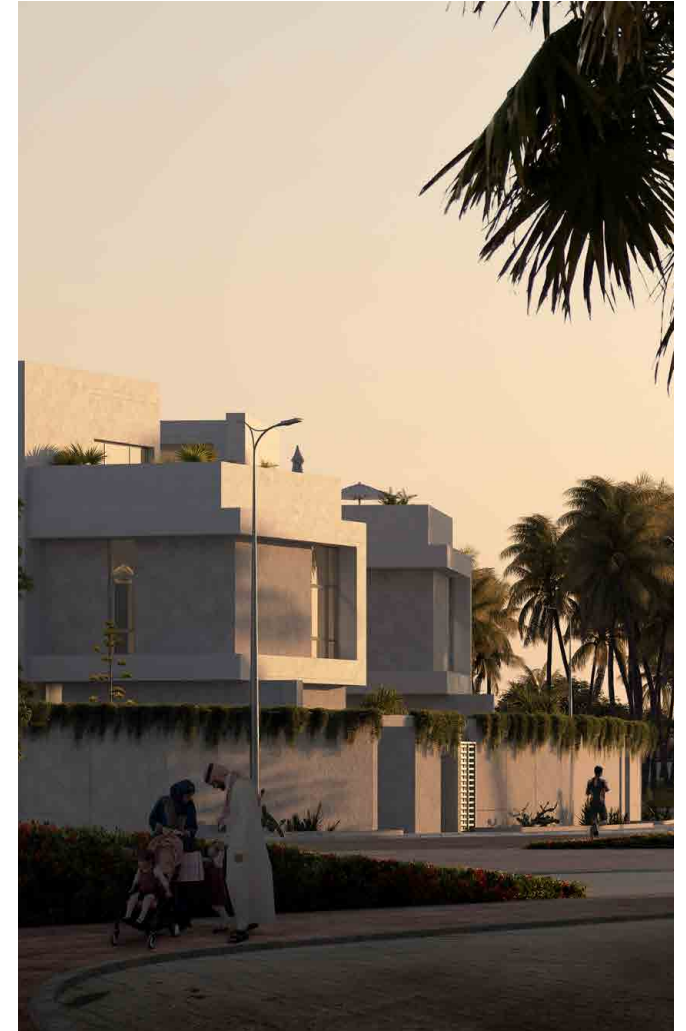
contribute to achieving our strategic goals and strengthening the trust between us and our partners in success.

In line with our commitment to best governance practices, we ensure the application of the highest standards of transparency and accountability to make informed decisions that balance economic, social, and environmental dimensions. We are also developing a proactive approach to risk management based on a comprehensive analysis of potential challenges and the formulation of innovative strategies to address changes, ensuring the stability and sustainability of our operations. Compliance management reflects our strong dedication to implementing systems and regulations and reinforcing corporate values that protect shareholder rights and establish principles of credibility and transparency.

We believe that integrating governance, effective risk management, and compliance with regulatory standards is the pathway to achieving a comprehensive developmental vision that leaves a positive and lasting impact on the cities and communities we serve.

Regarding ownership structure, the Company features a clear and balanced distribution of shares. Al Fozan Holding holds a closed shareholding of 52.98%, while foreign investors own a stake of 9.39%. In terms of investor structure, institutional investors hold 86.37% of the total shares, while individuals own 13.63% of the shares.

These figures demonstrate our actual efforts toward transparency and serve as clear evidence of our commitment to applying the highest standards of transparency and disclosure. They also help establish an attractive investment environment based on clarity and trust, ensuring sustainable growth and enhanced value for shareholders and stakeholders alike.





Governance, Risk, and Compliance Insights

Governance Excellence: A Commitment to Long-Term Value Creation

Retal Urban Development’s GRC framework is designed to fulfill regulatory expectations, uphold ethical standards, and drive sustainable growth. By integrating risk management, corporate governance best practices, and proactive investor engagement, we continue to strengthen our market position and deliver enduring value to stakeholders.

Compliance & Ethics

Retal is committed to maintaining the highest compliance and ethical standards, in alignment with Saudi Capital Market Authority (CMA) regulations and global governance principles.

Compliance with
CMA regulations

95.1%

Non-compliance
incidents related to
governance in 2024

Zero

Board Structure & Leadership

Retal Urban Development’s governance framework is built on a foundation of transparency, integrity, and accountability, ensuring strategic oversight and value creation for all stakeholders.

Board members with
expertise spanning real
estate, finance, and
strategic planning to drive
sustainable growth

9

Independent board members
ensuring unbiased governance
and decision-making

33%

Board meeting attendance

100%

Shareholder Rights & Engagement

Retal upholds strong shareholder rights, ensuring transparency and direct engagement with investors.

Year-to-date total assets
grew

15.6%

Total assets (SAR)

4.2Bn

Market capitalisation (SAR)

8.09 Bn

Per share declared
dividends in 2024 (SAR)

0.27

Governance, Risk, and Compliance (continued)

Corporate Governance

Retal's Board is structured upon strong foundations of transparency, integrity, and accountability, cementing principles of robust governance, enhancing strategic oversight, and ensuring sustainable value for all stakeholders.

The Board consists of nine members, each recognised for their proficiency and extensive experience in the real estate and financial sectors, as well as strategic planning, guiding the Company towards balanced and sustainable growth. With 33% independent members, the Board guarantees impartial decision-making, reinforces governance independence, and eliminates conflicts of interest, fully aligned with the highest corporate standards.



The Board's effective performance highlights its deep commitment to sound governance, demonstrated by high attendance rates at regular meetings and numerous specialised committee meetings, strengthening strategic oversight frameworks. The balance between executive and non-executive members reinforces the separation of executive management and strategic control, enhancing corporate independence and ensuring informed decisions that benefit the Company's sustainable growth. Regarding compliance, Retal maintains its rigorous adherence to the highest ethical and regulatory standards, in line with Capital Market Authority regulations and global best practices in governance, achieving a 95.1% compliance rate in 2024, with no governance-related breaches recorded.

Retal places significant emphasis on safeguarding shareholder rights and promoting the highest levels of transparency and effective engagement, fostering mutual trust and supporting a robust and sustainable investment framework. In 2024, Retal's market capitalisation was valued at 8 billion SAR. The company also declared dividend distributions of 0.27 riyals per share, and the Annual General Meeting witnessed a participation rate of 77%, reflecting positive shareholder engagement. Furthermore, Retal strengthened its investor relations by conducting four earnings calls with analysts and investors, and participating in 6 investment events, underscoring its commitment to transparency and continuous disclosure of its financial performance.

Governance, Risk, and Compliance (continued)

Board of Directors Formation

The Company's Board of Directors consists of nine members, including five non-executive members and three independent members, as defined by the corporate governance regulations. Each member brings extensive experience and high-level skills, amplifying The Board's ability to perform its duties efficiently and effectively. The Board members possess diverse expertise, solidifying their position as leaders with strategic vision and in-depth knowledge that supports the achievement of the Company's objectives and the development of its performance.

Last date: May 25 2025



Abdullah Abdullatif Al Fozan
Chairman
(Non-executive)
Joining date: July 19, 2020



Ali Abdullatif Al Fozan
Vice Chairman
(Non-executive)
Joining date: July 19, 2020



Majed Al Nefaie
Board Member
(Independent)
Joining date: November 28, 2020



Hani Othman Saeed BaOthman
Board Member
(Independent)
Joining date: August 1, 2021



Abdulrahman Abdullah Al Wabel
Board Member
(Independent)
Joining date: August 1, 2021



Fozan Mohamed Al Fozan
Board Member
(Non-executive)
Joining date: July 19, 2020



Fahad Abdulrahman Al Mojil
Board Member
(Non-executive)
Joining date: July 19, 2020



Eng. Abdullah Faisal AlBraikan
Board member
(Executive)
Joining date: July 19, 2020



Abdulrahman Ibrahim Al Jalal
Board Member
(Non-executive)
Joining date: July 19, 2020



Husam Mohammed Al Kaf
Secretary of the Board and Committees
Joining date: September 6, 2020



Responsibilities and Functions of the Board of Directors

1. Board Responsibility

The Board of Directors represents all shareholders. It is required to exercise due diligence and loyalty in managing the Company, ensuring its interests are safeguarded, its development is supported, and its value is maximised.

The responsibility for the Company's operations lies with the Board of Directors. Even if it delegates tasks to committees, entities, or individuals, in all cases, the Board may not issue a general or indefinite delegation of authority.

2. Board Functions

Following the powers granted to the General Assembly under the Companies Law, its executive regulations, and the Company's bylaws, the Board of Directors has the widest authority in managing the Company and directing its operations to achieve its objectives. The responsibilities and tasks of the Board include the following:

Firstly, Setting the Company's plans, policies, strategies, and key objectives, overseeing their implementation and reviewing them periodically, and ensuring the availability of the necessary human and financial resources to achieve them, including:

- Developing the Company's overall strategy, key work plans, risk management policies, and procedures, reviewing and guiding them.
- Determining the Company's optimal capital structure, its financial strategies and objectives, and approving the various types of budgets.

- Overseeing the Company's major capital expenditures, asset acquisitions, and disposals.
- Setting performance goals, monitoring their implementation, and assessing overall company performance.
- Periodically reviewing and approving the organisational and functional structures of the Company.
- Ensuring the availability of the necessary human and financial resources to achieve the Company's goals and main plans.

Secondly, Establishing internal control systems and overseeing them, including:

- Developing a written policy to address actual and potential conflicts of interest for both the Board members, the executive management, and shareholders, including misuse of company assets and facilities and misconduct related to transactions with related parties.
- Ensuring the integrity of financial and accounting systems, including systems related to financial reporting.
- Ensuring the application of suitable control systems to measure and manage risks, creating a comprehensive view of potential risks facing the Company, and fostering a company-wide risk management culture, sharing it transparently with stakeholders and related parties.
- Annually reviewing the effectiveness of the Company's internal control procedures.



Responsibilities and Functions of the Board of Directors (continued)

- Developing clear and defined policies, standards, and procedures for membership on the Board of Directors – consistent with the mandatory provisions of this regulation – and implementing them after being approved by the General Assembly.
- Developing a written policy to regulate the relationship with stakeholders according to the provisions of this regulation.
- Developing policies and procedures that ensure the Company's compliance with regulations and its commitment to disclose material information to shareholders and stakeholders, as well as ensuring executive management's adherence to them.
- Overseeing the Company's financial management, cash flows, and its financial and credit relationships with third parties.

Thirdly, Proposing to the Extraordinary General Assembly the following:

- Increasing or decreasing the Company's capital.
- Proposing the dissolution of the Company before the date specified in the Company's bylaws or deciding on its continuation.

Lastly, Proposing to the Ordinary General Assembly the following:

- Using the Company's reserves if they have not been allocated for a specific purpose in the Company's bylaws.
- Forming additional financial reserves or provisions for the Company.
- The method of distributing the Company's net profits.
- Preparing the Company's interim and annual financial statements and approving them before publishing.
- Preparing the Board of Directors' report and approving it before publication.
- Ensuring the accuracy and integrity of the data and information to be disclosed by the applicable disclosure and transparency policies and work systems.
- Establishing effective communication channels that allow shareholders to continuously and periodically access information on the Company's activities and any significant developments.
- Forming specialised committees derived from the Board with decisions that specify the duration of the committee, its powers, responsibilities, and how the Board will monitor them. The decision on formation should include naming the members and defining their tasks, rights, and duties, along with evaluating the performance and activities of these committees and their members.

- Defining the types of rewards granted to employees of the Company, such as fixed bonuses, performance-related bonuses, and share-based bonuses, by the executive regulations of the Saudi Joint Stock Companies Law.
- Informing the Ordinary General Assembly upon its convening of any business or contracts in which any Board member has a direct or indirect interest. This notification should include the information provided by the member to the Board by paragraph (14) of Article 28 of the Corporate Governance Regulations, accompanied by a special report from the Company's external auditor.
- Establishing the values and standards that govern operations within the Company.



Board of Directors Meetings

Four meetings of the Board of Directors were held. The table below shows attendance details:

Member Name	First meeting 24 April	Second meeting 7 July	Third meeting 6 October	Fourth meeting 19 December
Abdullah Abdul Latif Ahmed Al Fozan	✓	✓	✓	✓
Ali Abdul Latif Ahmed Al Fozan	✓	✓	✓	✓
Majed Aedh Ajlan Al Nefaie	✓	✓	✓	✓
Hani Othman Saeed BaOthman	✓	✓	✓	✓
Abdulahman Abdullah Saleh Al Wabel	✓	✓	✓	✓
Fozan Mohammed Ahmed Al Fozan	✓	✓	✓	✓
Fahad Abdulrahman Mohammed Al Mojil	✓	✓	✓	✓
Abdullah Faisal Abdulaziz Al Braikan	✓	✓	✓	✓
Abdulahman Ibrahim Abdulrahman Al Jalal	✓	✓	✓	✓

Skills and Expertise of Board Members



Mr. Abdullah Abdullatif Al Fozan
Chairman of the Board of Directors
(Non-executive)
Chairman of Executive Committee

Qualifications

Bachelor Of Business Administration - Accounting Department From King Saud University In Riyadh, 1989.

Experience

Brings More Than 30 Years Of Experience In Economics And Business Administration.

Current Executive Positions

- Manager Of Khobar Lakes Real Estate Development Company (Limited Liability Company).
- Manager Of Shomoul Commercial Complex Company (Limited Liability Company).
- Manager Of Azdan Al Sharq Trading Company Limited (Limited Liability Company).
- Manager Of Atheel Holding Company (Limited Liability Company).
- Manager Of Atheel Arabia Services Company (Limited Liability Company).
- Manager Of Ittila'a Al Arabiya Trading Company (Limited Liability Company).
- Manager Of Safinat Arabia Contracting Company (Limited Liability Company).
- Manager Of Abdul Latif Al Fozan Mosque Architecture Award Company Manager Of Autism Educational Endowment Services Company (Limited Liability Company).
- Manager Of Gulf Elixir Contracting Company (Limited Liability Company).
- Manager Of Al Fozan Investment Company Limited (Limited Liability Company).
- Manager Of Masarat Investment Company (Limited Liability Company).
- Manager Of Sumou Arabia Trading Company (Limited Liability Company)

Previous Executive Positions

- Manager Of Arabian View Trading Company Limited (Limited Liability Company).
- Manager Of Ascend Advanced Healthcare Solutions Company (Limited Liability Company).

