

Annual Report

Investing in
Tomorrow's
Infrastructure

2022



سيسكو
SISCO



We intend to provide better opportunities for partnerships with the private sector through the three pillars: our position as the heart of the Arab and Islamic worlds, our leading investment capabilities, and our strategic geographical position. We will improve the business environment, so that our economy grows and flourishes, driving healthier employment opportunities for citizens and long-term prosperity for all. This promise is built on cooperation and on mutual responsibility.

His Royal Highness
Prince Mohammed bin Salman bin Abdulaziz Al Saud
Crown Prince, Prime Minister, and Chairman of the Council
of Economic and Development Affairs



The Custodian of the Two Holy Mosques
King Salman
bin Abdulaziz Al Saud



His Royal Highness
Crown Prince and Prime Minister
Mohammed
bin Salman bin Abdulaziz Al Saud

01 Overview

SISCO at a glance

Key Facts & Financial Highlights

Year in Review

Our Journey

Investment Case

Business Model

Investment Strategy

Strategic Local and International Partners

Board of Directors

Center of Excellence

Management team

SISCO at a glance

SISCO – A visionary investment company that is strengthening the foundations of KSA’s tomorrow

As the Kingdom’s leading and first publicly listed full-cycle logistics and infrastructure investment company, SISCO has proven expertise in identifying and creating industry leaders and transforming them into national champions.

Established in 1988, SISCO has built an impressive financial and operational track record through its strategic investments. The Company is led by a world-class management team that exercises financial prudence, robust risk management, and transparent governance.

Portfolio

With 7 portfolio companies spanning ports, logistics and water, SISCO’s total AUM stands at more than SAR 4 billion. The Company’s portfolio encompasses investments across Saudi Arabia and the GCC with plans to grow across the region and beyond. SISCO operates in resilient sectors enabling attractive risk-adjusted earnings. Its portfolio of ports and logistics assets underlined by strong market fundamentals has helped it set a track record of developing assets, generating sustainable returns and healthy cash flows.

Ports & Logistics

Ports: SISCO’s port and container terminal business is an industry leader in productivity and efficient operations. Red Sea Gateway Terminal Company is the largest container terminal in Saudi Arabia and among the top performing terminals internationally.

Logistics Infrastructure: SISCO’s logistics infrastructure and logistics services business has grown to span a diverse range of logistics services, developing new logistics parks and hubs to cater to the increasing demand for logistics, warehousing, distribution, transportation and value-added services.

Water Solutions

Water Desalination: SISCO’s water treatment services produce high-quality desalinated water with projects operational in major industrial hubs, offering desalinated water that ensures a steady and dependable water supply to the industrial sectors.

Water Distribution: The Company’s water management and distribution services specialize in delivering municipal and industrial water solutions and the operation and maintenance of water and wastewater facilities, including the Independent Sewage Treatment Plant (ISTP).

Vision:

To be the leading infrastructure investor and preferred solution providers in ports, logistics and water solutions in the Kingdom of Saudi Arabia.

Mission:

To become the partner of choice for leading public and private organizations by acting as a long-term anchor shareholder, operating and developing key infrastructural projects in Ports & Terminals, Logistics Parks & Services and Water Solutions.

Goal:

To invest responsibly in infrastructure, delivering long-term sustainable returns to shareholders.

Outperforming the market

The new SISCO: Investment Strategies to Power Saudi Vision 2030

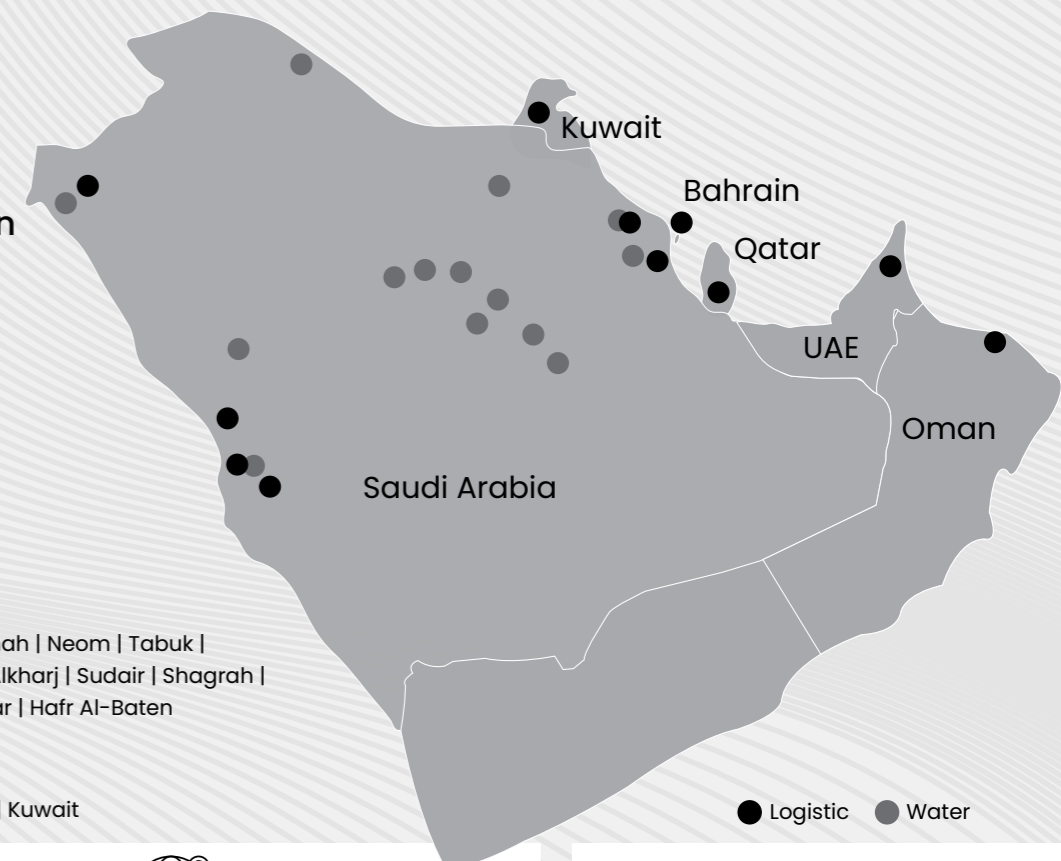
SISCO is committed to being a key driver and enabler of the National Industrial Development and Logistics Program and Saudi Vision 2030’s logistics ambitions and strengthening KSA’s economic leadership on the world stage.

Value Accretive: SISCO enhances value creation for its stakeholders and portfolio companies through a strategic focus on investing, scaling and integrating, to create a seamless platform of synergistic portfolio companies powered by innovation and digitization. To that end, SISCO has grown a robust network of strategic partners to complement our portfolio companies. The Company remains committed to delivering its five-year strategy and doubling revenues to SAR 2 billion by 2026.

Resilient: SISCO strategically invests in world-class businesses and projects designed to generate sustainable profits and long-term growth for its shareholders and accelerate Saudi Arabian economic growth and expansion. The Company’s business model primarily focuses on Saudi investment opportunities, which has served to lessen the impact from global macroeconomic headwinds.

Responsible: The Company is integrating the best practices of Environmental, Social and Governance (ESG) across its business and subsidiaries. SISCO’s sustainability framework aims at reducing water consumption and waste generation. As a responsible investor, the Company has interwoven the wellbeing and development of the community within its mission statement. It is especially committed to enhancing the capabilities of young Saudi men and women to craft a better tomorrow for the Kingdom and the world.

Business Operation Locations



KSA

Jeddah | Rabigh | Taif | Madinah | Neom | Tabuk | Riyadh | Dammam | Jubail | Alkharj | Sudair | Shagrah | Zulfy | Buraidah | Qassim | Arar | Hafr Al-Baten

GCC

Oman | UAE | Qatar | Bahrain | Kuwait

● Logistic ● Water

Ports & Logistics

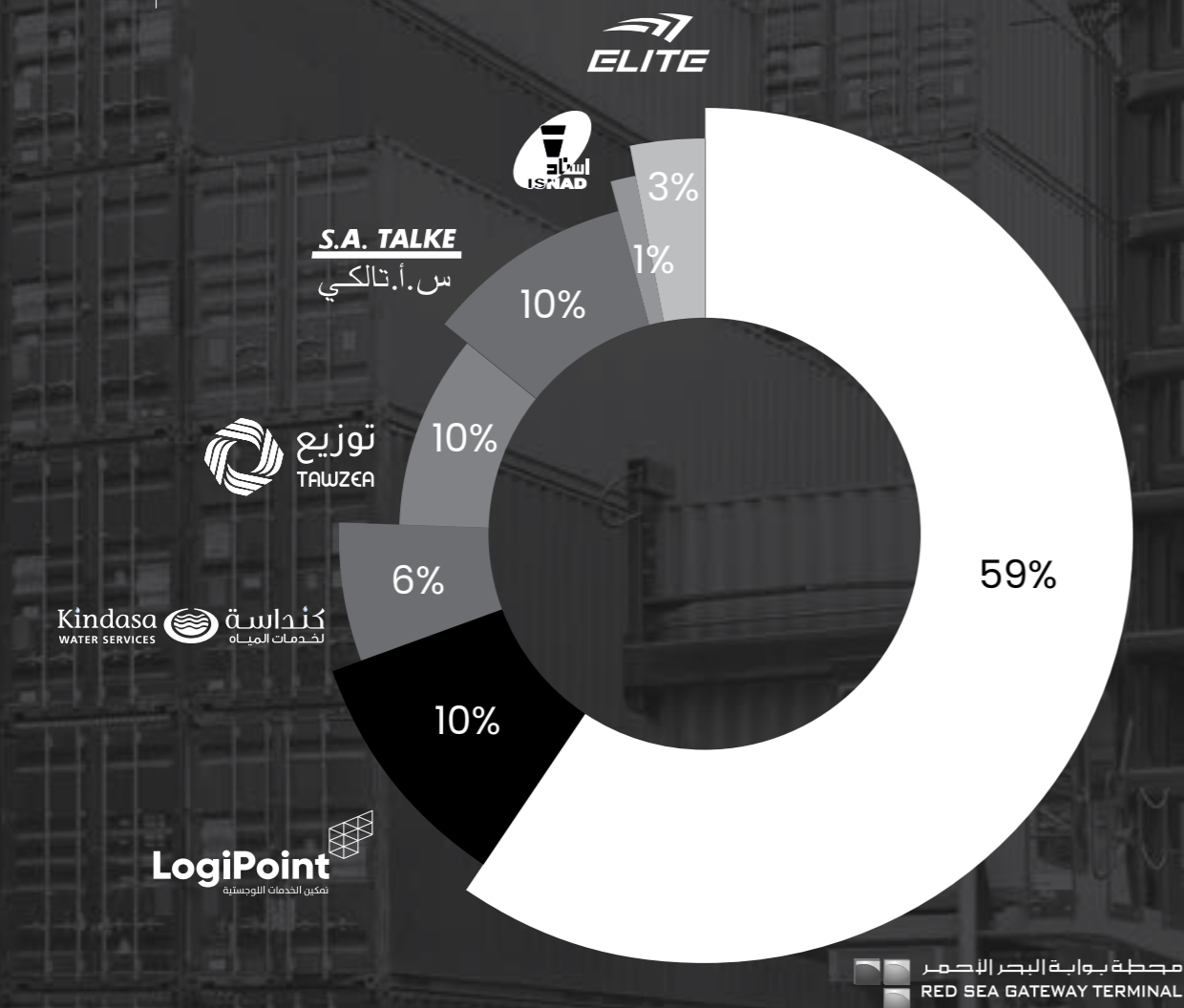


Water



Portfolio companies are 1st or 2nd in their sector
Strong synergies across portfolio

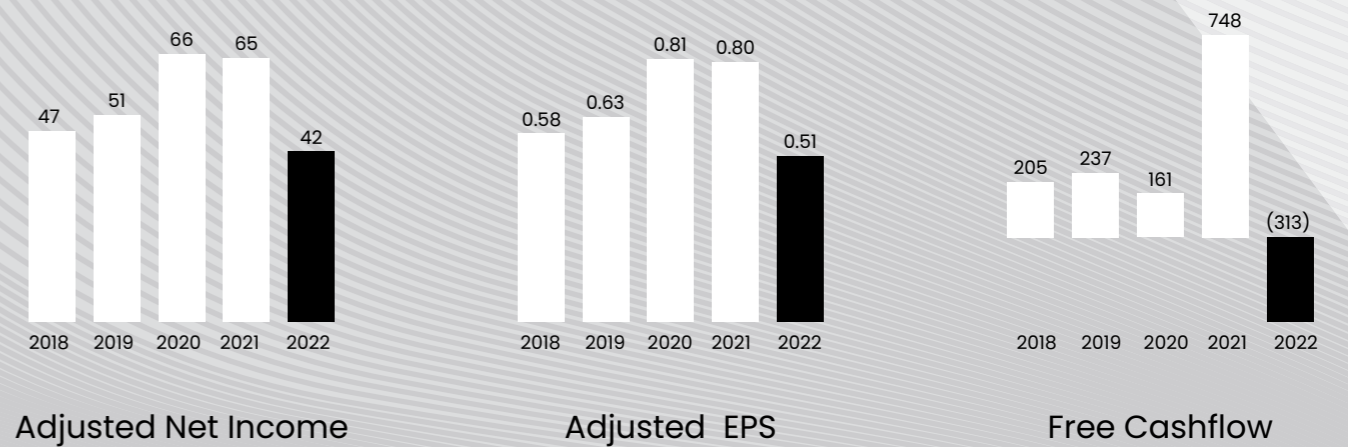
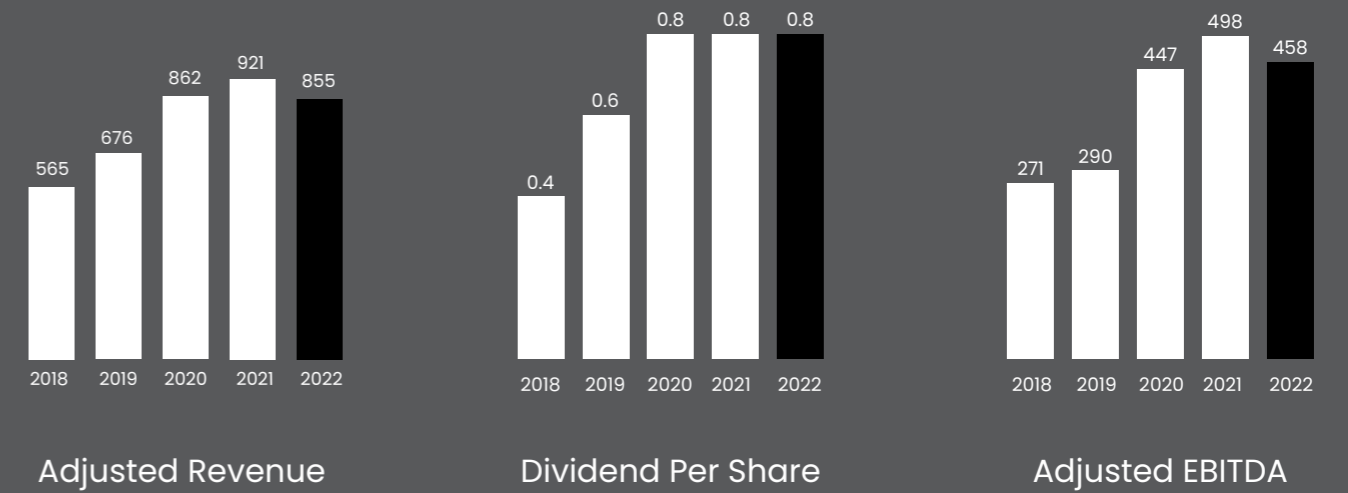
Total AUMs
SAR 4+ billion



■ RSGT/RSPD ■ LogiPoint ■ Kindasa ■ Tawzea ■ SA Talke ■ Isnad ■ Elite

Key Facts & Financial Highlights

Outperforming the market: 5 year highlights



10-year track record

+135%

Portfolio Returns

>12%

IRR

10%

Revenue CAGR

* Revenue excludes accounting construction revenue

Year in Review

SISCO announces a deal signed between the National Water Company and a consortium that includes associate company Tawzea to manage, operate, and maintain water and environmental treatment services in the country's north west cluster.

S.A. TALKE starts a modern Multiuser Facility MUF 2 in Jubail Industry City to offer multiple services to its customers.



Tawzea coordinates with the Saudi Water Partnerships Company to achieve financial close for independent wastewater treatment plants in Tabuk and Buraidah.



RSGT is selected as the preferred operator by the Bangladeshi Ministry of Shipping to operate a 500,000-TEU facility at Patenga Container Terminal (PCT) in Chittagong, Bangladesh's primary port.

SA Talke secures financing to fund MUF2 expansion project.



National Water Company awards a contract to a consortium that includes Tawzea, to manage, operate and maintain water and environmental treatment services in the country's south cluster.



SISCO's subsidiary LogiPoint secures a SAR 290 million loan facility to fund its expansion.

MSC signs deal with RSGT to introduce a new call on its HEX service.



JANUARY

MARCH

SISCO announces dividend of SAR 0.4 per share for 2021.

SISCO's board approves acquisition of a 31.7% stake in Green Dome Investments via a share ownership transfer from its subsidiary Saudi Trade & Export Development Company ("LogiPoint").

SISCO establishes RSPDI investment vehicle for international port expansion.

SISCO announces an interim dividend of SAR 0.4 per share for 2022.

SISCO shareholders approve the Company's proposal to buy back up to 10% of its ordinary shares and hold them as Treasury Shares.

SISCO appoints Mr. Khalid Suleimani as the new Group CEO.

JUNE

AUGUST

SEPTEMBER

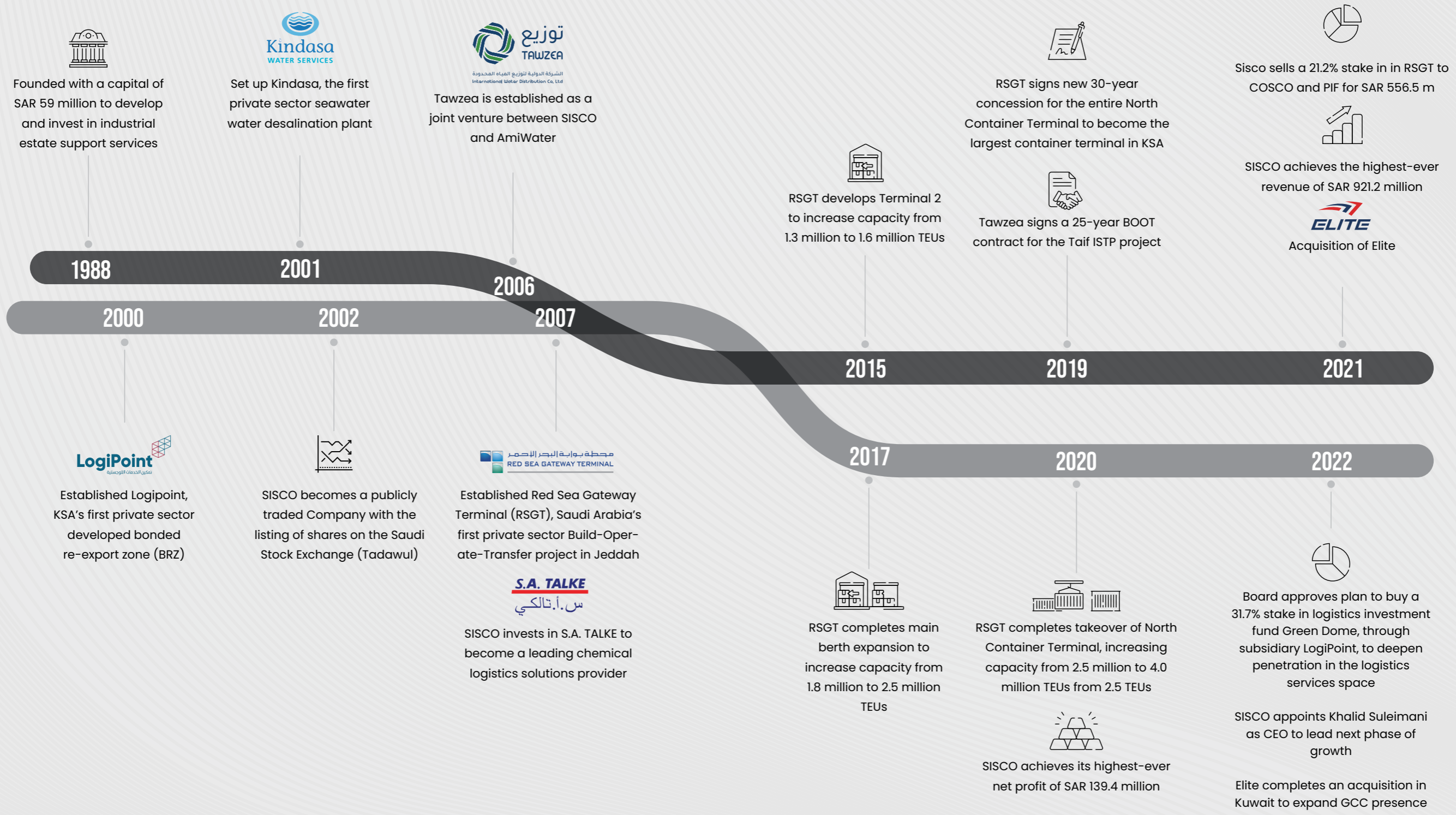
OCTOBER

NOVEMBER



Our Journey

Set up as a publicly held joint stock company, SISCO is today one of Saudi Arabia's leading investment companies with a unique diversified portfolio of unique assets spanning ports, industrial parks and services, and water solutions powering the nation's logistics lifeline.



Investment Case

Creating long-term value with a focus on growth

Over the past 34 years, SISCO has provided shareholders a unique proposition into a highly diversified portfolio of infrastructure investments with a focus on long-term growth beyond income generation. Our operating model is driven by a balanced philosophy of creating value and generating profits for our stakeholders. The Board's portfolio, financial management approach, and acquisition strategies center around this philosophy. We are also deeply committed to leading with a purpose beyond profits and building a culture encompassing the holistic and sustainable wellbeing of humanity.

Total AUMs over SAR 4 billion

Our portfolio includes market-leading infrastructure assets in the GCC with supporting market fundamentals. SISCO's seven portfolio companies have assets under management worth more than SAR 4 billion. We develop our portfolio through organic growth as well as value-enhancing acquisitions.

+135% 10-year Portfolio Return

We have a track record of generating strong returns and solid cash flow. Our investments are managed on a decentralized basis while the Board provides strategic directions and expertise. Our 22% CAGR growth in dividend over the past 5 years highlights the growth we deliver to our shareholders.

10% – YoY Revenue Growth in the last 5 years

Our record in developing assets is exemplary, with a tried and tested strategy of incubating and scaling up large-scale projects. Deep sector expertise coupled with the strategic knowledge of signing and operating concessions helped us strengthen market leadership and achieve economies of scale. Our dominance in the sectors we operate is reflected in the leadership of LogiPoint, a BRZ operator in the Kingdom, and S.A. Talke's 3PL petrochemical logistics.

Portfolio-based strategies creating superior value

Our Integrated Logistics Platforms spanning our portfolio capabilities in ports and logistics provides SISCO with a superior value creation model. Our water distribution, ideally positioned to benefit from the privatization of the segment, is leading towards market dominance by consolidation and harnessing group synergies.

Access to Capital

We have adequate access to finance through banks and financial institutions, which will drive our investments in the future. A diversified portfolio of assets in defensive sectors that need recurring high capital and robust capital management capabilities enables reliable long-term cash generation. Our strategy to exit mature businesses partially also increases our avenues of access to capital in future.

Expert Leadership

Our management and the Board comprise experts in the field whose knowledge of international best practices is unmatched. Their active investment management approach has translated into SISCO's success in acquiring and growing remunerative brownfield investment opportunities.

Synergistic Portfolio

SISCO's comprehensive portfolio of businesses are in synergy and helps the Group to operate in low-risk, capital-intensive sectors. Our leaders have an astute sectoral expertise that enables us to negotiate high barriers to entry in a highly regulated environment that requires working closely with authorities and ensure a high level of compliance.

Sustainable growth

SISCO's sustainability framework captures four key areas of ESG goals: empowering our people, good governance and strong intuition, sustainable environment and infrastructure, and supporting our communities to enhance holistic value creation for all stakeholders.

Business Model

As a leading investment company in KSA, SISCO's business model is designed to grow our portfolio organically and inorganically beyond generating strong returns and solid cashflows.

Investment Portfolio

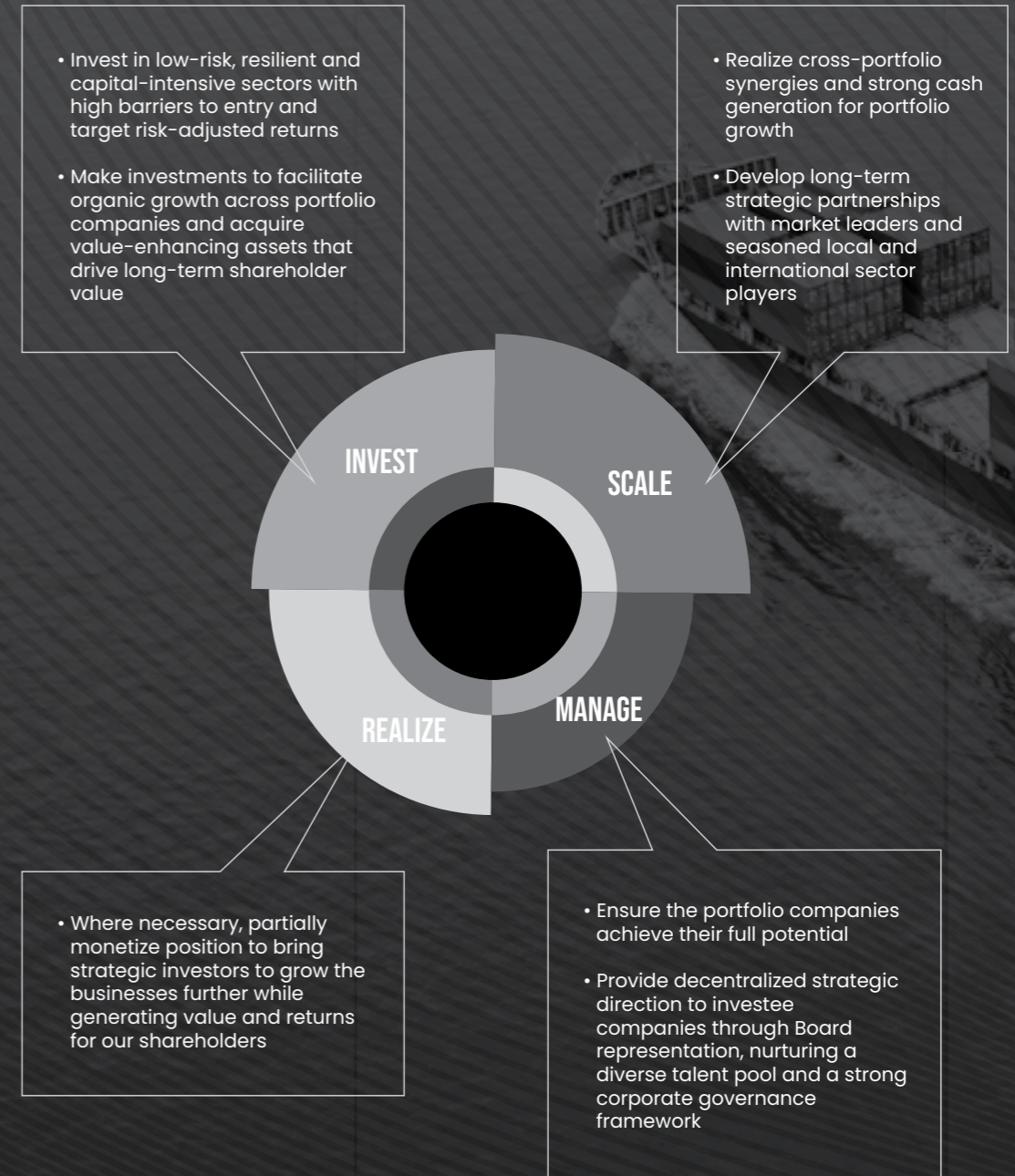
Infrastructure and Logistics



Our Differentiators



Our Value Creation Model



Investment Strategy

The Company will utilize its expertise in greenfield investments to expand by investing in brownfield projects or M&A, scaling and creating a comprehensive logistics platform that covers the entire supply chain from ports to door.

Growth enablers

SISCO will achieve growth through two avenues: organic and inorganic growth through our portfolio companies or our investment vehicles and inorganic investment at the holding level.

