

الوطنية للتأمين  
Wataniya Insurance



**BOARD OF DIRECTOR'S  
REPORT - 2022**

## **Chairman's Statement**

It is my privilege to present, on behalf of the Board of Directors, the 12<sup>th</sup> Annual Report and Financial Statements of Wataniya Insurance Company pertaining to the year ended 31 December 2022.

As mentioned in the 2011 Board of Directors' Report, the Company obtained the Saudi Central Bank (SAMA) authorization to conduct business on 26 June 2010 and commenced operations on 1<sup>st</sup> July 2010 operating exclusively in the Kingdom of Saudi Arabia. It writes most lines of commercial business, except medical.

After less than 12 years of full operational activity, Wataniya has succeeded in establishing a good competitive position among top tier size insurers in the overall KSA insurance sector of 26 companies. This rapid progression has been built on access to the renewal rights on the discontinued book of KSA business of a core shareholder, SNIC Insurance Company which ceased all primary underwriting in the Kingdom of Saudi Arabia in February 2010. Additionally, Wataniya has also benefited from preferred access to the substantial insurance requirements of another core shareholder group, the Jeddah-based Juffali families' commercial and industrial operations throughout the Kingdom.

Wataniya reported a net comprehensive loss of SR 18.784 million for the year ended 31 December 2022 (31 December 2021: net comprehensive loss of SR 54.637 million), The reduction in losses was achieved due to a substantial improvement in the underwriting surplus which increased by 61% over last year. The improvement in the underwriting surplus was achieved through a careful monitoring of the motor portfolio, the main contributor of the SR 55 million losses incurred last year. While the motor losses continue to remain a market wide issue, where the competitive pricing dynamics in the market resulted in premiums not keeping up with increased claims frequency, and to some extent, inflation. Wataniya was able to reduce its motor loss ratio to an acceptable healthy level (one of the lowest in the market) in 2022, through a combination of actuarial pricing and a strong control over the claims expenses and recoveries.

In the second-quarter of 2022, Wataniya raised SAR 200 million in share capital to become SAR 400 million paid up capital, to restore its regulatory solvency ratio to the level required by Regulations. The Company had been operating below the required minimum capital, and the right issue was part of a corrective plan approved by the Saudi Central Bank. The additional capital has also improved S&P's risk-based capital adequacy, which now exceeds AAA benchmark.

Despite the losses incurred during the year; the Company was able to improve its top line in 2022. Wataniya's 2022 gross premium revenue was SAR 1.042 billion, making it a mid-size Saudi Arabia-based entity. This was a 16% increase over the previous year and comprised 48% motor, 16% Engineering, 15% property, with the rest evenly sourced from other types of commercial insurance. Wataniya's business mix does not include medical insurance because the Company does not have a license to write it, although this segment makes up about half of the premiums in Saudi Arabia.

One of the most important factors in the Company's success is a knowledgeable, dedicated and trained team of 239 employees. Several training initiatives were held by internal and external trainers to develop sales, technical and managerial skills of employees. Our vigorous and consistent approach in recruiting and developing Saudi nationals has ensured our Saudization percentage of 78%.

## **IFRS-17 Insurance Contracts.**

IFRS 17 replaces IFRS 4 Insurance Contracts and is effective for annual periods beginning on or after 1 January 2023. The Company expects to first apply for IFRS - 17 on that date. IFRS - 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts, reinsurance contracts and investment contracts with direct participation features.

To ensure that insurance companies implement IFRS - 17 a high standard, SAMA issued circular 172, dated December 20<sup>th</sup>, 2018, directing all insurance companies execute a four phased approach, comprising gap assessment, financial impact assessment, implementation plan and multiple dry runs. The Company has successfully completed all the phases and submitted the required documents to SAMA.

### **Key Messages**

#### **No Major impact given nature of our business.**

Adoption of IFRS - 17 not expected to significantly change the Companies earnings; as a significant proportion of the business subject to the simplified approach (PAA)

#### **Shareholders' equity impacts.**

Classification of risk adjustment and discounting partially offset by other adjustments.

#### **Limited changes for P&C.**

P&C accounting will primarily be based on the PAA, with limited changes versus IFRS - 4, bringing better comparability across lines of business.

I would also like to express my deepest gratitude to King Salman Bin Abdulaziz, and his Crown Prince Mohammed Bin Salman for their continuous support to the Insurance industry. I would also like to thank the Saudi Central Bank, the Capital Market Authority and the Ministry of Commerce, as well as the Board of Directors, the Management and the staff for their support and dedication.

**Hussein Said Akeil**  
Chairman

13 March 2023



# WATANIYA INSURANCE COMPANY

## BOARD OF DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors of Wataniya Insurance Company have great pleasure in presenting to the Shareholders the twelfth Annual Report accompanied by the audited financial statements along with the accompanying notes thereto, for the financial year ended 31 December 2022.

Wataniya Insurance Company (the "Company") is a Saudi Joint Stock Company incorporated in the Kingdom of Saudi Arabia under Commercial Registration No. 4030200981 dated 1 Jumada II 1431H (corresponding to May 15, 2010) and Ministry of Commerce and Industry's Resolution number 158/K dated Jumad-ul-Awal 12, 1431H (corresponding to April 26, 2010). The Registered Office address of the Company is Juffali Building, Madina Road, Jeddah, Saudi Arabia. The Company is licensed to conduct insurance business in Saudi Arabia under Cooperative Insurance principles in accordance with Royal Decree No. M/53 dated Shawwal 21, 1430H (corresponding to October 5, 2009). The Company has been listed on the Saudi Arabian stock market (Tadawul) since June 6, 2010 and on 01.07.1431H corresponding 26 June 2010 was granted the license to practice insurance as per the Saudi Cooperative Insurance Companies Control Law and its Implementing Regulations in the classes of General Insurance and Protection and Saving Insurance by the Saudi Central Bank. The license was initially for a period of three years and was renewed during 2013 for another three years up to June 2016, the second renewal was obtained in 2016 up to 02/07/1440 H Corresponding to 09/03/2019 and the third renewal was obtained in 2018 up to 3/7/1443 corresponding to 5 February 2022, the fourth renewal was obtained in 2021 up to 02/07/1446H corresponding to 02/01/2025G. The first Constituent General Meeting Assembly meeting was held on 14<sup>th</sup> April 2010, the second Extraordinary General Meeting Assembly was held on 12<sup>th</sup> May 2012, the third General Meeting Assembly was held on 25<sup>th</sup> March 2013, the fourth General Meeting Assembly was held on 26<sup>th</sup> June 2014, the fifth General Meeting was held on 16 June 2015, the sixth General Meeting was held on 26<sup>th</sup> April 2016, the seventh EGM Extraordinary General Meeting was held on 31<sup>st</sup> July 2016, the eighth Extraordinary General Meeting was held on 23<sup>rd</sup> May 2017, the ninth General Meeting Assembly was held on 10<sup>th</sup> May 2018. The tenth General Meeting Assembly was held on 25<sup>th</sup> April 2019. The eleventh General Assembly was held on 20<sup>th</sup> February 2020, the twelfth General Meeting Assembly was held on 21<sup>st</sup> April 2020 using Virtual technology, the thirteenth Extraordinary General Meeting Assembly was held on 11<sup>th</sup> April 2021 using Virtual technology, the fourteenth Extraordinary General Meeting Assembly was held on 13<sup>th</sup> April 2022 using Virtual technology, the Fifteenth General Meeting Assembly was held on 25<sup>th</sup> April 2022 using Virtual technology.

The Company held an Extraordinary General Assembly of its shareholders on 31 July 2016 to approve the increase in the share capital through rights issue. Based on the approval received from shareholders at the extraordinary general assembly, the Company proceeded successfully in September 2016 to raise SAR 100 million through a right issue. Under the terms of the right issue, the Company offered 10 million ordinary new shares by way of rights to qualifying shareholders at an offer price of SAR 10 per share at close of trading on 31 July 2016 (The "Eligibility Date"). The rights were made on the ratio of one right for everyone share held by shareholders as of the Eligibility Date.

The Company held an Extraordinary General Assembly of its shareholders on 13 April 2022 to approve the increase in the share capital through rights issue. Based on the approval received from shareholders at the extraordinary general assembly, the Company proceeded successfully to raise SAR 200 million

through a right issue. Under the terms of the right issue, the Company offered 20 million ordinary new shares by way of rights to qualifying shareholders at an offer price of SAR 10 per share at close of trading on 13 April 2022 (The “Eligibility Date”). The rights were made on the ratio of one right for everyone share held by shareholders as of the Eligibility Date.


The principal shareholders of the Company and their respective shareholding as at 31 December 2022 are as follows: -

No.	Name	Shareholding	Legal Status
1.	SNIC Insurance Company	25 %	Company
2.	Private Wealth Investment Holding Co.	10 %	Company
3.	NeueRuckversicherungs-Gesellschaft	5 %	Company
4.	E A Juffali& Bros. <sup>(1)</sup>	11.125 %	Company
5.	Public	48.875%	Public
	<b>Total</b>	<b>100 %</b>	

- 1) E.A. Juffali& Bros. holds a 72.5% stake in SNIC Insurance Company and therefore has a total interest of 29.25% in the Company as of 31<sup>st</sup> December 2022.
- 2) Wataniya Insurance Company has received a letter (by e-mail) on 30-05-2022G from E.A. Juffali and Brothers stating that they have purchased 1,450,000 additional shares representing 3.63% of the capital of Wataniya Insurance Company by acquiring additional shares during the Rump Offering for an amount of SAR 24,650,000. Accordingly, the ownership of E.A. Juffali and Brothers increased from 5.00% to 8.63%.

Disclosure was announced on TADAWUL on 30/05/2022 as per regulations.

- 3) Wataniya Insurance Company has received a letter (by e-mail) from E.A. Juffali and Brothers and SNIC Insurance Company, stating the following:
  - Execute an Off-Market trading Transaction where SNIC Insurance Company sell 1,000,000 shares with a percentage of 2.5% from Wataniya’s Capital to E.A. Juffali and Brothers at (SR. 16.5 per share) with Total Value of SR. 16,500,000 only.
  - SNIC Insurance Company’s shares diluted from 27.5% to 25% from Wataniya’s Capital.
  - E A Juffali & Brothers shares increased from 8.63% to 11.125% from Wataniya Insurance Capital.
  - Disclosure was announced on TADAWUL on 04/07/2022 as per regulations.
- 4) New Reinsurance Company did not exercise their rights to subscribe to the New Shares during the Capital increase right issue offering and their shares was diluted to 5%.
- 5) Wataniya Insurance Company announced that it has received a letter by email from E A Juffali and Brothers stating the following:

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- Execute an Off-Market trading Transaction where New Reinsurance Company Ltd, sells 2,000,000 shares with a percentage of 5% from Wataniya's Capital, to E.A. Juffali and Brothers at SR. 12 per share with Total Value of SR. 24,000,000 only.
  - After the completion of the transaction New Reinsurance Company Ltd, will No longer be a shareholder in Wataniya Insurance Company.
  - After the completion of the transaction E A Juffali and Brothers shares will increase from 11.125% to 16.125% of Wataniya Insurance Capital with a total share of 6,450,000 shares.
  - Disclosure was announced on TADAWUL on 08/02/2023 as per regulations.
- 6) Wataniya Insurance Company announces that it has received a letter (by e-mail) from E.A. Juffali and Brothers, and SNIC Insurance Company, stating the following:
- Execute an Off-Market trading Transaction where SNIC Insurance Company sells 5,500,000 shares with a percentage of 13.75% from Wataniya's Capital, to E.A. Juffali and Brothers at (SR. 10 per share), with Total Value of the transaction of SR. 55,000,000 only, as per their Agreement, and the No objection of the Saudi Central Bank (SAMA) on the Agreement.
  - After the completion of the transaction, SNIC Insurance Company shares ownership to be diluted in Wataniya Insurance Company, from 10,000,000 shares with percentage of 25% to become 4,500,000 shares with percentage of 11.25% in Wataniya Insurance Company.
  - After the completion of the transaction, E A Juffali & Brothers shares ownership, to increase from 6,450,000 shares with percentage of 16.125% to become 11,950,000 shares with percentage of 29.875% in Wataniya Insurance Company.
  - Disclosure was announced on TADAWUL on 23/02/2023 as per regulations.

## 1. Business Performance and Plans for the Future

### 1.1 Principal Activities

The Company has received the license from SAMA to transact general and life insurance business in the Kingdom of Saudi Arabia. As of 31 December 2022, 41 products have been approved by SAMA.