Current Memberships

- Chairman Of The Board - Retal Urban Development Company (Listed Joint Stock Company).
- Chairman Of The Executive Committee - Retal Urban Development Company (Listed Joint Stock Company).
- Board Member of Jeddah Central Development Company (Closed Joint Stock Company).
- Chairman Of The Board - Bawan Holding Company (Listed Joint Stock Company).
- Chairman Of The Board - Al Fozan Holding Company (Closed Joint Stock Company).
- Chairman Of The Board - Dhahran International Exhibitions Company (Closed Joint Stock Company).
- Vice Chairman Of The Board - Saudi Tharwa Company (Closed Joint Stock Company).
- Managing Director - Abdullatif And Mohammed Al Fozan Holding Company (Closed Joint Stock Company).
- Managing Director - Maali Holding Company (Closed Joint Stock Company).
- Managing Director - Ajwad Holding Company (Closed Joint Stock Company).
- Managing Director - Al Maali Holding Company (Closed Joint Stock Company).
- Managing Director - Zawaya Holding Company (Closed Joint Stock Company).

- Chairman Of The Board Of Directors - Gulf Welfare Company Limited (Limited Liability Company).
- Chairman Of The Board Of Directors - Maali Gulf Trading Company (Limited Liability Company).
- Chairman Of The Board Of Directors - Ajdan Real Estate Development Company (Limited Liability Company).
- Chairman Of The Board Of Directors - Remal Al Khobar Real Estate Company (Limited Liability Company).
- Chairman Of The Board Of Directors - Midad Holding Company (Limited Liability Company).
- Vice Chairman Of The Board Of Directors - Shomoul Holding Company (Limited Liability Company).
- Board Member - Saudi Projects And Supplies Company (Limited Liability Company).
- Board Member - Gulf Riyadh Company Limited (Limited Liability Company).
- Board Member - Amjal Real Estate Development Company (Limited Liability Company).
- Board Member - Madar Building Materials Company Limited (Limited Liability Company).
- Board Member - Gulf Funds For Commercial Investment Company (Limited Liability Company).
- Board Member - National Center For Family Enterprises (Affiliated With The Ministry Of Commerce).

Previous Memberships

- Chairman of United Electronics Company "Extra" (Listed Joint Stock Company).
- Vice Chairman of Aloula Real Estate Development Company (Closed Joint Stock Company).
- Board Member of Arab Paper Manufacturing Company (Closed Joint Stock Company).
- Chairman of United Household Supplies Company (Limited Liability Company).
- Chairman of Arnon Plastics Industries Company Limited (Limited Liability Company).
- Board Member of Madar Hardware Company (Limited Liability Company).
- Board Member of Enjaz Projects Company Limited (Limited Liability Company).
- Board Member of Madar Electrical Materials Company (Limited Liability Company).
- Board Member of United Transformers Electric Company (Limited Liability Company).
- Board Member of United Company for Electrical Stations and Circuit Breakers Technology (Limited Liability Company).
- Board Member of Digital and Electronic Solutions Development Company (Limited Liability Company).
- Board Member of Nesaj Residential Compound Real Estate Company (Limited liability Company).

Skills and Expertise of Board Members (continued)



Mr. Ali Abdullatif Al Fozan
Vice Chairman of the Board
(Non-executive)

Qualifications

Diploma from the Department of Financial Studies at the Institute of Public Administration in 1986.

Experience

Brings more than 30 years of experience in economics and business administration.

Current Executive Positions

Manager of Al Fozan Holding Company (Limited Liability Company).

Current Memberships

- Vice Chairman of the Board – Retal Urban Development Company (Listed Joint Stock Company).
- Board Member – Abdullatif and Mohammed Al Fozan Holding Company (Closed Joint Stock Company).
- Board Member – Al Fozan Holding Company (Closed Joint Stock Company).
- Board Member – Maali Holding Company (Closed Joint Stock Company).
- Board Member – Ajwad Holding Company (Closed Joint Stock Company).
- Board Member – Zawaya Holding Company (Closed Joint Stock Company).
- Chairman of the Board of Managers – Madar Hardware Company (Limited Liability Company).
- Chairman of the Board of Managers – Madar Electrical Materials Company (Limited Liability Company).
- Chairman of the Board of Managers – Gulf Riyadh Company (Limited Liability Company).
- Board Member – Madar Building Materials Company (Limited Liability Company).
- Board Member – Saudi Projects and Supplies Company (Limited Liability Company).



Mr. Majed Aedh Al Nefaie
Board Member (Independent)

Qualifications

Bachelor of Accounting from Umm Al-Qura University in Mecca, Saudi Arabia, in 1998.

Experience

Brings more than 22 years of experience in travel and tourism.

Current Memberships

- Board Member of Retal Urban Development Company (Listed Joint

Previous Executive Positions

- CEO - Seera Holding Group (Listed Joint Stock Company).
- CEO - Seera Holidays Company (Limited Liability Company).
- CEO - Seera Hospitality Company (Limited Liability Company).
- CEO - Seera Hotels Company (Limited Liability Company).
- CEO - Mothmera Real Estate Development and Investment Company (Limited Liability Company).
- CEO - Discover Saudi Company (Limited Liability Company).
- CEO - Riyadh Front Company (Limited Liability Company).
- CEO - Mawasem for Umrah Services Company (Limited Liability Company).
- CEO - Sheraton Makkah Company (Limited Liability Company).

Previous Memberships

- Chairman of Mawasem Investment Company (Limited Liability Company).
- Chairman of Lumi Rental Company (Listed Joint Stock Company).
- Chairman of Almosafer Travel and Tourism Company (Closed Joint Stock Company).
- Board Member of Seera Holding Group (Listed Joint Stock Company).

Skills and Expertise of Board Members (continued)



Mr Hani Othman BaOthman
Board Member (Independent)
Chairman of Nominations and
Remunerations Committee NRC

Qualifications

- Bachelor in mechanical engineering from the University of Reading in the UK, 1995.
- Master in business administration from the University of London in the UK, 2001.

Experience

Brings more than 20 years of experience in the field of investments.

Previous Executive Positions

- Managing Director and CEO of Sidra Capital (Closed Joint Stock Company).
- CEO of Aayan Arabia Holding Company (Holding Company).
- Investment Manager of SEDCO Holding Company (Holding Company).
- Investments Manager of Islamic Corporation for the Development of the Private Sector (A development financial institution affiliated with the Islamic Development Bank Group).

Current Memberships

- Board Member of Retal Urban Development Company (Listed Joint Stock Company).
- Chairman of Nominations and Remunerations Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Chairman of Sidra Capital Company (Closed Joint Stock Company).
- Chairman of Inox Financials (Closed Joint Stock Company) of Geneva.

Previous Memberships

- Board Member of Emaar Company, King Abdullah Economic City (Closed Joint Stock Company).
- Board Member of Al Khozama Management Company (Closed Joint Stock Company).



Mr. Abdulrahman Abdullah Al Wabel
Board Member (Independent)
Chairman of Audit Committee

Qualifications

Bachelor's degree in law from King Saud University in Riyadh, 1989.

Experience

Brings more than 30 years of experience in economics and business administration.

Current Executive Positions

Secretary General of Asharqia Chamber (non-profit authority).

Previous Executive Positions

- Assistant Secretary-General for Subscriber Services of Asharqia Chamber (non-profit Authority).
- Director of the Legal Department of Asharqia Chamber (non-profit Authority).
- Legal advisor of Asharqia Chamber (non-profit Authority).
- Legal advisor of National Commercial Bank SNB (Listed Joint Stock Company).

Current Memberships

- Board Member of Retal Urban Development Company (Listed Joint Stock Company).
- Chairman of the Audit Committee for Retal Urban Development Company (Listed Joint Stock Company).
- Board Member of Dhahran International Exhibitions Company (Closed Joint Stock Company).



Skills and Expertise of Board Members (continued)



Mr. Fozan Mohammed Al Fozan
Board Member (Non-executive)

Qualifications

Bachelor's degree in Accounting from King Saud University in Riyadh, 1993.

Experience

Brings more than 25 years of experience in economics and business administration.

Current Executive Positions

Managing Director of Bawan Holding Company (Listed Joint Stock Company).

Current Memberships

- Board Member of Retal Urban Development Company (Listed Joint Stock Company).
- Board Member of United Electronics Company "Extra" (Listed Joint Stock Company).
- Chairman of BLOM INVEST Company (Closed Joint Stock Company).
- Chairman of United Financial Services Company (Closed Joint Stock Company).
- Board Member of Al Fozan Holding Company (Closed Joint Stock Company).
- Board Member of Abdullatif and Mohammed Al Fozan Holding Company (Closed Joint Stock Company).
- Board Member of Al Yamamah Steel Industries Company Limited (Closed Joint Stock Company).
- CEO of Al Mada Holding Company (Limited Liability Company).
- CEO of Amjal Real Estate Development Company (Limited Liability Company).
- Board Member of Madar Building Materials Company Limited (Limited Liability Company).



Mr. Fahad Abdulrahman Al Mojil
Board Member (Non-executive)
Vice Chairman of the Nominations and Remunerations Committee

Qualifications

- Bachelor's in Industrial Management from King Fahd University of Petroleum and Minerals in Dhahran, 1991.
- Certification in Financial Analysis and Risk Management from Saudi Monetary Agency, 1994.
- Certification in Islamic Banking from Bahrain Institute for Banking and Financial Studies, 1997.

Experience

Brings more than 30 years of experience in the fields of real estate development, investments and business management.

Previous Executive Positions

- Operations Manager of National Metal Manufacturing & Casting Company (Listed Joint Stock Company).
- Credit and Risk Management Officer of Arab National Bank (Listed Joint Stock Company).
- Executive Vice President of Shamil Bank of Bahrain (Listed Joint Stock Company).
- General Manager of Gulf Real Estate Development Company (Closed Joint Stock Company).

Current Memberships

- Board Member of Retal Urban Development Company (Listed Joint Stock Company).
- Vice Chairman of Nominations and Remunerations Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Vice Chairman of Saudi Real Estate Company (Listed Joint Stock Company).
- Board Member of Al Khumasia Company for Feed and Animal Production (Closed Joint Stock Company).
- Board Member of Bloom Investment Company (Closed Joint Stock Company).
- Board Member of RUA Al Madinah Holding (Closed Joint Stock Company).
- Board Member of Saudi Tharwa Company (Closed Joint Stock Company).

Previous Memberships

- Board Member - Al Etihad Cooperative Insurance Company (Listed Company).
- Board Member - Amlak Investment Company (Closed Joint Stock Company).
- Board Member - Al Widyah Saudi Real Estate Company (Closed Joint Stock Company).

Skills and Expertise of Board Members (continued)



Mr. Abdullah Faisal AlBraikan
Board Member (Executive)
Member of Executive Committee

Qualifications

Bachelor's degree in Architectural Engineering from King Faisal University in Dammam, 2006.

Experience

Brings more than 15 years of experience in real estate development and business management.

Current Executive Positions

CEO of Retal Urban Development Company (Listed Joint Stock Company).

Previous Executive Positions

Projects Manager - Abdullatif and Mohammed Al Fozan Company

Current Memberships

- Board Member of Retal Urban Development Company (Listed Joint Stock Company).
- Board Member of Jeddah Central Development Company (Closed Joint Stock Company).
- Chairman of the Investment & Finance Committee – Jeddah Central Development Company (Closed Joint Stock Company).
- Executive Committee – Jeddah Central Development Company (Closed Joint Stock Company).
- Board Member of Saudi Tharwa Company (Closed Joint Stock Company).
- Board Member of Tadbeir Company Limited (Limited Liability Company).
- Chairman of the Board of Directors of Adara Real Estate Company (Limited Liability Company).
- Chairman of Nesaj Urban Development Company (Limited Liability Company).
- Chairman of the Board of Directors of Building Construction Company Limited (Limited Liability Company).
- Chairman of the Board of Directors of Nesaj Urban Development Company (Limited Liability Company).
- Chairman of the Board of Directors of United Wasm Real Estate Valuation Company (Limited Liability Company).
- Chairman of the Board of Directors of Mimar Emirates and ARAC Engineering Consultants Company (Limited Liability Company).
- Chairman of the Board of Directors of ARAC Engineering Consultancy Company (Limited Liability Company).
- Board Member of Remal Al Khobar Real Estate Company (Limited Liability Company).
- Board Member of The Saudi Charitable Association for Promoting Organ Donations “Ethar” (Charitable organisation).
- Al Fozan Community Service Initiatives (Charitable organisation).
- Development Housing Committee (Emirate of Eastern Province).

Previous Memberships

- Executive Council for Young Businessmen in the Eastern Region (government organisation).
- Housing and Urban Development Committee of Asharqia Chamber (non-profit Authority).

Skills and Expertise of Board Members (continued)



Mr. Abdul Rahman Ibrahim Al Jalal
Board Member (Non-executive)
Member of Nominations and
Remunerations Committee NRC
Member of Audit Committee
Vice Chairman of Executive Committee

Qualifications

- Bachelor's degree in accounting from King Saud University in 1996.
- Master's degree in Business Administration from the University of Bahrain College in 2016.

Experience

Brings more than 20 years of practical experience in the energy, petrochemicals and services sectors in private and semi-governmental companies and civil society institutions.

Current Executive Positions

CEO of Dhahran International Exhibitions Company (Closed Joint Stock Company).

Previous Memberships

Board Member - Nab' Al-Sihha Company (Closed Joint Stock Company).