Acquisitions at Holding Level

SISCO will drive growth at the holding level through inorganic investments in logistics, primarily focusing on 3PL cold chain and adjacencies in the logistics value chain. SISCO has built strong investment capabilities at the corporate level to implement its strategy. A healthy pipeline of deals has been developed within the 3PL cold chain and e-commerce segment. SISCO's acquisition strategy will be primarily KSA focused although opportunities across the GCC will be considered if they fit our overall investment criteria.

SISCO Investment Vehicles

We are currently focusing on establishing investment structures that will support entering into strategic partnerships, and our global expansion strategy. This approach has proven to be successful in the past, as evidenced by the evolution of our initial investment structure, RSPD, into RSGT. Our current vehicles include:

RSPD

RSPD was established in 2009 as the original investment vehicle which spawned our greenfield asset RSGT, one of the world's busiest port operations and the largest asset in our portfolio, and our crown jewel. We continue to seek opportunities to expand within the Kingdom through new concessions or acquisitions.

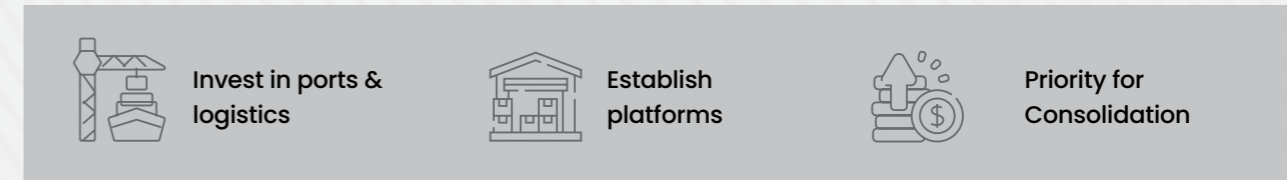
Green Dome Investment (GDI)

GDI was established in 2020 in partnership with two notable Emirati families to serve as our logistics investment vehicle, expanding our reach beyond the Kingdom and throughout the GCC. Its initial acquisition was Elite Logistics in 2021, granting SISCO a foothold in the United Arab Emirates, Qatar, Bahrain, and Oman. Elite Logistics extended its operations to Kuwait in 2022, enabling our presence in all five Gulf nations. These moves underscore our proactive approach to expanding our investment opportunities. The company has an independent investment committee with 7 members chaired by a SISCO representative.

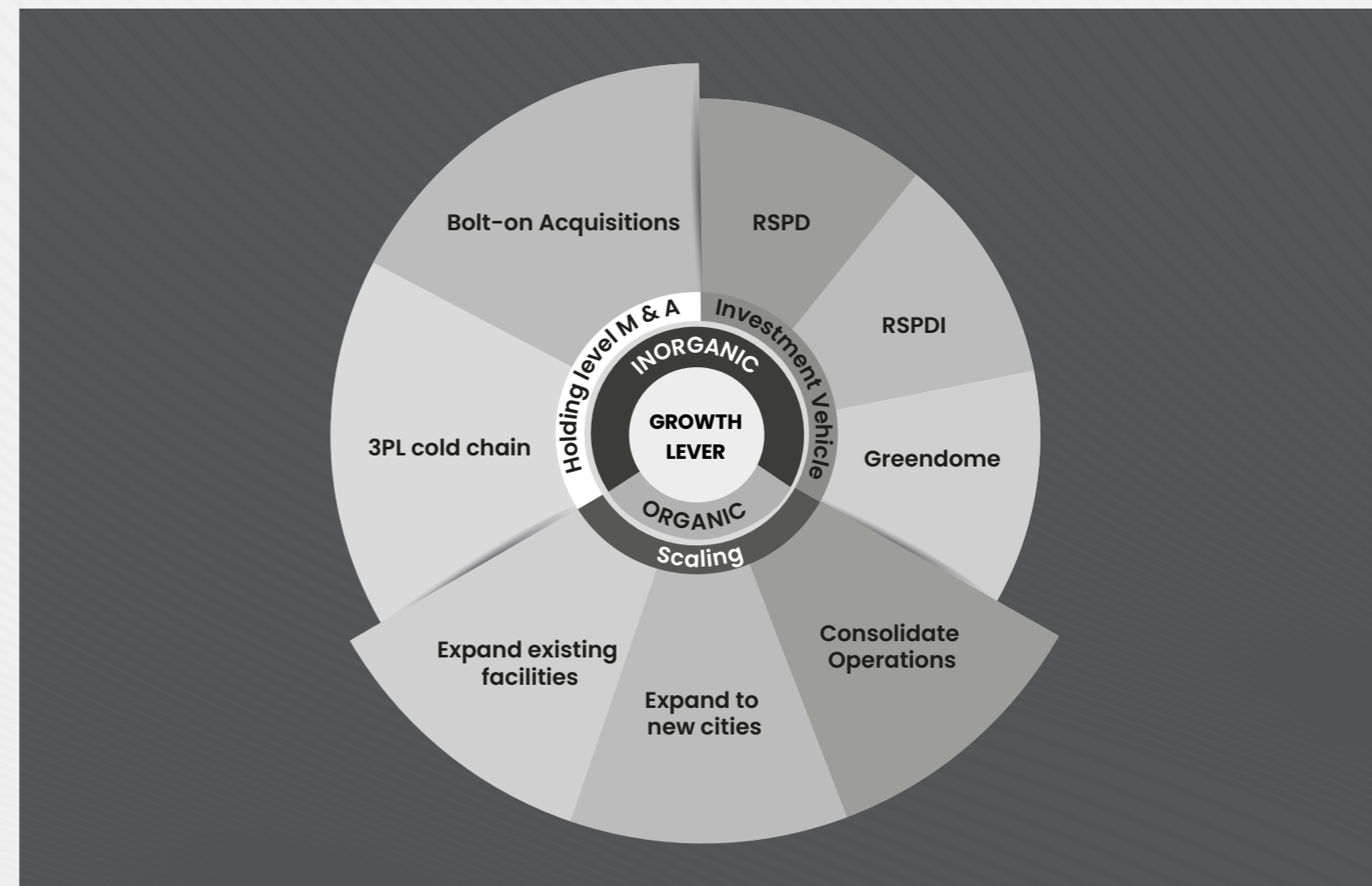
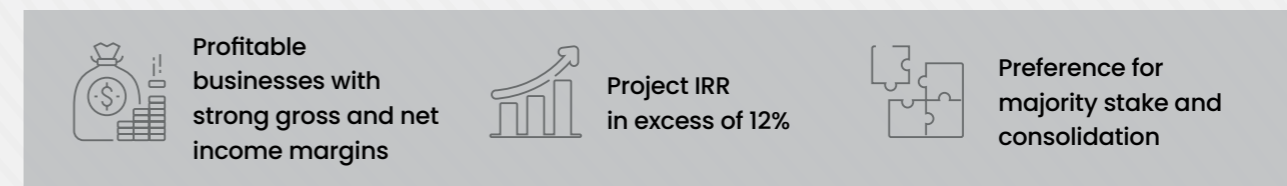
RSPD International (RSPDI)

In order to extend the range and presence of RSGT beyond the Kingdom, we established RSPDI as our latest investment vehicle in 2022. This move marks SISCO's inaugural foray into international investment. Our early endeavors through RSPDI have already yielded fruitful outcomes, as we were selected as the preferred operator for a port terminal in Bangladesh.

Key Pillars



Investment Criteria



Strategic Local and International Partners

Strategic Partner



Public Investment Fund (PIF): One of the world's largest sovereign wealth funds, PIF has a world-class investment portfolio focusing on long-term, opportunistic domestic and international investments.

Local Partners



Abdul Latif Jameel is a family-owned diversified business founded in Saudi Arabia in 1945. Abdul Latif Jameel comprises diversified businesses across seven business segments with a predominant focus in the Middle East, North Africa, and Turkey.



Amiantit was incorporated in Dammam, Saudi Arabia, in 1968 to manufacture pipes for the local market. Amiantit serves sectors such as Municipal & Urban Development, Industrial, Oil & Gas, Water Transmission and Distribution, and Water Wells.

International Partners



COSCO SHIPPING Ports Ltd is a global leader and one of the world's fastest-growing port operators.



Rais Hassan Saadi was founded in 1910 and ranks amongst the leading commercial enterprises in Dubai, with a core business of shipping and freight-related services.



ACCIONA was formed in 1997 and focuses on infrastructure, Energy and Water. ACCIONA is a global group that develops and manages sustainable infrastructure solutions, especially in renewable energy. Its business spans the entire value chain, from design and construction to operation and maintenance.



MMC: A leading utilities and infrastructure group with diversified businesses - Ports & Logistics, Energy & Utilities and Engineering & Construction.



Alfred Talke is a 72-year-old privately held company spread across 69 locations worldwide with more than 3,800 employees. The Company is present in 16 countries in Europe, the Middle East, Asia and the USA. It serves as the logistics provider for the chemical and petrochemical industry.



Sharaf Group is a highly diversified business with operations in Shipping, Logistics, Supply Chain, Retail, Travel & Tourism, Information Technology, Financial Services, Hospitality & Real Estate, Education and Manufacturing. The Group is headquartered in Dubai and operates in 40 countries across the Middle East, Africa, the Indian subcontinent, and Asia.

Board and Committee Members

Mr. Aamer Abdullah Alireza

Chairman of the Board

On SISCO Board since 2003
Investment Committee Member and Nomination and Remuneration Committee Member



MEMBERSHIP IN COMPANIES	LEGAL ENTITY
<ul style="list-style-type: none"> Transport General Authority Al Balad Development Co. Saudi Logistics Academy. Oxagon Industrial City –NEOM Tabadul (Previously) 	Governmental
<ul style="list-style-type: none"> Red Sea Ports Development (a subsidiary of SISCO) Magrabi Hospitals and Centers 	Closed Joint Stock
<ul style="list-style-type: none"> BUPA Arabia for Co-operative Insurance (Previously) 	Listed / Joint Stock
<ul style="list-style-type: none"> Xenel Industries Co. Red Sea Gateway Terminal Co. (a subsidiary of SISCO) Saudi Trade and Export Development Co. (a subsidiary of SISCO) Support Services Operation Co. (a subsidiary of SISCO) Aecom Arabia Ltd. Green Dome Investments (United Arab Emirates) 	Limited Liability

CURRENT POSITION	PREVIOUS POSITION	QUALIFICATIONS	EXPERIENCE
<ul style="list-style-type: none"> Executive Chairman of the Board of Directors, RSGT Executive Chairman of the Board of Directors, LogiPoint Board Member of Xenel Industries Ltd. and Chairman of the Executive Committee. Also Managing Director of Xenel Services Division Chairman of the Board, AECOM Arabia Ltd. 	<ul style="list-style-type: none"> Vice Chairman, SISCO CEO and Board Member, LogiPoint CEO and Board Member, RSGT 	<ul style="list-style-type: none"> BA in Economics and Political Science from Pitzer College, California, USA – 1994 Certificate in Financial Affairs from the University of Berkeley – California – USA – 2000 Certificates of attending several training courses for executives, the latest of which was the “Advanced Management Program” from Harvard Business School, Boston – USA – in 2010. 	<p>Mr. Aamer Alireza is a member of the Board of Directors, Chairman of the Executive Committee, and Managing Director of the Industrial Services Department at Xenel Industries, Chairman of the Board of Directors of AECOM Arabia Limited, and Vice Chairman of Magrabi Hospitals and Centers.</p> <p>Mr. Amer is also the Chairman of the Board of Directors of the Saudi Industrial Services Company, SISCO (a public joint stock company), the Executive Chairman of the Board of Directors of the Red Sea Gate Station Company Limited (RSGT), and the Executive Chairman of the Board of Directors of the Saudi Trade and Export Development Company Ltd. “LogiPoint”. They are both subsidiaries of SISCO</p> <p>He previously held the position of Managing Director of OilSpace – Middle East, and over the past six years he held several leadership positions in the international Chevron Company in the United States of America, Britain and Russia.</p> <p>Mr. Amer has multiple practical experiences in the field of business development and management of giant projects, which he gained during his work with major companies operating in various fields such as petroleum, information technology, e-commerce, infrastructure, industrial services, and the logistics and navigation services sector.</p>

Dr. Adnan Abdulfattah Soufi

Vice Chairman

On SISCO Board since 2020
Investment Committee Chairman



MEMBERSHIP IN COMPANIES	LEGAL ENTITY
<ul style="list-style-type: none"> Natixis Saudi Arabia Investment Company (NSAIC) (Audit and Risk Committees member) (Licensed by the Capital Market Authority) Member of the Advisory Board of the Saudi State Street Financial Solutions Company (licensed by the Capital Market Authority) Member of the Advisory Board of Saudi Microstrategy Company. Wadi Jeddah Company (Investment Committee Member) El-Zamazama Company (Chairman of the Board of Directors) Panda Retail Company (Investment Committee Member) (Previously) NCB Capital (Nominations and Remunerations Committee Member) (Previously) 	Closed Joint Stock
<ul style="list-style-type: none"> Fitaihi Holding Group (Audit Committee Member) The Savola Group (Investment Committee Member) (Previously) Bupa Arabia (Chairman of the Audit Committee) (Previously) Arab Cement Company (Nominations and Remunerations Committee Member) (Previously) 	Listed / Joint Stock

CURRENT POSITION	PREVIOUS POSITION	QUALIFICATIONS	EXPERIENCE
<ul style="list-style-type: none"> Co-Founder and Executive Partner, Dr. Adnan Abdel Fattah Soufi Office for Management Consultancy Chairman of the Advisory Committee, General Authority for Endowments Member of the Investment Committee, Environment Fund. Member of the Advisory Board of State Street Financial Solutions Member of the Advisory Board of MicroStrategy. 	<ul style="list-style-type: none"> Board Member, Capital Market Authority CEO, SEDCO Holding Company Dean of the Faculty of Economics, King Abdulaziz University Senior Associate Member, Oxford University Member of the Scientific Council, King Abdulaziz University (Previously) Chairman of the Advisory Committee, Capital Market Authority (Previously) 	<ul style="list-style-type: none"> PhD in Business Administration from George Washington University, USA. Master’s degree in Business Administration from Seattle University, USA. 	35 years’ experience in corporate management, Boards memberships, governance, business development, strategies, management change, transformation programmes and institutional investment

Board and Committee Members

Dr. Abdulaziz Abdullatif Jazzar

On SISCO Board since 2014

Nomination and Remuneration Committee Chairman and Audit Committee Member



MEMBERSHIP IN COMPANIES	LEGAL ENTITY
• Korom Ajyad Ltd.	Limited Liability
• Malaz Capital Co.	Closed joint stock
• Waed Company	Venture Capital Fund (fully owned by Aramco)
• Venture Capital and Private Equity Association	Government
• Emcan for Information Technology	Limited liability
• King Abdullah bin Abdulaziz Endowment for Giftedness and Creativity	Government
• Dar Al Hekma University (member of Board of Trustees)	Non-profit Organization

CURRENT POSITION	PREVIOUS POSITION	QUALIFICATIONS	EXPERIENCE
<ul style="list-style-type: none"> Chairman of the Board of Directors, Malaz Capital Chairman of the Board of Directors, Malaz Group 	<ul style="list-style-type: none"> Executive Director of the Saudi Research and Publishing Co (SRPC) Economic Cities Authority Board of Director. Member of the Board of Directors of the National Program for the Development of Industrial Clusters. Member of the Board of Directors of the Riyadh Chamber of Commerce, and Chairman of the Organizing Committee of the Riyadh Economic Forum in its first and second sessions He is currently a member of the Executive Committee of the Saudi-British Business Council and the Saudi-Chinese Business Council 	<ul style="list-style-type: none"> He holds a Bachelor's degree in Computer and Communications Engineering from the University of Essex, UK. Master's degree in systems engineering from King Fahd University of Petroleum and Minerals Ph.D. in computer science from the University of Southern California, USA. 	<p>He worked as CEO of the Industrial and Engineering Systems Company and as a member of the Board of Directors of the Industrial Estates Authority and also as a member of the Council of the National Industries Development Program, and he was an officer in the Royal Saudi Air Force.</p>

Eng. Saleh Ahmed Hefni

On SISCO Board since 1998

Investment Committee Member



MEMBERSHIP IN COMPANIES	LEGAL ENTITY
<ul style="list-style-type: none"> Halwani Brothers Co. (Previously) Al-Ahli Takaful (Previously Executive Committee & Risk Committee Member) Middle East Healthcare Company - MEAHCO (Previously) Saudi Ground Services Co. (Previously NRC & Executive Committee Member) 	Closed Joint Stock
<ul style="list-style-type: none"> Halwani Brothers Co. (Egypt) (Previously) Kindasa Water Services Co. (SISCO subsidiary) 	Listed/Joint Stock
<ul style="list-style-type: none"> Saudi Trade and Export Development Co. "LogiPoint") SISCO subsidiary(Omar Kassem Alesayi Co. Ltd. Al Tawfiq Co. for Plastic & Woven sacks Ind. Ltd National Biscuits & Confectionery CO. LTD TechnoVal Information Systems United Warehouse Company Motor Vehicle Periodic Inspection 	Limited Liability

CURRENT POSITION	PREVIOUS POSITION	QUALIFICATIONS	EXPERIENCE
<ul style="list-style-type: none"> Group CEO, Omar Kassem Al-Esayi Co. (OMACO) 	<ul style="list-style-type: none"> Managing Director and CEO, Halwani Brothers Co. (KSA and Egypt) 	<ul style="list-style-type: none"> Bachelor of Science in Civil Engineering from San Francisco "United States" Master's degree in Human Resources from University of Strathclyde, Scotland 	<p>Experience in management, aiding companies with structure, and business development.</p>

Board and Committee Members

Ms. Muneera Hejab Al-Dossary

On SISCO Board since 2020

Investment Committee Member



MEMBERSHIP IN COMPANIES

- Rugove European Water Company "Kosovo" (Previously)

LEGAL ENTITY

Closed Joint Stock

CURRENT POSITION	PREVIOUS POSITION	QUALIFICATIONS	EXPERIENCE
<ul style="list-style-type: none"> • Head of Asset Management and Chief Investment Officer, HSBC Saudi Arabia • Chairwoman, Capital Market Financial Institutions Committee • Vice Chairwoman, National Committee of Financial and Insurance Sectors, Conical of Saudi Chambers • Member of Investment and Securities Committee, Riyadh Chamber of Commerce 	<p>She held several different positions, including:</p> <ul style="list-style-type: none"> • Chief Investment Officer and Head of Asset Management - HSBC Saudi Arabia • CEO of Mulkia Investment Company • Head of Equity Investments Department at Saudi Fransi Capital. • Vice Chairman of the Board of Directors of Education REIT Fund. 	<ul style="list-style-type: none"> • Bachelor's degree in Business Administration Studies/MIS from Arab Open University • Banking Operations Diploma from Institute of Public Administration 	<p>Over 18 years of experience in banking and asset management.</p>

Mr. Talal Nasir Al-Dakhil

On SISCO Board since 2020

Nomination and Remuneration Committee Member



MEMBERSHIP IN COMPANIES

- Washmen Holding Limited

- International Water Distribution Company

LEGAL ENTITY

Limited Liability

Closed joint stock company

CURRENT POSITION	PREVIOUS POSITION	QUALIFICATIONS	EXPERIENCE
<ul style="list-style-type: none"> • Businessman 	<ul style="list-style-type: none"> • He held several positions, including Senior Banker for Corporate Banking at Banque Saudi Fransi, and Relationship Manager for Corporate Banking at Banque Saudi Fransi. 	<ul style="list-style-type: none"> • He holds a bachelor's degree in Financial Management from King Saud University. 	<p>More than 11 years of experience in corporate banking.</p>

Board and Committee Members

Mr. Ahmed Mohammed Al-Rabiah

On SISCO Board since 2020

Nomination and Remuneration Committee Member



BOARD MEMBERSHIP IN COMPANIES BASED IN KSA

- Innovative Foods Company
- Saudi Trade & Export Development Co.

LEGAL ENTITY

Limited Liability

CURRENT POSITION	PREVIOUS POSITION	QUALIFICATIONS	EXPERIENCE
<ul style="list-style-type: none"> • Chief Profitability Officer, Shawarmer Food company. 	<ul style="list-style-type: none"> • Previously held several positions such as Director of Wealth and Investment Management at Audah Capital, and Senior Director of Corporate Banking Relations at Saudi British Bank. 	<ul style="list-style-type: none"> • Bachelor's degree in Computer Science, Boston University, USA 	14 years' experience in wealth management, investment and banking relationships.

Mr. Waleed Abdulaziz Kayyal

Audit Committee Chairman



MEMBERSHIP IN COMPANIES BASED IN KSA

- Kinan International Co. (Member of Remuneration Committee) (Previously)
- Itqan Capital (Previously)
- AMS BAESHEN & CO. (Audit Committee Member)
- Middle East Healthcare Company – MEAHCO (and Audit Committee member) (Previously)
- SABB Takaful (Previously)

LEGAL ENTITY

Closed Joint Stock

Listed/ Joint Stock

CURRENT POSITION	PREVIOUS POSITION	QUALIFICATIONS	EXPERIENCE
<ul style="list-style-type: none"> • Businessman 	<ul style="list-style-type: none"> • Regional Director for Saudi British Bank 	<ul style="list-style-type: none"> • Bachelor's degree in Commerce 	Extensive experience in the banking industry gained through his employment with Saudi British Bank and other companies. Ex-HSBC executive advisor MENA.

Board and Committee Members

Dr. Abubaker Ali Bagabir

Audit Committee Member



BOARD MEMBERSHIP IN COMPANIES BASED IN KSA

BOARD MEMBERSHIP IN COMPANIES BASED IN KSA	LEGAL ENTITY
<ul style="list-style-type: none"> SABB Takaful Anfaal Capital (Previously) 	Listed/Joint Stock
<ul style="list-style-type: none"> Al-Nahdi Medical Company Abdel Latif Jameel Finance Company AMS BAESHEN & CO. (Previously) 	Limited Liability

CURRENT POSITION	PREVIOUS POSITION	QUALIFICATIONS	EXPERIENCE
<ul style="list-style-type: none"> Financial and Management Consulting Office (Dr. Abu Bakr Bajabir Office). 	<ul style="list-style-type: none"> Head of Finance and Accounting Division (Group Responsibilities), The National Commercial Bank (NCB). 	<ul style="list-style-type: none"> Doctor of Philosophy (Ph.D.) in Accountancy and Finance, University of Strathclyde, UK Master's degree (M.Soc. Sc.) in Accounting, University of Birmingham UK Bachelor of Science (B.Sc.) in Accounting, University of Khartoum, Sudan Fellow Chartered Certified Accountant, UK (FCCA) 	<p>Extensive experience in banking business gained through his employment with The National Commercial Bank (NCB)</p>

Mr. Thamer Saeed Al-Harhi

Nomination and Remuneration Committee Member



CURRENT POSITION	PREVIOUS POSITION	QUALIFICATIONS	EXPERIENCE
<ul style="list-style-type: none"> Consultancy and Partners Founder and Lead Consultant 	<ul style="list-style-type: none"> Executive Director - Human Capital Department at Fakeeh Healthcare 	<ul style="list-style-type: none"> Bachelor's degree in Law 	<ul style="list-style-type: none"> Over 22 years of experience in Human Capital management and management consultancy. Previous executive in Bupa Arabia, Fonterra, NCB and Nicholson International.

Board of Directors

Board and Committee Members

Mr. Nader Mohamed Saleh Ashour

Audit Committee Member



Board Membership in Companies based in KSA

- Bupa Arabia for Cooperative Insurance
- Saudi Ground Services Company (Board of Directors, Audit Committee, Risk Committee)
- Middle East Company for the manufacture and production of paper (Chairman of the Audit Committee)
- Jeddah Airports Company (Risk and Audit Committee)
- Dal Bank 360 (Audit Committee)

LEGAL ENTITY

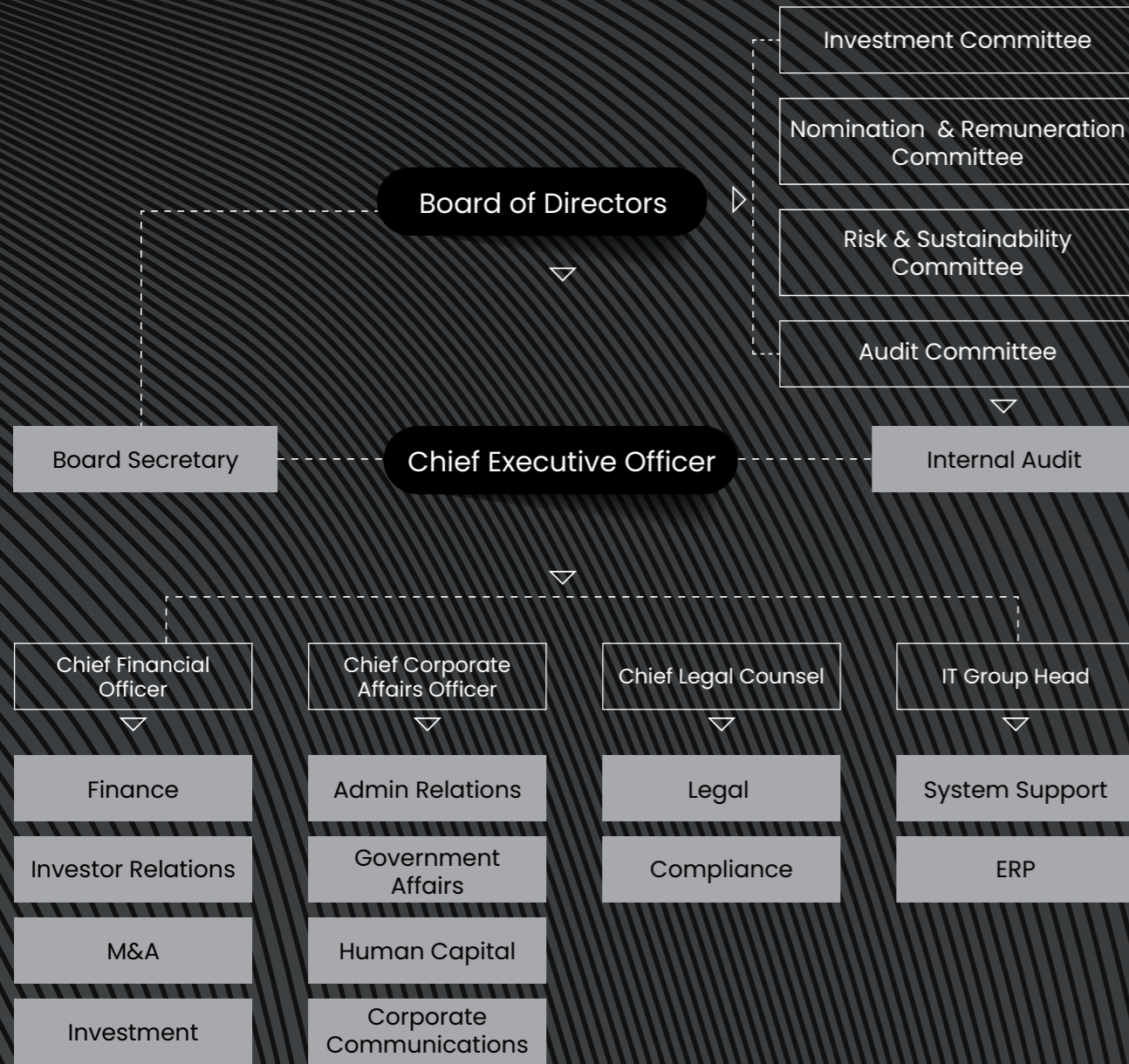
Listed / Joint Stock

Closed Joint Stock

Current Position	Previous Position	Qualifications	Experience
<ul style="list-style-type: none"> • Bupa Arabia for Cooperative Insurance Company (Member of the Board of Directors – Deputy Chairman – Chief Financial Officer). 	<ul style="list-style-type: none"> • Saudi Aramco (several leadership positions, the latest of which is the director of the company's readiness team for the IPO). 	<ul style="list-style-type: none"> • Master's degree in Business Administration from IMD International in Lausanne, Switzerland. • Bachelor's degree in Accounting from King Fahd University of Petroleum and Minerals. • Certified Management Accountant (CMA). • Certified Internal Auditor (CIA). • Passed all American Certified Public Accountant (CPA) exams 	<p>Extensive experience in several fields and sectors</p>



Organizational Chart



Center of Excellence

Strong capabilities across the Group

In order to achieve our target of SAR 6 billion in assets under management by 2026, we are establishing a Center of Excellence at the Holding level. To accomplish this, we have taken measures to enhance our talent pool and build our organizational capabilities. We are reinforcing the SISCO Center of Excellence to provide a wider range of strategic advisory services to foster the expansion of our portfolio companies. In the present day, exceptional talent can often be the sole differentiator in the market, and we will persist in investing in it.