The following is a list of the 42 products: -

- |   |  |
|---|--|
| 1. All Risks  | 22. Deterioration of Stock                   |
| 2. Fire Insurance                                   | 23. Fidelity Guarantee                       |
| 3. Property All Risks                               | 24. Burglary                                 |
| 4. Business Interruption                            | 25. Plate Glass                              |
| 5. Householder's Comprehensive                      | 26. Money Insurance                          |
| 6. Terrorism & Sabotage                             | 27. Individual Personal Accident             |
| 7. Motor Comprehensive (retail & Comprehensive)     | 28. Group Personal Accident                  |
| 8. Motor Third Party Liability (Retail & Corporate) | 29. Travel Accidents                         |
| 9. Motor Commercial Fleet                           | 30. Public Liability                         |
| 10. Motor Trade((Corporate)                         | 31. Workers Compensation                     |
| 11. Marine Cargo (Single Voyage)                    | 32. Professional Indemnity                   |
| 12. Marine Cargo (Open Cover)                       | 33. Architects & Civil Engineers             |
| 13. Goods in Transit (All Risks)                    | 34. Banker's Blanket Bond (BBB)              |
| 14. Land Transit                                    | 35. Extended Warranty                        |
| 15. Marine Hull                                     | 36. Directors and Officers Insurance         |
| 16. Contractors All Risks                           | 37. Event Cancellation Insurance             |
| 17. Erection All Risks                              | 38. Individual Term Life Insurance           |
| 18. Machinery Breakdown                             | 39. Group Life Insurance                     |
| 19. Loss of Profits (Machinery Breakdown)           | 40. Aviation Hull                            |
| 20. Contractor's Plant & Machinery                  | 41. Domestic Labour Contract Insurance       |
| 21. Electronic Equipment                            | 42. Group Domestic Labour Contract Insurance |

## 1.2 Strategic Plans

- |       |  |       |   |
|-------|--|-------|---|
| 1.2.1 | Retain, recruit, and train Saudi professionals in all key disciplines.         | 1.2.6 | Maintain a profitable portfolio by continually reviewing the loss ratios on all clients and making adjustments. |
| 1.2.2 | Maintain a balanced portfolio of risks.  | 1.2.7 | Comply with all local regulations and requirements.   |
| 1.2.3 | Provide excellent after sales customer services in terms of claims management. | 1.2.8 | Optimize digitalization and provide a state of art digital solutions.   |
| 1.2.4 | Develop an in-house sales team.  | 1.2.9 | Expand on the retail insurance and online sales.  |
| 1.2.5 | Maintain a 90% renewal rate by providing quality service.                      |       |   |



### 1.3. Statement of Business Results, Assets and Liabilities and explanation of Material Variations

#### 1.3.1 Summarized Income Statement

Summarized income statement for the year ended 31 December 2022 is set out below:

#### 1.3.2 Gross Written Premiums

	Year Ended 31 Dec 2022	Year Ended 31 Dec 2021	Year Ended 31 Dec 2020	Year Ended 31 Dec 2019	Year Ended 31 Dec 2018
	SR'000	SR'000	SR'000	SR'000	SR'000
<b>Revenues</b>					
Gross Written Premiums	1,042,418	902,100	785,881	735,044	712,324
Net premium written	603,902	522,770	462,980	415,706	420,669
Net premium earned	505,508	503,548	417,662	410,078	373,063
Commission earned	50,842	49,187	55,516	76,039	72,924
Other underwriting income	1,422	432	190	319	406
<b>Total revenues</b>	<b>557,772</b>	<b>553,167</b>	<b>473,368</b>	<b>486,436</b>	<b>446,393</b>
<b>Cost and Expenses</b>					
Net claims incurred	347,316	386,060	263,985	316,100	247,566
Policy acquisition costs	74,014	66,977	60,576	65,015	65,318
Technical reserves	(6,114)	(643)	1,565	(10,855)	23,516
Other underwriting expenses	24,866	27,574	10,978	2,735	-
Other operating expenses, net	129,543	123,673	118,572	87,146	87,207
<b>Total costs and expenses</b>	<b>569,625</b>	<b>603,641</b>	<b>455,676</b>	<b>460,141</b>	<b>423,607</b>
Net income/(loss) before allocation	(11,853)	(50,474)	17,692	26,295	22,786
Share of policyholders	-	-	(2,468)	(2,512)	(2,353)
Zakat and Income Tax	(6,491)	(4,002)	(7,386)	(5,345)	(6,873)
<b>Net income (loss) for the year</b>	<b>(18,344)</b>	<b>(54,476)</b>	<b>7,838</b>	<b>18,438</b>	<b>13,560</b>
Actuarial losses on defined benefit obligations	(440)	(161)	(238)	(927)	(1,364)
<b>Total comprehensive income (loss) for the year</b>	<b>(18,784)</b>	<b>(54,637)</b>	<b>7,600</b>	<b>17,511</b>	<b>12,196</b>

The Gross Written Premiums of the Company for the year was SR 1.042 billion (2021: SR 902.100 million) representing an increase of 16%. Increase was primarily due to increase in Motor, Marine, Engineering, Life, Extended Warranty and Accident and Liability premiums by SR 140.318 million against a decrease in Property premiums by SR 10.227 million.

### 1.3.3 Net Premiums Earned:

The net premiums earned after deducting the premiums ceded to reinsurers and the reserves for unearned premiums amounted to SR 505.508 million for the year ended 31 December 2022 against SR 503.548 million for the year ended 31 December 2021. Net premiums earned have remained constant in comparison to the year 2021.

### 1.3.4 Net Commissions Earned:

	2022 SR'000	2021 SR'000	2020 SR'000	2019 SR'000	2018 SR'000
Reinsurance Commission Earned	50,842	49,187	55,516	76,039	72,924
Policy acquisition costs	(74,014)	(66,977)	(60,576)	(65,015)	(65,318)
	<b>(23,172)</b>	<b>(17,790)</b>	<b>(5,060)</b>	<b>11,024</b>	<b>7,606</b>

The reinsurance commission earned remained at the same level as last year. The increase in policy acquisition costs are in line with the increase in the gross written premiums.

### 1.3.5 Net Incurred Claims:

The net incurred claims during the year after deducting the reinsurance shares and reserves amounted to SR 347.316 million against SR 386.060 million for 2021. Net incurred claims decreased by 10% over the prior period mainly due to the decrease in the net incurred claims of Motor class by SR 45.160 million.

### 1.3.6 Technical Reserves:

This mainly represents reserves established as determined by the appointed actuary.

### 1.3.7 Other Operating Expenses, net:

This is analyzed as follows:

	2022 SR'000	2021 SR'000	% Change
Provision for doubtful debts	(763)	4,996	-115%
General and admin expenses	143,555	124,933	15%
Other income	(4,695)	(609)	671%
Investment income	(8,554)	(5,647)	51%
	<b>129,543</b>	<b>123,673</b>	<b>5%</b>

- The decrease in the provision for doubtful debts was due to the decrease in the over 365 days receivables by SR 9.401 million.
- The general and admin expenses increased by SR 18.622 million mainly due to an increase in accruals for tax contingencies by SR 11.470 million and an increase in regulatory fees expenses by SR 2.963 million.

- c) Other income mainly includes share of surplus from Al-Manafeth of SR 0.2 million (2021: SR 0.4 million), Hajj and Umra share of SR 4.612 million (2021: 0.2 million).

#### 1.3.8 Net (loss)/income before allocation and zakat and income tax:

The result for the year shows a net loss of SR (11.853) million compared to a loss of SR (50.474) million in 2021.

#### 1.3.9 Total Comprehensive income/(loss) for the year:

The results for 2022 is a comprehensive loss after zakat and income tax of SR (18.784) million (2021: comprehensive loss of SR 54.637 million).

“The Company did not make any expectations with regards of its operation for the period of 1<sup>st</sup> January 2022 to 31 December 2022, hence no explanations is made for any deviation”.



## Summary of assets and liabilities

	Balance as of Dec 31, 2022 SR'000	Balance as of Dec 31, 2021 SR'000	Balance as of Dec 31, 2020 SR'000	Balance as of Dec 31, 2019 SR'000	Balance as of Dec 31, 2018 SR'000
<b>Assets</b>					
Cash and cash equivalents	70,856	42,130	80,733	354,707	324,060
Term Deposits	346,934	191,369	242,250	-	-
Premiums receivables-net	375,284	249,526	194,538	153,813	192,465
Reinsurers' share of unearned premiums	89,320	173,197	129,371	104,944	104,039
Reinsurers' share of outstanding claims	257,680	280,924	559,837	531,601	159,448
Reinsurers' share of claims incurred but not reported	352,931	30,637	52,863	57,091	78,880
Deferred policy acquisition costs	28,861	38,790	32,299	23,771	24,279
Due from reinsurers	52,684	39,155	44,039	139,910	13,240
Prepaid expenses and other assets	23,432	38,493	19,893	18,780	21,629
Investments	218,425	179,882	166,952	112,568	106,927
Property and equipment	17,318	17,403	12,371	11,268	9,976
Intangible assets	40,095	44,139	38,113	35,963	20,211
Statutory deposit	40,000	20,000	20,000	20,000	20,000
Accrued income on statutory deposit	2,320	1,592	1,469	1,275	848
<b>Total assets</b>	<b>1,916,140</b>	<b>1,347,237</b>	<b>1,594,728</b>	<b>1,565,691</b>	<b>1,076,002</b>
<b>Liabilities</b>					
Unearned premiums	575,557	392,680	329,632	259,887	253,354
Outstanding claims	459,115	373,698	641,948	610,423	244,263
Claims incurred but not reported	58,556	76,046	101,491	102,179	114,013
Unearned reinsurance commission	24,946	29,200	30,386	25,328	29,443
Technical reserves	11,066	17,180	17,823	16,258	27,113
Due to Reinsurers, agents and brokers and Third-Party Administrator	224,591	139,654	105,695	76,899	68,418
Policyholders payable	101,229	29,961	22,681	153,385	29,938
Accrued expenses and other liabilities	71,584	72,158	68,699	53,422	56,663
Surplus distribution payable	-	-	2,468	2,512	5,069
Zakat and income tax payable	6,717	3,873	6,604	5,853	7,305
Accrued income on statutory deposit	2,320	1,592	1,469	1,275	848
<b>Total liabilities</b>	<b>1,535,681</b>	<b>1,136,042</b>	<b>1,328,896</b>	<b>1,307,421</b>	<b>836,427</b>
<b>Shareholders' Equity</b>					
Share capital	400,000	200,000	200,000	200,000	200,000
Statutory reserve	15,354	15,354	15,354	13,787	10,099
(Accumulated losses)/Retained earnings	(34,895)	(4,159)	50,478	44,483	29,476
<b>Total shareholder's equity</b>	<b>380,459</b>	<b>211,195</b>	<b>265,832</b>	<b>258,270</b>	<b>239,575</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,916,140</b>	<b>1,347,237</b>	<b>1,594,728</b>	<b>1,565,691</b>	<b>1,076,002</b>

### 1.3.10 Assets

The total assets increased from SR 1.347 billion at 31 December 2021 to SR 1.916 billion at 31 December 2022, i.e. by 42% mainly due to an increase in cash and cash equivalents by SR 29 million or 68% over last year, an increase in term deposits by SR 156 million or 81% over last year, and an increase in reinsurers' share of outstanding claims by SR 299 million or 96% over last year. In addition, premium receivables net has increased by SR 126 million or 50% over last year, an increase in statutory deposit by SR 20 million or 100% over last year. Investments have increased by SR 39 million or 21% over last year.

### 1.3.11 Liabilities

The total liabilities have increased from SR 1.136 billion at 31 December 2021 to SR 1.536 billion at 31 December 2022 i.e. by 35% mainly due to the increase in outstanding claims by SR 68 million or 15% over last year, an increase in unearned premiums by SR 183 million or 47% over last year, an increase in due to reinsurers, agents, brokers and third party administrator by SR 85 million or 61% over last year, and an increase in due to policyholders by SR 71 million or 238% over last year.

### 1.3.12 Shareholder's equity

Total shareholders' equity has increased from SR 211 million at 31 December 2021 to SR 380 million at 31 December 2022 due to the increase of share capital of SR 200 million during the year to become SR 400 Million.