Previous Executive Positions

- Executive Vice President for Financial Affairs and Shared Services of National Gas and Industrialization Company (listed Joint Stock Company).
- Assistant Secretary-General for Subscribers and Business Development Sector of Asharqia Chamber (non-profit Authority).
- Assistant Secretary - General for Subscriber Services of Asharqia Chamber (non-profit Authority).
- Assistant Secretary - General for Administrative Services of Asharqia Chamber (non-profit Authority).
- Head of Finance, Budget and Reports Department of Advanced Petrochemical Company (Listed Joint Stock Company).
- Head of Fixed Assets Department of Advanced Petrochemical Company (Listed Joint Stock Company).
- Senior Accountant of Saudi Electricity Company (Listed Joint Stock Company).
- Accountant of King Fahd University of Petroleum and Minerals (Governmental).(Closed Joint Stock Company).

Current Memberships

- Board Member of Retal Urban Development Company (Listed Joint Stock Company).
- Member of Nominations and Remunerations Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Member of the Audit Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Member of the Executive Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Member of the Board of Directors – Saudi Reinsurance Company “Saudi Re” (Listed Joint Stock Company).
- Chairman of the Nomination and Remuneration Committee – Saudi Reinsurance Company “Saudi Re” (Listed Joint Stock Company).
- Member of the Executive Committee – Saudi Reinsurance Company “Saudi Re” (Publicly Listed).
- Member of the Board of Managers – Nesaj Residential Compound Real Estate Company (Limited Liability Company).
- Chairman of the Board of Managers – Tadbeer Company Ltd. (Limited Liability Company).
- Member of the Board of Managers – Al-Tameer & Construction Company Ltd. (Limited Liability Company).
- Chairman of the Board of Managers – Tadbeer Environmental Services Company Ltd. (Limited Liability Company).
- Member of the Board of Managers – Creative Experiences Company Ltd. (Limited Liability Company).
- Member of the Board of Directors – Ritz-Carlton Residences Al Khobar Fund.
- Partner and Co-founder – Hajiz Investment Company Ltd. (Limited Liability Company).
- Partner and Co-founder – Construction Projects Holding Company (Holding Company).
- Partner and Co-founder – Estifa' Al-Turba Environmental Services Company Ltd. (Limited Liability Company).



Skills and Expertise of Board Members (continued)



Husam Mohammed Al Kaf
Secretary of the Board and Committees

Qualifications

- Bachelor of Marketing and Production Management from the University of Science and Technology in Yemen, 2010.
- Certificate of Compliance Professional (CCP) from the International Compliance and Anti-Money Laundering Institute (UK), in 2018.
- Accredited Certificate in Corporate Governance from Business Intelligence Training Center, 2023.

Experience

Brings more than 15 years of experience in the secretariat of boards and committees.

Current Executive Positions

- Board Secretary of Retal Urban Development Company (Listed Joint Stock Company).
- Executive Committee Secretary of Retal Urban Development Company (Listed Joint Stock Company).
- Nominations and Remunerations Committee Secretary of Retal Urban Development Company (Listed Joint Stock Company).
- Board Secretary of Building Construction Company Limited (Limited Liability Company).
- Board Secretary of Nesaj Urban Development Company (Limited Liability Company).
- Board Secretary of Tadbeir Company Limited (Limited Liability Company).
- Board Secretary of Adara Real Estate Company (Limited Liability Company).
- Board Secretary of Mimar Emirates and ARAC Engineering Consultants Company (Limited Liability Company).

Previous Executive Positions

- Board & Committees Secretary of Baitek Real Estate Company (Limited Liability Company).
- Executive Secretary of Professional Eye Establishment.



Board and Committee Governance

Board and committee governance at Retal Urban Development Company is a cornerstone of its commitment to transparency, efficiency, and adherence to best practices in corporate governance. The Board of Directors is committed to applying sound governance principles to ensure the achievement of the Company's objectives and protect the rights of shareholders and all stakeholders, as follows:

- The Board comprises several specialised committees, including the Audit Committee, the Nominations and Remuneration Committee, and the Executive Committee. Each committee operates under approved charters that ensure its independence and effectiveness.
- The performance of the Board and its committees is evaluated periodically, and internal strategies and policies are reviewed to ensure their alignment with market developments and regulatory requirements. The Board verifies the independence of independent directors annually, per regulatory criteria and recognised best practices.

- The committees and the Board rely on clear governance systems and mechanisms that ensure the accuracy of decisions and their effective implementation in the best interests of the Company.
- Policies and regulations are reviewed and updated regularly to ensure their consistency with the Company's strategic objectives and the latest corporate governance requirements.

Board of Directors' Responsibilities

The Board of Directors of Retal Urban Development Company is responsible for overseeing the achievement of the Company's strategic objectives, ensuring adherence to best practices in governance, and protecting the interests of shareholders and stakeholders. The Board operates within a framework that promotes sustainability and transparency in all operational and administrative processes, as follows:

- Developing and approving the Company's strategic vision and operational plans and ensuring their implementation to promote growth and sustainability.
- Monitoring the Company's overall performance, ensuring the implementation of approved policies and regulations, and continuously evaluating compliance with applicable regulations and legislation.
- Applying best practices in corporate governance to ensure transparency and accountability in decision-making and risk management.

- Identifying and assessing potential risks and adopting effective mechanisms to manage them and mitigate their impact on the Company's operations.
- Approving and updating internal policies related to human resources, investments, operations, and internal audits.
- Monitoring the performance of specialised committees, such as the Audit Committee, the Nominations and Remuneration Committee, and the Executive Committee, to ensure their effective performance.
- Conducting periodic reviews of the performance of the Board and the executive management and take corrective measures to improve operational and administrative efficiency.

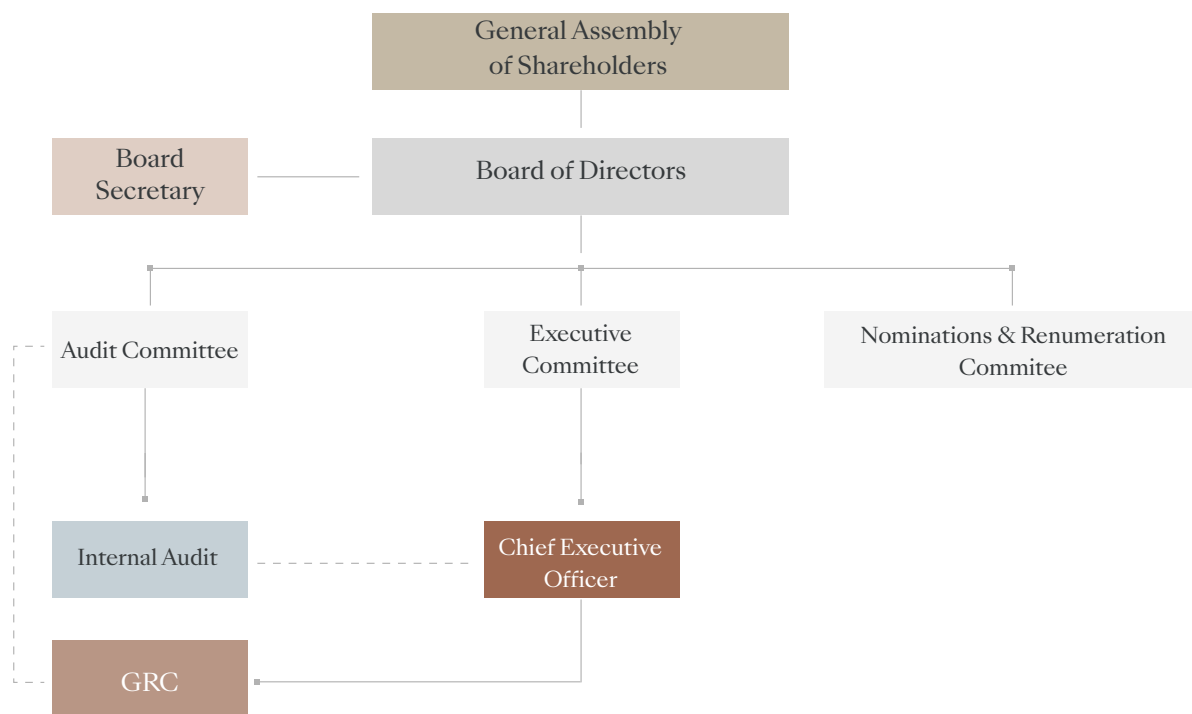
The corporate governance application rate for 2024

95.1%



Company Governance Structure

The Company's governance structure forms the basic framework through which the Company is managed. It defines how decisions are made and how management is overseen to ensure the achievement of objectives and protect the interests of shareholders and other stakeholders. This structure includes the following:



General Assemblies

During the fiscal year ended on 31 December 2024, the shareholders were invited to two general assembly meetings attended by members of the Board, as shown and detailed below:

Names of Present Members	April 18 2024	27 June 2024
Abdullah bin Abdullatif Al Fozan	✓	✓
Ali Abdul Latif Al Fozan	✓	✓
Majed Aedh Al Nefaie	✓	✓
Hani Othman BaOthman	✓	✓
Abdulrahman Abdullah Al Wabel	✓	✓
Fozan Mohammed Al Fozan	✓	✓
Fahad Abdulrahman Al Mojil	✓	✓
Abdulrahman Ibrahim Al Jalal	✓	✓
Abdullah Faisal Al Braikan	✓	✓



Board Committees

Committee	Member Name	Position	Appointment Date	End of Term
Audit Committee	Abdulrahman Abdullah Al Wabel	Committee Chair – Independent	August 1, 2021	May 25, 2025
	Dr. Jassim Shaheen Al Rumaihi	Vice Chair – External Independent	May 31, 2021	May 25, 2025
	Abdulrahman Ibrahim Al Jalal	Committee Member – Non-Independent	May 31, 2021	May 25, 2025
	Muhammad Irfan Khokhar Abd Alghafoor	Committee Member – External Non-Independent	July 19, 2020	May 25, 2025
Nominations and Remuneration Committee	Hani Othman BaOthman	Committee Chair – Independent	August 29, 2021	May 25, 2025
	Fahed Abdulrahman Al Mojil	Vice Chair – Non-Independent	December 3, 2020	May 25, 2025
	Abdul Rahman Ibrahim Al Jalal	Member – non-independent	December 3, 2020	May 25, 2025
	Mohammed Abdulaziz Al Aqeel	Committee Member – External Non-Independent	December 3, 2020	May 25, 2025
Executive Committee	Abdullah Abdullatif Al Fozan	Committee Chair – Non-Independent	December 3, 2020	May 25, 2025
	Abdulrahman Ibrahim Al Jalal	Vice Chair – Non-Independent	December 3, 2020	May 25, 2025
	Abdullah Faisal Al Braikan	Committee Member – Executive	December 3, 2020	May 25, 2025
	Mohammed Abdulaziz Al Aqeel	Committee Member – External Non-Independent	August 15, 2021	May 25, 2025
	Abdullatif Ali Al Fozan	Committee Member – External Non-Independent	February 20, 2022	May 25, 2025



Committee Members' Files (Members from Outside the Board)



Dr. / Jassim Shaheen Hamad Al Rumaihi
Vice Chairman of Audit Committee

Qualifications

- Bachelor's in Accounting – King Saud University, Riyadh, 1984.
- Master's in Accounting – University of Missouri, Kansas City (USA), 1989.
- Doctorate in Accounting – University of Dundee, United Kingdom, 1997.
- Certified Project Management Trainer – International Project Management Association, London, 2017.
- Certified Strategic Planning Trainer – Simplified Strategic Planning Center, USA, 2017.
- Fundamentals of Risk Management Certification – Risk Management Institute, London, 2018.
- Certificate in Enterprise Risk Management Fundamentals – North Carolina State University, USA, 2018.
- Certified Corporate Governance (CCGO) – London School of Business and Finance, UK, 2018.
- Certificate in Board Member Program – International Finance Corporation (World Bank Group), 2018.

Experience

Brings over 30 years of academic and practical experience in accounting, leadership, corporate governance, organisational development, and business excellence.

Current Executive Positions

Financial and Administrative Consultant, self-employed since 20.

Previous Executive Positions

- Regional Manager, Arab Open University Branch (Private University).
- CEO, Razan Knowledge Company (Holding Company).
- Head of Organisational Development and Administrative Affairs, Razan Knowledge Company (Holding Company).
- CEO, Saudi Contractors Union Company (Closed Joint stock Company).
- Head of Financial and Administrative Affairs, Faisal Al Qahtani & Sons Trading and Contracting Company (Limited Liability Company).
- Head of Accounting and Management Information Systems Department, King Fahd University of Petroleum & Minerals (Public University).

Current Memberships

- Vice Chairman of the Audit Committee, Rital Urban Development Company (Listed Joint Stock Company).
- Audit Committee Member - Safola Group (Listed Joint Stock Company).
- Board Member, Musharaka REIT Fund (Closed Joint Stock Company).
- Board Member, Musharaka For Saudi Arabian Stocks (Closed Joint Stock Company).
- Audit Committee Member, Basic Chemical Industries Company (Listed Joint Stock Company).
- Audit Committee Member, Alujain Holding Company (Listed Joint Stock Company).
- Member of the Nominations and Remuneration Committee - Saudi Real Estate Infrastructure Company (Closed Joint Stock Company).
- Audit Committee Member, Al Rajhi Brothers (Closed Joint Stock Company).
- Audit Committee Member, Panda Company (Closed Joint Stock Company).
- Audit Committee Member - Gulf Contractors Union Company (Limited Liability).

Previous Memberships

Board Member - Nab' Al-Sihha Company (Closed Joint Stock Company).



Committee Members' Files (Members from Outside the Board)



Mr. Muhammad Irfan Khokhar
Abd Alghafoor
Member of Audit Committee

Qualifications

- Certified Financial Advisor at the Institute of Financial Advisors in 2005.
- Certified Internal Auditor at the Institute of Internal Auditors in America in 2006.
- Fellow of Chartered and Certified Accountant from the Association of Chartered Certified Accountants in the UK in 2010.
- Master's in Business Administration from Oxford Brookes University in the United Kingdom in 2020.
- Fellow of Chartered and Certified Accountant from the Association of Chartered Certified Accountants in the UK in 2010.
- Master's in Business Administration from Oxford Brookes University in the United Kingdom in

Experience

Brings more than 20 years of practical experience in auditing, accounting, and managing subsidiaries.