SISCO 2022 Centre of Excellence Services

Our Center of Excellence (COE) comprises Legal, Finance, and M&A departments, which are vital to the success of our investment strategy.

Finance:

Our finance and investment services encompass a range of key functions designed to support our portfolio companies in achieving their financial goals. Our finance team provides support in raising debt finance, and vetting finance options. In addition, we also assist our companies in negotiations and selection of appropriate third party advisors as well as accounting and tax structuring advice. During 2022, we provided over 100 days of support on debt raising, corporate structuring and transaction support.

Investment Services

Our experienced investment team at the corporate level provides transaction management, deal negotiation and execution support, due diligence and valuation services.

Legal Services:

Our legal services team provides a range of essential services to help our clients navigate the complex legal landscape. Our team consists of two experienced legal professionals who work closely with our portfolio companies to deliver high-quality services. We provide a wide range of services to our portfolio companies encompassing drafting and reviewing key contracts and agreements, support on deal negotiation, litigation and regulatory compliance. During 2022, we provided 100 days of our time to support our portfolio companies with their legal needs.

Audit Services:

The services provided by this position primarily relate to auditing, with a focus on three key areas: group audit, portfolio audit committee memberships, and audit support for other teams. Two individuals are responsible for carrying out these duties, which collectively require 145 days per year. Group audit involves overseeing the auditing process for a group of companies, while portfolio audit committee memberships entail serving on committees that oversee multiple audit portfolios. In addition, this position provides valuable support to other audit teams as needed. By offering these services, this role plays a vital role in ensuring that the organization's financial reporting is accurate and complete, ultimately contributing to the overall success and stability of the business.

HR Services:

The role in question focuses on two primary responsibilities: recruitment support and training. This position is staffed by one individual, who dedicates 30 days per year to fulfilling these duties. Recruitment support involves assisting with the hiring process, which may include tasks such as posting job ads, screening resumes, and conducting interviews. Training responsibilities may encompass a range of activities, such as developing training programs, facilitating training sessions, and assessing training needs.

Digital Transformation & Logistics Advisory:

To further enhance our capabilities, we plan on introducing a Digital Transformation department. This department will not only enable us to identify exceptional opportunities in the digital space, but also assist our portfolio companies in implementing advanced technologies, streamlining processes, and staying ahead of the competition. Our aim is to drive innovation and efficiency throughout our investments, and the Digital Transformation department is a key component of achieving that goal.

We also aim to add logistics advisory services to our COE. We will be looking at the groups cross company opportunity, increasing efficiency and unlocking value that can only be captured by cross group collaboration. The two new divisions of COE are set to launch in 2023.

Executive Members

Experience

A venture capital pioneer in KSA, Eng. Khalid Suleimani has over 25 years of experience in VC Investment, digital transformation, and entrepreneurship. Some of his career highlights include heading the VC fund unit for Alkhabeer Capital, chairing the Board of Wadi Makkah Ventures, and serving as the president of Sirb Angel Network. He also helped structure and design strategies for several VC funds, and structured, executed, and oversaw several investment deals locally and internationally. He also was the CEO Alcantara group who he cofounded and managed for 14 years, executing more than 70 digital transformation projects for the public, government, military and private sector. . He is also the co-founder and chairman of Chrome Advisory, a boutique financial advisory firm, a member of the Saudi Swedish Business Council, a member of the Board and the investment committee of Iktifaa Charity, and a former board member of Wadi Makkah Holding. He is the author of the MENA best seller book on investment and entrepreneurship "84 tips to a successful business startup", co authored the Arabic edition of "The Art of Startup Funding" by Alejandro Cremades, and has numerous publications in business journals including the Harvard Business Review, Arabic edition.

Eng. Khalid Suleimani

Chief Executive Officer

Qualification

Eng. Khalid Suleimani holds a Master's degree in electrical and computer engineering from the university of Colorado at Boulder, an executive education certificate on launching new ventures from Harvard Business School, and a venture capital certification from Invest Europe. He also holds a CME-1 certificate from the CMA, and is a certified consultant by both MoCI and the Saudi council of engineers



Experience

Mr. Hussain brings over two decades of experience in transactions, restructuring and accounting advisory, having worked on over 70 transactions in the Middle East and internationally. He has deep understanding of structuring M&A transactions, financial due diligence, private equity transactions, valuations and financial modelling, and IPO advisory in the UK and KSA.

Main career highlights include heading Alkhabeer Capital's Proprietary Investments, leading PwC deals practice in the Eastern Province and setting up Deloitte's Financial Advisory practice in Saudi Arabia. Prior to moving to the Middle East, Mr. Hussain worked for Ernst & Young in the UK working on numerous local and cross border M&A transactions and corporate restructurings. Mr Hussain has diverse sector experience as advisor and executive in private equity, utilities, food and beverage, manufacturing, telecoms, infrastructure and logistics.

Mr. Mahmood Hussain

Chief Financial Officer

Qualification

Mr. Hussain holds a Master's degree in Accountancy and Management from University of Aberdeen, an ACA from Institute of Chartered Accountants in England and Wales (ICAEW), and Certificate in Corporate Finance, membership of The Chartered Institute for Securities & Investment (The CISI).



Executive Members

Experience

Dr. Saleem has significant legal experience in the company commercial areas in the Kingdom of Saudi Arabia including, with previous roles as General and Senior Legal Counsel for some of the largest companies including SABIC and KPMG in the Kingdom of Saudi Arabia and other listed companies in Kuwait, UAE. He is currently serving as the Chief Legal Counsel at Saudi Industrial Services for the past seven years, responsible for managing the company's legal affairs. He has also authored eight law books and numerous refereed articles, showcasing his extensive knowledge and expertise in the legal and practical field. He has also lectured internationally on corporate commercial issues.

Qualification

Dr. Saleem holds a PhD in Company Law and LL.M Master of Laws from the London School of Economics & Political Science, and an LL.B (Hons) Bachelor of Laws from Leicester University.



Dr. Saleem Sheikh
Chief Legal Counsel

Experience

Mr. El Gindy is an experienced Internal Audit Executive with over 20 years of audit advisory experience across various industries including Ports, Logistics and Industrial in the Middle East. He currently serves as an Audit Committee member in SISCO portfolio companies and Chief Audit Executive at SISCO Holding.

Qualification

Mr. El Gindy holds a Bachelor's degree in Commerce, majoring in Accounting, and is certified in Internal Audit, Fraud Examination, and Risk Management Assurance. He also holds CIA, CFE and CRMA certifications in internal audit, fraud examination, and risk management. He is a former president of the IIA-Egypt and a sought-after speaker and trainer nationally and internationally.



Mr. Hesham El Gindy
Chief Audit Executive

Experience

Mr. Fourie was a founding partner of an international consultancy and a Senior Contracts Manager for Balfour Beatty, commercial. He was a CEO of a management consulting company, dealing with complex growth and alignment in large diverse companies. He has operational excellence in heavy civil engineering and manufacturing, with an entrepreneurial spirit and a well-developed aptitude to build and execute strategies.

Qualification

Mr. Fourie holds a Civil Engineering degree from the Durban University of Technology and has completed management and leadership courses, including an MBA at Warwick Business School in the UK. With a focus on strategy and its implementation.



Mr. Richard Fourie
Chief Corporate Officer

02

Strategic Review

Chairman's Message

CEO's Message

SISCO's Strategy 2021 - 2026

Digital Transformation

SISCO an enabler of the National Industrial Development and Logistics Program (NIDLP)

Stakeholder Engagement

CFO's Review

Market Overview

Portfolio Year in Review

Portfolio Review

Sustainability

Chairman's Message

Stability amid uncertainties, paving the way for strong recovery

Reflecting on the year 2022, we have braved the global disruptions and economic uncertainties by showing strong recovery across all operating business sectors. Our portfolio companies have continued to demonstrate resilience throughout the challenging first half of 2022, a period beset by global supply chain disruptions and COVID restrictions in China that significantly impacted imports into the Kingdom. Despite these challenges, I am pleased to see that we made a strong recovery across all our businesses in the second half of 2022 which gives optimism for a strong 2023.

Strategic transformation

Since its inception, SISCO has been a well-established player with a proven track record of investing and incubating critical infrastructure assets. The past year marked the onset of SISCO pivoting more firmly to a strategic investment company. Our efforts were set in motion with the announcement of a new strategy to build on our strong legacy of developing assets and generating strong returns and solid cash flows. We intend to harness our deep sectorial knowledge to become a leader in the logistics and infrastructure investment in the region, and to become a partner of choice for strategic infrastructure investors.

New leadership for the next growth phase

To this end, we welcomed our new Chief Executive Officer Eng. Khalid Suleimani, who brings a wealth of experience in making result-driven investment decisions. Our portfolio companies have built the foundations that provide a launchpad for expansion in ports and logistics locally and internationally. We see a significant potential in our current portfolio which will result in stronger revenues and earnings in the future.

We also strengthened our investment capabilities at SISCO through the hiring of an experienced M&A team that brings strong experience and expertise in corporate finance and M&A. The team will support SISCO's inorganic growth strategy.

Strong execution across verticals

As a strategic investment company, SISCO is focused on identifying and capturing opportunities generated by growing demand in its ports and logistics and water sectors. The robust performance of SISCO's portfolio companies gives us confidence that we can capitalize on these opportunities. Our portfolio companies continued with their expansion plans to become market leaders in their respective segments. Red Sea Gateway Terminal (RSGT) increased its capacity during the year, with a further expansion expected in early 2023 which will more than double its capacity to 6.2 million TEU since taking over the new concession.

LogiPoint made positive strides towards becoming the premier logistics real estate player in the Kingdom by constructing the first of three new warehouses in the bonded zone, two of which will be operational in early 2023 and the third in early 2024. The expansion will double the capacity of the warehouse leasable area to 150,000 sq meters. Similarly, our logistics company Elite expanded its presence across the GCC through its acquisition in Kuwait.

The water segment made a strong recovery in 2022 with Kindasa in particular increasing its net income by 400% compared to 2021. Tawzea also made positive progress in becoming the leading water distribution and waste water treatment company in the Kingdom by winning three ISTP projects. In addition, Tawzea was also awarded two projects with the National Water Company to manage and operate plants in the North and South of Saudi Arabia.

Our portfolio companies were able to raise financing at favorable rates despite adverse market conditions, which has increased their capability to undertake large construction projects. I am happy to inform our shareholders that these projects are progressing well and are expected to generate strong returns.

Mr. Aamer Abdullah Alireza

Chairman of the Board



The outlook for 2023 is positive as we hope to carry the strong momentum in the second half of 2022 into the new year, supported by a positive outlook on an improving local economy, significant planned government investment in our core sectors, and a strong rebound in local cargo.

Chairman's Message

Balancing value and growth

As a key player in the infrastructure and logistics sector in Saudi Arabia, SISCO believes in sound and sustainable investment decisions. Our investments are deployed with prudence so that they are value accretive to shareholders over the long term. The past year has shown that our portfolio companies can lead their industries despite adverse conditions. As we pivot to implement our new strategy, we have also begun building a layer of capabilities under the present leadership for rapid execution and delivery.

This strategy has ensured continuity in delivering value to our shareholders through achieving a healthy balance between paying consistent dividends and focusing on growth.

Kingdom's Vision 2030 and social responsibility

There is no doubt in the transformational nature of the Kingdom's Vision 2030. The logistics and transportation strategy, one of its key pillars, is transforming Saudi Arabia into a global hub. We are privileged at SISCO to be at the heart of Vision 2030, and our corporate strategy is fully aligned to become a key enabler of the implementation of this transformational vision. In a bid to capture value across the logistics value chain, we are focusing on expanding into value-added services and logistics adjacencies to become an end-to-end logistics solutions provider.

As a responsible investor, we weave Environment, Social and Governance (ESG) considerations into our investment decisions, allowing us to create long-term sustainable value for our stakeholders, including our shareholders. SISCO's robust governance structure empowers us to

run transparent operations and stay accountable to our stakeholders. Our portfolio companies are proactively taking steps to contain the environmental footprint of their activities, including desalination, recycling and reusing water for horticultural purposes and increasing the use of solar energy, as well as building the new reef to protect the fragile Red Sea life.

SISCO and its portfolio companies are also well-aligned with the net zero target for 2060, the other important step taken by the Kingdom to bolster its commitment to sustainability.

The 2023 outlook

The outlook for 2023 is positive as we hope to carry the strong momentum in the second half of 2022 into the new year, supported by a positive outlook on an improving local economy, significant planned government investment in our core sectors, and a strong rebound in local cargo. Our portfolio companies are demonstrating strong resilience and ability to generate growth in the face of strong headwinds from geopolitical instability and the wider implications for the macro-economic environment

The investments and the groundwork laid by our existing portfolio companies, in particular RSGT and LogiPoint, are expected to yield positive results in 2023. Furthermore, we will continue to implement our strategy through pursuing organic and inorganic growth in logistics assets across the value chain.

During the year our investment team sourced and extensively assessed transactions over SAR 600 million, predominantly in the logistics space. However, our

philosophy is to remain a disciplined investor, backed by our strong governance and rigorous investment review process, and only invest in value accretive assets that generate sustainable long term returns. Nevertheless, I am confident that we will have positive news in this regard in 2023.

We remain confident in our business model. As our Company has grown, we have increased the size of the investments we can hold in our portfolio and the funding options we have available to us. We are well-placed to take advantage of new investment opportunities and to continue to support and grow our portfolio companies.

Acknowledgements

I would like to thank our shareholders and my fellow Board Members for their ongoing support as we transition our business to its next phase of growth. I am also grateful to our executive management and employees for their hard work and dedication to deliver positive results despite a challenging year.

The Group is in a strong position, supported by a sound strategy, a positive culture and an expert executive team. I am confident that we will continue to create long-term, sustainable value for all stakeholders in 2023 and beyond.

CEO Message

Dear Shareholders,

It gives me great pleasure to pen my first message to you as the CEO of SISCO since I took over the leadership of the Company in November 2022. I will have both the privilege and the challenge of leading SISCO, which stands at an inflection point in its evolution as a leading investor in the logistics space and a key enabler for Saudi Vision 2030.

Building capabilities to meet ambitious targets

After my appointment as CEO, my first order of business was to accelerate the implementation of the strategy announced a year earlier. SISCO is a trendsetting company with a rich history of realizing the true potential of organizations that have played a critical role in strengthening the logistics backbone of the country. SISCO is not only a successful investment company, but it is also one of the greatest entrepreneurship stories of Saudi Arabia. Each one of our assets is a compelling story of transforming a greenfield concept not only into a successful business but into a leader in its field. The story of the evolution of SISCO and our portfolio companies is important not only for our investors, but also to promote the spirit of entrepreneurship in a country on the cusp of growth and transformation. With this spirit, we intend to endeavor into future investments that create more leaders to ultimately reach our stated goal of SAR 6 billion AUMs by 2026, or what we would like to call the 6x26 Strategy.

To move forward with this goal, we took steps to further enrich our talent pool. We are strengthening the SISCO Centre of Excellence (COE) to offer a broader set of

strategic advisory services to support the growth of our portfolio companies, particularly in the logistics space.

We have also taken significant steps to create a healthy and consistent deal flow and reviewed a pipeline of over SAR 600 million transactions over the last year. Many of these are in the final stages of thorough due diligence. We strive to make the right decisions that will create long lasting value for our investors.

Strategic investments to create a unique logistics platform

Our strategic intent is to expand our portfolio, primarily focusing on logistics services and adjacencies covering the full logistics value chain, and to become a key player in KSA and the region. We are making bold moves to optimize the potential of our current portfolio and foray into new segments, accelerate digitization to enhance agility and efficiency, and foster innovation to stay ahead of dynamic changes.

Eng. Khalid Suleimani
Chief Executive Officer



SISCO is not only a successful investment company, but it is also one of the greatest entrepreneurship stories of Saudi Arabia. Each one of our assets is a compelling story of transforming a greenfield concept not only into a successful business but into a leader in its field. The story of the evolution of SISCO and our portfolio companies is important not only for our investors, but also to promote the spirit of entrepreneurship in a country on the cusp of growth and transformation. With this spirit, we intend to endeavor into future investments that create more leaders to ultimately reach our stated goal of SAR 6 billion AUMs by 2026, or what we would like to call the 6x26 Strategy.

CEO Message

Our expansion strategy will look at organic and inorganic growth measures. We will work to realize the full potential of our existing portfolio companies and scale them organically or through direct investment from SISCO. All of our portfolio companies have taken on some form of expansion project in 2022.

We are leveraging our greenfield investment experience to expand by investing in brownfield ventures or through acquisitions, making them successful and developing an integrated logistics platform with the aim of covering logistics from ports to door. We intend to maximize investment value creation by developing portfolio-based strategies that look at:

- Developing and integrating an end-to-end logistics platform that will provide SISCO with a superior value creation model to maximize synergies across the value chain.
- Harvesting the benefits of privatization in the water segment leading to market dominance by consolidation and harnessing group synergies.

Investing beyond borders

In 2022, we continued setting up investment structures that will enable our expansion beyond Saudi Arabia, regionally and internationally. Looking back, our first such structure, RSPD, gave rise to RSGT, which later became our crown jewel investment and largest asset. We initially set up Green Dome Investments in 2020 to drive our investment and growth on transportation and last mile across the GCC and followed this up by setting up Red Sea Ports Development International Limited (RSPDI) to drive the international expansion of RSGT.

Digital transformation initiatives in 2023

Redefining and transforming our go-to-market approaches and exploring new growth opportunities are built into SISCO's DNA. As we look into adjacent investments, embracing cutting-edge technologies like Artificial Intelligence and Machine Learning is the logical way to stay competitive and ahead of the curve. To help achieve that, our new digital transformation division is accelerating our digital transformation and is scouting for technology solutions that could help our portfolio companies broaden and deepen their capabilities, scale exponentially, and enhance efficiencies.

Looking ahead: 2023

Our strategic outlook for growth focuses on expanding the number of portfolio companies to complement our presence across the logistics value chain. The Company remains committed to delivering its five-year strategy to drive long-term value creation, aiming to double revenues to SAR 2 billion and our AUM to SAR 6 billion by 2026.

A key enabler of NIDL and Saudi Vision 2030

SISCO is at the forefront of Vision 2030 as a key enabler of the National Industrial Development and Logistics Program (NIDL). We are proud to be a key driver of three of the five major categories mentioned in the NIDL achievement report. We continue to align with Vision 2030 and are proud to deliver tangible, on-the-ground results towards this vision. In addition to being at the forefront of the Local Content and Logistics pillars, we have identified a set of specific areas where SISCO portfolio companies had a direct contribution. *Please refer to page 52.*

SISCO ESG initiatives

SISCO considers ESG a core responsibility. It is uniquely positioned to be a positive contributor to managing environmental change through its daily business. We continue to enhance our governance structure that ensures smooth and transparent operations and empowers us to deliver the highest value to our shareholders. We are coming up with innovative initiatives to enhance social change. We started an internal initiative where all portfolio companies are encouraged and welcomed to suggest and discuss initiatives that could be applied across the Group.

Appreciation and Acknowledgements

2022 saw us tap into new opportunities while overcoming our share of early challenges. We could not have achieved what we have without the relentless focus and perseverance of our teams, partners and Executive Management team and the guidance of our Chairman, Board of Directors, and members of the committees. I wish to thank them and all our shareholders and other stakeholders for their invaluable support and belief in SISCO's capabilities. This support has reinforced our determination and drive to grow the business and consolidate market leadership.

As we go forth, we reaffirm our commitment to being a key driver of the NIDL Program and Saudi Vision 2030's logistics ambitions. We will continue to look for opportunities to strengthen the building blocks of the logistics value chain and ensure KSA continues to lead in a connected world.

SISCO Strategy 2021 – 2026

SISCO aims to grow its portfolio by concentrating mainly on logistics services and adjacent areas that cover the entire logistics value chain. The ultimate objective is to emerge as a major player in KSA and the region. To achieve this, the Company is taking initiatives to unlock the full potential of its current portfolio, venture into new segments, expedite digitization to boost agility and efficiency, and promote innovation to stay ahead of the ever-changing landscape.

We are making steady progress toward achieving our target of SAR 2 billion in revenues by 2026 through driving organic growth within our portfolio companies and evaluating brownfield investments and acquisitions while improving margins and delivering sustainable long-term shareholder value. Our strategy looks at leveraging our proven expertise and history of developing assets and generating strong returns and solid cash flows to fortify our leading position as a logistics and infrastructure investor. We aim to become the partner of choice for key investors in this growing space.

Leverage our know-how and strong asset base to become the leading logistics and infrastructure investment company in the region with a presence across the value chain

Expand regional and international presence and reach. Transform RSGT into an international multi-port operator, and expand Green Dome operations

Be a partner of choice for strategic investors in infrastructure

Become a National Champion in more than one vertical in the core logistics segment

6x26: Our 5-year targets

Total AUMS 
SAR 6 billion

Revenue 
SAR 2 billion

Improved margins through infrastructure consolidation and synergy

Focus Areas




Our overall strategic intent aims to deepen the focus on our core segment of Ports & Logistics and grow our capabilities and capacities organically and inorganically. Our aim is to enter new adjacencies related to infrastructure development and expand into multi-modal logistics services.

In parallel, we will continue to focus on transforming our water segment into a leading integrated water desalination and distribution company with robust wastewater recycling capabilities to reuse treated water for specified purposes like horticulture and reduce freshwater usage.

Strategic Goals

With a dynamically expanding portfolio growing in relevance as customer demand for e-commerce based retailing and services increases, we have set clear goals for our ports and logistics portfolio companies to tap this opportunity. We also aim to become one of the region's leading water solutions providers.

Strategic Direction for SISCO

	Ports & Logistics		Water
	 Ports	 Logistics	
Current Focus	<ul style="list-style-type: none"> • Single Port Operator at JIP • Largest Port Terminal 	<ul style="list-style-type: none"> • Focus on logistics real estate • Asset heavy 	<ul style="list-style-type: none"> • Standalone • Opportunity to consolidate
Future Focus	<ul style="list-style-type: none"> • Multi-Port Operator • Diversified cargo type • New Concessions 	<ul style="list-style-type: none"> • Leading logistics real estate player • End-to-end logistics solution provider • Servicing e-commerce • Asset Light 	<ul style="list-style-type: none"> • Integrated Service offering • Scale up businesses • Achieve market leadership

Digital Transformation

Digital transformation has become an integral part of modern business strategy, as organizations strive to leverage technology to increase efficiency, improve customer experience, and drive innovation. The digital transformation of ports and logistics has revolutionized the way goods are transported, tracked, and managed. From automation and data analytics to artificial intelligence and blockchain, technology has enabled the industry to improve efficiency, reduce costs, and enhance customer experience. Redefining and transforming our go-to-market approaches and exploring new growth opportunities are built into SISCO's DNA.

We are excited about the opportunities we see in the rapidly growing digital economy and the role we can play in leveraging our proven credentials without losing focus on our core infrastructure segment. The e-commerce sector across the MENA region is currently valued at USD 32 billion and is expected to reach USD 50 billion by 2025. The sector's success depends on a range of logistical and infrastructure services to deliver the item that is ordered online on time, in the right place, and at the right cost. To this end, SISCO portfolio companies fuel the e-commerce ecosystem in more ways than one. Consider the journey that goods take from the point of entry to custom clearance, delivery to the warehouse, unpacking, shelving, barcoding, reshelving, packaging, until final customer delivery. All of these areas are supported by companies we are invested in today or are looking at investing in in the future.

SISCO covers a significant part of the logistics value chain through its portfolio companies. At the point of origin, RSGT receives the goods through its terminal at JIP. The containers and goods are serviced by LogiPoint through its open yard and warehouses. Two global e-commerce giants, Amazon and Aramex, already use LogiPoint's facilities at JIP. Land transportation is also a core asset required for delivery, and this aspect is handled by Elite which services other B2B delivery companies and B2C customers.

As we look into adjacent investments, embracing cutting-edge technologies like Artificial Intelligence and Machine Learning is the logical way to stay competitive and ahead of the curve. To help achieve that, our new digital transformation division is accelerating our digital transformation and is scouting for technology solutions that could help our portfolio companies broaden and deepen their capabilities, scale exponentially, and enhance efficiencies.

Some examples of digital transformation initiatives undertaken in the Group include:

RSGT

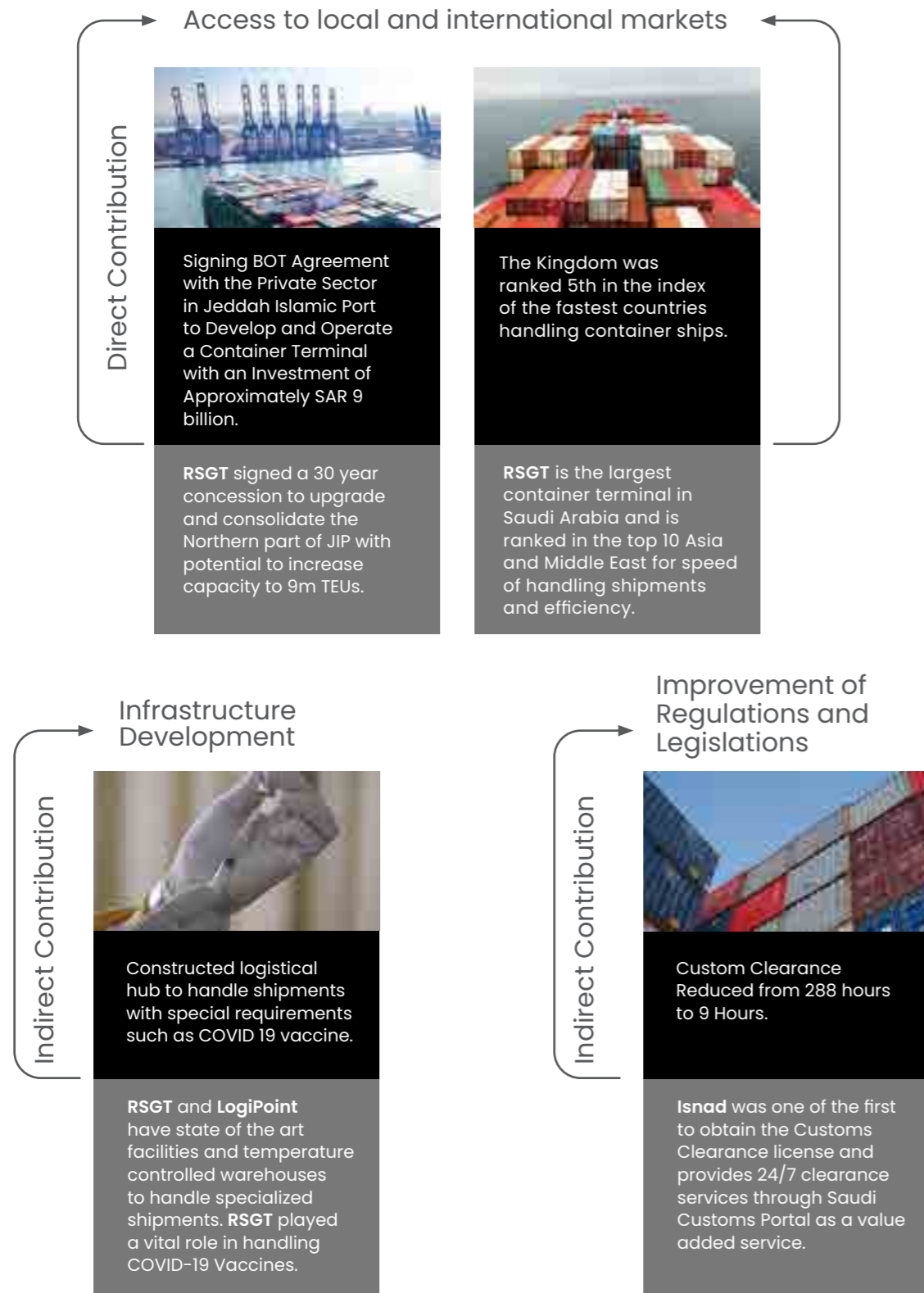
- Commenced operation of first automated cranes at the RSGT terminal. These were also the first cranes operated by Saudi females and the rollout of the automated cranes should improve efficiencies and reduce costs.
- RSGT also rolled out the digitalization of its processes with land customers which simplified the interaction and payment of fees by the customers.