## 1.4 Geographical Analysis

The Company's geographical presence in the Kingdom of Saudi Arabia is shown below:

	Address	Telephone	Fax/Email
Head Office-Jeddah	Juffali Building, Madina Road, PO Box 5832, Jeddah 21432, KSA	012 660 6200	012 667 4530/
Jeddah Branch	Juffali Building, Madina Road, PO Box 5832, Jeddah 21432, KSA	012 660 6200	012 667 4530
Riyadh Branch	Al-Ummam Commercial Centre, Floor No. 3-Suite No. 303, PO Box 86, Riyadh 11411, KSA	011 477 8035/ 011 477 8613	011 477 2290
Al Khobar Branch	Khobar Business Gate 9 <sup>th</sup> Floor (Building No. 1) King Faisal Bin Abdulaziz Road PO Box 1933, Al Khobar 31952 Saudi Arabia	013 882 5357	013 882 6992

The Company's production for the year ended 31 December 2022 by class and location is as follows:

COMPARATIVE GROSS PREMIUM STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022												
SR'000												
Class of Business	JEDDAH			RIYADH			ALKHOBAR			TOTAL		
	Last Year To-date	This Year To-date	% +/-	Last Year To-date	This Year To-date	% +/-	Last Year To-date	This Year To-date	% +/-	Last Year To-date	This Year To-date	% +/-
Cargo	34,056	42,649	25	7,063	7,389	5	2,261	2,204	(3)	43,380	52,242	20
Marine	4,020	7,669	91		44	-		78	-	4,020	7,791	94
Property	133,429	120,563	(10)	26,284	29,335	12	8,148	7,736	(5)	167,861	157,634	(6)
Motor	326,668	399,685	22	85,861	73,309	(15)	38,588	29,403	(24)	451,117	502,397	11
Engineering	48,575	152,087	213	24,167	25,695	6	23,945	(11,741)	(149)	96,687	166,041	72
Liability	46,273	61,153	32	15,448	15,088	(2)	4,906	4,522	(8)	66,626	80,763	21
Life	35,990	35,228	(2)	2,565	2,670	4	7,403	9,183	24	45,958	47,081	2
Personal Accident	2,639	2,902	10	-	-	-	38	85	121	2,678	2,987	12
Warranty	23,773	25,481	2	-	-	-	-	-	-	23,773	25,481	2
<b>TOTAL</b>	<b>655,424</b>	<b>847,418</b>	<b>29</b>	<b>161,387</b>	<b>153,529</b>	<b>(5)</b>	<b>85,289</b>	<b>41,471</b>	<b>(51)</b>	<b>902,100</b>	<b>1,042,418</b>	<b>16</b>

The Company has no subsidiaries operating either inside or outside of the Kingdom of Saudi Arabia. All the Company's revenue is generated from Kingdom of Saudi Arabia.

### 1.5 Basis of Preparation of the Financial Statements


The audited financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) that are endorsed in the Kingdom of Saudi Arabia (KSA), and other standards and pronouncements that are endorsed by Saudi organization for Certified Public Accountants ('SOCPA') (referred to as "IFRS as endorsed in KSA"). The basis of presentation of the financial statements and the significant accounting policies are explained in greater detail under Note 2 and 3 of the Notes to the Financial Statements.

### 1.6 Dividend Policy

The Company does not expect to pay dividends to its Shareholders and makes no assurance that any dividend will actually be paid, nor does it make any assurance as to the amount which will be paid in any given year.

In accordance with Article 44 of the By-Laws of the Company, 10% of the net surplus from Policyholders' operations shall be distributed to the Policyholders, either directly or by way of reduction in their premiums for the following year, and the balance of 90% shall be carried forward to the Shareholders' Income Statements.

From time to time, dividends will be paid to the Shareholders from the net profits subject to the following limitations contained in Article 45 of the By-Laws and Article 70 of the SAMA Implementing Regulation for the Law on Supervision of Cooperative Insurance Companies:

- 
1. The required Zakat and Income tax shall be set aside;
  2. 20% per cent of the net profits shall be allocated to form the statutory reserve. The ordinary General Assembly may discontinue this allocation when the said reserve reaches one hundred percent of the Company's paid-up capital;
  3. The ordinary General Assembly may, at the recommendation of the Board, set aside a specific percentage of the annual net profits to build up additional reserves allocated for a specific purpose or purposes as determined by the General Assembly.
  4. The balance shall be distributed as a first payment in the amount of at least five percent of paid-up capital to the Shareholders;
  5. The remaining balance shall be distributed to the Shareholders as a share in the profits or to be transferred to the retained profits account; and
  6. The Board may issue a decision to distribute periodical profits to be deducted from annual profits specified in paragraph 4 above in accordance with the rules and regulations issued by the competent authorities.

Any declaration of dividends will be dependent upon the Company's earnings, its financial condition, the condition of the markets, the general economic climate and other factors, including the Company's analysis of investment opportunities and reinvestment needs, cash and capital requirements, business prospects, as well as other legal and regulatory considerations.

The Company shall immediately inform the Capital Market Authority (the "CMA") of any resolutions or recommendations for distribution of profit. The profits, so proposed for the distribution shall be paid to the Shareholders at the place and time specified by the Board pursuant to the instructions issued by the Ministry of Commerce & Industry and subject to SAMA written approval.

#### 1.7 Shareholder's Right as per Company's Memorandum of the Association

Without contradiction to any laws and company's interest, all shareholders have the right to have a share of the company equity in case of liquidation, attending the AGM's, to take any action on the share held by them, to review the action of Board of Directors, to pursue a legal act against the Board in case of negligence and the right to ask for information.

## **2. Shares, Options, Subscription Rights, Debt Instruments**

- 2.1 Interest in a class of voting Shares held by persons (other than issuer's Directors, Senior Executive and their spouses and minor children).  
There is no individual person who has more than 5% interest in a class of voting Shares of the Company.

2.2 Interest, options and subscription rights of the company's Directors, Senior Executive and their spouses and minor children in the share or debt instruments.

Name of Beneficiary		Shares at start of the period Or upon appointment	Shares end of the Period	Change Net	Change %
Amin Mousa AL-Afifi	(Non-Executive)	Note (3)	-	-	-
Dr. Hussein Akiel	(Non-Executive)	12,000	24,000	12,000	100
Haitham H. Albakree	(CEO - Executive)	1,500	3,500	2,000	133
Bernd Alloys Kohn	(Non-Executive)	Note (1)	-	-	-
Faisal H Charara	(Non-Executive)	4,000 (2)	8,000	4,000	100
Nedhal Radhwan	(Independent)	10	10	-	-
Hatim Barajash	(Independent)	Note (4)	-	-	-
Raed Sater	(Independent)	-	-	-	-
Feras Aljuraywi	(Independent)	-	-	-	-
Tahir Aldabbagh	(Non-Executive)	-	-	-	-

**Note:**

- (1) New Re representative, furthermore Mr. Bernd Kohn resigned on 15 February 2023, and it was announced on TADAWUL website on 12 February 2023.
- (2) SNIC Insurance Company representative.
- (3) E.A. Juffali Bros Representative.
- (4) Mr. Hatim Barajash had resigned on 01 December 2022, and it was announced on TADAWUL website on 04 December 2022.

Except for the CEO of the company, none of the Senior Executives, their spouses and children, have an interest in the shares of the company. The Company has not issued any debt instruments.

**2.3 Borrowing, Issue/ Redemption of Securities**

Company has neither borrowed any funds nor has issued any convertible or redeemable of debt instruments, options, warrants or any other rights of a similar nature. It has also not made any repayment of any loan or redeemed or converted any redeemable or convertible debt instruments during the period and does not have any outstanding loans or redeemed or convertible debt instruments as at the end of the period.



### 3. Related Party Transactions

The significant transactions with related parties during the year ending 31 December 2021 were follows:

Related party	Nature of transactions	For the year ended December 31, 2022	For the year ended December 31, 2021
Board members	- Fees and related expenses	2,244	1,712
Key management personnel	- Remuneration and related expenses	10,087	10,487
	- Long term employee benefits accrued	463	530
	- Loans and advances	679	-
	- End of service benefits paid	-	932
Major shareholders	- Gross premium written	1,328	3,705
	- Claims paid	214	1,180
	- Facultative premiums ceded	1,439	1,519
	- Facultative claims recovered	1,320	273
	- Facultative commission received	17	37
	- Expenses incurred	5,006	5,395
	- Commission income on deposits	-	925
Entities controlled, jointly controlled, or significantly influenced by major shareholders	- Gross premium written	50,661	46,853
	- Claims paid	12,866	11,401
	- Expenses incurred	1,715	1,906
	- Capital expenditure incurred	-	1,785

The following table summarizes the contracts in which the Directors have a material interest:

No.	Name of Party	Name of Directors	Nature of Contract	Period of Contract	Annual Value SR'000
1.	EA Juffali & Brothers Company	<ul style="list-style-type: none"> <li>▪ Amin Alafifi</li> <li>▪ Faisal Charara</li> </ul>	- Rents and other charges for Jeddah (VAT Inclusive)	Annual 2022	3,466
			- Service Level Agreement for IT Services (VAT Inclusive)	Annual 2022	1,540
			- Insurance Premiums	Annual 2022	792
			- Claims Paid	Annual 2022	189
2.	SNIC Ins Co	<ul style="list-style-type: none"> <li>▪ Amin Alafifi</li> <li>▪ Faisal Charara</li> </ul>	<ul style="list-style-type: none"> <li>- Facultative Premiums</li> <li>- Facultative Commission</li> <li>- Facultative Claims Recovered</li> </ul>	Annual 2022	1,439 17 1,320
3.	Saudi Cement Company	<ul style="list-style-type: none"> <li>▪ Amin Al Affi</li> </ul>	<ul style="list-style-type: none"> <li>- Insurance Premiums</li> <li>- Claims Paid</li> </ul>	Annual 2022	4,055 106
4.	Naghi Group of Companies	<ul style="list-style-type: none"> <li>▪ Tahir Aldabbagh</li> </ul>	<ul style="list-style-type: none"> <li>- Insurance Premiums</li> <li>- Claims Paid</li> </ul>	Annual 2022	3,772 5,204

With the exception of the above, the Board of Directors confirm that during 2022 there was no contract in which the company was a party and its Chief Executive Officer, Chief Financial Officer, Board Members or any other person who may have a relationship with any of them had a material interest.

Moreover, there are no arrangements or agreements by which any of the members of the Board of Directors or any of the top executives or any of the shareholders of Wataniya Insurance Company waived their interest or right to receive dividends.

#### 4. Outstanding Statutory dues as at 31 December 2022

4.1 The Company had the following statutory payments outstanding as at 31 December 2022.

Description	2022	2021
	S.R.	S.R.
GOSI for the month of December 2022 (Paid in January 2023)	758,235	779,556
Zakat and Tax provision for 2022 will be paid upon filing of the return	6,717,274	3,873,001
Saudi Central Bank ( fees for 4th QTR. 2022 )	1,303,650	1,005,382
Withholding Tax payable (paid in January 2023 - SR 317,917) - Balance to be paid on settlement of reinsurer balances	4,276,883	7,046,184
Value added tax payable for Decemebr 2022 (Paid in January 2023 )	10,776,347	11,253,806
<b>Total</b>	<b>23,832,390</b>	<b>23,957,929</b>

#### 5. Employee Benefits

The Company did not make any investments or set up any reserves for the benefit of the employee other than those required under applicable laws and regulations.

#### 6. External Auditors' Report

##### 6.1 Opinion

The external auditors' report states that, in their opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ( IFRS ) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncement that are endorsed by Saudi Organization for Certified Public Accountants ( SOCPA ) ( referred to as " IFRS as endorsed in the Kingdom of Saudi Arabia").

#### 7. External Auditors' Appointment

The Board of Directors recommends KPMG Professional Services and Pricewaterhouse Coopers (PwC) as auditors for 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> quarters of 2023 and annual for 2023 and for the 1<sup>st</sup> quarter of 2024.

#### 8. Corporate Governance

##### 8.1 Compliance with Rules and Regulations

###### 8.1.1 EGM Meeting on 12<sup>th</sup> May 2012

The meeting approved the following:

- Accumulative voting
- Audit Committee & Remuneration Committee Formation and scoop of Work.

###### 8.1.2 AGM Meeting on 25<sup>th</sup> March 2013

The meeting approved the following:

- Wataniya Corporate Governance Policy.
- Conflict of Interest Policy.
- Board membership selection criteria.

- d) AML Policy.
- 8.1.3 AGM Meeting on 26<sup>th</sup> June 2014  
The Meeting approved the following:  
a) Wataniya Stakeholders Policy.  
b) Wataniya Disclosure Policy.
- 8.1.4 AGM Meeting on 16 June 2015  
All agenda items were approved.
- 8.1.5 AGM Meeting on 26 April 2016  
All agenda items were approved.