Current Executive Positions

Chief Financial Officer of Al Fozan Holding Group (Closed Joint Stock Company).

Current Memberships

- Member of the Audit Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Member of the Audit Committee of First Real Estate Development Company (Closed Joint Stock Company)
- Member of the Audit Committee of Khobar Lakes Real Estate Development Company (Limited Liability Company)
- Member of the Audit Committee of Ajdan Real Estate Development Company (Limited Liability Company)
- Member of the Audit Committee of Tarabot Investment and Development Company (Closed Joint Stock Company)

Previous Executive Positions

Audit Officer of Deloitte & Touche (Limited Liability Company).



Committee Members' Files (Members from Outside the Board)



Mr. Mohammed Abdulaziz Ibrahim Al Aqeel

Member of the Nominations and Remunerations Committee (NRC) and Executive Committee Member

Qualifications

Bachelor's degree in industrial engineering and Operations Research – King Fahd University of Petroleum and Minerals, 1992.

Experience

He has over 25 years of professional experience in general management and strategy.

Previous Executive Positions

- Chief Operations Officer of Al Fozan Holding Company (Closed Joint Stock Company).
- Credit Advisor of Saudi Industrial Development Fund (Government Entity). Stock Company).

Current Memberships

- Member of the Nominations and Remuneration Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Member of the Executive Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Chairman of the Board of Aloula Real Estate Development Company (Closed Joint Stock Company).
- Board Member of Ertiqa Association (Charitable Organisation).
- Board Member of Midad Holding Company (Limited Liability Company).

Previous Memberships

- Board Member of Farabi Petrochemical Company (Closed Joint Stock Company).
- Member of the Audit Committee of Farabi Petrochemical Company (Closed Joint Stock Company).
- Board Member of Al Badia Cement Company (Listed Joint Stock Company) – Syrian Arab Republic.
- Chairman of the Audit Committee of Al Badia Cement Company (Listed Joint Stock Company) – Syrian Arab Republic.



Committee Members' Files (Members from Outside the Board)



Mr Abdullatif Ali Abdullatif Al Fozan
Executive Committee Member

Qualifications

Bachelor of Arts in Economics and Industrial Relations – University of Toronto, Canada, 2012.

Experience

Over 10 years of experience in investment management and corporate finance.

Current Executive Positions

Chief Operating Officer – Al Fozan Holding Company (Closed Joint Stock Company).

Previous Executive Positions

- Corporate Investment Director – Al Fozan Holding Company (Closed Joint Stock Company).
- Business Development Manager – Al Fozan Holding Company (Closed Joint Stock Company).
- Consultant of Manager & Acquisition, Transaction Advisory Services – Ernst & Young (Closed Joint Stock Company), Dubai.
- Corporate Relations Manager – Banque Saudi Fransi (Listed Joint Stock Company).
- Credit Analyst – Banque Saudi Fransi (Listed Joint Stock Company). (Closed Joint Stock Company).

Current Memberships

- Member of the Executive Committee – Retal Urban Development Company (Listed Joint Stock Company).
- Member of the Board of Directors – Al Fozan Holding Company (Closed Joint Stock Company).
- Member of the Investment Committee – Al Fozan Holding Company (Closed Joint Stock Company).
- Member of the Board of Directors – United Company for Financial Services “Tasheel” (Closed Joint Stock Company).
- Member of the Executive Committee – United Company for Financial Services “Tasheel” (Closed Joint Stock Company).
- Member of the Board of Directors – Ascend Advanced Solutions for Healthcare (Limited Liability Company).
- Member of the Board of Directors – Alpha Capital (Closed Joint Stock Company).
- Member of the Board of Directors – National Glass Industries Company (Listed Joint Stock Company).
- Chairman of the Remuneration and Nominations Committee – National Glass Industries Company (Listed Joint Stock Company).
- Member of the Board of Directors – United Home Appliances Company “Nice” (Limited Liability Company).
- Chairman of the Audit Committee – United Home Appliances Company “Nice” (Limited Liability Company).
- Member of the Board of Directors – Ajdan Real Estate Development Company (Limited Liability Company).
- Member of the Executive Committee – Ajdan Real Estate Development Company (Limited Liability Company).
- Member of the Board of Directors – Nesaj Urban Development Company (Limited Liability Company).
- Member of the Board of Directors – Averroes Capital (Closed Joint Stock Company) – London.
- Member of the Board of Directors – Saudi Reinsurance Company of Saudi Re (Listed Joint Stock Company).
- Member of the Executive Committee – Saudi Reinsurance Company of Saudi Re (Listed Joint Stock Company).



Board Committees (Continued)

Audit Committee

The Audit Committee continued its ongoing efforts throughout 2024, playing an active role in strengthening the Company's governance.

This was achieved by fulfilling its duties and responsibilities per the work regulations approved by the General Assembly. This underscores the committee's commitment to ensuring transparency and accountability within the Company, as well as verifying the robust and effective implementation of the internal control framework.

These regulations include a set of key tasks that enhance the effectiveness of internal control and contribute to maintaining the integrity of financial reports. Here's a look at these tasks through the specialisations and responsibilities of the Audit Committee:

Remit and Responsibilities:

The committee has diligently carried out all assigned tasks, regularly reporting to the Board while maintaining open lines of communication. Following relevant regulations and bylaws, the committee's duties include:

- Overseeing the Company's activities and ensuring policies and procedures are in place to guarantee the accuracy and transparency of financial reports and internal control systems.
- Reviewing and evaluating the financial management's performance indicators.
- Verifying compliance across all departments with policies approved by the Board, facilitated through reviews conducted by the internal audit department as per the approved annual plan.
- Reviewing policies and procedures approved by the Board whenever necessary.
- Reviewing matters submitted by the Chief Executive Officer within its remit and provide recommendations to the Board.
- Studying topics referred by the Board or the General Assembly to the committee or those delegated to the committee.
- Regularly submitting committee reports and recommendations to the Board, both verbally and in writing.
- Any other specialisations delegated by the Board.

Financial Reports:

- Reviewing and discussing the initial and annual financial statements before presenting

them to the Board, providing feedback and recommendations to ensure their integrity, fairness, and transparency.

- Providing technical input on whether the financial statements, board reports, and disclosures are clear and balanced and allow investors to assess the Company's financial position and performance.
- Investigating any unusual or significant issues related to the financial statements.
- Thoroughly investigating any matters raised by the finance director, compliance officer, or auditor.
- Verifying the accounting estimates used in the Company and providing recommendations to the Board.
- Studying the accounting policies and providing feedback and appropriate recommendations to the Board.

Internal Audit:

- Studying and reviewing the Company's internal control, financial control, and risk management systems.
- Reviewing internal audit reports and monitoring the implementation of corrective actions for the observations included in those reports.
- Continuously overseeing the performance of the internal audit department and ensuring the necessary resources are available for its effective operation.
- Recommending to the Board the appointment of

a director for the internal audit department and proposing their remuneration while ensuring the independence of the internal audit.

Auditor:

- Recommending to the Board the nomination or dismissal of the auditor, determining their fees, and evaluating their performance after confirming their independence and objectivity.
- Reviewing the auditor's scope of work and the timeline for their activities, ensuring they don't provide services beyond the scope of auditing.
- Answering the auditor's inquiries.
- Studying the auditor's report and observations and monitoring the actions taken in response.

Ensuring Compliance:

- Reviewing regulatory reports and ensuring the Company takes necessary actions regarding them.
- Ensuring the Company's compliance with relevant regulations, policies, and instructions.
- Reviewing proposed contracts and transactions with related parties and providing feedback to the Board.
- Raising any matters requiring action to the Board and providing necessary recommendations.

*Audit Committee (continued)***Meetings**

In line with the governance regulations approved by the General Assembly, the Audit Committee holds its meetings at the invitation of its chairman. The committee held five sessions during the year, as detailed below.

Board Member	Membership Status	27 February	8 May	30 July	29 October	15 December
Abdul Rahman Abdullah Saleh Al Wabel	Chairman	✓	✓	✓	✓	✓
Dr. Jassim Shaheen Hamad Al Rumaihi	Vice Chairman	✓	✓	✓	✓	✓
Abdul Rahman Ibrahim Al Jalal	Member	✓	✓	✓	✓	✓
Muhammad Irfan Khokhar Abd Alghafoor	Member	✓	✓	✓	✓	✓

Annual Review of Internal Control for 2024

- The Board of Directors of Retal Urban Development Company is deeply committed to applying best practices in sound corporate governance in line with the regulations and bylaws governing the Company's operations. This is to safeguard the interests of shareholders, customers, suppliers, employees, and all other stakeholders. The Board is diligent in implementing policies, procedures, and control mechanisms that bolster governance practices, as well as ensuring adherence to the standards applied in Saudi Arabia for the preparation of financial and accounting reports, with the principles of integrity, fairness, and transparency. The Board also strives to establish a comprehensive internal control environment covering all company operations, with continuous monitoring of its efficiency and effectiveness in response to business developments, the Company's size, and changes related to operational and strategic risks. This aims to support the achievement of the Company's strategic objectives and boost its revenues, which will have a positive impact on the Company's profitability and share value.
- To further strengthen governance, the Board has adopted regulatory policies for all company departments and functions, emphasising their implementation through effective procedures. They have also approved a schedule of authorities that ensures the smooth running of operations within a clear organisational structure defining approval powers. The overall organisational structure for the Company and its subsidiaries has also been approved, ensuring the appropriate formation of Board-level committees such as the Audit Committee, the Nominations and Remuneration Committee, and the Executive Committee. This structure is designed to guarantee effective governance and strategic decision-making in line with best practices.

Audit Committee (continued)

- The approved policies are subject to ongoing periodic review, where they are evaluated, and any necessary updates or amendments are recommended by the relevant committees. These recommendations are then submitted to the Board of Directors for approval, followed by implementation by the executive management. This process ensures that the policies remain aligned with current business developments and relevant legislation.
- According to the tasks and responsibilities carried out by the Audit Committee during the year 2024, and its review of the internal audit reports and executive management, as well as its discussions with the external auditor on a quarterly and annual basis, the Committee has found no significant deficiencies or weaknesses in the internal control environment. Additionally, the Committee has not observed any issues for which corrective actions were not taken and followed up on in a timely and appropriate manner. Based on this, the Committee believes that there is reasonable assurance regarding the adequacy and effectiveness of the company's internal control systems and procedures for the fiscal year ending on December 31, 2024. However, it should be noted that no control system can provide absolute assurance regarding the adequacy and effectiveness of internal control measures. The Committee emphasizes the need for management to continue ensuring the appropriateness of the company's policies and procedures for its business cycles, and to update them in line with any developments in its strategy, work plan, and operations, as well as emerging and changing risks based on internal or external factors relevant to the company's sector and activities.

Recommendations Regarding the Internal Auditor

The Audit Committee did not issue any recommendations regarding the internal auditor, as there is a Director of the Internal Audit Department within the Company's structure. This ensures effective oversight of internal audit activities per approved professional standards.

Conflict of Recommendations

No conflict or rejection was observed between the Audit Committee's recommendations and the Board of Directors' decisions. Additionally, no instances were recorded of the Board disregarding recommendations related to the appointment, dismissal, performance evaluation, or compensation of the internal auditor. This confirms full commitment to sound governance practices and a focus on the independence and competence of internal audit in supporting the Company's control and supervisory process.

Appointment of the External Auditor

The external auditor was appointed by the General Assembly of Shareholders following a recommendation from the Audit Committee, which proposed candidates to be voted on during the assembly. The external auditor, Ibrahim Ahmed Al-Bassam & Partners, Certified Public Accountants, won the vote with 95.67% of the attendees' approval on June 27, 2024. The appointment is for the review, examination, and audit of the financial statements for the second and third quarters, as well as the annual financial statements for 2024, and the first quarter of 2025 and setting his remuneration at SAR 700,000.





Board Committee (continued)

Nominations & Remuneration Committee

The Board of Directors established the Nominations and Remuneration Committee on 29 August 2021 for a three-year term. The committee's charter was approved by the General Assembly of Shareholders, ensuring compliance with best governance practices and enhancing the effectiveness of the Board and the executive management.

Duties and Responsibilities:

Nominations:

1. Proposing clear policies and criteria for membership on the Board of Directors, its sub-committees, and the executive management.
2. Recommending to the Board candidates for membership and re-election in accordance with approved policies and criteria.
3. Developing a description of the skills and qualifications required for Board membership and executive management positions.
4. Conducting an annual review of the skills and experience needed for Board membership and executive management positions.
5. Reviewing the structure of the Board and executive management and providing recommendations for any potential changes.
6. Verifying the independence of independent directors annually.
7. Identifying the Board's strengths and weaknesses and proposing solutions that will benefit the Company.

Remuneration:

1. Developing a clear policy for the remuneration of Board members, members of Board subcommittees, and executive management and submitting it to the Board of Directors for consideration and subsequent approval by the General Assembly.
2. Periodically reviewing the remuneration policy and evaluating its effectiveness.

Governance:

1. Providing general oversight of the Company's governance system as it relates to Board members and monitoring its effectiveness, making adjustments as needed.

2. Ensuring the Company's compliance with these rules and reviewing and updating them as necessary, following regulatory requirements and best practices.
3. Reviewing and developing a code of professional conduct that represents the Company's values, along with other internal policies and procedures that meet the Company's needs and are consistent with best practices.
4. Keeping committee members informed of developments in corporate governance and best practices.

Meetings

As stipulated in the Retal Urban Development Company's governance regulations approved by the General Assembly of Shareholders, the Nominations and Remuneration Committee holds its meetings at the invitation of its chairman. The committee held two meetings during 2024, as follows:

Board Member	Membership Status	27 June	26 December
Hani Othman Saeed BaOthman	Chairman	✓	✓
Fahad Abdulrahman Mohammed Al Mojal	Vice Chairman	✓	✓
Abdulrahman Ibrahim Abdulrahman Al Jalal	Member	✓	✓
Mohammed Abdulaziz Al Aqeel	Member	✓	✓



Board Committee (continued)

Executive Committee

The Board of Directors formed the Executive Committee of Retal Urban Development Company on 14 August 2021 for a term equivalent to the Board's membership term. The Executive Committee's charter was approved by the General Assembly of Shareholders.