Green Dome

- Green Dome works to capture efficiencies in their acquisitions, including Elite. They implement digital transformation to bring the companies up to best practice standards that include a cloud-first approach with standardized data models and shifting towards a single data repository. This requires data modeling and re-architecture to integrate the legacy software systems.
- On the process side, the Company implements workflow tools to improve real time traceability and thus track SLA levels. They've also invested in machines to optimize package scanning to produce more accurate invoicing based on weight and dimensions to boost sales.



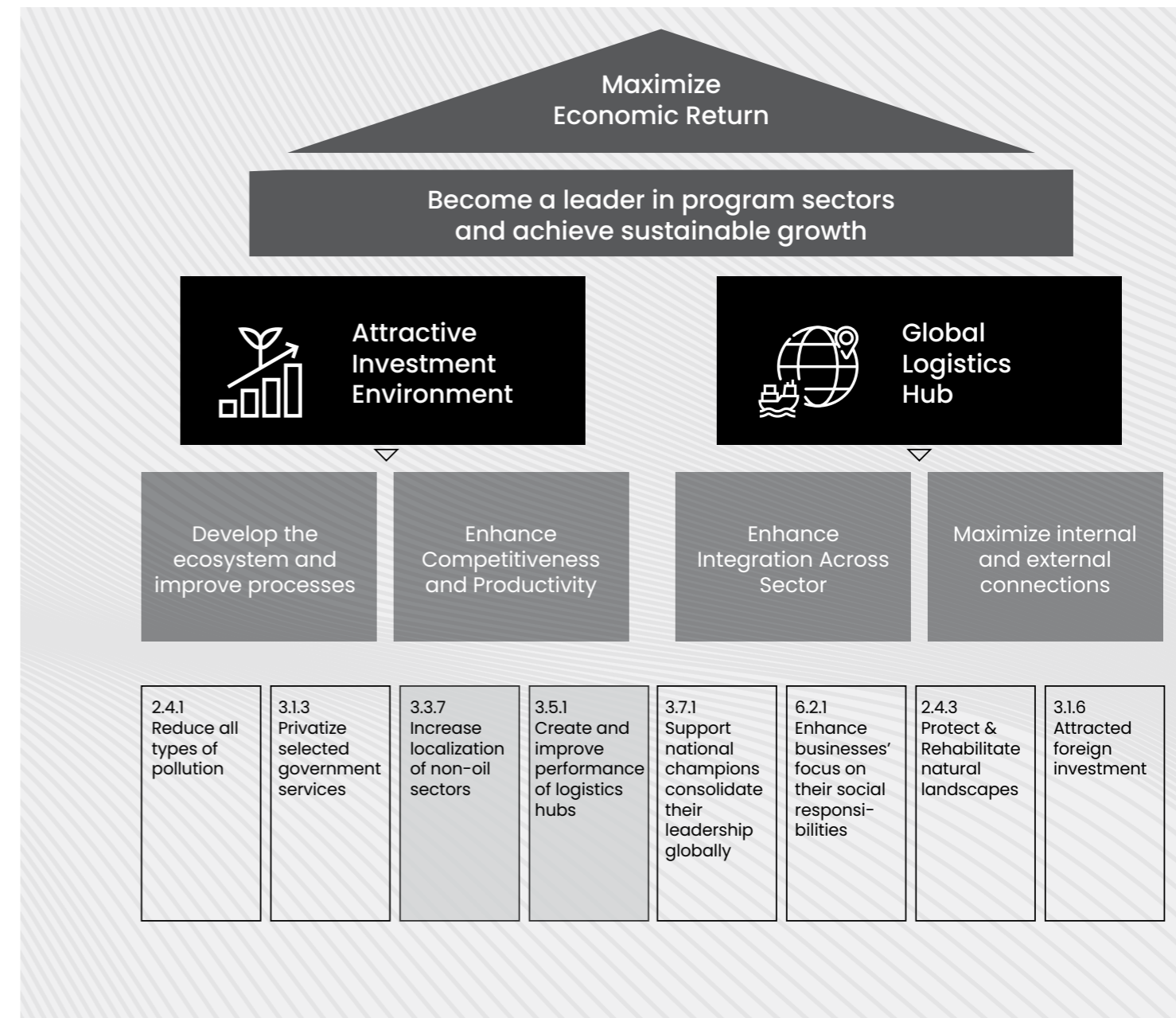
SISCO an enabler of the National Industrial Development and Logistics Program (NIDL)



SISCO is at the forefront of Vision 2030 as a key enabler of the National Industrial Development and Logistics Program (NIDL). We are proud to be a key enabler in 4 of the achievements in the Infrastructure Development, Access to Local and International Markets, and Improvement of Regulations and Legislations in the NIDL program. SISCO contributes to the National Industrial Development and Logistics Program (NIDL) by providing integrated logistics and supply chain solutions to its clients in various sectors, including petrochemicals, construction, and manufacturing. SISCO's services support the program's objectives of enhancing the country's logistics infrastructure and promoting economic growth

and diversification. RSGT is the largest container terminal in the KSA and one of the top-performing container terminals in the world, playing a crucial role in enhancing the country's logistics infrastructure and promoting trade and investment, which are essential in achieving the goals of economic diversification.

We continue to align with Vision 2030 and are proud to deliver tangible, on-the-ground results towards this vision. In addition to being at the forefront of the Logistics pillars, we have identified specific areas where SISCO portfolio companies directly contribute to the NIDL and the vision realization programs.



Stakeholder Engagement

SISCO is a strategic investment company with a broad spectrum of internal and external stakeholders, including shareholders, employees, community members, portfolio companies, etc. As a responsible company that believes in accountability, SISCO leads with a unified purpose of creating and enhancing value for our stakeholders, including attractive financial returns. We engage with our stakeholders regularly to understand their most critical needs and align them with our business goals to facilitate informed decision-making within the Group and our portfolio companies. These meaningful engagements allow us to build long-term, trust-based stakeholder relationships, which enable our business to operate seamlessly.

Shareholders

We communicate proactively and constructively with our shareholders through market interactions, shareholder and analyst presentations, quarterly earnings releases and presentations, one-to-one meetings, as well as news releases through Tadawul and SISCO's corporate website. Shareholders are also invited to attend and vote at general meetings of the Company to discuss governance and strategy and to allow our Board to understand and address shareholders' issues and concerns.

Portfolio Companies

As our vehicles for creating shareholder value, our portfolio companies are the most significant drivers of growth of our investments and shareholder returns. Our principal mode of engagement is through representations on the boards of each Company. This enables two-way engagement with the portfolio companies at both a board level and management level, whereby SISCO provides corporate services.

Government and Regulatory Bodies

SISCO works in a regulated environment and ensures its operations comply with relevant regulations in KSA. Our portfolio companies work closely with government authorities under long-term concession contracts and ensure high service levels to build credibility and trust.

Community

Giving back to the community is one of our core values. To this end, SISCO and our portfolio companies regularly support local charities to drive meaningful engagement with their communities. Further details about our CSR initiatives and charitable work are available in our Sustainability Report available on our website.

Employees

As a responsible organization, we are committed to providing a free fair workplace and a conducive environment to help our employees grow and thrive. SISCO ensures that our people operate in a safe environment and receive health and safety-related training to carry out their responsibilities. As a critical aspect of business continuity, our employees are kept abreast of local legal and regulatory requirements to ensure compliance.



CFO's Review

The year 2022 was marked with uncertainties and geopolitical upheavals for the global economy, with negative spillovers from the Russia-Ukraine war, supply chain disruptions, and higher-than-expected inflation in major developed economies. The unexpected COVID-19 outbreaks related lockdowns in China additionally led to a slowdown in economic growth, thus increasing uncertainties for the rest of the world. The Saudi Arabian economy, however, withstood the global slowdown well and is estimated to have grown by 8.7% in 2022, boosted by a sharp increase in the Kingdom's oil and non-oil sectors, as initial government estimates have shown.

At SISCO, despite the year being challenging early on, we were able to close the year on a strong note resulting in improvement across all our verticals while maintaining our focus on the planned investment activities.

Performance Highlights

SISCO delivered a robust financial performance despite a challenging operating environment during the best part of 2022, impacted mainly by globally supply chain disruption and COVID restrictions in China. Despite these challenges, our businesses remained resilient and responded positively by posting strong results during the second half of the year.

Revenue¹ for 2022 was SAR 854.8 million, a fall of 7.2% from 2021, mainly attributable to a decline in ports segment revenue following a decline in gateway volumes in the first half of the year. While other portfolio companies showed signs of recovery beginning in Q2, the first half of the year still impacted full year performance.

The Group's gross profit was down 6.8% to SAR 416.1 million, mainly driven by the decline in revenue, while gross margins slightly improved to 48.7% (48.5% for 2021). Operating profit during the year was down 17.4% to SAR 230.0 million.

The gross margin improvement reflects the positive impact of increased revenues during H2 2022, as well as the benefits of an improved revenue mix and stable direct costs.

However, operating expenses increased, driven principally by one-off business development and consultancy expenses coupled with an increase in employee expenses due to key hires across the portfolio companies.

Finance costs increased to SAR 213.6 million in 2022 from SAR 203.5 million in 2021 mainly because of an increase in SAIBOR and further drawdowns. However, our investment income was an outlier, with a 30% increase over the previous year to SAR 30.8 million, as our associate companies exhibited improved financials.

As a result, reported net profit declined by 36.5% to SAR 36.7 million (SAR 57.9 million for 2021). Excluding the impact of one-off items, adjusted net income declined by 36.1% to SAR 41.5 million, largely due to the revenue shortfall in H1 2022.

Robust revenue and performance

Our revenue declined by 17.8% in the first half due to the previously mentioned factors but increased by 5.3% during the second half. Having declined in the first two quarters, revenue successively increased in the subsequent quarters of 2022.

As with revenue, gross profit demonstrated consecutive growth from the third quarter onwards, achieving a gross profit of SAR 226.2 million in the second half of 2022

¹ Revenue referred in the report excludes accounting construction revenue



Mr. Mahmood Hussain
Chief Financial Officer



The global economic headwinds notwithstanding, SISCO delivered another year of sturdy top-line performance in 2022, especially in the ports and water businesses.

Besides ensuring a healthy balance sheet, SISCO has built a strong pipeline of investment activities.

CFO's Review

compared to SAR 188 million in the second half of 2021.

Adjusted net income declined by 86.6% during the first half of 2022 but grew by 134.8% in the second half of 2022. As a result, the first half/second half contribution split of adjusted profit was 16%/84%.

	Revenue		Net Income	
	2022	2021	2022	2021
SUBSIDIARIES				
RSGT	673.9	723.9	19.3	82.3
LogiPoint	93.5	100.9	15.5	10.7
Kindasa	87.4	96.3	11.8	5.9
ASSOCIATES				
Tawzea	340.7	285.5	22.3	20.5
S.A. Talke	307.7	276.5	54.9	40.9

Recovering momentum in H2, 2022 across sectors

The year saw our portfolio companies making a positive recovery from the setbacks of H1, 2022 and delivering strong revenues and profit growth on a reported and organic constant currency basis in the second half of the year.

Ports Segment

RSGT full year revenue was down by 6.9% due to a challenging first half of 2022 impacted by global supply chain issues, which affected gateway volumes. However, the segment made a strong recovery during the second half to deliver strong revenues for the year.

The decline in revenue impacted gross profit, which declined by 10.6 % although gross margins recovered in the second half to post a healthy margin of 51% compared to 53% in 2021.

However, adjusted net income declined significantly during the year by 76.5% to SAR 19.3 million (SAR 82.3 million in 2021) on the back of lower revenue and an increase in operating and finance costs.

Logistics Segment

LogiPoint's revenue for the full year was down by 7.4%, primarily due to a decline in services revenue. However, gross margins improved from 37.5% in 2021 to 44.3%, resulting in an increase in gross profit during the year by 9.1% to SAR 41.4 million. The Company's net income grew by 45% to SAR 15.5 million on the back of improved margins and better cost control.

Our associate Company, S.A. Talke, had another stellar year reporting record revenue and profitability. Revenue for S.A. Talke increased by 11.3% to SAR 307.7 million (SAR 276.5 million in 2021). Gross margins improved to 25% from 21.9% in the prior year, leading to a 26.9% increase in gross profit in the year to SAR 76.8 million (SAR 60.5 million in 2021).

As a result, S.A. Talke's net income increased to SAR 54.9 million from SAR 40.9 million in 2021, representing a 34.2% increase year on year.

Water Segment

Kindasa's revenue was significantly impacted in the first half of 2022 due to the temporary decrease in production during Q1 of 2022. However, the business made a strong recovery during the remainder of 2022 to report total revenue of SAR 87 million, a decline of 10% from the prior year (SAR 97 million in 2021).

Despite the decline in revenue, Kindasa delivered a strong gross profit of SAR 32.8 million (SAR 26.2 million in 2021), an increase of 25% year on year. Gross margins also improved to 37.5% from 26.9% in 2021, driven by an improved revenue mix and a decrease in depreciation following the extension of the concession at the Jeddah Islamic Port by five years.

Net income doubled to SAR 11.8 million from SAR 5.9 million in 2021 on the back of strong gross margins and stable operating costs, giving a healthy net income margin of 13.5% versus 6.1% in 2021.

Tawzea posted strong revenue growth of 19.3% to SAR

340.7 million (SAR 285.4 million in 2021) driven by new projects in Aqua Pur Neom, North and South Cluster Projects, although their contribution was offset by high direct costs. Gross profit declined by 6% to SAR 34.2 million (SAR 36.4 million in 2021), resulting in a decline in gross margins to 8.4%.

However, net income increased by 9.3% during the period to SAR 22.3 million, whilst the net income margin was 5.5% (7.2% in 2021).

Financial Performance

(SAR million)	2022	2021	Variance %
Revenue*	854.8	921.2	-7.2%
Cost of Revenue*	(438.7)	(474.8)	-7.6%
Gross Profit	416.1	446.4	-6.8%
Indirect expenses	(186.1)	(168.1)	10.7%
Operating Profit	230.0	278.3	-17.4%
Finance Cost	(213.6)	(203.5)	5.0%
Share of Result of Associates	30.8	23.6	30.5%
Other Income	26.4	15.1	74.8%
Zakat & Income Tax	(18.2)	(18.4)	-1.1%
Group Net Profit	55.5	95.1	-41.6%
Non-Controlling Interest	(18.8)	(37.2)	-49.5%
Net Profit	36.7	57.9	-36.6%

Financial Position

As of December 2022, the Group's consolidated net assets stood at SAR 2,316 million, an increase of 0.9% from 2021. The Group's net debt, excluding IFRS 16 lease commitments, during the year was SAR 33.6 million as compared to net cash of SAR 119.6 million in 2021.

We are well placed, both in terms of balance sheet health and financial resources, to carry out our strategic growth plans. The Board and management remain steadfast in its focus to strengthen core segments of the Group through a

systematic approach to capital allocation.

Solid Cash Generation

Cash generation is an important component of SISCO's model, underpinning further investment in organic growth, supporting value-enhancing acquisitions, and funding an increasing dividend to shareholders.

Cash generated from operations was SAR 213.2 million (2021: SAR 236.2 million). The decline was mainly due to an increase in finance charges, but this decline was mitigated by strong underlying control of working capital by our companies. A summary of the year's cash flow is shown in the tables at the end of this review.

Capital allocation and funding priorities

SISCO aims to deliver high returns, measured by ROIC, well in excess of our cost of capital. We invest to deliver future earnings growth and strong cash returns, which enable us to achieve this aim on a sustainable basis, and our capital allocation priorities remain as follows:

- Investment for organic growth: Organic growth is driven by investment in our existing businesses, including through capital expenditure, innovation in digital growth and new products, international expansion and the development of our people.
- Value-enhancing acquisitions: We supplement organic growth with acquisitions in current and adjacent market niches, primarily in the logistics services, and aligned with our purpose. This brings new assets and capabilities to our portfolio, keeping SISCO well-positioned in the growing logistics markets over the long term.
- Regular and increasing returns to shareholders: We have maintained a progressive dividend policy for the last 6 years and remain committed to being a consistent dividend payer without impacting our investments to grow our business.

CFO's Review

Investment Activity

During the year, we undertook several brownfield investments for growth opportunities, including increasing RSGT's capacity to 5.2 million TEU. We also expanded the bonded zone warehouse capacity to 100k m2 and commenced the development of new facilities for S.A. Talke petrochemical logistics.

We continued our commitment to expand operations internationally, with RSGT appointed as the preferred bidder on the Bangladesh container terminal. We were also acknowledged as partner of choice with the ability to acquire, incubate and monetize investments in key infrastructure projects that drive economic transformation in line with Vision 2030.

SISCO's Management reviewed over SAR 600 million worth of transactions in 2022. We are currently in various advanced stages on those deals, which we hope to see close in 2023. Looking ahead, we see the logistics business geared for a rebound due to increased warehousing capacity and open yards and progress on our previously developed logistics parks.

One of our key focus areas for 2023 will be to deploy and utilize the RSGT cash flow for closing some of the acquisition deals in the pipeline and fund RSGT International's expansion. Additionally, we will continue making strategic investments to facilitate the organic growth of our existing portfolio companies.

Dividend

We appreciate the importance of a consistent dividend policy for our Shareholders, and we are proud of our stable dividend payout record. The progressive dividend policy that we set two years ago remains intact. The capacity of the Group to make dividend payments is derived from the distributable reserves of the parent company, funded primarily from dividends received from

subsidiary companies. For 2022, the Board recommended a total dividend of SAR 0.8 per share, in-line with 2021, despite the decline in net income during the first half of the year.

2023 Outlook

SISCO is dedicated to delivering on its five-year strategy to drive long-term value creation for its stakeholders and doubling revenue to SAR 2 billion by 2026. We are committed to making value-accretive investments in our focus areas of ports, logistics, and water.

As mentioned, we expect a strong rebound in the port sector in 2023 versus 2022. The global supply chain and container issues have receded, and we expect to recover lost ground this year. In addition, we are actively looking at expanding our international presence to expand reach and grow our portfolio. In November 2022, LogiPoint announced its intention to acquire a loan facility of SAR 290 million to finance the doubling of its warehousing capacity to 73,000 square meters. LogiPoint's move aligns with the Group's strategy to position the Company as a leading logistics player in the Kingdom to serve the rapidly growing e-commerce sector.

SISCO is also developing a state-of-the-art logistics park in Khumra, which should boost logistics revenues and margins from 2023 and beyond. We have a robust pipeline of growth opportunities, especially in 3PL-related deals in logistics services and through the expansion of our Ports business in the international markets. We also anticipate our water business to maintain its strong profitability.

In summary, we expect a strong Group performance in 2023 and believe our subsidiaries and associate companies will continue the growth trajectory exhibited in the second half of the year in 2023.



Market Overview

Macroeconomic Environment

In 2022, global trade and economic activity experienced a slowdown after a strong recovery from the pandemic due to a series of new shocks and market dynamics that impacted trade and supply chains. The elimination of a large part of Russian and Ukrainian imports and exports from the market contributed to the slowdown. Inflation, the Russia-Ukraine war, and the resurgence of COVID-19 in China continued to weigh on global economic activity in 2022 and are expected to impact international economic activities in 2023 as well.

Despite this, real GDP in some economies was unexpectedly strong in Q3 2022. However, it is estimated that this uptick faded in most major economies in Q4 2022. The outlook for the global economy in 2023 has been dampened by several crises, including rising costs of living and geopolitical conflicts, with growth expected to slow to 2.7%. Additionally, many of the world's top economic markets are expected to enter a period of recession.

Saudi Economy – A Positive Year

Saudi Arabia has had a very good year amid a gloomy 2022 for much of the world economy. The rise in global oil prices prompted by the Ukraine-Russia crisis was a boon for revenue growth and is expected to yield a fiscal surplus of USD 27 billion (2.6% of GDP) for 2022, the first such development since 2013.

Saudi's non-oil economy, the development of which is another key goal of Vision 2030, continues to grow. This is in part driven by 2022's high oil prices, creating more liquidity in the economy as a whole and helping to drive a 22% increase in manufacturing sector activity. Consistently high readings from the Riyadh Bank Purchasing Manager's Index (PMI) and the Industrial Production Index have demonstrated enduring momentum heading into 2023. Growth in the non-oil economy in 2022 is also driving an increase in non-oil government revenue, with taxes linked to profits, income and capital gains forecast to reach SAR 22 billion in 2022, an increase of 24.6% from 2021.

In 2022, Saudi Arabia's gross domestic product (GDP) hit the SAR 4 trillion mark, with growth in private consumption and gross fixed capital formation driving overall GDP growth. Looking ahead into 2023, two other indicators for private investment, the Saudi Purchasing Managers Index (PMI) and the Industrial Production Index (IPI), are showing strong momentum, hinting at further growth in domestic demand and business confidence.

Saudi Arabia's Vision 2030 aims to cut unemployment from 11.6% in 2015 to 7% by 2030. The overall unemployment rate (Saudis and non-Saudis) fell to its lowest level since the General Authority for Statistics (GASTAT) began reporting quarterly performance in 2016. Assuming momentum from 2022 carries over, employment growth is predicted to continue in 2023, led by non-oil domestic activity and government initiatives.

SISCO Portfolio Sectors

Ports & Terminals

The country aims to enhance its logistics capabilities and increase its competitiveness in the global market. To achieve this, the government has announced several initiatives, including developing new ports, expanding existing facilities, and introducing new technologies.

Developing maritime transport and the logistics sector is a crucial pillar of the country's transport strategy within Saudi Vision 2030. The Kingdom continues to invest heavily in the sector, with multiple large-scale projects to upgrade existing ports and terminals, develop new ports, and introduce new trade routes which are underway or in the planning pipeline.

Investment in port facilities and new liner services contributed to a solid increase in seaport throughput in 2022. The Saudi Ports Authority (Mawani) has reported that container throughput and volumes, transshipment and passenger throughput all posted positive gains in 2022 compared with the previous year. The throughput



came from a 3.2% increase in container volumes to 10.3 million TEU, with imports and exports up 5% to 4.8 million TEU and a 2.2% increase in transshipment volumes to 5.5 million TEU. The upward trend for all measures is expected to continue through 2023 and 2024.

As per Mawani, the year-end statistics for 2022 highlight a 3.2% surge in container throughput volumes at 10.3 million TEUs compared to 10.0 million TEUs a year earlier. A further look at the subcategories reveals a 5% boom in imported and exported boxes to 4.8 million TEUs from 4.6 million TEUs in the previous period. Similarly, transshipments inched up by 2% in comparison to 2021's tally of 5.4 million TEUs. Mawani aims to transform the infrastructure of Saudi ports into a global logistics hub that connects three continents by expanding shipping routes and aligning its future roadmap with the National Transport and Logistics Strategy (NTLS). The strategy targets adding a capacity of more than 40 million containers annually by 2030, up from the 20 million containers handled currently.

The 2022 results mirrored the leadership's ambition to transform the nation's ports into an operationally efficient and robustly regulated industry. Streamlined processes, high-impact partnerships, world-class infrastructure, global connectivity, digital transformation, and top-tier customer experience are playing a key role in fulfilling the Kingdom's logistics hub ambitions set by the National Transport and Logistics Strategy (NTLS).

Logistics

Saudi Arabia is one of the world's main logistics markets, second only to the UAE. It is predicted to be the next transshipment hub for Asian, African, and European countries. Due to the high level of business accessibility and the industry's ranking of 89th globally, growth in the sector is being promoted.

Saudi Arabia is a trade partner to many countries across the globe, owing to the large oil reserves present in the country. The accessibility to emerging markets offers a significant trade advantage to the country and highlights

Market Overview



Growth in E-Commerce Boosting the Demand for 3PL Market

The expansion in the e-commerce sector has driven the growth of the 3PL market in Saudi Arabia. The increase in the adoption of e-commerce in the retail industry is expected to create a lucrative market opportunity for the third-party logistics market in Saudi Arabia.

The Saudi Arabian 3PL market is well-developed and expected to record a CAGR of more than 5.5% between 2022-2027. Factors such as enabling cost reduction, availability of specialized service providers, the presence of industrial zones, and increasing industrialization are the main drivers of this burgeoning market.

the need to strengthen its transportation and logistics infrastructure. Factors such as economic growth, rapid urbanization, and population maturation have driven the government to invest heavily in the expansion and enhancement of transport and logistics infrastructure.

The nation saw a shift in purchasing behavior during the COVID-19 pandemic when customers moved away from traditional hypermarkets and supermarkets to internet-based retailers for necessities like groceries and other items. In the long run, this is anticipated to expand the market and enhance competition for logistics players in the nation in terms of quicker delivery and a seamless client experience.

The increase in the e-commerce sector, which directly drives the logistics and transportation sector, will give impetus to the Saudi Arabian logistics market to rise quickly. The government has also worked to strengthen the legal foundation to encourage this expansion and guarantee the logistics industry's long-term viability.

With growing cross-border movement of commodities and changing consumer preferences, there is an increasing need for faster delivery times and more effective supply chain management. Therefore, the relevance of 3PL companies powered by technology and automation to enhance supply chain services is growing.

Water

The development of Saudi Arabia's water sector will play a key role in ensuring it can meet the increasing demand for potable water and wastewater infrastructure. Economic development, continuous population growth, rapid urbanization, and increasing demand for water and energy pose a huge environmental challenge for the country.

Between 2022 and 2030, the population of Saudi Arabia is expected to grow from 34.8 million to over 40 million. The country has relied on desalinated water since the 1950s to



ensure that the population has access to a reliable source of potable water. Most groundwater, comprising less than 40 percent of the country's water resources, is used for agriculture. The population growth rate is projected to significantly impact wastewater generation, leading to a 50% increase in wastewater generation from a 2018 baseline volume of 7.2 million m³/day.

The Ministry of Environment, Water and Agriculture of Saudi Arabia plans to meet 90% of Saudi Arabia's water demand using desalinated water and 10% using ground and surface water by 2030.

- **Water Transmission:** Due to ageing distribution systems and inefficient usage, Saudi Arabia can lose up to 40 percent of its transmitted water on any given day. Opportunities exist for water efficiencies and monitoring solutions such as radar beams, audio devices, and helium gas to monitor leaks in the networks.

- **Desalination:** New desalination plants would be required to overcome a water shortage of 4.5 million m³/day based on existing urban water demand and committed water supply. SWPC plans to build 20 desalination plants with a cumulative capacity of 8.5 million m³/day by 2025.

- **Wastewater Treatment:** A total of 8.4 million m³/day of capacity addition is required by 2023 to achieve Saudi Arabia's wastewater treatment targets. SWPC plans to build 14 sewage treatment facilities and expand 11 existing facilities to deliver a cumulative treatment capacity of 2.4 million m³/day by 2031. To further reduce leakage and waste, Saudi Arabia aims to reuse over 90% of its water by 2040 from the current 65% by transforming its existing and planned wastewater treatment assets into source water suppliers across most industrial sectors.

Portfolio Review

SISCO's diversified and synergistic portfolio of companies spanning ports & logistics, and water empowers the Group to tap high growth opportunities in low-risk and resilient sectors with high barriers to entry and target risk-adjusted returns. Our portfolio companies are national market leaders who are powering KSA's Vision 2030. We focus on investing resources and provide strategic guidance to ensure that our portfolio companies deliver sustainable profits and long-term growth for our shareholders.

Ports & Logistics

Sector Overview

The ports and logistics infrastructure market in Saudi Arabia is poised for significant growth during the forecast period, driven by increased government investments and financial aid to improve the logistics infrastructure and make Saudi the logistics hub of the entire region. The coastal areas' active trade activities have created a need to advance the logistics sector.

Logistics is a core element of SISCO's strategy of being an integrated logistics platform. SISCO's logistics will seek to cover the full logistics value chain, from the port to the door, through an integrated and seamless logistics offering enabled by digital platforms. Through our strategic investments in RSGT, LogiPoint, Green Dome, Isnad S.A. TALKE, this segment has grown rapidly to include a diverse range of logistics services.