Approved the Board membership nomination for new tenure for 3 years, and minutes of meeting were circulated to Board members and uploaded to Wataniya Website the AGM meeting attendance was as follows:

#	Director's Name	26/04/2016 meeting
1	Hatem Ali Aljuffali	Attended
2	Walid Aljuffali	Attended (By Proxy)
3	Faisal Mahmoud Atabani	Attended
4	Hussein Said Akeil	Attended
5	Andreas Molck – Ude	Attended
6	Omar Bilani	Attended
7	Husam Alkhayal	Attended
8	Faisal Charara	Attended

- 8.1.6 EGM meeting on 31 July 2016  
All agenda items were approved.  
Approved the rights issues, capital of the Company to be SR. 200,000,000. and minutes of meeting were circulated to Board members and uploaded to Wataniya Website. The EGM meeting attendance was as follows:

#	Director's Name	31/07/2016 meeting
1	Hatem Ali Aljuffali	Attended (By Proxy)
2	Osama Abdullah Elkheirieji	Attended
3	Hussein Said Akeil	Attended

- 8.1.7 EGM meeting on 23<sup>rd</sup> May 2017  
All agenda items were approved. And minutes of meeting were circulated to Board members and uploaded to Wataniya website the EGM meeting attendance was as follows:

#	Director's Name	23/05/2017 meeting
1	Hatem Ali Aljuffali	Attended
2	Osama Abdullah Elkheirieji	Attended
4	Faisal Mohmoud Atabani	Attended
3	Hussein Said Akeil	Attended

#### 8.1.8 AGM meeting on 10<sup>th</sup> May 2018

All agenda items were approved, and minutes of meeting were circulated to the Board Members and uploaded to Wataniya website. The AGM meeting attendance was as follows:

#	Director's Name	10/05/2018 meeting
1	Hatem Ali Aljuffali	Attended
2	Osama Abdullah Elkheirieji	Attended
3	Amin Mosa Alafifi	Attended
4	Faisal Mohammed Charara	Attended
5	Hussam Abdulrahman Alkhayal	Attended
6	Faisal Mahmoud Atabani	Attended
7	Omar Suhail Bilani	Attended

#### 8.1.9 All agenda items were approved, and new board were elected for the tenure start 26<sup>th</sup> April 2019 till 25<sup>th</sup> April 2022 with the following memberships.

Name
Dr. Hussein Akeil
Mr. Faisal Charara
Mr. Bernd Khon
Mr. Amin Afifi
Mr. Soren Nikolajsen
Mr. Hussam Al-Khayal
Mr. Nidal Radwan
Mr. Rakan Elhoshan
Mr. Hythum Akthar
Mr. Raed Sater

AGM was attended by:

Mr. Osama Elkeirijie  
Dr. Hussein Akeil  
Mr. Faisal Charara  
Mr. Amin Afifi  
Mr. Soren Nikolajsen  
Dr. Faisal Attabani

Also, attended by Audit Committee members.

Dr. Faisal Atabani  
Mr. Faisal Darwish

And the minutes of meeting were circulated to Board members and uploaded into Wataniya website.

#### 8.1.10 AGM meeting on 20<sup>th</sup> February 2020

The appointment and Formation of the Audit Committee and its charter were approved, and minutes of meeting was circulated to the Board Members and uploaded to Wataniya website, as the following membership:

Name
Mr. Sirajuddin Anwar Mazharuddin
Mr. Nidhal Mohammed Rashed Radwan
Mr. Sami Mousa Alhalabi

The AGM meeting attendance was as follows:

#	Director's Name	20/02/2020 meeting
1	Hussein Said Akeil	Attended
2	Faisal Mohammed Charara	Attended
3	Soren Nikolajsen	Attended
4	Nedhal Mohammed Rashed Radwan	Attended
5	Hythum Farouk Akhdar	Attended
6	Raed Salman Sater	Attended

#### 8.1.11 AGM meeting on 21<sup>st</sup> April 2020

All agenda items were approved, and minutes of meeting were circulated to the Board Members and uploaded to Wataniya website. The AGM meeting attendance was as follows:

#	Director's Name	21/04/2020 meeting
1	Hussein Said Akeil	Attended
2	Faisal Mohammed Charara	Attended
3	Soren Nikolajsen	Attended
4	Nedhal Mohammed Rashed Radwan	Attended
5	Hythum Farouk Akhdar	Attended
6	Raed Salman Sater	Attended
7	Hussein Said Akeil	Attended
8	Rakan Amir Elhoshan	Attended
9	Amin Mousa Alafifi	Attended

8.1.12 The Company requested the Shareholders list from TADAWULATY during 2020 as per the following schedule:

No of request	Request date	Request reason
1	20-02-2020	AGM meeting
2	01-04-2020	AGM meeting
3	22-06-2020	Company Procedure
4	15-09-2020	Company Procedure

#### 8.1.13 EGM meeting on 11<sup>th</sup> April 2021

All agenda items were approved, and minutes of meeting were circulated to the Board Members and uploaded to Wataniya website. The EGM meeting attendance was as follow:

#	Director's Name	21/04/2020 meeting
1	Hussein Said Akeil	Attended
2	Faisal Mohammed Charara	Attended
3	Amin Mousa Alafifi	Attended
4	Nedhal Mohammed Rashed Radwan	Attended

5	Hythum Farouk Akhdar	Attended
6	Raed Salman Sater	Attended
7	Tahir Mohammed Aldabbagh	Attended
8	Rakan Amir Elhoshan	Attended

8.1.14 The Company requested the Shareholders list from TADAWULATY during 2021 as per the following schedule:

No of request	Request date	Request reason
1	19-03-2021	AGM meeting
2	29-03-2021	Other
3	01-11-2021	Company Procedure

8.1.15 EGM meeting on 13<sup>th</sup> April 2022

All agenda items were approved, and minutes of meeting were circulated to the Board Members and uploaded to Wataniya website, during the meeting, shareholders approved:

- The rights issues, capital increase of the Company to be SR. 400,000,000.
- The approval of Mr. Haitham Albakree as Executive Board Member for the current board tenure.
- The amendment of the Company's Article of Association

The EGM meeting attendance was as follows:

#	Director's Name	13/04/2022 meeting
1	Hussein Said Akeil	Attended
2	Faisal Mohammed Charara	Attended
3	Rakan Elhoshan	Attended
4	Nedhal Mohammed Rashed Radwan	Attended
5	Hythum Farouk Akhdar	Attended
6	Raed Salman Sater	Attended
7	Haitham Habib Albakree	Attended

8.1.16 AGM meeting on 25<sup>th</sup> April 2022

All agenda items were approved, and minutes of meeting were circulated to the Board Members and uploaded to Wataniya website, during the meeting, shareholders approved:

- The Election of new Board of Director for 3 years from 26-04-2022 till 25-04-2025 with following membership:

#	Director's Name	Director Classification
1	Hussein Said Akeil	Non-Executive
2	Faisal Mohammed Charara	Non-Executive
3	Amin Alafifi	Non-Executive
4	Bernd Kohn	Non-Executive
5	Tahir Aldabbagh	Non-Executive
6	Haitham Albakree	Executive
7	Nedhal Mohammed Rashed Radwan	Independent
8	Hatim Barajash	Independent
9	Raed Salman Sater	Independent
10	Freas Aljuraywi	Independent

8.1.17 The Company requested the Shareholders list from TADAWULATY during 2022 as per the following schedule:

No of request	Request date	Request reason
1	13-01-2022	Company Procedure
2	15-02-2022	Company Procedure
3	11-04-2022	EGM Meeting
4	11-04-2022	AGM – Meeting
5	15-05-2022	AGM – Meeting
6	25-05-2022	Company Procedure
7	12-06-2022	Company Procedure
8	15-06-2022	Other
9	27-10-2022	Company Procedure
10	14-12-2022	Company Procedure
11	11-01-2023	Other

**Policies Approved by Board of Directors:**

- a) Investment Policy.
- b) IT. Strategy.
- c) Credit Policy.
- d) Re-Insurance Strategy Arrangements.
- e) ERM Policy and Standards
- f) Executive and Investment Committee’s Charters
- g) Nomination & Remuneration committee policy
- h) Reinsurance strategy for 2022
- i) Board & Non-Board Committees nomination
- j) Risk Register and Risk appetite statement.
- k) Company Structure update
- l) Power of Attorney renewal
- m) Board Membership selection criteria update
- n) Opening nominations to the Board Membership
- o) Audit committee’s charter update
- p) Approval of Wataniya Strategy 2020-2025
- q) Outsourcing policy’s update approval
- r) Whistle blowing policy approval.
- s) Audit Committee Plan for 2021
- t) Cyber Security Governance update
- u) Cyber Security Strategy 2021
- v) Cyber Security Policy update
- w) Cyber Security Committee Charter update

**8.1.12 Corporate Governance Activities:**

- a) Updating the Shareholders Inquiry log.
- b) The Implementing of Independency Evaluation Form for Board of Directors.
- c) Enhancing Board presentation along with their relevant packages to best practice.
- d) The Company completed the Board Evaluation for the year 2021 using the expertise of International Advising Company.



- e) Appoint a new Board of Directors membership for the Tenure start on 26<sup>th</sup> April 2022 till 25<sup>th</sup> April 2025 and approved by Shareholders during the AGM meeting held on 25<sup>th</sup> April 2022.
- f) Bank Authority Matrix
- g) The Committees Secretarial Fees update.
- h) Achieving capital increase from 200M to 400 M through offering rights Issue was completed and announced on TADAWUL according to regulations. The Board approved the amendments to the Company Memorandum of Association to be in line with the Capital Increase and was approved by EGM on 13-04-2022.

Shareholders' rights related to the General Assembly meeting:

The Company announced its invitation for the attendance of the General Assembly meeting during 2022, on Local Newspapers, TADAWUL Website, and the Company's website.

The Company has implemented all the provisions of the Corporate Governance Regulations issued by the CMA except for the following: -

- a) The company currently does not have a policy with respect to stakeholders, and shareholders voting policy and procedures for voting.
- b) The Company currently does not have a policy for the Company's Social contributions.

## 8.1 Board of Directors

### 8.2.1 Composition of the Board of Directors

The Company's By-Laws provide that the Company shall be managed by a Board of Directors consisting of ten (10) members appointed by the ordinary General Assembly for a term not exceeding three years. The General Assembly held on 25 April 2022 appointed the new Board of Directors for a term of three years from 26 April 2022 till 25 April 2025, and was approved by Shareholders during their meeting on 25 April 2022. And minutes of meeting were circulated to all Board of Directors and uploaded on the company website. And all regulatory bodies were notified as per the regulations.

The position of members of the Board as of 31 December 2022 is as follows:

No.	Name of Director	Position	Classification
1.	Hussein Akiel	Chairman	Non-Executive Director
2.	Faisal Charara	Vice Chairman <sup>(2)</sup>	Non-Executive Director
3.	Amin Al Afifi	Director <sup>(1)</sup>	Non-Executive Director
4.	Haitham Albakree	CEO - Managing Director	Executive Director
5.	Nidal Radwan	Director	Independent Director
6.	Feras Aljuraywi	Director	Independent Director
7.	Raed Sater	Director	Independent Director
8.	Tahir Dabbagh	Director	Non-Executive Director
9.	Bernd Kohn**	Director <sup>(3)</sup>	Non-Executive Director

(1)	E.A. Juffali & Bros - Representative
(2)	SNIC Insurance Company – Representative
(3)	New Re – Representative

The Board of Directors was approved by the shareholder meeting on 25-04-2022 for the tenure started on 26<sup>th</sup> April 2022 till 25<sup>th</sup> April 2025.

Please see Appendix Number 4 for names of Companies in which members of the Company's Board of Directors acts as a member of that Company's Board of Directors.

\* Mr. Hatim Barajash resigned on 1<sup>st</sup> December 2022, with effective date of 1<sup>st</sup> December 2022, due to personal reasons, the company announced his resignation on Tadawul on 4<sup>th</sup> December 2022 as per the regulations.

\*\* Mr. Bernd Aloys Kohn resigned on 12<sup>th</sup> February 2023, with effective date from 15 February 2023, due to the changes in Mr. Kohn's work nature with his employing company, the company announced his resignation on Tadawul on 12<sup>th</sup> February 2023 as per the regulations.

### 8.2.2. Functions

The Board is responsible for the direction and oversight of the Company on behalf of the Shareholders and is accountable to them for all aspects of the Company's business. It is the Board's responsibility to adopt strategic plans, monitor operational performance, ensure that an effective risk management strategy is in place and all applicable legislation is complied with.