Duties and Responsibilities:

Strategy:

1. Participating in and overseeing the development of the Company's strategic plan and reviewing proposals from relevant departments regarding the Company's vision, mission, strategic themes, objectives, and initiatives.
2. Reviewing the implementation of the Company's overall strategy and its effectiveness in achieving the desired goals.
3. Monitoring progress and addressing any obstacles or challenges related to strategy implementation.
4. Studying strategic and important topics and projects with significant financial impact and holding regular meetings with the executive management to discuss them.
5. Establishing performance criteria for the executive management that are consistent with the Company's investment objectives and strategy.

Meetings

By the Retal Urban Development Company's governance regulations approved by the General Assembly of Shareholders, the Executive Committee holds its meetings at the invitation of its chairman. The committee held five meetings during 2024, as follows:

Board Member	Membership Status	10 March	2 July	29 July	1 October	10 December
Abdullah Abdul Latif Ahmed Al Fozan	Chairman	✓	✓	✓	✓	✓
Abdulrahman Ibrahim Abdulrahman Al Jalal	Vice Chairman	✓	✓	✓	✓	✓
Abdullah Faisal Abdulaziz Al Braikan	Member	✓	✓	✓	✓	✓
Mohammed Abdulaziz Al Aqeel	Member	✓	✓	✓	✓	✓
Abdul Latif Ali Al Fozan	Member	✓	✓	✓	✓	✓

Governance:

1. Regularly reviewing and evaluating the executive management's performance indicators.
2. Ensuring that the executive management operates by the policies approved by the Board.
3. Reviewing the policies and procedures established by the executive management.
4. Reviewing current achievements against established targets.
5. Recommending the formation of the Company's and executive management's organisational structure.

Social Responsibility:

1. Reviewing the social responsibility policy and media plan.
2. Reviewing social impact programmes and initiatives.

Remuneration

The remuneration for members of the Board of Directors and its sub-committees includes the following:

- A fixed annual fee for Board and committee members (excluding executive directors) in accordance with the approved remuneration policy.
- Attendance allowances for each Board or sub-committee meeting attended (excluding executive directors), in addition to travel and accommodation allowances if the member's permanent residence is outside the city where Board meetings are held, guided by the approved remuneration policy.



Remunerations

Remunerations Policy

The remuneration of Board Members and Board Committee Members comprises two components:

- Fixed annual remuneration for all Board Members and Board Committee Members, excluding members of Executive Management
- Allowance for attending each session of Board or Board Committee meetings (excluding members of Executive Management), along with travel and accommodation allowance if the member's permanent residence is outside the city where the meeting is held

Relationship Between Awarded Remuneration and Remuneration Policy

There is no material deviation between the awarded remuneration and the applicable remuneration policy.

Waiver of Remuneration

No member of the Board, members of Board committees, or members of the executive management waived any remuneration during the fiscal year ended 31 December 2024.

Board of Directors Remuneration

SAR (in thousands)

Names of Members	Fixed Remunerations							Variable Remunerations						End-Of-Service Award	Total Compensation/Total Remuneration	Expense Allowance/ Expenses Reimbursement
	Specific Amount (Yearly)	Allowance For Attending Board Meeting	Total Allowance For Attending Committee Meetings	In-Kind Benefits	Remunerations For Technical, Managerial And Consultative Work	Other Remunerations	Total	Percentage Of The Profits	Periodic Remunerations	Short-Term Incentive Plans	Long-Term Incentive Plans	Granted Shares (Insert The Values)	Grand Total			
First: Independent Members																
Majed Aedh Ajlan Al Nefaie	200	12	–	–	–	–	212	–	–	–	–	–	–	–	212	–
Hani Othman Saeed Baothman	260	12	6	–	–	–	278	–	–	–	–	–	–	–	287	–
Abdulrahman Abdullah Saleh Al Wabel	260	12	15	–	–	–	287	–	–	–	–	–	–	–	287	–
Subtotal	720	48	21	–	–	–	777	–	–	–	–	–	–	–	777	–
Second: Non-Executive Members																
Abdullah Abdul Latif Ahmed Al Fozan	260	12	15	–	–	–	287	–	–	–	–	–	–	–	287	–
Ali Abdul Latif Ahmed Al Fozan	200	12	–	–	–	–	212	–	–	–	–	–	–	–	212	–
Fozan Mohammed Ahmed Al Fozan	200	12	–	–	–	–	212	–	–	–	–	–	–	–	212	–
Fahad Abdulrahman Mohammed Al Mojil	260	12	6	–	–	–	278	–	–	–	–	–	–	–	278	–
Abdulrahman Ibrahim Abdulrahman Al Jalal	380	12	36	–	–	–	428	–	–	–	–	–	–	–	428	–
Subtotal	1300	60	51		–	–	–	–	–	–	–	–	–	–	1417	–
Third: Executive Members																
Abdullah Faisal Abdulaziz Al Braikan	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–



Senior Executives Remuneration

All Figures Are In Thousands	Fixed Remunerations				Variable Remunerations						Total Executive	Total
	Total	Cash benefits	Allowances	Salaries	Total	Granted Shares	Long-Term Incentive Plans	Short-Term Incentive Plans	Profit Sharing	Periodic Bonuses		
Five Senior Executives	7,176,228	344,100	2,286,528	4,545,600	2,000,000	0	0	0	0	2,000,000	0	9,176,228
Total	7,176,228	344,100	2,286,528	4,545,600	2,000,000	0	0	0	0	2,000,000	0	9,176,228

Committee Members' Remunerations

Committee	Member Names	Fixed Remuneration	Allowances for attending meetings	Total
Audit Committee	Abdulrahman Abdullah Al Wabel	60	15	75
	Jassim Shaheen Al Rumaihi	80	15	95
	Abdulrahman Ibrahim Al Jalal	60	15	75
	Muhammad Irfan Khokhar Abd Alghafoor	80	15	95
	Total	280	60	340
Nomination and Remuneration Committee	Hani Othman BaOthman	60	6	66
	Fahad Abdulrahman Al Mojil	60	6	66
	Abdulrahman Ibrahim Al Jalal	60	6	66
	Mohammed Abdulaziz Al Aqeel	80	6	86
	Total	280	24	284
Executive Committee	Abdullah Abdul Latif Al Fozan	60	15	75
	Abdulrahman Ibrahim Al Jalal	60	15	75
	Mohammed Abdulaziz Al Aqeel	80	15	95
	Abdullatif Ali Al Fozan	80	15	95
	Abdullah Faisal Al Braikan	0	0	0
	Total	280	60	340



Related Party Transactions

Related Party	Transaction Type	Transaction value	Related Parties
United Homeware Company (Nice)	Revenues	3,850,000	Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/ Abdullatif Ali Al Fozan
Taste of Coffee Food Company	Revenues	135,573	Abdullah Faisal AlBraikan/Abdullatif Ali Al Fozan
ARAC Engineering Consultants Company	Revenues	107,690	Abdullah Faisal AlBraikan/Ammar Mohammed AlGhoul/Mohammed Khalid AlMohammadi/Omar Ibrahim AlJallal
The Abdullah Al Fozan Foundation for Education	Revenues	150,000	Abdullah Abdullatif Al Fozan
Alpha Capital Saudi Real Estate Development (Ewan Tharwa)	Revenues	22,834,922	Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/ Abdullatif Ali Al Fozan/Ammar Mohammed Al Ghoul
RC Beach Real Estate Fund	Revenues	24,066,843	Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/Fahad Abdulrahman Al Mojil/Mustafa Mohammed Tawfik
Al Fozan Holding Company	Revenues	38,889,618	Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan
Khalid Abdullateef Ahmed AlFozan	Revenues	180,000	Khalid Abdullateef Ali AlFozan
Mr. Abdullah bin Faisal bin Abdulaziz AlBraikan	Revenues	94,262	Abdullah Faisal AlBraikan
Remal Al Khobar Real Estate Company	Revenues	7,571,086	Abdullah Abdullatif Al Fozan/Abdullah Faisal AlBraikan
Business Complex Fund	Revenues	17,500,789	Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/Fahad Abdulrahman Al Mojil/Abdullah Faisal AlBraikan
Mimar Emirate and ARAC Engineering Consultants	Revenues	132,300	Abdullah Faisal AlBraikan/Mohammed Khalid AlMohammadi

Related Party	Transaction Type	Transaction value	Related Parties
Remal Park Fund	Revenues	13,131,745	Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/ Abdullah Faisal Al Braikan/Mustafa Mohamed Tawfiq
Alpha Capital Saudi Real Estate Development Fund 1	Revenues	23,110,820	Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/ Abdullatif Ali Al Fozan/Ammar Mohammed Al Ghoul
Saudi Tharwa Co	Contract costs and services/ expenses charged	943,633	Abdullah Abdullatif Al Fozan/Abdullah Faisal AlBraikan/Fahad Abdulrahman Al Mojil
Norkoom Designing Company	Contract costs and services/ expenses charged	1,163,263	Youssef Ibrahim Al Hamoudi/Ammar Mohammed Al Ghoul
Mimar Emirate and ARAC Engineering Consultants	Contract costs and services/ expenses charged	2,625,650	Abdullah Faisal AlBraikan/Mohammed Khalid AlMohammadi
Bawan Metal Industries Company	Contract costs and services/ expenses charged	6,307,827	Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/ Mohammad Abdulaziz Al Aqeel
Madar Building Materials Company Limited	Contract costs and services/ expenses charged	52,726,601	Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan
Madar Building Materials Company Limited	Contract costs and services/ expenses charged	11,704,701	Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan



Related Party Transactions

Related Party	Transaction Type	Transaction value	Related Parties
The United Company for Glass Manufacturing	Contract costs and services/ expenses charged	3,688,774	Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan
Madar Hardware Company	Contract costs and services/ expenses charged	4,352,272	Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan
Mimar Emirate and ARAC Engineering Consultants	Contract costs and services/ expenses charged	1,634,557	Abdullah Faisal AlBraikan/Mohammed Khalid AlMohammadi
United Steel Industries Company	Contract costs and services/ expenses charged	1,616,759	Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan
Bina Factory for Advanced Cement Products	Contract costs and services/ expenses charged	23,951	Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/ Mohammad Abdulaziz Al Aqeel
ARAC Engineering Consultancy Company	Contract costs and services/ expenses charged	2,290,000	Abdullah Faisal AlBraikan/Ammar Mohammed Al Ghoul/Mohammed Khalid AlMohammadi/Omar Ibrahim Al Jalal
Remal Al Khobar Real Estate Company	Additions to investments accounted for using the equity method	28,791,836	Abdullah Abdullatif Al Fozan/Abdullah Faisal AlBraikan
Remal Al Khobar Real Estate Company	Cash contribution to investments accounted for using the equity method	5,220,092	Abdullah Abdullatif Al Fozan/Abdullah Faisal AlBraikan

Related Party	Transaction Type	Transaction value	Related Parties
Masal Real Estate Development Company	Additions to investments accounted for using the equity method	50,000	Mohammed Khalid AlMohammadi
BCC	Dividends paid to non-controlling interests	15,500,000	Abdullah Faisal AlBraikan/Abdulrahman Ibrahim Al Jalal/Omar Ibrahim Al Jalal/ Ammar Mohammed Al Ghoul
Nesaj Residential Compound	Purchase of shares in a subsidiary	70,000	Abdullah Faisal AlBraikan
Remal Al Khobar Real Estate Company	Gain on transfer of land as an in-kind contribution	199,843	Abdullah Abdullatif Al Fozan/Abdullah Faisal AlBraikan
Saudi Tharwa Co	Dividends received from an associate company	13,825,000	Abdullah Abdullatif Al Fozan/Abdullah Faisal AlBraikan/Fahad Abdulrahman Al Mojil
Al Ahsa Real Estate Fund	Dividends received from an associate company	39,419,994	Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/Fahad Abdulrahman Al Mojil
Saudi Tharwa Co	Dividends payable	23,700,000	Abdullah Abdullatif Al Fozan/Abdullah Faisal AlBraikan/Fahad Abdulrahman Al Mojil
Mimar Emirate and ARAC Engineering Consultants	End-of-service transfer	5,444	Abdullah Faisal AlBraikan/Mohammed Khalid AlMohammadi



Board Members' Affiliation with Competitive Entities

Member – Abdullah Abdul Latif Al Fozan

Name of Company	Description of Competing Activity	Nature of Relationship
Ajdan Real Estate Development Company	Land acquisition, construction, real estate development, and management	BOD Member
Shomoul Holding Company	Land acquisition, construction, real estate development, and management	BOD Member
Madar Al-Aseel Company Limited	Commission-based real estate management	13% Ownership
Gulf Elixir Contracting Company	General construction of residential and nonresidential buildings	Manager
Shomoul Commercial Complex Company	Management and leasing of owned and leased real estate	Manager
Rafa Gulf Company Limited	General construction of residential and nonresidential buildings	Manager
Khobar Lakes Real Estate Development	General construction of residential and nonresidential buildings	Manager
Central Jeddah Development Company	Comprehensive real estate activities	BOD Member

Member – Ali Abdul Latif Al Fozan

Name of Company	Description of Competing Activity	Nature of Relationship
Madar Al-Aseel Company Limited	Commission-based real estate management	13% Ownership

Member – Fozan Mohammed Al Fozan

Name of Company	Description of Competing Activity	Nature of Relationship
Madar Al-Aseel Company Limited	Commission-based real estate management	10% Ownership
Amjal Property Development Company	Buying land and real estate with the purpose of developing it	Manager
Durrat Al Wusta Real Estate Development Company	Residential real estate development utilising modern building methods	Manager

Member – Abdullah Faisal AlBraikan

Name of Company	Description of Competing Activity	Nature of Relationship
Saudi Tharwa Real Estate Co.	Comprehensive real estate activities	BOD Member
Nesaj Residential Complex Real Estate Company	Comprehensive real estate activities	BOD Member

Member – Abdulrahman Ibrahim Al Jalal

Name of Company	Description of Competing Activity	Nature of Relationship
Nesaj Residential Complex Real Estate Company	Real estate, construction	BOD Member
Central Jeddah Development Company	Comprehensive real estate activities	BOD Member