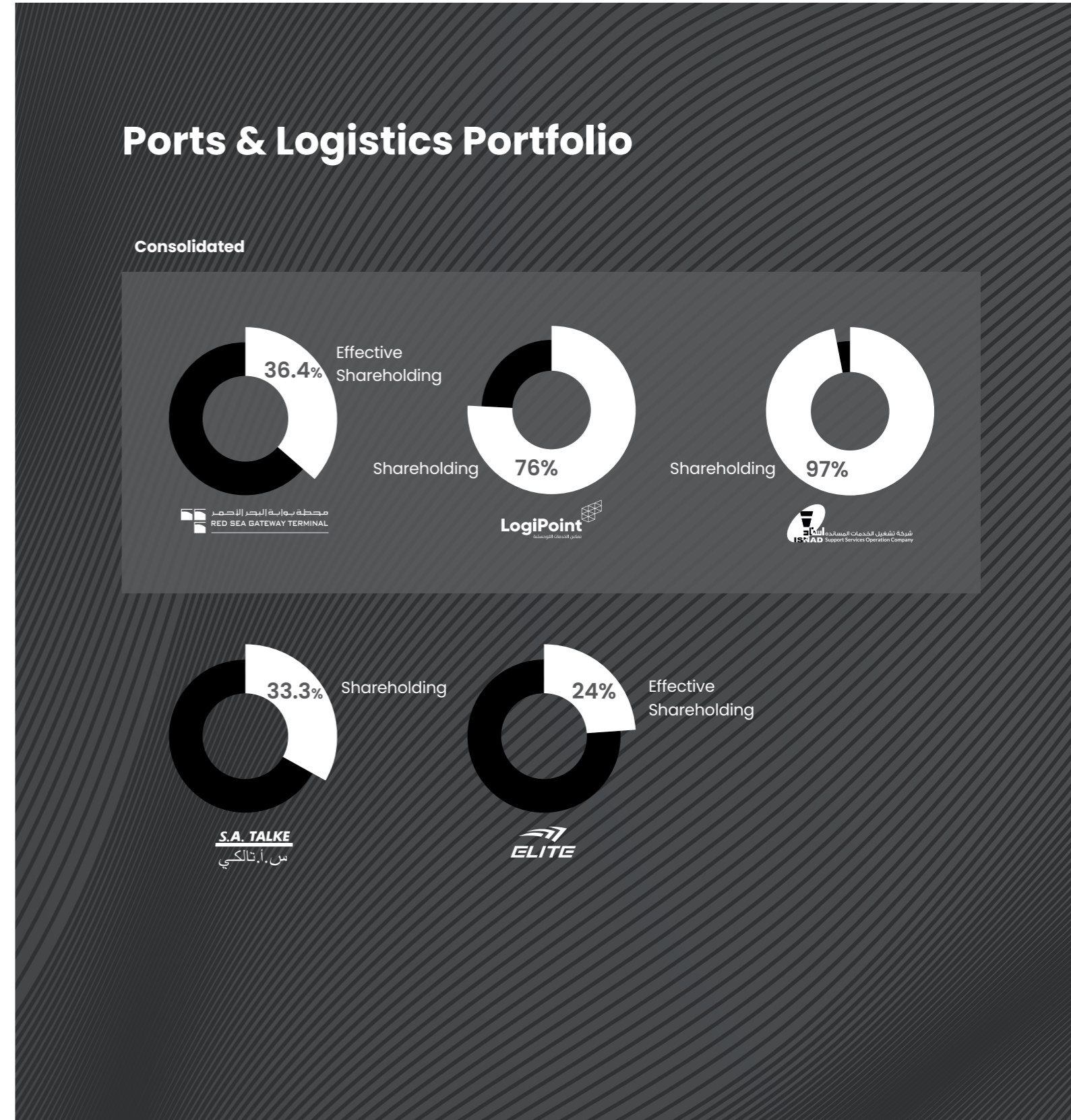
SISCO's ports and logistics platform consists of 5 portfolio companies split into two verticals: ports and logistics.

2023 Strategy and beyond

SISCO's strategy in Logistics focuses on expanding logistics services across the value chain with an emphasis on the asset light model.

Our strategy for our ports segment is to replicate local success in regional and international markets and leverage RSGT's strong shareholder base. SISCO aims to expand its market presence within its core market while pursuing opportunities to diversify its offerings throughout the Kingdom and internationally.

We are focused on increasing logistics real estate footprint growth and diversifying into new services, including third party logistics, freight forwarding, transportation and logistics adjacencies. SISCO is also focused on continuing growth in logistics services across the Kingdom to become an end-to-end services provider. In parallel, we plan to continue expanding and balancing our existing portfolio.



Portfolio Review | Ports



Overview

SISCO's portfolio company, Red Sea Gateway Terminal (RSGT) is the first privately funded KSA based terminal operator. The Company has a modern terminal featuring best-in-class facilities and equipment. RSGT has the largest capacity in the Kingdom, with around 28% market share of throughput in Saudi Arabia in 2022.

RSGT is geared to play a key role in realising KSA's Vision 2030. It is the largest container terminal in the KSA and one of the top-performing container terminals in the world. The company is strengthening its market leadership further through improved productivity and setting industry standards for efficient operations.

Since its establishment in 2009, RSGT has provided market leading port operations at one of the world's 40 busiest container ports, with an annual container throughput capacity of 5.2 million TEUs.

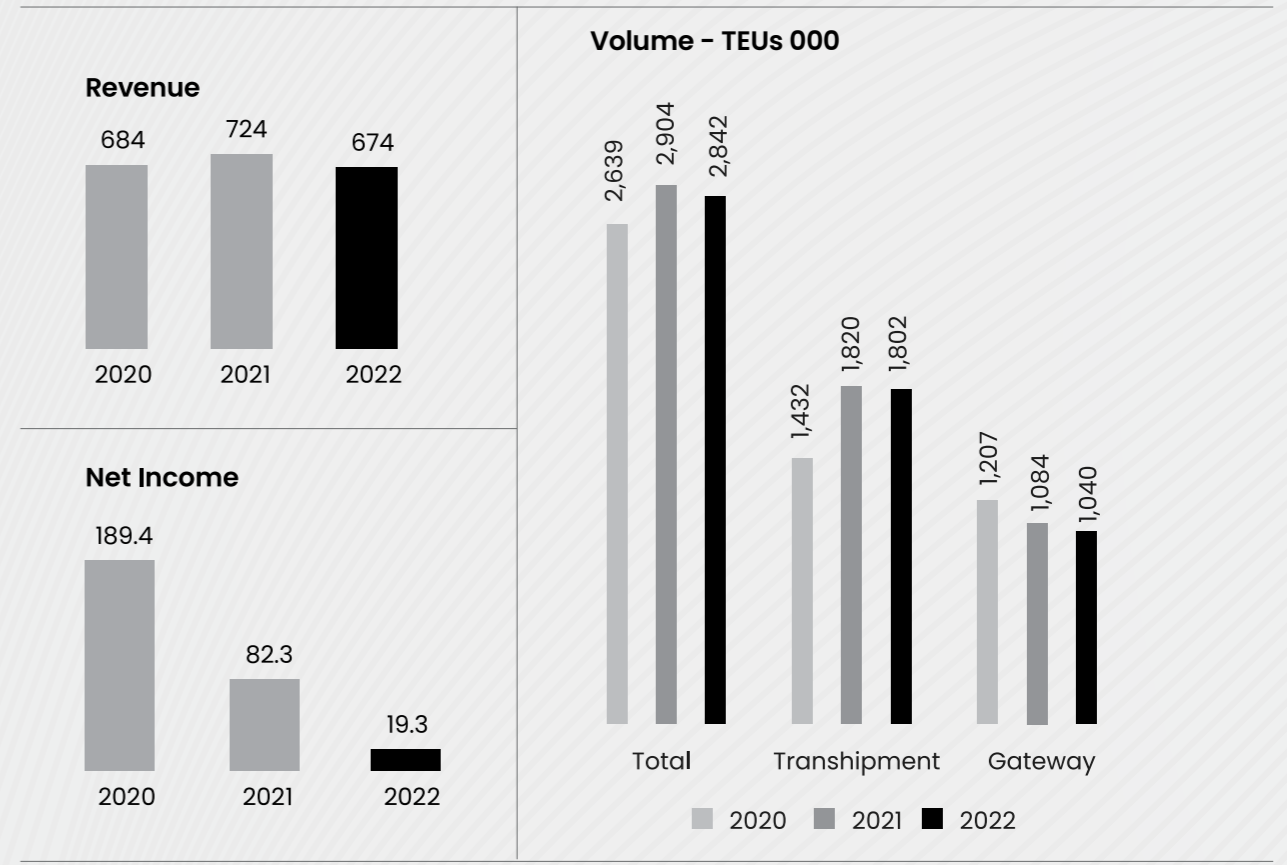
RSGT in 2022

2022 continued to show some impact of the supply chain disruption that impacted performance in the first half of 2022. However, things improved as the year progressed – the EBITDA for H2 2022 was 20% better than in the first half. The net profit of RSGT also increased by 50% in the second half of the reporting period.

During 2022, RSGT undertook several initiatives and introduced several product offerings that contributed to efficiencies and future revenue potential. In brief these included:

1. including row-row products for vessels with a big garage allowing to drive cars in and out. Such tailor-made products are a significant enabler for the car import market.
2. RSGT also started offering co-packing services through collaboration with LogiPoint and Isnad, and welcomed Nestle as its first client. Nestle, will import their dog food that RSGT will unpack, and put new labels on through Isnad. Such services are aimed at landside customers to enhance service levels and ensure customer loyalty.
3. The Company also introduced several initiatives that resulted in savings of SAR 7million. The implementation of lean and Six Sigma projects and the introduction of specialized AI-enabled IT solutions significantly increased efficiencies.
4. RSGT also launched an environmental impact assessment of air, noise, light, pollution, impact on local communities, and carbon footprint, ensuring adherence to the ISO standards. RSGT made good progress in coral formation at the artificial reef that the company started building 2 years ago and continued the monitoring of marine life and coral formations on the reef.
5. Furthermore, RSGT signed a new contract with Mercantile Shipping Company (MSC) to handle its gateway volumes through the RSGT terminal.

Performance in the year



*revenue excluding accounting construction revenue

Governance Structure



<p>Capability Specification</p> <p>5.2M TEU annual handling capacity</p> <p>1.8M SQM Terminal Area</p>	<p>18 Quayside Depth</p> <p>3,300M Total Quay Length</p>	<p>11 Berths</p> <p>20,000 TEU Largest Vessel Size</p>	<p>24 STS Cranes</p>
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Portfolio Review | Ports

RSGT made a strong recovery during the second half of the year to deliver robust top line performance, despite revenue and profitability being significantly impacted during the first half of 2022 due to a decline in gateway volumes.

This pressure was felt across the Kingdom as the result of global supply chain disruptions and COVID restrictions in China. As a result, the import market in the KSA saw a 12% drop during the first half of 2022. Moreover, the West Coast Saudi import market dropped 19% during the same period due to the aforementioned factors.

This decline in import activity resulted in a decline in RSGT's revenue (excluding accounting construction revenue) decreasing by 6.9% to SAR 673.9m (SAR 723.9m in 2021), thereby impacting margins.

Adjusted net income on a like-for-like basis decreased by 76.5%, primarily due to the significant decline in revenue and gross margins in the first half of 2022, coupled with an increase in finance charges due to rising interest rates and an increase in operating expenses.

2023 Outlook and Objectives

On the back of a promising Q3 and a strong Q4 of 2022, RSGT expects a strong recovery in volumes, in particular gateway cargo, which should result in growth in both topline and net income. In addition, the new product offerings introduced in 2022 together with new customer contracts, should further boost revenue and profitability.

Parallel to this RSGT will continue to strengthen its leadership in KSA through increase in capacity at JIP to 6.2 million TEUs as well as exploring additional concessions and ports in KSA, should they become available.

2023 is also year that will see RSGT accelerating its international expansion strategy. The Company boasts a healthy pipeline of international brownfield assets. The immediate priority will be to finalize the concession for a port in Bangladesh where RSGT was designated as a preferred operator to negotiate the concession for the Patenga Container Terminal at Chittagong in a G2G deal, showcasing the Company's proven track record in delivering world-class port operations and integrated logistics solutions.

Future Strategy

A compelling opportunity exists for RSGT to expand its footprint globally by transforming from a single-port operator to a multi-port operator differentiated by the ability to deliver additional capabilities in key strategic markets. RSGT will predominantly target brownfield assets due to their potential to accelerate cash returns compared to greenfield assets. The Company is looking at the Red Sea region, Asia and Africa, to create a niche international terminal operations group aligned with SISCO's strategy.

RSGT will focus on fortifying its leadership position in its core Saudi Arabia market, where significant growth opportunities exist, by actively bidding for new concessions to service the steady demand for increased throughput capacity in the Kingdom. The Company is also trying to create synergies with other SISCO companies to drive a common agenda in the local market.

RSGT will also focus on diversification to other cargo types where favourable concession opportunities may exist for bulk and general cargo ports and terminals.



Portfolio Review | Logistics



LogiPoint is a leading Logistics Real Estate developer and operator and logistics services provider dedicated to enabling logistics and creating value for clients by becoming a leading supply chain and logistics hub in the region.

LogiPoint, has delivered market leading and unparalleled services to customers for over 18 years through its facilities in Jeddah Islamic Port (JIP), MODON and Khumrah. LogiPoint's strategically positioned logistics zones and extensive hands-on experience provide customers a range of logistic infrastructure services covering bonded zone facilities warehousing and logistic parks.

LogiPoint provides state-of-the-art storage, distribution facilities and warehousing, and customised value-added services.

LogiPoint has extensive logistics real estate already developed and being managed in JIP, with an additional 1 million m2 of logistics facilities under development in the Kingdom. The Company provides value-added logistics services through dedicated and trained operations personnel and the Company's own fleet of trucks and equipment.

LogiPoint in 2022

LogiPoint showed strong performance in 2022, delivering growth in net income of 44.8% to SAR 15.5m despite a decline in top line due to a decrease in services revenue. The increase in net income was driven by an improvement in margins due to a better revenue mix (increase in warehousing revenue) and a decrease in direct costs.

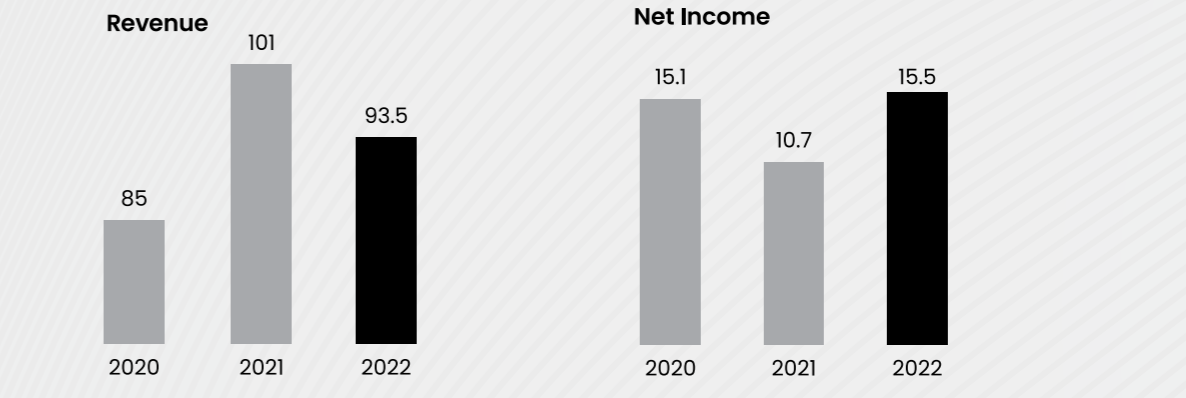
During 2022, LogiPoint achieved a number of notable milestones:

1. Commenced ground breaking of 3 new warehousing developments and completed one warehouse in 2022 that is expected to be operational from 1 January 2023.
2. In November 2022, LogiPoint made its first steps to move out of the port by commencing work on the Jeddah Logistics Hub in Modon.
3. LogiPoint announced acquiring a loan facility of SAR 290 million to finance the expansion of its warehousing capacity, which will double the existing capacity of 73,000 square meters over the next 18 to 24 months. The first 25,000 m2 is expected to be operational from 1 January 2023 and further boost the logistics segment revenues and margins.

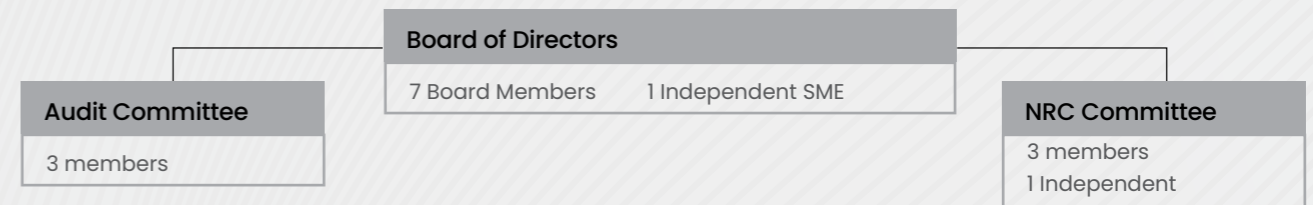
2023 Objectives and Outlook

LogiPoint's strategy for 2023 is to commence groundbreaking in 2023 for the Logistics Park in Al Khumrah together with the development of a logistics park in Madinah.

Performance in the year



Governance Structure



The Company is also expected to continue expanding its warehousing capacity in the bonded zone with one warehouse of 25,000 m2 and an additional 20,000 m2 warehouse outside the bonded zone to be completed during Q3 2023.

Furthermore, the expected improvement in imports and the anticipated pick up in construction activity should improve open yard occupancy which should further boost revenues and margins for 2023.

Future Strategy

LogiPoint plays a central role in delivering one of the main pillars of SISCO's strategy: to continue developing its logistics real estate offering. In this regard, LogiPoint aligns with SISCO's strategy through multi-tiered investments in developing logistics real estate projects across the BRZ, the Jeddah Logistics Hub and the Jeddah Logistics Park.

LogiPoint's investments into infrastructure projects carry a multiplier effect for the Kingdom's economy by attracting new investments, which underlines SISCO and LogiPoint's alignment with the Saudi Vision 2030 goal to transform the Kingdom into an international logistics hub.

Capability Specification	1.78 ^M SQM Total Land Area	38 ^K SQM Commercial Area
	3.47 ^M SQM Warehouse Area	7.47 ^M SQM Total Open Yard Area
		240 Reefer Container Points

Awards



"Transport and Logistics ME" award



"Logistics Middle East" award

Portfolio Review | Logistics



Isnad was established in 2015 and is LogiPoint's operational services arm, providing "one-stop shop" of logistic services to the industry by following international standards of quality, safety and service delivery.

Isnad has been a pioneer in breaking new grounds with Saudi Customs in providing new cross-border solutions to Saudi and International customers through LogiPoint's Bonded and Re-Export Zone.

Key services offered by Isnad are:

- Customs clearance – Isnad was one of the first corporate entities in KSA to obtain Customs Clearance license and now provides round-the-clock clearance services through Saudi Customs Portal.
- Value Added Services: Isnad is the only entity in the Kingdom that provides value added services (unbundling, labelling, repacking and consolidation) and pre-customs clearance
- Warehousing operations: Isnad manages warehousing and yard operations on behalf of 3PL and major petrochemical customers
- Transport & deliveries: provides Full Truck Load (FTL) and Less Than Full Load (LTL) cargo distribution across the Kingdom through own and third-party vehicles

Isnad in 2022

Year 2022 was a turnaround for Isnad. Overall revenue increased by 15% compared to the previous year, while Value Added Services (VAS) revenue showed an impressive improvement of 73%. Isnad's strategy to diversify its revenue streams and grow VAS, in addition to port operations, has proven successful.

Isnad made changes to its organizational structure, bringing in more experienced Operation Management, and consolidating Sales and Operation Delivery under the same umbrella. This produced strong results, including increased customer satisfaction and better volumes.

The Company is focused on investing in its people, processes, and technology to remain competitive and at the forefront of the industry. It is optimistic about its future and believes that with continued concentration on growth and innovation, it can achieve even greater success in the years to come.

2023 Objectives and Outlook

Isnad's strategy for 2023 is to continue to service LogiPoint's customers, in particular in the warehousing operations and transportation and deliveries. Significant scope exists for Isnad to expand its services to outside the bonded zone as well as offering 3PL services.

In addition, significant synergies and crossover exists with Elite giving an opportunity for both companies to collaborate in offering a strong transportation solution to customers in the KSA.

Furthermore, the expected improvement in imports and the anticipated pick up in activity should improve boost Isnad's prospects and revenues for 2023.



Portfolio Review | Logistics



S. A. Talke is a specialised logistics company that has assisted clients in handling, managing, and distributing solid and liquid petrochemical products for over 15 years. With its exceptional expertise in the field, it plays a crucial role in supporting the petrochemical logistics sector in KSA.

S.A. TALKE’s industry leading chemical logistics solutions includes analysing logistics processes, providing optimisation advice, and planning and constructing turnkey logistics plants for industrial companies. Their expertise in chemical logistics allows customers to benefit from comprehensive services available from a single source, ensuring smooth and efficient handling of their supply chain from start to finish.

Services

S.A. TALKE provides turnkey construction of logistic plants, storage and logistics solutions for DG and Non-DG products, packaging, off-site storage, warehousing solutions and container terminal management. The Company provides transportation services for bulk liquids, dry bulk and packaged products, and technical services, including maintenance and container terminal management.

S.A. Talke in 2022

2022 was a very strong year for S.A. Talke as it reported its highest ever revenue and net income. Revenue increased by 11.3% to SAR 307.7 million whilst net income increased by 34.3% to SAR 54.9 million.

Notable milestones during the year were:

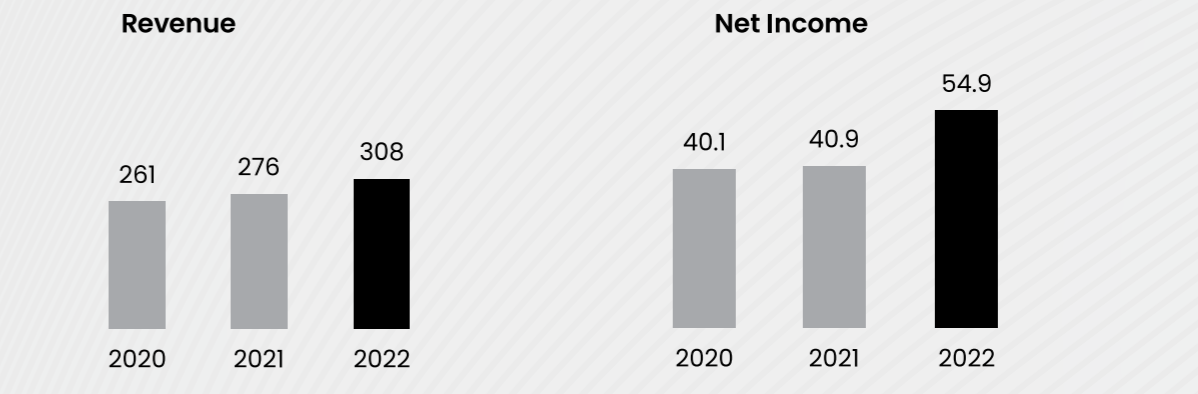
1. Handled record volumes of 14.2 million tonnes
2. Commenced work on a Multi User Facility 2 to provide yard and warehouse space together with additional logistic services to its existing customers. The MUF 2 project is expected to complete in 2023 and will contribute to revenue growth in 2024.
3. Renewal of 3 long term contracts and winning 1 new contract
4. Completion of 20 million safe man hours further demonstrating S.A. Talke’s exemplary health and safety track record.

2023 Objectives and Outlook

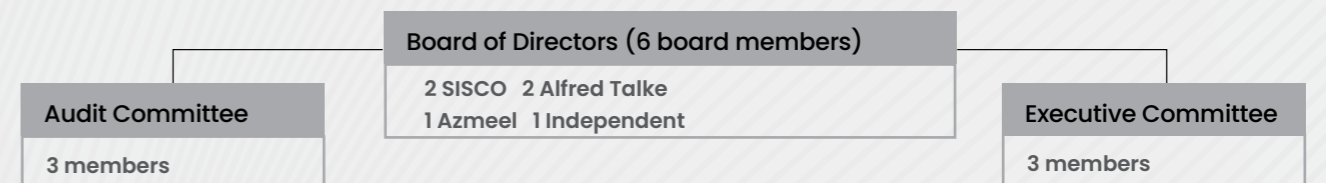
S.A. Talke’s primary objective for 2023 will be to complete the landmark MUF2 project which will add more capacity and potential for revenue growth whilst allowing the Company to centralise operations on one site and reduce costs.

S.A. Talke will also continue to focus on growing its presence by expanding westward beyond Rabigh and Yanbu. The Company will also diversify into new sectors beyond spare parts to segments like overhauling projects for packaging lines. It will actively participate in the national project focused on Oil to Chemical, which targets producing 8 million tons of petrochemicals that requires transportation. It is also gearing up to tap the opportunities arising from the Amiral complex project being developed through a partnership between Aramco and Total Energies in Jubail.

Performance in the year



Governance Structure



Future strategy

In line with SISCO’s strategy to expand logistics services, S.A. TALKE added liquid transportation, operation of spares warehouses and overhauling of packaging lines to its portfolio. S.A. TALKE is involved in new projects such as the SABIC Warehouse, Farabi transportation, Dow product storage and 1 billion Zahr overhauling of packaging lines.

Portfolio review key facts

- 2013 employees
- Record volumes in 2022
- 14.7 million tons gated-out

Capability Specification

Over **50%** market share in KSA

20M safeman hours

13.5M Tons product volume transported

Awards

Recognized for 10 years of reliable service and partnership

Best Safety Performance awarded by PetroRabigh

Excellence in Gulf SQAS Awarded by GPCA

Portfolio Review | Logistics



Elite was established in 2000 as a logistics solution provider covering the sultanate of Oman.

Elite is a leading fully integrated overland freight and courier solutions provider in the Kingdom of Saudi Arabia and GCC. The Company offers a wide range of land freight solutions and value added capabilities including bonded overland freight, multi port clearance options, specialized services, and courier solutions. Elite has been serving a diverse range of clients comprising financial institutions, and companies in the retail, e-commerce, automobile and oilfield industries for the past two decades.

Elite in 2022

Following its transition from a family-owned business to a portfolio company, the first year of Elite Group entailed managing change and capacity building for the next phase of growth. A flat and decentralized organizational structure was put in place and technology capabilities were assessed to define a roadmap for efficient operations. The Company's operations became more efficient, as warehouses are now at operating near-full capacity, with an improvement in courier productivity that resulted in a 15% decrease in cost per drop, and better LTL and FTL truck utilization through optimizing the percentage of outsourcing.

Other improvements included strengthening the management team through key hires covering CFO, CIO, Head of HR and Head of Transformation and implementing a strong corporate governance framework.

In addition to the above, Elite expanded its operations through a 2nd acquisition in Kuwait, adding another key asset towards its aim of becoming the leading logistics and transportation business.

The above initiatives positively impacted revenue and profitability with EBITDA being 8% ahead of budget. The new changes also helped improve efficiencies resulting in a decrease in operating costs.

2023 Outlook and Objectives

The primary focus of Elite will be to build on the strong foundations laid in 2022 and strengthen its resources and processes to retain customer trust during the new management transition. This is a crucial step to ensure that the company emerges operationally and financially strong in the face of economic headwinds.

Elite will continue to look for additional acquisition opportunities to complement current operations and enter the Saudi market.

Future strategy

To align with SISCO's strategy of completing presence across the logistics value chain, Elite provides last mile B2B services across 5 gulf states, with a fleet of 600 vehicles.. The Company has expanded its footprint and network in MENA. It has set up its headquarters in Dubai, becoming a fully integrated overland freight and courier solutions provider servicing the MENA region. The company has also expanded its presence to Kuwait through a second acquisition that was consolidated as part of the Elite platform.

Governance Structure

Board of Directors (7 board members)

2 by RHS (Chairman from RHS) 2 by Sharaf
1 - Mohammed Sharaf 2 by Sisco



Capability Specification

15 | locations throughout GCC

1,000+ | Staffs

600+ | vehicles

81,000 | Sq.ft. of warehouse capacity

Water Solutions

Sector Overview

As the Kingdom of Saudi Arabia addresses increasing water demand from economic diversification, population growth, and urbanization, the private sector is poised to drive the growth of the water industry through the expansion of desalination capacity. The Kingdom is investing heavily in wastewater treatment infrastructure to enable water recycling and reuse. By 2027, desalination capacity is expected to increase to 7.5 million cubic meters per day, up from just over 3 million cubic meters. The Saudi government is also investing in 147 sewage treatment plants and almost 15,000 km of wastewater collection networks. With Vision 2030 as its cornerstone, Saudi Arabia aims to increase the private sector's contribution to GDP from 40 percent to 65 percent by 2030.

SISCO's water companies are at the forefront of providing private water supply services to the industrial sector and beyond in Saudi Arabia, covering the entire value chain that comprises desalination, treatment, and distribution. Our water companies are ideally positioned within the privatization initiatives of Vision 2030 that aim

to modernize the social welfare system to make it more efficient, empowering and just. In 2023, we aim to increase and expand our capacities to provide quality potable water compliant with WHO (World Health Organization) and SASO (Saudi Arabian Standard Organization) health standards to more regions and communities. We are focused on driving innovations in this space to be at the cutting edge of water treatment and distribution technologies and consolidate our market presence further.