The Board operates the following Board Committees to assist in discharging its duties. These are:

- The Executive Committee.
- The Investment Committee.
- The Audit Committee.
- The Nomination & Remuneration Committee; and
- The Board Risk Committee.

The Company is committed to implementing a sound corporate governance framework through which the objectives of the Company are set and the means of attaining these objectives and monitoring performance is determined. To achieve this, the Company operates within a set of corporate governance principles which, together with the roles and responsibilities of the Board are set out in the Corporate Governance Manual.

The split of responsibilities between the Chairman and the CEO are clearly defined by the Board and are in compliance with applicable laws and regulations in the Kingdom of Saudi Arabia. The Chairman has no involvement in the day-to-day management of the Company or its business, whereas the CEO has direct responsibility for the management of the Company.

### 8.2.3 Meetings

The Board of Directors has held 5 meetings during the year 2022. Attending at these meetings has been as follows:

Directors	30/03/2022 Meeting	25/04/2022 Meeting	03/08/2022 Meeting	19 & 20/11/2022 Meeting	15/12/2021 Meeting	% (Attendance)
Dr. Hussein S. Akeil	Yes	Yes	Yes	Yes	Yes	100%
Mr. Faisal Charara	Yes	Yes	Yes	Yes	Yes	100%
Mr. Amin Al-Affi	Yes	Yes	Yes	Yes	Yes	100%
Mr. Haitham Albakree	Yes	Yes	Yes	Yes	Yes	100%
Mr. Bernd Kohn *	No	No	No	No	No	0%
Mr. Nidal Radwan	Yes	Yes	Yes	Yes	Yes	100%
Mr. Raed Sater	Yes	Yes	Yes	Yes	Yes	100%
Tahir Dabbagh	Yes	Yes	Yes	No	Yes	80%
Mr. Hatim Barajash	N/A	Yes	Yes	No	N/A	66%
Mr. Feras Aljuraywi	N/A	Yes	Yes	No	No	50%
Mr. Hythum Akhdar	Yes	N/A	N/A	N/A	N/A	100%
Mr. Rakan Elhoshan	Yes	N/A	N/A	N/A	N/A	100%

N/A = Not appointed or resigned.

The Board Held an Offsite meeting on 19 & 20 November 2022 to review, update, and discuss the Company Strategies and futuristic options. In addition to the above, the Board also held a closed meeting without the presence of the Company's Executives and with the audit committee members on 15<sup>th</sup> December 2022.

\* Mr. Bernd Aloys Kohn, resigned on 12<sup>th</sup> February 2023, with effective date from 15 February 2023, due to the changes in Mr. Kohn's work nature with his employing company, the company announced his resignation on Tadawul on 12<sup>th</sup> February 2023 as per the regulations.

The above Board of Directors (BOD) meetings covered the following major tasks:

- Reviewed all SAMA inspection observations and the action plan.
- Regularly analyzed the Company performance and achievement versus plan including analysis of market information and Company Strategic positioning.
- Approved the recommendations of the Remuneration Committee concerning the Company Structure, the remuneration and bonuses of top Executives, and the company's staff.
- Approved the Budget for 2023.
- Discussed Company's Strategies and future options.
- Approved the recommendations of the Audit Committee regarding external contracts including external auditors, tax consultants, legal consultant and external actuary, noting that the company doesn't have any other management or technical agreement.
- Followed up the activities of the various Committees including the Executive Committee, the Audit Committee, The Investment Committee, The Remuneration Committee, and the Risk Management Committee.
- Review the implementation of Wataniya's Strategy 2020 – 2025 and update.
- During 2022, the Board approved the following:

- a) The Audit Committee Plan for 2022.
- b) The Chairman of Board of Directors appointment.
- c) The Vice – Chairman of Board of Directors appointment.
- d) The Committees Appointment
- e) The Company’s representatives at CMA / TADAWUL.
- f) The Banking Operational Matrix of Authority.
- g) The Managing Director Authority.
- h) Review the Company’s Strategy update and Options available.
- i) Risk Management Plan.
- j) Approval of the quarterly and final annual financial statements.
- k) Reinsurance strategy for 2022.
- l) Budget approval 2023.
- m) the Committees update.
- n) Solvency review.
- o) Proceed with the Board of Directors vacant seat replacement process as per regulations.
- p) The Committees Compensation update.
- q) Mergers & Acquisitions review and update and options.
- r) Wataniya Article of Association update.

### 8.3 Board Committees:

#### 8.3.1 Executive Committee:

##### a) Composition

The Executive Committee shall comprise a minimum of three and a maximum of five members. The current composition of the committee as of 31 December 2022 is as follow: -

No.	Name	Designation	Role in Committee
1.	Faisal Charara	Non-Executive Director	Chairman
2.	Nabil Peter Choueri	BOD Advisor	Member
3.	Haitham H. Albakree	CEO - Executive Director	Member
4.	Sohail F. Abbas	CFO	Member

##### b) Functions

The purpose of the committee is to assist the Chief Executive Officer in the performance of his duties, including:

- The development and implementation of strategy, operational plans, policies, procedures and budgets.
- The monitoring of operating and financial performance.
- The assessment and control for risk.
- The prioritization and allocation of resources; and
- Monitoring competitive forces in each area of operation.
- Head Office Remodeling Works update & approval.
- Staff Government fees update & Approval.
- Solvency monitoring.

c) Meetings

The Committee met on a regular basis and held 6 meetings during the year ended 31 December 2022. Details are as follows:

**Meetings Held**

Name	08-02-2022	08-06-2022	24-07-2022	11-10-2022	12-12-2022	20-12-2022	Fees Paid SR
Faisal Charara	✓	✓	✓	✓	✓	✓	35,333
Haitham Albakree	✓	✓	✓	✓	✓	✓	28,667
Ali I. Elhussein*	✓	✓	✓	N/A	N/A	N/A	6,000
Sohail F. Abbas	✓	✓	✓	✓	✓	✓	28,667
Nabil Peter Choueiri*	✓	✓	X	✓	✓	✓	*See Below

✓ = Attended  
 X = Absent  
 N/A = Not a member

\* Nabil Peter Choueiri was paid a total sum of SR 212,000 in 2022 for his services on the executive committee and as an advisor to the Company's board.

\* Mr. Ali I. Elhussein was not nominated for the new current tenure ending on 25 April 2025, as Executive Committee member.

8.3.2 Investment Committee:

a. Composition

The Investment Committee shall comprise a minimum of three and maximum of five members. The current composition of the committee as of 31 December 2022 is as follows:

No.	Name	Designation	Role in Committee
1.	Faysal Badran	Partner – CdR Capital Limited (Independent Member)	Chairman
2.	Dr. Bernd van Linder	CEO – The Commercial Bank of Dubai (Independent Member)	Member
3.	Haitham Albakree	CEO - Executive Director	Member

b. Functions

The purpose of committee is to manage all aspects of the investment assets held by the Company subject to adherence to the terms of the Investment Directives and the

Committee Dealing Limits and in line with the applicable laws of the Kingdom of Saudi Arabia.

c. Meetings

The committee held one (1) meeting during the year ended 31 December 2022. Details are as follows:

**Meetings Held**

Name	14-09-2022	Fees Paid
Faysal Badran	✓	13,667
Faisal Charara*	✓	13,667
Dr. Bernd van Linder	✓	18,667
Haitham Albakree	✓	18,667

✓ = Attended

\* Mr. Faisal Charara was not nominated for the new tenure ending on 25 April 2025, as Investment Committee member.

8.3.3 Audit Committee:

a. Composition

The Audit Committee shall comprise of a minimum of three (3) members. The current composition of the committee is as follows:

No.	Name	Designation	Role in Committee
1.	Shirish Bhide	Independent – Non-Board Member (CEO United Arab Bank)	Chairman
2.	Sami Musa Alhalabi	Independent – Non-Board Member	Member
3.	Nedal Radwan	Independent Board Member	Member

b. Functions

The purpose of the committee is to review the risk management functions and assess the Company's processes relating to its risk and internal control systems. Furthermore, the committee will monitor the integrity of the Company's financial statements and the effectiveness of the external audit process and internal audit functions.

c. Meetings

The committee held 9 meetings during the year ended 31 December 2022. Details are as follows:

### Meetings Held

SN	Meeting	Shirish Bhide	Siraj Mekhri	Sami Alhalabi	Nedal Redwan
1.	23-02-2022	N/A	✓	✓	✓
2.	05-03-2022	N/A	✓	✓	✓
3.	26-03-2022	N/A	✓	✓	✓
4.	10-05-2022	✓	N/A	✓	✓
5.	05-06-2022	✓	N/A	✓	✓
6.	14-08-2022	✓	N/A	✓	✓
7.	02-10-2022*	✓	N/A	✓	✓
8.	30-10-2022*	X	N/A	✓	✓
9.	21-12-2022*	✓	N/A	✓	✓
Fees Paid SR		62,667	34,333	87,000	87,000

✓ = Attended

X = Absent

N/A = Not applicable as not member

\*Attendance fees for meetings 7,8, and 9 were paid in January 2023.

#### 8.3.4 Nomination and Remuneration Committee:

##### a. Composition

The Nomination and Remuneration Committee shall comprise of a minimum of three and a maximum of five members. The composition of the committee as on 31 December 2022 was as follows:

No.	Name	Designation	Role in Committee
1.	Raed Sater	Non-Executive Independent Director	Chairman
2.	Faisal Charara	Non-Executive Director	Member
3.	Sami Musa Alhalabi	Independent – Non-Board Member	Member

##### b. Function

The purpose of the committee is to ensure transparency in the procedures for the selection, appointment and removal of Directors. All appointments and removals are to be ratified by the General Assembly.

The Committee will also be responsible for:

- 1- Establishing policies regarding the indemnity and remuneration of Directors and Senior Managers.
- 2- Evaluating the Board and Committees effectiveness and engagements during the Board tenure.
- 3- Reviewing and approval of the year-end bonus for all managements and Company's staff.

c. Meetings

The committee held three (3) meetings during the year ended 31 December 2022. Details are as follows:

**Meetings Held**

Name	29-03-2022	16-06-2022	21-11-2022	Fees Paid SR
Faisal Charara	✓	✓	✓	28,667
Raed Sater	✓	✓	✓	39,333
Sami Alhalabi	✓	✓	✓	28,667

✓ = Attended

N/A = Not applicable as not member

8.3.5 Risk Management Committee

a. Composition

The Committee shall be appointed by Wataniya's Board and shall be comprised of at least 3 members, headed by a non-executive Board Member. The composition as on 31 December 2022 is as follows:

No.	Name	Designation	Role in Committee
1.	Amin Mousa A. Al Afifi	Non-Executive Director	Chairman
2.	Omar Hashim	Independent Non - Director	Member
3.	Nidal Redwan	Independent Director	Member

b. Function

The purpose of the committee is to represent and assist the Board of Directors in fulfilling its oversight responsibility relating to:

1. Assuring that Wataniya manages risks related issues is in accordance with its Enterprise Risk Management (ERM) framework policies, procedures, and regulatory obligations by providing governance oversight and strategic direction.
2. The Committee shall have a direct reporting relationship with the Board for providing their recommendations and findings. The Chairman of Committee shall be required to report to the Chairman of the Board of Directors for matters arising during the course of the performance of his role and responsibilities.



c. Meetings:

The Committee held four (4) meetings during the year ended 31 December 2022. Details are as follows:

**Meetings Held**

Name	28-02-2022	01-08-2022	25-09-2022*	08-12-2022*	Fees Paid SR
Amin Al Affi	✓	✓	✓	✓	27,333
Haitham H. Albakree *	✓	✓	N/A	N/A	12,333
Nidal Redwan	✓	✓	✓	✓	20,667
Omar Hashem	N/A	N/A	✓	✓	8,333

✓ = Attended

X = Absent

N/A = Not applicable as not appointed

\*Attendance fees for September and December meetings were paid subsequently in 2023.

\* Mr. Haitham Albakree, was not nominated for the new tenure ending on 25 April 2025, as Risk Management Committee member.

## 9. Compensation paid to Board members and Senior Executives

### 10.9 Board Members

The fees and other expenses payable to the Chairman and the other Directors of the Company, for attendance at Board and Committee meetings is defined in the By-Laws of the Company.

These have been paid as follows during the year.