Member – Fahad Abdulrahman Al Mojil

Name of Company	Description of Competing Activity	Nature of Relationship
Saudi Tharwa Company	Real estate development	7% Ownership BOD Member
Saudi Real Estate Company	Real estate development	BOD Member
Roaa Al Madina Holding Company	Real estate development	BOD Member



Executive Management



**Abdullah Faisal
Al Braikan**
Chief Executive Officer



**Ammar Mohammed
Al Ghoul**
Chief Financial Officer



**Mostafa Mohammed
Tawfik**
Chief Development Officer



**Yousif Ibrahim
Al Hamoudi**
Chief Operations Officer



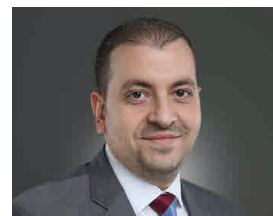
**Mohammed Khalid
Al Mohammadi**
Chief Strategy Officer



Mohammed Ibrahim Assiri
General Manager,
Western Region



Ahmed Sami Al Askar
General Manager,
Central Region



**Mahmoud Abdullah
Shams El-Din**
Internal Audit Director



Asim Saleh Baras
Governance, Risk, and
Compliance Director



**Mohammed Hamad
Al Dossary**
Head of Investor
Relations



Subsidiaries



Omar Ibrahim Al Jalal
Chief Executive Officer,
BCC



**Ibrahim Mohammed
Khairat**
General Manager,
Tadbeir Limited
Company
General Manager,
Tadbeir Environmental
Services Company



Maan Sabah Al Badran
Acting General Manager,
Adara Real Estate
Company



Khalid Taleb Aldossary
Chief Executive Officer,
Nesaj Urban Development
Company



**Ammar Habib
Mohammed**
Chief Executive Officer,
LDPi Design



Ammar Afif Ghonaim
General Manager of
Mimar Al Emarat and Arak
Engineering Consultancy



Retal, its Subsidiaries, and Affiliates

Main Business Scope of the Company and its Subsidiaries and Affiliates

The Main Company

Company Name	Capital	Main Activity	Country of Incorporation and Operation
Retal Urban Development Co.	500,000,000	Construction/Real Estate Activities	Saudi Arabia, Al Khobar

Subsidiary Companies

Company Name	Capital	Retal Ownership Percentage	Main Activity	Country of Incorporation and Operation
Nesaj Urban Development Co.	10,000,000	100%	Construction/Real Estate Activities	Saudi Arabia, Al Khobar
Tadbeir Co. Ltd.	5,000,000	100%	Facilities Management	Saudi Arabia, Al Khobar
Building and Construction Co. Ltd.	5,000,000	80%	Construction	Saudi Arabia, Al Khobar
Adara Real Estate Co	250,000	100%	Facilities Management/ Real Estate Activities	Saudi Arabia, Al Khobar
Tadbeir Environmental Services Company	50,000	100%	Water, Sanitation, Waste Management and Treatment Activities	Saudi Arabia, Al Khobar

Associate Companies

Company Name	Capital	Retal Ownership Percentage	Main Activity	Country of Incorporation and Operation
Saudi Tharwa Co.	50,000,000	39%	Real Estate Development	Saudi Arabia, Al Khobar
Retal Almasaya General Construction Company	610,760	50%	General Construction of Residential Buildings	Kuwait
Noorkom Design Co.	562,500	50%	Installation of Lighting Systems	Saudi Arabia, Al Khobar
Remal Al Khobar Real Estate Co	500,000	50%	General Construction of Residential Buildings	Saudi Arabia, Al Khobar
AlInsha AlTukhasya Co (SINSA)	500,000	40%	Building Construction	Saudi Arabia, Al Khobar
Mimar Emirates and Arac Engineering Consultants	150,000	25%	Engineering and Architectural Consultancy Activities	Saudi Arabia, Al Khobar
Remal Park Fund	20,000	33%	Construction and real estate	Saudi Arabia, Al Khobar
Nesaj Construction Company	1,000,000	30%	Project Management	Saudi Arabia, Al Khobar



Company and Subsidiary Revenue by Geographic Location

(Amounts in thousands of SARs)	Eastern Province	Western Province	Central Province	Northern Province	Total Revenue	Percentage of Total
Retal Urban Development Company	414,169	153,310	1,385,050	0	1,952,529	94.6%
Building and Construction Company Limited	55,498	0	17,227	0	72,724	3.5%
Nesaj Urban Development Company	8,316	0	0	0	8,316	0.4%
Tadbeir Limited Company	9,879	11,536	3,881	0	25,297	1.2%
Tadbeir Environmental Services Company	0	0	479	0	479	0.0%
Adara Real Estate Company	687	0	3,179	0	3,866	0.2%
Total	488,549	164,846	1,409,816	0	2,063,211	100.0%



Disclosure of Ownership

Benefits or Contractual Securities and Subscription Rights for Company Board Members and their Relatives in the Company's Shares or Debt Instruments

Name of the Beneficiary or Holder of Contractual Securities or Subscription Rights	Beginning of Year 2024		End of Year 2024		Net Change	Change (%)
	Number of Shares at Beginning of Year	Debt Instruments	Number of Shares at End of Year	Debt Instruments		
Al Fozan Holding Company	264,881,250	–	264,881,250	–	0	0
Mr. Abdullah bin Faisal Al Braikan	17,850,000	–	17,850,000	–	0	0
Saham Holding Company	16,625,000	–	11,500,000	–	5,125,000	30,8%
Athman Holding Company	24,950,000	–	24,950,000	–	0	0
Gheras Holding Company	24,950,000	–	20,140,106	–	4,809,894	–19,2%
Maali Al Khaleej Trading Company	1,093,750	–	0	–	1,093,750	–100%
Ms. Noura Ali Abdul Latif Al Fozan	20,912	–	20,912	–	0	0
Mr. Meshal Abdulrahman Al Jalal	1,395	–	0	–	1,395	–100%
Retal Urban Development Company	0	–	755,678	–	755,678	100%

Ownership Notification of a Subsidiary Company – Building and Construction Company LTD

#	Name of the Beneficiary or Holder of Contractual Securities or Subscription Rights	Beginning of Year	End of Year	Net Change	Change (%)
		Number of Shares	Number of Shares		
1	Abdulrahman Ibrahim Al Jalal (Member of the Board of Directors, Retal Urban Development Company)	500	500	0	0%
2	Omar Ibrahim Al Jalal (Chief Executive Officer)	500	500	0	0%

* According to the Articles of Association, the total shares of Building and Construction Company are five thousand shares



Employee Investments or Reserves

The Extraordinary General Assembly held on 27 June 2024 approved the Long-Term Employee Incentive Program and authorised the Board of Directors to determine the terms of this programme, including the allocation price per share offered to employees, if applicable.

Approval was also granted for the Company to purchase a maximum of 2,000,000 of its shares to allocate them to company employees under the Long-Term Employee Incentive Program. The purchase will be financed internally from the Company's resources. The Board of Directors is authorised to complete the purchase within a maximum period of 12 months from the date of the Extraordinary General Assembly's resolution. The purchased shares will be held for a period not exceeding three years from the date of the Extraordinary General Assembly's approval. After this period, the Company will follow the procedures and controls stipulated in the relevant regulations and bylaws.

Beginning of 2024		End of 2024		Net Change	% Change
Number of Shares at the Beginning of the Year	Debt Instruments	Number of Shares at the End of the Year	Debt Instruments		
0	-	755,678	-	755,678	100%



Compliance with Governance Regulations

The Company applies and implements all the provisions contained in the Corporate Governance Regulations issued by the Capital Market Authority (CMA), with the following exceptions:

#	Article text/ Paragraph	Paragraph Number	Article Number	Reasons for non-application
1	Formation of a Risk Management Committee	All Paragraphs	67	Guiding Article A risk management committee was not established as it is not mandatory under the Capital Market Authority (CMA) regulations. Its key responsibilities have been assigned to the Audit Committee.
2	Responsibilities of the Risk Management Committee	All Paragraphs	68	Guiding Article A risk management committee was not established as it is not mandatory under the Capital Market Authority (CMA) regulations. Its key responsibilities have been assigned to the Audit Committee.
3	Meetings of the Risk Management Committee	All Paragraphs	69	Guiding Article A risk management committee was not established as it is not mandatory under the Capital Market Authority (CMA) regulations. Its key responsibilities have been assigned to the Audit Committee.
4	Employee Motivation	Paragraphs 1 and 3	82	Guiding Article Paragraph 2 was implemented through the employee stock ownership plan (ESOP)
5	Formation of a Corporate Governance Committee	All Paragraphs	92	Guiding Article A governance committee was not established as it is not mandatory under the Capital Market Authority (CMA) regulations. However, oversight of governance has been added to the responsibilities of the Audit Committee.

Investor and Shareholder Relations Management

Retal continues to be deeply committed to enhancing investor confidence and meeting shareholder expectations by fostering transparent and effective communication. Through a strategic focus on building strong relationships with investors and stakeholders, the company continuously strives to ensure that its financial performance and business developments are clearly understood. Retal's dedication to maintaining a high level of trust and engagement reflects its ongoing efforts to create long-term value for the company's shareholders.





Investor and Shareholder Relations Management (continued)

Investor Relations

The Company's governance charter upholds investor rights and promotes effective communication and dialogue with them, in line with the rules and regulations set by legislative and regulatory authorities.

Activities

As part of its ongoing commitment to enhancing investor confidence and meeting shareholder expectations, Retal successfully introduced new methods of effective communication in 2024. These include improving investor relations management, holding virtual meetings using modern technology to discuss business results during the second quarter, and issuing a press release clarifying the financial statements for the third quarter. Retal also launched an email service providing a summary of the Company's financial and operational performance, along with access to the complete financial statements on the Company website.

These initiatives are part of Retal's efforts to strengthen continuous communication with financial analysts and key investors by providing them with updates on the Company's performance, news, and latest projects, and participating in several forums held in Riyadh, Dubai, and London. Additionally, the Company conducted media interviews with both the Chief Executive Officer and the Chief Financial Officer to discuss the latest developments in the Company's business and activities.

Plans

In 2025, the Company aims to implement a set of strategic plans to further develop investor relations management by enhancing the department's performance in meeting shareholder needs, conducting comprehensive surveys to identify areas for improvement and performance development, and increasing reliance on technological systems and solutions. The Company also aims to continue strengthening existing communication channels with financial analysts, investors, and shareholders, as well as establishing new channels, and holding meetings and introductory presentations. It will also be taking new measures to enhance the disclosure system which will contribute to strengthening transparency and accountability standards, including:

1. Conduct investor surveys to assess the efficiency of the IR department.
2. Enhance engagement with shareholders and investors by integrating financial analyses and indicators into quarterly emails.
3. Meetings with key investors after the

announcement of quarterly financial statements.

4. Conduct media interviews with executive management to discuss financial activities and programmes.
5. Hold regular meetings between executive management and financial analysts.
6. Participate in international investment conferences and events.
7. Investors visits to ongoing project sites.

*Investor and Shareholder Relations Management (continued)***Shareholder and Key Stakeholder Composition**

Retal Urban Development Company was established in 2012 and entered the real estate sector with significant capabilities, supported by a team of experienced and qualified professionals. Retal is distinguished by its pioneering role in developing residential and commercial projects across the Kingdom of Saudi Arabia, offering innovative real estate projects that meet the growing needs of the Saudi market. The Company is committed to the highest standards of quality and innovation in the execution of its projects, reflecting its commitment to achieving the objectives of Vision 2030 and enhancing the quality of life for citizens and residents alike.

Shareholder Register as of 31 December 2024:

Category	Shares	%	Quantity
Institutions	431,869,170	86.37	200
Individuals	68,130,830	13.63	34032
Total	500,000,000	100	34232

Shareholder Registry Requests:

#	Nature and Reason for Request	Request Date
1	Corporate Procedures	02/01/2024
2	Corporate Procedures	04/02/2024
3	Corporate Procedures	04/03/2024
4	Corporate Procedures	02/04/2024
5	General Assembly	18/04/2024
6	Corporate Procedures	30/05/2024
7	General Assembly	27/06/2024
8	Corporate Procedures	31/07/2024
9	Corporate Procedures	29/08/2024
10	Corporate Procedures	13/08/2024
11	Corporate Procedures	15/08/2024
12	Corporate Procedures	02/10/2024
13	Corporate Procedures	31/10/2024
14	Corporate Procedures	03/12/2024

*Investor and Shareholder Relations Management (continued)*

Dividend Policy

Introduction

This regulation aims to establish a clear regulatory framework for the dividend distribution policy of Retal Urban Development Company and to define the procedures associated with declaring dividends and their payment timing. This policy also seeks to strike a balance between meeting shareholder expectations and enhancing the Company's financial sustainability, thereby ensuring sustainable growth and maximising added value for all stakeholders.

1. Statutory Reserve

Following applicable regulations and legislation, a percentage (10%) of the Company's net profits is deducted annually to create a statutory reserve, to strengthen the Company's financial position and ensure its sustainability. The Ordinary General Meeting may suspend this deduction when the statutory reserve reaches (30%) of the paid-up capital. This reserve is used to cover potential losses that the Company may face, or to increase capital to enhance expansion plans and strategic growth.

2. Other Reserves

The Ordinary General Meeting may, based on a proposal from the Board of Directors, deduct a percentage not exceeding (10%) of the net profits to create a voluntary reserve, and this reserve may only be used by a resolution from the Extraordinary General Meeting.

If this reserve is not allocated for a specific purpose, the Ordinary General Meeting may, based on the recommendation of the Board of Directors, allocate it for the benefit of the Company or the shareholders, in a way that achieves the maximum benefit for both parties. The Ordinary General Meeting may also use retained earnings and distributable voluntary reserves to repay the remaining value of shares or part thereof, while ensuring equality among all shareholders and without prejudice to their rights.