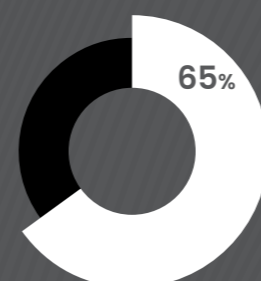
Strategy for 2022 and Beyond

SISCO's strategy for the water solutions segment is to optimise and scale up the existing portfolio companies by consolidating assets and developing an integrated service offering. The Group is focused on unlocking the full potential in core and adjacencies, improving efficiency and significantly scale up existing operations. We are currently pursuing expansion opportunities in the Middle East and looking at growth through targeted acquisition of local desalinated water companies.

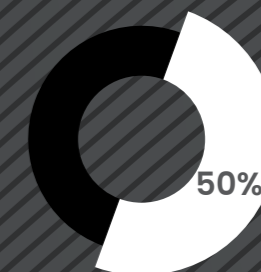


Water Portfolio

Consolidated



Shareholding
Abdul Latif Jameel (ALJ) – 35%



Shareholding



Portfolio Review | Water Solutions



Kindasa Water Services is a water solutions company that produces high-quality desalinated water with projects operational in major industrial hubs such as Jeddah Islamic Port, Saudi City, King Abdulaziz University (Rabigh), and neighboring Yemen. The name "KINDASA" is derived from the first seawater desalination plant built in Jeddah in the early 19th century. Kindasa was incorporated as the first potable water supply limited liability company in Jeddah, Saudi Arabia, in 2000 and later became a Closed Joint Stock company in 2015.

Kindasa today offers 24/7 water distribution services that ensure a steady and dependable water supply to the industrial sectors. Kindasa Water Services operates a 65,000 m³/day Sea water reverse osmosis (SWRO) desalination plant, including potable water transfer pipelines to Jeddah Industrial City, South Khumrah District and tanker loading stations. Besides, the company has recently built a 6000 m³/day (expandable to 12000 m³/day) SWRO desalination plant with loading stations in Rabigh to fulfill the growing demand of potable water in the industrial and public sectors.

Kindasa in 2022

Kindasa reported revenue of SAR 87.4 million in 2022, a decline of 9.2% mainly due to a challenging first half of 2022 that was impacted by a temporary decrease in production for two months during Q1 2022. However, Kindasa made a strong recovery during the second half to minimize this impact.

Despite the decline in revenue, Kindasa margins improved significantly due to improved pricing and a decrease in direct costs due to a change in depreciation methodology. This resulted in an increase in net income of 98% to SAR 11.8 million.

In addition, Kindasa introduced additional services which resulted in the Company signing a new agreement with a refinery company owned by Aramco to provide distilled water. As a part of a new lease agreement for

operation and maintenance (O&M), the Company will use the network of Jinja port to provide water to all tenant companies inside the port facilities.

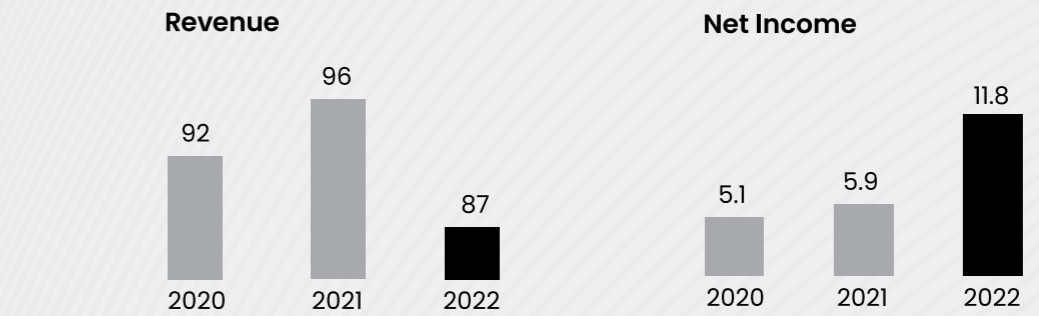
Kindasa also received a third-party agreement in June 2022 that allows the company to produce water, increasing the plant utilization to 99% and saving about USD 15 million (approximately SAR 56 m) per year.

2023 Outlook and Objectives

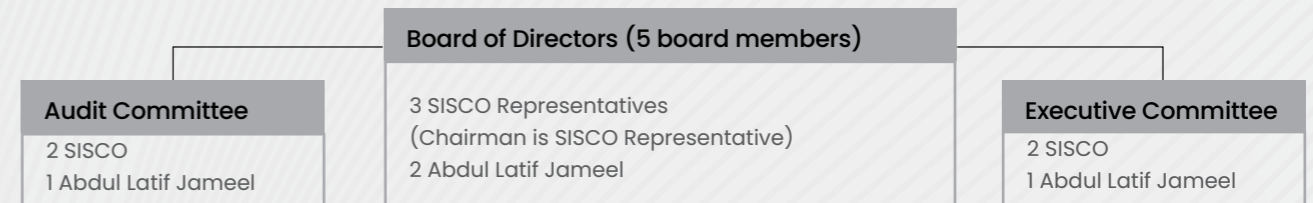
Kindasa's philosophy revolves around creating opportunities out of challenges. Challenges with seawater intake plants spurred the Company to re-evaluate its design and embark on a major project to relocate the plant to the open sea. This ambitious project will eliminate the costs associated with production unit shutdowns, chemical cleaning, and membrane replacements. The Company is in discussions with the GINP authorities to allocate the site to acquire the necessary approvals to extend its pipeline to the open sea.

Kindasa, as a player in the distilled water segment, is hopeful of new opportunities in Jeddah, targeting new customers as well as sugar factories. Capitalizing on these opportunities will be backed by the Company's BRO plant capable of producing up to 3000 cubic metres per day.

Performance in the year



Governance Structure



Future Strategy

In line with SISCO's strategy to expand its presence in the water sector, Kindasa has plans to diversify its revenue streams by establishing a new production line: selling distilled water, renting containerized units and O&M opportunities. The company plans to increase the market

share from 65% to 70% in Jeddah and increase Rabigh sales from 2k m³/day to 3.5k m³/day. In 2022, Kindasa signed an agreement with Luberef, a refinery company owned by Aramco, to provide distilled water that can open doors for such deals with other organizations also.

Portfolio review key facts

- 3 plants in Jeddah and Rabigh
- More than 120 employees

Capability Specification

Over **60%** market share in Jeddah's Industrial customers

1ST Private desalination plant in KSA

22^M m³/Year Design capacity

5,000 m³/Day production at Rabigh plant



Established in 2006, Tawzea is an international water distribution company specializing in delivering municipal and industrial water solutions. The Company offers public-private partnership (PPP) projects, manages concessions, and operates and maintains water and wastewater facilities. Tawzea provides water investment solutions focused on privatizing the water sector, a key element of the Kingdom’s Vision 2030 to elevate social welfare measures. Tawzea is one of the first companies to successfully privatize this sector in Saudi Arabia, particularly within industrial cities.

Tawzea is the leader in the wastewater treatment business through its Independent Sewage Treatment Plant (ISTP). The Company is well poised to tap this opportunity as a tailor-made solutions provider and environmental market leader in Saudi Arabia. Tawzea ensures high operational efficiency and reliability and has implemented a global management system compliant to international standards such as ISO 9001, 14001, and 45001. A specialized team provides technical support to the customers through a 24/7 customer care center and a fully implemented CRM with an automatic billing system and SADAD services.

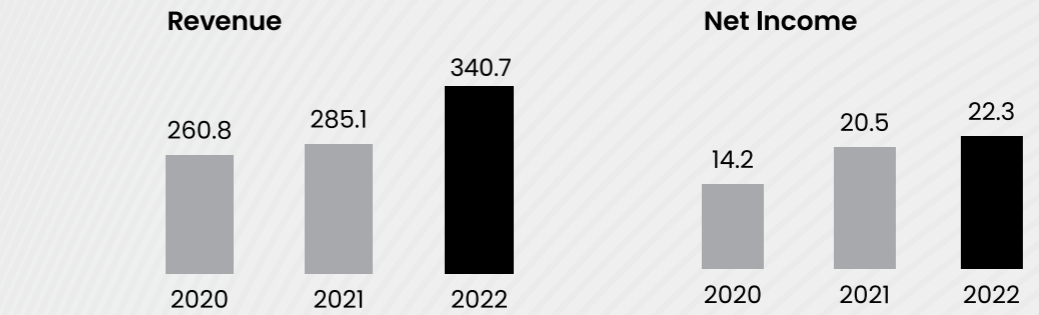
Tawzea in 2022

2022 saw a strong recovery for Tawzea following the disruptions caused by COVID-19. The Company was awarded three independent sewage treatment plant projects, including the first green financing for wastewater treatment project in the Middle East. Tawzea was also awarded two projects with the National Water Company to manage and operate plants in the South and North clusters. The most notable achievement during the year was the beginning of commercial operations in the Taif ISTP in September.

The Company took strides to align with the sustainability measures of the Kingdom’s Vision 2030. To reduce its carbon footprint and become a greener company, it planted more than 20,000 trees across its plants and opted for diversified sources of cleaner energy to run operations. The new ISTP project in Madina requires only 30% conventional power since the facility uses renewable energies such as biogas and solar power.

In the year 2022, Tawzea posted a substantial increase in revenue to SAR 340.7 million (excluding accounting construction revenue) from SAR SAR 285.5 million in 2021. This growth in revenue was driven by an improvement in volumes and the impact of additional revenues from AquaPur Neom as well as South and North Cluster JVs which came in last quarter.

Performance in the year



*revenue excluding accounting construction revenue

2023 Objectives and Outlook 2023 Outlook and Objectives

Strengthening O&M capabilities

In 2023, TAWZEA will continue to further its strategy to increase market share as a developer for water assets, especially through O&M, and become the benchmark of a leading specialised developer in water and wastewater assets, a rapidly evolving sector with significant opportunities in the near future. The Water Partnership company recently announced a seven-year capacity plan for the Blue Thumb Project (BTP) to produce clean water that testifies to the sector’s promise. In 2023, Tawzea aims to enhance its mark as a leading developer of water in the Kingdom of Saudi Arabia.

Further opportunities in the waste water and independent sewage and treatment will be pursued to solidify Tawzea’s position as a market leader in this segment of the market.

Portfolio review key facts

- More than 240 km of portable water networks
- More than 92 km of sewage network

Future strategy

As a key part of SISCO’s vision to expand into the water sector, Tawzea’s growth within water sector directly championed SISCO’s strategy. This has solidified SISCO’s role as a key player in the water distribution and wastewater sector in the Kingdom.

Governance Structure

Board of Directors (4 board members)	
2 SISCO	2 Amiantit
Audit Committee	
3 members	1 Independent

<p>Capability Specification</p>	<p>18 O&M BOT projects in 14 cities</p>	<p>2,700+ factories served</p>	<p>38,656 Tons total storage capacity</p>	<p>298 KM total network length</p>	<p>1,140 million sqm Total area</p>
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Sustainability at SISCO Group

SISCO Group follows an operating philosophy that is in harmony with the triple bottom line of sustainability. This implies managing our environmental, social, and economic performance in an integrated manner for the betterment of all stakeholders. Our aim is to assist in achieving the Saudi Vision 2030 and reinforcing the economic development of the country, while also improving social and environmental outcomes.

Our conviction is that adopting a business strategy that prioritises sustainability will lead to better risk management outcomes and a competitive advantage. It will also aid us in venturing into emerging markets and boosting business performance.

As part of its commitment to sustainability, SISCO Group is dedicated to achieving net-zero emissions by 2060 in line with the Saudi Green Initiative. We recognise the need to tackle climate change and the associated risks and opportunities it presents. Therefore, SISCO Group is working towards developing a comprehensive net zero strategy to align with Saudi Arabia's commitment to reducing carbon emissions.

In this summary on Environmental, Social, and Governance (ESG), we present an overview of SISCO Group's sustainability management practices in the year 2022.

Our Materiality Assessment

SISCO Group recognises the importance of understanding the key issues that can potentially impact our business and stakeholders. We continuously analyse industry trends, identify risks, and establish material issues that need to be managed properly. Through our materiality assessment process, SISCO Group has identified 13 material issues that are ranked based on significance to the company and stakeholders. By mapping these issues, we can set actions to address them and determine where to focus our resources.

SISCO Group regularly engages with our stakeholders to ensure our material topics and emerging issues are identified and addressed.



Our ESG Framework

Sustainability is a crucial component of SISCO Group's corporate strategy, driving responsible and sustainable business growth while generating value for all stakeholders.

SISCO Group's ESG framework is structured around four key pillars that define sustainability for our company. These pillars are in alignment with our business vision and mission, forming the basis of our company's values and shaping our decision-making process.

Our Contribution to the SDGs

Recognising our responsibility to help move towards a sustainable future for everyone, SISCO Group has identified ways in which we can contribute to the United Nations Sustainable Development Goals (UN SDGs).

Our goal is to promote the SDGs by aligning our business practices with these objectives, and by setting relevant targets, operating in a way that creates a positive impact towards their achievement.



Framework Pillar	SDG Contribution
Empowering Our People	We are committed to equity and diversity through relevant policies and equal employment opportunities, and are striving to increase the representation of women in our workforce to support the Saudi Vision 2030 goals. Our employees are the backbone of our organisation, and therefore, we prioritise their health, safety, and overall wellbeing.
	We are committed to attracting and retaining the finest talent and providing career advancement opportunities through the development of our employees to increase our capacity.
SDG	

Framework Pillar

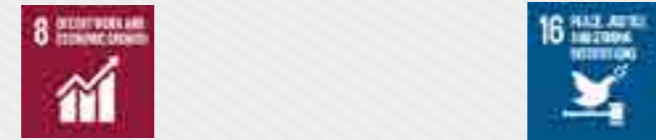
SDG Contribution

TARGET



We consider operating our business with utmost integrity to be a fundamental principle. We are of the opinion that consistent ethical conduct from our leadership down to our employees working on the field can foster a resilient and enduring culture of confidence, responsibility, and openness. This, in turn, leads to better business performance and the creation of value for all our stakeholders.

SDG

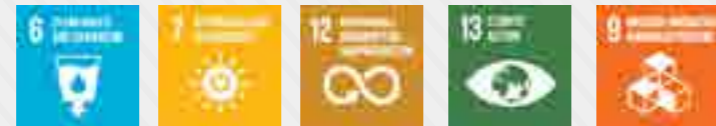


TARGET



As a participant in the economic growth of the Kingdom, we have a responsibility towards the advancement and prosperity of the communities we cater to. Hence, we are utilising our resources to become a driving force for constructive transformation within our community. Furthermore, we persistently strive to enhance customer experience by offering improved products and services, and by refining customer engagement strategies. We are dedicated to procuring products, materials, and services in a fair and transparent way, expanding our local sourcing capacity, and enhancing the conditions and livelihoods of our suppliers throughout our supply chain.

SDG



TARGET

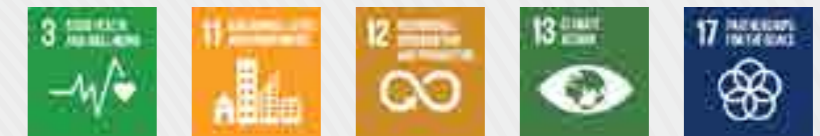


Framework Pillar

SDG Contribution

At SISCO Group, we are determined to reducing our negative environmental impact and endorse the Green Initiative of the Kingdom. We are committed to decreasing our carbon footprint by executing efficient energy conservation initiatives and adopting advanced technologies and infrastructure across our operations. Furthermore, we endeavor to consistently lower our water usage and waste footprint while identifying and managing risks linked to climate change associated with our activities.

SDG



TARGET



Our Alignment with National Priorities

We have synchronised the ESG management process of SISCO Group with the national vision by integrating essential elements of the Saudi Vision 2030, which presents a sustainable trajectory for Saudi Arabia's future. The vision emphasises the significance of the Kingdom on the world stage, while offering an understanding of its distinctive challenges, culture, and opportunities. Furthermore, SISCO Group's ESG management process is in line with the Saudi Green Initiative, which aims to reduce carbon emissions, increase the percentage of renewable energy in the country, and protect natural resources.



An Eye on SISCO Subsidiaries' Achievements

Pull-out achievements

<p>Tawzea</p> <ul style="list-style-type: none"> In alignment with the Saudi Green Initiative, Tawzea planted over 20,000 trees in Yanbu and Taif. Tawzea achieved a local content of 46% at Taif Independent Sewage Treatment Project (ISTP). Tawzea also stopped water distribution through truck tankers in all industrial cities, introduced the first solar dryer for sludge dewatering, and implemented the first sludge waste-to-energy facility in the Kingdom at ISTP. Tawzea successfully completed the Green Loan Framework financing for ISTPs in Madinah, Tabuk, and Buraidah. 	<p>Kindasa</p> <ul style="list-style-type: none"> Kindasa upgraded the Jeddah Islamic Port (JIP) water network by connecting all JIP facilities and resident companies through T connections to the Kindasa plants, thereby eliminating water trucks inside JIP, which will reduce the carbon footprint of water production and distribution. Moreover, Kindasa are also working with customers with close proximity to the company's pipeline to replace water truck deliveries with T connections. 	<p>Red Sea Gateway Terminal</p> <ul style="list-style-type: none"> Red Sea Gateway Terminal has introduced Hybrid Rubber Tired Gantry (RTG) vehicles which have reduced diesel fuel consumption and emissions by around 50%, and plan to replace Terminal Tractors (TT) with electrically powered ones starting in 2024. All Red Sea Gateway Terminal's buildings are being retrofitted with Light Emitting Diode (LED) lighting systems. Red Sea Gateway Terminal is working to convert Rubber Tired Gantry Cranes/Ship-to-Shore (RTG/STS) spreaders from hydraulic to electrical operation to reduce the use of hydraulic oils. Red Sea Gateway Terminal is investigating options to capture Air Conditioning (AC) wastewater on STSs and RTGs for reuse in window washing.
<p>S.A. Talke</p> <ul style="list-style-type: none"> On a quarterly basis, S.A. Talke conducts an environmental campaign to clean up the beach/ corniche. Furthermore, S.A. Talke installed motion sensors and water filters in the employee accommodation units to reduce electricity and water consumption. 	<p>Logipoint</p> <ul style="list-style-type: none"> Logipoint rolled-out a tree plantation drive and dedicated green areas in the designs of all new parks. Logipoint reduced water waste and successfully reused AC water. 	<p>Elite Express Cargo</p> <ul style="list-style-type: none"> Elite Express Cargo decreased electricity consumption by 5% in the company's HQ and warehouses. Additionally, Elite Express Cargo replaced single-use water bottles with reusable ones.

03

Governance Performance Report

Governance Performance Report

Governance Performance

A robust Corporate Governance structure ensures the Group’s continued high performance and integrity, while retaining the trust of its Stakeholders. Maintaining effective corporate governance is, therefore, a key priority for the Board, and this is achieved through implementing the principles and best practices and guidelines promulgated by the Capital Markets Authority of Saudi Arabia and other relevant regulations as well as international best practices.

SISCO views strong corporate governance frameworks as a key component in supporting its portfolio companies’ long-term growth ambitions. As such, the Company works closely with its portfolio companies to develop and implement sound decision-making frameworks and to establish best-in-class processes and policies across its assets.

Each of our portfolio companies mirror SISCO’s governance structure that enables SISCO to have strong oversight over each company whilst enabling each business to operate autonomously.

Business Sectors

Over the past few years, SISCO has adopted the strategy of becoming a strategic investment parent Company. This has been achieved through implementing and applying strategy and growth management policies, as well as being responsible for the operating companies’ results in performance, decision-making and corporate governance framework that govern the relationship between the Group and its operating companies.

SISCO subsidiaries and associated companies are grouped under 3 main business sectors:

Ports & Terminals	Logistics Parks & Services	Water Solutions
 <ul style="list-style-type: none"> • Red Sea Ports Development Co. (RSPD) • Red Sea Gateway Terminal Co. (RSGT) 	 <ul style="list-style-type: none"> • Saudi Trade and Export Development Co. (LOGIPOINT) • Support Services Operation Co. (ISNAD) • Saudi Aljabr Talke Co. (SA TALKE) 	 <ul style="list-style-type: none"> • Kindasa Water Services Co. (KINDASA) • International Water Distribution Co. (TAWZEA) 

Subsidiary Companies

Consolidated companies are those where in which SISCO either owns directly or through other subsidiaries, more than half of the capital of the company or control the composition of the Board.

Details of the subsidiary companies are as follows:

Company & Its Business	Share Capital	Direct Ownership	Head Office	Country of Incorporation
Red Sea Ports Development Company				
Development, construction, operation and maintenance of container terminals, handling and unloading services and shipping, navigation and marine support services necessary to provide ships with water, energy, sewage treatment and the excavation and backfill and investment in these activities.	SAR 333 million	53 %	Jeddah	Saudi Arabia
Saudi Trade and Export Development Company				
Storage and Re-export of cars / containers provide container storage yards and perform container handling operation, examination of customs for export and re-export, provide warehouses for different types of goods, and provide packaging and re-handling services for goods in warehouses and open yards.	SAR 140 million	76 %	Jeddah	Saudi Arabia
Kindasa Water Services Company				
Construction and operation of sea-water desalination plants.	SAR 77 million	65 %	Jeddah	Saudi Arabia
Support Services Operations Co. Ltd.				
Services to projects in the industrial cities; operate gas stations and vehicle maintenance shops; logistics support services for ports; water transport services; trade in industrial machinery and spare parts.	SAR 15 million	97 %	Jeddah	Saudi Arabia

Associated Companies

Associated companies are those where SISCO has substantial long-term interest and where SISCO is in a position to exercise a significant influence over the associated company by participating in their financial and operating policy decisions.

Details of the associated companies are as follows:

Company & its Business	Share Capital	Direct Ownership	Head Office	Country of Incorporation
International Water Distribution Co.				
Construction of public works of water, sewage, irrigation and sanitation (water and storm water drainage); and mechanical works, waterworks, sewage technology and pumping stations; maintenance and operation of water facilities, sewage and running channeling water to various networks.	SAR 146 million	50 %	Jeddah	Saudi Arabia
Saudi Al-Jabr Talke Company				
Implementation of contracting construction, operation and maintenance of warehouses and logistics for the petrochemical sector contracts.	SAR 21 million	33.33 %	Jubail	Saudi Arabia

Other Investments

- SISCO has invested USD 2.5 million (SAR 9.4 million) in Growth Gate Corporation BSC (Bahrain). SISCO's investment represents 1.157% of Growth Gate's total share capital of USD 343.4 million.
- SISCO has indirect investment in Water and Environment Saudi Service Company Limited ("WESSCO") through its subsidiary Kindasa Water Services Company, which owns 49% of WESSCO.
- SISCO has indirect investment in Xenmet SA, Vaduz ("Xenmet") through its subsidiary Saudi Trade and Export Development Company, which owns 25% of Xenmet SA.
- SISCO has indirect investment in Green Dome Investments ("Green Dome") through its subsidiary Saudi Trade and Export Development Company, which owns 31.7% of Green Dome.

Red Sea Ports Development Co. (RSPD)

Established	2009
Company Type	Closed Joint Stock Company
Principal Place of Operations	Jeddah, Saudi Arabia
Main Business	Development, Management, and Operation of Container Terminals.
Share Capital	SAR 333.125 million
No. of Shares	33,312,500 of SAR 10 each

Company	No. of Shares	%
SISCO	17,655,625	53.0%
CITY ISLAND HOLDING	6,662,500	20.0%
XENEL INDUSTRIES	5,330,000	16.0%
SAUDI TRADE AND EXPORT DEVELOPMENT CO.	3,331,250	10.0%
XENEL MAINTENANCE	333,125	1.0%
TOTAL	33,312,500	100%

Red Sea Gateway Terminal Co. Limited (RSGT)

Established	2007
Company Type	Limited Liability Co.
Principal Place of Operations	Jeddah, Saudi Arabia
Main Business	Development, Management, and Operation of Container Terminals.
Share Capital	SAR 555.207 million
No. of Shares	555,207 of SAR 1,000 each

Company	No. of Shares	%
RED SEA PORTS DEVELOPMENT	333,125	60.0%
Public Investment Fund (PIF)	111,041	20%
COSCO SHIPPING Lines Co	111,041	20%
TOTAL	555,207	100%

Saudi Trade & Export Development Co.

Established	1999
Company Type	Limited Liability Co.
Principal Place of Operations	Jeddah, Saudi Arabia
Main Business	Development, Management, and Operation of Logistics Parks and Zones
Share Capital	SAR 140 million
No. of Shares	140,000 of SAR 1,000 each

Company	No. of Shares	%
SISCO	106,400	76.0%
XENEL INDUSTRIES	33,600	24.0%
TOTAL	140,000	100%

Support Services Operation Company Limited (Logipoint Services)

Established	2004
Company Type	Limited Liability Co.
Principal Place of Operations	Jeddah, Riyadh Saudi Arabia
Main Business	Logistics Operation Management and services including investing and developing logistics services hubs, logistics operations, and, value added services.
Share Capital	SAR 15 million
No. of Shares	15,000 of SAR 1,000 each

Company	No. of Shares	%
SISCO	14,550	97.0%
LOGIPOINT	450	3.0%
TOTAL	15,000	100%

Al-Jabr Talke Company LTD. (S.A. Talke)

Established	2004
Company Type	Limited Liability Co.
Principal Place of Operations	Jubail, Saudi Arabia
Main Business	Packaging, Material Handling, Distribution of Petro-chemical and / or Hazardous materials.
Share Capital	SAR 21.099 million
No. of Shares	21,099 of SAR 1,000 each

Company	No. of Shares	%
SISCO	7,033	33.3%
TALKE GmbH	7,033	33.3%
AZMEEL International	5,627	26.7%
Abdullatif Mogahed	1,406	6.7%
TOTAL	21,099	100%

Kindasa Water Services Co. (Kindasa)

Established	2000
Company Type	Closed Joint Stock Co.
Principal Place of Operations	Jeddah, Saudi Arabia
Main Business	Construction and Operation of Water Desalination Plants and Water Distribution.
Share Capital	SAR 77.3 million
No. of Shares	7,730,000 of SAR 10 each.

Company	No. of Shares	%
SISCO	5,024,500	65.0%
M. Abdul Latif Jameel Co.	2,705,500	35.0%
TOTAL	7,730,000	100%

International Water Distribution Company LTD. (Tawzea)

Established	2006	Company	No. of Shares	%
Company Type	Limited Liability Co.			
Principal Place of Operations	Jeddah, Riyadh, Qassim Saudi Arabia	SISCO	73,000	50.0%
Main Business	Potable Water Distribution and Wastewater Treatment and use of re-cycled water for irrigation.	AMIWATER (AMIANTIT)	73,000	50.0%
Share Capital	SAR 146 million			
No. of Shares	146,000 of SAR 1,000 each	TOTAL	146,000	100%

Green Dome Investments (GDI)

Established	2021	Company	No. of Shares	%
Company Type	Limited Liability Co.	LOGIPOINT	3,167	31.67%
Principal Place of Operations	UAE	RHS Logistics	3,167	31.67%
Main Business	<ul style="list-style-type: none"> Investment and management of companies providing logistic services. 	Sharaf Group	3,167	31.67%
Share Capital	SAR 10,000	Mohammed Sharaf	500	5%
No. of Shares	10,000 of SAR 1 each	TOTAL	10,000	100%

Dividend Policy

The Company's dividend policy is governed by Articles (45) and (46) of its Articles of Association.

Article 45 mandates the following regarding distribution of the Company's annual Net Profits:

1. The Company sets aside 10% of Net Profits after Zakat as statutory reserve until the reserve reaches 30% of the Company's paid up share capital.
2. The Company has the right to set aside other reserves to the extent that benefits the Company and stabilises the dividends paid to Shareholders. In addition, the Company can cut off some of the Net Profits to be used in either establishing or contributing to social institutions for the Company's employees.
3. The remaining amount, if any, would be used in distributing at least 10% of the Company's annual Net Profits to Shareholders based on the Board's suggestion and Member's approval.

The Company may choose to distribute dividends quarterly or semi-annually if it meets the following requirements:

- The Board's resolution/decision should be renewed annually.
- The Company should maintain good/stable profits.
- The Company should have adequate liquidity and it should be able to anticipate its future profits clearly.
- The Company should have an adequate amount of profits, based on the final Audited Financial Statements, to cover the amount proposed to be distributed as dividends after deducting what has been distributed or used as capital beyond the date of the financials.

Article (46) states that the Shareholders are authorised to receive their dividends based on the Company's/ Board's resolution, which should include the ex-dividend date and the Distribution/payment date for the dividends. Shareholders are eligible for the dividends if they are registered in the Company's record by the end of the ex-dividend date.