#### Board Directors Fees for 2022

Directors	Director's Fees	Fees for Attending Board Meeting	Other Committees Fees	Audit Committee Fees	Remuneration Committee Fees	Expenses	Total 2022	Total 2021
	SR	SR	SR	SR	SR	SR	SR	SR
Dr. Hussein S. Akeil	240,000	20,000				11,559	271,559	216,667
Faisal Charara	180,000	20,000	49,000		28,667		277,667	192,000
Nidal Radwan	180,000	20,000	20,667	87,000			307,667	265,000
Bernd Kohn*	180,000	-					180,000	152,000
Rakan Al-Hoshan	180,000	4,000					184,000	160,000
Amin Afifi	180,000	20,000	27,333				227,333	164,000
Ra'ad Satter	180,000	20,000			39,333	22,247	261,580	196,000
Haitham Akhdar	180,000	4,000					184,000	152,000
Tahir Dabbagh	180,000	16,000					196,000	50,000
Haitham Albakree	45,000	20,000	59,667				124,667	20,000
Firas Aljraiwy	-	8,000				4,490	12,490	-
Hatim Barjash**	-	8,000				8,890	16,890	-
<b>Total</b>	<b>1,725,000</b>	<b>160,000</b>	<b>156,667</b>	<b>87,000</b>	<b>68,000</b>	<b>47,186</b>	<b>2,243,853</b>	<b>1,567,667</b>
Ex Board members								144,000
<b>Total</b>	<b>1,725,000</b>	<b>160,000</b>	<b>156,667</b>	<b>87,000</b>	<b>68,000</b>	<b>47,186</b>	<b>2,243,853</b>	<b>1,711,667</b>

\* Mr. Bernd Aloys Kohn resigned on 12<sup>th</sup> February 2023, with an effective date from 15 February 2023, due to the changes in Mr. Kohn's work nature with his employing company, the company announced his resignation on Tadawul on 12<sup>th</sup> February 2023 as per the regulations.

\*\* Mr. Hatim Barajash had resigned on 01 December 2022, and it was announced on TADAWUL website on 04 December 2022.

## 9.2 Senior Executives

Compensation and remuneration paid to the top five Executives including the Chief Executive Officer and Chief Financial Officer during the year ended 31 December 2022 was Saudi Riyals 10.550 million (2021: SR 11.017 million). These are analyzed as follows:

	<b>2022</b> <b>SR million</b>	<b>2021</b> <b>SR million</b>
Salaries	6.262	6.155
Bonus	3.244	3.500
Other allowances	1.044	1.362
<b>Total</b>	<b>10.550</b>	<b>11.017</b>

## 10. Fines and Penalties

Except for the fines imposed by The Saudi Central Bank of SR 160,000 (see below), the Company has not been exposed to any other punishment or penalty or punitive restriction imposed by the CMA, SAMA or any other supervisory or regulatory or judiciary body during 2022.

The following table presents the fines imposed by The Saudi Central Bank for the year 2022: -

Violation Subject	2022		2021	
	Number of Decisions	Total fines	Number of Decisions	Total fines
Fines for violation of Supervisory Regulation	1	160,000	4	95,000
Fines for violation of Client Care Regulations	-	-	-	-
Fines for violation of Anti-money laundering and terrorism financing	-	-	-	-

## 11. Internal Audit

Although the Internal Audit function has been outsourced to Deloitte. The Company has appointed a Head of Internal Audit effective on 1<sup>st</sup> of March 2023, who has been mandated with developing the internal audit function within the Company.

Deloitte internal audit methodology can be summarized in the below mentioned six steps:

- a. Strategic analysis.
- b. Enterprise Risk Assessment.

- c. Development of Internal Audit plan.
- d. Internal Audit Execution.
- e. Reporting results; and
- f. Issue resolution tracking.

Internal audit execution covers 6 steps, namely: notification and kick-off meeting; project planning; project understanding; process and gap analysis; testing and documentation and confirmation. This helps to determine:

- Whether objectives have been achieved (effectiveness) with minimum of time, energy, expense, and waste (economy and efficiency).
- Whether resources (assets, people, vendors, environment, etc.) are adequately safeguarded.
- Whether operations and performance comply with organizational policies, procedures, laws and regulations, contractual agreements, etc.
- Reliability and integrity of information used to make decisions about operations and performance.

The Internal Audit department has conducted a number of audits in accordance with the approved internal audit plan and reported the findings to the Audit Committee as a result of these audits, together with management's response. In addition, the progress towards the resolution of the audit findings is also reported periodically. The department also presents separately the most significant findings, if any, either as part of the scheduled or specially arranged meetings.

## 12. Risk Management

### Risk Governance

The Company's risk governance is manifested in a set of established policies, procedures and controls which uses the existing organizational structure to meet strategic targets. The Company's philosophy revolves on willing and knowledgeable risk acceptance, commensurate with the risk appetite and a strategic plan approved by the Board. The Company is exposed to insurance, reinsurance, special commission rate, credit, liquidity and currency risks.

### Risk Management Structure


A cohesive organizational structure is established within the Company in order to identify, assess, monitor and control risks.

### Board of Directors

The apex of risk governance is the centralized oversight of the Board of Directors providing direction and the necessary approvals of strategies and policies in order to achieve defined corporate goals.

### Senior Management

Senior management is responsible for the day-to-day operations towards achieving the strategic-goals within the Company's pre-defined risk appetite.



The risks faced by the Company and the way these risks are mitigated by management are summarized below.

## **12.1 Insurance Risk**

The risk under an insurance contract is the risk that an insured event will occur including the uncertainty of the amount and timing of any resulting claim. The principal risk the Company faces under such contracts is that the actual claims and benefit payments exceed the carrying amount of insurance liabilities. This is influenced by the frequency of claims, severity of claims, actual benefits paid are greater than originally estimated and subsequent development of long-term claims.

The variability of risks is improved by diversification of risk of loss to a large portfolio of insurance contracts as a more diversified portfolio is less likely to be affected across the board of change in any subset of the portfolio, as well as unexpected outcomes. The variability of risks is also improved by careful selection and implementation of underwriting strategies and guidelines as well as the use of reinsurance arrangements.

A significant portion of reinsurance business ceded is placed on a proportional basis with retention limits varying by product lines. Amounts recoverable from reinsurers are estimated in a manner consistent with the assumptions used for ascertaining the underlying policy benefits and are presented in the statement of financial position as reinsurance assets.

Although the Company has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to reinsurance ceded, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance arrangements.

## **12.2 Reinsurance Risk**

Similar to other insurance companies, in order to minimize financial exposure arising from large claims, the Company, in the normal course of business, enters into agreements with other parties for reinsurance purposes.


To minimize its exposure to significant losses from reinsurer insolvencies, the Company evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities or economic characteristics of the reinsurers.

Reinsurers are selected using the following parameters and guidelines set by the Company's Board of Directors and Reinsurance Committee. The criteria may be summarized as follows:

- a) Minimum acceptable credit rating by recognized rating agencies that is not lower than BBB.
- b) Reputation of particular reinsurance companies.
- c) Existing or past business relationship with the reinsurer.

The exception to this rule is in respect of local companies who do not carry any such credit rating. This, however, is limited to those companies registered and approved by the Local Insurance Regulator.

Furthermore, the financial strength and managerial and technical expertise as well as historical performance, wherever applicable, are thoroughly reviewed by the Company and matched against a



list of requirements preset by the Company's Board of Directors and Reinsurance Committee before approving them for exchange of reinsurance business.

### **12.3 Currency Risk**

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Management assesses that there is a minimal risk of significant losses due to exchange rate fluctuations and, consequently, the Company does not hedge its foreign currency exposure.

### **12.4 Commission rate risk**

The Company invests in securities and has deposits that are subject to commission rate risk. Commission rate risk to the Company is the risk of changes in commission rates, reducing the overall return on its fixed commission rate bearing securities. The Commission rate risk is limited by monitoring changes in commission rates in the currencies in which its cash and cash equivalents and investments are denominated.

### **12.5 Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. For all classes of financial assets held by the Company, the maximum exposure to credit to the Company is the carrying value as disclosed in the balance sheet.

The following policies and procedures are in place to mitigate the Company's exposure to credit risk."

- The Company only enters into insurance and reinsurance contracts with recognized, credit worthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivables from insurance and reinsurance contracts are monitored on an ongoing basis in order to reduce the Company's exposure to bad debts.
- The Company seeks to limit credit risk with respect to agents and brokers by setting credit limits for individual agents and brokers and monitoring outstanding receivables.
- The Company with respect to credit risk arising from other financial assets, is restricted to commercial banks, and counter parties having strong balance sheets and credit ratings.

### **12.6 Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial liabilities. Liquidity requirements are monitored on a daily basis and management ensures that sufficient funds are available to meet any commitments as they arise.

### **12.7 Market Price Risk**

Market price risk is risk that the fair value of future cash flows of a financial instrument will fluctuates because of changes in market prices (other than those arising from commission rate risk or currency




risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company limits market risks by monitoring a diversified portfolio and the professional fund manager continuously monitors the development in international treasury and equity markets.

## 12.8 Capital Management

The Company manages its capital to ensure that it is able to continue as going concern and comply with the SAMA's capital requirements while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of equity attributable to equity holders comprising paid capital, reserves and retained earnings.

As per guidelines laid out by SAMA in Article 66 of the Implementing Insurance Regulations detailing the solvency margin required to be maintained, the Company shall maintain solvency margin equivalent to the highest of the following three methods as per SAMA Implementing Regulations:

-  Minimum Capital Requirement of Saudi Riyals 100 million
-  Premiums Solvency Margin
-  Claims Solvency Margin

The Company is in compliance with all externally imposed capital requirements with sound solvency margin. The capital structure of the Company as at December 31, 2022 consists of paid-up share capital of SAR 400 million, statutory reserve of SAR 15.35 million and accumulated losses of SAR 34.895 million (2021: paid-up share capital of SAR 200 million, statutory reserve of SAR 15.35 million and accumulated losses of SAR 4.159 million), in the statement of financial position.

The amendment made to the Co-operative Insurance Companies Law in accordance with the Royal Decree (M/12) dated 23/1/1443H (corresponding to 01/09/2021) requires the minimum capital of insurance companies to be SAR 300 million by December 15, 2024.

## 12.9 Regulatory Framework List


The operations of the Company are subject to local regulatory requirements in the Kingdom of Saudi Arabia. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provisions, e.g., capital adequacy to minimize the risk of default and insolvency on the part of the reinsurance companies and to enable them to meet unforeseen liabilities as these arise.

## 13. Standard & Poor's

S&P Global Ratings has maintained the rating of (BBB) stable for the company. The Company was also assigned 'ksaAA' rating with a stable outlook by S&P Global Ratings. The rating was assigned as per the Saudi Arabia National Scale Rating.

## 14. Power of Attorney

The Company has given a limited Power of Attorney to Mr. Ghassan Hamza Al-Junaid, Company Secretary, to manage the company's affairs which includes; being the company's representative to



follow up governmental departments and higher/lower Courts of Law and primary/secondary commercial disputes commissions for settlement of labor disputes and grievances committee for insurance disputes and provincial governor's offices and civil rights commission and the traffic/ police departments and the Ministry of Commerce and Industry. He also has the mandate to sue and institute legal proceedings and attend court hearings of witnesses and demand oath taking with protection of witnesses and follow up debtors and freezing their assets and release all dues by certified company cheques. In addition, he can prevent the debtors from travelling and equally have the power to appeal on verdicts, grievances and has the authority to appoint legal experts to protest on reports and forgery and demand arbitration and select arbitrators and agree to settlements upon getting company's written approval and surrender and collect all documents and sign on behalf of the company at all the representations prescribed.


The Company has given a limited Power of Attorney to Mr. Mohammed Alshami, Legal Assistant, to manage the company's affairs which includes; being the company's representative to follow up governmental departments and higher/lower Courts of Law and primary/secondary commercial disputes commissions for settlement of labor disputes and grievances committee for insurance disputes and provincial governor's offices and civil rights commission and the traffic/ police departments and the Ministry of Commerce and Industry. He also has the mandate to sue and institute legal proceedings and attend court hearings of witnesses and demand oath taking with protection of witnesses and follow up debtors and freezing their assets and release all dues by certified company cheques. In addition, he can prevent the debtors from travelling and equally have the power to appeal on verdicts, grievances and has the authority to appoint legal experts to protest on reports and forgery and demand arbitration and select arbitrators and agree to settlements upon getting company's written approval and surrender and collect all documents and sign on behalf of the company at all the representations prescribed.