3. Distribution and payment of profits

Retal Urban Development Company ensures distributing dividends to shareholders in proportion to the Company's financial performance, cash flows, market conditions, and the general economic climate, in a manner that achieves a balance between meeting shareholder expectations and supporting the Company's expansion and investment plans.

The percentage and method of dividend distribution are determined based on a proposal from the Board of Directors, and are approved by the Shareholders' General Meeting, taking into account the Company's cash needs and the requirements for growth and financial sustainability.

4. Procedures for Distribution of the Company's Annual Net Profits

- (10%) of the net profits are deducted annually to create a statutory reserve, and the Ordinary General Meeting may suspend this deduction when the reserve reaches (30%) of the paid-up capital.
- The Extraordinary General Meeting may, based on a proposal from the Board of Directors, set aside a percentage not exceeding (10%) of the net profits to create a voluntary reserve, and allocate it for specific purposes that support the Company's strategic growth.
- After deducting the necessary reserves, an initial payment is distributed to shareholders of no less than (5%) of the paid-up capital from the remaining profits.

*Dividend Policy continued*

4. The General Meeting has the authority to determine the frequency of dividend distribution, whether annually, semi-annually, or quarterly, and may delegate the Board of Directors to make the decision regarding the distribution mechanism and timing following the interests of the Company and shareholders.
5. The Company may provide an annual lump-sum bonus to members of the Board of Directors, per the applicable regulations and without prejudice to the Companies Law.

Dividend Date

Dividend distribution data for the fiscal year.

Announcement Date	Eligibility Date	Distribution Date	Distribution Method	Dividend Earnings per Share
01/03/2025	04/05/2025	15/5/2025	Account Transfer	0.11
31/07/2024	29/09/2024	10/10/2024	Account Transfer	0.16
28/02/2024	05/05/2024	16/05/2024	Account Transfer	0.16
01/08/2023	28/09/2023	10/10/2023	Account Transfer	0.16
09/08/2022	29/09/2022	12/10/2022	Account Transfer	2.00
01/03/2023	02/05/2023	11/05/2023	Account Transfer	3.00

Debt Instruments, Contractual Securities, Subscription Rights and Compensation

During the fiscal year 2024, Retal Urban Development Company did not issue any convertible debt instruments, contractual securities, subscription warrants, or any similar rights, nor did the Company receive any financial compensation or compensation related to these instruments.

Dividend Waiver

There are no arrangements or agreements in place under which any shareholder in the Company waives their rights to dividend distributions during the fiscal year ending 31 December 2024.

Conversion and Subscription Rights

No conversion rights or subscription rights were issued or granted during the aforementioned fiscal year, and no transactions related to these rights were executed.



Disclosures and Announcements

The company regularly publishes announcements and disclosures through the Saudi Stock Exchange (Tadawul) regarding significant events, material developments, and financial statements, in accordance with disclosure and transparency regulations. These updates are also made easily accessible to shareholders, investors, and other relevant stakeholders. A total of 25 announcements were published in 2024.



Click to go to the Company
Disclosures Page

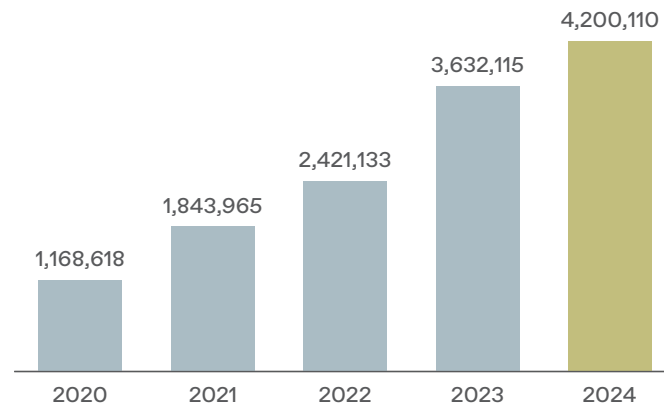




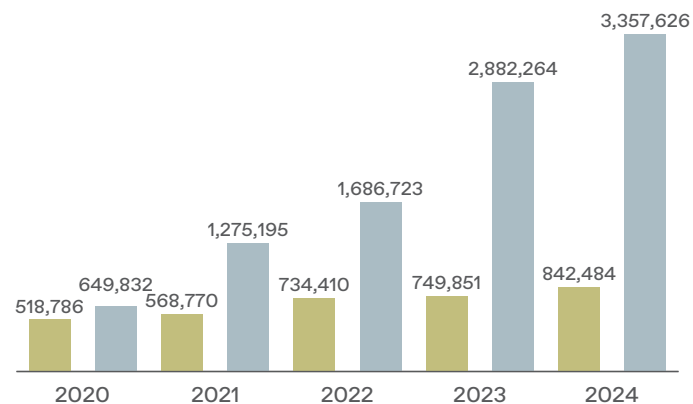
Financial Data

The following chart illustrates the Company's assets, liabilities, and results for the past five fiscal years.

Total Assets (SAR thousand)



Total Equity and Liabilities (SAR thousand)



Business Results

Comparison of business results (SAR thousand)

Statement	2020	2021	2022	2023	2024
Revenues	587,451	1,085,321	1,106,830	1,367,125	2,063,211
Cost of Revenues	(463,142)	(839,860)	(803,598)	(987,839)	(1,563,554)
Gross Profit	124,309	245,461	303,232	379,286	499,656
Net Profit for the Period	98,634	179,399	245,743	207,941	282,933
Net Profit Attributed to Shareholders	98,634	193,719	245,743	202,350	266,126



Assets and Liabilities

Comparison of Assets and Liabilities in 2024: (Amounts in thousands of SARs)

Statement	2020	2021	2022	2023	2024
Current Assets	608,476	1,168,727	1,364,175	2,156,722	2,923,139
Non-current Assets	560,142	675,238	1,056,958	1,475,393	1,276,971
Total Assets	1,168,618	1,843,965	2,421,133	3,632,115	4,200,110
Current Liabilities	572,611	1,039,001	1,192,779	1,778,722	2,247,649
Non-current Liabilities	77,221	236,194	493,944	1,103,542	1,109,977
Total Liabilities	649,832	1,275,195	1,686,723	2,882,264	3,357,626
Total Equity	518,786	568,770	734,410	749,851	842,484

Operational Results

The following table shows any material differences in operating results compared to the previous year's results (amounts in thousands of SARs)

Statement	2023	2024	Changes (+ or -)	Change (%)
Sales/Revenue	1,367,125	2,063,211	+	50.9%
Sales/Revenues Costs	(987,839)	(1,563,554)	+	58.3%
Gross Profit	379,286	499,656	+	31.7%
Other Operational Expenses	(134,218)	(159,430)	+	18.8%
Operational Profit	245,068	340,226	+	38.8%

*Financial Data (continued)***Bank Facilities and Statement of Legal Payments**

Statement of Bank Facilities Position and Movements During the FY 2024

Bank Name (Amounts in thousands of Riyals)	Total Loan Amount	Starting Balance	Amount Utilised During the Year	Amount Repaid During the Year	Ending Balance*
Al Bilad Bank	780,004	219,394	0	(18,750)	200,644
Arab National Bank	945,159	318,810	458,540	(189,490)	587,860
First Abu Dhabi Bank	100,000	96,726	88,160	(144,765)	40,121
SAB Bank	565,000	0	43,820	(43,820)	0
Gulf International Bank	673,400	55,777	179,064	(135,113)	99,728
National Commercial Bank	500,000	0	49,000	0	49,000
Alinma Bank	694,500	0	35,500	0	35,500
Emirates NBD	150,000	0	49,100	0	49,100
Al-Jazira Bank	250,000	0	130,240	(130,240)	0
Al Rajhi Bank	421,551	554,688	76,275	(216,506)	414,456
Riyadh Bank	262,000	128,392	316,938	(225,803)	219,527
Al Oula Financing Company	39,000	78,000	0	(39,000)	39,000
Total	5,380,615	1,451,786	1,426,637	(1,143,487)	1,734,936

* Balance at the end of the period include accrued interest Aloula finance company loan includes facilities utilized by two subsidiary owned by Retal

*Financial Data (continued)***Statement of Legal Payments**

Information on fees paid and outstanding, under the regulatory provisions of the Saudi Zakat, Tax and Customs Authority (ZATCA), all amounts in SARs.

Statement	2024 Paid	Due	Brief Description
Zakat	10,877,585	14,707,332	The amount due is an estimated Zakat for the year, payable before 30/04/2025
VAT	81,062,235	4,717,544	The amount due relates to December 2024 declarations and is payable before 31/1/2025
Withholding Tax	2,121,921	193,844	The amount due relates to December 2024 declarations and is payable before 10/2/2025
REIT	10,865,418	0	Paid and due amounts for real estate transaction tax
GOSI	9,088,509	1,262,933	Paid and due amounts for social insurance
Statutory Payments	17,534,660	234,757	Amounts paid to the labour office, visa issuance fees, and others

Revenues by Geography – The Company and Subsidiaries

(Number in SR000)	Eastern Province	Western Province	Central Province	Northern Province	Total	% from total revenues
Retal	414,169	153,310	1,385,050	0	1,952,529	94.6%
BCC	55,498	0	17,227	0	72,724	3.5%
NESAJ	8,316	0	0	0	8,316	0.4%
TLC	9,879	11,536	3,881	0	25,297	1.2%
TEC	0	0	479	0	479	0.0%
Adara Real Estate Company	687	0	3,179	0	3,866	0.2%
Total	0	0	0	0	1,367,125	100%

Compliance Management

Retal's Compliance Department plays a pivotal role in cultivating a culture of integrity and adherence to regulations across all aspects of its operations. By ensuring ongoing guidance, monitoring, and oversight, the department proactively mitigates risks associated with non-compliance, safeguarding both the company's interests and shareholder rights. Through the establishment of clear, binding policies and procedures, Retal fosters transparency, accountability, and ethical conduct, emphasizing the importance of compliance for all personnel and stakeholders.





Compliance Management

Retal's Compliance Department works diligently to foster a culture of compliance and implement its policies across all company activities, operations, and tasks. This safeguards Retal's interests and enhances its ability to mitigate risks associated with non-compliance with rules and regulations. This is achieved through ongoing guidance, direction, monitoring, and effective oversight, ensuring a proactive approach to addressing regulatory challenges.

Retal places the utmost importance on upholding and protecting shareholder rights with integrity and transparency, while strictly adhering to all applicable regulations. Compliance risks are periodically identified and assessed to ensure mitigation through the issuance of clear, binding internal policies and procedures that all company personnel must follow. Retal firmly rejects any form of violation or non-compliance with its policies. The Company is committed to implementing principles of professional conduct and work ethics for all personnel and stakeholders, fostering a work environment founded on transparency and accountability.

Code of Professional Conduct and Ethical Values

Ethical values are a cornerstone of Retal Urban Development Company. We take pride in our commitment to operating with the highest standards of integrity and professionalism, strengthening our reputation and market position. Our Code of Professional Conduct and Ethical Values serves as a guiding reference for all

team members, senior management, and stakeholders, ensuring adherence to professional conduct aligned with Retal's principles.

This code is based on the premise that all Retal personnel are responsible for managing company affairs ethically. It emphasises that compromising the values of integrity or acting contrary to them is unacceptable under any circumstances. The commitment of all employees to these ethical standards reflects the Company's dedication to fostering a work environment built on transparency, responsibility, and credibility. This contributes to achieving strategic objectives and maintaining the trust of partners and shareholders.

Policy on Acceptance or Offering of Gifts and Benefits

Retal Urban Development Company is committed to upholding the highest standards of integrity and transparency in all its dealings. Therefore, it has a clear policy prohibiting accepting or offering gifts and personal benefits to any relevant individuals within the Company. No Retal employee may accept any gifts or personal benefits, regardless of their value, from suppliers, vendors, contractors, or customers if doing so could influence their professional decisions or create a conflict of interest. This policy aims to prevent any unethical practices and foster a work environment built on fairness, integrity, and accountability, ensuring the Company's best interests are served and maintaining the trust of all stakeholders.

Conflict of Interest Policy

Retal Urban Development Company recognises the importance of transparency and integrity in all its dealings and is committed to acting in the best interests of its customers and shareholders, while diligently avoiding any conflicts of interest. In the event of

any potential conflict, the Company is committed to disclosing it transparently and taking the necessary steps to address it following its established Conflict of Interest Policy. This ensures that decisions are made objectively and impartially, fostering trust in the Company's operations and upholding the highest standards of corporate governance.

Whistleblowing Policy

Retal Urban Development Company is committed to the highest standards of professional conduct and best practices in all its operations. We strive to provide a professional working environment that fosters a culture of transparency and accountability. In line with this commitment, the Company has adopted a whistleblowing policy that enables all employees, at all levels of management, as well as stakeholders, to report any practices that may involve non-compliance, unprofessional conduct, or unethical behaviour.