Historical Dividends Paid by the Company:

	2016	2017	2018	2019	2020	2021	2022
Dividend/Share	*	0.3	0.4	0.6	0.8	0.8	0.8
Distribution %	*	3% of share capital which is SAR 816 million	4% of share capital which is SAR 816 million	6% of share capital which is SAR 816 million	8% of share capital which is SAR 816 million	8% of share capital which is SAR 816 million	8% of share capital which is SAR 816 million
Total Amount	*	SAR 24.4 million	SAR 32.6 million	SAR 48.9 million	SAR 65.2 million	SAR 65.2 million	SAR 65.2 million

* Bonus shares were granted to all Shareholders by issuing 1 bonus share for each 5 shares as approved by the General Assembly of Shareholders on 16th April 2017.

The Board

Every 3 years the Shareholders elect a new Board of Directors that is responsible to the Shareholders for the direction of the Group. The Board has the ultimate and overall responsibility to set up a robust corporate governance structure, to envisage the Group's strategic direction and help in achieving the business objectives. The CEO, with the direction of the Board, is responsible for implementing the acquisition and divestment policies, major capital expenditures and the consideration of significant financial matters while the Board monitors the Group's key business risks and reviews the direction of individual business units, and other investments.

Article (15) of SISCO's Articles of Association states that the Board of Directors is to comprise of 7 members, which complies with paragraph (a), Article (17) of the Corporate Governance Regulation issued by the Capital Market Authority.

A total of 5 meetings of the Board of Directors were held during the financial year 2022, and the attendance record of each of the Directors was as follows:

Name of the Board Member	1 st March	16 th May	29 th June	10 th Aug	2 nd Nov
Mr. Aamer Abdullah Alireza (Chairman)	✓	✓	✓	✓	✓
Dr. Adnan Abdulfattah Soufi	✓	✓	✓	✓	✓
Dr. Abdulaziz Abdullatif Jazzar	✓	✓	✓	✓	✓
Eng. Saleh Ahmed Hefni	✓	✓	✓	✓	✓
Ms. Muneerah Hejab Al-Dossary	✓	✓	✓	✓	✓
Mr. Talal Nasser Al- Dakhil	✓	✓	✓	✓	✓
Mr. Ahmed Mohammed Al-Rabiah	✓	✓	✓	✓	✓

The current Board was appointed by the Shareholders' General Assembly on 28th June 2020 for period of 3 years, starting 1st July 2020.

The dates of the General Assembly Meeting (GAM) held in 2022 and the Board of Director's attendance:

Name of the Board Member	GAM NO. 32	GAM NO. 33
	12 th May	10 th November
Mr. Aamer Abdullah Alireza	✓	✓
Dr. Adnan Abdulfattah Soufi	✓	✓
Dr. Abdulaziz Abdullatif Jazzar	✓	✓
Eng. Saleh Ahmed Hefni	✓	✓
Ms. Muneerah Hejab Al-Dossary	✓	✓
Mr. Talal Nasser Al-Dakhil	✓	✓
Mr. Ahmed Mohammed Al- Rabiah	✓	✓

Board Balance

SISCO's Board is balanced and complies with the independent members criteria set out under the requirements of the Capital Markets Authority. All 7 Board Members are Non-Executive and 3 of them are Independent Members with expertise in different fields, bringing independent judgement on matters of strategy, performance and utilisation of resources of the Group. They provide unbiased views, and their presence improves corporate accountability.

The following table provides the classification of each Member of the Board of Directors:

Name of the Board Member	TITLE	INDEPENDENT	EXECUTIVE	NON-EXECUTIVE
Mr. Aamer Abdullah Alireza	Chairman			✓
Dr. Adnan Abdulfattah Soufi	Vice Chairman	✓		
Dr. Abdulaziz Abdullatif Jazzar	Member	✓		
Eng. Saleh Ahmed Hefni	Member			✓
Ms. Muneerah Hejab Al-Dossary	Member	✓		
Mr. Talal Nasser Al-Dakhil	Member			✓
Mr. Ahmed Mohammed Al-Rabiah	Member			✓

Overall, the Board comprises an appropriate mix of diverse academic and professional backgrounds to provide a collective range of skills, expertise, and experience relevant to support the growth and address the complexities, competition and changes in SISCO's business environment.

Board Committees

The Board has established 4 committees, comprising of Board Members, and external independent experts. These committees have specific charters approved by the Board.

These committees are:

Audit Committee

Name of Committee Member	28 th Feb	15 th May	9 th Aug.	31 st Oct	21 st Dec
Mr. Waleed Abdulaziz Kayyal (Chairman)	✓	✓	✓	✓	✓
Dr. Abubaker Ali Bagabir	✓	✓	✓	✓	✓
Dr. Abdulaziz Abdullatif Jazzar	✓	✓	✓	✓	✓
Mr. Nader Mohammed Ashour	-	✓	✓	✓	✓

Responsibilities

The Committee meets at least once every quarter and assists the Board in fulfilling its oversight responsibilities; primarily in reviewing quarterly and annual financial statements, reporting financial and non-financial information, reviewing systems of internal controls, risk management, the audit process, and the related party transactions. The Audit Committee has also been assigned by the Board to oversee the Risk Function of the Company. SISCO has a designated Risk Officer whose main responsibilities are to coordinate with all subsidiaries in relation to risk management matters and gather related information to be reviewed and evaluated by the Audit Committee and presented to the Board.

The current Audit Committee was appointed by the General Assembly of Shareholders on June 28, 2020 for a period of three years, starting from July 1, 2020. On May 12, 2022, the General Assembly approved increasing the number of Audit Committee members' seats from (3) to (4) seats. The number of members of the audit committee becomes (4) members, by appointing the Mr. Nader Ashour on the Audit Committee (a member from outside the Board), starting from the date of the assembly until the end of the current session of the Audit Committee, which will end on June 30, 2023.

Internal Control Framework

The Board of Directors is responsible for the overall effectiveness of control systems, internal auditing, and risk management within the Group. However, the Board has delegated responsibility for reviewing the detailed framework of internal control systems and risk management to the audit committee consisting of some members of the Board of Directors and external experts. The Board of Directors is responsible for maintaining strong systems, tight and effective internal control.

The Group maintains an effective internal control framework comprising clear structures, authority limits, accountabilities, well understood policies and procedures, and annual budgets. The Board meets regularly to consider SISCO's financial performance, business growth and development plans, capital expenditure proposals and other key performance indicators.

Internal Audit Function

The Audit Committee annually reviews the appropriateness of resources and the capabilities of the internal audit function. The Chief Audit Executive functionally reports to the Audit Committee. The Audit Committee approves the annual audit plan, based on an annual risk assessment, and the Audit Committee approves the annual audit plan based on the annual risk assessment. The department also reviews financial and operational matters and ensures compliance with approved regulations and regulations. The head of the internal audit department presents the results to the audit committee periodically.

The Boards of all subsidiary and associated companies have established their own audit committees with dedicated internal audit resources. SISCO monitors their internal audit functions by having its nominated members in the respective audit committees of those companies.

Risk Management Function

Effective risk management requires awareness and participation at all levels of the company and for this reason the risk management process is integrated into the day-to-day business, as well as reflected in the core operations of the Group.

Risks are considered at every level of the business and are evaluated, discussed, and considered when deciding on future strategy, approving transactions and monitoring performance.

The Board recognizes that effective risk management requires awareness and participation at all levels of the Company. The subsidiaries are also responsible for identifying and evaluating the risks that lie with them, while the risk management function in SISCO is to ensure that the procedures followed by the subsidiaries are adequate.

Risk and Sustainability Committee

Name of the Board Member	13 th Mar.	8 th Sep.
Dr. Adnan Soufi	✓	✓
Mr. Wael Eid	✓	✓
Mr. Steven Barlow	✓	✓

Responsibilities

The primary role of this committee is to assist the board in carrying out its responsibilities regarding risks and sustainability of the Group and to provide advice when needed. On December 11, 2022, the Board of Directors of the Saudi Industrial Services Company agreed to dissolve the Risk Committee and cancel its current duties, provided that risk tasks are assigned to the Audit Committee in its next session, so that the number of committees is adequate with the size and nature of the company's activity. The Board also recommended that the Audit Committee Charter to be amended so that this charter includes the controls and procedures of the committee's work, its tasks, the rules for selecting its members, how to nominate them, the duration of their membership, their remunerations, and the mechanism for appointing its members temporarily in the event of a vacancy in one of the committee seats, as it is required that the presence of its members have an appropriate level of knowledge of risk management and financial affairs, and this charter is approved by the General Assembly.

Investment Committee

Name of the Board Member	26 th Mar.	25 th June	11 th Aug.	27 th Sep.	17 th Nov.
Dr. Adnan Abdulfattah Soufi (Chairman)	✓	✓	✓	✓	✓
Mr. Aamer Abdullah Alireza	✓	✓	✓	✓	✓
Eng. Saleh Ahmed Hefni	✓	✓	✓	✓	✓
Ms. Muneerah Hejab Al-Dossary	✓	✓	✓	✓	✓

Responsibilities

The Committee assists the Board in reviewing the Group's major investment transactions and performances, oversees the Group's financial resources and advises on future financial strategy, the Committee meets on an as needed basis.

The current Investment Committee was appointed by the Board on 1st July 2020 for a period of 3 years, starting 1st July 2020.

Nomination And Remuneration Committee

Name of the Board Member	2 nd Feb	8 th Dec
Dr. Abdulaziz Abdullatif Jazzar (Chairman)	✓	✓
Mr. Aamer Abdullah Alireza	✓	✓
Mr. Talal Nasser Al-Dakhil	✓	✓
Mr. Ahmed Mohammed Al-Rabiah	✓	✓
Mr. Thamer Saeed Al-Harhi	✓	✓

Responsibilities

The Committee meets at least twice a year to assist the Board of Directors in reviewing and approving the compensation to be provided to SISCO Corporation, Board Members, the Chief Executive Officer, and employees. In addition, the Committee is responsible for overseeing the development, screening, and nomination of qualified individuals for membership of the Board and its committees.

The current Nomination and Remuneration Committee was appointed by the Board on 01st July 2020 for a period of 3 years, starting 01st July 2020.

Liquidity Management Policy

Cash is managed and controlled separately by the parent company and each subsidiary and associate and is carried out in accordance with the policies approved by the respective Boards of each company after thorough consultation. The purpose of the policies is to ensure that adequate cost-effective funding is available at all times and exposure to financial risk is minimised. The risks managed are liquidity risk, interest rate risk, and currency exchange rate risk. Derivative financial instruments like hedging strategies are applied to manage exposure to interest rate risk and currency risk. Derivative financial instruments are not used for speculative or profiteering purposes.

SISCO's liquidity policy objectives include implementation of good business practices such as repayment of obligations on a timely basis that assist in building the image of the Company for future funding requirements and meeting business commitments on a timely basis. Liquidity risk is mitigated by careful monitoring of cash flow needs, regular communication with our credit providers, and careful selection of financial strategies and appropriate financial partners.

Board and Management Remuneration

Board Members	FIXED REMUNERATION				Variable Remuneration	End of Service Award	Total	Expense Allowance
	Specific Amount	Allowance for Attending Board Meetings	Total Allowance for attending committee meetings	Total				
Independent Members								
Dr. Adnan Soufi	250,000	50,000	70,000	370,000	-	-	370,000	-
Dr. Abdulaziz Jazzar	200,000	50,000	70,000	320,000	-	-	320,000	7,400
Ms. Muneerah Aldossary	200,000	50,000	50,000	300,000	-	-	300,000	7,752
Total	650,000	150,000	190,000	990,000	-	-	990,000	15,152
Non-Executive Members								
Mr. Aamer Alireza	230,000	50,000	70,000	350,000	-	-	350,000	-
Eng. Saleh Hefni	200,000	50,000	50,000	300,000	-	-	300,000	-
Mr. Ahmed Alrabiah	200,000	50,000	20,000	270,000	-	-	270,000	4,351
Mr. Talal Aldakhil	200,000	50,000	20,000	270,000	-	-	270,000	6,992
Total	830,000	200,000	160,000	1,119,000	-	-	1,190,000	11,343

Committee Members	Fixed Remuneration (Except For The Allowance For Attending Board Meetings)	Allowance For Attending Board Meetings	Total
Audit Committee Members			
Mr. Waleed Kayyal	150,000	50,000	200,000
Mr. Abubaker Bagabir	100,000	50,000	150,000
Dr. AbdulAziz Jazzar	75,000	50,000	125,000
Mr. Nadir Ashour	70,410	40,000	110,410
TOTAL	395,410	190,000	585,410
Nomination and Remuneration Committee Members			
Dr. AbdulAziz Jazzar	100,000	20,000	120,000
Mr. Aamer Alireza	75,000	20,000	95,000
Mr. Talal Aldakhil	75,000	20,000	95,000
Mr. Ahmed Alrabiah	75,000	20,000	95,000
Mr. Thamer AlHarthi	75,000	20,000	95,000
TOTAL	400,000	100,000	500,000

Committee Members	Fixed Remuneration (Except For The Allowance For Attending Board Meetings)	Allowance For Attending Board Meetings	Total
Investment Committee Members			
Dr. Adnan Soufi	100,000	50,000	150,000
Mr. Aamer Alireza	75,000	50,000	125,000
Eng. Saleh Hefni	75,000	50,000	125,000
Ms. Muneerah Al Dossary	75,000	50,000	125,000
TOTAL	325,000	200,000	525,000
Risk and Sustainability Committee Members			
Dr. Adnan Soufi	-	20,000	20,000
Mr. Wael Eid	-	20,000	20,000
Mr. Steven Barlow	-	20,000	20,000
TOTAL	-	60,000	60,000

Compensation and benefits paid to five Senior Executives (including CEO and CFO) during 2022 are as follows:

Executives	FIXED REMUNERATION			VARIABLE REMUNERATION		END OF SERVICE BENEFITS	TOTAL	
	Salaries	Allowances	In-kind benefits	Total	Periodic Remunerations			TOTAL
CEO	1,150,000	837,500	50,000	2,037,500	1,193,200	1,193,200	1,998,190	5,228,890
CFO	936,000	417,600	113,690	1,467,290	408,600	408,600	197,618	2,073,508
Other Executives	2,052,000	811,200	85,000	2,948,200	745,500	745,500	1,017,110	4,710,810
TOTAL	4,138,000	2,066,300	248,690	6,452,990	2,347,300	2,347,300	3,212,918	12,013,208

The Company pays annual bonuses and expenses for attendance and any other relevant expenses for Board of Directors and Committee members in accordance with regulations stipulated by Ministry of Commerce and in accordance with Company Bylaws and approved charters.

Article (19) of the Company Bylaw's states that:

The remuneration of the Board of Directors consists of a combination of, attendance fees for the required meetings or a percentage of the net profits. Two or more of the benefits may be combined as approved by the Board of Directors and within the limits stipulated by the Companies Law and its regulations as specified by relevant authorities. The report of the Board of Directors to the General Assembly should include a comprehensive statement of all remuneration, fees, and other benefits received by the members during the fiscal year. The report should also include a statement of payments to the members as an employee, administrator or otherwise for technical, administrative or consulting service for the Company. The report should include a statement of the number of meetings, list of attendees of the Board and General Assembly meetings.

Remuneration and Allowances Policy of the Board members and Board secretary in accordance with the Board charter:

- Based on article 19 of the Articles of Association of the Company and the Company Law, the total remuneration of each member including all benefits shall not exceed five hundred thousand Saudi Riyals Annually.
- Ten Thousand Saudi Riyals for each member for attending each Board meeting and Committee meeting.
- The company provides first class tickets, transportation, and accommodation for non- resident members.
- The Board of Directors determines the annual remuneration of the Secretary of the Board. The Company also covers the expenses such as travel tickets, accommodation, and all matters pertaining to the Board.
- The remuneration year, except in the case of termination of membership before the end of the financial year; where remuneration is oaid at termination.

Executive Remuneration

The company pays salaries, allowances and any other remuneration and benefits for its executive based on their contracts and performance.

- The benefits paid are in compliance with the Company's reward and benefit policy.
- Members of the Board of Directors have not taken any amount from the Company for any administrative, technical or advisory work. All members of the Board of Directors are non- executive.

Board and Management Performance

The Nomination and Remuneration Committee evacuates the Board performance through an annual review of the necessary skills and expertise required for board membership and executive management functions to:

- Verify annually that there are no conflicts of interest
- Identify weaknesses and strengths of the Board
- Propose solutions to address the weaknesses of the Board
- Verify independency of the independent members

Evaluates the performance of SISCO's Executive Management through the review of Corporate KPI Scorecard achievement for the current year and agree the Corporate KPI Scorecard for the next year.

Board Declaration / Confirmation

In accordance with the requirements of Article (87) of the Corporate Governance Regulations, and in Paragraph (2) of Article (76) and Paragraph (2) of Article (121 and 122) of the Companies Law and Article (82) of the Rules on the Offer of Securities and Continuing Obligations, and to ensure the Board's commitment to highlight the applicable and non-applicable requirements under these articles, the Board confirms the following:

Article (87) of the Corporate Governance Regulations:

Paragraph No.	Description	Reason For Non-Compliance
9	Any punishment, penalty, precautionary procedure or preventive measure imposed on the Company by the Authority or any other supervisory, regulatory or judiciary authority, describing the reasons for non-compliance, the imposing authority and the measures undertaken to remedy and avoid such non-compliance in the future;	Not Applicable
11	The audit committee's recommendation on appointing an internal auditor for the Company, if it has made such recommendation in the last financial year.	Not Applicable
11 (previous Corp. Gov. Reg.)	The Audit Committee's recommendation on the need for appointing an internal Auditor for the Company. If there is no internal Auditor	Not Applicable
12	The audit committee's recommendation with conflict with Board resolution or those which the Board disregards relating to the appointment, dismissal, assessment or determining the remuneration of an external auditor, as well as justifications for those recommendations and reasons for disregarding them.	Not Applicable
21	Any inconsistency with the standards approved by the Saudi Organization for Chartered and Professional Accountants.	Not Applicable
25	A description of any interest in a class of voting shares held by persons (other than the company's directors, Senior Executives and their relatives) who have notified the Company of their holdings pursuant to Article 85 of the Rules on the Offer of Securities and Continuing Obligations, together with any change to such interests during the last fiscal year;	Not Applicable
26	A description of any interest, contractual securities or rights issue of the Board members, Senior Executives and their relatives on shares or debt instruments of the Company or its affiliates, and any change on these interest or rights during the last fiscal year	Not Applicable
28	A description of the class and number of any convertible debt instruments, contractual securities, preemptive right or similar rights issued or granted by the Company during the fiscal year, as well as stating any compensation obtained by the Company in this regard	Not Applicable
29	A description of any conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights issued or granted by the company.	Not Applicable
30	Description of any redemption, purchase or cancellation by the Company of any redeemable debt instruments and the value of such securities outstanding, distinguishing between those listed securities purchased by the Company and those purchased by its affiliates	Not Applicable
35	A description of any arrangement or agreement under which a director or a Senior Executive of the Company has waived any remuneration	Not Applicable
36	A description of any arrangement or agreement under which a shareholder of the Company has waived any rights to dividends	Not Applicable
38	A statement as to the value of any investments made or any reserves set up for the benefit of the employees of the company.	Not Applicable
40	If the external auditor's report contains reservations on the annual financial statements, the Board report shall highlight this mentioning the reasons and any relevant information	Not Applicable
41	If the Board recommended replacing the external auditor before the end of its term, the report shall indicate this mentioning the reasons for the replacement recommendation	Not Applicable
42	information relating to any competing business with the Company or any of its activities that any member of the Board is engaging in or was engaging in such competing businesses, including the names of persons in relation, the nature, conditions of such competing businesses. If there are no such competing businesses, the Company must submit a statement thereof.	Not Applicable

Pursuant to article (87) of Corporate Governance Regulations, the Board of Directors of the Company hereby declare that:

1. The Group's accounting records were properly prepared.
2. The Group's internal control systems and procedures were properly developed and effectively executed.
3. There are no doubts about the Group's ability to continue its business activities.
4. No information relating to any competing business with the Company or any of its activities that any member of the Board is engaging in or was engaging in such competing businesses.

Not applicable items from the Regulatory Rules and Procedures issued pursuant to the Companies Law relating to Listed Joint Stock Companies:

Article No.	Description	Reason For Non-Compliance
20	The Board Annual Report must contain details relating to Treasury Shares retained by the Company and details on the use of these shares.	Not Applicable

Shareholder Proposal

If the Company receives any proposal, note or enquiry from a Shareholder, the Liaison Officer directly informs Executive Management to address and respond to the enquiry. The Secretary of the Board shall notify the Board for discussion, if necessary.

Shareholding Interests

Information of the shareholding required under the reporting framework is as follows:

Number and dates of shareholders requests.

Req. No.	Request Date	Shareholder List Date	Request Reason
1	10/11/2022	10/11/2022	General Assembly Meeting
2	09/11/2022	08/11/2022	Company Procedures
3	05/10/2022	04/10/2022	Company Procedures
4	05/10/2022	05/10/2022	Company Procedures
5	24/08/2022	23/08/2022	Dividend File
6	16/08/2022	15/08/2022	Company Procedures
7	06/06/2022	02/06/2022	Company Procedures
8	12/05/2022	12/05/2022	General Assembly Meeting
9	11/05/2022	12/05/2022	General Assembly Meeting
10	31/03/2022	28/03/2022	Company Procedures
11	15/03/2022	14/03/2022	Dividend File
12	28/02/2022	02/01/2022	Company Procedures
13	10/02/2022	02/02/2022	Company Procedures

Shareholders holding more than 5% of the paid-up voting share capital of the Company

Name	No. Of Share As Of 01/01/2022	% Of Capital	No. Of Share As Of 31/12/2022	% Of Capital	CHANGE	
					NO.	%
Xenel Industries Limited	11,992,924	14.7%	11,992,924	14.7%	0	-

Board Members and Senior Executives Interest and Changes During the Year

Name	No. of Share as of 01/01/2022	% of Capital	No. of Share as of 31/12/2022	% of Capital	Change	
					Shares	%
Mr. Aamer A. Alireza	50,927	0.062	50,927	0.062	-	-
Dr. Adnan Soufi	100	0.00	100	0.00	-	-
Eng. Saleh Hefni	6,000	0.007	21,000	0.03	15,000	0.0230
Dr. Abdulaziz Jazzar	29,400	0.036	29,400	0.036	-	-
Ms. Muneerah ALDossary	14,100	0.017	14,100	0.017	-	-
Mr. Ahmed Alrabiah	10,000	0.012	5,000	0.01	(5,000)	(0.002)
Mr. Talal AlDakhil	350,000	0.429	1,000	0.00	(349,000)	(0.429)

Shareholding Pattern as of 31 December 2022

No.	Ownership of Shares	Shareholders		Shares	
		No.	%	No.	%
1	Less than 20 shares	3,716	15.9%	19,468	0.02%
2	From 20 to 99 shares	3,434	14.7%	170,274	0.21%
3	From 100 to 499 shares	6,207	26.6%	1,484,422	1.82%
4	From 500 to 999 shares	2,866	12.2%	1,930,766	2.37%
5	From 1,000 to 19,999 shares	6,683	28.6%	23,523,388	28.83%
6	From 20,000 to 99,999 shares	401	1.7%	15,689,423	19.23%
7	From 100,000 to 999,999 shares	76	0.3%	18,690,351	22.9%
8	From 1,000,000 to 4,999,999 shares	6	0.0%	8,099,084	9.93%
9	More than 5,000,000 shares	1	0.0%	11,992,924	14.7%
Total		23,390	100.0%	81,600,000	100.00%

Shareholder Categories as of 31 December 2022

No.	Category of Shareholder	No. of Investors	Total Shares Owned	%
1	Companies	63	20,116,257	24.7%
2	Funds	80	4,976,390	6.1%
3	Individuals	23,247	56,507,353	69.2%
Total		23,390	80,728,745	100%

Nationality of shareholders as of 31 December 2022

No.	Nationality	Current Balance	%
1	Saudi	76,228,333	93.42%
2	USA	2,742,125	3.36%
3	Others (47 Countries)	2,629,542	3.22%
Total		81,600,000	100.00%

Shareholder Proposal

If the company receives any proposal, note or enquiry from a shareholder, the liaison officer directly informs executive management to address and respond to the enquiry. The Secretary of the Board shall notify the Board for discussion, if necessary.

Risk Management

Risk Management is an integral part of SISCO's management philosophy. SISCO follows a combination of top-down and bottom-up approaches to identify and assess the risks faced by its group and develops mitigation plans accordingly. During 2022, management teams of all group companies participated in this process, and risk-register was updated incorporating recent market / economic conditions and trends.

Risks across the group companies were monitored throughout the year, and appropriate actions were taken to ensure that the risks are properly mitigated.

The following are the Group Main Risks:

No.	Potential Risk	Mitigating Actions
1	Business Concentration The Group is highly dependent on the port segment. If this segment was affected, it might have a major impact on SISCO's turnover.	<ul style="list-style-type: none"> The Group is continuously reviewing its portfolio of investments to diversify its sectors as well as developing the non-port related businesses, which will balance the dependence on the three business segments.
2	Credit Risk and debt collections The current market condition might negatively affect the customers' credit strength and liquidity causing delay in collecting receivables.	<ul style="list-style-type: none"> SISCO Group has improved its credit control and customer collection procedures through regular follow-up with customers, updating the credit policy, and strengthening the controls over granting credit lines.
3	Government regulations Several regulations continuously changing, which presents implementation challenges and hence risk of non-compliance. As a result, any change in regulations or laws may adversely impact our business.	<ul style="list-style-type: none"> SISCO Group monitors changes to regulations across its portfolio to ensure that appropriate steps are taken to mitigate the effect of any change in regulations and ensure compliance is continuously managed. SISCO Group also has a central legal team to support its portfolio companies to manage and comply with regulatory changes
4	Business Continuity / Disaster Recovery Plan The risk of business interruptions from a range of internal and external incidents or threats including cyber threats, environmental and climatic issues, terrorism, economic instabilities, pandemic, and operational incidents.	<ul style="list-style-type: none"> SISCO Group and its subsidiaries are enhancing their operational resilience framework to strengthen their responses to disruptions. They are also updating their disaster recovery and business continuity plans to minimize disruption to operations from natural disasters. Continuously updating our cyber security policy.
5	Financial Constraints Risk <ul style="list-style-type: none"> The Group may encounter difficulty in obtaining new facilities for future investments. Financial constraints for partners. 	<ul style="list-style-type: none"> The Company manages its financing constraints by ensuring it is maintaining a balanced debt coverage ratio. Strengthen our banking relationship. Make sure not to default in any of current loan payments to keep good credit history.

Audit Committee Report

Audit Committee met five times during the year 2022. The committee's primary role was to support the Board in its duty to oversee the internal and financial control systems and risk management systems in the company to ensure its adequate and effective implementation. Also, the committee has the following main responsibilities:

- Assists the Board in fulfilling its oversight responsibilities by recommending the approval of the company's quarterly and annual financial statements after discussing it with the company's management.
- Met the external auditor to obtain their feedback about their evaluation of the Group's internal control systems and other matters related to the audit process.

Additionally, The Committee performed the following:

- Overseeing the company's internal audit function and verifying its effectiveness by reviewing the submitted internal audit reports and following-up on the corrective action included in these reports.
- Analyzing the submitted external audit proposals, and submitting recommendations to the Board of Directors and the General Assembly regarding the appointment of the company's external auditors for next year based on the applicable requirements.
- Review and approve the annual internal audit plan.
- Review external audit plan and makes necessary comments (if any).
- Discussing and following up on the observations included in the company's external auditor management report.
- Overseeing the whistleblowing program and handling the investigations (if any).
- Recommending to the Board of Directors to approve the related party transactions for 2022, after obtaining a list of all transactions and ensuring their accuracy and the adequacy of their disclosure in the financial statements.

In addition to the responsibilities mentioned above, the Audit Committee carries out any other tasks assigned to them by the Board of Directors.

Governance Performance and Internal Audit Results

SISCO follows a comprehensive approach towards corporate governance to ensure maximum transparency and disclosure. The internal audit function designs audit programs to detect internal control deficiency in a timely manner and monitor follow-up mechanisms to take the corrective measures in reasonable time. SISCO follows the three lines of defense approach adopted by the International Institute of Internal Auditors (IIA), as the first line of defense lies with the business and process owners, whereby operational management is responsible for maintaining effective internal controls on a day-to-day basis. The second line are support functions such as risk management and others who put in place mechanisms to monitor the first line-of-defense controls and analyzing their compliance and non-compliance and reporting it to the executive management of the Company. The last of the three lines of defense is the Internal Audit with its high level of organizational independence and objectivity.