The Company has given a limited Power of Attorney to Mr. Reem Khalid Fagieh, Legal Officer, to manage the company's affairs which includes; being the company's representative to follow up governmental departments and higher/lower Courts of Law and primary/secondary commercial disputes commissions for settlement of labor disputes and grievances committee for insurance disputes and provincial governor's offices and civil rights commission and the traffic/ police departments and the Ministry of Commerce and Industry. He also has the mandate to sue and institute legal proceedings and attend court hearings of witnesses and demand oath taking with protection of witnesses and follow up debtors and freezing their assets and release all dues by certified company cheques. In addition, he can prevent the debtors from travelling and equally have the power to appeal on verdicts, grievances and has the authority to appoint legal experts to protest on reports and forgery and demand arbitration and select arbitrators and agree to settlements upon getting company's written approval and surrender and collect all documents and sign on behalf of the company at all the representations prescribed.

The Company has given a limited Power of Attorney to Mr. Majed Alzahrani, Government Relations, to manage the company's affairs which includes; being the Company's representative to follow up governmental departments- traffic/ police departments – government municipalities - Ministry of Labor and Social Development - employee related government agencies - General Organization for Social Insurance - issuing employment visas - transfer of sponsorship – updating employees information's representing the Company in any employee related matters.

The Company has given a limited Power of Attorney to Mr. Badr Alenzy, Thnyyan Althnyyan, Badr Alharbi, Maram Alenzy, and Nawwarah Alqahtani to manage the Company's affairs which includes; being the Company's representative to follow up all recovery cases, at governmental departments and higher/lower Courts and provincial governor's offices and the traffic/ police departments. They





also have the mandate to sue and institute legal proceedings and attend court hearings of witnesses and demand oath taking with protection of witnesses and follow up debtors and freezing their assets and release all dues by certified company cheques. In addition, he can prevent the debtors from travelling and equally have the power to appeal on verdicts, grievances and has the authority to appoint legal experts to protest on reports and forgery and demand arbitration and select arbitrators and agree to settlements upon getting company's written approval from the Company and surrender and collect all documents and sign on behalf of the company at all the representations prescribed.

The Company has given a limited Power of Attorneys to Mr. Ahmed Alnwaiser, Abdulrahman Alswailmi, Abdulwahab Alajlan, Muaz Albawardi, Ahmed Alomari, Mohammed Alsabban, Khalid Alqarni to manage the Company's affairs which includes being the Company's representative to follow up all legal cases, at governmental departments and higher/lower Courts and provincial governor's offices and the traffic/ police departments. They also have the mandate to sue and institute legal proceedings and attend court hearings of witnesses and demand oath taking with protection of witnesses and follow up debtors and freezing their assets and release all dues by certified company cheques. In addition, he can prevent the debtors from travelling and equally have the power to appeal on verdicts, grievances and has the authority to appoint legal experts to protest on reports and forgery and demand arbitration and select arbitrators and agree to settlements upon getting company's written approval from the Company and surrender and collect all documents and sign on behalf of the company at all the representations prescribed.

The Company has given a limited Power of Attorney to Mr. Mansour Aljadani, Doaa Batouk, Raghad Abu Moti, Feras Alshawwaf, Faisal Alfozan, Abdulaziz Alharbi, Sara Abdulmohsin to manage the Company's affairs which includes being the Company's representative to follow up all ZAKAT, Tax, withholding Tax cases, at governmental departments and higher/lower Courts and provincial governor's offices and the traffic/ police departments. They also have the mandate to sue and institute legal proceedings and attend court hearings of witnesses and demand oath taking with protection of witnesses and follow up debtors and freezing their assets and release all dues by certified company cheques. In addition, he can prevent the debtors from travelling and equally have the power to appeal on verdicts, grievances and has the authority to appoint legal experts to protest on reports and forgery and demand arbitration and select arbitrators and agree to settlements upon getting company's written approval from the Company and surrender and collect all documents and sign on behalf of the company at all the representations prescribed.

The Company has given a limited Power of Attorney to Mr. Salah Aldwiah, Abdulrahman Aljomma, Ali Alrishi, Faisal Alhathal, Maan Braik to manage the Company's affairs which includes being the Company's representative to follow up all recovery cases, at governmental departments and higher/lower Courts and provincial governor's offices and the traffic/ police departments. They also have the mandate to sue and institute legal proceedings and attend court hearings of witnesses and demand oath taking with protection of witnesses and follow up debtors and freezing their assets and release all dues by certified company cheques. In addition, he can prevent the debtors from travelling and equally have the power to appeal on verdicts, grievances and has the authority to appoint legal experts to protest on reports and forgery and demand arbitration and select arbitrators and agree to settlements upon getting company's written approval from the Company and surrender and collect all documents and sign on behalf of the company at all the representations prescribed.

The Company has given a limited Power of Attorney to Mr. Mohammed Alsubaie, Yousef Alattas, Abdullah Almakhaitah, Sami Aljizani, Sami Alswat to manage the Company's affairs which includes being the Company's representative to follow up all recovery cases, at governmental departments and higher/lower Courts and provincial governor's offices and the traffic/ police departments. They

also have the mandate to sue and institute legal proceedings and attend court hearings of witnesses and demand oath taking with protection of witnesses and follow up debtors and freezing their assets and release all dues by certified company cheques. In addition, he can prevent the debtors from travelling and equally have the power to appeal on verdicts, grievances and has the authority to appoint legal experts to protest on reports and forgery and demand arbitration and select arbitrators and agree to settlements upon getting company's written approval from the Company and surrender and collect all documents and sign on behalf of the company at all the representations prescribed.

**15. Declarations**

The Board acknowledges its responsibility for the true and fair presentation of the financial position of the company and declares that: -

- Proper books of accounts have been maintained.
- The system of internal control is sound in design and effectively implemented; and
- There are no significant doubts concerning the Company's ability to continue as "going concern".
- The integrity of the financial and accounting systems, including the systems related to the preparation of financial reports, has been verified.
- Appropriate risk control system was applied to manage risks, by defining the general perception of the risks that the company might face and presenting them transparently.

**16. Summary Biographies of Senior Management**

A brief summary of the experience, qualifications and current and previous positions of each of the members of Senior Management is set out below:

**16.1 Summary biography of Haitham Habib Mohammed Albakree**

Name	Haitham Habib Mohammed Albakree
Age	50
Nationality	Saudi
Position	CEO - Managing Director
Date of appointment at the Company	01/04/2013G
Academic Qualifications	<ul style="list-style-type: none"> <li>• Master's in international economics and Middle East Studies, John Hopkins University, USA, 2000G</li> <li>• Bachelor's Degree in business administration, Curry College, USA, 1996G</li> </ul>
Work Experience	<ul style="list-style-type: none"> <li>• Member of the Company's Executive Committee, 2013G to present</li> <li>• Member of the Company's Investment Committee, 2013G to present</li> <li>• Chief Operations Officer, FWU Global Takaful, a joint stock company registered in Dubai working in life insurance, 2011G – 2012G</li> <li>• Assistant General Manager of Strategic – Management, AlJazira Takaful Company, a Saudi listed joint stock company working in cooperative insurance, 2009G – 2011G.</li> <li>• Deputy General Manager and Head of Products and Distribution, and Secretary of the Board of Directors, Al Ahli Takaful Company, a Saudi listed joint stock company working in insurance, 2007G – 2009G</li> <li>• Head of Business Development, NCB, a Saudi listed joint stock company working in banking, 2002G – 2007G</li> </ul>



## 16.2 Summary biography of Rami Qari

Name	Rami Qari
Age	41
Nationality	Saudi
Position	Chief Operations Officer
Date of appointment at the Company	30/04/2017G
Academic Qualifications	<ul style="list-style-type: none"> <li>Bachelor's degree of Arts, English Language and Literature/Letters 2012, Jeddah</li> </ul>
Work Experience	<ul style="list-style-type: none"> <li>Operations Manager – Western Region at NASCO Saudi Arabia 2015-2017</li> <li>Customer Service Manager at Saudi Enaya Insurance Company 2012-2015</li> <li>Customer Service Supervisor at Bupa Arabia 2008-2012</li> <li>Training and Development Officer at Canadian Creative Center 2008-2008</li> <li>Administration Assistant at Sara Abu Al-Jadail Community Services 2007-2008</li> <li>Executive Manager Assistant at Hassan Abas Sharbatly 2006-2007</li> </ul>

## 16.3 Summary biography of Sohail Fazal Abbas

Name	Sohail Fazal Abbas
Age	61
Nationality	Pakistani
Position	Chief Financial Officer
Date of appointment at the Company	01/04/2010G
Academic Qualifications	<ul style="list-style-type: none"> <li>Fellowship of Management Accountants, Pakistan, 1986G</li> <li>Fellowship of Chartered Accountants, Pakistan, 1985G</li> <li>Bachelor of Commerce, University of Karachi, Pakistan, 1982G</li> </ul>
Work Experience	<ul style="list-style-type: none"> <li>Member of the Company's Executive Committee, 2013G to present.</li> <li>Financial Controller, Saudi National Insurance Company BSC, a Bahraini joint stock company working in insurance, 2001G-2010G.</li> <li>Executive Audit Manager, Ernst &amp; Young KSA, an office specialized in public accountancy and consultation, 1986G-2001G</li> </ul>

## 16.4 Summary biography of the Company's Secretary: Ghassan Hamza Ali Junaid

Name	Ghassan Hamza Ali Junaid
Age	49
Nationality	Saudi
Position	Head of Corporate Governance, Administration & Legal - Board Secretary
Date of appointment at the Company	01/04/2010G
Academic Qualifications	<ul style="list-style-type: none"> <li>Bachelor of Business Administration, King Abdulaziz University, KSA, 2009G</li> <li>Higher Diploma in Vehicle Engineering, Jeddah College of Technology, KSA, 1994G</li> </ul>
Work Experience	<ul style="list-style-type: none"> <li>Head of the Company's Governance, Legal and Administrative Affairs Department, 2014G to present.</li> <li>Manager of the Company's HR and Administrative Affairs Department, 2010-2013G</li> <li>Manager of the HR Department at the Saudi National Insurance Company BSC, a Bahraini stock company in the insurance industry, 1999G – 2009G</li> </ul>

## 16.5 Summary biography of Mohammed Saeed Bawazeer

Name	Mohammed Saeed Bawazeer
Age	34
Nationality	Saudi
Position	Head of Compliance
Date of appointment at the Company	01/02/2018G
Academic Qualifications	<ul style="list-style-type: none"> <li>Bachelor of Arts, International Studies, University of South Carolina 2014.</li> </ul>
Work Experience	<ul style="list-style-type: none"> <li>Senior Compliance and AML Officer – Wataniya Insurance Company 2020G-2021G</li> <li>Compliance Officer – Wataniya Insurance Company 2018G-2020G</li> <li>Operation Manager – Pace Information Technology</li> <li>Director of Administration and Supporting Services – Sakann Industrial Company 2016G-2018G.</li> <li>Sanction Officer – Compliance Department – Saudi National Bank 2014G-2015G.</li> </ul>

## 16.6 Summary biography of Pantelis Nicholas Mesolongitis

Name	Pantelis Nicholas Mesolongitis
Age	55
Nationality	Greek
Position	Chief Technical Officer
Date of appointment at the Company	01/08/2021
Academic Qualifications	<ul style="list-style-type: none"> <li>MBA, Insurance and Actuarial major, College of Insurance St. Johns University, USA</li> <li>Bachelor's degree in actuarial mathematics and Statistics Majors, Heriot Watt University, UK</li> <li>Postgraduate Diploma in Actuarial Science and Finance, University of Waterloo, Canada</li> <li>Qualified Actuary, The Cyprus Actuarial Association.</li> </ul>
Work Experience	<ul style="list-style-type: none"> <li>Deputy Senior Executive Officer, Head of Reinsurance - ACE Re Brokers, UAE</li> <li>Executive VP, Head of International Operations &amp; Business Development - OMAN INSURANCE COMPANY 2010G-2018G</li> <li>Group Actuarial Officer - FLAGSTONE ALLIANCE REINSURANCE PLC 2000G-2010G</li> </ul>

## 16.7 Summary biography of Murtaza Mustafa Quettawala

Name	Murtaza Mustafa Quettawala
Age	35
Nationality	Pakistani
Position	Chief Actuary
Date of appointment at the Company	11/09/2019
Academic Qualifications	<ul style="list-style-type: none"> <li>Fellow of the Society of Actuaries (FSA), 2019G</li> <li>Bachelor of Science (Honors), Lahore University of Management Sciences, Pakistan, 2011G.</li> </ul>
Work Experience	<ul style="list-style-type: none"> <li>Actuarial Manager, Alinma Tokio Marine, 2016G-2019G</li> <li>Assistant Manager, IGI Life Insurance Limited (Formerly MetLife Alico), 2011G-2016G</li> </ul>

## 17. Acknowledgements

The Board acknowledges with gratitude the cooperation and support extended by customers, insurance brokers, regulators and banks. The Board also wishes to place on record their sincere appreciations of the services rendered by all employees of the Company and are thankful to the Shareholders for their continued support.