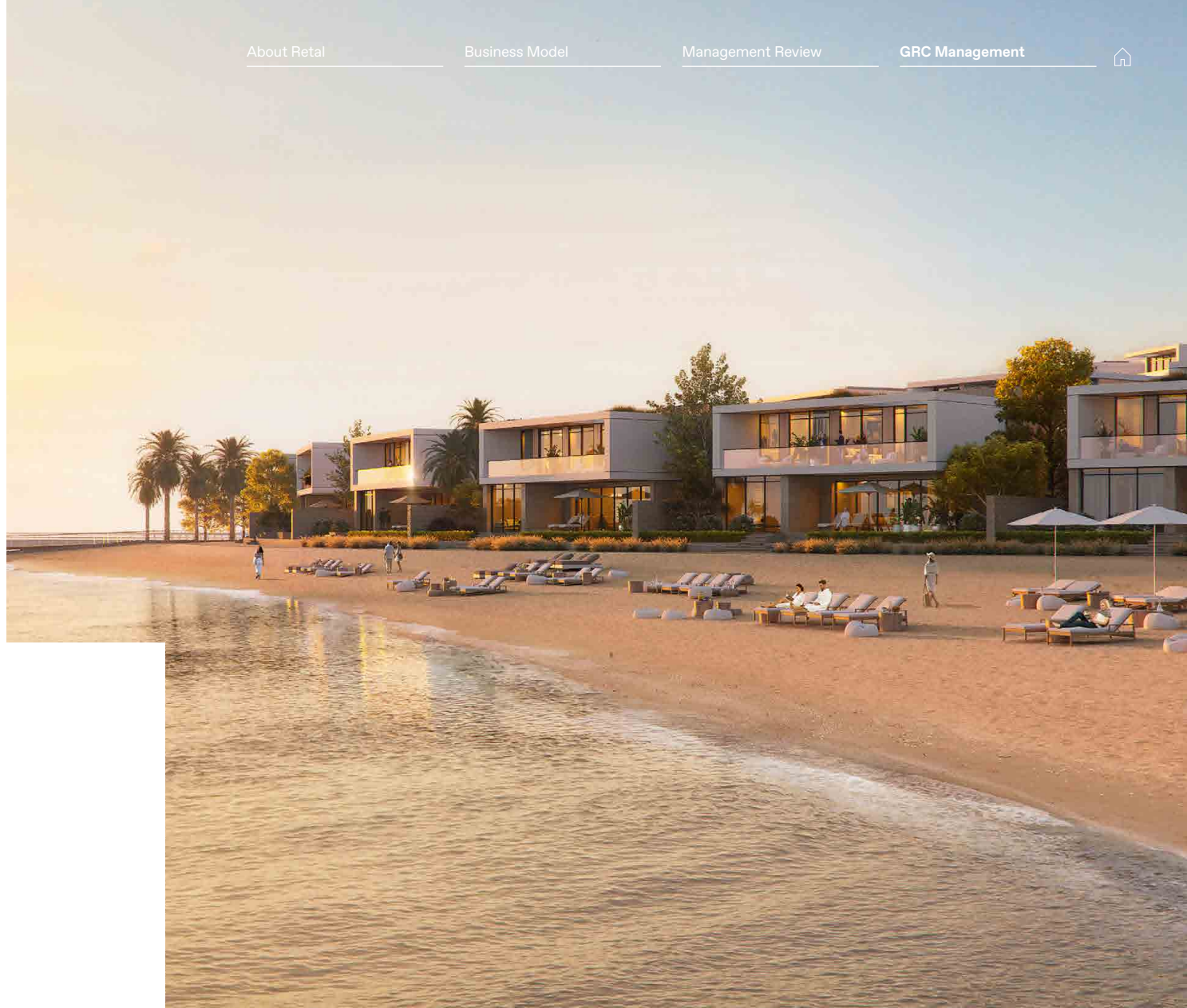
Reporting Mechanisms and Confidentiality

- The Company provides safe and confidential reporting channels, allowing whistleblowers to submit their reports easily and securely.
- The policy grants whistleblowers the right to anonymity. If they choose to disclose their identity, the Company guarantees them full protection against any retaliation, threats, or intimidation.
- Retal ensures that all reports are treated seriously and with complete confidentiality, with the necessary investigations conducted and appropriate corrective actions taken when required.
- You can submit a report by contacting the following email address: whistleblowing@retal.com.sa.

Risk Management

Retal employs a dynamic and adaptive approach to risk management, focused on continuous improvement and proactive strategies to safeguard the company's value and long-term sustainability. By developing a comprehensive and flexible risk management framework, Retal enhances its ability to swiftly respond to business environment changes and effectively address future challenges.

As the Kingdom of Saudi Arabia undergoes an ambitious economic transformation, the urban development sector emerges as a key driver of this sustainable growth. Within this context, Retal plays an active role in supporting this development momentum through valuable contributions that enrich the sector. Our strategic commitment is to protect the interests of our stakeholders. This commitment is demonstrated through well-considered decisions that contribute to asset growth, enhance profitability, and establish long-term sustainable growth, all while aligning with market expectations and dynamic changes.





Risk Management (continued)

Risk Management

Risk Management Framework

Retal's Risk Management Department strives to achieve the best possible results for business plans by:

- Controlling negative risks (threats) within acceptable tolerance levels, thereby limiting their potential impact.
- Capitalising on positive risks (opportunities) by studying and seizing them to enhance performance and growth.

In 2024, the Company launched its second annual risk analysis cycle, with a focus on developing analytical methods and expanding coverage to encompass both internal and external aspects within the risk management framework.



2024 Risk Analysis

1. Liquidity Risk is the potential for insufficient financial resources to meet obligations as they fall due, or to secure them at an exorbitant cost. One liquidity risk that Retal may face is a reduction in cash flow due to delays in activating escrow accounts, leading to an increase in the Company's financial liabilities, alongside a decline in the liquidity ratio.

2. Operational Risks are the potential for +/- impacts on the Company's internal operations and daily procedures. Risks faced by Retal include: delays in project timelines due to multiple factors, such as design changes based on customer requests in off-plan sales, supply chain disruptions, human error, and the potential for budget reductions. Other risks

fall within operational risks but carry a low assessment.

3. Third-Party Risks are those associated with dealing with external entities such as vendors, suppliers, partners, contractors, or service providers. Risks that Retal may face include: delays in project and land infrastructure, impacting timelines, financial and reputational effects, and increased maintenance costs; loss of strategic partnerships and alliances, leading to reputational effects and, in some cases, financial impacts; and supplier quality issues and delivery delays.

4. Interest Rate Risks are the potential impact on the Company's financial statements due to changes in interest rates. Retal may face this risk due to the potential rise in interest rates and

SAIBOR rates in 2025. An increase in interest rates can lead to a significant rise in borrowing costs, resulting in higher financing expenses. Furthermore, rising interest rates may affect unit sales, orders, and operational cash flow.

5. Market Risks are the potential for financial losses or gains resulting from external changes in market conditions, including prices, competition, and economic fluctuations. Risks faced by Retal include: increased market competition, leading to loss of market share and competitive advantage, and economic downturns impacting the real estate market, resulting in decreased property demand and reduced profitability for companies operating in the sector.



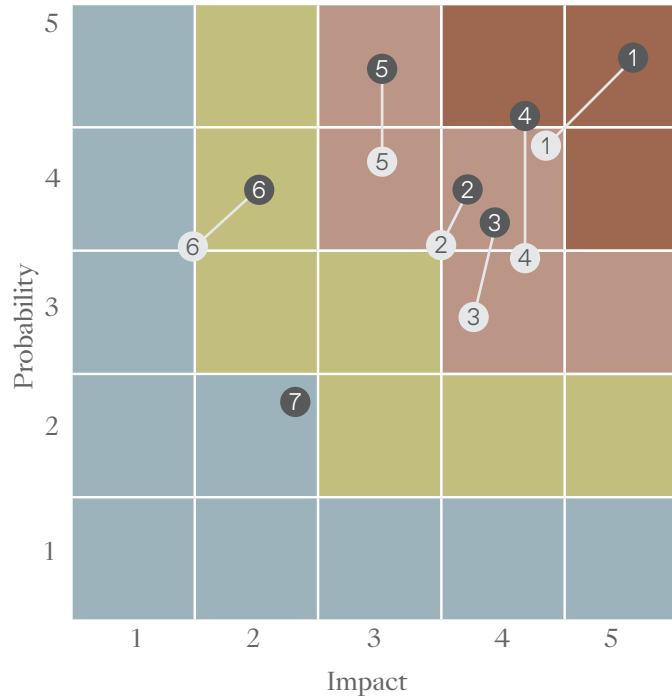
Risk Management (continued)

6. Digital and Cyber Security Risks are the potential for changes in the Company's digital operations and data security. Risks faced by Retal include: malicious cyber attacks resulting from unauthorised access, leading to data breaches and thus compromising sensitive information and data within the Company's systems. Other risks include communication disruptions due to network or system issues, and opportunities for core system integration, particularly with artificial intelligence.

7. Regulatory and Compliance Risks are the potential for failure to adhere to laws, regulations, and legislation within the Kingdom of Saudi Arabia. Such risks can lead to financial and legal repercussions in the form of fines and penalties.

Risk Matrix

Retal utilises a risk assessment matrix that display the likelihood of a risk occurring and its potential impact, using a scale ranging from 1 to 5 for each axis in the matrix.



Risk Level



1. Liquidity Risk
2. Operational Risk
3. Third-Party Risk
4. Interest Rate Risk
5. Market Risk
6. Digital and Cyber Security Risk
7. Compliance and Governance Risk/
Regulatory and Risks

- Current Risk Level
- Target Risk Level



Risk Management (continued)

Risk Mitigation Strategies

Retal is committed to implementing risk management strategies to ensure business sustainability and achieve balanced growth. Our approach is proactive, enabling us to adapt to challenges and changes while strengthening our position in Saudi Arabia's urban development sector.

1. Liquidity Risk: Retal utilizes monitoring mechanisms and controls to manage liquidity risk, ensuring liquidity to support operational activities business continuity through a robust financial approach. Its strategy in this regard is based on a series of effective measures, primarily meticulous planning between the financial and development sectors to ensure optimal management, and drawing lessons from past cases. The Company also adopts a proactive approach in the monitoring of liquidity ratios, enabling it to make informed decisions that enhance its financial flexibility. In addition, Retal adopts dynamic and adaptable contingency plans, including budget adjustments and reserve account management, reinforcing its ability to adapt to changes and ensure its long-term financial stability.

2. Operational Risk: Companies face a multitude of operational risks, and each

department within Retal has its own strategies to ensure efficiency and effectiveness in daily operations. These strategies include effective planning and supplier localisation, and strengthening local partnerships that contribute to accelerated production and reduced logistical complexities. Additionally, utilizing digital transformation of operations and automation are implemented to minimise human error and enhance efficiency through intelligent systems integration. Retal also focus on providing internal initiatives for human capital development, which boosts employee retention rates and stimulates productivity. Furthermore, Retal adopt environmental, social, and governance (ESG) standards, integrating and embedding the role of business excellence management in improving internal processes and fostering accountability and transparency, thus contributing to the creation of a stable and sustainable working environment.

3. Third-Party Risk: Third party risks arises beyond management control are often beyond direct management control, the Company efficiently implements effective strategies to mitigate these risks. These strategies include enhancing the focus on the value chain of Retal's operations and its subsidiaries, ensuring optimal and oversight of external activities that

may impact the Company. Retal also utilises insurance as a means to protect company sites and assets, providing an additional layer of security against potential financial risks. Furthermore, the Company develops and automates supplier governance practices to ensure compliance with ethical and legal standards, strengthening transparency and accountability across all stages of the supply chain. Finally, Retal strengthens strategic partnerships and alliances to reinforce business relationships and build a robust support network that contributes to mitigating third-party risks, and supports the Company's stability and sustained growth.

4. Interest Rate Risk: Given that the entire market is exposed to interest rate risks, Retal strives to establish and strengthen effective relationships with financial institutions to mitigate these risks should they materialise. The Company adopts several additional controls, including meticulous monitoring of interest rates and assessment of their financial impact within Saudi Arabia. It also engages in strategic planning for debt management and business cycles to ensure long-term financial stability. Furthermore, Retal employs hedging strategies to safeguard itself against potential interest rate fluctuations, utilising various

financial instruments to stabilise debt costs or minimise exposure to adverse financial risks resulting from negative interest rate movements. These efforts aim to enhance the Company's financial efficiency and protect it from unexpected economic volatilities.

5. Market Risk: by looking at Retal's rapid growth, the Company places significant emphasis on managing market risks by implementing effective strategies aimed at mitigation. These strategies rely on an enabled business model that incorporates multiple revenue streams, providing diversification that contributes to revenue stability and reduces exposure to any disruptions that may occur. Furthermore, Retal leverages strategic alliances that enhance its ability to expand and access new markets, while also bolstering resilience in the face of economic challenges. The Company also maintains a diversified investment portfolio that contributes to risk distribution and achieves long-term financial stability. Finally, meticulous financial planning is a core component of Retal's risk management strategies, as the Company strives to maintain a healthy balance between growth and sustainability, ensuring its continued success and expansion in a dynamic business environment.



Risk Management (continued)



6. Digital and Cyber Security Risk:

Digital transformation is a cornerstone of Retal's strategy to enhance its competitive capabilities and improve operational efficiency. In this context, the Company takes several proactive measures to manage digital and cyber security risks, forming an integral part of its comprehensive digital transformation strategy. Firstly, Retal is committed to implementing continuous and advanced cyber security measures to protect its data and systems from potential threats or attacks. This includes constant monitoring and updating security protocols to ensure a high level of protection. Secondly, Retal leverages advanced technology, such as artificial intelligence, to enhance operational excellence. This enables more efficient and accurate data analysis, improves the speed and performance of operations, and reduces human error, allowing for quicker responses to operational and security requirements. Finally, Retal's achievement of ISO/IEC 27001 certification for information security demonstrates its commitment to international standards in data protection and digital security management. This certification is an indicator of the quality and effectiveness of the Company's digital security management, enhancing customer and investor confidence in Retal's ability to protect their digital interests.

7. Compliance and Governance Risk:

The Governance, Risk, and Compliance (GRC) department at Retal plays a crucial role in ensuring effective adherence to applicable legislation and regulations. Non-compliance risk is managed through the use of detailed compliance registers and the implementation of robust compliance process procedures, significantly reducing non-compliance incidents. As part of its responsibilities, the GRC department issues periodic reports documenting compliance statuses and addressing any violations that may occur. This process ensures the continuous updating of systems and regulations in accordance with changes in the regulatory and market environment, thereby maintaining sound governance standards and efficient company operations. In this way, the GRC department contributes to enhancing trust among shareholders and investors, and preserves Retal's reputation as a company committed to the highest standards of transparency and accountability.

Retal adopts a risk management approach across all areas of its business model, effectively managing risk across all sectors of the Company. We strive for comprehensiveness in identifying risks and for flexibility and adaptability in our risk management strategies, aiming to achieve maximum returns for the Company.

A modern architectural rendering of a rooftop pool and lounge area. On the left, a tall building with large glass windows and balconies is visible. In the foreground, there's a swimming pool with a glass railing and a concrete wall with rectangular openings. A small tree and some plants are in a planter box near the pool. The sky is blue with some clouds. The text "BUILD FOR Generations" is overlaid on the right side of the image.

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