The Audit Committee highlighted that during 2022, the company's Internal Audit function followed up on all the high-priority findings which dealt with and closed by SISCO's management.

The Audit Committee confirms that nothing came to its attention to cause it to believe that there are significant deficiencies in the internal control systems, internal control over financial reporting, and risk management systems established by SISCO and its subsidiaries. The Audit Committee's efforts are continuously focused on SISCO developing and improving the effectiveness and efficiency of the internal control systems, internal control over financial reporting and risk management systems.

Continuing in its role in strengthening the governance and internal controls of the Company, the Committee worked with an independent advisory firm to audit SISCO's information systems to increase their efficiency and effectiveness and coordinated with all the audit committees of the subsidiary companies to perform similar audits for their systems, who are now addressing the related findings.

The Committee has coordinated with all audit committees in subsidiary companies to ensure they support their respective internal audit functions with the required expertise and resources to ensure the full execution of their audit plans and succession plans for internal auditors taking into account the dynamic nature of the local market and employee turnover.

The Audit Committee has been established in all SISCO subsidiaries and affiliates, these committees are carrying out their responsibilities in assisting their boards in overseeing the corporate governance and internal control systems.

Related Party Transactions

Various group companies had transactions with related parties of the Group with duration of one year. These transactions follow the same conditions and principles as dealing with third parties. The related parties include: The Group board members, major shareholders, senior executives and any of their first-degree relatives pursuant to the CMA and Ministry of Commerce and Investment regulations. All related party transactions are carried out according to best practices and as per the companies approved procurement procedures and policies and have a duration of one year.

The following table sets out all related party transactions where the relation is through the Board Member of SISCO and are required to be approved by the General Assembly in accordance with Article 71 of the Saudi Company Law:

Related Party	Relationship	Nature of Transaction	Amount of Transaction
Karam Al Arabi Catering	Xenel Industries (SISCO shareholder) is also a shareholder of Karam Al Arabi. Also, Mr. Aamer A. Alireza (SISCO Chairman) is a board member of Karam Al Arabi.	• Purchase of goods and services including catering and employee housing by RSGT.	19,001,531
Xenel Industries Limited (XIL)	XIL is a shareholder of SISCO and Mr. Aamer A. Alireza (SISCO Chairman) is a board member of XIL.	• Payments made by the Group on behalf of shareholder. • Expenses incurred by Xenel on behalf of the Group.	346,273 147,008
Arabian Bulk Trade Co. Ltd (ABT)	ABT is owned by Xenel Industries (SISCO shareholder). Mr. Aamer A. Alireza (SISCO Chairman) is a board member of ABT.	• Warehouse lease by LogiPoint.	13,824
International Water Distribution Co. Ltd. (Tawzea)	SISCO owns 50% of Tawzea, Mr. Talal Al Dakhil (SISCO Board Member) is a Board Member of Tawzea	• Sales of water by kindasa. • Expenses incurred by SISCO on behalf of Tawzea. • Expenses incurred by Tawzea on behalf of SISCO	66,676,906 848,695 35,801

In addition to the above table, the following are the additional related party transactions required to be disclosed in accordance with Listing Rules and Corporate Governance Guideline issued by Capital Market Authority.

Related Party	Relationship	Nature of Transaction	Amount of Transaction
International Water Distribution Co. Ltd. (Tawzea)	SISCO owns 50% of Tawzea. Mr. Mohammed Mudarres (SISCO previous CEO) and Mr. Talal Al Dakhil (SISCO Board Member) are board member of TAWZEA.	• Sales of water by Kindasa.	66,676,906
		• Expenses incurred by SISCO on behalf of Tawzea	848,695
		• Expenses incurred by Tawzea on behalf of SISCO.	35,801
Water & Environmental Services Saudi Co. Ltd.	Kindasa (SISCO subsidiary) owns 49% of WESSCO.	• Sale of operation and management services by Kindasa	67,778
Red Sea Gateway Terminal Company Limited ("RSGT")	RSGT is a subsidiary of SISCO. Mr. Aamer A. Alireza (SISCO Chairman) and Mr. Mohammed Mudarres (SISCO Previous CEO) and Eng. Khalid Sulaimani (SISCO CEO) are board members of RSGT.	• Expenses incurred by SISCO on behalf of RSGT.	1,028,574
Saudi Trade and Export Development Company Limited ("LogiPoint")	LogiPoint is a subsidiary of SISCO. Mr. Aamer A. Alireza (SISCO Chairman), Mr. Saleh A. Hefni (SISCO Board Member), Mr. Ahmed Alrabeah (SISCO Board Member), Mr. Mohammed Mudarres (SISCO Previous CEO), Eng. Khalid Sulaimani (SISCO CEO), are board members of LogiPoint.	• Expenses incurred by SISCO on behalf of LogiPoint.	1,551,501
		• Advances	20,000,000
Kindasa Water Services Company ("Kindasa")	Kindasa is a subsidiary of SISCO. Mr. Aamer A. Alireza (SISCO Chairman), Mr. Saleh A. Hefni (SISCO Board Member) and Mr. Mohammed Mudarres (SISCO Previous CEO) are board members of Kindasa.	- Expenses incurred by SISCO on behalf of Kindasa.	907,965
Support Services Operation Company Limited ("ISNAD")	ISNAD is subsidiary of SISCO. Mr. Aamer A. Alireza (SISCO Vice Chairman) and Mr. Mohammed Mudarres (SISCO Previous CEO) Eng. Khalid Sulaimani (SISCO CEO) are board members of ISNAD.	Expenses incurred by SISCO on behalf of Isnad.	7,518
Saudi AlJabr Talke ("S.A. Talke")	SISCO owns 33.3% of S,A Talke Mr. Mohammed Mudarres (SISCO Previous CEO) is a Board Member of S.A. Talke	Expenses incurred by SISCO on behalf of S.A. Talke.	617,650



04

Financial Review

Key Financial Indicators

Balance Sheet

Income Statement

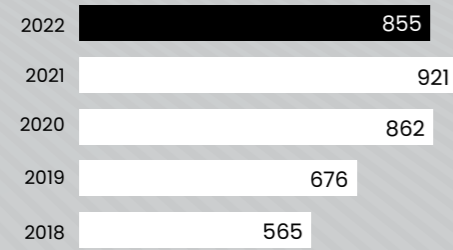
Key Ratios

Key Financial Data

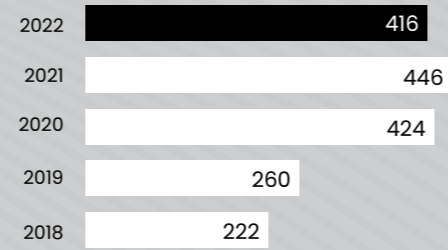
Key Financial Indicators

(SAR Million)

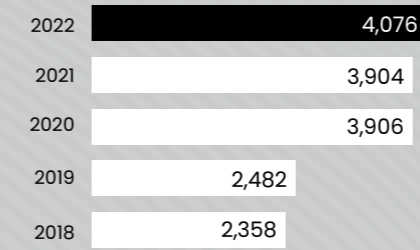
Adjusted Revenue



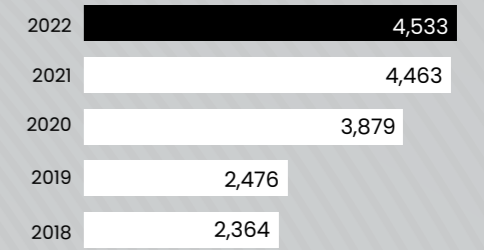
Gross Profit



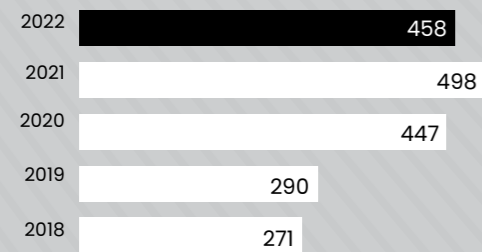
Long Term Assets



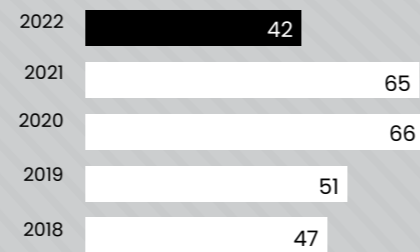
Capital Employed



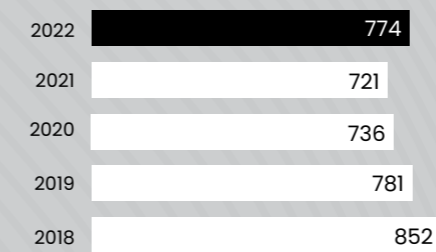
Adjusted EBITDA



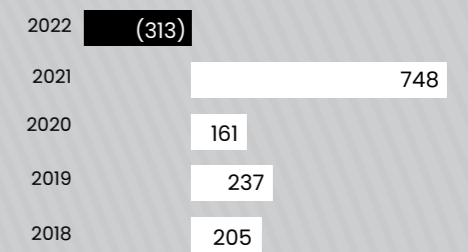
Adjusted Net Income



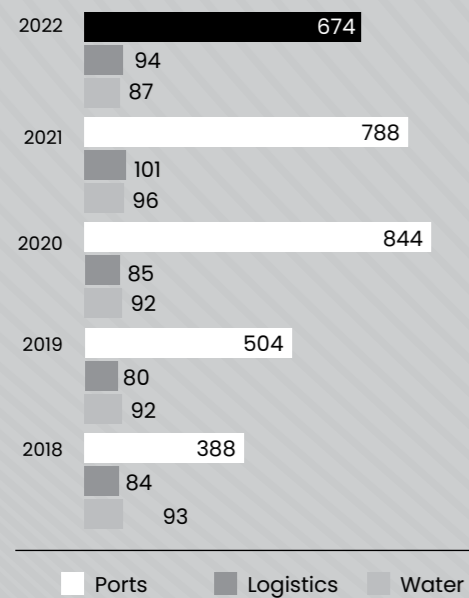
Long Term Borrowings



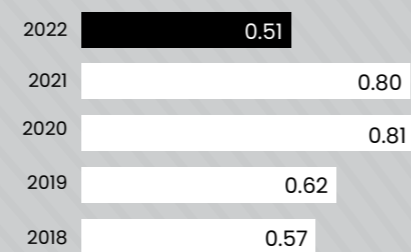
Free Cash Flow



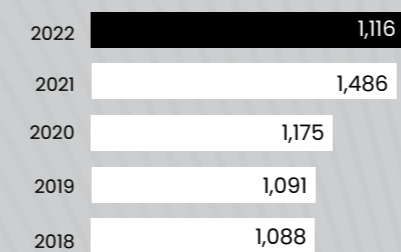
Segment Revenue



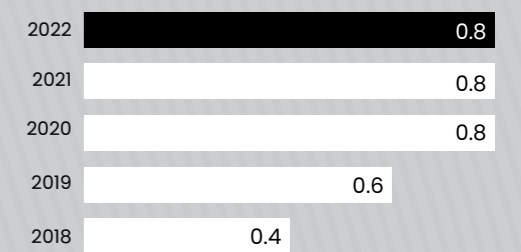
Adjusted EPS



Shareholders Equity



Dividend Per Share



* Revenue excludes accounting construction revenue

Balance Sheet

(SAR '000)	2022	22 vs. 21	2021	2020	2019	2018
		% Change				
ASSETS						
CURRENT ASSETS						
Bank Balances and Cash	787,872	-11.7%	892,374	336,534	295,101	180,584
Receivables	167,887	-2.6%	172,416	144,990	111,274	117,953
Inventories	26,054	0.5%	25,935	19,628	18,172	21,303
	981,813	-10.0%	1,090,725	501,152	424,547	319,840
NON-CURRENT ASSETS						
Investments	274,822	29.8%	211,707	160,672	156,737	147,792
Property, Plant and Equipment	738,803	35.5%	545,107	514,436	1,008,201	1,039,960
Right of Use Assets	45,497	-49.5%	90,132	86,918	241,825	-
Other Non-Current Assets	3,017,396	-1.3%	3,057,380	3,143,976	1,074,792	1,170,144
	4,076,518	4.4%	3,904,326	3,906,002	2,481,555	2,357,896
TOTAL ASSETS	5,058,331	1.3%	4,995,051	4,407,154	2,906,102	2,677,736
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Payables	438,034	-4.5%	458,760	457,050	189,768	160,606
Short-term Loans	87,791	19.9%	73,211	70,671	2,40,712	153,414
	525,825	-1.2%	531,971	527,721	430,480	314,020
NON-CURRENT LIABILITIES						
Long Term Bank Loans	685,960	5.8%	648,147	665,663	540,390	699,027
Other Non-Current Liabilities	1,393,802	1.2%	1,376,996	1,371,469	87,641	66,042
Lease Liabilities	94,086	6.0%	88,796	84,598	217,086	-
Employees' End of Service Benefits	42,468	-19.5%	52,725	48,126	39,470	27,216
	2,216,316	2.3%	2,166,664	2,169,856	884,587	792,285
SHAREHOLDERS' EQUITY						
Share Capital	816,000	0.0%	816,000	816,000	816,000	816,000
Share Premium	36,409	0.0%	36,409	36,409	36,409	36,409
Reserves	99,785	3.8%	96,115	90,324	76,383	71,290
Other Non-Distributable Reserves	393,451	17.5%	334,993	(16,482)	(9,517)	5,907
Retained Earnings/(Loss)	170,277	-15.9%	202,527	248,330	171,818	158,627
Equity Attributable to Parent Company	1,515,922	2.0%	1,486,044	1,174,581	1,091,093	1,088,233
Non-Controlling Interest	800,268	-1.2%	810,372	534,996	499,942	483,198
TOTAL EQUITY	2,316,190	0.9%	2,296,416	1,709,577	1,591,035	1,571,431
TOTAL LIABILITIES AND EQUITY	5,058,331	1.3%	4,995,051	4,407,154	2,906,102	2,677,736

Balance Sheet (Horizontal Analysis)

Horizontal analysis is done using 2018 as the base year and shows the development in key elements of the balance sheet over last 5 years.

(2018 as base year)	2022	2021	2020	2019	2018
ASSETS					
CURRENT ASSETS					
Bank Balances and Cash	436	494	186	163	100
Receivables	142	146	123	94	100
Inventories	122	122	92	85	100
	307	341	157	133	100
NON-CURRENT ASSETS					
Investments	186	143	109	106	100
Property, Plant and Equipment	71	52	49	97	100
Right of Use Assets	100	100	100	100	-
Other Non-Current Assets	258	261	269	92	100
	173	166	166	105	100
TOTAL ASSETS	189	187	165	109	100
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Payables	273	286	285	118	100
Short-term Loans	57	48	46	157	100
	167	169	168	137	100
NON-CURRENT LIABILITIES					
Long Term Bank Loans	98	93	95	77	100
Other Non-Current Liabilities	2,110	2,085	2,077	133	100
Lease Liabilities	100	100	100	100	-
Employees' End of Service Benefits	156	194	177	145	100
	280	273	274	112	100
SHAREHOLDERS' EQUITY					
Share Capital	100	100	100	100	100
Share Premium	100	100	100	100	100
Reserves	140	135	127	107	100
Other Non-Distributable Reserves	6,661	5,671	(279)	(161)	100
Retained Earnings/(Loss)	107	128	157	108	100
Equity Attributable to Parent Company	139	137	108	100	100
Non-Controlling Interest	166	168	111	103	100
TOTAL EQUITY	147	146	109	101	100
TOTAL LIABILITIES AND EQUITY	189	187	165	109	100

Balance Sheet (Vertical Analysis)

Vertical analysis is done using Total Assets of the year as base and reflects the proportion of key balance sheet elements as compared to Total Assets of that year.

(Total Assets as the base)	2022	2021	2020	2019	2018
ASSETS					
CURRENT ASSETS					
Bank Balances and Cash	15.6	17.9	7.6	10.2	6.7
Receivables	3.3	3.5	3.3	3.8	4.4
Inventories	0.5	0.5	0.4	0.6	0.8
	19.4	21.8	11.4	14.6	11.9
NON-CURRENT ASSETS					
Investments	5.4	4.2	3.6	5.4	5.5
Property, Plant and Equipment	14.6	10.9	11.7	34.7	38.8
Right of Use Assets	0.9	1.8	2.0	8.3	0.0
Other Non-Current Assets	59.7	61.2	71.3	37.0	43.7
	80.6	78.2	88.6	85.4	88.1
TOTAL ASSETS	100	100	100	100	100
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Payables	8.7	9.2	10.4	6.5	6.0
Short-term Loans	1.7	1.5	1.6	8.3	5.7
	10.4	10.6	12.0	14.8	11.7
NON-CURRENT LIABILITIES					
Long Term Bank Loans	13.6	13.0	15.1	18.6	26.1
Other Non-Current Liabilities	27.6	27.6	31.1	3.0	2.5
Lease Liabilities	1.9	1.8	1.9	7.5	0.0
Employees' End of Service Benefits	0.8	1.1	1.1	1.4	1.0
	43.8	43.4	49.2	30.4	29.6
SHAREHOLDERS' EQUITY					
Share Capital	16.1	16.3	18.5	28.1	30.5
Share Premium	0.7	0.7	0.8	1.3	1.4
Reserves	2.0	1.9	2.0	2.6	2.7
Other Non-Distributable Reserves	7.8	6.7	-0.4	-0.3	0.2
Retained Earnings/(Loss)	3.4	4.1	5.6	5.9	5.9
Equity Attributable to Parent Company	30.0	29.8	26.7	37.5	40.6
Non-Controlling Interest	15.8	16.2	12.1	17.2	18.0
TOTAL EQUITY	45.8	46.0	38.8	54.7	58.7
TOTAL LIABILITIES AND EQUITY	100	100	100	100	100

Income Statement

(SAR '000)	2022	22 vs. 21 % Change	2021	2020	2019	2018
Revenue	993,837	0.9%	985,408	1,020,865	675,884	564,705
Cost of Revenue	(577,687)	7.2%	(538,936)	(597,125)	(415,577)	(342,639)
GROSS PROFIT	416,150	-6.8%	446,472	423,740	260,307	222,066
Selling & Distribution expenses	(15,482)	-6.6%	(16,583)	(20,825)	(32,863)	(16,395)
General & Administration expenses	(170,667)	12.6%	(151,544)	(146,672)	(134,036)	(117,592)
OPERATING PROFIT	230,001	-17.4%	278,345	256,243	93,408	88,079
Financial Charges	(213,580)	4.9%	(203,541)	(133,481)	(47,727)	(50,780)
Share of results from associates	30,831	30.2%	23,682	21,609	27,372	23,745
Other Income / (Loss)	26,440	75.5%	15,068	88,728	10,818	9,283
Net Income Before Zakat	73,692	-35.1%	113,554	233,099	83,871	70,327
Zakat	(18,163)	-1.5%	(18,437)	(16,430)	(5,993)	(4,806)
GROUP NET INCOME	55,529	-41.6%	95,117	216,669	77,878	65,521
Net Income Attributable to SISCO	36,730	-36.5%	57,878	139,413	50,923	46,745
Net Income Attributable to NCI	18,799	-49.5%	37,238	77,256	26,956	18,775
EPS	0.45	-36.5%	0.71	1.71	0.62	0.57

Notes:

• Certain comparative figures in the financial statements have been reclassified to conform to this year's presentation.

• Main variances in profitability and operating results are explained in the sections of 'Analysis of Financial Results' and for each business under each company's profile.

Income Statement (Horizontal Analysis)

Horizontal analysis is done using 2018 as the base year, and shows the development in key elements of the income statement over the last 5 years.

(2018 as base year)	2022	2021	2020	2019	2018
Revenue	176	174	181	120	100
Cost of Revenue	169	157	174	121	100
GROSS PROFIT	187	201	191	117	100
Selling & Distribution expenses	94	101	127	200	100
General & Administration expenses	145	129	125	114	100
OPERATING PROFIT	261	316	291	106	100
Financial Charges	421	401	263	94	100
Share of results from associates	130	100	91	115	100
Other Income / (Loss)	285	162	956	117	100
Net Income Before Zakat	105	161	331	119	100
Zakat	378	384	342	125	100
GROUP NET INCOME	85	145	331	119	100
Net Income Attributable to SISCO	79	124	298	109	100
Net Income Attributable to NCI	100	198	411	144	100

Income Statement (Vertical Analysis)

Vertical analysis is done using Revenue of the year as base and reflects the proportion of key income statement elements as compared to Total Revenue of that year.

(Revenue as the Base)	2022	2021	2020	2019	2018
Revenue	100	100	100	100	100
Cost of Revenue	(58.1)	(54.7)	(58.5)	(61.5)	(60.7)
GROSS PROFIT	41.9	45.3	41.5	38.5	39.3
Selling & Distribution expenses	(1.6)	(1.7)	(2.0)	(4.9)	(2.9)
General & Administration expenses	(17.2)	(15.4)	(14.4)	(19.8)	(20.8)
OPERATING PROFIT	23.1	28.2	25.1	13.8	15.6
Financial Charges	(21.5)	(20.7)	(13.1)	(7.1)	(9.0)
Share of results from associates	3.1	2.4	2.1	4.0	4.2
Other Income / (Loss)	2.7	1.5	8.7	1.6	1.6
Net Income Before Zakat	7.4	11.5	22.8	12.4	12.5
Zakat	(1.8)	(1.9)	(1.6)	(0.9)	(0.9)
GROUP NET INCOME	5.6	9.7	21.2	11.5	11.6
Net Income Attributable to SISCO	3.7	5.9	13.7	7.5	8.3
Net Income Attributable to NCI	1.9	3.8	7.6	4.0	3.3

Key Ratios

	2022	2021	2020	2019	2018
LIQUIDITY RATIOS					
Current Ratio	1.9	2.1	0.9	1.0	1.0
Quick Ratio	1.8	2.0	0.9	0.9	1.0
Cash to Current Liabilities	1.5	1.7	0.6	0.7	0.6
Cash Flow from Operations to Sales	0.2	0.2	0.3	0.4	0.3
CAPITAL STRUCTURE RATIOS					
Debt-Equity Ratio	0.3	0.3	0.4	0.5	0.5
Financial Leverage Ratio	0.8	0.9	0.6	1.2	1.4
Interest Cover Ratio	1.3	1.6	2.7	2.8	2.4
ACTIVITY RATIOS					
Average Collection Period	34.0	36.8	30.7	42.1	44.0
Fixed Assets Turnover	0.3	0.3	0.3	0.3	0.3
Total Assets Turnover	0.2	0.2	0.2	0.2	0.2
Accounts Receivables Turnover	5.9	5.7	7.0	6.1	4.8
PROFITABILITY RATIOS					
Gross Profit Margin (%)	48.7	48.5	49.2	38.5	39.3
Operating Profit Margin (%)	26.9	30.2	29.7	13.8	15.6
Net Profit Margin (%)	4.3	6.3	16.2	7.5	8.3
Return on Assets (%)	1.1	1.9	4.9	2.7	2.4
Return on Equity (%)	2.4	3.9	11.9	4.7	4.3
EBITDA Margin to Sales (%)	46.2	49.8	52.0	42.8	48.0
INVESTMENT / MARKET RATIO					
Price Earnings Ratio	45.1	43.3	18.9	31.6	19.0
Market Price per Share (SAR)					
• At the end of the year	20.3	30.7	32.4	19.6	10.8
• Highest during the year	35.3	53.0	33.5	19.9	16.2
• Lowest during the year	19.3	10.7	13.1	10.7	10.8
Book Value per Share (SAR)	18.6	18.2	14.4	13.4	13.3
EBITDA Multiple	3.6	5.1	5.0	5.5	3.3
EV/EBITDA	5.3	6.4	6.7	8.9	7.5

Key Financial Data

	2022	2021	2020	2019	2018
Balance Sheet (SAR '000)					
Share Capital	816,000	816,000	816,000	816,000	816,000
Reserves	99,785	96,115	90,324	76,383	71,290
Shareholders' Equity	1,515,922	1,486,044	1,174,581	1,091,093	1,088,234
Long-term Borrowing	685,960	648,147	665,663	540,390	699,027
Capital Employed	4,532,506	4,463,080	3,879,433	2,475,622	2,363,717
Property, Plant, & Equipment	738,803	545,107	514,436	1,008,201	1,039,960
Right of Use Assets	45,497	90,132	86,918	241,825	-
Other Non-Current Assets	3,010,724	3,052,853	3,141,574	1,070,385	1,162,103
Profit & Loss (SAR '000)					
Sales	993,837	985,408	1,020,865	675,884	564,705
Gross Profit	416,150	446,472	423,740	260,307	222,066
Operating Profit	230,001	278,345	256,242	93,408	88,078
Profit before Zakat and NCI	73,692	113,554	233,099	83,872	70,327
Net Profit	36,730	57,878	139,413	50,923	46,745
EBITDA	458,906	490,841	530,424	289,543	220,193
Earnings per Share	0.45	0.71	1.71	0.62	0.57
Cash-flow (SAR '000)					
Cash Flows from Operating Activities	213,215	236,272	355,907	256,064	183,951
Cash Flows from Investing Activities	(525,745)	511,448	(194,694)	(23,726)	20,742
Cash Flows from Financing Activities	(71,958)	(191,880)	(119,779)	(117,821)	(174,817)
Change in Cash and Cash Equivalents	(384,488)	555,840	41,433	114,517	29,876
Closing Cash and Cash Equivalents	507,885	892,374	336,534	295,101	180,584
Capitalization					
Closing Price (SAR per Share)	20.30	30.7	32.4	19.60	10.84
Market Capitalization (SAR million)	1,656	2,505	2,643	1,599	885
Enterprise Value (SAR million)	2,443	3,144	3,579	2,585	2,040
Numbers of Shares Issued (SAR million)	81,600	81,600	81,600	81,600	81,600
Operational Statistics					
Containers ('000 TEUs)	2,865	2,937	2,667	1,959	1,581
No. of Vehicles	1,534	3,915	1,761	4,688	7,348
General Cargo (metric tons)	94,468	65,824	48,505	73,881	63,720
Water Production (million m3)	15.5	16.9	16.9	16.7	17.3

Geographical Analysis of Revenue

The Group's consolidated subsidiaries principally operate in western region of the Kingdom.

Company (SAR '000)	2022			2021		
	WESTERN	CENTRAL	EASTERN	WESTERN	CENTRAL	EASTERN
RSGT	812,929	-	-	788,090	-	-
LOGIPOINT	52,320	-	-	60,810	-	-
KINDASA	87,445	-	-	96,340	-	-
ISNAD	41,143	-	-	40,168	-	-
	993,837	-	-	985,408	-	-
Total		993,837			985,408	

SISCO's associated entities, whose revenues are not consolidated in SISCO's financial statements, operate across the Kingdom and their revenue break-down is as follows:

Company (SAR '000)	2022			2021		
	WESTERN	CENTRAL	EASTERN	WESTERN	CENTRAL	EASTERN
TAWZEA	213,002	199,697	-	122,181	144,186	-
S.A. Talke	66,373	-	241,348	64,584	-	211,874
	279,375	199,697	241,348	186,765	144,186	211,874
Total		720,420			542,825	

Bank Loans and Debt Instruments

No.	Company (Sar '000)	Lender	Start Year	Original Principal	Balance 1/1/2022	Drawdowns	Repayments	Balance 31/12/2022
1	RSGT	Al Rajhi/BSF	2020	793,771	674,626	-	(71,439)	603,187
			2020	750,000	95,000	80,000	-	175,000
2	KINDASA	SABB	2016	24,000	3,100	-	(1,771)	1,329
3	Logipoint	NBK	2022	290,000		37,217	-	37,217
Total				1,857,771	772,726	117,217	(73,210)	816,733

Repayment Schedule

	Al-Rajhi/BSF (1)	Al-Rajhi/BSF (2)	SABB	Logipoint	Total
Less than one year	74,218	11,095	1,329	1,150	87,792
From 1 to 2 years	76,837	15,190	-	3,680	95,707
From 2 to 5 years	247,895	49,052	-	12,625	309,572
More than 5 years	204,237	99,663	-	19,762	323,662
Closing	603,187	175,000	1,329	37,217	816,733

Payments to Government Authorities

Institution (Sar '000)	2022		Description
	Paid During The Year	Due Up To End Of 2022 And Has Not Been Paid	
General Authority of Zakat and Tax	27,548	1,903	Received after the year end.
General Organization of Social Insurance	13,315	1,047	Received after the year end.
Ministry of Interior for Passport/Visa Services	3,320	-	
Department of Customs	3,512	125	Received after the year end.
Saudi Ports Authority	190,930	17	Received after the year end.
TOTAL	238,625	3,092	