For and on behalf of the Board of Directors,

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**Hussain Said Akeil**

Chairman

Date: 13 March 2023

<b>Appendix 1</b>	<b>Board of Directors Experience</b>
<b>Appendix 2</b>	<b>Board Committee Members Experience</b>
<b>Appendix 3</b>	<b>Executive Management</b>
<b>Appendix 4</b>	<b>Board of Directors membership on the Board of other companies</b>

## Appendix 1

### Board of Director Experience:

#	Director Name	Current Position	Previous Position	Qualification	Experiences
1	Dr. Hussein Akeil	Chairman OF Wataniya Insurance Company	Chief Legal Advisor – Abdulatif Jamil Group	JD. Law – Denver University- USA 1998	24 Years
2	Haitham Albakree	Managing Director– Wataniya Insurance Company	CEO – Wataniya Insurance Company	Master's Degree - International economics and Middle East Studies, John Hopkins University, USA, 2000G	22 years
3	Amin Mousa Alafifi	CEO of E. A. Juffali & Brother Co	Head of Corporate NCB Bank	Bachelor's degree – Business Administration Texas University 1984	38 years
4	Faisal Charara	CFO E. A. Juffali & Brothers Co	Assistant CFO EA Juffali & Brothers Co	Master's degree Business Administration – Harvard University 1994	28 years
5	Nedhal Radhwan	GM – Kamak Consultancy	Labor advisor – UBT Jeddah	Bachelor's degree – Economics King Saud University 1985	33 Years
6	Raed Sater	Partner – Hays Group, consultancy Dubai, United Arab Emirates	General Manager - HR & Admin – Bahrain Petroleum Co	Bachelor of Science in Finance King Fahad University of Petroleum and Minerals - 1994	30 Years
7	Feras Aljuraywi	Lawyer and Legal Consultant	Director of Performance Control at National Water Company - Asset Services Management	Master's degree from Imam University - Higher Institute of Justice - Commercial Judiciary Specialty	10 Years
8	Tahir Aldabbagh	Vice Chairman & Chairman - Audit Committee Tamwily International Co.	Chairman & Board Member Al Mamoon Overseas Insurance Brokerage Co., Ltd.	Bachelor of Science in Political Science & Bus. Administration – Central Michigan University - 1981	42 Years

## Appendix 2

### Experiences Committee Members:

#### 1. Executive Committee

#	Name	Current Position	Previous Position	Qualification	Experiences
1	Faisal Charara	CFO EA Juffali & Brothers Co	Assistant CFO EA Juffali & Brothers Co	Master's degree Business Administration - Harvard University 1994	28 years
2	Haitham Albakree	CEO/MD Wataniya Insurance Company	Chief Operation Officer FWU Global Takaful Solution	Master's degree - Economic - Jhon Hopkins University USA 2000	22 years
3	Sohail Abbas	CFO Wataniya Insurance Company	CFO Saudi National Insurance Company	Certified Management Accountant, Pakistan, 1986G Fellowship of Chartered Accountants, Pakistan, 1985G Bachelor of Commerce, University of Karachi, Pakistan, 1982G	36 years
5	Peter Choueiri	Senior Advisor - Roland Berger GmbH, Germany	Executive Consultant - Lee Hecht Harrison GmbH, Germany	Diploma in Business Administration - Friedrich-Alexander-Universität Erlangen-Nürnberg (FAU), Germany, 1991	32 Years

## 2. Audit Committee

#	Name	Current Position	Previous Position	Qualification	Experiences
1	Shireesh Bhide	CEO – United Arab Bank - UAE	Group Head of Corporate, Commercial & International Banking	Diploma – Accounting & Finance – London School of Economics – July 1995 MBA – Marketing – University of Poona – India – June 1990	32 Years
2	Sami Alhalabi	Advisor	Group COO – ROLACO Trading and Contracting Holding	MS, Mechanical Engineering – Stanford University – 1992	31 Years
3	Nedhal Radhwan	GM – Kamak Consultancy	Labor advisor – UBT Jeddah	Bachelor’s degree – Economics King Saud University 1985	33 Years

## 3. Investment Committee

#	Name	Current Position	Previous Position	Qualification	Experiences
1	Faysal Badran	Partner - CdR Capital Limited	Chief Investment Officer – SAVOLA Group	Bachelor’s degree – Economics DePauw University - USA 1988	14 years
2	Dr. Bernardus Vanlinder	CEO Commercial Bank Dubai	MD/CEO Alawwal Bank	PhD. Artificial intelligent	28 years
3	Haitham Albakree	CEO/MD Wataniya Insurance Company	Chief Operation Officer FWU Global Takaful Solution	Master’s degree – Economic -Jhon Hopkins University USA 2000	22 years



#### 4. Remuneration & Compensation Committee

#	Name	Current Position	Previous Position	Qualification	Experiences
1	Raed Sater	Partner – Corren Ferry Group, consultancy Dubai, United Arab Emirates	Partner – Hays Group, consultancy Dubai, United Arab Emirates	Bachelor of Science in Finance King Fahad University of Petroleum and Minerals – 1994	30 years
2	Faisal Charara	CFO EA Juffali & Borthers Co	Assistant CFO EA Juffali & Brothers Co	Master's degree Business Administration – Harvard University 1994	28 Years
3	Sami Alhalabi	Advisor	Group COO – ROLACO Trading and Contracting Holding	MS, Mechanical Engineering – Stanford University – 1992	31 Years

#### 5. Risk Management Committee

#	Name	Current Position	Previous Position	Qualification	Experiences
1	Amin Mousa Alafifi	CEO E A Juffali & Brother Co	Head of Corporate NCB Bank	Bachelor's degree - Business Administration Texas University 1984	38 years
2	Omar Hashim	Risk Committee member - Wataniya	Chairman of Alahli Takaful Company	Bachelor's degree – Computer Science KFPM University 1993	30 years

3	Nedhal Radhwan	GM – Kamak Consultancy	Labor advisor – UBT Jeddah	Bachelor’s degree – Economics King Saud University 1985	33 Years
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### Appendix 3

#### Executive Management:

#	Name	Current Position	Previous Position	Qualification	Experiences
1	Haitham Albakree	CEO/MD Wataniya Insurance Company	Chief Operation Officer FWU Global Takaful Solution	Master’s degree – Economic -Jhon Hopkins University USA 2000	22 years
2	Pantelis Nicholas Mesolongitis	CTO - Wataniya Insurance Company	Deputy Senior Executive Officer, Head of Reinsurance - ACE Re Brokers, UAE	MBA, Insurance and Actuarial major, College of Insurance St. Johns University, USA	23 years
3	Sohail Abbas	CFO Wataniya Insurance Company	CFO Saudi National Insurance Company	Certified Management Accountant, Pakistan, 1986G Fellowship of Chartered Accountants, Pakistan, 1985G Bachelor of Commerce, University of Karachi, Pakistan, 1982G	36 years
4	Rami Qari	COO Wataniya Insurance Company	Head - Operation Wataniya Insurance Company	Bachelor’s degree of Arts, English Language and Literature/Letters 2012, Jeddah	17 years
5	Ghassan Hamza Al-Junaid	Head of Governance & Legal Affairs – Board Secretary	Manager of the Company’s HR and Administrative Affairs Department	Bachelor of Business Administration, King Abdulaziz University, KSA, 2009G	27 years

## Appendix 4

Board of Directors membership on the Board of other companies:

#	Director Name	Company Name	Company Location	Legal Status
1	Dr. Hussien Akeil	Sakan Limited Company	Saudi Arabia	Limited (Private) Shareholding Company
		A Plus Manpower	Philippines	Limited (Private) Shareholding Company
2	Amin Mousa Alfifi	E A Juffali & Brothers Co	Saudi Arabia	Limited (Private) shareholding Company
		Saudi Cement Company	Saudi Arabia	Listed Public Shareholding Company
		SNIC Insurance Company	Bahrain	Limited (Private) Shareholding Company
		Arabian Chemical Company (Polystyrene)	Saudi Arabia	Joint Venture Limited Company
		Arabian Chemical Company (Latex)	Saudi Arabia	Joint Venture Limited Company
		Arabian Chemical Insulation Co. (ACIC)	Saudi Arabia	Joint Venture Limited Company
		Arabian Airconditioning Company (AAC)	Saudi Arabia	Joint Venture Limited Company
		Carrier Service Saudi Company (CSSC)	Saudi Arabia	Joint Venture Limited Company
		Floor Arabia Company	Saudi Arabia	Joint Venture Limited Company
National Automobile Company	Saudi Arabia	Joint Venture Limited Company		

		PolyOne MasterBatches Co.	Saudi Arabia	Joint Venture Limited Company
		Airconditioning Mfg., Company (SAMCO)		
		Saudi Building System Mfg., Co. (SBSM)	Saudi Arabia	Joint Venture Limited Company
		Saudi Ericsson Communication Co.	Saudi Arabia	Joint Venture Limited Company
		Saudi Liebherr Company	Saudi Arabia	Limited Company
		STEPCO		
		ProMinent Juffali FZC	Saudi Arabia	Joint Venture Limited Company
		Otis Elevator Company Saudi Arabia Limited Saudi	Saudi Arabia	Limited Company
		Juffali Univar Saudi Arabia Chemicals Company	UAE	Limited Company
		Juffali Tyres Company	Saudi Arabia	Joint Venture Limited Company
		Heidelberg Middle East FZCO		
		Juffali Airconditioning, Mechanical (JAMED)	Saudi Arabia	Joint Venture Limited Company
		Maintenance of Airconditioning & Refrigerators Co. (MARCO)	UAE – Jabal Ali	Limited Company
			Saudi Arabia	Limited Company

		Juffali Technical Equipment Company (JTECO)	Saudi Arabia	Saudi Arabia
			Saudi Arabia	Saudi Arabia
3	Faisal Charara	E A Juffali & Brothers Co	Saudi Arabia	Limited (Private) shareholding Company
		NCB Capital Company	Saudi Arabia	Limited (Private) Shareholding Company
		SNIC Insurance Company	Bahrain	Limited (Private) Shareholding Company
		Arabian Chemical Company (Polystyrene)	Saudi Arabia	Joint Venture Limited Company
		Arabian Chemical Company (Latex)	Saudi Arabia	Joint Venture Limited Company
		Arabian Chemical Insulation Co. (ACIC)	Saudi Arabia	Joint Venture Limited Company
		Arabian Airconditioning Company (AAC)	Saudi Arabia	Joint Venture Limited Company
		Carrier Saudi Service Company (CSSC)	Saudi Arabia	Joint Venture Limited Company
		Floor Arabia Company	Saudi Arabia	Joint Venture Limited Company
		National Automobile Company	Saudi Arabia	Joint Venture Limited Company
		PolyOne MasterBatches Co.	Saudi Arabia	Joint Venture Limited Company
		Airconditioning Mfg., Company (SAMCO)	Saudi Arabia	Joint Venture Limited Company

		Saudi Building System Mfg., Co. (SBSM)	Saudi Arabia	Joint Venture Limited Company
		Saudi Ericsson Communication Co.	Saudi Arabia	Limited Company
		Saudi Liebherr Company	Saudi Arabia	Joint Venture Limited Company
		STEPCO	Saudi Arabia	Limited Company
		ProMinent Juffali FZC	Saudi Arabia	Joint Venture Limited Company
		Otis Elevator Company Saudi Arabia Limited Saudi	UAE	Limited Company
		Juffali Univar Saudi Arabia Chemicals Company	Saudi Arabia	Joint Venture Limited Company
		Juffali Tyres Company	Saudi Arabia	Joint Venture Limited Company
		Heidelberg Middle East FZCO	Saudi Arabia	Joint Venture Limited Company
		Juffali Airconditioning, Mechanical (JAMED)	UAE – Jabal Ali	Limited Company
		Maintenance of Airconditioning & Refrigerators Co. (MARCO)	Saudi Arabia	Limited Company
		Juffali Technical Equipment Company (JTECO)	Saudi Arabia	Saudi Arabia
			Saudi Arabia	Saudi Arabia



4	Feras Aljuraywi	Azm Holding Company	Saudi Arabia	Limited Company
		Maydan Almustahlik trading Company.	Saudi Arabia	Limited Company

